

**ABBREVIATED MINUTES
POCATELLO DEVELOPMENT AUTHORITY
December 10, 1996**

Members present: Peter Angstadt, Tom Bernasek, Don Byrne, Karen McGee, Russell Powers

Staff present: Dean Tranmer, City Attorney; Robert Chambers, Community Development & Research Department; Char DeWall, Bannock Development

1. **Preliminary matters.** The meeting was called to order at 11:10 a.m. by Karen McGee. Agenda items to be added were noted:

- * Update on Old Town Bond Issue
- * Dick Carroll may wish to discuss the Kress Building

2. **Minutes and financial reports .** It was MSC (Angstadt, Bernasek) to approve the minutes of November 12, 1996. [NOTE: See attached copies for correction to Item #2] Char presented the financial report showing November income from the Old Town Area tax revenues and interest. Expenditures for November were then reviewed. The UPRR parking lot expenditure represents the bulk of the money committed (from the OTP bond anticipation notes) to that project for matching funds. Approximately \$1500 is still outstanding, therefore the costs will not exceed the maximum of \$100,000.00 previously set. It was MSC (Angstadt, Bernasek) to approve the November financial report.

3. **Alvin Ricken Drive; Report and Land Acquisition Proposal.** Robert Chambers reported that Buckskin road improvements will be completed this spring, as will the sidewalk improvements along the west side of that road. The acquisition of land as approved by the Board at its last meeting is progressing.

4. **Old Town.** Dean Tranmer reported that he met with Jim Wrigley of First Security Bank regarding the bond issue. The amount is projected to be between \$585, 000-\$600,000. More definite figures will be available when the issue is closer to completion. Funds should be forthcoming in early January, at which time the anticipation notes will be repaid and the remainder of the money can be used for Old Town Pocatello streetscape projects in their order of priority.

Angstadt noted that the bank note was due December 15, 1996, and that the due date would need to be extended until bond funds were available. Dean Tranmer will discuss this with Jim Wrigley and obtain a written confirmation that the note will be extended.

Recap of allocation of the \$325,000.00: Pioneer Block Building project received \$125,000.00. Of the \$100,000.00 allocated for the matching funds for the UPRR parking lot improvements, \$97,029.60 has been expended and an additional \$1500.00 has been billed, but not yet paid. Remaining funds will be used first, to pay off interest on the anticipation note, and second, to continue with the streetscape/lighting project.

5. **Kress Building District request for release of funds.** Dick Carroll was not present, but Angstadt reported his request for disbursement of additional money (the balance of the Kress fund) to First Interstate towards the loan payments. According to Carroll he paid a full year's tax to the County and the PDA portion was sent to it. In January, PDA paid out a portion of those receipts to the bank, and in June disbursed only \$791.34, leaving the PDA account with a balance which Carroll wants forwarded to the bank and applied towards his loan. Angstadt has requested a written statement from him detailing the problem and specifying the exact amount he wishes transferred. There may be an ambiguity in the contract which may provide that PDA retains any money received which is not needed for the semi-annual payment and that that money is not to be used for future payments. After discussion as to whether the terms of the PDA agreement with the bank require or preclude acceding to Carroll's request, it was MSC (Byrne, Powers) that Dean review the documents and the transactions to determine

whether additional funds should be released for the Board to pay what is equitable and report back to the Board .

6. **North Main.** The Resolution authorizing a bond issue for District improvements and the filing of a judicial validation petition for the same was reviewed. **It was MSC** (Angstadt, Byrne) to pass the Resolution.

7. **Report of Sub-committee re: Payment of Administrative Services Money.** Tom Bernasek reported that his committee had met and drafted a policy regarding reimbursement to public agencies for administrative expenses for PDA-approved projects. The draft policy has been given to Tranmer for approval of the wording. Bernasek then read its 5 provisions to the Board for comment. The Board being in general agreement on the provisions, **it was MSC** (Byrne, Bernasek) to approve the policy, subject to alteration for clarity and legality of any wording as deemed necessary by Dean Tranmer.

8. **Goals and policies for 1997.** Members discussed PDA's mission, its role in assisting community development, its capabilities and limitations, and its future plans. R. A. Districts tie up all the "extra" tax monies for taxing entities (except School Districts) for the duration of the district, so the Board agreed that the creation of any new districts should be undertaken only after very careful scrutiny. Discussion of pros and cons of various "rules" ensued.

Standards: The consensus was that the Board could not issue hard and fast rules/policies about the creation of additional districts to assist in financing projects, but that certain standards/criteria should always be considered when determining whether to recommend a project and establish a revenue allocation district including 1) whether or not the proposal actually depends upon the tax increment revenues in order to come to fruition; 2) whether the public good to be derived would outweigh the private benefit, if any, obtained; 3) whether the project could be funded by other means and the tax increment monies preserved for payment of infrastructure improvement costs; and other considerations of similar nature. The Board also agreed that careful consideration of the possibility of abandonment of a project should always be included as a factor in its decisions, so as not to result in an additional adverse impact on public entities.

Staff: Char reported that the PDA work, barring unforeseen complications, can be accomplished in approximately 10-12 hours per month, if the legal, engineering, portions of the secretarial work, and other services are provided by others--paid or volunteer. It may become necessary to pay for or reimburse these costs to the entities currently providing them, and money should be set aside from any future districts to be used for such costs. Consensus reached: paying a full-time or half-time salary would be counter-productive at this time.

PDA's role: Robert Chambers summarized that PDA's powers and duties consist of helping develop areas where private enterprise would be unlikely to do so without PDA assistance. PDA can be a tool for economic development, can be more pro-active, and attempt to identify areas which are in need of redevelopment. CD & R staff can assist in doing so and will involve Board members in strategy sessions. PDA can thus be more actively involved and can concentrate on those projects which would also benefit the neighborhoods in which they are placed in addition to merely improving a specific site and benefitting a private developer. Chambers also noted that a City staff position could be funded to coordinate the development efforts and projects for PDA. Consensus of Board was that this approach would be suitable and should be followed, but that staffing would not be feasible (see "staff" item above.)

8. **Adjournment.** There being no further business, the meeting was adjourned at 1:00 p.m.

