

NOTE: MEETING FOR JUNE HAS BEEN CANCELLED; July meeting will be tour of Ceratile. Details later.

ABBREVIATED MINUTES
POCATELLO DEVELOPMENT AUTHORITY
MAY 14, 1990

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

Others present: Nancy Taylor, SICOG; Mark Reid, Judy Huse, Dick Carroll, Bob Perry

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 April meeting.

B. Financial Report. Mike Ransom distributed and commented on corrected copies of the financial report. The original amount noted as tax increment money receivable was for first half only; the new report shows the correct figure. Accounting procedures followed were similar to the way government enterprise funds are handled: each project will be shown separately and will show deficits until all monies have been received at the end of the tax increment term. negotiations. After the first of June, SICOG will have the PDA accounting records on its computer system.

\$15,000 has been received from Ceratile to provide for administrative expenses. This amount has been used to pay all outstanding bills, with the exception of the \$12,000 bill from SICOG. Slightly more than \$9,000 remains; after discussion, it was MSC to have a check for \$9,000 issued to SICOG in partial payment of the amount due.

3. Main and Bonneville Project. Environmental clearance has been received for the US West property, so PDA can proceed with sale. The three prospective buyers were present to discuss their projects and answer questions. Judy Huse noted that their original idea for development was no longer feasible, since the senior citizen day care project was being implemented elsewhere, but that they were still interested in purchase for an as-yet-to-be-determined project. Dick Carroll reiterated his plans, as explained in the March meeting, for parking for the renovated Yellowstone. Bob Perry, owner of Fargo apartments, explained that he had not contemplated asphalt surfacing being required as a condition of using the parcel he wishes to purchase for parking. His tenants currently use on-street parking (and in the past have also used land which will no longer be available due to other development). This parcel would provide much-needed additional off-street parking for these tenants.

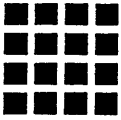
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Lengthy discussion then ensued regarding the costs of paving, whether paving would be required as a condition of development, whether funding could be arranged to cover paving, whether City could give title immediately, and a number of other questions about mutual expectations regarding the notice requesting purchase proposals. Nancy reported that one bank has agreed to provide minimal loan funds (\$35,000 approximately) which would cover landscaping only but would definitely not be sufficient for parking. PDA members reached a consensus to have Nancy explore other means of funding and to get more specific cost figures or any additional information that was possible. In the meantime, under the assumption that specific details could be worked out later, it was MSC to accept the purchase proposals from Ms. Huse, Mr. Perry, and Mr. Carroll.

4. Meeting adjourned 1:25 p.m.

SUBMITTED BY:


Rayna Valentine



CERATILE

Inc.

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May 10, 1990

Nancy Taylor, Executive Director
Pocatello Development Authority
1651 Alvin Ricken Drive
Pocatello, Idaho 83201

Dear Ms. Taylor:

I apologize for the delay in responding to your letter of March 30, 1990, regarding payment of the expenses associated with arranging the PDA financial assistance to our project. While we had expected such a payment was to made to PDA, our original budgeting was based on the idea that bank financing would be used and that a portion of the bank loan would be allocated to cover PDA's expenses. Consequently, we did not have this payment in our budget, and we have had to consider what should be done.

While our construction budget is very tight, we have determined that at this time we can allocate \$15,000 from our contingency account toward covering a portion of the PDA expenses and I have enclosed a check for this amount.

We may be able to make an additional payment following completion of construction and start up.

We appreciate your efforts in helping us to move ahead with this project.

Very truly yours,


Ralph L. Coates