

Pocatello Development Authority

Board of Commissioners Meeting
April 17, 2019 – 11:00 a.m.
Paradise Conference Room – Pocatello City Hall

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

An urban renewal agency for the City of Pocatello, Idaho

Call to Order and Acknowledgment of Guests

Agenda Item No. 1: Disclosure of Conflicts of Interest

Agenda Item No. 2: Minutes – [ACTION ITEM]

Motion to approve and/or amend the Regular and Executive Session Meeting Minutes of 3/20/19.

Agenda Item No. 3: Financial Report – [ACTION ITEM]

Motion to approve and/or amend the February and March 2019 Income and Expense Reports.

Agenda Item No. 4: Payment Requests/Reimbursements – [ACTION ITEM]

- a. Elam & Burke for March services: \$2,600.00 on Northgate TIF (general fund); \$51.25 on Philbin Road/Hoku property (North Portneuf District); \$129.00 on North Yellowstone District closure (North Yellowstone District)
- b. Stacey & Parks in the amount of \$4,120.00 for March services on Philbin Road/Hoku property (North Portneuf District)

Agenda Item No. 5: Request for Disbursement of Approved Grants or Loans [ACTION ITEM]

- a. BGS Holdings LLC
- b. Simmons Surgical LLC
- c. Station Square

Agenda Item No. 6: Request for Grants and/or Loans [ACTION ITEM]

- a. Inergy, 695 West Maple (amendment of approved grant request)
- b. The Yellowstone, 230 West Bonneville (amendment of approved loan request)
- c. Station Square, 200 South Main (additional request)

Agenda Item No. 7: Hoku Property Disposition – [ACTION ITEM]

Executive Session: Matters may exist for discussion in an executive session as per I.C. §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 and I.C. §74-206(1)(d & f) to communicate with legal counsel for the PDA to discuss the legal ramifications of and legal options for pending litigation, or controversies not yet being litigated but imminently likely to be litigated and to consider records that are exempt from disclosure.

Agenda Item No. 8: Reports and Updates

- a. Naval Ordnance District
- b. Northgate TIF Plan
- c. North Yellowstone TIF Closure
- d. Discussion/Adoption of Agency Policies and Project Priorities Regarding Grants & Loans [ACTION ITEM]

Upcoming Events/Information:

Adjourn.

City Hall is accessible to persons with disabilities. Program access accommodations may be provided with three (3) days' advance notice by contacting Skyler Beebe at sbeebe@pocatello.us; 208.234.6248; or 5815 South 5th Avenue, Pocatello, ID.

**AGENDA ITEM
NO. 2**

**POCATELLO DEVELOPMENT AUTHORITY
MEETING MINUTES
March 20, 2019**

Vice Chairman Chad Carr called the meeting to order at 11:05 a.m.

Members present: Mayor Brian Blad (arrived approximately 11:12 a.m.), Chad Carr, Jim Johnston (left at approximately 12:00 noon), Thomas Ottaway, Terrel Tovey, and Scott Turner

Members excused/absent: Matt Bloxham, Rob Lion, Scott Smith

Others present: Melanie Gygli, Interim Executive Director; Merril Quayle, Public Works Development Engineer; John Regetz, Bannock Development Corporation (ex officio); Dane Simmons (Simmons Surgical); Steve Wright (BGS/Off The Rails Brewery); Sara Turpin and L D Barthlome ("Bill Burke" building); Stephanie Palagi, Old Town Pocatello

Agenda Item No. 1: Conflicts of Interest. No conflicts were disclosed.

Agenda Item No. 2: Minutes. The minutes of the Regular Session of February 20, 2019 were considered. It was then **MSC (J. Johnston, T. Tovey)** to approve the minutes as presented.

Agenda Item No. 3: Financial Report. The financial report for March is not yet compiled, so will be presented at the April meeting.

Agenda Item No. 4: Payment Requests/Reimbursements. The following invoices were reviewed for payment: 1) Elam & Burke for February services on the Northgate TIF project for \$3,588.02 (general fund), Philbin Road/Hoku property for \$803.00 (North Portneuf District), North Yellowstone closure for \$989.00 (North Yellowstone District), general counsel for \$31.50 (general fund); and 2) Stacey & Parks in the amount of \$1,920.00 for February services on the Hoku property. **Gygli** reported the invoices accurately reflect work performed and are appropriate for payment. It was then **MSC (J. Johnston, T. Tovey)** to approve the payment requests.

Agenda Item No. 5: Request for Grant/Loan Disbursements.

- a. **BGS Holdings:** **Gygli** reviewed the request for loan and grant funds submitted by BGS Holdings (Off The Rails Brewery). The request is for \$39,750.15 (\$33,750.15 loan and \$6,000.00 grant), and covers concrete work, plumbing, and initial work on the facades. Necessary permits were obtained and work completed to the extent of the invoice. Following discussion, it was **MSC (T. Tovey, J. Johnston)** to authorize release of the funds.
- b. **Simmons Surgical:** **Gygli** reviewed the request for loan and grant funds submitted by Simmons Surgical. The grant request is for \$6,750.00 and the loan request is for \$13,240.32. A portion of the work (electrical) has been permitted and inspected. However, the remaining work has not yet been inspected, so Gygli requested approval, with the condition that it pass inspection by Quayle and Gygli. Following discussion, it was **MSC (T. Tovey, T. Ottaway)** to authorize release of the funds after inspection.

Agenda Item No. 6: Request for Grants and/or Loans.

- a. **Barthlome:** **Gygli** briefly introduced the request, for \$27,500 in grant funding to replace the roof, which is leaking. **LD Barthlome** explained he recently purchased the building; his sister is the only tenant for her photography business. The roof is leaking now and is causing interior damage; he is also worried about water running down the side walls. He has a private loan for the building purchase. He has contacted Idaho Power about their program for roof replacement, with no response to date. The building is structurally sound. He is hoping for assistance, as it would allow him to keep rental rates low to better entice tenants. Barthlome has listed the property as available. He has no intention of selling or demolishing the building.

Discussion ensued among the Board members regarding options for assistance (grant, loan, or combination) and potential terms; RDA micro loan or SICOG assistance. Following discussion, it was **MSC (J. Johnston, T. Tovey)** to approve \$10,000.00 in grant and \$17,500.00 in loan funds; the five-year loan terms will be 0 percent and no payment for the first year, with interest at prime plus 1 percent and quarterly payments for years two through five.

- b. **Jim Dandy-area Lighting:** The PDA previously approved up to \$15,000.00 to install three “Old Town” streetlights along East Lander. As requested at the February meeting, Gygli provided a map of where the lights are already installed in the area and where Jim Dandy would like to have them installed. Because a new circuit is required, Quayle estimated that it could cost as much as \$45,000.00, although this would create capacity for additional lighting in the future.

Board members discussed the proposal, funding availability, use of PDA funding for this type of project vs. building repair, other areas where lighting would be useful both for safety and for branding the Old Town area. **Palagi** explained Old Town has a master plan for the downtown area, which includes items such as lighting and what improvements are priorities. They are updating that plan now and should have a draft in May. Board members asked that further discussion on this be postponed until June, when the OTP plan is available and an updated analysis of available funds is completed.

To accommodate Board members, Carr moved to Agenda Item. No. 7.

Agenda Item No. 7: North Yellowstone District – Authorization of Closure Letter. **Gygli** explained the North Yellowstone bonds were paid on 3/15/19. The next step is to notify taxing districts of the intent to close the TIF district, so that information can be considered in budgeting processes. In April, the PDA will consider a termination plan and budget, as well as the annual administrative transfer. As much as \$1.4 million may be refunded to the various taxing districts, after all costs of closure are paid. **Blad** questioned using any of the excess funding for other projects that the PDA supports. **Gygli** will look into any options. It was then **MSC (J. Johnston, B. Blad)** to authorize documents and processes for closure as legally required.

Agenda Item No. 6: Request for Grants and/or Loans (cont.).

- c. **Inergy:** **Gygli** explained Inergy has changed locations and would like to shift their approved grant to the new location. Because no one was present from Inergy to discuss the proposal, this item was postponed to the April meeting.

- d. The Yellowstone: The applicants requested that consideration be postponed.

Agenda Item No. 8: Hoku Property Disposition. Gygli stated no executive session is needed for this agenda item. She reported Smith approved an extension of the closing date with Solargise to 4/30/19. Tovey explained there are taxes due and notices of tax sale are pending. Brief discussion about the need to ensure the tax issue is addressed at or before potential tax sale. It was then **MSC (T. Tovey, B. Blad)** to ratify Smith's action extending the closing date to 4/30/19.

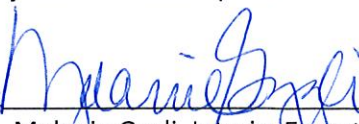
Agenda Item No. 9: Discussion/Adoption of Agency Policies Regarding Grants & Loans. Brief discussion among Board members about setting policies as to what kinds of projects should be funded by the PDA and what the Board's priorities should be. Because many members were not present, this item was postponed to the April meeting.

Agenda Item No. 11: Reports and Updates.

- a. Northgate TIF Plan: Gygli reported the City Council's public hearing on the proposed Northgate TIF will be at their meeting of 4/18/19.
- b. Potential ISU Student Project: Gygli described a request from Jeff Street for the Board to consider a co-branding project between ISU and Old Town Pocatello. Palagi explained the project could involve having ISU-themed amenities in Old Town and vice versa. Following discussion, Board members determined that this type of project does not meeting standards as an urban renewal project
- c. ISU Internships: Turner reminded those present of the opportunity to have ISU students work for their organizations.
- d. Other: Carr called for an executive session to discuss preliminary negotiations involving matters of trade or commerce in which the PDA may be in competition with other jurisdictions. At approximately 12:29 p.m., **it was moved and seconded (S. Turner, T. Tovey)** to adjourn to executive session pursuant to Idaho Code §74-206(1)(e). **The motion passed by roll call vote (Ayes: Turner, Tovey, Blad, Carr, Ottaway. Nays: None).** Upon **MSC (T. Tovey, S. Turner)** the Board reconvened to regular session at approximately 12:49 p.m.

Adjournment:

There being no further business, the meeting adjourned at 12:50 p.m.

By: 
Melanie Gygli, Interim Executive Director/Secretary

POCATELLO DEVELOPMENT AUTHORITY MEETING MINUTES
EXECUTIVE SESSION
March 20, 2019

Members present: Mayor Brian Blad, Chad Carr, Thomas Ottaway, Terrel Tovey, and Scott Turner.

Members absent/excused: Matt Bloxham, Jim Johnston, Rob Lion, Scott Smith.

Others present: Melanie Gygli, Interim Executive Director; Merrill Quayle, Public Works Development Engineer; John Regetz, Bannock Development Corp.

The Board of Commissioners adjourned from regular session into executive session pursuant to I.C. §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. At approximately 12:29 p.m., **it was moved and seconded (S. Turner, T. Tovey)** to adjourn to executive session pursuant to Idaho Code §74-206(1)(e). **The motion passed by roll call vote (Ayes: Turner, Tovey, Blad, Carr, Ottaway. Nays: None).** Upon **MSC (T. Tovey, T. Turner)** the Board reconvened to regular session at approximately 12:49 p.m.

By: 
Melanie Gygli
Interim Executive Director/Secretary

AGENDA ITEM

NO. 3

(to be supplemented)

AGENDA ITEM

NO. 5

(to be supplemented)

**AGENDA ITEM
NO. 6**

60a

**POCATELLO DEVELOPMENT AUTHORITY (PDA)
Preliminary Application for use of Tax Increment Financing**

Application:

Name: Inergy Date: 3/12/19

Mailing Address: 620 Pheasant Ridge Dr, Chubbuck, ID 83202

Work Phone: 877-969-2432 Cell Phone: 208-220-5658 E-Mail: jared@inergysolar.com

Project Description: Site Improvements: Renovate existing shop area to create office space, research and development offices, and section off additional offices.

Project Location: 525 W Maple, Pocatello, ID 83201

Is this project currently in an urban renewal area? Yes No

Is the project currently in a revenue allocation area? Yes No

If you answered 'no' to both questions above, please describe the "deteriorated or deteriorating" conditions associated with this location:

Vacant and in poor interior condition from previous occupants.

Current Assessed Value of Project Location: Rental, property value of \$1,300,000

Estimated Construction Value of Project: \$75,000

Number of jobs created by this project: 10 Wage range of jobs: \$30 - 50k

Employee Benefits? Yes No If yes, please describe: _____

Health Insurance, Paid Time Off, Holiday Pay

Time frame for job creation: Within calendar year of 2019

Construction start date for project: 4/1/19 Anticipated completion date: 7/1/19

Briefly describe other public benefit(s) associated with this project: Locating a "hot" tech startup in the heart of Pocatello will help awareness to the opportunities that are here, and provide local, exciting employment opportunities to retain ISU graduates. Additional employees will also help increase local commerce. We want to be very visible and active in the local community with sponsorships and activities.

Does this project compete with other, already established businesses? How? No

Is this project currently subject to a competitive bid process? Please explain:

We are actively seeking competitive bids for the project

Are there other applicants that may be interesting in applying for PDA assistance for this same project? Please explain: No, the project owner is applying

Relationship of named applicant to the project: President of Inergy

Type of Assistance Requested

(check all that apply):

- Public Infrastructure (water, sewer, street, etc.).
- Public Facility (building, park, parking lot, etc.).
- Match for other funding.
- Inspections, tests, surveys, appraisals, etc.
- Property Acquisition.
- Structure Demolition and Clearance.
- Other? Please Specify Property Improvements

Amount of Assistance Requested: \$25,000

Form of Assistance Requested:

- Grant of Funds.
- Loan of Funds.
- Reimbursement for Approved Expenditures.
- Pay-As-You Go.
- Bonding.
- Other? Please specify _____

Other helpful information? Please list: We have a very strong humanitarian effort to provide renewable, reliable power to disaster stricken areas or poverty zones. In 2018 we donated over \$350,000 in products to various communities. These projects bring lots of press coverage regionally, and increasingly nationally.

Return completed application to:

PDA Executive Director
City of Pocatello
P O Box 4169
Pocatello ID 83205

ECONOMIC DEVELOPMENT GRANT AGREEMENT

This Agreement made this 16th day of May, 2018, by and between Inergy Holdings, LLC, an Idaho Limited Liability Company, dba Inergy Solar (hereinafter referred to as "Inergy"), and the Pocatello Development Authority, an urban renewal agency formed in accordance with the laws of the State of Idaho (hereinafter referred to as "PDA").

1. Recitals

1.1 Inergy is an Idaho company engaged in the business of portable devices for the collection and storage of solar power for use with personal devices. Monetary assistance has been requested for enhancements to the property at 880 North 5th Avenue, to be used by Inergy as an office and production facility. Said monetary assistance has been offered by the PDA to expedite the process and assist in the retention and creation of jobs and tax revenue for the City.

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, PDA is charged with aiding and assisting economic development in Pocatello, Idaho (hereinafter at times "the community"), 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 In fulfillment of its statutory duties with respect to development and job retention and creation in the Pocatello, Idaho area, PDA has the power to make funds available to assist businesses that will retain and/or create jobs in the community and enhance the economic viability of the community.

1.4 PDA has determined that the expansion of Inergy's business establishment represents the type of urban area development to which it may apply revenue allocation funds (tax increment financing) under the applicable statutes; and that the same will promote economic development in the area and the creation of jobs and increased tax base consistent with the applicable urban renewal law. For that reason, PDA has committed to grant the sum of twenty-five thousand dollars (\$25,000.00) to Inergy to assist with its building enhancements.

1.5 By this Agreement, PDA and Inergy wish to memorialize their mutual undertaking and commitments with respect to the economic development grant described herein.

2. Provisions for the Economic Development Funds

2.1 PDA agrees to grant Inergy the sum of twenty-five thousand dollars (\$25,000.00). Said grant shall be used exclusively for building enhancements including but not limited to the remodeling of a bathroom and construction of a roof deck at Inergy's location at 880 North 5th Avenue, , Pocatello, Idaho.

2.2 In return for PDA's agreement to grant said funds, Inergy agrees as follows:

A. To add at least ten (10) new employees to its payroll, with an average annual salary of not less than thirty thousand dollars (\$30,000), no later than close of business December 31, 2018.

B. To maintain these employment numbers and wages for a minimum period of three (3) years from establishing this benchmark.

C. To submit an employee verification study to be conducted by or at the direction of PDA upon reasonable notice. Inergy 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 Inergy is in compliance with the employment requirements provided

in paragraphs A and B above. In the event Inergy fails or refuses to meet any of the requirements of paragraphs A or B above, PDA reserves the right to conduct an employee verification study as frequently as every three months until Inergy is in compliance for two consecutive verification studies. For the purpose of this section, a "year" shall begin on the date described in paragraph B above, or at such time as the employment benchmark is met.

D. In the event Inergy fails or refuses to meet any of the requirements of paragraphs A or B above, PDA's grant of \$25,000.00 shall convert to a loan, accruing interest at prime plus 1% (beginning with the conversion date from a grant to a loan) to be repaid in full in monthly installments within five (5) years from the date of default, or as agreed to by the parties.

3. Effect of Agreement

3.1 It is understood by the parties to this Agreement that the amounts paid by PDA to Inergy for the benefit of Inergy are not to be construed as compensation for specific services by Inergy for PDA. Rather, the intent of the parties is that the payment assists Inergy in its need for additional space.

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

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

4.4 Any individual or individuals executing the within document on behalf of Inergy hereby acknowledge and represent that he or they have the power and authority to so bind the corporate authority, and that such authority was conferred by an act of the Board of Directors of such corporate authority, unless the binding of any such corporation is within the power of the person or persons executing this document on such corporation's behalf. In the event that the party or parties executing this document on behalf of any corporate party hereto do not have authority to so bind the corporation for any cause or reason, then such person or persons shall be personally liable under the terms hereof.

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:

COMPANY: Inergy Holdings, LLC
dba Inergy Solar
Attn: Sean Luangrath
880 North 5th Avenue
Pocatello, ID 83201

PDA: Pocatello Development Authority
Attn: Executive Director for the PDA
911 North 7th Avenue
Pocatello, ID 83201

4.6 This document constitutes the entire agreement of the parties with respect to the guarantee of payment by PDA to Inergy and supersedes any prior agreements of the parties.

4.7. This Agreement may be altered only by written Addendum or Amendment executed by both parties to this Agreement.

District (50,148.51). Expenses totaled \$648,890.49, including \$132.04 for the August lunch meeting, debt service payment of \$58,382.25 and principal payment of \$564,000 on the North Yellowstone bond, \$17,740.20 in principal payment to the City on the North Portneuf property, and professional services payment to Elam & Burke of \$3,350 and \$5,286 Elam & Burke for work on the Northgate TIF plan and the Hoku property. Following discussion, it was then **MSC (T. Tovey, S. Turner)** to approve the August 2018 financial reports as presented.

Agenda Item No. 5: Engagement of Auditor for FY2018 Audit. **Stroschein** presented a proposal by Deaton & Company to perform the PDA's FY2018 audit. This firm also does the City's audit. Following brief discussion it was **MSC (T. Tovey, C. Carr)** to engage Deaton & Company to do the PDA's FY2018 audit and authorize the Chair to sign the proposal.

Agenda Item No. 4: Request for Funding – Yellowstone Restaurant (The Bridge). **Gygli** explained The Bridge has been purchased by new owners and is now The Yellowstone. Because of this change, the funding assistance approved for The Bridge must be reconsidered. Also, there was some confusion regarding the form of the assistance, whether loan, grant, or a combination.

Clijsters and **Erchul**, representing The Yellowstone, reviewed their proposal. They have assumed the loan originally made by the PDA to Lisa Willmore for The Bridge. Additionally, they are asking for \$16,795 as a loan to allow creation of an outdoor patio area (total loan with assumption of \$42,795) and \$27,623.88 in grant funds to cover the remaining unpaid costs from moving The Bridge from its original location, for a total funding request of \$70,418.88. They would like to have the same loan terms as originally given to The Bridge, specifically, a five-year term, with 0 percent interest and no payments for one year, with the balance due over four years at prime plus one percent, payable in quarterly payments.

In response to questions from Board members, **Clijster** and **Erchul** stated business has been excellent, with sales exceeding projected numbers. They have begun working on the patio, keeping costs down by using their own labor as much as possible. Following discussion, it was **MSC (C. Carr, J. Johnston)** to provide a loan in the amount of \$16,795 for the patio project, to be added to the loan assumed from The Bridge, for a total loan of \$42,795.00, with a five-year term, at 0 percent interest and no payments for one year, with the balance due over four years at prime plus one percent, payable in quarterly payments. The loan is to be guaranteed by the four owners. Further, a grant will be provided in the amount of \$27,623.88 to cover unpaid moving expenses from when the The Bridge moved from its 1st Avenue location.

Agenda Item No. 8: Reports and Updates.

- a. **Positron:** **Gygli** reported a follow up letter is being sent to Idaho State University inquiring about the University's interest in acquiring this property. Mike Smith has offered tours of the facility to members of the Board, if desired.
- b. **Naval Ordnance District:** No update on the lawsuit status was available.
- c. **Peterson, Inc.:** **Gygli** briefly reviewed the semi-annual employment report for June 2018. Peterson continues meeting all employment benchmarks.
- d. **District Closeouts:** **Stroschein** provided Board members with a spreadsheet showing cash balances and commitments for each of the TIF districts and general fund. After talking with Zions Bank, she calculates that the bonds can be paid off by March of 2019, and steps can be made to close this district, as all obligations have been met. This will result in at least \$73M of value being returned to the general tax rolls. As regards the Naval Ordnance Plant District, the Board needs to determine how to proceed, given the continuing lawsuit, with potential projects. If no further projects are anticipated, this district could be closed. Also, when the Philbin Road/Hoku property transaction is completed, the North Portneuf District could be closed.

ECONOMIC DEVELOPMENT LOAN & GRANT AGREEMENT

This Economic Development Loan and Grant Agreement (hereinafter "Agreement") is made this 17th day of October 2018, between **Yellowstone Restaurant LLC**, an Idaho Limited Liability Company, whose address is 230 West Bonneville, Pocatello, Idaho 83204 (hereinafter referred to as "Yellowstone"), 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 911 North 7th Avenue, Pocatello, ID 83201.

Recitals

A. By Economic Development Grant and Loan Agreement dated October 19, 2016, the PDA agreed to contribute to the cost of the relocation of The Bridge Steak and Seafood Restaurant from the Kinport Junction building, located on South 1st Avenue, Pocatello, Idaho to the Yellowstone Hotel building located at 200 West Bonneville Street, Pocatello, Idaho. The relocation was necessary to facilitate a new tenant, Derive Power, LLC, an Idaho Limited Liability Company, doing business as Bullydog, who desired to occupy the Kinport Junction building to use as a larger centralized production and marketing office.

B. After the move to the Yellowstone Hotel building, the owners of The Bridge sold their business interest in The Bridge to Yellowstone, which will continue the restaurant operation in the Yellowstone Hotel building. Yellowstone has agreed to assume the debt incurred by The Bridge to PDA under the referenced Economic Development Grant and Loan Agreement in the amount of twenty-six thousand dollars (\$26,000.00).

C. Subsequent to The Bridge's relocation to the Yellowstone Hotel building and the sale of the business to Yellowstone, additional expenses have arisen associated with needed upgrades and installations to facilitate the restaurant's kitchen needs and to ensure the safety of the employees and customers at this new location. Further, Yellowstone desires to create an outdoor seating area for patrons to increase business opportunities.

D. PDA is an independent public body, corporate and politic, 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 and valuation 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.

E. PDA has determined that the improvements are necessary for the viability and operation of the restaurant and more importantly represent the type of development which PDA can assist with and support under the applicable statutes; that such assistance and support will reduce and alleviate urban blight and will promote economic development of the area by assisting this business to continue to grow, which will increase employment and increase the tax base valuation with the City.

F. For these purposes and reasons, the PDA has committed to provide from the PDA General Fund a loan of \$16,795.00 pursuant to the terms and conditions set forth below. This loan is in addition to the assumption of the original loan to The Bridge in the amount of \$26,000.00. Further, the PDA has committed to provide from the PDA General Fund a grant of \$27,623.88 to pay costs associated with moving the restaurant operation from its original location.

Agreement

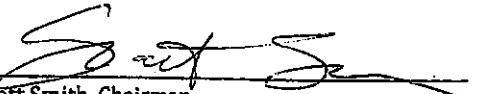
1. **Assumption of The Bridge Debt.** Upon execution of this Agreement, Yellowstone unconditionally assumes all of the debt and liabilities of The Bridge under the Economic Development Grant and Loan Agreement dated October 19, 2016

2. **Economic Development Loan.** Upon the PDA's receipt of detailed invoices from qualified contractor(s) and/or Yellowstone and verification by the PDA that work creating the backyard patio, including concrete, miscellaneous yard work and fence, gas connection and fire pits, and Main Street signage, has been completed, inspected, and is fully operational, the PDA shall loan Yellowstone an additional amount of up to sixteen thousand, seven hundred ninety-five and no/00 dollars (\$16,795.00). Said loan shall be paid within five (5) years from the date the loan is issued; the first year will accrue interest at 0 percent and each year thereafter the interest will be prime plus 1 percent.

3. **Economic Development Grant.** Upon the PDA's receipt of detailed invoices from qualified contractor(s) and/or Yellowstone and verification by the PDA that miscellaneous building improvements including removing exhaust hood, exhaust fan and make-up air unit and walk-in cooler from 1st Street to West Bonneville; necessary electrical and plumbing upgrades;

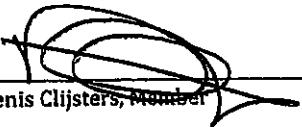
IN WITNESS HEREOF, the parties have executed this Agreement the day and year first above written.

POCATELLO DEVELOPMENT AUTHORITY
An Idaho Urban Renewal Agency

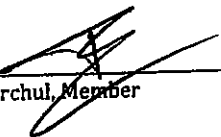
By: 
Scott Smith, Chairman

YELLOWSTONE RESTAURANT LLC
An Idaho Limited Liability Company

By: 
Michael McCormick, Member

By: 
Denis Clijsters, Member

By: 
Jennifer Erchul, Member

By: 
Rory Erchul, Member

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**POCATELLO DEVELOPMENT AUTHORITY (PDA)
Preliminary Application for use of Tax Increment Financing**

Application:

Name: Denis Clijsters Date: april 4th 2019

Mailing Address: 340 S Arthur Ave apt #401

Work Phone: 801 386 9898 Cell Phone: same E-Mail: Denis.clijsters@gmail.com

Project Description: Awning upgrade, new windows where old leaded windows used to be (now it's only covered with old sheet rock). This will freshen up the 80's looking façade and provide light inside.

Project Location: 200 S Main St

Is this project currently in an urban renewal area? Yes No

Is the project currently in a revenue allocation area? Yes No

If you answered 'no' to both questions above, please describe the "deteriorated or deteriorating" conditions associated with this location:

Current Assessed Value of Project Location: 500K

Estimated Construction Value of Project: 30K (20K windows and 10K upgrade)

Number of jobs created by this project: _____ Wage range of jobs: _____

Employee Benefits? Yes No If yes, please describe: _____

Time frame for job creation: _____

Construction start date for project: 05/01/2019 Anticipated completion date: 07/01/2019

Briefly describe other public benefit(s) associated with this project: Facade renewal, fresher look from the street side and more windows and business activity visible.

Does this project compete with other, already established businesses? How? no _____

Is this project currently subject to a competitive bid process? Please explain:

_I'm still going through several contractor bids, the current price is a first estimate_____

Are there other applicants that may be interesting in applying for PDA assistance for this same project? Please explain: _____

Relationship of named applicant to the project: _____

Type of Assistance Requested

(check all that apply):

- Public Infrastructure (water, sewer, street, etc.).
- Public Facility (building, park, parking lot, etc.).
- Match for other funding.
- Inspections, tests, surveys, appraisals, etc.
- Property Acquisition.
- Structure Demolition and Clearance.
- Other? Please Specify _____

Amount of Assistance Requested: _____

Form of Assistance Requested:

- Grant of Funds.
- Loan of Funds.
- Reimbursement for Approved Expenditures.
- Pay-As-You Go.
- Bonding.
- Other? Please specify _____

Other helpful information? Please list: _____

Return completed application to:

PDA Executive Director
City of Pocatello
P O Box 4169
Pocatello ID 83205