



COUNCIL SPECIAL SESSION

Friday, October 20, 2023

APPROVED MINUTES

MEMBERS PRESENT

Mayor Rick Scholl
Council President Jessica Chilton
Councilor Mark Gundersen
Councilor Russell Hubbard
Councilor Brandon Sundeen

STAFF PRESENT

John Walsh, City Administrator
Lisa Scholl, Deputy City Recorder
Gloria Butsch, Finance Director
Jenny Dimsho, Associate Planner
Crystal King, Communications Officer
Jeff Kapp, Contracted City Attorney

OTHERS

JK

CALL SPECIAL SESSION TO ORDER – 12:02 p.m.

DISCUSSION TOPICS

1. Review Non-Binding Letter of Interest for Purchase or Lease of Real Property Located at 1300 Kaster Road

Mayor Scholl presented the request.

Contract Attorney Jeff Kapp reviewed the letter of interest. It is not binding, is only good for 90 days, and does not include a sales price. It includes \$610,000 in escrow with 10% being nonrefundable. After 90 days, the buyer can get the earnest money back minus the 10% if they decide to not move forward on the property. It is an as-is sale or lease. The City cannot market or negotiate the property during those 90 days.

Councilor Hubbard asked what the \$610,000 represents. City Administrator Walsh is unsure. Kapp added that they need to be clear on the intent. That fee is solely to induce grantors to enter the 90-day window.

Councilor Hubbard pointed out the blank in '7.' Kapp said it appears that someone forgot to enter '90' there.

Council President Chilton pointed out '2B.' Can they do this without having settled everything with Boise yet. Kapp said there needs to be a condition of closing that the City has completed that. They will need to make sure the final PSA includes everything they need. If the buyer agrees to close the conditions of the property become their problem.

Council President Chilton wants to be sure they are doing their due diligence in posting property for sale and following guidelines. Walsh confirmed that will be part of the process. Council President Chilton asked if both properties sign it, will they still need to list the property for sale with the potential that

someone else could still purchase it? Walsh explained that it has special circumstances because it's in an Urban Renewal area. Council President Chilton reiterated that she wants to make sure they are following the rules with notice before they get comments from the public asking why it did not happen. Mayor Scholl would like to schedule an Urban Renewal meeting to explain how properties are handled differently within that area. Council President Chilton pointed out '10', asking how that will be funded. Kapp explained that the parties bear their own expenses, including the attorney and surveyor fees.

Mayor Scholl said this is not a land purchase sale agreement. It's for them to do their own due diligence. They want help since they're on a timeline. Walsh added that they are working extensively on this project and have information to share with them. Mayor Scholl shared that it is a \$1 billion investment and 1,200 jobs on this property. Councilor Sundeen asked how much property is involved. Kapp said that will be identified in time.

Councilor Sundeen talked about an email received asking why this is a rush. Mayor Scholl explained they are trying to meet State and Federal funding timelines. They agreed to pay \$61,000 even if it didn't work out. Walsh added that this is not the only site they are looking at. They want to be operational as quickly as possible.

Councilor Hubbard mentioned the confidentiality agreement. At some point, they need to inform the public about the project. Mayor Scholl talked about the project report given at the October 18 City Council Work Session. Kapp said they can get clarity at a certain point to announce the potential development. Walsh added that they are more concerned about proprietary confidentiality against competitors.

APPROVE AND AUTHORIZE FOR SIGNATURE

2. Non-Binding Letter of Interest for Purchase or Lease of Real Property Located at 1300 Kaster Road

Motion: Motion made by Council President Chilton and seconded by Councilor Gundersen to accept the Letter of Interest as written and submit it to parties. **Vote:** Yea: Mayor Scholl, Council President Chilton, Councilor Gundersen, Councilor Hubbard, Councilor Sundeen

ADJOURN – 12:29 p.m.

Respectfully submitted by Lisa Scholl, Deputy City Recorder.

ATTEST:

/s/ Lisa Scholl
Lisa Scholl, Deputy City Recorder

/s/ Rick Scholl
Rick Scholl, Mayor