

REDDING REDEVELOPMENT AGENCY  
 Special Meeting, 6:00 p.m.  
 Tuesday, September 21, 2010  
 City Council Chambers  
 777 Cypress Avenue  
 Redding, California

## MINUTES

Chair McArthur called the Special Meeting to order at 6:37 p.m., with the following Agency Members present: Bosetti, Dickerson, Jones, and Stegall.

Also present were City Manager Starman, City Attorney Duvernay, Assistant City Manager Tippin, Assistant to the City Manager Clark, City Treasurer Detwiler, Director of Finance Strong, Assistant Public Works Director Aukland, Associate Redevelopment Project Coordinator Bade, City Clerk Mize, and Executive Assistant Tipton.

## CONSENT CALENDAR

**Approval of Minutes** - Regular Meeting of August 16, 2010

### August 2010 Cash Report

(R-030-075)

It was recommended that the August 2010 Cash Report showing total available cash of \$34,381,013.42 be accepted as presented.

### **Resolution - amending the Redding Redevelopment Agency's Rules and Regulations for Implementation of the California Relocation Assistance Law and Property Acquisition Procedures**

(R-030-010-625)

It was recommended that the Resolution No. 2010-10 be adopted, a resolution of the Redding Redevelopment Agency (Agency) amending the Agency's Rules and Regulations for Implementation of the California Relocation Assistance Law and Property Acquisition Procedures, specifically Section 1100, Acquisition Procedures.

**MOTION:** Made by Agency Member Jones, seconded by Agency Member Bosetti, to approve the foregoing items on the Consent Calendar as recommended.

Voting was as follows:

AYES: Agency Members - Bosetti, Dickerson, Jones, Stegall, and McArthur  
 NOES: Agency Members - None  
 ABSTAIN: Agency Members - None  
 ABSENT: Agency Members - None

Resolution No. 2010-10 is on file in the office of the Redevelopment Agency.

### **DISPOSITION AND DEVELOPMENT AGREEMENT - K2 DEVELOPMENT COMPANY, INCORPORATED FOR DEVELOPMENT OF A SINGLE-FAMILY RESIDENCE AT 975 GRANGE STREET**

(R-030-100-010)

Assistant City Manager Tippin provided an overview of the Report to Redevelopment Agency (Agency) dated September 13, 2010, incorporated herein by reference, regarding the selection of K2 Development Company Incorporated (K2), for the development of a single-family residence on Agency-owned property located at 975 Grange Street.

Mr. Tippin reviewed historical information regarding the 10 acres located at the south end of Grange Street. He recalled that in January 2009, the Agency's Board of Directors (Board) authorized staff to move forward with a phased approach for the disposition and development of the property which the Agency purchased in July 2001. As proposed, the first phase would include the development of an affordable single-family residence on Parcel 4 located at 975 Grange Street. The second phase would be the preparation and circulation of a request for proposals for the disposition and development of the remaining three parcels.

Mr. Tippin explained that in July 2010, to facilitate the first phase, staff circulated a Request for Qualifications (RFQ) seeking developers that could demonstrate experience in designing, financing, and constructing a single-family residence on Parcel 4. The objectives outlined in the RFQ included quality design; sensitivity to the surrounding land uses and environment; preservation of the wetland; and leveraging of private capital. Mr. Tippin noted that four respondents submitted Statements of Qualifications: Community Revitalization & Development Corporation, K2, Tauna Lindsay Incorporated, and Weaver Contract Services.

Mr. Tippin stated that subsequently, the four respondents were invited to interviews to further evaluate their qualifications and the development approach that each envisioned for the potential project. The interview panel rated and ranked each respondent and reached a unanimous decision to recommend K2. K2 has an excellent track record on its three previous affordable housing projects with the Agency, with each one efficiently developed and managed and of superior quality. In addition, K2 is invested in the Parkview Neighborhood. They currently own and manage a duplex at 931 Parkview Avenue and are working through the plan check process for a mixed-use development that will house its business office, as well as 11 affordable residential units and one market-rate unit, at 2550 Lanning Avenue. Significantly, K2 has been successful on each of its past projects in securing commercial financial resources to further leverage the Agency's investment. K2 has also invested a large amount of its own cash resources into the projects. The interview panel felt that K2 would be able to undertake the proposed project in a timely, cost effective, and professional manner.

Mr. Tippin noted that under California Community Redevelopment Law, the Agency must initiate physical development of the property for affordable housing purposes within 10 years of acquisition, or sell the property and return the proceeds to the Agency's Low- and Moderate-Income Housing Fund. To meet this requirement, construction activity on the Grange Street property must be initiated by July 10, 2011.

It was recommended that the Agency's Board authorize staff to negotiate a Disposition and Development Agreement with K2 for the potential development of a single-family residence at 975 Grange Street.

Agency Member Jones thanked Mr. Tippin and the Agency's staff for their continual hard work, time, and energy that has been invested relative to this property.

**MOTION:** Made by Agency Member Jones, seconded by Agency Member Bosetti, to authorize staff to negotiate a Disposition and Development Agreement with K2 Development Company Incorporated for the potential development of a single-family residence at 975 Grange Street.

Voting was as follows:

AYES: Agency Members: Bosetti, Dickerson, Jones, Stegall, and McArthur  
 NOES: Agency Members: None  
 ABSTAIN: Agency Members: None  
 ABSENT: Agency Members: None

#### **INFORMATION ITEMS**

The Agency's Monthly Projects Status Report as of September 2010 was presented for information only.

(R-030-010)

The California Redevelopment Agency's *Redevelopment Building Better Communities* for August 2010 was provided for information only.

#### **ADJOURNMENT**

There being no further business, at the hour of 6:45 p.m., Chair McArthur declared the meeting adjourned.

Respectfully submitted,

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MISSY MCARTHUR, Chair

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BARRY TIPPIN, Secretary

September 21, 2010