

1/21/26



CITY OF STANLEY

ORIGINAL IN RED

City Council Site Visit & Workshop Agenda Site Visit

January 21, 2026 @ 3:00 pm

Workforce Housing Site located West of the Stanley Museum
Museum Drive, Stanley, ID 83278

Please dress appropriately for the site visit as the property is not plowed & walking through snow will be required. The public is welcome to attend however the focus of this meeting is for council discussion and public input may be limited.

Call to Order: (Mayor Botti) 3:08 pm

Roll Call: Councilmember Cardoso - Present, Councilmember Cron - Present, Councilmember Hernandez - Present, Councilmember Thompson – Present, Mayor Botti – Present.

Also present: City Clerk

Public Present: Laurii Gadwa, Steve Herrett, Lisa Muscavage, Mary Ellen Easom., Michael Powell

Agenda Amendments: none

Mayor/Council Comments: none

Council Discussion:

- Workforce Housing

The Mayor pointed out the property boundary and all the corner posts that have been staked.

Cardoso asked if phase 1 would go all the way to the eastern most stake – the answer was no.

The Mayor pointed out the current access road and the bench where phase one would likely be built. Behind the barn is definitely wetlands with a connection to the river. This would be an issue to build on it.

John Vance – If we were to build on wetlands and had to work extensively with the Army corps it would delay building.

Mayor – The other wetlands were delineated by the survey but not all wetlands are equal and the Mayor doesn't think most of the wetlands are jurisdictional but that is the call of the Army Corps and so they need to review the project site.

Cardoso asked why there are culverts? The Mayor replied to move water from one side of the road to the other.

Cardoso asked if we had gotten the geotechnical report yet.



CITY OF STANLEY

- John Vance replied that they had received it and have sent it to the structural engineer. There was a higher water table than expected for this time of year and there is a clay lining left within where the sewer ponds were noted. The old sewer ponds will have no impact for phase 1 as they are not near the planned construction.

Mayor – The old sewer lagoons do not cover much of the property and DEQ said that yes we can build on the lagoons, and they don't have any issues with that. The culverts were only to put the road in this area. They would not exist if the road wasn't here.

Cardoso – Have sewer lagoons ever been built on before?

- John Vance – The issue with the sewer lagoons is there is not natural fill there and so it is not compacted as much as natural fill. If they were built on, they would likely have to dig it up, compact it more, and put a different style of footings for the buildings. This isn't a major problem, just adds some cost.

Laurii Gadwa reiterated that the sewer lagoons would not at all impact phase 1.

Mayor – one other thing to consider while we are here is moving the County Road.

John Vance – We don't have to move the county road right now for phase one. We can work to improve access and set up the site to move it. The access roads will go up roughly the current access road and then create a T junction where they stretch about 150 ft on each side. Phase 2 would have the road extend and make a loop. The county road may need to be moved at for phase 2.

Steve Herret – Commented that the fire department would need a hammerhead and they don't want to back up. Also, he would prefer a cistern on the hill with at least one hydrant.

Mayor – The plan is to put the well behind the barn. The well has to have a 50 ft radius where there are no buildings or roads for a public water system, They did a test well and the aquifer is about 30-40 ft down and so the well doesn't have to be super deep. There isn't a ton of flow so likely there would need to be cisterns to provide enough water and water pressure for the housing. When the forest service had housing here, they had cisterns on the hill to pressure the water system. If we did this it would also provide pressure for a fire protection system.

- Another thing to consider is the main power line comes down the hill and cuts across the corner of the housing site.
- The plan is to located the buildings against the hillside and as we move to the west the hill becomes steeper and so it would become more difficult to build.

John Vance – The difficulty comes with how far the building goes into the slope.

Thompson asked if the site had been surveyed.



CITY OF STANLEY

- John Vance replied that they have a topo survey, but they haven't had the engineer and architect look at the site in detail which will be in the next phase of the project, we just haven't gotten there yet.

Thompson asked if Northwest was locked into building in this area.

- John Vance replied that he is trying to keep infrastructure cost low and so building on the east side makes the most sense.
- If you put in the water line in with buildings on this side you just have to put an end cap on and when there is further development it is much easier to hook up to the system. The same with sewer and roads. We are trying to plan for minimum future disturbance to the residents of phase. Overall, building on the east side will be less expensive and have less disruption in the future.
- The County would likely also be more amenable to moving the road at a later date if they had more time to budget and find grants.

Laurii Gadwa – If you wait and work with the county they will try to get more funding. Providing more time would make moving the road more feasible.

Thompson asked what is the cost of infrastructure and if he could see a breakdown.

- John Vance stated that it was quoted at 700,000. He did not have the breakdown of cost accessible.

Questions about the barn.

Laurii Gadwa – SIHA had used the barn for storage and now almost everything is moved out of it. It is a historical building, but it is not on the register list. If the building was improved there would be space for storage, maintenance equipment etc.

Cardoso asked if SIHA still needed it.

- Gadwa replied no and the Mayor chimed in that it was City property.

John Vance – Northwest does not want to take on renovating the building because they would have to follow requirements of SHPO and that would be difficult. Laurii Gadwa agreed.

Caroso asked if you could make the barn into a coffee shop.

- The clerk replied, no. You cannot use this property for anything other than workforce housing!

Thompson asked what the cost of re-shingling the building would be.

- The Mayor replied that he did not know but Lin with SIHA could probably provide that information.



CITY OF STANLEY

The Mayor stated that HUD had required a cultural resource assessment and the company we hired said there was no significant impact, however, SHPO disagreed. SHPO is requiring a visual impact survey as viewed from the museum with photographs and renderings etc. However, we can't move forward with SHPO until we have decide on a site plan and the buildings.

Mayor added the other thing is that the main line of the sewer runs a little further away than the lift station. We will need to connect to the main sewer line not the lift station. This is a short connection across Forest Service Land and so we need a Special Use Permit. We have been working on this for several years but have had difficulty because of insurance requirements.

Cardoso asked – Will the sewer line have to be upgraded in the future?

- John Vance said that the size and connection would be designed for future phases. The engineer will make sure all the infrastructure is sized right for future development.

Cron – Asked for a description in relation to features on the hillside where the buildings would be located.

- John described very roughly where the 2-3 bedroom units would go and where the building of 1 bedroom units would go. The plan was to build on the east side because there would be more sunshine and there was a bit better view.

Thompson asked if John was concerned about ice on the roads between the buildings and the fact that the building in front would block some of the view.

- John replied that he drove through town and the City streets are pretty icy and snowy so he doesn't think this will be any worse than the City streets. He stated that the Architect had come up with a plan with another road and different lay out but the other designed required a lot more roads so John made the choice to reduce road length to save on costs of construction. In an ideal world he would love everyone to have the perfect view but most people in town don't have a view of the mountains etc. The buildings in the back will be a little higher in elevation so there will be some height differences as well.

Caroso asked how much the new road would cost.

- John said he wasn't sure but if he had to guess, maybe 300,000. Also, the further away you build, you have to put in longer water lines and worry about water pressure.

Laurii Gadwa stated that she has a neighbor that built a house right in front of her house and she lost her view. But she doesn't own the view.

John Vance – We are still working on the design; we need the engineers to look at the design before we lock anything in. We are running into a time crunch to be able to get everything we need done if we want to break ground in May or June.



CITY OF STANLEY

Cardoso – Will there be an issue with putting the well in the wetland?

- The Mayor said the Army Corps will have to be involved but the engineer thinks that there will be minimal impact and if there is only minimal impact then often the Army Corps doesn't require mitigation.

Steve Herrett asked how close the buildings would be to the hillside because he would like to have access behind the structures to drive for fire protection.

- John Vance replied that the structures would have sprinklers and there would not be a road behind the buildings for driving access but there would be a graded slope so you can get behind it on foot or with hoses. John said he would send the drawings to Steve when they are completed.

Cron asked about avalanche hazards. He did not think there would be any.

Meeting adjourned: 4:01 pm

Workshop to follow Site Visit

Stanley Community Center, 510 Eva Falls Ave, Stanley, ID 83278

Call to Order: (Mayor Botti) 4:23 pm

Roll Call: Councilmember Cardoso - Present, Councilmember Hernandez - Present, Councilmember Thompson – Present, Councilmember Cron - Present, Mayor Botti – Present.
Also Present: City Clerk Hannah Fake, Treasurer Savannah Pedersen

Agenda Amendments: None

Mayor/Council Comments: Mayor: In this meeting we are going back to regular City council meeting format, not the q&a format like other meetings that we have recently had. This meeting is for council discussion with developer. We will entertain council comments or public comments prior to starting meeting. This meeting is a continuation of site visit dealing with workforce housing issues.

No Public Comment.

Council Discussion: Workforce Housing

Mayor: Based on feedback from the community we have worked with Northwest to refine and modify preliminary designs while ensuring the housing will meet the needs of our essential workforce. The plan is to provide 1, 2, and 3-bedroom units for single workers and families, and those who wish to have families some time in the future. These people are, or will become longtime residents and sustain the community. We have received feedback from the target group,



CITY OF STANLEY

the essential workers. This project is important to prevent workers leaving who want to stay and become part of the community.

- It has been 11 years since land transfer that opened the door to make this possible and 2 years since getting HUD grant. We have been working to determine how to develop a public water system and other infrastructure. And we have found a developer who is willing to work with us. The private public partnership between the City and Northwest provides good option. Northwest, the developer, can't move forward without a commitment from the City with the form of an option to lease. The City won't have enough funding to build significant housing to satisfy needs of Stanley community without engaging a developer.

The Clerk read letters from the Library & Board and from Roni Gilbertson (letters are attached as part of the record).

Mayor – There have been questions about proposed financial plan with Northwest and its long-term impact and viability of the plan. We have been over this before but Savannah, the treasurer, will review this briefly.

Treasurer Pedersen – I have run a lot of numbers, worked with John to come up with the best plan for the City financially. This plan has a set amount. Northwest can't just keep asking for funds. We are planning to use the money we have already sitting in our account. We have worked out a plan to pay monthly as that would offer the highest investment amount for the City. Over the course of 22 years interest alone would cover \$770,000 costs and leave more funds for the future or emergency funds. This plan will never deplete our account. If we try and self-fund this could lead to depleting all our funds. The City cannot take on any debt. In the current plan with Northwest I don't see how we can lose financially. This is a safe solution because we already have the funds to dedicate.

Cardoso – What is net loss for City management of a self-funded project?

- Savannah – When we estimated rents and building cost estimates to pay for management of project. We estimated we could build up to 6 units but would have to manage them at a deficit of \$25,000-\$40,000 annually, so the City would have to raise rents or subsidize the project indefinitely. We would only be able to build 4-6 medium size units. We did not find a way that we could maintain and run these units as a City. This project with Northwest will be a great investment in the community.

Thompson asked what the cost to build was estimated at if the City was to build without a developer.

- Savannah talked to several different builders and got a range of costs but estimated at \$400 per sq ft for a stick build.



CITY OF STANLEY

The Clerk stated that she had presented all the information she had. We have done our research, and the City staff are presenting to the council and community the best possible option we have found, and that is working with Northwest to develop workforce housing.

John Vance from Northwest Real Estate Capital Corps was introduced.

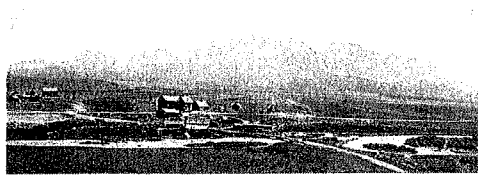
- After last council meeting, we went back to the drawing board and discussed the tradeoffs between what is nice to have vs what is needed. We have removed some design features to lower cost overall. Kitchen islands will be removed and 1 bathroom (the master bath) from 3 bed units. We have tried to provide more options with and without garages to get rents down. Lowest rent starts at \$1,100 per month and we have 1,2,3-bedroom units with and without garages. Rents stay below \$2,400 max that we proposed previously.
- Essential workers income, in general, affordable rent, between 24-30% of annual gross income of affordable housing.
- It is difficult to build housing for workforce. There are not a lot of subsidies available. The 4 million HUD grant is a big win for this community. We are trying to use this money and leverage it so additional housing can be built. As part of cash flow through lease period there is a need to have a cushion between operating cost including mortgage payments. So, if there is a spike in operating costs etc there is some revenue already available. Any left-over money will be split 50/50 between Stanley and Northwest. This money will be available to help reduce City payments.
- We have been through lots of different iterations, and we still haven't finalized design of the units. We are trying to reduce size of units by 100-300 sq ft. We have worked with our construction group and are comfortable with numbers presented here today.

Cardoso said that Russell Clark, his boss, brought up flipping the script and increasing 1 bedroom units and fewer 3 bedroom units, maybe we don't need any 3 bedroom units. Cardoso only sees future phases becoming more and more luxurious. We are creating too much luxury now and there are people nearing retirement who can't afford the current rents. Will that person get spoken for in the next phase? What will the next phase even be? He is leaning towards more, smaller units. Cardoso stated that he didn't want 3 dirty river guides living next to a family in a 3-bedroom unit.

John – The bedrooms are lowest cost to build so reducing a 3 bed to 2 bed won't save a lot at all or make a significant difference to reduce rent. It is hard to gauge where we will be in the future. We don't know where incomes will be in the future or what construction costs will be 5 years from now. You can't say we won't be able to provide something in the future because we don't know what the future will be. We are trying to provide enough 1 bedrooms that those river guides could have their own place. These aren't luxury units, they aren't high end townhomes either.

Cron questioned Cardoso what luxury was.

- Cardoso – I think that luxury is over 750 sq ft with a garage that costs over \$700 per month.



CITY OF STANLEY

John Vance – \$700 per month for rent is not a base line because there are people pay more. We are not trying to go on extremes. \$1,350 was the base line of what people could pay at 30% of their income. There was concern about that number from the community so we looked at how we can pair it down to get to \$1,100. I think that it is reasonable rent. There is no comparison here because there hasn't been new housing built in the valley. There have been high end houses and air bnbs but nothing done for essential worker trying to push rents down in reasonable rent. We could cut on materials, but the problem is that there will be an increased operating cost over time. This would be linoleum vs tile or vinyl. We do not want to cut costs on materials. We want to build nice housing at a reasonable rate without jeopardizing long-term quality and future maintenance requirements. These units were designed to have a garage of a certain size and the living footprint to match that. We were comfortable with the design, but it became clear we needed to lower rents so that's what we did.

- All construction costs are fluid, we never know what will happen with them. We have contingency in budget. If we don't use the contingency we can come down on rents. It depends on where we end up. This is the best info we have and based on the drawings we have. We haven't had the ability to move forward with architects and engineers to provide more detail to the contractors to get more details on the cost estimates.
- We want to break ground some time in May. June is the absolute latest we would want to break ground. This way we would be able to keep working on inside once it is dried in and keep project moving. Winter conditions, snow removal, heaters etc. it is more expensive and not as productive to build.

Cardoso – How realist is 2027 as a move in date?

- John Vance - It is up to the council. If you approve tonight to move forward with option to lease we can start on drawings by the end of April. We can get approval from the state which will take about 1 month and then break ground. Each week we push this out is a week closer to increased costs in winter or that the building costs become less and less accurate.

Cardoso asked how much we lose a year in funding?

- Treasurer Pedersen stated at 3% inflation we lose approximately \$120,000 in value each year of the 4 million HUD grant. This is just an estimate due to rising costs and the decrease of the buying power of the 4 million grant.

Thompson – We have to get approval from the Department of Agriculture correct? He thinks this will take several years.

- The Mayor replied, yes, we need to work with the Dept of Agriculture but he thinks this is more like a courtesy notification.

Thompson -If we want this to be successful for us it has to be successful for you. What are your top five things to make it successful for you John?



CITY OF STANLEY

- John Vance - Time is essential we can't predict costs in the future. The closer we start today the more realistic our numbers are and more accurate they are.
- 18 is the minimum number of units in phase 1 and that we have a plan to move forward with phase 2. We want to wait and make sure phase 1 is up running and has good data from that. Anything right now is projections – we don't know what 20 units for this community would mean. In phase 1 we need a minimum of 18-20 units.
- There are 1000 paths to get between here and those first 20 units. If we try to map out every path to get there we will be here forever. Based on City staff provided info, rents and unit mix make sense.

Thompson – Unfortunately, it was difficult for you (John Vance) to hear what the community had to say but the overall options were that people wanted reduced garages, reduced size of units, reduced rent, and there was concern about the 75 year lease. Thompson asked for more information about the length of the lease.

- John Vance – The lease is 65 years with an option to extend 10 years, but we would like to go longer. The typical land lease is 99 years. We have set the lease to 65 years because that is what the lender wants to see. The loan is 55 years and they need the lease to be an extra 10 years on top of that. That loan is from the Rural Community Assistance Corporation and they specialize in construction loans and permanent financing for rural communities. He thought the loan rate is 2 and 1/8th % but none of the interest it is due till year 55.

Thompson – Let's be honest with ourselves that we won't break ground this spring. The council is not going to approve plans we don't even have. Thompson provided a sheet to the council with his calculations and walked the council and John Vance through some of it. He calculated cost per sq ft for construction was \$138.

- John Vance – The starting numbers aren't the same as what we have most recently, or proposal prior to that so it is very difficult to compare.
- Cron – Charlie, the plan you proposed is not the plan we are working on. If we want to see this project to fruition we need to work with the developer.
- Thompson was trying to understand how they would build at \$138 per sq ft if Savannah estimated the City could only do it at \$400 per sq ft.
- John Vance – The number came from the general contractor. I didn't just throw some numbers on a piece of paper. I provided the basic renderings of what we wanted, and the contractor made his best estimate of what it would cost.

Thompson – Wouldn't it be better to have 2 1-bedroom units at \$800 per square foot than 1 2-bedroom unit at 1600 square foot for you John because you would be able to get more rent?

- John – Yes you would collect more rent but the cost to build over all would be higher because you would need 2 bathrooms, 2 kitchens etc. The bedrooms are the cheapest thing. We have looked at this project to reduce the space as the community asked for and reduce the rent. We are doing that.



CITY OF STANLEY

The clerk stated that John shared earlier if you reduced the area by about 400 sq ft rent will only decrease about \$50-\$75 per month. This was provided as a very rough estimate.

John – Provided an example with numbers not related to the project. If you have a 900 sq ft unit that costs \$900,000 to build and you reduce to 600 sq ft, the cost does not end up at \$600,000.

Thompson stated he understood that concept but wanted to know if you reduced the size by 30% what does the cost go down.

- John Vance stated that we have not had architect look through all the details and look at all the places where we could see cost savings. We can't deal with all the details until we get more information and have an option to lease.

Mayor - Do we want all garages; do we want to eliminate some or all – the council needs to decide on direction from that. John has come up with a plan that was in response to what people said at the last meeting – some people wanted them and others didn't. Charlie's plan had every unit having a garage which is not what the community had requested.

Charlie – I don't mean to be insulting just a critic. About 25% of space is wasted with stairwells etc so why do you want to say with stacking the units?

- John Vance – If you don't stack the units the footprint increases. If you do that we cannot put as many units on the area of land that exists.

Charlie – We don't even know what rents and size will look like. If hard cost is 6 etc million how have you calculated the rents? We are expecting dramatic cost over runs – how do you deal with that?

- John Vance – We gave design to general contractor and that's what they came up with. It is based on drawings presented with the idea that we would cut sq footage. The contractor based his estimates on other projects done throughout Idaho. They haven't built in Stanley, but not many people have. Our contractor has worked in Ketchum and Driggs. They are familiar with working in cold climates with short building windows. These numbers are from a professional who has vast experience in what they are doing. It isn't just some number that I came up with. If it is not correct, we will use funding in our contingency of over \$400,000

Hernandez – Are you going to build any ADA units like HUD requires?

- John Vance – This is a not money coming from HUD, it is coming through HUD, so I don't think there are any set requirements.
- Mayor Botti – I read through the whole grant and there was nothing mentioned about ADA. So, the council can decide if they want ADA compliant units or not but we don't believe we have to have it.
- John Vance – We can do ADA compatible rather than complaint. Whether we do it or not doesn't really affect the cost. We would only need to do 1 unit if it was required and



CITY OF STANLEY

either of the two ground level 1-bedroom apartments could be ADA. Compatible just means it needs a few minor modifications to be fully compliant.

The council seems interested in having one ADA unit.

Hernandez – Is the 65 year lease set?

- John Vance – I can only get funding if there is a 65 year lease. I can't build it if I don't have right to be on the land.

Thompson – Would you take a lease for building footprints and leave the infrastructure to the City?

- John Vance – There are several issues with this. One being we need a legal description of the area so we would have to survey each individual building site. This would be expensive. Also, when we answered the RFP it was for the full 4 acres. That is what the City was offering and that is what we said we were interested in. You are not giving up full control of the property. We can't do what every we want on this project; it has to be approved through the City.

Thompson – If you drill a well and there isn't water what will you do?

- John Vance – I don't think that will be a problem. There has been a test well drilled that and the engineer that sited the test well said there was ample water and the current engineer agrees with all the calculations. If there isn't water, then we would have to drill another well.

Mayor Botti – I think it makes much more sense to rent the whole property and control through the lease as provided rather than do a piece meal plan.

Cron – It is my option that we keep finding ways to talk ourselves out of this. Since we started this, Steve started 20 + years ago and we are now at this point where we have someone who is willing to build this project. He has addressed our initial concerns, that this wouldn't be low income and would be workforce housing and has been flexible in working with us through that step. We have heard from community and have gotten letters from essential employees and businesses asking us to move forward and move forward in timely matter.

- We have compromised with rents, reduced size, we are meeting a bunch of different needs as explained by the community. We have heard from community numerous times, so why are we talking ourselves out of this? We have an opportunity that any community would love to have. It's absurd we are trying to find ways to prevent this from happening. Sure, there might be a million other better ideas that we could have but if we don't move forward on this this winter I am scared that we are going to lose the opportunity all together. We must look at the big picture which is to have workforce housing that supports this community. We could lose all of this if we don't move forward.



CITY OF STANLEY

- It is short sighted to say that someone will only pay \$700 for rent. This will give people housing security that we don't have here. The 65-year lease doesn't scare me, its standard within this context; its standard operating procedure. You can punch all numbers you want but unless you are the contractor that will have to make these numbers work it doesn't make any sense. We need to put our trust in Northwest and all the work that our City has done. We have listened to our community and they have said they want it done and so we should get started as soon as we can.
- It's time to decide, are we going to do this. It will dry up if we don't do it. I'm ready to move forward and vote in favor of lease agreement, the sooner we do that, we can get the details dialed and get it built.

Cardoso – He wants to hear other people's opinions and what they have to say. He asked if we went to 24 units what would that change anything? Could we have achieved a better mix, could that lower rents more?

- John Vance stated that 24 was initial proposal but the council requested a lower number of units. The current plan gets us closer to 24 units, going from 18 to 20 units. If we did 24 units we would need a new building and so it would actually go to 26 units. We would have to improve longer section of county road or make a longer road to access the building. This doesn't make as much sense in terms of feasibility that's why we have looked at the plan as we have. Going from 18 to 20 is helpful.

Cardoso – He would like to see rents starting at \$900. Is that feasible? The rent is not where I want to see it.

- John Vance – We could bring the rent down if we got a grant from some other organization. I haven't been able to get deep into the design because I can't pay the architect. The contingency prevents us from going up in rent with any cost overruns. If we hit the nail on the head with the estimates and don't use any contingency, we can bring down rents.

Cardoso – I think the number of 3 bedrooms planned is inappropriate now. Cardoso was advocating for 2 3-bedrooms instead of 4 3-bedroom units because he does not think there are families that need them now and since we don't know what the future will look like we shouldn't plan on needing them.

- Cron – I disagree.
- Treasurer Pedersen – I am a mother, I am married, and I have children. I have all boys so they could all share a room. But if you have children of mixed genders at some point, they will need their own rooms. This is why having three bedrooms would be important for families to come.

Cardoso – I think we should only plan 2, there is no way we have 4 families who need a 3 bedroom.



CITY OF STANLEY

Laurie questioned if the new rents were based on a different design and budget and if the square footage had been updated yet.

- John Vance answered that the rents were based on an updated budget, but they have not been able to get new designs from the architect yet.

Clerk stated that there are 3 people already in this room that might want to have a family or already have a family that have been listed as essential workers.

- Cardoso disagreed and said that even if they might, it isn't worth planning on a 'might'.

Cron – We already paired the rents and unit size down. We want to attract people who want to set their roots down here.

Cardoso – Countered and said that Cron didn't even have a vision for phase 2.

Cron stated that he was focused on phase 1 because unless we start this there won't be a phase 2.

Thompson is not opposed to the current plan but wants to know what the costs are associated with the rents are.

- John – The costs are associated with the rents are based upon reduced square footage. We just don't have the drawings yet. A \$20,000 cost reduction won't really reduce the rents that much. Saving a little bit here and there won't be translated to big savings on the cost of the project and rent. The overall construction cost has been updated and they are dictating the new rent costs.

Cardoso – The length of the lease does not bother me at all.

Treasurer Savannah – We are currently already in a 99-year lease, with the Fire Department.

Cron asked what Kim's issue with the length of the lease is.

Hernandez responded that it is just so long and that is the concern.

Cron – What could happen with it, maybe I am not seeing something.

Hernandez asked when phase 2 might happen and how many phases are planned and would we need to keep adding to the 65-year lease?

- John Vance – I don't think we would add on to 65-year lease unless 64 years from now someone wanted to build 6 units and they would need to do a new land lease. Thought process now is to have enough data after phase w to build phase 2 within 3-4 years and have phase 2 done by year 6. If it is necessary to do further phases, we could look at other phases every 4-6 years. Maybe in the future we will only do 1 bedroom. If all essential workers housed, we would explore other groups that need housing. But we won't offer to do dormitory style.



CITY OF STANLEY

Lauri Gadwa- If we build it and they will come. We should not be concerned about filling the - bedroom units. I have worked with John for a long time. He will bring forward what you need but having him hang on the hook without any commitment to the City is not fair. We need to respect John and sign a lease. We can make decisions in the future if we need more 3- or 1- bedroom units and he will fine tune this project for us.

Cron – I want to know what everyone’s hangups are regarding taking a vote on the option to lease to get ball rolling.

- Cardoso – Charlie still needs to figure stuff out. We are not too far away now from being able to take a vote. The rents aren’t where I want them to be and I am afraid that phase 2 will be more, even more luxurious focused.
- Cron – You seem focused on retirees, is that the focus of this project?
- Cardoso – Yeah, I am focused on the whole community, every single person.
- John Vance – Can we even house retirees?
- Clerk – No I don’t think so, it’s for workforce.

Thompson – I want to know what materials we will use and the quality of what we build and what it will look like.

- John Vance – We don’t use low grade materials because they don’t hold up. The paint color will probably be dover white. I can’t tell you exactly what carpet will be used because it will depend on the prices at the time we need it. The living areas will be vinal or tile and there will be carpets in the bedroom.

Thompson – I have looked at Northwest’s tax filing, and it looks like you have your nose above what which is good. What is the difference in income between programs service and investment services? Where is revenue coming from?

- John Vance – The low-income tax credits have a 15 year life span with the investor. After that the investor exits, and the company gets the equity in buildings. That number is probably made up of over 20 different buildings. So, it was a transfer from a partnership to sole ownership.

Mayor – We can’t get deeper into architectural and engineering unless we have an agreement with Northwest because they can’t keep investing in this without a contract. We can’t move with environmental clearances and we can’t talk to SHPO or the Army Corp because we don’t have a clear plan and because Northwest can’t keep investing in this without a contract. The City has tried to front load this as much as possible to speed it up. We have been doing lots of feasibility studies and now it is time to formalize the partnership and work out details later.

Cardoso – He wants to hear peoples’ final thoughts. We’ve asked lots of questions and got answers and we need just one more meeting to discuss this before we have it listed as an action item.

Cron- What more do we need to address?



CITY OF STANLEY

The clerk asked if there were top things that still needed to be addressed so she could make a list.

Cardoso – I said a lot of things, you should have wrote them all down, print out your transcript and read it and you will see. We just need one last meeting before we vote on something.

Thompson stated that he wanted to know numbers for the gross number of square footage in the living quarters and garage and what the total cost was.

John Vance – He would have to talk to the architect about that. He thought he might be able to have the information by the week of February 2nd.

There seemed to be some agreement to have a vote on the option to lease on the 12th of February if there was a workshop with more information during the week of February 2nd.

Hernandez asked if John would you be willing to do a 55 year lease instead of 65.

- John Vance replied he would have to push that up above him.

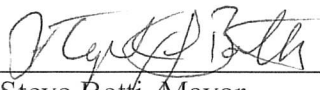
Thompson asked how are we setting the rents?

- John replied when we do the lease the rent will be set at the start for the first year. After that rents will be decided between the City and Northwest to cover the operating costs with a 20% buffer.

Thompson asked where does the power point lay between Northwest and the City.

- John Vance – Northwest will lay out the finances. Look at the previous rent collection, operating costs and determine what the rents need to be to cover the necessary costs. This would happen in June likely after Northwest receives their audit from an independent auditor. Rent would not increase immediately for all tenants, but when their lease renewed.

Adjourn – 6:16 pm



Steve Both, Mayor



Attest: Hannah Fake, City Clerk