



Meeting Minutes: March 5, 2020, 7:00 a.m.

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

Commissioners Present	Commissioners Absent	Also in Attendance
Steve McGeehan, Chair	Art Bettge	Bill Belknap, Executive Director
Mark Beauchamp	Nancy Tribble	Anne Peterson, Clerk
Steve Drown		Renee Tack, Treasurer
Dave McGraw		
Brandy Sullivan		

McGeehan called the meeting to order at 7:01 a.m.

- Consent Agenda (A)** - 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 December 12, 2019
- October 2019 Payables
- October 2019 Financials
- December 2019 Payables
- December 2019 Financials
- January 2020 Payables
- January 2020 Financials

ACTION: Approve the consent agenda or take such other action deemed appropriate.

McGraw moved approval of the consent agenda as presented, seconded by Sullivan. Motion carried unanimously.

- Public Comment for items *not on agenda*:** Three-minute limit
None.

3. Agency FY2019 Audit Presentation (A) – Renee Tack

The 2019 MURA audit has been completed and will be presented by MURA Treasurer Renee Tack and the auditors, Presnell Gage PLLC.

Tack introduced Nick Nicholson from Presnell Gage who proceeded to present the auditor's opinion of the Agency's financial reporting. Their risk-based audit looks for procedures that could become material issues in the event of improper management. He said the Agency continues to achieve the auditor's highest opinion on the financial statements, internal controls, and compliance with accepted accounting standards. Nicholson highlighted that the Agency's net position increased by about \$317,000 during FY19, and the current unassigned fund balance of \$76,000 (about a year's worth of operating expenses) comes from transfers from both project budgets. McGraw asked about the management fee amount paid to the City of Moscow, and Nicholson said in his opinion it is a fair amount that has stayed fairly consistent over the years. Sullivan moved to accept the audit as presented, seconded by McGraw and carried by acclamation.

4. Request for Amendment to the Schedule of Performance from Roderick Olps (A) – Bill Belknap

On March 7, 2019 the Board approved an Exclusive Negotiation Agreement (ENA) with Roderick Olps for the disposition and development of the Agency's Sixth and Jackson property. Under the ENA, Mr. Olps was required to submit the Phase I development plans by May 15th. Mr. Olps submitted his Phase I plans on May 17th. On June 13th Mr. Olps submitted a request for an extension to the schedule of performance to allow an additional 90 days to refine his proposed development plans for the property. Mr. Olps's extension request was approved by the Board on July 11, 2019. Mr. Olps submitted his Phase I development plans which were approved by the Board on October 3rd. Mr. Olps submitted a second request for an extension to the schedule of performance to allow an additional 90 days to refine his proposed development plans for the property which was approved by the Board on December 12, 2019 and shifted the Phase II development plan submission to February 9th. Mr. Olps is requesting a third extension to allow time to have his development plans reviewed by the Moscow Planning and Zoning Commission for conformance with the City's design guidelines before submitting the final Phase II plans for the Board's approval.

Belknap explained the item as described above, noting the importance of review by the Planning & Zoning Commission for compliance with the Legacy Crossing Design Guidelines. Mr. Olps updated Agency members by explaining his designer is going through the RFP again to ensure all aspects are included before submittal to Planning & Zoning. Agency members agreed it was important for Planning & Zoning to review it first and therefore were in favor of the extension. Olps said it increases the risk of not being able to break ground until fall but said he was remaining positive. Sullivan moved to accept the extension request, seconded by Drown and carried unanimously.

5. 2019 MURA Draft Annual Report Review – Bill Belknap

In accordance with State Statute, all urban renewal agencies are required to file with the local governing body by March 31st of each year an annual report describing the activities of the agency for the preceding year. Agencies are required to hold a public meeting to report the findings of the annual report and to take comments from the public prior to filing the report with the governing body. Staff has prepared the Draft 2019 Annual Report and associated Resolution 2020-01 for the Board's review and approval.

Belknap presented highlights within the report and McGeehan opened the public hearing at 7:37 am. Victoria Seever, 121 N Lilly, provided the attached public testimony. Public hearing closed at 7:41 am. Drown recommended acceptance of the public comment and approval of the annual report as presented. Beauchamp seconded the motion which carried unanimously.

6. Discussion Regarding Alturas Phase II Covenants, Conditions, and Restrictions – Bill Belknap

During the development of Phase II of the Alturas Technology Business Park, the Agency placed additional private use restrictions on the lots in Phase II to restrict the use of the property to technology and research businesses only. The covenants included a prohibition against the removal of those land use restrictions for twelve years. That prohibition expired in January of 2019 and the one other lot owner within Phase II has stated they are in support of amending the covenants to remove this additional land use restriction. Staff will provide an overview of the process and seek Board direction.

Belknap reminded Board members of the use restrictions within Phase II which affects the fair market value of those properties and has been one of the limiting factors in the Agency's ability to sell the remaining lots. Lifting those additional restrictions would put the lots closer to fair market value while also eliminating the Agency's right to approve design requirements, development timeframes, etc. Any development would only be constrained by current RTO zoning code and approval from the Alturas Association Architectural Review Board. Drown asked if a daycare would be allowed and Belknap said one already existed there after code amendments removed some prohibited uses and allowed daycares as an accessory use.

Brenda vonWandruzska inquired from the audience about how the remaining lots would be valued and would they be sold at auction or on the open market with price being negotiable. Belknap explained State law specifically requires Agency property to be sold through a competitive RFP process whereas the City must dispose of public property via auction or land exchange for equal value. The Agency performed a bulk fair value assessment on all the Alturas lots and everything sold to date was at that standard square foot value (\$2.34/sf) which took into consideration the zoning and covenant restrictions. He said the sale of Alturas lots occurred the RFP process and had only one respondent in each case. No price negotiation occurred. He said the Sixth & Jackson lot is different because the Agency is encouraging certain uses and dictating specific design standards so there's an individualistic assessment of project development costs and the income it will generate to determine the residual land value.

Belknap said if the Agency wishes to proceed with removing the restrictions, he will meet with the other property owner to amend the covenants which could be completed within about 90 days. He said that action would incur some legal expenses and the reappraisal would incur additional expenses. Belknap acknowledged another course would be to turn the lots over to the City for auction, although he didn't recommend that route and Agency members agreed. Drown said times have changed and the technology park model is no longer viable. Beauchamp thought going to auction would diminish the land value. Belknap was directed to proceed with amending the covenants.

7. General Agency Updates – Bill Belknap

- Alturas District
 - The Association has discussed common area landscaping changes to conserve water and reduce landscaping expenses. Belknap said after an initial expenditure, it could save the Agency a fair amount in maintenance expenses. Drown was concerned that river rock landscaping was not always the best alternative. Belknap said the Association is divided on whether to make any large investment so he will continue to update the Agency on how the discussion goes.
- General Agency Business
 - SB1303 has passed on to the House to prohibit eminent domain by non-elected boards, and the requirement that elected official seats be vacated once their term of office has expired.
 - HB448 has been replaced by HB587 and has advanced to the Senate and will exclude Highway District levies from increment for plans adopted after July 1, 2020.
 - HB409 has passed to the Senate, calling for a one-year freeze on all taxing district levies.

The meeting adjourned at 8:28 a.m.



Steve McGeehan, Agency Chair

6-3-2020

Date