

POCATELLO DEVELOPMENT AUTHORITY MINUTES
Meeting February 18, 2009

Members present: Karl Anderson, Steve Brown, Roger Chase, Cynthia Hill, Darsi Johnson, Gary Moore, and Ryan Ward.

Staff present: Robert Chambers, Executive Director; Gynii Gilliam, Executive Director of Bannock Development Corporation; 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 11:05 a.m., by **Chairman S. Brown**.

1. Preliminary matters:

A. Guests, Conflicts, and Agenda. No conflicts of interest were declared. **Chairman Brown** introduced guests Robert Porthier, Managing Director of the Eastern Idaho Entrepreneurial Center, Inc. (E-Center), and Sam Peterson, Director of the ISU Center for Business Services, who were added to the agenda to discuss their involvement with a working arrangement between their two entities to further economic development in Eastern Idaho. The E-Center was established two years ago at BYU-Idaho with the assistance of a \$350,000.00 grant from the Economic Development Administration. Porthier explained that since its inception, the E-Center has facilitated a working relationship between 100 to 125 business students from BYU-Idaho and area businesses, including the INL, Kase Equipment, and other businesses in seventeen counties. The relationship garners valuable experience for the students, and provides businesses with manpower to research and promote growth opportunities. The E-Center's grant requires the Center to include other universities, and the ISU Center for Business Services provides a willing partner to help meet that criteria. Sam Peterson advised the Board that forming an alliance with the E-Center will help ISU expand its programs and establish networks which will assist students in obtaining internships. Peterson also noted that the synergistic relationship between the Center for Business Services and the E-Center will also serve as a good recruitment tool for ISU and will help retain ISU graduates in the area. **G. Gilliam** provided the Board with an example of an E-Center project in which Premier Technologies used three teams of six students each. Board members were encouraged to contact Mr. Porthier or Mr. Peterson with ideas for projects which are compatible with the E-Center and ISU Center for Business goals.

B. Minutes. Minutes of the regular and executive sessions of the January meeting were reviewed, and it was **MSC (G. Moore, C. Hill)** to approve those minutes.

C. Financial Report. J. Higgins of the City Finance Department presented the financial report for the month of January. In January, the PDA received cash in the amount of \$645,457.53, which included \$1,157.22 in interest and tax increment payments of \$253,005.78, \$451,442.16, and \$1,862.44 for the Central Corridor, North Yellowstone and Naval Ordnance Plant districts, respectively. Expenses for October totaled \$62,010.07, which included an approved payment on the Triangle project, engineering fees for the South Valley Connector, PDA lunch and bank fees. J. Higgins reminded the Board of the internal debt of a \$615,000.00 loan from the General Fund to the North Yellowstone District Fund, which was made to cover costs for the Rail Crossing development. In light of the recent receipt of tax increment payments, the North Yellowstone District is in a position to repay approximately \$303,000.00 of the funds back to the General Fund. D. Swindell suggested that the Board may wish to consider authorizing the transfer of cash reserves over and above the debt service in the North Yellowstone District Fund to the General Fund as monies become available to pay down the internal loan made by the General Fund to the North Yellowstone District Fund. The full repayment of the internal loan will occur in stages, as tax increment funds are received. **C. Hill** inquired about the bank fees being charged, noting that in the past, bank fees had been waived.

J. Higgins made note of the inquiry and said he would review the issue with Wells Fargo. After a brief discussion, it was MSC (G. Moore, D. Johnson) to approve the January financial report. Thereafter, it was MSC (K. Anderson, C. Hill) to authorize the transfer of funds which accrue over and above the District's commitments in the North Yellowstone District to the General Fund for repayment of the internal loan from the General Fund to the North Yellowstone District, which loan amount was \$615,594.38.

2. Central Corridor District:

A. Triangle Redevelopment Project. Mike Jaglowski and Merrill Quayle appeared to present Payment Request No. 13 and to provide an update on the Triangle project. M. Jaglowski advised the Board that the developer is waiting for the weather to break in order to do the final work, after which the developer will request the City do a final inspection of the subdivision. After a short discussion, Payment Request #13 was submitted for payment in the total amount of \$3,764.76. It was MSC (R. Ward, C. Hill) to approve the request.

B. Whitman Hotel Project. R. Chambers provided a follow up report on the \$100,000.00 commitment the Board made to the Whitman Hotel Project in September of 2007. Upon being contacted, The Housing Company did reiterate its need for the funding, which was memorialized in a letter from Kathryn Almberg dated January 23, 2009. Thereafter, Jerry Myers and Allen Collins of CMW, LLC, a partner in the Whitman project, presented a report on the project, including before and after photographs of the building. J. Myers advised the Board that the upper levels of the building are completed and waiting the final punch list. The main level is 80 to 90 per cent completed, with remaining work consisting largely of tile work and lighting fixtures. Many applications have been received for the apartment units and there is a potential purchase agreement pending for one of the commercial units. The total cost of the project was 5.5 million dollars. R. Ward asked what the demographic information was for the apartment tenants in the building, and was advised that there are some income requirements for tenants. A. Collins noted that parking continues to be an issue in the Whitman area, and some initial discussions have occurred with the Union Pacific Railroad regarding leasing some of the area near the infirmary for parking. R. Chambers admired the collaborative work of the various entities that were involved in completing the Whitman, and noted there are other buildings in Old Town being considered for upper story housing. J. Myers encouraged Board members to stop by his office if anyone was interested in a tour of the building.

3. Executive Session:

At approximately 11:50 a.m., it was MSC (D. Johnson, R. Ward) 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 12:08 p.m.

4. North Portneuf District:

R. Chambers advised the Board that development of the Hoku site had progressed to the point that preparation of the development agreement between the PDA and Hoku was necessary. The development agreement was nearing the final draft stage, and R. Chambers requested that the Board authorize the Chair to execute and enter into the development agreement with Hoku, subject to legal review and approval. Thereafter, it was so MSC (R. Ward, G. Moore).

5. Adjournment:

There being no further business, it was MSC (C. Hill, D. Johnson) to adjourn the meeting at approximately 12:11 p.m.