

Urban Renewal Authority Meeting

December 2, 2021

Called to order at 10:00 a.m.

Present: Katy Ames (President), Rob Graham (Vice President), Ken Dugas, Ryan Whitehead, Chet Halverson

Not Present:

Non-Committee members present: Alessandra Fakelman, Andy Worshek, Mark Christensen, Charles Bloom, Casey Palma, Robert Chamberlin, Chris Lovas, Stephanie White

Minutes from last meeting approved: The minutes from the November 4, 2021 meeting were approved during "Other Business".

Audience Business: none

Old Business: none

New Business:

- a) **Hitching Post Plaza Phase II TIF Application:** Mr. Christensen gave a staff report. Ms. Ames asked for questions from the Board. Mr. Whitehead asked for clarification on total project cost and commented that \$125 million seems high. Mr. Christensen deferred that question to the applicant. Casey Palma, agent for the applicant, responded that this number is a total cost estimate including public infrastructure improvements and a contingency provision, based on square footage. He went on to say that the cost will be amended as it is further refined in the construction process. He also clarified project boundaries and outlined the storm water improvements which are eligible but not included in the current plan. He said they would like to engage City staff in future discussions about adding these and other improvements into the plan.

Ms. Ames asked for other questions. Mr. Dugas asked if there's a subsequent application for stormwater work and if there will be efficiency lost by pushing it to a later phase. Mr. Palma answered there will be a little efficiency lost but it will not be substantial given the amount of construction on the rest of the project.

Ms. Ames asked for other questions. None. Ms. Ames asked for public comment. None. She asked for a motion. There were no immediate motions. Mr. Christensen interjected with an explanation of the process moving forward – if the motion is approved, staff will move forward with a development agreement with the applicant and bring it forward at the next URA meeting, followed by a recommendation to the governing body. Mr. Palma added a short update about the specific improvements and project. Mr. Whitehead asked if staff is confident that the infrastructure costs can be met and if there are letters of credit to ensure completion of this project. Mr. Christensen answered that the City is comfortable with the TIF projections and the financial institution working with the applicant will be a signing member of the agreement. The

way the development agreement is crafted puts the onus on the developer to complete the project. Mr. Bloom added that the City does not have a practice procuring a guarantee with developers when they construct roadways and rights-of-way; the City's provision is that no building permits are given in subdivisions until the infrastructure is completed. Ms. Ames asked for other questions. None. She asked for a motion.

Motion: Mr. Dugas moved to accept the Hitching Post Plaza Phase II tax increment financing assistance application as complete with the removal of the regional drainage improvement request, declare the public street and sanitary sewer main expenses as eligible for tax increment financing reimbursement in an amount not to exceed \$573,000, noting the application meets the intent of the plan and project area, and instruct staff to draft a development agreement with the applicant to go before the Urban Renewal Authority Board and the Governing Body for final approval.

Second: Mr. Halvorson seconded.

Vote: All in favor. None opposed.

Other Business: Mr. Christensen let the board know that staff is working on the blight study and plans to present it at the January meeting. He asked the board to let staff know if they have recommendations or suggested amendments for the Hitching Post plan. Ms. Ames asked for questions from the board. Mr. Whitehead asked if there needs to be an action item for the minutes. Mr. Christensen verified. Mr. Whitehead made a motion to approve the minutes from the November 4, 2021 meeting. Mr. Halvorson seconded. All in favor. None opposed.

Mr. Dugas made a motion to adjourn. Mr. Halvorson seconded. All in favor. Meeting adjourned at 10:24 a.m.

Minutes respectfully submitted:

Sam Crowley, Planner I, Planning & Development Department