

-- that's a part of it, but physically getting around this whole section, getting through the Walmart parking lot, making left and right-hand turns, it's complicated and I would like to really hear what ACHD has to say before I -- you know, before I make a decision on this. That was another reason why I'm in favor of continuing, so you can get that information back from them.

Holt: They told me that's four months, so I hope we can do it before then.

Dodson: Mr. Mayor? I was going to say regarding the TIS, they weren't even required to technically submit it yet, because it's not -- ACHD will not make comment on the MDA, but with the future CUP with -- once they are over a hundred units, which, obviously, we are going to get more than a hundred units here, that that's going to happen.

Simison: With that do I have a motion?

Bernt: Mr. Mayor?

Simison: Councilman Bernt.

Bernt: I move that we continue this application, H-2021-0094 to February 1st.

Simison: Do I have a second?

Cavener: Second.

Simison: I have a motion and a second to continue this until February 1st. Is there any discussion? If not, all in favor signify by saying aye. Opposed nay? The ayes have it and this item is continued until February 1st.

MOTION CARRIED: FIVE AYES. ONE ABSENT.

Simison: Council, we will go ahead and take a ten minute recess and we will reconvene at -- actually, take a 12 minute recess and reconvene at 8:20.

(Recess: 8:08 p.m. to 8:21 p.m.)

3. Public Hearing for Black Cat Industrial Project (H-2021-0064) by Will Goede of Sawtooth Development Group, LLC, Located at 350, 745, 935, and 955 S. Black Cat Rd. and Parcel S1216131860.

- A. Request: Annexation of 130.19 acres of land with R-15 and I-L zoning districts

Simison: All right. Council, we will go ahead and come back from recess at 8:21. And for the record Council Woman Perreault has left us for the evening. Next up is a public

hearing for Black Cat Industrial Project, H-2021-0064. We will open this public hearing with staff comments.

Tiefenbach: Good evening, Mayor, Members of the Council. Alan Tiefenbach, associate planner with the City of Meridian. This is a proposal for annexation of 130 acres with the I-L and R-15 zone districts. The site consists of, like I said, about 130 acres of land. It's presently unincorporated. It's located on the west side of South Black Cat Road, directly adjacent I-84. There is also a very small one acre piece, which I'm circling here. This piece I will talk about shortly is why it would be eligible for annexation. So, this is the five year plan for ACHD. The -- the -- what I'm showing here -- so, Black Cat Road is to be widened to five lanes between 2036 and 2040 and West Franklin Road would be in the design to be widened to five lanes starting in 2026, but none of this is on the ACHD five year work plan. Okay. Again -- so, the applicant proposes to annex and rezone just a little short of an acre of property to the east as R-15. They also propose to annex 129 acres of property to the west as I-L. The applicant proposes to annex 2.96 property, again, in order to meet the contiguity requirement. Staff has met with the applicant numerous times about this project. Staff's expressed concerns, including the lack of compliance with the Ten Mile plan in both use and design. Existing and proposed impacts on the surrounding roads. Probability of load jobs and whether or not the timing is right for a development of two million square feet of commercial when there is other properties on the east side of North Black Cat that have not even built out yet and much of it on the east side has not even been annexed. The Ten Mile plan is to ensure that land use and transportation planning are integrated. It says that -- in the Ten Mile plan it says the city knows this is one of the last remaining large contiguous areas of highly visible, easy accessible and development -- developed land -- developable land within the City of Meridian. The Ten Mile interchange is intended to look, feel, and function differently and it's supposed to not empty out at 5:00 p.m., it's supposed to be more of a 24 hour type situation. Here is the Ten Mile plan land use. The -- okay. Let me see if I can point here. So, the one acre parcel that you see here, this is -- this is designated for medium density residential. Approximately one third of the 129 acre property to the west is recommended for low density employment. That's what you see in this blight -- this blight -- in this blue. To the east of this and to the -- or sorry. To the west and to the south this area is recommended for mixed employment. So, low density employment is to provide low rise office and specialized employment uses. It should provide a variety of flexible sites for professional office and similar businesses. Buildings in these areas range between one and three stories, have total floor area of 5,000 to 150,000 square feet and the plan talks about these types of uses being corporate and business offices, research facilities and laboratories. Mixed employment is an area to encourage a diversity of compatible land uses. It may include office, research and specialized employment, light industrial, which would include manufacturing and employing -- employment and assembly and other miscellaneous uses. It's to provide a variety of flexible sites for local start-up businesses, but it would also accommodate a wide variety of employers. All the professional uses along with the restaurant and retail uses you see right at Ten Mile and I-84 is an example of mixed employment and what was intended for in this plan. So, what the applicant proposes is seven buildings ranging in size between 6,800 and 33,000 square feet -- that's what you see here -- directly adjacent to the west side of the South Black Cat Road.

And there is also a proposal to donate a fire station, which you can see up at the top right. It also proposes nine very large buildings ranging in size between 131,000 and just short of 300,000 square feet, to a total of just short of two million square feet. The concept plan shows multiple loading bays on all of these buildings. That's what you can see here. And it also shows a wide collector street, which I will talk about shortly, running through here. Applicant requests to rezone this whole area two I-L. So, the applicant's narrative states that this Black Cat business center would provide in demand manufacturing, heavier office build out, flex industrial and accessory retail warehousing and distribution. It mentions that the mixed employment designation in the Ten Mile plan does list light industrial as one of the appropriate uses and their narrative notes that the City of Meridian has less than a one percent vacancy rate for industrial business uses. So, staff believes that M-E zoning is more appropriate in this location than I-L. I want to mention that the Ten Mile plan does mention that light industrial is one of the appropriate uses, but if you -- but -- but the light industrial zone district and what is the definition of light industrial are two different things. The definition of light industrial talks about manufacturing and assembly. The UDC defines light industrial as a use engaged in the manufacture, processing, fabrication and assembly, dot, dot, dot, of finished products or parts. These definitions are very different, like I said, from what would be allowed in the light industrial zone district and I will talk about that. And to the west the Ten Mile plan west of this has a very large area that is set aside for industrial uses that are specifically the type of uses that the applicant is proposing. Here is a slide sort of comparing the two zone districts what I'm showing you here is on the left there is -- there is numerous types of permitted uses and there is much more here than just office. It allows flex space, healthcare, light industrial, which is manufacturing and assembly and what's important to mention is that warehousing and distribution is a use that is allowed by conditional use. So, in the M-E you could do warehousing and distribution, the difference is in the I-L zone district that is a principally permitted use. So, in mixed -- in use -- so -- and I keep focusing on -- on -- on distribution and warehousing, because it is staff's understanding that this is primarily what the applicant wants to do on this particular property and it's important to notice, again, that this is not just office uses, that M-E -- that M-E allows. But staff does have concerns with zoning this to I-L, because by right it would allow warehousing and distribution with no limit without having to go through another public hearing. It would also allow things like self storage. Real quickly I will just talk a little bit about the jobs-housing balance, but here is a couple of tables. It shows that the existing jobs to housing ratio in this area is .2 and just to give some -- some context on that, the perfect job housing balance would be one and that would be one job to one house. The intended jobs of the Ten Mile plan are supposed to be somewhere in the ballpark of 20,000 jobs. Now, this is intended to promote that -- to promote that reverse commute. So, people in Meridian actually going west into the center versus everybody that lives in Meridian all going in on Franklin and Ten Mile to get into Boise. So, this is sort of a breakdown that we have to kind of give a general ballpark of the types of jobs per acre that you see in these kinds of uses. So, retail has the most. If you see down at the bottom self storage typically provides one job per facility -- facility, if that. The -- the two at the bottom here, warehousing and self storage, would be primarily what would be allowed by right if this was zoned to I-L. But, again, if it was M-E this could be allowed, but it would be allowed under conditional use through the Planning Commission. So, Franklin Road presently is two lanes with no

curb, gutter, or sidewalk and narrows to one lane west of South Black Cat Road. Black Cat Road is presently two lanes with no curb, gutter, or sidewalk. Black Cat Road is to be widened to five lanes between 2036 and 2040 and the design for Franklin is supposed to -- the design is supposed to happen in approximately 2026. Although the immediate area is mostly undeveloped, there has been a significant amount of development in this vicinity, which has already been built, has been approved or is in the development and applicant stage and this is -- I have listed the numbers, but we are talking about 330 single family lots, 248 apartments in Baraya Subdivision, large amount of development at The 10 at Meridian, Vanguard Village, Ten Mile Crossing. ACHD in a staff report for the 10 at Meridian project found that the network at and around the Ten Mile-Franklin intersection and the I-84 interchange was already failing and lacks sufficient storage capacity, meaning that when there was a light it didn't have the storage for the traffic that was already stacking there. A 2020 COMPASS freight study that was done and some congestion maps that were done showed the Franklin-Garrity intersection -- so, if you were to turn left and go on Franklin towards where the Amazon facility is, that -- that interchange is also experiencing extreme delays. Staff believes this issue may be made worse by the large slow moving vehicles within -- that would -- that would come from this kind of project if it was a distribution and warehousing. Staff is -- is not convinced that even -- that this is the time, that we might be premature in -- in this sort of proposal at this time. That said, staff does believe that the -- that the traffic impacts should be analyzed with this annexation. We haven't seen that happen. The Ten Mile plan is designed for growing road network, streets, walkability and architecture. Collectors in this street have a section, it talks about being narrowed or slow traffic, multi-modal with on-street parking, wide sidewalks and buildings. There is also design standards about traditional neighborhood design and variation. The concept plan that we have here reflects wide -- sorry. The concept plan that we have here shows that there is a wide -- 60 foot wide collector. Buildings maintain large setbacks. The larger buildings do not contain the ground floor transparency that are talked about in the plan do not address the public realm. The applicant states that due to security and visibility issues that industrial uses don't lend themselves to having that kind of ground floor transparency that are -- that are discussed in the Ten Mile plan. They have mentioned that as an alternative they propose enhanced glazing at the corner entries. Staff does believe that there could be some design revisions that could be done, but it's our position that really given the use we don't think that this could be designed into the kind of concept that the Ten Mile plan designates for here. What this comes down to really is the Council should decide whether warehousing and distribution is appropriate in this location as a primary use and whether the existing and future infrastructure could support that freight traffic. So, the applicant proposes to annex an area with I-L, where M-E zoning would be more consistent with the plan. The applicant proposes to annex about a one acre piece of property with R-15 to achieve -- to achieve the contiguity to be eligible for annexation. There is a potential for significant loss of high employment generating activity, monotonous architecture and building massive street design, which is not consistent with the plan. In addition, the traffic impacts of nearly two million square feet of new commercial on the local network have already been -- have not been analyzed and there has already been proven that there is major traffic and infrastructure issues at the critical intersections in this issue -- in this area. Staff believes that this is fringe development and most infrastructure

improvements are still years away. We believe that a development of this size in this location is premature. Staff finds that the annexation is not in the best interest of the city. The Planning Commission heard this case on November 18th and recommended denial. Concerns expressed included lack of conformity with the plan. The concerns that the one acre parcel was involved only to make this eligible for annexation and Planning Commission had concerns that this was premature due to the lack of infrastructure, how long it's going to be for improvements and the existing traffic along Ten Mile and Franklin and with that this concludes my presentation.

Simison: Thank you, Alan. Council, any questions for staff? Okay. Would the applicant like to come forward?

Hoaglun: Sorry, Mr. Mayor?

Simison: I'm sorry.

Hoaglun: I'm sorry.

Simison: Councilman Hoaglun.

Hoaglun: Alan, can we go back to the future land use map? I wanted to take a look at that. I had a question there. So, this is in mixed employment. We got the yellow box there and, then, we have low density employment. Can you tell me a little bit -- low density employment, is that what I-L would be?

Tiefenbach: No. If we are talking about purely -- well, if we are talking about I-L zone district, then, some of the uses allowed an I-L would be designated in low density residential -- or low density employment, but the office and warehousing, the self storage uses, the outdoor contractor's yard, those kinds of things would be in the general industrial, which is what you see to the west here. Again, I think it's -- it is confusing that the -- the definition of what light industrial is and what the I-L zone allows are two different things. The plan speaks about light industrial being manufacturing and assembly.

Hoaglun: Okay. Follow-up, Mr. Mayor?

Simison: Councilman Hoaglun.

Hoaglun: And the last item when you were talking about the -- the roads and just the truck traffic and different things like that, even if this was proposed in M-E, it doesn't sound like it would pass muster.

Tiefenbach: So -- so, we are talking multiple issues. Leaving aside the use issue, staff believes this is a very big development that is premature, regardless if it was zoned to M-E or not.

Hoaglun: Okay. Thank you.

Simison: Council, any additional questions? Okay. Applicant please come forward.

Nelson: Good evening, Mayor and Members of the Council. Deborah Nelson. 601 West Bannock Street in Boise. On behalf of the applicant. The development team has worked hard here with the city for some time. We are disappointed we couldn't get staff's support here, but we appreciate all of the time and effort they took to meet with us on many occasions and to work through these issues. As Alan has explained, we just have a fundamental difference of opinion about appropriate use here. They have asked for an office park similar to El Dorado or Silverstone and we are asking for more of an industrial flex park. We did provide a written response to address many of the detailed comments from staff. Our key takeaways for this evening -- excuse me. Get back to the beginning. There we are. Key takeaways for the Council from this presentation are outlined here. I will briefly address the first point, that the Ten Mile plan calls for flexibility and the use is allowed in the mixed employment area and that this project is consistent with the plan. Then Tim Wolff with AT Industrial will follow me and explain why light industrial is needed in this location and how this project will help Meridian keep jobs and create new jobs. We have made many changes to address staff concerns. On the left is our initial concept, on the right is our current plan. We changed the majority of the buildings to be single loaded and pulled them up to the street. We have rotated buildings to shield views of loading docks from the streets. We enhanced the entrance, added a central amenity area and a landscape buffer along Black Cat. At significant expense we have purchased and incorporated the two outlier parcels along Black Cat. We divided the Black Cat frontage buildings into smaller flex incubator spaces. We added walking paths throughout and we proposed a fire station in the northwest corner. This rendering shows the flex incubator spaces along Black Cat Road. This provides a nice transition to the commercial and residential land uses to the east. Here you can also see that new outdoor amenity space. Our application requests I-L zoning. The Ten Mile plan zoning compatibility matrix specifically identifies I-L as one of the compatible zones within mixed employment areas. It is also a compatible zone with the low density area and, Council Member Hoaglun, you asked about that corner. It's allowed within either one. Here the majority designation is appropriate to use. Consistent with that plan and our initial meeting, staff initially told the applicant that I-L would be an appropriate zone for this property. Staff later indicated that the M-E zone is preferred here and as described by Alan this evening. Both zones are appropriate under the Ten Mile plan for mixed employment areas. The M-E zone works fine for office, for commercial, but the I-L zone is needed for an industrial business park that has to accommodate a variety of light industrial uses, including warehouse and distribution. Tenants simply will not risk having to get a conditional use permit and they need that flexibility to accommodate their evolving businesses. Based on your code, the purpose of the I-L district is to provide for convenient employment centers of light manufacturing, research and development, warehousing and distribution. All of these uses go together and they must be allowed for a modern industrial business park to work. Also to address staff's concerns about self storage, we do not have any proposed self storage uses here. And this site is exactly where industrial should be located, along 84, near the new 16-84 interchange. The Ten Mile plan specifically states that it intends to provide for industrial opportunities and consideration of future improvements to Highway 16. This is exactly one of those opportunities. The state has expedited and funded the

adjacent 16-84 interchange to be completed within two to four years as a priority project. Planning and Zoning Commissioner Yearsley talked about this key location and his support for the project at our hearing, saying that this whole stretch along 84 is appropriate for industrial uses. The Ten Mile plan calls for uses and mixed employment area to provide a variety of flexible sites for smaller start-up businesses, as well as sites for large national or regional enterprises. Consistent with that direction our project can accommodate up to 106 different tenants as shown. The buildings are divisible. They can be configured down to a number of different unit sizes, as small as 2,500 square feet. Also within the mixed employment area the plan anticipates that buildings can range up to a million square feet. Our plan is currently showing buildings that range up to approximately 350,000 square feet, well within those guidelines. Our general building design is also consistent with the plan. On the left this image is straight out of the plan. On the right is our building elevation. Like other developments have done in the Ten Mile area and as Alan noted, there is some flexibility for these types of design revisions. We do ask for flexibility on a couple of the specific design elements to fit this use. We meet the vast majority of them, but there is two that we ask for your direction to staff as they create findings here. Twenty percent windows across the front of all buildings isn't practical for all light industrial uses. We do meet this on the flex buildings. On the larger buildings we request 15 percent on average. Second request relates to the maximum 30 percent parking in front. This doesn't provide enough parking for our employees on the interior double-loaded buildings, where we will need some parking along the frontage. We can meet 30 percent on average across the site. With that I will turn it over to Tim. Thank you.

Wolff: Hi. Tim Wolff. 675 Sun Valley Road, Ketchum. Thank you for your time and service. I know you guys are here late and -- and doing this in service to the community. So, we appreciate it. And I have got a lot to cover, so I'm going to read a few of the notes. As Deb explained, we believe that this project is compliant with the Ten Mile plan. I want to zoom in a little bit on -- and look at some of the market trends, Meridian as a whole, and, then, talk about jobs last. Our second key takeaway point here is that light industrial zoning on this site is best for Meridian. We know that all of you care about what's best for Meridian. We know staff does. We know that the Planning and Zoning Commission also does and we respect that. But we honestly believe that light industrial zoning is what's best for this site and we are going to present some data and research, both national and local, to show you how. So, what's happening in the United States since the adoption of the specific plan 14 years ago. Office space has -- per employee has declined by 50 percent. So, it takes half as much space now to house the same employees as it did when the plan was adopted and that, combined with reduction in demand for office, has led to office demand being one-eighth today in the United States what it was when this plan was adopted in terms of total square footage. On the other hand, industrial demand is materially increasing. National demand since the plan was adopted is up 200 percent. E-commerce sales are up 300 percent and every square foot of commerce that is driven from the retail channel to the industrial channel requires three square feet of industrial space. On top of that there is some supply chain disruptions that are occurring that are also enhancing demand, one being more inventory being required to be held by businesses, local and national, and more manufacturing being local. So, what's

happened here since the adoption of this specific plan, similar things, although as you can see by the chart the difference is more pronounced here in this valley. Why is that? Despite substantial growth here in the Treasure Valley, office absorption is flat to declining. So, you have had massive growth here, but no growth in office demand. Local demand for industrial is up 300 percent greater than it was in 2007 versus 200 percent nationally. So, that's 50 percent greater local demand here than there has been nationally. So, how does Meridian stack up versus others, both local and regional? Meridian has six million feet of industrial space, .04 percent vacancy rate. So, there is 2,400 square feet of vacant space in Meridian right now for industrial. There is effectively nowhere for tenants to go, whether they are local or coming from somewhere else. On the other hand, Meridian has three and a half million square feet of office at a current vacancy rate of 14 percent, where a stable office market is a five percent vacant office market. So, there is no real industrial vacancy currently. How does Meridian stack up against its peers? We measure that by the industrial square footage per capita. Meridian is at 46.7. The Treasure Valley, which includes Meridian, is at 64.9. So, Meridian is 34 percent -- or 30, 40 percent below the Treasure Valley in terms of its industrial space and the Treasure Valley itself is behind all of its peers. It's roughly 25 percent below Spokane, 30 percent behind Salt Lake and, you know, roughly the same as Spokane or Portland. So, it -- today if you were to take a look at Meridian versus the Treasure Valley, they would need to add two and a half million square feet today just to be equal to the Treasure Valley's industrial and the Treasure Valley is behind and this has material implications both for businesses and the central services in your community. Does Meridian have industrial land available? As you can see our site here relative there to the two other sites that -- that have -- that are zoned for industrial. This is showing Meridian's future land use map. There are two other locations that are designated for industrial and those have not been developed. But neither of these are ready for development due to lack of infrastructure. Our site is directly adjacent to the industrial designated land on the freeway and can be currently served by infrastructure. That seems logical that if Meridian were going to put industrial somewhere it would be adjacent to where it's going to go in the distant future when infrastructure is available there. Is there a shortage of office land in Meridian? This is a -- this map shows -- we just pulled the properties that are currently on the market as zoned and available land for development for office and there is roughly a 73 year supply of office land at current absorption rates. There is 2.2 years of available office that's existing and available for lease, 3.2 years that's in planning or in process, and according this map another 415 acres, which is 67 years of office supply. So, there is plenty of -- plenty of room for office to go in Meridian. So, the last point here is really about -- I think what would all of you care about, which is jobs and what kind of jobs will be brought -- could be brought to Meridian. So, what's going on with existing businesses in Meridian as they grow? Without more industrial Meridian will lose existing businesses and will lose their employees. We spoke with 11 existing businesses that are industrial tenants currently representing almost 15 percent of the total square footage that's occupied here, 800,000 feet, 1,200 employees, a hundred percent of them are growing, some of them very fast. We know you received some letters about this as it related to this project. All of them want to stay in Meridian. All of them have nowhere to go for growth. Two are leaving or have recently left Meridian as a result of this condition. Two of the largest have leased space outside of Meridian for their current growth and have nowhere to go in Meridian for their future

growth. One of those is a local business that has decided that they are going to actively seek to find their -- to move their headquarters outside of Meridian, since they don't have anywhere to go. This is existing businesses. What kind of new businesses could we attract here? We wanted to show a couple of examples of tenants that we are currently working with, so that you can see. So, we are working with a prominent regional company and Frito Lay. This is their building size requirements. As you can see both of these have expansion needs. So, they need flexible space, not just one building, but a building that -- where they could have the ability to move from one building to another if they needed to grow. The amount of jobs is material for both of these employers. The percentage of warehouse we felt was important to show, because one of the comments is about not wanting warehouse in these locations. These things all go together, manufacturing, warehouse and other things. And the wages are strong for these employers. How many jobs are industrial tenants actually bringing to the market. The COMPASS report suggested 620 jobs on this site, which is 5.3 jobs per acre. Alan's presentation suggested eight jobs per acre and that office provides about 15 jobs per acre. Here is what our actual experience in this valley is and our company has done 25 percent of the leases for new space for '21 and '22 and so we are delivering 20 jobs per acre, which would imply 2,000 jobs created on this site. So, lastly, how does that compare to the specific area plan goal.

Bernt: Mr. Wolff -- Mr. Wolff, can you repeat that one more time? There was that noise that interrupted us and I didn't quite get it.

Wolff: Yeah. So, our actual experience in leases that we have executed or have in process -- and this is a quarter of the leases for 2021 and 2022, production in the whole Treasure Valley is that we are delivering 20 jobs per acre. So, it's three times what -- four times what the COMPASS report suggests, almost three times what staff's presentation suggests and it implies 2,000 jobs created on this site and so what -- how does that compare to this specific area plan goal? Our project is less than ten percent of the job producing land in the specific area -- specific area plan and we expect it to produce more than ten percent of the jobs. So, we feel like we are more than contributing our fair share of jobs for a critically needed asset class in the second largest city in Idaho. The last thing we really had was just a question for staff and this -- you know, you guys spend all day every day on this and so, of course, you are thinking about your community, you think about it more than I do, you think about it more than anyone does. It goes without saying asking the question, but it's really one of how do you want to -- how do you really want your community to grow and serve the needs of its growing community as it changes, because we are in a different world than we were when the specific plan was adopted.

Simison: Thank you. Council, any questions?

Bernt: Mr. Mayor?

Simison: Councilman Bernt.

Bernt: Mr. Wolff, you mentioned in your presentation that this project and maybe past developments that you guys have done -- maybe in our state, I don't know, other places I know that you guys have developed and, you know, built project -- did projects throughout the nation, but walk me through how your developments bring 20 jobs per acre, compared to what COMPASS or our staff is saying.

Wolff: Sure. So, we are -- we have a tenant -- we are delivering a building in Caldwell this week, actually, that's 265,000 feet, as a manufacturing tenant. It's going to be 275 jobs for the 265,000 feet and that's on 16 acres. So, it's about 16 or 17 jobs per acre. As I mentioned, we are working with a large regional tenant now that has a 300,000 foot requirement we are negotiating the lease for. They have selected -- they would have probably selected this site had it been available, but it's 450 jobs and 300,000 square feet. So, it's about 25 jobs per acre. And across -- as I mentioned, across -- and we are happy to go through if you want more detail -- each of the tenants that we have brought to the valley and it's a combination of all different things in these industrial zones and I can say, you know, we have a close relationship with Amazon. We have done a number of projects with them. We told them there is no way we are allowing them to be on this site. It's just not the kind of use that -- we own projects forever and we are one of the few developers that does and our interest is in developing projects that are for the best interest of the community in producing good jobs and that's what we have done a good job of since we have been in the Treasure Valley so far.

Hoaglund: Mr. Mayor?

Simison: Councilman Hoaglund.

Hoaglund: Mr. Wolff, thank you for your presentation. Always interested in the job creation numbers. They are important and industrial type of areas are certainly important and I just want you to kind of walk me through how you would compare warehousing distribution, which, you know, has been talked about for this site -- this has been characterized as warehousing and distribution -- versus manufacturing and assembly.

Wolff: So, they all go together. So, Frito Lay is a perfect example, who, you know, obviously, a credit tenant. Their requirement is about 60 percent warehouse and just as a -- as a result of -- there are not very many businesses that have manufacturing without distribution; right? And so you make something and, then, you distribute it and, you know, Frito Lay's requirement is about a 60 percent distribution requirement and they are actually -- their employee count is lower than the other example that we showed you, the large regional tenant, and they also had about a 60 percent warehousing requirement. So, it's just the way the industrial space has evolved specifically as a result of e-commerce has brought a lot more inventory closer to home, a lot more manufacturing closer to home and a lot more distribution closer to home and it all just blends together. So, it's -- it's almost impossible to segregate those things out, unfortunately, and it's -- as was mentioned by Deb earlier, it's -- it's one of those things where you just can't have -- a attendant isn't going to go into a situation where they are required to have a conditional use permit in order to have the use in the first place, they will just go to another town.

They will go to Boise or they will go to Caldwell, one. Two, if their use changes at all and they have to go back for another conditional use permit, their -- their lenders aren't going to allow it. It's -- it puts a real -- it puts businesses in a really tough place to not have the flexibility to use the designations that their business naturally uses.

Hoaglund: Okay. Thank you.

Cavener: Mr. Mayor?

Simison: Councilman Cavener.

Cavener: Mr. Wolff, either question for you or Ms. Nelson. One, I applaud the -- the written response or rebuttal from -- from the staff report, especially getting that early. On a big application like this it helps us to kind of see both sides of this issue. So, I appreciate you doing that. One area that I thought that was lacking, though, was about the roadway infrastructure. You know, the staff touched on it in their staff report. We had an application or a change with us last week for a project that's on Ten Mile and the report that comes back from ACHD says that's -- that's an F and I know our staff report says that it's better than E for yours and that doesn't bring me a whole lot of comfort and so recognizing that I would anticipate a high roadway usage from this development, I have real concerns about the impact for our existing residents, particularly those that are going to choose Black Cat, as opposed to Ten Mile, because of how -- other challenges related to the current Ten Mile infrastructure.

Wolff: Yeah. That's a very good, very important question and --

Nelson: Mr. Mayor, Council Member Cavener, appreciate the question. We did think that there would be some additional time during the presentation and assumed you may have questions, so thank you for the question and opportunity. It's very hard to fit this in in 15 minutes. We -- we have thought about the -- the traffic and we are actually excited about this site, because of the improvements that are planned around it and so this area is growing, the road network is growing with it, and in particular the Highway 16 interchange that we did touch on is really going to change a lot of the traffic patterns in this area and really help a lot of the traffic patterns. We expect our trips are going to go towards the Highway 16 interchange. In fact, our traffic engineer's estimates is that our trips will only be four percent of the Ten Mile-Franklin intersection and so we will actually have very little that direction and so of -- of the trips that are in that intersection we will be four percent of them. So, we -- we will have distribution both ways, undoubtedly, but we know that the roadways are building out. The widening of Franklin is also planned within two to four years. That may be expedited or done as part of the interchange improvements. So, a lot of this is happening. We think that's going to be very timely for this project. And you want to add --

Wolff: Well, it might be worth -- so we had another slide that was prepared around traffic that it just might be worth seeing. So, this is from our traffic engineer, but just -- to put in context what does industrial produce in traffic relative to all the other uses? So, if -- in my

mind I'm thinking, okay, if I want to create jobs in a community and traffic is a huge issue, how do I do so with the least impact and -- and what we -- what we had him do is take the exact same site area, take office, shopping centers, residential -- like you are, obviously, approving residential and struggling to do so, we heard earlier tonight. You know, residential produces two and a half times the traffic that this use does. So, this is the least intensive use that you can put on a piece of property relative to all the other uses and it's the best way to produce jobs with the least amount of traffic.

Borton: Mr. Mayor?

Simison: Councilman Borton.

Borton: Side note. I love this slide. It articulates a principle we deal with in other applications that try to convert property from commercial to residential and it literally has a decrease in traffic impact, but --

Wolff: Yeah.

Borton: -- it's counter-intuitive I think, but --

Wolff: Yeah.

Borton: -- it's a great slide. I think you had -- might have had another slide -- well, let me ask you this question. You made a comment about where the industrial truck traffic would go and I think you had said you anticipate the majority of it to go east towards McDermott and -- but you had a slide here, so when you made that comment I envisioned perhaps taking that collector to be collector east towards McDermott, but --

Wolff: I think we have got a slide for that.

Borton: I think you went past it. It was the -- this is the one that made me think of it.

Wolff: Yeah. There it is right there.

Borton: So, if that's the case, is the -- when you say that do you mean that you anticipate that all this truck traffic, which is low in volume, but high intensity, would go east on that collector to McDermott to somehow -- to access the Highway 16 interchange? Because there is no ability to get on it there.

Felker: Yes. So, we pulled the plan for Highway 16 and at the interchange there is direct access to 16. So, obviously, that's planned in the next two to three years and, then, on top of that the -- the widening of -- of Franklin is planned between 2026 and 2030. Can you see the interchanges that are planned as 16 goes north? That's an initial phase.

Borton: I'm not tracking that at all.

Felker: Sorry. Shane Felker, one of the applicants from Ketchum.

Borton: This -- Mr. Mayor?

Simison: Councilman Borton.

Borton: I apologize, I'm kind of lost on this one in relation to the red dotted interchange map and to see --

Wolff: Yeah. I think it's easier to see on that.

Felker: So, if you extend Franklin out to 16, Franklin has direct access onto 16 and, yeah, we anticipate traffic will move west from our project to that interchange for a majority of the traffic.

Borton: Mr. Mayor?

Simison: Councilman Borton.

Borton: Follow ups on that. Is that -- that's still ACHD; correct?

Wolff: Correct.

Borton: And the interchange. So, there was comments indirectly by ACHD at P&Z that referenced, among other things, there is just no funding or plans to provide anything to connect to Highway 16. So, ACHD says that's not happening. At least that's what the comment was at --

Simison: We have Kristy on the line who can answer the question.

Borton: Okay. That would be one -- one of the things to clarify and ACHD can do that, but that comment caught my eye.

Simison: Kristy, if you would like to make a comment related to that.

Inselman: Mr. Mayor, Council Members, thank you for the opportunity to talk. So, when we talk about funding, we -- we will identify through our five year work plan the first two years are tied directly to our budget and so that's when we say something is funded is those first two years. We identify need and in our capital improvement plan we identify what a cost would be to improve that system, what the anticipated widening improvements would be and that ties into the impact fees that we charge for development. To say that something is not funded just means in the integrated five year work plan we don't have that project planned or fully funded is all that means. That doesn't mean it will never be funded. Does that answer the question?

Borton: Mr. Mayor?

Simison: Councilman Borton.

Borton: Technically it does, but I took the comments to mean something more blunt and different, that while -- I didn't take the comments as though it's technically not yet funded, I read it to be -- and it wasn't perhaps the Commission as a whole, but the comment from one Commissioner. It read as though this isn't even in the ballpark, like -- it just seems very very distant that amongst the 5,000 different things that ACHD has to fund with limited revenues, this one is number 5,000. It just sort of had that feel to it. So, I didn't know if you got that same sense in discussions with ACHD, but it made me think any comments about traffic going east, how that would actually work. In prep for this application it really -- I assumed that the reality was traffic is going to go right to Black Cat and all this truck traffic, low in volume, high in intensity, for better, for worse, would go there and perhaps that's still appropriate, but it seemed like the reality is this is all going to Black Cat for the foreseeable.

Inselman: Mr. Mayor, Council Member -- I'm sorry, I'm having a hard time seeing who --

Borton: It's Joe.

Inselman: -- that question. Joe. So, was your question specifically regarding the collector roadway system or the arterial system?

Borton: It was -- Mr. Mayor, if I can respond. It was the arterial and it was just -- it was just a comment made at P&Z --

Inselman: Okay.

Borton: -- that sparked the question that it made it seem like it was very remote, so -- your explanation helps. I appreciate it.

Inselman: Yeah. And decisions on which roadways are going to be widened at which time frame -- I mean we definitely utilize the capital improvement plan, which gives a forecasted need, so those aren't build years, so when we -- in our CIP when we say like 2036 to 2040, that is a forecasted need based on land use and anticipated development in the area.

Borton: Okay.

Inselman: Now, obviously, if development increases in a specific area, if we see more development in an area that we weren't anticipating, obviously, that can accelerate projects and can accelerate the need to widen those roadways in the vicinity of a project, but it's -- you know, it's kind of like the chicken and the egg kind of thing.

Borton: Okay. Thanks.

Bernt: Mr. Mayor?

Simison: Councilman Bernt.

Bernt: I think maybe what Mr. Borton was talking about -- and I don't mean to speak for him, but when -- because I have heard that -- the same analysis that 16 is going to be built anywhere from three to five years. You know, I have heard the same thing, so -- but I guess what Mr. Borton maybe is saying is does ACHD agree that they have the resources to be able to make that happen on there end; is that what you are saying? In that time frame that's being discussed, you know? I guess, Kristy, if you could maybe provide just -- if that's doable, if that's something that's on your five year work plan, if that's in the foreseeable future, if you agree --

Inselman: Mr. Mayor, Council Members, I -- I wish to give a clearer answer as to when we may anticipate being able to fund the entire improvements out to Highway 16 for that connection. We -- we just don't know at this point in time. In the five year work plan, no, we don't have that planned. But that is something we update annually and if additional funding comes in -- the problem typically with our projects in getting them accelerated sooner is right of way acquisition and design of a project. So, if we -- it typically takes us about a year for a project to be designed and depending on the corridor, one to two years for right of way acquisition. So, at the most accelerated, the soonest a construction would begin on a project, if we started design today, would be three years from now, typically. So, I -- the likelihood of us accelerating to match Highway 16 -- that's probably what you may have heard in a previous meeting, is probably unlikely -- unlikely at this time, if that helps clarify, but, yeah, with their accelerated time line it's generally time frame to get things designed, right of way acquired and, then, available funding to get all of that done.

Hoaglun: Mr. Mayor?

Simison: Councilman Hoaglun.

Borton: My recollection of that discussion was the fact that Highway 16 was coming on, the state decided to do it, they are going to fund it and it was a surprise to everybody and it was a surprise to me and that ACHD looked at it and said that's going to be about 34 million dollars and they have no funding available for that and the comment was to -- the state should be chipping in to help us out on that, because just dropping this on us and say, well, you guys pay for the connection and I think that's the concern is where do you get this money, do you pull it from other projects that are much needed? Is it coming from impact fees? How much is coming in and there is -- we know all the areas that need infrastructure expansion and to drop that in and say, yeah, this is brand new, I think that's the concern is -- is this really going to get funded from a local perspective tying into the state and that's -- that's a big need, so --

Nelson: Mr. Mayor, if we could offer some comments on that as well. I appreciate those questions and really appreciate Kristy being here to comment on it to have a formal response from ACHD. You know, because Commissioner Goldthorpe was testifying in his personal capacity. He made that very clear in his remarks that he was making a neighbor comment, but, obviously, generated some questions about what he said and so

appreciate Kristy being here to answer them and it's consistent with what's in the ACHD report, right, that notes that in the CIP, the five lane widening of Franklin is there and as Kristy noted it's not yet in the -- in the five year work plan, which really is just a budget forecast for two years. Council Member Hoaglund, as you noted this was pretty quick for the state to prioritize this interchange. You know, as everyone knows they have been going back and forth on do we start from the south, do we start from the north and the south one, I think to Meridian and Nampa's benefit. It's exciting. And ACHD is going to take a little time to respond to that. Our expectation -- and I think, you know, our -- in speaking with traffic engineers about it, that is that it will expedite that -- that improvement and the budgeting, but, nonetheless, it is in the CIP and that's what they commented on in the ACHD report here as well.

Hoaglund: Mr. Mayor?

Simison: Councilman Hoaglund.

Hoaglund: To kind of tie this together, then, so talk about transportation and years and whatnot, if this project was approved what is the timeline that you would be expecting to put this together?

Wolff: That's another great question. We don't know. You know, if -- if it were approved today we would, you know, technically wouldn't get approved for sometime after today and it's going to take design time and, then, construction time. So, the first building couldn't be delivered until late '23 or early '24. What I can say is that -- so, we are building a million square feet in Caldwell right now and we are building it one building at a time. We are pretty conservative about the way we go about things. This is nine larger industrial buildings, plus some smaller frontage buildings that buffer. So, it's going to take time. I mean it's -- if I had to guess the fastest it would be five years, six years and the longest is as long as we are all going to be here.

Hoaglund: Mr. Mayor?

Simison: Councilman Hoaglund.

Hoaglund: Yeah. I think this is a case where time is your friend. Speed -- doing something quick is not necessarily a friend, so --

Bernt: Mr. Mayor, speaking on the topic of transportation, I certainly don't want to --

Simison: Councilman Bernt.

Bernt: Sorry. I see Mr. Mayor.

Simison: You're good. I just wanted -- so Dean had it on the record who was talking.

Bernt: Oh, yeah. Got it. So, I'm not in trouble.

Simison: That's the only reason I do that is so the record knows.

Bernt: I thought I was in trouble. All right. So, you know, reading in the -- in -- in our packet -- I know that the transportation study by ACHD is required at this point of the application process. It comes in the future. However, I would really like to know the impacts of this development being that there isn't any anticipated -- we talk about anticipated improvements on Black Cat and Franklin, you know, some of the -- you know, numbers are, you know, 2036 to 2040. I agree with you, Deb, it's going to happen sooner than that, but like when is like the different question, so -- but when you are dealing -- my concern is this. I mean when you are dealing with over two million square feet of industrial space -- I get that the industrial impact is much different than office or, you know, retail or -- or anything residential, but that's a -- it's a big project. I -- what are your thoughts on, you know, finding out what -- you know, from ACHD, the governing body of our roads, what they feel about what the impact would be in their opinion on -- with this project?

Nelson: I will start, Mr. Mayor, Council Member Bernt. I mean no development can happen here until the TIS is on record or reviewed by ACHD; right? I mean every condition requires that, so -- and we are going to do whatever is required. So, whatever improvements or mitigation are required will be done. So, I think that -- I think that answers the simple question of, okay, well, what might be needed, but is there a turn lane needed or something we have to provide it to accommodate it. I think the larger network build out is really more -- the larger conversation we had, you know, probably addresses more of the substance of your concerns, that this is a great opportunity to take advantage of the expanding roadway network around us. Your Ten Mile plan calls for industrial development to be located next to Highway 16. It's very opportune that the state has expedited that interchange to allow this to happen now and, then, I think the slide that -- that Tim pulled up a few minutes ago really talking about the uses, you guys in your plan already called for a level of intensity on this site. You have already planned for it. And so in response the roadway network, everything is building out around it, we have sewer, we have water, everything is ready for this site and you have planned for a level of intensity that ranges up from what we are providing from a trip generation standpoint. So, we are the lowest possibility. Residential we showed just for comparison, because it's come up in your conversations. We can't do residential there. Office, commercial, industrial -- we are significantly lower than those, six to eight times less. So, for the planned level of intensity we are going to be well within what was, you know, contemplated for this area in the larger scheme. So, hopefully, that gives you some comfort as you think about -- and, then, of course, we have to do whatever specific improvements are required. We can't build here until ACHD approves the TIS.

Simison: Council, any additional questions for the applicant at this time?

Borton: Mr. Mayor?

Simison: Councilman Borton.

Borton: Yeah. Just one. There is reference in the staff report about the Ten Mile plan and the residential component just east of Black Cat and, then, this was planned mixed employment and light employment, I believe. This property. And, then, to the west is where it has its industrial designation and it was referenced in the staff report and -- about the intent for some discussion of transition of those types of uses. So, is that consideration -- that concern of -- should we not be concerned about that? Is that principle that at least it seemed to try to promote a transition to keep what appears to be really an industrial use not adjacent to what's going to be a residential use across Black Cat directly to the east. This principle seems to conflict with what was planned, that easier transition. So, just curious your comments on that concern.

Nelson: Mr. Mayor, Council Member Borton, I actually think this is that transitional use. You have got our flex design right along with the smaller spaces right along Black Cat with this significant frontage improvements, the enhanced entry, the park area, that creates a significant buffer. Then keep in mind that we are proposing only light industrial uses. Further to our west where you have got the industrial designation in your plan, I think staff is going to be more likely to support both heavy and light industrial are contemplated in your plan there. So, we really are providing that transition already to the commercial and residential. And one of the comments that Commissioner Yearsley made at the -- the P&Z that I'm sure you have read the minutes was about how nice it is to bring that light industrial -- the jobs closer to residents to decrease traffic. So, we hope we are meeting that transition really with this use.

Wolff: And we also tried to provide a relatively significant amount of landscape buffer in addition to the smaller building sizes and turning the buildings on end, so that the faces of the buildings weren't facing Black Cat and there will be -- you know, there will be a light here at Black Cat as well, in addition to whatever improvements happen to the west. So, we were trying to accomplish the transition that you are talking about.

Borton: Mr. Mayor, a follow-up question to that.

Simison: Councilman Borton.

Borton: That ties into something you said, Deb, at the start of your presentation. If you had requested a mixed employment zone, this type of use would be a conditional permit and you -- I wrote it down, you had said this type of tenants -- or these tenants aren't willing to take the risk that comes with a CUP, which I sort of understand, but what is it that generally happens in CUP to this type of use that makes it no longer viable for this light industrial warehouse user? I mean what's -- what's the risk? What kind of condition kills this viability?

Nelson: I -- I will start and, then, Tim I'm sure has industry specific experience with this, but it's not the risk of the conditions, it's -- I mean it's partly that, but it's really just the -- the time and risk getting it at all. The speed to market and the risk of that happening as a whole. But also, of course, the conditions of what might happen there. Maybe they can't do their use, maybe they can't do their use all the way, it's -- it's a -- it's something

that just isn't -- I think the other point -- and Tim can address this better -- is that it disrupts their ability to get financing, either at the beginning or if they already have financing to come back and change the use when they have financing in place.

Wolff: Just an anecdote. So, the maddening thing about this asset class, you know, if you have an office -- if you have an office need, you -- you plan for it, you spent years playing and, then, you go find an office space and you take time TI's, I don't know why and it's -- it's maddening, but in this asset class these tenants usually don't decide they need a new space until about four months before they have to move in and -- and so -- and that's why you see a lot of spec industrial development, because tenants decide quickly to move in and that's why in a normal market -- and this isn't a normal market here right now, you don't see a lot of spec development, you see a lot of -- or you don't see a lot of build to suit development, you see a lot of spec development, because they just don't take the time to think far enough advance for what their needs are, because, generally, what happens is this use type is -- it's a utility use, it's not -- you don't have -- it's not like an office where you are going to move, because a nicer office gets built down the road. Once you are here the retention rate in this asset class is the highest of any type of commercial real estate. They stay and the only reason they leave is because they have outgrown their space, the business has changed, or they have gone out of business and so when they hit that wall and say, geez, we are out of space, like the letter from Scentsy, they have grown 200 percent -- or they have grown a hundred percent in two years, they just ran out of space and they have nowhere to go and so it's -- It's one of those things where they -- they don't have often the time to go through a process that's more than -- can I be there, yes or no, we need to sign a lease now, we need to move in now.

Simison: Council, any additional questions?

Bernt: Mr. Mayor?

Simison: Councilman Bernt.

Bernt: One last thing for me and, then, I will sit back and -- and listen, but my question now relates to like infrastructure and before Alan mentioned leap frog development and Deb is very keenly aware of leap frog development in Meridian. She's been involved in projects in the past when we have had these discussions and so could you comment on -- or do you have a response to Alan's concern about leap frog development?

Nelson: Mr. Mayor, Council Member Bernt, thanks for the question and opportunity to share some information. Can't cover it all. We -- we -- we, obviously, disagree with that characterization. I think -- I think maybe the first point is that this area is within your Ten Mile plan. The city took care to specially plan out this entire area and -- and has called for the type of development you want to happen here and we are within that area and we are helping to build it out. East of Black Cat is quickly building out and the parcels that are not built out yet are developer owned and in various stages of planning or applications and so this slide helps illustrate that, that this area is very quickly changing, which, again,

with roadway improvements it's just a great time and opportunity for building out the plan and the job expectations that you guys have within your plans.

Bernt: Mr. Mayor?

Simison: Councilman Bernt.

Bernt: I was lying when I told you I didn't have anymore question.

Simison: I knew you were.

Bernt: So -- so, how do you plan on getting -- because I heard -- and I think I read in the packet -- and quote me if I'm wrong, but I believe it's said that it's like 300 and some odd feet from where this service is stopped and from where your property is, how do you -- how do we plan on getting services to where your property is now? Is that something you guys are going to pay for?

Nelson: Mr. Mayor, Council Member Bernt, yeah, 340 feet, it's in Black Cat Road, it's right by the side, we will just extend it. It's not readily available, as your Public Works staff has agreed.

Simison: Council, additional questions? Okay. Thank you very much.

Nelson: Thank you all.

Simison: Mr. Clerk, I will turn this over to you.

Johnson: Thank you, Mr. Mayor. We have Drew Eggers signed up to testify.

Eggers: Thank you very much. Drew Eggers. 2256 North Waggle Place, Meridian, Idaho. Mr. Mayor, would it be all right for me to hand these out to the Council Members?

Simison: Yes. If you want to just give them to the clerk, he will do that for you.

Bernt: Mr. Eggers, is this the letter that you sent to us earlier?

Eggers: Yeah. I just wanted to make sure you had it. It was sent via e-mail and it should be in your packet. My family is the owners of 95 -- 95 -- 955 South Black Cat Road. I come from a multi-generational Idaho farm -- farming family. My father bought this farm in 1950. My grandfather purchased the farm across the street in 1922, which later sold to Pastor Steve Moore of the Ten Mile Christian Church. As a resident and growing up here in Meridian I have been an active member of the church community, served as the director for North Northwest Farm Credit Association. Currently serve as Chairman of the Meridian Maintenance Cemetery District and a voting member of Food Producers of Idaho. I have raised my children here. One of my daughters is superintendent of the Catholic School System in Idaho and my other daughter is a broadcaster for Channel 7,

meteorologist from Boise and they are -- they are here tonight with me, hiding behind their mask. I remember many years ago when the city first prepared the Ten Mile plan, I never complained about the plan and I thought it's -- the mixed employment would be a good fit for the use -- uses next to the freeway. We supported the plan. I thought the mixed employment would be a good fit -- oh, I'm sorry. We supported the city and supported its vision for the area from the beginning and we are pleased to see the area built out. Now, my property is eligible for annexation and has access to city utilities. We selected Sawtooth Development Group and AT Industrial to develop the property, because I knew they would bring quality development and businesses to the area. I am excited about their plans and proud to have my property be part of the needed industrial business park area. Meridian needs these kinds of jobs, so our kids and their kids don't have to leave Meridian to find work. I was disappointed by the staff's lack of support for this project. This seems to be exactly the type of project that was planned here by the freeway and the Highway 16 and exactly what our city needs. Mr. Mayor and Council, I ask you to approve this project. Any questions?

Simison: Thank you, Mr. Eggers. Council, any questions?

Hoaglun: Mr. Mayor, I have one for Mr. Eggers.

Simison: Councilman Hoaglun.

Hoaglun: Mr. Eggers, why can't I smell mint on this paper? I mean -- for those of you who don't know, they grew high quality mint for --

Eggers: Councilman Hoaglun, I apologize for not having mint. It's a valuable product and I didn't want to throw it away.

Bernt: Got to make some money. I love it. Respect that.

Eggers: Yeah. Thank you. Are there other questions?

Simison: No. Nice to see you again, Drew.

Eggers: Thank you very much.

Johnson: Mr. Mayor, next is Terry -- and I believe the last name starts with an N. State your name and address for the record.

Nyborg: My penmanship is not obviously very good. Terry Nyborg. 5160 Westview Drive, Meridian. So, I'm a neighbor that lives right above the project and I also own the property at 1245 South Black Cat, which is just the other side of the freeway and my concerns are simply timing and -- I don't object to the project as much as I object to when Black Cat might be improved, because the roads to the west that everybody's kind of emphasized, there isn't -- they don't own the property, those dotted lines are maybes in my mind, as a local resident and the same with the one going to Franklin. During the initial meeting of

the neighbors, the comment was made that traffic won't go south on Black Cat. It will all go north. Well, I don't think that's probably too accurate. The other concern I have is with the pit that's there, Wright Construction and the asphalt plant, all the material is hauled in to that pit and back out. It's not a producing pit. They are in the backfill process. The truck traffic on South Black Cat Road is significant. The sight line is not very good from Vaquero Road or from the driveway -- from my driveway on 1245 South Black Cat. If you look to the north cars go out of sight below the hill. There is a -- there is a blank spot there. They didn't extend that out far enough. I assume that's right where the intersection is that they are talking about lighting. That would improve it if it was lit. If it was a stop there. But my concern is just traffic on Black Cat and the timing. If ACHD were further down the road with any of those improvements it would be a better project. That's all I have to say. Thanks.

Simison: Thank you. Council, any questions? Councilman Hoaglund.

Hoaglund: Mr. Mayor. Real quick, Mr. Nyborg. Do you happen to know how long that backfill project is going to take for them to conclude by chance?

Nyborg: When are they going to extend Overland? I don't know. It's a huge pit.

Hoaglund: Yeah.

Nyborg: I mean they have been backfilling now for five or six years and they have got maybe 15 acres of, what, 70 -- 60, 70, 80? I don't know.

Hoaglund: Okay.

Nyborg: I think it's a long range project and how long is Wright Construction going to be there hauling the raw material in and the finished product out? I don't know the answers to those.

Hoaglund: Thank you.

Nyborg: Thanks.

Simison: Council, any additional questions? Okay. Thank you.

Johnson: Mr. Mayor, it's not so much penmanship as my vision, but Chris P. I didn't want to get it wrong.

Pearson: Good evening. Chris Pearson. Live at 10445 West Sultana Lane in Boise, Idaho. As mentioned, Chris Pearson. I'm a commercial real estate broker with TOK Commercial in Boise. Sitting here tonight I'm reminded why I chose brokerage as a career versus development, but that's a little bit of a joke if you didn't pick up on that. I appreciate the opportunity to briefly discuss the current commercial real estate market and more specifically the industrial market. I have been a commercial real estate broker and an

industrial specialist for 34 years, of which 17 have been spent here in the -- in the Treasure Valley. In 2021 I have been involved in the sales and leasing of just over one million square feet of industrial space in the valley and over the years I have assisted numerous companies locate within Meridian, most notably Insurance Auto Auctions, Cintas Corporation, and HD Fowler. Quick snapshot, not to be redundant with Tim's remarks, City of Meridian has approximately six million square feet of industrial space with a vacancy rate of .004. I guess my comment there in 34 years I have never seen a city the size of Meridian with a vacancy rate probably less than one percent, less than .004 is amazing. It may be not -- maybe not healthy. Twenty-six thousand square feet of vacant space in our current market, that might be absorbed in two weeks; right? So, there is just a dearth of space currently in -- in Meridian and the entire Treasure Valley suffers -- not to that degree, but we are probably about 1.24 percent vacancy in the industrial market right now. I'm not that creative, but really there simply isn't an argument I could find for this being really positive for the City of Meridian right now. As a real estate professional I'm definitely in favor of well planned smart growth, but we are close to facing a no growth or an extremely limited growth situation as relates to industrial development, not only Meridian, in the valley. I probably have no less than 15 requirements right now from national, regional and local tenants looking to expand in the Treasure Valley that I cannot fulfill, because there is no space and, to be honest, it's not a healthy situation. I understand you have received letters from Scentsy and Northwest Fulfillment, two good sized companies in Meridian, and they have stated that they have current and future space requirements and they would definitely prefer to be in Meridian versus other parts of the valley. Earlier this year Scentsy and Northwest Fulfillment actually got into a bidding situation on a listing I had on 40,000 square feet in the Idaho Food Bank building over on Commercial. Scentsy won and Northwest Fulfillment now leases 100,000 square feet in Boise. My time is short. I think also to Tim's point, the types of uses that occupy industrial buildings, manufacturing, service companies, technology companies, among others and the job creation and the salaries that they pay I think are significant versus potentially office, retail type uses in the valley. Locational of Black Cat business center is optimal for industrial users, because of visibility --

Simison: If you can wrap up your testimony, please.

Pearson: -- and proximity. So, no, I appreciate your time and consideration and maybe I have a bias, but definitely in favor of seeing some industrial product built in -- in the valley. Thank you.

Simison: Council, any questions?

Bernt: Mr. Mayor?

Simison: Councilman Bernt.

Bernt: Sir, would you care to elaborate -- elaborate, excuse me, why -- on the jobs -- like do you concur with Mr. Wolff?

Pearson: Yeah. I appreciate the question. I ran at the time. So, I was involved -- I represented a company Azack Corporation, publicly traded company, and earlier this year they leased the former Shopko distribution building in Boise. That building consisted of 355,000 square feet. Obviously, formerly a distribution building. Azack, they are involved in building materials out of recycled material is basically their -- their business model and at capacity they will employ between 250 to 300 people in that facility, which is 355,000 square feet. Over the weekend I looked at their job postings and they have 13 positions currently available, including recruiting coordinator, cost accountant, and production supervisor. So, my point is that many companies that occupy industrial buildings do provide significant job creation and pay salaries I believe well beyond median income levels and that's just one example.

Simison: Council, any additional questions? Okay. Thank you.

Pearson: All right. Thank you.

Johnson: Mr. Mayor, that was everyone that indicated they wished to speak.

Simison: If you -- yeah. Go ahead and come forward. If anybody else would like to provide testimony, either online, use the raise your hand feature and I will bring you in and if there is anybody else that would like to come up after, then, feel free. Yes. If you can state -- speak into the mic and state your name and address for the record, please.

Kaddas: My name is Corinne Kraft Kaddas. I live at 395 South Black Cat Road. Obviously I'm the little house that's on one of these pictures along here. I just wanted to say that when we first moved into this house 11 years ago there wasn't much going on around the situation, but, then, obviously, we heard about the Ten Mile project. So, of course, we knew at some point somebody was going to come and knock on our door. Anyway, as it is this company Sawtooth Development came knocking on our door and what I have seen since they have come is they have jumped through many loops for you guys. You have wanted them to do all sorts of things. They have changed directions of everything like that. Plus also it was meant to be industrial anyway. So, I don't understand what your problem is. I know you say you want mixed economy is it? Mixed economy. But, again, you have got to think there has been 500 houses just going in on that little area there right now. Just imagine those people being able to walk just across the road to be able to go and have those jobs over there. So, to me I don't see why you wouldn't pass this project. You know, for me personally I think it's been well planned out. They have shown you everything that they possibly could to make it seem like it would be a really good project and so that's my statement is I think that this project should go forward, because it's definitely needed here in Meridian and these guys, obviously, I have took the time to really plan it out for you guys. Anyway, that's me. Done.

Simison: Thank you. Council, any questions?

Kaddas: I hope not, because I have not gotten any answers.

Simison: Thank you.

Kaddas: All right. Is that it? Thank you.

Bottles: Mark Bottles. 839 South Bridgeway Place, Eagle, Idaho. Mayor and -- I wanted to address, Councilman Borton, your question on transition. The neighbors to the east of this are two -- there is four property owners, three of which are owned by Blackrock Homes and Corey Barton. CBH. I have been in contact with them about what was going on here and how they would transition with this and -- and just numerous sit-down meetings and they liked what was there that -- what Sawtooth had planned there. So, I just wanted to address that. And the other thing I would like to bring up as well. One thing -- we have Silverstone Business Park and -- and as you know there has been a transition there that it's taken a long time to build out that business park and some of that's turned into apartments over the years and one of the biggest users in there is UPS and they probably might have one of the highest wages in there, even though they are delivering to our homes, that they are parking trucks inside of -- what was at one time going to be office buildings and it's -- it's Chris Pearson, he's more of an expert in the leasing side than I am, but things are transitioning there. I get calls all the time through people through the economic development in Meridian and they are national tenants looking for land to where the economy -- e-commerce is going. Tech companies, TSheets, those people, as they are incubating and building their businesses. They are looking for this type of product that you see and so, anyway, I just wanted to address that, so -- any questions?

Simison: Council, any questions?

Bernt: Mr. Mayor, you have -- Mark, good to see you, man. What my question to you is -- is T-Sheets. You have said TSheets and so you think that this would be a good product, like -- I didn't know TSheets were involved with distribution warehouse.

Bottles: No, they are not, but when they got started Matt Rissell, some of you may know him, local businessman, started -- he went to Ron Van Aucker was the first person he went to and said I need to go into industrial space and what he did -- he took a warehouse space like that and literally took doors -- unused doors, turned them on sawhorses and built a company that now into it has some of the highest paying jobs in our valley and we went from -- and he needed transition -- he couldn't go into a normal office building, because he needed space to grow and to really scale and in that business, that technology business is tough. You know, the food brokerage business is the same way here. We have a very -- we have been involved with Lamb Weston and other starts -- Treasure Valley Sales and Marketing that was in Meridian and actually ended up moving -- just recently moving back into Eagle, but there has been a lot of companies coming and saying we need this and we don't have that space and that space that's to our west -- as you know, the sewer line and trunk line and that is a major project that has to happen. The Fields District is a great area, but it's -- it's not even close to being ready and doesn't even have the road or infrastructure to get to the freeway and that and so, again, I think those are two good areas, but when I bring those up to the tenants, even to our other

developers -- sorry, guys, but some of your competitor developers, Adler and them, they are like I can't go there right now. I'm not even close to going there. And so they would like to go there, but I'm just saying some of those tenants are coming and, again, I'm more on the land side, as you guys know, dealing with selling to -- whether it's residential, industrial, or apartments and that, but just a little bit of what we are seeing out there. But, yeah, places like TSheets, that's how they -- a lot of those small tech firms that's how they grow, so -- and they need a developer that's going to work with them to expand kind of accordion style. Anything else?

Simison: Any additional questions?

Cavener: Mr. Mayor?

Simison: Councilman Cavener.

Cavener: Mark, appreciate you sitting through our meeting tonight and appreciate you chatting with us. I guess I'm looking to you as a subject matter expert. There is many elements of this project that I find very attractive and appealing for our community. My hurdles have been largely about the timing and particularly related to the transportation infrastructure, the roadway infrastructure. How critical is that for -- I mean as you are attracting businesses and out there marketing, I mean I'm sure the question is how are the roadways? What's -- what's traffic like? And -- and what's the response from your clients when we are saying, well, it's -- it's not the worst, but it's -- but up right next to it.

Bottles: Yeah. No. It's a great question. Just being here -- I'm not a traffic engineer. I'm far from it. I'm not a planner. But if you are going to have an industrial in this type of incubator space -- I mean you do have a brand new interchange, you are going to have another one coming soon, you are not going to probably get a better interchange in the valley in my opinion that's going to be ready for it. I mean we have trucks in the middle of Meridian right now, which, you know, back in the day that was the right thing. It -- Eagle and Fairview, I mean when I moved here I think it became a four way stop and, then, the shopping center went in and we had an industrial distribution center next to Blue Cross, which, honestly, those tracks are going right -- you know, right, you know, through there. But when I look at it from a planning standpoint, it is the right area to have it. It's got -- even with the current plan that's in place with the developers working on their TIS study, I think we are in a great situation. I have been very involved with the state with ITD on the condemning of the right of way and trying to get 16 built and I mean, as you know at the state level they have got funding and they are moving fast. I mean the condemnation already to Franklin now has occurred and I'm working with eight other property owners with the state to get those properties condemned to get that built through. I mean I want to see it, the valley wants to see that open up, even in Fields District in this whole area. So, I think the timing is great for development like this. It's going to take time for them to get building, but working with, you know, the traffic and stuff I think, you know, with the current interchange that's already in place, you know, I do think it's a good place to be. I know that wasn't analytical for you, but I'm not good at that. All right.

Simison: Council, any additional questions? Oh, we probably shouldn't -- Mr. Nary, when we lose a member from up here we technically have lost our quorum to my knowledge or are we okay?

Nary: It's okay. He hasn't left the meeting.

Simison: Okay. He's still -- I just don't want to do something we weren't supposed to in our process. Okay. Is there anybody else that would like to provide testimony on this item at this time? Come up.

Earley: Mayor, Members of the Council, I have never done this before. I speak to a camera, so this makes me wicked nervous. My name is Bri Earley. My address is 5021 West Shirdale Drive. I was Miss Meridian 2003 and I don't say that because I'm looking to get back in the business of ribbon cutting, but it just gives you an idea that I'm a woman of a certain age and it seems funny that in my 30s -- in my 20s -- in my teens I was able to turn around and say I remember when my cousin's played soccer in that field that's now The Village or I remember when there was no stoplight in Kuna, Idaho, where I went to school. This valley is changing and it's changing rapidly. In -- as a person who is in the business of forecasting, the high yesterday was 50, my forecast was for 38. Sometimes we can't see these things coming. The growth that has happened in this valley within -- since 2003 -- so, the last 14 years -- the last ten years -- the last five years -- the last three years has absolutely blown my mind. My point that I want to make right now is that while staff has done an amazing job in saying maybe this is premature, maybe it's not time for this, the Ten Mile plan, as I understand it, was made in 2007 and at that time we were thinking will they come? Will they come here? What will our valley look like? Ten Mile hadn't even been expanded at that point. Boy, did they come and it was probably beyond what our forecast was. So, I just would love to see this city get ahead of it. I see a lot of people coming in. I see a lot of houses coming in and being built. So, to say no to job creation would -- would be something that I would find really disappointing. So -- I love the city.

Simison: Thank you, Bri. Council, any questions? Thank you. Is there anybody else that would like to provide testimony at this time? We are going to go ahead, before we ask the applicant to come up, we will take a ten minute recess. I want to get Joe back in the room, so he can hear the final comments. Those will -- hopefully, it will just take ten minutes. We will reconvene at 10:00 o'clock.

(Recess: 9:51 p.m. to 10:00 p.m.)

Simison: Okay. We will go ahead and come back from recess and we will ask the applicant to come forward for final comments.

Nelson: Mr. Mayor, Members of the Council, thanks for your questions and comments this evening. I want to address one of the comments from the neighbor and also some additional comments from the Council there. One of the neighbors asked when is Black Cat going to be improved. We will be widening and improving a significant portion of

Black Cat with our development along our frontage and as you could see from the slide we showed about the developer-owned properties around Black Cat, there is going to be significant development around there where other developers are going to be doing the same along their frontage. We will do whatever is required by the -- the TIS and ACHD and those conditions and we expect, based on information from our traffic engineer, that that's going to involve widening Black Cat to about three lanes there and so it is going to be significantly improved. Council Member Cavener, you made a comment about, you know, just that the timing of the improvements here and we have talked a great deal about that. I think maybe an additional point to consider as you are thinking about the impact of the Highway 16 here that's coming in as a matter of timing, all of that just was recently quickly expedited and the amount of investment that is now present coming from the state is significant. The phase two section of which the Franklin interchange there at McDermott and 16 all is involved is over half of this and the expenditures budgeted there are 150 million for construction, 115 million for right of way, and those costs are only going up. So, we are talking about a significant influx of state investment here. Franklin connection to that is part of that planned improvement, so the connection with Franklin will be done with that. Undoubtedly, we expect that that means that ACHD is going to expedite their funding for the rest of the widening of Franklin, but even if they didn't it is already planned within the CIP beginning in the two to four year window, which is going to be appropriate and consistent with this project's build out. We are providing, as we showed, the -- the best use for this property from a traffic standpoint as you are considering, that because it's the lowest traffic impact you can have on this property based on your Ten Mile plan and get the job creation that you were looking for. As we have walked through the project that we are proposing it is consistent with your Ten Mile plan and what's called for in this area. Industrial uses are needed here. There has been a lot of data presented about that. Limited sites in your city can serve industrial and none of them are available now. You do have a lot of land available and a lot of sites available for office -- that more of that isn't needed. It is valuable, you do need office, we are not saying that office isn't valuable and that it doesn't have great job creation, it's just that you have a lot of opportunities for that. It doesn't need to be in this limited location where industrial does need to be. This project will help Meridian keep jobs. You can see from the testimony you have heard tonight and also the written testimony you received based on the vacancy rate, based on businesses needing space now and not finding it, that businesses have to look elsewhere to find that space. This project will also attract jobs. You heard data about the experience that reflects a quarter of all of the industrial leasing in the valley for the last two years -- had an average job per acre rate of 20 jobs per acre. Even if it were less than that we are far ahead of the estimates that you have received and consistent with the job creation goals in your Ten Mile plan. You don't have to create all 20,000 jobs in one location, you have a lot of job creating space and the space that we are utilizing for industrial space is consistent with and proportionately keeps you on track with your goal there. It doesn't take away from it. And, of course, given the vacancy rate it's always good to keep in mind that empty office space does not create any jobs and so you do really have to take it into context of where the demand is as well. When you have industrial users and tenants that are actively needing space and looking for space, then, industrial buildings bring those jobs. Other places can -- can source the -- the office around and inside your city as it exists now. So, for all of these reasons we ask for your

approval. We understand that you don't have a staff report before you with findings and conditions and so we ask for your direction to the staff to work with the applicant to put together findings and conditions that are appropriate, consistent with the plans and consistent with the design elements. We have asked for accommodation for the use and unless Tim has additional comments, we just stand for any further questions you may have.

Simison: Thank you. Council, anything additional for the applicant at this time?

Hoaglund: Mr. Mayor?

Simison: Councilman Hoaglund.

Hoaglund: I went back to the phasing -- phasing plan, Deb -- and I asked about that earlier, because I couldn't remember -- I knew there was a lag and -- and it shows phase one complete three to five years, phase two five to eight and -- and I think that -- that's helpful to the project from the standpoint of, you know, Highway 16 and -- and road funding, but, you know, one of the concerns here is that Franklin Road heading west and, you know, that -- that really needs to be done. It has to be tied in. That will make this and everything else going west successful and what can this project do to help ACHD facilitate that expansion going west of Franklin Road? Is there anything that can be done there?

Nelson: Mr. Mayor, Council Member Hoaglund, you know, visiting with our traffic engineer, who has now completed their study, they anticipate that there is not going to be a concern based on the timing of our build out of the capacity and the plan widening of Franklin. They do not foresee problems in that location for accommodating our capacity. So, we feel that that will be addressed through the TIS and ACHD's review of it. Now, that said we feel that the increasing development in this area and the investment and the interchange is going to expedite improvements in this area. You know, there is -- there is development to our north that is now going to be inexorable. They are also interested. There is a letter in the record from them supporting this project. As development increases around there I think everyone is going to create that additional demand for the CIP and the -- and the funding for Franklin to be expedited. As I said, though, even if it's not, the timing that's planned in the CIP is sufficient to accommodate our trips and that's how it's playing out in the analysis and the traffic impact study as well.

Hoaglund: Thank you.

Simison: Deb, I think you are a very good lawyer and you use very good words. Our -- we understand the our. Your impact. But I think one of the things that's really lost in this is when that connection is made to that location it's not just going to be your people accessing, it is going to be the entire area. It's going to be the entire valley that's going to use Franklin as an off -- and the entire road infrastructure is going to become strained and I think that's one of the underlying things it sounds really good, like, hey, this is going to be here for us. It's going to be there for everybody and one of the things that we have been really successful at seeing in Meridian is when we see a problem, the development

community can come up and find ways to help alleviate that before it becomes exasperated by their own development and so that's I think really the question is we understand your trips may not generate, but there is also the argument to say that having the office in this location is even better, because what better place to have 50,000 trips for property than a place that's going to be right there with a great interchange to access for those 50,000 trips. They only have to go a mile, you know, from that location and they can take the interstate. So, short term, long term, you know -- and that's what we are in this for. We are in this for the long term, but there are short-term issues and, then, there are long-term issues related to all of us. So, kind of piggybacking on what Councilman Hoaglund mentioned is are there things that this development could do to help alleviate the -- our issues, not just your trip generation issues to this area, where, you know, if ACHD re-diverts the resources to this area for these needs, they are taking them away from other parts of Meridian that have a need. That is in the -- that is funded, that is other parts of the committee are waiting for and we have made -- Council has made, you know, decisions based upon, yeah, let's approve that, because those roads are going to be improved, because they were in the plan at some point in time and I think that one of the things when we start talking about our growth priority areas, we understand we can't grow everywhere. We can ask our -- we can't ask ACHD to build roads everywhere. They don't have the capability to do that. So, I'm piggybacking on what I was hoping Councilman Hoaglund would kind of get at, what can this project do to help with those off-site needs that are going to be there in this area where there really are not a lot of other opportunities for those improvements in the short term?

Nelson: Mr. Mayor, great question, and I think Kristy touched on this and we need to emphasize it as well and as you guys know well, the -- the way that development pays for its proportionate share of impacts off site where you don't have control of the right of way and the roadways yourself and it would pay impact fees and those impact fees are used to fund these off-site improvements and so we will certainly do every off-site improvement that's required of the development, but in addition to that we are responsible to pay impact fees to carry our proportionate load of those offside impacts and we do appreciate -- we are certainly not the only users of these major roadways. Franklin is a significant arterial for commerce in this area. The connection to the interchange is exactly why this site is so attractive for this use. So, we need it along with everyone else and the -- the opportunity that's created by the interchange to bring in that funding that will help with the connections there, we believe is going to help change the traffic patterns, help pull it away from Ten Mile and improve those traffic flows. So, we, obviously, don't control that, that's the state. That's not our contribution. But we are excited that -- to have the timing align with that and, you know, finally, we appreciate that, yes, office -- office certainly is a great use. It doesn't need to be in this location. The closer it is to the interstate, sure, it has a shorter connection there, but office uses aren't dependent upon that same kind of interchange transportation access as your Comprehensive Plan and plan -- and Ten Mile plan note is so important for industrial and our jobs are valuable in this location and can't go in other locations and yet the traffic that's generated by this site is going to be so much less. Six times -- more than six times less than office on the same location for the same acres. So, significant less impacts on Franklin to add to all the surrounding areas.

Simison: Just to go back and touch on it, we do have development that will do reimbursement agreements with -- with ACHD where they will go and put in off-site improvements working with them to get those done in advance of when they otherwise would have been done. That's really I think the question is whether or not this project would be willing to consider working with ACHD on those types of options.

Nelson: I think I -- I will let the developer speak -- if I say something out of turn, but I think they are ready to look at that TIS and work with ACHD about whatever needs to be done there.

Hoaglund: Mr. Mayor?

Simison: Councilman Hoaglund.

Hoaglund: And I guess to follow up and feedback on your comments is the fact that, you know, you look at that intersection and for years that intersection stood out, because it's just -- it's fully built out way in advance of what they knew was coming. So, that was done in advance and now we get to take advantage of that. So, it would be nice to have that -- we are moving ahead of -- of the need and -- which is rare. It doesn't happen very often. So, if you could work with ACHD on some ways -- you know, they don't have a STARS program like the state does that we expanded Eagle Road and Chinden and whatnot, but ways that we can keep ahead to some degree just -- just because we hear so much from residents about the traffic and their -- the pain it is and it's never in advance and so just helping take care of those things, it would go a long ways in something like this, so -- anyway, something I hope would encourage you to --

Nelson: Appreciate those comments.

Simison: Council, any additional questions?

Cavener: Mr. Mayor?

Simison: Councilman Cavener.

Cavener: Deb, there hasn't been really any conversation about the proposed location for the -- the fire station in lieu of impact fees and I'm just curious -- again, I think fire seems supportive of the location, but if our needs change, then, what -- what becomes contemplated for that piece of dirt? The city I guess owns it and, then, we would turn around and do something with it and -- I'm not -- this is not -- I think this would be the first time that I'm aware of that the city has taken possession of land in lieu of impact fees since I have been on the Council and so I'm just -- it's -- it's a little different, a little left of center for me and I'm just hoping maybe you can walk us through kind of the why behind that and why you think that makes the most sense for our city.

Nelson: Mr. Mayor, Council Member Cavener, yes, I think this came out of discussions between the applicant and Fire and Fire was supportive of that location, looked at the

location, thought that that would be useful for them in the future. The applicant was willing to provide that location to them. Your -- your city code does provide for impact fee credit for land. I think there is still a fair amount of work to be done to work through, you know, what that might look like between Fire and the city and as a whole and the applicant to see if that might go forward. If -- if it can work out I think it's a great location. It seems like everybody was on board with it and so I think we are just down to the -- the process of logistics about whether or not that agreement can be put in place for impact fee credit. I can't speak to Fire's use of it or -- I just know that from the discussions that the applicant had with Fire that they were supportive of the location.

Simison: Council, any additional questions? Okay. Thank you.

Nelson: Thank you very much.

Simison: Council, I think we will keep this one open.

Bernt: Mr. Mayor?

Simison: Councilman Bernt.

Bernt: I think, you know, my -- my greatest concerns are, obviously, the transportation issue, the roads, and it looks like the applicant is willing to -- to have ACHD do a TIS just to verify and look and whatever comes of that in the future with some type of an agreement by the applicant with ACHD I think makes sense and so my other question or concern has to do with the jobs and it's not like I don't trust the information that's been given by the applicant at all, it's just a really important part of Meridian and it has such a huge -- it has the potential of either being really bad or like excellent, like top notch, and so I sort of want to punt to Tori and have her come up and just -- I just -- I just want to -- she's our economic development manager and she's -- and I trust her opinion. I just would like her to -- to speak about the jobs and I don't mean to put you on the spot, Tori, but if you could provide some clarity with that I would really appreciate it.

Cleary: Certainly, Mr. Mayor, Councilman Bernt, Members of the Council, so I like to look at the long game and no one has mentioned the comp plan this evening and the comp plan and the future land use map strike a housing to jobs balance throughout the community and so that is -- you know, in particular this area is planned for mixed employment and low density employment and so those are the job numbers that the comp plan looks at citywide, with the assumption that this area is going to provide X number of jobs and other area is going to provide a different number of jobs. So, I think it's important to consider that. Comp plan, you know, was adopted in -- two years ago, December 2019, following many many months of significant public engagement and our long range planners -- all our planners kind of looked at that essential balance in the community. Let's see. If I could just provide something to -- about Ten Mile interchange specific area plan, just something for comparative purposes. Ten Mile, when it was developed out at 50 acres, Ten Mile Crossing, and this was before the Saltzer Surgery Center. There were about 3,700 jobs out there, so that's about 70 jobs per acre. Just as a comparison for

you to consider. I know a lot of the conversation is centered around traffic impacts. As an example, the Amazon facility in Nampa is about 2.5 million square feet on four stories, so they have got a 675,000 square foot footprint. So, this, essentially, would be kind of four -- almost four of those, three and a half of those spread out on a single footprint and it's, you know, obviously, too early for a TIS, but their TIS estimated 7,000 vehicle trips per day for that Amazon facility. I totally agree with everything Mr. Wolff had to say about the market data. It's certainly accurate. I know the Mayor and I hear it when we go out on our business visits. Industrial businesses are challenged in finding space in Meridian. Manufacturing uses are essential to our community. Advanced manufacturing is one of our four target industries that we look for. Advanced manufacturing pays higher -- higher wages typically than other jobs and also it has significantly greater multipliers in the community, both jobs and revenue slash income multipliers and then -- so, let's see. Our strategic plan calls for increasing family wage jobs. That enabled employees of Meridian businesses to work and live in Meridian. The concept plan -- and this is really my only concern. The concept plan suggests that uses that are not only lower in the number of jobs, but also those jobs are typically lower in wages when you look across the manufacturing industrial type users. Let's see. And I think -- does that address your questions? Are there any others?

Bernt: I don't know what I was looking for, really, in particular. I just wanted to hear what your opinion was.

Cleary: Okay.

Cavener: Mr. Mayor?

Simison: Councilman Cavener.

Cavener: Tori, since you are up here I guess a very simple question that I hope comes with a simple answer. Does this application enhance or detract Meridian's economic viability?

Cleary: Councilman Cavener, Members of the Council, that's a tough question. I don't know that I can answer that. Like I say, I'm looking at the long game for that jobs to housing balance and, then, looking at our citywide strategic plan with a goal to increase family wage jobs.

Cavener: Okay. Thank you.

Hoaglund: Mr. Mayor.

Simison: Councilman Hoaglund.

Hoaglund: Try a different approach, Tori. Industrial is important to our community. I mean -- and that's something that, you know, when we hear manufacturing and assembly I get excited, because we are Americans, we build stuff and we build it better than anybody

else, you know, that's -- that's who we are and -- and -- and we do need those areas that -- that we have people being able to -- to make things to and, of course, then, it comes with storing things and shipping things and all that component that -- that comes with that. Right now in our community can you tell me what do we have on -- in the horizon, excluding this, that we are putting into place more industrial?

Cleary: Let's see. Mr. Mayor, Councilman Hoaglun, Adler is building some spec, but, typically, that is full before it's completed. A lot of their -- with -- well, with the exception of their Amazon facility and FedEx, a lot of their newer projects -- JST Manufacturing over on Lanark and I know of three other users that are coming in -- are higher level -- higher level paying jobs and a higher number of jobs than say a distribution or warehousing facility.

Hoaglun: Mr. Mayor?

Simison: Councilman Hoaglun.

Hoaglun: Yeah. And Tori -- and it's not an I gotcha question or anything like that, I'm just trying to think -- okay, what do we have and I think Mr. Wolff -- it sounds like his assessment is about, you know -- yeah, there is not much spec, it's the decide late and we need it now and get it done and you have got a tenant to sign right away, so that -- that happens and I guess -- I guess where I struggle -- I'm thinking, okay, we got a fish on the line, we got this big industrial fish, you know, do we throw it back and wait for something even bigger? That's -- that's the hard part, you know. So, what -- what -- what do we do?

Cleary: Yeah. Mr. Mayor, Councilman Hoaglun, yeah, you know, we do have to consider -- consider that opportunity cost. You know, if we let this go and the market shifts again in five years, are we going to be left with, you know, an undeveloped site and with as inconsistent as the market has been, I don't think anyone -- anyone would have foreseen the vacancy rates that we are seeing today in industrial.

Simison: Any additional questions for Tori?

Borton: Mr. Mayor?

Simison: Councilman Borton.

Borton: The public hearing is still open, we are just -- I take it at our discussion, deliberation -- yeah. Keep it up. Okay. All right. Mr. Mayor, I will give you my thoughts on this. I think there is a -- kind of a confluence of circumstances where there is a lot of good data about the demand of -- for this type of use, an industrial use, lack of vacancy and there seems to be an immediacy for anything like this to be filled, which that principle, which is supported by data, somewhat contradicts what we are confronted with for infrastructure improvements, specifically transportation. So, we hear -- it sounds like every element would say this would develop as fast as possible, be utilized and filled as

fast as possible, the demand is there, which is fantastic. I don't doubt that at all. But that contradicts what we are confronted with with the ability to provide the full transportation network that it needs, at least arguably. So, that's my hesitancy with the project. Initially I thought the staff's and Planning and Zoning's direction to be consistent with -- with the comp plan and the mixed employment designation made sense. I think I saw to -- come up, that's what Tori was hinting at maybe. But the long game of this area had perhaps this type of use to the east of it, this being the mixed employment and the more industrial use. Connects to McDermott, now perhaps connects to Highway 16 and -- and that seemed to be the long-term plan for this area to build out. So, I thought that made sense. I thought -- I would have expected this to be a mixed employment application for -- or request for that type of zone, understanding that a CUP might be requested for this type of use and in light of the demand for this type of use I didn't think that would be a hurdle, but that was interesting comments in the record and today about the -- the strings on financing and how industrial users migrate quickly, so that was very helpful for me. I think the hurdle that I can't yet get over from what I have heard is the roadway network at Black Cat and Franklin in particular -- and I'm not as positive about the acceleration of funding. Quite frankly, I just don't feel comfortable that absent some -- some type of latecomers agreement cooperative that advances this immediately, that you are going to have any on ramp to Highway 16 in the immediate future. I just -- I don't -- the Mayor's comments about you are going to pull it from somewhere else that we have planned to approve or we have approved -- planned for that roadway network, this may be one of those ones where when we talk about the discipline to say it's just not ready -- I don't know. I don't think it is for me at least. I just think that roadway network concern -- honestly, I cannot get over. I think the use is great. The zoning I wrestle with back and forth, but the timing was just not there in my eyes. So, I didn't hear anything that resolved that concern. So, I think it's a -- it's a really good, well done project that's too early for this location.

Hoaglund: Mr. Mayor?

Simison: Councilman Hoaglund.

Hoaglund: To kind of -- along the same vein as Councilman Borton, you know, is this the type of thing where we need -- have -- for the applicant to have discussions with ACHD before we can really make a decision on this, because there are lots of elements about this that I -- that I like and, you know, what gives me pause is that connection and having that ability to when -- I heard that 34 million dollars -- and, of course, they meant every connection that -- for that Highway 16 that's within ACHD's jurisdiction, from Chinden to -- to the freeway, but taking it away from other projects to do that hurts and finding a way to expand Franklin, make that connection I think is -- is critical for -- for the success of that -- that area for what's being planned and -- and I know Ms. Nelson is right, there is impact fees, they pay into that, it goes forward, but it makes it more difficult when those -- when timing is not in place for other projects and what I mean by that -- I have often thought when -- when I was on Council before we bought that 77 acres -- and I have shared this before -- when we bought Discovery Park and I remember thinking 20 years from now, you know, that will be a great thing. People won't remember who bought the land, but we got it for a great deal, saved taxpayers a bunch of money, there will be a

regional park out there and come back on Council and ten years later and phase one is already done and it's like, wow, that moved quick and I think something like this, if approved, will spur everything else quickly. But if -- again, if the roads aren't in place that's just -- it stops everything and -- and I think it was actually excellent testimony came from a meteorologist of all things, Bri talked about the fact that forecasting and looking ahead we aren't always accurate. That 20 year timeline I was way off on and I think the Highway 16 is going to do some things that might make us off on the timing and need for things sooner, as opposed to later, but that also includes the infrastructure to have that in place. So, that's the part I'm trying to -- how can we get to that to make everything else come and -- come together? So, that's one -- you know, I -- and I know the TIS and that work with ACHD is, what, six months, you know, I would take, whatnot, if -- from what I have heard from a previous application, but I don't know if that's the way to get there, do we -- do we approach it that way? That's just kind of my conundrum I have right now.

Cavener: Mr. Mayor?

Simison: Councilman Cavener.

Cavener: I think to dovetail off of that, too, we have seen this year high priority roadway projects by ACHD be delayed because of their funding issues and while Kent Goldthorpe, speaking as a citizen, provided a lot of context, it falls in line with what we heard in our joint meeting with the highway district, which is they are not quite sure how they are going to be able to afford all of these connections with the current five -- integrated five year work plan. So, those to me create really really big questions and I just -- Council Member Borton, I -- I pinged in on a word you said, which is -- is the discipline. I really want this project and -- and, honestly, I think the location makes a lot of sense and 20 years from now it will have been the right location with its proximity to I-84 and Highway 16. But, Brad, you -- you touched on it. Highway 16 could change how we look at land use in that area. It's going to change traffic patterns. Am I -- the bulb of my crystal ball is burnt out, so I don't -- I don't know how to look at the future with that. So, that's -- those are the things that are causing me a lot of caution, which is why so many of my questions for the applicant was about their plans and suggestions and ways to impact it. So, for me without having some solid grounding on those questions, it -- it would be very very challenging tonight for me to be in favor of this annexation.

Simison: Councilman Bernt.

Bernt: Thank you, Mr. Mayor. I don't know if I have a whole lot to add. My Council Members -- my fellow amigos up here have really laid out specifically what I think as well. But to add on to this, I think this is a great project. I mean, honestly, I think that the landscape of how we are doing business -- not only regionally, but as a -- as a -- as a country, you know, even in the world, really, is turning toward e-commerce. I had breakfast this morning with a gentleman who, you know, has an e-commerce business and has developed and built numerous e-commerce jobs, businesses, has sold businesses and currently has one that's e-commerce that deals with hunting items and -- and, honestly, I think it's where it's going, at least in the near future and I don't see it

changing. I just feel like e-commerce is -- you know, you look at the office vacancy that tells you that's where it's going and so I think Mr. Wolff and his partners and his team have provided a great project. I just would like to know more about the transportation aspect of it and what that looks like. This is just too big of a project for me to have more of an opinion than that, to be honest with you, and so -- and I know that, you know, this -- this project, you know, if it were -- if there was favor in this project I think Deb would tell the team that this was -- would be continued anyways, because of findings and conclusions and so, yeah, I mean those are my thoughts. I don't know if I provided any clarity. Probably didn't, but --

Simison: I think you did from that standpoint. You know. And just -- just my two cents. My concern with this has always been about timing and infrastructure. Am I one hundred percent convinced the type of use here compared to what is -- is appropriate? No, but transition into some industrial. Absolutely. But if Council decides that industrial was the right choice for this entire property, I think that's a -- you know, that's where you need to go to figure out if that's appropriate or not. But timing is important and infrastructure is definitely important in my view and I think that's the underlying -- you have all said it. That's the -- that's the question and the only answer is -- is there a path forward to get that addressed or answered? It's not just the TIS. I mean the TIS is going to tell you what their immediate impact is, but it's really the bigger impacts that we are going to see for this area, because the point that was made, the property to the north goes next, the property to the west goes next and before long they are all -- everything in that area, because of the demand, potentially is there. So, with that I assume you want to hear back from the applicant on their next -- on what they would like to see happen at this point in time and go from there.

Nelson: Mr. Mayor, Members of the Council, thanks for your input. You know, we appreciate the comments and certainly appreciate the support for the use here. I know that that's after some careful consideration given where we have come from the staff report and so I guess we feel that we can work through the -- the transportation issues. We feel like we can address the timing issues -- or at least get you to a better place to have the information you need to make that decision and so I guess we would ask for a continuance until ACHD has an opportunity to review the TIS, which we are very close on. So, that's -- that's what we would ask, since that is the -- the issue that's holding this up. We would like the transportation agency to weigh in, the expert here, and provide you that information, so that you can feel comfortable with the timing and supportive -- and supportive of the use here.

Hoaglund: Mr. Mayor?

Simison: Councilman Hoaglund.

Hoaglund: Just question, then, Deb. Timing wise what are we looking at? What's your estimation? Any -- any idea?

Nelson: Mr. Mayor, Council Member Hoaglund, so the TIS is effectively done, will be submitted within a couple of weeks to ACHD and so, then, we are just on their review timing, which could be a couple of months. So, I would say we are, you know, probably not on a date certain, but getting back to staff to request a hearing date for the continuance.

Simison: And, Deb, I'm only speaking for myself, who may or may not be involved in a voting situation -- that goes beyond the TIS. It's what can be done to look at the road network improvements that are needed out in the area. The TIS will say one thing, but it's still -- it's the bigger -- bigger picture is -- and that's my sense. I may not even be involved in a future decision on this based on how this plays out, but my two cents.

Nelson: Thank you.

Borton: Mr. Mayor?

Simison: Councilman Borton.

Borton: Deb, I think that's it, too. That's sort of how I understood it, that ACHD is going to say we have no funding for Franklin and -- and the interchange -- or the connection to McDermott. It might happen quick, it might not. We don't know. So, my -- my fear is whenever we continue it on the big issues they will say, as they probably have to say, we don't know. There is just nothing there yet. I think the Mayor's comment of -- is there some mechanism to accelerate it and provide some certainty, I guess that's my fear that if there is -- if there is a continuance to allow ACHD to provide comment on the big infrastructure issues, I don't know how they can provide a response that answers that. Maybe they can. We will see. Give them a chance.

Nelson: Mr. Mayor, Council Member Borton, you know, we appreciate those comments and certainly topics we will explore and try to come armed with all the information you are seeking and -- and also recognize that, you know, part of this is looking to the transportation agency to, hopefully, the -- the facts and that analysis through the TIS and their review will help provide information that's helpful on the capacities to help answer those questions and on the timing.

Simison: And just one small piece as well, you know, the connection is in Canyon County. I don't know how much interaction there is. I don't know if Canyon county received this application at all, but I know it's only a quarter mile to where Highway 16 is going to connect. I don't know how much -- how relevant that is as well to the conversation, but, unfortunately, ACHD's jurisdiction stops right there. So, even that -- their plans for their side of the county line.

Nelson: Thank you, Mayor. We will certainly come armed with that information, too, and look at the state scope of that interchange area and see what's involved there.

Simison: Okay.

Bernt: Mr. Mayor?

Simison: Councilman Bernt.

Bernt: I need a date, Deb. So, we are looking March?

Cavener: Mr. Mayor?

Simison: Councilman Cavener.

Cavener: I think we could just -- we can -- we can just continue this --

Bernt: Without a date.

Cavener: -- to a future date and the applicant can work with staff to get it noticed and, then, go back on our agenda once some of the questions that are out there have been --

Bernt: Right.

Cavener: -- answered.

Bernt: Yeah. Okay.

Nary: Mr. Mayor?

Simison: Mr. Nary.

Nary: Mr. Mayor, Members of the Council, the only thing is if you do it that way does the applicant need to pay fees or does the Council the city to pay the fees? The notice fees.

Hoaglun: Mr. Mayor?

Simison: Councilman Hoaglun.

Hoaglun: And, Bill, you know, I thought if we just continue it to a date to be determined, would -- I mean there is nothing new, it's just coming back with more information from a partner agency that -- but --

Nary: Mr. Mayor, Members of the Council, Council Member Hoaglun, technically there is no way for the public to know when that is always, so we would have to provide some level of notice --

Simison: Yeah. Can we just pick a date and, then, if we have to continue it again at that point in time we can choose that. So, probably a couple months minimum.

Nelson: Mr. Mayor and -- maybe Chris could look at a date in March. I don't have the calendar in front of me -- to see -- if we can pick one I would appreciate that. You know, we will just adjust it if we need to.

Bernt: First date in March is the -- is the 1st and, then, the next one is the 8th.

Simison: I would avoid the 8th.

Nelson: The 1st --

Simison: -- for anybody considering National League of Cities.

Bernt: Okay.

Nelson: March -- March 1st, we will go with that, and we will follow up as needed.

Simison: Do I have a motion?

Hoaglund: Mr. Mayor?

Simison: Councilman Hoaglund.

Hoaglund: I move that we continue the public hearing for Black Cat Industrial Project, H-2021-0064, to March 1st, 2022.

Cavener: Second.

Simison: I have a motion and a second to continue this item until March 1st, 2022. Is there any discussion? If not, all in favor signify by saying aye. Opposed nay. The ayes have it and the item is continued. Have a good evening, everybody.

MOTION CARRIED: FOUR AYES. TWO ABSENT.

ORDINANCES [Action Item]

- 4. Ordinance No. 21-1959: An Ordinance (H-2020-0060 and H-2021-0050) Horse Meadows) for Rezone of a Parcel of Real Property Situated Within a Portion of the Northwest Quarter of the Southwest Quarter (NW ¼ SW ¼) and Within a Portion of the Northwest Quarter (NW ¼) of Section 10, Township 3 North, Range 1 West, Boise Meridian, Ada County, Idaho; Establishing and Determining the Land Use Zoning Classification of 5.33 Acres of Land From R-4 (Medium Low Residential) Zoning District to R-8 (Medium Density Residential) Zoning District in the Meridian City Code; Providing That Copies of This Ordinance Shall be Filed with the Ada County Assessor, the Ada County Recorder, and the Idaho State Tax Commission, as Required**