

MINUTES
POCATELLO DEVELOPMENT AUTHORITY
Meeting July 21, 2004

Members present: Steve Brown, Terry Brower, Roger Chase, Jim Guthrie, Darsi Johnson, Dan Schroeder

Staff present: Dean Tranmer, City Attorney; Ray Burstedt, Bannock Development

1. Preliminary matters. The meeting was called to order at 11:01 by Chairman Neuhardt. No conflicts were declared. Items being added to the Agenda: Payment for audit; report from R. Burstedt on the pending agreement with Dick Carrol; Request from City regarding pool repayment. The minutes from June were reviewed; a discrepancy was noted regarding whether the Executive Director was present. **It was MSC (Brown, Brower)** to approve the minutes of the June meeting, with an appropriate correction regarding Ray Burstedt's involvement. [Secretary's Note: Ray was present; the correction to the minutes will be to list his name under "Staff present" section.

The financial report for June was then reviewed by Ray in the absence of Char DeWall. **It was MSC (Chase, Brown)** to approve the June financial report. Approval of the quarterly payment for administrative charges to BDC was then requested. **It was MSC (Schroeder, Chase)** to approve the payment of \$3,125.00. Ray noted that Char is recovering from the surgery and is doing some work at home before being released to return to the office. She should be at the August meeting.

2. Old Town Revitalization. Nothing new on Revitalization; members were reminded that part of the Reinvestment project includes streetscape in the Reinvestment project.

3. Reinvestment. R. Chase informed the members that Greg Lanning was resigning and would not be available for project review. Thane Smith will provide information. Thane distributed material to Board members for review. The project is behind schedule, but the early problems are being worked out and there should be significant progress in the next couple of weeks. Cindy Madsen, from BECO, was present and noted that the first section work is two weeks behind schedule, but that the remainder of the blocks should not take so long. BECO believes that it can complete the project on time. BECO is providing a weekly newsletter for the merchants to provide information on the status of the project. D. Schroeder expressed concern about increased costs, if any, and asked Thane whether there were cost overruns at present. Response: Difficult to say because credits are accruing as well as additional expenses; more information should be available by the next meeting. About 1/3 of the budget has been expended, but the work completed to date is not a full third of the project.

Questions regarding roof drains and sewer back-ups. This project does not include re-routing of all the roof drains that run into sanitary sewers—just those that run toward Main—which means that the buildings on the east side of Main will still have the back-up problems during heavy rains.

Requisition #E-55 to Meyers Anderson: **It was MSC (Chase, Schroeder)** to authorize payment in the amount of \$1,665.38.

Requisition # E-57 to JUB: **It was MSC(Chase, Schroeder)** to authorize the payment in the amount of \$53,067.61.

4. School District sidewalk. Chairman Neuhardt informed the members that he had reviewed the estimate for additional charges to have the Reinvestment/Revitalization type of streetscape done now while the District was having the new gym constructed. The District declined to contribute more than \$11,000 towards the cost, to pay the required reimbursement to CDBG

funds for demolition, or to purchase the Garfield property. Neuhardt notified that Board that he had declined, on behalf of PDA, to continue with the proposal, unless the Board chose to vote approval of the land donation, reimbursement of CDBG funds, etc.

5. Central Corridor. Cac Turner, City Project Engineer and John Buttende, Project Manager for the "Cheyenne Crossing" project were present to update the Board on its status. In March of 2000, the project to find a route and build a road from Bannock Highway to South 5th was begun. A citizens' committee reviewed alternate routes and suggestions and it's now down to two viable choices for the road. One is known as the Leo-Harper route and the other as the Shoshoni route. The project has been "stuck" in the environmental assessment-statement stage for some time now. The first report was 350 pages and ITD rejected it, requesting a more concise statement (January of 2002). A revised version was also rejected. The final version is now in ITD's hands and review is projected to be completed in 6-14 weeks, after which the report will be reviewed by the Federal Highway Administration. A public hearing is anticipated in October and a final route should then be approved by the end of this year.

It was MSC (Schroeder, Brown) to approve payment of the invoice from the City, previously tabled, for \$915.98 (the 20% match).

Brief recess for lunch.

6. Iron Triangle. Kathleen Lewis (SEICOG) briefly discussed a fledgling proposal to develop this area for an urgent-care facility. The hospital has closed its urgent-care facility and hospital administrators have been contacted about the possibility of another facility; they indicated support for the project. Grants for economic development will be sought, tied to job creation, to assist the development, but if a grant is used to build the facility, it cannot be owned by a private entity. SEICOG will therefore be seeking PDA assistance with funding through a subsidized lease of the building and site. If Board has no objections to being a landlord, SEICOG will proceed to seek grant funding and will return with a more specific project. Board consensus was that the proposal seemed suitable and that PDA would entertain a specific proposal at a later date.

7. Roosevelt District. Pay Request #1 Phase III from Kiggins was brought to Board; RMES and City have verified the work. **It was MSC (Chase, Brown)** to approve the payment.

8. North Yellowstone URA. The Chair declared the public hearing open at 12:30 p.m. and called for comments or written submissions. Subject: To determine the possibility of issuing bonds and filing a petition in the 6th District Court for judicial validation of the projects and funding. D. Tranmer explained that the Board would not be able to take action based on the hearing results until two weeks from the date of the hearing and that discussion could include funding options (bond vs. pay-as-you-go). The Chair again called for comments. Board member Guthrie inquired as to advantages of bonding and the wisdom of reimbursing construction interest. Response: R. Burstedt explained that the Board had agreed to fund the road development costs, either by reimbursing Lowe's or by providing funding up-front. If Lowe's undertakes the work, the company will obtain a loan to do so and interest costs will be included in total cost of road development. If PDA bonds up-front, the interest rate should be lower on bonds (at least it has been in past experience) than on a loan, which saves PDA money in the long run. No written material was presented. No one offered other comment. The Chair then declared the hearing closed at 12:40 p.m.

9. Additional agenda items:

It was MSC (Chase, Schroeder) to authorize payment to Deaton and Company for the audit.

It was MSC (Brower, Chase) that R. Burstedt send a cover letter noting the Board's dissatisfaction with the errors presented in the versions brought to the Board.

Kress District: Ray reported that the note from Old Town Investments to First Security should have been paid off by August 15 under its terms, that there should not have been any balance, let alone over \$20,000. PDA's agreement specifies that it will provide twice-yearly payments in the amount of money received from the District tax revenues. Therefore any remaining balance resulting from non-payment by the development company should not be the responsibility of PDA. Ray and Dean recommend not proceeding with a new agreement at this point. Board concurred.

Pool repayment. R. Chase asked for an additional postponement (the one scheduled for October of 2005) in order to help City Council members avoid increasing taxes to cover the debt. After brief discussion, **It was MSC (Schroeder, Brower)** to postpone the payment another year.


10. Items from members: J. Guthrie noted that there had been an article in the Journal about the North Yellowstone project in which the PDA Chair was quoted as stating that PDA had been working on the development for a couple of years. He voiced concern about the accuracy of the statement, since the current project has not been the subject of Board review or action for that length of time, and noted the subsequent awkward position for Board members who would be questioned by members of the public. T. Brower and D. Johnson concurred that clarification was important to alleviate misunderstandings as to Board actions. R. Chase and H. Neuhardt both noted that it was easy to use the generic "we" when discussing items with reporters and that more care would be taken in the future to distinguish between personal involvement and PDA involvement as a whole.

11. Executive Session--Property Acquisition. The Chair called for an executive session at 1:10 p.m., pursuant to Idaho Code Section 67-2345(c) to discuss acquisition of property not owned by a public entity.

Regular meeting re-convened at 1:30 p.m.

There being no further business, the regular meeting was adjourned at 1:32 p.m.

8. Adjournment. There being no further business the meeting was adjourned at 12:40 p.m.

A handwritten signature in cursive script, appearing to read "R. Chase".