THE URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS

Urban Renewal Agency
Minutes

Monday, March 11, 2019, 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:	Rudy Ashenbrener, Andy Hohwieler, Suzzane Cawthra, Perri Gardner, Dexter Ball
Absent:	Cindy Bond, Doug Vollmer
Staff Present:	Nathan Murray, Executive Director; Brent Hyatt, Assistant Finance Officer; Lorrie Bauer, Secretary; Jesse Schuerman, Engineer; Jonathan Spendlove, Planning and Zoning Director; Shayne Nope, City Attorney; Nikki Boyd, City Council Liaison; Don Hall, County Commissioner.

Chairman Ball called the meeting to order at 12:01 PM. A quorum was present.

2) Consideration of Amendment(s) to the Agenda
None.

3) Consent Calendar

a) Request to approve 1) Minutes for February 11, 2019 meeting; 2) February 2019 Financial Report; 3) March 2019 Accounts Payable.
MOTION: Perri Gardner moved to approve the consent calendar. Rudy Ashenbrener seconded the motion. Roll call vote showed all members present voted. Approved 5 to 0.

4) Reports/Updates

a) Executive Director's Report
Shade structures: Research is ongoing. Public input and discussion will be scheduled at a later date.
Jesse Schuerman, Staff Engineer, is creating a Scope of Work for a downtown transportation study. The document will be shared in the near future.

5) Items of Consideration

a) Presentation and Request for Approval of the FY2018 Audited Financial Statements.
Mr. Scott Hunsaker shared the results of the audit. He explained the audit process and that the URA is a very unique entity with fairly complex accounting. Internal controls were tested and they are in compliance. The audit process concluded an unqualified opinion.
MOTION: Andy Hohwieler moved to approve the FY2018 audited financial statements. Suzzane Cawthra seconded the motion. Roll call vote showed all members present voted. Approved 5 to 0.

b) Presentation of the 2018 Annual Report followed by a Request for Public Comment and

Request to Approve Resolution #2019-02 authorizing the filing of the 2018 Annual Report for the Urban Renewal Agency of the City of Twin Falls.

Nathan explained the Idaho law in regards to reporting an annual report. He then presented the 2018 Annual Report as attached to the agenda packet. He noted higher revenues this year mostly from the sale of the C3 building as well as higher spending due to the costly projects related to downtown. The report highlighted projects initiated and completed during the year. Chairman Ball asked for public comment and none was received.

MOTION: Perri Gardner moved to approve the report. Andy Hohwieler seconded the motion. Roll call vote showed all members present voted. Approved 5 to 0.

c) Request to Approve an Economic Feasibility Study and Eligibility Report in regards to a potential revenue allocation area.
Nathan introduced the agenda item relating to the South Washington area and its economic feasibility to become a potential allocation area. The draft report was included in the agenda packet along with the Resolution to be signed if approved. Mr. Kushlan explained the purpose and results of the report. Per State law, certain criteria must be met and the geographic area is eligible for an Urban Renewal program. Since the majority of the property in question is currently agricultural use, signed consent of the property owners is needed before final action of a new district can include those properties. Nathan agreed with the findings and recommended the Board approve the report to include editorial comments as well as possible edits from the legal counsel.

MOTION: Perri Gardner moved to approve the Economic Feasibility Study and Eligibility Report. Rudy Ashenbrener seconded the motion. Roll call vote showed all members present voted. Approved 5 to 0.

d) Consideration of a request to approve a Memorandum of Understanding between the Urban Renewal Agency of Twin Falls and the City of Twin Falls to execute design contracts for development near Washington Street South and Park Avenue.
Nathan explained the Memorandum is related to Project Tom, a potential dairy processing facility on Washington, as well as the previously approved Eligibility Report. In order to get utilities to the site in time to meet the needs of the developer, the Memorandum of Understanding (MOU) allows the City engineers to start the design work for new sewer and water lines and a roadway to initiate development on that site in which the URA would pay for. He shared there are funds not tied to a certain allocation area that could be used to pay for the design. Per our legal counsel, the risk is that we may not want to be in a position where the developer is relying on us to provide this work, in case we impede their progress in which we would become liable. He shared the developer may be able to work quicker if the design work was the developers' responsibility that way they could execute their contracts at a better cost than the City. The City really wants to be involved and get the upfront design items completed so they function and operate better. A meeting with the contractor for this project is scheduled for next Tuesday afternoon and more information will be available afterward. In order to be timely, we want to respond to the needs of the developer, but we also need to know who is going to be responsible for what. The design is estimated to cost $800,000. Discussion ensued.

MOTION: Perri Gardner moved to table this item until more meetings with the parties involved occur. Suzzane Cawthra seconded the motion. Roll call vote showed all members present voted. Approved 5 to 0.

e) Consideration of a repeal to the proposal by Summit Creek Capital to develop property owned by the Urban Renewal Agency of Twin Falls at 160 Main Avenue South.
Nathan recapped the history and explained that after 10 months, a substantial agreement has not been reached. The board was asked if they still feel confident in the proposal submitted by Summit Creek Capital, and if they want to continue to move forward with them. Concerns include the potential commitment to a parking structure and the delay of funding for the Developer.

Tyler Jeffers of Summit Creek Capital presented a project update. He began with a review of the original proposal consisting of a 34,000 sq. ft. building with a parking structure behind it; 1st floor would be office and retail, 2nd floor would be the anchor tenant who is currently under LOI, and two floors for lease residential. They have been working to secure new market tax credit funding which is only allocated once a year, at the end of January. The Federal shut-down led to a delay in the allocation of the tax credits which is now estimated for late April or May. They have been working on a contingency plan in the event of further delays or if they did not receive the credits. Sharing pictures, he introduced the 5th floor consisting of for-sale residential units as part of their contingency plan. The units would be a higher-end product, larger with a corner deck and nicer finishes than the leased units. He shared they believe this would help them fill the funding gap to maintain the initial objectives. When discussing this with community members, he shared they've received a positive response. The picture was only to show a scale of height, not the end product. Mr. Jeffers also shared they have a cap of constructions costs for the parking structure. He shared he would like time to look for interested tenants for the "for-sale" units and see if contracts can be negotiated. With the addition of a 5th floor, 2500 sq. ft. of parking space will be dedicated in the back of the building. Anticipate $650,000, each, for the 5th-floor units consisting of 1800 sq. ft. of living space, elevator access, possible roof access, and private deck.

Nathan Murray clarified that none of the parking being discussed is required. The City does not require any additional parking for that site.

Jonathan Spendlove, Planning and Zoning Manager, shared that a Special Use permit process will be needed for approval of anything over 50 feet which could take a few months.

Fran Florence explained what Twin Falls has accomplished as far as growth in the recent past and is excited for this type of project. He encouraged the board to go through with the project.

Discussion ensued. Mr. Jeffers requested a Committee Meeting next week to discuss the budget, capping the cost of a parking garage, and the development services agreement as well as a timeline for the source of financing including milestones to move forward with the URA.

MOTION: Perri Gardner moved to consider the request to repeal the proposal by Summit

Creek Capital. Rudy Ashenbrener seconded the motion. Roll call vote showed all members present voted. Declined 0 to 5.

6) **General Input/Announcements - Public/Staff**
Dan Brizee shared he was excited for the continuation of the 160 project. He also asked the Board to consider the use of the Downtown Commons for summer activities and the demolition of the building.

Perri Gardner requested a meeting of the Downtown Arts Subcommittee to discuss future art projects.

7) **Upcoming Meeting(s)**

   a) Monday, April 8, 2019 @ 12:00 p.m.

8) **Adjournment**
The meeting adjourned at 12:59 PM.

Lorrie Bauer

Lorrie Bauer, Recording Secretary