

**TOWN OF APPLE VALLEY
TOWN COUNCIL/REDEVELOPMENT AGENCY**

**SPECIAL MEETING
MINUTES – August 25, 2011**

OPENING CEREMONIES

CALL TO ORDER:

Mayor Nassif called to order the meeting of the Apple Valley Town Council at 5:00 p.m.

Roll call was taken with the following members present:

Roll Call

Present: Boardmember/Council Member Coleman; Boardmember/Council Member Emick;
Boardmember/Council Member Roelle; Vice-Chair/Mayor Pro Tem Stanton; Chair/Mayor Nassif
Absent: None.

PLEDGE OF ALLEGIANCE: The Pledge of Allegiance was led by Council Member Roelle

ANNOUNCEMENTS

Mayor Nassif announced that at the request of staff and recommendation of legal counsel, Item Number 3 on tonight's agenda will be tabled.

PUBLIC COMMENTS

Dave Mueller, highdesertpolitics.org, expressed concern regarding the Town's decision to have a Special Meeting to discuss the stay issued by the Supreme Court. He felt enough notice was not given to the general public regarding the meeting. He commented on the item on the agenda that has been tabled.

Mayor Nassif responded to the concerns expressed by Mr. Mueller. He stated that the announcement of the Special Meeting was made at the last Town Council Meeting. He also stated that the League of Cities is currently working on making available to the Town Clerk the use of electronic media for notices of meetings.

BUSINESS OF THE COUNCIL

1. Selection of Town Council Voting Delegate And Voting Alternate To League Of California Cities' 2011 Annual Conference

Mayor Nassif commented on the items that would be voted on at the Conference.

Council Member Coleman recommended the nomination of Mayor Nassif as Voting Delegate representing the Town of Apple Valley to the League of California Cities' 2011 Annual Conference

MOTION

Motion by Council Member Coleman, seconded by Council Member Emick, and unanimously carried to nominate Mayor Nassif as Voting Delegate representing the Town of Apple Valley to the League of California Cities' 2011 Annual Conference

Mayor Pro Tem Stanton recommended the nomination of Council Member Emick and Council Member Coleman as Voting Alternates representing the Town of Apple Valley to the League of California Cities' 2011 Annual Conference

MOTION

Motion by Mayor Pro Tem Stanton, seconded by Council Member Roelle, and unanimously carried to nominate Council Member Emick and Council Member Coleman as Voting Alternates representing the Town of Apple Valley to the League of California Cities' 2011 Annual Conference

2. Resolution of the Redevelopment Agency of the Town of Apple Valley Approving and Adopting an Enforceable Obligation Payment Schedule Pursuant to AB1x 26.

Kenneth Henderson, Assistant Town Manager, Economic and Community Development, responded to the concerns expressed by Mr. Mueller regarding the need to call a Special Meeting. He explained that the stay issued by the Superior Court on August 11, 2011 required significant legal analysis due to various issues; as a result, the League and CRA have filed two motions for clarification to the State Superior Court. He also commented on the timing associated with staff having to prepare the schedule which made it impossible to complete the work necessary to include on the last agenda.

Mayor Nassif requested to know what would happen if the item was continued to the next Council Meeting on September 13, 2011.

Mr. Henderson responded that the deadline for adopting the schedule is August 28, 2011. He added that the significance of that date is the 60 days from the date the Governor signs the Redevelopment Restructuring Act.

Mr. Henderson proceeded to present the staff report as filed with the Town Clerk's office. He explained, for the benefit of the Council, the primary differences between the schedule that was originally submitted to the Council and the revised schedule in tonight's agenda. He noted that without the adoption of the schedule, the department will not be able to continue to operate as a Redevelopment Agency.

Discussion ensued regarding whether or not there is a need for the Council to vote on each individual payment in the schedule.

David Mueller, highdesertpolitics.org, expressed concern regarding the AMCAL Loan Agreement. He read into record the minutes from the State Supreme Court decision. He noted that Sections 34161 through 34167 of the Health and Safety Code which defines whether or not you can encumber more debt was not part of the stay. He questioned the decision to table this item and felt that the public was not given the opportunity to review it.

Kenneth Henderson, Assistant Town Manager, Economic and Community Development, responded to Mr. Mueller's concerns. He explained the reasons why the agreement was structured into a loan agreement. He noted that the item on tonight's agenda is simply to extend the term of the loan agreement for 180 days in order to complete the Disposition Development Agreement and avoid potential problems with excess surplus issues; however, because the extension may be problematic in terms of AB1x 26, the Town Attorney has recommended that the item be tabled. Mr. Henderson clarified that these are not federal funds and they are not related to the redevelopment elimination bills in any way.

Haviva Shane, Town Attorney, clarified for the benefit of the Council and public that the Enforceable Obligation Payment Schedule is a list of existing obligations and that the AMCAL Agreement is still in effect for another 60 days even with tabling it. She reiterated there is no problem with adopting the Enforceable Obligation Payment Schedule because the AMCAL Agreement has already been approved by the Council and it would not create any new debt.

Mayor Pro Tem Stanton requested to know what will happen to the senior housing project if the Town were to shut the doors on redevelopment.

Mr. Henderson stated that the loan agreement with AMCAL takes into account what is occurring in the redevelopment arena; therefore, the agency has shut down any activities associated with AMCAL in order to avoid legal expenses. Mr. Henderson stated that they would like to receive some legal clarity before they commence construction on the project.

Council Member Roelle stated that while he opposed the AMCAL payment and loan agreement, he believed that the RDA monies are valuable to Town projects including the Yucca Loma Bridge that will help to improve the quality of life; therefore, he will support it.

Mayor Pro Tem Stanton stated she voted against the AMCAL project but agrees with the comments by Council Member Roelle. She stated that the RDA is important to the Town's growth.

Mr. Henderson noted that, at this time, the Yucca Loma Bridge project is not included in the Enforceable Obligation Payment Schedule; however, the Town is working diligently to get to a point to be able to bid it out and award it prior to any negative action taken against the Redevelopment Agency. He stated that the Town will have an opportunity to amend the Enforceable Obligation Schedule in the future to include projects such as the Yucca Loma Bridge.

MOTION

Motion by Council Member Coleman, seconded by Council Member Emick, to approve and adopt Resolution No. 2011-04, an Enforceable Obligation Payment Schedule in compliance with ABx1 26.

Vote: Motion carried 5-0-0-0

Yes: Councilmember's Coleman; Emick; Roelle; Mayor Pro Tem Stanton; Mayor Nassif.

Absent: None.

3. First Amendment to the Loan Agreement Between the Redevelopment Agency of the Town of Apple Valley and AMCAL Multi-Housing, Inc.

Mayor Nassif reminded the public that this item has been tabled at the request of staff and recommendation of legal counsel.

David Mueller, highdesertpolitics.org, expressed concern regarding this item. He encouraged the Council and public to read Sections 34161 through 34167 of Divisions 24, Part 1.8 of the Health and Safety Code that the Supreme Court did not stay in ABx1 26.

ADJOURNMENT

Motion by Council Member Coleman, seconded by Council Member Roelle, and unanimously carried to adjourn the meeting of the Apple Valley Town Council at 5:26 p.m.

Town Clerk

Mayor