

# **Eagle Urban Renewal Agency**

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**Tuesday, August 4<sup>th</sup>, 2015**  
**Regular Meeting**  
**Eagle City Hall**  
**660 E. Civic Lane, Eagle, Idaho**

1. CALL TO ORDER – The meeting was called to order at 6:05PM.
2. ROLL CALL – Reynolds, Butler and Kunz are present. Ridgeway is present via phone. McFarland is absent. Four out of five members are present. A quorum is present.
3. PLEDGE OF ALLEGIANCE – The Pledge of Allegiance was recited.
4. ADDITIONS, DELETIONS OR MODIFICATIONS TO THE AGENDA – None
5. REPORTS BY BOARD MEMBERS, ATTORNEY AND SECRETARY – Jeff Kunz reported the former Tri-City Meats properties were mowed last week by the City of Eagle, under the Memorandum of Understanding (MOU) with the agency. The Board directed the City to mow as necessary.
6. APPROVAL OF MINUTES – July 17, 2015 minutes.  
Jim Reynolds made a motion, seconded by Mark Butler, to approve the minutes. A voice vote was taken. The motion passed 4-0.
7. TREASURER’S REPORT – Lindsey Pretty Weasel gave the report.
  - A. Review of vouchers and checks.
  - B. Review of bank statement. The bank statement was not received.
  - C. Review of profit and loss sheet and balance sheet.
8. UNFINISHED BUSINESS:
  - A. Consideration and possible action on hiring of a public outreach consultant to assist with development of a prioritized project list.  
The Board reaffirmed its approach. Interested consultants will be invited to a future meeting.
9. UNFINISHED BUSINESS:

Public Hearings are legally noticed hearings required by state law. The public may provide formal testimony regarding the application or issue before the Eagle Urban Renewal Agency. This testimony will become part of the hearing record for that application or matter.

  - A. PUBLIC HEARING ON FY 15/16 BUDGET: The public hearing was opened. No one signed up or testified. The public hearing was closed.
    - A1. RESOLUTION 15-002. A Resolution of the Board of Commissioners of the Eagle Urban Renewal Agency of Eagle, Idaho to be termed the “Annual Appropriation Resolution,” appropriating sums of money authorized by law and deemed necessary to defray all expenses and liabilities of the Eagle Urban Renewal Agency, for the Fiscal Year commencing October 1, 2015, and ending September 30, 2016, for all general, special and corporate purposes; directing the chairman or legal counsel to submit the Resolution and Budget to the City of Eagle and any other entity entitled to a copy of the Resolution and Budget; and providing an Effective Date.  
Butler made a motion, seconded by Reynolds, to approve Resolution 15-002, the FY 15-16 budget resolution for the Eagle Urban Renewal Agency. A voice vote was taken. The motion passed 4-0.
10. NEW BUSINESS:

Butler made a motion, seconded by Reynolds, to amend the agenda to hear agenda item 10B before 10A. A voice vote was taken. The motion passed 4-0.

- B. Consideration and possible action on price quotes to prepare, grade and put down gravel for the temporary parking lot on the former Tri-City Meats properties.

Butler mentioned that, at the prior agency meeting, the Board discussed that it may not be wise to spend much money to improve the temporary parking lot because only 18 months remain in the two-year lease.

Butler presented an updated price quote from Ruschman Sand & Gravel of \$6,750 and \$7,600, respectively, to put down 5.75" of gravel to be watered and rolled after grading on the front and back parts of the properties (at 15,200 sq. ft. and 18,000 sq. ft.).

Butler also sought a second price quote from Rod Wagner, who declined to provide one.

(Mary McFarland arrived at approximately 6:20PM.)

Given the recent litigation settlement with the Smiths and the conclusion of Eagle Fun Days without parking problems, McFarland asked whether the agency should spend money on improvements.

Depending on how long the price quote is valid for, Reynolds suggested the Board could defer action.

Butler agreed with McFarland's comments. He would like the properties to look better.

Kunz inquired whether the existing tree roots could be removed during grading to prevent additional volunteer saplings from growing. Butler said he could check into this.

Ridgeway asked Attorney Joe Borton whether construction of the temporary parking lot was required under the lease and whether construction could be delayed. Borton said the lease is "permissive" (i.e., there is an opportunity to provide such improvements) and that the Board has the flexibility to act or not.

Ridgeway proposed the agency grade the properties and not put down gravel. General discussion.

Butler made a motion, seconded by McFarland, to postpone the current price quote, to request a new price quote to grade the properties and remove existing tree roots and, if the new price quote is reasonable, to authorize the chairman to accept the proposal. A roll call vote was taken: Ridgeway: yes; Butler: yes; Kunz: yes; McFarland: yes; Reynolds: yes. All yeases. The motion passed 5-0.

- A. Consideration and possible action on a funding request for construction of an alley way and related improvements on approximately five properties located on the north side of E. Idaho Ave. between N. Eagle Road and N. 1<sup>st</sup> Street.

(Butler recused himself due to a conflict.)

Walt Lindgren of Johnson Architects (139 N. 2<sup>nd</sup> St., Eagle, ID) presented an \$110,916 funding request to construct an "E. Idaho St. alley," including a site map and estimated tax increment revenues without and with improvements. McFarland asked Lindgren to identify the location of the alley. Lindgren did so. The overgrown alley includes an open ditch and certain buildings that may extend into the right-of-way.

Lindgren cited the history of the impacted properties and the need for a holistic approach. One reason the properties have not redeveloped is the construction challenges and costs, including tiling of the ditch. Two previously-pending sales did not materialize due to these construction challenges and costs. The proposed alley will be required for connectivity and vehicular access to rear-loaded parking areas of future buildings oriented toward the front of the lots. Lindgren said if all six properties redevelop immediately, the agency's return on investment could be \$260,000 within five years and \$650,000 within ten years. (These estimated tax increment revenues assume a 4% annual increase in property values and a 1% annual increase in the property tax levy rates.)

Kunz asked how the baseline estimates of tax increment revenues with improvements were calculated. Lindgren explained there are no site-specific development plans for the properties. The estimates are

about as accurate as they can be, given the speculative nature of the analysis, and are based on local case studies such as Fusions Glass Studio. McFarland asked Lindgren whether the Fusions Glass Studio property and 96 E. Idaho Ave. property are comparable (based on property size and development potential) and whether he represented all six property owners. Lindgren responded affirmatively.

Reynolds noted the 10 straight years of property value increases assumed in the analysis may be unusual from a business cycle perspective. He mentioned future city councils may not approve the 1% annual increase in the property tax levy rates. He would be more interested in the proposal if a group of buyers was ready to proceed and total improvement costs (including curbs, gutters and sidewalks) were known.

McFarland said the agency's role should be to figure out how to remove blight and spur economic development by making six downtown properties more viable. She envisioned the proposed alley and related improvements as the first step toward making the properties more marketable and developable. She would support the proposal and noted that the tax increment revenues realized from the sale of one property with improvements would enable the agency to recoup its initial investment.

Kunz asked about the extent of public use of the proposed alley and related improvements. He observed that parcel configurations and the nature of the developments will determine the need for improvements. Lindgren said it is difficult to know how development of the properties will play out.

Ridgeway asked several questions. Lindgren responded that the Ada County Highway District (ACHD) owns and is not willing to vacate its right-of-way, that he (Lindgren) owns none of the properties (the narrative identifies the property owners), that there are no pending offers and that two properties may be uninhabited. Ridgeway opined that ACHD should be responsible for construction of the proposed improvements. Based on his experience as a builder, Ridgeway said a property won't develop until a certain land valuation threshold is met.

Ridgeway said he could not vote tonight because he didn't have sufficient information and wanted to talk to ACHD. He proposed tabling this agenda item until the next meeting.

Attorney Borton said available options include an owner participation agreement to accomplish a public purpose, under which the agency could make a commitment to reimburse the developer for improvement costs. The source of the reimbursement funds would be the tax increment revenues generated by redevelopment, if any. McFarland asked how an owner participation agreement could work when multiple property owners are involved. Borton responded the remedy would involve all property owners being represented by a single person and the properties being assembled and marketed on behalf of a larger-scale redevelopment opportunity that benefits all property owners.

McFarland made a motion to approve a letter of commitment for a reimbursement agreement of up to \$110,916 to improve the public alley way (on E. Idaho St.) upon documentation of a viable purchaser and developer. The motion died for lack of a second. She made a motion to adjourn and departed the meeting. (A quorum was still present.)

Ridgeway made a motion, seconded by Reynolds, to table this agenda item until the next regular meeting. A voice vote was taken. The motion passed 3-0.

Lindgren asked what information he could provide at the next meeting. Ridgeway asked whether the Board received information from ACHD in its packet. Lindgren didn't think so.

(Butler rejoined the meeting.)

11. ADJOURNMENT. Butler made a motion, seconded by Reynolds, to adjourn. A voice vote was taken. The motion passed 4-0.