



NOTICE OF PUBLIC MEETING

Monday, July 6, 2020
City Council Chambers
680 Park Avenue
Idaho Falls, ID 83402
3:00 p.m.

The public is invited to observe City Council Work Sessions. However, to observe appropriate social distancing guidelines, as recommended by the Centers for Disease Control and Prevention (CDC), the public is encouraged to view this meeting via livestream on the City's website at <https://www.idahofallsidaho.gov/429/Live-Stream>. Citizens are strongly encouraged to wear face masks for the protection of others. The agenda does not include an opportunity for public interaction.

This meeting may be cancelled or recessed to a later time in accordance with law. If you need communication aids or services or other physical accommodations to participate or access this meeting or program of the City of Idaho Falls, you may contact City Clerk Kathy Hampton at 612-8414 or the ADA Coordinator Lisa Farris at 612-8323 as soon as possible and they will accommodate your needs.

CITY COUNCIL WORK SESSION

Times listed in parentheses are only estimates.

Call to Order and Roll Call

Mayor:

- Calendars, Announcements and Reports (10)
- Coronavirus (COVID-19) Update

Council:

- Liaison Reports and Council Concerns (5)

Parks and Recreation:

- Idaho Water Resource Board (IWRB) Loan Application Discussion (15)
- Presentation: Funland Fundraising Campaign (30)
- Update: Sandy Downs and Splashpad (15)

Police Department:

- Part III. Idaho Falls Police Department Policies, Practices, and Procedures on Officer Hiring and Training with regard to Use of Force Briefing and Q&A (45)

Fire Department:

- Fire Equipment Donations Discussion (15)

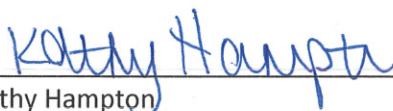
Community Development Services:

- Idaho Falls Redevelopment Agency (IFRdA) Report and Discussion (30)

Municipal Services:

- Introduction to Fiscal Year 2020-21 City Budget (45)

DATED this 2nd day of July, 2020


Kathy Hampton
City Clerk



IDAHO WATER RESOURCE BOARD

322 East Front Street, Statehouse Mail

Boise, Idaho 83720

Tel: (208) 287-4800

FAX: (208) 287-6700



**APPLICATION FOR FINANCIAL ASSISTANCE FOR NON-POTABLE WATER SYSTEM
CONSTRUCTION PROJECT**

Answer the following questions and provide the requested material as directed. All pertinent information provided. Additional information may be requested by the Idaho Water Resource Board (IWRB) depending on the scope of the project and amount of funding requested. For larger funding amounts an L.I.D. may be required.

Incomplete documents will be returned and no further action taken will be taken by IWRB staff. All paperwork must be in twenty eight (28) working days prior to the next bi-monthly Board meeting.

Board meeting agendas can be found at: <http://www.idwr.idaho.gov/waterboard/>

I. Prepare and attach a "Loan Application Document".

The Loan Application Document requirements are outlined in the Water Project Loan Program Guidelines. The guidelines can be found at:

<http://www.idwr.idaho.gov/waterboard/Financial%20program/financial.htm>.

You can also obtain a copy by contacting IWRB staff.

II. General Information:

A. Type of organization: (Check box)

- ☐ Irrigation District
- ☐ Canal/Irrigation Company
- ☐ Lateral Association
- ☐ Flood Control District
- ☐ Homeowners Association

- ☐ Water User's Association
- ☐ Municipality
- ☐ Reservoir Company
- ☐ Other

Explain: _____

Organization name

Name and title of Contact Person

PO Box/Street Address

Contact telephone number

City, County, State, Zip Code

e-mail address

Project location legal description _____

B. Is your organization registered with the Idaho Secretary of State's office? Yes ☐ No ☐

C. Purpose of this loan application.

- ☐ New Project
☐ Rehabilitation or replacement of existing facility
☐ DEQ requirement
☐ Other: _____

D. Briefly describe the project:

III. WATER SYSTEM:

A. Source of water:

- ☐ Stream ☐ Groundwater
☐ Reservoir ☐ Other

B. Water Right Numbers:

Water Right	Stage	Priority Date	Source	Amount

Note: Stage refers to how the water right was issued. (License, Decree, or Permit)

C. If irrigation/lateral system:

Number of acres served: _____
Number of shareholders served _____
Water provided annually (acre-feet) _____

D. If flood control system, drainage system, groundwater recharge, or other type of system:

Number of acres within District or service area: _____
Number of people within District or service area: _____

E. If an Association/Municipality the number of residences served by the system:

Number of residences served: _____
Number of hookups possible: _____

IV. USER RATES:

A. How does your organization charge users rates?

- ☐ Per acre ☐ Per hook up
☐ Per share ☐ Tax assessment

Explain what a share is: _____

☐ Other, explain _____

B. Current rate? \$_____ per _____
(Share, hook-up, month, year, etc.)

C. When was the last rate change? _____ (month/year)

D. Does your organization measure water use? Yes ☐ No ☐

If yes, explain how: _____

E. Does your organization have a regular assessment for a reserve fund? Yes ☐ No ☐

If yes, explain how it is assessed:

F. Does your organization have an assessment for some future special need? Yes ☐ No ☐

If yes, explain for what purpose and how it is assessed:

V. PROPOSED METHOD FOR REVENUE FOR REPAYMENT OF LOAN

How will you plan to assess for the annual loan payments?

Check revenue sources below:

- ☐ Tax Levies
☐ Capital Improvement Reserve Account or Sinking Fund
☐ User Fees and Tap/Hookup Fees
☐ Other (explain) _____

Will an increase in assessment be required? Yes ☐ No ☐

When will new assessments start and how long will they last?

VI. SECUREMENT OF LOAN

List all land, buildings, waterworks, reserve funds, and equipment with estimated value that will be used as collateral for the loan:

Property

Estimated Value

_____	_____
_____	_____

For property Securement, attach a legal description of the property being offered along with a map referencing the property.

VII. FINANCIAL INFORMATION:

A. Attach a copy of each of the last 3 year's financial statement. **(Copies must be attached)**

B. Reserve fund (current) _____

C. Cash on hand _____

D. Outstanding indebtedness:

To Whom	Annual Payment	Amt. Outstanding	Years Left
_____	_____	_____	_____
_____	_____	_____	_____

E. What other sources of funding have been explored to fund the project? (example: NRCS, USDA Rural Development, Banks, Local Government, etc.)

VIII. ORGANIZATION APPROVAL:

Is a vote of the shareholders, members, etc. required for loan acquisition? Yes ☐ No ☐

If yes, a record of the vote must be attached.

Amount of funds requested: _____

By signing this document you verify that all information provided is correct and the document is filled out to the best of your ability.

Authorized signature& date: _____

Idaho Water Resource Board

Revolving Development Fund
Loan Program

WATER PROJECT LOAN PROGRAM GUIDELINES



In accordance with Idaho Code 42-1756.

Idaho Water Resource Board

April 2010

WATER PROJECT LOAN PROGRAM – GUIDELINES

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1.0 Introduction

1.1 Use of Guidelines

These Guidelines for the IWRB Revolving Fund Loan Program provide an overview of the steps required for obtaining an IWRB loan, including preparation of the Loan Document. They are based upon generally accepted practices for sound planning, design, and construction of water projects. The consulting/engineering firms or individuals responsible for the planning design, and construction activities are expected to develop specific analytical procedures that are appropriate for a particular project analysis. These Guidelines have been written to assist the project consultant and sponsor with the loan application process and with planning and implementing a cost-effective project for maximum benefit to Idaho water users. The process and procedures outlined here are intended to be as flexible as possible and to be responsive to the needs of the project sponsor.

1.2 **Steps to Obtain a IWRB Loan**

The following are the basic steps required to obtain an IWRB loan:

1. **Staff Contact** – The project sponsor should contact the IWRB staff to discuss the scope of the proposed project, to discuss the Loan Document and any planning or engineering work that may already be completed or underway.
2. **Loan Document** – The Loan Document and Loan Application are to be submitted no later than 28 days prior to next full meeting of the IWRB. A calendar of the Board meeting dates can be found at (<http://www.idwr.idaho.gov/waterboard/>). Loans received after this time will be held until the next full IWRB meeting. A Loan Document is required for any funding request from the IWRB. Loan Documents are generally conducted by consultants or consulting/engineering firms selected by the applicant but can be completed by the applicant.
3. **Loan Review Recommendation** – The IWRB staff will review the completed Loan Document and make recommendation to the Board regarding the feasibility of the project and loan. The loan sponsor will be notified if changes are required in the submitted Loan Application and Loan Document.
4. **IWRB Loan Authorization** – The IWRB staff will present the loan recommendation to the Board at their bi-monthly meetings. At this time the Board will make their decision as to whether or not they will loan the funds. If funds are to be loaned the Board will pass a resolution having any conditions it requires, amount of the loan, term and interest rate.
5. **Contract Execution** – Following the Board approval of the loan, contracts will be draw up with provisions requested by the Board and stated in the Loan Resolution presented to the Board. The contracts are generally sent out within a week or two for signing. The sponsor will sign the contracts first and must return them in 30 days to the Board for an authorized signature from the Board. No funds are provided until the contracts are signed. Contracts not signed and returned within the 30 days will be subject to withdrawal of the loan and replication to the Board will be required.
6. **Loan Repayment** – Loan repayment starts when the project is completed. Completion time for project is one (1) year from approval of loan. A letter of completion must be sent to IWRB staff along with any required documentation required in the contract. At that time a repayment schedule will be sent to the sponsor.

2.0 **Loan Document – Outline**

The following provides and outline for the preparation of an IWRB Loan Document. Requirement may vary depending on the project and objective of the Document. For questions on how to complete the Document, contact IWRB staff.

2.1 **Background information**

2.1.1 Purpose

This section provides a brief overview of the project, including the type of project, amount of loan funding being requested, and a statement of what the project and/or study is intended to accomplish. It should describe the need for the project, problems, and why the project is important to the borrower. It should include a brief history relevant to the project and any compliance issues that are being addressed (i.e. water quality).

2.1.2 Project Area Description

This is the geographical area to be served by the proposed project and should include the following:

- a. A narrative of the description of the project area to include the county, the proximity to towns or cities and locations of major water features.
- b. A map showing the items listed above and the location of the existing facilities, proposed project site, and boundary of the project.
- c. Characteristics of the project area such as residential and number of residences listing both seasonal and permanent, farm ground, irrigation and type of crops and any other type of characteristic that may be pertinent to the project.

2.1.3 Previous Studies

To maximize the extent of the Loan Document, any previous studies and investigation should be utilized such as a reconnaissance-level study.

2.2 **Project Sponsor**

The project sponsor may not be an individual. Each Loan Document should include a description of the entity be it municipality, irrigation district, canal company or subdivision that is sponsoring the proposed project. The description should include the following:

- a. Type of organization, official name, the year formed, and the statutes under which the entity was formed. For subdivisions a copy of the By-laws should be attached to the report.
- b. For public entities the number of customers or taps served, current water usage, and future growth plans.
- c. For private entities the number of members or shareholders, shares of stock or water and what a share is equivalent to, and the current water delivery.
- d. A brief history of the sponsoring entity.
- e. Identification of revenue sources (existing service charges, taps fees, share assessments, etc.).
- f. A description of the existing water supply facilities owned and/or operated by the entity.

2.3 Water Rights

2.3.1 Water Availability

The Loan Document should provide a detailed description and analysis of each water supply source to be utilized by the proposed project. A brief description of existing source may be adequate for projects that involve only rehabilitation of existing facilities. Each source of supply should be described in terms of location, yield, extent of development and water right status.

For new water supply facilities or the expansion of existing facilities and analysis of the expected yield of the water supply source should be included. The analysis should take into account a reasonable range of variations in flow due to hydrologic and meteorological conditions.

2.3.2 Water Supply Demand

Existing and future water demands are analyzed as well as the adequacy of water rights/existing yields, and water demand and the availability are compared. The demands should look at a time period of 15 years in most cases.

2.4 Project Description – Analysis of Alternatives and Selected Alternative

This section documents the project need by assessing existing and future conditions, identifies problems and deficiencies, and formulates and evaluates potential solutions.

2.4.1 Analysis of Alternatives

Each document should include the formulation and evaluation of a reasonable number of alternatives for accomplishing the project objective(s). The number of alternatives will depend upon the objective and scope of the Loan Document. Generally, a minimum of three alternatives should be presented with one of the three being “no action alternative”. Each alternative should be described in terms of components both structural and non-structural and in the operation of the facility. Non-structural are things such as management of water supply and water transfer from existing to new uses etc.

Evaluation Factors – Alternative should be evaluated to distinguish the differences between them in accordance with the factors listed below:

- a. Outputs/yields – projected outputs should be expressed in terms of acre-feet or cubic feet per second.
Municipal and subdivisions – water supply should estimate the annual yield of the project and expected yield during dry conditions.
Irrigation – water supply should be expressed in terms of acre-feet of water

supplied to the project area on an annual basis. For projects that involve rehabilitation of existing facilities the yield should be expressed as the incremental difference in water supply with and without the project.

- b. Costs – Cost comparisons should be made between alternatives. The cost analysis should consist of (1) an estimate of total capital costs and total annual operation and maintenance and replacement costs for each alternative and (2) the total cost for each alternative, and (3) the cost per unit of project output (annual cost of project per acre-foot of water delivered).
- c. Impacts – Identifies and compares potential impacts to the man-made environment and the natural environment.
 - Impacts on the *man-made environment* – residential or commercial buildings affected; utility relocations; acreages of developed lands impacted; historical or archaeological site impacts; impacts on outdoor recreation activities.
 - Impacts on the *natural environment* – acres of grassland, forest, etc. to be impacted; stream flow impacts; water quality impacts; aquatic and terrestrial wildlife impacts; impacts to federal or wilderness areas; impacts on endangered species in project area.
- d. Economic analysis and feasibility – The level of economic analysis will vary from project to project but should generally include assessment of benefits and costs. An estimated number of shareholders, member, households, etc. expected to benefit from the project.
- e. Institutional requirements – Identify and evaluate permits, court actions, contracts, and agreements etc. that are required for the project implementation.
- f. Special considerations – The extraordinary situations that are likely to be encountered during the design and or construction of the project. The uncertainty or risk associated with demand projections or cost estimates, or the possibility of new technologies affecting the project.

The results of the alternatives evaluation should be described and displayed in such a manner that the differences between alternatives are apparent.

2.4.2 Selected Alternatives

A detailed description of the *Selected Alternative* should be provided and should include the following:

- a. Project Description – A narrative description of project components and operation to indicate how the entire project will function.

- b. Map – A map of the entire project area showing the locations of existing and proposed project components and other features like streams, canals, flood plain etc.
- c. Conceptual Plan/Cross Section – Layout and cross-section for each major structure to include dimensions and hydraulic properties. Profile and typical sections for canals and pipelines with water surface and hydraulic gradeline elevations.
- d. Conceptual Design Features – Hydraulic, hydrologic, and structural design criteria for all proposed facilities including:
 - Sizing for all hydraulic features such as canals, pipelines, pumping plants, outlet works, etc. with associated energy losses where applicable.
 - Number, size and operating characteristics of pumping units.
 - Number, size and operating characteristics of variable speed drives.
 - Other site factor that require special consideration.
- e. Right-of-Way/Land – Land and right-of-way requirements for the proposed project and a tabulation of land ownership at the site of the proposed project.

2.4.3 Cost Estimate

Provide a detailed estimate for all capital costs of the project implementation such as engineering design, construction inspection, administrative and legal cost, land and right-of-way acquisition, relocation costs, construction costs, financing costs, and a contingency costs and total costs.

2.4.4 Implementation Schedule

Provide a project implementation schedule showing the beginning and completion dates for all activities required for the project implementation to include but not limited to permits, design, contracts, land and right-of-way acquisition, and construction.

2.5 Financial Feasibility Analysis

This section documents the financial feasibility of the selected alternative. It provides a detailed financial program to describe finances to be used in addition to the IWRB Loan and for the IWRB Loan and how they will be used. It should provide an analysis of the project sponsor's ability to repay all existing and projected debt service as well as operating expenses.

- Loan Amount – Discuss the total project costs and the amount of the IWRB loan requested.
- Financing Sources – Identify other sources of financing for the project.

- Revenue and Expenditure Projections – Include a detailed schedule of estimated annual revenues and annual expenditures for a fifteen (15) year period. Estimates for annual revenue should display for each source of funds (assessment, water sales, property taxes, etc.). Expenditures should include debt retirement payments to each category of debt, operation and maintenance cost, and for payments to reserve funds.
- Loan Repayment Source – Describe source of funds for loan repayment, such as assessments, water sales, property taxes, or grants.
- Financial Impacts – Discuss the financial impacts of the project on the total debt, water rates, assessment to users, and property taxes. Determine future rates needed to cover the IWRB loan obligations and additional operating costs. Discuss any saving or new revenue that may be generated.
- Collateral – The IWRB holds the water rights of the sponsor and the completed project as collateral. In addition to this what collateral will be offered to assure repayment?
- Sponsor's Ability to Repay – Provide information to be used by IWRB staff evaluate creditworthiness and financial need as follows:
 - Current schedule of rates or assessments.
 - Copies of the three most recent audit reports of financial statements.

2.6 Conclusion and Recommendation

Provide a summary of the document conclusions and an opinion and recommendation as to the overall feasibility of the project and loan repayment.

2.7 Loan Request and Submittals

The following is a list of documents that should be included with the loan request:

- a. A letter of transmittal of the Loan Application and Loan Document, from the sponsor.
- b. A completed loan application with all information filled in and attached financial statements. Incomplete applications will be returned to the sponsor and no action will be taken by the IWRB staff toward processing the loan.
- c. The Loan Document which is submitted for staff review and comment. Loan Document should have Appendices that include technical information about the project, design drawings and maps, by laws of the applicant, copy of easement(s) if required and financial statement.

***Please Note: Incomplete packets will be returned to the sponsor unless previously discussed with staff and no further action will be taken on the part of the staff. All loan requests must be received 28 working days prior to the bi-monthly Board meeting. No exceptions!!!**

IFRA

Idaho Falls Redevelopment Agency

2019 Annual Report



To strengthen the tax base and promote the successful growth and development of the City of Idaho Falls by using, when necessary, tax increment financing to facilitate the construction of publicly owned infrastructure, giving due consideration to that which promotes and enhances the Snake River Greenbelt and encourages desirable land uses near that Greenbelt.

Mission Statement, Idaho Falls Redevelopment Agency

The Agency appreciates the opportunity to work with many others in the community to accomplish its purposes. Without these integrated efforts, the Agency would not be able to achieve its mission.

First, the Agency appreciates the real estate developers who have taken an interest in the urban renewal areas in the City of Idaho Falls. Without their interest in the community, their vision, their entrepreneurial spirit, their risk-taking, and their ability to execute on their plans, the Agency would not have been able to accomplish any of these projects. The Agency seeks to work with developers in the private sector, because they have the best knowledge of what the market forces are demanding for successful infrastructure and development in our community.

The Agency also appreciates the assistance of the City of Idaho Falls and Bonneville County in relation to the work accomplished. The City of Idaho Falls assists the Agency with expertise and staffing support on many projects, and by providing the time of a City Council member to be part of the Agency. Bonneville County assists the Agency in relation to the calculation and determination of the property tax increment, and through property tax collection, and also by dedicating the time of a County Commissioner to be part of the Agency. The City of Idaho Falls and Bonneville County are also valuable residents of downtown and the urban core of the community.

The Agency also appreciates the support of other taxing entities affected by the Agency's urban renewal areas, which have been consistently supportive of the Agency's efforts to preserve the tax base in these areas in an attempt to minimize property tax rates for the community as a whole. The Agency also appreciates a number of other organizations that provide valuable assistance and guidance regarding the Agency's work, including the Idaho Falls Downtown Development Corporation (DDC), the Regional Economic Development Initiative (REDI), the Idaho Falls Rotary Club, and the Idaho Falls Chamber of Commerce.

The Agency also appreciates the legislators and officials of the State of Idaho who support the urban renewal laws, and who understand that urban renewal is critical to providing efficient government and eliminating the waste that can occur if urban areas are allowed to decay.

And most of all, the Agency appreciates the businesses and individuals who care for and use the urban core of the City of Idaho Falls, helping these urban renewal areas prosper far into the future. The work of the Agency is a community-wide effort, and the Agency appreciates this community for supporting its efforts.

EXECUTIVE SUMMARY

The mission of the Idaho Falls Redevelopment Agency is to strengthen the tax base of the City of Idaho Falls and Bonneville County through the encouragement of growth and development within the Snake River corridor. To achieve this goal, the Idaho Falls City Council has formed four urban renewal districts since 1988. Through the financing of public improvements such as water, sewer, streets, and storm drainage facilities, the Agency has contributed the following to the tax base:

Urban Renewal District	Year Created	Year of Termination	Tax Increment Value, 2019
River Commons	2004	2028	\$93,334,419
Pancheri-Yellowstone	2007	2019	\$6,972,560
Eagle Ridge	2014	2034	\$3,222,937
Jackson Hole Junction	2017	2030	\$1,155,344

The total urban renewal adjusted base assessed value in Idaho Falls, for all four urban renewal districts, is

\$12,969,904, approximately 0.36% of the net valuation of the City. The current 2019 tax increment value of all districts is \$97,337,652, about 2.7% of the net valuation of the City. The land area of these four urban renewal districts is 423 acres or approximately 2.6% of the City's total land area. The Agency has also supported several public improvements within the project areas. Each of these numbers is a significant decrease from years past due to the closure of the Snake River District, which terminated on December 31, 2018.

In 2019, the Idaho Falls Redevelopment Agency accomplished the following:

- Completed the closeout of the Snake River District, the Agency's oldest and largest district. More detail is summarized in the Snake River District section of this report.
- Entered into a Construction Project Agreement with Idaho Falls Public Works for \$525,000 for improvements to the Broadway Streetscape. This project was completed in the summer of 2019.
- Entered into a Grant Participation Agreement with the Idaho Falls Downtown Development Corporation (IFDDC) for \$100,000 for upgrades to downtown public parking infrastructure. This project was completed during the summer of 2019.
- Completed the Grant Participation Agreement project with IFDDC for downtown intersection improvements.
- Completed reimbursement payments to Ball Ventures for rock remediation and pedestrian bridge at the Tru Hotel project.
- Entered into a Grant Participation Agreement with Dr. Brian Lee for \$150,000 for rock remediation for a medical arts building in Taylor Crossing.
- Entered into a Grant Participation with Taylor Crossing, LLC for \$12,500 for improvements to storm water and curb and gutter at an intersection in Taylor Crossing. This project was completed in the early fall of 2019.
- Executed the Owner Participation Agreement for the Jackson Hole Junction District.

- Approved execution of the Promissory Note for the Eagle Ridge District.
- Entered into Grant Participation Agreements with Idaho Falls Downtown Development Corporation and Idaho Falls Public Works for three projects to improve the downtown. The first project is for improvements to downtown intersections including installing ADA ramps, removing deteriorating planter boxes and dying trees, and installing new planters and trees. The total commitment for this project is \$320,000. The second project is to remove deteriorating planters, trees, and sidewalk on Broadway and replace with new infrastructure. The total commitment for this project is \$525,000. Finally, the Agency committed
- \$100,000 towards purchase of downtown public parking infrastructure to assist IFDDC with management and enforcement of public parking lots.
- Finally, the Agency approved its termination budget for the Snake River District. This, the oldest and arguably most successful district, expired at the end of 2018 with spending authority remaining until the end of FY2018-2019. As a first step to the closeout, the board approved the termination budget as part of its regular budgeting process.

W. Broadway Street Improvements



ORGANIZATION AND MISSION

The Idaho Falls Redevelopment Agency, originally created on July 6, 1966, was re-established by the Idaho Falls Mayor and Council on October 20, 1988. More than twenty years after its re-establishment, the Agency is charged with implementing five urban renewal plans: Snake River Urban Renewal Project Plan, River Commons Urban Renewal Plan, Pantheri-Yellowstone Urban Renewal Plan, Eagle Ridge Urban Renewal Plan, and Jackson Hole Junction Urban Renewal Plan.

In the year 2019, the following individuals served on the Board of Commissioners:

Lee Radford, Chair

Brent Thompson, Vice-Chair

Terri Gazdik, Secretary-Treasurer

Thomas Hally

Dave Radford

Kirk Larsen

Chris Harvey

Ryan Armbruster of Elam and Burke serves as legal counsel to the Agency. Brad Cramer serves as Executive Director and Mark Hagedorn serves as Treasurer.

THE YEAR 2019

River Commons Urban Renewal District

River Commons Urban Renewal District, a former gravel pit for Monroc, Inc., lies immediately south of Pantheri Drive and borders the Snake River. The district encompasses 211 acres and was created in 2004 at the request of the new owner of the property, Ball Ventures. The Agency entered into an owner participation agreement with Ball Ventures in March, 2005, and agreed to participate in the construction of Snake River Parkway and Pier View Drive, reconstruction of Milligan Road, power line and utility improvements, storm drainage and landscape improvements, and Greenbelt improvements with the exception of the pier. In January, 2009, the Agency entered into the Amended and Restated Limited Recourse Promissory Note for the principal amount of \$8,812,602. In addition, the Agency paid Ball Ventures \$40,000 in cash. The River Common Urban Renewal Plan (Attachment 5C-1) for this district anticipates \$10,552,602 in assistance to the developers within the district.

In 2015, the Agency approved an amendment to the owner participation agreement with BV Lending, LLC, for \$665,000 for assistance for rock removal on Snake River Landing, Division No. 8. Division No. 8 is a 9.5 acre parcel which



Kartchner Apartments



Bandon River Apartments

houses over 200 higher-end apartments and sits immediately south of Curtis-Wright Flow Corporation. This agreement completes the assistance envisioned in the urban renewal plan approved in 2004.

In 2014, the Agency amended its agreement with BV Lending, LLC, to provide an additional \$670,000 in assistance, of which \$170,000 was to be paid to the developer when the buildings to be occupied by Curtis Wright Flow Corporation (Scientech) and the streets and utilities serving these buildings were completed. The estimated value of the project was \$9 million. The project occupies a portion of the former gravel pit operated by Monroc and a site which was a landfill for construction waste. This project, while eliminating slum and blight in the center of the city, was projected to retain 200 jobs in Idaho Falls and create 148 new positions with an average wage rate of \$21 per hour. In 2014, the Agency and developer agreed to change the method of repayment after the project was completed. The Agency paid \$420,000 in cash and, in 2015, executed a note to the developer for \$250,000 with an interest rate of 4.5%.

The Agency also assisted Bandon River LLC with \$365,000 towards the construction of Lochsa Drive to provide access to forty-eight senior apartment units. The assistance was in the form of a note to the developer to be repaid from the taxes generated by the development. The interest rate of this note is also 4.5%.

Pancheri-Yellowstone Urban Renewal District

The Pancheri-Yellowstone urban renewal district, with a term of twelve years, was created by the Mayor and Council of Idaho Falls in December, 2007. This area of 33 acres sandwiched between the Snake River and Yellowstone Highway and south of Pancheri Drive includes a former manufacturing facility, a lumber yard, and oil distribution businesses as well as open storage and vacant land. The district has no public road system and is served by utilities which do not meet today's standards. In early 2008, the Agency entered into an owner participation agreement with Hotel Developers - Snake River LLC in which the Agency agreed to participate in Greenbelt improvements, utility relocation and trenching, and demolition. In late 2009, the Agency executed notes totaling \$129,289 for such work completed on the site of Candlewood Suites and the adjacent Greenbelt. The note has been paid from the increment generated by Candlewood Suites. As of December, 2018, the total incremental value of this district was \$6,387,425, the majority of which was due to the construction and opening of Candlewood Suites by Hotel Developers - Snake River LLC. In December, 2019, the Agency had \$677,425.72 in cash reserves.

In 2016, property owners in the area approached the Agency with interest in completing public improvements in the area. City staff in the Mayor's Office, Planning Division and Engineering Division began working on various concepts for improvements adjacent to Yellowstone Highway to add wider sidewalks, landscaping, and lighting. A project is coming closer to fruition as staff continues to work with property owners on a design and budget.

Snake River Urban Renewal District

The Snake River Urban Renewal District was the City's oldest active urban renewal district until its closure on December 31, 2018. It was consistently used as a model around the State of Idaho as an example of responsible, effective urban renewal management. It was created in 1988 and encompassed the area bounded on the north by State Highway 20, I-15 and Utah Avenue south of Broadway on the west, the Snake River on the east and Pancheri Drive on the south. In 1988, the revenue allocation area did not encompass the entire district. In 1992, both the district and revenue allocation area were expanded. The 1992 amended boundary for both was State Highway 20 on the north, I-15 on the west, approximately Pancheri Drive on the south, and the Snake River on the east. In 2006, the area of the district was expanded to include the downtown area west of the Snake River. While the district closed on December 31, 2018, spending authority remained until the end of September, 2019.

At the time of closure, the only remaining active agreement was with Renaissance Partners, LLP, and was executed in March, 2004. This agreement covered the expenses in relocating and demolishing Tiffany Metals (a salvage yard), United Parcel Service, American Fabrication, and Broadway Properties. Today, Walmart, the Olive Garden, Famous Dave's Barbecue, Fairfield Inn, Wendy's, Arctic Circle, Panda Express, and two retail commercial strip centers occupy this area. The agreement also covered relocating a power line and improving Wardell Street, including the railroad crossing. In December, 2004, the Agency entered into a note with Renaissance Partners for the amount of \$4,042,000 payable from tax increment from the district.

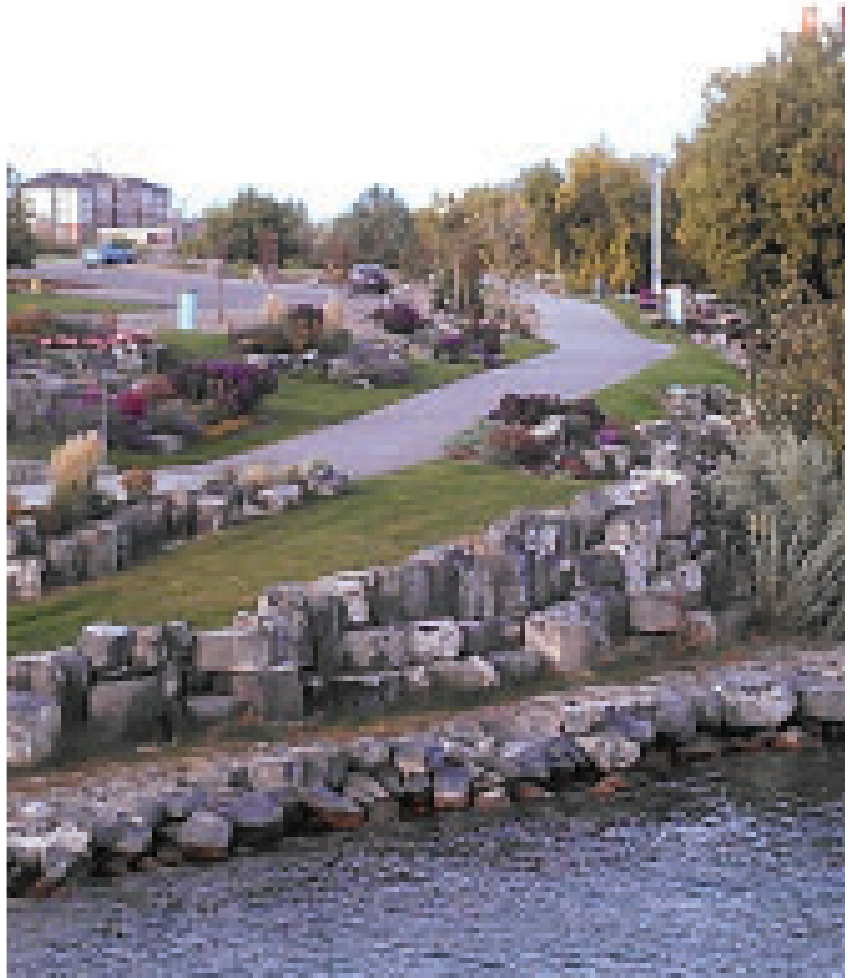
A second owner participation agreement existed for many years with Taylor Crossing on the River, LLC. This agreement was terminated in 2017 but assisted in providing many improvements in the Snake River District. This agreement provided for notes to a maximum of \$6,335,204 to improve the Greenbelt from Broadway to Pancheri, construct Riverwalk Drive to connect Broadway to Pancheri east of Porter Canal, relocate ABF, reconstruct Simplot Circle, demolish the former Army Surplus building (where the Marriott Residence Inn now sits), provide the necessary public utilities, and remove any rock as necessary for development. To date, Taylor Crossing has entered into two notes with the Agency, both of which have been repaid from a portion of the tax increment generated by the Taylor Crossing development. The first note was for \$600,000 to relocate ABF and the second was \$200,000 to demolish the Army Surplus building. Recent payments to Taylor Crossing for Greenbelt improvements have been made under the agreement and from the tax increment generated to date. This past year the owner participation agreement was modified to increase Agency assistance for Greenbelt improvements to approximately \$900,000 and reduce assistance to \$1,000,000 for Riverwalk Drive. The Agency has participated in several public improvement projects related to the Taylor Crossing Project.

Much of the Agency's work in 2019 was closing out the Snake River District. Although the district closed at the end of 2018, spending authority still existed through the end of September, 2019. The Agency tried to balance spending down the remaining funds, while still maintaining enough for a healthy return of funds to the taxing entities. Projects funded in 2019 were largely focused in the downtown area. They included improvement of intersections, improvements of the Broadway streetscape, and purchase of parking infrastructure upgrades for downtown public parking. The Agency also funded two projects in Taylor Crossing. Each of these projects are described in more detail below. At the end of the authorized spending period, the Agency returned \$1,609,632 to Bonneville County for redistribution to the taxing entities.

Taylor Crossing on the River

In 2010, the Agency reimbursed Taylor Crossing \$286,954 for relocation of a portion of the Greenbelt path north of Pancheri Drive Bridge. The majority of the reimbursement covered the costs of removing brush and debris from the area, terracing the bank, and installing stone walls. The Agency committed \$100,000 towards the irrigation system and placement of sod in late 2011. Idaho Falls Division of Parks and Recreation contributed the labor to install the sprinkler system. In 2012, the Parks and Recreation Division completed the irrigation system, installed the sod, and planted many of the trees and shrubs. This work and the payment of \$67,573 to Taylor Crossing for stabilization and installation of an electrical system continued the commitment made by the Agency to improve the Greenbelt north of the Pancheri Bridge. The Agency reimbursed the City Parks and Recreation Division \$33,959 in 2013 for its work on this portion of the Greenbelt and committed another \$10,000 to move in boulders, plant additional trees, and complete the sod.

In early 2014, the City Division of Parks and Recreation requested \$391,000 to complete the “River Gardens Phase II,” the portion of the Greenbelt between Broadway and Pancheri Drive and north of the sewer main crossing. After the Agency approved this request, work began on creating terracing through the installation of boulders, the irrigation system, and plantings. The work, except for lighting for the pathway, was completed in 2015. In 2015, Parks and Recreation requested an additional \$94,000 for such lighting.



Greenbelt Path North of Pancheri Drive Bridge

After the Agency approved this request, work began on creating terracing through the installation of boulders, the irrigation system, and plantings. The work, except for lighting for the pathway, was completed in 2015. In 2015, Parks and Recreation requested an additional \$94,000 for such lighting.

In 2011, Woodbury Corporation, a Salt Lake City based commercial real estate company, purchased the majority share of the unfinished Marriott Residence Inn on West Broadway near the Snake River. Woodbury Corporation completed the Marriott Inn in late summer of 2012 and the Certificate of Occupancy was issued in September, 2012. In 2013, the Woodbury Corporation, acting as Bienvenidos LLC, with Taylor Crossing, entered into an agreement with the Agency to set aside eighteen parking spaces, including the handicapped spaces, for public use. These spaces are adjacent to the Greenbelt and replica of the Taylor Bridge. Public vehicular and pedestrian access east of the Inn was also secured. For this commitment to public use, the Agency provided \$298,915 to Bienvenidos for public improvements and site preparation costs, including storm drainage.

In 2015, Woodbury Corporation requested Agency assistance for public improvements associated with the construction of a four story hotel, Springhill Suites, south of the Marriott Residence Inn and east of Simplot Circle. The Agency executed an owner participation agreement for this project in 2016, while also terminating any existing commitments with the Taylor Crossing developers. The hotel was completed in 2017 contiguous to the Greenbelt. The agreement was for \$3.4 million to complete Simplot Circle, construct Riverwalk Drive, reconstruct



Springhill Suites Idaho Falls

Deseret Book



Indian Motorcycles



Culver's Restaurant



the circle of Bridgeport Drive, relocate and extend water and sewer mains, construct storm water facilities for Simplot Circle and Riverwalk Drive, and continue the River Gardens concept on the Greenbelt.

Also in this portion of the District, in 2016, the Agency entered into three separate Grant Participation Agreements for assistance with construction of an Indian Motorcycle Dealership on Milligan Road, a Deseret Bookstore and future retail tenant on Pioneer Drive, and a Culver's restaurant on Pancheri Drive. Commitment for the Indian Motorcycle project was \$165,060. Commitment for the Deseret

Bookstore project was \$192,000. Commitment for the Culver's restaurant project was \$125,000. These monies assisted with roadway and utility improvements as well as rock blasting and removal. All three projects were completed in 2017, although the Deseret Bookstore site has remaining funds available for future assistance on the additional pad site.

In 2019, the Agency entered into two agreements in the Taylor Crossing area. First, a Grant Participation Agreement was executed with Taylor Crossing, LLC for construction of curb and gutter and a small storm water collection pond near the Citizen Community Bank property on Utah. The \$12,500 project was completed in the late summer/early fall of 2019.

The second 2019 agreement in Taylor Crossing was with Dr. Brian Lee for \$150,000 for rock removal to accommodate a new medical arts building. The project set deadlines for evidence of progress on the project, which must be completed by June, 2021.

Westbank of Snake River

The City of Idaho Falls applied for a grant to reconstruct the path on the Greenbelt north of Broadway and south of U. S. 20 on the west side of the Snake River in early 2014. The Division of Parks and Recreation requested \$400,000 from the Agency to match the grant. In the fall of 2014, after the grant was approved, the Agency entered into an agreement with the City to design and administer the project. Construction of this project began in 2015 and was completed in late 2016



Westbank of the Snake River Path

Downtown Idaho Falls

After investigating the development of a parking structure with a private property owner in early 2010 and later an underground structure with Bonneville County, the Agency decided to construct a public parking lot mid-2010. The Agency acquired the property on the southwest corner of D Street and Park Avenue, demolished the two structures on the property, and financed the construction of a public parking lot on the parcel. In late 2011, the Agency deeded the lot to the City of Idaho Falls. The Agency also assisted Bonneville County with curb, gutter and sidewalk replacement in connection with the County's construction of a new parking lot north of the Court House.

In 2012, the dream of reconstructing Memorial Drive was realized. From about 1915 until the late 1950's or early 1960's, Memorial Drive had a landscaped median in the center of its eighty foot right-of-way. Due to the need for parking to serve the downtown merchants, the median was removed and parking was placed in the center of the right-of-way. Not only did the parking which backed into traffic pose a safety issue but, by the late 1990's, Memorial Drive was in need of reconstruction. The crown was too high. Curbs and gutters, which move water to storm drains, were missing along much of Memorial Drive. The asphalt was rutting and shoving due to the number of overlays on the street.

During 2009, community leaders, including representatives of the City Council, County Commissioners, and Idaho Falls Downtown Development Corporation met with Pierson Land Works, a landscape architectural firm, to develop concepts for Memorial Drive. In August, the concept accepted by this group of community leaders was the subject of open houses at Community Night Out, Idaho Falls Public Library, and University Place. The comments from these open houses spurred the construction, leasing, and designation of additional long-term parking downtown. A bus turn-out and careful attention to the needs of the disabled in the design of the round-about were addressed in response to comments at these open houses.

In 2010, the Agency contracted with the City of Idaho Falls to design Memorial Drive. The engineering department held additional open houses on a design in November, 2011, and completed the design in early 2012. After the cost estimates were prepared, representatives of the Agency and City met to allocate the costs of Memorial Drive. In the spring of 2012, the Agency and City executed an agreement for construction management and the Agency

pledged to spend approximately \$2.7 million to reconstruct Memorial Drive. The construction on Memorial Drive began on July 9, 2012, after the July 4th celebration was held on the Greenbelt in the Memorial Drive area. The project, except for seal-coating, was completed in mid-November, 2012.

Today, Memorial Drive is a two lane street with parking on the east side. All modes of transportation have been recognized in its new design. It was constructed as a sharrow, a lane to be shared by motor vehicles and bicycles. Turn-outs are provided in each direction to accommodate buses. The pedestrian facilities have been improved by signage and narrowing the intersections to reduce the crossing distance. The lighting on the street matches the downtown lighting, creating a tie into the downtown. Electrical outlets have been provided to accommodate vendors and others using the Greenbelt for community events. As a result of narrowing the paved travel way, the Greenbelt has been widened to provide additional space for community events.

The Agency made its final payment of \$101,732.72 on Memorial Drive reconstruction in November, 2013, bringing the Agency's contribution to the reconstruction project, not including the costs for the concept development by Pierson Land Works, to \$2,515,301. This amount includes \$100,000 for the engineering design.

Continuing with efforts towards downtown revitalization, the Agency met with representatives of the Mildred H. Kelsch Marital Trust in 2015 to discuss purchase of 0.96 acres on the northeast corner of Memorial Drive and Broadway. The parcel had been vacant since the Savings Center and adjacent retail building were demolished. The Agency and owners arrived at a purchase price of \$1.5 million and executed a purchase agreement on the parcel in October, 2015. The Agency undertook environmental studies to determine if there were contaminated soils on the site. Prior to the construction of the Savings Center over fifty years ago, the site housed two service stations and one metal fabrication facility. The Agency completed purchase of the property in early 2016 and released a request for proposals for development on the site. Oppenheimer Development Corporation was selected as the developer for the site and the Agency executed an Agreement to Negotiate Exclusively with the Oppenheimer team. In 2017, the Agency executed a Disposition and Development agreement with Oppenheimer for construction



The Kelsch Property

project by lowering the purchase price of the property. Construction began in the fall of 2018 and is expected to be completed in early 2020. The Agency, City, and developer are planning a grand opening to show the public the final product and display the history of the property.

2019 was a busy year for downtown projects. In partnership with the Idaho Falls Downtown Development Corporation and the Idaho Falls Public Works Department, the Agency board was able to fund and complete three projects. First, the Agency committed \$320,000 for upgrades to downtown intersections. The improvements included construction of ADA compliant ramps, removing old and decaying planter boxes and landscape material and replacing the planters with pavers, new trees, and pots for plants. The second project was a commitment for \$100,000 for improved public parking infrastructure. The money was used to purchase pay stations for off-street lots and a vehicle for parking enforcement staff. Finally, the Agency committed \$525,000 for improvements to the Broadway Avenue streetscape. This included replacement of all sidewalks, construction of ADA ramps, and all new landscaping. Idaho Falls Public Works managed the project.



The Bonneville Hotel

Eagle Ridge Urban Renewal District

In May, 2014, Eagle Ridge Development, LLC, requested the Agency consider the creation of a fourth district in Idaho Falls, one which would ultimately be approximately 55 acres sandwiched between the Snake River urban renewal district to the north and the River Commons urban renewal district to the south. The area was found to be eligible for a district previously in 1999 and 2004. In 2014, the Agency Board engaged the services of Kushlan Associates to determine if the area was still eligible as a deteriorated and deteriorating area. The study found the area is significantly vacant, there is a defective street layout, the few existing streets do not meet city standards, there is no central water system or adequate fire protection, the sewer system does not serve the entire area, and the area contains trash sites, old foundations, and a dump for construction waste. In July, 2014, the Agency accepted the eligibility report and forwarded it to the Mayor and Council for consideration. The Mayor and Council concurred with the report's findings in August and requested the Agency prepare an urban renewal plan for the area. Prior to the Council's concurrence, the Bonneville County Commissioners adopted the findings of the eligibility study by resolution.

The Agency engaged Elam and Burke to draft the plan and Kushlan Associates to prepare the financial projections for the plan. While the plan was being drafted, Agency staff met with the Bonneville County Commissioners to review the existing intergovernmental agreement covering roles and responsibilities of the city and county as to urban renewal. Agency staff also met with the property owners who owned agricultural lands within the proposed district. The consent of the owners of agricultural lands was needed to be included within the district. One owner of an agricultural operation gave their permission.

The plan was adopted by the Agency on October 16, 2014, and conveyed to the Mayor and Council for their consideration. A public hearing on the plan was held on December 11, 2014. Afterwards, the plan was adopted by ordinance by the Mayor and Council. The plan contemplates primarily water, sewer, and street improvements which are estimated to total approximately \$6.5 million in costs over the twenty year life of the plan. It is estimated private development of roughly \$41.4 million will generate \$8.4 million in tax increment to finance such public improvement costs. It is anticipated the first expenditures for public improvements will be financed by the developer. Repayment to the developer will be through a note from the Agency, and the tax increment will be used to repay the developer.

An owner participation agreement with Eagle Ridge Development LLC was completed in July of 2015. The agreement provides for reimbursement from incremental tax revenue from the district to the developer in an amount not to exceed \$1,750,000 for the reconstruction of Snake River Parkway north of the Porter Canal, the intersection with Utah Avenue, and the extension and improvement of Pioneer Road. This reimbursement will be from the future tax increment to be generated by Eagle Ridge Subdivision. In addition, the Agency agreed to reimburse Eagle Ridge Development \$345,000 from the tax revenues of the Amended Snake River District for improvements to Pioneer Road immediately south of Pancheri Drive. Construction on the roadways began in early summer, 2015. Construction has been completed and accepted by the City. In 2019 staff completed review invoices and other documentation so the note outlined in the OPA could be executed. It is expected to be executed in early 2020.



Snake River Parkway at the corner of Utah Avenue

Jackson Hole Junction Urban Renewal District

In early 2017, the owners of the Jackson Hole Junction project requested the Agency consider a fifth urban renewal district to cover their property. The 45 acre parcel is located on the southern boundary of Idaho Falls, adjacent to the Sunnyside and I-15 interchange. The primary reason for requesting an urban renewal district was the discovery of significant amounts of basalt, especially where the main road and utility corridor needed to be located. The Agency engaged the services of Kushlan Associates to determine if the areas eligible for a district. The eligibility report found the site met 12 of the 14 requirements for a district including the presence of a substantial number of deteriorated or deteriorating structures and deterioration of the site, age or obsolescence, predominance of defective or inadequate street layout, outmoded street patterns, the need for correlation of area with other areas of a municipality by streets and modern traffic requirements, faulty lot layout in relation to size, adequacy, accessibility or usefulness, unsuitable topography or faulty lot layouts, insanitary or unsafe conditions, defective or unusual condition of title, substantial impairments to the sound growth of a municipality, conditions which retard the development of the area, and results in economic underdevelopment of the area. The Agency approved the report in June, 2017, and the City Council approved it in July, 2017.

The Agency then engaged Elam and Burke and Kushlan Associates to prepare the plan and financial projections. Although the site was determined eligible for creation of a district, because it is located away from the City's traditional core where the Agency has focused its efforts since the 1980's, the Agency board thoroughly considered and debated whether or not to break from their established mission and create a greenfield district. In the end, the majority of the board members voted to approve the district with limitations on the scope, time line, and budget. Instead of the full 20 years, the district will only be open for 13. The plan also will be limited to rock removal and assistance with public infrastructure. Further, a \$4,000,000 cap on tax increment finance dollars is expected to be incorporated into the Owner Participation Agreement. The plan with these restrictions was approved by the Agency on September 21, 2017, and by the City Council on November 9, 2017. The owner participation agreement was completed in early 2018. In 2018 construction was largely completed on major public utility and roadway infrastructure. Private building construction on the site is expected to begin in early 2019.



Holiday Inn Express in Jackson Hole Junction

SUMMARY OF PROJECTS COMPLETED BY AGENCY

SNAKE RIVER DISTRICT

The following table summarizes the projects and studies completed by the Agency through 2019.

Description of Project	Monies Spent
Lindsay-Utah Avenue (street and utilities)	\$2,111,648
South Utah Avenue (street)	\$687,435
Wardell-Mercury improvements (street and utilities)	\$969,374
John Hole's pedestrian safety improvements	\$90,000
Snake River walkway improvements	\$41,360
South Utah construction and utilities	\$1,194,000
Pancheri-Utah Avenue intersection improvements (1/2 cost)	\$298,000
Relocation of power lines	\$1,388,614
Bridgeport Drive (Milligan Road) and utility improvements	\$395,615
Storm water facilities, landscaping, and demolition	\$297,200
Utility improvements	\$409,473
Days Inn demolition reimbursement	\$293,000
Yellowstone: installation median with trees in downtown	\$235,414
Snake River Parkway (north of Pancheri, south of Walmart)	\$200,455
I-15 entrance welcome sign and landscaping including demolition	\$82,527
Elm/ Yellowstone parking lot contribution, earlier parking studies	\$247,050
Reimbursement to Bonneville County for land on Legion Drive	\$150,000
River Gardens on Snake River, Taylor Crossing	\$808,487
Purchase and completion of public parking lot on D Street	\$1,192,800
Memorial Drive Reconstruction	\$2,535,933
Purchase of Kelsch Property	\$1,500,000
Construction of Riverwalk Drive and rock removal for Springhill Suites	\$3,400,000
Purchase Option for Bonneville Hotel	\$100,000

Assistance for Indian Motorcycle	\$151,455
Assistance for Deseret Bookstore	\$112,221
Assistance for Culver's Restaurant	\$125,000
Construction of Parking Garage and Plaza at The Broadway	\$4,300,000
Price Reduction for Bonneville Hotel Sale	\$1,300,000
Assistance for Tru Hotel	\$395,000
Assistance for Downtown Intersections	\$320,000
Assistance for Broadway Streetscape	\$525,000
Assistance for Public Parking Infrastructure	\$100,000
Assistance for Dr. Lee Dental Office	\$150,000
Assistance for Curb and Gutter Improvements	\$12,500
TOTAL PROJECTS	\$26,119,561

The above public improvements were financed by bond proceeds, loans, or cash reserves.

SUMMARY OF “INCREMENT VALUE” IDAHO FALLS URBAN RENEWAL DISTRICTS, 2019

The following table shows the “increment value” or increase in assessed value generated through urban renewal districts.

District	Base Value, 2019	Net Taxable, 2019	Tax Increment Value, 2019
River Commons	\$295,216	\$93,629,635	\$93,334,419
Pancheri-Yellowstone	\$4,817,731	\$12,296,925	\$7,479,194
Eagle Ridge	\$7,395,402	\$10,556,489	\$3,222,937
Jackson Hole Junction	\$461,555	\$1,547,142	\$1,155,344

Information provided by Bonneville County Assessor's Office and Data Processing

LEGAL REQUIREMENTS AND ADDITIONAL DOCUMENTATION

Under the Idaho Urban Renewal Law, an urban renewal agency is required to file with the local governing body, on or before March 31 of each year, a report of its activities for the preceding calendar year, which shall include a complete financial statement setting forth its assets, liabilities, income and operating expense at the end of the calendar year. By virtue of certain amendments to the Idaho Urban Renewal Law adopted in 2002, the fiscal year of an urban renewal agency has been established as October 1 through September 30. Consequently, any formal financial statement is limited to a report through the end of the Agency's fiscal year.

The Agency reviewed its audited financial statements from Rudd and Company in spring, 2019. This report identifies the Agency's assets, liabilities, income and expenses through September 30, 2019. A copy of the report is attached.

Beginning with the annual report for activities during 2012, the Agency has taken public outreach measures soliciting public comment on the annual report. To solicit comment, the Agency will:

- Publish a display advertisement.
- Complete a press release to the media.
- Post the annual report and the meeting announcement on its page on the city website.

The Agency is also required to formally adopt its fiscal year budget by September 1 of each year. The Agency adopted its Fiscal Year 2019 budget on August 15, 2019. As required by the Idaho Urban Renewal Law and Local Economic Development Act, the Agency has filed its budget with the City of Idaho Falls. For FY2019-2020, the Agency budget anticipated expenditures; River Commons Revenue Allocation Fund, \$1,852,500; Pantheri-Yellowstone Revenue Allocation Fund, \$1,001,000; Eagle Ridge Allocation Fund, \$107,750, and Jackson Hole Junction Allocation Fund, \$10,000. Copies of the budget are available through the Agency's offices or the City Clerk.

Under the Idaho Urban Renewal Law, an agency is required to include in its annual report its plans for disposition of property previously acquired by the agency. The Agency fully intends to dispose of its property interests of the two parcels described in this annual report within three years of its acquisition.

GOVERNING STATUTES

Urban renewal agencies and revenue allocation areas are governed by Idaho statutes Chapter 20, Urban Renewal Law, and Chapter 29, Local Economic Development Act, of Title 50, Municipal Corporations. Chapter 20 provides authority to city councils to find areas within the municipality are deteriorated and deteriorating and, as a result of such deterioration, create a liability upon the municipality, decrease the tax base, and impair the sound growth of the community. To correct these issues, the council is authorized to adopt an urban renewal plan. The plan is prepared by the urban renewal agency and submitted to the planning commission for its review and recommendation to the council. Prior to the adoption of the plan, the council shall hold a public hearing after notice of the public hearing and general nature of the plan is advertised. Once adopted, the urban renewal agency is empowered to undertake the projects outlined within the plan, to construct or reconstruct public improvements, to acquire property and to renovate or prepare such property for development, and to borrow funds, including bonding, to implement the plan. Under the amendment to Idaho Code Section 67-450B adopted in 2009 and amended in 2019, an urban renewal agency is required to prepare certain audited financial statements as described in that section depending on the agency's overall expenditures. Agencies that do not exceed \$150,000 have no audit requirements. Agencies with expenditures between \$150,000 and \$250,000 shall have an annual audit or may elect to prepare an audit on a bi-annual basis. The Agency's expenditures exceed the statutory threshold for not requiring an audit. Consequently an audit has been prepared. As a result of legislative changes in 2016, the Agency is also required to submit certain information to the Idaho State Tax Commission, which information has been submitted.

Chapter 29, Local Economic Development Act, provides a revenue source to finance the economic growth and development of urban renewal districts. A portion of the property taxes levied in a revenue allocation area (all or a portion of an urban renewal area) are allocated to the agency to finance the urban renewal plan. An agency has no authority to levy taxes. The revenue allocation area is created by council as part of an urban renewal plan. New revenue allocation areas are limited to a life of twenty years and, therefore, any bonding or notes are limited to a life of twenty years or less.

Under new reporting requirements set forth in Idaho Code Section 67-450E, the Agency must submit certain information to the Legislative Services Office by December 1, 2019, for the fiscal year period ending on September 30, 2018. The Agency filed this report prior to the statutory deadline of December 1, 2019.

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