

Pocatello Development Authority

**Board of Commissioners Meeting
December 19, 2012 – 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 – Ryan Ward

Acknowledge guests of the Board

Disclosure of conflicts of interest

Agenda – add or delete action or discussion items

Action and Discussion Items:

Financial Report: November Income and Expenses

Payment Request – Approval of Bills

General Discussion: Dave Swindell – North Yellowstone Bond Refinance

Pocatello Regional Airport Urban Renewal Agreement

Items from staff:

Items from Commission members:

Upcoming Events:

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."

Adjourn

FINANCIALS
FOR
DECEMBER 2012

12:09 PM

12/17/12

Accrual Basis

Pocatello Development Authority
Balance Sheet by Class
All Transactions

	1-General Fund	2-Central Corridor	3-North Yellowstone	4-Naval Ordinance	6-North Portneuf
ASSETS					
Current Assets					
Checking/Savings					
Checking Wells Fargo	243,958.76	578,514.28	-148,139.73	415,635.04	210,902.91
Restricted Cash Bond 16839700	0.00	12.61	2,059,126.42	0.00	0.00
Restricted Cash Bond 16839702	0.00	0.00	0.64	0.00	0.00
Restricted Cash Bond 16839703	0.00	0.00	681,900.00	0.00	0.00
Savings Wells Fargo	132,963.11	4,109,154.25	0.00	0.00	0.00
Total Checking/Savings	376,921.87	4,687,681.14	2,592,887.33	415,635.04	210,902.91
Accounts Receivable					
Accounts Receivable	50,000.00	596,867.85	0.00	0.00	0.00
Total Accounts Receivable	50,000.00	596,867.85	0.00	0.00	0.00
Other Current Assets					
Accrued Interest Income	1.11	33.75	21.12	0.00	0.00
Property Tax Receivable	0.00	39,222.37	36,335.11	0.00	9,407.86
Total Other Current Assets	1.11	39,256.12	36,356.23	0.00	9,407.86
Total Current Assets	426,922.98	5,323,805.11	2,629,243.56	415,635.04	220,310.77
TOTAL ASSETS	426,922.98	5,323,805.11	2,629,243.56	415,635.04	220,310.77
LIABILITIES & EQUITY					
Liabilities					
Long Term Liabilities					
Deferred Notes Receivable Rev	50,000.00	596,867.85	0.00	0.00	0.00
Deferred Tax Revenues	0.00	33,673.29	36,335.11	0.00	9,407.86
Total Long Term Liabilities	50,000.00	630,541.14	36,335.11	0.00	9,407.86
Total Liabilities	50,000.00	630,541.14	36,335.11	0.00	9,407.86
Equity					
Fund Balance	376,200.41	1,797,384.11	1,703,682.29	33,987.08	50,067.89
Opening Balance Equity	0.00	0.00	64,643.86	0.00	0.00
Net Income	722.57	2,895,879.86	824,582.30	381,647.96	160,835.02
Total Equity	376,922.98	4,693,263.97	2,592,908.45	415,635.04	210,902.91
TOTAL LIABILITIES & EQUITY	426,922.98	5,323,805.11	2,629,243.56	415,635.04	220,310.77

12:09 PM

12/17/12

Accrual Basis

Pocatello Development Authority
Balance Sheet by Class
All Transactions

	<u>TOTAL</u>
ASSETS	
Current Assets	
Checking/Savings	
Checking Wells Fargo	1,300,871.26
Restricted Cash Bond 16839700	2,059,139.03
Restricted Cash Bond 16839702	0.64
Restricted Cash Bond 16839703	681,900.00
Savings Wells Fargo	4,242,117.36
Total Checking/Savings	<u>8,284,028.29</u>
Accounts Receivable	
Accounts Receivable	646,867.85
Total Accounts Receivable	<u>646,867.85</u>
Other Current Assets	
Accrued Interest Income	55.98
Property Tax Receivable	84,965.34
Total Other Current Assets	<u>85,021.32</u>
Total Current Assets	<u>9,015,917.46</u>
TOTAL ASSETS	<u><u>9,015,917.46</u></u>
LIABILITIES & EQUITY	
Liabilities	
Long Term Liabilities	
Deferred Notes Receivable Rev	646,867.85
Deferred Tax Revenues	79,416.26
Total Long Term Liabilities	<u>726,284.11</u>
Total Liabilities	<u>726,284.11</u>
Equity	
Fund Balance	3,961,321.78
Opening Balance Equity	64,643.86
Net Income	4,263,667.71
Total Equity	<u>8,289,633.35</u>
TOTAL LIABILITIES & EQUITY	<u><u>9,015,917.46</u></u>

12:02 PM

12/17/12

Accrual Basis

Pocatello Development Authority
Profit & Loss by Class
November 2012

	<u>1-General Fund</u>	<u>2-Central Corridor</u>	<u>3-North Yellowstone</u>	<u>TOTAL</u>
Income				
Interest Income	16.70	506.26	23.28	546.24
Property Taxes	0.00	7,524.08	0.00	7,524.08
Total Income	<u>16.70</u>	<u>8,030.34</u>	<u>23.28</u>	<u>8,070.32</u>
Gross Profit	16.70	8,030.34	23.28	8,070.32
Expense				
Administrative	112.21	0.00	0.00	112.21
Total Expense	<u>112.21</u>	<u>0.00</u>	<u>0.00</u>	<u>112.21</u>
Net Income	<u>-95.51</u>	<u>8,030.34</u>	<u>23.28</u>	<u>7,958.11</u>

PAYMENT REQUESTS

IDAHO STATE PUBLISHING

PO BOX 431
POCATELLO ID 83204

(208) 232-4161

Fax(208) 233-1642

Advertising Invoice

1. Billing Period 11/2012		2. Advertiser/Client Name CITY OF POCATELLO	
23. Total Amount Due 57.01		4. Unapplied Amount	3. Terms of Payment
21. Current/Net Amount Due N/A	22. 30 Days N/A	60 Days N/A	Over 90 Days N/A
4. Page Number 1	5. Billing Date 11/21/12	6. Billed Account Number 679834	7. Advertiser/Client Number 99924

8. Billed Account Name and Address CITY OF POCATELLO FINANCE DEPARTMENT 911 NORTH 7TH AVE. P.O. BOX 4169 POCATELLO ID 83205--416		Amount Paid: Comments:	
---	--	-------------------------------	--

Please Return Upper Portion With Payment

10. Date	11. Newspaper Reference	12.13.14. Description-Other Comments/Charges	15. SAU Size 16. Billed Units	17. Times Run 18. Rate	19. Gross Amount	20. Net Amount
11/21/12	793017 L2	LN20171 NOTICE OF N NOTICE OF NEGOTIATED P 11/21 ISJ	2X 44.00 88.00	1 45.76	57.01	57.01

Statement of Account - Aging of Past Due Amounts

Due date: 12/06/12

21. Current/Net Amount Due N/A	22. 30 Days N/A	60 Days N/A	Over 90 Days N/A	4. Unapplied Amount	23. Total Amount Due 57.01
-----------------------------------	--------------------	----------------	---------------------	---------------------	-------------------------------

IDAHO STATE PUBLISHING

(208) 232-4161

* UNAPPLIED AMOUNTS ARE INCLUDED IN TOTAL AMOUNT DUE

24. Invoice Number 679834		25. Advertiser Information	
1. Billing Period 11/2012	6. Billed Account Number 99924	7. Advertiser/Client Number 99924	2. Advertiser/Client Name CITY OF POCATELLO

PROOF OF PUBLICATION

STATE OF IDAHO
County of Bannock

LN20171

KAREN MASON

**NOTICE OF NEGOTIATED PRIVATE
BOND SALE AND NOTICE OF
MEETING OF THE POCATELLO
DEVELOPMENT AUTHORITY**

Public notice is hereby given by the Pocatello Development Authority (the "Authority") of negotiation for and private sale of not to exceed \$6,700,000 aggregate principal amount of Revenue Allocation Refunding Bonds, Series 2012 maturing not later than August 1, 2024, to be approved at a meeting of the Authority on or about November 28, 2012, scheduled for 11:00 a.m. at Pocatello City Hall, 911 North 7th Avenue, Pocatello, Idaho. Notice is hereby given of said meeting of the Authority on said date and said time for the purpose of authorizing and approving the issuance and sale of said Bonds. The purpose of authorizing and approving the issuance and sale of said Bonds is to refinance existing debt at lower interest rates to shorten the term. For additional information concerning the terms and provisions of the Bonds, the security for payment of the Bonds and other pertinent information relating to the Bonds, reference is made to a draft bond ordinance and other related documents and information available for public inspection at the offices of the Authority and City at 911 North 7th Avenue, Pocatello, Idaho, Monday through Friday, 9:00 a.m. to 4:00 p.m. (Contact: David K. Swindell telephone (208) 234-6166).

November 21, 2012

LN20171

being first duly sworn on oath deposes and says: that SHE was at all times herein mention a citizen of the United States of America more than 21 years of age, and the Principal Clerk of the Idaho State Journal, a daily newspaper, printed and published at Pocatello, Bannock County Idaho and having a general circulation therein.

That the document or notice, a true copy of which is attached, was published in the said IDAHO STATE JOURNAL, on the following dates, to-wit:

Nov. 21	2012	2012
	2012	2012
	2012	2012
	2012	2012

That said paper has been continuously and uninterruptedly published in said County for a period of seventy-eight weeks prior to the publication of said notice of advertisement and is a newspaper within the meaning of the laws of Idaho.

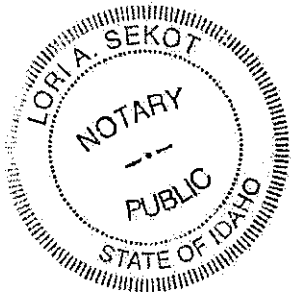
K. Mason

STATE OF IDAHO
COUNTY OF BANNOCK

On this 21st. of Nov. in the year of 2012, before me, a Notary Public, personally appeared KAREN MASON Known or identified to me to be the person whose name subscribed to the within instrument, and being by me first duly sworn, declared that the statements therein are true, and acknowledge to me that he executed the same.

Notary of Public

Lori A. Sekot
Residing at Arimo exp. 3/3/15



IDAHO STATE PUBLISHING

PO BOX 431
POCATELLO ID 83204

(208) 232-4161

Fax(208) 233-1642

Advertising Invoice

1] Billing Period 12/2012		2] Advertiser/Client Name CITY OF POCATELLO	
23] Total Amount Due 105.89		4] Unapplied Amount	3] Terms of Payment
21] Current/Net Amount Due N/A	22] 30 Days N/A	60 Days N/A	Over 90 Days N/A
4] Page Number 1	5] Billing Date 12/06/12	6] Billed Account Number 683509	7] Advertiser/Client Number 104660

8] Billed Account Name and Address CITY OF POCATELLO P.O. BOX 4169 POCATELLO ID 83201		Amount Paid: Comments:
--	--	-------------------------------

Please Return Upper Portion With Payment

10] Date	11] Newspaper Reference	12] (13/14) Description-Other Comments/Charges	15] SAU Size 16] Billed Units	17] Times Run 18] Rate	19] Gross Amount	20] Net Amount
12/06/12	802209 L2	LN20200 NOTICE O NOTICE OF ORDINANCE NO 12/06 ISJ	2X 91.00 182.00	1 94.64	105.89	105.89

Statement of Account - Aging of Past Due Amounts

Due date: 12/21/12

21] Current/Net Amount Due N/A	22] 30 Days N/A	60 Days N/A	Over 90 Days N/A	4] Unapplied Amount	23] Total Amount Due 105.89
-----------------------------------	--------------------	----------------	---------------------	---------------------	--------------------------------

IDAHO STATE PUBLISHING

(208) 232-4161

* UNAPPLIED AMOUNTS ARE INCLUDED IN TOTAL AMOUNT DUE

24] Invoice Number 683509	25] Advertiser Information		Advertiser Information		
1] Billing Period 12/2012	6] Billed Account Number 104660	7] Advertiser/Client Number 104660	2] Advertiser/Client Name CITY OF POCATELLO		

PROOF OF PUBLICATION

STATE OF IDAHO
County of Bannock

LN20200

KAREN MASON

NOTICE OF ORDINANCE NO. 2012-1

Public notice is hereby given by the Pocatello Development Authority (the "Agency"), that on November 28, 2012, the Board of Commissioners of the Agency approved and adopted Ordinance No. 2012-1 (the "Ordinance").

The Ordinance authorizes the issuance of the Agency's Revenue Allocation (Tax Increment) Refunding Bonds, 2012 Series A (the "Bonds"), in the aggregate amount of up to \$6,700,000.

The Bonds are being issued to refund certain prior bonds ("Prior Bonds") of the Agency, to provide for a reserve fund and to pay various costs of issuance of the Bonds and other expenses as provided in the Ordinance.

Under the Ordinance, the Agency has pledged for the payment of the amount of interest coming due on each interest payment date and the principal coming due on each annual principal payment date of the Bonds, all proceeds, together with tax increment revenues received by the Agency, moneys in the Revenue Allocation Fund for the Bonds, the Reserve Fund, and the Bond Fund (collectively, the "Pledged Revenues"), all as defined in the Ordinance subject to the parity payment of any permitted additional bonds. Pledged Revenues received by the Agency in excess of debt service on Agency bonds may be reserved by the Agency for future payments of Debt Service on the Bonds, to redeem or purchase outstanding bonds on the open market, or for any other legal purpose of the Agency.

Neither the City of Pocatello, the State of Idaho, its Legislature, nor any political subdivision thereof is liable for the payment of the principal of or interest or redemption premium, if any, on the Bonds.

The Ordinance and other supporting material are available for public inspection at the offices of the Agency at 911 North 7th Avenue, Pocatello, Idaho, Monday through Friday, 8:00 a.m. to 5:00 p.m. (telephone (208) 233-3500).

The Ordinance became effective upon its passage and approval on November 28, 2012.

being first duly sworn on oath deposes and says: that SHE was at all times herein mention a citizen of the United States of America more than 21 years of age, and the Principal Clerk of the Idaho State Journal, a daily newspaper, printed and published at Pocatello, Bannock County Idaho and having a general circulation therein,

That the document or notice, a true copy of which is attached, was published in the said IDAHO STATE JOURNAL, on the following dates, to-wit:

<u>Dec. 06</u>	<u>2012</u>	<u>2012</u>
	<u>2012</u>	<u>2012</u>
	<u>2012</u>	<u>2012</u>
	<u>2012</u>	<u>2012</u>

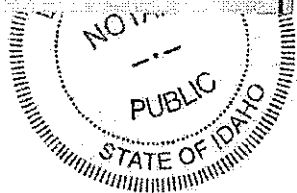
That said paper has been continuously and uninterruptedly published in said County for a period of seventy-eight weeks prior to the publication of said notice of advertisement and is a newspaper within the meaning of the laws of Idaho.

STATE OF IDAHO
COUNTY OF BANNOCK

On this 06th. of Dec. in the year of 2012, before me, a Notary Public, personally appeared KAREN MASON Known or identified to me to be the person whose name subscribed to the within instrument, and being by me first duly sworn, declared that the statements therein are true, and acknowledge to me that he executed the same.

Notary of Public

Loni A. Skott
Residing at Arimo exp. 3/3/15



Redevelopment Association of Idaho. Inc.

Invoice

Date	Invoice #
11/15/2012	M13017

121 N. 9th St., Suite 501
 Boise, Idaho 83702
 (208) 384-4264
 fax. (208) 384-4267

Bill To
Pocatello Development Association Attn: Lonnie Crowell 911 N. 7th Ave Pocatello, ID 83201

Item	Qty	Description	Rate	Amount
	1	Membership Dues - fiscal year 2013		\$ 750.00
		<i>Membership dues are the lesser of:</i>		
		1) \$750		
		or		
		2) 1% of the Agency's budgeted revenue, including both revenue allocation and proprietary revenues		
		<i>If the Agency's calculated dues are less than \$750, please remit the lesser amount and include the calculation of the remittance amount.</i>		
	1	Contribution for legislative efforts - fiscal year 2013		Calculated amount
		<i>Suggested contribution for critically important legislative legal matters, based on the Agency's annual revenues according to this sliding scale:</i>		
		Over \$5 million in annual revenues	\$2,000	
		Between \$2 and \$5 million	\$1,500	
		Between \$1 and \$2 million	\$1,000	
		Between \$500,000 and \$1 million	\$500	
		Between \$250,000 and \$500,000	\$250	
		Under \$250,000	\$100	
		No revenue	\$0	
Total Due			\$	750.00

Please provide the break out the amounts between Membership Dues and Legislative Contributions when submitting your payment. Thank you!

**NORTH YELLOWSTONE
BOND REFINANCE**

MEMORANDUM FOR: Pocatello Development Authority Board

FROM: David Swindell, Chief Financial Officer



SUBJECT: Western Bank Alliance Bid, North Yellowstone Debt Refinance

DATE: December 17, 2012

1. **FOR INFORMATION.**

2. **Purpose.** To provide information on the bid process, North Yellowstone debt refinance.

3. **Discussion.**

a. **General.** Per the board discussions in October and the November bond ordinance, staff has been working to refinance the North Yellowstone debt. We'll put \$1M cash into the deal and use the cash and lower interest rates to shorten the term of the debt by four years.

b. **Rating Rocky Road.** We pitched the deal to Moody's, hoping for a decent bond rating that would enable Piper Jaffray & Co to market the bonds. Moody's likes the district, but in the end it is a good investment within a class of investments that the financial community just doesn't like very well. It is relatively small (106 acres), all commercial (no residential, no industrial) and mostly it is still a TIF district. These have a sorry history throughout the county and especially in California, where the Legislature ended urban renewal. It will not get an investment grade rating. While Piper says they can still market them at a good benefit to the Authority, they likely cannot do better than a private placement offer by Western Bank Alliance.

c. **Western Bank Alliance.** The Alliance is a group of banks including some local ones that has offered to purchase the bonds at a rate of 2.85% across the board. It would be a private placement, no public offering statement, etc. The deal is not quite as good as we had hoped, but it appears that it is the best option.

d. **Achieves our goals.** The benefits of the deal are impressive:

- last payment 08/01/2014 (four years sooner than current)
- gross savings of \$2,878,843.78
- note that \$1M of it came from our equity contribution and that most of the savings occur in the "out years" i.e. after 2024
- but account for that and discounting the future savings still equals a present value savings of \$956,621.36.

e. **Technical changes to the ordinance required.** The par amount needs to change slightly and the ordinance needs to be amended so as to include a provision for private placement. Our bond attorney will prepare an amendment for the board to consider.

f. **Details Attached.** The pricing schedule is attached; I've made some pen & ink comments. We will have the amendment to the ordinance ready for the Wednesday board meeting; the attorneys are working on it this morning.

Pocatello Development Authority

\$6,781,000 Tax Increment Refunding Bonds

Dated December 14, 2012

Refund Series 2004A (Western Alliance Bank Bid)

Table of Contents

Report	
Prior Original Debt Service	1
Debt Service To Maturity And To Call	2
Summary Of Bonds Refunded	4
Debt Service Schedule	5
Pricing Summary	6
Sources & Uses	7
Net Debt Service Schedule	8
Gross Debt Service Comparison	9
Escrow Fund Cashflow	11
Operation of Debt Service Reserve Fund	12
Proof Of Bond Yield @ 2.8503469%	13

Pocatello Development Authority

\$7,755,000 Tax Increment Bonds

Series 2004A

*This is what we have right now
Last payment of \$3,984,850 interest expense.
08/01/2028
pmts = \$680K/yr*

Prior Original Debt Service

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
02/01/2013	-	-	202,875.00	202,875.00	-
08/01/2013	275,000.00	5.500%	202,875.00	477,875.00	680,750.00
02/01/2014	-	-	195,312.50	195,312.50	-
08/01/2014	290,000.00	5.500%	195,312.50	485,312.50	680,625.00
02/01/2015	-	-	187,337.50	187,337.50	-
08/01/2015	305,000.00	5.500%	187,337.50	492,337.50	679,675.00
02/01/2016	-	-	178,950.00	178,950.00	-
08/01/2016	320,000.00	5.500%	178,950.00	498,950.00	677,900.00
02/01/2017	-	-	170,150.00	170,150.00	-
08/01/2017	340,000.00	5.500%	170,150.00	510,150.00	680,300.00
02/01/2018	-	-	160,800.00	160,800.00	-
08/01/2018	360,000.00	6.000%	160,800.00	520,800.00	681,600.00
02/01/2019	-	-	150,000.00	150,000.00	-
08/01/2019	380,000.00	6.000%	150,000.00	530,000.00	680,000.00
02/01/2020	-	-	138,600.00	138,600.00	-
08/01/2020	400,000.00	6.000%	138,600.00	538,600.00	677,200.00
02/01/2021	-	-	126,600.00	126,600.00	-
08/01/2021	425,000.00	6.000%	126,600.00	551,600.00	678,200.00
02/01/2022	-	-	113,850.00	113,850.00	-
08/01/2022	450,000.00	6.000%	113,850.00	563,850.00	677,700.00
02/01/2023	-	-	100,350.00	100,350.00	-
08/01/2023	480,000.00	6.000%	100,350.00	580,350.00	680,700.00
02/01/2024	-	-	85,950.00	85,950.00	-
08/01/2024	510,000.00	6.000%	85,950.00	595,950.00	681,900.00
02/01/2025	-	-	70,650.00	70,650.00	-
08/01/2025	540,000.00	6.000%	70,650.00	610,650.00	681,300.00
02/01/2026	-	-	54,450.00	54,450.00	-
08/01/2026	570,000.00	6.000%	54,450.00	624,450.00	678,900.00
02/01/2027	-	-	37,350.00	37,350.00	-
08/01/2027	605,000.00	6.000%	37,350.00	642,350.00	679,700.00
02/01/2028	-	-	19,200.00	19,200.00	-
08/01/2028	640,000.00	6.000%	19,200.00	659,200.00	678,400.00
Total	\$6,890,000.00	-	\$3,984,850.00	\$10,874,850.00	-

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	12/14/2012
Average Life	9.327 Years
Average Coupon	5.9674412%
Weighted Average Maturity (Par Basis)	9.327 Years

Refunding Bond Information

Refunding Dated Date	12/14/2012
Refunding Delivery Date	12/14/2012

Series 2004A Tax Increment | SINGLE PURPOSE | 12/13/2012 | 5:03 PM

Pocatello Development Authority

\$7,755,000 Tax Increment Bonds

Series 2004A

Debt Service To Maturity And To Call

Part 1 of 2

Date	Refunded Bonds	Refunded Interest	D/S To Call	Principal
02/01/2013	-	202,875.00	202,875.00	-
08/01/2013	275,000.00	202,875.00	477,875.00	275,000.00
02/01/2014	-	195,312.50	195,312.50	-
08/01/2014	6,615,000.00	195,312.50	6,810,312.50	290,000.00
02/01/2015	-	-	-	-
08/01/2015	-	-	-	305,000.00
02/01/2016	-	-	-	-
08/01/2016	-	-	-	320,000.00
02/01/2017	-	-	-	-
08/01/2017	-	-	-	340,000.00
02/01/2018	-	-	-	-
08/01/2018	-	-	-	360,000.00
02/01/2019	-	-	-	-
08/01/2019	-	-	-	380,000.00
02/01/2020	-	-	-	-
08/01/2020	-	-	-	400,000.00
02/01/2021	-	-	-	-
08/01/2021	-	-	-	425,000.00
02/01/2022	-	-	-	-
08/01/2022	-	-	-	450,000.00
02/01/2023	-	-	-	-
08/01/2023	-	-	-	480,000.00
02/01/2024	-	-	-	-
08/01/2024	-	-	-	510,000.00
02/01/2025	-	-	-	-
08/01/2025	-	-	-	540,000.00
02/01/2026	-	-	-	-
08/01/2026	-	-	-	570,000.00
02/01/2027	-	-	-	-
08/01/2027	-	-	-	605,000.00
02/01/2028	-	-	-	-
08/01/2028	-	-	-	640,000.00
Total	\$6,890,000.00	\$796,375.00	\$7,686,375.00	\$6,890,000.00

Pocatello Development Authority

\$7,755,000 Tax Increment Bonds

Series 2004A

Debt Service To Maturity And To Call

Part 2 of 2

<u>Date</u>	<u>Coupon</u>	<u>Interest</u>	<u>Refunded D/S</u>	<u>Fiscal Total</u>
02/01/2013	-	202,875.00	202,875.00	-
08/01/2013	5.500%	202,875.00	477,875.00	680,750.00
02/01/2014	-	195,312.50	195,312.50	-
08/01/2014	5.500%	195,312.50	485,312.50	680,625.00
02/01/2015	-	187,337.50	187,337.50	-
08/01/2015	5.500%	187,337.50	492,337.50	679,675.00
02/01/2016	-	178,950.00	178,950.00	-
08/01/2016	5.500%	178,950.00	498,950.00	677,900.00
02/01/2017	-	170,150.00	170,150.00	-
08/01/2017	5.500%	170,150.00	510,150.00	680,300.00
02/01/2018	-	160,800.00	160,800.00	-
08/01/2018	6.000%	160,800.00	520,800.00	681,600.00
02/01/2019	-	150,000.00	150,000.00	-
08/01/2019	6.000%	150,000.00	530,000.00	680,000.00
02/01/2020	-	138,600.00	138,600.00	-
08/01/2020	6.000%	138,600.00	538,600.00	677,200.00
02/01/2021	-	126,600.00	126,600.00	-
08/01/2021	6.000%	126,600.00	551,600.00	678,200.00
02/01/2022	-	113,850.00	113,850.00	-
08/01/2022	6.000%	113,850.00	563,850.00	677,700.00
02/01/2023	-	100,350.00	100,350.00	-
08/01/2023	6.000%	100,350.00	580,350.00	680,700.00
02/01/2024	-	85,950.00	85,950.00	-
08/01/2024	6.000%	85,950.00	595,950.00	681,900.00
02/01/2025	-	70,650.00	70,650.00	-
08/01/2025	6.000%	70,650.00	610,650.00	681,300.00
02/01/2026	-	54,450.00	54,450.00	-
08/01/2026	6.000%	54,450.00	624,450.00	678,900.00
02/01/2027	-	37,350.00	37,350.00	-
08/01/2027	6.000%	37,350.00	642,350.00	679,700.00
02/01/2028	-	19,200.00	19,200.00	-
08/01/2028	6.000%	19,200.00	659,200.00	678,400.00
Total	-	\$3,984,850.00	\$10,874,850.00	-

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation	12/14/2012
Average Life	9.327 Years
Average Coupon	5.9674412%
Weighted Average Maturity (Par Basis)	9.327 Years

Refunding Bond Information

Refunding Dated Date	12/14/2012
Refunding Delivery Date	12/14/2012

Series 2004A Tax Increment | SINGLE PURPOSE | 12/13/2012 | 5:03 PM

Pocatello Development Authority

\$6,781,000 Tax Increment Refunding Bonds

Dated December 14, 2012

Refund Series 2004A (Western Alliance Bank Bid)

Summary Of Bonds Refunded

Issue	Maturity	Type	of Bond	Coupon	Maturity Value	Call Date	Call Price
Dated 12/01/2004 Delivered 12/23/2004							
Series 2004A Tax Increment Bonds	08/01/2013	Term 1	Coupon	5.500%	275,000	08/01/2014	100.000%
Series 2004A Tax Increment Bonds	08/01/2014	Term 1	Coupon	5.500%	290,000	08/01/2014	100.000%
Series 2004A Tax Increment Bonds	08/01/2015	Term 1	Coupon	5.500%	305,000	08/01/2014	100.000%
Series 2004A Tax Increment Bonds	08/01/2016	Term 1	Coupon	5.500%	320,000	08/01/2014	100.000%
Series 2004A Tax Increment Bonds	08/01/2017	Term 1	Coupon	5.500%	340,000	08/01/2014	100.000%
Series 2004A Tax Increment Bonds	08/01/2018	Term 2	Coupon	6.000%	360,000	08/01/2014	100.000%
Series 2004A Tax Increment Bonds	08/01/2019	Term 2	Coupon	6.000%	380,000	08/01/2014	100.000%
Series 2004A Tax Increment Bonds	08/01/2020	Term 2	Coupon	6.000%	400,000	08/01/2014	100.000%
Series 2004A Tax Increment Bonds	08/01/2021	Term 2	Coupon	6.000%	425,000	08/01/2014	100.000%
Series 2004A Tax Increment Bonds	08/01/2022	Term 2	Coupon	6.000%	450,000	08/01/2014	100.000%
Series 2004A Tax Increment Bonds	08/01/2023	Term 2	Coupon	6.000%	480,000	08/01/2014	100.000%
Series 2004A Tax Increment Bonds	08/01/2024	Term 2	Coupon	6.000%	510,000	08/01/2014	100.000%
Series 2004A Tax Increment Bonds	08/01/2025	Term 2	Coupon	6.000%	540,000	08/01/2014	100.000%
Series 2004A Tax Increment Bonds	08/01/2026	Term 2	Coupon	6.000%	570,000	08/01/2014	100.000%
Series 2004A Tax Increment Bonds	08/01/2027	Term 2	Coupon	6.000%	605,000	08/01/2014	100.000%
Series 2004A Tax Increment Bonds	08/01/2028	Term 2	Coupon	6.000%	640,000	08/01/2014	100.000%
	Subtotal	-	-	-	\$6,890,000	-	-
	Total	-	-	-	\$6,890,000	-	-

Pocatello Development Authority

\$6,781,000 Tax Increment Refunding Bonds

Dated December 14, 2012

Refund Series 2004A (Western Alliance Bank Bid)

Debt Service Schedule

*This would be the new debt schedule
Last payment 08/01/2024
\$1,215,006.22 interest expense*

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
12/14/2012	-	-	-	-	-
02/01/2013	-	-	25,230.97	25,230.97	-
08/01/2013	558,000.00	2.850%	96,629.25	654,629.25	679,860.22
02/01/2014	-	-	88,677.75	88,677.75	-
08/01/2014	503,000.00	2.850%	88,677.75	591,677.75	680,355.50
02/01/2015	-	-	81,510.00	81,510.00	-
08/01/2015	516,000.00	2.850%	81,510.00	597,510.00	679,020.00
02/01/2016	-	-	74,157.00	74,157.00	-
08/01/2016	529,000.00	2.850%	74,157.00	603,157.00	677,314.00
02/01/2017	-	-	66,618.75	66,618.75	-
08/01/2017	547,000.00	2.850%	66,618.75	613,618.75	680,237.50
02/01/2018	-	-	58,824.00	58,824.00	-
08/01/2018	563,000.00	2.850%	58,824.00	621,824.00	680,648.00
02/01/2019	-	-	50,801.25	50,801.25	-
08/01/2019	578,000.00	2.850%	50,801.25	628,801.25	679,602.50
02/01/2020	-	-	42,564.75	42,564.75	-
08/01/2020	592,000.00	2.850%	42,564.75	634,564.75	677,129.50
02/01/2021	-	-	34,128.75	34,128.75	-
08/01/2021	609,000.00	2.850%	34,128.75	643,128.75	677,257.50
02/01/2022	-	-	25,450.50	25,450.50	-
08/01/2022	626,000.00	2.850%	25,450.50	651,450.50	676,901.00
02/01/2023	-	-	16,530.00	16,530.00	-
08/01/2023	647,000.00	2.850%	16,530.00	663,530.00	680,060.00
02/01/2024	-	-	7,310.25	7,310.25	-
08/01/2024	513,000.00	2.850%	7,310.25	520,310.25	527,620.50
Total	\$6,781,000.00	-	\$1,215,006.22	\$7,996,006.22	-

Pmts still ~ \$680K/yr

Yield Statistics

Bond Year Dollars	\$42,631.80
Average Life	6.287 Years
Average Coupon	2.8500000%
Net Interest Cost (NIC)	2.8500000%
True Interest Cost (TIC)	2.8503469%
Bond Yield for Arbitrage Purposes	2.8503469%
All Inclusive Cost (AIC)	3.1648701%

IRS Form 8038

Net Interest Cost	2.8500000%
Weighted Average Maturity	6.287 Years

Pocatello Development Authority

\$6,781,000 Tax Increment Refunding Bonds

Dated December 14, 2012

Refund Series 2004A (Western Alliance Bank Bid)

Pricing Summary

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
08/01/2013	Serial Coupon	2.850%	2.850%	558,000.00	100.000%	558,000.00
08/01/2014	Serial Coupon	2.850%	2.850%	503,000.00	100.000%	503,000.00
08/01/2015	Serial Coupon	2.850%	2.850%	516,000.00	100.000%	516,000.00
08/01/2016	Serial Coupon	2.850%	2.850%	529,000.00	100.000%	529,000.00
08/01/2017	Serial Coupon	2.850%	2.850%	547,000.00	100.000%	547,000.00
08/01/2018	Serial Coupon	2.850%	2.850%	563,000.00	100.000%	563,000.00
08/01/2019	Serial Coupon	2.850%	2.850%	578,000.00	100.000%	578,000.00
08/01/2020	Serial Coupon	2.850%	2.850%	592,000.00	100.000%	592,000.00
08/01/2021	Serial Coupon	2.850%	2.850%	609,000.00	100.000%	609,000.00
08/01/2022	Serial Coupon	2.850%	2.850%	626,000.00	100.000%	626,000.00
08/01/2023	Serial Coupon	2.850%	2.850%	647,000.00	100.000%	647,000.00
08/01/2024	Serial Coupon	2.850%	2.850%	513,000.00	100.000%	513,000.00
Total	-	-	-	\$6,781,000.00	-	\$6,781,000.00

Bid Information

Par Amount of Bonds	\$6,781,000.00
Gross Production	\$6,781,000.00
Bid (100.000%)	6,781,000.00
Total Purchase Price	\$6,781,000.00
Bond Year Dollars	\$42,631.80
Average Life	6.287 Years
Average Coupon	2.850000%
Net Interest Cost (NIC)	2.850000%
True Interest Cost (TIC)	2.850346%

Pocatello Development Authority

\$6,781,000 Tax Increment Refunding Bonds

Dated December 14, 2012

Refund Series 2004A (Western Alliance Bank Bid)

Sources & Uses

Dated 12/14/2012 | Delivered 12/14/2012

Sources Of Funds

Par Amount of Bonds	\$6,781,000.00
Planned Issuer Equity contribution	1,000,000.00
Transfers from Prior Issue DSR Funds	681,900.00
Total Sources	\$8,462,900.00

Uses Of Funds

Deposit to Net Cash Escrow Fund	7,663,414.98
Deposit to Debt Service Reserve Fund (DSRF)	681,900.00
Costs of Issuance	117,500.00
Rounding Amount	85.02
Total Uses	\$8,462,900.00

of note
Here's our \$1M

This page shows "sources" and "uses"
"Sources" include bond proceeds, our \$1M cash contribution and the old debt service reserve fund

"Uses" include
- \$ to refund the old debt
- re-create the debt svc reserve
- costs of issuance
- a rounding amount

Pocatello Development Authority

\$6,781,000 Tax Increment Refunding Bonds

Dated December 14, 2012

Refund Series 2004A (Western Alliance Bank Bid)

Net Debt Service Schedule

Date	Principal	Coupon	Interest	Total P+I	DSR	Net New D/S	Fiscal Total
12/14/2012	-	-	-	-	-	-	-
02/01/2013	-	-	25,230.97	25,230.97	-	25,230.97	-
08/01/2013	558,000.00	2.850%	96,629.25	654,629.25	-	654,629.25	679,860.22
02/01/2014	-	-	88,677.75	88,677.75	-	88,677.75	-
08/01/2014	503,000.00	2.850%	88,677.75	591,677.75	-	591,677.75	680,355.50
02/01/2015	-	-	81,510.00	81,510.00	-	81,510.00	-
08/01/2015	516,000.00	2.850%	81,510.00	597,510.00	-	597,510.00	679,020.00
02/01/2016	-	-	74,157.00	74,157.00	-	74,157.00	-
08/01/2016	529,000.00	2.850%	74,157.00	603,157.00	-	603,157.00	677,314.00
02/01/2017	-	-	66,618.75	66,618.75	-	66,618.75	-
08/01/2017	547,000.00	2.850%	66,618.75	613,618.75	-	613,618.75	680,237.50
02/01/2018	-	-	58,824.00	58,824.00	-	58,824.00	-
08/01/2018	563,000.00	2.850%	58,824.00	621,824.00	-	621,824.00	680,648.00
02/01/2019	-	-	50,801.25	50,801.25	-	50,801.25	-
08/01/2019	578,000.00	2.850%	50,801.25	628,801.25	-	628,801.25	679,602.50
02/01/2020	-	-	42,564.75	42,564.75	-	42,564.75	-
08/01/2020	592,000.00	2.850%	42,564.75	634,564.75	-	634,564.75	677,129.50
02/01/2021	-	-	34,128.75	34,128.75	-	34,128.75	-
08/01/2021	609,000.00	2.850%	34,128.75	643,128.75	-	643,128.75	677,257.50
02/01/2022	-	-	25,450.50	25,450.50	-	25,450.50	-
08/01/2022	626,000.00	2.850%	25,450.50	651,450.50	-	651,450.50	676,901.00
02/01/2023	-	-	16,530.00	16,530.00	-	16,530.00	-
08/01/2023	647,000.00	2.850%	16,530.00	663,530.00	-	663,530.00	680,060.00
02/01/2024	-	-	7,310.25	7,310.25	-	7,310.25	-
08/01/2024	513,000.00	2.850%	7,310.25	520,310.25	(681,900.00)	(161,589.75)	(154,279.50)
Total	\$6,781,000.00	-	\$1,215,006.22	\$7,996,006.22	(681,900.00)	\$7,314,106.22	-

This schedule shows how the debt service reserve fund would be used for the last payment and shows you "Net" debt service once you account for that. Same as page 5 except for 08/01/2024. The debt goes to 08/01/2024.

to 08/01/2024 can use DSRF in 2024

Pocatello Development Authority

\$6,781,000 Tax Increment Refunding Bonds

Dated December 14, 2012

Refund Series 2004A (Western Alliance Bank Bid)

Exactly what it says - a comparison. Note that county payments are virtually the same - until 2024 and then the savings are big.

Gross Debt Service Comparison

Date	Principal	Coupon	Interest	New D/S	OLD D/S	Savings	Fiscal Total
12/14/2012	-	-	-	-	-	-	-
02/01/2013	-	-	25,230.97	25,230.97	202,875.00	177,644.03	-
08/01/2013	558,000.00	2.850%	96,629.25	654,629.25	477,875.00	(176,754.25)	889.78
02/01/2014	-	-	88,677.75	88,677.75	195,312.50	106,634.75	-
08/01/2014	503,000.00	2.850%	88,677.75	591,677.75	485,312.50	(106,365.25)	269.50
02/01/2015	-	-	81,510.00	81,510.00	187,337.50	105,827.50	-
08/01/2015	516,000.00	2.850%	81,510.00	597,510.00	492,337.50	(105,172.50)	655.00
02/01/2016	-	-	74,157.00	74,157.00	178,950.00	104,793.00	-
08/01/2016	529,000.00	2.850%	74,157.00	603,157.00	498,950.00	(104,207.00)	586.00
02/01/2017	-	-	66,618.75	66,618.75	170,150.00	103,531.25	-
08/01/2017	547,000.00	2.850%	66,618.75	613,618.75	510,150.00	(103,468.75)	62.50
02/01/2018	-	-	58,824.00	58,824.00	160,800.00	101,976.00	-
08/01/2018	563,000.00	2.850%	58,824.00	621,824.00	520,800.00	(101,024.00)	952.00
02/01/2019	-	-	50,801.25	50,801.25	150,000.00	99,198.75	-
08/01/2019	578,000.00	2.850%	50,801.25	628,801.25	530,000.00	(98,801.25)	397.50
02/01/2020	-	-	42,564.75	42,564.75	138,600.00	96,035.25	-
08/01/2020	592,000.00	2.850%	42,564.75	634,564.75	538,600.00	(95,964.75)	70.50
02/01/2021	-	-	34,128.75	34,128.75	126,600.00	92,471.25	-
08/01/2021	609,000.00	2.850%	34,128.75	643,128.75	551,600.00	(91,528.75)	942.50
02/01/2022	-	-	25,450.50	25,450.50	113,850.00	88,399.50	-
08/01/2022	626,000.00	2.850%	25,450.50	651,450.50	563,850.00	(87,600.50)	799.00
02/01/2023	-	-	16,530.00	16,530.00	100,350.00	83,820.00	-
08/01/2023	647,000.00	2.850%	16,530.00	663,530.00	580,350.00	(83,180.00)	640.00
02/01/2024	-	-	7,310.25	7,310.25	85,950.00	78,639.75	-
08/01/2024	513,000.00	2.850%	7,310.25	520,310.25	595,950.00	75,639.75	154,279.50
02/01/2025	-	-	-	-	70,650.00	70,650.00	-
08/01/2025	-	-	-	-	610,650.00	610,650.00	681,300.00
02/01/2026	-	-	-	-	54,450.00	54,450.00	-
08/01/2026	-	-	-	-	624,450.00	624,450.00	678,900.00
02/01/2027	-	-	-	-	37,350.00	37,350.00	-
08/01/2027	-	-	-	-	642,350.00	642,350.00	679,700.00
02/01/2028	-	-	-	-	19,200.00	19,200.00	-
08/01/2028	-	-	-	-	659,200.00	659,200.00	678,400.00
Total	\$6,781,000.00	-	\$1,215,006.22	\$7,996,006.22	\$10,874,850.00	\$2,878,843.78	-

*Wow!
(but \$1M came from us. Still, \$1,878,843 is a good result).*

BIS savings occur in the 2024 thru 2028, then by design

Pocatello Development Authority

\$6,781,000 Tax Increment Refunding Bonds

Dated December 14, 2012

Refund Series 2004A (Western Alliance Bank Bid)

Gross Debt Service Comparison

Part 2 of 2

PV Analysis Summary (Gross to Gross)

Net FV Cashflow Savings	2,878,843.78
Gross PV Debt Service Savings	1,956,536.34
Total Cash contribution	(1,000,000.00)
Transfers from Prior Issue DSR Fund	(681,900.00)
Amount deposited into new DSR Fund	681,900.00
Contingency or Rounding Amount	85.02
Net Present Value Benefit	\$956,621.36
Net PV Benefit / \$6,890,000 Refunded Principal	13.884%
Net PV Benefit / \$6,781,000 Refunding Principal	14.107%

Refunding Bond Information

Refunding Dated Date	12/14/2012
Refunding Delivery Date	12/14/2012

This calculation includes our \$1M "right now" contribution and discounts our savings (which occur in the future) back to "present value" = \$956K. That's good!

Pocatello Development Authority

\$6,781,000 Tax Increment Refunding Bonds

Dated December 14, 2012

Refund Series 2004A (Western Alliance Bank Bid)

Escrow Fund Cashflow

Date	Principal	Rate	Interest	Receipts	Dishbursements	Cash Balance	Fiscal Total
12/14/2012	-	-	-	0.98	-	0.98	-
02/01/2013	201,012.00	0.040%	1,862.71	202,874.71	202,875.00	0.69	-
08/01/2013	470,535.00	0.130%	7,339.63	477,874.63	477,875.00	0.32	680,750.00
02/01/2014	188,359.00	0.160%	6,954.18	195,313.18	195,312.50	1.00	-
08/01/2014	6,803,508.00	0.200%	6,803.50	6,810,311.50	6,810,312.50	-	7,005,625.00
Total	\$7,663,414.00	-	\$22,960.02	\$7,686,375.00	\$7,686,375.00	-	-

Investment Parameters

Investment Model [PV, GIC, or Securities]	Securities
Default investment yield target	Bond Yield
Cash Deposit	0.98
Cost of Investments Purchased with Bond Proceeds	7,663,414.00
Total Cost of Investments	\$7,663,414.98
Target Cost of Investments at bond yield	\$7,363,880.08
Actual positive or (negative) arbitrage	(299,534.90)
Yield to Receipt	0.1974343%
Yield for Arbitrage Purposes	2.8503469%
State and Local Government Series (SLGS) rates for	12/12/2012

details on the escrow fund. Our present debt isn't callable until 2014, so the escrow fund pays as scheduled for us during that time.

Pocatello Development Authority

\$6,781,000 Tax Increment Refunding Bonds

Dated December 14, 2012

Refund Series 2004A (Western Alliance Bank Bid)

Operation of Debt Service Reserve Fund

Date	Principal	Rate	Receipts	Disbursements	Cash Balance	Fiscal Total
12/14/2012	-	-	-	-	-	-
08/01/2024	681,900.00	-	681,900.00	681,900.00	-	681,900.00
Total	\$681,900.00	-	\$681,900.00	\$681,900.00	-	-

Investment Parameters

Investment Model [PV, GIC, or Securities]	GIC
Default investment yield target	Unrestricted
Cost of Investments Purchased with Bond Proceeds	681,900.00
Total Cost of Investments	\$681,900.00
Target Cost of Investments at bond yield	\$490,640.62
Yield to Receipt	-1.34E-12
Yield for Arbitrage Purposes	2.8503469%

Pocatello Development Authority

\$6,781,000 Tax Increment Refunding Bonds

Dated December 14, 2012

Refund Series 2004A (Western Alliance Bank Bid)

Proof Of Bond Yield @ 2.8503469%

Date	Cashflow	PV Factor	Present Value	Cumulative PV
12/14/2012	-	1.0000000x	-	-
02/01/2013	25,230.97	0.9963118x	25,137.91	25,137.91
08/01/2013	654,629.25	0.9823121x	643,050.26	668,188.18
02/01/2014	88,677.75	0.9685092x	85,885.22	754,073.40
08/01/2014	591,677.75	0.9549002x	564,993.22	1,319,066.61
02/01/2015	81,510.00	0.9414825x	76,740.24	1,395,806.85
08/01/2015	597,510.00	0.9282532x	554,640.60	1,950,447.45
02/01/2016	74,157.00	0.9152099x	67,869.22	2,018,316.67
08/01/2016	603,157.00	0.9023499x	544,258.64	2,562,575.31
02/01/2017	66,618.75	0.8896705x	59,268.74	2,621,844.05
08/01/2017	613,618.75	0.8771693x	538,247.55	3,160,091.60
02/01/2018	58,824.00	0.8648438x	50,873.57	3,210,965.17
08/01/2018	621,824.00	0.8526915x	530,224.03	3,741,189.20
02/01/2019	50,801.25	0.8407099x	42,709.11	3,783,898.32
08/01/2019	628,801.25	0.8288967x	521,211.27	4,305,109.59
02/01/2020	42,564.75	0.8172495x	34,786.02	4,339,895.61
08/01/2020	634,564.75	0.8057659x	511,310.64	4,851,206.25
02/01/2021	34,128.75	0.7944437x	27,113.37	4,878,319.62
08/01/2021	643,128.75	0.7832806x	503,750.27	5,382,069.89
02/01/2022	25,450.50	0.7722743x	19,654.77	5,401,724.66
08/01/2022	651,450.50	0.7614228x	496,029.23	5,897,753.90
02/01/2023	16,530.00	0.7507236x	12,409.46	5,910,163.36
08/01/2023	663,530.00	0.7401749x	491,128.23	6,401,291.58
02/01/2024	7,310.25	0.7297743x	5,334.83	6,406,626.42
08/01/2024	520,310.25	0.7195199x	374,373.58	6,781,000.00
Total	\$7,996,006.22	-	\$6,781,000.00	-

Derivation Of Target Amount

Par Amount of Bonds	\$6,781,000.00
Original Issue Proceeds	\$6,781,000.00

**POCATELLO REGIONAL
AIRPORT URA**

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.

~~Discussion followed 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.~~

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

EXECUTION COPY

SUPPLEMENTAL ORDINANCE NO. 2012-2

AMENDING

ORDINANCE NO. 2012-1

of the

POCATELLO DEVELOPMENT AUTHORITY

concerning

REVENUE ALLOCATION (TAX INCREMENT) REFUNDING BONDS, 2012 SERIES A

in the aggregate principal amount of up to

\$6,800,000

SUPPLEMENTAL ORDINANCE NO. 2012-2
AMENDING
ORDINANCE NO. 2012-1

BY THE BOARD OF COMMISSIONERS OF THE POCATELLO DEVELOPMENT AUTHORITY:

A SUPPLEMENTAL ORDINANCE OF THE BOARD OF COMMISSIONERS OF THE POCATELLO DEVELOPMENT AUTHORITY, PROVIDING FOR THE AMENDMENT OF ITS ORDINANCE NO. 2012-1 TO INCREASE THE MAXIMUM AMOUNT OF REVENUE ALLOCATION (TAX INCREMENT) REFUNDING BONDS, 2012 SERIES A TO BE ISSUED FROM \$6,700,000 TO \$6,800,000; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO.

WHEREAS, the POCATELLO DEVELOPMENT AUTHORITY (herein referred to as the "Agency" or "Authority"), an independent public body corporate and politic, is an urban renewal agency created by and existing under the authority of and pursuant to the Idaho Urban Renewal Law of 1965, being Title 50, Chapter 20, Idaho Code as amended and supplemented, and possessing revenue allocation financing powers under Title 50, Chapter 29, Idaho Code, as amended and supplemented (collectively, the "Law"); and

WHEREAS, the Agency is authorized to conduct proceedings and to issue revenue allocation bonds pursuant to the terms and provisions of the Law, for the purpose of financing and refinancing the undertaking of any urban renewal project under the Law; and

WHEREAS, the City Council of the City of Pocatello, Idaho (the "City"), after notice duly published, conducted a public hearing on the Urban Renewal Plan for the North Yellowstone Urban Renewal Area Plan (the "Urban Renewal Plan"); and

WHEREAS, following said public hearing, the City Council adopted its Ordinance No. 2741 on July 15, 2004, approving the Urban Renewal Plan and making certain findings; and

WHEREAS, on November 21, 2012, a notice of negotiated bond sale was published in The Idaho State Journal, a newspaper of general circulation in the City, as required by Idaho Code, Section 50-2012 as amended; and

WHEREAS, on November 28, 2012, the Board of Commissioners did adopt its Ordinance No. 2012-1 (the "Prior Ordinance") providing for the issuance of the above referenced bonds (the "Bonds"); and

WHEREAS, a proposal to purchase the revenue allocation bonds is expected from Western Alliance Bank, an affiliate of Western Alliance Bancorporation, of Phoenix, Arizona,

for purchase of the Bonds, and, if the Bonds are not purchased by said institution, the Authority expects to receive purchase proposals from other financial institutions; and

WHEREAS, now the Authority desires to amend the Prior Ordinance in order to increase the maximum amount of Bonds to \$6,800,000, to allow for other Bond purchasers and to provide for other terms relating to the Bonds.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COMMISSIONERS OF THE POCATELLO DEVELOPMENT AUTHORITY, as follows:

SECTION 1: PRINCIPAL AMOUNT OF AND OTHER TERMS RELATING TO THE BONDS.

(A) The maximum principal amount of the Bonds shall be increased to \$6,800,000 and the Prior Ordinance is amended to provided that in the Prior Ordinance that all references to the maximum amount of the Bonds or the initial issuance amount of the Bonds shall read \$6,800,000.

(B) The term "Underwriter" in the Prior Bond Ordinance shall be replaced throughout by "Purchaser" and the definition of "Purchaser" is revised to read "Purchaser shall mean Western Alliance Bank, an affiliate of Western Alliance Bancorporation, of Phoenix, Arizona, or if said institution's proposal is not accepted by the Authority, Piper Jaffray & Co. or any other financial institution purchasing the Bonds." The definition of the term "Bond Purchase Agreement" is revised to read "Bond Purchase Agreement" shall mean the a bond purchase agreement or bond purchase proposal or commitment to be entered into between the Agency and the Purchaser."

(C) The Terms Certificate for the Bonds may include other or replace terms for authorized denomination limitations and any other terms for the Bonds as may be needed to meet Purchaser requirements.

(D) A Continuing Disclosure Agreement may not be required for the Bonds if not required by the Purchaser and not required under SEC Rule 15c2-12.

(E) An Official Statement may not be required if the Bonds are directly placed with a financial institution and if not required by the Purchaser for sale of the Bonds.

(F) Book Entry with DTC may not be required if not required by the Purchaser of the Bonds.

(G) Section 21 A(5) of the Prior Ordinance is amended to require that coverage requirement for Additional Bonds shall be at least 150% of the Maximum Annual Debt Service on Outstanding Bonds and the Additional Bonds

SECTION 2. DEFINITIONS. Capitalized terms not otherwise defined or provided for herein shall have the meanings set forth in, or as used in, the Prior Bond Ordinance.

SECTION 3. VALIDITY OF BONDS. Pursuant to Sections 50-2027 and 50-2911, Idaho Code, no direct or collateral action attacking or otherwise questioning the validity of the Bonds may be brought prior to the effective date of this Supplemental Ordinance or after the elapse of thirty (30) days from and after the effective date of this Bond Ordinance. A notice of the adoption of this Ordinance in the form attached hereto as Exhibit "A" shall be published in The Idaho State Journal as soon as possible.

SECTION 4: EFFECTIVE DATE. This Supplemental Ordinance shall take effect immediately upon its adoption and approval.

(The remainder of this page intentionally left blank.)

PASSED by the POCATELLO DEVELOPMENT AUTHORITY on December 19, 2012.
Signed by the Chairman of the Board of Commissioners, and attested by the Secretary to the
Board of Commissioners, on December 19, 2012.

POCATELLO DEVELOPMENT AUTHORITY

Chairman, Board of Commissioners

ATTEST:

Secretary

(S E A L)

CERTIFICATION

I, the undersigned Secretary of the Board of Commissioners of the POCATELLO DEVELOPMENT AUTHORITY, hereby certify that the foregoing Supplemental Ordinance is a full, true and correct copy of a Ordinance duly passed and adopted at a regular meeting of the Board of Commissioners of said Agency, duly and regularly held at the regular meeting place thereof on December 19, 2012, of which meeting all members of said Board had due notice, and at which a majority thereof were present; and that at said meeting said Supplemental Ordinance was adopted by the following vote:

AYES, and in favor thereof, Commissioners: _____

NAYS, Commissioners: _____

ABSENT, Commissioners: _____

ABSTAIN, Commissioners: _____

I further certify that I have carefully compared the same with the original Ordinance on file and of record in my office, that said Supplemental Ordinance is a full, true and correct copy of the original Supplemental Ordinance adopted at said meeting; and that said Supplemental Ordinance has not been amended, modified or rescinded since the date of its adoption, and is now in full force and effect.

IN WITNESS WHEREOF, I have set my hand and affixed the official seal of said Agency on December 19, 2012.

Secretary

(SEAL)

EXHIBIT "A"

Form of Notice of Ordinance No. 2012-2

NOTICE OF ORDINANCE NO. 2012-2

Public notice is hereby given by the Pocatello Development Authority (the "Agency"), that on December 19, 2012, the Board of Commissioners of the Agency approved and adopted Supplemental Ordinance No. 2012-2 (the "Ordinance").

The Ordinance amends Ordinance No. 2012-1, adopted on December 8, 2012 (the "Prior Ordinance"), which authorized the issuance of the Agency's Revenue Allocation (Tax Increment) Bonds, 2012 Series A (the "Bonds"), to permit the Bonds to be issued in the aggregate amount of up to \$6,800,000, to allow for other potential Bond purchasers and terms for the Bonds.

The Bonds are being issued to refund the Agency's Revenue Allocation (Tax Increment) Bonds 2004 Series A, to pay costs of issuance of the Bonds and other expenses and provide for other matters as provided in the Prior Ordinance.

Neither the City of Pocatello, the State of Idaho, its Legislature, nor any political subdivision thereof is liable for the payment of the principal of or interest or redemption premium, if any, on the Bonds.

The Ordinance and other supporting material is available for public inspection at the offices of the Agency at 911 North 7th Avenue, Pocatello, Idaho, Monday through Friday, 8:00 a.m. to 5:00 p.m. (telephone (208) 233-3500).

The Ordinance became effective upon its passage and approval on December 19, 2012.

In accordance with the provisions of Sections 50-2027 and 50-2911 of the Idaho Code, no direct or collateral action attacking or otherwise questioning the validity of the Bonds may be brought prior to the effective date of the Ordinance authorizing such Bonds or after the elapse of thirty (30) days from and after the effective date of the Ordinance authorizing such Bonds.