

KETCHUM URBAN RENEWAL BOARD MEETING AGENDA

May 18, 2015, beginning at 3:00 p.m.

480 East Avenue, North, Ketchum, Idaho



1. CALL TO ORDER
2. CONSENT CALENDAR
 - a. Approval of Minutes: March 16, 2015, April 20, 2015 and May 1, 2015.
 - b. Approval of Current Bills
3. COMMUNICATIONS FROM THE BOARD OF COMMISSIONERS.
4. COMMUNICATIONS FROM THE PUBLIC
 - a. Communications from the public.
5. COMMUNICATIONS FROM STAFF
 - a. Discussion of KURA Priorities from May 1, 2015 Workshop and Funding Allocations – Micah Austin – Planning and Building Director.
 - b. Lottery of the “Dollhouse” Located at 211 East First Street – Micah Austin, Planning and Building Director.
6. ADJOURNMENT.

Any person needing special accommodations to participate in the above noticed meeting should contact the Ketchum Urban Renewal Agency prior to the meeting at (208) 726-3841.

This agenda is subject to revisions and additions. NOTE: Revised portions of the agenda are underlined in bold. Public information on agenda items is available in the Clerk's Office located at 480 East Ave. N in Ketchum or (208) 726-3841.

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Regular Meeting

~ Minutes ~

Monday, March 16, 2015

3:00 PM

Ketchum City Hall

Present: Chairman Baird Gourlay
Vice Chairman Tim Eagan
Commissioner Gary Lipton
Commissioner Jim Slanetz
Commissioner Mark Nieves
Commissioner Anne Corrock
Commissioner Shelley Siebel

Also Present: Micah Austin, Director of Planning and Building
Suzanne Frick, Executive Director
Ryan Armbruster, KURA Attorney

1. CALL TO ORDER

Chairman Baird Gourlay called the meeting to order at 3:07 p.m.

Chairman Baird Gourlay motioned to amend the agenda to add item 6d a discussion of a lot line shift of the Starbucks property at 491 Sun Valley Road.

Vice Chairman Tim Eagan seconded, the motion passed unanimously.

Ryan Armbruster, KURA Attorney, stated the reason it was not on the agenda is the issue just emerged.

2. CONSENT CALENDAR

a. Approval of Current Bills

Motion to approve the consent calendar.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Tim Eagan, Commissioner
SECONDER:	Jim Slanetz, Commissioner
AYES:	Eagan, Lipton, Nieves, Siebel, Corrock, Gourlay, Slanetz

3. COMMUNICATIONS FROM THE BOARD OF COMMISSIONERS.

Commissioner Anne Corrock requested a review of the budget, and an update on the board contact information.

Commissioner Tim Eagan would like commissioners involved in an oversight of how money is spent and when. Commissioner Baird Gourlay directed staff come back with a suggestion.

Commissioner Gary Lipton commented that he would like to present at a future meeting on a Wood River Valley Skateboard Weekend.

4. COMMUNICATIONS FROM THE PUBLIC**a. Request from the KCDC for Funding a Feasibility Study for a Parking Garage and Community Housing on the City-Owned Lot Located at Leadville and 6th Avenue – Jon Duval, KCDC Executive Director.**

Micah Austin, Planning and Building Director, presented the request, includes the new application. Jon Duval was able to provide the requested materials. The KCDC is proposing a housing and parking project at the Leadville and 6th location. They are requesting funds for evaluating if this is a feasible project. This lot is owned by the City, not the KURA.

Chairman Baird Gourlay clarified that this project may be similar to the YMCA where the property could be leased for 99 years or something like that. Micah Austin clarified that the city could lease it.

Suzanne Frick, Executive Director, clarified that this would have to consider who they are entering into a lease with.

Commissioner Anne Corrock clarified that the application does not include the estimated total cost of the project.

Micah Austin clarified that the request is for \$90,000. Some of the items on this request are things the KURA cannot fund, but they can fund a feasibility study on the lot.

Jon Duval, Executive Director for the KCDC, presented the proposal for the feasibility study and what the study would include, and how housing could be provided on that site. Jon Duval went over the history of the site and the CDC work on housing. The current zoning requires some retail on the site. The 6th and Leadville site is looking more feasible then it did in the past. Greg Dumfield, GMD Development, will be working on the project with the KCDC. They partner with nonprofits to bring affordable housing projects to fruition.

Chairman Baird Gourlay asked for clarification on if they can pay for the architectural preliminary planning and design. Ryan Armbruster, KURA Attorney, clarified that he's not sure why they would commit to that at this time, since the study has not been done yet.

Jon Duval clarified that there are concept drawings that could help determine what kind of units could be done on the site that would require the use of an architect.

Suzanne Frick, Executive Director, commented that Phil Kushlan recently did a similar study at the Dollhouse site, which cost \$5,200. Architectural plans may not be needed at this time.

Chairman Baird Gourlay will not be putting this to a vote, because he wants clarification of if the KURA could use the property with the city.

Commissioner Gary Lipton requested information regarding the line of ownership if the project moves forward.

Jon Duval commented that it will require a long term lease to the CDC from the city or the URA as required by IHFA. They would be a co-owner of the project for 15 years with the tax credit investor. After 15 years the CDC is the sole owner of the project, there is a 42 year life span of the project, at which time the entire project would revert back to the city. Commissioner Gary Lipton clarified that these are required terms.

Commissioner Shelley Siebel clarified what would happen in each phase. Phase 1 would rule out whether the project is feasible or not.

Commissioner Jim Slanetz commented that this is a lot of money just to test it out.

Jon Duval commented that it would facilitate housing moving forward. There is pro bono work that has already been done by the CDC and Greg Dumfield.

Vice-Chairman Tim Eagan asked if this would be a for profit venture at some point for the developers.

Jon Duval commented that there are development fees if they go through the tax credit program.

Vice-Chairman Tim Eagan requested clarification on the due diligence if this was not a government owned property.

Jon Duval clarified that these are done throughout the state and the northwest you have to have a nonprofit partner for the IHFA for the tax credit program.

Vice Chairman Tim Eagan is not sure this is much different than the study that was done on the Dollhouse lot, could Phil Kushlan also look into this property.

Suzanne Frick commented that the KURA has only used \$5,200 of the \$10,000 contract with Phil Kushlan.

Chairman Baird Gourlay commented that this project is different in that it would not require any underground, and the tax credit changes the scenario. He suggested that they provide the tax credit information and the Northwood Place executive summary to the KURA Board.

Vice Chairman Tim Eagan commented that if the KURA fronts the money, he is okay with it as long as the money is refunded back to the KURA.

Commissioner Anne Corrock commented on the land being owned by the city and not the KURA. Jon Duval clarified that it is part of the mission of the KURA to facilitate affordable housing as a funding mechanism.

Commissioner Mark Nieves commented on the high amount, requested the two phases be broken out. Asked about GMD , and if they needed to go through ~~and~~ a RFP process.

Ryan Armbruster commented that the KURA does not own the property, and are not involved in the disposition process. If the KURA owned the property they would need to go through a disposition process. It can be more easily achieved if done through a non-profit.

Chairman Baird Gourlay requested staff determine how this property would be utilized with the City, and requested that Jon Duval bring a phase one and phase two cost to the board.

Chairman Gourlay suggested that the board utilize the credit with Phil Kushlan for phase one of the study. Commissioner Baird Gouraly requested staff get a bid from Phil Kushlan for the work.

Chairman Baird Gourlay reiterated that it is a part of the mission of the board to look at all housing options.

Micah Austin, Planning and Building Director, went over what the KURA board can and cannot fund for community housing. The URA can fund land, site preparation, and can pay for public parking improvements, they cannot fund actual housing units above ground.

5. COMMUNICATIONS FROM STAFF

a. 2014 URA Annual Report Approval – Sandra Cady, Treasurer.

Sandra Cady, Treasurer, presented the 2014 URA Annual report. The Annual report summarizes the projects. 211 East First Street, 491 Sun Valley Road, the revenue allocation refunding bonds, and other items brought before the KURA.

Commissioner Tim Eagan clarified that the city of Ketchum is the ultimate reader of this report.

Commissioner Anne Corrock appreciated the simplicity of the report. The free wi-fi should be under digital signage, and the Windermere lease should go under building lease.

Chairman Baird Gourlay opened the public hearing.

There was no public comment.

Motion to approve the 2014 URA Annual Report.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Tim Eagan, Commissioner
SECONDER:	Mark Nieves, Commissioner
AYES:	Eagan, Lipton, Nieves, Siebel, Corrock, Gourlay, Slanetz

b. Presentation on the Stewardship of Tax Payer Funds and Responsible URA Expenses – Ryan Armbruster, KURA Attorney.

Ryan Armbruster, KURA Attorney, went over appropriate and inappropriate activities of the URA. Anything the board is thinking of doing should be compared to the plan that has been approved. The board should look at things as what they achieve for an overall public purpose. The constitutional prohibition prevents granting, lending or partnering with a private entity using public funds. Prevents true ownership with a private entity, with non-profits can allow for more, public entities there is a wider variety of discretion and flexibility, working with the city, transit authority, IHFA, etc.. Should be aware of public bidding requirements, a formal process may be required. Transparency and accountability are important to avoid changes to the legislation. Conflict of interest issues - should be on guard against conflicts. Major objectives are two fold: remediating a deteriorating area, and/or achieving economic investment for the geographic area the URA is responsible for. Parking issues can be an issue, it must be public parking. Funds generated within the geographic area, need to stay there within the geographic area. The other objective is that an URA should get in do its business and get out.

Vice Chairman Tim Eagan asked about the presentation made by the CDC.

Ryan Armbruster said they are authorized to participate in the study, engaging Phil Kushlan is an appropriate use of funds. The proposed project does raise questions.

Chairman Baird Gourlay asked about the project retaining Greg Dumfield, is that allowed as long as he is hired by the CDC.

Ryan Armbruster said that would need to be addressed if it was the KURA property.

Ryan Armbruster clarified that the kind of housing the board can participate in needs to be analyzed case by case and project by project. The board cannot fund the bricks and mortar of the structure. Participate of remediation of the land itself, upgrade public utilities for the site, anything in the right-of-way including landscaping and streetscaping, may be able to participate in parking needs for the project.

Vice Chairman Tim Eagan suggested the guidelines be made public. Micah Austin, Director of Planning and Building, clarified that he does go through the guidelines with applicants. Chairman Baird Gourlay suggested that something go into the newsletter for URA guidelines. Commissioner Anne Corrock suggested it be part of the application.

c. Discussion and Update on Marketing Brochures and Revision of a Marketing Video Funded by the KURA – Micah Austin, Director of Planning and Building & Lisa Enourato, Assistant to the Executive Director.

Micah Austin, Director of Planning and Building, stated that the KURA funded a marketing brochure and a video. There were some requested changes. At the time the proposed cost was \$2,500 to make the necessary revisions. Additional local business could be included in the video.

Lisa Carton commented that first video was made in two days, agrees that adding additional companies and the school district is a good idea.

Chairman Baird Gourlay commented the question of if they want to move forward with this to attract new business, and what business should be identified and highlighted.

Commissioner Gary Lipton commented that the video should be changed and include new characters and lengthen the video for display at the visitor center. Commissioner Lipton likes the list, and suggested an art gallery be included, schools, and the parks. Commissioner Baird Gourlay suggested including the Gallery Walk.

Commissioner Shelley Siebel asked about the distribution method for the video. Lisa Carton commented that it was originally done to retain a company from departing, and is now to be used as a general marketing piece. Commissioner Baird Gourlay suggested Lisa Carton speak with Harry Griffith regarding tax credits.

Commissioner Shelley Siebel asked if the \$2,500 was still feasible to redo the video. Lisa Carton said the cost may increase due to the large amount of additions.

Commissioner Jim Slanetz suggested staying away from the negative flight information, instead focus on the flight access. Lisa Carton offered to include more flight information. Chairman Baird Gourlay suggested Carol Waller of the Fly Sun Valley Alliance as a resource.

Nina Jonas, Mayor of Ketchum, requested they have a specific time and a clear audience for the video.

Chairman Baird Gourlay commented that MRG's may be important to businesses trying to getting employees in and out of here.

Vice Chairman Tim Eagan agreed that they should take a step back and do it right. The board should come up with some reasonable parameters in order to direct staff.

Lisa Enourato, Assistant to the Executive Director, commented that Harry Griffith is using the video for marketing the area, and it could go into the visitor center, on the websites.

Chairman Baird Gourlay suggested they get together in a smaller group. Chairman Baird Gourlay recommended a committee of Mayor Nina Jonas, Lisa Carton, Lisa Enourato, Harry Griffith, Chairman Baird Gourlay and Commissioner Mark Nieves.

d. Discussion of Draft RFP for a Marketing Sales Firm to Manage the Digital Advertising Project at the Visitor's Center – Micah Austin, Director of Planning and Building.

Micah Austin, Director of Planning and Building, provided the RFP to the commission. This RFP outlines what they are looking for in a sales and marketing contract.

Commissioner Gary Lipton asked if they should eliminate any renters of the screen from responding to this.

Chairman Baird Gourlay suggested that it be the board's responsibility to make sure there is not a conflict of interest.

Motion to approve the RFP for a Marketing Sales Firm to Manage the Digital Advertising Project.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Tim Eagan, Commissioner
SECONDER:	Gary Lipton, Commissioner
AYES:	Eagan, Lipton, Nieves, Siebel, Corrock, Gourlay, Slanetz

e. Discussion of Request from the Ketchum City Council for Repayment of the Community Housing Funds used to Purchase Real Property Currently Owned by the KURA – Micah Austin, Director of Building and Planning.

Micah Austin, Director of Planning and Building, went over the history of the purchase of the Washington and 1st site. The funds that were used to purchase the site were affordable housing in-lieu funds, which dedicated the property for a community housing project. The City Council made two suggestions to the KURA; one was to pay the money back, 1.4 million, and the second was to lift the encumbrance on the lot for community housing. The Kushlan report showed that community housing on that site is not feasible in the near future. Should the URA pay the 1.4 back, and should the encumbrance on the lot be removed. There is currently money in the budget to set up a repayment plan to the city of Ketchum.

Chairman Baird Gourlay suggested the City Council members limit discussion to purely URA.

Commissioner Gary Lipton commented on the obligation to the city versus the obligation to housing. Does the obligation for housing go away as soon as they make a deal to pay back the city, or does it have to be paid back in full. Micah Austin commented that it is up to the Board, the obligation on the property was a board decision. If they wanted to lift that at this time, they could, but the idea is that the only reason they got the money was for affordable housing.

Commissioner Gary Lipton, asked if the value of the property has dropped in value, do they discount the city's note.

Commissioner Anne Corrock clarified that the money was transferred from the city's in-lieu housing fund to the URA. She does not think they should discount the money.

Commissioner Gary Lipton asked what if the URA just gives the title for the property to the City.

Commissioner Anne Corrock clarified that there is no timeline, so as long as it is tied up in a property, there is not an obligation to pay it back.

Commissioner Gary Lipton commented that they could make an effort and start paying the city back, but he is not in agreement on the whole figure.

Ryan Armbruster, KURA Attorney, said that the URA owes the City money. How the URA goes about it is to be determined. They may be able to negotiate the amount, or another way to come up with a payment.

Commissioner Tim Eagan commented that they give the city the deed to the property and call it good.

Commissioner Mark Nieves commented that if affordable housing was the motive then our hands are tied, and he agrees with Commissioner Eagan and Commissioner Lipton.

Suzanne clarified that the 1st installment was to purchase the visitor center property, and that equity was transferred to the dollhouse site. Another loan was made to purchase the dollhouse site. The URA made the decision to encumber the dollhouse site with the 1.4 million of affordable housing, it was not necessary obligated to the value of the property.

Gary clarified that it is an 11,000 square foot lot, and felt the city could sell it for more than the 1.4 million

Phylis Shafran clarified that it wasn't only the 1.4 million that was paid for the property. The property was about 2.5 million. The bonds that are being paid were in part for the Washington Avenue piece of property. They should sell it, and then pay back the city, not just give the property to the city.

Chairman Baird Gourlay clarified what the city is looking for is recognition that the URA owes them money and is determined to pay the money back.

Chairman Baird Gourlay commented that giving the property to the city for this debt would be short sighted on the part of the KURA. They may want to negotiate with the city for instance, the Starbucks property, and the property next to the site is going to become more valuable.

Commissioner Gary Lipton asked if the City Council members will recuse themselves from the vote, due to the duality of the board members

Ryan Armbruster stated that they are qualified board members. He said they are not disqualified from voting when the issue comes up. If there personal bias and they don't want to that is fine.

Chairman Baird Gourlay would like to report back to the city council that they know they have an obligation and they may come up with some form of repayment. The disposal of some of their properties, may change the amount of money, or the value of the property, they can have that presented to the city council, and have the council come back with a repayment plan, or have negotiations with the board.

Commissioner Anne Corrock commented that she would like to base the payment back on the sale of those properties. The first obligation is to pay back the city.

Commissioner Jim Slanetz clarified that the money was a loan, and the decision was made to purchase the property.

Jim Plumason commented on the evaluation of the amount owed according to the value of the property.

Phylis Shafran commented on the footnote in the financials.

Chairman Baird Gourlay tabled the discussion.

f. Discussion of City Facilities Spatial Analysis Study

Suzanne Frick, Executive Director, commented that \$25,000 for a space study was allocated in the budget. This is one of the four key projects that staff is working on. Suzanne Frick noted the KURA would only be funding the spatial analysis, there will be no additional request for funding for the bricks and mortar or the actual facility itself. This will be a study done to determine the needs of the Police Department, Fire Department, and City Hall.

Commissioner Tim Eagan asked if this funding was an appropriate use of the KURA funds. Ryan Armbruster, KURA Attorney, commented that it is appropriate to participate.

Commissioner Anne Corrock commented when the budget was done, it was not intended to all be used for the study, and using all \$25,000 seems high.

Suzanne Frick clarified the extent of the study, and \$25,000 is an appropriate amount of money.

Suzanne Frick clarified they are interviewing architects, since it is under \$25,000 they are not doing an RFP.

6. AGREEMENTS & CONTRACTS

a. Discussion of an Agreement to Grant Mountain Rides Transportation Authority \$100,000 – Micah Austin, Director of Planning and Building.

Micah Austin, Planning and Building Director, explained that they are giving the board an opportunity to have a discussion of what they would like to do with the funds. At this time Mountain Rides is not pursuing a transportation hub. There are some options on how that money could be used. The first option is to redesign the transit hub at Sun Valley Road, option two is to reconsider a new location, option three is to improve multiple transit stops throughout Ketchum, option four is to do nothing. There is \$80,000 that will not be committed for the purpose it was designated.

Chairman Baird Gourlay commented on the easement not being the reason the hub did not work out.

Chairman Baird Gourlay commented that this should be put back on Mountain Rides, option 3 seems the most sensible, to improve stops in Ketchum, to give an identity to where public transportation is.

Commissioner Jim Slanetz commented that without the bulbouts it may be less expensive. Chairman Baird Gourlay commented that it would require more than just the bulbouts.

Commissioner Shelley Siebel requested clarification on the \$20,000 that has been spent. Micah Austin clarified that the estimated amount of 20,000 was spent on the design.

Commissioner Gary Lipton requested a full accounting of the \$20,000 that was spent. Commissioner Lipton also likes option number 3, but would like the \$80,000 to come back to the KURA to insure accountability of where the money is spent.

Commissioner Tim Eagan would like the money back. He is not impressed with how the Mountain Rides board plans and budgets things.

Commissioner Anne Corrock likes option 3. Does not think grant funds can be used on anything else other than the Hub. There is a need to improve the stops, would like to see solar lighting at the stops, and put a gps board at the visitor center to give information on the bus in actual time. Commissioner Corrock suggested working with the energy commission on the lighting and arts commission on the design.

Commissioner Mark Nieves commented on the need for auditing regarding the improvements that would be made. Would like to find out what our citizens would like to see improved, and would like Mountain Rides to do a survey.

Chairman Baird Gourlay clarified the board would like an accounting, and their money back from Mountain Rides, and Mountain Rides to come in with a presentation regarding option 3. Would like to see a number regarding the hub without the bulbouts and the hardscape improvements.

b. Discussion of Contract for IT Services Related to the Management of the Digital Advertising Project – Micah Austin, Director of Planning and Building.

Micah Austin, Planning and Building Director, presented the contract for IT Services. He suggested working with Aaron Pearson going forward with the project.

Micah Austin clarified there is a choice of the Cox internet option and the CenturyLink satellite option. Micah Austin suggested working with Commissioner Mark Nieves on the best option.

Motion to authorize Micah Austin and Mark Nieves to tie up the loose ends in the proposal and get it done.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Tim Eagan, Commissioner
SECONDER:	Anne Corrock, Commissioner
AYES:	Eagan, Lipton, Nieves, Siebel, Corrock, Gourlay, Slanetz

c. Discussion and Approval of an Agreement between the KURA and the Aspen Skiing Company to Occupy Property Owned by the KURA for the Duration of the Construction of the Limelight Hotel – Ryan Armbruster, KURA Attorney & Micah Austin, Director of Planning and Building.

Micah Austin, Planning and Building Director, presented the lease agreement, it can be tabled to a later meeting. There was a change to the indemnification clause.

Commissioner Gary Lipton requested a hazardous material clause for going across the street and the property.

Commissioner Baird Gourlay suggested the language be upgraded per Commissioner Gary Lipton's suggestions

The board tabled the discussion to the next meeting.

d. Lot Line Shift at 491 Sun Valley Road

Chairman Baird Gourlay commented on how to manage the Starbucks property, and the idea of selling the property down the line. Part of the property is part of town square and would not carry with the property. There is value to the property if the lot lines change.

Chairman Baird Gourlay would like to direct staff to move forward with a lot line shift on this piece of property to discuss at the next meeting.

Chairman Baird Gourlay clarified the property involved in the lot line shift.

7. ADJOURNMENT.

Commissioner Tim Eagan motioned to adjourn at 5:39 p.m., seconded by Commissioner Anne Corrock, passed unanimously.

Baird Gourlay
Chairman

ATTEST:

Sandra E. Cady
Secretary/Treasurer



Regular Meeting

~ Minutes ~

Monday, April 20, 2015

3:00 PM

Ketchum City Hall

Present: Chairman Baird Gourlay
Vice Chairman Tim Eagan
Commissioner Gary Lipton
Commissioner Jim Slanetz
Commissioner Mark Nieves
Commissioner Anne Corrock
Commissioner Shelley Siebel

Also Present: Suzanne Frick, Executive Director
Ryan Armbruster, KURA Attorney

1. CALL TO ORDER

Chairman Baird Gourlay called the meeting to order at 3:03 p.m.

Motion to amend the agenda to include a discussion of the Dollhouse Property regarding an environmental assessment to be included with item 5e; add item 5g - a discussion of undergrounding power lines in the community core, and add an executive session to consult with legal council the legal ramifications pending litigation or legal controversies not yet being litigated but likely to be litigated. All these items have surfaced since the agenda was posted last week.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Baird Gourlay, Chairman
SECONDER:	Tim Eagan, Vice Chairman
AYES:	Eagan, Lipton, Nieves, Siebel, Corrock, Gourlay, Slanetz

2. CONSENT CALENDAR

a. Approval of Current Bills

Commissioner Anne Corrock asked about looking over the finances, and a group to keep an eye on them, especially to monitor the professional services line item. Suzanne Frick, Executive Director, commented that they will be going over financials, and line item budgeting at the next meeting.

Vice Chairman Tim Eagan asked about the janitorial bills. Katie Carnduff commented that the bills are split into two parts so there are two bills per month.

Commissioner Gary Lipton, asked about the City of Ketchum bills. Katie Carnduff commented that those bills are utility bills for the Dollhouse lot and the Sun Valley Road lot.

Chairman Baird Gourlay commented that Shelley and Mark are going to meet with Sandy regarding the financials.

Motion to approve the consent calendar.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Gary Lipton, Commissioner
SECONDER:	Tim Eagan, Commissioner
AYES:	Eagan, Lipton, Nieves, Siebel, Corrock, Gourlay, Slanetz

3. COMMUNICATIONS FROM THE BOARD OF COMMISSIONERS.

Commissioner Mark Nieves commented that he met with Micah Austin and Aaron Pearson regarding the digital signage project, he does not see anything regarding a revised timeline, or status on the agenda for that project. Suzanne Frick, Executive Director commented that staff will get an update regarding that to the board.

Commissioner Mark Nieves commented that he would like to include updating the website to the strategic meeting.

4. COMMUNICATIONS FROM STAFF

a. Video marketing discussion and update from Lisa Carton.

Suzanne Frick, Executive Director, said the subcommittee had met on updating the video, the cost would be about \$6,300 for the proposed changes.

Lisa Carton said they are pushing forward with a more inclusive video that includes more businesses being added, more promotional material to attract new business, which will include adding new video elements and new narration to accompany the video. They will be adding new material, facts and figures to create a stylish and compelling video.

Chairman Baird Gourlay asked if the board is comfortable with the companies that have been chosen to interview. Everyone was comfortable.

Commissioner Gary Lipton requested a longer video for the tablet screens at the Visitor Center.

Lisa Carton commented that it would be about five minutes. It will be used at the airport, by the Sun Valley Economic Development, at the Visitor Center, and on the website.

Chairman Baird Gourlay suggested Lisa Carton use the video from Sun Valley Company on the hotel remodel. Lisa Carton requested contact information on the new hotel as well.

Motion to approve the new cost quote and the desired revisions for the video.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Tim Eagan, Commissioner
SECONDER:	Gary Lipton, Commissioner
AYES:	Eagan, Lipton, Nieves, Siebel, Corrock, Gourlay, Slanetz

b. Discussion of Mountain Rides use of \$100,000 of KURA funds towards the Transit Hub and an accounting of funding spent to date.

Jason Miller, Mountain Rides Executive Director, presented an accounting of the funding that has been used to date. The question is what to do with the balance of those funds. The first option is for Mountain Rides to return the funds, or Mountain Rides can retain that funding to use for transportation infrastructure. If Mountain Rides retains the funds, they could use it to continue working on the site,

they could use it towards a hub project at a different location or they could use the funds to improve a variety of existing Ketchum bus stops.

Chairman Baird Gourlay commented that he prefers moving forward and improving other bus stops, but would like the money returned to the URA and then Mountain Rides come in and define each project, and they can allocate funds that way.

Commissioner Gary Lipton, would like the \$82,000 back, and work on a per project basis. He is not inclined to give them any of the \$82,000 in the future. He wants more transparency.

Commissioner Jim Slanetz commented that they would have to look for additional federal funding if the project moves forward. Commissioner Slanetz would like the money back, and would be interested in projects that could leverage federal funds.

Jason Miller clarified that the match is specific to the project and the ability to spend that money would be at risk without a local match.

Vice Chairman Tim Eagan requested information on the breakdown of funds spent and on the allocation of 22% to the URA. Jason Miller said it is based on project share of the original project budget between the URA, the city, and Mountain Rides, the rest was the feds.

Vice Chairman Tim Eagan would like the money back and then decide what the board wants to do.

Commissioner Anne Corrock agreed with the rest of the commission on getting the money back, and requested GPS tracking at the Visitor Center. Chairman Baird Gourlay asked for an app for that. Jason Miller said they are working on that with the state. Real time information is available it is not integrated to an app yet.

Commissioner Mark Nieves follows along with the rest of the board, requested more transparency with future requests.

Motion to request Mountain Rides to return the unused funds back to the KURA as quickly as possible.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Tim Eagan, Commissioner
SECONDER:	Mark Nieves, Commissioner
AYES:	Eagan, Lipton, Nieves, Siebel, Corrock, Gourlay, Slanetz

c. Discussion and approval of Phil Kushlan to complete a feasibility study of the 6th and Leadville location for a community housing/parking development, according to the existing contract between KURA and Kushlan Associates.

Suzanne Frick, Executive Director stated that at the previous meeting the board discussed if Phil Kushlan could do the feasibility study at the 6th and Leadville location. Phil Kushlan indicated he could do analysis of the site for an estimated \$4,800. Staff recommends the Board have Phil do the analysis if the board wants to move forward with that site.

Chairman Baird Gourlay commented that he is not sure if they will move forward with anything for this site, but it seems like a pretty good deal to do an analysis.

Vice Chairman Tim Eagan commented that this is something that the KCDC presented, he thinks there needs to be a strategic planning session before going down this route and spending the money.

Chairman Baird Gourlay asked if Phil Kushlan would be willing to put this on the back burner for a couple of months. Suzanne Frick said that he would be fine with that.

Vice Chairman Tim Eagan commented that they should not spend \$90,000.

Commissioner Anne Corrock commented that the owner of the land is the City and they should find out if that is what they want to do with the land.

Commissioner Gary Lipton commented that the City should pay for the study, not the KURA since it is City property.

Chairman Baird Gourlay tabled the discussion till after the retreat.

d. Discussion of scheduling a special meeting to discuss the master plan and strategic priorities for the KURA Board.

Gary Lipton commented that the KCDC would like to schedule a meeting with the Council, KURA, and the KCDC.

Chairman Baird Gourlay commented that will be a scheduling conflict since Mayor Jonas is out of town for a month or so, and suggested a meeting be held after the retreat.

Suzanne Frick, Executive Director said the proposed dates for a KURA board work session are April 30, May 1, 7, 8 and May 15. The idea is to have a true workshop in an informal setting.

The board agreed to have the meeting on May 1st at 10:00 a.m. location to be determined.

e. Discussion of surplusing property owned by the URA on 211 First Street (dollhouse property) including landscaping, the "dollhouse" and other site improvements.

Suzanne Frick, Executive Director, said there has been many questions regarding the structure at the site as they are discussing the staging for the Limelight Hotel. There have been inquiries about taking the structure and moving it. Staff is requested board direction regarding the building and landscape features on the lot.

Chairman Baird Gourlay asked if someone wanted the trees. Suzanne Frick said they would put it out there depending on what the board wants to do with the landscape features on the property.

Chairman Baird Gourlay commented that the sills are completely rotted out of the building, the windows will probably fall out when it is moved. He does not have a problem with someone taking it, he suggested a lottery, drawing out of a hat. The Commission agreed that they were okay getting rid of the building.

Commissioner Anne Corrock could see the trees in the middle would probably have to go, but they should save the ones on the periphery.

Commissioner Mark Nieves commented the trees are dependent on the lease with Aspen Company.

Suzanne Frick said staff will discuss the trees with Aspen Company.

Suzanne Frick commented that the Environmental Assessment was done and will be made available to the board.

Motion to authorize staff to accept proposals for the removal of the dollhouse structure and bring back to the board for a lottery.

RESULT:	AUTHORIZED [UNANIMOUS]
MOVER:	Baird Gourlay, Commissioner
SECONDER:	Tim Eagan, Commissioner
AYES:	Eagan, Lipton, Nieves, Siebel, Corrock, Gourlay, Slanetz

f. Request from Mountain Rides for property owned by the KURA (491 Sun Valley Road) for bikeshare bike racks.

Kaz Thea commented that Mountain Rides is launching a bikeshare program this year. There will be 40 bikes overall, 20 will be in Hailey, 20 will be in Ketchum. They are looking to creating 3-4 bike hub stations. People can grab a bike, use it and return it. They recently signed an agreement with the city for a hub in front of Despos. 4-6 bikes would be stationed at the hub. They did an assessment with Brian Christiansen from the city and determined that the visitor center, to the left of the door in front of the wood facade is a critical location and they would like to have a hub there. The bikes will be out for the season, and longer depending on the weather.

Chairman Baird Gourlay asked for clarification regarding the Starbucks Lease.

Ryan Armbruster, KURA Attorney, suggested they make a motion now contingent on the lease discussion in executive session.

Commissioner Gary Lipton asked where the money goes if there is a profit. Kaz Thea clarified that it will not be very profitable.

Vice Chairman Tim Eagan asked about liability. Suzanne Frick, Executive Director said the agreement indemnifies the KURA.

Vice Chairman Tim Eagan asked if there is any obligation to inform the tenants of the building. Ryan Armbruster, KURA Attorney, said they may have an obligation to inform and they may want to review the lease with Starbucks.

Commissioner Anne Corrock clarified this would be an annual agreement.

Kaz Thea commented that Social Bicycles is the vendor, members can use bikes in Boise and Hailey as well.

Commissioner Mark Nieves asked about the racks impeding the maintenance to the building. Kaz Thea clarified there is plenty of room to get to the building and not impede on it.

Motion to authorize staff to prepare a license agreement with Mountain Rides for installation of a bike rack on the KURA property subject to the rights of any of the tenants on a year to year basis.

RESULT:	AUTHORIZED [UNANIMOUS]
MOVER:	Baird Gourlay, Commissioner
SECONDER:	Tim Eagan, Commissioner
AYES:	Eagan, Lipton, Nieves, Siebel, Corrock, Gourlay, Slanetz

g. Discussion of the undergrounding distribution powerlines in the community core

Suzanne Frick, Executive Director, said there has been a request if the KURA is interested in participating in the undergrounding of utilities.

Paul Conrad, Conrad Brothers, represents two maybe a third project that is impacted by the powerlines behind US Bank all the way to 4th Street. He has seen two projects die because of the powerline issues.

In order for the powerlines to be dropped, they have to do the entire alley, across Sun Valley Road to the south. He is trying to get this process moving, is requesting what mechanisms are available for joint venture for underground utilities. That one project is 30% of the entire run. The lot behind Whiskey's also needs a powerline out of the way, it makes sense to tackle the whole reach. Conrad Brothers is paying for all the engineering, they have done the locates, and placed them on a civil plan to figure out how to drop those lines, it is very challenging from a physical and political coordination perspective. Idaho Power will be the only contractor on the project. There are projects coming, this needs to happen.

Chairman Baird Gourlay commented that the City has always expressed interest in using the franchise fee from Idaho Power for undergrounding powerlines. Suzanne Frick commented that the account was depleted during the last undergrounding project. If they are going to move forward with more undergrounding projects they have discussed having property owner contribute to undergrounding so the dollars go farther.

Chairman Baird Gourlay asked for clarification of the cost of the project. Paul Conrad stated it will be a lot, it is complicated. Paul went through the properties affected and the stakeholders. If the lines behind the Jones Building drop it would impact the cost as well.

Commissioner Gary Lipton asked if they don't have the funding to the project, will they continue with the project. Paul said that he does not know, but he has seen two other projects die because of those lines; there needs to be some kind of public private partnership.

Commissioner Anne Corrock commented that the one of the tasks of the KURA is to improve infrastructure to encourage private development.

Chairman Baird Gourlay suggested looking into a Business Improvement District or a Local Improvement District. Chairman Baird Gourlay requested staff do research on a BID (Business Improvement District) between the city and URA to see if they can come up with a percentage of funding that is available.

Commissioner Anne Corrock requested this be part of the workshop

Chairman Baird Gourlay commented on the economic factor involved with undergrounding; the cost of undergrounding is offset by the land improvement.

Commissioner Jim Slanetz agreed that this is in the scope of the KURA. If they are doing a BID they should make sure it is equitable for all property owners.

Paul Conrad commented that having the KURA, City and BID share costs would be the most equitable.

Vice Chairman Tim Eagan commented on hotels coming in for requests, they maybe can discuss how to prioritize and strategize potential projects coming in.

Ryan Armbruster clarified that both BID and LID are city sponsored assessments, but they are different. They are governed by state statute.

Suzanne Frick stated that her understanding is the imposition of the LID does not require a percentage of agreement of the property owners. Staff can do an analysis and provide the pros and cons and the process of both BID and LID procedures.

5. EXECUTIVE SESSION

Motion to go into executive session to discuss SS67-2345 1(f) to communicate with legal counsel for the public agency to discuss the legal ramifications of and legal options for pending litigation, or controversies not yet being litigated but imminently likely to be litigated.

RESULT:	AUTHORIZED [UNANIMOUS]
MOVER:	Baird Gourlay, Commissioner
SECONDER:	Tim Eagan, Commissioner
AYES:	Eagan, Lipton, Nieves, Siebel, Corrock, Gourlay, Slanetz

6. ADJOURNMENT.

Commissioner Tim Eagan motioned to adjourn at 5:12 p.m., seconded by Commissioner Anne Corrock, passed unanimously.

Baird Gourlay
Chairman

ATTEST:

Sandra E. Cady
Secretary/Treasurer



Special Meeting

~ Minutes ~

Friday, May 1, 2015

10:00 AM

Ketchum City Hall

Present: Chairman Baird Gourlay
Vice Chairman Tim Eagan
Commissioner Gary Lipton
Commissioner Jim Slanetz
Commissioner Mark Nieves
Commissioner Anne Corrock
Commissioner Shelley Siebel

Also Present: Micah Austin, Director of Planning and Building
Suzanne Frick, Executive Director
Ryan Armbruster, KURA Attorney

1. Call to Order.

Chairman Baird Gourlay called the meeting to order at 10:05 a.m.

2. Brief history of how the URA tool was created in Idaho.

Micah Austin , Planning and Building Director went over the schedule for the work session. Micah introduced Joe Herring, Director of Region Four Development. Mr. Herring administers public funding for the area.

Joe Herring, Region Four Development Association President, said they help communities with public facility structure.

Ryan Armbruster, KURA Attorney, went over the history of the URA tool in Idaho. In 1965 the legislature enacted the Idaho Urban Renewal Law. The five cities that created an urban renewal agency were Twin Falls, Lewiston, Pocatello, Idaho Falls and Boise. In 1987, the Idaho State Legislature passed legislation that allowed Boise to create a revenue allocation area. In 1988 the program was extended to all cities, but for four years Boise was under a very limited tax authority. In 1990 the law changed again so that everyone was operating under the same rules and regulations. In 2000-2014 there have been changes to the legislation including revenue allocation authority is limited to 24 years, URA's use of eminent domain was restricted and definition of deteriorated and deteriorating area was revised, no addition of land to existing revenue allocation areas will cause the lifespan to extend beyond 24 years, and formation of new URA's require simple majority of voters in city wide elections and terms of new bonds are shortened to 20 years. The last two were enacted in 2011.

The 2015 legislature adopted a concurrent resolution authorizing the legislative council to appoint a committee to study urban renewal and urban renewal agencies. Over 40 cities in Idaho have urban renewal agencies. The committee will be addressing issues such as governance issues, concern that the URA board is unelected persons, should they be elected. The other concern is the URA doing an economic development project, or a slums and blight project, should there be different rules for those two, and what should those be limited to. They are against using property tax dollars that aren't voted on by the people to fund public buildings.

Ryan Armbruster went over the Definition of Urban Renewal Project - Idaho Code §50-2903(13)/50-2018(10) regarding what URA's can do.

Termination date of the plan under the new statute, KURA is grandfathered in, the 2006 statute allowed plans for over 25 years. Each plan has a termination date, when the tax increment funding expires. Once the projects are completed, you shall close down and terminate the revenue allocation authority. The definition of budget you are to follow a specific process and notify taxing authorities that you will be terminating.

Chairman Baird Gourlay asked if there is an outstanding loan, can they carry on past the termination date. Ryan Armbruster commented that the plan provides if need be they can extend 4 years.

Micah Austin commented that the 2010 amendment brought in River Run, 2030 would be in line with the 2006 termination date. They are still working out which is the correct date. All the financials are based on 2034.

Ryan Armbruster commented that the theory is that for 20 years the URA is getting tax dollars that would otherwise go to other taxing districts. The thought is that you should get in do your project and get out.

Micah Austin commented that the other taxing districts need to trust that the URA will do their job and make improvements that will raise the tax income, that otherwise would not happen.

Ryan Armbruster commented that it is a covenant with the taxing districts. These URA plans may need to be more specific than they are right now. There is a lot of discussion at the legislature. One of the criticisms is some districts have all this accumulated cash, and are trying to spend the money on projects, rather than projects that have been identified in the plan. The plan should be amended if a project is not included in plan.

3. Brief history of the KURA (Downtown Master Plan, etc.)

Micah Austin went over the history of the Ketchum URA board. The Council created the URA and created the revenue allocation area in April of 2006. The city was working on a downtown master plan at the time, it was adopted in September of 2006. In November of 2006 the council adopted the Ketchum Urban Renewal Plan, the URA guiding document.

In November of 2010 the council added River Run to the revenue allocation area, and amended the plan.

Commissioner Gary Lipton asked how the bonds were supported.

Micah Austin commented it was a transfer from the city for the affordable housing

Commissioner Anne Corrock clarified that originally there were loans not bonds, it was bonded out later.

Micah Austin commented that there was a lot of hope for a very healthy revenue stream.

Chairman Baird Gourlay commented that at that time Tom Hudson was here and told Randy Hall and Baird about the URA tool, to help do all the improvements they wanted to do. The KCDC was an integral part of it in order to involve the community. They saw it as an opportunity to provide funding for the downtown master plan.

Micah Austin went over the URA responsibilities in regards to the downtown master plan, including four categories: Physical improvements which included infrastructure, public parking, beautification and streetscapes, redevelopment by rehab, public open spaces, public restrooms, circulation/streets, wayfinding and gateways. Land assembly: public open spaces and streetscaping, circulation and parking, provision of infrastructure and it must be linked to the URA purpose. Financing Funding projects including tax increment financing, bonding, donations and grants. The last responsibility is to sell property.

Vice Chairman Tim Eagan commented that the physical improvements seem to be normal things the city should take care of. What is the legality of a plan that does what a city should be doing. Why were things tasked to the URA.

Ryan Armbruster commented that there were deteriorating conditions on the areas, therefore it would be legitimate to fund those. The charge is to use dollars for a certain geographic area to improve conditions. He is not concerned about the authority using dollars for these improvements.

Vice Chairman Tim Eagan asked at what point have you ~~have~~ done enough and should redefine the responsibilities.

Ryan Armbruster commented that you may need to pull the plug early if everything is done that can be done, and clarified that they are constrained by the plan and cannot extend the termination period.

Suzanne Frick, Executive Director commented that the city would be doing the infrastructure if they had the money. The tax money that is going to the URA is partially tax revenue that would have gone to the city.

Micah Austin clarified that they can fund any district that the URA is taking money away from.

Micah Austin went over the roles of the responsibilities of the three organizations that are responsible for the downtown master plan, the URA, city and KCDC. Lead projects for the URA were identified as streetscape, town center, 6th and Leadville (Affordable Housing), 1st and Washington (Affordable Housing), Park and Ride, 4th Street corridor and miscellaneous CIP projects.

The KURA Plan for 2010 included general priorities, with no dollar amount or timeline. General priorities included elimination of slum and blight, combat problems of the deterioration and economic underdevelopment, public improvements, affordable workforce housing, parking and parking structures, streets and sidewalks, improved environment for economic development and property acquisition.

Micah Austin went over the specific projects summary and the percentage of completion for each project: City Hall - 5%, Fire projects- 5%, Parks projects - none have been completed or funded. Police 5%, Streets 21 projects - 19% completed, mostly lighting, 4th street and wayfinding, wastewater 2 projects - not done, not funded, water 5 projects - not done not funded. Other which includes affordable housing and parking - not done, River Run projects 30 projects - not done.

Commissioner Mark Nieves clarified that this is the ideal world in 2010, according to the adopted plan.

Micah Austin went over the projects, including parks, streets, River Run and 4th Street, wayfinding, arts promenade, 5th street traffic calming, wastewater, water, and other CIP including electrical power undergrounding for River Run, affordable housing specific to the Washington Avenue site, affordable housing on the 6th and Leadville site, and the parking structure at River Run.

Commissioner Jim Slanetz asked if those projects are transferred, can the component still hold under the plan. Micah Austin commented that they could probably justify it, but it is strange to identify specific parcels.

Micah Austin commented that they need to support public infrastructure categories that are addressed here, he does not see a time that the agency can check off item by item.

Commissioner Mark Nieves asked about the amendment process. Ryan Armbruster commented that it is laborious and it takes 6-8 months to jump through all the steps. Commissioner Anne Corrock clarified that it is written and approved by the city council.

Commissioner Baird Gourlay commented that this ties to the CIP plan - the CIP includes everything you could possibly wish for. He suggested looking at the KURA plan similarly to the CIP plan.

Micah Austin commented on the items that are missing including Town Square - it is not on the specific project list, it was a big project for KURA; Starbuck's Building/Visitor Center and the Park and Ride - YMCA Northwood project.

4. Financial forecast and position of URA for the remainder of the plan horizon.

Micah Austin commented that the first check was received January of 2007 from Blaine County. The URA has received deposits every month with January and July being the largest. That is where the revenues come from. Micah went over the projections. The URA needs to rethink the projects, he is optimistic they can realign. He left out the Limelight Hotel, once they are in the ground he will include them.

Suzanne Frick, Executive Director clarified that they wouldn't plan on any income until 2017.

Commissioner Gary Lipton asked if the Limelight Hotel will be paying in lieu housing funds. Suzanne Frick commented that they are exempt if they apply for a building permit before the end of May.

Bob Crosby Sun Valley Board of Realtors commented on the 10.5% increase projection seems like a huge number to rely on. Micah Austin clarified that he left out the numbers for 2006-08 because those numbers were crazy. He was surprised by how well the district is doing. Vice Chairman Tim Eagan would be more comfortable in the 5% range than 10%. Micah Austin clarified that he wanted to show the board exactly how the agency has performed. Chairman Baird Gourlay commented that the formulary is different for normal taxing districts because 100% of the improvement goes to the URA.

5. Project Specific Discussions. (Add items as necessary)

Micah Austin introduced the second half of the meeting and went over some recommendations he has for the board:

1. Retire projects that distract from fulfilling the KURA plan.
2. Focus on public infrastructure (street, sidewalks, CIP projects) Typical downtown district.
3. Aggressively incentivize economic development projects using the URA tool.
4. Rebrand the KURA, there is currently ~~and~~ an image problem.

Commissioner Gary Lipton asked for specifics on why the public views the KURA the way they do. Micah Austin commented that he will consider that question. There is a perception that there is not a lot of direction on the board.

Commissioner Jim Slanetz commented that in the last few years they haven't had a lot of money to spend.

Commissioner Anne Corrock commented that the projects that were done were not in the plan, so it seemed as though the URA didn't have much direction. Today is a step in the right direction.

a. Amending the URA Bylaws

Chairman Baird Gourlay commented that this discussion was for specifically amending the bylaws regarding the board. Chairman Gourlay went over the history of the board structure. There a lot of public funds that go into the URA that are diverted from other taxing districts. People will argue that it is important to have elected officials representing that. Chairman Gourlay thinks one council member is too few to have, three is too many, he suggesting going to two council members and five at large board members.

Commissioner Anne Corrock wondered about changing the number of board members. Chairman Baird Gourlay commented that diversification and more expertise is to their advantage.

Commissioner Gary Lipton commented on they should be cognizant and transparent regarding who can and should vote, he doesn't feel anyone needs to leave the board.

Ryan Armbruster commented there is no hard line, the problem is that you are wearing two hats, you have a fiduciary responsibility. The person needs to feel comfortable filling both roles. There is not hard and fast rules.

Chairman Baird Gourlay polled the board on what size of board the URA should have. Commissioner Jim Slanetz, Commissioner Mark Nieves, Commissioner Gary Lipton, Commissioner Shelley Siebel, and Chairman Baird Gourlay supported a 7 member board. Vice Chairman Tim Eagan and Commissioner Anne Corrock supported a 5 member board.

Vice Chairman Tim Eagan commented that the council will always have more power in these discussions; there should just be one council member on the board.

Chairman Baird Gourlay's concern is that the councilors are the members who are elected by the public.

Commissioner Anne Corrock commented that the staff is important to keep the URA on track to avoid unethical things done by a URA board.

Ryan Armbruster commented the council can approved the bylaws, the board can adopt their bylaws, they may want the council to approve a resolution supporting the makeup of the board.

Commissioner Anne Corrock commented that one of the issues of having a larger board is that more people can be absent. Chairman Baird Gourlay suggested writing absents into the bylaws, he thinks seven is right, and reducing the number of council members on the board will address Commissioner Eagan's issue.

Chairman Baird Gourlay polled the board on if it was a seven member board, how many council members should be on the board. Commissioner Jim Slanetz and Commissioner Mark Nieves supported two council members, Commissioner Anne Corrock would prefer no requirement, Commissioner Gary Lipton likes the personalities that are on the board now, Vice Chairman Tim Eagan supports one council member on the board, Commissioner Shelley Siebel is not ready to make a decision at this time.

Chairman Baird Gourlay requested board terms and the current bylaws be provided to the board.

Commissioner Anne Corrock requested a discussion of the officer roles as well.

b. 3-5 year plan for use and disposition of real estate assets owned by KURA (491 SV Road, 1st Street.)

Chairman Baird Gourlay commented on the Washington and 1st Street property, it seems undevelopable, asked what the best time to put the property on the market.

Vice Chairman Tim Eagan commented as soon as the spades go in the ground, we should take care of what the URA owes the city and move on.

Commissioner Anne Corrock agreed, she was approached by someone who wants to use the building as a hair salon. The board should move forward with getting out from underneath the property.

Commissioner Gary Lipton suggested an appraisal be done, and the value of the property, whatever the shortfall is, everyone has to take a haircut.

Ryan Armbruster, KURA Attorney, commented on how the URA would go about selling the property. They would need at least some findings of why that property is no longer a parcel that can be redeveloped with a developer for affordable housing.

Commissioner Gary Lipton commented if they sell it outright and get the money back he doesn't care what goes in there. Can they change the bylaws to sell it outright.

Vice Chairman Tim Eagan suggested the proposal could be worded so that they don't have to provide a timeline.

Ryan Armbruster said that all the statute requires is it not be held, but be developed. He can provide examples of recent RFPs. The plan is not so specific that only a housing project would be done on that property. If they are going to take the position that the plan does it ties their hands,

Chairman Baird Gourlay asked if anyone on the board wanted to keep the property, no one did.

Vice Chairman Tim Eagan commented that they should determine what they don't want to do. An RFP makes a hand-binding situation, suggested staff work to find a way to make it surplus.

Suzanne Frick, Executive Director suggested staff find a legal way to get the property into surplus. It will be on the agenda for the next meeting.

491 Sun Valley Road Property

Chairman Baird Gourlay commented that they need some of the lease firmed up for the property to be sellable, and prefers not to discuss the lease issues in a public meeting. There was some talk about lot line shifting - one of the city lots is entirely the park, and the other one is Starbucks building and the line is right on the edge of the stage. The question is what to do with the property that has the park on it, how to change the lot line, and do they want to. It is more valuable if they don't change the lot line. Suggested a way to convey the property to the city and forgo the affordable housing, and make the city come up with the affordable housing money.

Commissioner Anne Corrock doesn't agree, because they cannot develop that parcel for affordable housing, there is value for the land, but no money back into the affordable housing fund.

Suzanne Frick, Executive Director, clarified that they would need to get it appraised.

Commissioner Anne Corrock said it is not a developable piece of property. Micah Austin clarified it is larger than an original Ketchum Townsite lot.

Vice Chairman Tim Eagan commented that is probably the #1 retail corner in the whole valley, he would tear down the stage and put in an 1100 square foot building.

Jon Duval, CDC Director reminded the board that the CDC raised half a million from the public for town square.

Commissioner Gary Lipton commented that they buyout the lease and move forward. Micah commented that they won't have that option for another 6 years.

c. Debt obligation to the city for community housing.

Chairman Baird Gourlay commented that they can't speculate on how much that property will sell for. If housing is a priority and we aren't going to give the money back to housing, what are we doing.

Commissioner Gary Lipton commented on the loan agreement with the city. The council is going to want part of the profit, they should take part of the cut. He is now leaning towards five board members, with one council member.

Commissioner Anne Corrock wants to pay the city back exactly what was loaned

Commissioner Anne Corrock commented the council has no right to demand how the URA pays back anything. The URA can pay back at anytime, but it has to be the exact amount.

Commissioner Mark Nieves is conflicted definitely wants to pay the city back, not sure what amount, the rental of the dollhouse property is a good start, does not agree it should be a flat rate. That is money that came from the housing fund, looking at BCHA, he would like to see that money get back, however it shouldn't be just the URA that takes the hit. Thinks there should be a plan in motion to pay it back.

Vice Chairman Tim Eagan commented that the city council was the URA at the time, that is why the deal happened. The council would not have been able to give the URA the money at that time. The only thing the URA can do for housing is buy a piece of property or build infrastructure, they can't build it. Since community housing needs to be a big priority, they should give it back to the city as soon as possible at a rate to be negotiable so they can begin building housing.

Commissioner Shelley Siebel went over the numbers, and asked how did the horse get before the cart, with the feasibility coming out with that it's not developable. Where is the accountability for the money that was added to the debt on the 1st and Washington that came from the purchase of the Sun Valley Road property. Commissioner Siebel is in favor of paying that money back, would like a projection on how to go about doing that.

Commissioner Anne Corrock commented that they could split it back into the two properties again since they are going to sell them, so that they can recover all the money through the sale of the property.

Chairman Baird Gourlay commented they are not going to solve this today. He would like to convey that the board knows there is an obligation and they would like to start paying it back, so they can discuss how they will do so.

d. Determine key priorities for next 3-5 years.

Chairman Baird Gourlay requested the board members give their priorities, and then take the list home and prioritizing them separately and have staff put that together.

The board listed the following priorities:

Undergrounding power lines

Streets and sidewalks (lighting, etc.)

KCDC Projects

SVED Projects

Pay back the city

Pursue Development of Parcel N2 of the River Run development

Finish the 4th Street project

Northwood River Park

Wayfinding Completion

Encourage 4th Street as a walking promenade and open air market

Chairman Baird Gourlay commented that they should think about dollar amounts they want to commit to: infrastructure, economic development, and the loan.

Commissioner Gary Lipton doesn't think the city should be on the list.

Commissioner Mark Nieves asked when the board would discuss the lease situation. Chairman Baird Gourlay said if they have something substantive it could be at the next meeting.

Commissioner Anne Corrock commented that when do they do the matrix for the proposals that come before the board, for example the SVED, KCDC, the City should be in the grouping of people to put together projects and come before the board.

Ryan Armbruster clarified there are two pieces - the plan, than every year they create the budget to commit to appropriations for the next fiscal year.

Commissioner Gary Lipton is for paying back the city with dollhouse money.

Commissioner Anne Corrock requested a line item for payback to the city.

Commissioner Tim Eagan asked what types of partnerships they could do with URA funds.

Joe Herring sited incubators, education, work force training institutions, etc. The USDA provides grants, it requires a project be eligible and fundable.

Ryan Armbruster clarified that if it is a public entity a building would be appropriate.

Vice Chairman Tim Eagan asked if that is an exclusion to bricks and mortar. Ryan Armbruster clarified they would have to be creative to do bricks and mortar,

Joe Herring clarified that a grant for infrastructure project would be eligible but probably not fundable.

Commissioner Gary Lipton requested that Joe Herring come back and talk to the board.

6. ADJOURNMENT.

Vice Chairman Tim Eagan moved to adjourn at 3:04 p.m., Commissioner Gary Lipton seconded, the motion passed unanimously.

Baird Gourlay
Chairman

ATTEST:

Sandra E. Cady
Secretary/Treasurer

Report Criteria:

Invoices with totals above \$0 included.

Paid and unpaid invoices included.

[Report].GL Account Number = "9610000000"- "9844109930"

Vendor Name	Invoice Number	Description	Net Invoice Amount
URBAN RENEWAL AGENCY			
URBAN RENEWAL EXPENDITURES			
98-4410-2500 HEALTH INSURANCE - CITY			
STARLEY-LEAVITT INS. AGENC	452406	Consulting Fee	3.33
STARLEY-LEAVITT INS. AGENC	455647	Administration & Consulting Fees	3.33
98-4410-2505 HEALTH REIMBURSEMENT ACCT(HRA)			
NBS-NATIONAL BENEFIT SERVI	CP106167	HRA Fees	96.70
98-4410-4200 PROFESSIONAL SERVICES			
KETCHUM COMPUTERS, INC.	11592	Computer Maintenance	25.00
NBS-NATIONAL BENEFIT SERVI	498224	Admin Fees - April 2015	2.84
98-4410-4400 ADVERTISING & LEGAL PUBLICATIO			
EXPRESS PUBLISHING, INC.	2196-04/15	Acct. 2196	106.60
98-4410-5200 UTILITIES			
CLEAR CREEK DISPOSAL	883597	ACCT. 952418	397.23
IDAHO POWER	2202522062-04	ACCT. 2202522062	379.35
INTERMOUNTAIN GAS	116120003755-	acct. 11612000-375-5	137.79
98-4410-5910 REPAIR & MAINT. - 491 SV RD			
GEM STATE PAPER & SUPPLY	932340-00	Supplies	133.08
98-4410-7000 CAPITAL PROJECTS			
MAESTRO TECHNOLOGY SOLU	11283	Visitor Center Digital Signage and Networking	18,549.00
98-4410-8801 REIMBURSE CITY GENERAL FUND			
City of Ketchum	043015	Reimbursement for Salaries - April 2015	3,073.15
City of Ketchum	043015	Reimbursement for Benefits	1,366.16
City of Ketchum	043015	Reimbursement for Administrative Expenses	4,368.61
Total URBAN RENEWAL EXPENDITURES:			28,642.17
Total URBAN RENEWAL AGENCY:			28,642.17
Grand Totals:			28,642.17



Ketchum Urban Renewal Agency

P.O. Box 2315 | 480 East Ave. N. | Ketchum, ID 83340

May 18, 2015

Chairman and Commissioners
 Ketchum Urban Renewal Agency
 Ketchum, Idaho

Chairman and URA Commissioners:

Discussion of KURA Priorities from May 1 Workshop and Funding Allocations

Introduction/History

On May 1, 2015, the KURA held a priority planning workshop. At this meeting, the Downtown Master Plan, the KURA Plan, and the agency’s financials were discussed. At the conclusion of the meeting, Chair Gourlay asked each of the Board members to state their priorities for KURA going forward. Staff compile this list and emailed them to the board in preparation for a discussion on May 18.

Current Report

The following table summarizes the priorities discussed at the May 1 KURA workshop. Board members will rank their priorities so that they can be weighted and averaged to illustrate general consensus among the KURA board for their project priorities.

<u>Project</u>	<u>Rank (1-10)</u>
A. Undergrounding power lines	
B. Streets and sidewalks (lighting, etc.)	
C. KCDC Projects: a. Funding specific projects within the KURA revenue allocation district as presented by KCDC	
D. SVED Projects: a. Funding specific projects within the KURA revenue allocation district as presented by SVED	

<ul style="list-style-type: none"> b. Woodward Place c. Olympic training center d. Culinary Institute e. Skate park development 	
E. Pay back the city the community housing funds borrowed	
<ul style="list-style-type: none"> F. Pursue development of Parcel N2 of the River Run development <ul style="list-style-type: none"> a. Determine development priorities for Parcel N2 <ul style="list-style-type: none"> i. RV Park at River Run, Affordable Housing, recreation, etc.??? 	
G. Finish the 4 th Street Project (2 ½ blocks total remaining)	
H. Northwood River Park	
I. Wayfinding completed throughout Ketchum	
J. Encourage use of 4 th Street as a walking promenade and open air market	

In addition to the above list of priorities, the Board was asked to rank the project categories below for what percentage of available funds should be allocated towards each category. The allocation amounts below will be used for determining funding in the fiscal year 2016 budget.

<u>Categories</u>	<u>Percentage of Available Funds (100%)</u>
Infrastructure	
Economic development	
Payback of Affordable Housing Loan	

Financial Requirement/Impact

None.

Recommendation

Staff recommends the Board agree on a list of priorities and funding allocation percentages and direct staff accordingly.

Recommended Motion

At this time, with several members absent, staff recommends tabling any final decisions on the priorities or funding allocations to the next regular meeting of the KURA.

Sincerely,

A handwritten signature in blue ink, appearing to read "Micah Austin". The signature is fluid and cursive, with the first name "Micah" and last name "Austin" clearly distinguishable.

Micah Austin
Planning and Building Director

Attachments:



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May 18, 2015

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Chairman and URA Commissioners:

Lottery of the “dollhouse” located on 211 East First Street

Introduction/History

The KURA currently owns the lot at 211 East First Street, informally known as the Dollhouse Lot (Lots 7, 8 of Block 19, Ketchum Townsite). At the February 17, 2015 meeting of the KURA, the Board approved a request from the Aspen Skiing company to negotiate a lease of the property for construction and staging during the Limelight Hotel construction project. Since that time, a lease has been drafted and the general contractor for the project is reviewing it prior to signing. For this reason, the KURA must move the small structure off the property so that the site can be used for construction and staging. At the April 20 meeting, the KURA Board directed staff to organize a random lottery for the structure and issue an RFP.

Current Report

On May 7, 2015, the KURA sent out an RFP for any individuals interested in moving the “dollhouse” and assuming all liabilities in transferring the structure. Responses were due on May 13 and four proposals were received from the following individuals, listed in the order received:

1. Lisa Eckley
2. Allee Marsters
3. Whitney McNeas
4. Scott Levy

All responses are attached. At the May 18 meeting, the KURA must draw, at random, one of these proposals and award the structure. The KURA should also draw all consecutive names/proposals to determine the second, third, and fourth place recipients of the structure if those individuals before them fail to move the structure according to the KURA requirements.

Financial Requirement/Impact

None.

Recommendation

Staff recommends the KURA board proceed with the random lottery assign which of the individuals will receive the structure.

Recommended Motion

Following the random lottery, "Motion to approve award of the "dollhouse" structure on 211 East First Street to 1. _____ 2. _____ 3. _____
4. _____.

Sincerely,



Micah Austin
Planning and Building Director

Attachments:

1. Responses to RFP (4)

To: Micah, Suzanne and the board of the Urban Renewal Agency,

My name is Lisa Eckley, most of you know me, a few do not. I have been a resident of Ketchum since 1980, the good 'ole days. We have seen many changes in our town in the past 30+ years! It is said that change is good....

Well, change is happening for me, kinda big time. I am a self employed hair stylist and I have had my business in Trail Creek Village for the past 25 years! My days there are numbered though, as the owner has given me notice that I've got to vacate, due to the fact that he will be demolishing the place come fall. 😊 CHANGE

Hopefully, we will see it developed soon and not just sit vacant for many years. So, that leaves six small businesses having to relocate. I've been hearing a lot over the last few years, "there's lots of vacant space in town", well there may be vacant space, but what I have found is that there is vacant office space. LARGE space, often no available plumbing, which is crucial to my business. This is not retail space, as I am categorized. I belong in store front, visibility, available not only for the local but also the visitor. Also, I will mention, affordability is an issue. (On a side note- perhaps the URA needs to consider "affordable retail space" along with the affordable housing requirements for large scale projects in the future- just an observation and thought).

This leads me to the issue at hand, the small structure owned by the URA. I have always been drawn to it and when I was faced with having to move, it has become an obsession to me. Here is my plan for the structure... I want to do URBAN RENEWAL. I want to relocate the structure in the Renewal Allocation Area, and build it out into my hair studio! I want to keep this little piece of Ketchum history RIGHT IN KETCHUM! I am in contact with the owner of a vacant lot to lease, that is in an area that has recently seen a lot of refurbishing of iconic structures. They have been redeveloped into businesses and residences. The little structure would fit right in. This is a win-win! I develop a vacant lot that would otherwise likely remain vacant, I spread the retail core just a bit wider, and I create an affordable street-front work location for my business. I keep the Lot taxes coming in! The area is East Ave. the spot is perfect.

The fact that the structure has to remain where it is for the notice period actually works for my timeline. This gives me time to get my design review process going and time to lay a foundation. I would, of course, work with the URA and your timeline as things move forward.

As for the insurance part of things, this I must admit, has been a bit of a head scratcher for me. Seeing that this is not yet occurring, I would not have something in place. Of course I would make sure the proper insurance would be obtained or in place. Whether this needs to be a policy that I purchase or whomever moves the structure making sure to indemnify the city and the URA is a done deal. I don't know what kind of certificate I could provide until the actual event is to take place.

I really am excited to do this project and I would hope that whatever becomes of the structure, it would remain in Ketchum where it should be.

Thank you for your consideration of my proposal and I think I have come up with the name for my hair studio while figuring this all out--- CHANGES--- 🙏😊

Thank you for your service to the people and the town that we all love and call home!!!

GET A HAIRCUT! Fondly, Lisa Eckley. A Touch Of Class Hair Studio

To Ketchum Urban Renewal Agency,

Please find the below proposal to be a sufficient to qualify for your lottery to dispose of a small structure located at 211, Ketchum and considered surplus to your agency (KURA).

So as to comply with Ketchum Municipal Code 15.16.040, I have contacted the Regional History Department of the Community Library in an effort to find a historic photo of this historic building. Through contact with City of Ketchum, the KURA, Ketchum Planning and Zoning, Blaine County Assesor and the Regional History Department, we will determine the building's construction date and/or the "windshield survey" as requested by the municipal code.

In the case that this, by the luck of the draw, becomes the winning proposal, efforts to relocate this Historic Building will include the following:

1. The preparation for moving of this old structure would begin as soon as possible, however, it is my current understanding that a 60-day waiting period is required. Arrangements that can be made during this waiting period will be used to prepare for the relocation.
2. Insurance will be obtained that would indemnify the KURA from all liabilities associated with moving the structure off the property owned by the KURA. The insurance sought will of course cover much more, as it is not just the KURA in need of insurance protection. In the case that Pacific Movers of Twin Falls, or some similar company is selected to aid in the structures relocation, their current insurance will be obtained and provided to the KURA to review, well before such a selection is made, preferably during the 60-day waiting period.
3. I have begun to engage in discussions with realtors and landowners in Ketchum. Should this proposal be selected, this effort will be heightened. From my reading of the recent Idaho Mountain Express, it may be that the KURA may be interested in selling some of their properties in attempt to recapture some losses from previous dealings. If indeed this is the case, I will approach the KURA for a list of properties they would consider selling. It may be that they would seek to sell one or two of the 211 E 1st lots at a reasonable price, in which case no relocation of the historic structure will be sought. Considering the past performance of the KURA's frequent underestimating the value of what they have, the current lot may well be my first, best choice. Other lots in Ketchum are currently under consideration and keeping the structure in Ketchum or its nearest surroundings would be my preferred choice.
4. Depending on the location that is eventually selected, an appropriate use of the building will then be determined. My first choice would be to find a lot that is suitable for a small business to use under a lease agreement. On down the list of possible business opportunities (in no particular order) would be a coffee kiosk, a hair salon, a guide center, a ski and bike tuning shop, or possibly a store-front office for a non-profit organization such as Idaho Conservation League, bluefish.org, Idaho Rivers United, MoveOn.org etc. If a location is found more suitable for short-term rental, then necessary additions and appliances will be completed and an agency such as AirBNB will be used for booking reservations and a local housekeeping service would be employed. Many are the possibilities. If the purported positive results from our additional 1% LOT, from Air Sun Valley, and from Sun Valley Marketing Alliance are to be believed, the business opportunities are ripe for the picking. Choosing the most sustainable, community-minded "best" opportunity will be the focus of our efforts during the 60-day waiting period.

Chances are though, that someone else will become the owner of this historic slice of Old Ketchum, a town that was once filled with charm and soon to be filled with shiny buildings and boxes that obscure the Main Street of a view of the surrounding natural beauty.

Best Regards,

Scott Levy

Dear KURA,

I would love to have the "Doll House" building. Living here in the valley for over 25 years, I have always admired its cuteness. If I am the lucky one that has this opportunity to save it, I would have it moved to my business at 151 Sun Valley Road in Ketchum. (Antique Alley- I do have a long term lease and have talked to my landlord about an outside shed. They are fine with that, if this would happen in my favor.) I would use it as a shed and keep it in good repair. I have spoken at length to John Spencer (208) 941-7895 of Pacific Movers in Boise. They have both the expertise and insurance for this project. I also have talked to my Insurance agent Norm Funk (208) 788-3529 at Farm Bureau in Bellevue. They cover me for my Antique shows in Hailey (24 years founder and promoter, my antique shop in Ketchum and also as a hairdresser. He is supposed to be sending you a letter to state I have insurance. They will not do a certificate without knowing this will happen. John Spencer would have the insurance you require.

I could have it moved shortly after the 60 days is up. That would be about mid- July. Once I found out I was the lottery winner for the "Doll House" I would have a quick time line.

Sincerely,

Alee Marsters

PO Box 2727

Hailey, ID 83333

(208) 720-1146

I don't want to get in the way of Lisa Eckley making it a Hair Salon as we work together and I would still be in the building. I am sending my letter of intent, as I would think it a real shame to have it torn down. Also with that thought in mind, If, I was the lottery winner and it had too much red tape to move the building to my lot in Ketchum. I would move it to my house in the county (113 Treasure Lane) and use it as a garden shed. I have also talked to John Spencer of Pacific House Movers with the cost of both options.

Thanks for your consideration. Please feel free to call me if I have left any un- answered questions.

Submission to KURA-For Disposition of Personal Property owned by the KURA

May 12, 2015

Recently, I have been on the look out for the perfect structure to have in my back yard to convert into a “She-Shed” or “Craft-Shack”. With a baby on the way, we have to convert our spare room to a nursery and plan to create a beautiful outdoor lounge/studio space. This would be the perfect structure for such a place.

The location for this building after being moved would be 1010 Antelope Drive, Hailey, ID 83333.

The proposed use for this structure would be to convert it to an outdoor living space. Commonly trending today as a “She-Shed” – a space to spend time, with a small library, as well as a weaving/craft studio.

See examples of what I am aiming to create here:



I am a videographer and editor, and would also like to propose production of a short video documenting the process of saving this beautiful structure and repurposing it.

I am away on business right now, but could have it moved sometime between May 19 and May 30.

