

IDAHO FALLS REDEVELOPMENT AGENCY

P.O. BOX 50220

IDAHO FALLS, ID 83405

June 16, 2022 Regular Meeting Minutes Council Chambers

Call to Order: Terri Gazdik called the meeting to order at 12:00.

Members Present: Terri Gazdik, Chris Harvey, Kirk Larsen (via Webex), Thomas Hally.

Members Absent: Lee Radford, Brent Thompson

Also Present: Kerri Beutler; Ryan Armbruster Esq. (via Webex.), Abigail Germaine, Esq. (via Webex); Renee Magee (via Webex) and interested citizens.

1. Modification to Agenda. None. **Thomas Hally moved to accept the Agenda, Kirk Larsen seconded the motion, and the motion passed unanimously.**

2. Approval of Minutes March 17, 2022. Armbruster had typographical errors requested to be fixed. **Kirk Larsen moved to accept the Minutes for March 17, 2022 with the modifications, Thomas Hally seconded the motion, and the motion passed unanimously.**

3. Approval of Expenditures and Finance Report. Terri Gazdik presented the Finance Report Dated June 16, 2022. In the River Commons Area: \$87.50 to Rebecca Thompson for transcription of minutes; \$2,027.65 to Rudd and Company; Jackson Hole Junction, LLC \$2,821.25.

Kirk Larsen moved to approve the Finance Report dated June 16, 2022, Thomas Hally seconded the motion and the motion passed unanimously.

4. Consider Resolution approving MOU with Blake Jumper for Black Feather Urban Renewal District.

Blake Jumper, Managing Director, Tailwater Development. Jumper was the development person for The Housing Company that did the Bonneville Hotel and the Teton Mesa Apartments. Jumper has presented in front of the Board before. Jumper stated that that the last 6-8 months he has spent time in Idaho Falls searching for land to build affordable housing, as that is all his group does is affordable housing throughout the State. Jumper stated that the housing is rent restricted at different AMI

levels for different Counties. Jumper stated that the piece of property is off of West Anderson Street, and is a 7 acre parcel that has been undeveloped for years and the reason it is undeveloped is because there is a lot of basalt rock under this property. Jumper stated that trenching utilities and work for commercial and residential work it can be costly. Jumper stated that it has good access and is already zoned for up to 35 units per acre, and it is a great location for affordable housing. Jumper stated that in order to make this development work they need financing and that includes the Low Income Housing Tax Credit Program. Jumper stated that in past years the allocating agency (Idaho Housing and Finance Association) has required that developers go out and work with local municipalities to find contributions towards the projects. Jumper stated that as construction costs have gone up, it has become more difficult to make these projects pencil, and the only way to get them done is to have community support to add to the capital for the projects. Jumper has been having conversations with Beutler and Cramer about how the City can participate and TIF Financing was an option that was brought to the table. Jumper stated that they will have significant costs to remedy the rock situation and bring utilities to the site and create 2 points of access to the parcel. Jumper stated that they are proposing 156 units of garden style 3 story walk up apartments that would be restricted at or below 60% AMI (a family of 4 with one head of household making \$15-\$24/hour – workforce housing).

Gazdik asked about the other existing businesses that are outlined in the area. Jumper stated that the map that was put together by development staff, and that includes additional property, as it would be more beneficial to expand the area to outside of their parcel for future development.

Beutler agreed and stated that when Staff looked at this development there are vacant parcels in the area, and some building, and there is potential for other infrastructure improvements in the area, and the MOU would be proceeding with the eligibility report, and it seemed prudent as part of the eligibility study to look at a larger area than just the single parcel.

Gazdik clarified that it is Staff's recommendation to move forward. Beutler agreed, and stated that Jumper has identified over \$2 million of potential eligible items for reimbursement through a District. Beutler stated that this area of town has sat vacant and undeveloped for a long time and there is extensive rock in the area that is visible at the surface and that has been a direct influence on why the property hasn't developed. Beutler stated that staff has been approached by developers looking at this ground, but nothing has gone forward because of the rock. Beutler stated that it would be appropriate and they would recommend proceeding.

Gazdik clarified that the Eligibility Report would give them numbers to consider whether it was feasible. Beutler agreed and added that they need to make sure they

meet the Statutory requirements to form a district and the feasibility of the overall project.

Hally stated that the main eligibility criteria would probably be the rock, and asked if they have to do core sampling.

Jumper stated that they currently have a Geotechnical Report underway and have done 3 core samples (east side, center, west side) to determine where some of the rock is sitting and they also have a sonar map that has surveyed the entire piece of property to look at densities and levels of rock.

Armbruster stated that MOU is similar to the MOU that entered into for the Pancheri East Developer and is very straight forward and the developer will be advance funding the planning cost for the eligibility report, and if the eligibility report is approved by this Board and City Council, they could then move on to the actual preparation of a plan. Armbruster called out a few sections beginning with Section 5 of the Agreement it shows that the developer may not correspond directly with the timeline for the IHFA and should a plan no be approved then whatever funds had been advanced would not be reimbursed. Armbruster stated that section 6 confirms the Agency's support of this project and allows Jumper to use this MOU to file or submit IHFA or obtain funding for the project. Armbruster stated that Section 10(D) concerning the developer Jumper's crew can assign this MOU to others as long as he maintains managerial control of the entity.

Gazdik clarified that the developer will pay for the cost of the feasibility report. Armbruster agreed.

Armbruster read the Resolution by Title

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF IDAHO FALLS D/B/A IDAHO FALLS REDEVELOPMENT AGENCY APPROVING THE CERTAIN MEMORANDUM OF UNDERSTANDING BETWEEN THE IDAHO FALLS REDEVELOPMENT AGENCY AND BLACKTAIL WEST LLC; DIRECTING THE CHAIR OR VICE-CHAIR TO EXECUTE AND ATTEST SAID AGREEMENT; AUTHORIZING THE CHAIR OR VICE-CHAIR TO EXECUTE ALL NECESSARY DOCUMENTS REQUIRED TO IMPLEMENT THE AGREEMENT; AUTHORIZING ANY TECHNICAL CHANGES, SUBJECT TO CERTAIN CONDITIONS; AND PROVIDING AN EFFECTIVE DATE.

Thomas Hally moved to approve and accept the Resolution approving the Memorandum of Understanding with Blacktail West, LLC as stated, Chris

Harvey seconded the motion. Gazdik called for roll call vote: Gazdik, yes; Hally, yes; Harvey, yes; Larsen, yes; Walker, yes. The motion passed unanimously.

5. Pancheri East Bank Update. Beutler stated that the City Survey office is still working through the title report, so one of the remaining questions is the nature of the road (whether public or private ownership) that would connect Yellowstone Hwy back to Capital. Beutler stated that area of town has been that way for a long time and there is lots to go through and its messy so it is taking longer to work through the title documents. Beutler stated that once that is in place they will bring it back next month to talk about boundaries.

6. Draft FY 2022-2023 Budget. Mark Hagedorn stated that this is the first draft and then in July there will be a draft that will be approved to be published and in August the budget will be approved. Hagedorn stated that there is nothing drastically different. Hagedorn stated that the budget has 3 Districts and if there is a new District created that can be added. Hagedorn stated that property taxes are estimated based on last years theoretical collections. Hagedorn stated that levy rates change and they do not have control over the levy rates. Hagedorn stated that they make a general estimate. Hagedorn stated that interest rates are increasing so they did increase the possibility of what that could be and they did budget what the available cash will be at the end of the year. Hagedorn takes those 3 things to make a balanced budget that gives the Agency the most capacity to spend. Hagedorn stated that they have put in expenditure fees the Administrative Fees including attorney fees and other professional fees (transcribing), City fees, insurance, office expense dues. Capital projects are place holders for whatever the Board chooses. Hagedorn stated that they've attempted to fill the budget in so it gives the most capacity to make decisions. Hagedorn stated that the OPA listed are a percentage of the property taxes (River Commons 75%; Eagle Ridge 85%; Jackson Hole Junction 80%).

Gazdik asked why the G&A Expense under River Commons went from \$50,000 to \$350,000. Gazdik asked what the huge anticipated expense is. Hagedorn stated that there is not an estimate, they just put something there so they had capacity, and those funds can be moved. Hagedorn explained that everything within the budget can be translated, so they wanted to put some in G&A and the rest in Capital. Hagedorn stated that they can move the funds to capital. Gazdik clarified that the amount in G&A is the amount it takes to balance this budget. Hagedorn agreed it is just a number, and they use the Capital to balance. Gazdik feels it makes more sense in Capital, rather than to show the public a huge increase in G&A expenses. Hagedorn agreed to move the funds. Hagedorn stated that they will see the budget next month.

7. RAI/Legislative Updates. Armbruster stated that they are trying to digest what occurred in primary season. Armbruster stated that there is substantial change in the House and Senate and that many leadership positions will need to be filled after the November election when they gather in December to elect their leaders and committee chairs and committee members. Armbruster stated that RAI has their annual membership and board meeting is today on Zoom. Armbruster stated that it is standard activities to clear up year end and also to approve the budget for FY 22. Armbruster stated that they also have some compliance issues to go over, and thankfully Urban Renewal Agencies among the RAI members have totally complied with the requirements concerning filing with tax commission, and everyone is still working through the details of the new filing requirements for the State Controllers Office.

Hally asked if Armbruster is presenting at AIC next week. Armbruster stated that he and Meghan Conrad will be presenting Thursday morning.

Next Regular Meeting: July 21, 2022.

Thomas Hally moved to adjourn the meeting, Kirk Larsen seconded the motion and it passed unanimously.

Radford adjourned the meeting at 12:30 p.m.

Respectfully Submitted: Beckie Thompson