

This regular meeting of the Jerome Urban Renewal Agency was called to order at 3:00 p.m. Council Chambers were open to the public, and the meeting was held in person and by teleconference. 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 Vice-Chair Shonna Fraser, Commissioner Jason Peterson, Commissioner Bryan Craig and Commissioner B.J. Hess. Chairman Kathy Cone was excused.

Also present were City Clerk Bernadette Coderniz, City Administrator Mike Williams, Accounting and Budget Manager Lori McCrae, City Engineer Tyson Carpenter, and IS Director Carlos Hernandez. Legal Counsel Ryan Armbruster joined via Zoom.

**PLEDGE OF ALLEGIANCE:**

Commissioner Fraser 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 July 13, 2023 special meeting
- B. Review and approve claims for August 2023
  - City of Jerome, \$25,713.76; US Bank, \$218,525.00; Elam & Burke Inc., \$1,983.42
- C. Review and approve staff financial reports for July 2023

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

**TENTATIVE BUDGET FY2023-24:**

Ms. McCrae reviewed the tentative budget for FY2023-24, and spoke of increment value increases along with revenue decreases due to reduced tax levies. A summary of revenues by area for each area was shown to the board. Shared revenues and expenses allocated to each area were shown, and Ms. McCrae explained the allocations are based on the volume of activity in each area. She spoke of anticipated increases in professional services including audit services (4% increase) and Idaho County Risk Management Program (ICRMP) services (15% increase).

Area 3 annual bond payments are calculated at \$233,200, and staff anticipates the downtown projects will be completed and reimbursed to the City in 2024. Unrestricted cash is listed as "capital outlay/economic development" in the budget at \$597,809. Ms. McCrae stated Area 4 is slowly building up the fund balance, and unrestricted cash at year end will be \$140,592. Area 5 shows the annual bond payments of \$218,050, and staff expects the southside park project to be completed by the end of FY2024 along with the completion of the gravity sewer line. \$386,122 in unrestricted cash will remain for unforeseen projects in Area 5.

Upon inquiry by Commissioner Peterson, Mr. Williams stated projecting revenues has been difficult with increment values and depreciating personal property. Industrial expansions included personal property, and the increased assessed value of the City reduced the property tax rate which could affect urban renewal area increment values. He further stated he expects revenues to continue to increase in Area 3; based upon increment values and projected tax rates Areas 4 and 5 may see slight decreases. Regarding assessments, Mr. Armbruster stated that, theoretically, the state tax commission has oversight over the assessment process. They do periodic checks although the frequency and locations are unknown. The assessor can change protocols to get closer to market values in their assessment process, but if something seemed out of the ordinary an entity could reach out to the state tax commission once all other efforts (i.e. contacting the County assessor's office) were exhausted. The role of the County Commissioners is the Board of Equalization if a property assessment were challenged. Councilman Peterson spoke about assessing commercial property, and Mr. Williams stated another entity assesses commercial properties in Jerome.

Ms. McCrae provided fund balance and restricted cash information for each area and a copy of the notice for the public hearing to be held on August 24<sup>th</sup>. Upon inquiry by Commissioner Craig, Ms. McCrae explained the capital outlay funds can be used for unforeseen projects within the year. Mr. Williams also stated staff has taken a conservative approach to projections with anticipating 5% growth in each area annually; actual figures exceeded this. However, projected tax rates also changed. A better understanding of Area 3's values will assist with future projections, and Mr. Williams expects the bond payments to continue annually considering the amount of activity in Area 3. Commissioner Craig spoke about the Veteran's Memorial Park project (relocating memorials, etc.), and Mr. Williams spoke of the taxable projects in Area 3 including the new housing project on S. Lincoln and the two projects in Area 4 (Western Dairy Transport and Nelson-Jameson). He further spoke of the potential for advanced funding in Area 4 with ten years remaining in the life of the area, and that a substantial increase in value is anticipated. Water lines and roadway improvements on Yakima are a few of the anticipated projects. Upon inquiry by Commissioner Peterson, Mr. Williams stated the entire area is approximately 80 acres; Idaho Milk Products owns 40 acres of remaining land, and Nelson-Jameson owns an additional 10 acres that may be divided and resold. All parcels have infrastructure to them, and site mitigation is always an option if needed. An increase in increment value in Area 5 is also anticipated with the addition of Milk Specialties Global.

Commissioner Hess made a motion to adopt the FY23-24 tentative budget and authorize publication of the notice for public hearing on August 24, 2023. Second to the motion was made by Commissioner Peterson. After consideration the motion passed unanimously by the following vote: **AYES:** Commissioner Peterson, Commissioner Fraser, Commissioner Craig, and Commissioner Hess. **NAYES:** None.

### **AREA 2 FUNDS DISTRIBUTION TO JEROME COUNTY:**

Mr. Armbruster stated the nature of the item required that it be an action item for discussion and possible action. When Area 2 was closed out a specific amount was set aside to cover any remaining expenses or commitments made post-September 30, 2022. All expenses have been paid, and approximately \$43,000 remains, and staff has requested that this balance be disbursed to Jerome County for distribution to the taxing entities.

Commissioner Craig made a motion to approve disbursement to Jerome County for distribution to the taxing entities. Second to the motion was made by Commissioner Peterson. After consideration the motion passed unanimously by the following vote: **AYES:** Commissioner Peterson, Commissioner Fraser, Commissioner Craig, and Commissioner Hess. **NAYES:** None.

### **LEGISLATIVE UPDATE:**

Mr. Armbruster had no updates to report.

### **STAFF REPORTS:**

Mr. Williams stated the board will meet again on August 24<sup>th</sup> to adopt the final budget and address other business; a September meeting may not be necessary. Regarding Lincoln Courtyards and assignment of the agreement, Mr. Williams stated that New Earth Development officially backed out of the deal to take the agreement, and he does not expect that Lincoln Commons, LLC will have another entity in place for reassignment of the agreement. The August 24<sup>th</sup> meeting agenda may include an item to officially terminate the existing Development and Disposition Agreement. Upon inquiry by Commissioner Craig, Mr. Williams stated the new development at the old Northside Canal Company (NSCC) property will include 96 rentals at market rate. Traffic may be congested at times with the schools nearby although occupants of the new development will be able to walk to school. Brief discussion ensued on the NSCC property (i.e. old veterinary hospital, parking lots, etc.), and Mr. Williams also stated the American Falls Reservoir District office will move to a new location. Although the property is not within an urban renewal area, Mr. Williams noted the development will be a good addition to N. Lincoln. S. Fillmore is currently being redesigned for reconstruction including curb, gutter and sidewalk, and an agreement is being negotiated for improvements on N. Lincoln between 8<sup>th</sup> and 16<sup>th</sup>. Developers install curb, gutter and sidewalk wherever required.

Regarding downtown streetscaping, Region IV Development Association (RIVDA) was approved by City Council as the grant administrator, and Mr. Williams stated staff is in negotiations with J-U-B Engineers for a design on Avenue A and Alder. Staff will also negotiate with J-U-B for a design contract for the Main Street and Lincoln intersection, and the Idaho Transportation Department (ITD) will be reconstructing the four blocks of Main Street and redesign the signal lights. Progress has been made at the Lincoln Courtyards Apartments on S. Lincoln although one issue presented itself with curb and gutter concrete poured at a location significantly lower than the asphalt. Staff is working through that issue with the developer.

In Area 4, Mr. Williams stated the Nelson-Jameson project is making progress, and he anticipates an early 2024 opening.

The park project is going well in Area 5, and more rock than anticipated was found. A change order was approved by City Council for Burks Excavation to expedite the irrigation system and seeding on one of the soccer fields. The irrigation system for the remainder of the park will be designed at a later date, and paving of the parking lot and roadway is scheduled for mid-October.

Regarding the sewer line project, Mr. Williams reminded the board about an issue with Hilex Poly/Novalex, new ownership of the building, and the right-of-way easement needed to install the gravity sewer line. Staff has been working with J-U-B Engineers on other route options although another option could cost an additional \$160,000. Three options will be presented in negotiations with Novalex as they are seeking a proposal, and Mr. Williams stated the project

could be delayed by working with the company's main office in New York. A different option may be considered if it is more time and cost effective.

Papa Kelsey's will be returning to Jerome by leasing space in the Valley Country Store building. Mr. Williams stated there may be opportunities to provide assistance with the undeveloped parcels between the Ridley's plaza and Valley Wide. Property owners are considering a sale of some of the bare ground in that area, and the parcels are within Area 5. Upon inquiry by Commissioner Craig, Mr. Williams stated purchasing the lots could be explored when funds are available.

Mr. Williams stated College of Southern Idaho President Fisher was in attendance at Tuesday's City Council meeting and shared information to Council (new building layout, different uses, etc.). They will meet with local employers to review the proposed layout, and then they will meet with City staff to review the site layout. Once the full design is approved an architect will be bid out for full design, and staff is hopeful of a spring 2024 groundbreaking. The investment is approximately \$9 million for a 20,000 square foot building.

Upon inquiry by Commissioner Craig regarding a flooded area along the bike path near the sugar beets, Mr. Carpenter stated he has spoken to the industry and will follow up. The path is maintained by the Jerome Recreation District, and drainage along the path is poor and needs to be repaired. Mr. Williams stated the Agency has some leverage with the fact that the 8 acres of property are owned by the Agency and farmed out.

The police department is near completion although there was a delay in receiving panels for the front of the building. Staff anticipates a completion date of August 23<sup>rd</sup> and an open house may be scheduled for August 24<sup>th</sup>. Regarding the fencing, Mr. Williams stated paneling will cover the fencing and streetscaping will be done as well.

Mr. Williams stated long-term projections in each area look good, and there have been some inquiries on property in Area 3.

**ADJOURN:**

There being nothing further to discuss, Chairman Cone adjourned this August 3, 2023 regular meet at 3:44 p.m.

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Chairman Kathy Cone

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Secretary Jason Peterson