



**CITY OF SAN DIMAS  
MINUTES  
SAN DIMAS REDEVELOPMENT AGENCY MEETING  
TUESDAY, August 23, 2005  
COUNCIL CHAMBERS  
245 E. BONITA AVENUE**

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**PRESENT:**

Chairman Morris  
Mr. Bertone  
Mr. Ebiner  
Mr. McHenry  
Mr. Templeman

Executive Director Michaelis  
Agency Attorney Brown  
Secretary Rios

**CALL TO ORDER**

Chairman Morris called the meeting to order at 7:49 p.m.

**ORAL COMMUNICATIONS**

None

**APPROVAL OF MINUTES**

It was moved by Mr. Ebiner, seconded by Mr. McHenry, to approve the minutes of the August 9, 2005 meeting. The motion carried unanimously.

**EXECUTIVE DIRECTOR**

- 1) Request to rescind DDA – Ride and Show Engineering

Executive Director Michaelis reported that at the August 8, 2005 meeting, Ride and Show presented their request for the Agency to rescind the City's DDA with them. The Board directed staff to review the DDA and bring back recommendations. He stated that the DDA represents a good faith mutually beneficial agreement between Ride and Show and the City/Agency; however, the DDA and Grant Deed could be amended. Staff explained the DDA and recommended amendment to only remove the requirement that the building be used as a corporate headquarters, with all other requirements to remain intact.

In response to Mr. Templeman, Director Stevens stated that when looking at any use for the M-1 zone, staff asks if the use meets zoning and general plan requirements, does it have adequate parking, and does it provide financial resources for the Agency to carry out its function. He further replied that even if the DDA were rescinded, the use would be subject to underlying zoning land use and general plan requirements; however, they would not be subject to compliance with consistency of the Redevelopment Plan unless they were asking for some form of specific assistance from the Agency, which would trigger a new DDA.

In response to Mr. Ebiner, Director Stevens said if the land use plan of the Redevelopment Plan and Zoning in the General Plan was changed, that could be a factor in evaluating the appropriateness of a zone change. He said office uses are permitted in the Creative Growth zone.

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In response to Mr. Bertone, Agency Attorney Brown stated that the DDA cannot be rescinded because sections in the DDA that deal with anti-discrimination and restrictions on use remain in perpetuity.

In response to Mr. Templeman, Chairman Morris explained the function of the San Dimas Redevelopment Agency and said the DDA is needed in this case for economic uses. He further replied that Federal and State laws enforce anti-discrimination, but under the DDA, the Agency has a right to enforce anti-discrimination laws.

In response to Mr. Ebner, Agency Attorney Brown stated that a church could enter into an agreement and be bound by that agreement to pay property tax increments. He said there is another option that the seller of the property could pay to the Agency an amount of money to be relieved of the condition if the sale of the property to the church is important to them. However, he expressed reservation about the ability of the City/Agency to require as a condition of issuance of an occupancy permit, execution to pay an equivalent amount of property tax. He stated that the Religious Land Use Institutionalized Persons Act approved by Federal law makes it difficult to impose conditions on a religious institution for land use approvals.

In response to Mr. Templeman, Agency Attorney Brown stated that the Redevelopment Agency has a broad financial obligation and the biggest creditor is the City of San Dimas.

Director Stevens responded to Council that the listed objectives of the San Dimas Redevelopment Agency does not necessarily preclude the City Council from approving a non-property tax generating use, and nothing says if they do not pay property tax, they could not be in the redevelopment project area, but there should be an evaluating process to determine they are consistent with the Redevelopment Plan. He said there are other churches in the redevelopment project area that exist and do not pay property taxes, but none on properties that the Agency provided some element of assistance and has a DDA. He stated that there is some question of whether or not Christ Church of the Valley complies with zoning, land use, and general plan provisions for the area. He said they would probably require a code amendment as it relates to a portion of the proposed use of the building, and there has been no proposal on how to address what appears to be a fairly substantial parking deficiency. Until he has more information, Mr. Stevens was unable to respond to those issues.

**Roland Feuer**, President, Ride & Show Engineering, Inc. stated that the whole purpose of the Development Agreement was to develop property and Ride and Show has lived up to that condition and paid fair market value for the property, in addition to eighteen years of paying property taxes. He expressed disappointment that the only recommendation was to amend the DDA/Deed to eliminate the requirement that subsequent uses be a corporate headquarters. He stated that the DDA is unclear regarding uses and felt the only limitation to selling the property was the zoning. He asked Mike Long of Christ Church of the Valley to go through the objectives and goals of the Redevelopment Plan and outline those met by the Church.

**Mike Long**, Christ Church of the Valley, stated he reviewed the list of requirements and cannot find that they do not meet or exceed what is expressed, with the exception of the property tax increments. He said the Church revitalizes the area with the proposed uses and the economic base of the employees who transact business with the community. He stated their use of the building would not exceed 112 parking spaces, as they are not looking to use the site as their main church site. He said if this building does not work for them because of redevelopment or use, there is no place in San Dimas they could go.

In response to Council, Mr. Feuer stated that the DDA has very broad goals and objectives, and should be amended to meet M-1 zone requirements. He said it is unfair to put a burden on them by not allowing them to sell to a non-profit organization because they do not bring in property taxes. He said it is up to Planning to determine whether or not the Church uses meet the zoning requirements.

Mr. McHenry stated that the agreement was signed by both parties and the Board Members are willing to look at modifying the DDA to get to yes. He said the Agency used industrial bonds to finance property to accommodate Ride and Show because they were a good business and the City wanted them as part of the community.

**Eduard Feuer**, Chairman of the Board, Ride and Show Engineering, Inc., understands that the Agency has a burden, but not as big as their burden. He stated that it is the Agency's decision that puts his company in

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jeopardy. He would like a clear answer whether or not he could go through with selling the property to CCV. He is losing approximately \$20,000 per month and he cannot wait another two weeks. He requested that the Agency allow CCV to move in and work things out in the future.

Chairman Morris stated that Board Members will discuss amending the DDA to delete the requirement to use the building as a headquarters, which is staff's recommendation; and deleting all terms in the DDA and Grant Deed that refer to uses, which is not being recommended by staff. He said if approval is granted to eliminate any impediment to CCV buying the property, then the Church would have to start the process to see if they meet zoning requirements. That is not something that could be decided until more information is submitted to Planning.

In response to Mr. Templeman, Agency Attorney Brown explained the provisions and restrictions of the DDA and Grant Deed and the only limits Ride and Show Engineering would like placed on uses permitted on the property are uses which have restrictions that apply to any other property in the redevelopment project area that do not have a DDA.

In response to Council, Director Stevens stated that even without the DDA, some judgment needs to be made relative to one-half of the building for recreational use, that is inextricably linked to compliance with parking requirements. He said any change in the interior configuration would trigger some kind of parking review, and zoning issues as currently proposed are not compliant.

It was moved by Mr. Ebner to direct staff to come up with a way of allowing this piece of property to be sold to a nonprofit organization, non-corporate headquarters.

The motion died due to lack of a second.

Councilmembers further discussed the property tax revenue that would be lost if that section of the DDA was deleted; properties in the redevelopment area do not have restrictions on deed; this property has a restriction on the Grant Deed; and what is being asked to do is remove that restriction from a Deed; the County would not agree to permit the creation of a new property unless taxes were passed through to them; and as a result, the Agency gets a smaller portion of the tax increments.

In response to Mr. Feuer, Mr. Ebner stated that CCV is not allowed to buy this piece of property, but they could buy property in the redevelopment area if there is not a DDA on the property.

In response to Agency Attorney Brown, Mr. Long stated he would agree to negotiate an amount to pay as part of overhead of them occupying the building but he would not agree to pay that extended amount if they are not able to utilize the building as proposed. He added that the agency is placing the weight of an entire Redevelopment Agency on one small piece of property.

Chairman Morris stated that this project is not carrying any other project area and the money generated by this project will be spent there. He said the Agency has an indebtedness and obligation to the City in addition to bond holders. He stated this project area is a small part of the total redevelopment area, but it has the ability to generate more money, and more money has been spent there.

Mr. McHenry stated he could support staff's recommendation to amend the DDA to delete the corporate headquarters requirement. He stated that the industrial/manufacturing zone is really appropriate for churches, but the biggest challenge is how to comply with zoning restrictions and parking lot issues. And it may be that the restrictions on that Deed in perpetuity become a liability that runs with the property and traded off with terms of the sale.

It was moved by Mr. McHenry, seconded by Mr. Ebner, to follow staff's recommendations on the DDA to delete the corporate headquarters requirement and to direct staff to work with Ride and Show and CCV to further evaluate CCV's proposal because CCV needs a response before they could go forward with the purchase.

Agency Attorney Brown responded yes to Mr. Templeman's inquiry that without a DDA, a nonprofit organization could buy the building in the redevelopment area and if they met all the zoning and general plan requirements, the Agency would lose that tax increment.

The motion carried unanimously. 5.0

In response to Chairman Morris, Director Stevens said staff would not be supportive of a use determination and did not feel the recreation portion of the use was sufficiently similar to other currently permitted uses to meet standard to get approval as a use determination. He would also allow them to simultaneously process a use permit with the understanding that if the code amendment was not approved, the use permit would disappear. He said the parking deficiency more than likely would require a use permit, but he found it difficult to separate how to solve the parking problem given the constraints at the specific site.

In response to Mr. Ebner, Director Stevens stated he wants a detailed floor plan with actual square footage, but he indicated that child care does not trigger any extra parking demand.

In response to Mr. Templeman, Director Stevens stated that Life Bible College has a host of uses and with CCV the largest use triggered the parking requirement, that limits the operation. He stated that he is willing to look at other potential options, but needs detailed information.

Mr. Feuer suggested the appointment of a subcommittee with Council to come to come conclusion with the Church. Chairman Morris stated that would be something done by staff.

In response to Mr. Feuer, Chairman Morris stated that Mr. Brown has offered the opinion that the Church could agree to pay taxes and then rescind the agreement. The Agency would not have the ability to enforce payment and the DDA could be deleted in exchange for a negotiated amount of money.

**MEMBERS OF THE AGENCY**

None

**ADJOURNMENT**

The meeting adjourned at 9:52 p.m.

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Chairman of the San Dimas Redevelopment Agency

ATTEST:

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Secretary