POST FALLS URBAN RENEWAL MINUTES
August 20, 2026

CALL TO ORDER, ROLL CALL AND PLEDGE OF ALLEGIANCE
Chairman Christi Fleischman called the meeting to order at 9:04 a.m. Executive Director Joseph Johns called the roll. Present, in addition to Fleischman were Commissioners Eric Clemensen, Len Crosby, Collin Coles, Pat Leffel, Joe Rodriguez and Dominic Parmentier (via Zoom). Counselor Pete Bredeson was also present. Fleischman led the Pledge of Allegiance.

CEREMONIES, APPOINTMENTS AND ANNOUNCEMENTS
None

CONFLICT DISCLOSURE
None

CONSENT CALENDAR

Johns introduced the Consent Calendar. Item A in the Consent Calendar is the Commission Minutes, July 16, 2026

Item B is the District Review Committee Meeting Minutes, July 16, 2026

Item C is the Joint Workshop Minutes, July 21, 2026

Item D is the payables for this month totaling $22,383.07

Item E is the Bank Activity Report which shows total funds in all accounts of $6,493,220.79 and accrued interest for the month of $13,434.94

Item F is the financial reports as of July 31, 2026.

Approval of the consent calendar will authorize a transfer of $22,383.07 to the First Interstate Checking Account for the monthly payables and $13,434.94 accrued interest to the General Fund

Commissioner Clemensen made a motion to approve the Consent Calendar as presented, seconded by Coles. Roll Call Vote: Clemensen – Aye; Leffel – Aye; Coles – Aye; Fleischman – Aye; Crosby – Aye; Rodriguez – Aye; Parmantier – Aye. Motion carried.

COMMITTEE UPDATES
Finance & Policy – Crosby: Reviewed the monthly financials and finalized the budget presentation.

District Review – Fleischman: Nothing to report.

Communication, Property and Personnel – Clemensen: Nothing to report.

CITIZEN COMMENTS
None

PUBLIC HEARING
Fleischman opened the Public Hearing for the proposed Fiscal Year 2027 Budget at 9:08 am.

Treasurer Crosby presented the FY 2027 Budget.

Key aspects of this year's budget include projected revenues from tax increment based on analysis of this year's preliminary values from the Kootenai County Assessor's Office relative to the prior year's values and levy rate. For FY2027 it is expected the levy rate will see a small decrease as Post Falls property values have increased approximately 7%. For FY 2027, projected tax increment from the three active districts is expected to increase by approximately 18%, or $427,074, compared with FY 2026. This increase is attributable primarily to continued development stimulated by public infrastructure improvements funded through the Commission. The Urban Renewal Commission has completed and closed seven (7) urban renewal districts and returned all the increased tax revenues from the new and future development within those districts to the underlying tax entities and the public. The majority of those districts were closed early with any excess tax increment rebated to the taxing entities. Throughout the Agency's existence over $7 Million of surplus funds have been rebated to the underling tax districts. Total closing year valuation increases due to new development within the closed urban renewal districts has exceeded $1.08 Billion, greatly expanding values providing increased tax revenue to offset increased demand for services by residential homeowners. This is an important measure of the Commission's long-term impact: infrastructure investments made through urban renewal can continue to produce benefits for the community and the underlying taxing entities long after a district has been closed. The Commission is also projecting approximately $49,833 from the General Fund to meet anticipated operating expenses during FY 2027. Interest income is conservatively projected at $49,000 based on the expectation that interest rates will remain relatively stable while recognizing that the Commission's capital improvement fund balance will decline as reimbursements are made for completed public infrastructure. The Commission is not projecting any borrowing in FY 2027. Total FY 2027 revenues, including carryover funds, are projected at $3,996,065.

The expenses for FY 2027 will continue to be, primarily, the reimbursement for eligible public improvements and infrastructure that have been approved, completed, and dedicated to the City. Proponent reimbursements for approved and completed improvements are currently projected at $3,797,566. These projections assume that existing improvements identified in the approved district plans will be completed during FY 2027. If an improvement is not completed, approved, and dedicated during FY 2027, the associated funds will remain available and be carried forward into the FY 2028 budget. The Post Falls Urban Renewal Commission currently has no debt and no plans to incur debt in FY 2027.

Operating expenses are projected at $198,499 for FY 2027. This represents an increase of approximately 9.5% over the FY 2026 budget. The increase consists of an approximately 8.3% increase in ongoing annual operating expenses, along with additional one-time costs associated with anticipated Eligibility and Feasibility Studies. These studies will support the Commission's work with City staff to evaluate the potential benefits of a possible new urban renewal district along the East Seltice corridor, from Highway 41 to the eastern city limits. The Agency's FY 2026 operating budget was $181,324. Through the first 10 months of FY 2026, actual operating expenses total approximately $131,383, or about $13,138 per month. Annualized, projected FY 2026 operating expenses will be approximately $157,660, or roughly $23,664 below the current budget, which will be carried over into the General Fund.

The FY 2027 budget continues to include a $5,000 contingency. The primary increases in individual operating line items include audit services, employee wages, insurance (ICRMP and SIF), engineering services, contract services, computer software, office equipment and postage. These increases reflect a combination of actual cost increases, inflationary pressures, and resources needed to accomplish the Commission's goals for the coming fiscal year.

Total expenses for FY 2027 budget are $3,996,065. The overwhelming majority of which is directed toward public infrastructure and improvements within the urban renewal districts. Approximately 95% of the budget is dedicated to public improvement reimbursements, with approximately 5% supporting the operation and administration of the Commission and its districts. That allocation reflects the Commission's primary purpose: to use tax increment to facilitate public infrastructure and encourage private investment and new development that expands Post Falls' tax base.

Chairman Fleischman thanked Treasurer Crosby for the presentation. Fleischman asked for questions. No questions followed. Fleischman asked Johns if any public comment on the proposed budget had been received. Johns responded that no public comment forms were submitted and no comments had been received by the office.

Fleischman closed the Public Hearing at 9:21 a.m.

UNFINISHED BUSINESS

Resolution 2026-1 Approving FY 2027 Annual Budget. Commissioner Coles made a motion to approve the FY 2027 budget, seconded by Rodriguez. Roll Call Vote: Clemensen – Aye; Leffel – Aye; Fleischman – Aye; Crosby – Aye; Coles – Aye; Rodriguez – Aye; Parmantier – Aye. Motion carried.

NEW BUSINESS

Approval of Semi-Annual Proponent Reimbursements. Johns stated tax increment received by the Agency is disbursed in February and August each year. The reimbursements for August are as follows:

District	Proponent/Developer	Reimbursement	Remaining Obligation
Downtown District	A&A Construction, Inc.	$ 348,063.96	$ 3,352,339.34
Technology District	Beyond Green, Inc.	$3,629,459.59	
	Total August Reimbursements	$3,977,523.55	

The Downtown District Minor Project Program has a current fund balance of $210,660.83 for future reimbursement of approved minor projects in the Downtown District.

The Post Falls Technology District has a current fund balance of $849,433.20 for future reimbursement of public infrastructure improvements.

The Pleasant View District has a current fund balance of $0.00. The Agency has a pending receivable in this district based upon the annual administrative fee. The current receivable is for the amount of $ -90,320.84 pending remittance of sufficient future tax increment.

Commissioner Clemensen made a motion to approve the Semi-Annual Proponent Reimbursements as presented, seconded by Crosby. Roll Call Vote: Clemensen – Aye; Leffel – Aye; Coles – Aye; Fleischman – Aye; Crosby – Aye; Rodriguez – Aye; Parmantier – Aye. Motion carried.

Minor Project Reimbursement Agreement – Rooted Coffee House (Downtown URD). Johns presented the MPRA, drafted by Counselor Bredeson, for city-required frontage improvements associated with the construction of Rooted Coffee House at 310 Spokane Street. The city-required improvements are in accordance with the Downtown Parking Plan. The total value of the project is estimated as just over $3 MILLION with the estimated costs of the public improvements totaling $65,535. The project is anticipated to create approximately 8 new jobs in the first year. The site plans and aerial image showing the project location were shown. Commissioner Crosby asked if the proposed improvements had been reviewed by the agency's consulting engineers. Johns confirmed the consulting engineers provided a preliminary review of the submitted documentation. Johns clarified that the agency and property owner were still in the agreement stage of the overall process. Counselor Bredeson added that an Order of Approval would be required once the project was completed and the actual reimbursement was to be considered. Fleischman asked for motion to approve the reimbursement agreement. Crosby made the motion, seconded by Coles. Roll Call Vote: Parmantier – Aye; Rodriguez – Aye; Leffel – Aye; Coles – Aye; Clemensen – Aye; Crosby – Aye; Fleischman – Aye. Motion carried.

STAFF REPORT

Johns reported the agency has received a couple of new inquiries for participation in the urban renewal program. One is for to a potential Minor Project associated with a proposed daycare at 212 E. Mullan Ave in the Downtown District while the other is for the construction of Cecil Ave, north of Prairie Avenue in the Post Falls Technology District. Both projects are expected to provide proposal letters and project questionnaire information in the near future.

COMMISSIONER COMMENTS

None

CHAIRMAN COMMENT

None

ADJOURNMENT

Fleischman adjourned the meeting at 9:30 a.m.

Respectfully submitted,

Joseph Johns, Executive Director

Christi Fleischman, Chairman