

ABBREVIATED MINUTES
POCATELLO DEVELOPMENT AUTHORITY
October 10, 1995

Members present: Peter Angstadt, Tom Bernasek, Carol Lish, Bob Myers (for Bob Weppner) Karen McGee, Michael Ransom, and Mary Lee Shannon

Staff present: Tom Arnold, Executive Director; Dean Tranmer, City Attorney; and Robert Chambers, C D & R Director

1. The meeting was called to order at 11:06 a.m. by Peter Angstadt, who announced the resignation of John Carlson, the reappointment of Bob Weppner (Bob Myers as temporary replacement) and the appointment of Tom Bernasek and Carol Lish as new members. Robert Chambers was introduced as the new CD & R Director. Also noted was an addition to the agenda of a request for a new project on North Main. Background information on the use of TIF, its advantages and disadvantages, etc., was distributed to all Board members.

2. Election of officers was held [MSC (Mary Lee, Tom)] with the following results: Paul Olson, Chair; Karen McGee, Vice Chair; Mike Ransom, Treasurer/Secretary

3. Minutes and Finance Report: [At this point Mike R. joined meeting in progress and the remainder of the meeting was conducted by Karen M.] It was MSC (Peter, Mary Lee) to approve the minutes of the September meeting. Tom reviewed the September financial report and explained format for the new members. It was MSC (Peter, Mike) to approve the report.

4. Proposals for Old Town URA.

A. Pioneer Block Building proposal by Affirmative Housing Partners, L.L.C. (Garry Ratzlaff and Brent Nichols). Presentation by Garry: AHP has a signed purchase option for the building as well as a long-term lease commitment for a governmental agency for the main floor which must be available for occupancy by April. Building is presently seismically unstable and in need of major repair to render it structurally sound. Plans call for structural repairs as well as major facade improvements with historical accuracy as much as possible. Cost estimates indicate approximately \$337,000 for construction itself exclusive of tenant interior remodeling to suit itself, with total project costs of \$711,854.94 as set out in proposal provided to members. Available financing leaves a shortfall of \$250,000, which AHP requests PDA to provide. Amortization over ten years would require approximately \$40,000 per year; over a 5-year period, approximately \$65,000 per year. The agreement contemplated would obligate PDA to provide a maximum amount of "guarantee" per year, with the developers being responsible for any shortfall due to inadequate tax revenues. Developer's propose to provide a form of "administration fee" to the PDA by providing a percentage of revenues back to the PDA for the unrestricted fund. Developers note that money is not needed "up front" so project need not be bonded.

B. Sidewalk and Streetlamp Proposal from Old Town Pocatello, Inc. Tim Whiteus spoke on behalf of corporation, noting some change from the general proposal presented earlier in the year and noting that the Pioneer Block Building proposal has not been merged in OTP's. SICOG has been contracted with (\$5,000 to be paid from PDA funds) to produce a written report/proposal which will request approximately \$900,000 for this project, to be achieved through issuing of bonds on a 20-year amortization basis. About \$640,000 would be used to replace sidewalks and curbs and to install decorative street lamps for 20 block faces in the downtown area as previously shown. OTP proposes that remaining money be placed in a revolving loan fund for facade loans and similar projects which would require OTP Board approval. Tim noted that OTP's proposal does not include direct money for Pioneer proposal due to SICOG's questions about including repairs/redevelopment of a building privately owned in a bond issue. The proposal should be ready for the next board meeting.

Dean provided information regarding the powers of the PDA and its ability to use tax increment funds, types of projects provided for, and types of projects included in the Old Town Urban Renewal Plan which were approved for possible funding in the Plan as presented to PDA and Council in 1993.

5. Alvin Ricken Drive Area. Robert Chambers explained that the project will include extension of Alvin Ricken Drive, sewer, water, fire hydrants, power upgrade, and natural gas service to the area. In response to Mike R.'s question about sewage, Robert noted that Ballard plans only to place culinary and sanitary water into the system. The request is for a 5-year amortization of the bond issue for the project (bond request is "discounted" to 50% of the revenue anticipated to be derived from the Area). After review of the proposal and discussion, it was MSC (Peter, Mike) to approve the project to be known as the Alvin Ricken Drive Urban Renewal Plan and forward it to the City Council for further processing. (Council will forward to CDC for review and recommendation, then Council will hold public hearing and if project approved, ordinance creating district and approving plans will be passed, thus making 1995 the base tax year for the district.)

It was also noted that the legal description of the portion involving American Road needs to be reviewed to ascertain whether it is totally within the city limits of Pocatello or not.

6. North Main Project. Tom A. explained that the owner of Okay's had purchased the old Smith's building and wishes to use tax increment financing for demolition of that building and construction of a new building on the site which would become the new Okay's. Project involves requesting vacation of a street and creation of a new district as well, since the area is within Old Town Urban Renewal Area, but not within the revenue district. No details are available, but project could be reviewed at next meeting. It was MSC (Peter, Karen) to consider all three projects at the next meeting of the Board, which was set for October 24, 1995 at 11:00. [SECRETARY'S NOTE: changed to October 20]

7. Mary Lee noted that First Security assessment is not yet available so revenue stream is only an estimate and that the delinquency rate is extremely high. She will try to provide updated figures for next meeting.

Meeting adjourned at 12:15 p.m.

