

Pocatello Development Authority

POCATELLO DEVELOPMENT AUTHORITY BOARD MEETING January 16, 1990

1. Call meeting to order
2. Administrative details
 - Approval of minutes of December's Meeting
 - Appointment of New Board Member (replacement for Finlayson and Funk)
 - Designate New Chair (replacement for Funk)
 - Designate Signing Authority on MACRO Savings Account (U.S. West \$46,000 Donation)
 - Staffing
 - a) Interviews January 23rd
 - b) Transfer \$2,000 Consultant Retainer to Stuart Bullington
 - c) Sign Bond Counsel Assistance (Rick Skinner)
3. Update Domsea Project
 - Collections went well (no non-payments)
 - Disbursement to happen on January 25, 1990
4. Update on Ceratile Project
 - Conference Call (McDonald, Coats, Bullington, Bybee, Skinner)
 - Project Schedule
5. Main & Bonneville Project
 - Review and Approval of Proposals from Developers:
 - a) D.R. Perry 12/11/89 (\$75.30 earnest)
 - b) Whitens/Huse 12/15/89 (\$251.01 earnest)
 - c) Dick Carroll 11/1/89 (\$251.01 earnest)
 - d) Richard Finlayson 1/6/90
 - Adult Day Care Center Proposal
 - Review ! Approval of Initial Project Budget
6. New and/or Old Business
7. Adjourn

Pocatello Development Authority

MAIN & BONNEVILLE DOWNTOWN IMPROVEMENT PROJECT BUDGET

Development Scenario #1

Eleven and one half lots sold plus Transit Station. Does not include proposed Yellowstone Hotel Parking.

Expenses

Landscaping

PUT	\$ 60,000
PDA	27,690
Architect Services (PDA)	2,400
Legal Services	1,000
Title Report	150
Administrative Services	<u>3,000</u>
	\$ 94,240 (Maximum)

Project Income

Annual Payments from Developers	\$ 6,928
---------------------------------	----------

Debt Service

Loan Payment	\$ 6,928
--------------	----------

Projected Income Over Expenses

Total	\$ -0-
-------	--------

Scott Mc *next mtg
Jan 16*
ABBREVIATED MINUTES
POCATELLO DEVELOPMENT AUTHORITY
DECEMBER 19, 1989

Present: ~~Bob~~ Weppner, Dick Finlayson, Stuart Bullington, Dick Clay, Dean Funk, Mike Ransom, Kirk Bybee, Guy Price, Scott McDonald, Nancy Hale

1. Meeting called to order at 12:20 p.m.

2. DOMSEA update. American Land Title will act as escrow agent for payments if authorized by PDA. Stuart presented resolution for approval of arrangements. Moved by Finlayson, seconded by Clay to approve the resolution appointing A.L.T. as the escrow agent, subject to approval of our counsel as to details. Motion carried unanimously.

3. Ceratite Update. Stuart reported that the bank has issued credit. The lease agreement is now being reviewed by their counsel. PDA has to engage bond counsel to give an "okay" to the process to satisfy the bank, even though no bonds are involved. Stuart proposes Reid Skinner and estimates approximately \$8,000 for his services. Must also have judicial confirmation which will take 4-6 weeks. The kiln cost is \$482,955 plus \$12,000-15,000 for freight. (Note: PDA has only \$400,000 to work with if we have to have bond counsel, etc.) [NOTE BY RECORDING SECRETARY: No motions were made to approve hiring of counsel. Decision still needs to be made, or if counsel hired already, approval granted after the fact for the record.]

4. Main and Bonneville project.

The check has been received from U.S. West. In January, we can buy the land for approximately \$46,000. We currently have 3 proposals for purchase of a total of 11 of the lots. Valley bank has agreed to provide loan for landscaping. PDA will use payments from land purchasers to repay this loan. One of the proposals includes transferring the Kasiska bus site one block south. ACTION DEFERRED UNTIL NEXT MEETING.

Adult Day Care Center - proposal presented by Nancy Hale. The State has received grant monies to implement adult day care. Originally, the site for the center was to have been at the Pine Ridge Mall, but there are financial difficulties anticipated because of rental costs once the grant is used up. An alternative to have a building built in this downtown area has been contemplated, particularly since there are other services available in the area for adults using the center. There would need to be another tenant in the other portion of the building, since the center would not need to occupy the entire building, and rent from another tenant would be needed for help with payments. PDA members' consensus was that this would be a good use of the property and all were in favor of supporting this proposal.

MINUTES
December 19, 1989
Page 2

5. Scott McDonald was approved as acting executive director, with the understanding that he would consult with Stuart as necessary.

At this point, recording secretary had to leave for another appointment.

NEXT REGULAR MEETING ON JANUARY 16, 1990.

Rayna Valentine
Recording Secretary



OFFICE OF THE MAYOR
902 E. Sherman
P.O. Box 4169
Pocatello, Idaho 83205
(208) 234-6163
FAX (208) 234-6296

RICHARD S. FINLAYSON
Mayor

Pocatello City Council:
ROBERT E. CHAMBERS
KAREN A. McGEE
GREGORY R. ANDERSON
DAVID M. JONES
ALVIN DEAN FUNK
EARL R. POND

December 21, 1989

Dean Funk, Chairman
Pocatello Development Authority
City of Pocatello

I wish to formally resign my position on the Pocatello Development Authority effective December 31, 1989.

It has been a pleasure serving on this board; thank you for the opportunity. I wish you continued success.

Sincerely,

RICHARD S. FINLAYSON
MAYOR

RSF/plm

cc: Scott McDonald, PDA Acting Director
Peter Angstadt, Mayor-Elect

Scott McDonald
Interim Director
Pocatello Development Authority
Al Ricken Drive
Pocatello, Idaho


January 8, 1990

Dear Scott:

As per our previous discussion, I will be stepping down as chairman of Pocatello Development Authority, effective immediately.

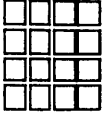
It has been a great experience serving our City in the various capacities such as serving on the Development Authority Board. I wish the Board success as they use these new tools in enhancing the business climate of our Community.

Sincerely,



Dean Funk

DF:sf



CERATILE

Inc.

580 Perrys Hollow Road - Salt Lake City, Utah 84103 - Phone (801) 521-7312 - Fax (801) 322-1612

January 6, 1990

Pocatello Development Authority
Attention: Scott McDonald
Executive Director, Southeast Idaho Council of Governments
ISU Business & Technology Center
1651 Alvin Ricken Drive
Pocatello, Idaho 8320

RE: Ceratile Expenses

Dear Mr. McDonald,

In response to Stuart Bullington's letters of December 11 and December 21, 1989, regarding PDA's expenses in connection with arranging Revenue Allocation Financing for our project we have enclosed out check for \$2,000. We understand this is an advance payment to cover a portion of the expenses outlined in Stuart's December 21 letter.

We are prepared to advance additional funds to cover the fees of the bond counsel, however we are concerned about committing funds for other administrative expenses at this time. In the event that Revenue Allocation Financing is confirmed as a legally acceptable financing approach for our project and PDA obtains the West One loan we agree that it would be reasonable for PDA to retain sufficient funds to cover the balance of its administrative and local legal expenses.

We look forward to the successful completion to this financing.

Sincerely,

Ralph L. Coates
President

cc: Steve Houston, West One Bank

4

92-1/1241

Jan 6 1992

PAY TO THE ORDER OF Pocatello Development Authority \$ 2000 00

Two thousand and no/100 DOLLARS

WESTONE BANK
WEST ONE BANK, IDAHO, N.A.
POST OFFICE BOX 1709
POCATELLO, ID 83204

FOR Bullington Expenses Ralph K. Coates

⑆ 24 1000 19⑆ ⑆ 10043 175807⑈

Pocatello Development Authority

December 21, 1989

Ralph Coates, President
Ceratile, Inc.
580 Perrys Hollow Road
Salt Lake City UT 84103

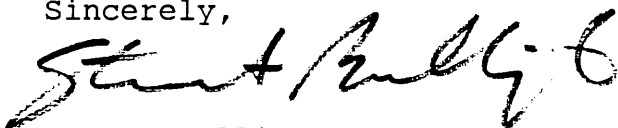
Dear Mr. Coates:

To continue my involvement in the project at Gateway West, I have entered into a consulting agreement with Southeast Idaho Council of Governments. The agreement is endorsed by both the County Commissioners and the Pocatello Development Authority.

In order to bind this agreement, I requested a \$2,000 retainer to assist in travel and other necessary expenses. However, both SICOG and the PDA are not able to pay this until the loan is closed between the PDA and West One. Until that happens, I request that Ceratile forward a check to SICOG for \$2,000. This amount will then be deducted from the loan proceeds or reimbursed to Ceratile at closing.

Thanks for considering this request.

Sincerely,



Stuart Bullington,
Executive Director

SB/csa

AGREEMENT FOR SERVICES

This agreement is hereby made and entered into as of the 14th day of December, 1989, by and between APPLIED COMMUNITY RESOURCES, Stuart Bullington principal, (hereinafter referred to as ACR and Southeast Idaho Council of Governments (hereinafter referred to as SICOG).

WITNESS THAT:

WHEREAS, SICOG desires to engage ACR to render certain professional community development services, hereafter described.

NOW, THEREFORE, the parties hereto do mutually agree as follows:

I. Contracting for Services. SICOG hereby agrees to engage ACR to perform the services hereinafter set forth.

II. Scope of Services. ACR shall do, perform and carry out in a satisfactory and proper manner the following activities:

- To provide technical assistance to SICOG in carrying out its contractual responsibilities with the Pocatello Development Authority. Such activities include: implementing the Gateway West Industrial Development Plan; the Main to Arthur Downtown Parking Lot Improvement Project; securing financing for the Historic Yellowstone Hotel Project; providing additional administrative services to the Pocatello Development Authority; and assisting any other community within the SICOG region in their community economic development efforts.

III. Time of Performance: The services of ACR will commence on January 1, 1990 and shall be in effect until December 31, 1990, or a maximum of 192 hours.

IV. Compensation: SICOG agrees to compensate ACR for services rendered under this agreement at a hourly rate of \$35.00 plus \$2,400 to cover necessary travel and lodging expenses for an estimated six trips back to Pocatello.

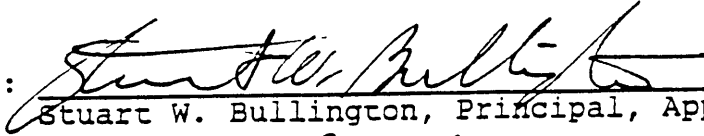
V. Method and Time of Payment: SICOG agrees to pay for consulting services covered by this contract only if and when funds are made available through the Pocatello Development Authority or other appropriate funding sources.

VI. Retainer: Upon signing this agreement SICOG agrees to pay ACR a \$2,000 retainer to bind this agreement and to provide funding for initial consulting, travel and lodging expenses. SICOG will not be billed for any consulting services until the retainer is drawn down.

V. Termination of Agreement: ACR and SICOG shall have equal rights to terminate this agreement by giving one month written notice to the other of such termination and specifying the effective date thereof. Provided, that neither ACR or SICOG shall terminate this agreement until the completion of at least 5 hours of services.

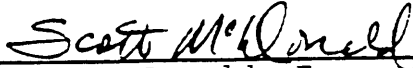
IN WITNESS WHEREOF, ACR and SICOG executed this CONSULTING SERVICES AGREEMENT as of the date first above written.

BY:



Stuart W. Bullington, Principal, Applied Community Resources

BY:



Scott McDonald, Executive Director, Southeast Idaho Council of Governments

Bannock County Commissioners



TOM KATSILOMETES
CHAIRMAN
COMMISSIONER 1st DISTRICT
POCATELLO, IDAHO

P.O. Box 4016 • Pocatello, Idaho 83205-4016 • Phone (208) 236-7211

VAL ARVAS
COMMISSIONER 2nd DISTRICT
POCATELLO, IDAHO

CAROLYN MELINE
COMMISSIONER 3rd DISTRICT
POCATELLO, IDAHO

December 6, 1989

Scott McDonald, Executive Director
Southeast Idaho Council of Governments, Inc.
1651 Alvin Ricken Drive
Pocatello, Id 83201

Dear Scott:

The Bannock County Commissioners are in support of Stuart Bullington's request to enter into a consulting agreement with the Southeast Idaho Council of Governments, Inc. It is our opinion that continuity is needed to maintain the administration of the present contract on the Gateway West Industrial Development Plan and additional Pocatello Development Association projects.

Stu has done an excellent job with the Pocatello Development Association and we would like to see his involvement continue.

BOARD OF BANNOCK COUNTY COMMISSIONERS

Tom Katsilometes
Tom Katsilometes, Chairman

Carolyn Meline
Carolyn Meline, Member

Val Arvas
Val Arvas, Member

VA/cf

SKINNER, FAWCETT & MAUK

ATTORNEYS AT LAW

RICHARD A. SKINNER
CHARLES W. FAWCETT
WILLIAM L. MAUK
W. CRAIG JAMES

515 SOUTH 6TH STREET
POST OFFICE BOX 700
BOISE IDAHO 83701
TELEPHONE (208) 343-2634
TELECOPIER (208) 345-2668

December 11, 1989

Stuart Bullington
Executive Director
Pocatello Development Authority
ISU Business & Technology Center
1651 Alvin Ricken Drive
Pocatello, Idaho 83201

Re: Gateway West Industrial Area - Revenue Allocation
Financing

Dear Mr. Bullington:

Thank you for sending me the materials on the above revenue allocation bond financing and related matters. I enjoyed reviewing these materials and discussing them with you by telephone. Based upon my review of these materials and our discussions, I have come to the following conclusions:

1. The authority for this financing and the definition of an "urban renewal project" under the Local Economic Development Act is open to several interpretations, including the interpretation that the financing and acquisition of manufacturing equipment is permitted under the Act. We would be willing to give an opinion that the financing is valid under state law, provided a successful judicial confirmation of the financing of the equipment acquisition and (and any other matters which our further review may reveal) is concluded under Title 7, Chapter 13, Idaho Code, as amended. We would suggest that preparations be made to file a petition for judicial confirmation, which would include preparing the documentation concerning the issuance of the bonds and related matters to serve as the basis for the confirmation.

2. The bonds will likely be viewed as "private activity" bonds under the Internal Revenue Code (the "Code") and the interest on the bonds will be taxable, unless the financing can be structured to qualify under the Code as tax exempt small issue bonds which would require compliance with a number of complex Code requirements. You have indicated that it may not

Pocatello Development Authority
December 11, 1989
Page Two

the review and advice on the petition, procedure, briefing and related matters (Court appearances are not included).

We estimate our fees for the above-mentioned services at an amount not to exceed a range of \$6,000 to \$9,000, depending on the complexity of the actual financing, billed at an hourly rate ranging from \$75 per hour for associates and \$125 per hour for partners, plus reimbursement for out-of-pocket expenses which include travel expenses, photocopies, bond transcript materials, postage, long distance telephone calls, word processing/computer time and similar expenses. We realize that this is a relatively small financing and therefore will work to keep our fees and expenses as low as possible. If unusual or unforeseen complications arise in the financing which might result in greater legal fees than originally anticipated, we will notify you prior to the incurring of such greater fees.

The bond counsel fees and out-of-pocket expenses mentioned above may be deferred and paid out of the proceeds of the bonds no later than the date of the bond closing. Of course, if the bonds are not issued for any reason, then we would be compensated by the Authority for our services rendered to date plus out-of-pocket expense to that date.

If the above arrangements are acceptable, please have an authorized representative of the Authority execute the enclosed copy of this letter and return the same to me. We look forward to working with you and the Authority's staff members on this financing.

Very truly yours,

SKINNER, FAWCETT & MAUK

RICHARD A. SKINNER

RAS/smj
Enclosure
cc: Jim Wrigley

* * * * *

The foregoing has been approved by the Pocatello Development Authority, Pocatello, Idaho this _____ day of _____, 1989.

By: _____
Authorized Representative

SKINNER, FAWCETT & MAUK

ATTORNEYS AT LAW

RICHARD A. SKINNER
CHARLES W. FAWCETT
WILLIAM L. MAUK
W. CRAIG JAMES

515 SOUTH 6TH STREET
POST OFFICE BOX 700
BOISE IDAHO 83701
TELEPHONE (208) 345-2654
TELECOPIER (208) 345-2668

December 11, 1989

Pocatello Development Authority
ISU Business & Technology Center
1651 Alvin Ricken Drive
Pocatello, Idaho 83201

Attention: Stuart Bullington, Executive Director

Re: Gateway West Industrial Area - Revenue Allocation
Financing

Dear Mr. Bullington:

We understand that the Pocatello Development Authority (the "Authority") is interested in financing certain facilities in the Gateway West Industrial Area through the issuance of revenue allocation bonds in the approximate amount of \$426,000. We are pleased to offer our services as bond counsel to facilitate your proposed financing. We have been asked to prepare an engagement letter describing our services as bond counsel and the estimated fees and charges for these services.

We are prepared to furnish bond counsel services in connection with this financing to the Authority, which services include preparation of ordinances and resolutions, preparation of financing documentation as necessary for authorizing the issuance and sale of the bonds; preparation and arrangements for proceedings for authorization, sale and issuance of the bonds; consultation with the trustee or paying agent, the financial advisor, Authority staff members, and the Authority's consultants regarding issuance of the bonds; preparation of the bonds for delivery; preparation of closing documents; and, the rendering of final approving opinions as to the validity of the bonds. Our description of services does not include preparation or review of any offering literature for the bonds, and it is assumed that the bonds will not be variable demand or put option bonds. In the event you request our firm's services with regard to the preparation of any offering literature, time spent in that regard would be billed in addition to the fees quoted below. Further, our fee estimate does not include the handling of the judicial confirmation proceedings other than

Stuart Bullington
December 11, 1989
Page Two

be feasible or cost effective to comply with all of these requirements for a financing of this size, and therefore, the Authority may prefer to treat these bonds as taxable.

As I mentioned to you on the telephone, we would be very interested in assisting the Authority in structuring the financing, completing the judicial confirmation and giving an approving opinion on the financing. I am enclosing a proposed engagement letter for these services. As you know, we have recently completed an industrial area revenue allocation financing in the City of Twin Falls, Idaho, which included a successful judicial confirmation proceeding. Dave McAlindin, Economic Development Director of the City of Twin Falls and Executive Director of the Twin Falls Urban Renewal Agency ((208) 736-2240) has indicated that he would be happy to discuss with you our work and performance on the Twin Falls project.

We have also been very active in structuring the issuance of industrial revenue bonds in the state, as well as in other municipal bond financings. Enclosed is a listing of financings completed within the past three years or so for your reference.

We believe that the Authority has begun a program that can provide real economic benefit to the community and we look forward to the possibility of working with the Authority to make the program effective and legally valid.

Very truly yours,

SKINNER, FAWCETT & MAUK

RICHARD A. SKINNER

RAS/smj
Enclosures

SKINNER, FAWCETT & MAUK
ATTORNEYS AT LAW

RICHARD A. SKINNER
CHARLES W. FAWCETT
WILLIAM L. MAUK
W. CRAIG JAMES
ALAN C. HERZFELD

515 SOUTH 6TH STREET
POST OFFICE BOX 700
BOISE IDAHO 83701
TELEPHONE (208) 345-2654
TELECOPIER (208) 345-2668

TELECOPIER COVER LETTER

PLEASE DELIVER THE FOLLOWING PAGES TO:

NAME: Scott McDonald

FIRM: Pocatello Development Authority

TELECOPIER PHONE NUMBER: 233-4841

TOTAL NUMBER OF PAGES INCLUDING COVER LETTER: 5

FROM: Richard A. Skinner, Esq.

ADDITIONAL MESSAGE: Enclosed are copies of correspondence sent
earlier to Stuart Bullington. Please call if you have
any questions. Rick Skinner

DATE TRANSMITTED: 1/11/90 TIME TRANSMITTED: 10:10

IF YOU DO NOT RECEIVE ALL PAGES, OR THEY ARE NOT READABLE,
PLEASE CALL (208) 345-2654 AS SOON AS POSSIBLE AND ASK FOR OPERATOR


TRANSMITTED FROM A SHARP FO-600 (Group 3) - (208) 345-2663

SUMMARY SCHEDULE - CERATILE POCATELLO PROJECT															
r1c11-Jan-90		P=PLANNED; C= COMPLETED; S= SLIPPAGE													
WEEKS AFTER START	0	4	8	12	16	20	24	28	32	36	40	44	48	52	56
MONTH	Nov	Dec	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
DAY	5	3	31	28	25	25	22	20	17	15	12	9	7	4	2
ACTIVITY															
US equipment/engineering															
Prepare process diagrams	PPPP C														
Prepare arrangement drwns	PPPPPPPS S														
Prepare permit application	PPPP C														
Prepare eqpmnt drwns, specs	PPPPPP														
Solicit equipment bids	PPPPPP														
Select equipment vendors	PPPPPP														
Procure equipment	PPPPPPPPPPPPPPPPPP														
Mori equipment/engineering															
Complete equipment specs	PPPPP														
Approve US eqmnt selection	PPPP S														
Revise layout	PPPPPPS S														
Prepare drawings	PPPPPPS S														
Transmit drawings	PPPS														
Assemble 1st order eqmnt	PPPPPPPPPPPPPPPPPP														
Ship 1st order eqmnt	PPPP														
Assemble 2nd order eqmnt	PPPPPPPPPPPPPPPPPPPP														
Ship 2nd order eqmnt	PPPP														
Building preparation															
Raw mtl strge drwns, specs	PPPP														
Foundation drwns, specs	PPPP														
Structural steel drwns, specs	PPPP														
Prepare utility drawings	PPPP														
Solicit construction bids	PPPP														
Prepare office	PPPP														
Construct foundations	PPPP														
Install utilities	PPPPPPPPPP														
Remodeling (rest rooms, dock)	PPPPPP														
Equipment installation															
Install US equipment	PPPPPPPPPPPPPP														
Install Mori equipment	PPPPPPPPPPPPPPPP														
Equipment commissioning															
Commission US equipment	PPPPPPPPPPPP														
Commission Mori equipment	PPPPPPPPPPPP														
Staffing, Training															
Hire key maintenance men	PPPP														
Italy training	PPPP														
Hire key operational men	PPPPP														
US training	PPPPPPPPPPPP														

Mr. Stuart Bullington
Executive Director
Pocatello Development Authority
1651 Alvin Ricken Drive
Pocatello, ID 83201

Dear Mr. Bullington:

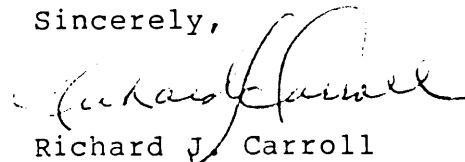
This letter is to confirm my intention to purchase the five city lots as depicted by your development area plan. The selling price is \$20,689.00. Ernest money of \$251.01 is a good faith deposit. If, for any reason, sale does not close, this earnest money is to be refunded.

Terms are for a payment of \$251.01 for ten years at 8%, mortgage to be paid to the Pocatello Development Authority between the 1st and the 15th of each month.

Sale Contingencies

1. My approval of the landscape design.
2. Property tax levy will be on the basis of selling price.
3. If Yellowstone Plaza is developed then remaining mortgage will be discharged for \$100.00 at the time of commencing construction.
4. Land to be deeded shall be free of any and all encumbrances exclusive of the deed of trust with Pocatello Development Authority.
5. The purchaser of this property will be a partnership as yet to be named.

Sincerely,



Richard J. Carroll

12/11/89

Proposal to: Pocatello Development Authority

Proposed by:

Olney R. Perry
1907 Camrose Street, Idaho Falls, Idaho 83402
Telephone: (208) 522-9548
Interest: Owner of Fargo Apartment Building

Proposal:

I hereby propose to purchase the north half of lot 16 and all of lot 17 of Block 449 of the Original Pocatello Townsite. I understand that the purchase price will be approximately \$6205.50 and that the entire selling price will be financed at 8% interest amortized over 10 years.

Intended use:

This land will be used for parking for the tenants and guests of the Fargo Apartment Building. The 45 feet proposed herein will be added to the south 1/2 of lot 16, which I already own, to provide a parking area 62 feet wide and 140 feet long. The area will be laid-out with a center driveway running from Arthur to the alley with 90-degree parking on each side of the driveway. The area will be made to conform to all appropriate rules and regulations. I anticipate that the area will hold approximately 28 vehicles. I am attaching a Table of Parking-Lot Sizes that was furnished to me by the City of Pocatello.

This new parking area along with already existing parking space will provide for all of the vehicles which we normally have at the Fargo Apartments. The described parking area will be separated from the main apartment building by a landscaped area approximately 17 feet wide running the full length of the north side of the apartment building.

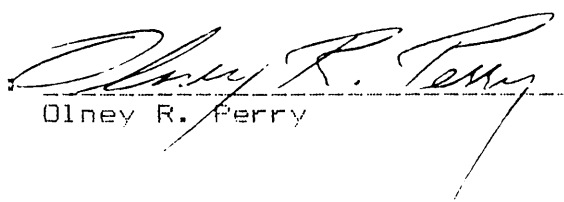
Landscaping easement:

As required, I will provide the Pocatello Development Authority with a landscaping easement around the perimeter of the lots.

Financial statement: Attached

Earnest money: \$75.30 attached

Signed: _____


Olney R. Perry

14 December 1989

Pocatello Development Authority
c/o Stuart Bullington
1651 Alvin Ricken Dr.
Pocatello, Id.

Dear Stuart,

This proposal, submitted by Judy Huse and Tim Whiteus, dba Venture Development is to develop the southern most five lots of the redevelopment property for commercial business purposes. Several options exist, the most favorable of which for Venture Development would be to secure "build to suit" leases for any or all of the proposed 10,000 square foot commercial building. Venture Development proposes to construct said building within 24 months following the completion of the financial agreements with the Pocatello Development Authority. In the interim period, the property could continue to be used for parking by the local residents and business patrons.

The architectural approach would be to construct a building with a complementary exterior to that of old downtown Pocatello.

Interior space utilization is anticipated to be approximately 10,000 square feet. Depending on tenant requirements, the building could accomodate up to six individual businesses. It is hoped that the building could be utilized for low traffic businesses such as professional offices.

Landscaping would be coordinated with the proposal from the Pocatello Development Authority. Parking would be developed as per the enclosed sketch, in conjunction with the parking area proposed for the northern 5 lots.

Additional parking would be provided at the south and east portion of the southern 5 lots. All entry and exits from this parking would be from Whitman Street.

The enclosed sketch is from one of many options and Venture Development remains flexible and encourages suggestions regarding landscaping and parking from the Pocatello Development Authority.

Thank you for considering this proposal and if additional information is required please contact myself or Judy Huse.

A handwritten signature in black ink, appearing to read "Tom White". The signature is written in a cursive style with a long horizontal stroke at the end.

Pocatello Development Authority

MAIN & BONNEVILLE DOWNTOWN IMPROVEMENT PROJECT

REQUEST FOR DEVELOPMENT PROPOSALS

INTRODUCTION: The Pocatello Development Authority (hereafter PDA), an Urban Renewal Agency, requests proposals from developers for the Main & Bonneville Downtown Improvement Project Area. The PDA intends to acquire approximately fourteen substandard commercial lots from Main to Arthur, Bonneville to Whitman and sell the lots to interested developers. The primary objective of the PDA is to:

- Encourage interested developers to improve the area and the entryway into Downtown Pocatello;
- To provide attractive acquisition financing;
- To develop a Project Landscaping Plan and implement the Plan in the Spring of 1990; and
- To leverage the development of the Historic Yellowstone Hotel, new commercial buildings, or improved parking areas for adjacent businesses.

PROJECT LOCATION: The overall project area extends from Arthur to the Union Pacific Depot, and from Whitman Street to Bonneville.

This request for proposals is for the specific area, as shown on the attached map, which includes fourteen and one half lots from Whitman to Bonneville, Main to Arthur.

REQUEST FOR PROPOSALS: The PDA requests proposals from developers for all or portions of the lots. Proposed uses may include parking lots, new construction of commercial buildings, or the rehabilitation of adjacent commercial buildings.

CONTENTS: Each proposal must include the following:

- Name, address, and phone number of the proposer.
- A detailed description of the proposed use.
- A personal financial statement.
- A commitment to provide the PDA with a landscaping easement around the perimeter of the lot(s).
- An earnest money deposit according to the following:
 - Five Lots - \$251.01
 - Ten Lots - \$501.93
 - Fourteen and One Half Lots - \$727.97

(These amount to one months financing payments according to the terms explained under PDA Proposal.)

PDA PROPOSAL: The PDA proposes the following:

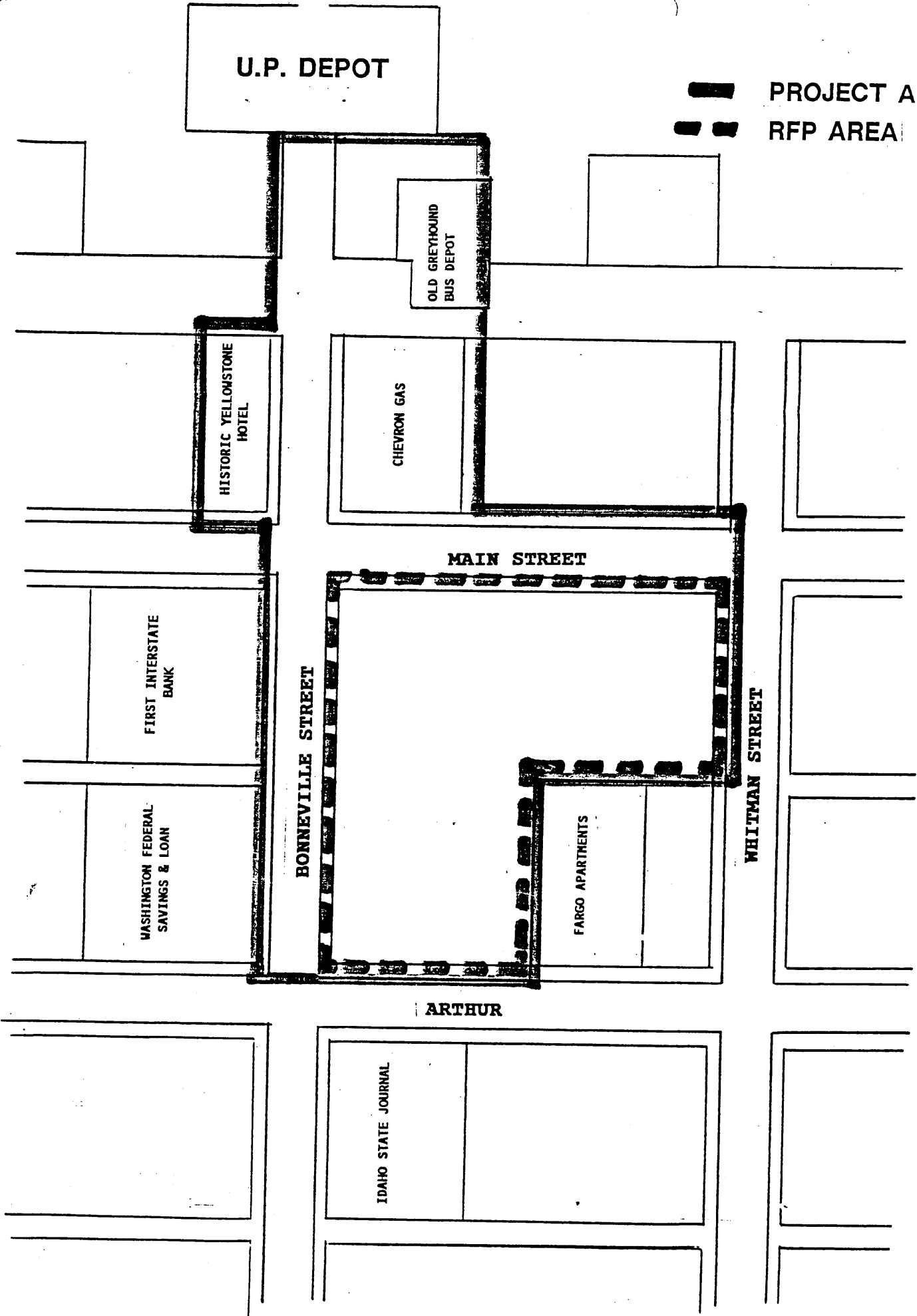
- Provide clear title (Deed of Trust) complete with Environmental Assessment;
- Acquisition financing according to the following terms:
 - 8% interest, 10-year terms, no money down;
- All exterior landscaping and improvement costs as per the approved Project Landscaping Plan; and
- As a special incentive to encourage the construction of new commercial buildings or the rehabilitation of adjacent buildings, the PDA will defer all remaining principal and interest payments to the developer upon completion of construction or rehabilitation of a commercial building and receipt of an occupancy permit from the City's Building Department.

PROPOSAL DEADLINES: All proposals must be submitted prior to 4:30 P.M. on December 15th, 1989 to:

Stuart Bullington, Executive Director
c/o SICOG
1651 Alvin Ricken Drive
Pocatello, Idaho 83201
Phone: (208) 233-4032

PROJECT AREA MAP

PROJECT AREA
RFP AREA



U.P. DEPOT

OLD GREYHOUND
BUS DEPOT

HISTORIC YELLOWSTONE
HOTEL

CHEVRON GAS

MAIN STREET

FIRST INTERSTATE
BANK

WASHINGTON FEDERAL
SAVINGS & LOAN

BONNEVILLE STREET

FARGO APARTMENTS

WHITMAN STREET

ARTHUR

IDAHO STATE JOURNAL

HUSE WHITEUS

Judy A. Huse
Tim Whiteus
622 South 6th
Pocatello, Id. 83201
(208) 232-0969

November 1, 1989

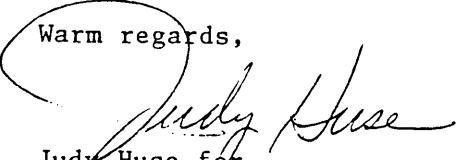
Stuart Bullington
Executive Director
Pocatello Development Authority
1651 Alvin Ricken Drive
Pocatello, Idaho 83201

Dear Mr. Bullinton,

It is our intent to pursue the offer of Lots 6-10 located on the southern end of the designated block for \$20,700, at 8% interest for ten years at the \$251 payment.

Please keep us informed on any new developments with this project.

Warm regards,


Judy Huse for
Judy Huse and Tim Whiteus

374 Fairway Drive
Pocatello, ID 83201
January 6, 1990

Pocatello Development Authority
c/o Dean Funk, Chairman

Gentlemen:

I understand the PDA is presently considering proposals for the telephone property at Main and Bonneville. If those proposals do not materialize, Northland Financial Corporation would value the opportunity to develop this property.

Our proposal would be that the PDA grant a 90 day option for the entire parcel for a fee of \$300. The sales price would be at the telephone company's appraised value (approximately \$40,000+). This option would be renewable for an additional 90 days for an additional \$500 fee. The second renewal would be for 180 days for \$1000. If and when the option is exercised, we would pay the entire sales price in cash.

If this proposal is accepted, we would prefer that American Land Title be the escrow agent.

I would be happy to meet with your commission at any time to discuss this proposal.

Sincerely,



Richard S. Finlayson
Northland Financial Corporation

cc: Scott McDonald

GREEN, SERVICE, GASSER & KERL
ATTORNEYS AT LAW
2045 E. CENTER — P.O. BOX 4883
POCATELLO, IDAHO 83205-4883

TELEPHONE (208) 232-4471
FAX (208) 232-1808

DUANE A. BYBEE**
OF COUNSEL

BOISE OFFICE

SUITE 302 JEFFERSON PLACE
350 NINTH STREET
P.O. BOX 1887
BOISE, IDAHO 83701
TELEPHONE (208) 343-2222

JAMES B. GREEN
ARCHIE W. SERVICE
CLARK GASSER*
RON KERL
JIM D. PAPPAS
FREDERICK L. RINGE
STEVEN V. RICHERT
GUY R. PRICE

RICK CARNAROLI
JAMES A. SPINNER
KAY E. MOORE
BART GREEN
ROBERT J. WILLIAMS (Boise Office)

January 11, 1990

*Also Member D.C. Bar
**Also Member Utah Bar

Mr. Scott McDonald
SICOG, Inc.
1651 Alvin Ricken Drive
Pocatello, ID 83201

Re: Conflict of Interest/Pocatello Development
Authority/Finlayson

Dear Mr. McDonald:

You have asked us to review the law of public official conflict of interest and to render an opinion concerning former Mayor Richard Finlayson's recent proposal to contract with the Pocatello Development Authority. Briefly, no provision in any existing law appears to prevent former Mayor Finlayson from entering into contracts with the Pocatello Development Authority.

I understand that as Mayor, Richard Finlayson sat on the Board of Directors of the Pocatello Development Authority, and now after relinquishing his position of Mayor and his Board seat, Mr. Finlayson wishes to contract with the PDA to develop property located at Main and Bonneville, Pocatello. I further understand that the PDA does not have any by-laws to provide guidance. Consequently, we have reviewed the statutory provisions you have forwarded to us, the City of Pocatello Municipal Code and related State statutes in an attempt to glean any prohibitions or policy indications which might control the situation.

After review of all the State level conflict of interest provisions and the City of Pocatello Municipal Code, we have been unable to locate any provision which prohibits a former public officer and employee from contracting for personal gain with his or her public entity, once no longer in office. Several Code provisions limit personal activity while still an

January 11, 1990
Page 2

officer of a public entity, however, no provision currently prevents a former officer from contracting with the public entity.

It is somewhat unclear from which enabling provision the PDA draws life. If the PDA is a creature of the Urban Renewal Law found at Idaho Code §50-2002, et seq., conflict of interest rules derive directly from State statute. (Section 50-2006(b)(2)) dictates that an agency created under the provision acts "as arm of state government entirely separate and distinct from the municipality."). The sole conflict of interest provision in the Urban Renewal Law provides:

"Interested public officials, commissioners or employees.--No public official or employee of a municipality (or board or commission thereof), and no commissioner or employee of an urban renewal agency shall voluntarily acquire any personal interest, direct or indirect, in any urban renewal project, or in any property included or planned to be included in any urban renewal project in such municipality or in any contract or proposed contract in connection with such urban renewal project. Where such acquisition is not voluntary, the interest acquired shall be immediately disclosed in writing to the agency and such disclosure shall be entered upon the minutes of the agency. If any such official, commissioner or employee presently owns or controls, or owned or controlled within the preceding two (2) years, any interest, direct or indirect, in any property which he knows is included or planned to be included in an urban renewal project, he shall immediately disclose this fact in writing to the agency, and such disclosure shall be entered upon the minutes of the agency, and any such official, commissioner or employee shall not participate in any action by the municipality (or board or

January 11, 1990
Page 3

commission thereof), or urban renewal agency affecting such property. Any violation of the provisions of this section shall constitute misconduct in office."

As you can see from a reading of the statute, it is only directed to sitting public officials or employees and does not address the ability of a former employee or public official to deal with his former entity.

If the PDA was formed pursuant to the provisions of the Municipal Industrial Development Program, that enabling statute allows for the formation of a public corporation under the auspices of a creating municipality. In short the "public corporation" draws its existence from the municipality. I.C. §50-2706 which provides:

"A public corporation established under the terms of this chapter constitutes an authority and an instrumentality of the municipality which creates it..."

The Municipal Industrial Program scheme prohibits any director, officer, agent or employee of the public corporation from being directly or indirectly financially interested in any property to be included or any contract for property, services or materials to be furnished or used in connection with any industrial development facility financed through the public corporation. I.C. 50-2705. Again, no specific limitation is found within that act which would prevent a former director or officer from contracting with the public corporation.

Assuming that the PDA may be a branch of the City of Pocatello, I have reviewed the conflict of interest law found in the Pocatello Code at §2.56.030. I have attached a copy of the provision with this letter. As with the previously discussed provisions, the Pocatello Code only prohibits a current official or employee from

January 11, 1990
Page 4

financial or personal interest in transacting with the public body. The City Code also requires the city official to make "full public disclosure of the nature and extent of such interest". Under the City Code a sitting official can still have a personal or financial interest in a transaction with the public body, however, could not vote or participate in any discussions concerning any votes which might affect that interest. No provision prohibits a former public official or employee from contracting with the City of Pocatello.

After reviewing all of the existing rules against public conflict of interest, we have been unable to locate any provision which would prevent a former officer from contracting or transacting business with the public entity with which he was formerly aligned. As you may be aware, Congress is looking into rules to prohibit self dealing by former government employees and officials, however, we are not aware of any provisions which would apply to these circumstances. Our conclusion is that although it may appear to be tainted, Mr. Finlayson may freely contract with the City of Pocatello or the Pocatello Development Authority. Any taint which may arise simply by the former relationship ought to be minimized if full public disclosure is made and that the bidding process is followed. One California Supreme Court opinion found the "spirit" of a conflicts of interest law to be violated where a former official took part in drafting the specifications for a building project subsequently awarded to the former official's plumbing firm. Unless Mr. Finlayso engaged in active participation of any proposed plan, I suggest that no ethical "spirit" would be violated. It should always be noted, however, that an "appearance" of impropriety will arise. A policy decision should be made whether to allow a period of time to elapse to distance any potential claim of unfairness.

I hope we have addressed your concerns. Please give me a call at your convenience if you wish to

January 11, 1990
Page 5

discuss any facet we may have overlooked or would like to discuss the situation in more detail.

Very truly yours,

GREEN, SERVICE, GASSER & KERL

A handwritten signature in black ink, appearing to read "Ron Kerl", written over the printed name.

Ron Kerl

RK/ljs
Enc.
1/10/011/2

to make available to the public at large or which are provided as a matter of state public policy for the use of officials and employees in the conduct of official business. (Prior code §1-16-3)

2.56.030 Conflict of interest. A. Financial or Personal Interest. No official or employee, either on his own behalf or on behalf of any other person, shall have any financial or personal interest in any business or transaction with any public body unless he first makes full public disclosure of the nature and extent of such interest.

B. Disclosure and Disqualification. Whenever the performance of his official duties shall require any official or employee to deliberate and vote on any matter involving his financial or personal interest, he shall publicly disclose the nature and extent of such interest and disqualify himself from participating in the deliberation as well as in the voting.

C. Incompatible Employment. No official or employee shall engage in private employment with, or render services for, any private person who has business transactions with any public body unless he shall first make full public disclosure of the nature and extent of such employment or services.

D. Gifts and Favors. No official or employee shall accept any gift whether in the form of money, thing, favor, loan or promise. The prohibition against gifts, favors, etc. in this section shall not apply to:

1. An occasional nonpecuniary gift insignificant in value;
2. An award or gift publicly presented in recognition of public service;
3. Any gift that would have been given if he were not an official or employee.

No official or employee shall use or permit the use of any confidential information to advance the financial or personal interest of himself or any other person.

E. Nepotism. No elected official shall appoint or vote for appointment of any person related to him by blood or marriage to any clerkship, office, position, employment or duty, when the salary, wages, pay or compensation is to be paid out in public funds as provided in section 59-701, Idaho Code. (Prior code §1-16-4)

2.56.040 Enforcement. A. In the event the conduct of any official or employee appears to be in conflict with this chapter, the appointing authority shall provide what sanction seems appropriate including censure, suspension, or removal and make public disclosure of the circumstances and action taken. Such action must be in accordance with duly adopted rules, regulations and contracts concerning public employment.

Pocatello Development Authority

December 20, 1989

Nancy Hale
Southeast Idaho In-Home Services
940 East Clark
Pocatello, Idaho 83201

Dear Ms. Hale:

After meeting with you on December 19, 1989, the consensus of the members of the Pocatello Development Authority (PDA) is to enter into a development agreement with Southeast Idaho In-Home Services for the PDA to design and construct a facility which fits your service needs.

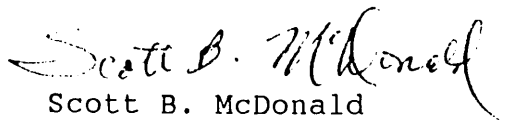
The facility will be located on land donated to PDA by U. S. West.

We see the adult day care center as an integral part of the revitalization of downtown Pocatello. The proposed development of the Yellowstone Hotel into elderly housing units will compliment your services.

We believe you will find that this location will provide you with the opportunities you seek to enhance the quality of life for your clients and educate the public concerning the important needs of the elderly.

We look forward to working with you to make this project a reality.

Sincerely,



Scott B. McDonald
Acting Director
Pocatello Development Authority

Pocatello Development Authority

January 10, 1990

Karen Speidel
Idaho Office on Aging
Statehouse
Boise ID 83720

Dear Karen:

The adult day care project has certainly turned out to be a challenge to all of us committed to its successful implementation within the local community. It's exciting to explore other alternatives with you as we look for ways to make this enterprise even more successful.

You raise some very important issues needing to be addressed by the PDA proposal. Let us examine each of those issues.

CHANGE IN PROJECT SCOPE, BUDGET AND TIMELINE

PROJECT SCOPE - The original Federal grant, one of four given nationwide, was based on several reasons, a very important one being the novelty of housing an adult day care facility within a shopping mall. We understand this to be a very critical issue that needs to be examined closely in any alternative. The PDA's proposal, which is to construct a mall in downtown Pocatello, with adult day care being the focal point, does address this issue. The PDA will seek to fill the other rental space within the building with businesses and/or organizations whose services compliment and enhance adult day care, thereby providing the same type of setting that is available at Pine Ridge Mall, with some other advantages. We see the new mall as being capable of providing opportunities for interaction between the clients and the downtown in the form of intergenerational programming, practicums with students from ISU, salon and optometrist services, as a few examples. We also believe that the new location will provide you with support in hard cash, from the City of Pocatello, that you cannot hope to receive from the City of Chubbuck. (e.g. SEICAA currently receives \$20,000/year from the City of Pocatello and \$25,000 from Bannock County and \$2,000 from the City of Chubbuck.)

BUDGET REVISION - One of your primary concerns is that the budget on the AOA grant will need an extensive revision, causing the Federal government to withdraw the dollars from this project. However, it can be shown that the PDA proposal will require no budget changes.

The PDA proposes to charge S.I.I.H.S. \$5,000/month for the first 24 months, which is comparable to rental costs at Pine Ridge Mall. This money, totaling \$120,000 will be paid initially. For two years following, S.I.I.H.S. will make no payment to the PDA on rental space.

The PDA also proposes to build you the shell of the building and require that you invest \$70,000 to renovate the interior space, to fulfill requirements for this type of facility.

S.I.I.H.S. total initial funding for the project would be \$190,000.

After the two year period, PDA will charge \$2,194/month rent or a reduction of \$1400/month projected at Pine Ridge Mall.

S.I.I.H.S. will pay no taxes on the space.

S.I.I.H.S. will no longer be required to solicit local corporations, businesses and individuals for an additional \$80,000 to \$100,000 to renovate and furnish the mall space.

With the PDA option, there is also a concern about the amount of match during the grant period.

I agree, Karen, that we should petition the Federal government to allow U.S. West's donation of \$46,000 to purchase the land at the mall site to be used as a match.

Here are several other real possibilities for match:

Since the PDA will not charge Southeast Idaho In-Home Services rent on the common areas of the mall, that donation will generate approximately \$3,700/month or \$72,000/year in match. This is allowable and parallels some matching used in the initial grant proposal.

It is also possible for the PDA to apply for and receive a \$100,000 Community Development Block Grant (CDBG) earmarked for adult day care. Because of the potential for this project to help vitalize downtown Pocatello and begin a domino effect of interest and investment, it is not unlikely that this type of grant would gain approval.

The development costs for the project, which PDA would pay and donate are also allowable match. These would amount to 8% of \$330,000 or \$26,400.

My suggestion that you consider the PDA's offer is also based on a knowledge of city politics and an understanding of the amount of support you will garner from the City of Pocatello should you join in partnership with the PDA. Once PDA invests dollars and energy in your enterprise, we intend to work with you to maintain S.I.I.H.S.'s stability and growth as an agency serving elderly needs. We are also aware of the potential consequences for lack of support, in real dollars, from Pocatello should you locate outside the city. Because city politics do play a role in funding, we ask that you invest in the City of Pocatello so they may more readily invest in you.

Page 3
January 10, 1990

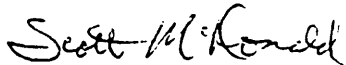
The bottom line is this: Using the PDA approach, over a fifteen year period, the total cost of the project at Pine Ridge Mall is estimated to be \$768,000 as compared to \$516,693. That's a projected savings of over \$250,000.

Despite the fact that this is a demonstration grant, and it has been argued that we do not need to be concerned with long-term consequences, it seems unwise from a community and business standpoint to make a major investment in something that you have not planned into the future. We do offer another option.

PROJECT TIMELINE - It is true that the project timeline will need to be altered if the PDA alternative is chosen. Being realistic, with the delays that have occurred in the original project, you are looking at a May 15 opening at Pine Ridge Mall. The PDA plan would allow for S.I.I.H.S. to be doing business by December 1. Given the advantages, we suggest the delay would be worth considering.

SUMMARY - Whatever the outcome of your decision making process, I have enjoyed exploring the pros and cons of different alternatives with you. Of course, I hope that you choose the PDA's offer and regardless, look forward to talking with you in the very near future.

Sincerely,



Scott McDonald
Acting Director, PDA

SM/csa

Plan A:

PIKE RIDGE HALL 01-03-1990 Pg 1

Compounding period...: Monthly

Nominal annual rate...: 10.000 %
 Effective annual rate: 10.471 %
 Periodic rate.....: 0.8333 %
 Equivalent daily rate: 0.02740 %

CASH FLOW DATA

Event	Date	Amount	Period	End-date
1 Loan	01-01-90	505,201.64	1	
2 Payment	01-01-90	100,000.00	1	
3 Payment	01-01-90	5,000.00	24 Monthly	12-01-91
4 Payment	01-01-92	3,000.00	156 Monthly	12-01-04

AMORTIZATION SCHEDULE - Normal amortization

Pmt	Date	Payment	Interest	Principal	Balance
Loan	01-01-1990				505,201.64
1	01-01-1990	100,000.00	0.00	100,000.00	325,201.64
2	01-01-1990	5,000.00	0.00	5,000.00	320,201.64
3	02-01-1990	5,000.00	2,660.35	2,331.65	317,869.99
4	03-01-1990	5,000.00	2,640.92	2,351.08	315,518.91
5	04-01-1990	5,000.00	2,629.32	2,370.68	313,148.23
6	05-01-1990	5,000.00	2,609.57	2,390.43	310,757.80
7	06-01-1990	5,000.00	2,589.65	2,410.35	308,347.45
8	07-01-1990	5,000.00	2,569.56	2,430.44	305,917.01
9	08-01-1990	5,000.00	2,549.31	2,450.69	303,466.32
10	09-01-1990	5,000.00	2,528.89	2,471.11	300,995.21
1990 Totals		225,000.00	20,793.57	204,206.43	
11	10-01-1990	5,000.00	2,508.29	2,491.71	298,503.50
12	11-01-1990	5,000.00	2,487.53	2,512.47	295,991.03
13	12-01-1990	5,000.00	2,466.59	2,533.41	293,457.62
14	01-01-1991	5,000.00	2,445.40	2,554.60	290,903.02
15	02-01-1991	5,000.00	2,424.19	2,576.81	288,327.21
16	03-01-1991	5,000.00	2,402.73	2,599.27	285,730.94
17	04-01-1991	5,000.00	2,381.00	2,610.92	283,111.10
18	05-01-1991	5,000.00	2,359.26	2,640.74	280,470.36
19	06-01-1991	5,000.00	2,337.25	2,662.75	277,807.61
20	07-01-1991	5,000.00	2,315.06	2,684.94	275,122.67
21	08-01-1991	5,000.00	2,292.69	2,707.31	272,415.36
22	09-01-1991	5,000.00	2,270.13	2,729.87	269,685.49
1991 Totals		60,000.00	20,690.20	31,309.72	
23	10-01-1991	5,000.00	2,247.30	2,752.70	266,932.79
24	11-01-1991	5,000.00	2,224.44	2,775.56	264,157.23
25	12-01-1991	5,000.00	2,201.31	2,798.69	261,358.54
26	01-01-1992	3,000.00	2,177.99	822.01	260,536.53
27	02-01-1992	3,000.00	2,171.14	828.86	259,707.67

Pat. Date	Payment	Interest	Principal	Balance
28 03-01-1992	3,000.00	2,164.23	835.77	250,071.90
29 04-01-1992	3,000.00	2,157.27	842.73	250,029.25
30 05-01-1992	3,000.00	2,150.24	849.76	257,179.49
31 06-01-1992	3,000.00	2,143.16	856.84	256,322.65
32 07-01-1992	3,000.00	2,136.02	863.90	255,450.67
33 08-01-1992	3,000.00	2,128.82	871.18	254,587.49
34 09-01-1992	3,000.00	2,121.56	878.44	253,709.05
1992 totals	42,000.00	26,023.56	15,976.44	
35 10-01-1992	3,000.00	2,114.24	885.76	252,823.29
36 11-01-1992	3,000.00	2,106.86	893.14	251,930.15
37 12-01-1992	3,000.00	2,099.42	900.58	251,029.57
38 01-01-1993	3,000.00	2,091.91	908.09	250,121.48
39 02-01-1993	3,000.00	2,084.35	915.65	249,205.83
40 03-01-1993	3,000.00	2,076.72	923.28	248,282.55
41 04-01-1993	3,000.00	2,069.02	930.98	247,351.57
42 05-01-1993	3,000.00	2,061.26	938.74	246,412.83
43 06-01-1993	3,000.00	2,053.44	946.56	245,466.27
44 07-01-1993	3,000.00	2,045.55	954.45	244,511.82
45 08-01-1993	3,000.00	2,037.60	962.40	243,549.42
46 09-01-1993	3,000.00	2,029.50	970.42	242,579.00
1993 totals	36,000.00	24,069.95	11,130.05	
47 10-01-1993	3,000.00	2,021.49	978.51	241,600.49
48 11-01-1993	3,000.00	2,013.34	986.66	240,613.83
49 12-01-1993	3,000.00	2,005.12	994.88	239,618.95
50 01-01-1994	3,000.00	1,996.82	1,003.18	238,615.77
51 02-01-1994	3,000.00	1,988.46	1,011.54	237,604.23
52 03-01-1994	3,000.00	1,980.04	1,019.96	236,584.27
53 04-01-1994	3,000.00	1,971.54	1,028.46	235,555.81
54 05-01-1994	3,000.00	1,962.97	1,037.03	234,518.78
55 06-01-1994	3,000.00	1,954.32	1,045.68	233,473.10
56 07-01-1994	3,000.00	1,945.61	1,054.39	232,418.71
57 08-01-1994	3,000.00	1,936.82	1,063.18	231,355.53
58 09-01-1994	3,000.00	1,927.96	1,072.04	230,283.49
1994 totals	36,000.00	23,784.49	12,295.51	
59 10-01-1994	3,000.00	1,919.03	1,080.97	229,202.52
60 11-01-1994	3,000.00	1,910.02	1,089.98	228,112.54
61 12-01-1994	3,000.00	1,900.94	1,099.06	227,013.48
62 01-01-1995	3,000.00	1,891.78	1,108.22	225,905.26
63 02-01-1995	3,000.00	1,882.54	1,117.46	224,787.80
64 03-01-1995	3,000.00	1,873.23	1,126.77	223,661.03
65 04-01-1995	3,000.00	1,863.84	1,136.16	222,524.87
66 05-01-1995	3,000.00	1,854.37	1,145.63	221,379.24
67 06-01-1995	3,000.00	1,844.83	1,155.17	220,224.07
68 07-01-1995	3,000.00	1,835.20	1,164.80	219,059.27
69 08-01-1995	3,000.00	1,825.49	1,174.51	217,884.76
70 09-01-1995	3,000.00	1,815.71	1,184.29	216,700.47

Pmt	Date	Payment	Interest	Principal	Balance
1995	Totals	36,000.00	22,416.90	13,503.02	
71	10-01-1995	3,000.00	1,885.84	1,194.16	215,506.31
72	11-01-1995	3,000.00	1,795.89	1,204.11	214,302.20
73	12-01-1995	3,000.00	1,705.85	1,214.15	213,088.05
74	01-01-1996	3,000.00	1,715.73	1,224.27	211,863.78
75	02-01-1996	3,000.00	1,725.53	1,234.47	210,629.31
76	03-01-1996	3,000.00	1,735.24	1,244.76	209,384.55
77	04-01-1996	3,000.00	1,744.87	1,255.13	208,129.42
78	05-01-1996	3,000.00	1,734.41	1,265.59	206,863.83
79	06-01-1996	3,000.00	1,723.87	1,276.13	205,587.70
80	07-01-1996	3,000.00	1,713.23	1,286.77	204,300.93
81	08-01-1996	3,000.00	1,702.51	1,297.49	203,003.44
82	09-01-1996	3,000.00	1,691.70	1,308.30	201,695.14
1996	Totals	36,000.00	20,994.67	15,005.33	
83	10-01-1996	3,000.00	1,680.79	1,319.21	200,375.93
84	11-01-1996	3,000.00	1,669.80	1,330.20	199,045.73
85	12-01-1996	3,000.00	1,658.71	1,341.29	197,704.44
86	01-01-1997	3,000.00	1,647.54	1,352.46	196,351.98
87	02-01-1997	3,000.00	1,636.27	1,363.73	194,988.25
88	03-01-1997	3,000.00	1,624.90	1,375.10	193,613.15
89	04-01-1997	3,000.00	1,613.44	1,386.56	192,226.59
90	05-01-1997	3,000.00	1,601.89	1,398.11	190,828.48
91	06-01-1997	3,000.00	1,590.24	1,409.76	189,418.72
92	07-01-1997	3,000.00	1,578.49	1,421.51	187,997.21
93	08-01-1997	3,000.00	1,566.64	1,433.36	186,563.85
94	09-01-1997	3,000.00	1,554.78	1,445.20	185,118.55
1997	Totals	36,000.00	19,423.41	16,576.59	
95	10-01-1997	3,000.00	1,542.85	1,457.35	183,661.20
96	11-01-1997	3,000.00	1,530.91	1,469.49	182,191.71
97	12-01-1997	3,000.00	1,518.96	1,481.74	180,709.97
98	01-01-1998	3,000.00	1,506.92	1,494.08	179,215.89
99	02-01-1998	3,000.00	1,494.87	1,506.53	177,709.36
100	03-01-1998	3,000.00	1,482.81	1,519.09	176,190.27
101	04-01-1998	3,000.00	1,470.75	1,531.75	174,658.52
102	05-01-1998	3,000.00	1,458.69	1,544.51	173,114.01
103	06-01-1998	3,000.00	1,446.62	1,557.30	171,556.63
104	07-01-1998	3,000.00	1,434.54	1,570.36	169,986.27
105	08-01-1998	3,000.00	1,422.45	1,583.45	168,402.82
106	09-01-1998	3,000.00	1,410.36	1,596.64	166,806.18
1998	Totals	36,000.00	17,607.63	18,312.37	
107	10-01-1998	3,000.00	1,398.25	1,609.95	165,196.23
108	11-01-1998	3,000.00	1,386.14	1,623.36	163,572.87
109	12-01-1998	3,000.00	1,374.01	1,636.89	161,935.98
110	01-01-1999	3,000.00	1,361.87	1,650.53	160,285.45
111	02-01-1999	3,000.00	1,349.71	1,664.29	158,621.16

Pat Date	Payment	Interest	Principal	Balance
112 03-01-1999	3,000.00	1,321.04	1,670.16	156,943.00
113 04-01-1999	3,000.00	1,307.06	1,692.14	155,250.86
114 05-01-1999	3,000.00	1,293.76	1,706.24	153,544.62
115 06-01-1999	3,000.00	1,279.54	1,720.46	151,824.16
116 07-01-1999	3,000.00	1,265.20	1,734.00	150,089.36
117 08-01-1999	3,000.00	1,250.74	1,749.26	148,340.10
118 09-01-1999	3,000.00	1,236.17	1,763.83	146,576.27
1999 Totals	36,000.00	15,770.89	20,229.91	
119 10-01-1999	3,000.00	1,221.47	1,770.53	144,797.74
120 11-01-1999	3,000.00	1,206.65	1,793.35	143,004.39
121 12-01-1999	3,000.00	1,191.70	1,800.30	141,196.09
122 01-01-2000	3,000.00	1,176.63	1,823.37	139,372.72
123 02-01-2000	3,000.00	1,161.44	1,830.56	137,534.16
124 03-01-2000	3,000.00	1,146.12	1,853.00	135,680.20
125 04-01-2000	3,000.00	1,130.67	1,869.33	133,810.95
126 05-01-2000	3,000.00	1,115.09	1,884.91	131,926.04
127 06-01-2000	3,000.00	1,099.30	1,900.62	130,025.42
128 07-01-2000	3,000.00	1,083.55	1,916.45	128,109.97
129 08-01-2000	3,000.00	1,067.57	1,932.43	126,176.54
130 09-01-2000	3,000.00	1,051.47	1,948.53	124,228.01
2000 Totals	36,000.00	13,651.74	22,340.26	
131 10-01-2000	3,000.00	1,035.23	1,964.77	122,263.24
132 11-01-2000	3,000.00	1,018.86	1,981.14	120,282.10
133 12-01-2000	3,000.00	1,002.35	1,997.65	118,284.45
134 01-01-2001	3,000.00	985.70	2,014.30	116,270.15
135 02-01-2001	3,000.00	968.92	2,031.00	114,239.07
136 03-01-2001	3,000.00	951.99	2,048.01	112,191.06
137 04-01-2001	3,000.00	934.93	2,065.07	110,125.99
138 05-01-2001	3,000.00	917.72	2,082.20	108,043.71
139 06-01-2001	3,000.00	900.36	2,099.64	105,944.07
140 07-01-2001	3,000.00	882.87	2,117.13	103,826.94
141 08-01-2001	3,000.00	865.22	2,134.70	101,692.16
142 09-01-2001	3,000.00	847.43	2,152.57	99,539.59
2001 Totals	36,000.00	11,311.50	24,680.42	
143 10-01-2001	3,000.00	829.50	2,170.50	97,369.09
144 11-01-2001	3,000.00	811.41	2,188.59	95,180.50
145 12-01-2001	3,000.00	793.17	2,206.83	92,973.67
146 01-01-2002	3,000.00	774.70	2,225.22	90,748.45
147 02-01-2002	3,000.00	756.24	2,243.76	88,504.69
148 03-01-2002	3,000.00	737.54	2,262.46	86,242.23
149 04-01-2002	3,000.00	718.69	2,281.31	83,960.92
150 05-01-2002	3,000.00	699.67	2,300.33	81,660.59
151 06-01-2002	3,000.00	680.50	2,319.50	79,341.09
152 07-01-2002	3,000.00	661.10	2,338.82	77,002.27
153 08-01-2002	3,000.00	641.69	2,358.31	74,643.96
154 09-01-2002	3,000.00	622.03	2,377.97	72,265.99

Yr	Date	Payment	Interest	Principal	Balance
2002	Totals	36,000.00	0,726.40	27,273.60	
155	10-01-2002	3,000.00	607.22	2,392.78	69,060.21
156	11-01-2002	3,000.00	582.24	2,417.76	67,450.45
157	12-01-2002	3,000.00	562.09	2,437.91	65,012.54
150	01-01-2003	3,000.00	541.77	2,450.23	62,554.31
159	02-01-2003	3,000.00	521.29	2,470.71	60,075.60
160	03-01-2003	3,000.00	500.63	2,499.37	57,576.23
161	04-01-2003	3,000.00	479.00	2,520.20	55,056.03
162	05-01-2003	3,000.00	458.00	2,541.20	52,514.83
163	06-01-2003	3,000.00	437.62	2,562.38	49,952.45
164	07-01-2003	3,000.00	416.27	2,583.73	47,368.72
165	08-01-2003	3,000.00	394.74	2,605.26	44,763.46
166	09-01-2003	3,000.00	373.03	2,626.97	42,136.49
2003	Totals	36,000.00	5,070.50	30,929.50	
167	10-01-2003	3,000.00	351.14	2,640.86	39,407.63
168	11-01-2003	3,000.00	329.06	2,670.94	36,816.69
169	12-01-2003	3,000.00	306.01	2,693.19	34,123.50
170	01-01-2004	3,000.00	284.36	2,715.64	31,407.86
171	02-01-2004	3,000.00	261.73	2,730.27	28,669.59
172	03-01-2004	3,000.00	230.91	2,761.09	25,908.50
173	04-01-2004	3,000.00	215.90	2,784.10	23,124.40
174	05-01-2004	3,000.00	192.70	2,807.30	20,317.10
175	06-01-2004	3,000.00	169.31	2,830.69	17,486.41
176	07-01-2004	3,000.00	145.72	2,854.28	14,632.13
177	08-01-2004	3,000.00	121.93	2,870.07	11,754.06
178	09-01-2004	3,000.00	97.95	2,902.05	8,852.01
2004	Totals	36,000.00	2,715.52	33,284.48	
179	10-01-2004	3,000.00	73.77	2,926.23	5,925.78
180	11-01-2004	3,000.00	49.30	2,950.62	2,975.16
181	12-01-2004	3,000.00	24.04	2,975.16	0.00
2004	Totals	9,000.00	147.09	8,852.91	
Grand Totals		760,000.00	262,790.36	505,201.64	

Compounding period... Monthly

Nominal annual rate... 10.000 %
 Effective annual rate: 10.471 %
 Periodic rate..... 0.8333 %
 Equivalent daily rate: 0.02740 %

CASH FLOW DATA

Event	Date	Amount	Period	End-date
1 Loan	01-01-90	330,000.00	1	
2 Payment	01-01-90	70,000.00	1	
3 Payment	01-01-90	5,000.00	24 Monthly	12-01-91
4 Payment	01-01-92	2,094.19	156 Monthly	12-01-04

AMORTIZATION SCHEDULE - Normal amortization

Pmt	Date	Payment	Interest	Principal	Balance
Loan	01-01-1990				330,000.00
1	01-01-1990	70,000.00	0.00	70,000.00	260,000.00
2	01-01-1990	5,000.00	0.00	5,000.00	255,000.00
3	02-01-1990	5,000.00	2,125.00	2,875.00	252,125.00
4	03-01-1990	5,000.00	2,101.04	2,898.96	249,226.04
5	04-01-1990	5,000.00	2,076.88	2,923.12	246,302.92
6	05-01-1990	5,000.00	2,052.52	2,947.48	243,355.44
7	06-01-1990	5,000.00	2,027.96	2,972.04	240,383.40
8	07-01-1990	5,000.00	2,003.20	2,996.80	237,386.60
9	08-01-1990	5,000.00	1,978.22	3,021.78	234,364.82
10	09-01-1990	5,000.00	1,953.04	3,046.96	231,317.86
1990 totals		115,000.00	16,317.86	98,682.14	
11	10-01-1990	5,000.00	1,927.65	3,072.35	228,245.51
12	11-01-1990	5,000.00	1,902.05	3,097.95	225,147.56
13	12-01-1990	5,000.00	1,876.23	3,123.77	222,023.79
14	01-01-1991	5,000.00	1,850.20	3,149.80	218,873.99
15	02-01-1991	5,000.00	1,823.95	3,176.05	215,697.94
16	03-01-1991	5,000.00	1,797.48	3,202.52	212,495.42
17	04-01-1991	5,000.00	1,770.80	3,229.20	209,266.22
18	05-01-1991	5,000.00	1,743.89	3,256.11	206,010.11
19	06-01-1991	5,000.00	1,716.75	3,283.25	202,726.86
20	07-01-1991	5,000.00	1,689.39	3,310.61	199,416.25
21	08-01-1991	5,000.00	1,661.80	3,338.20	196,078.05
22	09-01-1991	5,000.00	1,633.98	3,366.02	192,712.03
1991 totals		60,000.00	21,394.17	38,605.83	
23	10-01-1991	5,000.00	1,605.93	3,394.07	189,317.96
24	11-01-1991	5,000.00	1,577.65	3,422.35	185,895.61
25	12-01-1991	5,000.00	1,549.13	3,450.87	182,444.74
26	01-01-1992	2,094.19	1,520.37	573.82	181,870.92
27	02-01-1992	2,094.19	1,515.59	578.60	181,292.32

Pmt	Date	Payment	Interest	Principal	Balance
28	03-01-1992	2,094.19	1,510.77	583.42	180,708.90
29	04-01-1992	2,094.19	1,545.91	588.28	180,120.62
30	05-01-1992	2,094.19	1,581.01	593.18	179,527.44
31	06-01-1992	2,094.19	1,496.06	598.13	178,929.31
32	07-01-1992	2,094.19	1,491.08	603.11	178,326.20
33	08-01-1992	2,094.19	1,486.05	608.14	177,718.06
34	09-01-1992	2,094.19	1,480.98	613.21	177,104.85
1992	Totals	33,847.71	18,240.53	15,607.18	
35	10-01-1992	2,094.19	1,475.87	618.32	176,486.53
36	11-01-1992	2,094.19	1,470.72	623.47	175,863.06
37	12-01-1992	2,094.19	1,465.53	628.66	175,234.40
38	01-01-1993	2,094.19	1,460.29	633.90	174,600.50
39	02-01-1993	2,094.19	1,455.00	639.19	173,961.31
40	03-01-1993	2,094.19	1,449.68	644.51	173,316.80
41	04-01-1993	2,094.19	1,444.31	649.88	172,666.92
42	05-01-1993	2,094.19	1,438.89	655.30	172,011.62
43	06-01-1993	2,094.19	1,433.43	660.76	171,350.86
44	07-01-1993	2,094.19	1,427.92	666.27	170,684.59
45	08-01-1993	2,094.19	1,422.37	671.82	170,012.77
46	09-01-1993	2,094.19	1,416.77	677.42	169,335.35
1993	Totals	25,130.28	17,360.78	7,769.50	
47	10-01-1993	2,094.19	1,411.13	683.06	168,652.29
48	11-01-1993	2,094.19	1,405.44	688.75	167,963.54
49	12-01-1993	2,094.19	1,399.70	694.49	167,269.05
50	01-01-1994	2,094.19	1,393.91	700.28	166,568.77
51	02-01-1994	2,094.19	1,388.07	706.12	165,862.65
52	03-01-1994	2,094.19	1,382.19	712.00	165,150.65
53	04-01-1994	2,094.19	1,376.26	717.93	164,432.72
54	05-01-1994	2,094.19	1,370.27	723.92	163,708.80
55	06-01-1994	2,094.19	1,364.24	729.95	162,978.85
56	07-01-1994	2,094.19	1,358.16	736.03	162,242.82
57	08-01-1994	2,094.19	1,352.02	742.17	161,500.65
58	09-01-1994	2,094.19	1,345.84	748.35	160,752.30
1994	Totals	25,130.28	16,547.23	8,583.05	
59	10-01-1994	2,094.19	1,339.60	754.59	159,997.71
60	11-01-1994	2,094.19	1,333.31	760.88	159,236.83
61	12-01-1994	2,094.19	1,326.97	767.22	158,469.61
62	01-01-1995	2,094.19	1,320.58	773.61	157,696.00
63	02-01-1995	2,094.19	1,314.13	780.06	156,915.94
64	03-01-1995	2,094.19	1,307.63	786.56	156,129.38
65	04-01-1995	2,094.19	1,301.08	793.11	155,336.27
66	05-01-1995	2,094.19	1,294.47	799.72	154,536.55
67	06-01-1995	2,094.19	1,287.80	806.39	153,730.16
68	07-01-1995	2,094.19	1,281.08	813.11	152,917.05
69	08-01-1995	2,094.19	1,274.31	819.88	152,097.17
70	09-01-1995	2,094.19	1,267.48	826.71	151,270.46

Pmt	Date	Payment	Interest	Principal	Balance
1995	Totals	25,130.28	15,648.44	9,481.84	
71	10-01-1995	2,094.19	1,260.59	833.60	150,436.86
72	11-01-1995	2,094.19	1,253.64	840.55	149,596.31
73	12-01-1995	2,094.19	1,246.64	847.55	148,748.76
74	01-01-1996	2,094.19	1,239.57	854.62	147,894.14
75	02-01-1996	2,094.19	1,232.45	861.74	147,032.40
76	03-01-1996	2,094.19	1,225.27	868.92	146,163.48
77	04-01-1996	2,094.19	1,218.03	876.16	145,287.32
78	05-01-1996	2,094.19	1,210.73	883.46	144,403.86
79	06-01-1996	2,094.19	1,203.37	890.82	143,513.04
80	07-01-1996	2,094.19	1,195.94	898.25	142,614.79
81	08-01-1996	2,094.19	1,188.46	905.73	141,709.06
82	09-01-1996	2,094.19	1,180.91	913.28	140,795.78
1996	Totals	25,130.28	14,655.60	10,474.68	
83	10-01-1996	2,094.19	1,173.30	920.89	139,874.89
84	11-01-1996	2,094.19	1,165.62	928.57	138,946.32
85	12-01-1996	2,094.19	1,157.89	936.30	138,010.02
86	01-01-1997	2,094.19	1,150.00	944.11	137,065.91
87	02-01-1997	2,094.19	1,142.22	951.97	136,113.94
88	03-01-1997	2,094.19	1,134.28	959.91	135,154.03
89	04-01-1997	2,094.19	1,126.28	967.91	134,186.12
90	05-01-1997	2,094.19	1,118.22	975.97	133,210.15
91	06-01-1997	2,094.19	1,110.00	984.11	132,226.04
92	07-01-1997	2,094.19	1,101.88	992.31	131,233.73
93	08-01-1997	2,094.19	1,093.61	1,000.58	130,233.15
94	09-01-1997	2,094.19	1,085.28	1,008.91	129,224.24
1997	Totals	25,130.28	13,558.74	11,571.54	
95	10-01-1997	2,094.19	1,076.87	1,017.32	128,206.92
96	11-01-1997	2,094.19	1,068.39	1,025.80	127,181.12
97	12-01-1997	2,094.19	1,059.84	1,034.35	126,146.77
98	01-01-1998	2,094.19	1,051.22	1,042.97	125,103.80
99	02-01-1998	2,094.19	1,042.53	1,051.66	124,052.14
100	03-01-1998	2,094.19	1,033.77	1,060.42	122,991.72
101	04-01-1998	2,094.19	1,024.93	1,069.26	121,922.46
102	05-01-1998	2,094.19	1,016.02	1,078.17	120,844.29
103	06-01-1998	2,094.19	1,007.04	1,087.15	119,757.14
104	07-01-1998	2,094.19	997.98	1,096.21	118,660.93
105	08-01-1998	2,094.19	988.84	1,105.35	117,555.58
106	09-01-1998	2,094.19	979.63	1,114.56	116,441.02
1998	Totals	25,130.28	12,347.06	12,783.22	
107	10-01-1998	2,094.19	970.34	1,123.85	115,317.17
108	11-01-1998	2,094.19	960.98	1,133.21	114,183.96
109	12-01-1998	2,094.19	951.53	1,142.66	113,041.30
110	01-01-1999	2,094.19	942.01	1,152.18	111,889.12
111	02-01-1999	2,094.19	932.41	1,161.78	110,727.34

Pmt	Date	Payment	Interest	Principal	Balance
112	03-01-1999	2,094.19	922.73	1,171.46	109,555.88
113	04-01-1999	2,094.19	912.97	1,181.22	108,374.66
114	05-01-1999	2,094.19	903.12	1,191.07	107,183.59
115	06-01-1999	2,094.19	893.20	1,200.99	105,982.60
116	07-01-1999	2,094.19	883.19	1,211.00	104,771.60
117	08-01-1999	2,094.19	873.10	1,221.09	103,550.51
118	09-01-1999	2,094.19	862.92	1,231.27	102,319.24
1999	totals	25,130.28	11,008.50	14,121.78	
119	10-01-1999	2,094.19	852.66	1,241.53	101,077.71
120	11-01-1999	2,094.19	842.31	1,251.88	99,825.83
121	12-01-1999	2,094.19	831.88	1,262.31	98,563.52
122	01-01-2000	2,094.19	821.36	1,272.83	97,290.69
123	02-01-2000	2,094.19	810.76	1,283.43	96,007.26
124	03-01-2000	2,094.19	800.06	1,294.13	94,713.13
125	04-01-2000	2,094.19	789.28	1,304.91	93,408.22
126	05-01-2000	2,094.19	778.40	1,315.79	92,092.43
127	06-01-2000	2,094.19	767.44	1,326.75	90,765.68
128	07-01-2000	2,094.19	756.38	1,337.81	89,427.87
129	08-01-2000	2,094.19	745.23	1,348.96	88,078.91
130	09-01-2000	2,094.19	733.99	1,360.20	86,718.71
2000	totals	25,130.28	9,529.75	15,600.53	
131	10-01-2000	2,094.19	722.66	1,371.53	85,347.18
132	11-01-2000	2,094.19	711.23	1,382.96	83,964.22
133	12-01-2000	2,094.19	699.70	1,394.49	82,569.73
134	01-01-2001	2,094.19	688.08	1,406.11	81,163.62
135	02-01-2001	2,094.19	676.36	1,417.83	79,745.79
136	03-01-2001	2,094.19	664.55	1,429.64	78,316.15
137	04-01-2001	2,094.19	652.63	1,441.56	76,874.59
138	05-01-2001	2,094.19	640.62	1,453.57	75,421.02
139	06-01-2001	2,094.19	628.51	1,465.68	73,955.34
140	07-01-2001	2,094.19	616.29	1,477.90	72,477.44
141	08-01-2001	2,094.19	603.98	1,490.21	70,987.23
142	09-01-2001	2,094.19	591.56	1,502.63	69,484.60
2001	totals	25,130.28	7,896.17	17,234.11	
143	10-01-2001	2,094.19	579.04	1,515.15	67,969.45
144	11-01-2001	2,094.19	566.41	1,527.78	66,441.67
145	12-01-2001	2,094.19	553.68	1,540.51	64,901.16
146	01-01-2002	2,094.19	540.84	1,553.35	63,347.81
147	02-01-2002	2,094.19	527.90	1,566.29	61,781.52
148	03-01-2002	2,094.19	514.85	1,579.34	60,202.18
149	04-01-2002	2,094.19	501.68	1,592.51	58,609.67
150	05-01-2002	2,094.19	488.41	1,605.78	57,003.89
151	06-01-2002	2,094.19	475.03	1,619.16	55,384.73
152	07-01-2002	2,094.19	461.54	1,632.65	53,752.08
153	08-01-2002	2,094.19	447.93	1,646.26	52,105.82
154	09-01-2002	2,094.19	434.22	1,659.97	50,445.85

Pmt	Date	Payment	Interest	Principal	Balance
2002	totals	25,130.28	6,091.53	19,038.75	
155	10-01-2002	2,094.19	420.38	1,673.81	48,772.04
156	11-01-2002	2,094.19	406.43	1,687.76	47,084.28
157	12-01-2002	2,094.19	392.37	1,701.82	45,382.46
158	01-01-2003	2,094.19	378.19	1,716.00	43,666.46
159	02-01-2003	2,094.19	363.89	1,730.30	41,936.16
160	03-01-2003	2,094.19	349.47	1,744.72	40,191.44
161	04-01-2003	2,094.19	334.93	1,759.26	38,432.18
162	05-01-2003	2,094.19	320.27	1,773.92	36,658.26
163	06-01-2003	2,094.19	305.49	1,788.70	34,869.56
164	07-01-2003	2,094.19	290.58	1,803.61	33,065.95
165	08-01-2003	2,094.19	275.55	1,818.64	31,247.31
166	09-01-2003	2,094.19	260.39	1,833.80	29,413.51
2003	totals	25,130.28	4,097.94	21,032.34	
167	10-01-2003	2,094.19	245.11	1,849.08	27,564.43
168	11-01-2003	2,094.19	229.70	1,864.49	25,699.94
169	12-01-2003	2,094.19	214.17	1,880.02	23,819.92
170	01-01-2004	2,094.19	198.50	1,895.69	21,924.23
171	02-01-2004	2,094.19	182.70	1,911.49	20,012.74
172	03-01-2004	2,094.19	166.77	1,927.42	18,085.32
173	04-01-2004	2,094.19	150.71	1,943.48	16,141.84
174	05-01-2004	2,094.19	134.52	1,959.67	14,182.17
175	06-01-2004	2,094.19	118.18	1,976.01	12,206.16
176	07-01-2004	2,094.19	101.72	1,992.47	10,213.69
177	08-01-2004	2,094.19	85.11	2,009.08	8,204.61
178	09-01-2004	2,094.19	68.37	2,025.82	6,178.79
2004	totals	25,130.28	1,895.56	23,234.72	
179	10-01-2004	2,094.19	51.49	2,042.70	4,136.09
180	11-01-2004	2,094.19	34.47	2,059.72	2,076.37
181	12-01-2004	2,094.19	17.82	2,076.37	0.00
2004	totals	6,282.57	103.78	6,178.79	
Grand	totals	516,693.64	186,693.64	330,000.00	

LAW OFFICES
WARD, MAGUIRE & BYBEE

353 E. LANDER
P. O. BOX 4758
POCATELLO, IDAHO 83205-4758
(208) 232-5167

MARTIN R. WARD
DAVID H. MAGUIRE
D. KIRK BYBEE

FAX 208-232-5181

December 28, 1989

City of Pocatello
ATTN: Ms. Rayna Valentine
P.O. Box 4169
Pocatello, Idaho 83205

Re: Pocatello Development Authority

Dear Rayna:

Enclosed is a copy of a letter sent to Scott McDonald. Could you please distribute a copy to the members of the Board.

If you have any questions or comments, please do not hesitate to call me.

Sincerely,



D. KIRK BYBEE

DKBme0166J
Enclosure

12/29/89

LAW OFFICES

WARD, MAGUIRE & BYBEE

353 E. LANDER
P. O. BOX 4758
POCATELLO, IDAHO 83205-4758
(208) 232-5167

MARTIN R. WARD
DAVID H. MAGUIRE
D. KIRK BYBEE

FAX 208-232-5181

December 28, 1989

Mr. Scott McDonald, Exec. Director
S.E. Idaho Counsel of Governments
1651 Alvin Ricken Drive
Pocatello, Idaho 83201

Re: Pocatello Development Authority

Dear Scott:

Before Stuart left town, he and I were able to discuss the Ceratile matter at some length.

Stuart advised that it will not be necessary for us to formally close all portions of the loan with the bank until July, 1990. Ceratile's first lease payment would then be in August, 1990. This potentially raises some practical problems with our ability to debt service the loan with revenue allocation financing. Since it is now anticipated that the kiln that we are purchasing will not be in place until July of 1990, potentially the kiln will not be made a part of the 1990 tax roll. As such, it will not be until December of 1991 that we actually receive the full tax increment, even assuming we are successful with the judicial confirmation.

It is therefore my recommendation that you forward this information along to Mr. C. F. Beorchia for his review and ask him to modify his opinion as to the funds that we will receive on this project from revenue allocation financing. It is also recommended that we obtain the bank's proposed financing agreement and payment schedule so that we may compare it with Mr. Beorchia's revised opinion and make sure that we can properly debt service this proposed loan under the new contingencies.

Alternatively, you may want to check with Mr. Beorchia and confirm the date that the property tax evaluation will take place in 1990, then perhaps Ceratile may be willing to move up the date in which the kiln will actually be put in place.

Mr. Scott McDonald
December 28, 1989
Page Two

Additionally, at our last Board meeting, it was my understanding that the Board decided to modify the proposed lease agreement deleting the right of Ceratile to exercise the first option to purchase the kiln at the end of the term of the lease. Ceratile should be made aware of this decision. The proposed lease agreement will have to be redrafted to provide for a semi-annual lease payment (in an amount to debt service the loan from the bank). Then if revenue allocation financing occurs, Ceratile's lease payment to the PDA will be reimbursed to the extent that revenue allocation financing is available, not to exceed the amount of Ceratile's lease payment.

The foregoing changes will simplify the lease agreement, and in my opinion, it will stand a better chance of passing judicial confirmation.

In your further discussions with Ceratile, as well as C. F. Beorchia, it should be noted that no portion of the revenue allocation financing available to the PDA from U.S. Transformers will be used to debt service the Ceratile project, unless of course, the PDA chooses to use revenue allocation money from U.S. Transformers to debt service the Ceratile project. To date, to my knowledge, the Board has never formally approved the use of U.S. Transformers revenue allocation money for the purpose of debt servicing the Ceratile project.

Finally, Mr. Rick Skinner, bond counsel, has been out of the office for the past few days; however, I anticipate being able to speak with him regarding this matter before the end of the year. At this stage, I really do not understand the need to have bond counsel involved. However, since the bank has requested the involvement of bond counsel, and the Board has approved expending money to bond counsel on this project, it appears that we should move forward with signing the fee agreement proposed by Mr. Skinner. If revenue allocation financing does not occur however, I am concerned about our ability to pay Mr. Skinner.

As I have discussed with Mr. Bullington on many occasions, the local Economic Development Act is open to several interpretations as to the types of projects that the PDA may involve itself in. With regard to the Ceratile project in particular, it continues to be my concern that we are financing equipment that will be used by Ceratile in its

Mr. Scott McDonald
December 28, 1989
Page Three

manufacturing processes. Frankly, it seems to me that the purpose of the local Economic Development Act was to allow revenue allocation financing to be used to pay for repair or rehabilitation of a building, the installation or reconstruction of streets, utilities, etc. Idaho Code 50-2903(11)(a) allows the PDA to purchase equipment as a project cost. I personally interpret this to mean that the PDA is allowed to purchase equipment to be used in construction of the particular urban renewal project. Despite my personal interpretation of this statute, it was thought that it was ambiguous enough to allow us to go forward with the Ceratile project. However, such an interpretation may not withstand the scrutiny of a judicial confirmation.

Once I am able to discuss this matter with Mr. Skinner, I will send you an update. I would appreciate it if you would forward a copy of this letter along to Mr. Bullington. Perhaps we should schedule a time for a conference call with Mr. Bullington so that we may clarify some of the foregoing issues.

I am also sending a copy of this letter to our secretary, Rayna Valentine, with the request that a copy be distributed to the Board members. If at any time you would like to discuss this matter further, please do not hesitate to call.

Sincerely,

D. KIRK BYBEE

DKBme0165J

cc: Rayna Valentine