

## POCATELLO DEVELOPMENT AUTHORITY MINUTES

Meeting September 15, 2010

**Members present:** Karl Anderson, Brian Blad, Cynthia Hill, Darsi Johnson, Ken Monroe, Eva Nye, and Michael Orr.

**Staff present:** R. Chambers, Interim Executive Director; and A. Dean Tranmer and Darcy Taylor of the City Legal Dept.

The meeting was called to order at 11:10 a.m., by **Vice-Chair D. Johnson**.

### 1. Preliminary matters:

A. Guests, Conflicts, and Agenda. No conflicts of interest were declared, no guests were present, and no additions or deletions were made to the agenda. It was noted that the Airport URA/TIF Plan item would be discussed prior to the Airport Resolution item, however.

B. Minutes. Minutes of the regularly scheduled August 18, 2010 meeting were reviewed, and it was **MSC (E. Nye, K. Monroe)** to approve those minutes.

C. Financial Report. A memorandum from Jerry Higgins reporting on checking account receipts and expenditures was presented to the Board. Neither Mr. Higgins nor Dave Swindell was available to attend the Board meeting and a complete financial report for August, 2010 was not ready as of the September Board meeting. After a brief discussion it was **MSC (C. Hill, K. Anderson)** to approve the financial report as presented in Mr. Higgins' memorandum dated September 10, 2010.

### 2. General Matters:

A. Airport Urban Renewal Area and Revenue Allocation District Plan. R. Chambers presented a proposed Pocatello Regional Airport Urban Renewal Area and Revenue Allocation District Plan for the Board's review. He described it as a "pay as you go" plan, wherein the companies locating in the district will pay to install the public utilities and infrastructure, and as tax increment funds accrue from the improvements on the property, the companies will be reimbursed from those funds for the costs of the public utilities and infrastructure plus financing costs. Three sites are included for reimbursement under the Plan, which are the Petersen, Inc. site, the potential site of Project Erector, and a third site for the proposed development of a westside industrial park. Additionally, general project costs, as provided for in the Plan, will be paid from tax increment funds. The total amount anticipated to be collected from the district is \$5,047,574 over the twenty-four year life of the Plan. The anticipated costs under the Plan total \$5,041,275.00, leaving a projected ending district balance of \$6,299.00. Chambers advised the Board that he was conservative in his estimate of revenue under the Plan, and liberal in his estimate of the costs under the Plan. He reminded the Board that the proposed Plan will be administered through Power County, and directed their attention to Table 3 of the Plan which outlined the Power County levy rate and tax distribution, together with anticipated tax increment revenue to the Plan. After a brief discussion, Vice-Chair **D. Johnson** read a proposed resolution adopting the Plan to establish the Pocatello Regional Airport Urban Renewal Area and Revenue Allocation District, and authorizing the Authority to forward said Plan to the Pocatello City Council. **C. Hill** inquired about the impact of the proposed urban renewal area upon the Naval Ordnance Plant Urban Renewal Area. R. Chambers advised the Board that the Naval Ordnance Plant district will remain open, and a goal of the district is to upgrade rail services. However, tax increment funds can only be used for public infrastructure and improvements provided for under

the urban renewal area plan, and many of the structures needing improvement at the Naval Ordnance Plant are privately owned, and not eligible for tax increment financing assistance. **M. Orr** asked about the boundaries of the urban renewal area, and if the area includes the mobile homes located at the airport. **R. Chambers** explained that the boundary line of the plan coincides with the boundary line between the FAA flight line and the nonflight line, and that the mobile home residents had been served eviction notices prior to the consideration of the urban renewal area. It was also noted that the new long term parking area at the airport is off limits to development. **It was MSC (M. Orr, B. Blad)** to adopt the Resolution adopting the Pocatello Regional Airport Urban Renewal Area and Revenue Allocation Area Plan.

**B. IsoRay.** **D. Tranmer** sought the Board's direction for the temperament of the Board's letter to IsoRay to demand fulfillment of its commitments to the PDA. **Tranmer** noted that over the past months there have been mixed messages from both IsoRay and the INL regarding each entity's fulfillment of its obligations. Options were discussed, which included requesting copies of IsoRay's correspondence with INL over the last two years, as well as inviting IsoRay to a Board Meeting to discuss the matter in person. **K. Monroe** suggested the letter request specific actions IsoRay has taken to fulfill the contract, and what their plan is. **D. Johnson** noted that she believes the Board is done with "warm fuzzy" interactions. The Board's consensus was that the letter to IsoRay should be in the form of a demand for information.

**3. Staff Items:** **R. Chambers** noted that the annual budget agenda item is tabled until the October meeting.

An engagement letter from Deaton and Company for the performance of the FY2010 Annual Audit was presented to the Board. **It was MSC (K. Anderson, B. Blad)** to authorize Vice-Chair **D. Johnson** to sign the letter on behalf of the Board.

**4. Executive Session:**

**D. Johnson** shared with the Board that she has been receiving a number of calls regarding the Grace Lutheran Church and School's attempt to locate a church and school at the former Ballard Medical Building on Alvin Ricken Drive. Because the Ballard Medical Building lies within the Central Corridor District, and the issue involves matters of trade or commerce, at 11:41 a.m. **it was MSC (B. Blad, C. Hill)** to adjourn to executive session pursuant to I.C. §67-2345(1)(e) to discuss the implications of the matter. A roll call vote was taken on the motion, with results as follows: **K. Anderson, B. Blad, C. Hill, D. Johnson, K. Monroe, E. Nye, and M. Orr Aye; None opposed.** The regular meeting was reconvened upon conclusion of the discussion at 12:19 p.m.

**5. Adjournment:**

There being no further business, **it was MSC (K. Monroe, E. Nye)** to adjourn the meeting at 12:21 p.m.