

# Pocatello Development Authority

Board of Commissioners Meeting  
October 17, 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 and Acknowledgment of Guests

**Agenda Item No. 1:** Disclosure of Conflicts of Interest

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

Motion to approve and/or amend the Regular and Executive Session Meeting Minutes of September 19, 2018.

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

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

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

- a. Elam & Burke in the amount of \$9,257.45 for September services on Northgate TIF (general fund)
- b. Elam & Burke in the amount of \$982.25 for September services on Philbin Road/Hoku property (North Portneuf District)
- c. Elam & Burke in the amount of \$64.50 for September services on district close-out question (general fund)
- d. Reimburse Melanie Gygli in the amount of \$94.99 for BDC Symposium registration (Bloxxham, Lion, Smith, Turner) and file boxes for PDA records (general fund)

**Agenda Item No. 5:** Issue Grant Funds – Yellowstone Restaurant [ACTION ITEM]

**Agenda Item No. 6:** Request for Funding (Clarification/Amendment) – Station Square [ACTION ITEM]

**Agenda Item No. 7:** Request for Funding – BGS Holdings [ACTION ITEM]

**Agenda Item No. 8:** Election of Officers [ACTION ITEM]

**Agenda Item No. 9:** Engagement of Legal Counsel – General and/or TIF District Close-Out Process [ACTION ITEM]

**Agenda Item No. 10:** Northgate TIF Plan [ACTION ITEM]

**Agenda Item No. 11:** Request for Additional Funding – Northgate Development [ACTION ITEM]

**Agenda Item No. 12:** Reports and Updates

- a. Philbin Road/Hoku Property
- b.

## Executive Session:

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

## 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](mailto:sbeebe@pocatello.us); 208.234.6248; or 5815 South 5<sup>th</sup> Avenue, Pocatello, ID.

**AGENDA ITEM**

**NO. 2**

**AGENDA ITEM  
NO. 3**

Pocatello Development Authority  
Balance Sheet by Class  
As of September 30, 2018

	1-General Fund	3-North Yellowstone	4-Naval Ordnance	6-North Portneuf	7-Pocatello Regional Airport	TOTAL
<b>ASSETS</b>						
Current Assets						
Checking/Savings						
ICCU Checking	1,522,795.14	161,955.24	869,100.14	343,088.91	499,507.73	3,396,447.16
ICCU Savings	25.00	0.00	0.00	0.00	0.00	25.00
Zions 2012 Bnd Fnd 7110526D	0.00	178.24	0.00	0.00	0.00	178.24
Zions Bnd Reserve Fnd 7110526B	0.00	678,374.78	0.00	0.00	0.00	678,374.78
Zions Rev Alloc Fnd 7110526	0.00	2,656,923.29	0.00	0.00	0.00	2,656,923.29
<b>Total Checking/Savings</b>	<b>1,522,820.14</b>	<b>3,497,431.55</b>	<b>869,100.14</b>	<b>343,088.91</b>	<b>499,507.73</b>	<b>6,731,948.47</b>
Accounts Receivable						
Accounts Receivable	2,250.00	0.00	0.00	0.00	0.00	2,250.00
<b>Total Accounts Receivable</b>	<b>2,250.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>2,250.00</b>
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
<b>Total Other Current Assets</b>	<b>20,126.17</b>	<b>1,369.59</b>	<b>0.00</b>	<b>141,867.61</b>	<b>0.00</b>	<b>163,363.37</b>
<b>Total Current Assets</b>	<b>1,545,196.31</b>	<b>3,498,801.14</b>	<b>869,100.14</b>	<b>484,956.52</b>	<b>499,507.73</b>	<b>6,897,561.84</b>
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
<b>Total Other Assets</b>	<b>500,779.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>500,779.00</b>
<b>TOTAL ASSETS</b>	<b>2,045,975.31</b>	<b>3,498,801.14</b>	<b>869,100.14</b>	<b>484,956.52</b>	<b>499,507.73</b>	<b>7,398,340.84</b>
<b>LIABILITIES &amp; FUND BALANCE</b>						
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
<b>Total Long Term Liabilities</b>	<b>70,126.17</b>	<b>0.00</b>	<b>0.00</b>	<b>128,001.48</b>	<b>0.00</b>	<b>198,127.65</b>
<b>Total Liabilities</b>	<b>70,126.17</b>	<b>0.00</b>	<b>0.00</b>	<b>128,001.48</b>	<b>0.00</b>	<b>198,127.65</b>
Equity						
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	-1,552,040.99	642,640.78	225,380.08	214,125.50	109,039.63	-360,855.00
<b>Total Fund Balance</b>	<b>1,975,849.14</b>	<b>3,498,801.14</b>	<b>869,100.14</b>	<b>356,955.04</b>	<b>499,507.73</b>	<b>7,200,213.19</b>
<b>TOTAL LIABILITIES &amp; FUND BALANCE</b>	<b>2,045,975.31</b>	<b>3,498,801.14</b>	<b>869,100.14</b>	<b>484,956.52</b>	<b>499,507.73</b>	<b>7,398,340.84</b>

Pocatello Development Authority  
Profit & Loss by Class  
September 2018

	1-General Fund	3-North Yellowstone	4-Naval Ordnance	6-North Portneuf	7-Pocatello Regional Airport	TOTAL
<b>Ordinary Income/Expense</b>						
<b>Income</b>						
Interest Income	316.92	4,098.44	266.13	36.02	115.25	4,832.76
Miscellaneous Income	0.00	0.00	0.00	200,000.00	0.00	200,000.00
Property Taxes	0.00	-54.84	598.60	-1.32	0.00	542.44
Rental Income	750.00	0.00	0.00	0.00	0.00	750.00
Transfers in	167,038.00	0.00	0.00	0.00	0.00	167,038.00
<b>Total Income</b>	<b>168,104.92</b>	<b>4,043.60</b>	<b>864.73</b>	<b>200,034.70</b>	<b>115.25</b>	<b>373,163.20</b>
<b>Gross Profit</b>	<b>168,104.92</b>	<b>4,043.60</b>	<b>864.73</b>	<b>200,034.70</b>	<b>115.25</b>	<b>373,163.20</b>
<b>Expense</b>						
Administrative	143.54	0.00	0.00	0.00	0.00	143.54
Transfers out	0.00	138,112.00	24,482.00	4,444.00	0.00	167,038.00
<b>Total Expense</b>	<b>143.54</b>	<b>138,112.00</b>	<b>24,482.00</b>	<b>4,444.00</b>	<b>0.00</b>	<b>167,181.54</b>
<b>Net Ordinary Income</b>	<b>167,961.38</b>	<b>-134,068.40</b>	<b>-23,617.27</b>	<b>195,590.70</b>	<b>115.25</b>	<b>205,981.66</b>
<b>Net Income</b>	<b>167,961.38</b>	<b>-134,068.40</b>	<b>-23,617.27</b>	<b>195,590.70</b>	<b>115.25</b>	<b>205,981.66</b>

At month end the Authority had cash on hand of \$6,731,948.47. The checking account balance was \$3,396,447.16, the savings account was \$25.00, and cash being held by Zions Trust amounted to \$3,335,476.31.

Pocatello Development Authority recognized above normal financial activity during the month of September. The Authority received revenues totaling \$206,125.20 of which \$4,832.76 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 Naval Ordnance District (\$542.44). \$200,000.00 was received on the agreement related to the HOKU property.

Expenses paid for the month totaled \$143.54. The administrative expenses were \$128.54 for the lunch meeting in September and a wire fee \$15.00.

Year to date revenues of \$2,263,257.34 (see page 3) are less than expenses of \$2,624,112.34 so overall net use of reserves is \$360,85.00.

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

	1-General Fund	3-North Yellowstone	4-Naval Ordnance	6-North Portneuf	7-Pocatello Regional Airport	TOTAL
<b>Ordinary Income/Expense</b>						
<b>Income</b>						
Donations and Grants	30.00	0.00	0.00	0.00	0.00	30.00
Interest Income	1,529.15	35,675.65	1,159.92	3,361.92	475.13	42,201.77
Miscellaneous Income	0.00	0.00	0.00	200,000.00	0.00	200,000.00
Personal Property tax replace	0.00	46,006.70	12,086.42	809.82	2,525.68	61,428.62
Property Taxes	0.00	1,383,084.93	236,615.74	37,819.46	106,038.82	1,763,558.95
Rental Income	9,000.00	0.00	0.00	20,000.00	0.00	29,000.00
Transfers in	167,038.00	0.00	0.00	0.00	0.00	167,038.00
<b>Total Income</b>	<b>177,597.15</b>	<b>1,464,767.28</b>	<b>249,862.08</b>	<b>261,991.20</b>	<b>109,039.63</b>	<b>2,263,257.34</b>
<b>Gross Profit</b>	<b>177,597.15</b>	<b>1,464,767.28</b>	<b>249,862.08</b>	<b>261,991.20</b>	<b>109,039.63</b>	<b>2,263,257.34</b>
<b>Expense</b>						
Administrative	41,678.45	0.00	0.00	9,631.50	0.00	51,309.95
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
<b>Total Debt Service</b>	<b>0.00</b>	<b>680,764.50</b>	<b>0.00</b>	<b>17,740.20</b>	<b>0.00</b>	<b>698,504.70</b>
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
<b>Total Professional Services</b>	<b>36,509.69</b>	<b>3,250.00</b>	<b>0.00</b>	<b>16,050.00</b>	<b>0.00</b>	<b>55,809.69</b>
Transfers out	0.00	138,112.00	24,482.00	4,444.00	0.00	167,038.00
<b>Total Expense</b>	<b>1,729,638.14</b>	<b>822,126.50</b>	<b>24,482.00</b>	<b>47,865.70</b>	<b>0.00</b>	<b>2,624,112.34</b>
<b>Net Ordinary Income</b>	<b>-1,552,040.99</b>	<b>642,640.78</b>	<b>225,380.08</b>	<b>214,125.50</b>	<b>109,039.63</b>	<b>-360,855.00</b>
<b>Net Income</b>	<b>-1,552,040.99</b>	<b>642,640.78</b>	<b>225,380.08</b>	<b>214,125.50</b>	<b>109,039.63</b>	<b>-360,855.00</b>

**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

September 30, 2018

Invoice # 175744

Billing Atty - RPA

FOR PROFESSIONAL SERVICES RENDERED

From September 1, 2018 Through September 30, 2018

RE: Northgate Plan

CLIENT/MATTER: 09212-00001

	HOURS		AMOUNT
9/01/18	MSC 2.70	Work on revising the draft plan.	540.00
9/03/18	MSC .70	Review CID statute and continue to work on revising the draft plan in anticipation of circulating the revised plan to the client.	140.00
9/03/18	RPA .20	Review email on potential funding options for portions of the project area. Consider next steps for plan approval.	40.00
9/04/18	MSC .20	Review and follow up on consultant's continued analysis of funding a portion of the improvements through creation of a CID.	40.00
9/04/18	RPA .20	Review work up by consultant on public improvement costs and memo concerning alternative funding options.	40.00
9/05/18	MSC 3.70	Review email communication from Melanie Gygli to developer concerning map and legal description for the proposed project area. Meet and confer with consultant concerning updated economic feasibility study and alternative path forward. Work on drafting email communication to client concerning scope of the project area and alternative path forward for a piece of the project.	740.00
9/05/18	RPA 1.00	Meet with Meghan Conrad and Phil Kushlan concerning possible alternative funding sources, smaller project area for approval and scheduling issues. Review and comment on draft email	200.00

PAGE 1

**ELAM & BURKE**  
ATTORNEYS AT LAW

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

Tax Id No. 82-0451327

RE: Northgate Plan

CLIENT/MATTER: 09212-00001  
September 30, 2018  
Invoice # 175744

			concerning workshop and input from public entities and developer group.	
9/06/18	MSC	.50	Revise email to client concerning next steps and potential path forward. Review and follow up on email communications concerning Chubbuck annexation and impact on reimbursement.	100.00
9/06/18	RPA	.30	Review and comment on the draft email to client for alternative funding. Address the CID option and how to analyze.	60.00
9/11/18	MSC	.10	Review and follow up on email communication to/from Ms. Gygli concerning conference call to discuss the Northgate Plan prior to a meeting with the developer.	20.00
9/11/18	RPA	.10	Review status of funding options and next steps for consideration.	20.00
9/12/18	MSC	1.70	Review comments from the Vice-Chair concerning the proposed use of a community infrastructure district. Conference call with Ms. Gygli concerning meeting with the developer and options for moving forward. Review mark-up of the Chubbuck annexation map and follow up with Melanie re same.	340.00
9/12/18	RPA	.20	Review status of developer response concerning funding options and next steps.	40.00
9/14/18	MSC	.30	Review and follow up on email communication from Ms. Gygli concerning follow up information from developer, update on plan approval timing and thoughts on the next meeting.	60.00
9/14/18	RPA	.30	Address response concerning developer information. Consider issues for upcoming meeting and updated schedule.	60.00
9/17/18	RPA	.20	Follow up on financing options and schedule.	40.00
9/19/18	MSC	8.00	Travel to/from Pocatello to attend PDA board meeting. Attend and participate in the PDA Board meeting.	1,600.00
9/19/18	RPA	.30	Receive update on board action concerning status of plan financing and plan area. Address options with Meghan Conrad.	60.00
9/29/18	MSC	1.40	Review multiple email communications from Ms.	280.00

PAGE 2

**ELAM & BURKE**  
ATTORNEYS AT LAW

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

Tax Id No. 82-0451327

RE: Northgate Plan

CLIENT/MATTER: 09212-00001  
September 30, 2018  
Invoice # 175744

Gygli concerning ag consents, boundary map, and work session. Review and assess statute requiring ag consent for agricultural operation. Review and assess boundary line jurisdictional issue and potential resolution of the same. Follow up with Ms. Gygli re same. Follow up with consultant concerning additional work for market consultant and upcoming work session.

PROFESSIONAL FEES 4,420.00

Timekeeper	Staff	Rate	Hours	Amount	Non-Chargeable	
					Hours	Amount
Armbruster, Ryan P.	Shareholder	200.00	2.80	560.00	.00	.00
Conrad, Meghan S.	Shareholder	200.00	19.30	3,860.00	.00	.00
			22.10	4,420.00	.00	.00

COSTS ADVANCED	QTY	RATE	AMOUNT
Kushlan Associates (professional fees)			4,568.65
Color Copies	60.00	.25	15.00
Meghan Conrad (roundtrip mileage to/from Pocatello/Boise, Idaho, on 9/19/2018 for PDA Board meeting, 470 miles @ \$.54)	.54	470.00	253.80
<b>TOTAL COSTS ADVANCED</b>			<b>4,837.45</b>

INVOICE TOTAL

9,257.45

BALANCE FORWARD

8,831.92

**ELAM & BURKE**  
ATTORNEYS AT LAW

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

Tax Id No. 82-0451327

RE: Northgate Plan

CLIENT/MATTER: 09212-00001  
September 30, 2018  
Invoice # 175744

BALANCE DUE

18,089.37

**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

September 30, 2018

Invoice # 175745

Billing Atty - RPA

FOR PROFESSIONAL SERVICES RENDERED

From September 4, 2018 Through September 30, 2018

RE: Hoku Property Disposition

CLIENT/MATTER: 09212-00002

		HOURS		AMOUNT
9/04/18	MCP	1.30	Receive and review several emails from counsel for VA Metals / Solargise re license agreement and earnest money deposit issues. Follow up with Melanie Gygli, Chad Carr, and Scott Smith re same. Finalize license agreement. Follow up with counsel for VA Metals/Solargise re same.	260.00
9/05/18	MCP	.60	Receive and review several emails from Melanie Gygli re disposition and development agreement and various agreements and updating board re same. Follow up re contacts from John Foster.	120.00
9/06/18	MSC	.20	Follow up on real property disposition and determine next steps.	43.00
9/11/18	MCP	.50	Receive and review email from Fahd Riaz re proposed revisions to agreements. Follow up with Melanie Gygli re same and status of deposit.	100.00
9/12/18	MCP	.80	Follow up with board members re signatures on disposition and development agreement and lease termination. Follow up with Fahd Riaz re same. Receive and review several emails re same from board members and Riaz.	160.00
9/12/18	MSC	.10	Review and follow up on status update from client concerning conference call with interested parties.	21.50
9/17/18	MCP	.20	Follow up with counsel for Solargise re status of execution of documents and earnest money deposit.	40.00
9/17/18	MSC	.10	Follow up internally to determine status and	21.50

PAGE 1

**ELAM & BURKE**

ATTORNEYS AT LAW

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

Tax Id No. 82-0451327

RE: Hoku Property Disposition

CLIENT/MATTER: 09212-00002  
September 30, 2018  
Invoice # 175745

			whether any Board actions are necessary at the upcoming meeting.	
9/18/18	MCP	.50	Follow up with Melanie Gygli re progress on disposition and development agreement and process to close on the disposition. Follow up with counsel for Solargise re status of agreements and execution by Solargise.	100.00
9/18/18	MSC	.50	Review materials in preparation for the PDA Board meeting.	107.50
PROFESSIONAL FEES				973.50

Timekeeper	Staff	Rate	Hours	Amount	Non-Chargeable	
					Hours	Amount
Parks, Matthew C.	Associate	200.00	3.90	780.00	.00	.00
Conrad, Meghan S.	Shareholder	215.00	.90	193.50	.00	.00
			4.80	973.50	.00	.00

COSTS ADVANCED	QTY	RATE	AMOUNT
Visa (SDC: Conference Calls Unlimited - fees for conference call on 7/17/2018)			8.75
TOTAL COSTS ADVANCED			8.75

INVOICE TOTAL	982.25
BALANCE FORWARD	5,873.45
BALANCE DUE	6,855.70

**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

September 30, 2018

Invoice # 175746

Billing Atty - RPA

FOR PROFESSIONAL SERVICES RENDERED

From September 6, 2018 Through September 30, 2018

RE: Special Counsel General

CLIENT/MATTER: 09212-00003

HOURS	AMOUNT
9/06/18 MSC .30 Review and respond to email communication from Melanie Gygli (PDA) concerning RAA termination.	64.50
PROFESSIONAL FEES	64.50

Timekeeper	Staff	Rate	Hours	Amount	Non-Chargeable Hours	Amount
Conrad, Meghan S.	Shareholder	215.00	.30	64.50	.00	.00
			.30	64.50	.00	.00

INVOICE TOTAL

64.50

PAGE 1

**Gygli, Melanie**

---

**Subject:**

FW: Your receipt for payment to Bannock Development Corporation

----- Original message-----

**From:** PayPal

**Date:** Fri, Oct 5, 2018 9:01 AM

**To:** Melanie Gygli;

**Cc:**

**Subject:** Your receipt for payment to Bannock Development Corporation



You paid \$72.00 USD to  
Bannock Development Corporation

Thanks for using PayPal, Melanie Gygli

Create a PayPal account in just a few seconds so every checkout is a snap!

[Redacted]

Registration for 2018 BDC Annual Symposium for  
Scott Smith  
Scott Turner  
Rob Lion  
Matt Bloxham



# Porter's™

OFFICE PRODUCTS

Blue Cow Service ... Since 1915

Rexburg | Pocatello  
Logan | Idaho Falls  
Blackfoot | Jackson  
877-235-6998  
portersop.com

## CREDIT CARD INVOICE

Account No.	2
Invoice No.	707598-0
Invoice Date	10/03/18

BILL TO:		SHIP TO:	
POCATELLO CASH CUSTOMER		MELANIE GYGLI	
435 W. CENTER		CITY OF POCATELLO	
POCATELLO ID 83201		911 NORTH 7TH STREET	
		POCATELLO ID 83201	

CUSTOMER PURCHASE ORDER		ROUTE	SORT CODE	PAYCODE	ORDER TAKER
MELANIE		B		PREPAID	125

ITEM NUMBER	MFG	ITEM DESCRIPTION	UM	ORD QTY	B/O QTY	SHIP QTY	SELL PRICE	EXTEND PRICE
97503	TRT	POCATELLO DEVELOPMENT AUTHORITY TAX ID 82-0424493 Who Called : MALANIE BOX,FILE,LTR/LGL,12X15X10,WHT	CT	1		1	22.99	22.99

Thank you for shopping at Porter's Office Products.

**Payment Due Net 30 from Invoice Date**

Need to return an item? The item must be less than 30 days old, in original packaging, & in saleable condition. Unboxed & assembled furniture items are non-returnable. For complete Return Details, visit [www.portersop.com](http://www.portersop.com). A 3% convenience fee will be applied to On Account payments made by credit card.

Please remit payment to:  
Porter's Office Products  
50 North 2nd East, Rexburg ID 83440

Subtotal	22.99
Tax	
<b>Invoice Total</b>	<b>22.99</b>
<b>Balance Due</b>	<b>: .00</b>



## Welcome the Fall Scents!

Apples, cinnamon and Pumpkin Spice!



# Pocatello Development Authority

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

*An urban renewal agency for the City of Pocatello, Idaho*

TO: Pocatello Development Authority Board of Commissioners  
FROM: Melanie Gygli, Interim Executive Director *MG*  
Merril Quayle, Development Engineer *MQ*  
DATE: October 11, 2018  
SUBJECT: Yellowstone Restaurant/The Bridge – Issuance of Grant Funds

As part of the Economic Development Loan & Grant Agreement with Yellowstone Restaurant, the Board provided grant funds of \$27,623.88 to cover the remaining expenses of moving The Bridge from South 1<sup>st</sup> to West Bonneville. These expenses include building improvements comprising removing and reinstalling the exhaust hood, exhaust fan and make-up air unit and walk-in cooler; necessary electrical and plumbing upgrades; and installation of necessary fire extinguishers. These improvements are completed and were inspected at the time the work was done.

The total now being requested is \$24,416.59; B&G Plumbing agreed to write off \$3,208.12 in finance charges and an additional \$.83 was left off the request for Electrical Construction/Carroll. Payments will be made as follows:

Mechanical Solutions: \$2,359.00  
B&G Plumbing: \$6,270.61  
Richard & JoAnn Carroll: \$3,359.22  
Prevent Fire: \$989.69  
Yellowstone Restaurant: \$11,438.07

Copies of the invoices and accounting from the new owners are in the project file.

Funds that were approved as a loan for the patio construction are not being requested at this time. Work may be delayed until Spring of 2019.

**AGENDA ITEM**

**NO. 6**

Hi Melanie,

Thanks

The reason is that it's split into separate items that I won't be able to use the full amounts of each category. do you understand?

The loan will probably amount to about

- hood 42 905

- meters 50 000

= total \$92 905 (and not 100K)

the grant part will be:

- sprinklers 84 092

- stairway 25 000

- doors 12 000

= total 121 092 (and not 200K)

However, my sprinkler bid went up as plans changed a little after several city reviews (sprinkling the exits on lower floors). I'm waiting for a final bid because the previous was too expensive... I'm estimating sprinklers alone could be about 100K though.

On the upside, we found a way to have a smaller stairway that's up to code by using more exceptions of the IEBC, this may save us easily 15 000 or more but that's not certain yet. This would still keep the items on this grant part in the 120K range, no more than 150K is what I'm hoping.

Regards,

Denis

Further discussion on this plan is needed, including with the City Council and County Commissioners. Gygli will work to set a work session to continue review. Adoption of the plan tentatively would occur at the PDA's meeting in September.

Chair Smith moved ahead to items 6 and 7.

**Agenda Item No. 6: Station Square – Request for Funding.** At the 6/26/18 meeting, the Board gave preliminary approval for assistance of up to \$200,000 in a combination of a loan (\$100,000) and a grant (\$100,000). Grant monies are to be used for the fire sprinklers, fire exit stairway, and automatic doors, with loan funds to be used for the Class A hood and electric meters. After discussion, it was **MSC (J. Johnston, T. Tovey)** to provide assistance to Station Square as follows: up to \$100,000 in grant funds to be used for fire sprinklers, fire exit stairway in the atrium, and automatic doors on the front and back and up to \$100,000 in loan funds to be used for the Class A hood and electric meters on the outside of the building. The loan term will be five years, with the first year at 0 percent interest and no payment and with quarterly payments thereafter with interest at prime plus 1 percent. The owner is to provide a personal guarantee as well as a lien on the Station Square property.

**Agenda Item No. 7: The Bridge – Request for Funding and Funding Agreement Update.** **Clijsters and Willmore** provided additional information on their request for additional funding and reconsideration of the terms of the existing loan, extending the time for payment. The request totals \$44,418.88, which would pay off open invoices from moving the restaurant, making improvements to the patio, and UV tint for windows. They explained the building was not ready for use and the cost to make needed improvements exceeded estimates; many of those bills remain unpaid, with Willmore paying as funds are available. The landlord has granted use of the patio area with no current increase to the lease amount. They reiterated their desire to help in the revitalization of Old Town and feel the area needs to have this fine dining option.

Board members reviewed information on the restaurant's operation in the past and projections for the future; concern that improvements are being made with no contribution by the building's owner; whether the business can be successful long term; that this project removes a blighting influence from the downtown. Following discussion, it was **MSC (J. Johnston, T. Tovey)** to loan the additional funds (\$44,418.88), adding the existing loan, and rewriting to the original terms (five years, first year no payment, no interest; remaining four years at prime plus 1 percent interest, with quarterly payments), including a personal guaranty from the restaurant owner.

**Agenda Item No. 5: "Hoku" Property.**

**2. Executive Session:**

**Chairman Smith** called for a motion for the Board to go into an executive session to discuss a matter in which the PDA is in competition with other jurisdictions and 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. At approximately 12:45 P.m., **it was moved and seconded (T. Tovey, J. Johnston)** to adjourn to executive session pursuant to Idaho Code §74-206(1)(d, e, & f). **The motion passed by roll call vote (Ayes: Tovey, Johnston, Blad, Bloxham, Carr, Lion, Smith. Nays: None).** Upon **MSC (T. Tovey, M. Bloxham)** the Board reconvened to regular session at approximately 1:15 p.m.

No action was taken on this item.

Our problem:

- The whole 3<sup>rd</sup> floor renovations is estimated to cost \$1M.
- Per unit renovation cost therefore will be 45K
  - o This is lower than most newly build apartments!!
  - o Yet, valuations in Old Town for multifamily properties are extremely low. Generally used caprates in the area are 10% (cfr our current 2 appraisals from Kirkham appraisals)
  - o We estimate to bring an additional monthly rent of 11K with an additional cost of 4.5K = 6.5K \* 12 = 78K NOI (netto operating income).
    - 78,000 / 10% cap rate = additional 780K valuation.
  - o Form an investor perspective, we will lose +200K when we start this project, this will make it difficult for us to work with a bank to get a construction loan without sufficient support from the community.

Our proposal

We've singled out certain items out of our bid which will bring great social benefit to the community. However the cost, which isn't a luxury, but code-required, makes the project hard to succeed without support.

Fire Safety Improvement

Restaurant: New Class A Hood	\$	42,905	<i>loan</i>
Residential: Fire Sprinklers	\$	84,092	<i>grant</i>
Residential: fire exit stairway in atrium	\$	25,000	<i>grant</i>

Utility Improvement

Need for new electrical meters outside (we have a working system in the basement! Build in 1982 and in good condition, But Idaho Power demands us to build an all new system outside)	\$	50,000	<i>loan</i>
---	----	--------	-------------

Accessibility improvements

Automatic doors front & back	\$	12,000	<i>grant</i>
------------------------------	----	--------	--------------

<b>Total</b>	<b>\$</b>	<b>213,997</b>	
--------------	-----------	----------------	--

We would like to seek for a grant of 200K. This grant will bring our project to a near-break-even and will be sufficient for us to give a green light to start by the winter. A 100K grant and 100K no interest 2<sup>nd</sup> lien loan could help us out. Our bank Ireland Bank, and more specifically Dick Emerson, has experience with such projects in the past and will be a great benefit to the project as well.

We aim to work mostly during the winter months, to make use of the winter slump in construction. By working this way, we won't take too many resources away during peak-construction season in Pocatello during the summer.

**AGENDA ITEM**

**NO. 7**

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

Application:

Name: BGS Holdings, LLC

Date: 10/8/2018

Mailing Address: 509 S 9<sup>th</sup> Avenue, Pocatello, ID 83201

Work Phone: (208) 234-6094 Cell Phone: (916) 218-8211

E-Mail: bcoryell@sbcglobal.net

Project Description: Full remodel commercial retail building in Old Town Pocatello. Including, but not limited to: update HVAC, insulate (spray foam) ceiling for energy efficiency, replace leaking roof, update kitchen, upgrade restrooms to be ADA compliant, new facade (front and back)

Project Location: 228 S Main Street, Pocatello, ID 83204

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

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

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

Roof has deteriorated to the point that there are visible holes in it, which is causing leaking. The floor tile needs to either be replaced, or have an epoxy laid down on it. Facade needs work. Upgrade the HVAC system to be energy efficient. Commercial kitchen grease trap needs to be upgraded.

Current Assessed Value of Project Location: \$250,000 (assuming this is the building)

Estimated Construction Value of Project: \$200,000 (remodel) \$60,000 (facade (front and back))

Number of jobs created by this project: 12-15    Wage range of jobs: \$7.25 - \$15.00/hr  
Employee Benefits?     Yes    No    If yes, please describe: \_\_\_\_\_

---

Time frame for job creation: 3-4 months

Construction start date for project: 11/1/2018 Anticipated completion date: 2/1/2019

Briefly describe other public benefit(s) associated with this project:

Attract more people to visit Old Town with our casual dining and brewery. Creation of jobs. Improve the visual look of the building to make the area more welcoming.

Does this project compete with other, already established businesses? Competes with Jim Dandy Brewing and Portneuf Valley Brewing How? Both brew craft beers

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

Yes, we will have competitive bid for every job done on the project

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

Relationship of named applicant to the project: Owner

Type of Assistance Requested

(check all that apply):

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

Amount of Assistance Requested: \$260,000

Form of Assistance Requested:

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

Other helpful information? Please list: We will provide a two to four supplemental packet that further describes the plans for the building.

Return completed application to:

PDA Executive Director

City of Pocatello

P O Box 4169

Pocatello ID 83205



Off the Rails Brewing will be the neighborhood gathering spot in Old Town Pocatello, offering our handcrafted beers, family friendly atmosphere, open space, and our unique menu. We are excited to be part of the Old Town Pocatello experience.

**Mission**

Our mission at Off The Rails Brewing (OTRB) is to produce quality beers that are second to none. We will operate in ethical and environmentally friendly operations while we produce hand-crafted products. We strive to be the destination for the craft drink lover and eventually become the area's center for food and entertainment. Our goal in creating a valued regional brewery is enhanced by being a low-impact and environmentally friendly company producing the best craft drinks in the area. We strive to use locally sourced goods whenever possible in order to strengthen the local economy.

**Vision**

Our vision for Off The Rails Brewing is to become the premium craft brand in the areas we operate, starting in Southeast Idaho. We wish to grow the company quickly and steadily while keeping our core values intact.

**The People**

There are four (4) principal members of Off The Rails Brewing. The founders of OTRB are Bill Coryell, Hunter Rodriguez, Sterling Davie, and Stephen Wright. Together, we will perform the management duties for OTRB as defined in the LLC Operating Agreement.

Our plan is to initially increase cash flow by having each principal member performing the work associated with brewing, washing kegs, sales and deliveries. Bill, Sterling, and Stephen, are not leaving their current employment and will perform any duties uncompensated. Bill will be the Brewmaster. He has nine years experience in homebrewing. Hunter has twelve years experience in the food and alcohol industry. Hunter will be the only founding member working for a salary. His responsibilities will include the day to day operations of the business.

**Description of Our Business**

Our plan is to offer unique alcoholic beverages to our patrons in Southeastern Idaho such as handcrafted beers and eventually ciders. Off The Rails Brewing is a for-profit microbrewery that will produce quality hand-crafted beers. We are locally owned and will sell retail in our location as well as self-distribute to local bars, restaurants and stores in the Pocatello area. Our plans are to produce beer year round that we will self-distribute in the Pocatello area. Some examples of these beer styles are a Blonde Ale, India Pale Ale and an American Stout. Our distribution sales will allow us to get our brand out in the market and generate initial cash flows. For our retail operations, we will have taps at our retail location and offer unique styles of beer.

We have purchased a building at 228 S Main Street (formerly Chopsticks Cafe) so that our customers will be able to enjoy our craft beers and ciders in a comfortable environment.

### **Targeted Market and Customers**

At OTRB our target markets will focus on a smoke free, family friendly environment. We anticipate our customers to be recreational enthusiasts, blue collar, ISU students, professionals, etc. and customers who enjoy hand-crafted beers and food.

Our customers can be certain only the finest ingredients are used in every batch of our offerings and it is our intention to provide our customers only the best tasting, locally brewed drinks. This we can promise not only because we are the owners of Off The Rails Brewing but more importantly because we love the products we make.

### **Growth Trends In This Business**

Market data shows that craft beer is growing nationally and we believe that to be true for the State of Idaho and the Pocatello area. Boise currently has 25 breweries serving a population of approximately 225,000 residents and Idaho Falls has three operating breweries. From a December 2014 Wall Street Journal article, craft beer sales have been increasing 25% or more from 2008 to 2013 and cider sales have increased 27.3% annually from 2011 - 2016.

Data compiled by the Brewers Association, the trade association representing small and independent American craft breweries, shows that craft breweries make up 12% market share of the overall beer industry.

### **Pricing Power**

Off The Rails Brewing will produce many styles of craft ales as we grow our market share. Our goal is to open our own state-of-the-art brewery in the Pocatello area. Initially we will establish a 7 bbl brewery to sell beer on- and off-premise through retail and self-distribution where we will deliver to restaurants and bars in the State of Idaho. Local examples we feel strongly that we can have one tap or more are Texas Roadhouse, Buffalo Wild Wings, Mackenzie River, Grapevine, and Jaker's.

Our plan is to open a brewpub immediately. We will serve and sell 5, 7.75, and 15.5 gallon kegs, growlers, pints, and samplers to the public on-site and self-distribute. We plan to add SWAG such as mugs, growlers, and apparel to our sales offerings as well.

The key factors that will give us a competitive advantage will be our beers - the taste, quality and freshness. With a 7 bbl system, we will be able to brew different styles on a weekly basis and develop the loyal following that we are looking for.

We will promote our brewery using graphic images on hats, dress apparel, growlers, etc. We have had our logo designed by a local artist and will use the railroad logo on the cover

sheet of this business plan to promote our brand. Our brand will use railroad themes for our beer and support the history the railroad played in Pocatello and the growth of the west. Our beer tap handles will be Railroad spikes with the beer style marked on the spike.

Selling wholesale is also promoting our beers. While selling retail is a higher margin, selling to bars and restaurants will get our name out in the public which we believe will drive business to the brewery and our restaurant.

To connect with customers, we will use social media to keep them abreast of new locations offering our beer and new beer releases at our tap room. Twitter, Facebook, Instagram, email, and our website are the media we plan to use to inform followers of new beer releases, events and locations serving our brews.

### **Growth**

We plan to start brewing operations for retail and self-distribution locally in the Pocatello area. This will help us to promote our brand, bring in cash, and to give us time to build our business. We will add more fermenters to increase our brewing capacity to support our retail and wholesale offerings. This will also allow us to bottle some of our beer styles for customers who wish to take beer to go.

- We have purchased a building located at 228 S Main Street, Pocatello, ID. The building includes kitchen appliances: Gas stove and oven, flat top grill, fryers, cold storage units, freezer, dishwasher, prep tables, etc. Tables and chairs in the dining area were included as well, but our plan is to sell them since they don't meet the décor we envision.
- This building is 4,150 sq ft and has no basement. Having no basement is very important for our brewing because when our tanks are full, their weight will be almost 3,000 lbs each.
- We like the location in Old Town Pocatello and we have an abundance of parking across Main Street and behind our building.
- There is a big push to revitalize Old Town Pocatello.

### **Menu**

Due to our extensive market research, we will offer approximately twenty menu items at a price point between \$5.00 to \$14.00, which will feature classic deep dish Chicago pizza, and a traditional pub menu. We will use fresh and local ingredients as much as possible. We will have rotating items based on the season.

### **Existing establishments in Old Town Pocatello**

- Yellowstone - Upscale dining
- Villano's - Italian
- Grecian Key - Greek
- First National Bar - Traditional bar food
- Taste of Nepal - Nepalese

### **What makes us different**

- Unique experience.
- Specialty beers that are not offered anywhere else in town.
- The customized local pub menu offers a wide variety of options for lunch and dinner, that is not currently offered in Old Town Pocatello.
- Our great Old Town Pocatello location allows us to cater to a wide variety of customers.

### **Myers Anderson Architects**

We are working with Myers Anderson Architects. They have developed conceptual drawings for the remodel. They have estimated the remodel costs at \$94.00 per square foot (sf) for a total \$296,100. Based on 3150 (sf).

Our goal is to use our sweat equity to bring the price to \$63.50 per sf for a total of \$200,000.

### **Remodel**

#### **Loan (interior) \$200,000**

- Energy efficient HVAC
- Two public ADA restrooms
- Energy efficient LED lighting
- Grease Trap and Containment System
- New membrane roof
- Removal of asbesto flooring
- New flooring
- Ceiling insulation (Spray on foam)
- Create office area
- Employee restroom
- New plumbing
- New electrical

#### **Grant (exterior) \$60,000**

- Refurbish neon sign
- Garage doors (Front and back)
- Facade work
- LED lighting to promote safety

**Assets**

- \$46,505 existing equipment.
- \$18,000 experimental 1 bbl system. Allows us to test new recipes and customer feedback.
- \$52,000 equity in the building.
- \$116,505 total equity.

**Full Loan Repayment**

Our plan is to repay the loan as soon as possible.

No partner will not take any profits until the loan is fully repaid.

We will report our financials to the PDA on a quarterly basis.

ACTUAL CONTRIB -

BaCo: \$50 + \$1.3 = \$1.35M

PoCi: \$450

PDA: \$50 + \$1.65M = \$1.7M

TOTAL: \$3.50M

COMMITTED -

*old clubs*  
*Vlk lighting, etc*  
*future sewer etc*

PoCi: [\$721 + \$279 + \$1.5M] = \$2.50M

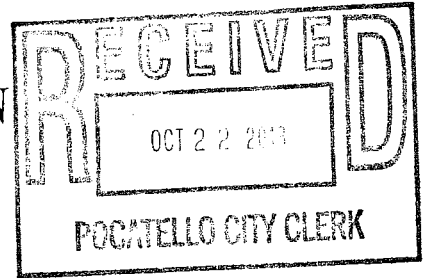
PDA: \$300k

TOTAL: \$2.80M

\$6.3M

TIF Body =  
~ 1,800 Ac

# PROOF OF PUBLICATION



STATE OF IDAHO  
County of Bannock

LN25695

KAREN MASON

**LEGAL NOTICE  
REQUEST FOR PROPOSALS**

**Redevelopment of Property  
(1 Hoku Way)**

The Urban Renewal Agency of the City of Pocatello, also known as Pocatello Development Authority (Agency) is pleased to announce the redevelopment offering for the underlying real property located at 1 Hoku Way, Pocatello, Idaho (hereinafter the "Property").

On August 29, 2018, the Agency executed a Disposition and Development Agreement with Solargise America, LLC (the "Solargise DDA") for the disposition of the Property to Solargise America, LLC ("Solargise"), which transfer was expressly subject to the Agency's statutory requirement to solicit competing redevelopment proposals in accordance with Idaho Code §50-2011, advise the public of the intent to dispose of the Property to Solargise, seek public comment on the planned disposition, and invite competing proposals for consideration prior to disposing of the Property to Solargise.

In accordance with Idaho Code §50-2011, the Agency invites developers to submit competing redevelopment proposals for the Property in conformance with the request for proposals, pertinent zoning regulations, and the North Portneuf Urban Renewal Area and Revenue Allocation District Improvement Plan, adopted in 2007 (the "Urban Renewal Plan"). The Agency also requests public comment on the proposed disposition of the Property to Solargise per the terms of the Solargise DDA.

Interested individuals and firms are invited to obtain submission instructions (which includes copies of the Solargise DDA and other relevant documents). Submission instructions are available on the Agency's website: <http://pda.pocatello.us/> and are also available at the Agency offices located at 911 North 7th Avenue, Pocatello, Idaho 83201. Submissions will be accepted until 5:00 p.m. Mountain Time, November 19, 2018. Late or incomplete submissions will not be accepted.

October 18, 2018  
LN25695

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

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

Oct. 18	2018	Oct. _____	2018
Oct. _____	2018	Oct. _____	2018
Oct. _____	2018	Oct. _____	2018
Oct. _____	2018	Oct. _____	2018

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

STATE OF IDAHO  
COUNTY OF BANNOCK

On this 18th. of Oct. in the year of 2018, before me, a Notary Public, personally appeared KAREN MASON Known or identified to me to be the person whose name subscribed to the within instrument, and being by me first duly sworn declared that the statements therein are true, and acknowledge to me that he executed the same.

Notary of Public

Residing at Arimo exp. 3/3/2021

