

**MINUTES
URBAN RENEWAL AGENCY
October 11, 2007**

Commissioner McCabe called the Moscow Urban Renewal Agency meeting to order at 7:00 a.m. Thursday, 11th October 2007 in the Moscow City Council Chambers.

Attendance:

<u>Commission Members</u>	<u>City Staff Present</u>	<u>Others Present</u>
John McCabe, Chair	Gary J. Riedner, City Supervisor	BJ Swanson
Aaron Ament	Alisa Stone, Grants Coordinator	Margaret Howlett
Steve Drown	Anne Clapperton, Planner I	Shelley Bennett
Jack Nelson	Bryn Booker, Admin. Intern	Paul Kimmell
Robin Woods	Stephanie Kalasz, City Clerk	Janice McMillan Bob Greene

Absent: John Weber

1. Approval of Minutes - August 30, 2007

Woods moved and Nelson seconded approval of the minutes. Motion carried unanimously.

2. Election of Urban Renewal Agency Secretary

With the resignation of Mike Thomason the position of Urban Renewal Agency Secretary is now vacant.

ACTION: Nominate and elect Urban Renewal Agency Secretary.

Nelson nominated Woods as secretary. Woods was unanimously voted in as secretary.

3. Report of Eligibility Study -Gary J. Riedner

ACTION: Receive Report.

Riedner reviewed the Resolution passed by the City Council regarding the eligibility study.

4. Funding of Plan Preparation - Gary J. Riedner

At the URA meeting May 24, 2007 staff requested the URA to approve a resolution directing that funding for the eligibility study for the Greater Downtown Moscow Area Project be funded from revenues generated from the Alturas Project. At that time staff requested that \$30,000 be approved in order to fund the eligibility study (estimated at \$4,000) with the additional \$26,000 to be utilized for funding the development of the Urban Renewal Plan for the Greater Downtown Moscow Area Project. At that meeting the commissioners approved \$4,000 for the eligibility study and directed staff to delay the issue of plan funding pending approval of the eligibility study by the URA and Moscow City Council. At this time it is necessary to authorize funding for preparation of the Urban Renewal Plan. Staff has prepared a resolution for review and approval by the commission.

ACTION: Direct staff regarding preparation of Urban Renewal Plan for the Greater Moscow Downtown Are Project and approve resolution for funding from Alturas Project funds in the amount of \$26,000 or take such action deemed appropriate.

Riedner presented the issue as written above. He explained the contents of the Resolution to borrow funds from Alturas. He said it is almost exactly the same as the Resolution passed by the Board in May for \$4,000. Ament asked what would happen if the money was spent and the project did not go through. Riedner said there is a bit of a risk because there would not be a funding mechanism to pay money back to Alturas. Ament asked if consideration had been given to having the City fund this loan. Riedner said he would not recommend that the City fund the loan. Typically, this is the way urban renewal agencies fund projects throughout the state. Ament said the potential of increment for the project hasn't been considered yet so he isn't comfortable with saying it is a done deal. He said the citizens have not been approached yet except at the design charrette. He said he will vote for spending the \$26,000. He wants to see a plan that is good for the City. Riedner said the public process will be discussed as item 6. He said the Board will not be required to move forward and it could always be turned down by the Council.

Nelson asked if there was good input with the property owners. Riedner said Kendig Keast met individually with the property owners and there was another meeting with the Board, property owners and the Council as well. There was some good input but the information from Kendig Keast yet isn't available yet.

Swanson said she appreciated the process but the drawings that came out of it were not indicative of what was discussed at the charrette. Gritman paid for a plan to increase economic development, etc. She was disappointed with the high end high rise housing. She said we need a company with northwest values and culture. Riedner said Kendig Keast would not be writing the plan. He said some of the ideas that were thrown out by the public and Kendig Keast threw out some concepts. He said Kendig Keast was directed to put down a concept and values. There was concern about people looking at the sketches and assuming that it would be exactly what will happen. He said the area will be driven by business and each development piece will be reviewed by the URA. Swanson said it looked like a boiler plate drawing of something that would not work here.

Bennett said Kendig Keast did not take the desires of the property owners into consideration. The plan contained things that would not be possible to complete here. Riedner said often people are dissatisfied with what comes out of the charrette process. He said the zoning needs to be considered and then what the development will be. Drown said the design team tries to come out with something based on input from everyone. It is fairly typical from what happens in this process. Bob Greene said the plan was not good and said there are many problems with the drawings from Kendig Keast. He said this is progressing too fast and what Kendig Keast has come up with so far is junk. He said there will be a cathedral next to Gritman that will not produce revenue or jobs. Riedner said the URA is under no continuing contract with Kendig Keast. He said this community wants things early and these drawings are not the design for the project. He said the Council will do the zoning and the business will drive the development with the approval of the URA. There is at least one firm that wants to build mixed use development in the area.

Woods said there were concerns about the slum and blight designation when Alturas went in but it has been a good project. It makes people apprehensive if they don't feel that their ideas have been considered. Riedner said the URA doesn't own this property and cannot decide what is built on it. They can only assist. Nelson asked if parking could be covered in zoning. Riedner said it can in terms of parking requirements for certain zones. He explained how the URA can help with that part of the plan.

Swanson explained some ideas and plans Gritman had and made some suggestions. She said the economic side of this needs to be considered. Riedner said no one wants to take any land away and people will come forward with suggestions for development. Crites indicated that they would be willing to move. There has to be the increment to pay for the project. He said there has been concern about the cathedral going in down there but the URA does not need to be involved in that project. It would not produce any increment and would not benefit the public.

Ament asked when the URA would discuss what the zoning should be in the area because the Board should give a recommendation to the Council. Swanson expressed concern because of the proposed zoning changes by Kendig Keast. Riedner said the plan is the Council's. The URA develops the plan but the Council needs to approve it. He explained the process. He said there may be a new zone necessary for the project. He said the danger is that once it is zoned in any particular way, anyone can put in anything allowed in the zoning for that area. Ament discussed the zoning process. He said he would like the URA to come up with a zoning district that would serve the City and the people that want to build there. Riedner said he thinks the uses will drive the zones. He said a zone may need to be developed for the project.

Howlett said the public process needs to be informational and explain that we can do better with the URA than without the URA and that it is the developers that own the property, not the URA or the City. If expectations are too high then people will be opposed to the project. The community needs to understand that this is a partnership.

Woods moved and Drown seconded to approve the expenditure and Resolution 2007-07. The motion was approved unanimously.

5. Selection of Plan Writer - Gary J. Riedner

In order to develop a plan, staff recommends the selection of a consultant to develop the plan.

ACTION: Direct staff regarding selection process.

This was heard as item 6. Riedner said he doesn't have any recommendations for selection. He explained the requirements for selection of professional services. He said he has been contacted by some plan writers with an interest in the project. Ament asked about getting information from other URAs in the state regarding what they have done.

Riedner said he would prefer to have someone as local as possible. Ament asked if we wanted to invite the interested parties to attend the URA meeting on the 23rd.

Riedner said Area A seems to be the area of interest for the Board and asked for verification. Nelson said he is concerned about the tax issue from the County standpoint. He asked what will be done in the area north of 6th Street. Riedner said part of the issue is the Dumas complex. It is slated for demolition and is ripe for redevelopment. He explained the area and said there was an area included because if there was assistance for affordable housing, then the Council wanted to see it done.

Ament said there was discussion of starting with Area A and then taking in a part of area B. He suggested starting just with the area south of 6th and see if it is successful. He asked what Area A would be in terms of taxes. Riedner said staff is working on that but he doesn't have the answer yet. Ament said we will be locking this up for 24 years and he is concerned about that. The area

can always be enlarged later. Woods said she likes the area as it is. We don't know that we can enlarge the area because the legislature could change things. She said it was worth it for Alturas. Nelson said Alturas wouldn't have happened without the URA. He said some of this area may be developed anyway without the URA. Drown said he thinks the entire proposed Area A should be included so things might be developed between the City and University. Nelson said he doesn't agree that the area between 3rd and A Street should be included. Ament said a property owner will make the most money possible and get by with a lower quality if they can. He said he doesn't want to do anything that will adversely affect the financial status of the County.

Swanson recommended just focusing on the A Area and leaving out the B Area. She said Dumas might be an excellent area for affordable housing and south of that for business. She said that might encourage development in Area B. She verified that the project would not have to stay off of the tax rolls for 24 years. The bonds can be paid off early. Drown said it is important to keep the area north of 6th Street because it will give an area to show where the residential element will be involved in this project. Riedner said some instant revenue is given up but there will be more down the road. Otherwise the growth occurring there naturally will be far into the future. Swanson said the value of Alturas has gone up and the bonds could be paid early. She said the area downtown should build out faster and be more successful. Also, there is the planning option to make sure things are done right. Nelson said the size of the project, length of time, etc. makes a difference. He said the new construction counting helps but waiting 24 years is difficult.

Bennett said the district is large and it will take a long time for development. There are projects coming forward that do not need URA funding but there could be a possibility for public art or something at the University entrance. She said now is the time to get this started or there will be no increment to pay for improvements. She said this needs to be speeded up because this part of the area has been sold and it is going to be developed. There are currently developers waiting for the URA to get this going.

Stone said there are options for financing in an urban renewal agency district that are not available otherwise. Woods said there might be a way to get Alturas back on sooner as well which would help the County. Ament suggested using funds from Alturas to buy property south of Alturas 2 for future development.

It was general consensus to proceed with Area A for now. Ament asked to get projections for the areas and possible zoning. Riedner said we can get a base valuation but it is difficult to put in projection for numbers since we don't know what will be developed there. He said the plan writer should be able to develop some economic models.

McCabe said the URA is a facility to be used in the process and can impact the area. We want to use our ability to help with amenities that the developers would not be able to install otherwise.

6. Public Information Process - Gary J. Riedner

- ✓ **Proposal for Greater Downtown Moscow Urban Renewal District**
- ✓ **Proposal for Setting Boundaries of Greater Downtown URA District**

ACTION: Set a timeline for public information process.

This was heard as item 5. Riedner distributed a calendar with a proposed timeline for the public information process. He said staff is preparing a public information campaign that will begin

November 1st if approved by the Board. He discussed the education process. There will be information about what a URA does, what has happened in the process so far and what is left to do. He said there will be a total of four meetings. He said information will be provided to the URA after those meetings have been completed. He said hopefully the plan will be substantially done in December. It probably wouldn't go to the Council until the second meeting in January at the earliest. Ament said he thought a draft plan should go to the public. Riedner said it has been his experience that in Moscow, if you do not go out ahead of time to get input before the plan is developed, it will be more likely that it has to be redone. Ament said people do need to be involved from the beginning but they need to be involved after the plan is put together as well.

Nelson said we won't know what the URA's involvement with this plan will be and the property may not be developed for several years. Riedner said there will be a narrative of what we would like to have happen as well as economic information. The only sketch included in the actual plan will be a map of the project area. It will be up to the people developing the area to fit it in the plan.

Howlett said she wasn't sure if people would come to a meeting on what the URA does. Riedner explained the part of how the meeting would be conducted and that he hoped people would find the information interesting. Communication with folks is the best way to get them to participate.

7. Status of Urban Renewal Task Force Discussions

Gary J. Riedner and Mayor Nancy Chaney participated in the Urban Renewal Task Force Meeting via teleconference September 24, 2007. Enclosed are the minutes and the Understanding Urban Renewal and Revenue Allocation Financing in Idaho Document from this meeting.

ACTION: Give direction.

Riedner presented the issue as written above and said the Urban Renewal Task Force is trying to develop legislative initiatives. He may have some drafts to present to the URA at the next meeting. If the URA and Council agree with the changes, we will pass a recommendation on.

Woods asked about the Local Economic Development Act and whether there is any help with zoning. Riedner said it is intended as an economic development tool.

The meeting concluded at 8:37 a.m.