



BOARD MEETING MINUTES

WEDNESDAY JANUARY 20, 2010 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: Elder, Colwell, Davis, Nipp, Hoskins, Goodlander, Patzer, Hassell

2. PLEDGE OF ALLEGIANCE

3. PUBLIC COMMENT

Guests Present: Chris Hollibaugh, Todd Christensen, Larry Comer, Wendy Gabriel, Ben Johnston, Brad Marshall, Tom Hasslinger.

Chairman Davis invited Todd Christensen, new Coeur d'Alene Chamber of Commerce President, to visit with the Board and introduce himself to the community.

No public comment was given.

4. APPROVAL OF MINUTES

- December 16, 2009 Board Meeting Minutes

Motion by Elder, seconded by Hoskins to approve the December 16, 2009 Board Meeting Minutes. Motion carried.

5. 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 December Lake and River District financial files, and the December account payables sheet, with the Board.

Motion by Goodlander, seconded by Patzer, to approve the December accounts payables and the December financial packets for the Lake & River Districts as presented. Motion carried.

Fiscal Year 2009 (FY09) Audit Review

Ben Johnston, of Magnuson, McHugh & Company, shared an overview of his firm's FY09 LCDC audit report. Mr. Johnston reviewed several key elements of the report and shared that LCDC's FY09 audit is deemed "clean" – i.e. no issues of concern were found during the audit. Board members asked a few clarifying questions of Mr. Johnston, and thanked the LCDC Finance Committee and Executive Director Berns for their fine work in managing the complex LCDC financial business model.

Kootenai Youth Recreation Organization (KYRO) Partnership Funding Request

Please refer to the October 21, 2009 and the December 16, 2009 Board meeting minutes for background on this initiative.

Commissioner Colwell shared that the Finance Committee is still working with the KYRO team on a few aspects of a proposed LCDC / KYRO partnership, and hopes to have a committee recommendation for the full Board to consider at the February LCDC Board meeting.

Review of First Quarter (Q1) FY10 Summary Report

Commissioner Colwell and Executive Director Berns reviewed and discussed the fiscal year 2010 (FY10) first quarter (Q1) financial summary report with the Board.

Larry Comer – Parkside IRA Cost Validation Analysis

Larry Comer, of Welch-Comer Engineering, at the LCDC Board's request, shared some ideas for fine tuning the LCDC's protocol for reviewing and evaluating proposed public/private partnership projects. Mr. Comer shared a proposed procedural flow chart with the Board that consists of four phases of review:

- Phase 1: Concept/Planning
- Phase 2: Design/Bid
- Phase 3: Construction
- Phase 4: Post-Construction

Within each of these phases are detailed review processes designed to assure that both LCDC and developer resources are effectively and efficiently utilized. Some of the current procedures utilized by the LCDC recommended

for fine tuning include requesting developers to supply unit pricing schedules for discrete project elements funded by LCDC, and an encouragement that developers seek competitive bid pricing for LCDC funded project elements.

LCDC Board commissioners thanked Mr. Comer for his recommendations and for taking the time to develop the proposed flow chart. Mr. Comer shared that he will make a few adjustments to the flow chart and send it to the LCDC Executive Director, who will then share the work product with the Finance Committee for further evaluation and potential inclusion involving future public/private partnership project reviews.

- Housing Committee – Commissioner Jim Elder

Housing Committee Chair Jim Elder shared that the Idaho Housing & Finance Association (IHFA) Midtown mix-use workforce housing project is still moving ahead, with plans to break ground in 2010. LCDC will continue working with the IHFA on a Disposition and Development Agreement (DDA) involving the LCDC land assets that will be a part of the mix-use project.

- Parking Committee – Commissioner Jim Elder

Parking Committee Chair Jim Elder, who also serves as a member (and LCDC liaison) on the City's Parking Commission, shared that the Parking Committee will be quite active this year revisiting/reviewing the strategy for future structured parking facilities in the downtown area. The Parking Committee will be working with City staff and the City's Parking Commission on this initiative.

- Communication Committee – Commissioner Dave Patzer

Communication Committee Chair Dave Patzer invited Chris Hollibaugh, LCDC Online Communication Coordinator, to visit with the Board and provide an update as to the usage metrics of the LCDC website (www.lcdc.org).

Mr. Hollibaugh shared that for 2008, the LCDC website had 12,872 unique visitors for the year. For 2009, unique visitor usage increased to 16,936. The top website pages receiving the most "views" during 2009 were:

- #1 – "About Us / Board" page
- #2 – "Partnership Projects" page
- #3 – "FAQ" page
- #4 – "Downloads / Agenda-Minutes" page

Mr. Hollibaugh shared that the average visit time on the LCDC website for 2009 was approximately three minutes. He also shared that the "Contact Us"

venue on the website has been enhanced to facilitate public input to the LCDC.

Board members and Executive Director Berns all thanked Mr. Hollibaugh for his fine work on behalf of the LCDC, and encouraged him to continue his leadership role in promoting the use of new technologies to enhance the effectiveness of LCDC's communication with the community.

6. EXECUTIVE DIRECTOR'S REPORT

LCDC Executive Director Berns discussed operational issues, reviewed the Q1 FY10 district scorecards, and updated the Board on LCDC initiatives.

Discussion of Idaho Supreme Court Decision: Rexburg vs. Hart

Executive Director Berns asked LCDC legal counsel Danielle Quade to provide a background overview of this Supreme Court case and to share her insights re. the Court's decision. Mrs. Quade reviewed the history of the case with the Board sharing how that the primary issue of the case involved how urban renewal agencies (URAs) can acquire debt. Under Idaho law, URAs can enter into debt obligations without going to the public for a vote. Cities must go to the public for a vote if they plan to enter into significant debt obligations. The plaintiff in the Rexburg vs. Hart case proffered that URAs are used by cities to get around their requirement to seek a public vote on debt obligations, thus making URAs "alter egos" of the cities. The Supreme Court ruled that URAs are not "alter egos" of the cities, rejecting the plaintiff's arguments. URAs are separate legal entities from the cities and thus do not have to follow statutes that govern how cities acquire debt.

Mrs. Quade also shared that one remaining case involving the Nampa URA is still on the Supreme Court's docket. The issue in this case is very similar to the issue just settled in the Rexburg case. Mrs. Quade believes that the Court will rule on this case in 2010.

7. PUBLIC COMMENT

No public comment

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

Subsection C: acquiring an interest in real property not owned by a public agency.

Motion by Hassell, seconded by Hoskins to convene an Executive Session, as provided by Idaho Code Section 67-2345(1) Subsection C: acquiring an interest in real property not owned by a public agency.

Roll Call:

Nipp	Yes	Goodlander	Yes	Hassell	Yes
Colwell	Yes	Patzer	Yes	Jordan	Absent
Elder	Yes	Davis	Yes	Hoskins	Yes

Motion carried.

The LCDC Board entered into Executive Session at 5:00 p.m. Those present were the LCDC Board of Commissioners, LCDC legal counsel Danielle Quade and LCDC Executive Director Tony Berns.

Deliberations were conducted concerning the acquisition of an interest in real property which is not owned by a public agency.

Motion by Colwell, seconded by Hoskins to adjourn the Executive Session.

Motion carried.

No action was taken in Executive Session and the LCDC Board returned to regular session at 5:45 p.m.

Following Executive Session, the Board discussed public relations issues and opportunities.

9. ADJOURN

Motion by Goodlander, seconded by Elder to adjourn. Motion carried.

The LCDC Board meeting adjourned at 5:55 p.m. Minutes prepared and submitted by Tony Berns.