

Special Meeting of the North Blaine County Fire District in the Council Chambers – 81 Elkhorn Road, Sun Valley, ID April 20th, 2022, at 10:00 AM.

Chairman Gray – Present in person.
Commissioner Michael – Present in person.
Commissioner Engelmann – Present in person.

1. Call to Order.

Chairman Gray called the meeting to order at 10:04 a.m. Chief Bauer is present via phone.

2. Public Comment.

None.

3. Approval of the April 2022 Claims*.

We had some large invoices from Thornton Heating and Sheetmetal due to the boiler replacement at Greenhorn Station, as well as an invoice from Sawtooth Plumbing and Heating for septic repairs at Griffin Butte Station. This is not the first time we have had septic work completed at Griffin Butte. The energy audits were performed at the Greenhorn residences.

MOTION:

Commissioner Michael moved to approve the April 20, 2022, claims; seconded by Commissioner Engelman. A roll call vote was taken.

AYES: Chairman Gray, Commissioner Michael, Commissioner Engelmann

NAYS: None

4. Approval of the March 15, 2022, Special Meeting Minutes*.

MOTION

Commissioner Michael moved to approve the March 15, 2022, Regular Meeting Minutes; seconded by Commissioner Engelmann. A roll call vote was taken.

AYES: Chairman Gray, Commissioner Michael, Commissioner Engelmann

NAYS: None

5. Discussion: Greenhorn Housing Update and Possible Approval of Fundraising Mechanisms*.

Chief Bauer and Chairman Gray met with City of Sun Valley Administrator Walt Femling last Wednesday starting the discussion of how our fundraising for the new housing at Greenhorn might take shape.

Walt Femling explained our different funding options at this time. We are at a point of needing to move and make decisions of how to proceed on first responder housing at Greenhorn Housing. Commissioner Michael, Chief Robrahn, and Walt met with Zions Bank a couple of weeks ago. Zions Bank has a 15 year, fixed-rate of about 3%, tax exempt lease program. This could also be a 20-year loan, but the interest rate is no longer fixed after 15 years. Pre-payment flexibility, so no charge on prepayment. To keep tax exempt status, tenants need to be employees of City of Sun Valley/North Blaine County Fire District. Employees of other fire departments could live there, but they would need to become co-members with SVFD/NBCFD.

The other strategy is to get private funding through donors, City and District Funding, and potentially grant funding from ARPA funds through Blaine County. We cannot move forward with ARPA until we have a bid for infrastructure for the project. ARPA is more geared toward affordable housing with tenant income limits than the workforce housing we are planning. We would want to get our updated application sent into them soon while there are still funds available. These are our five different possible mechanisms for fundraising.

ZipKit has been in touch with Chief Robrahn, and they have availability to start working on units for us in mid-June. If they do not start on our project then, we will be pushed back several months at least. At this time it sounds like it would be best for the District and ZipKits to start with four units, and do a second phase of four more units. We have the funds to pay the required 30% down payment, approximately \$300,000, using funds from the City of Sun Valley and the Fire District. We can then collect donations from the public, seeing what we are able collect by the time the units would be finished in October. Then we could possibly take out a loan from Zions for the rest of what we have not yet raised. Lastly, we could potentially put another order in with ZipKit for the other four units in the spring of 2023.

Walt has written a draft fundraising letter that he has sent out to the District Commissioners for them to review. Perhaps we can send that out with a card to our constituents to outline the project and request donations.

Chairman Gray asked Walt to explain the limitations of workforce housing grants from the federal government via ARPA funds. Walt explained that if ARPA funds are used for workforce housing, rather than infrastructure for the project, tenants in the housing would be limited to an income of approximately \$50,000 or less, which would exclude a lot of people and make it difficult for who we can house. We do not want to be restricted in this way. Chairman Gray asked if the District Commissioners can speak with the County Commissioners and explain what we are trying to do with this housing, and Walt responded that we need to take our edited grant proposal back to them and they will make their decision. We can then make a decision based on what is offered to us.

Commissioner Michael asked, does the \$1.5 million for four units include infrastructure costs and having the units being completely ready for livability? This is more expensive than what was previously discussed. Chairman Gray points out this estimate includes potential for garages, as well as the units and infrastructure. Walt says these units were \$150k each when we started talking with Zipkit. Because of rising costs, they are now close to \$250k each. There may be some flexibility on this number to get it down to \$225k per unit, as we can make some changes to the selected floor types, counter-tops, etc. This means four units would be \$900k-\$1 million. Any bid that we get from contractors for the infrastructure for this project is only good for 10 days. Chief Robrahn said that initial foundation cost estimates came in at approximately \$16.5K per unit.

Chairman Gray says we have discussed both the City and the District contributing to this project, but the contribution amount has not been approved in a meeting. In meetings between Walt and Chairman Gray, the contribution amount discussed has been \$300k. According to our March bank statement, we have \$1,186,000 in savings, enough money that the District can commit \$300k to the housing project without causing the District financial troubles.

Commissioner Engelmann asked Walt to confirm that he said there is no pre-payment penalty from Zions should we pay our loan off early. Walt confirms, and Commissioner Engelmann said that it would make sense to go forward with a loan from them, and then we can pay it off early as we get private donations. The wild card is how much can we raise. This way we know we have the money to complete the project. Walt has a list of documents that Zions has requested to move forward with an application. They know a lot of our financial information already because we have loans for the newly purchased fire trucks. Walt has already requested Zion give us payment plan information on loan amounts of \$500K, \$750K, and \$1 million. This information would give us a better idea of how much to charge for rent, how much to try and raise from the public, etc.

Chairman Gray says that we need to have a target of how much money we intend to raise before sending out Walt's letter. That target number needs to be included in the letter. Having monetary commitments from the City, District, and Zions takes off pressure from how much public funding we need to raise immediately. Can the mayor of Sun Valley weigh in on how much the City may be willing to contribute? Mayor Peter Henricks answered that City Council of Sun Valley is very supportive and enthusiastic for this project and will more than likely support matching funds of what the district contributes. Next city council meeting is May 5th, they will put a motion in the agenda to match our funds. Chairman Gray says that with a commitment total of \$600k, we can feel comfortable moving forward with ZipKit and ordering the first four units.

MOTION

Commissioner Michael moved to allocate \$300,000 to the Greenhorn Fire Station First Responder Housing, and to make those funds available whenever needed for this project. Seconded by Commissioner Engelmann. A roll call vote was taken.

AYES: Chairman Gray, Commissioner Michael, Commissioner Engelmann

NAYS: None

Motion Carried 3-0.

Walt says that a next step is to get with Blaine County P&Z to see how they are doing with our applications. Galena Engineering is working on the application to give to P&Z. Chiefs Bauer and Robrahn should be there in meeting with them, and Chairman Gray offers to work with them as well, to determine what they are thinking about our application. Blaine County is anxious to provide workforce housing right now, and should be supportive of this project. Commissioner Michael said Blaine County P&Z is very behind on their projects and approvals right now. We also need to be meeting with the neighbors, as they may be a big pushback, because change can be difficult, even if it is for safety purposes.

Chief Bauer says that a constituent from Audubon Place, which is just north and east of the Greenhorn Fire station, had concerns because they thought we were developing to the north. Chief Bauer assured

them we would be building to the south, and will be noticing all public meetings in regards to the housing, allowing them to voice all opinions or concerns.

Walt would like to get the process going with Kathy Grotto, of Blaine County P&Z. The Sun Valley City Council may question committing funds for a project we have not gotten formal approval for. Walt would like feedback from the County by June before we make the down payment to ZipKit. Jed will call Tom and Kathy to set up a meeting. We should also include Mike Mattias, our architect in the meeting. Commissioner Michael pointed out that the South Central Health District is key for all of this.

Chairman Gray reminded us that even if we do decide to do the fundraising in two parts, we need to add in a fundraising goal to Walt's letter before sending it out. That is the only change Chairman Gray would make to the letter.

Commissioner Michael suggests that perhaps we, the District and the City, fully fund the first four ourselves with a loan. We could then show what the public what we have accomplished, allowing them to tour the units, and reach out for private funds to fund the additional four that we would already have the permitting for. Chairman Gray said while this could be a good strategy, we have to raise the same amount of money either way. Having a model to show off would be great though. Commissioner Engelmann agrees, we have to give donors a vision of what we are trying to create and what it is for. Walt's fundraising letter should convey the urgency of this project. Maybe we try and give them a better idea of our department -Who we are, what we do, how we work. Walt believes we should keep the letter brief, don't make it too detailed or long. Perhaps have a separate fundraising card or packet with more detailed information, offer presentations, etc, and ensure that there is no misinformation. Chairman Gray added that since the airport is closed right now, there are a lot of people that are not here. Perhaps we try and have these materials ready by the time the airport re-opens on May 18th.

Commissioner Michael mentions that the Spur Foundation has a specific housing fund we could request a grant from. Chairman Gray added that the Sun Valley Realtors Association could potentially agree to donate \$10,000. Walt says we should really kick off fundraising for the summer, even though some people may want to wait to donate until they see the product. Mayor Hendricks is not in favor of delaying fundraising until we have a product; he would like to see us move forward as soon as we can. Spur may be able to help in the fundraising process, and we should ask for their help in getting our presentation materials together. There are a lot of optics involved in the fundraising. We need a 'packet' that people are going to expect. The packet would include testimonials from our own local first responders who rely on this housing to have an affordable place to live. This is a project of today, not next year.

In discussion of when to really get the fundraising started, it's agreed that we should have the packets ready as soon as possible. Chairman Gray thinks we start with the narrative of the District and the City putting in a combined total of \$600k from their own funds, getting these first units in by the fall. Notably, there is some strong pushback against the against the proposed LOT tax in Ketchum that would be intended to increase affordable workforce housing there. It may not be relevant to our project but is worth noting. Mayor Hendricks points out that our housing has to do to with a very specific crisis for a very specific group of people - our first responders. Call it workforce housing - affordable housing - this is for our first responders, and they need to be able to live in the district they serve. Chairman Gray and Commissioner Engelmann point out that people are at risk without proper levels of first responders, and our community is growing, which means we need even more first responders. We know that response time is critical, and our paid on-call staff can only respond so quickly because they live at or nearby the

station.

Walt will send out the Zion information he has, including what documents they need from us.

Commissioner Michael will be meeting with the Spur foundation and discuss the possibility of them being being a fiscal sponsor, helping, us with a campaign, and offering us marketing help.

Chief Robrahn also agrees start fundraising right away. Jocelin brought up that perhaps we have a page on our website with information and updates on this project. We can direct the public to go there for more information. Zipkit has told Chief Robrahn that they will be finishing units to be sent over to Driggs in the next month or so. Perhaps we could hire a professional photographer to go with the Chiefs on their next site visit to completed models, and get professional photos and video. Chairman Gray has a contact for that. Perhaps we could get videos of process of the homes moving onto the truck and getting transported. Chief Robrahn also wanted to clarify that in our state bank account, LGIP, we have \$1.86 million, and \$294K in the Zions checking account. For and update on the SCHED, they started noticing our variance request about 6 weeks ago, letting the public and neighbors know what's going on. Galena Engineering is working on final site designs for septic systems. There is still some more noticing to be done before SCHED can move forward with permits, but so far it is looking good. Taan thinks we should be able to communicate with the neighbors, perhaps even going door to door, explain that we are taking them into consideration with this project and how we build on and develop the area. It will not block or change their views, and should have minimal to no visual impact to them.

Commissioner Michael said that applications going in to the county, even for affordable housing, are taking six or more months to get a hearing. Chairman Gray is hopeful we may be able to be expedited because it is first responder housing. He also thinks that Chief Robrahn's idea of visiting neighbors in person is an excellent one, and Chief Bauer agrees. They will plan to go and knock on some doors. Mayor Henricks suggests that attending a meeting of the Golden Eagle HOA could be a great first step and opportunity. Commissioner Engelmann says that in these communications we can make sure the full story is told, can explain how the fire department and emergency response services work. Can we get a partial permit on the foundations.

Commissioner Engelmann wants to know, could we get a partial permit from the county to start moving forward with parts of the project, like foundations, infrastructure. We do not need a permit to have ZipKit start moving forward on our units. Chief Robrahn says that once we commit to ZipKit to start building in June, they will get building requirements from the county and start the engineering process, and create an entire packet of information to submit to the county. To close his statements, Chief Robrahn wants to say that he appreciates everyone's help on this project; it is very exciting!

MOTION:

Commissioner Engelmann moves to initiate and move forward on an application with Zions bank for funding for the Greenhorn Housing Project.

Moved by Earl Engelmann, seconded by Sarah Michael.

Vote: Motion carried 3-0.

Yes: Jed Gray; Earl Engelmann; Sarah Michael

Walt will tell Zions Bank that we have made a motion to move forward on the application.

Commissioner Engelmann says that we need to do our best to get momentum and keep it going. As we are most likely to get held up with our county and getting permits, Chairman Gray will be speaking with them, and letting them know that this is really for the public health, safety, and welfare of the citizens of our Valley. We will properly go through all of the steps of the process.

6. Update: New District Pumper Tender.

Chief Bauer says that the new pumper tender for the District is almost completed. Slater Storey and Ricky Williams will go and complete its final inspection in Wisconsin mid-May. We are hoping to have it delivered by June 1st. It will be run out of Greenhorn for first six months or so. Greenhorn is the busier of the stations, and by using it more frequently we will quickly be able to identify there are any problems with it, and allow the firefighters to become more familiar with it.

Commissioner Engelmann asked if the live-ins enthusiastic about these projects, the new pumper and the new housing? Chief Bauer answered yes, everyone is very excited. We let them know that current live-ins get first chance for the new units. Chairman Gray commented that with this new housing a bigger community will grow in that space.

Commissioner Michael says that new data has been released on what affordable rent is at different income categories, and gave examples of some of the income and corresponding affordable rents would be. Moving forward we can use this data to look at the costs of our loan, what our tenants are making in income, and what our current rent prices are. Chairman Gray says that we want to try and project what we will be charging in rent for this new unit, using it for fundraising. Commissioner Engelmann says that getting the narrative from our own firefighters is very important.

7. Discussion: Old Business.

None.

8. Public Comment.

None.

9. Adjournment*.

MOTION

Commissioner Engelmann moved to adjourn the meeting; seconded by Commissioner Michael.
A roll call vote was taken.

AYES: Chairman Gray, Commissioner Michael, Commissioner Engelmann

NAYS: None.

Chairman Gray declared the meeting adjourned at 11:12 a.m.



James E. Gray, Commissioner/Chairman



Earl Engelmann, Commissioner/Secretary