



SPECIAL MEETING OF THE KETCHUM
URBAN RENEWAL AGENCY
OCTOBER 21, 2013

Commissioners present: Chairman Mark Eshman
Commissioner Michael David
Commissioner Tim Eagan (by phone)
Commissioner Randy Hall
Commissioner Trina Peters
Vice-Chairman Trish Wilson

Commissioners absent: Commissioner Jim Slanetz

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

1. This Special Meeting of the Ketchum Urban Renewal Agency was called to order by Chairman Mark Eshman at 12:04p.m. at City Hall, Ketchum, Idaho.

2. **Communications from the Board of Commissioners**

Commissioner Trina Peters discussed updating the KURA website with Ketchum Special Projects Manager Lisa Enourato and keeping it more current. They also plan to prepare a KURA Annual Report to present user-friendly budget information, a summary of accomplishments over the last 12 months and proposed projects in the next year. The Annual Report will be published and available online.

Commissioner Trish Wilson said Ketchum reportedly has 120 housing units compared to Aspen's 2,000 units. Ketchum doesn't aspire to be Aspen, but the huge disparity indicates that Ketchum has a lot of work to do.

3. **Comments from the Public**

- Ben Worst said the Twin Falls Urban Renewal Agency has succeeded in bringing several large companies to Twin Falls, including Clif Bar. He asked what the KURA was doing to bring business to Ketchum. Chairman Mark Eshman said it was unfair to compare Twin Falls to Ketchum. Twin Falls has a lot of affordable housing, a better airport, infrastructure and the help of the State of Idaho. Ketchum is also talking to different kinds of businesses and non-profit organizations; and there are potential proposals in discussion. Ketchum CED Director Lisa Horowitz added that Ketchum's Light Industrial District is being reevaluated.
- Phyllis Shafran said a lot more people live in Aspen, and suggested a legitimate comparison. CED Director Lisa Horowitz said she would present a comparison chart at the next URA meeting.

4. **Possible consideration of a Purchase and Sale Agreement regarding a Land Exchange of property owned by the Urban Renewal Agency located at 211 E. First Street, Ketchum, Idaho.**

- Roxanne Jensen, resident in the Cimarron Building across from the proposed project, supported the project. Jensen said she was a retired North Dakota state legislator and former administrative officer for several organizations. She loves the Ketchum community and environment, but there is disparity between wages and living expenses which has an effect on the workforce. Ketchum has to provide affordable housing.
- Phyllis Shafran expressed concern about the land exchange because the URA is trading a piece of property in the community core with no restrictions other than zoning, for a piece of property that has lots of "ifs". The property in the core is worth so much more than the [Second Avenue North] property, which may not even get tax credits for low-cost housing.
- Annie Kaiser said she was definitely in favor of community housing, but is concerned about increased traffic, ingress and egress around the new project parcel; and also losing parking on the First Street property if housing is developed on the site.
- Anne Corrock expressed concern that the land exchange waives the housing requirement for the 211 property. If tax credits are not achieved, there won't be housing on the new lot.

Chairman Eshman said if all contingencies are met, the URA will be able to get more units on the new property than on the 211 property, which will result in more housing in Ketchum. If the developer is unable to achieve tax credit financing, there are other ways to finance affordable housing.

Ketchum Community Development Corporation Executive Director Jon Duval said 9% tax credits are the most efficient way to build the most units; but there is also a 4% tax credit bond which is non-competitive. The project

can also be privately developed. The 211 property is too small to work with the 4% tax credit bond or as a private development; and the cost per unit is also more expensive to develop due to its location and the size of the parcel. The Second Avenue North application has a better chance at approval because there's at least three more units and some bigger units with more bedrooms; the project has adequate parking; and the building doesn't have to be four stories with an elevator and interior access to the units.

- Phyllis Shafran asked how the Second Avenue North property could be exchanged for the First Street property with no restrictions.

CED Director Lisa Horowitz said the Purchase and Sale Agreement would go to the Ketchum City Council, who can decide if the additional housing units on the new property offsets the number of housing units that would be required of a developer on the First Street property. A developer of the First Street property can't do a four-story building unless it's 100% affordable housing or a hotel. All zoning restrictions on the land continue, with the exception that the developer gets a credit for the required affordable housing if the development actually requires affordable housing.

Commissioner Randy Hall said the First Street property can't be used for the purpose for which it was purchased, so the URA is trying to trade it for a property that can produce affordable housing. The First Street property is a very valuable asset that can't do what it was intended to do. The Ketchum City Council is still the decision-maker if the URA decides this is a reasonable option to present.

Chairman Eshman requested the Purchase and Sale Agreement be amended to include a deadline date for response.

Commissioner Trina Peters moved to approve the Purchase and Sale Agreement as presented in Attachment 1 to the Board packet, as amended to require a response from the other party within 10 business days. Motion seconded by Commissioner Trish Wilson, and passed unanimously.

5. Consent Calendar

- a. Approval of minutes from the September 16 and September 30, 2013 URA Board meetings
- b. Recommendation to approve current bills

Chairman Eshman confirmed that there are two debt service payments in the current bills—one for principal and one for interest.

Commissioner Randy Hall moved to approve the Consent Calendar, seconded by Commissioner Michael David. Motion passed unanimously, with Commissioner Trish Wilson recused since she was not present at the September 16 meeting.

6. EXECUTIVE SESSION

Chairman Mark Eshman moved to go into Executive Session to discuss land acquisition, pursuant to Idaho Code §67-2345 1(c) at 12:33p.m., seconded by Commissioner Trina Peters. Roll call: Commissioner Michael David yes, Commissioner Randy Hall yes, Commissioner Trish Wilson yes, Commissioner Trina Peters yes, Commissioner Tim Eagan yes, and Chairman Mark Eshman yes. Motion passed unanimously.

7. ADJOURNMENT

Commissioner Michael David moved to adjourn at 1:02 pm. Motion seconded by Commissioner Trina Peters, and passed unanimously.


MARK ESHMAN,
Chairman

ATTEST:


SANDRA E. CADY, CMC
Secretary/Treasurer