



Ketchum Urban Renewal Agency

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

Regular Meeting

~ Minutes ~

Monday, October 16, 2017

2:00 PM

Ketchum City Hall

Present: Chairman Baird Gourlay
Commissioner Cameron Packer
Commissioner Gary Lipton
Commissioner Susan Scovell
Commissioner, Jim Slanetz

Absent: Vice Chair Mark Nieves
Commissioner Shelley Seibel

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

1. 2:00 PM- CALL TO ORDER

Chair Baird Gourlay opened the meeting at 2:00 p.m.

Chair Board Gourlay amended the agenda to include the Kneebone LLC project. Director of Planning & Building advised that the reason it was not on the agenda was because he forgot to add it.

Motion to approve the addition of the Kneebone LLC project the agenda.

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

2. CONSENT CALENDAR

a. Approval of Minutes: September 18, 2017 Regular Meeting

Attorney Ryan Armbruster made corrections to the minutes.

b. Approval of Current Bills

Director of Planning & Building Micah Austin pointed out the \$75,000 expenditure for the parking lot on the bills. Director of Finance Grant Gager gave an update on the parking lot status.

Motion to approve the consent agenda.

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

3. COMMUNICATIONS FROM THE BOARD OF COMMISSIONERS

Commissioner Jim Slanetz talked about projects approved for funding and voiced his opinion of cutting back on funding smaller projects and his reasons for support of larger projects.

Commissioner Gary Lipton advised that Tim Mott from the Sun Valley Performing Arts Center reached out him and he will have a report at the next meeting.

Chair Baird Gourlay advised he has a report from Jack Barriteau on the Auberge project and suggested the URA consider putting in temporary landscaping for that site. Commissioner Gary Lipton advised he does not agree that the KURA should spend any money and that P & Z should put this type of situation on the application.

4. COMMUNICATIONS FROM THE PUBLIC

Jim Hungelmann voiced concerns about how the KURA spends their money. He is not talking about one project in particular. He talked about transparency and asked to be pointed in the right direction for a resolution giving direction as to why the KURA was enacted. Chair Baird Gourlay gave suggestions as to how and why URA's were formed and talked about the KURA's missions.

5. NEW BUSINESS

Director of Planning & Building Micah Austin presented the Kneebone LLC application. The request is for public improvements in the right of way. He talked about project questions and the cost of 4.4 Million dollars as well as the requested funding and how that fits into the KURA formula. Micah Austin talked about the participation policy and the timing of the request.

Applicant Steve Kearns representing Kneebone LLC talked about the support the project has received from the community. He advised that they did not know this type of funding was available from the KURA and had they known they would have applied. He talked about his support of the KURA funding smaller projects and the fact that the KURA will see tax increments from this project.

Chair Baird Gourlay advised that the participation agreement has not worked very well and talked about projects finding out late about applying for funding from the KURA. He talked about amending the agreement or making an exception and talked about his support of small projects as well as larger projects.

Commissioner Gary Lipton questioned how the KURA handled the last request and is conflicted but is leaning toward helping this applicant out.

Commissioner Jim Slanetz agreed that this is a good project and talked about public benefit. The project is done and the money can be spent on other things at this point. He is leaning toward not funding projects like this going forward.

Commissioner Gary Lipton talked about the KURA's support of Trail Creek and the timing. He said that the KURA is here for everybody and voiced concerns over only supporting the larger projects. The KURA should not be biased.

Commissioner Cameron Packer agrees with Jim Slanetz and the need to have a discussion regarding priorities. She wants to focus on things that have a bigger public benefit.

Commissioner Susan Scovell questioned housing and what was provided. She advised that she is new to the board and talked about the improvements that were already there prior to the start of this project. She does not see what improvements they are asking for. As a compromise she would consider giving less money. She agrees that P & Z should make the applicants aware of applying to the KURA for funding. Director of Planning & Building Micah Austin advised that staff should not be the ones that should be alerting applicants that they should apply for KURA funding. Chair Baird Gourlay advised Commissioner Susan Scovell of other improvements that have occurred at the site. Baird Gourlay asked if she had a number in mind. Susan Scovell advised she thinks the last 3 could be taken off. The formula for the \$61,000 ask was discussed.

Applicant Steve Kearns clarified that curb gutter and sidewalks had to be re-engineered.

Chair Baird Gourlay talked about allocating money. Commissioner Jim Slanetz suggested 50% for two years. Baird Gourlay is in support of giving the applicant the full amount and is in support of these types of projects.

Director of Planning & Building Micah Austin would like to bring this back to the November meeting.

Motion to continue to the November meeting.

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

a. Discussion and approval of a reimbursement agreement with Sun Valley Performing Arts LLC for public infrastructure associated with the Argyros Performing Arts Facility

This item will be continued per Argyros request.

Changing the November 20th meeting was discussed.

Motion to continue discussion and approval to the November 20, 2017.

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

b. Quarterly update from Sun Valley Economic Development and approval of contract payment

Director of Planning & Building Micah Austin talked about the contract that was approved for \$15,000. He talked about the quarterly installment that the board pays and the requirements of Harry Griffith's quarterly reports.

SVED Director Harry Griffith distributed a handout to the commissioners and explained the format of the report. He talked about the metric in the report and talked about the major activities for business attraction and about the 4 current projects in the works. He talked about the 2016 profiles and what has been completed and about business retention. The lack of retaining employees was pointed out and how that relates to housing. Harry Griffith talked about modeling of scenarios for commercial projects and SVED's involvement. Commissioner Gary Lipton questioned changing codes and how we approach that.

Harry Griffith talked about the Comp Plan and what that encompasses, project development and what has been accomplished and the change of directorship in the KIC and his support of their mission. He talked about other innovation projects as well as middle income housing and what they have done over the last number of months regarding this need and about organizational development and what that involves as well as the upcoming summit.

Commissioner Jim Slanetz questioned business retention and lobbying at the state level for internet sales tax and the importance of protecting bricks and mortar. Harry Griffith advised they could advocate and will be meeting with commerce and will raise this issue.

Harry Griffith advised that the KURA has been a great supporter and talked about additional things SVED could do for the KURA for additional funding. Commissioner Gary Lipton suggested getting an outline from Harry Griffith and they could entertain further funding in the future.

Motion to approve quarterly report from Sun valley Economic Development and authorize the quarterly installment.

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

c. Discussion of proposed Special Warranty Deed transferring property from the KURA to the City of Ketchum- documents will be presented at the meeting

Director of Planning & Building Micah Austin outlined the last meeting where the board approved the transfer of the 491 building to the City of Ketchum. The draft warranty deed language was distributed to the commissioners.

Attorney Ryan Armbruster advised the commission to take the time to understand what this transfer and deed restriction means to the board. He talked about what KURA needs to do with the current tenants. This would-be a declaration that the KURA would sign and have recorded.

Attorney Ryan Armbruster explained the declaration and the deed restriction in detail. Director of Planning & Building Micah Austin clarified that after this is recorded it would then be transferred to the City. Ryan Armbruster talked about enforcement of the deed. Commissioner Gary Lipton talked about Attorney Ryan Armbruster's letter and the last bullet point and his concern. He questioned if the City sells the property in the future where the money goes since the building was bought with public funds.

Commissioner Jim Slanetz asked Ryan Armbruster to address disposition of City property. Ryan Armbruster talked about the residential component and explained that "public purpose" would need to be spelled out.

Chair Baird Gourlay questioned the board's care regarding the floors above the first floor. He suggested that we add that no more than 50% of the ground floor be for retail or commercial and the remaining needs to be public.

Commissioner Gary Lipton talked about the need for a futuristic agreement. The restrictions of selling the property was discussed. Gary Lipton wants the City of Ketchum to retain 51% of the ownership. Director of Planning & Building Micah Austin suggested the City retain 100% of the building but could lease space. Chair Baird Gourlay voiced concern over that idea because it would be impossible to get a public private partnership. Commissioner Gary Lipton suggested adding an addendum that shows this boards wishes. Wording for the deed will be brought back at a future meeting.

d. Discussion of KURA priorities and project funding direction

Director of Planning & Building Micah Austin voiced his concern about the small projects coming to the KURA. He talked about project funding capabilities and where this board wants to go in the future. How funding has evolved since he took over the Commission in 2015 was discussed. Micah Austin distributed a list of projects approved in 2010 and explained that there is less than 13 years left in the KURA funding process. Micah Austin went over each project and how much money has been committed and advised that this board can amend this plan only one more time without penalty. Attorney Ryan Armbruster explained the amendment process. Micah Austin explained that the plan gives guidance. Commissioner Gary Lipton voiced concern that the commissioners cannot commit to this plan. Commissioner Jim Slanetz clarified that the board cannot complete all of these but they can pick and choose what they choose to complete.

Director of Planning & Building Micah Austin questioned Attorney Ryan Armbruster on the weight of this plan. Ryan Armbruster explained that the plan does have some weight. It is apparent that we wanted to do a lot more than we are going to be able to do. He does not think that anybody could sue the KURA for not completing all these projects identified in the plan. Chair Baird Gourlay requested this be brought back to the next meeting when all Commissioners are present.

Director of Planning & Building Micah Austin talked about the way in which the KURA budget is set up and what he needs to know from the KURA. The funding of smaller projects and assisting with the funding of affordable housing was discussed. Attorney Ryan Armbruster suggested collaborating with another entity and partnering with housing. He talked about property's which the KURA owns or has acquired and imposing a housing covenant.

Mayor Nina Jonas asked Ryan Armbruster if it is legal for the KURA and the City to partner on developing. Commissioner Susan Scovell asked if we can help assist unit by unit on deed restricted properties. Attorney Ryan Armbruster said pooling resources is great but the City and agency are not in the business of development. You might want to pool resources to hire a developer. How to proceed was discussed among the commissioners. Commissioner Gary Lipton suggested that the City Council and KURA give the KIC \$100,000. We may want to look at buying that location. He suggested public housing in that location. Parking would not be an issue.

Commissioner Jim Slanetz talked about short term verses long term and tax increment funding. This needs to be part of the consideration.

Chair Baird Gourlay would like this put on the next agenda.

6. OLD BUSINESS

a. Update undergrounding power efforts by Dick Fosbury

Dick Fosbury talked about burying power lines in the alley from 1st to 4th Street. He retained the services of an electrician, Matt Bauer with Altitude Electric. He talked about the meeting they had with Idaho Power and about the estimate of costs from last year's meeting that SVED Director Harry Griffith presented at a prior meeting.

Dick Fosbury advised that the LID would be done by the City not the KURA. He talked to the City Attorney about how they decided to move forward. He went over in detail what each of the lots would need and how he would proceed with talking to the property owners. He has prepared a worksheet that has been emailed to Chair Baird Gourlay and Director of Planning & Building Micah Austin this morning.

Dick Fosbury explained the cost would be approximately \$16,000 for a single lot based on the KURA and the City buying down and subsidizing this project. He advised that he understands the KURA is questioning if they want to move forward. He advised that it take him until December to talk to the property owners and get some answers for the KURA. He understands that there are a few property's that will not be in support of this project.

Chair Baird Gourlay questioned if these costs include hook up. Dick Fosbury clarified that the numbers presented do include the hook up costs. Commissioner Gary Lipton questioned if the property owners do sign up to do this, does it add to the individual's real estate costs. Dick Fosbury explained part of it is functional and part is aesthetics. He is unsure if it adds to the real estate value.

Commissioner Jim Slanetz questioned if there is an overage, who picks up the difference. Dick Fosbury was unsure and deferred to the City Attorney and how this has been done in the past was discussed. Dick Fosbury explained that until he gets 3/4 of the property owners to buy in, this is in the discovery phase. Chair Baird Gourlay explained that after the KURA buys into this they will move this forward to Mayor and Council.

Finance Director Grant Gager questioned the map and if the existing transformers will stay where they are or if they will be moved. Dick Fosbury advised they stay and there would be additional ones.

7. LEGISLATIVE UPDATES (Ryan Armbruster, KURA Attorney)

8. STAFF REPORTS

Director of Planning & Building Micah Austin presented Paul Johnson the creator of a 3D Map for the visitor center.

Commissioners stepped outside to view a map at 3:35 pm and returned at 3:38 pm. The 3D map is of the Wood River Valley and more.

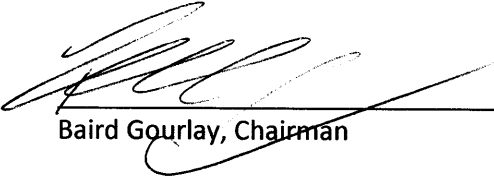
Motion to purchase the 3D map including installation for \$3,500.

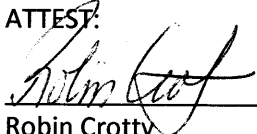
RESULT: ADOPTED [UNANIMOUS]
MOVER: Baird Gourlay, Chair
SECONDER: Gary Lipton, Commissioner
AYES: Lipton, Packer, Scovell, Gourlay, Slanetz
ABSENT: Mark Nieves, Shelley Siebel

9. ADJOURNMENT

Motion to adjourn at 4:19 p.m.

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


Baird Gourlay, Chairman

ATTEST:

Robin Crotty
Secretary