

IDAHO FALLS REDEVELOPMENT AGENCY

P.O. BOX 50220

IDAHO FALLS, ID 83405

May 17, 2018

Regular Meeting Minutes

Council Chambers

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

Members Present: Lee Radford, Kirk Larsen, Brent Thompson, Thomas Halley,

Members Absent: Terri Gazdik, Dave Radford, Chris Harvey.

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

Modifications to Agenda: None.

Minutes: April 19, 2018: Armbruster had some questions regarding the Minutes and the Recording Secretary answered his questions. No changes were made to the Minutes. **Thomas Halley moved to approve the Minutes for April 19, 2018, Kirk Larsen seconded the motion and it passed unanimously.**

Approval of Bills: Lee Radford presented the finance report dated May 17, 2018. The following bills were presented to be paid from the Snake River Allocation Fund: Elam and Burke, \$2,593.29 for legal services; Rebecca Thompson, \$85.00 for transcription of minutes. **Brent Thompson moved to approve the Finance Report, Thomas Halley seconded the motion and it passed unanimously.**

Project Update: Idahoan Foods.

Tim Hopkins, Esq., Hopkins Roden. Hopkins represents Thomas Development (Manschrek). Hopkins stated that Thomas Development has been working feverishly, and they are close to a final decision from the Idahoan about their intent to build a structure in Downtown Idaho Falls. Hopkins stated that to accomplish the last-minute details that are required by the Idahoan a couple of additional weeks are necessary and Hopkins requested that the deadline of May 17, 2018, be extended for 2 weeks until the 31st day of May. Hopkins stood for questions.

Radford asked Hopkins how he believes the project would impact Downtown Idaho Falls. Hopkins stated that the impact would be terrifically positive if Idahoan stays Downtown, and to the contrary if Idahoan leaves Downtown Idaho Falls, the impact would be terrifically negative. Hopkins stated that it is important to keep the employment base Downtown. Hopkins stated that beyond the employment that is important, there is the enhancement of the architectural aspects of the community that would be brought forth if the Idahoan Project moves forward and it would create and access between the new Broadway Project and the Idahoan that would serve as a catalyst for the development of the entire intersection of Broadway and Constitution. Hopkins indicated that it would be very important to Downtown Idaho Falls and a great credit to the RDA if the financing can come together with the financing and the needs of the Idahoan and the imagination and work of Thomas Development.

Thompson asked if May 31, they would have an absolute yes or no decision. Hopkins stated that the status of the project is such that a firm resolution, as far as the RDA is concerned, one way or the other should be reached by that date.

Larsen stated that the RDA funding must be done by September 1, 2019 and asked if that will line up with the project to the point where the Agency can provide the funding to meet the time frame. Hopkins stated that Thomas Development is intimately familiar with the requirements of the RDA and the limits on the spending and they believe that the project can fit within the limits.

Larsen asked if the \$1 million number is a comfortable number. Radford indicated that is the number that they have discussed with Tom Manschrek that would be needed to do the 2 floors of parking. Radford added that they have discussed that is the most the Agency can do is \$1 million.

Hopkins stated that the new plans continue to include substantial parking and considerable public parking. Hopkins stated that the new plans show that the existing structure would be renovated and enhanced by adding a 3rd floor and the parking would be adjacent on the west side.

Radford indicated that Idahoan looked at the previous plans that had a 5-story building on the corner and keeping the existing building, the Idahoan felt a need to keep their staff in an integrated space instead of two separate buildings. Radford stated that Idahoan asked Erstad Engineering to come up with a plan to keep the people all together. Radford stated that the new plan would put an additional story on the existing building and Erstad believes that the building is sturdy and will support another floor on the top. Radford indicated that Erstad is confident they can build the existing floor without disrupting the working environment of Idahoan. Radford stated that Idahoan is running to the end of their lease and they need to make the decision regardless.

Hopkins stated that this is a major commitment and longtime commitment for Idahoan and their intention would be to own the structure.

Halley clarified that the plan is to add a story to the existing building, plus build a parking structure. Hopkins agreed with Halley. Halley asked if the new parking structure would eliminate the need for the current parking lease with the City. Hopkins stated that they have every intention of working cooperatively with the City of Idaho Falls.

Halley stated that the project could solve the perceived parking problem in the Downtown area, which will be a catalyst to fill the vacant spaces. Halley indicated he is in favor.

Radford proposed that they go through all the Agenda items and the project proposals, then they can look at the cash flow, and the close out schedule to determine what to do with the projects.

Request for Assistance: Tru Hotel.

Tahri Malifua, Ball Ventures. Malifua stated that they have commenced construction of the Tru Hotel that is adjacent to the Hilton Garden Inn. Malifua stated that they decided that they stood to lose more if they didn't lock in some of the pricing that had been quoted. Malifua stated that they are developing the site for a pad ready site, so they can make an additional decision before going vertical on the improvements. Malifua stated that they have pulled the permit and commenced making site improvements. Malifua stated that the request still stands, and they understand there will be some review by staff as to eligibility. Malifua stated that they acknowledge they are in line and they considered the September 2019 deadline, and did not want construction delays.

Halley asked where the budget deficits came from. Malifua stated that the basalt is unknown, they've done studies and have an estimate that was submitted that is conservative, and they do not anticipate going over. Malifua stated that the specifics of this improvement require sub-surface improvements such as a contained storm water system under the project that requires them to go deeper than normal, and the

elevator and foundation. Malifua stated that when they started the project the budget was articulated by Hilton, and the estimates that they were given were way off with a delta of \$3million from the original projections that were based on the hotels that they have done in Idaho Falls, and in Boise, and they could not have anticipated what the increases were going to be, and most are due to rising labor, specific materials and the threat of imposed tariffs.

Thompson asked if the request is for lava remediation. Malifua stated that the site improvements are related to landscape, lava remediation, rebuilding the pedestrian foot bridge that crosses the canal. Malifua stated that the bridge will not be public, but it will be open to the public and they will make any signage or designation to make it clear that it is open to the public. Thompson asked if the landscaping is on fee land, or on public land. Malifua stated that some is on the right of way of the canal and some is on the public right of way. Malifua stated that they took the amount of landscape on the public site and divided it by the total landscape to create a factor that could potentially be applicable to the reimbursement. Thompson asked if they are still requesting \$550,000. Malifua stated that is what they anticipate being the full extent, but the reality could be less than that amount.

Project Proposal: Pfaff Sewing Center. Cramer stated that the Pfaff Sewing Center is a vacant building Downtown that is not occupiable, due to the structural engineering reports stating that the building will collapse if nothing is done. Cramer stated that 2 different groups have come to talk about the property as a potential Redevelopment Agency Project. Cramer stated that if the Agency is interested it will be a similar project as to what has been done with the Bonneville Hotel, in a smaller abbreviated scale.

Resin Architecture. Graham Whipple, Greg Croft, Jonathan Gallup. Whipple explained that they are local architects that formed Resin Architecture. Whipple stated that they have engaged in activities that are envisioning improvements to the community. Whipple stated that they initiated this process on the Pfaff Sewing building by looking at the potential of where slum and blight exists and how can they change the trend. Whipple indicated that the hand out shows a cluster of red dots on the south end of Park Avenue, showing 5 different properties in the half block that have been identified as top properties for slum and blight and the Pfaff Sewing Center is one of those properties. Whipple indicated that some of the properties have received façade grants and have made improvements. Whipple indicated that there are properties that are currently in the process of improvements. Whipple stated that this property is critical because of the location on the south end of Park Avenue. Whipple stated that this area is a gateway into the vibrant part of the City. Whipple stated that this property being condemned is at risk and they have a great vision for the property.

Greg Croft. Croft showed the map that illustrated the tax potential. Croft showed that the subject property (D10) is essentially bringing in as much income per square foot as a parking lot from a tax impact. Croft stated that there is a building behind the subject property and so it is sheltered in and if that building were to fail or fall it would make a pocket park. Croft indicated that this property has some potential for some TIF (Tax Increment Financing).

Jonathan Gallup. Gallup illustrated their plan to do commercial space on the main floor with some residential components to get mixed use into the Downtown area. Gallup stated that they would have to bring everything up to code in the current building for the commercial portion, and the residential component would have to be brought to code. Gallup stated that the height visibility and the historic façade and nature has huge potential to clean it up, as well as the street theatre. Gallup stated that a viable business engaging on the street level will increase pedestrian traffic through the area.

Whipple stated that the building is not allowed to be occupied currently. Whipple stated that one of the reasons why this building is time critical is because the current owners are proceeding with the

recommended improvements in the building based on the structural engineer's reports, and everything they do that will bring the building only to the bare minimum level of compliance is work that for a commercially viable use, will have to be torn out or reinforced. Whipple indicated that they are proposing an expedited process, so the building doesn't go through another winter. Whipple stated that the building is not sealed up. Whipple stated that another severe winter and the building will likely collapse. Whipple stated that the expedited schedule is an opportunity for them to get in and seal the building before the winter. Whipple indicated that they are recommending the Agency seek an option to purchase the building and pursue an RFP process like the Bonneville (much simpler scale). Whipple stated that they are involved in the RFP process and it is not unusual to have a 2 or 3-week window turn-around. Whipple stated that they are recommending a 3-week time line on this, so the proposals can be ready for review before the next meeting. Whipple stated that the proposal would be issued in June, reviewed in July, and the building can be sealed before winter, and improvements can be made in a dry environment.

Cramer stated that the building is for sale, and they know a rough purchase price.

Jake Durtsche. Durtsche indicated he is a real estate investor. Durtsche indicated that a year ago they had the property under contract and as they went through due diligence it became clear that the numbers wouldn't make sense. Durtsche stated that the building is approximately 25' wide and 100' deep. Durtsche stated that the building has had a leaky roof for approximately 10 years and the entire interior of the building is rotten. Durtsche stated that the math to figure out buying the property, re-pouring footings, putting in new base floor, new second floor, and new roofing system, the numbers don't make sense. Durtsche stated that no investor is going to buy the building. Durtsche stated that the value of the property doesn't match the investment necessary. Durtsche stated that if this building is important there is not another way for the building to be taken care of without the Agency.

Thompson asked what the asking price is on the property. Durtsche stated that it is all over the place. Durtsche stated that when they started negotiating it was \$200,000, and it was under contract for \$100,000. Durtsche stated that the value has gone up because he has put some more wood in it that needs to be hauled out.

Croft stated that his most recent conversations have been \$130,000. Croft stated that he had a different discussion with his partner that is not on the title, and he said that he would get rid of it right now for \$90,000.

Radford stated that the concern is if the Agency approaches then the price goes up.

Larsen asked what happens if the structure collapses. Whipple stated that the risk is that the buildings might not have separate structural walls, and if that building starts to collapse it could fall onto the Villa, Leather Works, or into the public right of way. Whipple stated that the building is 100' deep and 25' wide and land locked, so a viable re-use for development is a huge liability and you cannot feasibly build construction in that area from scratch and have it pencil out.

Durtsche indicated that there is no back access and so if you tried to do a restaurant there is no back-fire access.

Whipple stated that there are some limitations on proposed uses. Whipple stated that they have worked with Durtsche and they know that there is viability in the building and it comes down to the building purchase that sinks the financial feasibility.

Thompson asked who the developer would be. Durtsche indicated that if the Agency asked for RFP each company would do a proposal. Durtsche stated that multiple parties are interested, and they could partner on this project.

Cramer suggested moving the No. 7 Yellowstone/Pancheri Street Improvements after the final discussion in the Snake River Area. Radford agreed to move No. 7 past No. 10 on the Agenda.

Project Updates: Bonneville Hotel and the Broadway.

Bonneville: Cramer stated that the Bonneville Hotel is moving ahead quietly. Cramer stated that the plans should be in soon. Cramer stated that The Housing Company has begun meeting with tenants to discuss relocation. Cramer stated that they are progressing towards a closing date in August and starting construction in September.

Radford stated that despite what news might be out there, there is a plan for relocating the people. Radford stated that the plan will work, and the plan is available for review.

Cramer stated that the current owner has asked when they will discuss the details of closing and exercising the option. Cramer stated that the answer they have given is when they Agency is comfortable that the project is happening.

Radford stated that the Bonneville is moving forward and a lender to The Housing Company has asked a partner in Radford's firm to assist with the finance documents, and as such Radford will recuse himself from further discussion on the Bonneville.

Broadway: Cramer stated that what you can see by driving by the site, is where the project is at. Cramer stated that he was able to tour the garage. Cramer stated that City Council is going to have a presentation on July 9 starting at 5:30 p.m. and then they will take a tour of the property and they are inviting the Agency members to attend. Radford asked Cramer to have Naysha send an appointment out as a reminder.

Project Update: Aladdin Floral. Radford stated that Julie Isom and Ralph Isom are the owners and the Agency made an offer on the Aladdin property and the offer was not accepted. Radford stated that he will talk again to Julie Isom's attorney.

Discussion: Draft Snake River District Close-Out Schedule. Armbruster stated that the direction they have received from the Tax Commission is that the project areas that take in the full term that they were granted they will be going through the process in 2018 to establish the FY 2019 Budget and for the Snake River District they will determine the preliminary close out budget that attempts to describe exactly what they will spend the remaining dollars on between October 1, 2018 and September 30, 2019. Armbruster stated that they will get checks, revenue, taxes in January and July of 2019. So, as they plan to determine exactly how much of that they need or want to spend that is a critical part of the overall termination plan. Armbruster stated that because they are getting the benefit of the assessed values to be established in 2018, they cannot take any formal action to advise or notify the tax commission or the other taxing entities until the early part of 2019. Armbruster stated that the beginning of 2019 they will be totaled, and they can take the assessed values of the properties in the project area as they establish what will be their FY 2020 budget. Armbruster stated that in addition, they will be able to take the new construction value of improvements since January 1, 2007. Armbruster stated that the Agency does have a good faith obligation to attempt and complete all its activities by September 30, 2019. Armbruster stated that to do that they will need binding agreements for whatever projects the Board ultimately decides to fund. Armbruster stated that they have encountered on at least one other occasion that even with the best

planning the actual expenditures of funds slip into the subsequent fiscal year. Armbruster stated that they don't have a specific guidance from the Tax Commission, but they believe so long as there is a binding obligation and in good faith you attempted to expend your funds by September 30, 2019, and for reasons outside of the Agency's control a project doesn't get finished, you can probably retain sufficient funds to complete that project after September 30, 2019. Armbruster stated that the Agency has the authority to acquire property as they have done with the Kelsch Property and the Bonneville Hotel. Armbruster stated that on the property disposition side of things it is extremely important that at the very least there is a disposition and development agreement in place and binding between the Agency and the selected developer on any properties the Agency intends to dispose of prior to September 30, 2019. Armbruster stated that the sale proceeds would likely need to go back to the County for distribution to the taxing entities and likely would not be available for the Agency to use. Armbruster stated that they have been conservative in the discussions concerning what funds might be available in September 2019 and will likely be a minimum amount.

Radford stated that the two big taxing entities are City of Idaho Falls and Bonneville County would like to get these properties back on the tax rolls and Bonneville County has been questioning whether they Agency is entitled to all the tax revenues coming for the fiscal year 2018. Radford stated that Bonneville County is saying that the Agency should only get the partial year not the full year as the Agency has been planning.

Armbruster stated that is the position that has been espoused. Armbruster stated that the position doesn't comport with the guidance that he has received from the Tax Commission when closing out other project areas. Armbruster stated that he has had a conversation with Jerry Keel who is providing Bonneville County some additional consulting advise. Armbruster stated that Keel did talk to Alan Dornfest, and there is nothing in writing, but he has never encountered a position before where a position has been taken that only half of the year should find its way to the Agency. Armbruster stated that Idaho's Tax Laws have always been a full calendar year and basically you pay in arrears and therefore since in the first year of an urban renewal district the Agency gets no money, both the Statute and urban renewal plan is very clear that the Agency gets to take advantage of the taxing process that is going forward in 2018 that will result in checks being cut to the Agency in January and July of 2019.

Radford restated that the District had a 28-year life and the way the Agency is calculating the funds it would get 28 full tax years of revenue, and if they did a partial year it would only be 27.5 years. Armbruster agreed with Radford.

Radford stated that is a wild card when they consider the cash flow, and if Bonneville County wants to push that issue the Agency would be short \$1 million.

Thompson asked how that issue gets resolved. Armbruster stated that there are a lot of procedural issues on how that could move forward and who takes the first step to get a directive or ultimately a judge would have to decide. Armbruster stated that his conversation with Jerry Keel was positive, and hopefully this will be resolved and an understanding by the time the FY 2019 budget is adopted in August.

Lee Radford indicated that it would be helpful to have Dave Radford present to speak on this issue.

Radford reviewed the cash flow sheet stating that the cash on hand is \$3.7 million and then shows \$700,000 in June 2018 and then \$1.4 million December of 2018, and then in 2019 receiving the 2018 taxes in the same amounts. Radford stated that there is a small deduction for Agency expenses and then the project expenses are below. Radford stated that the total commitment on the Bonneville is \$1.3 million that increased from \$500,000. Radford stated that the Kelsch property is \$3.8 million. Radford

stated that they listed the Aladdin for \$320,000 and if that Aladdin Floral goes away then that money would be available. Radford stated that Deseret Book has a commitment of another \$72,000 if they develop the other lot next to them, but at this time nothing is happening, so that money might be available. Radford stated that they have included the Tru at \$300,000 trying to get something for Ball Ventures and keep that moving forward. Radford stated that the Idahoan is penciled in at \$1 million. Radford stated that they have zeroed out anything else on Constitution Way. Radford stated that they have Riverwalk Drive at \$285,000 for what Woodbury has asked for the additional basalt and additional park expenses. Halley asked if that is guaranteed with a signed document. Cramer indicated there is no documents, just a vote on the funds. Cramer changed the Bonneville to \$1.2 as \$100,000 has been paid on the commitment. Radford stated that there is an estimated OPA payment to Renaissance Partners for their work around Walmart and the Renaissance development in the sum of \$350,000 for 2018 and \$350,000 for 2019.

Radford indicated that if the Idahoan does not go through there will be funds for other projects. Radford stated that if the Aladdin Floral purchase doesn't go forward that frees up some money for things like the Pfaff project. Cramer reminded the Agency that if The Housing Company receives the grant on the loan they applied for they will pay back \$300,000, but that is uncertain, so it is not added into the cash flow.

Halley asked if there has been a legal precedent set with how to close these areas, if they need to go to court. Armbruster stated that they are relatively confident that their interpretation is correct based upon the advice they've received from the tax commission on at least one other previous project that they are in the midst of, and the Statutory provision and the Plan provision appear to be very clear and if they did get into a dispute what occurred elsewhere would be persuasive evidence to present. Halley asked if the money left at the end of the project goes to New Construction, the new construction money is not included in the 3% cap that the City can employ. Armbruster agreed with Halley and stated that all the taxing entities that overlap in the Snake River District would be able to increase their 2019 budget by 3% times the then levy, times the new value since 2007, if they so choose.

Radford stated that Bonneville County is the wild card and if their position went forward it would eliminate the Agency's ability to help with the Idahoan. Radford stated that they need to make it clear to Bonneville County that the Idahoan is at stake.

Radford asked for ideas on Pfaff and Tru.

Thompson stated that they should keep the projects in the order that they came in, and there is approximately \$85,000 budgeted to tentatively earmark for Pfaff. Thompson stated that they cannot commit to anything more than a general agreement to help.

Halley asked if they went to battle with the County would the City go to Court or the District. Armbruster stated that it would be the Urban Renewal Agency as they are the recipient of the funds. Armbruster stated that he is optimistic that by the next meeting they will know one way or the other on the position that the County may or may not take.

Larsen stated that the Pfaff building fits very nicely in the Agency Mission Statement. Larsen indicated that the unknowns are huge, and he is not comfortable to commit much money to the project. Radford asked Larsen what he needs to know. Larsen stated that there is a building that isn't useful to anybody, there is a plan that puts retail on the bottom and residential on the top, but how do they get to the residential. Croft stated that there is a front entrance that goes upstairs.

Thompson asked if the building must be ADA compliant. Whipple stated that there is not a requirement to be ADA compliant. Thompson stated that the liability of the building outweighs the underlying land value and paying a premium price for something that has a net value of very little or nothing. Radford stated that is a big concern, but the risk for the Agency is little, as they wouldn't be buying the property, they would be getting the option on the property and only exercise that option with a closing that was simultaneous with transferring it to the new owner. Armbruster agreed that the risk would be minimized, and they would use the Bonneville Hotel model as the structure.

Halley asked if something happened to the Pfaff building the properties on both sides, if damaged, the suit will land somewhere. Armbruster stated that is what would happen if there is a calamity on the Pfaff building.

Radford stated that the Pfaff building falls squarely with what the Agency is supposed to be doing and if they do a simultaneous closing and make sure that the buyer is standing behind and taking on the liabilities. Radford feels that the option mechanism keeps the Agency clear of the liabilities.

Larsen asked what the option price would be. Radford suggested that you pay nothing for the option.

Durtsche stated that there is a diluted sense of value of the property.

Radford stated that normally an owner would take that into account.

Cramer stated that he did sit down and do a draft timeline of all the steps and it can be accomplished even if they didn't decide today, this project can still be accomplished before the life of the District, although it doesn't allow you to get the building as soon to enclose the roof, which is a risk to the building.

Radford stated that the procedure could be truncated substantially as it is not a big building. Radford suggested that moving forward on Pfaff would be important to the block and the Agency should move forward with an option and either go to a closed session or appoint a sub-committee to deal with the number, so this can move forward.

Thompson stated that there are 3 uncertainties with the Tax Commission, the Idahoan, and possibly a request to reconsider with the flower shop. Thompson states that they can speak favorably about providing assistance pursuant to their Mission, but they cannot commit to anything with those uncertainties.

Radford stated that if they wait for certainty they are going to miss out on opportunities. Radford stated that Idahoan understands that the money gets more at risk the more time that goes by. Radford stated that Aladdin is a flex, and some of that money can be committed to the Pfaff project, as it doesn't appear that Julie Isom wants to go forward. Radford believes they should go with the project they can get moving to get some tax generating properties on the rolls before the end of the District and that will take some chances to make that happen.

Larsen asked if the motion today dealing with Pfaff wouldn't commit the Agency to any money. Radford agreed. Radford suggested that someone make a motion that a sub-committee be appointed to get an option to the owner and see if they will be reasonable. Armbruster stated that they can authorize the sub-committee to go forward and they are not deciding until they come back with a document or a position to adopt.

Halley asked Tim Hopkins if he'd be willing to take the risk given the head winds. Halley stated that if the head winds all turn the wrong way the Agency won't have \$1 million for Idahoan. Hopkins stated that they are only asking for an extension of the time for them to commit, and if they commit they would

expect the money to be available and go forward with the project. Hopkins stated that they would not be asking for the extension unless they were firm.

Radford suggested giving Idahoan the extra time they are asking for; and if that doesn't get done there is plenty of money and they can move forward to find other projects. Radford stated that even if Idahoan does move forward they are still ok because Aladdin is not taking anything so there is the potential to sacrifice the Aladdin for Pfaff, as there are people that want to move forward on Pfaff.

Larsen agreed with Radford and indicated that the likelihood of Aladdin moving forward is not great and would be interested in Pfaff and see what the seller will do.

Thompson agreed and indicated that he'd like to see what the response is before they make any kind of motion as to what to do.

Radford appointed Kirk Larsen as the sub-committee to explore the possibilities on Pfaff and report back. Radford indicated that there would be no consideration and it would be a 6-month option.

Thomas Halley moved to give Idahoan Foods the requested extension of time to make a decision, Brent Thompson seconded the motion and it passed unanimously.

Radford confirmed with Hopkins that they have the extension until May 31 and then if any of these projects fall after that time line the Agency would no longer be committed. Hopkins understood what Radford was indicating.

Radford stated that Tru is penciled in for \$300,000.

Armbruster indicated that the motion could be to authorize staff to move forward with a reimbursement agreement, following the same form from Deseret Book and Indian Motorcycle and start that process.

Brent Thompson moved to authorize staff to move forward with a reimbursement agreement for Tru Hilton, Kirk Larsen seconded the motion and it passed unanimously.

Armbruster had to drop off the call.

Radford confirmed with Malifua that the Agency is committing to \$300,000 for Tru Hilton. Radford urged Malifua to look at the bridge to get a more permanent solution for the public. Radford indicated that the irrigation district has a lot of trust in Ball Ventures and asked if they could work with the Irrigation District to resolve their concerns.

Project Update: Yellowstone/Pancheri Street Improvements. Cramer indicated that they had brought forth a plan earlier to do some updates on Yellowstone, with landscaping, larger sidewalk, close off some driveways. Cramer stated that the concern the Agency had at the time is there wasn't enough width for landscaping and they wanted more green space and at this time, it doesn't appear to be feasible for them to get more width. Cramer stated that he spoke with Public Works and if the project moves forward the project would be done as shown and increase the density of the landscaping on the areas shown in green where there is some open land, and then where there are existing buildings they would keep the same profile and the trees might not be as dense. Cramer asked if the Agency is still interested in pursuing the project further, and if so, Public Works would like an agreement drafted and approved. Cramer stated that they would like to have the agreement in June, purchase the easements so that part is done, and then bid the project in the fall and constructing it in the Spring.

Radford asked why they couldn't get more width. Cramer stated that the property owners' willingness to give up more land in the easements was not there. Radford stated that his feeling is they should just give the money back to the taxing entities. Radford stated that the Agency is trying to help their properties and giving them a free benefit for their properties and it needs more width to be successful, and if that is not something they want, then the Agency can turn the money back to the taxing entities to dispose of the remaining funds. Radford indicated it is a small ask for an additional 4-5 feet. Cramer stated that if that is how the Board feels that is fine, they can go back to the owners and explain that either the project goes with the desired easement, or it doesn't happen.

Larsen asked how much value does it add long term if there is very small green space, or is the money better spent by giving it back to the taxing entities.

Thompson agreed that if the owners don't care to cooperate then something else can be done with the funds.

Radford stated that if it is not wide enough, it is not worth doing.

Cramer indicated he will give it one more shot and see what he gets from the owners.

Thompson asked what the total green space was, Cramer indicated it is approximately 10-12 feet.

EPA Grant Update: Cramer indicated that the City was successful in obtaining the \$600,000 EPA Grant that the Agency and BMPO were partners on. Cramer asked how involved the Agency wants to be in determining how the funds are spent. Cramer stated that people will apply to have the funding go towards things like Phase I and Phase II environmental reports, potential studies on how to remediate a site, and as those applications come in, how involved does the Agency want to be in determining who to fund and who not to fund.

Thompson asked if these funds could have been used to offset a cost on the Broadway. Cramer stated that the funds could have been used to do the reports, but not to remediate the site. Cramer stated that the bulk of the studies will be done for an area wide market and redevelopment study on Northgate Mile, Holmes and 1st Street corridors.

Radford indicated that he doesn't feel like they need to be too involved, and if there is an update on the Agenda each month there is no need to see the applications. The Board members agreed.

Legislative/RAI Updates. None.

Next Regular Meeting: June 21, 2018.

Halley indicated that he will need to call in for the next meeting.

Brent Thompson moved to adjourn the meeting, Kirk Larsen seconded the motion and it passed unanimously.

Respectfully Submitted: Beckie Thompson