

POCATELLO DEVELOPMENT AUTHORITY MINUTES
Meeting October 15, 2008

Members present: Terry Brower, Steve Brown, Roger Chase, Darsi Johnson, Ken Monroe, and Gary Moore.

Staff present: Robert Chambers, Executive Director; A. Dean Tranmer, Esq. and Darcy Taylor of the City Legal Dept.; and Dave Swindell and Jerry Higgins of the City Finance Dept.

The meeting was called to order at 11:04 a.m., by **Chairman S. Brown**.

1. Preliminary matters:

A. Guests, Conflicts, and Agenda. No guests were present. No conflicts of interest were declared. **Chairman Brown** stated there were no additions or deletions to the agenda, but that a brief Executive Session would be necessary.

B. Minutes. Minutes of the regular and executive sessions of the October meeting were reviewed, and it was **MSC (K. Monroe, G. Moore)** to approve those minutes (**S. Brown abstained**).

C. Financial Report. J. Higgins of the City Finance Department presented the financial report for the month of September. In August, the PDA received cash in the amount of \$24,227.35, which included \$4,510.89 in interest (\$135.07/managed cash account and \$4,375.82/trust accounts) and \$4,716.46 in tax increments for Central Corridor, and \$15,000.00 in the form of a short term loan from the City of Pocatello to cover expenses. Expenses for September totaled \$216,141.64, which included approved payments on the Triangle project and interest on the bonded debt for the Central Corridor District. J. Higgins advised the Board that the budget was in good condition at year's end. He further advised the Board that at the November meeting the Board will receive final reports for each PDA fund for fiscal year 2008, and that the fiscal year 2008 figures will be dropped from the monthly reports. **S. Brown** expressed appreciation on behalf of the Board for the revised format by which financial reports are made available to the Board. Thereafter, it was **MSC (T. Brower, K. Monroe)** to approve the September financial report.

2. Central Corridor:

Triangle Redevelopment Project Update. Jim Jenkins of Myers, Anderson and Jesse Schuerman of the City Engineering Department appeared and provided an update to the Board on the Triangle Redevelopment Project. J. Jenkins reported that construction has started on the Keller building and that the first four live-work units are in the final stages of preliminary approval. Thirty per cent of the landscaping on the perimeter has been completed. The extruded curbs and landscaping for Phase 2 still need to be completed. The project remains behind schedule but will be completed soon. Payment Request No. 9A in the amount of \$228,017.86 was submitted to the Board for payment. J. Schuerman advised the Board that the work provided under the payment request included electrical work, asphalt for the parking lot and sidewalks, and that all work was completed in accordance with City code, except for some concrete work, which has now been corrected. **K. Monroe** inquired whether the payment issues between the Triangle and their bank which were discussed at the September meeting had been resolved, and **R. Chambers** assured the Board that the issues had been addressed to the satisfaction of all parties. Thereafter, it was **MSC (D. Johnson, G. Moore)** to approve Payment Request No. 9A in the amount of \$228,017.86. Payment Request No. 9B in the amount of \$14,779.59 was submitted to the Board for payment. **R. Chambers** advised the Board that under the Development Agreement between Triangle, Inc. and the PDA, one of the eligible expenses for reimbursement was the cost of interim financing pending the availability of PDA funds.

Payment Request No. 9B consisted of financing and loan expenses incurred by Triangle, Inc. **It was MSC (G. Moore, T. Brower)** to approve Payment Request No. 9B in the amount of \$14,779.59.

Whitman Hotel Rehabilitation Update. Kathryn AlMBERG of The Housing Company appeared to provide a progress report and payment request to the Board. Ms. AlMBERG reported that The Housing Company anticipated receiving a certificate of occupancy for the residential portion of the building by the end of the year. Seventy-six per cent of the total project budget had been expended, with eighty-five per cent of the project completed. The fourth floor apartments were almost complete. Occupancy of the building is to begin with the top floor and proceed downward as the remaining apartments are completed. Pursuant to the Agreement for Advancement of Funds between The Housing Company and the PDA, The Housing Company could request payment of the second half of the allocated funds, \$256,500.00, after fifty per cent of the project's total development costs were invested in the project. Ms. AlMBERG represented to the Board that the goal had been met, adding that two million dollars of the \$2.4 million construction loan, \$1.7 million of syndicator money, \$225,000 of The Housing Company funds, and \$256,500 of PDA money had been spent on the project to date. She requested that the remaining \$256,500.00 be released to The Housing Company by the PDA. D. Swindell noted that sufficient funds were available in the Consolidated Central Corridor, and that the funds could be available within a week. **It was MSC (K. Monroe, T. Brower)** to pay \$256,500.00 to The Housing Company for the Whitman Hotel Rehabilitation project, which completes the PDA's commitment to the project. Ms. AlMBERG offered Board members the opportunity to tour the project over the next couple of days, should they wish to do so.

3. Audit Engagement Letter

J. Higgins requested the Board's approval to enter into an engagement letter with Deaton & Company for performance of an audit of the PDA's FY 2008 financial records. The cost of the audit is expected to be \$3,650.00. Discussion followed regarding the performance of Deaton & Company on prior audits, and it was the consensus of the Board that the FY 2007 audit was performed in an acceptable manner. **It was MSC (T. Brower, G. Moore)** to authorize Chairman Brown to sign the engagement letter for the FY 2008 audit.

4. Executive Session:

At approximately 11:30 a.m., **it was MSC (G. Moore, D. Johnson)** to adjourn to executive session (pursuant to I.C. §67-2345(1)(e)) to consider preliminary negotiations involving matters of trade or commerce in which the governing body is in competition with governing bodies in other states or nations. The regular meeting was reconvened at 12.11 p.m.

5. Items from Staff:

R. Chambers asked Board members for their evaluation of how staff had handled a request for funding. Although the request did not meet the criteria required to obtain the Board's review, it was felt it was appropriate to bring the request before the Board for input and comment. **S. Brown** remarked that as long as the requestor knew in advance that the request did not meet the Board's criteria, it was appropriate to leave the matter open for negotiation in case the nature of the request was modified.

6. Adjournment:

There being no further business, it was **MSC (R. Chase, K. Monroe)** to adjourn the meeting at approximately 12:14 p.m.

Darcy L. Taylor