

POCATELLO DEVELOPMENT AUTHORITY
Board of Commissioners Meeting
April 20, 2011 – 11:00am – ~~Paradise Conference Room~~

City Hall
911 North 7th Avenue

11:00am Council Chambers

Call to order – Ryan Ward

Acknowledge guests of the Board

Disclosure of conflicts of interest

Agenda – add or delete action or discussion items

Action and Discussion Items

Minutes of March 16, 2011 – Motion to approve and/or amend

Financial Report: March Income and Expenses

General Discussion:

Ken Monroe Recognition

Legislative Update

Executive Session:

Project Yogurt

Items from staff

Items from commission members

Adjourn

Executive Session

Matters exist for discussion in an executive session as per I.C. 67-2345 (1) (e)

Motion: "I move that we enter into an executive session as per Idaho Code 67- 2345 (1) (e) to consider preliminary negotiations involving matters of trade or commerce in which the PDA may be in competition with other jurisdictions."

FINANCIAL REPORT
FOR
March 2011

POCATELLO DEVELOPMENT AUTHORITY
STATEMENT OF CASH AS OF MARCH 31, 2011

Cash in Checking	\$374,378.78
Cash in Savings (Wells Fargo Money Market Account)	132,905.77
Cash in held by third parties (Wells Fargo Corporate Trust)	2,116,880.39
Total cash	2,624,164.94
Cash restricted by bond covenants	-1,360,425.00
Total cash available	\$1,263,739.94

STATEMENT OF CHANGES IN CASH AND CASH EQUIVILENTS
FOR THE MONTH ENDED MARCH 31, 2011

Receipts for the Month

CC	Property taxes received - Central Corridor	\$8,576.59
NY	Property taxes received - North Yellowstone	\$7,750.84
NP	Property taxes received - North Portneuf	\$19,627.48
GF	Interest earnings on savings - Wells Fargo Managed Cash	1.02
	Interest earning on Trust Accounts - Wells Fargo Trusts	45.86
	Total receipts	36,001.79

Expenditures for the Month

#3113	GF	Mama Inez	
		March luncheon costs	128.78
#3114	NO	City of Pocatello	
		Progress payment on sewer line	14,710.00
#3115	NY	Wells Fargo Corporate Trust - \$10,835.77	
		North Yellowstone tax receipt	
	CC	Wells Fargo Corporate Trust	
		Final bond payment	933,432.50
		Total expenditures	948,271.28
		Net change in cash	-\$912,269.49

Cash balances as of March 31, 2011	\$5,786,957.55
Cash balances as of February 28, 2011	\$6,699,227.04
Net change in cash	-\$912,269.49
	\$0.00

CC = Central Corridor, NY = North Yellowstone, GF = General Fund, NO=Naval Ordinance
 NP = North Portneuf

POCATELLO DEVELOPMENT AUTHORITY
CASH ANALYSIS FOR THE MONTH ENDING MARCH 31, 2011

	Balance 28-Feb-11	Balance 31-Mar-11	Change in Balance
Total Cash:			
General Fund			
Cash in checking	\$295,120.74	\$294,991.96	-\$128.78
Money Market Account	132,904.75	132,905.77	\$1.02
Total General Fund Cash	<u>428,025.49</u>	<u>427,897.73</u>	<u>-\$127.76</u>
Central Corridor District			
Cash in checking	-49,617.25	-41,040.66	\$8,576.59
Money Market Account		3,162,792.61	\$3,162,792.61
Bond Trust Fund (Wells Fargo)	0.04	0.00	-\$0.04
Revenue Allocation Trust Fund (Wells)	3,446,167.11	0.00	-\$3,446,167.11
Total Central Corridor District Cash	<u>3,396,549.90</u>	<u>3,121,751.95</u>	<u>-\$274,797.95</u>
North Yellowstone District			
Cash in checking	-53,199.28	-56,284.21	-\$3,084.93
Bond Trust Fund (Wells Fargo)	0.30	0.30	\$0.00
Revenue Allocation Trust Fund (Wells)	1,424,129.18	1,434,980.09	\$10,850.91
Total Yellowstone District Cash	<u>1,370,930.20</u>	<u>1,378,696.18</u>	<u>\$7,765.98</u>
Central Corridor District Debt Service	650,027.24	0.00	-\$650,027.24
North Yellowstone District Debt Service	681,900.00	681,900.00	\$0.00
North Portneuf - Cash in checking	57,061.00	76,688.48	\$19,627.48
Naval Ordinance Plant - Cash in checking	114,733.21	100,023.21	-14,710.00
Total cash	<u>\$6,699,227.04</u>	<u>\$5,786,957.55</u>	<u>-\$912,269.49</u>
Cash Restricted By Bond Covenants:			
Central Corridor Cash			
Next bond payment	933,432.50	0.00	-933,432.50
North Yellowstone Cash			
Next bond payment	678,525.00	678,525.00	0.00
Central Corridor District Debt Service	650,000.00	0.00	-650,000.00
North Yellowstone District Debt Service	681,900.00	681,900.00	0.00
Total restricted cash	<u>2,943,857.50</u>	<u>1,360,425.00</u>	<u>-1,583,432.50</u>
Total unrestricted cash	<u>3,755,369.54</u>	<u>4,426,532.55</u>	<u>671,163.01</u>
Cash Available			
General Fund	427,916.61	427,897.73	-\$127.76
Central Corridor District	2,484,686.63	3,121,751.95	658,634.55
North Yellowstone District	478,742.77	700,171.18	7,765.98
Central Corridor District Debt Service	32.76	0.00	-27.24
North Yellowstone District Debt Service	0.00	0.00	0.00
North Portneuf District	57,061.00	76,688.48	19,627.48
Naval Ordinance Plant District	115,593.32	100,023.21	-14,710.00
Total available cash	<u>3,564,033.09</u>	<u>4,426,532.55</u>	<u>671,163.01</u>

Cash movement analysis:

During March, 2011 Pocatello Development Authority received cash of \$36,001.79 and had \$948,271.28 in expenses so that there was a decrease in cash of \$912,269.49.

General Fund revenue received \$1.03 in interest earnings on the Money Market Account. It paid \$128.78 in luncheon costs for a net decrease in cash of \$127.76.

The Central Corridor District received \$30.72 interest revenues on trust funds and property taxes of \$8,576.59. It paid interest on bonded debt of \$23,432.50 and principal of \$910,000.00. The districts cash balance decreased \$924,825.19.

The North Yellowstone District received interest revenues on trust funds of \$15.14 and property taxes of \$3,084.93. It paid \$216,762.50 interest on bonded debt. The cash balance decreased by \$213,662.43.

The Naval Ordinance Plant Distict had paid \$10,710.00 on sanitary sewer line monitoring.

The North Portneuf District received \$19,627.48 in property taxes.

External Debt:

North Yellowstone Distrist: Final payment due 2027. Principal due \$7,395,000.00, interest due \$4,621,662.50, for a total of **\$12,016,662.50**.

2011 Property tax levy As of January 31, 2011	Central Corridor District	North Yellowstone District
Tax charge per Bannock County	\$1,396,525.41	\$1,266,019.06
Collected	460,867.08	631,298.27
remainder to be received	<u>\$935,658.33</u>	<u>\$634,720.79</u>
	Naval Ordinance District	North Portneuf District
Tax charge per Bannock County	\$227,228.17	\$11,028.75
Collected	86,735.26	20,937.97
remainder to be received	<u>\$140,492.91</u>	<u>-\$9,909.22</u>

**POCATELLO DEVELOPMENT AUTHORITY
GENERAL FUND CASH FLOW PROJECTIONS
2011 THROUGH 2016**

YEARS ENDED	Budget 2011	YTD 2011 As of March	Remaining 2011	Budget 2012	Budget 2013	Budget 2014	Budget 2015
Previous Year Balance:	\$427,317.40	\$427,317.40	\$427,897.73	\$421,817.40	\$1,316,945.15	\$636,445.15	\$631,725.15
INCOME:							
Central Corridor Admin fee				850,627.75			
North Yellowstone Loan (finished 2010)			0.00				
Tetridyn Loan (finished 2011)		2,500.00	-2,500.00	50,000.00			
Naval Ordinance Plant District			0.00				82,000.00
Refunds and reimbursements			0.00				
Interest income	20.00	6.59	13.41	20.00	20.00	800.00	800.00
Total Projected Income:	20.00	2,506.59	-2,486.59	900,647.75	20.00	800.00	82,800.00
EXPENSE:							
RDA loan payoff Naval Ordinance District					675,000.00		
Varsity Square LLC Grant							
Luncheon costs	1,320.00	576.12	743.88	1,320.00	1,320.00	1,320.00	1,320.00
Office expenses	200.00	285.14	-85.14	200.00	200.00	200.00	200.00
Banking and Professional services	4,000.00	1,065.00	2,935.00	4,000.00	4,000.00	4,000.00	4,000.00
Total Projected Expense:	5,520.00	1,926.26	3,593.74	5,520.00	680,520.00	5,520.00	5,520.00
CALCULATED ANNUAL BALANCE	\$421,817.40	\$427,897.73	\$421,817.40	\$1,316,945.15	\$636,445.15	\$631,725.15	\$709,005.15
	\$705,943.52						
	\$700,423.52						

**POCATELLO DEVELOPMENT AUTHORITY
CENTRAL CORRIDOR CASH FLOW PROJECTIONS
2011 THROUGH 2012****

YEARS ENDED	Budget 2011	Actual 2011 As of March	Remaining 2011	Budget 2012
Previous Year Balance**:	\$3,585,729.33	\$3,585,729.33	\$3,121,751.95	\$545,198.68
INCOME:				
Projected Estimated Tax Revenues: ^{8,9}	1,370,000.00	478,973.10	891,026.90	
Taxes Received from Previous Years & yearly interest: ⁷			0.00	
South Cliffs Repayment: ¹²	196,867.85		196,867.85	
AMI Repayment (Building Owners): ¹²			0.00	1,200,000.00
Positron Repayment: ^{12 (400,000.00)}			0.00	
Interest earning on trust accounts	230.00	173.02	56.98	230.00
Total Projected Income:	1,567,097.85	479,146.12	1,087,951.73	1,200,230.00
EXPENSE:				
Current Year Debt Service:	933,432.50	933,432.50	0.00	
Cheyenne Crossing: Committed \$3 million total ^{16 & 18}	3,000,000.00		3,000,000.00	
Whitman/Yellowstone Hotel: Committed \$613,000 ^{10 org 326 500}			0.00	
Clark Street Overpass: Committed \$258,880.93				258,800.93
Admin Transfer to Unrestricted Account: ¹¹			0.00	850,627.75
General Fund - loan for Triangle development City of Pocatello, triangle land reimbursement				136,000.00
Arbitrage	1,700.00	7,235.00	-5,535.00	
Trustee fees	2,250.00	2,456.00	-206.00	
<u>Unapproved Projects</u>				
Farmer's Project #1 org. 500,000.00	170,246.00		170,246.00	
Unnamed Project #3 (\$500,000.00 new Jan 2009): ¹⁰	500,000.00		500,000.00	500,000.00
Total Projected Expense:	4,607,628.50	943,123.50	3,664,505.00	1,745,428.68
CALCULATED ANNUAL BALANCE	\$545,198.68	\$3,121,751.95	\$545,198.68	\$0.00
Debt service restriction (reserve \$650,000.00)			\$0.00	
Current debt payment allocation fund reserve			\$0.00	
Available cash		\$3,121,751.95	\$545,198.68	\$0.00

** TIF District slated to close in 2012

**POCATELLO DEVELOPMENT AUTHORITY
NORTH YELLOWSTONE FUND CASH FLOW PROJECTIONS
2011 THROUGH 2028**

YEARS ENDED	Budget 2011	YTD 2011 As of March	Remaining 2011	Budget 2012	Budget 2013	Budget 2014	Budget 2015	Budget 2016 - 2028
Previous Year Balance:	\$1,791,493.20	\$1,791,493.20	\$2,060,596.18	\$2,185,853.24	\$2,578,948.28	\$2,971,343.32	\$3,363,863.36	\$3,363,863.36
INCOME:								
Property taxes (org \$761,120.03)	1,200,000.00	631,298.07	568,701.93	1,200,000.00	1,200,000.00	1,200,000.00	1,200,000.00	15,600,000.00
Interest on trust accounts	160.00	83.48	76.52	160.00	160.00	160.00	160.00	13,000.00
Loan from General Fund								
Total Projected Income:	1,200,160.00	631,381.55	568,778.45	1,200,160.00	1,200,160.00	1,200,160.00	1,200,160.00	15,613,000.00
EXPENSE:								
Current Year Debt Service:	678,525.00	216,762.50	461,762.50	680,050.00	680,750.00	680,625.00	679,675.00	6,833,800.00
Rail Crossing			0.00					
Peg Development Land Acquisition			0.00					
Refund of property taxes		21,001.11	0.00					
Arbitrage fees	5,260.00			2,500.00	2,500.00	2,500.00	2,500.00	32,500.00
Trustee fees		2,500.00	0.00	2,500.00	2,500.00	2,500.00	2,500.00	32,500.00
Administrative fee to PDA (year 2028)			0.00					
Costco employment payment (\$854,105.00) 1	122,014.96	122,014.96	0.00	122,014.96	122,014.96	122,014.96	122,014.96	244,029.92
Total Projected Expense:	805,799.96	362,278.57	461,762.50	807,064.96	807,764.98	807,639.95	806,689.96	9,142,829.92
CALCULATED ANNUAL BALANCE	\$2,185,853.24	\$2,060,596.18	\$2,167,612.13	\$2,578,948.28	\$2,971,343.32	\$3,363,863.36	\$3,757,333.40	\$9,834,033.44
Bond reserve trust fund		681,900.00	681,900.00	681,900.00	681,900.00	681,900.00	681,900.00	681,900.00
Current debt payment allocation fund reserve		678,525.00	678,525.00	678,525.00	680,050.00	680,750.00	680,750.00	
Amount available		700,171.18	807,187.13	1,218,523.28	1,609,393.32	2,001,213.36	2,394,683.40	9,834,033.44

Note: \$691,458.36 in bonded debt reserves are included in cash balance

1 = Per letter from David Messner, Costco Agent, the \$1 mil employment grant was reduced by a construction advance to PEG development of \$145,895.00, Dated 12/31/2007

POCATELLO DEVELOPMENT AUTHORITY
NORTH PORTNEUF DISTRICT CASH FLOW PROJECTIONS - Tentative
2011 THROUGH 2028

YEARS ENDED	Budget 2011	YTD 2011 As of March	Remaining 2011	Budget 2012	Budget 2013	Budget 2014	Budget 2015	Budget 2016 - 2028
Previous Year Balance:	\$55,750.51	\$55,750.51	\$76,688.48	\$55,750.51	\$55,750.51	\$55,750.51	\$55,750.51	\$55,750.51
INCOME:								
Property taxes	1,492,442.00	20,937.97	1,471,504.03	2,895,337.00	2,808,447.00	2,724,223.00	2,642,496.00	33,975,586.00
Interest on trust accounts			0.00					
Loan from General Fund			0.00					
Total Projected Income:	1,492,442.00	20,937.97	1,471,504.03	2,895,337.00	2,808,447.00	2,724,223.00	2,642,496.00	33,975,586.00
EXPENSE:								
Debt service	1,492,442.00		1,492,442.00	2,895,337.00	2,808,447.00	2,724,223.00	1,079,521.00	0.00
Hoku:			0.00					
Infrastructure reimbursement			0.00				1,484,826.00	13,515,174.00
Employment reimbursement			0.00					9,269,326.00
Other payments:								
City infrastructure			0.00				78,149.00	1,921,851.00
PDA admin			0.00					797,206.51
Taxing Entity operational costs			0.00					8,627,779.00
Total Projected Expense:	1,492,442.00	0.00	1,492,442.00	2,895,337.00	2,808,447.00	2,724,223.00	2,642,496.00	34,031,336.51
CALCULATED ANNUAL BALANCE	\$55,750.51	\$76,688.48	\$55,750.51	\$55,750.51	\$55,750.51	\$55,750.51	\$55,750.51	\$0.00

Assessed valuation 2009 \$6,639,105.00
Base valuation \$3,458,800.00
Increase 2009 \$3,180,305.00

**POCATELLO DEVELOPMENT AUTHORITY
NAVAL ORDINANCE PLANT FUND CASH FLOW PROJECTIONS
2010 THROUGH 2028**

YEARS ENDED	Budget 2011	YTD 2011 As of March	Remaining 2011	Budget 2012	Budget 2013	Budget 2014	Budget 2015	Budget 2016 - 2028
Previous Year Balance:	\$27,997.95	\$27,997.95	\$100,023.21	\$109,997.95	\$116,997.95	\$48,997.95	\$55,997.95	\$55,997.95
INCOME:								
Property taxes	82,000.00	86,735.26	-4,735.26	82,000.00	82,000.00	82,000.00	82,000.00	1,066,000.00
Interest on trust accounts			0.00					
Loan from General Fund			0.00		675,000.00			
Total Projected Income:	82,000.00	86,735.26	-4,735.26	82,000.00	757,000.00	82,000.00	82,000.00	1,066,000.00
EXPENSE:								
Log Homes (\$225,000.)			0.00	75,000.00	75,000.00	75,000.00		
Owner Contract: (RDA)			0.00		750,000.00			
Repay loan to General Fund			0.00				82,000.00	668,000.00
Sewer line flushing		14,710.00	0.00					
Administrative fee to General Fund			0.00					453,997.95
			0.00					
Total Projected Expense:	0.00	14,710.00	0.00	75,000.00	825,000.00	75,000.00	82,000.00	1,121,997.95
CALCULATED ANNUAL BALANCE	\$109,997.95	\$100,023.21	\$95,287.95	\$116,997.95	\$48,997.95	\$55,997.95	\$55,997.95	\$0.00

RESOLUTION NO. 2011-1

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

WHEREAS, Ken Monroe was appointed as a member of the Board of Commissioners of the Pocatello Development Authority on September 4, 2003; and

WHEREAS, after having served the Board diligently to the completion of that term, Mr. Monroe thereafter volunteered for an additional term beginning May 1, 2007, in order to help provide continuity to the Authority and to assist with the establishment of several new urban renewal districts, the administration of existing urban renewal districts, and the closure of several urban renewal districts; and

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

WHEREAS, Mr. Monroe's term of appointment shall expire on April 30, 2011, and 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 KEN MONROE:

1. For his outstanding service to the Authority and to the citizens of the Pocatello area since his initial appointment on September 4, 2003;

2. For his willingness to serve for an additional term over and above his original appointed term in order to provide continuity during a period of increased activity by the Authority;

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, we, the members of the Board of Commissioners of the Pocatello Development Authority hereby acknowledge our sincere appreciation to Ken Monroe for eight years of 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 Ken Monroe after its passage and approval by the Board.

DATED this 20th day of April, 2011.

POCATELLO DEVELOPMENT
AUTHORITY BOARD OF DIRECTORS



RYAN WARD, Chairman

ATTEST:



DARCY L. TAYLOR, Secretary

SUMMARY

House Bill 95 – Urban Renewal – April 2011

- ❖ Urban Renewal Agencies created after July 1, 2011 cannot transact business or exercise its powers until a majority of qualified electors **vote** to authorize such agency (agencies properly established prior to July 1, 2011 are grandfathered).
- ❖ For inefficiency or neglect of duty or misconduct in office, a commissioner may be **removed by a majority vote of the board** or by the local governing body.
- ❖ Commission seats becoming vacant at a time other than the expiration of a term shall be **filled by a majority vote of the board**.
- ❖ On or before March 31 of each year a report of activities for the preceding calendar year, including complete financial statements shall be created. The agency shall hold a **public meeting** to report the findings of this report and take comments from the public.
- ❖ The planning commission shall submit its written recommendation with respect to a proposed urban renewal plan to the local governing body within **sixty (60)** days after receipt of the plan.
- ❖ Urban renewal plans making use of revenue allocation financing (TIF) shall include the information set forth in section **50-2905, Idaho Code**. To this section is added a statement describing total assessed valuation of the base roll of the area and the total assessed valuation of all taxable property within the municipality.
- ❖ Deteriorated or deteriorating area definition of Urban Renewal shall not apply to any agricultural operation or forest land without the **consent of the owner**.
- ❖ **Except for consolidation of revenue allocation areas**, a revenue allocation area may not be amended to extend its boundaries.

- ❖ An urban renewal plan **may be amended** if it does not seek to increase the geographic area of the plan, or does not seek to extend the years of the plan.
- ❖ Notwithstanding, an urban renewal plan that includes a revenue allocation area may be **extended only one (1) time** to extend the boundary of the revenue allocation so long as the total area to be added is not greater than ten percent (10%) of the existing revenue allocation area. The area of expansion must be contiguous which does not include connection by a strip of land which comprises a railroad or public right-of-way.
- ❖ Any increase in valuation caused by the removal of the **agricultural tax exemption** from undeveloped agricultural land in a revenue allocation area shall be added to the base assessment roll.
- ❖ Termination date for urban renewal plans must be no later than **twenty (20) years** from the effective date of the plan. Amendments to the plan cannot extend this termination date.
- ❖ Plans created after July 1, 2000 and prior to July 1, 2011, in which is defined the duration of the plan beyond a period of twenty (20) years, may retain that period of **duration as described in the plan**.
- ❖ On and after July 1, 2011, **bonds** may be issued for a maximum period of twenty (20) years.
- ❖ The duration of the revenue allocation financing provision may be extended if the maturity date of any bonds issued to provide funds for a specific project and payable from the revenue allocation provision exceeds the duration of the revenue allocation provision, provided such bond maturity is not greater than **thirty (30) years**.
- ❖ During the period of any authorized extension, area revenues exceeding the amount necessary to repay the bonds during the period exceeding the maximum year maturity, shall be **returned to the taxing districts** in the revenue allocation area on a pro rata basis.