

**ABBREVIATED MINUTES**  
**POCATELLO DEVELOPMENT AUTHORITY**  
Meeting February 18, 2004

Members present: Terry Brower, Steve Brown, Roger Chase, Jim Guthrie, Darsi Johnson, Harry Neuhardt, Ken Monroe, and John Ricks.

**Staff present: D. Tranmer, City Attorney; C. DeWall, Bannock Development**

**1. Preliminary matters.** The meeting was called to order at 11:03 by Chairman Neuhardt. No conflicts were declared. The Chair noted an addition to the agenda for a report on the draft of the new guidelines for financing.

**2. Minutes and financial matters. It was MSC (Chase, Ricks)** to approve the minutes from the January meeting. C. DeWall presented the financial report for January showing \$282.13 interest in addition to the tax receipts. Lunch costs and the quarterly administrative fees to Bannock Development Corporation were the only expenses; no bank chares again. Bank charges have been significantly lower since DeWall and Burstedt questioned the amount last year; adjustments have obviously been made. **It was MSC (Ricks, Monroe)** to approve the January financial report.

**3. Cash flow spreadsheets.** R. Burstedt discussed the cash flow spreadsheets provided to members. The amounts are somewhat conservative but should be reliable. Burstedt noted that there would be no actual deficit because of the running cash balance, but that expenses would exceed income for the 2005 calendar year. The revenue allocation district expires at the end of 2009 (revenues are received in 2010) but the Board must maintain in escrow sufficient funds to pay off the bonds from the consolidated districts which do not expire that soon and have no provision for early pay-off. The current balance below which PDA may not draw the funds held by the Trustee is approximately \$600,000.00.

**4. Downtown Revitalization Update.** Jim Jenkins reported that if the thawing continues, it might be possible to do the final inspection of this phase. The change order discussed last month for additional electrical capacity costs in the amount of \$1,092.24 was presented for payment. Note: the only other change order on this project, for \$6,445.00, **It was MSC (Chase, Brower)** to approve the change and payment.

Request for approval of Requisition # E-46 to Myers Anderson – **It was MSC(Chase, Ricks)** to approve the requisition.

**5. Downtown Reinvestment Update.** Greg Lanning reported on progress for the 1st phase consisting of work on 6 blocks along Main, stating that preliminary drawings are complete, that information about the project has been made available to owners, that the Tree Committee members have provided great support and information regarding tree plantings, and that the sidewalk widths are not going to be increased as part of the project. Construction is still scheduled to being in May; pre-qualification meetings will be in March; bids will be requested for April. In short, everything is going as expected.

Request for approval of Requisition #E-47 to J-U-B Engineers. After explanation of travel and lodging costs for out-of-town personnel, **it was MSC (Chase, Brower)** to approve the requisition.

6. **Roosevelt District.** Tim Tingey, City Planner, and Mitch Greer of RMES were present to provide an update on the project. Members viewed a video presentation reviewing the entire project—goals, photos of specific areas prior to and after improvements, number of areas improved (175), etc., for the 2 phases out of 4 that have been completed.

Several members commented that this was a nearly-perfect example of an urban renewal project in meeting the State's two objectives for the Board—economic development through a revenue allocation area to finance traffic signal and roadway improvements for a private enterprise to develop/redevelop taxable property, and utilization of half the increment to improve the area's deteriorated sidewalks. Members also praised the video presentation and recommended its use, with RMES permission, for various civic groups to demonstrate the positive outcomes of urban renewal efforts.

Discussion on options for the future: As PDA previously discussed, higher costs were to be expected by dividing the project into 4 phases, but Board consensus was that the benefits of being able to separate into smaller projects and use local contractors would outweigh the disadvantage. Additionally, unforeseen problems such as buried portions of sidewalk which had to be broken up and removed where specs had assumed simply installation of sidewalk, and other odds and ends, including inflation, have increased the total cost beyond the estimate. Choices are to cut back the scope of the project, go ahead with both the remaining phases, or do only the third phase and check out the cash flow. Per R. Burstedt, cash flow should be sufficient to handle completion of both phases. Scaling back to fit the remaining original budget would mean no sidewalk improvements. At this point, authorization for budgeting a minimum of an additional \$130,000 is needed.

**IT was MSC (Chase, Brown)** that, bearing in mind the worthiness of this District and its success, authorization for RMES be given for preparing bid specs with the budget increased by \$130,000.

RMES Invoices: **It was MSC (Ricks, Chase)** to approve payment of Invoice #98613 in the amount of \$6,890.00 for Phase II. **It was MSC (Ricks, Chase)** to approve payment of Invoice #98614 in the amount of \$1,000 for the additional costs for splitting the bids.

7. **Central Corridor.** Robert Chambers explained the proposed modifications to the district and projects, noting that the 4<sup>th</sup> and 5<sup>th</sup> Avenue projects had been removed. (Center/Hospital Way; the Cheyenne crossing vicinity; and the economic feasibility study needed for the modifications). The new areas won't change, at this time, the revenue stream to taxing districts and including them will not exceed the State's 10% maximum of overall valuation of property allowed to be in allocation districts. S. Brown asked whether the Board's attorney was comfortable in declaring this area to be blighted. D. Tranmer explained that "blight" was merely one of the conditions which could be considered for including property in an urban renewal area. The actual criteria is "deteriorated" or "deteriorating" and the statute sets out a lengthy list of characteristics which meet the definition, only one of which is blight. Several of the proposed area's characteristics match those on the list—insufficiency of infrastructure, numerous owners, underdevelopment, topographical considerations, among others.

**It was MSC (Chase, Guthrie)** to recommend that the Council modify the CCC Urban Renewal Area to include the Cheyenne-vicinity area and to include the new area into the CCC revenue allocation area, provided that whichever portion of the new area is not used for the road will be removed through future modification as soon as the roadway location has been decided.

**It was MS (Chase, Ricks)** to make the same recommendation as above for the Center/Hospital Way area. At this point, J. Guthrie expressed appreciation to PDA and City staff on behalf of County Commissioners for their consideration of County requests and concerns regarding the southern portion of the modification proposal, but noted that he wanted to propose an

amendment regarding the northern portion. With approval of maker of motion Chase, **It was MS (Guthrie, Brown—for discussion purposes)** to amend the motion via a 3-point set of restrictions (NOTE: see attachment to these minutes for specific wording). For purposes of clarity, the Chair, with consent of the maker of the amendment, accepted discussion on all points, but separated each point for voting. Discussion: Commissioners are concerned that the District will tie up incremental value for too long and prevent taxing districts from getting needed revenue; capping value within the District would provide relief; first restriction is unnecessary; the City Council establishes districts and their length and the District is already set to expire in 2009; PDA is a prudent Board not given to wild spending, may not be prudent to recommend more conditions ahead of time; all development competes with something else; limiting the increment value within a district by removing parcels of land may not be feasible unless a specific parcel could be found which has exactly that increment value; if and when increment value increases by 25%, PDA can address parcel removal; removal requires another modification (hearing, notice, etc.).

Vote on amendment point 1: **Guthrie, Brown in favor**  
**Monroe, Brower, Chase, Ricks, Neuhardt opposed**

Vote on amendment point 2: **Guthrie, Brown in favor**  
**Monroe, Brower, Chase, Ricks, Neuhardt opposed**

At this point, Guthrie withdrew the amendment.

Vote on original motion: **Monroe, Brower, Chase, Ricks, Neuhardt in favor**  
**Guthrie, Brown opposed**

**8. PDA Guideline Revisions.** S. Brown provided copies of the draft guidelines prepared by the subcommittee, requesting that members review the proposal and contact him or T. Brower with comments and suggestions prior to the next PDA meeting. They are recommending a review and point system to allow evaluation and comparison of proposals and prevent time-consuming presentations without accompanying information.

**9. Executive session.** It was MSC (Neuhardt, Ricks) to break for lunch and adjourn into executive session, pursuant to Idaho Code Section 67-2345(f), in order to discuss possible litigation with its legal counsel.

**10.** The regular meeting was reconvened at 1:20 p.m., and there being no further business was then adjourned.

