



Urban Renewal Agency Minutes

Monday, August 14, 2017, 12:00 PM

City Council Chambers
305 Third Avenue East - Twin Falls, Idaho

Members: Chairman Dan Brizee, Vice Chairman Dexter Ball, Secretary Neil Christensen, Perri Gardner, Gary Garnand, Brad Wills, Suzzane Cawthra

1) Confirmation of Quorum/Call Meeting to Order

Present: Dan Brizee, Dexter Ball, Brad Wills, Suzzane Cawthra, Perri Gardner
Absent: Neil Christensen and Gary Garnand
Also Present: Nathan Murray, Economic Development Director; Jesse Schuerman, Engineer; Brent Hyatt, Asst. Finance Officer; Lorrie Bauer, Recording Secretary; Ruth Pierce, City Council Liaison; Don Hall, Twin Falls County; Perrin Robinson, CH2M; Anthony Guho, Guho Corp; Devin Morris, Alturas Real Estate Fund; Don Campbell and Hailey Barns, Gemstone Climbing

Chairman Brizee called the meeting to order at 12:01 PM. A quorum was present.

2) Consideration of Amendment(s) to the Agenda

None.

3) Consent Calendar

- a) Request to approve: 1) Minutes for July 10, 2017 meeting; 2) August 2017 Financial Report; and 3) August 2017 Accounts Payable.

MOTION: Brad Wills moved to approve the consent calendar. Perri Gardner seconded the motion. Roll call vote showed all members present voted. Approved 5 to 0.

4) Reports/Updates

- a) Executive Director's Report by Nathan Murray.

Nathan reported the First Federal discussion has been put on hold for one more month, pending today's meeting discussion results. He shared a ribbon cutting ceremony for the opening of the second block of Main Avenue, Gooding to Fairfield, was held last week and recognized Dexter Ball and Brad Wills for being in attendance. All board members were encouraged to attend the future ceremonies for the remaining three blocks upon their completion this fall.

- b) Main Avenue Project Update by Perrin Robinson, CH2M

Perrin shared photos of the Main Avenue Construction. The merchants as well as the public are utilizing and enjoying the new space. Landscaping is now complete from Gooding to

Fairfield. Two block are now open, usable, and accessible to the public. Shoshone to Hansen is currently under construction and Hansen to Idaho is being demolished. The project is one week behind, over all, from the original schedule. Bike racks, bollards, and a little striping will soon be added to the parking space areas to delineate the end of the parking zone to encourage people not to advance further than the parking area; wheel stops are also being discussed.

5) Items of Consideration

- a) Public Hearing for the FY 2017-18 budget and Consideration of a request to adopt the budget in the amount of \$15,530,275.

Chairman Brizee opened the public hearing for comment. No one came forward to comment, therefore the public hearing was closed. Brent Hyatt shared some insight about the proposed budget.

MOTION: Perri Gardner moved to accept the budget in the amount of \$15,530,275 for FY 2017-2018. Suzzane Cawthra seconded the motion. Roll call vote showed all members present voted. Approved 5 to 0.

- b) Consideration of a request by Gemstone Climbing for reimbursement of \$105,000 for cost incurred as a result of over excavation on the project located at 135 5th Ave South. Nathan explained the history and request. He concluded that per the purchase and sale agreement, the property was sold "as is" for \$1.00 with the understanding Gemstone would perform the necessary environmental work and secure all the permits. He added that staff does not feel we have an obligation to the request, but it would be nice to discover something we could do to help. URA does have an obligation to complete the sidewalk and asphalt the alleyway and if the construction comes in under the budget for that project, Nathan mentioned that maybe the remaining monies can aid Gemstone in other ways as legally applicable. Hailey Barnes, one of the owners and general manager of Gemstone Climbing Center, corrected the requested amount to \$40,000 for direct expenses. She reported the background, including processes and findings. She shared that when large pieces of concrete were found buried in the soil, they contacted Nathan Murray and asked for help. She explained the contract also states if Gemstone does not build a climbing gym on the property, it goes back to the URA. Don Campbell, one of the owners of Gemstone, added information he was told by another individual regarding the dumping of materials at the site and that the City should have known and it should have been represented to them when they purchased the property. Mr. Campbell shared when they reported their findings, they were told they would be dealt with in a fair and just manner and keep track of their costs. Brad Wills shared that Hailey Barnes does work for him in an engineering capacity and he doesn't believe it will be a conflict of interest. Discussion ensued.

Brad Wills motioned to reimburse Gemstone Climbing \$40,000 on their project. No second. Motion fails.

Jesse Schuerman shared the URA portion of the project is estimated to cost \$40,000. Due to the grade between the center of the alley and the road, a concrete valley gutter will be

installed to help keep the water away from the building. Mr. Campbell added that due to the flat grade of the alley, they raised the level of the building eight inches to comply with Jesse's request.

Chairman Brizee asked to move this agenda item to the next meeting in order to have time to gather more information. He shared the challenge for the URA and that they can't established a precedence. He asked if there was something else we can do that we could help them with to help offset the cost they've incurred? Nathan replied he'd like to find out if they have any items on their punchlist, of a public nature, that we could aid to construct. Further discussion was tabled until next meeting.

- c) Consideration of a request to sign a Purchase and Sale Agreement for the property located at 851 Pole Line Road.

Nathan reported two parties previously submitted letters of intent to purchase, but due to a right-of-first refusal on the property, both parties had the opportunity to walk thru the building and decide if they wanted submit a proposal. Both parties provided a purchase and sale agreement: Eagle Financial, LLC in the amount of \$2,325,000 and Alturas Real Estate Fund, LLC in the amount of \$2,050,000. Nathan explained the next process. Discussion ensued. Devin Morris with Alturas Real Estate Fund shared they are a real estate investment fund based in Boise with just over 500,000 sq. ft. of properties currently under management, including a property in Twin Falls. He shared they want to continue to invest in the valley and would like to work with C3, and keep them in the building. Discussion ensued.

MOTION: Brad Wills motioned to authorize the Chairman to sign the purchase and sale agreement for the property located at 851 Pole Line Road, then withdrew his motion. Discussion continued comparing the offers.

MOTION: Brad Wills motioned to authorize the Chairman to sign the Purchase and Sale Agreement for the property located at 850 Pole Line Road with the buyer being Eagle Financial, LLC. Perri Gardner seconded the motion. Roll call vote showed all members present voted. Approved 5 to 0.

6) General Input/Announcements - Public/Staff

The concrete work on the exterior of the Crowley building is complete and waterproofing and backfilling is underway as well as waterproofing to the Key Bank building.

Commons: Chairman Brizee shared the plans are complete and very soon the Hansen Street portion will go out for bid so as to have it complete by the time City Hall takes possession. The plaza itself will not be completed until Spring 2018. The restroom building and the wall on the North side of the plaza will be completed this fall.

7) Upcoming Meeting(s)

- a) Monday, September 11, 2017 @ 12:00 p.m.

8) Adjournment

- a) Adjourn to Executive Session 74-206(1)(c) to acquire an interest in real property which is not owned by a public agency. (Meeting will not be returning to open session.)

MOTION: Perri Gardner moved to adjourn to executive session under the appropriate state law to discuss the acquisition of real property. Suzzane Cawthra seconded the motion. Roll call vote showed all members present voted. Approved 5 to 0.

The meeting adjourned at 01:11: PM



Lorrie Bauer, Recording Secretary