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 4:25 P.M. on December 17, 2002.

PRESENT Karl N. (Kasey) Haws, Chairman
Susan Peppler, Vice Chairman
Pat Gilbreath, Member
Gary George, Member
Jon Harrison, Member

ABSENT None

STAFF John Davidson, Executive Director; Daniel J. McHugh, Agency Attorney; Michael Reynolds, Agency Treasurer; Jeffrey L. Shaw, Community Development Director; James R. Bueermann, Police Chief; and Lorrie Poyzer, Agency Secretary

The minutes of the regular meeting of December 3, 2002, were unanimously approved as submitted on motion of Mr. George, seconded by Mrs. Peppler.

JOINT MEETING - REDEVELOPMENT AGENCY AND CITY COUNCIL

Redevelopment Project - Michael Phillips - Community Development Director Shaw explained the City Council received a request from Michael C. Phillips, owner of Citrone, for the waiver of fees as well as consideration of contributing additional funds to the redevelopment of property located at the northeast corner of State and Orange Streets for the development of a new restaurant. The City Council waived the water and sewer capital improvement fees and adopted Resolution No. 6110 authorizing payment by the Redevelopment Agency at its meeting of December 17, 2002. Mr. Haws moved to direct staff to pay development impact fees in the amount of $57,000.00 for the purpose of public infrastructure costs associated with the proposed new restaurant located at One East State Street. Motion seconded by Mrs. Peppler and carried with Mr. George voting NO. Mr. Haws moved to appropriate funds in the amount of $57,000.00 for this project. Motion seconded by Mrs. Peppler and carried with Mr. George voting NO. Mr. Haws moved to direct staff to prepare, and bring back to this Agency Board at its next meeting, an agreement entered into with Mr. Phillips relating to the Redevelopment Agency's financial assistance and Mr. Phillips' obligations to the Redevelopment Agency. Motion seconded by Mrs. Peppler and carried with Mr. George voting NO. (Also see City Council minutes for December 17, 2002.)

NEW BUSINESS

Subordination Agreement - First Time Home Buyer Program - Mr. George moved to approve a subordination agreement with Stan and Phyllis Wright, 720 Napa Avenue, and authorized execution of the document on behalf of the Redevelopment Agency. Motion seconded by Mrs. Peppler and carried unanimously.

Encumber Funds - Mr. Harrison expressed concerns about the Redevelopment Agency set-aside funds that are possibly "up for grabs" by the State. Police Chief Bueermann reviewed the Redevelopment Agency's commitments for its housing programs and projects leaving an unencumbered balance of $90,922.00 which he recommended be applied to the parole re-entry facility. Mr. Harrison wanted Redevelopment Agency board members to be aware of this, as there may be other projects they want to address.

CLOSED SESSION

The Board of Directors' meeting recessed at 4:49 P.M. to a closed session to discuss the following:

1. Conference with real property negotiator - Government Code Section 54956.8
   a. Property: APN Nos. 169-281-19 and 20
      Negotiating parties: John Davidson and Johnny Moore
      Under negotiation: Terms and price

No report was expected following the closed session.

PUBLIC COMMENTS

None forthcoming.

ADJOURNMENT

There being no further business, the Board of Directors' meeting of the Redevelopment Agency adjourned. The next regular meeting will be held on January 7, 2003.

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Secretary