

This regular meeting of the Jerome Urban Renewal Agency was called to order at 3:00 p.m. Due to Governor Little's Stay-at-Home order, the meeting was held by teleconference. Council Chambers were closed to the public; the video conference was conducted via Zoom and was made available to all members of the public in a format that allowed all participants to hear the meeting, including all deliberations by members of the Urban Renewal Agency board and other speakers addressing the board, whether in person or via virtual connection, and to comment if so desired, all of which was noted in the agenda, email, and notices at council chambers and on the city's website.

Present were Chairman Gary Warr, Commissioner Kathy Cone, Commissioner Shonna Fraser, Commissioner Bryan Craig and Commissioner Jason Peterson.

Also present were City Clerk Bernadette Coderniz, City Administrator Mike Williams, Legal Counsel Ryan Armbruster, Accounting and Budget Manager Lori McCrae and Information Services Director Carlos Hernandez.

PLEDGE OF ALLEGIANCE:

Chairman Warr led the audience in recitation of the pledge of allegiance.

CONSENT CALENDAR:

Items in the consent calendar are as follows:

- A. Approve minutes of the March 5, 2020 regular and executive meetings and March 19, 2020 special and executive meetings
- B. Review and approve claims for April and May 2020
City of Jerome, \$1,302.32; Elam & Burke Inc., \$3,994.90; Rexroat, Harberd & Assoc, \$4,500.00; US Bank, \$967,991.88; Title One, \$51,680.92
- C. Review and approve staff financial reports for April and May 2020

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

LEGISLATIVE UPDATE:

Mr. Armbruster reported that the interim committee was authorized to discuss property tax relief and will take on "economic development and urban renewal." He stated a group called the Legislative Council will meet on June 6th to appoint interim committee members including co-chairs (one from House, one from Senate) who will schedule meetings, set up agendas, and gather information. He expects that the COVID19 pandemic situation will impact the ability for the committee to meet. Additionally, he stated that when assessments come out in a few weeks there could be a significant uprising with some counties as the assessments made earlier in the year may not reflect current market values. Mr. Armbruster further stated that, in Ada County, they have not seen a complete devaluation in properties, and he believes the interim committee will be pressured to take action before the legislative sessions resume in January. Additionally, with the elections coming up certain members may be seeking leadership positions, and he expects

difficult times ahead. Upon inquiry by Mr. Williams regarding potential co-chairs for the committee, Mr. Armbruster stated that there is some speculation on assignments but nothing has been confirmed. He spoke of Senator Jim Rice from Caldwell as he is the current chair of the local government taxation committee on the Senate side, and he helped sponsor and push the freeze bill earlier in the year. In 2016 there were approximately five members from each the House and Senate who chaired a committee.

DISCUSSION ON ECONOMIC DEVELOPMENT CONTRIBUTIONS:

Mr. Armbruster wanted to provide an update on information received and activities with other urban renewal agencies (URA's). With businesses significantly impacted by the COVID19 crisis and taxing entities being challenged with revenue constraints, URA's will most likely be contacted and pressured to provide assistance to get businesses back up and running and/or assist taxing entities in some way. On the economic development side of things, Mr. Armbruster stated that URA's do not have the legal authority to issue checks to businesses, but agencies will be asked for unique ideas on how to leverage revenue to provide economic assistance wherever possible. Another area of concern is showing favoritism amongst entities, and the board will need to be impartial and objective with decisions. He expects that agencies will be approached throughout the remainder of the year for assistance. Upon inquiry by Mr. Williams, Mr. Armbruster stated that at least one agency was approached by a business and asked for grant funds. He spoke of the guarantee of payments from programs, and financial assistance is being reviewed by agencies.

Commissioner Cone asked about businesses in Jerome and a sense of who may be struggling. Mr. Williams stated that the dairy industry has been struggling. He spoke with the manager at Agropur and was told that cheese prices were down by \$.50 per pound. He also stated that he has not heard of layoffs or issues with other businesses. He stated that in looking at businesses within URA districts, he has not heard of any businesses taking any drastic measures, and that no requests for assistance have been received as of yet. Commissioner Craig commented that most businesses affected in Jerome include restaurants and hair salons which are not supposed to be open (except for take-out business for restaurants), and that along Main Street most businesses are considered essential and still functioning. He inquired about the Jerome 20/20 grant funding, and Mr. Williams stated that at least 35 applications had been submitted. Commissioner Craig also commented on the self-employed who may qualify for grants and payments through the Small Business Association.

Mr. Armbruster also commented on the Capital City Development Corporation (CCDC) which operates several parking garages in Ada County; they gave two free months of parking to permit holders, and this is an example of a large reduction in revenue for them and an example of a business that would benefit from financial assistance. He also reiterated the importance of evaluating constitutional and statutory limitations that URA's have in providing assistance.

STAFF REPORTS:

Mr. Williams provided updates on several ongoing projects:

Project Supro – looking at developing a parcel of land, and the company would like to break ground this summer, however, they are needing natural gas extended to the site. Mr. Williams stated that staff is waiting on options from Intermountain Gas and that multiple scenarios were presented to them as there are several natural gas lines in the area. Options included extending a gas line through an easement under the railroad tracks (a potentially costly

option); extending a gas line to provide service to the entire subdivision; and, extending the gas line from S. Tiger Drive with an easement through Idaho Milk Products (IMP). Staff hopes that future conversations will result in decisions made, and that Project Supro is a \$10-\$15 million capital investment with approximately ten new jobs and part of a multi-part project that could end up being a \$50-\$60 million investment over time. Mr. Williams hopes that the name of the company will be publicly announced soon.

Project Arete is the IMP expansion with the new warehouse and (pilot plant already constructed. A letter of engagement indicating a reimbursement of up to \$100,000 for site mediation (aka rock removal) was given to them prior to construction. Invoices were received along with proof of work completed, and staff is now waiting on the new assessed value of the parcels and company to demonstrate that the investment made will provide additional increment to the agency and thus justify the cost reimbursement. Mr. Williams stated that staff is unsure of when assessments will come in but speculates that all information will be ready by the end of summer and a repayment agreement can be established. Based on their investment amount and the work done, Mr. Williams expects that the reimbursement can be paid out within one or two fiscal years. He also stated that IMP is in a more advantageous position than other processors in terms of the COVID19 pandemic.

In Area 3, the empty space of the Main Street property is nearly filled in with material and labor provided by the city. In the consent agenda, invoices presented will include compaction testing to ensure the work is done appropriately, and he anticipates a total cost of \$5,000. He commented that it will be nice to have the fence removed and hopes to seek proposals for development on that block.

Regarding Blocks 55/56/66, Mr. Williams stated that the COVID19 situation caused emails and phone calls to cease for approximately thirty days from developers. He recently spoke with Summit Creek Capital and that the preliminary design is forthcoming in a few weeks and they are working on addressing comments made during the signing of the Exclusive Right to Negotiate Agreement in addition to putting a value on the project. Mr. Williams stated that the next step will be to have the design approved, work on the fair use appraisal once the projected value of the development is known to determine what funds could be available to invest in public infrastructure. He further stated that if the design is submitted within the next week a special meeting may be called to review it and approve in order to move forward with the next phase of the project.

Mr. Williams spoke of approval, by the board at a previous meeting, to seek appraisal on a piece of property downtown and, due to COVID19, there had been no progress. However, an engagement letter has been signed with a local appraiser and the appraisal should be provided within a few weeks and will be shared with the board. Upon inquiry by Commissioner Craig, Mr. Williams stated that the parking lot would be owned by the city if improvements were to be made. Upon inquiry by Commissioner Peterson, Mr. Williams stated that the property in question is on W. Main Street. Several conversations took place between Mr. Williams and the property owner regarding disposition of the property and the property's worth.

Regarding the old movie theater, Mr. Williams reported that the purchase of the property is under contract with an extended due-diligence period. He stated that those interested in the theater run successful theaters in other parts of the state and they are motivated to restore the theater in Jerome. Mr. Williams stated that the URA may be able to provide some assistance with the water lines. He stated the parking lot is not publicly owned so there is little that the URA can do. However, the city does own substantial amount of right of way on West Boulevard and Mr.

Williams spoke of the poor road conditions. He spoke of assisting with the widening of West Blvd. if funds are available along with adding curb/gutter/sidewalk and landscaping for a nice entry way into the parking lot (and hopefully be an incentive to improve the north side of the property). The city has a pressure sewer main running from Main Street to H Street that has been in need of upgrades for some time. The old line carries approximately 2/3 of the city's waste and needs to be enlarged. When water lines are replaced, trenches are dug to replace the line only (no additional work on the road); Mr. Williams stated that a new pressure main could be added and the wastewater fund may cover the cost of resurfacing a small stretch of roadway, and any expansion of the road from Main Street to the property boundary could potentially be paid for by the URA. He believes this work would be an opportunity to assist the property owner with developing the property even further. The timeline is unknown at this time, but Mr. Williams anticipates a closing date sometime in June, and he feels showing them support would be beneficial.

In Area 4, Mr. Williams stated there were two significant land purchases, and both projects are now moving forward. The Moving Milk project is likely to begin in the fall, and the Nelson-Jameson project is still planning on construction in late 2020 or early 2021. Within Area 5, Mr. Williams stated that staff will be exploring opportunities for potential advanced funding for infrastructure and land acquisition as part of the Area 5 plan; he stated there is some revenue coming in for Area 5.

Mr. Williams commented that projects seem to be resuming and is hopeful that projects will continue to happen. He reiterated that if the design from Summit Creek Capital comes in, the board will be called for review. Mr. Armbruster asked that the notes on these projects be sent to him, and Mr. Williams stated that he will also send them to the individual board members. Upon inquiry by Commissioner Peterson regarding the cost of renovating the old theater, Mr. Williams stated that the cost of the purchase is less than originally proposed some time ago. He further stated that the reputable company interested in renovating and reopening the theater expect a large volume of customers with the plan of showing first-run movies and providing movies in Spanish.

ADJOURN:

There being nothing further to discuss, Chairman Warr adjourned this May 7, 2020 regular meeting at 3:44 p.m.

Chairman Gary Warr

Secretary Jason Peterson