

Pocatello Development Authority

Board of Commissioners Meeting
March 20, 2019 – 11:00 a.m.
Paradise Conference Room – Pocatello City Hall

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

Call to Order and Acknowledgment of Guests

An urban renewal agency for the City of Pocatello, Idaho

Agenda Item No. 1: Disclosure of Conflicts of Interest

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

Motion to approve and/or amend the Regular Session Meeting Minutes of 2/20/19.

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

Motion to approve and/or amend the February 2019 Income and Expense Report.

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

- a. Elam & Burke February services on Northgate TIF for \$3,588.02 (general fund), Philbin Road/Hoku Property /\$803.00 (North Portneuf District), North Yellowstone closure for \$989.00 (North Yellowstone District), general for \$31.50 (general fund)
- b. Stacey & Parks in the amount of \$1,920.00 for February services on Philbin Road/Hoku property (North Portneuf District)

Agenda Item No. 5: Requests for Disbursement of Approved Grants or Loans [ACTION ITEM]

- a. BGS Holdings LLC
- b. Simmons Surgical LLC

Agenda Item No. 6: Requests for Grants and/or Loans – [ACTION ITEM]

- a. Barthlome, 159 South Main
- b. Jim Dandy Street Lighting, 300 Block East Lander
- c. Inergy, 695 West Maple (amendment of approved grant request)
- d. The Yellowstone, 230 West Bonneville (amendment of approved loan request)

Agenda Item No. 7: North Yellowstone District – Authorization of Closure Letter [ACTION ITEM]

Agenda Item No. 8: Hoku Property Disposition [ACTION ITEM] / [EXECUTIVE SESSION - Matters may exist for discussion in an executive session as per I.C. §74-206(1)(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.]

Agenda Item No. 9: Discussion/Adoption of Agency Policies Regarding Grants & Loans [ACTION ITEM]

Agenda Item No. 10: Reports and Updates

- a. Northgate TIF Plan
- b. Potential ISU Student Project Request
- c. Other

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; 208.234.6248; or 5815 South 5th Avenue, Pocatello, ID.

AGENDA ITEM

NO. 3

(will be supplemented)

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

FEBRUARY 28, 2019

Invoice # 178154

Billing Atty - RPA

RE: Special Counsel General

CLIENT/MATTER: 09212-00003

FEBRUARY 28, 2019

Invoice # 178154

*** INVOICE SUMMARY PAGE ***

| | |
|-------------------|-------|
| PROFESSIONAL FEES | 31.50 |
| COSTS ADVANCED | .00 |
| TOTAL INVOICE | 31.50 |

PAGE 3

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

FEBRUARY 28, 2019

Invoice # 178154

Billing Atty - RPA

FOR PROFESSIONAL SERVICES RENDERED

From FEBRUARY 5, 2019 Through FEBRUARY 28, 2019

RE: Special Counsel General

CLIENT/MATTER: 09212-00003

| | | | | |
|---------|-----|-----|--|-------|
| 2/05/19 | KSK | .10 | Draft email to client re resolution approving designation of public records custodian and alternate custodian and public records guidelines. | 10.00 |
| 2/05/19 | RPA | .10 | Prepare explanatory email and resolution concerning designating custodian and compliance with Idaho Code Section 74-119. | 21.50 |

| ATTORNEY | RATE | HOURS | AMOUNT | NON-CHARGEABLE | |
|---------------------------------|--------|-------|--------|----------------|--------|
| | | | | HOURS | AMOUNT |
| Armbruster, Ryan P. Shareholder | 215.00 | .10 | 21.50 | .00 | .00 |
| Kline, Kim S. Paralegal | 100.00 | .10 | 10.00 | .00 | .00 |
| | | .20 | 31.50 | .00 | .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: Special Counsel General

CLIENT/MATTER: 09212-00003
FEBRUARY 28, 2019
Invoice # 178154

COSTS ADVANCED

TOTAL COSTS ADVANCED .00

INVOICE TOTAL 31.50

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

FEBRUARY 28, 2019

Invoice # 178155

Billing Atty - RPA

RE: North Yellowstone District Closure

CLIENT/MATTER: 09212-00004

FEBRUARY 28, 2019

Invoice # 178155

*** INVOICE SUMMARY PAGE ***

| | |
|-------------------|--------|
| PROFESSIONAL FEES | 989.00 |
| COSTS ADVANCED | .00 |
| TOTAL INVOICE | 989.00 |

PAGE 3

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

FEBRUARY 28, 2019

Invoice # 178155

Billing Atty - RPA

FOR PROFESSIONAL SERVICES RENDERED

From FEBRUARY 11, 2019 Through FEBRUARY 28, 2019

RE: North Yellowstone District Closure

CLIENT/MATTER: 09212-00004

| | | | | |
|---------|-----|------|--|--------|
| 2/11/19 | MSC | 1.20 | Work on North Yellowstone termination documents. Review email communication from Ms. Gygli concerning bond redemption. Draft email communication to Ms. Gygli concerning information needed to complete draft documents. Review response re same. Review tax code area information to determine affected taxing districts. Review the 2018 L-1s to confirm PDA does not receive any school district levies. Work on drafting the letter to the taxing districts. | 258.00 |
| 2/12/19 | MSC | .10 | Continue to work on termination documents and review email communication from client concerning the 2007 amendment to extend the life of the district. | 21.50 |
| 2/13/19 | MSC | 1.50 | Continue to work on drafting the resolution and termination plan. Review available documents for information on the plan amendment. Draft follow up information to Ms. Gygli re same. | 322.50 |
| 2/14/19 | MSC | .70 | Review information provided by Ms. Gygli concerning the 2007 plan amendment. Update the termination documents accordingly. Circulate the | 150.50 |

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: North Yellowstone District Closure

CLIENT/MATTER: 09212-00004
FEBRUARY 28, 2019
Invoice # 178155

| | | | | |
|---------|-----|-----|---|--------|
| | | | same to Ms. Gygli with instructions and thoughts on timing. | |
| 2/19/19 | MSC | .50 | Review Ms. Gygli's questions and comments to the draft North Yellowstone project area termination documents. Draft follow up response addressing questions raised in the documents. | 107.50 |
| 2/25/19 | MSC | .50 | Conference call with Ms. Gygli to discuss comments in the draft documents, timing of the letter and resolution and termination budget. | 107.50 |
| 2/26/19 | MSC | .10 | Review and follow up on revised termination document drafts. | 21.50 |

| ATTORNEY | | RATE | HOURS | AMOUNT | NON-CHARGEABLE | |
|-------------------|-------------|--------|-------|--------|----------------|--------|
| | | | | | HOURS | AMOUNT |
| Conrad, Meghan S. | Shareholder | 215.00 | 4.60 | 989.00 | .00 | .00 |
| | | | 4.60 | 989.00 | .00 | .00 |

COSTS ADVANCED

TOTAL COSTS ADVANCED .00

INVOICE TOTAL 989.00

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

FEBRUARY 28, 2019

Invoice # 178153

Billing Atty - RPA

RE: Hoku Property Disposition

CLIENT/MATTER: 09212-00002

FEBRUARY 28, 2019

Invoice # 178153

*** INVOICE SUMMARY PAGE ***

| | |
|-------------------|--------|
| PROFESSIONAL FEES | 803.00 |
| COSTS ADVANCED | .00 |
| TOTAL INVOICE | 803.00 |

PAGE 3

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

FEBRUARY 28, 2019

Invoice # 178153

Billing Atty - RPA

FOR PROFESSIONAL SERVICES RENDERED

From JANUARY 7, 2019 Through FEBRUARY 28, 2019

RE: Hoku Property Disposition

CLIENT/MATTER: 09212-00002

| | | | | |
|---------|-----|------|--|--------|
| 1/07/19 | MCP | 3.70 | Receive and review letter from Webb Moulton re Celtic Life litigation threat and comments on requests for proposals process. Review court records re open meeting lawsuit and Celtic lawsuit against VAM. Follow up with Meghan Conrad re same. Draft email to Scott Smith and Melanie Gygli re assessment of letter from Celtic and advice re same. | 740.00 |
| 1/22/19 | MCP | .10 | Follow up with Fahd Riaz re closing. | 20.00 |
| 2/15/19 | MSC | .20 | Review and asses information from county concerning upcoming tax deed sale. Review process and follow up with attorney Parks concerning status and next steps. | 43.00 |
| 2/25/19 | MSC | .30 | (NO CHARGE) Conference call with Matt Parks in follow up to conference call with Fahd Riaz to discuss closing. | |
| 2/26/19 | MSC | .20 | (NO CHARGE) Review email communications to/from attorney Parks to Fahd Riaz concerning closing. Conference call with attorney Parks to discuss IPC substation issue. | |
| 2/27/19 | MSC | .20 | (NO CHARGE) Review and follow up on email communications and documents related to IPC | |

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
FEBRUARY 28, 2019
Invoice # 178153

easement and PDA waiver of closing
conditions/defaults to proceed with sale.

| ATTORNEY | | RATE | HOURS | AMOUNT | NON-CHARGEABLE | |
|-------------------|-------------|--------|-------|--------|----------------|--------|
| | | | | | HOURS | AMOUNT |
| Parks, Matthew C. | Associate | 200.00 | 3.80 | 760.00 | .00 | .00 |
| Conrad, Meghan S. | Shareholder | 215.00 | .20 | 43.00 | .70 | 150.50 |
| | | | 4.00 | 803.00 | .70 | 150.50 |

COSTS ADVANCED

TOTAL COSTS ADVANCED .00

INVOICE TOTAL 803.00

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

FEBRUARY 28, 2019

Invoice # 178152

Billing Atty - RPA

RE: Northgate Plan

CLIENT/MATTER: 09212-00001

FEBRUARY 28, 2019

Invoice # 178152

*** INVOICE SUMMARY PAGE ***

| | |
|-------------------|----------|
| PROFESSIONAL FEES | 3,310.00 |
| COSTS ADVANCED | 278.02 |
| TOTAL INVOICE | 3,588.02 |

PAGE 5

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

FEBRUARY 28, 2019

Invoice # 178152

Billing Atty - RPA

FOR PROFESSIONAL SERVICES RENDERED

From FEBRUARY 4, 2019 Through FEBRUARY 28, 2019

RE: Northgate Plan

CLIENT/MATTER: 09212-00001

| | | | | |
|---------|-----|------|--|----------|
| 2/04/19 | MSC | .40 | Review email from Ms. Gygli concerning meeting with Chubbuck City Council. Review and assess comments to the draft IGA and corresponding ordinance. Draft follow up email communication to Pocatello City Attorney and Ms. Gygli re thoughts on comments and potential presentation materials. | 80.00 |
| 2/04/19 | RPA | .30 | Review and comment on intergovernmental agreement with Chubbuck and approval process for Bannock County. | 60.00 |
| 2/05/19 | KSK | .50 | Draft power point presentation for plan presentation for Chubbuck City Council work session. | 50.00 |
| 2/05/19 | MSC | 1.40 | Work on preparing presentation materials. Review and follow up on City Attorney's response to Chubbuck's comments on the IGA and ordinance. Review additional email concerning the tax code areas; follow up re same. | 280.00 |
| 2/05/19 | RPA | .50 | Review intergovernmental agreement and outline issues for upcoming work session with Chubbuck officials and next steps for Chubbuck approval. | 100.00 |
| 2/06/19 | MSC | 8.80 | Travel to/from Chubbuck to attend City Council work session and address the Council concerning | 1,760.00 |

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

FEBRUARY 28, 2019

Invoice # 178152

| | | | | |
|---------|-----|------|---|--------|
| | | | the requested action on the IGA and ordinance. Attend and participate in the work session. | |
| 2/06/19 | RPA | .20 | Follow up on Chubbuck response to PDA plan area. Consider next steps and approval process. | 40.00 |
| 2/07/19 | MSC | .50 | Follow up on status of county meeting and timing of the P&Z review. Review P&Z resolution and proposed findings. Follow up with client re same. | 100.00 |
| 2/08/19 | MSC | .70 | Work on revising the draft Chubbuck IGA and ordinance incorporating comments from Chubbuck staff and other minor revisions. Circulate the revised draft to the Pocatello City Attorney and Ms. Gygli. | 140.00 |
| 2/08/19 | RPA | .20 | Review status of meeting dates for Bannock County and planning and zoning commission. Outline next steps. | 40.00 |
| 2/12/19 | MSC | .40 | Follow up with Ms. Gygli concerning coordinating the distribution of documents to city of Chubbuck. Review Chubbuck website to determine whether agenda had been posted, follow up re same. | 80.00 |
| 2/14/19 | MSC | .10 | Follow up on email communication from Ms. Gygli concerning results of P&Z meeting. | 20.00 |
| 2/19/19 | MSC | 1.10 | Review Chubbuck City Council agenda for Wednesday evening and confirm IGA and transfer of powers ordinance are action items. Review BOCC website to determine whether the agenda for Monday has posted; no posting. Draft follow up email communication to Ms. Gygli and city attorney concerning upcoming meetings and next steps. Review board packet materials in preparation for upcoming meeting. Follow up with Ms. Gygli re same. | 220.00 |
| 2/21/19 | MSC | .20 | Review status update from Ms. Gygli concerning Chubbuck CC and follow up on steps moving forward. | 40.00 |

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
FEBRUARY 28, 2019
Invoice # 178152

| | | | | |
|---------|-----|-----|---|--------|
| 2/22/19 | MSC | .20 | Review email communication from Ms. Gygli including questions/comments to the distribution letter and the publication notice. Draft follow up notice to Ms. Gygli re timing and request for call to discuss next steps. Review timeline re same. | 40.00 |
| 2/25/19 | MSC | .70 | Review information concerning the timing of the City Council public hearing and publication timing. Conference call with Ms. Gygli to discuss the same. Follow up with Jeff Servatius concerning status of the preliminary review of the map and legal. | 140.00 |
| 2/26/19 | MSC | .20 | Review and follow up on emails related to BOCC action on the IGA and ordinance. | 40.00 |
| 2/27/19 | MSC | .30 | Review email communication from STC concerning edits to the Northgate legal description. Follow up with Ms. Gygli re same. Follow up with Ms. Gygli concerning status of BOCC review of the IGA and ordinance and note delay re same. | 60.00 |
| 2/28/19 | MSC | .10 | Review and follow up on email communication from Ms. Gygli re personal attendance at upcoming city council public hearing and tweak to plan attachments to include additional exhibits. | 20.00 |

| ATTORNEY | RATE | HOURS | AMOUNT | NON-CHARGEABLE | |
|---------------------------------|--------|-------|----------|----------------|--------|
| | | | | HOURS | AMOUNT |
| Armbruster, Ryan P. Shareholder | 200.00 | 1.20 | 240.00 | .00 | .00 |
| Conrad, Meghan S. Shareholder | 200.00 | 15.10 | 3,020.00 | .00 | .00 |
| Kline, Kim S. Paralegal | 100.00 | .50 | 50.00 | .00 | .00 |
| | | 16.80 | 3,310.00 | .00 | .00 |

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
FEBRUARY 28, 2019
Invoice # 178152

COSTS ADVANCED

| | | | |
|--|-------|----------|--------|
| Copies | 11.00 | .15 | 1.65 |
| Meghan Conrad (roundtrip mileage to/from Chubbuck/Boise, ID, for meeting with Chubbuck City Council re Northgate Plan, 464 miles @ \$.58) | | | 269.12 |
| Color Copies | 29.00 | .25 | 7.25 |
| TOTAL COSTS ADVANCED | | 278.02 | |
| INVOICE TOTAL | | 3,588.02 | |

PAGE 4

Stacey & Parks, PLLC
 802 W Bannock Suite LP 110
 BOISE, ID 83702
 United States
 (208) 917-7780

Stacey & Parks, PLLC

Melanie Gygli
 Director, Planning & Development Services
 City of Pocatello
 P O Box 4169
 Pocatello ID 83205

Balance \$1,920.00
Invoice # 00111
Invoice Date March 6, 2019
Payment Terms Due on Receipt
Due Date March 06, 2019

Hoku Property Sale

Time Entries

| Date | EE | Activity | Description | Rate | Hours | Line Total |
|------------|----|-----------------------------------|--|----------|-------|------------|
| 02/14/2019 | MP | Client Communication | Receive email from Melanie Gygli regarding unpaid taxes. Follow up with counsel for Solargise regarding same. Review DDA regarding closing conditions. Draft email to PDA regarding taxes and closing. | \$200.00 | 0.8 | \$160.00 |
| 02/15/2019 | MP | Document Review and Assessment | Follow up with Fahd Riaz regarding closing and notice of tax deed. Review DDA regarding respective closing conditions. | \$200.00 | 0.4 | \$80.00 |
| 02/19/2019 | MP | Document Review and Assessment | Review DDA regarding closing contingencies and prepare notice to Solargise confirming Agency contingencies have been met. | \$200.00 | 1.1 | \$220.00 |
| 02/19/2019 | MP | Document Preparation | Draft special warranty deed. | \$200.00 | 1.2 | \$240.00 |
| 02/19/2019 | MP | Client Communication | Follow up with Melanie Gygli and Meghan Conrad regarding Board meeting and Hoku update. | \$200.00 | 0.2 | \$40.00 |
| 02/22/2019 | MP | Communication with Opposing Party | Communicate with Fahd Riaz regarding closing. | \$200.00 | 0.2 | \$40.00 |
| 02/25/2019 | MP | Communication with Opposing Party | Telephone conference with Fahd Riaz regarding closing. Review DDA and attachments regarding open closing items. Assess request for closing extension and pre-closing checklist. | \$200.00 | 1.8 | \$360.00 |
| 02/25/2019 | MP | Client Communication | Draft follow up email to Scott Smith and Melanie Gygli regarding closing update and subjects discussed with Fahd Riaz regarding Solargise's intent to close and timing of same. | \$200.00 | 0.4 | \$80.00 |

| | | | | | | |
|------------|----|--------------------------------|--|----------|-----|----------|
| 02/26/2019 | MP | Document Review and Assessment | Receive email from Solargise regarding request for extension of time to close on property acquisition. Review DDA regarding conditions of closing for both buyer and seller and representations and warranties. Assess potential litigation for failure to close and available remedies for the PDA. Follow up with Meghan Conrad regarding same. Follow up with Scott Smith and Melanie Gygli regarding same. | \$200.00 | 2.5 | \$500.00 |
| 02/27/2019 | MP | Client Communication | Review DDA and lease termination regarding closing conditions and impact of Idaho Power claims to confirm all responsibility for the condition of the property was shifted to Solargise. Draft letter to Solargise waiving closing conditions. Follow up with Scott Smith and Melanie Gygli regarding same. | \$200.00 | 0.8 | \$160.00 |
| 03/06/2019 | MP | Client Communication | Review tax deed notices. Follow up with Melanie Gygli and Scott Smith regarding same. | \$200.00 | 0.2 | \$40.00 |

Totals: 9.6 \$1,920.00

| | |
|-----------------------|-------------------|
| Time Entry Sub-Total: | \$1,920.00 |
| Sub-Total: | \$1,920.00 |
| Total: | \$1,920.00 |
| Amount Paid: | \$0.00 |
| Balance Due: | \$1,920.00 |

AGENDA ITEM

NO. 5

(will be supplemented)

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, Public Works Development Engineer *MQ*
DATE: March 20, 2019
SUBJECT: BGS Holdings – Issuance of Loan Funds

As part of the Economic Development Agreements with BGS Holdings, the Board approved loan funds of up to \$200,000.00 and a grant for \$60,000.00 for costs related to a variety of work on the building at 228 South Main.

A request for payment in the amount of \$39,750.15 has been submitted for the following items:

1. Plumbing, concrete, framing, etc. (see attached invoice)

The necessary permits were obtained and the work has been completed to the extent of the invoice. Based on what has been done and the approval given, \$6,000.00 is applicable to the grant (façade work) and \$33,750.15 is applicable to the loan.

It is our determination that the fund request is appropriate for payment. Payment should be made as follows:

1. CP Integrity Construction, \$39,750.15



3/8/2019
Invoice #783-01

2715 Ridgeview lane, Pocatello Id, 83204 Office: (435) 363-5048

Client: Off the Rails Brewing
Address: 228 S. Main

Description: Remodel

| Description | Amount |
|---|--------------------|
| Concrete work | |
| -Cutting, removal of concrete, dump fees | \$8000 |
| -Excavation billed at \$95 per hr after concrete is removed | \$760 |
| Barn wood wall covering: | |
| -Purchase and storage. (Delivery date March 18 th) | \$4875 |
| East and west entrance: | |
| -West framing material and labor | \$6000 |
| Utilities: | |
| Plumbing materials delivered | \$9100 |
| Plumbing rough-in complete | \$9100 |
| Permit and inspections to date: | |
| -Concrete alterations (front entrance) | \$2165.15 |
| -Plumbing rough in | |
| -Permit | |
| Job changes and Add-on's | |
| 1. Discount for not installing beam but, includes engineer time, demo of framing, lumber delivered and support walls built, squash block framing required by structural engineer. | \$-250 |
| Percentage billed to date: 17% | |
| Due upon receipt | \$39,750.15 |

AGENDA ITEM

NO. 6

6a

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

Application:

Name: Lysle David (LD) Barthlome Date: 3/4/2018

Mailing Address: 9950 Peppergrass Point, Pocatello, ID 83204

Work Phone: 208-251-6878 Cell Phone: 208-251-6878 E-Mail: ldb@optix.net

Project Description: Install new roof to eliminate leaks

Project Location: 159 South Main, 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:
The building has many roof leaks throughout. The previous owner placed buckets and tarps inside the drop ceiling to avoid interior damage. A new roof is vital to attracting a quality tenant to lease the vacant 4000 sq ft.

Current Assessed Value of Project Location: \$ 173,339.00 (Bannock County Assessor)

Estimated Construction Value of Project: \$ 27,500

Number of jobs created by this project: 8 Wage range of jobs: \$16-24/hour

Employee Benefits? Yes No If yes, please describe: _____

Time frame for job creation: 6 days (weather permitting)

Construction start date for project: 4/10/2019 Anticipated completion date: 4/20/2019

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

This building is in the heart of Old Town Pocatello, in a highly visible location, as it sits on the corner of Main & Lewis. My goal is to keep this building in great condition so it can remain an attractive part of Old Town. Offering an attractive building is key to finding a quality tenant who can be successful in Old Town and contribute to the positive character of the historical district. The building also features a section of the original mural that was once seen inside the Capitol Theater. The roof leaks could potentially threaten the remaining section of that mural.

Does this project compete with other, already established businesses? How? _____

No

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

We have requested two bids from local roofing companies and one of those bids is included with this application.

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

No

Relationship of named applicant to the project: Building 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 Roof replacement

Amount of Assistance Requested: \$27,500

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: _____

This building was originally built as the Capitol Theatre, which opened in 1924.

Replacing this roof (to avoid interior damage) is critical to attracting a quality tenant/business to Old Town.

Return completed application to:

PDA Executive Director
City of Pocatello
P O Box 4169
Pocatello ID 83205



617 S. 2nd Avenue ~ P.O. Box 6049
Pocatello, ID 83201
Phone: 208-233-1996
Fax: 208-233-2167

Serving Southeastern Idaho for over 20 Years

To: Sara

Date: 3/4/2019

Phone: 208-705-7272

Email: saraweb@gmail.com

PROJECT: 159 S Main

SCOPE OF WORK: WE PROPOSE TO FURNISH LABOR AND MATERIAL IN STRICT ACCORDANCE WITH THE PLANS AND SPECIFICATIONS AS FOLLOWS:

1. Install ½" fan fold over existing roof
2. Mechanically fasten 60 mil TPO roofing system
3. Flash walls, pipe vents, drain.

Total: \$ 27,500.00

***This includes a 2 year workmanship warranty and a 15 year manufacturer's integrated warranty from GAF.*

CONDITIONS

It is understood and agreed that we shall not be held liable for any loss, damage or delays occasioned by fire, strikes, or material stolen after delivery upon premises, lockouts, acts of God, or the public enemy, accidents, boycotts, material shortages, disturbed labor conditions, delayed delivery of materials from Seller's suppliers, force majeure, inclement weather, floods, freight embargoes, causes incident to national emergencies, war, or other causes beyond the reasonable control of Seller, whether of like or different character, or other causes beyond his control. Prices quoted in this contract are based upon present prices and upon condition that the proposal will be accepted within thirty days. Also, general conditions which are standard for specialty contractors in the construction industry apply.

If any decking work needs to be done (i.e. repair or replacement) there will be an additional charge.

TERMS: HALF DOWN WITH BALANCE DUE ON COMPLETION.

SUBMITTED: ACCEPTED:

By _____

Business Plan

LD Barthlome, Building Owner



**159 South Main | Pocatello, ID
Capitol Theatre Building**

Commercial building located at 159 South Main, Pocatello, ID 83204
(208) 251-6878 ldb@optix.net

Executive Summary

LD Barthlome purchased the commercial building located at 159 South Main in Pocatello, Idaho in November 2018. The building was previously owned by a local photographer who was forced to retire for medical reasons and needed a buyer willing to invest in Old Town.

As a local business owner himself, LD chose to invest in Old Town Pocatello as a way to support the ongoing efforts to revitalize Old Town. LD has no personal use for the building and expects to lease the space to two separate tenants.

Vision of Owner

Maintaining the building in a way that contributes to the character of Old Town Pocatello is of utmost importance to LD. He expects to accomplish this by attracting tenants who are likely to be successful while utilizing the space and adding to the overall experience Old Town provides Pocatello residents.

History of Property

The building at 159 South Main was originally built as Pocatello's Capitol Theatre and opened New Year's Day 1924. The theater operated until 1969. In 1973 a fire next door (in the Orpheum Theater) destroyed the front portion of the Capitol Theatre building, which was later rebuilt to its present-day look. A portion of the Capitol Theatre's original mural is still visible in the rear of the building.

Description of Property

Leasable Area 1: The main area of the building will be leased to a future tenant, who will utilize the front entrance (at the corner of Main and Lewis) and access approx. 4,000 sq. ft. divided between the main level and the second story. A

local real estate agent was recently contracted to assist in locating a suitable tenant for this space. The ideal tenant is an established business who can utilize the large space, and benefit from the attractive entrance and high street visibility in Old Town.

Leasable Area 2: Another 600 sq ft of the building in the rear is currently used by a local photographer, who created a separate entrance on the South side of the building along Lewis Street. This tenant has already invested in upgrades throughout the space to create an attractive experience for her clients, and she is currently working on polishing her new entrance.

Current Condition of Property

Overall, the building is in good condition given its age.

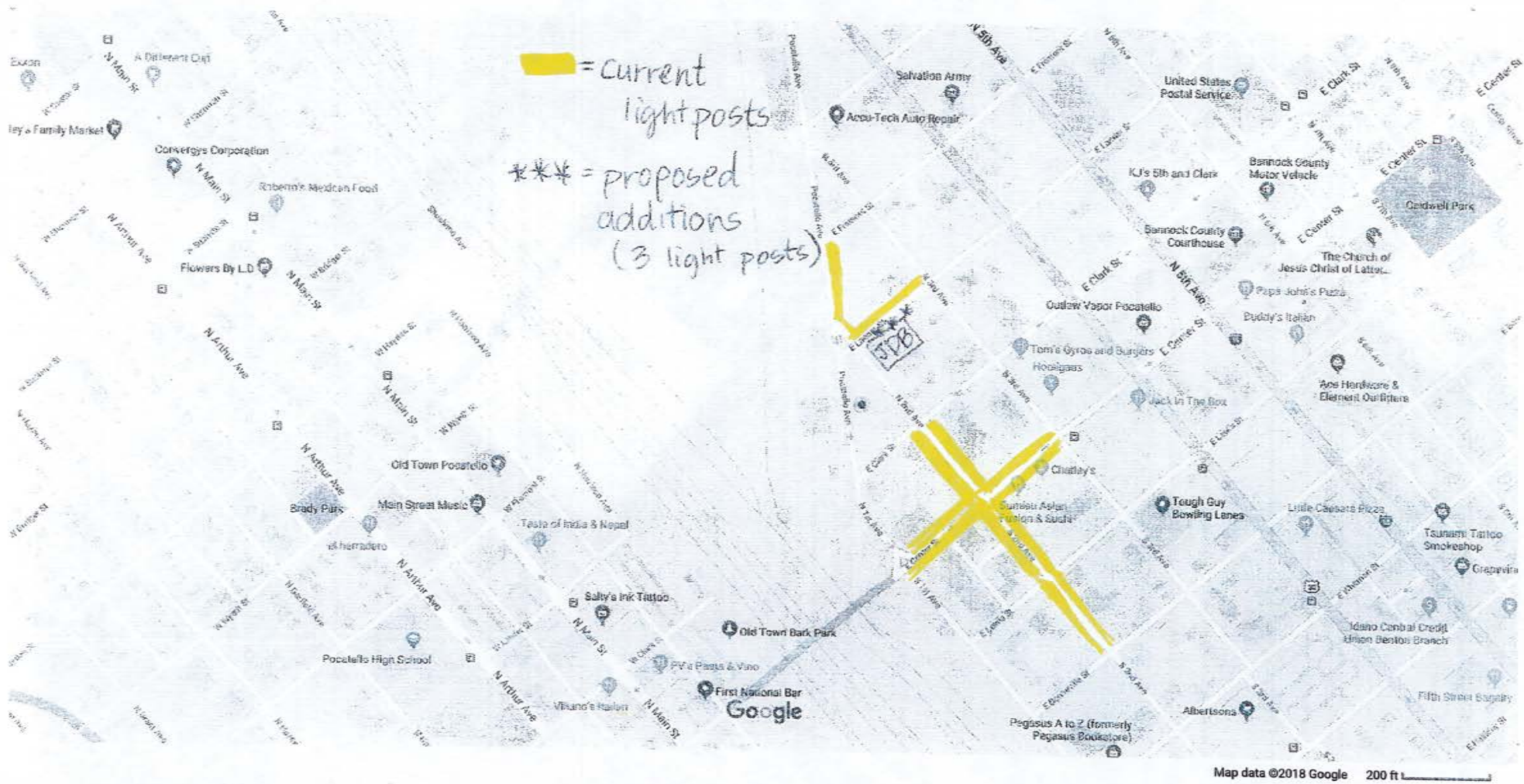
On the interior, minor cosmetic adjustments are needed to accommodate a future tenant in Area 1. LD will most likely need to finance some HVAC and electrical modifications to suit a future tenant, but those systems are currently functioning properly as is.

The exterior is solid and attractive and will provide a great business presence for both tenants.

During December 2018, the tenant in Area 2 experienced some minor damage from a roof leak, and in subsequent days, more leaks appeared throughout the building. The roof leaks continued and worsened through January and February 2019, when it became apparent that the problem has existed for some time. The leaks are persistent throughout Area 1 and Area 2. In February 2019, a roofing contractor was hired to repair the leaks, and that is currently an ongoing process. This contractor and another contractor both recommend a full roof replacement since the roof appears to be thin and aged. At this time, the damage to the interior has remained minor, but installing a new roof quickly is necessary to ensure the minor damage doesn't become major.

Funding Request

LD Barthlome is requesting \$27,500 in the form of a grant from the City of Pocatello Development Authority to cover the cost of a new roof to the Capitol Theatre building located at 159 South Main in Pocatello, Idaho.

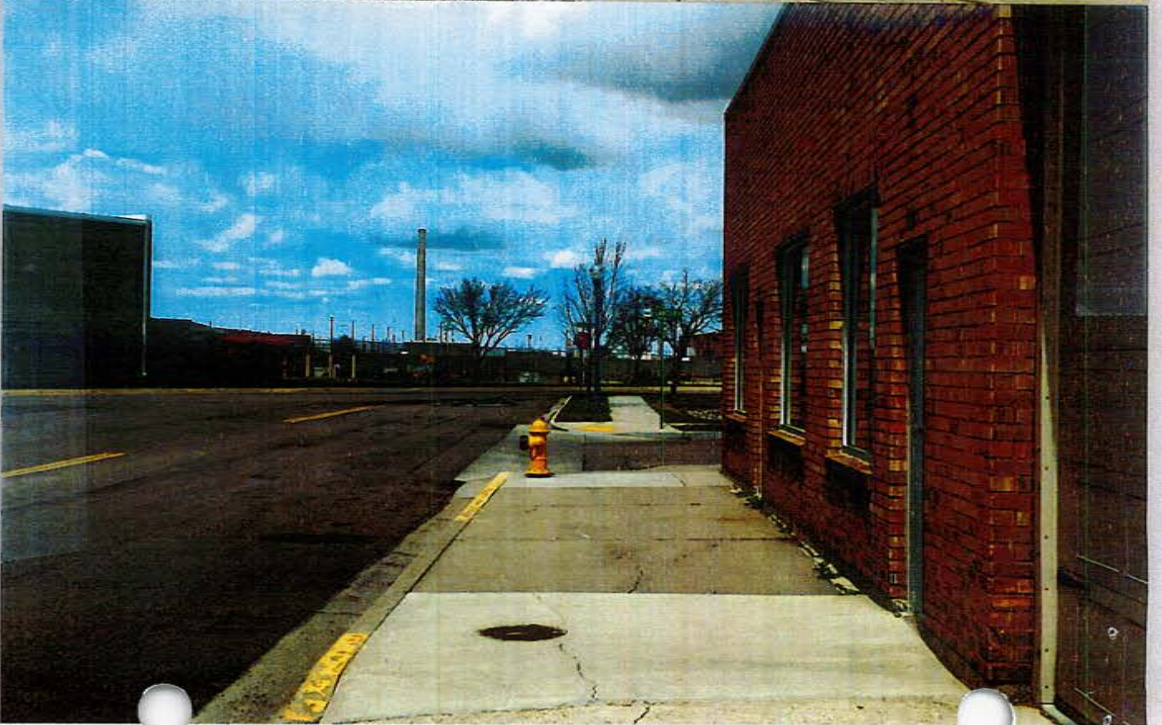


= Current light posts
 *** = proposed additions (3 light posts)

609







62

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

Application:

Name: Inergy Date: 3/12/19

Mailing Address: 620 Pheasant Ridge Dr, Chubbuck, ID 83202

Work Phone: 877-969-2432 Cell Phone: 208-220-5658 E-Mail: jared@inergysolar.com

Project Description: Site Improvements: Renovate existing shop area to create office space, research and development offices, and section off additional offices.

Project Location: 525 W Maple, Pocatello, ID 83201

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:

Vacant and in poor interior condition from previous occupants.

Current Assessed Value of Project Location: Rental, property value of \$1,300,000

Estimated Construction Value of Project: \$75,000

Number of jobs created by this project: 10 Wage range of jobs: \$30 - 50k

Employee Benefits? Yes No If yes, please describe: _____

Health Insurance, Paid Time Off, Holiday Pay

Time frame for job creation: Within calendar year of 2019

Construction start date for project: 4/1/19 Anticipated completion date: 7/1/19

Briefly describe other public benefit(s) associated with this project: Locating a "hot" tech startup in the heart of Pocatello will help awareness to the opportunities that are here, and provide local, exciting employment opportunities to retain ISU graduates. Additional employees will also help increase local commerce. We want to be very visible and active in the local community with sponsorships and activities.

Does this project compete with other, already established businesses? How? No

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

We are actively seeking competitive bids for the project

Are there other applicants that may be interesting in applying for PDA assistance for this same project? Please explain: No, the project owner is applying

Relationship of named applicant to the project: President of Inergy

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 Property Improvements

Amount of Assistance Requested: \$25,000

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 have a very strong humanitarian effort to provide renewable, reliable power to disaster stricken areas or poverty zones. In 2018 we donated over \$350,000 in products to various communities. These projects bring lots of press coverage regionally, and increasingly nationally.

Return completed application to:

PDA Executive Director
City of Pocatello
P O Box 4169
Pocatello ID 83205

ECONOMIC DEVELOPMENT GRANT AGREEMENT

This Agreement made this 16th day of May, 2018, by and between Inergy Holdings, LLC, an Idaho Limited Liability Company, dba Inergy Solar (hereinafter referred to as "Inergy"), and the Pocatello Development Authority, an urban renewal agency formed in accordance with the laws of the State of Idaho (hereinafter referred to as "PDA").

1. Recitals

1.1 Inergy is an Idaho company engaged in the business of portable devices for the collection and storage of solar power for use with personal devices. Monetary assistance has been requested for enhancements to the property at 880 North 5th Avenue, to be used by Inergy as an office and production facility. Said monetary assistance has been offered by the PDA to expedite the process and assist in the retention and creation of jobs and tax revenue for the City.

1.2 PDA is a public body created as an urban renewal agency pursuant to Idaho Code §50-2006, part of the Idaho Urban Renewal Law of 1965. As an urban renewal agency, PDA is charged with aiding and assisting economic development in Pocatello, Idaho (hereinafter at times "the community"), including assisting developments that will retain and increase available jobs in the community; and is further charged with encouraging such development by private enterprise; all as more specifically provided in Idaho Code §§50-2002 and 50-2003, being part of the Idaho Urban Renewal Law, and Idaho Code §50-2902, being part of the Local Economic Development Act.

1.3 In fulfillment of its statutory duties with respect to development and job retention and creation in the Pocatello, Idaho area, PDA has the power to make funds available to assist businesses that will retain and/or create jobs in the community and enhance the economic viability of the community.

1.4 PDA has determined that the expansion of Inergy's business establishment represents the type of urban area development to which it may apply revenue allocation funds (tax increment financing) under the applicable statutes; and that the same will promote economic development in the area and the creation of jobs and increased tax base consistent with the applicable urban renewal law. For that reason, PDA has committed to grant the sum of twenty-five thousand dollars (\$25,000.00) to Inergy to assist with its building enhancements.

1.5 By this Agreement, PDA and Inergy wish to memorialize their mutual undertaking and commitments with respect to the economic development grant described herein.

2. Provisions for the Economic Development Funds

2.1 PDA agrees to grant Inergy the sum of twenty-five thousand dollars (\$25,000.00). Said grant shall be used exclusively for building enhancements including but not limited to the remodeling of a bathroom and construction of a roof deck at Inergy's location at 880 North 5th Avenue, , Pocatello, Idaho.

2.2 In return for PDA's agreement to grant said funds, Inergy agrees as follows:

A. To add at least ten (10) new employees to its payroll, with an average annual salary of not less than thirty thousand dollars (\$30,000), no later than close of business December 31, 2018.

B. To maintain these employment numbers and wages for a minimum period of three (3) years from establishing this benchmark.

C. To submit an employee verification study to be conducted by or at the direction of PDA upon reasonable notice. Inergy and PDA agree to cooperate in the exchange of information for said study, which may be conducted as frequently as every six months, but no less than once per year, so long as Inergy is in compliance with the employment requirements provided

in paragraphs A and B above. In the event Inergy fails or refuses to meet any of the requirements of paragraphs A or B above, PDA reserves the right to conduct an employee verification study as frequently as every three months until Inergy is in compliance for two consecutive verification studies. For the purpose of this section, a “year” shall begin on the date described in paragraph B above, or at such time as the employment benchmark is met.

D. In the event Inergy fails or refuses to meet any of the requirements of paragraphs A or B above, PDA’s grant of \$25,000.00 shall convert to a loan, accruing interest at prime plus 1% (beginning with the conversion date from a grant to a loan) to be repaid in full in monthly installments within five (5) years from the date of default, or as agreed to by the parties.

3. Effect of Agreement

3.1 It is understood by the parties to this Agreement that the amounts paid by PDA to Inergy for the benefit of Inergy are not to be construed as compensation for specific services by Inergy for PDA. Rather, the intent of the parties is that the payment assists Inergy in its need for additional space.

3.2 The parties acknowledge that the effect of the payments by PDA required hereunder will inure to the benefit of Inergy, while having the corresponding benefit to the public purposes of PDA as described above.

4. Miscellaneous

4.1 This Agreement shall be governed by and construed under the laws of the State of Idaho; venue shall be the Sixth Judicial District for the County of Bannock.

4.2 In any litigation arising out of this Agreement, the prevailing party shall be entitled to recover reasonable attorney fees from the non-prevailing party.

4.3 This Agreement shall be binding upon and inure to the benefit of the respective parties and their legal successors. Inergy may assign this Agreement with the express written consent of the PDA, which consent shall not be unreasonably withheld.

4.4 Any individual or individuals executing the within document on behalf of Inergy hereby acknowledge and represent that he or they have the power and authority to so bind the corporate authority, and that such authority was conferred by an act of the Board of Directors of such corporate authority, unless the binding of any such corporation is within the power of the person or persons executing this document on such corporation's behalf. In the event that the party or parties executing this document on behalf of any corporate party hereto do not have authority to so bind the corporation for any cause or reason, then such person or persons shall be personally liable under the terms hereof.

4.5 Notices by either party to the other shall be made in writing and delivered by first class mail, postage prepaid, to the parties as follows:

COMPANY: Inergy Holdings, LLC
dba Inergy Solar
Attn: Sean Luangrath
880 North 5th Avenue
Pocatello, ID 83201

PDA: Pocatello Development Authority
Attn: Executive Director for the PDA
911 North 7th Avenue
Pocatello, ID 83201


4.6 This document constitutes the entire agreement of the parties with respect to the guarantee of payment by PDA to Inergy and supersedes any prior agreements of the parties.

4.7. This Agreement may be altered only by written Addendum or Amendment executed by both parties to this Agreement.

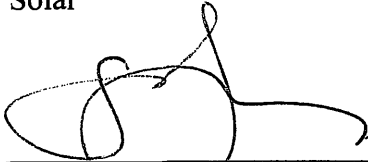
IN WITNESS WHEREOF, the parties have executed this Agreement the day and year first above written.

POCATELLO DEVELOPMENT AUTHORITY
An urban renewal agency under the laws of the
State of Idaho

INERGY HOLDINGS, LLC, an Idaho
Limited Liability Company, dba Inergy
Solar



Scott Smith, Chairman



Sean Luangrath, Member

ACKNOWLEDGEMENTS

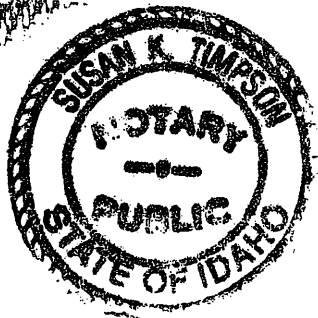
FOR THE POCATELLO DEVELOPMENT AUTHORITY:

STATE OF IDAHO)
)
) ss:
)
County of Bannock)

On this 16th day of May, 2018, before me, the undersigned, a Notary Public in and for the State, personally appeared Scott Smith known to me to be the Chairman of the "PDA", of the City of Pocatello, and acknowledged to me that he executed the foregoing instrument for and on behalf of said agency and that said agency executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, the date and year in this certificate first above written.

(SEAL)



Susan K. Timpson
NOTARY PUBLIC FOR IDAHO
Residing in: McCammon, ID
My commission expires: 2/22/2024

District (50,148.51). Expenses totaled \$648,890.49, including \$132.04 for the August lunch meeting, debt service payment of \$58,382.25 and principal payment of \$564,000 on the North Yellowstone bond, \$17,740.20 in principal payment to the City on the North Portneuf property, and professional services payment to Elam & Burke of \$3,350 and \$5,286 Elam & Burke for work on the Northgate TIF plan and the Hoku property. Following discussion, it was then **MSC (T. Tovey, S. Turner)** to approve the August 2018 financial reports as presented.

Agenda Item No. 5: Engagement of Auditor for FY2018 Audit. **Stroschein** presented a proposal by Deaton & Company to perform the PDA's FY2018 audit. This firm also does the City's audit. Following brief discussion it was **MSC (T. Tovey, C. Carr)** to engage Deaton & Company to do the PDA's FY2018 audit and authorize the Chair to sign the proposal.

Agenda Item No. 4: Request for Funding – Yellowstone Restaurant (The Bridge). **Gygli** explained The Bridge has been purchased by new owners and is now The Yellowstone. Because of this change, the funding assistance approved for The Bridge must be reconsidered. Also, there was some confusion regarding the form of the assistance, whether loan, grant, or a combination.

Clijsters and **Erchul**, representing The Yellowstone, reviewed their proposal. They have assumed the loan originally made by the PDA to Lisa Willmore for The Bridge. Additionally, they are asking for \$16,795 as a loan to allow creation of an outdoor patio area (total loan with assumption of \$42,795) and \$27,623.88 in grant funds to cover the remaining unpaid costs from moving The Bridge from its original location, for a total funding request of \$70,418.88. They would like to have the same loan terms as originally given to The Bridge, specifically, a five-year term, with 0 percent interest and no payments for one year, with the balance due over four years at prime plus one percent, payable in quarterly payments.

In response to questions from Board members, **Clijster** and **Erchul** stated business has been excellent, with sales exceeding projected numbers. They have begun working on the patio, keeping costs down by using their own labor as much as possible. Following discussion, it was **MSC (C. Carr, J. Johnston)** to provide a loan in the amount of \$16,795 for the patio project, to be added to the loan assumed from The Bridge, for a total loan of \$42,795.00, with a five-year term, at 0 percent interest and no payments for one year, with the balance due over four years at prime plus one percent, payable in quarterly payments. The loan is to be guaranteed by the four owners. Further, a grant will be provided in the amount of \$27,623.88 to cover unpaid moving expenses from when the The Bridge moved from its 1st Avenue location.

Agenda Item No. 8: Reports and Updates.

- a. **Positron:** **Gygli** reported a follow up letter is being sent to Idaho State University inquiring about the University's interest in acquiring this property. Mike Smith has offered tours of the facility to members of the Board, if desired.
- b. **Naval Ordnance District:** No update on the lawsuit status was available.
- c. **Peterson, Inc.:** **Gygli** briefly reviewed the semi-annual employment report for June 2018. Peterson continues meeting all employment benchmarks.
- d. **District Closeouts:** **Stroschein** provided Board members with a spreadsheet showing cash balances and commitments for each of the TIF districts and general fund. After talking with Zions Bank, she calculates that the bonds can be paid off by March of 2019, and steps can be made to close this district, as all obligations have been met. This will result in at least \$73M of value being returned to the general tax rolls. As regards the Naval Ordnance Plant District, the Board needs to determine how to proceed, given the continuing lawsuit, with potential projects. If no further projects are anticipated, this district could be closed. Also, when the Philbin Road/Hoku property transaction is completed, the North Portneuf District could be closed.

ECONOMIC DEVELOPMENT LOAN & GRANT AGREEMENT

This Economic Development Loan and Grant Agreement (hereinafter "Agreement") is made this 17th day of October 2018, between **Yellowstone Restaurant LLC**, an Idaho Limited Liability Company, whose address is 230 West Bonneville, Pocatello, Idaho 83204 (hereinafter referred to as "Yellowstone"), and the **Pocatello Development Authority**, an urban renewal agency formed under the laws of the State of Idaho (hereinafter referred to as "PDA") whose address is 911 North 7th Avenue, Pocatello, ID 83201.

Recitals

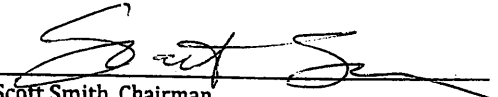
- A. By Economic Development Grant and Loan Agreement dated October 19, 2016, the PDA agreed to contribute to the cost of the relocation of The Bridge Steak and Seafood Restaurant from the Kinport Junction building, located on South 1st Avenue, Pocatello, Idaho to the Yellowstone Hotel building located at 200 West Bonneville Street, Pocatello, Idaho. The relocation was necessary to facilitate a new tenant, Derive Power, LLC, an Idaho Limited Liability Company, doing business as Bullydog, who desired to occupy the Kinport Junction building to use as a larger centralized production and marketing office.
- B. After the move to the Yellowstone Hotel building, the owners of The Bridge sold their business interest in The Bridge to Yellowstone, which will continue the restaurant operation in the Yellowstone Hotel building. Yellowstone has agreed to assume the debt incurred by The Bridge to PDA under the referenced Economic Development Grant and Loan Agreement in the amount of twenty-six thousand dollars (\$26,000.00).
- C. Subsequent to The Bridge's relocation to the Yellowstone Hotel building and the sale of the business to Yellowstone, additional expenses have arisen associated with needed upgrades and installations to facilitate the restaurant's kitchen needs and to ensure the safety of the employees and customers at this new location. Further, Yellowstone desires to create an outdoor seating area for patrons to increase business opportunities.
- D. PDA is an independent public body, corporate and politic, created as an urban renewal agency pursuant to Idaho Code § 50-2006, part of the Idaho Urban Renewal Law of 1965. As an urban renewal agency established by the City Council of the City of Pocatello, PDA is charged with aiding and assisting economic development in the Pocatello area, including assisting developments that will retain and increase available jobs and valuation in the community; and is further charged with encouraging such development by private enterprise; all as more specifically provided in Idaho Code §§ 50-2002 and 50-2003, being part of the Idaho Urban Renewal Law, and Idaho Code § 50-2902, being part of the Local Economic Development Act.
- E. PDA has determined that the improvements are necessary for the viability and operation of the restaurant and more importantly represent the type of development which PDA can assist with and support under the applicable statutes; that such assistance and support will reduce and alleviate urban blight and will promote economic development of the area by assisting this business to continue to grow, which will increase employment and increase the tax base valuation with the City.
- F. For these purposes and reasons, the PDA has committed to provide from the PDA General Fund a loan of \$16,795.00 pursuant to the terms and conditions set forth below. This loan is in addition to the assumption of the original loan to The Bridge in the amount of \$26,000.00. Further, the PDA has committed to provide from the PDA General Fund a grant of \$27,623.88 to pay costs associated with moving the restaurant operation from its original location.

Agreement

- 1. Assumption of The Bridge Debt.** Upon execution of this Agreement, Yellowstone unconditionally assumes all of the debt and liabilities of The Bridge under the Economic Development Grant and Loan Agreement dated October 19, 2016
- 2. Economic Development Loan.** Upon the PDA's receipt of detailed invoices from qualified contractor(s) and/or Yellowstone and verification by the PDA that work creating the backyard patio, including concrete, miscellaneous yard work and fence, gas connection and fire pits, and Main Street signage, has been completed, inspected, and is fully operational, the PDA shall loan Yellowstone an additional amount of up to sixteen thousand, seven hundred ninety-five and no/00 dollars (\$16,795.00). Said loan shall be paid within five (5) years from the date the loan is issued; the first year will accrue interest at 0 percent and each year thereafter the interest will be prime plus 1 percent.
- 3. Economic Development Grant.** Upon the PDA's receipt of detailed invoices from qualified contractor(s) and/or Yellowstone and verification by the PDA that miscellaneous building improvements including removing exhaust hood, exhaust fan and make-up air unit and walk-in cooler from 1st Street to West Bonneville; necessary electrical and plumbing upgrades;


IN WITNESS HEREOF, the parties have executed this Agreement the day and year first above written.

POCATELLO DEVELOPMENT AUTHORITY
An Idaho Urban Renewal Agency

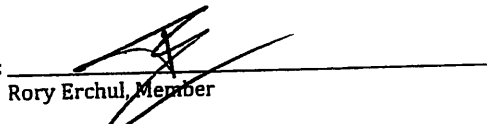
By: 
Scott Smith, Chairman

YELLOWSTONE RESTAURANT LLC
An Idaho Limited Liability Company

By: 
Michael McCormick, Member

By: 
Denis Clijsters, Member

By: 
Jennifer Erchul, Member

By: 
Rory Erchul, Member

AGENDA ITEM

NO. 7

March 20, 2019

Bannock County Board of
Commissioners
624 East Center
Pocatello ID 83201

RE: Intent to Terminate the North Yellowstone Urban Renewal Area Improvement Plan

Dear Commission Members:

This letter serves as advance notice to you of the intent of the Urban Renewal Agency of the City of Pocatello, Idaho, also known as Pocatello Development Authority (the "Agency") to terminate the revenue allocation area adopted at the time of the North Yellowstone Urban Renewal Area Improvement Plan (the "North Yellowstone Plan Area") ten (10) years early. For the past fifteen (15) years, the Agency has reinvested revenue from the revenue allocation area (the "RAA") exclusively in public improvements within the boundaries of the RAA.

The statutory termination date for the North Yellowstone Plan Area and the RAA, as amended in 2007, is December 31, 2028, recognizing the Agency is entitled to receive its allocation of revenues assessed in calendar year 2028, during calendar year 2029, as permitted by Idaho Code § 50-2905(7). The Agency has reviewed the projected revenues and expenses of the North Yellowstone Plan Area, as amended, and has determined the RAA can be terminated early, by December 31, 2019, effective retroactive to January 1, 2019, as it relates to assessed values within the RAA. As a result, the Agency shall not receive revenue allocation funds in calendar year 2020, generated from the 2019 assessed values, and the allocation of revenues under section 50-2908, Idaho Code, shall cease effective January 1, 2020. The Agency does not intend to receive revenue allocation funds from any delinquency tax payments.

At its April 17, 2019, public meeting, the Agency Board of Commissioners will consider the adoption of a resolution of intent to terminate the North Yellowstone Plan Area and RAA, including a formal recommendation to the Pocatello City Council to adopt an ordinance terminating the RAA by December 31, 2019. Thereafter, the Pocatello City Council is expected to hold a public meeting and adopt a termination ordinance, which is the final step in formally terminating the North Yellowstone Plan Area and RAA.

The increment value of the terminating RAA shall be included in the net taxable value of the taxing district when calculating the subsequent property tax levies pursuant to section 63-803, Idaho Code. The increment value shall also be included in subsequent notification of taxable value for each taxing district pursuant to section 63-1312, Idaho Code, and subsequent certification of actual and adjusted market values for each school district pursuant to section 63-315, Idaho Code. You will need to contact the

Bannock County Assessor's Office and/or the State Tax Commission for increment value information, including the increment value, if any, included on the new construction roll for new construction located within the RAA since December 31, 2006.

There are no remaining improvements to be completed under the North Yellowstone Plan Area. The Agency has sufficient funds on deposit for payment of all final project costs and administrative fees. At this point, it appears there will be a surplus to be distributed prior to the end of the Agency's 2019 fiscal year on September 30, 2019. Any available funds will be remitted to the County Treasurer to be distributed to the taxing districts in the same manner and proportion as the most recent distribution to the taxing districts of the taxes on the taxable property located within the RAA. The Agency understands, if not budgeted, the return of any surplus may require the taxing district to amend its budget.

The Agency anticipates distributing the formal termination budget, together with a narrative termination plan, well prior to the statutory deadline of September 1, 2019. City Council approval is also expected before the statutory deadline of December 31, 2019.

The North Yellowstone Plan Area and RAA successfully completed \$9.3 Million in infrastructure improvements, including roads, curbs, gutters, sidewalks, sanitary sewer system upgrades, water system improvements, storm water mitigation, lighting, traffic signal upgrades, and other utility improvements, including gas, power and communication system upgrades. Private developers supported the vision by investing in construction of several new buildings with a total value well in excess of \$40 Million. As of October 2018, these improvements incentivized private developers to locate new business within the RAA. The location of Costco, Lowes, and many, many other businesses to the RAA has had far-reaching and significant impact, including hiring locally with estimated total wages of \$7,387,443. Agency commissioners and staff are proud of the essential, central role the Agency has played over the years by intelligently and transparently applying the redevelopment tools granted by the Idaho Legislature.

For additional information contact Melanie Gygli at 208-234-6583 or mgygli@pocatello.us.

Sincerely,

Scott Smith
Chair, Board of Commissioners

Melanie Gygli
Interim Executive Director/Secretary

c: Agency Board of Commissioners
Ryan Armbruster, Elam & Burke

4812-1972-6216, v. 1

Gygli, Melanie

From: Gygli, Melanie
Sent: Thursday, March 21, 2019 11:36 AM
To: 'Jeff Street'
Subject: RE: Small Project for PDA

Hi Jeff—

The PDA discussed your request. While it may be a worthwhile project, it does not meet the mission of the PDA as regards urban renewal, and cannot be considered for funding.

Hopefully the students can find other funding sources.

Melanie Gygli

Director, Planning & Development Services
City of Pocatello | P O Box 4169 | Pocatello ID 83205
Ph: 208-234-6583 | Fax: 208-234-6586

From: Jeff Street <strejeff@isu.edu>
Sent: Thursday, March 7, 2019 12:10 PM
To: Gygli, Melanie <mgygli@pocatello.us>
Subject: Re: Small Project for PDA

Thank you very much for giving the proposal some thought. Please ask the PDA if they would be willing to hear a pitch from the class. Can you suggest other organizations/groups I could contact as a source of funds?

Idaho State
UNIVERSITY



Jeff Street, PhD
Director, CEED
Associate Professor, Department of Management
College of Business
921 S. 8th Avenue, Stop 8020
Pocatello, ID 83209-8020
770-654-2056 (Cell)
<http://isu.edu/ceed>

On Thu, Mar 7, 2019 at 11:34 AM Gygli, Melanie <mgygli@pocatello.us> wrote:

Hi Jeff—

This isn't the kind of project the PDA usually funds. But I'd be happy to run this past the group at their March meeting and see what they think. Then we could put you on for the April meeting for a full review.

Melanie Gygli

Director, Planning & Development Services

City of Pocatello | P O Box 4169 | Pocatello ID 83205

Ph: 208-234-6583 | Fax: 208-234-6586

From: Jeff Street <strejeff@isu.edu>
Sent: Thursday, March 7, 2019 8:20 AM
To: Gygli, Melanie <mgygli@pocatello.us>
Subject: Small Project for PDA

Hi Melanie,

This is Jeff Street from ISU. I have a question about the feasibility of help from the PDA. I have a class of students at ISU working on a project related to Old Town. We are thinking about ways to bring the branding (signs, symbols, and artifacts) of the ISU campus to Old Town as a 'co-branding' effort. Examples are perhaps painting the ISU logo on store windows, or placing orange ISU Adirondack chairs on the Old Town pavilion lawn. I am working on a donation from an ISU alumnus for \$5000. Do you think the PDA would be willing to consider a matching fund of \$5000 for the project? If so, the class would like to make a presentation to the PDA on April 17th.

Thanks for the advice.

Jeff

Idaho State
UNIVERSITY



Jeff Street, PhD

Director, CEED

Associate Professor, Department of Management

College of Business

921 S. 8th Avenue, Stop 8020

Pocatello, ID 83209-8020

770-654-2056 (Cell)

<http://isu.edu/ceed>