



Post Falls Urban Renewal Agency
October 21, 2021 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 Meeting Minutes, September 16, 2021
 - b. Payables
 - c. Bank Activity Report
 - d. Financial Reports
5. Committee Updates
 - a. Finance and Policy – Crosby
 - b. District Review - Coles
 - c. Communications, Property & Personnel - Carstensen
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
 - a. Downtown URD Presentation & update by A&A Construction on Millworx (Idaho Veneer Site)
 - b. Downtown URD Presentation by Rob Brewster (Landings Site)
8. New Business
 - a. Order of Approval – J.R. Watson & Assoc. (Expo) **ACTION ITEM**
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
September 16, 2021

CALL TO ORDER, ROLL CALL AND PLEDGE OF ALLEGIANCE

Chairman Jerry Baltzell called the meeting to order at 9:00 a.m. Executive Director Diane Fountain called the roll. Present, in addition to Baltzell were Commissioners Eric Clemensen, Collin Coles, Jame' Davis and Larry Carstensen. Commissioner Len Crosby had an excused absence and Christy Fleischman was absent. Clemensen 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 Minutes, August 19, 2021.

Item B is the Commission Workshop Minutes, August 24, 2021.

Item C is the Communication, Property & Personnel Committee Minutes, August 30, 2021.

Item D is the Special Meeting Minutes, September 2, 2021.

Item E is the payables for the month totaling \$8,578.26.

Item F is the Bank Activity Report which shows total funds in all accounts of \$3,456,668.08 with accrued interest for the month of \$491.55.

Item G is the financial reports as of August 31, 2021.

Item H is the FY2022 Legal Services Contract.

Item I is the Third Addendum to Lease Agreement with the Chamber of Commerce which includes an annual increase of \$250 and renews the lease for 3 more years, expiring September 30, 2024.

Approval of the consent calendar will authorize a transfer of \$8,578.26 to the First Interstate Checking Account for the monthly payables and \$491.55 accrued interest to the General Fund.

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

COMMITTEE UPDATES

Finance & Policy – Clemensen – Financial Statements were reviewed and approved.

District Review – Coles – Nothing to report.

Communication, Property and Personnel – Carstensen – The Executive Director position has been filled.

CITIZEN COMMENTS

None

PUBLIC HEARING

Baltzell stated that a Public Hearing will be held on the 2022 Closing Budget for the Expo Urban Renewal District. If anyone wishes to speak on either of these budgets and has not filled out a form, please do so now and give it to the Executive Director. Notice of the public hearing was published on September 2nd and September 9th as required by Idaho Code Section 50-2903(5). Baltzell opened the Public Hearing at 9:08 am

Director Fountain presented the Closing Budget for Expo. The Expo Urban Renewal District was created in 2001 and encompasses 236 acres. The District was formed under the “competitively disadvantaged border community” provisions of the Urban Renewal Act to create jobs, address road and traffic issues and extend public infrastructure.

Major goals for the Expo District were to stimulate industrial expansion in the western portion of the City, enhance the area for industrial and manufacturing development and improve public infrastructure.

Many businesses have located in the Expo Commerce Park including, Specialty Construction Systems, Triple V Plumbing, Romney Motion, Flippen’s Storage, Fortress Business Systems, Precision Precast Erectors, Momentum Ink, Living Stone Granite & Cabinets, Truck Insurance Office and Pleasant View Surgical Center.

Over the 20-year life of the District, the assessed value has risen from \$4.7M to over \$68.5M. New legislation this year limits the amount of “new development” within an urban renewal district upon closure to 80% of the taxable value which will result in approximately \$455K per year in tax revenue that will be available for the taxing entities to include in their budgets.

The process of closing an urban renewal district begins with a presentation of a closing budget. J.R. Watson & Associates is the proponent. The District was created in 2001 for a term of 20 years, expiring November 6, 2021. The total amount of approved infrastructure to date is \$4,462,492.

By Law the URA may collect increment through 2022 since property taxes are paid in arrears. The projected tax increment revenues for FY 2022 are \$569,210; all of which will be used to reimburse the proponent for public infrastructure.

The Expo District is the fifth Urban Renewal District to close in Post Falls.

At this time Chairman Baltzell asked if any forms for public comment had been submitted. Being none, Baltzell closed the Public Hearing at 9:12 am for Commission deliberation and action.

UNFINISHED BUSINESS

Resolution 2021-04 Approving the 2022 Closing Budget for the Expo Urban Renewal District.

Commissioner Davis made a motion to approve the Closing Budget for the Expo URD and adopt Resolution 2021-04, seconded by Coles. Roll Call: Clemensen – Aye; Coles – Aye; Davis - Aye; Baltzell – Aye; Carstensen - Aye. Motion carried.

NEW BUSINESS

Welch Comer Task Order – JR Watson & Associates. Fountain stated JR Watson & Associates has submitted a reimbursement request for \$228,861.60 which includes additional work on Creative Way, Expo Parkway and Jacklin Road as well as some bank charges. The current obligation is \$451,177 with projected increment of \$569,210.

Commissioner Clemensen made a motion to approve the Welch Comer Task Order as presented, seconded by Carstensen. Roll Call: Clemensen – Aye; Coles – Aye; Davis - Aye; Baltzell – Aye; Carstensen - Aye. Motion carried.

Appointment of Joseph Johns for Executive Director Position. Baltzell stated that Joseph Johns has accepted the position of Executive Director which will be in effect January 2022. Mr. Johns will start employment October 1st subject to receipt of a background investigation. Clemensen spoke with the detective who is conducting the background check and that investigation will be completed by September 24, 2021. Once completed, Commissioner Clemensen will report the findings to Commission.

Commissioner Davis mad a motion to approve the appointment of Joseph Johns for the Executive Director position, seconded by Clemensen. Roll Call: Clemensen – Aye; Coles – Aye; Davis – Aye; Baltzell – Aye; Carstensen – Aye. Motion carried.

STAFF REPORT

Fountain stated that in October there will be a presentation from A&A Construction regarding the Idaho Vener site. Fountain sat in on a meeting at the City yesterday with a developer for the property at the SW corner of 3rd and Spokane Street in the Downtown URD. The developer will give a presentation to Commission in either October or November. They will be seeking reimbursement from the URA for public infrastructure surrounding that site.

COMMISSIONER COMMENTS

None

CHAIRMAN COMMENT

Baltzell thanked staff and commission for their work the last two months working through the hiring process. COVID-19 has been tough on everyone and our hearts go out to those who have lost loved ones, we will continue to work together to get through this.

ADJOURNMENT

Baltzell asked for a motion to adjourn. Commissioner Clemensen made the motion, seconded by Davis. All in favor by voice vote. Meeting was adjourned at 9:19 am.

Respectfully submitted,

Diane Fountain, Executive Director

Jerry Baltzell, Chairman

Post Falls Urban Renewal Agency - In-House Unpaid Bills Detail As of October 21, 2021

Type	Date	Num	Due Date	Aging	Open Balance
Awards Etc.					
Bill	10/21/2021	32759	11/20/2021		21.50
Total Awards Etc.					21.50
Canon Solutions America, Inc.					
Bill	10/01/2021	4037624542	10/21/2021		7.08
Total Canon Solutions America, Inc.					7.08
Diane Fountain					
Bill	10/05/2021	September 2021	10/21/2021		15.00
Total Diane Fountain					15.00
TOTAL					43.58

Payroll

8489.38
8,532.96

Bank Activity Report

September 2021

Cash Section

Checking: First Interstate

Beginning Balance		\$	10,970.01
Deposits	\$	15,244.90	
Withdrawals	\$	(15,529.68)	
Ending Balance		\$	10,685.23
Outstanding Checks	\$	(1,134.14)	
Account Balance		\$	9,551.09

Idaho Central CU - Savings

Beginning Balance		\$	25.00
Interest			
Ending Balance		\$	25.00

Investment Section

LGIP General Fund 1829

Beginning Balance		\$	987,071.31
Contributions	\$	583.79	
Withdrawals	\$	(8,578.26)	
Ending Balance		\$	979,076.84
Outstanding Transfer	\$	-	
Account Balance		\$	979,076.84

LGIP Capital Improvements 1910

Beginning Balance		\$	2,223,119.78
Contributions	\$	7,158.09	
Withdrawals	\$	(491.55)	
Ending Balance		\$	2,229,786.32
Outstanding Transfer	\$	-	
Account Balance		\$	2,229,786.32

Certificate of Deposits

Washington Trust Bank (CD - Loan Reserve)

Interest Rate

0.15%

Amount

\$ 236,901.00

Maturity Date

11/6/2021

Total Funds All Accounts:

\$ 3,455,340.25

September

	Interest
State Pool - LGIP 1910	\$ 220.69
CD - Washington Trust Bank	\$ -
Total	\$ 220.69

Post Falls Urban Renewal Agency - In-House

Balance Sheet

As of September 30, 2021

10/04/21

Accrual Basis

	Sep 30, 21
ASSETS	
Current Assets	
Checking/Savings	
First Interstate Bank- Checking	9,551.09
LGIP1829-General Fund	979,076.84
LGIP1910-Capital Improvements	2,229,786.32
Savings - Idaho Central CU	25.00
WTB - Loan Reserve - CD	236,901.00
Total Checking/Savings	3,455,340.25
Other Current Assets	
Accounts Receivable - Taxes	39,068.00
FMV - State Investment Pool	22,215.00
Interest Receivable	3,000.00
Prepaid Insurance	2,641.00
Total Other Current Assets	66,924.00
Total Current Assets	3,522,264.25
TOTAL ASSETS	3,522,264.25
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Accrued Vacation Payable	2,723.32
Deferred Increment Revenue	28,409.00
Payroll Liabilities	1,748.59
Washington Trust Bank-Overpass	938,000.00
Total Other Current Liabilities	970,880.91
Total Current Liabilities	970,880.91
Long Term Liabilities	
Proponent Reimbursement Balance	
Washintgon Trust Bank-Overpass	460,020.34
Total Proponent Reimbursement Balance	460,020.34
Total Long Term Liabilities	460,020.34
Total Liabilities	1,430,901.25
Equity	
Allowance for Long Term Debt	-1,398,020.34
Assigned Fund Balance	3,268,252.00
Committed Fund Balance	72,749.00
Fund Balance - General Fund	-152,951.55
Fund Balance - Special Revenue	0.43
Nonspendable Fund Balance	2,261.00
Restricted Fund Balance	422,852.44
Unrestricted Net Assets	2,453,006.55
Net Income	-2,576,786.53
Total Equity	2,091,363.00
TOTAL LIABILITIES & EQUITY	3,522,264.25

Post Falls Urban Renewal Agency - In-House

10/04/21

Profit & Loss

Accrual Basis

September 2021

	Sep 21	Oct '20 - Sep 21
Ordinary Income/Expense		
Income		
Interest	583.89	17,763.78
Center Point District	0.00	715,549.48
East Post Falls District	3,110.21	3,728,740.69
Expo District	2,483.68	490,114.46
Post Falls Technology District	1,072.65	160,568.68
Total Income	7,250.43	5,112,737.09
Gross Profit	7,250.43	5,112,737.09
Expense		
Advertising & Legal Notices	0.00	726.00
Audit	0.00	7,250.00
Computer Repair & Maintenance	0.00	326.25
Computer Software	0.00	420.13
District Payments	0.00	7,595,387.86
Dues & Memberships	0.00	770.00
Engineering Services	0.00	3,200.00
Insurance	2,261.06	2,411.06
Legal Fees	600.00	10,025.00
Office Supplies	0.00	151.13
Payroll Expenses	4,899.46	60,458.41
Postage, Mailing Service	0.00	4.55
Printing and Copying	10.49	330.21
Rent	0.00	7,740.00
Telephone, Telecommunications	15.00	165.00
Website Design, Hosting & Maint	0.00	158.02
Total Expense	7,786.01	7,689,523.62
Net Ordinary Income	-535.58	-2,576,786.53
Net Income	-535.58	-2,576,786.53

Fund Reconciliation:

9/30/2021

QB

First Interstate - Checking	GF	\$	9,551.09	
LGIP - 1829	GF	\$	979,076.84	
LGIP - 1910	CIP	\$	2,229,786.32	
Savings - Idaho Central CU	GF	\$	25.00	
WTB - Loan Reserve - CD	CIP	\$	236,901.00	
Total				<u>\$ 3,455,340.25</u>

FUNDS

General Fund	GF	\$	988,652.93	
Capital Improvement Fund	CIP	\$	2,229,786.32	
WTB - Loan Reserve (EPF)	CIP	\$	236,901.00	
Total				<u>\$ 3,455,340.25</u>

C.I. Fund Allocation:

PF Technology	\$	159,575.73
CP-The Pointe	\$	56,155.82
CP-Pointe Apartments	\$	107,683.94
Expo	\$	2,483.68
EPF-Tullamore	\$	2,737.02
EPF-Tullamore Commons II	\$	-
EPF-S/Ctr	\$	1,901,150.13
	\$	<u>2,229,786.32</u>

Post Falls Urban Renewal Agency
Increment Received District Obligation Balance

Termination Date	Technology Dist.	Center Point	Pointe	East Post Falls		Commons II	Expo	Total	
	2038	The Pointe	Apartments	South/Central	North-Tullamore				
	2022	2022	2022	2022	2022	2022	2021		
Sep-20	21.41	1,954.35		1,849.39			628.93	4,454.08	
Oct-20	651.68	-	-	1,546.10				2,197.78	
Nov-20	-	7,889.98	-	1,344.98	-	-	-	9,234.96	
Dec-20	4,095.24	-	-	67,190.98	9,890.47	-	11,040.87	92,217.56	
Jan-21	67,842.94	390,489.67	22,705.72	1,274,673.41	527,139.01	11,081.57	222,888.91	2,516,821.23	
Payments	Feb-21	3,085.13	14,996.90	-	141,926.74	16,479.03	-	48,267.05	224,754.85
	Mar-21	1,388.63	-	-	54,838.72	1,526.30	-	12,768.49	70,522.14
	Apr-21	16,669.09	-	-	66,363.63	2,651.45	-	32,444.07	118,128.24
	May-21	1,008.54	-	-	20,456.89	22,001.43	-	12,205.85	55,672.71
	Jun-21	2,254.28	-	-	22,917.03	43,030.78	11,081.58	19,565.89	98,849.56
	Jul-21	61,793.28	256,761.50	22,705.71	915,085.38	473,302.36	-	126,713.09	1,856,361.32
Payments	Aug-21	707.22	-	-	5,116.31	35,986.33	-	1,736.56	43,546.42
	Sep-21	1,072.65	-	-	373.19	2,737.02	-	2,483.68	6,666.54
Total YTD		160,590.09	672,092.40	45,411.43	2,573,682.75	1,134,744.18	22,163.15	490,743.39	5,099,427.39
Approved Obligation			8,138,574.84		25,527,735.00	6,498,959.82	325,000.00	4,462,491.95	44,952,761.61
Obligation Balance @ 9/30/21			-		5,521,264.19	786,802.00	149,834.83	451,177.17	6,909,078.19
Carry over @ 9/30/21	159,575.73	56,155.82	107,683.94	1,901,150.13	2,737.02	-	2,483.68	2,229,786.32	

**Post Falls Urban Renewal Agency - In-House
 Profit & Loss Budget vs. Actual
 October 2020 through September 2021**

Expense	12 Month Actual	12 Month Budget	Under Budget	% of Budget	2020-21 Total Budget	Balance
Advertising & Legal Notices	726.00	830.00	-104.00	87.47%	830.00	104.00
Audit	7,250.00	7,250.00	0.00	100.0%	7,250.00	-
Computer Repair & Maintenance	326.25	330.00	-3.75	98.86%	330.00	3.75
Computer Software	420.13	600.00	-179.87	70.02%	600.00	179.87
Dues & Memberships	770.00	770.00	0.00	100.0%	770.00	-
Engineering Services	3,200.00	7,800.00	-4,600.00	41.03%	7,800.00	4,600.00
Insurance	2,411.06	2,623.00	-211.94	91.92%	2,623.00	211.94
Legal Fees	10,025.00	25,000.00	-14,975.00	40.1%	25,000.00	14,975.00
Marketing & Education Materials	0.00	4,000.00	-4,000.00	0.0%	4,000.00	4,000.00
Meetings	0.00	240.00	-240.00	0.0%	240.00	240.00
Office Supplies	151.13	375.00	-223.87	40.3%	375.00	223.87
Other Contract Services	0.00	600.00	-600.00	0.0%	600.00	600.00
Payroll Expenses	60,458.41	62,992.00	-2,533.59	95.98%	62,992.00	2,533.59
Postage, Mailing Service	4.55	60.00	-55.45	7.58%	60.00	55.45
Printing and Copying	330.21	300.00	30.21	110.07%	300.00	(30.21)
Rent	7,740.00	7,740.00	0.00	100.0%	7,740.00	-
Telephone, Telecommunications	165.00	180.00	-15.00	91.67%	180.00	15.00
Website Design, Hosting & Maint	158.02	420.00	-261.98	37.62%	420.00	261.98
Contingency	0.00	5,000.00	-5,000.00	0.0%	5,000.00	5,000.00
Total Expense	94,135.76	127,110.00	-32,974.24	74.06%	127,110.00	32,974.24

POST FALLS URBAN RENEWAL AGENCY ORDER OF APPROVAL

Expo District – J. R. Watson & Associates Development Corp.

WITNESSETH:

WHEREAS the following described Participant has either submitted a request for reimbursement pursuant to the terms of the following described Settlement Agreement, and/or is requesting an amendment to the terms of the Settlement Agreement:

- (1) Participant: J.R. Watson & Associates Development Corp.
P.O. Box 610
Seal Beach, CA 90740,
- (2) Settlement Agreement: March 16, 2007; 1st Addendum: July 15, 2010; 2nd Addendum: February 20, 2014; 3rd Addendum: September 21, 2017,
- (3) Requested Action: Reimbursement of Participant expenditures in the amount of \$200,837.37 comprising hard costs and soft costs for Expo Parkway and Jacklin Road and \$27,553.81 for financing costs in the Expo Urban Renewal District.

Hereinafter referred to as the Request, and

WHEREAS the Post Falls Urban Renewal Agency, hereinafter referred to as the Agency has had the Request reviewed by staff, and staff has submitted findings and recommendations to the Commission of the Agency.

NOW, THEREFORE, the Board of Commissioners of the Post Falls Urban Agency does hereby make the following findings of fact:

- The Request is in compliance with the terms of the Settlement Agreement.
- The costs are in line with the initial engineer estimates of cost and are supported by invoices for the total Request.
- The invoices and on-site work have been reviewed for the Agency by outside engineering firm Welch-Comer with a recommendation of payment.
- That the constructed publicly-owned infrastructure associated with this Request has been accepted as substantially complete by the City of Post Falls.
- Surety is in place to guarantee infrastructure completion of project punchlist items.
- The financing documents have been reviewed by staff and found to be appropriate and in line with Agency policy requirements to support the request.
- Pursuant to the Settlement Agreement, reimbursement is limited to the "available tax increment revenue solely derived from this District". Therefore, if such increment that is received by the Agency during the remaining life of the District is insufficient to fully reimburse the Participant in the amount set forth herein, the Agency shall have no obligation or ability to pay any remaining balance as its power to do so will have terminated pursuant to Idaho Code § 50-2909.

BASED UPON THESE FINDINGS, the Commission does hereby approve reimbursement of Participant expenditures in the amount of \$228,391.18 to be paid from available tax increment

revenues solely derived from the Expo Urban Renewal District.

ADOPTED this 21st day of October, 2021 by:

POST FALLS URBAN RENEWAL AGENCY

By: _____

Jerry Baltzell, Chairman

October 18, 2021

Mrs. Diane Fountain
Post Falls Urban Renewal Agency
PO Box 236
Post Falls, ID 83877

Re: Expo Parkway Reimbursement Request #12-Rev

Dear Diane:

Based on the package submitted by the Expo Proponent, Welch Comer Engineers has completed our cursory review. From the submittal, we were able to evaluate the reasonableness of costs for eligible infrastructure. The total requested reimbursement was \$234,175.18.

Hard cost reimbursement was only requested on the Creative Way and Expo Parkway North portions of request #12-Rev. Hard costs requested are shown below.

Requested Hard Cost Items

- Creative Way: Avista Utilities	\$16,525.03
- Creative Way: ACE Landscaping	\$15,450.00
- Expo Parkway North: T. LaRiviere Equipment	\$136,589.57
- Jacklin Extension: Landscaping Repairs	\$9000.00

After reviewing the Contractor's quantities, unit prices, and invoicing, we determine the costs eligible for reimbursement to be reasonable and within normal ranges of engineering and construction practice.

Per the Post Falls URA Soft Cost Reimbursement Policy dated June 18, 2015, soft costs are limited to 12% of hard costs. The Proponent also requested engineering soft costs including design engineering services, construction engineering services, and construction staking shown below:

Requested Soft Cost Elements

- Creative Way: Lockton Insurance	\$1,127.00
- Creative Way: Lake City Engineering	\$1,941.25
- Expo Parkway North: Lockton Insurance	\$5,025.00
- Expo Parkway North: Lake City Engineering	\$977.50
- Jacklin Road: Lockton Insurance	\$6,605.34
- Jacklin Road: Lake City Engineering	\$40.00

However, the eligible soft cost reimbursement amount is reliant on the amount of hard costs for that project. In this case, soft costs for only \$10,150.75 are reimbursable. The other \$5,565.34 of soft costs is not reimbursable.

Similarly, eligible administrative cost reimbursement amount is reliant on the amount of hard costs for that project. Administrative & miscellaneous costs for only \$13,122.02 are reimbursable, leaving \$218.66 not reimbursable.

Financing costs in the amount of \$27,553.81 were requested by the Proponent in this submittal as well. Per the attached email from Diane Fountain dated October 5, 2021, the full amount of those costs are reimbursable.

The new total reimbursement amount, in Welch Comer's opinion, is \$228,391.18. The City of Post Falls has accepted the improvements except for punchlist items listed on the 8/20/2020 punchlist for Jacklin Rd and Expo Pkwy. Welch Comer believes this request should be deemed eligible for reimbursement once the punchlist items are completed.

Summary Table – Request #12Rev

	Requested	Reimbursable	Withheld
Grand Total	\$234,175.18	\$228,391.18	\$5,784.00
Hard Cost Total	\$177,564.60	\$177,564.60	\$0
Soft Cost Total	\$15,716.09	\$10,150.75	\$5,565.34
Admin Cost Total	\$13,340.68	\$13,122.02	\$218.66
Financing Costs Total	\$27,553.81	\$27,553.81	\$0

Per the Second Amendment to the Settlement Agreement between the Post Falls URA and J.R. Watson and Associates Development Company dated February 20, 2014, total reimbursements to Watson for the Expo district are limited to the sum of \$3,697,882.00 for Creative Way, Expo Parkway, Jacklin Road, and the Jacklin Extension. To date, including the current request, \$2,917,483.21 of eligible hard, soft, and administrative reimbursements have been requested. Thus, no extra withholding is required for this submittal from the maximum amount from the Second Amendment to the Settlement Agreement. Financing costs are excluded from this calculation.

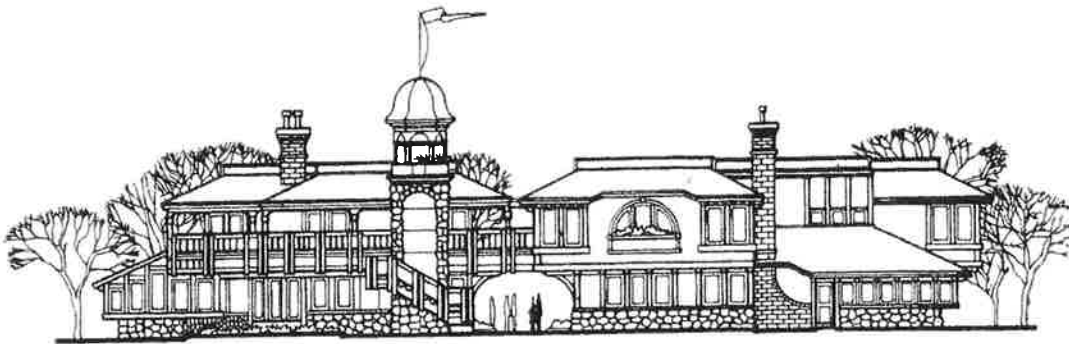
Please feel free to contact with any questions or requests for additional information.

Sincerely,



Matthew R. Gillis, P.E.
Vice President, Principal

MRG/jrg
Enclosure



J.R. WATSON & ASSOCIATES DEVELOPMENT CORP.
101 MAIN STREET, SUITE A, SEAL BEACH, CA 90740

September 29, 2021

Mr. Jerry Baltzell, Chairman
 Post Fall Urban Renewal Agency
 201 E 4th Ave,
 Post Falls, ID 83854

RE: Request for Public Improvement Reimbursement: Expo District Submittal # 12

Dear Chairman, Baltzell,

Enclosed you will find Submittal #12Rev for the Expo Urban Renewal District. This is a revision to Submittal #12 dated September 03, 2021. This submittal requests reimbursement in the amount of **\$234,175.18**, for Creative Way, Expo Parkway and Jacklin Road improvement expenses. Following is a summary of construction expenses paid through September 03, 2021, since our last Submittal #11. Also included are TIF construction loan interest charges from US Bank through September 03, 2021.

CREATIVE WAY

Lockton Insurance	Total: \$1,127.00
Avista Utilities	Total: \$16,525.03
Lake City Engineering:	Total: \$1,941.25
ACE Landscaping	Total: \$15,450.00
<u>Administrative Cost:</u>	<u>Total: \$2,506.41</u>
Subtotal:	\$37,549.69

EXPO PARKWAY NORTH

Lockton Insurance:	Total: \$5,025.00
Lake City Engineering:	Total: \$977.50
T.LaRivere Equipment	Total: \$136,589.57
<u>Administrative Cost:</u>	<u>Total: \$10,166.21</u>
Subtotal:	\$152,758.28

JACKLIN ROAD

Lockton Insurance:	Total: \$6,605.34
Lake City Engineering	Total: \$40.00
Administrative Cost:	Total: \$2.96

JACKLIN EXTENSION

The Remington Apartment (Rudeen)	
Landscaping Repairs	Total: \$9,000.00
<u>Administrative Cost:</u>	<u>Total: \$665.10</u>
Subtotal:	\$16,313.40

US BANK INTEREST CHARGES: \$27,553.81**

Grand Total: \$234,175.18

****PFURA POLICY #6**

- 1) Reimbursement of financing costs shall be reasonable and shall be limited to financing not more than 75% of the hard cost improvements within a district. Exhibit 1 attached demonstrates that the financing was for 34.84% of hard costs.
- 2) Interest cost must not exceed 2% over the current prime rate. As illustrated in Statement 1 of the submittal attached, the loan rate is 5.50% while the prime rate throughout the term of the loan has been 3.25%; an overage of 0.25%. We have adjusted our interest submittal for this overage.
- 3) Financing cost shall be limited to a repayment period of 5 years. Our Loan with US Bank is for 3 years; thus, this test is met.

This request has been prepared in accordance with the Second Addendum to the Settlement Agreement with the Post Falls Urban Renewal Agency (PFURA) dated February 20, 2014.

Please feel free to contact me with any questions. I may be reached at (562) 430-0503.

Respectfully,



James R. Watson
President

Enclosures

Exhibit A - Submittal #12
Supporting Invoices

cc: Diane Fountain, Executive Director, Post Falls Urban Renewal Agency
Rob McCone, Jan Stachowiak, Alex Cahuantzi, Monica Justin, Kurt Mowery, Fernando Dutra

**Post Falls Urban Renewal Agency
Staff Report**

J.R.Watson & Associates Development Corp.
Tax Increment Financing Submittal #12
Reimbursement of Financing Costs

Agency policy states that a proponent will, in all probability, be required to borrow a portion of the funds needed to install improvements and infrastructure within a district to support the development that will be required to further the objectives of the Agency in its establishment of the district and create the additional tax base from which tax increment funds are to be derived.

The policy further stipulates the need to pay interest and costs associated with such financing, and further establishes guidelines for the basis of reimbursement of said costs. Therefore, staff has reviewed the request for reimbursement of financing costs and the policy guidelines as they apply to this particular request.

We find that the Agency was provided with the required financing plan by the proponent as part of the overall district plan when the district was established, including type and estimated amounts of costs of the hard cost improvements to the district. Further, we find that the stated financing costs are reasonable and are within the parameters provided in Agency Policy #6 Reimbursement of Proponent Borrowing Costs.

The Agency can reimburse financing costs for debt of less than 75% of total hard costs. Proponent submittals #9 through #11 for reimbursement total \$2,716,645.84 for which the hard cost portion was \$2,263,072.54. The maximum borrowing reported was \$735,000 or 32.48% of the total hard cost. Interest on that amount is eligible for reimbursement.

The interest costs may not exceed two percent (2%) over prime rate which was 3.25%. The actual borrowing rate was 5.5% which is .25% over the policy threshold, therefore interest adjustments have been made.

Policy states that eligible financing costs will not be for a period in excess of five (5) years. The current request covers the period from 10/06/2019 through 02/22/21, or 18 months. The proponent had previously submitted 39 months of eligible financing costs which were approved in February of 2014.

To summarize, after necessary analysis, staff recommends reimbursement as follows:

Interest	\$30,749.04
Less Adjustment	<u>\$ 3,195.23</u>
Total Request	\$27,553.81

Jack Griffing

From: James Spalsbury <jspalsbury@postfallsidaho.org>
Sent: Tuesday, October 12, 2021 12:54 PM
To: Bill Melvin; Jack Griffing
Cc: Matt Gillis; Rob Palus
Subject: RE: Post Falls URA Reimbursement - Expo District
Attachments: Exhibit No. C-56 Jacklin and Expo City Punchlist #10 8.20.20.pdf; City Punchlist #7 4.7.20.pdf

Hi Jack,

Sorry for the delay in getting back to you. Please see the attached punchlists for Expo and Jacklin. The remaining punchlist items on both projects are for completing the swales with topsoil, irrigation, hydroseed and street trees. These items will likely be completed as the lots develop. Please let me know if you have any questions or concerns. Creative Way has completed their punchlist and the bond is in process of being released. Please let me know if I can answer any further questions.

Thanks!

JAMES SPALSBURY

**SR. ENGINEERING TECHNICIAN
ENGINEERING DIVISION
COMMUNITY DEVELOPMENT DEPARTMENT
(208) 457-3383**

From: Bill Melvin <bmelvin@postfallsidaho.org>
Sent: Tuesday, October 12, 2021 9:00 AM
To: Jack Griffing <jgriffing@welchcomer.com>
Cc: Matt Gillis <mgillis@welchcomer.com>; James Spalsbury <jspalsbury@postfallsidaho.org>; Rob Palus <rpalus@postfallsidaho.org>
Subject: RE: Post Falls URA Reimbursement - Expo District

Jack,

Please be patient. James will be contacting you regarding this.

Thanks,
Bill

From: Jack Griffing <jgriffing@welchcomer.com>
Sent: Tuesday, October 12, 2021 8:26 AM
To: Bill Melvin <bmelvin@postfallsidaho.org>; James Spalsbury <jspalsbury@postfallsidaho.org>; Rob Palus <rpalus@postfallsidaho.org>
Cc: Matt Gillis <mgillis@welchcomer.com>
Subject: RE: Post Falls URA Reimbursement - Expo District

Rob,

Sounds like you were involved with this according to Lake City Engineers. Diane Fountain over at PF URA has tasked us with reviewing a reimbursement submittal for Jacklin Road, Expo Parkway, and Creative Way. Is there work still outstanding/not accepted by the City on those roadways?

Let me know if there is anything else we can do to help.

Thanks,

Jack Griffing, EIT | Design Engineer

Office: 208.664.9382 | Direct: 208.664.3632 | Cell: 425.791.0953 | E: jgriffing@welchcomer.com | Web: www.welchcomer.com



This e-mail and any attachments are intended solely for the use of the individual to whom they are addressed. Please visit our website for our confidentiality policy.

From: Jack Griffing

Sent: Tuesday, October 5, 2021 1:08 PM

To: Bill Melvin <bmelvin@postfallsidaho.org>; jspalsbury@postfallsidaho.org

Cc: Matt Gillis <mgillis@welchcomer.com>

Subject: Post Falls URA Reimbursement - Expo District

Bill/James,

I received copies of a couple of letters from you to the URA and to Jim Watson regarding improvements on Jacklin Road and Expo Parkway, and Creative Way which note items which were incomplete at the time. These letters are dated October 2019 and February 2020, attached.

Diane Fountain has tasked us with reviewing a reimbursement submittal for Jacklin Road, Expo Parkway, and Creative Way. Is there work still outstanding/not accepted by the City on those roadways? If so, we'll need to modify our reimbursement review accordingly to ensure that the City and URA get a satisfactory product.

Let me know if there is anything else we can do to help.

Thanks,

Jack Griffing, EIT | Design Engineer

Office: 208.664.9382 | Direct: 208.664.3632 | Cell: 425.791.0953 | E: jgriffing@welchcomer.com | Web: www.welchcomer.com



This e-mail and any attachments are intended solely for the use of the individual to whom they are addressed. Please visit our website for our confidentiality policy.



PUBLIC SERVICES DEPARTMENT

Engineering Division

April 7, 2020

Kip Wadsworth
The Pointe Partners, LLC
166 E. 14000 S.
Draper, UT 84020

RE: JACKLIN ROAD PUNCHLIST (7) (POINTE AT POST FALLS 2ND ADD PLANS)

Dear Mr. Wadsworth:

Please find below the remaining punchlist items that remain incomplete:

1. Complete all the swales with street tree's, topsoil and hydroseed on Jacklin.

Once all identified items have been addressed, please contact me for a re-inspection. If you have any questions or concerns, you may reach me at (208)773-4235. Thank you.

Regards,

A handwritten signature in cursive script that reads "James Spalsbury".

James Spalsbury
Engineering Technician

Cc: Project File

Engineering Division

August 20, 2020

James R. Watson
Expo Parkway North, LLC
101 Main Street Ste A
Seal Beach, CA 90740

RE: JACKLIN ROAD AND EXPO PKWY PUNCHLIST (10)

Dear Mr. Watson:

Please find below the remaining punchlist items that remain incomplete:

1. Complete all landscaping of the swales to include: Topsoil, hydroseed, street tree's and irrigation along south side of Expo Parkway.

Once all identified items have been addressed, please contact me for a re-inspection.

If you have any questions or concerns, you may reach me at (208)773-4235.

Thank you.

Regards,



James Spalsbury
Sr. Engineering Technician

Cc: Project File