

IDAHO FALLS REDEVELOPMENT AGENCY

P.O. BOX 50220

IDAHO FALLS, ID 83405

February 21, 2019

Regular Meeting Minutes

Annex Building Conference Room

Call to Order: Lee Radford called the meeting to order at 12:00.

Members Present: Lee Radford, Kirk Larsen, Brent Thompson, Terri Gazdik, Dave Radford

Members Absent: Chris Harvey, Thomas Halley

Also Present: Brad Cramer; Ryan Armbruster, Esq. (via telephone); and interested citizens.

1. Modifications to Agenda: None.

2. Minutes December 20, 2018: Brent Thompson moved to approve the minutes for December 20, 2019, Kirk Larsen seconded the motion and it passed unanimously.

3. Approval of Expenditures and Financial Report. Lee Radford presented the Finance Report dated February 21, 2019. The following bills were presented to be paid from the Snake River Revenue Allocation Fund: Elam and Burke, \$1,038.70 for legal services; Kevin Machen, \$335.00 for snow removal; Unitarian Universalist Church, \$2,400.00 for parking agreement; Rudd & Company, \$6,500.00 for ½ payment of annual audit; Renaissance Partners, \$175,623.42 for OPA payment; and a bill to be ratified to Woodbury, \$142,542.14. The following bills were presented to be paid from the River commons Revenue Allocation Fund: BV Lending, \$384,743.12 for OPA Payment; Bandon River, \$10,976.05 for OPA Payment.

There was discussion about the remaining commitment on the Kelsch property listed as \$1.2 million and should be \$1.3 million.

Cramer indicated that when they were reviewing the payment to Renaissance Partners, they noticed that there is a property missing (Deseret Book), and there is a need to investigate how the valuation for the properties work because the Walmart property County assessment between 2016 and 2017 showed the value of the improvements on the property dropping by ½ (\$4.million) and the value on the property is less than in 2006 when it was built. Dave Radford indicated he does not recall an appeal on the valuation of the Walmart property and the normal depreciation schedule would not reflect a 50% decrease. Lee Radford asked if the payment to Renaissance Partner will be affected. Cramer stated that they will owe more to Renaissance Partners due to the Deseret Book property missing from the valuation.

Dave Radford asked about the \$100,000 difference on the Kelsch Property payment commitment. Cramer stated that when they first did the Purchase and Sale Agreement there was a commitment for a total of \$4.3 million; \$3 million has been paid; and the \$100,000 difference was supposed to be made up by fundraising and that has never happened, so the Agency is still responsible for the \$100,000.

Mark indicated it is only an estimate, and not an actual listed payment.

Brent Thompson moved to approve the Financial Report dated February 21, 2019, Dave Radford seconded the motion and it passed unanimously.

4. Agreement with Idaho Falls Public Works for Assistance with Broadway Streetscape Improvements. Armbruster stated that since the approved the agreement there have been some technical

changes that need to be made. Armbruster stated that the City agreed to cap their fee at 15% of the bid for engineering services, project management and administration, and the entire amount the Agency is obligated for would not exceed \$525,000. Cramer indicated that they wanted to make sure that \$525,000 was a not to exceed number, including contingencies and administration fees.

Catherine Smith, IFDDC. Smith stated that IFDDC has committed \$50,000 towards the project, so the total project costs can be \$575,000. Smith was concerned that the wording in the agreement would not allow the project to move forward because it was not considering the IFDDC's \$50,000 addition. Cramer stated that this agreement is only between the Agency and the City and that is why the IFDDC's \$50,000 contribution was not included.

Dave Radford wants to make sure that IFDDC's contribution will be paid first and then the Agency's cap will be \$525,000 after the \$50,000 is paid. Smith agreed with Radford and indicated that was her understanding, and Cramer agreed that is his understanding too.

Armbruster agreed that this agreement is only between the City and the Agency. Armbruster stated that the additional \$50,000 from IFDDC does not need to involve the Agency. Lee Radford indicated that they want to make sure that the contribution of \$50,000 needs to be expended before the Agency's funds are used, and that needs to be in writing. Armbruster stated that they will add a sentence in the Agreement so it is clear that the City acknowledges additional funding from a third party, and that funding will be used first by the City.

Dave Radford moved to make the change to the Agreement to clarify that third-party funding from IFDDC will be used prior to the Agency contributing funds, Kirk Larsen seconded the motion and it passed unanimously.

Smith walked through the elements of the design plan that were included in the packet. Smith indicated that the design will include, new curb, gutter, sidewalk, pavers, trees selected for this corridor (locust, crab apples, ginkgo), irrigation, rectangle pots. Smith stated that they are planned for irrigation to go into the hanging baskets and if the bids are high that will be aspect will be removed.

Smith indicated that they are coordinating with all departments that will be involved now and in the future.

Smith clarified that the corners on Broadway will be tied into the corner project that IFDDC will be doing so it will look seamless. Smith confirmed that all property owners are on board, including Denning's.

Brent Thompson moved to approve the Agreement with Idaho Falls Public Works with the amendment, Terri Gazdik seconded the motion and it passed unanimously.

5. Agreement with IFDDC for Downtown Intersection Improvements.

Catherine Smith, IFDDC. Smith indicated that she understands that the project will not exceed \$320,000; will have 10 construction elements (10 intersections); there can be 16 progress payments. Smith stated that they have put a \$12,500 down payment on the trees and they completed ½ of an intersection before the end of the year, and they have \$34,000 to be reimbursed for that portion of the intersection.

Armbruster indicated that once Brad Cramer gets the invoice for the trees that invoice can be paid pursuant to the agreement made previously.

Cramer explained on paragraph 4 it illustrates how to pay for the intersections once they are done and allow IFDDC to cash flow the project. Cramer stated that the construction element referenced is an intersection (10) and when ½ of an intersection is completed IFDDC will notify the Agency and he will do the cost audit; inspection and the City will accept the work and then the Agency can pay for that ½ of the intersection that was completed.

Smith indicated that they anticipate construction taking 16 weeks and they have worked with Parks and Rec and Public Works on when to start the project when the Asphalt Plant starts again (late March). Smith stated they are working through the schedule of corners based on traffic/pedestrian flow. Smith indicated that they will do all of the north west corners first, then the south west corners, then north east corners, north west corners. Smith stated that Public Works asked for that schedule to avoid shutting down entire intersections while they are under construction.

Cramer stated that originally, they anticipated doing kitty-corner pieces of an intersection, but now Public Works has changed how they want the construction to be scheduled.

Smith stated that they anticipated doing two north east corners that would essentially make up one intersection for payment purposes, and the Agreement might need to be adjusted to illustrate that clearly. Smith stated that they need to capture ½ of the costs at a time so they can continue to cash flow as IFDDC does not have \$320,000 of cash to do this project and they are attempting to use the same \$40,000 repeatedly for each portion of the intersection. Smith stated that they have explored some other options on how to cash flow the project, that might include a short-term line of credit through the Bank of Idaho to have some funds available to them. Smith stated that they are relying on Public Works to do the demo work and so they need to work with their phased schedule to keep traffic and pedestrian flow open.

Lee Radford stated that they pay based on progress and it doesn't matter how many segments its broken into, and that can be judged when IFDDC makes the request and he believes the Agreement is too structured on how they need to do their construction. Lee Radford stated that they will only pay upon completion.

Cramer stated that if the Board is comfortable with doing ¼ of an intersection and they make progress payments, then Cramer and Armbruster can work through the correct language.

Lee Radford suggested the Agreement be modified to indicate that progress payments will be made upon the number of corners completed as a proportion of the total, and that will leave IFDDC and Public Works the flexibility to sequence construction.

Terri Gazdik moved to amend the Agreement to make progress payments based on the number of corners completed, Kirk Larsen seconded the motion and it passed unanimously.

Dave Radford moved to approve the Agreement with IFDDC with the amendment, Terri Gazdik seconded the motion and it passed unanimously.

6. Public Records Custodian Resolution. Armbruster stated that the Legislator amended its public records law to require every public entity to formally identify the location of the records, the custodian, and an alternate custodian. Armbruster stated that they have designated Brad Cramer as the primary custodian and the City Clerk as the alternate custodian and have indicated that the records are stored at 680 Park Ave., Idaho Falls, Idaho. Armbruster added that the Resolution states that there is not a

different policy pertaining to public records requests and they follow the provisions of the Idaho State Statute.

Dave Radford moved to approve the Public Records Custodian Resolution, Brent Thompson seconded the motion and it passed unanimously.

7. Request for Funds to Improve Civitan Plaza.

P.J., Parks and Recreation. P.J. familiarized the Board with where Civitan Plaza is (Corner of Park and B). P.J. indicated that they are proposing to grade the area, strip everything, put the stage in the corner against the buildings so the performance is projected out towards the plaza in order to expand the audience size into the street if needed. P.J. indicated that Civitan Plaza offers a location where people can go outside and enjoy nature Downtown. P.J. indicated they'd like some tables and chairs, outdoor ping-pong tables that could be incorporated into the plaza to offer opportunities for people to gather. P.J. was not able to have designs ready for today's presentation. P.J. stated that they have discussed with IFDDC and other Downtown developers to ensure that this is an area that people want to utilize downtown.

Gazdik asked if Civitan Plaza is sponsored by the Civitan Group and is there financial sponsorship from the group. P.J. indicated that there is no financial sponsorship, but they did help do the stage in the past and sold pavers to raise funds.

Lee Radford asked if Civitan Club has any comments on this project. P.J. stated that he has talked to club members about the chance that Civitan Plaza would be out for the summer and the need to relocate alive after 5 and possible relocating to The Broadway.

Gazdik asked if Civitan has intentions of supporting this project financially. P.J. stated that they have not discussed that.

Dave Radford indicated that he will be opposing this project. Dave Radford stated that any money that would be spent on Civitan Plaza would take away from money that could be returned to the City and County on the closeout of the District. Dave Radford indicated that any new projects against the remaining funds, he will vote no on.

Larsen asked if they have to scrape the area clean and start over or is there a way to do so key elements for a lower price. P.J. agreed that they could look into a scaled down version to relocate the stage to the back and make the layout better. Larsen indicated that there is no reason to spend money just to spend money and if they can meet a need for a reduced price it is something to look at.

Gazdik stated that she would like to see the public support this project and work to make it happen. Gazdik stated she would be in favor of moving the stage and making it function as envisioned.

Thompson asked if Civitan's will still want their name attached to the Plaza. P.J. stated that they have not looked at the idea of changing the name and if they'd still like to have their name attached, they should be invested in some sort of an effort to fundraise. Thompson asked for a design that shows the full project and then a design that shows a smaller scale renovation. Thompson asked if the changed design would support more people for the events. P.J. indicated it is a more efficient design and they can open the street on Park and B for seating.

Lee Radford stated that he agrees with Dave Radford and they are trying to close out the District and give money back to the City and County. Lee Radford stated that he remembered it being built and it hasn't been that long ago that it was created, and he doesn't see it as something that needs to be renovated.

8. Closeout Schedule and Procedures for Snake River District. Armbruster indicated that they have put together the documents on the termination process and have included those in the packet. Armbruster stated that at the meeting in March they will be in a position to send a formal letter to the taxing entities and tax commission advising them that the District will terminate as of 2019; April meeting will have an approval of the termination resolution, termination budget, and a narrative concerning the closeout of the project area; and then go to City Council later in the year to finish the District. Armbruster stated they have received their January tax check and will receive a tax check in July and the goal is to complete all projects by September 30, 2019 and that all available funds remaining (except a small administrative fee) will be disbursed to the County for allocation to the taxing entities. Armbruster stated that they will attempt to set up a conference call with the Assessor and representative at the Tax Commission to give them an early head up.

Dave Radford suggested having the estimates for the taxing Districts; and involving the news media to show an example that this is being closed out and the entities can have the budget hearings in July. Armbruster stated that they should target the April meeting for the expansive participation.

Larsen stated that the April numbers will be pretty certain.

Dave Radford stated that there could be appeals about the various properties and the numbers could fluctuate a small amount (5%). Lee Radford stated that 2019 values will not impact this, as it is the 2018 values they are going off of. Dave Radford stated that there is a good chance that for 2019 there are appeals that could happen.

Armbruster stated that April will have the approval of the Draft Resolution, narrative termination plan, and updated budget that tries to better estimate what will be available on September 30, 2019.

9. Draft Audit Report. Cramer stated that the draft audit is in the packet and auditors will be at the March meeting to present the audit for approval. Cramer stated that they are required to turn in the audit and the report to the City Clerk by the end of next month.

10. Draft Annual Report. Cramer stated that if there are things that the Board wants in this year's report, let him know as he is working on that right now; and last years Annual Report was included in the packet. Lee Radford wanted to pull up articles about Downtown to be informative to the public.

Armbruster stated that the Draft report will need to be available for public comment before the March meeting.

11. Projects in Pancheri-Yellowstone District. Cramer stated that one of the property owners would like to see the money spent in the District however there has been a stall on the sidewalk and landscaping because of the typical sections that were proposed. Cramer stated that as it is designed along Yellowstone would have an 8' sidewalk and 4' landscape strip, which is not wide enough for trees, and 6-7' is needed for trees. Cramer wanted to know what the Board wants in terms of landscaping and sidewalk. Lee Radford stated that it was clear that if the property owners would like to donate several more feet of property to contribute to the project, then the Board would do the project, but if they were not willing to help then the Board is not interested. Dave Radford agreed. Larsen asked if any of the existing land owners were willing to provide more land. Cramer stated that the property owner's preference is not the landscaping, they want the project done for lighting and security issues. Cramer clarified that the Board wants the full project with 7' landscape and 8' sidewalk, and the property owners need to be willing to participate in deeding land.

12. Executive Session. Consider records that are exempt from disclosure as provided in Chapter 1, Title 74, Idaho Code, and communicate with legal counsel to discuss legal ramifications and legal options for pending litigation or controversies not yet being litigated but imminently likely to be litigated (Idaho Code Section 74-206(1)(d) and (f).

Dave Radford moved to enter into Executive Session pursuant to Idaho Code 74-206(1)(d) ad (f), Kirk Larsen seconded the motion. Lee Radford called for vote by roll call: Larsen, yes; Gazdik, yes; D. Radford, yes; Thompson, yes; L. Radford, yes.

The motion passed unanimously.

Dave Radford moved to exit Executive Session, Brent Thompson seconded the motion. Lee Radford called for vote by roll call: Larsen, yes; Gazdik, yes; D. Radford, yes; Thompson, yes; L. Radford, yes.

13. Next Meeting. The next meeting is scheduled during Spring Break for the local School Districts (March 21, 2019). The Board suggested moving the meeting to March 28, 2019. There was a consensus among the Board members.

Next Regular Meeting: March 28, 2019

Dave Radford moved to adjourn the meeting, Brent Thompson seconded the motion and it passed unanimously.

Respectfully Submitted: Beckie Thompson