

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

June 2, 2010

Special Meeting
Minutes

Annex Conference Room

Call to Order: Chair Barnes called the meeting to order at 3:00 p.m.

Members Present: Chair Bob Barnes, Tom Hally, LaMar John, Linda Martin, Dave Radford by conference call, and Lee Radford.

Members Absent: None.

Also Present: Ryan Armbruster, Agency legal counsel; Renée Magee, Agency executive director; Thane Sparks, Agency treasurer; Mayor Fuhriman, Mayor; Ida Hardcastle, Idaho Falls City Council; John Hart, Idaho Falls Downtown Development Corporation (IFDDC); and Debra Petty, recording secretary.

Report on Meeting with Honorable Jon Shindurling: Lee Radford said Shindurling believes, once the police department is relocated, the courts will function well in the space for many years. He is protective of the parking needs of the courts and citizens called on for jury dates yet supportive of the efforts of the agency to mitigate the parking issues brought on by the reconstruction of Memorial Drive. The concepts and terms for replacement parking as presented met with his approval and Barnes said Shindurling did not see how the concepts could be improved upon.

Magee, Barnes, and Lee Radford met with the owner of the Brunt Building to negotiate a sale price. Barnes found the owner was not motivated to sell or willing to make concessions other than to carry the loan on paper. After calculating the interest on the loan, Barnes decided the estimated \$39,000 in interest is better used toward relocation costs for tenants.

Consideration of Purchase and Sale Agreements: The Noel Messick property at 483 D Street, was listed at \$125,000. The earnest money deposit is \$1,250 and is refundable upon specific conditions without penalty to the agency. Mountain West Title and Escrow Company will handle the closing of the transaction. Any commissions are to be paid by the seller and the closing costs shared by both parties. The agreement will be approved by the agency in an open meeting and, if not satisfied for any reason, the agency may terminate the agreement by August 3, 2010 without penalty. There are five vacant units in the Messick property.

A listing of tenants and rents paid was provided by the owner of the Brunt Building; however, the agency is asking for a copy of all lease agreements. The Brunt Building at 695 Park Avenue was negotiated at sale price of \$700,000 with a \$7,000 earnest money deposit. The terms of the agreement are the same as for the Messick property. The Brunt complex has 34 units with 15 vacancies. In addition to copies of the lease agreements, the agency is requesting a copy of the management agreement between Mr. Lott and Mr. Olsen.

One condition of the purchase and sale agreements is a Memorandum of Understanding (MOU) with Bonneville County and the City of Idaho Falls must be signed in order for the agency to move forward with the acquisition of property. An extension was built into the agreements should it be necessary, but it will cause forfeiture of deposit. In order for the purchase to move forward, there must be a simultaneous closing on both properties. Sellers will provide proof there are no other entities with a financial interest in the property, understand they have no rights to relocation assistance, and will cooperate in the relocation of residents.

As to relocation, Magee explained the process for relocation is not dictated by state statute. The statute does require relocation of families and individuals to a sanitary, affordable unit. Staff will use HUD or ITD requirements as guidelines for relocation. Blickenstaff in the draft policy suggested a relocation payment of up to \$1,000. If a tenant were to purchase a home, the amount will be raised to \$1,500. HUD recommends tenants be given 90 days notice with two notices provided, one at acquisition and one to begin the 90 days. Receipts and proof of expenditures are required and the tenant must be in good standing on payment of rents. It is the desire of the agency to begin demolition as soon as possible so the buildings do not sit vacant over the winter months. Magee estimates relocation costs in the \$50,000 to \$70,000 range. Blickenstaff is retiring at the end of July and may be willing to assist with relocation as an independent contractor.

Lee Radford moved to approve the resolution as read for the Noel Messick property. Seconded by Hally. Motion passed unanimously.

Dave Radford requested review of the MOU by agency members and legal counsel before he gives his approval since he serves as county commissioner and agency member. Armbruster said it is built into the purchase and sale agreements.

Hally moved to approve the resolution as read for the Olsen property. Seconded by Lee Radford. Motion passed unanimously.

Time Line/Tasks for Due Diligence/Improvements: Magee presented a preliminary time line outlining activities required to be completed prior to the August 3, 2010, deadline. Modifications to the time line will occur as necessary.

The meeting adjourned at 3:55 p.m.

Debra Petty, Recording Secretary