



# **BOARD OF COMMISSIONERS MEETING**

CAPITAL CITY DEVELOPMENT CORPORATION  
Board of Commissioners Meeting  
Conference Room, Fifth Floor, 121 N. 9th Street  
January 14, 2019 12:00 p.m.  
A G E N D A

I. **CALL TO ORDER** ..... Chair Zuckerman

II. **AGENDA CHANGES/ADDITIONS** ..... Chair Zuckerman

III. **CONSENT AGENDA**

- A. Expenses
  - 1. Approval of Paid Invoice Report – December 2018
- B. Minutes and Reports
  - 1. Approval of December 10, 2018 Meeting Minutes
- C. Other
  - 1. Resolution #1582 - Bid Award Capitol & Main Garage – Elevator Modernization Project

IV. **ACTION ITEM**

- A. CONSIDER: Annual Independent Audit of FY 2018 Financial Statements (10 minutes)  
..... Brad Berls, Eide Bailly
- B. CONSIDER: Resolution #1583 Approval of Participation Program Update (10 minutes)  
..... Laura Williams/Shellan Rodriguez
- C. CONSIDER: Resolution #1584 Approval of Cost Share Agreement with ACHD for Gowen Road Bridge Project (Gateway East, 10 minutes) ..... Matt Edmond

V. **INFORMATION/DISCUSSION ITEMS**

- A. Alley Program, Block 7 (Capitol/Main/6th/Grove) (10 minutes) ..... Matt Edmond
- B. Operations Report (5 minutes) ..... John Brunelle

VI. **EXECUTIVE SESSION**

*Deliberations regarding acquisition of an interest in real property which is not owned by a public agency; consider records that are exempt from disclosure as provided in chapter 1, title 74, Idaho Code; and communicate with legal counsel to discuss the legal ramifications and legal options for pending litigation or controversies not yet being litigated but imminently likely to be litigated [Idaho Code Section 74-206(1) (c), (d) and (f)].*

VII. **ADJOURN**

*This meeting is being conducted in a location accessible to those with physical disabilities. Participants may request reasonable accommodations, including but not limited to a language interpreter, from CCDC to facilitate their participation in the meeting. For assistance with accommodation, contact CCDC at 121 N 9th St, Suite 501 or (208) 384-4264 (TTY Relay 1-800-377-3529).*



# **III. CONSENT AGENDA**



## Paid Invoice Report

For the Period: 12/01/2018 through 12/31/2018

Payee	Description	Payment Date	Amount
<b>Debt Service:</b>			
		Total Debt Payments:	-
<b>Payroll:</b>			
PERSI	Retirement Payment	12/5/2018	18,596.84
Idaho State Tax Commission	State Payroll Taxes	12/5/2018	2,461.00
EFTPS - IRS	Federal Payroll Taxes	12/5/2018	14,436.18
CCDC Employees	Direct Deposits Net Pay	12/5/2018	43,117.70
PERSI	Retirement Payment	12/19/2018	16,476.96
EFTPS - IRS	Federal Payroll Taxes	12/19/2018	13,106.64
Idaho State Tax Commission	State Payroll Taxes	12/19/2018	2,227.00
CCDC Employees	Direct Deposits Net Pay	12/19/2018	37,521.40
		Total Payroll Payments:	147,943.72
<b>Checks and ACH</b>			
Various Vendors	Check and ACH Payments (See Attached)	December 2018	937,924.89
	Total Paid Invoice, Reported Payments:		937,924.89
<b>Total Cash Disbursements:</b>			<b>\$ 1,085,868.61</b>

*I have reviewed and approved all cash disbursements in the month listed above.*

Finance Director

Date

1/8/2019

Executive Director

Date

1/9/19

## Report Criteria:

Detail report type printed

Vendor Number	Name	Invoice Number	Description	Invoice Date	Check Amount	Check Number	Check Issue Date
4085	Ada County Treasurer	CD FINAL	central district termination	12/20/2018	661,378.41	63157	12/20/2018
Total 4085:					661,378.41		
1139	American Cleaning Service	5243	Trailhead Cleaning - Dec	12/01/2018	936.71	11064	12/17/2018
Total 1139:					936.71		
3493	Arbitrage Compliance Spec	1021491	Arbitrage Rebate Calculati	11/30/2018	700.00	11065	12/17/2018
		1022218	Arbitrage Rebate Calculati	11/08/2018	2,100.00	11046	12/03/2018
Total 3493:					2,800.00		
1316	Blue Cross of Idaho	1832300003	Health Insurance - Decemb	12/01/2018	24,289.74	63141	12/01/2018
Total 1316:					24,289.74		
1385	Boise City Utility Billing	1177 DEC18	848 Main St # 0447416001	12/01/2018	7.79	11082	12/26/2018
Total 1385:					7.79		
3712	Car Park	09302018	5th & Broad (Fowler) FY18	09/30/2018	6,276.43	11054	12/04/2018
		OCT 18	10th & Front - Grove	10/31/2018	20,225.89	11076	12/18/2018
		OCT 18	9th & Front - City Centre	10/31/2018	23,887.94	11076	12/18/2018
		OCT 18	9th & Main - Eastman	10/31/2018	19,379.54	11076	12/18/2018
		OCT 18	Cap & Front - BLVD	10/31/2018	9,811.83	11076	12/18/2018
		OCT 18	Cap & Main (Cap T)	10/31/2018	21,865.65	11076	12/18/2018
		OCT 18	Cap & Myrtle - Myrtle	10/31/2018	18,785.94	11076	12/18/2018
		OCT 18	Cap & Myrtle - Myrtle refun	10/31/2018	9.00	11076	12/18/2018
		OCT 18	9th & Main - Eastman refun	10/31/2018	12.00	11076	12/18/2018
		OCT 18	Cap & Myrtle - Myrtle refun	10/31/2018	234.26	11076	12/18/2018
		OCT 18	Cap & Main (Cap T) reund	10/31/2018	245.31	11076	12/18/2018
		OCT 18	9th & Front - City Centre re	10/31/2018	171.28	11076	12/18/2018
		OCT 18	Cap & Front - BLVD refund	10/31/2018	92.82	11076	12/18/2018
		OCT 18	9th & Main - Eastman reun	10/31/2018	213.26	11076	12/18/2018
		OCT 18	10th & Front - Grove refun	10/31/2018	148.07	11076	12/18/2018
Total 3712:					121,359.22		
1556	Caselle Inc.	91158	Contract support - Decemb	12/01/2018	790.00	63142	12/01/2018
Total 1556:					790.00		
3947	Crane Alarm Service	13703	Fire Alarm System - Monito	11/01/2018	25.00	63146	12/13/2018
Total 3947:					25.00		
1832	Eide Bailly LLP	EI00739010	Audit 2018	11/30/2018	29,000.00	11077	12/18/2018
Total 1832:					29,000.00		
1838	Elam & Burke P.A.	176664	New Bench URD	11/30/2018	562.50	11078	12/18/2018
		176665	CD Closeout	11/30/2018	607.50	11078	12/18/2018
		176667	Parking Matters	11/30/2018	1,552.50	11078	12/18/2018

Vendor Number	Name	Invoice Number	Description	Invoice Date	Check Amount	Check Number	Check Issue Date
		176668	Downtown Boise Public Lib	11/30/2018	90.00	11078	12/18/2018
		176669	New Shoreline URD	11/30/2018	4,208.25	11078	12/18/2018
		176670	New URD - State STreet	11/30/2018	22.50	11078	12/18/2018
		176671	101-0 General	11/30/2018	416.10	11078	12/18/2018
		176672	WS District	11/30/2018	90.00	11078	12/18/2018
		176673	New URD - GWD	11/30/2018	2,222.03	11078	12/18/2018
	Total 1838:				9,771.38		
3807	FreedomVoice Systems	227096 DEC	Monthly Service	12/01/2018	516.20	63147	12/13/2018
	Total 3807:				516.20		
3695	Guho Corp.	180101076-0	Remove Curb Bulbs on N s	11/13/2018	5,636.00	11055	12/04/2018
	Total 3695:				5,636.00		
3872	Guy Hand Productions	1852	CCDC District Photos	11/30/2018	8,700.00	Multiple	12/14/2018
	Total 3872:				8,700.00		
3826	Idaho Airships Inc.	6931	Maps of proposed new dist	11/30/2018	765.00	11066	12/17/2018
	Total 3826:				765.00		
2129	Idaho Blueprint & Supply C	434247	URD Maps	12/07/2018	437.46	11067	12/17/2018
	Total 2129:				437.46		
2165	Idaho Power	6607 NOV18	9th St outlets #220040660	11/30/2018	5.26	11081	12/19/2018
		7995 NOV18	9th & State # 2201627995	11/30/2018	3.70	11080	12/18/2018
	Total 2165:				8.96		
3900	Idaho Records Manageme	0130567	Records Storage	12/01/2018	98.14	11068	12/17/2018
	Total 3900:				98.14		
3966	Involta	35873	Website Hosting Services	11/30/2018	1,347.90	63148	12/13/2018
	Total 3966:				1,347.90		
2288	Jensen Belts	1768-6	Streetscape Design Next Y	11/30/2018	2,595.75	11069	12/17/2018
		1768-6	Streetscape Design Next Y	11/30/2018	2,135.75	11069	12/17/2018
	Total 2288:				4,731.50		
3439	KPFF Consulting Engineer	238764	10th & Front Garage Refur	10/31/2018	585.00	11070	12/17/2018
	Total 3439:				585.00		
2396	Leland Consulting Group	5937.1.6	State Street URD	10/31/2018	953.75	11047	12/03/2018
	Total 2396:				953.75		
3819	Level 3 Communications L	75279417	Internet & Data	11/17/2018	611.01	63149	12/13/2018

Vendor Number	Name	Invoice Number	Description	Invoice Date	Check Amount	Check Number	Check Issue Date
Total 3819:					611.01		
2774	Pro Care Landscape Mana	23435	Holiday Lights	11/30/2018	345.76	63150	12/13/2018
		23436	Holiday Lights	11/30/2018	12.84	63150	12/13/2018
		23437	Holiday Lights	11/30/2018	696.35	63150	12/13/2018
		23438	Holiday Lights	11/30/2018	43.32	63150	12/13/2018
		23439	Holiday Lights	11/30/2018	6.69	63150	12/13/2018
		23511	10th & Front Garage	11/30/2018	197.00	63150	12/13/2018
		23511	Holiday Lights	11/30/2018	1,152.00	63150	12/13/2018
		23512	Holiday Lights	11/30/2018	288.00	63150	12/13/2018
		23513	Holiday Lights	11/30/2018	312.00	63150	12/13/2018
Total 2774:					3,053.96		
3896	Rim View LLC	DEC 2018	Monthly Rent and NNN - Tr	12/01/2018	13,279.29	63143	12/01/2018
Total 3896:					13,279.29		
3796	Scheidt & Bachmann USA	34491	October 2018 Merchant Fe	10/31/2018	939.16	11048	12/03/2018
Total 3796:					939.16		
3542	Security LLC - Plaza 121	DEC 2018	Office rent	12/01/2018	13,271.50	63144	12/01/2018
Total 3542:					13,271.50		
3974	Stability Networks Inc.	28171	Caselle upgrade	11/30/2018	1,587.51	11071	12/17/2018
		28171	Azure Cloud Backup	11/30/2018	420.00	11071	12/17/2018
		28171	IT Services 2019	11/30/2018	2,015.00	11071	12/17/2018
Total 3974:					4,022.51		
3242	Suez Water Idaho	4259 NOV18	516 S 9th St irri #06006391	11/15/2018	32.83	11062	12/03/2018
Total 3242:					32.83		
3831	The Land Group Inc.	0140732	RD, Alley Program - Grove	10/31/2018	6,586.60	11056	12/04/2018
		0140745	RD, River Street SS, Ash t	10/31/2018	2,200.00	11056	12/04/2018
		140843	RD, River Street SS, Ash t	11/30/2018	570.00	11079	12/18/2018
		140858	RD, Alley Program - Grove	11/30/2018	5,555.00	11079	12/18/2018
Total 3831:					14,911.60		
3923	Trailhead	110218	refund for duplicate payme	11/02/2018	55.00	11049	12/03/2018
		55758 NOV1	Idaho Power - 70%	11/30/2018	170.13	11072	12/17/2018
		55758 NOV1	Suez - 70%	11/30/2018	80.94	11072	12/17/2018
		55758 NOV1	Intermountain Gas - 70%	11/30/2018	144.61	11072	12/17/2018
Total 3923:					450.68		
4089	Treeworks	NOV 2018	Close-out Grove Plaza	11/16/2018	35.00	63151	12/13/2018
Total 4089:					35.00		
3197	Tri-State Electric Inc.	WO 21300	Building 8 troubleshoot ele	10/31/2018	167.50	11050	12/03/2018

Vendor Number	Name	Invoice Number	Description	Invoice Date	Check Amount	Check Number	Check Issue Date
Total 3197:					167.50		
3233	United Heritage	02014-001 D	Disability insurance - Dece	12/01/2018	1,392.62	63152	12/13/2018
Total 3233:					1,392.62		
3835	US Bank - Credit Cards	11.26.2018	Prepaid Expenses	11/26/2018	14.25	11063	12/14/2018
		11.26.2018	Voice, data & webhosting s	11/26/2018	99.00	11063	12/14/2018
		11.26.2018	Office Supplies	11/26/2018	1,100.65	11063	12/14/2018
		11.26.2018	Postage	11/26/2018	110.00	11063	12/14/2018
		11.26.2018	Dues & Subscriptions	11/26/2018	1,464.80	11063	12/14/2018
		11.26.2018	Personnel Training (Local)	11/26/2018	55.00	11063	12/14/2018
		11.26.2018	Local Meetings & Transpor	11/26/2018	581.22	11063	12/14/2018
		11.26.2018	Professional Services Gen	11/26/2018	37.00	11063	12/14/2018
		11.26.2018	R&M - Trailhead Facility	11/26/2018	10.44	11063	12/14/2018
		11.26.2018	Banking & Merchant Fees	11/26/2018	77.50	11063	12/14/2018
Total 3835:					3,549.86		
3266	Valley Regional Transit	24218	Bus Passes	11/09/2018	540.00	11051	12/03/2018
Total 3266:					540.00		
4068	Veritas Material Consulting	1118 PO#18	10th & Front Garage Refur	11/30/2018	653.00	63153	12/13/2018
		1118 PO#18	10th & Front Garage Refur	11/30/2018	3,747.00	63153	12/13/2018
Total 4068:					4,400.00		
3841	VoiceText Communications	11.18.18-141	Conference calls	11/18/2018	1.22	11052	12/03/2018
		123188	Conference calls	11/30/2018	20.03	11073	12/17/2018
Total 3841:					21.25		
3365	Westerberg & Associates	216	Legislative Advisement Ser	11/30/2018	2,000.00	11074	12/17/2018
Total 3365:					2,000.00		
3998	Western Records Destructi	0420364	Records Destroyed	11/30/2018	40.00	63154	12/13/2018
Total 3998:					40.00		
3990	Xerox Corporation	095022350	Copier Lease	10/31/2018	533.56	11053	12/03/2018
		95322858	Copier Lease	11/30/2018	534.40	11075	12/17/2018
Total 3990:					1,067.96		
Grand Totals:					937,924.89		

Report Criteria:

Detail report type printed



MINUTES OF REGULAR MEETING  
BOARD OF COMMISSIONERS  
CAPITAL CITY DEVELOPMENT CORPORATION  
Call-in Meeting  
121 N. 9th St., Conference Room  
Boise, ID 83702  
December 10, 2018 12:00 p.m.

**I. CALL TO ORDER:**

Chairman Zuckerman convened the meeting with a quorum at 12:02 p.m.

Present: Commissioner Gordon Jones, Commissioner Maryanne Jordan, Commissioner Scott Ludwig, Commissioner Ryan Woodings, and Commissioner Dana Zuckerman.

Absent: Commission David Bieter, Commissioner Ben Quintana

Agency staff members present were: John Brunelle, Executive Director; Todd Bunderson, Development Director; Max Clark, Parking and Mobility Director; Ross Borden, Finance & Administration Director; Mary Watson, General Counsel & Contracts Manager; Doug Woodruff, Senior Project Manager; Laura Williams, Project Manager; Shellan Rodriguez, Real Estate Development Manager; Joey Chen, Controller; Holli Klitsch, Accountant; Kathy Wanner, Contracts Specialist; Kevin Martin, Project Manager; and Sandy Lawrence, Administrative Assistant. Also present was Agency legal counsel, Ryan Armbruster.

**II. AGENDA CHANGES/ADDITIONS:**

There were no changes or additions to the agenda.

**III. CONSENT AGENDA**

- A. Expenses
  - 1. Approval of Paid Invoice Report – October & November 2018
- B. Minutes and Reports
  - 1. Approval of October 24, 2018 Special Meeting Minutes
- C. Other
  - 1. Approve Resolution #1578 – Modifying the ParkBOI Waitlist Policy

Commissioner Woodings motioned to approve the Consent Agenda  
Commissioner Jordan seconded.

Commissioner Ludwig recused himself from voting on the October 24, 2018 Special Meeting Minutes due to his absence from that meeting.

All said Aye, motion carried 4-0

**IV. ACTION ITEM**

**A. CONSIDER: Resolution #1582 – Bid Award Capitol & Main Garage – Elevator Modernization Project**

Kathy Wanner, CCDC Contracts Specialist, gave a report.

Commissioner Woodings made a motion to defer consideration of Resolution #1582 to the January 14, 2019 Board Meeting.

Commissioner Jordan seconded the motion.  
All said Aye, the motion carried, 5-0.

**V. INFORMATION/DISCUSSION ITEMS**

**A. Participation Program Revisions**

Laura Williams, CCDC Project Manager, and Shellan Rodriguez, CCDC Real Estate Development Manager, gave a report.

**B. Operations Report**

John Brunelle, CCDC Executive Director, gave a report.

**V. EXECUTIVE SESSION**

A motion was made by Commissioner Woodings to go into executive session at 1:08 p.m. to consider hiring a public officer, employee, staff member or individual agent, wherein the respective qualities of individuals are to be evaluated in order to fill a particular vacancy or need. This paragraph does not apply to filling a vacancy in an elective office or deliberations about staffing needs in general; To consider the evaluation, dismissal or disciplining of, or to hear complaints or charges brought against, a public officer, employee, staff member or individual agent, or public school student; To consider records that are exempt from disclosure as provided in chapter 1, title 74, Idaho Code [Idaho Code 74-206(1)(a), (b), (d)].

Commissioner Jordan seconded the motion.

A roll call vote was taken:

Commissioner Bieter: Absent

Commissioner Ludwig: Aye

Commissioner Jordan: Aye

Commissioner Jones: Aye

Commissioner Quintana: Absent

Commissioner Woodings: Aye

Commissioner Zuckerman: Aye

All said Aye. The motion carried, 5-0.

### **EXECUTIVE MEETING ADJOURNMENT**

A motion was made by Commissioner Woodings to adjourn executive session at 1:12 p.m. and return to the public meeting. Commissioner Jordan seconded the motion. A roll call vote was taken:

Commissioner Bieter: Absent  
Commissioner Ludwig: Aye  
Commissioner Jordan: Aye  
Commissioner Jones: Aye  
Commissioner Quintana: Absent  
Commissioner Woodings: Aye  
Commissioner Zuckerman: Aye

All said Aye. The motion carried, 5-0.

### **VII. REGULAR MEETING ADJOURNMENT**

There being no further business to come before the Board, a motion was made by Commissioner Woodings to adjourn the meeting. Commissioner Jordan seconded the motion. All said Aye. 5-0. The meeting adjourned at 1:13 p.m.

- - - -

ADOPTED BY THE BOARD OF DIRECTORS OF THE CAPITAL CITY DEVELOPMENT CORPORATION ON THE 14<sup>TH</sup> DAY OF JANUARY 2019.

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Dana Zuckerman, Chair

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Ryan Woodings, Vice Chair

January 04, 2019

Capital City Development Corporation (CCDC)  
121 N. 9<sup>th</sup> Street, Suite 501  
Boise, Idaho 83702

Project: Capital Terrace Garage - Elevator Modernization

Members of the Board:

## Modernization

Modernization is the process of upgrading the critical parts of the elevator in order for it to be able to handle new technology, have better performance, improve safety, and even give the aesthetics an up-to-date appeal. Speed of elevators depend on many factors, including how long doors take to open/close, the hydraulic lift and how many stops it makes.

The modernization project will replace the hydraulic pumps and valves thus increasing the efficiency of the elevator. The door operator will also be replaced which will make the doors operate at a quicker speed. With the replacement of the hydraulics and door controller the speed of the elevator will increase into the designed parameter of 150 FPM (feet per minute) which is about 13 seconds per floor.

At a cost of \$261,044 (for x2 cars) modernization will optimize the current elevators to run at industry standards.

## Replacement

An elevator replacement project is a major construction project that removes the entire elevator and all its existing components. The existing shafts need to be modified and the existing pits need to go deeper to accept the new elevator system. When the original elevators were installed in 1987 bedrock was hit in shaft no. 1, which might limit further excavation.

At an estimated cost of approximately \$1.05 million (for x2 cars), replacement is 3-4 times more costly than modernization and the additional speed gained is mere seconds.

Our recommendation is to modernize the elevators and extend their useful life by another 25-30 years.

Thanks,



Brian Coleman  
[bcoleman@hummelarch.com](mailto:bcoleman@hummelarch.com)  
HUMMEL Architects

**A** | 2785 N. Bogus Basin Rd.  
Boise, Idaho 83702

**W** | [www.hummelarch.com](http://www.hummelarch.com)

**P** | 208.343.7523

**F** | 208.343.0940

## Principal

Scott Straubhar | AIA, NCARB

Ed Daniels | AIA, NCARB

## Associate

Mandy Boam | NCIDQ



**RESOLUTION NO. 1582**

BY THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF BOISE CITY, IDAHO:

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF BOISE CITY, IDAHO, FINDING SCHINDLER ELEVATOR CORPORATION IS THE QUALIFIED BIDDER WHICH SUBMITTED THE LOWEST BID FOR THE CAPITOL & MAIN GARAGE ELEVATOR MODERNIZATION PROJECT; AUTHORIZING THE EXECUTIVE DIRECTOR TO NEGOTIATE AND EXECUTE A PUBLIC WORKS CONSTRUCTION CONTRACT WITH SCHINDLER ELEVATOR CORPORATION FOR THE CAPITOL & MAIN GARAGE ELEVATOR MODERNIZATION PROJECT; AND PROVIDING AN EFFECTIVE DATE.

THIS RESOLUTION, is made on the date hereinafter set forth by the Urban Renewal Agency of Boise City, Idaho, an independent public body, corporate and politic, authorized under the authority of the Idaho Urban Renewal Law of 1965, as amended, chapter 20, title 50, Idaho Code, and the Local Economic Development Act, as amended and supplemented, Chapter 29, Title 50, Idaho Code (collectively, the "Act"), as a duly created and functioning urban renewal agency for Boise City, Idaho, hereinafter referred to as the "Agency."

WHEREAS, Idaho Code § 67-2805(2)(a) provides for a competitive sealed bidding process for procurement of public works construction valued in excess of \$200,000; and,

WHEREAS, the Agency issued an Invitation to Bid for its Capitol & Main Garage – Elevator Modernization Project (the "Project") on October 2, 2018, and published the requisite public notice of the Invitation to Bid in the *Idaho Statesman* newspaper on October 2 and 9, 2018; and,

WHEREAS, the Agency received two (2) sealed bids by the due date and time of 3:00 p.m. on October 30, 2018; and,

WHEREAS, the bids received met all of the required statutory and administrative criteria for submission and the bidders have appropriate and valid public works contractors licenses; and,

WHEREAS, Schindler Elevator Corporation submitted the lowest responsive bid; and,

WHEREAS, Agency staff recommends to the Board that the contract award for the Project be made to Schindler Elevator Corporation as the lowest responsive bidder.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF BOISE CITY, AS FOLLOWS:

Section 1: That the above statements are true and correct.

Section 2: That the Board hereby finds that SCHINDLER ELEVATOR CORPORATION was the qualified bidder submitting the lowest responsive bid for the Capitol & Main Garage – Elevator Modernization Project.

Section 3: That the Executive Director of the Agency is hereby authorized to negotiate and execute a public works construction contract with SCHINDLER ELEVATOR CORPORATION for the total bid amount (Base Bid and Bid Alternate) of TWO HUNDRED SIXTY ONE THOUSAND FORTY-FOUR DOLLARS (\$261,044.00), consistent with the Board's stated instructions at the January 14, 2019, Agency Board Meeting; and further, is hereby authorized to execute all necessary documents required to implement the actions contemplated by the contract, subject to representations by Agency legal counsel that all conditions precedent to those actions and the contract or other documents are acceptable and consistent with the comments and discussions received at the January 14, 2019, Agency Board Meeting.

Section 4: That the Executive Director is further authorized to expend funds for the total bid amount (Base Bid plus Bid Alternate) plus up to 10% of the total bid amount for construction contingencies if determined necessary in his best judgment.

Section 5: That this Resolution shall be in full force and effect immediately upon its adoption and approval.

PASSED by the Urban Renewal Agency of Boise City, Idaho, on January 14, 2019.  
Signed by the Chairman of the Board of Commissioners and attested by the Secretary to the Board of Commissioners on January 14, 2019.

URBAN RENEWAL AGENCY OF BOISE CITY

By: \_\_\_\_\_  
Dana Zuckerman, Chair

ATTEST:

By: \_\_\_\_\_  
Ryan Woodings, Vice-Chair



## AGENDA BILL

<b>Agenda Subject:</b> Awarding Contract – Capitol & Main Garage – Elevator Modernization		<b>Date:</b> December 10, 2018
<b>Staff Contact:</b> Kathy Wanner, Contracts Specialist		<b>Attachments:</b> A. Resolution No. 1582 B. Bid Results C. Bid Received from Schindler Elevator
<b>Action Requested:</b> Adopt Resolution No. 1582 awarding the contract for the Capitol & Main Garage Elevator Modernization Project to Schindler Elevator Corporation.		

### Background:

The 495-space Capitol & Main (formerly named Capitol Terrace) Parking Garage was constructed in 1987. Since its inception it has been the most heavily used garage in the Agency's system. The garage averaged 400,000 visitors over the past two years (33k/mo.). Its popularity is due to its central location and the number and diversity of the retail, restaurant, office and residential uses adjacent to it.

Capitol & Main has two general use elevators with adjacent stairwells accessing Main Street and Idaho Street. While safe, the elevators have become maintenance-intensive and are out-of-service too often. The combination of heavy utilization and age have taken a toll. The elevators are due for major life-cycle repair and maintenance.

The Agency has two choices in this situation: replacement or restoration. Replacement typically costs three times as much and takes up to three times longer than restoration. The restoration repairs last just as long as new elevators. The Agency recommends restoration which is essentially a full modernization that upgrades or replaces all current equipment.

Agency on-call architectural firm, Hummel Architects, has been assisting with the design, bid specifications, and plans, and will continue with construction administration services through project completion.

### Bidding Requirements:

State law requires a formal, sealed bid process for public works construction projects exceeding \$200,000 and selection of the lowest responsive bidder. The Agency advertised an Invitation to Bid for the Capitol & Main Garage – Elevator Modernization Project in the *Idaho Statesman* on October 2 and October 9, 2018. In an effort to receive as many competitive bids as possible, a

notice also was emailed to the plan rooms at the Idaho Association of General Contractors (AGC) and Idaho Blueprint as well as to eight (8) separate elevator contractors holding the requisite public works license. A non-mandatory pre-bid meeting was held at the Capitol & Main Garage on October 10, 2018. Two contractors attended the pre-bid meeting.

Two bids were received by the October 30 deadline:

<b>Company</b>	<b>Total Bid Amount (Base Bid + Bid Alt.)</b>
Schindler Elevator Corporation	\$261,044.00
ThyssenKrupp Elevator	\$300,456.00

Each bid was submitted in a timely manner and met all required submission criteria; each bidder has appropriate and valid public works contractor licenses. Schindler Elevator Corporation submitted the lowest responsive bid.

**Fiscal Notes:**

The Project was separated into two components:

1. Base Bid for the elevator modernization, which includes replacement of the controller equipment, the hoist machine and motors, all electrical wiring and components, and the doors, buttons, glass and flooring in the cab;
2. Bid Alternate for the remote access module which will provide remote monitoring capabilities and 24 - hour response center notification of equipment shut down or component failure.

The bid amounts shown above are the sum of the two components. The Agency's FY2019 budget includes sufficient funding to proceed with the work for both the Base Bid and Bid Alternate elements.

**Staff Recommendation:**

The Board adopt Resolution No. 1582 recognizing Schindler Elevator Corporation as the lowest responsive bidder for the Project and awarding the Capitol & Main Garage – Elevator Modernization Project to Schindler Elevator Corporation for a total Base Bid plus Bid Alternate amount of \$261,044.00.

**Suggested Motion:**

I move to adopt Resolution No. 1582 recognizing Schindler Elevator Corporation as the lowest responsive bidder, awarding the Capitol & Main Garage Elevator Modernization Project contract to Schindler Elevator Corporation for the total Base Bid plus Bid Alternate amount of \$261,044.00, and authorizing the Executive Director to execute the contract and expend funds.



**RESOLUTION NO. 1582**

BY THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF BOISE CITY, IDAHO:

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF BOISE CITY, IDAHO, FINDING SCHINDLER ELEVATOR CORPORATION IS THE QUALIFIED BIDDER WHICH SUBMITTED THE LOWEST BID FOR THE CAPITOL & MAIN GARAGE ELEVATOR MODERNIZATION PROJECT; AUTHORIZING THE EXECUTIVE DIRECTOR TO NEGOTIATE AND EXECUTE A PUBLIC WORKS CONSTRUCTION CONTRACT WITH SCHINDLER ELEVATOR CORPORATION FOR THE CAPITOL & MAIN GARAGE ELEVATOR MODERNIZATION PROJECT; AND PROVIDING AN EFFECTIVE DATE.

THIS RESOLUTION, is made on the date hereinafter set forth by the Urban Renewal Agency of Boise City, Idaho, an independent public body, corporate and politic, authorized under the authority of the Idaho Urban Renewal Law of 1965, as amended, chapter 20, title 50, Idaho Code, and the Local Economic Development Act, as amended and supplemented, Chapter 29, Title 50, Idaho Code (collectively, the "Act"), as a duly created and functioning urban renewal agency for Boise City, Idaho, hereinafter referred to as the "Agency."

WHEREAS, Idaho Code § 67-2805(2)(a) provides for a competitive sealed bidding process for procurement of public works construction valued in excess of \$200,000; and,

WHEREAS, the Agency issued an Invitation to Bid for its Capitol & Main Garage – Elevator Modernization Project (the "Project") on October 2, 2018, and published the requisite public notice of the Invitation to Bid in the *Idaho Statesman* newspaper on October 2 and 9, 2018; and,

WHEREAS, the Agency received two (2) sealed bids by the due date and time of 3:00 p.m. on October 30, 2018; and,

WHEREAS, the bids received met all of the required statutory and administrative criteria for submission and the bidders have appropriate and valid public works contractors licenses; and,

WHEREAS, Schindler Elevator Corporation submitted the lowest responsive bid; and,

WHEREAS, Agency staff recommends to the Board that the contract award for the Project be made to Schindler Elevator Corporation as the lowest responsive bidder.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF BOISE CITY, AS FOLLOWS:

Section 1: That the above statements are true and correct.

Section 2: That the Board hereby finds that SCHINDLER ELEVATOR CORPORATION was the qualified bidder submitting the lowest responsive bid for the Capitol & Main Garage – Elevator Modernization Project.

Section 3: That the Executive Director of the Agency is hereby authorized to negotiate and execute a public works construction contract with SCHINDLER ELEVATOR CORPORATION for the total bid amount (Base Bid and Bid Alternate) of TWO HUNDRED SIXTY ONE THOUSAND FORTY-FOUR DOLLARS (\$261,044.00), consistent with the Board's stated instructions at the December 10, 2018, Agency Board Meeting; and further, is hereby authorized to execute all necessary documents required to implement the actions contemplated by the contract, subject to representations by Agency legal counsel that all conditions precedent to those actions and the contract or other documents are acceptable and consistent with the comments and discussions received at the December 10, 2018, Agency Board Meeting.

Section 4: That the Executive Director is further authorized to expend funds for the total bid amount (Base Bid plus Bid Alternate) plus up to 10% of the total bid amount for construction contingencies if determined necessary in his best judgment.

Section 5: That this Resolution shall be in full force and effect immediately upon its adoption and approval.

PASSED by the Urban Renewal Agency of Boise City, Idaho, on December 10, 2018.  
Signed by the Chairman of the Board of Commissioners and attested by the Secretary to the Board of Commissioners on December 10, 2018.

URBAN RENEWAL AGENCY OF BOISE CITY

By: \_\_\_\_\_  
Dana Zuckerman, Chair

ATTEST:

By: \_\_\_\_\_  
Ryan Woodings, Vice-Chair



## Capitol & Main Garage - Elevator Modernization Project

**BIDS DUE: October 30, 2018 - 3:00 PM**

## Bid Results

[illegible]

## SECTION 00 41 13 BID FORM

## BID FORM

PROJECT: CAPITOL &amp; MAIN GARAGE - ELEVATOR MODERNIZATION PROJECT

THIS BID IS SUBMITTED TO:

Capital City Development Corporation  
 Attn: CAPITOL & MAIN GARAGE - ELEVATOR MODERNIZATION PROJECT  
 121 N. 9th Street, Suite 501  
 Boise, Idaho 83702

- 1.01 The undersigned Bidder proposes and agrees to enter into a Contract with CCDC in the form included in the Project Manual to perform all the Work as specified or indicated in the Project Manual for the prices indicated in this Bid and in accordance with the other terms and conditions of the Project Manual.
- 1.02 Bidder accepts all of the terms and conditions of the Advertisement or Invitation to Bid and Instructions to Bidders, including without limitation those dealing with the disposition of Bid security. The Bid will remain subject to acceptance for sixty (60) days after the Bid opening, or for such longer period of time that Bidder may agree to in writing upon request of CCDC.
- 1.03 Within thirty (30) days from receiving a written notice of acceptance of this Bid, Bidder shall execute the Contract and shall deliver evidence of required insurance coverages and bonds in the amounts required by the Contract.
- 1.04 In submitting this Bid, Bidder represents, as set forth in the Contract and Project Manual, that:

- a. Bidder has examined and understands the Project Manual and the following Addenda:

Addendum No.

1

Addendum Date

10/19/2018

- b. Bidder has visited the Site and become familiar with and is satisfied as to the general, local, and Site conditions that may affect cost, progress, and performance of the Work.
- c. Bidder is familiar with and is satisfied as to all federal, state, and local Laws and Regulations that may affect cost, progress, and performance of the Work.
- d. Bidder has carefully studied: 1.) all reports of explorations and tests of subsurface conditions at or contiguous to the Site and all drawings of physical conditions in or relating to existing surface or subsurface structures at or contiguous to the Site which have been identified in the Project Manual; and 2.) all reports and drawings of a Hazardous Environmental Condition, if any, which has been identified in the Project Manual.
- e. Bidder has obtained and carefully studied (or assumes responsibility for having done so) all additional or supplementary examinations, investigations, explorations, tests, studies, and data concerning conditions (surface, subsurface and Underground Facilities) at or contiguous to the Site which may affect cost, progress, or performance of the Work or which relate to any aspect of the means, methods, techniques, sequences, and procedures of construction to be employed by Bidder, including applying the specific means, methods, techniques, sequences, and procedures of construction expressly required by the Project Manual to be employed by Bidder, and safety precautions and programs incident thereto.

- d. Accept or reject any sealed Bid received in response to the Bid Invitation, including any sealed Bid submitted by the undersigned; or select any one submission over another.
- e. Accept or reject all or any part of any materials, plans, drawings, implementation programs, schedules, phrasings and proposals or statements, including, but not limited to, the nature and type of Bid.
- Bidder agrees that CCDC shall have no liability whatsoever, of any kind or character, directly or indirectly, by reason of all or any decision made at the discretion of CCDC as identified above.

### SUBCONTRACTORS

CCDC requires the names and addresses of subcontractors to whom work will be awarded, subject to approval of CCDC and Architect, and pursuant to Idaho Code § 67-2310. If such work is not required, Bidder will indicate "Not Applicable" in the list below. In the event that the general (Trade) contractor intends to self-perform the plumbing, HVAC, or electrical work, the general contractor must be properly licensed by the state of Idaho to perform such work. The general (Trade) contractor shall demonstrate compliance with this requirement by listing the valid contractor's license number for the plumbing, HVAC, or electrical work to be self-performed by the general contractor on the bid form.

**Failure to name subcontractors as required by Idaho Code  
shall render any bid submitted unresponsive and void.**

#### Plumbing

Address:

Public Works License No.

Idaho Plumbing Contractors License No.

#### Heating & Air Conditioning

Address:

Public Works License No.

Idaho HVAC Contractors License No.

#### Electrical

Address:

Public Works License No.

Idaho Electrical Contractors License No.

Buss Mechanical Services Inc

PO Box 190476

Boise, ID. 83719

PWC-C-14908

HVC-C-47

Quality Electric Inc

5272 Irving St

Boise, ID. 83706

PWC-C-10145

1086C

**BASE BID - OFFER**

Bidder agrees to perform all the work described in the Drawings and Specifications for the total lump sum bid of:

two hundred fifty seven thousand five hundred forty four

(\$ 257,544.00)

Dollars, lawful money of the United States.

[Show amount in both words and figures; in event of discrepancy, the amount in words shall govern.]

**BID ALTERNATE NO. 1**

Bidder agrees to modify the Base Bid by the amount stated below for alternates as specified in the Bid Documents, Drawings and Specifications. The Owner may accept or reject the Alternate(s).

Add: \$ 3,500.00) Dollars, lawful money of the United States.

three thousand five hundred

[Show amount in both words and figures; in event of discrepancy, the amount in words shall govern.]

**BID FORM SIGNATURE**

SUBMITTED on October 30<sup>th</sup>, 2018.

X

SIGNATURE

Rob Williams - Mech Sales

Print Name and Title

Schindler Elevator Corp.

Contractor / Company

743 McGregor Ct., Ste 140

Address

Boise, ID, 83705

City, State, Zip

PWC-AA-11439

Idaho Public Works Contractor License No.

6/30/2019

License Expiration Date

34-1270056

Federal Tax ID #

rob.williams@schindler.com

E-mail Address

(801) 918-4899

Phone No.

(208) 577-5526

Fax No.

**ATTENTION:** Did you remember the Bid Security and Contractor's Affidavit Concerning Taxes?

- Bid Security in the form of a bid bond, certified check, cashier's check, or cash in an amount not less than five percent (5%) of the total amount of the bid is **REQUIRED**.
- Contractor's Affidavit Concerning Taxes is **REQUIRED**.

**IF BID SECURITY AND CONTRACTOR'S AFFIDAVIT ARE NOT INCLUDED, YOUR BID WILL BE CONSIDERED NON-RESPONSIVE.**

END OF SECTION 00 41 13

BID FORM

00 41 13 - 4

SECTION 00 45 46 CONTRACTOR'S AFFIDAVIT CONCERNING TAXES  
**EXECUTE AND SUBMIT WITH BID**

**CONTRACTOR'S AFFIDAVIT CONCERNING TAXES**

STATE OF Idaho

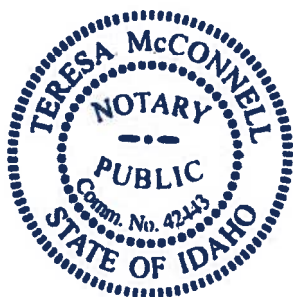
COUNTY OF Ada

Pursuant to Chapter 15, Title 63, Idaho Code, I the undersigned, being duly sworn, depose and certify that all taxes, excises and license fees due to the State of Idaho and its taxing units, for which I or my property is liable, then due or delinquent, have been paid, or arrangements have been made, before entering into a contract for construction of any public works in the State of Idaho.

Schindler Elevator  
Contractor / Company  
743 McGregor Ct, Ste 140  
Address  
Boise, ID 83705  
City, State, Zip

X [Signature]  
Authorized Representative Signature  
Joe Stumph, D.M.  
Print Name and Title

Subscribed and sworn to before me this 30 day of October, 2018.



Teresa McConnell  
Notary Public  
Residing at: Boise, ID.  
Commission Expires: 7/2022

END OF SECTION 00 45 46

Telephone: 860-241-4438  
Website: [www.willistowerswatson.com](http://www.willistowerswatson.com)  
E-mail: [danielle.m.bechard@willistowerswatson.com](mailto:danielle.m.bechard@willistowerswatson.com)

October 26, 2018

Schindler Elevator Corporation  
Attn: Rob Williams  
743 McGregor Court Suite 140  
Boise, ID 83705

RE: **Obligee: Capital City Development Corp**  
**Bid Bond for: CCDC Capitol & Main Garage - Elevator Modernization Project**  
**Bid Date: October 30, 2018**

As you requested, we are pleased to provide the attached bid bond documents. This bond has been executed based upon the information we received from your office.

Please note the bond must be signed by an authorized representative of your company and if applicable, sealed with the corporate seal. We urge you to check all bond documents, including signatures, dates, amounts, job description, Power of Attorney and any other attachments to avoid the possibility of having a low bid rejected. Additionally, please verify that the bid bond form attached is the form required by the specifications.

The Bid Bond authorization is based upon your original estimate. If the bid exceeds this estimate by 10% or more, the bond must be reauthorized by the surety. Please contact us for additional authority.

**Your bid results are very important. Please send your bid results to my email address shown above as soon as they are available.**

Thank you for the opportunity to service your surety needs. Should you have any questions, please do not hesitate to contact me or any member of your Willis surety team.

Sincerely,

Danielle M. Bechard





Fidelity and Deposit Company of Maryland  
Colonial American Casualty and Surety  
Company

Home Office: 1299 Zurich Way Schaumburg IL 60196

**AIA Document 310 - 2010 Bid Bond**

CONTRACTOR (Name, legal status and address):

Schindler Elevator Corporation  
743 McGregor Court Suite 140  
Boise, ID 83705

SURETY (Name, legal status and principal place of business):

Fidelity and Deposit Company of Maryland  
1299 Zurich Way, 5th Floor  
Schaumburg, IL 60196-1056

OWNER (Name, legal status and address):

Capital City Development Corp  
121 N. 9th Street, STE 501  
Boise, ID 83702

Bond Amount: 5% Five Percent of Amount Bid

PROJECT : (Name, location or address, and Project number, if any):

CCDC Capitol & Main Garage - Elevator Modernization Project

The Contractor and Surety are bound to the Owner in the amount set forth above, for the payment of which the Contractor and Surety bind themselves, their heirs, executors, administrators, successors and assigns, jointly and severally, as provided herein. The conditions of this Bond are such that if the Owner accepts the bid of the Contractor within the time specified in the bid documents, or within such time period as may be agreed to by the Owner and Contractor, and the Contractor either (1) enters in to a contract with the Owner in accordance with the terms of such bid, and gives such bond or bonds as may be specified in the bidding or Contract Documents, with a surety admitted in the jurisdiction of the Project and otherwise acceptable to the Owner, for the faithful performance of such Contract and for the prompt payment of labor and material furnished in the prosecution thereof; or (2) pays to the Owner the difference, not to exceed the amount of this Bond, between the amount specified in said bid and such larger amount for which the Owner may in good faith contract with another party to perform the work covered by said bid, then this obligation shall be null and void, otherwise to remain in full force and effect. The Surety hereby waives any notice of an agreement between the Owner and Contractor to extend the time in which the Owner may accept the bid. Waiver of notice by the Surety shall not apply to any extension exceeding sixty (60) days in the aggregate beyond the time for acceptance of bids specified in the bid documents, and the Owner and Contractor shall obtain the Surety's consent for an extension beyond sixty (60) days.

If this Bond is issued in connection with a subcontractor's bid to a Contractor, the term Contractor in this Bond shall be deemed to be Subcontractor and the term Owner shall be deemed by the Contractor.

When this Bond has been furnished to comply with a statutory or other legal requirement in the location of the Project, any provision in this Bond conflicting with said statutory or legal requirement shall be deemed deleted here from and provisions conforming to such statutory or other legal requirement shall be deemed incorporated herein. When so furnished, the intent is that this Bond shall be construed as a statutory bond and not as a common law bond.

Signed and sealed this 26th day of October, 2018

(Witness)

(Witness) Nicholas Turecamo



Schindler Elevator Corporation

(Principal)

By: [Signature]

(Title)

Fidelity and Deposit Company of Maryland

(Surety)

By: [Signature]

(Title) Joshua Sanford, Attorney-in-Fact

Bond Number Bid Bond

Obligee: Capital City Development Corp

**ZURICH AMERICAN INSURANCE COMPANY  
COLONIAL AMERICAN CASUALTY AND SURETY COMPANY  
FIDELITY AND DEPOSIT COMPANY OF MARYLAND  
POWER OF ATTORNEY**

KNOW ALL MEN BY THESE PRESENTS: That the ZURICH AMERICAN INSURANCE COMPANY, a corporation of the State of New York, the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, a corporation of the State of Maryland, and the FIDELITY AND DEPOSIT COMPANY OF MARYLAND a corporation of the State of Maryland (herein collectively called the "Companies"), by **Michael P. Bond, Vice President**, in pursuance of authority granted by Article V, Section 8, of the By-Laws of said Companies, which are set forth on the reverse side hereof and are hereby certified to be in full force and effect on the date hereof, do hereby nominate, constitute, and appoint Joshua Sanford, its true and lawful agent and Attorney-in-Fact, to make, execute, seal and deliver, for, and on its behalf as surety, and as its act and deed: **any and all bonds and undertakings**, and the execution of such bonds or undertakings in pursuance of these presents, shall be as binding upon said Companies, as fully and amply, to all intents and purposes, as if they had been duly executed and acknowledged by the regularly elected officers of the ZURICH AMERICAN INSURANCE COMPANY at its office in New York, New York., the regularly elected officers of the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY at its office in Owings Mills, Maryland., and the regularly elected officers of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at its office in Owings Mills, Maryland., in their own proper persons.

The said Vice President does hereby certify that the extract set forth on the reverse side hereof is a true copy of Article V, Section 8, of the By-Laws of said Companies, and is now in force.

IN WITNESS WHEREOF, the said Vice-President has hereunto subscribed his/her names and affixed the Corporate Seals of the said ZURICH AMERICAN INSURANCE COMPANY, COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, and FIDELITY AND DEPOSIT COMPANY OF MARYLAND, this 22<sup>nd</sup> day of July, A.D. 2015.

ATTEST:  
ZURICH AMERICAN INSURANCE COMPANY  
COLONIAL AMERICAN CASUALTY AND SURETY COMPANY  
FIDELITY AND DEPOSIT COMPANY OF MARYLAND

*Michael P. Bond*

By: *Michael P. Bond*  
Vice President



*Eric D. Barnes*

By: *Eric D. Barnes*  
Secretary



State of Maryland  
County of Baltimore

On this 22nd day of July, A.D. 2015, before the subscriber, a Notary Public of the State of Maryland, duly commissioned and qualified, **Michael P. Bond, Vice President and Eric D. Barnes, Secretary** of the Companies, to me personally known to be the individuals and officers described in and who executed the preceding instrument, and acknowledged the execution of same, and being by me duly sworn, depose and saith, that he/she is the said officer of the Company aforesaid, and that the seals affixed to the preceding instrument are the Corporate Seals of said Companies, and that the said Corporate Seals and the signature as such officer were duly affixed and subscribed to the said instrument by the authority and direction of the said Corporations.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal the day and year first above written.

*Constance A. Dunn*

Constance A. Dunn, Notary Public  
My Commission Expires: July 9, 2019



## EXTRACT FROM BY-LAWS OF THE COMPANIES

"Article V, Section 8, Attorneys-in-Fact. The Chief Executive Officer, the President, or any Executive Vice President or Vice President may, by written instrument under the attested corporate seal, appoint attorneys-in-fact with authority to execute bonds, policies, recognizances, stipulations, undertakings, or other like instruments on behalf of the Company, and may authorize any officer or any such attorney-in-fact to affix the corporate seal thereto; and may with or without cause modify or revoke any such appointment or authority at any time."

### CERTIFICATE

I, the undersigned, Vice President of the ZURICH AMERICAN INSURANCE COMPANY, the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY, and the FIDELITY AND DEPOSIT COMPANY OF MARYLAND, do hereby certify that the foregoing Power of Attorney is still in full force and effect on the date of this certificate; and I do further certify that Article V, Section 8, of the By-Laws of the Companies is still in force.

This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the ZURICH AMERICAN INSURANCE COMPANY at a meeting duly called and held on the 15th day of December 1998.

RESOLVED: "That the signature of the President or a Vice President and the attesting signature of a Secretary or an Assistant Secretary and the Seal of the Company may be affixed by facsimile on any Power of Attorney...Any such Power or any certificate thereof bearing such facsimile signature and seal shall be valid and binding on the Company."

This Power of Attorney and Certificate may be signed by facsimile under and by authority of the following resolution of the Board of Directors of the COLONIAL AMERICAN CASUALTY AND SURETY COMPANY at a meeting duly called and held on the 5th day of May, 1994, and the following resolution of the Board of Directors of the FIDELITY AND DEPOSIT COMPANY OF MARYLAND at a meeting duly called and held on the 10th day of May, 1990.

RESOLVED: "That the facsimile or mechanically reproduced seal of the company and facsimile or mechanically reproduced signature of any Vice-President, Secretary, or Assistant Secretary of the Company, whether made heretofore or hereafter, wherever appearing upon a certified copy of any power of attorney issued by the Company, shall be valid and binding upon the Company with the same force and effect as though manually affixed.

IN TESTIMONY WHEREOF, I have hereunto subscribed my name and affixed the corporate seals of the said Companies, this 26th day of October, 2018.



*Gerald F. Haley*

Gerald F. Haley, Vice President

**TO REPORT A CLAIM WITH REGARD TO A SURETY BOND, PLEASE SUBMIT ALL REQUIRED INFORMATION TO:**

Zurich American Insurance Co.  
Attn: Surety Claims  
1299 Zurich Way  
Schaumburg, IL 60196-1056



# **IV. ACTION ITEMS**



## AGENDA BILL

<b>Subject</b> FY 2018 Financial Statements Audit Report		<b>Date</b> January 14, 2019
<b>Staff Contact</b> Ross Borden, Finance Director	<b>Attachments</b>  1. Audit Committee Agenda  2. Independent Auditor's Communication to Those Charged with Governance (AU 260)  3. Independent Auditor's Report of the Agency's FY 2018 Financial Statements	
<b>Action Requested</b> Accept independent auditor Eide Bailly LLP's report of the Agency's FY 2018 financial statements and authorize distribution to statutorily-required entities.		

### Background

Idaho Code requires an independent auditor to perform a full and complete audit of Agency financial statements each year in accordance with generally accepted governmental auditing standards (Sections 67-450(b) and 50-2006(d), Idaho Code).

These annual audits must then be filed within 10 days of receipt with the Agency's "local governing body" which is the City of Boise, and the Idaho Legislative Services Office. Covenants in the Agency's outstanding bonds also require the audits to be provided to trustees and relevant financial institutions.

The Executive Committee – serving concurrently as the Board's Audit Committee – formally received this audit report from Eide Bailly earlier today. The Audit Committee and independent auditors discussed the audit report with staff present and then with staff excused.

### Fiscal Note

Per Engagement Letter, Eide Bailly estimated its fee to perform an independent audit of Agency FY 2018 financial statements to be \$35,280.

### Staff Recommendation

Accept the Eide Bailly audit report of Agency FY 2018 financial statements and authorize staff to file the report with the statutorily-required entities.

### Suggested Motion

I move to accept independent auditor Eide Bailly's report of Agency Fiscal Year 2018 financial statements and authorize staff to deliver the audit report to all required entities.



**AUDIT COMMITTEE  
AGENDA**

*Executive Committee serves concurrently as Audit Committee*

11:00 – 11:30, Monday, January 14, 2019

Board Room

**1. Call to Order.**

- Chair Zuckerman

**2. FY 2018 Audit Report Presentation by independent auditor Eide Bailly, LLP.**

- Brad Berls, Audit Partner

**3. Discussion.**

- Chair Zuckerman

**4. Audit Committee discussion with Independent Auditor.**

- Chair Zuckerman
- Agency staff dismissed

**5. Adjourn**

**11:30            Lunch (provided)**

**Noon            Board of Commissioners Regular Monthly Meeting**



December 19, 2018

To the Board of Commissioners  
Capital City Development Corporation  
Boise, Idaho

We have audited the financial statements of Capital City Development Corporation (the Agency) as of and for the year ended September 30, 2018, and have issued our report thereon dated December 19, 2018. Professional standards require that we advise you of the following matters relating to our audit.

**Our Responsibility in Relation to the Financial Statement Audit under Generally Accepted Auditing Standards and Government Auditing Standards**

As communicated in our letter dated October 10, 2018, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the Agency solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

**Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

**Compliance with All Ethics Requirements Regarding Independence**

The engagement team, others in our firm, as appropriate, our firm, and other firms utilized in the engagement, if applicable, have complied with all relevant ethical requirements regarding independence.

**Qualitative Aspects of the Entity's Significant Accounting Practices**

*Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the Agency is included in Note 1 to the financial statements. There

have been no initial selection of accounting policies and no changes in significant accounting policies or their application during 2018. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

### *Significant Accounting Estimates*

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are:

Management's estimate of the net pension liability and the deferred inflows/outflows of resources related to the net pension liability is based on actuarial estimates provided by Milliman to PERSI and the Schedule of Employer Allocations and Collective Pension Amounts provided by PERSI. This schedule was audited by independent auditors. We evaluated the key factors and assumptions used to develop the net pension liability in determining that it is reasonable in relation to the basic financial statements taken as a whole.

### *Financial Statement Disclosures*

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting Capital City Development Corporation's financial statements relate to:

The disclosure of long-term debt in Note 6 to the financial statements discloses the various debts held by the Agency, as well as the related terms, prepaid interest, premiums, discounts and payment schedules.

The disclosure of employer pension assumption in Note 7 to the financial statements is sensitive as this footnote supports the assumptions made and inputs used to determine the employer pension assumption.

The disclosures of commitments and significant contracts agreements are in Notes 9 and 10, respectively. These notes disclose possible future cash outflows that are or may be required of the Agency.

The disclosure of subsequent events in Note 13 relating to the termination of the Central District and subsequent transfer to the City of Boise.

### **Significant Difficulties Encountered during the Audit**

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

### **Uncorrected and Corrected Misstatements**

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect



of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole.

No such misstatements were identified during the course of our audit.

### **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the Agency's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

### **Representations Requested from Management**

We have requested certain written representations from management that are included in the management representation letter dated December 19, 2018.

### **Management's Consultations with Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

### **Other Significant Matters, Findings, or Issues**

In the normal course of our professional association with the Agency, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, business conditions affecting the entity, and business plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the Agency's auditors.

### **Other Matters**

We applied certain limited procedures to Management's Discussion and Analysis, Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual, Schedule of Employer's Share of Net Pension Liability and Schedule of Employer Contributions, which are required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

This report is intended solely for the information and use of the Board of Commissioners, and management of Capital City Development Corporation and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink that reads "Eide Bailly LLP". The signature is written in a cursive, flowing style.

Boise, Idaho



Financial Statements  
September 30, 2018

# Capital City Development Corporation

# CAPITAL CITY DEVELOPMENT CORPORATION

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## Independent Auditor's Report

To the Board of Commissioners  
Capital City Development Corporation  
Boise, Idaho

### Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of Capital City Development Corporation (the Agency), as of and for the year ended September 30, 2018 and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Agency's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of Capital City Development Corporation, as of September 30, 2018, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information, schedule of employer's share of net pension liability, and schedule of employer contributions as listed in the Table of Contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued a report dated December 19, 2018 on our consideration of the Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Eide Sallie LLP".

Boise, Idaho  
December 19, 2018

**CAPITAL CITY DEVELOPMENT CORPORATION**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2018**

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This section of Capital City Development Corporation's (the Agency's) annual financial report is provided by the management in accordance with GASB requirements to assist the reader in identifying and reviewing key issues and financial activity for the fiscal year ending September 30, 2018. Since this discussion and analysis focuses on the current fiscal year's activities and is a summary, the reader is encouraged to review the financial statements and notes which follow this section to gain a complete understanding of the Agency's finances.

**Financial Highlights**

- The Agency's total assets and deferred outflows of resources exceeded its liabilities and deferred inflow of resources at the close of the fiscal year 2018 by \$50,509,084. Of this total, \$26,833,654 is invested in capital assets (net of debt).
- At fiscal year close, the Agency's governmental funds reported a combined ending fund balance of \$42,545,876, of which \$41,425,432 is nonspendable, restricted, committed or assigned.
- During fiscal year 2018 the Agency's expenses were \$19,648,000 compared to the \$18,354,433 reported in 2017. The change was primarily due to the increase in community development expenses related to the Central District Closeout Improvement Project.
- Total revenues increased by \$3,148,273. The majority of the increase was a result of increased property tax increment revenue.
- Interest and fees expense on long-term debt in governmental activities decreased by \$221,750 compared with fiscal year 2017. The Agency has refunded the Series 2010 B-1 bond and redeemed early the Series 2010 C bond in fiscal year 2017. The Agency also paid issuance costs for the refunded debt. In fiscal year 2018, no refunding or early redemption occurred.
- The Agency's key revenues are parking revenues and revenue allocation district revenues (tax increment revenue). Parking revenues increased \$1,011,938 primarily due to: 1) increased parking activity and 2) parking rate changes effective February 1, 2018. Revenue allocation increased about 19.22% or \$2,901,404 in fiscal year 2018 as compared to the prior year due to the increased property valuations and new construction in Agency urban renewal districts.

**Government-Wide Financial Statements**

Government-wide financial statements for the Agency are designed to parallel more closely the reporting used in private-sector businesses, in that all governmental activities are reported using the same basis of accounting (accrual), and that the statements include a total column to provide information on the Agency as a whole. These statements are designed to better portray the fiscal position of the Agency relative to the prior year.

The Statement of Net Position provides information on all of the Agency's assets and deferred outflows, and liabilities and deferred inflows, with the difference reported as net position. Historical trending of the net position can provide a useful indicator as to whether the financial position of the Agency is improving or declining. The Agency's principal physical assets are land and parking structures.

**CAPITAL CITY DEVELOPMENT CORPORATION**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2018**

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The Statement of Activities provides information showing changes made to the Agency's net position during fiscal year 2018. Financial activity shown on this statement is reported on an accrual basis (at the time the underlying event causing the change occurs, rather than at the time the cash flows happen). Thus revenue and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods. All of the year's revenues and expenses are accounted for in the Statement of Activities. The Agency's principal activities relate to planning and facilitation of quality private development, public infrastructure improvements, operation of the downtown parking system, and issuance of debt financing for larger strategic projects. The Agency's program operation, urban renewal activities and parking system operation are included in the governmental activities. The individual district activities are tracked separately and combined for reporting purposes.

**Fund Financial Statements**

The focus of the Fund Financial Statements is to provide more detailed information about the Agency's major funds rather than the previous focus on fund types or on the Agency as a whole. A fund is a self-balancing set of accounts that is used to keep track of specific revenues and expenditures related to certain activities or objectives. Some funds are required by State law and some stipulated by bond policies. Operational funds are established by the Board of Commissioners for appropriations and management purposes. All of the Agency's funds are Governmental funds.

Governmental funds use modified accrual accounting, which measures current economic resources and focuses on changes to the current financial resources. This method is useful in evaluating the Agency's short-term financial resources. Supplemental information following some of the included statements further addresses long-term issues and variances with the Government-wide statements. The Agency maintains seven Governmental funds: Debt Service Fund (Ada County Courthouse Ground Lease Agreements), Central District Revenue Allocation Fund (urban renewal activities), River-Myrtle/Old Boise District Revenue Allocation Fund (urban renewal activities), Westside District Revenue Allocation Fund (urban renewal activities), 30<sup>th</sup> Street District Revenue Allocation Fund (urban renewal activities), Parking Fund (parking system activities), and the General Fund.

**Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the information provided in the government-wide and fund financial statements.

**Agency-Wide Financial Analysis**

Table 1 reflects the condensed fiscal year 2018 and fiscal year 2017 Statement of Net Position. Increases or decreases in Net Position value may vary significantly with variations in debt service payments, the timing of large public improvement projects, or the purchase or sale of land, buildings, and parking facilities. The Agency's total Net Position increased \$7,283,794 compared to fiscal year 2017. The increase is the result of continued increases of property tax increment and parking revenues.

**CAPITAL CITY DEVELOPMENT CORPORATION**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2018**

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Table 1  
Statement of Net Position  
As of September 30, 2018 and 2017

	<b>2017</b>	<b>2018</b>	<b>Percent Change 2017-2018</b>
Current & Other Assets	\$ 65,673,842	\$ 59,085,670	(10.0%)
Capital Assets	26,090,765	31,132,031	19.3%
<b>Total Assets</b>	<b>91,764,607</b>	<b>90,217,701</b>	<b>(1.7%)</b>
Deferred Outflows of Resources	<b>336,452</b>	<b>293,796</b>	<b>(12.7%)</b>
Long-term Debt Outstanding	28,600,443	22,983,223	(19.6%)
Other Liabilities	3,264,541	2,879,800	(11.8%)
<b>Total Liabilities</b>	<b>31,864,984</b>	<b>25,863,023</b>	<b>(18.8%)</b>
Deferred Inflows of Resources	<b>17,010,785</b>	<b>14,139,390</b>	<b>(16.9%)</b>
Net Position			
Net Investment in			
Capital Assets	18,908,624	26,833,654	41.9%
Restricted & Unrestricted	24,316,666	23,675,430	(2.6%)
<b>Total Net Position</b>	<b>\$ 43,225,290</b>	<b>\$ 50,509,084</b>	<b>16.9%</b>

Approximately 53% of the Agency's net position is invested in Capital Assets (i.e. land, buildings, equipment, parking facilities, and other, net of long term liabilities) with the remaining balance of net position to provide for ongoing obligations and subsequent year activities.

Table 2 provides a summary of the Agency's operations for the fiscal year ended September 30, 2018.



**CAPITAL CITY DEVELOPMENT CORPORATION**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2018**

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Table 2  
Statement of Activities  
For Years Ended September 30, 2018 and 2017

	<u>2017</u>	<u>2018</u>	<u>Percent Change 2017-2018</u>
<b>Revenues</b>			
<b>Program Revenues</b>			
Charges for Services	\$ 227,215	\$ 373,095	64.2%
Operating Grants & Contributions	1,599,082	655,117	(59.0%)
Parking	6,825,914	7,837,852	14.8%
<b>Total Program Revenue</b>	<u><b>8,652,211</b></u>	<u><b>8,866,064</b></u>	<u><b>2.5%</b></u>
<b>General Revenue</b>			
Property Tax Increment	15,092,756	17,994,160	19.2%
Unrestricted Investment Earnings	38,554	71,570	85.6%
<b>Total Revenues</b>	<u><b>23,783,521</b></u>	<u><b>26,931,794</b></u>	<u><b>13.2%</b></u>
<b>Expenses</b>			
<b>Program Expenses</b>			
Community Development	13,468,656	14,974,021	11.2%
Interest on Long-Term Debt	1,183,687	961,936	-18.7%
Parking Facilities	3,702,090	3,712,043	0.3%
<b>Total Program Expenses</b>	<u><b>18,354,433</b></u>	<u><b>19,648,000</b></u>	<u><b>7.0%</b></u>
<b>Increase in Net Position</b>	<b>5,429,088</b>	<b>7,283,794</b>	
<b>Net Position - Beginning</b>	<u><b>37,796,202</b></u>	<u><b>43,225,290</b></u>	<u><b>14.4%</b></u>
<b>Net Position - Ending</b>	<u><b>\$ 43,225,290</b></u>	<u><b>\$ 50,509,084</b></u>	<u><b>16.9%</b></u>

Revenues: *Charges for Services* include lease revenues from the Ada County Courthouse Corridor Project. *Operating Grants & Contributions* include various reimbursements. *Parking* include proceeds generated from operating the public parking garages. *General Revenues* include earnings on investments. Overall, total Agency revenues increased \$3,148,273 compared with the prior year. Additionally, tax increment revenues increased \$2,901,404 compared to fiscal year 2017, reflecting strong economic conditions and higher property values.

Expenses: *Community Development* includes the general expenses of the Agency related to fulfilling its mission. *Interest on Long-Term Debt* includes the interest portion of payments related to long-term financing arrangements. *Parking Facilities* includes the cost of operating the public parking system. Overall, total Agency expenses in fiscal year 2018 increased \$1,293,567. The change was primarily due to the major community development projects such as Central District Closeout Improvement Project.

**CAPITAL CITY DEVELOPMENT CORPORATION**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2018**

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**Budgetary Highlights**

The fiscal year 2018 budget was amended once during the year. The budget was decreased for amounts related to the timing of capital improvement projects that were continued into the next fiscal year.

**Capital Assets**

Tables 3 and 4 present the Agency's Capital Assets (See Note 5 – Capital Assets). During fiscal year 2018, the Agency acquired 250 parking spaces in the privately constructed and newly completed parking garage at 11<sup>th</sup> & Front Street for a total of \$5,247,050. The Agency also had \$651,780 in 8<sup>th</sup> Street Improvement and \$295,568 in new garage signage.

Table 3  
Capital Assets Net of Depreciation

			<b>Total Dollar Change</b>
	<b>2017</b>	<b>2018</b>	<b>2017-2018</b>
Land	\$ 3,943,660	\$ 3,943,660	\$ -
Construction in Progress	193,259	203,337	10,078
Building, Improvements and Equipment, net	21,953,846	26,985,034	5,031,188
<b>Total Capital Assets</b>	<b>\$ 26,090,765</b>	<b>\$ 31,132,031</b>	<b>\$ 5,041,266</b>

Table 4  
Major Capital Additions during Fiscal 2018

<b>Beginning Balance</b>	<b>\$ 26,090,765</b>
Capital Additions:	
Construction in Progress	203,337
Buildings, Improvement and Equipment	6,368,139
Total Capital Additions	<u>6,571,476</u>
Capital Deletions:	
Improvements other than Buildings	(82,030)
Accumulated Depreciation for deletions	<u>82,030</u>
Total Capital Deletions	<u>-</u>
Current Year Transfers of	
Construction in Progress to Equipment	(193,259)
Current Year Depreciation	<u>(1,336,951)</u>
<b>Ending Balance</b>	<b>\$ 31,132,031</b>

**CAPITAL CITY DEVELOPMENT CORPORATION**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2018**

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**Debt Amortization**

Table 5 summarizes the principal amounts of the Agency's Long-Term Debt (See also Note 6 – Long-Term Debt). The changes in Long-Term Debt represent the scheduled principal payments on that debt.

Table 5  
Long-Term Debt

Activity	Type	2017	2018	Total Dollar Change 2017-2018
2011 B	Note	\$ 8,070,000	\$ 7,070,000	\$ (1,000,000)
2015	Note	2,250,000	-	(2,250,000)
2017 A	Bond	12,615,000	10,935,000	(1,680,000)
2017 B	Bond	5,040,000	4,380,000	(660,000)
<b>Total</b>		<b>\$ 27,975,000</b>	<b>\$ 22,385,000</b>	<b>\$ (5,590,000)</b>

**Economic Factors**

Consistent with the national and regional economies, the past year saw a continuation of the already inordinately long - by historical standards - growth cycle that is driving exceptionally high levels and all types of investment and construction in Boise and the Treasure Valley. Evidence is perhaps most apparent in the rapid and ongoing, year-over-year changes taking place in downtown Boise, home of the Agency's four current urban renewal districts.

Unique and notable for the Agency was the expiration of the 30-year term of the Agency's (and the state's) first urban renewal district and revenue allocation area, the Central District. While technically December 31, 2017, the practical termination date of the district comprised of 10 blocks in the heart of downtown Boise was September 30, 2018, the end of the Agency's FY 2018. Calendar year property taxes are distributed in January and July of the following year. 2017 property taxes generated prior to the Central District's sunset were still available for Agency investment in the Central District until the end of its Fiscal Year 2018. As directed by the Board of Commissioners, the Central District's Termination budget was designed to invest as much available district revenue as possible into final district improvements. As statutorily required, any Central District tax increment revenue remaining at the end of FY 2018 must be returned to the Ada County Treasurer who will then redistribute it to the seven affected taxing districts (Ada County, Boise City, Boise School District, Ada County Highway District, College of Western Idaho, Emergency Medical Services District, Mosquito Abatement District) pro rata based on FY 2017 levies. The Supplemental Termination Budget adopted by the Board of Commissioners at its August 13, 2018 meeting estimated an ending balance of \$5,330 from Central District's \$10.1 million FY 2018 budget. The Agency delivered that amount to the Ada County Treasurer on September 29, 2018. All work on Central District projects ceased on or before September 30, 2018. The final Central District balance was determined once FY 2018 is formally closed. The final Central District balance was determined to be \$661,379. The Agency delivered that amount to Ada County who will again redistribute it among the seven taxing districts on a pro rata basis.

# **CAPITAL CITY DEVELOPMENT CORPORATION**

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

### **SEPTEMBER 30, 2018**

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CCDC-owned assets in the Central District (two segments of 8<sup>th</sup> Street, from Bannock to Idaho and Idaho to Main streets, and The Grove Plaza) were transferred by the Agency to the City of Boise. These transfers were intended to be completed prior to September 30, 2018. Final action by the Boise City Council did not occur until October 9, 2018, with the transfer finalized in fiscal year 2019. The Agency will retain ownership of its four parking garages located in the Central District. Those garages will continue to be operated as part of the Agency's now seven garage, 2,796 space, downtown public parking system.

Over the past 30 years the Central District generated \$61 million in tax increment revenue and the increment value of taxable property within the district increased 1,300% (\$22.6 million to \$323.3 million). The seven affected taxing districts will share approximately \$3.0 million of former tax increment revenue that will be distributed to the taxing districts beginning in fiscal year 2019. CCDC is proud of its key role in the complete transformation of Boise's urban core into an exceptionally modern, welcoming, attractive, functional, business and people friendly magnet for commerce and events.

The River-Myrtle / Old Boise (RMOB) and Westside districts will sunset at the end of fiscal years 2025 and 2026, respectively. The final phase of an urban renewal district's term is theoretically when the accumulated previous investment attains critical mass that ignites a surge of activity and investment that continues to increase through the end of the district. That ignition is evident in RMOB and is beginning to show in Westside. Catalysts include Boise's continued recognition as desirable a place as anywhere in the country and the resulting influx of in-migration of people and money, the fortuitous timing of a continued hot real estate market and proximity / adjacency to the transformed urban center. These two districts are expanding the size what is recognized as downtown Boise – which was previously delineated by the 10-block Central District – and are bringing desirable elements such as housing and a broader mix of commercial activity.

The single largest construction type that has come online in the past two years is hotels. In the River-Myrtle / Old Boise District the 112- room Inn at 500 and the 186-room Residence Inn by Marriott are operating across the street from each other at Capitol Boulevard and Myrtle Street. A 136-room Hilton Garden Inn is under construction as part of the Pioneer Crossing development at 11<sup>th</sup> and Front streets. Construction will begin soon on a planned 130-room hotel and parking garage at 6<sup>th</sup> and Front streets. The 146-room Hyatt Place hotel is complete and operating in the Westside District.

The Agency purchased two properties in the Westside District with an eye towards a parking / mixed use development, ideally in collaboration with neighborhood businesses. The 1010 Jefferson property, an active, multi-tenant office building, will continue as-is with CCDC becoming the landlord. As leases expire in the much older 421 North 10<sup>th</sup> Street property, the former Idaho Sporting Goods building, no new tenants will be recruited to occupy the space. Westside is gaining momentum with an office tower and public park within the realm of short-term possibility.

Two major developments underway in the 30<sup>th</sup> Street District will result in a noticeable reduction of vacant land in the western Main Street and Fairview Avenue area. New Path Community Housing will provide 40 permanent supportive housing units. Adare Manor will provide 134 units of mixed income housing from market rate to affordable with some retail space. The city is working with a developer on a new \$40-\$50 million sports park associated with a large-scale, \$60 million or more, mixed use development. A site in the River-Myrtle / Old Boise District, at Shoreline Drive and Americana Boulevard, was originally considered but the location has shifted to under-developed parcels in 30<sup>th</sup> Street District at where Main Street and Fairview Avenue intersect Whitewater Park Boulevard. The Agency expects to play at least two roles in this complicated project: capital stack contributor and conduit financier.

Over the past year the Agency moved aggressively to create two new urban renewal districts and study two more. The new, twenty-year, Shoreline and Gateway East districts are on track to be adopted by the Boise City Council for

**CAPITAL CITY DEVELOPMENT CORPORATION**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2018**

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effective dates of December 2018 based on formal action by the Board of Commissioners. The Shoreline District extends roughly from Capitol Boulevard west to the I-84 Connector, bounded by River Street on the north and encompasses select areas on the south side of the Boise River along Ann Morrison including the Lusk Street area. The Lusk Street area has seen substantial recent construction and private redevelopment activity that has provided several new, large apartment buildings for BSU students and smaller craft-type food and beverage establishments (the taxable value of that recent construction will be base rather than increment value). The Agency's first industrial-focused, non-urban district, Gateway East, is generally bounded by I-84 and Micron on the east and the airport on the west. The abundant, multi-modal transportation options available there and the planned URD infrastructure improvements are expected to attract developers experienced in large-scale projects to ultimately produce a transportation and manufacturing hub. Two other districts, on the Bench roughly from Vista Avenue on the east to Orchard Street on the west with an Overland Road focus, and State Street from 27<sup>th</sup> Street west to Horseshoe Bend Road, are actively being studied with formal adoption expected within the next two years.

The Agency originally intended to add two new structured parking facilities to its parking assets in FY 2018 but ended up with one, a 250-space parking condominium (the 11<sup>th</sup> & Front Parking Garage) in the 839-space Pioneer Crossing development. That garage was completed and those spaces were activated in March. The second planned parking acquisition was the 89-space 5<sup>th</sup> & Broad Street parking condominium in 159 unit The Fowler apartment building development (189 total parking spaces). As that project neared completion in February, the developer signaled a desire to retain all parking rather than sell the 89 spaces to CCDC. The Board of Commissioners acceded to the request. Providing convenient and affordable structured parking in the urban core is an important part of what CCDC can do to promote the city's success and is thus an Agency priority. A corresponding priority that is receiving increased Agency financial resources is providing mobility alternatives. The Agency is actively partnering with the city and university on various incentives including a shuttle to lessen the number of single occupancy vehicles downtown.

The Agency remains actively engaged with private developers and public agencies to make judicious use of its highly sought-after, catalytic, but limited, resources. CCDC has a distinguished record of and will continue to play an understated yet indispensable role in the viability of many of the projects that have made this the city's premier era of growth and development.

**Further Information Available**

This financial report provides citizens, its governing board, appointing and confirming authorities, public and private partners, investors, creditors and legislators with an independent review of Agency finances. Contact Capital City Development Corporation at 121 N. 9th Street, Suite 501, Boise, ID 83702, 208-384-4264 (Voice), 208-384-4267 (Fax), [www.ccdcboise.com](http://www.ccdcboise.com) with questions, comments or for additional information.

**CAPITAL CITY DEVELOPMENT CORPORATION**  
**STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2018**

	Governmental Activities
<b>ASSETS</b>	
Cash and investments	\$ 35,321,785
Receivables	
Accounts receivable	356,697
Interest receivable	5,668
Taxes receivable	14,021,830
Prepays and deposits	51,905
Restricted cash	2,143,905
Property held for resale or development	7,183,880
Capital assets	
Land, non-depreciable	3,943,660
Construction in progress, non-depreciable	203,337
Buildings, improvements, and equipment, net of accumulated depreciation	26,985,034
TOTAL ASSETS	<u>90,217,701</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred charge on debt refunding	81,623
Deferred outflows related to pensions	212,173
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>293,796</u>
<b>LIABILITIES</b>	
Accounts payable	2,265,049
Accrued liabilities	135,504
Advanced revenues	105,885
Advanced lease payments	302,417
Interest payable	59,419
Refundable deposits	11,526
Long-term debt	
Current portion	3,445,000
Long-term	18,940,000
Net pension liabilities	598,223
TOTAL LIABILITIES	<u>25,863,023</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Unavailable revenue - property tax	14,021,830
Deferred inflows related to pensions	117,560
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>14,139,390</u>
<b>NET POSITION</b>	
Net investment in capital assets	26,833,654
Restricted	22,554,986
Unrestricted	1,120,444
TOTAL NET POSITION	<u><u>\$ 50,509,084</u></u>

**CAPITAL CITY DEVELOPMENT CORPORATION**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED SEPTEMBER 30, 2018**

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Functions / Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental activities					
Community development	\$ 14,974,021	\$ 373,095	\$ 655,117	\$ -	\$(13,945,809)
Interest on long-term debt	961,936	-	-	-	(961,936)
Parking facilities	3,712,043	7,837,852	-	-	4,125,809
Total	<u>\$ 19,648,000</u>	<u>\$ 8,210,947</u>	<u>\$ 655,117</u>	<u>\$ -</u>	(10,781,936)
General revenues:					
Property tax increment					17,994,160
Unrestricted investment earnings					<u>71,570</u>
Total general revenues and transfers					<u>18,065,730</u>
Change in net position					7,283,794
Net position, Beginning of Year					<u>43,225,290</u>
Net position, End of Year					<u>\$ 50,509,084</u>

**CAPITAL CITY DEVELOPMENT CORPORATION**  
**BALANCE SHEET – GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2018**

	General Fund	Debt Service Fund	Central District RA Fund	River Myrtle District RA Fund
<b>ASSETS</b>				
Cash and investments	\$ 1,200,000	\$ -	\$ 2,424,883	\$ 20,026,540
Accounts receivable	143,278	-	5,887	79,378
Interest receivable	5,668	-	-	-
Taxes receivable	-	-	-	9,772,692
Prepays	15,189	-	-	10,791
Restricted cash	-	-	-	231,725
Property held for resale or development	-	-	-	54,490
	<u>\$ 1,364,135</u>	<u>\$ -</u>	<u>\$ 2,430,770</u>	<u>\$ 30,175,616</u>
<b>LIABILITIES, DEFERRED INFLOW OF RESOURCES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 102,385	\$ -	\$ 1,769,391	\$ 25,767
Accrued liabilities	126,117	-	-	-
Advanced revenues	-	-	-	-
Refundable deposits	-	-	-	-
Total liabilities	<u>228,502</u>	<u>-</u>	<u>1,769,391</u>	<u>25,767</u>
<b>DEFERRED INFLOW OF RESOURCES</b>				
Unavailable- property tax	-	-	-	9,772,692
Total deferred inflows	<u>-</u>	<u>-</u>	<u>-</u>	<u>9,772,692</u>
<b>FUND BALANCES</b>				
Nonspendable	15,189	-	-	65,281
Restricted	-	-	661,379	20,311,876
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	<u>1,120,444</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>1,135,633</u>	<u>-</u>	<u>661,379</u>	<u>20,377,157</u>
	<u>\$ 1,364,135</u>	<u>\$ -</u>	<u>\$ 2,430,770</u>	<u>\$ 30,175,616</u>



**CAPITAL CITY DEVELOPMENT CORPORATION**  
**BALANCE SHEET – GOVERNMENTAL FUNDS**  
**SEPTEMBER 30, 2018**

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Westside District RA Fund	30th Street District RA Fund	Parking Fund	Total Governmental Funds
\$ 2,979,898	\$ 1,372,875	\$ 7,317,589	\$ 35,321,785
53,229	-	74,925	356,697
-	-	-	5,668
3,609,444	639,694	-	14,021,830
-	-	25,925	51,905
-	-	1,912,180	2,143,905
7,129,390	-	-	7,183,880
<u>\$ 13,771,961</u>	<u>\$ 2,012,569</u>	<u>\$ 9,330,619</u>	<u>\$ 59,085,670</u>
\$ 11,626	\$ -	\$ 355,880	\$ 2,265,049
9,387	-	-	135,504
4,408	-	101,477	105,885
11,526	-	-	11,526
<u>36,947</u>	<u>-</u>	<u>457,357</u>	<u>2,517,964</u>
<u>3,609,444</u>	<u>639,694</u>	<u>-</u>	<u>14,021,830</u>
<u>3,609,444</u>	<u>639,694</u>	<u>-</u>	<u>14,021,830</u>
7,129,390	-	-	7,209,860
2,996,180	1,372,875	1,412,170	26,754,480
-	-	500,000	500,000
-	-	6,961,092	6,961,092
-	-	-	1,120,444
<u>10,125,570</u>	<u>1,372,875</u>	<u>8,873,262</u>	<u>42,545,876</u>
<u>\$ 13,771,961</u>	<u>\$ 2,012,569</u>	<u>\$ 9,330,619</u>	<u>\$ 59,085,670</u>

**CAPITAL CITY DEVELOPMENT CORPORATION**  
**BALANCE SHEET – RECONCILIATION OF NET POSITION IN THE STATEMENT OF NET**  
**POSITION TO THE FUND BALANCE IN THE BALANCE SHEET**  
**SEPTEMBER 30, 2018**

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Amounts reported for *governmental activities* in the Statement of Net Position are different because:

Total fund balance		\$42,545,876
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Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.

Cost of land	3,943,660	
Cost of construction in progress	203,337	
Cost of buildings, improvements, equipment and artwork	43,123,006	
Accumulated depreciation	<u>(16,137,972)</u>	31,132,031

Interest is expensed when paid on the Statement of Revenues, Expenditures and Changes in Fund Balances but is accrued as a payable on the Statement of Net Position.		(59,419)
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Proceeds from the theater parking validation agreement were recorded as revenue when received and available on the governmental fund statements however were amortized over the life of the agreement as advanced lease payments on the Statement of Net Position

Theater validation proceeds	(1,741,920)	
Revenue amortized to date	<u>1,439,503</u>	(302,417)

Long-term liabilities applicable to the Agency's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities - both current and long-term - are reported in the Statement of Net Position.

Net pension liability	(598,223)	
Bonds payable - current	(3,445,000)	
Bonds payable - long-term	<u>(18,940,000)</u>	(22,983,223)

Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the funds.

Deferred outflows of resources related to pensions:

Changes of assumptions	38,926	
Contributions made subsequent to measurement date	35,885	
Changes in proportionate share	71,694	
Differences between expected and actual experience	<u>65,668</u>	212,173

**CAPITAL CITY DEVELOPMENT CORPORATION**  
**BALANCE SHEET – RECONCILIATION OF NET POSITION IN THE STATEMENT OF NET**  
**POSITION TO THE FUND BALANCE IN THE BALANCE SHEET**  
**SEPTEMBER 30, 2018**

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Deferred inflows of resources related to pensions:		
Net difference between projected and actual investment		
earnings on pension plan investments	(66,466)	
Changes in proportionate share	(5,914)	
Differences between expected and actual experience	<u>(45,180)</u>	(117,560)
Deferred charge on debt refunding		
Deferred economic loss on 2017 B Bonds	<u>81,623</u>	<u>81,623</u>
Net position for governmental activities		<u><u>\$ 50,509,084</u></u>

**CAPITAL CITY DEVELOPMENT CORPORATION**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES –**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED SEPTEMBER 30, 2018**

	General Fund	Debt Service Fund	Central District RA Fund	River Myrtle District RA Fund
REVENUES				
Lease	\$ -	\$ 89,658	\$ 5,650	\$ -
Interest	21,066	-	6,734	26,626
Other	178,484	-	40,719	433,933
Parking	-	-	5,645	-
Revenue allocation funds	-	-	5,084,714	8,969,799
	<u>-</u>	<u>-</u>	<u>5,084,714</u>	<u>8,969,799</u>
Total revenues	<u>199,550</u>	<u>89,658</u>	<u>5,143,462</u>	<u>9,430,358</u>
EXPENDITURES				
Administrative expenses	2,393,716	-	-	-
Operating expenses	932,684	-	337,926	475,237
Capital outlay and related expenses	41,827	-	6,075,409	3,013,955
Debt service - principal	-	-	2,250,000	2,340,000
Debt service - interest	-	89,658	40,050	434,763
	<u>-</u>	<u>89,658</u>	<u>40,050</u>	<u>434,763</u>
Total expenditures	<u>3,368,227</u>	<u>89,658</u>	<u>8,703,385</u>	<u>6,263,955</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(3,168,677)</u>	<u>-</u>	<u>(3,559,923)</u>	<u>3,166,403</u>
OTHER FINANCING SOURCES (USES)				
Interfund transfers	3,457,700	-	(712,394)	(5,772,202)
Gain (loss) on sale of properties held for resale	-	-	-	(798,511)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>(798,511)</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>3,457,700</u>	<u>-</u>	<u>(712,394)</u>	<u>(6,570,713)</u>
NET CHANGE IN FUND BALANCES	289,023	-	(4,272,317)	(3,404,310)
FUND BALANCES, BEGINNING OF YEAR	<u>846,610</u>	<u>-</u>	<u>4,933,696</u>	<u>23,781,467</u>
FUND BALANCES, END OF YEAR	<u>\$ 1,135,633</u>	<u>\$ -</u>	<u>\$ 661,379</u>	<u>\$ 20,377,157</u>

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Westside District RA Fund	30th District RA Fund	Parking Fund	Total Governmental Funds
\$ 194,273	\$ -	\$ 83,515	\$ 373,096
6,513	1,536	9,095	71,570
523	-	1,458	655,117
17,370	-	7,669,677	7,692,692
3,250,613	689,034	-	17,994,160
<u>3,469,292</u>	<u>690,570</u>	<u>7,763,745</u>	<u>26,786,635</u>
-	-	-	2,393,716
93,577	1,233	2,518,903	4,359,560
1,094,818	9,960	5,934,587	16,170,556
-	-	1,000,000	5,590,000
-	-	383,325	947,796
<u>1,188,395</u>	<u>11,193</u>	<u>9,836,815</u>	<u>29,461,628</u>
<u>2,280,897</u>	<u>679,377</u>	<u>(2,073,070)</u>	<u>(2,674,993)</u>
(638,506)	(229,486)	3,894,888	-
-	-	-	(798,511)
<u>(638,506)</u>	<u>(229,486)</u>	<u>3,894,888</u>	<u>(798,511)</u>
1,642,391	449,891	1,821,818	(3,473,504)
8,483,179	922,984	7,051,444	46,019,380
<u>\$ 10,125,570</u>	<u>\$ 1,372,875</u>	<u>\$ 8,873,262</u>	<u>\$ 42,545,876</u>

**CAPITAL CITY DEVELOPMENT CORPORATION**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN**  
**FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**YEAR ENDED SEPTEMBER 30, 2018**

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Amounts reported for *governmental activities* in the Statement of Activities are different because:

Net change in fund balances - total governmental funds	\$ (3,473,504)
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Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense.

Capital outlay	6,378,217	
Depreciation	<u>(1,336,951)</u>	5,041,266

Proceeds from the prepaid theatre validations were recorded as revenue when received on the Governmental Fund Statements but amortized over the life of the theatre validation agreement for the Statement of Activities and recorded as unavailable revenue on the Statement of Net Position.	145,160
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Amortize deferred economic gain (loss) on refunded debt	
Current year loss - 2017 B Refunding	<u>(26,236)</u> (26,236)

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of bond principal is an expenditure in the governmental funds, but a reduction of long-term liabilities in the statement of net position. In addition, interest expense is not recognized in the governmental funds until it is due, but is recognized when payable in the Statement of Activities.

Payment of long-term debt	5,590,000	
Interest expense	12,096	5,602,096

In the Governmental funds, pension contributions are considered an expense, while on the Statement of Activities the contributions are considered a deferred outflow because they are made subsequent to the measurement date. The cost of pension benefits earned net of employee contribution is reported as pension expense.

Adjustments to pension contribution	151,695	
Pension expense related to net pension liability	(156,683)	<u>(4,988)</u>

Changes in net position of governmental activities	<u><u>\$ 7,283,794</u></u>
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**CAPITAL CITY DEVELOPMENT CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2018**

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**NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*Financial Reporting Entity*

Capital City Development Corporation (the Agency) is an urban renewal agency created by the City of Boise (the City) under the Idaho Urban Renewal Law of 1965, as amended, and is an independent public body, corporate and politic. The Agency provides urban renewal services to the City of Boise and its citizens but is not a component unit of the City. The commissioners are appointed by the Mayor and approved by City Council. These statements present only the funds and account groups of the Agency in conformity with generally accepted accounting principles and are not intended to present the financial position and results of operations of the City.

*Urban Renewal Districts*

The Agency had four urban renewal districts in fiscal year 2018: Central District, River Myrtle-Old Boise District, Westside District, and 30<sup>th</sup> Street District. Together, they comprise 767 acres of Boise's downtown core.

Central District – the City's oldest district and the State of Idaho's first revenue allocation area, was established in 1989 and terminated at the end of fiscal year 2018.

River Myrtle-Old Boise District – the City's largest district, was established in 1996 and will end in fiscal year 2025.

Westside District – was established in 2003 and will end in fiscal year 2026.

30<sup>th</sup> Street District – was established in 2014 and will end in fiscal year 2033.

*Government-Wide and Fund Financial Statements*

The government-wide financial statements (i.e., the Statement of Net Position) report information on all of the non-fiduciary activities of the Agency. For the most part, the effect of inter-fund activity has been removed from these statements.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers who purchase, use, or directly benefit from goods, service or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not properly included among program revenues are reported instead as general revenues. Major individual governmental funds are reported as separate columns in the fund financial statements.

*Measurement Focus, Basis of Accounting, and Financial Statement Presentation*

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**CAPITAL CITY DEVELOPMENT CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2018**

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Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Agency considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

The Agency reports the following major governmental funds:

Debt Service Fund – The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest. This fund currently accounts for the activities related to the Ada County Courthouse Corridor project ground lease transactions.

Central District Revenue Allocation Fund – The Central District accounts for the revenues derived from the revenue allocation area within the Central District and was established as a funding mechanism to provide public infrastructure improvements. The revenues are first pledged to repay the Redevelopment Bond, Series 2015. Any excess revenues may be expended in accordance with the provisions of the urban renewal statutes.

River Myrtle Old Boise District Revenue Allocation Fund – The River Old Boise Myrtle District accounts for the revenues derived from the revenue allocation area within the River Myrtle Old Boise District and was established as a funding mechanism to provide public infrastructure improvements. The revenues are first pledged to repay the Series 2017 A Redevelopment Bond, the 2017 B Refunding Redevelopment Bond and the 2011 B Revenue Refunding Note. Revenues may only be expended in accordance with the provisions of the urban renewal statutes.

Westside Revenue District Allocation Fund – The Westside District accounts for the revenues derived from the revenue allocation area within the Westside District and was established as a funding mechanism to provide public infrastructure improvements. Revenues may only be expended in accordance with the provisions of the urban renewal statutes.

30<sup>th</sup> Street District Revenue Allocation Fund - The 30th Street District accounts for the revenues derived from the revenue allocation area within the 30th Street District and was established as a funding mechanism to provide public infrastructure improvements. Revenues may only be expended in accordance with the provisions of the urban renewal statutes.

Parking Fund – This fund includes the parking activities of the Agency's six structure public parking facilities and the 250 parking spaces acquired at the 11<sup>th</sup> & Front garage in fiscal year 2018. The six structure public parking facilities are: Capitol & Front garage (formerly named Boulevard garage), Capitol & Main garage (formerly Capitol Terrace), 9th & Front garage (formerly City Centre), 9th & Main garage (formerly Eastman), 10th & Front garage (formerly Grove Street) and Capitol & Myrtle garage (formerly Myrtle Street). The revenues of the Parking Fund are pledged to support the operations of the Fund. Net parking revenues are otherwise unrestricted and are used for repayment of the Series 2011 B, 2015, 2017 A and 2017 B debt, parking system operations and maintenance and are also available for general Agency use.



**CAPITAL CITY DEVELOPMENT CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2018**

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General Fund – This fund includes the personnel costs for Agency staff, general office operations as well as multi-district activities and program delivery.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Amounts reported as program revenues include: 1) charges for services, or privileges provided, 2) operating grants and contributions (which includes various reimbursements), and 3) capital grants and contributions (which includes reimbursement from Ada County for the courthouse corridor development project). Internally dedicated resources are reported as general revenues rather than as program revenues. When applying revenues to a program for which unrestricted and restricted revenues are used, restricted revenues are applied first.

*Cash and Investments*

Cash represents all cash on hand and in banks. Investments with original maturities of three months or less from the date of acquisition are also considered cash.

*Investments*

Investments are stated at fair value, as determined by quoted market prices, except for any certificates of deposit, which are non-participating contracts, and are therefore carried at amortized cost. Interest earned is allocated on a basis of average investment balance. Idaho Code provides authorization for the investment of funds as well as to what constitutes an allowable investment. The Agency policy for investment of idle funds is consistent with Section 50-1013, Idaho Code.

Idaho Code limits investments of public funds to the following general types:

Certain revenue bonds, general obligation bonds, local improvement district bonds and registered warrants of state and local governmental entities.

Time deposit accounts, tax anticipation and interest-bearing notes.

Bonds, treasury bills, debentures, or other similar obligations of the United States Government and United States Government Agencies.

Repurchase agreements secured by the above.

*Custodial Credit Risk*

For deposits and investments, custodial credit risk is the risk that, in the event of the failure of the counterparty, the Agency will not be able to recover the value of its deposits, investments or collateral securities that are in the possession of an outside party. The Agency limits its investments to institutions that are registered with the State of Idaho Department of Finance that adhere to the Securities and Exchange Commission Rule 15C3-1 (uniform net capital rule). Non-bank broker/dealer firms and individuals doing business with the Agency must be registered with the National Association of Securities Dealers.

**CAPITAL CITY DEVELOPMENT CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2018**

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*Credit Risk*

Per GASB Statement No. 40, *Concentration of Credit Risk* is defined as the risk of loss attributed to the magnitude of a government's investment in a single issuer. The Agency's policy is to avoid concentration in securities from a specific issuer or business sector other than U.S. Securities. However, the policy does not specifically limit the concentration in any single issuer. No single issuer exceeded 5% of the Agency's total investments.

At year end, the carrying amount of the Agency's deposits was \$34,365,738 and the bank balance was \$34,668,704. Of the bank balance \$250,000 was covered by federal depository insurance; in addition Federal Home Loan Bank of Cincinnati issued a letter of credit that would allow the Agency to draw up to \$50,000,000 or the amount of the deposit balance, in the event of bank default. All cash is held in national financial institutions located in Ada County.

*Property Taxes (Tax Increment Revenue) Receivable*

Property taxes are recognized as revenue when the amount of taxes levied is measurable, and proceeds are available to finance current period expenditures.

Available tax proceeds include property tax receivables expected to be collected within sixty days after year end. Property taxes attach as liens on properties on January 1, and are levied in September of each year. Tax notices are sent to taxpayers during November, with tax payments scheduled to be collected on or before December 20. Taxpayers may pay all or one half of their tax liability on or before December 20, and if one half of the amount is paid, they may pay the remaining balance by the following June 20. Since the Agency is on a September 30 fiscal year end, property taxes levied during September for the succeeding year's collection are recorded as unearned revenue at the Agency's year end and recognized as revenue in the following fiscal year. Ada County bills and collects taxes for the Agency.

The Agency received property taxes during the current fiscal year in the amounts of \$5,084,714, \$8,969,799, \$3,250,613 and \$689,034 from Central District, River Myrtle/Old Boise District, Westside District, and 30<sup>th</sup> Street District, respectively.

*Accounts Receivable*

The Agency provides credit based on contractual agreements in the normal course of business. An allowance for doubtful accounts is based on management's review of the outstanding receivables, historical collection information and existing economic conditions. Accounts receivable are past due based on the terms of the contracts and interest is charged on overdue receivables on a case-by-case basis as allowed by the contracts. Based on management's review of accounts receivable, no allowance was deemed necessary as of September 30, 2018.

*Capital Assets*

Capital assets, which include property, plant, equipment, and infrastructure assets, are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000. Assets are recorded at historical costs or estimated historical cost if purchased or constructed. Donated capital assets are valued at their estimated acquisition value.

**CAPITAL CITY DEVELOPMENT CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2018**

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The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend the assets lives are not capitalized.

Depreciation is computed using the straight-line method, over the estimated useful lives of the assets as follows:

	<u>Estimated Useful Life (Years)</u>
Buildings	30 - 45
Improvements	10 - 45
Parking equipment	7
Office furniture & equipment	3 - 10

*Property Held for Resale or Development*

Property held for resale or development includes several properties in the River Myrtle/Old Boise District and Westside District.

Property held for resale or development is reflected in the accompanying balance sheet. In furtherance of the Agency's purpose of redeveloping downtown Boise, these properties may be disposed of for consideration that is substantially less than carrying value.

*Deferred Outflows/Inflows of Resources and Unavailable Revenue*

In addition to assets, the Statement of Financial Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. The Agency has two items that qualify for reporting in this category. The first item is the deferred charge on refunding reported in the government-wide Statement of Net Position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second item is the deferred inflows related to pensions reported in the government-wide Statement of Net Position. See Note 7 for details of deferred inflows related to pensions.

In addition to liabilities, the Statement of Financial Position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods, so will not be recognized as an inflow of resources (revenue) until that time. The Agency has two items that qualify for reporting in this category. The governmental funds report unavailable revenues from property taxes. This amount is deferred and recognized as an inflow of resources in the period that the amounts become available. The second item is the deferred inflows related to pensions reported in the government-wide Statement of Net Position. See Note 7 for details of deferred inflows related to pensions.

*Fund Equity*

The Agency established accounting policies related to GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement redefines the elements of fund balance in governmental funds and more clearly describes the different types of governmental funds to make the nature and extent of the constraints placed on a government's fund balance more transparent. The governmental fund types classify fund balances as follows:

Fund balance is reported as nonspendable when the resources cannot be spent because they are either legally or

**CAPITAL CITY DEVELOPMENT CORPORATION**  
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contractually required to be maintained intact, or are in a nonspendable form such as inventories, prepaid accounts, and assets held for resale.

Fund Balance is reported as restricted when the constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Fund Balance is reported as committed when the Agency Board of Commissioners passes a resolution that places specific constraints on how the resources may be used. The Board of Commissioners can modify or rescind the resolution at any time through passage of an additional resolution.

Fund Balance is reported as assigned when it is intended for a specific purpose and the authority to “assign” is delegated to the Agency’s Executive Director.

Unassigned Fund Balance is the residual classification for the General Fund. This classification represents Fund Balance that has not been restricted, committed, or assigned within the General Fund. This classification is also used to report any negative Fund Balance amounts in other governmental funds.

The Board of Commissioners is the Agency’s highest level of decision making authority. The Board adopted the Fund Balance Policy that recommends a spending order of restricted, committed, assigned and then unassigned unless the Board approves otherwise.

Per the guidance in the policy, the Board established that an emergency repair reserve in the minimum amount of \$500,000 shall be on hand as of September 30th of each fiscal year in the Parking fund. Funds within this reserve may be used intra-fiscal year for unforeseen, non-routine repair and maintenance expenditures in the garages when failure to do such repair and maintenance could adversely affect life safety or the ability to operate the garage(s) normally in the immediate future. The Board will evaluate the emergency repair reserve amount as part of each fiscal year’s budget process and may amend the amount by resolution as it deems appropriate. The balance in the Parking Emergency Repair Reserve fund as of September 30, 2018 was \$500,000.

The Board further determined that it may be appropriate to set aside funds apart from working capital for a future project or initiative pursuant generally to the budget and related documents such as the capital improvement plan and parking reinvestment program. The Board delegated its authority to assign funds in this manner to the Executive Director. As of September 30, 2018, \$6,961,092 was assigned in the Parking fund for parking reinvestment projects and commitments budgeted in fiscal year 2018.

*Estimates*

The preparation of the Agency’s financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant estimates used in the report relate to the estimated net pension liability. It is reasonably possible that the significant estimates used will change within the next year.

**CAPITAL CITY DEVELOPMENT CORPORATION**  
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*Pensions*

For purposes of measuring the net pension liability and deferred outflows/inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Public Employee Retirement System of Idaho Base Plan (Base Plan) and additions to/deductions from Base Plan's fiduciary net position have been determined on the same basis as they are reported by the Base Plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**NOTE 2 – INTEREST IN PARTNERSHIP**

The Agency has made both cash and non-cash contributions to River Plaza Limited Partnership (the Partnership) in exchange for an ownership interest as the special limited partner. The Partnership owns an apartment complex. The Agency has recorded the investment on a cost basis of \$130,000. In accordance with the partnership agreement, there are no gains or losses allocated to the Agency. If the assets of the Partnership are sold or liquidated, the Agency is entitled to a 36.8% interest in the residual distribution upon sale or refinancing. The Agency relinquished and transferred the interest of special membership interest in River Plaza LLC on September 7, 2018 for an amount of \$30,000. A loss of \$100,000 has been recorded in fiscal year 2018.

**NOTE 3 – RESTRICTED ASSETS**

The Agency has four revenue allocation funds, one for each of its four revenue allocation districts. Title 50, Chapter 20 and Chapter 29 of Idaho Code delineates the purposes for which revenue allocation funds may be spent by urban renewal agencies, along with the purposes set forth in the Agency's several urban renewal plans. Since the use of funds is proscribed in statute, the fund balance of the revenue allocation funds is considered restricted under the definitions provided in GASB Statement 54. Therefore, fund balance in its entirety is reported as restricted on the fund financial statements.

Restricted fund balances as of September 30, 2018

Central District Revenue Allocation Fund	\$ 661,379
River Myrtle District Revenue Allocation Fund	20,311,876
Westside District Revenue Allocation Fund	2,996,180
30th Street District Revenue Allocation Fund	1,372,875
Parking Fund	1,412,170

The restricted balance in the Parking fund is restricted for reserves on the outstanding bonds. Restricted assets consist of cash and investments held by the Agency's agent in the Agency's name. Investments are generally held until maturity. The bond resolutions limit investments to certain types of securities which meet defined standards.

**NOTE 4 – INTERFUND TRANSFERS**

Interfund transfers are made for one primary purpose. Transfers are made as a method of allocating the costs of program operations to their respective funds. The program operations costs are shown in the General Fund.

**CAPITAL CITY DEVELOPMENT CORPORATION**  
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**NOTE 5 – CAPITAL ASSETS**

Capital asset activity for the year ended September 30, 2018 was as follows:

	September 30, 2017	Additions	Deletions	September 30, 2018
<b>Governmental Activities</b>				
<i>Capital assets, not depreciated</i>				
Land	\$ 3,943,660	\$ -	\$ -	\$ 3,943,660
Construction in progress	193,259	203,337	(193,259)	203,337
	<u>4,136,919</u>	<u>203,337</u>	<u>(193,259)</u>	<u>4,146,997</u>
<i>Capital assets, depreciated</i>				
Buildings	27,110,936	5,247,050	-	32,357,986
Improvements other than buildings	9,406,676	1,030,796	(82,030)	10,355,442
Equipment	319,285	90,293	-	409,578
Total	<u>36,836,897</u>	<u>6,368,139</u>	<u>(82,030)</u>	<u>43,123,006</u>
<i>Less accumulated depreciation</i>				
Buildings	(12,646,107)	(614,289)	-	(13,260,396)
Improvements other than buildings	(2,054,783)	(670,847)	82,030	(2,643,600)
Equipment	(182,161)	(51,815)	-	(233,976)
Total	<u>(14,883,051)</u>	<u>(1,336,951)</u>	<u>82,030</u>	<u>(16,137,972)</u>
<i>Total depreciated capital assets, net</i>	<u>21,953,846</u>	<u>5,031,188</u>	<u>-</u>	<u>26,985,034</u>
<i>Governmental activities capital assets, net</i>	<u>\$ 26,090,765</u>	<u>\$ 5,234,525</u>	<u>\$ (193,259)</u>	<u>\$ 31,132,031</u>

Depreciation expense was charged to functions of the primary government as follows:

Governmental Activities	
General Government	\$ 1,336,951

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**NOTE 6 – LONG-TERM DEBT**

At September 30, 2018, long-term debt consists of the following:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Government activities					
2011 B	\$ 8,070,000	\$ -	\$ (1,000,000)	\$ 7,070,000	\$ 1,045,000
2015	2,250,000	-	(2,250,000)	-	-
2017 A	12,615,000	-	(1,680,000)	10,935,000	1,720,000
2017 B	5,040,000	-	(660,000)	4,380,000	680,000
	<u>\$ 27,975,000</u>	<u>\$ -</u>	<u>\$ (5,590,000)</u>	<u>\$ 22,385,000</u>	<u>\$ 3,445,000</u>

The Series 2017 B Bond are tax exempt fixed rate bonds with a rate of 2.82% that mature on September 1, 2024.

The 2011 B Revenue Refunding Note was issued through the Boise City Housing Authority, is tax exempt but subject to the alternative minimum tax and has a fixed rate of 4.75% and matures on September 1, 2024.

The Redevelopment Bond Series 2015 are tax exempt fixed rate bonds with a rate of 1.78% that matured on September 1, 2018.

The Series 2017 A Bond are tax exempt fixed rate bonds with a rate of 2.32% that mature on September 1, 2024.

There are certain restrictive covenants, coverage requirements and ratios associated with the Agency's bonds and notes. As of September 30, 2018 the Agency is in compliance with these requirements.

The annual requirements to retire the debt for the 2011 B notes, 2017 A bond and 2017 B bond as of September 30, 2018 are shown below.

	Governmental Activities	
	Principal	Interest
2019	\$ 3,445,000	\$ 713,033
2020	3,555,000	604,316
2021	3,670,000	491,731
2022	3,780,000	375,042
2023	3,905,000	254,486
2024	4,030,000	129,472
Total	<u>\$ 22,385,000</u>	<u>\$ 2,568,080</u>

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**NOTE 7 – PENSION PLAN**

*Plan Description*

The Agency contributes to the Public Employee Retirement System of Idaho (PERSI or System) Base Plan which is a cost-sharing multiple-employer defined benefit pension plan administered by the PERSI Retirement Board. The Base Plan covers substantially all employees of the State of Idaho and a variety of participating local and special district political subdivisions. As a special purpose unit of local government, the Agency is an eligible public employer and Agency employees are eligible public employees. The cost to administer the plan is financed through the contributions and investment earnings of the plan. PERSI issues a publicly available financial report that includes financial statements and the required supplementary information. That report may be obtained at [www.persi.idaho.gov](http://www.persi.idaho.gov).

Responsibility for administration of the Base Plan is assigned to the PERSI Retirement Board comprised of five members appointed by the Governor and confirmed by the Idaho Senate. State law requires that two members of the Board be active Base Plan members with at least ten years of service and three members who are Idaho citizens, but not members of the Base Plan except by reason of having served on the Board.

*Pension Benefits*

The Base Plan provides retirement, disability, death and survivor benefits of eligible members or beneficiaries. Benefits are based on members' years of service, age, and highest average salary. Members become fully vested in their retirement benefits with five years of credited service (5 months for elected or appointed officials). Members are eligible for retirement benefits upon attainment of the ages specified for their employment classification. The annual service retirement allowance for each month of credited service is 2.0% (2.3% for police/firefighters) of the average monthly salary for the highest consecutive 42 months.

The benefit payments for the Base Plan are calculated using a benefit formula adopted by the Idaho Legislature. The Base Plan is required to provide a 1% minimum cost of living increase per year provided the Consumer Price Index increases 1% or more. The PERSI Board has the authority to provide higher cost of living increases to a maximum of the Consumer Price Index movement or 6%, whichever is less; however, any amount above the 1% minimum is subject to review by the Idaho Legislature.

*Member and Employer Contributions*

Member and employer contributions paid to the Base Plan are set by statute and are established as a percent of covered compensation. Contribution rates are determined by the PERSI Board within limitations, as defined by state law. The Board may make periodic changes to employer and employee contribution rates (expressed as percentages of annual covered payroll) if current rates are actuarially determined to be inadequate or in excess to accumulate sufficient assets to pay benefits when due.

The contribution rates for employees are set by statute at 60% of the employer rate for general employees and 72% for police and firefighters. As of June 30, 2018 it was 6.79% for general employees and 8.36% for police and firefighters. The employer contribution rate as a percent of covered payroll is set by the Retirement Board and was 11.32% for general employees and 11.66% for police and firefighters. The Agency's contributions were \$153,809 for the year ended September 30, 2018.



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*Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.*

At September 30, 2018, the Agency reported a liability for its proportionate share of the net pension liability. The net pension liability was measured as of July 1, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The Agency's proportion of the net pension liability was based on the Agency's share of contributions in the Base Plan pension plan relative to the total contributions of all participating PERSI Base Plan employers. At July 1, 2018, the Agency's proportion was 0.040557%.

For the year ended September 30, 2018, the Agency recognized pension expense of \$156,683. At September 30, 2018, the Agency reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 65,668	\$ 45,180
Changes in assumptions or other inputs	38,926	-
Net difference between projected and actual earnings on pension plan investments	-	66,466
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions	71,694	5,914
Agency's contributions subsequent to the measurement date	35,885	-
Total	<u>\$ 212,173</u>	<u>\$ 117,560</u>

An amount reported as deferred outflows of resources related to pensions resulting from Employer contributions subsequent to the measurement date totaling \$35,885 will be recognized as a reduction of the net pension liability in the year ending September 30, 2019.

The average of the expected remaining service lives of all employees that are provided with pensions through the Base Plan (active and inactive employees) determined at July 1, 2017 the beginning of the measurement period ended June 30, 2018 is 4.8 years.

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The amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense (revenue) as follows:

Year ended September 30, 2018	
2019	\$ 85,339
2020	32,149
2021	(48,364)
2022	(10,397)

*Actuarial Assumptions*

Valuations are based on actuarial assumptions, the benefit formulas, and employee groups. Level percentages of normal payroll costs are determined using the Entry Age Normal Cost Method. Under the Entry Age Normal Cost Method, the actuarial present value of the projected benefits of each individual included in the actuarial valuation is allocated as a level percentage of each year's earnings of the individual between entry age and assumed exit age. The Base Plan amortizes any unfunded actuarial accrued liability based on a level percentage of payroll. The maximum amortization period for the Base Plan permitted under Section 59-1322, Idaho Code, is 25 years.

The total pension liability in the June 30, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00 percent
Salary increases	3.75 percent
Salary inflation	3.75 percent
Investment rate of return	7.05 percent, net of pension plan investment expenses
Cost of living (COLA) adjustments	1.00 percent

Mortality rates were based on the RP – 2000 combined table for healthy males or females as appropriate with the following offsets:

- Set back 3 years for teachers
- No offset for male fire and police
- Forward one year for female fire and police
- Set back one year for all general employees and all beneficiaries

An experience study was performed for the period July 1, 2007 through June 30, 2013 which reviewed all economic and demographic assumptions other than mortality. Mortality and all economic assumptions were studied in 2014 for the period from July 1, 2009 through June 30, 2013. The Total Pension Liability as of June 30, 2018 is based on the results of an actuarial valuation date of June 30, 2018.

The long-term expected rate of return on pension plan investments was determined using the building block approach and a forward-looking model in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

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Even though history provides a valuable perspective for setting the investment return assumption, the System relies primarily on an approach which builds upon the latest capital market assumptions. Specifically, the System uses consultants, investment managers and trustees to develop capital market assumptions in analyzing the System's asset allocation. The assumptions and the System's formal policy for asset allocation are shown below. The formal asset allocation policy is somewhat more conservative than the current allocation of System's assets.

The best-estimate range for the long-term expected rate of return is determined by adding expected inflation to expected long-term real returns and reflecting expected volatility and correlation.

<b>Asset Class</b>	<b>Target Allocation</b>	<b>Long-Term Expected Nominal Rate of Return (Arithmetic)</b>	<b>Long-Term Expected Real Rate of Return (Arithmetic)</b>
Core Fixed Income	30.00%	3.05%	0.80%
Broad US Equities	55.00%	8.30%	6.05%
Developed Foreign Equities	15.00%	8.45%	6.20%
Assumed Inflation - Mean		2.25%	2.25%
Assumed Inflation - Standard Deviation		1.50%	1.50%
Portfolio Arithmetic Mean Return		6.75%	4.50%
Portfolio Standard Deviation		12.54%	12.54%
Portfolio Long-Term (Geometric) Expected Rate of Return		6.13%	3.77%
Assumed Investment Expenses		0.40%	0.40%
Portfolio Long-Term (Geometric) Expected Rate of Return, Net of Investment Expenses		5.73%	3.37%
Portfolio Long-Term Expected Real Rate of Return, Net of Investment Expenses			4.19%
Portfolio Standard Deviation			14.16%
<b>Valuation Assumptions Chosen by PERSI Board</b>			
Long-Term Expected Real Rate of Return, Net of Investment Expenses			4.05%
Assumed Inflation			3.00%
<b>Long-Term Expected Geometric Rate of Return, Net of Investment Expenses</b>			<b>7.05%</b>

*Discount Rate*

The discount rate used to measure the total pension liability was 7.05%. The projection of cash flows is used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate. Based on these assumptions, the pension plans' net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The long-term expected rate of return was determined net of pension plan investment expense but without reduction for pension plan administrative expense.

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*Sensitivity of the Employer's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate.*

The following presents the Employer's proportionate share of the net pension liability calculated using the discount rate of 7.05 percent, as well as what the Employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.05 percent) or 1-percentage-point higher (8.05 percent) than the current rate:

	1% Decrease (6.05%)	Current Discount Rate (7.05%)	1% Increase (8.05%)
Employer's proportionate share of the net pension liability (asset)	\$ 1,497,487	\$ 598,223	\$ (146,405)

*Pension Plan Fiduciary Net Position*

Detailed information about the pension plan's fiduciary net position is available in the separately issued PERSI financial report.

PERSI issues a publicly available financial report that includes financial statements and the required supplementary information for PERSI. That report may be obtained at [www.persi.idaho.gov](http://www.persi.idaho.gov).

*Payables to the Pension Plan*

At September 30, 2018, the Agency reported payables to the defined benefit pension plan of \$3,003 for legally required employer contributions and \$0 for legally required employee contributions which had been withheld from employee wages but not yet remitted to PERSI.

*Defined Contribution – PERSI Choice 401(k)*

Employees of the Agency participating in the PERSI Base Plan may enroll in the PERSI Choice 401(k) defined contribution retirement savings plan available to active members. Participation is voluntary. The PERSI Choice 401(k) is intended to be a governmental plan within the meaning of Code Section 414 (d) and within the meaning of section 3(32) of the Employee Retirement Income Security Act (ERISA) and as such, is exempt from provisions of Title I ERISA. The Agency will match participants' contributions in the PERSI Choice 401(k) up to 4% of base annual salary. A participant shall be 100% vested in their individual account at all times. The authority of the benefit and contribution terms are established and amended by the PERSI Board. The Agency recognized \$36,907 contributions to the PERSI Choice 401(k) as benefits expense during the year ended September 30, 2018. The Agency recognized \$0 for the employer's liability outstanding for contributions for the period ended September 30, 2018.

**NOTE 8 – LEASES**

*Advance Lease Payments*

In 2008, the Agency entered into an agreement with Bodo Development, LLC to provide theater parking validation through November 30, 2020. All funds for this agreement were received by the Agency in the initial year of the agreement. This revenue is being amortized ratably over the life of the agreement on the government-wide financial statements.

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*Lease Expense*

The Agency is a party to the following operating leases:

The Agency renewed the lease for its office space on October 1, 2018. The lease term expires on September 30, 2021. Monthly rent is \$13,272 for the first year, \$13,621 for the second year and \$13,970 for the third year.

The Agency entered into the lease for Trailhead office space on February 1, 2015. Trailhead is a non-profit entrepreneurial resource center supported by the Agency, City of Boise and private sector partners. The lease term expires on January 31, 2020. Monthly rent is \$12,210 for the first year, \$12,479 for the second year, \$12,754 for the third year, \$13,042 for the fourth year and \$13,330 for the fifth year.

*Lease Other*

In fiscal year 2016, the Agency entered into a Termination Agreement and Mutual Release with Civic Partners Idaho, LLC and Ada County. The Termination Agreement terminates the Sublease Agreements with Civic Partners and all interest that Civic Partners has in and to the subleased properties. In fiscal year 2018, the Agency made a total payment of \$147,706 for rent. These payments and future payments of the rent for the parcels that Civic Partners defaulted on in 2016 allow the Agency to retain full lessee authority concerning the units and parcels under the two ground lease. Total ground lease expense for the year ended September 30, 2018 was \$237,364.

	<u>Master Ground</u>	<u>Office Facility</u>
2019	\$ 244,888	\$ 318,062
2020	272,568	216,768
2021	276,972	167,640
2022	282,044	-
2023	295,672	-
2024-2028	1,945,792	-
2029-2033	826,006	-
2034-2038	600,027	-
2039-2043	695,594	-
2044-2048	806,382	-
2049-2053	934,805	-
2054-2058	1,083,710	-
2059-2063	1,256,317	-
2064-2068	1,456,413	-
2069-2073	1,688,382	-
2074-2078	1,957,299	-
2079-2083	2,269,046	-
2084-2088	2,630,447	-
2089-2093	3,049,413	-
2094-2098	3,161,588	-
	<hr/>	<hr/>
Total	<u>\$ 25,733,365</u>	<u>\$ 702,470</u>

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**NOTE 9 – COMMITMENTS AND CONTINGENCIES**

The Agency entered into an Owners Participation Agreement (OPA) and related agreements with the Gardner Company, the developer of the completed 8th and Main Building - an 18 floor office building with an estimated value of \$61 million – in the Central District. The Agency's financial participation is an anticipated amount not to exceed \$4 million of public improvements and site remediation over the course of four years after the project is complete. The OPA sets out conditions of performance the developer must meet to become eligible for Agency financial participation. During fiscal year 2018, the fourth and final payment of \$764,345 has been made. As of September 30, 2018, a total of \$3,764,345 has been paid to the developer.

The Agency entered into an OPA and related agreements with Owyhee Place, LLC. The now completed project was the renovation of two existing historical structures in the Westside District with a completion value estimated by the developer at \$12 million. The Agency's financial participation is an anticipated amount not to exceed \$700,000 for public improvements and site remediation over the course of four years after the project is complete. The OPA sets out conditions the developer must meet to become eligible for Agency financial participation. During fiscal year 2018, the third payment of \$172,633 has been made. As of September 30, 2018, a total of \$427,037 has been paid to the developer.

The Agency entered into an OPA and related agreements with Inn at 500 Capitol, LLC, the developer of the Inn at 500 Capitol Hotel – a 6-story boutique hotel of approximately 110 hotel rooms, conference and meeting rooms, wellness center, 26 space first floor parking garage and a 100 seat restaurant in the River Myrtle/Old Boise District. The project is estimated by the developer to have a total value of \$24 million. The Agency's financial participation is an anticipated amount not to exceed \$471,498 for public improvements over the course of four years after the project is complete. The OPA sets out conditions the developer must meet to become eligible for Agency financial participation. The hotel opened in February 2017. During fiscal year 2017, a payment of \$176,920 has been made for the capital improvement reimbursement (agency participation program Type 4 agreement). For the Type 2 agreement, the first payment of \$228,962 was made during fiscal year 2018.

The Agency entered into a Memorandum of Understanding (MOU) and related agreements with the City of Boise for the non-profit Trailhead Entrepreneurial Resource Center. The Agency and the City have been working together to encourage private investment within the City by facilitating business education, connecting entrepreneurs to resources, and working to increase the interaction between entrepreneurs and local businesses located in downtown Boise. Trailhead was established in February 2015 by the Agency and the City to accomplish this goal. The Agency agreed to take responsibility for the rent and maintenance of the office space occupied by Trailhead at 500 South 8th Street. See Note 8 for details of the lease for Trailhead office space. During the fiscal year 2018, a total of \$176,136 has been made for rent and maintenances. As of September 30, 2018, a total of \$610,474 has been paid to landlord and other vendors since the MOU was executed.

The Agency entered into an OPA and related agreements with Athlos Academies, the new owner of the 918 W. Idaho Street property (formerly known as C.C. Anderson or Macy's Building). Originally built in 1927 it had been vacant since 2010. Athlos Academies has renovated and upgraded the structure into the charter school HQ/training center in the Westside District. The project is estimated by the developer to have a total value of \$5.5 million upon completion. The Agency's financial participation is an anticipated amount not to exceed \$750,000 for public improvements that include streetscape and façade improvements. The OPA sets out conditions the developer must meet to become eligible for Agency financial participation. The project completed in 2017. As of September 30, 2018, a total of \$750,000 has been made.

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The Agency entered into an OPA and related agreements with Pennbridge Bodo, LLC, the developer of the Residence Inn by Marriott – a 10-story extended stay hotel of approximately 186 hotel rooms, conference room, fitness area, pool, a third floor patio and bar, and 103 parking spaces in the River Myrtle/Old Boise District. The project is estimated by the developer to have a total value of \$25 million. The Agency's financial participation is an anticipated amount not to exceed \$875,897 for public improvements over the course of four years after the project is complete. The OPA sets out conditions the developer must meet to become eligible for Agency financial participation. The project was completed in fall 2017. Payments are expected to be made over four years from fiscal year 2019 to 2022. As of September 30, 2018, no payments have been made.

The Agency entered into an OPA and related agreements with Boise Hotel Investors, LLC, the developer of the Hyatt Place – a 5-story hotel of approximately 150 hotel rooms, conference rooms, fitness area, spa, and eating area in the Westside district. The project is estimated by the developer to have a total value of \$20 million. The Agency's financial participation is an anticipated amount not to exceed \$452,463 for public improvements over the course of four years after the project is complete. The OPA sets out conditions the developer must meet to become eligible for Agency financial participation. The project completed in summer 2017. Payments are expected to be made over four years from fiscal year 2019 to 2022. As of September 30, 2018, no payments have been made.

The Agency entered into an OPA and related agreements with 5th and Idaho Development, LLC, the developer of the 5th and Idaho Apartments, a mixed-use, 5-story project consisting of approximately 81 studio one and two bedroom apartments, 82 underground parking stalls, 3,000 square feet of retail space, and a 3,600 square foot public park facing Idaho Street in the River Myrtle-Old Boise District. The project is estimated by the developer to have a total value of \$13 million upon completion. The Agency's financial participation is an anticipated amount not to exceed \$1,155,000 for public improvements over the course of four years after the project is complete. The OPA sets out conditions the developer must meet to become eligible for Agency financial participation. The project started construction in the fall of 2017 and is expected to complete in 2019. As of September 30, 2018, no payments have been made.

The Agency entered into an OPA and related agreements with The Roost Project, LLC, the developer of The Fowler (as renamed), a 7-story residential apartment building (two floors of parking and five floors of apartment units) of approximately 158 studio, one and two bedroom apartment units, 189 structured parking spaces and 4,000 square feet of first floor retail space in the River Myrtle-Old Boise District. The project is estimated by the developer to have a total value of \$27 million. The Agency's financial participation is an anticipated amount not to exceed \$3,145,000 for public improvements (\$555,000) and purchase of one floor of parking (\$2,590,000) to be available to the public to be named the 5th and Broad public parking garage. The OPA sets out conditions the developer must meet to become eligible for Agency financial participation. The project completed in December 2017. As of September 30, 2018, a total of \$555,000 has been made for the public improvements reimbursement. On March 12, 2018, the Agency's Board of Commissioners voted to terminate the purchase agreement for the one floor of parking.

The Agency entered into an OPA and related agreements with BVGC Parcel B, LLC, the developer of Pioneer Crossing (previously known as Parcel B) – currently under construction, a mixed-use development consisting of retail space, office space, other commercial uses and a 839-space parking garage in the River Myrtle-Old Boise District. The project is estimated by the developer to have a total value of \$46 million upon completion. The Agency's financial participation is an anticipated amount not to exceed \$9,688,625 for public improvements (\$4,288,625) and purchase of at least 250 parking spaces (\$5,400,000) to be available to the public to be named the 11th and Front public parking garage. The OPA sets out conditions the developer must meet to become eligible for Agency financial participation. The parking garage was completed in 2018. As of September 30, 2018, a total of \$5,247,050 has been made.

**CAPITAL CITY DEVELOPMENT CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2018**

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The Agency entered into an OPA and related agreements with JRS Properties III, LP, the developer of JUMP building and JR Simplot Company Offices –a mixed-use development consisting of multiple buildings and facilities to be known as “Jack’s Urban Meeting Place” and the JR Simplot Corporate Headquarters in the River Myrtle-Old Boise District. The project is estimated by the developer to have a total value of \$215 million (JUMP \$70 million tax exempt and JR Simplot Company Offices \$145 million). The Agency’s financial participation is an anticipated amount not to exceed \$875,000 for public improvements over the course of four years after the project is complete. The OPA sets out conditions the developer must meet to become eligible for Agency financial participation. The project completed in 2018. Payments are expected to be made over four years from fiscal year 2020 to 2023. As of September 30, 2018, no payments have been made.

The Agency entered into a Type 4 Capital Improvements Reimbursement Agreement with Northwest Integrity Housing Co., an Idaho nonprofit corporation (NIHC) and a Type 2 General Assistance Participation Agreement with Adare Manor, LLC, an Idaho Limited Liability Company. NIHC is Managing Member for the Adare Manor Apartments, a mixed-use project including retail space along Fairview and 25th Street and 134 units affordable housing in the 30th Street District. The project is estimated by the developer to have a total value of \$20.5 million upon completion. The Agency’s financial participation is an anticipated amount not to exceed \$730,000 for public improvements (\$480,000) over the course of four years after the project is complete and for undergrounding utilities improvement (\$250,000). The OPA sets out conditions the developer must meet to become eligible for Agency financial participation. The project is expected to complete in 2019. As of September 30, 2018, no payments have been made.

The Agency entered into a Type 3 Transformative Assistance Agreement and a parking permits purchase agreement with Front Street Investors, LLC, the developer of 6th and Front project, a mixed-use development consisting of a 7-story hotel with 138 rooms and a parking garage with 540 parking spaces in the River Myrtle/Old Boise District. The project is estimated by the developer to have a total value of \$43 million upon completion. The Agency’s financial participation is an anticipated amount not to exceed \$3,998,439 for public improvements over the course of four years after the project is complete and purchase of 200 monthly parking permits for seven years to be re-sold to the public (\$2,520,000). The OPA sets out conditions the developer must meet to become eligible for Agency financial participation. The project is expected to be complete in 2020. As of September 30, 2018, no payments have been made.

The Agency entered into a Type 4 Capital Improvements Reimbursement Agreement with Boise School District, the owner of Whittier Elementary Project in the 30th Street District. The Agency’s financial participation is an anticipated amount not to exceed \$540,000 of public improvements after the project is complete. The OPA sets out conditions of performance the developer must meet to become eligible for Agency financial participation. The project is expected to complete in 2019. As of September 30, 2018, no payments have been made.

**NOTE 10 – SIGNIFICANT CONTRACTUAL AGREEMENTS**

The Agency is party to numerous agreements related to the development of the parcels in the Ada County Courthouse Corridor. In 2011, the various agreements were amended to facilitate the refunding of the 2002 B bonds with the 2011 B Revenue Refunding Note. The Business Terms Sheet/Funds Flow calculation was one of the agreements amended. Under the terms of the amended agreement, the tax increment guarantee for the Idaho Place parcels was restated as \$245,000 for fiscal year 2011, increasing 3% each year thereafter through fiscal year 2024.



**CAPITAL CITY DEVELOPMENT CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2018**

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The developer will receive credit against the guarantee amount for any actual increment received from the subject parcels. The supplemental rent obligation on the apartment parcels in the Courthouse Corridor is stated in the Business Terms Sheet as \$289,865 for fiscal year 2011, increasing 3% each year thereafter through fiscal year 2024. The developer will receive credit against the supplemental rent amount for any actual increment received from the apartment parcels. During fiscal year 2018, the tax increment guarantee and supplemental rent obligations in the amounts of \$39,577 and \$154,998 were received in full.

As part of the Ada County Courthouse Corridor project (“Courthouse Project”) and under the terms of the associated Second Amended and Restated Master Sublease, the Agency subleased two parcels (parcels 4 and 5) to Civic Partners Idaho, LLC (“Civic”). Similarly, under the terms of the Amended and Restated Parcel 1 Sublease, the Agency subleased two Courthouse Project condominium units (units 401 and 102) to Civic. Civic failed to make the April 1, 2015 and July 1, 2015 quarterly lease payments as required by the agreements and failed to timely cure the defaults. The Agency declared the leases terminated on October 2, 2015 and initiated action to take possession of the properties as permitted under the leases. On May 10, 2016, the Agency, Civic, and Ada County entered into a Termination Agreement and Mutual Release (Termination Agreement). The Termination Agreement terminates the Sublease Agreements with Civic Partners and all interest that Civic Partners has in and to the subleased properties.

**NOTE 11 – PLEDGED REVENUES**

The Agency has certain long-term debt obligations for which revenues have been pledged.

The Agency issued the Series 2011 B Revenue Refunding Note to refund the 2002 B bonds. Amounts in the Series 2011 B note fund are pledged to support this debt. One twelfth of the annual debt service is to be deposited into the note fund each month. The source revenues for the deposits into the note fund are revenue allocation from the River Myrtle-Old Boise District and net parking revenues from the parking system. The 2011 B Revenue Refunding Note matures in 2024. The bond fund is pledged until the bonds mature. For the year ended September 30, 2018, the total debt service on this note was \$1,383,325.

The Agency issued the Series 2015 Redevelopment Bond in fiscal year 2016. Amounts in the Series 2015 bond fund are pledged to support this debt. One twelfth of the annual debt service is to be deposited into the bond fund each month. The source revenues for the deposited into the bond fund are revenue allocation from the Central District and net parking revenues from the parking system. The Series 2015 bond matured in 2018. The bond fund is pledged until the bond matures. For the year ended September 30, 2018, the total debt service on this bond was \$2,290,050.

The Agency issued the Series 2017 A Redevelopment Bond in fiscal year 2017. Amounts in the Series 2017 A bond fund are pledged to support this debt. One twelfth of the annual debt service is to be deposited into the bond fund each month. The source revenues for the deposited into the bond fund are revenue allocation from the River Myrtle-Old Boise District and net parking revenues from the parking system. The Series 2017 A bond matures in 2024. The bond fund is pledged until the bond matures. For the year ended September 30, 2018, the total debt service on this bond was \$1,972,643.

The Agency issued the Series 2017 B bond to refund the 2010 B bond. Amounts in the Series 2017 B bond fund are pledged to support this debt. One twelfth of the annual debt service is to be deposited into the bond fund each month. The source revenues for the deposits into the bond fund are revenue allocation from the River Myrtle-Old Boise District and net parking revenues from the parking system. For the year ended September 30, 2018, the total debt service on these bonds was \$802,120.

**CAPITAL CITY DEVELOPMENT CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2018**

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**NOTE 12 – CONDUIT DEBT**

On April 29, 2016, the Agency authorized the issuance of its Lease Revenue Bonds, Series 2016 (Greater Boise Auditorium District Expansion Project), in the aggregate principal amount of \$23,085,000. The proceeds of the bonds were used to expand and improve the “Boise Centre”, an existing convention center and public event facility in downtown Boise operated by the Greater Boise Auditorium District (the District), to pay bond issuance costs, to fund capitalized interest and to fund a reserve fund in connection therewith.

The Series 2016 bonds were issued at a fixed rate range from 3.00% to 5.00%. The issuance is a conduit financing arrangement for the District, and the Agency receives no benefit from the issuance of these Bonds and has no liability. Therefore, the Agency has not recorded any benefit or liability. The first bond principal payment was scheduled to be made on December 15, 2017. As of September 30, 2018, the unpaid principal balance of the Bonds is \$22,350,000.

**NOTE 13 – SUBSEQUENT EVENTS**

The Agency’s first urban renewal district and revenue allocation area, the Central District, has terminated (sunset) on September 30, 2018 after 30-year term.

As statutorily required, any Central District tax increment revenue remaining at the end of fiscal year 2018 must be returned to the Ada County Treasurer who will then redistribute it to the seven affected taxing districts (Ada County, Boise City, Boise School District, Ada County Highway District, College of Western Idaho, Emergency Medical Services District, Mosquito Abatement District) pro rata based on their fiscal year 2017 levies. The final Central District fund balance was determined to be \$661,379. The Agency will deliver that amount to Ada County who will again redistribute it among the seven taxing districts pro rata.

The Agency-owned assets in the Central District, two segments of 8<sup>th</sup> Street, from Bannock to Idaho and Idaho to Main streets, and The Grove Plaza, were conveyed (transferred, not sold) to the City of Boise. These non-monetary conveyances were intended to be completed prior to September 30, 2018. Final action by the Boise City Council did not occur until October 9, 2018.

**CAPITAL CITY DEVELOPMENT CORPORATION**

***REQUIRED SUPPLEMENTARY INFORMATION***

**CAPITAL CITY DEVELOPMENT CORPORATION**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET**  
**AND ACTUAL**  
**YEAR ENDED SEPTEMBER 30, 2018**

	General Fund			Variance
	Original Budget	Amended Budget	Actual	Favorable (Unfavorable)
REVENUES				
Interest	\$ -	\$ -	\$ 21,066	\$ 21,066
Other	754,000	262,000	178,484	(83,516)
Total revenues	754,000	262,000	199,550	(62,450)
EXPENDITURES				
Operating and administrative expenses	3,987,190	3,575,446	3,326,400	249,046
Capital outlay and related expenses	172,000	90,000	41,827	48,173
Total expenditures	4,159,190	3,665,446	3,368,227	297,219
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(3,405,190)	(3,403,446)	(3,168,677)	234,769
OTHER FINANCING SOURCES (USES)				
Interfund transfers	3,405,190	3,803,446	3,457,700	(345,746)
NET CHANGE IN FUND BALANCES	-	400,000	289,023	(110,977)
FUND BALANCES, BEGINNING OF YEAR	846,610	846,610	846,610	-
FUND BALANCES, END OF YEAR	\$ 846,610	\$ 1,246,610	\$ 1,135,633	\$ (110,977)

**CAPITAL CITY DEVELOPMENT CORPORATION**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET**  
**AND ACTUAL**  
**YEAR ENDED SEPTEMBER 30, 2018**

	Central District RA Fund			Variance
	Original Budget	Amended Budget	Actual	Favorable (Unfavorable)
REVENUES				
Lease	\$ 3,000	\$ 2,750	\$ 5,650	\$ 2,900
Interest	-	-	6,734	6,734
Other	46,500	37,500	40,719	3,219
Parking revenues	8,000	6,000	5,645	(355)
Revenue allocation funds	5,200,000	5,081,263	5,084,714	3,451
Total revenues	5,257,500	5,127,513	5,143,462	15,949
EXPENDITURES				
Operating expenses	370,500	425,244	337,926	87,318
Capital outlay and related expenses	5,866,800	6,595,697	6,075,409	520,288
Debt service - principal	2,250,000	2,250,000	2,250,000	-
Debt service - interest & fees	40,050	40,050	40,050	-
Total expenditures	8,527,350	9,310,991	8,703,385	607,606
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(3,269,850)	(4,183,478)	(3,559,923)	623,555
OTHER FINANCING SOURCES (USES)				
Interfund transfers	(729,782)	(744,889)	(712,394)	32,495
Net proceeds and payoffs, refunded debt	-	-	-	-
Total other financing sources	(729,782)	(744,889)	(712,394)	32,495
NET CHANGE IN FUND BALANCES	(3,999,632)	(4,928,367)	(4,272,317)	656,050
FUND BALANCES, BEGINNING OF YEAR	4,933,696	4,933,696	4,933,696	-
FUND BALANCES, END OF YEAR	\$ 934,064	\$ 5,329	\$ 661,379	\$ 656,050

**CAPITAL CITY DEVELOPMENT CORPORATION**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET**  
**AND ACTUAL**  
**YEAR ENDED SEPTEMBER 30, 2018**

	River Myrtle District RA Fund			
	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Interest	\$ -	\$ -	\$ 26,626	\$ 26,626
Other	534,000	350,000	433,933	83,933
Revenue allocation funds	8,739,200	8,761,200	8,969,799	208,599
Total revenues	9,273,200	9,111,200	9,430,358	319,158
EXPENDITURES				
Operating expenses	7,232,206	726,110	475,237	250,873
Capital outlay and related expenses	19,789,200	8,034,161	3,013,955	5,020,206
Debt service - principal	2,657,000	2,657,000	2,340,000	317,000
Debt service -interest	434,796	434,796	434,763	33
Total expenditures	30,113,202	11,852,067	6,263,955	5,588,112
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(20,840,002)	(2,740,867)	3,166,403	5,907,270
OTHER FINANCING SOURCES (USES)				
Interfund transfers	(961,895)	(614,110)	(5,772,202)	(5,158,092)
Gain on sale of poperties held for resale	184,000	(874,600)	(798,511)	76,089
Total other financing sources (uses)	(777,895)	(1,488,710)	(6,570,713)	(5,082,003)
NET CHANGE IN FUND BALANCES	(21,617,897)	(4,229,577)	(3,404,310)	825,267
FUND BALANCES, BEGINNING OF YEAR	23,781,467	23,781,467	23,781,467	-
FUND BALANCES, END OF YEAR	\$ 2,163,570	\$ 19,551,890	\$ 20,377,157	\$ 825,267

**CAPITAL CITY DEVELOPMENT CORPORATION**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET**  
**AND ACTUAL**  
**YEAR ENDED SEPTEMBER 30, 2018**

	Westside District RA Fund			Variance
	Original Budget	Amended Budget	Actual	Favorable (Unfavorable)
REVENUES				
Lease	\$ -	\$ 180,000	\$ 194,273	\$ 14,273
Interest	-	-	6,513	6,513
Other	5,000	5,000	523	(4,477)
Parking revenues	-	10,000	17,370	7,370
Revenue allocation funds	3,000,000	3,000,000	3,250,613	250,613
Total revenues	3,005,000	3,195,000	3,469,292	274,292
EXPENDITURES				
Operating expenses	204,000	261,500	93,577	167,923
Capital outlay and related expenses	21,979,900	8,465,340	1,094,818	7,370,522
Total expenditures	22,183,900	8,726,840	1,188,395	7,538,445
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(19,178,900)	(5,531,840)	2,280,897	7,812,737
OTHER FINANCING SOURCES (USES)				
Interfund transfers	(536,922)	(707,645)	(638,506)	69,139
Net of proceeds and payoffs, refunded debt	14,600,000	-	-	-
Total other financing sources (uses)	14,063,078	(707,645)	(638,506)	69,139
NET CHANGE IN FUND BALANCES	(5,115,822)	(6,239,485)	1,642,391	7,881,876
FUND BALANCES, BEGINNING OF YEAR	8,483,179	8,483,179	8,483,179	-
FUND BALANCES, END OF YEAR	\$ 3,367,357	\$ 2,243,694	\$ 10,125,570	\$ 7,881,876

**CAPITAL CITY DEVELOPMENT CORPORATION**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET**  
**AND ACTUAL**  
**YEAR ENDED SEPTEMBER 30, 2018**

	30th Street District RA Fund			
	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Interest	\$ -	\$ -	\$ 1,536	\$ 1,536
Revenue allocation funds	670,000	670,000	689,034	19,034
Total revenues	670,000	670,000	690,570	20,570
EXPENDITURES				
Operating expenses	55,000	52,000	1,233	50,767
Capital outlay and related expenses	1,046,200	15,000	9,960	5,040
Total expenditures	1,101,200	67,000	11,193	55,807
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(431,200)	603,000	679,377	76,377
OTHER FINANCING SOURCES (USES)				
Interfund transfers	(199,031)	(260,711)	(229,486)	31,225
NET CHANGE IN FUND BALANCES	(630,231)	342,289	449,891	107,602
FUND BALANCES, BEGINNING OF YEAR	922,984	922,984	922,984	-
FUND BALANCES, END OF YEAR	\$ 292,753	\$ 1,265,273	\$ 1,372,875	\$ 107,602



**CAPITAL CITY DEVELOPMENT CORPORATION**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET**  
**AND ACTUAL**  
**YEAR ENDED SEPTEMBER 30, 2018**

	Parking Fund			
	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Lease	\$ 70,000	\$ 70,000	\$ 83,515	\$ 13,515
Interest	-	-	9,095	9,095
Other	15,000	15,000	1,458	(13,542)
Parking revenues	8,010,078	7,696,164	7,669,677	(26,487)
Total revenues	8,095,078	7,781,164	7,763,745	(17,419)
EXPENDITURES				
Operating expenses	2,774,879	2,752,166	2,518,903	233,263
Capital outlay and related expenses	2,290,500	1,191,200	5,934,587	(4,743,387)
Debt service - principal	955,000	1,000,000	1,000,000	-
Debt service - interest and fees	428,688	383,325	383,325	-
Total expenditures	6,449,067	5,326,691	9,836,815	(4,510,124)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,646,011	2,454,473	(2,073,070)	(4,527,543)
OTHER FINANCING SOURCES (USES)				
Interfund transfers	(950,469)	(1,476,090)	3,894,888	5,370,978
NET CHANGE IN FUND BALANCES	695,542	978,383	1,821,818	843,435
FUND BALANCES, BEGINNING OF YEAR	7,051,444	7,051,444	7,051,444	-
FUND BALANCES, END OF YEAR	\$ 7,746,986	\$ 8,029,827	\$ 8,873,262	\$ 843,435

**CAPITAL CITY DEVELOPMENT CORPORATION**  
**SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION LIABILITY AND SCHEDULE OF EMPLOYER CONTRIBUTIONS**  
**YEAR ENDED SEPTEMBER 30, 2018**

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**Schedule of Employer's Share of Net Pension Liability**  
**PERSI - Base Plan**  
**Last 10 - Fiscal Years\***

	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Employer's portion of net of the pension liability	0.0405570%	0.0397908%	0.0403932%	0.0361820%
Employer's proportionate share of the net pension liability	\$ 598,223	\$ 625,443	\$ 818,832	\$ 476,459
Employer's covered payroll	\$ 1,309,034	\$ 1,277,551	\$ 1,194,427	\$ 1,035,703
Employer's proportionate share of the net pension liability as a percentage of its covered payroll	45.70%	48.96%	68.55%	46.00%
Plan fiduciary net position as a percentage of the total pension liability	91.69%	90.68%	87.26%	91.38%

\* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the Agency will present information for those use for which information is available.

Data reported is measured as of June 30, 2018 (measurement date).

**Schedule of Employer Contributions**  
**PERSI - Base Plan**  
**Last 10 - Fiscal Years\***

	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Statutorily required contribution	\$ 153,809	\$ 140,234	\$ 135,975	\$ 124,326
Contributions in relation to the statutorily required contribution	\$ (152,231)	\$ (140,418)	\$ (133,983)	\$ (123,145)
Contribution deficiency (excess)	\$ 1,578	\$ (184)	\$ 1,992	\$ 1,181
Employer's covered payroll	\$ 1,346,870	\$ 1,222,892	\$ 1,202,851	\$ 1,096,499
Contributions as a percentage of covered payroll	11.30%	11.48%	11.14%	11.23%

\* GASB Statement No. 68 requires ten years of information to be presented in this table. However, until a full 10-year trend is compiled, the Agency will present information for those use for which information is available.

Data reported is measured as of September 30, 2018.

**CAPITAL CITY DEVELOPMENT CORPORATION**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**SEPTEMBER 30, 2018**

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**NOTE 1 – BUDGETS AND BUDGETARY ACCOUNTING**

The Agency follows these procedures in establishing the budget:

1. Prior to August, the preliminary budget is reviewed by the Agency's Executive Committee.
2. The preliminary budget is presented to the Board of Commissioners at either the July or August meeting.
3. The preliminary budget is revised, if necessary, prior to final approval.
4. The proposed budget is approved by the Board of Commissioners at the August meeting.
5. The proposed budget is published for public review.
6. The Board of Commissioners holds a public hearing on the budget.
7. The proposed budget is adopted by the Board of Commissioners prior to September.
8. The adopted budget is filed with the City of Boise.
9. October 1 begins the Agency's fiscal year.
10. Budget amendments, if any, require formal approval of the Agency's Board of Commissioners.

**NOTE 2 – AMENDED BUDGET**

The fiscal year 2018 budget was amended once during the year to reflect a restatement of appropriations in the adopted and amended budget.

**NOTE 3 – ACTUARY ASSUMPTIONS**

The total pension liability in the July 1, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.00 percent
Salary increases	3.75 percent
Salary inflation	3.75 percent
Investment rate of return	7.05 percent, net of pension plan investment expenses
Cost of living (COLA) adjustments	1.00 percent

Mortality rates were based on the RP – 2000 combined table for healthy males or females as appropriate with the following offsets:

- Set back 3 years for teachers
- No offset for male fire and police
- Forward one year for female fire and police
- Set back one year for all general employees and all beneficiaries

An experience study was performed in 2012 for the period July 1, 2007 through June 30, 2013 which reviewed all economic and demographic assumptions other than mortality. Mortality and all economic assumptions were studied in 2014 for the period from July 1, 2009 through June 30, 2013. The Total Pension Liability as of June 30, 2018 is based on the results of an actuarial valuation date of July 1, 2017.



**Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with  
*Government Auditing Standards***

To the Board of Commissioners  
Capital City Development Corporation  
Boise, Idaho

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, and each major fund of Capital City Development Corporation (the Agency), as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated December 19, 2018.

**Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Agency's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Agency's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Agency's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Eide Sully LLP". The signature is written in a cursive, flowing style.

Boise, Idaho

December 19, 2018



## AGENDA BILL

<b>Agenda Subject:</b> Action Item: Resolution #1583 Approval of Participation Program Update		<b>Date:</b> January 14, 2019
<b>Staff Contact:</b> Laura Williams, Shellan Rodriguez	<b>Attachments:</b> 1) Resolution #1583 including the Participation Program Update	
<b>Action Requested:</b> Approve Resolution #1583 approving the Participation Program Updates.		

### Update:

Staff presented the Participation Program Updates as an informational item to the CCDC Commissioners at the December 11, 2018 Board meeting. The Board provided feedback, which staff has taken action on in the following ways:

- 1) A staff presentation to City Council – CCDC presented the Participation Program overview and updates the Jan. 8, 2019 City Council Work Session.
- 2) Awnings, price per square foot – rather than setting a finite dollar amount reimbursement limit on awning expenses, each awning project will be evaluated on a cost per SF basis. Acceptable eligible expenses for awnings will be determined by comparing the request to conventional, commercially reasonable SF estimates. Eligible expenses must be approved by the Board Commissioners and may determine that some but not all of the awning expenses are in the public's best interest.
- 3) Long term affordability in For-Sale residential projects – staff has removed For-Sale projects from eligibility for the additional Type 2 reimbursement term in the updates; because For-Sale projects aren't well suited to a long-term reimbursement, and they historically have not used this program type. However, CCDC can utilize the Type 3 option for income-qualified ownership housing projects.
- 4) Affordability requirement in For-Rent residential projects - In order to qualify for an increased reimbursement term, income qualification must be verified at lease up and at unit turn-over though the City of Boise's Housing and Community Development Division or equivalent Housing Authority (HUD, IHFA). The income qualification period will be negotiated on a project-by-project basis and will be, at a minimum, the CCDC reimbursement term.
- 5) Income Qualified Unit Integration – addressed in the new definition for "Mixed-Income Housing" using this statement in the Program Definitions: *Mixed Income Housing must integrate the Income Qualified Units throughout the development cohesively with market rate units. No difference between the units should be obvious from the exterior.*
- 6) Public Art Definition – In order for Public Art to qualify as an Eligible Expense the artwork must be **selected** through Arts and History Public Art Program Process.

**Background:**

The Agency's Participation Program (Program) was originally adopted in March 2013 and revised in September 2015. The Program was designed to be statutorily compliant, financially sustainable, transparent, understandable, consistent, and expeditious. The Program has worked well with only one revision and one exception made since its inception. It guides the Agency's public-private partnership project funding strategy. In the last five years, over \$30 million in CCDC funds have been leveraged to assist over \$600 million in real estate investment; about \$20 dollars of private investment for every \$1 dollar of Program funding.

The Program was designed to be "balanced" in that it balances resources effectively between multiple important goals: CCDC-Boise City Partnerships (e.g. library, downtown circulator), the Capital Improvement Plan, and providing incentives for private development projects that promote economic development and place making. The balance of resources described has been taken into account in the proposed revisions below, and the sum of which is not a departure from this balanced approach.

The CCDC Board, Boise City Council, and the Mayor's Office have recently had many public discussions and meetings regarding increasing housing inventory including affordable and workforce projects, and the proposed revisions would enable CCDC to be responsive to these growing concerns. Staff has looked into how the Participation Program could be modified to better incentivize income-qualified housing developments and has come up with a recommendation below. This recommendation has been created in collaboration with the Boise City Planning and Development Services Department and the Housing and Community Development Division.

Additionally, in August staff was asked by the Board to look into the awning funding requirements after the unusually high volume of Type 1 applications for awning projects in the prior fiscal year.

Lastly, staff has reviewed the Program for miscellaneous updates and clarifications for effective program administration and eligible expense definitions that a project must meet.

**REVISIONS FOR HOUSING INCENTIVES:**

As identified in the City's Grow Our Housing strategy documents, Boise requires an increase its housing supply by 1,000 units a year to account for population growth and to provide a more balanced inventory that serves all incomes. All of the Participation Program types are available to assist housing projects, however staff is recommending a change to increase the impact of the agency's role in housing in two ways:

- A. Continue to utilize the Type 5 program to promote strategic investments in affordable and workforce housing, as was done with the Ash Street Townhomes.
- B. Increase incentives through the Type 2 program for housing affordability options. This will be done by revising the Program Definitions for Housing Developments and by increasing the reimbursement term for projects with income-qualified renters.

## Revised Program Definition for Housing Projects

As part of this set of revisions, Program Definitions are being more explicitly expanded to apply to all Program Types (previously only applied to Type 2). The Definitions determine eligibility for projects to qualify for funding and how a Type 2 project “scores,” determining the percent of tax increment funding the project can receive (Level A = 80%, Level B = 60%, Level C = 40%).

The revision will add language to the Participation Program Definitions to align with the City's Grow Our Housing strategy and to broaden the scope of housing projects that score points in the “targeted use” category. Previously only the “workforce” housing type was included, the revision would change that to “affordable” and “Mixed-Income” projects to that definition.

### New Definitions for Housing Developments:

1. **Affordable Housing:** Residential projects that are funded with Low-Income Housing Tax Credits awarded by Idaho Housing and Finance Association or equivalent. Project must serve households whose incomes at or below 60% Area Median Income in Ada County as defined by current U.S. Housing and Urban Development Department standards and must income qualify tenants and charge associated rents.
2. **Mixed-Income Housing:** Residential projects with 10 or more dwellings units. Not less than 10% of the units must be must serve households whose incomes are at are below 100% of the Area Median Income in Ada County as defined by current U.S. Housing and Urban Development Department standards and must income qualify tenants and charge associated rents.

Mixed-Income Housing must integrate the Income Qualified Units throughout the development cohesively with market rate units. No difference between the units should be obvious from the exterior.

## New Type 2 Reimbursement Terms for Rental Housing

Affordable and Mixed-Income rental housing developments can qualify for additional term. Housing within a project that includes 10 or more dwellings and has at least 10% of their units available to households earning 100% or below of Area Median are eligible for an increased reimbursement term.

Project Type	Qualification	Reimbursement %	Maximum Reimbursement Term
SCORECARD			
Level A	Score: 140 + points	80% of Tax Increment	4 years
Level B	Score: 120 – 139 pts	60% of Tax Increment	4 years
Level C	Score: 119 and below	40% of Tax Increment	4 years
RENTAL HOUSING DEVELOPMENTS			
Affordable Housing ( <i>Low Income Housing Tax Credit project or equivalent</i> )	Serving 60% and below Area Median Income (AMI)	Based on Scoring Level	8 years
Mixed Income Residential	Serving 100% AMI and below	Based on Scoring Level	6 years
All Other Residential	Serving 101% AMI and above	Based on Scoring Level	4 years



### **How the Type 2 Changes would impact a Sample Project:**

- Total Development Cost= \$13 million
- Total Units: 50
- Public Improvement Costs (Eligible Expenses): \$700,000
- Scorecard Level A

Example A - Low Income Housing Tax Credit Development: 90% of units serving 30-60% AMI Households (lower increment generated annual)

- Previous: est. \$81,000 in TIF x **4 years** = \$324,000
- Updated: \$81,000 in TIF x **8 years** = \$648,000

Example B – Mixed-Income Development: 10% of units serving 60-100% AMI Households

- Previous: est. \$135,000 in TIF x **4 years** = \$540,000
- Updated: \$135,000 in TIF x **6 years** = \$810,000

Examples C – Market Rate Development: all units serving 101% AMI and above (no change in T2 Reimbursement term)

- \$135,000 in TIF x 4 years = \$540,000

### **AWNING REVISIONS:**

Based on discussions at the August 29<sup>th</sup> Board meeting, staff reviewed funding requirements in response to the high volume of Type 1 applications for awnings received in FY 18. Staff heard the below issues and has suggested revisions to address the Board's concerns:

1. Incentivize additional investment in downtown by revising Type 1 project funding to be based on a dollar for dollar match with development's investment up to \$200,000 (examples below).
2. Awning project expenses will be evaluated on a cost per SF basis during the application. Acceptable eligible expenses for awnings will be determined by comparing the request to conventional, commercially reasonable estimates. Eligible expenses must be approved by the Board Commissioners and CCDC may determine that some but not all of the awning expenses are in the public's best interest.
3. Consider if awnings covering a private business entrance / stairwell / patio license area should be eligible. Staff researched and has found that awnings are required by Boise City over building entrances downtown and on south and west facing facades. Additionally, awnings that cover patio dining promote downtown vibrancy and economic development and meet redevelopment goals in site specific areas. A few solutions include:
  - Work with City partners to consider patio license fee structure and design review requirements for awnings
  - Integrate awning specifications into Streetscape Standards Manual (City-CCDC collaboration)

4. Add a maximum height limit of 15' to ensure awnings protect the right-of-way.
5. The other existing requirements will remain in place: must be made of durable material and provide a functional service from the elements, must extend at least 5 feet over the public right-of-way, must be located in the public right-of-way.

#### **OTHER CHANGES:**

1. **Current:** A project can combine Type 2 and Type 4 Funding.

**Revision:** A project is eligible for only one Participation Type.

2. **Current:** Project's Participation Agreement must be in place before a Certificate of Occupancy is issued.

**Revision:** Projects must submit an application before building permits are pulled to encourage CCDC impact on urban design and affordability of project.

3. **Current:** Type 1 funding has a \$150,000 not-to-exceed amount for all eligible expenses regardless of project investment.

**Revision:** Increase Type 1 funding not to exceed amount to \$200,000 and make funding based on a dollar for dollar match. For every dollar private investment, CCDC will match for public improvements. For instance:

<b>Example</b>	<b>Private Improvement</b>	<b>Public Improvements</b>	<b>Total Budget</b>	<b>CCDC Reimbursement</b>
New Construction Housing Project	\$1.2 million	\$300,000	\$1.5 million	\$200,000
Exterior Remodel (includes awnings and streetscapes)	\$800,000	\$150,000	\$950,000	\$150,000 (can only reimburse for public improvements)
Awnings Only	\$0	\$150,000	\$150,000	\$75,000
Awnings and Exterior Paint	\$50,000	\$150,000	\$200,000	\$100,000

4. **Current:** Public Art in right-of-way or easement area is eligible for funding (does not speak to City approval)

**Revision:** Public Art must be approved by Boise City Arts and History to be eligible for funding. Funding for public art can be as much as 1% of the total project budget.

5. **Current:** Public Park/Plazas in easement area are eligible for funding.

**Revision:** Public Park/Plaza space must be approved by the Boise City Parks and Recreation Department and open space easement must be granted to City in order to be eligible for funding.

**Fiscal Notes:**

The T2 Participation is designed to be fiscally self-sustaining for all development projects by reinvesting a portion of the TIF each project generates back into the public improvements related to the project. However, increasing the term of a reimbursement will ultimately reduce funds for CIP and other projects by committing TIF generated by a project to the project for a longer period of time.

The current CIP has accounted for the \$50,000 per project increase in the T1 not-to-exceed amount.

**Staff Recommendation:**

Approve Resolution #1583 approving the Participation Program Updates.

**Suggested Motion:**

I move to approve Resolution #1583 approving the Participation Program Updates.

**RESOLUTION NO. 1583**

BY THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF BOISE CITY, IDAHO:

**A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE  
URBAN RENEWAL AGENCY OF BOISE CITY, IDAHO,  
AMENDING THE AGENCY PARTICIPATION PROGRAM; AND  
PROVIDING AN EFFECTIVE DATE**

THIS RESOLUTION is made on the date hereinafter set forth by the Urban Renewal Agency of Boise City, Idaho, an independent public body, corporate and politic, authorized under the authority of the Idaho Urban Renewal Law of 1965, as amended, Chapter 20, Title 50, Idaho Code, and the Local Economic Development Act, as amended and supplemented, Chapter 29, Title 50, Idaho Code (collectively, the "Act"), as a duly created and functioning urban renewal agency for Boise City, Idaho (hereinafter referred to as the "Agency").

WHEREAS, following state statute under Idaho urban renewal law and the economic development act, the Agency previously adopted a Participation Program on March 11, 2013, which was then amended September 23, 2015, which program operates to stimulate development of public infrastructure in the Agency's downtown urban renewal districts; and,

WHEREAS, the Agency's Participation Program is crafted to be transparent, understandable, consistent, fast, and responsive in order to encourage private investment in downtown Boise; and,

WHEREAS, the Agency's Participation Program has been highly effective in achieving the stated goals since its adoption in 2013; and,

WHEREAS, the Agency's Participation Program may be amended from time to time, suspended, or terminated depending on the needs of the Agency; and,

WHEREAS, the Agency's Participation Program was amended on September 23, 2015, to account for the needs of the Agency at that time; and,

WHEREAS, attached hereto as Exhibit A is an amended Participation Program prepared by Agency staff showing certain amendments needed now; and,

WHEREAS, the Agency Board finds it in the best interests of the Agency and public to approve adoption of the amended Participation Program to be effective immediately.

**NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE BOARD OF  
COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF BOISE CITY, AS FOLLOWS:**

Section 1: That the above statements are true and correct.

Section 2: That the amended Participation Program, attached to this Resolution as Exhibit A, is hereby adopted for all new Participation Program agreements entered into by the Agency.

Section 3: That this Resolution shall be in full force and effect immediately upon its adoption and approval.

PASSED by the Urban Renewal Agency of Boise City, Idaho, on January 14, 2019.  
Signed by the Chairman of the Board of Commissioners and attested by the Secretary to the Board of Commissioners on January 14, 2019.

URBAN RENEWAL AGENCY OF BOISE CITY

By: \_\_\_\_\_  
Dana Zuckerman, Chair

ATTEST:

By: \_\_\_\_\_  
Ryan Woodings, Vice Chair

## EXHIBIT A



# PARTICIPATION PROGRAM

*Stimulating downtown development with public infrastructure*

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## Overview & Goals

The Participation Program is CCDC's development assistance policy and is designed to advance the aims of urban renewal and economic development in downtown Boise, as well as goals identified for downtown Boise in the Boise City comprehensive plan, Blueprint Boise. The Program is crafted to be transparent, understandable, and responsive in order to encourage private investment in Boise. The Program is intended to be comprehensive providing both structure and flexibility in assisting development projects within CCDC's downtown Urban Renewal districts. The Program is the Board's policy on how CCDC funds public/private partnership projects. It is not an entitlement, and any individual project is subject to prior approval by the Board via written agreement. The Program may be amended from time to time, suspended, or terminated, and may also be revised for future districts to fit the characteristics of different urban renewal areas.

The program identifies five approaches to anticipated participation with development interests called "Types":

**Type 1 - One Time Assistance**

**Type 2 - General Assistance**

**Type 3 - Transformative Assistance**

**Type 4 - Capital Improvement Project Coordination**

**Type 5 - Property Disposition**

The primary goal of the Participation Program is to align resource use with CCDC's mission to ignite diverse economic growth, build vibrant urban centers, and promote healthy community design achieved by pursuing the following key strategies:

1. Economic Development
2. Infrastructure
3. Mobility
4. Place Making
5. Special Projects



## Eligible Expenses

The program can assist private and public development projects with improvements that benefit the public, which are located in the public right of way or in a permanent public easement area. These types of costs are called “Eligible Expenses.” Eligible expenses vary by program type, and can include:

- Sidewalk, street lights, and furnishings (benches, bike racks, trash receptacles, etc.)
- Streets, curb and gutter
- Street trees, irrigation, and suspended paving systems when required
- Awnings located in public right-of-way (see note below)
- Main utility lines (power, water, geothermal water, sewer, phone, fiber)
- Historic building façade restoration expenses with City of Boise acceptance of building façade easement
- Public plazas and/or parks approved by the Boise City Parks and Recreation Department
- Public art – when selected **and** approved by the City of Boise Arts and History Department

**Public improvements must meet certain criteria as defined by CCDC’s “Definitions of Eligible Expenses” found at the end of the document.**

Expenses that encompass costs which are outside of the public improvements are not eligible expenses. Ineligible expenses include: design and engineering, permitting, mobilization and overhead, land costs (including costs of land in easements, and dedicated rights of way), or a developer’s profit/overhead/administration fee. A general rule of thumb for what CCDC can pay for is “time/labor and materials.”

All project expenses are paid by project owner/developer as expenses are incurred, and CCDC reimburses for Eligible Expenses after the project is complete. CCDC will pay for standard public improvements as defined in the Boise City Streetscapes Standard manual.

**NOTE:** Awnings serve a public purpose and help promote a walkable and livable downtown by providing protection from the elements to anyone using the sidewalk. Awnings that cover sidewalk/patio dining allow the public to enjoy the public space throughout all of Boise’s seasons and stimulate economic opportunities for local businesses. To be considered an eligible expense, awnings must be located in the public right of way or public easement area, and must meet the standards defined in the Program’s Definitions. Acceptable eligible expenses for awnings will be determined by comparing the request to conventional, commercially reasonable estimates, which are evaluated on a per square foot basis as part of the Participation Program application. Eligible expenses must be approved by the Board Commissioners and CCDC may determine that some but not all of the awning expenses are in the public’s best interest.

## Statutory Framework

CCDC is enabled by two sections of Idaho Code, the Urban Renewal Law and the Economic Development Act (key excerpts provided):

Idaho Code 50-2002 URBAN RENEWAL LAW (excerpt)

“...It is found that there exist in municipalities of the state deteriorated and deteriorating areas which constitute a serious and growing menace...” “...It is further found and declared that certain of such areas, or portions thereof, may require acquisition, clearance, and disposition...in such a manner that the conditions and evils hereinbefore enumerated may be eliminated, remedied or prevented...”

Idaho Code 50-2902 ECONOMIC DEVELOPMENT ACT (excerpt)

“...It is hereby found and declared that there exists in municipalities a need to raise revenue to finance the economic growth and development of urban renewal areas, to encourage private development..., arrest the decay of urban areas..., promote needed public improvements..., facilitate the long-term growth of their common tax base..., encourage private investment...”

This enabling legislation informs the purview of everything CCDC does as an urban renewal agency. As such, the Participation Program provides a framework to promote compliance with Idaho law.

## Key Program Conditions

- The improvements eligible for CCDC funding must be located in the public right of way or easement area.
- A project can only receive funding from one Program Type, and can only be approved for one Participation Agreement per development (i.e. a project cannot request additional funding several years later).
- CCDC will only pay for Eligible Expenses as approved by the Board and not otherwise paid for by another public entity.
- Program eligibility is at the sole discretion of CCDC and its Board of Commissioners.
- Parties seeking Participation Program assistance should contact CCDC as early in the development process as possible and preferably before design has been finalized.
- Applications must be submitted before building permits are obtained.
- Projects located on properties with delinquent property taxes are not eligible.
- All individual projects should advance urban renewal plans. Based on Staff's recommendation, the Board may consider a program exception if, in its sole judgment, certain necessary and sufficient conditions exist to warrant the modification of one or more of the program requirements for a project.
- CCDC's contracts have been extensively vetted and will be used as the basis for all participation program agreements.
- The following uses are ineligible activities and will not be considered for CCDC funding: bikini bars and sexually oriented businesses as defined by Boise City Code.

## Best Practices

CCDC's Participation Program is anchored by Idaho Code and tailored to work in downtown Boise. However, there are some generally accepted best practices described by professional associations. These practices, guided by state law and, coupled with actual experience in the business of redevelopment, form the basis of the Program. The below summarizes key ideas incorporated into the Program.

- Statutorily compliant participation (both letter & intent)
- Serves the public interest (legally eligible & politically sensible)
- Consistent with Boise City plans
- Consistent with CCDC's Urban Renewal plans and other agency strategic policies
- Capped participation (within and below anticipated income collections of tax increment generated by the project)
- Proactive agency-driven approach
- Ensure due diligence for larger projects (evaluate risks, financing, issues, conflicts, partners, capacity, experience, stakeholders)
- Ensure a transparent process
- Accountability (conduct financial analysis, determine identifiable community needs, assess potential project impact of larger projects)
- Accessibility (program is broadly available)
- Emphasize early intergovernmental communication and coordination
- Program and contracts are publicly, proactively communicated
- Measure effectiveness of results
- Review program regularly to adjust and improve
- All contracts are subject to CCDC Board approval
- Eligibility requirements to participate are clearly identified
- Eligible costs are clearly defined and emphasize public improvements
- Scoring criteria uses clear, standardized approach
- Specialized ad hoc advisory teams may be used for review and advice on large projects or intergovernmental projects
- All project agreements are approved in public meetings and may include opportunity for advance public comment on the project
- Maintain open records on program utilization and awards
- Actively promote program
- Administer program consistently
- CCDC funded improvements benefit the public at large and not one single project

## Typical Participation Program Process

### Step 1

- Contact CCDC and discuss project
- Staff will guide developers on which Participation Program Type best fits the project and funding availability
- It is best to talk to staff early on in the process (before entitlements and design are finalized).

### Step 2

- Developer Submits Application
- Identify how project meets all required program criteria and advances urban renewal goals
- **Application should be submitted before building permits are recieved**

### Step 3

- Staff will present project to the Board for Designation
- Board may provide feedback at this time

### Step 4

- Staff will present Participation Program Agreement to the Board for Approval including estimated Eligible Expenses requested for funding

### Step 5

- Developer completes project and associated public improvements

### Step 6

- Developer notifies CCDC of project completion, submit cost documentation, and schedules inspection

### Step 7

- Staff verifies cost documentation for Eligible Expenses and issues a Confirmation Letter

### Step 8

- CCDC reimburses for public improvements / Eligible Expenses
- This could be a one-time reimbursement, or paid over a period of time depending on Participation Type

*\*CCDC may revise/alter this process based on specifics of project.*

## Type 1: One Time Assistance

**Objective:** This program Type will provide resources of up to \$200,000 for public improvements and is intended to assist smaller projects on their own schedule, often triggered by a tenant improvement. The funding is based on a dollar for dollar match with the private developer's investment.

**Eligible Expenses:** The Type 1 (T1) allows for assistance in legally eligible public improvements in the right-of-way or easement area. Eligible costs generally include:

- Curb, gutter, and sidewalk
- Street lights
- Street trees, tree grates, irrigation, and suspended paving systems where required
- Street furnishings, including benches, bike racks, bollards, and trash receptacles
- Awnings over public right of way that meet the criteria outlined in the Program Definitions
- Infrastructure in the right of way (streets, utilities, domestic water, geothermal water, sewer, power, phone, fiber) not including individual service lines
- Public art – when selected **and** approved by the City of Boise Arts and History Department

NOTE: New curb cuts and driveway approaches are generally not eligible for reimbursement. Exceptions to this include alley approaches and may include projects that consolidate or otherwise significantly reduce the number or width of previously existing driveways on a frontage.

Ineligible expenses include: design and engineering, permitting, mobilization and overhead, land costs (including costs of land in easements, and dedicated rights of way), or a developer's profit/overhead/administration fee. A general rule of thumb for what CCDC can pay for is "time/labor and materials."

**Timing:** T1 applications can be submitted anytime throughout the year and are processed based on available resources set forth in the budget and Capital Improvement Plan. The applicant should submit before building permits have been obtained. T1 agreements will generally be considered for approval by the CCDC Board after approval of a design review or relevant development application that includes the proposed improvements. The project is typically seen by the CCDC Board twice. First, as an opportunity to introduce the project to the board and request project "designation" as eligible for CCDC funding. The second time is generally to approve the T1 Participation Agreement.

**Reimbursement:** T1 projects are paid after project completion. The reimbursement for eligible expenses are defined in the Type 1 Agreement, and is based on actual costs as documented after project completion. Actual eligible costs must be verified and approved by CCDC and will include only reasonably incurred costs. All costs must be verified through invoice documentation and a schedule of values.

The reimbursement will not exceed \$200,000 and will be based upon a matching funds invested by the private developer. For instance:

<b>Example</b>	<b>Private Improvement</b>	<b>Public Improvements</b>	<b>Total Budget</b>	<b>CCDC Reimbursement</b>
New Construction Housing Project	\$1.2 million	\$300,000	\$1.5 million	\$200,000
Exterior Remodel (includes awnings and streetscapes)	\$800,000	\$150,000	\$950,000	\$150,000 (can only reimburse for public improvements)
Public Improvements (like Awnings) Only	\$0	\$150,000	\$150,000	\$75,000
Awnings and Exterior Paint	\$50,000	\$150,000	\$200,000	\$100,000

## Type 2: General Assistance

**Objective:** Type 2 (T2) participation provides general assistance for public improvements and is intended to assist larger projects and include a broader scope of eligible costs. The T2 project Scorecard is a key feature of this assistance (attached). The legal parcel(s) constitutes the site for a project. However, at the Board's discretion, a phased development may be scored independently if this better advances program goals. The scoring criteria and point values are an extension of the statutory charge of urban renewal and the associated adopted plans, and are aimed at advancing the Agency's 5 key strategies. Scoring results are identified as Level A, B and C; with Level A being the highest scoring Level. Please note, the attached scorecard is used for downtown districts - Westside, 30<sup>th</sup> Street, River Myrtle-Old Boise, and Shoreline. Please talk to staff about scoring for Gateway East.

**Eligible Expenses:** for T2 participation include the following:

- a. Everything covered in the Type 1, and;
- b. Certain qualifying expenses for buildings relating to exterior façade restoration improvements for buildings deemed to be of significant historic and/or aesthetic value to the public and conditioned upon the donation and acceptance by the City of Boise of a perpetual building façade easement. All terms and conditions must be consistent with City of Boise requirements (ordinances, guidelines, or policies, etc.).
- c. Certain environmental remediation improvements as may be preparatory to construction are evaluated on a case by case basis. An example of an eligible environmental remediation cost would be the hard costs for the removal of an underground storage tank in the public right of way. Soft costs, such as environmental assessments and costs within a private building, such as asbestos abatement, are not eligible for general assistance.
- d. Public parks/plazas that are open to the public that are approved by the Boise City Parks and Recreation Department and in a perpetual open space easement.

**NOTE:** New curb cuts and driveway approaches are generally not eligible for reimbursement. Exceptions to this include alley approaches and may include projects that consolidate or otherwise significantly reduce the number or width of previously existing driveways on a frontage.

Ineligible expenses include: design and engineering, permitting, mobilization and overhead, land costs (including costs of land in easements, and dedicated rights of way), or a developer's profit/overhead/administration fee. A general rule of thumb for what CCDC can pay for is "time/labor and materials."

**Timing:** Type 2 assistance can be applied for at any time prior to obtaining building permits but preferably before or during project design in order to maximize a project's score. General assistance agreements will be considered for approval by the CCDC Board after approval of a development application that includes the proposed public improvements. It can be helpful to obtain a Type 2 scorecard and discuss the project design with CCDC prior to submitting drawings to the City. The Type 2 scorecard incentivizes urban design, and a project could qualify for a higher Level rating by making certain, sometimes minor, adjustments.

**Reimbursement:** T2 projects are paid upon completion of the project for a determined period of time **AFTER** actual tax increment generated by the project has been received by the Agency.

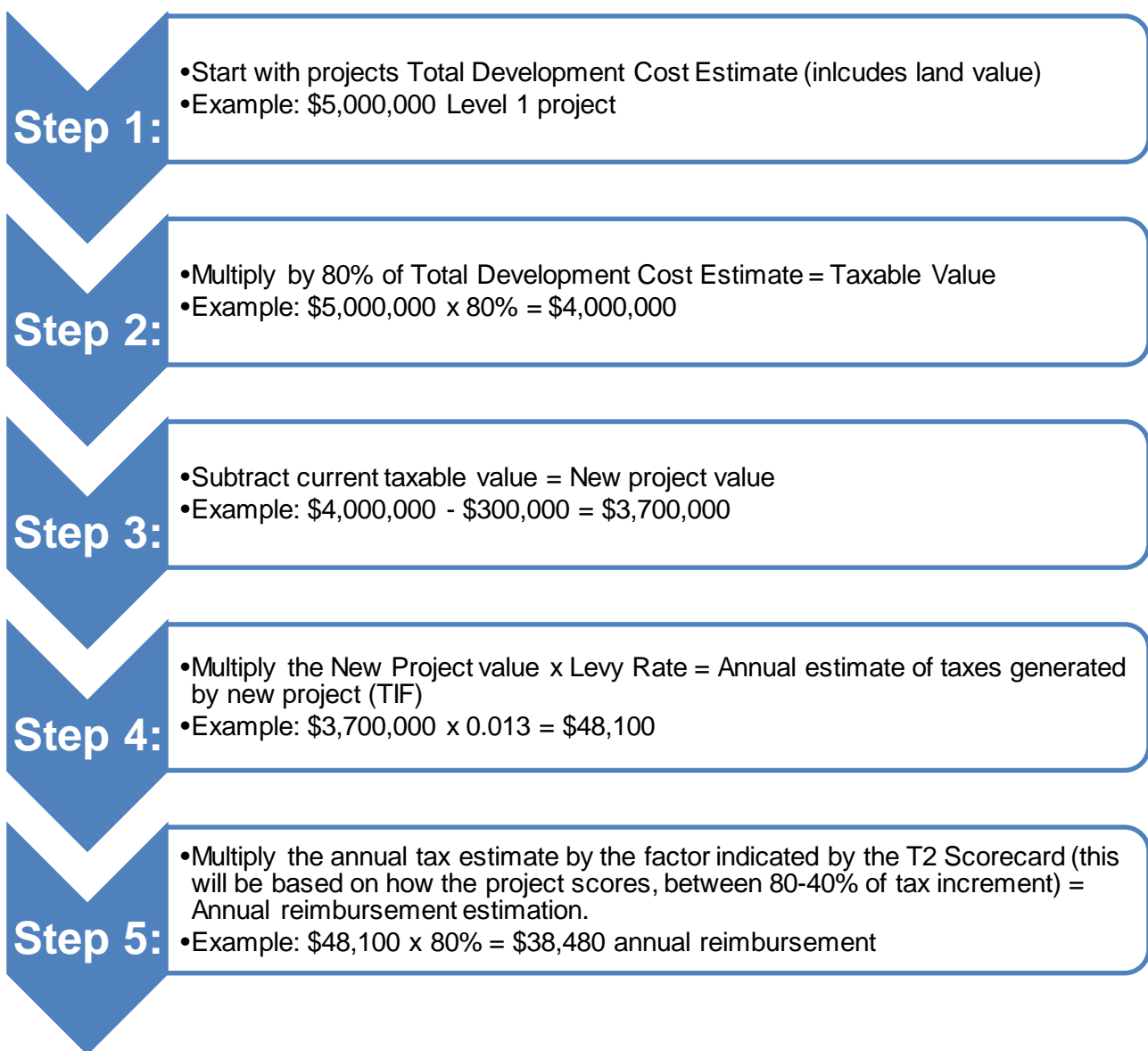


Generally, a project will see its first reimbursement check 18-24 months after project completion. Assistance is limited by the lesser of:

- 1) The agreed upon eligible costs of the project or
- 2) A portion of the project's tax increment value as determined by its scorecard ranking for the qualified reimbursement term.

Actual legally eligible costs must be verified and approved by CCDC and will include only reasonably incurred costs. All costs must be verified through invoice documentation and a schedule of values.

**Reimbursement Estimation:** Although the reimbursement is from actual increment received from the project CCDC can provide estimates of this payment based on the following formula.



NOTE: Estimates of tax valuation can be done by CCDC and assume 80% of estimated project

cost to account for variances which may occur. Project costs are defined as all costs of the project including, but not limited to: land, hard costs, soft costs, financing costs, fees and permits for on and off site work, public improvements, and buildings. Actual assessed values are determined solely by the Ada County Assessor.

### **Reimbursement Term:**

The below chart explains the levels of reimbursement based on project type and scorecard level ranking. Affordable and Mixed-Income/Workforce rental housing projects can qualify for additional term. See Program Definitions (Targeted Uses Category) to determine eligibility.

<b>Project Type</b>	<b>Qualification</b>	<b>Reimbursement %</b>	<b>Maximum Reimbursement Term</b>
<b>SCORECARD</b>			
Level A	Score: 140 + points	80% of Tax Increment	4 years
Level B	Score: 120 – 139 pts	60% of Tax Increment	4 years
Level C	Score: 119 and below	40% of Tax Increment	4 years
<b>RENTAL HOUSING DEVELOPMENTS</b>			
Affordable Housing ( <i>Low Income Housing Tax Credit project or equivalent</i> )	Serving 60% and below Area Median Income (AMI)	Based on Scoring Level	8 years
Mixed-Income/Workforce Housing	Serving 100% AMI and below	Based on Scoring Level	6 years
All Other Housing	Serving 101% AMI and above	Based on Scoring Level	4 years

NOTE: Reimbursement cannot extend beyond the last year of the Urban Renewal District in which a project is located.

### Income Qualification Period:

In order to qualify for an increased reimbursement term, income qualification must be verified at lease up and at unit turn-over through the City of Boise's Housing and Community Development Division or equivalent Housing Authority (HUD, IHFA). The income qualification period will be negotiated on a project-by-project basis and will be, at a minimum, the CCDC reimbursement term.

## Type 3: Transformative Assistance

**Objective:** The intent of the Type 3 (T3) assistance is to make available a more customized opportunity for transformative projects and to consider certain projects which don't otherwise fit well into the other program types. T3 participation is available to assist large public or private projects that are deemed by the CCDC Board to be transformative in nature and of benefit to the community at large. In general, a transformative project is a higher value project that may include the construction of a significant public facility. The project should have a high likelihood of maintaining an enduring presence in the community. The goal for Intergovernmental/Public projects is to use limited district monies to leverage additional resources (federal, state, local, other) in the downtown revitalization effort. For example, matching a federal grant for construction of a project, or shared funding between intergovernmental units for construction of a public facility.

**Criteria:** The private to public investment ratio (private project cost divided by CCDC participation) for a transformative projects should generally be 6:1 or higher. For example a \$60 million private project coupled with a \$10 million public facility funded by CCDC would have a 6:1 private/public (CCDC) ratio).

**Evaluation:** At the Executive Director's request, the Board may consider a project for "Designation" status as a T3 project authorizing more formal evaluation. All final agreements require Board approval. Projects being considered for T3 assistance will receive a greater degree of scrutiny than those considered for T1 or T2 assistance. CCDC may pay for and conduct a financial feasibility study which may include a "but for" test ("but for" the assistance, the viability of the project is questionable). This assessment may also identify eligible costs for project participation and funding alternatives. CCDC may pay for and conduct an economic impact study or may require an examination of a developer project portfolio, financial capacity, and references, etc. CCDC may either require or pay for community/stakeholder outreach. The project should produce a net positive gain for the community after any public participation.

### **Eligible Expenses:**

Private Projects: See Type 1 and Type 2

Intergovernmental/Public projects: More eligible expenses may include soft costs

**Timing:** Many of the timing elements of T3 assistance are determined on a case by case basis.

### **Reimbursement:**

Private Projects: Private project reimbursement will be based on funding available and may follow the Type 2 protocol for scoring and reimbursement timing.

Intergovernmental/Public Projects: The project cost share will be determined by the Board and governmental partner and will not exceed state law regulations. Because projects for public facilities will most likely be exempt from property tax and will produce little or no tax increment income, such projects should be financially feasible based on other considerations, serve mutual goals, and produce a community benefit. CCDC bonding will be subject to financial review and underwriting requirements. Generally, financial participation will be transacted as a reimbursement or purchase upon project/public facility completion and certificate of occupancy.

## Type 4: Capital Improvement Project Coordination

**Objective:** Type 4 (T4) participation coordinates CCDC-initiated Capital Improvement Plan (CIP) activities with construction activities of private development and/or other public agencies. The CIP is part of CCDC's strategic planning and budgeting process. Adjusting, co-timing and/or accelerating CIP projects in coordination with private development can be beneficial and can create efficiencies in the construction of physical improvements. Projects eligible for T4 participation are generally those identified in the adopted CCDC CIP that is in effect and available on the CCDC website. The Board retains all discretion in determining the projects, timing, design, and locations of capital improvements.

CCDC can design, bid and build a CIP project independently of the private project or intergovernmental project. CCDC can also, in certain circumstances and subject to applicable law, sub-contract construction with a private development on a public project element.

**Eligible Expenses:** Eligible costs are capped based on the project budget in the adopted CIP, and must align with CCDC's project implementation plan and goals.

**Timing:** Many of the timing elements of Type 4 assistance are determined on a case by case basis.

**Reimbursement:** Private projects will be reimbursed upon completion of the project after CCDC has verified cost documentation and inspected and approved the construction of the improvements. CCDC can enter into intergovernmental agreements to cooperatively participate in joint capital improvement projects.

**Planning:** CCDC invites conversation about future private project plans and timing to inform development of upcoming CIP plans.

## Type 5: Property Disposition (CCDC-owned property)

**Objective:** Type 5 (T5) participation is the disposition of property owned by CCDC for a redevelopment purpose. The property disposition process is governed by state statute and differentiates between disposition to a for-profit or private use, to a non-profit, and to a public or governmental body. This program meets or exceeds the statutory requirements in providing for competitive processes in property disposition (not required for disposition of land to public entities).

**Process:** CCDC's property disposition process for private/non-profit development use will involve a competitive process, typically a Request for Proposals and/or Qualifications (RFQ/P) process for properties. The RFP will provide conditions and requirements of the development project as determined by CCDC (i.e. type of project, housing income guidelines, design elements, etc.). Properties may be transferred to another public entity without an RFP and smaller remnant parcels may not warrant an RFP. This process may require a commercial appraisal, a re-use appraisal, and the proposed project will be in accordance with the applicable urban renewal plan and law. The details of each disposition may differ based on the unique property being disposed of.

**Timing:** CCDC's property disposition process will stipulate a minimum timeframe for development to occur.

**Eligible Expenses:** A project may qualify for a reduction in land price up to an amount determined by a third party appraisal, which is based on the proposed project's expenses and financial performance. The disposition of any property for private or nonprofit development will be formalized in a Disposition and Development Agreement (DDA) which will require a determination of fair value for the proposed use, which may be stipulated or restricted, based on the property redevelopment objectives. A re-use appraisal or similar method suitable to the individual property redevelopment goals will be used to establish pricing and shall include the cost to construct necessary public improvements as part of the pricing. A separate reimbursement for these public improvements will not be considered. A commercial appraisal will also be done to establish a price for initial disposition of the property. Any private entity will be required to purchase the property from CCDC and pay that initial price. If any rebate of property value, as advised by the re-use appraisal is determined, it will only be made after project completion as a reimbursement.

**Reimbursement:** Based on the re-use appraisal CCDC Board can choose to reimburse for the land costs based on the project being built as proposed by the private company.



## SCORECARD

*To be used for all Type 2 projects and as needed and at the discretion of CCDC for other Program Types.*

## CCDC PARTICIPATION T2 PROGRAM SCORECARD

**NOTE:** This Scorecard is used for downtown districts - Westside, 30<sup>th</sup> Street, River Myrtle-Old Boise, and Shoreline. Please talk to staff about scoring for Gateway East.

### SCORING LEVELS

Level A +140 points    Level B 120-139 points    Level C 100- 119 points

<b>1</b>	<b>Activate Dormant/Disinvested Sites (1 Only)</b>	
a	reuse of existing building	20
b	convert surface parking	18
c	replace blighted building	16
d	reuse of vacant land	10
<b>2</b>	<b>Reuse of Targeted Sites (1 Only)</b>	
a	reuse of historic register building	20
b	reuse of automotive site	15
c	reuse of dry cleaner site	15
<b>3</b>	<b>Environmental Remediation (1 Only)</b>	
a	>\$100,001 costs	20
b	\$50,001-\$100,000 costs	16
c	\$10,000-\$50,000 costs	12
<b>4</b>	<b>Utility Infrastructure (all that apply)</b>	
a	replace or expand geothermal	15
b	stormwater mitigation	15
c	replace or expand fiber	15
d	replace or expand power	15
e	replace or expand sewer	15
f	replace or expand water	15
<b>5</b>	<b>Connectivity(all that apply)</b>	
a	add a street	20
b	add a ground level plaza / park	19
c	add an alley	17
d	add a pathway	15
e	add or substantially improve a sidewalk	10
<b>6</b>	<b>Compact Development (1 Only)</b>	
a	4.0 to 5.0+ FAR	10
b	3.0 to 3.9 FAR	9
c	2.0 to 2.9 FAR	8
d	1.0 to 1.9 FAR	7
e	0.5 to 0.9 FAR	6

## CCDC PARTICIPATION PROGRAM SCORECARD CONTINUED

Level A +140 points

Level B 120-139 points

Level C 100- 119 points

<b>7</b>	<b>Parking Placement &amp; Design (1 Only)</b>	
a	structured parking below grade	<b>20</b>
b	structured parking above grade	<b>18</b>
c	no surface parking	<b>15</b>
d	parking location is to rear or interior of building	<b>10</b>
e	parking is screened by wall, fence, sunken	<b>8</b>

<b>8</b>	<b>Targeted Uses (1 Only)</b>	
a	Affordable Housing	<b>10</b>
b	Mixed-Income/Workforce Housing	<b>10</b>
c	technology	<b>10</b>
d	corporate HQ	<b>10</b>
e	education	<b>10</b>
f	artisan	<b>10</b>
g	light manufacturing/assembly	<b>10</b>

<b>9</b>	<b>Walkability (all that apply)</b>	
a	=/> 70% of sidewalk/setback is abutted by ground floor building face	<b>20</b>
b	=/> 60% ground floor glazing on street frontages (30% res)	<b>18</b>
c	=/> 12' ground floor height	<b>15</b>
d	main entry is prominent, ground floor, and faces street/not parking	<b>15</b>
e	=/> 75% ground floor frontage has functional awnings (30% res)	<b>10</b>
f	public art element	<b>5</b>

<b>10</b>	<b>Sustainable Building (1 Only)</b>	
a	Living Building Certification	<b>10</b>
b	LEED platinum or equivalent	<b>8</b>
c	LEED gold or equivalent	<b>7</b>
d	LEED silver or equivalent	<b>6</b>
e	Connection to and use of geothermal system	<b>5</b>
f	LEED Certified / or using Boise City Green Building Code	<b>5</b>
g	Energy Star Certified	<b>4</b>





## PROGRAM DEFINITIONS

*Definitions and minimum specifications for eligible expenses  
and scorecard point allocation*

### Notes on Eligible Expenses

- a) Reimbursement is for hard costs and does not include soft costs. CCDC limits eligible hard costs to materials and labor. (Examples of soft costs not eligible for reimbursement include but are not limited to architectural and engineering design, permits, traffic control, mobilization, and developer overhead/administration fees.)
- b) This scoring system for points that rank potential projects includes private development activity, but should not be interpreted that CCDC will participate in those activities with CCDC funds automatically. Rather those items are for purposes of evaluating the project eligibility and scoring for qualification for funding by CCDC for public improvements.
- c) The eligible costs paid for in this program will only include those approved expenses as detailed in an executed agreement and not otherwise paid for by another public entity.
- d) Eligible expenses must be located in the public right of way or easement area.

## 1. Activate Dormant / Disinvested Sites

**Purpose:** It is the statutory purpose of urban renewal and related redevelopment to arrest the decay of urban areas by improving the utilization and value of underutilized and undervalued property. Therefore the program grants credit to those projects that make fuller use of dormant and underutilized buildings.

- a. **Reuse of Existing Building:** Reuse of a building that includes change of use including either: 1) conversion of vacant space to improved occupied space, with “vacant” defined as space unoccupied for 12 months or more; or 2) change of automotive use to retail, restaurant, office, performance, recreation or similar use; or 3) change in occupancy from a non-residential use to a residential use; or 4) change in occupancy or use classification (i.e. retail shop to restaurant, office to retail, etc.) resulting in increase in assessed value per square foot or increase in total assessed value of parcel; and a) the change of use applies to 50% or more of the building ground floor as measured by gross floor area; or b) for buildings with multiple floors, 25% or more of the building as measured by gross floor area.
- b. **Conversion of Surface Parking:** Development of land currently in use as surface parking, such that greater than 75% of the land used as parking is converted to another use (building, streetscape, plaza, park, etc.) See 7c for definition of “surface parking.”
- c. **Replace Dormant Building:** Development of site including the removal and replacement of building of 500 gross square feet or more and unoccupied for a period of 36 months or more.
- d. **Reuse of Vacant Land:** Reuse of land currently not occupied by a building, parking lot, outdoor recreational use, public park or plaza.

## 2. Reuse of Targeted Sites

**Purpose:** The reuse of sites and buildings within a developed area of the community is in the public interest as there is an existing public investment already made by streets and utilities and, to the extent reuse attracts people and business activity, full utilization helps to support the vitality of neighboring properties. Reuse of historically significant buildings supports the authenticity and identity of the city and creates that often intangible asset referred to as “character”. Additionally, reuse of sites and buildings, and especially buildings of historic significance, is challenging because the renovation of existing buildings – bringing buildings into compliance with current building and fire codes – is costly and complex. Furthermore, existing sites may have environmental hazards from previous uses, especially if the prior uses include storage and distribution of petroleum products, auto repair, or laundry and dry cleaning. Removing building and site contamination is beneficial to public health and removes obstacles to productive use.

- a. Reuse of National Historic Register Building:** Reuse of a building that either 1) is and will remain listed on the National Register of Historic Places; or 2) will be listed on the National Register of Historic Places; or 3) in the opinion of Boise City Department of Planning and Development Services is eligible to be on the National Register of Historic Places according to the criteria of the National Park Service.
- b. Reuse of site used in current or prior use as automotive or trucking use :** Reuse of a site for a use other than an automotive or trucking use, with “automotive use” defined as either 1) fuel filling station; or 2) automotive or truck engine or tire repair; or 3) automotive, truck, or recreational vehicle sales; or 4) automotive or truck body or upholstery repair; or 5) automotive or truck wash or detailing; or 6) automotive or truck impound lot; or 7) automotive or truck salvage facility.
- c. Reuse of laundry dry cleaning site:** Reuse of a site and/or building used current or formerly as a wholesale or retail laundry dry-cleaning service. Sites/buildings formerly used as a dry cleaning qualify if they have not been adapted or site has not been remediated for a use other than dry cleaning.

### 3. Environmental Remediation

**Purpose:** Existing sites may have environmental hazards created by previous uses, especially if the previous uses include storage and distribution of petroleum products, auto repair, or laundry and dry cleaning. Removing building and site contamination is beneficial to public health and removes obstacles to productive use.

- a. **More than \$100,000 costs:** Costs are for those conditions identified by a formal environmental assessment or declared by a third party to be environmentally hazardous.
- b. **\$50,001 - \$100,000 costs:** Costs are for those conditions identified by a formal environmental assessment or declared by a third party to be environmentally hazardous.
- d. **\$10,000 - \$50,000 costs:** Costs are for those conditions identified by a formal environmental assessment or declared by a third party to be environmentally hazardous.

## 4. Utility Infrastructure

**Purpose:** The finance and construction of utilities and related infrastructure is fundamental to urban renewal and redevelopment. Idaho urban renewal law explicitly includes the furnishing of public utilities as an eligible activity. Finance and construction of utility infrastructure not only stimulates private investment but generates public benefits that are typically distributed broadly in expanding services in both the short term and long term.

**Utility Infrastructure Eligibility Definition:**

Includes Replacing/re-routing a main line, increasing the capacity of a main line, or extending a main line to a development site. It does NOT include connecting to an existing service line or adding a new line to connect to an existing main line.

a. **Geothermal:** See above

b. **Replace or Expand Fiber:** See above

c. **Replace or Expand Power:** See above

d. **Replace or Expand Sewer:** See above

e. **Replace or Expand Water:** See above

f. **Storm Water Mitigation:** Project qualifies if  
1) it includes the construction of new storm water treatment facilities on or adjacent to the site, and; 2) the project's storm water treatment facilities meet the standards of Boise City and Ada County Highway District for retention, and; 3) the design of storm water treatment facilities has received Boise City design review approval.

## 5. Connectivity

**Purpose:** The finance and construction of streets and related infrastructure is fundamental to urban renewal and redevelopment. Idaho urban renewal law explicitly includes the furnishing of public streets as an eligible activity. In addition, the finance and construction of streets and pathways for pedestrians and bicyclists improves access to businesses and recreational amenities. The design of streets is essential to the physical form of development and the extent to which it supports clustering of economies that thrive on the synergy of multiple businesses, institutional uses, and social activities utilizing commercial enterprises.

- a. Add a Street:** The addition or extension of a public street providing pedestrian access and meeting the definition of "Public Street" pursuant to Chapter 9-20 of the Boise Municipal Code (Boise Subdivision Ordinance) or as approved by Boise City and Ada County Highway District. In order to meet this criterion, improvements should be made for a minimum length of 25 feet for at least part of the roadway and including curb, gutter and sidewalk.
- b. Add a Ground-Level Plaza or Park:** For the Park or Plaza to qualify, it shall have a minimum of 50 feet of frontage along a public sidewalk, a minimum depth of 25 feet from the public sidewalk, with a minimum surface area of 800 square feet suitable for walking, standing, or sitting. The Park/Plaza must be approved by the Boise City Department of Parks and Recreation and in the right of way or a dedicated public easement area. At the discretion of the City, owner will be required to assume maintenance and operations responsibility to include custodial and security services that ensure safe and optimum conditions for public use unless otherwise agreed upon. The park/plaza must meet the goals as defined in the Parks and Recreation Downtown Public Parks and Spaces Plan that provides general guidance for future needs based on scale and function in relation to 'energy zones' and the project's proximity to and location within active and civic service gap areas. The park/plaza must be clearly marked as a public space, and must be available to public use 24/7.
- c. Add an Alley:** The addition or extension of a public alley as defined by Chapter 9-20 of the Boise Municipal Code (Boise Subdivision Ordinance) or as approved by Boise City and Ada County Highway District. In order to meet this criterion, improvements should be made for a minimum length of 25 feet for at least one half the width of the alley.
- d. Add a Pathway:** The addition or extension of a pathway providing access across the site linking origins and destinations off the development site and for non-motorized transportation and having a minimum width of six feet. To be an eligible expense the pathway must be in the right of way a dedicated public easement area.
- e. Add or Substantially Improve a Sidewalk:** The addition, extension, or substantial improvement to the surface for a minimum of 6 feet in width and 25 feet in length. Substantial improvement is defined as the addition of a new concrete, brick or other approved surface and, as directed by the Downtown Boise Streetscape Standards or approved by Boise City, the addition of street trees, historic street lights, and other amenities pursuant to the Downtown Boise Streetscape Standards. A sidewalk differs from "pathway" in that the former is typically adjacent to and parallel with a curb and street. A pathway is typically not adjacent to and parallel with a curb and street.

## 6. Compact Development (1 Only)

**Purpose:** Urban economists have long understood the importance of density as a key element in the economic and social health of cities and city downtowns in particular. Urban density provides the critical mass necessary to support business activity where land and construction prices are often higher. The proximity of businesses and individuals to one another provides economic linkages through buyer and seller relationships, which are essential to supporting vibrant central city economies. Density creates a concentration of people, which attracts other people, which in turn supports business activity and a sense of urban safety and security.

**Calculation:** Floor Area Ratio, or FAR, is a measure of density across various urban land uses. FAR is calculated by dividing the gross floor area for building(s) on a site by the area of the site. Gross floor area is the sum of all horizontal areas within the exterior walls of all above-ground floors of the building. For example, a building with a gross floor area of 100,000 square feet on a site of 50,000 square feet has a FAR of 2.0. Finished basements and exterior stairwells can be included in this calculation.

a. 4.0 to 5.0+ FAR: See above

b. 3.0 to 3.9 FAR: See above

c. 2.0 to 2.9 FAR: See above

d. 1.0 to 1.9 FAR: See above

e. 0.5 to 0.9 FAR: See above

## 7. Parking Placement & Design

**Purpose:** How parking and loading areas are designed is important for the vibrancy of downtown. Large areas of surface parking erode the density of people and business activity and adversely affect environments for pedestrians. A highly walkable environment is especially important to the health of retail shops, restaurants, and entertainment venues. Locating parking and loading areas at the rear or interior of buildings is a solution that is effective on a small scale. For larger parking needs, the provision of parking within parking garages is generally most effective although structured parking is expensive. For economic and aesthetic reasons the provision of parking below grade is preferred over above-grade parking, although parking below grade is substantially more expensive to build than above grade parking. Where the provision of surface parking adjacent to streets and sidewalks is necessary, the negative effects of such parking may be mitigated by the installation of an attractive wall or fence between the parking and the street right-of-way. The wall and fence serves as a “street wall” providing the vertical element essential for a sense of enclosure for the street and sidewalk.

**a. Structured Parking Below:** For this criterion structured parking is any parking area consisting of three or more parking stalls covered by a roof with usable space above and surrounded on two or more sides by columns or walls. Free-standing garages and carports, unless they have usable space above the parking area, do not meet this definition. Additionally, in order to meet this criterion, 25% or more of the parking provided on the site shall be located within the parking structure as defined. For example, a development site for which 25 or more of the 100 parking stalls on site are within a structure meets this criterion. A development site with 24 or fewer of the 100 parking stalls on site does not meet this criterion.

**b. Structured Parking Above Grade:** See above

**c. No Surface Parking:** Surface parking is any parking that is not covered by a roof and not surrounded on two or more sides by columns or walls

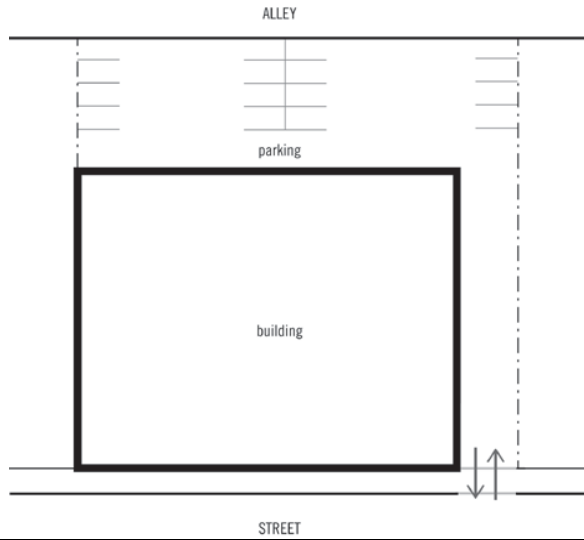
**d. Parking Location is to Rear or Interior of Building:** The rear of the building is that side of the building opposite the front of the building. For a building fronting on a single street the front of the building is that side abutting the street. For a building fronting on two or more streets, the condition usually characterized as a corner site, the front of the building is that side with the building's primary entrance. On the other side of the building which abuts a street, no more than 24' of the parking lot may front the street. See Figures 7d-1, 7d-2, 7d-3 and 7d-4 on the following page

**e. Parking is Screened by Wall, Fence, Sunken:** To qualify, the project shall include surface parking of which 80% of the edge of the parking area abutting the street, excluding service drives providing direct access to the street, shall be bounded by a fence or combination fence and wall parallel to the street and sidewalk (Figure 7e-1). To qualify, the fence or combination fence and wall shall be at a height of 30" to 48" from finished grade (Figure 7e-2). Walls meeting this criterion shall be constructed of concrete or masonry. Sunken Screening that includes a parking area with a finished grade at a level of 18" or more below sidewalk grade and with a minimum fence height of 12" above sidewalk grade also qualify

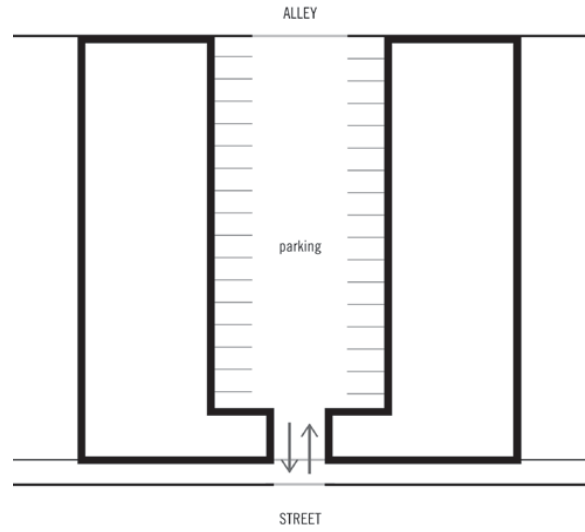


## 7. Parking Placement & Design: Figures

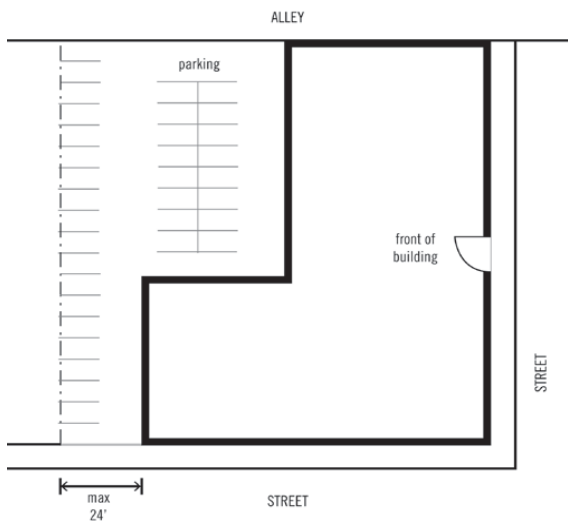
**Figure 7d-1: Parking to Rear of Building**



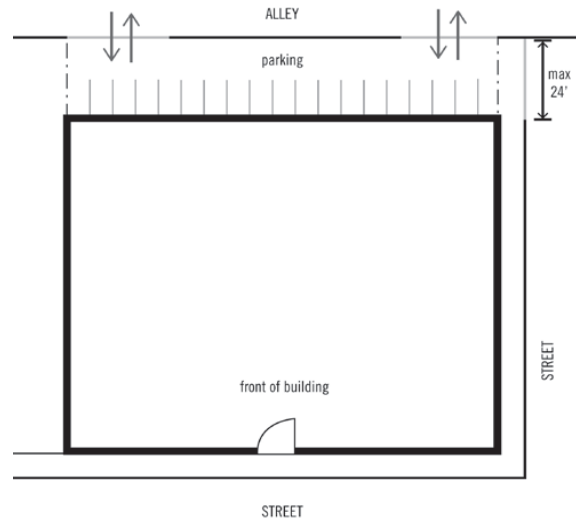
**Figure 7d-2: Parking to Interior of Building**



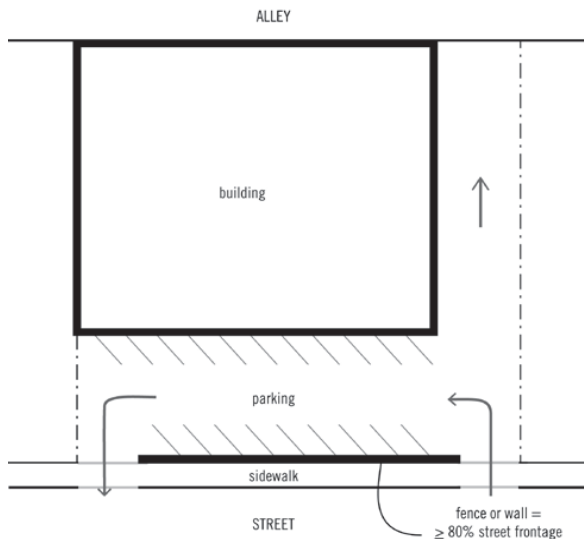
**Figure 7d-3: Parking to Rear on a Corner Site, Option 1**



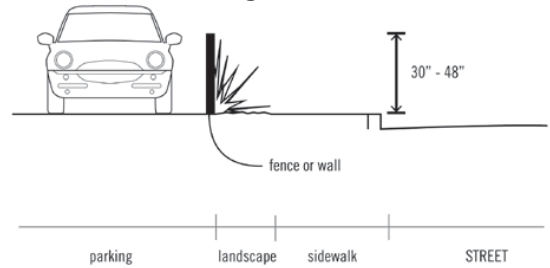
**Figure 7d-4: Parking to Rear on a Corner Site, Option 2**



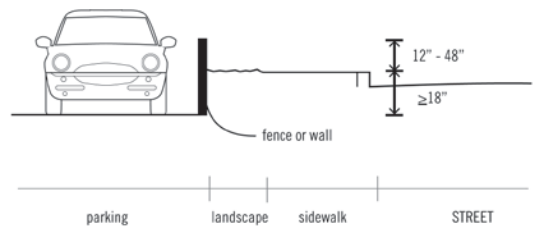
**Figure 7e: Screened and Sunken Parking**



**Figure 7f:**



**Figure 7e-2**



## 8. Targeted Uses

**Purpose:** Some uses more than others have the potential to generate secondary activities commonly referred to as “spin- off development”. Some uses perform better than others in producing jobs with relatively high wages and salaries. Some uses are beneficial because they generate products and services that are exported outside the community and region. In addition, some activities are valuable within the mix of uses in downtown Boise but may be missing or in short supply, like housing. The following is a list of uses and business categories with these characteristics. This program awards points as a way to incent and mitigate obstacles for the development of these uses.

**a. Affordable Housing:** Residential projects that are funded with Low-Income Housing Tax Credits awarded by Idaho Housing and Finance Association or equivalent. Project must serve households whose incomes at or below 60% Area Median Income in Ada County as defined by current U.S. Housing and Urban Development Department standards and must income qualify tenants and charge associated rents.

Rental projects that meet this criteria may be eligible for an increase reimbursement term in the Type 2 program (see Type 2 information).

**b. Mixed-Income/Workforce Housing:** Residential projects with 10 or more dwellings units. Not less than 10% of the units must be must serve households whose incomes are at are below 100% of the Area Median Income in Ada County as defined by current U.S. Housing and Urban Development Department standards and must income qualify tenants and charge associated rents.

Mixed-Income/Workforce Housing must integrate the Income Qualified Units throughout the development cohesively with market rate units. No difference between the units should be obvious from the exterior.

Rental projects that meet this criteria may be eligible for an increase reimbursement term in the Type 2 program (see Type 2 information).

**b. Technology:** “Technology” is any organization with a minimum of 2 members and 50% or more of its workforce employed in Standard Occupation Codes (Federal Bureau of Labor Statistics) 11-1021, 11-2021, 11-3021, 15-1121, 15-1131, 15-1133, 15-1141, 15-1142, or 15-1179; working at the subject location and occupying 5,000 square feet or more of the building on site.

**c. Corporate Headquarters:** Project site is the principal address for a registered corporation occupying 5,000 square feet or more of the building on site.

**d. Education:** A primary, secondary, or post-secondary institution licensed by the Idaho Board of Education and occupying 5,000 square feet or more of the building on site.

**e. Artisan:** “Artisan” is any organization with a minimum of 2 members and 50% or more of its workforce employed in Standard Occupation Codes (Federal Bureau of Labor Statistics) 27- 1010 through 27-2099 excepting 27-2020 through 27-2023; working at the subject location and occupying 5,000 square feet or more of the building on site.

**f. Light Manufacturing / Assembly:** “Light manufacturing/assembly” is any organization with a minimum of 2 members and 50% or more members of its workforce employed in Standard Occupation Codes (Federal Bureau of Labor Statistics) 51-1000 through 51-9199 excepting 51-3000 through 51-3099, 51-6000 through 51- 6021, and 51-8000 through 51-8099; working at the subject location and occupying 5,000 square feet or more of the building on site.

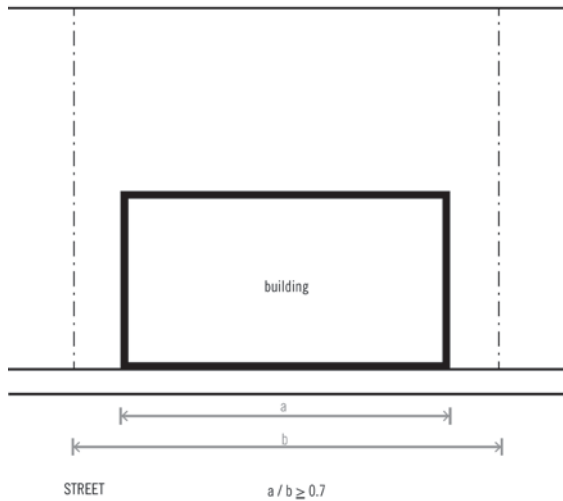
## 9. Walkability

**Purpose:** The success of downtown Boise is due in large part to its walkability. The vibrant social, cultural, and economic environment of a walkable urban environment attracts people and business activity and has that much sought after “sense of place”. The design elements of buildings and open spaces are key to a pedestrian-oriented environment, though sometimes there are market forces that work in opposition to these important design elements. Therefore, the program provides incentives to said design elements to promote economic vitality.

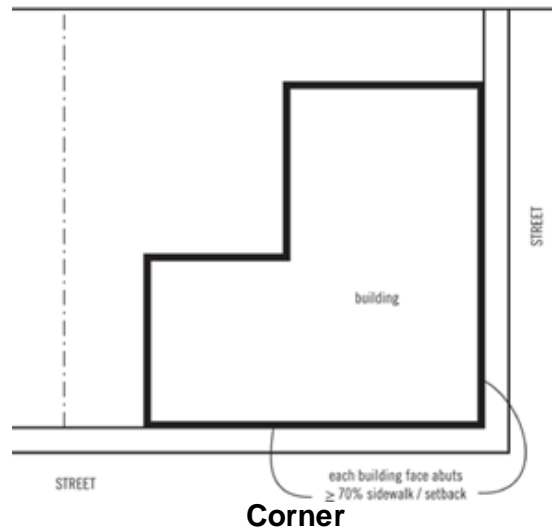
- a.  $\geq 70\%$  of sidewalk/setback is abutted by ground floor building face for new buildings or for existing buildings if more than 50% of building SF on parcel has been removed:** Determined by dividing a) the distance of all exterior walls which are adjacent to and approximately parallel with property lines adjoining the public street right-of-way, excluding alleys, by b) the distance of all property lines adjoining the public street right-of-way, excluding alleys (Figure 9a-1). Existing buildings maintaining over 50% of square footage are eligible for these points regardless of the percentage of building face which abuts the sidewalk/setback. In the case of a corner site, 70% of each building face must abut a sidewalk / setback (Figure 9a-2).
- b.  $\geq 60\%$  Ground Floor Glazing on Street Frontages ( $\geq 30\%$  res):** For consistency, the “ground floor” of a building is defined as 12’ tall; any glazing higher than 12’ will not be included in this calculation. Glazing on street frontages includes all transparent windows and doors on exterior building walls on a plane 0 to 45 degrees of the property line adjoining the street (Figure 9b).
- c.  $\geq 12'$  Ground Floor Height:** The height of the ground floor from sidewalk grade to finished ceiling, irrespective of suspended ceilings, shall have a minimum height of 12 feet. . The height of the ground floor ceiling is calculated starting from sidewalk grade, irrespective of the height of the finished floor (Figure 9c).
- d. Main Entry is Prominent, on the ground floor, and faces street/not parking:** The principal ground floor building entrance shall face the street, be visible from the street and not shielded by columns, fences, or landscaping, nor shall it be separated from the street by surface parking (Figure 9d). In the event of a building site with multiple street frontages, any street shall qualify.
- e.  $\geq 75\%$  of ground floor frontage has functional awnings with a minimum depth of 5':** Functional awnings include awnings or canopies of a durable material including but not limited to metal, polycarbonate, and durable fabric. Awnings meeting this definition shall be located on a building plane parallel with the property line adjoining public right-of-way, have a minimum depth of five feet, and extend five feet over public right-of-way (Figure 9e). Awnings must not be more than 15' above the sidewalk level. Awnings located in the public realm must obtain the necessary approval by the Boise City Design Review Commission and an encroachment license from Boise City and/or Ada County Highway District, which is revocable. Awning maintenance is the responsibility of the building owner.
- f. Public Art Element:** To qualify as an Eligible Expense, Public Artwork must be **selected** through the Boise City Department of Arts and History’s Public Art Program process. The art will also need to be approved by Boise City as part of the process. Public art must be located in the public right-of-way or a dedicated Public Art Easement. Ownership and maintenance will be determined by Boise City, and in most cases the building owner will retain ownership of artwork and be responsible for ongoing maintenance with a minimum lifespan prescribed in an associated agreement (i.e. a maintenance agreement and/or Art Façade Easement). Reimbursement for public art is capped at 1% of the total project budget.

## 9. Walkability: Figures

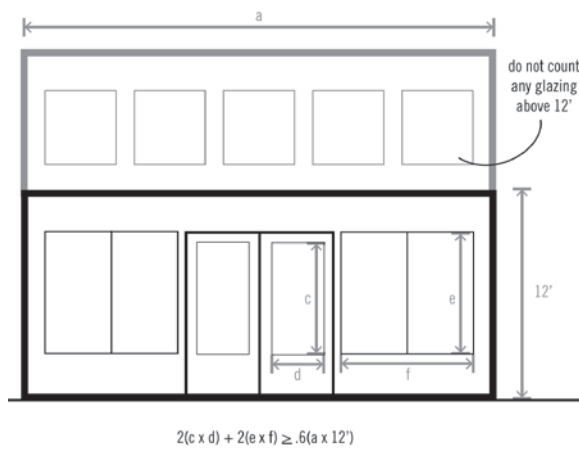
**Figure 9a-1: Building Abutting Sidewalk**



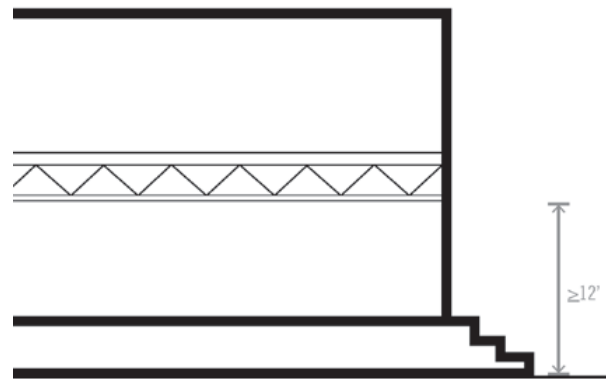
**Figure 9a-2: Building Abutting Sidewalk on Corner**



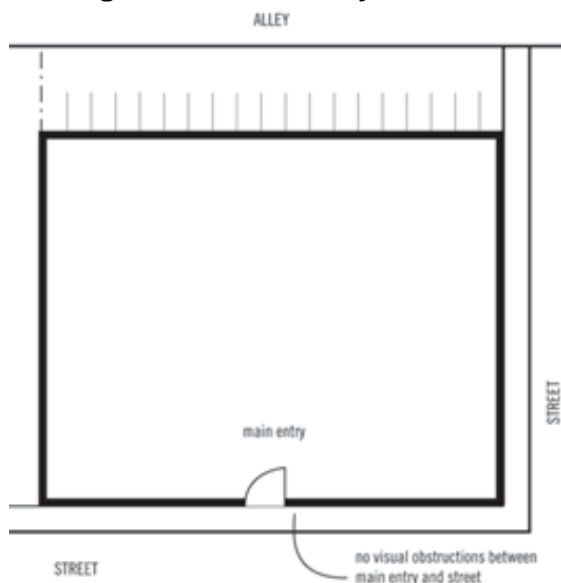
**Figure 9b: Ground Floor Glazing**



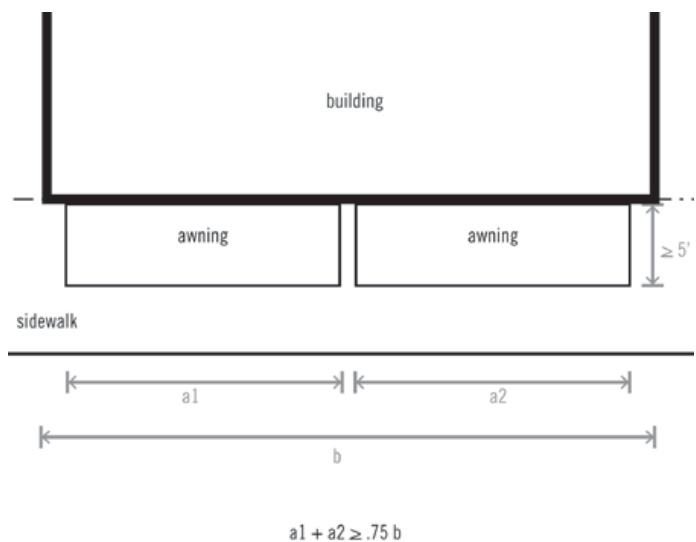
**Figure 9c: Ground Floor Height**



**Figure 9d: Main Entry Prominence**



**Figure 9e: Ground Floor Awnings**



## 10. Sustainable Building

**Purpose:** The long term operating efficiency of buildings, like working roads, sewer and other utilities, is important to the long term viability of downtown Boise and address issues such as EPA non-attainment status and heat island mitigation. Energy efficient buildings are commercially sought after, attract strong tenants, and create long term value in the private community infrastructure by leaving more resource capacity available for additional growth.

- a. Living Building Certification:** As determined by any accrediting agency or third party demonstrating the same or equivalency.
- b. LEED Platinum Certification:** As determined by any accrediting agency or third party demonstrating the same or equivalency.
- c. LEED Gold Certification:** As determined by any accrediting agency or third party demonstrating the same or equivalency.
- d. LEED Silver Certification:** As determined by any accrediting agency or third party demonstrating the same or equivalency.
- e. Connection to and use of geothermal system:** The project includes and new connection, or maintains an existing connection, to an operating geothermal system.
- f. LEED Certified / Boise Green Building Code:** As determined by any accrediting agency or third party demonstrating the same or equivalency.
- g. Energy Star Certification:** As determined by any accrediting agency or third party demonstrating the same or equivalency.



## AGENDA BILL

<b>Agenda Subject:</b> Resolution 1584 authorizing the Executive Director to execute a cost share agreement with the Ada County Highway District for replacement of Gowen Road Bridge #2110 over the Boise Valley Railroad to install longer bridge span and fiber optic conduit		<b>Date:</b> January 14, 2019
<b>Staff Contact:</b> Matt Edmond	<b>Attachments:</b> 1) Resolution #1584 2) Project Diagram	
<b>Action Requested:</b> Adopt Resolution #1584 authorizing Executive Director to submit a cost share application and execute a cost share agreement with the Ada County Highway District for shared construction costs of Gowen Road Bridge #2110 over the Boise Valley Railroad to install longer bridge span and fiber optic conduit.		

### Background:

The City of Boise approved the Urban Renewal Plan for the Gateway East Economic Development District Project Area by ordinance on December 18, 2018. The Gateway East Plan contemplates some \$100 million in public infrastructure improvements, including a shared use pathway on the east side and adjacent to the Boise Valley Railroad in order to provide active transportation and recreational opportunities for workers and residents within the Gateway East District. The pathway is planned to run in close proximity to the Blue Valley community and could eventually connect from the existing path along Federal Way, under Interstate 84, under Gowen Road, and on to the future Lake Hazel extension while minimizing at-grade crossings with high volume, high speed arterial roadways. This “rail-with-trail” concept of siting a recreational trail along an active rail line is similar to what is being contemplated along the Boise Valley Railroad in the City of Meridian, and it is far from novel. According to the Rails to Trails Conservancy, as of September 2013, there were 161 “rail-with-trail” facilities operating in 41 states.

The Plan also contemplates a conduit bank along several major roads in the District, including Gowen Road, for the extension of multiple fiber optic networks to current and future land uses within Gateway East. This is part of a larger effort, including in downtown Boise, to build out a network of underground conduit in order to lower barriers to entry and foster competition among internet service providers, ultimately improving the quality and lower the price of broadband internet for consumers within Gateway East and the City of Boise. This conduit network will be maintained and administered by the City of Boise.

Ada County Highway District will begin design work in January 2019 to replace the existing bridge on Gowen Road across the Boise Valley Railroad. This project, currently scheduled for construction in 2022, will replace the existing, 2-lane bridge span with a 4-lane bridge span including bike lanes and sidewalks on both sides, as well as widening Gowen Road from 2 lanes to 5 lanes between Eisenman Road and Exchange Street.

The section of rail line under Gowen Road lies in a 100-foot wide right-of-way that is owned by Union Pacific Railroad (UPRR). By current policy, UPRR does not allow either bridge abutments or recreational pathways to be built within its right-of-way. As such, ACHD plans to build a bridge just long enough to span between abutments immediately on either side of the UPRR right-of-way. In order to accommodate a future shared use pathway outside and adjacent to the UPRR right-of-way on the east side, ACHD has agreed to design and construct a longer bridge span (by approximately 14 feet) if CCDC enters into a cost share agreement to pay the additional construction costs associated with the longer bridge span. No additional design costs are anticipated for the longer bridge span.

This project also presents the opportunity to accomplish installation of fiber optic conduit along Gowen Road, in accordance with the Gateway East Plan. City of Boise Information Technology staff have requested installation of four (4) each 2-inch inside diameter conduits along Gowen Road, through the bridge deck between Eisenman Road and Exchange Street, with vaults approximately every 400 to 500 feet.

While the benefits of the conduit and longer bridge span are unlikely to be realized for years after completion of the bridge project, it is likely that undertaking such work after completion of the bridge project would cost substantially more than if effected through a cost share agreement with ACHD. Additionally, due to the 50-75 year design life of bridges, this will be the only opportunity to ensure a future pathway under Gowen Road is accommodated during the term of the Gateway East District.

### **Fiscal Notes**

Based on Idaho Transportation Department's (ITD) Preliminary Structure Cost Estimate guidelines of \$260 per square foot for bridge deck over railroad and using a recommended 30% contingency, the additional bridge span (14 feet) for the 80-foot-wide bridge structure could cost an additional \$380,000 to construct. Additionally, based on consultation with City of Boise and ACHD staff, CCDC staff estimates that installation of conduit between Eisenman Road and Exchange Street (approximately 1,800 feet), with vaults every 400-500 feet, concurrent with the project, will cost approximately \$65,000. The additional costs, currently estimated at \$445,000 (including contingency); would be based on actual costs as determined by bid results and subsequent construction of the project. Payment would be due to ACHD upon the completion of construction in 2022.

The Economic Feasibility Study conducted by SB Friedman as part of the Gateway East Plan estimated tax increment revenue available for projects within the district to be \$291,382 in FY2020; \$1,074,285 in FY2021, and \$1,742,767 in FY2022. Based on these estimates and forecasts, a cost share agreement for the Gowen Road bridge project would obligate approximately 25% of available District tax increment revenue in FY2022.

### **Staff Recommendation:**

Adopt Resolution #1584.

### **Suggested Motion:**

I move to adopt Resolution #1584 authorizing Executive Director to submit a cost share application and execute a cost share agreement with the Ada County Highway District for shared construction costs of Gowen Road Bridge #2110 over the Boise Valley Railroad to install longer bridge span and fiber optic conduit.

## RESOLUTION NO. 1584

BY THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF BOISE CITY, IDAHO:

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF BOISE CITY, IDAHO, AUTHORIZING THE AGENCY EXECUTIVE DIRECTOR TO EXECUTE AND SUBMIT A COST SHARE APPLICATION TO THE ADA COUNTY HIGHWAY DISTRICT AND THEREAFTER NEGOTIATE AND EXECUTE A COST SHARE AGREEMENT WITH THE ADA COUNTY HIGHWAY DISTRICT FOR SHARED CONSTRUCTION COSTS OF GOWEN ROAD BRIDGE #2110 AND ANY NECESSARY DOCUMENTS OR AGREEMENTS SUBJECT TO CERTAIN CONTINGENCIES; AUTHORIZING ANY TECHNICAL CORRECTIONS TO THE COST SHARE AGREEMENT OR AGREEMENTS; AND PROVIDING AN EFFECTIVE DATE

THIS RESOLUTION is made on the date hereinafter set forth by the Urban Renewal Agency of Boise City, Idaho, an independent public body, corporate and politic, authorized under the authority of the Idaho Urban Renewal Law of 1965, as amended, Chapter 20, Title 50, Idaho Code, and the Local Economic Development Act, as amended and supplemented, Chapter 29, Title 50, Idaho Code (collectively, the "Act"), as a duly created and functioning urban renewal agency for Boise City, Idaho (hereinafter referred to as the "Agency").

WHEREAS, the City Council of the City of Boise City, Idaho (the "City"), after notice duly published, conducted a public hearing to consider the Urban Renewal Plan for the Gateway East Economic Development District Project Area (the "Gateway East District Plan"), and following said public hearing the City adopted its Ordinance No. 58-18 on December 18, 2018, approving the Gateway East District Plan and making certain findings; and,

WHEREAS, the Gateway East District Plan contemplates \$100 million in public infrastructure improvements, including a shared use pathway adjacent to the Boise Valley Railroad, in order to promote active transportation in the Gateway East Urban Renewal District (the "District"); and,

WHEREAS, the Gateway East District Plan also contemplates a conduit bank along several major roadways in the District, including Gowen Road, for the extension of multiple fiber optic networks to current and future land uses within the District; and,

WHEREAS, the Ada County Highway District will begin design work in January 2019 to replace the 2-lane Gowen Road Bridge #2110 across the Boise Valley Railroad with a 4-lane bridge with bike lanes and sidewalks (the "Project"), in addition to widening Gowen Road between Eisenman Road and Exchange Street, all within the District; and,

WHEREAS, in order to accommodate a future shared use pathway adjacent to the Union Pacific Railroad right-of-way, the Ada County Highway District has agreed to design and construct a longer bridge span for Gowen Road Bridge #2110 if the Agency enters into a cost share agreement to pay the additional construction costs associated with that longer span; and,



WHEREAS, the Agency Board finds it in the best interests of the Agency and public to authorize the Agency Executive Director to execute the Cost Share Application and to execute the Cost Share Agreement for construction of the Project once negotiations are finalized by the parties.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF BOISE CITY, AS FOLLOWS:

Section 1: That the above statements are true and correct.

Section 2: That the Cost Share Application, a copy of which is attached hereto as Exhibit A and incorporated herein by reference, and the Cost Share Agreement, a draft copy of which is attached hereto as Exhibit B and incorporated herein by reference, be and the same are hereby approved.

Section 3: That the Agency Executive Director is authorized and directed to submit a Cost Share Application, attached to this Resolution as Exhibit A, to the Ada County Highway District for the construction project at Gowen Road Bridge #2110.

Section 4: That the Agency Executive Director is authorized and directed to negotiate and execute a Cost Share Agreement, attached to this Resolution as Exhibit B, for the construction project at Gowen Road Bridge #2110, once finalized with the Ada County Highway District, subject to representations by Agency staff and Agency legal counsel that all conditions precedent to those actions have been met; and further, any necessary technical changes to the Cost Share Agreement or other documents are acceptable upon advice from Agency legal counsel that said changes are consistent with the provisions of the Agreement and the comments and discussions received at the January 14, 2019, Agency Board meeting; and further, the Agency is authorized to appropriate any and all funds contemplated by the Cost Share Agreement and to perform any and all other duties required pursuant to said Agreements.

Section 5: That this Resolution shall be in full force and effect immediately upon its adoption and approval.

PASSED by the Urban Renewal Agency of Boise City, Idaho, on January 14, 2019.  
Signed by the Chairman of the Board of Commissioners and attested by the Secretary to the Board of Commissioners on January 14, 2019.

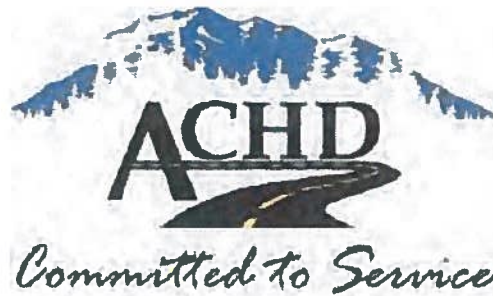
URBAN RENEWAL AGENCY OF BOISE CITY

By: \_\_\_\_\_  
Dana Zuckerman, Chair

ATTEST:

By: \_\_\_\_\_  
Ryan Woodings, Vice Chair

EXHIBIT A to RESOLUTION NO. 1584 - COST SHARE APPLICATION



**ADA COUNTY HIGHWAY DISTRICT  
PARTNERING AGENCY  
COST SHARE APPLICATION**

*Important Notes:*

- Please refer to the Ada County Highway District Cost Share Ordinance No. 215, a copy of which is attached to this Cost Share Application. Capitalized terms that are not defined in this Cost Share Application have the meanings given to them in the Cost Share Ordinance.
- Applicants may submit attachments with this application with answers to questions requiring more space than is provided below.
- No application shall be deemed to have been approved unless and until ACHD issues a Cost Share Permit.
- Pursuant to the terms of the Cost Share Ordinance, ACHD will not approve any Cost Share Application that does not comply with the Cost Share Ordinance. Additional reasons for denial include, but are in no way limited to, considerations of economics, the impact on project costs, availability of ACHD staff and resources, anticipated project schedules, availability of land acquisitions, noncompliance with any issued Cost Share Permits or other permits or applicable law and the authority of ACHD and/or the Partnering Agency, or other feasibility issues. Applications that are not submitted timely in relation to ACHD's project schedule may be rejected.

1. Applicant Name. Name of Partnering Agency

Capital City Development Corporation

2. Partnering Agency Contact. Name of individual at the Partnering Agency to whom all correspondence and notifications with regard to this Cost Share Application should be directed

Matt Edmond, Project Manager, 208-384-4264, medmond@ccdcboise.com

3. Date. Date of Application

14 January 2019

4. Prior Applications. If this Cost Share Application relates to the same ACHD Road Project that is the subject of a prior Cost Share Application(s), please indicate the date(s) of the prior applications and attach them with this Application.

NA

5. Notice of Interest. If the Partnering Agency has previously provided ACHD with notice of its interest to include Non-Transportation Components in the ACHD Road Project, please summarize the contents of that notice (including date(s)) and any relevant discussions and correspondence with ACHD.

On December 12, 2018, ACHD PM Brian McCarthy met with Matt Edmond (CCDC), Zach Piepmeyer (Boise PDS), Sean Keithly (Boise PW) and Adam Reno (Boise IT) to discuss the prospect of running conduit in the bridge deck and along Gowen Road, and extending the bridge span to accommodate a future multi-use path along the rail line adjacent to the UPRR right-of-way and/or accommodating a second track.

6. ACHD Road Project. Identify the ACHD Road Project to which this Cost Share Application applies.

Gowen Road Bridge #2110 (Project No. 218049)

7. Proposed Non-Transportation Components. Describe the Non-Transportation Component(s) the Partnering Agency proposes by this Application to include in the ACHD Road Project. Include as much detail as is currently available regarding the design, location, and other information about the Non-Transportation Component(s). If any design or concept plans or drawings are available, attach them to this Application.

1. Extend of the existing bridge span by approximately 14' to accommodate a future shared use pathway on the east side of the UPRR right-of-way under Gowen Road.
2. Place of four (4) 2" inside diameter PVC conduits through the bridge deck and along Gowen Road between Exchange Street and Eisenman Road for future placement of fiber-optic and telecommunications facilities. Terminate the conduit in junction boxes on the east side of Exchange and the west side of Eisenman and label all conduit openings within junction boxes with "PROPERTY OF CITY OF BOISE"

8. Authority. Summarize the authority and jurisdiction of the Partnering Agency, under applicable state, federal, and/or local law, over the Non-Transportation Components.

IC 50-2007(b)  
IC 50-328

9. Design. Identify the party (ACHD or the Partnering Agency, or both) that will be responsible for the design of the proposed Non-Transportation Components. If both parties are responsible for part of the designs, please indicate, in detail, their respective responsibilities.

ACHD Design Consultant to include proposed improvements in the construction bid documents.

- a. If ACHD is responsible for the design of all or a part of the proposed Non-Transportation Components, provide information as to how and when the Partnering Agency will reimburse ACHD for those costs. (Costs shall be detailed in Item 10 below.)

Design costs of longer bridge span and installation of conduit are incidental to the overall project design.

- b. If the Partnering Agency is responsible for all or a part of the design of the proposed Non-Transportation Components, provide a deadline by which the Partnering Agency will submit the design to ACHD for approval: NA, 20  . Also, by submitting this Application, the Partnering Agency certifies the following:

- i. All designs submitted by the Partnering Agency will comply with (i) established engineering standards, including the American Association of State Highway and Transportation Officials ("AASHTO") guidelines, (ii) the Cost-Share Ordinance, (iii) all adopted ACHD rules, regulations, and policies, and (iv) all state and federal laws.

- ii. No designs shall be considered final until they are approved, in writing, by ACHD.

10. Design Costs. Pursuant to the Cost-Share Ordinance and applicable law, all Road Project design costs associated with the Non-Transportation Components are the responsibility of the Partnering Agency. In addition, any redesign costs of Transportation Components of a Road Project that are necessitated by the incorporation of Non-Transportation Components in the Road Project shall be paid by the Partnering Agency. In accordance with the foregoing, describe the applicable design costs and (if applicable) any redesign costs for which the Partnering Agency will be responsible. Include any credits applicable to the calculation. Also, if any federal funds are available for any Non-Transportation Components, please specify those funds and how they are to be allocated:

Design costs of longer bridge span and installation of conduit are incidental to the overall project design.

No re-design costs anticipated.

11. Construction. Identify the party (ACHD or the Partnering Agency, or both) will be responsible for the construction of the proposed Non-Transportation Components. If both parties are responsible for part of the construction, please indicate, in detail, their respective responsibilities.

ACHD to procure contractor during normal bidding of Cloverdale project. ACHD Contractor to install all conduit and junction boxes

- a. If ACHD is responsible for all or a part of the construction of the proposed Non-Transportation Components, provide information as to how and when the Partnering Agency will reimburse ACHD for those costs. (Costs shall be detailed in Item 12 below.)

Following construction, ACHD to submit a single invoice for the full construction cost of improvements.

- b. By submitting this Application, the Partnering Agency certifies that the Partnering Agency will not allow any liens to attach to any right-of-way, improvements, or other property of ACHD as a result of any labor performed or materials supplied in connection with the construction of the Non-Transportation Components.

By submitting this Application, the Partnering Agency certifies the following:

- i. The Partnering Agency shall be responsible for obtaining all permits required by ACHD in connection with any construction of the Non-Transportation Components.
- ii. The Partnering Agency will not allow any liens to attach to any right-of-way, improvements, or other property of ACHD as a result of any labor performed or materials supplied in connection with the construction of the Non-Transportation Components.

12. Construction Costs. Pursuant to the Cost-Share Ordinance and applicable law, all Road Project construction costs associated with the Non-Transportation Components are the responsibility of the Partnering Agency. In addition, any reconstruction costs of Transportation Components of a Road Project that are necessitated by the incorporation of Non-Transportation Components in the Road Project must be paid by the Partnering Agency. In accordance with the foregoing, describe the applicable construction costs and (if applicable) any reconstruction costs for which the Partnering Agency will be responsible, documenting any credits applicable to the calculation:

Additional bridge span length (approximately 14') necessary to accommodate future shared use path underneath.

Conduit + Junction Box procurement and installation costs

13. Maintenance. Pursuant to the Cost-Share Ordinance and applicable law, by submitting this application, the Partnering Agency hereby certifies that it will be solely responsible for perpetually replacing, maintaining, and caring for the Non-Transportation Components pursuant to the terms of the Cost Share Permit. The Partnering Agency also certifies that if the Partnering Agency

fails to replace, maintain, and care for the Non-Transportation Components, ACHD shall have the following remedies in addition to any other recovery in law or in equity, provided that ACHD first gives the Partnering Agency thirty (30) days notice and the Partnering Agency fails to remedy such failure: (i) ACHD may revoke the Partnering Agency's Cost Share Permit for the Non-Transportation Components; (ii) ACHD may replace, maintain, and/or care for the Non-Transportation Components and the Partnering Agency shall reimburse ACHD fully for all associated costs; (iii) ACHD may remove, alter, redesign, or in the case of landscaping, Hardscape over the Non-Transportation Components, and the Partnering Agency shall reimburse ACHD fully for all associated costs, and (iv) ACHD may refuse to issue any further Cost Share Permits or any other permits for future ACHD Road Projects until the Partnering Agency complies with the conditions of the Cost Share Permit. In addition, in the event of an emergency caused by the Partnering Agency's failure to perform required maintenance, ACHD may immediately perform any and all emergency repairs or take other measures in connection with an emergency, and the Partnering Agency shall reimburse ACHD fully for all associated costs.

14. Acquisition of Real Property. Specify any real property that must be acquired to accommodate the inclusion of the Non-Transportation Components into the Road Project, and indicate how and when the Partnering Agency will acquire, pay for, or dedicate such real property. If the Partnering Agency is responsible for obtaining the real property, also indicate whether the real property will be deeded and/or dedicated to ACHD in connection with the Road Project. Please attach all relevant legal descriptions to this application, if available, or, if not available, a complete description and/or depiction of the real property.

No additional right-of-way is required.

15. Relocation of Utilities. Pursuant to the Cost-Share Ordinance and applicable law, by submitting this Application, the Partnering Agency hereby certifies that it will be solely responsible for the relocation, or the cost of the relocation, of any utilities required in connection with the placement, incorporation, or construction of the Non-Transportation Components. Describe the utilities that will or may need to be relocated in connection with the Road Project. Also, identify which party (ACHD or the Partnering Agency) will be responsible to relocate the utilities: (Please note that ACHD may require, as a condition of issuing any Cost-Share Permit, that the Partnering Agency shall be responsible for the relocation of any utilities.)

No utility relocations anticipated.



16. Effect on Stormwater Quality. Pursuant to the Cost-Share Ordinance and applicable law, by submitting this Application, the Partnering Agency hereby certifies that upon a determination by ACHD that the incorporation into the Road Project of the Partnering Agency's Non-Transportation Component(s) will have an adverse affect on stormwater quantity or quality, Partnering Agency shall be solely responsible for either mitigating or funding the mitigation of any such adverse effected in a means determined by or acceptable to ACHD.
17. Additional Certifications by Partnering Agency. By submitting this Cost Share Application, and upon its approval by ACHD, the Partnering Agency hereby certifies and agrees as follows:
- a. Indemnification. The Partnering Agency will protect, defend, indemnify, and hold ACHD and its officers, directors, employees, members, and agents harmless from and against any and all liability, suits, losses, damages, claims, actions, costs, and expenses of any nature, including court costs and attorney fees, arising from or out of any acts or omissions of the Partnering Agency, its agents, or contractors related to or in connection with the Non-Transportation Components, the representations and certifications set forth in this Cost Share Application, the terms of any issued and accepted Cost Share Permit, and the exercise of any privileges or performance of any obligations by the Partnering Agency upon the grant of approval of this application by ACHD.
  - b. Costs/Expenses. In the event of a Partnering Agency's failure to comply with the terms and certifications made in this Cost Share Application or any issued and accepted Cost Share Permit, the Partnering Agency shall be solely responsible for all costs, damages, expenses, including, without limitation, all attorney fees, incurred by ACHD.
  - c. Compliance with Law. In the event that any part of the obligations of the Partnering Agency or of ACHD in connection with the Road Project are determined to be illegal or unenforceable by a court of competent jurisdiction, the remaining obligations of the Partnering Agency set forth in this Cost Share Application shall still be applicable.
  - d. Adherence to Project Schedule. ACHD will, pursuant to the terms of any issued Cost Share Permit, provide a schedule for completion of the Non-Transportation Components. To the extent that the Partnering Agency is responsible for all or any part of the construction of the Non-Transportation Components, the Partnering Agency agrees to comply with the schedule set forth in the Cost Share Permit.
  - e. Revocation of Rights by ACHD. ACHD shall at all times have the right to (i) maintain, relocate, reconstruct, remove, or redesign any and all improvements that are part of the Road Project, in which case the Partnering Agency shall reimburse ACHD fully for all associated costs; (ii) revoke any Cost Share Permit granted to the Partnering Agency to access any Highway or Public Right-of-Way; and (iii) immediately perform any and all emergency repairs or take other measures in connection with an emergency, in which case, the Partnering Agency shall reimburse ACHD fully for all associated costs. ACHD shall use best efforts to provide the Partnering Agency with advance notice before taking any of these steps.

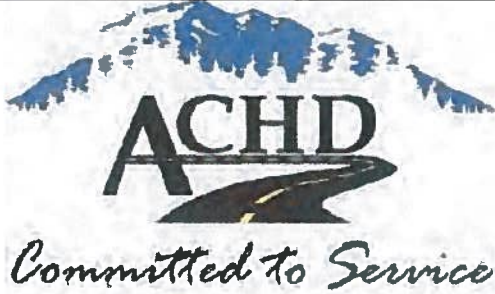
**Signature/Certification of Applicant**

The person signing below represents that he or she has the authority on behalf of the Partnering Agency to submit this Application and bind the Partnering Agency to the representations and certifications set forth herein.

Name: Matt Edmond  
Position: Project Manager  
Date: 14 January 2019



**ADA COUNTY HIGHWAY DISTRICT  
COST SHARE PERMIT**

	3775 Adams Street Garden City Idaho 83714 Phone (208) 387-6280 Facsimile (208) 387-6289	ACHD Contact Person: Name: David Rader 3775 Adams Street Garden City Idaho 83714 Phone: (208) 387-6249
<b>Date of Permit:</b> _____, 2018	<b>ACHD Project No.:</b>	<b>Permit No.:</b>

Capitalized terms that are not defined in this Permit shall have the meanings given to them in the  
ACHD Cost Share Ordinance No. 215.

**I. PARTNERING AGENCY INFORMATION**

<b>This permit is granted to:</b> _____  	<b>Partnering Agency Contact Person:</b> _____  
	Phone: _____ Email: _____

**II. ROAD PROJECT AND APPROVED NON-TRANSPORTATION COMPONENTS**

<b>Name/Location of ACHD Road Project:</b>  
<b>Approved Non-Transportation Components:</b>  Pursuant to this Permit, ACHD authorizes, and, as a condition of issuing this Permit, requires, the following Non-Transportation Components:

### **III. ACQUISITION OF RIGHT-OF-WAY**

**Conditions of acquisition/contribution of real property by Partnering Agency and/or reimbursement to ACHD by Partnering Agency for acquisition of real property:**

### **IV. DESIGN OF NON-TRANSPORTATION COMPONENTS**

**Party responsible for obtaining plans/design for Non-Transportation Components:**

**If Partnering Agency is responsible for providing plans/designs, deadline for submitting plans/designs to ACHD for approval:**

**Allocation of design costs for Non-Transportation Components (including, if applicable, any credits provided to Partnering Agency and application of any federal funding) and time for reimbursement, if applicable:**

### **V. CONSTRUCTION OF NON-TRANSPORTATION COMPONENTS**

**Description of construction work approved by ACHD to be completed by Partnering Agency (if applicable): (In addition to description, refer to designs and plans attached to this Permit as Exhibits, if applicable. If designs and plans are not complete at the time of**

**issuance of this Permit, they must be approved in writing by ACHD and shall thereafter be incorporated into this Permit.)**

**If Partnering Agency is responsible for all or a part of the construction of the Non-Transportation Components:**

**a. Date for submitting Partnering Agency's contractors and engineers to ACHD for approval:**

**b. Date for submitting Partnering Agency's contractors' and engineers' estimates to ACHD for approval:**

**c. Date for submitting Partnering Agency's contractors' and engineers' contracts to ACHD for approval:**

**Any modifications to the deadlines set forth above must be approved in writing by ACHD.**

**Allocation of construction costs for Non-Transportation Components, reconstruction costs of Transportation Components necessitated by the incorporation of Non-Transportation Components into the Road Project, ACHD construction, maintenance, administration, and overrun costs (including, if applicable, any credits provided to Partnering Agency and application of any federal funding), and time for reimbursement, if applicable:**

Partnering Agency shall be solely responsible for all construction costs for the Non-Transportation Components. Partnering Agency shall reimburse ACHD for the actual cost of all materials used and any other actual costs associated with the construction and installation of the Non-Transportation Components. Payment by Partnering Agency shall be made to ACHD within 30 days following submission of an invoice by ACHD to Partnering Agency identifying the work performed and charges incurred.

**Relocation of utilities to be completed by Partnering Agency (if any):**

It is anticipated that the placement, incorporation, and construction of the Non-Transportation Components will not necessitate the relocation of any utilities, and ACHD's contractor(s) shall make every effort to avoid utility relocation due to the Non-Transportation Components. However, in the event that utility relocation is unavoidable due to the Non-Transportation Components, Partnering Agency shall be solely responsible for the cost of such relocation.

**Storm water provisions (if applicable):**

**Schedule for completion of Road Project:**

## **VI. MAINTENANCE OF NON-TRANSPORTATION COMPONENTS**

**Maintenance requirements of Non-Transportation Components by Partnering Agency:**

*Additional conditions:*

- 1. This Permit does not extend to Partnering Agency the right to use any part of the ACHD Road Project area to the exclusion of ACHD for any use within its jurisdiction, authority, and discretion or of others to the extent authorized by law.*
- 2. In accessing any part of the Road Project that has been accepted as an open public highway (as the term "highway" is defined in Idaho Code Section 40-109(5)), Partnering Agency's authorized use is subject to the rights of the public to use the highway.*
- 3. The rights granted hereunder are subject to and subordinate to the rights of holders of easements of records and the statutory rights of utilities to use the right-of-way.*
- 4. This Permit does not preclude or impede the ability of ACHD to enter into or grant easements or license agreements allowing third parties to access the Road Project area, or the ability of ACHD to redesign, reconstruct, relocate, maintain, and improve the Road Project and right-of-way as it determines necessary, in its sole discretion.*
- 5. In consideration of the license granted by this Permit, Partnering Agency expressly covenants and agrees that the license granted herein is temporary and merely a permissive use of the ACHD right-of-way pursuant to the terms of this Permit. Partnering Agency assumes the risk that the license granted herein may be terminated before Partnering Agency has realized the economic benefit of the cost of installing, constructing, repairing, or maintaining the Non-Transportation Components, and by signing and accepting this Permit, Partnering Agency hereby waives and estops itself from asserting any claim, including damages or reimbursement, that the license is in any way irrevocable because Partnering Agency has expended funds on the Non-Transportation Components and the Permit has not been in effect for a period sufficient for Partnering Agency to realize the economic benefit from such expenditures.*



6. In the event Partnering Agency fails to replace, repair, maintain, and care for the Non-Transportation Components, ACHD shall have the following remedies in addition to any other recovery in law or in equity, provided that ACHD first gives Partnering Agency 30 days' notice and Partnering Agency fails to remedy such failure: (i) ACHD may revoke this Permit; (ii) ACHD may replace, maintain, and/or care for the Non-Transportation Components, and Partnering Agency shall reimburse ACHD fully for all associated costs; (iii) ACHD may remove, alter, redesign, or reconstruct the Non-Transportation Components or any part of the ACHD Road Project (including without limitation the right-of-way), and Partnering Agency shall reimburse ACHD fully for all associated costs; and (iv) ACHD may refuse to issue any further Cost Share Permits or any other permits for future ACHD Road Projects until Partnering Agency complies with the conditions of the Permit. In addition, in the event of an emergency caused by Partnering Agency's failure to perform required maintenance, ACHD may immediately perform any and all emergency repairs or take other measures in connection with an emergency, and Partnering Agency shall reimburse ACHD fully for all associated costs.

## VII. TERM

### Term of Permit:

## VIII. ADDITIONAL PROVISIONS APPLICABLE TO PROJECT

### Additional provisions:

This Permit provides the terms upon which the incorporation of the Non-Transportation Components into the Road Project are approved and supersedes any conflicting terms in Partnering Agency's Cost Share Application.

## IX. GENERAL CONDITIONS OF PERMIT

1. This Permit is issued conditioned upon Partnering Agency's compliance with ACHD's Cost Share Ordinance No. 215 and all certifications made by Partnering Agency pursuant to this Permit.

2. This Permit is subject to the provisions of state and federal law and ACHD's Cost Share Ordinance No. 215, in effect as of the date of issuance of this Permit (the "Applicable Law"). In the event of any conflict between this Permit and Applicable Law, Applicable Law shall govern. In the event that any part of the obligations of Partnering Agency or of ACHD in connection with the Road Project are determined to be illegal or unenforceable by a court of competent jurisdiction, the remaining obligations of Partnering Agency set forth in this Permit shall still be applicable. Future amendments and restatements of the Cost Share Ordinance shall not be applicable to this Permit.
3. If any portion of the ACHD Road Project (including without limitation any portion of the right-of-way) is damaged as a result of Partnering Agency's action or inaction with regard to the construction, operation, and/or maintenance of the Non-Transportation Components or the failure or neglect to construct, operate, and/or maintain the Non-Transportation Components, then Partnering Agency shall, at its sole cost and expense, correct such deficiency and restore the area to the same condition it was in prior thereto, and if Partnering Agency or its successors or assigns shall fail or neglect to commence such correction and restoration within 24 hours of notification thereof, ACHD may proceed to do so, in which event Partnering Agency shall reimburse ACHD for the costs and expenses thereof, including, without limitation, reasonable compensation for the use of staff and equipment of ACHD.
4. Partnering Agency shall be liable to ACHD for any and all damages, fines, fees, obligations to third parties, costs, expenses, attorney fees, or any other liabilities whatsoever resulting from Partnering Agency's failure to comply with any provision of this Permit and/or Cost Share Ordinance No. 215. Without limiting the foregoing in any manner, in the event Partnering Agency fails to comply with any provision of this Permit, then following any applicable notice and opportunity to cure set forth herein, ACHD shall have the right, in addition to all other rights and remedies elsewhere in this Permit, to redesign, replace, and/or reconstruct the Non-Transportation Components and/or the right-of-way underlying the Non-Transportation Components, and in such event, Partnering Agency shall reimburse ACHD for all associated costs. The obligations in this Section shall survive the expiration, revocation, and/or cancellation of this Permit for any reason.
5. Partnering Agency may delegate any of its responsibilities hereunder to any third party so long as it gives prior written notice to ACHD that specifies in detail what responsibilities are being delegated and identifies the third party. Notwithstanding any delegation to a third party, Partnering Agency shall remain and shall be ultimately responsible for the third party's compliance with the terms of this Permit, and no delegation shall absolve Partnering Agency of any duties or obligations of this Permit in any way. In addition, Partnering Agency fully assumes all legal risks of determining whether any such delegation is proper under applicable law and/or regulations, and shall not be absolved of any responsibilities under this Permit if it is unable to complete or maintain any such delegation for any reason.
6. Partnering Agency will protect, defend, indemnify, and hold ACHD and its officers, directors, employees, members, and agents harmless from and against any and all liability, suits, losses, damages, claims, actions, costs, and expenses of any nature, including court costs and attorney fees, arising from or out of any acts or omissions of Partnering Agency, its agents, or contractors related to or in connection with the Non-Transportation Components and the exercise of any privileges or performance of any obligations by Partnering Agency pursuant to the terms of this Permit. Partnering Agency's obligations in this Section shall survive the expiration, revocation, and/or cancellation of this Permit for any reason.
7. In the event the Non-Transportation Components will or may necessitate future maintenance,

repair, relocation, or replacement that is not the subject of this Permit, ACHD shall in its discretion issue Partnering Agency an amended or an additional Cost Share Permit to perform such work.

8. ACHD shall at all times have the right to relocate, reconstruct, remove, or redesign any and all improvements that are part of the Road Project. ACHD will use its best efforts to advise Partnering Agency of any anticipated actions within the Road Project that would be likely to cause a relocation, modification, or other adaptation of any of the Non-Transportation Components, and the parties, to the extent reasonably possible, shall agree to a priority schedule regarding the same and shall attempt to cooperate with respect to planning and coordination as related to any such relocation, modification, or other adaptation of any of the Non-Transportation Components. If ACHD ultimately determines that any part of the Road Project must be relocated, reconstructed, removed, or redesigned, then Partnering Agency, at its sole cost and expense, shall be responsible for relocating, reconstructing, removing, or redesigning the Non-Transportation Components, as required by ACHD, which shall be accomplished by Partnering Agency according to designs, plans, and specifications approved by ACHD in writing prior to any such work. Partnering Agency may also elect to remove all or a part of the Non-Transportation Components in lieu of any relocation, modification, or adaptation or to terminate this Permit as set forth in Section IX.10 below. Partnering Agency assumes any and all costs incurred by itself and ACHD relating to any future relocation of the Non-Transportation Components.
9. ACHD shall at all times have the right to revoke this and any other Cost Share Permit granted to Partnering Agency to access any Highway or Public Right-of-Way. In addition, ACHD may immediately perform any and all emergency repairs or take other measures in connection with an emergency, in which case Partnering Agency shall reimburse ACHD fully for all associated costs.
10. This Permit shall immediately be revocable and/or cancelable by ACHD by providing written notice to Partnering Agency upon the occurrence of any of the following: (i) a determination by ACHD that any of the information submitted by Partnering Agency in the Cost Share Application is false or inaccurate in any manner; (ii) a determination by ACHD that Partnering Agency has failed to comply with any term or provision of this Permit or any other permit granted by ACHD to Partnering Agency; or (iii) a determination by ACHD that Partnering Agency has failed to replace, maintain, and/or care for the Non-Transportation Components as required by the terms of this Permit. Except in an emergency situation, ACHD shall provide Partnering Agency with 30 days' prior written notice of the issue and an opportunity to comply prior to exercising such rights. Upon 60 days' prior written notice to ACHD, Partnering Agency may terminate this Permit, in which case the end-of-term conditions in Section VII shall apply.
11. The issuance of this Permit shall in no way obligate ACHD to provide Partnering Agency with additional permits or rights, nor shall ACHD be obligated to utilize provisions or rights set forth in this Permit in connection with additional permits or rights that it may elect to provide to Partnering Agency in the future.
12. All exhibits and any addenda to this Permit are incorporated herein.
13. This Permit is conditioned upon the signature of ACHD and Partnering Agency below.

## SIGNATURES

This Cost Share Permit is issued by the Ada County Highway District on the date set forth above:

### **Ada County Highway District:**

The person signing below represents that he or she has the authority on behalf of ACHD to issue this Permit and bind ACHD to the terms set forth herein.

---

By: Bruce S. Wong  
Its: Director

Acceptance/certification by Partnering Agency: The person signing below represents that he or she has the authority on behalf of Partnering Agency to accept and agree to the terms of this Permit and bind Partnering Agency to the terms set forth herein.

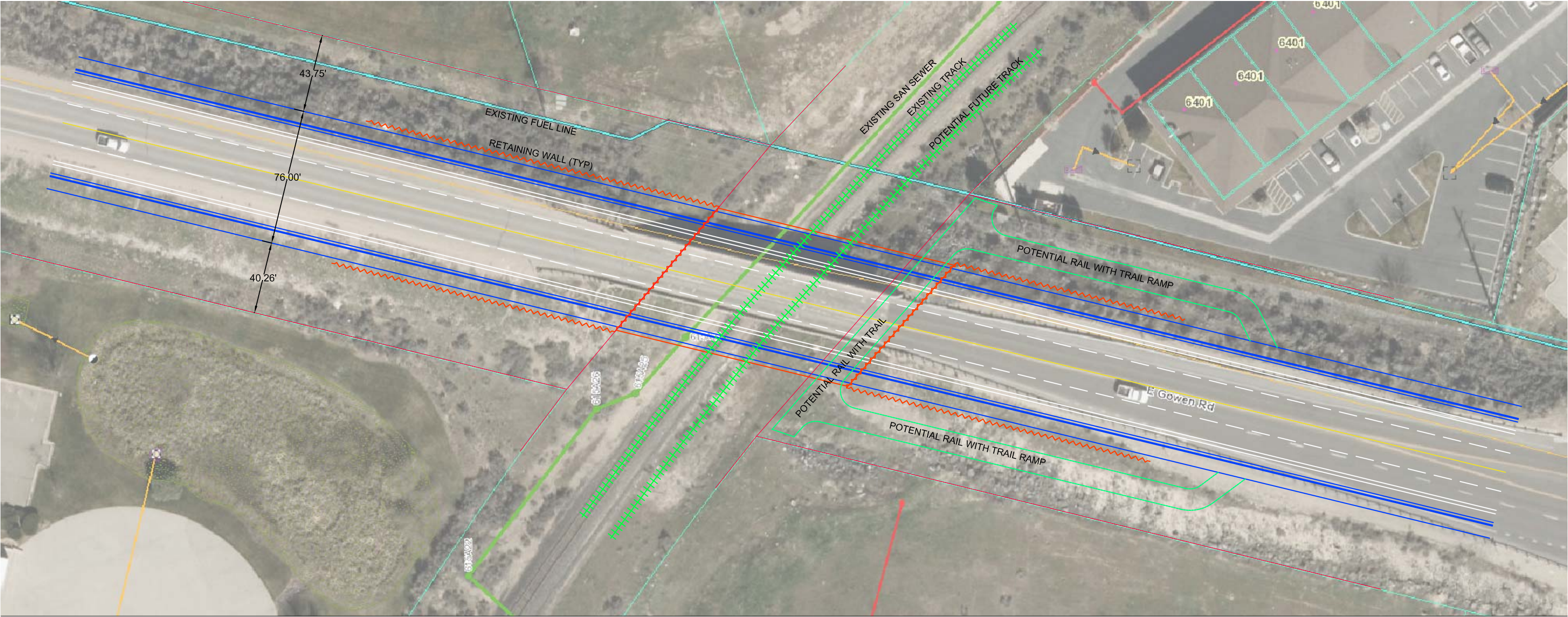
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By:  
Its:

### **Exhibits**

Exhibit A      Project Plans









# V. INFORMATION ITEMS



**DATE:** January 11, 2019

**TO:** Dana Zuckerman, Chair, and Board of Commissioners

**FM:** John Brunelle, Executive Director

**RE:** Agency Update

## **WESTSIDE DISTRICT**

**11th Street Bikeway - River Street to Washington Streets:** 11th Street has been identified in plans by City of Boise, CCDC, and ACHD as an important corridor for the west side of downtown Boise. It prioritizes cyclists, pedestrians, retail, business, and residents while accommodating existing vehicular use. Deficiencies in certain sections of streetscape exist on 11th Street in both Westside District and River Myrtle/Old Boise District.

**15th Street Utility Undergrounding and Conduit Bank:** Quadrant submitted plans to ACHD for review and approval. ACHD approval is expected in February.

Design and construction to underground utilities on 15th Street between Front Street and Bannock Street and install a conduit bank:

May 2018	Quadrant Consulting selected to draw plans and specifications
December 21, 2018	Plans and specs submitted to ACHD for review
March 2019	Formal bid for construction anticipated

**Traffic and Bike Lane Change – 8th Street from Bannock to State Street:** CCDC has collaborated with City of Boise and ACHD to arrive at a mutually preferred design concept. CCDC has hired Kittleson & Associates to perform a traffic and bike lane analysis to confirm the validity of the concept. Kittleson's work is completed. Jensen Belts Associates has completed the Design Review package. Project to be presented at council work session on January 15.

**11th and Bannock – Westside Urban Park:** The City of Boise is negotiating the land agreement with the property owner. The Master Development Agreement approved by CCDC Board in August 2018 is awaiting Council consideration once the land agreement is finalized. City of Boise Arts and History is preparing a call for artists, to be used in selecting an artist to produce and incorporate an artwork into the park.



On January 11, the design team and urban park feature met with the Working Group to begin creating ideas and plans for the park features. Selection of a Construction Manager / General Contractor (CM/GC) for an Urban Park project in the Westside District:

November 22, 2017	Request for Qualifications issued
November 23 & 30, 2017	Public notice in Idaho Statesman
December 8, 2017	Submissions due from licensed CM/GCs
January 8, 2018	Board approval of Wright Brothers as CM/GC
March 7, 2018	Contract executed; pre-construction services begin
Summer 2018	Project stalled
Fall 2018	City and property owner activity restarting, Agency on-hold and ready

**10th and Front Garage Concrete Repairs:** Guho Corp is scheduled to be substantially complete with the construction January 10, with final completion on January 17. Two-step process to contract for extensive concrete repairs. Prequalification process then bidding process. Construction in late-Summer 2018:

March 1, 2018	Request for Qualifications Issued
March 15, 2018	Statements of Qualifications due from licensed contractors
April 9, 2018	Board approved the list of prequalified contractors
May 8, 2018	Invitation to Bid given to 3 prequalified contractors
June 11, 2018	Board awards contract to lowest responsive bidder Guho Corp
July 27, 2018	Notice to Proceed
August 6, 2018	Construction commences
November 2018	Construction underway
December 2018	Change Order for additional work and more time
January 11, 2018	Substantial Completion
February 2019	Final Completion anticipated

**Public Art - Traffic Box Wraps:** CCDC is working on MOU with City of Boise Arts and History for traffic box wraps. Arts and History has issued the Call-To-Artists to select artists for the project. Selection panel scheduled for March 4 and content to be developed. CCDC is working on a T4 agreement with City of Boise.

**Streetscape Improvement Project – 11th Street:** Improvements that will complement and enhance the bikeway. \$1.9 million has been allocated during FY23 in Westside District and \$1.6



million has been allocated during FY23 in the River Myrtle/Old Boise District to fund construction of the planned improvements. To ensure that cooperative and coordinated solutions are developed by ACHD and CCDC in their respective planning processes, CCDC is conducting planning and design on a similar schedule to ACHD.

**Downtown Circulator Preliminary Engineering:** CCDC is partnering with City of Boise Public Works to split the costs of preliminary engineering for the Downtown Circulator project. City Project Manager Jim Pardy is planning to brief the Mayor late January or early February.

**1010 W. Jefferson – Ten Ten Building -- Agency Owned Property:** Building maintenance and operation unremarkable for December. Surface lot needing minor cleaning. Review of parking management underway. No tenant lease changes during the month.

**421 N. 10th – ISG/BSN Building - Agency Owned Property:** Building maintenance required repair of roof and one electrical outlet in December. Overall operation unremarkable for December. Surface lot needing minor cleaning. Agency trailer parked in surface lot for temporary storage. Boise GreenBike lease expired and tenant departed in November. No tenant lease changes during the month of December.

**11th and Front Garage – Pioneer Crossing – Agency Owned Property:** Transition of partnership from Gardner Company to Ball Ventures Ahlquist (BVA) completed. CCDC condo parking area completely sold out, capacity exists in BVA section. Facility operation and maintenance unremarkable for December.

## RIVER – MYRTLE / OLD BOISE DISTRICT

**6th and Front - Hotel and Parking Garage - PP Type 3, 5:** Front Street Investors requested a 90-day extension to the construction start date in the Disposition and Development Agreement. CCDC issued the extension in the form of a contract Amendment on December 27, 2018. The extension is allowed in the original contract terms and will extend the construction start date to April 1, 2019. The developers have requested that CCDC sign a Release Waiver pertaining to the Right of Reversion clause in the DDA, once construction has begun. Staff consulted with the Agency's legal counsel on this request, and the request and it does not present any issues. The Release Waiver is required by the Developer's lenders in order to secure final financing.

**505 W. Idaho Street - 5th Street - The Gibson (5th and Idaho Apartments) - PP Type 2, 4:** The Gibson is near completion with a scheduled certificate of occupancy soon. CCDC is working with the developer to schedule a CCDC tour this month. Staff will also start administering the Participation Agreement in regards to reimbursement and completion.

**535 S. 15th Street – River Street Lofts – PP Type 1:** Construction continues on the 10 townhomes. Framing using the "ICF" block materials is underway. The units are listed for between \$379,900 - \$420,000 according to the developer's website.

**5th and Grove Utility Undergrounding and Conduit Bank:** Idaho Power and Quadrant are working on preliminary plans and easement agreements. Plans are expected in March. Design and construction to underground utilities on 5th Street from Front Street to Main Street and install a conduit bank:

October 2018	Quadrant Consulting drawing plans and specifications
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2019	Project on hold due to lack of easements
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**Streetscape Improvement Project - Bannock Street, 9th to Capitol Blvd:** Jensen Belts Associates has completed the Design Review package. Project to be presented at council work session on January 15.

**Pedestrian Improvement Plan - Project Grove Street, 16th to 10th and 6th to 3rd:** Work is in process to collaborate with the City and design professionals to develop a vision statement and design ideas. CCDC has solicited proposals from design professionals for review.

**5th and Myrtle New Signalized Crossing:** Kittelson is working on a preliminary warrant analysis for 5th and Myrtle.

**CCDC Alley Program - 6th to 3rd between Main and Idaho:** CenturyLink removed its overhead lines on January 2. Idaho Power will remove the two remaining poles in the vicinity of 3rd Street; staff is awaiting an estimated completion date.

**CCDC Alley Program - Capitol to 6th between Grove and Main (Block 7):** CCDC and The Land Group are negotiating trash placement and screening, lighting options, and necessary easements with property owners. Staff will present the schematic concept to the Board at the February meeting.

**Public Art - Traffic Box Wraps:** CCDC is working on MOU with City of Boise Arts and History for traffic box wraps. Arts and History has issued the Call-To-Artists to select artists for the project. Selection panel scheduled for March 4 and content to be developed. CCDC is working on a T4 agreement with City of Boise.

**South 8th Street Arts Projects:** Artists selected through City of Boise, design professionals for design projects contracted by CCDC. Project schedules being reevaluated based on comments with the exception of the Simplot Alley work which will align with ACHD's permeable alley project in 2018. CTY Architects has provided revised design for tension sculpture based on Board comments. Bridge lighting installation and Simplot Alley are complete. CCDC is working with the City on MOU for murals in Simplot Alley and on 9th Street. A T4 agreement is in process between CCDC and City of Boise.

**Broad Street Central Addition Public Art:** Call-to-Artists to be issued and an artist selected for the project. CCDC and City of Boise working on T4 agreement.

**River Street Streetscape Improvements:** Construction complete. Substantial completion punch list items complete. Closeout documents are expected January 9 from Guho Corp. Design and construction of 2018 streetscape improvements on River Street between Ash Street and 12th Street:

October 24, 2017	RFP issued to three on-call design professional firms
November 28, 2017	The Land Group selected as the design professional of record
January 2018	Task Order with The Land Group for design documents.



	Note: Project costs are estimated at less than \$200k – informal bidding planned
March 31, 2018	90% CD Drawings and specifications completed
June 2018	City of Boise review for grading permits
July 25, 2018	Informal Bidding. Bid sets sent to three qualified contractors
August 7, 2018	Bids received. Contract award to Guho Corp, lowest responsive bidder
September 7, 2018	Notice to Proceed issued.
October 2018	Construction commenced Oct 1; 45 days to Substantial Completion
November 2018	Substantial Completion
December 2018	Final Completion; closeout paperwork in process

**Downtown Circulator Preliminary Engineering:** CCDC is partnering with City of Boise Public Works to split the costs of preliminary engineering for the Downtown Circulator project. City Project Manager Jim Pardy is planning to brief the Mayor late January or early February.

**2019 Streetscape Improvements Project – Bannock and 8th Street:** Design and construction of streetscape improvements on Bannock Street between 9th St. and Capitol, as well as along 8<sup>th</sup> Street from Bannock St. to Jefferson St.:

November 2018	Task Order with Jensen Belts for Design Development and Design Review
January 2019	Bundled in 2019 Streetscape Improvements package – CMGC process anticipated

**2019 6th Street Streetscape Improvements Project:** Design and construction of streetscapes on 6th Street between Main and Front streets:

October 9, 2018	RFP issued to three on-call design professional firms
November 5, 2018	The Land Group selected as design professional of record
December 2018	Task Order with final scope of work for project executed
January 2019	Bundled in 2019 Streetscape Improvements package – CMGC process anticipated

**503-647 S. Ash Street – Ash Street Apartments – Agency Sold PP Type 5:** Sold to deChase/Miksas in 2018 through RFP process. “Ash Street Apartments,” a new 34 workforce rental housing unit project is underway, should open 2019. Includes retail space. DDA includes reimbursing d/M upon completion.

**617 S. Ash Street – Hayman House – Agency Gifted:** Acquired 2011 for Pioneer Corridor project and preservation as historic home by CCDC. Agency stewardship, maintenance, and reinvestment completed in 2018. Given to city Arts and History department with \$270,000 cash grant from CCDC. Continued preservation assured per agreement with city and others. Arts and History department to utilize CCDC funding for improvements and own/maintain going forward.

**611 S. 8th Street – Afton Phase I – Agency Sold PP Type 5:** Acquired 2001 for redevelopment and sold in two steps in 2015 to RMH Company following 2013 RFP process. Completed and occupied. New restaurant, Kiwi Shake & Bake, opened in December at corner of 8th and River streets.

**620 S. 9th Street – Afton Phase II – Agency Sold PP Type 5:** Acquired 2001 for redevelopment and sold in two steps to RMH Company following 2013 RFP process. Construction underway. Final transaction planned for later in 2019.

**500 S. 8th Street – Trailhead – Agency Lease Property:** This 60 month (5 year) lease is entering year number four, which decreases the agency’s expenses related to utilities. Facility operations and maintenance continue at a normalized level, while event and user programming by Actuate Boise remains active in the new year.

## 30<sup>TH</sup> STREET DISTRICT

**25th and Fairview - Adare Manor Development - Designated PP:** The development is well under construction and may be complete by the end of 2019.

**2200 Fairview - New Path Community Housing - PP Type 1:** New Path opened to residents in November 2018. Staff is waiting to hear on a rescheduled date for the open house. CCDC has provided the project developer with information on the reimbursement process and expects to process the reimbursement in the next 30-60 days. The Type 1 Agreement not-to-exceed amount is \$120,000 for streetscape improvements.

**Public Art - Traffic Box Wraps:** CCDC working on MOU with City of Boise Arts and History for traffic box wraps. Arts and History has issued the Call-To-Artists to select artists for the project, with the selection panel scheduled for March 4. CCDC working on T4 agreement with City of Boise.

## SHORELINE

**New District – Shoreline:** The Shoreline District was approved by City Council December 4, with final reading December 18, and transmittal to State Tax Commission, Ada County, and taxing districts December 21. District establishment is complete.

## GATEWAY EAST

**New District – Gateway East:** The Gateway East Plan to develop east Boise industrial property was approved by City Council December 11, with final reading December 18, and transmittal to State Tax Commission, Ada County, and taxing districts December 21. District establishment is complete.





## AGENCY WIDE – ALL DISTRICTS

**9th and Main Garage – Bike Storage Facility:** CCDC issued a formal invitation to bid on December 19, with a pre-bid meeting on January 9. Bid opening is January 23. Professional Services Agreement for Special Inspections during construction of the 9th and Main Garage Bike Storage Facility. Design and construct secure bike storage facility in the 9th and Main Parking Garage:

April 2018	CTY Studio selected for design services
October 2018	Plans submitted to Boise City for building permits
December 19, 2018	Formal bid issued
January 9, 2019	Pre-Bid Meeting
January 23, 2019	Bid Due Date

**Parking Garage Design Guidelines Update:** CCDC has solicited a proposal from consultant Kimley-Horn. Kimley-Horn is under contract and is beginning work on guideline updates. CCDC has received final comments from stakeholders and has passed them on to Kimley-Horn. Kimley-Horn to incorporate updated comments and provide CCDC with an updated guideline draft for review.

**Parking Rate Examination:** The wait lists have been reduced from nearly 1,300 to 66 currently. Demand is still strong for spaces in 9th and Main, and the hope is to divert some of that demand to other facilities. The FY19 budget was adopted without any rate parking adjustments. If issues arise in a specific facility, staff may bring rate adjustments forward for Board consideration for FY20.

**Park and Ride Shuttle:** Shuttle registration remains at 101; as does ridership of 15-17 per day. CCDC and City staff met with mobility representatives from Ada County and St. Luke's to discuss their mobility needs and solutions. While both entities supported and promoted the shuttle service, it is fair to say that neither employee group will shift towards using the service anytime soon. The next initiative is to finalize and launch an outreach/marketing campaign for the service, led by City Hall. This is expected to be complete by the end of March.

**Capitol and Main Parking Garage – Elevator Modernization:** Design and refurbish the two elevators in the Capitol and Main Parking Garage:

June 2018	Task Order with Hummel Architects for design services
October 2, 2018	Bid issued. Project estimate exceeds \$200k. Formal bidding
October 19, 2018	Addendum No. 1 issued extending the Bid deadline to October 30
October 30, 2018	Two sealed bids received
December 10, 2018	Agency Board considered contract award to lowest responsive bidder Schindler Elevator Corporation – deferred to January 14
January 14, 2019	Board to consider contract award after receiving further information

	about the scope of elevator repairs
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**LED Lighting Upgrades – Capitol and Main – 9th and Main Garages:** Design and install new LED lighting in the Capitol and Main and 9th and Main Parking Garages:

October 2018	CSHQA selected for design services
January 2019	Project estimate is less than \$200,000 – informal bidding planned

**Public Outreach – On-Line Information:** Updated URD maps added to ccdcoise.com. Task Order Amendment for mapping of all districts, including Shoreline and Gateway; and to add additional functional upgrades and features to website. Regular content updates to agency and individual district URLs completed. Task Order issued to Synoptek to add “monthly parker” navigation at parkboi.com.

**Public Outreach – Social Media:** Multiple entries posted to agency accounts as needed during the month of December.

**Public Outreach – Reporting and Presentations:** Presentations by CCDC at city council and planning/zoning meetings occurred in December. CCDC presented at DBA monthly meeting in November. CCDC will present at BOMA meeting in January.

**Participation Program Revisions:** Staff presented the Participation Program Updates at the December Board meeting as an Informational Item. The updates primarily revise the Type 2 reimbursement to increase the incentive for income-qualified housing developments by increasing the term of reimbursement. The updates also added criteria to the awning requirements to qualify as an eligible expense, and updated the Type 1 funding requirement to become a match of private development investment up to \$200,000. Lastly, the program will only allow the use of one Participation Type, and some definitions were clarified. Staff was asked by two of the Commissioners to present the program and the updates to City Council. Staff presented at the January 8 City Council Work Session. Staff is integrating Board feedback from the December Board Meeting, and will be presenting the updates for final approval at the January 14 Board Meeting.