

IDAHO FALLS REDEVELOPMENT AGENCY

P.O. BOX 50220

IDAHO FALLS, ID 83405

June 20, 2019

Regular Meeting Minutes

Council Chambers

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

Members Present: Lee Radford, David Radford, Brent Thompson, Chris Harvey, Teri Gazdik.

Members Absent: Kirk Larsen, Thomas Halley

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

1. Modifications to Agenda: None.

2. Minutes May 16, 2019: Brent Thompson moved to approve the minutes for May 20, 2019, Teri Gazdik seconded the motion and it passed unanimously.

3. Approval of Expenditures and Financial Report. Mark Hagedorn indicated that the Budget Worksheet is for discussion item #5. Hagedorn presented the Finance Report dated June 20, 2019. The following bills were presented to be paid from the Snake River Revenue Allocation Fund: Rebecca Thompson, \$50.00 preparation of Minutes; Elam and Burke, \$8,174.60 for legal (2 bills), IFDDC, \$56,696.00 for progress payment on sidewalk corners. Hagedorn indicated that the Budget Packet has the wrong date listed on it and it should be June 20, 2019 and the numbers reflect his months budget to actuals. Hagedorn indicated the budget column for what was spent this month; current column for checks being paid this month; year-to-date includes this month's checks and prior months; and balance and what is left for each area. Hagedorn indicated that there is a negative \$3000 in the audit fees because those have not been allocated to the other areas and that will happen next month.

Cramer indicated that there are outstanding obligations for the Broadway Streetscape, the Medical building, Downtown Corner intersections, Downtown Parking Infrastructure, and Tru Hotel.

Hagedorn anticipates having \$1.2 million in expenditures still to pay, leaving approximately \$638,000 and that is without the July property tax payment that should be approximately \$500,000 - \$700,000.

Dave Radford moved to approve the Financial Report dated June 20, 2019, Brent Thompson seconded the motion and it passed unanimously.

4. Approval of Tru Hotel Reimbursement. Beutler reminded the Board that the agreement with Tru Hotel was capped at the max of \$395,000. Beutler indicated that the spreadsheet shows a total request of \$360,069.96 that includes \$2,178.50 of soft costs and those invoices have been confirmed by Cramer that they relate to the bridge only and not the overall hotel project. Beutler showed highlighted items including, Repair Sprinklers, Grading, hauling for \$13,280 and there is a discrepancy with the invoices and they only have invoices for a total of \$5,280 from Spruce It Up. Beutler indicated that Tahri is looking to see if there are other invoices that would make up for the discrepancy and Tahri is comfortable moving the reimbursement to next month's meeting. The Other highlighted items are 220' of fence from Hilton Garden in the amount of \$20,540. Beutler indicated that there was a question as to whether it related to the actual bridge construction or was more related to hotel construction. Beutler showed photos of the bridge, fence, and area around Tru Hotel.

Cramer indicated that the landscaping issue is simple, and if they can get the additional invoices then they can be paid, and if not, then the amount cannot be reimbursed. Cramer stated that the soft costs are clearly specific to the bridge and include Horrocks Engineering for \$35,069.96. Cramer indicated that the original design of the bridge was narrower, and to emphasize that it was public the bridge was widened, and extra things added. Cramer asked if the fence/railing is something the Board expected to be part of the project. Cramer stated that Tahri was trying to define the public space and provide safety measures along the canal. Cramer asked for the Board's opinion. Armbruster indicated that the soft costs directly related to the pedestrian bridge and it is an appropriate expenditure and the agreement allows for soft costs in one of the exhibits. Armbruster stated that in the past they have not included soft costs when dealing with basic rock removal or site remediation, but here they are building something for the public and it would be appropriate to include the soft costs to design the improvement. Radford confirmed and Armbruster agree that the soft costs are not for the rock removal, and only related to the bridge design and engineering.

Beutler described the access to the bridge from the Tru property on the Lindsey Blvd side. Radford clarified and Beutler agreed that there is no easement through the parking lot.

Thompson is concerned that there is not mention of bridge with the landscaping for the \$13,000 and he doesn't understand if all of that relates directly to the construction of the bridge and is also concerned with the fence, and doesn't believe the Board would want to pay for the fence between two improvements that a developer created and it is their business to mitigate liability.

Dave Radford agreed with Thompson's concerns. D. Radford indicated that he doesn't believe the Board should pay the full \$13,280 for Sprinklers, etc., and his motion would be to pay the \$5280, remove the \$20,540 for the fence, and would like further instructions on the soft cost, other than the \$35,000 for Horrocks. Lee Radford indicated that the Armbruster has indicated that the \$42,000 for soft costs is in the exhibit that would be covered for soft costs for the bridge, and Cramer has verified that the \$42,000 all related to the bridge.

Dave Radford moved to approve the costs for Tru Hotel, minus the \$20,540 for the Fence, and only pay \$5280.00 for landscaping for a total reimbursement of \$331,529.96 ($360,069.96 - 20,540 - 8,000 = 331,529.96$), Thompson seconded the motion and it passed unanimously.

5. Preliminary 2019-2020 Budget Review. Hagedorn indicated that next month they will have the preliminary format that would be published at the end of July and approved in August. Hagedorn indicated that he has included the estimated revenues and any estimated interest, and the section titled Cash Needed to Balance Budget is the current cash balance. Hagedorn indicated that this way they can spend what they want with improvements and projects. Lee Radford asked why it is titled Cash Needed to Balance Budget. Hagedorn indicated that was the wording used in previous years. Gazdik clarified that the money is undesignated. Hagedorn stated that they can title it Cash Balance or whatever makes the Board happy. Gazdik suggested titling it Unallocated Funds Available. Hagedorn agreed to make that change. Hagedorn indicated that they have outlined what they anticipate their expenditures for Professional fees, City Administration Costs, audit fees, insurance, office & dues, OPA. Hagedorn stated that Capital projects is what is left over to balance the budget. Hagedorn indicated that the projected revenue stream is contingent to the County and City property tax rates, but they have budgeted just a little over what they did last year as a conservative estimate for property tax revenue.

Hagedorn indicated that Jackson Hole is a question, and if building took off then property taxes would be collected, however, it depends on what buildings are built between now and November. Beutler indicated that a building permit has been issued for the hotel in Jackson Hole Junction, but he is unsure on the progress.

Lee Radford indicated that Pancheri is slated for termination. Hagedorn indicated that it should terminate in 2020 and it would have to have a termination budget published. Thompson asked if they are still wanting to pursue the Yellowstone improvements in the Pancheri area. Lee Radford indicated that there is money available of \$986,000 if the Board chooses to do the project. Cramer indicated that the project is on hold until Public Works is less busy, and they will design in the Fall and bid in the winter.

Armbruster indicated that next month the Board will approve it as a tentative budget, and then the public hearing will be held in August, and no action is needed today. Hagedorn indicated that by next month the amounts will change as they will have the July property taxes.

6. Future Meeting Schedule. Armbruster indicated that the difficulty in having a detailed meeting schedule is that you cannot meet quarterly because the statute requires two meetings to occur in February and March and two in July and August. Armbruster stated that Agencies have done it different ways, and some have decided to meet every other month, some have a schedule to meet in February, March, July, August, and November. Armbruster indicated that if they do not meet monthly, they have to get their Agenda and notice posted 5 days prior to the meeting date and could not take advantage of the provision for open meeting law that allows you to post 48 hours ahead of the meeting.

Lee Radford asked if it is ok to say they will keep their monthly meetings and then cancel the meetings if they are not necessary. Armbruster stated that they are advised to have a sequencing schedule that make sense and when you cancel you have to post a notice that the meeting is cancelled. Lee Radford indicated that they are not a single purpose Agency and the public expects them to be looking for opportunities and not just waiting for projects to be brought to them. Dave Radford stated that if they are required to have 5 meetings and special meeting could be held then maybe every other month would work, and the 3rd Thursday at noon works well. Gazdik indicated that the day and time works well and moving to every other month won't work because they are required to have consecutive meetings 2 times a year. Gazdik suggested keeping the monthly meetings and if there is not sufficient information to meet, cancel. Thompson concurred with Gazdik and indicated the time and day is fine and once a month is not a hard thing to do, and if there is truly an absence of items to discuss then the meeting can be cancelled. Harvey agreed that keeping it monthly and cancel if necessary. Lee Radford agreed and indicated that there are other issues that can be addressed if the Board has time, such as Northgate, south Downtown, 1st Street, etc. There was a consensus among the Board Members to maintain the monthly meeting schedule and skip if necessary.

7. Project Updates. Cramer indicated that in front of Lucy's Pizza on Broadway there are 4 planter areas that don't have anything in them. Cramer indicated that the area is outside of the scope of the actual Broadway Streetscape area, however there is no water there and they are looking to see if there is enough contingency money to bore a water line over to the 4 planters and it would cost approximately \$6,000. Cramer asked the Board if there is not enough contingency money, would the Board be willing to adjust the amount to add the \$6000 to get water to the planters. Lee Radford indicated that \$6000 is a small amount to have trees in the area and Harvey agreed. Cramer stated that the City forester has recommended not planting trees but having a planter box to match Downtown as the trees would be too close the intersection and the awning on Lucy's building. Thompson agreed that area is bare, and he

would be willing to spend the \$6000 to dress that area up. There was a consensus among the Board Members to give the approval if the request is made.

8. RAI and Legislative Update. Armbruster indicated that this afternoon there will be an educational session and then the annual Board Meeting and Membership meeting. Armbruster indicated that they will be sending out a short legislative summary of what Legislation took place in 2019 that does impact urban renewal, including HB 217.

Next Regular Meeting: July 18, 2019

Brent Thompson urged the Board Members to go and see the improvements that have been done on the Greenbelt as they are incredible and an enjoyable place to be.

Gazdik agreed and indicated that there are people from all over the US that stop because of what is there.

Lee Radford agreed it is amazing, and he wishes that the property owner would sell some lots.

Gazdik indicated that they have been held hostage by property owners in the past, including The Broadway, the Marriott property. Gazdik indicated that the property is so high that no one was willing to step in and do anything.

Armbruster gave a presentation to a group of interested people associated with Idaho Smart Growth and they used the Snake River Project as a model.

Dave Radford asked about the estimates with the close out of the District and what the estimates to the City and County would be. Lee Radford indicated that the budget to actual shows \$1.9 plus an additional \$700,000. Hagedorn clarified if Dave Radford was wanting the property tax value. Dave Radford indicated that he wants the number once it goes back on the tax rolls. Hagedorn indicated that the estimated tax revenue source (value). Cramer indicated that the cash will be close to \$900,000, and the tax part is over \$2 million a year. Lee Radford stated that the Annual Report shows that the Snake River Urban Renewal Area went from 56 to 240 so it had a \$191 million in increased value and 1% is approximately \$2 million a year that the tax payers won't be paying.

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

Respectfully Submitted: Beckie Thompson