

✓

Redevelopment Authority Minutes Meeting of August 17, 2011

City Hall, Council Chambers

7:30 a.m.

Members Present: Messrs. Green, Barr, Von Haden, Huggins, Halloin and Ms. Wildenberg

Staff Present: Messrs. Schatz, Nick Reiter, Mdms. Noland and Casteen

1. **Minutes.**

The minutes of the July 20, 2011, meeting were approved on a motion by Mrs. Wildenberg, seconded by Mr. Green.

2. **Financial Statements.**

Ms. Casteen presented an overview of the financial worth of the Redevelopment Authority for July, 2011. Mr. Green moved to accept the financial report. Mr. Huggins seconded and the motion carried.

3. **Consideration of a proposal from John Mogensen to purchase a portion of Phase II of the North Barstow Redevelopment District.**

Mr. Mogensen stated that he will invest \$2.1 million for the first apartment building on the block, which will include underground and surface parking. The timing for complete build-out of the block will be an investment of \$3 million by the third year and \$4 million by the fourth year. He expressed that he would need up to six years to complete the project, or the RDA can buy back the undeveloped property. He also requested that the City pay the expenses to raise Hobart Street and Galloway Streets out of the flood plain. At this time he had no idea of the projects costs of the street reconstruction of this intersection.

Mr. Nick stated that if the City were to rebuild the streets, that the City would do the reconstruction under the normal assessment policy of the City.

Mr. Mogensen then responded that if the City picked up the costs of Hobart Street, he would then pay the assessments on Galloway Street.

4. **Closed Session.**

Mr. Von Haden moved to convene in a closed session, Mr. Huggins seconded and the motion carried. Mr. Barr left the meeting.

Mrs. Wildenberg moved to reconvene in open session. Mr. Von Haden seconded and the motion carried.

5. **Motion to approve a purchase and development agreement with John Mogensen for property in the Phase II North Barstow Redevelopment District from N. Barstow Street west to Hobart Street.**

Mr. Halloin chaired the meeting.

Mr. Nick reported on the results of the discussions with Mr. Mogensen and stated that there is still no agreement under the directions of the RDA. He also reminded the RDA that the exclusive time period reserved for negotiations with Mr. Mogensen has expired. There are two unresolved items: the street reconstruction costs, and the length of time for completion of the project.

Mr. Huggins stated that the six-year term as requested by Mr. Mogensen is unacceptable, but felt that the negotiations time period could be extended to the next meeting on October 19, 2011, to address the two remaining issues.

Mr. Huggins then moved to extend the time period for negotiations for a similar project as presented with a \$4 million investment at fair market value and it be consistent with the previous proposed agreement with a four-year time period for build-out. The understanding is that other developers can also submit proposals at this time and be submitted to the office by October 14, 2011. Mr. Green seconded and the motion carried.

6. **Consideration of a representative from the RDA to serve on the citizens advisory committee for the City's Waterway Plan update.**

Mr. Green stated that he would be interested in serving for the RDA. Mrs. Wildenberg moved to appoint Mr. Green as the RDA's representative. Mr. Huggins seconded and the motion carried.

7. **Acceptance of the Independent Auditor's Report for 2009 and 2010.**

Mrs. Noland presented the independent Auditors' Report as prepared by Baker-Tilly for the RDA for the years ending in December 31, 2009 and 2010.

Mr. Von Haden moved to accept the report. Mrs. Wildenberg seconded and the motion carried.

8. **Next meeting.**

The next meeting will be October 19, 2011 unless a special meeting is called.



Jeff Halloin, Secretary