



**CITY OF CORNING  
SPECIAL COUNCIL MEETING MINUTES**

**MONDAY, AUGUST 16, 2010  
CITY COUNCIL CHAMBERS  
794 THIRD STREET**

**A. CALL TO ORDER: 5:00 p.m.**

**B. ROLL CALL:**

**Council:**

**Vacant  
Ross Turner  
Toni Parkins  
John Leach  
Gary Strack**

**Mayor:**

All Councilmembers were present with one vacancy remaining on the Council.

**C. PLEDGE OF ALLEGIANCE: City Manager Stephen Kimbrough led the Pledge.**

**D. BUSINESS FROM THE FLOOR: None.**

**E. REGULAR AGENDA:**

**1. City Acquisition of the "Kauffman Building" for One Dollar (\$1.00) – Discussion and Action.**

Mayor Strack introduced this item by title stating the location of the property and announcing that the City had received a letter from the property owners offering to sell this building to the City for \$1. He also stated that the City had received a copy of an Engineer's report stating that the front wall is ready to fall. He then asked if anyone in the public would like to speak on the subject.

Paulyne White provided a brief property history and stated that the former owners had acquired the building back through foreclosure. She said she had spoken with the owners today; they had tried to sell the building for more than two years, now one of the owners is very ill and they hope that the City will take the property. They realize that if the City doesn't take the property it will cost them a lot more money.

Amy White asked the timeframe would it be before the building was demolished should the City acquire it, and how long would a vacant lot sit before being developed. Mayor Strack stated possibly 3-4 weeks before demolition and the property would be cleared and cleaned. At that time it would depend upon if a developer comes forward with a plan, etc. City Manager Kimbrough presented a timeline for notifying the current occupants should the City acquire the building. He also outlined the current condition of the building and the safety hazards. He stated that the building is currently appraised at \$175,000 on the property tax roles. Mr. Kimbrough stated that should the City acquire the building and demolish it, the wall adjoining the next property would be stabilized and protected.

Mayor Strack clarified for Corning Observer reporter Julie Johnson that the property being discussed is 1302 through 1310 Solano Street.

Councilor Turner asked who retained the Engineer and was informed that the property owners did. He then asked, noting the City's current financial situation, how the City would fund the demolition should they acquire the property and what would the cost be. Mayor Strack responded stating that it cost the City of Red Bluff \$125,000 to demolish the US Bank and \$125,000 for remedial expenses in dealing with underground tanks found during the demolition. He also announced that the City has contacted consultant JoAnn Anders about possible use of

CDBG Re-Use Funds for this, and we are also exploring the possible option of borrowing from 3CORE.

Councilor Turner also asked the financial impact to the City should they leave the building in the hands of the current owners and the City become ultimately responsible for dealing with the safety issues. He was informed it would probably be approximately the same amount previously mentioned and the City would then have to place a property lien to recover the costs.

Dean Cofer asked if the building has basements, he was informed yes, one.

Councilor Leach stated that he had heard of a local realtor that was interested in the property. He was informed that since this has become public, Building Official Terry Hoofard has received a call from an interested party and so has Planning Director Stoufer.

City Attorney Fitzpatrick stated that the City has no choice but to get involved. The building, as stated in the Engineers report, currently poses a hazard to the public via the street and sidewalk should the building fall.

Amy White stated that she had spoken with the current owner over the weekend and was informed that their insurance policy expires in a month and due to the illness in the family they don't need the stress. She stated that she has investigated possible insurance policies available to cover the building during restoration and/or demolition.

Councilor Parkins stated that she doesn't want the City to get into the business of property ownership, however this might be an opportunity to do something good for the downtown and clean up an eyesore. We could possibly make this a parking lot in the interim, or until a property developer shows an interest. She stated that the majority of the people she has spoken with would like to see the eyesores removed and more parking available downtown.

Gena Bowen said if the City purchases the property for a \$1, then the City would incur the expense of demolition, etc., the property would sit there for who knows how long, and incur maintenance costs, then when the City finds a developer they make money off this land that this man and dying women can't unload? Mayor Strack stated that the City would just recoupe what money the City has invested, not make a profit.

Teresa Smith stated that many of the people she has spoken with state that they want the downtown restored, the historical buildings restored, not demolished, and she takes exception to Councilor Parkin's opinion that most want it demolished.

Mayor Strack stated that we are getting away from the point. We are here to discuss whether to purchase the property or not. Not whether to demolish or restore.

Councilor Turner clarified that the City can either purchase the land for \$1 and pay for the demolition, or obtain the property after abandoned by the owners and then file a property lien to recoupe the money the City has spent for demolition and cleanup.

Councilor Leach stated that he does not want to become a property owner and he understands that the City assumes some liability should they not purchase. He stated that he doesn't want to purchase it.

Mrs. Walberg asked if this is something that could be held for a decision until the next meeting to allow any interested investor an opportunity to purchase the building. City Manager Kimbrough stated that action needs to be taken soon due to liability issues and the current occupants need to be notified immediately and electrical power to the building turned off.

City Manager Kimbrough stated that should a developer come forward they would be charged limited impact fees.

Councilor Turner stated that in his opinion, no matter which way the City goes, the City of Corning is going to get screwed.

Councilor Parkins moved to accept the Kauffman Building for one dollar on condition of clear title. Mayor Strack seconded. **Ayes: Parkins, Strack. Opposed: Leach and Turner. Absent/Abstain: None. Motion not carried on a vote of 2-2. No action taken.**

Mayor Strack asked if the Council was going to sit here and do nothing or are we going to take some kind of action. Councilor Turner stated that the City would undoubtedly obtain this property due to abandonment.

Mayor Strack asked what action the City plans to take and what direction they are going to give the City's Staff. Councilor Leach and Councilor Turner stated that they both wish to seek another Engineer's opinion. City Manager Kimbrough clarified that this cost would come from the General Fund.

After consultation with the City Attorney on whether the City could release the Engineer's report the City Manager was informed that he could publicly release this information. He then read the report prepared by Engineer Steven Judson and his recommendations.

By Council consensus this item will be brought back on the August 24<sup>th</sup> meeting.

**2. Approve Resolution 08-16-10-01 Modifying the Dollar Amount and Project List presented in Resolution No. 12-08-09-01.**

Clarification was made that this Resolution was simply modification of the approved December Resolution correcting the dollar amount and project list.

Andrew Maridith (?) wanted to clarify that the work done on this would have to be by prevailing wage and suggested limiting the bid to local residents only and hire locally. City Manager Kimbrough stated that he would like to speak with him and obtain information on this.

Councilor Turner moved to approve Resolution 08-16-10-01 noting that this Resolution modifies the dollar amount and project list that was presented and approved in Resolution No. 12-08-09-01 as follows:

- Modifies the submitted amount of the Energy Efficiency and Conservation Block Grant Application amount from \$40,469 to \$40,604 as shown on Exhibit "B"; and
- Modifies the approved list of projects as shown on Exhibit "A".

Councilor Leach seconded the motion. **Ayes: Strack, Turner, Parkins and Leach.**

**Opposed: None. Absent/Abstain: None. Motion was approved by a 4-0 vote with one vacancy remaining on the Council.**

F. **ADJOURNMENT!: 6:11 p.m.**

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Lisa M. Linnet, City Clerk