

Regular Scheduled Meeting  
CALDWELL URBAN RENEWAL AGENCY  
August 3, 2010 – 12:00 p.m.  
City Administrative Offices – Conference Room

The regular scheduled meeting of the Caldwell Urban Renewal Agency convened at 12:00 noon on August 3, 2010 in the Conference Room at Caldwell City Hall Administrative Offices with Chairman ElJay Waite presiding. Roll was called:

Present: ElJay Waite, Rob Hopper, Steve Rule, and Amy Rojas

Absent: Mayor Garret Nancolas and Leona Fouts

Guests: Steve Fultz and several citizens from the community.

In response to questions from Chairman Waite, Mr. Siegel stated that those in attendance would like to provide comment concerning New Business Item #2 on the agenda.

*MOTION to **approve the agenda** as presented: Rojas/Rule M/S/P*

*Discussion: In response to questions from Commissioner Rule, Chairman Waite indicated that Item #2 (Retail lease in TVCC Building) and related downtown parking issues will be discussed with the allowance of testimony to be given by those in attendance.*

*MOTION to **approve the minutes** from the July 6, 2010 meeting: Rule/Hopper M/S/P*

## **OLD BUSINESS**

CEDC Activity Report presented by Steve Fultz, Executive Director:

### **Highlights for July 2010**

- Continued work with College of Western Idaho (CWI) on expansion in Caldwell (potential sites along the blvd.) for vocational-technology programs that currently reside on the BSU campus
- Continued work with on potential manufacturing and cold-storage business to Caldwell...needs about 33,000 square feet to start, expanding to 100,000 square feet (business currently in Baker City, OR).
- Continued work with downtown incentive options.
- Working with Priddy brothers on expanding wine region and airport development
- Continued work with Chamber on travel/tourism strategic plan for the Caldwell area
- Continued work with Jim Toomey at U of I Incubator on additional grant funding for adding more room for wine making incubation
- Working with Board of Works on a specific airport project
- Working with two businesses on expansion to Caldwell airport
- Working with two potential applicants for business locations in downtown
- Working with two potential applicants for URA incentives in the Sky Ranch/Skyway Business park area
- Working with Larry H Miller Company on potential project on their property
- Continued update of marketing materials (website development)

- CEDC annual Board of Director's Planning retreat

## **NEW BUSINESS**

Chairman Waite asked that Item #2 under New Business be moved to the forefront to allow the guests to provide comment concerning this issue.

### **(Discuss retail lease in TVCC Building)**

Chairman Waite reported on previous action by the Urban Renewal Agency (URA) to provide a espresso/deli space within the building as requested by TVCC administration. No lease has been entered into with Mr. Tom Smith for possession of the retail space within the TVCC Building. Legal counsel has recently advised URA that a formal bid notification be published concerning a request for proposals if URA chooses to lease with a private individual. If a lease is entered into with Treasure Valley Community College for that retail space, no formal bid notification to the public would be required. URA is in the process of securing equipment to provide for the adequate needs of a coffee shop/deli at the location. Two sources have been located to provide the necessary equipment.

In response to questions from Commissioner Hopper, Chairman Waite noted that the proposal was not officially noticed for bid but was done through Caldwell Economic Development Council and word of mouth. Five parties showed interest in the space and two proposals were received and reviewed. For a private individual lease; however, the notification must be published within the local paper. He noted that if the space was leased to a public entity, the notice is not required to be published. The option to lease the space to TVCC was discussed with TVCC administration.

Joseph Lombardo, 615 Main Street, asked for clarification of Urban Renewal's role in the purchase of the coffee shop equipment.

Chairman Waite reported that all equipment within the building has been purchased with Urban Renewal funds including desks and computers. Repayment will be made through lease payments. Any lease holder of the coffee shop would be paying for the use of the space and equipment.

Commissioner Rule commented that past action by the URA to furnish the equipment was designed for the shop to remain open even if the lease holder breached the contract.

Rob Pilote, 2805 Willow Falls Avenue, spoke in opposition to the request. He expressed concern regarding the role of URA as an investor into this business. He noted that such a determination is getting away from the intent of Urban Renewal by using tax dollars to compete against local businesses. He suggested the request not be put out to bid but rather have CEDC contact potential business owners who are experts in this particular field.

Joseph Lombardo, 615 Main Street, spoke in opposition to the request. He suggested that the lease not supply any equipment to the space. He noted that the retail business would have an effect on other coffee and food retailers within the downtown area.

Vicky Heinz, 2621 South 10<sup>th</sup>, spoke in opposition to the request. She stated that she currently owns coffee shops in Caldwell and Ontario. She expressed concern with the city owning the equipment for the coffee shop, the City's lack of knowledge regarding various types of equipment for this industry, and the City's involvement with free enterprise.

In response to questions from Commissioner Rule, Ms. Heinz stated that putting the request to public bid is only part of the issue. The City's involvement in purchasing coffee industry machinery should be highly researched and preferably left to someone who is operating the facility and skilled in this area.

Todd Heinz, 2621 South 10<sup>th</sup>, spoke in opposition to the request. He expressed concern with the City's involvement in a private enterprise undertaking.

Jessica Benson, 710 Arthur Street, spoke in opposition to the request. She noted that she recently opened up a second-hand shop in downtown Caldwell. She expressed concern with potential customers not leaving the TVCC building to patronize downtown businesses. Such a loss of traffic to the downtown business would impact retail sales throughout the downtown.

Michelle Seagal, 718 Arthur Street, spoke in opposition to the request. She recently opened the "Kick & Cup" coffee shop in downtown Caldwell and noted that there were no Urban Renewal funds issued to assist with her new business. The TVCC coffee shop and deli would be a detriment to local businesses in the downtown region.

Henry Busse, 510 Main, spoke in opposition to the request. Government should not be involved in private enterprise.

Ida Busse – 510 Main, spoke in opposition to the request.

Sarah Seagal, 2320 South Illinois, spoke in opposition to the request. The retail business located inside of the TVCC building being subsidized with Urban Renewal funds will compete against local tax payers who own downtown businesses.

Jeff Seagal, 718 Arthur, spoke in opposition to the request. He stated that he and his daughter have heavily invested in the new "Kick & Cup" coffee shop to include Wi-Fi access. No loans or URA funds were offered to open this business. He emphasized that the \$39,000 purchase of equipment for the TVCC business is a poor investment by Urban Renewal. This should be handled through private investment and not purchased by the government. If assistance is given to the proposed TVCC retail coffee shop, the same assistance should be offered equally to every business.

In response to questions from Commissioner Rule, Mr. Seagal stated that he would not be interested in bidding on the proposed TVCC retail space site.

Mr. Heinz asked the commissioners what action would be taken if they could not find anyone to occupy the retail space. Commissioner Rule stated that no consideration had been given to that option.

Discussion followed concerning the possibility of the space being used as a conference room available for public use.

Michelle Siegel noted that the Ontario TVCC campus does not have any coffee shops located on site since there are numerous coffee shops within walking distance of the campus.

Tom Smith, 2805 Blaine Street, spoke in favor of the request. He noted that the proposed retail site option has been available for the past five or six months. He personally contacted the Urban Renewal Agency six months ago concerning information about the space and his interest in operating a coffee/sandwich shop in the location. He noted his experience in operating a coffee shop in Meridian for approximately two years. He was chosen by the selection committee organized by CEDC and forwarded to Urban Renewal for consideration to operate the business at the TVCC site. He noted that he would operate the business and not own the equipment.

Michelle Siegel reported that she had spoken with Ken Wien and Joyce Davis several months ago concerning the availability of space at the TVCC site. Chairman Waite reported that a proposal was not received from Ms. Siegel noting that Ken Wien and Joyce Davis were not involved in the selection process and were not associated with Urban Renewal.

Rob Pilote expressed concern that the open bidding process was not followed in making this selection.

Chairman Waite emphasized that no contract is in place at this point and the Urban Renewal Agency will follow counsel from the attorney to follow the open bidding procedure.

Vicky Heinz indicated her concern about a possible conflict of interest of Urban Renewal purchasing the used equipment from Mr. Smith, selecting him to operate the business, and maintenance of the equipment by the city or operator of the business.

Tom Scott, 15228 Daniel Street, spoke as neutral to the request. He asked if the \$38,000 used to purchase equipment for the retail space will be deducted from the \$200,000 URA incentive funds.

Chairman Waite clarified that the \$38,000 will not be deducted from the amount allocated for incentive funds.

Joe Lombardo directed his question to Mr. Fultz: "How much franchise could the city retain if it was publically noted?"

Steve Fultz reported that approximately two years ago CEDC was in negotiation with Apple Bees to locate within the downtown; however the issue of inadequate parking was a deterrent. He noted that the revenue could be fairly significant; however the competition could also impact the small businesses.

In response to questions from Mr. Scott, Mr. Fultz stated that the recent allowance of liquor sales on Sunday within the Caldwell City Limits could have a positive impact on a franchise looking at the City's options if the parking issues can be resolved.

In response to questions from Mr. Lombardo, Mr. Fultz indicated his position that a city or any other public enterprise should not be in competition with private enterprise. He supports the option of free enterprise leasing the space.

Brenda Quintero-Godinez, 2215 Hillcrest Lane, spoke in opposition to the request. She noted that her family owns the Acapulco Restaurant which will be relocated to 819 Main Street to resolve parking and sidewalk loitering issues they currently are experiencing. She stated that she enjoys visiting downtown Nampa due to the availability of numerous eateries in the area. Assistance from the Urban Renewal Agency should be made available to all downtown businesses, not just the selected TVCC project.

Commissioner Hopper summarized background information concerning previous discussions with TVCC administration about the building and the retail space usage, equipment ownership, and the ideas previously discussed of how to highlight the downtown businesses at the TVCC site.

Chairman Waite stated that the Urban Renewal Agency has expressed interest in making this retail space a stimulus for other retail happenings within the City of Caldwell. There could be opportunity for hot plates from other businesses available for students at the TVCC site or any other ideas that would stimulate retail growth within the downtown. There will be grand opening of the facility on September 17<sup>th</sup>. All of the downtown business community is invited to market their products at this large event.

Joe Lombardo suggested that the space could be used as a learning center for a culinary degree through the college.

Discussion followed concerning the creation of synergy to the downtown businesses by students discovering what is available thru walking.

Chairman Waite expressed appreciation for the comments from those in attendance. He noted that a City Council Workshop was held on July 19 to discuss solutions to downtown parking issues. No local business owners were in attendance. The ultimate disposition of the retail space is yet to be determined, but at this point the Urban Renewal Agency must move forward since the building cannot be certified as a LEEDS Gold without completing retail space. The options available for determination by the URA Commissioners will be to either lease space to an individual through the public bidding process or lease it to TVCC.

In response to questions from Mr. Seagal, Mr. Waite verified that a future parking garage is included in the Framework Master Plan. He noted that the City or Urban Renewal does not own the site where the Master Plan envisions the parking garage.

Public testimony was closed at 1:15 p.m. concerning this matter.

**(Consider Equipment Purchase for Retail Space in the TVCC Building)**

*MOTION to approve the purchase* of permanent/installed equipment purchased from Standard Restaurant Supply in the amount of \$11,174.37. *Rule/Hopper M/S/P*

**(Consider TVCC Parking Proposal and Construction Schedule)**

Mr. Waite presented the proposed design for the parking lot abutting the TVCC Building.

**(Consider Alternative Parking Proposals)**

Chairman Waite presented information concerning the possibility of additional downtown parking on the corner of 5<sup>th</sup> and Blaine. The owner of the Lube Shop has indicated his interest in improving the site at 5<sup>th</sup> & Blaine by tearing down the existing building and having the URA build the parking lot at the site for additional parking to the downtown.

Discussion followed concerning the need for this additional parking lot based on the parking survey results. It was suggested that no immediate action be taken at this time concerning this request.

It was noted that the TVCC building can accommodate 450 students per hour with the facility being in operation 8 to 12 hours per day.

**(Consider Skyway Sidewalk Proposal)**

Chairman Waite presented the proposed sidewalk drawing located adjacent to Skyway Drive. He reported that the road was constructed with Urban Renewal dollars without the sidewalk being constructed on the side of the commercial development. It was part of the original agreement that URA would construct the entire roadway. The sidewalk was not built at the time since no final design for use of the adjacent property was submitted. Freehold Development has now requested the construction of the sidewalk to provide them with ingress/egress to the site. Freehold Development will pay for one-half of the sidewalk if URA will grant them ingress/egress opportunities. Bid proposals were provided.

In response to questions from Commissioner Hopper, Mr. Waite reported that the City Engineering Department has already reviewed the proposed site plan and bids.

*MOTION to **approve the request** to pay for one-half of the sidewalk for the purpose of ingress/egress rights and authorize the payment of the URA portion now, noting that such action will save the URA fifty percent of the original cost. Hopper/Rojas M/S/P*

**(Review and Consider 2011 Budget)**

Chairman Waite presented the proposed budget. He noted that the final tax levy amount is still pending.

*MOTION to approve the proposed 2011 Budget for publication. Rule/Rojas M/S/P*

**(Discuss TVCC Dedication Activities)**

Chairman Waite reported that recommendations have been forwarded to Kathleen Robinson for items in the time capsule.

**(Finance Report)**

Commissioner Hopper presented the following information:

Bank of Cascades Checking 7-31-10:	\$1,654,883.58	(Interest earned \$351.46)
Bank of Cascades Time CD #1:	No update	
Wells Fargo Savings 7-29-10:	\$2,184,789.57	
Home Federal 7-1-10:	\$91,348.62	
Home Federal Repurchase Agr. 6-30-10	\$190,522.94	(Interest \$103.16)
Home Federal 30-Day CD 7-30-10	\$252,318.80	(Interest \$160.76)
Local Gov't Investment Pool 7-31-10	\$606,689.78	(Interest \$102.99)
Fund 96 – July 2010	\$2,567,559.90	(Interest \$21.81)

*MOTION to approve the financial report. Rojas/Rule M/S/P*

**(Approve Invoices)**

Commissioner Hopper presented the following invoices for payment:

<i>Petty Cash for URA Mtg.</i>	<i>7-6-10</i>	<i>\$30.49</i>
<i>City of Caldwell</i>	<i>Airport Terminal Funding</i>	<i>\$200,000.00</i>
<i>Sun Trust</i>	<i>2007 Revenue notes/Pmt. Due 9-1-10</i>	<i>\$126,596.75</i>
<i>Caldwell Economic Development Council</i>	<i>3<sup>rd</sup> Quarter Business Contribution</i>	<i>\$15,000.00</i>
<i>Hamilton, Michaelson &amp; Hilty</i>	<i>Misc. URA/June</i>	<i>\$4,235.00</i>
<i>Hamilton, Michaelson &amp; Hilty</i>	<i>Misc. URA/July</i>	<i>\$1,046.50</i>
<i>Wells Fargo Corp. Trust Service</i>	<i>2004A Rev. Allocation Bond/Trustee Fee</i>	<i>\$2,250.00</i>

*MOTION to approve the financial invoices. Rojas/Rule M/S/P*

Chairman Waite reported that Wells Fargo is the provider for major Urban Renewal Agency (URA) loans and bonds. URA is required to deposit with Wells Fargo the property tax increment finance payments that come in from the County Assessor’s Office every January and July.

Mr. Waite read into the report a letter requesting permission to open a checking and savings account at the Caldwell Wells Fargo Bank under the Caldwell Urban Renewal Agency’s name. This would allow deposits and transfers to be made within this banking institution in an efficient manner without the use of faxes or e-mails.

*MOTION to approve the request to **open a savings and checking account** for the Caldwell Urban Renewal Agency with Wells Fargo. Hopper/ Rojas M/S/P*

**(Bruce Schultz – Payment Request)**

Mr. Waite reported that he had asked Mr. Schultz to explain an invoice, which he had submitted for independent contractor work in the amount of \$1,800.

Mr. Schultz, retired director at Caldwell Treasure Valley Community College, reported that he had submitted the invoice to Mayor Nancolas on June 16<sup>th</sup> for work completed. The invoice covered the expense of creating a pro-forma of principle outcomes/primary direction initiatives concerning career training and future economic development as it relates to the new Caldwell TVCC Center. This report was submitted to the Urban Renewal Agency for review in mid-June.

Discussion followed concerning the receipt of a one-page report versus the entire document. Mr. Schultz clarified that the one page report was the summation of the pro-forma. It was determined that the entire pro-forma be provided to Chairman Waite for review of the document and the invoice. Mr. Schultz concurred with the recommendation.

*Motion to adjourn: Rojas/Rule M/S/P  
Meeting adjourned at 1:44 p.m.*

*Respectfully submitted,*

*Debbie Geyer, City Clerk  
Acting Recording Secretary*