

Meridian City Council Work Session

January 20, 2026.

A Meeting of the Meridian City Council was called to order at 4:34 p.m. Tuesday, January 20, 2026, by Mayor Robert Simison.

Members Present: Robert Simison, Luke Cavener, Liz Strader, John Overton, Doug Taylor, Anne Little Roberts and Brian Whitlock.

Other Present: Chris Johnson, Bill Nary, Curtis Anderson.

ROLL-CALL ATTENDANCE

<input checked="" type="checkbox"/> Liz Strader	<input checked="" type="checkbox"/> Brian Whitlock
<input checked="" type="checkbox"/> Anne Little Roberts	<input checked="" type="checkbox"/> John Overton
<input checked="" type="checkbox"/> Doug Taylor	<input checked="" type="checkbox"/> Luke Cavener
<input checked="" type="checkbox"/> Mayor Robert E. Simison	

Simison: Council, we will call this meeting to order. For the record it is January 20th, 2026, at 4:34 p.m. We will begin this afternoon's work session with roll call attendance.

ADOPTION OF AGENDA

Simison: Next item up is adoption of the agenda.

Overton: Mr. Mayor?

Simison: Councilman Overton.

Overton: There are no changes to the agenda this evening. I move to approve the agenda as published.

Little Roberts: Second

Simison: Have a motion and a second to approve the agenda as published. Is there any discussion? If not, all in favor signify by saying aye. Opposed nay? Ayes have it and the agenda is agreed to.

MOTION CARRIED: ALL AYES.

CONSENT AGENDA [Action Item]

- 1. Blue Horizon Flex Water Main Easement No. 1 (ESMT-2026-0004)**
- 2. Findings of Fact, Conclusions of Law for Vanguard Village East (SHP-2025-0008) by Kimley-Horn, generally located at the southeast corner of W. Grand Mogul Dr. and S. Umbria Hills Way**

3. **Findings of Fact, Conclusions of Law for Vanguard Village West (SHP-2025-0009) by Kimley-Horn, generally located on the south side of W. Grand Mogul Dr., located midway between S. Ten Mile Rd. and S. Black Cat Rd.**
4. **Findings of Fact, Conclusions of Law for 3780 Overland (H-2025-0038) by Jesus Madrigal, located at 3780 E. Overland Rd.**
5. **Resolution 26-2562: A Resolution of the City Council of the City of Meridian to amend the Future Land use Map of the City of Meridian Comprehensive Plan Concerning 5.99 acres of Land to Allow for Commercial Uses, Generally Located at 2350 W. McMillan Road, in the Southwest Quarter of the Southeast Quarter of Section 26, Township 4 North, Range 1 west, Boise Meridian, City of Meridian, Ada County, Idaho; and Providing an Effective Date**
6. **Resolution 25-2563: A Resolution of the City Council of the City of Meridian Approving City Council President's Appointments of City Council Members to Serve as Department Liaisons; and Providing an Effective Date**
7. **Resolution 26-2564: A Resolution of the City Council of the City of Meridian Approving City Council President's Appointments of City Council Members/City Staff Members to Serve as Interagency Boards, Committees, and Initiatives Representatives, and Providing an Effective Date**

Simison: First item up is the Consent Agenda.

Overton: Mr. Mayor?

Simison: Councilman Overton.

Overton: Move that we approved the Consent Agenda. For the Mayor to sign and the Clerk for attest.

Little Roberts: Second.

Simison: Have a motion and a second to approve the Consent Agenda. Is there any discussion? If not, all in favor signify by saying aye. Opposed nay? The ayes have it and the Consent Agenda is agreed to.

MOTION CARRIED: ALL AYES.

ITEMS MOVED FROM THE CONSENT AGENDA [Action Item]

Simison: There were no items removed from the Consent Agenda.

DEPARTMENT REPORTS [Action Item]

8. Fiscal Year 2026 Budget Amendment in the amount of \$5171 for Drone First Responder/AI Axon/Peregrine

Simison: So, we will move on to Item 8, which is a fiscal year 2026 budget amendment in the amount of 5,171 dollars for Drone First Response program. Turn this over to Captain Leslie.

Leslie: Thanks, Mayor, City Council. So, we are back after our meeting last week. My numbers weren't quite even, so we met with the Finance staff and repaired the budget amendment. We are 5,171 dollars short of being zero on that. I also got the numbers for you for a secondary site or additional sites to the south. We talked about better coverage to the south with the Drone First Responders. We have identified two locations that would be ideal to move south to improve that response time. Those cost per site is around 68,700 dollars per site.

Simison: Thank you. And you are forgiven on the fifty-one seven, at least from me. I can't speak for the rest of the Council though.

Leslie: I appreciate that, Mayor.

Simison: And, Council, I -- I did have a brief conversation and said we -- I didn't want to delay the conversation on this one, but maybe during the budget process we could discuss whether not a third one made sense in the upcoming budget -- or fourth?

Leslie: Fourth. Sorry. Yeah. And just to clarify the -- the three sites that we currently have are creating an ideal response time of two minutes, which is the -- the target time on target that we would like to have. Does not mean we can't cover into the south with a -- with a critical incident and get a drone there, it's just going to have less time to be there and to have to come back, but -- and take a little bit longer to get there, but the flight distance we can cover the entire city with the three sites that we have.

Simison: Thank you. It's not -- not dissimilar to the challenge we are having with our Parks and Rec and our Planning and Zoning Commission is we have got a large blank spot in south Meridian with low coverage. So -- sorry. Just searching for someone in south Meridian that wants to serve. It's hard out there, so -- Council, any questions on this budget amendment? Okay. Then do I have a motion?

Little Roberts: Mr. Mayor?

Simison: Council Woman Little Roberts.

Little Roberts: I am honored, because it's rare that we get to put something forth that can potentially change how a department does business and I think this is going to greatly improve efficiency and just the officers' time and so I would like to make the motion that we approve the budget amendment for 5,171 dollars for Drone First Responder Axon Peregrine.

Overton: Second.

Simison: Have a motion and a second to approve Item 8. Is there discussion on the motion? If not, clerk call the roll.

Roll Call: Cavener, yea; Strader, yea; Overton, yea; Little Roberts, yea; Taylor, yea; Whitlock, yea.

Simison: All ayes. Motion carries and item is agreed to. We look forward to seeing this move forward and get implement and, like you say, hopefully great things to ensue, but that means that there is bad things happening for great things to ensue in the process, so -- yes. Thank you.

MOTION CARRIED: ALL AYES.

9. Mayor's Youth Advisory Council Quarterly Update

Simison: Okay. With that we will move on to Item 9, Mayor's Youth Advisory Council quarterly update. I will turn this over to Sahand for an introduction.

Rahbar: Mr. Mayor, City Council Members, thank you so much for once again providing us with the opportunity to come before you and provide some updates on some of the goings on with our Mayor's Youth Advisory Council for the City of Meridian. I will just start with some brief introductory remarks before turning things over to my friend Conner, who will lead you through some updates that we have had through the semester so far and what we have got planned ahead. As many of you are aware the school year starts earlier every year seemingly, so our MYAC meetings -- in previous years they typically started in September. The past couple of years we have had our first meeting start in August and so as of this moment we have had eight general council meetings. Those are our big meetings that are held right here in Council Chambers and we have about nine left for the remainder of the academic year. So, thinking of August 2025 to May 2026 and so if any of you -- or if anyone who is visiting City Hall ever sees a group of teenagers here on a Monday afternoon, that's what those meetings are. You might hear some strange noises, nothing to worry about. But we are delighted to host the students here from grades nine through 12 and to really give them an opportunity to learn more about local government, to hone their skills as future leaders and to serve their community by coming up with community service projects of their own and so with that I will welcome Conner up here to introduce himself and guide you through some of these activities that have been taking place.

Rudishauser: Hi. My name is Conner. I am a sophomore at Renaissance High School and I am the Vice-Chair of Government Affairs for MYAC. So, today I'm basically going to talk to you a little bit about what we have been doing this past semester I should say. So, first I'm going to talk about our three main pillars. Our first pillar is leadership and, then, we have community service and government affairs. So, let's talk about our first pillar leadership. We had a couple guest speakers come this year to talk about our leadership development and help our leadership development. Our first one was Karen Manthey. She was with Comedy Sports, which is like an Improv Club, basically, that she participated in and she was kind of imparting her wisdom of improv on to us and allowing us to become more brave speakers and leaders within our city basically and, then, we had Mary Kummer from ICRMP and she did this activity where we had to basically complete a task without knowing what it was. So, we had all these bands that we like strapped to our fingers and we all had to work together to complete a task together without basically knowing what it was and it was a blast. We also had the Treasure Valley Youth Safety Summit at Wahooz, which was so much fun. We got to drive go karts and learn about how horrible it is to text and drive and drunk driving all that kind of stuff. The Police Department brought drunk goggles to show us what it was like to like golf while impaired, so that was really fun. Now, I want to talk a little bit about -- oh, we have one more slide on leadership development. We had our kickoff at Wahooz with bowling where we kind of met all the new MYAC members that were coming in this year. So, we did that at the very beginning of the year and it was really fun, because we got to, you know, meet everyone in a kind of familiar environment with bowling and just kind of laid back meeting new people and stuff. Then we had our Friendsgiving where it was pretty much just a big Thanksgiving with all our MYAC friends and it was really fun, because we got to eat a bunch of food and play games and very similar to our holiday party. But our holiday party, of course, was based more around Christmas and I even dressed up in a bunch of Christmas stuff for that which was really fun and it really helped our recruitment and bring in new people, because we always suggested that MYACers bring friends to these parties and they kind of get a taste of what MYAC is from an outsider. Okay. Now on to our community service. We had a couple community service opportunities this year. We had our Trunk or Treat where we set up a booth and handed out candy in kind of a unique way. We decided to have ducks in a little bowl and people had to scoop out the ducks and if they had a sticker on the duck, then, they got like a bigger candy than if they had no sticker, which was kind of a unique thing our MYACers came up with on how to make this experience more fun and, then, we had the See Spot Walk, which I did not go to, but we had a registration for the Idaho Humane Society, so I'm pretty sure it was a -- kind of outreach about adopting dogs and that kind of stuff. So, yeah, our community service coordinator could talk to you all about that, but we also had letters to veterans where everyone wrote -- I mean as many letters as they wanted, but everyone wrote at least one letter to a veteran in November and it was kind of just a great way to celebrate Veteran's Day and, you know, have a good community service oriented activity in one of our MYAC meetings. And, then, we rounded off November with Rake Up Meridian. I and a couple of my -- our MYAC members went to a house in Meridian and helped rake up all their leaves when they weren't able to and it's, of course, more of a widespread event in Meridian and it really helped -- you know, help the people that can't, you know, rake up

their own leaves so their grass doesn't die. We also had some government affairs guest speakers. So, Emily Kane came to talk about Trias Politica, which talked about the branches of government and how different the federal, state, county and municipal levels of government are and kind of the differences between them, which was really cool to learn about. And, then, we had Aaron Bennett just this last meeting come to talk to us about advocacy and lobbying, which I will get to about Youth Lobbying Day, which is something I myself am planning to go to. She was with the American Heart Association, so she talked a lot about how her past experiences with Youth Lobby Day and answered any questions we had about lobbying in general to all the MYACers. Oh, there we go. We also had our City Hall tour where we toured the City Hall that we are in right now and we learned about the Parks and Recreation Department. We learned about the city attorney's office I'm pretty sure was also there and, you know, all the departments in our City Hall and it was just a great experience for everyone to kind of go away from the usual and learn something new in a more of an active setting. So, we have quite a few things up for this next semester and one of those is next meeting we are having ACHD bring our -- or their snow plow vehicles and we are going to be able to like go get in the vehicles and learn how what to do when around them on the road, because many of them -- us included, we can drive, so it's very important to know what to do around these snow plows, even if there hasn't been much snow. Then we are also having Youth Lobby Day coming February 5th, which will be pretty exciting, because -- well, we are going to be able to go lobby to senators and talk about issues to them at -- from a child point of view, which I'm really excited for to go and do. We have a community service panel coming up in February. We have Mad City Money coming in February as well. This is really exciting to me as well as we get to learn about budgeting and kind of real life things that you will have to know after high school and college and all that. We have Do The Right Day, which I went to last year and that was a great experience. We ran a little booth at Meridian Middle School and kind of just helped spread awareness about the day and the holiday and it was really fun just hanging out with people handing out stickers and letting people write cards to people and all that. So, that was really fun. And, then, we rounded off with our senior prom where -- at the Senior Center all of the seniors will go to a little dance, like it's a high school prom, but for seniors because I mean it's been a long time since they went to a prom and it lets them re-experience those things and, you know, have a great time with people that are in high school that -- to help them through it. Yeah. And so, yeah, I think that's it. If you have any questions I'm happy to answer.

Simison: Thank you, Conner. Council, any questions?

Whitlock: Mr. Mayor?

Simison: Councilman Whitlock.

Whitlock: Great presentation. It's been a few years since I was a senior. I can relate. This is extensive in -- in terms of all the different things that you are doing and all of the insights that you are gaining into leadership and city governance and state governance.

Where does this take you do you think? What do you -- what does your MYAC experience mean to Conner's future?

Rudishauser: Well, I, for one, would love to experience some sort of local government later in life, like after I have a stable income I -- I want to be an engineer, so maybe after a couple years of doing that trying to get into local government would be really cool, but, yeah, I -- I think it's really fun.

Whitlock: And just follow up. And this experience has -- has whetted your appetite for that and --

Rudishauser: Yes.

Whitlock: -- made you excited. Good. Excellent.

Simison: Additional questions, comments? Thank you, Conner. Appreciate you doing it solo. Your -- your teammate couldn't make it.

Rudishauser: Yeah.

Simison: But we appreciate you being here and taking the full -- full report.

Rudishauser: Yeah. All right. Thank you. Yeah.

Simison: Thank you.

Rudishauser: Thank you.

Simison: And it is great. We still do have -- I spent some of the time where we have -- and I just spiked on his name who came back from Stanford -- Hoyoung came back and sat down and, you know, so we know the influence that MYAC has on some people and their desire to serve and, you know, as -- as he was going through and rounding out his years at Stanford trying to figure out how he gets back and how he continues to stay engaged. So, definitely can lay the -- lay the groundwork for people early in life, so appreciate it very much.

10. Commercial Property Assessed Capital Expenditure (C-PACE) Program Discussion

Simison: Okay. With that we will move on to Item 10, which is the continued conversation around commercial property assess capital expenditure or C-PACE program discussion. Invite Curtis back up to continue the dialogue.

Calder: Well, thank you for inviting me back. I do have some virtual guests that will participate this afternoon, so, again, my name is Curtis Calder, Economic Development Administrator with the city and two weeks ago we gave a presentation on the C-PACE

program. That material I -- I placed it back in your packet, so I don't know if you would like me to go back over it, but I'm happy to do so. I think probably a better starting point would be to introduce the guests and have them explain C-PACE in their own words, because they are in that industry and that may go a long ways towards answering your questions. So, with that is Chris Robbins on the virtual The Zoom link?

Robbins: Yes, I am. Hi, everybody. Thank you --

Calder: Okay. Well, I will introduce Chris and -- and let him have -- you know, explain in his own words what C-PACE is and what it can do for the City of Meridian.

Simison: Thank you. Chris, welcome.

Robbins: Great. Thank you very much for having me and for your time. So, by way of background, Chris Robbins, I have been in the C-PACE world since kind of the beginning about 12 years now. My background prior to C-PACE, structured finance, commercial real estate, energy finance and I live out here in the San Francisco Bay area and the -- in talking to Curtis last week we had a great conversation and kind of walked through some of the initial conversations and questions that -- that you have, you know, kind of talked through and along with my -- my partner Joe Euphrat and some folks over at Gilmore Bell that do a lot of the PACE financing from a legal perspective and have been very involved in the Idaho programs, I -- I put some of these talking points together. What would be the best use of -- of your time in terms of what you would like? I mean I could go through and -- and spend a lot of time talking about, you know, C-PACE and from the various, you know, lenses and stakeholder groups, but what would be helpful for me to try to impart during this -- this time that we have together?

Strader: Mr. Mayor?

Simison: Council Woman Strader.

Strader: I read the -- the presentation that was attached and I thought that was very helpful. I -- I kind of just wanted to check on the structure of it and really understand the potential volume that could come from this program. So, Mr. Mayor, if you don't mind, like my first question is just how often do senior lenders give -- is it effectively a super priority position through the C-PACE program, because the -- the senior mortgage holders, right, have to basically agree to this structure and so I just want to kind of understand the trade-offs. How often do you see this? How often do you see senior lenders agree to that priority of payment position changing? And maybe just kind of walk me through what kind of volume you expect to see in Idaho. My understanding is there has been one deal that's closed in Idaho in 2024, but if there has been -- if there is kind of a big pipeline of it coming I would want to understand that. So, those are some of my questions.

Robbins: No. That's -- and that's a -- those are great questions and the senior lender or consent has been I would say one of the -- the challenges, especially in the early days of PACE where, you know, maybe four or five states had actually amended their legislation to allow PACE to be -- be accessed. But the -- there is -- there has been north of, you know, per PACE nation, you know, 12 and a half billion of PACE financed since inception and the vast vast majority of those deals have come with lender consent and what we have -- what we have experienced -- and I think what the industry has experienced from a trend perspective over the last three years is more and more lenders in this could be banks, it could be debt funds and so forth, really kind of digging in and understanding what PACE is and how it kind of works in conjunction with their senior first lien debt and once they do the feedback that we get is, oh, this is just like traditional assessment financing that's been around for a long time and we deal with -- with it, although it's voluntary and there have been -- I would say the -- the thing that -- that we do and -- and I think a lot of our other peers in the market do is instead of, you know, asking a senior lender if they are okay with -- with PACE as part of a capital stack, it's really spending the time to kind of understand, one, how much PACE is applicable at a project level. What's -- what are kind of directional terms, so when that conversation happens with a senior lender -- and we support a lot of these conversations -- it's not are you okay with C-PACEs, here is how the sponsor, the property owner, the developer is looking to capitalize their project. It's with equity. It's with some C-PACE and with, you know, 40 to 50 percent first lien debt and what -- once -- once senior lenders understand that kind of the -- the mechanics of the C-PACE, which is -- is not a -- it's not a traditional lien, like a first deed of trust on a property or a second, it's an assessment at the property level and because of that structure it can never accelerate, can never be called in the event of nonpayment of a property tax bill and associated assessments. Can also be prepaid at any time and so it's very quiet flexible financing and, you know, the -- if I'm sitting in a senior lender's kind of the head of credit chair I'm looking at is this financing creative to the project? Is there debt service coverage that is -- you know, makes sense. So, I'm -- I'm looking at it from an underwriting perspective and what we are seeing from a PACE plus first lien debt on projects is, you know, anywhere from 65 to 70 percent for new construction, combined PACE and -- and -- and senior debt and, then, a little north of that for reimbursement projects where -- where one can look back up to three years in most states and reimburse themselves and use that liquidity to maybe recapitalize or right size a loan or for, you know, other capital improvements, tenant improvements and commissions to stabilize the project. I will stop there, see if that answered your question.

Strader: Mr. Mayor?

Simison: Council Woman Strader.

Strader: That's very helpful. Maybe just to drill down on that a little bit. Does the program administrator take on any risk because the -- the debt can't be accelerated and my understanding is that it's kind of a current pay situation. So, in the event of nonpayment at that point you would have a default, right, under the PACE loan and so help walk me through if there is a default how a PACE lender recovers and what the

program administrator from a city perspective's role would be in that type of a situation. Has there ever been a bankruptcy of a PACE loan? How did that play out? Maybe just an example would help crystallize kind of the priority of payments and how that would work.

Robbins: So, that's a great question and in terms of a -- a project where the property tax is not paid. So, generally what we see happening -- and this has happened and the -- the senior lenders' covenants will have been tripped and they will move kind of to enforce their remedies -- rights and remedies under their loan documents and in many cases in -- and these discussions happen kind of prior to PACE being placed on a -- on a parcel kind of during underwriting, the senior lender will look at, okay, if things go bad here or sideways what is the outcome going to be for me the senior lender and it's typically we are going to want to keep property taxes current as we work through our -- you know, work -- work through the -- the issue. In the event that they are not kept current the -- what's due and payable at any given time from a PACE perspective is the current property tax bill and associated assessments, of which this would be one, a new one, and any default or delinquent property tax payments and assessments and so what cannot happen is the PACE provider saying, okay, this is a five million dollar PACE financing and -- and we did not get our assessment payment, nothing -- we can't foreclose or start a process on the -- on the five million, it's just that outstanding payment and so that kind of ties back into the senior lender conversations where they are like, okay, so maybe I reserve, you know, a payment or in our underwriting I understand that if we are in a workout situation I might have to and we need to keep the -- the taxes current, I will need to factor this in as well. From a city in a -- in a PACE administrator perspective it's -- it's still pretty quiet, because it's just -- it's -- it's on the tax roll, so there is not a whole lot to do and I don't know if -- if Jacob from Gilmore Bell is on the line as well and would defer to him. They have -- they have done a lot of the underlying PACE legislation and guidelines work in -- in Idaho, but we are a -- we are a PACE program administrator in California and, then, it's -- it would just be monitoring to -- to -- to see what's -- what's happening with the -- with the payment of the property taxes and assessments.

Strader: Mr. Mayor?

Simison: Council Woman Strader.

Strader: But just -- just so I understand. So, the -- the PACE lender it sounds like is an unsecured creditor with a -- right? Because you have a first mortgage holder already and so -- would that be accurate? Would it be an unsecured creditor and would the source of repayment in the event of a default of a PACE loan eventually be like around the -- like would -- would the -- would the transfer of a -- would it -- would it be effectively a lien against the property and against the title, so that would -- if a new lender looked to purchase the property they would have to clear that out before they could transfer it?

Robbins: That is correct. Yes, that is correct. So, it would just --

Strader: Okay.

Robbins: It would -- it would -- it would -- it would accrue like any other unpaid property taxes --

Strader: Uh-huh. But they are -- but -- but they are not property taxes, just to be clear; right? I mean it's -- it's a -- it's a -- that's the stream of repayment is the same as property taxes, but it's -- it's actually an unsecured claim; right?

Robbins: It is a -- it is a tax lien that is assessed on the underlying parcel or parcels that are being improved. So, it sits just under, you know, ad valorem taxes and other -- and some other assessments. So, it would still -- it would not be expunged -- or could not be expunged from the -- you know, the tax roll.

Strader: Got it. Okay. That's really helpful.

Robbins: And I can -- and we can get some more clarity on -- on that as well through Gilmore Bell, who may be on this remotely as well.

Simison: Yes, Jacob is here. Jacob, do you have anything you would like to add?

Carlton: Yeah. I mean, no, that's right. I mean like Chris kind of said at the -- at the top of the -- you know, his comments I mean if you think of this as like a traditional assessment on a property that's exactly what it is. I mean there is an assessment lien that's put on the property that is in -- as Chris mentioned it's, you know, just below a lien for taxes and other assessments, but it's -- it's a -- it's superior to any mortgage lien on the property and so that's -- that's really the -- the security for the assessment itself.

Strader: Mr. Mayor?

Simison: Council Woman Strader.

Strader: Yeah. That makes a lot of sense to me. So, it really -- like this is a program that is highly dependent on first mortgage lenders in Idaho being comfortable with giving a super priority position to this gap financing and one of the biggest risks that I am trying to wrap my head around is just around the cost of program administration and the amount of time, you know, city staff would have to put into this type of a program and will there be volume and -- and deals to actually support it? So, I -- I'm kind of curious like do you see a big pipeline of projects coming in Idaho? Are you -- are you aware of a reason that we would -- you know, besides that it's just generally spreading this type of financing, but like help me wrap my head around the risks to this program administration, setting this whole thing up.

Robbins: Yeah. That's a great question. And I will maybe take the first part and, Jacob, if you can take kind of part number two in terms of what you have seen in terms of program administration kind of time to set up a program and -- and kind of administer

projects as they -- as they come to the -- to the city. In terms of the pipeline, absolutely, we are seeing a -- a healthy pipeline in Idaho. We have been actually -- and the marketplace has been waiting -- had been waiting for Idaho to amend their legislation to allow PACE to occur. We have a couple projects that we have spoken with a local developer about ourselves in terms of their interest in -- in accessing and -- and exploring PACE for -- for projects in Meridian and the -- I would say the -- the majority of the -- the projects that we see kind of fall into two categories, PACE being used for new construction and typically, you know, it's 25 to 30, sometimes 35 percent of the -- the capital stack from a PACE perspective, the remaining balance up to that 65 or 70 percent being filled with traditional senior debt, construction lending, and, then, the second -- and -- and those projects range anywhere from, you know -- or financing from a PACE perspective range anywhere from, you know, two to three million to, you know, 20 to 30 million plus of PACE. And, then, the second is -- is this reimbursement that we talked about where a building owner let's say that has recently delivered a project and because of, you know, the capital markets and the -- the -- you know, what -- what's kind of going on in the last couple of years we have -- you know, there is -- they might have construction debt that has come due or coming due and they need some time to stabilize the -- the property and this is where we are seeing as well a lot of lender consent coming to -- into play where, you know, there is a really solid relationship between the sponsor and the lender, but the lender needs some relief, needs to get, you know, a -- you know, maybe a sizable pay down of their principal balance and -- and, you know -- you know, updating appropriately reserve requirements and so that owner can go back and reimburse themselves for, you know, 30 percent of the -- of the hard and soft costs typically and use those -- those funds to pay down that senior lender and -- and -- and allow them more time to stabilize or come in with a new first lien lender and PACE to retire in full that construction debt. So, absolutely, there is a -- there is a -- there is a -- a growing interest and window in various counties within -- in Idaho and we have seen projects coming across our desk for the last, you know, year, year and a half.

Simison: Yeah. And then --

Robbins: I'm sorry. Passing the baton to you, Jacob.

Carlton: Yeah. And, then, in terms of the -- the program administrator as you may be aware -- I mean the Idaho statute -- I mean the -- what the program administrator is anticipated to do on the C-PACE deals is kind of review applications as they come in to the city just to make sure that they are meeting all the -- the requirements set forth, you know, in the -- in the C-PACE program that's adopted by the city. That being said, I mean the way these -- these C-PACE deals work is, you know, you have a C-PACE lender, you have the city that would come in and put the assessment lien on the property, but once the city, you know, does the initial putting the assessment lien on the property it assigns all of its rights over to the C-PACE lender, so the C-PACE lender is the one that would enforce the lien if it ever got to that point and so -- and -- and because of that the C-PACE lender is really the one -- or the entity that is reviewing the application and the accompanying materials in depth just to make sure that they are -- you know, everything's on the up and up. So, really, from the city's perspective the

program administrator would just be the entity just coming in just to make sure the application is -- you know, everything is there in the application, almost like a -- sort of a check the box sort of thing. I would also mention, too -- I mean to the extent that the city didn't want to do that work, the statute allows the city to hire an outside program administrator to come in and do that on its behalf as well.

Robbins: And, then, one final part on the program administration and time, I believe the -- the statute allows for the city, if they wanted to, to levy some fees or charge some fees. I think it's up to 500 dollars for an application fee and, then, you know, some other amount capped at -- at 50,000 dollars and what we have seen in the market as the market has grown to now 41 states have -- have amended PACE -- their legislation to allow PACE to occur, a lot of the markets are looking -- a lot of the counties and cities are looking at this as kind of an economic development, you know, option or -- or capital, you know, program that can be accessed by their -- you know, their -- their constituents and, you know, or kind of the -- the way that we see a lot of cities look at the fees is, you know, what is fair and equitable. We don't want to, you know, stick our -- our citizens with a -- with a hefty fee just because we can, but we -- we also want to cover our costs as appropriate, you know, to -- to manage to stand up and manage a program and I believe -- and, Jacob, correct me if I'm wrong, that you have the authority to, you know, put whatever fee schedule that you want into place and also to -- you know, as -- as deals get -- get going and you see how much time may or may not be needed to administer the program, is to amend those fee schedules at your discretion.

Strader: Mr. Mayor?

Simison: If I can just follow up on just that one question. Do you typically find that people do an hourly fee for administering the work or is it a flat fee or is a fee based upon total value of the project? Just trying to understand --

Robbins: That's a -- that's a great question and what we see generally speaking is there -- there is a -- typically an application fee and we see that run anywhere from, you know, 200 dollars to 500 dollars, depending upon, you know, the size of a -- of a project, especially in the -- kind of the -- the initial kind of standing up of a program and, then, in a lot of states there is a percentage -- a fee that is a percentage of the funded amount that is capped at a certain level and we have seen kind of step down. So, from, you know, one million to three million it might be a -- a one percent fee, you know from, three to five. So, it's -- it's -- it's typically -- you know, in most of the cities and the counties that we have talked to they are like we want to make this as easy as possible for everybody and we want to make it fair and reasonable, so, you know, there could be a -- a -- a fee that is about one percent of the amount, capped at twenty thousand dollars or ten thousand dollars. But, again, it's -- it's -- that's kind of the way that we see it. We also see some other places that, you know, kind of go the opposite way, but they don't get a whole lot of deals done.

Taylor: Mr. Mayor?

Simison: Mr. Taylor.

Taylor: A follow up on the -- sort of the fees. If -- if we opt to do this and we choose to have a third-party administrator does the city still establish what those fees would be or does this third-party entity who is administering it establish the fees?

Robbins: Jacob, how have you seen that work with like SRS and others?

Carlton: Yeah. I think under the Idaho statutes -- I mean I would have to go back and double check, but I'm -- I'm fairly certain it was written so that the city establishes those fees. It wouldn't be the -- the program administrator. It would be set forth in the -- you know, the C-PACE program that you set up.

Strader: Mr. Mayor?

Simison: Council Woman Strader.

Strader: Isn't that a key risk for us to evaluate? My understanding is that in Idaho the -- the application and servicing fees are capped. So, I think that there is the -- I guess what -- what I would want to make sure is that we had some rationale that if we were going to set up this program, even if we were outsourcing it to a third party, that the program would be self-sustaining. In other words, that the application fees and servicing fees would cover whatever we are paying a third party to administer it. In Idaho specifically have you seen a way that cities are handling that kind of risk? I know Idaho is kind of early in the adoption of -- of this type of financing.

Robbins: Jacob, do you want to use Utah maybe as a -- you know, because Utah went with a third party as a -- at a state level and, then, it's kind of reverted back to cities and counties running their programs.

Carlton: Yeah. I mean Utah is a little bit different. I mean in Utah I can just say if cities and counties and all the deals we have done where city and county has, you know, been the governmental entity that levies the assessment lien on the property, they have not traditionally taken a fee. I mean there is not -- they have taken the approach -- you know, there is not a heavy lift on reviewing the materials as they come in and so they just haven't taken a fee. I would say we did do two deals with Coeur d'Alene last year. That being said, we weren't -- we didn't have any direct communication with the city there and so I don't know what they did as far as their fee goes, but we could go back and look at that and just see if we can figure out what -- what Coeur d'Alene decided to do for their fees.

Simison: And I -- I think that's a question -- I mean Curtis has identified for me how much time he thinks he will need to set it -- from his day-to-day job to set up the program, but once the program is actually set up I -- this goes back to my original comment in terms of asking the questions, like, okay, if it's a -- decide how much the size of the project actually, you know, impact the amount of work that needs to be done by the administrator. You know, if -- if -- if it's just looking to make sure that the

financers checked all the boxes and, you know, the -- the -- the -- sign the right paperwork and throughput it compared to, well, for every thousand square feet you can expect to spend one hour, you know, but, you know, what's the metric to help us determine if we were to establish a fee, because, yeah, fifty thousand is half a year salary for someone that just has to pass paperwork, it seems like a pretty easy -- you know, more than enough to capture. But that's not typically how we do business. We typically want people to pay and you want to set something that's fair and equitable. How do we determine what's fair and equitable from the start compared to after doing five projects and realizing we way overcharged or way undercharged?

Robbins: Yeah. I think -- so, to your question the -- my answer would be the -- the former, you know, not necessarily size dependent or size translates to more work or less work depending upon which way you go up -- up or down the scale -- size scale and the -- -- the capital -- the provider of the financing is the one that's going to be doing the underwriting and -- and the work and to Jacob's point, you know, kind of the program administrator, just making kind of checking the boxes to make sure that the -- the structure of the financing falls within the -- the guidelines of the -- of the program and, then, once the lien -- the assessment is placed on the property, as Jacob was mentioning, you know, the -- the transfer of the -- you know, the -- the -- the rights and liens and everything else is going to, you know, be transferred from the city to the -- to the capital provider and so we haven't seen -- and we have done -- we have done deals in 15, 16 states and a lot of different counties and cities and we haven't run across a program where we have seen a heavy lift by staff. Not to say that the first four or five are going to be kind of a learning experience and, you know, that might be -- we have -- we have -- we have heard of other cities look at -- so, all right, maybe we start a -- we have a flat fee of -- of X, 2,500 dollars or 3,000 dollars or 5,000 dollars and, then, in -- in 12 months, you know, we can go back and -- and see -- you know, to -- to somebody's point it was are we overcharging? Are we charging -- are we not charging enough? And -- and -- and, then, kind of reassess at that point.

Simison: And I'm just guessing here, but if the cities took it back in Utah or were giving it back to them it was either viewed as it not -- not that much work or was producing more revenue than necessary or the state couldn't get to it because they didn't have the resources to actually get it done quickly. I don't know why else cities would say, yeah, we will take it back if it's overly cost burdensome to them. More timely.

Carlton: Yeah. I mean I -- I can jump in there, because I -- I mean I have -- I have been working in Utah CPA since the beginning. It's actually none of the above --

Simison: Okay.

Carlton: -- why the state opted not to do it. The state just -- they set up the program. The person that set it up, who was at the state, left the state and, then, when she left no one else at the state really had any appetite for doing the state program, so they just said we are not doing it at a state level. Cities and counties, if you want to do it you can do it, but we are not going to do it at a state level.

Simison: Okay.

Taylor: Mr. Mayor?

Simison: Councilman Taylor.

Taylor: Yeah. Chris and Jacob, last time we had some questions we were kind of drilling into trying to understand how this program essentially allows for lower interest rates for this type of financing. Can you just give some insight? Is it the length -- like length of the -- the terms? Is it -- what is it? What is that sort of, you know, little nugget that allows for a better interest rate with C-PACE financing versus a traditional loan?

Carlton: Yeah. No. That's -- thanks for bringing that up., So, you know, traditional banks, you know, will -- will bring in, you know, deposits and use those deposits and lend those back out and, you know, as a kind of a first lien -- or second lien in some cases debt instrument. The -- the nature of -- of assessment kind of financing -- there are a lot of interested buyers of this paper in the marketplace, you know, because it's -- it's -- in a lot of -- a lot of cases looked as -- as like muni bonds or municipal financing where most of the -- the buyers of this -- of this product are insurance companies kind of down the road and so they have access -- it's just a different -- it's a different type of not only attachment point, but it's a different type of -- of financial product that allows for a much broader base of buyers or, you know, people providing capital for this -- this work and where this -- where -- where we are seeing this going is most PACE prices off the ten year treasury. In some cases it can price off the five year treasury. This is from a lender perspective. And, you know, spreads two, three years ago were 350 or 400 basis points over whatever that benchmark was. Now they are coming down. We are seeing a lot of spreads in the high two hundreds, low -- low three hundreds and we think that there will be continued kind of pricing compression. The more of these PACE deals that get funded in the -- you know, in the marketplace there is just going to be more money coming in and so it's -- and that's -- and that's where a lot of the banks will say, well, this is accretive, because if I'm lending at say seven percent and PACE is at six and a quarter percent, that blended cost of capital is going to be beneficial to the project to the sponsor and what a lot of these lenders are saying -- and I'm kind of de-risking myself, because my first lien attachment point might be now 40 percent, instead of 65 percent and I will allow PACE to kind of fill in the rest there. So, I jumped around there a little bit, but, hopefully, that answered your question.

Taylor: Yeah. That's -- that's helpful. Mr. Mayor, if I could just a quick follow up.

Simison: Councilman Taylor.

Taylor: I'm kind of curious. You mentioned -- you said this and I'm just trying to make sure I understand it -- kind of priced off the ten year treasury note just a little bit. I know that's an important benchmark for a lot of commercial loans. So, does it track the ten year treasury note kind of as that fluctuates a little bit or does it kind of have an adverse

sort of -- or inverse relationship as that goes up some of this might go down? I'm just kind of -- that's a really interesting concept to me. I want to grasp that a little bit more.

Carlton: Yeah. So, as -- as the -- as the benchmark fluctuates, once -- once the assessment is placed -- this is fixed rate financing. So, once the assessment has been placed on the property and the capital funded, it won't move it. It's -- it's a fixed rate. There is a -- there is an amortization schedule that is provided and that's kind of what the -- the -- kind of the -- the -- the tax assessments are -- are based off of, so you know what your payment will be every time you pay your tax bill until the -- either the -- the PACE is retired or the term sunsets. What does change -- and this is where the lender -- PACE lender kind of group out there can -- can move the spread up or down based upon what that benchmark's doing to keep the financing in a place that it's still a accretive to a project, if that's a deal that they want to do.

Strader: Mr. Mayor?

Simison: Council Woman Strader.

Strader: My other questions are -- are -- are kind of along the same vein, just really two questions. This just doesn't look like something that would work well for single family homes to me, but I'm kind of curious just generally what types of projects are we likely to see if we implemented this program that we would not otherwise see? So, that's a question that I have. And, then, along those lines, you know, out of the projects you referred to that people are looking at Meridian, are those greenfield or are these primarily projects that have gone sideways and they haven't stabilized and they need gap financing to fill an air ball with their situation in the multi-family market?

Robbins: Yeah. So, to your first question, correct, single family homes, this would not be applicable. It's typically, you know, five units and greater and, then, really any type of -- of non-residential development, which would include, you know, we are working -- and when I say we, I'm -- I'm -- I'm talking about the industry generally on, you know, manufacturing plants, we are looking at a biochar facility in the northeast right now, but the majority of the projects would fall into multi-family, would fall into mixed-use, office, retail, industrial and hospitality. So, those are the -- those are the kind of the primary and, then, you know, there is cold storage, there is data centers, there is -- there is all sorts of other applicable asset classes that kind of sit, you know, outside of that. In terms of the -- the types of projects, we are seeing a lot of kind of urban reuse conversion redevelopment as well. My understanding is you have got a -- a block across City Hall that is in need of some -- some work to -- to bring that back into the community and so it's -- we -- we see a lot of kind of adaptive reuse projects that, you know, have quantifiable -- a number of quantifiable benefits for communities in terms of bringing back jobs and taxes -- tax bases and -- and people and -- and -- and vibrancy to -- to neighborhoods. The -- the reimbursement projects -- I wouldn't necessarily put them in a kind of a distressed box. There are, of course, projects that are -- that are just, you know, underwater and we don't kind of look at PACE as coming in and being that -- that silver bullet to help kind of fix -- fix a project that needs to -- you know, is not

fixable, but more of a -- a really good -- a good project, a good sponsor, kind of bad timing in that, you know, PACE in -- in some cases will come in and provide that liquidity so that that project either, one, you know, can -- that owner can sign a lease and know that they have funds to -- to -- to do the TI build out and pay commissions and, again, bring -- bring business into -- into the community. Did that answer your question?

Strader: Mr. Mayor? Yes, it did. Thank you so much.

Robbins: Oh, you are welcome.

Simison: Council, any other questions for our guests this evening? Chris, Jacob, I want to say thank you for allowing us your time this evening to help get some questions answered. I don't know that we are done yet with this conversation even tonight, but I just want to make sure we got that out on the record for you, so thank you.

Robbins: Thank you so much for allowing us to participate.

Simison: Chris, I don't know if you had more to present on this or -- I'm happy to give my two cents for you if you -- unless you have other -- others to say.

Robbins: Yeah. Mr. Mayor, the only other thing I would add is I did speak with City of Rexburg just to get an idea of how much time they actually spent putting the program together, standing it up. It was a multi -- it was a team effort on their part, they are a small city, so they had probably two or three different individuals. They had to ask how many hours each person worked on it and the cumulative number was about 50 hours of staff time. So, with regard to the setup of the program that's probably about what we would expect to see and -- and I certainly have capacity to do that. I can't do it all in one sitting, but I can spread it out and work on it here and there and I have the benefit of other cities putting these together in advance of me, so I can look at their templates and I talked to City of Boise as well. They took a little bit longer time just because of their process, but it wasn't that heavy of a lift for them either, so probably about the same when you add it all up. That's all I had.

Simison: Yeah. I was, essentially, going to say that. You know, at least from my perspective, you know, through the first one, you know, generally I would be supportive of setting a fee that's based on hourly time invested, you know, as a start. From what I have heard it -- this would not be onerous enough -- no different than setting up the program where you might have to invest some time, but I think after doing one or two we could quickly figure out do we have the bandwidth or do we need to off load or what would be that appropriate amount to -- to do it. If we are -- if you were interested in going a different direction that's fine as well. But I think that's at least -- what I hate is to charge -- overcharge on the first one, unless we say we will -- we will charge this and we will refund it if that's not how much it takes, but even if you are going to contract it out I think a contractor would want to know what's -- what they are going to receive in a -- in a set wage or set amount per hour's work seems to be more appropriate than a dollar figure based upon it and not going to get into my good friends that sell homes

where sometimes there is that question mark is just because the home is worth more, the cost you receive is that the fair and appropriate way and I don't know that's the way we want to do business. But we want to recapture our hours, whether we look at those 50 hours and build that in that it takes to build the program or we say that's our cost -- that's our contribution to the program, but we want to be compensated for those who actually use the program on a -- on a fair basis. But, personally, in my conversations with Curtis and what I have learned, I'm -- I'm comfortable recommending that we consider moving forward with this project, but happy to see if you all believe that's true or not and if you need to have further dialogue before getting to that place yourselves, so --

Overton: Mr. Mayor?

Simison: Councilman Overton.

Overton: Had a huge shout out to Jacob and Chris for -- for helping with this tonight, along with Curtis. You know, I don't -- I don't ever want to look at this as something we would add to our city based upon one project. I got to keep telling myself that what we are looking at here is adding a tool to our toolbox for economic development. It's getting to the point -- or getting past the point of trying to decide how much money we think we need to be compensated for when, really, we don't have that idea right now. We don't know the size of the project or what's going to come in the door. I would much rather try to stay focused on is this going to be a benefit to our community and, if so, it's the right thing to do or it's not. I have learned a lot since the first time I met with Curtis on this. I think this is a -- a tool that can help our city in certain situations. It can help certain projects and situations. I think that a lot of the questions that were asked were valuable. Some of them, quite honestly, people on this dais have tremendous amounts of information in areas that I don't and I'm glad you asked those high level financing questions, but I don't think as a city we are going to be dealing with having to answer those questions as we administer these projects. I think our role is going to be much different on how we administer it. So far everything I have heard, from what the load will be on our city versus the benefit to our community is positive and I would be supportive of this moving forward as we get closer to adopting it.

Simison: Council Woman Strader.

Strader: My concern is about putting a lot of resources into setting up a program if it's premature and I think Idaho is pretty early in its adoption curve of this type of financing. Like what I would be looking for would be -- I think the -- the main risk that we run is that there is a cap built into this program of what we can charge reasonably for servicing fees and I think I would want to make sure that we can capture -- no different than our kind of parks philosophy. I want to see that we can capture our cost of service and our cost of administering this program properly. That's my main concern. So, that's something I think I would need to get, you know, working through with you guys as you try to develop what this program would look like, a rationale around what type of servicing fees we would charge and why and why we think that we are comfortable that

that would cover our cost of administering the program. The other aspect I would like to see -- I -- I could not agree more, I don't think it makes any sense to set up a program just for one project. I think I would want to see a pipeline of potential projects. Like I think that would help me feel comfortable that there is demand for this tool. If it was a pipeline of like five projects that we thought, you know, one of these -- chances are one of these would come to fruition. I think that kind of information would help me feel comfortable that we are investing in something durable. So, it's not a no for me, it's just -- I feel like it's a little early and that we need to develop a sense of a pipeline of projects and kind of keep working on this and work on a rationale for how we capture our cost of doing it.

Taylor: Mr. Mayor?

Simison: Councilman Taylor.

Taylor: Is there anything that would prevent us if we spent the time and resources to do that here in the city and, then, decide that we wanted to pivot in a few years and have a third party administer that. As far as I understand it we could -- we have that flexibility; is that correct?

Simison: Correct. And, Curtis, what is the current cap and say code on max cap recapture?

Calder: So, statute is 500 dollars max application fee and, then, one percent for servicing fee up to a maximum of 50,000 dollars. So, that's the absolute statutory maximums.

Simison: Okay. I don't think there is a question would we be able to recapture, it's what's the appropriate amount to set for the recapture and how do we get there. Yes, Chris.

Robbins: In terms of the pipeline, happy post today to have one of the larger developers in your city get in touch with you and talk about their projects. I -- I didn't want to -- just for, you know, non-disclosure and everything else, confidentiality, you know, put forth names right now, but this -- this group would be I believe very open to have that conversation with you and, then, also to have -- you know, get their thoughts on, you know, why as a developer would this be of -- of interest to you from a capital option.

Simison: Thank you.

Whitlock: Mr. Mayor?

Simison: Councilman Whitlock.

Whitlock: Kind of always operate under a philosophy of I want to be first to be second and -- and I think there are some others that have blazed the trail on this for us and my

understanding is that the city of Boise has put out some pretty good promotional materials on this and they are really pushing that program. I understand that Valley county has recently approved this as well. So, others are looking at this as a valuable tool for economic development in their communities. We are certainly not first and we can certainly learn from those that have helped blaze the trail. So, I'm interested in continuing the conversation and getting these questions answered.

Taylor: Mr. Mayor?

Simison: Councilman Taylor.

Taylor: Maybe, Chris and Jacob, if I can just ask you another question. I'm just going to go back to the fee. From the projects you -- you have worked on, if there is a 500 dollar application fee and a cap of 50,000 dollars as a percentage of the servicing fee, is that -- from what you have seen in other states -- I don't know what the statutes say in -- in other states, you know, where are we in the sort of the ballpark? Does that seem in line with what you have seen? Is that kind of tracking where other states have been and does that seem a reasonable structure sort of -- as far as having a cap on the program?

Carlton: Definitely reasonable having a cap on the program and what we have seen, again, from a -- from an application fee, you know, that two -- 250 to 500 dollars, you know, that seems fair, because there is -- you know, there is some work that -- that goes on there. A little bit of work. Not a lot. And, then, in terms of -- so, the -- there is a -- there is a servicing fee that is much smaller than that 50,000 dollar cap. This would be more of a program administration fee that is paid upon close of the financing and that's the one percent capped at the -- the 50,000 dollars. So, if you put that into perspective from -- and the -- the programs that we have worked with or know about that charge a percentage -- either a straight percentage with a cap or some sort of a -- a kind of a staircase with a -- with a cap, the -- you know, a ten million dollar PACE financing, you know, you would be looking at a hundred thousand dollar fee there. But it would be capped. No. At ten -- ten thousand dollar fee. Excuse me. It's been a long day. And so in -- in that -- those fees -- all fees are capitalized, so, you know, where -- where we have seen programs kind of misstep I would say is to not have a cap and to try to recoup in the first two or three deals, you know, all of the -- the, quote, unquote, time and expenses, which is -- is very -- 50 hours I think, Curtis, you were saying, that -- that it cost -- it took to set the program up. So, it -- the first two or three users of the program would disproportionately pay for setting up the program. So, I think that's the misstep that we see and -- but most -- most cities and council -- you know, council -- the council -- councils are very fair and pragmatic and, you know, what is -- what's equitable, with the understanding that once -- once the program is up and running that you have got, you know, the ability to -- to step back and take a look and say are we still comfortable with this fee schedule or do we need to augment it.

Taylor: Mr. Mayor?

Simison: Councilman Taylor.

Taylor: Yeah. Just kind of share my -- some of my thoughts here. I -- this is really helpful, Chris, Jacob and Curtis, I really appreciate the follow up. This has been really what I was looking for to kind of get some deeper insight as to kind of how the program works and some of the financing structure might be the opportunity. Yeah. I -- I like the conversation. I think it's going in a -- in a favorable direction. I think I'm inclined to want to continue that and see -- you know, see that it maybe we -- we find ourselves doing something here. I am very interested -- I think Council Woman Strader's point about this is for a project, that's -- that's one discussion or if this is, hey, there is some interest for -- there is -- there is several in the pipeline. But, of course, we also know that there is -- there is opportunities for things that are yet unforeseen that may come down the road because this opportunity is there. So, yeah, I -- I like where this conversation is going, assuming we find a sweet spot to kind of put some -- some things in place to make sure that we are not devoting a lot of time and resources that we are not recapturing some of that here in the city.

Simison: I -- I guess -- unless you want to have -- come back and have another conversation with Curtis at this point in time it would either be -- start working towards it or we can let this sit and come back and have another conversation, unless there is additional information that people -- outside of saying what -- what's the pipeline and, you know, we can help identify that to a certain extent, but that's where -- I think where we are sitting where we are -- we are prepared to start going down the -- the road and engage where we see the need is and maybe the one thing that is -- is it ultimately an ordinance, resolution, that needs to be done at the end of the creation of the program? Is that when that occurs, Curtis?

Calder: Yeah. So, walking you through the steps, we would if -- if we decided to move forward I would start working on the program documents, which involves a lot of the ancillary forms that go along with when you check the box and the application forms and things of that nature. That's going to take some time. That would all come back to the City Council for approval and there is I believe a resolution and possibly an ordinance that needs to be approved to adopt the program and make it the City of Meridian. So, each city, local government, county, whoever is going to do this has to go through their own process to -- to codify it for their use. So, that would be the formal approval of the process.

Strader: Mr. Mayor?

Simison: Council Woman Strader.

Strader: I think the components that I would need to be comfortable approving that final resolution or whatever is kind of at the end of the yellow brick road here for us would be the pipeline, the application and servicing fee structure and rationale of why it covers our cost, which I think is the critical work that you all would be doing next and, then, I think at that point those would be the -- the key components that we would need to move forward. So, I think you -- you just need a -- I think a strong rational. I don't think you have to be a hundred percent. I agree once the program's up and running you can

tweak it, we can look at it. Maybe one additional component. I think I understand -- like I -- I think we are all on the same page, but I think I would want a more granular understanding of any nonperformance risk that the city would have. Are there actions that if we did or did not take would give us legal exposure from either the PACE lender or the senior lender? And it could be that that's an easy answer. Like all you need to do is -- is, you know, file your tax lien or -- or whatever. Like I -- I'm sure that -- that it's a pretty discreet set of actions we need to take, but that would be kind of the third thing I would want to understand maybe on a more granular level. Is there any nonperformance risk that the city would have where we could get sued by someone because we did not take or did take certain actions and -- and what are those I think on a more granular level. So, the -- I'm totally great with moving it forward and working on it, but those are the three things I would -- I would need to understand.

Simison: Okay.

Calder: Yeah. We can -- would it be helpful -- I think Chris offered up to bring a developer in and -- and actually have that conversation, assuming we could get one to come in.

Simison: I think if we could bring in three to talk about the value benefit that they see or something of that nature, as compared to one to say here is my projects that I -- I don't know, but I'm -- I'm weary on one hand of asking people to come in and start talking depending on what type of projects they are, so -- if that makes sense.

Robbins: Yeah. And -- and I'm so sorry to interrupt here.

Simison: Yes, Chris.

Robbins: The -- what -- what I would -- I would propose is to have a -- a conversation -- I think most people know this -- this group. I think everybody does. And they would have a conversation with you. But coming in and having three developers -- we typically -- a lot of developers don't want to talk about their -- how they are capitalizing their projects in -- in -- in public necessarily and so I think whatever you -- whatever the best line of communication would be where I can make an introduction to somebody that you know in the community there, that has multiple projects and, then, they would also know peers of theirs who are doing developments as -- as well and, then, maybe the last thing I will say -- and Jacob and I have done -- done this where we do a lot of just education. So, when programs are kind of launched initially I'm happy to, you know, come to town and sit down and do a kind of a PACE 101 and I'm -- I'm -- Jacob, I'm going to -- I'm going to corral you into doing this as well where we -- you know, where we invite the -- the folks that have -- have projects that could use the financing and we -- we see that as a -- as a good kind of community benefit at times.

Taylor: Mr. Mayor?

Simison: Councilman Taylor.

Taylor: It's my sense that I -- I -- I think we are all on the same -- we are moving in the same direction where we want to see this move ahead. I'm not sure that we need another conversation for more information, as much as I think some of the information we have I think it can be -- we can receive that through, you know, some -- you know, I -- e-mails or phone calls or conversations that I don't think need to be done in front of the public in terms of having developers come in and disclose all these projects they are working on. We understand, you know, the need for them to have that -- to work through those things, unless there is an objection to that really. I -- I think these questions could be answered for the most part -- for me at least with just some informal communications and sharing that and sitting down with some of our -- our folks to just give me a better sense of that. I don't need another informational discussion in this type of setting for me to feel like I'm satisfied. I'm pretty much -- you know, 95 percent of the way there with questions answered that -- assuming there may be some more questions, but I -- I don't -- I don't see why there is a reason where Curtis needs to stand up here again with more questions that can't be answered, sort of just one off or in some informal discussions. That's -- that's my thought on this. And so -- but I also -- I don't think there is a rush. So, I don't want to say we have to act and move this along quickly, we want to make this done the right way. So, I think in just terms of moving along that's kind of how I would view a productive way to do this.

Simison: Okay. All right.

Calder: Very well.

Simison: Thank you, Curtis.

Calder: Okay. Thank you.

Simison: Council, we are at the end of our agenda. Do I have a motion?

Overton: Mr. Mayor?

Simison: Councilman Overton.

Overton: Move to adjourn.

Little Roberts: Second.

Simison: Motion and second to adjourn. All in favor signify by saying aye. Opposed nay? The ayes have it. We are adjourned.

MOTION CARRIED: ALL AYES.

MEETING ADJOURNED AT 5:57 P.M.

(AUDIO RECORDING ON FILE OF THESE PROCEEDINGS)

MAYOR ROBERT SIMISON

DATE APPROVED / /

ATTEST:

CHRIS JOHNSON - CITY CLERK