Call meeting to order

Chairman Called the meeting to order at 8:02am

Commissioners Bruner, Bills, Haverfield and Dina were present. Commissioner Miller was absent.

Minutes

Approve minutes of the July 23, 2019 Special Meeting - Action Item

  Motion to approve July 23, 2019 minutes made by Commissioner Haverfield. Seconded by Commissioner Bruner. All in favor.

Agenda Items

  Staff Communications – Beth Ineck

After reviewing records, staff recommends pulling the Arbitrage Compliance Fee Agreement from the agenda until the required dates for arbitrage can be confirmed with BNY.

Public Hearing

  1. Public Comments on FY20 Proposed Budget – Action Item

  a. Beth presented the proposed FY20 budget. This budget is very similar to the budget reviewed at the previous meeting. On the expense side, the changes include $35,000 for the shared Main Street Coordinator position and a slight increase in the Facilities contract as they will be taking over the daily parking garage maintenance. This budget also shows set-aside for projects, the Vallivue reimbursement, the first Mercy Creek payment and early debt service payments. On the revenue side, the budget shows 5.7 million increment value, $50,000 of parking garage revenue, $7,000 of parking lot revenue and early debt payment reserve of $788,376.

  b. Chairman Bills asked Beth to clarify the Early Debt Payment Reserve line item. Beth explained that these are funds that will be coming from the reserves that the commission has identified for early debt payment. Chairman Bills asked about the other
funds in reserve and Beth explained that they are currently unrestricted to allow the commission flexibility with how they are spent compared to the restricted funds that are required by the bonds.

c. Commissioner Haverfield asked about restricted funds and how early debt payment differs between the two bond series and let the commission know that City Council discussed the shared Main Street position and funded with the understanding that it would not be filled until mid-year if NDC does not approve the expenditure.

d. Mayor Kling spoke in support of NDC funding the Main Street position. She explained that the City has great momentum. Commissioner Haverfield asked Mayor Kling if the salary range would attract a quality applicants and if the Downtown Business owners were participating financially. Mayor Kling answered that there might be additional funds through the administration of the Daniels fund and that the Downtown Business owners currently don’t have financial capacity but that the hope is that they move that way in the future.

Motion to close public hearing made by Commissioner Haverfield, seconded by Commissioner Bruner. All in favor.

New Business

1. Discuss and approve FY20 Proposed Budget – Action Item

Motion to approve the FY20 Budget as proposed made by Commissioner Bruner, seconded by Commissioner Dina. Roll call, all in favor.

2. Finance Report and Payables – Action Item

Morgan presented the finance report and payables from Nichols Accounting. This month’s non-recurring payments are for the Facilities contract and for parking garage gate repairs. MOUs with payment schedules for all City departments that provide services will be presented in September.

Motion to approve Finance Report and Payables made by Commissioner Haverfield, seconded by Commissioner Dina. Roll call, all in favor.

3. Karcher Mall Redevelopment Contract Approval – Action Item

Beth reviewed the discussion held at the previous meeting and explained how staff created the projections based on the projected increase in property value based on Rhino Development’s proposed improvements to the property. She explained how the estimated time of project completion and the total amount and annual percentage of
reimbursement effect the timeline and clarified how agreeing to this incentive would impact the ability of the commission to sunset the district if they chose that action in the future.

Commissioners Haverfield and Bills referenced the 100% reimbursement rate for the Mercy Creek project and thought that it was an appropriate standard to follow.

Commissioners Bills and Bruner discussed a mechanism to insure that the rebuild is underway before any reimbursements are issued.

Beth explained that the build back of the area impacted by demolition can be added to the contract.

Bill Nichols walked the commission through the proposed contract language and clarified the commission’s questions regarding when the reimbursement would start paying out and Beth clarified that the amount the commission is discussing is a maximum amount that would have to backed up with documentation.

Sanjiv Chopra from Rhino Development thanked the commission and staff for their time and support. He explained how the demolition is key to their redeveloper plan and that he appreciates any support the commission can provide.

Commissioner Haverfield had questions about Design Review language in the contract and if that was a response to the Half Block project. Beth clarified that the Half Block project was a disposition and that this contract was based on a previous reimbursement project.

*Motion to approve a reimbursement agreement with Rhino Development for up to 1.5 million dollars, including infrastructure and demolition costs made by Commissioner Bruner, seconded by Commissioner Haverfield. Roll call, all in favor.*

4. Bond early payoff financial analysis proposal – Action Item

Chairman Bills presented a proposal from Piper Jaffrey for analysis of the bonds to see if there are any strategic paths to paying off the bonds early or refinancing or renegotiating the 2013 series bonds.

Chairman Bills clarified some questions that Commissioners Haverfield and Bruner had regarding component 2 the fee agreement should bond refinancing be the option the board goes with. There are only two companies that deal with these types of bonds in the valley and Idaho’s urban renewal bonds are challenging due to the Idaho legislature’s recent rule changes.
Motion to authorize the chair to sign a service agreement for services, not to exceed $8,500 as described in Component 1 of the summary proposal prepared by Piper Jaffrey and reviewed by staff and legal council made by Commissioner Haverfield, and seconded by Commissioner Bruner. Roll call, all in favor.

Mercy Creek property maintenance of projects granted tax increment reimbursement—

Beth updated the commission on a citizen complaint regarding weeds on the Mercy Creek property. After speaking with the on-site property manager, it seems like the issue was due to the new lawn seeding. There is no property maintenance language in the Mercy Creek contract.

Adjourn- Action Item
Motion to adjourn made by Commissioner Haverfield, seconded by Commissioner Dina. All in favor.

Approved this 17th day of September, 2019

Chairman

ATTEST: Secretary