

Pocatello Development Authority

Board of Commissioners Meeting
January 20, 2016 – 11:00 a.m.
Paradise Conference Room

City of Pocatello
911 North 7th Avenue
Pocatello, Idaho 83205

An urban renewal agency for the City of Pocatello, Idaho

11:00 a.m.

Call to order by Michael Orr, Chairman
Acknowledge guests of the Board
Disclosure of conflicts of interest
Agenda; delete action or discussion items

Action and Discussion Items:

Agenda Item No. 1: Advisory Board Update by Anne Nichols.

Agenda Item No. 2: Fiscal Year 2015 Audit by Doran Lambson, Deaton & Company.

Agenda Item No. 3: Minutes.

Motion to approve and/or amend Minutes of December 15, 2015 and December 18, 2015.

Agenda Item No. 4: Financial Report.

Motion to approve and/or amend December 2015 Income and Expenses.

Agenda Item No. 5: Payment Requests/Reimbursements.

- (a) Zions Bank Annual Trustee Fee in the amount of \$2,000.
- (b) Kumm & Reichert, PLLC – Kelly Kumm legal service related to Hoku property in the amount of \$618.00 *late Nov.*

Agenda Item No. 6: Positron Building Furnace/Water Damage.

Agenda Item No. 7: Request For Proposal - Broker for Positron Lease

Agenda Item No. 8: Petersen, Inc. Update per Semi-Annual Review of Economic Development Agreement.

Agenda Item No. 9: Resolution Acknowledging Michael Orr, as a Board Member and Chairman, for his outstanding service to the Board.

Agenda Item No. 10: Election of Steve Brown to the PDA Board as Representative of the City Council.

Agenda Item No. 11: Election of Chairman Position and Lon Crowell to the position of Executive Director of the Board.

Upcoming Events/Information:

Matters exist for discussion in an executive session as per I.C. §74-206(1)(e)
Motion: "I move that we enter into an executive session as per Idaho Code §74-206(1)(e) to consider preliminary negotiations involving matters of trade or commerce in which the PDA may be in competition with other jurisdictions."

Adjourn.

AGENDA ITEM

NO. 3

POCATELLO DEVELOPMENT AUTHORITY MEETING MINUTES
January 20, 2016

Members present: Brian Blad, Chad Carr, Cynthia Hill, Michael Orr (Chair), Thomas Ottoway, Scott Smith, and John Regetz with Bannock Development Corporation (ex-officio)

Members excused: Larry Fisher

Members absent: Howard Manwaring and Russell Meyers

Staff present: Lon Crowell, Executive Director; Dean Tranmer and Tiffany Olsen, City Legal Dept.; Merril Quayle, Development Engineer, and Joyce Stroschein, City Finance Dept.

Chair Orr called the meeting to order at 11:01a.m. T. Olsen called the roll.

Introductions, Conflicts, and Agenda: Guests included Doran Lambson with Deaton & Company (left at 11:15a.m.), Anne Nichols with the Mayor's office (left at 11:11a.m.) and Councilman Steve Brown. No conflicts were disclosed pertaining to the agenda and there were no deletions made to the agenda.

Action and Discussion Items:

Agenda Item No. 1: Advisory Board Update by Anne Nichols. Anne Nichols, the Mayor's Assistant, presented the newly revised Advisory Board Meeting Manual. Highlights include the requirements of public notice of meetings, attendance, Media and Social Media policies, recusing and abstaining from voting (not encouraged), types of motions and disruptions during meetings. Nichols advised there is language preventing the Board from voting by email, which is an action the PDA Board has exercised in the past. Therefore, if the matter is urgent and needs a vote, a special meeting will need to be noticed and held to accommodate the action.

Agenda Item No. 2: FY2015 Comprehensive Financial Audit Report by Deaton and Company. Doran Lambson, Auditor for Deaton and Company, provided an introduction to the Comprehensive Annual Financial Report for the year ending September 30, 2015. Lambson explained that in Deaton's opinion, the financial statements referred to in the audit present fairly, in all material respects, the respective financial position of the urban renewal activities and each major fund of the Pocatello Development authority for the 2015 fiscal year, in conformity with accounting principles generally accepted in the U.S. Lambson advised that based on his test of a sample of PDA records, the Authority is not out of compliance, and there are no material issues or deficiencies of the internal control over financial reporting. **J. Stroschein** presented a page by page summary of the financial audit. It was **MSC (B. Blad, T. Ottoway)** to adopt the FY2015 Comprehensive Financial Audit Report as presented.

Agenda Item No. 3: Minutes. The Minutes of the regularly scheduled meeting of December 15, 2015 and the special meeting on December 18, 2015 were reviewed. It was **MSC (C. Carr, B. Blad)** to approve the December 15th and 18th Minutes as presented.

Agenda Item No. 4: Financial Reports. **J. Stroschein** presented the Financial Reports for the month of December 2015. At month end the Authority had cash on hand of \$5,163,764.85. The checking account balance was \$2,575,669.19, the savings account was \$746,213.85, and cash being held by Zions Trust amounted to \$1,841,881.81. The Authority recognized normal financial activity during the month of December. The Authority received revenues totaling

\$2,288.35 of which \$862.15 was interest earnings on cash invested. The \$1,000.00 received on the note receivable applied \$188.86 towards the principal of the note. Property tax revenue totaled \$1,237.34 for the North Yellowstone District. The remaining revenue reported was the result of internal transfer for the administrative fees totaling \$130,961.38 for the North Yellowstone District. Expenses paid for the month totaled \$8,086.97. The Authority incurred a publishing expense for the RFP related to the Positron and Hoku facilities in the amount of \$89.45, dues in the amount of \$750.00 were paid to Redevelopment Association of Idaho as well as \$5,000.00 for a legislative donation and utilities for the Positron property were \$2,029.72 for September and October. The administrative expense for lunch totaled \$217.80. The remaining expense reported totaled \$130,961.38 which was the result of the internal transfer for the administrative fee from the North Yellowstone District. Year to date revenues of \$159,939.58 (see page 3) are not greater than expenses of \$711,156.10. Overall Net Loss of \$551,216.52. As a reminder, **J. Stroschein** noted a net loss indicates the use of cash reserves. It was **MSC (B. Blad, C. Hill)** to approve the December Financial Report as presented.

Agenda Item No. 5: Payment Requests/Reimbursements.

- (a) It was **MSC (S. Smith, C. Carr)** to approve the payment of \$2,000.00 to Zions Bank for the annual trustee fee.
- (b) It was **MSC (B. Blad, S. Smith)** to approve the payment of \$618.00 to Kumm & Reichert, PLLC for Kelly Kumm's legal services regarding the Hoku property.

Agenda Item No. 6: Positron Building Furnace/Water Damage. **L. Crowell** presented a summary on the damage to the Positron building which occurred sometime in the early morning hours of January 4, 2016 when the general furnace blower malfunctioned and subsequently caused the fire suppression system to freeze and leak. In order to prevent additional damage/molding from the excess water in the building, **L. Crowell** contacted Quik & Kleen to remediate. Quik & Kleen's billing is estimate to be between \$2,000-\$3,000. Both the PDA and ISU have received estimates to repair the fire suppression system. Before any repairs are made, liability of the facility needs to be determined since the final Judgment and Order awarding the leasehold interest to the PDA has not been issued by the Judge. PDA Staff will meet with ISU Staff and Counsel to determine what needs to be done and who should be responsible for the repairs/remediation costs. T. Olsen has listed the leasehold interest in the property on the PDA's ICRMP insurance policy retroactive to the settlement agreement date of August 2015.

Agenda Item No. 7: Request for Proposal – Broker for Positron Lease. **L. Crowell** asked the Board if they wish to have a second request for proposal issued for the lease of the Positron property. **B. Blad** asked for the Board to hold the issuance until the judicial foreclosure action is complete and we have the ability to market the premises. **L. Crowell** informed the Board a local realtor submitted a marketing pamphlet and expressed interest. It was agreed by the Board to take no action at this time.

Agenda Item No. 8: Petersen, Inc., Update per Semi-Annual Review of Economic Development Agreement. Petersen, Inc. provided a power point presentation documenting their performance which was presented to the Authority by **L. Crowell**. Petersen currently has 59 positions on the payroll, with 53 over \$14.00 and an average wage of \$21.29 per hour. Work orders have slightly increased with several bids recently being awarded. **L. Crowell** reminded the Board that Petersen has always been good in providing information when requested and has continued to operate a successful facility.

Agenda Item No. 9: Resolution Acknowledging Michael Orr, as a Board Member and Chairman, for his outstanding service to the Board. Michael Orr holds a Board Member position as the PDA Board's City Council Liaison. With the election of a new Council President, Mr. Orr's seat will be replaced by the new Council Liaison. Therefore, the Board adopted Resolution 2016-1 (MSC, C. Hill, T. Ottoway) in acknowledgment of Michael Orr's five and a half years as a Board Member and Chairman from October 2014 to January 2016.

Agenda Item No. 10: Election of Chairman Position and Lon Crowell to the position of Executive Director of the Board. It was MSC (B. Blad, C. Hill) to elect Councilman Steve Brown to the City Council Liaison seat on the Board with an expiration date of May 1, 2016. **Chairman Orr** asked the Board to appoint Lon Crowell to the position of Executive Director of the Board. L. Crowell has served as the Interim Executive Director for four and a half years and has done a remarkable job. **Orr** commended him for his continued dedication to the Board in economic development and bringing businesses to the City. It was MSC (B. Blad, C. Carr) to appoint Lon Crowell to the position of Executive Director. Lastly, it was MSC (B. Blad, C. Hill) to elect Scott Smith to the Chairman position and Chad Carr to the Vice-Chairman position with terms ending September 30, 2016.

2. **Chair Orr** called for a motion for the Board to go into an executive session to discuss a matter regarding negotiations involving matters of trade or commerce in which the PDA is in competition with other jurisdictions. **It was moved and seconded (B. Blad, C. Carr)** to adjourn to executive session pursuant to Idaho Code §74-206(1)(e) at approximately 12:13 p.m. **The motion passed** by roll call vote (**Ayes: Blad, Carr, Hill, Orr, Ottoway, Smith; Nays: None**). Guests that remained in the meeting for Executive Session included Councilman Steve Brown and John Regetz. Potential development within the North Portneuf District was discussed. The Board reconvened to regular session at 12:26 p.m. by **MSC (B. Blad, C. Carr)**.

3. Adjournment:

There being no additional business, the meeting adjourned at 12:36p.m by **MSC (B. Blad, S. Smith)**.

By: 
Tiffany G. Olsen, Secretary

AGENDA ITEM

NO. 4

FINANCIAL

REPORTS

(will be supplemented)

Pocatello Development Authority
Balance Sheet by Class
As of December 31, 2015

	<u>1-General Fund</u>	<u>3-North Yellowstone</u>	<u>4-Naval Ordnance</u>	<u>6-North Portneuf</u>	<u>7-Pocatello Regional Airport</u>	<u>TOTAL</u>
ASSETS						
Current Assets						
Checking/Savings						
Checking Wells Fargo	2,110,255.46	52,423.92	184,135.94	0.00	228,853.87	2,575,669.19
Savings Wells Fargo	746,177.65	36.20	0.00	0.00	0.00	746,213.85
Zions 2012 Bnd Fnd 7110526D	0.00	2.26	0.00	0.00	0.00	2.26
Zions Bnd Reserve Fnd 7110526B	0.00	677,544.65	0.00	0.00	0.00	677,544.65
Zions Rev Alloc Fnd 7110526	0.00	1,164,334.90	0.00	0.00	0.00	1,164,334.90
Total Checking/Savings	<u>2,856,433.11</u>	<u>1,894,341.93</u>	<u>184,135.94</u>	<u>0.00</u>	<u>228,853.87</u>	<u>5,163,764.85</u>
Other Current Assets						
Accrued Interest Income	14,006.82	0.00	0.00	0.00	0.00	14,006.82
Prepaid	1,122.00	0.00	0.00	0.00	0.00	1,122.00
Property Tax Receivable	0.00	16,368.29	0.00	11,665.93	0.00	28,034.22
Total Other Current Assets	<u>15,128.82</u>	<u>16,368.29</u>	<u>0.00</u>	<u>11,665.93</u>	<u>0.00</u>	<u>43,163.04</u>
Total Current Assets	<u>2,871,561.93</u>	<u>1,910,710.22</u>	<u>184,135.94</u>	<u>11,665.93</u>	<u>228,853.87</u>	<u>5,206,927.89</u>
Other Assets						
Inventory - Leasehold	424,779.00	0.00	0.00	0.00	0.00	424,779.00
Note Receivable	244,894.11	0.00	0.00	0.00	0.00	244,894.11
Total Other Assets	<u>669,673.11</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>669,673.11</u>
TOTAL ASSETS	<u>3,541,235.04</u>	<u>1,910,710.22</u>	<u>184,135.94</u>	<u>11,665.93</u>	<u>228,853.87</u>	<u>5,876,601.00</u>
LIABILITIES & FUND BALANCE						
Liabilities						
Long Term Liabilities						
Deferred Interest Receivable	13,606.34	0.00	0.00	0.00	0.00	13,606.34
Deferred Notes Receivable Rev	244,518.75	0.00	0.00	0.00	0.00	244,518.75
Deferred Tax Revenues	0.00	13,893.61	0.00	11,665.93	0.00	25,559.54
Total Long Term Liabilities	<u>258,125.09</u>	<u>13,893.61</u>	<u>0.00</u>	<u>11,665.93</u>	<u>0.00</u>	<u>283,684.63</u>
Total Liabilities	<u>258,125.09</u>	<u>13,893.61</u>	<u>0.00</u>	<u>11,665.93</u>	<u>0.00</u>	<u>283,684.63</u>
Fund Balance						
Fund Balance	3,543,184.37	2,023,968.39	205,991.72	142,390.94	228,597.47	6,144,132.89
Net Income	-260,074.42	-127,151.78	-21,855.78	-142,390.94	256.40	-551,216.52
Total Fund Balance	<u>3,283,109.95</u>	<u>1,896,816.61</u>	<u>184,135.94</u>	<u>0.00</u>	<u>228,853.87</u>	<u>5,592,916.37</u>
TOTAL LIABILITIES & FUND BALANCE	<u>3,541,235.04</u>	<u>1,910,710.22</u>	<u>184,135.94</u>	<u>11,665.93</u>	<u>228,853.87</u>	<u>5,876,601.00</u>

4:57 PM
01/17/16
Accrual Basis

Pocatello Development Authority
Profit & Loss by Class
October through December 2015

	<u>1-General Fund</u>	<u>3-North Yellowstone</u>	<u>4-Naval Ordnance</u>	<u>6-North Portneuf</u>	<u>7-Pocatello Regional Airport</u>	<u>TOTAL</u>
Ordinary Income/Expense						
Income						
Interest Income	2,492.20	97.58	0.00	0.00	0.00	2,589.78
Miscellaneous Income	0.00	0.00	0.00	0.00	256.40	256.40
Principal received on notes	564.22	0.00	0.00	0.00	0.00	564.22
Property Taxes	0.00	3,712.02	0.00	0.00	0.00	3,712.02
Transfers in	152,817.16	0.00	0.00	0.00	0.00	152,817.16
Total Income	<u>155,873.58</u>	<u>3,809.60</u>	<u>0.00</u>	<u>0.00</u>	<u>256.40</u>	<u>159,939.58</u>
Gross Profit	155,873.58	3,809.60	0.00	0.00	256.40	159,939.58
Expense						
Administrative	559.22	0.00	0.00	0.00	0.00	559.22
Capital Land purchase	157,609.06	0.00	0.00	142,390.94	0.00	300,000.00
Dues and Memberships	5,750.00	0.00	0.00	0.00	0.00	5,750.00
Economic Grants Issued	250,000.00	0.00	0.00	0.00	0.00	250,000.00
Transfers out	0.00	130,961.38	21,855.78	0.00	0.00	152,817.16
Utilities	2,029.72	0.00	0.00	0.00	0.00	2,029.72
Total Expense	<u>415,948.00</u>	<u>130,961.38</u>	<u>21,855.78</u>	<u>142,390.94</u>	<u>0.00</u>	<u>711,156.10</u>
Net Ordinary Income	<u>-260,074.42</u>	<u>-127,151.78</u>	<u>-21,855.78</u>	<u>-142,390.94</u>	<u>256.40</u>	<u>-551,216.52</u>
Net Income	<u><u>-260,074.42</u></u>	<u><u>-127,151.78</u></u>	<u><u>-21,855.78</u></u>	<u><u>-142,390.94</u></u>	<u><u>256.40</u></u>	<u><u>-551,216.52</u></u>

Pocatello Development Authority
Profit & Loss by Class
December 2015

	<u>1-General Fund</u>	<u>3-North Yellowstone</u>	<u>TOTAL</u>
Ordinary Income/Expense			
Income			
Interest Income	830.15	32.00	862.15
Principal received on notes	188.86	0.00	188.86
Property Taxes	0.00	1,237.34	1,237.34
Transfers in	130,961.38	0.00	130,961.38
Total Income	<u>131,980.39</u>	<u>1,269.34</u>	<u>133,249.73</u>
Gross Profit	131,980.39	1,269.34	133,249.73
Expense			
Administrative	307.25	0.00	307.25
Dues and Memberships	5,750.00	0.00	5,750.00
Transfers out	0.00	130,961.38	130,961.38
Utilities	2,029.72	0.00	2,029.72
Total Expense	<u>8,086.97</u>	<u>130,961.38</u>	<u>139,048.35</u>
Net Ordinary Income	<u>123,893.42</u>	<u>-129,692.04</u>	<u>-5,798.62</u>
Net Income	<u><u>123,893.42</u></u>	<u><u>-129,692.04</u></u>	<u><u>-5,798.62</u></u>

At month end the Authority had cash on hand of \$5,163,764.85. The checking account balance was \$2,575,669.19, the savings account was \$746,213.85, and cash being held by Zions Trust amounted to \$1,841,881.81.

Pocatello Development Authority recognized normal financial activity during the month of December. The Authority received revenues totaling \$2,288.35 of which \$862.15 was interest earnings on cash invested. The \$1,000.00 received on the note receivable applied \$188.86 towards the principal of the note. Property tax revenue totaled \$1,237.34 for the North Yellowstone District. The remaining revenue reported was the result of internal transfer for the administrative fees totaling \$130,961.38 for the North Yellowstone District.

Expenses paid for the month totaled \$8,086.97. The Authority incurred a publishing expense for the budget adopted of \$89.45. Dues were paid to Redevelopment Association of Idaho \$5,750.00 and utilities for the Positron property were \$2,029.72 for September and October. The administrative expense for lunch totaled \$217.80. The remaining expense reported totaled \$130,961.38 which was the result of the internal transfer for the administrative fee from the North Yellowstone District.

Year to date revenues of \$159,939.58 (see page 3) are not greater than expenses of \$711,156.10. Overall Net Loss of \$551,216.52. Reminder a net loss indicates the use of cash reserves.

AGENDA ITEM

NO. 5

Zions Bank**We Haven't Forgotten Who Keeps Us In Business***INVOICE**

Mark Henson
 Zions Bank Corporate Trust
 800 W. Main Street, Ste. 700
 Boise, ID 83702

Phone 208-501-7538 Fax 855-855-9705

DATE: JANUARY 1, 2016

To:
 Pocatello Development Authority
 Attn: Joyce Stroschein
 P.O. Box 4169
 Pocatello, ID 83201

Account:
 Pocatello Development Authority Revenue
 Allocation (Tax Increment) Refunding Bonds,
 2012 Series
 No. 7110526

DUE UPON RECEIPT

DESCRIPTION	AMOUNT
Annual Trustee Fee	\$2,000.00
TOTAL	\$2,000.00

Please send a check to the following address:

Zions Bank Corporate Trust
 800 W. Main Street, Ste. 700
 Boise, ID 83702

or**Send a wire to:**

Zions First National Bank
 ABA: 124000054
 Account No. 080000516

Account name: Corporate Trust
 Ref: Account No. (enter account number above) Fee

If you have any questions concerning this invoice, contact:

Mark Henson
 208-501-7538
mark.henson@zionsbank.com

NEW DAY PRODUCTS INC

*pd. by GS 1-19-16
"Admin cost"*

Invoice

1704 N. Main Street
POCATELLO ID 83204
(208) 232-7807

Date	Invoice #
1/19/2016	64217

Bill To
CITY OF POCATELLO P.O. BOX 4169 POCATELLO, ID 83205

Ship To
Tiffany Olsen

P.O. Number	Terms	Rep	Ship	Via
	Due on receipt	KW	1/19/2016	

Quantity	Item Code	Description	Price Each	Amount
1	Plaques	8 x 10 plaque for Development Authority Award EXEMPT	29.70 0.00%	29.70T 0.00

Total	\$29.70
Payments/Credits	\$0.00
Balance Due	\$29.70

AGENDA ITEM

NO. 7

Request for Proposals

INDUSTRIAL REAL ESTATE BROKER SERVICES

This is a Request for Proposal (RFP) issued by the Pocatello Development Authority (Owner). The Owner requires the services of a professional and qualified INDUSTRIAL REAL ESTATE BROKER.

The Owner will consider proposals from national, regional and local Real Estate firms that have the experience, nation-wide network reach, infrastructure and personnel to market and secure a lease for property located in Pocatello, Idaho owned by Idaho State University and controlled by the Pocatello Development Authority through a 99 year lease. It is the intent of the PDA to solicit responses to this RFP in accordance with the statement of work, proposal preparation section, and specifications contained in this document.

A. DEFINITIONS

Following are explanations of terms and abbreviations appearing throughout this RFP. Other special terms may be used in the RFP, but they are more localized and defined where they appear, rather than in the following list:

- APPLICANT:** Respondent to this Request for Proposal
PROJECT: INDUSTRIAL REAL ESTATE BROKER SERVICES
OWNER: Pocatello Development Authority (PDA)
PROPOSAL: An offer to perform services as defined in this document

B. PURPOSE OF THE RFP

The purpose of this RFP is to invite potential Respondents to submit proposals to supply all things necessary to market real estate, to secure a long-term lease and to conduct related services as requested pursuant to this RFP. In general, this RFP requests INDUSTRIAL broker services to list, market/advertise and lease Owner properties at the following address:

LEASE: 1500 Alvin Ricken Drive, Pocatello, Idaho 83201

*Additional information and maps of the properties are included as **Attachment A**.*

C. REQUEST FOR PROPOSALS

All proposals must be received at the address below, no later than Thursday, February 29, 2016, 5:00 p.m. MST. All proposals must be addressed to:

RFP: INDUSTRIAL REAL ESTATE BROKER
Lon Crowell, Executive Director
Pocatello Development Authority
911 N 7th Ave
Pocatello, Idaho 83201

All proposals must be submitted in a sealed envelope clearly marked with RFP: INDUSTRIAL REAL ESTATE BROKER SERVICES and the proposal due date and time. All submittals shall include two (2) color copies. Any proposal received after the proposal due date and time will be unopened, documented and held for 30 days, after which they will be destroyed. All rejected proposals not claimed within 30 days of the date of rejection will be destroyed.

D. SCOPE OF SERVICES

1. The successful firm shall agree to contract with Owner to provide the following:
2. Perform market analysis,
3. Develop strategies for sale of properties,
4. Work with Executive Director to negotiate the lease of property with buyers and prospects,
5. Coordinate real estate appraisals
6. Coordinate real estate transaction closings
7. Handle all other customary activities and services associated with real estate transactions.
8. Attendance and presentations at meetings of the Board may be required.

E. BROKER'S QUALIFICATIONS

All Applicants must be licensed to sell Commercial Real Estate as a Broker in good standing within the state of Idaho. Applicants must have a minimum of 10 years of experience in listing and leasing INDUSTRIAL RESEARCH & DEVELOPMENT properties.

F. INSURANCE REQUIREMENTS

For proposal purposes, proposers must submit copies of certificates of insurance for general liability and workers compensation. The applicant shall maintain professional errors and omissions insurance for work performed in connection with this Agreement in the minimum amount of Five Hundred Thousand Dollars (\$500,000.00) until a lease contract has been signed. The successful contractor must provide original certificates prior to commencing services.

G. FEE SCHEDULE

The proposed fee schedule shall include the following items:

1. State your commission rate for leasing properties.

The Owner anticipates that a single contract will be awarded for INDUSTRIAL REAL ESTATE BROKER SERVICES and related services; however there are four (4) exceptions to this condition as follows:

1. The City of Pocatello,
2. Pocatello Development Authority,
3. Bannock Development Corporation
4. State of Idaho

The entities listed above reserve the right to entertain and consider all offers of sale or lease of subject properties. If buyer originates from any of the aforementioned four (4) sources, then the agreed upon commission shall be reduced by forty percent (40%).

The real estate firm will be paid strictly on commission basis and will be expected to work closely with Owner designated economic development personnel and Bannock Development Corporation and provide monthly reports to Owner. Owner reserves the right to reject any and all proposals, or parts of proposals, when it is judged to be in the best interest of Owner.

H. DISCUSSION

The Owner reserves the right to conduct discussions, either oral or written, with the Applicants determined by the Owner to be reasonably viable to being selected for award. If discussions are held, the Owner may request best and final offers.

The request for best and final offers may include:

1. Notice that discussions are concluded.
2. Notice that this is the opportunity to submit written best and final offers.
3. Notice of the date and time for submission of the best and final offer.
4. Notice that if any modification is submitted, it must be received by the date and time specified or it will not be considered.
5. Notice of any changes in the Owner's requirements.

The Owner reserves the right to reject any or all proposals received or to award, without discussions or clarifications, a contract on the basis of initial proposals received. Therefore, each proposal should contain the Applicant's best terms from a price and technical standpoint.

The Owner reserves the right to reopen discussions after receipt of best and final offers, if it is clearly in the Owner's best interest to do so and the PDA Board Chairman or designee makes a written determination of that fact. If discussions are reopened, the Owner may issue an additional request for best and final offers from all Applicants determined by the Owner to be reasonably susceptible to being selected for award.

Following evaluation of the best and final offers, the Owner may select for negotiations the offers that are most advantageous to the Owner, considering price or cost and the evaluation factors in the RFP.

The Owner also reserves the right to conduct clarifications to resolve minor issues. If only clarifications are sought, best and final offers may not be requested. The Owner retains sole authority to determine whether contact with Applicants is for clarification or discussion.

I. MODIFICATION OR WITHDRAWAL OF OFFERS

Modifications to submitted RFP's will be accepted before Monday, November 30, 2015, 5:00 p.m. MST. Any modifications or changes to a proposal after the above date will not be accepted.

Modification to or withdrawal of a proposal received by the Owner after the exact hour and date specified for receipt of proposals will not be considered an acceptable proposal. If it becomes necessary to revise any part of this RFP or if additional data is necessary for an exact interpretation of provisions of this RFP prior to the due date for proposals, a supplement will be issued by the Owner. If such addenda issuance is necessary, Owner reserves the right to extend the due date and time of proposals to accommodate such interpretations or additional data requirements.

J. GENERAL

To facilitate the timely evaluation of the proposal, a standard format for proposal submission has been developed and is documented in this section. All Applicants are required to format their proposals in a manner consistent with the guidelines described below:

1. Each item must be addressed in the Applicant's proposal or the proposal may be rejected.
2. The transmittal letter should be submitted on company letterhead including the company name, address and contact information. The business and technical proposals must be organized under the specific section titles as listed below.
3. The proposal must be less than 10 pages, 11 pt. Arial type font with minimum margins of 1".

4. The Owner may, at its option, allow all Applicants a five-calendar-day period to correct minor errors or omissions to their proposals. Should this necessity arise, the Owner will contact each Applicant affected. Each Applicant must submit written corrections to the proposal within five calendar days of notification. The intent of this option is to allow proposals with only minor errors or omissions to be corrected. Major errors or omissions, such as the failure to include prices, will not be considered by the Owner as a minor error or omission and will result in disqualification of the proposal from further evaluation.

K. PROJECT APPROACH

The description must explain the MARKETING and ADVERTISING methodology the Applicant will follow to fulfill the requirements of the scope. The Owner intends that each Applicant provide a detailed and comprehensive description of all Services that the Applicant will provide if it enters into a contract pursuant to the RFP.

Applicants are required to provide the following information:

1. Detail similar buildings or properties currently represented by Applicant, by address and submarket location;
2. Listing of similar transactions occurring over the last 12 months by building type/class, transaction square feet, type of tenant i.e. local, regional or national based company;
3. Provide a detailed analysis of the target market that is relative to each property and how that market will be attracted through a marketing campaign;
4. Detail how your company will present the properties to prospective lessees with regard to the property features;
5. Provide a detailed marketing program utilizing the appropriate media channels available in the target market;
6. Provide a marketing plan timeline;
7. Provide samples of marketing materials to be used in the campaign;
8. Give details of comparable properties that are on the market currently and which properties will be direct competition. Explain how you intend to remove their impact from your proposed marketing campaign;
9. Provide evidence of recent sales and leasing campaigns that support your recommendations for the properties listed in the RFP;
10. Estimate of the extent, level of involvement, and timing of work to be performed by Owner's personnel during the engagement.

L. TERM OF CONTRACT

The contract period for the successful broker/firm will be from date of award for one year with renewable options up to two additional one year terms. The contract may be terminated by either party with 60 (sixty) days prior notice.

M. EVALUATION AND AWARD PROCESS

Issuance of this RFP and receipt of proposals does not commit Owner to award a contract. Owner reserves the right to postpone receipt date, accepting or rejecting any or all proposals received in response to this RFP, or to negotiate with any of the brokers/firms submitting an RFP, or to cancel all or part of this RFP.

N. ORAL PRESENTATION/INTERVIEWS

Firms submitting a proposal in response to this RFP may be required to give an oral presentation of their proposal. Additional technical and/or cost information may be requested for clarification purposes, but in no way will change the original proposal submitted. Interviews are optional and may or may not be conducted.

O. SELECTION CRITERIA

1. Knowledge of local real estate market.
2. Global reach for marketing the property.
3. Commercial real estate experience, qualifications and references.
4. Proven commercial real estate track record.
5. Knowledge of various industry sectors.
6. Ability of the contractor(s) to meet or exceed the requirements defined in the RFP.
7. Fee schedule
8. Completeness of response to RFP as outlined in this solicitation.

P. RFP SUBMITTAL REQUIREMENTS

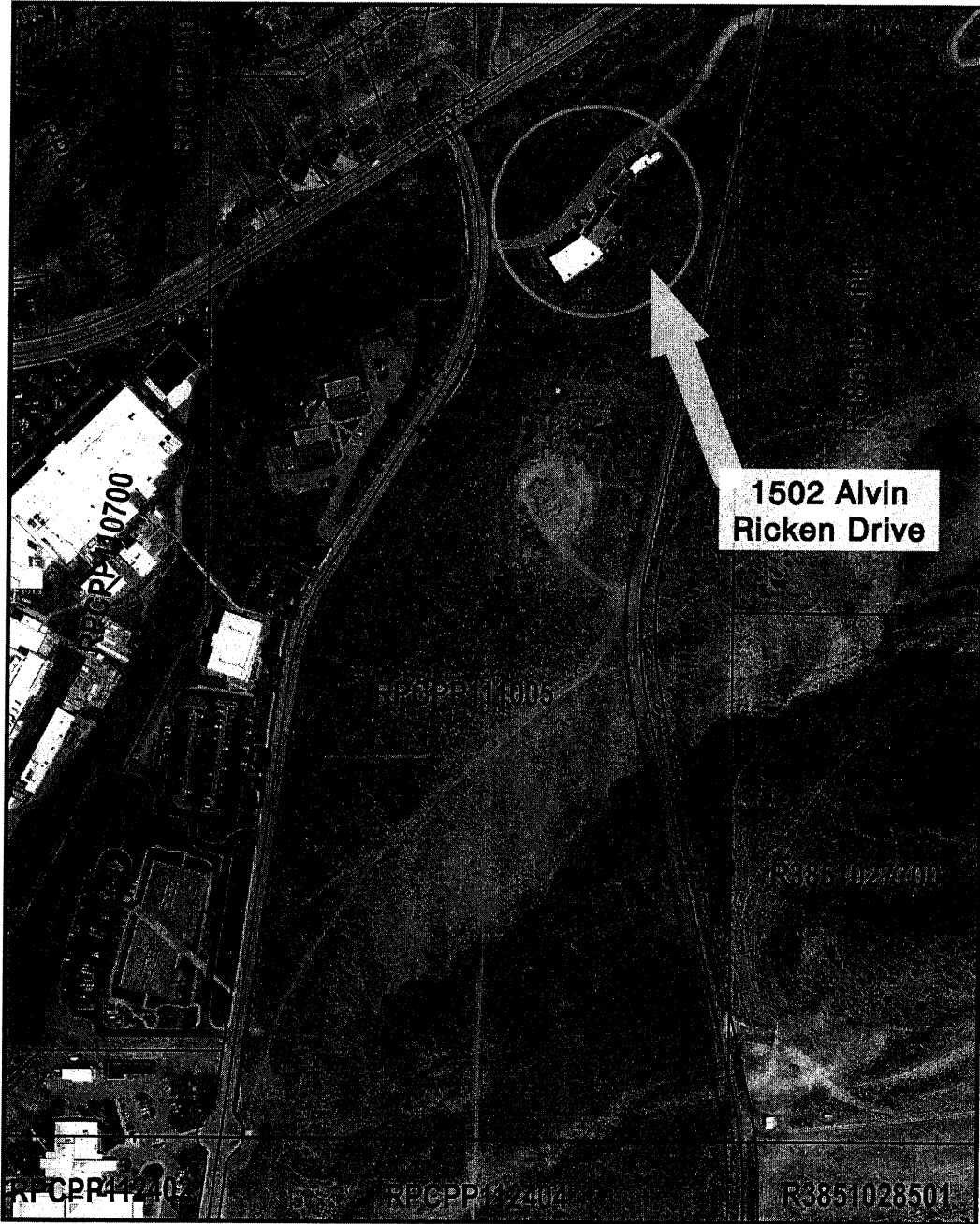
By submitting a proposal, you represent that you have (1) thoroughly examined and become familiar with the scope of services outlined in this RFP and (2) are capable of performing quality work to achieve Owner's objectives.

The following information must accompany your proposal:

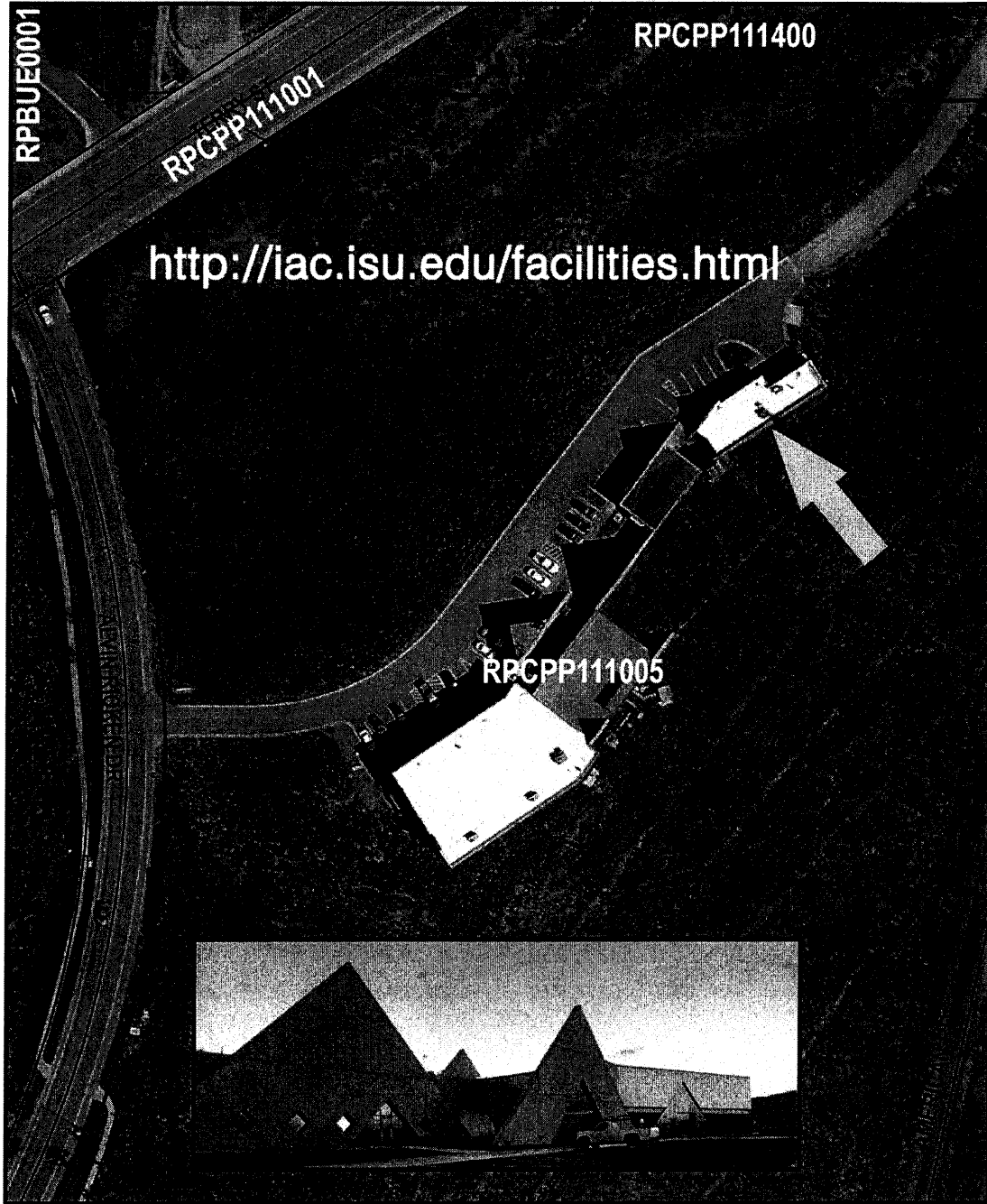
1. List years in business, previous names of the firm, if any.
2. Description of your firm, including size of firm, location, number and nature of the professional staff to be assigned; staff experience and training, including a brief resume for each key person listed.
3. Describe experience (minimum five years previous experience with proven effectiveness) your firm or organization has in pertinent real estate experience.

4. Experience in assisting similar size entities, including any and all services for government agencies.
5. List of at least three references where and when your firm provided similar services. Please provide names and telephone numbers of contact persons for each reference.
6. Additional services offered through your firm.
7. Listing of current litigation, outstanding judgments and liens, if any.
8. Fee schedule:
 - a. State your proposed commission rate for sales and leases.
 - b. State any other costs OWNER may anticipate relating to the real estate services to be provided.

**Attachment D Site Map of Properties
Idaho State Accelerator Center**



Attachment E Site Map of Properties
Idaho State Accelerator Center



AGENDA ITEM

NO. 8

**Pocatello
Development
Authority
&
Petersen Inc.**

Status Update

East Idaho's Partner in Growth
December 31, 2015

PDA Agreement

- Grant, Loan and guarantee terms contingent on Petersen Inc. performance
 - 50 full time employees
 - Period of fifteen years – Beginning 3/1/2011 thru 3/1/2026
 - Minimum wage of \$14.00/hour

*Regional
Development Alliance, Inc.*

East Idaho's Partner in Growth

Current Conditions

- Work is picking up
- Currently hiring
- Several good bids recently won, and in the works with positive outlook
- Future bright, commitment strong
- Currently 59 heads on roll
 - 53 heads at/over \$14.00 per hour
 - Average wage of \$21.29 per hour

Current Conditions



service as a Commissioner and as an Officer of the Board of Commissioners of the PDA from May 20, 1999 until his resignation on July 1, 2010. A plaque of appreciation was presented to Mr. Brown, and a well-deserved round of applause was given by the Board in appreciation of Mr. Brown's service. Thereafter it was moved and seconded to approve Resolution 2010-1. **The motion passed by a vote of six to one (L. Fisher, C. Hill, D. Johnson, K. Monroe, E. Nye, and R. Ward, approved, B. Blad opposed.** Mr. Brown relayed to the Board that his appointment to the Board came at a controversial time for the City and the PDA, and that his time on the Board provided him with a new perspective on how to make things work. He added that he is a better person because of the people he had the opportunity to work with while on the Board.

C. IsoRay. R. Chambers directed the Board to a letter dated May 7, 2010 received by the PDA from an attorney representing IsoRay, Inc., and noted that IsoRay claims it is still in negotiations with the Idaho National Lab (INL), that the conditions of "approval" for use of the facility are unclear, and as such, IsoRay has no obligation to repay its obligation to the PDA. Chambers reported that the INL says it is not in negotiations with IsoRay at this time. He suggested that the PDA's legal counsel prepare a response to IsoRay requesting IsoRay provide all evidence of its interactions with the INL by a date certain, and that the burden be put on IsoRay to prove its obligations under the development agreement with the PDA have been met. After a brief discussion, it was MSC (L. Fisher, B. Blad) to instruct PDA's legal counsel to prepare a demand letter to IsoRay.

D. Pocatello Regional Airport Urban Renewal Area. David Allen, Manager of the Pocatello Regional Airport, and Merrill Quayle, City Development Engineer, together with R. Chambers addressed the Board regarding the formation of an Urban Renewal Area and Tax Increment Financing District at the Pocatello Regional Airport. Chambers reviewed with the Board the work he had done to facilitate the sale of the Gateway West complex in an attempt to retain businesses located at the facility. He reported that those negotiations were unsuccessful, and that some businesses at the facility are looking for other locations. Petersen, Inc. desires to stay in the Pocatello area, largely in part because of its agreement with the PDA regarding the payback of a \$750,000 loan Petersen, Inc. received from the Regional Development Authority (RDA). There are few industrial sites in the Pocatello area other than at the Pocatello Regional Airport. Petersen, Inc. has determined to locate at an approximate ten acre site east of the main entrance to the airport, with a right of first refusal on additional acreage of approximately the same size. Petersen, Inc., would like to be under construction by August 15, 2010.

Chambers asked the Board to consider recommending to the City of Pocatello that an urban renewal area and tax increment financing district be formed at the Pocatello Regional Airport in order to improve the infrastructure at the airport to accommodate industrial expansion. The infrastructure would include water and sanitary sewer lines, additional electrical power transmission facilities, roadways, and possibly rail spur refurbishment. In addition to Petersen, Inc., at least one other manufacturer is interested in locating at the airport. The combined tax valuation increase from the two manufacturers is estimated to be approximately fifteen million dollars in taxable property. Chambers advised the Board that he has done preliminary work on an Urban Renewal Area Plan for a proposed Pocatello Regional Airport District, which plan would run for twenty-four years. The district would encompass the entire airport area, including an additional one hundred ten acre area which is currently being used for biosolids application by the City's Water Pollution Control Department. Chambers asked the Board for its approval to continue work on the plan.

As an aside, Chambers also advised the Board that Petersen, Inc., is asking for an adjustment to the terms of its Economic Development Grant Agreement with the PDA, under which the PDA agreed to repay Petersen's \$750,000.00 loan from the RDA if Petersen, Inc. remained in the

~~Pocatello area for ten years while maintaining a one hundred job threshold. To date, Petersen, Inc. has not reached the one hundred job threshold, so the ten year non-relocation provision has not started to run. Chambers suggested the Board consider amending the Agreement to allow a threshold of fifty jobs for a longer retention period of fifteen years.~~

Discussion ensued among Board members regarding the formation of an urban renewal area and the amendment to the PDA's Economic Development Grant Agreement with Petersen, Inc. **R. Ward** noted that the airport area is often the first impression received by visitors to Pocatello, and questions if manufacturing facilities are what we want that first impression to be. Chambers assured the Board that Petersen, Inc. maintains a very clean and professional looking operation at its Ogden plant. D. Allen advised that the Airport Master Plan provides that lessors maintain their facilities in good condition. **R. Ward** also questioned what other future development might come in to the airport, and what its impact would be. D. Allen noted that his plan is to make the airport area a "transload station" using multiple transportation options available to increase the attractiveness of the area to manufacturers. D. Swindell advised the Board that the City owns a lot of property at the airport, some of which is used as agricultural land for biosolids application. He noted that the City needs to retain some land for the biosolids program. The Petersen, Inc. development area will not impact the biosolids program at this time, however future development may bring some conflict between the two programs. He also noted that this proposed urban renewal area and tax increment financing district will be different from others, because the land is situated in Power County. There is currently approximately two million dollars in tax valuation at the airport. The addition of the Petersen, Inc. plant alone to the airport area will increase that valuation by two and one half times. R. Chambers noted that he has met with the Power County Assessor and the Power County Commissioners, and they all appear to be prepared and supportive of the establishment of a tax increment financing district in Power County.

Engineering requirements for the expansion were discussed. There is a fire flow water issue, and either a reservoir or a water tank will need to be included in the infrastructure plans, as well as an upgrade of sanitary sewer lines in the area. **L. Fisher** asked what the estimated infrastructure costs will be. M. Quayle estimated infrastructure costs will be approximately \$600,000.00. If a rail spur option is incorporated into the infrastructure, the costs would increase to \$900,000.00 to \$1,000,000.00. After discussion ended, it was **MSC (B. Blad, C. Hill)** to authorize R. Chambers to proceed with the preparation of a plan to establish an urban renewal area and revenue allocation district at the Pocatello Regional Airport.

~~Discussion followed regarding Petersen, Inc.'s request to amend the terms of the Economic Development Grant Agreement between Petersen and the PDA. **K. Monroe** noted that he had difficulty with Petersen dropping the number of jobs it initially promised it would bring. **C. Hill** inquired as to what the investment amount worked out to for each employee if the number of jobs is dropped to fifty from one hundred. G. Gilliam advised that the standard investment amount per job is usually twenty thousand dollars or less. If the number of jobs was reduced to fifty, the investment would be fifteen thousand dollars per job. After further discussion, it was moved and seconded (**R. Ward, B. Blad**) to amend the requirements of the Economic Development Grant Agreement between Petersen, Inc. and the PDA to provide that Petersen, Inc. must maintain a threshold of fifty (50) full-time employment positions for a period of not less than fifteen (15) years in order to receive the benefits provided for under the Agreement. The motion passed by a vote of six to one (**B. Blad, L. Fisher, C. Hill, D. Johnson, E. Nye, and R. Ward, approved, K. Monroe opposed**).~~

E. Valley Forge Request. G. Gilliam advised the Board that Valley Forge has been working with the Accelerator Center to produce scanning devices. There is a need to add an additional cell space at the Accelerator Center to accommodate the work being done by Valley Forge, at a cost of \$400,000.00. Idaho State University has committed \$200,000.00 to the project. Valley

ECONOMIC DEVELOPMENT GRANT AGREEMENT

This Agreement is made this 12 day of February, 2008, between Petersen Inc., a Utah corporation, (hereinafter referred to as "Petersen") whose address is 1527 North 200 West, Ogden, UT 84404, and the Pocatello Development Authority, an urban renewal agency formed under the laws of the State of Idaho (hereinafter referred to as "PDA") whose address is 1651 Alvin Ricken Drive, Pocatello, ID 83201.

1. Recitals

1.1 Petersen intends to establish a custom steel fabrication business which shall be located in the Naval Ordnance Plant Urban Renewal Area within the City of Pocatello, Idaho.

1.2 PDA is a public body created as an urban renewal agency pursuant to Idaho Code §50-2006, part of the Idaho Urban Renewal Law of 1965. As an urban renewal agency established by the City Council of the City of Pocatello, PDA is charged with aiding and assisting economic development in the Pocatello area, including assisting developments that will retain and increase available jobs in the community; and is further charged with encouraging such development by private enterprise; all as more specifically provided in Idaho Code §§50-2002 and 50-2003, being part of the Idaho Urban Renewal Law, and Idaho Code §50-2902, being part of the Local Economic Development Act.

1.3 As a part of the incentive package offered to Petersen in return for Petersen's commitment to establish a custom steel fabrication business in Pocatello, Idaho, the Regional Development Alliance, Inc., agreed to make funds available through an interest free loan in the amount of Seven Hundred Fifty Thousand Dollars (\$750,000.00), which funds are earmarked for Petersen's use in locating its business operation in Pocatello, Idaho, and for the improvement of the facilities to be used by Petersen which are located within the Naval

COPY

Ordinance Plant Urban Renewal Area. A copy of the Regional Development Alliance, Inc./Petersen Loan Agreement is attached hereto and incorporated herein.

1.4 PDA has determined that the establishment of a custom steel fabrication plant represents the type of urban area development which it can assist with and support under the applicable statutes; and that such assistance and support will promote economic development of the area by creating jobs and increasing the tax base consistent with the applicable urban renewal plan. For that reason, PDA has committed to guarantee the repayment of the no interest loan from the Regional Development Alliance, Inc., discussed in paragraph 1.3 of this Agreement.

1.5 By this Agreement, PDA and Petersen wish to memorialize their mutual undertakings and commitments with respect to the project described herein and therefore, agree as follows:

2. Provisions for the Repayment of Economic Development Funds

2.1 To further the proposed development and increased tax base expected therefrom, PDA agrees to guarantee the repayment of the sum of Seven Hundred Fifty Thousand Dollars (\$750,000.00) provided to Petersen through a no interest loan from the Regional Development Alliance, Inc.

2.2 In return for PDA's agreement to repay said funds, Petersen agrees to locate a custom steel fabrication plant in Pocatello, Idaho for a continuous period of not less than ten (10) years, subject to the following conditions:

A. The minimum number of full-time employment positions continuously provided and filled by Petersen during the ten (10) year period shall not be less than one hundred (100) positions at any one time.

B. The wage paid to qualifying full time employment positions during the ten year period shall at a minimum be fourteen dollars (\$14.00) per hour.

C. The term of the continuous ten year period of relocation shall begin on the first day that Petersen achieves the threshold of employing one hundred employees with a minimum wage of fourteen dollars (\$14.00) per hour, as described in paragraph B above.

D. Petersen agrees to submit to an employee verification study to be conducted by or at the direction of PDA upon reasonable notice. Petersen and PDA agree to cooperate in the exchange of information for said study which may be conducted as frequently as every six months, but no less than once per year, so long as Petersen is in compliance with the employment requirements provided in paragraphs A and B above. In the event Petersen fails or refuses to meet any of the requirements of paragraphs A and B above, PDA reserves the right to conduct an employee verification study as frequently as every three months until Petersen is in compliance for two consecutive verification studies. For the purpose of this section, a "year" shall begin on the date described in paragraph C above.

E. In the event Petersen fails or refuses to operate and maintain its custom steel fabrication plant in Pocatello, Idaho for a continuous period of ten years from the date described in paragraph C above, then PDA's obligation to guarantee and pay all sums loaned to Petersen by the Regional Development Alliance, Inc., shall cease. Petersen shall be responsible for payment of all funds due and owing to the Regional Development Alliance, Inc., which were loaned on Petersen's behalf, together with any and all funds paid or advanced by PDA to the Regional Development Alliance, Inc., on Petersen's behalf.

F. In the event Petersen fails or refuses to maintain a minimum work force of one hundred (100) qualifying full time employment positions as described in paragraphs A and B above, for any continuous six month period, Petersen agrees to repay the funds provided by the Regional Development Alliance, Inc., at an annual pro-rata rate, based upon the length of time Petersen fails to meet criteria for qualifying full time employment positions herein described within any one year period, for the term of Petersen's operating commitment of ten years. For example, should Petersen fail or refuse to provide a minimum of 100 full time employment positions with a minimum wage of fourteen dollars (\$14.00) per hour for a continuous period of six months or more during any one year period, then Petersen shall be responsible for the repayment of one-tenth of the full loan amount provided by the Regional Development Alliance, Inc., to Petersen for each and every year the requirement is not met. For the purpose of this provision, "one year" shall be defined as the 365 days (366 days in leap years) including and following the anniversary date of the first day that Petersen achieves the threshold of employing one hundred employees with a minimum wage of fourteen dollars (\$14.00) per hour, as described in paragraph B above. Any annual pro-rata payments due and owing by Petersen shall be made to PDA within sixty days notice by PDA to Petersen of the amount due and owing.

3. Effect of Agreement

3.1 It is understood by the parties to this Agreement that the amounts paid by PDA to the Regional Development Alliance, Inc., for the benefit of Petersen are not to be construed as compensation for specific services by Petersen for PDA. Rather, the intent of the

parties is that the payments assist Petersen in its need for capital in connection with the development project, and the parties shall take all action necessary to carry out that intent.

3.2 The parties acknowledge that the effect of the payments by PDA required hereunder will inure to the benefit of Petersen, while having the corresponding benefit to the public purposes of PDA described above.

4. Miscellaneous

4.1 This Agreement shall be governed by and construed under the laws of the State of Idaho; venue shall be the Sixth Judicial District for the County of Bannock.

4.2 In any litigation arising out of this Agreement, the prevailing party shall be entitled to recover reasonable attorney fees from the non-prevailing party. Determination of the prevailing party in any such litigation shall be made on the basis of the factors enumerated in Rule 54(d)(1)(B), Idaho Rules of Civil Procedure, as the same now exists or may subsequently be amended.

4.2 The effective date of this Agreement shall be the 4th day of FEBRUARY, 2008.

4.3 This Agreement shall be binding upon and inure to the benefit of the respective parties and their legal successors. Petersen may assign this Agreement with the express written consent of the PDA, which consent shall not be unreasonably withheld.

4.4 Each party represents to the other that it has full legal authority to enter into and execute this Agreement and that the persons signing on behalf of each party have full legal authority to execute this Agreement.

4.5 Notices by either party to the other shall be made in writing and delivered by first class mail, postage prepaid, to the parties as follows:

LOAN AGREEMENT

This Agreement is executed between Regional Development Alliance, Inc., an Idaho nonprofit corporation ("RDA") and Petersen, Inc. an Utah corporation ("Grantee").

RECITALS

- a. RDA has entered into an agreement with the State of Idaho (the "State") to administer funds received under the U.S. Department of Energy from the Idaho National Engineering Environmental Laboratory Settlement Fund Program. Said agreement is dated May 30, 1997 and is referred to hereafter as the "Settlement Agreement". A copy of the Settlement Agreement is attached hereto.
- b. Grantee has been approved to receive financial assistance in keeping with the terms and scope of the Settlement Agreement.
- c. Grantee has submitted a proposal that outlines Grantee's anticipated use of Settlement Agreement funds (the "Proposal").

AGREEMENT

In consideration of the mutual covenants contained herein, the parties agree as follows:

1. **Loan.** RDA loans to Grantee the sum of Seven Hundred Fifty Thousand Dollars (\$750,000.00) (referred to as the "Loan"). The Loan shall accrue interest at the rate of 0% per annum from the date of the Promissory Notes in the form attached hereto as Exhibit A (the "Note") provided Grantee employs 100 full time employees in the Southeastern Idaho counties served by RDA within 24 months of this agreement and maintains that level of employment until the Loan is paid. If Grantee fails to meet and maintain the employment requirements then the interest on this loan shall automatically convert to 5% per annum effective the first day of the loan. Additional terms of the Loan are found in the Note.
2. **Utilization of Loan.** The Loan shall be used as outlined in Grantee's Proposal to RDA.
3. **Security Interest.** RDA shall have a security interest in all of Grantee's assets as further defined in the Security Agreement.
4. **Guaranty.** The obligations of Grantee hereunder shall be secured by a Guaranty executed by the members of Grantee in the form attached hereto as Exhibit B.
5. **Scope of Work.** Grantee shall use the Loan to implement the Proposal, which is

incorporated herein by this reference. The Proposal shall be implemented as written, except to the extent it is specifically changed by this Agreement.

6. **Repayment.** If Grantee ceases to conduct business operations in the area serviced by RDA within five (5) years of the date of this Agreement and while any portion of the Loan is outstanding, the entire amount of the Loan shall accrue interest at the rate of eighteen percent (18%) per annum from the date of disbursement until paid. Said loan shall be repayable immediately upon Grantee ceasing to conduct business operations in the area serviced by RDA, with Grantee's payments to such date being recalculated and applied first to accrued interest at the higher interest rate then to principal.

7. **Settlement Agreement.** Grantee must comply with all requirements of the Settlement Agreement. Without limiting the generality of this requirement, Grantee shall be subject to all restrictions set forth in paragraphs 15 and 16 of the Settlement Agreement. Any duties, warranties or restrictions in said paragraphs pertaining to RDA shall apply to Grantee.

8. **Compliance with Law.** Grantee shall comply with all applicable federal, state, and local laws and regulations in performing all work under this Agreement. Grantee shall require any individual or entity receiving the Loan, or any portion thereof, to acknowledge and comply with this section. The requirements of this section shall be included in any agreements, contracts, subcontracts or assignments entered by Grantee related to the Loan.

9. **Audit.** RDA reserves the right to audit or examine, in such a manner and at all reasonable times it deems appropriate, all activities of Grantee arising in the course of or related to this Agreement. Grantee recognizes that the State of Idaho and the Department of Energy (or other federal agency) may have audit rights with respect to the Loan. Any apparent approval by RDA or the State with regard to the Loan, or the failure to affirmatively assert a disapproval of Grantee's acts pursuant to audit rights shall not be construed or deemed to be a waiver on the part of any entity to exercise any rights under the Settlement Agreement, including but not limited to the right to recover the amount of the Loan, or any portion thereof, upon a federal audit. The Grantee shall include the requirements of this section in all agreements, contracts, subcontracts or assignments involving the Loan.

10. **Payment on Default.** If the RDA or the State determines that any portion of the Loan was transferred or expended in violation of the Settlement Agreement, the State has the right to recoup that portion of the Loan from the Grantee. The Grantee shall include the requirements of this section in all agreements, contracts, subcontracts or assignments involving the Loan.

11. **Record Keeping.** Grantee shall maintain records in such a fashion that RDA may incorporate the Grantee reports directly into the reports which RDA is required to provide the State of Idaho, under the Settlement Agreement. For this purpose, the terms of paragraph 8 of the Settlement Agreement are incorporated into this Agreement, except that Grantee's reports shall be delivered to RDA in a timely matter so that RDA can complete its reporting requirements to the State of Idaho. This requirement shall continue for as long as Grantee has obligations to RDA hereunder.

12. **Notice.** Any notice required under the Agreement shall be in writing and shall be delivered by certified or registered mail, return receipt requested, to the address provided below;

If to RDA:

Tim Solomon
Regional Development Alliance, Inc.
2300 N. Yellowstone Avenue
Idaho Falls, Idaho 83401

If to Grantee:

Peterson, Inc.
4853 East St.
Chubbuck, ID 83202

Either party may modify the above notice information by written notice as provided for in this section.

13. **Insurance.** If any portion of the Loan is used by Grantee for any project involving a design professional, including but not limited to architects or engineers or any other licensed professional, Grantee shall comply with all requirements imposed on RDA under paragraph 19 of the Settlement Agreement.

14. **Attorney Fees and Costs.** In any legal proceedings related to this Agreement, the prevailing party shall be reimbursed for any and all expenses that are incurred including, but not limited to, attorney fees.

15. **Relation of Parties.** The parties intend to establish an independent contractor relationship by this Agreement. Grantee is not to be considered an agent or employee of the RDA or the State for any purpose, and Grantee's employees are not entitled to any benefits of employment provided by the RDA or the State to its employees. Grantee acknowledges this relationship, and this provision shall be included in all agreements, contracts, subcontracts or assignments entered by Grantee related to this Agreement.

16. **Restrictions.**

A. So long as any part of the loan remains unpaid, the Grantee will not do any of the following, without RDA's prior written approval: Issue stock options, stock warrants or other securities convertible into stock such that upon exercise of such options, warrants or other securities, that there would be a greater than 25% change in ownership of the Grantee; reorganize its capital structure in a manner that would result in shareholders who were not shareholders at the time of the Loan, owning more than 25 % of the stock of Grantee; merge or consolidate with any other corporation; sell any of its assets, except in the ordinary course of business; encumber its assets, incur extraordinary indebtedness; pay dividends, or pay salary or other compensation in excess of

that which is reasonable.

B. Grantee shall not use any part of the Loan, either directly or indirectly, for any political purpose. By way of example and without limiting the forgoing prohibition on political expenditures, Grantee shall not use any portion of the Loan to support or oppose (i) any candidate for public office, (ii) any political action committee, (iii) any referendum, or (iv) any other ballot measure.

17. **Publicity.** RDA may publicize the Loan in such manner as RDA shall determine. Grantee shall make no public announcement of the Loan without RDA's prior approval.

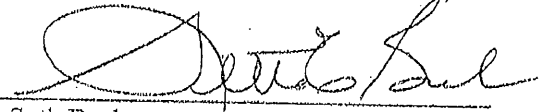
18. **Qualification to Do Business.** As a condition to obtaining disbursement of the Loan, Grantee must qualify to do business in the State of Idaho.

19. **Deposit and Loan Origination Fee.** Grantee shall pay a two percent of the loan amount as a Loan Origination fee to RDA, payable at closing.

Dated this 26th day of March, 2008.

REGIONAL DEVELOPMENT ALLIANCE, INC.

By:



Seth Beal
Its Chairman of the Board

PETERSEN, INC.

By:



Its: Principal

PROMISSORY NOTE

\$750,000.00

Date: March 26th, 2008

FOR VALUE RECEIVED, the undersigned, Peterson, Inc., a Utah corporation, ("Maker"), promises and agrees to pay to the order of Regional Development Alliance, Inc. an Idaho non-profit corporation, in lawful money of the United State of America, the principal sum of Seven Hundred Fifty Thousand Dollars (\$750,000.00), together with interest as herein below provided, payable at the times an in the manner set forth below.

1. Except as is otherwise provided in the following paragraphs of this Promissory Note, interest shall accrue daily on the unpaid principal balance outstanding under this Promissory Note commencing March 26th, 2008, at the rate of 0% per annum provided Grantee employs 100 full time employees in the Southeastern Idaho counties served by RDA within 24 months of this Note and maintains that level of employment until the Loan is paid. If Grantee fails to meet and maintain the employment requirements then the interest on this loan shall automatically convert to 5% per annum effective the first day of the loan.

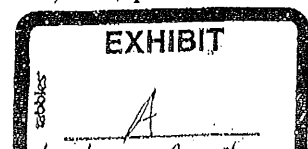
2. Principal and interest which is provided for in the preceding paragraph shall be paid as follows:

All principal and interest shall be due in a single balloon payment due March 1, 2013.

3. All payments shall be applied to the payment of accrued interest and then to the reduction of the principal balance. The Maker shall have the right of making additional payments of principal at any time without incurring any prepayment penalty; provided, however, that any such additional principal payment shall be applied to the differed balance due under this Promissory Note in the reverse order of maturity, and the making of such additional payment shall not in any way waive or excuse the Maker from making the next ensuing payment promptly as the same becomes due. Interest shall cease on additional payments of principal upon the date of the payment.

4. If any payment required by this Promissory Note is not made when due, and remains unpaid for ten (10) days after a written notice is mailed to the Maker hereof, or if any other event occurs or circumstance exists which under any instrument evidencing or securing the obligations evidenced by this Promissory Note entitles the holder hereof to accelerate the maturity of such obligations, the entire unpaid principal balance and accrued but unpaid interest hereunder shall, at the option of the holder hereof, at once become due and payable without further notice (time being the essence hereof). Failure to exercise such option shall not constitute a waiver of the right to exercise the same in the event of any subsequent default, even, or circumstance giving rise to such right of acceleration.

5. All past due principal (whether by acceleration or in due course) and, past due



GUARANTY AGREEMENT

THIS GUARANTY is made this 26th day of March, 2008, by PAULINE PETERSEN and STEVEN PETERSEN hereinafter referred to as "Guarantor", to, in favor of and for the benefit of Regional Development Alliance, Inc., an non-profit economic development entity incorporated in the State of Idaho, hereinafter referred to as "Lender."

RECITALS

A. Lender is concurrently with the execution of this Guaranty Agreement loaning the sum of Seven Hundred Fifty Thousand Dollars (\$750,000.00) to Petersen, Inc., referred to as the "Borrower", pursuant to the terms of a Loan Agreement (the "Loan Agreement"). All terms defined in the Loan Agreement have the same meaning in this Guaranty.

B. Guarantors are shareholders/officers of Borrower.

C. The obligations of Borrower to Lender under the Promissory Note and the Loan Agreement are secured by a Security Agreement which Borrower is executing and delivering to Lender concurrently with the execution of this Guaranty Agreement (the "Security Agreement").

D. The Loan Agreement, the Note, and the Security Agreement are hereinafter collectively referred to as the "Guaranteed Contracts".

AGREEMENT

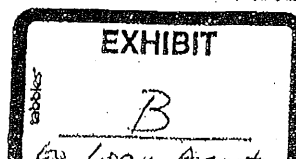
NOW, THEREFORE, as inducement to Lender to make the loan to Borrower herein above referred to and for other good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, Guarantor hereby guarantees to Lender as follows:

1. Guarantee.

a. Guarantor does hereby guarantee the date and punctual payment to Lender of all sums due or to become due under the Guaranteed Contracts.

b. Guarantor does further guarantee the full, complete, and unimpaired performance of each and every term, covenant, condition duty and obligation of Borrower to Lender under all Guaranteed Contracts.

c. This Guaranty Agreement shall be construed as an absolute, continuing, unconditional and unlimited guarantee. This Guaranty Agreement shall be deemed



irrevocable and shall terminate only upon full satisfaction by Borrower of all the terms and conditions of the Guaranteed Contracts and the full and complete payments of all sums due Lender under the Guaranteed Contracts.

2. Representations of Guarantor.

Guarantor hereby represents that, at the time of the execution and delivery of this Guaranty Agreement, nothing exists to impair the effectiveness of the liability of Guarantor to Lender hereunder, or the immediate taking effect of this Guaranty Agreement.

3. Waiver.

Guarantor does hereby waive the following:

a. Notice of acceptance of this Guaranty Agreement by Lender or its successors or the failure of Lender to provide Guarantor with a copy of the Guaranteed Contracts or other related documents, or any amendments or modifications thereto.

b. Diligence, presentment, notice of presentment, protest, demand for payment, notice of dishonor, notice of default, extension of time for payment, nonpayment at maturity and indulgences and notices of every kind with respect to the obligations of Borrower, under the Guaranteed Contracts or as may be otherwise provided by law, or the obligation of any other person, firm or corporation, held by Lender as collateral security for the performance of the Guaranteed Contracts by Borrower.

4. Continuing Guarantee.

Guarantor agrees that the obligations hereunder, and the Guaranty, shall continue and remain in full force and effect and shall not be impaired, modified, changed, released, discharged, satisfied or limited, regardless of any of the following actions or occurrences:

a. Any change in organization or structure of Borrower.

b. Any impairment, modification, change, release or limitation of liability of Borrower pursuant to any filing for relief by or against Borrower under any present or future United States Bankruptcy law or other federal or state statute for the relief of Borrower.

c. Any adverse change in the financial condition, whether such change is deemed material or immaterial under any federal or state law, of Borrower or the failure of Borrower to comply with any law, statute or regulations.

5. Rights of Lender.

Without affecting any obligation created hereby or hereunder, Guarantor grant to Lender full power and authority, in Lender's uncontrolled and sole discretion, and at any time, or from time to time, and in such manner and on such terms as Lender deems fit and without notice to or the approval, consent or advice of Guarantor, to take any of the following actions:

- a. Obtain and accept from Borrower or any other person such additional or substitute collateral or security for the payment of the sums or performance of the obligations guaranteed hereby. Such further collateral or security may include, but shall not be limited to, additional personal guaranties, promissory notes or other instruments of indebtedness, mortgages, deeds of trust, security agreements or any other documents or interest which Lender may deem acceptable or in Lender's best interests.
- b. To make any changes, amendment or modification whatsoever to any term, covenant or condition of any Guaranteed Contracts now in existence or hereafter arising which may secure or guarantee the obligations or payments of money guaranteed hereby.
- c. The time of payment of any sum secured hereby, or any part thereof, may be extended; the terms on which such sums are to be paid, including interest thereon, may be modified; the manner or method of payment may be amended; and one or more new promissory notes or other instruments may be taken in exchange for or replacement, substitution or renewal of said instruments.
- d. Substitute, add to, exchange, release, modify, consent to the transfer or sale of, surrender or otherwise deal with, in whole or in part in any manner, any collateral securing the performance of the Guaranteed Contracts or the obligations of Borrower.
- e. To settle, compromise, release, discharge, compound or impair, the obligations of Borrower of the amounts due to Lender under any of the Guaranteed Contracts or to forebear, waive or decline to pursue any right or remedy Lender may have against Borrower or any other party or under any instrument securing the sums or performance guaranteed herein.
- f. To apply any one or more payments by, or recoveries from Borrower or from Guarantor, or to apply any sums realized from collateral or security hypothecated or furnished by Borrower, or Guarantor in such manner and in such order of priority as Lender deems fit, whether or not such obligation on which application is made is otherwise secured, or is due at the time of such application.
- g. To obtain a judgment or realize upon any collateral in whole or in part in satisfaction of the same guaranteed hereby.

6. Enforcement.

a. Lender may enforce this Guaranty Agreement without first resorting to or exhausting or enforcing any other security or collateral or without exercising any other right or remedy of Lender at law or under any of the Guaranteed Contracts, it being fully agreed and understood by Guarantor that Lender may proceed directly and independently against Guarantor, without further notice or demand upon any party, including Guarantor, upon any default in the performance of any of the covenants, terms, conditions or obligations due to Lender under any of the Guaranteed Contracts.

b. Further, Guarantor specifically agrees that Lender may proceed against Guarantor for any amount guaranteed hereunder or to compel performance of any of the Guaranteed Contracts whether any action is brought against Borrower or whether Borrower is joined or made a party in any such action Guarantor or not.

c. In any action brought by Lender on this Guaranty Agreement to recover any sum guaranteed hereby, no other or further proof shall be required then to establish the amount or sums of money due and owing Lender from Borrower. When so established, such amount or sum shall be conclusive and binding upon Guarantor.

d. If the indebtedness is for a revolving line of credit the terms of which permit Borrower to borrow, repay and reborrow Loan proceeds, then fluctuations may occur in the aggregate amount of the indebtedness covered by this Guaranty, and it is specifically acknowledged and agreed by Guarantor that reductions in the amount of indebtedness, even the zero dollar (\$0.00), shall not constitute a termination of this Guaranty. This Guaranty is binding upon Guarantor and Guarantor's heirs, successors and assigns so long as any of the guaranteed indebtedness remains unpaid and even though the indebtedness guaranteed may from time to time be zero dollars (\$0.00).

7. Assignment and Benefit.

a. Guarantor agrees that Lender, without notice to, or the consent of Guarantor, may sell, assign or transfer all or any part of its interest in the sums guaranteed hereby and its interest in and to, and the entitlement to the benefit of any of the Guaranteed Contracts, or any part thereof to any party Lender may choose. Any assignee of Lender may thereafter similarly sell, assign or transfer its interest in like manner to any party it may choose. In the event of any such assignment or transfer each and every immediate and successive assignee, transferee, holder or beneficiary of all or any part of the sums guaranteed hereby or entitled to the obligations due Lender under the Guaranteed Contracts shall have the right to enforce this Guaranty Agreement, by legal action or otherwise for the benefit of such assignee, transferee, holder or beneficiary as fully as if such party was herein by name specifically given such right and power.

b. In addition to the foregoing specific rights granted in this paragraph 7, this Guaranty Agreement shall be binding upon and inure to the benefit of the successors and assigns of Lender. Lender's successors and assigns shall have all the rights, privileges and powers granted hereunder to Lender and shall have the right to rely upon this Guaranty Agreement and to enter into further and additional transactions in reliance hereon in the same manner and with the same effect as if such successors and assigns were specifically named with Lender herein.

8. Construction.

Guarantor acknowledges that Guarantor and Lender have been advised by legal counsel in the preparation and execution of this Guaranty Agreement and that Lender and Guarantor possess essentially equal bargaining power. Accordingly, this Guaranty Agreement shall be construed and interpreted in a fair and equitable manner and not strictly in favor for or against either party. Guarantor specifically waives any right to assert that this Guaranty Agreement be constructed in their favor as Guarantor.

9. Attorney Fees and Costs.

a. Guarantor hereby agrees that Guarantor will pay to Lender all costs and expenses, including reasonable attorney fees, which Lender expends in order to enforce this Guaranty Agreement and each and every term hereof whether by suit or otherwise.

b. Guarantor further agrees that Guarantor will pay to Lender any costs and expenses, including reasonable attorney fees, which Lender must expend in pursuing any right or remedy which Lender may have against Borrower, or in enforcing any of the Guaranteed Contracts or in realizing on any other collateral or security for satisfaction of the sums guaranteed hereby.

10. Subrogation.

a. Guarantor shall have no right of subrogation whatsoever to any sums guaranteed hereby or to any monies due and unpaid thereon or any collateral securing the same, unless and until Lender shall have received full payment of all sums due and owing to it under the Guaranteed Contracts.

b. Upon default by Borrower in the performance of any obligation agreed to be performed by Borrower, or the payment of any sum due to Lender under any of the Guaranteed Contracts, Lender shall have the right, without notice or demand to Guarantor, to declare all principal then outstanding (and accrued interest thereon) under the Guaranteed Contracts, immediately due and payable. Thereafter, in addition to all other rights or remedies granted to Lender herein or under any or all of the Guaranteed Contracts, Lender shall have the right to tender to Guarantor an assignment and transfer to Guarantor all Lender's right, title and interest

to Guarantor each of the Guaranteed Contracts. Upon such tender, Guarantor shall immediately pay to Lender all principal then outstanding (and accrued interest thereon) and all other amounts due under the Guaranteed Contracts and Guarantor shall, upon such payment, succeed to all of Lender's right, title and interest in and to each of the Guaranteed Contracts.

11. Consideration.

Guarantor hereby state that this Guaranty Agreement is not gratuitously given, but is given for consideration, the receipt of which is hereby acknowledged.

12. Discharge.

Notwithstanding anything herein to the contrary, and not in limitation or modification of any rights granted to Lender herein, the only event which shall result in the discharge of Guarantor hereunder shall be the full payment of all sums guaranteed hereby as enumerated in the Guaranteed Contracts. Upon full payment of all sums guaranteed hereunder, this Guaranty Agreement shall be released and Guarantor shall have no further liability hereunder.

13. Joint and Several Liability.

The obligations of an Guarantor under this Guaranty Agreement, and those of any other Guarantor or Guarantors who may guarantee the Guaranteed Contracts are and will be joint and several and Lender and/or Lender's assigns may release or settle with any one or more of the Guarantors at any time, without affecting the continuing liability of the remaining Guarantor or Guarantors.

14. Severability.

If any provision of this Guaranty Agreement shall be held or deemed to be, or shall in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof, or any constitution or statute or rule or public policy, or for any other reason, such circumstance shall not have the effect of rendering the provisions in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provisions or provisions herein contained invalid, inoperative or unenforceable to any extent whatsoever. The invalidity of any one or more phrases, sentences, clauses or sections in this Guaranty Agreement contained, shall not affect the remaining portions of this Guaranty Agreement, or any part thereof.

15. Cumulative Remedies.

All of Lender's rights and remedies herein specified are intended to be cumulative. No right or remedy of Lender whatsoever may be waived at any time except by a writing signed

by Lender, nor shall any waiver be operative upon other than a single occasion. This Guaranty Agreement may only be amended in writing.

IN WITNESS WHEREOF, the Guarantor has executed this Guaranty Agreement as of the date first above written.

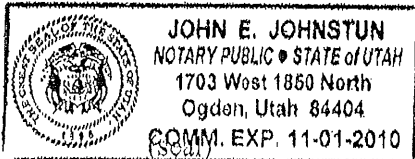
Steven Peterson

Pauline Peterson

STATE OF UTAH)
)ss.
County of WEBER)

On the 26th day of March, 2008, before me, the undersigned, a notary public in and for said State, personally appeared Pauline Peterson and Steven Peterson known or identified to me to be the person whose name is subscribed to the within instrument and acknowledged to me that he executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the day and year in this certificate first above written.



John E. Johnston
Notary Public for Utah
Residing at: OGDEN, UTAH
My Commission Expires: 11-01-2010

L:\BTT\5396.58\Guaranty ngroutent.anbla.wpd

AGENDA ITEM

NO. 9

RESOLUTION NO. 2016-1

A RESOLUTION OF THE POCATELLO DEVELOPMENT AUTHORITY, AN URBAN RENEWAL AGENCY, ORGANIZED UNDER THE LAWS OF THE STATE OF IDAHO; EXPRESSING APPRECIATION TO MICHAEL ORR FOR OUTSTANDING SERVICE AND COMMITMENT TO THE AUTHORITY DURING HIS FIVE AND A HALF YEARS AS A BOARD MEMBER AND CHAIRMAN OF THE BOARD OF COMMISSIONERS.

WHEREAS, Michael Orr was appointed as a member of the Board of Commissioners of the Pocatello Development Authority on August 5, 2010; and

WHEREAS, during his service on the Board, Mr. Orr diligently helped provide continuity to the Authority, to assist with discussion of new urban renewal districts and the administration of existing urban renewal districts; and

WHEREAS, during his tenure with the Board, Mr. Orr provided valuable insight and guidance in the Board's role of urban renewal and economic development for the City of Pocatello and served as Chairman from October 15, 2014 to January 20, 2016;

NOW, THEREFORE, BE IT RESOLVED THAT THE BOARD OF COMMISSIONERS OF THE POCATELLO DEVELOPMENT AUTHORITY HEREBY PUBLICLY EXPRESSES ITS GRATITUDE TO MICHAEL ORR:

1. For his outstanding service to the Authority and to the citizens of the Pocatello area since his initial appointment on August 5, 2010;
2. During his tenure with the Board Mr. Orr provided valuable insight and guidance in the Board's role of urban renewal and economic development for the City of Pocatello; and
3. For his willingness to serve as Chairman of the Board of Commissioners; and
4. For his commitment to excellence in pursuit of the Board's goals through additional meetings and hearings whenever necessary and through coordination with other economic development groups; and

5. For all his efforts in connection with the mission and goals of the Pocatello Development Authority to enhance the well-being of the citizens of the City of Pocatello;

NOW WE, the members of the Board of Commissioners of the Pocatello Development Authority hereby acknowledge our sincere appreciation to Michael Orr for more than five and a half years of leadership and commitment to urban renewal and economic development.

BE IT FURTHER RESOLVED that the Secretary of the Board of Commissioners of the Pocatello Development Authority is hereby authorized and directed to provide an original of this Resolution to Michael Orr after its passage and approval by the Board.

DATED this 20th day of January, 2016.

POCATELLO DEVELOPMENT
AUTHORITY BOARD OF DIRECTORS

BRIAN C. BLAD, Mayor

ATTEST:

TIFFANY G. OLSEN, Secretary

RESOLUTIONS OF THE POCA TELLO DEVELOPMENT AUTHORITY

	DATE	NAME
2016-1	1-20-16	Michael Orr
2016-2	6-15-16	Howard Manuaring
2016-3	6-15-16	Cynthia Hill
2016-4		
2016-5		

RESOLUTION NO. 2016-1

A RESOLUTION OF THE POCATELLO DEVELOPMENT AUTHORITY, AN URBAN RENEWAL AGENCY, ORGANIZED UNDER THE LAWS OF THE STATE OF IDAHO; EXPRESSING APPRECIATION TO MICHAEL ORR FOR OUTSTANDING SERVICE AND COMMITMENT TO THE AUTHORITY DURING HIS FIVE AND A HALF YEARS AS A BOARD MEMBER AND CHAIRMAN OF THE BOARD OF COMMISSIONERS.

WHEREAS, Michael Orr was appointed as a member of the Board of Commissioners of the Pocatello Development Authority on August 5, 2010; and

WHEREAS, during his service on the Board, Mr. Orr diligently helped provide continuity to the Authority, to assist with discussion of new urban renewal districts and the administration of existing urban renewal districts; and

WHEREAS, during his tenure with the Board, Mr. Orr provided valuable insight and guidance in the Board's role of urban renewal and economic development for the City of Pocatello and served as Chairman from October 15, 2014 to January 20, 2016;

NOW, THEREFORE, BE IT RESOLVED THAT THE BOARD OF COMMISSIONERS OF THE POCATELLO DEVELOPMENT AUTHORITY HEREBY PUBLICLY EXPRESSES ITS GRATITUDE TO MICHAEL ORR:

1. For his outstanding service to the Authority and to the citizens of the Pocatello area since his initial appointment on August 5, 2010;
2. During his tenure with the Board Mr. Orr provided valuable insight and guidance in the Board's role of urban renewal and economic development for the City of Pocatello; and
3. For his willingness to serve as Chairman of the Board of Commissioners; and
4. For his commitment to excellence in pursuit of the Board's goals through additional meetings and hearings whenever necessary and through coordination with other economic development groups; and

5. For all his efforts in connection with the mission and goals of the Pocatello Development Authority to enhance the well-being of the citizens of the City of Pocatello;

NOW WE, the members of the Board of Commissioners of the Pocatello Development Authority hereby acknowledge our sincere appreciation to Michael Orr for more than five and a half years of leadership and commitment to urban renewal and economic development.

BE IT FURTHER RESOLVED that the Secretary of the Board of Commissioners of the Pocatello Development Authority is hereby authorized and directed to provide an original of this Resolution to Michael Orr after its passage and approval by the Board.

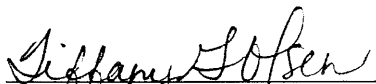
DATED this 20th day of January, 2016.

POCATELLO DEVELOPMENT
AUTHORITY BOARD OF DIRECTORS



BRIAN C. BLAD, Mayor

ATTEST:



TIFFANY G. OLSEN, Secretary

RESOLUTION NO. 2016-02

A RESOLUTION OF THE POCATELLO DEVELOPMENT AUTHORITY, AN URBAN RENEWAL AGENCY, ORGANIZED UNDER THE LAWS OF THE STATE OF IDAHO; EXPRESSING APPRECIATION TO BANNOCK COUNTY COMMISSIONER HOWARD MANWARING FOR HIS SERVICE AND COMMITMENT TO THE AUTHORITY DURING HIS EIGHT MONTHS AS A MEMBER OF THE BOARD OF COMMISSIONERS.

WHEREAS, Bannock County Commissioner Howard Manwaring was appointed as a member of the Board of Commissioners of the Pocatello Development Authority on August 20, 2015; and

WHEREAS, during his service on the Board, Commissioner Manwaring diligently helped provide continuity to the Authority, to assist with discussion of new urban renewal districts, and the administration of existing urban renewal districts; and

WHEREAS, during his tenure with the Board Commissioner Manwaring provided valuable insight and guidance in the Board's role of urban renewal and economic development for the City of Pocatello; and

WHEREAS, it is with regret that the Pocatello Development Authority accepts Commissioner Manwaring's resignation; and

WHEREAS, the Board of Commissioners desires to recognize his efforts on behalf of the Pocatello Development Authority;

NOW, THEREFORE, BE IT RESOLVED THAT THE BOARD OF COMMISSIONERS OF THE POCATELLO DEVELOPMENT AUTHORITY HEREBY PUBLICLY EXPRESSES ITS GRATITUDE TO COMMISSIONER HOWARD MANWARING:

1. For his service to the Authority and to the citizens of the Pocatello area since his initial appointment on August 20, 2015; and

2. For his willingness to provide continuity during a period of increased activity by the Authority; and

3. For his commitment to excellence in pursuit of the Board's goals through additional meetings and hearings whenever necessary and through coordination with other economic development groups; and

4. For all his efforts in connection with the mission and goals of the Pocatello Development Authority to enhance the well-being of the citizens of the City of Pocatello;

NOW WE, the members of the Board of Commissioners of the Pocatello Development Authority hereby acknowledge our sincere appreciation to Commissioner Howard Manwaring for his commitment to urban renewal and economic development.

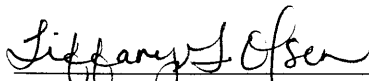
BE IT FURTHER RESOLVED that the Secretary of the Board of Commissioners of the Pocatello Development Authority is hereby authorized and directed to provide an original of this Resolution to Commissioner Howard Manwaring after its passage and approval by the Board.

DATED this 15th day of June, 2016.

POCATELLO DEVELOPMENT
AUTHORITY BOARD OF DIRECTORS


SCOTT J. SMITH, Chairman

ATTEST:


TIFFANY G. OLSEN, Secretary

RESOLUTION NO. 2016-03

A RESOLUTION OF THE POCATELLO DEVELOPMENT AUTHORITY, AN URBAN RENEWAL AGENCY, ORGANIZED UNDER THE LAWS OF THE STATE OF IDAHO; EXPRESSING APPRECIATION TO CYNTHIA HILL FOR HER SERVICE AND COMMITMENT TO THE AUTHORITY DURING HER EIGHT AND ONE HALF YEARS AS A MEMBER OF THE BOARD OF COMMISSIONERS.

WHEREAS, Cynthia Hill was appointed as a member of the Board of Commissioners of the Pocatello Development Authority on November 2, 2007; and

WHEREAS, after having served the Board diligently to the completion of that term, she thereafter volunteered for an additional term in order to help provide continuity to the Authority and assist with the formation of several new urban renewal districts and the administration of existing urban renewal districts; and

WHEREAS, during her tenure with the Board, Ms. Hill provided valuable insight and guidance in the Board's role of urban renewal and economic development for the City of Pocatello from November 2, 2007 to May 20, 2016;

WHEREAS, the Board of Commissioners desires to recognize her efforts on behalf of the Pocatello Development Authority;

NOW, THEREFORE, BE IT RESOLVED THAT THE BOARD OF COMMISSIONERS OF THE POCATELLO DEVELOPMENT AUTHORITY HEREBY PUBLICLY EXPRESSES ITS GRATITUDE TO CYNTHIA HILL:

1. For her service to the Authority and to the citizens of the Pocatello area since her initial appointment on November 2, 2007; and
 2. For her willingness to serve an additional term over and above her original appointment term to provide continuity during a period of increased activity by the Authority;
- and

3. For her willingness to provide continuity during a period of increased activity by the Authority; and

4. For her commitment to excellence in pursuit of the Board's goals through additional meetings and hearings whenever necessary and through coordination with other economic development groups; and

5. For all her efforts in connection with the mission and goals of the Pocatello Development Authority to enhance the well-being of the citizens of the City of Pocatello;

NOW WE, the members of the Board of Commissioners of the Pocatello Development Authority hereby acknowledge our sincere appreciation to Cynthia Hill for her commitment to urban renewal and economic development.

BE IT FURTHER RESOLVED that the Secretary of the Board of Commissioners of the Pocatello Development Authority is hereby authorized and directed to provide an original of this Resolution to Cynthia Hill after its passage and approval by the Board.

DATED this 15th day of June, 2016.

POCATELLO DEVELOPMENT
AUTHORITY BOARD OF DIRECTORS


SCOTT J. SMITH, Chairman

ATTEST:


TIFFANY G. OLSEN, Secretary

Pocatello Development Authority

Pocatello, Idaho

Annual Budget for 2015-2016

The annual budget for the fiscal year beginning October 1, 2015 through September 30, 2016 has appropriated \$2,190,825 to defray the expenses and liabilities of the Pocatello Development Authority for said fiscal year.

Be it ordained by the board members of the Pocatello Development Authority, Pocatello, Idaho:

Section 1: That the sum of \$2,190,825 be, and the same is appropriated to defray the necessary expenses and liabilities of the Pocatello Development Authority, Pocatello, Idaho for the fiscal year beginning October 1, 2015.

Section 2: The objects and purposes for which such appropriation is made, and the amount of each object and purpose is as follows:

Annual PDA Budget 2015-2016	Revenues	Expenditures	Use of Reserves Approved
General Fund	\$ 164,859	\$ 568,119	\$ 403,260
Consolidated Corridor	\$ 12,000	\$ 20,000	\$ 8,000
North Yellowstone	\$ 1,290,861	\$ 933,379	\$ -
Naval Ordnance	\$ 157,640	\$ 165,764	\$ 8,124
North Portneuf	\$ 111,173	\$ 253,563	\$ 142,390
Pocatello Regional Airport	\$ 111,376	\$ 250,000	\$ 138,624
	<u>\$ 1,847,909</u>	<u>\$ 2,190,825</u>	

The budget was adopted on August 19, 2015 during the monthly meeting.

Submitted by

Pocatello Development Authority Treasurer

Joyce A. Stroschein

Pocatello Development Authority - Budget 2015-2016 fiscal year

	General Fund	Consolidated Corridor	North Yellowstone	Naval Ordinance	North Portneuf	Airport	Total
Beginning Cash Balance August 2015	\$3,132,829.00	\$8,000.00	\$2,597,675.00	\$137,411.00	\$142,390.00	\$247,618.00	\$6,265,923.00
INCOME:							
Administrative fees	164,669.00						164,669.00
Tetridyn Loan	0.00						0.00
South Cliff's loan		1,900.00					1,900.00
Property taxes		0.00	1,288,215.00	157,640.00	110,000.00	111,376.00	1,667,231.00
Interest Income	190.00	10,100.00	2,646.00		1,173.00		14,109.00
Total Projected Income:	164,859.00	12,000.00	1,290,861.00	157,640.00	111,173.00	111,376.00	1,847,909.00
EXPENSE:							
Contingency (3)	550,000.00			150,000.00		250,000.00	950,000.00
Cheyenne Crossing							0.00
Costco Employment incentive (1)			122,015.00				122,015.00
City Debt Payment					253,563.00		253,563.00
Administrative expense		20,000.00	128,905.00	15,764.00			164,669.00
Current year debt service (2)			677,459.00				677,459.00
Luncheon costs	1,600.00						1,600.00
Office expenses	200.00						200.00
Dues and memberships	10,750.00						10,750.00
Errors and omission insurance	1,069.00						1,069.00
Banking and Professional services	4,500.00		5,000.00				9,500.00
Total Projected Expense:	568,119.00	20,000.00	933,379.00	165,764.00	253,563.00	250,000.00	2,190,825.00
CALCULATED ENDING BALANCE	\$2,729,569.00	\$0.00	\$2,955,157.00	\$129,287.00	\$0.00	\$108,994.00	\$5,923,007.00

1. balance before payment \$122,014.96, scheduled to payoff in December 2016
2. Scheduled to payoff on August 1, 2024
3. The General fund contingency covers the demolition of the Albertsons property and the payment to the City for fiscal 2016 - total payment \$300,000. The remaining contingencies in the other districts are for potential unplanned projects.



Idaho Statutes

TITLE 67 STATE GOVERNMENT AND STATE AFFAIRS

CHAPTER 4 LEGISLATURE

67-450E. LOCAL GOVERNING ENTITIES CENTRAL REGISTRY -- REPORTING INFORMATION REQUIRED -- PENALTIES FOR FAILURE TO REPORT. In addition to the provisions applicable to local governing entities found in section 67-450B, Idaho Code, the provisions of this section shall also apply to local governing entities. For purposes of this section, "local governing entity" shall have the same meaning as provided in section 67-450B, Idaho Code. The term local governing entity shall also include entities governed by chapter 20, title 50, Idaho Code. If a local governing entity is governed by the provisions of section 33-701, Idaho Code, such entity shall not be required to comply with the provisions of this section.

(1) (a) There is hereby established a central registry and reporting portal ("registry") on the legislative services office website. The registry and reporting portal shall serve as the unified location for the reporting of and access to administrative and financial information of local governing entities in this state. To establish a complete list of all local governmental entities operating in Idaho, on the effective date of this legislation and so that the registry established will be comprehensive, every existing local governing entity shall register with the state registry. For calendar year 2015, the submission of information required by subsection (2) of this section shall occur prior to March 1, 2015, and shall be in the form and format required by the legislative services office. In addition to the information required by this section for the March 1, 2015, filing deadline, the entity shall report the date of its last independent audit. The registry listing will be available on the legislative services office website by January 1, 2016.

(b) The county clerk shall notify each local governing entity of the requirements of this section.

(c) After March 1, 2015, and on or before December 1 of each year:

(i) The state tax commission shall submit a list to the legislative services office of all taxing districts within the state; and

(ii) The county clerk of each county shall submit a list to the legislative services office of all taxing districts in the county and any other local governing entities that are authorized to impose fees, assessments or receive property tax money within the county.

(2) On or before December 1 of each year, every local governing entity shall submit to the online central registry and reporting portal the following information:

(a) Administrative information:

- (i) The terms of membership and appointing authority for the governing board member of the local governmental entity;
 - (ii) The official name, mailing address and electronic mailing address of the entity;
 - (iii) The fiscal year of the entity;
 - (iv) Except for cities and counties, the section of Idaho Code under which the entity was established, the date of establishment, the establishing entity and the statute or statutes under which the entity operates, if different from the statute or statutes under which the entity was established.
- (b) Financial information:
- (i) The most recent adopted budget of the entity; and
 - (ii) An unaudited comparison of the budget to actual revenues and expenditures for the most recently completed fiscal year.
- (c) Bonds or other debt obligation information:
- (i) The cumulative dollar amount of all bonds or other debt obligations issued or incurred by the entity; and
 - (ii) The average length of term of all bond issuances or other debt obligations and the average interest rate of all bonds or other debt obligations.
- (d) Within five (5) days of submitting to the central registry the information required by this subsection, the local governing entity shall notify the entity's appointing authority, if the entity has an appointing authority, that it has submitted such information.
- (e) If any information provided by an entity as required by this subsection changes during the year, the entity shall update its information on the registry within thirty (30) days of any such change.
- (f) All reasonable fees, costs and other expenses incurred assisting local governing entities in compiling the reporting information required by this section may be charged by the county against the local governing entity requesting the county's service. An entity may request assistance from the county to comply with provisions of this section but the county is under no obligation to provide such assistance. For purposes of this section, reasonable fees and costs shall include, but not be limited to, the labor costs, material costs and copying costs incurred while assisting local governing entities to comply with this section. Such fees and costs may be deducted from any distributions of taxes, fees or assessments collected by the county on behalf of the local governing entity.
- (3) Audits required by section 67-450B, Idaho Code, will be submitted to the online portal.
- (4) Notification and penalties.
- (a) If a local governing entity fails to submit information required by this section or submits noncompliant information required by this section, the legislative services office shall notify the entity immediately after the due date of the information that either the information was not submitted in a timely manner or the information submitted was noncompliant. The local governing entity shall then have thirty (30) days from the date of notice to submit the information or notify the legislative services office that it will comply by a time certain.
- (b) No later than September 1 of any year, the legislative services office shall notify the appropriate board of county commissioners and the state tax commission of the entity's failure to comply with the provisions of this section. Upon receipt of such notification, the board of county commissioners shall place a public notice in a

newspaper of general circulation in the county indicating that the entity is noncompliant with the legal reporting requirements of this section. The county commissioners shall assess to the entity the cost of the public notice. Such costs may be deducted from any distributions of taxes, fees or assessments collected by the county on behalf of the local governing entity. For any noncomplying entity, the legislative services office shall notify the board of county commissioners and the state tax commission of the compliance status of such entity by September 1 of each year until the entity is in compliance.

(c) A local governing entity that fails to comply with this section shall be prohibited from including in its budget any budget increase otherwise permitted by either subsection (1)(a) or (e) of section 63-802, Idaho Code.

(d) In addition to any other penalty provided in this section, in any failure to comply with this section, the state tax commission shall withhold the annual distribution of sales tax distribution pursuant to section 63-3638(10), Idaho Code, for any noncomplying entity. The state tax commission shall withhold and retain such money in a reserve account until the legislative services office certifies that the entity has complied with the provisions of this section, at which point the state tax commission shall pay any money owed to the local governing entity previously in violation of this section.

(e) For any local governing entity that is a non-taxing district, including entities established pursuant to title 50, Idaho Code, upon notification to the board of county commissioners from the legislative services office of noncompliance by such entity, the board of county commissioners shall convene to determine appropriate compliance measures including, but not limited to, the following:

(i) Require a meeting of the board of county commissioners and the entity's governing body wherein the board of county commissioners shall require compliance of this section by the entity;

(ii) Assess a noncompliance fee on the noncomplying entity. Such fee shall not exceed five thousand dollars (\$5,000). Such fees and costs may be deducted from any distributions of taxes, fees or assessments collected by the county on behalf of the local governing entity. The amount of any such fee shall not be passed on to persons subject to the jurisdiction of the entity in the form of adjustments to any fee or assessment imposed or collected by the entity. Any fee collected shall be deposited into the county's current expense fund;

(iii) Cause a special audit to be conducted on the entity at the cost of the entity.

(5) The provisions of this section shall have no impact or effect upon reporting requirements for local governing entities relating to the state tax commission.

History:

[67-450E, added 2014, ch. 249, sec. 1, p. 626.]

LOCAL GOVERNING ENTITY REGISTRY QUESTIONS

Idaho Code Section 67-450E was added as a result of House Bill No. 560 during the 2014 regular legislative session. Implementation of the requirements within this section began as soon as it passed, and the Legislative Services Office has been working to provide information to the entities affected and create the portal to register. Below are some frequently asked questions and information that we hope will be helpful to all local governing entities as registration deadlines approach.

WHY WAS THE REGISTRY CREATED?

WHAT IS REQUIRED UNDER IDAHO CODE 67-450B AND C?

WHY WAS ADDITIONAL LEGISLATION INTRODUCED IN THE 2014 LEGISLATIVE SESSION?

WHAT ARE THE NEW REQUIREMENTS IN HOUSE BILL No. 560 CODIFIED IN IDAHO CODE SECTION 67-450E?

WHAT ARE LOCAL GOVERNING ENTITIES REQUIRED TO DO?

WHAT QUESTIONS ARE ASKED ON THE REGISTRY?

EXAMPLES OF POSSIBLE REPORTING DUE DATES.

HOW ARE THE LEGISLATIVE SERVICES OFFICE AND COUNTIES AFFECTED?

WHAT PENALTIES ARE IN PLACE FOR NONCOMPLIANCE WITH THE REQUIREMENTS INCLUDED IN IDAHO CODE SECTION 67-450E?

CHECKLIST OF ITEMS NEEDED PRIOR TO REGISTERING THE ENTITY.

Questions about these requirements and the registry portal can be addressed to the Legislative Services Office Audits Division by calling 208-334-4832 or emailing registry@lso.idaho.gov.

LOCAL GOVERNING ENTITY REGISTRY

WHY WAS THE REGISTRY CREATED?

House Bill 560 (2014 Regular Session) created a new section of Idaho Code, 67-450E. This section of Idaho Code affects local governing entities (LGEs), the Legislative Services Office (LSO), and the State Tax Commission and is intended to improve transparency and compliance with audit requirements contained in Idaho Code section 67-450B and C. This legislation requires all LGE's to register through the portal providing administrative and financial information. It also provides for penalties when LGE's are not compliant with the registration requirement or do not submit audit reports in accordance with Idaho Code 67-450B or C.

[Back to Page 1 Index](#)

WHAT IS REQUIRED UNDER IDAHO CODE 67-450B AND C?

The introductory paragraph for each section is virtually the same, one focused on primary local governments such as cities, counties, authorities and districts, and one focused on affiliated entities such as commissions and institutions; *"The requirements set forth in this section are minimum audit requirements for all local governmental entities, and include, without limitation, all cities, counties, authorities and districts organized as separate legal and reporting entities under Idaho law, and include the councils, commissions and boards as appointed or elected and charged with fiscal management responsibilities of the local governmental entity."*

Those code sections provide the minimum audit requirements for all LGEs based on annual expenditures as follows:

- Entities expending less than \$100,000 from all sources in a fiscal year have no audit requirement;
- Entities expending more than \$100,000, but less than \$250,000 from all sources in a single fiscal year are required to have an audit every two years;
- Entities expending more than \$250,000 from all sources in a single fiscal year are required to have an annual audit.

Audit reports are required to be submitted to LSO within 9 months of the close of the fiscal year.

[Back to Page 1 Index](#)

WHY WAS ADDITIONAL LEGISLATION INTRODUCED IN THE 2014 LEGISLATIVE SESSION?

Legislators over the past few sessions had raised concerns to the Legislative Services Office and prepared draft legislation to address concerns about the ability to access financial information related to local governments and special districts across the state. However prior to the 2014 legislative session, nothing had been voted out of committee for a full floor hearing.

Additionally, the Legislative Services Office-Audits Division receives calls from constituents asking for financial statements and/or audits for a variety of local governing entities and we did not have a good directory of entities or consistent submission of audit reports. The combination of this concern and legislator interest led to the identification of a study report.

In January 2014, LSO issued a report on local government financial reporting and compliance with Idaho Code. The objectives of the report were:

- Identify the number of local governing entities in Idaho;
- Determine how the entities are monitored, both operationally and financially;
- Determine compliance with Idaho Code Section 67-450B.

The report contained three findings:

- No central registry exists, which makes it difficult to determine who should be submitting audit reports;
- No budget data is submitted which makes it difficult to determine whether local governments are complying;
- No enforcement mechanism exists for noncompliance.

The report's recommendations were:

- Establish a central registry to provide a comprehensive list of all local governing entities authorized to operate within the State of Idaho;
- Require all local governing entities to submit an approved budget;
- Amend the statute to include a notification and enforcement process for noncompliance.

RESULTING LEGISLATION PASSED AND SIGNED INTO LAW MARCH 26, 2014.

House Bill 560 passed by the 2014 Legislature to address the findings in the special report. Support for the bill was unanimous, passing the House 68-0 with 2 absent and the Senate 35-0 with none absent. It was then signed by the Governor on March 26, 2014, with an effective date of January 1, 2015.

[Back to Page 1 Index](#)

WHAT ARE THE NEW REQUIREMENTS IN HOUSE BILL No. 560 CODIFIED IN IDAHO CODE SECTION 67-450E?

All LGE's are required to register with the portal. The following are important dates for compliance with this requirement:

- January 1, 2015 – The Legislative Services Office (LSO) must have the registry portal operational.
- March 1, 2015 – Every existing local governing entity must complete the initial registration via the portal.
- September 1 – Every year on or before this date, the LSO must notify the appropriate board of county commissioners and the Idaho State Tax Commission of any local governing entities that have failed to comply with Section 67-450E.
- December 1 – Every year on or before this date, local governing entities must update registration information, the State Tax Commission must submit a list to LSO of all taxing districts within the state, and the county clerk of each county must submit a list to LSO of all taxing districts and all other local governing entities in the county. [Back to Page 1 Index](#)

WHAT ARE LOCAL GOVERNING ENTITIES REQUIRED TO DO?

- Every existing local governing entity must register using the registry portal. This initial submission of information must be completed by March 1, 2015. After the initial registration, every year on or before December 1 entities must update the registration information.
- The information that must be provided is in three categories: Administrative, Financial, and Documents to Submit (approved budgets, audits, unaudited financial statements). [Back to Page 1 Index](#)

WHAT QUESTIONS ARE ASKED ON THE REGISTRY?

The table below contains the requirements of Idaho Code Section 67-450E and an explanation of the acceptable types of information for each requirement.

IC 67-450E Requirement	Explanation
Administrative Information:	
The terms of membership and appointing authority for the governing board members of the local governing entity.	This will be for Boards/Commissions. Were they elected by voters in the county or appointed by an elected official? How long is the elected or appointed term for the officials (2 years, 4 years, etc)?
The official name, mailing address and electronic mailing address of the entity.	Entities will be allowed to use a generic e-mail address such as registry@mycounty.com so more than one person would be allowed access the account in case of employee turnover or other circumstances.
The fiscal year of the entity.	Many entities will have a fiscal year from July 1 to June 30 or from October 1 to September 30, but there are entities that have other fiscal years.
Except for cities and counties, the section of Idaho Code under which the entity was established, the date of establishment, the establishing entity, and the statute or statutes under which the entity operates (if different from the statute or statutes under which the entity was established).	This requirement will provide the section of Idaho Code that created the entity (type of entity), when the entity was officially established, and the operating statutes if applicable. The establishing entity is dependent on the type of reporting entity. Examples might be the Idaho Department of Transportation is the establishing entity for Transportation Authorities or a county is the establishing entity for a Fair Board within that county; but, generally that information is provided in the establishing statute.
Financial Information:	
The most recently adopted budget of the entity.	This will likely be forward looking. For example, if your fiscal year ended on September 30, 2014, and you are reporting for the March 1, 2015 registry requirement, then the most recently adopted budget would likely be for the year that will end on September 30, 2016, depending on when the entity regularly approves the budget for publication.
An unaudited comparison of the budget to actual revenues and expenditures for the most recently completed fiscal year.	Using the same example as above, if your fiscal year ends on September 30, 2014, and you are reporting for the March 1, 2015 deadline, the information entered

	would likely be the budget to actual comparison for the year ended September 30, 2014. If audited budget to actual information is available, that satisfies this requirement. You will be able to identify the source of the information (audited financial statements OR unaudited financial statements).
The cumulative dollar amount of all bonds or other debt obligations issued or incurred by the entity.	<p>Entities may use the amounts from their most recent audited financial statements. With a fiscal year end of September 30, 2014, the most recent audited financial statements on March 1, 2015 would likely be from fiscal year 2014 but might possibly be fiscal year 2013 as you will have 9 months to submit the audit and may not have completed the 2014 audit yet (which in this case, the 2014 fiscal year audit would not be due until June 30, 2015).</p> <p>Entities on a two year audit cycle or entities that fall below the audit threshold can use the information from the most recently completed fiscal year.</p>
The average length of term of all bond issuances or other debt obligations and the average interest rate of all bonds or other debt obligations.	<p>For the bonds or other debt reported, this is the average length of the cumulative terms and will be a range of time; 0-5 years, 5-10 years, 10-15 years, 15-20 years, and greater than 20 years.</p> <p>The average interest rate will be presented in a two decimal format such as 3.25% and will be the average of the interest rates for all outstanding debt issuances.</p>
Documents to Submit:	
Most recently approved budget.	This will likely be for the upcoming fiscal year. Entities can submit a summarized budget document, likely the document that was published in local newspapers or posted on the entities website for public comment and ultimately board or commission approval.
Unaudited comparison of budget to actual expenditures.	This information may be from financial reports prepared for board meetings or for audit, but not yet audited. If the audit has been completed by the reporting deadline, audited budget to actual statements can be submitted to meet this requirement.
Audit completed in compliance with Idaho Code Section 67-450B or 67-450C.	Submission of the most recently completed audit within 9 months of the close of the fiscal year. For the first reporting cycle at March 1, 2015, if the 2014 audit is complete that can be submitted, however it may be the most recently completed audit is fiscal year 2013.

[Back to Page 1 Index](#)

EXAMPLES OF POSSIBLE REPORTING DUE DATES.

After the initial registration deadline of March 1, 2015, entities will have some flexibility to select a date that most easily accommodates the entities' workloads to comply with the requirement to update information reported on the portal every year on or before December 1. Here is an example for an entity with a fiscal year-end of September 30, 2015, who completes their annual audit on June 15, 2016, including a timeline for submitting information to the portal that would satisfy the requirements:

- September 30, 2015: Fiscal year ends
- December 1, 2015: This is the deadline for updating registry information. The following information should be available:
 - Any changes to the administrative information of the entity.
 - The most recently adopted budget should be for the fiscal year ending September 30, 2016.
 - An unaudited budget to actual comparison should be available for the fiscal year ended September 30, 2015.
 - The amount of bonds and other debt outstanding, the average length of terms, and the average interest rate of all debt obligations should be available from the audited financial statements for the fiscal year ended September 30, 2014.
- June 15, 2016: The audit of fiscal year 2015 is completed and can be uploaded to the portal.
- September 30, 2016: The fiscal year ends and the cycle begins again.

Reporting does not have to be on December 1 each year. The requirements state that the information must be updated on or before December 1 each year, which allows local governing entities to update their information on a schedule that is convenient for them.

Many local governing entities may find it most convenient to update the portal information once per year when they upload their audit reports. Using the same information as in the previous example, a local governing entity may choose a different timeline that would also satisfy the requirements:

- September 30, 2015: Fiscal year ends.
- December 1, 2015: The deadline for updating registry information. If your initial registry information has been entered by March 1, 2015, and the information is still accurate, then your 2015 reporting requirements have been satisfied.
- June 15, 2016: The audit of fiscal year 2015 is completed and can be uploaded to the portal. The following information should also be available for reporting to meet the December 1, 2016 reporting requirement:
 - Any changes to the administrative information of the entity.
 - The most recent adopted budget for the fiscal year ending September 30, 2016.
 - The most recent fiscal year end is September 30, 2015, and the audit report should contain audited budget to actual amounts. The requirements are for unaudited amounts, but many entities may be more comfortable reporting audited amounts which also satisfy the requirements.
 - The amount of bonds and other debt outstanding, the average length of terms, and the average interest rate of all debt obligations should be available from the audited financial statements for the fiscal year ended September 30, 2015.
- September 30, 2016: The fiscal year ends and the cycle begins again.

[Back to Page 1 Index](#)

HOW ARE THE LEGISLATIVE SERVICES OFFICE AND COUNTIES AFFECTED?

Counties must comply with the registry requirements of Idaho Code Section 67-450E just like all other local governing entities, but they also will be affected in different ways.

County Clerks must notify all local governing entities within their boundaries of the requirements of Idaho Code Section 67-450E. On or before December 1 of each year the county clerk of each county shall submit a list to the LSO of all local governing entities in the county that are authorized to impose fees, assessments, or taxes, or that receive property tax money. This list will be compared to the registry information submitted by entities to identify and notify entities that may not have registered.

Local governing entities may request assistance from the county to comply with the provisions of this section, but the county is under no obligation to provide assistance. If the county chooses to provide assistance to the local governing entity, the county may charge the local governing entity all reasonable fees, costs, and other expenses incurred in providing this assistance. Reasonable fees and costs include, but are not limited to, labor, material, and copying costs. These fees and costs may be deducted from any distributions of taxes, fees, or assessments collected by the county on behalf of the local governing entity.

The Legislative Services Office must notify entities immediately after a due date has passed (both for the registration requirements and the audit submission requirements) if required submissions have not been received or if the information submitted is noncompliant. The local governing entity then has 30 days to submit the information or notify LSO of the time when they will be able to comply.

By no later than September 1 of any year, the Legislative Services Office must notify the appropriate board of county commissioners and the Idaho State Tax Commission of an entity's failure to comply with these requirements. The board of county commissioners must then place a public notice in a newspaper of general circulation in the county indicating that the entity is noncompliant with the legal reporting requirements of this section. The county commissioners shall assess to the entity the cost of the notice, and the cost may be deducted from any distributions of taxes, fees or assessments collected by the county on behalf of the local governing entity. The Legislative Services Office shall notify the board of county commissioners and the Idaho State Tax Commission of the compliance status of each entity by September 1 of each year until the entity is in compliance.

[Back to Page 1 Index](#)

WHAT PENALTIES ARE IN PLACE FOR NONCOMPLIANCE WITH THE REQUIREMENTS INCLUDED IN IDAHO CODE SECTION 67-450E?

For entities that fail to comply, the following enforcement procedures are in place:

- Prohibition from any budget increase otherwise provided by either subsection (1)(a) or (e) of section 63-802, Idaho Code.
- The Idaho State Tax Commission shall withhold the annual sales tax distribution pursuant to section 63-3638(10), Idaho Code. The amount of the distribution shall be retained in a reserve account until the Legislative Services Office certifies to the Idaho State Tax Commission that the entity has complied, and then the distribution shall be paid.

- If the entity is a non-taxing district, the board of county commissioners shall convene to determine appropriate compliance measures which may include, but are not limited to:
 - Require a meeting of the board of county commissioners and the entity's governing body wherein the board of county commissioners shall require compliance of this section by the entity.
 - Assess a noncompliance fee on the noncomplying entity, not to exceed \$5,000. The fee may be deducted from any taxes, fees, or assessments collected by the county on behalf of the local governing entity, and the local governing entity may not pass on the amount of the fee to the persons within the jurisdiction of the entity in the form of adjustments to fees or assessments.
 - Cause a special audit to be conducted on the entity at the expense of the entity.

Questions about these requirements and the registry portal can be addressed to the Legislative Services Office Audits Division by calling 208-334-4832 or emailing registry@lso.idaho.gov.

[Back to Page 1 Index](#)

CHECKLIST OF ITEMS NEEDED PRIOR TO REGISTERING THE ENTITY.

Here is a list of documents and information that will be needed to complete the registration process, more detailed explanation for each item is provided under the section: WHAT WILL BE ON THE REGISTRY PORTAL?

- Entity establishing information such as authorizing/operating statutes, oversight entity (such as transportation authorities are authorized by the Idaho Transportation Department)
- Entity contact—Email and physical addresses.
- Board member information—Appointed or elected members, term as a member (2 year, 4 year, etc).
- Most recently approved budget. Usually forward looking, state budgets are “approved” in March for the following fiscal year that will be completed in about 15 months.
- Most recently completed audit.
- Budget to actual information for revenues and expenditures. This information can come from financial reports utilized in board meetings, preliminary budget to actual financial statements used in the audit report, or the most recent audit report itself.

[Back to the Index of Questions](#)

*pd. in full
June 2016*

BBAD INVESTMENTS, LLC

March 2004 Economic Development Loan Agreement provided for 2 loans and 1 grant totaling \$560,000. Loans are secured by Deed of Trust and Promissory Note.

- \$275,000 grant to ensure the project is feasible for BBAD
- \$85,000 loan, secured by Promissory Note, to further the proposed BLM office building development and other area improvements
- \$200,000 loan, secured by Deed of Trust and Promissory Note

Full payment due upon the sale of the first property or on March 15, 2010, whichever occurs first

- April 20, 2011: PDA letter extending due date to March 15, 2013 and add 5% per annum interest from March 15, 2011 until paid in full
- Chair Ward sent BBMAD a letter on January 24, 2013 reminding it of its payment obligation
- April 17, 2013 PDA Meeting: MSC to extend the payment date of the loan until the sale of the property, but not later than 5 years from April 17, 2013, to require that interest be brought current within 30 days and to require that payments of \$1,000 per month be made on the loan and accruing interest beginning June 17, 2013 until the principal is paid in full.

Due Date: April 17, 2018

MEMORANDUM

TO: Joyce Stroschein, PDA Treasurer

FROM: Tiffany Olsen, PDA Secretary 

DATE: August 9, 2016

RE: Reimbursement for PDA Beverages

Attached hereto is a receipt from Fred Meyers, for a purchase I made on my personal debit card on August 8, 2016, for PDA beverages in the amount of \$36.47. Please reimburse me \$36.47 at your earliest convenience.

If you have any questions, please do not hesitate to contact me.

Thank you.

Fred Meyer®

What's on your list today?

800 Yellowstone Ave.
208-239-4000
Your cashier was Danielle

1 @ 3/10.00
1111079068 FDMY WATER 3.34 B
7800008313 DR PEPPER DI 7.69 B
4900001063 DIET COKE 7.69 B
4900001278 COKE CLASSIC 7.69 B
1200000088 MOUNTAIN DEW 7.99 B
REWARDS CARD *****4642
TAX 2.07
**** BALANCE 36.47
DEBIT Purchase
*****9732 - SWIPED
REF#: 00000 TOTAL: 36.47
PURCHASE: 36.47 CASHBACK: 0.00
DEBIT 36.47
CHANGE 0.00
TOTAL NUMBER OF ITEMS SOLD = 5
08/09/16 12:16PM 260 16 50 2128371

Tell Us How We Are Doing!
Earn 50 BONUS FUEL POINTS!

Plus, enter our monthly Sweepstakes:
for ONE OF 100 - \$100 gift cards and
ONE \$5,000 gift card grand prize!

Go to www.krogerfeedback.com
within 7 days.

Enter the information below:

Date: 08/09/16
Time: 12:16PM
Entry ID: 701-432-50-260-16-66

MEMORANDUM FOR: Joyce Stroschein, PDA Treasurer
 FROM: Tiffany Olsen, PDA Secretary
 SUBJECT: Reimbursement for PDA Beverages
 DATE: March 9, 2016

Below is a receipt from Fred Meyers in the amount of \$24.18 for PDA beverages. Thank you for the reimbursement check from the PDA.



800 Yellowstone Ave.
 208-239-4000
 Your cashier was Brenda
 7800008213 DR PEPPER 8.49 B
 4900006377 DASANI SPARK 2.49 B
 1 @ 3/10.00
 1111079068 FDMY WATER 3.34 B
 4900001278 COKE CLASSIC 8.49 B
 REWARDS CARD *****4642
 TAX 1.37
 **** BALANCE 24.18
 DEBIT Purchase
 *****9732 - SWIPED
 REF#: 000000 TOTAL: 24.18
 PURCHASE: 24.18 CASHBACK: 0.00
 DEBIT 24.18
 CHANGE 0.00
 TOTAL NUMBER OF ITEMS SOLD = 4
 03/09/16 11:55AM 260 11 69 37601

 Tell Us How We Are Doing!
 Earn 50 BONUS FUEL POINTS!
 Plus, enter our monthly Sweepstakes:
 for ONE OF 100 - \$100 gift cards and
 ONE \$5,000 gift card grand prize!
 Go to www.krogerfeedback.com
 within 7 days.
 Enter the information below:
 Date: 03/09/16
 Time: 11:55AM
 Entry ID: 701-332-69-260-11-80
 Limit one 50 fuel pt bonus per 7 days.
 No purchase necessary to enter
 sweepstakes. See website for official
 sweepstakes rules.

 You just earned 22 Rewards Points!
 Total Rewards Points: 332
 Current Cycle Runs 1/1/16 - 3/31/16

 March Fuel
 Fuel Points Earned Today: 22
 Total March Fuel Points: 102
 Remaining February Fuel Points: 123

 Rewards or Fuel Program Questions?
 Details at www.fredmeyer.com/rewards
 or Contact us at 1-866-518-2686
 Monday-Friday 5AM to 9PM PST

SAVE THIS RECEIPT FOR REFUNDS
 OR ADJUSTMENTS



9102026070101100691603091155
www.fredmeyer.com