

MINUTES
URBAN RENEWAL AGENCY
August 7, 2008

Commissioner McCabe called the Moscow Urban Renewal Agency meeting to order at 7:04 a.m. Thursday, 7th August in the Moscow City Council Chambers.

Attendance:

<u>Commission Members</u>	<u>Staff Present</u>	<u>Others Present</u>
John McCabe, Chair	Pat Raffee, Interim Director	Wayne Krauss
Robin Woods	Gary J. Riedner, City Supervisor	Dan Carscallen
Steve Drown	Don Palmer, Finance Director	B.J. Swanson
Tom Lamar	Jen Pfiffner, Asst. to the City Supervisor	Paul Kimmell
Jack Nelson	Ramon Nunez, Finance Department	Rick Beebe
John Weber	Sue Nelson, Accounting Supervisor	Patrick Vaughn
	Stephanie Kalasz, City Clerk	Reporters

Absent: Brandy Sullivan

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1. Consent Agenda
 - A. Minutes of July 24, 2008 Meeting
 - B. Accounts Payable

The minutes were approved as presented. No accounts payable report was presented.

2. Public Comment for Items not on the Agenda (3 minute limit per person)
No comment was offered.

3. Agency FY2009 Budget Presentation - Don Palmer, Treasurer
Palmer gave highlights of the budget and said the numbers have not changed since it was last reviewed by the Board. He said the budget was split into three categories this year, general operations in addition to two projects, Alturas and Legacy Crossing. Debt service for the Thompson note and the bonds outstanding on the original project are included as well. The assumption was made that two lots would be sold. He said the total budget is approximately \$628,805. He explained how the expenses were broken out. Weber confirmed that funds were set aside to extend the sewer system and complete the sprinkler system project.

4. Public Hearing on Agency FY2009 Budget (3 minutes limit) - John McCabe, Chair
McCabe explained how the hearing would be conducted and opened the public hearing at 7:13 a.m.

McCabe read a letter submitted by Mayor Chaney (included in the record) which reflected her support for the URA funding the created combined position for an Economic Development Specialist - Urban Renewal Agency Director to be shared by the City of Moscow and the Moscow Urban Renewal Agency.

B.J. Swanson, 1121 Lamb Road, Troy, said she would be speaking as a tax payer of Latah County not in relation to her job or other organizations she is involved with. She asked the Board to change the budget to include closing the Alturas Project early. It would return over \$300,000 back to the taxing entities and benefit tax payers. She asked that the URA Director position be delayed for at least a year and for a reduction in administrative expenditures. She said the Mayor indicated

that she would like sewer improvements in the Legacy Crossing area but that should be a City expense, not the URA. She said the URA can take that time to plan what they want out of each project and accomplish things more efficiently. As an example of previous expenditures, she said there is a sign that the URA purchased for \$1000 and her company purchases similar signs for \$200 to \$400. The expensive sign is missing now as well. The URA has not been efficient with money in the past. She asked that the Board have a clear vision prior to moving forward.

Rick Beebe, 1200 Nottingham Place, Moscow, said there is a dramatic difference between Alturas and Legacy Crossing. Alturas has been wildly successful. Legacy Crossing is a totally different type of project. He said the connectivity between the University of Idaho and the business district is imperative. The URA is necessary to solidify the development of the area. He said he is fiscally conservative but money needs to be spent to ensure that this area is developable. This area will affect the City for the next 100 to 150 years and they have been waiting for this body to develop a plan for the area. He appreciates the URA involvement. The developers need the Board to make good decisions. Spending the money is necessary to support the project.

The public hearing closed at 7:22 a.m.

Weber moved to adopt Resolution 2008-2 regarding the FY2009 budget. Drown seconded the motion. Palmer said there is a minor change to be made in Section 1. It should read \$628,805.

Nelson said everyone has expressed their desire to close out Alturas Park but there is nothing in writing. He would like something included in the Resolution indicating that philosophy. He questioned the need to triple administrative costs. It is too much at this time. He said if the \$30,000 paid to the City is just for accounting, Latah County might be willing to do it for that price or it could be contracted out for less. He said the URA causes the Assessor's Office time as well. He discussed the duties of the URA Director. He said he thinks that the person hired for that position will work more for the City of Moscow than for the URA.

Drown said when you look at the flow chart, the intent of the Executive Director is to work under the Board and they will work for the URA. Woods said it can be counter-productive for someone to have many people to answer to such as the LEDC Director answers to the City, County and University of Idaho. She said there will be an opportunity to define some things during the strategic planning process. It should be reviewed after a year to see how things are working.

Lamar asked the difference between Alturas, Alturas I and Alturas II. He asked if they are separate entities and if one part of Alturas could be closed out. Riedner said Alturas I and II are bound together. Alturas II was an amendment to the original Alturas Plan. The current tax allocation area was kept in place which allowed the URA to purchase the property in Alturas II. The funding for Alturas I and II are exactly the same. The right-of-way and park was provided by the property owner when they purchased the property. He explained how Alturas II was handled. There is no difference in the calculation of the cost of the lots to the purchaser. The only difference is who was holding the property for sale. The Board indicated at the time that they would like to close out the Alturas property as soon as possible. Riedner said that direction would be implemented in future Agency decisions and the upcoming strategic planning session.

Riedner said he wanted to discuss the issue of administrative fees. He said up until 2005, the URA paid the City \$5,000 in administrative fees and in 2006 it went to \$25,000 and is now being proposed at \$30,000. The position proposed between the City and URA worked well in Twin Falls.

The Director will be a City employee. The URA Board will have the ability to review and direct the Director's URA activities. The Director's activities will be monitored throughout the year and the funding can be adjusted in future years according to where the most time is being spent. The structure proposed also provides an opportunity for the person to be managed within the framework of the City. The URA will be involved intimately with the management .

Nelson asked what would happen if the URA wanted to terminate the person. Riedner said the URA could choose not to budget the position. It would then be up to the City to decide whether the position should be kept and funded. The City evaluates based on performance but evaluating the continuing need for a certain position is a major consideration as well. The URA is paying for management of the position. He explained how the Council gets involved with the City employment issues. There was discussion about setting goals for the Director.

Woods asked about having a goal of closing Alturas. Riedner said it would not be appropriate in the budget Resolution. It has been the stated goal of the URA for some time. The Commission stating that direction in their goal setting session on the 26th would be appropriate. There was further discussion on how it would be handled.

Nelson asked how the hiring of the Executive Director would be handled. Riedner said he typically puts together a hiring committee and there will be a representative of the URA on it. Nelson said just because the money is in the budget, does not mean that the money has to be spent right away. The hiring could be delayed. Riedner said the budget is just a guideline but he does plan on moving forward as quickly as possible. If the URA does not want to move forward, he needs to know that right away. Nelson asked if a realtor could be hired to sell a lot. Riedner said there is a statutory formula for a public entity selling property. He discussed the process and the requirement of a request for proposals. He explained the process further. He said Alturas I was easier because the URA never held title to the property. It is necessary to make sure that statutory requirements and mandates are met.

Lamar said two things need to be done prior to closing Alturas. All of the lots in Alturas II need to be sold and the Legacy Crossing loans need to be paid back to Alturas. He said the Legacy Crossing area is very important and proper development is essential. There are concerns about timing and development but this is the one area that needs the Board's full attention.

Weber said he agrees with most of the good things and concerns that have been discussed. He said if the best way to address closing out Alturas as soon as possible is to include it in the strategic planning session then that is the way it should be done. The URA can make a big difference in the City right now. If the URA does not step in, then Legacy Crossing could end up being only apartment buildings.

Woods asked about the assumption of selling two lots. Palmer said the document is a management plan and addresses all aspects of the discussion. He said the best case scenario has been included for the past few years so the budget won't need to be reopened in the event that two lots are sold. He said another part of the process is showing ten year forecasts and changes have been made based on those forecasts.

Nelson said he has sat through many public hearings at the Courthouse and he agrees with the Legacy Crossing concept. Government should be involved on a limited level. There were many years when they were not involved in planning.

McCabe said the URA has tried to make the best decisions and be fiscally responsible. It is the goal of the Board to close out Alturas as soon as possible.

Riedner confirmed that the vote would be for the amended Resolution 2008-2. Roll Call Vote: Ayes: Drown, McCabe, Weber, Lamar, Woods. Nays: Nelson. Abstentions: None. Motion carried.

5. Committee Reports: John McCabe, Chair
 - A. Finance
 - B. Marketing
 - C. Legislative & Government Relations

A draft organizational chart and proposed appointments was distributed. There was discussion about meeting times/dates for the committees. Riedner said explained how appointments would be handled. Lamar discussed compiling a duty list for the committees at the strategic planning session. Weber asked if the people on the committees needed to be citizens of Moscow or if someone outside of Moscow could participate. Riedner said currently, the members are residents of Moscow.

Lamar said there has been discussion of the stress on other taxing entities' finances because of the URA districts. He said that would be a good thing to discuss in the strategic planning.

Raffee said during the meeting yesterday at the LEDC, there was discussion about entities educating the legislators about local option sales tax. This Agency could support the other taxing entities in that regard. Lamar suggested having Patrick Vaughn on the Legislative Committee.

6. Staff Reports – Gary J. Riedner, City Supervisor; Pat Raffee, Interim Director
 - A. Alturas Research & Technology Park Update
 - B. Legacy Crossing Urban Renewal District Update
 - C. General Moscow Urban Renewal Agency Update

Raffee said she noticed that a street sign was not installed in Alturas and it is now on the list for the City to install it. In Alturas Park, there has been an asphalt pad installed for a picnic table but the table had been moved next to the fountain. The picnic table should probably be secured. She asked Roger Blanchard for a quote on some park benches to have near the fountain. She said there is an ad that will be in the Washington CEO Magazine that will have articles on the Palouse Knowledge Corridor. The strategic planning will be held at the HIRC on August 26th.

Woods asked if the park was named Gene Thompson Park. Riedner said the Agency has never suggested the name Gene Thompson Park to the City to whom the park was dedicated. There is a process for naming of parks and if the Agency would like to promote that, the process could be pursued.

Drown said it would be nice to look at items that will be added to public space to make sure they will enhance the design. Raffee said she suggested that Blanchard show the Board some different examples with a contemporary “tech” focus.

Lamar said the sign referred to by Swanson was laying on the ground damaged. Raffee said Staff is in the process of getting quotes on some signs. Lamar discussed passage through the area that could be improved. He wanted to make sure general mowing has been done as well. Riedner confirmed that the City Parks Department mowed the remaining lots.

Woods discussed some issues with the park. She asked if the trees could get sprayed so people won't cut them down for Christmas trees.

7. Adjourn

Woods moved and Lamar seconded going into executive session. Motion carried unanimously. The meeting was adjourned to Executive session pursuant to Idaho Code § 67-2345 (1)(c), to conduct deliberations concerning acquiring an interest in real property which is not owned by a public agency and will not reconvene.

The meeting concluded at 8:24 a.m.