



Minutes of the **Meeting of the Board of Directors of the Redevelopment Agency of Riverdale City** held Tuesday, **November 27, 2007** at 6:05 p.m. at the Riverdale Senior Center, 4433 South 900 West.

Members Present: Bruce Burrows, Chairman
 David Gibby
 Stacey Haws
 Gary Griffiths
 Shelly Jenkins
 Doug Peterson

Others Present: Larry Hansen, Executive Director; Steve Brooks, City Attorney; Lynn Moulding, Public Works Director; Randy Daily, Community Development Director; Lynn Fortie, Business Administrator; Dave Hansen, Police Chief; Doug Illum, Fire Chief; and Marilyn Hansen, City Recorder.

A. Welcome and Roll Call

Chairman Burrows called the meeting to order and welcomed all those present. He noted that all Board members were present with the exception of Shelly Jenkins who will join the meeting in progress.

B. Action Items

1. Discussion and Consideration of amending the Real Estate Sale and Purchase contract dated 3-23-07 between the Riverdale Redevelopment Agency and Value Place Real Estate Services, LLC.

Larry Hansen stated that last week he was contacted by Rick Davidson, who is the broker from NAI for Value Place. Mr. Davidson reported Value Place has assigned the financing contract to Liberty who is a franchisee of Value Place and that there are financing problems which could stop the deal from closing. He indicated that Liberty has arranged a \$300-400 million dollar financing package with Goldman Sachs, who may not approve the financing due to the excess acreage.

Shelly Jenkins arrived at 6:08 p.m.

Mr. Hansen reported that Value Place didn't want the entire parcel, but the RDA said they had to buy it in order for the deal to be approved. He stated that Mr. Davidson suggested requesting if the RDA Board would consider picking up the 2.9 acres and letting Value Place buy the original piece they wanted and reduce the purchase price by \$500,000. Mr. Hansen reported that Value Place has acquired another site in West Haven and are closing on that property tomorrow. He reported that Mr. Davidson sent him an e-mail stating that Goldman Sachs wants to see how the West Haven hotel does before building another one three miles to the south and asked for a year extension on their contract with Riverdale City. Mr. Hansen indicated that the RDA has taken this property off the market for one year and put in a lot of time and effort into the approval process and feels that a one year extension without some

kind of consideration is a lot to ask. He asked the Board if they are committed to moving this project forward, would they be in support of selling the property for \$903,093, exclusive of the remainder of the parcel.

Mr. Peterson inquired about the terms for the due diligence period for Value Place and when they had to close. Mr. Hansen reported that Value Place had a period for due diligence which was extended by the agreement and that once the approvals were in place they had 30 days to close on the property. Mr. Peterson stated that he feels there is increased value of that land and that they shouldn't extend the contract, but if they did extend the contract, it would have to include appreciation and interest.

Mr. Gibby stated that he feels the property will be worth much more in the next year and would also want consideration to hold the property at the current price, but not longer than six months.

Motion: Mr. Peterson moved to amend the purchase contract amount to \$903,093 and allow the sale for the land fronting the freeway, leaving the city with 2.9 acres, if Value Place can close by January 1, 2008. Mr. Gibby seconded the motion.

Call the Question:

The motion passed unanimously.

C. Adjournment

With no further business to come before the Board at this time, Mr. Gibby moved to adjourn the meeting. Mr. Peterson seconded the motion. The motion passed unanimously. The meeting adjourned at approximately 6:28 p.m.

Attest:

Approved: December 4, 2007

Larry Hansen, Executive Director

Bruce Burrows, Chairman