THE URBAN RENEWAL AGENCY OF THE CITY OF TWIN FALLS

Urban Renewal Agency
Agenda

Friday, June 28, 2024, 10:30 AM

**** SPECIAL MEETING ****

Council Chambers
203 Main Avenue East, Twin Falls, Idaho

Members: Rudy Ashenbrener, Andy Hohwieler, Dan Brizee, Jan Rogers, JJ McBride, Dave McAlindin, Eric Smallwood

1) Confirmation of Quorum/Call Meeting to Order
2) Conflict of Interest Declaration
3) Items of Consideration
   a) **DISCUSSION:** New urban renewal plan and revenue allocation area.
      By: Shawn Barigar, Executive Director
   b) **ACTION ITEM:** Consider approval of the engagement letter submitted by Elam & Burke for the scope of services relating to a proposed new revenue allocation area, including termination of the Urban Renewal Plan for the Washington Street South Urban Renewal Project and the corresponding Revenue Allocation Area.
      By: Meghan Conrad, Legal Counsel
   c) **ACTION ITEM:** Consider approval of Kushlan Associates Task Order No. 2024-01 for professional services by Kushlan Associates to prepare an Eligibility Report and Economic Feasibility Study relating to a proposed new revenue allocation area.
      By: Meghan Conrad, Legal Counsel
   d) **ACTION ITEM:** Consider Resolution No. 2024-03 approving the resolution of intent to terminate the Urban Renewal Plan for the Washington Street South Urban Renewal Project and the corresponding Revenue Allocation Area, and to direct staff to notify the overlapping taxing districts, the State Tax Commission, and County officials of the termination.
      By: Meghan Conrad, Legal Counsel
4) Public Input and Announcements
5) Upcoming Meeting(s)
   a) July 15, 2024, @ 12:00pm.
6) Adjournment

Any person(s) needing special accommodations to participate in the above-noticed meeting could contact Lorrie Bauer (208) 735-7313 at least two working days before the meeting. Si desea esta información en Español, por favor llame a Josh Palmer al teléfono (208) 735-7312.

THE URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS

Date: Friday, June 28, 2024

To: Urban Renewal Agency of the City of Twin Falls

From: Shawn Barigar, Executive Director

DISCUSSION

Request:

Discussion of potential new urban renewal plan and revenue allocation area.

Background:

As part of its work, the Urban Renewal Agency seeks to support industrial, manufacturing, and commercial development within the City of Twin Falls. The Agency has been a key driver of significant investments by private development in the past. Current Revenue Allocation Areas continue to support existing and new industrial development.

Future development opportunities will be dependent upon the Agency sustaining its partnership abilities, particularly in potentially underdeveloped areas of the City.

Staff is recommending the Board discuss the possibility of advancing a review and study of an area in the southern part of Twin Falls generally bounded by Washington Street South, Orchard Drive West, Grandview Drive South, and South Park Avenue West for potential future industrial, manufacturing, and commercial development.

Should the Board wish to move forward with the study and potential development of an urban renewal plan and revenue allocation area, approval of additional items on today’s agenda would advance this process.

Approval Process:

N/A

Budget Impact:

N/A

Regulatory Impact:

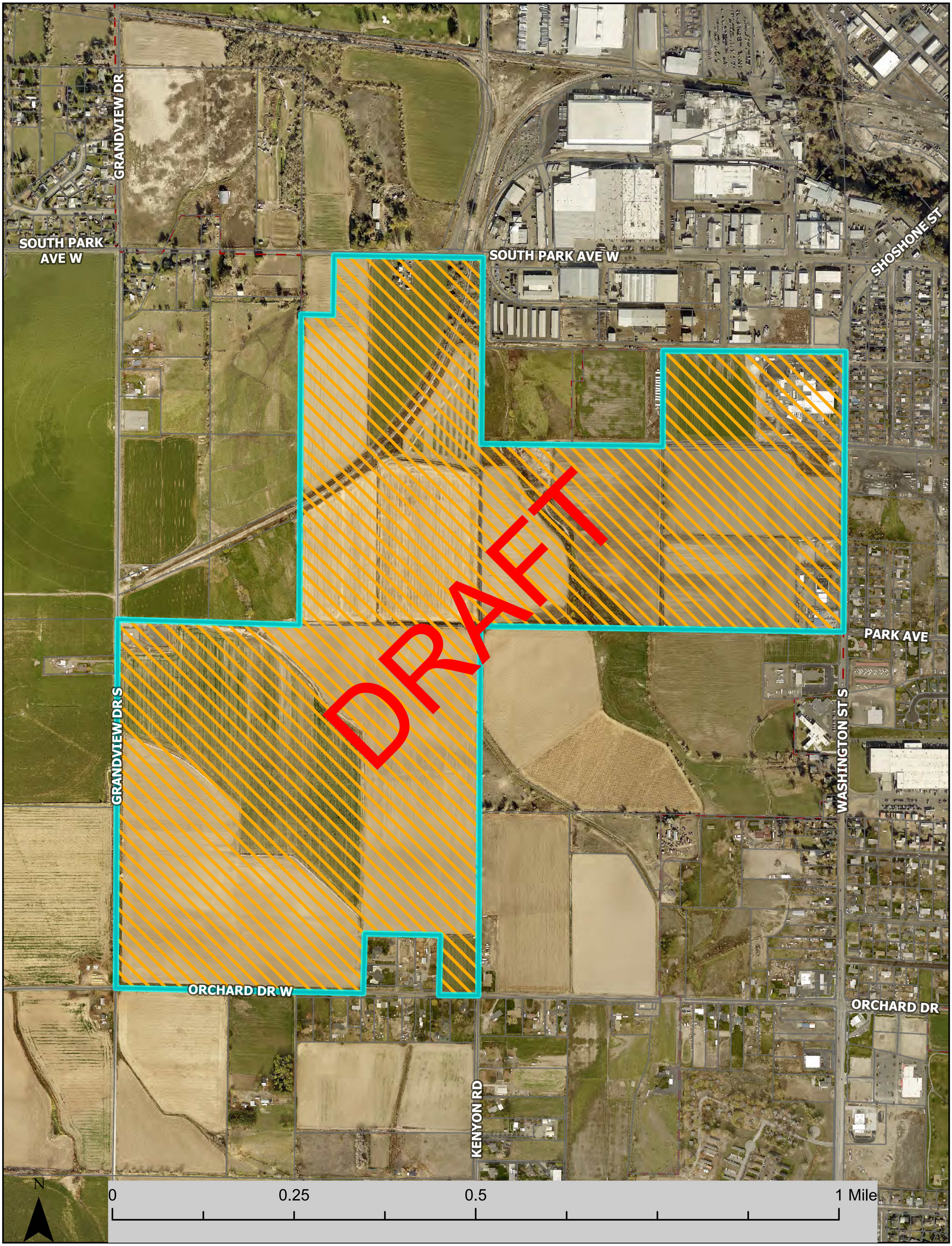
N/A

Conclusion:

Staff recommends the Board discuss the agenda item and offer direction for next steps. Staff and legal counsel are available to answer any questions.

Attachments:

1. Map of the Proposed Study Area - DRAFT 20240624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THE URBAN RENEWAL AGENCY OF THE CITY OF TWIN FALLS

Date: Monday, June 28, 2024

To: Urban Renewal Agency of the City of Twin Falls

From: Meghan Conrad, Elam & Burke

ACTION ITEM

Request:

Consider approval of the engagement letter submitted by Elam & Burke for the scope of services relating to a proposed new revenue allocation area, including termination of the Urban Renewal Plan for the Washington Street South Urban Renewal Project and the corresponding Revenue Allocation Area.

Background:

The Agency seeks to support industrial, manufacturing and commercial development within the City. An area generally bounded by Washington Street South on the east; Orchard Drive West on the south; Grandview Drive South on the west; and South Park Avenue West on the north has been identified for review and study as to whether statutory conditions are present that would support an urban renewal project under the Idaho Urban Renewal Law of 1965, chapter 20, title 50, Idaho Code and the Local Economic Development Act, chapter 29, title 50, Idaho Code.

A portion of the area under review includes the Washington Street South revenue allocation area. The Urban Renewal Plan for the Washington Street South Urban Renewal Project ("Washington Street South Plan") was adopted by City Council Ordinance No. 2019-015 on December 17, 2019, establishing the Washington Street South revenue allocation area. Due to the timing of the publication of the Ordinance Summary and recording, the Washington Street South Plan and Project Area has an effective base year retroactive to January 1, 2020. The contemplated development under the Washington Street South Plan has not occurred and will not occur. To include the Project Area within the boundaries of the proposed new plan and revenue allocation area requires the Washington Street South Plan and Project Area to be terminated ("Termination") no later than the fourth Monday of July. Subject to eligibility, following Termination, those parcels will be included in a new project area ("New Plan").

The proposed Elam & Burke engagement letter sets forth the proposed scope of work related to the Termination and preparation of a New Plan.

Approval Process:

Majority vote of a quorum of the Agency Commissioners present at the meeting.

Budget Impact:

Estimated $7,500 for the Termination and $25,000 for the New Plan.

Regulatory Impact:

N/A

Conclusion:

Staff recommends approval of the engagement letter.

Attachments:

1. 2024.06.24 MSC-Twin Engagement Letter for Termination, Eligibility, and Plan

Meghan S. Conrad
251 E. Front St., Ste. 300, Boise, ID 83702
T: (208) 343-5454 | E: msc@elamburke.com
www.elamburke.com

June 24, 2023

Urban Renewal Agency of the City of Twin Falls
c/o Shawn Barigar
sbarigar@tfid.org

Re: Engagement of Elam & Burke
Termination of Washington Street South Revenue Allocation Area and
Preparation of New Urban Renewal/Revenue Allocation Area

Dear Shawn:

In addition to Elam & Burke, P.A.'s (the "Firm") existing engagement with The Urban Renewal Agency of the City of Twin Falls (the "Agency"), thank you for considering the Firm to assist the Agency with legal matters relating to termination of the Urban Renewal Plan for the Washington Street South Urban Renewal Project ("Termination") and preparation of a new urban renewal district/revenue allocation area and adoption of an urban renewal plan ("New Plan") within the city of Twin Falls (the "City"). The purpose of this letter is to confirm our agreement with you about what services are to be performed in connection with the Termination and preparation and approval of the New Plan for the project area.

The Firm is engaged to facilitate the preparation of the New Plan after the Termination, which includes preparation of a number of documents set forth below:

<u>Termination Scope</u>

- New Plan approval timeline
- Termination Plan and Resolution
- Post-resolution letters to taxing entities
- Termination Ordinance/Ordinance Summary
- Post-ordinance letter to taxing entities

New Plan/RAA Scope

- Agency resolution approving eligibility report for the study area
- City Council resolution approving eligibility report and authorizing preparation of the New Plan
- Preparation of the New Plan
- Agency resolution approving the New Plan
- Correspondence to the City formally submitting the New Plan for City Council consideration
- Public hearing publication notice
- Prepare Planning and Zoning Resolution and review Planning and Zoning findings of conformity of the New Plan with the City's Comprehensive Plan
- Correspondence to taxing entities concerning the proposed New Plan and public hearing notice
- Coordinate with City Attorney regarding agreement with the Twin Falls County Highway District for the New Plan regarding Idaho Code Section 50-2908(2)(a)(iv) (if determined to be necessary)
- City Council ordinance approving the New Plan
- Post-ordinance adoption letters to state tax commission, county officials, and others regarding filing and recordation of documents
- Post-ordinance adoption letters to the taxing entities
  Coordination with City Attorney

The proposed timeline for the Termination contemplates adoption of a resolution of intent to terminate by the Agency no later than the 4th Monday of July 2024.

The proposed timeline for the New Plan contemplates completion prior to December 31, 2024, and would have a January 1, 2024, base year. There will need to be significant coordination by and between City and Agency staff. For the New Plan, several of the documents will need to be reviewed and approved by the City Attorney.

The above scope of work does not include preparation of the eligibility report; however, it does include review and comment on the eligibility report prepared by an independent, third-party consultant prior to approval. Typically, the same independent consultant is retained to prepare the necessary attachments to the plan referred to as the economic feasibility study, which includes a review of the proposed project costs, anticipated revenue projections, and a conclusion that any proposed project or scope of work is financially feasible. We would assist the consultant in the preparation of the economic feasibility study and review the study's content but would not be responsible for the preparation of the data or the analysis of the data. For this scope of work, it is understood the Agency will seek the engagement of Phil Kushlan, Kushlan | Associates ("Kushlan") to assist in the preparation of the report and the economic feasibility study. Kushlan's scope of work will be directed and managed by the Firm;

however, Kushlan will invoice the Agency directly. Kushlan estimated the costs to review the study area and prepare the eligibility report to be $5,000. If the report finds the area is suitable for an urban renewal project, Kushlan estimates the cost of the economic feasibility study to be $10,000.

Additionally, the above scope of work does not include retention of a surveyor or engineer to prepare the necessary map and legal description. This will be a critical step in proceeding with the New Plan.

As noted above, we recognize there will need to be close coordination with the Agency and the City as to the scope of respective responsibility. Based upon the above scope of work, we estimate the scope of legal services to be $7,500 for the Termination and $25,000 for the New Plan. These estimates are dependent on a straightforward proposed project and plan. Complex uses and opposition could substantially increase those estimates.

For the scope of services to be provided, the Firm charges $265 per hour for Ryan Armbruster, $250 for shareholders and of counsel, $225 per hour for associates, and $110 per hour for paralegal time. I will serve as the primary contact on any engagement.

Please understand we will bill you for all attorney and/or paralegal time expended on the legal work we do for you. This will include, among other things, time spent in appointments, meetings, telephone calls, consulting with others, and attending Twin Falls City Council and/or Agency Board meetings (either in-person or virtually).

While we do not need to be physically present at all meetings related to the eligibility report approval process and/or the plan and/or plan approval process, there are specific points in the process where personal attendance is strongly recommended, such as any work sessions between the Agency and the City, work sessions/meetings with Twin Falls County, Agency approval of the eligibility report and the plan, and City Council approval of the eligibility report and plan. Otherwise, we may be able to be present telephonically and/or virtually at meetings depending on the will of the Board.

Due to our relationship, the Firm will not seek a retainer on these matters. We will charge fees for services at our standard hourly rates and as noted above. Our fees are based on the amount of time required at various levels of responsibility, plus costs and expenses. Fees and costs will be billed monthly and are payable upon presentation of our invoices. If fees and costs are not paid within sixty (60) days following the invoice date, we may terminate our engagement but retain the right to collect all amounts due and unpaid by you.

The estimated total attorney fee cost for legal work is an estimate only. The ultimate cost of work to the client is determined by many factors that cannot be predicted.

In order to facilitate the approval process, reduce the overall cost, and provide the most efficient method for the approval of the Termination and New Plan, several activities would need to be accomplished by Agency resources or City officials:

1. Distribution and publication of the required notices and other documents which must be provided under state law.

2. Filing and recording of the required documents with the taxing entities, the County Assessor, County Recorder, and Tax Commission.

3. Input and assistance from the City and others on the desired or required public improvements and facilities and cooperation from property owners or others on potential new development within the proposed new project area.

We understand the New Plan project area is anticipated to have a 2024 base year. We will provide preliminary timelines for the for the new plan.

Please call if you have any questions about anything contained in this letter. We appreciate the opportunity to work with the Agency on this assignment, and we want our relationship with you to be a good one. We are deeply committed to the proposition that our clients must be satisfied with the quality of our services as well as the amount of our charges. Our effectiveness and your best interest are enhanced by an atmosphere of candor and confidence between us, not only as to the facts and circumstances of the legal issues on which we are working, but also as to the attorney-client relationship itself. If at any time you have questions concerning our work or our fees, we hope that you will contact us immediately.

If this proposal meets with your approval, please so indicate by your execution of a copy of this letter and return of the same to our attention. Please retain a signed copy for your records.

Sincerely,

ELAM & BURKE
A Professional Association

Meghan S. Conrad

Meghan S. Conrad

MSC/ksk

Accepted and Approved:

URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS

By___________________________ ____________________
Rudy Ashenbrener, Chair Dated

THE URBAN RENEWAL AGENCY OF THE CITY OF TWIN FALLS

Date: Friday, June 28, 2024

To: Urban Renewal Agency of the City of Twin Falls

From: Meghan Conrad, Legal Counsel

ACTION ITEM

Request:

Consider approval of Kushlan Associates Task Order No. 2024-01 for professional services by Kushlan Associates to prepare an Eligibility Report and Economic Feasibility Study relating to a proposed new revenue allocation area.

Background:

The Agency seeks to support industrial, manufacturing and commercial development within the City. An area generally bounded by Washington Street South on the east; Orchard Drive West on the south; Grandview Drive South on the west; and South Park Avenue West on the north has been identified for review and study as to whether statutory conditions are present that would support an urban renewal project under the Idaho Urban Renewal Law of 1965, chapter 20, title 50, Idaho Code and the Local Economic Development Act, chapter 29, title 50, Idaho Code.

The proposed Kushlan Associates Task Order sets forth the proposed scope of work related to the preparation of a new revenue allocation area. The first step is to review and assess the study area to determine whether statutory conditions are present in the area warranting inclusion of the area within a revenue allocation area followed by preparation of a report (the "Eligibility Report"). Kushlan Associates estimates the cost of the scope of work related to the Eligibility Report to be $5,000. Should the Agency accept the findings in the Eligibility Report and the City Council approve the findings in the Eligibility Report by adoption of a resolution, then Kushlan Associates will prepare an Economic Feasibility Study analyzing the economic viability of the project as an attachment to the urban renewal plan. Kushlan Associates estimates the cost of the scope of work related to the Economic Feasibility Study to be $10,000.

The Agency has an existing Professional Services Agreement, On-Call Services, dated April 12, 2021, with Kushlan Associates. The proposed Task Order No. 2024-01 would address the proposed scope of services related to the new project area.

Approval Process:

Majority vote of a quorum of the Agency Commissioners present at the meeting.

Budget Impact:

Estimated $15,000.

Regulatory Impact:

N/A

Conclusion:

Staff recommends approval of Task Order No. 2024-01.

Attachments:

1. Kushlan - Prof Service Agmt 20210412
2. Task Order 2024-01 -Kushlan Associates
3. Map of the Proposed Study Area - DRAFT 20240624

PROFESSIONAL SERVICES AGREEMENT
On-Call Services

TITLE: **On-Call Services**

PROFESSIONAL SERVICES AGREEMENT

This agreement is entered into on the date listed below between The Urban Renewal Agency of the City of Twin Falls hereinafter referred to as "AGENCY" whose address is 203 Main Avenue East, Twin Falls, ID 83301, whose telephone number is (208) 735-7240, and Kushlan | Associates, hereinafter referred to as "CONSULTANT", whose office is Post Office Box 8463, Boise, ID 83707, whose business phone number is (208) 433-9352 and whose fax number is (208) 433-8429.

Section 1. Consultant Services.

CONSULTANT will be available to perform services on behalf of the AGENCY on an "on-call" basis at the direction of the Chairman of the Board or Executive Director of the AGENCY. Such direction shall be provided in the form of a written Task Order, similar to the example shown in Attachment A detailing the tasks to be accomplished, deliverables expected and anticipated cost and timeline if known.

Section 2. Schedule

CONSULTANT shall be in a position to offer services from March 8, 2021, and shall continue to a time acceptable to the "AGENCY". .

Section 3. Compensation.

For its Services, the "AGENCY" agrees to pay CONSULTANT on an hourly basis, and for all expenses related to travel, printing, postage and advertising as detailed on Attachment B.

Section 4. Method of Payment; Periodic Payments.

A. CONSULTANT shall invoice the "AGENCY" no more than once per month.

B. All invoices shall be paid by "AGENCY" within thirty (30) days of receipt of a proper invoice.

C. CONSULTANT shall keep time and expense records, other cost records and accounts pertaining to this agreement, available for inspection by "AGENCY" representatives for three (3) years after final payment. Copies shall be made available on request.

D. If the services rendered do not meet the requirements of the agreement, CONSULTANT will correct or modify the work to comply with the agreement. The "AGENCY" may withhold payment for such work until the work meets the requirements of the agreement.

Section 5. Discrimination and Compliance with Laws

A. In performing the Services required herein, CONSULTANT agrees not to discriminate against any person in the performance of this agreement because of race, color, religion, sex, national origin, age or non-job related handicap, or because of prior military service or current military status, and shall comply with all applicable federal and state laws and regulations of governmental agencies relating to civil and human rights.

B. CONSULTANT shall comply with all federal, state and local laws and ordinances applicable to the work to be done under this contract.

C. Violation of this section 5. shall be a material breach of this agreement and grounds for cancellation, termination, or suspension of the agreement by the "AGENCY", in whole or in part, and may result in ineligibility for further work for the "AGENCY".

Section 6. Term and Termination of Agreement

A. This agreement shall be effective upon signing and shall remain in effect until terminated in accordance with paragraph B. of this section.

B. This agreement may be terminated by either party without cause upon thirty (30) days written notice, in which event all finished or unfinished documents, reports, or other material or work of CONSULTANT pursuant to this agreement shall be submitted to the "AGENCY", and CONSULTANT shall be entitled to just and equitable compensation at the rate set forth in Section 3. for any satisfactory work completed prior to the date of termination.

Section 7. Ownership of Work Product

All data, materials, reports, memoranda, and other documents developed under this agreement shall become the property of the "AGENCY", shall be forwarded to the "AGENCY" at its request and may be used by the "AGENCY" as it sees fit.

Section 8. General Administration and Management

The Executive Director (or Chairman of the Board of Commissioners) of the "AGENCY" shall oversee and approve all services to be performed, coordinate all communications and review and approve all invoices, under this agreement.

Section 9. Hold Harmless

A. CONSULTANT shall protect, defend, indemnify and save harmless the "AGENCY", its officers, employees and agents from any and all costs, claims, judgments, or awards of damages, arising out of or in any way resulting from the negligent acts or omissions of CONSULTANT, its officers, employees and agents in performing this agreement.

B. "AGENCY" shall protect, defend, indemnify and save harmless CONSULTANT, its officers, employees and agents from any and all costs, claims, judgments or awards of damages, arising out of or in any way resulting from the negligent acts or omissions of the "AGENCY", its officers, employees and agents in performing this agreement.

Section 10. Independent Consultant

In all matters pertaining to this Agreement, CONSULTANT shall be acting as an independent CONSULTANT, and will not be deemed an employee or agent of the "AGENCY".

Section 11. Subletting or Assigning Contract

Neither the "AGENCY" nor CONSULTANT shall assign, transfer, or encumber any rights, duties, or interests accruing from this agreement without the express prior consent of the other.

Section 12. Extent of Agreement/Modification

This agreement represents the entire and integrated agreement between the parties hereto and supersedes all prior negotiations, representations, or agreements either written or oral. This agreement may be amended; modified; or added to only by written instrument properly signed by both parties hereto.

IN WITNESS WHEREOF, AGENCY and CONSULTANT have executed this Agreement as of April 12, 2021

CONSULTANT	**The Urban Renewal Agency of the City of Twin Falls**
By: ____________	**By:** Rudy Ashby
Principal	**Chair**

Attachment A

Task Order

Task Order #_______________

Date: ___________________

Project Title:____

Project Description:

Expected Deliverable:

Anticipated Timeline (If known):

Anticipated Cost:

By: Consultant

By: Urban Renewal Agency of the City of Twin Falls, Idaho

____
Principal

____
Chairman

Attachment B

Rates

Phillip Kushlan -- $175.00 / hour

Mileage ---------------------------------per federal reimbursement rate – currently $0.56 / mile

Other travel -- Actual cost w/o markup

The Urban Renewal Agency of the City of Twin Falls

Task Order No. 2024-01

Date: June 28, 2024

Project Title: Eligibility Report and Economic Feasibility Report for a New Urban Renewal/Revenue Allocation Area.

Project Description: Prepare and present a report on the statutory eligibility of a geographic study area to be included in a proposed revenue allocation district. If the findings in the eligibility report are accepted by the Agency Board of Commissioners, and approved by the Twin Falls City Council, then prepare and present a report on the economic feasibility of the proposed revenue allocation area.

Expected Deliverables:

1) An Eligibility Report applying the statutory eligibility criteria to a defined geographic area as a first step to creating urban renewal districts in Idaho.
2) An Economic Feasibility Report to be included as an attachment to an urban renewal plan demonstrating the financial viability of the proposed revenue allocation area.

Anticipated Timeline: All work to be completed before December 31, 2024.

Anticipated Cost:

1) Eligibility Report: $5,000
2) Economic Feasibility Report: $10,000

By: Kushlan | Associates	**By:** Urban Renewal Agency of the City of Twin Falls
______________________________	______________________________
Phillip K. Kushlan, Principal	Rudy Ashenbrener, Chairman

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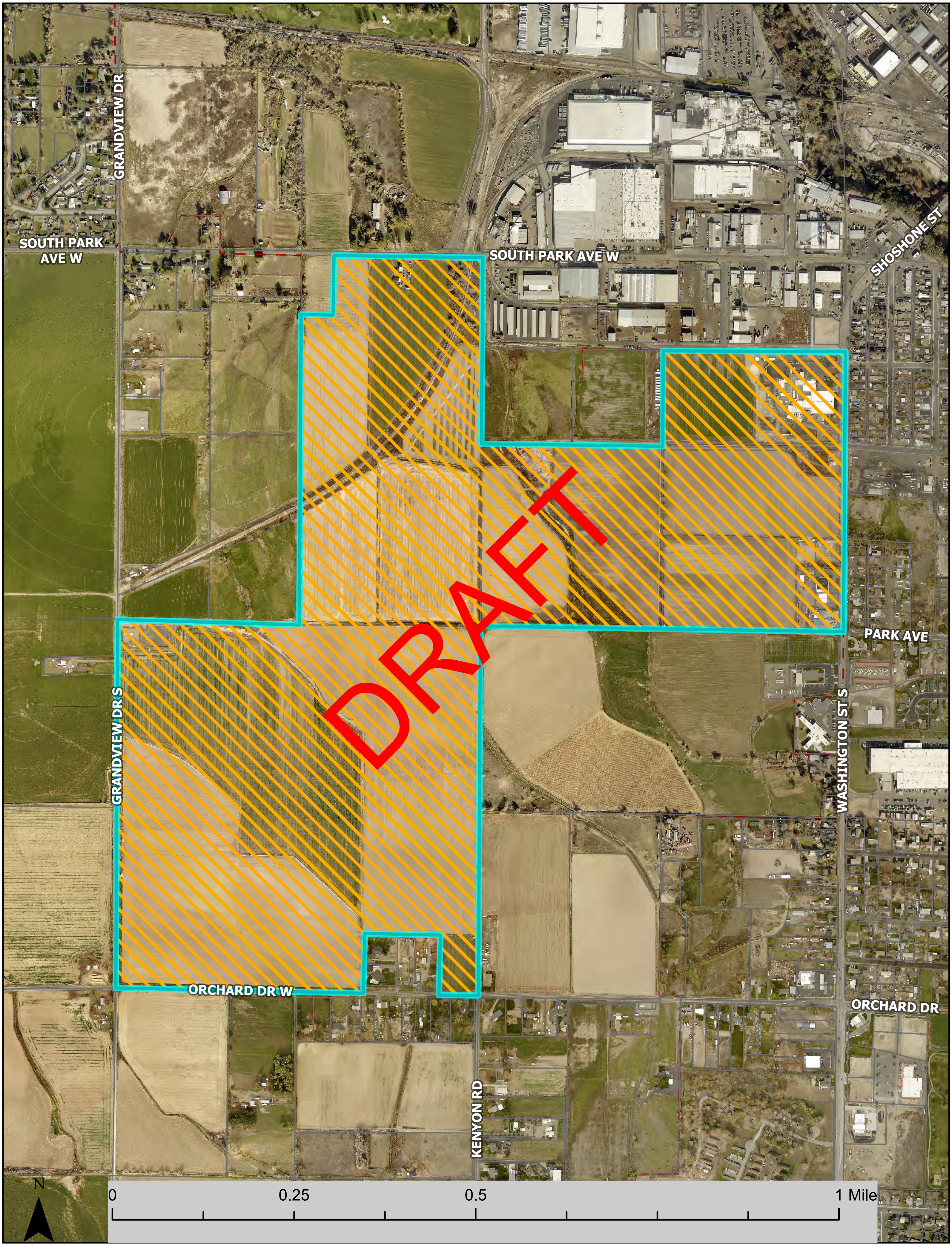
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THE URBAN RENEWAL AGENCY OF THE CITY OF TWIN FALLS

Date: Friday, June 28, 2024

To: Urban Renewal Agency of the City of Twin Falls

From: Meghan Conrad, Legal Counsel

ACTION ITEM

Request:

Consider Resolution No. 2024-03 approving the resolution of intent to terminate the Urban Renewal Plan for the Washington Street South Urban Renewal Project and the corresponding Revenue Allocation Area, and to direct staff to notify the overlapping taxing districts, the State Tax Commission, and County officials of the termination.

Background:

The Urban Renewal Agency of the City of Twin Falls, Idaho (the "Agency") intends to terminate the Urban Renewal Plan for the Washington Street South Urban Renewal Project (the "Washington Street South Plan") establishing the Washington Street South revenue allocation area (the "Project Area"), which was adopted by City Council Ordinance No. 2019-015 on December 16, 2019. Due to the timing of the publication of the Ordinance Summary and recording, the Washington Street South Plan and Project Area has an effective base year retroactive to January 1, 2020. The contemplated development under the Washington Street South Plan has not occurred and will not occur, and therefore, the Agency intends to terminate the Washington Street South Plan and Project Area.

The Project Area is terminating approximately sixteen (16) years early; the termination date for this Project Area as set forth in the Washington Street South Plan is December 31, 2040, except for revenues to be received in 2041, as authorized pursuant to Idaho Code § 50-2905(7). The Agency has reviewed the projected revenues and expenses of the Washington Street South Plan and Project Area and has determined the Project Area can be terminated by December 31, 2024, effective retroactive to January 1, 2024, as it relates to assessed values within the Project Area. As a result, the Agency will not receive revenue allocation funds in tax year 2025, generated from the 2024 assessed values, and the allocation of revenues under § 50-2908, Idaho Code, shall cease effective January 1, 2024. The Agency will receive the second half of the 2023 tax payments in July or August 2024, following the June 20, 2024, payment deadline, but will not receive any allocation of revenue from the Project Area after September 30, 2024. The Agency's adoption of this Resolution of intent to terminate will trigger a process to return the Project Area to the regular tax rolls, allowing the increment value to be included in the net taxable value of the overlapping taxing district when calculating property tax levies and 80% of the increment value will be placed on the new construction roll for FY2025 budget capacity increases for the overlapping taxing districts.

The Termination Resolution has two Exhibits:
• Exhibit A – Termination Plan which provides a narrative explanation of the Termination Budget.
• Exhibit B – FY2024 Supplemental Termination Budget, which budget update will be formally amended in August 2024.

The Agency projects no surplus will be available for remittance to the County Treasurer for distribution to the taxing districts on or before September 30, 2024.

Approval Process:

A majority vote of a quorum of the Agency Commissioners present at the meeting.

Budget Impact:

The FY2024 Termination Budget will be formally amended in August 2024.

The Agency expects all the Project Area administrative expenses and fees to be paid on or before September 30, 2024. Any miscellaneous expenses incurred in Fiscal Year 2025 shall be covered by other available Agency funds. The Agency is projecting there will not be a surplus to be distributed to the overlapping taxing districts at the end of the Agency's 2024 fiscal year on September 30, 2024. To the extent there is a non-obligated surplus, any funds will be remitted to the Twin Falls County Treasurer to be distributed to the taxing districts in the same manner and proportion as the most recent distribution to the taxing districts of the taxes on the taxable property located within the revenue allocation area following payment of all final Agency expenses and financial obligations and upon a final accounting of the Project Area.

Regulatory Impact:

N/A

Conclusion:

Staff recommends that the Board approve Resolution No. 2024-03 and authorize the Chair or Vice-Chair to execute Resolution No. 2024-03 and to direct staff to notify the overlapping taxing districts, the State Tax Commission, and County officials of the termination.

Attachments:

1. Resolution No. 2024-03 - Washington St South RAA Termination

RESOLUTION NO. 2024-03

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

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF THE CITY OF TWIN FALLS, IDAHO, MAKING CERTAIN FINDINGS THAT REVENUES ARE SUFFICIENT TO COVER ALL ESTIMATED AGENCY EXPENSES FOR FUTURE YEARS FOR THE URBAN RENEWAL AREA AND REVENUE ALLOCATION AREA KNOWN AS THE WASHINGTON STREET SOUTH PROJECT AREA; ESTIMATING THE REMAINING PROJECT OBLIGATIONS AND COSTS; RECOMMENDING TO THE CITY COUNCIL THAT THE REVENUE ALLOCATION PROVISION FOR THE WASHINGTON STREET SOUTH PROJECT AREA BE TERMINATED; RECOMMENDING FURTHER THAT THE CITY COUNCIL PASS AN ORDINANCE TERMINATING THE REVENUE ALLOCATION PROVISION FOR THE URBAN RENEWAL PLAN FOR THE WASHINGTON STREET SOUTH URBAN RENEWAL PROJECT, AND RETURNING THE REVENUE ALLOCATION AREA TO THE REGULAR TAX ROLLf EFFECTIVE TAX YEAR 2024; PROVIDING FOR THE PAYMENT OF DELINQUENT PROPERTY TAXES FOLLOWING TERMINATION; PROVIDING FOR PAYMENT OF CERTAIN EXPENSES FOR FUTURE FISCAL YEARS; AND PROVIDING AN EFFECTIVE DATE.

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

WHEREAS, by Resolution No. 909, dated July 19, 1965, the Board of Commissioners of the City of Twin Falls, Idaho (the "City") created an urban renewal agency pursuant to the Law;

WHEREAS, on December 16, 2019, the City Council of the City of Twin Falls (the "City Council"), after notice duly published, conducted a public hearing on the Urban Renewal Plan for the Washington Street South Urban Renewal Project (the "Washington Street South Plan") to redevelop a portion of the City, pursuant to the Law and the Act;

WHEREAS, following said public hearing, the City Council adopted its Ordinance No. 2019-015 on December 16, 2019, approving the Washington Street South Plan, and making certain findings, including establishing the Washington Street South revenue allocation area (the

"Washington Street South Project Area"). Due to the timing of the publication of the Ordinance Summary and recording, the Washington Street South Plan and Project Area has an effective base year retroactive to January 1, 2020;

WHEREAS, the Washington Street South Plan contained a revenue allocation financing provision pursuant to the Act;

WHEREAS, the termination date for the Project Area, as set forth in the Washington Street South Plan, is December 31, 2040, except for revenues to be received in 2041, as authorized pursuant to Idaho Code § 50-2905(7);

WHEREAS, the contemplated development under the Washington Street South Plan has not occurred and will not occur, and the Agency intends to terminate the Washington Street South Plan and Project Area;

WHEREAS, the Agency expects all obligations and expenses under the Washington Street South Plan, and as identified in the FY2024 Washinton Street South Supplemental Termination Budget attached hereto as Exhibit B, to be incurred and satisfied by the Agency's current fiscal year ending September 30, 2024. An updated estimate of the Agency operations and administrative fees and costs are set forth in the FY2024 Supplemental Termination Budget attached hereto as Exhibit B, and as further described in Termination Plan attached hereto as Exhibit A;

WHEREAS, the Agency will request the Twin Falls County Treasurer to not distribute to the Agency any Project Area revenue allocation funds from delinquency tax payments in fiscal year 2025, or subsequent years, generated from the 2023 assessed values, or earlier. To the extent any Project Area revenue allocation funds are received by the Agency in fiscal year 2025, or later, the Agency will return those funds to the Twin Falls County Treasurer for distribution to the taxing districts;

WHEREAS, the Agency will have sufficient funds on deposit for payment of all final Agency operations and administrative fees and costs;

WHEREAS, the Agency has reviewed the remaining Agency operations and administrative fees and costs, and based on projected revenues and expenses of the Washington Street South Plan and Project Area, has determined there are sufficient funds for payment of all final Agency expenses and has further determined the revenue allocation area can be terminated on or before December 31, 2024;

WHEREAS, pursuant to Exhibit A and Exhibit B, the Agency estimates no surplus will be available for remittance to the County Treasurer for distribution to the taxing districts on or before September 30, 2024.

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

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

Section 2: That the Termination Plan attached hereto as Exhibit A is hereby approved and adopted by the Agency Board.

Section 3: That the revenue allocation area contained in the Washington Street South Plan shall be terminated on or before December 31, 2024, consistent with the termination provisions set forth in the Act, allowing certain taxing entities to use the 2024 estimated assessed values above the adjusted base assessment roll for the Project Area for their budgetary purposes, and further, pursuant to Idaho law, as amended, those certain taxing entities may, for their budgetary purposes, take into account a portion of the increment value for the Project Area, which portion of the increment value shall be added to the 2024 new construction roll, pursuant to Idaho Code § 63-301A(3)(f), as amended.

Section 4: That the Agency does not intend to take revenue allocation funds in tax year 2025, generated from the 2024 assessed values, and the allocation of revenues under section 50-2908, Idaho Code, shall cease effective January 1, 2024.

Section 5: That all financial obligations related to the Project Area have been provided for, and any outstanding obligations will be paid in full on or before September 30, 2024. The Agency will have sufficient funds on deposit for payment of the final Agency operations and administrative fees and costs.

Section 6: That any delinquent property taxes due to the Agency that were levied for calendar year 2023, or earlier, shall not be paid to the Agency after September 30, 2024, but shall be distributed by the Twin Falls County Treasurer to the taxing districts in the same manner and proportion as the most recent distribution to the taxing districts of the taxes on the taxable property located within the revenue allocation area.

Section 7: That any non-obligated surplus deemed by the Agency to exist will be remitted to the Twin Falls County Treasurer for distribution to the taxing districts prior to the end of the Agency's 2024 fiscal year on or before September 30, 2024, in the same manner and proportion as the most recent distribution to the taxing districts of the taxes on the taxable property located within the revenue allocation area. *See* I.C. 50-2909(4).

Section 8: That the Agency does hereby request that the City Council, pursuant to 50-2903(5), Idaho Code, adopt an Ordinance providing for the termination of the Project Area revenue allocation area in the Washington Street South Plan, to be effective on or before December 31, 2024, and declaring that the tax year 2024 revenues[1] from the increment value as levied upon

[1] The Agency will receive the second half of the 2023 tax payments in July or August 2024, following the June 20, 2024, payment deadline, but will not receive any allocation of revenue from the Project Area after September 30, 2024.

within the revenue allocation area are not needed for the payment of any Agency indebtedness or Agency projects to be completed before September 30, 2025, and should flow to the respective taxing districts pursuant to Idaho law.

Section 9: That a copy of this Resolution be sent to the Twin Falls County Assessor's Office, the Twin Falls County Auditor/Recorder and the Idaho State Tax Commission to provide notice of termination of the revenue allocation area in the Washington Street South Plan.

Section 10: That this Resolution shall be in full force and effect immediately upon its adoption and approval.

PASSED by The Urban Renewal Agency of the City of Twin Falls, on June 28, 2024. Signed by the Chair of the Board of Commissioners and attested by the Secretary to the Board of Commissioners, on June 28, 2024.

APPROVED;

By:____________________________
Rudy Ashenbrener, Chair

ATTEST:

By:____________________________
Dave McAlindin, Secretary

EXHIBIT A

(Termination Plan)

EXHIBIT A

THE URBAN RENEWAL AGENCY OF THE CITY OF TWIN FALLS, IDAHO

URBAN RENEWAL PLAN FOR THE WASHINGTON STREET SOUTH URBAN RENEWAL PROJECT AND THE CORRESPONDING REVENUE ALLOCATION AREA

THE "WASHINGTON STREET SOUTH PLAN"

The Urban Renewal Agency of the City of Twin Falls (the "Agency") intends to terminate the revenue allocation area adopted at the time of the original adoption of the Urban Renewal Plan for the Washington Street South Urban Renewal Project, by the Twin Falls City Council on December 16, 2019, by Ordinance No. 2019-015[1] (the "Washington Street South Plan") and the corresponding Washington Street South revenue allocation area (the "Project Area"). A map of the Project Area is included.

The termination date for this Project Area as set forth in the Plan is December 31, 2040; except for revenues to be received in 2041, as authorized pursuant to Idaho Code § 50-2905(7). The Agency has reviewed the projected revenues and expenses of the Washington Street South Plan and Project Area and has determined the Project Area can be terminated by December 31, 2024, effective retroactive to January 1, 2024, as it relates to assessed values within the Project Area. As a result, the Agency will not receive revenue allocation funds in tax year 2025, generated from the 2024 assessed values, and the allocation of revenues under § 50-2908, Idaho Code, shall cease effective January 1, 2024[2].

Based on updated budget information, this Termination Plan is prepared, in part, in order to describe the Agency's plan to pay its financial obligations in the final year and to describe other actions necessary to wind up the affairs of the Project Area. This plan reviews the Agency's existing financial obligations and the payment of certain expenses on or before September 30, 2024.

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[1] Due to the timing of the publication of the Ordinance Summary and recording, the Washington Street South Plan and Project Area has an effective base year retroactive to January 1, 2020.

[2] The Agency has or will receive the second half of the 2023 tax payments in July or August 2024, following the June 20, 2024, payment deadline, but will not receive any allocation of revenue from the Project Area after September 30, 2024.

Intent Regarding Delinquencies:

The Agency will request the Twin Falls County Treasurer to not distribute to the Agency any Project Area revenue allocation funds from delinquency tax payments after September 30, 2024, or subsequent years, generated from the 2023 assessed values, or earlier. To the extent the Agency receives any delinquency tax payments related to the Project Area after September 30, 2024, or later, then the Agency will return those funds to the Twin Falls County Treasurer for distribution to the taxing districts in the same manner and proportion as the most recent distribution to the taxing districts of the taxes on the taxable property located within the revenue allocation area.

Fiscal Year 2024 Supplemental Termination Budget Summary:

As further set forth below, the Agency expects all the Project Area expenses to be paid on or before September 30, 2024. Any miscellaneous expenses incurred in Fiscal Year 2025 shall be covered by other available Agency funds.

As shown on the Fiscal Year 2024 Supplemental Termination Budget, the Agency has identified $79,000 in Fiscal Year 2024 Project Area expenditures. These expenditures are generally related to Agency legal and consultant fees, operations and administrative/management fees and costs to be paid on or before September 30, 2024.

The Agency is projecting there will not be a surplus at the end of the Agency's 2024 fiscal year on September 30, 2024. Although not anticipated to occur, if there is a final distribution of non-obligated surplus funds on or before September 30, 2024, any funds will be remitted to the Twin Falls County Treasurer to be distributed to the taxing districts in the same manner and proportion as the most recent distribution to the taxing districts of the taxes on the taxable property located within the revenue allocation area following payment of all final Agency expenses and financial obligations and upon a final accounting of the Project Area.

Real Property:

The Agency does not own real property in the Project Area.

Management Fee:

The FY2024 Supplemental Termination Budget has identified a management fee in the amount of $25,000, which is the allocated amount of costs related to Agency administration of the Project Area.

Legal and Advertising:

The FY24 Supplemental Termination Budget includes a line item for Legal and Advertising, which is intended to address the estimated costs of termination, and a potential new revenue allocation area including the Washington Street South geographic area.

FY2025 – Post-Termination Final Administrative Costs:

The Agency anticipates there may be FY2025 post-termination final administrative costs, including an allocable share of the audit, legal reporting requirements, and legal and administrative costs incurred in closing out the Project Area. Any miscellaneous expenses incurred in Fiscal Year 2025 shall be covered by other available Agency funds. Any non-obligated surplus funds remaining in the Project Area's account as of September 30, 2024, will be remitted to the Twin Falls County Treasurer as a final termination distribution of surplus funds and shall be distributed to the taxing districts in the same manner and proportion as the most recent distribution to the taxing districts of the taxes on the taxable property located within the revenue allocation area. This transmittal will occur on or before September 30, 2024, following payment of all final Agency expenses and financial obligations and upon a final accounting of the Plan and Project Area.

<u>Map of the Washington Street South Project Area:</u>

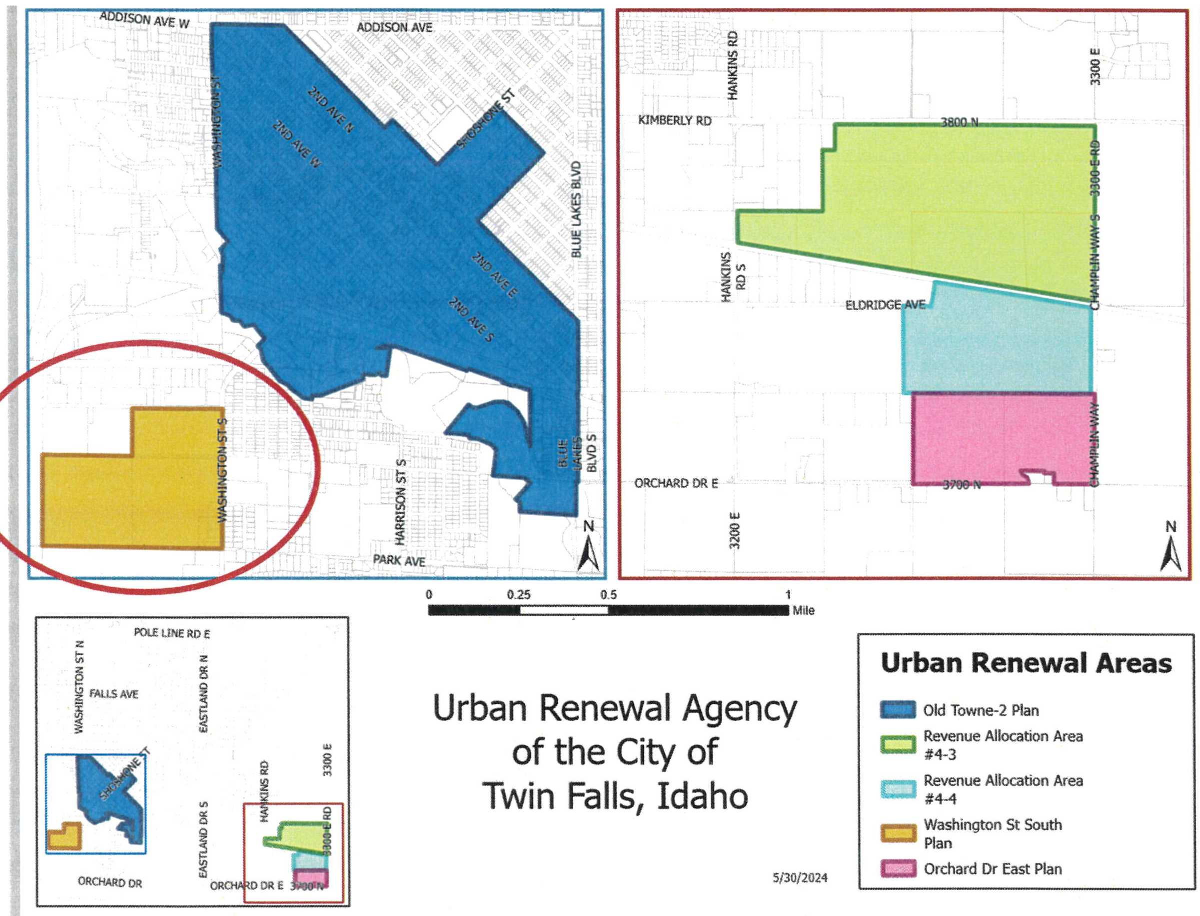

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EXHIBIT B

(FY24 Supplemental Termination Budget)

EXHIBIT B

FY2024 SUPPLEMENTAL TERMINATION BUDGET

Revenue	**Projected** *(Projected Through September 30, 2024)*
FY2024 Revenue Allocation Proceeds	$ 33,600
Cash Carryover	45,400
Loan from General Fund	-
TOTAL:	**$ 79,000**

Expenditures	**Projected**
Area Redevelopment	-
Program Operations	-
Management Fee	$ 25,000
Legal and Advertising	54,000
Professional Fees	-
Pay-off Loan to General Fund	-
TOTAL:	**$ 79,000**

[AGENCY LETTERHEAD]

VIA MAIL AND E-MAIL

June __, 2024

Twin Falls County Attn: Board of County Commissioners Attn: Bradford Wills, Assessor Attn: Kristina Glascock, Ex-Officio Auditor & Recorder Attn: Becky Petersen, Treasurer 630 Addison Avenue West PO Box 126 Twin Falls, ID 83303 Email: commiss@co.twin-falls.id.us Email: tfcassessor@tfco.org Email: clerkauditor@tfco.org Email: treas-inq@co.twin-falls.id.us	**City of Twin Falls** Attn: Office of the Mayor Attn: Deputy City Clerk 203 Main Avenue East PO Box 1907 Twin Falls, ID 83303 Email: rpierce@tfid.org Email: aluna@tfid.org
Twin Falls Ambulance Attn: Shannon Carter, Clerk PO Box 126 Twin Falls, ID 83303 Email: scarter@tfco.org	**Twin Falls School District No. 411** Attn: Dr. Brady Dickinson, Superintendent Attn: Board of Trustees 201 Main Avenue West Twin Falls, ID 83301 Email: dickinsonbr@tfsd.org Email: lloydja@tfsd.org Email: casdorphhe@tfsd.org Email: smallwooder@tfsd.org Email: lordjo@tfsd.org Email: tubbshe@tfsd.org
Twin Falls Highway District Attn: David Burgess, Chair Board of Commissioners 2620 Kimberly Road Twin Falls, ID 83301 Email: admin@twinfallshd.org Email: tfhwy@twinfallshd.org Email: kspencer@twinfallshd.org	**College of Southern Idaho** Attn: Dr. Dean Fisher, President Attn: Board of Trustees 315 Falls Avenue PO Box 1238 Twin Falls, ID 83303 Email: deanfisher@csi.edu Email: csitrustees@csi.edu
Twin Falls County Pest Abatement District Attn: Board Chair 507 Grandview Drive South, Suite A PO Box AC Twin Falls, ID 83303 Email: manager@tfcpad.org	Idaho State Tax Commission Attn.: Alan Dornfest Attn.: Ben Seloske Attn: STC GIS PO Box 36 Boise, ID 83722 Email: alan.dornfest@tax.idaho.gov Email: ben.seloske@tax.idaho.gov Email: gis@tax.idaho.gov

Re: Intent to Terminate the Urban Renewal Plan for the Washington Street South Urban Renewal Project

Greetings,

At a special public meeting held on June 28, 2024, the Board of Commissioners of the Urban Renewal Agency of the City of Twin Falls (the "Agency"), adopted Resolution No. 2024-03 (the "Termination Resolution") terminating the revenue allocation area adopted at the time the Urban Renewal Plan for the Washington Street South Urban Renewal Project was adopted by Ordinance No. 2019-015 on December 17, 2019 (the "Washington Street South Plan"). Due to the timing of the publication of the Ordinance Summary and recording, the Washington Street South Plan and Project Area has an effective base year retroactive to January 1, 2020. Collectively, the Washington Street South Plan and the corresponding Washington Street South revenue allocation area is referred to as the "Washington Street South RAA." A copy of the Termination Resolution is included with this letter, together with the exhibits thereto:

1. Resolution No. 2024-03: Washington Street South RAA Termination Resolution
2. Exhibit A: Termination Plan
3. Exhibit B: Termination Budget

The termination will be effective Tax Year 2024.

To complete the termination of the Washington Street South RAA, and pursuant to Idaho Code § 50-2903(5), the City Council for the City of Twin Falls is required to adopt an ordinance terminating the revenue allocation area no later than December 31, 2024. At this time, the Agency cannot confirm the date the City Council will consider the termination ordinance.

Of note in the Termination Resolution:

- The Agency requests that any delinquent Washington Street South RAA tax increment revenue received after September 30, 2024, be retained by the County and distributed pro rata to the overlapping taxing districts.
- The Agency projects there will not be a surplus available for remittance to the County Treasurer for distribution to the taxing districts on or before September 2024.

- The Agency requests the Twin Falls City Council to adopt an ordinance terminating the revenue allocation area in the Washington Street South Plan by December 31, 2024.

As a reminder, with the recent 2021, 2022, and 2023 amendments to Idaho Code sections 63-802 and 63-301A, it is generally understood the increment value of the terminating Washington Street South RAA shall be included in the net taxable value of the taxing district when calculating the subsequent property tax levies pursuant to section 63-803, Idaho Code. The increment value shall also be included in subsequent notification of taxable value for each taxing district pursuant to section 63-1312, Idaho Code, and subsequent certification of actual and adjusted market values for each school district pursuant to section 63-315, Idaho Code. **You will need to contact the Twin Falls County Assessor's Office and/or the State Tax Commission for increment value information**, including the portion of the increment value to be included on the new construction roll.

For additional information contact Shawn Barigar, Agency Administrator at 208-735-7240 or sbarigar@tfid.org.

Sincerely,

Rudy Ashenbrener Chair	Shawn Barigar Agency Administrator

cc: Agency Board of Commissioners
Meghan S. Conrad, Elam & Burke

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