



Minutes: Thursday, February 16, 2017, 7:00 a.m.

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

McGeehan called the meeting to order at 7:03 a.m.

| Commissioners Present | Commissioners Absent | Also in Attendance |
|-----------------------|----------------------|---------------------------------------|
| Steve McGeehan, Chair | Art Bettge | Bill Belknap, MURA Executive Director |
| Dave McGraw | Steve Drown | Gary Riedner, Interim Treasurer |
| Ron Smith | | Anne Peterson, MURA Clerk |
| Brandy Sullivan | | |
| John Weber | | |

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.

A. *Minutes from February 2, 2017*

B. *January 2017 Payables*

C. *January 2017 Financials*

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

McGraw moved approval of the consent agenda, seconded by Weber. Motion passed unanimously.

2. **Public Comment for items *not on agenda***

No comments.

3. **Announcements**

No announcements.

4. **Adoption of 2017 Moscow Urban Renewal Agency Strategic Plan – Bill Belknap**

The Board has been working on development of a strategic plan to help guide and provide direction to the activities of the Agency. The Board has reviewed the draft strategic plan and capital improvement plan over the course of the last three Board meetings providing staff with input and direction. Staff has prepared the final draft of the strategic and capital improvement plan for the Board's review and adoption.

ACTION: *Review and adopt the proposed 2017-2021 Strategic and Capital Improvement Plan, or take other action as deemed appropriate.*

Weber applauded staff's ability to create an understandable package, especially the CIP which illustrates the MURA's participation in appropriate projects and public investments. McGeehan was pleased with the organizational framework it provides with an important component being flexibility. Smith moved adoption of the plan, seconded by Weber. Motion carried unanimously.

5. Sixth and Jackson Environmental Remediation Report – Bill Belknap

The Agency has been pursuing environmental remediation of the 6th and Jackson Property through the Idaho Department of Environmental Quality's (IDEQ) Voluntary Cleanup Program (VCP) over the last 24 months. The active remediation effort is completed and staff and IDEQ are working on the VCP closeout process. Staff will provide a report on the closeout process and schedule.

ACTION: Receive report and provide staff with further direction.

The active phase of environmental remediation is complete and nitrate concentrations are decreasing. Steps in the closeout process include the Environmental Covenant being recorded against the property, DEQ issuance of the Conditional Certification of Completion, and the Covenant Not to Sue. The environmental covenant will specifically prohibit groundwater extraction on the site and will require continued operation of the pump and discharge system until full compliance is met (two consecutive readings showing drinking water standards have been met), development of an Operation and Maintenance Plan, and establishment of an escrow account to cover future expenses in the event no viable responsible party can ensure compliance. Total proposed escrow to cover inspections, monitoring, equipment costs and electricity is \$5,260.00, and Belknap said the O&M Plan and escrow agreement have been submitted to DEQ for review and approval. Report was accepted by the Board.

6. Development Report from Sangria Downtown LLC – George Skandalos and Carly Lilly

Representatives of Sangria Downtown LLC will provide an update on the status of their development plans for the 6th and Jackson property project.

ACTION: Receive report and provide staff with direction as deemed appropriate.

Lilly explained they have been juggling to find the correct size project to provide the right cash flow within their funding. They have scaled back the building footprint from 9,000sf to 6,500sf, with ten lofted apartments. It will have two functional floors but because of high ceilings it will look like three stories from the outside. The smaller footprint will allow straightening of Hello Walk to provide an unobstructed view from the intersection toward the University. The rooftop patio is still included but a separate commercial space on ground floor was eliminated. This is the right project for their budget, the market, their timeline, and allows them to get local funding and contractors. Skandalos said they have a nine-month construction timeline for restaurant build-out. Belknap said some of those dates could be optimistic given the remediation closeout schedule. Lilly said they are proposing to purchase only the portion of the property northwest of Hello Walk and Belknap explained that option would open up the opportunity for the Agency to enter into another RFP for the southeast corner or enter into conversation with the adjacent property owner. Belknap noted that there will likely be a need to retire the entire bond balance and get a reappraisal on the smaller triangle piece and determine how that affects the financing for the entire project. The Board provided direction to staff to move forward with a review of the proposal and development of a financial pro-forma and development schedule.

7. Agency Draft 2016 Annual Report Review – Bill Belknap

In Accordance with State Statute, all urban renewal agencies are required to file an annual report describing the activities of the agency for the preceding year with the local governing body by March 31st of each 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 initial draft of the annual report and proposes to conduct the public meeting on the final report at the Agency's upcoming March 2nd meeting. After approval of the Annual Report it will be presented to the City Council at their March 20th meeting.

ACTION: Review draft 2016 Annual Report and provide staff with direction.

Belknap reviewed the draft report, including preliminary financials showing a total net position of assets and liabilities of \$1,308,017. The bulk of expenses in 2016 was the disbursement of excess revenues upon closure of the Alturas District. Remaining assets of the Alturas District, including any future lot sales, will go to the General Fund

which can be utilized for any Agency need. A final draft will be presented at a public hearing at the Agency's March 2nd meeting, followed by presentation to City Council on March 20th.

8. Discussion Regarding March Meeting Schedule – Bill Belknap

The Agency's second March meeting falls on March 16th which is during the local school and university spring break period when many community members may be out of town. Staff is recommending that the Board cancel the March 16th meeting. The next meeting would be on April 6th.


ACTION: Receive report and provide direction as deemed appropriate.

The Board concurred with staff's recommendation to cancel the March 16th meeting.

9. General Agency Updates – Gary Riedner

Riedner provided legislative updates regarding clean-up language to last year's legislation regarding urban renewal agencies and a proposed adjustment to the personal property exemption.

McGeehan declared the meeting adjourned at 8:23am.



Steve McGeehan, Agency Chair

3-2-17

Date