



BOARD MEETING MINUTES

WEDNESDAY JULY 20, 2016 4:00 P.M.

COEUR D'ALENE PUBLIC LIBRARY COMMUNITY ROOM

1. CALL TO ORDER

Chairman Davis called the **ignite cda** board meeting to order at 4:00 p.m.

ignite cda board members present: Davis, Jordan, Armon, Widmyer, Goodlander, Metts, Patzer.

ignite cda staff present: Berns **ignite cda** legal counsel present: Quade

2. PLEDGE OF ALLEGIANCE

3. PUBLIC COMMENT

No public comment was provided.

4. APPROVAL OF MINUTES

- June 15, 2016 Board Meeting Minutes

Motion by Commissioner Goodlander, seconded by Commissioner Armon, to approve the June 15, 2016 board meeting minutes. Motion carried.

5. PRESENTATION: CDA ARTS COMMISSION – Sam Taylor, City of CDA Deputy Administrator

Sam Taylor, City of CDA Deputy Administrator, shared an update with the board re. the City's Arts Commission and their support of public art in the community. Mr. Taylor thanked the **ignite cda** board on behalf of the city and Arts Commission for their generous funding support of public art within the two **ignite cda** redevelopment districts. Mr. Taylor discussed the following accomplishment list, which includes several **ignite cda** supported art initiatives in both the Lake and River districts.

2015 Art Commission Accomplishments/Projects

Art Currents (Downtown) Installed & Tri-fold -ignite

Fiddler Crab (Mill River) Purchased & Installed -ignite

Kate (Riverstone) Restored & Installed -ignite

Quietude (Riverstone) Purchased & Installing - ignite

Rainbow Bridge (McEuen) LEDs added & Wire wrapping -ignite

Utility Beautification & McEuen Green Boxes - ignite

Chief Morris Antelope (Bulkhead) -ignite

20th Mayor's Awards in the Arts

New Arts Commission Logo

Summer Arts Program

Plunge Art Donation



- Commissioner Armon asked if any landscaping is planned around the Chief Morris Antelope sculpture? In his opinion, some landscaping is needed.
 - Mr. Taylor shared that he is not aware of any planned landscaping effort at this time.
 - Commissioner Widmyer shared that he agrees with Commissioner Armon that some landscaping is needed for the area and will visit with city staff on the matter.

- Commissioner Patzer asked what type of public art efforts are planned for the **ignite cda** River District?
 - Mr. Taylor shared that there are two “call for artists” requests currently out for art efforts in the River District. One call is for a public art piece to be located near Riverstone Park. The other call is for a mural to be placed along the Riverstone section of the Prairie Trail. The mural will be located under the Seltice Way overpass.

- Commissioner Davis asked if there is any lighting in the Seltice Way overpass area where the mural will be placed?
 - Mr. Taylor shared that he believes there is not an existing lighting source underneath the overpass.

- Commissioner Davis asked if the city is having any problems with people defacing public art works in the more remote areas of the community?
 - Mr. Taylor shared that he has not seen, or been informed of, any major issues re. defacing of public art.

6. REPORTS

A. Finance – Commissioner Armon Lake & River District Monthly Financials Lake & River District Payables

Commissioner Armon reviewed and discussed the June Lake and River District financial statements, and the June / July account payables sheet, with the board.

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

Discussion:

- *Commissioner Widmyer asked why the semi-annual Washington Trust Bond (WTB) payment amount has been reduced from \$1,040,000 to \$975,033?*
 - *Ex. Director Berns and Mrs. Quade shared that WTB re-amortized the payment schedule to reflect the fact that the original note amount of \$16.7 million was not drawn by the agency.*
- *Commissioner Patzer asked Ex. Director Berns to share a summary of the process used to verify and validate the contractor invoices received for the Mullan Road project.*

Motion carried.

Fiscal Year 2017 (FY17) Draft Budget: Discussion & Publication Approval

Executive Director Berns led the Board through an overview discussion of the draft FY17 budgets for the Lake & River Districts (summary table below), highlighting key budget elements. The draft district 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 **ignite cda** board needs to review draft budgets at the July Board meeting, and authorize publication of the draft budgets prior to the August Board meeting where a public hearing is held on the proposed budgets.

Ignite CDA FY2017 Budget Summary - DRAFT

Line		Lake District	River District	Total
1	Estimated Beginning Fund Balance (10/1/16)	\$ 4,842,359	\$ 6,555,289	\$ 11,397,648
2				
3	Revenues			
4	Estimated Tax Increment	\$ 3,946,536	\$ 1,204,418	\$ 5,150,954
5	Property Rental Receipts	\$ 127,611	\$ -	\$ 127,611
6	Int. & Misc. Funds	\$ 4,560	\$ 4,680	\$ 9,240
7	Capital Acquisition Financing	\$ -	\$ -	\$ -
8	Total	\$ 4,078,707	\$ 1,209,098	\$ 5,287,805
9				
10	Expenses			
11	Administration	\$ 100,173	\$ 100,173	\$ 200,345
12	Office Expenses	\$ 4,630	\$ 4,630	\$ 9,260
13	Travel	\$ 3,250	\$ 3,250	\$ 6,500
14	Professional Services	\$ 59,130	\$ 54,930	\$ 114,060
15	Notices	\$ 2,000	\$ 1,000	\$ 3,000
16	Communications	\$ 2,500	\$ 2,500	\$ 5,000
17	Insurance	\$ 2,699	\$ 2,699	\$ 5,397
18	Meetings	\$ 2,550	\$ 2,550	\$ 5,100
19	Utilities	\$ 12,420	\$ -	\$ 12,420
20	Property Management	\$ 87,866	\$ -	\$ 87,866
21	Organization Dues	\$ 3,913	\$ 3,913	\$ 7,825
22	Miscellaneous	\$ 500	\$ 500	\$ 1,000
23	Public Art	\$ 78,931	\$ 24,088	\$ 103,019
24	Capital Acquisition Expense	\$ -	\$ -	\$ -
25	Debt: Interest (non-OPA,IRA)	\$ 287,733	\$ -	\$ 287,733
26	Debt: Principal (non-OPA,IRA)	\$ 1,749,990	\$ -	\$ 1,749,990
27	Parking Initiatives	\$ 10,000	\$ -	\$ 10,000
28	Planning	\$ 75,000	\$ 25,000	\$ 100,000
29	Agency Funded Programs	\$ 1,366,250	\$ 1,750,000	\$ 3,116,250
30	Partnership Agreements (OPAs, IRAs)	\$ 83,240	\$ 447,264	\$ 530,504
31	Midtown Place Making	\$ 5,000	\$ -	\$ 5,000
32	Special Project Reserve	\$ 500,000	\$ 250,000	\$ 750,000
33	Total	\$ 4,437,774	\$ 2,672,496	\$ 7,110,269
34				
35	Estimated Ending Fund Balance (9/30/17)	\$ 4,483,293	\$ 5,091,891	\$ 9,575,184

River District – key budget item comments

- ✓ Estimated beginning fund balance (10/1/16) (line 1): \$6,555,289
- ✓ Total Revenues (line 8): \$1,209,098
- ✓ Total Expenses (line 33): \$2,672,496
- ✓ Estimated ending fund balance (9/30/17) (line 35): \$5,091,891

Revenues

- Estimated Tax Increment (line 4): \$1,204,418. Panhandle Area Council's (PAC) fiscal year 2017 estimated property tax revenue value was used that emanated from the PAC River District de-annexation analysis.

Expenses

- Professional Services (line 14): \$54,930. Costs on this budget line item include:
 - External contract accounting services
 - Legal services (Hawley-Troxell, Elam & Burke)
 - FY2016 Audit expense
 - Other professional services
 - Government relations
- Public Art (line 23): \$24,088. Transfer to City's Public Arts Commission remains at 2% of increment revenue realized.
- Planning (line 28): \$25,000. Budget value pertains to possible district expansion into the existing Atlas mill site area.
- Agency Funded Programs: Seltice Way Project (line 29): \$1.75M
 - \$1.75M in FY17 budget for Seltice Way project based on current board commitment of \$3.5M, assuming half of the commitment will be spent in FY17, and half in FY18.
 - The latest project cost estimate for **ignite cda** expenditures for the Seltice Way project is \$4.56M; the board will need to decide how much, if any, of these additional funds get committed to the project, including how much to spend in FY17.
- Special Project Reserve (line 32): \$250K (special project possibilities: improvements to Johnson Park in Mill River; building a ped/bike trail on the old BNSF r-o-w that runs through Mill River).

Lake District – key budget item comments

- ✓ Estimated beginning fund balance (10/1/16) (line 1): \$4,842,359
- ✓ Total Revenues (line 8): \$4,078,707
- ✓ Total Expenses (line 33): \$4,437,774
- ✓ Estimated ending fund balance (9/30/17) (line 35): \$4,483,293

Revenues

- Estimated Tax Increment (line 4): \$3,946,536. Panhandle Area Council's (PAC) fiscal year 2017 estimated property tax revenue value was used that emanated from the PAC Lake District de-annexation analysis.
- Ignite cda properties (line 5): \$127,611. All leasable properties budgeted for 12 months of lease income, excluding 308 CDA Avenue and 213 4th Street; these two properties are proposed for demolition in FY17.

Expenses

- Professional Services (line 14): \$59,130. Costs on this budget line item include:
 - External contract accounting services
 - Legal services (Hawley-Troxell, Elam & Burke)
 - FY2016 Audit expense
 - Other professional services (including property appraisal)
 - Government relations
- Property Management (line 20): \$87,866. Included in this line item are funds for potential demolition of 213 4th & 308 CDA Avenue: \$9,000 for each property parcel.
 - Property Taxes: \$25K included in this budget line item for property taxes to be paid per the Assessor's recent decision to change the tax exempt status of **ignite cda** lease income properties from tax-exempt to taxable.
- Public Art (line 23): \$78,931. Transfer to City's Public Arts Commission remains at 2% of increment revenue realized.
- Debt: Interest (line 25): \$287,733. Value includes \$271,341 interest payment on WTB bond.
- Debt: Capital (line 26): \$1,749,990. Value includes \$1,678,725 principal payment on WTB bond.
- Planning (line 28): \$75,000. Value includes design funds for the proposed 4th and CDA Avenue parking facility (\$0 capital funds are included in the FY17 budget for parking facility construction).
- Agency Funded Programs (line 29): \$1,366,250
 - Misc. Projects: \$60K
 - CDA 2030 Contract: \$25K
 - Downtown Association Event Contract: \$31,250
 - North Idaho Collaborative Education Facility (NICE): \$1.25M (1/2 of \$2.5M total commitment).
- Special Project Reserve (line 32): \$500K in budget.

Board discussion of the draft FY17 budget ensued. Budget topics discussed:

Washington Trust Bank Lake District Bond: per the 2011 bond document, the interest rate on the bond resets September 30, 2016 via a formula that sets an interest rate that is believed to be a rate that is above today's market rate. There is no pre-payment penalty associated with the bond, so the board felt it would be prudent to seek current market financing proposals. Ex. Director Berns to pursue.

Government Relations Expense: discussion involved the need for this proposed \$23K expense given the ongoing efforts of the Redevelopment Association of Idaho (RAI) and the Association of Cities (AIC) re. working with legislators on urban renewal issues. The proposed expense remains in the draft FY17 budget; discussion as to how to tactically utilize these funds for this upcoming legislative session to continue.

CDA 2030 Funding: discussion included the need expressed by board members for more justification as to why **ignite cda** should be a funding partner in the amount of \$25K in FY17 for the CDA 2030 initiative. Funding at \$25K for the CDA 2030 initiative was left in the FY17 draft budget, with the intent to receive further justification from CDA 2030 before any funds are actually committed during the 2017 fiscal year.

Seltice Way Roadway Project: the board discussed the agency's funding commitment for this initiative in depth, with the assistance of Matt Gillis from Welch-Comer Engineers. The decision was made to leave the funding for this project at \$1.75 million for FY17.

Agency Owned Properties:

- The board discussed the need to expedite the planning and ultimate use decisions involving the agency owned properties located on N. Park Drive and on Young Avenue.
- The board also acknowledged the need to evaluate the potential divestiture of agency owned property that might not be needed for Lake District strategic initiatives. Discussion involved the formation of an ad hoc committee to address this issue.

Four Corner Master Plan: although no funds are specifically budgeted for additional project elements of the Master Plan in FY17, the board discussed the need to keep this funding opportunity on the agency's radar in an effort to not miss a community value adding opportunity.

Downtown Parking Facility: the board discussed the issue of whether to keep the proposed parking facility to be located on 4th and CDA Avenue simple in nature as a single use parking facility, or to evaluate the possibility of combining another use (e.g. residential) with the facility.

Motion by Commissioner Widmyer, seconded by Commissioner Patzer, to authorize the ignite cda Executive Director to publish the proposed FY17 draft ignite cda budget as presented in the CDA Press prior to the August 17, 2016 budget public hearing date.

Discussion:

- *Commissioner Armon made an amended motion, seconded by Commissioner Patzer, to add another \$500,000 to the Lake District's special project reserve budget line item in order to address potential partnership opportunities that may arise during FY17 (e.g. a new Four Corner Master Plan project element).*

Discussion:

- *Commissioner Patzer commented that instead of adding the \$500,000 as proposed to the Lake District budget, he would prefer to potentially amend the Lake District FY17 budget to address any proposed new partnership funding opportunities that materialize.*
- *Commissioner Armon withdrew his amended motion.*

Motion carried.

Q3 FY16 Financial Overview Packet

Executive Director Berns shared the Fiscal Year 2016 third quarter (FY16 Q3) report with the Board.

- B. Housing – Commissioner Deanna Goodlander:
Commissioner Goodlander had no report to share.

- C. Parking – Commissioner Brad Jordan
Commissioner Jordan (who serves as the ignite cda representative on the City's Parking Commission) shared the following update:

The Parking Committee met recently with Dick Stauffer (Miller-Stauffer Architects) to discuss possible updated parking facility design scenarios for the 4th and CDA Avenue block given the recent completion of the updated downtown parking study which identified a downtown parking deficiency in the central downtown core of 221 parking spaces. A suggestion was made

that to better analyze the site's potential for supporting a parking facility, that some preliminary base topography and utility research work be performed at an approximate cost of \$3,900. Ex. Director Berns will pursue this engagement with Miller-Stauffer.

D. Communications – Commissioner Dave Patzer
Commissioner Patzer had no report to share.

E. Jobs – Commissioner Steve Widmyer
Commissioner Widmyer shared that Dr. Charles Buck (University of Idaho) communicated that Fatbeam is planning to spend \$3.2 million to upgrade broadband access to the region, including CDA and Post Falls, which will directly benefit the University's new cyber security student programing in northern Idaho.

7. EXECUTIVE DIRECTOR'S REPORT

Mullan Road (Four Corner) Project Update

*Background: The **ignite cda** board has approved partnership funding in the amount of \$1.6 million for this project initiative. Please refer to the **ignite cda** board meetings minutes from November 18, 2015 for background on this initiative.*

Ex. Director Berns shared that Cameron-Reilly commenced construction on the Mullan Road project on March 28th, and the project is moving forward on schedule. The contractor is still on target to complete the project by Tuesday, July 26th, 2016. Project punch list items received from the applicable city departments have been shared with the contractor.

North Idaho Collaborative Education Facility (NICE) Initiative Update

*Background: more information can be found re. this initiative by viewing the December 16, 2015 **ignite cda** board meeting minutes.*

Ex. Director Berns shared that pre-planning meetings were held this spring in CDA to develop a cohesive project scope in order for the Division of Public Works to move forward with the consultant (H2A Architects and Integrus Architecture) scope of services contracts. The vision is to have the facility provide “front facing” customer services to students from all three institutions (UI, NIC, LCSC) at one location, including enrollment services, transfer and advising services, financial services, classrooms and common space. Student services and support spaces are a top priority for the institutions.

FY16 Board Goals: Q3 Update

Executive Director Berns shared an overview of the third quarter (Q3) status of the board’s Fiscal Year 2016 tactical goals.

8. BOARD COMMISSIONER COMMENTS:

Commissioner Widmyer shared that the Rathdrum McDonald’s recently hosted a fundraising event for the proposed K27 memorial to be located in McEuen Park. Law enforcement personnel from around the region attended the event. The event raised \$3,000 which was donated to the K27 memorial initiative.

9. PUBLIC COMMENT: No public comment was provided.

10. EXECUTIVE SESSION – Idaho Code Section 67-2345(1)

Subsection C: to conduct deliberations to acquire an interest in real property which is not owned by a public agency.

Motion by Commissioner Armon, seconded by Commissioner Widmyer, to convene an Executive Session, as provided by Idaho Code Section 67-2345(1) Subsection C: to conduct deliberations concerning acquiring an interest in real property which is not owned by a public agency.

Roll Call:

Goodlander	Yes	Widmyer	Yes	Druffel	Absent
Metts	Yes	Patzer	Yes	Jordan	Yes
Armon	Yes	Davis	Yes	Hoskins	Absent

Motion carried.

The **ignite cda** board entered into Executive Session at 5:26 p.m. Those present were the **ignite cda** Board of Commissioners, Ex. Director Berns and legal counsel Quade. Deliberations were conducted regarding acquiring an interest in real property which is not owned by a public agency. No action was taken in Executive Session and the **ignite cda** board returned to regular session at 6:09 p.m.

11. ADJOURN

Motion by Commissioner Armon, seconded by Commissioner Widmyer, to adjourn. Motion carried.

The **ignite cda** board meeting adjourned at 6:10 p.m. Minutes prepared and submitted by Ex. Director Berns.