

**LEAVENWORTH CITY COUNCIL SPECIAL MEETING MINUTES  
November 30, 2011**

Mayor Elmer Larsen called the November 30, 2011 Leavenworth City Council Special Meeting to order at 7:00 PM and led the City Council in the Flag Salute.

**ROLL CALL**

Council Present: Mayor Elmer Larsen, Peter DeVries, Tibor Lak, Michael Molohon, Cheri Farivar and Larry Meyer.

Staff Present: Joel Walinski, City Attorney Thom Graafstra and Chantell Steiner.

Mayor Larsen noted that Councilmember Robert Francis may arrive shortly.

**RESOLUTIONS, ORDINANCES, ORDERS, AND OTHER BUSINESS**

**1. Motion to Approve the Lease Option to Purchase Agreement with the Nelson Legacy Group**

City Attorney Thom Graafstra gave a brief historic background in reference to the May 2011 first draft of the Lease and Option to Purchase Agreement. He noted various negotiations that needed to take place including division of property, parking and access issues, and environmental concerns. He added that amendments appear to now be acceptable and negotiations have been finalized to a satisfactory degree by both parties. Attorney Graafstra provided Council with a copy of the Nelson Lease Option Summary sheet. He reviewed the document with Council and further explained details as to timelines, rent, purchase price and the environmental risk involved. He noted that late this evening, the Nelsons' voiced dissatisfaction in reference to the section concerning environmental liability that they crafted for the agreement and as such may require some final review.

City Administrator Joel Walinski noted that in working with the Nelsons' and having them retain a piece of the property to develop is an excellent opportunity for the city, as this is the type of group with the experience and desire to continue to develop that piece of land. He added that it was agreed that demolition not occur prior to November 1 and must be fully completed no later than June 15 of any given year. He spoke about revenues and the need to actively seek parking fees, leases and partnerships over the first six months. Attorney Graafstra then briefed Council on an issue by the landowner related to Federal Estate Excise Taxes that are pending litigation. He said that the Nelsons' mostly likely won't be ready to develop until that matter is settled. It was stated that there would probably be no demolition during the first year. Council questioned how parking fees would be implemented and collected. Administrator Walinski explained that they would focus on the twenty-two weekends of charged parking in the present locations available. Discussion ensued on affordability, timing and planning.

Councilmembers made various positive comments in support of proceeding with this agreement. Councilmember Meyer asked about 10<sup>th</sup> Street and how it would be shared in the event it continues onto the property. It was stated that 10<sup>th</sup> Street will remain completely on city property and the Nelsons' will help pay for various portions, including sidewalks. There was a brief discussion in regards to this being a very large scale project and the planning that will need to take place over time, although Council believes this is a good decision for the community and that the lease is in the best

interest of the city at this time. It was stated that this isn't like the Town Toyota Center in that the City can get out of the lease if it is not deemed affordable.

Mayor Larsen asked if there were any comments from the public.

Marshall West, 905 Commercial Street, Leavenworth: Mr. West asked about the Senior Center bus parking overhang area. He said that the Nelson family has given him permission in the past to park there. Mayor Larsen asked him to submit a letter in writing to the new mayor.

Councilmember Meyer motioned to approve the Lease Option to Purchase Agreement with the Nelson Legacy Group for the Fruit Warehouse Property. The motion was seconded by Councilmember DeVries and passed unanimously.

## **2. Motion to Authorize the Mayor to Sign the Agreement Pending Final Attorney Review**

Councilmember Farivar noted her thanks to the Economic Development Committee for the work on putting this together. Mayor Larsen noted that they also appreciate the efforts of the Nelson Legacy Group in working with the City.

Councilmember DeVries motioned to authorize the Mayor to sign the agreement pending final attorney review. The motion was seconded by Councilmember Lak and passed unanimously.

## **ADJOURNMENT**

Seeing no other business, Councilmember Farivar motioned to adjourn the November 30, 2011 Special Meeting of the Leavenworth City Council. The motion was seconded by Councilmember Lak and passed unanimously.

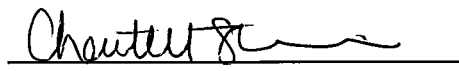
The meeting adjourned at 7:40 PM.

**APPROVED**



**Elmer Larsen**  
Mayor

**ATTEST**



**Chantell Steiner**  
Finance Director/City Clerk