



BOARD MEETING MINUTES

WEDNESDAY JUNE 19, 2013 4:00 P.M.

COEUR D'ALENE PUBLIC LIBRARY COMMUNITY ROOM

1. CALL TO ORDER

Chairman Denny Davis called the LCDC Board meeting to order at 4:00 p.m.

LCDC Board members present: Davis, Hoskins, Patzer, Jordan, Goodlander, Hassell, Druffel. LCDC staff present: Berns. LCDC legal counsel present: Quade (Hawley-Troxell).

2. PLEDGE OF ALLEGIANCE

3. PUBLIC COMMENT

Guests Present: Keith Erickson, Phil Boyd, Julie Van Wormer

No public comment was provided.

4. APPROVAL OF MINUTES

- May 15, 2013 Board Meeting Minutes

Motion by Commissioner Hoskins, seconded by Commissioner Druffel, to approve the May 15, 2013 Board meeting minutes. Motion carried.

5. COMMITTEE REPORTS

❖ Finance Committee – Commissioner Rod Colwell

Lake & River District Monthly Financials

Lake & River District Payables

LCDC Executive Director Tony Berns, in Finance Committee Chair Rod Colwell's stead, reviewed and discussed the May Lake and River District financial statements, and the May / June account payables sheet, with the Board.

Motion by Commissioner Patzer, seconded by Commissioner Druffel, to approve the May financial statements and the May / June accounts payables for the Lake & River Districts as presented. Motion carried.

Mill River Seniors Project: Improvement Reimbursement Agreement (IRA)

Background: On July 21, 2010, the LCDC Board gave preliminary approval for the reimbursement funding of public improvements associated with this project in an amount not to exceed \$326,000. A more detailed summary of this Board action is available in the meeting minutes from the July 21, 2010 LCDC Board meeting. On May 15, 2013, the LCDC Board authorized drafting a Mill River Seniors IRA document for Board consideration. A more detailed summary of this Board action is available in the meeting minutes from the May 15, 2013 LCDC Board meeting.

Ex. Director Berns discussed the Mill River Seniors IRA document with the LCDC Board. The Mill River Seniors IRA as drafted will reimburse the developers of the Mill River Seniors project over time for Board-approved project related public improvements in an amount not to exceed \$326,000. Parameters of the IRA agreement include:

- an interest rate of 3.75%, with interest accrual beginning on May 8, 2013,
- an interest payment cap on the IRA note of \$97,800 (30% of the approved reimbursement amount),
- an annual public art retention of 2% of realized tax increment revenues, and
- an annual LCDC retention of 25% of realized tax increment revenues.

Motion by Commissioner Hoskins, seconded by Commissioner Druffel, approving the Mill River Seniors IRA as drafted and presented, including the following parameters:

- **an interest rate of 3.75%, with interest accrual beginning on May 8, 2013,**
- **an interest payment cap on the IRA note of \$97,800 (30% of the approved reimbursement amount),**
- **an annual public art retention of 2% of realized tax increment revenues, and**
- **an annual LCDC retention of 25% of realized tax increment revenues.**

Motion carried.

Recusal: Commissioner Davis recused himself from voting on this motion since his organization works/has worked with or for the applicant or principals of Whitewater Creek, Inc. on initiatives unrelated to the Mill River Seniors housing project.

Riverstone West Apartments Project: Improvement Reimbursement Agreement (IRA)

Background: On March 16, 2011, the LCDC Board gave preliminary approval for the reimbursement funding of public improvements associated with this project in an amount not to exceed \$395,000. A more detailed summary of this Board action is available in the meeting minutes from the March 16, 2011 LCDC Board meeting. On May 15, 2013, the LCDC Board authorized drafting a Riverstone West Apartments IRA document for Board consideration. A more detailed summary of this Board action is available in the meeting minutes from the May 15, 2013 LCDC Board meeting.

Ex. Director Berns discussed the Riverstone West Apartments IRA document with the LCDC Board. The Riverstone West Apartments IRA as drafted will reimburse the developers of the Riverstone West Apartments project over time for Board-approved project related public improvements in an amount not to exceed \$395,000. Parameters of the IRA agreement include:

- an interest rate of 3.75%, with interest accrual beginning on May 8, 2013,
- an interest payment cap on the IRA note of \$118,500 (30% of the approved reimbursement amount),
- an annual public art retention of 2% of realized tax increment revenues, and
- an annual LCDC retention of 25% of realized tax increment revenues.

Motion by Commissioner Hoskins, seconded by Commissioner Hassell, approving the Riverstone West Apartments IRA as drafted and presented, including the following parameters:

- **an interest rate of 3.75%, with interest accrual beginning on May 8, 2013,**
- **an interest payment cap on the IRA note of \$118,500 (30% of the approved reimbursement amount),**
- **an annual public art retention of 2% of realized tax increment revenues, and**
- **an annual LCDC retention of 25% of realized tax increment revenues.**

Motion carried.

Recusal: Commissioner Davis recused himself from voting on this motion since his organization works/has worked with or for the applicant or principals of Whitewater Creek, Inc. on initiatives unrelated to the Riverstone West Apartments housing project.

North Idaho College (NIC) Sports Complex Center: Update

Ex. Director Berns shared that the Finance Committee is completing its analysis of the request by NIC for \$10 million in LCDC partnership funding for the proposed NIC sports complex located in the LCDC River District. The committee has directed Ex. Director Berns to engage the services of a financial consultant to assist

in validating the River District's ability to potentially fund a \$10 million bond placement. The Finance Committee intends to bring forward a recommendation re. this NIC partnership funding request to the Board at the July, 2013 LCDC Board meeting.

McEuen Park Initiative: Update

Ex. Director Berns shared that the McEuen Park project is progressing well and on schedule. Ex. Director Berns also shared that he meets regularly with City of CDA staff and representatives from Welch-Comer Engineers to review project status, and to review/discuss potential change order items pertinent to the project.

❖ **Housing Committee**

Ex. Director Berns shared that representatives of The Housing Company (THC) and Idaho Housing & Finance Association (IHFA) have been working with local CDA architect firm Miller-Stauffer on evaluating a simpler development concept for the potential Midtown mix-use housing project. The revised concept relies on smaller housing unit floor plans, incorporates market rate rental units along with affordable rate rental units, with the design focusing more on the "urban tenant" by limiting units to a mix of one-bedroom and studio apartments, using applicable design features. Design concepts will hopefully be available in the coming weeks.

Commissioner Goodlander shared that she met recently with several Midtown stakeholders and they are receptive to continue to work with THC and IHFA on a Midtown mix-use housing project.

❖ **Parking Committee**

Ex. Director Berns shared that the CDA Downtown Association and the CityLink bus organization have reached an agreement to provide free daily passenger shuttle bus service from the Memorial Field area to the downtown area. The shuttle bus will travel from the Memorial Field area and proceed to Lakeside Avenue providing two stops along that portion of the route. The shuttle will turn south off of Lakeside Avenue onto 7th Street and head to the City Hall south parking lot. The shuttle bus will return to the Memorial Field area using the same route. Shuttle service is planned to run daily from June 15th to September 1st, from 9:30 a.m. to 6:30 p.m. Monday thru Saturday, and from 11 a.m. to 5 p.m. on Sundays.

❖ **Communication Committee – Commissioner Dave Patzer**

Communication Committee Chair Dave Patzer invited LCDC communication consultant Keith Erickson to join the meeting. Mr. Erickson shared that the June LCDC newsletter was being distributed today, and that topics covered in this issue of the newsletter include:

- Riverstone Rebound

- McEuen Park construction update
- Community Profile: Randy Teall, City of CDA Parking Commission

Mr. Erickson shared that the LCDC newsletter readership continues to grow, with a newsletter open rate of nearly 50%, which is very good based on an industry average open rate of 20%. Mr. Erickson also shared that new McEuen Park signage illustrating how the park will look when complete is being placed on the construction fences along the Front Avenue intersections at 4th, 5th and 6th streets.

- Commissioner Patzer shared that one of the signs should also be placed over on the park's south trail at the base of Tubbs Hill.

Mr. Erickson shared that the LCDC's website content is being updated, including new photos/visuals. The new LCDC video has been viewed at least 400 times on the YouTube website. Efforts are underway to determine the actual number of video views from the LCDC website.

Mr. Erickson shared that the CDA Press website tile ad is up and running, appearing on several Press website pages. The Press has shared that their website receives 8,000 to 10,000 visits a day. 16,500 LCDC tile ad impressions occurred on the CDA Press site during the June 3 - June 12 time period. The click rate on the tile ad was .03%, about average from a media tracking standpoint.

- Commissioner Davis shared that he routinely receives quite a few e-newsletters, and that the LCDC's e-newsletter really shines from a quality/content standpoint.
- Commissioner Patzer shared that past LCDC Board meeting videos are being archived on the LCDC website. Are these archived videos being viewed?
 - Mr. Erickson was not sure if views of the videos can be tracked – he will investigate if such website analytics are available.

6. EXECUTIVE DIRECTOR'S REPORT

LCDC Presentation at Association of Idaho Cities (AIC) Conference

Ex. Director Berns shared that he has been invited to the June AIC conference in Boise to share the LCDC's communication model with attendees. This LCDC invitation was arranged by leadership of the Redevelopment Association of Idaho (RAI – an association representing the majority of urban renewal agencies in the state) who consider the LCDC's communication efforts worthy of benchmarking.

Molitor & Associates (M&A) Governmental Relations Contract Renewal

Ex. Director Berns discussed the M&A proposed contract agreement for the 2013/2014 contract year. The proposed contract term runs from June 19, 2013 through June 1, 2014 with compensation proposed at \$2,000/month for the months of August, 2013 through May, 2014 in a base amount not to exceed \$20,000 for the contract's term.

Eligible out-of-pocket expenditures in addition to the base contract amount will be reimbursed as submitted and approved by the LCDC Ex. Director.

Consulting Services to be provided to LCDC by M&A pursuant to the agreement will include but are not limited to: monitoring legislative activities both during the legislative session and in the interim; lobbying elected members of the legislature on matters of interest to LCDC; providing testimony before appropriate committees of the Idaho legislature as directed by LCDC; participating in meetings on strategy for support or opposition of legislation referenced above; and all other activities normally expected of a government relations consultant. M&A may also provide similar services to those stated above as assigned by LCDC within the State of Idaho executive branch, including regulatory agencies.

- Commissioner Hoskins asked if the Redevelopment Association of Idaho (RAI) has reached a readiness level to assume government relations work for their member urban renewal agencies?
 - Commissioner Davis shared that he and Ex. Director Berns have been monitoring the maturation of the RAI, and the association has yet to reach a point where they can take on this responsibility. RAI is still building membership and their financial reserves are minimal at this time. The hope and desire is to one day have the RAI carry the government relations flag for the urban renewal agencies in Idaho, much like the service the Association of Idaho Cities provides for the cities of Idaho.
- Commissioner Goodlander asked what level of invoice detail does M&A provide to the LCDC?
 - Ex. Director Berns shared that M&A supplies a monthly invoice for professional services as per the LCDC/M&A contract, and also provides detail re. expenses incurred on behalf of the LCDC. M&A is compensated on a monthly lump sum basis for services rendered, and does not provide invoice detail as say a legal counsel would who bills by the hour.
 - Commissioner Davis shared that government relations professionals typically follow the lump sum billing business model when billing for their services. This type of billing model pertains to the type of work they perform which often times occurs over several meetings in non-conventional settings.
- Commissioner Patzer asked Ex. Director Berns to ask M&A to provide more detail in monthly invoices during the next contract period.

Motion by Commissioner Jordan, seconded by Commissioner Hoskins, approving the terms and conditions of the Molitor & Associates Governmental Relation Contract as presented. Discussion:

- *Commissioner Druffel shared that LCDC needs to continue to assist the RAI as it matures, but in the meantime, LCDC needs to have government relations talent working on our behalf in Boise.*

- *Commissioner Patzer shared that his sense is that last year M&A's efforts were very successful in that several anti-urban renewal bills never made it out of committee.*
- *Commissioner Davis shared that there were a lot of new faces in the legislature, along with new leadership. M&A assisted in helping the freshman legislatures understand the issues involved with urban renewal.*

Motion carried. (Commissioner Goodlander opposed the motion.)

Vacant LCDC Board Commissioner Position

Commissioner Davis and Ex. Director Berns discussed the process for seeking candidates to fill the open volunteer LCDC board commissioner seat that has resulted from the passing of LCDC board commissioner Jim Elder. The process will include the formation of an adhoc Board committee to review the qualifications of potential Board candidates, and the release of an announcement seeking candidate interest.

Commissioners Hoskins, Hassell and Druffel volunteered to be on the adhoc committee to review the qualifications of potential candidates. The intent is to have a new LCDC board member seated by the August Board meeting.

Adhoc Jobs Committee

Commissioner Patzer asked Ex. Director Berns to share an overview of the committee's activities to date. Ex. Director Berns shared that the committee has met with Steve Griffiths (Jobs Plus) re. how the LCDC can help with creating & retaining jobs in the area. One of the takeaways from this meeting involved potential LCDC partnership on the health care front, possibly working with the local higher education institutions and Kootenai Health (KH). The committee met recently with KH leadership re. their needs on the health care front (e.g. qualified staff issues) and how LCDC might play a partnership role by working with North Idaho College and/or Lewis Clark State College on this matter. KH thinks this is a valid opportunity to pursue, and is willing to continue meeting on this topic. Next step will be for the committee to gather representatives from KH and the area's higher education institutions to continue the conversation.

7. BOARD COMMISSIONER COMMENTS: No comments were provided.
8. PUBLIC COMMENT: No public comment was provided.
9. ADJOURN: **Motion by Commissioner Patzer, seconded by Commissioner Hoskins, to adjourn. Motion carried.**

The LCDC Board meeting adjourned at 5:02 p.m. Minutes prepared and submitted by Ex. Director Berns.