

IDAHO FALLS REDEVELOPMENT AGENCY
P.O. BOX 50220
IDAHO FALLS, IDAHO 83405-0220

March 8, 2013

Special Meeting
Minutes

Annex Conference Room

Call to Order: Chair Radford called the meeting to order at 8:05 a.m.

Members Present: Chair Lee Radford, Bob Barnes, Tom Hally, Terri Gazdik, and Linda Martin.

Members Absent: Lee Staker and Brent Thompson.

Also Present: Renée Magee, Agency executive director; Thane Sparks, Agency treasurer; Debra Petty, recording secretary. Eric Isom, Tana Barney, and Tahri Molifua, Ball Ventures.

Request of Ball Ventures for Participation in Street and Public Utility Construction.

Magee explained a request for \$120,000 in participation to be paid from available cash was not considered by the Agency board at the February 21, 2013 meeting. Prior to that February meeting, Radford and Barnes had met with representatives of Ball Ventures and agreed to bring such a request to the Board. The \$120,000 was for participation in rock removal for storm drainage on private lots in Snake River Landing, Division No. 7, and Block 4, Division No. 3. Magee failed to include such a request in the discussion at the February 21st meeting or the accompanying resolution. Ryan Armbruster, legal counsel, has since reviewed the River Commons Urban Renewal Plan as well as the Ball Ventures Owner Participation Agreement. The River Commons plan does not provide for the Agency expenditures on rock removal or site preparation. Participation under the plan is limited to assistance for public improvements. Therefore, it is best to only participate in the construction of streets or utilities in public easements. In lieu of Agency participation in original circular street pattern in the northeast portion of Snake River Landing, the Agency could participate in the loop street pattern formed by Pier View Drive, Bluff Drive, White Sand Creek Way, and Lochsa River Drive. Bluff Drive ends as a street and becomes a public easement south of Whitewater Drive. This request for additional \$120,000 participation will bring the Ball Ventures request to \$670,000, of which \$500,000 is to be in the form of a note and \$170,000 to be cash reimbursement when the improvements are complete and accepted. The request from Thomas Development is for \$365,000 for the construction of Lochsa River Drive. This participation will be in addition to the note executed by the Agency for \$8,812,602 million and the previous payment of \$40,000 in cash. The River Commons Urban Renewal Plan anticipated Agency participation in the amount of \$10,552,602. If this additional request of \$120,000 is approved, Ryan Armbruster will amend the Owner Participation Agreement to reflect this new request as well as those approved in the February 2, 2013, resolution. The total participation, including Thomas Development but not including developer fees, will be \$1,035,000. About \$600,000 remains within the plan for Agency participation if this request is approved. The participation with Thomas Development for construction of Lochsa River Drive will be in the form of a note.

Eric Isom, Ball Ventures, thanked the Board members for holding a special meeting. Ball Ventures has the opportunity to participate with Martek, Thomas Development, and another business for new buildings in the area of Whitewater Drive. The northeast corner of Snake River Landing is most difficult area to develop. Ball Ventures has found either lava or a former construction landfill in the northeast portion of Snake River Landing. The \$120,000 was the estimated cost for blasting for the foundation of a building or removal of lava rock for the private storm drain. It needs to be remembered these numbers are estimates. He requested some flexibility with costs, e.g., Bluff Street costs could be added in to the numbers. Tana Barney explained power and sidewalks are still needed in Bluff Street, and there will be a public utility easement for storm drainage and other public utilities in lieu of Bluff Street south of Whitewater Drive. Isom and Barney asked to include these costs, if necessary, to reach the commitment of \$670,000.

Gazdik expressed concern with mixing manufacturing, offices, and housing, including elderly housing. Martin explained the Martek building is an office building in which there will be assembly from small parts. Most of the materials will not be delivered by truck: a truck is anticipated only once a month or every two months. Isom noted the residential will be located south of Whitewater Drive: the offices will be north of Whitewater Drive. Magee said INL is having difficulty finding a living environment many of their younger interns and staff seek. They want to live in an area where they can walk or bike to work, entertainment, and shopping. Isom said employees of Scientech are enquiring about housing in Snake River Landing.

Isom asked the Agency Board to consider a \$120,000 contribution in cash towards White Sand Creek Way and the Bluff Drive extension. This contribution will add new tax increment in Snake River Landing. This is in addition to the earlier request for \$550,000. Magee explained the anticipated private construction in the area of Whitewater, Bluff, White Sand Creek, and Lochsa River Drives is about \$13 million. If considered in light of the Board's policy, the possible contribution from the Agency is \$1,170,000.

Radford summarized the request is for not less than \$670,000 for public improvements or an estimated fifty percent of the street and public utility improvements for Whitewater Drive, White Sand Creek Way, and Bluff Drive and its extension south of Whitewater Drive. Isom asked the wording "OPA eligible improvements" be used. Radford confirmed the costs have to be OPA eligible costs and \$120,000 is to be a cash reimbursement.

Barnes moved to commit a maximum of \$670,000 for OPA eligible improvements for Whitewater Drive, White Sand Creek Way, and remaining improvements on Bluff Drive as well as, if necessary, improvements on the public easement to be dedicated south of Bluff Drive. This \$670,000 includes a commitment of \$500,000 previously made by the Agency, \$50,000 for improvements to serve Martek, and an additional \$120,000 for White Sand Creek and, if necessary, the public easement to be dedicated south of Bluff Drive. \$120,000 will be a cash reimbursement upon completion and acceptance of the public improvements: \$50,000 will be a cash reimbursement upon the issuance of a Certificate of Occupancy for Scientech. \$500,000 will be a note executed by the Agency. Hally seconded the motion. Gazdik confirmed the Agency already approved the \$500,000 note. Radford replied the \$500,000 has been committed but, since all these streets are tied together and spur private

investment, the discussion has covered all the commitments. Gazdik thought the motion was convoluted: it is simpler to approve only the \$120,000. Radford explained fifty percent of the improvements on White Sand Creek Way may not reach the \$120,000 requested. Magee explained the expenditure of \$120,000 for rock removal on private ground did not appear to be an eligible expense whereas public improvements are. Gazdik confirmed we are simply adding the \$120,000 request and specifying where the contributions are to be spent. **Motion passed unanimously.**

The meeting adjourned at 8:50 a.m.

Respectfully submitted,

Renee Magee, Recording Secretary