



BOARD MEETING MINUTES

WEDNESDAY AUGUST 21, 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, Goodlander, Hassell, Druffel, Colwell. LCDC staff present: Berns. LCDC legal counsel present: Quade (Hawley-Troxell).

2. PLEDGE OF ALLEGIANCE

3. PUBLIC COMMENT

Guests Present: Keith Erickson, Frank Orzell, Tom Hasslinger, Tina Johnson, Jon Mueller, Kevin Jester.

No public comment was provided.

4. APPROVAL OF MINUTES

- July 17, 2013 Board Meeting Minutes

Motion by Commissioner Goodlander, seconded by Commissioner Hoskins, to approve the July 17, 2013 Board meeting minutes. Motion carried.

5. LCDC FISCAL YEAR 2014 (FY2014) BUDGET HEARING

LCDC Chairman Davis called the FY2014 budget public hearing to order at 4:02 p.m. and asked Executive Director Berns to provide an overview of the proposed budget prior to public comment.

Ex. Director Berns shared summary comments re. the following LCDC proposed FY14 budget:

FY2014 Budget Overview

	<u>Lake District</u>	<u>River District</u>	<u>Total</u>
<u>Estimated</u> Beginning Fund Balance (10/1/13)	\$ 2,321,198	\$ 2,930,944	\$ 5,252,142
Revenues			
Estimated Tax Increment	\$ 3,950,719	\$ 1,704,786	\$ 5,655,505
Property Rental Receipts	\$ 147,579	\$ -	\$ 147,579
Int. & Misc. Funds	\$ 1,800	\$ 3,116	\$ 4,916
WTB Bond Draw - McEuen Park	\$ 6,800,000	\$ -	\$ 6,800,000
Capital Acquisition Financing	<u>\$ 350,000</u>	<u>\$ 140,000</u>	<u>\$ 490,000</u>
Total	\$ 11,250,098	\$ 1,847,902	\$ 13,098,000
Expenses			
Administration	\$ 87,432	\$ 87,432	\$ 174,864
Office Expenses	\$ 3,890	\$ 3,890	\$ 7,780
Travel	\$ 4,250	\$ 4,250	\$ 8,500
Professional Services	\$ 68,230	\$ 44,530	\$ 112,760
Notices	\$ 2,000	\$ 1,250	\$ 3,250
Communications	\$ 4,000	\$ 4,000	\$ 8,000
Insurance	\$ 2,672	\$ 2,672	\$ 5,344
Meetings	\$ 2,625	\$ 2,625	\$ 5,250
Utilities	\$ 11,712	\$ -	\$ 11,712
Property Management	\$ 88,757	\$ -	\$ 88,757
Organization Dues	\$ 4,255	\$ 4,255	\$ 8,510
Miscellaneous	\$ 500	\$ 500	\$ 1,000
Public Art	\$ 79,014	\$ 34,096	\$ 113,110
Capital Acquisition Expense	\$ 500,000	\$ 200,000	\$ 700,000
Debt: Interest	\$ 82,883	\$ -	\$ 82,883
Debt: Principal	\$ 9,064,727	\$ -	\$ 9,064,727
Parking Initiatives	\$ 50,000	\$ -	\$ 50,000
Planning	\$ 165,000	\$ 303,000	\$ 468,000
Grants	\$ 135,000	\$ -	\$ 135,000
Partnership Agreements (OPAs, IRAs)	\$ 67,778	\$ 346,761	\$ 414,539
Midtown Place Making	\$ 25,000	\$ -	\$ 25,000
Special Project Reserve	<u>\$ 750,000</u>	<u>\$ -</u>	<u>\$ 750,000</u>
Total	\$ 11,199,725	\$ 1,039,261	\$ 12,238,986
<u>Estimated</u> Ending Fund Balance (9/30/14)	\$ 2,371,571	\$ 3,739,585	\$ 6,111,156

Key FY2014 budget issues discussed with the Board:

These draft FY2014 budgets have been reviewed in detail by the Finance Committee. Ex. Director Berns also shared that under Idaho urban renewal law, urban renewal agencies are required to prepare and finalize budgets prior to September 1st of each year. Therefore, the LCDC Board reviews draft budgets at

the July Board meeting, and authorizes publication of the draft budgets prior to the August Board meeting where a public hearing is held on the proposed budgets.

Revenues:

- 2012 levy rates for applicable taxing entities (note: LCDC is not a taxing entity) are used in the draft district budgets to determine estimated tax increment revenues. For the tax year 2012, the Lake District experienced a \$7 million pre-BOE property valuation increase, and the River District a \$10 million pre-BOE property valuation increase.
- The Lake District draft budget calls for a \$6.8 million bond draw on the Washington Trust Bank (WTB) line of credit for FY2014; thus utilizing the estimated remaining funds available in the WTB line of credit. As per the LCDC agreement with WTB, a \$2,080,000 bond payment is included as an expense in the FY2014 Lake District budget.
- 70% bank financing is proposed to help finance the capital acquisition expenses contained in both district budgets.

Expenses:

- The draft budget includes costs for LCDC's professional contract services for accounting (Gourley & Associates), legal counsel (Hawley-Troxell and Elam & Burke), external audit (Magnuson & McHugh), community relations (Keith Erickson), and government relations (Molitor & Associates).
- In the Lake District, \$46,000 is budgeted for parking improvements associated with the 823 & 845 4th Street properties, and the 839 3rd Street property in Midtown.
- The Lake District budget contains funds for demolition and site rehabilitation for the LCDC properties located at 618, 620 and 622 Park Avenue.
- Proposed transfers to the City Arts Commission for future public art projects located within the LCDC districts: \$79,000 for the Lake District; \$34,000 for the River District.
- Planning: funds are budgeted for professional planning expenses for potential district-related initiatives (e.g. Lake District: \$100,000 towards the four-corner area project; River District: \$103,000 towards the proposed NIC Event Center, and \$200,000 towards engineering planning for proposed Seltice Way roadway improvements).
- The Lake District budget special project reserve line item contains funding for the aforementioned property demolition and site rehabilitation effort, and approximately \$700,000 for possible redevelopment work associated with the four corner study (including the BLM property corridor) area should the Board so choose to allocate funding to that initiative in FY2014.

Following Ex. Director Berns' summary remarks, Chairman Davis asked if there was any public comment on the proposed budget. No public comment was provided regarding the LCDC FY2014 budget as proposed. Chairman Davis closed the Public Hearing at 4:15 p.m.

- Resolution 13-03: Adoption of LCDC FY2014 Budget

Motion by Commissioner Hoskins, seconded by Commissioner Hassell, to approve Resolution 13-03 adopting the LCDC FY2014 Budget as proposed.

Roll Call:

Goodlander	Yes	Davis	Yes	Druffel	Yes
Hassell	Yes	Colwell	Yes	Patzer	Yes
Jordan	Absent	Hoskins	Yes		

Motion carried.

6. COMMITTEE REPORTS

❖ **Finance Committee – Commissioner Rod Colwell**

Lake & River District Monthly Financials
Lake & River District Payables

Finance Committee Chair Rod Colwell, reviewed and discussed the July Lake and River District financial statements, and the July / August account payables sheet, with the Board.

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

❖ **Housing Committee – Commissioner Deanna Goodlander**

Housing Committee Chair Deanna Goodlander shared that the committee had no report to provide.

❖ **Parking Committee – Commissioner Brad Jordan**

Ex. Director Berns, in Commissioner Jordan’s stead, shared that the CDA Downtown Association’s free daily passenger shuttle bus service from the Memorial Field area to the downtown area was discontinued in early August due to minimal ridership.

❖ **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 August LCDC newsletter was being distributed today, and that topics covered in this issue of the newsletter include:

- An update on the proposed Four Corners project, the western entryway to Coeur d'Alene, and the importance of public participation in the project.
- Information about the Coeur d'Alene 2030 Vision project looking at guiding growth and vibrancy into the next 20 years.
- An update on the McEuen Park project with an in depth look at the playground, the first major attraction that is nearly complete.
- Interview with North Idaho College (NIC) President Joe Dunlap, including comments about the proposed Four Corners project, and the proposed NIC Events Center.

Mr. Erickson also shared the following initiative updates:

Spokesman Review Huckleberries blog: The LCDC tile ad on this blog site continues to perform well. A Spokesman Review representative says she has never seen a tile ad perform so well. From July 1 through mid-August, 153,000 page views have occurred with 221 “click throughs”; meaning people visited the LCDC website, which goes to McEuen landing page and links to the LCDC homepage. This represents a click through rate of 0.08%; average for this type of “static” tile ad is about 0.02%.

Coeur d'Alene (CDA) Press On-Line: The CDA Press online ad results are improving allowing LCDC to broaden its reach. During the July through mid-August period, 36,113 views occurred with 109 click throughs.

LCDC video: Mr. Erickson shared that the LCDC video is receiving a good reception, with views of the video steadily increasing since its release in May. LCDC continues to promote the video on Facebook. Between July 5th and August 1st, the number of “impressions” or times the video appeared on the Facebook page was 13,451, with 369 people actually viewing the video.

CDA's public access cable channel 19 has begun to run the LCDC video. The video has been running for over a week on Channel 19 at no cost to LCDC. The 7-minute version of the video runs 18 times per week, and the 3-minute version of the video runs nine times per week. The LCDC video can be viewed anytime by going to the LCDC homepage (www.lcdc.org) and clicking on the video link.

Website links: LCDC now has a website link on the Riverstone website. The LCDC link can be found on this site via the following pathway: *Riverstonecda.net* > *Our community* > *Community resources* > *Click on LCDC link*.

LCDC also has a website link on the Jobs Plus website via the following pathway: *Relocatetoidaho.org* > *Why Idaho* > *Economic Development Resources* > *Click on LCDC link*.

LCDC Website Updates: Work continues on updating the content on the LCDC website (www.lcdc.org). Updates pertain to projects located in both the Lake and River districts; updated project photos will be included when available.

- Commissioner Patzer asked if we can tell how many folks are visiting the McEuen Park webcam via an LCDC link?
 - Mr. Erickson shared that the webcam can be accessed from several venues, and he is not sure if the City of CDA's Information Technology (IT) staff can differentiate where the visits emanate. He will pursue this issue.
- Commissioner Patzer shared that the City might want to evaluate relocating the existing webcam camera, currently located on the ParkSide tower, to provide a better view of the ongoing McEuen Park construction effort.
 - Mr. Erickson will visit with CDA city staff re. webcam relocation possibilities.

7. EXECUTIVE DIRECTOR'S REPORT

LCDC Ex. Director Berns discussed the following initiatives with the Board:

North Idaho College (NIC) Sports Complex / Event Center : Update

Ex. Director Berns shared that the NIC Board of Trustees is still analyzing the proposed Event Center initiative, and plans to make a go/no go decision on the initiative this fall.

McEuen Park Initiative: Update

Ex. Director Berns shared that the McEuen Park project is progressing well and on schedule. Ex. Director Berns 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.

Vacant LCDC Board Commissioner Position: Update

Ex. Director Berns shared that four of the nine applicants for the vacant board position will be interviewed on August 22nd by the LCDC adhoc committee (Commissioners Hoskins, Hassell and Druffel) who were asked to review applications. The four interviewees are:

- Mic Armon
- John Austin
- Joe Fabiano
- Tina Johnson

Following are the names of the nine individuals that applied for the board position:

- Mic Armon
- John Austin
- Greg Bruns

- Joe Fabiano
- Tina Johnson
- Robert Ketchum
- Nancy Lowery
- Julius Pekar
- Brian Simpson

The intent is to have a recommendation for a new LCDC board member to the full Board at the September Board meeting.

Mill River Seniors (MRS) Improvement Reimbursement Agreement (IRA): Collateral Assignment of Promissory Note

LCDC legal counsel Danielle Quade discussed the collateral assignment agreement pertaining to the assignment of the MRS IRA promissory note to the Utah Community Reinvestment Corporation (UCRC, a Utah nonprofit corporation). As per the MRS IRA, Whitewater Creek has the ability to assign the LCDC's promissory note with LCDC's consent. Whitewater Creek desires to effectuate such an assignment to its lender, UCRC, as collateral for UCRC's permanent financing of the MRS Apartments project. This is a standard practice for this type of financing. UCRC has agreed to notify LCDC if UCRC assigns or sells the LCDC note in the future.

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.

Recusal: Commissioner Colwell recused himself from voting on this motion since his organization has worked with the applicant or principals of Whitewater Creek, Inc.

Motion by Commissioner Hassell, seconded by Commissioner Hoskins, to approve the collateral assignment agreement of the MRS IRA LCDC promissory note to the UCRC organization as per the assignment clause of the MRS IRA. Motion carried.

8. BOARD COMMISSIONER COMMENTS:

- Commissioner Hassell shared that he was very impressed with the quality of applicants that applied for the LCDC vacant Board position.
- Commissioner Patzer shared that CDA Parks Director Doug Eastwood is retiring at the end of August and the City is having an open house for Mr. Eastwood on Friday, August 23rd from noon to 3:00 at the CDA Public Library. Everyone is welcome to attend the open house.
- Commissioner Patzer shared that the CDA Parks & Recreation Commission is considering hosting a visit by the public to the McEuen Park worksite in late September or early October. The intent of this visit would be to show the public firsthand how the park reconstruction effort is progressing.

9. PUBLIC COMMENT:

No public comment was provided.

10. ADJOURN:

Motion by Commissioner Patzer, seconded by Commissioner Goodlander, to adjourn. Motion carried.

The LCDC Board meeting adjourned at 4:50 p.m. Minutes prepared and submitted by Ex. Director Berns.