



**Board of Directors – Regular Business Meeting
425 N. Capital Ave., Idaho Falls, ID 83402
Wednesday, 26 July 2017, 7:00 a.m.**

Minutes:

In Attendance: Board Members Terri Gazdik, Jill Kirkham, Doug Swanson, John LoBuono, Bob Nitschke, Executive Director Cindy Ozaki, Administrative Coordinator Jo Nelson, IFAD Legal Counsel Mark Fuller. Mike Clements, Kevin Greene, Chip Schwarze, John Radford, Brian Clark, Mayor Casper, Kevin DeKold, Blake Davis, Steve Vucovich, Ray Gordon, Barb Ehardt, Bev Hott

I. Call to Order

Conducted by Chairman Gazdik, the meeting was called to order at 7:01 a.m.

II. Adoption of the Consent Agenda.

Action: Motion made and seconded to adopt the Consent Agenda. Bob Nitschke voiced a concern that he has not had a chance to view the consent agenda and would like to receive them sooner to have more time to view them.

Result: All present but one voted in the affirmative. One voted Nay.

III. Discussion with legal regarding financing and judicial confirmation:

Stephanie Bonnie - Municipal Bond Attorney.

Ms. Bonnie discussed Lease Purchase Agreements, explaining that the legal consensus is that a lease purchase is legal, provided there is a non-appropriation clause. This allows the lease to be a year to year contract. If the lease is not renewed it goes back to the lender without a penalty, who can then lease to another entity. However the property will revert back to the owner at the end of the Lease Purchase.

Boise's auditorium district is using this program for the expansion that is being built on the existing auditorium.

A discussion was held on Judicial Confirmation and this term was defined as it relates to the auditorium district.

The cost for a Judicial Confirmation is about \$7500 and 3-6 months' time, if it goes to the Supreme Court this could take an extra year.

IV. Discussion of tax collection

- A. STR Tax arrearages:** Clarification was requested of the board by Ms. Ozaki for the arrearage timeline which was previously extended until Dec 1, 2016. Ms. Ozaki explained

that grace was granted through June 20, 2017, and these STR's coming forward now want to pay their back taxes but do not want to pay the penalties. Several different notifications were previously sent out. The statute applies a 5% penalty which draws 4% per year until paid, if payment is later than posted by the 20th of the following month. Exceptions to this would be in new ownership or management situations.

Question: Will they need to pay the penalties since that time line has passed?

Action: The board moved to vote on this at the next meeting. Legal counsel will modify policy to allow grace one time for each STR that registers with IFAD.

Result: A motion was made to delay this discussion to next meeting. Affirmative.

- B. State tax collection:** Mr. Nitschke voiced concern about the amount of time the Executive Officer spends collecting taxes and that turning this duty over to the state may be more cost effective as the Executive Officer should be using her time more effectively. It was clarified that the Administrative Coordinator collects the taxes, not the Executive Officer. The cost for the state perform this task is estimated to be \$60,000 - \$70,000 to start, and \$10,000 per year annually. It would also take a year for the state before they could begin the collection services. Ms. Kirkham voiced that it may add value to the program to have the state collect the taxes. Mr. Nitschke also voiced that he would like to see a plan on how to address the STR non-payments and non-registration.

Ms. Ozaki clarified that Legislation was passed to have Airbnb and other renting agencies collect the taxes and communicate with IFAD on agencies not registered with IFAD.

The Chairman of the Board requested the Administrative Coordinator compile the time she spends each month on collecting taxes so a cost comparison with state collection services may be made.

V. Project Discussion

Mr. Nitschke requested a list of project documents. Ms. Ozaki agreed to put a list together. Mr. Nitschke also requested to see reports and have this documented on-line and updated frequently. Mr. Nitschke will work with Ms. Ozaki to compile the information he is requesting.

VI. Reports and Updates

A. Public Relations Committee

The Initial Public Relations Committee meeting discussed being transparent and involve the community. They also discussed having a focus group to discuss ways to get the community involved in determining consistency with the original plan. At that time the plan would be brought to the board. A conversation was raised on updating the website and Facebook with current project information. The committee would also like to strive for better relationship with press.

B. Executive Director Report

1. Regional Economic Development Eastern Idaho (REDI) – Ms. Ozaki attended a meeting at REDI where the four pillars of economic development was discussed.
 1. Agriculture
 2. Higher Education
 3. Five Federal Programs
 4. Tourism – growth and bringing the millennials into the area depend on this pillar.REDI is striving for growing development in this area by bringing new businesses and they have added two employees for reaching out to new sectors to assist in this area.
2. GIVENT – This is an Executive network with CEO’s and Executive Directors. The monthly networking events consist of small brainstorming groups that assist with problem solving issues. There is an emphasis placed on community development. Ms. Ozaki requested to join this group. Startup fee is \$4000 with an annual or monthly fee to follow. The board will address at the next meeting
3. Pocatello Auditorium District – A discussion was held to meet with the Pocatello Auditorium Board to discuss their construction process and tour the Mountain Event Center. This was agreed by all. Ms. Ozaki will set that up this meeting. Ms. Ozaki stated that she will be going to the Boise Auditorium District grand opening of new facilities.

Mr. Nitschke expressed that he would like the executive director’s report to be more inclusive of the project and what has been done to move forward. How is the project being worked on and to tie the report to IFAD’s strategic plan.

Ms. Gadzik addressed that the Executive Officer spends much of her time working with the community. Ms. Ozaki voiced that her time has been spent speaking with the community about fund raising and educating them on IFAD, and answering questions on the direction of the board in regards to the recent conflicting media reports. Ms. Ozaki noted her request for board input on fundraising contacts.

A clarification was made by Mr. LoBuono that funds were not going to be diverted from IFAD to Parks and Recreation or the City. The direction of the event center will be evaluated after the fundraising report.

C. Administrative Report

It was reported that all hotels are current in their payment except: one is partially paid for June, one sent in their form but no payment, and one has not paid or sent in their form.

The administrator also requested that the board send in their bio’s for the webpage.

- VII. Public Comment:** Bev Hott , a member of the youth hockey association, made comments about the development of the Tautphaus Park hockey arena managed by Parks and Recreation.



VIII. Adjournment:

Action: Motion made and seconded to adjourn the meeting.

Result: The vote was unanimous in the affirmative. Meeting was adjourned at 8:54 a.m.