

PROPOSED AGENDA
PDA Meeting April 16, 1990
Mayor's Conference Room

1. Call meeting to order
2. Approval of previous board minutes.
3. Financial Report by Mike Ransom
4. Featured Speaker: Dave McAlindin, of the Twin Falls Economic Development Office, will discuss Twin Falls' tax increment financing projects. Question-and-answer period to follow, if time permits.
5. New/old business.
6. Adjournment.

NOTE: NEXT MEETING MAY 21, 1990

ABBREVIATED MINUTES
POCATELLO DEVELOPMENT AUTHORITY
APRIL 16, 1990

Members present: Robert Weppner, Mike Ransom, ~~Val Arvas~~^W, Peter Angstadt, John Carlson, Karen McGee, Dick Clay

Others present: Scott McDonald & Nancy Taylor, SICOG; Guy Price, Bannock County Attorney's Office, Mark Reid, CD&R

1. Meeting called to order by John Carlson at 12:10 p.m.
2. Administrative details
 - A. It was MSC to approve the minutes of the meeting held March 24, 1990.
 - B. Financial Report. Mike Ransom distributed and explained a financial report. See copy attached to these minutes. Nancy Taylor noted that a letter has been sent to Ralph Coates of Ceratile requesting the remainder of the \$30,000 for administrative expenses which was verbally agreed upon at the beginning of the Ceratile negotiations. If this money is received, it will be used to pay expenses listed in the attached under "Accounts Payable."
3. Dave McAlindin of the Twin Falls Economic Development Office was introduced. He discussed the projects and plans of his agency, the first and major one being a 24.5 million dollar expansion for Universal Frozen Foods. An urban renewal plan was drafted for this to cover both the company's property as well as a large city-owned area, in order to have a single, large industrial complex. The project required floating bonds, obtaining grants, vacations of public rights-of-way and easements, and an upgrade of sewer treatment facilities. First Security Bank served as financial consultant and provided an irrevocable letter of credit. Rick Skinner served as bond counsel, and a variety of other bankers and attorneys assisted with the project. McAlindin noted that the project was quite complicated, but that his office worked well with the bank and bond counsel, taking their time (six months) to make certain that all necessary details were completed. They requested judicial confirmation of the project and its financing and received it with no difficulty. This was a five-week process due to the types of notices and other technical details required. The court hearing was little more than ten minutes, since no adverse comments were presented. The complex has been set up so that any lessors/tenants will pay property taxes.


McAlindin also explained that in Twin Falls, the economic development agencies are limited to his office, the urban renewal agency which is financed by the City, and an agency similar to SICOG. These two agencies meet on a regular basis with the county and college officials to coordinate development efforts to avoid duplication or surprises.

Minutes 4/16/90
Page 2

General discussion and questions followed this presentation.

4. Meeting adjourned 1:15 p.m.

SUBMITTED BY:


Rayna Valentine

Pocatello Development Authority

Balance Sheet

1989 *1990 up to date*

1989 1988

Assets

Current Assets:

Cash in Checking - Domsea	\$4,394	\$6	\$36,000
Cash in Savings	47,149	46,475	0
Accounts Receivable	0	2,000	0
Tax Increment Receivable	0	10,361	0

Total Assets	<u>\$51,543</u>	<u>\$58,842</u>	<u>\$36,000</u>
---------------------	-----------------	-----------------	-----------------

Liabilities

Current Liabilities:

Current Portion of LT Debt	\$0	\$6,700	\$0
Accounts Payable	4,499	3,556	0
Interest Payable on LT Debt	0	2163	0
Due to SEICOG	11,425	10,025	0

Total Current Liabilities	<u>\$15,924</u>	<u>\$22,444</u>	<u>\$0</u>
----------------------------------	-----------------	-----------------	------------

Long-Term Debt:

9% Note due to E.I.E.D.C	\$56,420	\$54,972	\$0
9% Note due City of Pocatello	86,508	83,322	78,278

Total Long-Term Debt	<u>\$142,928</u>	<u>\$138,294</u>	<u>\$78,278</u>
-----------------------------	------------------	------------------	-----------------

Fund Equity:

Contribution from City	\$0	\$0	\$0
Appropriated Retained Earnings	(\$107,309)	(101,896)	(42,278)
Unappropriated Retained Earnings	0	0	0

Total Fund Equity	<u>(\$107,309)</u>	<u>(\$101,896)</u>	<u>(\$42,278)</u>
--------------------------	--------------------	--------------------	-------------------

Total Liabilities and Fund Equity	<u>\$51,543</u>	<u>\$58,842</u>	<u>\$36,000</u>
--	-----------------	-----------------	-----------------

Notes to Financial Statements

1. Summary of Accounting Policies

Enterprise Fund. The accounting records for Pocatello Development Authority have been maintained as an enterprise fund. Accordingly, full accrual accounting has been used to report all assets and liabilities. Distinction has been made in the fund equity accounts between equity contributed to the fund and earnings resulting from operations of the fund.

2. Accounts Payable

	<u>1988</u>	<u>1989</u>	<u>1990</u>
Ward, Maguire & Bybee		\$1,386	\$1,468
Idaho State Journal		20	20
American Land Title		150	150
Stuart Bullington		2,000	
CSHQA Architects			503
Skinner, Fawcett & Mauk			<u>2,358</u>
Totals		<u>\$3,556</u>	<u>\$4,499</u>

2. Long-Term Debt

9% Note due to Eastern Idaho Development Corporation. In January 1989, Pocatello Development Authority secured a loan from Eastern Idaho Development Corporation for the Domsea Project in the amount of \$55,000. Interest expense of \$2,807 was accrued from the date of disbursement to July 31, 1989 and added to the principle amount of the loan. The modified principle of \$57,807 was to accrue interest at 9% commencing August 1, 1989, with installment payments of \$3,988 due February 1 and August 1 of each year until August 1, 2001.

9% Note due to City of Pocatello. In January 1989, Pocatello Development Authority secured a loan from the City of Pocatello for the Domsea Project in the amount of \$81,000. Interim interest of \$6,187 was accrued from the date of disbursement to December 31, 1989 and added to the principle amount of the loan. The modified principle of \$87,187 was to accrue interest at 9% commencing January 1, 1990, with monthly installment payments of \$992 due February 1, 1990 and each month thereafter until December 31, 2001.

ABBREVIATED MINUTES
POCATELLO DEVELOPMENT AUTHORITY
MARCH 24, 1990

Members present: Mike Ransom, Val Arvas, Peter Angstadt, John Carlson, Karen McGee, Dick Clay

Others present: Scott McDonald & Nancy Taylor, SICOG; Fred Ringe; Stuart Bullington; and Dick Carroll

1. Meeting called to order by John Carlson at 8:40 a.m.

2. Administrative details

A. It was MSC to approve the minutes of the meeting held February 20, 1990.

B. Election of officers held. The following officers were elected by unanimous vote after appropriate nominating motions were presented, seconded, and the nominations closed.

John Carlson, Chairman

Karen McGee, Vice-Chairman

Mike Ransom, Secretary-Treasurer

C. New meeting time: Meetings will be held at noon on the third Monday of each month in the Mayor's Conference Room at City Hall.

D. Selection of new counsel: Fred Ringe of Green, Service, Gasser, and Kerl was introduced. After discussion of extent of services needed, fees to be charged (\$90 per hour) and so forth, it was MSC to appoint Fred as counsel.

D. Selection of new executive director: Nancy Taylor has been hired by SICOG as Stuart's replacement and SICOG and she have offered her services as executive director for PDA. It was MSC to appoint Nancy as new Executive Director.

3. Update on DOMSEA. American Land Title no longer wishes to be escrow agent for disbursement of tax monies for DOMSEA project, so Agreement previously authorized need not be maintained. SICOG has drafted another Agreement for SICOG to be escrow agent. Fee not yet set, but SICOG asked for authorization of the Agreement with the understanding that the fee would be a "minimal" monthly sum. It was MSC that John Carlson be authorized to sign the Agreement, which will be typed in final form and presented for signature by SICOG.

At this point, members discussed the lack of operating-expense funds for payment of bills: SICOG has been billing for Stuart Bullington's services on the Ceratile project in accordance with an Agreement authorized by PDA--total is now over \$11,000 towards the \$14,000 maximum. American Land--\$150 for a title report; Kirk Bybee--over \$1,400; bond counsel Rick Skinner--over \$2,300; architect--over \$500. Eventually there will be some "excess" funds from DOMSEA which can be used towards some of the bills. In the meantime, all creditors will have to wait. Future projects will have administrative expenses built in; until then, no substantial payments can be made. Funding options discussed, including requesting minimal expense money from City, using interest from U.S. West monies,

and so forth. Mike Ransom, John Carlson, and Nancy Taylor will review bills/finances and report later to the board.

4. Ceratile Project. Lease Agreement previously authorized needs signatures of new officers. MSC to authorize signing by appropriate officers, and to attach a copy of the Agreement to the Urban Renewal Plan for Gateway West. The change from an equipment lease to building lease may require a public hearing and formal amendment to the Plan. Fred and Nancy will check.

5. Main and Bonneville. Four proposals were received; three of them timely, one late. After discussion, the board concluded that only the timely proposals would be under consideration and that the board president would notify the party filing late that the proposal could not be considered. PDA reviewed the 3 timely proposals, expressing interest in accepting them. However, U.S. West has informed PDA that an environmental assessment is needed to ascertain whether underground storage tanks are located on the property. Until that question is resolved, PDA cannot purchase the property and thus become liable for costs of removal, etc. Chairman will send letter to Perry, Whitens/Huse, and Carroll to explain the delay in accepting proposals and concluding the transaction.

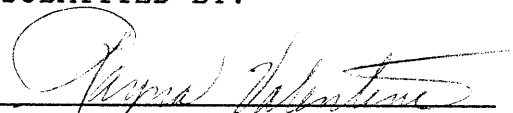
6. Yellowstone Hotel Project. Dick Carroll explained his plans for remodeling the Hotel into 21 units (both one- and two-bedrooms). His estimate is that \$200,000 is needed. He and PDA discussed formulating financing proposals/alternatives. As soon as this information is available, the proposal should be taken to the City Council for discussion in a study session, prior to a formal Plan being presented.

7. Leisy Farms. Request has been received through SICOG from Leisy Farms for tax increment financing plan for purchasing of equipment, including rolling stock. PDA members' concensus was that in general, such equipment-financing requests are not the types of proposals PDA wants to implement. Nancy can send letter declining consideration on behalf of PDA.

8. New/Old Business. PDA needs to file a financial report by March 31 of each year. Mike, Nancy, and John will meet and formulate the report which Nancy will take to the City Clerk's Office, which publishes a notice that the report is available for public review. Nancy/Rayna to follow up on notice.

9. Meeting adjourned 10:40 a.m.

SUBMITTED BY:


Rayna Valentine

Pocatello Development Authority

POCATELLO DEVELOPMENT AUTHORITY
MEETING AGENDA
Saturday, March 24, 1990
Quality Inn, Teton Room North
8:30 a.m.

1. Call meeting to order
2. Administrative details
 - Results of February meeting
 - Election of new officers
 - Designation of regular meeting day and time
 - Appointment of new counsel
3. Update Domsea Project
 - Resolution authorizing SEICOG to receive/transfer payments
4. Ceratile Project
 - Authorize signatures on lease agreement
5. Main and Bonneville Project
 - Review and approval of proposal from developers

Perry 12/11/89
Whitens/Huse 12/15/89
Carroll 11/1/89
Finlayson 1/6/90
6. Update Yellowstone Hotel Project
7. Update Leisy Farms Project
8. New and/or Old Business
9. Adjourn

Pocatello Development Authority

Statement of Revenues, Expenses, and
Changes in Retained Earnings (Unaudited)

For the period ended July 31, 1990

<i>Revenues:</i>	
Tax Increment Revenue	\$7,549
Unrestricted Grants	0
Restricted Grants	0
Project Administration Fees	15,000
Rental Income	0
Interest Income	<u>1,362</u>
Total Revenues	<u>\$23,911</u>
<i>Expenses:</i>	
Administrative Expense	\$0
Domsea Project Costs	(8)
Ceratile Project Costs	5,823
Main & Bonneville Project Costs	514
Interest Expense	<u>7,514</u>
Total Expenses	<u>\$13,843</u>
Net Income (loss) for the Period	\$10,068
Appropriated Retained Earnings, Beginning	<u>(91,535)</u>
Appropriated Retained Earnings, Ending	<u><u>(\$81,467)</u></u>

The accompanying notes are an integral part of the financial statements

CSHQA ARCHITECTS/PLANNERS

150 S. Arthur, Suite 207 • Pocatello, ID 83204 • 208-232-5981

March 8, 1990

Mark Reid
Community Planning & Development
902 East Sherman
Pocatello, Idaho 83201

RE: DOMSEA FARMS

Dear Mark:

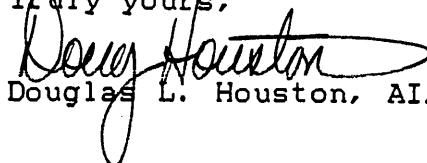
In anticipation of preparing our final billing for the above project, I met in mid-December with Ed Brauer and Stuart Bullington to discuss the status of billings for architectural services for the various Domsea projects. The meeting was held at my request to try to resolve some additional services which resulted from changes in the scope of work, either in the design development stage or by change orders. Some of these services have not been billed previously, and some have been billed, but paid only in part.

This project was unusual because of the various funding sources and the formula devised for the levels of participation by each entity. CSHQA has contracts with the City of Pocatello for a portion of the work, and Domsea for a portion. The work included in the City's contract relating to the main building remodel was a defined scope to be compensated by a flat fee of \$26,000, plus reimbursables. Also part of this same contract was work relating to the site, sewer, lift station, and well refurbishing for a fee not-to-exceed \$9300 (for the scope as defined at that time). Our contract with Domsea was to cover work relating to HVAC, electrical for the refrigeration package, and hatchery.

There is no question about the Domsea billings or the City billings relating to site/sewer/lift station & well refurbishing. These have been billed and paid to 95% completion. The part which remains unresolved at this time are the items relating to added project scope or change orders for the main building remodel. Changes to the project scope can be illustrated by reference to the original description of the project and the preliminary project estimate done by Walker Engineering, and then comparing this to the actual project as it developed, together with actual project costs.

This final billing represents fees for these additional services, added project scope, or change orders. This no doubt will raise some questions, and I will be glad to review these amounts with you to explain the basis and justification. Ed Brauer indicated he, too, would meet with us, if that is your wish.

Truly yours,


Douglas L. Houston, AIA

CSHOA ARCHITECTS/PLANNERS

150 S. Arthur, Suite 207 • Pocatello, ID 83204 • 208-232-5981

February 9, 1990
 Invoice Number 3
 Project No. 08849.00

CITY OF POCATELLO
 902 E. SHERMAN
 POCATELLO, IDAHO 83205

For: DOMSEA FARMS
 CONTRACT DATED 8/29/88

Professional Services: through January 19, 1990

FEE

Phase	Fee	% Complete	Fee Earned
BLDG RMDL	26,000.00	100.0	26,000.00
CO #2	244.00	100.0	244.00
CO #3	834.00	100.0	834.00
CO #4	214.00	100.0	214.00
CO #5	140.00	100.0	140.00
CO #6	1,058.00	100.0	1,058.00
RE-ROOF	8,047.00	100.0	8,047.00
CO #1 & 2	1,030.00	100.0	1,030.00
FIRE SPKLR, CO1&2	4,162.00	100.0	4,162.00
Total Fees	41,729.00	Total Earned	41,729.00

Previous Fee Billing 28,188.00

 Current Fee Billing 13,541.00

REIMBURSABLE EXPENSES

REPRODUCTIONS 40.00
 LD TELEPHONE 72.01

1.100 times 112.01 123.21

Total Reimbursables 123.21

TOTAL THIS INVOICE 13,664.21
 =====

OUTSTANDING INVOICES

No. 01613 03/09/89 4,534.15
 Total 4,534.15 4,534.15

TOTAL NOW DUE 18,198.36
 =====

BILLINGS TO DATE

	Prior	Current	Total
Fee	28,188.00	13,541.00	41,729.00
Expenses	2,705.52	123.21	2,828.73
Totals	30,893.52	13,664.21	44,557.73