

June 5, 2018

The Chehalis city council met in special session on Tuesday, June 5, 2018, at the Chehalis-Centralia Airport. The purpose of the meeting was to hear a presentation from Rich Development on a proposed commercial development and to hold an executive session to discuss the sale/lease of property. Mayor Dennis Dawes called the meeting to order at 5:00 pm with the following council members present: Terry Harris, Daryl Lund, Dr. Isaac Pope, and Bob Spahr. Councilors Tony Ketchum and Chad Taylor were absent (excused). Staff present included: Jill Anderson, City Manager; Caryn Foley, City Clerk; Bill Hillier, City Attorney; Trent Loughheed, Community Development Director; and Brandon Rakes, Airport Operations Coordinator. Members of the news media in attendance included Alex Brown of *The Chronicle*; and Susan DeLaire of *Business to Business*.

1. Presentation from Rich Development on a Proposed Commercial Development. Greg Vena with Rich Development stated he is a partner in the company. A family-owned business that started in San Pedro, California, they have developed several retail shopping centers totaling about three million square feet of development, mostly in California and now in Washington, with developments in Spokane and Bellingham. They pride themselves on good tenant relationships. He stated they take a conservative approach when developing and usually have around 70% tenancy before buying property. He explained they became aware of property at the airport after trying to purchase the former Kmart building, which was unsuccessful. He started researching the area and thought this would be a good opportunity.

Councilor Harris asked if they took a community's demographics into consideration when developing. Mr. Vena stated they do as settings dictate the types of potential retailers. Mr. Vena stated their goal was to provide good jobs, tax revenue, and to select retailers that will bring along other retailers.

Dr. Pope left the meeting at 5:38 pm.

Mayor Dawes stated the city is fortunate to have several long-term businesses in the downtown area that he wouldn't want to see impacted. Mr. Vena acknowledged that and stated they wouldn't want to do that either.

City Attorney Hillier wanted to ensure that Rich Development understood that purchasing the property was not an option due to grants the city has with the FAA. Mr. Vena stated he understood why the property would have to be leased. He stated they are usually in the business of purchasing properties, but understood why that was not an option in this case.

Mayor Dawes asked if Rich Development had projects that involved government entities. Mr. Vena indicated they have had several relationships with government entities.

City Attorney Hillier believed Mr. Vena's comments showed a genuine reflection of wanting to do a development in Chehalis. He asked if Mr. Vena could share any potential anchor tenants. Mr. Vena stated the retailers he's working with have asked not to be identified at this time.

Mayor Dawes asked when something would occur if/when a letter of intent is agreed upon. Mr. Vena stated his discussions with potential retailers has been informal at this point without an agreement, but he estimated having retailers on board six months from having an agreement with the city.

Mayor Dawes noted that he didn't want to see anything that would compete with the city's neighbors to the north.

2. Executive Session. At 6:13 pm, Mayor Dawes announced the council would take a short recess and then be in executive session pursuant to RCW 42.30.110(1)(c) – Sale/Lease of Real Estate not to exceed 6:45 pm and there would be no decision following conclusion of the executive session. Mayor Dawes closed the regular meeting. The executive session began at 6:20 pm. Following conclusion of the executive session, the regular meeting was reopened and immediately adjourned at 6:40 pm.

Dennis L. Dawes, Mayor

Caryn Foley, City Clerk

Approved: 6/11/2018
Initials: cf