

POST FALLS URBAN RENEWAL MINUTES

January 17, 2019

CALL TO ORDER, ROLL CALL AND PLEDGE OF ALLEGIANCE

Vice-Chairman Larry Carstensen called the meeting to order at 8:00 a.m. Executive Director Diane Fountain called the roll. Present, in addition to Carstensen was Len Crosby, Laura Horn, Eric Clemensen, Collin Coles and Jame' Davis. Chairman Jerry Baltzell had an excused absence. Also in attendance was legal counsel Pete Bredeson. Fountain led the Pledge of Allegiance.

CEREMONIES, APPOINTMENTS AND ANNOUNCEMENTS

Carstensen welcomed Eric Clemensen who was recently appointed by the Mayor to serve on the Commission. Mayor Jacobsen also re-appointed Jerry Baltzell and Len Crosby. All will serve 5 year terms.

Election of Officers. Article III Section 2 of the Agency By-Laws states officer terms shall be for one year and elections will be held at the Post Falls Urban Renewal Agency's January meeting, with appointments made at that meeting. Vice-Chairman Carstensen opened the floor to nominations for Chairman.

Commissioner Davis made a motion to keep the existing officers in place for 2019, seconded by Coles. The 2019 Officers will be: Commissioner Baltzell, Chairman, Commissioner Carstensen, Vice-Chairman and Commissioner Crosby, Treasurer. Motion carried by voice vote.

CONFLICT DISCLOSURE

None

CONSENT CALENDAR

Fountain introduced the Consent Calendar. Item A is the Commission Meeting Minutes, December 20, 2018.

Item B is the payables for the month totaling \$9,929.78.

Item C is the Bank Activity Report which shows total funds in all accounts of \$3,328,918.64 with accrued interest for the month of \$3,744.27.

Item D is the financial reports as of December 31, 2018 which includes the first quarter Budget vs. Actual.

Item E is Resolution 2019-01 authorizing the Second Amendment to the Revenue Allocation Note and the Fourth Amendment to the Note Purchase and Security Agreement.

Item F is the Second Amendment to the Revenue Allocation Note Series 2013.

Item G is the Fourth Amendment to the Note Purchase and Security Agreement.

Approval of the Consent Calendar will authorize the transfer of \$3,744.27 accrued interest to the General Fund and a transfer to the Community 1st checking account of \$9,929.78 for general payables.

Commissioner Crosby inquired on Pointe Apartments having a carryover balance with no obligation amount. Fountain explained the Agreement between Pointe Apartments and Pointe Partners, LLC has not been executed which has to be in place prior to engineer review of the cost submittal. There is no obligation until that Agreement is signed.

Crosby referred to Resolution 2019-01 stating with the reduction in the payment amount, what is the anticipated final payoff amount in September 2023? Fountain stated the bank has not sent her a final amortization schedule, Fountain's records show a final payment of \$4,510 on September 1, 2023 and explained as we continue to pay down the loan with the reserve fund it is anticipated that the loan could be paid in full in February Of 2022. That payoff amount would be \$1.1 million. The amounts include all the sewer projects that have been approved in the EPF district.

Carstensen asked if the interest rate changed, Fountain stated the interest rate is 3.75%.

Commissioner Davis made a motion to approve the Consent Calendar as presented, seconded by Coles. Roll Call Vote: Crosby – Aye; Horn – Aye; Clemensen – Aye; Coles – Aye; Davis – Aye, Carstensen - Aye. Motion carried.

COMMITTEE UPDATES

Finance & Policy – Crosby – December Financial reports and the MD&A report were reviewed with Director Fountain.

District Review – Coles – Nothing to report.

Communication, Property and Personnel – Carstensen – Mayor and Council re-appointed Baltzell and Crosby and appointed Eric Clemensen to the URA Commission.

CITIZEN COMMENTS

None

UNFINISHED BUSINESS

None

NEW BUSINESS

FY 2018 Audit Presentation. Toni Hackwith from Anderson Brothers, CPA presented the FY 2018 Annual Audit. As a result of the financial statement audit procedures, two different reports are issued. Audit procedures verified the information reported in the financial package is materially correct. As a result, this audit received an unmodified (clean) opinion.

Commissioner Crosby made a motion to approve the FY 2018 Audit as presented, seconded by Clemensen. Roll Call: Crosby – Aye; Horn – Aye; Clemensen – Aye; Coles – Aye; Davis – Aye; Carstensen – Aye. Motion carried.

Beyond Green Owner Participation Agreement (OPA). Fountain stated the OPA was created by Attorney Bredeson and has been reviewed by the Executive Committee. Upon approval it will be sent to the proponent for review. Any changes from the proponent will come back to Commission for final approval and execution by both parties. If there are no changes to the document, the proponent will sign and return to be taken to the County and recorded.

Bredeson stated this draft needs to be approved by the Commission before it is sent to the proponent for comment. Bredeson noted a couple provisions that were added, those being Section 3.4 where the proponent agrees to not apply for or receive any property tax exemptions provided by Idaho law that would adversely affect the amount of tax increment revenues generated by the district and Section 8.6 and 8.9 which further outline that the rights and obligations provided for in this Agreement may not be assigned without the mutual agreement of the Parties. The OPA will be recorded so it will show on title for any properties in the district. Section 6.3 refers to the use of tax increment revenue and cost reimbursements, which the Participant agrees to be bound by, including but not limited to the Addendum to Policy 7 which establishes revised reimbursement parameters for URD's create after August 2, 2018 and Policy 18 governing reimbursement for "soft costs".

Commissioner Clemensen referred to Exhibit A, the colored schematic with zones A, B & C asking if it was an actual rendering of the street layout for the Tech Park. Fountain clarified when the Plan was adopted, the proponent submitted this proposed plat, which could change depending on what type of uses come in and what piece of property best fits that use. The street layout will be somewhat the same as what is included in the OPA; adjustments might be made depending on the businesses that come in. Crosby stated the signals on Highway 41 have been coordinated with ITD to be included in the improvements to that section of road. As we have seen in the past, the layout of the streets is basically the developer's best estimate of what will happen. The actual user will determine where those streets will be.

Clemensen asked if the access points to Hayden and Prairie would be coordinated with the respective highway district. Crosby affirmed that to be correct, as signals or intersections are added they would have to be approved by the highway district.

Crosby stated the inclusion of Attorney Bredeson's language addresses the concerns of the Commission with regards to the possibility of another taxing entity granting a tax relief to a specific proponent or specific employer coming into the district that would negatively impact the URA's ability to reimburse from tax increment. Section 3.4 further clarifies the amount of soft cost reimbursement.

Commissioner Crosby made a motion to approve the Beyond Green OPA as presented and submit it to the proponent for review, seconded by Davis. Roll Call: Crosby – Aye; Horn – Aye; Clemensen – Aye; Coles – Aye; Davis – Aye; Carstensen – Aye. Motion carried.

Discussion

Carstensen: What is the timeline of the OPA?

Bredeson: After the proponent reviews it, any changes will come back to Commission for approval. If there are no changes, the OPA will be signed and recorded.

Crosby: The proponent has stated it is in their best interest to get this moving forward as the site being within an urban renewal district is a strong marketing tool.

Clemensen: What is the process after the OPA is in place and construction begins?

Bredeson: Construction plans will go to the City for approval.

Carstensen: Has this been passed by the other taxing entities including the City and County for parks, the fire district, etc.?

Bredeson: Yes, the Plan was submitted to all the taxing districts prior to City Council approval.

Authorization for newly elected officers to be designated signers. Carstensen asked for a motion to authorize the 2019 elected officers as authorized signers for all financial transactions, including checking and savings accounts and Bank Certificates of Deposit, real property transactions and authorize Executive Director Diane Fountain to have access to all account balances and month end statements information for internal funds management purposes.

Commissioner Crosby made the motion, seconded by Horn. Roll Call Vote: Crosby – Aye; Horn – Aye; Carstensen – Aye; Davis – Aye; Coles – Aye; Clemensen – Aye. Motion carried.

STAFF REPORT

Fountain stated the 4th Avenue parking lot lighting has been installed. Curbing, sidewalks and paving will take place in the spring.

T. LaRiviere was performing swale work along the north side of Jacklin Road in the Expo District last week. Dirt is being moved to complete Expo Parkway to Beck Road. In speaking with a representative for the Center Point district in December, the twenty-four (24) acre parcel east of Beck Road has received plat approval from the City. There will be a sixteen (16) acre parcel east of Beck Rd between Jacklin Road and Expo Parkway where Crown Enterprises will locate and an eight (8) acre parcel south of Expo Parkway for UPS. Both parcels have Special Use Permits. Expo Parkway will be completed in 2019.

Expo has sold out the first phase in Woodbridge South, consisting of forty-one (41) homes.

Fountain asked to schedule a workshop in March to present the 2018 Annual Report to Commission prior to presentation at City Council on March 19, 2019.

COMMISSIONER COMMENTS

Clemensen thanked everyone for the warm welcome and stated he is looking forward to indulging in the mass of information on urban renewal and being an active part of the Commission. Clemensen inquired if there had been previous discussion of having email addresses for Commissioners siting that it would segregate Agency business from personal business. Bredeson stated having a separate email would prevent the hassle of having to sift through personal email if there were a public records request. The need is not as great with this Agency as most emails are cc'd to the Executive Director or are exempt from disclosure, but

there is still an advantage to having a separate email for each Commissioner and the only disadvantage would be having another email to check.

Vice-Chairman Carstensen asked for this item to be placed on the March workshop agenda for discussion.

CHAIRMAN COMMENT

None

ADJOURNMENT

Carstensen asked for a motion to adjourn. Commissioner Crosby made the motion, seconded by Clemensen. All in favor by voice vote. Meeting was adjourned at 8:44 am.

Respectfully submitted,



Diane Fountain, Executive Director



Larry Carstensen, Vice-Chairman