



Ketchum Urban Renewal Agency

480 East Avenue North
Ketchum, ID 83340
<http://ketchumidaho.org/>

Regular Meeting

~ Minutes ~

Baird Gourlay
208-726-3841

Wednesday, December 14, 2016

2:00 P.M.

Ketchum City Hall

Present: Chairman Baird Gourlay
Vice Chair Tim Eagan
Commissioner Shelley Seibel
Commissioner Jim Slanetz
Commissioner Gary Lipton
Commissioner Jae Hill

Absent: Commissioner Mark Nieves

Staff Present: Micah Austin, Director of Planning and Building
Grant Gager, Finance Director & Internal Services
URA Attorney Ryan Armbruster – by phone
URA Attorney Matt Parks – by phone

1. CALL TO ORDER

Chair Baird Gourlay made a motion to amend the agenda to include a presentation by Sun Valley Economic Development Director Harry Griffith on Tax reimbursement. He explained that the reason for the late addition is he just learned of the topic today.

2. CONSENT CALENDAR

- a. Approval of Minutes:
 - 1. November 7, 2016 Regular Meeting
- b. Approval of Current Bills: see packet

Motion to approve the consent calendar

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

3. COMMUNICATIONS FROM THE BOARD OF COMMISSIONERS

Chair Baird Gourlay directed Director of Planning & Building Micah Austin to put together an RFP for the selling of the Starbucks property. URA Attorney Ryan Armbruster will assist Micah Austin in this process.

4. COMMUNICATIONS FROM THE PUBLIC

No comments

5. NEW BUSINESS

Sun Valley Economic Development Executive Director Harry Griffith presented the concept of two companies looking to move buildings to expand, and this program would help with some cost recovery (for fiber hook-ups). He is looking for a Municipal support letter from the URA and is seeking the URA to provide infrastructure to incentify these companies to come here. He did not give company name, however referred to both companies as software companies and talked about the jobs they would bring to the area. They've identified the Scott Building as a building they are interested in and it is located in the URA District. Harry Griffith explained that they are looking for a match of an unspecified value. He talked about the wording the URA would need to use to voice their support and the fact that the pre-application should be done in the next week. At this time, he is asking for URA support to be able to move forward.

Chair Baird Gourlay talked about what he knows about the project and voiced his support. Commissioner Gary Lipton asked how much money we are looking at. SVED Executive Director Harry Griffith advised that the expectation is between \$5,000 and \$7,000 for each company.

SVED Executive Director Harry Griffith has given Chair Baird Gourlay a proposed letter.

Motion to direct Chair Baird Gourlay to present a letter to SVED to support these potential companies to come to town.

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

a. Fiscal Year 2015-16 Financial Audit presentation (Grant Gager, Finance Director)

Chair Baird Gourlay introduced Finance Director Grant Gager.

Grant Gager introduced Dennis Brown, CPA auditor for the KURA. Dennis Brown presented an unmodified or clean opinion. He talked about the payback to the City of Ketchum and asked the Board for questions.

Commissioner Jim Slanetz questioned the in-lieu housing pay back. Dennis Brown explained that it is at the KURA's discretion. There was a discussion on how to move forward.

URA Attorney Ryan Armbruster talked about the arrangement with the City that has been entered into in the past. He believes the KURA has been handling the payback properly. Co-Chair Tim Eagan questioned if we should take the funds and pay off this debt. Director of Planning & Building Micah Austin explained how those funds should be used. The background of the funds received and how it should be paid back was discussed.

Motion to accept 15-16 audited Financials and direct the Director of Planning & Building Micah Austin to file appropriately with the Legislative Services Office.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Baird Gourlay, Commissioner
SECONDER:	Gary Lipton, Commissioner
AYES:	Eagan, Lipton, Siebel, Hill, Gourlay, Slanetz
ABSENT:	Mark Nieves

b. Discussion and approval of amended lease between the Ketchum Urban Renewal Agency and Cairde Group for commercial space at 491 Sun Valley Road (Ryan Armbruster)

Attorney Matt Parks is now present on the phone along with Ryan Armbruster.

Chair Baird Gourlay went over the lease in the packet and talked about what Cairde is offering. Attorney Matt Parks and Chair Baird Gourlay talked about including 1 deep cleaning per year.

Chair Baird Gourlay asked for comments. Director of Planning & Building Micah Austin expressed his gratitude to Chair Baird Gourlay and Attorney Matt Parks for the work they did on putting this lease together. Micah Austin then explained what would be included in the new lease. There was a discussion regarding window cleaning among Commissioner Gary Lipton and Attorney Matt Parks. Gary Lipton said the current lease is from the last administration and he is not a fan. He thanked Chair Baird Gourlay and Attorney Matt Parks for their work on this. The rent is retroactive to November 1, 2016. Gary Lipton questioned that in 5 years if this would need to be discussed again. Co-Chair Tim Eagan expressed his support of selling this building prior to that. Baird Gourlay reiterated that Micah Austin and Ryan Armbruster will work on an RFP.

Attorney Ryan Armbruster explained that the commissioners serve until a replacement is in place. Commissioner's term lengths were discussed.

Motion to approve resolution URA16-09 and allow Chair Baird Gourlay to sign.

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

c. Discussion and approval of preliminary cost estimates for an Owner Participation Agreement with Trail Creek Fund LLC (Micah Austin)

Chair Baird Gourlay moved this item up one space. Micah Austin Director of Planning & Building presented.

Co-Chair Tim Eagan has recused himself. Director of Planning & Building Micah Austin explained that there is an update since the packet was distributed and is in paper format in front of each Commissioner. Micah Austin talked about the cost estimates and what they encompass and about the placement of the power lines. He outlined what the applicant is offering. He went over the cost estimates and fee contingency numbers in the packet. Attorney Ryan Armbruster talked about the fees possibly being reimbursable.

Commissioner Jae Hill arrived at 2:33 p.m.

Chair Baird Gourlay asked for clarification on the fees.

Paul Conrad explained they are contractor fees and gave options on how they could be handled.

Director of Planning & Building Micah Austin continued with his presentation pointing out that the developer has dialed in the assessed value of the project. Micah Austin went over the tables in the packet and the dollar amounts and gave his recommendation. Commissioner Gary Lipton questioned the owner participation agreement and if it requires a C of O. Micah Austin explained that it does not but said the language could be added. The agreement is very similar to the Limelight agreement. It is a starting point and Attorney Ryan Armbruster still needs to review it.

Commissioner Gary Lipton asked Director of Planning & Building Micah Austin his opinion. Micah Austin believes the project will be a benefit to the city and is in favor. He is also in favor of the under grounding of the powerlines. Gary Lipton questioned the housing issue. Attorney Ryan Armbruster said that the housing issue is in the draft but needs to be beefed up.

Applicant Jack Barriteau, Trail Creek Fund LLC. explained he would like to extend all the way to Gem Street and would like to see the 5 years' reimbursement changed to 8 years.

Chair Baird Gourlay explained that staff is looking for direction no motion.

Jack Barriteau would hope this process could come together soon because of the condition he has with his lender. (By the end of January)

There was a discussion among the commissioners and Jack Barriteau and Paul Conrad as to how to move forward. Paul Conrad said they need to establish a not to exceed and explained how that works. The extension to Gem Street was discussed. Chair Baird Gourlay talked about the city's Comprehensive Plan. He recommended moving forward with the extension. All Commissioners were fine with the amount.

The annual revenue amount that will be given back to the developer and when that would start was discussed. Director of Planning & Building Micah Austin said to keep in mind that the URA will close in 2030. Chair Baird Gourlay said that he thinks somewhere between 5 and 8 years is fair. He is open to suggestions. Commissioner Shelly Siebel is ok with 8 years. Commissioners Jae Hill and Jim Slanetz brainstormed the reimbursement cost and process. Micah Austin talked about how the Limelight Agreement works and about the advantages and disadvantages of locking it at 8 years. Jim Slanetz is in favor of 6 years. Baird Gourlay talked about the benefits of paying back in 8 years. Jae Hill explained that he does not see a liability to us and explained how the reimbursement would work. Micah Austin explained it is in the developers best interest to pay off sooner. Jim Slanetz asked for Attorney Ryan Armbruster's opinion. Ryan Armbruster explained that in his experience each agency handles these all differently.

No motion is needed. Staff has been given direction.

Chair Baird Gourlay suggested that a matrix be discussed in a subsequent meeting

d. Discussion and workshop on KURA role in power undergrounding projects

Chair Baird Gourlay explained the history of the undergrounding project and that City Council would like to move forward in exploring an LID. There was a discussion that the URA would hire Dick Fosbury to put an RFP together and form an LID. He said that the city has put up \$120,000 and the URA is at \$100,000. Baird Gourlay explained what the petition is and how it would be brought to council. He explained what protest hearings are and what the percentages are based on. Baird Gourlay asked if

there was an estimate on Dick Fosbury's work. Director of Planning & Building Micah Austin explained that we do not have a cost estimate.

Paul Conrad asked if this needs to go for RFP. Director of Planning & Building Micah Austin explained that Dick Fosbury could just submit a scope of work. Attorney Ryan Armbruster explained what the URA and the City are looking at and if an RFP or RFQ is needed. Paul Conrad explained that 75 % of the engineering is complete and this is primarily a political issue to get the 66%.

Paul Conrad complimented the URA for the get it done attitude. He said that they wouldn't be doing this if they weren't confident that they could get it done. He thinks this the most reasonable and equitable way to make this happen.

Commissioner Jae Hill and Director of Planning & Building Micah Austin would like to see a detailed scope of service for phase I and a not to exceed amount so they could vote on this in January. KURA Attorney Ryan Armbruster outlined the process again.

e. Discussion and approval of proposed MOU between the KURA and the City Council for redevelopment of property owned by the Agency and the City (Ryan Armbruster)

Director of Planning & Building Micah Austin pulled this item for council approval first. It will come back to URA at a later date.

f. Discussion of paving the dollhouse lot for paid public parking (Micah Austin)

Director of Planning & Building Micah Austin explained that there is nothing in the packet on this. He talked about parking in Ketchum and about the possibility of paving the McAlvain parking lot after their lease is up and making it a paid parking lot. Commissioner Jae Hill was not in support and talked about why. Ideas were brainstormed among the commissioners. Commissioners agreed that parking is needed but do not want to pave. Chair Baird Gourlay and Micah Austin will talk to Don Shuster regarding putting gravel in the lot.

6. OLD BUSINESS

The disposing of property was discussed. Attorney Ryan Armbruster said that Idaho State Law requires an RFP.

Co-Chair Tim Eagan talked about the redevelopment of the property.

7. LEGISLATIVE UPDATES (Ryan Armbruster, KURA Attorney)

KURA Attorney Ryan Armbruster said that currently there are no major changes.

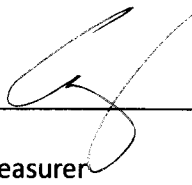
8. STAFF REPORTS

Chair Baird Gourlay thanked Co-Chair Tim Eagan for his years of service.

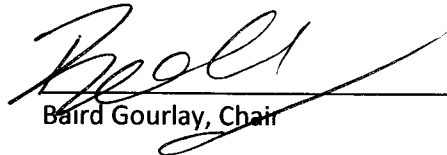
9. ADJOURNMENT

Motion to adjourn at 4:05 pm.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Baird Gourlay, Commissioner
SECONDER:	Gary Lipton, Commissioner
AYES:	Eagan, Lipton, Siebel, Hill, Gourlay, Slanetz
ABSENT:	Mark Nieves



Grant Gager
Secretary/Treasurer



Baird Gourlay, Chair