



Minutes of the **Meeting of the Board of Directors of the Redevelopment Agency of Riverdale City** held Tuesday, **June 20, 2006** at 7:11 pm at the Riverdale Civic Center, 4600 South Weber Drive.

Members Present: Bruce Burrows, Chairman
David Gibby
Stacey Haws
Shelly Jenkins

Members Excused: Doug Peterson
Gary Griffiths

Others Present: Larry Hansen, Executive Director; Stevin Brooks, City Attorney; Marilyn Hansen, City Recorder; other city staff and approximately 9 citizens.

A. Welcome and Roll Call

Chairman Burrows called the meeting to order at approximately 7:33 p.m. and welcomed all those present. He noted that Board Members Peterson and Griffiths were out of town and had asked to be excused.

B. Informational Items

1. Open Communications

Chairman Burrows called for open communications. No comments were given during Open Communications.

C. Consent Items

1. Consideration of the June 6, 2006, RDA meeting minutes.

Chairman Burrows reported the Redevelopment Board has before them the minutes of the June 6, 2006 RDA meeting minutes and asked if there were any changes

Motion: Mr. Gibby moved to approve the consent items as presented. Mr. Haws seconded the motion.

Call the Question:

The motion passed unanimously.

D. Action Items

1. Executive Director

a. Consideration of Budget – Fiscal Year 2005-2006

1. Consideration of Resolution R2-2006 amending the current operating budget.

Mr. Hansen reported that the Board has the budget information as presented at the City Council meeting which includes the RDA budget and he is recommending approval.

Motion: Mr. Haws moved to approve Resolution R2-2006, A RESOLUTION OF THE REDEVELOPMENT AGENCY OF RIVERDALE CITY AMENDING THE BUDGET FISCAL YEAR 2006 (JULY 1, 2005 – JUNE 30, 2006). Mr. Gibby seconded the motion.

Call the Question:

Roll Call Vote: Mr. Haws, Yes; Mr. Gibby, Yes; Ms. Jenkins, Yes. The motion passed unanimously.

b. Consideration of Budget – Fiscal Year 2006-2007

1. Consideration of Resolution R3-2006 adopting the FY 2007 Amendments Log to the Tentative Budget.

Mr. Hansen reported that the Board has the Amendments Log that was included in their packet and he is recommending approval.

Motion: Mr. Haws moved to approve Resolution R3-2006, A RESOLUTION ADOPTING THE FISCAL YEAR 2007 AMENDMENTS LOG TO THE TENTATIVE BUDGET FOR THE REDEVELOPMENT AGENCY OF RIVERDALE CITY FOR FISCAL YEAR 2007 (JULY 1, 2006 - JUNE 30, 2007). Mr. Gibby seconded the motion.

Call the Question:

Roll Call Vote: Mr. Haws, Yes; Mr. Gibby, Yes; Ms. Jenkins, Yes. The motion passed unanimously.

2. Consideration of Resolution R4-2006 adopting the Final Budget as amended.

Mr. Hansen explained that the Amendments Log combined with the tentative budget makes up the Final Budget. He is recommending that the Board adopt the Final Budget as amended.

Motion: Mr. Gibby moved to adopt Resolution R4-2006, A RESOLUTION OF THE REDEVELOPMENT AGENCY OF RIVERDALE CITY ADOPTING A BUDGET FOR FISCAL YEAR 2007 (JULY 1, 2006 - JUNE 30, 2007). Mr. Haws seconded the motion.

Call the Question:

Roll Call Vote: Mr. Haws, Yes; Mr. Gibby, Yes; Ms. Jenkins, Yes. The motion passed unanimously.

2. Department of Community Development

a. Status Report – Les Schwab

Randy Daily, Director of Community Development, explained that Les Schwab wanted to give the RDA Board a status report on the re-development of their site in RDA Area 1. He noted that representatives were here from Les Schwab and Ken Garff Nissan.

Mr. David Gibson from Les Schwab Real Estate Department introduced himself and George Bunting who is the project designer for Les Schwab. He noted that he was before the Board a few months ago, asking for an extension. He explained that he has had several meetings with staff and that they are making headway. Mr. Gibson reported that they were asked to make good faith efforts to acquire two properties and eliminate blight. The western property is the rock climbing gym, Kahuna Spas, Brazilian Jujitsu and the Northern Star Bounders. The property on the eastern side is the AmeriCarpet location. Mr. Gibson reported that both properties are currently under contract and they are making headway on the environmental issues. There are three major title stumbling blocks to acquiring the western property. Mr. Gibson reported that they have removed one of the three conditions. The second condition is the right of first refusal and they have received verbal communication from the owner that they are waiving that. The third issue is a long term lease for the rock climbing gym. They currently have a ten year lease and have exercised an extension. Even if they are able to purchase this property, they may be left with a tenant, but discussions are ongoing. He stated that they are hoping to acquire both of the buildings and then tear them down, which is what the city has asked them to do. They have entered into a transaction with Ken Garff to put in a Nissan dealership on this property. Les Schwab would retain their current service building and build a new building which allows Garff Enterprises to maximize the use of their space and works nicely together to integrate with buildings on the block. Mr. Gibson noted that they hope to submit this item to the Planning Commission very soon for their approval. He explained the biggest issue is the long term lease with the rock climbing gym as Northern Star Bounders has built another building and the other tenant is on a month to month lease.

Councilor Jenkins asked if there has been a two-way communication with the rock climbing gym. Mr. Gibson reported that they had one today and have scheduled a conference call for tomorrow. He reported that they are paying far in excess of market value for these properties, and that there is a financial issue in wanting to move quickly as they are getting close to the end of their economic rope with this project. Councilor Jenkins asked if the buildings have a common wall or if they are independent. Mr. Gibson reported that the common wall is between AmeriCarpet and Kuhuna Spas. The Kuhana Spas and the rock climbing gym are one building. He explained that Les Schwab wants to develop a new store on this site. If nothing else, they could tear down the existing showroom and build there, but then there would not be a Nissan dealership.

Mr. Hansen reported that they can take a look back and check what kind of use approvals were provided for that facility by the RDA Board. He noted that there may have been stipulations on when and how that approval was provided. Mr. Gibson thanked the Board for their time. Chairman Burrows expressed appreciation for the good faith effort in moving forward as there was a lot of concern when the extension was granted.

Mr. Craig Rigby from Ken Garff reported that getting approval from Nissan is usually the biggest hang-up to move or start up a dealership. He explained that representatives from Nissan have been out to the site and given their approval.

E. Discretionary Business

None

With no further business to come before the Board at this time, Mr. Gibby moved to adjourn the meeting. Ms. Jenkins seconded the motion. The motion passed unanimously. The meeting adjourned at approximately 7:49 p.m.

Attest:

Approved: July 5, 2006

Larry Hansen, Executive Director

Bruce Burrows, Chairman