

KETCHUM URBAN RENEWAL BOARD MEETING AGENDA

REGULAR MEETING

**October 17, 2016, beginning at 2:00 p.m.
480 East Avenue, North, Ketchum, Idaho**



1. 2:00 PM- CALL TO ORDER
2. CONSENT CALENDAR
 - a. Approval of Minutes:
 1. September 6, 2016 Regular Meeting
 - b. Approval of Current Bills: see packet
3. COMMUNICATIONS FROM THE BOARD OF COMMISSIONERS
4. COMMUNICATIONS FROM THE PUBLIC
5. NEW BUSINESS
 - a. Roles and Responsibilities of urban renewal board members (Ryan Armbruster, KURA Attorney)
 - b. Discussion on proposed scope of work with Ketchum Community Development Corporation (Micah Austin)
 - c. Discussion on proposed scope of work with Sun Valley Economic Development (Micah Austin)
 - d. Discussion of KURA role in undergrounding powerlines within the revenue allocation area (Micah Austin, Planning and Building Director)
 - e. Discussion of joint meeting with the City Council on November 7
6. OLD BUSINESS
7. LEGISLATIVE UPDATES (Ryan Armbruster, KURA Attorney)
8. STAFF REPORTS
9. EXECUTIVE SESSION PURSUANT TO: Idaho Code Sections 74-206(1)(f), to communicate with legal counsel to discuss the legal ramifications of and legal options for pending litigation or controversies not yet being litigated but imminently likely to be litigated and 74-206(1)(c) to acquire an interest in real property not owned by a public agency.
10. 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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Ketchum Urban Renewal Agency

480 East Avenue North
Ketchum, ID 83340

<http://ketchumidaho.org/>

Regular Meeting

~ Minutes ~

Baird Gourlay
208-726-3841

Tuesday, September 6, 2016

2:00 PM

Ketchum City Hall

Present: Vice Chair Tim Eagan
Commissioner Mark Nieves
Commissioner Jim Slanetz
Commissioner Gary Lipton
Commissioner Jae Hill
Commissioner Shelley Seibel – arrived at 2:40 p.m.

Absent: Chairman Baird Gourlay

Staff Present: Micah Austin, Director of Planning and Building
Sandy Cady, Secretary/Treasurer
Matt Parks, Attorney – conference phone

1. Call to Order

Vice Chair Tim Eagan called the meeting to order at 2:00 p.m.

2. CONSENT CALENDAR

a. Approval of Minutes

Vice Chair Tim Eagan pointed out the correction in the spelling of his name.

b. Approval of Current Bills

Bills are not in the packet. Director of Planning & Building will get the bills in front of the commissioners today. Secretary/Treasurer Sandy Cady distributed bills to the Commissioners

Motion to approve the consent agenda.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Jim Slanetz, Commissioner
SECONDER:	Mark Nieves, Commissioner
AYES:	Slanetz, Lipton, Eagan, Nieves, Hill
ABSENT:	Gourlay, Seibel

2. COMMUNICATIONS FROM THE BOARD OF COMMISSIONERS

Commissioner Gary Lipton suggested that the Commissioners focus on transparency.

Vice Chair Tim Eagan congratulated Sandy Cady on Wagon Days and on her upcoming retirement.

Commissioner Shelley Seibel arrived at approximately 2:40 p.m.

4. COMMUNICATIONS FROM THE PUBLIC

5. NEW BUSINESS

a. **Public Hearing and adoptions of Resolution 16-URA6, the Fiscal Year 2016-17 Annual Appropriation Resolution (Sandy Cady, Secretary/Treasurer)**

Secretary/Treasurer Sandy Cady presented the final version of the budget and asked the Commission to adopt the Resolution for the final budget. Director of Planning & Building Micah Austin explained the deadline for noticing, public hearing, and public comment and outlined the deadline dates

Vice Chair Tim Eagan opened the meeting for public comment. There were none.

Vice Chair Tim Eagan asked for Commissioners comments.

Commissioner Jae Hill questioned Personnel Services and the fact that the number has almost doubled from 15/16 to 16/17. He questioned why? Secretary/Treasurer Sandy Cady explained that part of it is salary and benefits package. She explained the Director of Planning & Building Director's salaries went from 0% in 15/16 to 25 % in 16/17 budget. The overall increase in the budget is the increase in doing business. The logic behind the creation of this budget and future budgets were discussed. Jae Hill talked about the KURA getting in tune with the mission of the KURA. Commissioner Jim Slanetz is in agreement. There was a discussion as to how much the KURA will be receiving next year.

Commissioner Mark Nieves questioned how they are handling Sun Valley Economic Development funding. Director of Planning & Building Micah Austin explained that the funds are just a place holder. There will be more discussions on this topic at a later date. Budgeting practices were discussed. Commissioner Gary Lipton talked about the handling of non-profits and how this board has decided they will be handling those request. He talked about the KIC board and how they responded to SVED's request for funds from the KURA. Secretary/Treasurer Sandy Cady will supply a detail ledger of all the bills for the past fiscal year that were approved by the KURA. Commissioner Jae Hill questioned the Infrastructure Projects and when they were approved. He questioned the Northwood approval and when that will be coming back to the KURA. Director of Planning and Building Micah Austin explained the timing of the projects.

Motion to Adopt Resolution NO. 16-URA6, the Annual Appropriation Resolution appropriating sums of money authorized by law and deemed necessary to defray all expenses and liabilities of the Urban Renewal Agency, for the Fiscal Year commencing October 1, 2016 and ending September 30, 2017, for all general, special and corporate purposes; directing the Executive Director to submit said budget; and providing an effective date.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Tim Eagan, Vice Chair
SECONDER:	Jae Hill, Commissioner
AYES:	Slanetz, Lipton, Eagan, Nieves, Seibel, Hill
ABSENT:	Gourlay

b. **Approval of Engagement Letter with Dennis Brown, CPA, to provide auditing services to the KURA (Sandy Cady, Secretary/Treasurer)**

Secretary/Treasurer Sandy Cady outlined the engagement letter in the packet and talked about the increase of \$100.00 in fees. The audit will be done the 2nd week of November and be presented to the KURA by the end of December. Commissioner Jae Hill requested that the audit be presented to the Commissioners.

Motion to approve the Terms of Engagement for Auditing Services with Dennis R. Brown, CPA.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Mark Nieves, Commissioner
SECONDER:	Shelley Seibel, Commissioner
AYES:	Slanetz, Lipton, Eagan, Nieves, Seibel, Hill
ABSENT:	Gourlay

6. OLD BUSINESS

Commissioner Jae Hill questioned when staff will be presenting more information in regards to tennis courts and skate parks. Would like to see those numbers in 16/17 budget.

7. LEGISLATIVE UPDATES (Ryan Armbruster, KURA Attorney)

Attorney Matt Parks does not have an update at this time.

8. STAFF REPORTS

No staff reports at this time.

- 9. EXECUTIVE SESSION PURSUANT TO: Idaho Code Sections 74-206(1)(f), to communicate with legal counsel to discuss the legal ramifications of and legal options for pending litigation or controversies not yet being litigated but imminently likely to be litigated and 74-206(1)(c) to acquire an interest in real property not owned by a public agency.**

Motion to go into Executive Session to discuss Idaho Code Sections 74-206(1)(f), to communicate with legal counsel to discuss the legal ramifications of and legal options for pending litigation or controversies not yet being litigated but imminently likely to be litigated and 74-206(1)(c) to acquire an interest in real property not owned by a public agency.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Jae Hill, Commissioner
SECONDER:	Jim Slanetz, Commissioner
AYES:	Slanetz, Lipton, Eagan, Nieves, Seibel, Hill
ABSENT:	Gourlay

Motion to come out of Executive Session at 3:10 p.m.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Jae Hill, Commissioner
SECONDER:	Jim Slanetz, Commissioner
AYES:	Slanetz, Lipton, Eagan, Nieves, Seibel, Hill
ABSENT:	Gourlay

10. ADJOURNMENT

Motion to adjourn at 3:11pm

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Jae Hill, Commissioner
SECONDER:	Jim Slanetz, Commissioner
AYES:	Slanetz, Lipton, Eagan, Nieves, Seibel, Hill
ABSENT:	Gourlay

Tim Eagan, Vice Chair

Sandra E. Cady
Secretary/Treasurer

Report Criteria:

Invoices with totals above \$0 included.

Paid and unpaid invoices included.

[Report].GL Account Number = "961000000"- "9844109930"

Vendor Name	Invoice Number	Description	Net Invoice Amount
URBAN RENEWAL AGENCY			
URBAN RENEWAL EXPENDITURES			
98-4410-4200 PROFESSIONAL SERVICES			
ELAM & BURKE	091516	General Representation	2,011.20
ENGEL & ASSOCIATES, LLC	7258	Brokers research and opinion	300.00
98-4410-5200 UTILITIES			
CENTURY LINK	1387430527	2087275084 091116	359.00
CLEAR CREEK DISPOSAL	992823	952418 - 491 Sun Valley Rd.	408.97
IDAHO POWER	2202522062 09	2202522062 092016	490.12
98-4410-5910 REPAIR & MAINT. - 491 SV RD			
ALLSTAR PROPERTY MANAGE	5621	September 2016 Janitorial	416.00
ALLSTAR PROPERTY MANAGE	5627	September 2016 - janitorial	221.00
FIRE SERVICES OF IDAHO	22892P	Annual Service on Fire Ext.	37.00
Total URBAN RENEWAL EXPENDITURES:			4,243.29
Total URBAN RENEWAL AGENCY:			4,243.29
Grand Totals:			4,243.29



Ketchum Urban Renewal Agency

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

October 17, 2016

Chairman and Commissioners
Ketchum Urban Renewal Agency
Ketchum, Idaho

Chairman and URA Commissioners:

Discussion of Contract for Services with Ketchum Community Development Corporation

Introduction/History

The KURA has allocated \$227,300 for economic development projects in Fiscal Year 2016-17. The Board did not specifically allocate an amount for the Ketchum Community Development Corporation (KCDC). If the Board approved a contract for services with KCDC, these funds would come out of the line item for economic development.

Current Report

The attached proposal was submitted by the Ketchum Community Development Corporation and has been reviewed by staff. This proposal generally how KCDC has managed the Ketchum Incubation Center and its benefit to the community. The proposal more specifically states the following:

“The KIC and the KURA will work together to provide a benefit to the general public of the Ketchum community by encouraging and supporting economic development within the KURA district by:

- Providing the public with business education and entrepreneurship workshops scheduled and hosted at the KIC.
- Connecting new and growing businesses with expert mentors cultivated by the KIC and its board.
- Creating an entrepreneurial hub in Ketchum that will attract not only local start ups, but also bring in new businesses from outside the Wood River Valley.

To accomplish this mission, the KURA and the KIC will work in partnership to manage and maintain a facility to house the above, located at 311 North First Avenue in downtown Ketchum, within the KURA district and in line with the KURA’s mission.”

While the proposal goes on to describe some of the more specific equipment and furniture purchases that may be made with KURA funds, the proposal is not ready to be approved and needs direction from the board before approving. The board should see the proposal as a beginning point for the KURA Board to discuss a more specific contract for services with SVED. The final contract and any services provided must comply with the Funding Participation Policy (Resolution 16-URA3).

Staff recommends specifying the services SVED can offer the KURA and returning to the board at a later date with a contract for services.

The KCDC is requesting \$31,700 from the KURA in Fiscal Year 2016-2017 for management of the KIC facility located at 311 North First Avenue.

Financial Requirement/Impact

The KCDC is requesting \$31,700 from the KURA. The KURA board can allocate funds for services that the agency cannot provide on its own. During the budget process, the KURA board approved \$227,300 for economic development projects. This request would come out of this line item.

Recommendation

Staff recommends discussing the proposal submitted by KCDC and directing staff and KCDC accordingly.

Recommended Motion

"I move to direct staff to _____ in regards to the KCDC contract for services."

Attachments:

1. KCDC proposal requesting funding from the KURA



Jon Duval
Executive Director
P.O. Box 6452
Ketchum, ID 83340
www.ketchumcdc.org

FY 2016 KIC Funding Request Application

To: Ketchum URA Board of Commissioners

From: Jon Duval, Executive Director, Ketchum Innovation Center

OVERVIEW

The **Ketchum Innovation Center (KIC)** is both a home for start-up businesses and the hub of the entrepreneurial ecosystem in the Wood River Valley. The KIC provides space for entrepreneurs working to get their companies off the ground and grow them into sustainable businesses that will bring high-quality, professional jobs to the community. It also hosts a wide variety of events of broad interest to local entrepreneurs and businesses. Ultimately, this program is aimed at creating a robust year-round regional economy that isn't completely dependent on seasonal, resort-focused enterprises.

Since its inception in spring 2014, the KIC has shown fantastic results in creating an entrepreneurial ecosystem in the Wood River Valley and helping start ups get off the ground. With over 80 entrepreneurs in our mentoring program, nearly 50 experts volunteering their time, and approximately \$1.25 million raised in capital for four new businesses, there is no question that this economic development project has been a success for the community.

Having proven the concept, we are now expanding our reach and impact by relocating to a larger and more suitable location in downtown Ketchum. This new site will allow us to offer greater services to entrepreneurs, including our educational programming on starting a business, such as the Lean Launch Program and pitch classes, which are open to the entire community.

We have leased a new location, 311 First Ave. N., which, at 7500 s.f., can house many more entrepreneurs to be served on-site, and will allow us to increase the number of programs and workshops. This was our original target building for the KIC, and under new ownership, we have been able to retrofit it into a world-class incubator/co-working space.

The funds requested will be part of our budget for the public portion of the facility, an integral part of the project to ensure we are providing the necessary platform for new companies to launch in the Wood River Valley. This incubator not only helps homegrown entrepreneurs, but also attracts and teaches new young businesses to our community, helping create a more sustainable local economy. The public portion of the facility is used for classes, workshops, business events, mentoring, and the overall creation of a local entrepreneurial ecosystem.

CURRENT ECONOMY

Because of the traditional over-dependence on a seasonal economy, coupled with recent job losses stemming from the departure of three large employers, the City of Ketchum, along with the entire Wood River Valley, is in dire need of new professional jobs that will allow an educated workforce to remain here and help develop a more sustainable and vibrant community. With their success will come an increase in the number of full-time professional jobs that are critical to developing a more robust and balanced economy.

While the Sun Valley area offers an unparalleled quality of life that's attractive to the growing ranks of remote workers across the country, we are competing with other communities to attract the talent necessary to build a critical mass that will allow us to make a noticeable shift in the economy. Additionally, the Wood River Valley, and Ketchum in particular, has seen a marked increase in the median age of its residents. Many younger professionals and families have moved away from the area after the acquisition of major employers like Scott and Smith, jeopardizing the sustainability of Ketchum's economy. We simply do not have a moment to waste in attracting entrepreneurs to the valley and helping budding entrepreneurs who are already here in getting their business ideas off the ground.

PARTNERS

The KIC's success to date has been positively impacted by a large number of partner organizations, both within the Wood River Valley and from outside, all helping with our workshops and educational programming, as well as mentoring individual entrepreneurs. To date, we have held over two dozen events, with more than 100 entrepreneurs and potential investors attending. Our partners include the City of Ketchum, which has been our main funding source to date, and the USDA, which has awarded the KIC two Rural Business Enterprise Grants. Additional partners include Boise State University, Zions Bank, Wild Gift, Hawley Troxell, the Idaho Small Business Development Center, and a number of local companies that have lent their expertise to startups. In addition, our volunteer mentor force, comprised of a wide range of experts from various

industries, has grown to just under 50. Our close partnership with the Sun Valley Band of Angels has led to five Pitch Nights and helped raise approximately \$1.25 million for four startups. Lastly, but very importantly, we have partnered with Sun Valley Economic Development to assist companies with Idaho Department of Commerce TRI applications.

ECONOMIC IMPACT

The direct beneficiaries will be entrepreneurs and growing businesses in the Wood River Valley by providing them with the support, workshops and classes necessary to build a start up. The indirect beneficiaries would be the entire region, as this project will help rebuild the losses felt by the departure of some of our biggest employers, such as Scott and Smith.

Over the past two years, the KIC has been integral in relocating eight companies into the area from out of state, assisting approximately 80 entrepreneurs through our programs, all with the potential of creating hundreds of jobs over the long-term scope of this project.

With the new facility, the KIC will be able to assist more local entrepreneurs through our open mentoring and workshop programs, as well as recruit new companies from outside of the area, all with the potential of creating hundreds of jobs over the long-term scope of this project.

With more jobs come increases in payrolls and associated taxes, and benefit the local economy through more full-time residents shopping in local stores, purchasing homes and raising local tax revenues. Over the first three years in the new location, we have a minimum target of 30 new full-time and 15 new part-time positions. We have already seen organic growth of startups through our Pitch Nights investments and mentoring programs, which includes the founders being able to switch from other part-time work to focusing solely on their projects, as well as a number of first hires. These jobs allow both the entrepreneurs and their employees to live and remain in the Wood River Valley, accomplishing our goal of not only bringing in new jobs, but those with salaries to attract and retain an educated, professional workforce.

FUNDING

While the KIC currently receives the majority of its funding through the City of Ketchum, as well as some smaller grants from the USDA and private donors, a partnership with the KURA would allow us to kick-start our fundraising for this new phase of our project and create a world-class facility.

With this new facility, we will move significantly closer to our long-range mission of offering the support needed to build a vibrant, sustainable local economy that isn't dependent on the ski resort or weather, as well as bringing in young professionals from outside the area to create a more vibrant and sustainable community.

Funds from the KURA would be used for the purchase of the materials needed to build office pods and open workspace areas, as well as furniture and equipment needed to make the most inviting and productive space for entrepreneurs. As we will be leasing the facility, we want to ensure that not only do we own all of the assets, but that all of these improvements are designed and built in a manner that we can disassemble and relocate if necessary.

KURA CONTRACT PROPOSAL

The KIC and the KURA will work together to provide a benefit to the general public of the Ketchum community by encouraging and supporting economic development within the KURA district by:

- Providing the public with business education and entrepreneurship workshops scheduled and hosted at the KIC.
- Connecting new and growing businesses with expert mentors cultivated by the KIC and its board.
- Creating an entrepreneurial hub in Ketchum that will attract not only local start ups, but also bring in new businesses from outside the Wood River Valley.

To accomplish this mission, the KURA and the KIC will work in partnership to manage and maintain a facility to house the above, located at 311 North First Avenue in downtown Ketchum, within the KURA district and in line with the KURA's mission.

In this agreement, the KURA will help cover the cost of this space, including management, for a cost of \$31,700 for the 2016/17 budget year.



Ketchum Urban Renewal Agency

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

October 17, 2016

Chairman and Commissioners
Ketchum Urban Renewal Agency
Ketchum, Idaho

Chairman and URA Commissioners:

Discussion of Contract for Services with Sun Valley Economic Development

Introduction/History

The KURA has allocated \$227,300 for economic development projects in Fiscal Year 2016-17. More specifically, the Board identified \$15,000 for a contract for services with Sun Valley Economic Development.

Current Report

The attached scope of work and proposal was submitted by Sun Valley Economic Development. This scope of work is not ready to be approved and needs direction from the board before approving. It is a beginning point for the KURA Board to discuss a more specific contract for services with SVED. The final contract and any services provided must comply with the Funding Participation Policy (Resolution 16-URA3).

Staff recommends specifying the services SVED can offer the KURA and returning to the board at a later date with a contract for services.

Financial Requirement/Impact

The KURA board can allocate funds for services that the agency cannot provide on its own. During the budget process, the KURA board approved up to \$15,000 for a future contract with Sun Valley Economic Development.

Recommendation

Staff recommends discussing the proposed scope of work and directing staff and SVED accordingly.

Recommended Motion

"I move to direct staff to _____ in regards to the SVED contract for services."

Attachments: Proposed contract for services with KURA and SVED

Attachment -
SVED Contract for Services for KURA

	Category	Activity	Deliverables	Measurement
1	URA Business Development	a) Attraction	Identify & solicit potential URA candidate companies	# companies/jobs/impact
		b) Relocatons & Expansion	Consult & mentor URA companies for next stage growth	# companies/jobs/impact
2	URA Land Development	a) Olympic Center Development	Advance community partnerships for developing collaborative projects & facilities	business plans & quarterly reports
		b) Human Performance Lab Development		
		c) Culinary/Cooking School Development		
		d) Other Innovation Project Development		
3	URA Economic Consulting	a) Housing Studies	Prepare analysis/consutl on housing issues as directed by KURA board	report(s)
			Prepare analysis of build costs in Ketchum vs competitve markets	report
		b) Economic Studies	Prepare annual economic profile for Ketchum	report
			Prepare analysis of Ketchum business districts	report
		c) Infrastructure Studies	Prepare analysis/consult on other infrastructure topics as directed by KURA board	report(s)

Activity No.	Summary Activity	Time Estimate	Cost @
			\$ 120
1a	Attraction	20	\$ 2,400
1b	Relocations & Expansion	40	\$ 4,800
2a-d	Land Development Projects	40	\$ 4,800
3a	Economic Consulting - Profile	15	\$ 1,800
3b-c	Economic Consulting - Other	50	\$ 6,000
6	Contingency	10	\$ 1,200
Total		175	\$ 21,000

Proposed FYE17 Contract for Services	\$15,000 to	\$ 20,000
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