



Post Falls Urban Renewal Agency
May 16, 2019 Meeting
8:00 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. Joint Workshop Minutes, April 16, 2019
 - b. Commission Meeting Minutes, April 18, 2019
 - c. Payables
 - d. Bank Activity Report
 - e. 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
8. New Business
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.

**Joint Workshop - POST FALLS URBAN RENEWAL/CITY COUNCIL Minutes
April 16, 2019 in the basement conference room @ City Hall**

CALL TO ORDER, ROLL CALL

Mayor Ron Jacobson called the meeting to order at 4:30 pm. All City Council members were present, PFURA Commissioners were present except Laura Horn, who had an excused absence. Also present were Shelly Enderud, Diane Fountain, Warren Wilson, Bob Seale, Shannon Howard, Bill Melvin, Rob Paulus, Teresa Benner, Bob Flowers, Chief Merritt and Brian Walker.

New City Center Urban Renewal District Discussion. Warren Wilson gave a PowerPoint presentation on a proposed Downtown Urban Renewal District. Total acreage is 548 vs. 493 proposed in 2017. The Eligibility Study has not been finalized; a draft should be received within two (2) weeks. (Presentation attached) The main purpose of this district would be parking and streetscape improvements. The downtown core consists of very small lots, when redevelopment occurs it is anticipated that parcels would be combined to make larger sites. Once the Eligibility Study is complete it will be sent out for review and comments, then go through the adoption process. The Urban Land Institute (ULI) will be involved in order to get the most out of this new district. The City would like to have the Plan adopted by the end of 2019.

DISCUSSION:

Baltzell: What are the proposed areas where we could realistically expect new development to take place that would create tax increment for improvements that would make an impact and draw business and potential industry to the area? What does the City envision the role of urban renewal to be?

Wilson: There has been interest in both of the mill sites, it is anticipated that both of those sites would be completely redeveloped. There has been interest in both sides of Spokane Street and the City is looking for redevelopment of the empty lot next to Templin's Resort.

Seale: Improvements along Seltice Way are also being looked at. There is a need for parking east of Spokane Street which could extend a couple blocks. The mill sites are the main focus in bookending the downtown area that will consist of mixed use and commercial.

Crosby: All of our URD's have been focused on economic development, the two (2) mill sites would meet that focus. Is including all the residential in the middle useful? How could urban renewal assist unless it is land aggregation or demolition which takes a large amount of tax increment? If we had a developer that came to us with a plan for the mill site, a small district with a shorter life could be formed for that purpose.

Seale: We don't just want to focus on those two sites, they have the most potential however this area is zoned for mixed use where you can use commercial and residential. There is a certain amount of likelihood that the residential could turn into higher residential density or mixed-use commercial. The focus will be on certain corridors more than others so it ultimately becomes more of a downtown area or city center. Infrastructure improvements along the streets would encourage people to walk or bike to this area.

Crosby: Development follows infrastructure, but in a URD development pays for infrastructure. If someone comes and wants to develop the mill site, they would have first right to the tax increment. The tail end of the district is similar to what has been seen in EPF where there was a lot of vacant land with little increment, which grew to substantial development and increment which allowed the Agency to pay down the Greensferry Overpass debt and make major sewer improvements. The URA probably won't be able to assist in the transportation infrastructure and street trees and other types of improvements until well into the district's life. There will be a finite timeline and it will take years to create increment to pay for any improvements.

Seale: The City is looking for Grant opportunities to assist in infrastructure improvements.

Wilson: Small residential lots that could be transitioned into a new use, where will you put the cars that will come to that business? The City has looked into creating a plan for parking in the ROW that would support the growth. The need in this new district is parking, which would be the main draw versus sewer improvements.

Carstensen: What is the timeline for this project?

Wilson: We have not sat down and discussed how long the district would last, part of it would be what based on what we are trying to accomplish. Until we get into the Plan and the Feasibility Study, we won't be able to determine that. JUB is doing the Eligibility Study to see if the area meets the

requirements of deterioration, upon those findings a Feasibility Report would be done to see if it will work.

Clemensen: Would part of that be inducements for the sole railroad customer to alter his transportation plan so he is not dependent on that railroad spur.

Wilson: A railroad spur doesn't necessarily work in a residential area, which this has grown to be.

Baltzell: Ideally the URA would be interested in working with a proponent that is driving the development. That proponent would pay for the infrastructure upfront and be reimbursed as tax increment comes in.

Enderud: The City will be the proponent.

Baltzell: How does the City envision urban renewal (UR) would fund the improvements?

Enderud: The City is looking at a development grant for the parking plan and using UR to assist with funding as increment becomes available. This Eligibility Report is just looking to see if the area is eligible to be an UR district, if it does meet the requirements, we would move into having a Feasibility Report done and work with UR to create a Plan.

Baltzell: The development area is really the two mill sites, not the residential area in between.

Seale: When you look at 3rd and 4th Streets, there is quite a bit of commercial along both those corridors and is underutilized in terms of what it could potentially be.

Wilson: We will need to look at three (3) things:

1. The City Center Plan adopted zoning for transitioning the commercial center of downtown.
2. Where is the development going to happen that will generate the increment?
3. What are the areas we need to address that make it difficult for this area to develop?

Some of that is transportation, so we are looking at the major east, west, north and south entrances and looking at deficiencies that can be addressed and will create tax increment.

Wolfe: A potential issue is the rail spur – it doesn't appear that we can look at that as going away anytime soon.

Seale: In a meeting last week the owner stated it would probably not be in use in five (5) years. There was multi-millions of dollars lost in a recent fire at the mill.

Coles: This district is a departure of what we have been doing when creating a new district. In our other districts we have bare ground where a proponent puts in public improvements and is reimbursed as tax increment comes in. In this case we are talking about significant redevelopment or civic improvements where the City will have to be the proponent and do the construction. I have concerns of the timing of improvements and increment that the City would be left with a significant bill to pay at the end and whether or not it would all be covered.

Crosby: One thing that needs to be looked at in the Feasibility Study is the demographics of the ownership of downtown. Urban renewal has put a lot of funding into the City Center and there hasn't been a lot of new development. If a lot of money is put into street improvements, street scape and parking and nothing happens we just have a nicer looking problem.

Enderud: The market values of the properties in City Center have increased due to the improvements that were made. We haven't reached the expectations that you would have liked to have seen down here, but we have seen redevelopment in the downtown area.

Crosby: I totally agree, but that was vacant land.

Mayor: It is a different concept than what urban renewal has done in Post Falls. If this large of a district is created which includes residential properties, the increment would be set at the time the district is adopted so the taxing districts would not suffer any lost revenue. The improvements would have to be identified for UR funding. Where does the negative come in?

Baltzell: If there aren't businesses coming in, the money isn't coming to UR to provide any funding for improvements.

Wolfe: If you take the two mill sites and eliminate the residential in between you will be getting the increment from the two mill sites anyways. The majority of the increment would come from the "bookends" and help improve transportation needs between them. It could be a huge risk depending on the projects.

Crosby: My concern is raised expectations. We have a district that consists of 60-70% residential and we are using that criteria to help establish the reason for forming the district. We don't have a plan to help solve that problem.

Wilson: It is an interesting dilemma, the statute says you have to look at it, yet it isn't something UR wants to fund. Funding of projects would be identified in the Plan and we could exclude some of the residential. The old district had the same residential areas in it and is not unusual.

Clemensen: If the district were to be approved as identified and the infrastructure was installed, it would increase the value of those properties and result in increased property taxes. It would yield some increment, but not as much as going from bare ground to industrial. There could possibly be some residents that are not happy with an increase in property values and taxes and could hurt them financially. It's one thing to have a developer front improvements and get reimbursed; it's another to unilaterally impose something on property owners and expect them to pay for it down the line.

Wolfe: What more can be done at the Landings site?

Enderud: Not all the infrastructure is not in, depending on how it builds there will be additional infrastructure needed.

Baltzell: Funding of the proposed improvements or changes to this deteriorated area, somebody has to pay for it upfront. Is the City willing to do that and be reimbursed as increment comes in?

Wilson: At this point, we have not looked at that. Our focus is on the boundaries and if it is eligible to be an urban renewal district.

Baltzell: Over the past several years \$2.5 million dollars have been rebated to the City of Post Falls, have those dollars been put into these types of projects?

Enderud: We can identify where those dollars have been allocated and get that to the Commission.

Baltzell: First, we are looking at whether this proposal meets the eligibility requirements, then we start working on a district plan and the feasibility study would be a part of that.

Seale reiterated that the residential properties and the map that was created are all part of the city center plan and the parking plan. Most of it lies within the Opportunity Zone, which is south of I-90 east of Spokane Street to Ross Point Road.

Crosby: What does the Opportunity Zone provide funding for?

Seale: Capital gains tax deferment.

Mayor: It encourages them to re-invest in the community. What we need tonight is to make sure that everyone is okay to check on the eligibility with the next step being a feasibility study.

Wilson: Once we get the final Eligibility Report, we would adopt it and move into the process of developing a plan and a feasibility study.

Coles: The area could be reduced?

Wilson: Yes.

Fountain: When talking about the base value, this new district is larger than our other 5 districts combined which only leaves us with \$30 million if we want to create a district on the west side of the City it could hamper the Agency from doing that as it would bring it up to the maximum.

Crosby thanked the City in the work they have done and the care in putting this together.

Mayor Jacobsen stated urban renewal in Post Falls has been a huge financial success and thanked the Commission for being good stewards of taxpayer dollars.

Chairman Baltzell stated it has been a pleasure working with the Council.

ADJOURNMENT

Meeting adjourned at 5:33 p.m.

Respectfully submitted,

Diane Fountain, Executive Director

Jerry Baltzell, Chairman

Attachments: Power Point Presentation

POST FALLS URBAN RENEWAL MINUTES

April 18, 2019

CALL TO ORDER, ROLL CALL AND PLEDGE OF ALLEGIANCE

Chairman Jerry Baltzell called the meeting to order at 8:00 a.m. Executive Director Diane Fountain called the roll. Present, in addition to Baltzell was Larry Carstensen, Len Crosby, Eric Clemensen, Collin Coles and Jame' Davis. Commissioner Laura Horn was not present. Also in attendance was legal counsel Pete Bredeson & Bob Seale. 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 Meeting Minutes, March 21, 2019.

Item B is the Workshop Minutes, April 9, 2019.

Item C is the payables for the month totaling \$6,573.06.

Item D is the Bank Activity Report which shows total funds in all accounts of \$3,938,883.01 and accrued interest for the month of \$7,982.50.

Item E is the financial reports as of March 31, 2019. Obligation and carryover balances on the Increment Received worksheet have been updated. Also included is the second quarter Budget vs Actual report which shows 39% of the budget has been expended for the first six (6) months.

Approval of the Consent Calendar will authorize the transfer of \$7,982.50 accrued interest to the General Fund and a transfer to the Community 1st checking account of \$6,573.06 for general payables.

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

COMMITTEE UPDATES

Finance & Policy – Crosby – March financials have been reviewed. There will be a Committee meeting in June to begin the FY 2020 budget process.

District Review – Coles – Commission had a joint workshop with City Council to discuss a new district being formed in the City Center area.

Communication, Property and Personnel – Carstensen – A meeting is scheduled for May 21, 2019.

CITIZEN COMMENTS

None

UNFINISHED BUSINESS

None

NEW BUSINESS

None

STAFF REPORT

Fountain stated the website statistics are included in the packet. There were 24 hits on the Post Falls Technology Park page. The video views were up 30 from last quarter so it appears that people are looking at our website. A link to Beyond Green, Inc's marketing website was added on the Post Falls Technology park page www.beyondgreeninc.com.

Baltzell noted how many foreign countries appear to be accessing our website. Clemensen inquired on security procedures and protocol are in place through our provider. Fountain will contact Shelly at Zolmedia and work with Commissioner Clemensen to make sure our website is safe and not vulnerable to any unfortunate activity.

Bob Seale, Community Development Director for the City of Post Falls approached the Commission and stated there are Cities through the Department of Commerce that have attended trade shows to try and "sell" Idaho to Companies, including foreign Countries, which might be the reason foreign activity is seen on the website.

Commissioner Davis and Fountain received an update on the 4th Street parking lot: Bids for curbing and sleeving will be received through tomorrow and will go to City Council on May 7th. The paving bid will go out at a later date. The completed project is anticipated to be 60-90 days from the start of grading work. The City has built some temporary steps to replace the cinder blocks that were originally being used for steps for the back entrance into the Chamber Building.

Fountain noted "Downtown for a Day" will take place in the Landings on May 18, 2019 from 10 am to 7 pm.

COMMISSIONER COMMENTS

Legal Counsel, Bredeson stated the Legislature passed HB 217 which requires a public vote when any urban renewal or public funds are used to fund 51% or more of a municipal building or multi-purpose sports stadium complex.

CHAIRMAN COMMENT

Baltzell stated the joint workshop with City Council on a possible new urban renewal district was informative, it was a good start for discussion.

ADJOURNMENT

Baltzell asked for a motion to adjourn. Commissioner Crosby made the motion, seconded by Coles. All in favor by voice vote. Meeting was adjourned at 8:15 am.

Respectfully submitted,

Diane Fountain, Executive Director

Jerry Baltzell, Chairman

**Post Falls Urban Renewal Agency - In-House
Unpaid Bills Detail
As of May 16, 2019**

Type	Date	Memo	Open Balance
Bredeson Law Group			
Bill	05/13/2019	Legal Services 4/15 through 5/10/19	1,300.00
Total Bredeson Law Group			1,300.00
Canon Solutions America, Inc.			
Bill	05/01/2019	Copier Usage 4/01 to 4/30/19	12.02
Total Canon Solutions America, Inc.			12.02
J. Thayer Company			
Credit	04/17/2019	Returned tape for label maker - wron...	-37.96
Bill	04/17/2019	Tape for label maker	34.76
Bill	04/16/2019	File folders/Pens/Correction tape/Tap...	59.99
Total J. Thayer Company			56.79
Kootenai County Treasurer			
* Bill	04/29/2019	AIN 3312272016 Aquifer fee	7.00
Total Kootenai County Treasurer			7.00
Post Falls Chamber			
Bill	05/01/2019	2019 Annual Dues	270.00
Total Post Falls Chamber			270.00
Verizon Wireless			
Bill	04/27/2019	Office Phone - 3/28/19 through 4/29/19	71.23
Total Verizon Wireless			71.23
TOTAL	<i>* Additional bill received</i>		1,717.04
		<i>Payroll</i>	<u>4244.80</u>
			<u>5961.84</u>

Bank Activity Report

April 2019

Cash Section

Checking: Comm.1st

Beginning Balance		\$	10,401.12
Deposits	\$	370,626.49	
Withdrawals	\$	(370,484.20)	
Ending Balance		\$	10,543.41
Outstanding Checks	\$	(1,081.92)	
Account Balance		\$	9,461.49

Money Market: Comm.1st

Beginning Balance		\$	45,131.98
Deposits	\$	7.42	
Withdrawals	\$	-	
Ending Balance		\$	45,139.40
Deposits in Transit	\$	-	
Outstanding Checks			
Account Balance		\$	45,139.40

Idaho Central CU - Savings

Beginning Balance		\$	25.00
Interest			
Ending Balance		\$	25.00

Investment Section

LGIP General Fund 1829

Beginning Balance		\$	535,155.46
Contributions	\$	9,147.38	
Withdrawals	\$	(6,573.06)	
Ending Balance		\$	537,729.78
Outstanding Transfer			
Account Balance		\$	537,729.78

LGIP Capital Improvements 1910

Beginning Balance		\$	2,676,106.77
Contributions	\$	369,805.90	
Withdrawals	\$	(7,982.50)	
Ending Balance		\$	3,037,930.17

Certificate of Deposits

	Interest Rate	Amount	Maturity Date
Washington Trust Bank (CD - Loan Reserve)	0.15%	\$ 250,000.00	11/2/2019
Washington Trust Bank (CDARS - Loan Reserve)	0.10%	\$ 172,851.91	11/2/2019

Total Funds All Accounts:

\$ 4,053,137.75

April

	Interest
State Pool - LGIP 1910	\$ 5,820.39
CD - Washington Trust Bank	\$ -
CDARS - Washington Trust Bank	\$ -
Total	<u>\$ 5,820.39</u>

Post Falls Urban Renewal Agency - In-House
Balance Sheet
 As of April 30, 2019

	Apr 30, 19
ASSETS	
Current Assets	
Checking/Savings	
WTB - Loan Reserve - CD	250,000.00
Savings - Idaho Central CU	25.00
Community 1st Bank - MMA	45,139.40
Community 1st Bank - Checking	9,461.49
WTB - Loan Reserve - CDARS	172,851.91
LGIP1829-General Fund	537,729.78
LGIP1910-Capital Improvements	3,037,930.17
Total Checking/Savings	4,053,137.75
Other Current Assets	
Prepaid Insurance	2,115.06
Accounts Receivable - Taxes	120,166.00
Interest Receivable	6,539.00
Total Other Current Assets	128,820.06
Total Current Assets	4,181,957.81
TOTAL ASSETS	4,181,957.81
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
Washington Trust Bank-Overpass	938,000.00
Accrued Vacation Payable	2,427.86
Deferred Increment Revenue	110,311.00
Payroll Liabilities	
ID- Unemployment Payable	9.02
Payroll Liabilities - Other	1,706.59
Total Payroll Liabilities	1,715.61
Total Other Current Liabilities	1,052,454.47
Total Current Liabilities	1,052,454.47
Long Term Liabilities	
Proponent Reimbursement Balance	
Washintgon Trust Bank-Overpass	2,736,564.13
Total Proponent Reimbursement Balance	2,736,564.13
Total Long Term Liabilities	2,736,564.13
Total Liabilities	3,789,018.60
Equity	
Restricted Fund Balance	596,517.44
Nonspendable Fund Balance	2,115.00
Allowance for Long Term Debt	-3,674,564.13
Fund Balance - Special Revenue	2,505,789.43
Fund Balance - General Fund	508,741.45
Unrestricted Net Assets	-377,079.83
Net Income	831,419.85
Total Equity	392,939.21
TOTAL LIABILITIES & EQUITY	4,181,957.81

Post Falls Urban Renewal Agency - In-House

Profit & Loss

April 2019

05/07/19

Accrual Basis

	Apr 19	Oct '18 - Apr 19
Ordinary Income/Expense		
Income		
Interest	6,993.61	45,352.72
Center Point District	512.00	461,225.92
East Post Falls District	77,824.46	1,816,396.64
Expo	30,574.66	245,916.40
West Seltice II	4,856.07	163,460.77
Total Income	<u>120,760.80</u>	<u>2,732,352.45</u>
Gross Profit	120,760.80	2,732,352.45
Expense		
New District Development Costs	-67.00	0.00
Meetings	0.00	125.00
Audit	0.00	7,000.00
Advertising & Legal Notices	0.00	65.25
District Payments	0.00	1,845,527.88
Engineering Services	0.00	2,000.00
Legal Fees	875.00	6,375.00
Insurance	0.00	150.00
Dues & Memberships	0.00	400.00
Office Equipment	0.00	1,234.67
Office Supplies	0.00	0.00
Postage, Mailing Service	0.00	4.50
Printing and Copying	7.36	72.48
Rent	0.00	7,740.00
Telephone, Telecommunications	0.00	427.56
Website Design, Hosting & Maint	0.00	105.34
Payroll Expenses	4,531.82	29,704.92
Total Expense	<u>5,347.18</u>	<u>1,900,932.60</u>
Net Ordinary Income	<u>115,413.62</u>	<u>831,419.85</u>
Net Income	<u>115,413.62</u>	<u>831,419.85</u>

Fund Reconciliation:

4/30/2019

QB

WTB - Loan Reserve - CD	\$	250,000.00
Savings - Idaho Central CU	\$	25.00
Community 1st - MMA	\$	45,139.40
Community 1st - Checking	\$	9,461.49
WTB - Loan Reserve - CDARS	\$	172,851.91
LGIP - 1829	\$	537,729.78
LGIP - 1910	\$	3,037,930.17

Total**\$ 4,053,137.75****FUNDS**

General Fund	\$	598,176.06
Capital Improvement Fund	\$	3,032,109.78
WTB - Loan Reserve (EPF)	\$	422,851.91

Total**\$ 4,053,137.75**

C.I. Fund Allocation:

CP-The Pointe	\$	512.00
CP-Pointe Apartments	\$	59,040.18
Expo	\$	30,942.21
W. Seltice II	\$	6,287.24
EPF-Tullamore	\$	33,185.56
EPF-Tullamore Commons II	\$	-
EPF-S/Ctr	\$	2,902,142.59
	\$	<u>3,032,109.78</u>

Post Falls Urban Renewal Agency

Increment Received District Obligation Balance

	<u>Center Point The Pointe</u>	<u>Pointe Apartments</u>	<u>East Post Falls</u>		<u>Commons II</u>	<u>Expo</u>	<u>West Seltice II</u>	<u>Total</u>	
<i>Termination Date</i>	2022	2022	<u>South/Central</u> 2022	<u>North-Tullamore</u> 2022	2022	2021	2020		
	Sep-18	3,477.84	-	2,068.02	-	-	-	5,545.86	
Expo Reimbursement	Oct - 18	-	-	3,188.19	1,045.89	-	219.57	4,453.65	
	Nov-18	4,483.55	-	10,632.12	-	-	-	15,115.67	
	Dec-18	88,532.81	-	144,163.13	-	35,827.90	3,414.07	271,937.91	
	Jan-19	339,812.95	22,426.42	1,151,166.61	371,871.70	12,225.12	176,049.82	149,161.21	2,222,713.83
Reimbursements	Feb-19	5,458.19	-	22,297.20	2,223.50	-	2,876.90	4,598.25	37,454.04
	Mar-19	-	-	3,866.46	15,892.26	-	367.55	1,431.17	21,557.44
	Apr-19	512.00	-	60,531.16	17,293.30	-	30,574.66	4,856.07	113,767.19
	May-19							-	
	Jun-19							-	
	Jul-19							-	
	Aug-19							-	
	Sep-19							-	
Total YTD		442,277.34	22,426.42	1,397,912.89	408,326.65	12,225.12	245,916.40	163,460.77	2,692,545.59
Approved Obligation		7,564,627.45	-	13,000,000.00	6,498,959.82	325,000.00	3,724,497.23	1,990,008.28	33,103,092.78
Obligation Balance @ 03/31/19		1,095,726.49		3,674,564.13	3,240,314.18	206,396.68	617,349.12	414,373.35	9,248,723.95
Carry over @ 03/31/19		-	59,040.18	2,841,611.43	15,892.26	-	367.55	1,431.17	2,918,342.59