

## **POST FALLS URBAN RENEWAL MINUTES**

**August 20, 2020**

### 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 Eric Clemensen, Collin Coles, Jame' Davis, Len Crosby and Christi Fleischman. Also, in attendance was legal counsel Pete Bredeson. Commissioner Jerry Baltzell had an excused absence. Carstensen led the Pledge of Allegiance.

### CEREMONIES, APPOINTMENTS AND ANNOUNCEMENTS

None

### CONFLICT DISCLOSURE

None

### CONSENT CALENDAR

Fountain introduced the Consent Calendar.

Item A is the Commission Meeting Minutes, July 16, 2020.

Item B is the Commission Workshop Minutes, August 11, 2020.

Item C is the payables for the month totaling \$476,646.23 which includes the semi-annual payment to WTB on the Greensferry Overpass loan.

Item D is the Bank Activity Report which shows total funds in all accounts of \$7,730,582.76 and accrued interest for the month of \$3,671.41.

Item E is the financial reports as of July 31, 2020.

Approval of the Consent Calendar will authorize the transfer of \$3,671.41 accrued interest to the General Fund and a transfer to the First Interstate Bank checking account of \$476,646.23 for general payables.

Commissioner Crosby made a motion to approve the consent calendar as presented, seconded by Coles. Motion carried by voice vote.

### COMMITTEE UPDATES

*Finance & Policy* – Crosby – July financial reports have been reviewed.

*District Review* – Davis – Nothing to report.

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

## CITIZEN COMMENTS

Bob Flowers approached the Commission and thanked them for being good stewards of taxpayer money. Another urban renewal district is being closed; you are doing better than any other URA in Idaho. Mr. Flowers has concerns over two new large districts the City is proposing with little information provided to the public.

Director Fountain addressed Mr. Flowers concerns and explained the Downtown District has been delayed due to Covid-19 and restrictions for public meetings. The City Center Master Plan needs to be updated and public input is required for that. The Pleasant View District is a unique district for industrial use. A resolution will be considered today for the eligibility study for that district. The City will then move forward with a feasibility study. A public hearing will be held in October/November timeframe.

## PUBLIC HEARING

Carstensen opened the Public Hearing for the proposed Fiscal Year 2021 Budget at 8:10 am.

Treasurer Crosby presented the FY 2021 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. The budget shows no increment for the W. Seltice II District as that district is being closed, resulting in approximately \$300,000 per year going back to the underlying taxing district. Carryover revenues in the East Post Falls district are going to be used sewer improvement projects and to pay down the Greensferry Overpass loan. Total funds available including carryover is \$9,788,731.

Main expenditures for FY 2021 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 June 30, 2020 was \$2.7 Million.

Operating expenses for the Agency represent less than 1.25% of revenue and are estimated at \$122,110 with a \$5,000 contingency and \$65,890 carryover to the General Fund. Total expenses for FY 2021 are \$9,788,731 of that total \$9,595,731 or 98.75% are allocated for debt repayment and proponent reimbursements. The remaining 1.25% of the forecast expenses are operating expenses associated with operating and administering the Post Falls Urban Renewal Agency.

At this time Vice-Chairman Carstensen asked if any forms for public comment had been submitted. Being none, Carstensen closed the Public Hearing @ 8:19 am for Commission deliberation and action.

## UNFINISHED BUSINESS

Resolution 2020-02 Approving Fiscal Year 2021 Annual Budget. Commissioner Davis made a motion to approve the FY 2021 Budget and adopt Resolution 2020-02, seconded by Crosby. ROLL CALL: Clemensen – Aye, Coles – Aye; Davis – Aye; Carstensen – Aye; Crosby – Aye, Fleischman – Aye. Motion carried.

## NEW BUSINESS

Approval of Semi-Annual Proponent Reimbursements. Fountain 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</u>	<u>Reimbursement</u>	<u>Remaining Obligation</u>
Center Point	Pointe Partners, LLC	\$267,474.50	\$ 16,989.19
Tullamore	Copper Basin Construction	\$534,905.39	\$1,893,809.16
Tullamore Commons II	Whitewater Creek	\$ 11,086.79	\$ 171,997.98
Expo	Watson & Assoc.	\$107,753.98	\$ 914,436.88
W. Seltice II	Greenstone Corporation	\$ 99,291.06	\$ 0
	<b>Total</b>	<b>\$1,020,511.72</b>	

Pointe Apartments has a current balance of \$87,272.51 that is being held until the Agreement between Whitewater Creek and Point Partners, LLC is signed.

The Post Falls Technology District has a current balance of \$38,985.64 for future reimbursement of public infrastructure improvements.

Commissioner Clemensen made a motion to approve the Semi-Annual Proponent Reimbursements as presented and authorize the transfer of \$1,020,511.72 to the First Interstate Bank Checking account, seconded by Crosby. Roll Call: Clemensen – Aye; Coles – Aye; Davis – Aye; Carstensen – Aye; Crosby – Aye; Fleischman – Aye. Motion carried.

Surplus Rebate Checks – West Seltice II District / Resolution 2020-03. Fountain stated last September the Agency published a closing budget for the W. Seltice II District and on March 19, 2021 approved Resolution 2020-01 recommending termination of the W. Seltice II Plan and Revenue Allocation Area and a surplus be declared and distributed. The total rebate amount is \$68,917.40 that will be distributed back to the taxing entities as follows:

<b>Taxing Entity</b>	<b>Rebate Amount</b>
Kootenai County	\$16,906.19
City of Post Falls	\$29,323.15
Post Falls Highway District	\$ 2,667.82
School District #273	\$ 101.24
Kootenai County Fire & Rescue	\$11,516.34
Community Library Network	\$ 2,047.50
North Idaho College	\$ 5,415.09
Kootenai EMS	\$ 940.07
<b>Total</b>	<b>\$ 68,917.40</b>

Fountain shared a visual of past practices of the Agency and noted that all of the four districts that have been closed by the Commission have been closed early. The original W. Seltice District was closed in 2001 with a taxable value of \$55M. In 2012 the Riverbend District was closed; taxable value was \$56.6M and a rebate of \$209,075 was returned to the taxing entities. City Center closed in 2018 with a taxable value of \$40.3M and \$448,435 in surplus rebates was returned to the taxing

entities. Today we are closing the W. Seltice II District. The increase in taxable value is \$33.7M and we are issuing rebate checks totaling \$68,917. The Agency could continue collecting increment for tax year 2020 which are paid in 2021, but Commission has consistently chosen to close districts early and return the monies to the various taxing entities.

Commission also provided 2 rebates in the East Post Falls District when no new projects were in the works. Rather than hanging on to those dollars, Commission chose to provide the taxing entities with a \$2.2M rebate in 2009 and in 2012 another \$3.2M was returned. The total amount of rebates is over \$6.1M. This information confirms that the PFURA's Commission is being fiscally responsible with taxpayer dollars.

The closure process of the W. Seltice II District was completed in a timely manner, which enabled the taxing entities to take the new construction dollars from this district which total \$33,718,921 on their FY 2021 Budgets which are currently being considered.

Commissioner Crosby noted that each of the rebates is from increment received from current and prior tax years the Agency is rebating back. In addition to that, as districts are closed the new development goes back into the tax pool for each of the taxing entities. \$342,000 from new development from the W. Seltice II District will go to the taxing districts each year going forward.

A motion would be in order to adopt Resolution 2020-03 for the W. Seltice II surplus rebate checks and authorize transfer of \$68,917.40 to the First Interstate Bank Checking Account. Commissioner Coles made the motion, seconded by Davis. Roll Call: Clemensen – Aye; Coles – Aye; Davis – Aye; Carstensen – Aye; Crosby – Aye; Fleischman – Aye. Motion carried.

Eligibility Study Resolution 2020-04. Recommending the Pleasant View Area be Declared a Deteriorating Area and Recommend Boundaries for the Deteriorating Pleasant View Area. Bob Seale, Community Development Director presented the Eligibility Study on the Pleasant View area which was presented to City Council on Tuesday. The City of Post Falls began looking at the area in 2019 for a potential urban renewal district as property owners approached the City. There is a limited amount of industrial land within the City. The boundaries of the URD have not been established yet. Annexation is being pursued for the properties along the Pleasant View corridor. The land north of Prairie Avenue includes a site for a new high school which requires sewer and water. Urban Renewal is a fantastic tool and in Post Falls has been very successful. The area being studied meets the requirements of a deteriorated area as set forth by Idaho Code.

Commissioner Clemensen noted the proposed district is for the properties on the east side of Pleasant View Road. The properties on the west need the same improvements and asked why they being are not being considered in this URD. If a district is created, those properties would benefit from the improvements. Seale identified the properties which include a gravel pit and farmland, Bighorn and an aluminum plant, all of whom did not want to annex in to the City at this time. The map for the URD will mirror the properties that are annexing into the City on the west side of Pleasant View Rd.

Commissioner Crosby asked if fees (surcharges) could be assessed to the properties on the west to assist with the infrastructure costs. Seale stated the City does not impose late-comers fees. If they

want to annex into the City, they would be responsible to create a sewer network within their development to tap into the main line.

Commissioner Coles asked if the properties would annexed in as industrial properties? Seale stated, they would be annexed in with the zone to be determined.

City Council approved moving forward with a Feasibility Study that will include options for the parcels north of Prairie Avenue.

Commissioner Crosby made a motion to adopt Resolution 2020-04 recommending the Pleasant View Area be declared a deteriorating area and recommend boundaries for the deteriorating Pleasant View area as presented. Seconded by Clemensen. Roll Call: Fleischman – Aye; Crosby – Aye; Carstensen – Aye; Davis – Aye; Coles – Aye; Clemensen – Aye. Motion carried.

At this time, Vice-Chairman Carstensen introduced the newest member of the Commission, Christi Fleischman welcoming her to the Commission.

#### STAFF REPORT

Nothing further to report.

#### COMMISSIONER COMMENTS

Commissioner Crosby recognized the work of Director Fountain putting together the draft budget. Carstensen stated Crosby did an outstanding job presenting the FY 2021 budget.

#### 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.

#### ADJOURNMENT

Carstensen asked for a motion to adjourn. Commissioner Davis made the motion, seconded by Crosby. All in favor by voice vote. Meeting was adjourned at 8:52 am.

Respectfully submitted,



Diane Fountain, Executive Director



Larry Carstensen, Vice-Chairman