

POCATELLO DEVELOPMENT AUTHORITY MINUTES
Meeting June 21, 2006

Members present: Terry Brower, Jim Guthrie, Darsi Johnson, Ken Monroe, John Ricks and Richard Stallings

Staff present: Gynii Gilliam and Sari David of Bannock Development; A. Dean Tranmer, Esq., and Darcy Taylor of the City Legal Dept.

1. Preliminary matters: The meeting was called to order at 11:05 by Acting Chairman John Ricks. No conflicts of interest were declared. Changes to the agenda: J. Guthrie noted he wished to clarify an issue regarding the designation of urban renewal areas. Acting Chairman Ricks provided an update of Mayor Chase's medical condition after his recent accident in Lewiston.

2. Minutes and financial report:

Minutes for the regular May meeting and the executive session meeting of May 17th were reviewed. **It was MSC (Johnson, Monroe)** to approve the minutes of May 17th.

May financial report: Income of \$22,880.87 included tax receipts from Central Corridor, Roosevelt, and Old Town, together with \$356.80 in interest. Expenses totaled \$3,539.06 for payment to Deaton & Co., for the audit, lunch costs and a thank you gift for outgoing secretary Rayna Valentine. **It was MSC (Brower, Johnson)** to approve the financial report. Additional tax revenues and expenses for the remainder of the year are shown in the "estimated 2006" column. There was no change in cash flow projections over the past month.

3. Central Corridor . Tim Tingley revisited the predevelopment agreement between the PDA and DDC, L.L.C. regarding the Triangle Development area. Brent Nichols, of DDC, L.L.C. advised the Board that DDC is very close to requesting a discussion with the Board to discuss a full development agreement. In the meantime, under the terms of the predevelopment agreement, if the full development agreement was not ready for presentation within ninety days of the execution of the predevelopment agreement, a ninety day extension could be requested. Although DDC expects to have a full development plan ready by the next PDA board meeting, that meeting will be outside of the ninety day period. Therefore, Tim Tingley requested an additional ninety day extension on the predevelopment agreement. **It was MSC (Brower, Monroe)** to extend the predevelopment agreement for an additional ninety days. Tingley added that there was an appraisal done on the Triangle Development area. Approximately \$335,000 was expended in the acquisition and cleanup of the area, and the appraisal value was almost double the costs expended.

4. Shaver Contract. Gynii Gilliam advised the Board that she and Tori Shaver reached an agreement on the calculation of equivalent FTE's and actual full time employees. The actual FTE's currently in the business are fifteen employees with benefits and equivalent FTEs of 27. In order to receive full grant credit for the \$75,000.00 loan the business would have to increase both actual FTEs with benefits and equivalent FTEs by five employees. Tori Shaver noted that Gynii had expressed concern that the additional five positions would include a benefit package for the employees. Shaver also requested an adjustment factor on the equivalent FTE figure to account for the fact that the new business would be open five less hours per week than the current business, and that the equivalent FTEs be prorated to account for this difference. A payment request in the amount of \$54,661.84 was submitted by Shaver for work already performed. After discussion, it was **MCS (Stallings, Guthrie)** that payment of the invoice be approved. Upon inquiry, the Board was advised that Bannock Development Corporation reviews and checks invoices submitted for payment. The sum of \$20,338.16 remains available through the Shaver loan.

5. Revenue Allocation Areas.

J. Guthrie requested clarification regarding the Naval Ordnance Plant Urban Renewal Area revenue allocation status. He expressed concern that revenue allocation areas are created without being specifically tied to a reason for their creation, for example to provide infrastructure for a new business. Discussion among board members ensued, and while all board members would certainly prefer to tie a TIF district to a specific purpose, they understand that the logistics of doing so are prohibitive to the process. In the event a TIF district is established and the underlying purpose intended for the establishment of the district does not materialize, the Board would have the option of recommending to the City Council that the district be dissolved. When asked if there would be ramifications for implementing and then dissolving a district the Board was advised the only loss would be the City's costs of passing the resolution and ordinance, and associated publication costs. D. Tranmer advised the Board that a letter could be sent to the City Council stating the Board's intent regarding TIF districts. After discussion the consensus of the Board was to have Gynii Gilliam send a letter to the Pocatello City Council regarding possible dissolution of the Naval Ordnance Plant and East Center Revenue Allocation Areas in the event the purposes for their establishment do not materialize.

6. There being no further business, the meeting was adjourned at 11:40 a.m.

Nancy L. Ingles