



## BOARD MEETING MINUTES

WEDNESDAY APRIL 19, 2023 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: Hoskins, Metts, Chapkis, Evans, English, Jordan

ignite cda board members attending via zoom: Widmyer, Mandel, Garcia

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

#### 2. PLEDGE OF ALLEGIANCE

#### 3. PUBLIC COMMENT

No public comment provided.

#### 4. APPROVAL OF CONSENT CALENDAR

- Approval of March 15, 2023 Board Meeting Minutes
- Approval of Payables as Submitted
- Approval of District Monthly Financial Statements

**Motion by Commissioner Metts, seconded by Commissioner English, to approve the Consent Calendar. Motion carried.**

#### 5. EXECUTIVE DIRECTOR'S REPORT

Updated **ignite cda** Public Records Policy

Ex. Director Berns shared an updated Agency Public Records Policy with the board. Key policy updates include modifying policy language to correspond to updated Idaho Code sections and designating an Agency representative (**ignite cda** Ex. Director) to be the custodian of public records and the contact person for public record requests.

**Motion by Commissioner Chapkis, seconded by Commissioner Evans, to approve the updated Agency Public Records Policy document as presented. Motion carried.**

Atlas Project: Active West, LLC Area 6 DDA Amendment #1: Phasing Plan

Ex. Director Berns shared an overview of proposed Amendment # 1 to the Active West, LLC Area 6 Disposition and Development Agreement (DDA) re. an updated construction phasing plan. Details of this Amendment can be found in the attached minutes from the April 17, 2023 Atlas Project RFP Review Committee meeting.

**Motion by Commissioner Chapkis, seconded by Commissioner Evans, approving Active West, LLC Area 6 DDA Amendment #1 with regards to an updated phasing plan. Motion carried.**

Atlas Project: Riverfest LLC Areas 5B & 8 DDA Amendment #2: Area 5B Architecture

Ex. Director Berns and Phil Boyd (Welch-Come Engineers) shared an overview of proposed Amendment # 2 to the Riverfest LLC Areas 5B & 8 Disposition and Development Agreement (DDA) re. an updated architecture plan pertaining to Area 5B. Details of this Amendment can be found in the attached minutes from the April 17, 2023 Atlas Project RFP Review Committee meeting.

Board member discussion ensued re. the change in the proposed architecture. Comments included the changing real estate market wherein this type of a more modern architecture look is now preferred over for example the craftsman style architecture from years past.

**Motion by Commissioner Chapkis, seconded by Commissioner English, approving Riverfest LLC Areas 5B & 8 DDA Amendment #2 with regards to an updated architecture plan for Area 5B. Motion carried.**

Atlas Project: RFP #8 (Areas 9, 16-19): Toll Brothers Withdrawal, Smock Team Award

Ex. Director Berns and Phil Boyd (Welch-Comer Engineers) shared an overview of a revised Atlas Project RFP Review Committee award recommendation with the board. The revised award recommendation pertains to the recent withdrawal of the Toll Brothers RFP #8 purchase offer and development proposal. Details of this revised committee award recommendation in favor of the Smock Development Team's proposal can be found in the attached minutes from the April 17, 2023 Atlas Project RFP Review Committee meeting.

The table contained in the aforementioned committee meeting minutes has been updated and is included below:

	Orig. Smock	Revised Smock	Toll Bros.
<b>Areas 9, 16 &amp; 17</b>	Single Family	Single Family	Single Family
Units	18	18	16
Timeline to Complete (Years)	10	4	9
Offer Price	\$ 2,070,000	\$ 2,070,000	\$ 2,400,000
Additional Entitlements, Infrast. & Earthwork	\$ -	\$ -	\$ (190,000)
Estimated Product Price Point	\$ 1,315,000	\$ 1,315,000	\$ 1,300,000
Estimated Tax Increment	\$ 1,520,000	\$ 2,090,000	\$ 1,910,000
<b>Areas 9, 16 &amp; 17 Sub-Total</b>	<b>\$ 3,590,000</b>	<b>\$ 4,160,000</b>	<b>\$ 4,120,000</b>
<b>Areas 18 &amp; 19</b>	Twin Homes	Twin Homes	Town Homes
Units	20	20	40
Timeline to Complete (Years)	15	6	8
Offer Price	\$ 1,300,000	\$ 1,300,000	\$ 800,000
Additional Entitlements, Infrast. & Earthwork	\$ (400,000)	\$ (340,000)	\$ (400,000)
Estimated Product Price Point	\$ 550,000	\$ 550,000	\$ 600,000
Estimated Tax Increment	\$ 390,000	\$ 800,000	\$ 1,850,000
<b>Areas 18 &amp; 19 Sub Total</b>	<b>\$ 1,690,000</b>	<b>\$ 2,100,000</b>	<b>\$ 2,650,000</b>
<b>TOTAL</b>	<b>\$ 4,880,000</b>	<b>\$ 5,920,000</b>	<b>\$ 6,370,000</b>
Smock Increase from original to revised proposal	<b>\$1,040,000</b>		
Difference between revised Smock & Toll Bros.			<b>\$ 450,000</b>

Also, the following slide was included in the presentation to the board. This slide was not included in the aforementioned committee meeting minutes:

- Smock will agree to the following build schedule:

Atlas Area	Total Dwelling Units	Year					
		2023	2024	2025	2026	2027	2028
Areas 14 & 15	15	5	5	5			
Areas 9, 16 & 17	18	0	5	5	5	3	
Areas 18 & 19	20	0	0	0	4	6	10
	Total per Year	5	10	10	9	9	10

- Ignite CDA will fund up to \$340,000 for additional public row infrastructure

**Motion by Commissioner Metts, seconded by Commissioner Evans, approving the revised Atlas Project RFP Review Committee's recommendation to award the RFP #8 Areas (Areas 9, 16-19) to the Smock Development Team, directing Agency staff to prepare the necessary Agreement to Negotiate Exclusively (ANE) document. Motion carried.**

### Atlas Project: Update

Phil Boyd (Welch-Comer Engineers) shared an Atlas Project update with the board. Following are key slides from his presentation:

## Phase 2 Progress

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- Underground infrastructure stopped pending RFP #8 Board decision
- Phase 2A landscaping is underway
- Rockery wall is complete

## Rockery Wall

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### 6. BOARD COMMISSIONER COMMENTS:

Chairman Hoskins shared that this is the last board meeting for Commissioner Widmyer. Board members thanked Commissioner Widmyer for all of his work over the years on behalf of the Agency.

### 7. ADJOURN: **Motion by Commissioner Chapkis, seconded by Commissioner Metts, to adjourn. Motion carried.**

The **ignite cda** board meeting adjourned at 4:41 p.m. Minutes prepared and submitted by Ex. Director Berns.



**ATLAS PROJECT**

**PROPOSAL REVIEW / SCORING COMMITTEE MEETING**

**MINUTES**

**MONDAY APRIL 17, 2023 11:00 AM**

**1. CALL TO ORDER**

Ignite cda Commissioner Metts called the committee meeting to order at 11:01 am.

Committee Members Present:

Matt Anderson, Heartland  
Tony Berns – ignite cda  
Brinnon Mandel – ignite cda  
Alivia Metts – ignite cda  
Phil Boyd – Welch-Comer

Troy Tymesen – City of CDA  
Hilary Patterson – City of CDA  
Ben Wharton - Heartland  
Danielle Quade – ignite cda

Committee Members Absent: Christie Wood – City of CDA

Public Attendees: none

**2. ACTIVE WEST, LLC AREA 6 DDA AMENDMENT #1: PHASING PLAN**

Active West, LLC (Developer of Area 6) is behind on the construction phasing plan contained in the Area 6 Disposition and Development Agreement (DDA). In an effort to get the Developer back in compliance with the DDA, the following letter was sent to the Developer on April 12:

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Active West, LLC, an Idaho limited liability company  
Attn: Dennis Cunningham  
P.O. Box 3398  
Coeur d'Alene, Idaho 83814

Re: *Atlas Waterfront (Area 6) – Proposed Phasing Plan*

Dear Dennis:

I am writing in follow-up to conversations you have had with Ben Wharton of Heartland regarding Active West, LLC (“you” or “Developer”) and the development of certain property in the Atlas Waterfront development. Subject to that Disposition and Development Agreement (the “DDA”) dated October 14, 2020 between you and ignite cda (“ignite”), ignite transferred certain real property located in Atlas Waterfront to you, commonly known as Area 6 (the “Property”).

Under the DDA, construction of Homes (as defined in the DDA) is required to be completed by you pursuant to a Phasing Plan, attached to the DDA as Attachment 11. For your reference, the following is the Phasing Plan contained in the DDA:

- (1) **Phase I** to commence within ninety (90) days after Closing and shall include construction of twelve (12) duplex units.
- (2) **Phase II** to commence within three hundred sixty (360) days after Closing and shall include construction of up to twelve (12) townhome units.

In all cases, construction on all Homes in each phase shall be completed within four hundred eighty (480) days after the initiation of each phase.

Based on the closing date of the transfer of the Property on April 13, 2021, commencement and completion of construction of each Phase under your Phasing Plan should be, or have been, completed by the following dates:



**Phase 1 (12 duplexes)**

Start: July 12, 2021

Complete: November 14, 2022

**Phase 2 (12 townhomes)**

Start: April 8, 2022

Complete: August 1, 2023

We received your proposal to come back into compliance with the Phasing Plan. That proposal contains an amended Phasing Plan for Area 6 which effectively extends the commencement date for Phase II and completion dates for Both Phases. The final completion date of construction on Homes under your proposed Phasing Plan is March 31, 2023 for Phase I (we are assuming Phase I has been completed) and June 30, 2024 for Phase II.

Based on your proposed extension to your phasing plan, ignite would experience financial injury based on projected tax increment revenue that would have been captured if construction proceeded according to your original phasing plan. To illustrate the financial impact of your proposal, attached as “**Exhibit A**” to this letter is a summary of estimated foregone tax increment revenue, which totals \$38,333.

**Ignite’s Proposal**

ignite wants to be a good partner and understands that there have been development complexities and delays that you did not anticipate. In an attempt to strike a balance and see a successful development, ignite is prepared to accept your proposed Phasing Plan extension, subject to certain conditions, which would adequately cure your violations of the DDA related to the Phasing Plan.

This extension would be granted by ignite at no additional cost to you if construction is commenced and completed in accordance with this proposed Phasing Plan. However, your proposal still represents a loss in projected tax increment revenue to ignite of \$38,333. Thus, assuming Phase I is already complete, if construction of all Homes in Phase II is not completed by the final date of June 30, 2024, then an extension fee in that same amount (\$38,333) would be immediately due and payable to ignite.

Please respond to this letter no later than April 18, 2023, with an indication as to whether you will accept this proposal.

ignite does not wish to pursue more direct action to ensure compliance with the DDA, however ignite is prepared to exercise the full extent of its rights under the DDA and Master

Declaration of Atlas Waterfront if your continuing violation of the Phasing Plan in the DDA and Declaration is not cured. Should you have any questions, please do not hesitate to contact me or Ben Wharton.

Sincerely,

*Tony*

Tony Berns  
Executive Director

**EXHIBIT A**

**Proposed Phasing Plan Analysis (Area 6)**

Sale Price, Floor Plan A (3 BR)	\$1,025,000
Sale Price, Floor Plan B (2-BR)	\$687,000
Increment %	0.004097896
Sale Price, Floor Plan C (3-BR)	\$1,025,000
Sale Price, Phase 2 (3-BR)	\$700,000
Phase 1 Delayed Units	6
Phase 2 Units	11

<u>Phase 1</u>	<u>Days Late</u>	<u>Est. Forgone Increment</u>
12-Jul-21	N/A	\$0
14-Nov-22	N/A	\$0
31-Mar-23	137	\$9,459

<u>Phase 2</u>	<u>Days Late</u>	<u>Est. Forgone Increment</u>
28-Apr-22	N/A	\$0
1-Aug-23	N/A	\$0
30-Jun-24	334	\$28,874

<b>Est. Total Fee</b>	<b>\$38,333</b>
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**Motion by Patterson, seconded by Metts, recommending approval of Area 6 DDA Amendment #1 (Phasing Plan) to the ignite cda board. Motion carried.**

**3. RIVERFEST LLC AREAS 5B & 8 DDA AMENDMENT #2: ARCHITECTURE**

The Beutler Development Team has proposed a “material change” to the Area 5B architecture from what was originally presented in their RFP submittal (first slide below). The architecture is much more contemporary (slides 2-5) when compared to the original proposal as can be seen in the renderings below. Several meetings were held with the Beutler Team, which now includes Architects West (AW), to understand the desire for this material change which is generally summarized by the Beutler team as follows:



1. The architecture is designed to allow the “back row homes” to look over the flat roofs of the “front row homes” to get a view of the river, thereby increasing home value.
2. Atlas Project homes have pivoted to be more modern because that is what the market demands, and this proposed revision is consistent with that pivot.
3. The home designs need to be very similar and repeatable to achieve cost effectiveness.

The final version reflects a work product established from the ADRC Committee (Boyd, Hatch, Patterson) working with the AW/Beutler Team. Revisions include adding some sloped roofs, adding wood soffits, distinguishing units from each other with color, and window changes and changes of “form” such as parapet thicknesses.

Original Beutler Submittal





South



Southeast



Southeast



Southwest

Revised Beutler Submittal

FIBER CEMENT PANEL

SW 7674 Peppercorn	SW 7757 High Reflective White	SW 6709 Gleeful	SW 6662 Summer Day	SW 9017 Sunny Veranda
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LAP SIDING

SW 7674 Peppercorn	SW 7757 High Reflective White	SW 6096 Jute Brown	SW 7504 Keystone Gray
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TNG SOFFIT

SW 3503 White Birch
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BOARD-FORM



Atlas Area 5b

MARCH 30, 2023



South



Southwest



Northeast

Revised Beutler Submittal

FIBER CEMENT PANEL

SW 7674 Peppercorn	SW 7757 High Reflective White	SW 6709 Gleeful	SW 6662 Summer Day	SW 9017 Sunny Veranda
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LAP SIDING

SW 7674 Peppercorn	SW 7757 High Reflective White	SW 6096 Jute Brown	SW 7504 Keystone Gray
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TNG SOFFIT

SW 3503 White Birch
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BOARD-FORM



Atlas Area 5b

MARCH 30, 2023







North



Northeast



Northwest



Northwest

Revised Beutler Submittal

**FIBER CEMENT PANEL**

SW 7674 Peppercorn	SW 7757 High Reflective White	SW 6709 Gleeful	SW 6662 Summer Day	SW 9017 Sunny Veranda
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**LAP SIDING**

SW 7674 Peppercorn	SW 7757 High Reflective White	SW 6096 Jute Brown	SW 7504 Keystone Gray
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**TNG SOFFIT**

SW 3503 White Birch
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**BOARD-FORM**



**Atlas Area 5b**

MARCH 30, 2023



Southeast Birdseye



West



East

Revised Beutler Submittal

**FIBER CEMENT PANEL**

SW 7674 Peppercorn	SW 7757 High Reflective White	SW 6709 Gleeful	SW 6662 Summer Day	SW 9017 Sunny Veranda
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**LAP SIDING**

SW 7674 Peppercorn	SW 7757 High Reflective White	SW 6096 Jute Brown	SW 7504 Keystone Gray
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**TNG SOFFIT**

SW 3503 White Birch
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**BOARD-FORM**



**Atlas Area 5b**

MARCH 30, 2023

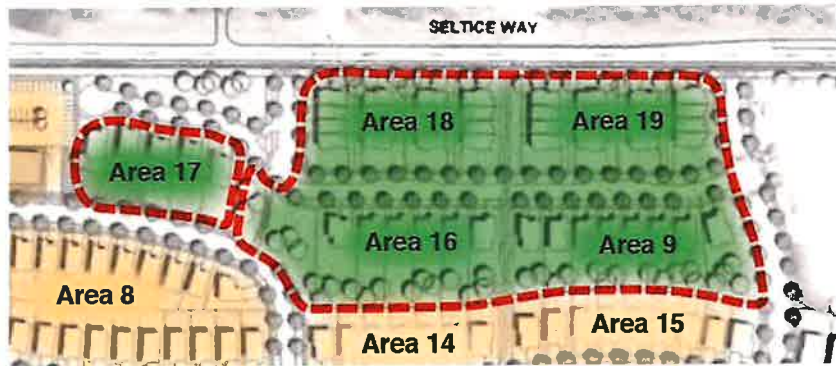


**Motion by Patterson, seconded by Mandel, recommending approval of Areas 5B & 8 DDA Amendment #2 (5B Architecture Plan) to the ignite cda board.  
Motion carried.**

4. AWARD RECOMMENDATION TO IGNITE CDA BOARD REGARDING PROPOSAL FOR ATLAS PROJECT AREAS 9, 16, 17, 18, 19

Background

*Areas 9, 16 & 17 are platted for 18 single-family lots while Areas 18 & 19 are platted for 16 townhome lots.*



*Per the RFP, development teams could propose on the Areas per the following guidelines:*

*Proposals must include all single-family Areas (9, 16 & 17), or all townhome Areas (18 & 19), or all of both types. Developers cannot propose on individual Areas. Developers can propose alternate configurations or product types within the confines of the development standards, with higher density concepts preferred on Areas 18 & 19. Any re-platting required would be completed at developer expense.*

*Following is a summary of the proposals submitted for Areas 9, 16, 17, 18, 19:*

Smock Development Team

- *Bid on all Areas contained in the RFP.*
- *Areas 9, 16 & 17 = 18 single family residences.*
- *Areas 18 & 19 = 10 twin homes.*
- *Bid: Areas 9, 16 & 17: \$2,070,000 up to \$2,700,000 with escalation*
- *Bid: Areas 18 & 19: \$1,300,000 up to \$1,900,000 with escalation*
- *Base Bid for all Areas = \$3,370,000*

Toll Brothers Development Team

- *Bid on all Areas contained in the RFP.*
- *Areas 9, 16 & 17 = 16 single residences.*

- *Areas 18 & 19 = 40 townhomes.*
- *Base Bid for all Areas = \$3,200,000 with no escalation*

Beutler / Stam Development Team

- *Bid only on Areas 9 & 16 in the RFP.*
- *Bid: \$900,000 up to \$1,400,000 with escalation clause.*
- *Proposal was deemed non-compliant per the RFP requirements – i.e. proposal contained an offer price for only Areas 9 & 16: did not include Area 17.*

At the March 9, 2023 Atlas Project Review Committee meeting, the Committee formed a recommendation to the ignite cda board to award Areas 9, 16-19 to Toll Brothers. The ignite cda board supported that recommendation and at the March 15, 2023 ignite cda board meeting, the board awarded Areas 9, 16-19 to Toll Brothers.

Shortly after that award decision, Toll Brothers informed ignite cda that Toll Brothers was withdrawing their purchase offer and development proposal.

As discussed in the memo below from Welch-Comer, the Smock Development Team was contacted as the second position proposer on RFP #8 to ascertain their interest in moving forward with their purchase offer and to see if their proposal metrics have modified in the interim.

## Memorandum

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**TO: TONY BERNS, EXECUTIVE DIRECTOR AND ATLAS SELECTION COMMITTEE**

**FROM: PHIL BOYD, P.E. AND JACK GRIFFING, E.I.T.**

**PRJ. #: 41292.03**

**SUBJECT: SMOCK RFP#8 REVISED PROPOSAL**

**DATE: 4/10/2023**

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The ignite cda Board awarded Toll Bros. RFP #8 because their purchase price and estimated tax increment value (based on their proposed density (40 TH and 16 SF) and construction schedule) exceeded the Smock Team's purchase price and tax increment value (based on their proposed lower density (20 Twin homes and 18 SF) and longer construction schedule).

After the Board awarded RFP #8 to Toll Bros., Toll Bros. then withdrew their offer after further consideration by their corporate headquarters. Their corporate headquarters referenced a lack of sales track record for Toll Bros. in the Coeur d'Alene market and still high home production costs with declining home values as their withdrawal reasons.

Executive Director Berns directed us to contact the Smock Team to ascertain if Smock might consider revising their proposal to make it more competitive with the Toll Bros. proposal. We met with the Smock team and discussed increasing the density on Areas 18 and 19 from 20 twin homes to 40 or more town homes and shortening their construction time frame. Smock indicated



they would be willing to increase their planned build schedule from 3 homes per year, starting after they completed Areas 14 and 15 (estimated to be 2028) to 5 homes per year starting in 2024. Smock preferred not to increase density on Areas 18 and 19 as they believe the additional density would negatively impact the neighborhood livability and quality and perhaps impact the single-family home pricing on Areas 9, 16 and 17.



In the following table, we assess the monetary impact of Smock's revised proposal to ignite, which includes our recommendation for removing the Area 18 and 19 alley construction cost from ignite's responsibility. Area 18 and 19 home construction will not be underway until 2026, after which time is when the alley should be constructed. Ignite's team will likely be demobilized from the site, so we recommend removing that work, estimated cost of \$60,000, from ignite's responsibility.



	Orig. Smock	Revised Smock	Toll Bros.
<b>Areas 9, 16 &amp; 17</b>	Single Family	Single Family	Single Family
Units	18	18	16
Timeline to Complete (Years)	10	4	9
Offer Price	\$ 2,070,000	\$ 2,070,000	\$ 2,400,000
Additional Entitlements, Infrast. & Earthwork	\$ -	\$ -	\$ (190,000)
Estimated Product Price Point	\$ 1,315,000	\$ 1,315,000	\$ 1,300,000
Estimated Tax Increment	\$ 1,520,000	\$ 2,090,000	\$ 1,910,000
<b>Areas 9, 16 &amp; 17 Sub-Total</b>	<b>\$ 4,905,000</b>	<b>\$ 5,475,000</b>	<b>\$ 5,420,000</b>
<b>Areas 18 &amp; 19</b>	Twin Homes	Twin Homes	Town Homes
Units	20	20	40
Timeline to Complete (Years)	15	6	8
Offer Price	\$ 1,300,000	\$ 1,300,000	\$ 800,000
Additional Entitlements, Infrast. & Earthwork	\$ (400,000)	\$ (340,000)	\$ (400,000)
Estimated Product Price Point	\$ 550,000	\$ 550,000	\$ 600,000
Estimated Tax Increment	\$ 390,000	\$ 800,000	\$ 1,850,000
<b>Areas 18 &amp; 19 Sub Total</b>	<b>\$ 1,840,000</b>	<b>\$ 2,310,000</b>	<b>\$ 2,850,000</b>
<b>TOTAL</b>	<b>\$ 6,745,000</b>	<b>\$ 7,785,000</b>	<b>\$ 8,270,000</b>
Smock Increase from original to revised proposal	\$1,040,000		
Difference between revised Smock & Toll Bros.			\$ 485,000

The revised proposal increases Smock's estimated development revenue by \$1,040,000 compared to Smock's original proposal. The revised Smock proposal is within \$485,000 of Toll Bros' original proposal.

Following are design concept examples submitted by the Smock Development Team.





**Motion by Tymesen, seconded by Metts, recommending to the ignite cda board that Atlas Project Areas 9, 16, 17, 18, 19 be awarded to the Smock Development Team. Motion carried.**

5. ADJOURN: Motion by Tymesen to adjourn. Meeting adjourned at 11:27 p.m. Minutes prepared by Ex. Director Berns.