

RIDA Virtual Governance Committee Meeting
Minutes: 10-2-24
Virtual

Attendance: Lori Ann Pipczynski, James Farley, Lee Mendelson, Tracy James-ED, Denise Cooper-CFO and Agency Counsel Terance Walsh

The Governance Committee met virtually at 11:00 am on October 2nd. Lori Ann Pipczynski opened the meeting to further discuss implementation measures for benefits for the Restaurant Depot project with the Agency's attorney as it relates to Restaurant Depot receiving one bill for the PILOT portion of their property taxes and a separate tax notice from the landlord for their portion of the special district taxes that are charged to the property as a whole, including fire district taxes, which are exempt on the increase in assessment but not reflected in current information provided by the Assessor's office. The ED reviewed in detail how the original PILOT was calculated and what needed to be addressed going forward. Agency counsel reviewed the mechanics of the PILOT implementation. The committee requested counsel to get an acknowledgement from RD that they have worked out the tax burden with their landlord. Counsel will get a formal consent when we go back to amend documents.

The Committee was notified that there has been no response to the Agency's original letter to G2D. Committee members discussed remedies with the Agency attorney, including termination and potential recapture efforts. After extensive discussion, Committee members decided as a show of good faith and in a desire to have the project succeed in its original goal of providing market rate apartments in the TOD area of downtown, to send one more letter demanding response within 7 days before having the Agency consider termination proceedings. While recapture remains an option, the viability of recovering any of the sales tax exemptions utilized for the Osborne Avenue project was acknowledged to be very unlikely.

The final item of discussion was the need to issue an Agency credit card for use by the Executive Director for conference and other Agency-related expenses that are currently addressed on a reimbursement basis.

James Farley motioned to adjourn the meeting. Lee Mendelson seconded. The meeting was adjourned at 12:56 pm.