

Ashton Urban Renewal Agency

Meeting Minutes
May 10, 2011
Ashton, Idaho

Chairman Jeff Hamilton called the meeting to order at 4:12 PM. Those attending the meeting were Jeff Hamilton, Mayor Teddy Stronks, Richard Huntsman, Terry Butikofer and Judy Coy.

Chairman Hamilton asked if there were any changes to the minutes from the April 19, 2011 meeting. No changes were suggested and a motion was made by Mayor Stronks to approve the minutes as presented. Motion carried.

Chairman Hamilton then presented the invoice from Harlan Mann for consultant work in the amount of \$526.90. A motion was made by Mayor Stronks to approve payment of the invoice. Richard Huntsman seconded the motion. Motion carried.

Meeting with Fremont County Commissioners

Mayor Stronks stated that he met with the Fremont County Commissioners regarding the tax exempt status of the Ashton Memorial facility. The Commissioners were not aware of what an Urban Renewal area is and didn't realize the impact that having Ashton Memorial in a tax exempt status would have on the amount of tax increment that the Urban Renewal Agency receives due to that exemption. Mayor Stronks stated that he feels that the Agency needs to proceed in getting the commissioners to repeal the exemption. City Clerk Cathy Steglemeier stated that the next step is to go to the Fremont County Board of Equalization to request that the exemption be repealed. She stated that the City of Ashton would be the respondent and Ashton Memorial would be the appellant. The City would go there and state their case as to why they think that Ashton Memorial does not qualify for tax exemption under the Idaho Statute and if necessary the City could go on and appeal to the State Board of Tax Appeal. Chairman Hamilton asked if it would be the Agency being the one requesting the change or the city. Mayor Stronks stated that it would be the Agency. Mayor Stronks stated that the day he met with the County Commissioners there were four of the Ashton Memorial Hospital board members in attendance when Mayor Stronks stated his concerns to the County Commissioners so Ashton Memorial is aware that there is an issue.

Chairman Hamilton asked if this process is going to short and sweet or very drawn out and expensive. City Clerk Stegelmeier stated that City Attorney Joette Lookabaugh stated that although she cannot represent the Urban Renewal Agency she could get someone to represent the Agency legally. The Agency board members could also go represent the Agency without legal representation. City Clerk Stegelmeier stated that when she worked in the assessor's office there was rarely legal representation present on issues presented there. The pros and cons of having an attorney present were discussed. It was decided that it would probably be better to just have the Agency board members present. City Clerk Stegelmeier stated that she could do some research and get some information together that would aid the Agency in their presentation. The Board of Equalization meets on the fourth Monday of June and they meet long enough to review the cases being presented that day. The Board of Tax Appeal with the State meets in September. Mayor Stronks stated that the day went to the Commissioners was the same day that Ashton Memorial was making their request for the exemption for the next year. This situation had never happened to the Fremont County Commissioners so they wanted to consult with their legal counsel and see how they needed to proceed. The Fremont County Clerk told Mayor Stronks that the party making the request does not have to give public notice that they are doing so. City Clerk Stegelmeier stated that she still has concerns on how they applied because the application they filled out was for personal property exemption. So there is a question there as to whether they made the application correctly. Mayor Stronks stated that the Fremont County Treasurer Pat McCoy and County Attorney Joette

Lockabaugh would like to see the exemption lifted and for Ashton Memorial to resume payment of taxes. Mayor Stronks stated that he feels strongly that the Agency should pursue this. Chairman Hamilton stated that it was kind of shocking to understand that there was no notification or anything to forewarn the Agency that the revenues were going to go down. He further stated that we need to pursue a course to try to reverse the situation. He expressed the thought that the Agency needs to help the Ashton Memorial understand that what they did was a bit erroneous and they need to be educated about the impact of what they did on the City. Whether the exemption was done appropriately by virtue of the form they filled out and the documentation they provided is to be questioned. There is some education also that needs to be shared on Urban Renewal and what it does for the community and how it is impacted when the taxes are exempted. Chairman Hamilton asked Mayor Stronks if there would be any political impact. Mayor Stronks stated that now is a terrible time to be bringing up the issue with it being an election year but he feels that the right thing needs to be done and that is to go after the issue and try to change it. Chairman Hamilton noted that the Agency isn't just trying to get the taxes but to get the process reversed so that it can happen correctly. If it happens correctly and Ashton Memorial ends up being granted the exemption then there isn't a problem. Chairman Hamilton made a motion to move forward and internally as a group make an outline that could be used to prepare for the meeting. Terry Butikofer stated that he could prepare some material that would help the commissioners understand Urban Renewal better. Mayor Stronks seconded the motion. Motion carried.

Urban Renewal Plan Amendment

Chairman Hamilton stated that the minutes from the last meeting could be used as a guide for the things that need to be prepared and identified for Mr. Mann and Mr. Armbruster. The letter that was sent from legal counsel was a positive step. The letter stated key points that could be put on a punch list that need to be prepared for the consultant and legal counsel. The letter also stated that there are no restrictions on bringing in tax exempt properties. It would be justified, if it would help make a stronger case, to bring in parcels that would help generate development. The question is if the Agency chooses to bring in the tax exempt parcels how then would they help generate further development. The swimming pool and tennis courts would be items for discussion as well as the pocket park idea. The letter also stated that the Agency would need to prepare a detailed list of the estimated or foreseeable projects and their projected costs, and a fiscal impact statement showing how revenue received in the form of tax increment would cover it. So the Agency needs to identify specific real property that they want to be in the district.

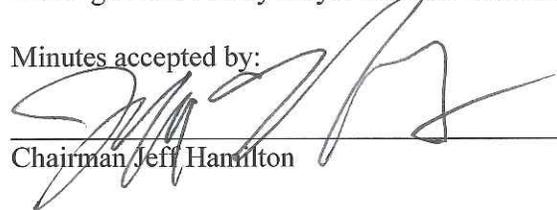
Chairman Hamilton asked what the Board felt would be targeted properties that money would be spent on. He noted that they need to bring in as much square footage as possible that will generate tax increment. He asked what the targeted parcels should be. The comment was made that the area where the old high school was could be a good parcel to eventually generate revenue in the future if it were to be developed. The pool and the tennis courts would not generate any revenue. Chairman Hamilton stated that there really aren't that many parcels that don't have mixed old and new in downtown Ashton. Each block has old and new buildings and store fronts. If Ashton Memorial retains their tax exempt status then that property should be excluded from the district. It was mentioned that until that issue is resolved, definite plans should not be set down on which new parcels to include. Chairman Hamilton suggested using the next meeting as a work meeting to try and have some rough square footage figures from Harlan Mann and be able to identify more specifically some of the areas that they would like to include in the district. The idea that perhaps the fee schedule might need to be updated for the services of Harlan Mann and Ryan Armbruster was brought up. Mayor Stronks made a motion to get an update from those gentlemen on the cost of completing the amendment work. Chairman Hamilton seconded the motion. Motion carried. The goal for the next meeting will be to identify more specifically the areas to add in and to get an updated fee proposal.

New Project Proposal

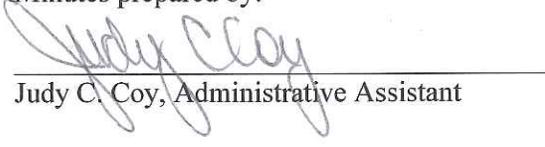
Mayor Stronks presented the proposal from BECO Construction on the lighting and sidewalks and curb and gutter for the other blocks that need to be finished in the amount of \$211,450.00. He noted that there won't be sidewalks put in front of the church because of the drainage problem they have there. The Urban Renewal Agency will pay for the light poles. The bid will be quite a bit less with the church portion taken out of the bid. Mayor Stronks noted that he will get an updated bid with the church portion removed. A light pole could still be set there at the church but just not the sidewalk and curb and gutter. It was asked that BECO provide map showing where the work is to be done along with the new bid. Judy Coy noted that with the changes in the bid there should be enough cash on hand to complete the project and pay for it in full without other financing. Chairman Hamilton stated that he would volunteer to contact Brian Christensen at BECO to get the revised bid information. Terry noted that he would check on getting a grant for some other projects. He noted that the City is working on a water project with the Department of Commerce so it may not be possible to be working on two grants at the same time.

A future meeting date was not set. Cathy Stegelmeier stated that she would call and check on the dates for the dates for the Board of Equalization at Fremont County. A motion was made to adjourn the meeting at 4:55 PM by Mayor Stronks. Richard Huntsman seconded the motion. Motion carried.

Minutes accepted by:


Chairman, Jeff Hamilton

Minutes prepared by:


Judy C. Coy, Administrative Assistant