

**COMMISSIONERS' MINUTES
KITTTITAS COUNTY, WASHINGTON
PUBLIC HEARING**

TUESDAY

4:00 P.M.

APRIL 15, 2003

Board members present: Max A. Golladay, Perry D. Huston & Bruce Coe.

Others: Julie Kjorsvik, Clerk of the Board; Warren Beed, Facilities Maintenance Director; Linda Huber, Auditors Office; and four members of the public.

✓ **PUBLIC HEARING** **VALLEY ESPRESSO LEASE AGREEMENT** **COMMISSIONERS**

At approximately 4:20 p.m. **CHAIRMAN GOLLADAY** opened the public hearing to consider a proposed amendment to a Lease Agreement between Kittitas County and Melody Shaff, owner of Valley Espresso.

WARREN BEED, FACILITIES MAINTENANCE DIRECTOR, said Melody Shaff, owner of Valley Espresso, has proposed an amendment to her current lease with Kittitas County. She currently pays \$1,010.00 per month, which was the original amount entered into a lease on August 30th, 1999, with Mr. Barrett, which goes through August 31, 2003 by Dennis & Linda Cummins. She felt the present rate of \$.70 per square foot is unreasonable, and suggested \$.35 per square foot. He explained Ms. Shaff owns the building, which is on a paved lot owned by the County measuring 120 feet by 12 feet, and has three parking spaces available. He noted that Valley Espresso also pay's their own utilities and maintenance.

THOSE PRESENT & TESTIFYING: LINDA HUBER, AUDITOR'S OFFICE reminded the Board that the County needs to charge lease-hold taxes at a rate of 12.4%, since government is exempt from property taxes. She said with the current lease agreement, the County absorbs the leasehold taxes within their monthly payment of \$1,010.00. She suggested drafting a new lease that specifically breaks down the rent and leasehold taxes.

RICHARD SHAFF, reviewed other leases paid by espresso businesses, which ranged from \$250/per month to \$400/per month, noting they all pay for their own utilities. He supported reducing the amount paid to the County for leasing "a piece of asphalt". **THERE BEING NO FURTHER TESTIMONY, THE PUBLIC PORTION OF THE HEARING WAS CLOSED.**

COMMISSIONER COE said he would be willing to consider splitting the difference between the average low of \$.35 and \$.80 per square foot.

COMMISSIONER HUSTON recognized the County inherited the lease. He felt \$.35 a square foot was acceptable in addition to an amount of 12.4% for leasehold taxes. **COMMISSIONER GOLLADAY** suggested a rate of \$535.00 for the remaining two-years and then re-negotiate the lease. **COMMISSIONER HUSTON** suggested re-noticing the hearing outlining the specific terms; re-write the lease with the specific rent and lease-hold terms, or to continue the public hearing for two weeks for Board Discussion/Decision only, to review the new language.

COMMISSIONER HUSTON moved to direct Warren Beed, Facilities Maintenance Director to draft a new lease agreement between Kittitas County and Melody Shaff, owner of Valley Espresso, in the amount of \$575.00 a month, and to include leasehold taxes, and to continue the public hearing for Board Discussion/Decision during the Commissioner's agenda on Tuesday May 6, 2003 at 3:00 p.m. **COMMISSIONER COE** seconded. Motion carried 3-0.

PUBLIC HEARING

PROPERTY 604 N. WATER

COMMISSIONERS

At approximately 4:50 p.m. **CHAIRMAN GOLLADAY** opened the public hearing to consider the purchase by Kittitas County, of a building and property located at 604 N. Water, Ellensburg, Washington.

COMMISSIONER HUSTON gave a staff report on the proposed purchase of 604 N. Water. He suggested approving the purchase in the amount of \$133,000.00, with \$5,000.00 down as earnest money, upon receipt of the approval and signature on the agreement, and the remaining balance to be paid at the time of closing. He suggested allowing a clause in which property owners thirty (30) days, to remove all personal belongings from the property. He said the duplex currently located on the property would eventually be demolished. He explained how the property was an essential part of the proposed jail expansion. The assessed value was approximately \$87,000. An appraisal had not been conducted, since the Board had not requested, nor authorized one. He explained the amount was based on an income base approach of \$108,000 plus 20%, and therefore compromised at \$133,000.00. **THERE BEING NO TESTIMONY, THE PUBLIC PORTION OF THE HEARING WAS CLOSED.**

COMMISSIONER HUSTON moved to generate a Purchase & Sale Agreement for the Chair's signature, between Kittitas County and the owners of 604 North Water Street, Ellensburg, Washington, in the amount of \$133,000, with a closing date of May 30, 2003. **CHAIRMAN GOLLADAY** seconded.

COMMISSIONER COE did not want the public's perception to be that he was making decisions on issues without any paperwork in front of him. **COMMISSIONER HUSTON** reminded him that the Board had reviewed the

information previously in an Executive Session. He said if the Board wanted an appraisal conducted on the property, he would contact the appropriate people, but reminded the Board of the costs involved.

CHAIRMAN GOLLADAY agreed that the proposed terms had been previously discussed in an Executive Session with all the Board members in attendance.

COMMISSIONER HUSTON withdrew his motion. **CHAIRMAN GOLLADAY** accepted his withdrawal.

COMMISSIONER HUSTON moved to continue the public hearing until Tuesday May 6, 2003 at 4:00 p.m. in the Commissioner's Auditorium, Room 109, County Courthouse, Ellensburg, Washington. **COMMISSIONER COE** seconded.

COMMISSIONER COE claimed it didn't necessarily require an appraisal, but felt it looked strange to be at a public meeting with no written documentation in front of him. He requested copies of the paperwork that Warren Beed presented during the Executive Session.

COMMISSIONER HUSTON explained there was no paperwork to be presented at the present time, due to the fact there was not a realtor involved to generate a Purchase & Sale Agreement. He offered to get together with Deputy Prosecutor, James Hurson and to put one together.

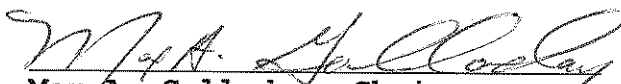
Motion carried 3-0.

The meeting adjourned at 5:05 p.m.

CLERK OF THE BOARD


Julie A. Kjorsvik

KITTITAS COUNTY COMMISSIONERS
KITTITAS COUNTY, WASHINGTON


Max A. Golladay, Chairman