

POST FALLS URBAN RENEWAL MINUTES

August 19, 2021

CALL TO ORDER, ROLL CALL AND PLEDGE OF ALLEGIANCE

Vice-Chairman Larry Carstensen called the meeting to order at 8:00 a.m. Executive Director Diane Fountain called the roll. Present, in addition to Carstensen were Commissioners Eric Clemensen, Jame' Davis, Len Crosby and Christy Fleischman. Jerry Baltzell had an excused absence and Collin Coles had not yet arrived. Davis 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 Workshop Minutes, July 13, 2021.

Item B is the Commission Workshop Minutes, August 5, 2021.

Item C is the payables for the month totaling \$2,972,040.50 which includes the semi-annual payment of \$469,000 to WTB for the Greensferry Overpass loan and payment to the City of Post Falls for the sewer projects in the EPF district totaling \$2,496,269.74.

Item D is the Bank Activity Report which shows total funds in all accounts of \$7,320,138.74 with accrued interest for the month of \$543.02.

Item E is the financial reports as of July 31, 2021.

Item F is the FY2021 Audit Engagement Letter from Anderson Brothers, CPA to perform the FY2021 Audit for an amount not to exceed \$7,475.00.

Item G is a revision to Policy #27. The holiday schedule has been updated to reflect those recognized in the State of Idaho. It adds Martin Luther King Day and Columbus Day and removes the Floating Holiday. Vacation accrual numbers have been adjusted to reflect a 30 hour work week.

Approval of the consent calendar will authorize a transfer of \$2,972,040.50 to the First Interstate Checking Account for the monthly payables and \$543.02 accrued interest to the General Fund.

Commissioner Crosby asked about the \$2.49 Million check to the City of Post Falls. Fountain confirmed the payment is for the 12th Ave. Lift Station and EQ Basin and the upsizing project along Highway 41. The balance on those projects is \$626,000.

Commissioner Clemensen inquired on when final payment would be made on the EPF sewer projects. Fountain hopes to get a final billing by September 30.

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

COMMITTEE UPDATES

Finance & Policy – Crosby – Financial Statements were reviewed and approved. The budget has been completed and was published as required. Committee worked with the hiring committee and worked on the changes to Policy #27.

District Review – Davis – Nothing to report.

Communication, Property and Personnel – Carstensen – Committee has been involved in the hiring process for a new Executive Director. Committee will also be looking at updating the website in the near future.

CITIZEN COMMENTS

None

PUBLIC HEARING

Carstensen opened the Public Hearing for the proposed Fiscal Year 2022 Budget at 8:10 am.

Treasurer Crosby presented the FY 2022 Budget. Key aspects in this year's budget include revenues from tax increment based on values provided by the Kootenai County Assessor's office. As property values have increased, the levy rate projection for our urban renewal districts has decreased. The budget shows no increment for the W. Seltice II District as that district was closed in 2020, resulting in approximately \$360,000 per year going back to the underlying taxing districts. We are not anticipating any tax increment revenue for the recently created Downtown and Pleasant View URD's. Interest income is conservatively projected to be \$7,200. Carryover revenues in the East Post Falls district are going to be used sewer improvement projects and to pay down the Greensferry Overpass loan. Total funds available including carryover is \$5,988,354.

Main expenditures for FY 2022 will be debt reduction and proponent reimbursements for completed and accepted public improvements. The Commission will continue to aggressively pay down debt which as of September 30, 2021 is \$1.4 Million. Once the Expo, Center Point and East Post Falls District close approx. \$5.1 Million per year will go back to the underlying taxing entities.

Operating expenses for the Agency has been increased in FY 2022 primarily due a three month transition for the incoming Executive Director. The projected FY 2022 Operating expenses represent 3.88% of our projected revenue. We are projecting a 20% increase in actual operating expenses for FY2022 from \$193,000 to \$232,000 primarily as a result of having two employees over the proposed transition period. We are also projecting a contingency of \$45,000 and a carry-over of \$79, 187 to the Agency's General Fund.

Total expenses for FY 2022 including debt repayment, payments for public improvements, contingency and general fund carryover are \$5,988,354 – the proposed budget is fully balanced.

At this time Vice-Chairman Carstensen asked if any forms for public comment had been submitted. Being none, Carstensen closed the Public Hearing @ 8:22 am for Commission deliberation and action.

UNFINISHED BUSINESS

Resolution 2021-03 Approving Fiscal Year 2022 Annual Budget. Commissioner Davis made a motion to approve the FY 2022 Budget and adopt Resolution 2021-03, seconded by Fleischman. Motion carried by voice vote.

Agency By-Laws Amendment. Commissioner Crosby stated the amendment reflects a change to the Monthly Commission meetings from 8 am to 9 am. Crosby made a motion to accept the Agency By-Laws Amendment, seconded by Clemensen. Motion carried by voice vote.

NEW BUSINESS

Beyond Green, Inc. Order of Approval. The proponent of the Post Falls Technology District has requested reimbursement of the prepaid cost for the Urban Renewal Plan of \$15,000. The Plan Fee is specifically referenced as a "Participant Advance" in the OPA. The Order of Approval has been reviewed by legal counsel.

Commissioner Clemensen made a motion to approve the Order of Approval for Beyond Green as presented, seconded by Fleischman. Motion carried by voice vote.

Crosby noted this is the first time a proponent has requested reimbursement of the Plan Fees.

Approval of Semi-Annual Proponent Reimbursements. Fountain stated per Agency policy #7, tax increment received by the Agency for each of the urban renewal districts is disbursed in February and August each year for public improvements that have been planned, completed and paid for by the proponent and dedicated to the City. August reimbursements will be distributed as follows:

<u>District</u>	<u>Proponent</u>	<u>Reimbursement</u>	<u>Remaining Obligation</u>
Center Point	Pointe Partners, LLC	\$175,605.68	\$ 0
Tullamore	Copper Basin Construction	\$553,498.65	\$ 786,802.00
Tullamore Commons II	Whitewater Creek	\$ 11,081.58	\$ 149,834.83
Expo	Watson & Assoc.	<u>\$180,433.95</u>	\$ 451,177.17
	Total	\$920,619.86	

In the Center Point District there is a balance of \$56,155.82 to be used for future improvements.

Pointe Apartments has a current balance of \$107,683.94 that is being held until the Agreement between Whitewater Creek and Point Partners, LLC is signed.

The Post Falls Technology District has a current balance of \$158,503.08 for future reimbursement of public infrastructure improvements.

The East Post Falls S/C District has a balance of \$1,900,776.94 that will be used for traffic signals along Highway 41 @ Poleline & 16th Avenues and towards payments on the Greensferry Overpass loan. The Agency has also entered into an MOU with the city for improvement projects on Cecil Avenue. The projected increment for FY2022 in this district is \$2.6 Million.

Commissioner Coles arrived @ 8:28 am

Commissioner Davis made a motion to approve the Semi-Annual Proponent Reimbursements as presented and authorize the transfer of \$920,619.86 to the First Interstate Bank Checking account, seconded by Clemensen. Roll Call: Clemensen – Aye; Coles – Aye; Davis – Aye; Carstensen – Aye; Crosby – Aye; Fleischman – Aye. Motion carried.

Projected 2022 Closing Budget – Expo District. Fountain stated a closing budget must be published the year prior to the closure of an urban renewal district. There will be a public hearing on September 16, 2021 to present the closing budget for the Expo URD. The closure date of the Expo District is November 6, 2021, the Agency can collect increment in 2022 per Idaho Code. The anticipated increment of \$569,210 will be used to reimburse the proponent for public improvements.

Commissioner Clemensen mad a motion to tentatively approve the Closing Budget for the Expo District and authorize staff to advertise the Public Hearing for September 16, 2021, seconded by Crosby. Motion carried by voice vote.

EXECUTIVE SESSION

Commissioner Clemensen moved to enter into Executive Session @ 8:35 am for the following purpose pursuant to Idaho Code Section 74-206 (1)(a) To consider hiring a public officer, employee, staff member or individual agent, wherein the respective qualities of individuals are to be evaluated in order to fill a particular vacancy or need. Seconded by Crosby. Roll Call: Clemensen – Aye; Coles – Aye; Davis – Aye; Carstensen – Aye; Crosby – Aye; Fleischman – Aye. Motion carried.

Regular meeting convened @ 8:58 am.

STAFF REPORT

Fountain stated that she met with the Shelly, the City Administrator last week. Shelly indicated the Mayor is considering changing the terms for the urban renewal Commissioners to 4 years to make the terms consistent with other Commissions. If that change is made it would take place near the end of the year and would not affect current terms. They city will have to pass an Ordinance and the Agency would revise its By-Laws.

COMMISSIONER COMMENTS

Commissioner Crosby attended a meeting where Sen. Risch attended and shared information on the 2020 Census. The growth seen in Kootenai County from 2010 to 2020 was 36,868 people. That growth represents a larger population than 32 other Idaho counties and 153 other Idaho cities. The populations of ADA County and Kootenai County now represents 49.5% of the state population. The Post Falls/Rathdrum area is

expected to exceed the population of Coeur d'Alene by 2030. Growth will continue for at least another five (5) years.

CHAIRMAN COMMENT

Please visit the North Idaho State Fair.

ADJOURNMENT

Carstensen asked for a motion to adjourn. Commissioner Davis made the motion, seconded by Crosby. All in favor by voice vote. Meeting was adjourned at 9:00 am.

Respectfully submitted,



Diane Fountain, Executive Director



Larry Carstensen, Vice-Chairman