

**SPECIAL MEETING
CALIFORNIA CITY REDEVELOPMENT AGENCY
TUESDAY, March 7, 2011 5:30 p.m.
Council Chambers, 21000 Hacienda Blvd.
MINUTES**

OPENING CEREMONIES

The meeting was called to order at 5:32 p.m. by Chairman Lessenevitch. Following the pledge of allegiance the Deputy City Clerk Sprague called the roll.

PRESENT: Fuller, McGuire, Smith, Bohannon, Lessenevitch

ABSENT: None

ADOPT AGENDA

Motion by Director Fuller, second by Director Smith to adopt the agenda.
Motion carried 5-0

CONTINUED BUSINESS

CB 1. Award Contract / Legends of Desert Jade: J.M. Williams Construction

Due to Conflict of Interest, Chairman Lessenevitch recused himself and turned the meeting over to Vice Chairman Bohannon.

Executive Director Weil reported that the City Clerk opened sealed bids for the Legends of Desert Jade on February 28, 2011, at 2pm. The office of the City Engineer has reviewed and qualified the lowest of the three bidders, J.M. Williams Construction, Inc. The City is allowing 60 working days for the contractor to complete the project with an estimated start date of March 21, 2011. Staff is recommending the board to accept the bid and execute an agreement with J.M. Williams Construction, Inc.

Motion by Director McGuire, second by Director Fuller to award the contract for the Legends of Desert Jade project to J.M. Williams, Construction, Inc in the amount of \$159,800.00 Roll call vote as follows:

AYES: Fuller, McGuire, Smith, Bohannon

NAYS: None

ABSENT: None

ABSTAIN: Lessenevitch

Note that Chairman Lessenevitch has regained control as Chair.

NEW BUSINESS

NB 1. Transfer of RDA Properties to the City of California City

Executive Director Weil reported that the 10 members of the Budget Conference Committee voted, 6-4, to move the Governor's proposal to eliminate redevelopment agencies to both houses for a vote by the Assembly and Senate members. This could take place as early as Wednesday of next week (3/16) It is a concern that such action will strip properties from the Agency which would deprive the taxpayers of California City the investments made for infrastructure development as well as control of such development. Mr. Weil noted that there does need to be a modification to the listing of properties. Due to FAA requirements for future grant funding, all airport properties must be owned by the Redevelopment Agency. Therefore the RDA Hanger Complex needs to be removed from the list of properties to be transferred.

Staff recommends that the Agency move to convey the RDA owned properties to the City of California City, excluding the Hanger Complex property. (see attached listing)

The Board received clarification from staff on some of the properties which had or have DDA's attached to them as well as how certain ones were recorded with the county.

Motion by Vice Chairman Bohannon, second by Director Fuller to approve the transfer with the discussed amendment. Roll call vote as follows:

AYES: Fuller, McGuire, Smith, Bohannon, Lessenevitch

NAYS: None

ABSENT: None

ABSTAIN: None

NB 2. Legends Property Transfer and Contract / Desert Jade Corp

Executive Director Weil reported that in order to continue the current and planned construction of the Legends senior project staff recommends that those affected properties and funding be transferred to the Desert Jade Corp to complete. Also the agency will, by grant deed, transfer the 6 completed structures to the corporation. It is the concern of staff that if it is voted on to put a moratorium on any activity that we will be left with one duplex and not be able to complete out the remaining structures planned in the project. The Desert Jade Corp is non-profit, which was originally established back when the first Desert Jade was built. The current board of directors is willing to accept responsibility for the build out and the transfer of funds, and in turn they will also monitor the construction agreement previously approved with J.M. Williams Construction. The City will also take part in the monitoring of the contract. We are trying to distance ourselves from the agency with this project so we do not get tied up in

litigation. We do not want to transfer this property to the city due to the issue of the transfer of low/mod housing funds, which would trigger the requirement that the project have prevailing wage. Staff is recommending the transfer of affected properties and to authorize the Executive Director of the agency to sign all necessary documents to continue the senior project. It was reiterated that the funds transferred could only be used for the Legends project.

At this time Attorney Lemieux recommended that Chairman Lessenevitch abstain from this item, due to his business affiliation with Jim Williams of J.M. Williams Construction.
Chairman Lessenevitch recused himself and turned the meeting over to Vice Chairman Bohannon

Motion by Director Fuller, second by Director McGuire to approve the transfer of affected properties, funds and the agreement with Desert Jade Corporation as presented. (see attached listing of properties)

It was also confirmed by staff that the 6 rental monies received can be set aside for maintenance and future construction of more units.

Motion by Director Fuller, second by Director McGuire to amend the original motion to include the set aside of monies collected by the 6 rental units for future construction. Roll call vote as follows:

AYES: Fuller, McGuire, Smith, Bohannon

NAYS: None

ABSENT: None

ABSTAIN: Lessenevitch

ADJOURNMENT:

Motion by Director Smith, second by Director Fuller to adjourn at 6:12 pm.
Motion carried.

Respectfully Submitted:

Denise Hilliker
Agency Secretary

APPROVED BY AGENCY ON _____