



Minutes: August 12, 2009 - 7 a.m.

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

Commissioner McCabe called the Moscow Urban Renewal Agency meeting to order at 7:07 a.m. Wednesday, the 12th of August, 2009 in the City of Moscow Council Chambers.

Attendance:

Commission Members	Staff Present	Others Present
John McCabe, Chair	Travis Cary, MURA Executive Director	
John Weber	Gary J Riedner, City Supervisor	
Brandy Sullivan	Don Palmer, Finance Director	
Steve Drown	Vim Braak, Intern	
Jack Nelson	Stephanie Kalasz, City Clerk	
Absent: Steve McGeehan, Tom Lamar		

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 of July 8, 2009 meeting
 - June Financials
 - July Payables

Weber moved and Nelson seconded approval of the consent agenda. Sullivan asked about Alturas Technology Park prices mentioned in the minutes. After minor changes to the minutes, the 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) – Cary said he got a copy of Top Projects 2009 Magazine that ranks the new Alturas Analytics facility in Alturas Technology Park as the # 6 project. Cary also noted that the Uniquely Palouse Magazine is out and the half page URA add is included. Additionally, the topic at the upcoming Quarterly Regional Breakfast Meeting is "Doing Business in the Palouse Knowledge Corridor."

4. FY 2010 Budget Public Hearing (Travis Cary, Don Palmer)

Action: Motion to Adopt FY 2010 Budget

Cary went through the budget and discussed the highlights. There was discussion about paying off debt. Cary explained that restricted funds were increased to include both the bond debt and the Thompson note and discussed format changes to the budget. Sullivan asked about the restricted funding numbers. Cary explained that there is a typo in the back-up notes that was a number left from last year.

McCabe opened the public hearing at 7:35 a.m. There being no public comment the public hearing closed at 7:36 a.m.

Drown moved and Weber seconded approval of the budget. Weber said the Finance Committee was adamant in paying off the money Alturas loaned Legacy Crossing and that a portion of the fund balance carryover be paid toward debt. Since the Thompson Family debt is a higher interest rate, they recommended paying that first. Motion carried unanimously via roll call vote.

5. FY 2010 Budget Resolution (Travis Cary, Don Palmer)

Action: Motion to Execute FY 2010 Budget Resolution

Weber moved and Sullivan seconded approval of the budget Resolution. Motion carried unanimously.

6. Project Updates (Travis Cary)

- Alturas Technology Park: Biketronics DDA, Financial Impact Analysis, Multi-Tenant Facility

Cary said the Biketronics purchase of two lots in Alturas Technology Park is moving along. The owner is moving on to design work for the project and he is very motivated. Cary said he will continue working on this project. Drown asked when the purchase will go through. Cary said as soon as the DDA is complete, progress is being made with the sale and hopefully construction can start in the spring. Sullivan asked if not selling the land before October 1 will be a problem in the budget. Palmer said it is considered in the 09 and 10 budgets so it shouldn't be a problem.

Cary explained that he and Braak have been working with the businesses in Alturas and there are some exciting things going on. Braak is using the numbers they get to determine the fiscal impact on the community including job creation and impact of jobs as well as sales outside the area.

Cary said he has a meeting set up with CEDA to discuss a multi-tenant facility which is based on the growth of the existing businesses and small businesses interested in being there but don't have the money for their own building.

- Legacy Crossing: Anderson Reimbursement Agreement, Brownfield Inventory

Cary said there was some delay in the work being done by the Anderson Group but their clean-up plan has received approval. Drown asked about the contamination in the area. Cary said it was primarily heavy metals and petroleum in the rail area. There is some lead paint on the exterior of the structure as well. He explained how the problem will be addressed. It is up to the developer to do more design and put in an application to do the work. Riedner said the developer is relatively new at developing and having Cary act as a liaison with the Community Development Department has been helpful. Additionally, Cary focusing on having the Anderson

Group do a business plan will help the project along. Cary said he is waiting for the developer to provide more information to the URA. There was discussion about the URA paying for utility hookups. Cary said the developer made assumptions about what the City and URA could do and they have since been informed about what is possible.

Cary said DEQ has contracted with Terragraphics to work on the brownfield inventory. They are doing a first level assessment on the entire Legacy Crossing District which will be entered into a GIS system. It is funded entirely from DEQ.

Nelson asked what the Anderson Group would do for the URA. Cary explained how the reimbursement would work. He said the developer would need to come up with all of the funds to complete the work. He explained how the DEQ funds would work and said there is a \$150,000 maximum. The real problem with Legacy Crossing is the brownfield issue. Funding cannot be obtained until a clean-up is done. It would return the increase on the property value to the developer. It is an incentive to allow the developer to move past the brownfield clean-up so the project will move on and the property value would go up and jobs will be created. It is a minor financial commitment for the URA because it is a reimbursement agreement. This is a different approach because the developer has to come forward. This is just an incentive. Riedner discussed the purpose of a URA and the benefit of what the Anderson Group is doing. Cary said the URA wants to see property values in the area increase. A cap can be placed on the reimbursement. Nelson said the property owner has to clean-up the property anyway so he doesn't understand why the URA should help with it. McCabe explained that the URA encourages development and started the Legacy Crossing District with the idea that it would assist. Nelson said the property owner may have paid less for the property with the idea that they would have to clean it up. Weber said it is not known whether the Anderson Group can make this work. Regardless of what is done on the property, the area needs to be cleaned up. This assistance may help the property develop sooner because they will be able to get funding for the project.

Nelson said he is not sure if the Anderson Group actually needs the money. Sullivan said if the URA decides to finance this then part of the negotiations should include what the URA gets from this and the Board's influence on the plan. Palmer explained that urban renewal agencies are the only economic development tool available in the state. Sullivan said she is interested in starting with something that is no risk and then maybe surrounding landowners will follow along as well to come forward with projects. Drown said urban renewal agencies have a variety of roles across the country. The Andersons have a real commitment to purchase this site and it is a long-term partnership and development. There will be a greater return on the project in the future. Riedner said Alturas would not have happened if the URA had not been involved. The Andersons have asked for help. He went through the list of landowners in Legacy Crossing and said nothing is happening there right now and this Board can be very influential on how and what happens in the area. Cary said the proposal is the most conservative project that the URA could participate in and there are limits on what the URA can fund. Environmental remediation is one of the main things urban renewal agencies fund. There isn't much other assistance that the URA could provide to the project. Cary noted that it is not a done deal, and that additional review would be necessary prior to approval by the URA. Sullivan said it may make the entire area much more marketable.

7. Executive Session: Pursuant to Idaho Code §67-2345, sub-section (1)(c) - to *conduct deliberations concerning acquiring an interest in real property not owned by a public agency.*

Weber moved and Drown seconded to go into executive session to conduct deliberations concerning acquiring an interest in real property not owned by a public agency per Idaho Code 67-2345 and not to reconvene. The motion was approved unanimously by roll call vote.

The regular meeting concluded at 8:29 a.m.

The executive session began at 8:30 a.m. with Drown, Nelson, Weber, McCabe, Sullivan, Cary, Riedner, Braak and Kalasz in attendance.

8. Adjournment – Nelson left at 8:53 a.m. The executive session concluded at 9:24 a.m.