



Minutes: December 15, 2010, 7:00 a.m.

City of Moscow Council Chambers • 206 E 3rd Street • Moscow, ID 83843

McCabe called the Moscow Urban Renewal Agency meeting to order at 7:07 a.m. Wednesday, the 15th of December, 2010 in the City of Moscow Council Chambers.

Attendance:

Commission Members	Staff Present	Others Present
John McCabe, Chair	Jeff Jones, Executive Director	Tim Brown, Councilmember
Brandy Sullivan	Gary J. Riedner, City Supervisor	Patrick Vaughn, County Assessor
Jack Nelson	Don Palmer, Finance Director	
Steve McGeehan	Stephanie Kalasz, City Clerk	
Sue Scott		
Tom Lamar		
Absent: Steve Drown		

1. Consent Agenda - Any item will be removed from the consent agenda at the request of any member of the Board and that item will be considered separately later.

- Minutes from November 17, 2010 Meeting
- October Financials
- November Financials
- November Payables

Jones said the October and November financials must be removed from the consent agenda. Nelson moved and Lamar seconded approval of the consent agenda minus the financials. Motion carried unanimously.

2. Public Comment for items *not on agenda*: 3 minute limit – No public comment was offered.

3. Announcements (including conflict of interest disclosures if any) – No public comment was offered.

4. Legacy Crossing

Jones thanked the Board and the community for being so welcoming and hospitable.

- UI/Railroad Property Exchange – Jones said this property exchange is still being negotiated. This type of transaction is very complicated.

- 6th and Jackson Property
 - Existing Structures – Jones said not a lot has happened on the 6th and Jackson property since the last meeting. It is his recommendation that the demolition of the smaller building be delayed due to finances and other clean-up considerations. Jones discussed the project proposals developed by University of Idaho students and said there is an opportunity to look at some of the possibilities online. He distributed some materials regarding the Silos for the Board to review.
 - Site Security – Jones said it is likely that the bollards and chains to secure the property will be up by the next meeting. Lamar asked about use of the lot by electric company vehicles when there was a wind storm and power outage. Riedner said the lot was used temporarily but no formal request was made.
 - Signage – Riedner said there should be some type of sign up by just after the first of the year.
 - Legacy Crossing Status – Jones said not much has changed regarding the Legacy Crossing status but they are continuing with the brownfield grant program. Staff will begin working with property owners in the area. Riedner said he and Jones met with a potential developer for one of the sites. He discussed some of the possibilities for the area.

Riedner said the City received grant funding for an inter-modal transit center. Site selection is the first order of business. It makes sense to keep it near the University of Idaho. One possible location is at the corner of College and Railroad Streets. The second site is the northwest edge of the Broenneke property. He discussed how it might affect increment received in the area since it will be a tax exempt property. It is anticipated that the building will be constructed by the fall of 2012. Lamar said he would like the transit facility to be fed by commercial activity around it. He has a concern about it being located on University property. He said he has concerns about the relationship with the transit facility after what happened at the Business Technology Incubator. Riedner explained the considerations that the Committee is giving in relation to the location of the transit facility. He discussed the difference between the incubator and transit facility projects and how the transit center would be handled. Scott discussed concerns regarding the University maintenance of the facility as well as having just a 30 to 50 year lease. Riedner discussed businesses on tax exempt property paying taxes. Jones said the business would be taxed on the building and fixtures if they are privately owned. Patrick Vaughn, County Assessor, explained how taxed and tax exempt properties are handled.

Jones said Wendy McClure has submitted a request for reimbursement for classes which is less than what was authorized by the Board. He said McClure indicated that there are some graduate students who would like to continue working on the project. McClure would like the Board to allow for further reimbursement up to the originally authorized amount. Riedner said it would be good to have a better understanding of exactly what the students would be doing. The Board agreed that this will be left to the discretion of the Executive Director who will meet with

Professor McClure to discuss what will be done. McGeehan said there is a lot of benefit for a small amount of money but it would be good to have more detail.

Nelson asked about the Silos property. Jones said he thinks that the owners are open to all ideas. It will take a lot of work and capital to finance the project.

5. October and November Financials (moved from consent agenda) – Riedner displayed the URA FY2011 Budget and explained that there was an error. The professional services line item should have \$5000 but it was left out. The budget will remain in the black even though this line item will be in the red. It does not require any action at this time as long as the Board agrees to allow staff to charge against the professional fee line item up to \$5000. It was moved by Scott and seconded by Lamar to agree to that arrangement. Motion carried unanimously.

A slide of the Legacy Crossing budget for FY2011 was displayed. Riedner discussed the closing costs for the 6th and Jackson Street property. Palmer discussed October and November expenses and explained that there were some property tax issues that were not considered in the budget. He explained that some of the property closing costs were not considered. There will not be as much carry-over as what was originally budgeted. Riedner explained the difference in the reserve funds as a result and what that means for the budget. Palmer suggested putting in a column to show what changes are recommended to the Board as a result of the changes. Nelson asked about the bond payment. Palmer said the principal payment is kept in reserve but the interest is not. There was discussion about how the budget is developed and the FY2011 budget. It was the consensus of the Board to agree with management direction. Nelson asked if property tax is collected through the end of the year. Vaughn said usually that is negotiated between the buyer and seller but generally if a property will become tax exempt the taxes still go through the end of the year.

Palmer said approval of payables is necessary. It was moved, seconded and approved to approve the November payables.

6. Update of Statewide URA Organization/Legislation – Jones gave an update on the Statewide URA Organization. He discussed the acting Board for the organization and said participation is good. He said they formed a legislative committee and he read the names of the members (which included Jones). There is a list of issues that are likely to come forward to the next legislative session. He said some concerns are that the members should be elected and excess revenues should be returned to taxing districts (which would not leave money available for staff or projects). Letters are being sent to each urban renewal agency which include information about the impacts of URA projects in communities. He said they are also reaching out to private partners for letters of support and to testify to legislative committees as necessary. Idaho for the most part has a limited number of incentive programs to attract industry. Riedner said there are six or seven other

agencies that are willing to start the organization with a \$500 contribution. He will be on the Board for a short time and then he will step down and someone else will be elected. Scott said information about the benefits of using students for design projects for a very reasonable amount of money should be brought up as well. Jones discussed some of the issues regarding the election of an urban renewal agency board.

7. Recognition of Service for Jack Nelson – Riedner said Jack Nelson did not run for re-election with the County and since his seat on the Moscow URA Board is position for a County Commissioner, when he is no longer a Commissioner, he will no longer be on the URA Board (effective the second week of January). He thanked Nelson for his service. McCabe said it was not long ago that the Board was only three members and now it is seven. He said Nelson was the first County Commissioner to serve on the Board and made the Board aware of issues that County officials have to deal with as a result of URA projects. Nelson was presented with a Moscow URA jacket and a paper weight. Nelson said he does not know who his replacement will be. He said the legislative committee is a great idea and he hopes that the organization will work with counties and other taxing districts. There are some unhappy people out there. He said he does not know of any county commissioners who are totally opposed to urban renewal agencies but there are certain aspects of it that they do not like. He discussed new construction in the budget process and the URA getting tax money from properties that they had no hand in improving. Nelson also said that he felt that the success of the Alturas development would not have been realized without the Moscow Urban Renewal Agency. Riedner explained how the Legacy Crossing area was determined. There was further discussion about relations between urban renewal agencies and counties.
8. Adjournment – The meeting concluded at 8:42 a.m.