

**Adjourned Regular Minutes
City Council/Redevelopment Agency
City of Huntington Beach**

Monday, August 9, 2004
5:00 P.M. - Council Chambers
Civic Center, 2000 Main Street
Huntington Beach, California 92648

A videotape of this meeting is on
file in the Office of the City Clerk.

Call to Order

Mayor Green called the adjourned regular meetings of the City Council/Redevelopment Agency of the City of Huntington Beach to order at 5:00 p.m. in the Council Chambers.

City Council/Redevelopment Agency Meeting Roll Call

Present: Sullivan, Coerper, Hardy, Green, Boardman, Cook
(Councilmember Houchen had requested permission to be absent from the meeting pursuant to Resolution No. 2001-54.)
Absent: Houchen

Public Comments

Ed Kerins, speaking on behalf of Huntington Beach Tomorrow, expressed appreciation for the Finance Board's efforts and agreement with the Board's recommendations to Council. Mr. Kerins also commended staff on the quality of this year's budget document.

The City Clerk Announced Late Communications

Pursuant to the Brown (Open Meetings) Act, City Clerk Joan L. Flynn announced Late Communications regarding agenda items that had been received by her office following distribution of the agenda packet:

Communication submitted by the Administrative Services Department dated August 9, 2004 titled *Fiscal Year 2004/2005 Budget Presentation*, which is a revision of the PowerPoint Report included in the agenda packet.

Request received from Ed Kerins that the document titled *Fiscal Year 2004/2005 General Fund Overview – General Fund Revenue* be available for viewing at the August 9th meeting.

Communication from the Administrative Services Department titled *City of Huntington Beach 2004 Judgment Obligation Bonds* – A bond purchase agreement for approval per proposed Resolution No. 2004-64, which is on the agenda.

Communication from the City Administrator and the Director of Economic Development dated August 9, 2004 titled *Late Communication for Agenda Item D-2 – Options for Use of Sale Proceeds from 214 Fifth Street*.

(City Council) Confirmed the CDBG (Community Development Block Grant) Allocations for 2004/2005 (340.70)

The City Council considered a communication from the Economic Development Director transmitting the following **Statement of Issue**: On August 2, 2004, City Council approved the 2004/2005 Action Plan for the City's annual entitlement grants from the U. S. Department of Housing and Urban Development (HUD). City Council is asked to clarify the allocations approved for the Community Development Block Grant (CDBG) Public Services category prior to the approved Action Plan being submitted to HUD no later than August 15, 2004.

City Administrator Penelope Culbreth-Graft gave an oral report.

A motion was made by Boardman, second Cook to confirm the CDBG Public Services allocations as approved at the August 2, 2004 City Council meeting, as reflected in the agenda packet column titled *CDBG Allocations With Wells Fargo Grants*.

The motion carried by the following roll call vote:

AYES: Sullivan, Coerper, Hardy, Green, Boardman, Cook
NOES: None
ABSENT: Houchen

(City Council/Redevelopment Agency) Budget Study Session Held – Presentation of Fiscal Year 2004- 2005 Proposed Budget (320.30)

City Administrator Penny Culbreth-Graft and Administrative Services Director Clay Martin presented a PowerPoint report, which was amended by a Late Communication that had been announced by the City Clerk.

Council inquiries followed regarding the frequency of budget updates, the effect on the budget of filling vacancies in the police department, staff overtime expenses for the past year, the expense for CalPERS (California Public Employee Retirement System) contributions, the projected reserve percentage, and the State budget.

A further inquiry from Councilmember Sullivan pertained to Consumer Price Index (CPI) methodology. Council directed staff to prepare a report regarding the methodology used for CPI increases as listed in the PowerPoint report.

Discussion ensued relative to unfunded liabilities. Councilmember Sullivan requested more information on this topic.

Mayor Cathy Green requested staff provide more specific information about the options for use of the surplus funds from the sale of 214 Fifth Street.

Discussion was held relating to the surplus funds and what items and areas would be appropriate for applying these funds.

Councilmembers then made inquiries concerning the five-year Capital Improvement Plan and the availability on the internet of the PowerPoint report presented at the meeting.

Councilmember Coerper complimented Staff on the Budget Report stating that in his opinion, it is much easier to read than prior reports.

(City Council/Redevelopment Agency) Budget Study Session Held – Finance Board Response to the Huntington Beach Tomorrow’s (HBT) Letter Regarding the Budget Process Received and Filed (320.10)

Administrative Services Director Clay Martin presented an oral report. Mr. Martin stated that Staff concurs with much of the Finance Board’s recommendations, and asked Council to follow the recommended action.

The Councilmembers thanked Huntington Beach Tomorrow and the Finance Board for their efforts.

A motion was made by Coerper, second Boardman to Receive and File the Finance Board’s response regarding Huntington Beach Tomorrow’s letter to the City Council regarding the budget process.

The motion carried by the following roll call vote:

AYES: Coerper, Hardy, Green, Boardman, Cook
NOES: Sullivan
ABSENT: Houchen

(City Council) Budget Study Session Held – Update of the Howard Jarvis Property Tax Refund Claims Process Received and Filed (600.05)

Principal Administrative Analyst Peter Grant gave an oral report updating the Howard Jarvis Property Tax Refund Claims processing. The report contained three elements: a refund claims processing update; estimates of the size of the refund and the bond to fund it; and the major project milestones and timeline.

Councilmembers inquired about the procedures currently in place, claim amounts, and the appeal process available to individuals with denied claims.

Mr. Grant announced the toll free phone number for any questions regarding claims and refunds. The number is 1-866-528-2703.

A motion was made by Coerper, second Green to Receive and File the update. The motion carried by the following roll call vote:

AYES: Sullivan, Coerper, Hardy, Green, Boardman, Cook
NOES: None
ABSENT: Houchen

(City Council) Adopted Resolution No. 2004-64 - Authorized the Sale of 2004 Judgment Obligation Bonds Re: Property Tax Refund - Howard Jarvis Claims Processing (630.40)

Communication from the Administrative Services Director transmitted the following **Statement of Issue**: Should the City Council approve a resolution to authorize the sale of Judgment Obligation Bonds not-to-exceed \$12,500,000, to refund certain property taxes collected by the County of Orange on behalf of the city?

Administrative Services Director Clay Martin presented an oral report and announced that the Bond underwriters were present to answer any questions.

A motion was made by Coerper, second Hardy to Adopt **Resolution No. 2004-64** - *“A Resolution of the City Council of the City of Huntington Beach Authorizing the Sale of 2004 Judgment Obligation Bonds and Approving Related Documents and Actions.”*

The motion carried by the following roll call vote:

- AYES: Sullivan, Coerper, Hardy, Green, Boardman, Cook
- NOES: None
- ABSENT: Houchen

(City Council) Councilmember Coerper Thanked Principal Administrative Analyst Peter Grant (120.85)

Councilmember Gil Coerper thanked Peter Grant for his efforts with the Howard Jarvis Property Tax Refund Claims.

Adjournment – City Council/Redevelopment Agency

Mayor Green adjourned the adjourned regular meetings of the City Council/Redevelopment Agency of the City of Huntington Beach to Monday, August 16, 2004, at 5:00 p.m., in Room B-8 Civic Center, 2000 Main Street Huntington Beach, California.

City Clerk and ex-officio Clerk of the City Council of the City of Huntington Beach and Clerk of the Redevelopment Agency of the City of Huntington Beach, California

ATTEST:

City Clerk-Clerk

Mayor-Chairman