



Ketchum Urban Renewal Agency

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

Regular Meeting

~ Minutes ~

Tuesday, August 22, 2017

2:00 PM

Ketchum City Hall

Present: Chairman Baird Gourlay
Vice Chair Mark Nieves
Commissioner Cameron Packer
Commissioner Gary Lipton
Commissioner Shelley Seibel
Commissioner Susan Scovell

Absent: Commissioner, Jim Slanetz

Staff Present: Micah Austin, Director of Planning and Building
Ryan Armbruster – URA Attorney
Executive Director – Suzanne Frick
Grant Gager - Finance Director
Robin Crotty - Secretary

1. 2:00 PM- CALL TO ORDER

Chair Baird Gourlay called the meeting to order at 2:02 p.m.

2. CONSENT CALENDAR

Chair Baird Gourlay asked for approval of consent calendar.

- a. **Approval of Minutes: July 17, 2017 Regular Meeting**
- b. **Approval of Current Bills**

Motion to approve the consent calendar

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Mark Nieves, Vice Chair
SECONDER:	Cameron Packer, Commissioner
AYES:	Lipton, Nieves, Siebel, Packer, Scovell, Gourlay
ABSENT:	Jim Slanetz

3. COMMUNICATIONS FROM THE BOARD OF COMMISSIONERS

Chair Baird Gourlay rearranged the order of the agenda.

Commissioner Gary Lipton talked about the performing arts center tax revenue. He gave a suggestion to charge \$2.00 for each ticket until the URA is paid back. Chair Baird Gourlay will talk to Attorney Ryan Armbruster as to the legalities of that transaction.

4. COMMUNICATIONS FROM THE PUBLIC

5. NEW BUSINESS

a. Update and discussion on the Warms Springs Road sidewalk project

City Administrator Suzanne Frick gave an update on the status of the Warm Springs sidewalk. The City is not requesting any more money. Art is being incorporated. Project will move forward in October. The delay for this has been due to the initial cost estimate that didn't consider the full engineering needs of the project. She talked about the new estimate and advised that this project will go out to bid in the fall and there is full funding. Chair Baird Gourlay questioned the location of the sidewalk. Suzanne Frick explained the location to be 7th St to 9th St on the west side of Warm Springs Rd. The trees are being removed and a study is being done. Commissioner Gary Lipton questioned the dollar amount the KURA has donated. Suzanne Frick advised that it is \$314,575. Director of Planning & Building Micah Austin explained that those funds came from the URA in 2015. The URA funding has been spent on the design work. Suzanne Frick explained the process. Gary Lipton asked if the City will be coming before the KURA for any other upcoming projects. Suzanne Frick explained the cities goals. There was a discussion regarding the Estas Lot and community housing between Chair Baird Gourlay and Commissioner Gary Lipton.

b. Public hearing and approval of Fiscal Year 2018 Budget for the Ketchum Urban Renewal Agency

Treasurer Grant Gager explained that minor changes have been made to the proposed budget since the last meeting and asked the commissioners for their input.

Commissioner Gary Lipton requested more funding for SVED and KIC. There was a discussion among the Commission regarding how to move forward with awarding further funding to these organization. Chair Baird Gourlay questioned Treasurer Grant Gager as to where these funds could come from. Grant Gager explained that the overall budget will not increase however the commissioners can move funding around within the budget. All commissioners agreed that they support KIC and SVED and if they need more funding they need to come before them to request it.

Chair Baird Gourlay asked for public comment. There was none.

c. Approval of Resolution 17-URA8, the Appropriation Resolution, adopting a budget for Fiscal Year 2018 commencing October 1, 2017 and ending September 30, 2018

Motion to adopt Resolution No. 17-URA8, 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, 2017, and ending September 30, 2018, for all general, special, and corporate purposes; directing the Executive Director to submit said budget; and providing and effective date.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Mark Nieves, Vice Chair
SECONDER:	Shelley Siebel, Commissioner
AYES:	Lipton, Nieves, Siebel, Packer, Scovell, Gourlay
ABSENT:	Jim Slanetz

d. Discussion and approval of Quarterly Report for Sun Valley Economic Development, according the contract for services with KURA (Harry Griffith, SVED Director)

Sun Valley Economic Development Director Harry Griffith distributed packets of material for the commission. This is the 2nd quarter update. He updated the commissioners on business development and provided a list of companies that SVED is talking to. He presented an idea for the KURA to incentivize businesses. He talked about legislation coming forth in 2018 and what that means to the KURA and talked about project development and what they have been working on over the last couple of years. Harry Griffith talked about a human performance lab, culinary institute and the undergrounding project and supporting the Ketchum Innovation Center. Harry Griffith advised that the Quarterly members forum and the Annual Economic Summit is forthcoming.

e. Discussion and approval of Quarterly Report for Ketchum Community Development Corporation (KCDC), according to the contract for services with KURA (Jon Duval, Executive Director of KCDC)

Commissioner Gary Lipton advised that he is the board representative for KCDC and explained that 16 of the 17 offices are rented. He talked about the grants that are being worked on and the possibility of other grants coming their way and voiced his support of this organization.

Executive Director Jon Duval gave an overview of when KIC started 3 years ago and why. He talked about the programming and other services they provide. There are 105 companies registered with KIC. He showed a slide of the showcase and went over the successes to date as well as the target goals. He showed the estimated budget for next year and talked about estimated income. Jon Duval asked the commission for questions.

Commissioner Susan Scovell asked how KIC gets income and Jon Duval showed a slide explaining where all funding comes from.

Director of Planning & Building Micah Austin advised that Jon Duval's request meets all criteria for funding.

f. Presentation of budget request from KCDC for Fiscal Year 2018 (Jon Duval, Executive Director of KCDC)

Commissioner Gary Lipton asked if the group can give extra funding to SVED and KIC. Chair Baird Gourlay would like to talk about the budget before they make any motions. Director of Planning & Building Micah Austin said new contracts for services will come before the board at the next meeting.

6. FUNDING REQUESTS FOR PUBLIC INFRASTRUCTURE

a. Request from Argyros Performing Arts Center for public infrastructure located at 120 S. Main Street related to the proposed construction project within the Revenue Allocation Area

Director of Planning & Building Micah Austin explained that this is a request from Argyros. He spoke in support of the project and explained the sq. footage. The request is for \$285,000. Micah Austin corrected their figure to be \$265,000. He outlined what the improvements would be and talked about pages 28-72 in the KURA packet which is a summary of the funding request. The list of costs submitted by the applicant are also included in the packet.

Director of Planning & Building Micah Austin presented his recommendation. He talked about the Participation Policy Agreement and the fact that projects pay property taxes. He says the participation Policy Agreement cannot support this project and advised that the KURA has the right to approve this request. Micah Austin's summary to not fund the request is outlined in the packet and he voiced his concerns. He talked about all the benefits the theater will provide, and advised that it is challenging for us to support one nonprofit over another. We need to be able to defend our own policies. Micah Austin talked about another revenue source that can be provided to the URA to show that the debt will be paid. He talked about Commissioner Gary Lipton's suggestion and advised that he will have to work with

Attorney Ryan Armbruster to work out the details. He talked about going into an agreement that would outline the goals.

Commissioner Gary Lipton questioned the use of In-Lieu fees and Director of Planning & Building Micah Austin explained. Attorney Ryan Armbruster said we would not have the authority to implement a tax but we could enter into a contractual obligation.

Applicant Jim Garrison understands this is a hybrid request. He disagrees with the conclusion. He agrees with the ability to fund projects as they come before the KURA. Jim Garrison talked about the definition of discretion and discretionary. He talked about the things in Micah Austin's report that he agrees with and what he disagrees with. He talked about mistaken assumptions regarding tax reimbursement profiles and said this project deserves the full support of the board.

Attorney Jim Laski talked about the funding request and about tax increments. He said that commissioner Gary Lipton's suggestion will not work. He talked about funding nonprofits and about the benefits that will already go to the City. Jim Laski referred to a City Council discussion on April 17th where they talked about what could be funded by the KURA. He asked the commissioners to deviate from their original plans and approve this request.

Attorney Ryan Armbruster explained that the agency is going to have to decide if this is a type of improvement they want to fund. Applicant Attorney Jim Laski said they were not asking for pre-funding of improvements however, he questioned why they cannot enter into a refund for infrastructure like other projects have done. Director of Planning & Building Micah Austin spoke to justify his recommendation and what is expected of the KURA. Jim Laski advised that this project is different. This is a nonprofit with a public benefit.

Chair Baird Gourlay asked the board how they feel about working around the rules. He thinks this a wonderful project; however, he has concerns about other projects coming before them that would be asking for that kind of funding.

Commissioner Susan Scovell asked what the other projects were that were in the plan. Director of Planning & Building Micah Austin explained public infrastructure. Susan Scovell pointed out that the City has already given a great deal to this project however she would be interested in more conversations on this topic. Vice Chair Mark Nieves agrees that this is a good cause but he disagrees that all nonprofits should be treated the same. He is in support of the project; however, he is struggling with the request. He explained what funds are available to the KURA for funding. He's not against reimbursement. He talked about what amenities he would eliminate to make this ask more palatable. Commissioner Shelley Seibel is willing to take this discussion further but she has the same concern as Mark Nieves with the dollar amount and suggested modifications. Gary Lipton would like to know more about the sidewalk project so he knows what funds the commission has to work with. He asked what a nonprofit does with the profit they make. Applicant Attorney Jim Laski said they use it on programming in future years and further explained nonprofits. Gary Lipton said there are a lot of hurdles.

Chair Baird Gourlay summed up that the board is willing to negotiate a lesser number. He doesn't know what the number is. This will have to come back to a future meeting. Applicant Jim Garrison agrees that this is a reasonable approach and responded to Vice Chair Mark Nieves suggestion. He talked about Commissioner Gary Lipton's question regarding the profits and how they are spent.

Chair Baird Gourlay asked to continue this topic to the September 18th agenda. Commissioner Gary Lipton talked about the Commissioners responsibilities.

b. Request from Ketchum and Mustard LLC for public infrastructure located at 620 North Main Street related to a proposed construction project within the Revenue Allocation Area

Director of Planning & Building Micah Austin introduced the project and explained that they are building a new coffee shop for the Bellemont Hotel for breakfast and lunch. It has gone thru Planning & Zoning but has not applied for a building permit yet. They are requesting \$17,000 for curb and gutter in front of the coffee shop. Micah Austin has been working with Paul Conrad. It is a 3-year payback to the board if we fund the full \$17,000 request. He recommends we don't do the reimbursement agreement but move forward as the commission is with the Webb project.

All commissioners are in favor.

Paul Conrad explained the submittal may be stalled until Spring. They could create a funding policy to show it's good until end of 2019.

Motion to fund the \$17,000 out of next year.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Gary Lipton, Commissioner
SECONDER:	Shelley Siebel, Commissioner
AYES:	Lipton, Nieves, Siebel, Packer, Scovell, Gourlay
ABSENT:	Jim Slanetz

c. CONTINUED FROM MAY 15: Request for KURA funding from Doug Webb for public improvements related to the 8th and Washington mixed-use project

Director of Planning & Building Micah Austin explained that the board was in support of option 1 but had questions regarding option 2. Micah Austin reached out to Cindi Bradshaw at Idaho Power for assistance in moving the power boxes. He talked about the cost that is involved in the moving of the power box and suggested not getting involved in Option #2.

Cindi Bradshaw with Idaho Power talked about the high-level review that has been completed and advised that conductors would have to be replaced. She does not know when the project could be completed.

Director of Planning & Building Micah Austin refreshed the commission on option 1 and the cost. He talked about option 2 and talked about what the commission would see in taxes. The number of parking spaces and the right of way was discussed.

Commissioners Lipton & Seibel are both in agreement with option 1 to fund \$16,830. Vice Chair Mark Nieves told Cindi Bradshaw that they believe the boxes were not placed properly in the beginning. Cindi Bradshaw advised that she is not familiar with the projects that caused the boxes to be placed where they are. The board all agreed with Option 1.

Attorney Ryan Armbruster suggested the commission authorize Executive Director Suzanne Frick, Finance Director Grant Gager and himself to put together a grant agreement to put before the commission for approval at the next meeting.

Motion to approve request for \$16,830 from Doug Webb represented by Matt Walker.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Baird Gourlay, Chair
SECONDER:	Mark Nieves, Vice Chair
AYES:	Lipton, Nieves, Siebel, Packer, Scovell
ABSENT:	Jim Slanetz

7. OLD BUSINESS

a. Discussion and approval of letter from City of Ketchum accepting the property located at 491 Sun Valley Road

Director of Planning & Building Micah Austin talked about the timeline. The resolution can be on the agenda for the September meeting. There was a discussion of when and how to make this happen. Micah Austin offered a suggestion of purchasing property. It was decided that Chair Baird Gourlay and Micah Austin will continue to work on this.

b. Discussion and approval of final lease agreement between KURA and City of Ketchum for a parking lot on the "Dollhouse" lot.

Attorney Ryan Armbruster offered a summary of the contract and relevant modifications requested by the City. These changes included alterations to termination, City's rights of use, and rental provisions. Chairman Gourlay offered further background on the City's position given his role as a Councilman. Commissioners inquired about the status of environmental remediation that may be necessary on the site given its earlier usage as a construction ground. Ryan Armbruster clarified for the Commissioners the specifics on termination and reasons for the requested changes.

8. LEGISLATIVE UPDATES (Ryan Armbruster, KURA Attorney)

none offered.

9. STAFF REPORTS

a. Update on selection of a consultant to complete the Northwood Natural Area study for public access.

Director of Planning & Building Micah Austin clarified that there is no update on this item. He advised that the City may come to ask for further funds.

10. ADJOURNMENT

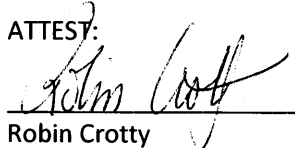
Motion to adjourn at 4:27 p.m.

RESULT:	ADOPTED [UNANIMOUS]
MOVER:	Baird Gourlay, Chair
SECONDER:	Susan Scovell, Commissioner
AYES:	Packer, Lipton, Nieves, Gourlay, Slanetz, Seibel, Scovell
ABSENT:	Jim Slanetz



Baird Gourlay, Chairman

ATTEST:



Robin Crotty
Secretary