

**POCATELLO DEVELOPMENT AUTHORITY MINUTES**  
Meeting November 15, 2006

**Members present:** Terry Brower, Steve Brown, Roger Chase, Darsi Johnson, John Ricks, Dan Schroeder 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.

The meeting was called to order at 11:02 a.m. by Chairman Steve Brown.

**1. Funding request:** For the ease of administration of the agenda, Chairman Brown asked to address some agenda items out of order. There being no objection from the Board, the first item of business was a request by Governor Risch for some matching funds from the PDA for a potential business relocation. S. Brown advised the Board that he had spoken with the Governor regarding his funding request of \$75,000.00 for a yet to be disclosed business interested in relocating to this area, adding that he felt somewhat uncomfortable in pledging \$75,000.00 in light of the PDA's current funding crunch, but that he didn't want to jeopardize the project by failing to make such a commitment. T. Brower noted that the PDA had already committed \$200,000.00 to this project. Brown reiterated the Governor's stance that the state felt it could commit the necessary funding to the project if it felt there was substantial community involvement, i.e., additional funding. Based on the ensuing discussion, the Board's general feeling was that it might be interested in dedicating additional funds in order not to lose the project, but it would prefer not to commit to the full \$75,000.00 requested if there was any way not to. Thereafter, **it was moved and seconded (D. Schroeder, John Ricks)** to approve up to \$75,000.00 if necessary out of discretionary funds to the project. The motion was clarified to note that the amount of the funding committed would be at the discretion of Gynii Gilliam and Steve Brown who would be discussing the matter with the Governor immediately after the meeting. Upon the vote, the motion carried, with one vote opposing the motion (Brower opposed).

**2. Preliminary matters:** No conflicts of interest were declared. There were no additions to the agenda. **J. Ricks** noted that as a result of the recent election, the Board will be losing Jim Guthrie as a member. Ricks noted that he was sad to see Guthrie out of the political arena as he viewed Guthrie's perspective and ability to make board members think as great assets to the PDA Board.

**3. Minutes and financial matters:**

Minutes for the regular October meeting were reviewed. **It was MSC (R. Stallings, T. Brower)** to approve the minutes of October 18, 2006. **D. Schroeder** requested that minutes be e-mailed to Board members as soon as they are completed to allow for a fresher review. Sari agreed to forward the minutes to members once she receives them. Board members then expressed their preference of how they would like to receive agenda packets, be it by regular mail or e-mail.

S. David presented the financial report for October. The ending balance of all districts as of October 31, 2006 was \$841,956.48. Income for October was \$206,045.79, which included the final City pool payment, taxes on Old Town and North Yellowstone, and \$650.06 in interest earned. Expenses consisted of the \$3,125.00 for third quarter administrative fees, and two months lunches of \$204.67, for a total of \$3,329.67. The updated Central Corridor cash flow projection indicated actual 2006 tax revenues of \$1,818,612.74. After brief discussion **it was MSC (J. Ricks, D. Schroeder)** to approve the financial report for October.

S. David sought input from the Board regarding the Board's financial audit. Sari reiterated that for the past few years the audits completed did not meet the requirements of the Board, however there was a concern it would take a significant amount of time and therefore increased cost for a new auditor to come up to speed with the PDA's operations and activities.

Discussion ensued on the pros and cons of seeking another company to perform the audit. General consensus was that there was no harm in putting out a request for proposals to perform the audit. **It was MSC (R. Stallings, D. Schroeder)** to put the audit out a request for proposals and see who responds.

#### 4. Central Corridor:

Downtown Reinvestment. Pay Request #E85 in the amount of \$87,366.48 was presented for payment. City Engineer Cac Turner provided an update on Phase II of the Downtown Reinvestment project, advising that crews working on the punch list were finished, although a few electrical items needed adjustment, and a tree grate was on back order. The total project cost came in just below \$100,000 of the bid amount, with outstanding work costs remaining estimated at \$2,471.00 plus change, with PDA's portion of those outstanding costs equating \$1,977.00 for Phase II. **It was MSC (D. Schroeder, R. Stallings)** to authorize payment of Pay Request #E85 in the amount of \$87,366.48, and to retain funds for one more payment on the project.

Triangle Development. Tim Tingey advised the Board that DDC, LLC continues to work through the elements of the development agreement. The agreement will be fairly complex and will include an oversight component. Tingey noted that some modifications have been made to account for cost adjustments. Discussion followed regarding the project including the possibility of a fundraising project for the memorial area planned for the development as well as the amount of interest in the live-and-work areas of the project. As a general comment, R. Chase expressed concern about developers selling one project to the Board when asking for funding, and then modifying the project after funding is approved. Robert Chambers advised the Board that if the value of a project is reduced after funding approval, the funding increment should be affected accordingly. Tingey assured the Board these concerns would be communicated to the developers and could be addressed in the development agreement, which he expects to bring to the Board in January or February.

East Center. Tim Tingey reported that the State Tax Commission approved the option allowing the amendment of the East Center Urban Renewal Area legal description to exclude the Hospital Way right-of-way. The legal description in the ordinance was amended, re-recorded and published, and was sent to the State Tax Commission for approval.

#### 4. Miscellaneous:

Optivus. Robert Chambers reported that a Letter of Intent regarding Optivus has been circulated and signed by various entities, including Idaho State University, Portneuf Medical Center, the City of Pocatello, Optivus, and others. The challenge of successfully locating Optivus in Pocatello remains adequate financing.

Old Town. It was noted that Board members received a letter from Old Town acknowledging and thanking them for the Board's contribution to Old Town's purchase of a building.

PDA Return on Investment and College Report. **G. Gilliam** provided an update on the project she and S. David have been working on examining the base tax value, amount of PDA investment, and current market value of properties located within various TIF districts. New job figures were also provided, where available. Gilliam noted that she is having some difficulty obtaining data on some of the projects, but hopes to provide information on payroll and company expenditures, together with secondary benefits at the December meeting.

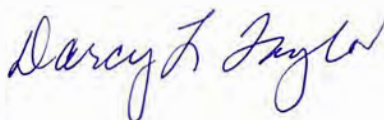
**G. Gilliam** reported that she has revised the report on area college graduates to include technical students in the figures. The geographical area of colleges included in her report includes BYU-Idaho to the north, BYU to the south and BSU to the west. According to the

information provided, Gilliam reports there is a net amount of 20,000 graduates in the area available for employment annually.

**5. Executive Session:** At approximately 11:40 a.m. **it was MSC (R. Chase, D. Schroeder)** to move to Executive Session pursuant to Idaho Code §67-2345(1)(c) and (e) to discuss the possible acquisition of real property and a matter of trade or commerce in which the PDA is in competition with governing bodies in other states.

Regular meeting was reconvened at 12:01 p.m.

7. There being no further business, **it was MSC (T. Brower, D. Schroeder)** to adjourn the meeting at approximately 12.01 p.m.

A handwritten signature in blue ink, reading "Darcy K. Taylor". The signature is written in a cursive style with a large, stylized 'D' and 'T'.