

IDAHO FALLS REDEVELOPMENT AGENCY

P.O. BOX 50220

IDAHO FALLS, ID 83405

August 15, 2019

Regular Meeting Minutes

Council Chambers

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

Members Present: Lee Radford, Kirk Larsen, Teri Gazdik, Dave Radford

Members Absent: Brent Thompson, Thomas Halley

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

1. Modifications to Agenda: Cramer indicated there are two changes to the Agenda and those have been reposted in the building. Cramer stated that it was an oversight in making sure these items were on the Agenda (Item 5 and Item 8). Cramer stated that Item 5 is an action item Approval of the Supplemental Resolution for the Supplemental Termination Plan and Updated Termination Budget for the Snake River District; and item 8 is an action item for Approval of Grant Participation Agreement for Walker Curb Re-alignment. Cramer stated that this District is closing and Armbruster has advised that it is appropriate and within the law to add these items as an emergency item.

Kirk Larsen moved to add item 5. Approval of The Supplemental Resolution for the Supplemental Termination Plan and Updated Termination Budget for Snake River District; and 8. Approval of Grant Participation Agreement for Walker Curb Re-Alignment the reason for the modification to the Agenda is due to a clerical error in not getting the items on the Agenda and these two matters are time sensitive and need to be approved today to stay within the other statutory requirements that are necessary to follow, Chris Harvey seconded the motion and it passed unanimously.

2. Minutes July 18, 2019: Armbruster had several edits to the minutes. **Chris Harvey moved to approve the minutes, with the suggested edits, for July 18, 2019, Kirk Larsen seconded the motion and it passed unanimously**

3. Approval of Expenditures and Financial Report. Lee Radford presented the Finance Report dated August 15, 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, \$2,012.55 for legal; Idaho Falls Downtown Development Corporation, \$42,346.99 (Street Corner Project); Amerititle \$96,705.83 for OPA Payment; JM Concrete, \$244,984.65 for Street corner Project. The Following bills were presented to be paid from River Commons Revenue Allocation Fund: Title Financial, \$493,971.54 for OPA Ball Ventures; and Title Financial, \$10,976.05 for Manschrek. The Following bills were presented to be paid from the Pancheri Yellowstone Revenue Allocation Fund: Elam and Burke, \$327.00 for legal services.

Dave Radford asked about the charge from Elam and Burke in the Pancheri Yellowstone District. Armbruster indicated that they have began to prepare the documents necessary for the formal termination of the Plan Area.

Kirk Larsen moved to approve the Financial Report dated August 15, 2019 2019, Chris Harvey seconded the motion and it passed unanimously.

4. Public Hearing on Tentative FY 2020 Budget. Lee Radford read the script indicating that this is the time and place for the proposed FY 2020 Budget for the Urban Renewal Agency of Idaho Falls, and is being conducted under the authority of Idaho Code Section 50-1002 as required by recent amendments to the Idaho Local Economic Development Act.

Lee Radford opened the public hearing.

Cramer gave an overview of the Budget. Cramer indicated that this is the same budget that was reviewed last month. Cramer indicated that the Snake River Revenue Allocation Fund is no longer on the budget. Cramer indicated that the remaining Districts are different on how they operate, and the Snake River District with its available cash was able to do a number of projects and the other Districts are functioning primarily with Owner Participation Agreement payments. Cramer indicated that the River Commons Revenue Allocation Fund has capital improvements listed for budget authority in case a project did arise, but there are no current projects planned outside of the OPA payments. Cramer stated that some of the administrative expenditures that have traditionally be in the Snake River Fund have been moved and spread out throughout the other Districts. Cramer indicated that the Panchari Yellowstone Revenue Allocation Fund shows a capital improvement for \$995,750 and that is for the street scape improvements that have been discussed. Eagle Ridge has funds that are ready to be put into the OPA and they are working on that with legal to get that process started. Cramer stated that Jackson Hole Junction has recently submitted invoices and are ready to get their OPA going forward shortly.

Armbruster stated that in the Notice that was published they have identified the project with Dr. Lee and the fact that \$150,000 will be set aside for that project.

Dave Radford asked about the audit fees exceeding the budget, and are the 2020 estimates ok. Cramer stated that they have discussed it and do feel confident that there are sufficient funds in the other Districts in particular River Commons. Cramer stated that there is a large cash balance in that District and there will be sufficient funds for the audit.

No one appeared in support or opposition to testify regarding the FY 2020 Budget.

Dave Radford asked about the Total Redevelopment District and the projected balance of \$168,265.87. Cramer stated that the Budget to Actual shows the Snake River District and Cramer and Hagedorn did a thorough look on the OPA payments to Renaissance Partners and there were a number of parcels that as the parcels changed some had slipped out of how they were calculating the OPA, so there was a Snake River Landing that was not added into the OPA balance and it was requested to be paid in cash, and the Board determined that was an appropriate expenditure as long as a certain cash balance was retained.

Lee Radford closed the public hearing.

Armbruster read the Resolution by Title.

RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE IDAHO FALLS REDEVELOPMENT AGENCY OF IDAHO FALLS, IDAHO; TO BE TERMED THE ANNUAL APPROPRIATION RESOLUTION, APPROVING SUMS OF MONEY AUTHORIZED BY LAW AND DEEMED NECESSARY TO DEFRAY ALL EXPENSES AND LIABILITY OF THE URBAN RENEWAL AGENCY FOR THE FISCAL YEAR COMMENCING ON OCTOBER 1, 2019 AND ENDING SEPTEMBER 30, 2020; FOR ALL GENERAL AND CORPORATE PURPOSES; DIRECTING THE CHAIR OR EXECUTIVE DIRECTOR TO SUBMIT THE RESOLUTION AND

BUDGET TO THE CITY OF IDAHO FALLS AND ANY OTHER ENTITY ENTITLED TO A COPY OF THE RESOLUTION AND BUDGET, AND PROVIDING AN EFFECTIVE DATE.

Dave Radford moved to approve the Fiscal Year 2020 Budget, Terri Gazdik seconded the motion. Radford called for a roll call vote: Aye: Gazdik, Harvey, D. Radford, L. Radford, Larsen. Nay: None. The motion passed unanimously.

Dave Radford indicated that he is proud of the work this Board has done in closing out the Snake River District and it shows good faith to all the tax payers in Bonneville County. Dave Radford believes the Board needs to have a party to celebrate the success.

5. Approval of the Supplemental Resolution for the Supplemental Termination Plan and Updated Termination Budget for the Snake River District. Armbruster explained that the Grant Agreements with the Walkers and Dr. Lee it was appropriate to prepare a Supplemental Resolution which supplements the action that the Board took in April in advising the taxing entities, County Officials, and Tax Commission that the District was done. Armbruster stated that they have updated the final figure to disburse. Armbruster stated that once this Resolution is adopted, Cramer will send the Resolution and Exhibits back to all the taxing entities, Tax Commission, and County Officials and inform them of the upcoming City Council meeting that will formally approve the Ordinance and once the Ordinance is approved and the Ordinance is recorded that is the last official action for Snake River.

L. Radford indicated that the amount to be returned on September 30, 2019 is approximately \$1,380,000. Cramer stated that the valuations were higher in the July check and it put them further ahead than they anticipated.

D. Radford asked what relationship Armbruster has in reporting this with the Tax Commission. Armbruster stated that they are required to file all the material with the Tax Commission and over the years they have a good relationship with the Tax Commission, who is the overseer of how all the documents are to be handled and where they go. Armbruster stated that he has not had the opportunity to discuss the actual logistics of how the funds are being transferred over. Armbruster stated that the project areas he's closed out in Ada County and Jerome County, the Agency just sends one check for the total amount to the County and the County has the records for the levy rates and the allocation, the County then sends the checks out to the individual taxing entities. D. Radford clarified that the County relies upon the advise of the Tax Commission and they realize that they each have a job to do. D. Radford stated that this is a new process for them as they haven't seen one of the Districts Close out. Armbruster doesn't feel there is enough direction in the Statute or the rules to dictate how it should happen, so in other Counties that have closed out the County has been comfortable with the Agency sending one check and they distribute it. Armbruster indicated that he would talk to the Deputy Prosecuting Attorney to work out something. Armbruster stated that they will have to rely on the County information for the levy.

D. Radford shared a concern on the \$88,100 and asked if that is from Armbruster's firm. Cramer indicated that annually the Agency pays for his time, his office, Mark Hagedorn's office for services rendered.

Armbruster read the Resolution by Title.

SUPPLEMENTAL RESOLUTION, SUPPLEMENTING RESOLUTION NUMBER 19-05 OF THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF IDAHO FALLS, IDAHO; ALSO KNOWN AS THE IDAHO FALLS REDEVELOPMENT AGENCY; PROVIDING FOR A SUPPLEMENT TO THE TERMINATION PLAN APPROVED BY RESOLUTION NUMBER 19-05,

PROVIDING AN UPDATED ESTIMATE OF REMAINING PROJECT OBLIGATIONS AND COSTS, APPROVING THE SUPPLEMENTAL TERMINATION PLAN, AND PROPOSING AN UPDATED TERMINATION BUDGET, AND PROVIDING AN EFFECTIVE DATE.

Kirk Larsen moved to approve the Supplemental Resolution for the Supplemental Termination Plan and Updated Termination Budget for the Snake River District, Terri Gazdik seconded the motion and it passed unanimously.

6. Public Hearing on the Tentative Preliminary FY 2020 Termination Budget for the Pancheri-Yellowstone Project Area. Cramer stated that December 31, 2019 the Pancheri-Yellowstone District will expire and similar to the Snake River District, there will be some spending authority through September of 2020. Cramer showed the termination budget. Cramer indicated that there is currently a cash balance of approximately \$900,000 and some of that will go to administration and professional fees and the remaining has been allocated towards a capital project. Cramer stated that they have tried to estimate all of the revenues for the next taxing year and put those out for the one project. Cramer stated that they don't anticipate anything coming out in that District, so once the budget is finalized there should be a good idea of what the return to the City and County will be. Cramer stated that there are no OPA's or outstanding obligations, so it is just the one project and any administration fees. L. Radford confirmed that the project still subject to the approval of the Board.

Lee Radford opened the public hearing. Lee Radford read the Script for the Public Hearing on FY 2020 Termination Budget for the Pancheri Yellowstone Project Area, indicating that the hearing is conducted under the authority of Idaho Code Section 50-1002.

No one appeared to present testimony in support or opposition.

Armbruster read the Resolution by Title.

RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE IDAHO FALLS REDEVELOPMENT AGENCY OF IDAHO FALLS, IDAHO; TO BE TERMED THE PRELIMINARY TERMINATION BUDGET RESOLUTION, SETTING FORTH THE PROJECTED REVENUES AND EXPENSES OF THE URBAN RENEAL AGENCY FOR THE FISCAL YEAR COMMENCING OCTOBER 1, 2019 AND ENDING SEPTEMBER 30, 2020 FOR THE URBAN RENWAL AND REVENUE ALLOCATION AREA KNOWN AS THE PANCHERI-YELLOWSTONE URBAN RENWAL PROJECT AREA; FOR ALL GENERAL AND SPECIAL CORPORATE PURPOSES, MAKING A DETERMINATION THAT THE PANCHERI-YELLOWSTONE URBAN RENEWAL PROJECT CAN BE TERMINATED ON OR BEFORE DECEMBER 31, 2019, DIRECTING THE CHAIR TO SUBMIT THE RESOLUTION AND TERMINATION BUGET TO THE CITY OF IDAHO FALLS, AND PROVIDING AN EFFECTIVE DATE.

Terri Gazdik moved to approve the Tentative Preliminary FY 2020 Termination Budget for the Pancheri-Yellowstone Project Area, Dave Radford seconded the motion and it passed unanimously.

7. Approval of the Grant Participation Agreement for Dr. Lee Medical Office. Cramer stated that this is an addendum to the original Grant Participation Agreement. Cramer stated that item No. 2. The Conditions Precedent to Agency's Payment Obligation and Reimbursement to Agency. Cramer stated that they did their best to capture the discussion and final motion. Cramer stated that the conditions for payment include: Proof that the participant has acquired the property before December 31, 2019; the rock blasting be completed before June 2020; and if those two things happen then the Agency would agree to

pay the \$150,000 that is set aside for the project; and if the project is not completed with a CO by June 30, 2021, then Dr. Lee is required to repay the \$150,000. Gazdik believes the date for the transfer of the ownership is September 30, 2019 not December 31, 2019, and that has been memorialized in the minutes. D. Radford recalled September. Armbruster stated that he recalled that because of the uncertainty of the planning and the ability to get the lot and block done Dr. Lee had requested relief until December 31. Cramer believes the actual motion language was for December and the phone call between Armbruster, L. Radford and himself to go through the notes to create the Agreement. Cramer stated that they can go back and relisten to the motion if needed. D. Radford suggested continuing until the next meeting. L. Radford stated that it doesn't hurt the Agency if they if they wait until December, and as long as the project is completed (rock blasting) done by June 2020. Armbruster stated that the three triggers are title to the property; complete the blasting by June 2020; then the 150,000 would be released and the last trigger is development completed by June 30, 2021 and have a CO, and if they don't have a CO by June 30, 2021, then Dr. Lee repays the \$150,000 to the Agency by July 31, 2021. Larsen asked if there is a question legally with ownership transferring before the expiration of the District. Armbruster stated that his recollection is that there was concern expressed by Dr. Lee that actually getting title to the property by September 30, would be a stretch. Harvey asked if there is any issue legally with the property being acquired after the closure of the District. Gazdik voiced her concern, and stated that they didn't want to authorize spending funds for something that the property hadn't transferred to the owner by the end of the District. Armbruster stated that he doesn't see that there is a prohibitive legal issue since they are reserving the funds, and if title is not acquired by a date certain, and complete the project of the blasting by next summer, Dr. Lee will not see the money. Harvey believes the later trigger dates are more important that when the property is actually purchased prior to those later triggers. Larsen agreed with Harvey and if there is not legal issue with the ownership of the property he is ok with the date. D. Radford agreed he is ok with the later date (December) for the ownership transfer.

Armbruster suggested a scribes correction to indicate that the blasting is done by June 30, 2020. Armbruster read the resolution by title.

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE IDAHO FALLS REDEVELOPMENT AGENCY, APPROVING THE FIRST ADDENDUM TO GRANT PARTICIPATION AGREEMENT BETWEEN THE AGENCY AND BRIAN LEE, DDS, M.D.; AUTHORIZING THE CHAIR, VICE-CHAIR, OR EXECUTIVE DIRECTOR TO EXECUTE THE AGREEMENT AND ANY NECESSARY DOCUMENTS SUBJECT TO CERTAIN CONTINGENCIES, AUTHORIZING ANY TECHNICAL CORRECTIONS TO THE AGREEMENT AND PROVIDING AN EFFECTIVE DATE.

Dave Radford moved to approve the Resolution for the First Addendum to the Grant Participation Agreement, Kirk Larsen seconded the motion and it passed unanimously.

8. Approval for the Grant Participation for the Curb Re-Alignment. Cramer indicated that this Agreement is memorializing what was discussed at the last meeting where the Walker's had requested fund to re-align curb to help with storm water collection and it was something that was part of the Culver's site plan, but for unknown reasons it wasn't completed. Cramer indicated that they had 3 bids and the Board voted to split the between the two highest bids and have a maximum of \$12,500.00 as reflected in this agreement, and it also reflects that if they don't complete the project and have it accepted by the City before September 26, then the Board will not pay the funds.

Armbruster read the Resolution by Title.

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE IDAHO FALLS REDEVELOPMENT AGENCY OF IDAHO FALLS, IDAHO; APPROVING THE GRANT PARTICIPATION AGREEMENT BETWEEN THE AGENCY AND CLOCK TOWER, LLC., AUTHORIZING THE CHAIR, VICE-CHAIR, OR EXECUTIVE DIRECTOR TO EXECUTE THE AGREEMENT AND ANY NECESSARY DOCUMENTS SUBJECT TO CERTAIN CONTINGENCIES, AUTHORIZING ANY TECHNICAL CORRECTIONS TO THE AGREEMENT, AND PROVIDING AN EFFECTIVE DATE.

Dave Radford moved to approve the Resolution approving the Grant Participation Agreement for Walker Curb Re-Alignment, Terri Gazdik seconded the motion. Kirk Larsen abstained from voting. The Motion passed with 4 votes.

9. Approach to Future Projects. Radford asked the Board Members to think about the approach should be to future projects and encouraging the use of this tool in the right locations and how to best improve the community and enhance tax payer interest in the future. Radford stated that the Agency has done a major piece of work, but there are areas that need improvement in the community, and they need to think about how to go about that. Radford postponed discussion until next meeting.

10. Project Updates.

Catherine Smith, IFDDC. Smith provided an update on the Downtown projects. Smith stated that the Broadway Project is complete and looks fantastic. Smith stated that they added the auto drip sprinkling so the hanging baskets and pots are all watered and that has been a huge help to Parks and Rec. Smith stated that it is beautiful and logistically working well. Smith stated that they are finishing the last corner today at the Celt. Smith stated that they worked through the Downtown Master Plan to do an extended patio seating outside of the Celt because they have purchased the Mercantile building next door. Smith thanked the Agency for the help in improving Downtown. Smith stated that all projects have come in on budget so far. Smith stated that the parking meters will arrive in a few weeks and they are finishing up the details of the software pieces that will allow them to manage from their office.

Gazdik commended Smith on the work and how beautiful it is.

11. RAI and Legislative Update. Armbruster stated that the Tax Commission has completed its rule promulgating process and there is one rule in there that will impact new urban renewal areas concerning the occupancy tax, and the first year the Agency would not receive the occupancy tax.

Next Regular Meeting: September 19, 2019

Kirk Larsen moved to adjourn the meeting, Dave Radford seconded the motion and it passed unanimously.

Respectfully Submitted: Beckie Thompson