



**THE URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS**

SPECIAL MEETING MINUTES

March 18, 2015

The Urban Renewal Agency held a special meeting at 4:00 p.m. this date in the Twin Falls City Council Chambers located at 305 3rd Avenue East, Twin Falls, Idaho.

Present:

Dan Brizee Vice Chairman
Dexter Ball Secretary
Neil Christensen Member
Bob Richards Member

Absent:

Leon Smith, Chairman
Perri Gardner

Also present:

Melinda Anderson Urban Renewal Executive Director
Fritz Wonderlich City Attorney
Lorrie Bauer Economic Development Admin Assistant

Agenda Item 1 – Call meeting to order.

Vice Chairman Brizee called the meeting to order at 4:00 p.m.

Agenda Item 2 – Consideration of a request to approve First Amendment to the Clif Bar Development Agreement – Melinda Anderson.

Melinda introduced the agenda item with background information by stating the City, the TFURA, and Clif Bar signed the original development agreement on October 17, 2013 and laid out all the expectations by all three parties. She added that a lot has been accomplished since then and the groundbreaking ceremony was held last week. All parties have requested some changes to the deal sheet, including cost and timeline changes. Time has been extended on a number of items because the initial accomplishment date has passed such as the infrastructure hasn't been completed; transfer of the property is close, but not complete; and the creation of the new revenue allocation area has not been completed.

Some of the big issues in the amendment include Clif asking for TIF financing to increase from \$18.9 million to just under \$22 million and extending the line of credit from June 15, 2015 to June 15, 2016. They are also changing the bond guarantee. Initially, Clif Bar stated they would guarantee that they would cover the bond payment each year with their property tax payments which created a taxable bond. They are interested in making the bond- tax exempt which significantly reduces the interest rate for the bond. Fritz Wonderlich clarified the amendment wording stating that originally Clif guaranteed the payments to pay off the bonds in case there were insufficient TIF funds for the URA to pay the bonds. That way the URA would never be in default on the payments. Now, because Clif wants the tax exempt option, the language changed a little bit. It is specifically called out that if there are insufficient TIF funds, there would never be

a reason for the URA to be in default. If Clif were to ever sell the bonds, they would have to state that specifically in the language and the bond would have to be revised so maybe there'd be a guarantee again. This is set up for the possibility that Clif can buy these bonds themselves as tax exempt bonds. The way it worked before, if they owned them, they would pay the difference and then pay it back to themselves because they were the bond owners.

Bob Richards asked for clarification of paragraph 6.2.1 of the agreement and if the added language "including without limitation water lines for process water, domestic water, and fire suppression" exposes the URA or City to any frivolous requests that they would have to fulfill relative to providing that specific service. Melinda answered that the URA's main purpose is financing most of the infrastructure so the Urban Renewal's responsibility is just paying for what is agreed upon among all the parties. Fritz added the additions to this paragraph basically state that the URA is putting more funds into the site development.

Neil Christensen moved to approve the First Amendment to the Clif Bar Development Agreement and authorize the Vice Chairman to sign it as submitted and Bob Richards seconded the motion. A roll call vote showed that all board members present voted in favor of the motion.

Agenda Item 3 – Consideration of a request to approve the 2nd Amendment to the Clif Bar Line of Credit and new Promissory Note - Melinda Anderson.

Melinda introduced the item by stating the original agreement was signed on November 12, 2013, shortly after the Development Agreement approval, so that the URA could acquire the funds to begin the land acquisition, site development, and the infrastructure. Currently, the URA has a \$19 million line of credit loan with Clif Bar that is set to expire June 15, 2015. This 2nd Amendment increases the line of credit to \$22 million and extends the maturity date to June 15, 2016. The Promissory Note that goes with the line of credit states the same information. Melinda noted that the interest rate is the same as when originally negotiated this line of credit back in 2013 at 5.25%.

Bob Richards motioned to approve the 2nd Amendment to the Clif Bar Line of Credit and new Promissory Note. Neil Christensen seconded the motion. Roll call vote showed that all board members present voted in favor of the motion.

Agenda Item 4 – Adjourn.

Vice Chairman Brizee asked if anything else needed to be brought before the Board at this time. Melinda stated the legal plan for the new Revenue Allocation Area 4-4 for the Clif Bar Project is getting closer to completion. The first draft has been given to Fritz Wonderlich and Rick Skinner for their review.

With no other business, the meeting adjourned at 4:15 p.m.

Next regular scheduled Urban Renewal meeting is Monday, April 13, 2015 at 12:00 p.m.

Respectfully submitted,

Lorrie Bauer
Administrative Assistant