

IDAHO FALLS REDEVELOPMENT AGENCY

P.O. BOX 50220

IDAHO FALLS, ID 83405

June 21, 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 (via telephone), Chris Harvey, Terri Gazdik

Members Absent: None.

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

Modifications to Agenda: Cramer indicated that the Pfaff sewing center was listed as only a Project Proposal, but they now have a Resolution and an option that is before the Board. Armbruster suggested pushing the Pfaff project down to the executive session. Lee Radford suggested moving item 7 before 10.

Kirk Larsen moved to amend the agenda to change item 7 to read “Consideration of a Purchase and Sale Agreement and Issuance of an RFP, for the reason that it did not come to fruition until the original Agenda was posted, Chris Harvey seconded the motion and it passed unanimously.

Minutes May 17, 2018: Thomas Halley moved to approve the Minutes for May 17, 2018, Kirk Larsen seconded the motion and it passed unanimously.

Approval of Bills: Lee Radford presented the finance report dated June 21, 2018. The following bills were presented to be paid from the Snake River Allocation Fund: Elam and Burke, \$2,738.83 for legal services; Rebecca Thompson, \$100.00 for transcription of minutes. **Brent Thompson moved to approve the Finance Report, Dave Radford seconded the motion and it passed unanimously.**

Grant Participation Agreement Discussion for Tru Hotel. Cramer prefaced the presentation by saying that the Board has expressed interest in assisting with Tru Hotel, but there is not a clear number to put into a Grant Participation with how much money the Agency wanted to commit to the project. Cramer stated that he did talk with Tahri Malifua about whether the Agency would want to assist with a larger bridge.

Tahri Malifua, Ball Ventures. Malifua distributed an updated project budget. Malifua stated that the updated worksheet is a revised request from Tru Hotel. Malifua stated that one of the changes is the rock removal that was \$350,000 originally, and now they are 80% of the way through the removal and they are forecasting the amount to be no more than \$220,000. Malifua stated that they have spent \$173,000 and are leaving themselves some room for the remaining excavation on the storm water improvements. Malifua stated that they have tried to be creative in finding eligible costs. Malifua stated that they have a break out of how they arrived at the ratios for landscape reimbursement, storm water reimbursement, or places that are right of ways or easements. Malifua stated that the 4th item is a bridge that was problematic for the Agency as they were asking for reimbursement for a private improvement that was going to look public. Malifua stated that they discussed internally how to make that more public. Malifua stated that in theory they would be willing to create a public easement across the bridge in between the two Hotels (Tru and Hilton Garden Inn) that would connect the public right of way on

Lindsey Blvd to a public right of way on the Greenbelt. Malifua stated that if there was some assistance from the Agency they would want to make it a bigger and more obvious access point for the public. Malifua stated that no more than \$500,000 would be the requested amount.

Lee Radford clarified that the \$300,000 will get Tru the basalt removal and some of the storm water and landscaping, but the remainder of the request is the bridge. Malifua agreed with Radford and stated that the original document had the bridge priced at \$70,000, but this new bigger bridge has not been priced, it is only an estimate (1.5x the original bridge).

Thompson was concerned with the percentages on items 1 and 4. Thompson stated that he has trouble with the percentage of public use versus use of hotel guests and why is the Agency being asked to pay for 100% of the bridge that is privately owned. Malifua stated that they hadn't considered it being a public access point before and now converting and losing the long-term ability to control the bridge is why they are asking for 100%. Malifua stated that they had to ask themselves about the additional liability for the hotels by allowing the public to traverse through the middle. Malifua stated that his insurance carrier indicated that the liability is nominal. Malifua stated that it is providing a point of access that they would not control. Thompson indicated that the Bridge will be a benefit for the hotel guests. Malifua agreed with Thompson and argued that there are additional benefits to all the businesses on Lindsey.

Cramer pulled up a Google Earth image of the area. Lee Radford indicated that originally Tru was going to do a simple bridge for just the hotel with no easement, and now the question is, is it worthwhile to get an easement through there for the public. Lee Radford stated that there is no other easement from Lindsey to the River, and there are no trespassing signs on the Tower Hotel. Malifua stated there are a couple of pedestrian bridges, but they are all gated by the hotels. Malifua stated that they would do striping or designation showing a foot path across the parking lot to the Lindsey sidewalk. Malifua stated that if the bridge is bigger and more inviting it will be more obvious to the public that it is an actual access point.

Thompson asked if they are proposing to create an easement to the public through the parking area. Malifua confirmed that they will create an easement. Thompson stated that it is a benefit to the public, but he is concerned with the 100% Agency funded bridge when there is a benefit to the owners of the property.

Cramer asked Malifua if there has been discussion at the Parks Department about maintenance and is the intent to have the Parks Department maintain the bridge. Cramer added that they need to make sure they discuss it with the Parks Department to ensure that there is room for the maintenance in their budget. Malifua stated that they have not discussed this bridge with the Parks Department.

Lee Radford added that they need to discuss it with the New Sweden Irrigation District to find out if they will grant the easement. Malifua stated that he has not been a part of the discussions, but he understands that they were helpful in getting the required improvements on the additional bridge.

Dave Radford asked who will assume the liability for any accidents on the bridge. Lee Radford stated that if they get an easement it would have to be given to the City of Idaho Falls, and then they would be able to take responsibility. Dave Radford asked if the bridge needs replaced then it would be a City project. Lee Radford stated that it is important to coordinate with New Sweden Irrigation District and the City of Idaho Falls Parks and Recreation. Malifua stated that they had not talked about a dedication to the City, so they were considering taking on the maintenance requirements as the ownership would continue to stay with the Tru Hotel.

Lee Radford asked what is needed by Staff.

Cramer asked for a clarification of the number the Agency wanted to commit, and the number he had recalled was \$300,000. Cramer also asked what the Agency wants the funds to cover so it can be listed in the attachment to the Agreement.

Lee Radford asked if Cramer needs to do more vetting of the numbers that Malifua has provided. Cramer stated that as far as cost related they are fine, but the only question he had was some of the landscaping and irrigation, because although it is in an easement or right of way they are still outside of what the Agency has paid for traditionally. Lee Radford stated that they need to see where the costs come in on the lava removal. Lee Radford asked if the Agency wants to keep with \$300,00 for now and vetting the numbers further and investigating whether they Agency wants to do the bridge or discard the bridge.

Dave Radford suggested that they work on the numbers and vote on the amount the next meeting in July. Malifua indicated that during the next month they will try to get some conceptual pricing and a basic concept, so they can illustrate better what it will look like being a public easement. Malifua stated that if there is interest in the bridge they can sketch out something that would be acceptable.

Dave Radford moved to have staff vet the numbers more and bring this item back to the Agency for a vote in July, Kirk Larsen seconded the motion and it passed unanimously.

Armbruster indicated that he and Cramer will work on an Agreement and bring it back to the Agency in July.

Parking Management Discussion: The Broadway. Lee Radford recused himself. Brent Thompson chaired this item. Thompson stated that there are 3 stories up and the frame work up on the north building and two stories on the south building.

Steve Carr. Carr stated that there are 71 new public parking spaces at The Broadway and 49 are in the parking garage and 22 are surface parking along the alley. Carr stated that after working with Car Park, they have a proposal for the allocation of the parking. Carr presented that monthly parking for the garage will be 44 spaces and garage visitor parking will be 5 spaces, surface monthly will be 3 spaces and surface visitor parking will be 19 parking spots. Carr stated that creates 66% of the total parking to be monthly, and that can be adjusted depending upon the demand. Carr stated that based upon local market research they have concluded that \$100/month for parking is reasonable, and if the demand indicates it should be higher or lower it can be adjusted. Carr stated that visitor parking is free for the first 2 hours and after that there will be parking machines on the surface and underground to pay for parking. Carr indicated that parking will be managed locally and under the Parking Agreement/Development Agreement, the developer will initially be the manager and local point of contact will be Carr's office. Carr stated that they will contract with someone locally to provide the onsite maintenance and management, possibly DDC (Downtown Development Corporation). Carr stated that signage will be critical, and they will work through that to make sure signage is appropriate throughout.

Thompson added that the monthly parking will be from 6 a.m. to 6 p.m. and after 6 p.m. it is open to the public. Carr agreed with Thompson and believes that it will be well used with the Colonial Theatre near by. Dave Radford asked if the businesses will be able to validate parking for people that go to restaurants and stores. Carr indicated that the intent is to provide the opportunity for restaurants and tenants to provide validation for their customers. Thompson asked and Carr agreed that they have leases with two restaurants and they have one more spot that would be excellent for a restaurant.

Dave Radford asked if there is adequate public parking dedication. Thompson stated that it is adequate if there is the caveat that the numbers can be adjusted depending on demand.

Armbruster asked for a motion to accept the parking allocation as presented.

Thomas Halley moved to accept the parking allocation plan as presented at The Broadway to include 44 monthly leased spaces in the underground garage, 5 hourly spaces in the underground garage, 3 surface parking monthly lease spaces and 19 open spaces on the surface parking, with rates of \$100/monthly in the parking garage and the surface parking monthly fee is indeterminate at this time, and the parking schedule for monthly spots would be based on a 6 a.m. to 6 p.m. Monday through Friday schedule; and approve the solicitation notice so they can send out the notice and market the parking, Terri Gazdik seconded the motion and it passed unanimously.

Project Proposal: Idaho Falls Downtown Development Corporation.

Catherine Smith, Executive Director of Idaho Falls Downtown Development Corporation. Smith stated that she has a proposal for the Broadway Street scape. Smith showed photos of the current street scape on Broadway. Smith stated that there have been substantial property improvements to Broadway, but they haven't seen improvements to the sidewalk and street scape along that corridor. Smith stated that the street scape hasn't seen an update in 30 years. Smith stated that trees have died and not been replaced and the pavers around the trees have been broken, and there is no tree grate for the tree wells, which presents a risk of someone getting hurt, so in the proposal there is a request for tree grates. Smith showed a break out of the costs for the project. Smith stated that they would remove some trees, but not all, so that there is a random tree pattern. Smith stated that they are asking for a sprinkler system, as all the irrigation on Broadway is being done by hand. Smith stated that they are hoping to match the look and feel with the pavers on Memorial and Yellowstone. Smith stated that they are asking for a sidewalk and 60 new tree grates, as well as resetting all signs for a total request for \$416,000.

Gazdik asked if they have a rendering of what it is anticipated to look like. Catherine Smith indicated that they do not, but they could provide that and would work with the City or architects to draw something. Smith stated that overall new curb and gutter and new sidewalks would transform the area. Gazdik asked what part of Broadway they are looking to transform. Smith stated they would go from Yellowstone intersection to The Broadway on Memorial and it would connect with The Broadway's new street scape.

Lee Radford asked and Smith confirmed that the estimate was done by Public Works. Radford asked if Parks and Rec will maintain the trees. Smith indicated that they would, and they have discussed it with Parks and Rec and Public Works about the trees and maintenance. Lee Radford stated that he is concerned about the prices as the things they have done Downtown have turned out to be more expensive. Lee Radford stated that he is concerned that if they rip out sidewalks they will find other problems that need to be remedied. Smith stated that they currently have a project they are working on, on Capital and "A" that they are redoing the sidewalk, curb, and gutter. Smith stated that because they are not digging into the main water lines or messing with any automatic sprinkler systems or dealing with the low pipes in the ground they are able to stay on budget as everything is on the surface. Smith stated that they have a sprinkler system for the Broadway Street Scape budgeted in and that would reduce the cost for Parks and Rec to hand water the area. Smith stated that if the water lines were a huge cost deterrent then they would not do the sprinkler system and they would continue with the hand watering.

Dave Radford asked if it will be different types of trees and are they using round numbers. Smith agreed they are using round numbers and are looking at a variety of trees that will weather well and grow with the correct canopy based on the location and they have worked with Parks and Rec to determine the best

trees. Dave Radford asked if the DDC will be putting money towards the project. Smith stated that there is a Business Improvement District Fund that could be used toward the project. Smith stated that the DDC has a lot of projects and based on the level of participation of the Agency they could ask City Council to allocate some of the funds to the project. Dave Radford asked about the time frame. Smith stated that she understands that 6 months would be the project duration.

Brian, Staff Engineers, Public Works. Brian indicated that the project could be done in a summers time.

Lee Radford clarified that it would be summer 2019. Smith stated that they would want to move as fast as they could. Cramer stated that his discussion with Chris Frederickson with Public Works is that it would be bid in the Fall of 2018, with construction in Spring 2019. Dave Radford asked Armbruster about his feelings on this project. Armbruster stated that the street scape activity is a clean eligibility. Armbruster stated that they will need to crunch the numbers to determine available funds and determine if they need an agreement or if it can be a transfer of funds to the City for the project. Lee Radford asked if they have consulted with ITD. Smith stated that they will work through that with Chris Frederickson and see if ITD would participate in the project. Thompson suggested checking out something for a beautification grant with the State. Dave Radford suggested going through the BMPO for coordination.

Lee Radford stated that they cannot act right now on this project as there are open questions regarding the budget. Lee Radford stated that they can put this with the other potential projects. Smith asked if they can pull some more numbers together with ITD's participation and come back in July with a second proposal. Lee Radford agreed that they should refine the proposal further and bring a design. Lee Radford asked if this project will actually do any good for Broadway. Lee Radford indicated that if the property owners that will benefit from this project are not going to be cooperative and lend support then Radford is not excited about doing this project. Smith stated that the Downtown Development Annual meeting is next Wednesday, and Smith will present the project during the meeting to get feedback from property owners. Gazdik added that she would like to see a sketch of what they are planning to ensure that the trees will not hinder visibility for cars vs. pedestrians. Smith stated that they are mindful of the sightlines that need to be kept clear and signage visibility.

Lee Radford stated that this item will be tabled, and it can be brought up again in July.

Jake Durtsche, Vice-Chair of Board of Directors and Chairman of Parking Committee. Durtsche is speaking for IF Park. Durtsche stated that this project began with a request from the City to differentiate parking from the Downtown Development Corporation. Durtsche stated that the DDC has been managing parking lots Downtown and the City has asked them to work with some complexities the City is facing. They researched parking in the Downtown area, including past studies and taking 3 trips to Boise to look at other parking solutions. Durtsche stated that they presented a larger plan to a group in Boise, and the feedback was start smaller and phase the project. Durtsche is going to propose Phase I to the Agency. Durtsche stated that they intend to switch parking from an enforcement perspective to a customer service perspective. Durtsche stated that Phase I will include shifting from police enforcement to a group called IF Park. Durtsche stated that all money for parking will go into Downtown Idaho Falls parking to improve parking. Durtsche stated that the budget includes Luke Meters to be placed at the parking lots on B Street, across from the City Annex building, and behind Chesbro Music.

Gazdik asked if the meters will generate revenue that is not currently being generated because the parking cannot be monitored. Durtsche stated that the plan is to have 2 monitors that are full time working with scanners that scan license plates. Durtsche stated that Phase I will do a better job of enforcing what is currently in place such as paying for the parking lot on B Street. Gazdik asked what the projected revenue

from the meters will be and what will it go towards. Durtsche stated that IF Park will be a self-sufficient mechanism and all the revenue will go towards Phase II. Smith added that the parking studies that have been done show that there isn't a parking crisis Downtown, and there is plenty of parking Downtown, but the way people are using the parking is what is creating the congestion and problems.

Lee Radford agreed that this is a big issue that needs to be addressed, and it might be a good use of funds to contribute to Downtown. Lee Radford asked if they need a committee to take charge and look at this further.

Gazdik stated that they need to know what they have in way of projected funds. Gazdik asked Smith if they have a priority project Parking vs. Broadway street scape. Smith indicated that both projects are important. Durtsche stated that the City will have to deal with parking at some point, and Broadway needs to be taken care of as well. Smith stated that parking is a key piece to keeping the neighborhood vibrant.

Kirk Larsen asked if the next meeting could have information regarding funding availability. Cramer stated that next month is preliminary budget meeting so there will be a lot of numbers available.

Lee Radford stated that Idahoan has decided not to remain Downtown, so that frees up some of the funds.

Kirk Larsen moved to table this item, Dave Radford seconded the motion and it passed unanimously.

Project Updates: Bonneville Hotel. Cramer indicated that the project is moving along, and they have started meeting with the City to discuss submittals for permits. Cramer stated that the next step for the Agency is going to decide when to notify Mr. Lott that they are ready to exercise the option, and he needs 60 days prior notice to closing. Cramer indicated that he and Armbruster will work on the notice to Lott that they intend to exercise the option.

Legislative/RAI Updates. Armbruster stated that the RAI annual Board meeting is this afternoon, and they will have an educational session in 40 minutes. Armbruster stated that he will be dropping off the Call and Matt Parks, Esq., is on the line to walk the Agency through the executive session.

Halley will be leaving the call as well.

Consideration of a Purchase and Sale Agreement and Issuance of an RFP for Pfaff Sewing Center. Larsen indicated that he met with Cliff Brighton (co-owner) a couple of times, toured the building and Brighton explained the weaknesses and the problems in the building, and what he has been doing to move forward with the building. Larsen stated that he talked with Brighton about some other options. Larsen indicated that the last meeting he had with Brighton he was more inclined to see what the Agency had to offer.

Lee Radford stated that this discussion will be on the Pfaff Sewing Center at 336 Park Avenue, and there have been some requests from members of the public to address the situation.

Dave Radford moved to enter into an Executive Session pursuant to Idaho Code Section 74-206(1)(c) for purpose of deliberations regarding the acquisition of an interest in real property which is not owned by a public agency, Brent Thompson, seconded the motion. Radford called for roll call vote. Gazdik, yes; Harvey, yes; Larsen, yes; D. Radford, yes; Thompson, yes; L. Radford, yes. The motion passed unanimously.

Brent Thompson moved to exit Executive Session, Kirk Larsen seconded the motion and it passed unanimously.

Cramer read the Resolution for a Real Estate Option.

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE IDAHO FALLS REDEVELOPMENT AGENCY OF THE CITY OF IDAHO FALLS, IDAHO, APPROVING THE REAL ESTATE OPTION AGREEMENT BETWEEN THE IDAHO FALLS REDEVELOPMENT AGENCY AND THE OWNERS OF REAL PROPERTY LOCATED AT 336 PARK AVENUE, IDAHO FALLS; AUTHORIZING THE EXECUTION OF THE REAL ESTATE OPTION AGREEMENT BY THE CHAIR OR VICE-CHAIR AND SECRETARY; AND AUTHORIZING ANY TECHNICAL CHANGES TO THE AGREEMENT; AUTHORIZING THE EXECUTIVE DIRECTOR TO TAKE ALL NECESSARY ACTION REQUIRED TO IMPLEMENT THE AGREEMENT; AND PROVIDING AN EFFECTIVE DATE.

Brent Thompson asked if they are locked into a buying price. Lee Radford stated that if they exercise the option it will be \$125,000. Larsen clarified that the \$5,000 that will be paid for the option will go toward the \$125,000 purchase price. Lee Radford agreed with Larsen and added that the Agency is not locked into purchasing the property. Lee Radford stated that they will have the option to allow them to review the proposals and see if they give justification to the purchase of the property.

Gazdik stated that if they get proposals back that are extremely low, then the option can just lapse. Lee Radford stated that the option agreement requires the owners to fix to the roof. Lee Radford stated that the Agency would lose \$5,000 if they did not exercise the option, but the roof would get fixed.

Cramer stated that there is an RFP that will follow this Resolution. Cramer stated that the RFPs will be due to the Agency by August 1, and they'd be considered on August 16. Cramer stated that if they have no good proposals at that point, then the Agency is out of time to make something happen.

Gazdik asked and Cramer confirmed that the \$5,000 option money must be used to repair the roof, and the Agency will not be liable for additional funds.

Dave Radford has to leave the meeting to go to a budget meeting. Dave Radford indicated that his vote on the Resolution is No.

Kirk Larsen moved to approve the Resolution, Chris Harvey seconded the motion. Lee Radford called for a roll all vote: Gazdik, yes; Harvey, yes; Larsen, yes; Thompson, no; Lee Radford, yes; Dave Radford, no. The motion passed 4-2.

Cramer asked if there needs to be a motion giving Cramer authority to issue the RFP or is that is covered in the Resolution. Park indicated that a simple motion would be necessary.

Kirk Larsen moved to authorize Brad Cramer to issue the Request for Proposals for prospective developers of the 336 Park Avenue property, Chris Harvey seconded the motion and it passed 4-1. Brent Thompson opposed the motion.

Next Regular Meeting: July 19, 2018.

Terri Gazdik moved to adjourn the meeting, Kirk Larsen seconded the motion and it passed unanimously.

Respectfully Submitted: Beckie Thompson