



SPECIAL MEETING OF THE KETCHUM
URBAN RENEWAL AGENCY
SEPTEMBER 16, 2013

Commissioners present: Chairman Mark Eshman
Commissioner Michael David
Commissioner Tim Eagan (by phone)
Commissioner Randy Hall
Commissioner Trina Peters
Commissioner Jim Slanetz

Commissioners absent: Vice-Chairman Trish Wilson

Also present: Executive Director Gary Marks
Attorney Stephanie Bonney
Ketchum Community and Economic Development Director Lisa Horowitz
Minutes written by Ketchum Recording Secretary Sunny Grant

1. This Special Meeting of the Ketchum Urban Renewal Agency was called to order by Chairman Mark Eshman at 4:04pm. at City Hall, Ketchum, Idaho.

2. EXECUTIVE SESSION TO DISCUSS LAND ACQUISITION

Idaho Code allows an Executive Session to conduct deliberations concerning labor negotiations or to acquire an interest in real property (purchase, lease, exchange, etc.) which is not owned by a public agency.

Commissioner Randy Hall moved to go into executive session to discuss land acquisition, pursuant to Idaho Code 67-2345 1(c). Commissioner Trina Peters seconded the motion. Roll call: Commissioner Randy Hall yes, Commissioner Trina Peters yes, Commissioner Tim Eagan (by phone) yes, Commissioner Michael David yes, Commissioner Jim Slanetz yes, and Chairman Mark Eshman yes. Motion passed unanimously.

Commissioner Randy Hall moved to come out of executive session at 4:33 p.m. Commissioner Trina Peters seconded the motion. Roll call: Commissioner Randy Hall yes, Commissioner Trina Peters yes, Commissioner Tim Eagan (by phone) yes, Commissioner Michael David yes, Commissioner Jim Slanetz yes, and Chairman Mark Eshman yes. Motion passed unanimously.

3. COMMENTS FROM THE PUBLIC

The URA Board put out a Request for Proposal for property to be exchanged for the parcel owned by the URA at 1st Street and Washington Avenue. The Board has been reviewing the one proposal received—the Higgins Parcel—on 2nd Avenue between 6th and 7th Streets.

- Dick Fosbury said his office building is on the corner of 2nd and 7th. Fosbury asked what the intentions are for the proposed parcel.

CED Director Lisa Horowitz said the URA Board has directed staff to prepare a Purchase and Sale Agreement with a contingency that the property be rezoned to a multi-family zone (probably GR-H or Limited Tourist) that could be used for affordable housing similar to the Washington Place property that the URA already owns.

The URA Board asked people to restrict their comments to two or three minutes.

- Becky Worst lives at the corner of 7th Street and 2nd Avenue. Her concerns are:
 - The proposed rezone will allow for many units of low-income housing. Is there enough room for this kind of density, and are there enough parking spaces for residents and guests? Parking on the street is already a concern.
 - Will egress and ingress into the building be right in front of her place? This will mean traffic and car lights disturbance.
 - Zoning laws should be reliable, and not change for convenience.
 - Pedestrians and school children go to Hemingway during the week. Drivers already go too fast on those streets.
 - This could be the demise of the bike path that currently runs across the Higgins property.
 - Who is going to benefit from this exchange?
- Dick Worst is upset over the speed of this transaction, and said he didn't know anything about it. He knew the lots were there when they bought the property, but thought everything would be all right. His understanding was that URAs took problem areas and cleaned them up, but there is nothing wrong with these lots.
- Ben Worst, 711 2nd Avenue, said the lack of process and transparency is appalling in time-restricting people to speak for two minutes on something that would devalue their property. The URA should have made this proposal public in July. The URA is required by Idaho Code to get fair value in a land exchange. The Higgins property is

two lots, one of which is zoned T, and is so small it has no value. A developable lot is a minimum of 8,000sf. The GR-L lot could support three or four units, but the URA is considering 24 dwelling units, a threefold increase in density. Worst said the URA has invested almost \$1.5 million of an in-lieu housing trust fund in this lot that is worth at most \$800,000.

- Annie and Jeff Kaiser live in a duplex at 631 N. 3rd Avenue, about one block west of the property. There are eight units and five garages in their block, causing constant traffic in and out of the 6th Street alley and garages. Ms. Kaiser would love to see eight units of community housing on the parcel, but is very concerned about the traffic 24 units would create. School traffic makes 2nd Avenue a highway, and there are also unsupervised kids in and out of the pump park crossing the street.
- Phyllis Shafran asked what the appraised value of the land was, since the RFP stated the appraised value of the land should be approximately equal or greater than the exchange value. The RFP also states that all proposals shall become public record upon delivery to the Ketchum URA, but not made public until the bid opening. CED Director Lisa Horowitz said a URA Board packet with revised documents would be available the next day. Chairman Eshman said these were good questions, and the URA Board would continue to take questions. A follow-up meeting would be scheduled to adequately answer questions.
- Jim Plomasen asked if the follow-up meeting would be a public hearing, or just allow time for public comment. City Attorney Stephanie Bonney said a public hearing was not required.
- Anne Corrock requested that the follow-up meeting allow adequate time for public comment. She asked if there was a hurry on this land exchange.

Commissioner Hall said there really wasn't a hurry. Ketchum URA purchased a piece of property for housing, but has twice been denied tax credit financing on that property, so the URA is looking for a piece of property that would work for housing. Housing is still the community's #1 priority. The RFP resulted in a proposal, which the Ketchum URA is discussing. The URA would have to enter into a Purchase & Sale Agreement, which incurs contingencies, one of which is a rezone by the Ketchum City Council, with public hearings. Another contingency is environmental consideration. The URA, at this point, just wants to divest itself of the Washington Avenue property.

- Ketchum Community Development Corporation President Neil Bradshaw said the community needs affordable housing. The community has tasked the URA and CDC to provide the best community housing with available resources, in spite of NIMBY syndrome.
- Kurt Eggers owns a half duplex on 8th Street, a block between the subject property and Hemingway School. He said the lot line of the two lots raises questions about the developability of the Higgins property. Eggers suggested the owner of the property get the rezone done before the URA enters into a purchase agreement, instead of the URA going to the Ketchum Council to get an upzone, which seems a little conspicuous. He suggested the URA look for a parcel that's zoned for 24 units instead of just taking a parcel that's available.
- Julie Lynn said 24 units on this property by the school and park was too much.
- Jima Rice asked if the two properties were of equal value.

Commissioner Slanetz said the properties were about \$20,000 different.

City Attorney Stephanie Bonney said she believed the proposal met the statute and is a fair value. The statute doesn't say "equal value"; it says a "fair value based on the project that the URA would like to do on the property," meaning that the property may be worth more to the URA for an affordable housing project than it would be for someone else who wants to build a single family home on it.

- Rice said the City sometimes moves into spending money or making agreements when there are still up-in-the-air contingencies.
- John Remington has lived on 7th Street since the RR tracks were there and taught a class at the Community School based on the property's history. He asked the URA to be cognizant of the property's history.
- West Ketchum resident Tom Monge owns a building on Second Avenue kitty-corner from this property. He asked why the URA hadn't pursued other properties in West Ketchum that are or could be zoned for this kind of project. Monge said there were other properties in West Ketchum that made more sense for affordable housing; and trading the commercial Washington Avenue property for this GR-L property is a bad deal for the URA. Monge added that he thought the Washington Place corner lot was purchased for parking.
- Anne Corrock said the URA's mission includes workforce housing, a town plaza, streetscapes and other improvements to encourage private development and parking structures. The Washington Avenue property was purchased because it was next door to a city-owned parking lot, and could be a parking structure with some housing in it. This parcel may be problematic for housing, but not for other URA projects in the URA's mission statement.
- Linden Beck, 3rd Avenue N. resident, said they could put 75 units on their three lots if the density on these two lots could be tripled. She said the Higgins property was a poor investment.

Commissioner Hall said the Washington Avenue property was never intended to be exclusively parking. There was to be no net loss of parking, so the parking area was always to remain there for parking. He said the deal wouldn't happen if the rezone doesn't happen, because the value of the two properties wouldn't be equal.

Chairman Eshman reiterated that there are a lot of contingencies in the Purchase and Sale Agreement.

- Susan Worst said the PSA would be null and void if the rezone doesn't happen. She said community housing builds a community and should be spread out and in everyone's backyard. People who live in affordable housing should be stakeholders who own and care about their property. She said everyone in the room was present because they care about their community and want their neighborhoods to be the best they can be.
- Ketchum Community Development Corporation Executive Director Jon Duval said the Ketchum CDC was tasked with providing affordable housing when it was formed in 2006. Affordable housing has been a priority of every Ketchum comprehensive plan and every master plan; and every politician has included affordable housing in his platform.

Ketchum has less than 100 units of affordable housing. Aspen has about 2,000 units. Ketchum desperately needs affordable single family units, but they are very difficult to create. Low income tax credits funded through the Idaho Housing and Finance Association is one of the few ways Ketchum has for financing affordable housing, but they can only be used for rental units.

The Ketchum CDC would like to move on this parcel because it is larger than Washington Place, with much more potential for parking. The building can be kept at two or three stories, and there is time to work with the system.

CED Director Lisa Horowitz said additional questions could be submitted in writing. Future meetings will be posted on the website, and people not online can contact City Hall.

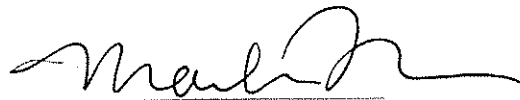
4. CONSENT CALENDAR

- a. Approval of minutes from the August 15, 2013 and September 3, 2013 URA Board meetings
- b. Recommendation to approve current bills

Commissioner Randy Hall moved to approve the Consent Calendar for September 16, 2013. Motion seconded by Commissioner Jim Slanetz, and passed unanimously.

5. ADJOURNMENT

Commissioner Randy Hall moved to adjourn at 5:15pm. Motion seconded by Commissioner Tim Eagan, and passed unanimously.


MARK ESHMAN,
Chairman

ATTEST:


SANDRA E. CADY, CMC
Secretary/Treasurer