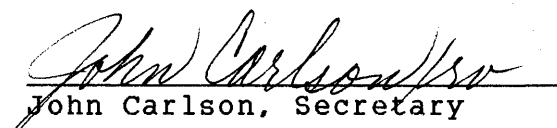


ABBREVIATED MINUTES  
POCATELLO DEVELOPMENT AUTHORITY  
June 16, 1989

Members present: Chairman Dean Funk, Val Arvas, Mike Ransom, Bob Weppner, John Carlson

Also present: Stuart Bullington, Bill Duffy, George Ramjoue

1. Meeting called to order by Chairman at 10:07 a.m.
2. Resignation as Executive Director, which was tendered by Stuart Bullington because he resigned from City employment has been tabled. Stuart has been requested to remain at least temporarily.
3. Ceramic Tile production facility proposal for location at PAFCO plant was presented by Stuart. Copies of cost estimates and funding proposals were distributed to members. City Community Development & Research Dept. is in the process of preparing an Urban Development Action Grant (UDAG) application to aid in funding. If received, the \$485,000 (\$500,000 less \$15,000 for administrative expenses) would be given to PDA by the City to be turned over to SEICOG for funding of this project. The tax increment monies paid to the PDA would then, by agreement, be returned to SEICOG and placed in a revolving loan fund for further development. Major advantage of this option is that the PDA would not be placed in a position of having to recoup enough funds from the "tax increment" to repay a loan; the money received from the City would be a pass-through of a grant. If the grant is not received, bond financing would have to be pursued.  
Moved by Arvas, seconded by Ransom that the PDA support this financing proposal for the manufacturing facility's project as presented, and authorize PDA chairman to indicate the PDA's willingness to undertake the project by sending a letter to this effect to SEICOG. *Passed*
4. Stuart reported that the DOMSEA farm valuation, which had to be approximately 1.2 million for the projected pay-back to work, will be closer to 1.4 million.
5. Question of insurance coverage was again raised and discussed. Apparently, insurance is not available as protection against failure of funding, which is major concern of PDA members. Statute provides that PDA is state agency, and as members of state agency, PDA members may be immune under provisions of state tort law from suit. Stuart to contact Kirk Bybee and obtain more specific information to give to members.
6. Meeting adjourned at 11:15 a.m.

  
John Carlson, Secretary