

# Urban Renewal Authority Meeting

October 5, 2023

**Called to order at 10:00 a.m.**

**Present:** Rob Graham (Vice President), Ken Dugas, Chet Halverson

**Not Present:** Katye Ames (President), Ryan Whitehead

**Non-Committee members present:** Lonnie Olson, Stefanie Boster, Valerie Pickard, Charles Bloom, Seth Llyod, Jason Stephen, Dan Dorsch, Matthew Kasper, Mellissa Burke, Stephanie White, Brad Emmons, Joseph Shahidi, Phillip Gabathuler

**Minutes from last meeting approved:** The minutes from the August 3<sup>rd</sup>, 2023 meeting were approved, with Ken Dugas moving and Chet Halverson seconding.

**New Business:**

- a) **Blight Study- Ridge and Holland:** Mr. Olson gave a staff report on the Blight Study for the Ridge and Holland area. Rob Graham asked about the language that staff would recommend. Mr. Olson said that it would be a motion to recommend adoption and to move it to City Council. Chet Halverson asked if there were any development plans or proposals for this area. Mr. Olson said that the Planning and Development have received any proposals but have had inquires with properties within the area, he assumes it likely would be housing. Dan Dorsh, Executive Director of Habitat for Humanity Laramie County and Vice President of Cheyenne's Affordable Housing Task Force, provided more information on the Pronghorn Crossing subdivision and spoke in favor of the blight study as it is a valuable tool to help develop parcels in Cheyenne. Jason Stephen, property owner in study area, spoke in favor of the blight study as it gives the potential for extra tools to help develop his parcel and others within the area that are hindered by the poor sewerability found within the study area. He said that with having the potential to use Tax Increment Financing (TIF) gives more opportunities to develop with different densities. Chet Halverson motioned to recommend adoption and move it on to City Council, Ken Dugas seconded. Motion passed unanimously.
  
- b) **Paul Smith Way TIF Discussion:** Rob Graham declared a conflict of interest as his company has lots listed within the area. Mr. Olson provided an update that staff sent a letter out to the applicant on September 21, 2023 regarding the approved TIF in the amount of \$1.44 million for the construction of Paul Smith Way and the associated public improvements, requesting that they provide a letter of intent from a certified Finical Institution as required from the initial URA approval. City staff has yet to receive this letter and has concerns with how the delay in this construction might delay development projects. Mr. Bloom provided more information on the progress of the site as there are currently two hotels being worked which are at different stages in the construction process. In addition to the hotels the City is working on creating and building a gymnastics facility that will also utilize the roadway. The letter was sent out to put the applicant on notice that there needs to be action or other avenues might need to be considered. Chet Halverson asked if the developer was supposed to provide the road. Mr. Olson said that it correct, and the application was to cover the complete cost of constructing the roadway and

associated improvements. Chet Halverson asked about the potential of the City taking over and funding the construction of the road. Mr. Bloom answered that is an option, but staff has not identified the path that it wants to move forward at the moment and rather wanted to start the conversation. Chet Halverson asked about how the City might rectify the issue of the developer not building the road even though they are developing the lots next to it. Mr. Bloom said that staff is working on trying to figure that out. Ken Dugas asked if the City had an expectation of what the response to the letter sent out to the applicant would be. Mr. Bloom said that he didn't feel comfortable assuming what it might be.

- c) TIF Eligibility Requirements:** Mr. Olson said that they have received an application for a project within the 15<sup>th</sup> Street Plan and Project. He stated that this project is currently being done, but the applicant was in communications with City Staff prior to commencing the project. Due to concerns with the Department of Revenue staff told them to hold off on applying for TIF as there were concerns that needed to be addressed prior to any new approvals. The applicant had to move forward with their project as they had contractors lined up and needed to stay on schedule to remain on budget. The applicant became aware that TIF was viable again in late July and met with staff in September. Staff directed the applicant to submit an application so that it is in process and that staff would ask the board their thoughts on using TIF retroactively. Rob Graham said that he would be open to the idea with the understanding that the URA is here to help. Mr. Olson said that he is not aware of a stipulation in State Statute where TIF has to be approved prior to commencing a project. Chet Halverson stated that he is a property owner on 15<sup>th</sup> Street, he further said that in general he has no issues with retroactive applications. In this case, with the applicant being in contact with staff prior to starting their work and the external circumstances that led to the application not being submitted he sees no issues. Ken Dugas also stated that he is a property owner on 15<sup>th</sup> Street. Ken said that concerns arise with retroactive applications but as his fellow board members have stated he is open to considering this. With that being said there is a time where a line needs to be drawn, the fewer retroactive costs the better. He would hope that City Staff would make sure that this doesn't get to the place where it is unreasonable. Mr. Bloom said that this application will follow a recent discussion that was held before the board where a peer review by a company familiar with TIF will be conducted to calculate a reasonable rate of return.

**Other Business:** Mr. Olson notified the board that the West Downtown Plan and Project was approved through City Council in September and that staff had a meeting with the group working on the proposed downtown hotel. Mr. Olson also notified the board that he will be presenting at the fall WYOPASS conference on Urban Renewal in Wyoming.

**Chet Halverson made a motion to adjourn. Ken Dugas seconded. All in favor. Meeting adjourned at 10:23 a.m.**

Minutes respectfully submitted:

Lonnie Olson, Planner I, Planning & Development Department