

Eagle Urban Renewal Agency

Tuesday, March 1st, 2016
Regular Meeting
Eagle City Hall
660 E. Civic Lane, Eagle, Idaho

1. CALL TO ORDER – The meeting was called to order at 6:04PM.
2. ROLL CALL: BASTIAN, KUNZ, PRESTON, RIDGEWAY, SOELBERG – All members were present. A quorum was 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

Commissioner Jeff Kunz declared he owns a property at 100 S. 2nd Street. The property is just outside of the agency's district boundaries.

Commissioners Stan Bastian, Stan Ridgeway and Craig Soelberg declared they own no property within the agency's district boundaries.

Commissioner Naomi Preston declared she pays a mortgage on a property at 83 E. State Street. The property is within the agency's district boundaries.

Attorney Todd Lakey declared he owns no property within the agency's district boundaries. He reported the agency's 2015 annual report must be reviewed, publicly commented on and approved by March 31, 2016. The agency will hold a special meeting for this purpose.

Secretary Lindsey Pretty Weasel declared she owns no property within the agency's district boundaries.

6. TREASURER'S REPORT – No report was given.
 - A. Review of vouchers and checks.
 - B. Review of bank statement.
 - C. Review of profit and loss sheet and balance sheet.
7. APPROVAL OF MINUTES – February 2nd, 2016 minutes
Preston made a motion, seconded by Soelberg, to approve the minutes. A voice vote was taken. The motion passed unanimously.
8. UNFINISHED BUSINESS
 - A. Update on the professional services agreement to hire AF Public Solutions, LLC as a public outreach consultant to assist with development of a prioritized project list.

Kunz reported that consultant Ashley Squyres has personal family matters that may or may not preclude her ability to execute the professional services agreement. If she is able to execute the agreement, the agreement will be executed as planned. If she is unable to execute the agreement, the matter will be brought back at a future meeting for further discussion and a possible alternative course of action.

Soelberg asked about the schedule for development of the prioritized project list. Kunz responded the agreement defines a six-month development process and schedule of activities beginning in February 2016; however, he noted if the agreement is executed soon, the development process should still be able to be completed per the schedule, except for possible legislative activities that could affect the effort.

- B. Consideration and possible action on a Memorandum of Understanding (MOU) related to the City of Eagle's request to partner with the agency to fund the consultant and public participation costs associated with the update of the City's Economic Development Plan, a component of the City's Comprehensive Plan.

Kunz introduced the Memorandum of Understanding (MOU). He noted the city attorney proposed revisions to the agreement, including deletion of the appropriation clause. Attorney Lakey said the proposed revisions were minor and government contracts include the standard appropriation clause.

Attorney Lakey highlighted some of the specific terms in the agreement, including the city's responsibilities, the agency's rights based on its financial contribution and the deliverables.

Bastian observed the city and agency could only consider proposals under the not-to-exceed total cost of \$33,000. Lakey noted the agreement could be revised to provide flexibility among line items or to renegotiate the not-to-exceed total cost of \$33,000. Planner III Nichoel Baird Spencer said the agreement is written to be flexible. The city's intent would be to bill the agency for shared costs as needed. If the estimated economic development consultant hiring and public outreach costs are accurate, the city's portion of unspent funds this year would be carried forward to the next fiscal year and the city and agency would know whether adjustments would be necessary in future budget cycles. Inclusion of the appropriation clause is important for this reason, Baird Spencer said.

Soelberg supports the comprehensive plan changes and believes the monies allocated are acceptable. However, the not-to-exceed total cost of \$33,000 covers one-half of the city's costs, which may not be an appropriate allocation of resources since the agency's deliverable (i.e., the economic development plan) is one component of the comprehensive plan. He suggested the agency share a portion of the economic development and public outreach costs and specify the dollar contribution per line item. He is concerned that costs not be "passed off" to the agency. Preston concurred. Ridgeway disagreed, noting the city will contribute staff time and will cover associated costs, which could be considerable since the initiative will span 18 months. He said the agency was receiving a "good deal." Bastian believed the not-to-exceed total cost of \$33,000 was "reasonable" and should not be reduced. Soelberg asked what the city's and agency's roles and deliverables are, respectively. Baird Spencer responded the agency will not receive an urban renewal-specific economic development plan because the agency will partner with the city throughout the process and will publicly vet the information to formulate policy. She said the city provided the agency with information found within the comprehensive plan at no cost, but had to take the information as-is. Given the agency's financial contribution and the overlap between the efforts, Soelberg questioned whether the agency needed to hire a public outreach consultant to develop a prioritized project list and, if so, at what cost. Kunz responded the cost to hire AF Public Solutions, LLC as a public outreach consultant to assist with development of a prioritized project list would be \$4,000.

Bastian made a motion, seconded by Ridgeway, to approve the Memorandum of Understanding (MOU) for the cooperation of cost-sharing with the City of Eagle for the preparation of the economic development plan and the public outreach and printing portions of the comprehensive plan, as presented, at a not-to-exceed total cost of \$33,000. The standard appropriation clause within the agreement will be retained, as per Attorney Lakey's preference. A roll call vote was taken: Bastian: yes; Kunz: yes; Preston: yes; Ridgeway: yes; Soelberg: yes. All yeses. The motion passed unanimously.

9. NEW BUSINESS:

- A. Discussion and possible action on a funding request from the Beautify Downtown Eagle Committee for planters, flowers and street signs to identify and unify downtown Eagle, as presented by Diane McLaughlin.

Kunz asked commissioners to disclose ex-parte communications and/or conflicts of interest. Preston disclosed she is a member of the Beautify Downtown Eagle Committee and expressed her desire to recuse herself. She inquired whether she could comment on the presentation if she recused herself. Attorney Lakey responded if she intended to recuse herself, she should probably not comment. Ridgeway asked Preston whether the Beautify Downtown Eagle Committee is a non-profit organization

or a loosely-organized citizens group. Preston responded the committee is a citizens group. Under these circumstances, Ridgeway asked whether she would have to recuse herself. Lakey responded that because the committee would not receive agency funds, no pecuniary interest exists and recusal would be a matter of personal perception and comfort level. Kunz observed Preston, as a local business owner, could be perceived as a potential beneficiary of any favorable action taken by the agency. Ridgeway disagreed and contended the project would primarily benefit the public, not property and business owners. Soelberg opined Preston should probably recuse herself because she serves on the city council and the city would incur maintenance costs for the project, if approved. Bastian opined if a person recuses himself or herself, he or she should be able to participate and publicly comment. He noted this precedent was established by previous city councils. Ultimately, Preston chose to recuse herself.

Diane McLaughlin, 2070 S. Fox Glen Way, Eagle, ID. The Beautify Downtown Eagle Committee is a group of Eagle residents and business owners that includes Diane McLaughlin, Naomi Preston, Anna Dempsay, Jane Kramer and Mary May. The committee has previously undertaken beautification projects and will build on these prior successes. Phase one of the proposed project seeks to improve the ambiance of the downtown area through the use of new signage, flower planters and benches. Signage would highlight attractions, points of interest and local business districts. Committee members met with the Ada County Highway District (ACHD) to identify what signage is allowed in public rights-of-way. ACHD indicated signage for public buildings (e.g., city hall, library) and generic business districts is allowed in public rights-of-way; however, business-specific signage (e.g., comprehensive business directories) is disallowed in public rights-of-way. For the phase one project, the committee's next steps include identifying costs, developing a schedule and identifying and securing funding sources.

Kunz asked Lakey whether planters, flowers and signage funded by the agency must be placed in public rights-of-way versus on private property. Lakey said the safest course would be for the agency to retain ownership of the amenities to be placed in public rights-of-way within the agency's district boundaries (versus being placed on private property) and to have a good relationship with the city regarding maintenance. He suggested a good resource might be the Meridian Development Corporation, which has successfully undertaken such projects.

McLaughlin said ACHD will need to review the committee's plans and, if approved, a licensing agreement could be issued for placement of planters and signage within public rights-of-way. ACHD would install the signage. Lakey acknowledged a license agreement could be used, if the agency accepts responsibility that the public infrastructure will be restored to its original condition upon removal of the amenities and that the amenities will be maintained. He said sign permits could be required.

Ridgeway asked Lakey whether the committee could request grants and combine funds (possibly received from multiple sources) so signage could be installed over the entire area, including those areas outside of the agency's district boundaries. Lakey indicated the agency has authority to apply for grants and to engage in cooperative funding efforts with the city to accomplish broader project goals.

Ridgeway asked about the widths of ACHD public rights-of-way in downtown Eagle. Baird Spencer indicated the ACHD public rights-of-way vary in width by location.

Ridgeway liked the signage and would like to see hanging flower baskets on more light poles.

Bastian commended the committee on their project and said it would be a tremendous asset.

Kunz asked about the phase one project cost estimates. McLaughlin estimated the phase one project costs at approximately \$10,000 and recognized that maintenance costs could be reduced by xeriscaping.

Soelberg favored the project. He encouraged the committee to reach out to the Historic Preservation Commission for possible assistance.

McLaughlin anticipated having more details available at the agency's regular meeting in April.

Greg McVay thinks the project is a wonderful idea. The committee should have no trouble raising funds if the project is successful in hitting all targets. He thinks the project could be highly successful.

Jane Kramer, 57 Ranch Drive, Eagle, ID. The committee envisions the project expanding to identify and unify places south of highway and the new construction occurring east and west of Eagle.

- B. Discussion of a possible recommendation to the City of Eagle concerning a high-level strategy and possible schedule for restructuring of the agency.

Kunz introduced the topic and noted on February 26, 2016, the Redevelopment Association of Idaho (RAI), of which the agency is a member, sent a letter summarizing the draft urban renewal law legislation. He summarized some of the changes being proposed to the urban renewal laws, including a possible contradiction that requires the local governing body to comprise less than a majority of the board of commissioners of an urban renewal agency while permitting the local governing body to entirely supersede an existing board of commissioners of an urban renewal agency. He encouraged all commissioners to review the draft legislation. The legislation will be printed soon.

Bastian asked Lakey when the legislation would take effect, if enacted. Lakey said in the absence of an emergency clause, the effective date would be July 1, 2016. Accordingly, Bastian said the agency would not have to take immediate action. Lakey pointed out if there is a change in the composition of the board, the local governing body (i.e., the city council) must pass an ordinance to restructure the agency.

Kunz expressed concern about a proposed change that would reset the agency's revenue allocation area base value upon amendments to the project plan, unless the amendments conform to four narrowly-defined exceptions. He also voiced concern that the proposed definition of "indebtedness" is bond-centric and excludes mention of "owner participation agreements" and "reimbursement agreements" that reimburse property owners and developers from a percentage of the net tax increment revenues generated annually by the project, where the reimbursements span several years.

Soelberg agreed with Bastian and said the agency does not need to go through the proposed legislation line-by-line unless it takes effect. If legislation is enacted, he proposed creating an interim committee (including subject matter experts) to recommend how to restructure the agency.

Ridgeway attended a recent Treasure Valley Partnership meeting where Seth Griggs, the Executive Director of the Association of Idaho Cities, made a presentation and noted the draft legislation keeps changing and may not be introduced. He said a reset of an agency's revenue allocation area base value might not affect existing bond indebtedness.

Philosophically, Bastian believes the board of commissioners of an urban renewal agency should be either five or seven members with less than a majority being members of the local governing body. He believes city council members serving on an agency's board have a stake in being elected and representing the city and community. He said it is healthy for city council members to serve on an agency's board because they could have a broader perspective; otherwise, the agency's board could become primarily non-governmental, potentially representing only the narrower interests of the district.

Kunz expressed concern the agency may need to take action in the very near term to formalize pending agreements (e.g., a letter of intent) and to update its project plan, including any potential changes to the agency's district boundaries, prior to the draft urban renewal legislation being enacted.

Lakey noted expansion of the agency's revenue allocation area applies to contiguous property, where the expansion must represent less than a 10% increase in the total size of the revenue allocation area in order to not trigger a reset of the agency's revenue allocation area base value (as per the proposed urban renewal legislation). If the property is non-contiguous, it is possible to designate a separate revenue allocation area governed by its own project plan and managed by the same agency.

Bastian proposed a work session to review and identify possible updates to the agency's project plan prior to the draft urban renewal legislation taking effect. Preston agreed. Lakey suggested the urban renewal basic training being undertaken with AF Public Solutions, LLC could be incorporated.

10. ADJOURNMENT. Preston made a motion, seconded by Bastian, to adjourn. A voice vote was taken. The motion passed unanimously.