

POST FALLS URBAN RENEWAL MINUTES

August 15, 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 and Jame' Davis. Also, in attendance was legal counsel Pete Bredeson. Commissioners Jerry Baltzell and Collin Coles had excused absences. Crosby led the Pledge of Allegiance.

CEREMONIES, APPOINTMENTS AND ANNOUNCEMENTS

None

CONFLICT DISCLOSURE

None

CONSENT CALENDAR

Fountain introduced the Consent Calendar recommending that Item F be removed from the consent calendar as it is not ready to be approved yet.

Item A is the Commission Meeting Minutes, July 18, 2019.

Item B is the payables for the month totaling \$474,088.50 which includes the semi-annual payment to WTB on the Greensferry Overpass loan.

Item C is the Bank Activity Report which shows total funds in all accounts of \$5,841,964.10 and accrued interest for the month of \$6,518.71.

Item D is the financial reports as of July 31, 2019.

Item E is the Audit Engagement Letter from Anderson Brothers CPA to perform the FY 2019 Audit for an amount not to exceed \$7,000.

Item F – removed (Scope of Work for Feasibility Study on Downtown URD)

Item G is Resolution 2019-03 Authorizing the destruction of certain Agency records per Policy #21.

Approval of the Consent Calendar will authorize the transfer of \$6,518.71 accrued interest to the General Fund and a transfer to the First Interstate Bank checking account of \$474,088.50 for general payables.

Commissioner Crosby made a motion to approve the consent calendar with the exclusion of Item F, seconded by Clemensen. Roll Call Vote: Davis – Aye; Clemensen– Aye; Horn – Aye; Crosby – Aye, Carstensen - Aye. Motion carried.

COMMITTEE UPDATES

Finance & Policy – Crosby – July financial reports have been reviewed. Committee will be working with Director Fountain on projections of district closures that will occur within the next three (3) years and provide that information to the City for cash flow purposes.

District Review – Davis – Nothing to report.

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

CITIZEN COMMENTS

None

UNFINISHED BUSINESS

None

PUBLIC HEARING

Carstensen opened the Public Hearing for the proposed Fiscal Year 2020 Budget at 8:06 am.

Treasurer Crosby presented the FY 2020 Budget. Key aspects in this year's budget include revenues from tax increment based on values provided by the Kootenai County Assessor's office. As property values have increased, the levy rate projection for our urban renewal districts has decreased with the exception of Tullamore which continues to have an increase in buildout. Carryover revenues in the East Post Falls district are going to be used to pay down the Greensferry Overpass loan. Total funds available including carryover is \$8,701,424.

Main expenditures for FY 2020 will be debt reduction and proponent reimbursements for completed and accepted public improvements. The Commission will continue to aggressively pay down debt which as of July 31, 2019 was \$3.674 Million. Operating expenses for the Agency represent less than 2% of revenue and are estimated at \$146,000. Total expenses for FY 2020 are \$8,701,424 of that total \$8,555,424 or 98.3% are allocated for debt repayment and proponent reimbursements.

Commissioner Davis thanked Crosby and acknowledged the work done by the Finance Committee and Executive Director to find ways to cut expenses when using tax payer dollars.

At this time Vice-Chairman Carstensen asked if any forms for public comment had been submitted. Being none, Carstensen closed the Public Hearing @ 8:14 am for Commission deliberation and action.

UNFINISHED BUSINESS

Resolution 2019-04 Approving Fiscal Year 2020 Annual Budget. Commissioner Crosby made a motion to approve the FY 2020 Budget and adopt Resolution 2019-04, seconded by Davis. ROLL CALL: Davis – Aye, Clemensen – Aye, Horn – Aye, Crosby – Aye, Carstensen – Aye. Motion carried.

NEW BUSINESS

Approval of Semi-Annual Proponent Reimbursements. Fountain stated the semi-annual proponent reimbursements totaling \$906,419.42 are from tax increment received within the urban renewal districts and will be distributed as follows:

<u>District</u>	<u>Proponent</u>	<u>Reimbursement</u>	<u>Remaining Obligation</u>
Center Point	Pointe Partners, LLC	\$301,312.04	\$ 794,414.45
Tullamore	Copper Basin Construction	\$350,465.74	\$2,889,848.44
Tullamore Commons II	Whitewater Creek	\$ 12,225.12	\$ 194,171.56
Expo	Watson & Assoc.	\$114,353.79	\$ 502,995.33
W. Seltice II	Greenstone Corporation	\$128,062.73	\$ 286,310.62

Pointe Apartments has a current balance of \$65,466.60 that is being held until the Agreement between Whitewater Creek and Point Partners, LLC is signed.

Commissioner Clemensen made a motion to approve the Semi-Annual Proponent Reimbursements as presented and authorize the transfer of \$906,419.42, seconded by Horn. Roll Call: Davis – Aye; Carstensen – Aye; Crosby – Aye; Horn – Aye; Clemensen – Aye. Motion carried.

Projected 2020 Closing Budget – West Seltice II District. Commissioner Crosby presented the closing budget for the West Seltice II District which was created in 2005 encompassing 248 acres. The district was formed to address blight, extend public infrastructure, create employment opportunities and address traffic improvements.

The district is home to the Montrose Community, ATC and the Treaty Rock Corporate Center where several hundred jobs were created. Public improvements totaling \$1,990,008 which included sewer, water and transportation infrastructure were completed and approved in 2009.

The process of closing an urban renewal district begins with the presentation of a projected closing budget as required by state statute. The Agency is projecting to complete the process and formally close the district on or before its maturity date of November 15, 2020 subject to receiving sufficient tax increment to repay the outstanding infrastructure improvements, which are currently \$286,311. By law the Agency can continue to collect tax increment through the succeeding tax year (2021). It is anticipated to fully reimburse Greenstone Corporation in 2020 and return an excess of approximately \$58,000 to the taxing entities when the district closes.

West Seltice II will be the fourth urban renewal district closed by the Post Falls Urban Renewal Commission. Upon closure, the increased taxes that have been generated by new development will be returned to the various taxing entities, including the City of Post Falls and Kootenai County in 2021 and all future years.

Commissioner Davis made a motion to tentatively approve the closing budget for the West Seltice II District and authorize staff to advertise the public hearing in the Press. Motion approved by voice vote.

STAFF REPORT

Fountain noted the Urban Land Institute Joint Workshop on Tuesday, August 27th in the Community Room at the Post Falls Police Department beginning at 3:00 pm and will last between 2-4 hours.

COMMISSIONER COMMENTS

Crosby attended the Missing Middle Housing Forum where in-fill housing and affordability was discussed. Several options were provided for in-fill housing on small city lots ranging from 10 to 12 units. The key to have successful housing options is to have scaled developments which appear to be single family homes from the streetscape and are in walkable neighborhoods with nearby shopping and amenities. This is consistent with the concepts we are faced while considering a potential new Downtown District. Key issues are existing zoning and land use regulations, neighborhood acceptance and affordability. The process needs to start with the modification of City zoning and land use planning to accommodate in-fill housing which could be done with an overlay or addendum to the existing zoning and land use plan. It starts with the City Council, the Planning Commission and the Planning staff at the City. There is little urban renewal can do besides support it by helping to increase employment opportunities and commercial development.

CHAIRMAN COMMENT

Vice-Chairman Carstensen stated Commission has done a great job in closing districts in Post Falls and returning those monies to the taxing entities while accomplishing things that are beneficial to the whole community.

Carstensen reminded everyone to attend the North Idaho Fair, August 21 through the 25th.

ADJOURNMENT

Carstensen asked for a motion to adjourn. Commissioner Crosby made the motion, seconded by Davis. All in favor by voice vote. Meeting was adjourned at 8:28 am.

Respectfully submitted,



Diane Fountain, Executive Director



Larry Carstensen, Vice-Chairman