



Recorded

**SPECIAL MEETING OF THE KETCHUM  
URBAN RENEWAL AGENCY  
February 21, 2012**

**Commissioners present:** Vice-Chairman Trish Wilson  
Commissioner Randy Hall  
Commissioner Larry Helzel  
Commissioner Nina Jonas  
Commissioner Curtis Kemp  
Commissioner Trina Peters

**Commissioners absent:** Chairman Mark Eshman

**Also present:** Executive Director Gary Marks  
Attorney Susan Buxton  
Ketchum Community and Economic Development Director Lisa Horowitz  
Recording Secretary Sunny Grant

**1. The meeting was called to order by Vice-Chairman Trish Wilson at 5:18 pm.**

**2. Communications from the Public**

Phyllis Shafran said the new website was really great, but minutes have not been posted since November 7.

At the January 3<sup>rd</sup> meeting, the City Attorney said she would review property management language in the Starbucks lease to see who was to do cleaning and maintenance work in the Visitors Center building. CED Director Lisa Horowitz said the City would have a full discussion on the janitorial and maintenance question at the March 12<sup>th</sup> meeting. Staff feels the Ketchum Urban Renewal Agency is responsible for fixing things that break, and that Starbucks and the Visitors Center are responsible for ongoing janitorial work, snow removal, etc.

Shafran said new URA Chairman Mark Eshman suggested the URA needed a separate attorney due to conflict of interest, and also needed to not use Ketchum City staff.

Shafran asked if the reimbursement to the Ketchum General Fund for \$8,700 was monthly, quarterly, or annual. Executive Director Gary Marks said he would have Ketchum staff answer the question.

Shafran asked what SBS Associates was. Marks said it was the Ketchum URA's lobbyist in the Idaho Legislature. There are serious URA issues in Idaho right now.

Doug Brown, Wood River Economic Partnership, thanked the URA for their website. It's very helpful to people who don't understand what the URA is.

**3. URA LEGISLATION**

Executive Director Gary Marks said some legislation detrimental to Idaho URAs came close to being passed by the Idaho Legislature in 2009, and the Redevelopment Association of Idaho was subsequently formed.

Marks presented a report from The Redevelopment Association of Idaho that explains its purpose, a Code of Ethics and best practices for member URAs, and some examples of urban renewal projects in Idaho.

There are currently eight bills relating to URAs before the Idaho Legislature:

- H.B. 504 – requires new URAs to pass a resolution stating whether their Board is appointed or elected. Bill had some drafting problems and has been held up in the House Local Government Committee.
- H.B. 506 – eliminate all URA eminent domain authority. Although Idaho URAs have very limited eminent domain power, a local government agency has to have one of three powers—police power, the ability to impose tax, or the power to take property away—in order to issue bonds. This could strip URAs of the ability to issue tax-exempt bonds.
- H.B. 507 – requires a URA to have an urban renewal plan for every project undertaken.
- H.B. 519 – property tax exemption applies to local governments. After installing capital improvements and/or infrastructure, the property will not be subject to property taxation until the property is transferred or development begins.
- H.B. 547 – Judicial Confirmation Bill – issuance of a revenue requires an advisory election prior to judicial confirmation. If the vote does not pass, the URA must justify the need for a bond to a judge.
- H.B. 560 – kills URAs altogether.

- H.B. 562 – just introduced last week. Would exempt community college levies from the composite tax break of URAs, and would be a reduction in revenue to URAs. This bill would not have a direct impact on KURA.
- H.B. – just introduced today. Would require two-thirds countywide vote for any URA to issue bonds, which would probably kill any bonding effort related to urban renewal.
- A possible ninth bill that applies only to the Ketchum URA is an attempt to reform education funding by shifting schools off property tax funding and onto sales tax funding. The formula didn't work for four school districts in the state, including Blaine County, so these four school districts would be required to go through a levy process every few years. Any new school levies approved by the voters would no longer apply to URAs composite rate. This would cut KURA's revenue by about 55%, and we wouldn't be able to pay our bonds. Known passage by the Legislature of a bill that would cause one of its political subdivisions to default would cause at least one percentage point (costing millions of dollars across the state) increase to municipal financing throughout the State of Idaho and impact the entire state. It would be a significant increase in interest on the annual Idaho tax anticipation note which is typically for several hundred million dollars.

#### **4. Consent Calendar**

- Approval of minutes from the January 17, 2012 URA Board meeting**
- Recommendation to approve current bills**

Commissioner Nina Jonas will not approve bills until the maintenance question is cleared up. Commissioner Trina Peters also wants to know what time period the \$8,700 reimbursement to Ketchum covers.

**Commissioner Randy Hall moved to remove current bills and minutes from the Consent Calendar, seconded by Commissioner Nina Jonas. Motion passed unanimously.**

**Commissioner Trina Peters moved to approve the minutes of the January 17, 2012 URA Board meeting, seconded by Commissioner Nina Jonas. Commissioner Curtis Kemp abstained, since he was not present at the meeting.**

**Commissioner Randy Hall moved to approve bills, seconded by Commissioner Curtis Kemp. Motion passed with five in favor and Commissioner Nina Jonas opposed.**

#### **5. ADJOURNMENT**

**Commissioner Curtis Kemp moved to adjourn at 5:43 pm. Motion seconded by Commissioner Randy Hall, and passed unanimously.**

  
TRISH WILSON,  
Vice-Chairman

ATTEST:

  
SANDRA E. CADY, CMC  
Secretary/Treasurer