

**SANDPOINT URBAN RENEWAL AGENCY  
MEETING MINUTES OF MARCH 13, 2018  
7:30 A.M. CITY HALL COUNCIL CHAMBERS**

**MEMBERS PRESENT:** Eric Paull, Kendon Perry, Marilyn Sabella, Aaron Qualls, Curt Hagen, Tom Bokowy (by phone).

**MEMBERS ABSENT:** Steve Lockwood

**CITY COUNCIL/ STAFF PRESENT:** Maree Peck (minutes), Elle Susnis, Vice Chair of Sandpoint Arts Commission.

Meeting was called to order by Chairman Paull at 7:32 AM.

**Minutes:** Minutes for the February 6, 2018 meeting were approved as submitted.

**Financial Report:** Downtown general account \$987,113.46; Revenue Allocation Fund a/c \$126,350.25; Northern \$1,397,914.92; Downtown loan balance \$818,629.05 (next payment due 3-15-18 \$124,149.01).

Increment received in February: \$275,451.63 for Northern and \$401,271.82 for Downtown

Invoices for payment not project specific: \$0.

**Old Business**

**Downtown streets:** 2017/18 Downtown Streets budget - \$1,000,000. Advanced to date: \$0; remaining balance \$1,000,000. Invoices for approval \$0. Aaron Qualls noted submission of bids closed on Friday, March 9. Two bids were received.

**Baldy Pedestrian Project:** Advanced to date: \$164,212.49. Remaining balance \$685,787.51. Invoices for approval \$245.78. No updates provided. **Sabella moved and Hagen seconded to approve payment. Motion passes unanimously with Lockwood absent.**

**Art:** Elle Susnis: Downtown funds; \$84,077.71; Northern \$131,783.42. Eric Paull said this is after receiving 2.5% of the increment received in February.

**Hydrant painting:** budget of \$1050.00; Invoices for approval \$0. No update provided.

**Silver Box Project:** advanced to date \$7,595.30; Remaining balance \$12,404.70; Invoices for approval \$0. Elle reported this matter will be discussed at the Sandpoint Arts Commission meeting this evening and will provide an update next month.

**Schweitzer Roundabout Public Art:** budget \$113,500.00; Invoices for approval \$0. Elle reported that by extending the Call closing to February 28, 2018, they received 144 applications from all over the country. They are currently in the jury process and will have three finalists by

the end of this month. These finalists will have approximately one month to work on their presentations.

**Northern URD update:** Invoice for approval \$74.00 legal fees. **Qualls moved and Perry seconded to approve payment. Motion passes unanimously with Lockwood absent.**

Eric Paull referred to the engagement letter from the law firm, Elam & Burke, that provides their scope of services and legal fees for amending the Northern Urban Renewal District (URD). The University of Idaho property is within the URD but it's not within the Revenue Allocation Area (RAA). The timeline for consideration and approval of the amended Urban Renewal Plan would take as long as December 2018. Aaron Qualls pointed out that the City Council can suspend the rules for the second and third readings which could change the deadline to November.

Eric Paull pointed out that the plan can be amended only once. The plan was amended in 2010 but it was to correct a scrivener's error, which is not considered a plan amendment. We also cannot expand the area by more than 10% without extending the base. If you take away from other areas, you have to consider the economic impact. If we add the University of Idaho property, then we won't exceed the 10%. If purchased by a private developer, the property will be on the tax rolls, then urban renewal could receive tax increments and could work with the developer in order to obtain the development we want to see.

Aaron Qualls reported City Council has not adopted a plan for the University of Idaho property to date. The southern portion of the property is slated for a potential recreation center (approximately 10 acres). The community has reported that they would like to see recreation, trails and open space on the property. He asked if the RAA will be amended, if the Board should consider looking at other areas as well such as the "doughnut" area near the airport, consider development of a trail on the Union Pacific railway property and consider whether to trade with other areas. Eric Paull noted the consultant will forecast the tax increment. He didn't know if they could expand the boundary of the Northern URD.

Aaron Qualls referred to the "doughnut area" that includes Quest Aircraft which is not within the district. There could be consideration to incorporate both sides of Baldy Mountain Road and the Union Pacific surplus railway property for trail connectivity to the multimodal network. This would require the railroad to abandon the railway. Eric Paull noted if they considered the railway, they would have to expand the boundary. Aaron Qualls suggested asking Elam & Burke if the Northern URD could be expanded as well as the RAA.

Tom Bokowy noted that the law firm, Elam & Burke, discounted their rates for the first 50 hours for the URDs in Ketchum and Twin Falls, with a total value of approximately \$2,500. Aaron Qualls said the LOR Foundation or Equinox Foundation could provide financial assistance and Rails to Trails Conservancy can provide technical assistance for the trail. He suggested adding the area of the railway located behind Milltown development to the railroad track north. Eric Paull noted they can only take a portion (38 acres) of the University of Idaho property. He agreed with Aaron Qualls they could retract property from somewhere else but it could take away the tax increment.

Eric Paull stressed the importance of staying within the timeline. They may have to purchase land from the City in order to have control of developable sites. If the City does not obtain funding from the LOR Foundation, they may be in a situation to do interim transfers with the expectation that urban renewal will repay it. If a developer purchases the property, urban renewal can't be involved until the plan is amended. Urban renewal could then reshape development of the property by offering urban renewal funding for public improvements to the site. University of Idaho plans to sell the property within the next two months.

Curt Hagen divulged he may have to recuse himself on this issue because he has two listings within the "doughnut" area. Eric Paull noted that they will have to report what they expect to receive in tax increment on the 38 acres for the feasibility study. He stressed that the 38 acres should have a tax base, that it should not be a park, as it will not be a vested interest for urban renewal. If a recreation center is privately owned, there would be a tax base but not if it's publicly owned. Aaron Qualls reviewed the GIS map where it was pointed out that the 24 acres adjacent to the railroad tracks to the south and the 14 acres located north on Boyer adjacent to Mountain View Drive is the property urban renewal wants to include in the Northern URD. Kendon Perry commented that they should focus on the 38 acres within the University of Idaho property as this will benefit the entire community. If there was an opportunity to look at trading areas and more time, the Board could consider incorporating other areas as Aaron Qualls reviewed.

**Perry moved and Sabella seconded to engage with Elam & Burke for services to amend the Plan. Motion passes unanimously with Lockwood absent.**

Eric Paull noted he will contact Elam & Burke to inquire about the discounted rate for the first 50 hours. Aaron Qualls stated that he is familiar with Kushlan Associates and is familiar with Sandpoint.

**Qualls moved and Perry seconded to hire Kushlan Associates as the consultant. Motion passes unanimously with Lockwood absent.**

**Public Hearing for 2017 Annual Report:** Eric Paull opened the public hearing for public comment on the 2017 Annual Report. He said that Aaron Qualls pointed out there was a discrepancy on the amount of improvements on Airport Way. Eric Paull said he will update the report. It appears they will still be under budget. Eric Paull requested comments on the report. No comments from the public were made. Eric Paull closed the public hearing.

**Adjourn 8:33 a.m.**

Next regular meeting, April 3, 2018, 7:30 a.m. City Hall City Council Chambers