

September 5, 2019

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

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

Also present were City Clerk Bernadette Gomes, City Administrator Mike Williams, Legal counsel Ryan Armbruster, Finance Director Ross Hyatt, Accounting and Budget Manager Lori McCrae and City Engineer Tyson Carpenter.

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 August 1, 2019 regular meeting and the August 22, 2019 special and executive meetings
- B. Review and approve claims for August and September 2019
City of Jerome, \$27,336.21; Elam & Burke Inc., \$2,023.36; Times News, \$396.61; Title One, \$49,169.50
- C. Review and approve financial reports for September 2019

Commissioner Craig 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 Fraser, Commissioner Craig and Commissioner Peterson. **NAYES:** None.

RESOLUTION NO. 05-19:

Resolution No. 05-19 in full is as follows:

RESOLUTION NO. 05-19

BY THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF JEROME, IDAHO:

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE JEROME URBAN RENEWAL AGENCY OF THE CITY OF JEROME, IDAHO, APPROVING THE MEMORANDUM OF UNDERSTANDING BETWEEN THE AGENCY AND THE CITY OF JEROME; AND AUTHORIZING THE CHAIR, VICE-CHAIR, OR EXECUTIVE DIRECTOR AND SECRETARY, RESPECTIVELY, TO EXECUTE AND ATTEST SAID MEMORANDUM OF UNDERSTANDING SUBJECT TO CERTAIN CONDITIONS; AUTHORIZING THE CHAIR, VICE-CHAIR, OR EXECUTIVE DIRECTOR AND SECRETARY TO EXECUTE ALL NECESSARY DOCUMENTS REQUIRED TO IMPLEMENT THE MEMORANDUM OF UNDERSTANDING AND TO

MAKE ANY NECESSARY TECHNICAL CHANGES TO THE MEMORANDUM OF UNDERSTANDING SUBJECT TO CERTAIN CONDITIONS, INCLUDING SUBSTANTIVE CHANGES; AND PROVIDING AN AFFECTIVE DATE.

THIS RESOLUTION, made on the date hereinafter set forth by the Jerome Urban Renewal Agency of Jerome, Idaho, an independent public body, corporate and politic, authorized under the authority of the Idaho Urban Renewal Law of 1965, Chapter 20, Title 50, Idaho Code, as amended (hereinafter the "Law") and the Local Economic Development Act, Chapter 20, Title 50, Idaho Code, as amended (hereinafter the "Act"), a duly created and functioning urban renewal agency for Jerome, Idaho, hereinafter referred to as the "Agency."

WHEREAS, the City, on November 4, 2014, after notice duly published, conducted a public hearing on the Urban Renewal Plan for the Area 3 Urban Renewal Project;

WHEREAS, following said public hearing, the City adopted its Ordinance No. 1135 on November 4, 2014, approving the Urban Renewal Plan for the Area 3 Urban Renewal Project;

WHEREAS, pursuant to Idaho Code §§ 50-2007(f) and 50-2015, City and Agency are authorized and empowered to enter into such contracts as may be necessary to carry out the purposes of the Idaho Urban Renewal Law;

WHEREAS, the Agency and City previously entered into a Memorandum of Understanding for a portion of the Site (as described below), which has expired by its own terms;

WHEREAS, the City owns undeveloped property located along North Lincoln Avenue, First Avenue West, and Alder Street, more specifically described as Blocks 55, 56, and a portion of Block 66, Jerome, Idaho (the "Site") and is interested in cooperating with the Agency in the formal disposition process of the Site under Idaho Code Section 50-2011;

WHEREAS, Idaho Code § 50-2015, allows a City to dispose of property to the Agency without appraisal, public notice, advertisement or public bidding;

WHEREAS, in order to provide an opportunity for interested developers to consider redevelopment of the Site, the City, upon selection of a qualified developer, as set forth below, and a commitment by the developer to develop the parcel under the terms of a disposition and development agreement ("DDA"), and subject to all the conditions of the DDA for conveyance, the City shall transfer the Site to the Agency for no monetary consideration;

WHEREAS, Agency shall dispose of the Site to the developer in compliance with Idaho Code § 50-2011 concerning the fair reuse value of the Site;

WHEREAS, nothing herein shall be deemed to impede, hinder, or prevent either the Agency or the City to render its discretion in the property disposition process;

WHEREAS, Agency counsel and staff have prepared a Memorandum of Understanding ("MOU") to formalize the agreement among the Parties concerning the disposition of the Site by the City to the Agency, a copy of which is attached hereto as Exhibit A and incorporated herein by reference;

WHEREAS, the City and the Agency have, during duly noticed public meetings,

authorized execution of this MOU;

WHEREAS, Agency staff has reviewed the MOU and recommends approval of the MOU subject to certain conditions;

WHEREAS, the Board of Commissioners finds it in the best public interest to approve the MOU and to authorize the Chair, Vice-Chair, or Executive Director to execute and attest the MOU, subject to certain conditions, and to execute all necessary documents to implement the transaction, subject to the conditions set forth below.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE BOARD OF COMMISSIONERS OF THE JEROME URBAN RENEWAL AGENCY OF JEROME, IDAHO, AS FOLLOWS:

Section 1: That the above statements are true and correct.

Section 2: That the MOU, attached hereto as Exhibit A, is hereby incorporated herein and made a part hereof by reference, is hereby approved and accepted as to form recognizing technical changes or corrections which may be required prior to execution of the Development Agreement;

Section 3. That the Chair, Vice-Chair, or Executive Director of the Agency are hereby authorized to sign and enter into the MOU and, further, are hereby authorized to execute all necessary documents required to implement the actions contemplated by the MOU subject to representations by the Agency staff and Agency legal counsel that all conditions precedent to and any necessary technical changes to the MOU or other documents are acceptable upon advice from the Agency's legal counsel that said changes are consistent with the provisions of the MOU and the comments and discussions received at the September 5, 2019, Agency Board meeting, including any substantive changes discussed and approved at that meeting.

Section 4: That this Resolution shall be in full force and effect immediately upon its adoption and approval.

PASSED AND ADOPTED by the Jerome Urban Renewal Agency of the City of Jerome, Idaho, on September 5, 2019. Signed by the Chair of the Board of Commissioners and attested by the Secretary to the Board of Commissioners, on this 5th day of September 2019.

APPROVED:

By:

/s/ Gary Warr

Chairman

ATTEST:

/s/ Jason Peterson

Secretary

Mr. Williams presented the amendment to an existing Memorandum of Understanding (MOU) with the City of Jerome. The amendment is to add parcels and blocks currently owned by

the city to market for redevelopment. He stated the city desires to partner with the Jerome URA and have the agency act as its agent in the marketing and negotiation of redevelopment on these parcels. The parcels are Blocks 55, 56 and a portion of Block 66 (formerly the Central Elementary and baseball field properties). Mr. Williams stated there has been interest shown in these parcels, city council reviewed and accepted the MOU with plans to move forward.

Mr. Armbruster stated this amendment replaces the previous MOU with only one parcel listed and includes a one-year expiration date. He stated if a developer is selected, the city would be involved and the process would be the same as with the previous Request for Proposals (RFP) issued. After action is taken on the resolution there can be discussions on the RFP itself.

Commissioner Craig made a motion to approve Resolution No. 05-19. Second to the motion was made by Commissioner Fraser. After consideration the motion passed unanimously by the following vote: **AYES:** Chairman Warr, Commissioner Fraser, Commissioner Craig and Commissioner Peterson. **NAYES:** None.

RESOLUTION NO. 06-19:

Resolution No. 06-19 in full is as follows:

RESOLUTION NO. 06-19

BY THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF JEROME, IDAHO:

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE JEROME URBAN RENEWAL AGENCY OF THE CITY OF JEROME, IDAHO, APPROVING THE REQUEST FOR PROPOSALS; AND AUTHORIZING THE CHAIR, VICE-CHAIR, OR EXECUTIVE DIRECTOR AND SECRETARY, RESPECTIVELY, TO PUBLISH THE REQUEST FOR PROPOSALS SUBJECT TO CERTAIN CONDITIONS; AUTHORIZING THE CHAIR, VICE-CHAIR, OR EXECUTIVE DIRECTOR AND SECRETARY TO EXECUTE ALL NECESSARY DOCUMENTS REQUIRED TO IMPLEMENT THE REQUEST FOR PROPOSALS AND TO MAKE ANY NECESSARY TECHNICAL CHANGES TO THE REQUEST FOR PROPOSALS SUBJECT TO CERTAIN CONDITIONS, INCLUDING SUBSTANTIVE CHANGES; AND PROVIDING AN AFFECTIVE DATE.

THIS RESOLUTION, made on the date hereinafter set forth by the Jerome Urban Renewal Agency of Jerome, Idaho, an independent public body, corporate and politic, authorized under the authority of the Idaho Urban Renewal Law of 1965, Chapter 20, Title 50, Idaho Code, as amended (hereinafter the "Law") and the Local Economic Development Act, Chapter 20, Title 50, Idaho Code, as amended (hereinafter the "Act"), a duly created and functioning urban renewal agency for Jerome, Idaho, hereinafter referred to as the "Agency."

WHEREAS, the City, on November 4, 2014, after notice duly published, conducted a public hearing on the Urban Renewal Plan for the Area 3 Urban Renewal Project;

WHEREAS, following said public hearing, the City adopted its Ordinance No. 1135 on November 4, 2014, approving the Urban Renewal Plan for the Area 3 Urban Renewal Project;

WHEREAS, pursuant to Idaho Code §§ 50-2007(f) and 50-2015, City and Agency are authorized and empowered to enter into such contracts as may be necessary to carry out the

purposes of the Idaho Urban Renewal Law;

WHEREAS, the Agency and City previously entered into a memorandum of understanding for a portion of the Site (as described below), which has expired by its own terms;

WHEREAS, the City owns undeveloped property located along North Lincoln Avenue, First Avenue West, and Alder Street, more specifically described as Blocks 55, 56, and a portion of Block 66, Jerome, Idaho (the "Site") and is interested in cooperating with the Agency in the formal disposition process of the Site under Idaho Code Section 50-2011;

WHEREAS, Idaho Code § 50-2015, allows a City to dispose of property to the Agency without appraisal, public notice, advertisement or public bidding;

WHEREAS, in order to provide an opportunity for interested developers to consider redevelopment of the Site, the City, upon selection of a qualified developer, as set forth below, and a commitment by the developer to develop the parcel under the terms of a disposition and development agreement ("DDA"), and subject to all the conditions of the DDA for conveyance, the City shall transfer the Site to the Agency for no monetary consideration;

WHEREAS, Agency shall dispose of the Site to the developer in compliance with Idaho Code § 50-2011 concerning the fair reuse value of the Site;

WHEREAS, nothing herein shall be deemed to impede, hinder, or prevent either the Agency or the City to render its discretion in the property disposition process;

WHEREAS, Agency and City have or will enter into a Memorandum of Understanding ("MOU") to formalize the agreement among the Parties concerning the disposition of the Site by the City to the Agency;

WHEREAS, the Agency Staff and counsel have prepared a Request for Proposal (RFP) regarding the Site, a copy of which is attached hereto as Exhibit A and incorporated herein by reference;

WHEREAS, the Board of Commissioners finds it in the best public interest to approve the RFP and to authorize the Chair, Vice-Chair, or Executive Director to publish the RFP, subject to certain conditions, and to execute all necessary documents to implement the actions contemplated by the RFP, subject to the conditions set forth below.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE BOARD OF COMMISSIONERS OF THE JEROME URBAN RENEWAL AGENCY OF JEROME, IDAHO, AS FOLLOWS:

Section 1: That the above statements are true and correct.

Section 2: That the RFP, attached hereto as Exhibit A, is hereby incorporated herein and made a part hereof by reference, is hereby approved and accepted as to form recognizing technical changes or corrections which may be required prior to execution of the Development Agreement;

Section 3. That the Chair, Vice-Chair, or Executive Director of the Agency are hereby authorized to publish the RFP, further, are hereby authorized to execute all necessary documents required to implement the actions contemplated by the RFP subject to representations by the Agency staff and Agency legal counsel that all conditions precedent to and any necessary technical changes to the RFP or other documents are acceptable upon advice from the Agency's

legal counsel that said changes are consistent with the provisions of the RFP and the comments and discussions received at the September 5, 2019, Agency Board meeting, including any substantive changes discussed and approved at that meeting.

Section 4: That this Resolution shall be in full force and effect immediately upon its adoption and approval.

PASSED AND ADOPTED by the Jerome Urban Renewal Agency of the City of Jerome, Idaho, on September 5, 2019. Signed by the Chair of the Board of Commissioners and attested by the Secretary to the Board of Commissioners, on this 5th day of September 2019.

APPROVED:

By:

/s/ Gary Warr

Chairman

ATTEST:

/s/ Jason Peterson

Secretary

Mr. Williams briefly spoke of the new RFP, similar to the previous RFP, with some changes including the additional parcels and correction to the zoning. The objective the RFP also changed to include mixed-use development rather than commercial use only so that retail, commercial and residential options are available. Mr. Williams stated the timeline will include the publishing of the RFP on September 13th and September 20th, RFP's due by October 28th, and the review of proposals on November 7th by the board and city staff. Staff is hopeful that an exclusive negotiation agreement will be in place by year's end with a development agreement in place by spring 2020. Mr. Williams stated the previous exclusive right agreement was terminated due to time extensions and no progress. Upon inquiry by Commissioner Craig, the previous development group could potentially submit a proposal.

Mr. Armbruster stated the statute requires a minimum of thirty days' notice for the RFP. As stated by Mr. Williams, the notice will be published next week and proposals due in thirty days. He stated Mr. Williams will be the main contact for when documents are received and he is hopeful that a decent selection of proposals will be submitted. Upon inquiry by Commissioner Craig, Mr. Armbruster explained the process from the time when the RFP is noticed in the paper to when proposals are reviewed and selected, and then signing an Exclusive Right to Negotiate agreement with a developer to negotiate details of the project. Additionally, Mr. Armbruster stated that thirty days' notice is the statutory minimum required for RFP's. Mr. Williams further stated that a general concept for the property is desired and that the selection criteria will include the probability of success of the developer and the probability that the developer will deliver what is promised (i.e. partnerships, back-up support, financial security, etc.).

Commissioner Craig made a motion to approve Resolution No. 06-19. Second to the motion was made by Commissioner Fraser. After consideration the motion passed unanimously by the following vote: **AYES:** Chairman Warr, Commissioner Fraser, Commissioner Craig and Commissioner Peterson. **NAYES:** None.

LEGISLATIVE REPORT:

Mr. Armbruster stated that as cities and counties are setting budgets and assessment notices have gone out, there has been continuing agitation expressed publicly by several legislators in Southwest Idaho that the property tax has gotten out of hand. He stated there seems to be a lot of rhetoric about what the state should impose upon taxing entities to “reign them in” from what they see is a constant increase of property taxes. He further stated a tough session is expected. Commissioner Craig commented on an initiative that may surface in the new session, and Chairman Warr stated he is prepared to see more legislation associated with public entities. Upon inquiry by Commissioner Peterson, Mr. Armbruster stated there is an ongoing effort to go back to where the tax exemption cap was indexed of \$100,000 or a percentage of an index that was in place for a few years. During the economic downturn the percentage went away and the cap remained at \$100,000. Mr. Armbruster stated a bill pertaining to this may surface in the next legislative session, and that naysayers state that the cap is simply a tax shift from residential owners to commercial or other and that it does not provide significant property tax relief in terms of the budgets of various taxing entities.

FINANCIAL REPORT:

Mr. Hyatt briefly reviewed the payment approval report and noted that the annual contribution for economic development was paid to the city in the amount of \$25,000 along with the Title One payment made for a property purchase in the amount of \$49,169. Additionally, city staff and legal reimbursements are also on the payment approval report.

STAFF REPORTS:

Mr. Williams spoke of the Open House for Idaho Milk Products (IMP). He had invited all board members to attend the Open House on September 20th. Mr. Williams stated a “pilot plant” will test new products and look at the feasibility of mass producing those products. IMP owns another 60 acres around their facility, and staff hopes their success will result in more development.

Regarding Area 4, Mr. Williams stated there was one issue with getting a plat amendment signed prior to closing for Project X, and that the Planning and Zoning Commission is pursuing a Special Use Permit for chemical storage and manufacturing for both companies. Mr. Williams reminded the board that Project X sits on 18 acres in Area 4; there is another contract for 10 acres in the same subdivision for what is now known as Project Milk Mover, and the purchase and sale agreement is being finalized. Additionally, construction on both projects should start in the spring of 2020.

Mr. Williams briefly spoke of the downtown project in Area 3. Staff is currently procuring additional property, and a verbal offer has been extended to the owner. He stated that the public works department will be putting gravel to back fill the holes at 130 and 132 W. Main. Although other projects are in the works, staff hopes to have that done before winter weather begins.

Mr. Williams stated he visited with the project manager at the old Marshall Warehouse building. The new owner plans to manufacture plastic pipe for irrigation purposes, and the project manager visited with Mr. Williams, the Fire Chief and Building Official. He stated the interior of the building has been improved and that several million dollars are going towards major improvements to both the interior and exterior of the building. Commissioner Craig commented that they entered into an agreement with the fair board for parking, and Mr. Williams stated he does not know what kind of prep work will be done to the grounds surrounding the

building. He further stated the approximately \$4 million project has no impact to the city's infrastructure and that the hiring of about ten employees will take place; he stated the owners are making serious investments into the building.

Commissioner Craig commented on the good work of the tenant at the site. He also inquired about the property owned by the owners of Si Senor Taqueria but Mr. Williams had no information to report.

ADJOURN:

There being nothing further to discuss, Chairman adjourned this September 5, 2019 regular meeting at 3:28 p.m.

Chairman Gary Warr

Secretary Jason Peterson