

POCATELLO DEVELOPMENT AUTHORITY
Board of Commissioners Meeting
October 12, 1999
11:00 a.m.

Council Chambers
911 North 7th Avenue

11:00 a.m.

Call to Order - Chair McGee

Acknowledge Guests of Board, if any

Disclosure of Conflicts of Interest, if any

Agenda - Add or Delete Action or Discussion Items

Action Items

Minutes for September 14 - Motion to Approve and/or Amend

Financial Report: September Income and Expenses

Discussion Items

South Cliffs Business Park Proposal

Administrative Fees Analysis

Consolidated Central Corridor: Financing Options

Executive Session, if required

Pocatello Development Authority
Cash Budget - 1999

	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Actual July	Actual August	Actual September	Estimated October	Estimated November	Estimated December	Current Estimate 1999	Approved 1999
Beginning Balance	\$127,453.75	\$676,698.92	\$129,120.63	\$129,261.02	\$96,423.80	\$104,062.55	\$95,218.64	\$2,200,498.97	\$1,464,740.89	\$1,071,533.16	\$1,071,698.16	\$1,074,380.16	\$127,453.75	\$127,453.75
SOURCES OF FUNDS														
Gateway West District	0.00	0.00	0.00	0.00	0.00	0.00	14,496.48	21.40	185.10	0.00	0.00	0.00	\$14,702.98	\$14,680.00
Old Kraft Road District	0.00	0.00	0.00	3,446.80	333.16	0.00	77.04	0.00	0.00	0.00	0.00	0.00	\$3,857.00	\$0.00
Kress District	808.78	0.00	0.00	0.00	0.00	0.00	3,583.04	0.00	0.00	0.00	0.00	0.00	\$4,391.82	\$4,308.00
Newtown District	20,911.96	0.00	0.00	1,103.41	0.00	0.00	31,281.07	0.00	0.00	0.00	0.00	0.00	\$53,296.44	\$43,200.00
Varsity Square	0.00	0.00	0.00	0.00	0.00	0.00	18,017.79	0.00	568.54	0.00	0.00	0.00	\$18,586.33	\$18,537.00
Al Ricken Drive District	527,193.60	0.00	0.00	140,418.84	0.00	246.25	1,832,202.72	1,979,014.64	0.00	0.00	0.00	0.00	\$4,479,076.05	\$2,479,000.00
Old Town District	11,772.93	3,163.29	0.00	5,272.61	7,033.99	2,370.53	176,259.83	46,863.90	13,435.11	0.00	0.00	0.00	\$266,172.19	\$208,773.00
North Main District	8,373.53	0.00	0.00	0.00	0.00	4,864.26	26,668.91	0.00	0.00	0.00	0.00	0.00	\$39,906.70	\$39,907.00
Roosevelt District	0.00	0.00	0.00	0.00	0.00	0.00	1,865.03	0.00	205.08	0.00	0.00	0.00	\$2,070.11	\$2,038.00
Central Corridor	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	\$0.00
Administrative Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	277,871.00	\$277,871.00	\$277,871.00
Unrestricted Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,542.00	13,021.19	\$15,563.19	\$15,563.19
Interest Income	651.32	1,262.14	384.52	543.26	271.60	260.42	1,180.43	4,780.95	3,280.81	250.00	225.00	200.00	\$13,290.45	\$4,475.00
TOTAL	569,712.12	4,425.43	384.52	150,784.92	7,638.75	7,741.46	2,105,632.34	2,030,680.89	17,674.64	250.00	2,767.00	291,092.19	\$5,188,784.26	\$3,108,352.19
CASH AVAILABLE	\$697,165.87	\$681,124.35	\$129,505.15	\$280,045.94	\$104,062.55	\$111,804.01	\$2,200,850.98	\$4,231,179.86	\$1,482,415.53	\$1,071,783.16	\$1,074,465.16	\$1,365,472.35	\$5,316,238.01	\$3,235,805.94
APPLICATION OF FUNDS														
Gateway West District	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	\$20,000.00
Old Kraft Road District	0.00	0.00	0.00	0.00	0.00	3,161.65	0.00	77.04	0.00	0.00	0.00	0.00	\$3,238.69	\$0.00
Kress District	0.00	2,783.28	0.00	0.00	0.00	0.00	0.00	3,583.04	0.00	0.00	0.00	0.00	\$6,366.32	\$6,283.00
Newtown District	14.64	20,911.96	0.00	0.00	0.00	1,103.41	0.00	31,281.07	0.00	0.00	0.00	0.00	\$53,311.08	\$53,200.00
Varsity Cleaners	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9,008.90	0.00	0.00	0.00	0.00	\$9,008.90	\$18,000.00
Al Ricken Drive District	884.76	516,361.60	0.00	140,418.84	0.00	0.00	0.00	1,832,448.97	0.00	0.00	0.00	0.00	\$2,490,114.17	\$2,479,000.00
Old Town District	19,506.70	11,772.93	0.00	4,721.98	0.00	10,747.91	0.00	207,203.36	0.00	0.00	0.00	0.00	\$253,952.88	\$208,773.00
North Main District	0.00	0.00	0.00	36,377.92	0.00	1,000.00	0.00	682,725.59	410,533.37	0.00	0.00	0.00	\$1,132,636.88	\$30,233.00
Roosevelt District	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	\$0.00
Central Corridor	0.00	0.00	160.13	0.00	0.00	522.88	261.44	0.00	279.90	0.00	0.00	0.00	\$1,224.35	\$0.00
Unrestricted Funds	60.85	159.00	84.00	103.40	0.00	49.52	90.57	111.00	69.10	85.00	85.00	85.00	\$982.44	\$1,020.00
Bank Charges	0.00	14.95	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$14.95	\$25.00
TOTAL	20,466.95	552,003.72	244.13	183,622.14	0.00	16,585.37	352.01	2,766,438.97	410,882.37	85.00	85.00	85.00	\$3,950,850.66	\$2,816,534.00
ENDING BALANCE	\$676,698.92	\$129,120.63	\$129,261.02	\$96,423.80	\$104,062.55	\$95,218.64	\$2,200,498.97	\$1,464,740.89	\$1,071,533.16	\$1,071,698.16	\$1,074,380.16	\$1,365,387.35	\$1,365,387.35	\$419,271.94

DISTRICT ENDING BALANCES
September 30, 1999

Bank Balance	\$1,071,533.16
General Fund	87,855.52
Gateway West	64,484.58
Kress Project	1,526.62
Domsea	0.00
Newtown	0.00
Alvin Ricken	870,014.64
Old Town	30,648.85
North Main	6,741.04
Roosevelt	1,989.47
Varsity	9,496.79
Central Corridor*	<u>-1,224.35</u>
District Totals	\$1,071,533.16

* Negative balance in these districts will be recovered after taxes are received.

SOUTH CLIFFS A BUSINESS PARK DEVELOPMENT

LOCATION: South 5th Avenue—borders: I-15 to the West, State highway department to the South, 5th Avenue to the East and the South 5th freeway exchange to the North.

SIZE: 62 acres mol – property is owned by several owners

ZONING: The current zoning is commercial general

UTILITIES: All utilities are available in 5th Avenue adjacent to the property

NARRATIVE

South Cliffs Business Park enjoys a superior location to attract major business and industry. The location in south Pocatello would help to alleviate the congestion, which has occurred around the Chubbuck exchange. It would also help to encourage development in this area of Pocatello.

The site is very visible from the freeway and surrounding property. Accessibility from the freeway and south 5th is excellent. Utilities are available and adjacent to the site. Zoning is already in place. The site is within the boundaries of the TIF, which is being formed.

We feel that this site would be a very desirable location for an outlet mall as an anchor tenant. One benefit of an outlet mall would be to attract shoppers from a radius in excess of 100 miles. In other words shoppers would jump on the freeway and drive to the south 5th exchange to shop.

DIFFICULTIES WITH SITE

The site is largely a lava rock shelf. The entrance needs to be blasted through a lava rock cliff. These are not insurmountable problems, but they are costly problems.

REQUEST

We request that you assist the development by granting us funds to pay the increased costs of developing in the lava rock. We propose to build the entrance immediately so that the site can be shown to potential users. We would not build the rest of the infrastructure until we had firm commitments from users.

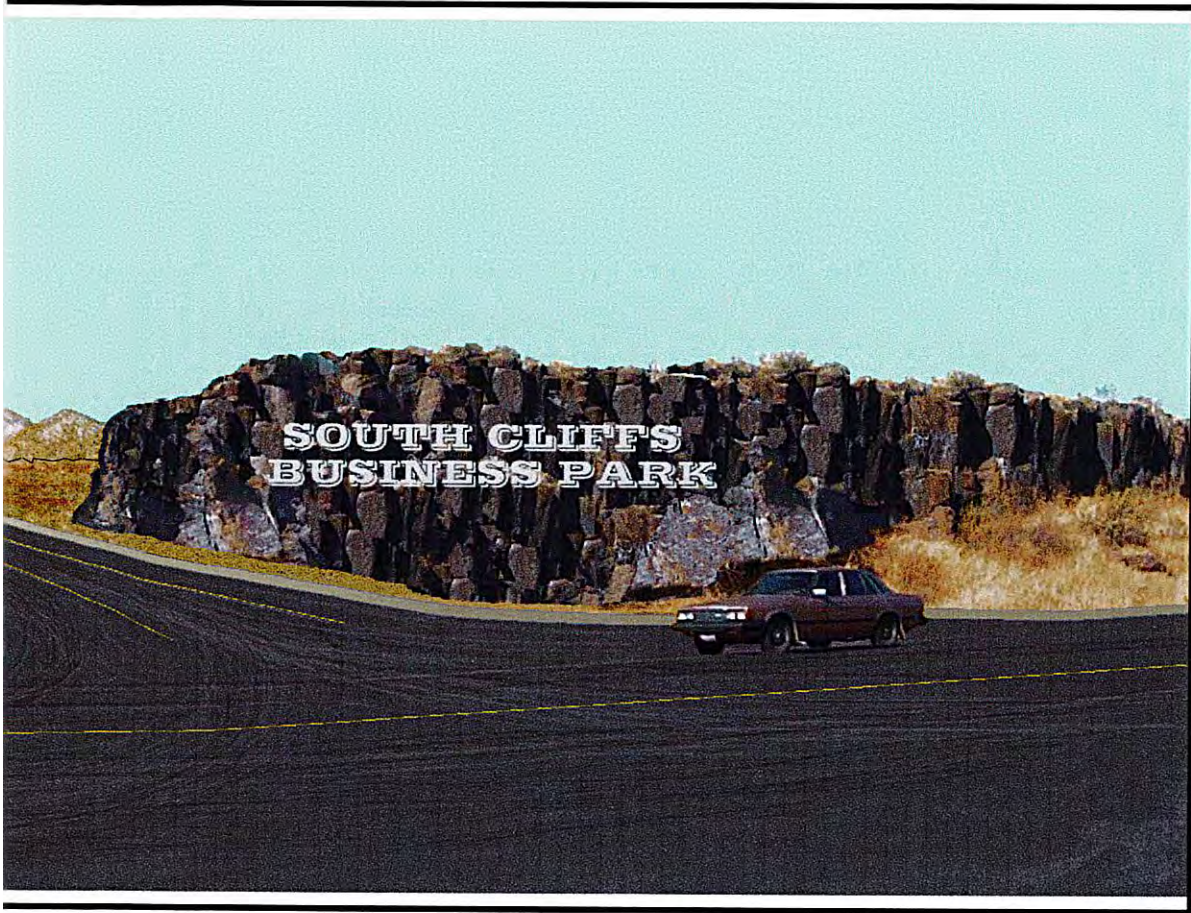
ADDITIONAL CONSIDERATION

The city is in the process of replacing the at grade crossing at Cheyenne Avenue and perhaps the road from Bannock Highway to 2nd Avenue. It may be that once that project is finished the long held desire to connect Bannock Highway to 5th Avenue would be seriously considered. It is logical to believe that the connection would cross this site and connect to 5th Avenue at Nora which is where we propose to locate the main entrance to the South Cliffs development.



RENDERING OF PROPOSE

SOUTH CLIFFS BL
BMB DEVELOPMENT



D NORTH ENTRY

BUSINESS PARK
POCATELLO, IDAHO

ROSSITER ARCHITECTURE

MARSHALL S. ROSSITER - ARCHITECT AIA
Member American Institute of Architects
STATION SQUARE
200 S. Main
Suite A
P.O. BOX 367
POCATELLO, ID 83201-0367
NCAAB Certified
(208) 233-1967
FAX 233-1959

STAMP:



PROJECT:

SOUTH CLIFFS
BUSINESS PARK

POCATELLO, ID

DRAWING TITLE:

PROPOSED
NORTH ENTRANCE
ON SOUTH 5TH AVE
POCATELLO, IDAHO

PROJECT No.

PLOT SCALE = 48

DATE: OCT 12, 1999

Pocatello Development Authority

ISU Research and Business Park
1651 Alvin Ricken Drive
Pocatello, Idaho 83201

An urban renewal agency for the City of Pocatello, Idaho

October 29, 1999

D. James Manning, Attorney
Hawley Troxell Ennis and Hawley, LLP
P.O. Box 100
Pocatello, Idaho 83204-0100

via fax 233-1304
Hardcopy via US Mail

RE: Gateway West Industrial Park Tax Increment Financing District (The District)

Dear Jim,

I apologize for the time it has taken to respond to your request for an accounting of the above referenced Gateway West Industrial Park Tax Increment Financing District, herein after called "the District". Several things have contributed to the delay, my schedule of travel and the late calculation of 1998 and 1999 taxes on the SME Steel Fabricators equipment.

The attached District accounting is broken down into Tax Year, Estimated Taxes, Actual Taxes Received, Project Payments made to date, and the District Balance. You will note from the chart that Ceratile, Inc. contributed \$15,000.00 to fund the establishment of the District. Those monies covered legal and other fees connected to establishing the district. You will also notice that the Estimated Taxes are less than the Actual Taxes Received. The Actual Taxes Received will be adjusted to account for the SME payments and those specific dollar amounts will be addressed later in this letter. The difference in the Estimated Taxes of \$680,909.00 and the Actual Taxes Received of \$528,900.88, an amount of \$152,008.45, is a result of the loss of personal property taxes collected when Ceratile, Inc. and Cedar Rapids moved their operations out of the District. Those losses, of course, could not be calculated when the District was formed.

To address the SME Steel personal property which became new to the District in 1998, the County has assessed them for 1998 (a partial year) and the PDA portion that will be added to the Actual Taxes Received for 1998 will be \$19,959.82 and should be available before the end of the calendar year. The 1999 **estimated** taxes that will be available for the PDA Actual Taxes Received column, which will include the SME Steel property assessment, will be \$49,547.00. If you add the Actual Taxes Received to date (\$528,900.88), the 1998 assessment from SME Steel that will be received later this year in the amount of \$19,959.82, and the **estimated** 1999 tax assessments in the amount of \$49,547.00, remembering that this last amount will not be received until the Fall of 2000, there will be a total of Actual Taxes Received of \$598,407.70, well short of the \$680,909.00 projected in 1989 when the District was formed. Again, the loss of Ceratile and Cedar Rapids accounts for this difference.

D. James Manning
Page Two
October 29, 1999

Next, we need to account for the Project Payments column. To date we have funded \$479,416.30 in project costs, which includes the initial \$15,000.00 assessment to Ceratile to form the District. If you add the Project Payments column of \$479,416.30 plus the District Balance of \$64,484.58, plus the 1998 SME assessment of \$19,959.82, and the **estimated** 1999 assessment of \$49,547.00, you get a balance of \$613,407.70 available within the District for Project Payments. This leaves a balance of \$613,407.70 less Project Payments to date of \$479,416.30 or \$133,991.40 estimated in the District Balance column after 1998 and 1999 assessments are collected. Subject to PDA Board approval, there is an administrative fee of 4% of Project Payments which will be retained by PDA. The 4% of the total available for Project Payments (\$613,407.70) equals \$24,536.31 which will be retained by PDA to cover the past 10 years of administration of the District. That leaves an **estimated** District Balance available for Project Payments once the 1998 and 1999 assessments are paid later this year and in the Fall of 2000 in the amount of \$109,455.09. That is the **estimated** amount that Earl will have available for Project Payments. Keep in mind, all projects will need prior approval from the PDA board prior to funding.

This accounting plus the proposal for the 4% administrative fee will be presented to the PDA Board of Directors on November 9, 1999, at our regular meeting and is, of course, subject to Board approval. The PDA meetings are held in City Hall, usually in the Council Chambers, and start at 11:00 am with adjournment by 1:00 pm. These meetings are open to the public and if you and or Earl would like to be on the agenda please contact my Administrative Assistant, Char DeWall (233-3500), so that we can get that accomplished for you.

I thank you and Earl for your patience in this matter.

Cordially,



Raymond Burstedt
Executive Director

Enclosure

c: Karen McGee, PDA Chairperson
Dean Tranmer, City Legal Dept.