



Commission Workshop Agenda
April 12, 2022 – 9:00 a.m.
Chamber Conference Room
201 E. 4th Avenue, Post Falls ID 83854

1. Call to Order, Commissioner Roll Call
2. Conflict Disclosure
3. Citizen Comment
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.
4. Agency Policy - Proponent Borrowing Cost Reimbursement **ACTION ITEM**
5. Staff Report
6. Commissioner Comments
7. 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 by calling (208) 777-8151 at least 48 hours prior to the meeting.

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 Workshop Minutes

April 12, 2022 – Post Falls Chamber Building - Conference Room

CALL TO ORDER, ROLL CALL

Vice-Chair Jame' Davis called the meeting to order at 9:02 a.m. Executive Director Joseph Johns called the roll. Present in addition to Davis were Commissioners Christi Fleischman, Collin Coles, Melissa Hjeltness, Len Crosby and Eric Clemensen. Commissioner Jerry Baltzell had an excused absence. Also, in attendance was Pete Bredeson.

CONFLICT DISCLOSURE

None

CITIZEN COMMENT

None

Agency Policy – Proponent Borrowing Cost Reimbursement

Executive Director Johns provided brief introduction of the subject including a memo authored by Crosby. The memo provides an overview of the agency's prior actions and policy in regards to proponent borrowing cost reimbursement. Crosby stated that as a result of various discussions with Project Drive over the past eighteen months, during the creation of the Pleasant View District, Project Drive made project cost calculations based on the understanding that borrowing cost reimbursement was possible. Project Drive also considered seeking exempt property status from the County for a ten-year period. Receiving property tax exempt status on their development would impair the growth of tax increment funds available for infrastructure projects throughout the district. They were informed that receiving tax exempt status would put them behind any other proponent in the district seeking urban renewal assistance/reimbursement. Project Drive completed subsequent calculations and stated a need for financing cost reimbursement in lieu of seeking tax exempt status. Crosby then provided a brief historic overview of the agency's prior position on the subject, all of which is detailed in the subject memo's first two pages. Crosby stated the proposed policy included in the memo is realistic in terms of the current real estate environment together with the agency's desire to get the district going in order to generate increment to fund much needed infrastructure. Crosby recently attended a workshop on the subject of our local and regional economic conditions at which it was stated interest rates, housing prices and growth will all continue to increase over the next five to seven years. These economic circumstances make the consideration of this proposed policy very timely. The three main points of the proposed policy are: financing costs are limited to 75% of the hard construction costs for off-site infrastructure, interest rates may not exceed a spread of 1.5% in excess of the five-year Treasury rate in effect as of the first funding by the proponent/developers lending source (maximum 6%), and lastly, loan fees are limited to 1% of the amount financed. Clemensen asked for clarification of several terms. Upon further discussion it was decided that several definitions would be incorporated into the policy. Coles inquired about costs. Crosby responded that the estimated improvement costs to get the needed infrastructure northward on Pleasant View, north of Seltice Ave., are included in the district plan. Coles sought clarification of the financing costs. Crosby provided several estimates and clarified that any financed improvements must be completed within 5 years. Clemensen asked if a comparison between tax exempt status and financing cost reimbursement had been completed and what the process to reimburse financing costs would consist of. Crosby responded that Project Drive had performed the comparison but had not shared the specific results other than stating their preference for financing cost reimbursement. Any

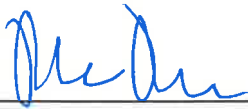
reimbursement request, including financing costs, would follow the Agency's regular cost submittal/review process. Bredeson clarified that reimbursement would require an Order of Approval from the Commission which would define the prioritization of reimbursement based upon the Order of Approval date. Crosby stated that the availability of financing cost reimbursement would have to be extended to all other developer/proponents in the Downtown District, Post Falls Technology District and Pleasant View District. Clemensen requested the policy include several definitions to clarify terms that may be considered open for interpretation. Johns will provide definitions for inclusion into the policy. Coles stated this policy is much better than what was previously in place. Bredeson suggested adding the definitions and putting the draft into resolution form for consideration at the April 21, 2022, Commission Meeting. Davis clarified that no action was being taken in the current workshop but would be deferred to the upcoming commission meeting. Bredeson confirmed.

Staff Report - Johns reported the office received notification from Steve White (Copper Basin Construction) the final infrastructure projects in Tullamore (EPF) are complete. A generalized list of construction costs was been forwarded to Welch Comer. It has been determined that more detailed information is needed to perform a thorough cost reimbursement evaluation. A request for invoices, project plans and bid schedules has been made. In the Downtown District Steve Dewalt, Rob Brewster and Drew Kleman, (Press Architecture) are scheduled to visit the office this afternoon for an informal update of the Water Tower Loft project and pricing/cost data. The agency purchased a 2nd external portable hard-drive for integration into the nightly data backup process. This will allow for offsite data storage that can be used to restore systems and data.

Commissioner Comments. Crosby expressed appreciation for the efforts made to review the draft policy. Vice-Chair Davis thanked Crosby for his time and expertise in composing the draft policy. Clemensen stated his appreciation for the positive manner in which commission carries out its responsibilities.

Adjournment. Davis asked for a motion to adjourn. Commissioner Crosby made a motion to adjourn, seconded by Coles. Motion carried. Meeting adjourned at 9:52 a.m.

Respectfully submitted,



Joseph Johns, Executive Director



Jame Davis, Vice-Chair