

**MINUTES  
URBAN RENEWAL AGENCY  
January 18, 2007**

Commissioner McCabe called the Moscow Urban Renewal Agency meeting to order at 7:00 a.m. Thursday, 18<sup>th</sup> January 2007 in the Moscow City Council Chambers.

***Attendance:***

Commission Mbrs	City Staff Present	Others Present
John McCabe, Chair	Gary J. Riedner, City Supervisor	Margaret Howlett, LEDC
John Weber	Don Palmer, Finance Director	Shelley Bennett
Mike Thomason	Bill Belknap, Asst. City Supervisor	Aaron Ament, City Council
Phil Mack	Tanya Shull, Finance	Walter Steed
	Stephanie Kalasz, City Clerk	

Absent: Jim Gress

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**1. Approval of Minutes - October 17, 2006**

Weber moved and Mack seconded approval of the minutes. Motion carried unanimously.

**2. Accounts Payable - Don Palmer/Tanya Shull**

Palmer presented the accounts payable and the financial statement. Weber moved and Mack seconded approval of paying the bills presented. Motion carried unanimously.

**3. EcoAnalysts' Disposition and Development Agreement Schedule Amendment Proposal (Attachment 4) - Gary J. Riedner**

Riedner presented the issue and explained the amendments. He said there is one small change that has been suggested by Ryan Armbruster the URA's Attorney. He said these dates meet EcoAnalysts' plans for the property. Gary Lester, EcoAnalyst Representative, said the project isn't moving as fast as they had hoped but they hope to have the project completed by the end of this year.

Thomason moved and Weber seconded to approve the amendments as proposed. Motion carried unanimously.

**4. Proposed Disposition and Development Agreement with Pearwood LLC - Gary J. Riedner**

Riedner said he sent this to Mike Pearson and Robin Woods to review and if it is approved, then the document will be finalized and attachments will be drafted. He said if it is approved, there will be notice in the paper that the URA is considering the DDA. He said this embodies the Exclusive Negotiation Agreement made between PearWood and the URA.

Weber moved and Mack seconded approval of the draft Development Agreement with PearWood LLC. Motion carried unanimously. Riedner said URA Attorney Ryan Armbruster suggested that the URA make findings that there were no other proposals received and if any had been received, there were 5 other lots that could have been sold as well. Thomason moved and Weber seconded that at the time that PearWood proposal was received, there were no other proposals for the property and if one was received, there were five other lots available for sale. Motion carried unanimously.

**5. Development Discussion Regarding Potential URA Project in Agricultural Sector (6<sup>th</sup> Street and Highway 95) - Gary J. Riedner**

Riedner said he met with Chair John McCabe to discuss the possibility for a project in the agricultural district downtown. He said there was a desire to get the property owners together to discuss the potential for a project in the area. He said the community wants to have input in this type of development early on. There was discussion with the respective landowners about having a professional work with the group to come up with a design for the community and there could be a design charette for the community to give input. He discussed opportunities for URA and public involvement. He said staff will work to develop a proposed process for public involvement. He explained some of the Coeur d'Alene projects which might illustrate a process to be considered. The URA and others have indicated that they would like to have money for downtown improvements. He said Tony Berns from the Coeur d'Alene URA will be approached to assist us with information.

Thomason said he thinks it is a good idea for Tony Berns to come down since he has more experience than we do. He thinks the Board should meet with him when he comes down. Weber said if Berns comes down he could probably provide information on the financial impact and what can happen. Riedner said Coeur d'Alene has a lake and river URA districts which are very large. Coeur d'Alene does it a little differently, they have had several proposals where the developer assumes the risk (he pre-finances and utilizes part of the TIFF to pay back the finances). He said he is hoping that Berns can lay out the bullet points on how to do this. He said he will be in Boise next week and he will try to meet with Ryan Armbruster and look at some of the Capital City projects.

Riedner said in 1996 the City authorized the formation of URA with a disadvantaged boarder community and slum and blight area. He said it would be fairly easy to designate the proposed area on 6<sup>th</sup> since it is adjacent to the other slum and blight area. A plan needs to be developed, financials done, URA approval, it goes to the Planning and Zoning Commission, then on to City Council for consideration and final say.

Howlett said the process would take a year for a project that size and she wanted to find out if that would work for the business owners. Riedner said the property owners are aware of the amount of time that this type of project would take.

Thomason said these opportunities don't come along very often. We have been looking at this property for a long time and he thinks we need to proceed. He would like to move forward expeditiously. Riender said staff can come back with something more solid in the next three weeks. Ament said to get buy-in from the community, the URA should try to get buy-in from the City Council. He suggested going to the Council to give a report to see how they feel about it. Riedner said 90% of the URA's work is mundane. If this project is going to be pursued, then there is probably an opportunity to bring in other help. Thomason said staff has spent time talking about many different areas such as parking, restoration of historic areas, etc. so it is good to use that information and use the URA as a vehicle. Ament said he thinks this is an area that would be good for improvement.

MCCabe said if this is going to be a priority project, the URA should consider having someone manage the project with City staff. Riedner said he will be at the Idaho Management Association meeting next Wednesday and can discuss staffing. He explained how staffing is done with other URAs around the state. He will have more information after the meeting.

## **6. Report on Preparation of Annual Report to the Moscow City Council – Gary J. Riedner**

Riedner said a draft report will be done in the next few weeks. He said there is a copy of last year's report included in the packets as example and he asked that anyone who thinks something of significance should be added to let him know. Thomason mentioned the joint meeting with elected officials.

#### **7. Other Business - John McCabe**

Palmer said he researched getting a reduced rate on the bonds and other financing. He said BJ Swanson has offered a 7.45% interest rate locked in. He talked to the City's bond attorney and he thinks that the URA could be tax exempt eligible which would give a 5% interest rate and would be a great savings. He said he emailed BJ Swanson to ask what the best bid price would be on the bonds. He said he has called around and he thinks the URA should be able to get something significantly lower. He said the URA would need to send the materials for creating the URA to Ormsby for review and then legal forms would need to be filled out. He said Ormsby indicated that even the Thompson note may be exempt. Riedner said when the original financing was done, there was a reason why some of the bonds were tax exempt and some were not. He said he can't recall why, it may have been due to an IRS ruling or direction from the bank. He said he would like to talk to the URA Attorney to find out why it was financed that way. He suggested keeping financing with the same institution if possible. McCabe said one of the issues was for security in the event of a judicial review and the other issue was a short time frame. He agreed that the current financier came forward when other banks would not. Palmer said Ormsby indicated that since this has been going on for some time, he didn't think the judicial confirmation would be an issue.

Riedner said the Legislature is back in session and there are some issues about URA, particularly in Coeur d'Alene. He said there has been legislation in the past few years regarding eminent domain. He said one of the trends this year is URA. Legislation is being drafted regarding the URA and Council ability to amend a district. He said there is also a possibility of having URA members be elected. The proposal is to have the membership of the agency be elected from the entire county. It is the reverse situation of the Area of City Impact.

#### **8. Adjourn**

There being no further business, the meeting adjourned at 8:03 a.m.