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UNTIL APPROVED BY THE
CITY COUNCIL

SPECIAL MEETING OF THE
CITY COUNCIL, CITY OF CULVER CITY,
CALIFORNIA

February 17, 2011
8:04 p.m.

Call to Order & Roll Call

The meeting of the City Council was called to order at 8:04 p.m.

Present: Christopher Armenta, Mayor
Micheál O'Leary, Vice Mayor
Andrew Weissman, Councilmember
Jeffrey Cooper, Councilmember

Absent: D. Scott Malsin, Councilmember - excused

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Invocation/Pledge of Allegiance

The Invocation was given by John Nachbar, City Manager, and the Pledge of Allegiance was led by Richard Rownak.

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Public Comment - Items Not on the Agenda

Councilmember O'Leary invited public comment.

The following member of the audience addressed the City Council:

Richard Rownak requested that the contract of the City Attorney not be renewed when it comes up for renewal next month; he discussed alleged misinformation relating to his complaint; and he requested that before the renewal comes before the City Council that all his complaints and evidence submitted to the City Council and Redevelopment Agency since 2000 be gathered and examined by the City Council and City Manager.

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Joint Item

Item J-1

(1) Adoption of a Resolution of the City Council Approving the Issuance, Sale and Delivery of Tax Allocation Bonds, (2) Adoption of a Resolution of the Redevelopment Agency Authorizing the Issuance, Sale and Delivery of Tax Allocation Bonds, Approving as to Form and Authorizing the Execution and Delivery of Certain Documents in Connection with Such Bonds and Authorizing other Related Actions, (3) Adoption of a Resolution of the Redevelopment Financing Authority Approving the Execution and Delivery of a Bond Agreement, and (4) Approval of Agreements with Bond Consultants in Connection with the Sale and Issuance of 2011 Tax Allocation Bonds for the Culver City Redevelopment Project.

Jeff Muir, Chief Financial Officer, provided a summary of the material of record.

Councilmember O'Leary invited public participation.

The following members of the audience addressed the City Council:

Cary Anderson discussed special meetings and the number of meetings held in February; notification; alleged incorrect information in the attachments; alternative means of notification; and he questioned where the money would come from to pay for the approved projects if the governor eliminates the Redevelopment Agency.

Meghan Sahli Wells commented on the difficulty for most people to read the 150 page report made available one day prior to the meeting; questioned the rush to build a new parking structure; discussed tax increment monies; and questioned priorities and who would be responsible for the costs if the governor eliminates the Redevelopment Agency.

Egon Monostory asserted that the money was allegedly being taken from schools and police in order to subsidize developers and he felt that massive fraud would be the cause of the demise of redevelopment agencies.

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(continued)

Tony Pappas discussed the elimination of redevelopment agencies; asserted that there were allegedly major errors in the document; discussed different types of bonds; requirements and obligations for lawyers; and he expressed concern with whether the meeting had been noticed properly.

Discussion ensued between the City Council and staff regarding the source and amount of tax increment coming to the Redevelopment Agency; clarification that if the legislature eliminates redevelopment, bonded indebtedness will be grandfathered and tax increment would continue to come to Culver City to pay that indebtedness; clarification regarding projects and dollar amounts attributed to those projects; clarification that the parking structures are stand alone projects also used as a method to leverage private reinvestments; efforts to grow the Hayden Tract; improving property at Washington/National Boulevards; taxable bond monies; tax exempt monies used for median improvements through the AIP program; and interest rates.

Daryl Street, representing Fieldman, Rolapp and Associates, discussed the rating on the Redevelopment Agency bonds, interest rates, and the current market.

Discussion continued regarding clarification that the bond proceeds will be used to fund the projects and over time tax increment that comes in will be used to pay the debt service on the bonds; the contribution of commercial versus residential; the tax sharing agreement; the portion of the tax increment going to schools; the General Fund; and clarification that if the tax increment does not cover the bond indebtedness the City is not security for the bonds.

Martin Cole, Assistant City Manager/City Clerk, read a statement from Councilmember Malsin indicating his support for the staff recommendation.

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(continued)

Further discussion ensued between the City Council and staff regarding clarification that the action tonight did not preclude or circumvent the public process for the projects; efforts to secure the financing for the projects; the origin of the proposed projects; redevelopment as a tool to incentivize development; clarification that if the bonds were not issued and the projects were not approved the tax increment would be lost to other taxing entities such as the county or the state general fund; the need for public parking; and guaranteeing the tax increment to pay for the parking.

MOVED BY COUNCILMEMBER WEISSMAN AND SECONDED BY COUNCILMEMBER COOPER, THAT THE CITY COUNCIL ADOPT RESOLUTION NO. 2011-R007 APPROVING THE ISSUANCE, SALE AND DELIVERY OF TAX ALLOCATION BONDS BY THE CULVER CITY REDEVELOPMENT AGENCY.

AYES: Councilmembers Cooper, O'Leary, Weissman, Armenta
NOES: None
ABSTAIN: None
ABSENT: Councilmember Malsin

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Public Comment for Items Not On the Agenda (Continued)

Councilmember O'Leary invited public participation.

The following members of the audience addressed the City Council:

Cary Anderson questioned why there had been no response to his concerns regarding notification; noted previous concerns with missing agenda item reports that were also allegedly ignored; discussed the Planning Commission approval of the Kinston Avenue project; notice for the current meeting; and allegedly ignored requests.

Martin Cole, Assistant City Manager/City Clerk, clarified that there were no legal noticing issues with respect to the current meeting; and he recounted previous efforts to respond to Mr. Anderson's concerns.

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Public Comment
(continued)

Todd Tipton, Redevelopment Administrator, indicated that he could furnish proof of the posting of the agendas for the current meeting.

Tony Pappas indicated that he had not received responses to his complaints about notice or posting of the agendas; he expressed concern that 72-hours notice was allegedly not given for the meetings; and he questioned why it was allowable for the regular meeting of the Finance Authority to be held in February rather than October.

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Receipt of Correspondence

MOVED BY COUNCILMEMBER WEISSMAN AND SECONDED BY COUNCILMEMBER ARMENTA, THAT THE CITY COUNCIL RECEIVE AND FILE CORRESPONDENCE.

AYES: Councilmembers Cooper, O'Leary, Weissman, Armenta
NOES: None
ABSTAIN: None
ABSENT: Councilmember Malsin

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Items from Staff

No action was taken on this item.

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Items from the City Council

Items Presented by Councilmember Weissman:

- Announced the funeral for Pauline Dolce, former City Clerk to be held on February 22, 2011.

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Adjournment

There being no further business, at 9:08 p.m., the City Council adjourned its meeting to a meeting to be held on February 22, 2011.

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Ela Valladares
DEPUTY CITY CLERK of the City of Culver City, California
EX-OFFICIO CLERK of the City Council, City of Culver City,
California

APPROVED _____

CHRISTOPHER ARMENTA
MAYOR of the City of Culver City, California