

PUBLIC DEVELOPMENT AUTHORITY (PDA) SPECIAL MEETING MINUTES

September 10, 2024

Those present: Dave Andrew, Bob Gregory, Brian Magnuson, and Holly McShane

Call to Order

The meeting was called to order at 4:30 p.m. by Brian Magnuson.

Approval of Minutes: Bob mentioned that the word “flat” used several times in last month’s minutes should read “flag.” June 18th and August 19, 2024 minutes were approved unanimously.

Changes to the Agenda – None

Approval of Vouchers – None

Financial Update: Brian examined the monthly bank statement and noticed a \$5 business paper statement fee. He suggested that Steve Coons be notified to update the US mail delivery to an electronic notification and assign a different person to manage the account as Steve is scheduled to retire later this year.

Hotel Project update: Brian reported that he and Commissioner Dahl met at the proposed building site with another interested party that had just completed construction of a LaQuinta Hotel. Their prior concerns about entry-way alignment were quickly assuaged and a letter of intent was submitted. Various funding mechanisms were explored, and Brian consulted with the contracted City attorney to make sure the PDA is compliant during the navigation of this complex endeavor.

Bob was concerned about the two-year closing condition and wanted to explore ways to close the time gap by offering incremental payments.

Since the previous offer of \$555,000 was not approved as the proposal was deemed an economy-level flag hotel, the PDA decided to review the new proposal that offered a more desirable, mid-scale flag hotel.

Bob made the following motion: the Seller accepts the purchase price of \$500,000.00 for a medium-service, mid-scale hotel; the Buyer acknowledges the site condition of 1.88 acres; an initial deposit of \$15,000.00 is required for the first 90-days (for inspection and due diligence terms), then incremental deposits of \$25,000 will be required for up to 3 consecutive 90-days for a maximum 1-year inspection and due diligence period. Total option would equal \$90,000 and would be applicable to purchase price if buyer proceeds. At that time if the Buyer decides to not to proceed with the purchase, the funds collected would become non-refundable earnest money. The following Special Conditions are negotiable: 1, 3, 4, 5, and 6. The PDA agrees on item 2 & 7; also, title and escrow to be a Cowlitz County title company. The motion was seconded by Holly. The motion passed unanimously.

Roundtable / Board update

Brian reported that Kalama was demolishing its OYO hotel to make room for parking.

Next meeting: October 15, 2024 though Brian mentioned that the next meeting could happen sooner.

The meeting adjourned at 5:17 p.m.