

CITY COUNCIL MINUTES SPECIAL MEETING

JULY 14, 2011

Mayor Joe LaCascia called the meeting to order at 6:03 p.m. and turned the meeting over to Vice Mayor Block.

ROLL CALL

Present: Mayor Joe LaCascia, Vice mayor Trudy Block, Councilor Mike Blethen, City Manager Matt Brock, City Attorney Thomas Cloud and City Clerk Patricia Jackson.

Absent: Councilor Nancy Adorno and Councilor Don Kimsey.

A quorum was established.

Authorization to extend the Cardinal Hill Contract

Vice Mayor Block advised the purpose of the meeting is to extend the Contract for Cardinal Hill property; it was thought the Bonds would close in July and now it appears to be August; therefore, we need to do some housekeeping on the contract. There are four things we need to look at:

1. Approval of the extension of the closing date for Cardinal Hill property up to November 1, 2011
2. Approve the additional payment of \$25,000 for the extension deposit for Cardinal Hill prior to August 1, 2011
3. Approve entering into the "Third Extension of the Dormancy Period" for Cardinal Hill
4. Approve the payment of \$5000 per month "rent" under the Third Extension of Dormancy Period (and first payment due on August 1, 2011)

Under discussion, Councilor Blethen asked if the City has the money to pay the \$25,000; he was advised yes, we do. Councilor Blethen also asked if the bond issue would be completed by November 1, 2011; Attorney Cloud advised it would be. Councilor Blethen commented the payment would have to be paid anyway, and asked about dormancy; he was advised under the dormancy, the land would have to remain vacant for one year. Councilor Blethen then asked how the owners of the Cardinal Hill property felt; he was advised they are in favor of the extension.

Mayor LaCascia then asked how the \$5,000 a month rent equated with the credits for the water and sewer impact fee; he was advised they are a wash. Mayor LaCascia then questioned if the additional \$25,000 was because we can't close by August 1st; Attorney Cloud advised the rating agencies are later than we wanted, and this is put into place just in case. Mayor LaCascia mentioned the third extension of dormancy; Attorney

Cloud advised this extends the dormancy period of the lease. Mayor LaCascia wanted to clarify his understanding that the City has already approved the purchase agreement on the Cardinal Hill property and this is just a formality; Attorney Cloud then referred to the Charter and how he wants to do things the right way by bringing this to Council.

Councilor Blethen made a motion to approve the extension of the closing date for Cardinal Hill property up to November 1, 2011; to approve the additional payment of \$25,000 for the extension deposit for Cardinal Hill prior to August 1, 2011; to approve entering into the "third extension of the dormancy period" for Cardinal Hill, and to approve the payment of \$5,000 per month "rent" under the third extension of dormancy period with the first payment due on August 1, 2011. The motion was seconded by Mayor LaCascia.

Roll Call: Councilor Blethen-aye, Mayor LaCascia-aye, Vice Mayor Block-aye

3-eyes
0-nays

The motion carried for approval.

The meeting adjourned at 6:10 p.m. upon voice vote.

Patricia R. Jackson, City Clerk

Joe LaCascia, Mayor