

Eagle Urban Renewal Agency

Tuesday February 10th, 2015

Special Meeting

Eagle City Hall

660 E Civic Lane, Eagle, Idaho

1. Call to Order: Chairman Jeff Kunz called the meeting to order at 5:00PM.
2. Roll Call by Kunz – Present: Reynolds, Butler, McFarland, Kunz, Ridgeway. A quorum is present.
3. Pledge of Allegiance
4. Amendments to agenda – None
5. Discussion and possible approval of the proposed Letter of Intent for the Cottonwood Meadows Senior Apartments project. Kunz asked Attorney Victor Villegas to go over the letter. On the first page, the title of the letter is addressed as a “Letter of Commitment.” Attorney Todd Lakey would like it to read “Letter of Intent” because the substance of the letter is non-binding and contemplates an agreement in the future. The reason for the change is if the letter is not identified for what it is, courts have looked at letters like these and if the letter doesn’t contain disclaimers and proper language about a formal written agreement in the future, some courts have looked at these and called them enforceable contracts. Kunz asked if the first suggested revision was that “Letter of Commitment” be changed to “Letter.” Lakey wants it to stay “Letter of Intent.” Tom Mannschreck is fine with it being a “Letter of Intent.” No changes to comment T3. Comment T4 described the location for this project. In speaking with Lakey, there was discussion in the last meeting about a preference for an alternate location on the north side of State Highway 44. Mark Butler stated that as long as the preference is on the record, it doesn’t need to be in the letter. Mary McFarland stated the location on the south side of State Highway 44 would be a better option, since extending E. Riverside Dr. (and the other public infrastructure improvements) will make development of the rest of the property more attainable and thereby better the District. McFarland asked if commissioners were okay with removing the next to last paragraph. Jim Reynolds liked the idea of improving the north side to remove the “blighted” trailer park.

Tom Mannschreck spoke. He stated the language in the Idaho Housing and Finance Association (IHFA) rules is fuzzy enough that the “Letter of Intent” will work. He stated The Pacific Companies (as applicant) want to make it easy for IHFA to analyze this application notebook. Currently, the applicant is on the public record as preferring to move the senior apartment complex to the north side of State Highway 44. Doing so would fit in with the master plan. If development occurs on the north side, there would also be URA-eligible expenses on the south side. This is only a “Letter of Intent” and many more things need to happen. The applicant would like to remove from the letter the next-to-last paragraph expressing a preference for development of the senior apartment complex on the north side. McFarland and Reynolds were happy with removing the next to last paragraph. Reynolds made a motion to approve the letter with Lakey’s comments and suggestions. Butler seconded the motion as long as the next to last paragraph is removed. Reynolds was in agreement. A roll call was taken; Reynolds: aye; Butler: aye; McFarland: aye; Kunz: nay; Ridgeway: nay. Motion passed 3 to 2. Butler asked Ridgeway and Kunz why they voted no. Ridgeway stated the project didn’t meet the smell test for a EURA project – the property is not “blighted.” Ridgeway views this project as a supplemental funding program for developers. McFarland stated the applicant is giving the EURA money. The ERUA is not paying. Discussion followed. Butler asked when the applicant will ask for the actual reimbursement contract. Mannschreck stated the financing applications will be turned into IHFA this week, they will know more in March or April. That would start the development process. The applicant will ask for the actual reimbursement contract during mid-summer. The applicant would like to be “in the ground” no later than October.

6. Adjournment. Reynolds made a motion to adjourn. Ridgeway seconded the motion. Adjourned.