

## **EXECUTIVE SESSION**

March 12, 2012

Elected Officials Present: Councilmembers Carter, Connor, Lockman, Sloane, Brown, Fleming, Trout, Louis, Tierney, Mayor Riskie

Other official present: Ronda Abbruzzese, Michael Aimino, Karl Kinkler, Roy Duffield, Robert Law

## **MINUTES**

President Tierney stated that some issues have come up that we need to negotiate with RPM. She has asked our attorney Mr. Aimino to explain to Council so they fully understand the matter.

Mr. Aimino, City Attorney, took the floor to brief Council on the G. G. Green Building negotiations with RPM. The sticking point is that, should RPM be unable to complete the project within 5 years, they want the City to reimburse them for their expenses in shoring up & stabilizing the building, including a new roof, up to \$750,000.

The reimbursement would only become an issue if they do not complete the project as intended. Of course we have every expectation that they will complete the project. They have a good track record with projects like this one & they're not likely to walk away. They are already preparing their LIHTC application and have recently learned they might be eligible for Historic Preservation tax credits if they restore part of the building. They hope to have site plan approval by May 1.

They claim they have already put out \$192,000.00 for the project, including purchase of the Chinese Restaurant, engineering Costs, and environmental Costs. However the City has also had some expenses, including \$50,000 to redeem tax liens, plus engineering studies, emergency fencing, etc.

Mr. Fleming pointed out that if they do not complete the project we will be left with a stabilized vacant building which is preferable to what is there now. By then the economy will (hopefully) be on the upswing and the light rail project will be complete or nearly so. In that case if we have to take the building back it will be more marketable. Mr. Law mentioned that the reimbursement monies could be reserved out of our redevelopment bond if needed.

Council members questioned if we can negotiate the dollar amount of reimbursement (e.g. pay half of the cost, up to \$750k total). Mr. Aimino indicated that he's already attempted to do so but so far they're not willing to budge.

Council advised Mr. Aimino to contact the Redevelopment Attorney, Mr. Cappelli again and tell him that the City will consider the request but wants a 60 days extension on the Memorandum of

Understanding to further discuss their options. If we successfully conclude the negotiations there will be a resolution & ordinance at our next meeting to authorize sale of the property to RPM.

When we go back into open session we will vote on Res. # 12-81, to extend the MOU an additional 60 days. (note: Res. 12-81 was approved)

Motion by Mr. Sloane to close the executive session was unanimously approved.

Respectfully submitted,

**ROY A. DUFFIELD**  
City Clerk