

Hailey Urban Renewal Agency
Special Meeting
Hailey City Hall
115 Main Street S
Council Chambers – upstairs AND via GoToMeeting
Thursday, February 11, 2021
11:00 AM

Amended

Please join my meeting from your computer, tablet or smartphone.

<https://global.gotomeeting.com/join/247356349>

Via Teleconference: +1 (669) 224-3412 Access Code: 247-356-349

Via One-Touch Teleconference: <tel:+16692243412,,247356349#>

Council Chambers will be open to the public in accordance with the Modified Stage 2 of Rebound Idaho requirements. Pursuant to the State of Idaho and Department of Health and Welfare Stay Healthy Order, dated December 30, 2020, Council Chamber’s 6-foot social distancing occupancy capacity is 10. It is anticipated there will be [4] Agency Board Members and Staff present in the meeting location; therefore, the first [6] persons who appear will be allowed to be present in the meeting location.

Because social distancing is still required seating will be extremely limited and alternative methods of participation are still highly encouraged.

Face coverings and social distancing are required. There is no overflow meeting room available.

Email: Public comments may be shared with the Agency Board via email to Lisa Horowitz, lisa.horowitz@haileycityhall.org. Emails or other written testimony must be received no later than 5:00 p.m. on Wednesday, February 10, 2021.

Live Meeting Attendance: Members of the public wishing to attend the meeting may do so remotely through the GoToMeeting platform with a phone or a computer. Log-in information is located at the top of this agenda.

If there are any questions, contact Lisa Horowitz at lisa.horowitz@haileycityhall.org or (208) 788-9815 x 1.

Chair:	Larry Schwartz
Vice Chair:	Sandi Viau
Treasurer	Becky Stokes
Board Members	Walt Denekas, Martha Burke, Don Keirn
Staff Support:	Lisa Horowitz, Community Development Director

1. CALL TO ORDER 11:00 am
2. CONSENT AGENDA ACTION ITEM
3. New Business:
 - a) Consideration of Draft Annual Report, Resolution 2021-002..... ACTION ITEM
 - b) Continued discussion of additional Urban Renewal Districts..... ACTION ITEM
 - c) **Consideration of Agency Engagement Letter with Hawley Troxell for bond counsel services** ACTION ITEM
4. Staff Report
5. Adjourn

Return to Agenda

2019 & 2020 Annual Report

Hailey Urban Renewal Agency

Hailey Urban Renewal Agency (HURA) Executive Summary

HURA met ten (10) times in 2019. Accomplishments for 2019 include:

- ◆ Determined Guidelines for Public Records
- ◆ Executed a Participation Agreement with Marriott Fairfield Inn, a new hotel
- ◆ Issued the 2018 Annual Report
- ◆ Committed funds to City of Hailey Grant Application for River Street Improvements.

HURA met eleven (11) times in 2020. Accomplishments for 2020 include:

- ◆ Amended the Participation Agreement to better reflect payout needs
- ◆ Executed a Participation Agreement with Kiki Tidwell Family Trust, a new residential apartment complex consisting of eighteen (18) units on River Street
- ◆ Executed a Infrastructure Grant-Escrow Agreement with ARCH Community Housing Trust, Blaine Manor Senior, LP, Blaine Manor Family, LP and AmeriTitle, Inc. for new infrastructure for the Blaine Manor Senior and Family residential units on Main Street
- ◆ Executed a Participation Agreement with Blaine Manor Senior, LP, a new senior residential apartment complex consisting of thirty (30) senior units on Main Street
- ◆ Executed a Participation Agreement with Blaine Manor Family, LP, a new family residential apartment complex consisting of thirty (30) family units on Main Street
- ◆ Executed a Participation Agreement with Broyles, LLC, new Car Wash Tunnel and gas pumps
- ◆ Entered into a Financial Service Agreement with Piper Sandler for new bonds

Contact Us

Hailey Urban Renewal Agency

c/o City of Hailey

115 South Main Street, Hailey, Idaho

83333

<https://www.HaileyCityHall.org/planning/UrbanRenewalAgency.asp>

Lisa Horowitz, Executive Director

Hailey Urban Renewal Agency

208-788-9815 x 1

Lisa.Horowitz@HaileyCityHall.org

Fairfield Inn & Suites Ribbon Cutting



Board Members and Staff



(Left to Right: Sandi Viau - Board Member, Walt Denekas - Board Member, Mayor Martha Burke - City Council Liaison, Don Keirn - Vice Chair, Larry Schwartz - Chair, Becky Stokes - Treasurer, Lisa Horowitz - Executive Director, Jessica Parker - Community Development Admin. Assistant)

One of the primary goals of HURA is to stimulate private sector investment in the District. To that end, the Board adopted a participation policy in 2018 which establishes criteria for HURA investment of tax increment dollars generated by new projects. Here's how it works: a new project is proposed. The project increases the taxable value in the district, generating new tax "increment." A portion of that increment is re-invested into eligible improvements such as public infrastructure. Here is an example: A new commercial project is proposed. The value of the vacant land is \$500,000. After redevelopment, the commercial building is valued at \$5,000,000. This \$4.5 million additional value at today's tax rate would generate annual revenue to HURA of approximately \$45,600. HURA participation policy spells out how HURA would work with developers to fund necessary infrastructure out of this newly generated revenue.

What can HURA do?

- Creation of robust and sustainable job opportunities
- Affordable workforce housing;
- Pedestrian paths, sidewalks and bike facilities;
- Landscape areas;
- A central town plaza;
- Street and infrastructure improvements necessary for economic revitalization and property investment;
- Streets, alley and public transit conveyances and facilities;
- Sanitary sewers, water mains, flood control facilities and storm drains;
- Parking facilities and structures;
- Utilities; "Wi-Fi" and other communications infrastructure;
- Public art;

HURA Fiscal Year 2021 Budget

Revenue	Actual FY 2019	Budget FY 2020	Approved Budget FY 2021
Tax Increment Revenue	\$171,137	\$170,000	\$250,000
Other Revenue / Interest	\$7,699	\$5,000	\$5,000
TOTAL HAILEY URA REVENUE	\$178,836	\$175,000	\$255,000
Expenditures	Actual FY 2019	Budget FY 2020	Approved Budget FY 2021
Dept. Service (Note to City of Hailey)	-	-	-
Professional and Legal	\$4,816	\$25,000	\$40,000
Administration & Insurance Expenses	\$9,057	\$8,700	\$10,700
Other Expenses	\$564	\$2,500	\$2,500
Capital Expenses	\$10,000	\$150,000	\$150,000
TOTAL EXPENDITURES	\$24,437	\$186,200	\$203,200
CHANGE IN FUND BALANCE	\$154,399	\$11,200	\$51,800
CARRY OVER FUND BALANCE	\$423,724	\$412,524	\$464,324

City Council Resolution 2010-02 adopted on January 25, 2010, authorized the establishment of the Hailey Urban Renewal Agency. HURA has completed the urban renewal plan for the Gateway District, thereby establishing the baseline of assessed value according to 2014 values. HURA expenses will primarily include capital projects, insurance, legal expenses and other consulting expenses in FY 2020. Those activities will be funded through the projected tax increment revenue of \$170,000.

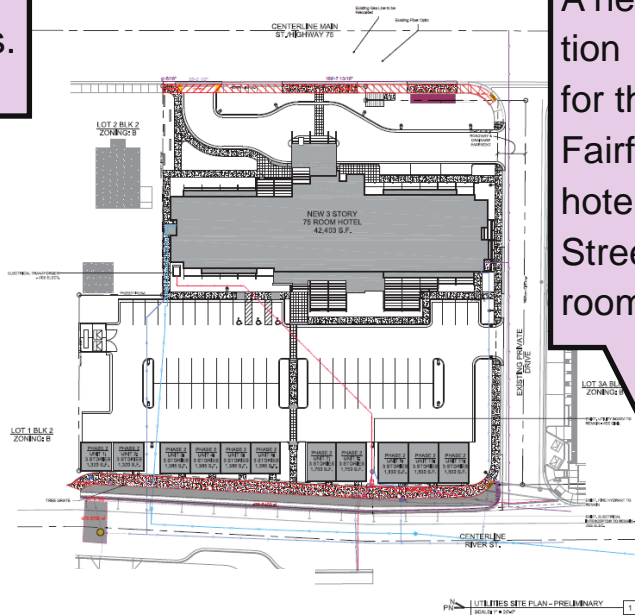
The Agency collected \$161,823.24 in FY 2019 and \$155,011.53 in FY20. These funds are being directed towards our priority projects outlined in the 2013 Hailey Urban Renewal Gateway Plan. The HURA partners with public and private entities to help improve economic vitality, create jobs and encourage investment. HURA also participates in public improvements like streets, sidewalks and town-squares.

Glimpse of 2019 and 2020

Agency Committed funds for the River Street Improvements.



A Participation Agreement for a 18 units apartment complex facing River Street.



A new Participation Agreement for the Marriott Fairfield, Inn, a hotel along Main Street with 75 rooms.

A Participation Agreement for a new Car Wash Tunnel and Gas Pumps along South 3rd Avenue.



Two Participation Agreements and a Infrastructure Agreement for two (2) new apartment complexes along Main Street for a total of 30 senior units and 30 family units.



Master Goals of the 2013 Gateway Urban Renewal Plan

- A. Within the Urban Renewal District, HURA focuses on the elimination of deteriorated and inadequate public improvements including certain streets and improvements; improvements to public utilities including water and sewer improvements; fire protection systems; streetlights; other public improvements; removal, burying, or relocation of overhead utilities; extension of electrical distribution lines and transformers; improvement of irrigation and drainage ditches; improvement of storm drainage facilities and laterals; and environmental remediation of brownfield sites;
- B. HURA works on the assembly of land into parcels suitable for modern, integrated development with improved urban development standards, including setbacks, parking, pedestrian and vehicular circulation;
- C. HURA facilitates the revitalization, redesign and development of undeveloped or underdeveloped areas which are stagnant or improperly utilized especially through the creation of job opportunities for skilled labor, affordable workforce housing, a central town plaza and parking lots and structures;
- D. HURA strengthens the economic base in the District and for the Hailey community by the installation of needed site improvements and public facilities to stimulate new commercial expansion, employment and economic growth especially through the creation of a robust and sustainable workforce and infrastructure;
- E. HURA can provide land for parks and open spaces, pedestrian walkways, street rights-of-way, and parking facilities;
- F. HURA can fund improvements to the streets, rights-of-way and other public infrastructures;
- G. HURA works to assure high site design standards and environmental quality and other design elements that provide unity and integrity to our projects, including commitment of funds for planning studies, achieving high standards of development, and leveraging such development to achieve public objectives and efficient use of scarce resources;
- H. HURA provides for the opportunity of providing public art within the Project Area;
- I. HURA strengthens the economic base by encouraging private development, thus increasing the assessed valuation of properties within the District;
- J. HURA assists in the provision of public service utilities such as water system improvements and sewer system improvements (which may be located outside the District); and storm drainage facilities improvements; and
- K. HURA can provide the funding of necessary public infrastructure to accommodate both public and private development.



2021 Calendar

January	February	March
Thurs., 7th @ 11:00am Thurs., 28th @ 11:00am	Thurs., 4th @ 11:00am	Thurs., 4th @ 11:00am
April	May	June
Thurs., 1st @ 11:00am	Thurs., 6th @ 10:30 am	Thurs., 3rd @ 11:00am
July	August	September
Thurs., 1st @ 11:00am	Thurs., 5th @ 11:00am	Thurs., 2nd @ 11:00am
October	November	December
Thurs., 7th @ 11:00am	Thurs., 4th @ 11:00am	Thurs., 2nd @ 11:00am

HURA is scheduled to meet twelve (12)* times in 2021 in the Council Chambers of Hailey City Hall located at 115 S. Main Street, Hailey, Idaho 83333. The HURA meetings will also be available by GoToMeeting**, this information is published on the City of Hailey Website with the applicable Agenda.



Background on Hailey Urban Renewal Agency

Established in 2010, the Hailey Urban Renewal Agency (HURA) is a key redevelopment organization for the town of Hailey and a catalyst for economic revitalization. Urban renewal agencies operate via a tool known as Tax Increment Financing. Tax Increment Financing is a public financing method whereby tax revenues are directed towards a managing agency for a set number of years- 20 years in the case of the HURA.

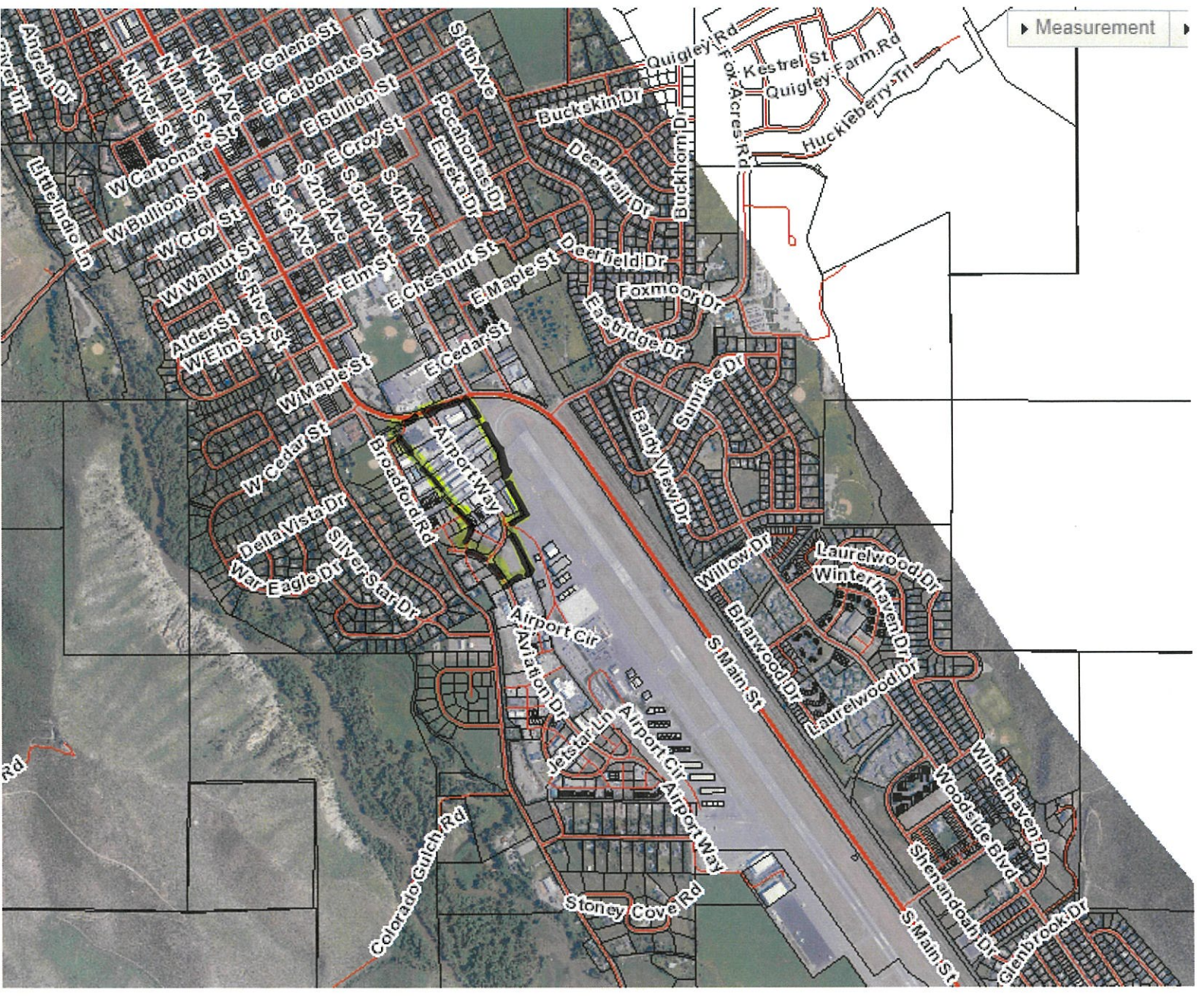
* Meetings dates are subject to change.

** GoToMeeting option is subject to change.

Return to Agenda



Airport West Urban Renewal Study Area



Airport West Study Area Vicinity Map

South Woodside Urban Renewal District A



Return to Agenda

MICHAEL M. STODDARD
ADMITTED TO PRACTICE LAW IN IDAHO
EMAIL: MSTODDARD@HAWLEYTROXELL.COM
DIRECT DIAL: 208.388.4892
DIRECT FAX: 208.954.5270

January 26, 2021

Hailey Urban Renewal Agency
115 Main Street South
Hailey, Idaho 83333

Re: *Bond Counsel Engagement*

Dear Chair Schwartz:

You have requested we act as bond counsel to Hailey Urban Renewal Agency (the "Agency"). This letter accepts our appointment and sets forth our role as bond counsel and our agreement regarding the fees for our services. I enclose a copy of our Client Service Policies. The statement of policies and this letter constitute our engagement agreement for this transaction.

A. Scope of Work

As bond counsel, our scope of work for the Agency is to advise the Agency on matters of Idaho law and federal tax law that affect the Agency's ability to issue bonds and to structure the Agency's indebtedness most advantageously. We will prepare or review various suggested forms of proceedings for the Agency in connection with the financing. As to any suggested forms of proceedings which we have a responsibility for preparing, we will submit such forms to your financial advisor and Agency attorney for review and approval prior to adoption. We will also prepare and submit for review and approval before execution, various closing papers and forms of opinions.

We understand the Agency is considering a bank financing for certain public infrastructure improvements on River Street (the "Financing"). We have worked with almost every major bank and community bank in Idaho and can readily prepare loan documents that are appropriate for an urban renewal financing and that are acceptable to the bank. Our services for the Financing would include:

- Preparation of loan documents.
- Preparation of resolutions of the Agency board to approve the loan documents.
- Attendance at Agency meetings, if required.
- Perform project due diligence to confirm that the improvements financed qualify as an urban renewal project.
- Perform tax due diligence to confirm that we can render an opinion that the bonds are tax-exempt. This research will involve understanding all the potential uses of the improvements and the terms of such use.
- Conduct the closing of the Financing.
- Preparation of bound and electronic transcripts of proceedings memorializing the Financing.

B. Fees and Costs

We propose to act as bond counsel for the financing, subject to a cap of \$20,000.00. Our hourly rates are:

<u>Attorney</u>	<u>Rate</u>
Michael M. Stoddard	\$300
Chelsea M. Porter	\$215
John Swendseid*	\$640

*We have a consulting relationship with Mr. John Swendseid, a partner in Sherman & Howard law firm based in Denver. Mr. Swendseid has a national reputation for his expertise in federal income tax law applicable to state and local government financial obligations. Our affiliation with Mr. Swendseid gives us a strong backup on federal tax issues, although we utilize his services sparingly to control costs.

We also bill for our out-of-pocket expenses: printing, copying and travel. Our fees and expenses are payable on the date of closing of the Financing and may be paid from proceeds of the Financing.

C. Disclaimers

Our engagement as bond counsel and disclosure counsel is on behalf of the Agency. In unrelated matters, we have consulted with and may in the future act as counsel to the financial firms the Agency is considering or has retained as its financial advisor or underwriter. Although

we work collaboratively with the financial advisor to prepare the Agency's bonds for sale, we do not represent the financial advisor.

As you are aware, our firm represents many political subdivisions, companies and individuals. It is possible that during the time that we are representing the Agency, one or more of our present or future clients will have transactions with the Agency. It is also possible that we may be asked to represent, in an unrelated matter, one or more of the entities involved in the issuance of the Agency's bonds or notes. Applicable ethical rules prohibit us from undertaking the representation of parties with directly adverse interests unless we reasonably believe the representation of either client will not adversely affect our representation of the other client and unless we obtain the consent of both clients. Similarly, ethics rules prohibit us from undertaking the representation of a client if such representation would be "materially limited" by our duties to another client, a former client or a third person or by personal interests.

We hope that such representations will not adversely affect our ability to represent you as provided in this letter, either because such matters will be sufficiently different from the issuance of the bonds so as to make such representations not adverse to our representation of you, or because the potential for such adversity is remote or minor and outweighed by the consideration that it is unlikely that advice given to the other client will be relevant to any aspect of the issuance of the bonds. However, any actual conflict or consent thereto will have to be dealt with case by case and with full disclosure to you.

We are not aware of any engagements at this time that would fit the foregoing description of conflicting interests, but will consult with you if any occur.

D. Signature

We would appreciate acknowledgment of your agreement with the terms of this letter by signing below in the place provided for such purpose on the enclosed copy of this letter. Please return one copy to us for our files.

We believe we have the capability to serve the Agency well and are honored to have this opportunity to be of service to the Agency.

Sincerely,

HAWLEY TROXELL ENNIS & HAWLEY LLP



Michael M. Stoddard

Hailey Urban Renewal
January 26, 2021
Page 4

I have read and understand the terms of our engagement as stated above and agree to be bound thereby.

HAILEY URBAN RENEWAL AGENCY

By: _____

Date: _____

CLIENT SERVICE POLICIES

A) Client Service

At Hawley Troxell Ennis & Hawley LLP, we maintain the firm's century-old tradition of professional excellence and integrity by providing every client with the highest quality legal service. Regardless of a client's size, business, or location, the services we provide are individually fashioned to meet each client's specific needs and wishes. We are aware of our clients' concerns for efficiency and economy and make every effort to keep costs down, consistent with proper representation.

The ideal client-attorney relationship requires a mutual understanding of expectations and an open line of communication. The following policies were developed with that objective in mind and with a commitment to hold the line on escalating legal costs.

B) Initial Conference

The client-attorney relationship generally begins with an initial conference. When scheduling this conference, you will be asked to provide information regarding potential parties involved in your situation so that we can ensure we have no conflict of interest with other clients or firm members. The purpose of this initial meeting is for your attorney to learn about your situation, and then to discuss with you the scope and amount of services that will need to be provided, who will provide those services, and the fees and costs involved.

A fundamental principle in the client-attorney relationship is that the attorney maintains confidentiality of information relating to the representation. We encourage you to communicate fully and frankly with your attorney.

C) Engagement Letter Or Representation Agreement

The initial meeting will be followed by an engagement letter from your attorney that will outline the pertinent facts of the case, the scope of the representation, the fees to be charged, and the possible expenses to be incurred.

D) Retainer

A retainer may be requested at the beginning or during the course of representation. Depending on our arrangement with you, this retainer may be used throughout the representation to pay for out-of-pocket costs and our fees. At the conclusion of the representation the retainer will be used to pay our final invoice for costs and legal services. If a balance remains, it will be refunded to you. If the retainer is exhausted, you are responsible for payment of fees and out-of-pocket costs not covered by the retainer. Payment of a retainer does not relieve you of your obligation to make prompt payment of our monthly invoices.

Unless otherwise directed, all retainer funds are placed in an interest bearing client trust account. The interest on this account is donated, by law, to support public interest objectives of the Idaho Law Foundation.

E) Fees And Expenses

We usually compute our fees on an hourly basis. These standard hourly rates are subject to modification at any time. Time charges may, if applicable, include waiting time in court or elsewhere and time spent in travel. Other fee arrangements include setting a reasonable fixed fee for services, and occasionally the firm represents a client on a contingent fee basis. Premium rates may also be charged for work involving greater complexity, intensity of effort, specialized services, or additional liability potential.

CLIENT SERVICE POLICIES

We believe in providing the most efficient and cost-effective services to our clients. As a commitment to this philosophy, you will not be charged for long-distance phone calls, regular USPS postage, facsimile transmissions or computer assisted legal research. There will be times when other out-of-pocket expenses are incurred as a necessary part of your representation and these will be billed to you accordingly. These can include photocopies, deliveries, travel, document production, court reporter services, expert witness fees, and court fees.

Unless arrangements are made, the firm does not advance costs of more than \$300. Necessary costs above that amount may be billed directly to you by the service provider.

F) Billing Statements

Unless otherwise agreed, you will receive monthly statements. These statements provide you with chronological information about the services provided and the cost of such services. We can, however, provide you with as much—or as little—detail as you wish, regarding the services we provide. You should discuss your billing preferences with your primary attorney. All invoices are due and payable in full upon receipt. If your account becomes delinquent:

- You will be subject to an interest charge of 12% per annum for invoices delinquent for more than 30 days.
- You will be subject to attorney fees and expenses allowed by law if your account is referred for collection.
- The firm may find it necessary to terminate services and withdraw from representation.

Problems or questions about bills should be promptly directed to your primary attorney or the Executive Director at (208) 344-6000.

G) Working Relationship

You convey to the firm, as your legal representative, the power of attorney to execute all pleadings and take such other actions as may be necessary or advisable on your behalf. Any settlement affecting your interests will, however, require your prior consent.

Your satisfaction with our law firm depends on your relationship with the individuals who are helping you solve your problem. If you have concerns about which attorneys work on your matter, please discuss these concerns with your primary attorney. If, at any time during our representation, you become unhappy or dissatisfied with our work, we encourage you to contact your primary attorney and discuss your concerns. If you are unable to resolve these issues with your primary attorney, please contact Nicholas G. Miller, our Managing Partner at (208) 344-6000.

Return to Agenda