

MINUTES

SPECIAL MEETING OF THE CITY COUNCIL CITY OF IMPERIAL OCTOBER 25, 2021 5:30 P.M.

CITY COUNCIL CONVENES TO OPEN SESSION AT 5:30 PM

MAYOR EUGENIO CALLED THE MEETING TO ORDER AT 5:34 PM

CITY COUNCIL PARTICIPATION

PHYSICAL ATTENDANCE: AMPARANO, BURNWORTH, TUCKER, DALE AND EUGENIO

VIRTUAL ATTENDANCE: NONE

CITY STAFF PARTICIPATION:

PHYSICAL ATTENDANCE: MORITA, BROWN, HOLBROOK, GUTIERREZ

VIRTUAL ATTENDANCE: NONE

OTHER PARTICIPATION:

PHYSICAL ATTENDANCE: PAUL NAJAR AND BRIAN BENSO OF GAFCON, INC.

VIRTUAL ATTENDANCE: MARTY GLASKE OF GAFCON, INC.

PLEDGE OF ALLEGIANCE WAS LED BY TUCKER

ADJUSTMENTS TO THE AGENDA

MORITA reported that one item would need to be added to the agenda as it came to the city's attention after which the agenda had been posted. The item is needed for immediate action so the MAYOR can attend on the City Council's behalf an upcoming press conference hosted by the Imperial Valley Regional Chamber of Commerce to discuss the Delays and Economic Impact at the Calexico East and West Ports of Entry.

ACTION:

MOTION BY DALE, AMENDED BY AMPARANO contingent on that the item be moved to B1 prior to the evenings already scheduled action calendar. SECOND TUCKER WITH AMPARANO'S AMENDMENT.

M/C: 5-0

A. PUBLIC APPEARANCES:

A-1. Matters appearing on the agenda.

DANIEL SOHN of the Imperial Valley Regional Chamber of Commerce appearing to comment on item B-1. SOHN expressed his appreciation for the Council adding the item to tonight's agenda. SOHN reviewed the guest speakers scheduled to appear, including Mayor Eugenio. SOHN also congratulated the City Council on a successful return of their Market Days event.

RAY ROBEN, a developer and former resident of the City of Imperial appeared to commend on item B-2 relating to the Northpoint Hotel Development. ROBEN asked the City Council to consider more than just the numbers that are in negotiation and look at the economic impacts it will have on the community. Referenced the set backs and delays that the current status caused even with his own developer. ROBEN expressed that GAFCON is the right partner for the City to be the catalyst for our north end growth. We need more than houses; we need a better sales tax base so we stop bleeding into our neighbor cities. Without the right operator, it is going to become less desirable and impacts the rest of the developments. Believes that if we don't partner with them, it will leave Imperial stuck with our current limited options. ROBEN stated that GAFCON is bringing industry where there isn't any. ROBEN closed his remarks that if it isn't a hotel, it's going to become apartments. And if becomes that you don't get any of the revenues GAFCON is going to bring.

B. ACTION ITEMS: (DISCUSSION/ACTION – APPROVE-DISAPPROVE)

B-1. SUBJECT: DISCUSSION/ACTION: IMPERIAL VALLEY REGIONAL CHAMBER OF COMMERCE PRESS CONFERENCE IN RESPONSE TO BORDER DELAYS AND ECONOMIC IMPACTS

DISCUSSION:

MORITA presented the item to the City Council. No discussion was held by the Council. EUGENIO called for a motion.

ACTION:

MOTION BY AMPARANO SECOND BY BURNWORTH to authorize the Mayor to appear on behalf of the City Council and take a position of support to the County of Imperial and City of Calexico regarding Border Delays and the Economic Impact it has had on the region.

M/C: 5-0

B-2. SUBJECT: DISCUSSION/ACTION: NORTHPOINT HOTEL DEVELOPMENT

DISCUSSION:

MORITA presented the item to the City Council. MORITA gave a brief history of how we arrived at this point referencing the history of the project speaking about the Planning Commission approval of the CUP. MORITA Expressed that GAFCON was forth-coming with information. Staff has reviewed the numbers presented by GAFCON and believes that those numbers are accurate. MORITA expressed agreement with ROBEN'S comments regarding TOT

and how it is generated and shared. MORITA referenced the terms in the agreement and also expressed that the hotel wasn't on the market for very long but there are risks associated on both sides. BROWN introduced Paul Najar (NAJAR) of GAFCON and asked that he proceed with his presentation. NAJAR introduced himself as the General Counsel for GAFCON and the CHIEF DEVELOPMENT OFFICER of the project BRIAN BENSO (BENSO). NAJAR gave a presentation on his personal history and ties to the Imperial Valley. NAJAR further discussed the type of hotel that GAFCON plans to bring should the Council Approve the agreement. BENSO reviewed the numbers and community and economic benefits associated with the project. AMPARANO expressed his concerns with the project regarding the amount of money and time it will take to pay it back, referencing that he will be 68 by the time it is paid back. DALE stated we need to keep perspective as to what this City needs and the cause and effect this type of development will have on the north end. BURNWORTH stated she was in favor of the project, but asked that GAFCON work with the neighboring land owners. EUGENIO referenced that this negotiation has been ongoing for the last 10 months and that its Councils obligation to ensure quality developments are coming in. No further discussion was had by the City Council. Eugenio called for a motion.

ACTION:

MOTION BY DALE AND SECOND BY BURNWORTH to approve the transient occupancy tax sharing agreement between City of Imperial and Gafcon, Inc for the term of 20 years in the sum of \$5.2 million dollars.

M/C: 4-1

AYES: BURNWORTH, TUCKER, DALE AND EUGENIO

NOES: AMPARANO

ABSTAIN: NONE

MAYOR EUGENIO ADJOURNED THE MEETING AT 7:13 P.M. UNTIL THE NEXT REGULARLY SCHEDULED MEETING, WEDNESDAY, NOVEMBER 3, 2021 AT 7:00 PM.

NOTE: Any documents produced by the City and distributed to a majority of the City Council regarding any item on this agenda will be made available at the front counter at City Hall, located at 420 S. Imperial Avenue, during normal business hours.