



**BOARD  
OF  
COMMISSIONERS  
MEETING  
February 13, 2023**

# CAPITAL CITY DEVELOPMENT CORPORATION

Board of Commissioners Meeting  
Board Room, Fifth Floor, 121 N. 9<sup>th</sup> Street  
February 13, 2023, 12 p.m.

Virtual attendance via live stream available at <https://ccdcboise.com/board-of-commissioners/>

## A G E N D A

I. **CALL TO ORDER** .....Chair Haney Keith

II. **ACTION ITEM: AGENDA CHANGES/ADDITIONS** .....Chair Haney Keith

### III. WORK SESSION

A. Trailhead Annual Report ..... Tiam Rastegar, Trailhead Executive Director (10 minutes)

B. 521 W Grove Street Public Space. Public Survey Results  
..... Karl Woods/Aaron Mondada (15 Minutes)

### IV. ACTION ITEM: CONSENT AGENDA

A. Expenses  
1. Approve Paid Invoice Report for January, 2023

B. Minutes and Reports  
1. Approve Meeting Minutes for January 11, 2023

C. Other  
1. Approve Resolution: 1811 Records Destruction

### V. ACTION ITEM

A. CONSIDER Annual Independent Audit of FY 2022 Financial Statements  
..... Kevin Smith, Eide Bailly (5 minutes)

B. CONSIDER Election of Board Officers - Chair, Vice-Chair, Secretary/Treasurer  
..... Chair Haney Keith (5 minutes)

C. CONSIDER Approve Executive Committee Charge .....Chair Haney Keith (5 minutes)

D. CONSIDER Designation: 521 W Grove Street Public Space. Type 4 Capital Project Coordination for  
Public Art: Celebrating the Multi-cultural History of Old Boise with City of Boise Arts & History  
..... Karl Woods/Stephanie Johnson (10 minutes)

### VI. ADJOURN

*This meeting will be conducted in compliance with the Idaho Open Meetings Law and will allow both in-person and virtual attendance. In addition, consistent with the Center for Disease Control COVID-19 guidelines, people with symptoms, a positive test, or exposure to someone with COVID-19 should stay home or wear a mask. 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. WORK SESSION**



# **IV. CONSENT AGENDA**



## Paid Invoice Report

For the Period: 1/1/2023 through 1/31/2023

Payee	Description	Payment Date	Amount
<b>Debt Service:</b>			
<b>Payroll:</b>			Total Debt Payments: -
EFTPS - IRS	Federal Payroll Taxes	1/11/2023	16,504.04
Idaho State Tax Commission	State Payroll Taxes	1/11/2023	2,317.00
PERSI	Retirement Payment	1/11/2023	22,524.41
CCDC Employees	Direct Deposits Net Pay	1/11/2023	41,857.92
EFTPS - IRS	Federal Payroll Taxes	1/25/2023	16,516.06
Idaho State Tax Commission	State Payroll Taxes	1/25/2023	2,323.00
CCDC Employees	Direct Deposits Net Pay	1/25/2023	41,939.92
PERSI	Retirement Payment	1/25/2023	22,424.41
Total Payroll Payments:			166,406.76
<b>Checks and ACH</b>			
Various Vendors	Check and ACH Payments (See Attached)	January 2023	1,652,573.53 <sup>A</sup>
Total Cash Disbursements:			<u>\$ 1,818,980.29</u>

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

Joey Chen

Finance Director

2/4/2022

Date

John Brunelle

Executive Director

2/7/2023

Date

Report Criteria:  
Detail report type printed

Vendor Number	Name	Invoice Number	Description	Invoice Date	Amount	Check Number	Check Issue Date
4194	Aaron Nelson	01.18.2023	LV World of Concrete 1/15-	01/26/2023	292.22	12799	01/27/2023
	Total 4194:				292.22		
4136	Abbey Louie LLC	314	Management Training FY2	12/30/2022	5,000.00	12783	01/31/2023
	Total 4136:				5,000.00		
4082	Acme Fast Freight	1600010928	11th & Front garage CAM e	11/01/2022	2,548.76	12767	01/12/2023
		1600011049	11th & Front garage CAM e	12/01/2022	2,548.76	12767	01/12/2023
		1600011211	11th & Front garage CAM e	01/01/2023	2,548.76	12767	01/12/2023
	Total 4082:				7,646.28		
3659	Ada County	JAN 2023 #1	Jan 2023 Master Ground	01/12/2023	13,133.50	64317	01/27/2023
		JAN 2023 #1	Jan 2023 Surplus Ground	01/12/2023	14,669.50	64317	01/27/2023
		JAN 2023 #2	Jan 2023 Master Ground	01/12/2023	32,600.00	64317	01/27/2023
		JAN 2023 #2	Jan 2023 Surplus Ground	01/12/2023	13,515.00	64317	01/27/2023
	Total 3659:				73,918.00		
3838	American Fire Protection L	14278	Service call - sprinkler work	12/23/2022	708.75	64318	01/27/2023
		14283	Monthly pump inspection &	12/23/2022	200.00	64318	01/27/2023
		14304	Replace Valve & Drim Drip	12/30/2022	7,327.50	64318	01/27/2023
		14372	Monthly pump inspection &	01/17/2023	200.00	64318	01/27/2023
		14375	Service call & Air Compres	01/17/2023	5,730.00	64318	01/27/2023
	Total 3838:				14,166.25		
1316	Blue Cross of Idaho	2233900002	Health Insurance - Jan 202	01/01/2023	30,483.00	64306	01/01/2023
	Total 1316:				30,483.00		
1385	Boise City Utility Billing	X1177JAN23	848 Main St # 0447416001	01/01/2023	9.32	12800	01/26/2023
	Total 1385:				9.32		
4022	Boxcast Inc	B57F3A3-00	storage fees	12/30/2022	34.51	12768	01/30/2023
	Total 4022:				34.51		
3712	Car Park	NOV22	10th & Front - Grove	11/30/2022	24,165.94	12784	01/31/2023
		NOV22	9th & Front - City Centre	11/30/2022	35,897.06	12784	01/31/2023
		NOV22	9th & Main - Eastman	11/30/2022	25,550.69	12784	01/31/2023
		NOV22	Cap & Main - Cap Terrace	11/30/2022	32,002.02	12784	01/31/2023
		NOV22	Cap & Myrtle - Myrtle	11/30/2022	18,921.87	12784	01/31/2023
	Total 3712:				136,537.58		
4200	Cascade Enterprises Inc.	3438 APP #7	ParkBOI Handrail & Guardr	12/25/2022	27,998.40	12785	01/31/2023
		3459 APP #8	ParkBOI Handrail & Guardr	12/31/2022	20,342.05	12785	01/31/2023
	Total 4200:				48,340.45		

Vendor Number	Name	Invoice Number	Description	Invoice Date	Amount	Check Number	Check Issue Date
1556	Caselle Inc.	121199	Contract support - Jan 202	01/01/2023	866.00	64307	01/01/2023
Total 1556:					866.00		
1595	City of Boise	IL2022	Downtown Core Maint - R	11/30/2022	433.30	64319	01/27/2023
		IL2022	Downtown Core Maint - W	11/30/2022	213.42	64319	01/27/2023
		IL2037	Trash - Sept WS	12/31/2022	191.08	64319	01/27/2023
		IL2037	Trash - RMOB	12/31/2022	387.94	64319	01/27/2023
Total 1595:					1,225.74		
1643	Community Planning Assoc	223032	FY23 2nd qtr Membership	01/31/2023	2,400.00	12769	01/30/2023
Total 1643:					2,400.00		
3947	Crane Alarm Service	103126	Fire Alarm System - annual	12/16/2022	2,600.00	64320	01/27/2023
Total 3947:					2,600.00		
3977	Cushing Terrell Architects	173444	Parking Garage EV Chargi	12/31/2022	662.00	12770	01/30/2023
Total 3977:					662.00		
1832	Eide Bailly LLP	EI01425333	CCDC IT Penn Test	12/21/2022	8,191.00	12786	01/31/2023
Total 1832:					8,191.00		
1838	Elam & Burke P.A.	199375	Block 68	11/30/2022	11,472.10	12787	01/31/2023
		199376	101-0 General	11/30/2022	180.00	12787	01/31/2023
Total 1838:					11,652.10		
4155	Front Street Investors LLC	FY23 T3 PO2	T3 Contractual Pmt Home2	01/17/2023	157,500.00	12788	01/31/2023
Total 4155:					157,500.00		
1982	GGLO LLC	#16 2021031	Linen Blocks on Grove Stre	11/21/2022	3,966.25	12789	01/31/2023
		#16 2021031	Linen Blocks on Grove Stre	11/21/2022	6,243.75	12789	01/31/2023
		#17 2021031	Linen Blocks on Grove Stre	11/30/2022	9,137.50	12789	01/31/2023
		#17 2021031	Linen Blocks on Grove Stre	11/30/2022	1,306.25	12789	01/31/2023
		18	Linen Blocks on Grove Stre	12/31/2022	13,247.25	12789	01/31/2023
Total 1982:					33,901.00		
3695	Guho Corp.	21066-07	Linen Blocks on Grove SS	12/31/2022	15,528.78	12790	01/31/2023
		220101075-0	Linen Blocks on Grove SS	11/30/2022	112,705.90	12790	01/31/2023
		220101075-0	Linen Blocks on Grove SS	12/31/2022	150,037.96	12790	01/31/2023
Total 3695:					278,272.64		
4115	HDR Engineering Inc	1200486741	Main & Fairview Transit Sta	11/30/2022	2,473.50	12771	01/30/2023
Total 4115:					2,473.50		
2132	Idaho Business Review	1006946410	Top Projects Sponsorship	11/30/2022	1,020.00	12772	01/30/2023

Vendor Number	Name	Invoice Number	Description	Invoice Date	Amount	Check Number	Check Issue Date
Total 2132:					1,020.00		
2165	Idaho Power	6607 DEC.22	9th St outlets #220040660	12/31/2022	6.70	12798	01/23/2023
		X2872 DEC2	701 S 8th St 2226702872	12/31/2022	13.36	12796	01/23/2023
		X2906 DEC2	703 S 8th St 2226702906	12/31/2022	22.89	12795	01/23/2023
		X7995 DEC.	9th & State # 2201627995	12/31/2022	3.51	12797	01/20/2023
Total 2165:					46.46		
3900	Idaho Records Manageme	0153207	Records Storage	01/03/2023	45.00	12773	01/30/2023
Total 3900:					45.00		
2240	Intermountain Gas Compa	6074007615	703 S 8th St #6074007615	12/21/2022	10.03	64321	01/27/2023
Total 2240:					10.03		
2288	Jensen Belts Associates	2105 CD-4	Old Boise Blocks on Grove	12/31/2022	17,957.00	12791	01/31/2023
		2114.CA-6	11th Street Bikeway & Stre	12/31/2022	15,506.25	12791	01/31/2023
		2114.CA-6	11th Street Bikeway & Stre	12/31/2022	13,781.25	12791	01/31/2023
		2244-3	521 W Grove Public Space	12/31/2022	6,037.50	12791	01/31/2023
Total 2288:					53,282.00		
2360	Kittelson & Associates Inc.	0131467	5th & 6th Two-Way Conver	11/30/2022	6,897.50	12792	01/31/2023
		0131920	8th St Improvements, State	11/30/2022	1,488.75	12792	01/31/2023
Total 2360:					8,386.25		
3427	landscapeforms	164847	Brick Yard Trash Can	11/09/2022	2,210.00	64322	01/27/2023
Total 3427:					2,210.00		
3881	Mary E. Watson	12.29.2022	Annual membership ISB 1/	12/29/2022	450.00	12766	01/05/2023
		12.29.2022	IPPA Membership Dues	12/29/2022	30.00	12766	01/05/2023
Total 3881:					480.00		
3950	McAlvain Construction Inc.	12101016.1	11th Street Bikeway & Stre	12/31/2022	357,381.76	12793	01/31/2023
		12101016.2	11th Street Bikeway & Stre	12/31/2022	357,754.78	12793	01/31/2023
Total 3950:					715,136.54		
2186	McClatchy Company LLC	166038	Legal Notice	12/31/2022	28.14	12774	01/30/2023
Total 2186:					28.14		
2798	Quadrant Consulting Inc.	12396	Old Boise - Grove Street C	12/31/2022	996.00	12775	01/30/2023
		12397	17th Street Improvements	12/31/2022	138.00	12775	01/30/2023
Total 2798:					1,134.00		
3896	Rim View LLC	JAN2023	Monthly Rent - Trailhead J	01/01/2023	15,707.50	64308	01/01/2023
Total 3896:					15,707.50		



Vendor Number	Name	Invoice Number	Description	Invoice Date	Amount	Check Number	Check Issue Date
3796	Scheidt & Bachmann USA I	49682	Nov 2022 Merchant Fee	11/30/2022	970.92	12776	01/30/2023
Total 3796:					970.92		
3542	Security LLC - Plaza 121	JAN2023	Office rent	01/01/2023	14,145.00	64309	01/01/2023
Total 3542:					14,145.00		
4162	Spray on Solutions Inc	RENTION P	Fireproofing Capital and M	12/20/2022	800.00	64323	01/27/2023
Total 4162:					800.00		
3974	Stability Networks Inc.	42515	IT Services - FY23	01/01/2023	3,128.50	12777	01/30/2023
		42717	AppRiver SecureTide	12/31/2022	89.00	12777	01/30/2023
		42717	Azure Active Directory Pre	12/31/2022	6.00	12777	01/30/2023
		42717	Cisco Subscription	12/31/2022	5.84	12777	01/30/2023
		42717	M365 Apps for Business	12/31/2022	404.30	12777	01/30/2023
		42717	Cloud Backup	12/31/2022	495.00	12777	01/30/2023
		42717	Exchange Online	12/31/2022	32.00	12777	01/30/2023
Total 3974:					4,160.64		
4109	Syringa Networks LLC	20339 JAN23	internet & data - january 20	01/01/2023	652.70	12778	01/30/2023
Total 4109:					652.70		
3831	The Land Group Inc.	0149420	Fulton Street Improvement	12/31/2022	2,805.00	12779	01/30/2023
		0149502	Boise Canal Multi-Use Pat	12/31/2022	1,022.50	12779	01/30/2023
Total 3831:					3,827.50		
4074	The Potting Shed	21485	Interior Plant Maint.	12/31/2022	65.00	64324	01/27/2023
Total 4074:					65.00		
4009	TML Heating & Air Conditio	12964	Planned Maintenance	12/13/2022	59.00	64325	01/27/2023
Total 4009:					59.00		
3170	Treasure Valley Coffee Inc	2160:086813	Water & Cooler Rental	01/03/2023	106.00	12780	01/30/2023
Total 3170:					106.00		
3233	United Heritage	02014-001 J	Disability insurance - Jan 2	01/01/2023	1,478.44	64326	01/27/2023
Total 3233:					1,478.44		
3835	US Bank - Credit Cards	12.26.22	Recruitment expense	12/01/2022	202.00	12765	01/13/2023
		12.26.22	voice, data, webhosting sv	12/01/2022	18.99	12765	01/13/2023
		12.26.22	Office supplies	12/01/2022	790.62	12765	01/13/2023
		12.26.22	Computer & software suppl	12/01/2022	720.72	12765	01/13/2023
		12.26.22	Postage	12/01/2022	120.00	12765	01/13/2023
		12.26.22	Dues & Subscriptions	12/01/2022	728.99	12765	01/13/2023
		12.26.22	Travel & meeting (non-local	12/01/2022	1,082.25	12765	01/13/2023
		12.26.22	Personnel Training (Local)	12/01/2022	54.00	12765	01/13/2023
		12.26.22	Local Meetings & Transport	12/01/2022	1,462.82	12765	01/13/2023
		12.26.22	Professional Services Gen	12/01/2022	489.00	12765	01/13/2023

Vendor Number	Name	Invoice Number	Description	Invoice Date	Amount	Check Number	Check Issue Date
		12.26.22	Rebuild Linen Blocks	12/01/2022	492.90	12765	01/13/2023
		12.26.22	11th Street	12/01/2022	198.30	12765	01/13/2023
		12.26.22	11th Street	12/01/2022	198.30	12765	01/13/2023
		12.26.22	Banking & Merchant Fees	12/01/2022	86.80	12765	01/13/2023
Total 3835:					6,645.69		
3242	Veolia (Suez Water Idaho)	0025DEC22	437 S 9th St irri #06006688	12/31/2022	30.73	12801	01/27/2023
		2853DEC22	Eastman office #06000337	12/31/2022	53.86	12802	01/27/2023
		4259DEC22	516 S 9th St irri #06006391	12/31/2022	30.73	12804	01/30/2023
		8504DEC22	Grove & 10th #060035756	12/31/2022	52.22	12803	01/27/2023
Total 3242:					167.54		
3997	Wash Worx	INV-001148	bench repair-WS	12/26/2022	780.00	12781	01/30/2023
Total 3997:					780.00		
3365	Westerberg & Associates	265	Legislative Advisement Ser	12/30/2022	5,000.00	12794	01/31/2023
Total 3365:					5,000.00		
3990	Xerox Corporation	017820834	Cancellation Notice 9/30/2	11/01/2022	57.59	12782	01/30/2023
Total 3990:					57.59		
Grand Totals:					1,652,573.53	A	

Report Criteria:  
Detail report type printed

MINUTES OF MEETING  
BOARD OF COMMISSIONERS  
CAPITAL CITY DEVELOPMENT CORPORATION  
Conference Room, Fifth Floor, 121 N. 9<sup>th</sup> Street  
Boise, ID 83702  
January 11, 2023

**I. CALL TO ORDER:**

Chair Haney Keith convened the meeting with a quorum at 10:02 a.m.

Roll Call attendance taken:

Attending Remote: Commissioner John Stevens, Commissioner Lauren McLean, Commissioner Haney Keith, Commissioner Alexis Townsend, Commissioner Ryan Erstad.

Absent: Commissioner Rob Perez and Commissioner Danielle Hurd

Agency staff members present: John Brunelle, Executive Director; Doug Woodruff, Development Director; Kevin Holmes, Project Manager – Property Development; Alexandra Monjar, Project Manager – Property Development, Amy Fimbel, Project Manager – Capital Improvements, Zach Piepmeyer, P.E., Parking & Mobility Director, Jordyn Neerdaels, Communication Manager, Joey Chen, Finance & Administration Director; Mary Watson, General Counsel, Sandy Lawrence Executive Assistant; and Agency legal counsel, Meghan Sullivan Conrad.

Kathy Griesmyer, Government Affairs Director, City of Boise, present.

**II. ACTION ITEM: AGENDA CHANGES/ADDITIONS:**

There were no changes or additions made to the agenda.

**III. WORK SESSION:**

**A. Linen Blocks on Grove Street Project Update**

Amy Fimbel, Project Manager – Capital Improvements and Kevin Holmes, Project Manager, gave a report.

Commissioner Erstad disclosed his wife owns property along Grove Street so he will be recusing himself from discussion and voting on items related to the Linen Blocks on Grove Street Project.

**IV. ACTION ITEM: CONSENT AGENDA**

**A. Expenses**

1. Approval of Paid Invoice Report – December 2022

**B. Minutes and Reports**

1. Approval of December 12, 2022, Meeting Minutes

### **C. Other**

1. Approve Resolution 1805 - 1015 Main Street - Smith Block Building - Type 1 Participation Agreement
2. Approve Resolution 1808 - 818 W Ann Morrison Park Dr - Capitol Student Housing - Type 2 Participation Agreement
3. Approve Resolution 1806 - Valley Regional Transit Board - Designate Agency Representatives

Commissioner Stevens made a motion to approve the consent agenda.

Commissioner McLean seconded the motion.

Roll Call:

Commissioner Townsend - Aye

Commissioner Stevens - Aye

Commissioner Erstad - Aye

Commissioner McLean - Aye

Commissioner Haney Keith - Aye

The motion carried 5 - 0.

### **V. ACTION ITEM**

#### **A. CONSIDER: Resolution 1802 - Linen Blocks on Grove Street Streetscape Improvement Project - Interagency Agreement with the Ada County Highway District for Construction Services**

Amy Fimbel, Project Manager – Capital Improvements, gave a report.

Commissioner McLean moved to adopt Resolution 1802 approving and authorizing the execution of an Interagency Agreement with the Ada County Highway District for construction services associated with the Agency's Linen Blocks on Grove Street Streetscape Improvement Project.

Commissioner Townsend seconded the motion.

Roll Call:

Commissioner Townsend - Aye

Commissioner Stevens - Aye

Commissioner Erstad - Abstain

Commissioner McLean - Aye

Commissioner Haney Keith - Aye

The motion carried 4 - 0 - 1.

#### **B. CONSIDER: Resolution 1804 - Linen Blocks on Grove Street Streetscape Improvement Project - Amendment No. 2 to the CM/GC Contract with Guho Corp.**

Amy Fimbel, Project Manager – Capital Improvements, gave a report.

Commissioner McLean moved to adopt Resolution 1804 approving and authorizing the execution of Amendment No. 2 to the CM/GC Contract with Guho Corp. for the Linen Blocks on Grove Street Streetscape Improvement Project.

Commissioner Townsend seconded the motion.

Roll Call:

Commissioner Townsend - Aye  
Commissioner Stevens - Aye  
Commissioner Erstad - Abstain  
Commissioner McLean - Aye  
Commissioner Haney Keith - Aye

The motion carried 4 - 0 - 1.

**C. CONSIDER: Resolution 1803 - Task Order 19-004 with GGLO for Professional Design Services for the Linen Blocks on Grove Street Streetscape Improvements Project**

Amy Fimbel, Project Manager – Capital Improvements, gave a report.

Commissioner McLean moved to adopt Resolution 1803 approving Task Order 19-004 with GGLO for construction administration services for the Linen Blocks on Grove Street Streetscape Improvement Project.

Commissioner Stevens seconded the motion.

Roll Call:

Commissioner Townsend - Aye  
Commissioner Stevens - Aye  
Commissioner Erstad - Abstain  
Commissioner McLean - Aye  
Commissioner Haney Keith - Aye

The motion carried 4 - 0 - 1.

**D. CONSIDER: Linen Blocks on Grove Street Public Art - Type 4 Participation Designation**

Amy Fimbel, Project Manager – Capital Improvements, gave a report.

Commissioner McLean moved to direct staff to continue negotiating a final Type 4 Capital Improvement Contribution Agreement with City of Boise for Linen Blocks on Grove Street Public Art – Partnership with Boise Arts & History.

Commissioner Townsend seconded the motion.

Roll Call:

Commissioner Townsend - Aye  
Commissioner Stevens - Aye  
Commissioner Erstad - Abstain  
Commissioner McLean - Aye  
Commissioner Haney Keith - Aye

The motion carried 4 - 0 - 1.

**E. CONSIDER: Resolution 1807 - Task Order 19-005 with Kittelson & Associates, Inc. for Professional Design Services for the 5th & 6th Street Two-Way Conversion Project**

Zach Piepmeyer, P.E., Parking & Mobility Director and Kathy Griesmyer, Government Affairs Director, City of Boise, gave a report.

Commissioner McLean moved to adopt Resolution 1807 approving and authorizing the execution of Task Order 19-005 with Kittelson & Associates, Inc., for Professional Design Services on the 5th Street and 6<sup>th</sup> Street Two-Way Conversion Project.

Commissioner Erstad seconded the motion.

Roll Call:

Commissioner Townsend - Aye  
Commissioner Stevens - Aye  
Commissioner Erstad - Aye  
Commissioner McLean - Aye  
Commissioner Haney Keith - Aye

The motion carried 5 - 0.

**F. CONSIDER: 200 N 4th St - ICCU Plaza - Type 2 Participation Designation**

Kevin Holmes, Project Manager – Property Development, gave a report.

Commissioner McLean moved to direct staff to negotiate a final Type 2 Participation Agreement with BVA Downtown Boise Holdings, LLC for future board approval.

Commissioner Stevens seconded the motion.

Roll Call:

Commissioner Townsend - Aye  
Commissioner Stevens - Aye  
Commissioner Erstad - Aye  
Commissioner McLean - Aye  
Commissioner Haney Keith - Aye

The motion carried 5 - 0.

**G. CONSIDER: 120 N. 12th St - 12th & Idaho - Type 2 Participation Designation**

Alexandra Monjar, Project Manager – Property Development, gave a report.

Commissioner Stevens moved to direct staff to negotiate a final Type 2 Participation Agreement with 12th and Idaho Owner LLC for future board approval.

Commissioner Erstad seconded the motion.

Roll Call:

Commissioner Townsend - Aye

Commissioner Stevens - Aye

Commissioner Erstad - Aye

Commissioner McLean - Aye

Commissioner Haney Keith - Aye

The motion carried 5 - 0.

**V. MEETING ADJOURNMENT**

There being no further business to come before the Board, a motion was made by Commissioner Stevens to adjourn the meeting. Commissioner Townsend seconded the motion.

The meeting adjourned at 11:13 a.m.

ADOPTED BY THE BOARD OF DIRECTORS OF THE CAPITAL CITY DEVELOPMENT CORPORATION ON THE 13th DAY OF FEBRUARY 2023.

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Latonia Haney Keith, Chair

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Lauren McLean, Secretary

## RESOLUTION NO. 1811

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, APPROVING THE DESTRUCTION OF CERTAIN RECORDS ELIGIBLE FOR DESTRUCTION PURSUANT TO THE PUBLIC RECORD RETENTION POLICY APPROVED ON MARCH 13, 2017, THROUGH THE ADOPTION OF RESOLUTION NO. 1487; AUTHORIZING THE EXECUTIVE DIRECTOR TO DESTROY THOSE RECORDS CURRENTLY ELIGIBLE FOR DESTRUCTION; 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 on the River Street-Myrtle Street Urban Renewal Plan (the "River Street Plan"), and following said public hearing the City adopted its Ordinance No. 5596 on December 6, 1994, approving the River Street Plan and making certain findings; and,

WHEREAS, the City, after notice duly published, conducted a public hearing on the First Amended and Restated Urban Renewal Plan, River Street-Myrtle Street Urban Renewal Project (annexation of the Old Boise Eastside Study Area and Several Minor Parcels) and Renamed River Myrtle-Old Boise Urban Renewal Project (the "River Myrtle-Old Boise Plan"); and,

WHEREAS, following said public hearing the City adopted its Ordinance No. 6362 on November 30, 2004, approving the River Myrtle-Old Boise Plan and making certain findings; and,

WHEREAS, the City, after notice duly published, conducted a public hearing on the First Amendment to the First Amended and Restated Urban Renewal Plan, River Street-Myrtle Street Urban Renewal Project and Renamed River Myrtle-Old Boise Urban Renewal Project ("First Amendment to the River Myrtle-Old Boise Plan"); and,

WHEREAS, following said public hearing, the City adopted its Ordinance No. 24-18 on July 24, 2018, approving the First Amendment to the River Myrtle-Old Boise Plan deannexing certain parcels from the existing revenue allocation area and making certain findings; and,

WHEREAS, the City, after notice duly published, conducted a public hearing on the Westside Downtown Urban Renewal Plan (the "Westside Plan"), and following said public hearing the City adopted its Ordinance No. 6108 on December 4, 2001, approving the Westside Plan and making certain findings; and,

WHEREAS, the City after notice duly published, conducted a public hearing on the 30th Street Area Urban Renewal Plan ("30th Street Plan"), and following said public hearing, the City



adopted its Ordinance No. 6868 on December 4, 2012, approving the 30th Street Plan and making certain findings; and,

WHEREAS, the City, after notice duly published, conducted a public hearing on the First Amendment to the 30th Street Plan ("First Amendment to the 30th Street Plan"), and following said public hearing, the City adopted its Ordinance No. 26-18 on July 24, 2018, approving the First Amendment to the 30th Street Plan de-annexing certain parcels from the existing revenue allocation area and making certain findings; and,

WHEREAS, the City, after notice duly published, conducted a public hearing on the Urban Renewal Plan for the Shoreline District Urban Renewal Project Area (the "Shoreline District Plan"), and following said public hearing the City adopted its Ordinance No. 55-18 on December 18, 2018, approving the Shoreline District Plan and making certain findings; and,

WHEREAS, the City, after notice duly published, conducted a public hearing on 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 City, after notice duly published, conducted a public hearing on the Urban Renewal Plan for the State Street District Urban Renewal Project (the "State Street District Plan"), and following said public hearing the City adopted its Ordinance No. 45-21 on October 26, 2021, approving the State Street District Plan and making certain findings; and,

WHEREAS, the River Myrtle-Old Boise Plan (as amended), the Westside Plan (as amended), the 30th Street Plan (as amended), the Shoreline District Plan, the Gateway East District Plan, and the State Street District Plan are collectively referred to as the "Plans"; and,

WHEREAS, on March 13, 2017, the Agency Board approved Agency Resolution No. 1487 which adopted the Agency's Public Records Retention Policy and Email Policy (the "Public Record Retention Policy"), consistent with Idaho Code Section 50-907 regarding the classification and retention of records; and,

WHEREAS, the Agency believes it to be beneficial to have the Agency Board approve the destruction of records identified on Exhibit A, attached to this Resolution and incorporated by reference as if set forth in total herein, which are currently eligible for destruction pursuant to the Public Record Retention Policy; and,

WHEREAS, the Agency has notified the Boise City Clerk in writing that certain records are scheduled for destruction and has invited the City to notify the Agency within 30 days whether they wish to retain all or a portion of said records at their own expense; and,

WHEREAS, the Agency recommends approval of the destruction of those records currently eligible for destruction according the Public Record Retention Policy, unless the Boise City Clerk should respond affirmatively within the given time frame that they wish the records to be retained; and,

WHEREAS, the Agency Board finds it in the best interests of the Agency and the public to approve the destruction of those records currently eligible for destruction, provided that the Boise City Clerk does not indicate that the records should be retained.

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

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

Section 2: That the Executive Director is authorized and directed to take all action to destroy the records listed on Exhibit A, attached hereto, including providing advance notice to the Boise City Clerk.

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

PASSED AND ADOPTED by the Urban Renewal Agency of Boise City, Idaho, on February 13, 2023. Signed by the Chair of the Agency Board of Commissioners and attested by the Secretary to the Agency Board of Commissioners on February 13, 2023.

URBAN RENEWAL AGENCY OF BOISE CITY

By: \_\_\_\_\_  
Latonia Haney Keith, Chair

ATTEST:

By: \_\_\_\_\_  
Lauren McLean, Secretary



**RECORDS DESTRUCTION EXHIBIT SUMMARY SHEET**

By my signature below, I certify the following statements.

I have reviewed the list of documents on the attached Exhibit. The listed documents are semi-permanent or temporary records as described in the Public Records Retention Policy adopted by the CCDC Board on March 13, 2017. All of the documents listed on the attached Exhibit are beyond the retention requirement and are therefore eligible for destruction.

The Boise City Clerk has been notified in writing of CCDC's intent to destroy these documents (see attached letter). CCDC will hold destruction of the documents until the date noted in the letter to provide the City Clerk an opportunity to request retention of the documents if they wish.

  
Kathy Wanner

  
Date

# EXHIBIT A

## CCDC RECORDS ELIGIBLE FOR DESTRUCTION

Board Review Date: 02/13/2023 - Resolution No. 1811

Date	Contents	Retention Classification	Eligible Destruction Date & Review
	<b>Competitive Selection records (bid invitations, statements of qualification, bid responses, notice of award) for the following projects, including digital files</b>		
4/19/2017	IFB - 2017 CCDC Downtown Parking Garages Signage Project	SEMI-PERMANENT	FY2022
	<b>Finance and Insurance</b>		
FY2017	Accounts Payable FY17 A - C; Bank Reconciliation & Deposits	SEMI-PERMANENT	FY2022
FY2017	Accounts Payable FY17 D-K	SEMI-PERMANENT	FY2022
FY2017	Accounts Payable FY17 L-S	SEMI-PERMANENT	FY2022
FY2017	Accounts Payable FY17 T-Z	SEMI-PERMANENT	FY2022
	<b>Implement Plans and Programs</b>		
2003 - 2012	Agency comments: City of Boise CAR and CUP Comprehensive plans; code amendments; CAR 06-010 (Old Boise Eastside Master Plan); CAR 06-023 (P1 Overlay District Expansion Myrtle Street Garage); CAR 06-033 (Portable Signs Ordinance)	SEMI-PERMANENT	FY2022
2004-2012	Agency comments: City of Boise CVA, CZC, PUD, ZOA Variances (05-12); Vacations with no date; Zoning (04-12); PUD (08); Subdivisions (08-09); Zoning Ordinance Amendments (06-12)	SEMI-PERMANENT	FY2022
2008-2012	Agency comments: City of Boise design and planning review Boise Plaza Parking Garage (08-0008) Whole Foods (08-0113) JUMP Parcels C&D (10-0178) Schlosser-Whole Foods (10-0299); Mercy Housing (10-0302); Schlosser-Whole Foods (11-0074); BoDo (11-0165)	SEMI-PERMANENT	FY2022
2008-2012	Agency comments: City of Boise sign permits	SEMI-PERMANENT	FY2022
2008-2012	Boise Streetcar #1 - Boise streetcar to Final deliverables (Mike Hall records: organized alphabetically A-F) professional contracts mixed in	SEMI-PERMANENT	FY2022

## CCDC RECORDS ELIGIBLE FOR DESTRUCTION

Board Review Date: 02/13/2023 - Resolution No. 1811

Date	Contents	Retention Classification	Eligible Destruction Date & Review
2008-2012	Boise Streetcar #2 - Funding-general to North South alternatives deliverables spring 2010 (Mike Hall records: organized alphabetically F-N) professional contracts mixed in	SEMI-PERMANENT	FY2022
2008-2012	Boise Streetcar #3 - Open house materials to Task force work groups (Mike Hall records: organized alphabetically O-T) professional contracts mixed in	SEMI-PERMANENT	FY2022
2008-2012	Boise Streetcar #4 - TVHCTS, URS, Utilities follow-up, feasibility study, economic assessment (Mike Hall records: organized alphabetically U) professional contracts mixed in	SEMI-PERMANENT	FY2022
2008-2012	Boise Streetcar - Todd Bunderson Files most likely duplicates of everything	SEMI-PERMANENT	FY2022
2008-2012	Boise Streetcar - Streetcar task force monthly meeting information, condominium research condos along the proposed streetcar route; Overstar visit; carbon footprint analysis	SEMI-PERMANENT	FY2022
2008-2012	Downtown Boise Mobility Study - Project Team Notes	SEMI-PERMANENT	FY2022
	<b>Misc Service Agreements and Task Orders, including digital files</b>		
9/15/2015	Grove Plaza Brick Engraving / Re-Engraving	SEMI-PERMANENT	9/30/2022
8-11-2015 12-30-2016	Carew - To 14-001 - TheGrovePlazacom Logo & Website	SEMI-PERMANENT	9/30/2022
6/6/2016	Carew - TO 14-002 Grove Plaza Construction Public Outreach	SEMI-PERMANENT	9/30/2022
1/28/2015	CH2MHill - PSA Facilitator Charter for the Grove Plaza	SEMI-PERMANENT	9/30/2022
9/8/2015	CH2MHill - PSA Facilitator Charter for the Grove Plaza - Amend 1	SEMI-PERMANENT	9/30/2022
7/9/2015	CSHQA - TO 14-004 - Grove Plaza Renovation - Design	SEMI-PERMANENT	9/30/2022
10/19/2015	CSHQA - TO 14-004 - Grove Plaza Renovation - Design - Amend 1	SEMI-PERMANENT	9/30/2022
11/9/2015	CSHQA - TO 14-004 - Grove Plaza Renovation - Design - Amend 2	SEMI-PERMANENT	9/30/2022
12/7/2015	CSHQA - TO 14-006 - Grove Plaza Final Design	SEMI-PERMANENT	9/30/2022

## CCDC RECORDS ELIGIBLE FOR DESTRUCTION

Board Review Date: 02/13/2023 - Resolution No. 1811

Date	Contents	Retention Classification	Eligible Destruction Date & Review
11/1/2016	CSHQA - TO 14-006 - Grove Plaza Final Design - Amend 1	SEMI-PERMANENT	9/30/2022
3/3/2016	CSHQA - TO 14-007 - Grove Plaza Renovation - Concept Illustrative Rendering Revisions	SEMI-PERMANENT	9/30/2022
6/13/2016	CSHQA - TO 14-007 - Grove Plaza Const Docs & Materials Testing	SEMI-PERMANENT	9/30/2022
11/24/2015	Fund Raisers, LTD- PSA - Brick Engraving Services	SEMI-PERMANENT	9/30/2022
4/4/2016	Fund Raisers, LTD- Amend 1 - Brick Engraving Services	SEMI-PERMANENT	9/30/2022
8/25/2015	Fund Raisers, LTD-PSA - Brick by Brick Program	SEMI-PERMANENT	9/30/2022
1/6/2016	Fund Raisers, LTD- - Amend 1 - Brick by Brick Program	SEMI-PERMANENT	9/30/2022
6/27/2016	Fund Raisers, LTD - Amend 2 - Brick by Brick Program	SEMI-PERMANENT	9/30/2022



February 13, 2023

Jamie Heinzerling  
Deputy City Clerk  
[cityclerk@cityofboise.org](mailto:cityclerk@cityofboise.org)  
PO Box 500  
Boise, ID 83701

Re: CCDC - Public Records Destruction

Dear Ms. Heinzerling,

Attached is Capital City Development Corporation's Resolution 1811 which was presented and adopted by the Board on February 13, 2023. This resolution authorizes the destruction of the attached temporary and semi-permanent records.

In compliance with Idaho Code Section 50-907 and the CCDC Public Records Retention Policy (approved on March 13, 2017, through the adoption of CCDC Resolution 1487), we are notifying you of our intent to destroy these records.

If you would like any of these documents to be retained, please notify me by March 13, 2023. If CCDC does not hear from you by that date, we will proceed with the destruction of these records on or after March 13, 2023.

Please contact me by phone at 208-384-4264 or email at [kwanner@ccdcboise.com](mailto:kwanner@ccdcboise.com) if you have any questions or require further information.

Sincerely,

Kathy Wanner  
Contracts Manager



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# **V. ACTION ITEMS**



## AGENDA BILL

<b>Subject</b> FY 2022 Financial Statements Audit Report		<b>Date</b> February 13, 2023
<b>Staff Contact</b> Joey Chen, Finance & Administration Director Holli Klitsch, Controller	<b>Attachments</b>  1. Audit Committee Agenda  2. Independent Auditor’s Communication with Those Charged with Governance  3. Independent Auditor’s Report of the Agency’s FY 2022 Financial Statements	
<b>Action Requested</b> Accept independent auditor Eide Bailly LLP’s report of the Agency’s FY 2022 financial statements and authorize distribution to all required entities.		

### Background

Each year the Agency is required to submit to an independent audit of its financial statements that is performed in accordance with generally accepted governmental auditing standards (Sections 67-450(b) and 50-2006(d), Idaho Code).

The report must be filed within 10 days of receipt with the City of Boise, the Agency's "local governing body," and the Idaho Legislative Services Office.

The Executive Committee – serving concurrently as the Board's Audit Committee – formally received this audit report from independent auditors Eide Bailly earlier today. The report was discussed 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 2022 financial statements to be \$38,800.

### Staff Recommendation

Accept the Eide Bailly audit report of Agency's FY 2022 financial statements and authorize staff to file the report with the required entities.

### Suggested Motion

I move to accept independent auditor Eide Bailly's report of the Agency's Fiscal Year 2022 financial statements and authorize staff to deliver the audit report to all required entities.



**AUDIT COMMITTEE  
AGENDA**

*Executive Committee serves concurrently as Audit Committee*

11:45 – Noon, Monday, February 13, 2023

**1. Call to Order.**

- Chair Haney Keith

**2. FY 2022 Audit Report Presentation by independent auditor Eide Bailly, LLP.**

- Kevin Smith, Audit Partner

**3. Discussion.**

- Chair Haney Keith

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

- Chair Haney Keith
- Agency staff dismissed

**5. Adjourn**

**Noon: Board of Commissioners Regular Monthly Meeting**

**I. ACTION ITEM**

**A. CONSIDER Annual Independent Audit of FY 2022 Financial Statements**

..... Kevin Smith, Eide Bailly (5 minutes)

February 6, 2023

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, 2022, and have issued our report thereon dated February 6, 2023. 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 November 4, 2022, 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 Capital City Development Corporation 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.

## Significant Risks Identified

As stated in our auditor's report, professional standards require us to design our audit to provide reasonable assurance that the financial statements are free of material misstatement whether caused by fraud or error. In designing our audit procedures, professional standards require us to evaluate the financial statements and assess the risk that a material misstatement could occur. Areas that are potentially more susceptible to misstatements, and thereby require special audit considerations, are designated as "significant risks". We have identified the following as significant risks.

- Management Override of Controls – Professional standards require auditors to address the possibility of management overriding controls. Accordingly, we identified as a significant risk that management of the Agency may have the ability to override controls that the organization has implemented. Management may override the organization's controls in order to modify the financial records with the intent of manipulating the financial statements to overstate the organization's financial performance or with the intent of concealing fraudulent transactions.
- Improper Revenue Recognition – *Generally Accepted Auditing Standards* require a presumed risk of improper revenue recognition, unless otherwise noted.

## 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 Capital City Development Corporation is included in Note 1 to the financial statements. As described in Note 1, the Agency changed accounting policies related to accounting for leases to adopt the provisions of GASB Statement No. 87, *Leases*. Accordingly, the accounting change has been retrospectively applied to the financial statements beginning July 1, 2021. 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 a reasonable in relation to the basis 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 the Agency's financial statements relate to:

The disclosure of long-term debt in Note 5 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 assumptions in Note 6 to the financial statements is sensitive as this footnote supports the assumptions made and inputs used to determine the employer pension assumption.

The disclosure of Leases in Note 7 to the financial statements discloses lease receivable and lease liabilities required by the new accounting standard GASB 87.

The disclosures of commitments and significant contract agreements are in Note 8 and 9, respectively. These notes disclose possible future cash outflows that are or may be required of the Agency.

### **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. Uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even though the uncorrected misstatements are immaterial to the financial statements currently under audit. There were no uncorrected or corrected misstatements identified as a result of our audit procedures.

### **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.

## **Circumstances that Affect the Form and Content of the Auditor's Report**

For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditor's report. The following paragraph was added to the auditor's report.

### ***Adoption of New Accounting Standard***

As discussed in Note 1 to the financial statements, the Agency has adopted the provisions of Government Accounting Standards Board (GASB) Statement No. 87, *Leases*, for the year ended June 30, 2022. Our opinion is not modified with respect to this matter.

## **Representations Requested from Management**

We have requested certain written representations from management which are included in the management representation letter dated February 6, 2023.

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

In some cases, management may decide to consult with other accountants about auditing and accounting matters. We understand management consults with an outside CPA firm to perform accounting and reporting functions.

## **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, conditions affecting the entity, and 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 Information in Documents Containing Audited Financial Statements**

Pursuant to professional standards, our responsibility as auditors for other information in documents containing the Agency's audited financial statements does not extend beyond the financial information identified in the audit report, and we are not required to perform any procedures to corroborate such other information. However, in accordance with such standards, we have read the information and considered whether such information, or the manner of its presentation, was materially inconsistent with its presentation in the financial statements.

Our responsibility also includes communicating to you any information which we believe is a material misstatement of fact. Nothing came to our attention that caused us to believe that such information, or its manner of presentation, is materially inconsistent with the information, or manner of its presentation, appearing in the financial statements.

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.

*Eide Bailly LLP*

Boise, Idaho





Financial Statements  
September 30, 2022

# Capital City Development Corporation

# CAPITAL CITY DEVELOPMENT CORPORATION

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September 30, 2022

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## Independent Auditor's Report

Board of Commissioners  
Capital City Development Corporation  
Boise, Idaho

### Report on the Audit of the Financial Statements

#### ***Opinions***

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, 2022, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

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 the Agency, as of September 30, 2022, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Agency, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

#### ***Adoption of New Accounting Standard***

As discussed in Note 1 to the financial statements, the Agency has adopted the provisions of Government Accounting Standards Board (GASB) Statement No. 87, *Leases*, for the year ended September 30, 2022. Our opinions are not modified with respect to this matter.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Agency's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and 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 is the responsibility of management and 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 our report dated February 6, 2023, 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, and 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 Bailly LLP".

Boise, Idaho  
February 6, 2023

# CAPITAL CITY DEVELOPMENT CORPORATION

## MANAGEMENT'S DISCUSSION AND ANALYSIS

SEPTEMBER 30, 2022

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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, 2022. 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 2022 by \$85,281,775. Of this total, \$22,278,302 is invested in capital assets (net of debt).
- At fiscal year close, the Agency's governmental funds reported a combined ending fund balance of \$63,762,939, of which \$62,782,629 is nonspendable, restricted, committed or assigned.
- During fiscal year 2022 the Agency's expenses were \$17,518,901 compared to the \$17,782,307 reported in 2021.
- Total revenues increased by \$1,975,992. The change is mainly due to the facts that: (1) revenue allocation funds increased by \$1,654,032; (2) parking revenue increased by \$1,856,158 and (3) \$800,627 decrease in various one-time reimbursements from Ada County Highway District (ACHD) and City of Boise for construction projects in River Myrtle/Old Boise district and Westside district.
- Interest and fees expense on long-term liabilities in governmental activities decreased by \$293,644 compared with fiscal year 2021. In fiscal year 2022, early redemption of all three bonds (2011 B, 2017 A and 2017 B) occurred on December 1, 2021. See Note 5 Long-Term Liabilities for more details. The Agency also adopted GASB Statement No. 87, *Leases* in fiscal year 2022. The implementation of this standard requires recording interest payment related to leases. See Note 7 Leases for more details.
- The Agency's key revenues are parking revenues and revenue allocation district revenues (tax increment revenue). Parking revenues continued to recover from pandemic in fiscal year 2022 with an increase of \$1,856,158 to \$8,009,559. Current year parking revenues are almost back to pre-pandemic, fiscal year 2019's revenue level of \$8,625,213. Revenue allocation funds increased 9% or \$1,654,032 in fiscal year 2022 as compared to the prior year due to the increased property valuations and new construction in Agency urban renewal districts.

### Overview of the Financial Statements

The format of this report allows the reader to examine combined financial statements to view the Agency as a whole (Agency-wide) as well as information on individual fund activities. This financial report consists of three parts: 1) Management Discussion and Analysis, 2) Basic Financial Statements, and 3) Required Supplementary Information. Viewing governmental activity both as a whole and by individual major fund gives the reader a broader perspective, increases the Agency's accountability and provides a more complete picture of the financial health and activities of the Agency. The Basic Financial Statements include two kinds of statements that present different views of the Agency: Government-Wide Financial Statements provide both long-term and short-term

# CAPITAL CITY DEVELOPMENT CORPORATION

## MANAGEMENT'S DISCUSSION AND ANALYSIS

SEPTEMBER 30, 2022

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information about the Agency's overall financial status. Fund Financial Statements focus on individual parts of Agency activities and report the Agency's operations in more detail than the Government-Wide Statements. The Governmental Funds statements show how general government services such as urban renewal and parking were financed in the short-term as well as what remains for future spending.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of Required Supplementary Information that further explains and supports the information in the financial statements.

Figure A illustrates how the required parts of this annual report are arranged and relate to one another.

**Figure A - Required Components of CCDC Annual Financial Report**

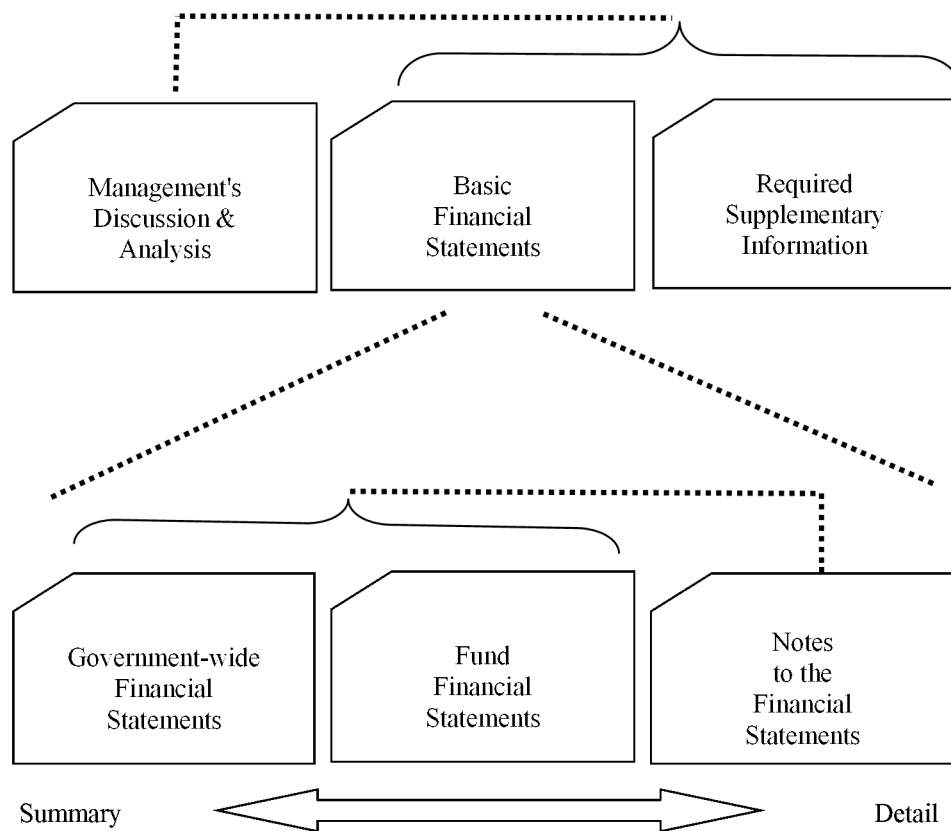


Figure B identifies the presentation of the Agency's financial statements.

**Figure B - Major Features of CCDC's Government-Wide and Fund Financial Statements**

	Government-Wide Statements	Governmental Funds
Scope	Entire Agency government (except fiduciary funds) and Agency's component units	The activities of the Agency that are not proprietary such as urban renewal
Required financial statements	Statements of: Net Position Activities	Balance sheet Statement of revenues, expenditures and changes in fund balances
Accounting basis / measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus
Type of asset / liability information	All assets and liabilities, both financial and capital and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included
Type of inflow / outflow information	All revenues and expenses during year, regardless of when cash is received or paid	Revenues for which cash is received during or soon after the end of the year, expenditures when goods or services have been received payment is due during the year or soon thereafter

The remainder of this overview section of Management's Discussion and Analysis explains the structure and content of each of the statements.

#### **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.



**CAPITAL CITY DEVELOPMENT CORPORATION**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2022**

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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.

The Statement of Activities provides information showing changes made to the Agency's net position during fiscal year 2022. 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 eight Governmental funds: State Street 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), Shoreline District Revenue Allocation Fund (urban renewal activities), Gateway East 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 2022 and fiscal year 2021 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 \$12,397,502 during fiscal year 2022.

**CAPITAL CITY DEVELOPMENT CORPORATION**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2022**

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Table 1  
Statement of Net Position  
As of September 30, 2022 and 2021

	2021*	2022	Percent Change 2021-2022
Current and Other Assets	\$ 83,918,874	\$ 89,370,934	6.5%
Capital Assets	22,238,390	25,018,360	12.5%
Total Assets	106,157,264	114,389,294	7.8%
Deferred Outflows of Resources	566,373	878,574	55.1%
Other Liabilities	1,787,942	3,264,135	82.6%
Long-term Liabilities	11,715,000	3,802,793	(67.5%)
Total Liabilities	13,502,942	7,066,928	(47.7%)
Deferred Inflows of Resources	20,336,422	22,919,165	12.7%
Net Position			
Net Investment in			
Capital Assets	19,982,335	22,278,302	11.5%
Restricted	51,918,730	62,023,163	19.5%
Unrestricted	983,208	980,310	(0.3%)
Total Net Position	\$ 72,884,273	\$ 85,281,775	17.0%

\* 2021 was not restated for the implementation of GASB 87.

Twenty-six percent of the Agency's net position is invested in Capital Assets (i.e. land, buildings, equipment, parking facilities, right-to-use leased assets, and other, net of related 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, 2022. Prior year data is presented for comparison purposes.

**CAPITAL CITY DEVELOPMENT CORPORATION**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2022**

Table 2  
Statement of Activities  
For Years Ended September 30, 2022 and 2021

	2021*	2022	Percent Change 2021-2022
Revenues			
Program Revenues			
Charges for Services	\$ 591,597	\$ 702,643	18.8%
Operating Grants and Contributions	2,563,586	1,762,959	(31.2%)
Parking	6,153,401	8,009,559	30.2%
Total Program Revenue	9,308,584	10,475,161	12.53%
General Revenue			
Property Tax Increment	17,718,915	19,372,947	9.3%
Unrestricted Investment			
Earnings	60,989	68,295	12.0%
Gain on Sale of Capital Assets	851,923	-	100.0%
Total Revenues	27,940,411	29,916,403	7.07%
Expenses			
Program Expenses			
Community Development	13,461,104	13,352,603	(0.8%)
Interest on Long-Term Debt	497,624	203,980	(59.0%)
Parking Facilities	3,823,579	3,962,318	3.6%
Total Program Expenses	17,782,307	17,518,901	(1.5%)
Increase in Net Position	10,158,104	12,397,502	22.0%
Net Position - Beginning	62,726,169	72,884,273	16.2%
Net Position - Ending	\$ 72,884,273	\$ 85,281,775	17.0%

\*2021 was not restated for the implementation of GASB 87

Revenues: *Charges for Services* include lease revenues from the Ada County Courthouse Corridor Project and from properties held for redevelopment in Westside District, and from leasing activities in parking fund. *Operating Grants and Contributions* include various reimbursements from construction projects. *Parking* includes proceeds generated from operating the public parking garages. *General Revenues* include property tax increment and earnings on investments. Overall, total Agency revenues increased \$1,975,992 compared with the prior year. Tax increment revenues increased \$1,654,032 compared to fiscal year 2021, due to the increase in property valuations and new construction in Agency urban renewal districts. Parking revenues continued to recover from pandemic in fiscal year 2022 with an increase of \$1,856,158 to \$8,009,559. Current year parking revenues are almost back to pre-pandemic, fiscal year 2019's revenue level of \$8,625,213.

**CAPITAL CITY DEVELOPMENT CORPORATION**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2022**

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Expenses: *Community Development* includes the general expenses of the Agency related to fulfilling its mission. *Interest on Long-Term Liabilities* includes the interest portion of payments related to long-term financing arrangements and lease related activities. *Parking Facilities* includes the cost of operating the public parking system. Overall, total Agency expenses in fiscal year 2022 decreased slightly by \$263,406.

**Budgetary Highlights**

The fiscal year 2022 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 or for capital improvement projects that were added, deleted or modified during the fiscal year.

**Capital Assets**

Tables 3 and 4 present the Agency's Capital Assets. During fiscal year 2022, the Agency completed several projects that started in prior year in Agency-owned garages. Therefore, a total of \$1,781,616 is recorded as transfers from construction in progress to buildings and improvements other than buildings. These projects are: 9<sup>th</sup> & Front Garage Stairs Structural Repairs; 10<sup>th</sup> & Front Garage Structural Repairs; Garage Waterproofing; 10<sup>th</sup> & Front Garage Stair Tower Enclosure.

During fiscal year 2022, the Agency adopted GASB Statement No. 87, *Leases*. The implementation of this standard requires recording and disclosing right-to-use lease assets. Therefore, a total of \$2,599,497 is recorded as right-to-use lease assets, net of accumulated amortization. The fiscal year 2021 amounts do not reflect the GASB 87 implementation.

Table 3  
Capital Assets Net of Depreciation

	2021	2022	Total Dollar Change 2021-2022
Land	\$ 3,438,944	\$ 3,438,944	\$ -
Construction in Progress	1,797,079	382,346	(1,414,733)
Building, Improvements and Equipment, net	17,002,365	18,597,573	1,595,208
Right-to-Use Leases Assets, net	-	2,599,497	2,599,497
Total Capital Assets	<u>\$ 22,238,388</u>	<u>\$ 25,018,360</u>	<u>\$ 2,779,972</u>

See Note 4 to the financial statements.

**CAPITAL CITY DEVELOPMENT CORPORATION**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**SEPTEMBER 30, 2022**

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Table 4  
Major Capital Additions during Fiscal 2022

Beginning Balance	\$ 22,238,388
Right-to-Use Leased Asset (Adjustment Implementation Date)	3,160,149
Capital Additions:	
Construction in Progress	366,883
Buildings, Improvements and Equipment	862,256
Total Capital Additions	1,229,139
Current Year Depreciation	(1,048,664)
Current Year Amortization	(560,652)
Ending Balance	\$ 25,018,360

**Long-Term Liabilities**

Table 5 summarizes the principal amounts of the Agency's Long-Term Liabilities (See also Note 5 – Long-Term Liabilities). The changes in Long-Term Liabilities represent the principal payments on those liabilities.

During fiscal year 2022, the Agency adopted GASB Statement No. 87, *Leases*. The implementation of this standard requires recording and disclosing lease liabilities. Therefore, a total of \$2,740,057 is recorded as long-term liabilities. The fiscal year 2021 amounts do not reflect the GASB 87 implementation.

Table 5  
Long-Term Liabilities

Activity	Type	2021	2022	Total Dollar Change 2021-2022
2011 B	Note	\$ 3,780,000	\$ -	\$ (3,780,000)
2017 A	Bond	5,655,000	-	(5,655,000)
2017 B	Bond	2,280,000	-	(2,280,000)
Leases	-	-	2,740,057	2,740,057
Total		\$ 11,715,000	\$ 2,740,057	\$ (8,974,943)

See Note 5 to the financial statements.

# CAPITAL CITY DEVELOPMENT CORPORATION

## MANAGEMENT'S DISCUSSION AND ANALYSIS

SEPTEMBER 30, 2022

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### Economic Factors

CCDC, the urban renewal agency for Boise City, creates a five-year, fiscally responsible Capital Improvement Plan (CIP) as a predictable framework to collaborate with agencies and community partners to achieve economic and redevelopment goals that align with the long-term vision for City of Boise. The CIP is built in conjunction with the one-year budget to allocate limited resources by district to various capital improvement projects and participation program agreements. The plan is evaluated and revised periodically to make necessary adjustments as conditions change.

Highlights of each urban renewal district are as follows:

The River-Myrtle / Old Boise (RMOB) district is fast approaching its statutory termination year. CCDC's current 5-Year CIP, FY2023-27, encompasses RMOB's final three years and programs all projected revenues for a variety of public investments, working with partners and independently. East of Capitol Boulevard in and around Old Boise and along east, west arterials Myrtle and Front streets, several large apartment buildings that were under constructions in the past few years are now complete. Two significant place-making and infrastructure projects in the district are (1) Old Boise Blocks Reinvestment and Visioning, a multi-block improvement project that covers eight city blocks along the east end of Grove Street, adjacent to Boise's downtown core, with focus given to Grove Street itself between 3<sup>rd</sup> and 5<sup>th</sup> Street; and (2) Rebuild Linen Blocks on Grove Street, a project that will make catalytic infrastructure improvements on Grove Street between 10<sup>th</sup> and 16<sup>th</sup> Streets. These projects are community-driven. They support economic vitality and stronger, more connected neighborhoods.

The Westside district will sunset one year after RMOB, at the end of fiscal year 2026. CCDC used Requests for Proposals to invite developers to propose tailored projects for a small parcel at 1715 Idaho Street (housing infill). The disposition of the parcel occurred on October 15, 2021 to the developer SMR Development LLC. This 48 mixed-income units apartment project has broken ground earlier this year and is now near completion. CCDC also used Requests for Proposals for the Brady Blocks (Block 68), the area around 11<sup>th</sup> & State streets. In December 2021, Edlen & Company's proposal for disposition was selected by our Board. This Block 68 Catalytic Redevelopment Project will be transforming this area with workforce housing, mixed-use residential and mobility hub in the near future. Along Grove Street, two hotels are currently under construction and they are expected to complete in fall 2023 and in spring 2024, respectively. Rebuild 11<sup>th</sup> Street Blocks, one of the biggest infrastructure projects in the district history, broke ground in summer 2022. This project combines the installation of bikeway infrastructure with streetscape improvements to realize plans by the City of Boise and ACHD for 11<sup>th</sup> Street as a corridor that prioritizes cyclists, pedestrians, retail business, and residents while accommodating existing vehicular use. The project spans two districts with the improvements extending into RMOB with the continuation from Grove Street to River Street.

The 30<sup>th</sup> Street district, home to the West End Neighborhood, Esther Simplot Park, Quinn's Pond, and the Whitewater Park, has experienced tremendous revitalization in the nearly 10 years since it was established. This district is positioned to welcome an even broader range of housing options, employment, as well as neighborhood services and amenities. Currently one of the most significant and impactful projects is West End Water Renewal – a collaborative effort brought together by CCDC with City of Boise Public Works Department and various developers. The project will include a new regional lift station, a 530-foot pressurized discharge pipe, and approximately one mile of new or replaced gravity sewer lines. Once all built, it's expected to serve 2,500 units of residential housing.

# **CAPITAL CITY DEVELOPMENT CORPORATION**

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

**SEPTEMBER 30, 2022**

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Agency's newer urban renewal districts: Gateway East – the Agency's first industrial-focused, non-urban district – and Shoreline. Gateway East, located along I-84 between Micron and the Boise Airport, is going strong due to its abundant, multi-mode transportation access and land availability. Some of the large projects in this area include: (1) Red River Logistics and Commerce Centers – the project contemplates concurrent development on two sites, one at 951 E Gowen Road for the Logistics Center and one at 7031 S Eisenman Road for the Commerce Center. In total, it will consist of nearly 1.3 million square feet of Class A industrial space designed to accommodate a wide range of uses including distribution, manufacturing, office, R&D, warehouse, storage, and other industrial uses. (2) AZEK Boise Manufacturing – this project is located at 1001 East Gowen Road, the former Shopko facility and has established a manufacturing facility and distribution center in the West. CCDC attended the ribbon cutting ceremony at AZEK in fall 2022 and toured the beautiful facility.

Shoreline district, straddling the Boise River between Capitol Boulevard west to the Connector, is less a blank slate. Even with comparatively limited potential, it is an extraordinary location along the river and proximate to downtown that will attract high-caliber, urban development. A notable project in this area is the Capitol Student Housing project – a planned mixed-use development comprised of a five-story building with 91 residential units, structured parking and ground floor commercial space.

The Agency and the City of Boise established the State Street Urban Renewal District in November 2021. This new urban renewal district is to promote compact, mixed-use, mixed-income development along State Street between 27th Street and Horseshoe Bend Road and is supportive of and supported by transit. The district has a base valuation year of 2021 and an expiration date of December 31, 2041.

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 a supporting 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. 9<sup>th</sup> Street, Suite 501, Boise, Idaho 83702, 208-384-4264 (voice), [www.ccdboise.com](http://www.ccdboise.com) with questions, comments or for additional information.

**CAPITAL CITY DEVELOPMENT CORPORATION****STATEMENT OF NET POSITION****SEPTEMBER 30, 2022**

	Governmental Activities
<b>ASSETS</b>	
Cash and investments	\$ 53,816,185
Receivables	
Accounts receivable	1,121,156
Interest receivable	35,994
Taxes receivable	22,120,133
Lease receivable	756,236
Prepays and deposits	46,334
Restricted cash	507,398
Property held for resale or development	10,967,498
Capital assets	
Land, non-depreciable	3,438,944
Construction in progress, non-depreciable	382,346
Buildings, improvements, and equipment, net of accumulated depreciation	18,597,573
Right to use leased assets, net of accumulated amortization	2,599,497
TOTAL ASSETS	<u>114,389,294</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>	
Deferred outflows related to pensions	878,574
TOTAL DEFERRED OUTFLOWS OF RESOURCES	<u>878,574</u>
<b>LIABILITIES</b>	
Accounts payable	2,456,626
Accrued liabilities	205,424
Advanced revenues	30,842
Refundable deposits	51,272
Long-term debt	
Current portion of lease liabilities	519,971
Long-term portion of lease liabilities	2,220,086
Net pension liability	1,582,707
TOTAL LIABILITIES	<u>7,066,928</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>	
Unavailable revenue - property tax	22,120,133
Deferred inflows related to leases	743,698
Deferred inflows related to pensions	55,334
TOTAL DEFERRED INFLOWS OF RESOURCES	<u>22,919,165</u>
<b>NET POSITION</b>	
Net investment in capital assets	22,278,302
Restricted	62,023,163
Unrestricted	980,310
TOTAL NET POSITION	<u>\$ 85,281,775</u>



# CAPITAL CITY DEVELOPMENT CORPORATION

## STATEMENT OF ACTIVITIES

YEAR ENDED SEPTEMBER 30, 2022

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	\$ 13,352,603	\$ 702,643	\$ 1,762,959	\$ -	\$ (10,887,001)
Interest on long-term liabilities	203,980	-	-	-	(203,980)
Parking facilities	3,962,318	8,009,559	-	-	4,047,241
Total	<u>\$ 17,518,901</u>	<u>\$ 8,712,202</u>	<u>\$ 1,762,959</u>	<u>\$ -</u>	(7,043,740)
General revenues:					
Property tax increment					19,372,947
Unrestricted investment earnings					<u>68,295</u>
Total general revenues					<u>19,441,242</u>
Change in net position					12,397,502
Net position, Beginning of Year					<u>72,884,273</u>
Net position, End of Year					<u>\$ 85,281,775</u>

**CAPITAL CITY DEVELOPMENT CORPORATION****BALANCE SHEET – GOVERNMENTAL FUNDS****SEPTEMBER 30, 2022**

	General Fund	River Myrtle District RA Fund	Westside District RA Fund	30th Street District RA Fund
<b>ASSETS</b>				
Cash and investments	\$ 1,198,307	\$ 25,765,895	\$ 9,158,678	\$ 2,016,957
Accounts receivable	13,382	622,970	377,915	-
Interest receivable	35,994	-	-	-
Taxes receivable	-	10,981,773	4,113,932	1,176,644
Leases receivable	-	-	49,123	-
Prepays	1,084	15,250	-	-
Restricted cash	-	-	-	-
Property held for resale or development	-	3,815,171	7,152,327	-
	<u>\$ 1,248,767</u>	<u>\$ 41,201,059</u>	<u>\$ 20,851,975</u>	<u>\$ 3,193,601</u>
<b>LIABILITIES, DEFERRED INFLOW OF RESOURCES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 61,949	\$ 1,155,451	\$ 217,989	\$ 117,969
Accrued liabilities	205,424	-	-	-
Advanced revenues	-	-	-	-
Refundable deposits	-	-	51,272	-
	<u>267,373</u>	<u>1,155,451</u>	<u>269,261</u>	<u>117,969</u>
<b>DEFERRED INFLOW OF RESOURCES</b>				
Unavailable- property tax	-	10,981,773	4,113,932	1,176,644
Deferred Inflows related to lease liabilities	-	-	49,076	-
Total deferred inflows	<u>-</u>	<u>10,981,773</u>	<u>4,163,008</u>	<u>1,176,644</u>
<b>FUND BALANCES</b>				
Nonspendable	1,084	3,830,421	7,152,327	-
Restricted	-	25,233,414	9,267,379	1,898,988
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	980,310	-	-	-
	<u>981,394</u>	<u>29,063,835</u>	<u>16,419,706</u>	<u>1,898,988</u>
	<u>\$ 1,248,767</u>	<u>\$ 41,201,059</u>	<u>\$ 20,851,975</u>	<u>\$ 3,193,601</u>

# CAPITAL CITY DEVELOPMENT CORPORATION

## BALANCE SHEET – GOVERNMENTAL FUNDS

SEPTEMBER 30, 2022

Shoreline District RA Fund	Gateway East District RA Fund	State Street District RA Fund	Parking Fund	Total Governmental Funds
\$ 804,626	\$ 3,088,965	\$ -	\$ 11,782,757	\$ 53,816,185
-	-	-	106,889	1,121,156
-	-	-	-	35,994
532,383	4,461,820	853,581	-	22,120,133
-	-	-	707,113	756,236
-	-	-	30,000	46,334
-	-	-	507,398	507,398
-	-	-	-	10,967,498
<u>\$ 1,337,009</u>	<u>\$ 7,550,785</u>	<u>\$ 853,581</u>	<u>\$ 13,134,157</u>	<u>\$ 89,370,934</u>
\$ 14,077	\$ 462,548	\$ -	\$ 426,643	\$ 2,456,626
-	-	-	-	205,424
-	-	-	30,842	30,842
-	-	-	-	51,272
<u>14,077</u>	<u>462,548</u>	<u>-</u>	<u>457,485</u>	<u>2,744,164</u>
532,383	4,461,820	853,581	-	22,120,133
-	-	-	694,622	743,698
<u>532,383</u>	<u>4,461,820</u>	<u>853,581</u>	<u>694,622</u>	<u>22,863,831</u>
-	-	-	30,000	11,013,832
790,549	2,626,417	-	7,396	39,824,143
-	-	-	500,000	500,000
-	-	-	11,444,654	11,444,654
-	-	-	-	980,310
<u>790,549</u>	<u>2,626,417</u>	<u>-</u>	<u>11,982,050</u>	<u>63,762,939</u>
<u>\$ 1,337,009</u>	<u>\$ 7,550,785</u>	<u>\$ 853,581</u>	<u>\$ 13,134,157</u>	<u>\$ 89,370,934</u>

**CAPITAL CITY DEVELOPMENT CORPORATION****RECONCILIATION OF NET POSITION IN THE STATEMENT OF NET POSITION TO THE FUND BALANCE IN THE BALANCE SHEET****SEPTEMBER 30, 2022**

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

Total fund balance		\$63,762,939
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		
Cost of land	3,438,944	
Cost of construction in progress	382,346	
Cost of buildings, improvements, equipment and artwork	35,716,708	
Accumulated depreciation	<u>(17,119,135)</u>	22,418,863
Right-to-use asset related to leases	3,160,149	
Accumulated depreciation on right-to-use assets	<u>(560,652)</u>	2,599,497
Long-term liability is not due and payable in the current period and therefore is not reported in the funds.		
Net pension liability	(1,582,707)	(1,582,707)
Long-term liability is not due and payable in the current period and therefore is not reported in the funds.		
Lease liability - current portion	(519,971)	
Lease liability - long-term portion	<u>(2,220,086)</u>	(2,740,057)
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:		
Net difference between projected and actual investment earnings on pension plan investments	364,162	
Changes of assumptions	258,029	
Contributions made subsequent to measurement date	53,898	
Changes in proportionate share	28,445	
Differences between expected and actual experience	<u>174,040</u>	878,574
Deferred inflows of resources related to pensions:		
Changes in proportionate share	(48,270)	
Differences between expected and actual experience	<u>(7,064)</u>	(55,334)
Net position for governmental activities		<u><u>\$85,281,775</u></u>

**CAPITAL CITY DEVELOPMENT CORPORATION****STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS  
YEAR ENDED SEPTEMBER 30, 2022**

	General Fund	River Myrtle District RA Fund	Westside District RA Fund	30th District RA Fund
<b>REVENUES</b>				
Lease	\$ -	\$ 106,795	\$ 111,276	\$ -
Interest	4,853	70,146	23,834	5,042
Unrealized loss on investments	(1,693)	(42,607)	(13,949)	(3,100)
Other	77,356	1,207,107	471,008	-
Parking	-	68,227	10,620	-
Revenue allocation funds	-	11,118,289	4,295,431	1,050,607
<b>Total revenues</b>	<b>80,516</b>	<b>12,527,957</b>	<b>4,898,220</b>	<b>1,052,549</b>
<b>EXPENDITURES</b>				
Administrative expenses	2,766,208	-	-	-
Operating expenses	512,289	185,891	262,011	350
Capital outlay and related expenses	96,755	4,937,805	2,142,241	733,622
Debt service - principal	64,121	8,290,971	-	-
Debt service - interest	20,749	53,439	-	-
<b>Total expenditures</b>	<b>3,460,122</b>	<b>13,468,106</b>	<b>2,404,252</b>	<b>733,972</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(3,379,606)</b>	<b>(940,149)</b>	<b>2,493,968</b>	<b>318,577</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Interfund transfers	3,374,864	517,017	(646,435)	(253,377)
Gain (loss) on sale of properties held for resale	-	-	(7,739)	-
<b>Total other financing sources (uses)</b>	<b>3,374,864</b>	<b>517,017</b>	<b>(654,174)</b>	<b>(253,377)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(4,742)</b>	<b>(423,132)</b>	<b>1,839,794</b>	<b>65,200</b>
<b>FUND BALANCES, BEGINNING OF YEAR</b>	<b>986,136</b>	<b>29,486,967</b>	<b>14,579,912</b>	<b>1,833,788</b>
<b>FUND BALANCES, END OF YEAR</b>	<b>\$ 981,394</b>	<b>\$ 29,063,835</b>	<b>\$ 16,419,706</b>	<b>\$ 1,898,988</b>

# CAPITAL CITY DEVELOPMENT CORPORATION

## STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS YEAR ENDED SEPTEMBER 30, 2022

Shoreline District RA Fund	Gateway East District RA Fund	State Street District RA Fund	Parking Fund	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 484,572	\$ 702,643
1,621	7,768	-	39,688	152,952
(1,111)	(4,615)	-	(17,582)	(84,657)
-	-	-	7,488	1,762,959
-	-	-	7,930,712	8,009,559
483,242	2,425,378	-	-	19,372,947
483,752	2,428,531	-	8,444,878	29,916,403
-	-	-	-	2,766,208
1,251	2,076	-	2,491,305	3,455,173
20,486	975,129	-	1,587,157	10,493,195
-	-	-	3,780,000	12,135,092
-	-	-	137,100	211,288
21,737	977,205	-	7,995,562	29,060,956
462,015	1,451,326	-	449,316	855,447
7,070	(344,332)	-	(2,654,807)	-
-	-	-	-	(7,739)
7,070	(344,332)	-	(2,654,807)	(7,739)
469,085	1,106,994	-	(2,205,491)	847,708
321,464	1,519,423	-	14,187,541	62,915,231
\$ 790,549	\$ 2,626,417	\$ -	\$ 11,982,050	\$ 63,762,939

**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, 2022**

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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		\$ 847,708
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	1,229,138	
Depreciation and amortization	<u>(1,609,316)</u>	(380,178)
Amortize deferred economic gain (loss) on refunded debt		
2017 B Refunding	<u>(23,946)</u>	(23,946)
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 legally due, but is recognized when incurred and payable in the Statement of Activities.		
Principal payments of long-term debt	11,715,000	
Change in interest payable	<u>31,254</u>	11,746,254
Lease principal payments	420,092	420,092
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	201,057	
Pension expense related to net pension liability	<u>(413,485)</u>	<u>(212,428)</u>
Changes in net position of governmental activities		<u>\$ 12,397,502</u>

# **CAPITAL CITY DEVELOPMENT CORPORATION**

## **NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED SEPTEMBER 30, 2022**

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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.

#### **Urban Renewal Districts**

The Agency currently has five urban renewal districts: River Myrtle/Old Boise District, Westside District, 30<sup>th</sup> Street District, Shoreline District, and Gateway East District.

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.

Shoreline District –was established in 2019 and will end in fiscal year 2039.

Gateway East District –was established in 2019 and will end in fiscal year 2039.

State Street District – was established in 2022 and will end in fiscal year 2042.

#### **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, 2022

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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:

River Myrtle/Old Boise District Revenue Allocation Special Revenue Fund – The River Myrtle/Old Boise 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 Special Revenue 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 Special Revenue 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.

Shoreline District Revenue Allocation Special Revenue Fund - The Shoreline District accounts for the revenues derived from the revenue allocation area within the Shoreline 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.

Gateway East District Revenue Allocation Special Revenue Fund - The Gateway East District accounts for the revenues derived from the revenue allocation area within the Gateway East 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.

State Street District Revenue Allocation Special Revenue Fund - The State Street District accounts for the revenues derived from the revenue allocation area within the State 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.

## **CAPITAL CITY DEVELOPMENT CORPORATION**

### **NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED SEPTEMBER 30, 2022**

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Parking Special Revenue Fund – This fund includes the parking activities of the Agency's five structure public parking facilities and the 250 parking spaces acquired at 11<sup>th</sup> & Front garage in fiscal year 2018. The five structure public parking facilities are: 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, 2017 A and 2017 B debt, parking system operations and maintenance and are also available for general Agency use.

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

As mentioned the effect of inter-fund activity has generally 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 and cash equivalents.

#### **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.

# **CAPITAL CITY DEVELOPMENT CORPORATION**

## **NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED SEPTEMBER 30, 2022**

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### **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.

At year end, the carrying amount of the Agency's deposits were \$33,537,637 and the bank balance was \$33,628,140. 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 \$46,000,000 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.

### **Concentration of 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.

### **Interest Rate Risk**

Interest rate risk is the risk that changes in market interest rates will adversely impact the fair value of an investment. Generally, the longer the maturity of an investment the greater the sensitivity of its fair value to changes in market interest rates. The weighted average maturity of the Local Government Investment Pool is 115 days as of September 30, 2022.

### **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.

## CAPITAL CITY DEVELOPMENT CORPORATION

### NOTES TO FINANCIAL STATEMENTS

YEAR ENDED SEPTEMBER 30, 2022

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The Agency received property taxes during the current fiscal year in the amounts of \$11,118,289 from the River-Myrtle/Old Boise District, \$4,295,431 from the Westside District and \$1,050,607 from 30th Street District, \$483,242 from Shoreline District, and \$2,425,378 from Gateway East District.

#### 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, 2022.

#### Lease Receivables

Lease receivables are recorded by the Agency as the present value of future lease payments expected to be received from the lessee during the lease term, reduced by any provision for estimated uncollectible amounts. Lease receivables are subsequently reduced over the life of the lease as cash is received in the applicable reporting period. The present value of future lease payments to be received are discounted based on a borrowing rate determined by the Agency.

#### 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.

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:

	Estimated Useful Life (Years)
Buildings	30 - 45
Improvements	10 - 45
Parking equipment	7
Office furniture and equipment	3 - 10

Right to use leased assets are recognized at the lease commencement date and represent the Agency's right to use an underlying asset for the lease term. Right to use leased assets are measured at the initial value of the lease liability plus any payments made to the lessor before commencement of the lease term, less any lease incentives received from the lessor at or before the commencement of the lease term, plus any initial direct costs necessary to please the lease asset into service. Right to use leased assets are amortized over the lease term using the straight-line method.

# **CAPITAL CITY DEVELOPMENT CORPORATION**

## **NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED SEPTEMBER 30, 2022**

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### **Property Held for Resale or Development**

Property held for resale or development includes several properties in the River Myrtle/Old Boise and Westside Districts and reflected in the accompanying balance sheets. 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.

### **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.

### **Lease Liabilities**

Lease liabilities represent the Agency's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the lease commencement date based on the present value of future lease payments expected to be made during the lease term. The present value of lease payments are discounted based on a borrowing rate determined by the Agency.

### **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 6 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 three 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 6 for details of deferred inflows related to pensions. The third item is deferred inflows related to leases where the Agency is the lessor and is reported in the governmental funds balance sheet and statement of net position. The deferred inflows of resources related to leases are recognized as an inflow of resources (revenue) on the straight-line basis over the term of the lease. See Note 7 for details of deferred inflows related to leases.

# CAPITAL CITY DEVELOPMENT CORPORATION

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED SEPTEMBER 30, 2022

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### Implementation of GASB Statement No. 87

As of October 1, 2021, the Agency adopted GASB Statement No. 87, *Leases*. The implementation of this standard establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. The standard requires recognition of certain right to use leased assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. The standard also requires lessors to recognize a lease receivable and deferred inflow of resources. As a result of implementing this standard the Agency recognized a lease receivable and deferred inflow of resources in the amount of \$893,038 and \$893,038 as of October 1, 2021, respectively. The Agency also recognized a right of use asset and lease liability of \$3,160,149 and \$3,160,149 as of October 1, 2021, respectively. As a result of these adjustments there was no effect on beginning net position. The additional disclosures required by this standard are included in Note 7.

### 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. Accordingly, the beginning fund balance of certain government funds have been restated. 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 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 an ordinance or resolution that places specific constraints on how the resources may be used. The Board of Commissioners can modify or rescind the ordinance or resolution at any time through passage of an additional ordinance or resolution, respectively.

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.

# CAPITAL CITY DEVELOPMENT CORPORATION

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED SEPTEMBER 30, 2022

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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, 2022 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, 2022, \$11,444,654 was assigned in the Parking fund for parking reinvestment projects and commitments budgeted in fiscal year 2022.

### 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.

### Note 2 - Restricted Assets

The Agency has six revenue allocation funds, one for each of its 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, 2022:

River Myrtle District Revenue Allocation Fund	\$	25,233,414
Westside District Revenue Allocation Fund		9,267,379
30th Street District Revenue Allocation Fund		1,898,988
Shoreline District Revenue Allocation Fund		790,549
Gateway East District Revenue Allocation Fund		2,626,417
Parking Fund		7,396

**CAPITAL CITY DEVELOPMENT CORPORATION****NOTES TO FINANCIAL STATEMENTS****YEAR ENDED SEPTEMBER 30, 2022**

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 3 - 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.

**Note 4 - Capital Assets**

Capital asset activity for the year ended September 30, 2022, was as follows:

	September 30, 2021	Additions	Deletions	Transfers	September 30, 2022
<b>Governmental Activities</b>					
<i>Capital assets, not depreciated</i>					
Land	\$ 3,438,944	\$ -	\$ -	\$ -	\$ 3,438,944
Construction in progress	1,797,079	366,883	-	(1,781,616)	382,346
	<u>5,236,023</u>	<u>366,883</u>	<u>-</u>	<u>(1,781,616)</u>	<u>3,821,290</u>
<i>Capital assets, depreciated</i>					
Buildings	27,789,039	242,119	-	1,777,561	29,808,719
Improvements other than buildings	4,765,657	542,313	-	4,055	5,312,025
Equipment	518,140	77,824	-	-	595,964
Total	<u>33,072,836</u>	<u>862,256</u>	<u>-</u>	<u>1,781,616</u>	<u>35,716,708</u>
<i>Less accumulated depreciation</i>					
Buildings	(12,589,947)	(685,654)	-	-	(13,275,601)
Improvements other than buildings	(3,032,460)	(319,372)	-	-	(3,351,832)
Equipment	(448,064)	(43,638)	-	-	(491,702)
Total	<u>(16,070,471)</u>	<u>(1,048,664)</u>	<u>-</u>	<u>-</u>	<u>(17,119,135)</u>
<i>Total depreciated capital assets, net</i>	<u>17,002,365</u>	<u>(186,408)</u>	<u>-</u>	<u>1,781,616</u>	<u>18,597,573</u>
<i>Governmental activities capital assets, net</i>	<u>\$ 22,238,388</u>	<u>\$ 180,475</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,418,863</u>

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

Governmental Activities	
Parking	\$ 1,031,013
Community Development	17,651



# CAPITAL CITY DEVELOPMENT CORPORATION

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED SEPTEMBER 30, 2022

During fiscal year 2022, the Agency adopted GASB Statement No. 87, *Leases*. The implementation of this standard requires recording and disclosing right-to-use lease assets. Therefore, a total of \$2,599,497 is recorded as right-to-use lease assets, net of accumulated amortization.

	(Implementation Date)			
	September 30, 2021	Additions	Deletions	September 30, 2022
Right to use Leased Assets Being Amortized				
Right-to-use leased building	\$ 2,343,002	\$ -	\$ -	\$ 2,343,002
Right-to-use leased land	817,147	-	-	817,147
	<u>3,160,149</u>	<u>-</u>	<u>-</u>	<u>3,160,149</u>
Less Accumulated Amortization for				
Right-to-use leased building	-	356,364	-	356,364
Right-to-use leased land	-	204,288	-	204,288
Total accumulated amortization	<u>-</u>	<u>560,652</u>	<u>-</u>	<u>560,652</u>
Net right to use leased assets	<u>\$ 3,160,149</u>	<u>\$ (560,652)</u>	<u>\$ -</u>	<u>\$ 2,599,497</u>
Amortization Expense				
Community Development		\$ 560,652		

### Note 5 - Long-Term Liabilities

At September 30, 2022, long-term debt consists of the following:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities					
Leases	\$ 3,160,149	\$ -	\$ (420,092)	\$ 2,740,057	\$ 519,971
2011 B	3,780,000	-	(3,780,000)	-	-
2017 A	5,655,000	-	(5,655,000)	-	-
2017 B	2,280,000	-	(2,280,000)	-	-
	<u>\$ 14,875,149</u>	<u>\$ -</u>	<u>\$ (12,135,092)</u>	<u>\$ 2,740,057</u>	<u>\$ 519,971</u>

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 was scheduled to mature on September 1, 2024. The Series 2017 A Bond is tax exempt with a fixed rate of 2.32% that was scheduled to mature on September 1, 2024. The Series 2017 B Bond is tax exempt with a fixed rate of 2.82% that was scheduled to mature on September 1, 2024.

## CAPITAL CITY DEVELOPMENT CORPORATION

### NOTES TO FINANCIAL STATEMENTS

YEAR ENDED SEPTEMBER 30, 2022

The Agency early redeemed all three bonds mentioned above on December 1, 2021. The early redemption included payments for the outstanding principal of \$11,715,000, the accrued interest of \$93,761 and prepayment fees of \$107,665. The early redemption resulted in a total savings of \$557,574 in interest expense, compared to the original debt service schedule for these three bonds.

During fiscal year 2022, the Agency adopted GASB Statement No. 87, *Leases*. The implementation of this standard requires recording and disclosing lease liabilities. Therefore, a total of \$2,740,057 is recorded as long-term liabilities.

The annual requirements to pay the leased related liabilities as of September 30, 2022, are shown below.

	Governmental Activities		Total
	Principal	Interest	
2023	\$ 519,971	\$ 25,075	\$ 545,046
2024	578,045	21,345	599,390
2025	509,503	17,507	527,010
2026	168,134	14,674	182,808
2027	176,010	12,284	188,294
2028-2032	788,394	22,992	811,386
Total lease payments	<u>\$ 2,740,057</u>	<u>\$ 113,877</u>	<u>\$ 2,853,934</u>

#### Note 6 - 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.

## CAPITAL CITY DEVELOPMENT CORPORATION

### NOTES TO FINANCIAL STATEMENTS

YEAR ENDED SEPTEMBER 30, 2022

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#### Pension Benefits

The Base Plan provides retirement, disability, death and survivor benefits for 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% 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) that are adequate 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. As of June 30, 2022, it was 7.16% for general employees. The employer contribution rate as a percent of covered payroll is set by the Retirement Board and was 11.94% for general employees.

The Agency's contributions were \$201,057 for the year ended September 30, 2022.

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

At September 30, 2022, the Agency reported a liability for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of July 1, 2022, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The Agency's proportion of the net pension liability (asset) 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, 2022, the Agency's proportion was 0.0418289% compared with 0.0445123% at July 1, 2021.

**CAPITAL CITY DEVELOPMENT CORPORATION**  
**NOTES TO FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2022**

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For the year ended September 30, 2022, the Agency recognized pension expense of \$413,485. At September 30, 2022, 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	\$ 174,040	\$ 7,064
Changes in assumptions or other inputs	258,029	-
Net difference between projected and actual earnings on pension plan investments	364,162	-
Changes in the employer's proportion and differences between the employer's contributions and the employer's proportionate contributions	28,445	48,270
Agency's contributions subsequent to the measurement date	53,898	-
Total	<u>\$ 878,574</u>	<u>\$ 55,334</u>

An amount reported as deferred outflows of resources related to pensions resulting from Employer contributions subsequent to the measurement date totaling \$53,898 will be recognized as a reduction of the net pension liability (asset) in the year ending September 30, 2023.

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, 2021 the beginning of the measurement period ended June 30, 2022 is 4.6 years.

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:

<u>Years Ended September 30,</u>	
2023	\$ 188,884
2024	200,799
2025	86,874
2026	292,785

# CAPITAL CITY DEVELOPMENT CORPORATION

## NOTES TO FINANCIAL STATEMENTS

YEAR ENDED SEPTEMBER 30, 2022

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### *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 (asset) 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, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.30 percent
Salary increases including inflation	3.05 percent
Investment rate of return-net of investment fees	6.35 percent
Cost of living (COLA) adjustments	1.00 percent

Several different sets of mortality rates are used in the valuation for contributing members, members retired for service and beneficiaries. These rates were adopted for the valuation dated July 1, 2021.

### **Contributing Members, Service Retirement Members, and Beneficiaries**

General Employees and All Beneficiaries - Males	Pub-2010 General Tables, increased 11%
General Employees and All Beneficiaries - Females	Pub-2010 General Tables, increased 21%
Teachers - Males	Pub-2010 Teacher Tables, increased 12%
Teachers - Females	Pub-2010 Teacher Tables, increased 21%
Fire & Police - Males	Pub-2010 Safety Tables, increased 21%
Fire & Police - Females	Pub-2010 Safety Tables, increased 26%
	5% of Fire and Police active member deaths are assumed to be duty related. These assumptions were adopted July 1, 2021.
Disabled Members - Males	Pub-2010 Disabled Tables, increased 38%
Disabled Members - Females	Pub-2010 Disabled Tables, increased 36%

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.

## CAPITAL CITY DEVELOPMENT CORPORATION

### NOTES TO FINANCIAL STATEMENTS

YEAR ENDED SEPTEMBER 30, 2022

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.

#### Capital Market Assumptions from Callen 2022

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	0.00%	0.00%
Large Cap	18.00%	4.50%
Small/Mid Cap	11.00%	4.70%
International Equity	15.00%	4.50%
Emerging Markets Equity	10.00%	4.90%
Domestic Fixed	20.00%	-0.25%
TIPS	10.00%	-0.30%
Real Estate	8.00%	3.75%
Private Equity	8.00%	6.00%

#### Discount Rate

The discount rate used to measure the total pension liability (asset) was 6.35%. 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 (asset). The long-term expected rate of return was determined net of pension plan investment expense but without reduction for pension plan administrative expense.

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

The following presents the Employer's proportionate share of the net pension liability (asset) calculated using the discount rate of 6.35 percent, as well as what the Employer's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (5.35 percent) or 1-percentage-point higher (7.35 percent) than the current rate:

	1% Decrease (5.35%)	Current Discount Rate (6.35%)	1% Increase (7.35%)
Employer's proportionate share of the net pension liability (asset)	\$ 2,793,323	\$ 1,582,707	\$ 591,849

## CAPITAL CITY DEVELOPMENT CORPORATION

### NOTES TO FINANCIAL STATEMENTS

YEAR ENDED SEPTEMBER 30, 2022

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#### *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, 2022, the Agency reported payables to the defined benefit pension plan of \$21,546 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 \$64,714 contributions to the PERSI Choice 401(k) as benefits expense during the year ended September 30, 2022. The Agency recognized \$0 for the employer's liability outstanding for contributions for the period ended September 30, 2022.

## **Note 7 - Leases**

### **Lessee Activities**

The Agency leases two office facilities and certain leases of land held for redevelopment. The leases are for various terms, under long-term, non-cancelable lease agreements and expire at various dates through 2031. The lease liability was valued using discount rates between 0.63% and 1.39%. These rates are approximate borrowing costs for the Agency as of October 1, 2021, which was the implementation date of the GASB Statement No. 87, *Leases* Standard. The total amount of right to use leased assets and the related accumulated amortization on right to use leased assets was \$3,160,149 and \$560,652, as of September 30, 2022, respectively.

### **Lessor Activities**

The Agency has accrued a lease receivable for four building leases. The receivable is measured at the present value of lease payments expected to be received during the lease terms. The remaining receivable for these leases was \$756,236 for the year ended September 30, 2022.

## **CAPITAL CITY DEVELOPMENT CORPORATION**

### **NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED SEPTEMBER 30, 2022**

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A deferred inflow of resources is recorded for applicable leases at the initiation of leases in an amount equal to the initial recording of the lease receivable. The deferred inflow of resources is amortized on a straight-line basis over the term of the lease. Deferred inflows related to these leases were \$743,698 as of September 30, 2022. Interest revenue recognized on these leases was \$9,876 for the year ended September 30, 2022. Principal receipts of \$136,802 were recognized during the fiscal year. The interest rate on the leases ranged from 0.20% – 1.59%. Final receipt is expected in fiscal year 2036.

#### **Note 8 - Commitments and Contingencies**

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. During the fiscal year 2022, a total of \$185,288 has been made for rent. As of September 30, 2022, a total of \$1,339,963 has been paid to landlord and other vendors since the MOU was executed.

The Agency entered into an Owner's Participation Agreement (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 was estimated by the developer to have a total value of \$25 million upon completion. 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. During the fiscal year 2022, a final amount of \$21,649 was paid. As of September 30, 2022, total payments of \$875,897 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 was estimated by the developer to have a total value of \$20 million upon completion. 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. During the fiscal year 2022, the final payment of \$63,001 was made. As of September 30, 2022, total payments of \$344,373 have been made.



## **CAPITAL CITY DEVELOPMENT CORPORATION**

### **NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED SEPTEMBER 30, 2022**

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The Agency entered into an OPA and related agreements with 5th and Idaho Development, LLC, the developer of the 5th and Idaho Apartments (The Gibson), 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 was 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 completed in 2019. During the fiscal year 2022, the final payment of \$21,570 was made. As of September 30, 2022, total payments of \$1,108,616 have been made.

The Agency entered into an OPA and related agreements with BVGC Parcel B, LLC, the developer of Pioneer Crossing (previously known as Parcel B), a completed mixed-use development consisting of retail space, office space, other commercial uses and an 839-space parking garage in the River-Myrtle/Old Boise District. The project was 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 250 parking spaces (\$5,400,000) to be available to the public in the 11th and Front parking garage. The OPA sets out conditions the developer must meet to become eligible for Agency financial participation. During fiscal year 2022, a payment of \$607,645 was made for the public improvements reimbursement. As of September 30, 2022, total payments of \$7,536,800 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 Avenue and 25th Street and 134 units affordable housing in the 30<sup>th</sup> 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 was an anticipated amount not to exceed \$563,598 for public improvements (\$285,196) over the course of four years after the project is complete and for undergrounding utilities improvement (\$278,402). The OPA sets out conditions the developer must meet to become eligible for Agency financial participation. The project completed in 2019. During fiscal year 2022, a total of \$91,535 has been paid to the developer for the Type 2 General Assistance Participation Agreement. As of September 30, 2022, total payments of \$457,059 have been made.

The Agency entered into a Type 3 Transformative Assistance Agreement and a parking permit purchase agreement with Front Street Investors, LLC, the developer of 6<sup>th</sup> 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 \$4,088,439 for public improvements (\$1,568,439) over the course of four years after the project is complete and purchase of 200 monthly parking permits for seven years to for public parking (\$2,520,000). The OPA sets out conditions the developer must meet to become eligible for Agency financial participation. The garage portion of the project was completed in 2020 and the hotel was completed in 2021. During fiscal year 2022, a total of \$270,000 has been made with the purchase of 200 monthly parking permits and a total of \$242,085 has been made with the Type 3 public improvement reimbursement. As of June 30, 2022, the developer requested an early termination of the monthly parking permit purchase agreement. As of September 30, 2022, total payments of \$1,352,085 have been made.

## **CAPITAL CITY DEVELOPMENT CORPORATION**

### **NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED SEPTEMBER 30, 2022**

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The Agency entered into an OPA and related agreements in fiscal year 2019 with The Cartee Project, LLC, the developer of The Cartee – a 163-unit, 8-floor residential apartment project in the River-Myrtle/Old Boise District and the city's Central Addition area. The project is now known as Hearth Apartments. The project is estimated by the developer to have a total value of \$48 million upon completion. The Agency's financial participation is an anticipated amount not to exceed \$1,394,035 for public improvements over the course of three 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 July 2019 and was completed in 2022. Payments are expected to be made over three years from fiscal year 2023 to 2025. As of September 30, 2022, no payments have been made.

The Agency entered into an OPA and related agreements in fiscal year 2019 with Boise Caddis, LLC, the developer of Boise Caddis – a 173-unit residential apartment project with 394 structured parking spaces and 4,000 square feet of ground floor retail space in the River-Myrtle/Old Boise District and in Boise's Central Addition district. The project is now known as Jules on 3<sup>rd</sup> Apartments. The project is estimated by the developer to have a total value of \$31 million upon completion. The Agency's financial participation is an anticipated amount not to exceed \$1,122,334 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 fall 2019 and completed in summer 2021. Payments are expected to be made over four years from fiscal year 2022 to 2025. During fiscal year 2022, the first payment of \$194,002 was made.

The Agency entered into an OPA and related agreements in fiscal year 2019 with 11<sup>th</sup> & Idaho Partners, LLC, the developer of 11<sup>th</sup> & Idaho Office Building – 9-stories with approximately 10,000 square feet of lobby, retail and office space on the ground floor, approximately 170,000 square feet of floor 2 to 9 being Class A office space in the Westside District. The project is estimated by the developer to have a total value of \$40 million upon completion. The Agency's financial participation is an anticipated amount not to exceed \$740,690 for public improvements over the course of three 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 August 2019 and completed in 2021. Payments are expected to be made over three years from fiscal year 2022 to 2024. During fiscal year 2022, the first payment of \$215,205 was made.

The Agency entered into an OPA and related agreements in fiscal year 2020 with CDG Acquisitions, LLC, the developer of a mixed-use building on 204 and 270 E Myrtle Street consisting of approximately 249 rental apartments, indoor and outdoor community amenities, 7,800 square feet of ground floor retail and a 353 space structured parking garage. The project is now known as LOCAL Boise apartments. The project is in the River-Myrtle/Old Boise District. The project is estimated by the developer to have a total value of \$52 million upon completion. The Agency's financial participation is an anticipated amount not to exceed \$988,276 for public improvements over the course of three 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 November 2020 and is expected to be completed in 2023. Payments are expected to be made over three years from fiscal year 2023 to 2025. As of September 30, 2022, no payments have been made.

## **CAPITAL CITY DEVELOPMENT CORPORATION**

### **NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED SEPTEMBER 30, 2022**

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The Agency entered into an OPA and related agreements in fiscal year 2020 with 600 Vanguard, LLC, the developer of a mixed-use building on 600 W. Myrtle Street consisting of approximately 75 rental apartments, indoor and outdoor community amenities and 2,600 square feet of ground floor retail. The project is in the River-Myrtle/Old Boise District. The project is estimated by the developer to have a total value of \$16 million upon completion. The Agency's financial participation is an anticipated amount not to exceed \$497,674 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 late 2021. Payments are expected to be made over four years from fiscal year 2023 to 2026. As of September 30, 2022, no payments have been made.

The Agency entered into an OPA and related agreements in fiscal year 2020 with 9025 Federal, LLC, the developer of a mixed-use office/industrial building on 9025 S. Federal Way consisting of three office suites, two warehouse bays and 30 surface parking stalls. The project is in the Gateway East District. The project is estimated by the developer to have a total value of \$2.1 million upon completion. The Agency's financial participation is an anticipated amount not to exceed \$92,113 for public improvements over the course of six 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 2021. Payments are expected to be made over six years from fiscal year 2022 to 2027. During fiscal year 2022, the first payment of \$14,606 was made.

The Agency entered into an OPA and related agreements in fiscal year 2020 with 6<sup>th</sup> and Grove Limited Partnership, the developer of a mixed-use building on 116 S 6<sup>th</sup> Street, a 7-story building that will house 60 income-restricted and market-rate apartments, 5,000 square feet of ground floor commercial space and 9,000 square feet of office space. The project is in the River-Myrtle/Old Boise District. The project is now known as Thomas Logan Apartments. The project is estimated by the developer to have a total value of \$15 million upon completion. The Agency's financial participation is an anticipated amount not to exceed \$597,848 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 2022. Payments are expected to be made over four years from fiscal year 2022 to 2025. During fiscal year 2022, the first payment of \$354,319 was made.

The Agency entered into an OPA and related agreements in fiscal year 2020 with 5<sup>th</sup> and Grove Investors, LLC, the developer of a mixed-use building on 512 W. Grove Street – 6 story building that will house 114 market-rate apartments, 8,000 square feet of ground floor retail space and amenity space including a rooftop patio. The project is in the River-Myrtle/Old Boise District. The project is now known as The Lucy Apartments. The project is estimated by the developer to have a total value of \$25.5 million upon completion. The Agency's financial participation is an anticipated amount not to exceed \$959,230 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 late 2021. Payments are expected to be made over four years from fiscal year 2022 to 2025. During fiscal year 2022, the first payment of \$231,722 was made.

## **CAPITAL CITY DEVELOPMENT CORPORATION**

### **NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED SEPTEMBER 30, 2022**

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The Agency entered into an OPA and related agreements in fiscal year 2020 with Boise Gateway 1, LC. The developer constructed a 168,000 square foot industrial building at 9605 S. Eisenman Road with related infrastructure and site improvement. The project is in the Gateway East District. The project was estimated by the developer to have a total value of \$12.8 million upon completion. The Agency's financial participation is an anticipated amount not to exceed \$426,144 for public improvements over the course of five 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 2020. Payments are expected to be made over five years from fiscal year 2022 to 2026. During fiscal year 2022, the first payment of \$133,527 was made.

The Agency entered into an OPA and related agreements in fiscal year 2021 with Lynch Land Development. The developer of a new travel center off the I-84 Eisenman Road Exit in Boise with fuel and amenities for professional drivers as well as commuter and recreational traffic with fuel canopies and an 11,000 square foot convenience store. Project location is 10026 S. Eisenman Road and is in the Gateway East District. The project was estimated by the developer to have a total value of \$12.9 million upon completion. The Agency's financial participation is an anticipated amount not to exceed \$1,005,645 for public improvements over the course of six 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 early 2022. Payments are expected to be made over five years from fiscal year 2023 to 2028. As of September 30, 2022, no payments have been made.

The Agency entered into an OPA and related agreements in fiscal year 2021 with Prentiss Properties 21, LLC, the owner of the property on 901 N 27<sup>th</sup> Street. The owner is renovated public improvements on the streetscape. The project is the 30<sup>th</sup> Street District. The Agency's financial participation is an anticipated amount not to exceed \$200,000 for public improvements after the project is complete. The OPA sets out conditions the owner must meet to become eligible for Agency financial participation. The project is expected to complete in Spring of 2023. As of September 30, 2022, no payments have been made.

The Agency entered into an OPA and related agreements in fiscal year 2021 with 3<sup>rd</sup> & Broad LLC, the owner of the property on 406 S 3<sup>rd</sup> Street. The owner renovated public improvements on the streetscape. The project is the River-Myrtle/Old Boise District. The Agency's financial participation is an anticipated amount not to exceed \$200,000 for public improvements after the project is complete. The OPA sets out conditions the owner must meet to become eligible for Agency financial participation. The project was completed in late 2021. During fiscal year 2022, the first and final payment of \$27,813 was made.

The Agency entered into an OPA and related agreements in fiscal year 2021 with Boise Gateway2, LC. The developer of a 278,000 square foot industrial building on 2155 East Freight Street. The project is in the Gateway East District. The project was estimated by the developer to have a total value of \$53.9 million upon completion. The Agency's financial participation is an anticipated amount not to exceed \$895,382 for public improvements over the course of six 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 early 2022. Payments are expected to be made over five years from fiscal year 2023 to 2028. As of September 30, 2022, no payments have been made.

## CAPITAL CITY DEVELOPMENT CORPORATION

### NOTES TO FINANCIAL STATEMENTS

YEAR ENDED SEPTEMBER 30, 2022

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The Agency entered into an OPA and related agreements in fiscal year 2022 with 5<sup>th</sup> & Grove Beta Office LLC, the owner of the property at 113 South 5<sup>th</sup> Street. The owner is constructing a three-story, 6,305 square foot office building and is renovating public improvements on the streetscape. The project is in the River-Myrtle/Old Boise District. The Agency's financial participation is an anticipated amount not to exceed \$200,000 for public improvements after the project is complete. The OPA sets out conditions the owner must meet to become eligible for Agency financial participation. The project is expected to be completed in late 2022. As of September 30, 2022, no payments have been made.

The Agency entered into a Type 3 Transformative Assistance Agreement with Avery LLC, the owner of property at 1010 West Main Street. The developer plans to renovate the existing structure, the Averyl Tiner Building, on the project site into two restaurants and one hotel. As part of the project, the developer intends to remove two existing art installations, improve street and sidewalk conditions on West Main Street and the rear alleyway entrance, and renovate three façade elevations. The project is in the Westside District and will contribute to enhancing and revitalizing the district. The Agency's financial participation is an anticipated amount not to exceed \$1,214,613 for public improvements. The OPA sets out conditions the developer must meet to become eligible for Agency financial participation. The project is expected to be completed during 2023. As of September 30, 2022, no payments have been made.

The Agency entered into an OPA and related agreements in fiscal year 2022 with 17<sup>th</sup> and Main LLC, the owner of the property at 1700 West Main Street. The owner is renovating the exterior and a portion of the interior of an existing professional office space and improving the right of way at the project site. The project is in the Westside District. The Agency's financial participation is an anticipated amount not to exceed \$182,054 for public improvements after the project is complete. The OPA sets out conditions the owner must meet to become eligible for Agency financial participation. The project is expected to be completed in late 2022. As of September 30, 2022, no payments have been made.

The Agency entered into an OPA and related agreements in fiscal year 2022 with CPG International LLC, the owner of property at 1001 East Gowen Road. On the project site, the developer plans to construct a manufacturing and distribution center reusing existing industrial buildings and including necessary operation and information technology systems. As part of the project, the developer will upgrade power facilities and infrastructure and install streetlights. The project is in the Gateway East District. The project was estimated by the developer to have a total value of \$123.2 million upon completion. The Agency's financial participation is an anticipated amount not to exceed \$1,405,300 for public improvements over the course of six years after the project is complete. The OPA sets out conditions the developer must meet to become eligible for Agency financial participation. The project is expected to be completed in late 2022. Payments are expected to be made over six years from fiscal year 2024 to 2029. As of September 30, 2022, no payments have been made.

The Agency entered into an OPA and related agreements in fiscal year 2022 with Red River Logistics Center LLC and Red River Commerce Center LLC, owner of property at 951 East Gowen Road and 7031 South Eisenman Road. On the project sites, the developer plans to construct approximately 1.28 million square feet of speculative Class A industrial space and associated site improvements. Public improvements include expanding Production Street; extending a water main, underground power and fiber conduit; constructing a detached multi-use pathway; streetlights; and performing necessary streetscape improvements on Eisenman Road. The project is in the Gateway East District and is estimated by the developer to have a total value of \$103.2 million upon completion. The Agency's financial participation is an anticipated amount not to exceed \$4,134,124 for expenses related to the site at 951 East Gowen Road and \$105,000 for expenses related to the site at 7031 South Eisenman Road for public improvements over the course of six years after the project is complete. The OPA sets out conditions the

## **CAPITAL CITY DEVELOPMENT CORPORATION**

### **NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED SEPTEMBER 30, 2022**

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developer must meet to become eligible for Agency financial participation. The project is expected to be completed in late 2023. Payments are expected to be made over six years from fiscal years 2025 to 2030. As of September 30, 2022, no payments have been made.

The Agency entered into a Type 4 Capital Improvement Reimbursement Agreement with St. Luke's Health System LTD, the owner of the property at 2525 West Fairview Avenue. The agency agrees to reimburse the participant for the construction of transit infrastructure improvements. The project is in the 30<sup>th</sup> Street District. The Agency's financial participation is an anticipated amount not to exceed \$200,000 for public improvements after the project is complete. The OPA sets out conditions the owner must meet to become eligible for Agency financial participation. The project is expected to be completed in late 2022. As of September 30, 2022, no payments have been made.

The Agency entered into an OPA and related agreements in fiscal year 2022 with Fairview Partners LLC, the owner of the property at 1655 West Fairview Avenue. The owner is renovating 28,000 square feet of office and retail space with associated public improvements to streetscapes at the project site. The project is in the Westside District. The Agency's financial participation is an anticipated amount not to exceed \$200,000 for public improvements after the project is complete. The OPA sets out conditions the owner must meet to become eligible for Agency financial participation. The project is expected to be completed in late 2022. As of September 30, 2022, no payments have been made.

The Agency entered into an OPA and related agreements in fiscal year 2022 with ESP Property Investments LLC, the owner of property at 3205 West Moore Street. The owner is planning a residential development of nine approximately 2,100 square foot, for-sale townhomes with a common lot at the project site. The owner is renovating public improvements on the streetscape. The project is located in the 30<sup>th</sup> Street District. The Agency's financial participation is an anticipated amount not to exceed \$166,583 for public improvements after the project is complete. The OPA sets out conditions the owner must meet to become eligible for Agency financial participation. The project is expected to be completed in 2023. As of September 30, 2022, no payments have been made.

The Agency entered into an OPA and related agreements in fiscal year 2022 with The Imperial Seven Hundred LLC, the owner of the property at 1070 West Grove Street. The owner is renovating the former Safari Inn and completing improvements to the alleyway at the project site. The project is in the Westside District. The Agency's financial participation is an anticipated amount not to exceed \$83,255 for public improvements after the project is complete. The OPA sets out conditions the owner must meet to become eligible for Agency financial participation. The project is expected to be completed in late 2022. As of September 30, 2022, no payments have been made.

The Agency entered into a Type 4 Capital Improvement Reimbursement Agreement with 11<sup>th</sup> & Lee BE LLC, the owner of the property at 1103 West Lee Street. The owner is constructing a 45,000 square foot mixed use building with 48 apartment units and 600 square feet of commercial space and associated site improvements. The developer will construct a portion of the 11th Street Improvements and improve streetscapes on Lee Street and upgrade the alley adjacent to the project. The project is in the River-Myrtle/Old Boise District. The Agency's financial participation is an anticipated amount not to exceed \$358,702 for public improvements after the project is complete. The OPA sets out conditions the owner must meet to become eligible for Agency financial participation. The project is expected to be completed in 2023. As of September 30, 2022, no payments have been made.

## **CAPITAL CITY DEVELOPMENT CORPORATION**

### **NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED SEPTEMBER 30, 2022**

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The Agency entered into an OPA and related agreements in fiscal year 2022 with the Foundation for Idaho History, the owner of the property at 200 West Main Street. The Participant is the nonprofit fundraising arm of the Idaho State Historical Society and is undertaking a public improvements project on the State's historic Assay Office property, including constructing a pathway, installing landscaping and other site improvements, and planting trees within the streetscapes at the project site. The project is in the River-Myrtle/Old Boise District. The Agency's financial participation is an anticipated amount of \$165,635 for public improvements after the project is complete. The OPA sets out conditions the owner must meet to become eligible for Agency financial participation. The project is expected to be completed in late 2022. As of September 30, 2022, no payments have been made.

The Agency entered into a Type 4 Capital Improvement Reimbursement Agreement with Hendricks Commercial Properties LLC, the owner of the property at 1110 West Grove Street. The owner is constructing an eight-story, 122-room boutique hotel with amenity space and associated public improvements on the project site. The project is in the Westside District. The Agency's financial participation is an anticipated amount not to exceed \$250,000 for public improvements after the project is complete. The OPA sets out conditions the owner must meet to become eligible for Agency financial participation. The project is expected to be completed in 2024. As of September 30, 2022, no payments have been made.

#### **Note 9 - 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. 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 2022, the tax increment guarantee and supplemental rent obligations in the amounts of \$92,768 and \$145,614 were received in full.

As part of the Ada County Courthouse Corridor 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. Similarly, under the terms of the Amended and Restated Parcel 1 Sublease, the Agency subleased two Courthouse Corridor project condominium units (units 401 and 102) to Civic Partners. Civic Partners 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 Partners, 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.

## **CAPITAL CITY DEVELOPMENT CORPORATION**

### **NOTES TO FINANCIAL STATEMENTS**

**YEAR ENDED SEPTEMBER 30, 2022**

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#### **Note 10 - 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 were pledged to support this debt. One twelfth of the annual debt service was deposited into the note fund each month. The source revenues for the deposits into the note fund were revenue allocation from the River-Myrtle/Old Boise District and net parking revenues from the parking system. The 2011 B Revenue Refunding Note was originally scheduled to mature in 2024 and was redeemed early on December 1, 2021. The bond fund was pledged until the bonds were redeemed. For the year ended September 30, 2022, the total debt service on this note was \$3,917,100.

The Agency issued the Series 2017 A Redevelopment Bond in fiscal year 2017. Amounts in the Series 2017 A bond fund were pledged to support this debt. One twelfth of the annual debt service was to be deposited into the bond fund each month. The source revenues for the deposits into the bond fund were revenue allocation from the River-Myrtle/Old Boise District and net parking revenues from the parking system. The Series 2017 A bond was originally scheduled to mature in 2024 and was redeemed early on December 1, 2021. The bond fund was pledged until the bond was redeemed.. For the year ended September 30, 2022, the total debt service on this bond was \$5,687,799.

The Agency issued the Series 2017B Bond to refund the 2010B Bond. Amounts in the Series 2017B Bond fund were pledged to support this debt. One-twelfth of the annual debt service was deposited into the bond fund each month. The source revenues for the deposits into the bond fund were revenue allocation from the River Myrtle/Old Boise District and net parking revenues from the parking system. For the year ended September 30, 2022, the total debt service on these bonds was \$2,296,074.

#### **Note 11 - 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. The Series 2016 Bonds was issued at a fixed rate range from 3.00% to 5.00%. The issuance is a conduit financing arrangement for the District. 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 principal payment was scheduled and made on December 15, 2017. As of September 30, 2022, the unpaid principal balance is \$19,105,000.

#### **Note 12 - Subsequent Events**

On December 12, 2022, the Agency’s Board of Commissioners approved two resolutions – one to convey a parcel located at 703 South 8<sup>th</sup> Street to City of Boise by Quitclaim Deed and the other one to convey a parcel located at 429 South 10<sup>th</sup> Street to City of Boise by Quitclaim Deed. On December 14, 2022, both Quitclaim Deeds were recorded and these two properties were officially transferred to City of Boise.



**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, 2022**

	General Fund			Variance
	Original Budget	Amended Budget	Actual	Favorable (Unfavorable)
REVENUES				
Interest	\$ -	\$ -	\$ 4,853	\$ 4,853
Unrealized loss on investments	-	-	(1,693)	(1,693)
Other	-	-	77,356	77,356
Total revenues	-	-	80,516	80,516
EXPENDITURES				
Operating and administrative expenses	3,931,130	3,708,998	3,278,497	430,501
Capital outlay and related expenses	46,000	130,000	96,755	33,245
Debt service - principal	-	-	64,121	(64,121)
Debt service - interest and fees	-	-	20,749	(20,749)
Total expenditures	3,977,130	3,838,998	3,460,122	378,876
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(3,977,130)	(3,838,998)	(3,379,606)	459,392
OTHER FINANCING SOURCES (USES)				
Interfund transfers	4,547,370	4,188,998	3,374,864	(814,134)
Total other financing sources (uses)	4,547,370	4,188,998	3,374,864	(814,134)
NET CHANGE IN FUND BALANCES	570,240	350,000	(4,742)	(354,742)
FUND BALANCES, BEGINNING OF YEAR	986,136	986,136	986,136	-
FUND BALANCES, END OF YEAR	\$ 1,556,376	\$ 1,336,136	\$ 981,394	\$ (354,742)

**CAPITAL CITY DEVELOPMENT CORPORATION****STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
YEAR ENDED SEPTEMBER 30, 2022**

	River Myrtle District RA Fund			
	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Lease	\$ -	\$ -	\$ 106,795	\$ 106,795
Interest	-	-	70,146	70,146
Unrealized loss on investments	-	-	(42,607)	(42,607)
Other	754,500	2,875,900	1,207,107	(1,668,793)
Parking revenues	-	68,000	68,227	227
Revenue allocation funds	10,100,000	10,620,000	11,118,289	498,289
Total revenues	10,854,500	13,563,900	12,527,957	(1,035,943)
EXPENDITURES				
Operating and administrative expenses	694,749	474,049	185,891	288,158
Capital outlay and related expenses	26,024,200	12,865,062	4,937,805	7,927,257
Debt service - principal	8,252,000	8,358,795	8,290,971	67,824
Debt service -interest	195,492	48,873	53,439	(4,566)
Total expenditures	35,166,441	21,746,779	13,468,106	8,278,673
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(24,311,941)	(8,182,879)	(940,149)	7,242,730
OTHER FINANCING SOURCES (USES)				
Interfund transfers	170,741	287,199	517,017	229,818
Total other financing sources (uses)	170,741	287,199	517,017	229,818
NET CHANGE IN FUND BALANCES	(24,141,200)	(7,895,680)	(423,132)	7,472,548
FUND BALANCES, BEGINNING OF YEAR	29,486,967	29,486,967	29,486,967	-
FUND BALANCES, END OF YEAR	\$ 5,345,767	\$ 21,591,287	\$ 29,063,835	\$ 7,472,548

**CAPITAL CITY DEVELOPMENT CORPORATION****STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
YEAR ENDED SEPTEMBER 30, 2022**

	Westside District RA Fund			Variance
	Original Budget	Amended Budget	Actual	Favorable (Unfavorable)
REVENUES				
Lease	\$ 110,914	\$ 110,914	\$ 111,276	\$ 362
Interest	-	-	23,834	23,834
Unrealized loss on investments	-	-	(13,949)	(13,949)
Other	1,193,000	1,786,171	471,008	(1,315,163)
Parking revenues	10,200	10,470	10,620	150
Revenue allocation funds	4,100,000	4,190,000	4,295,431	105,431
Total revenues	5,414,114	6,097,555	4,898,220	(1,199,335)
EXPENDITURES				
Operating and administrative expenses	422,000	246,100	262,011	(15,911)
Capital outlay and related expenses	8,616,500	4,594,849	2,142,241	2,452,608
Total expenditures	9,038,500	4,840,949	2,404,252	2,436,697
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(3,624,386)	1,256,606	2,493,968	1,237,362
OTHER FINANCING SOURCES (USES)				
Interfund transfers	(1,000,691)	(797,380)	(646,435)	150,945
Gain (loss) on sale of properties held for resale	-	-	(7,739)	(7,739)
Total other financing sources (uses)	(1,000,691)	(797,380)	(654,174)	143,206
NET CHANGE IN FUND BALANCES	(4,625,077)	459,226	1,839,794	1,380,568
FUND BALANCES, BEGINNING OF YEAR	14,579,912	14,579,912	14,579,912	-
FUND BALANCES, END OF YEAR	\$ 9,954,835	\$ 15,039,138	\$ 16,419,706	\$ 1,380,568

**CAPITAL CITY DEVELOPMENT CORPORATION****STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
YEAR ENDED SEPTEMBER 30, 2022**

	30th Street District RA Fund			
	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Interest	\$ -	\$ -	\$ 5,042	\$ 5,042
Unrealized loss on investments	-	-	(3,100)	(3,100)
Revenue allocation funds	1,600,000	1,070,000	1,050,607	(19,393)
Total revenues	1,600,000	1,070,000	1,052,549	(17,451)
EXPENDITURES				
Operating and administrative expenses	75,000	12,000	350	11,650
Capital outlay and related expenses	2,327,122	937,000	733,622	203,378
Total expenditures	2,402,122	949,000	733,972	215,028
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(802,122)	121,000	318,577	197,577
OTHER FINANCING SOURCES (USES)				
Interfund transfers	(348,066)	(318,952)	(253,377)	65,575
Total other financing sources (uses)	(348,066)	(318,952)	(253,377)	65,575
NET CHANGE IN FUND BALANCES	(1,150,188)	(197,952)	65,200	263,152
FUND BALANCES, BEGINNING OF YEAR	1,833,788	1,833,788	1,833,788	-
FUND BALANCES, END OF YEAR	\$ 683,600	\$ 1,635,836	\$ 1,898,988	\$ 263,152

**CAPITAL CITY DEVELOPMENT CORPORATION****STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
YEAR ENDED SEPTEMBER 30, 2022**

	Shoreline District RA Fund			
	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Interest	\$ -	\$ -	\$ 1,621	\$ 1,621
Unrealized loss on investments	-	-	(1,111)	(1,111)
Revenue allocation funds	430,000	470,000	483,242	13,242
Total revenues	430,000	470,000	483,752	13,752
EXPENDITURES				
Operating and administrative expenses	125,000	6,000	1,251	4,749
Capital outlay and related expenses	250,000	25,000	20,486	4,514
Total expenditures	375,000	31,000	21,737	9,263
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	55,000	439,000	462,015	23,015
OTHER FINANCING SOURCES (USES)				
Interfund transfers	(67,542)	(9,476)	7,070	16,546
Total other financing sources (uses)	(67,542)	(9,476)	7,070	16,546
NET CHANGE IN FUND BALANCES	(12,542)	429,524	469,085	39,561
FUND BALANCES, BEGINNING OF YEAR	321,464	321,464	321,464	-
FUND BALANCES, END OF YEAR	\$ 308,922	\$ 750,988	\$ 790,549	\$ 39,561

**CAPITAL CITY DEVELOPMENT CORPORATION****STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
YEAR ENDED SEPTEMBER 30, 2022**

	Gateway East District RA Fund			
	Original Budget	Amended Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Interest	\$ -	\$ -	\$ 7,768	\$ 7,768
Unrealized loss on investments	-	-	(4,615)	(4,615)
Revenue allocation funds	2,250,000	2,530,000	2,425,378	(104,622)
Total revenues	2,250,000	2,530,000	2,428,531	(101,469)
EXPENDITURES				
Operating and administrative expenses	125,000	9,600	2,076	7,524
Capital outlay and related expenses	1,911,500	1,103,527	975,129	128,398
Total expenditures	2,036,500	1,113,127	977,205	135,922
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	213,500	1,416,873	1,451,326	34,453
OTHER FINANCING SOURCES (USES)				
Interfund transfers	(435,083)	(438,559)	(344,332)	94,227
Total other financing sources (uses)	(435,083)	(438,559)	(344,332)	94,227
NET CHANGE IN FUND BALANCES	(221,583)	978,314	1,106,994	128,680
FUND BALANCES, BEGINNING OF YEAR	1,519,423	1,519,423	1,519,423	-
FUND BALANCES, END OF YEAR	\$ 1,297,840	\$ 2,497,737	\$ 2,626,417	\$ 128,680

**CAPITAL CITY DEVELOPMENT CORPORATION****STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL  
YEAR ENDED SEPTEMBER 30, 2022**

	Parking Fund			Variance
	Original Budget	Amended Budget	Actual	Favorable (Unfavorable)
REVENUES				
Lease	\$ 70,000	\$ 205,000	\$ 484,572	\$ 279,572
Interest	-	-	39,688	39,688
Unrealized loss on investments	-	-	(17,582)	(17,582)
Other	1,000	1,500	7,488	5,988
Parking revenues	7,626,562	8,083,145	7,930,712	(152,433)
Total revenues	7,697,562	8,289,645	8,444,878	155,233
EXPENDITURES				
Operating and administrative expenses	2,547,721	2,346,187	2,491,305	(145,118)
Capital outlay and related expenses	1,552,000	1,478,251	1,587,157	(108,906)
Debt service - principal	4,310,000	4,220,000	3,780,000	440,000
Debt service - interest and fees	243,550	137,100	137,100	-
Total expenditures	8,653,271	8,181,538	7,995,562	185,976
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(955,709)	108,107	449,316	341,209
OTHER FINANCING SOURCES (USES)				
Interfund transfers	(2,818,430)	(2,839,353)	(2,654,807)	184,546
Total other financing sources (uses)	(2,818,430)	(2,839,353)	(2,654,807)	184,546
NET CHANGE IN FUND BALANCES	(3,774,139)	(2,731,246)	(2,205,491)	525,755
FUND BALANCES, BEGINNING OF YEAR	14,187,541	14,187,541	14,187,541	-
FUND BALANCES, END OF YEAR	\$ 10,413,402	\$ 11,456,295	\$ 11,982,050	\$ 525,755



**CAPITAL CITY DEVELOPMENT CORPORATION**  
**SCHEDULE OF EMPLOYER'S SHARE OF NET PENSION LIABILITY (ASSET)**  
**YEAR ENDED SEPTEMBER 30, 2022**

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

	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Employer's portion of net of the pension (asset) liability	0.0401829%	0.0445123%	0.0422940%	0.0422401%
Employer's proportionate share of the net pension (asset) liability	\$ 1,582,707	\$ (35,155)	\$ 982,123	\$ 482,159
Employer's covered payroll	\$ 1,489,671	\$ 1,535,074	\$ 1,506,386	\$ 1,426,600
Employer's proportionate share of the net pension (asset) liability as a percentage of its covered payroll	106.25%	-2.29%	65.20%	33.80%
Plan fiduciary net position as a percentage of the total pension (asset) liability	83.09%	100.36%	82.22%	93.79%
	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>
Employer's portion of net of the pension (asset) liability	0.0405570%	0.0397908%	0.0403932%	0.0361820%
Employer's proportionate share of the net pension (asset) 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 (asset) 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 (asset) 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 of each year.

**CAPITAL CITY DEVELOPMENT CORPORATION**  
**SCHEDULE OF EMPLOYER CONTRIBUTIONS**  
**YEAR ENDED SEPTEMBER 30, 2022**

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

	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>
Statutorily required contribution	\$ 201,057	\$ 189,895	\$ 184,578	\$ 166,029
Contributions in relation to the statutorily required contribution	\$ (195,718)	\$ (189,531)	\$ (189,706)	\$ (167,556)
Contribution deficiency (excess)	\$ 5,339	\$ 364	\$ (5,128)	\$ (1,527)
Employer's covered payroll	\$ 1,604,032	\$ 1,561,822	\$ 1,567,710	\$ 1,446,855
Contributions as a percentage of covered payroll	12.20%	12.14%	12.10%	11.58%
	<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 of each year.

**Note 1 - Summary of Significant Accounting Policies**

**Financial Reporting Entity**

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 revised, if necessary, prior to Board consideration.
3. The proposed budget is approved by the Board of Commissioners at its regular August meeting.
4. The proposed budget is published for public review.
5. The Board of Commissioners holds a special meeting including a public hearing on the budget in August.
6. The proposed budget is adopted by the Board of Commissioners prior to September 1.
7. The adopted budget is filed with the City of Boise.
8. October 1 begins the Agency's fiscal year.
9. Budget amendments, if any, require formal approval of the Agency's Board of Commissioners.
10. There was no budget adopted for the State Street District in fiscal year 2022.

**Note 2 - Summary of Significant Accounting Policies**

The fiscal year 2022 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 (asset) in the June 30, 2022 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

## CAPITAL CITY DEVELOPMENT CORPORATION

### NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

SEPTEMBER 30, 2022

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Inflation	2.30 percent
Salary increases including inflation	3.05 percent
Investment rate of return-net of investment fees	6.35 percent
Cost of living (COLA) adjustments	1.00 percent

Several different sets of mortality rates are used in the valuation for contributing members, members retired for service and beneficiaries. These rates were adopted for the valuation dated July 1, 2021.

#### **Contributing Members, Service Retirement Members, and Beneficiaries**

General Employees and All Beneficiaries - Males	Pub-2010 General Tables, increased 11%
General Employees and All Beneficiaries - Females	Pub-2010 General Tables, increased 21%
Teachers - Males	Pub-2010 Teacher Tables, increased 12%
Teachers - Females	Pub-2010 Teacher Tables, increased 21%
Fire & Police - Males	Pub-2010 Safety Tables, increased 21%
Fire & Police - Females	Pub-2010 Safety Tables, increased 26%
	5% of Fire and Police active member deaths are assumed to be duty related. These assumptions were adopted July 1, 2021.
Disabled Members - Males	Pub-2010 Disabled Tables, increased 38%
Disabled Members - Females	Pub-2010 Disabled Tables, increased 36%

The Total Pension Liability as of June 30, 2022, is based on the results of an actuarial valuation date of July 1, 2022. The District's proportionate share of changes in assumptions as of the measurement date totaled \$258,029.



**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, 2022, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements, and have issued our report thereon dated February 6, 2023.

**Report on 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) as a basis for designing 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 or significant deficiencies may exist that have not been identified.

**Report on 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 financial statements. 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 cursive script that reads "Eide Bailly LLP".

Boise, Idaho  
February 6, 2023



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## AGENDA BILL

<b>Agenda Subject:</b> 521 W Grove Street Public Space. Type 4 Capital Project Coordination for Public Art: Celebrating the Multi-cultural History of Old Boise with City of Boise Arts & History		<b>Date:</b> February 13, 2023
<b>Staff Contact:</b> Karl Woods Senior Project Manager	<b>Attachments:</b> 1) Exhibit A – Vicinity Map 2) Exhibit B – Estimate of Probable Cost	
<b>Action Requested:</b> Review 521 W Grove Street Public Space: Public Art: Celebrating the Multi-cultural History of Old Boise as eligible for the Type 4 assistance and direct staff to continue negotiating a final agreement with City of Boise Arts & History for future Board Approval.		

### Background:

The Old Boise Blocks on Grove Street is an area of the Old Boise neighborhood in downtown Boise where focused investment—both public and private—is underway. In 2020, CCDC facilitated the creation of a community-led vision for the Old Boise Blocks. The result of this outreach is the Old Boise Blocks on Grove Street Redevelopment Strategy Vision Report. The vision represents input from the public, key stakeholders, property owners, developers, and public agencies. The report contains recommendations including investment in public spaces and inclusion of public art to celebrate the historic culture of the neighborhood.

In January 2022, CCDC purchased a .021 acre parcel located at 521 W. Grove Street to redevelop into a Public Space. Consistent with the Vision Report recommendations, this space will celebrate the historic culture of the neighborhood and will include Public Art to reinforce the vision.

The City of Boise Arts & History staff have participated in team meetings regarding the vision, planning, community engagement, history, cultural improvements, and Public Art for the 521 W. Grove Public Space in downtown Boise.

The City of Boise Arts & History staff have provided valuable input regarding the Public Art procurement. It is critical to the success of the project that the artist is part of the design process for early input and an integrated design. Having recently completed a public programming survey, it is time to start the Public Art procurement process to ensure a successful project.



Staff will continue to collaborate with the stakeholder group and design team to coordinate and manage the selection processes including: RFQ/RFP, facilitate the artist selection process, draft and negotiate contracts, coordinate with the selected artist and project responsibilities, and coordinate with the project team to prepare the public space site for installation.

The City of Boise Department of Arts & History is requesting funding assistance from the Agency for the Public Art. CCDC has determined that it is in the public interest to enter into a Type 4 Capital Project Coordination Agreement with the City for the Art.

The Type 4 Capital Project Coordination Agreement (“Agreement”) sets forth the Agency’s commitment to reimburse City of Boise Arts & History the actual cost—not to exceed \$400,000—for Public Art.

**Fiscal Notes:**

Funding for the reimbursement is included in the Agency’s original FY23 budget.

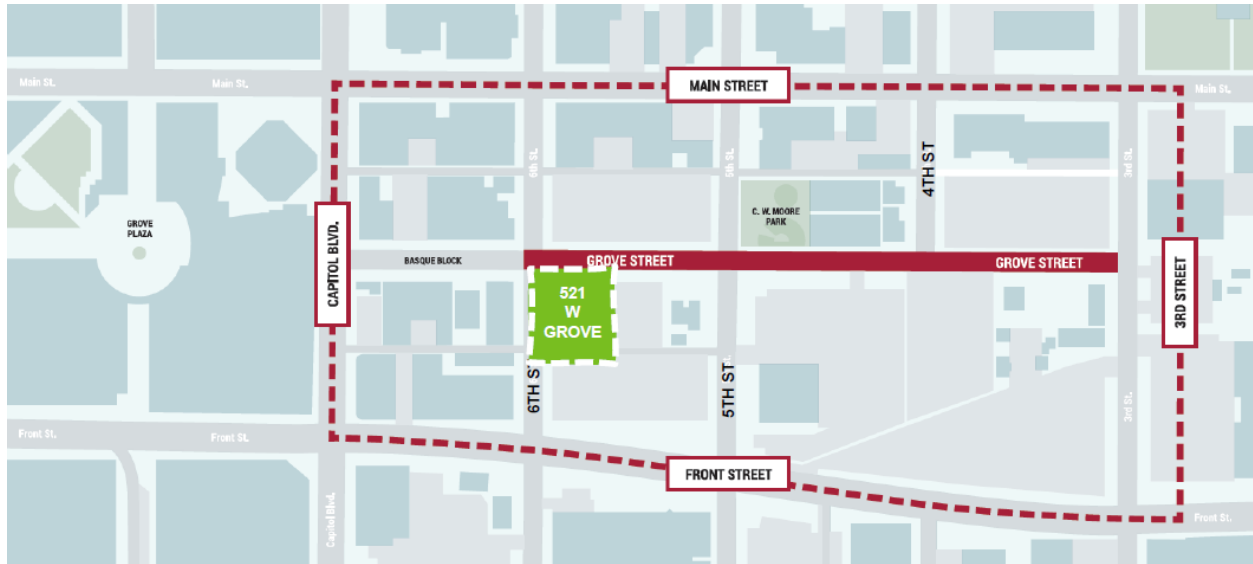
**Staff Recommendation:**

Approve and direct staff to negotiate a final Type 4 Capital Project Coordination Agreement for the 521 W Grove Street Public Space: Public Art: Celebrating the Multi-cultural History of Old Boise with City of Boise Arts & History.

**Suggested Motion:**

I move to direct staff to negotiate a final Type 4 Capital Project Coordination Agreement for the 521 W Grove Street Public Space: Public Art: Celebrating the Multi-cultural History of Old Boise with City of Boise Arts & History.

## Exhibit A



## Exhibit B

### 521 W Grove Street Public Space

Estimate of Probable Cost - 2/3/2022

Stephanie Johnson

Cost Component/Phase	Estimate Cost (\$)	Anticipated Timing	Notes
Artist Design	\$ 100,000.00	2023	Call for artist, design
Public Art - fabrication and installation	\$ 300,000.00	Fabrication 2024 Installation 2025	Fabrication, install - depending on application, coordinate footings with Public Space construction



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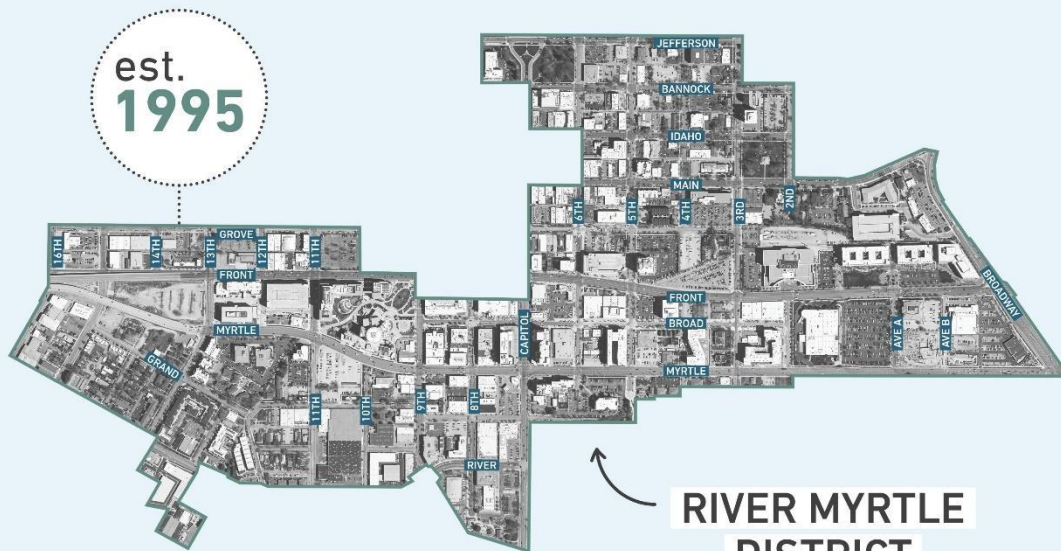
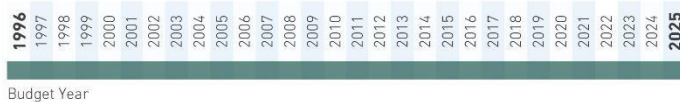


DATE: February 13, 2023  
TO: Latonia Haney Keith, Chair  
Board of Commissioners  
FM: John Brunelle, Executive Director  
RE: CCDC Monthly Report

## RIVER MYRTLE - OLD BOISE DISTRICT



303 ACRES



DISTRICT MAP



### Economic Development

**5th & Front Streets - Hotel and Parking Garage - PP Type 3:** The Agency has reviewed and approved of Cost Documentation and reimbursed developer for "Pale Blue Dot." This project will continue to receive reimbursement for its other public improvements through increment until 2025. *Project Lead: Alexandra Monjar*

**CW Moore Park Improvements – PP Type 4 Partnership with Boise Parks:** This partnership with Boise City Parks and Recreation will provide upgrades to CW Moore Park. The Agency is working with the Parks Department to help fund the improvements, not to exceed \$200,000. The Board approved the project in March for T4 Agreement Designation. Staff are awaiting further information while the city reviews the scope of the project. *Project Lead: Karl Woods*

**210 W Main St - US Assay Office Pathway & Landscaping - PP Type 1:** Landscaping and historical improvements on the US Assay Office. The Board approved an agreement in August and work is underway. *Project Lead: Kevin Holmes*

**1201 W Grove St - The Broadstone Saratoga - PP Type 4:** 334-unit mixed-use development with 377 parking spaces and ground floor retail. With \$100M in total development costs, the Agency expects a \$1.3M reimbursement for alley improvements, streetscapes, and utility work. The project coordinates overlapping public improvements with the Rebuild Linen Blocks on Grove Street capital project between 12th and 13th Streets. The Board designated the project for Type 4 Capital Improvement Project Coordination participation in August. The Agency will present a final agreement for Board approval in March. *Project Lead: Kevin Holmes*

**200 N 4<sup>th</sup> St - ICCU Plaza - PP Type 2:** The Agency has received an application from BVA to participate in this project to construct a building with both a 13-story tower, which will be commercial/office space, and an 11-story tower, which will be residential/multi-family. A total of 125 apartments and 150,000 square feet of office space included. The public improvements eligible for CCDC reimbursement include streetscapes along 4th St, Main St, and Bannock St. Utility upgrades and expansion work includes upgrading and undergrounding power, new underground fiber, and the expansion of the sewer mainline. Total Development Costs are estimated at \$124 million and Eligible Expenses at \$2.2 million. The project is requesting the use of CIP funds dedicated to housing developments which will be completed before the expiration of the RMOB District. The Board designated the project for Type 2 participation in January. The Agency will present a final agreement for Board approval in spring. *Project Lead: Kevin Holmes*

## Infrastructure

**“Rebuild 11th Street Blocks” - Redevelopment of the 11th Street Corridor - State Street to Grove Street:** This project combines the installation of bikeway infrastructure, streetscape improvements, ACHD-planned pavement rehabilitation, and stormwater infrastructure upgrades. A full report is located under the [Westside District](#). *Project Lead: Amy Fimbel*

**RMOB Closeout Inventory and Analysis:** This project identified locations where streetscape infrastructure repairs or upgrades are needed to address minor deficiencies, deterioration, or hazards within the streetscapes of existing rights-of-way. CCDC contracted with Stack Rock Group to perform the district-wide assessment of current conditions and to identify locations in need of improvements. Locations identified through this effort will be prioritized to inform the programming of closeout project work prior to RMOB sunset. *Project Lead: Zach Piepmeyer*

## Mobility

**5th St & 6th St Two-Way Conversion:** CCDC is assisting the City of Boise with this high-priority project to convert the two existing one-way corridors to two-way vehicle travel. ACHD previously conducted feasibility studies, performed a concept analysis, and initiated final design work prior to putting the project

## PARTICIPATION PROGRAM

**Type 1:** One-time assistance. Reimbursements up to \$200k for eligible expenses. Developer-matched.

**Type 2:** General assistance. Reimbursed by project-generated tax increment revenue. Scorecard dependent.

**Type 3:** Transformative Assistance. Large-scale or unproven projects. Often includes public parking. \$6 private to \$1 public minimum investment required.

**Type 4:** Capital Improvement Coordination. Most often used for public/public projects.

**Type 5:** Disposition of CCDC-owned property.

on-hold in early 2019. CCDC will assist the City by managing the remainder of Final Design, agency approval and construction processes. In December 2022, CCDC entered an Interagency Cost Share Agreement with ACHD to complete design and outreach on the project. The Board approved Task Order 19-005 for preliminary and final design at the January 2023 Board Meeting. Staff anticipates final construction documents will be complete midway through FY2024 at which time an additional Interagency Cost Share Agreement with ACHD will be negotiated and the project will be bid for construction. *Project Lead: Zach Piepmeyer*

**S 5th St & Myrtle St - Signalized Crossing:** This project anticipates installing a traffic signal on Myrtle Street at the 5th Street intersection to provide a safe crossing between Julia Davis Park and the Central Addition and to extend the signal-coordinated traffic calming of Myrtle Street. CCDC will incorporate traffic signal improvements in the 5th & 6th Two-Way Conversion project listed above. *Project Lead: Zach Piepmeyer*

### Place Making

**Grove Street Old Boise Blocks - Multi-Block Improvement Project:** CCDC conducted an inclusive, community-driven visioning process to develop a place-making strategy for this site. The process began in June 2020 with a series of stakeholder visioning meetings to create a community-supported vision for the area. The public had several opportunities to engage in the visioning process through summer and fall 2020. The Agency presented the visioning documents to the Board at its December 14, 2020, meeting. The Agency selected Jensen Belts Associates in February as the Landscape Architect of Record for the project. The Board approved the ranking of Guho Corp. as the selected Construction Manager/General Contractor (CM/GC) for the project at the April Board meeting. Stakeholder meetings are complete, and the project was presented to the City Council in July 2021. CCDC received a draft memo from the City, which proposed tasks and a road map to gain design review approval for the project. CCDC has responded to the memo. CCDC submitted a DR package for review on March 4 and met with the City on April 11 to discuss the submittal. CCDC received a letter regarding the submittal on April 15 and had a follow-up meeting with the City on April 25. CCDC revised and resubmitted the drawings on June 10, 2022. CCDC has worked with the City and ACHD to gain approval of a city directed curbless street design. CCDC is working on construction documents, a 60% set has been submitted for review.. *Project Lead: Karl Woods*

**Linen Blocks – West Grove Street Improvements:** This project will make catalytic infrastructure improvements on Grove Street between 10th and 16th Streets. CCDC conducted an inclusive, community-driven visioning process for the project from September 2020 to June 2021. The process included a series of stakeholder visioning meetings and public surveys and resulted in a final visioning document. GGLO started design in July 2021 and submitted draft final design plans to ACHD and the City of Boise in September 2022. The Board approved Guho Corp. as the selected CM/GC for the project at the October 2021 Board Meeting. Amendment No. 1 to Guho's contract for advanced sewer relocation work was approved at the October 10, 2022, Board meeting. Guho started sewer construction November 14, 2022, and anticipates construction of the full improvements to follow in February 2023 once permitting approvals are complete. *Project Lead: Amy Fimbel*

**Boise Canal Multi-Use Pathway - 3rd Street to Broadway:** As identified in the recently adopted 2022 City of Boise Pathway Master Plan and the 2020 Old Boise Blocks Visioning Report, this project anticipates constructing a non-motorized, multi-use pathway generally aligned with the Grove Street corridor, connecting 3rd Street to Broadway Avenue at the recently installed enhanced pedestrian crossing to Dona Larsen Park. Because no continuous public right-of-way exists within which to construct the pathway, close coordination and cooperation with property owners will be essential. CCDC has initiated preliminary discussions with property owners and Agency partners. CCDC selected The Land Group to assist with design and construction administration services through a competitive RFQ process. Consultant will begin design work in February 2023. *Project Lead: Zach Piepmeyer*

**Fulton Street Improvements - 9th Street to Capitol Blvd:** This project will improve Fulton Street between 9th Street and Capitol Boulevard. CCDC selected The Land Group to perform consultant design services for the project. The final design was completed in October 2022 and final plans are currently being reviewed by ACHD prior to bidding. Bidding is anticipated in February 2023 with construction beginning spring 2023. *Project Lead: Zach Piepmeyer*



## 521 W Grove Street Public Space

This project will develop an Agency-owned parcel at 521 W Grove Street into a public space that celebrates the neighborhood's multi-cultural history, provides additional event space to support street festivals on the adjacent Basque Block, and catalyzes placemaking with adjacent private investment and overall neighborhood investment strategy. This project is in collaboration with Boise Parks Department, which will assume ownership, operation, and maintenance. A Design Team was selected through an RFQ process. Staff received Board approval for the selection of the Design Team in October. A CMGC was selected through an RFQ process, and the selection was approved by the Board in December. Staff issued a public programming survey for the project on January 9th. The survey closed on January 25th and the results are being analyzed. *Project Lead: Karl Woods*

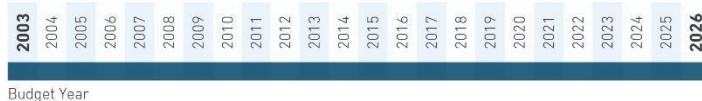
### Special Projects

**RMOB Public Art - City of Boise Broad Street Sculpture - PP Type 4:** The Arts & History Commission approved the design in October 2020. CCDC supported the project through funding and involvement in the selection process. Fabrication of the sculpture is complete, and Arts & History has decided to store the sculpture until the completion of the Ovation Apartment construction to avoid potential damage to the sculpture. *Project Lead: Karl Woods*

## WESTSIDE DISTRICT



157 ACRES



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2002



WESTSIDE  
DISTRICT

DISTRICT MAP



### Economic Development

**9th and Bannock Streets Intersection Geothermal Repairs - Type 4 Partnership with Boise City:** This partnership with the city will provide upgrades to the City of Boise's geothermal system adjacent to the

intersection of 9th & Bannock Streets. The Agency is working with Public Works Engineering to help fund the geothermal upgrade costs, not to exceed \$250,000. The Board approved the T4 Agreement on February 14, 2022. The project is complete. *Project Lead: Karl Woods*

**1721 W Idaho Street - The Martha - Agency-Owned Property:** The Agency negotiated a Disposition and Development Agreement with SMR Development LLC as approved at its July 12, 2021, Board Meeting. In accordance with the terms of the Agreement, sale of the property closed on October 15, 2021. The developer worked with Surel's Place to select artist Laurel Rau to create the building's mural whose concept was approved by the Board August 8, 2022. Project completion is expected in April 2023 and initial leasing has begun. *Project Lead: Alexandra Monjar*

**Block 68 Catalytic Redevelopment Project:** At its December 2021 meeting, the Board selected Edlen & Company's proposal for disposition of Agency owned property at 1010 W. Jefferson Street and 421 N. 10th Street through a competitive RFP process and approved the Agreement to Negotiate Exclusively (ANE) with the developer in March 2022 and its First Amendment in October 2022. The Disposition and Development Agreement (DDA) for the Workforce Housing Project on Block 69 North is predicated on a land exchange with the YMCA of Agency-owned property at 421 N 10th St for the YMCA's property on Block 69 N. The Agency and YMCA executed the Land Exchange Agreement in July 2022 and the Amended and Restated Land Exchange in October 2022 at which time the Board also approved the Block 69 N DDA. The Board approved the Block 68 South DDA for disposition of 1010 W Jefferson St at its December 2022 meeting. The Developer will complete due diligence this month and the Agency expects to present updated information and a Type 4 Participation Agreement for each project at the Board's May meeting. *Project Lead: Alexandra Monjar*

**1010 W Jefferson Street - 10Ten Building - Agency Owned Property:** McAlvain Construction Companies will be using 60 parking spaces for staging items for Rebuild 11th Street Blocks, as well as using a small office space on the second floor for a construction field office. All leases expire May 2023 and the building will become vacant. No significant maintenance items to report. *Project Lead: Amy Fimbel/ Aaron Nelson*

**421 N 10th Street - Agency Owned Property:** The Car Park is now managing and monitoring the lot. and the building is vacant. *Project Lead: Aaron Nelson*

**1700 W Main Street - Rock Hard Granite Renovation - PP Type 1:** Approval of the final agreement for this commercial building renovation occurred in February and some demolition has begun. The developer is working through final permitting with the City of Boise and the expected completion date is TBD. *Project Lead: Kevin Holmes*

**1744 W Main Street - West End Food Hub - PP Type 1:** One Time Assistance for public streetscape improvements related to the conversion of an existing building into a food kitchen with 15 individual kitchen areas serving delivery orders. The Board approved the final agreement in October and construction is ongoing. *Project Lead: Kevin Holmes*

**1015 Main Street - Smith Block Building - PP Type 1:** This restoration project includes extensive facade renovation work sensitive to the historic nature of the building. The first-floor retail space will be renovated with the exterior of the building into a new bar. The developer is seeking Type 1 assistance to reimburse for restoration costs associated with the facade renovation including replacing windows, historically accurate awnings and new storefront display windows and entry doors. The Board approved the final Type 1 Agreement at its January 11, 2023 meeting and early demolition work has begun. *Project Lead: Kassi Brown*

**1522 – W State St - 16th & State - PP Type 2:** The Agency has received an application from Johnson & Carr to participate in this project to construct a seven-story mixed-use building with 104 residential units and 1,600 square feet of ground floor retail. The project includes workforce housing, 10% of the units will be rent restricted and reserved for income qualified residents. The public improvements eligible for CCDC reimbursement include streetscapes along 16th and State Streets. Utility upgrades water line relocations and stormwater management infrastructure. Total Development Costs estimated at \$23 million and Eligible Expenses at \$660,000. The project is requesting the use of CIP funds dedicated to housing developments which are to be completed before the expiration of the Westside District. The Board designated the project in December and the Agency plans to present a final agreement for approval in February or March. *Project Lead: Kevin Holmes*



**120 N 12th Street - 12th & Idaho - PP Type 2:** The Board designated this 26-story mixed-use development on the corner of 12th and Idaho Street(s) at its January 2023 meeting. The Agency expects to request approval of a Type 2 General Assistance agreement with 12th and Idaho Owner LLC, a joint venture between White Oak Realty Partners, Ponsky Capital Partners and Oppenheimer Development Corp. in April. *Project Lead: Alexandra Monjar*

## Infrastructure

### **“Rebuild 11th Street Blocks” - Redevelopment of the 11th Street Corridor - State Street to Grove**

**Street:** This project combines the installation of bikeway infrastructure with streetscape improvements to realize plans by the City and ACHD for 11th Street as a corridor that prioritizes cyclists, pedestrians, retail business, and residents while accommodating existing vehicular use. The project spans two URDs with the improvements extending into RMOB with the continuation from Grove Street to River Street. ACHD’s bikeway facility improvements for 11th Street from Heron Street to State Street are under construction and anticipated to be complete by the end of summer 2023. To maximize public investment, the Agency entered into an Interagency Agreement with ACHD to include in the project scope ACHD planned pavement rehabilitation, stormwater upgrades, and the replacement of the underground Boise City Canal Bridge crossing on 11th Street. Jensen Belts Associates lead the design effort and McAlvain Construction Companies is the Construction Manager/General Contractor (CM/GC). Construction started June 2022.

*Project Lead: Amy Fimbel*

**State Street Streetscape & Fiber-Optic Conduit:** This is a cost-share project with an ACHD Downtown Boise Implementation Program (DBIP) project to rehabilitate State Street between 2nd & 16th Streets. CCDC-funded improvements include installation of a fiber-optic conduit bank between 8th Street and 15th Street and streetscape improvements between 12th Street and 14th Street. Streetscape components include wider sidewalks, street trees, furnishing zones, and suspended pavement systems (Silva cells) for tree root growth and storm water retention. The project also anticipates green stormwater infrastructure features in the form of bioretention planters and a landscaped median at select locations throughout the project area. CCDC anticipates a Type 4 participation agreement with the City of Boise for landscaping within the bioretention planters and potential landscaped median features between 12th and 14th Streets. ACHD bid on this project in August but rejected all bids due to high pricing. ACHD is currently re-bidding the project and will extend the construction duration from spring 2023 into summer 2024. Staff continues to coordinate with ACHD, and development teams associated with YMCA and Block 68/69. *Project Lead: Zach Piepmeyer*

**1110 W Grove St - Renegade Hotel - PP Type 4:** The Agency continues its coordination with Hendricks Commercial Properties of streetscape and infrastructure improvements as part of the Linen Blocks on Grove Street and Rebuild 11th Street Blocks projects with the planned development of this 7-story, 122-key boutique hotel. The Board designated the project for Type 4 Capital Improvement Project Coordination participation in May and its Type 4 Agreement approved by the Board in September. *Project Lead: Alexandra Monjar*

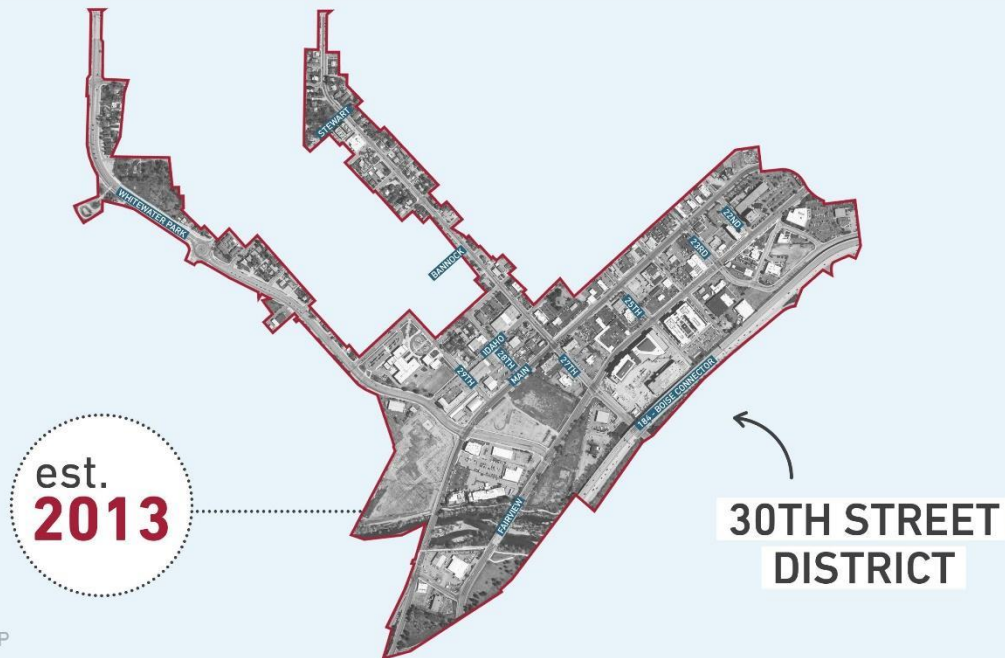
## Mobility

**8th Street Improvements, State Street to Franklin Street:** This project will improve mobility and safety between the North End Neighborhood and Boise State University. The proposed 8th Street bike facilities will connect to a future east west ACHD Franklin Street Bikeway and ACHD is leading a companion project to extend 8th Street bike facility improvements north of Franklin Street to Union Street. The CCDC project contemplates undergrounding overhead power and telecommunication lines as well as streetscape and transit improvements along the frontage of several properties. At its November 9, 2022, meeting the ACHD Commission adopted Concept A as the preferred alternative for the CCDC section (State to Franklin). ACHD continues to vet additional alternatives for its project segment from Franklin to Union. Staff are currently negotiating a final design scope with Kittelson & Associates and will present a Task Order for final design to the Board at the March 2023 meeting. *Project Lead: Zach Piepmeyer*

# 30TH STREET DISTRICT



213 ACRES



DISTRICT MAP



## Economic Development

**2724 W Fairview Ave - The Avens - PP Type 2:** A development from Roundhouse to build 189 apartments with Passive House certification, ground floor commercial/retail space, and an extension of North 28th Street connecting Main and Fairview. Future phases could add more apartments and commercial space. Construction anticipated beginning this spring/summer. The Board designated the project for Type 2 General Assistance participation in September. The Agency plans to present a final agreement for Board approval in March. *Project Lead: Kevin Holmes*

**2618 W Fairview Ave - LOCAL Fairview - PP Type 2:** The Agency has received an application from Subtext to participate in this project to build a seven-story 271-unit mixed-use project. The development will have approximately 8,500 square feet of ground floor commercial and the existing Capri Restaurant on site to be retained and incorporated into the design. The public improvements eligible for CCDC reimbursement include streetscapes along Fairview Ave and 27th St. Utility upgrades and expansion work includes upgrading and undergrounding power, new underground fiber and phone lines, and the expansion of the sewer mainline. Total Development Costs are estimated at \$81 million and Eligible Expenses at \$1.2 million. The Board designated the project for Type 2 General Assistance participation in October. The Agency plans to present a final agreement for Board approval in February or March. *Project Lead: Kevin Holmes*

**2850 W Fletcher Street - 27th and Fairview Apartments:** The Agency is in discussions with developer KAL Pacific & Associates for a Type 2 assistance for its planned residential and commercial mixed-use project located at 27th Street and Fairview Avenue. The project contemplates two, seven-story, mixed-use apartment buildings with 358 total units and ground floor retail space and parking, and a four-story office building. The developer plans to extend Fletcher Street to Fairview Avenue, as proposed in the [ACHD Fairview and Main Local Streets Plan](#) and connect the Greenbelt to both streets. The project received final

Design Review approval in December and has obtained approval for street extension plans from ACHD. The Agency expects to present this project for designation in 2023. *Project Lead: Kevin Holmes*

### Infrastructure

**Whitewater Lift Station and Water Renewal Upgrades- PP Type 4:** The City of Boise is undertaking the construction of a new lift station and pressure discharge pipe needed to serve multiple incoming mixed-use developments in the 27th Street and Fairview Ave area. These improvements will provide the backbone to replace miles of substandard gravity sewer lines as further development happens at the western end of the 30th Street District. The city has requested funding assistance with this capital improvement project. The Board designated the project in December and plans to present a final agreement for Board approval in February or March. *Project Lead: Kevin Holmes*

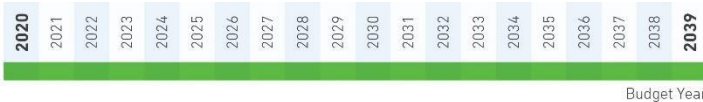
### Mobility

**2525 W Fairview - St. Luke's Transit Station - PP Type 4:** The construction of St. Luke's project at 27th and Fairview Avenue overlaps with CCDC's Main and Fairview Transit Station at the intersection and the Board approved a Type 4 Participation Agreement to subcontract for the construction of this platform in March 2022. Construction has begun and the project is experiencing some delays but is expected to be completed within the Agreement period. *Project Lead: Alexandra Monjar*

## SHORELINE DISTRICT



195 ACRES



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2019



SHORELINE  
DISTRICT

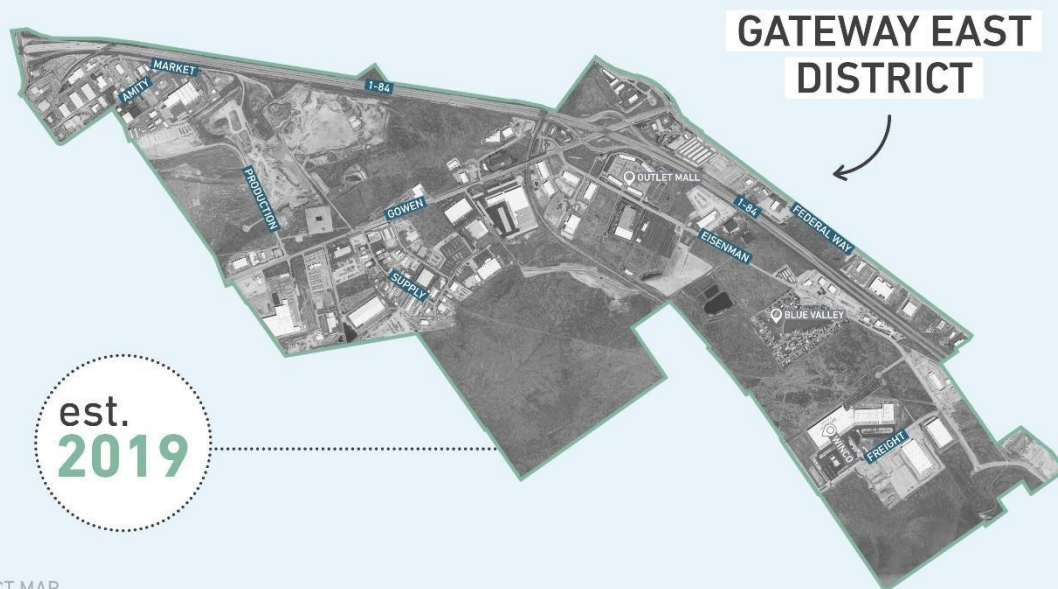
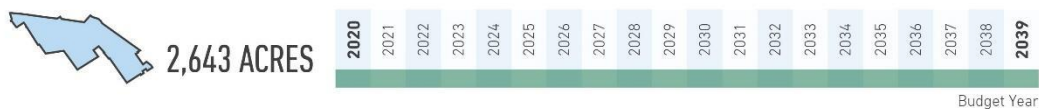
DISTRICT MAP

## Economic Development

**17th Street Streetscape Improvements, Shoreline Drive to Cul-de-Sac:** Pedestrian improvements to address the current gaps in the sidewalk and install additional overhead lighting on 17th Street between Shoreline Drive and the east end of 17th street (cul-de-sac). The goal of this effort is to improve safety and mobility within the public right-of-way on 17th Street. Design & analysis by Quadrant Consulting, Inc. is in progress. *Project Lead: Kassi Brown*

**818 W Ann Morrison Park Drive - Capitol Student Housing - PP Type 2:** The Agency has received an application from Gardener Company to participate in this project to build a new five-story mixed-use residential building with 91 units (278 BR) and ground floor commercial space with associated site improvements on the property. Public improvements eligible for CCDC reimbursement include streetscapes along Ann Morrison Park Dr, Lusk St, and Sherwood St. Utility upgrades and expansion work includes upgrading and undergrounding power, new underground fiber, and the expansion of the sewer and water mainlines. Total Development Costs estimated at \$44 million and Eligible Expenses at \$600,000. The Board approved an agreement in January and work is underway. *Project Lead: Kevin Holmes*

# GATEWAY EAST DISTRICT



## Economic Development

**951 E Gowen Road - Red River Logistics and Commerce Centers - PP Type 2:** The Board approved this agreement at its February meeting to participate in the extension and public dedication of Production Street and associated utility and streetscape improvements. This street extension is included in the

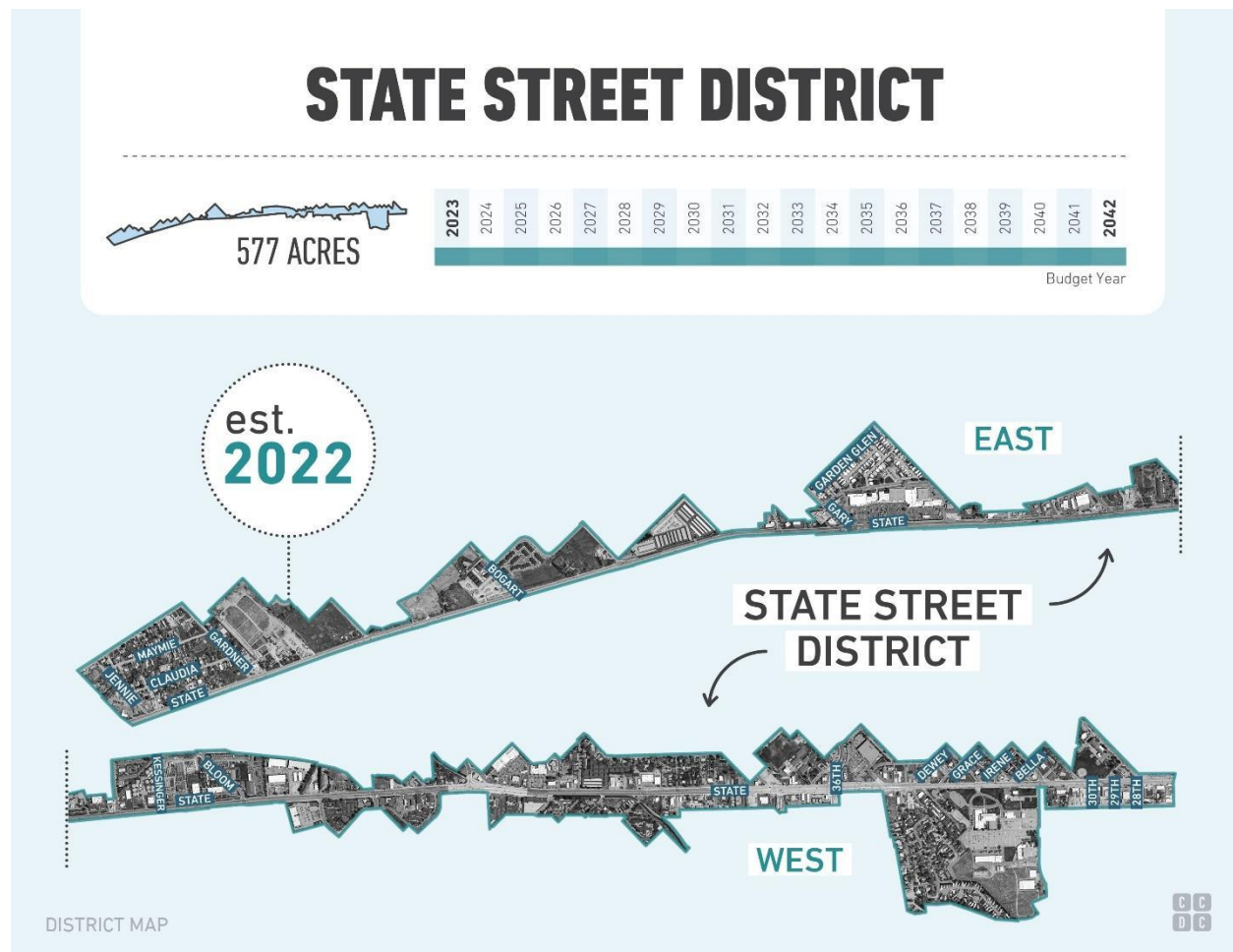


Gateway East District Plan and will open opportunities for additional development on adjacent vacant parcels. Construction is underway. *Project Lead: Kevin Holmes*

**2500 W Freight St - Boise Gateway 3 - PP Type 2:** In December 2022, the Board designated this Boyer Company project to receive Type 2 Participation to assist with utility and roadway improvements. The project is a 185,000 square foot speculative warehouse building designed to accommodate up to four tenants on a lot bound by Eisenman Road, Winco Court, and Freight Street. The Agency expects to request the Board's approval of a final agreement in Spring 2023. *Project Lead: Alexandra Monjar*

### Mobility

**Eisenman Road Interim Improvements, Blue Sage Lane to Blue Valley Lane:** Construct a five-foot wide concrete pathway along the frontage of the Blue Valley Estates Mobile Home Park with a new retaining wall at Five Mile Creek. Coordination of the final design is in progress and the formal bid process is anticipated for early Spring 2023. *Project Lead: Kassi Brown*



**New District – State Street:** The State Street Plan to promote compact, mixed-use, mixed-income, neighborhood-oriented development supportive of and supported by transit and other alternative transportation along the State Street corridor, established on October 26, 2021. The State Street District has a base valuation date of January 1, 2021; a District sunset date of December 31, 2041; and tax increment revenue to the district terminating by September 30, 2042. Agency and ACHD staff have negotiated an interagency agreement as required by recent legislation to receive increment revenue on the highway district levy. Under the agreement, the Agency will receive this increment (approximately \$5 million over the 20-year term of the district) and commit it exclusively to transportation components identified in



the ACHD Cost Share Policy. The Agency Board and ACHD Commission approved the agreement, and legal counsel transmitted it to the State Tax Commission in July, ahead of the September 1 deadline. *Project Lead: Matt Edmond*

## AGENCY WIDE – ALL DISTRICTS

### Parking & Mobility

**EV Station Garage Project:** Quality Electric will be installing EV stations in four CCDC/ParkBOI Garages (9th & Main, 10th & Front, 11th & Front Capitol & Myrtle) A single pole 2 charge system will be installed adding 2 charging spots per garage. Work is set to start in February . Project cost is \$64,000. Project lead: Aaron Nelson

**421 N 10th St Property:** The Agency has an agreement with the Car Park to monitor the lot starting in November. Atlas has made 4 site visits for ground testing for the future Block 68 project. *Project Lead: Aaron Nelson*

**City GO:** Formerly known as the Downtown Mobility Collaborative, the downtown's Transportation Management Association is up and running. This partnership of Valley Regional Transit, City of Boise, ACHD Commuteride, Boise State University, St Luke's Hospital, Downtown Boise Association, and CCDC involves marketing its transportation products and services to the downtown community. The CCDC Board approved a renewed Memorandum of Understanding for City Go at its October 2020 meeting. In response to a request from VRT, the Agency has included a \$60,000 contribution to City Go in the proposed FY2022 budget for CCDC. An overview is located at [citygoboise.com](http://citygoboise.com). *Project Lead: Zach Piepmeyer*

### 10th & Front Garage Structural Concrete Repairs Phase 2

The Agency received board approval at the December meeting to award the contract to Consurco, the lowest bidder on this project. The scope of work consists of partial depth repairs on level four across the entire length of the beams, removal/replacement of concrete, installation of anodes and removal/replacement of any damaged rebar with epoxy coated rebar. The Agency's budget includes sufficient funds and will start in April 2023. The contract amount is \$790,997. *Project Lead: Aaron Nelson*

### Condominium Associations

Building Eight Condominiums Association CCDC Contact: Aaron Nelson		
Member	Unit	Percent Interest
CCDC	Capitol & Myrtle Parking Garage (Unit 2)	35%
Raymond Management	Hampton Inn & Suites (Unit 1)	62.5%
Hendricks	Retail Units (Units 3 & 4)	2.5%
Condo Board Meetings		
Last Meeting	Next Meeting	Next Report Due
December 14, 2022	December 2023	December 31, 2023
<b>Issues/Comments:</b>	A meeting was held and the main topic of discussion was to update procedure in the event of another insurance claim. Power was lost to the Hotel due to an electrical issue; it has since been repaired.	



Front Street Condominium Association CCDC Contact: Aaron Nelson		
Member	Unit	Percent Interest
CCDC	9 <sup>th</sup> & Front Parking Garage	25.76%
GBAD		2.00%
Aspen Condominiums	Aspen Lofts	52.17%
Hendricks	BoDo Retail Units	20.07%
Condo Board Meetings		
Last Meeting/Report	Next Meeting	Next Report Due
September 20, 2022	TBD	November 30, 2023
Issues/Comments:		

U.S. Bank Plaza Condominium Association CCDC Contact: Zach Piepmeyer		
Member	Unit	Percent Interest
LN City Center Plaza/ Clearwater Analytics	A, 1A, 1B, 1C, 1H, 1K, 1L, 2C, 3C, 5A, 6A, 7A, 8A, 9A	77.372%
CCDC	1F, 1G, 1J, 2B, 4B, 5B	6.861%
GBAD	4A	3.040%
Boise State University	1D, 1E, 2A, 3A, 3B	6.131%
Valley Regional Transit	B1, B2, B3	6.429%
Sawtooth Investment Mgmt.	10A	0.167%
Condo Board Meetings		
Last Meeting/Report	Next Meeting	Next Report Due
October 2022	TBD	August 2023
Issues/Comments:		

Capitol Terrace Condominium Association CCDC Contact: Aaron Nelson		
Member	Unit	Percent Interest



CCDC	Capitol & Main Parking Garage	50%
Hawkins Companies	Main + Marketplace	50%
<b>Condo Board Meetings</b>		
<b>Last Meeting/Report</b>	<b>Next Meeting</b>	<b>Next Report Due</b>
October 25, 2022	TBD	October, 2023
<b>Issues/Comments:</b>		

<b>Downtown Parking Condominiums Association</b> CCDC Contact: Aaron Nelson		
<b>Member</b>	<b>Unit</b>	<b>Percent Interest</b>
CCDC	9 <sup>th</sup> & Main Parking Garage	93.51%
Les Bois Holdings, LLC	Commercial, Main Street side	2.03%
Eastman Building, LLC	Commercial, Idaho Street side	4.46%
<b>Condo Board Meetings</b>		
<b>Last Meeting/Report</b>	<b>Next Meeting</b>	<b>Next Report Due</b>
September 28, 2022	TBD	September 30, 2023
<b>Issues/Comments:</b>		

<b>ACME Fast Freight Condominium Association</b> CCDC Contact: Zach Piepmeyer		
<b>Member</b>	<b>Unit</b>	<b>Percent Interest</b>
CCDC	11th & Front Parking Garage, 30.1% (Units 402, 403, 501, 502)	28.485%
Ball Ventures Ahlquist	11th & Front Parking Garage, 69.9% (Units 104, 015, 201, 202, 301, 302, 401)	66.490%
Boise Metro Chamber	Boise Chamber Offices (Units 101, 102, 203)	5.025%
<b>Condo Board Meetings</b>		
<b>Last Meeting/Report</b>	<b>Next Meeting</b>	<b>Next Report Due</b>
January 3, 2022	TBD	TBD
<b>Issues/Comments:</b>		





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# **VI. ADJOURN**



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