

# BLACKFOOT URBAN RENEWAL AGENCY

January 4, 2022

## Meeting minutes

- Present:** Scott Reese, Jason Moulton, Bart Brown, Commissioner Whitney Manwaring, Garrett Sandow, Chase McAllister
- Absent:** Wayne Mikesell, Ginette Manwaring
- Guests:** Janis Groesbeck, Michael Johnson, Katie Harris, Mayor Carroll, Justin Oleson, Eric Christiansen, John Miller, Zac Fillmore

Scott Reese called the meeting to order at 7:30 a.m. and welcomed all guests. The board was asked if anyone had any conflicts of interest. No conflicts of interest were disclosed. Scott Reese asked for approval of the minutes for December 2021. A motion to approve the December 7, 2021 meeting minutes of the Blackfoot Urban Renewal Agency was made by Jason Moulton and the motion was seconded by Bart Brown. all in favor. Motion was unanimously adopted.

### **Downtown District:**

#### **Discuss status of Milmor project and signed MOU : Action Item**

Garrett Sandow provided an update on the MOU resolution for Milmor project stating that he and Justin Oleson met yesterday and has the MOU ready for signature today and move forward on the Milmor project. A copy of the MOU was sent out to the board to review last night. The board had questions about some of the language and provisions in the MOU which Garrett answered and provided clarification on.

Scott Reese asked for a motion to approve the MOU for the Milmor. Jason Moulton motioned to approve the MOU for Justin Oleson's Milmor project. Commissioner Whitney Manwaring seconded the motion. All in favor, motion unanimously adopted.

#### **Michael Johnson - Liquidation building project- Blight Grant: Action item**

Michael Johnson is present today to follow up with BURA to see if there are any more available funds to help him with the Liquidation building Blight project he is asking for BURA's help on. Michael provided a recap of the project and answered questions from the board. Bart Brown then provided an overview of BURA's budgeted funds that he and Ginette Manwaring reviewed and it was found that there is no available extra funding from BURA. Bart noted that there is about \$16,000 left in the DownTown district budget to the end of the DownTown district time, which ends in September 2022. Bart said that BURA can not commit to anything else at this time. Jason Moulton asked about the bond money and the bond repayment time. Bart noted that the bond repayment time is 10 years, but the plan is to pay it back in less time. Scott and Bart provided clarification regarding money from the bond noting that there is no money to collect or use nor is there money to borrow from the RV district. Bart and Scott noted that

BURA will know if there is any possible extra money or not after the county remittance payments come in January and July.  
No further action required at this time for this agenda item.

**Riverview District: Nothing to report at this time.**

***Other Business:***

**- Financial Report: Action Item**

Ginette Manwaring was absent from the meeting today, but she had sent in the financial binder that contained the hard copy of the financial report so Bart Brown reviewed those and gave the report to the board. Bart noted that there was a little over 1.5 million in DT and 951,608 in RV at the end of November.

Bart Brown made a motion to approve the Financials as presented. Chase McAllister seconded the motion. All in favor, motion unanimously adopted.

**- Payables: Action Item**

Scott Reese presented the January payables as follows totaling \$ 107,003.14

Garrett Sandow	\$ 400.00
Ginette Manwaring	\$ 750.00
Milmor Invoices	\$ 29,060.88
Teton House Invoices	\$ 76,792.26

Bart Brown made the motion to approve the January 2022 payables as presented. Jason Moulton seconded the motion. All in favor, motion unanimously adopted.

**- Mayor's Update: Mayor Carroll was absent - no update given.**

A motion to adjourn the meeting was made by Bart Brown. The motion was seconded by Jason Moulton; all in favor. The motion was unanimously adopted. The meeting was adjourned at 7:50 am.

**The next meeting is tentatively scheduled for February 1, 2022, at 7:30 a.m. in the Chambers Room at City Hall**

RESOLUTION NO. 2022-1

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE BLACKFOOT URBAN RENEWAL AGENCY EVIDENCING THE INTENT OF THE BOARD TO ASSIST IN THE REDEVELOPMENT OF DOWNTOWN BLACKFOOT, ELIMINATE SLUM AND BLIGHT, PROVIDE FOR THE REHABILITATION OF THE BUILDING FOR HEALTH AND SAFETY REQUIREMENTS AND PROVIDE ECONOMIC BENEFITS TO THE ENTIRE DOWNTOWN AREA.

THIS RESOLUTION, having been adopted on October 1, 2019 hereinafter set forth by the Blackfoot Urban Renewal Agency, an independent public body corporate and politic, authorized under the authority of the Idaho Urban Renewal Law of 1965, as amended, Chapter 20, Title 50, Idaho Code, a duly created and functioning urban renewal agency for the City of Blackfoot, Idaho, hereinafter referred to as the "Agency."

WHEREAS, the Agency has been working with Milmor, LLC, the owner of the "Milmor Hotel," to determine a method to rehabilitate the facilities to foster growth and overall redevelopment of the downtown area; and

WHEREAS, the Agency has determined that the historic "Milmor Hotel" is in such a state of disrepair and deterioration that it is no longer able to be utilized to its' fullest extent, is unsafe for further utilization until significant repairs and remodeling are completed, and would be an integral part of the economic health of the downtown Blackfoot area if it was able to be better utilized; and

WHEREAS, the cost of completing such repair and remodeling is estimated to be in excess of \$3 million, which is so significant that private enterprise will be unable to economically justify any such undertaking; and

WHEREAS, the "Milmor Hotel" is such a cornerstone of the downtown Blackfoot area that rehabilitating the facilities will be in the best interest of the sound needs of the community as a whole, and will assist in the redevelopment of the downtown area by private enterprise by promoting housing, business opportunities, retail areas, office space, reception areas, and other uses vital to the overall vibrancy of downtown Blackfoot; and

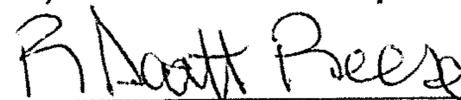
WHEREAS, in order to obtain the above listed goals the Agency is evidencing its' intent to participate in the redevelopment of the "Milmor Hotel" under the basic structure as set forth herein; and

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

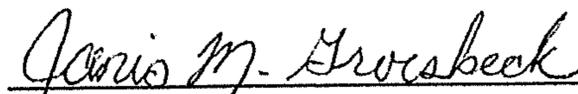
1. **Grant Assistance.** The Agency will provide grant assistance of 1/2 (50%) of the total cost of the project. This shall include all fire, safety, mechanical, electrical, and other repairs, remodeling, and rehabilitation necessary to have a fully functional, code compliant, and useable property at the end of the project.

2. **Initial Contribution.** The Agency has also committed the sum of \$250,000.00 to be used towards design, engineering, architecture, infrastructure and other costs necessary to initiate the project as a whole. These sums will be paid as needed for initiation of the project. This amount is not to be included in the calculation of the 50/50 split of costs on the project.
3. **Timing of Additional Payments.** It is the intent of the Agency to provide an additional principal payments of \$1,260,000.00 as requested by Milmor, LLC. Milmor, LLC will provide reasonable independent oversight of evidence to verify items invoiced on the project prior to each contribution to be made. In the event that Milmor LLC is unable to complete the project as intended, the Agency agrees that any grant assistance not expended may be assigned to another party for completion of the project under the same terms and conditions herein.
4. **Private Financing.** For the 1/2 (50%) of the project financing that is the responsibility of Milmor, LLC, these funds will be obtained by private financing.
5. **Security.** The Agency will require a promissory note and 2<sup>nd</sup> deed of trust against the real property to secure the grant money provided herein. This security interest will be second to the private financing necessary for the project. The deed of trust will be amortized over a ten (10) year period with no interest to accrue. After first payment from the Agency, the note will automatically "pay down" at the rate of 10% per year for the ten (10) year period. If the property is sold, any remaining amounts due on the promissory note and deed of trust as of the date of sale will be re-paid to the Agency, or its' successor.
6. **Intent to Proceed.** This Resolution is being provided as evidence of the obligation of the Agency to participate in the project.
7. **Final Documents.** Any additional documents required by the private financing and the Agency will be drafted in accordance with the intent stated herein, and shall be subject to final approval by the private financing and the Agency.

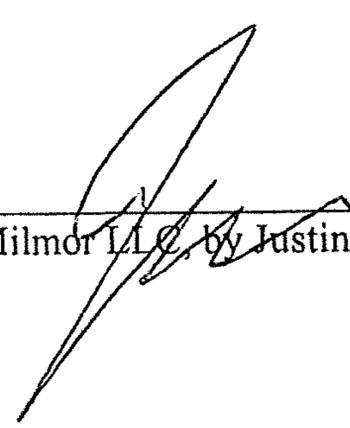
PASSED BY THE BOARD OF COMMISSIONERS OF THE BLACKFOOT URBAN RENEWAL AGENCY on the 1st day of October, 2019, and executed *nunc pro tunc* this 4 day of January, 2022.



Chairman, R. Scott Reese



Attest to by Secretary

  
Milmor LLC, by Justin Oleson, member