

Call to order by Scott Smith, Chairman
Acknowledge guests of the Board
Disclosure of conflicts of interest
Agenda: delete action or discussion items

Action and Discussion Items:

Agenda Item No. 1: Fiscal Year 2017 Audit Report

Agenda Item No. 2: Minutes
Motion to approve and/or amend the Regular Session Meeting Minutes of December 20, 2017.

Agenda Item No. 3: Financial Report
Motion to approve and/or amend December 2017 Income and Expenses

Agenda Item No. 4: Payment Requests/Reimbursements
a. Elam & Burke, \$1,380 for December 2017 services for Northgate TIF

Agenda Item No. 5: Bylaws Amendment – Designation of City Deputy Treasurer as Check Signer

Agenda Item No. 6: Designation of Deputy Treasurer

Agenda Item No. 7: Determination of Banking Service Provider

Agenda Item No. 8: Legal Representation for the Board

Agenda Item No. 9: Feasibility Report – Northgate TIF District

Agenda Item No. 10: Project Updates
a. “Hoku” Property
b. Bully Dog
c. Other

Executive Session:

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

Upcoming Events/Information: Study Session with City Council, 2/8/18

Adjourn.

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

**AGENDA ITEM
NO. 2**

AGENDA ITEM

NO. 3

**(monthly financial
reports – to be
supplemented later)**

Pocatello Development Authority
Balance Sheet by Class
As of December 31, 2017

	1-General Fund	3-North Yellowstone	4-Naval Ordnance	6-North Portneuf	7-Pocatello Regional Airport	TOTAL
ASSETS						
Current Assets						
Checking/Savings						
Checking Wells Fargo - 95177	38,459.06	0.00	0.00	-10,764.00	0.00	27,695.06
Savings Wells Fargo	1,371,786.64	83,476.84	643,736.33	146,022.26	390,477.98	2,635,500.05
Zions 2012 Bnd Fnd 7110526D	0.00	71.94	0.00	0.00	0.00	71.94
Zions Bnd Reserve Fnd 7110526B	0.00	678,905.31	0.00	0.00	0.00	678,905.31
Zions Rev Alloc Fnd 7110526	0.00	2,096,691.75	0.00	0.00	0.00	2,096,691.75
Total Checking/Savings	1,410,245.70	2,859,145.84	643,736.33	135,258.26	390,477.98	5,438,864.11
Accounts Receivable						
Accounts Receivable	750.00	0.00	0.00	0.00	0.00	750.00
Total Accounts Receivable	750.00	0.00	0.00	0.00	0.00	750.00
Other Current Assets						
Accrued Interest Income	20,126.17	1,369.59	0.00	0.00	0.00	21,495.76
Property Tax Receivable	0.00	0.00	0.00	141,867.61	0.00	141,867.61
Total Other Current Assets	20,126.17	1,369.59	0.00	141,867.61	0.00	163,363.37
Total Current Assets	1,431,121.87	2,860,515.43	643,736.33	277,125.87	390,477.98	5,602,977.48
Other Assets						
Inventory - Leasehold	424,779.00	0.00	0.00	0.00	0.00	424,779.00
Note Receivable	76,000.00	0.00	0.00	0.00	0.00	76,000.00
Total Other Assets	500,779.00	0.00	0.00	0.00	0.00	500,779.00
TOTAL ASSETS	1,931,900.87	2,860,515.43	643,736.33	277,125.87	390,477.98	6,103,756.48
LIABILITIES & FUND BALANCE						
Liabilities						
Long Term Liabilities						
Deferred Interest Receivable	20,126.17	0.00	0.00	0.00	0.00	20,126.17
Deferred Notes Receivable Rev	50,000.00	0.00	0.00	0.00	0.00	50,000.00
Deferred Tax Revenues	0.00	0.00	0.00	128,001.48	0.00	128,001.48
Total Long Term Liabilities	70,126.17	0.00	0.00	128,001.48	0.00	198,127.65
Total Liabilities	70,126.17	0.00	0.00	128,001.48	0.00	198,127.65
Fund Balance						
Fund Balance	3,527,890.13	2,856,160.36	643,720.06	142,829.54	390,468.10	7,561,068.19
Net Income	-1,666,115.43	4,355.07	16.27	6,294.85	9.88	-1,655,439.36
Total Fund Balance	1,861,774.70	2,860,515.43	643,736.33	149,124.39	390,477.98	5,905,628.83
TOTAL LIABILITIES & FUND BALANCE	1,931,900.87	2,860,515.43	643,736.33	277,125.87	390,477.98	6,103,756.48

Pocatello Development Authority
Profit & Loss by Class
December 2017

	1-General Fund	3-North Yellowstone	4-Naval Ordnance	6-North Portneuf	7-Pocatello Regional Airport	TOTAL
Ordinary Income/Expense						
Income						
Interest Income	35.94	1,517.33	16.27	3.69	9.88	1,583.11
Rental Income	750.00	0.00	0.00	0.00	0.00	750.00
Total Income	<u>785.94</u>	<u>1,517.33</u>	<u>16.27</u>	<u>3.69</u>	<u>9.88</u>	<u>2,333.11</u>
Gross Profit	785.94	1,517.33	16.27	3.69	9.88	2,333.11
Expense						
Administrative	366.10	0.00	0.00	0.00	0.00	366.10
Dues and Memberships	1,450.00	0.00	0.00	0.00	0.00	1,450.00
Professional Services						
Other Professional Services	10,474.84	0.00	0.00	10,764.00	0.00	21,238.84
Total Professional Services	<u>10,474.84</u>	<u>0.00</u>	<u>0.00</u>	<u>10,764.00</u>	<u>0.00</u>	<u>21,238.84</u>
Total Expense	<u>12,290.94</u>	<u>0.00</u>	<u>0.00</u>	<u>10,764.00</u>	<u>0.00</u>	<u>23,054.94</u>
Net Ordinary Income	<u>-11,505.00</u>	<u>1,517.33</u>	<u>16.27</u>	<u>-10,760.31</u>	<u>9.88</u>	<u>-20,721.83</u>
Net Income	<u><u>-11,505.00</u></u>	<u><u>1,517.33</u></u>	<u><u>16.27</u></u>	<u><u>-10,760.31</u></u>	<u><u>9.88</u></u>	<u><u>-20,721.83</u></u>

At month end the Authority had cash on hand of \$5,438,864.11. The checking account balance was \$27,695.06, the savings account was \$2,635,500.05, and cash being held by Zions Trust amounted to \$2,775,669.00.

Pocatello Development Authority recognized normal financial activity during the month of December. The Authority received revenues totaling \$2,333.11 of which \$1,583.11 was interest earnings on cash invested. Rental income from the Positron Facility was received in the amount of \$750.00.

Expenses paid for the month totaled \$23,054.94. The administrative expenses were \$312.10 for the lunch meetings in November and December. Fees for the Bannock Development Corporation Symposium were paid for board members totaling \$54.00. The Authority issued the payment of \$1,450.00 for the Redevelopment Association. Elam & Burke was paid \$10,474.84 for legal assistance regarding the potential TIF in the Northgate project. J & J Construction was paid \$10,764.00 for the clean up of the property in the North Portneuf District.

Year to date revenues of \$23,808.06 (see page 3) are less than expenses of \$1,679,247.42 so overall net use of reserves is \$1,655,439.36.

Pocatello Development Authority
Profit & Loss by Class
 October through December 2017

	<u>1-General Fund</u>	<u>3-North Yellowstone</u>	<u>4-Naval Ordnance</u>	<u>6-North Portneuf</u>	<u>7-Pocatello Regional Airport</u>	<u>TOTAL</u>
Ordinary Income/Expense						
Income						
Interest Income	117.99	4,355.07	16.27	3,192.72	9.88	7,691.93
Property Taxes	0.00	0.00	0.00	13,866.13	0.00	13,866.13
Rental Income	2,250.00	0.00	0.00	0.00	0.00	2,250.00
Total Income	<u>2,367.99</u>	<u>4,355.07</u>	<u>16.27</u>	<u>17,058.85</u>	<u>9.88</u>	<u>23,808.06</u>
Gross Profit	2,367.99	4,355.07	16.27	17,058.85	9.88	23,808.06
Expense						
Administrative	598.58	0.00	0.00	0.00	0.00	598.58
Dues and Memberships	1,450.00	0.00	0.00	0.00	0.00	1,450.00
Economic Grants Issued	1,650,000.00	0.00	0.00	0.00	0.00	1,650,000.00
Professional Services						
Other Professional Services	16,434.84	0.00	0.00	10,764.00	0.00	27,198.84
Total Professional Services	<u>16,434.84</u>	<u>0.00</u>	<u>0.00</u>	<u>10,764.00</u>	<u>0.00</u>	<u>27,198.84</u>
Total Expense	<u>1,668,483.42</u>	<u>0.00</u>	<u>0.00</u>	<u>10,764.00</u>	<u>0.00</u>	<u>1,679,247.42</u>
Net Ordinary Income	<u>-1,666,115.43</u>	<u>4,355.07</u>	<u>16.27</u>	<u>6,294.85</u>	<u>9.88</u>	<u>-1,655,439.36</u>
Net Income	<u>-1,666,115.43</u>	<u>4,355.07</u>	<u>16.27</u>	<u>6,294.85</u>	<u>9.88</u>	<u>-1,655,439.36</u>

**AGENDA ITEM
NO. 4**

ELAM & BURKE
ATTORNEYS AT LAW

251 East Front Street, Suite 300
Post Office Box 1539
Boise, Idaho 83701
Telephone 208 343-5454
Fax 208 384-5844

Tax Id No. 82-0451327

Pocatello Development Authority
Attn: Melanie Gygli
City of Pocatello
P.O. Box 4169
Pocatello, ID 83205

December 31, 2017

Invoice # 171359

Billing Atty - RPA

FOR PROFESSIONAL SERVICES RENDERED

From December 5, 2017 Through December 31, 2017

RE: Northgate Plan

CLIENT/MATTER: 09212-00001

	HOURS		AMOUNT
12/05/17	MSC .10	Review status update from the consultant and the request for additional information.	20.00
12/05/17	RPA .10	Review emails on compliance with 10% assessment rule.	20.00
12/06/17	RPA .20	Follow up on draft eligibility report and meeting with consultant.	40.00
12/07/17	RPA .20	Follow up on eligibility report issues, meeting with consultant and next steps. Coordinate meeting date.	40.00
12/12/17	MSC 1.00	Begin to review draft eligibility study. Meet and confer with Phil Kushlan re same and next steps.	200.00
12/12/17	RPA 1.00	Review draft consultant report. Meet with Meghan Conrad and Phil Kushlan concerning follow up, need for additional documents and comment on draft report.	200.00
12/19/17	MSC .10	Review and follow up on email communications to/from PDA representative and consultant re RAA base values and city assessed values.	20.00
12/19/17	RPA .20	Review emails on assessed valuation information for base assessment roll and 10% rule.	40.00
12/20/17	MSC .10	Review assessed value information provided by Ms. Stroschein, and response thereto by consultant.	20.00
12/20/17	RPA .20	Follow up on assessed values and base assessment roll issues.	40.00
12/22/17	RPA .20	Review preliminary eligibility report and	40.00

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ELAM & BURKE
ATTORNEYS AT LAW

251 East Front Street, Suite 300
Post Office Box 1539
Boise, Idaho 83701
Telephone 208 343-5454
Fax 208 384-5844

Tax Id No. 82-0451327

RE: Northgate Plan

CLIENT/MATTER: 09212-00001
December 31, 2017
Invoice # 171359

12/28/17 MSC 3.50 consider responses.
Review and provide comment on the draft 700.00
eligibility study, including addition of "open
land" qualification content.

PROFESSIONAL FEES 1,380.00

Timekeeper	Staff	Rate	Hours	Amount	Non-Chargeable	
					Hours	Amount
Armbruster, Ryan P.	Shareholder	200.00	2.10	420.00	.00	.00
Conrad, Meghan S.	Shareholder	200.00	4.80	960.00	.00	.00
			6.90	1,380.00	.00	.00

INVOICE TOTAL

1,380.00

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**AGENDA ITEM
NO. 5**

**POCATELLO DEVELOPMENT AUTHORITY
BY-LAWS**

**ARTICLE I
NAME**

The Urban Renewal Agency, as created pursuant to the provisions of the Idaho Urban Renewal Law of 1965 (Chapter 20, Title 50, Idaho Code) and the Local Economic Development Act (Chapter 29, Title 50, Idaho Code), shall be known as the POCATELLO DEVELOPMENT AUTHORITY.

**ARTICLE II
ENABLING PROVISION**

The Pocatello Development Authority was created by the City of Pocatello, a municipal corporation of Idaho, pursuant to resolution 1988-13 in accordance with the Urban Renewal law of 1965, and the Local Economic Development Act. The Pocatello Development Authority shall act as an arm of state government, entirely separate and distinct from the City of Pocatello, as provided in Idaho Code Section 50-2006.

**ARTICLE III
STATEMENT OF PURPOSE**

The purpose of the Pocatello Development Authority is to undertake urban renewal projects in areas designated by the City of Pocatello to be deteriorating and to undertake the rehabilitation, conservation, redevelopment, or a combination thereof of such area, or areas, in the interest of the public health, safety, morals or welfare of the residents of the City of Pocatello. The Pocatello Development Authority, to the greatest extent it determines to be feasible in carrying out its stated purpose, shall afford maximum opportunity, consistent with the needs of the City of Pocatello as a whole, to the rehabilitation or redevelopment of the urban renewal area by private enterprise.

ARTICLE IV
BOARD OF COMMISSIONERS

A. Appointment. The Board of Commissioners of the Pocatello Development Authority shall consist of nine members determined in accordance with the provisions of Section 50-2006, Idaho Code, as the same now exists, or as may be amended hereafter, which section provides for appointment by the Mayor with the advice and consent of the City Council. The qualifications and eligibility of persons who serve on the Board of Commissioners shall be as defined and described in Section 50-2006, Idaho Code, as the same now exists, or may be amended hereafter. Provided, however, that the membership shall be constituted as follows: one member of the Pocatello City Council; one member of the Board of County Commissioners (or their designee); the Mayor of the City of Pocatello; one member with financial expertise such as accounting, banking, or lending-institution experience, one member from the education community, and four other members from the citizenry at large.

B. Term Each commissioner shall serve a four (4) year term. Commissioners may serve up to two (2) consecutive terms or eight (8) years. At the City's discretion, a commissioner may serve up to one additional term. The terms of each commissioner shall be staggered in such a fashion so that no more than two terms expire in any one (1) year, provided, however, that all terms shall expire in the month of May. Each commissioner shall hold office until his or her successor has been appointed and qualified. A letter noting the appointment, or reappointment, of a commissioner shall be filed with the City Clerk of the city of Pocatello, Idaho, and such certificate shall be conclusive evidence of the due and proper appointment of such commissioner.

C. Compensation. The commissioners shall receive no compensation for their services, but shall be entitled to the necessary expenses, including travel expense, incurred in the discharge of their duties.

D. Meetings. The Board of Commissioners shall hold regular meetings at dates and times certain each month. The Chairman, or a majority of the Board of Commissioners have the power to call special meetings of the Board, the object of which shall be submitted to the Board in writing; the call and the object, as well as the disposition thereof, shall be entered upon the minutes of the Secretary. Special meetings may be held upon such notice as is appropriate to the circumstances. The notice provided in this section may be dispensed with in the event a special meeting is called to deal with an emergency involving injury or damage to persons or property, or the likelihood of such injury or damage.

E. Quorum. A majority of the members of the Board of Commissioners shall constitute a quorum for the purpose of conducting business and exercising the powers of the Authority, and for all other purposes. Official action may be taken by the Board of Commissioners on a vote of a majority of the members thereof present at a duly-convened, regular or special meeting at which a quorum is present.

The State of Idaho Open Meetings Law specifically authorizes the holding of a meeting by telephone conference call. Pursuant to Idaho Code Section 74-203(5), participation by a member of the governing body through telecommunications devices shall constitute presence in person by such the governing body provided the certain conditions of Idaho Code Section 74-203(5) are met.

F. Executive Director, Legal Counsel, etc. The Board of Commissioners may employ an executive director, legal counsel, technical experts, a secretary, a treasurer, and such other agents and employees, permanent and temporary, as the board may require, and the qualifications and duties of, and compensation for all of said persons so employed shall be determined by the Board. The Board also has the power to terminate the employment or appointment of any such employees or appointed positions.

G. No Self-Dealings. No public official, or employee of the City of Pocatello (or a board, or a commission thereof) and no commissioner or employee of the Pocatello Development Authority shall voluntarily acquire any personal interest, direct or indirect, in any urban renewal project, or in any property included, or planned to be included, in any urban renewal project in the City of Pocatello, or in any contract, or proposed contract in connection with such urban renewal project. Where such acquisition is not voluntary, the interest acquired shall be immediately disclosed in writing to the Pocatello Development Authority, and such disclosure shall be entered upon the minutes of the Board of Commissioners. If any such official, commissioner, or employee presently owns or controls, or owned or controlled, within the preceding two (2) years, any interest, direct or indirect, in any property which he knows is included, or planned to be included, in an urban renewal project, he or she shall immediately disclose this fact in writing to the Pocatello Development Authority, and such disclosure shall be entered upon the minutes of the Board of Commissioners, and any such official commissioner or employee shall not participate in any action by the City of Pocatello (or board, or commission thereof), or Pocatello Development Authority affecting such property.

H. Misconduct. For inefficiency, or neglect of duty, or misconduct in office, a commissioner may be removed by the Pocatello Development Authority only after a hearing, and only after he or she shall be given a copy of the charges at least ten days prior to such hearing, and shall have had an opportunity to be heard in person, or by counsel.

I. Powers and Duties. The property, business, powers and affairs of the Pocatello Development Authority shall be managed and controlled by the Board of Commissioners thereof. The Board of Commissioners is vested with all powers as provided by the Idaho Urban Renewal Law of 1965 (Chapter 20, Title 50, Idaho Code), and the Local Economic Development Act (Chapter 29, Title 50, Idaho Code), as the same now exists, or as may be

amended hereafter. The Pocatello Development Authority may undertake urban renewal projects for the elimination of deteriorated, or deteriorating areas, and for the prevention of the development, or spread of slums and blights, and may involve slum clearance and redevelopment in an urban renewal area, or rehabilitation or conservation in an urban renewal area, or any combination or part thereof in accordance with an urban renewal plan. Such undertakings and activities within an urban renewal area may include the following:

1. Adopt a revenue allocation financing provision as described in the Local Economic Development Act as the same now exists, or as may be amended hereafter as part of an urban renewal plan;

2. Issue bonds from time to time in its discretion to finance the undertaking of any urban renewal project;

3. Acquire a deteriorated area, or a deteriorating area, or a portion thereof;

4. Demolish and remove buildings and improvements;

5. Install, construct, or reconstruct streets, utilities, parks, playgrounds, open space, off-street parking facilities, public facilities or buildings, and other improvements necessary for carrying out, in the urban renewal area, the urban renewal objectives in accordance with the urban renewal plan.

6. Dispose of any property acquired in the urban renewal area (including sale, initial leasing, or retention by the Pocatello Development Authority itself) at its fair value for uses in accordance with the urban renewal plan, except for disposition of property to another public body;

7. Carry out plans for a program of voluntary or compulsory repair and rehabilitation of buildings, or other improvements in accordance with the urban renewal area, which, under the urban renewal plan, is to be repaired or rehabilitated for dwelling

use or related facilities, repair or rehabilitation of the structures for guidance purposes, and resale of the property;

8. Acquire any other real property in the urban renewal area where necessary to eliminate unhealthful, unsanitary or unsafe conditions, lessen density, eliminate obsolete or other uses detrimental to the public welfare, or otherwise to remove or to prevent the spread of blight or deterioration, or to provide land for needed public facilities;

9. Lending or investing federal funds; and

10. Construction of foundations, platforms and other like structural forms.

J. Reports. The Board of Commissioners shall file with the City Clerk, City of Pocatello, Idaho, on or before March 31st of each year, a report of its activities for the preceding calendar year, which report shall include a complete financial statement setting forth the authority's assets, liabilities, income, and operating expenses as of the end of such calendar year. At the time of filing such report, the Board of Commissioners shall cause to be published in the Idaho State Journal, Pocatello, Idaho, and a notice to the effect that such report is available for inspection during the regular business hours in the office of the City Clerk and in the office of the Authority.

ARTICLE V OFFICERS

The Officers of the Authority shall be a Chairman, Vice-Chairman, Secretary, Treasurer and such other officers as the Board of Commissioners may deem necessary. Only the Chairman and Vice-Chairman need be members of the Board of Commissioners.

A. Election and Term. Mayor Richard Finlayson of the City of Pocatello shall designate the first Chairman and Vice-Chairman for a term of office of one (1) year from among the commissioners. Thereafter, the Board of Commissioners shall elect the chairman, Vice-

Chairman, Secretary, Treasurer and such other officers as are deemed necessary for a term of one (1) year until his or her successor is duly elected and qualified. Such election shall occur at the regular meeting held in October. Officers elected at that meeting shall hold office until the regular meeting the following October.

B. Chairman. The Chairman shall be the chief presiding officer of the Pocatello Development Authority. The Chairman shall execute all deeds, bonds, contracts and other legal documents authorized by the Board, provided, however, that the Board may delegate certain of said duties to the Executive Director of the Authority. The Chairman shall be the chief administrator of the Pocatello Development Authority and shall have such powers and duties as may be assigned to him or her by the Board of Commissioners. The Chairman shall have the power to vote on any matter presented to the Board of Commissioners for their consideration. The Chairman shall also have such other powers and duties as may be assigned to him or her by the Board of Commissioners.

C. Vice-Chairman. The Vice-Chairman shall be possessed of all of the power and shall perform all the duties of the Chairman in the absence or disability of the Chairman. The Vice-Chairman shall have the power to vote on any matter presented to the Board of Commissioners for their consideration. The Vice-Chairman shall also have such other powers and duties as may be assigned to him or her by the Board of Commissioners.

D. Secretary. The Secretary shall keep the minutes of all proceedings of the Board, shall attend to giving and serving all notices of the meetings of the Board as required, shall execute along with the Chairman in the name of the Pocatello Development Authority all deeds, bonds, contracts, and other legal documents and instruments as authorized by the Board, and shall be the custodian of the seal of the Pocatello Development Authority, books, bylaws, and such other books, records and papers of the Board as the Board shall direct. In addition, the

Secretary shall perform other duties and have such responsibilities as may be designated by the Board. In case of the absence or disability of the Secretary, or the Secretary's refusal or neglect to perform such duties, all duties required of the Secretary may be performed by the Chairman or Vice-Chairman, or such other person as may be designated by the Board.

E. Treasurer. The Treasurer shall have the general custody of all the funds and securities of the Pocatello Development Authority, and shall have general supervision of the collection and disbursement of funds of the Pocatello Development Authority. The Treasurer shall endorse on behalf of the board for collection, checks, notes, and other obligations and shall deposit the same to the credit of the Board in such bank or banks or depositories as the Board may designate. The Treasurer may sign, with the Chairman or such other person or persons as may be designated for said purpose by the Board of Commissioners all negotiable instructions. The Treasurer shall enter, or cause to be entered regularly in the books of the Board, all monies received and paid by him on account of the Board, shall at all reasonable times exhibit the Board books and accounts to any commissioner of the Board at the office of the Board during regular business hours, and whenever required by the Board, or the Chairman, shall render a statement of accounts. The Treasurer shall perform such other duties as may be prescribed from time to time by the Board or by the bylaws. In case of the absence or disability of the Treasurer, or the Treasurer's refusal or neglect to perform such duties, all duties required of the Treasurer may be performed by the Chairman or Vice-Chairman, or such other person as may be designated by the Board.

F. Deputy Treasurer. The Deputy Treasurer shall have the same powers and duties as the Treasurer, acting as a substitute and/or backup to that position.

F. Vacancy. If any of the foregoing offices shall, for any reason, become vacant, the Board of Commissioners shall elect a successor who shall hold office for the unexpired term and until a successor is elected and qualified.

ARTICLE VI
MISCELLANEOUS

A. Seal. The seal of the Pocatello Development Authority shall be circular in form and shall have the name of the Pocatello Development Authority on the circumference and shall have the words “Corporate Seal Idaho” in the center.

(SEAL)

B. Committees. The Board of Commissioners may appoint one or more committees to investigate and study matters of Pocatello Development Authority business and, thereafter, to report on and make recommendations concerning said matters assigned to the Board of Commissioners. When possible, each of said committees shall be chaired by a member of the Board, but said committees may be comprised of persons other than members of the Board of Commissioners. No such committee shall have the power to make final decisions, power being vested solely in the directors. The terms of office, the persons serving, the matters to be studied, and all procedural decisions shall be made and decided by the Board of Commissioners.

C. Accounts. In addition to such bank accounts as may be authorized by the Board of Commissioners, the Treasurer of the Pocatello Development Authority, with the approval of the Chairman, may authorize such bank accounts to be opened or maintained in the name and on behalf of the Pocatello Development Authority as he or she may deem necessary or appropriate. Payments from such bank accounts are to be made upon the check of the Pocatello Development Authority, each of which checks shall be signed by two of such directors, officers or bonded employees of the Pocatello Development Authority as shall be authorized by the Board of commissioners.

D. Robert's Rules. The rules contained in the current edition of *Robert's Rules of Order Newly Revised* shall govern regular and special meetings of the Board of Commissioners in all cases to which they are applicable and in which they are not inconsistent with these bylaws and any special rules of order the Board of Commissioners may adopt.

ARTICLE VII
AMENDMENTS

These bylaws may be repealed, amended, or new bylaws adopted at any regular or special meeting for such purpose of the Board of Commissioners by a majority vote of all members of said Board.

We, the undersigned, ~~the Chairman and Secretary of being members of~~ the Board of Commissioners of the Pocatello Development Authority, do hereby certify that the foregoing amended bylaws were duly adopted as the bylaws of said Pocatello Development Authority on the ~~17th~~ day of ~~January~~~~November~~, 20187.

Brian Blad

Steve Brown

Chad Carr

Larry Fisher

Evan Frasure

Russell Meyers

Thomas Ottaway

Scott Smith, Chairman

Scott Turner Melanie Gygli, Secretary

DRAFT

Northgate
Urban Renewal District
(Proposed)

Eligibility Report

Prepared for

Elam & Burke, P.A.

On behalf of

The Pocatello Development Authority
January 2018



Kushlan | Associates
Boise, Idaho

Introduction: Kushlan | Associates was retained by the law firm of Elam & Burke, P. A. to develop an Eligibility Report for the consideration of establishing a new urban renewal district in the City of Pocatello, Idaho. Historically, the property subject to this review has existed in unincorporated Bannock County. Much of the area has become under consideration for annexation to the City during the pendency of this review.

Elected Officials serving the City of Pocatello are:

Mayor: Brian Blad

Council Members: Heidi Adamson
Roger Bray
Steven Brown
Jim Johnson
Gary Moore
Michael Orr

Community Development Director: Melanie Gygli

Idaho Code Section 50-2006 states, in part: "URBAN RENEWAL AGENCY. (a) There is hereby created in each municipality an independent public body corporate and politic to be known as the "urban renewal agency" that was created by resolution as provided in section 50-2005, Idaho Code..." to carry out the powers enumerated in Title 50, Chapters 20 and 29, Idaho Code. The Pocatello City Council adopted Resolution 1988-13 in 1988 bringing forth those powers within the City of Pocatello.

The Mayor, with the confirmation of the City Council, has appointed nine members to the board of the Urban Renewal Agency of the City of Pocatello, also doing business as the Pocatello Development Authority (PDA). The PDA currently oversees the implementation of four urban renewal districts located throughout Pocatello. The current membership of the PDA Board is as follows:

Chair: Scott Smith
Vice Chairman Russ Meyers
Commissioners Brian Blad
Steve Brown
Larry Fisher
Devin Hillam
Chad Carr
Thomas Ottaway, PhD
Scott Turner

Ex-Officio (Bannock Dev. Corp.) John Regetz
Executive Director: Melanie Gygli
Legal Counsel: Jared Johnson

Existing Pocatello Urban Renewal Districts

District	Year Established	Scheduled Termination
North Yellowstone Urban Renewal District	2004	2028
Naval Ordnance Urban Renewal District	2006	2026
North Portneuf Urban Renewal District	2007	2024
Pocatello Airport Urban Renewal District	2010	2033

Background:

While Native Americans inhabited the area for centuries, the development of the community of Pocatello, as we know it today, evolved through the late nineteenth century. At first, the area served as a transit route for immigrants and stage coach lines headed for Fort Hall, established by Nathaniel Wyeth in 1834 a few miles north of the current location of Pocatello. The Utah and Northern Railroad intersected with the Oregon Short Line Railroad at this location. European settlement started in the 1880s and was originally focused on the requirements of the railroads.

The fact that the site was located on the Fort Hall Indian Reservation limited the development of the community to the previously granted right-of-way secured through the tribal lands in 1882. As a result of significant growth in population, the US Government secured rights to an additional 2,000 acres of Reservation land allowing for expansion of the community. Additional land was secured from the Tribe in 1905.

The City was created as a City of the First Class by the Idaho Legislature in 1889 and today ranks as the fifth largest city in the state.

The Idaho Legislature established an institution of higher learning at Pocatello in 1901. Designated as the Academy of Idaho, a two-year program, it started holding classes in September of 1902. The school was renamed as the Idaho Technical Institute in 1915 and then, in 1927, as the University of Idaho, Southern Branch. In 1947 the institution was elevated to a four-year program and again renamed as Idaho State College. Finally, in 1963, the College was designated as Idaho State University, a full, four-year public university.

While the community retained its economic focus on the railroads and surrounding agricultural and mining interests, the University has exerted significant cultural and economic influence on the broader community

Official US Census Data

Year	Population	Average Annual Change
1900	4,046	
1910	9,110	+8.45% / Yr.
1920	15,001	+5.11% / Yr.
1930	16,471	0.94% / Yr.
1940	18,133	+0.97% / Yr.
1950	26,131	+3.72% / Yr.
1960	26,534	+0.15% / Yr.
1970	40,036	+4.2% / Yr.
1990	46,340	+1.47% / Yr.
2000	46,091	- 0.05% / Yr.
2010	54,255	+0.45% / Yr.
2016 (Estimate)	54,746	+0.015% /Yr.

When income statistics are compared to statewide numbers, we see that the population of Pocatello lags the rest of Idaho in these categories. The median household income in Pocatello is \$40,269, approximately 15.4% below the statewide figure of \$47,583. Per capita money income for the Pocatello population is \$20,697 as compared to the statewide number of \$23,399. The percentage of the Pocatello population below poverty level is 21.9% as compared to the statewide number of 14.4%. (Data from the US Census Bureau.)

Investment Capacity: Cities across the nation actively participate in the economic vitality of their communities through investment in infrastructure. Water and sewer facilities as well as transportation, communication, electrical distribution and other systems are all integral elements of an economically vital community. Idaho cities have a significant challenge in responding to these demands along with the on-going need to reinvest in their general physical plant to ensure it does not deteriorate to the point of system failure. They face stringent statutory and constitutional limitations on revenue generation and debt as well as near total dependence upon legislative action to provide funding options. These strictures severely constrain capital investment strategies.

The tools made available to cities in Title 50, Chapters 20 and 29, the Urban Renewal Law and the Economic Development Act are some of the few that are available to assist communities in their efforts to support economic vitality. New sources of State support are unlikely to become available in the foreseeable future, thus the PDA's interest in exploring the potential for establishing its fifth urban renewal district is an appropriate public policy consideration.

Northgate Development

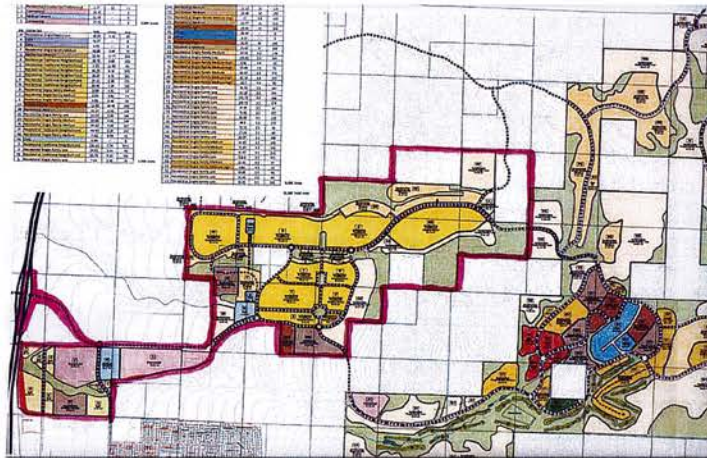
The cities of Pocatello and Chubbuck, along with Bannock County have been planning for the development of the area north of the current Pocatello city limits, east of Interstate 15 and south of the Fort Hall Indian Reservation for more than a decade. While specifics of the vision have changed over time, the area was seen as integral to the development of the

City of Pocatello and urban levels of development at various densities was a common thread throughout the planning efforts. Those planning efforts have included the Idaho Transportation Department as well as private landowners in the areas and development interests from within the community and the broader region.

Recent dialogue among the various partners in the planning effort has resulted in a more definitive plan calling for a bold development vision resulting in a significant mixed-use area that would ultimately be annexed to and served by the City of Pocatello over time. Various planning documents have been updated to accommodate the current vision. Agreements among the parties have been implemented providing for substantial public investment in initial transportation infrastructure, including advancing the schedule for construction of the Northgate Interchange on Interstate 15 from 2035 to 2018. In addition to the interchange, in which both local public and private investment has been made, the local entities have provided resources to construct the access roads leading to the new interchange on both sides of the interstate highway.

In support of the current proposal, the City and County have agreed to expand the City of Pocatello Area of City Impact and Comprehensive Land Use Planning area to include the geography covered by the planned development. Substantial private investment has been made in securing rights to land for inclusion in the development as well as in sophisticated master planning of the area helping to define the infrastructure investments needed to support the envisioned community.

As indicated in the Master Plan map (below), substantial public infrastructure is called for in implementing the development pattern envisioned. Thus far, development opportunities considered for the area covered by the Comprehensive Plan, have been insufficient in scale to support the required public facility investment. This imbalance has thwarted the orderly implementation of the planning undertaken by the City and the property owners. This lack of progress has stimulated the current interest in exercising the powers granted under State Law in the establishment of a fifth urban renewal district in Pocatello.



Steps in Consideration of an Urban Renewal District:

The first step in consideration of establishing an urban renewal district in Idaho is to define a potential area for analysis as to whether conditions exist within it to qualify for redevelopment activities under the statute. We have called this the “Study Area”.

The next step in the process is to review the conditions within the Study Area to determine whether the area is eligible for creating a district. The State Law governing urban renewal sets out the following criteria, at least one of which must be found, for an area to be considered eligible for urban renewal activities.

1. The Presence of a Substantial Number of Deteriorated or Deteriorating Structures; and Deterioration of Site [50-2018(9); and 50-2903(8)(b)]
2. Age or Obsolescence [50-2018(8) and 50-2903(8)(a)]
3. Predominance of Defective or Inadequate Street Layout [50-2018(9) and 50-2903(8)(b)]
4. Outmoded Street Patterns [50-2008(d)(4)(2)]
5. Need for Correlation of Area with Other Areas of a Municipality by Streets; and Modern Traffic Requirements [50-2008(d)(4)(2)]
6. Faulty Lot Layout in Relation to Size, Adequacy, Accessibility or Usefulness [50-2018(9) and 50-2903(8)(b)]
7. Unsuitable Topography or Faulty Lot Layouts [50-2008(d)(4)(2)]

8. Insanitary or Unsafe Conditions [50-2018(9) and 50-2903(8)(b)]
9. Diversity of Ownership [50-2018(9) and 50-2903(8)(b)]
10. Tax or Special Assessment Delinquency [50-2018(9) and 50-2903(8)(b)]
11. Defective or unusual condition of title [50-2018(9) and 50-2903(8)(b)]
12. Substantially Impairs or Arrests the Sound Growth of a Municipality [50-2018(9) and 50-2903(8)(b)]
13. Results in Economic Underdevelopment of the Area [50-2903(8)(b)]

If the Eligibility Report finds that one or more of the conditions noted above exist within the Study Area, then the Urban Renewal Agency may accept the Eligibility Report and forward it to the City Council for its consideration. If the City Council adopts the Eligibility Report and makes the necessary findings, it may direct the Urban Renewal Agency to prepare an Urban Renewal Plan for the study area. If any part of the proposed urban renewal district remains outside the city limits of the sponsoring community, the Board of County Commissioners must also accept the Eligibility Report.

Based upon the acceptance of the Eligibility Report by the required governing bodies, the Urban Renewal Agency, then acts to prepare the Urban Renewal Plan for the new District and determines whether to also recommend the establishment of a Revenue Allocation Area to fund improvements called for in the Plan. Once the Plan for the District and Revenue Allocation Area are completed and approved, the Urban Renewal Board of Commissioners forwards it to the City Council for its formal consideration.

The City Council must refer the Urban Renewal Plan to the Planning and Zoning Commission for a finding that the Plan, as presented, is in conformity with the City's Comprehensive Plan. The Planning and Zoning Commission has 60 days to complete its review. At the same time, other taxing entities levying property taxes within the boundaries of the proposed Urban Renewal District are provided a thirty-day opportunity to comment on the Plan to the City Council. While the taxing entities are invited to comment on the Plan, their concurrence is not required for the City Council to proceed with its consideration. In the case of the Northgate Area, the effected taxing districts for those properties located within the city limits of Pocatello are:

- The City of Pocatello
- Bannock County
- School District #25
- County Road and Bridge
- Bannock County Ambulance District
- Pest Abatement

Should any of an urban renewal district ultimately created in this area remain outside the city limits of Pocatello, the effected taxing districts for those properties are:

- Bannock County
- North Bannock Fire District
- Portneuf Library
- Bannock County Road and Bridge
- School District #25
- Bannock County Ambulance District
- Pest Abatement

Once the Planning and Zoning Commission makes its findings of conformity and the thirty-day comment period has passed, the City Council is permitted to hold a public hearing and formally consider the adoption of the Plan creating the new Urban Renewal District and Revenue Allocation Area.

The City Council must also find that the taxable value within the district to be created, plus the Adjusted Base Assessed Value of any existing Urban Renewal / Revenue Allocation areas do not exceed the statutory maximum of 10% of the citywide assessed valuation.

If the City Council, in its discretion, chooses to proceed, it will officially adopt the Urban Renewal Plan and Revenue Allocation Area and provide official notification of that action to the taxing entities, County officials and Idaho State Tax Commission.

The Urban Renewal Agency then proceeds to implement the Plan.

Description of the Northgate Study Area:

The Study Area subject to the current review is located on the east side of Interstate 15, north of Chubbuck Road. The Study Area consists of twenty-four (24), relatively large, tax parcels with a combined area of 2,533.2 acres. Two of the parcels included in the Study Area are under the ownership of the United States government under the jurisdiction of the Bureau of Land Management (BLM). The size and value information presented in Table 1 was derived from the Bannock County Assessor's on-line parcel information system. The current taxable value of the Study Area is \$306,553. However, all of that area maintains an agricultural property tax exemption. This is important because State Law requires that when such properties transition from this exemption, the resultant increase in taxable value accrues to the Base Assessed Value instead of the Incremental Value. This requires our estimating the impact of this transition. In reviewing the values ascribed to the various parcels we see values ranging from \$.0014 to \$.0084 per square foot for agricultural exempt land. Non-exempt land in the area ranges from \$0.09 per square foot to \$0.36 per square foot. The average of the non-exempt land surveyed was \$0.16 per square foot. This is a reasonable benchmark value for non-exempt, non-entitled land envisioned by the statute. Therefore, the taxable values have been adjusted to reflect this higher number as a basis for making the 10% calculation. Using this assumption, the Base Assessed Value of the Northgate URD increased from the \$306,553 amount to \$15,964,566. (See Table 1 Below)

The Study Area is virtually all vacant land, either remaining in a natural fallow state or dedicated to agricultural uses. Only one parcel reflects any improvement value assigned by the Bannock County Assessor and that appears to be associated with an old potato cellar and four metal granaries. The total Improvement Value for the Study Area is \$20,800.

Northgate Urban Renewal District Study Area

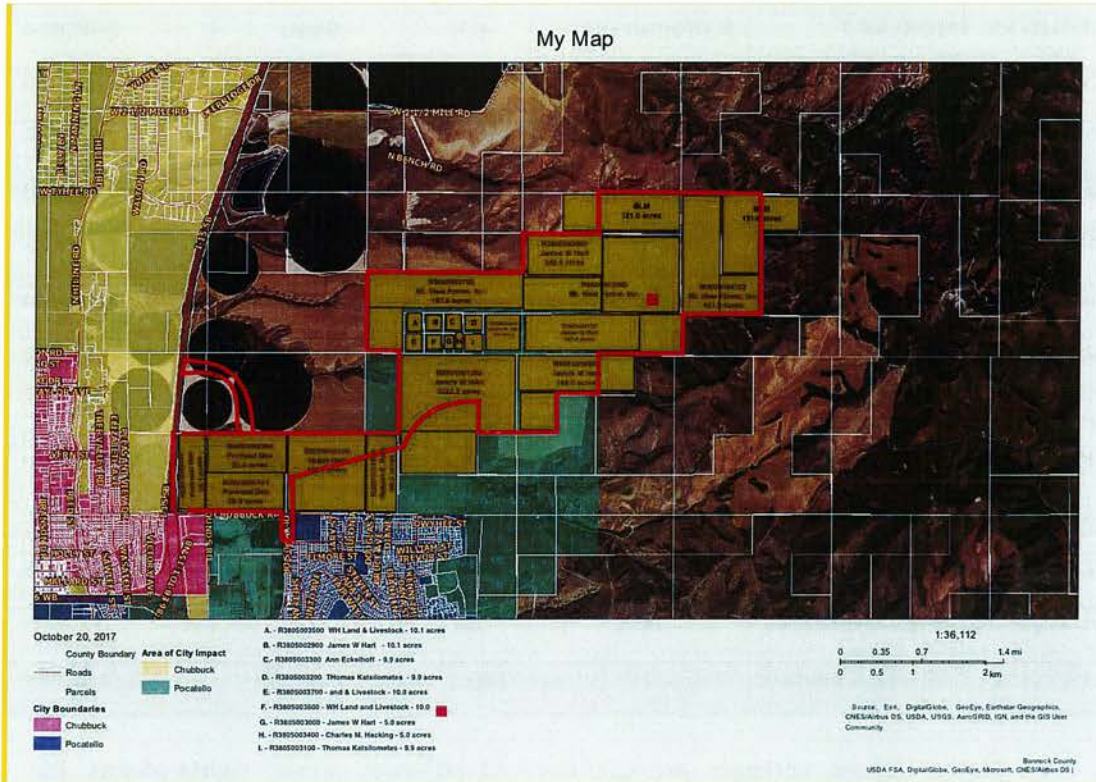


Table 1

	Parcel #	Acreage	2016 Taxable AV	Est. 2016 Base AV w/o ag. Exemption
MILLENNIAL DEVELOPMENT	R3853000401	321.1	0	\$2,237,939
PORTNEUF DEVELOPMENT LLC	R3853000802	58.1	0	\$404,934
PORTNEUF DEVELOPMENT LLC	R3853000300	80.0	\$82,015	\$557,568
PORTNEUF DEVELOPMENT LLC	R3853000101	78.9	\$20,160	\$549,901
HART, ROBERT E	R3853000104	159.1	\$78,690	\$1,108,863
HART, ROBERT E	R3851001203	68	-0-	\$473,933
HART, JAMES W	R3851001202	322.2	-0-	\$2,245,605
HART, JAMES W	R3851000902	159	-0-	\$1,108,166

MTN VIEW FARMS INC	R3805002700	197.6	\$28,909	\$1,377,193
WH LAND & LIVESTOCK	R3805003500	10.1	\$1,000	\$70,393
HART, JAMES W	R3805002900	10.1	\$1,000	\$70,393
ECKELHOFF, ANN	R3805003300	9.9	\$1,000	\$68,999
KATSILOMETES, THOMAS J	R3805003200	9.9	\$590	\$68,999
WH LAND & LIVESTOCK	R3805003700	10.0	\$1,000	\$69,696
WH LAND & LIVESTOCK	R3805003600	10.0	\$1,000	\$69,696
HART, JAMES W	R3805003000	5.0	\$325	\$34,848
HACKING, CHARLES M	R3805003400	5.0	\$1,000	\$34,848
KATSILOMETES, THOMAS J	R3805003100	9.9	\$680	\$68,999
HART, JAMES W	R3805002800	79.7	\$10,026	\$555,477
HART, JAMES W	R3805003900	242.2	\$27,167	\$1,688,037
MTN VIEW FARMS INC	R3805003800	282.9	\$33,102	\$1,971,700
BUREAU OF LAND MANAGEMENT	N/A	121	-0-	\$-
MTN VIEW FARMS INC	R3805004102	161.9	\$18,919	\$1,128,378
BUREAU OF LAND MANAGEMENT	N/A	121	-0-	\$-
Totals		2533.2	\$306,553	\$15,964,566

- Note: These acreages are exclusive of adjacent public rights-of-way for Chubbuck Road and any portion of I-15 that should be included in the ultimate boundaries of any district established. Publicly owned properties are assigned no value in Idaho assessments, so including them makes no difference to the value calculation, but will slightly increase the ultimate acreage.

Analysis of the Study Area:

A review of the Study Area reflects an area in transition. It is bounded on the south by the City of Pocatello with intense residential development abutting the Study Area. Interstate 15 constitutes the westerly boundary with the City of Chubbuck situated immediately west of the Interstate right-of-way. In fact, a small portion of the land lying east of the I-15 right-of-way, but outside the Study Area, is within the corporate limits if the City of Chubbuck.

Given the proximity to the urban area, the adjacent cities, the county, property owners and potential developers have undertaken substantial planning efforts extending back over a decade. The diverse interests of the property owners and the attendant cost of providing public infrastructure to support implementation of plans have thwarted progress. Over the past year, a renewed dialogue has taken place leading to a bold vision

for the area, creating a development pattern unlike historic trends. An intensive mix of retail, high-tech industrial and residential development is called for in the Master Plan. Substantial, binding, financial commitments to property acquisition and transportation investments by local governments in the area as well as the property owners and developers, have prompted the Idaho Transportation Department (ITD) to advance the schedule for the Northgate (Siphon Road) interchange on I-15 from 2035 to 2018. Such commitments have resulted in ITD initiating design of the facility with construction anticipated in 2018. The two cities and Bannock County have committed to construct local roadway improvements connecting the interchange to the local street network to coincide with the completion of the State-sponsored project.

However, utility and transportation infrastructure beyond the basic investment currently committed is beyond the capacity of local jurisdictions under current and foreseeable conditions as noted in the discussion of investment capacity above. A Public-Private Partnership is determined necessary to provide the required infrastructure to allow the plans to move forward to implementation.

In support of the vision, the City of Pocatello, in concert with Bannock County, has amended its adopted Area of City Impact Boundary to include the current master plan area as well as anticipated future phases. In further support of the vision, the City's Comprehensive Plan Land Use Map was modified to reflect the results of the recent planning efforts.

While the area has no development that would be considered as "deteriorated or deteriorating" under the statutes, provisions are made under the Local Economic Development Act that recognize conditions that impede the rational development of the city as being conditions under which the Urban Renewal Law and the Economic Development Act may be employed. A specific analysis of the eligibility criteria compared to conditions existing on the ground is noted below.

For the convenience of the reader, we will reiterate the statutory criteria, at least one of which must be found to qualify an area for urban renewal activities. Those conditions are:

1. The Presence of a Substantial Number of Deteriorated or Deteriorating Structures; and Deterioration of Site [50-2018(9); and 50-2903(8)(b)]
2. Age or Obsolescence [50-2018(8) and 50-2903(8)(a)]
3. Predominance of Defective or Inadequate Street Layout [50-2018(9) and 50-2903(8)(b)]
4. Outmoded Street Patterns [50-2008(d)(4)(2)]
5. Need for Correlation of Area with Other Areas of a Municipality by Streets; and Modern Traffic Requirements [50-2008(d)(4)(2)]
6. Faulty Lot Layout in Relation to Size, Adequacy, Accessibility or Usefulness [50-2018(9) and 50-2903(8)(b)]
7. Unsuitable Topography or Faulty Lot Layouts [50-2008(d)(4)(2)]

8. Insanitary or Unsafe Conditions [50-2018(9) and 50-2903(8)(b)]
9. Diversity of Ownership [50-2018(9) and 50-2903(8)(b)]
10. Tax or Special Assessment Delinquency [50-2018(9) and 50-2903(8)(b)]
11. Defective or unusual condition of title [50-2018(9) and 50-2903(8)(b)]
12. Substantially Impairs or Arrests the Sound Growth of a Municipality [50-2018(9) and 50-2903(8)(b)]
13. Results in Economic Underdevelopment of the Area [50-2903(8)(b)]

Analysis: Northgate Urban Renewal District (Proposed)

Criterion #1: The Presence of a Substantial Number of Deteriorated or Deteriorating Structures; and Deterioration of Site: The entire area under consideration has traditionally been used for agricultural purposes. There has been minimal investment in improvements through the years. While pivot irrigation systems are in place and a deteriorated potato cellar is located along with four granaries on one parcel, a “Substantial Number of Deteriorated or Deteriorating Structures” are not present in the proposed district. Therefore, criterion #1 is not met.

Criterion #2: Age or Obsolescence: Again, as noted above the development pattern is consistent with the historic agricultural use and minimal investment has been made in structures. While the one structure, the old potato cellar, is indeed old, deteriorated and obsolete for current purposes, one would be hard-pressed to make a finding that such “Age or Obsolescence” is a significant factor throughout the proposed district. Therefore criterion #2 is not met.

Criterion #3: Predominance of Defective or Inadequate Street Layout: As noted above, ITD is currently in the design phase leading to the construction of a new interchange with I-15. Connecting roads will be constructed leading to and from that new State facility, yet arterial streets connecting development within the Master Plan Area are not provided. Chubbuck Road, situated on the southern boundary of the district will serve as a primary access point to the proposed development. It currently exists in a two-lane rural configuration without curb, gutter and sidewalks as would normally be required of urban level development. Olympus Drive, connecting the area to the central part of Pocatello remains in a rural configuration between Butte Street and Chubbuck Road. Substantial improvements to these existing facilities will be required for them to function as primary access to the proposed development. Therefore, criterion #3 is met.

Criterion #4: Outmoded Street Patterns: This criterion is addressed in the same manner as the previous one and since there is no interior circulation pattern in place and Chubbuck Road and Olympus Drive have not been upgraded to full urban standards, criterion #4 is met.

Criterion #5: Need for Correlation of Area with Other Areas of a Municipality by Streets; and Modern Traffic Requirements: The new interchange being planned for I-15

is a critical facility that will connect the anticipated development with the broader community and region through access to the interstate system. Additionally, the interchange and associated local street improvements will connect the area to the cities of Chubbuck and Pocatello. Resources dedicated to these projects are limited and despite current cost estimates being within available resources, final costs remain unknown and additional resources may be required. No street network connecting the various aspects of the Master Plan or connecting to future development is in place or funded. Again, both Chubbuck Road and Olympus Drive that will serve as primary connections to both Pocatello and Chubbuck do not provide sufficient capacity to serve the intended purpose. Neither Chubbuck Road nor Olympus Drive provide pedestrian or bicycle facilities connecting to the rest of the community. Therefore Criterion #5 is met.

Criterion #6: Faulty Lot Layout in Relation to Size, Adequacy, Accessibility or Usefulness: The parcels in the Study Area are of a size and configuration appropriate for the historic agricultural use for which they have been deployed for several decades. However, as the City and region have developed around these properties, the large lots in the area are not properly configured to accommodate the development pattern envisioned in the Master Plan. A more fine-grained and high-density development pattern is represented in the adopted Master Plan. Several of the parcels have no access to a public right-of-way. Therefore criterion #6 is met.

Criterion #7: Unsuitable Topography or Faulty Lot Layouts: While the topography of the proposed district presents no significant development impediments the lot layout as noted above is inappropriate for the uses envisioned and several parcels are land-locked. Thus criterion # 7 is met.

Criterion #8: Insanitary or Unsafe Conditions: Again, given the current agricultural use “insanitary and unsafe conditions” are not present. However, when considering the anticipated development pattern, we find the area completely devoid of public water supply and distribution facilities. No provision for required fire flows nor any provision of sanitary sewer or storm drainage facilities adequate to the demand has been made. Therefore criterion #8 is met.

Criterion #9: Diversity of Ownership: There are twenty-two privately owned parcels included in proposed district under ten separate ownerships. Two of the parcels are owned by the federal government and managed by the Bureau of Land Management complicating required assembly of properties into a cohesive development. Therefore criterion # 9 is met.

Criterion #10: Tax or Special Assessment Delinquency: According to Bannock County Assessor records, no delinquencies exist. Therefore Criterion #10 is not met.

Criterion #11: Defective or unusual condition of title: Many of the parcels in the proposed district appear to have been created by an informal “Lot split” and not through formal subdivision. Therefore they do not represent legal lots of record, but merely a separate parcel for taxation purposes. While this is a legal process in the State of Idaho such tax parcels may not comply with zoning and other site requirements. This can be viewed as an unusual condition of title. Therefore Criterion #11 is met.

Criterion #12: Substantially Impairs or Arrests the Sound Growth of a Municipality: The State of Idaho, the City of Pocatello, the City of Chubbuck and Bannock County are

making substantial investment in the transportation facilities serving this and the surrounding areas. The City of Pocatello has expressed its vision for this area in the creation and adoption of the Comprehensive Land Use Plan for the city, but without the capacity to provide public infrastructure, the Study Area will remain an under-utilized area in the midst of one of the largest urban areas in southeast Idaho. Criterion #12 is met.

Criterion #13: Results in Economic Underdevelopment of the Area: See discussion of Criterion #12 above. Criterion #13 is met.

Findings: Northgate Urban Renewal District: Conditions exist within the district to allow the Board of Commissioners of the Pocatello Development Authority and the Pocatello City Council to determine that the area is eligible for urban renewal activities as prescribed in State Law.

	Criteria	Met	Not Met
1	The Presence of a Substantial Number of Deteriorated or Deteriorating Structures; and Deterioration of Site		X
2	Age or Obsolescence		X
3	Predominance of Defective or Inadequate Street Layout	X	
4	Outmoded Street Patterns	X	
5	Need for Correlation of Area with Other Areas of a Municipality by Streets; and Modern Traffic Requirements	X	
6	Faulty Lot Layout in Relation to Size, Adequacy, Accessibility or Usefulness	X	
7	Unsuitable Topography or Faulty Lot Layouts	X	
8	Insanitary or Unsafe Conditions	X	
9	Diversity of Ownership	X	
10	Tax or Special Assessment Delinquency		X
11	Defective or unusual condition of title	X	
12	Substantially Impairs or Arrests the Sound Growth of a Municipality	X	
13	Results in Economic Underdevelopment of the Area	X	

Analysis: Open Land Conditions

In addition to the eligibility conditions identified above, the geographic area under review is also required to satisfy the “open land” conditions. Idaho Code Section 50-2903(8)(c) states: “[a]ny area which is predominately open and which because of obsolete platting, diversity of ownership, deterioration of structures or improvements, or otherwise, results in economic underdevelopment of the area or substantially impairs or arrests the sound growth of a municipality. The provisions of section 50-2008(d), Idaho Code, shall apply to open areas.”

Many of the eligibility criteria set forth in Idaho Code Section 50-2903(8)(c) for predominantly open land areas mirror or are the same as those criteria set forth in Idaho Code Sections 50-2018(9) and 50-2903(8)(b). “Diversity of ownership” is the same, while “obsolete platting” appears to be equivalent to “faulty lot layout in relation to size,

adequacy, accessibility, or usefulness.” “Deterioration of structures or improvements” is the same or similar to “a substantial number of deteriorated or deteriorating structures” and “deterioration of site or other improvements.” There is also an additional qualification that the provisions of Idaho Code Section 50-2008(d) shall apply to open areas.

Idaho Code Section 50-2008(d)(4) primarily addresses the urban renewal plan approval process and sets forth certain conditions and findings for agency acquisition of open land as follows:

(4) the urban renewal plan will afford maximum opportunity, consistent with the sound needs of the municipality as a whole, for the rehabilitation or redevelopment of the urban renewal area by private enterprise: Provided, that if the urban renewal area consists of an area of open land to be acquired by the urban renewal agency, such area shall not be so acquired unless (1) if it is to be developed for residential uses, the local governing body shall determine that a shortage of housing of sound standards and design which is decent, safe and sanitary exists in the municipality; that the need for housing accommodations has been or will be increased as a result of the clearance of slums in other areas; that the conditions of blight in the area and the shortage of decent, safe and sanitary housing cause or contribute to an increase in and spread of disease and crime and constitute a menace to the public health, safety, morals, or welfare; and that the acquisition of the area for residential uses is an integral part of and essential to the program of the municipality, or (2) if it is to be developed for nonresidential uses, the local governing body shall determine that such nonresidential uses are necessary and appropriate to facilitate the proper growth and development of the community in accordance with sound planning standards and local community objectives, which acquisition may require the exercise of governmental action, as provided in this act, because of defective or unusual conditions of title, diversity of ownership, tax delinquency, improper subdivisions, outmoded street patterns, deterioration of site, economic disuse, unsuitable topography or faulty lot layouts, the need for the correlation of the area with other areas of a municipality by streets and modern traffic requirements, or any combination of such factors or other conditions which retard development of the area.

In sum, there is one set of findings if the area of open land is to be acquired and developed for residential uses and a separate set of findings if the land is to be acquired and developed for nonresidential uses.

Basically, open land areas may be acquired by an urban renewal agency and developed for nonresidential uses if such acquisition is necessary to solve various problems, associated with the land or the infrastructure, that have delayed the area’s development. These problems include defective or usual conditions of title, diversity of ownership, tax delinquency, improper subdivisions, outmoded street patterns, deterioration of site, and faulty lot layout. All of the stated conditions are included in one form or another in the definition of deteriorated area set forth in Idaho Code Sections 50-2903(8)(b) and 50-2018(9). The conditions listed only in Section 50-2008(d)(4)(2) (the open land section) include economic disuse, unsuitable topography, and “the need for the correlation of the area with other areas of a municipality by streets and modern traffic requirements, or any combination of such factors or other conditions which retard development of the area.”

The conclusion of this discussion concerning open land areas is that the area qualifies if any of the eligibility conditions set forth in Idaho Code Sections 50-2018(9) and 50-2903(8)(b) apply. Alternatively, the area under consideration qualifies if any of the conditions listed only in Idaho Code Section 50-2008(d)(4)(2) apply. The parcel size, the lack of water and sewer facilities; a nonexistent access and internal street system; an inadequate storm drain system; and lack of fire protection, are all conditions which delay development of the Study Area.

Based on the above analysis, diversity of ownership, obsolete platting/faulty lot layout and economic underdevelopment are conditions found in the Study Area, and therefore, the open land condition is satisfied.

CONCLUSION:

Based upon our review of the data and the conditions that exist within the Study Area as noted above, the Pocatello City Council may, at its discretion determine that the Northgate Urban Renewal District, as proposed, is eligible for the establishment of an urban renewal district.

Other Relevant Issues

Agricultural Land Owners concurrence: Virtually all of the area within the Study Area maintains an agricultural land property tax exemption as authorized under state law. The statutory provisions concerning the creation of an urban renewal district prohibit inclusion of any land used for agricultural purposes without the express written consent of the property owner. We understand that all property owners with existing agricultural lands located within the Study Area are willing to provide the required consent, but such consent has not yet been requested. Final consideration of any urban renewal plan created through this process could not proceed without the required consents being in-hand.

10% Analysis: In addition to the findings reported above, we also sought to verify that the assessed value of the proposed Study Area is within the statutory limits. As noted above, State Law limits the percentage of assessed value that can be included in urban renewal / revenue allocation districts to 10% of the total valuation of the City. According to Bannock County Assessor records, the most recent total certified value for the City of Pocatello is \$ 2,510,768,942. As shown in the analysis in Table 1 the current taxable value of the entire Study Area after the agricultural exemptions are lifted is estimated to be \$15,964,566. This value then must be added to the Base Assessed Value of the four existing urban renewal districts to test for the 10% limitation. The Adjusted Base Assessed Value of the four existing districts is \$17,773,165. The analysis for these purposes is presented in Table 2, below. The combined amounts are well below the statutory limit.

Table 2

Statutory 10% Limitation Analysis		
Area	Taxable Value	Percentage
Total City	\$2,510,768,942	100%
	Base Values of Existing Districts	
North Yellowstone Urban Renewal District	\$8,918,151	0.355%
Naval Ordnance Urban Renewal District	\$3,449,470	0.137%
North Portneuf Urban Renewal District	\$4,409,661	0.176%
Pocatello Airport Urban Renewal District	\$995,883	0.040%
	Value of Proposed District	
Proposed Northgate URA	\$15,964,566	0.363%
Total UR Base Assessed Value Percentage	\$33,737,731	1.344%

We also explored the effect of creating this district on the capacity of the City and PDA to consider future districts should they choose to do so. The table below shows that even if a new district were to be established, approximately 8.66% of the citywide taxable value would remain uncommitted for urban renewal purposes.

Remaining Urban Renewal Capacity		
• Maximum 10% Limitation	\$251,076,894	10%
• North Yellowstone Urban Renewal Dist.	\$8,918,151	0.355%
• Naval Ordnance Urban Renewal District	\$3,449,470	0.137%
• North Portneuf Urban Renewal District	\$4,409,661	0.176%
• Pocatello Airport Urban Renewal District	\$995,883	0.040%
• Proposed Northgate URA	\$15,964,566	0.636%
Available AV within limitation	\$217,339,163	8.66%

RESOLUTION NO. 2018-__

BY THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF
POCATELLO, IDAHO:

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF
THE URBAN RENEWAL AGENCY OF POCATELLO, IDAHO,
ALSO KNOWN AS THE POCATELLO DEVELOPMENT
AUTHORITY, ACCEPTING THAT CERTAIN REPORT ON
ELIGIBILITY FOR THE NORTHGATE URBAN RENEWAL
DISTRICT AS AN URBAN RENEWAL AREA AND
JUSTIFICATION FOR DESIGNATING THE AREA AS
APPROPRIATE FOR AN URBAN RENEWAL PROJECT;
AUTHORIZING THE CHAIRMAN OR EXECUTIVE
DIRECTOR TO TRANSMIT THE REPORT AND THIS
RESOLUTION TO THE CITY COUNCIL OF THE CITY OF
POCATELLO REQUESTING ITS CONSIDERATION FOR
DESIGNATION OF AN URBAN RENEWAL AREA AND
SEEKING FURTHER DIRECTION FROM THE COUNCIL;
AND PROVIDING AN EFFECTIVE DATE.

THIS RESOLUTION, made on the date hereinafter set forth by the Pocatello Urban
Renewal Agency of the city of Pocatello, Idaho, also known as the Pocatello Development
Authority, an independent public body, corporate and politic, authorized under the authority of
the Idaho Urban Renewal Law of 1965, Chapter 20, Title 50, Idaho Code, as amended and
supplemented (the "Law") and the Local Economic Development Act, Chapter 29, Title 50,
Idaho Code as amended and supplemented (the "Act"), a duly created and functioning urban
renewal agency for Pocatello, Idaho, hereinafter referred to as the "Agency;"

WHEREAS, the City Council (the "City Council") of the city of Pocatello (the "City")
found that deteriorating areas exist in the City, therefore, for the purposes of the Law, created an
urban renewal agency pursuant to the Law, authorizing the Agency to transact business and
exercise the powers granted by the Law and the Act upon making the findings of necessity
required for creating the Agency;

WHEREAS, the Mayor has duly appointed the Board of Commissioners of the Agency,
which appointment was confirmed by the City Council;

WHEREAS, the City Council, on July 15, 2004, after notice duly published, conducted a
public hearing on the North Yellowstone Urban Renewal Area Plan (the "North Yellowstone
Plan");

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

WHEREAS, the City Council, on June 22, 2006, after notice duly published, conducted a
public hearing on the Naval Ordnance Plant Urban Renewal Plan and the East Center Urban
Renewal Plan (the "Naval Ordnance Plant and East Center Plans");

WHEREAS, following said public hearing the City Council adopted its Ordinance No. 2797 on June 22, 2006, approving the Naval Ordnance Plant and East Center Plans and making certain findings;

WHEREAS, the City Council, on April 19, 2007, after notice duly published, conducted a public hearing on the North Portneuf Urban Renewal Plan (the “North Portneuf Plan”);

WHEREAS, following said public hearing, the City Council adopted its Ordinance No. 2814 on April 19, 2007, approving the North Portneuf Plan and making certain findings;

WHEREAS, the City Council, on November 15, 2007, after notice duly published, conducted a public hearing on the Amended North Yellowstone Urban Renewal Area Plan (the “Amended North Yellowstone Plan”);

WHEREAS, following said public hearing, the City Council adopted its Ordinance No. 2827 on November 15, 2007, approving the Amended North Yellowstone Plan and making certain findings;

WHEREAS, the City Council, on November 4, 2010, after notice duly published conducted a public hearing on the Pocatello Regional Airport Urban Renewal Area Plan (the “Pocatello Regional Airport Plan”);

WHEREAS, following said public hearing, the City Council adopted its Ordinance No. 2889 on November 4, 2010, approving the Pocatello Regional Airport Plan and making certain findings;

WHEREAS, the above referenced urban renewal plans and their project areas are collectively referred to as the Project Areas;

WHEREAS, based on inquiries and information presented, the Agency commenced certain discussions concerning examination of an additional area as appropriate for an urban renewal project;

WHEREAS, in 2017, the Agency authorized Kushlan Associates, to commence an eligibility study and preparation of an eligibility report of an area located east of I-15 and north of Chubbuck Road;

WHEREAS, the Agency has obtained an eligibility report, dated January 2018 (the “Report”), which examined an area within the area of operation of the City, in an area known as the Northgate Area, which area also included real property located within unincorporated Bannock County, for the purpose of determining whether such area was a deteriorating area or a deteriorated area as defined by Idaho Code Sections 50-2018(9) and 50-2903(8);

WHEREAS, the Report has been submitted to the Agency, a copy of which is attached hereto as Exhibit A;

WHEREAS, under the Law, Sections 50-2903(8)(f) and 50-2018 (8) and (9), the

definition of a deteriorating area shall not apply to any agricultural operation as defined in section 22-4502(1), Idaho Code, or any forest land as defined in section 63-1701(4), Idaho Code, absent the consent of the owner of the agricultural operation or the forest landowner of the forest land, except for an agricultural operation or forest land that has not been used for three (3) consecutive years;

WHEREAS, the Northgate Area includes parcels subject to such consent. While the necessary consents have not been obtained, any and all consents shall be obtained prior to City Council adoption of any urban renewal plan;

WHEREAS, Idaho Code Section 50-2018(18) provides that an urban renewal agency cannot exercise jurisdiction over any area outside the city limits without the approval of the other city or county declaring the need for an urban renewal plan for the proposed area;

WHEREAS, a portion of the Northgate Area includes certain real property located in unincorporated Bannock County;

WHEREAS, Bannock County will be asked to adopt a resolution finding the need for an urban renewal project for the proposed Northgate Area;

WHEREAS, the Report addresses the necessary findings concerning the eligibility of open land within the Study Area as defined in Idaho Code Sections 50-2018(9), 50-2903(8)(c), and 50-2008(d);

WHEREAS, pursuant to Idaho Code Section 50-2008, an urban renewal project may not be planned or initiated unless the local governing body has, by resolution, determined such area to be a deteriorated area or a deteriorating area, or combination thereof, and designated such area as appropriate for an urban renewal project;

WHEREAS, Idaho Code Section 50-2906, also requires that in order to adopt an urban renewal plan containing a revenue allocation financing provision, the local governing body must make a finding or determination that the area included in such plan is a deteriorated area or a deteriorating area;

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE BOARD OF COMMISSIONERS OF THE POCATELLO DEVELOPMENT AUTHORITY OF POCATELLO, IDAHO, AS FOLLOWS:

- Section 1. That the above statements are true and correct.
- Section 2. That the Board acknowledges acceptance and receipt of the Report.
- Section 3. That there are one or more areas within the City that are a deteriorating area or a deteriorated area as defined by Idaho Code Sections 50-2018(9) and 50-2903(8).
- Section 4. That one such area is an area more commonly known as the Northgate Area, which is bounded by I-15 on the west and Chubbuck Road on the south.

Section 5. That the rehabilitation, conservation, and redevelopment, or a combination thereof, of such area is necessary in the interest of the public health, safety, and welfare of the residents of the City.

Section 6. That the Chair of the Board of Commissioners or Executive Director is hereby authorized to transmit the Report to the Pocatello City Council requesting that the City Council:

- a. Determine whether the Northgate Area identified in the Report qualifies as an urban renewal project and justification for designating the area, as appropriate, for an urban renewal project; Provided, however, the Agency requests the City Council not take such action until Bannock County has approved a resolution declaring the need for an urban renewal project for the Northgate Area;
- b. If such designation is made, whether the Agency should proceed with the preparation of an urban renewal plan for the area, which Plan may include a revenue allocation provision as allowed by law; and
- c. Coordinate with the Agency to obtain the required agricultural consent from the property owners.

Section 7. That this Resolution shall be in full force and effect immediately upon its adoption and approval.

PASSED by the Pocatello Development Authority of the city of Pocatello, Idaho, on January 17, 2018. Signed by the Chair of the Board of Commissioners, and attested by the Secretary to the Board of Commissioners, on January 17, 2018.

APPROVED:

By: _____
Scott Smith, Chair

ATTEST:

By _____
Secretary

4842-1083-6826, v. 2



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To Whom It May Concern:

For clarification purposes, I would like to address a few questions the Board may have regarding the Proposal for banking presented by Idaho Central Credit Union. We have offered to Pocatello Development Authority our special Promo rate for a 60 month CD. This particular promotion has the following benefits that are exclusive to municipalities:

- No fees
- One time FREE withdrawal. This feature can be used at any time to either withdraw monies, or can be used to reinvest in a higher yield CD in the event interest rates increase during the CD term
- The option to either withdraw the interest that is paid quarterly, or let the interest paid compound at the current CD Rate
- Top notch customer service
- Free online banking

I hope this answers any questions you may have. Please feel free to contact me directly with any other information you need.

Sincerely,

Angela Hickmon

Angela Hickmon
Business Relationship Officer
Ph (208) 735-3401
ahickmon@iccu.com