

This regular meeting of the Jerome Urban Renewal Agency was called to order at 3:00 p.m.

Present were Chairman Marjorie Schmidt, Commissioner Kathy Cone and Commissioner Jason Peterson. Commissioner Gary Warr joined the meeting at 3:05 p.m.

Also present were City Clerk Bernadette Gomes, City Administrator Mike Williams, Legal Counsel Ryan Armbruster and Assistant Finance Director Michelle Frostenson.

CONSENT CALENDAR:

Items in the consent calendar are as follows:

- A. Approve minutes of the March 1, 2018 regular meeting, March 1, 2018 executive meeting and March 23, 2018 special meeting
- B. Review and approve claims for March 2018
City of Jerome, \$4,126.57; EHM Engineers, \$787.50; Elam and Burke, Inc., \$2,388.60; Rexroat, Harberd & Assoc, P.A., \$4,300.00; US Bank, \$1,118,433.40; US Bank Credit Card, \$765.10
- C. Review and approve financial reports for March 2018

Commissioner Peterson made a motion to approve the consent calendar as presented. Second to the motion was made by Commissioner Cone. After consideration the motion passed unanimously by the following vote: **AYES:** Chairman Schmidt, Commissioner Peterson and Commissioner Cone. **NAYES:** None.

ON-CALL SERVICES AGREEMENT:

Mr. Williams reported staff had been looking at parcels pertaining to the Magic Valley Quality Milk Producers (MVQMP) facility and parcels in between MVQMP and Scott Jackson. These parcels could be a potentially new incremental area or they could be annexed into Area 2. Phil Kushlan with Kushlan Associates has extensive experience with urban renewal agencies as a director with the Capital City Development Corporation and consultant. The agreement presented to the board is for on-call services; it will allow the agency to have a contract with Mr. Kushlan and specify work by task order. The eligibility study task order is not to exceed \$7,500 and an economic feasibility report (Attachment 5 in the task order) is not to exceed \$10,000. Mr. Williams stated staff feels the agreement is reasonable. He is hopeful that by summer the eligibility report will be complete and the board will be presented with three options: create new urban renewal district, annex the parcels into Area 2, or do nothing.

Commissioner Peterson made a motion to approve the agreement with Kushlan Associates for on-call services. Second to the motion was made by Commissioner Cone. After consideration the motion passed unanimously by the following vote: **AYES:** Chairman Schmidt, Commissioner Peterson and Commissioner Cone, Commissioner Warr,. **NAYES:** None

FY2018-19 BUDGET SCHEDULE:

Ms. Frostenson presented the FY2018-19 budget calendar. She asked that priorities discussions take place in June as she will be unavailable in July, and briefly reviewed the budget

calendar. Staff will presenting the preliminary budget on August 2nd, notification of a public hearing will be published on August 9th, and the public hearing will be held on August 23rd.

Mr. Williams stated there may be a few reimbursement agreements but also additional revenue in Area 3. The Main Street Parking and Beautification Committee, formed by Mayor and Council by resolution, has been working on different options for beautification efforts in the downtown area. Their next regular meeting is on May 3rd at 3:30 p.m.; the engineering department is working on concepts for the Idaho Transportation Department (ITD) to consider. The board is invited to listen and participate in meeting. Committee members include downtown business owners and stakeholders plus a member of the trucking industry

Mr. Williams also stated the North Park Facelift Committee has presented impressive drawings to council for redesigning North Park and will need financial partners to assist with that project. Local businesses may be assisting financially.

Commissioner Peterson stated he will not be present for the urban renewal meeting on May 3rd. Staff is hopeful a new agency member will be present at that time.

LEGISLATIVE UPDATE:

Mr. Armbruster reported the legislative sessions have closed. In the last few days there was some response to the Idaho Supreme Court decision from the last session concerning the way in which a governor's veto can be acted upon and in under what time frame under the Idaho Constitution. The governor vetoed two bills, both unrelated to urban renewal, and the vetoes were not overridden. They may come up again during the next legislative session. There may be others when the redevelopment association puts together its annual summary of the legislative session.

There were two bills which would affect the agency as a public entity although not directly related to urban renewal. A change in the open meeting law will be effective on July 1st will require that notices and agendas be posted electronically if the entity maintains an online presence through a website or social media platform. At this time the Urban Renewal Agency (URA) does not have its own website but is linked through the city's website. Beginning July 1st the URA notices and agendas will be posted there. Additionally, action items on an agenda must be identified as such, and final action on an agenda amendment cannot be taken after the start of a meeting unless an emergency is declared. He does not see much of an impact on urban renewal meetings as items are generally presented prior to the start of a meeting.

SB 1274 made a few modest amendments to the public records law. The public entity is now required to formally declare the custodian of its records. Additionally, the information available to the public concerning any public employee or official will now include bonuses, severance packages, other compensation or vouchered and unvouchered expenses for which reimbursement was paid. Currently, the "gross salary amount" of an employee or official does not indicate any additional benefits, and this new requirement will provide that information. However, social security and driver license numbers will not be subject to disclosure.

The sessions were mild this year with the exception of the major tax reconciliation bill to conform with federal law.

STAFF REPORT:

Mr. Williams reported that he met with Mayor Davis regarding the board vacancy. A decision was made to advertise for interest on the board for ten days and applications will be

reviewed by an interview panel consisting of Chairman Schmidt, Mayor Davis plus one other individual. Staff hopes to present a name at the May 3rd meeting. Commissioner Peterson expressed his concern over the potential number of interested applicants; being in a small town he does not expect a long list. Mr. Williams stated that one unwritten rule in the selection process is that a board member be a resident of the city; statute does not require this but a city representative is preferred. A stakeholder or business owner who could contribute to the board would also be considered.

Brief updates were provided on Project Husker and Project Fraction. A list of items requested was received for which they would like assistance. Some of the items presented would not be eligible for assistance, but others might be. The actual increment value from their investment will be determined, and options for financial assistance will be presented to the board for consideration. Items eligible for assistance may include cyber mediation and gas upgrades to the area.

Commercial Creamery is moving forward. Engineering and contracting firms (EHM Engineers and Starr Corporation, respectively) have been hired and their water/sewer line plans have been approved by the Department of Environmental Quality (DEQ) and by city staff. Once numbers from EHM are received a reimbursement agreement will be developed and presented to the board for their consideration. Mr. Williams also stated the board should expect an invitation to Commercial Creamery's groundbreaking ceremony later this month.

Mr. Williams also reported a significant issue with Project Handy. The Oppenheimer Development Group (ODG) had been working with Bi-Mart and the College of Southern Idaho (CSI) on a multi-tenant development on Block 56. The Bi-Mart portion of the project is still moving forward and agreements are expected soon. However, the northwest quadrant of town is no longer considered to be a distressed census tract area and would not qualify for new market tax credits, a significant incentive for the CSI component of the project. The northeast quadrant of the city is now identified as the distressed census tract area; these designations are re-evaluated every five years via surveys. There is no process to challenge the designations at this time. Staff is hopeful that CSI will have a new facility somewhere in the future but not on Block 56 at this time. Jeremy Malone with the Oppenheimer Group expects to have agreements signed with groundbreaking this fall. The other parcel could be used for other businesses.

Upon inquiry by Commissioner Peterson, Mr. Williams explained that staff had met with Bi-Mart representatives to discuss options for development. They have been interested in the downtown area and are not driven by incentives to build so this designation (or lack thereof) will not affect their portion of the project. From an infrastructure stand point, their store will be easy to handle although Alder Road may need some redevelopment work for access. The company is very interested in building here and, and a significant retailer in the downtown area will lend itself to more opportunities. Mr. Armbruster stated the Oppenheimer Group is still in discussions with Bi-Mart and, for now, the second parcel can be held back until something can be developed. Mr. Williams stated there is a provision in the signed agreement which stated that the project could also be assigned to Bi-Mart if necessary. A fall groundbreaking is anticipated with an opening date some time in the spring. One issue with the property is development of the land due to the slope, and a disposition agreement will assist with costs to develop the land.

Mr. Williams reported that Pizza Hut will be relocating from its current building to another building (owned by Ridley's) in town as a pick-up and delivery-only restaurant. The building will be subdivided into two businesses with one of them being Pizza Hut; the other business will be identified at a later time. Having Pizza Hut relocated will revitalize that area as

the building has been empty for some time and will require considerable remodeling. Staff is hopeful to have a new business successful in the old Pizza Hut building to the south.

The Lynch project is underway with completion of the water line extension and road repairs. Construction will commence soon on the restaurant portion of the project; the entire project provides a clean entry way into Jerome at exit 165. Upon inquiry by Chairman Schmidt, Mr. Williams stated that status of the Marshall property is unknown at this time. The theater property is owned by the Lynch family and staff is hopeful that big plans for development are in the future.

Ms. Frostenson reported that Mr. Jackson picked up the \$500,000 reimbursement check.

ADJOURN:

There being no further business to discuss, Chairman Schmidt adjourned this April 5, 2018 regular meeting at 3:40 p.m.

Chairman Marjorie Schmidt

Secretary Jason Peterson