

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

May 16, 2013

Regular Meeting
Minutes

Annex Conference Room

Call to Order: Chair Radford called the meeting to order at 12:05 p.m.

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

Members Absent: Brent Thompson.

Also Present: Ryan Armbruster, Legal Counsel (via phone); Renée Magee, Agency Executive Director; Thane Sparks, Agency Treasurer; and Brad Cramer, Assistant Planning Director.

Modifications to the Agenda: Hally requested to add a discussion for funding an accessibility study by the Bonneville Metropolitan Planning Organization (BMPO) on Sunnyside Road from I-15 to the Snake River. This item was introduced at the BMPO meeting yesterday and was, therefore, too late for inclusion on the agenda.

Approval of Minutes: Barnes moved to approve the minutes of March 21, 2013, as presented. Motion seconded by Staker and passed.

Approval of Bills: Chair Radford presented the finance report dated May 16, 2013. The following bills were presented to be paid from the Snake River Allocation Fund: Elam & Burke, \$1,428.50. The following bills were presented to be paid from the River Commons Allocation Fund: Elam & Burke, \$1,092.10. Staker moved to approve the bills as read. Motion seconded Hally and passed.

Consideration of Reinstated and First Amended Owner Participation Agreement – Ball Ventures and Thomas Development: Armbruster said the amendment to the Owner Participation Agreement (OPA) with Ball Ventures summarizes commitments by the Agency for the recent housing and office projects in Snake River Landing Division Nos. 6 and 7. The Agency commitment is not to exceed \$1,135,000 for road construction and public infrastructure. With the completion of \$8,800,000 in public improvements in 2008, the original OPA expired when the note was executed in 2009. There is now a further commitment to Ball Ventures for \$670,000, \$170,000 is to be a cash reimbursement when the infrastructure is completed and accepted by the City and a \$500,000 note from the Agency. There is also a commitment to Bandon River Housing (Thomas Development) for \$365,000 and this commitment will also be a note. The repayment of the note to Bandon River will be from the tax increment generated in Division No. 6 only.

Armbruster said the interest rate for the 2005 OPA with Ball Ventures is 6.25%. The interest rate for the additional projects has not been determined. He said one of the legal issues to resolve is the ability of the Agency to retain eminent domain for the Bandon River project in case of default or breach of contract. Eminent domain is not to be recourse for such failures. Recent action by the legislature limits the authority of urban renewal agencies for eminent domain to

public improvements. Another issue to be resolved is, under the OPA, the Agency has the right to review and approve design plans; however, the developers have time constraints. To expedite the process, he suggested the board be given a period of time to review plan submittals. If no action is taken by the board to review the plans, the plans will be considered approved.

Chair Radford opened the meeting to comments from the developers of the Snake River Landing projects. Thomas Mannschrek, Thomas Development, said financiers and investors are comfortable with the modifications to the OPA and will move forward with the closing. He asked the Agency for approval so site work can begin. Magee explained the site plan for Bandon River has not been approved by the city. As soon as the final plat is recorded and site plan approved, building permits may be issued. Tahri Molifua, Ball Ventures, said the draft is succinct but their legal counsel has not reviewed the document. He wants to postpone approval. Radford suggested the board approve the draft and any further modifications can be overseen by a representative of the board. Consideration was given by members regarding the amended agreement, options for determining an interest rate, eminent domain as a remedy for default, and the review process. Barnes proposed an index to track interest rates and make a final determination when the project is complete and turned over to the city. Radford believes eminent domain is not a useful remedy when default can be resolved through court action. The board is comfortable with the recommendation for review of project plans. **Staker moved to approve the Amended Owner Participation Agreement and authorize the Chair to sign the final documents. Motion seconded by Martin and passed.**

Estimates for the Reconstruction of Constitution Way: Magee said one of the improvements identified in the Snake River Urban Renewal Plan is the reconstruction of Constitution Way. Prior to the meeting, she distributed costs estimates. The cost estimate for Constitution Way is \$870,410. This includes reconstructing the street, installing landscaping, and formalizing the existing parking arrangement. D Street improvements are estimated to be \$352,604, and Park Avenue, \$130,188. Earlier discussions about the Bonneville Hotel stalled on possible Agency assistance for a private building. The Capital City Development Corporation (CCDC) recently developed a policy on assistance available to owners of buildings listed on the National Register of Historic Places. Agency funds may be used to improve the façade of the building in accordance with Secretary of the Interior Standards if a façade easement is granted to Boise and retained by Boise. This assistance is in addition to funding for streetscapes in the public right-of-way, infrastructure in the right-of-way, and limited site remediation. The Board agreed improvements are needed on Constitution Way but wanted to postpone financial commitments until an investor in the Bonneville Hotel or other major property is willing to partner with the Agency.

BMPO Accessibility Study: Hally explained the State has control of access on Sunnyside Road. BMPO recognizes traffic will increase as Snake River Landing develops. They have budgeted for two studies. A transportation study from 35th West to Yellowstone Highway and a citywide bike-ped study. He said BMPO needs additional funding to complete both studies. As the need falls in an area influenced by activity in the urban renewal area, he would like the Agency to consider funding a portion of the study. Cramer said the scope of work is not complete and additional funds may be needed. Armbruster said additional consideration should be given before making a commitment. Radford asked the study be an agenda item for the next meeting.

Update on Redevelopment Association of Idaho: Magee said the RAI Board meeting will be held in Twin Falls in July and Board members are invited. Allen Dornfest, Idaho Tax Commission, will speak on personal property tax and urban renewal at the AIC meeting in Boise in June.

The meeting adjourned at 1:10 p.m.

Respectfully submitted,

Debra Petty, Recording Secretary