

**REGULAR MEETING OF
BELMONT REDEVELOPMENT AGENCY
Tuesday, July 08, 2008 7:30 PM
CITY COUNCIL CHAMBERS, ONE TWIN PINES LANE**

CALL TO ORDER 9:33 P.M. (City Council meeting held prior.)

ROLL CALL

Directors Present: Braunstein, Dickenson, Feierbach, Wozniak, Lieberman

Directors Absent: None

Staff Present: Executive Director Crist, Agency Attorney Zafferano, Finance Director Fil, Public Works Director Davis, Community Development Director de Melo, Project Planner Ouse, Agency Special Counsel Rosenthal, City Treasurer Violet, Agency Secretary Cook

AGENDA AMENDMENTS

Director Feierbach requested the removal of Item 4-B (Emmett House Project Update, City Contract 478) from the Consent Agenda for separate consideration.

Agency Clerk Cook stated that a member of the public requested the removal of Item 4-C (Resolution Approving Re-issuance of Request for Proposals for Shoreway Place Project) for separate consideration.

ITEM APPROVED ON CONSENT CALENDAR

Approval of Minutes of Special Meeting of May 27, 2008 and Regular Meeting of June 10, 2008

ACTION: On a motion by Director Dickenson, seconded by Director Feierbach, the Consent Calendar was unanimously approved, as amended, by a show of hands.

Emmett House Project Update, City Contract 478

In response to Director Feierbach, Public Works Director Davis clarified that the expense to address the structural issue with the Emmett House would be covered by the budget contingency.

ACTION: On a motion by Director Feierbach, seconded by Director Wozniak, the Emmett House Project Update was unanimously accepted by a show of hands.

Resolution Approving Re-issuance of Request for Proposals for Shoreway Place Project

Michael Brown, representing Motel 6, reviewed the motel's operations. He noted that the motel property and adjacent area has long been identified for development potential. He stated that Motel 6 has not had a chance to meet with Bohannon Company to discuss this matter, and they may have a conflict of interest. He requested an additional 60 days to study a partnership potential with Bohannon and the City.

Finance Director Fil stated that staff was encouraged that Motel 6 is interested in working with Bohannon. All parties desire a successful project. He expressed concern that the request of Mr. Brown is not definitive in that he is only requesting a dialog. He recommended that the Redevelopment Agency (RDA) reissue the Request for Proposal (RFP). He noted there are other interests to consider.

Special Council Rosenthal clarified that there is no obligation on the part of the RDA to do anything.

In response to Director Dickenson's question whether Motel 6 was ready to submit a response to the RFP, **Mr. Brown** stated that Motel 6 would keep an open mind and interest in this project. He noted that it is likely to be more successful if there is not a competing bid, and he would like to work together. He explained that he has attempted to get up to speed regarding this project.

In response to Chair Lieberman, Finance Director Fil explained that the Bohannon Corporation expressed support for the recommendation to reissue the RFP, and that an extension of the process was not discussed. He clarified that 30 days is a reasonable amount of time for the reissuance.

Chair Lieberman recommended a 60-day extension.

Director Dickenson expressed support for the recommendation of a 30-day extension. He noted that Motel 6 is a tenant of the Bohannon Company.

Director Feierbach expressed support for a 30-day extension.

Chair Lieberman expressed his desire for collaboration, not contention. He suggested a compromise of 45 days. Finance Director Fil noted that a 45-day extension would keep the project on schedule.

ACTION: On a motion by Director Feierbach, seconded by Director Dickenson, Resolution 474 Approving Re-issuance of Request for Proposals for Shoreway Place Project was approved as presented by a show of hands (4-1, Lieberman no).

RECESS: 10:00 P.M. (to consider additional business on the City Council agenda)

RECONVENE: 10:50 P.M.

ADDITIONAL BUSINESS

Resolution Approving Rental Plan for Two Agency-Owned Affordable Dwelling Units Within the Emmett House - 1000 O'Neill Avenue

Contract Planner Ouse stated that the recommendation is that the City/Redevelopment Agency to retain ownership of the Emmett House and rent the units to two qualified families. A priority system can be set up to include certain employment categories such as City employees or school employees.

The City can take care of the screening of potential tenants and make recommendations for approval. Other options are to sell the building as condominiums, or retain ownership but sell the individual units as condominiums.

MEETING EXTENSION: At this time, being 10:30 p.m., on a motion by Director Dickenson, seconded by Director Feierbach, the meeting was unanimously extended by 30 minutes by a show of hands.

In response to Director Feierbach, Community Development Director de Melo clarified that any of the options would allow the City to receive credit for producing additional housing units.

Director Feierbach stated she supports the City retaining ownership, which provides flexibility for the future.

Chair Lieberman expressed concern regarding the City becoming a landlord. He would prefer to retain control of the land in order to address the proximity to the creek, but recommended selling the units as below-market-rate (BMR) condominiums.

Director Wozniak expressed support for retaining ownership and renting the units. She noted that the City has sold many of its assets, including right-of-way. She commented that teachers may not have the means to purchase units. She recommended including Carlmont High School teachers in the priority system.

Community Development Director de Melo stated that the units should be kept for low-to-moderate income (LMI) families. If they are sold at market, funds would need to be repaid to the LMI fund. Finance Director Fil added that if the Redevelopment Agency ends, the property would revert to the City.

ACTION: On a motion by Director Dickenson, seconded by Director Feierbach, Resolution 475 Approving Rental Plan for Two Agency-Owned Affordable Dwelling Units Within the Emmett House - 1000 O'Neill Avenue was unanimously approved by a show of hands, said motion to include the development of an occupational preference for the rental units.

Contract Planner Ouse noted that occupational preference would be developed and brought back for approval in the future.

Resolution Approving Rental/Lease Plan for Agency-Owned Single Family Residence at 30 Oxford Place

Contract Planner Ouse stated that this home is one of three low-to-moderate income (LMI) homes in this subdivision. It was sold through a lottery system in 1999. The buyer has since purchased an at-market-rate home, which achieved the goal of the program. The City repurchased the home and has the option to re-sell it or to rent it. Staff recommends retaining ownership and renting the home at

this time.

In response to Director Feierbach, Contract Planner Ouse noted that use of the County Housing Authority is not required, but staff resources are needed to manage rentals.

Director Dickenson expressed support for the staff recommendation, but suggested that for the future, the City consider selling lottery tickets wherein the winner would own the home.

In response to Director Lieberman, Executive Director Crist stated that City staff who meet the salary requirement would be eligible to rent the home.

ACTION: On a motion by Director Dickenson, seconded by Director Wozniak, Resolution 476 Approving Rental/Lease Plan for Agency-Owned Single Family Residence at 30 Oxford Place was unanimously approved by a show of hands.

ADJOURNMENT at this time, being 11:12 p.m.

Meeting audio-recorded and videotaped
Audio Recording 702

Terri Cook
Agency Secretary