



URBAN RENEWAL BOARD MEETING MINUTES

June 9, 2025, 11:30 AM

Council Chambers at City Hall - 1123 W. Lake St. Sandpoint, Idaho

Call to Order

Chairman Eric Paull called the special meeting of the Sandpoint Urban Renewal Agency Board of Commissioners to order on Monday, June 9, 2025, at 11:30 a.m. in Council chambers at City Hall, 1123 W. Lake St., Sandpoint, Idaho.

Roll Call

PRESENT

Commissioner Eric Paull, Chair
Commissioner Tom Bokowy, Vice Chair
Commissioner Marilyn Sabella (arrived at 11:35 a.m.)
Commissioner Kendon Perry
Commissioner Ned Brandenberger
Commissioner Jason Welker

Requests to Withdraw

Chairman Paull reported that this meeting had been called for the purpose of taking action on the requests from the Bonner County Ambulance District to withdraw from the Sandpoint Urban Renewal Agency's Northern and Downtown Revenue Allocation Areas.

He then stated, for the record, that the Ambulance District's Resolution No. 2025-5, requesting withdrawal from the Northern area was received on May 23, 2025, and their Resolution No. 2025-1, requesting withdrawal from the Downtown area was received on May 27, 2025. He reminded that, during the SURA meeting on June 3, 2025, the Board reviewed the District's resolutions, and this special meeting was subsequently scheduled pursuant to the requirements of Idaho House Bill 436 (2025).

Chairman Paull provided some background information from the agenda report that was included in the meeting packet, as relayed below.

During the 2025 session, the Idaho Legislature approved, and the Governor signed House Bill 436, which was retroactively effective on January 1, 2025. The bill addresses several issues, including the ability of a fire district and/or ambulance service district to withdraw from the revenue allocation financing provisions of urban renewal plan, such as SURA's, which was established by City Council ordinance prior to July 1, 2025. The bill sets forth a specific process for a fire or ambulance district to apply for withdrawal under Idaho Code § 50-2906(5)(a).

By May 1 of the year a fire district or an ambulance district seeks withdrawal, it must request an accounting from the County showing the amount of revenue allocation proceeds attributable to the District as of December 31 of the prior year. Within 15 days of receipt of the request, the County must reply to the District with the accounting requested and also informs the Urban

Renewal Agency. The district making the request must then adopt a formal resolution by June 1, expressing its intent to withdraw, and send the resolution to the Urban Renewal Agency, followed by the Agency's scheduling a special meeting within ten business days of receipt of the resolution.

Chairman Paull noted, for the record, that SURA did timely receive the accounting information from Bonner County, as well as the Bonner County Ambulance District's resolutions requesting withdrawal from SURA's two revenue allocation areas.

The Chairman relayed that House Bill 436 provides some additional guidance as to how the Agency should analyze a withdrawal request, determining whether the Agency's obligations are greater than the revenue allocation proceeds attributable to the District, and recited the Statement of Purpose for the bill:

" . . . it allows a fire district or ambulance service district within a URD opt out of an existing urban renewal revenue allocation area, provided that there is no existing indebtedness or other financial obligations."

The Chairman relayed additional information from the Agenda Report in the meeting packet, where SURA's indebtedness and obligations are outlined as follows:

On September 7, 2018, SURA issued a \$1.5 million revenue allocation note, with an interest rate of 3.63% per annum. The purpose of the note is for the acquisition, construction and installation of public improvements within the Downtown District. The note, which requires semi-annual payments of approximately \$83,378, including interest, required an initial payment beginning on March 15, 2019, and matures on September 15, 2029. The current balance on the note is \$686,635.48.

There is also a note payable to the City of Sandpoint, where SURA and the City have entered into an informal agreement in which certain large community development projects are initially funded by the City and then repaid by SURA as future property taxes are collected. This informal agreement does not contain a specific repayment schedule. As of September 30, 2024, the balance on the note was \$572,528.

SURA has several reimbursement obligations in the Northern District, as follows:

Schweitzer Ranch - Annual Reimbursement \$25,000.00 Remaining Balance \$375,000

Milltown - Annual Reimbursement \$33,333.00 Remaining Balance \$500,000

Milltown public improvements - Annual Reimbursement \$18,433.00 Remaining Balance \$276,495

The Chairman continued, relaying that the accounting information forwarded by Bonner County provided an estimate of the budget capacity increase to the Ambulance District should SURA accept the requests for withdrawal:

- Downtown District: \$22,993.19
- Northern District: \$8,194.28

He noted that the accounting does not include an analysis of the impact of withdrawal on SURA's budget; however, that information can be calculated from the information that was provided by the County. The effect of the District's withdrawal on each revenue allocation area would be as follows:

- Downtown District: $\$187,589,431 \times .00015911 = \$29,847.35$
- Northern District: $\$87,915,091 \times .00015911 = \$13,988.17$

There was discussion regarding the figures provided, with Mayor Grimm and Ms. Lynds fielding Commissioner questions.

The Chairman noted that the agenda report provided two possible actions for the Board to take: 1) vote to deny the withdrawal request, authorizing the Chair to provide written notice to the Ambulance District, thus concluding that SURA has contractual obligations or other indebtedness being funded by the Ambulance District's revenue allocation proceeds greater than the revenue allocation proceeds attributable to the District, or 2) vote to grant the withdrawal and authorize the scheduling of a second special meeting to consider a resolution approving this decision.

Following this initial report of information from the Chair, the Board discussed and deliberated on the request for withdrawal from the Downtown District, ultimately voting unanimously to deny this request.

Motion to deny the withdrawal request by the Bonner County Ambulance District for the Downtown District revenue allocation area, as the Agency's obligations funded by revenue allocation proceeds exceed the amount of revenue allocation attributable to Bonner County Ambulance District and authorize the Chairman to provide written notice to the Bonner County Ambulance District citing the Agency's obligations and the action of the Board on this date.

Motion made by Commissioner Sabella, Seconded by Commissioner Perry.
Voting Yea: Chairman Paull, Commissioner Bokowy, Commissioner Sabella,
Commissioner Perry, Commissioner Brandenberger, Commissioner Welker

The Board then discussed and deliberated on the request for withdrawal from the Northern District, with Chief Lindsey fielding Commissioner questions, and the Board ultimately voting unanimously to deny this request.

Motion to deny the withdrawal request by the Bonner County Ambulance District for the Northern District revenue allocation area, as the Agency's obligations funded by revenue allocation proceeds exceed the amount of revenue allocation attributable to Bonner County Ambulance District and authorize the Chairman to provide written notice to the Bonner County Ambulance District citing the Agency's obligations and the action of the Board on this date.

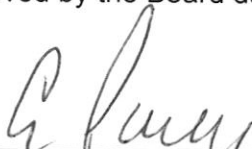
Motion made by Commissioner Bokowy, Seconded by Commissioner Perry.
Voting Yea: Chairman Paull, Commissioner Bokowy, Commissioner Sabella,
Commissioner Perry, Commissioner Brandenberger, Commissioner Welker

Chairman Paull relayed that he would work with the clerk to provide written notice to the Bonner County Ambulance District citing SURA's obligations and the action of the Board on this date.

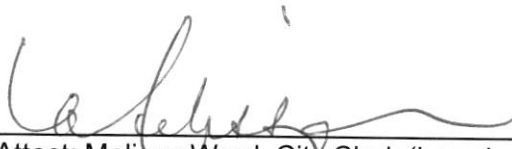
Adjourn

With no further business on the agenda, the meeting was adjourned at 11:54 a.m.

I presided over this meeting and can confirm that these minutes, prepared by the clerk, were approved by the Board during their meeting held on July 8, 2025.



Eric Paull, Chair



Attest: Melissa Ward, City Clerk (board clerk)