

Pocatello Development Authority

Board of Commissioners Meeting
September 19, 2018 – 11:00 a.m.
Paradise Conference Room – Pocatello City Hall

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

An urban renewal agency for the City of Pocatello, Idaho

Call to order 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: Minutes – [ACTION ITEM]

Motion to approve and/or amend the Regular and Executive Session Meeting Minutes of August 15, 2018 and the Special and Executive Session Meeting Minutes of August 22, 2018.

Agenda Item No. 2: Financial Report – [ACTION ITEM]

Motion to approve and/or amend the August 2018 Income and Expense Report.

Agenda Item No. 3: Payment Requests/Reimbursements – [ACTION ITEM]

- a. Elam & Burke in the amount of \$8,831.92 for August services on Northgate TIF (general fund)
- b. Elam & Burke in the amount of \$5,873.45 for August services on Hoku property (North Portneuf District)
- c. Reimbursement in the amount of \$31.80 to Melanie Gygli for lunch supplies (general fund)
- d. Idaho State Publishing in the amount of \$234.57 for notices related to FY2019 budget hearing and adoption (general fund)
- e. ICRMP in the amount of \$6,258 for FY2019 annual premium

Agenda Item No. 4: Request for Funding – Yellowstone Restaurant (The Bridge) [ACTION ITEM]

Agenda Item No. 5: Engagement of Auditor for FY2018 Audit [ACTION ITEM]

Agenda Item No. 6: Northgate TIF Plan [ACTION ITEM]

Agenda Item No. 7: “Hoku” Property [ACTION ITEM]

Agenda Item No. 8: Reports and Updates

- a. Positron
- b. Naval Ordnance District
- c. Peterson Inc.
- d. District Closeouts

Executive Session:

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

Upcoming Events/Information:

Adjourn.

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

AGENDA ITEM

NO. 1

**AGENDA ITEM
NO. 2**

Pocatello Development Authority
Balance Sheet by Class
As of August 31, 2018

	1-General Fund	3-North Yellowstone	4-Naval Ordnance	6-North Portneuf	7-Pocatello Regional Airport	TOTAL
ASSETS						
Current Assets						
Checking/Savings						
ICCU Checking	1,355,583.76	161,966.86	892,717.41	147,498.21	499,392.48	3,057,158.72
ICCU Savings	25.00	0.00	0.00	0.00	0.00	25.00
Zions 2012 Bnd Fnd 7110526D	0.00	178.01	0.00	0.00	0.00	178.01
Zions Bnd Reserve Fnd 7110526B	0.00	677,500.00	0.00	0.00	0.00	677,500.00
Zions Rev Alloc Fnd 7110526	0.00	2,791,855.08	0.00	0.00	0.00	2,791,855.08
Total Checking/Savings	1,355,608.76	3,631,499.95	892,717.41	147,498.21	499,392.48	6,526,716.81
Accounts Receivable						
Accounts Receivable	1,500.00	0.00	0.00	0.00	0.00	1,500.00
Total Accounts Receivable	1,500.00	0.00	0.00	0.00	0.00	1,500.00
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	1,377,234.93	3,632,869.54	892,717.41	289,365.82	499,392.48	6,691,580.18
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	1,878,013.93	3,632,869.54	892,717.41	289,365.82	499,392.48	7,192,359.18
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	-1,720,002.37	776,709.18	248,997.35	18,534.80	108,924.38	-566,836.66
Total Fund Balance	1,807,887.76	3,632,869.54	892,717.41	161,364.34	499,392.48	6,994,231.53
TOTAL LIABILITIES & FUND BALANCE	1,878,013.93	3,632,869.54	892,717.41	289,365.82	499,392.48	7,192,359.18

Pocatello Development Authority
Profit & Loss by Class
August 2018

	1-General Fund	3-North Yellowstone	4-Naval Ordnance	6-North Portneuf	7-Pocatello Regional Airport	TOTAL
Ordinary Income/Expense						
Income						
Interest Income	242.08	5,147.13	158.97	30.36	80.14	5,658.68
Property Taxes	0.00	8,394.59	0.00	0.00	50,148.51	58,543.10
Rental Income	750.00	0.00	0.00	0.00	0.00	750.00
Total Income	992.08	13,541.72	158.97	30.36	50,228.65	64,951.78
Gross Profit	992.08	13,541.72	158.97	30.36	50,228.65	64,951.78
Expense						
Administrative	132.04	0.00	0.00	0.00	0.00	132.04
Debt Service						
Interest	0.00	58,382.25	0.00	0.00	0.00	58,382.25
Principal	0.00	564,000.00	0.00	17,740.20	0.00	581,740.20
Total Debt Service	0.00	622,382.25	0.00	17,740.20	0.00	640,122.45
Professional Services						
Other Professional Services	3,350.00	0.00	0.00	5,286.00	0.00	8,636.00
Total Professional Services	3,350.00	0.00	0.00	5,286.00	0.00	8,636.00
Total Expense	3,482.04	622,382.25	0.00	23,026.20	0.00	648,890.49
Net Ordinary Income	-2,489.96	-608,840.53	158.97	-22,995.84	50,228.65	-583,938.71
Net Income	-2,489.96	-608,840.53	158.97	-22,995.84	50,228.65	-583,938.71

At month end the Authority had cash on hand of \$6,526,716.81. The checking account balance was \$3,057,158.72, the savings account was \$25.00, and cash being held by Zions Trust amounted to \$3,469,533.09.

Pocatello Development Authority recognized normal financial activity during the month of August. The Authority received revenues totaling \$64,951.78 of which \$5,658.68 was interest earnings on cash invested and property tax interest. Rental income from the Positron Facility was received in the amount of \$750.00. Property tax revenues were received from the North Yellowstone District (\$8,394.59) and Pocatello Regional Airport District (\$50,148.51).

Expenses paid for the month totaled \$648,890.49. The administrative expenses were \$132.04 for the lunch meeting in August. The interest debt service payment on the North Yellowstone Bond totaled \$58,382.25, principal payment \$564,000.00, the principal payment for the HOKU property was \$17,740.20. The professional services provided by Elam and Burke were \$5,286 for the legal work on the Northgate project and \$8,636.00 for legal work on the HOKU property. General legal services totaled \$3,350.00.

Year to date revenues of \$1,890,094.14 (see page 3) are less than expenses of \$2,456,930.80 so overall net use of reserves is \$566,836.66.

Pocatello Development Authority
Profit & Loss by Class
October 2017 through August 2018

	<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						
Donations and Grants	30.00	0.00	0.00	0.00	0.00	30.00
Interest Income	1,212.23	31,577.21	893.79	3,325.90	359.88	37,369.01
Personal Property tax replace	0.00	46,006.70	12,086.42	809.82	2,525.68	61,428.62
Property Taxes	0.00	1,383,139.77	236,017.14	37,820.78	106,038.82	1,763,016.51
Rental Income	8,250.00	0.00	0.00	20,000.00	0.00	28,250.00
Total Income	<u>9,492.23</u>	<u>1,460,723.68</u>	<u>248,997.35</u>	<u>61,956.50</u>	<u>108,924.38</u>	<u>1,890,094.14</u>
Gross Profit	9,492.23	1,460,723.68	248,997.35	61,956.50	108,924.38	1,890,094.14
Expense						
Administrative	41,534.91	0.00	0.00	9,631.50	0.00	51,166.41
Debt Service						
Interest	0.00	116,764.50	0.00	0.00	0.00	116,764.50
Principal	0.00	564,000.00	0.00	17,740.20	0.00	581,740.20
Total Debt Service	<u>0.00</u>	<u>680,764.50</u>	<u>0.00</u>	<u>17,740.20</u>	<u>0.00</u>	<u>698,504.70</u>
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	36,509.69	3,250.00	0.00	16,050.00	0.00	55,809.69
Total Professional Services	<u>36,509.69</u>	<u>3,250.00</u>	<u>0.00</u>	<u>16,050.00</u>	<u>0.00</u>	<u>55,809.69</u>
Total Expense	<u>1,729,494.60</u>	<u>684,014.50</u>	<u>0.00</u>	<u>43,421.70</u>	<u>0.00</u>	<u>2,456,930.80</u>
Net Ordinary Income	<u>-1,720,002.37</u>	<u>776,709.18</u>	<u>248,997.35</u>	<u>18,534.80</u>	<u>108,924.38</u>	<u>-566,836.66</u>
Net Income	<u>-1,720,002.37</u>	<u>776,709.18</u>	<u>248,997.35</u>	<u>18,534.80</u>	<u>108,924.38</u>	<u>-566,836.66</u>

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

August 31, 2018

Invoice # 175239

Billing Atty - RPA

FOR PROFESSIONAL SERVICES RENDERED

From August 6, 2018 Through August 31, 2018

RE: Northgate Plan

CLIENT/MATTER: 09212-00001

	HOURS		AMOUNT
8/06/18	MSC .20	Meet and confer with consultant concerning preparation for August 15, work session. Review email from Ms. Gygli and follow up re same.	40.00
8/06/18	RPA .20	Receive update of analysis on assessed valuation increases and decisions by the board at upcoming board meeting.	40.00
8/14/18	MSC .80	Prepare for the work session. Review and respond to multiple email communications with Phil Kushlan concerning presentation materials and meeting strategy. Review and follow up on email communication from consultant concerning in-person visit. Follow up with Ms. Gygli noting Mr. Zahas was not going to be present telephonically for the work session.	160.00
8/15/18	MSC 6.00	Travel to/from Pocatello to attend PDA Board work session with the City Council and BOCC to discuss the draft Northgate Plan.	1,200.00
8/16/18	RPA .10	Address outstanding issues and needed information from the developer. Receive update on board meeting discussion from Meghan Conrad.	20.00
8/26/18	MSC .20	Review information provided by Buck Swaney concerning requested TIF reimbursement and general location of proposed public improvements.	40.00
8/27/18	MSC .60	Conference call with consultant to review information provided by Buck Swaney.	120.00
8/28/18	RPA .20	Follow up with status of report and next steps	40.00

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RE: Northgate Plan

CLIENT/MATTER: 09212-00001
August 31, 2018
Invoice # 175239

with consultant.

PROFESSIONAL FEES 1,660.00

Timekeeper	Staff	Rate	Hours	Amount	Non-Chargeable Hours	Amount
Armbruster, Ryan P.	Shareholder	200.00	.50	100.00	.00	.00
Conrad, Meghan S.	Shareholder	200.00	7.80	1,560.00	.00	.00
			8.30	1,660.00	.00	.00

COSTS ADVANCED	QTY	RATE	AMOUNT
Kushlan Associates (professional fee)			5,571.07
LeLand Consulting Group (Economic Analysis Services)			1,478.75
Color Copies	59.00	.25	14.75
TOTAL COSTS ADVANCED			7,064.57

INVOICE TOTAL 8,724.57

BALANCE FORWARD 107.35

BALANCE DUE 8,831.92

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

August 31, 2018

Invoice # 175240

Billing Atty - RPA

FOR PROFESSIONAL SERVICES RENDERED

From August 2, 2018 Through August 31, 2018

RE: Hoku Property Disposition

CLIENT/MATTER: 09212-00002

	HOURS		AMOUNT
8/02/18	MCP .20	Follow up with Fahd Riaz re disposition and development agreement and license agreement terms and negotiations re same.	40.00
8/08/18	MCP 1.80	Revise and redraft disposition and development agreement and license agreement.	360.00
8/08/18	RPA .20	Consider termination date for transfer of property in light of plan approval date. Forward to Matt Parks legislative information concerning plan term.	43.00
8/14/18	MCP 1.50	Revise and edit disposition and development agreement and license agreement. Work on agreement summaries for board presentation. Follow up with Melanie Gygli, Scott Smith, and Chad Carr re same.	300.00
8/14/18	MCP .20	Follow up with Fahd Riaz re disposition and development agreement and most recent revisions to same.	40.00
8/15/18	MCP 2.00	Revise and finalize disposition and development agreement and license agreement. Update sections re escrow and security deposits. Prepare for PDA board meeting re same. Follow up with counsel for VA Metals re same.	400.00
8/15/18	MSC 4.70	Travel to/from Pocatello to attend executive session re property disposition. Attend and participate in the executive session. Follow up post-meeting for the purpose of identifying	1,010.50

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ATTORNEYS AT LAW

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Telephone 208 343-5454
Fax 208 384-5844

Tax Id No. 82-0451327

RE: Hoku Property Disposition

CLIENT/MATTER: 09212-00002
August 31, 2018
Invoice # 175240

			additional information to request related to address environmental concerns.	
8/16/18	MCP	2.70	Receive and review emails from counsel for VA Metals re status of disposition and development agreement and license agreement. Follow up re same. Follow up with Board members re same. Assess applicable environmental and zoning regulations and avenues to control project development via requiring compliance with same to address Board concerns. Follow up with counsel for VA Metals re same.	540.00
8/16/18	MSC	.20	Follow up to identify additional contract provisions and information to request from VAM attorney to determine path forward.	43.00
8/16/18	RPA	.20	Receive update from Meghan Conrad on the status of the license, DDA, and RFP activities in transferring property to VM Metals.	43.00
8/21/18	MCP	2.50	Finalize disposition and development agreement and assignment of lease. Draft resolution approving same. Follow up with Melanie Gygli re same.	500.00
8/21/18	RPA	.20	Follow up on RFP content and transfer of title with license agreement for removal of personal property. Outline options.	43.00
8/22/18	MCP	5.00	Revise and finalize disposition and development agreement. Attend Board meeting re consideration of disposition and development agreement and lease assignment. Follow up re same.	1,000.00
8/23/18	MCP	1.40	Review, edit, and finalize disposition and development agreement, license agreement, and lease assignment and termination. Follow up with Scott Smith and Melanie Gygli re same. Follow up with opposing counsel re same.	280.00
8/23/18	RPA	.30	Follow up on ability of agency to take next steps on the disposition of the property and ability to accept cash offer. Address time line to remove personal property.	64.50
8/24/18	MCP	1.60	Finalize disposition and development agreement for execution. Follow up with Melanie Gygli re	320.00

PAGE 2

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RE: Hoku Property Disposition

CLIENT/MATTER: 09212-00002
August 31, 2018
Invoice # 175240

			same. Follow up with Fahd Riaz re same.	
8/24/18	RPA	.20	Follow up on board options concerning property disposition and commitments to current licensee.	43.00
8/28/18	MCP	1.20	Follow up re obtaining signatures for various agreements and wiring instructions. Work with Melanie Gygli and Chad Carr re same.	240.00
8/29/18	MCP	.50	Follow up re finalizing signatures and execution of documents.	100.00
8/31/18	MCP	2.00	Follow up with Joyce Stroschein re wiring instructions. Follow up with Chad Carr re execution of remaining documents. Follow up with counsel for Solargise re same. Follow up re obtaining final signatures and processing execution of documents and payment of deposit. Receive and review signature pages of all documents from Chad Carr. Review and confirm completeness of final execution versions of disposition and development agreement and lease assignment. Follow up with opposing counsel re same. Follow up with Melanie Gygli, Chad Carr, and Scott Smith re same.	400.00

PROFESSIONAL FEES 5,810.00

Timekeeper	Staff	Rate	Hours	Amount	Non-Chargeable	
					Hours	Amount
Armbruster, Ryan P.	Shareholder	215.00	1.10	236.50	.00	.00
Parks, Matthew C.	Associate	200.00	22.60	4,520.00	.00	.00
Conrad, Meghan S.	Shareholder	215.00	4.90	1,053.50	.00	.00
			28.60	5,810.00	.00	.00

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RE: Hoku Property Disposition

CLIENT/MATTER: 09212-00002
August 31, 2018
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INVOICE TOTAL	5,810.00
BALANCE FORWARD	63.45
BALANCE DUE	5,873.45

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YOUR CASHIER WAS Marcos

	1111079068	FDMY WATER	2.99 B
	1111079068	FDMY WATER	2.99 B
	4900002891	DIET COKE 12	5.79 B
SC	10000005514	Soda Savings	1.00-B
	4900002890	COKE CLASSIC	5.79 B
SC	10000005514	Soda Savings	1.00-B
	7800008316	DR PEPPER DT	5.79 B
SC	10000005514	Soda Savings	1.00-B
	1200080996	MOUNTAIN DEW	5.49 B
	REWARDS CARD	*****1407	
MC	811099999999	SCANNED COUP	1.00-F
MC	811099999999	SCANNED COUP	1.00-F
	TAX		1.55
	TAX EXEMPTION		1.55-
	**** BALANCE		23.84

Pocatello ID 83201

VISA CREDIT Purchase

*****3478 - C

REF#: 044600 TOTAL: 23.84

AID: A000000031010

TC: CA8671DA50EE2450

VISA	23.84
EXEMPTED SALES AMT	25.84
CHANGE	0.00
TOTAL NUMBER OF ITEMS SOLD =	6
MFG Coupon Savings	\$ 2.00
Fred Meyer Savings	\$ 3.00
Total Coupons	\$ 5.00
Total Savings (17 Percent)	\$ 5.00

08/20/18 05:00:00 567 8 154 2976902

*Reimbursed
Melanie Gygli*

\$23.84

paper water

WinCo FOODS

The Supermarket Low Price Leader

www.wincofoods.com
1000 Yellowstone Ave
Pocatello, ID 83201
Store #0117

Cashier: SC01

07/16/18

18:52:21

WINCO VINEGAR 7055270024	2.48 FS
2 @ 52	
WINCO BANG SODA 7055290417	1.04 FS
CAYS, GRMT C-MC 21 89550000C	3.98 FS
CAYS, GRMT OATM 21 89550000C	3.98 FS
SUBTOTAL	11.48
TOTAL TAX	.69
TOTAL	12.17
DEBIT CARD TENDER	12.17
Acct: xxxxxxxxxx07512	
CASH CHANGE	.00
NUMBER OF ITEMS	5

*\$ 7.96
Cookies for 7/18/18 meeting
Reimburse Melanee
Gygli*

07/16/18 Oper # 891 Trx # 229
18:53:12 Term # 91 Store #0117

THANK YOU FOR SHOPPING AT WINCO
2081 232-2884

WinCo Foods
Store # 0117

*** Electronic Payment Activity ***

S Acct xxxxxxxxxx07512
07/16/18 18:53:08

DEBIT Ref#156365 Auth#
Term# 91 RMD Oper#891

DEBIT CARD 12.17
Cash back .00

07/16/18 Oper # 891 Trx # 229
18:53:12 Term # 91 Store #0117

THANK YOU FOR SHOPPING AT WINCO
2081 232-2884

IDAHO STATE PUBLISHING
 PO BOX 431
 POCATELLO ID 83204

J) 232-4161

Fax(208) 233-1642

Advertising Invoice

1 Billing Period 08/2018		2 Advertiser/Client Name CITY OF POCATELLO	
23 Total Amount Due 125.96		*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 08/14/18	6 Billed Account Number 1120821	7 Advertiser/Client Number 290815

8 Billed Account Name and Address CITY OF POCATELLO PO BOX 4169 POCATELLO ID 83205		Amount Paid: Comments:
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Please Return Upper Portion With Payment

10 Date	11 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
08/14/18	1795892 L4	LN25504 NOTICE OF PUBL AUGUST 7, 14, 2018 LN2 08/07,14 ISJ PO# NOTICE OF PUBLIC H	4.0X31.00 124.00	2 120.90	125.96	125.96

Due date: 08/29/18

Statement of Account - Aging of Past Due Amounts

24 Current Net Amount Due N/A	22 30 Days N/A	60 Days N/A	Over 90 Days N/A	*Unapplied Amount	23 Total Amount Due 125.96
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IDAHO STATE PUBLISHING

(208) 232-4161

* UNAPPLIED AMOUNTS ARE INCLUDED IN TOTAL AMOUNT DUE

24 Invoice Number 1120821		25 Billing Period 08/2018		Advertiser Information	
6 Billed Account Number 290815		7 Advertiser/Client Number 290815		2 Advertiser/Client Name CITY OF POCATELLO	

IDAHO STATE PUBLISHING
 PO BOX 431
 POCATELLO ID 83204

3) 232-4161

Fax(208) 233-1642

Advertising Invoice

1] Billing Period 08/2018		2] Advertiser/Client Name CITY OF POCATELLO	
23] Total Amount Due 108.61		*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 08/29/18	6] Billed Account Number 1122975	7] Advertiser/Client Number 96653

8] Billed Account Name and Address CITY OF POCATELLO PO BOX 4169 POCATELLO ID 83204		Amount Paid: Comments:
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Please Return Upper Portion With Payment

10] Date	11] 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
08/29/18	1804865 L4	LN25569 REVISED NOT POCATELLO DEVELOPMENT 08/29 ISJ	4.0X 168.00	1 87.36	108.61	108.61
		VENDOR # _____ DATE _____				
		ACCT. # _____				
		PROJ. # _____				
		AMOUNT \$ _____				
		DEPT. APPR _____				
		BUDGET APPR _____				
		GROUP # _____ TRANS # _____				

Due date: 09/13/18

Statement of Account - Aging of Past Due Amounts

21] Current Net Amount Due N/A	22] 30 Days N/A	60 Days N/A	Over 90 Days N/A	*Unapplied Amount	23] Total Amount Due 108.61
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IDAHO STATE PUBLISHING

(208) 232-4161

* UNAPPLIED AMOUNTS ARE INCLUDED IN TOTAL AMOUNT DUE

24] Invoice Number 1122975		25] Advertiser Information	
1] Billing Period 08/2018	6] Billed Account Number 96653	7] Advertiser/Client Number 96653	2] Advertiser/Client Name CITY OF POCATELLO

Member Billing Contact:

Tiffany Olsen
 Pocatello Development Authority
 PO Box 4169
 Pocatello, ID 83205

Invoice Date: 9/1/2018
Invoice Number: 18045 - 1819 - 1
Policy Period: 10-1-18 to 9-30-19
Policy Number: 38A18045100118

Insurance Billing

DESCRIPTION
10/1/2018 - 9/30/2019 Policy Year Annual Premium: \$6,258.00 Minimum Due 10/1/2018: \$3,129.00 Balance Due 4/1/2019: \$3,129.00
For proper application, please do not combine other payments with your premium remittance.

Please Detach and Submit with Payment

Member:

Pocatello Development Authority
 PO Box 4169
 Pocatello, ID 83205

Make Checks Payable to:

ICRMP
 PO Box 15116
 Boise, ID 83715

Invoice Date:	9/1/2018
Invoice Number:	18045 - 1819 - 1
Due Date:	10/1/2018
Minimum Due:	\$3,129.00
Amount Paid:	

Write Amount Paid Here

Address Corrections? Please make changes on the back of this form and enclose with your payment.

AGENDA ITEM

NO. 5

Deaton & Company, Chartered
Certified Public Accountants
215 North 9th, Suite A
Pocatello, Idaho 83201-5278
(208) 232-5825

Members of Idaho Society of Certified Public Accountants
Members of American Institute of Certified Public Accountants



Pocatello Development Authority
911 N. 7th Ave.
Pocatello, Idaho 83201

We are pleased to confirm our understanding of the services we are to provide Pocatello Development Authority for the year ended September 30, 2018. We will audit the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of Pocatello Development Authority as of and for the year ended September 30, 2018. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Pocatello Development Authority's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Pocatello Development Authority's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by U.S. generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1. Management's Discussion and Analysis.
2. Budgetary Comparison Schedules.
3. Combining and individual fund financial statements.

We have also been engaged to report on supplementary information other than RSI that accompanies Pocatello Development Authority's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole, in a separate written report accompanying our auditor's report on the financial statements or in a report combined with our auditor's report on the financial statements.

Audit Objective

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting

principles and to report on the fairness of the supplemental information referred to in the first paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of Pocatello Development Authority and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of Pocatello Development Authority's financial statements. Our report will be addressed to management and the governing board of Pocatello Development Authority. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that Pocatello Development Authority is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of

any material abuse that comes to our attention. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Controls

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Pocatello Development Authority's compliance with the provisions of applicable laws, regulations, contracts, agreements, and grants. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to *Government Auditing Standards*.

Other Services

We will also assist in preparing the financial statements and related notes of Pocatello Development Authority in conformity with U.S. generally accepted accounting principles based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for designing, implementing, establishing and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and

regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with U.S. generally accepted accounting principles, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse that we report.

You are responsible for the preparation of the supplementary information which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon or make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing management's view on our current findings,

conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

You agree to assume all management responsibilities relating to the financial statements and related notes and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements and related notes and that you have reviewed and approved the financial statements and related notes prior to their issuance and accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, or other confirmations we request and will locate any documents selected by us for testing.

We will provide copies of our reports to Pocatello Development Authority; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Deaton & Company and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Deaton & Company personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the federal agency. If we are aware that a federal awarding agency or auditee is contesting an audit finding, we will contact the party (ies) contesting the audit finding for guidance prior to destroying the audit documentation.

Doran Lambson, CFE, CPA is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

Audit Fees

We estimate that our fees for the audit services will not exceed \$4,150 plus out-of-pocket costs (such as report reproduction, word processing, postage, photocopies, etc.). Our invoices for these fees will be rendered each month as work progresses and are payable on presentation.

Non-Attest Services and Fees

Estimates do not include additional nonattest services, if any. Additional nonattest services (such as reconciling trial balance accounts, preparing purposed adjusting entries, assisting in posting approved adjusted journal entries to the general ledger and any other nonattest bookkeeping services to complete the audit) will be billed out at our standard hourly rates. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation.

We appreciate the opportunity to be of service to Pocatello Development Authority and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Stetson & Company

Pocatello, Idaho
August 7, 2018

RESPONSE:

This letter correctly sets forth the understanding of Pocatello Development Authority

By: *Scott Smith*

Title: *Chairman*

Date: *9/19/2018*

AGENDA ITEM

NO. 8(c)

**Pocatello
Development
Authority
&
Petersen Inc.**

Status Update

East Idaho's Partner in Growth

June 30, 2018



PDA Agreement

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

*Regional
Development Alliance, Inc.*

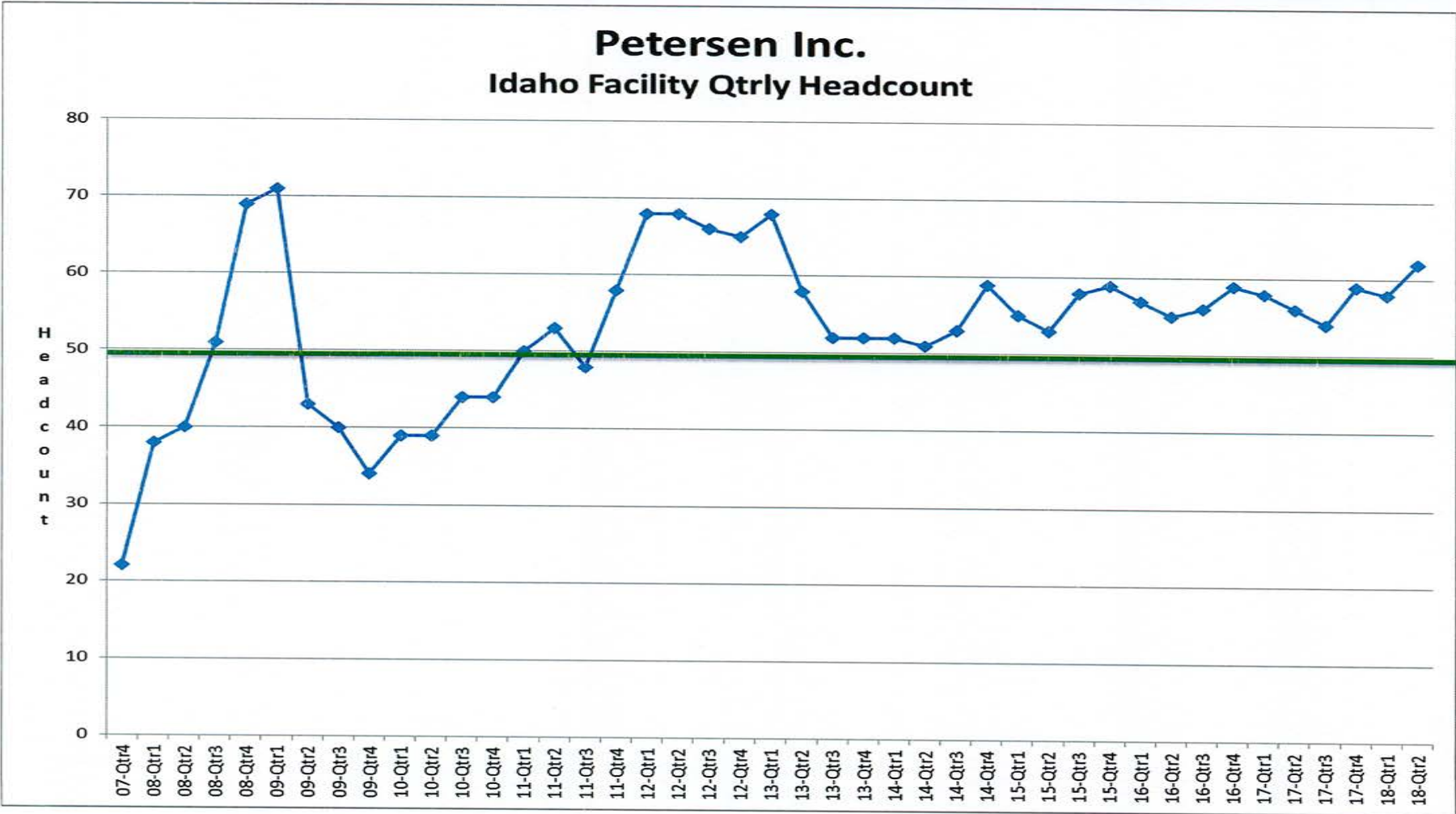
East Idaho's Partner in Growth

Current Conditions

- Work has been steady all year.
- Several good bids in the works with positive outlook
- Future bright, commitment strong
- Currently 62 heads on roll
 - 59 heads at/over \$14.00 per hour
 - Average wage of \$22.11 per hour

East Idaho's Partner in Growth

Current Conditions



**URBAN RENEWAL PLAN FOR THE
NORTHGATE URBAN RENEWAL PROJECT
THE POCATELLO URBAN RENEWAL AGENCY A/K/A THE
POCATELLO DEVELOPMENT AUTHORITY
CITY OF POCATELLO, IDAHO**

Ordinance No. _____
Adopted _____
Effective _____

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(Intergovernmental Agreement and Transfer of Powers Ordinance)

**URBAN RENEWAL PLAN FOR THE
NORTHGATE URBAN RENEWAL PROJECT THE POCATELLO URBAN RENEWAL
AGENCY FOR THE CITY OF POCATELLO, IDAHO, A/K/A THE POCATELLO
DEVELOPMENT AUTHORITY
CITY OF POCATELLO, IDAHO**

100 INTRODUCTION

This is the Urban Renewal Plan (the "Plan") for the Northgate Urban Renewal Project (the "Project") in the city of Pocatello (the "City"), state of Idaho. Attachments 1 through 9 attached hereto (collectively, the "Plan Attachments") are incorporated herein and shall be considered a part of this Plan.

The term "Project" is used herein to describe the overall activities defined in this Plan and conforms to the statutory definition of an urban renewal project. Reference is specifically made to Idaho Code §§ 50-2018(10) and 50-2903(13) for the various activities contemplated by the term "Project." Such activities include both private and public development of property within the urban renewal area. The Northgate Project Area is also referred to as the "Project Area."

This Plan was prepared by the Board of Commissioners (the "Agency Board") of the Urban Renewal Agency for the city of Pocatello, also known as the Pocatello Development Authority (the "Agency"), its consultants, and staff, of the Urban Renewal Agency for the city of Pocatello, also known as the Pocatello Development Authority (the "Agency") and reviewed and recommended by the Agency pursuant to the Idaho Urban Renewal Law of 1965, Chapter 20, Title 50, Idaho Code, as amended (the "Law"), the Local Economic Development Act, Chapter 29, Title 50, Idaho Code, as amended (the "Act"), and all applicable local laws and ordinances.

Idaho Code § 50-2905 identifies what information the plan must include with specificity as follows:

- (1) A statement describing the total assessed valuation of the base assessment roll of the revenue allocation area and the total assessed valuation of all taxable property within the municipality.
- (2) A statement listing the kind, number, and location of all proposed public works or improvements within the revenue allocation area.
- (3) An economic feasibility study.
- (4) A detailed list of estimated project costs.

- (5) A fiscal impact statement showing the impact of the revenue allocation area, both until and after the bonds are repaid, upon all taxing districts levying taxes upon property on the revenue allocation area.
- (6) A description of the methods of financing all estimated project costs and the time when related costs or monetary obligations are to be incurred;
- (7) A termination date for the plan and the revenue allocation area as provided for in section 50-2903(20), Idaho Code. In determining the termination date, the plan shall recognize that the agency shall receive allocation of revenues in the calendar year following the last year of the revenue allocation provision described in the urban renewal plan.
- (8) A description of the disposition or retention of any assets of the agency upon the termination date. Provided however, nothing herein shall prevent the agency from retaining assets or revenues generated from such assets as long as the agency shall have resources other than revenue allocation funds to operate and manage such assets.

This Plan includes the above information with specificity.

The Project Area extends beyond the municipal boundary of the City to include parcels in unincorporated Bannock County. Pursuant to Idaho Code Sections 50-2018(18) and 50-2906(1), the Bannock County Board of County Commissioners (the "BOCC") has deemed the Project Area eligible for an urban renewal project. Further, for purposes of implementing this Plan, the BOCC entered into an intergovernmental agreement and adopted a transfer of powers ordinance. As the Project Area develops, the City and County intend for the Project Area to be fully annexed into the City.

The proposed redevelopment of the Project Area as described in this Plan conforms to The City of Pocatello Comprehensive Plan, 2015 Update, as amended (the "Comprehensive Plan"), and adopted by the City Council (the "City Council"). The Agency intends to rely heavily on any applicable City design standards which may cover all or part of the Project Area.

This Plan is subject to the Plan modification limitations and reporting requirements set forth in Idaho Code § 50-2903A. Subject to limited exceptions as set forth in Idaho Code § 50-2903A, if this Plan is modified by a City Council ordinance, then the base value for the year immediately following the year in which modification occurs shall be reset to the then current year's equalized assessed value of the taxable property in the revenue allocation area, effectively eliminating the Agency's revenue stream. Should the Agency have any outstanding financial obligations, the City shall not adopt an ordinance modifying

¹ The redevelopment of the Project Area also conforms to the Bannock County Comprehensive Plan, adopted June 16, 2008, as amended. However, as the Project Area will ultimately be annexed into the City, the City's Comprehensive Plan will guide development as addressed in the intergovernmental agreement between the City Council and BOCC.

this Plan unless written consent has been obtained by any creditors, including but not limited to developers who have entered into reimbursement agreements with the Agency.

A modification shall not be deemed to occur when “[t]here is a plan amendment to make technical or ministerial changes to a plan that does not involve an increase in the use of revenues allocated to the agency.” Idaho Code § 50-2903A(1)(a)(i). Annual adjustments as more specifically set forth in the Agency’s annual budget will be required to account for more/less estimated revenue and project timing. Any adjustments for these stated purposes are technical and ministerial and are not modifications under Idaho Code § 50-2903A.

This Plan provides the Agency with powers, duties, and obligations to implement and further the program generally formulated in this Plan for the redevelopment, rehabilitation, and revitalization of the area within the boundaries of the Project Area. The Agency retains all powers allowed by the Law and Act. This Plan presents a process and a basic framework within which plan implementation, including contracts, agreements and ancillary documents will be presented and by which tools are provided to the Agency to fashion, develop, and proceed with plan implementation. The Plan has balanced the need for flexibility over the twenty-year time frame of the Plan to implement the improvements identified in Attachment 5.1, with the need for specificity as required by Idaho Code § 50-2905. Attachments 5.1-5.5 are intended to meet the specificity requirements of Idaho Code § 50-2905(2)-(6), recognizing that actual Agency expenditures are prioritized each fiscal year during the required annual budgeting process.

Allowed projects are those activities which comply with the Law and the Act and meet the overall objectives of this Plan. The public-private relationship is crucial in the successful redevelopment of the Project Area. Typically, the public will fund enhanced public improvements like utilities, streets, and sidewalks which, in turn, create an attractive setting for adjacent private investment for industrial, office, and commercial facilities.

The purpose of the Law will be attained through and the major goals of this Plan are:

- a. The installation and construction of public improvements, including streets; and improvements to roadways, curbs, gutters and streetscapes, which for purposes of this Plan, the term “streetscapes” includes sidewalks, lighting, landscaping, benches, bike racks, public art and similar amenities between the curb and right of way line; improvements to public utilities including water and sewer improvements, and fire protection systems; other related public improvements; removal, burying, or relocation of overhead utilities; extension of electrical distribution lines and transformers; improvement of irrigation and drainage ditches and laterals; and improvement of storm drainage facilities;
- b. The planning, design and construction of the proposed Interstate 15 (Siphon Road) interchange and the connecting local road;

- c. The replanning, redesign, and development of undeveloped or underdeveloped areas which are stagnant or improperly utilized because of limited traffic access, underserved utilities, and other site conditions;
- d. The strengthening of the economic base of the Project Area and the community by the installation of needed public improvements to stimulate new private development providing, employment, and economic growth;
- e. The provision of adequate land for open space, street rights-of-way and pedestrian rights-of-way, including pathways;
- f. The reconstruction and improvement of street corridors to allow traffic flows to move through the Project Area along with the accompanying utility connections, through the Project Area;
- g. The provision of public service utilities such as water system improvements, sewer system improvements and improvements to storm drainage facilities (which may be located outside the Project Area);
- h. In conjunction with the City, the establishment and implementation of performance criteria to assure high site design standards and environmental quality and other design elements which provide unity and integrity to the entire Project Area, including commitment of funds for planning studies, achieving high standards of development, and leveraging such development to achieve public objectives and efficient use of scarce resources;
- i. The strengthening of the tax base by encouraging private development, thus increasing the assessed valuation of properties within the Project Area as a whole and benefiting the various taxing districts in which the urban renewal area is located; and
- j. The funding of necessary public infrastructure to accommodate both public and private development.

101 General Procedures of the Agency

The Agency is a public body, corporate and politic, as defined and described under the Law and the Act. The Agency is also governed by its bylaws as authorized by the Law and adopted by the Agency. Under the Law, the Agency is governed by the Idaho open meeting law; the Public Records Act; the Ethics in Government Act of 2015, Chapters 1, 2 and 4 of Title 74, Idaho Code; reporting requirements pursuant to Idaho Code §§ 67-450B, 67-450E, 50-2903A and 50-2913; and the competitive bidding requirements under Chapter 28, Title 67, Idaho Code, as well as other procurement or other public improvement delivery methods.

Subject to limited exceptions, the Agency shall conduct all meetings in open session and allow meaningful public input as mandated by the issue considered or by any statutory or regulatory provision.

The Agency may adopt separate policy statements. Any modification to any policy statement is a technical or ministerial adjustment and is not a modification to this Plan under Idaho Code § 50-2903A.

102 Provisions Necessary to Meet State and Local Requirements: Conformance with the Idaho Urban Renewal Law of 1965, as Amended

Idaho law requires that an urban renewal plan be prepared for an area determined to be eligible as an urban renewal area by the City Council. The Project Area was reviewed and determined to be eligible by Agency Resolution No. ~~_____208-1~~ on ~~_____, January 17, 2018.~~ ~~The Project Area was deemed eligible by the City Council by adoption of Resolution No. _____ on _____, 2018.~~

~~With the adoption of Resolution No. _____, the City Council found the Project Area to be a deteriorating area existing in the City as defined by the Law and Act and authorized the preparation of an urban renewal plan.~~

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As properties within the Project Area are outside the boundaries of the City and within the boundaries of unincorporated Bannock County, and in accordance with Idaho Code § 50-2018(18), the Bannock County Board of County Commissioners adopted Resolution No. ~~_____, 2018-13~~, on ~~_____, February 13, 2018~~, finding the Project Area to be a deteriorated area and/or deteriorating area and finding a need for the urban renewal plan. A copy of Resolution No. ~~_____, 2018-13~~ is attached hereto as Attachment 7.

Commented [MC1]: Confirm cite - 2018-13 or 2018-23

The Project Area was deemed eligible by the City Council by adoption of Resolution No. 2018-03 on February 15, 2018. With the adoption of Resolution No. 2018-03, the City Council found the Project Area to be a deteriorating area and/or deteriorating area existing in the City as defined by the Law and Act and authorized the preparation of an urban renewal plan. A copy of Resolution No. 2018-03 is attached hereto as Attachment 8.

In accordance with the Law and Act, the necessary agricultural consents were obtained from owners of any agricultural operations within the Project Area for property that has been used as an agricultural operation within the last three (3) years. Copies of the agricultural consents are attached hereto as Attachment 6.

The Plan was prepared and submitted to the Agency for its review and approval. The Agency approved the Plan by the adoption of Agency Resolution No. [_____] on _____, 2018, and submitted the Plan to the BOCC and City Council with its recommendation for adoption.

In accordance with the Law, this Plan was submitted to the Planning and Zoning Commission of the City. After consideration of the Plan, the Commission reported to the City Council that this Plan is in conformity with the City's Comprehensive Plan.

In accordance with the Law and the Act, the City Council and BOCC entered into an intergovernmental agreement concerning the administration and implementation of the Plan and the BOCC adopted a transfer of powers ordinance on _____, 2018, by Ordinance No. _____.

Pursuant to the Law and Act, the City Council having published due notice thereof, a public hearing was held on this Plan. Notice of the hearing was duly published in the _____, a newspaper having general circulation in the City. The City Council adopted this Plan on _____, 2018, by Ordinance No. _____.

103 History and Current Conditions of the Area

This Project Area includes an estimated ~~_____~~ 4,300 acres. Approximately 300 acres north of Chubbuck Road and east of Interstate 15 was annexed into the City in 2018. The area has been used primarily for agricultural purposes, although a new Interstate 15 interchange is expected to be constructed within the next year. While there has been recent investment and development on parcels immediately south of Chubbuck Road, no investment ~~had~~ been made within the Project Area.

The Project Area has been, or will be upon annexation into the City, zoned for primarily mixed use commercial and residential uses. A significant impediment to development is the extent of infrastructure necessary to develop the area. Development potential within the Project Area is currently restricted due to lack of access to the municipal water system, which also creates fire flow issues. Extension of a water distribution system throughout the Project Area is necessary to support development. Likewise, the sewer system will also need to be extended throughout the Project Area. Power system upgrades are also necessary.

The Plan proposes installation and improvements to public infrastructure and other publicly owned assets throughout the Project Area, as more specifically set forth in Attachment 5.1, including but not limited to participation in the engineering, design and construction of the proposed new Interstate 15 interchange; engineering, design and construction of the local road connecting Chubbuck Road an extension of Olympus Road and the proposed Northgate Parkway to the new interchange (Eastside Road); installation of roadways, including streetscapes, streetlights, curbs, gutters sidewalks and other related pedestrian amenities; water and sewer improvements; improvements to the power system; storm drainage and irrigation system improvements; and parks and open space, including pedestrian/bike paths, creating the framework for the development of a commercial, office and retail area, and ultimately a planned unit development community.

The Project Area is underdeveloped or vacant and is not being used to its highest and best use due to the predominance of defective or inadequate street layout, outmoded street patterns, need for modern traffic requirements, insanitary and unsafe conditions, unsuitable topography

and faulty lot layout and inadequate utility infrastructure needed for a larger development. The foregoing conditions have arrested or impaired growth in the Project Area.

The preparation and approval of an urban renewal plan, including a revenue allocation financing provision, gives the City additional resources to solve the public infrastructure and development impediment issues in this area. Revenue allocation financing should help to improve the situation. In effect, property taxes generated by new developments within the Project Area may be used by the Agency to finance a variety of needed public improvements and facilities. Finally, some of the new developments may also generate new jobs in the community that would, in turn, benefit area residents.

104 Purpose of Activities

The description of activities, public improvements, and the estimated costs of those items are intended to create an outside limit of the Agency's activity. The Agency reserves the right to change amounts from one category to another, as long as the overall total amount estimated is not substantially exceeded. The Agency intends to discuss and negotiate with any owner or developer of the parcels within the Project Area seeking Agency assistance. During such negotiation, the Agency will determine the eligibility of the activities sought for Agency funding, the amount the Agency may fund by way of percentage or other criteria including the need for such assistance. The Agency will also take into account the amount of revenue allocation proceeds estimated to be generated from the developer's activities. The Agency also reserves the right to establish by way of policy, its funding percentage or participation, which would apply to all developers and owners.

Throughout this Plan, there are references to Agency activities, Agency funding, and the development, and contribution of public improvements. Such references do not necessarily constitute a full, final, and formal commitment by the Agency but, rather, grant to the Agency the discretion to participate as stated subject to achieving the objectives of this Plan and provided such activity is deemed eligible under the Law and the Act. The activities listed in Attachments 5.1-5.4 will be determined or prioritized as the overall Project Area develops and through the annual budget setting process.

The Agency reserves the right to prioritize the projects described in this Plan. The Agency also reserves the right to retain its flexibility in funding the various activities. The Agency also reserves its discretion and flexibility in deciding which improvements should be funded and at what level, whether using its own funds or funds generated by other sources.

The activities listed in Attachments 5.1-5.4 are also prioritized by way of importance to the Agency by the amounts funded, and by year of funding, with earlier years reflecting the more important activities, achievement of higher objectives, long term goals, and commitments. As required by the Law and Act, the Agency will adopt more specific budgets annually. The projected timing of funding is primarily a function of the availability of market conditions and financial resources but is also strategic, considering the timing of private development partnership opportunities and the ability of certain strategic activities to stimulate development at

a given points in time within the planned 20-year period of the urban renewal district and revenue allocation area.

The Study (Attachment 5) has described a list of prioritized public improvements and other related activities with an estimated cost in 2018 dollars of approximately \$56,575,000. This amount does not take into account inflationary factors which would increase that figure depending on when the Agency is able to develop, construct or initiate those activities. The Study has concluded the capacity of revenue allocation funds through the term of the Plan based on the assumed development projects and assessed value increases will likely generate \$63,940,812. The Study has further identified and described a list of unfunded partnerships and improvements in the total amount of \$. The Agency reserves the discretion and flexibility to use revenue allocation proceeds in excess of the amounts predicted in the event higher increases in assessed values occur during the term of the Plan for the improvements and activities identified. Additionally, the Agency reserves the discretion and flexibility to use other sources of funds unrelated to revenue allocation to assist in the funding of the improvements and activities identified.

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105 Open Land Criteria

The Project Area includes open land requiring the area meet the conditions set forth in Idaho Code § 50-2008(d). These conditions include defective or unusual conditions of title, diversity of ownership, tax delinquency, improper subdivisions, outmoded street patterns, deterioration of site, and faulty lot layout, all of which are included in one form or another in the definitions of deteriorated or deteriorating area set forth in Idaho Code §§ 50-2018(8), (9) and 50-2903(8). The issues listed only in Idaho Code § 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.”

Open land areas qualify if any of the deteriorating area conditions set forth in Idaho Code §§ 50-2018(8), (9) and 50-2903(8) apply. But such areas also qualify if any of the issues listed only in 50-2008(d)(4)(2) apply. The lack of water and sewer facilities, large parcel size, diversity of ownership, a deficient street system and lack of fire protection facilities are all conditions which delay or impair development of the open land areas and satisfy the open land conditions.

This Plan does not anticipate or intend Agency acquisition of property within the Project Area. However, should the Agency determine the need to acquire property as further set forth in Attachment 3, then the open land areas qualify for Agency acquisition and development. Open land areas qualify for Agency acquisition and development for residential uses if the City Council determines there is a shortage of housing of sound standards and design which is decent, safe and sanitary in the City, that the need for housing will be increased as a result of the clearance of deteriorated of slums in other areas, that the conditions of blight in the area and the shortage of decent, safe and sanitary housing contributes to an increase in the spread of disease and crime and constitutes and menace to the public health, safety, morals, or welfare, and that the acquisition of the area for residential uses is an integral part of an essential to the program of the

City. Due to the City's expected growth, the need for housing is significant and integral to a successful mixed-use project area.

Open land areas qualify for Agency acquisition and development for primarily nonresidential uses if acquisition is necessary to facilitate the proper growth and development of the Project Area in accordance with City planning objectives if any of the deteriorating area conditions set forth in Idaho Code §§ 50-2018(8), (9) and 50-2903(8) apply. But such areas also qualify if any of the issues listed only in 50-2008(d)(4)(2) apply. The lack of water and sewer facilities, large parcel size, a deficient street system, lack of fire protection facilities, economic disuse, unsuitable topography and environmental issues are all conditions which delay or impair development of the open land areas and satisfy the open land conditions as more fully supported by the Northgate Eligibility Study, prepared by Kushlan Associates, dated

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200 DESCRIPTION OF PROJECT AREA

The boundaries of the Project Area and the Revenue Allocation Area are shown on the Project Area and Revenue Allocation Boundary Map, attached hereto as Attachment 1 and incorporated herein by reference, and are described in the Description of the Project Area and Revenue Allocation Area, attached hereto as Attachment 2 and incorporated herein by reference. For purposes of boundary descriptions and use of proceeds for payment of improvements, the boundary shall be deemed to extend to the outer boundary of rights-of-way or other natural boundary unless otherwise stated.

300 PROPOSED REDEVELOPMENT ACTIONS

301 General

The Agency proposes to eliminate and prevent the spread of deteriorating conditions and deterioration in the Project Area by employing a strategy to improve and develop public and private lands, and to grow the economy in the Project Area. Implementation of the strategy includes, but is not limited to the following actions:

- a. The construction of storm water management infrastructure to support compliance with federal, state and local regulations for storm water discharge and to support private development;
- b. The provision for participation by property owners and developers within the Project Area to achieve the objectives of this Plan;
- c. The engineering, design, installation, construction, and/or reconstruction of streets and utilities, including, removal, burying, or relocation of overhead utilities; extension of electrical distribution lines and transformers; improvement of irrigation and drainage ditches and laterals; addition of fiber optic lines or other communication systems; and improvement of storm drainage facilities, parking

facilities, and other public improvements, including but not limited to, water and sewer improvements, fire protection systems, roadways, curbs, gutters, and streetscapes, which for purposes of this Plan, the term streetscapes includes sidewalks, lighting, landscaping, benches, bike racks, public art and similar amenities between the curb and right-of-way line; and other public improvements, including public or other community facilities or buildings owned or occupied by the Agency or other public agencies, including the City's walkways, public open spaces, community centers, cultural centers and visitors or information centers that may be deemed appropriate by the Board;The engineering, design, installation, construction, and reconstruction of certain streets, including the proposed Interstate 15 interchange (Siphon Road) and the connecting local road (Eastside Road); and improvements to roadways, curbs, gutters and streetscapes, which for purposes of this Plan, the term includes sidewalks, lighting, landscaping, benches, bike racks, public art and similar amenities between the curb and right of way line; improvements to public utilities including water and sewer improvements, and fire protection systems; other related public improvements; removal, burying, or relocation of overhead utilities; extension of electrical distribution lines and transformers; improvement of irrigation and drainage ditches and laterals; and improvement of storm drainage facilities;

- d. The acquisition of real property from the City for right-of-way improvements, public parks, pedestrian facilities and trails, riverfront access points and to encourage development opportunities consistent with the Plan, including but not limited to future disposition to qualified developersThe acquisition of certain real property for right-of-way improvements;
- e. The disposition of real property through a competitive process in accordance with this Plan, Idaho law, including Idaho Code § 50-2011, and any disposition policies adopted by the Agency;The disposition of property for public use in accordance with this Plan;
- f. The management of any property acquired by and under the ownership and control of the Agency;
- g. The development or redevelopment of land by private enterprise or public agencies for uses in accordance with this Plan;
- h. The construction and financial support of infrastructure necessary for the provision of improved transit and alternative transportation;
- i. The construction of a public safety facility for police, fire and/or emergency services;

- j. The provision of financial and other assistance to encourage and attract business enterprise including but not limited to start-ups and microbusinesses, mid-sized companies and large-scale corporations;
- k. The provision of financial and other assistance to encourage greater density;
- l. The rehabilitation of structures and improvements by present owners, their successors, and the Agency;
- m. The preparation and assembly of adequate sites for the development and construction of facilities for commercial, office, retail, residential, and governmental use;
- n. In collaboration with property owners and other stakeholders, working with the City to amend zoning regulations (if necessary) and standards and guidelines for the design of streetscape, festival streets, plazas, pedestrian corridors, open space and other like public spaces applicable to the Project Area as needed to support implementation of this Plan;
- o. The provision of financial and other assistance to support "affordable housing" and "workforce housing" projects as those terms are defined by Agency policy;
- p. The provision of financial and other assistance to encourage and attract business enterprise including but not limited to start-ups and microbusiness, unique cultural businesses, mid-sized companies, and large-scale corporations;
- q. In conjunction with the City, the establishment and implementation of performance criteria to assure high site design standards and environmental quality and other design elements which provide unity and integrity to the entire Project Area, including commitment of funds for planning studies, achieving high standards of development, and leveraging such development to achieve public objectives and efficient use of scarce resources.
- r. To the extent allowed by law, lend or invest federal funds to facilitate redevelopment; and
- s. To make improvements to utilities to encourage development through the Project Area.

In the accomplishment of these purposes and activities and in the implementation and furtherance of this Plan, the Agency is authorized to use all the powers provided in this Plan and all the powers now or hereafter permitted by Law and Act.

302 Urban Renewal Plan Objectives

Urban renewal activity is necessary in the Project Area to combat problems of physical deterioration or deteriorating conditions. As set forth in greater detail in Section 103, the Project Area has a history of a slow-growing tax base based on deteriorated and/or deteriorating conditions that have arrested or impaired or will arrest or impair growth in the Project Area.

Construction of public facilities, installation and construction of infrastructure, including roadways, sidewalk, curb, gutter, intersections, improvements to water and sewer facilities, fire protection updates, as well as, remediating any drainage issues will enhance the overall development of the Project Area.

Hence, the Plan for the Project Area is a proposal for street and utility improvements to provide an improved environment for new commercial, office, retail, and residential, public improvements or facilities, the elimination of unsafe conditions, and to otherwise prevent the extension of deterioration and reverse the deteriorating action of the area.

Less than fee acquisition may be utilized by the Agency when and if necessary to promote redevelopment in accordance with the objectives of the Plan.

Temporary project improvements shall be provided to facilitate adequate vehicular and pedestrian circulation.

The provisions of this Plan are applicable to all public and private property in the Project Area. The provisions of the Plan shall be interpreted and applied as objectives and goals, recognizing the need for flexibility in interpretation and implementation, while at the same time not in any way abdicating the rights and privileges of the property owners which are vested in the present and future zoning classifications of the properties. All development under an owner participation agreement shall conform to those standards specified in Section 303.1 of this Plan.

This Plan must be practical in order to succeed. Particular attention has been paid to how it can be implemented, given the changing nature of market conditions. Transforming the Project Area into a vital, thriving part of the community requires an assertive strategy. The following list represents the key elements of that effort:

- a. Initiate simultaneous projects designed to revitalize the Project Area. From street and utility improvements to significant new public or private development, the Agency plays a key role in creating the necessary momentum to get and keep things going.
- b. Develop new mixed-use residential, retail, commercial, and office opportunities and encourage economic development.
- c. Secure and improve certain public open space in critical areas.

- d. Initiate projects designed to encourage a mixture of housing stock including market-rate, affordable and workforce housing options.

Without direct public intervention, much of the Project Area could conceivably remain unchanged and in a deteriorated and/or deteriorated condition for the next twenty (20) years. The Plan creates the necessary flexible framework for the Project Area to support the City's economic development while complying with the "specificity" requirement set forth in Idaho Code § 50-2905.

Land use in the Project Area will be modified to the extent that buildings currently vacant and land now devoted to scattered inconsistent uses will be converted to residential, commercial, retail and office uses. In implementing the activities described in this Plan, the Agency shall give due consideration to the provision of adequate open space, park and recreational areas and facilities that may be desirable for neighborhood improvement, with special consideration for the health, safety, and welfare of residents in the general vicinity of the site covered by the Plan.

303 Participation Opportunities and Agreement

303.1 Participation Agreements

The Agency shall enter into ~~an owner~~ various development participation agreements with any existing or future owner of property, in the event the property owner seeks and/or receives assistance from the Agency in the redevelopment of the property. The term "owner participation agreement" is intended to include all participation agreements with a property owner, including reimbursement agreements, grant agreements or other participation agreements.

Each structure and building in the Project Area to be ~~rehabilitated or to be~~ constructed as a condition of the owner participation agreement between the Agency and the owner pursuant to this Plan will be considered to be satisfactorily rehabilitated and constructed, and the Agency will so certify, if the rehabilitated or new structure meets the standards set forth in an executed owner participation agreement and meets the conditions described below:

- a. Any such property within the Project Area shall be required to conform to all applicable provisions, requirements, and regulations of this Plan. The owner participation agreement may require as a condition of financial participation by the Agency a commitment by the property owner to meet the greater objectives of the land use elements identified in the Comprehensive Plan, and applicable zoning ordinances. Upon completion of any rehabilitation each structure must be safe and sound in all physical respects and be refurbished and altered to bring the property to an upgraded marketable condition that will continue throughout an estimated useful life for a minimum of twenty (20) years.
- b. All such buildings or portions of buildings which are to remain within the Project Area shall be rehabilitated or constructed in conformity with all applicable codes and ordinances of the City.

- c. Any new construction shall also conform to all applicable provisions, requirements, and regulations of this Plan, as well as, to all applicable codes and ordinances of the City.

All owner participation agreements will address phasing issues, justification and eligibility of project costs, and achievement of the objectives of the Plan. Agency shall retain its discretion in the funding level of its participation. Obligations under owner participation agreements shall terminate no later than the termination date of this Plan, December 31, 2038. The Agency shall retain its discretion to negotiate an earlier date to accomplish all obligations under any owner participation agreement.

In all participation agreements, participants who retain real property shall be required to join in the recordation of such documents as may be necessary to make the provisions of this Plan applicable to their properties. Whether or not a participant enters into a participation agreement with the Agency, the provisions of this Plan are applicable to all public and private property in the Project Area.

In the event a participant fails or refuses to rehabilitate, develop, use, and maintain its real property pursuant to this Plan and a participation agreement, the real property or any interest therein may be acquired by the Agency in accordance with Section 305.1 of this Plan and sold or leased for rehabilitation or development in accordance with this Plan.

Owner participation agreements may be used to implement the following objectives:

- a. Encouraging ~~established businesses~~ property owners to revitalize ~~and/or remediate deteriorated or deteriorating~~ areas of their parcels to accelerate ~~the enhancement of the street environment~~ development in the Plan area.
- b. Subject to the limitations of the Law and the Act, providing incentives to ~~existing business~~ property owners to encourage ~~continued~~ utilization and expansion of existing permitted uses ~~during the transition period to prevent a decline in the employment base and a proliferation of~~ to prevent properties from falling into disuse, a proliferation of vacant and deteriorated parcels in the Project Area during the extended redevelopment of the Project Area. and a reduction in area employment.
- c. ~~Allowing existing nonconforming uses to continue in accordance with City regulations and to~~ To accommodate improvements and expansions allowed by City regulations.
- d. Subject to the limitations of the Law and Act, providing incentives to improve nonconforming properties so they implement the design guidelines contained in this Plan to the extent possible and to encourage an orderly transition from nonconforming to conforming uses ~~over the next twenty (20) years~~ through the term of the Plan.

- e. Provide for advance funding by the developer/owner participant of those certain public improvements related to or needed for the private development. In that event, the Agency will agree as set out in the participation agreement to reimburse a portion of, or all of, the costs of public improvements identified in the participation agreement from the revenue allocation generated by the private development. Though no specific advance funding by a developer/owner participant is shown in the cash analysis attachments, this Plan specifically allows for such advance.

303.2 City Fees

For any development covered by an owner participation agreement, the Agency shall have the authority, but not the obligation, to consider the payment of all or part of any City fee assessed on the development from revenue allocation proceeds to the extent allowed by law.

304 Cooperation with Public Bodies

Certain public bodies are authorized by state law to aid and cooperate, with or without consideration, in the planning, undertaking, construction, or operation of this Project. The Agency shall seek the aid and cooperation of such public bodies and shall attempt to coordinate this Plan with the activities of such public bodies in order to accomplish the purposes of redevelopment and the highest public good.

The Agency, by law, is not authorized to acquire real property owned by public bodies without the consent of such public bodies. The Agency will seek the cooperation of all public bodies which own or intend to acquire property in the Project Area. All plans for development of property in the Project Area by a public body shall be subject to Agency approval, in the event the Agency is providing any financial assistance.

Subject to applicable authority, the Agency may impose on all public bodies the planning and design controls contained in this Plan to ensure that present uses and any future development by public bodies will conform to the requirements of this Plan. The Agency is authorized to financially (and otherwise) assist any public entity in the cost of public land, buildings, facilities, structures, or other improvements of the Project Area as allowed by the Law and Act.

The Agency specifically intends to cooperate to the extent allowable with the City for the construction of street, streetscape, utility, and pedestrian improvements. The Agency shall also cooperate with the City on various relocation, screening, or underground projects, the providing of fiber optic capability, and the funding of water and sewer improvements. To the extent any public entity, including the City, has funded certain improvements such as water and sewer facilities or storm drainage improvements, the Agency may reimburse those entities for those expenses. The Agency shall also cooperate with any public entity having jurisdiction over rights-of-way for the improvement of streets within the Project Area and with the public bodies responsible for water and sewer improvements. The Agency also intends to cooperate and seek available assistance from state and federal sources for economic development.

In the event the Agency is participating in the public development by way of financial incentive or otherwise, the public body shall enter into a participation agreement with the Agency and then shall be bound by the Plan and other land use elements and shall conform to those standards specified in Section 303.1 of this Plan.

This Plan does not financially bind or obligate the Agency to any project or property acquisition; rather, for purposes of determining the economic feasibility of the Plan certain projects and expenditures have been estimated and included in the analysis. Agency revenue and the ability to fund reimbursement of eligible Project Costs is more specifically detailed in any owner participation agreement and in the annual budget adopted by the Agency Board.

305 Property Acquisition

305.1 Real Property

Only as specifically authorized herein, the Agency may acquire, through the voluntary measures described below, but is not required to acquire, any real property located in the Project Area where it is determined that the property is needed for construction of public improvements, required to eliminate or mitigate the deteriorated or deteriorating conditions, to facilitate economic development, including acquisition of real property intended for disposition to qualified developers through a competitive process, and as otherwise allowed by law. The acquisition shall be by any means authorized by law, including, but not limited to, the Law, the Act, and the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, but shall not include the right to invoke eminent domain authority except as authorized herein. The Agency is authorized to acquire either the entire fee or any other interest in real property less than a fee, including structures and fixtures upon the real property, without acquiring the land upon which those structures and fixtures are located.

The Agency intends to acquire any real property through voluntary or consensual gift, devise, exchange, or purchase. Such acquisition of property may be for the development of the public improvements identified in this Plan. Such properties may include properties owned by private parties or public entities. This Plan does not anticipate the Agency's widespread use of its resources for property acquisition, except for the construction of public improvements.

In the event the Agency identifies certain property which should be acquired to develop certain public improvements intended to be constructed under the provisions of this Plan, the Agency shall coordinate such property acquisition with any other public entity (e.g., without limitation, the City, the state of Idaho, or any of its authorized agencies), including the assistance of the Agency of funds to acquire said property either through a voluntary acquisition or the public entity's invoking of its eminent domain authority: as limited by Idaho Code Section 7-701A.

The Agency is authorized by this Plan to acquire the properties identified in Attachment 3 hereto, including but not limited to property to be acquired for the extension or expansion of certain rights-of-way.

The Agency is authorized by this Plan and Idaho Code §§ 50-2010 and 50-2018(12) to acquire the properties identified in Attachment 3 hereto for the purposes set forth in this Plan. The Agency has identified its intent to acquire and/or participate in the development of certain public improvements, including, but not limited to streets, streetscapes, water and sewer improvements, environmental remediation/site preparation, parking, community facilities, parks, pedestrian/bike paths and trails, educational facilities, multi-purpose athletic and performance facilities and other public facilities. Further, the Agency intends to acquire real property to facilitate commercial development by assembling and disposing of developable parcels. The Agency's property acquisition will result in remediating deteriorating conditions in the Project Area by facilitating the development of mixed-use, residential, commercial, waterfront commercial and retail areas. The public improvements are intended to be dedicated to the City upon completion. The Agency reserves the right to determine which properties identified, if any, should be acquired. The open land areas qualify for Agency acquisition as further set forth in Section 105 of this Plan.

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It is in the public interest and ~~is~~ may be necessary, in order to eliminate the conditions requiring redevelopment and in order to execute this Plan, for the power of eminent domain to be employed by the Agency to acquire real property in the Project Area for the public improvements identified in this Plan, which cannot be acquired by gift, devise, exchange, purchase, or any other lawful method.

Under the provisions of the Act, the urban renewal plan "shall be sufficiently complete to indicate such land acquisition, demolition, and removal of structures, redevelopment, improvements, and rehabilitation as may be proposed to be carried out in the urban renewal area." Idaho Code § 50-2018(12). The Agency has generally described those properties by use as set out in Attachment 3 for acquisition for the construction of public improvements. The Agency may also acquire property for the purpose of developing streetscape and public utilities. The Agency reserves the right to determine which properties identified, if any, should be acquired.

305.2 Personal Property

Generally, personal property shall not be acquired. However, where necessary in the execution of this Plan, the Agency is authorized to acquire personal property in the Project Area by any lawful means, including eminent domain for the purpose of developing the public improvements described in section 305.1.

306 Property Management

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During the time real property, if any, in the Project Area is owned by the Agency, such property shall be under the management and control of the Agency. Such property may be rented or leased by the Agency pending its disposition for redevelopment, and such rental or lease shall be pursuant to such policies as the Agency may adopt.

306307 Development by the Agency

To the extent now or hereafter permitted by law, the Agency is authorized to pay for, develop, or construct any publicly-owned building, facility, structure, or other improvement within the Project Area for itself or for any public body or entity, which buildings, facilities, structures, or other improvements are or would be of benefit to the Project Area. Specifically, the Agency may pay for, install, or construct the buildings, facilities, structures, and other improvements identified in Attachments 5.1-5.2, attached hereto and incorporated herein by reference.

307308 Relocation of Persons (Including Individuals and Families), Business Concerns, and Others Displaced by the Project

If the Agency receives federal funds for real estate acquisition and relocation, the Agency shall comply with 24 C.F.R. Part 42, implementing the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended.

In the event the Agency's activities result in displacement, the Agency shall comply with, at a minimum, the standards set forth in the Law. The Agency shall also comply with all applicable state laws concerning relocation benefits. The Agency shall also coordinate with the various local, state, or federal agencies concerning relocation assistance.

308309 Demolition, and Clearance and Site Preparation

The Agency is authorized (but not required) to demolish and clear buildings, structures, and other improvements from any real property in the Project Area as necessary to carry out the purposes of this Plan.

Further, the Agency is authorized (but not required) to prepare, or cause to be prepared, as building sites any real property in the Project Area owned by the Agency including site preparation. In connection therewith, the Agency may cause, provide for, or undertake the

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installation or construction of streets, utilities, parks, pedestrian walkways, parking facilities, drainage facilities, and other public improvements necessary to carry out this Plan.

309310 Property Disposition and Development

3093010.1 Disposition by the Agency

For the purposes of this Plan, the Agency is authorized to sell, lease, lease/purchase, exchange, subdivide, transfer, assign, pledge, encumber by mortgage or deed of trust, or otherwise dispose of any interest in real property under the reuse provisions set forth in Idaho Code § 50-2011. To the extent permitted by law, the Agency is authorized to dispose of real property by negotiated lease, sale, or transfer without public bidding.

Real property acquired by the Agency may be conveyed by the Agency and, where beneficial to the Project Area, without charge to any public body as allowed by law. All real property acquired by the Agency in the Project Area shall be sold or leased to public or private persons or entities for development for the uses permitted in this Plan.

3010.2 Disposition and Development Agreements

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To provide adequate safeguards to ensure that the provisions of this Plan will be carried out and to prevent the recurrence of deteriorating conditions, all real property sold, leased, or conveyed by the Agency is subject to the provisions of this Plan.

The Agency shall reserve such powers and controls in the disposition and development documents as may be necessary to prevent transfer, retention, or use of property for speculative purposes and to ensure that development is carried out pursuant to this Plan.

Leases, lease/purchases, deeds, contracts, agreements, and declarations of restrictions of the Agency may contain restrictions, covenants, covenants running with the land, rights of reverter, conditions subsequent, equitable servitudes, or any other provisions necessary to carry out this Plan. Where appropriate, as determined by the Agency, such documents, or portions thereof, shall be recorded in the office of the Recorder of Ada County, Idaho.

All property in the Project Area is hereby subject to the restriction that there shall be no discrimination or segregation based upon race, color, creed, religion, sex, age, national origin, or ancestry in the sale, lease, sublease, transfer, use, occupancy, disability/handicap, tenure, or enjoyment of property in the Project Area. All property sold, leased, conveyed, or subject to a participation agreement shall be expressly subject by appropriate documents to the restriction that all deeds, leases, or contracts for the sale, lease, sublease, or other transfer of land in the Project Area shall contain such nondiscrimination and nonsegregation clauses as required by law.

As required by law or as determined in the Agency's discretion to be in the best interest of the Agency and the public, the following requirements and obligations shall be included in the disposition and development agreement.

That the developers, their successors, and assigns agree:

- a. That a plan and time schedule for the proposed development shall be submitted to the Agency. Schedule revisions will be made only at the option of the Agency.
- b. That the purchase or lease of the land and/or subterranean rights and/or air rights is for the purpose of redevelopment and not for speculation.
- c. That the building of improvements will be commenced and completed as jointly scheduled and determined by the Agency and the developer(s).
- d. That the site and construction plans will be submitted to the Agency for review as to conformity with the provisions and purposes of this Plan.
- e. All new construction shall have a minimum estimated life of no less than twenty (20) years.
- f. That rehabilitation of any existing structure must assure that the structure is safe and sound in all physical respects and be refurbished and altered to bring the property to an upgraded marketable condition which will continue throughout an estimated useful life for a minimum of twenty (20) years.
- g. That the Agency receives adequate assurance acceptable to the Agency to ensure performance under the contract for sale.
- h. All such buildings or portions of the buildings which are to remain within the Project Area shall be reconstructed in conformity with all applicable codes and ordinances of the City.
- i. All disposition and development documents shall be governed by the provisions of Section 408 of this Plan.

The Agency also reserves the right to determine the extent of its participation based upon the achievements of the objectives of this Plan. Obligations under any disposition and development agreement and deed covenants, except for covenants which run with the land beyond the termination date of this Plan, shall terminate no later than December 31, 2038. The Agency shall retain its discretion to negotiate an earlier date to accomplish all obligations under any disposition and development agreement.

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3093010.23 Development by the Agency

To the extent now or hereafter permitted by law, the Agency is authorized to pay for, develop, or construct public improvements within the Project Area for itself or for any public body or entity, which public improvements are or would be of benefit to the Project Area. Specifically, the Agency may pay for, install, or construct the public improvements authorized under Idaho Code Section 50-2007, 50-2018(10) and (13), and 50-2903(9), (13), and (14), and as otherwise identified in Attachments 5.1-5.2, attached hereto and incorporated herein by reference, and may acquire or pay for the land required therefore.

The Agency may enter into contracts, leases, and agreements with the City or other public body or private entity pursuant to this section, and the obligation of the Agency under such contract, lease, or agreement shall constitute an indebtedness of the Agency as described in Idaho Code § 50-2909 which may be made payable out of the taxes levied in the Project Area and allocated to the Agency under Idaho Code § 50-2908(2)(b) and Section 504 to this Plan or out of any other available funds.

309.34 Development Plans

All development plans (whether public or private) prepared, pursuant to an owner participation or disposition and development agreement, shall be submitted to the Agency Board for approval and architectural review. All development in the Project Area must conform to those standards specified in Sections 408 and 412. Additionally, development must be consistent with all City ordinances.

310 [Reserved]

311 [Reserved]

312 Participation with ~~Private Development or Public Development~~Others

Under the Law, the Agency has the authority to lend or invest funds obtained from the federal government for the purposes of the Law if allowable under federal laws or regulations. The federal funds that may be available to the Agency are governed by regulations promulgated by the Department of Housing and Urban Development for the ~~Idaho~~-Community Development Block Grant Program ("CDBG"), the Economic Development Administration, the Small Business Administration, or other federal agencies. In order to enhance such grants, the Agency's use of revenue allocation funds is critical.

Under those regulations the Agency may participate with the private sector in the development and financing of those private projects that will attain certain federal objectives.

The Agency may, therefore, use the federal funds for the provision of assistance to private for-profit business, including, but not limited to, grants, loans, loan guarantees, interest supplements, technical assistance, and other forms to support, for any other activity necessary or appropriate to carry out an economic development project.

As allowed by law, the Agency may also use funds from any other sources for any purpose set forth under the Law or Act.

The Agency may enter into contracts, leases, and agreements with the City, or other public body or private entity, pursuant to this section, and the obligation of the Agency under such contract, lease, or agreement shall constitute an indebtedness of the Agency as described in Idaho Code § 50-2909 which may be made payable out of the taxes levied in the Project Area and allocated to the Agency under Idaho Code § 50-2908(2)(b) and Section 504 to this Plan or out of any other available funds.

313 Conforming Owners

The Agency may, at the Agency's sole and absolute discretion, determine that certain real property within the Project Area presently meets the requirements of this Plan, and the owner of such property will be permitted to remain as a conforming owner without a participation agreement with the Agency, provided such owner continues to operate, use, and maintain the real property within the requirements of this Plan.

314 Arts Funding

The Agency encourages public art and performing arts through joint ventures with private developers and in cooperation with the City. Whenever possible, any Agency arts funding will be used to leverage additional contributions from developers, other private sources, and public or quasi-public entities for purposes of including public art within the streetscape projects identified in this Plan.

400 USES PERMITTED IN THE PROJECT AREA

401 Designated Land Uses

The Agency intends to rely upon the overall land use designations and zoning classifications of the City, as depicted on Attachment 4 and as set forth in the City's Comprehensive Plan Land Use Map, including the future land use map and zoning classifications, as may be amended. For the most part, the Project Area is proposed as mixed-use residential, commercial, retail and office development. Provided, however, nothing herein within this Plan shall be deemed to be granting any particular right to zoning classification or use.

402 [Reserved]

403 Public Rights-of-Way

The Project Area includes portions of Chubbuck Road, Olympus Drive and Interstate -15. The proposed development contemplates a new Interstate 15 interchange (Siphon Road) and several new City roads including the local road connecting the new Interstate 15 interchange to Olympus Drive. The new roadway will be constructed in conjunction with any applicable policies and design standards of the City (and State and Federal, as the case may be) regarding dedicated rights-of-way.

Additional improvements to existing streets and easements may be created, improved, or extended in the Project Area as needed for development. Existing streets, easements, and irrigation or drainage laterals or ditches may be abandoned, closed, or modified as necessary for proper development of the Project Area, in conjunction with any applicable policies and standards of the City regarding changes to dedicated rights-of-way, and appropriate irrigation or drainage districts regarding changes to laterals or ditches.

Any development, maintenance and future changes in the existing interior or exterior street layout shall be in accordance with the objectives of this Plan and the City's design standards; shall be effectuated in the manner prescribed by State and local law; and shall be guided by the following criteria:

- a. A balancing of the needs of proposed and potential new developments for adequate vehicular access, vehicular parking, and delivery loading docks with the similar needs of any existing developments permitted to remain. Such balancing shall take into consideration the rights of existing owners and tenants under the rules for owner and tenant participation adopted by the Agency for the Project and any participation agreements executed thereunder;
- b. The requirements imposed by such factors as topography, traffic safety, and aesthetics; and
- c. The potential need to serve not only the Project Area and new or existing developments, but to also serve areas outside the Project Area by providing convenient and efficient vehicular access and movement.

The public rights-of-way may be used for vehicular and/or pedestrian traffic, as well as for public improvements, public and private utilities, and activities typically found in public rights-of-way.

404 Interim Uses

Pending the ultimate development of land by developers and participants, the Agency is authorized to use or permit the use of any land in the Project Area for interim uses that are not in conformity with the uses permitted in this Plan. However, any interim use must comply with applicable City Code or Bannock County Code.

405 Development in the Project Area Subject to the Plan

All real property in the Project Area, under the provisions of an owner participation agreement, is made subject to the controls and requirements of this Plan. No such real property shall be developed, rehabilitated, or otherwise changed after the date of the adoption of this Plan, except in conformance with the provisions of this Plan.

405.1 Construction Shall Comply with Applicable Federal, State, and Local Laws and Ordinances and Agency Development Standards

All construction in the Project Area shall comply with all applicable state and local laws and codes in effect from time to time. In addition to applicable codes, ordinances, or other requirements governing development in the Project Area, additional specific performance and development standards may be adopted by the Agency to control and direct redevelopment activities in the Project Area in the event of a disposition and development agreement or owner participation agreement.

406 Design for Development

Within the limits, restrictions, and controls established in this Plan, the Agency is authorized to establish heights of buildings, density, land coverage, setback requirements, design criteria, traffic circulation, traffic access, and other development and design controls necessary for proper development of both private and public areas within the Project Area. Any development must also comply with the City's zoning ordinance regarding heights, setbacks, density and other like standards.

In the case of property which is the subject of an owner participation agreement with the Agency, no new improvement shall be constructed, and no existing improvement shall be substantially modified, altered, repaired, or rehabilitated, except in accordance with this Plan. Under those agreements the architectural, landscape, and site plans shall be submitted to the Agency and approved in writing by the Agency. One of the objectives of this Plan is to create an attractive and pleasant environment in the Project Area. Therefore, such plans shall give consideration to good design, open space, and other amenities to enhance the aesthetic quality of the Project Area. The Agency shall not approve any plans that do not comply with this Plan. The Agency reserves the right to impose such design standards on an ad hoc, case by case basis through the approval process of the owner participation agreement or disposition and development agreement. Any change to such approved design must be consented to by the Agency and such consent may be conditioned upon reduction of Agency's financial participation towards the Project.

In the event the Agency adopts design standards or controls, those provisions will thereafter apply to each site or portion thereof in the Project Area. Those controls and standards will be implemented through the provisions of any owner participation agreement or by appropriate covenants appended to the land and instruments of conveyance executed pursuant thereto. These controls are in addition to any standards and provisions of any applicable City

building or zoning ordinances; provided, however, each and every development shall comply with all applicable City zoning and building ordinance.

407 Nonconforming Uses

The Agency may permit an existing use to remain in an existing building and site usage in good condition, which use does not conform to the provisions of this Plan, provided that such use is generally compatible with existing and proposed developments and uses in the Project Area. The owner of such a property must be willing to enter into an owner participation agreement and agree to the imposition of such reasonable restrictions as may be necessary to protect the development and use of the Project Area.

The Agency may authorize additions, alterations, repairs, or other improvements in the Project Area for uses which do not conform to the provisions of this Plan where such improvements are within a portion of the Project where, in the determination of the Agency, such improvements would be compatible with surrounding Project uses and development.

All nonconforming uses shall also comply with the City Ordinances.

408 Design Guidelines for Development under a Disposition and Development Agreement or Owner Participation Agreement

Under an owner participation agreement, the design guidelines and land use elements of the Plan shall be achieved to the greatest extent feasible, though the Agency retains the authority to grant minor variations under ~~Section 407.10 of~~ this Plan and subject to a negotiated agreement between the Agency and the developer or property owner.

Under those agreements, the architectural, landscape, and site plans shall be submitted to the Agency and approved in writing by the Agency. In such agreements, the Agency may impose additional design controls. One of the objectives of this Plan is to create an attractive pedestrian environment in the Project Area. Therefore, such plans shall give consideration to good design and amenities to enhance the aesthetic quality of the Project Area. These additional design standards or controls will be implemented through the provisions of any owner participation agreement. These controls are in addition to any standard and provisions of any applicable City building or zoning ordinances; provided, however, each and every development shall comply with all applicable City zoning and building ordinances.

500 METHODS OF FINANCING THE PROJECT

501 General Description of the Proposed Financing Method

The Agency is authorized to finance this Project with revenue allocation funds, financial assistance from the City (loans, grants, other financial assistance), state of Idaho, federal government or other public entities, interest income, developer advanced funds, donations, loans from private financial institutions (bonds, notes, line of credit), the lease or sale of Agency-owned property, public parking revenue, or any other available source, public or private.

~~including assistance from any taxing district or any public entity. The Agency is authorized to finance this Project with revenue allocation proceeds, financial assistance from the City, state of Idaho, federal government, interest income, developer advanced funds, donations, loans from private financial institutions (line of credit), or any other available source, public or private, including assistance from any taxing district or any public entity.~~

The Agency is also authorized to obtain advances, lines of credit, borrow funds, and create indebtedness in carrying out this Plan. The Agency may also consider an inter-fund transfer from other urban renewal project areas and a grant from the City. The principal and interest on such advances, funds, and indebtedness may be paid from any funds available to the Agency. The City, as it is able, may also supply additional assistance through City loans and grants for various public facilities.

The City or any other public agency may expend money to assist the Agency in carrying out this Project.

502 — Revenue Funds

As allowed by law and subject to restrictions as are imposed by law, the Agency is authorized to issue notes or bonds from time to time, if it deems appropriate to do so, in order to finance all or any part of the Project. Neither the members of the Agency nor any persons executing the bonds are liable personally on the bonds by reason of their issuance.

503 — Other Loans and Grants

~~Any other loans, grants, guarantees, or financial assistance from the United States, the state of Idaho, including ICDBG funds, or any other public or private source will be utilized if available. The Agency may consider funding sources through Local Improvement Districts as authorized by state law. Neither the members of the Agency nor any persons executing such loans or grants shall be liable on the loans or grants by reason of their issuance.~~

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~~The Agency also intends to seek appropriate private contributions, where applicable, to assist in the funding of the activities described herein.~~

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5024 Revenue Allocation Financing Provisions

The Agency hereby adopts revenue allocation financing provisions as authorized by the Act, effective retroactively to January 1, 2018. These revenue allocation provisions shall apply to all taxing districts which are located in or overlap the Revenue Allocation Area shown and described on Attachments 1 and 2 to this Plan. The Agency shall take all actions necessary or convenient to implement these revenue allocation financing provisions. The Agency specifically finds that the equalized assessed valuation of property within the Revenue Allocation Area is likely to increase as a result of the initiation of the Project.

The Agency, acting by one or more resolutions adopted by its Board, is hereby authorized to apply all or any portion of the revenues allocated to the Agency pursuant to the Act to pay as

costs are incurred or to pledge all or any portion of such revenues to the repayment of any moneys borrowed, indebtedness incurred, or notes or bonds issued by the Agency to finance or to refinance the Project Costs (as defined in Idaho Code § 50-2903(14)) of one or more urban renewal projects.

Upon enactment of a City Council ordinance finally adopting these revenue allocation financing provisions and defining the Revenue Allocation Area described herein as part of the Plan, there shall hereby be created a special fund of the Agency into which the County Treasurer shall deposit allocated revenues as provided in Idaho Code § 50-2908. The Agency shall use such funds solely in accordance with Idaho Code § 50-2909 and solely for the purpose of providing funds to pay the Project Costs, including any incidental costs, of such urban renewal projects as the Agency may determine by resolution or resolutions of its Board.

A statement listing proposed public improvements and facilities, a schedule of improvements, an economic feasibility study, estimated project costs, fiscal impact upon other taxing districts, and methods of financing project costs required by Idaho Code § 50-2905 is included in Attachments 5.1-5.5 to this Plan. This statement necessarily incorporates estimates and projections based on the Agency's present knowledge and expectations. The Agency is hereby authorized to adjust the presently anticipated urban renewal projects and use of revenue allocation financing of the related Project Costs if the Board deems such adjustment necessary or convenient to effectuate the general objectives of the Plan in order to account for revenue inconsistencies and unknown future costs. Agency revenue and the ability to fund reimbursement of eligible Project Costs is more specifically detailed in the annual budget.

The Agency may also appropriate funds consisting of revenue allocation proceeds on an annual basis without the issuance of notes or bonds. The Agency has also provided for obtaining advances or loans from the City or Agency, or from the Agency's other revenue allocation area, or private entity and financial institutions in order to immediately commence construction of certain of the public improvements. Revenues will continue to be allocated to the Agency until the improvements identified in Attachments 5.1-5.2 are completely constructed or until any obligation to the City or any other public entity, other revenue allocation area, or private entity are fulfilled. Attachments 5.1-5.5 incorporate estimates and projections based on the Agency's present knowledge and expectations concerning the length of time to complete the improvements and estimated future revenues. The activity may take longer depending on the significance and timeliness of development. Alternatively, the activity may be completed earlier if revenue allocation proceeds are greater or the Agency obtains additional funds from another source.

The revenue allocation proceeds are hereby irrevocably pledged for the payment of the principal and interest on the advance of monies or making of loans or the incurring of any indebtedness such as bonds, notes, and other obligations (whether funded, refunded, assumed, or otherwise) by the Agency to finance or refinance the Project in whole or in part.

The Agency is authorized to make such pledges as to specific advances, loans, and indebtedness as appropriate in carrying out the Project.

The Agency reserves the right to either pay for Project Costs from available revenue (pay as you go basis) or borrow funds by incurring debt through notes or other obligations.

Revenue allocation proceeds are deemed to be only a part of the proposed funding sources for the payment of public improvements and other project improvements. Additionally, project funding is proposed to be phased for the improvements, allowing various sources of funds to be accumulated for use.

504502.1 Economic Feasibility Study

Attachment 5.2 constitutes the Economic Feasibility Study ("Study") as supported by Attachments 5.1, 5.3, 5.4, and 5.5 for the urban renewal area prepared by Phil Kushlan, Kushlan Associates. The Study constitutes the financial analysis required by the Act and is based upon existing information from the developers, the Agency and the City. Projections are based upon input from the Agency, property owners, developers, City and other public entities.

The Study also relies on information included in the Market Analysis, dated June 2018, and prepared by Chris Zahas, Leland Consulting Group (the "Market Study"). The Market Study is attached hereto as Attachment 5.5.

504502.2 Assumptions and Conditions/Economic Feasibility Statement

The information contained in Attachments 5.1-5.5 assumes certain completed and projected actions. Under the provisions of the Act, the revenue allocation shall continue until the debt or other obligations or other project activity is completed or satisfied, or as otherwise set forth in the Act. All debt is projected to be repaid no later than the duration period of the Plan. The total amount of bonded indebtedness (and all other loans or indebtedness) and the amount of revenue generated by revenue allocation are dependent upon the extent and timing of private development. Should all of the development take place as projected, the project indebtedness could be extinguished earlier, dependent upon the bond sale documents or other legal obligations. Should private development take longer to materialize, or should the private development be substantially less than projected, then the amount of revenue generated will be substantially reduced and debt may continue for its full term.

The Plan and the Plan Attachments incorporate estimates and projections based on the Agency's present knowledge and expectations. The Plan proposes certain public improvements as set forth in Attachments 5.1 and 5.2, which will facilitate development in the Revenue Allocation Area.

The assumptions set forth in the Study are based upon the best information available to the Agency through public sources or discussions with property owners, developers, City and others. The information has been analyzed by the Agency and its consultants in order to provide an analysis that meets the requirements set forth under the Law and Act. At the point in time when the Agency may seek a loan from lenders or others, a more detailed and then-current financial pro forma will be presented to those lenders or underwriters for analysis to determine

the borrowing capacity of the Agency. As set forth herein, the Agency reserves the right to fund the Project on a "pay as you go" basis. The Agency Board will prioritize the activities set forth in this Plan and determine what funds are available and what activities can be funded. The Agency will establish those priorities through its mandated annual budgetary process.

The assumptions concerning revenue allocation proceeds are based upon certain assessed value increases, assumed tax levy rates, and the Market Analysis as more specifically set forth in Attachments 5.1-5.5. In projecting new construction, the consultants considered the construction of the new Interstate 15 interchange, the construction of the local road connecting the interchange to Olympus Drive, proposed project plans provided by the developers, the developers anticipated build-out timeline, and historical market absorption rates for commercial, retail and residential improvements. The types of new construction expected in the Project Area are: commercial, office, medical and nursing facility, residential, including residential above retail and office, live-work residences, higher density townhome, and single-family homes, lodging and retail. Developers have identified significant interest in these development types. The Project Area has potential for a significant increase in residential growth as interest has been expressed for new construction single family, condominium and higher density living, particularly with regard to the close access and walkability to the County-owned ~~recreation~~ centerwellness complex. Several large parcels in the Project Area have recently been acquired for development purposes. Other owners have expressed interest in developing their properties or selling to a developer. However, without a method to construct the identified public improvements such as main water and sewer lines and street infrastructure, development is unlikely to occur in much of the Project Area.

The financial analysis set forth in Attachments 5.3-5.4 has taken into account and excluded levies that do not flow to the Agency consistent with Idaho Code § 50-2908.

It is understood that application of certain exemptions, including the homeowner's exemption and Idaho Code § 63-602K, which provides for personal property tax exemption to businesses may have the effect of reducing the increment value, which in turn reduces revenue.

504502.3 Ten Percent Limitation²

Under the Act, the base assessed valuation for all revenue allocation areas cannot exceed gross/net ten percent (10%) of the current assessed taxable value for the entire City. According to the Bannock County Assessor. The total assessed taxable value for the City as of January 1, 2017, less homeowners' exemptions, is \$2,510,768,942.00. Therefore, the 10% limit is \$251,076,894.00.

The adjusted base assessed value of each of the existing revenue allocation areas as of January 1, 2017, is as follows:

² Due to the timing of the assessment process and creation of this Plan, the 2017 values have been used to establish compliance with the 10% limitation. Using the 2017 values, the total value of the existing revenue allocation areas combined with the value of this Project Area are less than 1.5% of the total value of the City. Even assuming an increase in values for 2018, the combined values of the revenue allocation areas would not exceed 10% of the current assessed value for the entire City.

North Yellowstone Urban Renewal District	\$8,918,151
Naval Ordnance Urban Renewal District	\$3,449,470
North Portneuf Urban Renewal District	\$4,409,661
Pocatello Airport Urban Renewal District	\$995,883

The estimated base value for the proposed Northgate District (after the agricultural exemption is lifted) is \$15,964,566.

The adjusted base values for the combined revenue allocation areas total \$33,737,731, which is less than 10% of the City's 2017 value.

504502.4 Financial Limitation

The Study identifies several capital improvement projects. Use of any particular funding source for any particular purpose is not assured or identified. Use of the funding source shall be conditioned on any limiting authority, including any limitations set forth in the Law, the Act, or by contract. If revenue allocation funds are unavailable, then the Agency will need to use a different funding source for that improvement.

The amount of funds available to the Agency from revenue allocation financing is directly related to the assessed value of new improvements within the Revenue Allocation Area. Under the Act, the Agency is allowed the revenue allocation generated from inflationary increases and new development value. Increases have been assumed based upon the projected value of new development as that development occurs along with possible land reassessment based on a construction start.

The Study, with the various estimates and projections, constitutes an economic feasibility study. Costs and revenues are analyzed, and the analysis shows the need for public capital funds during the project. Multiple financing sources including proposed revenue allocation notes, annual revenue allocations, developer contributions, city contributions, interfund loan, and other funds are shown. This Study identifies the kind, number, and location of all proposed public works or improvements, a detailed list of estimated project costs, a description of the methods of financing illustrating project costs, and the time when related costs or monetary obligations are to be incurred. See Idaho Code § 50-2905. Based on these funding sources, the conclusion is that the project is feasible.

The information contained in the Study assumes certain projected actions. First, the Agency has projected an advance from the City, County and Agency to assist with funding the planning, engineering and construction of the new Interstate 15 interchange. Additionally, the Agency has projected an advance from the City and the Agency to assist with funding the local road connecting the new Interstate 15 interchange to Olympus Drive. Under the provisions of the Act, the revenue allocation may continue until the end of the Plan term. Second, as set forth in Section 504.2, the total amount of indebtedness and the amount of revenue generated by revenue allocation is dependent upon the extent and timing of private development. The proposed timing for the public improvements may very well have to be adjusted depending upon the availability

of some of the funds and the Agency's ability to finance any portion of the Project. **Any adjustment to Project timing or funding is technical or ministerial in nature and shall not be considered a modification of the Plan pursuant to Idaho Code Section 50-2903A.**

Attachments 5.1-5.2 list those public improvements the Agency intends to reimburse the developer for through the term of the Plan. The costs of improvements are estimates only as it is impossible to know with any certainty what the costs of improvements will be in future years. There is general recognition that construction costs fluctuate and are impacted by future unknowns, such as, the cost of materials and laborers. Final costs will be determined by way of construction contract public bidding or by an agreement between the developer/owner and Agency. The listing of public improvements does not commit the Agency to any particular level of funding; rather, identification of the activity in the Plan allows the Agency to negotiate the terms of any reimbursement with the developer. This Plan does not financially bind or obligate the Agency to any project or property acquisition; rather, for purposes of determining the economic feasibility of the Plan certain projects and expenditures have been estimated and included in the analysis. Agency revenue and the ability to fund reimbursement of eligible Project Costs is more specifically detailed in any participation agreement and in the annual budget adopted by the Agency Board.

The Agency reserves its discretion and flexibility in deciding which improvements are more critical for redevelopment, and the Agency intends to coordinate its public improvements with associated development by private developers/owners. Where applicable, the The Agency also intends to coordinate its participation in the public improvements with the receipt of certain grants or loans which may require the Agency's participation in some combination with the grant and loan funding.

Generally, the Agency expects to develop those improvements identified in Attachments 5.1-5.2 first, in conjunction with private development within the Project Area generating the increment as identified in Attachments 5.1-5.4.

The Plan has shown that the equalized valuation of the Revenue Allocation Area as defined in the Plan is likely to increase as a result of the initiation and completion of urban renewal projects pursuant to the Plan.

504502.5 [Reserved]

504502.6 Participation with Local Improvement Districts and/or Community Infrastructure Districts

Under the Idaho Local Improvement District Code, Chapter 17, Title 50, Idaho Code, the City has the authority to establish local improvement districts for various public facilities, including, but not limited to, streets, curbs, gutters, sidewalks, storm drains, landscaping, and other like facilities. To the extent allowed by the Law and the Act, the Agency reserves the authority to participate in the funding of local improvement district facilities. This participation may include either direct funding to reduce the overall cost of the ~~LID~~ local improvement district

or to participate as an assessed entity to finance the LID-local improvement district project.

Further, a community infrastructure district formed pursuant to the Community Infrastructure District Act, Chapter 31, Title 50, Idaho Code, provides an additional funding mechanism for certain public improvements benefitting the district, including highways, interstates, public parking facilities, pedestrian and bicycling trails, public safety facilities (law enforcement, fire, emergency medical and rescue), street lighting facilities, and real property acquisition for community infrastructure, water supply treatment, storage and distribution facilities, wastewater collection, treatment and disposal facilities, road, streets and related landscaping, storm water facilities, parks and open space. To the extent allowed by the Law and the Act, the Agency reserves the authority to participate in the funding of community infrastructure district facilities. This participation may include either direct funding to reduce the overall cost of the community infrastructure district or to participate as an assessed entity to finance the community infrastructure district project.

504502.7 Issuance of Debt and Debt Limitation

Any debt incurred by the Agency as allowed by the Law and Act shall be secured by revenue allocation funds as allowed by the Act. All such debt shall be repaid within the duration of this Plan, except as may be authorized by law.

504502.8 Impact on Other Taxing Districts and Levy Rate

An estimate of the overall impact of the revenue allocation project on each taxing district is shown in the Study.

The assessed value for each property in a revenue allocation area consists of a base value and an increment value. The base value is the assessed value as of January 1 of the year in which a revenue allocation area is approved by a municipality, with periodic adjustments allowed by Idaho law. The increment value is the difference between the base assessed value and current assessed value in any given year while the property is in a revenue allocation area. Under Section § 63-802, Idaho Code, taxing entities are constrained in establishing levy rates by the amount each budget of each taxing district can increase on an annual basis. Taxing entities submit proposed budgets to the County Board of Commissioners, which budgets are required to comply with the limitations set forth in Section 63-802, Idaho Code. Therefore, the impact of revenue allocation on the taxing entities is more of a product of the imposition of Idaho Code § 63-802, then the effect of urban renewal.

The County Board of Commissioners calculates the levy rate required to produce the proposed budget amount for each taxing entity using the assessed values which are subject to each taxing entity's levy rate. Assessed values in urban renewal districts which are subject to revenue allocation (incremental values) are not included in this calculation. The combined levy rate for the taxing entities is applied to the incremental property values in a revenue allocation area to determine the amount of property tax revenue which is allocated to an urban renewal agency. The property taxes generated by the base values in the urban renewal districts and by properties outside revenue allocation areas are distributed to the other taxing entities. Properties

in revenue allocation areas are subject to the same levy rate as they would be outside a revenue allocation area. The difference is how the revenue is distributed. If the overall levy rate is less than assumed, the Agency will receive fewer funds from revenue allocation.

In addition, without the Revenue Allocation Area and its ability to pay for public improvements and public facilities, fewer substantial improvements within the Revenue Allocation Area would be expected during the term of the Plan; hence, there would be lower increases in assessed valuation to be used by the other taxing entities.

One result of new construction occurring outside the revenue allocation area (Idaho Code §§ 63-802 and 63-301A) is the likely reduction of the levy rate as assessed values increase for property within each taxing entity's jurisdiction. From and after December 31, 2006, Idaho Code § 63-301A prohibits taxing entities from including, as part of the new construction roll, the increased value related to new construction within a revenue allocation area until the revenue allocation authority is terminated. Any new construction within the Project Area is not available for inclusion by the taxing entities to increase their budgets. Less tax revenue will be available to those taxing entities. Upon termination of this Plan, the taxing entities will be able to include the accumulated new construction roll value in setting the following year's budget and revenue from such value is not limited to the three percent increase allowed in Idaho Code § 63-802(1)(a).

As the 2018 certified levy rates are not determined until late September 2018, the 2017 certified levy rates have been used in the Study for purposes of the analysis. For Tax Year 2017³, those districts and rates for the parcels located within the City are as follows:⁴

<u>Taxing Districts</u>	<u>Levy Rates:</u>
Bannock County	.005365305
City of Pocatello	.011281940
Pocatello School District #25	.000000000
Bannock Ambulance	.000400000
Bannock County Road & Bridge	.000674609
Mosquito Abatement	.000027026
TOTAL LEVY ⁵	.017748880

For Tax Year 2017,⁶ those districts and rates for the parcels located within the unincorporated County are as follows:⁷

³ Due to the timing of the taxing districts' budget and levy setting process, certification of the 2018 levy rates did not occur until this Plan had been prepared and considered by the Agency. In order to provide a basis to analyze the impact on the taxing entities, the 2017 levy rates are used. Use of the 2017 levy rates provides a more accurate base than estimating the 2018 levy rates.

⁴ It is unclear how the personal property tax exemption set forth in Idaho Code § 63-602KK may impact the levy rate.

⁵ Net of voter approved bonds and levies.

⁶ Due to the timing of the taxing districts' budget and levy setting process, certification of the 2018 levy rates did not occur until this Plan had been prepared and considered by the Agency. In order to provide a basis to analyze the

Taxing Districts

Levy Rates:

Bannock County	.005365305
Pocatello School District #25	.000000000
Bannock Ambulance	.000400000
Bannock County Road & Bridge	.000674609
Portneuf Library	.000583499
Mosquito Abatement	.000027026
<u>Bannock Fire</u>	<u>.000551251</u>
TOTAL LEVY ⁸	<u>.00705043900760169</u>

impact on the taxing entities, the 2017 levy rates are used. Use of the 2017 levy rates provides a more accurate base than estimating the 2018 levy rates.

⁷ It is unclear how the personal property tax exemption set forth in Idaho Code § 63-602KK may impact the levy rate.

⁸ Net of voter approved bonds and levies.

The Study has made certain assumptions concerning the levy rate. First, it is anticipated the parcels currently located outside the jurisdictional boundaries of the City and in unincorporated Bannock County will be annexed into the City. As a result, the levy rate applied to parcels within the boundaries of the City has been used to estimate revenue. Second, the levy rate is estimated to stay level for the life of the revenue allocation area. As the actual impact of the termination of the revenue allocation areas on the levy rate is unknown, the Study has assumed a conservative levy rate of .017, which is estimated to stay level for the life of the revenue allocation area. The annual increment value is expected to increase by approximately 3% (1% annual increase in land values and a 2% annual increase in improvement values) over the term of the Plan once the improvements have been completed and fully assessed by the County. If the overall levy rate is less than projected, or if expected development fails to occur as estimated, the Agency shall receive fewer funds from revenue allocation.

Pursuant to Idaho Code § 50-2908, the Agency is not entitled to revenue allocation proceeds from certain levy increases which are allowed by either specific statutory authorization or approved by an election of the qualified electors of the particular taxing district. Therefore, for any levy election, the Agency will not receive revenue allocation funds which would have been generated by imposing that levy on the assessed valuation within the Project Area. The Study has taken this statute into account. This is also the reason there is no anticipated impact to Pocatello School District #25.

505503 Phasing and Other Fund Sources

The Agency anticipates funding only a portion of the entire cost of the public improvements shown on Attachments 5.1-5.5. Other sources of funds shall include City, County and developer participation. Agency participation shall be determined by the amount of revenue allocation funds generated.

506504 Lease Revenue, ~~Parking Revenue,~~ and Bonds

Under the Law (Idaho Code § 50-2012), the Agency is authorized to issue revenue bonds to finance certain public improvements identified in the Plan. Under that type of financing, the public entity would pay the Agency a lease payment annually which provides certain funds to the Agency to retire the bond debt. Another variation of this type of financing is sometimes referred to as conduit financing, which provides a mechanism where the Agency uses its bonding authority for the Project, with the end user making payments to the Agency to retire the bond debt. These sources of revenues are not related to revenue allocation funds and are not particularly noted in the Study, because of the "pass through" aspects of the financing. Under the Act, the economic feasibility study focuses on the revenue allocation aspects of the Agency's financial model.

These financing models typically are for a longer period of time than the 20-year period set forth in the Act. However, these financing models do not involve revenue allocation funds, but rather funds from the end users which provide a funding source for the Agency to continue to

own and operate the facility beyond the term of the Plan as allowed by Idaho Code § 50-2905(8) as those resources involve funds not related to revenue allocation funds.

507505 Membership Dues and Support of Community Economic Development

The Act is premised upon economic development being a valid public purpose. To the extent allowed by the Law and the Act, the Agency reserves the authority to use revenue allocation funds to contract with non-profit and charitable organizations established for the purpose of supporting economic development and job creation. Additionally, the Agency reserves the authority to expend revenue allocation funds to join, participate and support non-profit organizations established to support Agency best practices and administration. The line item of Operating Expenses within the Study shall be deemed to include expenditures for the purposes described in this section as may be deemed appropriate during the annual budgetary process.

600 ACTIONS BY THE CITY AND COUNTY

The City and County shall aid and cooperate with the Agency in carrying out this Plan and shall take all actions necessary to ensure the continued fulfillment of the purposes of this Plan and to prevent the recurrence or spread in the area of conditions causing deterioration. Actions by the City and County ~~shall~~ may include, but not be limited to, the following:

- a. Institution and completion of proceedings necessary for changes and improvements in private and publicly owned public utilities within or affecting the Project Area.
- b. Revision of zoning (if necessary) within the Project Area to permit the land uses and development authorized by this Plan.
- c. Imposition wherever necessary of appropriate controls within the limits of this Plan upon parcels in the Project Area to ensure their proper development and use.
- d. Provision for administrative enforcement of this Plan by the City after development. The City and the Agency may develop and provide for enforcement of a program for continued maintenance by owners of all real property, both public and private, within the Project Area throughout the duration of this Plan.
- e. Building Code enforcement.
- f. Performance of the above actions and of all other functions and services relating to public peace, health, safety, and physical development normally rendered in accordance with a schedule which will permit the redevelopment of the Project Area to be commenced and carried to completion without unnecessary delays.

- g. Institutional and completion of proceedings necessary for the establishment of a local improvement district under Chapter 17, Title 50, Idaho Code.
- h. The undertaking and completing of any other proceedings necessary to carry out the Project.
- i. Administration of ~~Idaho~~ Community Development Block Grant funds that may be made available for this Project.
- j. Appropriate agreements with the Agency for administration, supporting services, funding sources, and the like.
- k. Imposition, whenever necessary of controls within the limits of this Plan upon parcels in the Project Area to ensure their proper development and use.
- l. The waiver of any hookup or installation fee for sewer, water, or other utility services for any facility owned by any public agency, including any Agency facility.
- m. Joint funding of certain public improvements, including but not limited to improvements to sewer treatment facilities.
- n. Use of public entity labor, services, and materials for construction of the public improvements listed in this Plan.
- o. The waiver of any city impact fee for development within the Project Area.
- p. Institutional and completion of proceedings necessary for the establishment of a community infrastructure district under Chapter 31, Title 50, Idaho Code.

The foregoing actions, ~~to be~~ taken by the City, do not constitute any commitment for financial outlays by the City.

Actions by the County shall include, but not be limited to, entering into an agreement with the Agency and/or the City as may be necessary to make improvements to the portion of the Project Area located within the boundaries of the County, to coordinate with the City on annexation proceedings, and to coordinate with the Agency and/or City on the establishment of a community infrastructure district. The foregoing actions, ~~if to be~~ taken by the County, do not constitute any commitment for financial outlays by the County.

601 Maintenance of Public Improvements

The Agency has not identified any commitment or obligation for long-term maintenance of the public improvements identified. The Agency will need to address this issue with the appropriate entity, public or private, who has benefited from or is involved in the ongoing preservation of the public improvement.

700 ENFORCEMENT

The administration and enforcement of this Plan, including the preparation and execution of any documents implementing this Plan, shall be performed by the Agency and/or the City.

800 DURATION OF THIS PLAN, TERMINATION, AND ASSET REVIEW

Except for the nondiscrimination and nonsegregation provisions which shall run in perpetuity, the provisions of this Plan shall be effective, and the provisions of other documents formulated pursuant to this Plan, shall be effective for twenty (20) years from the effective date of the Plan subject to modifications and/or extensions set forth in Idaho Code § 50-2904. The revenue allocation authority will expire on December 31, 2038, except for any revenue allocation proceeds received in calendar year 2039, as contemplated by Idaho Code § 50-2905(7). The Agency may use proceeds in 2039 to complete the projects set forth herein. As stated in the Plan, any owner participation agreement or disposition and development agreement obligations will cease as of December 31, 2038.

Idaho Code § 50-2093(5) provides the Agency shall adopt a resolution of intent to terminate the revenue allocation area by September 1. In order to provide sufficient notice of termination to the affected taxing districts to allow them to benefit from the increased budget capacity, the Agency will use its best efforts to provide notice of its intent to terminate this Plan and its revenue allocation authority by May 1, 2039, or if the Agency determines an earlier terminate date, then by May 1 of the early termination year:

- a. When the Revenue Allocation Area plan budget estimates that all financial obligations have been provided for, the principal of and interest on such moneys, indebtedness, and bonds have been paid in full or when deposits in the special fund or funds created under this chapter are sufficient to pay such principal and interest as they come due, and to fund reserves, if any, or any other obligations of the Agency funded through revenue allocation proceeds shall be satisfied and the Agency has determined no additional project costs need be funded through revenue allocation financing, the allocation of revenues under Idaho Code § 50-2908 shall thereupon cease; any moneys in such fund or funds in excess of the amount necessary to pay such principal and interest shall be distributed to the affected taxing districts in which the Revenue Allocation Area is located in the same manner and proportion as the most recent distribution to the affected taxing districts of the taxes on the taxable property located within the Revenue Allocation Area; and the powers granted to the urban renewal agency under Idaho Code § 50-2909 shall thereupon terminate.
- b. In determining the termination date, the Plan shall recognize that the Agency shall receive allocation of revenues in the calendar year following the last year of the revenue allocation provision described in the Plan.

- c. For the fiscal year that immediately predates the termination date, the Agency shall adopt and publish a budget specifically for the projected revenues and expenses of the Plan and make a determination as to whether the Revenue Allocation Area can be terminated before January 1 of the termination year pursuant to the terms of Idaho Code § 50-2909(4). In the event that the Agency determines that current tax year revenues are sufficient to cover all estimated expenses for the current year and all future years, by May 1, but in any event, no later than September 1, the Agency shall adopt a resolution advising and notifying the local governing body, the county auditor, and the State Tax Commission, recommending the adoption of an ordinance for termination of the Revenue Allocation Area by December 31 of the current year, and declaring a surplus to be distributed as described in Idaho Code § 50-2909 should a surplus be determined to exist. The Agency shall cause the ordinance to be filed with the office of the county recorder and the Idaho State Tax Commission as provided in Idaho Code § 63-215.

Upon termination of the revenue allocation authority of the Plan to the extent the Agency owns or possesses any assets, the Agency shall dispose of any remaining assets by granting or conveying or dedicating such assets to the City.

As allowed by Idaho Code § 50-2905(8), the Agency may retain assets or revenues generated from such assets as loans; the Agency shall have resources other than revenue allocation funds to operate and manage such assets. Similarly, facilities which provide a least income stream to the Agency for full retirement of the facility debt will allow the Agency to meet debt services obligations and provide for the continued operation and management of the facility.

For those assets which do not provide such resources or revenues, the Agency will likely convey such assets to the City, depending on the nature of the asset.

~~Upon termination of the revenue allocation authority of the Plan, to the extent the Agency owns or possesses any assets, the Agency shall dispose of any remaining assets by granting or conveying or dedicating such assets to the City.~~

900 PROCEDURE FOR AMENDMENT OR MODIFICATION

To the extent there is any outstanding obligation, this Plan shall not be modified pursuant to the provisions set forth in Idaho Code § 50-2903A. Modification of this Plan results in a reset of the base assessment roll values to the current values in the year of modification as more fully set forth in Idaho Code § 50-2903A subject to certain limited exceptions contained therein. As more specifically identified above, the Agency's projections are based on estimated values, estimated levy rates, estimated future development, and estimated costs of future construction/improvements. Annual adjustments as more specifically set forth in the Agency's annual budget will be required to account for more/less estimated revenue and prioritization of projects (if necessary). Any adjustments for these stated purposes is technical and ministerial and is not deemed a modification under Idaho Code § 50-2903A.

1000 SEVERABILITY

If any one or more of the provisions contained in this Plan to be performed on the part of the Agency shall be declared by any court of competent jurisdiction to be contrary to law, then such provision or provisions shall be null and void and shall be deemed separable from the remaining provisions in this Plan and shall in no way affect the validity of the other provisions of this Plan.

1100 ANNUAL REPORT AND OTHER REPORTING REQUIREMENTS

Under the Law, the Agency is required to file with the City, on or before March 31 of each year, a report of the Agency's activities for the preceding calendar year, which report shall include a complete financial statement setting forth its assets, liabilities, income, and operating expenses as of the end of such calendar year. This annual report shall be considered at a public meeting to report these findings and take comments from the public.

Additionally, the Agency must comply with certain other reporting requirements as set forth in Idaho Code § 67-450E, the local government registry portal, Idaho Code § 50-2913, the tax commission plan repository, and Idaho Code § 50-2903A, the tax commission's plan modification annual attestation. Failure to report the information requested under any of these statutes results in significant penalties, including loss of increment revenue, and the imposition of other compliance measures by the Bannock County Board of County Commissioners.

1101 APPENDICES, ATTACHMENTS, EXHIBITS, TABLES

All attachments and tables referenced in this Plan are attached and incorporated herein by their reference. All other documents referenced in this Plan but not attached are incorporated by their reference as if set forth fully.

Attachment I

Map of Urban Renewal Project Area and Revenue Allocation Area

Attachment 2

Description of Urban Renewal Project Area and Revenue Allocation Area

Attachment 3

Private Properties Which May Be Acquired by Agency

1. The Agency has not identified any particular parcel for the construction of public improvements or for private redevelopment. Properties which may be subject to acquisition included parcels to:
 - a) assemble with adjacent parcels to facilitate redevelopment;
 - b) assemble with adjacent rights-of-way to improve configuration and enlarge parcels for redevelopment;
 - c) reconfigure sites for development and possible extension of streets or pathways
 - d) assemble for future transfer to qualified developers to facilitate the development of mixed-use, residential, commercial and retail areas.
 - e) assemble for the construction of certain public improvements, including but not limited to streets, streetscapes, water and sewer improvements, environmental remediation/site preparation, parking, community facilities, parks, pedestrian/bike paths and trails, riverfront access points and docks, educational facilities, multi-purpose athletic and performance facilities and other public facilities.
2. The Agency reserves the right to acquire any additional right-of-way or access routes near or around existing or planned rights-of-way.
3. The Agency reserves the right to acquire property needed to provide adequately sized sites for high priority projects for the development of public improvements (the exact location of which has not been determined).
4. Other parcels may be acquired for the purpose of facilitating catalyst or demonstration projects, constructing public parking, constructing new streets or pathways, enhancing public spaces, or to implement other elements of the urban renewal plan strategy and/or any master plan for the Project Area.
 1. Property is intended to be acquired that is necessary for the extension or expansion of certain rights of way. No other particular properties have been identified for acquisition by the Agency. The Agency does not intend to purchase property for future development by private persons.
 2. The Agency reserves the right to acquire any additional right of way or access routes near or around existing or planned rights of way.
 3. The Agency reserves the right to acquire property needed for the development of public improvements.

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Attachment 4

Map Depicting Expected Land Uses and Current Zoning Map
of the Project Area

Attachment 5.1

Public Improvements within the Revenue Allocation Area

Attachment 5.2
Economic Feasibility Study

Attachment 5.3

Estimated Net Taxable Value of Growth and New Private Development and Annual Revenue
Allocation in the Northgate Urban Renewal Project

Attachment 5.4

Estimated Annual Revenues and Costs in the Northgate Urban Renewal Project
(Cash Flow Analysis)

Attachment 5.5
Market Analysis

Attachment 6
Agricultural Consents

Attachment 7

Bannock County Board of County Commissioners Resolution No. ____ (eligibility)

Attachment 8

Pocatello City Council Resolution No. ____ (eligibility)

Attachment 9

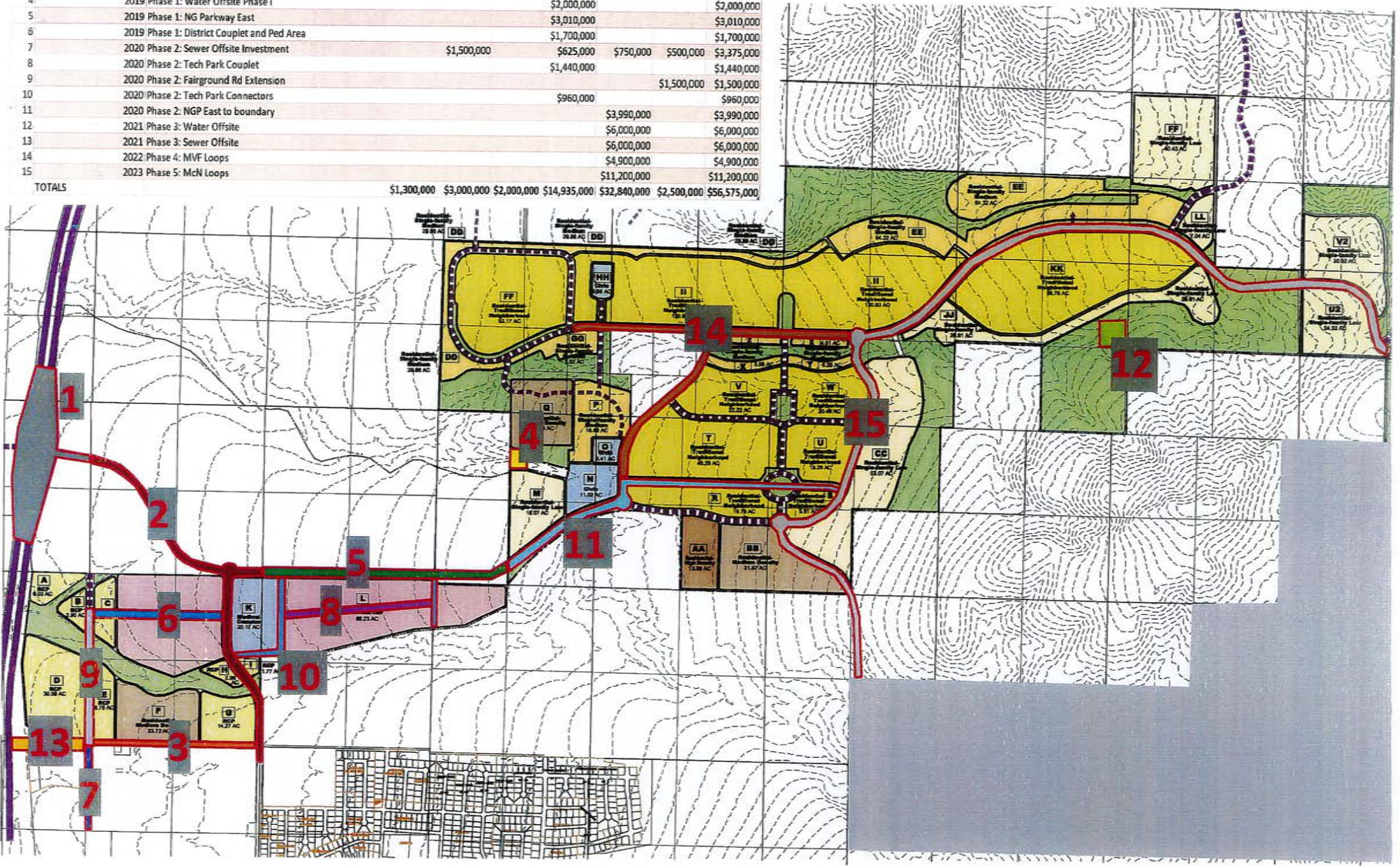
Bannock County Board of County Commissioners Ordinance No. ____ (Intergovernmental Agreement and Transfer of Powers Ordinance)

4823-5577-3547, v. 3

Item	Year	Project Description	Bannock	Pocatello	PDA	TCJV	Millennial	Portneuf	TOTAL
1	2018	Phase 1: Northgate Interchange	\$1,300,000	\$500,000	\$1,700,000				\$3,500,000
2	2018	Phase 1: Olympus NG Extension/Utilities/ROW		\$1,000,000	\$300,000	\$5,200,000			\$6,500,000
3	2018	Phase 1: Chubbuck Rd Upgrade						\$500,000	\$500,000
4	2019	Phase 1: Water Offsite Phase I				\$2,000,000			\$2,000,000
5	2019	Phase 1: NG Parkway East				\$3,010,000			\$3,010,000
6	2019	Phase 1: District Couplet and Ped Area				\$1,700,000			\$1,700,000
7	2020	Phase 2: Sewer Offsite Investment		\$1,500,000		\$625,000	\$750,000	\$500,000	\$3,375,000
8	2020	Phase 2: Tech Park Couplet				\$1,440,000			\$1,440,000
9	2020	Phase 2: Fairground Rd Extension						\$1,500,000	\$1,500,000
10	2020	Phase 2: Tech Park Connectors				\$960,000			\$960,000
11	2020	Phase 2: NGP East to boundary					\$3,990,000		\$3,990,000
12	2021	Phase 3: Water Offsite					\$6,000,000		\$6,000,000
13	2021	Phase 3: Sewer Offsite					\$6,000,000		\$6,000,000
14	2022	Phase 4: MVF Loops					\$4,900,000		\$4,900,000
15	2023	Phase 5: McN Loops					\$11,200,000		\$11,200,000
TOTALS			\$1,300,000	\$3,000,000	\$2,000,000	\$14,935,000	\$32,840,000	\$2,500,000	\$56,575,000

Metrics and Assumptions	Cost/Lin Ft
Parkway 1 (e.g., Olympus Extension and NG to IC)	\$875 Incl power, water, sewer
Parkway 2: (e.g., NGP East)	\$700 Incl power, water, sewer
Arterial: (e.g., Fairway, NGP East, Chubbuck Rd Upgrade)	\$600 Incl power, water, sewer
Couplet with Plaza: (e.g., District Couplet)	\$1,000 Incl power, water, sewer

Item	Year	Project Description	Bannock	Pocatello	PDA	TCV	Millennial	Portneuf	TOTAL
1	2018	Phase 1: Northgate Interchange	\$1,300,000	\$500,000	\$1,700,000				\$3,500,000
2	2018	Phase 1: Olympus NG Extension/Utilities/ROW		\$1,000,000	\$300,000	\$5,200,000			\$6,500,000
3	2018	Phase 1: Chubbuck Rd Upgrade						\$500,000	\$500,000
4	2019	Phase 1: Water Offsite Phase I				\$2,000,000			\$2,000,000
5	2019	Phase 1: NG Parkway East				\$3,010,000			\$3,010,000
6	2019	Phase 1: District Couplet and Ped Area				\$1,700,000			\$1,700,000
7	2020	Phase 2: Sewer Offsite Investment	\$1,500,000			\$625,000	\$750,000	\$500,000	\$3,375,000
8	2020	Phase 2: Tech Park Couplet				\$1,440,000			\$1,440,000
9	2020	Phase 2: Fairground Rd Extension					\$1,500,000		\$1,500,000
10	2020	Phase 2: Tech Park Connectors				\$960,000			\$960,000
11	2020	Phase 2: NGP East to boundary				\$3,990,000			\$3,990,000
12	2021	Phase 3: Water Offsite				\$6,000,000			\$6,000,000
13	2021	Phase 3: Sewer Offsite				\$6,000,000			\$6,000,000
14	2022	Phase 4: MVF Loops				\$4,900,000			\$4,900,000
15	2023	Phase 5: McN Loops				\$11,200,000			\$11,200,000
TOTALS			\$1,300,000	\$3,000,000	\$2,000,000	\$14,935,000	\$32,840,000	\$2,500,000	\$56,575,000



A - Full report
Conservative

Northgate URD Revenue Allocation Estimates July 2018

Scenario #1 Low Inflation Rate: 1% annual increase in land Value and 2% annual increase in Improvement Value; Conservative Private invest

Year	Land Value (+1% annually) w/ ad ex	Initial Improve ment Value	Total Assessed Value w/ag ex	Est. AV w/o ag ex	Annual New Const. Value on tax roll	Cum. New Const Value + Inflation @ 2%	Cumulative Homeowners' Exemption	Taxable Value	Increment Value (I - Base)	Levy Rate (-0%)	Tax Increment Yield	Admin Costs (10%)	Funding for Capital Projects / Debt Service
2019	\$ 306,553	\$ -	\$ 306,553	\$ 15,964,566	\$ -	0	\$ -	\$ 15,964,566	\$ -	0.0171			
2020	\$ 309,619	\$ -	\$ 309,619	\$ 16,124,212	\$ -	\$ -	\$ -	\$ 16,124,212	\$ 159,646	0.0171	\$ 2,730	\$ 273	\$ 2,457
2021	\$ 312,715	\$ -	\$ 312,715	\$ 16,285,454	\$ 41,750,000	\$ 41,750,000	\$ 3,000,000	\$ 55,035,454	\$ 39,070,888	0.0171	\$ 668,112	\$ 50,000	\$ 618,112
2022	\$ 315,842	\$ -	\$ 315,842	\$ 16,448,308	\$ 6,650,000	\$ 49,235,000	\$ 5,800,000	\$ 59,883,308	\$ 43,918,742	0.0171	\$ 751,010	\$ 50,000	\$ 701,010
2023	\$ 319,000	\$ -	\$ 319,000	\$ 16,612,791	\$ 14,150,000	\$ 64,369,700	\$ 8,800,000	\$ 72,182,491	\$ 56,217,925	0.0171	\$ 961,327	\$ 50,000	\$ 911,327
2024	\$ 322,190	\$ -	\$ 322,190	\$ 16,778,919	\$ 6,650,000	\$ 72,307,094	\$ 11,600,000	\$ 77,486,013	\$ 61,521,447	0.0171	\$ 1,052,017	\$ 50,000	\$ 1,002,017
2025	\$ 325,412	\$ -	\$ 325,412	\$ 16,946,709	\$ 6,750,000	\$ 80,503,236	\$ 14,600,000	\$ 82,849,944	\$ 66,885,378	0.0171	\$ 1,143,740	\$ 50,000	\$ 1,093,740
2026	\$ 328,666	\$ -	\$ 328,666	\$ 17,116,176	\$ 6,650,000	\$ 88,763,301	\$ 1,740,000	\$ 104,139,476	\$ 88,174,910	0.0171	\$ 1,507,791	\$ 50,000	\$ 1,457,791
2027	\$ 331,953	\$ -	\$ 331,953	\$ 17,287,337	\$ 43,550,000	\$ 134,088,567	\$ 20,400,000	\$ 130,975,904	\$ 115,011,338	0.0171	\$ 1,966,694	\$ 50,000	\$ 1,916,694
2028	\$ 335,273	\$ -	\$ 335,273	\$ 17,460,211	\$ 6,650,000	\$ 143,420,338	\$ 23,200,000	\$ 137,680,549	\$ 121,715,983	0.0171	\$ 2,081,343	\$ 50,000	\$ 2,031,343
2029	\$ 338,625	\$ -	\$ 338,625	\$ 17,634,813	\$ 6,750,000	\$ 153,038,745	\$ 26,200,000	\$ 144,473,558	\$ 128,508,992	0.0171	\$ 2,197,504	\$ 50,000	\$ 2,147,504
2030	\$ 342,011	\$ -	\$ 342,011	\$ 17,811,161	\$ 6,650,000	\$ 162,749,520	\$ 29,000,000	\$ 151,560,681	\$ 135,596,115	0.0171	\$ 2,318,694	\$ 50,000	\$ 2,268,694
2031	\$ 345,432	\$ -	\$ 345,432	\$ 17,989,273	\$ 6,750,000	\$ 172,754,510	\$ 32,000,000	\$ 158,743,783	\$ 142,779,217	0.0171	\$ 2,441,525	\$ 50,000	\$ 2,391,525
2032	\$ 348,886	\$ -	\$ 348,886	\$ 18,169,165	\$ 6,650,000	\$ 182,859,600	\$ 34,800,000	\$ 166,228,765	\$ 150,264,199	0.0171	\$ 2,569,518	\$ 50,000	\$ 2,519,518
2033	\$ 352,375	\$ -	\$ 352,375	\$ 18,350,857	\$ 6,750,000	\$ 193,266,792	\$ 37,800,000	\$ 173,817,649	\$ 157,853,083	0.0171	\$ 2,699,288	\$ 50,000	\$ 2,649,288
2034	\$ 355,899	\$ -	\$ 355,899	\$ 18,534,366	\$ 6,650,000	\$ 203,782,128	\$ 40,600,000	\$ 181,716,494	\$ 165,751,928	0.0171	\$ 2,834,358	\$ 50,000	\$ 2,784,358
2035	\$ 359,458	\$ -	\$ 359,458	\$ 18,719,709	\$ 6,750,000	\$ 214,607,771	\$ 43,600,000	\$ 189,727,480	\$ 173,762,914	0.0171	\$ 2,971,346	\$ 50,000	\$ 2,921,346
2036	\$ 363,052	\$ -	\$ 363,052	\$ 18,906,906	\$ 6,650,000	\$ 225,549,926	\$ 46,400,000	\$ 198,056,832	\$ 182,092,266	0.0171	\$ 3,113,778	\$ 50,000	\$ 3,063,778
2037	\$ 366,683	\$ -	\$ 366,683	\$ 19,095,975	\$ 6,750,000	\$ 236,810,925	\$ 49,400,000	\$ 206,506,900	\$ 190,542,334	0.0171	\$ 3,258,274	\$ 50,000	\$ 3,208,274
2038	\$ 370,349	\$ -	\$ 370,349	\$ 19,286,935	\$ 6,650,000	\$ 248,197,143	\$ 52,200,000	\$ 215,284,078	\$ 199,319,512	0.0171	\$ 3,408,364	\$ 50,000	\$ 3,358,364
2039	\$ 374,053	\$ -	\$ 374,053	\$ 19,479,804		\$ 253,161,086	\$ 55,200,000	\$ 217,440,890	\$ 201,316,679	0.0171	\$ 3,442,515	\$ 50,000	\$ 3,392,515
						\$199,800,000					\$ 41,389,926		\$ 40,439,653

Assumptions:

- Land Values inflate at 1% per year
- Improvement Values inflate at 2% per year
- Homeowner Exemption @\$100K per year for all owner occupied residential units
- Private investment occurs as per schedule in column F (Leland Conservative Schedule Schedule)
- Property tax income available 2 years after completion of construction
- New construction values inflate on same basis as original improvement values (2%)
- Administrative costs at 10% capped at \$50,000 per year

B-full project
Achievable

Northgate URD Revenue Allocation Estimates July 2018

Scenario #2: Low Inflation Rate: 1% annual increase in land Value and 2% annual increase in Improvement Value; Attainable Private Investment.

Year	Land Value (+1% annually) w/ ad ex	Initial Improvement Value	Total Assessed Value w/ag ex	Est. AV w/o ag ex	Annual New Const. Value on tax roll	Cum. New Const Value + Inflation @ 2%	Cumulative Homeowners' Exemption	Taxable Value	Increment Value (I - Base)	Levy Rate	Tax Increment Yield	Admin Costs (10%)	Funding for Capital Projects / Debt Service
2019	\$306,553	\$ -	\$306,553	\$15,964,566	\$ -	\$ 0	\$ -	\$15,964,566	\$ -	0.0171			
2020	\$309,619	\$ -	\$309,619	\$16,283,857	\$ -	\$ -	\$ -	\$16,283,857	\$319,291	0.0171	\$5,460	\$546	\$4,914
2021	\$312,715	\$ -	\$312,715	\$16,609,534	\$50,100,000	\$50,100,000	\$13,800,000	\$52,909,534	\$36,944,968	0.0171	\$631,759	\$50,000	\$581,759
2022	\$315,842	\$ -	\$315,842	\$16,941,725	\$15,500,000	\$66,602,000	\$20,600,000	\$62,943,725	\$46,979,159	0.0171	\$803,344	\$50,000	\$753,344
2023	\$319,000	\$ -	\$319,000	\$17,280,560	\$25,100,000	\$93,034,040	\$27,600,000	\$82,714,600	\$66,750,034	0.0171	\$1,141,426	\$50,000	\$1,091,426
2024	\$322,190	\$ -	\$322,190	\$17,626,171	\$15,500,000	\$110,394,721	\$34,400,000	\$93,620,892	\$77,656,326	0.0171	\$1,327,923	\$50,000	\$1,277,923
2025	\$325,412	\$ -	\$325,412	\$17,978,694	\$15,100,000	\$127,702,615	\$41,400,000	\$104,281,309	\$88,316,743	0.0171	\$1,510,216	\$50,000	\$1,460,216
2026	\$328,666	\$ -	\$328,666	\$18,338,268	\$15,500,000	\$145,756,668	\$48,200,000	\$115,894,936	\$99,930,370	0.0171	\$1,708,809	\$50,000	\$1,658,809
2027	\$331,953	\$ -	\$331,953	\$18,705,034	\$15,100,000	\$163,771,801	\$55,200,000	\$127,276,834	\$111,312,268	0.0171	\$1,903,440	\$50,000	\$1,853,440
2028	\$335,273	\$ -	\$335,273	\$19,079,134	\$27,900,000	\$194,947,237	\$62,000,000	\$152,026,371	\$136,061,805	0.0171	\$2,326,657	\$50,000	\$2,276,657
2029	\$338,625	\$ -	\$338,625	\$19,460,717	\$56,900,000	\$255,746,182	\$69,000,000	\$206,206,898	\$190,242,332	0.0171	\$3,253,144	\$50,000	\$3,203,144
2030	\$342,011	\$ -	\$342,011	\$19,849,931	\$15,500,000	\$276,361,105	\$75,800,000	\$220,411,036	\$204,446,470	0.0171	\$3,496,035	\$50,000	\$3,446,035
2031	\$345,432	\$ -	\$345,432	\$20,246,930	\$15,100,000	\$296,988,327	\$82,800,000	\$234,435,257	\$218,470,691	0.0171	\$3,735,849	\$50,000	\$3,685,849
2032	\$348,886	\$ -	\$348,886	\$20,651,868	\$15,500,000	\$318,428,094	\$89,600,000	\$249,479,962	\$233,515,396	0.0171	\$3,993,113	\$50,000	\$3,943,113
2033	\$352,375	\$ -	\$352,375	\$21,064,906	\$15,100,000	\$339,896,656	\$96,600,000	\$264,361,562	\$248,396,996	0.0171	\$4,247,589	\$50,000	\$4,197,589
2034	\$355,899	\$ -	\$355,899	\$21,486,204	\$48,500,000	\$395,194,589	\$103,400,000	\$313,280,793	\$297,316,227	0.0171	\$5,084,107	\$50,000	\$5,034,107
2035	\$359,458	\$ -	\$359,458	\$21,915,928	\$15,100,000	\$418,198,481	\$110,400,000	\$329,714,409	\$313,749,843	0.0171	\$5,365,122	\$50,000	\$5,315,122
2036	\$363,052	\$ -	\$363,052	\$22,354,247	\$15,500,000	\$442,062,450	\$117,200,000	\$347,216,697	\$331,252,131	0.0171	\$5,664,411	\$50,000	\$5,614,411
2037	\$366,683	\$ -	\$366,683	\$22,801,331	\$15,100,000	\$466,003,699	\$124,200,000	\$364,605,031	\$348,640,465	0.0171	\$5,961,752	\$50,000	\$5,911,752
2038	\$370,349	\$ -	\$370,349	\$23,257,358	\$15,500,000	\$490,823,773	\$131,000,000	\$383,081,131	\$367,116,565	0.0171	\$6,277,693	\$50,000	\$6,227,693
2039	\$374,053	\$ -	\$374,053	\$23,722,505		\$500,640,249	\$131,000,000	\$393,362,754	\$377,398,188	0.0171	\$6,453,509	\$50,000	\$6,403,509
						<u>\$407,600,000</u>					\$64,891,358		<u>\$63,940,812</u>

Assumptions:

- Land Values inflate at 1% per year
- Improvement Values inflate at 2% per year
- Homeowner Exemption @\$100K per year for all owner occupied residential units
- Private investment occurs as per schedule in column F (Lelan Attainable Schedule)
- Property tax income available 2 years after completion of construction
- New construction values inflate on same basis as original improvement values (2%)
- Administrative costs at 10% capped at \$50,000 per year

Northgate Urban Renewal District Cash Flow Analysis September 2018

Repay PDA Contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,000,000
OPA Debt Service Obligation	\$ 2,959,526	\$ 3,139,387	\$ 3,332,335	\$ 3,523,192	\$ 4,150,580	\$ 4,361,341	\$ 4,585,809	\$ 4,808,814	\$ 5,045,770	\$ 3,582,152	\$ 46,066,913	
Additional Principal	\$ 486,509	\$ 546,462	\$ 610,778	\$ 674,397	\$ 883,527	\$ 953,780	\$ 1,028,603	\$ 1,102,938	\$ 1,181,923	\$ -	\$ 8,208,087	
Total Debt Service	\$ 3,446,035	\$ 3,685,849	\$ 3,943,113	\$ 4,197,589	\$ 5,034,107	\$ 5,315,121	\$ 5,614,412	\$ 5,911,752	\$ 6,227,693	\$ 3,582,152	\$ 60,575,001	
Repay Inter-district Loan @ 3.5%												
Total Use of Funds	\$ 3,496,035	\$ 3,735,849	\$ 3,993,113	\$ 4,247,589	\$ 5,084,107	\$ 5,365,121	\$ 5,664,412	\$ 5,961,752	\$ 6,277,693	\$ 3,632,152	\$ 61,645,001	
Ending Balance	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 3,321,357		
												\$ 64,966,358

Notes

- It is anticipated that the Pocatello Development Authority will loan the new District \$75,000 to fund operations until tax receipts are available.*
- Provides for 10% of annual revenue allocation for administration and professional support. Capped at \$50,000 annually. Administrative expenses equals approximately 1.5% of revenues*
- Initial 2 years administrative cost @ \$20,000 for costs to establish District, then \$50,000 annually thereafter*
- Assumes Public Agencies are fully reimbursed for their project investments prior to any funds to flow to developer. Agencies fully reimbursed by 2027. (Principal Only)*
- First year for developer to receive payments is 2027*
- Assumes Developer reimbursed for \$50,275,000 infrastructure investment @ 75% of annual available revenue if sufficient revenue generated.*
- Assumes private sector investment accrues no interest (Principal Only)*
- Consultant added \$4,000,000 for 50% maximum participation in required Fire / EMS facility.*
- Additional principal paid if surplus funds accrue at the discretion of the Agency. The Model reflects distributions in 2026 through 2038*
- Model shows \$54,275,000 available for OPA reimbursement(100%)*
- Ending cash balance of \$3,321,357 at end of term*

"Achievable" Estimates

- Taxable investment levels and timing reflect "achievable" scenario estimates from market study conducted by Leland Consulting Group*
- Infrastructure investment occurring in five (5) phases with final completion in 2023*

C - Reduced Scope
Conservative

Northgate URD Revenue Allocation Estimates September 2018

Scenario #1 Low Inflation Rate: 1% annual increase in land Value and 2% annual increase in Improvement Value; Conservative Private investment

Year	Land Value (+1% annually) w/ ad ex	Initial Improve- ment Value	Total Assessed Value w/ag ex	Est. AV w/o ag ex	Annual New Const. Value on tax roll	Cum. New Const Value + Inflation @ 2%	Cumulative Homeowners' Exemption	Taxable Value	Increment Value (I - Base)	Levy Rate (-0%)	Tax Increment Yield	Admin Costs (10%)	Funding for Capital Projects / Debt Service
2019	\$ 306,553	\$ -	\$ 306,553	\$ 15,964,566	\$ -	\$ 0	\$ -	\$ 15,964,566	\$ -	0.0171			
2020	\$ 309,619	\$ -	\$ 309,619	\$ 16,124,212	\$ -	\$ -	\$ -	\$ 16,124,212	\$ 159,646	0.0171	\$ 2,730	\$ 273	\$ 2,457
2021	\$ 312,715	\$ -	\$ 312,715	\$ 16,285,454	\$ 38,000,000	\$ 38,000,000	\$ -	\$ 54,285,454	\$ 38,320,888	0.0171	\$ 655,287	\$ 50,000	\$ 605,287
2022	\$ 315,842	\$ -	\$ 315,842	\$ 16,448,308	\$ 3,150,000	\$ 41,910,000	\$ -	\$ 58,358,308	\$ 42,393,742	0.0171	\$ 724,933	\$ 50,000	\$ 674,933
2023	\$ 319,000	\$ -	\$ 319,000	\$ 16,612,791	\$ 10,400,000	\$ 53,148,200	\$ -	\$ 69,760,991	\$ 53,796,425	0.0171	\$ 919,919	\$ 50,000	\$ 869,919
2024	\$ 322,190	\$ -	\$ 322,190	\$ 16,778,919	\$ 3,150,000	\$ 57,361,164	\$ -	\$ 74,140,083	\$ 58,175,517	0.0171	\$ 994,801	\$ 50,000	\$ 944,801
2025	\$ 325,412	\$ -	\$ 325,412	\$ 16,946,709	\$ 3,000,000	\$ 61,508,387	\$ -	\$ 78,455,096	\$ 62,490,530	0.0171	\$ 1,068,588	\$ 50,000	\$ 1,018,588
2026	\$ 328,666	\$ -	\$ 328,666	\$ 17,116,176	\$ 3,150,000	\$ 65,888,555	\$ -	\$ 83,004,731	\$ 67,040,165	0.0171	\$ 1,146,387	\$ 50,000	\$ 1,096,387
2027	\$ 331,953	\$ -	\$ 331,953	\$ 17,287,337	\$ 3,000,000	\$ 70,206,326	\$ -	\$ 87,493,663	\$ 71,529,097	0.0171	\$ 1,223,148	\$ 50,000	\$ 1,173,148
2028	\$ 335,273	\$ -	\$ 335,273	\$ 17,460,211	\$ 3,150,000	\$ 74,760,453	\$ -	\$ 92,220,663	\$ 76,256,097	0.0171	\$ 1,303,979	\$ 50,000	\$ 1,253,979
2029	\$ 338,625	\$ -	\$ 338,625	\$ 17,634,813	\$ 39,800,000	\$ 116,055,662	\$ -	\$ 133,690,475	\$ 117,725,909	0.0171	\$ 2,013,113	\$ 50,000	\$ 1,963,113
2030	\$ 342,011	\$ -	\$ 342,011	\$ 17,811,161	\$ 3,150,000	\$ 121,526,775	\$ -	\$ 139,337,936	\$ 123,373,370	0.0171	\$ 2,109,685	\$ 50,000	\$ 2,059,685
2031	\$ 345,432	\$ -	\$ 345,432	\$ 17,989,273	\$ -	\$ 123,957,310	\$ -	\$ 141,946,583	\$ 125,982,017	0.0171	\$ 2,154,292	\$ 50,000	\$ 2,104,292
2032	\$ 348,886	\$ -	\$ 348,886	\$ 18,169,165	\$ -	\$ 126,436,457	\$ -	\$ 144,605,622	\$ 128,641,056	0.0171	\$ 2,199,762	\$ 50,000	\$ 2,149,762
2033	\$ 352,375	\$ -	\$ 352,375	\$ 18,350,857	\$ -	\$ 128,965,186	\$ -	\$ 147,316,043	\$ 131,351,477	0.0171	\$ 2,246,110	\$ 50,000	\$ 2,196,110
2034	\$ 355,899	\$ -	\$ 355,899	\$ 18,534,366	\$ -	\$ 131,544,489	\$ -	\$ 150,078,855	\$ 134,114,289	0.0171	\$ 2,293,354	\$ 50,000	\$ 2,243,354
2035	\$ 359,458	\$ -	\$ 359,458	\$ 18,719,709	\$ -	\$ 134,175,379	\$ -	\$ 152,895,088	\$ 136,930,522	0.0171	\$ 2,341,512	\$ 50,000	\$ 2,291,512
2036	\$ 363,052	\$ -	\$ 363,052	\$ 18,906,906	\$ -	\$ 136,858,887	\$ -	\$ 155,765,793	\$ 139,801,227	0.0171	\$ 2,390,601	\$ 50,000	\$ 2,340,601
2037	\$ 366,683	\$ -	\$ 366,683	\$ 19,095,975	\$ -	\$ 139,596,065	\$ -	\$ 158,692,040	\$ 142,727,474	0.0171	\$ 2,440,640	\$ 50,000	\$ 2,390,640
2038	\$ 370,349	\$ -	\$ 370,349	\$ 19,286,935	\$ -	\$ 142,387,986	\$ -	\$ 161,674,921	\$ 145,710,355	0.0171	\$ 2,491,647	\$ 50,000	\$ 2,441,647
2039	\$ 374,053	\$ -	\$ 374,053	\$ 19,479,804	\$ -	\$ 145,235,746	\$ -	\$ 164,715,550	\$ 148,591,338	0.0171	\$ 2,540,912	\$ 50,000	\$ 2,490,912
					<u>\$ 109,950,000</u>						<u>\$33,261,401</u>		<u>\$ 32,311,128</u>

Assumptions:
 Land Values inflate at 1% per year
 Improvement Values inflate at 2% per year
 Homeowner Exemption @\$100K per year for all owner occupied residential units
 Private investment occurs as per schedule in column F (Leland Conservative Schedule Schedule)
 Property tax income available 2 years after completion of construction
 New construction values inflate on same basis as original improvement values (2%)
 Administrative costs at 10% capped at \$50,000 per year

Northgate Urban Renewal District Cash Flow September 2018

Repay PDA Contribution		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -			
OPA Debt Service Obligation	\$ 1,919,764	\$ 1,953,219	\$ 1,987,322	\$ 2,022,082	\$ 2,057,516	\$ 2,093,634	\$ 2,130,451	\$ 2,167,980	\$ 1,116,220	\$ -	\$ -	\$ 1,968,019
Additional Principal	\$ 139,921	\$ 151,073	\$ 162,441	\$ 174,027	\$ 185,839	\$ 197,878	\$ 210,150	\$ 222,660	\$ -	\$ -	\$ -	\$ 20,221,354
Total Debt Service	\$ 2,059,685	\$ 2,104,292	\$ 2,149,763	\$ 2,196,109	\$ 2,243,355	\$ 2,291,512	\$ 2,340,601	\$ 2,390,640	\$ 1,116,220	\$ -	\$ -	\$ 1,528,646
Repay Inter-district Loan @ 3.5%												\$ 27,950,061
Total Use of Funds	\$ 2,109,685	\$ 2,154,292	\$ 2,199,763	\$ 2,246,109	\$ 2,293,355	\$ 2,341,512	\$ 2,390,601	\$ 2,440,640	\$ 1,166,220	\$ 50,000	\$ -	\$ 80,000
Ending Balance	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 500,000	\$ 1,825,427	\$ 1,775,427	\$ -	\$ 29,020,061
												\$ 27,491,415

Notes:

- It is anticipated that the Pocatello Development Authority will loan the new District \$75,000 to fund operations until tax receipts are available.*
- Provides for 10% of annual revenue allocation for administration and professional support. Capped at \$50,000 annually. Administrative expenses equals approximately 3.2% of revenues*
- Initial 2 years administrative cost @ \$20,000 for costs to establish District, then \$50,000 annually thereafter*
- Assumes Public Agencies are fully reimbursed for their project investments prior to any funds to flow to developer.*
- First year for developer to receive payments is 2028*
- Assumes Developer reimbursed for \$21,450,000 infrastructure investment @ 75% of annual Revenue Allocation if sufficient revenue is generated.*
- Assumes public and private sector investment accrues no interest.*
- Additional principal paid if surplus funds accrue at the discretion of the Agency. The model reflects no additional distributions.*
- Model shows \$21,470,000 private infrastructure investment repaid through OPA reimbursement by 2038*
- Substantial cash surplus accrues at end of term of District. May allow for early termination.*

Conservative Estimates

- Taxable investment levels and timing reflect conservative scenario estimates from market study conducted by Leland Associates*
- Infrastructure investment occurring in two (2) phases with final completion in 2020*

D. Reduced Scope
Achievable

Northgate URD Revenue Allocation Estimates September 2018

Scenario #2: Low Inflation Rate: 1% annual increase in land Value and 2% annual increase in Improvement Value; Attainable Private investment.

Year	Land Value (+1% annually) w/ad ex	Initial Improvement Value	Total Assessed Value w/ag ex	Est. AV w/o ag ex	Annual New Const. Value on tax roll	Cum. New Const Value + Inflation @ 2%	Cumulative Homeowners' Exemption	Taxable Value	Increment Value (I - Base)	Levy Rate	Tax Increment Yield	Admin Costs (10%)	Funding for Capital Projects / Debt Service
2019	\$306,553	\$ -	\$306,553	\$15,964,566	\$ -	0	\$ -	\$15,964,566	\$ -	0.0171			
2020	\$309,619	\$ -	\$309,619	\$16,283,857	\$ -	\$ -	\$ -	\$16,283,857	\$319,291	0.0171	\$5,460	\$546	\$4,914
2021	\$312,715	\$ -	\$312,715	\$16,609,534	\$41,150,000	\$41,150,000	\$ -	\$57,759,534	\$41,794,968	0.0171	\$714,694	\$50,000	\$664,694
2022	\$315,842	\$ -	\$315,842	\$16,941,725	\$6,300,000	\$48,273,000	\$ -	\$65,214,725	\$49,250,159	0.0171	\$842,178	\$50,000	\$792,178
2023	\$319,000	\$ -	\$319,000	\$17,280,560	\$16,150,000	\$65,388,460	\$ -	\$82,669,020	\$66,704,454	0.0171	\$1,140,646	\$50,000	\$1,090,646
2024	\$322,190	\$ -	\$322,190	\$17,626,171	\$6,300,000	\$72,996,229	\$ -	\$90,622,400	\$74,657,834	0.0171	\$1,276,649	\$50,000	\$1,226,649
2025	\$325,412	\$ -	\$325,412	\$17,978,694	\$6,150,000	\$80,606,154	\$ -	\$98,584,848	\$82,620,282	0.0171	\$1,412,807	\$50,000	\$1,362,807
2026	\$328,666	\$ -	\$328,666	\$18,338,268	\$6,300,000	\$88,518,277	\$ -	\$106,856,545	\$90,891,979	0.0171	\$1,554,253	\$50,000	\$1,504,253
2027	\$331,953	\$ -	\$331,953	\$18,705,034	\$6,150,000	\$96,438,642	\$ -	\$115,143,676	\$99,179,110	0.0171	\$1,695,963	\$50,000	\$1,645,963
2028	\$335,273	\$ -	\$335,273	\$19,079,134	\$18,700,000	\$117,067,415	\$ -	\$136,146,549	\$120,181,983	0.0171	\$2,055,112	\$50,000	\$2,005,112
2029	\$338,625	\$ -	\$338,625	\$19,460,717	\$47,950,000	\$167,358,764	\$ -	\$186,819,480	\$170,854,914	0.0171	\$2,921,619	\$50,000	\$2,871,619
2030	\$342,011	\$ -	\$342,011	\$19,849,931	\$6,300,000	\$177,005,939	\$ -	\$196,855,870	\$180,891,304	0.0171	\$3,093,241	\$50,000	\$3,043,241
2031	\$345,432	\$ -	\$345,432	\$20,246,930	\$ -	\$180,546,058	\$ -	\$200,792,987	\$184,828,421	0.0171	\$3,160,566	\$50,000	\$3,110,566
2032	\$348,886	\$ -	\$348,886	\$20,651,868	\$ -	\$184,156,979	\$ -	\$204,808,847	\$188,844,281	0.0171	\$3,229,237	\$50,000	\$3,179,237
2033	\$352,375	\$ -	\$352,375	\$21,064,906	\$ -	\$187,840,118	\$ -	\$208,905,024	\$192,940,458	0.0171	\$3,299,282	\$50,000	\$3,249,282
2034	\$355,899	\$ -	\$355,899	\$21,486,204	\$33,000,000	\$224,596,921	\$ -	\$246,083,125	\$230,118,559	0.0171	\$3,935,027	\$50,000	\$3,885,027
2035	\$359,458	\$ -	\$359,458	\$21,915,928	\$ -	\$229,088,859	\$ -	\$251,004,787	\$235,040,221	0.0171	\$4,019,188	\$50,000	\$3,969,188
2036	\$363,052	\$ -	\$363,052	\$22,354,247	\$ -	\$233,670,636	\$ -	\$256,024,883	\$240,060,317	0.0171	\$4,105,031	\$50,000	\$4,055,031
2037	\$366,683	\$ -	\$366,683	\$22,801,331	\$ -	\$238,344,049	\$ -	\$261,145,380	\$245,180,814	0.0171	\$4,192,592	\$50,000	\$4,142,592
2038	\$370,349	\$ -	\$370,349	\$23,257,358	\$ -	\$243,110,930	\$ -	\$266,368,288	\$250,403,722	0.0171	\$4,281,904	\$50,000	\$4,231,904
2039	\$374,053	\$ -	\$374,053	\$23,722,505		\$247,973,149	\$ -	\$271,695,654	\$255,731,088	0.0171	\$4,373,002	\$50,000	\$4,323,002
					<u>\$194,450,000</u>						<u>\$51,308,450</u>		<u>\$50,357,904</u>

Assumptions:

- Land Values inflate at 1% per year
- Improvement Values inflate at 2% per year
- Homeowner Exemption @\$100K per year for all owner occupied residential units
- Private investment occurs as per schedule in column F (Lelan Attainable Schedule)
- Property tax income available 2 years after completion of construction
- New construction values inflate on same basis as original improvement values (2%)
- Administrative costs at 10% capped at \$50,000 per year

Repay County Contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,299,970
Repay PDA Contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,000,000
OPA Debt Service Obligation	\$ 2,939,826	\$ 3,067,881	\$ 3,151,399	\$ 3,224,811	\$ 3,418,198	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 21,750,000
Additional Principal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Debt Service	\$ 2,939,826	\$ 3,067,881	\$ 3,151,399	\$ 3,224,811	\$ 3,418,198	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 28,049,970
Repay Inter-district Loan @ 3.5%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 80,000
Total Use of Funds	\$ 2,989,826	\$ 3,117,881	\$ 3,201,399	\$ 3,274,811	\$ 3,468,198	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 28,869,970
Ending Balance	\$ 979,942	\$ 1,022,627	\$ 1,050,466	\$ 1,074,937	\$ 1,541,766	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

Notes

- It is anticipated that the Pocatello Development Authority will loan the new District \$75,000 to fund operations until tax receipts are available.*
- Provides for 10% of annual revenue allocation for administration and professional support. Capped at \$50,000 annually. Administrative expenses equals approximately 2.4% of revenues*
- Initial 2 years administrative cost @ \$20,000 for costs to establish District, then \$50,000 annually thereafter*
- Assumes Public Agencies are fully reimbursed for their project investments prior to any funds to flow to developer.*
- First year for developer to receive payments is 2027*
- Assumes Developer reimbursed for \$ 21,450,000 infrastructure investment @ 75% of annual available revenue if sufficient revenue generated.*
- Assumes neither public or private sector investment accrues interest. Reimbursed for principal only.*
- Additional principal paid if surplus funds accrue at the discretion of the Agency. The Model reflects one distribution in 2034.*
- Model shows \$55,598,795 available for OPA reimbursement (75%)*

"Achievable" Estimates

- Taxable investment levels and timing reflect "achievable" scenario estimates from market study conducted by Leland Consulting Group*
- Infrastructure investment occurring in two (2) phases with final completion in 2020*

RE: Pocatello Development Authority: Grant Application for The Bridge

The Bridge: Growth and anchoring of a fine dining experience in Old Town

Introduction

The Bridge has been established in 2011 on 1st street by Lisa and Berkeley Willmore. It has been a very successful restaurant. With the help of the PDA late 2016, the restaurant The Bridge had the opportunity to move to the historic Yellowstone hotel building in Old Town, hoping to increase exposure and revenue as well as helping the Old Town area by adding one of its missing pieces. The Yellowstone building has been vacant for nearly 20 years, which made a move extremely difficult. The support from PDA was spend accordingly:

- Loan part: purchasing all the restaurant equipment from the previous building owner
- Grant: install a new hood and grease trap.

However much more was necessary in order to make the restaurant functional. Serious electrical updates, extensive plumbing and many more of the parts that were promised by the building owner, never made it to the contract and eventually fell on the shoulders of Lisa and Berkeley themselves, completely depleting their resources and crippling their growth. Denis Clijsters joined the partnership The Bridge late May 2018 by providing about 40K in emergency funds to cover for:

- Repayment in full of defaulted Merchant Credit the bridge incurred to pay for some of the move-in expenses.
- Renegotiating debts, as well as terms with the landlord who just send an eviction letter for past due rent of 2017 (she was current for all of 2018)
- Catching up of unpaid Federal and State taxes
- Help out a recovery plan

Some highlights of the Bridge post-move

- Re-utilized a long-abandoned building
- Organized many events bringing more people to Old Town
 - o Jazz nights (every 1st and 3rd Friday)
 - o Swing Dance (our 2nd Swing dance is January 13th and we plan to do this monthly due to the high success)
 - o Wine Tasting (every Thursday and highly successful)
 - o Comedy night (is back on July 27th)
 - o Many company meetings, class reunions, prom night and much more
- Turned a "death area" of Old Town into a vibrant area
- Was a vital part in turning the once "ghetto Fargo Apartments" into the luxury urban living spaces it provides now.
 - o I firmly believe that it is equally important fur further mixed-use upper level housing opportunities in the rest of Old Town and other Merchants.

Expansion plans for The Bridge

A short SWOT analysis for The Bridge

Strengths:

- The Bridge has a long term lease at The Yellowstone Hotel, the perfect location for a fine dining experience in a once glorious Hotel.
- 7 years of track record in restaurant management and highly positive remarks about food quality

Weaknesses

- Strong competition of too many restaurants in the MSA Pocatello area
- Old Town isn't an established dining area yet
- No hotels nearby
- Old Town's location isn't on the driving path of most working class people, though upcoming development plans on the mountain on the North part of Town could change this thereby sandwiching Old Town between the golf area/country club on the south side, and an additional 500+ luxury houses on the north side, may change this for a big group.

Opportunities

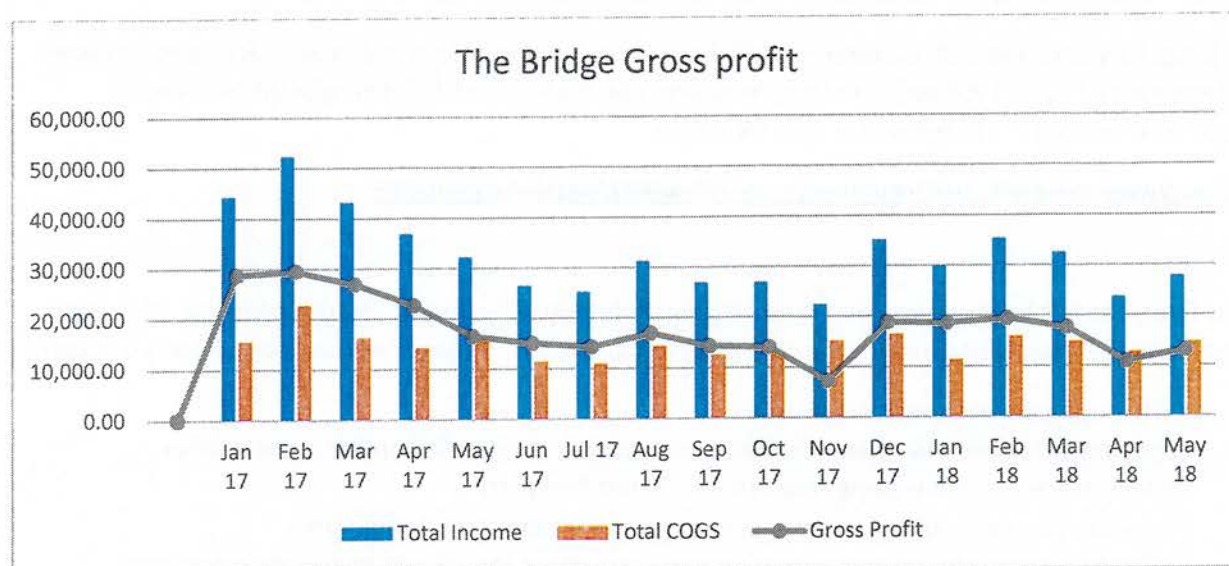
- Room for growth on the "depot" side of our lease, we've identified a brewpub to be beneficial "co-business" and additional benefit to scale the usage of our kitchen
- Backyard patio. Our landlord, who is also the landlord of the building next door, agreed to lease us the backyard patio for no additional lease amount (we have a triple net lease) if we come up for the funds of the improvements.
- Having a functioning restaurant, will increase the likelihood of opening a hotel in the area or building itself, which will bring more growth to the downtown area.

Threats

- The success of Old Town and The Bridge go hand in hand. Though Old Town is currently in a growing phase, this growth is still very fragile and history showed us multiple setbacks already. Keeping momentum for the area is vital for survival of Old Town and The Bridge.
- The Bridge is currently (still) underfunded after maxing out the family savings of Lisa and Berkeley and a sizeable contribution of Denis.
- Our landlord.

Current P&L

Income



Gross profit hasn't picked up. Main reasons are:

- Lack of marketing
- Lack of outdoor seating (recurring summer theme)
- Reputational damage
 - o We've been understaffed in the past several times both kitchen and servers
 - o Unpaid bills go a long way in a small town, that problem is mostly solved with Denis' capital injection but always takes time to change the perception

Where we've seen renewed growth

- Groups: we're getting more and more company parties, class reunions up to 60+ tops
- Bigger events like swing dance and comedy night see an increased growth

Projections

- We expect the backyard patio to add an additional 15K gross revenue, or 7.5K in gross profit a month. This will push The Bridge back over its break-even point.

Market Study

On average, every city has about 10% of their restaurants classified as fine dining.

In 2012, Pocatello had 139 restaurants and 3 fine dining establishments, that's 2%. Lacking more recent information of 2018, I still estimate that there won't be more than 5 fine dining establishments in Pocatello, that's still well below our 10% threshold.

<https://www.pocatello.us/DocumentCenter/View/682/Retail-Analysis-PDF>

Old Town doesn't have any fine dining establishment besides The Bridge. The reason is that Old Town has always been classified as a low income area, which it still is. However we see more growth through:

- Infill housing development in the area
- Improvement in income of local residents and more housing units coming to the market
- Various properties undergoing renovations the last few years
- Increasing popularity of Old Town in general to lure people from a wider area
- Similar trend that's happening in other towns throughout the US regarding their downtown
- Various new bigger projects are expected to come to the market
 - o CEED, ISU incubator effort at the old youth range building
 - o Monarch building renovation, Old Town's first boutique hotel and butterfly exhibition
 - o Station Square and Fargo Apartment renovations

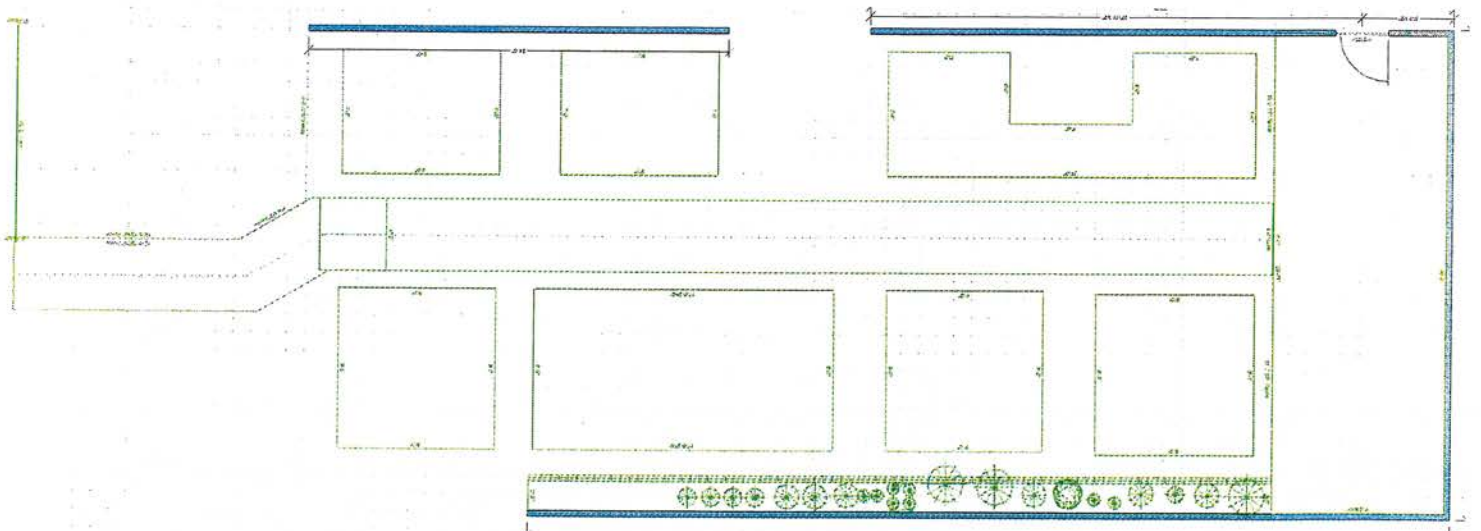
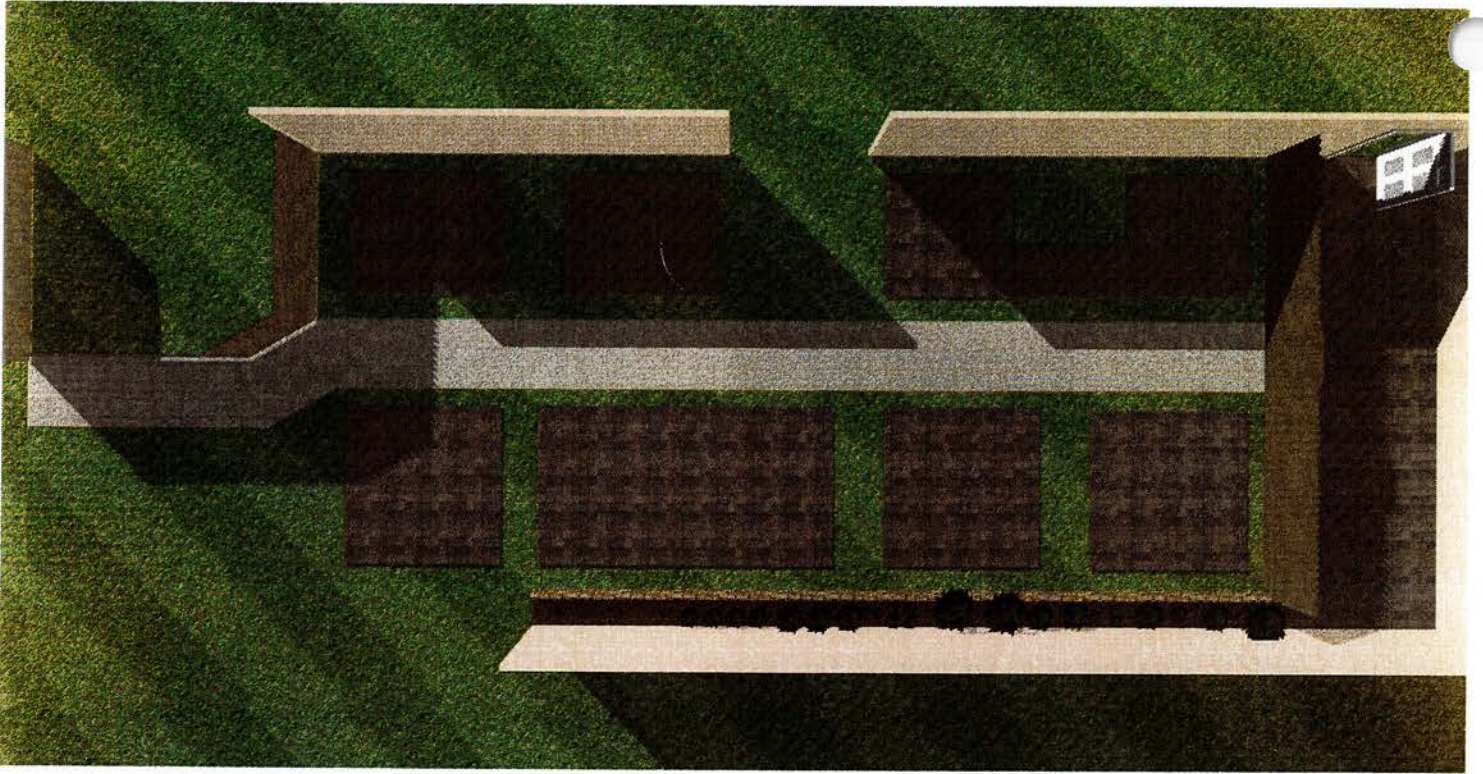
Plans:

- Open up the backyard, to provide a dining and drinking experience away from the street on the backside, and remove blight in the back area
- Open a brew pub. We don't need much to start short time as we currently have 10 beer taps in place on that side already + a working cooler and we plan to offer more bottled beer.
- Increase our marketing by focusing more on
 - o Online marketing
 - o Consider a billboard to also cross-advertise the Old Town area on the highway
 - o Main street advertising
 - o Increased amount of community collaboration
- Open for lunch again to provide a better business atmosphere in Old Town

Our request:

- Ask for 1 extra year of delay for our current 26K loan
- Grant of \$27,623.88 to cover for past moving expenses incurred by Lisa
- Loan of \$16,795 with a one year delay to cover our expansion plans to position ourselves for the remaining part of the summer/autumn and years to come

Energy Saving				
UV Tinted windows (excl. labor)	\$	2,195.00		
Backyard Patio (most labor provided by us)				
Pouring concrete	\$	3,500.00		
misc yard work and fence	\$	5,900.00		
gas connection + fire pits	\$	2,000.00		
main street signage	\$	3,200.00		
	subtotal	\$	<u>14,600.00</u>	
Building improvements (old still open invoices during move-in)				
Mechanical Solutions (existing cooler didn't	\$	2,830.00		
Ansul (fire safety for the hood)	\$	2,689.69		
B&G Plumbing	\$	11,163.19		
Electrical	\$	10,941.00		
	subtotal	\$	<u>27,623.88</u>	
Total	\$	44,418.88		



Pocatello Development Authority

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

An urban renewal agency for the City of Pocatello, Idaho

September 19, 2018

Joanne Hirase-Stacey
General Counsel
Idaho State University
921 South 8th Avenue, Stop 8410
Pocatello, ID 83209

Re: Positron Facility at the Idaho Accelerator Center

Dear Ms. Hirase-Stacey:

As stated in our letter of May 19, 2017, the Pocatello Development Authority ("PDA") obtained full ownership of the Positron facility on January 9, 2017 via Sheriff's Deed. The PDA is now in a position to sell the property and is planning to seek an interested buyer.

In the past, ISU expressed some interested in purchasing the facility. If the University remains interested in doing so, please contact Melanie Gygli, the Board's Interim Executive Director, at 208-234-6583. She can make arrangements for ISU representatives to meet with the Board to discuss options.

Sincerely,



Scott Smith
Chairman of the Pocatello Development Authority

SJS/mg
Enclosure

**Pocatello Development Authority
Commitments
As of September 17, 2018**

District Expiration	General Fund	North Yellowstone District 2028	Naval Ordnance District 2026	North Portneuf District 2024	Airport District 2033
Olympus Drive Connection	\$ 300,000				
Station Square	\$ 200,000				
The Bridge	\$ 44,418				
Electrical upgrades			\$ 200,000		
HOKU land purchase				\$ 259,728	
Inergy	\$ 25,000				
Jim Dandy Brewing	\$ 15,000				
North Yellowstone Bond		\$ 3,533,000			
	<u>\$ 584,418</u>	<u>\$ 3,533,000</u>	<u>\$ 200,000</u>	<u>\$ 259,728</u>	<u>\$ -</u>

Projects Remaining	debt service		Yes - Infrastructure		debt service/land		Yes - infrastructure	
Bank Balance ICCU after admin fee 2018	\$ 1,355,583.76	\$ 23,854.86	\$ 868,235.41	\$ 143,054.21	\$ 499,392.48	\$ 2,890,120.72		
Bank Balance Zions		\$ 3,469,533.00				\$ 3,057,158.72		
Property tax remit Jan		\$ 702,499.00						
Property tax remit after Jan		\$ 680,640.00						