

**CITY OF KUNA
REGULAR PLANNING & ZONING COMMISSION**

**MEETING MINUTES
Tuesday, December 2, 2014**

PZ COMMISSION MEMBER	PRESENT	CITY STAFF PRESENT:	PRESENT
Chairman Lee Young	X	Wendy Howell, Planning Director	X
Vice-Chairman Stephanie Wierschem	Absent	Troy Behunin, Planner II	Absent
Commissioner Dana Hennis	X	Trevor Kesner, Planner Technician	X
Commissioner Cathy Gealy	X		
Commissioner Joan Gay	X		

6:00 pm – COMMISSION MEETING & PUBLIC HEARING

Call to Order and Roll Call

Chairman Young called the meeting to order at **6:06 p.m.**

1. CONSENT AGENDA

- a. Approval of Planning & Zoning Commission Meeting Minutes for November 12, 2014

*Commissioner Gealy motioned to approve the consent agenda;
Commissioner Hennis seconds, all aye and motioned carried 4-0.*

2. NEW BUSINESS:

- a. **Urban Renewal Plan:** - The City of Kuna is submitting the Urban Renewal Plan to the Planning and Zoning Commission for review and recommendations as to its conformity with the general plan for the development of the municipality as a whole.

Wendy Howell: Commissioners, Wendy Howell, Planning and Zoning Director, for the record. In the Urban Renewal Area Plan, there are a few deletions from the plan that needs to be noted. The second one from the end, I'm sorry the page numbers aren't showing. It's on the page starting with 'profile projects', under the 'transportation projects', numbers 7, 8, 9, 10 and 11 are being deleted. The purpose for that is because ACHD, Ada County and Canyon County are working on a regional transportation plan and at this point, we haven't reviewed it, so we're not sure if numbers 7 through 11 are consistent with our plan, so we want to make sure that we are consistent. We can amend the plan at a later date to add them back in.

Also, additional deletions, under 'pleasant places' projects, number 2; take out the name "Wilma Stroebel Thornton" the specific property is still pending so we would like it more generic than that. Numbers 3 and number 4 need to be deleted. ACHD is actually working on those. Delete number 1 under 'public buildings and facilities'; that is not within the proposed Urban Renewal District (URD).

I am just quickly going to go over the staff report and leave most of the time for you to ask questions if you need. The Planning and Zoning Commission is tasked with making sure that the Urban Renewal Area Plan conforms with the general plan, or the comprehensive plan, for the development of the municipality as a whole.

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This will be a recommendation to the City Council and at the Council level, they will have a public hearing but at our level (Planning and Zoning), it is only a public meeting.

I'm sorry, I may have skipped a page; number 7 of 10, under the analysis in the red portion, the second sentence, most of it is going to be deleted: "The Urban Renewal Area Plan"...delete starting with "includes" through the word "it" on the next line. So the sentence should read: "The Urban Renewal Area Plan includes redevelopment of the area near Pioneer Cemetery". The purpose of that was because of the change in the Urban Renewal Plan. And one more, due to the changes of the plan, page 8 of 10, under 16.0, the blue text at the very bottom of the page where it says: "the plan also proposes a transportation corridor...", that entire sentence needs to be deleted.

C/Hennis: Is that because ACHD is doing something in theirs?

Wendy Howell: Yes, that is why. So, the URD (Urban Renewal District) is an agency set-up by the City Council to implement improvements to certain areas of the city that are deteriorating or that are in need of improvements or economic stimulation and to dedicate the increased property tax revenues from those redevelopment areas to the financing for a limited time. Staff has reviewed the Urban Renewal Area Plan which appears to be consistent with the Comprehensive Land Use Plan and map. And at this point, I will stand for questions. And I do apologize for all the changes. It's been very short notice for everyone.

C/Young: Ok. And just to clarify, the purpose of our review is to ensure that the Urban Renewal Plan is consistent with the Comprehensive Plan, correct? And that's all?

Wendy Howell: That's correct.

C/Young: Looking at some of the projects that are listed here in the report, is this a list of projects that are in line now? Or is this what is coming forward as things go on, or is this kind of a 'wish list' for the...?

Wendy Howell: I think that it's a little of all of the above, but I will defer that to the City Engineer, Gordon Law.

Gordon Law: Thank you, I think I understood your question, and it was: Are these projects it? Or maybe that was part of your question: -How do they fit in to the plan? Why are they part of the plan?

Is that the general gist of your question or do you want me to be more specific than that?

C/Young: That's mostly the question. I just want to...

C/Hennis: I one of the questions that I had too and possibly to expand on that; in reading the list, it sounded like pretty legitimate numbers were attached to it, but it didn't give a time frame or whether these were actually scheduled projects or if this was a listing of 'at this time, these are what we think we need to establish time for in the future'?

Gordon Law: If I could start with your question; Number one, it isn't intended to provide a timeframe but one of the elements of Urban Renewal Area and Agency, as its set up, there will be a time limit for the revenue collection that goes with supporting it; however, as a practical matter, we don't just want to be doing projects

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just to do projects, or because we've got them in a specific schedule, but we want to address a specific need of a development, or set of developments at the time that they need it. So, there won't be a specific time frame in which to accomplish these. In fact, there are a number of lift stations for instance on the sewer line, and the primary purpose for those lift stations, except for one, is to allow for temporary solutions and not to construct the whole thing at once, but to allow interim portions of it to be constructed without the need to construct the whole thing.

Now, your question had to do with schedule; and no there isn't a set schedule, except that it must occur, if it occurs at all, within the time frame of the life of the Urban Renewal Agency. Now, hopefully that answers the question. But back to your question concerning the lists and the list of projects that are here; part of the purpose of creating the plan is because you want to accomplish a particular set of objectives. In our case, we've identified areas that primarily, actually came from the Commissions work, identified areas that are going to be... for instance, business, commercial and industrial areas; well in order for those to be viable selections, there needs to be services to them. Otherwise they are too big of a hurdle when new business comes through the door.

So, the plan is designed, so that those services can be provided with a financing mechanism to go with it; so that they can be viable commercial or industrial business areas. But the same is also true for residential areas; to make sure that the development costs are not too heavily loaded on the front end for the developers that are coming in. But that the facilities are available to them so that they can develop in an orderly manner and they're without too much overhead costs to provide this basic infrastructure for some of these. That's how these items got on the list, except for the few that are related to 'park projects' which are intended to serve the population and presumably, principally the population within the Urban Renewal Agency Area; and also projects which are related to deteriorating or deteriorated areas where we try to emphasize some improvements there that might lift these areas out of that deteriorating conditions. So those projects are not so much directed towards the economic development side of things where we're just trying to spruce up areas or areas which have fallen behind.

C/Hennis: That makes a lot more sense, thank you.

C/Young: Ok. The other question I had, as far as how the map is developed... as far as with...well I see all these highlighted areas in pink. What places a section within the boundary, and another section outside the boundary?

Wendy Howell: Again, I will defer to City Engineer, Gordon Law.

Gordon Law: As I understand the question, 'how is the map developed?' 'How does something get included and how does something get left out?'

There are some principles here that maybe it'd be easier to start with the basic principles. First of all, of your total assessed valuation in the city; only up to ten percent of that valuation can be included in the Urban Renewal Area; so that's on caveat. Another caveat that needs to be adhered to is that all the parts of the Urban Renewal Agency need to connect together or touch. You can't have a pod of properties here and a pod of properties over here, there has to be a connecting link. When you take those two principles together and there will be a third principle here in a minute, but when you take the first two principles together, you will see properties that seem to be for the purpose of making the connection from one area to another.

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The third principle is the financing, or the money for Urban Renewal funding comes from the increased valuation of property that occurs because the Urban Renewal Area exists at all.

In other words, if you start doing these projects, it is presumed that properties will begin to be able to develop and their values will rise. The base value before the Urban Renewal Agency starts is still collectable by the City and other agencies that collect property taxes. But that increased valuation for a period of time, and the tax on that increased valuation goes to the Urban Renewal Agency and that money is what is used to build the infrastructure, in order to accomplish the tasks of the agency.

Now, the map is trying to take those three principles and put them together. You need properties, number one, where it's reasonably possible to get increased value on them.

-Stuff that is already developed; well, that doesn't happen.

But at the same time, you also need to connect all the properties together. So you see the map looks like an extended collection of connected properties, and some of them, it's hard to tell why they're there.

And the third thing is that the total valuation of that property within the Urban Renewal Area cannot exceed ten (10) percent of the total assessed valuation for the city. So when you combine those three things, then you have the area.

C/Young: Thank you.

Wendy Howell: Chairman Young, on the proposed findings, you'll want to delete number one. It is a duplicate.

C/Young: Ok. Are there any other items?

C/Gealy: Where did the numbers come from? How were they developed; the dollar amounts or cost figures?

Gordon Law: I developed those cost numbers. And by and large, don't go to the bank on those numbers. Over the years, I've done a number of projects and those numbers are basically a collection or a homogenization of that history of numbers that I've collected over the years, but primarily, it was an attempt on my part to see just how the costs were stacking up and just how far out of financial constraints we might be. You should note, there are more projects here than we could ever fund. And so there will be a prioritization put on there as time passes to match funding. But that's where those numbers came from, is my own history with doing these type of projects.

C/Gealy: Then the cost estimates that are included here for the different projects; that total cost would be covered by the tax on the incremental... on the increased value of the properties or is that the total cost of the projects and some would be paid by the funding from the Urban Renewal Plan and some would come from regular tax revenues?

Gordon Law: When you have a list of projects that isn't financially constrained, or in other words, doesn't necessarily fall within the limits of the funding, then that implies that there is going to have to be some developer participation in order to get these projects done. So, I think it was your second point was that these projects are partially funded by Urban Renewal and partially funded from other sources. Often times, that is the developer.

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C/Gealy: So it's not the expectation that Urban Renewal would cover the entire cost of the projects that are indicated here?

Gordon Law: It's not my expectation that it's 100% that way.

Now, there is a chance that this could succeed beyond our wildest expectations. The likelihood is that it won't exceed our wildest expectations so we are likely to fall short of the project list here. And like most government business, you have to put priorities on things, and do those projects which make sense at the time.

C/Gealy: But you wouldn't anticipate additional costs other than what you've estimated here?

Gordon Law: You know there is a mechanism or a provision in the law whereby you can amend the plan at a later point in time. I, personally, don't like to do that. I think it causes you to lose track of what your original objective was. Now, I won't be the only one calling the shots on this. There is a Mayor and City Council which have considerably more scratch than I do, but my general objectives is to try and stay basically within this plan, but the mechanism is, that if we decide to amend the plan, like to include the transportation corridor that was taken out tonight, then we have to go back through this process that we are doing tonight. Bring it back to the Planning and Zoning Commissioners and have it evaluated again under the new plan, or the amended plan, to make sure that it complies or is consistent with the comprehensive plan.

C/Young: Ok, are there any other questions for staff? Ok. Thank you.

Richard Roats: Good evening Commissioners, for the record, Richard Roats, City Attorney. Mr. Marsh, the City Treasurer just handed me part of an evaluation of the economic feasibility. As Mr. Law was stating, the basic premise of the Urban Renewal District is that incremental financing above that base assessment amount and then the current assessment amount for the purposes of collecting those revenues to fund those projects. This economic study that was just handed to you, that was prepared by the City Treasurer, shows you a lot of the impacts to the taxing districts; on page one, over the course of what is estimated to be a twenty year plan life.

Page two shows you the market growth rate, starting at today's amount of approximately forty three million. Estimating, and again, it's an assumption of a five percent annual growth rate to the end of the term of twenty years. The increase would be approximately sixty million dollars, so the anticipated amount is a sixty million dollar increase. The last page there shows the overall financial impact on the taxing entities over the life of the twenty year plan.

So essentially what happens is as property values go up, that incremental amount goes to the Urban Renewal Agency for the life of the plan instead of to those taxing agencies. They still get that base amount, but what they don't get is that increased value over a period of time as a result of the improvements and that is what funds the infrastructure. In this particular case, somewhat different than some of the other Urban Renewal Areas, one of the things to point out though is it has to deal with properties which have deteriorated or are deteriorating, which can include agricultural properties. Which as you know is a large amount of this property.

Specifically though, what I want to task you with is, in the review of Idaho Code, it requires the plan is in conformance with our comprehensive plan. You have the proposed findings there but as you know in the comprehensive plan, there are a number of items that are in there, and I would ask that you take some time, perhaps look that up, and go through it and make that analysis. And if necessary, we can come back and approve those analyses.

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We have to have it done by Friday to be able to have that recommendation, it has to be part of the notice of hearing before the City Council for their public hearing and I believe the date that we determined, if we could get this done year. And that's why there is such a rush. The idea was that we were going to extend this out to pick up some property, and that's not going to happen, so just recently we made the determination as to our boundaries.

But we'd like to get this done this year because we'd like to capture the Ridley's property for the Urban Renewal tax increment financing to be able to use that. And that's a pretty substantial amount of money, that if we don't, we stand to lose it. So what you have is that staff report, and you have the comprehensive plan. I think you guys all have a copy of the comprehensive plan, and those elements in there, and you're applying the plan and the goals of the plan, -and I mean the Urban Renewal Plan, to our comprehensive plan to make sure that it's in compliance with those goals and objectives of the comprehensive plan. And then that's what goes to City Council, to make sure that it is actually in compliance with the comprehensive plan. So I'll stand for any questions on that. I don't anticipate that, unfortunately, that you could do that today. You've just been handed a financial analysis and there's a whole lot of stuff here to digest, so it's really pretty comprehensive.

C/Young: Ok, any questions for Mr. Roats? Thank you. I'm not sure who to direct this question to, but as far as the taxing goes, when this passes... or if and when or however it goes; the property value, that taxable value that is kept at that date? That capture date is when that is capped? And then as they go, is it from that date forward, that the funds then...?

Richard Roats: The base assessment is January 1st of the year that it is passed as that base assessment amount, and then as that goes forward, that's considered the current assessment amount. And so the difference between the two is that tax increment.

C/Young: Ok.

C/Hennis: That's why the rush.

Gordon Law: Mr. Chairman, could I make one note here?

C/Young: Yes.

Gordon law: One thing that Wendy pointed out to me is, you'll note on the economic feasibility study, that the two school districts: Kuna School District and Meridian School District No. 2 (West Ada School District) are listed there. You should be aware that their assessment is not capped. So City's is capped, County's is capped; in other words, they're not affected by this at all. They benefit from the increased valuation in the area, but they're not capped or restricted by the Urban Renewal Agency, so just be aware of that.

C/Young: So as the property values go up, the schools still reap the benefits of the increased tax revenue?

Gordon Law: And continues to grow as fast as those valuations grow.

C/Young: Ok, thank you.

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C/Gealy: But the other agencies would be capped. Not city...

Gordon Law: Within the boundaries of the Urban Renewal Area.

C/Gealy: So the City and the County, and EMT, library and fire, and...

Gordon Law: Correct. They don't lose revenue, but in that area where the growth occurs presumably from the benefit of those Urban Renewal Projects, then their growth in that area is capped for the life of the agency. What she was asking me is it referring to the properties that the map identifies, and that is correct, it is those properties. They are less than ten percent of the total assessment valuation for the city.

C/Gealy: Currently?

Gordon Law: Correct

C/Hennis: What is the term of this plan?

Gordon Law: It cannot exceed twenty years. It's possible that it could be substantially less.

C/Hennis: Ok.

C/Gealy: And just hypothetically, if there were to be a... if we were to add an additional taxing entity, how would that impact it?

Gordon Law: You mean, like a recreational district?

C/Gealy: For example.

Gordon Law: I actually don't know. My guess is that there is some type of cap, but the time in which it starts? I am uninformed enough that I cannot give a good answer.

Richard Roats: Everything goes back to the base assessment, so I don't know if they would go back to that base assessment or not, or the year that it came in, but everything is calculated on that base assessment in the year that the district was formed. Again, I don't know that... I'm not sure if that's happened ...*inaudible*...we can get a good answer on that.

C/Young: Do we have any other questions? As I was reading through what is in the staff report for comp plan items, as well as some of the others that I was reading that aren't included in here, for me anyway, I don't see anything that is inconsistent with the comprehensive plan; which really that's what we're charged with is: 'is this proposed agency in line with the comprehensive plan'?

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C/Hennis: Can I see that map? The only thing that I thought of was...as we were discussing this tonight was, with your question on these properties, and how these areas or properties are designated on this map. We had talked about the industrial area that is currently on the comp plan, and areas that it possibly might have moved to. And I think that's what Mr. Roats was talking about is that it had not been included yet so... or else we would have to amend the comp plan with that in mind. But I think it's still consistent with the comprehensive use plan and like you said, that's what we're looking at.

Wendy Howell: Chairman Young, would you like me to address that?

C/Young: Yes, please.

Wendy Howell: The comprehensive plan that we're looking back at is the current approved plan as it was adopted; the 2009 plan. The areas that are proposed for industrial are actually mixed-use on the current plan. So it still has the possibility for development.

C/Hennis: Right, and that what I was saying is because presently, in that adopted comp plan that we're supposed to be addressing, that industrial area has moved more towards the city, you know, much like Cathy [Gealy] and I have talked about in the past and instead of the other one that has been talked about. But like you said, this plan still addresses the needs whether they're in either location. Because it's still ...that kind of Urban Development, out that way would still need these services.

Wendy Howell: Correct.

C/Hennis: So I don't see any issue with what has been presented for our end of things.

C/Young: I don't, from mine. I don't know. Are there any other thoughts or...anything you want to digest? If not, then I would stand for a motion then.

C/Hennis: Do you have any more questions Cathy? I mean, you're still reading, so...

C/Gealy: Well, I'm still reading. Sorry.

C/Hennis: No, that's ok. We don't want to rush it.

C/Young: No, we don't.

C/Gay: In our next meeting, I mean... that's... what are we looking into before that time?

C/Young: A meeting later this week would be...

C/Hennis: So that meeting would just be the Facts and Findings.

C/Gay: Does that give us time to... would that give us time to maybe look a little closer?

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C/Hennis: No, I think that meeting would be based on if we went ahead and approved for recommendation tonight, and then it would be necessary to approve the Fact of Findings. Am I correct?

C/Young: This would then place it in front of City Council after that.

C/Gay: Oh, I see. Ok, now I understand.

C/Hennis: Because the whole idea here is, unfortunately is to get this done before the end of the year. Which means that once we approve it for recommendation, then that's when they can notice the City Council meeting, so that's why the rush.

C/Gay: Ok. So, it's really good that I read it all.

****laughter****

C/Hennis: Yes.

C/Gealy: It's really good that you did.

C/Hennis: But like Lee [Young] said, we're looking at it from the basis of 'does this comply with what we have in the comprehensive use plan?' You know, what we're trying to do as the city and where we're trying to go, you know? The City Council still has the review of this from a little larger nature so...

C/Gay: I gotcha. Thank you.

C/Gealy: Well, I don't see that there is any part of it that's inconsistent with the comprehensive plan that we have. I don't know how these other taxing agencies are going to feel about being 'capped' but that's not part of... that's not the comprehensive plan.

C/Hennis: No and this isn't an abnormal thing to happen anyways, in a city.

C/Young: Ok.

Commissioner Hennis motioned to recommend to the City Council for approval of the proposed Urban Renewal Plan as presented in the staff report; Commissioner Gealy seconds, all aye and motioned carried 4-0.

3. DEPARTMENT REPORTS:

- a. None

4. CHAIRMAN / COMMISSIONER DISCUSSION:

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Chairman Young asked if anyone had any items to discuss.

C/Hennis: So do we have a schedule for the meeting for Thursday is it?

Wendy Howell: I believe Trevor was looking at about 4:30 on Thursday.

Trevor Kesner: I believe that after 4:30 on Thursday, both you gentlemen had said you were going to be available for that meeting? And Commissioner Gay I believe you had said you were available at any time. And you guys could even call in too. You're physical presence isn't necessarily required.

C/Hennis: For all of us? Or at one point, I thought that ...

Trevor Kesner: Well I meant ...

Wendy Howell: At least one person will need to physically be here.

Trevor Kesner: Yes.

C/Gealy: And the purpose of the meeting on Thursday is to approve the Findings of Fact from today.

Trevor Kesner: The Findings of Fact, that is correct, yes.

C/Hennis: So it will be a long one.

****laughter****

C/Gealy: I should be able to be here at 4:30.

5. ADJOURNMENT:

Commissioner Hennis motions to adjourn at 6:42 p.m.; Commissioner Gealy Seconds, all aye and motion carried 4-0.



Lee Young, Chairman
Kuna Planning and Zoning Commission

ATTEST:

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Wendy I. Howell, Planning and Zoning Director
Kuna Planning and Zoning Department