

**POCATELLO DEVELOPMENT AUTHORITY
MEETING MINUTES
May 16, 2018**

Chairman Smith called the meeting to order at 11:07 a.m.

Members present: Mayor Brian Blad, Matt Bloxham, Chad Carr, Rob Lion, Chairman Scott Smith, Terrel Tovey, and Scott Turner.

Members absent/excused: Jim Johnston, Thomas Ottaway.

Others present: Melanie Gygli, Interim Executive Director; Jared Johnson, City Attorney; Ashley Linton-Welsh, Senior Accountant; Jeff Mansfield, Public Works Director/City Engineer; Merrill Quayle, Development Engineer; Tiffany Olsen, Bannock County; Mike Ennis, Bannock Development Corporation (ex-officio); Denis Clijsters, on behalf of Station Square (left the meeting at approximately 11:35); Erik Stidham, on behalf of VA Metals (left the meeting at approximately 12:35 p.m.); Webb Moulton, on behalf of Celtic Life Science by phone from approximately 12:25 – 12:35 p.m.

Introductions, Conflicts, and Agenda: There were no conflicts disclosed. New Board members Rob Lion and Matt Bloxham were introduced.

1. Action and Discussion Items:

Agenda Item No. 1: Minutes. The minutes of the regular session and executive session of April 18, 2018 were reviewed. It was then **MSC (B. Blad, S. Turner)** to approve the minutes as presented.

Agenda Item No. 2: Financial Report. **A. Welsh** presented the financial reports for the month of April 2018. At the end of the reporting period, the Authority had cash on hand of \$6,333,558.68. The checking account balance was \$2,929,602.22, the savings account was \$25.00, and cash held by Zions Trust amounted to \$3,403,931.46. (CDs are not yet set up so the checking total is high.) The Authority recognized financial activity during the month of April as follows: revenue totaled \$14,929.60, of which \$3,789.76 was interest earnings on cash invested and property tax interest, and property tax revenues totaled \$11,139.84. Expenses totaled \$7,139.50, including \$128.54 for the April lunch meeting, \$10.00 ICCU bank fee, \$4,150.00 to Deaton & Company for audit services, and \$2,851.00 to Elam & Burke for legal work on the Northgate TIF plan.

Following discussion of the financial reports, it was then **MSC (B. Blad, S. Turner)** to approve the April 2018 financial reports as presented.

Agenda Item No. 3: Payment Requests/Reimbursements. **Gygli** reported the invoice accurately reflects the work that performed in April. It was then **MSC (C. Carr, T. Tovey)** to approve payment of \$4,488.00 to Elam & Burke for work in April on the potential Northgate TIF plan.

To accommodate those present, **Chair Smith** moved ahead to Agenda Item No. 5.

Agenda Item No. 5: Request for Funding – Station Square. Denis Clijsters, representing Station Square, LLC, presented a request for funds to assist in upgrades to the Station Square building at 200 South Main. Renovations and upgrades are needed to the ground and mezzanine floors for commercial operations and to the potential 22 apartments (mostly studio and three 2-bedroom) on the third floor. If approved, Clijsters anticipates the money would be used for upgrades for the existing restaurant (possible kitchen expansion, required stove hood), electrical and fire sprinkler infrastructure for the living areas.

In response to questions from Board members, Clijsters explained the entire first floor is occupied and they are working to bring in more commercial occupants on the mezzanine level; the existing restaurant's kitchen is too small and fire safety upgrades are needed. He anticipates costs for fire sprinklers to be at least \$68,000, kitchen improvements as much as \$40,000. Blad stated he explored options for federal assistance for projects such as this, but there is really none available.

After additional discussion, Board members felt the project is worth supporting, but information that is more specific is needed on the amount being requested and how the money would be used. Clijsters will have that information for the next meeting.

Clijsters stated he has joined The Bridge as a co-owner, and they are working to address current financial issues.

Agenda Item No. 4: “Hoku” Property Lease Extension and Assignment of Lease.

2. Executive Session:

Chairman Smith 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, R. Lion)** to adjourn to executive session pursuant to Idaho Code §74-206(1)(e). **The motion passed** by roll call vote (**Ayes: Blad, Lion, Bloxham, Carr, Smith, Tovey, Turner; Nays: None**). The Board adjourned to executive session at approximately 11:35 a.m. The Board reconvened to regular session at 12:47 p.m.

3. Action and Discussion Items:

Agenda Item No. 6: Project Updates.

- a. **Bully Dog:** Gygli reported a letter will be sent to Bully Dog as to their interest in the approved grant or additional conversation with the Board. Ennis reported Bully Dog is not interested in receiving the grant because they are not certain they can maintain the required employment numbers. After the deadline for response, the pledged money (\$100,000) will be available for other projects.
- b. **Naval Ordnance TIF:** There has been no change in the status of the lawsuit and the appeal period has not expired. Quayle stated Gateway West owners are interested in meeting with the Board. He gave an overview of the businesses and employment numbers at Gateway West.
- c. **Jim Dandy Brewing:** Gygli reported this project will be more complicated than originally thought, as new electrical service, controllers, etc., will be needed, and will

not be completed prior to Jim Dandy's opening. If the three lights on Lander can be installed for the amount approved by the PDA (\$15,000), the project will go ahead; if estimates are for more, the proposal will be brought back to the Board.

- d. The Bridge: **Gygli** reported no payment has been received on the loan to The Bridge. Based on Clijster's announcement earlier in the meeting, the situation may resolve.

Other.

- a. June Meeting Date: **Gygli** said that it may be difficult to have a quorum available for the regular June meeting date of 6/20/18. Because the draft TIF plan is anticipated to be ready for presentation, it is important to hold the meeting. After brief discussion, 6/26/18 looks like a good option. Gygli will email members to make sure this date will work, then make the schedule change.
- b. RDA Funds: **Blad** reported there might be options for funding assistance through the Regional Development Alliance for local projects.

6. Adjournment:

There being no further business, the meeting adjourned at 12:50 p.m.

By: Melanie Gygli
Melanie Gygli, Interim Executive Director/Secretary