

POCATELLO DEVELOPMENT AUTHORITY
Board of Directors Meeting

Conference Chambers
Pocatello City Hall

October 8, 1991
Noon to 1:00 p.m.

Noon

Call to Order and Introduction - John Carlson, President
Minutes - Motion to approve and/or amend
Agenda - Add or Delete Action or Discussion Items

Action Items

Acknowledge Reappointment of Directors
Carlson and Weppner by City Council

Review September Income and Expenses

Acknowledge Receipt of APHDC's September 30th Letter Withdrawing
Development Proposal and Consider Means of Obtaining New Proposals

Review Steps Required in Designating New Revenue Allocation District
and Consider Proposals for Professional Consultation

Discussion Items

Ceratile, Inc.
Domsea Farms, Inc.
New Proposals

NEXT MEETING TUESDAY, NOVEMBER 12 at 11:00 a.m.

ABBREVIATED MINUTES
POCATELLO DEVELOPMENT AUTHORITY
October 8, 1991

Members present: John Carlson, Val Arvas, Karen McGee, and Mike Ransom. Francis Odom and Bob Weppner excused

Staff present: Tom Arnold, Executive Director; Steve Ernst, CD&R; Dean Tranmer, Attorney for PDA

1. Meeting called to order at 12:05 p.m. by Chairman Carlson who acknowledged other present: Jerry Myers, Dick Carroll, Tim Whiteus and Dan Myers. Rayna requested clarification as to Item #6 of September minutes. Minutes should be changed to indicate that Mark Reid was the reporting party, rather than Tom. It was MSC to approve the minutes with this correction.
2. Letter from American Pacific Housing. John reported receipt of a letter which will be read later in the meeting.
3. John noted that he and Bob Weppner have both been reappointed to the PDA. No action by PDA needed.
4. Financial. No additional income for September; normal expense of the \$992.36 Domsea payment and a cash balance of over \$32,000.00 (see financial report for details). He also noted that the October \$992.36 payment has been made and that \$735 from Metro advertising has been received. It was than MSC to approve the September expenditures. Mike Ransom noted that the DOMSEA project has brought in "extra" money over what is needed to make the payments and the possibility that the excess might be used to pay off the indebtedness early. Tom stated that because of the difficulties with Campbell's, etc., DOMSEA officials had informed him they were requesting a re-evaluation from the County on the valuation of the property. If the property is devalued, the income to PDA will be reduced and the "extra" money will be needed just to make normal payments. Action will be deferred until the outcome of the appeal.
5. Main & Bonneville project.
 - A. Tom reported on status of the American Pacific proposal, giving a brief run-down of the history of their proposal, the letters back and forth, culminating in their withdrawal of the proposal by letter dated September 30, and return by Tom of their earnest money. At this point John read a letter from APH which had been FAX'd October 8 indicating their displeasure with the handling of their proposal and with the Executive Director (see attached). Tom has a complete file

APH American Pacific Housing
Development Corporation

Mr. John E. Carlson
Chairman
Pocatello Development Authority

Dear Mr. Chairman,

RE: American Pacific Housing Development Corporation
Development Proposal for Pocatello

1. We would like to take this opportunity to make clear to the PDA Board of Commissioners as to why we withdrew our development proposal for the urban renewal district.
2. On September 13, we submitted our revised development proposal for a mixed income housing project in the downtown area. In a letter dated September 20, the Executive Director of the PDA informed us that the city's priorities for downtown Pocatello included (1) Rehabilitation and occupancy of older structures and (2) Attracting people with more disposable income to the historic downtown Pocatello area, and requested us to re-orientate our proposal accordingly, which we declined to do.
3. We must emphasize here that this was the first time that we became aware of the city's priorities for the urban renewal district. Up to this point the thrust of our development proposal was always the new construction of housing units followed by acquisition and rehabilitation of existing buildings. Consequently, we have needlessly devoted considerable time and expense in producing architectural drawings and numerous financial budgets for new construction units on the PDA owned land at Bonneville and Main. We have to ask the question--why were we encouraged by the Executive Director of the PDA to submit an RFP for the Bonneville site if the city's priorities for the development of the urban renewal area was the rehabilitation of existing buildings rather than new construction of housing units in the urban renewal area? It appears that we have wasted valuable time and money in pursuing a development proposal of new construction which was contrary to the city's goals and priorities for the downtown area. Moreover, we draw your attention to a Public Notice issued by the PDA in the Idaho State Journal, Sunday, May 5, 1991 for an Urban Renewal Project Request for Development Proposal in which it was stated that quote "the primary objective of the PDA is

169 SE View Drive
Newport, Oregon 97365
503-265-5902 Phone
503-265-5940 Fax

to encourage interested developers to improve the project area" (the Bonneville Site). The only possible way to improve a vacant land site is to construct new buildings on it. It is obvious that the RFP Notice is in conflict with the city's priorities for the downtown area.

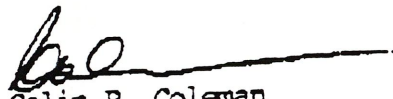
4. As a consequence of numerous discussions and correspondence with the Executive Director, we and our financial advisor have come to the conclusion that he is not familiar and does not understand the concepts and processes of public financing and this is the major inhibiting factor in the formation of a Public/Private Partnership, between us and the PDA, in making mixed income housing projects work in urban renewal districts. Pursuant to the provisions of the Idaho Urban Renewal Law of 1965 (chapter 20, Title 50, Idaho Code) and the Local Economic Development Act (chapter 29, Title 50, Idaho Code) the PDA has the resources available to provide financing in a joint partnership with the private developer.

5. We are very disappointed that the development proposal has not proceeded and we are aware that there is a critical need for affordable and market rate housing in Pocatello which was addressed in our proposal. We firmly believe that our housing project would have acted as a catalyst for the future revitalization of the downtown area of Pocatello.

We are still willing to work with the PDA, however we do not feel confident of a positive working relationship with your Executive Director - Mr. Tom Arnold.

6. Please table our letter for discussion at your meeting today and have it entered into the public record.

Sincerely,


Colin P. Coleman
Vice President

on correspondence, reports, etc. which is available to PDA members for review of his handling of the matter. Val noted that the references to PDA's ability as granted by Idaho Code to enter into joint partnership and provide financing might not be accurate for cities of our size. Dean will review the references and prepare a response as needed. The Board will not take other action pending Dean's review.

B. Dick Carroll and Tim Whiteus were present to reiterate their disappointment that the Board requested new proposals when they felt that their proposals were still viable and had been previously accepted. Neither submitted proposals under the new request, holding to the position that their proposals were still accepted proposals. Board members again pointed out that the proposals were accepted as a whole, that one party retracted his proposal and that the original project contemplated in another proposal fell through; accordingly the proposals were then rejected and the earnest money returned. Dean expressed the opinion that the Board has authority to reject any and all proposals and to start again or decide to hold the property itself, etc. Further discussion ensued and it was then MSC to table any decision on re-advertising until next month.

6. New Town: The Revenue Allocation (Project) Area has been defined to encompass the Park Price and Taysom projects as well as various streets. The needs have been defined as curb, gutter, and sidewalk as well as water and sewer improvements. Cost are \$500,000 for curb, gutter, sidewalk portion. A plan must be prepared immediately. Tom suggested obtaining consulting services to give direction and aid. It was MSC to retain a consultant to aid a subcommittee to discuss and develop the plan and the means of paying for it.

7. Meeting time: New meeting time will be 11:00 a.m. on the second Tuesday of each month. Next meeting then will be November 12, at 11:00 a.m. in the Council Chambers.

8. Meeting adjourned.

Rayna Valentine
Recording Sec.



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

PETER J. ANGSTADT
Mayor

Pocatello City Council:
GREGORY R. ANDERSON
I.J. "BABE" CACCIA
ROBERT E. CHAMBERS
ROGER W. CHASE
KAREN A. MCGEE
EARL R. POND

October 4, 1991

Mr. John E. Carlson
4093 Henderson Lane
Pocatello, ID 83202

Dear Mr. Carlson:

This is to confirm, with many thanks, your reappointment as a member of the Pocatello Development Authority for an additional four year term which will begin October 20, 1991 and expire October 20, 1995.

You have performed an outstanding service for the community as a member of this organization, and we deeply appreciate your willingness to continue in this capacity.

Sincerely,

PETER J. ANGSTADT
MAYOR

alt

pc: Connie Blackburn
Rayna Valentine



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KAREN A. MCGEE
EARL R. POND

October 4, 1991

Mr. Robert Weppner
457 S. 19th Avenue
Pocatello, ID 83201

Dear Mr. Weppner:

This is to confirm, with many thanks, your reappointment as a member of the Pocatello Development Authority for an additional four year term which will begin July 21, 1991 and expire July 21, 1995.

You have performed an outstanding service for the community as a member of this organization, and we deeply appreciate your willingness to continue in this capacity.

Sincerely,

PETER J. ANGSTADT
MAYOR

alt

pc: Connie Blackburn
Rayna Valentine

Pocatello Development Authority

October 1, 1991

Ms. Rayna Valentine
Legal Department
City of Pocatello
Pocatello, ID 83205

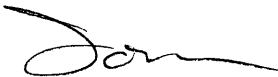
Dear Rayna,

Attached for your information is correspondence relating to the withdrawal of American Pacific Housing Development Corporation's proposal to PDA.

As a result of this action, there is no pressing need to meet on Monday, October 7th, and this month's meeting will be held at its regularly scheduled time on Tuesday, October 8th at noon at City Hall.

I hope that you will be able to attend the October 8th meeting.

Cordially,



Thomas A. Arnold
Executive Director

TAA:aw

APH **American Pacific Housing**
 Development Corporation

September 30, 1991

Mr. Thomas A. Arnold
 Executive Director
 Pocatello Development Authority
 ISU Business & Technology Center
 1651 Alvin Ricken Drive
 Pocatello, Idaho 83201

Dear Tom,

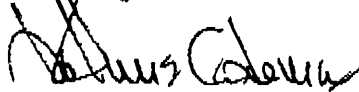
RE: Our Development Proposal for Downtown Pocatello

After further consideration, we have decided not to proceed with our proposed development project for downtown Pocatello.

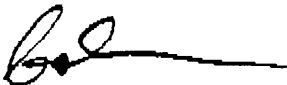
We appreciate the work you have done with us and perhaps at a future date, when financing conditions are more favourable, we could re-activate our development proposal.

Please return to us all correspondence and documents relating to our development project.

Sincerely,



JoAnne Coleman
 President



C.P. Coleman
 Vice President

169 SE View Drive
 Newport, Oregon 97365
 503-265-5902 Phone
 503-265-5940 Fax

Pocatello Development Authority

October 1, 1991

JoAnne and Patrick Coleman
American Pacific Housing
Development Corporation
169 SE View Drive
Newport, OR 97365

Dear JoAnne and Patrick,

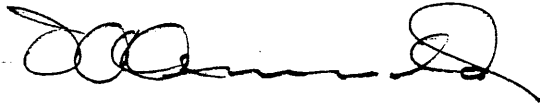
FAX

This will acknowledge receipt of your September 30th letter withdrawing your proposal for developing housing in downtown Pocatello.

The Directors of PDA and I regret that you have decided not to proceed with the proposed development project at this time and hope that you will again consider Pocatello at some time in the future.

Original documents relating to your proposal are being returned with this letter.

Cordially,



Thomas A. Arnold
Executive Director

TAA:aw

Enclosure



American Pacific Housing

Development Corporation

September 30, 1991

Mr. Thomas A. Arnold
Executive Director
Pocatello Development Authority
ISU Business & Technology Center
1651 Alvin Ricken Drive
Pocatello, Idaho 83201

Dear Tom,

RE: Our Development Proposal for Downtown Pocatello

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Sincerely,

JoAnne Coleman
President

C.P. Coleman
Vice President

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POCATELLO DEVELOPMENT AUTHORITY
CASH BUDGET--1991

	ACTUAL JANUARY	ACTUAL FEBRUARY	ACTUAL MARCH	ACTUAL APRIL	ACTUAL MAY	ACTUAL JUNE	ACTUAL JULY	ACTUAL AUGUST	ACTUAL SEPTEMBER	ESTIMATE OCTOBER	ESTIMATE NOVEMBER	ESTIMATE DECEMBER	TOTAL 1991
Beginning Cash Balance	10,990.38	20,117.46	15,132.15	14,195.84	13,559.17	12,523.33	11,527.51	29,387.53	33,610.16	32,617.80	32,000.44	31,000.00	10,990.38
SOURCES OF FUNDS													
Ceratile Project	0.00	0.00	0.00	0.00	0.00	0.00	724.21	9,196.28	0.00	0.00	0.00	0.00	9,920.49
Domsea Project	10,124.44	0.00	0.00	0.00	0.00	0.00	17,756.59	0.00	0.00	0.00	0.00	0.00	27,881.03
Main & Bonneville Project	0.00	0.00	375.00	375.00	15.90	0.00	375.00	0.00	0.00	375.00	0.00	0.00	1,515.90
Kress Building Project	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Interest Income	0.00	0.00	8.85	1.59	1.62	1.54	1.58	6.66	0.00	0.00	0.00	0.00	21.84
TOTAL INCOME	10,124.44	0.00	383.85	376.59	17.52	1.54	18,857.38	9,202.94	0.00	375.00	0.00	0.00	39,339.26
CASH AVAILABLE	21,114.82	20,117.46	15,516.00	14,572.43	13,576.69	12,524.87	30,384.89	38,590.47	33,610.16	32,992.80	32,000.44	31,008.08	50,329.64
APPLICATION OF FUNDS													
Ceratile Project	0.00	0.00	247.50	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	247.50
Domsea Project	992.36	4,980.31	992.36	992.36	992.36	992.36	992.36	4,980.31	992.36	992.36	992.36	992.36	19,884.22
Main & Bonneville Project	0.00	0.00	75.30	0.00	56.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	131.30
Kress Building Project	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Bank Charges	5.00	5.00	5.00	20.90	5.00	5.00	5.00	0.00	0.00	0.00	0.00	0.00	50.90
TOTAL EXPENSES	997.36	4,985.31	1,320.16	1,013.26	1,053.36	997.36	997.36	4,980.31	992.36	992.36	992.36	992.36	20,313.92
Ending Cash Balance	20,117.46	15,132.15	14,195.84	13,559.17	12,523.33	11,527.51	29,387.53	33,610.16 *	32,617.80	32,000.44	31,008.08	30,015.72	30,015.72

*Cash in Checking Account \$ 7,030.81
 Money Market Savings Account (at 5.3% interest) 26,572.69

 \$33,603.50