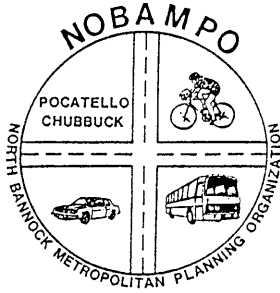


Pocatello Development Authority

POCATELLO DEVELOPMENT AUTHORITY
MEETING AGENDA

MONDAY, OCTOBER 15, 1990
MAYORS CONFERENCE ROOM
POCATELLO CITY HALL
NOON

1. Call Meeting To Order
2. Administrative Items
 - a. Approval of September Minutes
 - b. Insurance (Liability and Officers & Directors)
 - c. NOBAMPO Request
3. Main & Bonneville Site Purchase
 - a. Environmental Report
 - b. Closing Date
4. Ceratile - Amendment to the Urban Renewal Plan
5. PDA/SICOG Professional Services Contract
6. City Hall Proposal Update - Mayor Angstadt
7. New/Old Business
8. Adjourn



NORTH BANNOCK METROPOLITAN PLANNING ORGANIZATION

Idaho State University Business & Technology Center
1651 Alvin Ricken Drive, Pocatello, Idaho 83201
(208) 233-9322 • FAX (208) 233-4841

September 20, 1990

Mr. John Carlson
Pocatello Development Authority
ISU Business and Technology Center
1651 Alvin Ricken Drive
Pocatello, ID 83201

Re: Pocatello/Chubbuck Bikeways Plan

Dear Mr. Carlson,

In recent years interest has developed in having a bike route throughout the metropolitan area. This interest has been expressed to NOBAMPO by the Pocatello Greenbelt Committee, the Cities of Pocatello and Chubbuck, and by local citizens. In response to this, NOBAMPO has developed a proposed bike route system throughout the metropolitan planning area.

Our goal was to create a system of recreational and utilitarian bikeways throughout Pocatello and Chubbuck which would serve both communities and ensure that bikeways are considered when future planning changes are proposed. Separate from NOBAMPO's efforts yet closely related, the Pocatello Greenbelt Committee hopes eventually to sponsor a system of greenways throughout Pocatello, concentrating their efforts in the Portneuf River Area. The long-term goal is that the proposed greenbelt and the bike routes be joined to establish a complete system of pedestrian/bikeways.

In designing the routes, our goal was to designate routes that would send people towards an attraction. We tried to incorporate a variety of attractions, such as shopping malls, city parks, golf courses, historical sites, schools, and government offices.

It was decided to send cyclists towards the historic downtown via spurs connected to the routes. For example, one spur leads to the Standrod House and another to the Chief Theatre.

Before this plan can be implemented, we need your support. We are asking for this in one or two ways. First, we would like a letter of support for our bike route proposal. Included with that letter of support we are asking that you give permission to use your logo on attraction signs. All signs will be approved through your committee before they are posted. Secondly, we ask for any monetary contributions to help defray expenses for these signs which we estimate will cost approximately \$50.00 each. Approximately 250 signs will be needed along the routes. Each sign, in addition to reading "Bike Route," will also indicate mileage to the nearest attraction, e.g., "Standrod House, 1 Mile," and the Standrod logo. We realize that budgets are tight, thus anything will help. If a financial donation is not possible, your letter of support alone will help immensely.

Please feel free to call me at the above phone number if you have any questions or concerns which are not addressed in this letter.

Sincerely,


Sonna Lynn James-Lewis,
NOBAMPO Technician



LEGAL DEPARTMENT
902 E. Sherman
P.O. Box 4169
Pocatello, Idaho 83205
(208) 234-6148
FAX (208) 234-6296

J. IVAN LEGLER
City Attorney
NANCY A. FERRIS
Chief Deputy City Attorney
KIM CLAUSSEN
Deputy City Attorney

September 24, 1990

Fred Ringe, Esq.
Green, Service, Gasser & Kerl
P.O. Box 4883
Pocatello, Idaho 83201

Re: Possible Amendment of PDA's Ceratile Plan

Dear Fred:

Since we spoke on the phone Friday, I have looked deeper into the files and am now reminded that amending an Urban Renewal Plan is a bit more complicated than we were discussing. Enclosed for your reference are some documents from the Domsea project and from Ceratile, in this regard.

First is a copy of an outline I put together back in 1989 which shows the procedure for setting up these Urban Renewal Plans (URP) with their Revenue Allocation Financing Provisions (RAFP). The Code expressly says that changes to an RAFP must go through the same procedure as adoption of an RAFP, including the required notices and public hearing. That is apparently what we ended up doing with Domsea, as you can see from the copies of Ordinance No. 2281 (adopting the original Domsea RAFP) and Ordinance No. 2284 (amending the RAFP) which are enclosed. There was no concern with changing the "base year" for the RAFP because it was all accomplished in 1988.

The current URP for Ceratile was adopted by Ordinance No. 2300 (our file copy is enclosed). It appears to have been passed and recorded sometime in December of 1989. As I recall, it was critical to that project that the base year be 1989 rather than 1990, and Stuart Bullington and I went to Boise to talk to the Tax Commission to argue that the Code permitted 1989 to be the base year. We succeeded and there should be a letter from the Commission to that effect in the files. The point is, I don't know for certain what effect adoption of a formal change to the RAFP might have on the base year. I do, however, think that the RAFP should show what the tax increment will actually be used for in the Ceratile project. Perhaps a careful reference in any amending ordinance to the fact that 1989 remains the base year would help alleviate that concern.

I apologize for not being around to assist more on this matter. If you determine that the formal RAFP change process should go forward, Rayna can put the documents together on the

GREEN, SERVICE, GASSER & KERL

ATTORNEYS AT LAW

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JAMES A. SPINNER

KAY E. MOORE
BART GREEN
ROBERT J. WILLIAMS (Boise Office)

*Also Member D.C. Bar

**Also Member Utah Bar

October 10, 1990

Ms. Nancy Taylor
Executive Director
Pocatello Development Authority
ISU Business & Technology Center
1651 Alvin Ricken Drive
Pocatello, ID 83201

Re: Ivan Legler's Letter (9-24-90) Re Ceratile Plan

Dear Nancy:

I note that you received a copy of Ivan Legler's letter regarding the Ceratile Plan. Ivan called me on Friday, September 21, 1990 and expressed some concern as to whether the Ceratile Plan had to be amended and whether new public hearings on the project and a new city ordinance approving the amended plan were required under the circumstances. Apparently, these questions had been discussed among various people throughout most of the year of 1990. My involvement with the Ceratile Plan has only been very recent and in fact, this is really the first time I have addressed it.

Historically, the Gateway West Industrial Development Area was designated as an urban renewal area and apparently, after considerable searching Ceratile was identified as a prospective tenant for a portion of the properties in the area and Ceratile also qualified for assistance through revenue allocation financing because without such assistance, it was apparent that the company could not afford to start operating the manufacturing facility. With this in mind, the PDA developed the Gateway West Industrial Development Plan for Ceratile and proposed a revenue allocation financing provision. Under the plan submitted, the monies derived from revenue allocation financing were to be used for assistance in equipment purchases or leases and site development. The City of Pocatello held public hearings

Ms. Nancy Taylor
October 10, 1990
Page 2

on the proposed plan and ultimately adopted Ordinance No. 2300 on October 5, 1989 wherein the Ceratile Plan with revenue allocation financing was formally adopted. Representatives then met with the State Tax Commission and got a commitment that the revenue allocation financing was effective on January 1, 1989.

Further negotiations were then had between PDA, Gateway West, the Bank and Ceratile to get the project started and at the last minute it was decided that the financial assistance provided through revenue allocation financing would be used to pay a portion of the lease payments from Ceratile to Gateway West. PDA adopted Resolution No. 90-1 on February 20, 1990, which resolution states that PDA is undertaking a portion of the Ceratile Plan approved by the City in Ordinance No. 2300 by leasing the property in the Gateway West Industrial Center and subleasing the same to Ceratile with revenue allocation financing to take care of a portion of the lease and sublease payments. PDA further imposed certain conditions on Ceratile and determined that considering the conditions and the property involved that the property was being leased at its fair value.

The main change in the Plan is that instead of spending revenue allocation monies as specifically set out in the original proposed plan for equipment purchases or leases and site development, that the revenue allocation financing would assist in making lease payments. As far as I can tell from the materials I have reviewed, the same amount of revenue allocation monies are involved whether they go to purchase equipment or make lease payments. The revenue allocation monies will benefit the same parties under both plans and either plan will promote the development of the Gateway West Industrial Development area as was originally proposed.

At the time the change was made from an equipment lease to a land lease there were several attorneys involved who represented various parties, including Jim Manning for Gateway West, Ivan Legler for the City of Pocatello, and Kirk Bybee and Richard Skinner for PDA. Letters in the file show that these attorneys had

Ms. Nancy Taylor
October 10, 1990
Page 4

procedures, no other persons or companies were identified who were interested in the project or who could qualify for the project. PDA never owned the property involved in this matter and PDA was simply an accommodator in leasing from Gateway and subleasing to Ceratile to make the project work. Conditions and restrictions were placed on Ceratile's participation under the lease and sublease and it was provided that Ceratile could not assign the sublease or lease without written approval of PDA. It would have been impractical and illogical to require PDA to advertise for bids and go through the procedures required by the statute and it is my impression that the statute may not apply at all, and, if it does, the risk in going ahead without having competitive bidding is fairly minimal. At this point there is still ample property and space available in the urban renewal area to satisfy the requirements of other businesses who are ready, willing and able to locate there.

The question of whether the statutes require PDA to amend the Ceratile Plan and for the City to hold public hearings and adopt another ordinance approving the amended plan is more difficult. Certainly the only way to be sure that the present Ceratile Plan complies with statutory requirements would be to formulate an amended Ceratile Plan, have public hearings and have another ordinance adopting the amended plan. This could have the effect of changing the base year for revenue allocation financing from 1989 to 1990 and it would further disrupt and bog down the project. There is a saving clause in Section 50-2906, Idaho Code, covering the required public hearing and ordinance which could cover the situation we are dealing with here. This statute, after stating that an ordinance and public hearing on a plan or modification are required, provides as follows:

"No urban renewal project, plan, or modification thereto shall be held ineffective for failure to comply with the requirements of this section if compliance with the section is substantial and in good faith."

Ms. Nancy Taylor
October 10, 1990
Page 6

renewal projects. This section limits the liability of PDA and the City on any obligations incurred by them in connection with urban renewal projects to monies actually deposited in a special fund or funds under the Act and pledged to the payment of any obligations incurred. In effect, this limits the obligations of PDA and the City to revenue allocation monies received and deposited and if the monies are disbursed prior to any challenge there would be no obligation on PDA or the City to replace them with monies from some other source. This gives substantial and adequate protection to PDA and the City if the project is challenged and overturned but it would raise some serious concerns for Ceratile, who was identified as a business that required revenue allocation financing to succeed as a manufacturer, and to the bank or other persons who may have loaned Ceratile money relying on the availability of revenue allocation financing monies.

As indicated earlier, the only way to give a definite answer regarding the legality of setting up the Ceratile project would have been through judicial confirmation. This option was not exercised and the question now is whether to amend the Ceratile Plan, hold another public hearing and pass an ordinance adopting the amended plan in order to insure compliance with statutory procedures, or, to decide that the original plan and ordinance were broad enough to include leasing real property as well as leasing equipment and gamble that this position could be sustained in case of a challenge. I have outlined the argument that it should be upheld because it was in substantial compliance with the statute and in good faith; and, that a challenge to validity is too late because 30 days have passed since the adoption of the ordinance; but whether these arguments would actually be sustained is impossible for me to predict. The effect of a successful challenge would mean a cutoff of revenue allocation monies which would affect Ceratile and the Bank much more than it would PDA and the City of Pocatello, although PDA and the City of Pocatello would probably lose some credibility with other developers under the circumstances.

JAMES B. GREEN
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CLARK GASSER*
RON KERL
FREDERICK L. RINGE
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October 10, 1990

Ms. Nancy Taylor
Executive Director
Pocatello Development Authority
ISU Business & Technology Center
1651 Alvin Ricken Drive
Pocatello, ID 83201

Re: Professional Service Contract

Dear Nancy:

I have examined a proposed Professional Services Contract between PDA and SICOG covering the employment by PDA of SICOG to provide a staff person as executive director of PDA projects.

Both parties have authority to enter into the Agreement, the Agreement appears to be complete and in proper form and if each side agrees to all of its terms and conditions, both sides should feel free to sign it.

You are advised that this office represents both PDA and SICOG on legal matters and should either side not feel comfortable with this Agreement because of this dual representation, they would be advised to seek independent legal counsel.

Very truly yours,

GREEN, SERVICE, GASSER & KERL


Fred L. Ringe

FLR:bd
Encl.
3/9/283/1

POCATELLO DEVELOPMENT AUTHORITY AND
SOUTHEAST COUNCIL OF GOVERNMENTS, INC.

PROFESSIONAL SERVICES CONTRACT

This contract is entered into this _____ day of _____, 1990, by and between Pocatello Development Authority herein referred to as "PDA", and the Southeast Idaho Council of Governments, herein referred to as "SICOG" whose address is ISU Business and Technology Center, 1651 Alvin Ricken Drive, Pocatello, Idaho, 83201, witnesseth:

WHEREAS, the PDA, was created by the City of Pocatello in Resolution 1988-13 in accordance with Idaho Urban Renewal Law of 1965 and the Local Economic Development Act, to undertake urban renewal projects for the rehabilitation, conservation, redevelopment, or a combination thereof in the interest of the public health, safety, and welfare of the residents of the City of Pocatello; and

WHEREAS, the Board of Commissioners may employ an executive director, according to the By-Laws adopted October 14, 1988; and

WHEREAS, in order to maintain accountability, and professional management of current PDA projects and development of future economic development opportunities for the City of Pocatello it is deemed to be in the best interests of the PDA to designate an executive director; and

WHEREAS, SICOG has offered to provide staff support for the PDA to assist the PDA in carrying out its responsibilities;

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

1. EMPLOYMENT OF SICOG. The PDA agrees to engage SICOG, and SICOG agrees to provide the services described in Section 2 in order to provide for the procurement, administration and management of all PDA operations and projects.
2. SCOPE OF SERVICES. SICOG will perform the following services:
 - a. Promote the financing and economic development advantages available through the PDA to business and financial leaders within Pocatello.
 - b. Respond to requests/make presentations to public and private entities for public/private financing information including tax increment financing, urban renewal, etc.

administrative support fees, shall be determined and payable as follows: The administrative fee to be charged by SICOG shall be directly related to SICOG's costs in providing those goods and services as described in

Section 2 above. Labor costs shall be billed in quarter hour increments at a rate equal to \$50/hour. All direct charges for non-labor related services and goods such as telephone charges, office space, FAX charges, and office supplies shall be charged to the PDA at the rate charged by SICOG to other programs served by SICOG.

- c. To the extent the revenues of the PDA are insufficient to offset the administrative support fee charged by SICOG to PDA for the services herein provided, SICOG, at the end of the contract year, will send a statement to the City of Pocatello requesting payment towards the operation of the PDA from revenues currently being reimbursed to the City from Domsea Farms, Inc. or any project developed by the PDA.
- d. Attached hereto as Exhibit "A" and incorporated herein by reference is a budget for the fiscal year October 1, 1990 - September 31, 1991. That budget estimates generally the source and amounts of PDA revenues as well as an itemization of the expected expenditures.
5. OFFICE SPACE/EQUIPMENT. SICOG agrees that it will provide the PDA staff person with office space, office equipment including computers, FAX machine, copy machine, travel reimbursement, clerical, etc.
6. INSURANCE. SICOG agrees to provide workman's compensation insurance coverage, and employer's liability and comprehensive general liability for the SICOG staff person with PDA administrative responsibilities.
7. REPORTS AND INFORMATION. SICOG will maintain accounts and records, including personnel, property and financial records, adequate to identify and account for all costs pertaining to this Contract and such other records as may be deemed necessary by the PDA to assure proper accounting for all project funds. These records will be made available for audit purposes to the PDA or its authorized representative.
8. CIVIL RIGHTS ACT OF 1964. SICOG will abide by the provisions of the Civil Rights Act of 1964 which states that under Title VI, no person may on the grounds of race, color, or national origin, be excluded from participation in or be denied the benefits of, or subjected to discrimination under any programs or activities receiving financial assistance.

Chen Northern, Inc.

Consulting Engineers and Scientists

Post-It™ brand fax transmittal memo 7671		# of pages ▶	/
To	Vickie Winkel		
From	Jerry Peterson		
Co.	U S West		
Co.	CNI-Boise		
Dept.			
Phone #			
Fax #	385-2859		
Fax #			

370 Benjamin Lane
 P.O. Box 7777
 Boise, Idaho 83707
 208 377-2100
 208 376-5319 Facsimile

CNI5523.JAP
 189-1556-9
 189-1556-11

August 23, 1990

Ms. Vickie Winkel
 U S West Communications
 P.O. Box 7888
 Boise, ID 83723

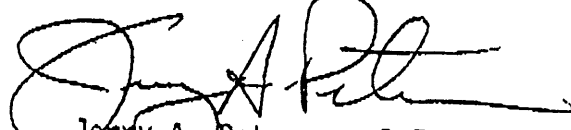
SUBJECT: Phase I and Phase II Limited
 Environmental Assessment Reports
 at Block 449

Dear Vickie:

We hereby authorize you to release the subject reports to the potential purchaser, Pocatello Redevelopment Authority. The authorization is given with the understanding that our contract for the project is with U S West Communications and that we have no responsibility whatsoever to the purchaser.

If there are questions, please call.

Very truly yours,



Jerry A. Peterson, P.E.
 Division Manager

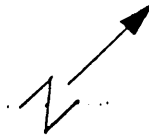
JAP/afd

1.0 INTRODUCTION

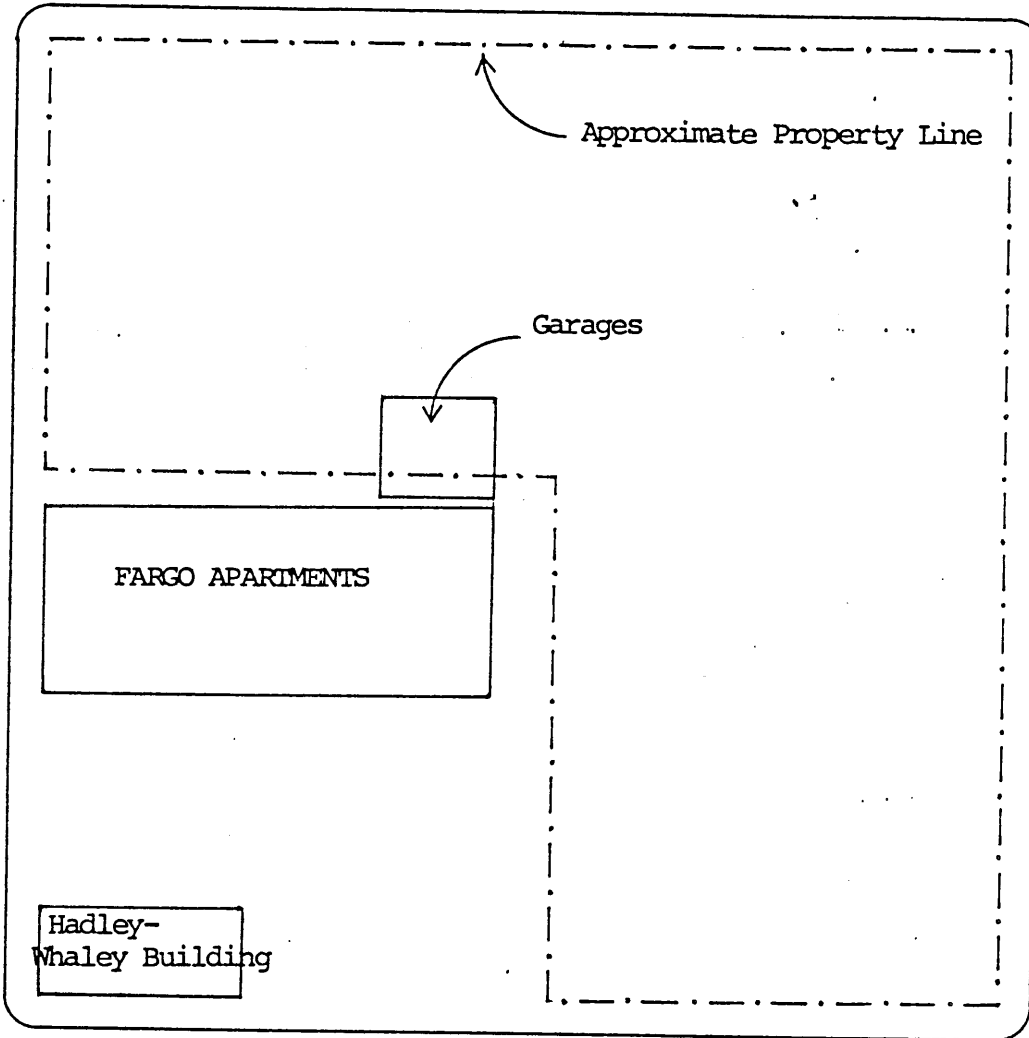
A Phase I Environmental Assessment of the property on block 449 in Pocatello, Idaho. The purpose was to evaluate the possibility that hazardous materials or petroleum products might be present on or beneath the site. Our findings are based solely on historical data relating to site use, on government agency knowledge of hazardous materials spills occurring in the area, and on a detailed site inspection. The following more closely described our scope of work.

1. The history of the site was reviewed to identify previous land use which may have involved hazardous materials or petroleum products. Data reviewed included aerial photographs, city directories, fire insurance maps, and a list of previous owners.
2. Certain public agencies were contacted to determine if there have been any reported instances of hazardous materials spills or if there are any registered underground storage tanks on the property. Lists pertaining to the EPA Superfund Program and hazardous waste generators were examined for the presence of the subject property, as well as, adjacent properties.
3. A detailed inspection of the site was performed to look for visual evidence that might indicate the occurrence of hazardous materials or underground storage tanks.
4. The following text summarizes our activities, findings and conclusions.

APPENDIX



WEST BONNEVILLE STREET



SOUTH ARTHUR AVENUE

SOUTH MAIN STREET

WEST WHITMAN STREET

Chen-Northern, Inc.

BLOCK 449 SITE DRAWING

DATE	DRAWN	REVIEWED	SCALE	DRAWING NO.
Feb. 1990	RLP		1":60'	Figure 2

Historic businesses operating within the vicinity of the property, with potential to handle petroleum products or hazardous wastes, were identified using city directories. The directory survey identified three service stations having operated in the area. An abandoned gas station at 308 Main Street (east of the property) operated from the 1920's until the late 1980's. The Kwikie Mart site was first operated as a gas station around 1955. The records also show that a gas station operated from 1929 to the late 1950's at 254 South Arthur Street, which is across Bonneville Street to the north of the subject parcel. Using an aerial photograph, Appendix A shows existing and historic service station locations in relation to the site.

2.5 Agency Inquiry

The Idaho Department of Health and Welfare was contacted in writing with regard to the occurrence of hazardous waste or hydrocarbon releases on the property or in the vicinity of the site. State officials maintain files concerning information, by location, about spills and occurrences of hazardous materials.

The United States Environmental Protection Agency has compiled information concerning businesses and sites known to have been associated with hazardous materials. The data included a list of locations investigated for the Superfund Program and the Resource Conservation and Recovery Act (RCRA) list of hazardous material generators, transporters, and handlers. The subject property does not appear on either of the lists. However, Union Pacific Railroad, 300 South Harrison, appears on both the RCRA list and the list relating to the Superfund Program. In addition, Joe's Cleaners, 250 South Main, and Mountain Bell, 455 West Lewis, appear on the RCRA list as generators of hazardous materials. These addresses are within 1/8 mile of the property.

3.3 Surrounding Properties

Current land use of adjacent properties does not warrant concern with the exception of the nearby Kwikie Mart gas station. Subsurface migration and contamination by petroleum products from leaking underground tanks and lines is a legitimate concern, especially if the tanks have been in the ground for a long period of time. This concern can also be focused on the former gas station sites at 308 South Main and 254 South Arthur. Inspection of the property at 308 South Main revealed evidence that the underground tanks and lines may have been removed.

3.4 Agency Responses

As of this writing, the Idaho Department of Health and Welfare has not yet responded to our request for information. If their response indicates hazardous materials spills or underground storage tanks for your property, you will be notified of the findings and implications in a separate letter.

Mike Silverman of the Environmental Protection Agency in Boise, Idaho, was interviewed concerning the Union Pacific Railroad yard that appeared on the Superfund Program List. Evidently, the property was originally investigated because of improperly stored barrels of potentially hazardous materials. He indicated that the problem areas were cleaned up and the site is inspected annually by the EPA.

4.0 SUMMARY

The history of the property shows long and extensive development. Throughout the mid 1900's, four gasoline stations operated on or near the subject parcel. The Union Pacific RR yard to the northeast and the Kwikie Mart gas station to the west, are two active operations that have the potential to influence the subject property.

Based on the information gathered during the course of this assessment, we found no evidence of underground storage tanks, hazardous materials or hydrocarbons currently on the property. However, underground storage tanks may have been buried on the north corner of the property, the historic location of a service station. We were unable to confirm their presence or their removal given the information acquired during this assessment.

Migration of hydrocarbons into the soils underlying the property remains a distinct possibility given the close proximity of historic and existing petroleum dispensers on adjacent properties. To investigate the potential of this occurrence, sampling and testing of the subsoil would be necessary, both of which were beyond the scope of this assessment.

ATLANTA

Pocatello Development Authority

September 14, 1990

Mayor Peter Angstadt
City of Pocatello
P.O. Box 4169
Pocatello, ID. 83205

RE: CITY HALL PROPOSAL-MAIN AND BONNEVILLE

Dear Mayor Angstadt:

The Pocatello Development Authority (PDA) respectfully submits the attached proposal outlining construction and financing costs to be considered in discussions concerning the relocation and construction of a new City Hall at Main and Bonneville in downtown Pocatello. In addition to thorough review of these figures, we urge the Council to consider that this move would be a major catalyst to renewed downtown economic development by influencing future retail, residential, commercial, and government location decisions. In addition, Downtown Pocatello is a unique historic environment that, with continued investment, will provide not only a regional business center but an exciting tourist attraction.

SUMMARY OF BUILDING AND FINANCING COSTS:

PROPOSAL #1		
Building Cost: 30,000 sf	\$	2,901,884
Financing Cost: 20 yrs/ G.O. Bond		2,364,123
Bond Counsel and Underwriting		23,112
Construction Interest Credit		(198,112)
	Total:	<u>\$5,091,007</u>

PROPOSAL #2		
Building Cost: 35,000 sf		\$3,304,737
Financing Cost: 20 yrs/G.O Bond		2,709,778
Bond Counsel and Underwriting		25,781
Construction Interest Credit		(225,781)
	Total:	<u>\$5,814,515</u>

Mayor Angstadt
September 17, 1990

Page 2

ASSUMPTIONS:

After discussions with City officials and local architects, the following assumptions in both building and site requirements were utilized. These will no doubt be modified as specific requirements are defined

- A 30-35,000 sq. ft. 2 story structure for City Hall and the Police Department will provide adequate space requirements. Approximately 10-15,000 sq. ft. will be dedicated for the Police Department.
- Well-designed offices and floor lay-out will allow better utilization of total floor area.
- The building footprint as shown represents 20,000 sq. ft. on the ground floor with a second floor. (The building can be designed for future expansion to a 3rd floor.)
- Approximately 150 parking spaces for employees and guests will be required.
- 1.5 acre site at Main & Bonneville Streets will be provided by the PDA at no cost to the City. This site is adequate to construct City Hall and provide some parking.
- Additional land required for parking between Whitman and Benton or elsewhere could be purchased or leased at a future time. Considering the availability and cost of land, the most feasible approach at this time is to acquire additional land for parking rather than build a parking structure.
- Public parking should be separated from City vehicles and police parking.
- Approximately 80% of the site, excluding the building footprint, will be parking, with 20% landscaping.
- A PUT bus stop should be located on Bonneville - adjacent to City Hall - incorporated into the site design.
- Pocatello City Hall site development and building design should emphasize a city center concept.

Mayor Angstadt
September 17, 1990

Page 3

DEVELOPMENT COSTS:

Costs associated with the represented site plan reflect our best estimate for the nature and scope of the project indicated, and they should be used with due regard. For comparison purposes, construction costs for 30,000 and 35,000 square foot facilities are outlined below. In either case, the site development costs would remain the same.

SITE DEVELOPMENT

Asphalt Parking Lot	10,435 sq.yds. @ \$14.40/	\$ 150,265
Landscaping	2,610 sq.yds. @ 13.50/	35,235
(Additional Land for Parking -To be Purchased Later		125,000)

		185,500

SCENARIO #1

Building: 30,000 Sq. Ft.

City Hall	20,000 sq.ft. @ \$70.00/	\$ 1,400,000
Police Station	10,000 sq.ft. @ 96.00/	960,000

\$ 2,360,000

Site Development Contingency 1.5% x 1.015

\$2,395,400

Construction Contingency 5% x 1.05

\$2,515,170

Architect, Engineering & Development Fees 8% x 1.08

\$2,716,384

Site Development 185,500

TOTAL: \$ 2,901,884

Mayor Angstadt
September 17, 1990

Page 4

SCENARIO #2

Building: 35,000 sf

City Hall	25,000sf @ \$70	\$ 1,750,000
Police Dept.	10,000sf @ \$96	960,000

		\$2,710,000
Site Development Contingency	1.5%	1.05

		\$2,750,650
Construction Contingency	5%	1.05

		\$2,888,180
Architect & Engineering, Development Fees	8%	1.08

		\$3,119,237
Site Development		185,500

	TOTAL:	\$ 3,304,737

FINANCING:

SITE

The PDA will provide the 1.5 acre site at Main and Bonneville. (Currently, the site is in the process of being sold to the PDA from U.S. West for \$46,400.) In addition, the PDA would assist with the planning and administration involved in developing a city hall facility built to the City's specifications and within its budget guidelines.

BUILDING

The PDA would arrange the most appropriate and desirable financing for the City. The building could be financed through bonds, specifically certificates of participation or general obligation (G.O) bonds. (See Attachment "A".) While the interest rate for G.O. bonds are slightly lower, certificates of participation require no general election approval. However, certificates typically increase financing costs \$400-500,000. Private investors purchase the certificates which are similar to bonds.

Mayor Angstadt
September 17, 1990

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A 20 year lease-purchase agreement between the City and the PDA would contain a non-appropriation clause which allows City Council the ability to annually reappropriate the lease payments. At the end of the term, the land and building would transfer to the City in fee simple. The lease payments would flow from the City to the PDA to the bank and provide the revenue stream for the certificates. (See Attachment "B".)

Site development costs including landscaping and parking in addition to new water, sewer, streets, which may be required in any downtown development could possibly be financed through the availability of CDBG grants for downtown revitalization.

In conclusion, we believe that relocating City Hall to the downtown is extremely desirable and the PDA will assist the City in anyway possible. Not only will a new facility at Main and Bonneville enhance the downtown revitalization efforts, it will provide an attractive, easily accessible city center and a contemporary image for Pocatello.

Respectfully,

John E. Carlson
Chairman

JEC:ssv

ATTACHMENT "A"

Pocatello City Hall General Obligation Bonds

Interest:

Delivery date

09/01/90

Dated date

09/01/90

1st Interest payment

03/01/91

Period	Period Ending	Principal	Annual Rate	Interest	Total
1	09/01/91	70,000	5.950%	\$184,560.00	\$254,560.00
2	09/01/92	75,000	6.050%	180,395.00	255,395.00
3	09/01/93	80,000	6.150%	175,857.50	255,857.50
4	09/01/94	85,000	6.250%	170,937.50	255,937.50
5	09/01/95	90,000	6.350%	165,625.00	255,625.00
6	09/01/96	95,000	6.450%	159,910.00	254,910.00
7	09/01/97	100,000	6.500%	153,782.50	253,782.50
8	09/01/98	110,000	6.550%	147,282.50	257,282.50
9	09/01/99	115,000	6.600%	140,077.50	255,077.50
10	09/01/00	125,000	6.650%	132,487.50	257,487.50
11	09/01/01	130,000	6.750%	124,175.00	254,175.00
12	09/01/02	140,000	6.800%	115,400.00	255,400.00
13	09/01/03	150,000	6.850%	105,880.00	255,880.00
14	09/01/04	160,000	6.900%	95,605.00	255,605.00
15	09/01/05	170,000	6.950%	84,565.00	254,565.00
16	09/01/06	180,000	7.000%	72,750.00	252,750.00
17	09/01/07	195,000	7.050%	60,150.00	255,150.00
18	09/01/08	205,000	7.050%	46,402.50	251,402.50
19	09/01/09	220,000	7.100%	31,950.00	251,950.00
20	09/01/10	230,000	7.100%	16,330.00	246,330.00
		\$2,725,000		\$2,364,122.50	\$5,089,122.50

Pocatello City Hall General Obligation Bonds

Interest:

Delivery date 09/01/90
 Dated date 09/01/90
 1st Interest payment 03/01/91

Period	Period Ending	Principal	Annual Rate	Interest	Total
1	09/01/91	80,000	5.950%	\$210,402.50	\$290,402.50
2	09/01/92	85,000	6.050%	205,642.50	290,642.50
3	09/01/93	90,000	6.150%	200,500.00	290,500.00
4	09/01/94	95,000	6.250%	194,965.00	289,965.00
5	09/01/95	100,000	6.350%	189,027.50	289,027.50
6	09/01/96	105,000	6.450%	182,677.50	287,677.50
7	09/01/97	115,000	6.500%	175,905.00	290,905.00
8	09/01/98	120,000	6.550%	168,430.00	288,430.00
9	09/01/99	130,000	6.600%	160,570.00	290,570.00
10	09/01/00	140,000	6.650%	151,990.00	291,990.00
11	09/01/01	150,000	6.750%	142,680.00	292,680.00
12	09/01/02	160,000	6.800%	132,555.00	292,555.00
13	09/01/03	170,000	6.850%	121,675.00	291,675.00
14	09/01/04	180,000	6.900%	110,030.00	290,030.00
15	09/01/05	195,000	6.950%	97,610.00	292,610.00
16	09/01/06	205,000	7.000%	84,057.50	289,057.50
17	09/01/07	220,000	7.050%	69,707.50	289,707.50
18	09/01/08	235,000	7.050%	54,197.50	289,197.50
19	09/01/09	255,000	7.100%	37,630.00	292,630.00
20	09/01/10	275,000	7.100%	19,525.00	294,525.00
		\$3,105,000		\$2,709,777.50	\$5,814,777.50

TAX-EXEMPT LEASING TRANSACTION
FLOW OF FUNDS

ATTACHMENT "B "

