

RIVERBANK REDEVELOPMENT AGENCY AGENDA ITEM NO. _____

SECTION CONSENT:

Meeting Date:	June 22, 2009
Subject/ Title:	Del Rio Theater Due Diligence Memorandum and Attachments
Submitted by:	Tim Ogden, Director of Economic Development & Housing
City Manager Approval:	

RECOMMENDATION:

Receive Del Rio Theater Due Diligence Memorandum & Attachments.

STAFF SUMMARY:

Due the volume of public misunderstandings and even false accusations about the Agency's involvement in the acquisition of the Del Rio Theater, in part spurred by the news of the Agency's decision to demolish the structure, the following memorandum has been submitted intending to clarify the matter.

The Agency purchased the Del Rio Theater on February 26, 2007 for \$1,700,000 with redevelopment bond proceeds acquired earlier that year. The acquisition was completed after an extended escrow period to acquire financing and complete due-diligence on the building. The intent of the acquisition was two-fold: rehabilitate the historic theater into a performing arts center, and control the corner gateway parcels leading into the planned revitalized downtown district. While the Agency intended to fulfill both purposes of the acquisition, the impending demolition leaves only site control of a key gateway corner for the Agency to magnify.

Summarized in the memorandum and attached as exhibits, are two visual investigation reports performed in August and October 2006 before the purchase was completed in February 2007.

FINANCIAL IMPACT:

N/A

ATTACHMENTS:

- Memorandum from Tim Ogden dated June 12, 2009
- August 10, 2006 Visual Investigation Report from R&S Tavares Associates, Inc.
- October 23rd, 2006 Visual Engineering Investigation Report from R&S Tavares Associates, Inc.