



Urban Renewal Agency Minutes

Monday, October 8, 2018, 12:00 PM

Council Chambers
203 Main Avenue East- Twin Falls, Idaho

Members: Dexter Ball, Perri Gardner, Suzzane Cawthra, Rudy Ashenbrener, Cindy Bond, Andy Hohwieler, Doug Vollmer

1) Confirmation of Quorum/Call Meeting to Order

Present: Dexter Ball, Rudy Ashenbrener, Suzzane Cawthra, Doug Vollmer, Andy Hohwieler and

Absent: Cindy Bond

Staff Present: Nathan Murray, Executive Director; Leila A. Sanchez, Recording Secretary, Fritz Wondolowski, Finance Director, and Nikki Boyd, Council Member.

Chairman Ball called the meeting to order at 12:00 PM. A quorum was present.

2) Consideration of Amendment(s) to the Agenda

None.

3) Consent Calendar

- a) Request to approve 1) Minutes for September 10, 2018 meeting; 2) September 2018 Financial Report; 3) October 2018 Accounts Payable.

MOTION: Rudy Ashenbrener moved to approve the consent calendar. Andy Hohwieler seconded the motion. Roll call vote showed all members present voted. 6 to 0.

4) Reports/Updates

- a) Executive Director's Report

Update on 160 Main Avenue. Site improvement costs are less than what was initially anticipated. The City is applying for a grant to assist towards the funding of the parking structure, as well as looking at giving some land to the Urban Renewal Agency as a value-in-kind. The next meeting with the developer is scheduled for Wednesday, October 10, 2018, and anticipate having an agreement in place for URA Board approval next month.

Request to purchase property from the URA. Electric One West would like to purchase a strip of property 40' x 300' from the URA for the purpose of expanding their site. The URA is required to transfer property by competitive process which is a RFP. In that RFP, stipulations would include the property purchase would not be speculative and a value based transfer exists, meaning we would receive either an improvement or compensation for the property that constitutes redevelopment. Staff will advertise the RFP to see what types of responses are received. The response will be brought before the Board in November or December. A property management disposition policy is in place.

Strategic Planning & Goals and URA 101 training discussions will be held in November or December.

Jason Brown, Environmental Coordinator with the City of Twin Falls, will discuss the state of water in our community. Jason Brown has an extensive background in sewer, wastewater treatment and water.

Rick Naerebout, Chief Executive Officer, Idaho Dairymen's Association, will discuss milk supply and the state of the industry in our valley.

b) Water Supply Update

Jason Brown presented the update.

As an Engineering group, we put planning documents together that helps to project a 20 year horizon and beyond. This helps to manage growth and also manage a resource for water and wastewater and any infrastructure improvements we may see as that growth goes on. After reviewing the documents, we are sitting in a good spot and a good location for the City of Twin Falls in growth and projection in residential, commercial and industrial as we look at a 20 year planning horizon. We try to keep that information up to date and in the last couple of years we have gone through a process of looking at our water supply and water distribution system. With the City Council's approval we have completed some nice increases with the new industries coming into town. Clif Bar and Chobani were a part of that and helped us get some reservoir capacity as well as our water system. As Twin Falls continues to grow, projections are good. On the wastewater side, as many of you know, a few years ago the citizens passed a bond for the wastewater treatment plant. That really gave us a good opportunity to grow. We continue to look at bits and pieces, but currently our wastewater discharge, or what we take into the plant, is about 8.5 to 9 million gallons per day. In our current design capacity, it is about 18 million gallons a day. This gives us a pretty good buffer to allow residential, commercial and/or industrial growth in the community. I believe the City Council and the citizens have set us up well looking down that horizon.

Discussion ensued:

-Chobani discharge is about 1 million gallons per day to the City of Twin Falls and takes in that same amount of water.

-Clif Bar discharge is 10,000 gallons per day. They are a baking facility versus a yogurt processing facility.

-Per household - average of 174 gallons per EDU (equivalent dwelling unit).

c) Milk Supply Update

Rick Naerebout, Chief Executive Officer, Idaho Dairymen's Association, presented the state of the milk supply for the area, in the state in general.

Milk flow is regionally from Magic Valley to Treasure Valley, Treasure Valley to Magic Valley on a regular basis. This is looked at more regionally and statewide as opposed to just local communities. In general, the industry right now is in the second, probably close to third, year of an oversupply situation. On average, there will be 1.5 million to a 2 million pounds of milk per day long to where we have excess milk that we are shipping out of state, pushing it out of the area trying to find a home for it to be processed. Generally, our dairymen have grown at a quicker pace that the processing capacity has grown to take in the milk they are producing. Today we are in a situation where we are talking to the City of Twin Falls, City of Jerome and other municipalities reaching out to see what opportunities for expansion processing facilities are in these communities because we do need something regionally in

the Magic Valley. About 70% of the industry is located in the Magic Valley area. This is where we are going to see a majority of growth in the surrounding communities around Twin Falls. We are in a good location to consider additional processing capacity. There is a desire for growth from our dairymen even in the face of economic downturn. We are suffering through a low pricing period but even in low prices we have a desire from dairymen to grow our family businesses and to bring out additional cows. At this point, dairymen know there is not an opportunity to grow because there is no place to process the milk. In fact, we are in the second fall in a row we have had dairymen notified that they are not going to have a home for their milk come January 1st when their contract with their buyer renews. We have seen, over the last two winters, some facilities depopulated and good dairies sitting empty because we don't have enough processing capacity to handle all the milk supply.

We would encourage the City of Twin Falls and URA agencies like yourselves to look at dairy as a great opportunity. We are a very stabilizing effect on your regional economy. You go back to 2009, the worst recession any of us have lived through, and also the worst time period any dairymen today have lived through and losses that wiped out generations of wealth. In the face of economic downturns, we only saw a little more of decrease of 3% of milk supply in the state of Idaho in that given year, the next year it increased 2%. Our dairy producers are very stable in terms of what they bring to the table in milk supply. That in turn keeps jobs in your Chobani factories and other places that are converting that milk to a finished product. From a municipality standpoint, dairy, and agriculture in general, is a very stable economic driver and a great backbone for our rural economies here. We encourage you to work with us in trying to find additional processing capacity and help us through this period of time. We have grown accustomed to the processing growing alongside the milk supply and a little bit disconnected right now so hopefully we can find a solution and find some new investment to come to this area.

Discussion ensued:

- Factors into the slowing of the demand for dairy products.

- Agreement with Canada and dairy industry. The agreement corrected Canada's trade practices. They subsidize the production of milk in Canada and with that subsidy they were overproducing their domestic market on their milk proteins. They in turn would take those milk proteins and dump them on the world market and depress world prices. Six months after the ratification of the agreement they are supposed to discontinue that practice.

5) Items of Consideration

- a) Consideration of a request to approve an agreement between the Urban Renewal Agency of the City of Twin Falls, Idaho, and Elam and Burke for legal services.

Nathan Murray summarized the topic of discussion as explained in the staff report included in the agenda packet. Approval of the agreement between Elam & Burke and the Urban Renewal Agency of the City of Twin Falls will allow a formal attorney/client relationship to be established, providing independent legal counsel to the Agency.

Nathan explained that currently there is no contract in place with the City Attorney and it is unknown what kind of expertise the individual may have. Legal services will not be paid for two parties. The Elam and Burke contract term is "as needed."

MOTION: Perri Gardner moved the Board to approve the agreement between Elam and Burke for a budget adjustment in the amount of \$30,000. Suzzane Cawthra seconded the motion. Roll call vote showed all members present voted. Approved 6 to 0.

- b) Consideration of a request to make a 'Finding of Necessity' to amend the boundaries of the Urban Renewal Agency of Twin Falls.

While showing the current URA area boundary map, Nathan Murray summarized the topic of discussion as explained in the staff report included in the agenda packet. A proposed boundary map was then shown.

Should the TFURA Board desire to amend the plan, they must make a 'Finding of Necessity' per Idaho Code Section 50-2005, and recommend to the Municipal Council that one (1) or more deteriorated or deteriorating areas as defined in this act exist in the identified area.

Staff recommends making a 'Finding of Necessity' that our boundaries be amended and will be forwarded to the City Council for their review. The amended boundary would then be filed with the State.

MOTION: Rudy Ashenbrener moved to request 'Finding of Necessity' to amend the boundaries of the Urban Renewal Agency of Twin Falls as staff laid out. Andy Hohwieler seconded the motion. Roll call vote showed all members present voted. Approved 6 to 0.

- c) Consideration of a request to approve a Quit Claim Deed to transfer 219 Shoshone Avenue North from the Twin Falls Urban Renewal Agency to Historic Ballroom, LLC.

Nathan Murray summarized the topic of discussion as explained in the staff report included in the agenda packet. The developer has spent the minimum amount to rehabilitate the building and the TFURA has spent the maximum amount on public utilities. The attached Quit Claim Deed transfers the property owned by the TFURA at 219 Shoshone Street North to The Historic Ballroom Building, LLC. The request is to authorize the Chair to sign the deed to turn property over to the Historic Ballroom, LLC.

Tyler Davis-Jeffers discussed the original agreement with the URA, what has taken place, and gave a general project update.

MOTION: Andy Hohwieler moved to approve a Quit Claim Deed to transfer 219 Shoshone Avenue North from the Twin Falls Urban Renewal Agency to Historic Ballroom, LLC. Perri Gardner seconded the motion. Roll call vote showed all members present voted. Approved 6 to 0.

- d) Consideration of a request to pay \$65,000 to Manaus, LLC for the completion of repairs following the termination of lease for 1851 Fillmore Avenue.

Nathan Murray summarized the topic of discussion as explained in the staff report included in the agenda packet. Staff is recommending that the Board accept the settlement offer with the condition that the Manaus Group sign a release relinquishing the TFURA of any further maintenance obligations for the parking lot.

MOTION: Suzzane Cawthra moved to approve the request to pay \$65,000 to Manaus LLC group for the completion of the repairs following the termination of lease for 1851 Fillmore Avenue. Andy Hohwieler seconded the motion. Roll call vote showed all members present voted. Approved 6 to 0.

6) General Input/Announcements - Public/Staff

None.

7) Upcoming Meeting(s)

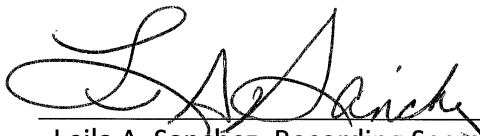
a) Wednesday, November 14, 2018 @ 12:00 pm.

8) Adjournment

a) Request to Adjourn to Executive Session 74-206(1)(c) to acquire an interest in real property which is not owned by a public agency.

MOTION: Perri Gardner moved to adjourn to Executive Session 74-206(1)(c) to acquire an interest in real property which is not owned by a public agency. Rudy Ashenbrener seconded the motion. Roll call vote showed all members present voted. Approved 6 to 0.

The meeting adjourned at 12:54 PM.



Leila A. Sanchez, Recording Secretary