



Ketchum Urban Renewal Agency

Special Meeting

~ Minutes ~

480 East Avenue North
Ketchum, ID 83340
<http://ketchumidaho.org/>

Admin

Friday, March 2, 2018

10:00 AM

Ketchum City Hall

Present: Chairman Mark Nieves
 Vice Chair Susan Scovell
 Commissioner Gary Lipton
 Commissioner Jim Slanetz – arrived at 10:08 a.m.
 Commissioner Shelley Seibel
 Commissioner Cameron Packer – Present by phone
 Commissioner Amanda Breen

Staff Present: Micah Austin, Director of Planning and Building
 Matt Parks – URA Attorney – Present by phone
 Ryan Armbruster – URA Attorney – Present by phone
 Neil Bradshaw - Mayor
 Suzanne Frick – City Administrator
 Grant Gager - Treasurer
 Robin Crotty - Secretary

1. 10:00 AM- CALL TO ORDER

Chair Mark Nieves called the special meeting to order at 10:04 a.m.

2. PUBLIC COMMENT FOR ITEMS NOT ON THE AGENDA

No public Comment

Comments from the Commissioners

Commissioner Gary Lipton thanked the Commissioners for his time on the KCDC Board, however at this time he is submitting his resignation. Chair Mark Nieves advised he will not be appointing anybody at this time.

3. NEW BUSINESS

- a. Discussion and approval of purchase and sale agreement between the KURA and the City of Ketchum for real property currently owned by the City of Ketchum (Lots 5 and 6, Block 19, Ketchum Townsite). The KURA is considering acquiring this property for the purpose of creating redevelopment opportunities that align with the objectives of the 2010 KURA Plan.

Director of Planning & Building Micah Austin introduced this topic as a continuation from the last meeting. He advised that the commissioners had all submitted their questions in writing to staff which in turn were answered and emailed back to the commissioners. This is an opportunity to continue this discussion and make a decision.

Mayor Neil Bradshaw thanked the KURA Board for attending this special meeting. He advised that he believes this is a wonderful opportunity for the board and hopes they see it as favorable.

Chair Mark Nieves asked the commission if any other questions needed clarification and what their overall position is.

Commissioner Amanda Breen advised all questions were answered completely. This is a project that makes sense and creates a larger opportunity for the KURA in the future. She concluded by saying this is a very valuable asset and is in support of the purchase of the city lot.

Vice Chair Susan Scovell advised the commission that she looked at a lot behind Hotel Ketchum and voiced she felt it is a better option to be built upon. She thinks \$1.5M is too high for the city lot. If all goes forward she wants to be sure all restrictions for the city lot are free and clear. Susan Scovell voiced that she believes that Commissioner Jim Slanetz and Commissioner Amanda Breen have a conflict of interest as the buyer and the seller of the lot. Chair Mark Nieves asked for Attorney Ryan Armbruster's opinion regarding a conflict. Attorney Ryan Armbruster advised that the authority allows council members to sit on the board. He talked about their obligation as a commissioner as well as their obligation as a council member. He does not see this as a conflict.

Commissioner Gary Lipton talked about the restricted housing in lieu fees on the Dollhouse lot. Director of Planning & Building Micah Austin explained that the obligation to handle affordable housing is the KURA's responsibility and talked about the bond. There were obligations on both lots and they were consolidated, and the housing requirement is now on the Dollhouse lot. To build the housing there would eliminate the requirement, or the city can release the KURA from that obligation.

The options of how to resolve the In-Lieu housing requirement was discussed at length. Attorney Ryan Armbruster explained there would be a 90-day period of time to get the title report to show any restrictions or impediments and still have time to back out.

Commissioner Jim Slanetz agreed that we should find out if the title is clear. He is leaning in favor of the purchase of the lot.

Commissioner Shelley Seibel advised that she cannot move forward until this issue is cleared up. She would still like to honor the pay back in good faith.

Commissioner Cameron Packer agrees with Commissioner Shelley Seibel and advised that she also has concerns about staffing. She would like the KURA to have their own staff since the city staff is unknown.

Commissioner Gary Lipton does not have a problem paying the \$1.5 M as long as they can get both lots free and clear of title. The lots will be desirable with no restrictions. He questioned the KURA paying for the environmental testing. He wants to know if the city is going to pay \$4,000 a month for the parking if the deal is made? Gary Lipton questioned the interest of the public since this meeting was publicly noticed and only 1 person is present. He pointed out that this is the forum for the public to speak. Gary Lipton also questioned the \$75,000 a year that the KURA pays the city for the use of the meeting room. He suggested paying per meeting or meeting elsewhere.

Vice Chair Susan Scovell advised that putting the lots together will make it harder to sell. She does not want to tie up the funds. She also has concerns about the \$75,000 being paid to the city for meeting space.

Chair Mark Nieves advised that during his tenure the KURA has been trying to get out of these lots. He advised that housing is their top priority and agrees that housing will not go on these lots. He agrees that we need to see the title for the property prior to moving forward. Mark Nieves voiced concerns about Micah Austin's departure and the timeline. He is all for this project but there still needs to be more homework. Title being number one. He went on to talk about how the board voted in 2015 to pay back the city. He voiced that the KURA gave the city the 491 Building and that should count as paying toward the debt.

Director of Planning & Building Micah Austin advised that the title for the Dollhouse lot will be available in the next 24 hours from Daryl Fauth.

Attorney Ryan Armbruster advised that the best thing the commission could do today is authorize the Chair and Director of Planning & Zoning Micah Austin to propose a counter offer with a letter stating what their intention is.

Chair Mark Nieves said the board wants to help the City but still needs to clean up the KURA. He thinks this is a good move toward affordable housing. Commissioner Gary Lipton talked about a bigger picture. He outlined a vision he has for the future and how all this could work and do housing down the road.

Mayor Neil Bradshaw thanked the commission for their deliberation and pointed out two items:

1. The KURA is a revenue allocator. The KURA is not the developer of that land. He talked about how things have been done in the past such as working with KCDC.
2. This is one of the ways the KURA could assist in the purchase of City Hall. He talked about if the new city hall was in the district the city could have just asked for the funds with nothing in return.

Commissioner Gary Lipton questioned Treasurer Grant Gager as to how the payments look. Grant Gager advised that the current cash on hand is \$1.92 M. The KURA has largely expended the contractual obligations this year. Starting at \$1.92M the KURA can meet the \$1.5M purchase price. He advised that if this project goes thru the KURA would need to refrain from other projects for the rest of this fiscal year. From a financial standpoint he believes the KURA is in a fine position to make this deal.

Commissioner Gary Lipton would like to start talking about a counteroffer. Director of Planning & Building Micah Austin suggested the board decide on the price, the leasing back of the parking lot to the City, how to deal with the encumbrances (Idaho power transformer) and then talk about the closing costs.

Vice Chair Susan Scovell advised that she is for the deal with all the contingency's met. Chair Mark Nieves advised that the lot is appraised at \$1.474 M. There is no appraised value of the two lots together.

Commissioner Shelley Seibel advised that the two lots together may dilute the price. Commissioner Amanda Breen advised that the lots could be sold separately as 4 lots in the future. The value of the lot was discussed. Commissioner Cameron Packer spoke in favor of the appraised value. Commissioner Gary Lipton was in favor of the \$1.5 M. All other commissioners were in favor of the appraised value of \$1.474 M.

Mayor Neil Bradshaw talked about the results of the open house and what the public was in favor of and about the one-year lease.

Chair Mark Nieves spoke in support of having the KURA declared as free and clear of the in-lieu housing fee. Mayor Bradshaw said that would be a council decision, so he cannot answer to that. Commissioner Amanda Breen supported that getting this waived today is not important. Commissioners Cameron Packer and Susan Scovell disagree. Cameron Packer advised that this has been hanging over the KURA for a long time. It's time to get this in lieu housing fee restriction out of the way to move forward more easily.

Commissioner Gary Lipton suggested that council and commission document that this restriction exists but move it. He does not want the restriction on that lot. Mayor Neil Bradshaw advised that waiving the fees does not look good. Commissioner Shelley Seibel agreed. Mayor Neil Bradshaw advised that the obligation stays but it is not tied to the property. The agreement could state \$1.474 M and a delinkage included in the contract. Chair Mark Nieves clarified that the Idaho Power Transformer is not an issue. Mayor Neil Bradshaw advised that the cost to move the transformer is \$50,000.

Director of Planning & Building Micah Austin confirmed that the counter will be the appraised value and making sure the in-lieu housing is not tied to that lot. Attorney Ryan Armbruster will work with Micah Austin to craft a letter to take back to the City. Commissioner Amanda Breen questioned when the

board will take a vote. Ryan Armbruster clarified that after the city responds to the letter from Micah Austin a meeting will be set to place a vote.

Commissioner Gary Lipton requested that there be a collective meeting to talk about housing.

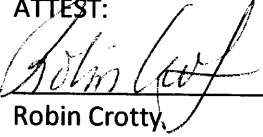
4. ADJOURNMENT

Motion to adjourn at 11:22 am.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Susan Scovell, Vice Chair
SECONDER:	Jim Slanetz, Commissioner
AYES:	Slanetz, Lipton, Nieves, Siebel, Packer, Scovell, Breen



Mark Nieves, Chairman

ATTEST:


Robin Crotty,
Secretary