BLACKFOOT URBAN RENEWAL AGENCY

September 5, 2023

City Hall – 7:30 am

Meeting minutes

Present: Bart Brown, Michaelene Herbst, Wayne Mikesell, Garrett Sandow, and Commissioner Eric Jackson. Briannia Ball.

Absent: Jake Dye, Michael Johnson

Guests: Mayor Carroll, Ben Arave Initials_____ Initials_____

Bart Brown called the meeting to order at 7:34 am.

No disclosures or conflicts of interest were disclosed.

Bart Brown asked for approval of the minutes for August 1, 2023. A motion to approve the August 1, 2023 meeting minutes of the Blackfoot Urban Renewal Agency was made by Wayne Mikesell and the motion was seconded by Commissioner Jackson. All in favor. Motion was unanimously adopted.

Twin Bridges:

Mayor Carroll: The survey has been completed. The final report has not been received. JUB says there aren't any big surprises, when compared to the original survey report. They're currently working on the concept plan. They hope to present it at the October board meeting. Handicap access will be included. The possibility of including trusses from the original bridge was discussed. The new bridge has the potential to carry million-ton loads. There is a partnership between the City, the County and Premier Technology to provide some of the money for the new bridge. The City has received a $500,000 CVGD grant. Several other grants have been received. Current estimates are almost double the original cost. LTAC, the local technical assistance council and ITD are trying to find other funding sources. The desire for a walking path that connects to the current greenbelt was discussed.

Approve Proposed Budget: The budget must be approved annually. The obligation to have it published in the newspaper twice has been met. The format of the budget is as follows:

- Projected revenue from the tax base for annual revenue.
- Planned expenditures – administrative (newspaper filing, Quickbooks fee), accounting, legal and miscellaneous.
- Project related expenditures –
    - Downtown remaining district ($1,458,016 left to disburse on existing projects.) No other expenses are expected except for administrative expenses.

    - Riverview district – Budgeted for $100,000 in façade grants, $1.4M for blight and development projects (a carryover from last year's projected budget). None of that money has been spent yet.
- Long term debt – Payments on the land purchase note between the Urban Renewal and the County for the property that Premier is on, and the two bonds on the Downtown and Premier project.
- Budgeted current change in cash plus the cash that carries forward, equals our projected cash balance at the end of next year.
- If the project doesn't go through or the project is canceled, the money is returned to the taxing districts.

Motion: Move out of general session and into public hearing for the tentative budget of fiscal year 2024 made by Wayne Mikesell. The motion was seconded by Michaelene Herbst. All in favor. The motion was unanimously adopted.

Public Hearing: No one else is present.

Motion: Move out of public hearing and back into general session. Motion was proposed by Wayne Mikesell. The motion was seconded by Michaelene Herbst. All in favor. The motion was unanimously adopted.

A discussion was held on whether anyone from the public ever shows up for a budget hearing or not. The meeting is advertised in the local newspaper, on the City's Facebook page and the City's website. Per legislation, the City is still to patronize the print newspaper.

Approval of budget: Motion was proposed by Wayne Mikesell. The motion was seconded by Commissioner Jackson. All were in favor. The motion was unanimously adopted.

Proposed Yellowstone District: Ben Arave provided a packet with information about the hotel project. The original cost was $14.9M, without the basement developed. With the basement developed, the total cost is $17,643,817. The uses are as follows:

- $12.3M will be borrowed
- $500,000 is currently in the bank.
- $1.1M in contributions to date
- Grant from BURA in some form
- Wyndham contribution
- Additional cash

The County will base their assessment on the cost of the project ($17,643,817.) The Mayor provided the City's levy rate for the coming year (0.007058716). The County's levy rate is still unknown. Last year's rate of .003 was used for the calculation.

- $17,643,817 x .010058716 = $177,474. (Tax assessed value)

The need to determine how much of the district's tax revenue stream should be spent on the hotel project was discussed, considering these factors:

- Façade grants for other businesses in the district. BURA matches, dollar for dollar, up to $20,000. A district lasts ten years but can be extended another ten years. The current districts have all lasted for twenty years.
- Bond rates are currently about 3%. $140,000 would service a $2.1M bond. That would allow $30,000 per year for other projects.
- A new Maverik store, built within the district, is a possibility. If their store costs $2M, that assessed value would be approximately $200,000. We would capture some of the increase in that increment.
- The current hotel project would be the baseline for the district. Additional future growth would add to it.

The initial amount of support from BURA for the hotel project was discussed. One idea is to approve up to $2.3M of financing, contingent upon the bond financing. The final amount would be based on the actual cost of the project times the levy rate. Both parties acknowledge that there will be fluctuation. Ben Arave stated that some leeway was built into their plan to deal with contingencies. There's also a possibility of bringing in more capital. Garrett Sandow suggested that the motion could be to approve between $2.1M and $2.3M, depending on bond financing and levy rates. It would also be contingent on the district being approved by Planning and Zoning and the City Council.

Motion: To approve up to $2.3M, contingent upon bond financing and final creation of the district was made by Wayne Mikesell. The motion was seconded by Commissioner Jackson. All in favor. Motion was unanimously adopted.

Financial Report: Action Item

Briannia Ball presented the September payables as follows totaling cash of $3.2M. All bond payments were made last month. They are listed in the non-specified field as $205M, as well as being delineated at the bottom as Downtown and Riverview.

Motion: Wayne Mikesell made the motion to approve the September 2023 payables as presented. Michaelene Herbst seconded the motion. All in favor, motion unanimously adopted.

September payables: Action Item

Garrett Sandow – Legal Advisory $400
Quickbooks online autopay – $85
Bingham News Chronicle - $236.42
Briannia Ball - Admin $750
JUB – (Twin Bridges) $3,881.90 (*$13,258 Remaining)
Justin Oleson - $16,740.15

Total: $22,093.47

Milmor: Zac Filmore has not been paid by Justin Oleson in the last four months. Zac has contributed his time, expense, engineering, and architectural designs and hasn't been paid for it. Bart Brown sought input on whether BURA should pay him directly. Garrett Sandow asked if Zac knew why he hadn't been paid. If there was a conflict of some sort BURA would not want to be in the middle of it.

Mayor Carroll informed the board that the City sent Justin a letter last week. Justin was instructed that if he didn't come into City Hall for a demolition permit, the City would red tag the building. The City is concerned about the method of demolition and the possibility of asbestos. Justin sent some samples in for testing.

Bart Brown brought up another issue. If Justin doesn't have the appropriate permits filed, then he is not compliant and no further funds can be disbursed. Bart will contact Zac to ask about the reason for Justin's non-payment.

Bart asked if BURA would be willing to pay Zac directly next month. Garrett stated that paying Zac would be appropriate since he is a third party.

Mayor Carroll questioned whether paying a third party directly was a violation of BURA bylaws. Garrett assured him that it was not. The matter had been explored during the Nuart expansion.

Bart suggested that if Justin doesn't have the appropriate permits by the next meeting that no further monies will be approved, until he comes into compliance.

Motion: The motion to approve the September 2023 payables of $22,093.47 was made by Wayne Mikesell. Commissioner Jackson seconded the motion. All in favor, motion unanimously adopted.

Mayor's Update:

Fisher St: Two more blocks need to be paved. Michaelene questioned him on the need for a crosswalk at York for Stoddard. The Mayor will investigate the issue. Michaelene and Garrett commented that the new bulb should have been poured with concrete instead of asphalt or painted yellow for better visibility.

Chlorination project: Proceeding slowly. Supply chain issues are being incurred.

Storm drains: A new one is being installed on Christensen, to alleviate flooding problems.

City levy rate: Has gone down again.

There is no need for a motion to adjourn. The meeting was adjourned at 8:26 am.

The next meeting is <u>October 3, 2023</u>

City Hall Chamber Room

Proposed Budget for Fiscal Year 2023-2024 (FY2024)
Blackfoot Urban Renewal Agency

Notice is hereby given that the Blackfoot Urban Renewal Agency will hold a public hearing for consideration of the proposed budget for the fiscal period October 1, 2023 to September 30, 2024 said hearing to be held at the City Hall Council Chambers on 157 N. Broadway Blackfoot, ID at 7:30 am on September 5, 2023. At said hearing all interested persons may appear and show cause, if any they have, why said proposed budget should not be adopted.

	Downtown District	Riverview District	Total
Projected Income			
Investment Income	$2,000	$2,500	$4,500
Property Tax Revenues	$650,000	$450,000	$1,100,000
Total Budgeted Income	**$652,000**	**$452,500**	**$1,104,500**
Planned Expenditures			
Administrative Expenses	$5,500	$8,500	$14,000
Accounting and Legal	$3,000	$3,000	$6,000
Misc. Expense	$1,200	$1,200	$2,400
Total Administrative Expenses	**$9,700**	**$12,700**	**$22,400**
Project Related Expenditures			
Downtown Remaining District Proj.	$1,458,016		$1,458,016
Riverview District Projects			
Facade Improvement Grants		$100,000	
Blight & Development Projects		$1,400,000	$1,500,000
Total Project Related Expenditures	**$1,458,016**	**$1,500,000**	**$2,958,016**
Long Term Debt			
Land Purchase Loan		$20,000	$20,000
Tax Anticipation Note Due	$210,333	$113,275	$323,608
Total Long Term Debt	**$210,333**	**$133,275**	**$343,608**
Total Expenditures	**$1,678,049**	**$1,645,975**	**$3,324,024**
Budgeted Current Change in Cash	-$1,026,049	-$1,193,475	-$2,219,524
Projected 2023 Cash Carry forward Balance	$1,856,237	$1,409,376	$3,265,613
Projected Cash Balance as of September 30, 2024	**$857,519**	**$215,697**	**$1,073,216**