



## BOARD MEETING MINUTES

WEDNESDAY NOVEMBER 16, 2016 4:00 P.M.

### COEUR D'ALENE PUBLIC LIBRARY COMMUNITY ROOM

#### 1. CALL TO ORDER

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

**ignite cda** board members present: Davis, Jordan, Widmyer, Metts, Hoskins, Goodlander, Druffel, Armon.

**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

- October 19, 2016 Board Meeting Minutes
- October 28, 2016 Board / City Council Workshop Minutes

**Motion by Commissioner Davis, seconded by Commissioner Armon, to approve the October 19, 2016 board meeting minutes. Motion carried.**

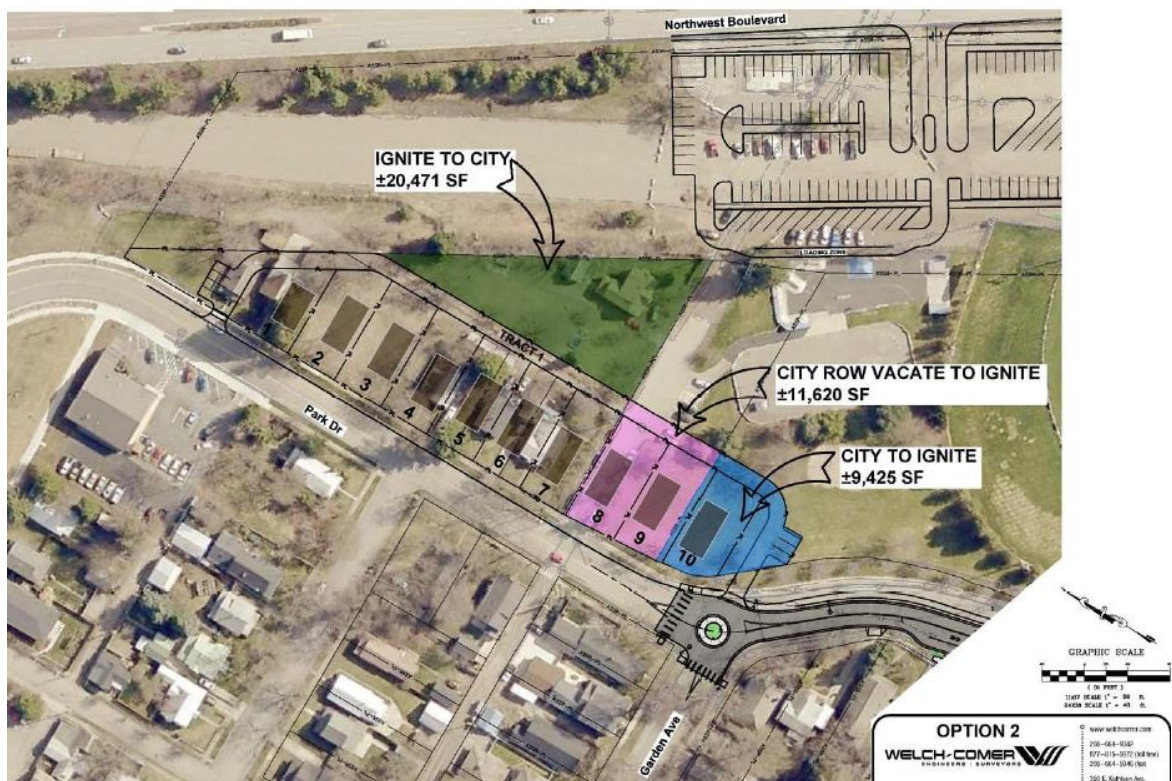
**Motion by Commissioner Goodlander, seconded by Commissioner Widmyer, to approve the October 28, 2016 board / city council workshop minutes. Motion carried.**

#### 5. PRESENTATION: FOUR CORNER MASTER PLAN: NEXT PROPOSED PHASE

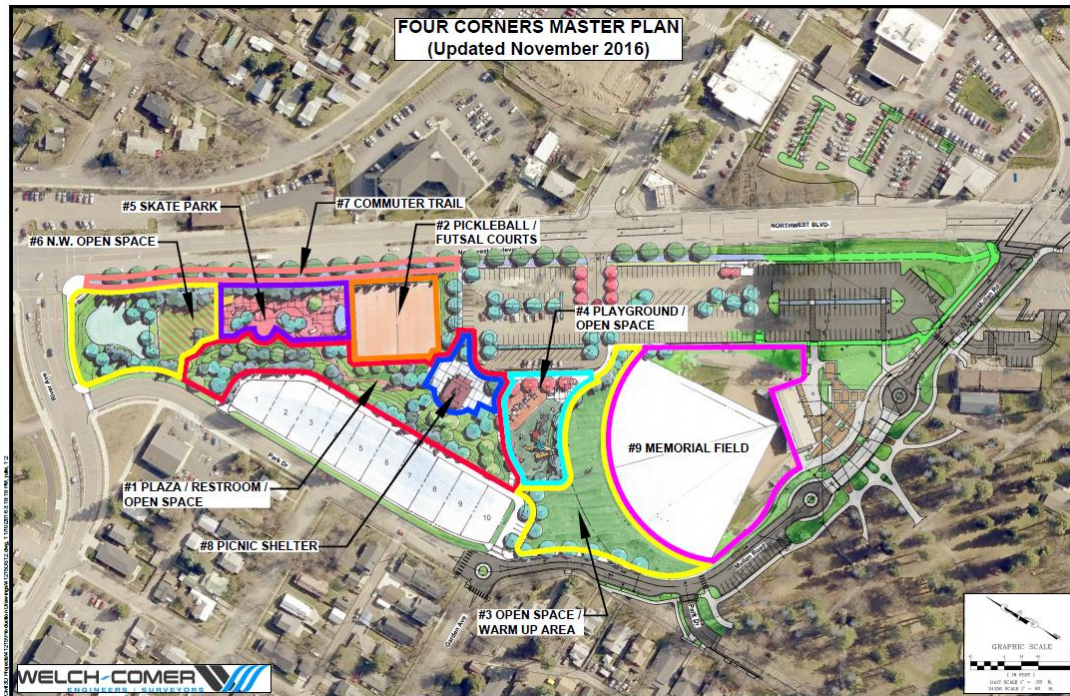
Bill Greenwood (City of CDA Parks Director) shared an overview with the board of the proposed next phase of the Four Corner Master Plan. This next phase is planned to coincide with the mid-2017 construction of the joint County/City surface parking lot that will be located on the south side of Northwest Boulevard

near Memorial Field. This presentation to the board was designed to gain an understanding of the board's potential interest in participating in the next proposed phase of the Master Plan.

A significant element of the proposed next phase involves the potential re-alignment of the existing **ignite cda** ownership along N. Park Drive. The proposal calls for the possible trade of property between **ignite cda** and the City of CDA that would transfer a triangular piece of property owned by **ignite cda** (area shaded in green below) to the City for City-owned property (areas shaded in purple and blue below) located along N. Park Drive that would result in **ignite cda** acquiring three more developable property parcels along N. Park Drive.



If this proposed property transfer was completed, the following conceptual of the revised configuration of Master Plan elements in this area could occur:



Following are cost estimates and potential funding sources for the Master Plan elements as illustrated above. A development cost of \$1 million was targeted for this next Master Plan phase.

Four Corners Companion Projects to the City/County Shared Parking Lot Project  
Concept Level Opinions of Cost

AREA	PROJECT ELEMENT	CONCEPT LEVEL OPINION OF PROJECT COST	Outside Funding	Running Total	NOTES
1	PLAZA RESTROOM/LANDSCAPE/IRRIGATION/UTILITIES/LIGHTING/SIDEWALKS	\$ 430,000	\$ (215,000)	\$ 215,000	LWCF Funding
2	PICKLEBALL/FUTSAL COURTS/SIDEWALKS/LIGHTING/LANDSCAPING	\$ 202,000	\$ (200,000)	\$ 217,000	NIC LWCF Conversion
3	CENTRAL OPEN SPACE/WARM UP LANDSCAPE/IRRIGATION/SIDEWALKS	\$ 150,000		\$ 367,000	
4	PLAYGROUND/LANDSCAPE/IRRIGATION/LIGHTING/SIDEWALKS	\$ 234,100		\$ 601,100	City Staff Installs Playground
5	SKATE PARK	\$ 400,000	\$ (200,000)	\$ 801,100	LWCF Funding
6	N.W. OPEN SPACE LANDSCAPE/IRRIGATION/SIDEWALKS	\$ 180,000		\$ 981,100	
7	COMMUTER TRAIL - NW SEGMENT	\$ 38,000		\$ 1,019,100	Base Project
8	PLAZA PICNIC SHELTER	\$ 150,000		\$ 1,169,100	Add Alternates
9	MEMORIAL PLAYFIELD GRADING, IRRIGATION/HYDROSEED/FENCING/DUGOUTS	\$ 390,000		\$ 1,559,100	Add Alternates
TOTAL		\$ 2,174,100	\$ (615,000)	\$ 1,559,100	

Because of the early conceptual level of the cost estimates, two add alternate project elements are included in this proposal which exceed the targeted \$1 million value. These two add alternates could possibly be included in the project as the design process matures and estimated costs are refined.

As stated previously, the intent of this presentation was to gauge the **ignite cda** board's interest in the potential land trade and potential partnership funding for some, or all, of the proposed Master Plan elements. This presentation was also recently shared with the City's Parks and Recreation Commission. Input / feedback garnered from both **ignite cda** and the Parks and Recreation



Commission will be taken to City Council for discussion and formal direction to city staff as to how to proceed with this initiative in coordination with the planned County/City surface parking lot construction in mid-2017.

- Commissioner Davis shared that he feels it is important to keep noise that will be associated with some of the proposed project elements (e.g. skate board park, pickleball courts) buffered from the adjoining neighborhood through the use of berms and landscaping.
- Commissioner Jordan asked if the use of Memorial Field will remain as just softball, or will baseball (hardball) use occur?
  - Mr. Greenwood shared that just softball use is anticipated for the field.
- Commissioner Armon asked if any funding for the Memorial Field grandstand is included in this proposal?
  - Mr. Greenwood shared that no, no funds are currently in the plans for the grandstand itself. Grandstand renovations are expected to be quite expensive, and the City has not yet quantified that cost.
- Commissioner Davis asked if the proposed “awning” element suggested in the past (graphic below) were to be installed near the face of the Memorial Field grandstand, would the grandstand itself be painted / upgraded?
  - Mr. Greenwood shared that if the awning element were to be installed, he would strive to somehow paint / upgrade the grandstand’s façade.



- Commissioner Jordan shared that he has heard mixed messages in the past about the viability of maintaining the Memorial Field grandstand for the long-term. Can the grandstand be saved?
  - Mr. Greenwood shared that yes, the grandstand can be saved but it will require a substantial financial investment due to its deteriorated condition.
- Commissioner Jordan would like to know what it would cost to make the grandstand building structurally sound for decades to come, which may require the services of a structural engineer.
  - Mr. Greenwood will research the issue and return to the board with a cost estimate for engaging an engineer to address the issue.
  - Commissioner Widmyer shared that city council supports the idea of keeping the Memorial Field grandstand in its original form for the long-term.

**Motion by Commissioner Davis, seconded by Commissioner Druffel, expressing interest in the proposed ignite cda / City of CDA land trade as presented, directing the Executive Director to work with city staff on developing the necessary metrics / documents of said land trade for board review. Motion carried**

**Motion by Commissioner Davis, seconded by Commissioner Druffel, approving in concept funding for items one (1) through seven (7) totaling an estimated \$1,019,100 for the next phase of the Four Corner Master Plan as presented. Final funding approval for this project will be discussed by the ignite cda board at a later date. Motion carried**

## 6. REPORTS

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

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

**Motion by Commissioner Druffel, seconded by Commissioner Davis, to approve the October financial statements and the October / November accounts payables for the Lake & River Districts as presented, also approving a fund transfer of \$65,532 from the River District to the Lake District to remedy an audit adjustment**

**pertaining to sharing of administrative costs between districts.  
Motion carried.**

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:

- Current revenues for city-owned downtown parking lots are approaching pre-McEuen Park construction revenue levels.
  - City is evaluating potentially charging for parking in the surface parking lot located south of city hall due several unacceptable parking issues (e.g. vehicles being left in the lot for very long time periods, cars parking in spaces reserved for boat trailer parking).
  - The tire booting program proposal pertaining to unpaid parking tickets is moving forward to city council
  - License plate recognition software purchase is being evaluated to assist with parking enforcement.
  - The City has \$8,000 budgeted for enhanced parking signage.
- Commissioner Goodlander shared that she feels the parking lot south of city hall should remain as free parking; there are plenty of pay-to-park lots in the downtown, residents need a place easily accessible to the downtown where parking is free.

D. Communications – Ex. Director Berns  
Ex. Director Berns had no report to share.

E. Jobs – Commissioner Steve Widmyer  
Commissioner Widmyer had no report to share.

## 7. EXECUTIVE DIRECTOR'S REPORT

"Coeurllaborate" Project: **ignite cda** Partnership Funding Request Discussion

*Background: At the October 19, 2016 **ignite cda** board meeting, Ron Ayers, project proponent, visited with the board and shared a project overview, including an **ignite cda** partnership funding request, for a proposed 200,000 square foot, mixed-use, LEED certified, solar powered, Fairfield Inn & Suites by Marriott-anchored entrepreneurial and economic development focused hospitality center project on Northwest Boulevard in Coeur d'Alene. Please refer to the October, 2016 **ignite cda** board meeting minutes for further background on this funding request.*

Ex. Director Berns reviewed key elements of the “Coeurllaborate” project funding request of **ignite cda**, including the following project metrics:

## ignitecda Partnership/Participation Request

### Existing Property Clean-up

■ Demo/Hauling	\$165,000	
■ Tree Removal	38,000	
■ Excavation/Hauling	150,000	
■ Grading/Site Work	45,000	<b>\$398,000</b>

### Emma Ave Improvements

■ Demo Curb	\$18,000	
■ Asphalt Cuts/Demo	16,000	
■ Asphalt Replace	32,000	
■ Curb/Sidewalk Inst	65,000	
■ Water Main 8"	95,000	
■ Fire Hydrants	30,000	
■ Retaining Wall	265,000	<b>\$521,000</b>

### Davidson Ave Improvements

■ Demo Curb	\$15,000	
■ Asphalt Cuts	16,000	
■ Asphalt Replace	20,000	
■ Curb Replace	30,000	
■ Utility Bury	140,000	<b>\$221,000</b>

### Landscape ROW Improvements

Street Trees	\$35,000
ROW Landscaping	30,000
Stormwater Mgmt	20,000
Irrigation	30,000
	<b>\$115,000</b>

### Total Work

**\$1,255,000**

## Project Budget

Land (owned)	\$2,800,000
Hard Costs	8,980,000
Soft Costs	1,335,000
FF&E, Working Capital	<u>1,885,000</u>
<b>Total Project Costs</b>	<b>\$15,000,000</b>

## Project Financing

Owner Equity- Land	\$2,800,000
TIF- ignitecda	1,255,000
Debt- Bank	<u>10,945,000</u>
<b>Total Capital</b>	<b>\$15,000,000</b>

## Tax Increment Calculation

### Existing Assessed Values

#### Garden Motel 3 Parcels

■ 5011A	\$174,901
■ 5012B	\$466,582
■ 5013C	\$552,108
1101 Davidson	\$ 93,130
1103 Davidson	\$ 90,970
1113 Davidson	\$ 98,310
1750 Pinewood	\$524,240

**Total** **\$2,000,241**

### Est. Project Assessed Values

Marriott Hotel	\$15,000,000
Restaurant/Retail	\$ 7,000,000

**\$22,000,000**

Estimated Increase in Assessed Value \$19,999,759

At 1.4% Levy Rate  $\times 0.014$

Estimated Annual Property Tax Increase 280,000

Assuming Open July 2017 thru 2021 (4.5 yrs)  $\times 4.5$

Total Property Tax Increment \$ 1,260,000

Ron Ayers, project proponent, was in attendance and addressed board member questions.

- Commissioner Widmyer asked if the funding request to the agency pertained primarily to the \$15 million assessed value element of the proposed project?
  - Mr. Ayers shared that is correct.
- Commissioner Armon asked if either of the development pads located along Northwest Boulevard will be developed in conjunction with the hotel element of the project?
  - Mr. Ayers shared that one of the pads is planned to be developed in conjunction with the hotel.
- Commissioner Davis commented that the board should be consistent and consider funding project related public improvements that the agency has considered in past project funding overtures. In his view, the following list of requested funding elements that will be located inside the private property boundary should be the responsibility of the developer and not considered by the agency:
  - Excavation and grading costs should be borne by the developer since these efforts improve the site.
  - Relocation of the 8" water line: cost should be borne by the developer.
  - Proposed retaining wall along Emma Avenue is located inside the property line, cost should be borne by the developer.
  - Stormwater management costs should be borne by the developer.



**Motion by Commissioner Davis, seconded by Commissioner Jordan, to approve agency partnership funding for public improvements associated with the “Coeurllaborate” project as requested, excluding the following requested funding elements:**

- **Excavation/Hauling:** **\$150,000**
- **Grading/Site Work:** **\$45,000**
- **Relocation of 8” Water Main:** **\$95,000**
- **Retaining Wall:** **\$265,000**
- **Stormwater Management:** **\$20,000**
- **Total Amount of Excluded Elements:** **\$575,000**

**Therefore resulting in an agency approved funding level of \$680,000 for the other listed project elements as presented in the partnership funding request. Also directing the Ex. Director to prepare an Improvement Reimbursement Agreement (IRA) for the requested public improvement amount of \$680,000 , reimbursable on an annual basis utilizing 73% of the annual tax increment revenues received from the project, with other IRA reimbursement parameters to be established at a later date prior to final board approval of the IRA, also directing the Ex. Director to engage a third party consultant to perform a cost validation analysis of the public improvements once constructed. Additionally, Washington Trust Bank, per the Lake District Note, needs to consent to **ignite cda** entering into a new IRA agreement in the Lake District.**

***Discussion:***

- *Commissioner Jordan suggested that the cost for the water main relocation be added back into the reimbursement amount.*
- *Commissioner Druffel shared that he supports excluding the water main relocation cost from the reimbursement amount since this should be a cost borne by the developer.*
- *Commissioner Davis shared that it is good practice for the board to approve funding for public improvements that are consistent with past board actions related to other projects.*

**Motion carried.**

Note: Via the previous motion, the **ignite cda** board approved the development of an Improvement Reimbursement Agreement (IRA) document for \$680,000 of **ignite cda** partnership funding. The IRA document will contain reimbursement parameters and list the board agreed upon public improvements, and will state that the developer agrees to construct all of the board approved public improvements, and that **ignite cda**

will reimburse the developer for these approved public improvements over time solely from property taxes generated by the “Coeurllaborate” project. This IRA will end in 2021 when the Lake District closes. If by 2021 the project does not generate sufficient funds to reimburse the developer for the costs the developer paid for the board approved public improvements, then the developer will not be reimbursed for these improvements from any other entity. There is no risk to the public with an IRA, all of the risk is on the developer to get the project built and on the tax rolls to generate property taxes that will fund the reimbursement.

Additionally, a third party consultant will be hired prior to consummation of the IRA to assure that the board approved public improvements were actually constructed, accepted by the City where appropriate, and will also verify the costs paid for the public improvements. **Ignite cda** will only reimburse the developer for actual / verified costs paid associated with the public improvements.

#### Ex. Director Insurance Plan

Commissioner Davis discussed modifying the Ex. Director’s insurance coverage plan by discontinuing the agency funded disability insurance plan for the Ex. Director and agreeing to the Ex. Director’s participation in the City of CDA’s disability insurance plan. This change will result in a disability insurance cost savings to the agency of approximately \$129/month, with said cost savings to be applied to the Ex. Directors’ health insurance plan to help offset costs for dependent coverage.

**Motion by Commissioner Davis, seconded by Commissioner Widmyer, to approve the modification to the Ex. Director’s insurance coverage plan as outlined effective as of November 1, 2016. Motion carried.**

#### Initiative Updates

##### ***Proposed Modern Theater Performing Arts Center in Midtown***

- Ex. Director Berns shared that the draft Memorandum of Understanding developed by **ignite cda** & IHFA/THC is still being reviewed by The Modern Theater (TMT) board. **Ignite cda** received a letter on November 17<sup>th</sup> from TMT board indicating that TMT is hoping that **ignite cda** and the City of CDA will help TMT in their fundraising effort by agreeing to provide some level of funding assistance to the Performing Arts Center initiative to help “nest egg / kick off” their \$10+ million fundraising effort.

- Commissioners Davis and Widmyer shared that the level of fundraising proposed by TMT is extremely challenging and that they will need a key investor (or investors) to step up early to help achieve their fundraising goals.

Ex. Director Berns will work with TMT board to better understand and quantify their request of the agency's role in helping to kick start their fundraising effort.

#### ***Seltice Way Revitalization Project: Design Update***

- Matt Gillis (Welch-Comer Engineers) shared the following update with the board regarding the design effort.
  - Mr. Gillis shared that the design team has received valuable public input pertaining to design issues, and that the team is in full design mode at this time.
  - Two roundabouts are currently in the design plan: one roundabout at the intersection of Atlas and Seltice Way, and one roundabout at the intersection of Grandmill and Seltice Way.
  - The Welch-Comer design team is meeting with city staff every two weeks to review design progress.
  - The plan is to go out for bids in early 2017, and begin construction late spring of 2017 with construction running through 2017 and possibly into early 2018.
  - As for project cost: the team is still working through cost issues, and plan to have a solid project cost estimate by the second week of December.
- Commissioner Widmyer asked if the existing traffic signal system located at Grandmill and Seltice can be salvaged and used elsewhere?
  - Mr. Gillis shared that yes, usually most of the components of the traffic signal system can be salvaged and utilized elsewhere.

#### **8. BOARD COMMISSIONER COMMENTS:**

No Commissioner comments were shared.

#### **9. PUBLIC COMMENT:**

No public comment was provided.

#### **10. EXECUTIVE SESSION – Idaho Code Section 74-206**

Subsection (1)(c): to acquire an interest in real property which is not owned by a public agency.

**Motion by Commissioner Goodlander, seconded by Commissioner Armon, to convene an Executive Session, as provided by Idaho Code Section 74-206: Subsection (1)(c): to acquire an interest in real property which is not owned by a public agency.**

**Roll Call:**

<b>Goodlander</b>	<b>Yes</b>	<b>Widmyer</b>	<b>Yes</b>	<b>Druffel</b>	<b>Yes</b>
<b>Metts</b>	<b>Yes</b>	<b>Jordan</b>	<b>Yes</b>	<b>Hoskins</b>	<b>Yes</b>
<b>Armon</b>	<b>Yes</b>	<b>Davis</b>	<b>Yes</b>		

**Motion carried.**

The **ignite cda** board entered Executive Session at 5:18 p.m. Those present were the **ignite cda** Board of Commissioners, legal counsel Quade, and Ex. Director Berns. 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 6:50 p.m.

**11. ADJOURN**

**Motion by Commissioner Armon, seconded by Commissioner Druffel, to adjourn. Motion carried.**

The **ignite cda** board meeting adjourned at 6:51 p.m. Minutes prepared and submitted by Ex. Director Berns.