

IDAHO FALLS REDEVELOPMENT AGENCY

P.O. BOX 50220

IDAHO FALLS, ID 83405

August 20, 2020

Regular Meeting Minutes

Council Chambers

*** Notice: Due to Governor Little’s proclamation on March 19, 2020 and the Stay-At-Home Order given on March 25, 2020, the doors to the meeting were locked, but notice was given to the public on how to participate via any of the following ways: Submit comments in writing; participate via internet through a Webex meeting; participate via phone through Webex meeting; and watch the meeting via live stream on the City’s website.**

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

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

Members Absent: Dave Radford, Thomas Halley

Also Present: Brad Cramer; Ryan Armbruster Esq.; and interested citizens.

1. Modification to Agenda. None.

2. Approval of Minutes June 18, 2020; and July 23, 2020. Kirk Larsen moved to approve the Minutes for June 18, 2020; and July 23, 2020, Brent Thompson seconded the motion and it passed unanimously.

3. Approval of Expenditures and Finance Report. Lee Radford presented the Finance Report dated August 20, 2020. The following bills were presented to be paid from the River Commons Revenue Allocation Fund: Elam and Burke \$3,287 for legal; Rudd & Company \$1,300.00 for audit; Rebecca Thompson, \$156.25 for transcription of minutes. The following bills were presented to be paid from the Eagle Ridge Revenue Allocation Fund: Elam and Burke \$340.00 for legal. The Following bills were presented to be paid from the Jackson Hole Junction Revenue Allocation Fund: Elam and Burke \$260.00 for legal. OPA payments were paid to Title Financial \$1,004.36 (Bandon River/Manschrek); Ball Ventures \$424,553.52.

Hagedorn indicated that they haven’t started the OPA payments to Eagle Ridge and he is waiting for Cramer to give more direction on those payments.

Kirk Larsen moved to approve the Finance Report, Brent Thompson seconded the motion and it passed unanimously.

4. Public Hearing on FY 2021 Budget. Hagedorn indicated that the proposed budget was published in the newspaper. Hagedorn confirmed they are still budgeting \$150,000 for Dr. Lee project in Snake River Landing. Hagedorn stated that they do not have any budget for Pancheri as it is closing out. Hagedorn stated that River Commons, Eagle Ridge and Jackson Hole still remain. Hagedorn stated that they have budgeted the full capacity of what they think the cash balance will be and then there will not be a discretion about how the Board wants to use the financial resources. Thompson asked about the balance of total expenditures of \$2 million versus revenues of \$1.6 million and what will account for the difference. Hagedorn stated that the difference is available cash, and that will give them the flexibility to

manage the resources if things come up. Thompson confirmed that the available cash will make up the difference in the two figures. Hagedorn agreed with Thompson.

Radford opened the public hearing for the Idaho Falls Redevelopment Agency Fiscal Year 2021 Budget.

No one appeared in person, via webex, via telephone, via written communication, or any other form of attendance to testify at the public hearing.

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”; APPROPRIATING 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 OCTOBER 1, 2020, AND ENDING SEPTEMBER 30, 2021 FOR ALL GENERAL AND SPECIAL 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 OF THE BUDGET AND PROVIDING AN EFFECTIVE DATE.

Brent Thompson moved to adopt the Resolution, Gazdik seconded the motion. Radford called for roll call vote: Harvey, yes; Larsen, yes; Gazdik, yes; Thompson, yes; Radford, yes. The motion passed unanimously.

5. Real Estate Services Agreement. Armbruster explained the Buyer Representation Agreement and the Supplement thereto. Armbruster stated that there has been discussion concerning the engagement of real estate agents on behalf of the Board to provide guidance and direction and enter into option agreements with property owners. Cramer received the standard real estate agent agreement from one of the agents and in going through it, Armbruster has prepared a modification to the form agreement, which would indicate that due to the long term nature of the options, they would move into a compensation process and agree with the agent concerning the hourly rate that the agent could charge the Agency, and this would be a non-exclusive agreement, and there would be an appropriate delineation of what block, blocks, or property that any individual agent could move forward on. Armbruster stated that if this is acceptable, the Board should authorize Cramer to continue negotiations with various agents concerning potential property acquisitions through option agreements and it does indicate that before the Agent could move forward it has to receive written notice to proceed by the Agency and there will be a separate proposed agreement with the City of Idaho Falls to provide the funds necessary to move forward.

Radford stated that it will be an hourly rate for a defined period to attempt to obtain options, and the hourly rate has not been determined yet. Radford stated that this is an approach to obtain property without using eminent domain in an attempt to consolidate the property and make it available for development.

Thompson asked what the duration of the agreement would be. Armbruster stated that it is a point of negotiation, but the form that was provided had a term through December 2021. Thompson stated that this is a good first step that doesn't bind them to any specific broker and not exclusive above others.

Gazdik stated that the current agreement does list the buyer/broker as exclusive. Armbruster stated that the form does, but the supplement indicates that it is not exclusive. Armbruster added that Cramer will have to negotiate some changes from the form provided.

Radford stated that there are positive things going on in the 1st Street area. Radford stated that The Housing Company announced their construction of a 70+ unit housing complex on the vacant lot near Compass and Dora Erickson which will anchor one end of 1st Street. Radford stated that there is another plot of land planning 120 units behind Bowlero, however that project is not moving forward as the seller is now trying to sell the property. Radford has had communication as to whether that property could be benefited by urban renewal help because it's not moving and it's not exactly what is wanted to benefit the area and contribute to the neighborhood. Radford stated that the property already has a broker and they could possibly do an option and put it out for RFP where urban renewal could be used to direct some improvements in a way that would be more likely to attract further development in the area.

Brent Thompson moved to accept the proposed agreement with the modification for non-exclusive use, and direct Brad Cramer to continue negotiations with real estate agents and/or brokers in line with the information presented today, Kirk Larsen seconded the motion and it passed unanimously.

6. Micro-Districts and Sample Eligibility Report. Armbruster indicated that Cramer has compiled a document that takes into account some of the content of the various eligibility reports that the Agency has done on previous project areas and tried to consolidate those documents into what could be a template to use as they go down the strategic road of identifying concise and small project areas. Armbruster stated that the hope with the template is that when they are ready to launch a new project area, they will have some of the basic area and requirements baked into the documents and once the geographic area is examined someone would put in the actual details of the characteristics so the Agency and City Council can make the findings that allow urban renewal planning to move forward.

Radford stated that they are trying to have an establishment of an area be much more streamline and small so that the cost is lower so they can do some of this micro-district urban renewal. Radford stated that at template eligibility report, combined with the work that was done with the EPA Grant will help the Agency accelerate the process and do it at a lower cost.

Armbruster stated that he has circulated a draft City Agency Agreement that would outline the commitment by the City to use some of the funds that will be returned to the City by virtue of the Pancheri closeout to allow the Agency to use the money to provide for administrative, planning, consulting costs as they examine the micro-districts and to allow them to enter into options with potential property owners. Armbruster stated that the agreement sets out the process and provides the statutory consent by the City Council to allow them to enter into the binding option agreements before a plan is approved. Armbruster stated that the Agency, once it has reached an option agreement, would during the term of the option move forward with an RFP to seek a qualified developer to re-develop the property and also start the process of creating the micro-districts.

Kirk Larsen asked where the funds are, and if they have been transferred to the City yet. Armbruster stated that the Agency has received the last check on the Pancheri project area, and they intend to cut a check to the County for disbursement to the taxing entities before September 30, 2020. Armbruster stated that the money will be allocated in the same ratios as the levies of those particular taxing entities. Armbruster stated that Radford has discussed with the City whether the City will be willing to allocate a portion of the amount they will receive to the Agency directly for the purpose of moving forward. Armbruster confirmed that no dollars will be retained from Pancheri, and a separate agreement will be reached with the City to outline the exact amount and \$200,000 has been discussed.

Hagedorn stated that right now they have just over \$1 million in Pancheri, with a possibility to have another check this week and then they would write the check to the County and the City would receive money after October 1, 2020, and then the City could write a check back to the Agency for a specific amount (i.e. \$200,000). Hagedorn needs to ask Legal where they should put the money, whether it be into a current district, or new bank account.

Radford stated that the City will be getting over \$600,000 back from the Pancheri District, and they are considering letting the Agency use \$200,000 to develop the new districts. Radford stated that it is less than what he had hoped, and it won't leave a lot of room to start figuring out the project and it will be a limitation to the approach.

7. Legislative and RAI Updates. Armbruster stated that the property tax interim committee is scheduled to meet again tomorrow 9-12 and based on the agenda they will focus on assessed valuations and “transparency” of information. Armbruster stated that they are close to filing a friend of the Court Brief on a case before the Idaho Supreme Court concerning the legitimacy of an ordinance adopted by the City of Boise, concerning the approval of two urban renewal plans. Armbruster stated that the Governor has scheduled a special session to convene next Monday with 3 topics (Bills) on the proclamation and 2 bills address changes to the election process submitted by the County Clerks; and the other is granting immunity to people who have taken action as a result of the Governor’s emergency order.

Next Regular Meeting: September 17, 2020

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

Respectfully Submitted: Beckie Thompson