



SPECIAL URBAN RENEWAL AGENCY MEETING
Tuesday, June 14, 2011 at 12:00 p.m.
Ketchum City Hall, Ketchum, Idaho

Present: URA Chair Randy Hall (via telephone)
Commissioner Baird Gourlay
Commissioner Nina Jonas
Commissioner Curtis Kemp
Commissioner Trish Wilson (via telephone)

Absent: URA Vice Chair Mark Eshman
Commissioner Larry Helzel

Also Present: Gary Marks, City Administrator
Lisa Horowitz, Community and Economic Development Director
Stephanie Bonney, City Attorney
Lisa Enourato, Planning Technician/Assistant to City Administrator

1. CALL TO ORDER

The meeting was called to order by Commissioner Gourlay at 12:00 p.m.

2. COMMUNICATIONS FROM COMMUNITY & ECONOMIC DEVELOPMENT

- a. Consideration of a Memorandum of Understanding between the Ketchum Community Development Corporation and the Ketchum Urban Renewal Agency.

The City has been working with the KCDC in looking for appropriate sites for more affordable housing. The KCDC has decided to pursue the site owned by the Ketchum Urban Renewal Agency. The KCDC would like to continue the success of Northwood with the proposed Washington Place project. The outcome would be smaller units and lower rent. Topics discussed were:

- Summary of the project
23 units, single elevator, wood frame building on two city lots
- Ownership management structure
Co-develop with KCDC, Syringa Management Company, KCDC as managing member
- Affordable housing use restrictions
KCDC will have control of long term interests and operation of property, purchase option at the end of year 15 when tax credit investor exists, land use restriction upheld for 44 years, or land lease covenant if any change in building use, property would revert back to the Urban Renewal District.
- Outline of lease
99 year financeable lease to KCDC, assigned to project partnership, lease covenant regarding affordable housing, 75% of lease payment paid at close of construction financing as guaranteed amount, 25% of lease payment paid at time of perm loan conversion after lease up and final tax credit equity installment, tax credit investor leaves after year 15, amount to be determined
- Timeline

Workshop with P&Z in February, worked on design in March and April, P&Z pre-app meeting in May, discuss lease option in June, site control of the property must be presented prior to September 9, award could be seen in November, possibly be in the ground late spring/early summer 2012

Items discussed by staff and City Attorney:

- Different process Urban Renewal should follow than the City did regarding the RFP
- Interim maintenance to property and when building should be demolished
Building declared unfit for human occupancy as it cannot meet snow loads, suggested to fix the fencing, mow and clean up the landscaping and demolish the building after Labor Day. The cost to clean up the property would be \$4,300 and the demolition estimate for all three buildings and the fence was \$8,760. There is a party interested in taking the shed off the property. The Fire Department proposed to use the building for smoke drills on Tuesday evenings.

Commissioner Gourlay motioned that the Urban Renewal Agency fix the property at 211 East First Street in contract with the City and various departments with a not to exceed cost of \$4,300, seconded by Commissioner Kemp. The motion was approved unanimously.

RFPs will be prepared over the summer for demolition and to see if anyone in the community would like the smaller building.

Stephanie Bonney discussed the RFP for the lease option. Prior to entering into a lease on this property, the URA is required to do an RFP prior to disposition. The option is not disposition so an RFP is not required. The Board may want to consider that rather than doing an option and then an RFP at a later date, to do the RFP for an affordable housing project now.

Public Comment – Martin Flannes, attorney for Commercial Core Coalition, discussed the lease and the project's compliance with the Ketchum Code.

Commissioner Gourlay motioned for staff to write an RFP for the option to lease 211 East First Street with appropriate verbiage for affordable housing and compliance with Ketchum Code, seconded by Commissioner Kemp. The motion was unanimously approved.

There was discussion over the in lieu funds that were transferred to the URA for affordable housing. If the URA were to do something other than affordable housing, the URA would have to pay those dollars back to the City. As long as the property is going to be used for affordable housing, the URA would be able to continue to use those funds.

3. CONSENT CALENDAR

- a. **Approval of minutes from the May 3, 2011, May 16, 2011 and May 31, 2011 URA Board meetings.**
- b. **Recommendation to approve current bills.**

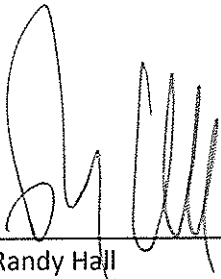
Commissioner Jonas motioned to approve the minutes, seconded by Commissioner Kemp. The motion was unanimously approved.

Commissioner Gourlay motioned to pay the current bills, seconded by Commissioner Kemp. The motion was unanimously approved.

4. ADJOURNMENT


Commissioner Gourlay motioned to adjourn the meeting, seconded by Commissioner Jonas. The motion was unanimously approved.

The meeting was adjourned at 12:53 pm.



Randy Hall
Chairman

ATTEST:



Sandra E. Cady, CMC
Secretary/Treasurer