

POCATELLO DEVELOPMENT AUTHORITY MEETING MINUTES
September 21, 2016

Members present: Brian Blad, Steve Brown, Chad Carr, Larry Fisher, Devin Hillam, Russell Meyers (via telephone until 12:55 p.m.), Scott Smith (Chairman), and Scott Turner.

Members excused: Thomas Ottaway

Staff present: Dean Tranmer (arrived at 11:35 a.m.) and Tiffany Olsen, City Legal Dept.; Merril Quayle, Development Engineer (excused at 11:15 a.m.), Melanie Gygli, Interim Planning and Development Services Director, Ashley Linton, City Finance Dept. (excused at 11:15 a.m.); and John Regetz with Bannock Development Corporation (ex-officio).

Chair Smith called the meeting to order at 11:04 a.m.

Introductions, Conflicts, and Agenda: There were no conflicts disclosed and there were no deletions made to the agenda. Guests included Idaho Legislator Mark Nye who arrived at 11:05 a.m. and Michael Orr - both left at 11:15 a.m.; Stephanie Palagi with Old Town Pocatello, Inc. (arrived at 12:50 p.m.) and representatives of Project 16-16 and Project 16-16A (left at 12:55 p.m.).

1. Action and Discussion Items:

Agenda Item No. 1: Minutes. The Minutes of the Regular Meeting and Executive Session on August 17, 2016 were reviewed. It was **MSC (L. Fisher, B. Blad)** to approve the Minutes as presented.

Agenda Item No. 2: Financial Report. Ashley Linton, Accountant with the City's Finance Department, presented the financial report for the month of August 2016. At month end, the Authority had cash on hand of \$6,273,102.51. The checking account balance was \$3,182,002.45, the savings account was \$746,363.51, and cash being held by Zions Trust amounted to \$2,344,736.55. The PDA recognized normal financial activity for the month. It received revenues totaling \$10,123.50 of which \$174.40 was interest earnings on the cash invested. Property tax revenue totaled \$9,949.10 for the North Yellowstone District. Expenses paid for the month totaled \$734,572.49. The administrative expenses were \$169.47 for the lunch meeting. The bond payment interest was \$73,729.50 and the principal portion was \$530,000.00. The economic payment to Costco was \$122,014.96 (there is one more payment remaining). Expenses for professional services was \$5,374.15 for legal services on the Positron facility and \$1,000.00 to Arbitrage Compliance Specialists. The Position utility expense was \$2,284.41 for 3 months. Year to date revenues of \$2,112,642.03 are greater than the expenses of \$1,558,070.89. Overall net income is \$564,571.14. **T. Olsen** advised the Board that a budget amendment is appropriate as the North Yellowstone TIF District is scheduled to be extend its budget authority for the fiscal year by \$56.34. The debt service interest is slightly larger than J. Stroschein had estimated. It was **MSC (C. Carr, S. Turner)** to amend the FY16 Budget for the requested \$56.34 authority in the North Yellowstone TIF District. It was then **MSC (B. Blad, D. Hillam)** to approve the August 2016 financial report as presented.

Agenda Item No. 3: Payment Requests/Reimbursements. **T. Olsen** requested payment of (1) \$5,713.00 for the annual premium due for the Board's liability policy with ICRMP; (2) \$107.45 to the Idaho State Journal for the publication of the PDA's FY17 Budget; and (3) \$354.07

(instead of the purported \$474.41) to Idaho State University Accelerator Center for the utilities incurred at the Positron facility from July 1–18, 2016. It was **MSC (B. Blad, S. Brown)** to approve the three payments listed above.

2. Executive Session:

B. Blad asked the Chairman if it was appropriate to excuse Ashley Linton and Merrill Quayle from the executive session. Chair Smith agreed. Ashley Linton and Merrill Quayle left at 11:15 a.m. **Chair Smith** then called for a motion for the Board to go into an executive session to discuss a matter regarding negotiations involving matters of trade or commerce in which the PDA is in competition with other jurisdictions. **It was moved and seconded (B. Blad, C. Carr)** to adjourn to executive session pursuant to Idaho Code §74-206(1)(e). **The motion passed** by roll call vote (**Ayes: Brown, Blad, Carr, Fisher, Hillam, Meyers, Smith and Turner; Nays: None**). The Board adjourned to executive session at approximately 11:15 a.m. Potential businesses who are in competition with other jurisdictions were discussed. The Board reconvened to regular session by **MSC (B. Blad, S. Turner)** at 12:50 p.m.

3. Action and Discussion Items:

Agenda Item No. 4: Review Proposed Agreements related to Project 16-16 and Project 16-16A. It was **MSC (B. Blad, R. Meyers)** to grant Project 16-16 the sum of \$100,000 for the relocation of their business which includes job retention and job creation, to the Kinport Junction building located at 815 S. 1st Avenue, contingent upon the following: (1) the business locating and operating in this location for a continuous period of not less than 5 years; (2) maintain a minimum of 50 employees at any given time with an agreed upon average wage; (3) provide an employee verification study every six months substantiating the employment of at least 50 employees and at what average wage. If the number of employees is less than 50, the business will be given the opportunity to meet the minimum requirement. If that is not met within 6 months from that time, the grant shall convert to a loan, to be paid with interest, accruing at the then prime plus 1%, and payment terms to be agreed upon by the parties. It was also **MSC (B. Blad, D. Hillam)** to grant Project 16-16A the sum of up to \$25,000 for the electrical upgrades at the Yellowstone Hotel and purchase of a grease trap for the business's kitchen upon receiving qualified invoices and verification that said upgrades and grease trap have been installed and are operational. In addition to the grant, the PDA agreed to loan Project 16-16A the sum of \$26,000 for the removal and relocation of kitchen equipment from the Kinport Junction building to the Yellowstone Hotel. This loan shall be secured with a personal guarantee and shall be paid in full within 5 years from the date the funds are released. The loan shall accrue 0% interest for the first year and prime plus 1% each year thereafter.

Upcoming Events/Information:

1. **Chair Smith** advised the Board that the NOP upgrades have not been paid even though there has been some discussion about payment to Gateway Investments prior to the project completion. **Chair Smith** summarized the litigation status and associated contract documents. No action was taken.
2. **T. Olsen** advised the Board that there has been more deposit of garbage and miscellaneous material at the Highway 30 property. She has ordered a "No Trespassing" sign and it should be erected in the near future. Also, she will compile a bid/estimate of

what the project cleanup will cost the PDA as there is quite a bit more work than anticipated. Since the property is located in the County, an Interagency Agreement will need to be entered into with the City of Pocatello and the PDA in order for the City Street Department to provide assistance. She will prepare the bid/estimate for the next meeting.

3. **T. Olsen** received a phone call from Valerie Qualls with the Howard Hughes Corporation, the owner of the Alameda Plaza property (former Albertson's Building). Ms. Qualls stated that their corporation was no longer interested in the property and wondered if the City or the PDA would like to receive the property as a donation for public use. The PDA advised there have no use for the property. **T. Olsen** noted a property maintenance violation for the landscaping and weed nuisance. She will contact Ms. Qualls to have the property maintained.
4. **T. Olsen** received a phone call from Trent at Lamar Signs inquiring about the trees placed along Pocatello Avenue with PDA/CDBG funds in the beautification project for the "Triangle" property. Apparently, a few of the trees are growing to such heights that Lamar's billboard sign is being obstructed. Trent asked if he could present a request to remove/modify the trees at a PDA meeting. The Board advised T. Olsen to place the item on the next Agenda.

4. Executive Session:

Chair Smith then called for a motion for the Board to go into an executive session to discuss a matter regarding negotiations involving matters of trade or commerce in which the PDA is in competition with other jurisdictions. **It was moved and seconded (S. Brown, B. Blad)** to adjourn to executive session pursuant to Idaho Code §74-206(1)(e). **The motion passed** by roll call vote (**Ayes: Brown, Blad, Carr, Fisher, Hillam, Smith and Turner; Nays: None**). The Board adjourned to executive session at approximately 1:15 p.m. A potential business who is interested in relocating to the Pocatello area and is competition with other jurisdictions was discussed. The Board reconvened to regular session at 1:30 p.m.

5. Adjournment:

There being no additional business, the meeting adjourned at 1:30 p.m.

By: 
Tiffany G. Olsen, Secretary

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MEETING EXECUTIVE SESSION
September 21, 2016

Members present: Brian Blad, Steve Brown, Chad Carr, Larry Fisher, Devin Hillam, Russell Meyers (via telephone), Scott Smith (Chairman), and Scott Turner.

Members excused: Thomas Ottaway

Staff present: Dean Tranmer (arrived at 11:35 a.m.) and Tiffany Olsen, City Legal Dept.; Melanie Gygli, Interim Planning and Development Services Director; and John Regetz with Bannock Development Corporation (ex-officio).

Guests included: Representatives of Project 16-16 and Project 16-16A.

The Board of Commissioners adjourned from regular session into executive session at 11:15 a.m. pursuant to I.C. §74-206(1)(e) to discuss negotiations involving matters of trade or commerce in which the PDA is in competition with other jurisdictions. **It was moved and seconded (B. Blad, C. Carr)** to adjourn to executive session pursuant to Idaho Code §74-206(1)(e). **The motion passed by roll call vote (Ayes: Brown, Blad, Carr, Fisher, Hillam, Meyers, Smith and Turner; Nays: None).** Potential businesses who are in competition with other jurisdictions were discussed. The Board reconvened to regular session by **MSC (B. Blad, C. Carr)** at 12:50 p.m.

By: 
Tiffany G. Olsen, Secretary