

REDDING REDEVELOPMENT AGENCY  
 Regular Meeting, 5:15 p.m.  
 Monday, September 20, 2004  
 City Council Chambers  
 777 Cypress Avenue  
 Redding, California

### MINUTES

Vice Chair Mathena called the Regular Meeting to order at 5:30 p.m. with the following Agency Members present: Cibula, Kight, and Pohlmeier. Chair Stegall was absent.

Also present were City Manager Warren, Deputy City Manager Starman, Assistant City Attorney DeWalt, Senior Redevelopment Project Coordinator Morgon, Senior Redevelopment Project Coordinator Thompson, Senior Redevelopment Project Coordinator Tillman, Housing Program Supervisor Meek, Associate Redevelopment Project Coordinator Dent, Housing Specialist White, and Office Services Supervisor Rudolph.

### CONSENT CALENDAR

#### **July 2004 Cash Report**

(R-030-075)

It was recommended that the July 2004 Cash Report showing total available cash of \$35,348,353.60 be accepted as presented.

#### **August 2004 Cash Report**

(R-030-075)

It was recommended that the August 2004 Cash Report showing total available cash of \$36,899,522.63 be accepted as presented.

#### **Transfer of Right-of-Way and Utility Easements - Airport/Rancho Roads Traffic Signal Project**

(R-030-200-200)

It was recommended that the Board approve the transfer of the right-of-way and utility easements that were acquired for the Airport Road/Rancho Road Traffic Signal to the City of Redding.

#### **Expansion of Storefront Improvement Loan Program - Parkview Avenue Corridor**

(R-030-145-350)

It was recommended that the Board approve the expansion of the Storefront Improvement Loan Program to include the Parkview Avenue corridor as depicted in the Report to Redevelopment Agency dated September 2, 2004, incorporated herein by reference.

**MOTION:** Made by Agency Member Kight, seconded by Agency Member Pohlmeier, to approve the foregoing items on the Consent Calendar as recommended. The Vote: Unanimous Ayes

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#### **ACQUISITION OF PROPERTY - 1701 Pine Street**

(R-030-145-010)

Agency Member Cibula abstained from discussion and voting on this item.

Assistant City Manager Starman provided an overview of the Report to Redevelopment Agency dated September 14, 2004, incorporated herein by reference, relative to the acquisition of property located at 1701 Pine Street. He recalled that the Board had authorized staff to pursue the acquisition of the property as a future site for the Riverfront Playhouse. The Chair was further authorized to execute all necessary acquisition documents for the property in the event certain criteria were met, including an acceptable appraisal, no evidence of soil contamination, and confirmation that the structure could be converted to a community theatre. He noted that the estimate for the total acquisition costs has been revised to \$490,000 because additional soil analysis was necessary as part of the due diligence process.

Mr. Starman stated that the Relocation Committee of the Board of Directors of the Riverfront Playhouse has been actively involved in the due diligence process, focusing on evaluating the feasibility of converting the space for its use. Trilogy Architecture has been retained by Riverfront to conduct an initial building analyses, to develop a conceptual plan for the renovation of the building, and to conduct a cost study. He noted that a letter had been received from Riverfront's Board confirming its commitment to raise the funds to purchase the building from the Agency and fund the renovation. Riverfront has also set aside a substantial relocation fund and has been focusing for the past year on developing its capacity to carry out a major capital campaign. The relocation fund is intended to pay pre-development costs and expenses associated with the capital campaign, such as a professional fundraising consultant.

Mr. Starman stated that Trilogy's cost study concludes that the level of renovation required to make the building suitable for live theatre can be accomplished for the original estimate developed in June of approximately \$1 million. Staff and Trilogy, however, feel that it would be prudent to increase the inflation, structural, and electrical contingencies at this time until better information is developed. Together these items amount to an additional \$250,000. Adding the \$490,000 acquisition cost to the renovation costs, the total capital campaign goal would be about \$1.75 million. Riverfront acknowledges the general nature of early cost estimates and is confident that their campaign would be able to raise the total funds that may be required.

Mr. Starman indicated that in the event Riverfront is ultimately unable to complete the acquisition, the Agency would be able to utilize the property for some other redevelopment project. The location is prime and the City owns the remainder of the block to the south. Therefore, the downside risk to the Agency acquiring the property is considered to be relatively low.

It is the recommendation of staff that the Board approve a budget amendment in the amount of \$490,000 and authorize staff to complete the acquisition of property located at 1701 Pine Street.

Agency Member Kight questioned whether the existing business would be permitted to remain at the location for a specified period of time. Mr. Starman responded that the existing lease relationship would continue, as the lease runs through July 2005. During this time, Riverfront would continue with their fund-raising campaign. Upon expiration of the lease, the recommendation would be to continue on a month-to-month basis.

Agency Member Mathena asked whether the Agency would have an obligation to relocate the tenants. Mr. Starman explained that in accordance with State law, the Agency has certain relocation obligations. He estimated the Agency's cost to relocate the business would be approximately \$20,000.

**MOTION:** Made by Agency Member Pohlmeier, seconded by Agency Member Kight, to approve Budget Amendment No. 4 for fiscal year 2004-05 in the amount of \$490,000 and authorize staff to complete the acquisition of property located at 1701 Pine Street.

Voting was as follows:

AYES: Agency Members - Kight, Pohlmeier and Mathena  
 NOES: Agency Members - None  
 ABSTAIN: Agency Members - Cibula  
 ABSENT: Agency Members - Stegall

**NORTH MARKET STREET LANDSCAPE PROJECT - Water Feature Designs**  
 (R-030-050-310)

Assistant City Manager Starman provided an overview of the Report to Redevelopment Agency dated September 13, 2004, incorporated herein by reference, concerning the review of the final water feature designs for the North Market Street Landscape Project. Mr. Starman recalled that the Board had requested to review the final design for both water features prior to proceeding with the preparation of the final construction documents.

Mr. Starman stated that Ralph Alexander's designs for the water features are based on a series of rock-formed pools with water cascading from higher pools into lower pools. Accent lighting, landscaping, and stylized metal sculptures would complete the designs that Mr. Alexander believes tie nicely to the Rotary fountain design elements at Cypress Avenue and Market/Pine Streets and continues that nature theme in the North Market Street corridor leading into Downtown.

Mr. Starman noted that the upper water feature is proposed to be located in the roadside landscape area in the vicinity of the “Welcome to Redding” sign. The design incorporates the use of an existing cobble and gravel bed and trees for a backdrop. The series of cascading pools gradually descend to the level of the sidewalk. Lawn will provide the edge treatment in the area of the sidewalk. The design and location have been approved by Caltrans staff. The cost of the upper water feature is estimated to be approximately \$80,700 and includes a ten percent contingency on top of the overall North Market Street Landscape Project contingency.

The lower water feature is proposed to be located in the median just north of Benton Drive. Caltrans has approved the location and design concept as long as the project incorporates the use of a low-profile concrete barrier designed and patented by the Texas Transportation Institute. The barrier is essentially a low concrete wall that would parallel the curb of the median and could easily be incorporated into the design without being a distraction. Using the high end of the estimate range and including a ten percent contingency, the lower water feature will cost approximately \$95,500.

It is the recommendation of staff that the Board approve the final designs for the two proposed water features to be incorporated into the North Market Street Landscape Project.

In response to Agency Member Kight, Mr. Starman explained that the barrier is unique and has not previously been used in California. The low profile will permit the water feature to be seen, as well as provide safety.

**MOTION:** Made by Agency Member Pohlmeier, seconded by Agency Member Kight, to approve the final designs for the two proposed water features as presented and authorize their incorporation into the North Market Street Landscape Project as outlined in the Report to Redevelopment Agency dated August 13, 2004. The Vote: Unanimous Ayes

#### **PROPOSED MODIFICATIONS TO THE DOWNPAYMENT ASSISTANCE PROGRAM (R-030-100-400)**

Assistant City Manager Starman highlighted the Report to Redevelopment Agency dated September 13, 2004, incorporated herein by reference, outlining the proposed modifications to the Agency’s following programs: Downpayment Assistance Program (DAP), the Neighborhood Focus Area Downpayment Assistance Program (DAP Plus), and the Homeownership Assistance Program (HAP). He noted two major modifications are being proposed in order to keep the program viable. These changes are as follows:

- *Increase the maximum purchase price:* The maximum purchase price will be set at 95 percent of the median area purchase price for a single-family home in Redding. The purchase price will be reviewed annually to determine if the price needs to be changed. A recent review has determined the median sales price to be \$249,900, therefore, the maximum purchase price being proposed is \$237,400.
- *Increase the loan amount:* Loan amounts will be increased as follows: low – up to 30 percent of the purchase price not to exceed \$50,000; median – up to 15 percent of the purchase price not to exceed \$35,000; and moderate – up to 10 percent of the purchase price not to exceed \$20,000.

He stated that additional minor modifications are proposed and are outlined in Exhibit 1 of the Report to Redevelopment Agency.

**MOTION:** Made by Agency Member Pohlmeier, seconded by Agency Member Kight, to adopt the proposed modifications to the following Agency Policies as outlined in Exhibit 1 of the Report to Redevelopment Agency dated September 13, 2004: Downpayment Assistance Program, the Neighborhood Focus Area Downpayment Assistance Program, and the Homeownership Assistance Program. The Vote: Unanimous Ayes

#### **INFORMATION ITEMS**

The Agency’s Monthly Projects Status Report as of September 2004 was presented for information only.

The California Redevelopment Agency’s *Redevelopment Journal* for August 2004 was provided for information only.

**ADJOURNMENT**

There being no further business, at the hour of 5:50 p.m., Vice Chair Mathena declared the meeting adjourned.

Respectfully submitted,

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JOHN R. MATHENA, Chair

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KURT STARMAN, Secretary