

POST FALLS URBAN RENEWAL MINUTES

August 16, 2018

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 were Commissioners Larry Carstensen, Len Crosby, Laura Horn and Jame' Davis. Commissioners Collin Coles and Rich Houser had excused absences. Also in attendance was legal counsel Pete Bredeson. Horn led the Pledge of Allegiance.

CEREMONIES, APPOINTMENTS AND ANNOUNCEMENTS

Baltzell announced that a Public Hearing would be held on the proposed Fiscal Year 2019 Budget and if anyone wishes to speak, please fill out a form and give it to the Executive Director.

CONFLICT DISCLOSURE

None

CONSENT CALENDAR

Fountain introduced the Consent Calendar. Item A is the Commission Workshop Minutes, July 17, 2018.

Item B is the Commission Meeting Minutes, July 19, 2018.

Item C is the Commission Workshop Minutes, August 7, 2018.

Item D is the payables for the month totaling \$656,613.39 which includes the semi-annual loan payment to WTB in the amount of \$650,000.00.

Item E is the Bank Activity Report which shows total funds in all accounts of \$5,587,804.76 with accrued interest for the month of \$3,621.72.

Item F is the financial reports as of July 31, 2018.

Approval of the Consent Calendar will authorize the transfer of \$3,621.72 accrued interest to the General Fund and a transfer to the Community 1st checking account of \$656,613.39 for general payables.

Commissioner Crosby made a motion to approve the Consent Calendar as presented, seconded by Carstensen. ROLL CALL: Baltzell – Aye; Carstensen – Aye; Crosby – Aye; Horn – Aye, Davis – Aye. Motion carried.

COMMITTEE UPDATES

Finance & Policy – Crosby – Finance Committee has reviewed the July financial statements. Committee will meet on August 27th @ 9 am to discuss reimbursement percentages, with a draft format to bring to Commission. Committee will also discuss maturing CD's.

District Review – Coles – Nothing to report.

Communication, Property and Personnel – Carstensen – There will be a Press Release on the Closure of the City Center District that will be in the Press within the next day or two.

CITIZEN COMMENTS

None

PUBLIC HEARING

Baltzell opened the Public Hearing for the proposed Fiscal Year 2019 Budget at 8:05 am.

Treasurer Crosby presented the FY 2019 Budget. Tax increment income for each urban renewal district is based on property values and tax rates as determined by the Kootenai County Assessor's Office. Small increment tax increases are projected for three (3) of our existing districts ranging from 0.7% to 18% which are due to new development within those districts. Overall, the increment for the remaining districts will average 2%. The aggregate tax increment is reduced by approximately \$550,000 due to the closing of the City Center District, effective today. Interest income is projected to be \$18,000 due to the increase in interest rates. The Commission will continue to aggressively pay down debt. Carryover revenues are monies that have been collected in Districts and will be applied to future improvements.

The main expenditure is debt repayment; the Commission intends to fully pay off the Greensferry loan in Fiscal Year 2019. The projected revenues are \$7,006,830. Proponent reimbursements are funds the Agency pays out to the proponent for approved public infrastructure, including debt and interest repayment and interest repayment of that debt.

The operating expenses of the URA declined 8.5% from FY 2018. Decreased expenses included: unemployment taxes, postage, computer software and telephone. Slight increases are projected for employee wages, engineering services, insurance, office equipment, computer repair and maintenance and website hosting. The Agency plans to update its aging computer system and there will be related expenses for that. Contingency was increased from \$5,000 to \$10,000 and \$6,465 will be carried over to the General Fund. Total expenses are \$7,006,830. The income and expenses projected in the FY 2019 budget balance.

At this time Chairman Baltzell asked if any forms for public comment had been submitted. Being none, Baltzell closed the Public Hearing at 8:12 a.m. for Commission deliberation and action.

UNFINISHED BUSINESS

Resolution 2018-06 Approving the FY 2019 Budget. Commissioner Crosby made a motion to approve the FY 2019 Budget and adopt Resolution 2018-06, seconded by Carstensen. ROLL CALL: Davis – Aye; Baltzell – Aye; Carstensen – Aye; Crosby – Aye; Horn – Aye. Motion carried.

NEW BUSINESS

Approval of Semi-Annual Proponent Reimbursements. Fountain stated the semi-annual proponent reimbursements totaling \$848,185.15 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	\$390,262.69	\$1,614,414.19
Tullamore	Copper Basin Construction	\$298,976.50	\$3,615,455.27
Tullamore Commons II	Whitewater Creek	\$ 13,595.65	\$ 218,621.80
W. Seltice II	Greenstone Corporation	\$145,350.31	\$ 571,546.88

As the proponent of a District puts in additional infrastructure as approved in the District Plan, those costs are submitted and reviewed by Welch Comer and the Finance Committee. After Commission approval, the additional amount is added to the remaining obligation. There were cost submittals for Expo and Center Point Districts. Expo has a current fund balance of \$540,931.84 which will be used to reimburse costs for Expo Parkway and Jacklin Road. It is anticipated to receive those costs prior to our fiscal year end. In the Center Point District, the Pointe Apartments, LLC has \$36,613.76 which is awaiting signed agreements from Todd Prescott and cost submittal for Expo Parkway West, prior to those monies being released.

Commissioner Carstensen made a motion to approve the Semi-Annual Proponent Reimbursements as presented, seconded by Davis. Roll Call: Baltzell – Aye; Carstensen – Aye; Crosby – Aye; Horn – Aye; Davis – Aye. Motion carried.

Approval of City Center Surplus Rebate Checks. Fountain stated that last September the Agency published a closing budget for City Center and on March 15, 2018 approved Resolution 2018-01 recommending termination of the City Center Plan and Revenue Allocation Area (RAA) and a surplus be declared and distributed. The total rebate amount is \$448,435.64; following is a breakdown of the amounts being returned to the various taxing entities:

Taxing Entity	Rebate Amount
Kootenai County	\$104,359.57
City of Post Falls	\$187,291.81
Post Falls Highway District	\$ 17,160.91
School District #273	\$ 20,540.65
Kootenai County Fire & Rescue	\$ 66,434.78
Community Library Network	\$ 12,440.65
North Idaho College	\$ 34,487.20
Kootenai EMS	\$ 5,720.07

A motion would be in order to approve the payments along with Resolution 2018-07. Commissioner Carstensen made a motion to approve the payments and Resolution 2018-07, seconded by Crosby.

Crosby noted that with the closing of the City Center District, \$21,903,395 new development dollars is being returned to the taxing entities. This will result in a significant increase in tax revenue to each of the entities and shows the value of the urban renewal program. The City of Post Falls can receive approximately \$115,000 due to the closure of the City Center District.

Roll Call: Davis – Aye; Baltzell – Aye; Carstensen – Aye; Crosby – Aye; Horn – Aye. Motion carried.

STAFF REPORT

Fountain stated that Panda Express has started construction in the southeast corner of WalMart in the Center Point District and Maverick Gas Station has submitted their site plans to the City for review. Pointe Partners is continuing negotiations with four (4) industrial users in that district.

COMMISSIONER COMMENTS

Crosby thanked the Planning & Zoning Commission for taking the time to review the Plan documents for the Technology District with confirmation that it meets the conformity of the Comprehensive Plan with recommendation to City Council.

Carstensen encouraged all to attend the North Idaho State Fair next week.

CHAIRMAN COMMENT

Baltzell is looking forward to the results of the City Council meeting on August 21st for the recommendation made by P&Z for the new Plan so a hearing dated can be set for October 2nd or 16th. It will be a huge contribution to the community in many ways.

ADJOURNMENT

Baltzell asked for a motion to adjourn. Commissioner Davis made the motion, seconded by Crosby. All in favor by voice vote. Meeting was adjourned at 8:22 am.

Respectfully submitted,



Diane Fountain, Executive Director



Jerry Baltzell, Chairman