

**POCATELLO DEVELOPMENT AUTHORITY**  
**Board of Commissioners Meeting**  
**December 18, 2019 – 11:00 a.m.**  
**Paradise Conference Room – Pocatello City Hall**

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City Hall is accessible to persons with disabilities. Program access accommodations may be provided with three 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, Idaho.

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In the event this meeting is still in progress at 12:00 p.m., a ten-minute recess may be called.

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- 1. CALL TO ORDER, DISCLOSURE OF CONFLICT OF INTEREST, AND ACKNOWLEDGMENT OF GUESTS.**
- 2. ACTION ITEM – Approval of the Agenda.**
- 3. ACTION ITEM – Minutes.** The Board may wish to waive the oral reading of the minutes and approve the minutes from the Board of Commissioners Regular Meeting held November 20, 2019. *See attached document.*
- 4. ACTION ITEM – Financial Report.** A financial report for the PDA will be provided by PDA Treasurer. The Board may wish to approve the financial report. *To be supplemented.*
- 5. ACTION ITEM – Expense Payments & Reimbursements.** The Board may wish to approve the payment or reimbursement of the following PDA expenses:
  - a. \$430.00 from General Fund to Elam & Burke for legal fees re: Special Counsel General
  - b. \$5,800.00 from North Portneuf District Fund to Stacey & Parks for legal services re: North Portneuf TIF District.
- 6. ACTION ITEM – Appointment of Deputy Treasurer.** The Board may wish to appoint Bonny Schroeder to the position of Deputy Treasurer.
- 7. ACTION ITEM – Naval Ordnance Plant District.** The Board may wish to approve the request by Barbara Wischerath, representing Gateway West, for distribution of \$31,171.00 for improvements within the District. *See attached documents.*
- 8. ACTION ITEM – Potential TIF District.** Tanner Hernandez will present a proposal for a potential urban renewal area/revenue allocation district in the South 5<sup>th</sup> area. *See attached documents.*
- 9. ACTION ITEM – North Portneuf TIF District.** The Board will receive an update on the status of the property disposition and may wish to discuss future steps for this district. *See attached document.*
- 10. CALENDAR REVIEW** – The Board may wish to take this opportunity to inform other Board members of upcoming meetings and events that should be called to their attention. A list of meeting dates for 2020 is included.
- 12. ADJOURN.**

**AGENDA ITEM**

**NO. 3**

**AGENDA ITEM**

**NO. 4**

General Fund Obligations (w/payments requested as of 12/18/19)

Name	Grant			Loan			Payments Start
	Grant	Drawn	Remaining	Loan	Drawn	Remaining	
Northgate TIF				\$2,000,000.00	(\$2,000,000.00)	\$0.00	2021 - TIF reimbursement begins
Station Square	\$100,000.00	(\$15,059.00)	\$84,941.00	\$100,000.00	(\$47,882.44)	\$52,117.56	NA 8/1/2020 (\$6,250 + interest quarterly)
The Yellowstone				\$16,795.00	\$0.00		Not yet disbursed, \$1,050 + interest quarterly
The Yellowstone/Bridge				\$26,000.00	(\$26,000.00)	\$0.00	2/1/2020 (\$1,839.89 quarterly)
Inergy	\$25,000.00	\$0.00	\$25,000.00				Only if employment incentive not met
BGS	\$60,000.00	(\$60,000.00)	\$0.00	\$200,000.00	(\$200,000.00)	\$0.00	NA 6/1/2020 (\$12,500 + interest quarterly)
Simmons	\$75,000.00	(\$74,900.45)	\$99.55	\$125,000.00	(\$125,000.00)	\$0.00	NA - Applicant does not intend to request remaining grant 6/1/2020 (\$7,813 + interest quarterly)
Snyder	\$75,000.00	(\$75,000.00)	\$0.00				NA
Barthlome	\$10,000.00	(\$10,000.00)	\$0.00	\$17,500.00			NA Chose not to take loan

**AGENDA ITEM**

**NO. 7**

**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

NOVEMBER 30, 2019

Invoice # 182982

Billing Atty - MSC

RE: Special Counsel General

CLIENT/MATTER: 09212-00003

NOVEMBER 30, 2019

Invoice # 182982

\*\*\* INVOICE SUMMARY PAGE \*\*\*

PROFESSIONAL FEES	430.00
COSTS ADVANCED	.00
TOTAL INVOICE	430.00

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NOVEMBER 30, 2019

Invoice # 182982

Billing Atty - MSC

FOR PROFESSIONAL SERVICES RENDERED

From NOVEMBER 4, 2019 Through NOVEMBER 30, 2019

RE: Special Counsel General

CLIENT/MATTER: 09212-00003

11/04/19	MSC	.60	Review status of signed deed. Review PSA and note due diligence period has expired. Follow up with ISU counsel concerning closing date and status of back rent. Draft follow up email communication to title confirming signed deed to be retained in escrow until delivered/recorded at closing.	129.00
11/04/19	RPA	.20	Address ability to transfer property to ISU and closing requirements.	43.00
11/05/19	MSC	.70	Follow up on email communication from ISU counsel confirming back rent has been paid. Follow up with title to work on proceeding with closing.	150.50
11/07/19	MSC	.30	Follow up with ISU counsel concerning Lockheed property tax payments. Review response. Follow up with title concerning closing status and review response.	64.50
11/22/19	MSC	.20	Review information provided by Shelley Sheridan, LSO, and draft email communication to Ms. Gygli concerning compliance with I.C. 67-450E. Review response from Ms. Gygli.	43.00

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ATTORNEYS AT LAW

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Post Office Box 1539  
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Tax Id No. 82-0451327

RE: Special Counsel General

CLIENT/MATTER: 09212-00003  
NOVEMBER 30, 2019  
Invoice # 182982

ATTORNEY	RATE	HOURS	AMOUNT	NON-CHARGEABLE	
				HOURS	AMOUNT
Armbruster, Ryan P. Shareholder	215.00	.20	43.00	.00	.00
Conrad, Meghan S. Shareholder	215.00	1.80	387.00	.00	.00
		2.00	430.00	.00	.00

COSTS ADVANCED

TOTAL COSTS ADVANCED .00

INVOICE TOTAL 430.00

**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** \$5,800.00  
**Invoice #** 00206  
**Invoice Date** December 9, 2019  
**Payment Terms** Net 30  
**Due Date** January 08, 2020

**Hoku Property Sale**

**Time Entries**

Date	EE	Activity	Description	Rate	Hours	Line Total
11/11/2019	MP	Document Preparation	Draft disposition and development agreement between the PDA and Portneuf Capital, LLC re sale of the Hoku property and the agency imposed conditions on the same regarding ultimate development and re-purposing of the property. Draft follow up email to Scott Smith and Melanie Gygli re same.	\$200.00	2.6	\$520.00
11/18/2019	MP	Document Preparation	Revise and redraft disposition and development agreement between the PDA and Portneuf Capital, LLC. Revise and redraft resolution approving the same. Follow up with Melanie Gygli re same.	\$200.00	1.8	\$360.00
11/20/2019	MP	Hearing Attendance	Attend PDA Board Meeting re property disposition and award of development contract to Portneuf Capital, LLC.	\$200.00	0.5	\$100.00
11/25/2019	MP	Document Preparation	Revise and redraft DDA and follow up with opposing counsel re same.	\$200.00	1.8	\$360.00
11/25/2019	MP	Client Communication	Review email from Melanie Gygli re claim of lien filed by Express Solutions and follow up re same. Assess claim of lien and impact on closing.	\$200.00	0.3	\$60.00
11/26/2019	MP	Assess and Analyze	Review and assess revised title commitment and exceptions to same. Receive and review several emails from Chad Hansen and First American Title Company re same and removal of certain exceptions. Review transaction documents related to original Hoku lease and develop strategy re removal of same as exceptions to title coverage.	\$200.00	2.0	\$400.00

11/27/2019	MP	Document Preparation	Revise, edit, and finalize disposition and development agreement and exhibits. Follow up with Chad Hansen and LD Barthlome re same. Follow up with Scott Smith re same.	\$200.00	2.9	\$580.00
12/02/2019	MP	Assess and Analyze	Assess and analyze updated title commitment from FATCO. Review lease termination documentation re JH Kelly lease agreement. Follow up with FATCO re closing item checklist re signature authorization and opinion letter. Follow up with Chad Hansen re same and open closing items. Follow up with Scott Smith re opinion letter and closing items.	\$200.00	1.4	\$280.00
12/03/2019	MP	Third Party Communication	Draft correspondence to JH Kelly's counsel re Hoku lease and assumption of same by JH Kelly and documentation regarding same necessary to remove the lease as an exception to title.	\$200.00	0.3	\$60.00
12/03/2019	MP	Assess and Analyze	Review, assess, and analyze lease documents and related bankruptcy pleadings and orders re assignment and assumption of lease agreement for purpose of developing strategy re removal of encumbrance on title commitment. Follow up with First American Title Company and Chad Hansen re same.	\$200.00	1.8	\$360.00
12/04/2019	MP	Assess and Analyze	Review transaction documents re JH Kelly lease and assignment and assumption of same for purpose of assessing ability to remove Hoku/JH Kelly lease as an exception to title. Telephone call with counsel for JH Kelly re transaction details and documentation of lease assignment. Follow up with FATCO re closing issues. Telephone call with Chad Hansen re closing issues.	\$200.00	2.5	\$500.00
12/05/2019	MP	Document Preparation	Review and assess title commitment re JH Kelly lease transaction. Review corporate filings for JH Kelly, LLC, JH Kelly Investments, Inc., JH Kelly Construction, Inc. and JHK, LP for purposes of establishing signature authorization and ratification of prior lease transaction. Draft consent and ratification of JH Kelly lease documents from 2014-16 for purposes of removing exception from title for JH Kelly Lease. Draft opinion letter re PDA and City authority to enter into lease transaction and sale of underlying property to the PDA. Telephone call with First American re closing and title exceptions. Review minutes from 2014 re City ratification of lease to JH Kelly, Follow up with Melanie Gygli re same. Review emails from First American re closing instructions and respond to same. Review email from Chad Hansen re closing instructions.	\$200.00	7.3	\$1,460.00
12/06/2019	MP	Client and Opposing Party Communication	Respond to emails re title company closing issues and form of deed. Update JH Kelly consent and ratification of prior agreements. Follow up with counsel for JH Kelly re same. Revise deed. Follow up with Melanie Gygli re City Council meeting minutes from- 2014-16 re approval of lease and deed of property to PDA.	\$200.00	1.9	\$380.00

12/09/2019	MP	Document Review and Assessment	Review and edit bill of sale re personal property interests to be assigned and transferred to Portneuf. Follow up with Chad Hansen and First American re same. Review final execution package from title company and follow up with Scott Smith and Melanie Gygli re same.	\$200.00	0.8	\$160.00
12/09/2019	MP	Client and Opposing Party Communication	Review and respond to emails from title company and Chad Hansen re closing and form of deed, bill of sale, and closing procedures. Telephone call with counsel for JH Kelly re exception 22 and documentation re same. Review and respond to numerous emails post-closing and respond to same re transfer of property, remaining encumbrances, and termination of existing license agreements.	\$200.00	1.1	\$220.00

Totals:                    **29.0**                    **\$5,800.00**



Time Entry Sub-Total:	\$5,800.00
<b>Sub-Total:</b>	<b>\$5,800.00</b>
<b>Total:</b>	<b>\$5,800.00</b>
<b>Amount Paid:</b>	<b>\$0.00</b>
<b>Balance Due:</b>	<b>\$5,800.00</b>

# Pocatello Development Authority

City of Pocatello  
911 North 7<sup>th</sup> Avenue  
Pocatello, Idaho 83201

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

TO: Pocatello Development Authority, Board of Commissioners

FROM: Melanie Gygli, Interim Executive Director   
Merril Quayle, Public Works Development Engineer 

DATE: Meeting of December 18, 2019

SUBJECT: Gateway West – Issuance of Funds

Consistent with the provisions of the Naval Ordnance Plant Urban Renewal Area Plan, the Board approved funding in the amount of \$31,171.00 for paving projects within the area boundaries. A request for payment in that amount has been submitted. No permits were required. The project owner, Barbara Wischerath representing Gateway West, has indicated her acceptance of the work and PDA staff has completed required inspections.

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

1. Superior Asphalt, Inc., \$31,171.00

Superior Asphalt Inc.  
P.O. Box 5628  
Pocatello, ID 83202  
(208) 237-1752

# Invoice

BILL TO  
Gateway West Industrial Center  
669 W Quinn  
Pocatello, ID 83202

SHIP TO  
Gateway West Industrial Center  
669 W Quinn  
Pocatello, ID 83202

INVOICE #	DATE	TOTAL DUE	DUE DATE	TERMS	ENCLOSED
5671	11/14/2019	\$31,171.00	12/14/2019	Net 30	

DESCRIPTION	QTY	RATE	AMOUNT
Bid as per bid misc patching	1	31,171.00	31,171.00
BALANCE DUE			<b>\$31,171.00</b>

**AGENDA ITEM**

**NO. 8**

**TIF Improvement Details By Priority, Potential C Store, Auction Facility:**

- 1 Telephone Poles Removed along S 5th underground 4 in front of 3380 - 3200 S 5th  
Centurylink: \$24,287. Sparklight / Cableone: \$2,153.
- 2 Sidewalk from 3400 - 3200 S 5th - 750 ft \$6,000
- 3 Sidewalk around Velton Culdesac - 300 ft \$2,500
- 4 Telephone Poles Removed go Underground 3150 - 3020 S 5th 820 ft \$40,000
- 5 Sidewalk 3150 - 3020 S 5th 820 ft \$6,600  
Subtotal - \$81,545
- 6 Stop Light at I 15 Exit 67 Off ramp - shared with ITD (\$ 250,000.00- \$350,000.00)
- 7 Improved S 5th Access per traffic study - update median, widen exit 67 offramp, deceleration lane (\$ 200,000.00 or more depending on the overall scope)

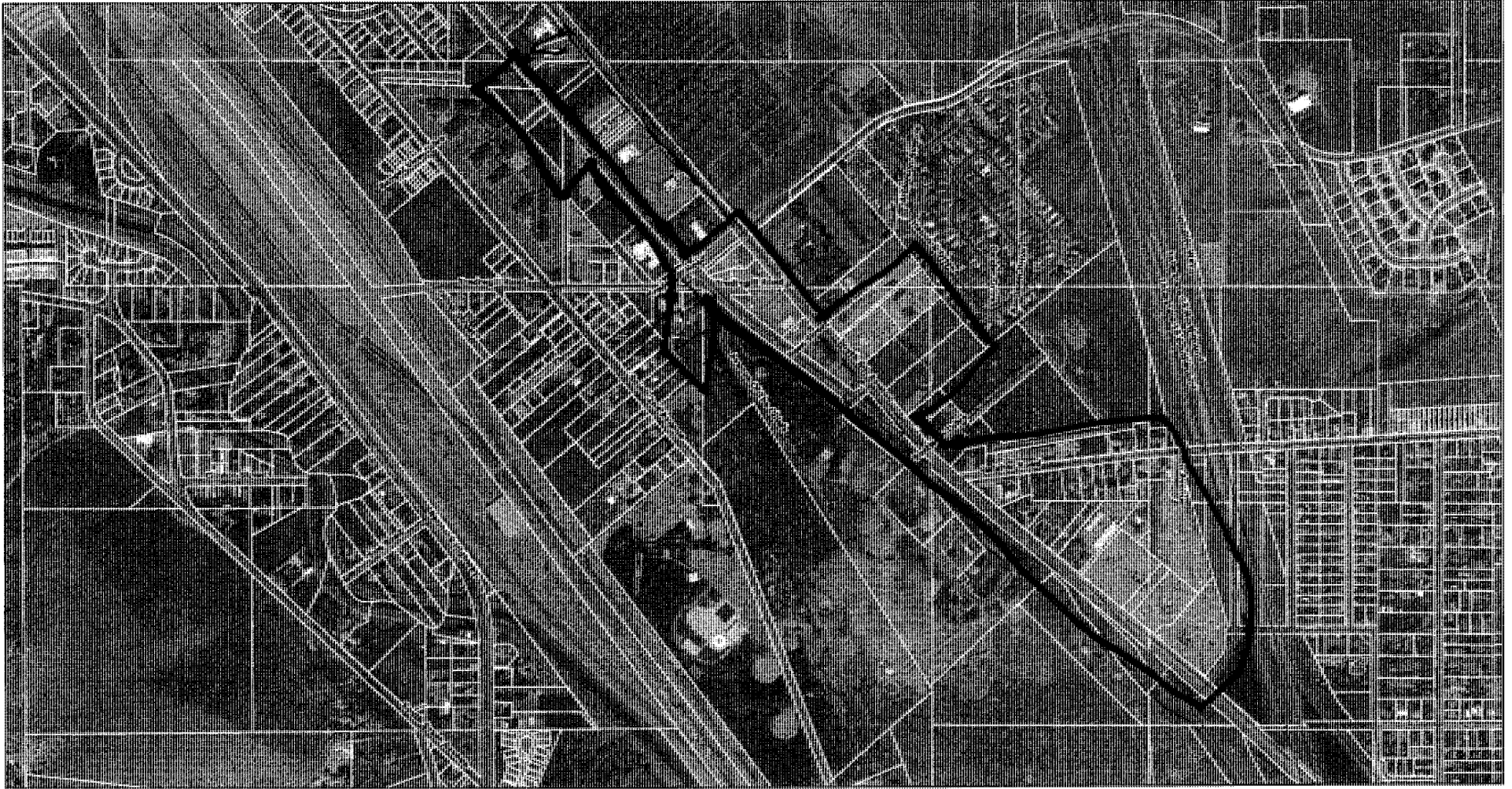
**Potential Joint TIF for New Construction include:**

- New Office Building being built at **443 Fredregill** Feurborn & Associates
  - Potential New Storage Buildings being built at **2806 S 5th** Intermountain Storage
  - Manufactured Home Sales** - S 4th in front of Bengal Creek Apartments
- 8 Stop Light at S 4th & Barton Rd (\$ 200,000.00- \$300,000.00)
  - 9 Sidewalks on S 4th & S 5th

**Other potential improvements**

- 10 Power Poles removed along easements and any new easements with updated services
- 11 Utility Improvements to serve new potential buildings at 3200 - 3330 S 5th
- 12 Utility Improvements to serve building at Velton Culdesac
- 13 Gas Line rerouted in new easements

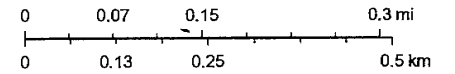
# Bannock County Parcel Map



12/18/2019, 10:07:30 AM

- Bannock County
- Parcels
- Roads and Streets 2018\_Pictometry.sid
- Green: Band\_2
- Blue: Band\_3
- Red: Band\_1

1:9,028



EagleView, Bannock County, Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community

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

**Application:**

Name: Tanner Hernandez, Prime Time Auctions Inc Date: Nov 10, 2019

Mailing Address: 3400 S 5<sup>th</sup> Pocatello 83204

Work Phone: 208 232-4912 Cell Phone: 208 221-9285

E-Mail: [sold@primetimeauctions.com](mailto:sold@primetimeauctions.com)

Project Description: New Gas Station and Auction Warehouse Improvements

Project Location: 3200 – 3400 S 5<sup>th</sup> Pocatello

Is this project currently in an urban renewal area? No

Is the project currently in a revenue allocation area? No

**Conditions associated with this location:**

This property had 2 Gas Stations and a Restaurant Developed on it from 1950s – 1970s. A portion was platted as a Residential Development in 1950 and one home was built. The Freeway then dissected the development in the 1960s. It was since zoned as commercial property. The old gas station has been used as many different businesses. The others have been torn down. The fuel tanks have been removed and cleanup complete. Several factors have kept the area from developing and are hoping to change this and revitalize this area.

**Current Assessed Value of Project Location:**

Prime Time Subdivision Lots 1 & 2 4.5 Acres: \$597,000 (Tax \$13,231 year)

Prime Time Subdivision Lots 3 + Metes and Bounds

Total 6.5 Acres: \$586,000 (Tax \$7,920 year)

Calculated (S6-T7S-R35E TR LOT 5 TAX 429 0.70 AC TR LOT 5 TAX 437 1.65 AC COUNT PROP IN POCATELLO) Lot 3 \$262,200 taxed as undeveloped ground, \$236,500, \$15,700, \$27,400, \$44,200.

**Estimated Construction Value of Project:**

(Estimate of New Tax Value)

Prime Time Subdivision Lots 1 & 2

Total 4.5 Acres: \$1,317,000 to \$1,900,000 (Tax \$29,000 - \$42,231)

Prime Time Subdivision Lots 3 + Metes and Bounds

Total 6.5 Acres: \$800,000 - \$1,100,000 (Tax \$17,600 - \$23,600)

Total Current: \$21,151 Improved Value: \$46,600 - \$65,831

**Potential Increase in dollars to TIF: Range - \$25,449 - \$44,680 Annually**

Number of jobs created by this project: 8 - 15 Wage range of jobs: \$12 – \$30 per hour

Employee Benefits? Yes If yes, please describe: Paid Vacation, Company Sponsored Retirement, Company Sponsored Health Insurance, Bonuses, Commissions

Time frame for job creation: 2020

Construction start date for project: March 2020 Anticipated completion date: Oct 2020

Briefly describe other public benefit(s) associated with this project: Improved Public Infrastructure, Much Needed Services in the Area, Beautification, Removal of Old and New Installation,

Does this project compete with other, already established businesses? How? The Auction Business does not, it compliments and works with many businesses, Gas Station would add services not available in the area with RV and Diesel Services for Trucks, there is another gas station on the other side of freeway.

Is this project currently subject to a competitive bid process? Please explain: No

Are there other applicants that may be interesting in applying for PDA assistance for this same project? Please explain: Yes. There are other properties in the area that could use infrastructure improvements. Sidewalks, Go Underground with Cable Lines to remove deteriorating Telephone Poles, Potential Traffic Improvements, Improved Utilities.

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 \_\_\_\_\_

Amount of Assistance Requested: 70,000 – 350,000 Depending

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: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Return completed application to:

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

Improvements being proposed, by priority:

Telephone Poles removed and Cable going underground

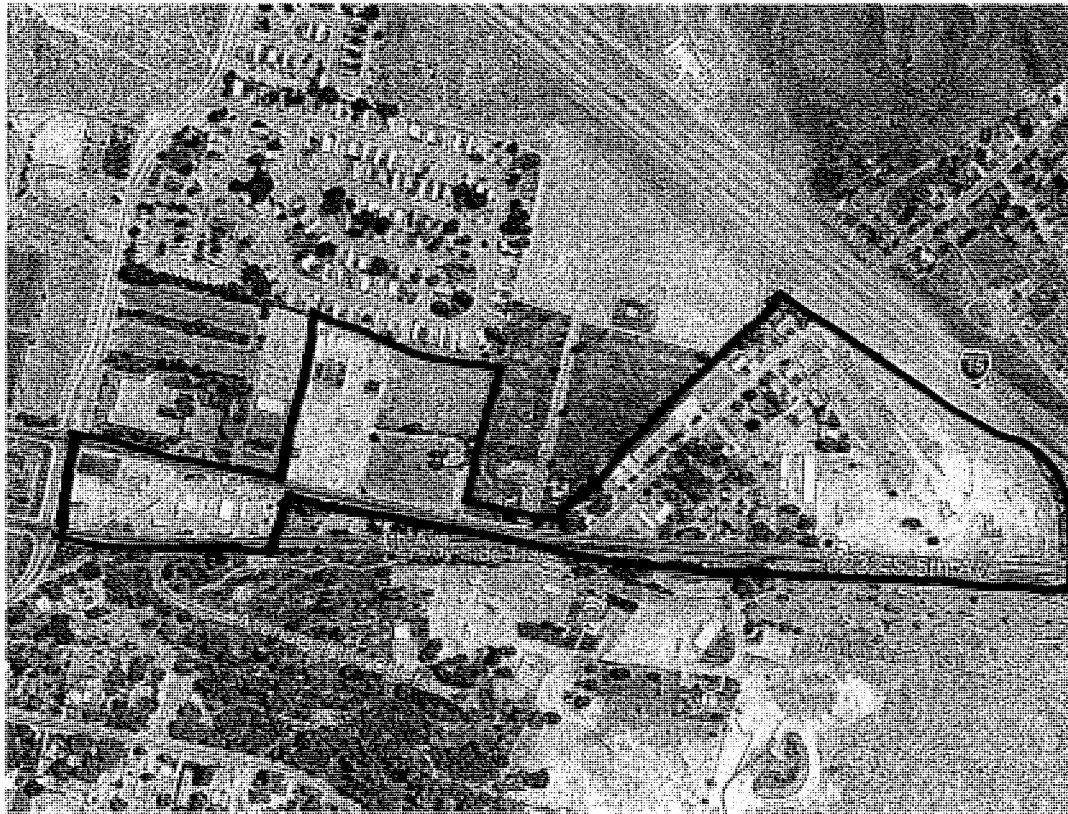
Sidewalks

Utility improvements

Improved Curb Cuts, Entry into property from State Property

Traffic Flow – Potentially working with ITD for Traffic Signals

Improving offramp



**AGENDA ITEM**

**NO. 9**

**North Portneuf Urban  
Renewal Area and Revenue  
Allocation District  
Improvement Plan**

**May 2007**

**CITY OF POCATELLO**

**North Portneuf Urban Renewal Area Improvement Plan  
Table of Contents**

**ACKNOWLEDGEMENTS**

Pocatello Development Authority  
City Officials

**I. INTRODUCTION**

Background  
Purpose of the Plan

**II. NORTH PORTNEUF URBAN RENEWAL AREA DESCRIPTION**

**III. PROJECT PLAN**

Project Description  
Project Costs and Revenues

**IV. ECONOMIC FEASIBILITY STUDY**

**V. CONFORMANCE WITH STATE LAW**

**VI. PLAN DURATION**

**VII. AMENDMENT PROCEDURES**

**VIII. SEVERABILITY**

**IX. CONCLUSION**

**ATTACHMENTS**

1. North Portneuf/Revenue Allocation Map
2. North Portneuf Urban Renewal Area & Revenue Allocation District Legal Description
3. Bannock County Transfer of Powers Ordinance
4. Recommendation of the PDA
5. Recommendation of the CDC
6. Resolution of the City Council designating the Urban Renewal Area

**Acknowledgements****Pocatello City Council:**

Roger Chase	Mayor
Roger Bray	Council Member
Ron Frasure	Council Member
Gary Moore	Council Member
Eva Nye	Council Member
Richard Stallings	Council Member
Brian Underwood	Council Member

**Pocatello Development Authority:**

Steve Brown	Chair Person/Commissioner
Terry Brower	Commissioner
Mayor Roger Chase	Commissioner
Darsi Foster-Johnson	Commissioner
Larry Ghan	Commissioner
Ken Monroe	Commissioner
John Ricks	Commissioner
Dan Schroeder	Commissioner
Richard Stallings	Commissioner
Dean Tranmer	Attorney to the Commission
Darcy Taylor	Secretary to the Commission

**City of Pocatello Staff:**

Robert Chambers	Director, Planning and Development Services
Tim Tingey	Division Manager, Neighborhood & Community Services
Melanie Gygli	Associate Planner
Dave Swindell	Chief Financial Officer

**Bannock Development Corporation:**

Gynii Gilliam	Executive Director
Sari David	Administrative Assistant

## I. INTRODUCTION

The Pocatello Development Authority (PDA) was created by the City of Pocatello on July 14, 1988, and was granted authority by the City of Pocatello to undertake urban renewal projects which may be facilitated through the use of tax increment financing. The PDA helps to ensure that appropriate development takes place in areas of greatest need.

Planning is essential to ensure that development efforts create both an environment of convenience and safety for neighborhood residents, and increased opportunities for businesses to succeed. This North Portneuf Urban Renewal Plan, once implemented, will be the vehicle to provide a more conducive atmosphere for business operation in the City, and enhance opportunities for businesses wishing to relocate to Pocatello.

This plan identifies projects and describes the process for enhancing this area in the City through efforts of the Pocatello Development Authority and the City of Pocatello.

### Background

The Pocatello Development Authority (PDA), in the meeting of March 21, 2007 made the following recommendation (SEE ATTACHMENT 1):

- The PDA recommended the creation of a Revenue Allocation District for the area adjacent to the Portneuf River to Interstate 86 and running east to Philbin Road and then in a southerly direction to the Portneuf River. The area also includes properties south and southwest of and adjacent to the Great Western Malting Plant. Underdevelopment of this area necessitates the creation of an improvement plan. This recommendation initiated the creation of the improvement plan contained herein.

The recommendation of the PDA, as outlined, is consistent with the goals of the City and is allowed by the State of Idaho Urban Renewal Law (Chapter 20, Title 50, Idaho Code). Accordingly, this North Portneuf Urban Renewal Area Improvement Plan directs use of revenue allocation financing to accomplish the following:

- To eliminate underutilized areas which are causing economic under-development in the designated area, substantially impairing the sound growth of Pocatello in general.
- To encourage both private and public development in the Urban Renewal Area in order to diversify and improve the local economy by providing adequate public facilities.
- To encourage cooperation among taxing districts in the Pocatello community regarding the use of funds.
- To accomplish plan goals in accordance with all appropriate federal, state, and local laws.

### Purpose of the Plan

The purpose of this plan is to create a proactive approach to development/redevelopment projects by the PDA in Pocatello by focusing efforts in five areas:

## II. NORTH PORTNEUF URBAN RENEWAL AREA DESCRIPTION AND DETERIORATED OR DETERIORATING CONDITIONS ANALYSIS

The Urban Renewal Area boundary and Revenue Allocation District are identified with the same boundaries. The area is legally described in Attachment 2. State Urban Renewal Law and the Local Economic Development Act identify a number of conditions that qualify an area for urban renewal status. The following presents an analysis and reasoning why this North Portneuf area should be included as part of an Urban Renewal Area.

Idaho Code 50-2002 outlines requirements for a finding and declaration of necessity which states that areas that impose onerous municipal burdens which decrease the tax base, and reduce tax revenues, substantially impairs or arrests the sound growth of municipalities and among other things aggravates traffic problems in an area will qualify to be included in an Urban Renewal Area. Additionally, Idaho Code 50-2903 states areas in which there is a predominance of buildings or improvements...which by reason of dilapidation, deterioration, age or obsolescence...contributes to the economic underdevelopment of an area qualify for assistance.

The properties associated with these areas are in need of improvements to facilitate building and infrastructure enhancements and these needs have contributed to underutilization of the site for businesses and industry for several years. This area includes several site issues that impede redevelopment including:

- Under-development of land which has detracted from the economic viability of the area;
- Inadequate transportation access points and infrastructure limiting development of this site;
- Any combination of the above factors which has reduced the feasibility of full development of this area.

Without addressing these conditions, the feasibility of additional development in this area in the near future would be limited. Additionally, the range of issues and the costs associated with redevelopment contributes to the ongoing underutilization of this area and prompts the additional need to establish the North Portneuf Urban Renewal Area.

## III. PROJECT PLAN

The project list outlined in this plan may be funded (all or in part), if the PDA and Council decide to utilize tax increment financing funds as they become available from new construction. A description of the projects with estimated costs are as follows:

TABLE I.

## Project Costs

PROJECT EXPENSE ITEM	COST	Total
Main Water Re-use Line (4,500/ft x \$100/Ft)	\$450,000	
Main and Lateral Water Line (\$3,500/ft x \$50/ft)	\$175,000	
Main and Lateral Sewer Line (1,000/ ft x \$50/ft)	\$50,000	
Rail Spur, Dbl. Track (4,000/ft x \$220/ft)	\$880,000	
Rail Switch	\$2,000,000	
Roadway Construction (5,000/ft x \$150/ft)	\$750,000	
Property Access (Acquisition and Construction)	\$3,215,000	
Environmental Remediation and Site Preparation	\$250,000	
Power	\$8,500,000	
Natural Gas	\$1,000,000	
Cable/Fiber Optics	\$1,000,000	
Subtotal		\$18,270,000
Water/Sewer Connect Fees	\$291,029	
Contingency @ 20%	\$3,654,000	
Engineering/Administration @ 20%	\$3,654,000	
Total		\$25,869,029
Taxing Entity Operational Costs		\$16,029,830
City Capital Cost Reimbursement		\$1,361,528
PDA Administration		\$1,393,898
Company Employment Reimbursement		\$17,423,728
FINAL PROJECT COST TOTAL		\$62,078,013

## Project Description

- **Infrastructure, Access, and Site Work**—any necessary and eligible costs related to infrastructure enhancement, construction of facilities, upgrades of utilities, site preparation work, and other associated work to facilitate development;
- **Contingency costs**--additional cost calculated for work related to other administrative or construction related costs associated with the project;
- **Taxing Entity Operational Costs**—taxing entities will receive a reimbursement percentage to occur in the tenth year of the district to cover administrative and operational costs thereby lessening the burden of service delivery for the entities associated with this urban renewal area. Funding may also be used for property acquisition for economic development purposes;
- **City Capital Cost Reimbursement**—City of Pocatello costs incurred for acquisition of property for location of HOKU Scientific.
- **PDA Administration**—An administrative cost will be allocated to the PDA for ongoing operational needs;

- **Company Employment Reimbursement**—In year 2016, provided that tax increment financing revenue is collected as projected, HOKU Scientific will be reimbursed funding percentages if they obtain and maintain at minimum 200 new jobs in the community. If they do not have 200 or maintain that number of jobs, then the amount of the reimbursement will be proportionately reduced downward on a prorated sliding scale. There is no increase in reimbursement for jobs in excess of 200.

The following table outlines the total project costs and the projected revenue for the proposed revenue allocation district.

**TABLE 2. Project Costs and Revenues**

ITEM	AMOUNT	TOTAL
<b>REVENUES</b>		
Revenue Allocation Proceeds	\$62,078,013	
Sub-Total		\$62,078,013
<b>COSTS</b>		
Infrastructure Costs	\$25,869,029	
Taxing Entity Operational Costs	\$16,029,830	
City Capital Cost Reimbursement	\$1,361,528	
PDA Administration	\$1,393,898	
Company Employment Reimbursement	\$17,423,728	
Subtotal		\$62,078,013
Ending District Balance		\$0

#### IV. ECONOMIC FEASIBILITY STUDY

The following tables provide a projection of base-assessed valuations for the proposed revenue allocation district for the North Portneuf Urban Renewal Area. An analysis of the tax levy rates applied in calculating tax collection for taxing entities and the North Portneuf Revenue Allocation District is described below. The 2006 tax levies for each of the five taxing jurisdictions are as follows:

<u>Taxing Jurisdictions</u>	<u>Tax levy<sup>1</sup></u>
City of Pocatello	.010385066
Bannock County	.005278294
School District # 25	.004556190
County Road & Bridge	.000591630
Ambulance	.000278340
Total	.021089520

<sup>1</sup> Obtained from Bannock County Auditor's Office

TABLE 3

Taxing Entity	<sup>2</sup> Tax Levy	North Portneuf Area Valuation	Revenue
City of Pocatello	0.010385066	\$4,409,661	\$45,794.62
Bannock County	0.005278294	\$4,409,661	\$23,275.49
School District #25	0.004556190	\$4,409,661	\$20,091.25
County Road & Bridge	0.000591630	\$4,409,661	\$2,608.89
Ambulance	0.000278340	\$4,409,661	\$1,227.39
<b>Total</b>	<b>0.021089520</b>		<b>\$92,997.64</b>

As the above table shows, \$ 92,997.63 of tax revenue is presently produced in the revenue allocation district for the North Portneuf Urban Renewal Plan. The remainder of the property is currently tax exempt. Taxable value will be added by real improvements to the land scheduled to begin summer of 2007.

Table 4 outlines the net increase in tax revenue potential from the estimated post construction value on the property over a nineteen year period.

TABLE 4

Value of Taxable Property in Revenue Allocation Area			
Property	2007 Base Value	Estimated Post Construction and Base Value	Net Increase
Proposed North Portneuf Improvement Site	\$4,409,661 <sup>3</sup>	\$200,409,661	\$196,000,000

Table 5 provides an analysis of the estimated revenue to the PDA from new construction value within the North Portneuf Revenue Allocation District. Levy rates based on current rate determinations are applied to determine net revenue to be collected and distributed to the PDA.

<sup>2</sup> 2006 tax levy rate obtained from Bannock County Auditor's office

<sup>3</sup> Includes a 3% estimated amount for utilities which are included as base value.

TABLE 5

Year 12 months ending	TIF Tax Value <sup>4</sup>	<sup>5</sup> Tax Levy Rate	Revenue to PDA
2007	-----	0.021089520	-----
2008	-----	0.021089520	-----
2009	\$196,000,000	0.021089520	\$4,133,546
2010	\$190,120,000	0.018980568	\$3,608,586
2011	\$184,416,400	0.018980568	\$3,500,328
2012	\$178,883,908	0.018980568	\$3,395,318
2013	\$173,517,391	0.018980568	\$3,293,459
2014	\$168,311,869	0.018980568	\$3,194,655
2015	\$163,262,513	0.018980568	\$3,098,815
2016	\$158,364,638	0.018980568	\$3,005,851
2017	\$153,613,698	0.018980568	\$2,915,675
2018	\$149,005,287	0.018980568	\$2,828,205
2019	\$144,535,129	0.018980568	\$2,743,359
2020	\$140,199,075	0.018411151	\$2,581,226
2021	\$135,993,103	0.018411151	\$2,503,790
2022	\$131,913,310	0.018411151	\$2,428,676
2023	\$127,955,910	0.018411151	\$2,355,816
2024	\$127,955,910	0.018411151	\$2,355,816
2025	\$127,955,910	0.018411151	\$2,355,816
2026	\$127,955,910	0.018411151	\$2,355,816
2027	\$127,955,910	0.018411151	\$2,355,816
2028	\$127,955,910	0.018411151	\$2,355,816
2029	\$127,955,910	0.018411151	\$2,355,816
2030	\$127,955,910	0.018411151	\$2,355,816
<b>Total</b>	<b>\$2,907,915,873</b>		<b>\$62,078,013</b>

The total revenue amount that may be received by the PDA over twenty four years is estimated at approximately \$62,078,013. This amount will be used to finance all projected costs within the North Portneuf Urban Renewal Area.

Table 6 outlines reimbursement and payment amounts, with percentage allocations for all costs to be distributed to both the public and private entities. There are no guarantees of the revenue amounts listed in this plan. Revenue distributions listed in the plan will be based on actual proceeds received. If for whatever reason, net revenue to PDA is less than that projected in the plan, then the listed percentages will govern how the proceeds are to be allocated. There is no adjustment in distribution for net revenue to PDA in excess of that listed in the plan.

<sup>4</sup> Proposed new construction is anticipated to be completed at the end of 2008. Full tax value will be collected for 2009.

<sup>5</sup> Calculations include holding the levy rate constant through 2009. In 2010, it is reduced by 10% due to the anticipated Central Corridor Urban Renewal Area expiration which will generate a broader tax base resulting in a reduction in the levy rate. It is also reduced an additional 3% in 2020 to account for the future expiration of the North Yellowstone Urban Renewal Area.

The company is paying the costs of infrastructure, access and site work and will therefore be reimbursed for the actual costs of these items, currently estimated to be \$25,869,029. The company will also receive an employment reimbursement for jobs created. The full amount listed in the table under Company Employment Reimbursement will be distributed to the company if employment is achieved and maintained at 200 FTE's. For the purposes of this plan, Bureau of Labor Statistics standards are used to define full time equivalent employment. This definition is 35 hours per week. The distribution amount will be adjusted downward if the job creation is less than the 200 FTE's and will be proportionally reduced on a prorated sliding scale. There is no increase in distribution for jobs in excess of 200 FTE's.

Public entities will receive reimbursement of costs associated with land acquisition and operations/administration. This will help to pay the costs associated with service delivery by these entities in this area.

TABLE 6

Tax Collection Year	Net Revenue to PDA	Company Infrastructure Reimbursement 95%	Company Employment Reimbursement 50%	City Capital Cost Reimbursement 5%	Taxing Entity Operational Costs 46%	PDA Admin 4%
2007	-----	-----	-----	-----	-----	-----
2008	-----	-----	-----	-----	-----	-----
2009	-----	-----	-----	-----	-----	-----
2010	\$4,133,546	\$3,926,869		\$206,677		
2011	\$3,608,586	\$3,428,156		\$180,429		
2012	\$3,500,328	\$3,325,312		\$175,016		
2013	\$3,395,318	\$3,225,552		\$169,766		
2014	\$3,293,459	\$3,128,786		\$164,673		
2015	\$3,194,655	\$3,034,922		\$159,733		
2016	\$3,098,815	\$2,943,874		\$154,941		
2017	\$3,005,851	\$2,855,558		\$150,293		
2018	\$2,915,675		\$1,457,838		\$1,341,211	\$116,627
2019	\$2,828,205		\$1,414,102		\$1,300,974	\$113,128
2020	\$2,743,359		\$1,371,679		\$1,261,945	\$109,734
2021	\$2,581,226		\$1,290,613		\$1,187,364	\$103,249
2022	\$2,503,790		\$1,251,895		\$1,151,743	\$100,152
2023	\$2,428,676		\$1,214,338		\$1,117,191	\$97,147
2024	\$2,355,816		\$1,177,908		\$1,083,675	\$94,233
2025	\$2,355,816		\$1,177,908		\$1,083,675	\$94,233
2026	\$2,355,816		\$1,177,908		\$1,083,675	\$94,233
2027	\$2,355,816		\$1,177,908		\$1,083,675	\$94,233
2028	\$2,355,816		\$1,177,908		\$1,083,675	\$94,233
2029	\$2,355,816		\$1,177,908		\$1,083,675	\$94,233
2030	\$2,355,816		\$1,177,908		\$1,083,675	\$94,233
2031	\$2,355,816		\$1,177,908		\$1,083,675	\$94,233
Total	\$62,078,013	\$25,869,029	\$17,423,728	\$1,361,528	\$16,029,830	\$1,393,898

As outlined in Table 6, when revenue is received by the PDA (projected to begin in 2010), the costs for public infrastructure will be reimbursed over eight years provided that revenue is collected at the projected rate. City capital costs for acquisition will also be funded within the same time frame. After those items are compensated, a reimbursement for job creation, taxing entity operational costs and PDA administration and acquisition costs will also be funded.

## V. CONFORMANCE WITH STATE LAW

Redevelopment activities for the North Portneuf Urban Renewal Area are governed by two applicable sections of Idaho Code: the Idaho Urban Renewal Law (Chapter 20, Title 50, Idaho Code) and the Idaho Local Economic Development Act (Chapter 29, Title 50, Idaho Code).

The Idaho Legislature passed the Urban Renewal Law in 1965. Under this law, a Mayor and Council can declare areas as deteriorating, and declare that the rehabilitation, conservation, and redevelopment of such areas is in the interest of the public's health, safety, morals or welfare (Idaho Code 50-2008). The Urban Renewal Law also states that an area of a city that "constitutes an economic and social liability imposing onerous municipal burdens which decrease the tax base and reduce tax revenues, substantially impairs or arrests the sound growth of municipalities, retards the provision of housing accommodations, aggravates traffic problems and substantially impairs or arrests the elimination of traffic hazards and the improvement of traffic facilities..." may be designated an urban renewal area.

The Idaho Legislature passed the Local Economic Development Act in 1988. This act states: "An authorized municipality is hereby authorized and empowered to adopt, at any time, a revenue allocation financing provision, as described in this chapter, as part of an urban renewal plan...A revenue allocation financing provision may be adopted either at the time of the original adoption of an urban renewal plan or the creation by ordinance of a competitively disadvantaged border community area, or thereafter, as a modification of an urban renewal plan or the ordinance creating the competitively disadvantaged border community area." (Idaho Code 50-2904)

In addition to this, Idaho Code 50-2906 states: "The local governing body of an authorized municipality must enact an ordinance in accordance with Chapter 9, Title 50, Idaho Code, and Section 50-2008, Idaho Code. To modify an existing urban renewal plan, to add or change a revenue allocation, an authorized municipality must enact an ordinance...and conduct a public hearing." (Idaho Code 50-2906) This part of the Idaho Code specifically implies that a local municipality must enact an ordinance before redevelopment can take place.

The North Portneuf Urban Renewal Plan proposed within this document follows the guidelines prescribed within Idaho Code for the development of Urban Renewal Areas and Revenue Allocation Districts.

## VI. PLAN DURATION

The plan shall be in effect and enforceable for a period of time necessary to finance all designated improvements and all debt obligations the PDA may incur in connection with such improvements. This term may be amended as allowed by law.

## VII. AMENDMENT PROCEDURES

The plan may be amended by the PDA after all notice and public hearing requirements as set forth in Idaho Code have been met, and upon formal approval by the Pocatello City Council.

**VIII. SEVERABILITY**

If any part of the plan is declared contrary to Idaho Code, and any provision or application of such provision to any person or circumstance is declared invalid for any reason, such declaration shall not affect the validity of any remaining provisions of the Plan.

**IX. CONCLUSION**

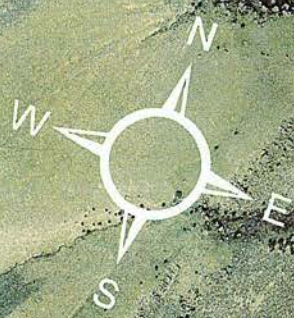
The North Portneuf Urban Renewal Plan is designed to ameliorate deteriorating conditions which are causing economic under-development of the area and substantially impairing the sound and continued growth of Pocatello. The plans call for extensive building and site construction work.

Implementation of the plan will provide the capacity necessary to foster sound growth of the municipality, increase the tax base and tax revenues, encourage economic stability of the community, increase job creation, and improve the health, safety, and welfare of the community.

The Pocatello Development Authority recommends that the City approve and cooperate in carrying out the purposes of this Plan.



- North\_Portneuf\_URA
- City Limits Linear
- Water Services
- Storm Water Pipe
- Sanitary Sewer Services
- RAILROAD



BATISTE RD

SAWTOOTH ST

I-86 EB

I-86 WB

Hwy 30

BATISTE RD

W QUINN RD

SINGHORN RD

COLLEGE AVE

Hwy 30 N

Hwy 30 S

RD

**AGENDA ITEM**

**NO. 10**

# Pocatello Development Authority

City of Pocatello  
911 North 7<sup>th</sup> Avenue  
Pocatello, Idaho 83201

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

The Pocatello Development Authority meets the third Wednesday of each month at 11:00 a.m. in the Paradise Conference Room in Pocatello City Hall, unless rescheduled or cancelled. All notifications will be posted on this bulletin board. If you have any questions or would like to request to be on the next agenda, please contact Melanie Gygli, Interim Executive Director for the PDA at 208-234-6583 or by email [mgygli@pocatello.us](mailto:mgygli@pocatello.us).

The meeting dates for calendar year 2020 are as follows:

January 15, 2020  
February 19, 2020 \* Annual Public Hearing  
March 18, 2020  
April 15, 2020  
May 20, 2020  
June 17, 2020  
July 15, 2020  
August 19, 2020  
September 16, 2020  
October 21, 2020  
November 18, 2020  
December 16, 2020

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, Idaho.