

POCATELLO DEVELOPMENT AUTHORITY
MEETING MINUTES
January 15, 2020

Members present: Brian Blad (joined the meeting at 11:35 a.m.), Chad Carr, Rob Lion, Scott Smith, Scott Turner, and David Villarreal (left the meeting at 12:00 noon)

Members absent/excused: J. Johnston, Thomas Ottaway, Terrel Tovey,

Others present: Melanie Gygli, Interim Executive Director; Bonny Schroeder, Deputy Treasurer; Jared Johnson, Pocatello City Attorney; Merril Quayle, Pocatello Public Works Development Engineer; Jeff Mansfield, Pocatello Public Works Director; Carl Anderson, Pocatello Senior Planner; John Regetz, Bannock Development Corporation; Heidi Adamson, Pocatello City Council; Tanner Hernandez, Prime Time Auctions; L.D. Barthlome, Portneuf Capital; other members of the public

Agenda Item No. 1: Call to Order and Disclosure of Conflicts of Interest. Chair **Scott Smith** called the meeting to order to 11:04 a.m. No conflicts were disclosed at this time.

Agenda Item No. 2: Approval of the Agenda. Upon **MSC (R. Lion, S. Turner)** the agenda was approved.

Agenda Item No. 3: Minutes. The minutes of the Regular Meeting of December 18, 2019 were considered. It was then **MSC (S. Turner, C. Carr)** to approve the minutes as presented.

Agenda Item No. 4: Financial Report. **Schroeder** presented the December financial report. At the end of the reporting period, the Authority had cash on hand of \$4,030,540.06, with checking account balance of \$4,030,515.06 and savings account was \$25.00. The Authority recognized financial activity as follows: revenue totaled \$1,250,689.67, of which \$689.57 was interest earnings on cash invested, and \$1,250,000.00 from the sale of the Hoku property. Expenses totaled \$37,505.92, including administrative and professional service expenses of \$6,245.00, and capital improvements in the Naval Ordnance URA of \$31,717.00.

Board members discussed fund balance and then it was **MSC (C. Carr, R. Lion)** to approve the December financial report.

Agenda Item No. 5: Payment Requests/Reimbursements. The following invoices were considered for payment:

- a. \$80.00 from General Fund to Elam & Burke for legal fees re: Northgate URA
- b. \$100.00 from North Portneuf District Fund to Stacey & Parks for legal services re: North Portneuf TIF District.
- c. \$25.67 from General Fund to Melanie Gygli to reimburse administrative costs advanced

Gygli reviewed the payment requests, stating the invoices accurately reflect work performed or goods and services provided, and are appropriate for payment. It was then **MSC (R. Lion, D. Villarreal)** to approve the payment requests.

Agenda Item No. 6: Payment to City of Personnel Costs. **Gygli** reviewed the request for payment to the City reimbursing the cost of City staff support to the Board. During the City's budget process, the Council asked that the Board consider reimbursing the cost of City staff supporting the Board. At the July 2019 meeting the Board approved making such payments, reserving the right to revisit the issue at six months and one year. The projected cost is \$25,000.00 annually. Though a payment interval was not specified, **Gygli** suggested that quarterly would be appropriate. **Adamson** explained the Council felt it important that the general taxpayers not bear the entire burden of staff support to the PDA.

Discussion ensued among Board members regarding the request, noting that the money is available in the general fund and is an appropriate use of the administrative transfer. Following discussion, it was **MSC (R. Lion, C. Carr)** to approve payment to the City in the amount of \$5,187.75 for staff support.

Agenda Item No. 7: Potential TIF District. Gygli provided excerpts from the traffic study performed for Maverik and a preliminary feasibility study. Hernandez reviewed the traffic study recommendations, including a traffic signal at the off-ramp, lane restructuring to include acceleration and deceleration lanes, changes to the slip ramp. He has a meeting with ITD next week. He stated anywhere from \$2-7 million dollars in new development may occur in a possible TIF area, depending on where the boundaries are drawn. He has drawn potential boundaries around only what he can control. In response to questions from Board members, Hernandez stated the new development in the smaller area presented including Maverik and Prime Time; Maverik's footprint is about 4.5 acres; he is open to ideas of looking for additional commercial development on his land. Doug Meldrum, part of Maverik's team, is interested in attending a PDA meeting.

Gygli presented the rough preliminary feasibility study, explaining that it was created using the submitted values (no separate verification) and only the properties under discussion were included (where a full study would cover all properties in a district). Potential increment ranges from \$14,662 to \$28,526 annually.

Blad joined the meeting at this point.

Discussion ensued regarding what area might be included in an TIF district; whether the anticipated increment will be sufficient for proposed projects; any payments for approved project expenses would be on a reimbursement basis, so the risk would be on the developer; whether ITD and/or the City would be able to participate in some of the proposed projects; need to consider the large benefit to the public of having this projects paid through the TIF, rather than the general taxpayers. General consensus that this is a good proposal, but more detailed planning is required before any formal process can start. Board members suggested Hernandez talk with Maverik about what retail businesses might be interested in locating near their store. Further, it may be worth considering relocating the auction business in favor of more commercial development. Quayle agreed to check with ITD on what work might be planned for South 5th for this summer, to see if there are coordination possibilities.

Resolution 2020-1. Smith introduced an unplanned agenda item and read Resolution 2020-1, thanking Gygli for her service to the PDA. It was **MSC (B. Blad, R. Lion)** to adopt Resolution 2020-1. (*Minute taker's note: Thanks to all of you. It has been my pleasure to work with this Board!*)

Agenda Item No. 8: North Portneuf TIF District.

a. Gygli presented the breakdown of which fund paid for the Hoku property when purchased from the City—and should now be reimbursed—as follows: \$195,367.06 from the general fund and \$645,611.54 from the North Portneuf District fund. The balance owned to the City is \$224,247.51. Because this income and the expense of a final payment to the City were not anticipated during the budgeting process, the budget needs to be amended. This requires a public hearing.

Following discussion, it was **MSC (B. Blad, S. Turner)** to allocate the funds as described now and make the final payment to the City after the appropriate budget amendment process. The budget hearing will be scheduled for the February meeting.

b. L.D. Bartholome provided an update on the redevelopment of the property. They are working to identify where all of the utilities are (Quayle agreed to help where the City has records available). They have worked out an easement with Idaho Power to the Great Western Malting property and have worked out the issue around the substation easement. Working with Great Western, UPRR has given approval of an at-grade crossing at Philbin Road. Where possible, when contractors are needed they are reaching out to those who may have lost money on prior projects at this site. They have hired for facility management and maintenance. They would like to change the name of the road to something other than Hoku Way, though no decision on a name has been made (Quayle can help with this process). They may be interested in accessing TIF funds where possible and will work with PDA staff on this.

Agenda Item No 9: Executive Session. To provide an update on a potential economic development opportunity, at approximately 12:26 p.m., **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, Carr, Smith, Turner. Nays: None.)** At approximately 12:36 p.m., by **MSC (C. Carr, B. Blad)** the Board reconvened to regular session.

Agenda Item No. 10: Report - Airport TIF District. **Gygli, Regetz, and Quayle** provided an update on the Frigitek/Savage project at the Airport. The project is moving ahead, including survey work, creating leases. Savage’s engineering firm is working with UPRR.

Agenda Item No. 11: Calendar Review.

--Annual Meeting with City Council: **Gygli** reminded that the annual meeting with the City Council will be 2/13/2020 to review and discuss the work of the PDA over the last year and goals for the future. The meeting starts at 9:00 a.m., and this is usually one of the first agenda items.

--Chamber Legislative Day: **Regetz** explained the Chamber legislative day is coming up and may be a good place to discuss urban renewal issues. **Blad** reported on a conversation he had with a legislator, explaining PDA’s successful use of TIFs. He feels this may have changed the legislator’s outlook.

Adjournment: There being no further business, the meeting adjourned at approximately 12:45 p.m.

By: _____
Melanie Gygli, Interim Executive Director/Secretary