

POCATELLO DEVELOPMENT AUTHORITY MEETING MINUTES
July 16, 2014

Members present: Brian Blad, Larry Fisher, Michael Orr, Linda Tigert, John Regetz (ex officio), and Ryan Ward (Chair)

Members absent: Darlene Gerry, Cynthia Hill, and Russell Meyers

Staff present: Lonnie Crowell, Executive Director; Merrill Quayle, City Development Engineer; Dean Tranmer and Tiffany Olsen, City Legal Dept.; Joyce Stroschein and David Swindell, City Finance Dept.

Chair Ryan Ward called the meeting to order at 11:05 a.m.

Introductions, Conflicts, and Agenda: There were no guests in attendance, no conflicts with the Agenda items, nor were there any deletions to the Agenda. Board Commissioner Orr requested to add an agenda item to discuss the status of demolition on the former Albertson's building at Alameda/Yellowstone, an update on the Hoku matter, and the budget transfer money from the PDA to the City's General Fund.

1. Action and Discussion Items:

Agenda Item No. 1: Minutes. The Minutes of the regularly scheduled meeting of May 21, 2014 were reviewed. It was **MSC (B. Blad, L. Fisher)** to approve the Minutes as presented.

Agenda Item No. 2: Financial Report. **J. Stroschein** presented the Financial Report for the PDA for the months of May and June 2014. At the end of May, the Authority had cash on hand of \$7,799,248.35. The checking account balance was \$1,232,669.63, the savings account balance was \$4,245,574.04, and cash being held by Zions Trust amounted to \$2,321,004.68. The Authority recognized increased financial activity in the month of May as compared to April. The revenues totaled \$124,700 of which \$3,210 was interest earnings on cash invested and property taxes, and \$1,000 was payment received on the note receivable. The North Portneuf District received \$111,011 of the \$120,490 received in property tax revenue. Expenses for the month were limited to \$146.28 for lunch at the meeting and \$20,000 to Idaho Power for the Project Pipe Engineering Assessment and Construction Study. At the end of June, the Authority had cash on hand of \$7,940,770.28. The checking account balance was \$1,374,067.44, the savings account balance was \$4,245,678.73, and cash being held by Zions Trust amounted to \$2,321,024.11. The Authority recognized normal financial activity during the month of June receiving revenues totaling \$141,521 of which \$518 was interest earnings on cash invested and property taxes, and \$1,000 payment was on the note receivable. The North Yellowstone District received \$138,935 of the \$140,003 received in property tax revenue. There were no expenses during the month of June. Year to date revenues of \$1,055,300.81 are greater than expenses of \$253,741.37. The North Yellowstone District owns 67% of the net income amount of \$801,559.44. It was **MSC (B. Blad, L. Fisher)** to approve the Financial Report as presented.

Agenda Item No. 3: Payment Request/Reimbursements. **T. Olsen** presented a bill from the Idaho State Journal for payment in the amount of \$109.03 for the publication fees associated with the South 5th Avenue TIF Public Hearing. It was **MSC (B. Blad, L. Tigert)** to approve payment of \$109.03 to the Idaho State Journal.

Agenda Item No. 4: Election. Caroline Wight was nominated by the Mayor to fill the unexpired commission seat previously held by Michael Orr. It was **MSC (B. Blad, L. Fisher)** to fill the

unexpired commission seat with Caroline Wight. Her term as a Commissioner shall expire May 1, 2015.

Agenda Item No. 5: Positron Foreclosure Update by Attorney Craig Christensen. Mr. Christensen could not attend the PDA Meeting due to a conflicting Court date. At this time, Alliance Title has completed the Title Commitment and Christensen is in the process of scheduling a meeting with David Alexander (ISU's Attorney) to discuss an access issue to the property. However, several attempts via phone, email, text and personal visits to reach Mr. Alexander have all been unsuccessful. He will continue to proceed and provide updates as available.

Agenda Item No. 6: Naval Ordnance District Update by John Regetz, Bannock Development Corp: J. Regetz presented an email and proposal from Barbara Wischerath of Gateway West Industrial Center for improvements to the rail system at the Naval Ordnance Plant located within the Naval Ordnance Plant (NOP) TIF District. Said improvements are within the TIF District's Plan. The proposal is for the PDA to pay \$242,267.00 for upgrades, replacement of rail sections, and other improvements in order for the rail service to be usable by the Plant's existing tenants and be more marketable for future businesses. The work is to be performed by Balfour Beatty Rail, Inc. (BBR). Currently, the rail cars do not fit on the curved radii, rail widths, and there are several cross/switch upgrades that are necessary to improve the capabilities and function of the rail. To illustrate the problem, Regetz explained there was a derailment earlier in the month at this location due to the tight angles of the turns. There are two major businesses in the Plant that rely on the rail services, building no. 37 is occupied by Virginia Transformers and building no. 36 is occupied by ATCO, Inc. Regetz said there are leads for occupancy of buildings nos. 28 and 38. **D. Swindell** represented there are funds available for these improvements in the NOP TIF District. It was **MSC (M. Orr, B. Blad)** to reimburse Gateway West up to \$242,267.00 from the NOP District funds upon (1) verifying the rail work is completed (2) receiving qualified paid invoices from BBR; and (3) that in the event the Union Pacific Railroad would need the use of the rail system it would be able to navigate the rail system as designed by BBR. Direction was given to the Legal Department to prepare an Economic Grant Development Agreement in accordance with these terms and conditions.

Agenda Item No. 7: Status on Demolition of the former Albertson's Building (Alameda/Yellowstone): **M. Orr** inquired the status of demolition of the former Albertson's Building in which the developer was to provide L. Crowell an update for the PDA's next meeting. L. Crowell represented he wasn't aware he was supposed to contact the developer because the request to do so was not properly voted on. L. Crowell's update included that said Mountain States, the developer, is in the process of finalizing leases for the property and at that point Mountain States will give a demolition timeline. L. Crowell confirmed the easement for access issues have been resolved with Key Bank. It was **MSC (B. Blad, L. Tigert)** that L. Crowell shall contact the property owner/developer and receive in writing why the building has not been demolished and what the timeline is for demolition.

Agenda Item No. 8: Update on Hoku Matters: **M. Orr** inquired the status on the Hoku matters. **B. Blad** explained that JH Kelly is still working on marketing the location for a business to occupy. However, this marketing has not been fruitful and JH Kelly may end up dismantling the facility. **M. Orr** questioned the money mentioned in the last budget study session which was pledged to be transferred to the City's General Fund from the North Portneuf TIF District. **D. Swindell** explained there is currently approximately \$449,000 in the North Portneuf TIF District. The Plan authorized the TIF to reimburse the City for any expenditures (ex. \$1.3M spent on the Hoku land; monies spent for the Railroad Crossing, etc.) Also included in those expenditures is a loan from the City Sanitation Department for \$250,000. **D. Swindell** suggested perhaps it is time to cure that loan and pay the City Sanitation Department what it is owed. The remaining

\$200,000 could go to the City's General Fund to assist with the City's budget deficit or be available for economic development, whichever, but at the Council's decision. No action was taken by the Board since the Budget has yet to be approved by the City Council.

2. Adjournment:

There being no additional business and no matters for executive session, **it was MSC (M. Orr, L. Tigert)** to adjourn the meeting at 12:29 p.m.

By: 

Tiffany G. Olsen, Secretary