

NOTICE OF SPECIAL MEETING POCATELLO DEVELOPMENT AUTHORITY

The Pocatello Development Authority will hold a special meeting at 11:00 a.m. on Wednesday, September 1, 2004, in the Council Chambers at City Hall, 911 North 7th, Pocatello, Idaho, for the following purposes:

1. to consider authorizing the issuance of bonds and related financing documents for the North Yellowstone Urban Renewal District projects. review the financial status of its various revenue allocation districts;
2. to consider a funding request for gap financing for a building rehabilitation/housing project in the downtown area; and
2. to convene an executive session, pursuant to Idaho Code Section 67-2345(c) to discuss acquiring an interest in property not owned by a governmental agency.

Rayna Valentine, Secretary

FILE COPY

Pocatello Development Agency
Pocatello, Idaho

Revenue Increment Calculation

12 Months Ending 12/31	Collection Date (a)	Incremental Tax Value (b)	Levy (c)	Revenue Available
2004	2005	0.00		
2005	2006	10,250,000.00	0.02338	239,645.00
2006	2007	20,500,000.00	0.02338	479,290.00
2007	2008	30,750,000.00	0.02338	718,935.00
2008	2009	41,000,000.00	0.02338	958,580.00
2009	2010	41,000,000.00	0.02338	958,580.00
2010	2011	41,000,000.00	0.02338	958,580.00
2011	2012	41,000,000.00	0.02338	958,580.00
2012	2013	41,000,000.00	0.02338	958,580.00
2013	2014	41,000,000.00	0.02338	958,580.00
2014	2015	41,000,000.00	0.02338	958,580.00
2015	2016	41,000,000.00	0.02338	958,580.00
2016	2017	41,000,000.00	0.02338	958,580.00
2017	2018	41,000,000.00	0.02338	958,580.00
2018	2019	41,000,000.00	0.02338	958,580.00
2019	2020	41,000,000.00	0.02338	958,580.00
2020	2021	41,000,000.00	0.02338	958,580.00
2021	2022	41,000,000.00	0.02338	958,580.00
2022	2023	41,000,000.00	0.02338	958,580.00
2023	2024	41,000,000.00	0.02338	958,580.00
2024	2025	41,000,000.00	0.02338	958,580.00

- (a) Calendar year revenue is available for bond payments.
(b) Amount and timing are estimations only.
(c) From tax records.

FOR DISCUSSION PURPOSES ONLY

Wells Fargo Brokerage Services, LLC
Public Finance

File = TaxIncRevPDA
8/31/04 8:57

Pocatello Development Agency

Pocatello, Idaho

Tax Increment Bonds, Series 2004

(Hawkins / Lowes Project) - 20 Year Maturity

Sources & Uses

Dated 12/01/2004 | Delivered 12/01/2004

Sources Of Funds

Par Amount of Bonds	\$7,380,000.00
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Total Sources	\$7,380,000.00
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Uses Of Funds

Total Underwriter's Discount (1.500%)	110,700.00
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Costs of Issuance	57,650.00
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Deposit to Debt Service Reserve Fund (DSRF)	664,600.00
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Deposit to Capitalized Interest (CIF) Fund	543,250.61
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Deposit to Project Construction Fund	6,000,000.00
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Rounding Amount	3,799.39
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Total Uses	\$7,380,000.00
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FOR DISCUSSION PURPOSES ONLY

File | DEVELOPAGENCY.SF | DevelopAgency Opt 1 8-30- | 8/31/2004 | 9:01 AM

Wells Fargo Brokerage Services, LLC

Public Finance

Pocatello Development Agency

Pocatello, Idaho

Tax Increment Bonds, Series 2004

(Hawkins / Lowes Project) - 20 Year Maturity

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
12/01/2004	-	-	-	-
12/01/2005	-	-	343,280.00	343,280.00
12/01/2006	-	-	343,280.00	343,280.00
12/01/2007	-	-	343,280.00	343,280.00
12/01/2008	160,000.00	3.150%	343,280.00	503,280.00
12/01/2009	325,000.00	3.450%	338,240.00	663,240.00
12/01/2010	335,000.00	3.700%	327,027.50	662,027.50
12/01/2011	345,000.00	3.900%	314,632.50	659,632.50
12/01/2012	360,000.00	4.100%	301,177.50	661,177.50
12/01/2013	375,000.00	4.250%	286,417.50	661,417.50
12/01/2014	390,000.00	4.350%	270,480.00	660,480.00
12/01/2015	410,000.00	4.500%	253,515.00	663,515.00
12/01/2016	425,000.00	4.600%	235,065.00	660,065.00
12/01/2017	445,000.00	4.700%	215,515.00	660,515.00
12/01/2018	470,000.00	4.800%	194,600.00	664,600.00
12/01/2019	490,000.00	4.850%	172,040.00	662,040.00
12/01/2020	515,000.00	4.950%	148,275.00	663,275.00
12/01/2021	540,000.00	5.500%	122,782.50	662,782.50
12/01/2022	570,000.00	5.100%	93,082.50	663,082.50
12/01/2023	600,000.00	5.200%	64,012.50	664,012.50
12/01/2024	625,000.00	5.250%	32,812.50	657,812.50
Total	\$7,380,000.00	-	\$4,742,795.00	\$12,122,795.00

Yield Statistics

Bond Year Dollars	\$97,750.00
Average Life	13.245 Years
Average Coupon	4.8519642%
Net Interest Cost (NIC)	4.9652123%
True Interest Cost (TIC)	4.9695343%
Bond Yield for Arbitrage Purposes	4.8100047%
All Inclusive Cost (AIC)	5.0539354%

IRS Form 8038

Net Interest Cost	4.8519642%
Weighted Average Maturity	13.245 Years

FOR DISCUSSION PURPOSES ONLY

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Pocatello Development Agency

Pocatello, Idaho

Tax Increment Bonds, Series 2004

(Hawkins / Lowes Project) - 20 Year Maturity

Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	DSR	CIF	Net New D/S
12/01/2004	-	-	-	-	-	-	-
12/01/2005	-	-	343,280.00	343,280.00	-	(343,280.00)	-
12/01/2006	-	-	343,280.00	343,280.00	-	(228,853.33)	114,426.67
12/01/2007	-	-	343,280.00	343,280.00	(9,969.00)	-	333,311.00
12/01/2008	160,000.00	3.150%	343,280.00	503,280.00	(9,969.00)	-	493,311.00
12/01/2009	325,000.00	3.450%	338,240.00	663,240.00	(9,969.00)	-	653,271.00
12/01/2010	335,000.00	3.700%	327,027.50	662,027.50	(9,969.00)	-	652,058.50
12/01/2011	345,000.00	3.900%	314,632.50	659,632.50	(9,969.00)	-	649,663.50
12/01/2012	360,000.00	4.100%	301,177.50	661,177.50	(9,969.00)	-	651,208.50
12/01/2013	375,000.00	4.250%	286,417.50	661,417.50	(9,969.00)	-	651,448.50
12/01/2014	390,000.00	4.350%	270,480.00	660,480.00	(9,969.00)	-	650,511.00
12/01/2015	410,000.00	4.500%	253,515.00	663,515.00	(9,969.00)	-	653,546.00
12/01/2016	425,000.00	4.600%	235,065.00	660,065.00	(9,969.00)	-	650,096.00
12/01/2017	445,000.00	4.700%	215,515.00	660,515.00	(9,969.00)	-	650,546.00
12/01/2018	470,000.00	4.800%	194,600.00	664,600.00	(9,969.00)	-	654,631.00
12/01/2019	490,000.00	4.850%	172,040.00	662,040.00	(9,969.00)	-	652,071.00
12/01/2020	515,000.00	4.950%	148,275.00	663,275.00	(9,969.00)	-	653,306.00
12/01/2021	540,000.00	5.500%	122,782.50	662,782.50	(9,969.00)	-	652,813.50
12/01/2022	570,000.00	5.100%	93,082.50	663,082.50	(9,969.00)	-	653,113.50
12/01/2023	600,000.00	5.200%	64,012.50	664,012.50	(9,969.00)	-	654,043.50
12/01/2024	625,000.00	5.250%	32,812.50	657,812.50	(674,569.00)	-	(16,756.50)
Total	\$7,380,000.00	-	\$4,742,795.00	\$12,122,795.00	(844,042.00)	(572,133.33)	\$10,706,619.67

FOR DISCUSSION PURPOSES ONLY

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Pocatello Development Agency

Pocatello, Idaho

Tax Increment Bonds, Series 2004

(Hawkins / Lowes Project) - 20 Year Maturity

Cash Flow Summary

Date	Revenue	DSR	CIF	Total Revenues	Scheduled P+I	to Redemption	Net Cash Flow	Cash Balance
12/01/2004	-	-	-	-	-	-	-	-
12/01/2005	-	-	343,280.00	343,280.00	343,280.00	-	-	-
12/01/2006	239,645.00	-	228,853.33	468,498.33	343,280.00	-	-	125,218.33
12/01/2007	479,290.00	9,969.00	-	489,259.00	343,280.00	-	-	271,197.33
12/01/2008	718,935.00	9,969.00	-	728,904.00	503,280.00	-	-	496,821.33
12/01/2009	958,580.00	9,969.00	-	968,549.00	663,240.00	-	-	802,130.33
12/01/2010	958,580.00	9,969.00	-	968,549.00	662,027.50	-	-	1,108,651.83
12/01/2011	958,580.00	9,969.00	-	968,549.00	659,632.50	-	-	1,417,568.33
12/01/2012	958,580.00	9,969.00	-	968,549.00	661,177.50	-	-	1,724,939.83
12/01/2013	958,580.00	9,969.00	-	968,549.00	661,417.50	-	-	2,032,071.33
12/01/2014	958,580.00	9,969.00	-	968,549.00	660,480.00	-	-	2,340,140.33
12/01/2015	958,580.00	9,969.00	-	968,549.00	663,515.00	-	-	2,645,174.33
12/01/2016	958,580.00	9,969.00	-	968,549.00	660,065.00	-	-	2,953,658.33
12/01/2017	958,580.00	9,969.00	-	968,549.00	660,515.00	-	-	3,261,692.33
12/01/2018	958,580.00	9,969.00	-	968,549.00	664,600.00	-	-	3,565,641.33
12/01/2019	958,580.00	9,969.00	-	968,549.00	662,040.00	-	-	3,872,150.33
12/01/2020	958,580.00	9,969.00	-	968,549.00	663,275.00	-	-	4,177,424.33
12/01/2021	958,580.00	9,969.00	-	968,549.00	662,782.50	-	-	4,483,190.83
12/01/2022	958,580.00	9,969.00	-	968,549.00	663,082.50	-	-	4,788,657.33
12/01/2023	958,580.00	9,969.00	-	968,549.00	664,012.50	-	-	5,093,193.83
12/01/2024	958,580.00	674,569.00	-	1,633,149.00	657,812.50	-	6,068,530.33	-
Total	\$16,775,150.00	\$844,042.00	\$572,133.33	\$18,191,325.33	\$12,122,795.00	-	\$6,068,530.33	-

FOR DISCUSSION PURPOSES ONLY

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Wells Fargo Brokerage Services, LLC
Public Finance

Pocatello Development Agency

Pocatello, Idaho

Tax Increment Bonds, Series 2004

(Hawkins / Lowes Project) - 20 Year Maturity

Coverage Ratio

Date	Total Revenues	Total D/S	Coverage
12/01/2004	-	-	-
12/01/2005	343,280.00	343,280.00	1.0000000x
12/01/2006	468,498.33	343,280.00	1.3647703x
12/01/2007	489,259.00	343,280.00	1.4252476x
12/01/2008	728,904.00	503,280.00	1.4483071x
12/01/2009	968,549.00	663,240.00	1.4603296x
12/01/2010	968,549.00	662,027.50	1.4630042x
12/01/2011	968,549.00	659,632.50	1.4683161x
12/01/2012	968,549.00	661,177.50	1.4648850x
12/01/2013	968,549.00	661,417.50	1.4643535x
12/01/2014	968,549.00	660,480.00	1.4664320x
12/01/2015	968,549.00	663,515.00	1.4597243x
12/01/2016	968,549.00	660,065.00	1.4673540x
12/01/2017	968,549.00	660,515.00	1.4663543x
12/01/2018	968,549.00	664,600.00	1.4573413x
12/01/2019	968,549.00	662,040.00	1.4629766x
12/01/2020	968,549.00	663,275.00	1.4602525x
12/01/2021	968,549.00	662,782.50	1.4613376x
12/01/2022	968,549.00	663,082.50	1.4606765x
12/01/2023	968,549.00	664,012.50	1.4586307x
12/01/2024	1,633,149.00	657,812.50	2.4826968x
Total	\$18,191,325.33	\$12,122,795.00	-

FOR DISCUSSION PURPOSES ONLY

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Pocatello Development Agency

Pocatello, Idaho

Tax Increment Bonds, Series 2004

(Hawkins / Lowes Project) - 1.25x Coverage Requirement

Sources & Uses

Dated 12/01/2004 | Delivered 12/01/2004

Sources Of Funds

Par Amount of Bonds	\$7,370,000.00
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Total Sources	\$7,370,000.00
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Uses Of Funds

Total Underwriter's Discount (1.500%)	110,550.00
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Costs of Issuance	57,650.00
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Deposit to Debt Service Reserve Fund (DSRF)	737,000.00
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Deposit to Capitalized Interest (CIF) Fund	461,820.44
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Deposit to Project Construction Fund	6,000,000.00
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Rounding Amount	2,979.56
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Total Uses	\$7,370,000.00
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FOR DISCUSSION PURPOSES ONLY

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Wells Fargo Brokerage Services, LLC
Public Finance

Pocatello Development Agency

Pocatello, Idaho

Tax Increment Bonds, Series 2004

(Hawkins / Lowes Project) - 1.25x Coverage Requirement

Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I
12/01/2004	-	-	-	-
12/01/2005	-	-	323,565.00	323,565.00
12/01/2006	-	-	323,565.00	323,565.00
12/01/2007	60,000.00	2.800%	323,565.00	383,565.00
12/01/2008	255,000.00	3.150%	321,885.00	576,885.00
12/01/2009	450,000.00	3.450%	313,852.50	763,852.50
12/01/2010	465,000.00	3.700%	298,327.50	763,327.50
12/01/2011	485,000.00	3.900%	281,122.50	766,122.50
12/01/2012	505,000.00	4.100%	262,207.50	767,207.50
12/01/2013	525,000.00	4.250%	241,502.50	766,502.50
12/01/2014	545,000.00	4.350%	219,190.00	764,190.00
12/01/2015	570,000.00	4.500%	195,482.50	765,482.50
12/01/2016	595,000.00	4.600%	169,832.50	764,832.50
12/01/2017	620,000.00	4.700%	142,462.50	762,462.50
12/01/2018	650,000.00	4.800%	113,322.50	763,322.50
12/01/2019	680,000.00	4.850%	82,122.50	762,122.50
12/01/2020	715,000.00	4.950%	49,142.50	764,142.50
12/01/2021	250,000.00	5.500%	13,750.00	263,750.00
Total	\$7,370,000.00	-	\$3,674,897.50	\$11,044,897.50

Yield Statistics

Bond Year Dollars	\$80,310.00
Average Life	10.897 Years
Average Coupon	4.5758903%
Net Interest Cost (NIC)	4.7135444%
True Interest Cost (TIC)	4.7241670%
Bond Yield for Arbitrage Purposes	4.5433016%
All Inclusive Cost (AIC)	4.8199402%

IRS Form 8038

Net Interest Cost	4.5758903%
Weighted Average Maturity	10.897 Years

FOR DISCUSSION PURPOSES ONLY

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Pocatello Development Agency

Pocatello, Idaho

Tax Increment Bonds, Series 2004

(Hawkins / Lowes Project) - 1.25x Coverage Requirement

Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	DSR	CIF	Net New D/S
12/01/2004	-	-	-	-	-	-	-
12/01/2005	-	-	323,565.00	323,565.00	-	(323,565.00)	-
12/01/2006	-	-	323,565.00	323,565.00	(5,527.50)	(161,782.50)	156,255.00
12/01/2007	60,000.00	2.800%	323,565.00	383,565.00	(11,055.00)	-	372,510.00
12/01/2008	255,000.00	3.150%	321,885.00	576,885.00	(11,055.00)	-	565,830.00
12/01/2009	450,000.00	3.450%	313,852.50	763,852.50	(11,055.00)	-	752,797.50
12/01/2010	465,000.00	3.700%	298,327.50	763,327.50	(11,055.00)	-	752,272.50
12/01/2011	485,000.00	3.900%	281,122.50	766,122.50	(11,055.00)	-	755,067.50
12/01/2012	505,000.00	4.100%	262,207.50	767,207.50	(11,055.00)	-	756,152.50
12/01/2013	525,000.00	4.250%	241,502.50	766,502.50	(11,055.00)	-	755,447.50
12/01/2014	545,000.00	4.350%	219,190.00	764,190.00	(11,055.00)	-	753,135.00
12/01/2015	570,000.00	4.500%	195,482.50	765,482.50	(11,055.00)	-	754,427.50
12/01/2016	595,000.00	4.600%	169,832.50	764,832.50	(11,055.00)	-	753,777.50
12/01/2017	620,000.00	4.700%	142,462.50	762,462.50	(11,055.00)	-	751,407.50
12/01/2018	650,000.00	4.800%	113,322.50	763,322.50	(11,055.00)	-	752,267.50
12/01/2019	680,000.00	4.850%	82,122.50	762,122.50	(11,055.00)	-	751,067.50
12/01/2020	715,000.00	4.950%	49,142.50	764,142.50	(11,055.00)	-	753,087.50
12/01/2021	250,000.00	5.500%	13,750.00	263,750.00	(748,055.00)	-	(484,305.00)
Total	\$7,370,000.00	-	\$3,674,897.50	\$11,044,897.50	(908,352.50)	(485,347.50)	\$9,651,197.50

FOR DISCUSSION PURPOSES ONLY

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Wells Fargo Brokerage Services, LLC
Public Finance

Pocatello Development Agency

Pocatello, Idaho

Tax Increment Bonds, Series 2004

(Hawkins / Lowes Project) - 1.25x Coverage Requirement

Cash Flow Summary

Date	Revenue	DSR	CIF	Total Revenues	Scheduled P+I	to Redemption	Net Cash Flow	Cash Balance
12/01/2004	-	-	-	-	-	-	-	-
12/01/2005	-	-	323,565.00	323,565.00	323,565.00	-	-	-
12/01/2006	239,645.00	5,527.50	161,782.50	406,955.00	323,565.00	-	-	83,390.00
12/01/2007	479,290.00	11,055.00	-	490,345.00	383,565.00	-	-	190,170.00
12/01/2008	718,935.00	11,055.00	-	729,990.00	576,885.00	-	-	343,275.00
12/01/2009	958,580.00	11,055.00	-	969,635.00	763,852.50	-	-	549,057.50
12/01/2010	958,580.00	11,055.00	-	969,635.00	763,327.50	-	-	755,365.00
12/01/2011	958,580.00	11,055.00	-	969,635.00	766,122.50	-	-	958,877.50
12/01/2012	958,580.00	11,055.00	-	969,635.00	767,207.50	-	-	1,161,305.00
12/01/2013	958,580.00	11,055.00	-	969,635.00	766,502.50	-	-	1,364,437.50
12/01/2014	958,580.00	11,055.00	-	969,635.00	764,190.00	-	-	1,569,882.50
12/01/2015	958,580.00	11,055.00	-	969,635.00	765,482.50	-	-	1,774,035.00
12/01/2016	958,580.00	11,055.00	-	969,635.00	764,832.50	-	-	1,978,837.50
12/01/2017	958,580.00	11,055.00	-	969,635.00	762,462.50	-	-	2,186,010.00
12/01/2018	958,580.00	11,055.00	-	969,635.00	763,322.50	-	-	2,392,322.50
12/01/2019	958,580.00	11,055.00	-	969,635.00	762,122.50	-	-	2,599,835.00
12/01/2020	958,580.00	11,055.00	-	969,635.00	764,142.50	-	-	2,805,327.50
12/01/2021	958,580.00	748,055.00	-	1,706,635.00	263,750.00	-	4,248,212.50	-
12/01/2022	958,580.00	-	-	958,580.00	-	-	958,580.00	-
12/01/2023	958,580.00	-	-	958,580.00	-	-	958,580.00	-
12/01/2024	958,580.00	-	-	958,580.00	-	-	958,580.00	-
Total	\$16,775,150.00	\$908,352.50	\$485,347.50	\$18,168,850.00	\$11,044,897.50	-	\$7,123,952.50	-

FOR DISCUSSION PURPOSES ONLY

File | DEVELOPAGENCY.SF | DevelopAgency Opt 2 8-30- | 8/31/2004 | 9:02 AM

Wells Fargo Brokerage Services, LLC
Public Finance

Pocatello Development Agency

Pocatello, Idaho

Tax Increment Bonds, Series 2004

(Hawkins / Lowes Project) - 1.25x Coverage Requirement

Coverage Ratio

Date	Total Revenues	Total D/S	Coverage
12/01/2004	-	-	-
12/01/2005	323,565.00	323,565.00	1.0000000x
12/01/2006	406,955.00	323,565.00	1.2577226x
12/01/2007	490,345.00	383,565.00	1.2783883x
12/01/2008	729,990.00	576,885.00	1.2653995x
12/01/2009	969,635.00	763,852.50	1.2694008x
12/01/2010	969,635.00	763,327.50	1.2702739x
12/01/2011	969,635.00	766,122.50	1.2656396x
12/01/2012	969,635.00	767,207.50	1.2638497x
12/01/2013	969,635.00	766,502.50	1.2650122x
12/01/2014	969,635.00	764,190.00	1.2688402x
12/01/2015	969,635.00	765,482.50	1.2666978x
12/01/2016	969,635.00	764,832.50	1.2677743x
12/01/2017	969,635.00	762,462.50	1.2717150x
12/01/2018	969,635.00	763,322.50	1.2702822x
12/01/2019	969,635.00	762,122.50	1.2722823x
12/01/2020	969,635.00	764,142.50	1.2689191x
12/01/2021	1,706,635.00	263,750.00	6.4706540x
12/01/2022	958,580.00	-	-
12/01/2023	958,580.00	-	-
12/01/2024	958,580.00	-	-
Total	\$18,168,850.00	\$11,044,897.50	-

FOR DISCUSSION PURPOSES ONLY

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Pocatello Development Agency
 Review of Options
 Net Debt Service Payments & Coverage Ratio (Includes DSR Fund Earnings & Payout)

3.47 or 3.50 last 11 yrs.

Date	Fixed Rate 24 Year Mat	Coverage Ratio	Variable Rate 24 Year Mat Current Rates	Coverage Ratio	Variable Rate 24 Year Mat Long Term Rtes	Coverage Ratio	Variable/Fixed Rate 20 Year Current Rates	Coverage Ratio
12/31/2004	0		0		0		0	
12/31/2005	0	1.00	0	1.00	0	1.00	0	1.00
12/31/2006	118,587	1.34	172,120	1.39	164,097	1.24	141,534	1.29
12/31/2007	346,939	1.37	201,755	2.38	318,901	1.50	333,361	1.43
12/31/2008	431,939	1.65	299,616	2.40	387,953	1.85	407,885	1.75
12/31/2009	579,261	1.65	404,723	2.37	517,903	1.85	549,070	1.74
12/31/2010	576,154	1.65	403,204	2.38	518,018	1.85	545,105	1.75
12/31/2011	577,274	1.65	401,569	2.39	517,677	1.85	545,614	1.75
12/31/2012	577,524	1.65	404,680	2.37	516,799	1.85	545,418	1.75
12/31/2013	576,864	1.65	402,641	2.38	515,505	1.86	549,497	1.74
12/31/2014	575,389	1.66	405,385	2.36	518,651	1.85	547,746	1.74
12/31/2015	578,209	1.65	402,940	2.38	516,165	1.86	545,413	1.75
12/31/2016	574,934	1.66	405,252	2.37	518,088	1.85	547,381	1.75
12/31/2017	575,904	1.65	402,402	2.38	519,347	1.85	548,469	1.74
12/31/2018	575,864	1.65	404,339	2.37	514,940	1.86	548,745	1.74
12/31/2019	574,784	1.66	406,019	2.36	515,005	1.86	548,086	1.74
12/31/2020	577,809	1.65	402,462	2.38	519,255	1.85	546,669	1.75
12/31/2021	574,494	1.66	403,737	2.37	517,653	1.85	549,298	1.74
12/31/2022	578,319	1.65	404,733	2.37	515,326	1.86	549,878	1.74
12/31/2023	577,409	1.65	405,467	2.36	517,228	1.85	545,320	1.75
12/31/2024	575,049	1.66	400,978	2.39	518,156	1.85	549,658	1.74
12/31/2025	576,424	1.65	401,307	2.39	518,154	1.85	547,791	1.74
12/31/2026	576,249	1.65	401,362	2.39	517,192	1.85	549,645	1.74
12/31/2027	574,499	1.66	401,149	2.39	515,281	1.86	550,196	1.74
12/31/2028	(11,934)	2.66	405,600	2.36	517,350	1.85	254,015	2.27

FOR DISCUSSION PURPOSES ONLY

Pocatello Development Agency

Pocatello, Idaho

Tax Increment Bonds, Series 2004

(Hawkins / Lowes Project) - 24 Year Maturity

Project Summary

Dated 12/01/2004 | Delivered 12/01/2004

Sources Of Funds

Par Amount of Bonds	\$7,325,000.00
---------------------	----------------

Total Sources	\$7,325,000.00
----------------------	-----------------------

Uses Of Funds

Total Underwriter's Discount (1.500%)	109,875.00
---------------------------------------	------------

Costs of Issuance	57,650.00
-------------------	-----------

Deposit to Debt Service Reserve Fund (DSRF)	588,082.50
---	------------

Deposit to Capitalized Interest (CIF) Fund	565,965.15
--	------------

Deposit to Project Construction Fund	6,000,000.00
--------------------------------------	--------------

Rounding Amount	3,427.35
-----------------	----------

Total Uses	\$7,325,000.00
-------------------	-----------------------

Flow of Funds Detail

State and Local Government Series (SLGS) rates for
Date of OMP Candidates

Project Construction Fund Solution Method	Net Funded
Total Cost of Investments	\$6,000,000.00
Total Draws	\$6,000,000.00

Capitalized Interest Fund Solution Method	Net Funded
Original Bond Proceeds	565,965.15
Accrued Interest	-
Interest Earnings @ 1.500%	9,325.70
Transfers from Debt Service Reserve Fund	17,642.48
Total Draws	\$592,933.33

Debt Service Reserve Fund Solution Method	Gross Funded
Total Cost of Investments	\$588,082.50
Interest Earnings @ 1.500%	211,709.76
Transfers to Capitalized Interest Fund	(17,642.48)
Transfers to Debt Service Fund	(194,067.28)
Total Draws	\$588,082.50

Bond Statistics

Average Life	15.891 Years
Average Coupon	5.0582213%

Net Interest Cost (NIC)	5.1526116%
-------------------------	------------

Bond Yield for Arbitrage Purposes	5.0103234%
-----------------------------------	------------

True Interest Cost (TIC)	5.1537887%
--------------------------	------------

All Inclusive Cost (AIC)	5.2303058%
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Wells Fargo Brokerage Services, LLC
Public Finance

Pocatello Development Agency

Pocatello, Idaho

Variable Rate Tax Increment Bonds, Series 2004

(Hawkins / Lowes Project) - Current Rates

Net Debt Service Schedule

Date	Principal	Coupon	Interest	LOC	Total P+I	Expenses	CIF	Net New D/S
12/01/2004	-	-	-	-	-	-	-	-
12/01/2005	-	-	89,600.00	74,520.00	164,120.00	8,000.00	(172,120.00)	-
12/01/2006	-	-	89,600.00	74,520.00	164,120.00	8,000.00	-	172,120.00
12/01/2007	30,000.00	1.400%	89,600.00	74,170.69	193,770.69	7,984.32	-	201,755.01
12/01/2008	130,000.00	1.400%	89,180.00	72,657.00	291,837.00	7,778.69	-	299,615.69
12/01/2009	240,000.00	1.400%	87,360.00	69,862.50	397,222.50	7,500.00	-	404,722.50
12/01/2010	245,000.00	1.400%	84,000.00	67,009.79	396,009.79	7,193.75	-	403,203.54
12/01/2011	250,000.00	1.400%	80,570.00	64,098.85	394,668.85	6,900.11	-	401,568.96
12/01/2012	260,000.00	1.400%	77,070.00	61,071.47	398,141.47	6,538.34	-	404,679.81
12/01/2013	265,000.00	1.400%	73,430.00	57,985.88	396,415.88	6,225.00	-	402,640.88
12/01/2014	275,000.00	1.400%	69,720.00	54,783.85	399,503.85	5,881.25	-	405,385.10
12/01/2015	280,000.00	1.400%	65,870.00	51,523.60	397,393.60	5,546.41	-	402,940.01
12/01/2016	290,000.00	1.400%	61,950.00	48,146.91	400,096.91	5,154.63	-	405,251.54
12/01/2017	295,000.00	1.400%	57,890.00	44,712.00	397,602.00	4,800.00	-	402,402.00
12/01/2018	305,000.00	1.400%	53,760.00	41,160.66	399,920.66	4,418.75	-	404,339.41
12/01/2019	315,000.00	1.400%	49,490.00	37,492.88	401,982.88	4,036.03	-	406,018.91
12/01/2020	320,000.00	1.400%	45,080.00	33,766.88	398,846.88	3,615.10	-	402,461.98
12/01/2021	330,000.00	1.400%	40,600.00	29,924.44	400,524.44	3,212.50	-	403,736.94
12/01/2022	340,000.00	1.400%	35,980.00	25,965.57	401,945.57	2,787.50	-	404,733.07
12/01/2023	350,000.00	1.400%	31,220.00	21,890.25	403,110.25	2,356.44	-	405,466.69
12/01/2024	355,000.00	1.400%	26,320.00	17,756.72	399,076.72	1,901.05	-	400,977.77
12/01/2025	365,000.00	1.400%	21,350.00	13,506.75	399,856.75	1,450.00	-	401,306.75
12/01/2026	375,000.00	1.400%	16,240.00	9,140.35	400,380.35	981.25	-	401,361.60
12/01/2027	385,000.00	1.400%	10,990.00	4,657.50	400,647.50	501.37	-	401,148.87
12/01/2028	400,000.00	1.400%	5,600.00	-	405,600.00	-	-	405,600.00
Total	\$6,400,000.00	-	\$1,352,470.00	\$1,050,324.54	\$8,802,794.54	\$112,762.49	(172,120.00)	\$8,743,437.03

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Wells Fargo Brokerage Services, LLC
Public Finance

Pocatello Development Agency

Pocatello, Idaho

Variable Rate Tax Increment Bonds, Series 2004

(Hawkins / Lowes Project) - Current Rates

Project Summary

Dated 12/01/2004 | Delivered 12/01/2004

Sources Of Funds

Par Amount of Bonds	\$6,400,000.00
---------------------	----------------

Total Sources	\$6,400,000.00
----------------------	-----------------------

Uses Of Funds

Total Underwriter's Discount (1.250%)	80,000.00
---------------------------------------	-----------

Costs of Issuance	63,250.00
-------------------	-----------

Total Letter of Credit Fee Paid at Closing	82,498.15
--	-----------

Deposit to Capitalized Interest (CIF) Fund	169,897.06
--	------------

Deposit to Project Construction Fund	6,000,000.00
--------------------------------------	--------------

Rounding Amount	4,354.79
-----------------	----------

Total Uses	\$6,400,000.00
-------------------	-----------------------

Flow of Funds Detail

State and Local Government Series (SLGS) rates for

Date of OMP Candidates

Project Construction Fund Solution Method	Net Funded
---	------------

Total Cost of Investments	\$6,000,000.00
---------------------------	----------------

Total Draws	\$6,000,000.00
-------------	----------------

Capitalized Interest Fund Solution Method	Net Funded
---	------------

Original Bond Proceeds	169,897.06
------------------------	------------

Accrued Interest	-
------------------	---

Interest Earnings @ 1.500%	2,222.94
----------------------------	----------

Total Draws	\$172,120.00
-------------	--------------

Bond Statistics

Average Life	15.095 Years
--------------	--------------

Average Coupon	1.4000000%
----------------	------------

Net Interest Cost (NIC)	1.4828114%
-------------------------	------------

Bond Yield for Arbitrage Purposes	2.5869960%
-----------------------------------	------------

True Interest Cost (TIC)	1.4942681%
--------------------------	------------

All Inclusive Cost (AIC)	2.9069256%
--------------------------	------------

FOR DISCUSSION PURPOSES ONLY

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Wells Fargo Brokerage Services, LLC

Public Finance

Whitman Building LLC
P.O. Box 715
Pocatello, Idaho 83204

0 v v v

0-t-0

Date: 30 August 2004

To: Pocatello Development Authority Commission

From: Whitman Building LLC

Subject: Whitman / Yellowstone Rehabilitation Project

At the regularly scheduled August meeting of the Pocatello Development Authority a decision on funding for the Whitman / Yellowstone Rehabilitation Project was tabled for lack of information. Whitman Building LLC apologizes for this oversight. Several attachments are included with this letter in an effort to provide each member of the Commission with the information necessary to make an informed decision. Meetings have been held with as many members of the Commission as possible to discuss the outstanding issues. Whitman Building LLC and Mr. Dale Bowden, representing the prospective developer of the project, met with Mayor Roger Chase, Harry Neuhardt and the PDA Executive Director Ray Burstedt to discuss in depth the Development Cost spreadsheet and other issues. Included below are responses to areas of concern expressed at that meeting. We will endeavor to meet with each member of the PDA Commission prior to the PDA special meeting on Wednesday, September 1st, those members of the Commission who were not available for a personal meeting will be provided with this information packet. Please contact any of the Whitman Building ownership group for additional information or clarification.

Sincerely,

Allen Collins
Tim Whiteus

232-5603
241-7576

Jerry Myers
Dick Carroll

232-3741
251-7628

Outstanding Issues Discussion

Project Cost – Highlights

- No PDA funding goes to the Yellowstone commercial property.
- PDA funding is for non-basis items, not eligible for Tax Credits. See asterisk items in Development Cost attachment.
- PDA funding could come in as late as 2006.
- Housing Construction Payroll = 1.6 million dollars in ~12 months or \$135k / month. Commercial Construction Payroll \$240k / \$20k per month.
- Materials Purchase = >2 million dollars
- Developer fee after re-contribution is 7%. Low by industry standards.
- Developer is re-contributing \$172k to the housing project.
- 3.8 million dollars or 84% of Housing cost provided by Tax Credits.
- Cost to demolish the Whitman is estimated to be in excess of \$600k.

Whitman Building LLC
P.O. Box 715
Pocatello, Idaho 83204

Property Ownership

- Idaho Housing and Finance Association / The Housing Company will own the top three floors of the Whitman and Yellowstone Buildings. Current owners will retain ownership of commercial space.
- IHFA / THC will own or jointly control the common areas of the ground floor of both buildings. <7,000 s.f. available for Whitman commercial.
- 40 year commitment to LMI housing.

Market Survey

- Current unmet demand for 325 LMI units in Bannock County – See Attachment, page 1.
- 2 year wait list for affordable housing units in Pocatello with waiting lists reserving 54 units. See Attachment, page 2
- Lease up expected to be 3-4 months of occupancy approval. See Attachment, page 2
- Demonstrated demand for downtown apartments

Community Support

- Will provide letters of support from Main Street merchants and property owners.
- Will provide letters of support from local housing entities.

Parking

- Planning and Development Services has determined off site parking is not required for this project based on the City's Zoning Code Section 17.44.085 for the Central Commercial District. An informal parking survey is in progress.

Community Issues

- This project is consistent with the goals of the 1993 Downtown Revitalization Plan.
- This project is also consistent with the stated goals of the 2002-2007 Consolidated Plan for Housing and Community Development 2002-2007.
– See Attachment, page 4

51 units.

Whitman / Yellowstone Rehabilitation Project

Development Costs

Item	Item Description	Whitman Property	Yellowstone Property	Total Cost	Cost/Unit (51 Units)	Cost/S.F. (26k/27k)
Property Acquisition						
1*	Building Acquisition	84,860	119,750	204,610	4,012	7.58
2*	Land Value	24,740	23,675	48,415	949	1.79
subtotal Property Acquisition		109,600	143,425	253,025	4,961	9.37
Construction						
3	Building & Permits	1,294,500	1,291,450	2,585,950	50,705	95.78
4	Exterior/Common/Structural	443,680	425,000	868,680	17,033	32.17
5	Appliance/Carpets/Drapes	108,000	93,150	201,150	3,944	7.45
subtotal Construction		1,846,180	1,809,600	3,655,780	71,682	135.40
6	Construction Contingency	150,000	100,000	250,000	4,902	9.26
subtotal Items 1 thru 6		2,105,780	2,053,025	4,158,805	81,545	154.03
Interim Costs						
7	Construction Insurance			7,000	137	0.26
8	Construction Interest			21,500	422	0.80
9	Taxes			1,000	20	0.04
10	Construction Loan Fee			17,000	333	0.63
11	Title Fees/Close/Disburse			7,600	149	0.28
12	Legal/Accounting			5,900	116	0.22
13	Soft Cost Contingency			15,000	294	0.56
subtotal Interim Costs				75,000	1,471	2.79
Permanent Loan						
14*	Loan Fee			5,000	98	0.19
15*	Title			900	19	0.03
16*	Legal			1,200	24	0.04
17	Architectural/Engineering Fee			171,000	3,353	6.33
18	Recording			500	10	0.02
19	Soils/Environmental			7,500	147	0.28
20*	Appraisal			6,500	127	0.24
21	Tax Credit Fees			15,000	294	0.56
22	Developer Fee - See Note 1	286,606	246,363	532,969	10,450	19.74
subtotal Permanent Loan		286,606	246,363	740,569	14,522	27.43
Reserves						
23*	Taxes/Insurance Lease Up			60,000	1,176	2.22
24*	Property Management			100,000	1,960	3.70
25*	Organizational Cost			30,000	588	1.11
subtotal Reserves				190,000	3,724	7.03
Total All Items				5,164,374	101,262	191.28

Note 1 "Developer Fee" includes \$172,180 contribution to the project. See Sources and Uses

* Denotes costs not eligible for the 9% Low Income Housing Tax Credit basis.

MARKET STUDY FOR:

**The Proposed Rehabilitation of the Whitman
and Yellowstone Buildings Into Low-Income
Family Apartments**

Pocatello, Bannock County, Idaho

PREPARED FOR:

Mr. Tim Whiteus
Whitman Building, LLC
P.O. Box 715
Pocatello, Idaho 83204

AS OF:

June 9, 2004

PREPARED BY:

**Mountain States Appraisal
and Consulting, Inc.**

**Scott Fernand, Analyst
and
Moe Therrien, MAI**

MS-6592(A)-04



MOUNTAIN STATES APPRAISAL
AND CONSULTING, INC.
1459 Tyrell Lane, Suite B
Boise, Idaho 83706

July 27, 2004

Jon C. Corlett, MAI
G. Joseph Corlett, MAI, SRA
Maurice J. Therrien, MAI
Darrel Matthews, MAI
Scott R. Haxton, MAI
Alan K. Marchbanks
Scott A. Fernand
Ken Jenkins

Mr. Tim Whiteus
Whitman Building, LLC
P.O. Box 715
Pocatello, Idaho 83204

Re: Market Study for the Proposed Rehabilitation of
The Whitman and Yellowstone Buildings Into
46 Low-Moderate Income Family Apartments
Pocatello, Bannock County, Idaho
MS-6592(A)-04

Mr. Whiteus:

We have completed a market study that addresses supply and demand feasibility factors in regard to the low-moderate income rental market in Bannock County, Idaho. The report considers your proposal to rehabilitate upper floors in the Whitman and Yellowstone Buildings located in the city of Pocatello into 46 apartments that will target occupancy by income-qualifying family households.

It is our understanding the information in this report is a requirement of the Idaho Housing and Finance Association when submitting for a reservation of low-income housing tax credits. The study is also necessary in applications for supplementary funding by the State of Idaho HOME program administrative plan. The presentation of information follows the outline of requested information by those agencies.

This report concludes Bannock County has experienced steady growth in population and employment during the past ten years, and the trend is projected to continue. **Our current estimate of unmet demand for low-moderate income family apartments in Bannock County is in the range of 325 units.** Our conclusion of unmet demand for income-qualifying family apartments in Bannock County is determined by several factors to include:

- 1) current vacancy of the county/city apartment markets,
- 2) consideration of competing projects which are existing, developing, and proposed,
- 3) continued growth of Bannock County households at historic levels,
- 4) an analysis of County census data and current updates provided by Claritas, Inc.,
- 5) the ratio of affordable family rental supply versus qualifying family households.

The project, as proposed, will rehabilitate two historic buildings located in adjoining blocks of the Pocatello "Old Town District" and provide a total of 46 low-moderate income family apartments. All apartments will be located on upper floors with elevator access. The Whitman Apartments will be located on the second, third, and fourth floors, and include three studio apartments with 364 square feet, 24 one-bedroom apartments with various floor plans; the dominant will contain 650 square feet, and three two-bedroom apartments with 930 square feet.

The Yellowstone Apartments will be located on the second and third floors, and include 12 one-bedroom apartments with 650 square feet, and four two-bedroom apartments with 920 square feet. As clarification, the main levels of each building and the fourth floor of the Yellowstone Building, are to be developed separately and are not considered in this market study.

EXECUTIVE SUMMARY

REPORT OVERVIEW

Market Area: Bannock County, a southeastern Idaho County, with current population estimated at 75,600. Steady population and employment growth history – anticipated to continue.

Project: Rehabilitate the upper floors of the historic Whitman and Yellowstone Buildings into 46 family LIHTC apartments.

Market Occupancy: Occupancy for Bannock County, June 2004 survey:
Low-moderate income family complexes: 93.5% with waiting lists reserving 54 units.
Low-moderate income senior complexes: 93.4% with waiting lists reserving 18 units.
Conventional market rate complexes: 94.9%

Supply Ratio Analysis: 10 county (in-balance) low-moderate income family supply/demand ratio: 18.44%
Low population 5 county mean ratio: 24.01%
High population 5 county low mean ratio: 12.88%

Bannock County supply ratio: 7.4%

Bannock County Supply Ratio Conclusion: Undersupply of 325 low-income family apartments

Under Construction/Proposed Construction: Included in analysis – will **not** oversupply market.

Subject Absorption: 15%, or 7 units, expected pre-leased during construction with remaining 39 units leased at a rate of 12 units per month.

LIHTC vs. Market Rents:

LIHTC Program Maximum Rents:

	<u>60% AMI</u>	<u>50% AMI</u>
Studio	\$516	\$430
1BR	\$553	\$461
2BR	\$664	\$553

Market Rent Estimates:
Studio - \$436
1BR - \$525
2BR - \$585
(Note: Monthly rent estimates include all utilities)

AMI bracket would inherently increase demand estimates for new units projected by the methodology of considering only households qualifying at 50 percent AMI levels and below. The difficulty in quantifying the number of cross-over conventional rented units currently achieving near program maximum rent levels has the potential to understate available supply and possibly overstate demand for new units. The situation is avoided if demand for new units represented by households qualifying at 50 percent AMI brackets and below is considered as **average minimum demand for new units**.

LIHTC apartment projects allow occupancy by individuals in households with incomes at or below defined percentages of area median income (AMI). U.S. Department of Housing and Urban Development (HUD) specified AMI for Bannock County in 2004 to be \$49,200. At 60 percent AMI, households with incomes less than \$29,520 would qualify for occupancy, at 50 percent AMI, households with incomes less than \$24,600 would qualify for occupancy.

The 2000 Census Data and 2004 updates provided by Claritas, Inc. were utilized to determine current qualifying households within Bannock County. Applying the 2004 Claritas, Inc. household income profile to 2004 AMI levels, reveals an **estimated 5,943 family households to be at or below 50 percent AMI**.

Supply Ratio Statistical Conclusion:

Previous surveys and information supplied by various housing agencies, concludes the total number of existing and developing (under construction and approved for construction) supply of low-income family units in Bannock County to be 438 apartments. **The supply ratio for low-moderate income family households qualifying at or below 50 percent AMI is therefore 7.4 percent.** Recall, the ten county in balance mean ratio was 18.44 percent, for the five most populous counties, the in balance mean ratio was 12.88 percent. Both statistical ratios suggest Bannock County has an undersupply of low-moderate income family apartments. The table on the following page highlights the statistical calculations and conclusions of the net supply deficit.

observations and data obtained directly from Idaho rental markets, can reasonably depict minimum demand characteristics for Bannock County. The supply ratio analysis suggests a net undersupply of low-moderate income family apartments in Bannock County. A review of the apartment occupancy surveys confirms the supply ratio analysis findings by concluding that both conventional rent and low-moderate income family projects in Bannock County are undersupplied with pent up demand.

Against this background of statistical and hands-on market information, it is with reasonable confidence we conclude the development proposal for 46 low-moderate income family units in Pocatello will meet with reasonable market acceptance and not result in an oversupply in the primary market of Bannock County.

Pocatello became an entitlement community for the federal Community Development Block Grant (CDBG) program administered by HUD in 1996. Broadly, the goals under the CDBG umbrella are: 1) provide decent housing, 2) establish and maintain a suitable living environment, and 3) provide expanded economic opportunities. The current City of Pocatello Consolidated Plan for Housing and Community Development 2002-2007 is a report commissioned from BBC Research and Consulting, Denver, Colorado, that was adopted in December 2001 by the city. Briefly, the major goals outlined in the consolidated plan are:

- 1) Maintain an adequate supply of permanent, affordable housing of adequate quality and safety for low/moderate income occupants,
- 2) Reduce homelessness,
- 3) Continue neighborhood revitalization efforts in central neighborhoods, including commercial and residential areas,
- 4) Implement economic development activities that eliminate blight, promote private investment, and expand economic opportunities for low and moderate income persons
- 5) Provide public/social services for low-income families and individuals that complement other community development programs,
- 6) Improve access of low-moderate income residents to quality public and quasi-public facilities, and
- 7) Conduct city planning activities that support housing improvements, neighborhood revitalization, and economic development.

The conclusions of the BBC report lend support to the estimates of unmet demand for low-moderate income rental housing in Bannock County as detailed in this market study. The Pocatello city

KOGER EXCAVATION

P.O. BOX 85
POCATELLO IDAHO 83201
PHONE 237-1386

DATE: 8/27/04

TO: Jerry Myers

ATTN:

KOGER EXCAVATION, OFFERS THE FOLLOWING QUOTE PROPOSAL FOR YOUR CONSIDERATION.

KOGER QUOTE INCLUDES: To Demo whitman Hotel and fill basement.

This is an estimate only of \$600,000.00

KOGER QUOTE EXCLUDES: The removal of all asbestos material. Removal of basement walls, because of adjacent buildings, front sidewalk, Back utilities.

TOTAL QUOTE AMOUNT \$

THANK YOU FOR THE OPPORTUNITY TO BID THIS PROJECT. PLEASE CONTACT THE UNDERSIGNED IF YOU HAVE ANY QUESTIONS REGARDING THIS QUOTE.

VERY TRULY YOURS,
KOGER EXCAVATION

