

MINUTES of a regular meeting of the Board of Directors of the Redevelopment Agency of the City of Redlands held in the City Council Chambers, Civic Center, 35 Cajon Street, at 3:08 P.M. on April 18, 2006.

PRESENT Jon Harrison, Chairperson
Pat Gilbreath, Vice Chairperson
Gilberto Gil, Boardmember
Mick Gallagher, Boardmember

ABSENT None

STAFF John Davidson, Executive Director; Daniel J. McHugh, Agency Attorney; Michael Reynolds, Agency Treasurer; Don Gee, Redevelopment Agency Director; Jeffrey L. Shaw, Community Development Director; and Lorrie Poyzer, Agency Secretary

CONSENT CALENDAR

Minutes - The minutes of the regular meeting of April 4, 2006, were unanimously approved as submitted on motion of Mr. Gil, seconded by Mr. Gallagher.

JOINT MEETING - REDEVELOPMENT AGENCY AND CITY COUNCIL

Resolution No. 399 - Conflict of Interest Code - Agency Attorney McHugh presented proposed resolutions for the City of Redlands and Redevelopment Agency updating the Conflict of Interest Codes. Mrs. Gilbreath moved to adopt Resolution No. 399, a resolution of the Board of Directors of the Redevelopment Agency of the City of Redlands amending the Conflict of Interest Code pursuant to the Political Reform Act of 1974 by repealing Resolution No. 387 in its entirety. Motion seconded by Mr. Gallagher and carried unanimously. (Also see City Council minutes for April 18, 2006.)

NEW BUSINESS

Meeting Attendance - No reports forthcoming.

IEEP - Redevelopment Agency Director Gee reported staff and several Agency Board Members have been in recent discussions with the Inland Empire Economic Partnership (IEEP) staff and IEEP members regarding their plans to provide and expand their business and economic development services to a larger public and private-section membership base. IEEP's mission is to attract, create, expand and retain business in order to increase the region's growth and economic output and by working directly with individual companies, their brokers and consultants to provide hands-on customized client services that will assist them with their relocation, expansion and retention projects. Mr. Paul Hiller, President and Chief Executive Officer of the IEEP made a PowerPoint Presentation pointing out the benefits of membership in the regional economic development organization. Cost of the membership and

participation in IEEP is calculated at 27 cents per capita or approximately \$20,000.00 for the Fiscal Year 2006-07. Following discussion, Mrs. Gilbreath moved to have the Agency Executive Director include the cost of membership and participation in IEEP as part of the Agency's economic development program for the Redlands Redevelopment Project in the proposed Fiscal Year 2006-07 budget with the caveat that this funding would depend on the overall budget and may be re-evaluated at the time the budget is reviewed. Motion seconded by Mr. Gallagher and carried unanimously.

Agreement - Galaxy Commercial Holding - Redevelopment Agency Director Gee explained that Galaxy Commercial Holding, LLC entered into an Exclusive Negotiation Agreement with the agency on June 21, 2005, to determine the feasibility of the revitalization of the current City Hall and Safety Hall sites. That agreement expired on March 19, 2006. Since that time, Galaxy has determined that it has to examine the feasibility of locating and constructing a permanent public safety hall facility or separate police and fire facilities. The focus of their study has been the location of the 4.5 acre City site on Park Avenue across from the Corporation Yard. While undertaking the study for the Corporation Yard, Galaxy has entered into escrow to purchase property along Redlands Boulevard to develop a project related to its feasibility study or for an office complex. Galaxy wishes to enter into a new Exclusive Negotiation Agreement to determine the feasibility of these possibilities. Boardmembers discussed this request and expressed some concerns. Mr. Harrison moved to continue this request for two weeks. Motion seconded by Mr. Gil and carried unanimously.

Agreement - HNJ Land Company - Due to a potential conflict of interest, Mrs. Gilbreath retired from the Council Chambers and did not participate in this matter; a Public Disclosure of Potential Conflict of Interest form is on file in the City Clerk's Office. Redevelopment Agency Director Gee explained that HNJ Land Company, LLC has proposed to the Agency that it enter into an Exclusive Negotiation Agreement to determine the feasibility of their development proposal to develop an urban hotel/spa and mixed use project in the downtown area with access possibly on Pearl Avenue, Orange Street and/or Stuart Avenue. Pete Patel, manager of HNJ Land Company, answered questions about his proposed project. On behalf of Redlands Security Company, Attorney John Mirau stated the owner of Kragen Auto Parts objects to the use of eminent domain of their property and opposes this proposal. Following discussion, Mr. Gallagher moved to approve an Exclusive Negotiation Agreement with HNJ Land Company, LLC. Motion seconded by Mr. Harrison and carried with Mrs. Gilbreath having abstained.

PUBLIC COMMENTS

None forthcoming.

ADJOURNMENT

There being no further business, the Board of Directors' meeting of the Redevelopment Agency adjourned at 3:56 P.M. The next regular meeting will be held on May 2, 2006.

Secretary