



Ketchum Urban Renewal Agency

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

Regular Meeting

~ Minutes ~

Monday, November 20, 2017

2:00 PM

Ketchum City Hall

Present:
Chairman Baird Gourlay
Commissioner Cameron Packer
Commissioner Gary Lipton
Commissioner Susan Scovell
Commissioner, Jim Slanetz
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 called the meeting to order at 2:02 p.m.

2. CONSENT CALENDAR

- a. **Approval of Minutes: October 16, 2017 Regular Meeting**
- b. **Approval of Current Bills**

Chair Baird Gourlay questioned if the 3d model of the County has been displayed in the Starbucks Building. Director of Planning & Building Micah Austin confirmed that it has.

3. COMMUNICATIONS FROM THE BOARD OF COMMISSIONERS

Chair Baird Gourlay explained that he and Mayor Elect Neil Bradshaw are concerned about the rising costs of the sidewalk from Grumpy's to Main Street. This topic will be placed on the January agenda. The KURA will be requesting a refund from the City to put toward other efforts. Director of Planning & Building Micah Austin explained the costs of engineering and talked about how the KURA could move forward with requesting a refund from the City.

4. COMMUNICATIONS FROM THE PUBLIC

- a. **KCDC report to KURA board (Kathryn Guylay, CEO Ketchum Innovation Center)**

Executive Director Kathryn Guylay gave an update on KIC. She distributed the P & L (Profit & Loss) for last year and explained that four people are looking at the three available spots today. She talked about her plans for moving forward and about the success of the Denning event. Kathryn Guylay talked about the work that is in front of KIC and explained that KIC is under budget on revenue because several other office clubs have opened. She went on to say that the competitive pricing has become a financial impact and KIC has been offering many services for free and that is resulting in a loss. The lease cost has increased. Commissioner Susan Scovell asked for statistics on KIC. Kathryn Guylay will forward a spreadsheet to the commissioners that will encompass information on companies that have graduated locally as well as have moved out of town.

Vice-Chair Mark Nieves gave suggestion on how the P & L should be presented in the future. Chair Baird Gourlay talked about the Chamber of Commerce moving into KIC and advised that SVED Executive Director Harry Griffith will be sitting on the board.

Commissioner Jim Slanetz talked about rental income on the P & L and it being a concern. Kathryn Guylay explained how they will be moving forward on this issue. Commissioner Shelley Seibel talked about the competition coming into town and how they will be addressing this and moving forward. Commissioner Gary Lipton questioned the funding from the KURA and increasing that amount. He would like to see the financials for KCDC going forward, as well as for the past 2 years. Kathryn Guylay confirmed that she'd provide.

Director of Planning & Building Micah Austin advised that the contract with KIC is in the packet. He talked about the quarterly reports that will be part of the January meeting. Commissioner Gary Lipton asked about the conversation that was had in the past regarding an additional \$10,000 contribution. Chair Baird Gourlay asked that the suggested additional contribution be put on the January agenda.

5. NEW BUSINESS

a. Discussion and approval of a reimbursement agreement with Kneebone LLC for public infrastructure associated with the Kneebone mixed-use project

Director of Planning & Building Micah Austin gave the background of the Kneebone project and talked about reimbursing the project \$60,000. Micah Austin suggested paying the \$60,000 and not require a Participation Agreement. He talked about the current policy and the exception that is being made. He reminded the board that at the last meeting the board was in agreement of funding this project.

Attorney Ryan Armbruster suggested if we do decide to fund this we may want to document why we are not following the Participation Agreement Policy.

Chair Baird Gourlay asked when the Kneebone project will start paying taxes. Director of Planning & Building Micah Austin advised that the Certificate of Occupancy was issued in July of 2017. Taxes will be due at the end of 2018. The KURA will not receive a tax payment until January of 2019. Applicant Steve Kearns explained the taxes were prepaid in 2017 to file the Plat. Baird Gourlay would like clarification on when the KURA will receive the taxes prior to paying \$60,000.

Chair Baird Gourlay would like to move forward with a Participation Agreement rather than paying the \$60,000. He talked about the reasoning of the KURA to consider the Participation Agreement after the fact.

Commissioner Susan Scovell is not in favor of funding this project. Commissioner Cameron Packer agrees with Susan Scovell and is concerned about the precedence the board would be setting. Vice Chair Mark Nieves is in agreement with Susan Scovell however he is in support of figuring out a way to justify paying this. Commissioner Jim Slanetz is also in agreement with Susan Scovell.

Susan Scovell questioned if the word is out to the public in regard to what the KURA can fund and the timing. Director of Planning & Building Micah Austin explained what the KURA should be focusing their efforts on and about a judgment call of the board and talked about his role with the KURA.

Commissioner Gary Lipton is in favor of funding. He does not think the KURA has advertised property what they can be involved with.

Applicant Steve Kearns gave the background of his request and explained that he was unaware of the funding that was available. He talked about changing the design review application so that applicants are aware of this funding at the beginning stages of their project. He believes this project has contributed to the downtown vibrancy and said that the KURA will get the tax increments.

Commissioner Gary Lipton asked if the condo on top is owned by a local and Steve Kearns confirmed that it is.

Chair Baird Gourlay said that any applicant in KURA zoning should have the ability to apply for funding. He believes this project fits into the KURA mission and he is in support of changing the application as Steve Kearns has recommended.

Commissioner Susan Scovell is still against approval. Councilor Cameron Packer agrees with Attorney Ryan Armbruster and would like it noted as to why an exception is being made. Commissioner Shelley Seibel talked about more transparency on what can be offered going forward. She questioned Attorney Ryan Armbruster on how we can approve this and what the wording should be if the board decides to approve. Ryan Armbruster gave examples of wording and talked about how the board wants to move forward in regard to what they want to fund and how they want the wording on the application. Shelley Seibel agreed is in favor. There was a discussion between Vice Chair Mark Nieves and Commissioner Jim Slanetz regarding the uniqueness of this request. Director of Planning & Building Micah Austin talked about the unique requests and a clear path moving forward. Baird Gourlay would like to get the plan on the agenda. He would like a retreat to be scheduled in January.

Commissioner Jim Slanetz suggested that the dollar amount be \$30,000. Commissioner Susan Scovell was in support of looking at \$30,000. Commissioner Cameron Packer was more in favor of the \$60,000 over the 5 years. Vice Chair Mark Nieves was in agreement with Cameron Packer.

Chair Baird Gourlay directed the agreement to be a Participation Agreement. Director of Planning & Building Micah Austin explained how the reimbursement works. Baird Gourlay gave suggestions on how to move forward with the \$60,000 and a Reimbursement Agreement for 5 years.

Motion for Micah Austin to draw a reimbursement for 5 years with a not to exceed \$60,000 for the Kneebone project.

RESULT:	ADOPTED [5 TO 2]
MOVER:	Mark Nieves, Vice Chair
SECONDER:	Gary Lipton, Commissioner
AYES:	Lipton, Nieves, Siebel, Packer, Gourlay
NAYS:	Susan Scovell, Jim Slanetz

Chair Baird Gourlay suggested the minutes from this meeting and the prior meeting to be used in the participation agreement.

b. Discussion of approval of Resolution 17-URA10 which approves a Quitclaim Deed to transfer property from the KURA to the City of Ketchum

Attorney Ryan Armbruster explained that after the discussion at the last meeting there is now a Quit Claim Deed to transfer the property to the City with no strings attached. He explained that in the resolution we did try to track how we got here. He quoted the wording in the Resolution. He said if the board agrees this will now go to the City Attorney for review.

Chair Baird Gourlay questioned the purchase of the property and the description of how the land should be used. Attorney Ryan Armbruster explained that this resolution is essentially outlining the transaction including the lot line adjustment.

Motion to approve Resolution 17-URA10 as proposed.

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

c. **Discussion and direction to staff to decline terrorism coverage on the insurance policy held with ICRMA**

Director of Finance Grant Gager explained the Terrorism Coverage Insurance Policy. He suggested declining the terrorism coverage and the reason for that.

Motion to decline terrorism coverage.

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

d. **Discussion and approval of a letter to the County Commissioners regarding the proposed tax exemption ordinance that would be detrimental to KURA funding (Ryan Armbruster, Attorney)**

Chair Baird Gourlay asked the board for any comments regarding the letter in the packet to the County Commissioners.

Finance Director Grant Gager advised the Commissioners that he attended a meeting last week with the County Commissioners and they would like to know how the KURA Commissioners feel about a work force housing effort and if they would be in support. Attorney Ryan Armbruster explained the rights the county has. Grant Gager explained that any multi family unit over 4 units is commercial. Director of Planning & Building Micah Austin recommended there be no exemptions in the KURA area.

Chair Baird Gourlay suggested that the board should approve the letter in the packet.

Motion to approve the Draft letter in the packet to the Blaine County Commissioners.

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

6. **OLD BUSINESS**

a. **Continuation of discussion of KURA priorities and project funding direction (Micah Austin, Planning and Building Director)**

Chair Baird Gourlay suggested a round table event to open the topic of funding priorities to the public and have a retreat to discuss how they want to move forward.

Director of Planning & Building Micah Austin would like the board to think about which projects are the top priorities and which are the least. The current list will be impossible to achieve in the next 12 years. The list will need to be reevaluated. Micah Austin talked about a future resolution and what it would

consist of. He talked about Steve Kearns application and the timing of when the participation agreement funding rules went into place.

Chair Baird Gourlay gave Director of Planning & Building Micah Austin direction to send the commission an updated list of projects and outline what has been completed. He then directed the board to go thru the list and outline what projects they would like to continue moving forward with and what they would like removed from the list.

7. **LEGISLATIVE UPDATES (Ryan Armbruster, KURA Attorney) - none**

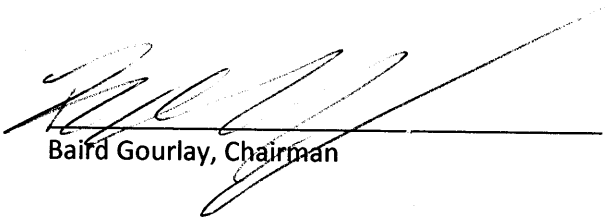
8. **STAFF REPORTS**

Finance Director Grant Gager advised the commissioners that all required submissions have been made and the funding sources are secure. He also advised that the parking lot at Washington is open and the Kiosks are working. We have received \$63 in revenue.

9. **ADJOURNMENT**

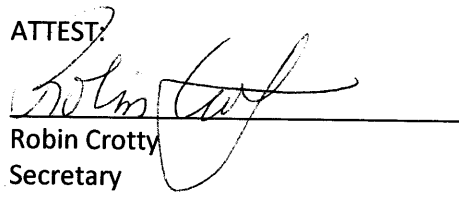
Motion to adjourn at 3:52 p.m.

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



Baird Gourlay, Chairman

ATTEST:



Robin Crotty
Secretary