



Post Falls Urban Renewal Agency
September 19, 2024 Meeting
9:00 am, Post Falls City Hall

1. Call to Order, Commissioner Roll Call and Pledge of Allegiance
2. Ceremonies, Appointments and Announcements
3. Conflict Disclosure
4. Consent Calendar **ACTION ITEMS**
 - a. Commission Minutes, August 15, 2024
 - b. District Review Committee Minutes, September 4, 2024
 - c. Payables
 - d. Bank Activity Report
 - e. Financial Reports
 - f. FY 2025 Legal Services Contract
5. Committee Updates
 - a. Finance and Policy – Crosby
 - b. District Review - Coles
 - c. Communications, Property & Personnel - Hjeltness
6. Citizen Comments
This section of the agenda is reserved for citizens wishing to address the Commission regarding an Agency related issue. Comments related to future public hearings should be held for that public hearing. Persons wishing to speak will have 5 minutes.
7. Unfinished Business
8. New Business
9. Staff Report and Updates
10. Commissioner Comments
11. Chairman Comments
12. Adjournment

Requests for accommodation of special needs to participate in the meeting should be addressed to the Office of the Executive Director, 201 E. 4th Avenue, Post Falls, Idaho 83854, or call (208) 777-8151.

Mission Statement: To encourage sound economic and community improvement that enhances the overall quality of life in Post Falls by: providing and improving infrastructure, attracting jobs, and enhancing citizen safety and health.

POST FALLS URBAN RENEWAL MINUTES

August 15, 2024

CALL TO ORDER, ROLL CALL AND PLEDGE OF ALLEGIANCE

Vice-Chair Christi Fleischman called the meeting to order at 9:00 a.m. Executive Director Joseph Johns called the roll. Present, in addition to Fleischman were Commissioners Melissa Hjeltness, Pat Leffel, Len Crosby and Eric Clemensen. Commissioners Jamé Davis and Collin Coles were absent. Counselor Pete Bredeson was also present. Crosby led the Pledge of Allegiance.

CEREMONIES, APPOINTMENTS AND ANNOUNCEMENTS

None

CONFLICT DISCLOSURE

None

CONSENT CALENDAR

Johns introduced the Consent Calendar. Item A in the Consent Calendar is the Commission Meeting Minutes, July 18, 2024

Item B is the payables for this month totaling \$6,639.22

Item C is the Bank Activity Report which shows total funds in all accounts of \$3,172,459.94 and accrued interest for the month of \$6,957.95

Item D is the financial reports as of July 31, 2024.

Item E is the FY2024 Audit Engagement Letter from Alpine Summit, CPAs to perform the FY2024 Audit for an amount not to exceed \$12,500.

Approval of the consent calendar will authorize a transfer of \$6,639.22 to the First Interstate Checking Account for the monthly payables and \$6,957.95 accrued interest to the General Fund

Commissioner Crosby made a motion to approve the Consent Calendar as presented, seconded by Hjeltness. Roll Call Vote: Fleischman – Aye; Hjeltness – Aye; Crosby – Aye; Leffel - Aye; Clemensen – Aye. Motion carried.

COMMITTEE UPDATES

Finance & Policy – Crosby – Reviewed the monthly financials, finalized preparations for the FY25 Budget presentation, and will be working on developing the specifics of the minor project program as it moves forward.

District Review – Hjeltness – Nothing to report.

Communication, Property and Personnel – Hjeltness – Nothing to report.

CITIZEN COMMENTS

None

PUBLIC HEARING

Fleischman opened the Public Hearing for the proposed Fiscal Year 2025 Budget at 9:06 am.

Treasurer Crosby presented the FY 2025 Budget.

Key aspects of this year's budget include projected revenues from tax increment based on analysis of this year's preliminary values from the Kootenai County Assessor's Office relative to the prior year's values and levy rate. For 2025 it is expected the levy rate will see a small increase as property values continue to settle, while taxing entities face increased costs based on inflation and demands for service from the growing population. Over the life of the Commission seven (7) urban renewal districts have been closed and all increased tax revenues from the new and future development within those districts returned to the underlying tax districts. The majority of those districts were closed early with any excess tax increment collected within the fiscal year rebated to the taxing entities. Throughout the Agency's existence over \$7 Million of surplus funds have been rebated to the underlying taxing entities. Total closing year valuation increases due to new development within these closed districts has exceeded \$1.08 Billion. Based on new and continuing development in our three existing urban renewal districts, the Commission is conservatively projecting a modest increase in the tax increment to be received in those Districts. Overall, the projected tax increment for the Technology, Downtown and Pleasant View Districts is anticipated to increase approximately 23%, or \$371,380, over increment received in FY2024 as a result of continued new commercial stimulated by public improvements within these three districts. Over the course of FY 2025 we are anticipating the need to take accrued General Fund monies of \$34,386 to meet our projected operating expenses. This has been anticipated. Interest income has been conservatively projected to be \$69,600 based on our projections that interest rates will decrease in September of this year and continue to decrease over the course of FY 2025. Carryover revenues are projected Post Falls Technology district. The Agency does not anticipate any borrowing in FY 2025. Total revenues, including carry-over funds, projected for FY 2025 are \$3,742,076.

The main expenditures in FY 2025 will continue being the reimbursement of costs associated with approved, completed and dedicated public improvements and expanded public infrastructure. Proponent reimbursement for approved and completed public improvements is projected to be \$3.58 Million as the active districts continue to develop. The Post Falls Urban Renewal Commission has no debt and no plan to incur debt in the coming Fiscal Year.

Operating Expenses for the Agency are projected to be \$153,986 for FY 2025. This is a budget increase of only 6% but is a reflection of the inflation costs that we have all experience over the past year. Operating expenses, including projected general fund carryover funds and contingency, continue to only represent 4.3% of projected total revenues. The Agency's FY 2024 Operating Expenses associated with operating the Agency, which do not include carryover funds or contingencies, were budgeted at \$145,259. Actual expenses for the first ten months of FY 2024 are \$94,384 or approximately \$9,438 per month. Annualized, we are projecting our FY 2024 operating expenses will be just over \$113,271 which is approximately \$31,988 below our operating budget.

The budget continues to contain a \$5,000 contingency. The budget projects increases in the areas of Audit, Employee Wages (3%), Insurance, Marketing and Public Education, and Computer Software. These increases reflect actual increased costs as a result of inflation, or support the Agency's upcoming fiscal year goals. A reduction of costs is expected in the areas of Office Equipment, Telephone and Internet Service, and Website related expenses.

Total expenses for FY 2025 are \$3,742,076, including payments for public improvements and contingency funds. Of the total, \$3,588,090 or 96% of the Agency's expenses are allocated to reimbursement for completed, approved and dedicated public infrastructure within the urban renewal districts. Operating expenses represent less than 4% of the forecast expenses.

Vice-Chair Fleischman asked Director Johns if any forms for public comment had been submitted. Being none, Fleischman closed the Public Hearing at 9:16 am for Commission deliberation and action. No deliberation occurred.

UNFINISHED BUSINESS

Resolution 2024-1 Approving FY 2025 Annual Budget. Commissioner Crosby made a motion to approve the budget with Resolution 2024-1, seconded by Hjeltness. Roll Call Vote: Leffel – Aye; Crosby – Aye; Fleischman – Aye; Clemensen – Aye. Motion carried.

NEW BUSINESS

Approval of Semi-Annual Proponent Reimbursements. Johns stated per Agency policy #7, tax increment received by the Agency for each of the urban renewal districts is disbursed in February and August each year for public improvements that have been planned, completed and paid for by the proponent and dedicated to the City. August reimbursements will be distributed as follows:

<u>District</u>	<u>Proponent/Developer</u>	<u>Reimbursement</u>	<u>Remaining Obligation</u>
Downtown District	A&A Construction, Inc.	\$ 236,434.71	\$ 4,986,819.73
	Total	\$ 236,434.71	

The Post Falls Technology District has a current fund balance of \$1,723,152.47 for future reimbursement of public infrastructure improvements.

The Pleasant View District has a current fund balance of \$ 0.00. The Agency has a pending receivable in this district based upon the annual administrative fee. The current receivable is for the amount of \$ -62,689.68 pending remittance of sufficient future tax increment.

Fleischman asked for a motion. Crosby made a motion to approve the Semi-Annual Proponent Reimbursement as presented and authorize the transfer of \$236,434.71 to the First Interstate Bank Checking Account, seconded by Hjeltness. Roll Call Vote: Hjeltness – Aye; Leffel – Aye; Crosby – Aye; Fleischman – Aye; Clemensen - Aye. Motion carried.

STAFF REPORT

Johns reported the scheduling of a Joint City/Urban Renewal Workshop sometime during the month of November or December.

ICRMP has scheduled a live webinar to provide members an overview of the 2024-2025 Public Entity Policy Changes. Johns invited members of the Commission to attend on Monday, August 26th, at 10am in the Agency's office.

COMMISSIONER COMMENTS

Crosby recommended the scheduling of a Commission Workshop for the purpose of preparing discussion points for the proposed City/URA Joint Workshop.

CHAIRMAN COMMENT

None

ADJOURNMENT

Fleischman asked for a motion to adjourn. Commissioner Crosby made the motion, seconded by Fleischman. All in favor by voice vote. Meeting was adjourned at 9:22 am.

Respectfully submitted,

Joseph Johns, Executive Director

Jamé Davis, Chairman

**POST FALLS URBAN RENEWAL
District Review Committee**

September 4, 2024 – Chamber of Commerce – Conference Room

CALL TO ORDER, ROLL CALL

Chairman Collin Coles called the meeting to order at 3:13 p.m. Present in addition to Coles were Commissioner Melissa Hjeltness, Commissioner Pat Leffel and Executive Director Joseph Johns. Also in attendance was Rob Palus, City Engineer and Robert Seale, Community Development Director.

CONFLICT DISCLOSURE

None

CITIZEN COMMENT

None

Urban Renewal Districts discussion with City Engineer. Commission members and City staff discussed a variety of urban renewal-related topics including current public and private projects in and around urban renewal districts, potential projects that could utilize City/URA partnership, future considerations when forming urban renewal districts, areas of the City where urban renewal funding of public infrastructure projects could be viable.

ADJOURNMENT

Meeting was adjourned @ 4:02 p.m.

Respectfully submitted,

Joseph Johns, Executive Director

Collin Coles, Chairman

Post Falls Urban Renewal Agency - In-House Unpaid Bills Detail As of September 19, 2024

Type	Date	Num	Due Date	Aging	Open Balance
Bredeson Law Group					
Bill	08/28/2024	1208	09/27/2024		275.00
Total Bredeson Law Group					275.00
Canon Solutions America, Inc.					
Bill	09/01/2024	6009195913	10/01/2024		15.63
Total Canon Solutions America, Inc.					15.63
Coeur d' Alene Press					
Bill	08/19/2024	9887-26020	09/18/2024	1	258.56
Total Coeur d' Alene Press					258.56
ICRMP					
Bill	09/01/2024	18009-2025-1	10/01/2024		4,192.00
Total ICRMP					4,192.00
Mastercard					
Bill	09/01/2024	4518-Aug2024	10/01/2024		31.00
Total Mastercard					31.00
TOTAL					4,772.19

PAYROLL 6,843.26

11,615.45

Bank Activity Report

August 2024

Cash Section

Checking: First Interstate

Beginning Balance		\$	10,743.10
Deposits	\$	256,309.55	
Withdrawals	\$	(256,304.48)	
Ending Balance		\$	10,748.17
Outstanding Checks	\$	(1,276.94)	
Account Balance		\$	9,471.23

Idaho Central CU - Savings

Beginning Balance		\$	25.00
Interest			
Ending Balance		\$	25.00

Investment Section

LGIP General Fund 1829

Beginning Balance		\$	1,204,302.23
Contributions	\$	87,255.90	
Withdrawals	\$	(6,639.22)	
Ending Balance		\$	1,284,918.91
Outstanding Transfer			
Account Balance		\$	1,284,918.91

LGIP Capital Improvements 1910

Beginning Balance		\$	1,958,670.59
Contributions	\$	20,184.46	
Withdrawals	\$	(318,392.66)	
Ending Balance		\$	1,660,462.39
Outstanding Transfer			
Account Balance		\$	1,660,462.39

Total Funds All Accounts:

\$ 2,954,877.53

August

	Interest
State Pool - LGIP 1910	\$ 7,981.65
Total	<u>\$ 7,981.65</u>

Balance Sheet

As of August 31, 2024

	Aug 31, 24
ASSETS	
Current Assets	
Checking/Savings	
First Interstate Bank- Checking	9,471.23
LGIP1829-General Fund	1,284,918.91
LGIP1910-Capital Improvements	1,660,462.39
Savings - Idaho Central CU	25.00
Total Checking/Savings	<u>2,954,877.53</u>
Other Current Assets	
Accounts Receivable - Taxes	7,075.00
FMV - State Investment Pool	4,184.00
Interest Receivable	15,308.00
Prepaid Insurance	3,544.00
63410 · Lease Interest	310.00
63420 · Lease Principal	7,680.00
Total Other Current Assets	<u>38,101.00</u>
Total Current Assets	<u>2,992,978.53</u>
TOTAL ASSETS	<u><u>2,992,978.53</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Accrued Vacation Payable	2,000.26
Deferred Increment Revenue	5,780.00
24000 · Payroll Liabilities	
ID- Unemployment Payable	26.82
24000 · Payroll Liabilities - Other	3,105.59
Total 24000 · Payroll Liabilities	<u>3,132.41</u>
Total Other Current Liabilities	<u>10,912.67</u>
Total Current Liabilities	<u>10,912.67</u>
Total Liabilities	10,912.67
Equity	
Committed Fund Balance	1,349,484.00
Nonspendable Fund Balance	3,544.00
32000 · Unrestricted Net Assets	1,135,228.88
Net Income	493,808.98
Total Equity	<u>2,982,065.86</u>
TOTAL LIABILITIES & EQUITY	<u><u>2,992,978.53</u></u>

Post Falls Urban Renewal Agency - In-House

Profit & Loss

August 2024

	Aug 24	Oct '23 - Aug 24
Ordinary Income/Expense		
Income		
Downtown District	11,842.48	612,271.97
Interest	12,265.01	132,572.40
Pleasant View District	0.00	11,030.05
Post Falls Technology District	1,384.03	887,662.42
Total Income	25,491.52	1,643,536.84
Gross Profit	25,491.52	1,643,536.84
Expense		
Audit	0.00	10,290.00
Bank Charges	0.00	17.00
Computer Software	6.00	1,261.21
Contingency	0.00	300.00
District Payments	236,434.71	1,048,691.29
Engineering Services	0.00	4,000.00
Meetings	0.00	120.31
Office Equipment	0.00	1,513.67
Voided Check	0.00	0.00
Website Design, Hosting & Maint	0.00	349.95
62140 · Legal Fees	50.00	5,375.00
62150 · Other Contract Services	0.00	845.00
62890 · Rent	0.00	7,990.00
65020 · Postage, Mailing Service	0.00	66.00
65030 · Printing and Copying	67.41	234.48
65040 · Office Supplies	65.70	218.04
65050 · Telephone, Telecommunications	37.13	383.69
65110 · Advertising & Legal Notices	0.00	57.58
65120 · Insurance	0.00	183.00
65150 · Dues & Memberships	0.00	300.00
66000 · Payroll Expenses	6,426.41	67,531.64
Total Expense	243,087.36	1,149,727.86
Net Ordinary Income	-217,595.84	493,808.98
Net Income	-217,595.84	493,808.98

Fund Reconciliation:

8/31/2024

QB

First Interstate - Checking	GF	\$	9,471.23	
LGIP - 1829	GF	\$	1,284,918.91	
LGIP - 1910	CIP	\$	1,660,462.39	
Savings - Idaho Central CU	GF	\$	25.00	
Total				\$ 2,954,877.53

FUNDS

General Fund	GF	\$	1,294,415.14	
Capital Improvement Fund	CIP	\$	1,660,462.39	
Total				\$ 2,954,877.53

C.I. Fund Allocation:

Pleasant View	\$	(62,689.68)
Downtown	\$	-
PF Technology	\$	1,723,152.07
	\$	<u>1,660,462.39</u>

Post Falls Urban Renewal Agency

Increment Received District Obligation Balance

	<u>Pleasant View</u>	<u>Downtown</u>	<u>PF Tech Dist.</u>	<u>Total</u>
<i>Termination Date</i>	2041	2041	2038	
Sep-23	-	1,652.55	-	1,652.55
Oct-23	-	832.79	354.87	1,187.66
Nov-23	-	106.66	-	106.66
Dec-23	-	9,148.03	23,423.07	32,571.10
Jan-24	5,559.09	278,640.66	487,534.42	771,734.17
<i>Reimbursement</i> Feb-24	329.28	62,109.12	63,860.59	126,298.99
Mar-24	-	2,060.98	-	2,060.98
Apr-24	-	1,920.72	5,841.98	7,762.70
May-24	-	16,801.47	43,379.51	60,180.98
Jun-24	-	8,485.84	16,066.94	24,552.78
Jul-24	5,141.68	220,323.22	245,817.01	471,281.91
<i>Reimbursement</i> Aug-24	-	11,842.48	1,384.03	13,226.51
Sep-24				-
Total YTD	11,030.05	613,924.52	887,662.42	1,512,616.99
Approved Obligation	-	6,035,511.02	-	6,035,511.02
Obligation Balance @ 8/31/24	-	4,986,819.73	-	4,986,819.73
Carry over @ 8/31/24	(62,689.68)	-	1,723,152.07	1,660,462.39

AGREEMENT FOR LEGAL SERVICES

This Agreement for Legal Services ("Agreement") is entered into as of this 19th day of September, 2024 by and between the Post Falls Urban Renewal Agency, an Idaho urban renewal agency, 201 E. 4th Ave., Post Falls, ID 83854 ("Agency"), and Pete B. Bredeson, Attorney at Law d/b/a Bredeson Law Group, of 1677 East Miles Avenue, Suite 202, Hayden Lake, Idaho 83835 ("Bredeson").

The Agency is seeking Bredeson's expertise and guidance in providing advice, counsel, and necessary documentation to the Agency regarding the operation of an urban renewal agency, including but not limited to compliance with applicable Idaho State Code, Agency structure, policies, procedures, meetings, personnel matters, urban renewal district plan formulation and related contracts or agreements and budget processes.

The period of performance under this Agreement will be October 1, 2024 through September 30, 2025.

This is a time and materials Agreement with a ceiling price not to exceed \$25,000 including travel. Labor categories and associated hourly rates to be used in the performance and pricing of work under this Agreement shall be at a rate of One Hundred Twenty-Five Dollars (\$125.00) per hour for services provided.

The Agency will also reimburse Bredeson for general out-of-pocket expenses such as expenses associated with court filing and document recording.

Travel outside of the Coeur d' Alene / Post Falls area shall be reimbursed only if approved in advance by the Agency.

The Agency is not obligated to reimburse Bredeson for costs incurred in excess of the ceiling price specified herein.

Bredeson is not obligated to continue performance under this Agreement or otherwise incur costs in excess of the estimated cost specified in this Agreement, until the Agency;

- (i) notifies Bredeson in writing that the cost has been increased and
- (ii) provides a revised estimated total cost of performing this Agreement.

At least five (5) business days before a regular monthly meeting of the Agency, an itemization of all work performed, listing time by date for work performed by hours, down to the quarter of an hour with specific reference to the nature of the work performed (*e.g. drafting of expert reports, research, review of files, meetings, etc.*) should be invoiced to Agency.

Agency agrees to pay any and all approved invoices received from Bredeson within thirty (30) days of Agency's receipt of the same. Such time period shall be tolled in the event that Agency notifies Bredeson during the time period of a justified dispute with the billed amount.

Bredeson shall consult with representatives of the Agency at its office in Post Falls, Idaho or any other agreed upon location, by phone, in writing, including e-mail, and any other means of communication regarding activities under this Agreement.

Written work products, if any, and other documentation produced by Bredeson in performance of tasks pursuant to this Agreement will be inspected and accepted by the Agency in accordance with criteria established through mutual agreement between the Agency and Bredeson. All such work products shall be deemed the property of the Commission without waiving the attorney-client privilege or work product doctrine.

Deliverables will include documentation prepared by Bredeson pursuant to the direction of the Agency.

Bredeson shall perform all work under this Agreement at Bredeson's office in Hayden Lake, Idaho or unless otherwise specified by Agency.

Point of Contact for Agency:

Joseph Johns, Executive Director
Post Falls Urban Renewal Agency
201 E. 4th Avenue
Post Falls, ID 83854
Tel 208-777-8151

This Agreement may be terminated at any time by either party upon the provision of written notice to the other party at least fifteen (15) days prior to the effective termination date.

IN WITNESS WHEREOF the parties hereto, by their signatures below, acknowledge their mutual understanding of and commitment to the terms of this Agreement, effective as of the day and year first written above.

POST FALLS URBAN RENEWAL AGENCY

Jamé Davis, Chairman

BREDESON LAW GROUP

Pete B. Bredeson, Attorney at Law