



Urban Renewal Agency Agenda

Monday, March 12, 2018, 12:00 PM

Council Chambers
203 Main Avenue East - Twin Falls, Idaho

Members: Chairman Dan Brizee, Vice Chairman Dexter Ball, Secretary Neil Christensen, Perri Gardner, Suzzane Cawthra, Rudy Ashenbrener, Cindy Bond

- 1) Confirmation of Quorum/Call Meeting to Order
- 2) Consideration of Amendment(s) to the Agenda
- 3) Consent Calendar
 - a) Request to approve 1) Minutes for February 13, 2018 meeting; 2) February 2018 Financial Report; 3) March 2018 Accounts Payable.
- 4) Reports/Updates
 - a) Executive Director's Report by Nathan Murray
- 5) Items of Consideration
 - a) Presentation of and request for public comment and approval of the 2017 Annual Report for the Urban Renewal Agency of the City of Twin Falls, Idaho.
Purpose: Action By: Nathan Murray
- 6) General Input/Announcements - Public/Staff
- 7) Upcoming Meeting(s)
 - a) April 9 2018, @ 12:00 p.m.
- 8) 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, llame Leila Sanchez (208) 735-7287.



Urban Renewal Agency Minutes

Tuesday, February 13, 2018, 3:00 PM

City Chambers
203 Main Avenue East- Twin Falls, Idaho

Members: Chairman Dan Brizee, Vice Chairman Dexter Ball, Secretary Neil Christensen, Perri Gardner, Suzzane Cawthra, Rudy Ashenbrener

1) Confirmation of Quorum/Call Meeting to Order

Chairman Brizee called the meeting to order at 03:05 PM. A quorum was present.

Present: Dan Brizee, Perri Gardner, Dexter Ball, Suzzane Cawthra, Neil Christensen, Rudy Ashenbrener.

Absent: None.

Staff Present: Nathan Murray, Economic Development Director; Jesse Schuerman, Engineer; Lorrie Bauer, Recording Secretary; Brent Hyatt, Assistant Finance Officer; Ruth Pierce, City Council Liaison; Don Hall, County Commissioner.

2) Consideration of Amendment(s) to the Agenda

None.

3) Consent Calendar

- a) Request to approve 1) Minutes for January 8, 2018 meeting; 2) January 2018 Financial Report; 3) February 2018 Accounts Payable.

MOTION: Neil Christensen moved to approve the consent calendar. Perri Gardner seconded the motion. Roll call vote showed all members present voted. Approved 6 to 0.

4) Reports/Updates

- a) Executive Director's Report by Nathan Murray.

Nathan verbalized his report that was included with the agenda packet. He then projected pictures of the Grove in Boise, how it looked in 1987 and how it looks today. He then projected a picture of the 2017 Twin Falls lights parade with many from the community congregating by the downtown Christmas tree to show the impact and importance of URA projects and growth.

He added an update: In March 2016 the URA entered into an agreement with Chobani to pay for additional work on upgrades to their wastewater treatment facility, or their onsite work, as part of their two-phase improvement project. The first phase invoice has been received and is approximately \$4.4M. Review is currently underway and will be paid by funds from RAA 4-3.

- b) Presentation of the FY2017 Audited Financial Statements by Scott Hunsaker of Mahlke

Hunsaker & Co.

Mr. Hunsaker explained the results of the audit. He reported an unqualified opinion was issued due to no issues and well-kept books. The URA is a component unit of the City and this audit is combined into the City's financial statements.

5) Items of Consideration

None.

6) General Input/Announcements - Public/Staff

None.

7) Upcoming Meeting(s)

March 12, 2018 at 12:00 PM.

8) Adjournment

The meeting adjourned at 03:27 PM.

Lorrie Bauer, Recording Secretary

Urban Renewal Agency of the City of Twin Falls, ID
P&L Over (Under) Budget - YTD

October 2017 through February 2018

	Oct '17 - Feb 18	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
Line of Credit Adv. - Clif Bar	195,746.58			
Bank Bond Proceeds	0.00	2,800,000.00	-2,800,000.00	0.0%
Contributions	119,021.65			
Investment Income	38,231.51	15,000.00	23,231.51	254.9%
Other Income	60.00			
Property Taxes	5,385,797.62	10,218,350.00	-4,832,552.38	52.7%
Rental Income	62,593.80	440,487.00	-377,893.20	14.2%
Sale of Assets	2,044,350.00			
Total Income	7,845,801.16	13,473,837.00	-5,628,035.84	58.2%
Gross Profit	7,845,801.16	13,473,837.00	-5,628,035.84	58.2%
Expense				
RAA 4-1				
Shoshone St/2nd Ave N	40,630.10			
Main Ave.	2,571,150.72			
Payment on City's \$6,000,000	1,000,000.00			
RAA 4-1 - Other	40,000.00	5,794,948.00	-5,754,948.00	0.7%
Total RAA 4-1	3,651,780.82	5,794,948.00	-2,143,167.18	63.0%
RAA 4-3 (Chobani)				
Debt Pay. (Chobani) Interest	0.00	1,263,666.00	-1,263,666.00	0.0%
Debt Pay. (Chobani) Principal	0.00	5,361,334.00	-5,361,334.00	0.0%
Total RAA 4-3 (Chobani)	0.00	6,625,000.00	-6,625,000.00	0.0%
RAA 4-4 (Clif Bar)	20,000.00			
Bond Trustee Fees	3,000.00	3,000.00	0.00	100.0%
Bonding Costs	0.00	2,000.00	-2,000.00	0.0%
Community Relations & Website	0.00	500.00	-500.00	0.0%
Debt Payments - Interest	83,642.50	925,877.00	-842,234.50	9.0%
Debt Payments - Principal	0.00	1,470,000.00	-1,470,000.00	0.0%
Dues and Subscriptions	4,250.00	2,300.00	1,950.00	184.8%
Insurance Expense	0.00	6,650.00	-6,650.00	0.0%
Legal Expense	60.00	30,000.00	-29,940.00	0.2%
Management Fee	208,000.00	208,000.00	0.00	100.0%
Meeting Expense	372.95	3,500.00	-3,127.05	10.7%
Miscellaneous	0.00	500.00	-500.00	0.0%
Office Expense	175.00	500.00	-325.00	35.0%
Prof. Dev./Training	0.00	2,500.00	-2,500.00	0.0%
Professional Fees	0.00	10,000.00	-10,000.00	0.0%
Property Tax Expense	109,504.56	125,600.00	-16,095.44	87.2%
Real Estate Exp. - Call Center	50,327.21	153,400.00	-103,072.79	32.8%
Real Estate Exp. - Other	8,059.43	12,000.00	-3,940.57	67.2%
Real Estate Lease	0.00	124,000.00	-124,000.00	0.0%
Real Estate Purchase	465,395.00			
Total Expense	4,604,567.47	15,500,275.00	-10,895,707.53	29.7%
Net Ordinary Income	3,241,233.69	-2,026,438.00	5,267,671.69	-159.9%
Other Income/Expense				
Other Income				
Transfers In	0.00	482,450.00	-482,450.00	0.0%
Transfers Out	0.00	-482,450.00	482,450.00	0.0%
Total Other Income	0.00	0.00	0.00	0.0%
Net Other Income	0.00	0.00	0.00	0.0%
Net Income	3,241,233.69	-2,026,438.00	5,267,671.69	-159.9%

Urban Renewal Agency of the City of Twin Falls, ID
Profit & Loss
February 2018

	Feb 18
Ordinary Income/Expense	
Income	
Investment Income	7,126.12
Property Taxes	320,859.95
Rental Income	1,333.33
Total Income	329,319.40
Gross Profit	329,319.40
Expense	
RAA 4-1	
Shoshone St/2nd Ave N	1,817.00
Main Ave.	89,604.08
Total RAA 4-1	91,421.08
Bond Trustee Fees	3,000.00
Management Fee	208,000.00
Meeting Expense	122.99
Office Expense	0.00
Real Estate Exp. - Call Center	6,294.45
Real Estate Exp. - Other	6,652.84
Total Expense	315,491.36
Net Ordinary Income	13,828.04
Net Income	13,828.04

Twin Falls Urban Renewal March 2018 Accounts Payable

<u>Check #</u>	<u>Date</u>	<u>Paid Amount</u>	<u>Name</u>	<u>Account</u>	<u>Fund</u>	<u>Memo</u>
3670	02/13/2018	102.00	Twin Falls Sandwich Company	Meeting Expense	General	Lunch for 01/18/2018 Meeting
3671	02/20/2018	310,538.28	Zions First National Bank	Zions #8617 - Excess Funds	Rev Alloc 4-4	Additional Property Taxes on Clif Bar
3672	02/21/2018	5.00	Jimmy John's	Meeting Expense	General	Bal. of #11132017-1 (Gratuity)
3673	03/07/2018	2,463.00	EHM Engineers, Inc.	Shoshone St/2nd Ave N	Rev Alloc 4-1	Street & Sign Improvements / #314-1777920
3673	03/07/2018	225.00	EHM Engineers, Inc.	Real Estate Exp. - Other	Rev Alloc 4-1	Building Inspection - 160 Main Ave S / #026-187871
3674	03/07/2018	11.74	Idaho Power	Real Estate Exp. - Other	Rev Alloc 4-1	Power - 122 4th Av S
3675	03/07/2018	306.40	Kimberly Nurseries	Real Estate Exp. - Other	Rev Alloc 4-1	Snow/Ice removal (Main Av) / #11330
3675	03/07/2018	810.50	Kimberly Nurseries	Real Estate Exp. - Other	Rev Alloc 4-1	Snow/Ice removal (3rd) / #11296
3676	03/07/2018	25.40	Mason's Trophies & Gifts	Meeting Expense	General	Nameplates for board members / #18-0473
3677	03/07/2018	28,991.50	Otak	Main Ave.	Rev Alloc 4-1	Streetscape & Commons Imp / #11800400
3678	03/07/2018	679.47	Times News	Legal Expense	Rev Alloc 4-1	Notice of RFP-Development - 160 Main Av S/ #62239
3678	03/07/2018	36.94	Times News	Legal Expense	Rev Alloc 4-1	Notice of URA Board openings / #61264
3679	03/07/2018	10.50	Twin Falls Transfer Station	Real Estate Exp. - Other	Rev Alloc 4-1	160 Main Av S - trash removal from alley / #683902
3680	03/07/2018	92,982.53	JUB Engineers, Inc.	Main Ave.	Rev Alloc 4-1	Main Ave Utilities / #0115104



Date: Monday, March 12, 2018

Executive Director's Report

By: Nathan Murray

- a) Introduction of new board member, Cindy Bond, who will fill the seat vacated by Brad Wills with the term ending June 30, 2018 plus a new 3-year term beginning on July 1, 2018 and ending June 30, 2021.
- b) Introduction of Andy Hohwieler and Doug Vollmer. Due to Dan Brizee and Neil Christensen's second term on the board ending June 30, 2018, Andy and Doug will begin their first 3-year term beginning in July 1, 2018 and ending June 30, 2021.
- c) The John Hayes statue is mostly complete and will be taken to the bronzing foundry in Oregon later this month. That process should take about 12-weeks.
- d) The RFP for 160 Main Ave S closes March 15th. Staff has been contacted by a number of developers interested in the project. There have been three walk-thru's by architecture firms from around the region. We'll see what quality of submissions come in over the next week and discuss them at the URA meeting in April.

Attachments:

- 1. IMG_1881
- 2. IMG_1880







Date: Monday, March 12, 2018
To: Urban Renewal Agency of the City of Twin Falls
From: Nathan Murray

Request:

Presentation of and request for public comment and approval of the 2017 Annual Report for the Urban Renewal Agency of the City of Twin Falls, Idaho.

Time Estimate:

N/A

Background:

Title 50, Chapter 2006(c) requires that Urban Renewal Agencies operating in Idaho prepare an annual report by March 31st of each year regarding its activities and finances for the preceding calendar year. Once approved by the Board of Commissioners, it will be transmitted to the City Council for their information.

Approval Process:

The Board of Commissioners must consider the Annual Report in a public meeting and provide opportunity for public comment. Once the public comment opportunity has been provided, the Board should consider the attached, Resolution 2018-01, which transmits to Annual Report to the City Council.

Once forwarded to the City Council, a legal notice will be published in the Times-News to the effect that the required report has been filed with the City of Twin Falls and that it is available for inspection at the office of the City Clerk.

Budget Impact:

There will be a small amount of cost for in-house printing of the report and postage to distribute it to those to whom we seek to communicate. Additionally, there will be a cost for the legal publication of the required notice.

Regulatory Impact:

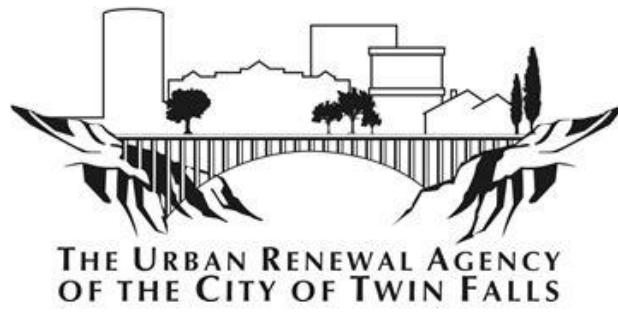
N/A

Conclusion:

Completion of this process will have the Agency in compliance with the statutory requirement for reporting.

Attachments:

1. 2017 Annual Report
2. Resolution #2018-01 - 2017 Annual Report



2017 Annual Report

Board of Commissioners

January – June 2017

Dan Brizee - Chair
Dexter Ball – Vice Chair
Neil Christensen – Secretary
Perri Gardner
Bob Richards
Gary Garnand
Brad Wills

July – December 2017

Dan Brizee - Chair
Dexter Bell – Vice Chair
Neil Christensen - Secretary
Perri Gardner
Gary Garnand (replaced by Rudy Ashenbrener in Oct '17)
Suzanne Cawthra
Brad Wills

Staff

Nathan Murray – Executive Director
Lorrie Bauer- Administrative
Jesse Schuerman- Engineer
Brent Hyatt- Finance

This Annual Report is prepared pursuant to Title 50, Chapter 2006 (c) Idaho Code:

An agency authorized to transact business and exercise powers under this chapter shall 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 report shall include a complete financial statement setting forth its assets, liabilities, income and operating expense as of the end of such calendar year. The agency shall be required to hold a public meeting to report these findings and take comments from the public. At the time of filing the report, the agency shall publish in a newspaper of general circulation in the community a notice to the effect that such report has been filed with the municipality and that the report is available for inspection during business hours in the office of the city clerk or county recorder and in the office of the agency.

Agency Activities for 2017

Main Avenue

After several months of planning and public input, the Twin Falls Urban Renewal Agency (TFURA) began reconstruction of a five-block section of Main Avenue between Fairfield and Jerome Streets. Construction began February 17, 2017, with the removal of trees and was substantially complete by December 1, 2017, for the Downtown Festival of Lights Parade.



Construction moved northwest to southeast along Main with ribbon cuttings being held at the completion of each block. Crews removed everything between the building faces and replaced old, subgrade utilities. A new pedestrian friendly corridor was then reconstructed with wider sidewalks, trees, festival street areas, furniture, lighting, and pavement.

Guho Construction performed the contracting duties for the project and completed their work under budget at a final cost of approximately \$6.2m.

Downtown Commons

Related to the Main Avenue Redesign Project, and the downtown renaissance, is a new half-acre plaza on the northwest corner of Main and Hansen known as the Downtown Commons. Final plans for the plaza were completed in summer '17 and were soon sent out to bid. In December '17, when construction of City Hall was complete, Starr Corporation began construction of the Downtown Commons. Construction is advancing at a rapid pace and the plaza is expected to be complete and dedicated in July '18.



Downtown Alleyway Utilities

To continue support of the downtown infrastructure, the TFURA started and completed a joint utility project at a cost of approximately \$1.3m. The project extended through the alleyway parallel to 2nd Ave East for a four block section and updated dry utility conduits (fiber optic, streetlights, and sprinkler wire control) along with sewer and water upgrades. This project was one of many planned to be carried out over the next five years before the closing of RAA #4-1.

Gemstone Climbing

The property located at 135 5th Ave S, sold by the URA in 2016 to the entity known as Gemstone Development, LLC, was transformed from a vacant lot to a new 12,500 square foot rock climbing facility.

In addition to selling the property for \$1, the TFURA followed up with paving of an unfinished section of adjacent alleyway, reconstructing a portion of the adjacent sidewalk and planting new trees. The facility is a great addition to the community.



C3 Call Center

The property owned by the TFURA at 851 Pole Line Road was sold in November at a price of \$2.05m. The building, purchased by the agency in 1998 to entice Dell Computers to come to the community, was operating as a successful call center and it was deemed best to be sold to private sector owners. The proceeds have been added to the agency's general fund and the TFURA no longer has obligations for ongoing maintenance of the building and off-site parking.

Historic Ballroom

In September, the TFURA purchased the property at 219 Shoshone St N with the intent to support the project planned for next door at 205 Shoshone St N (the Historic Ballroom). The Historic Ballroom was being renovated at a cost of approximately \$4m with new ground level restaurant and retail space and updated offices on the second floor.

The site at 219 Shoshone has been razed and will be converted to a small plaza area between the restaurant and the alley. Razing of the building, and updating sidewalk next to the ballroom, helped facilitate the investment in the ballroom and make utility upgrades more affordable. The project is expected to be completed in spring 2018.

160 Main Avenue S



In December, the TFURA purchased the old Idaho Department Store located on the southwest corner of Hansen Street and Main Avenue. The building had been for sale for a time and was soon to be vacated by the tenant. Given the history of the building, its proximity to the Downtown Commons and its underutilization, the TFURA authorized the building purchase to help facilitate a housing project in downtown. A Request for Proposal

has been issued and it is anticipated that sometime in 2018 a project begins to rehab the building to include new residential units in downtown Twin Falls.

Financial Statements

Table 1
Statement of Net Position
As of September 30, 2017 and 2016

			Percentage Change
	2017	2016	2017-2016
Current & Other Assets	\$ 10,910,590	\$ 7,613,235	43.3%
Capital Assets	25,798,953	20,950,313	23.1%
Total Assets	36,709,543	28,563,548	28.5%
Long-term Debt Outstanding	67,742,458	62,114,161	9.1%
Other Liabilities	3,503,408	1,658,683	111.2%
Total Liabilities	71,245,866	63,772,844	11.7%
Net Investment in Capital Assets	15,512,646	11,532,950	25.2%
Restricted and Unrestricted	(50,048,969)	(46,742,246)	7.1%%
Total Net Position	\$ (34,536,323)	\$ (35,209,296)	(1.9%)

Statement of Net Position

The Statement of Net Position reports on the assets and liabilities of the Agency. Notable changes in Net Position values are typically the result of large debt service payments; the timing of large public improvement projects; or the purchase, sale, or contribution of capital assets. This year, most of the increase in total assets can be attributed to construction activity for the Main Avenue renovation. The Agency is inventorying project costs and then will reflect those costs as a contribution to the City the year the development is completed. This year, construction in progress increased by around \$5,000,000 mainly due to the construction activity downtown.

Table 2
Statement of Activities
For Years Ended September 30, 2017 and 2016

			Percentage Change
	2017	2016	2017-2016
Charges for Services - Rent	\$ 452,148	\$ 442,258	2.2%
Property Tax Increment	9,795,235	8,719,955	12.3%
Capital Contributions	120,000		
Other Income and Sale of Assets	(5,848,243)		
Investment Earnings	66,818	20,808	221.1%
Total Revenue	4,585,958	9,183,021	(16.4%)
General Government	412,589	231,690	78.1%
Rental Property Expenses	263,945	255,612	3.3%
Community Development	654,796	27,358,915	(97.6%)
Interest on Long-Term Debt	2,581,655	2,630,021	(1.8%)
Total Expenses	3,912,985	30,476,238	(83.7%)
Increase (Decrease) in Net Assets	672,973	(21,293,217)	(103.25%)
Net Position - Beginning	(35,209,296)	(13,916,079)	153.0%
Net Position - Ending	\$ (34,536,323)	\$ (35,209,296)	(1.9%)

Statement of Activities

The Statement of Activities reports on the Agency's operating revenues and expenditures.

Revenues

Property tax increment increased by 12.3%. \$500,000 of that increase is attributed to the first years property taxes now coming from Clif Bar. The City had owned a pre-treatment facility used to treat processing waste from Lamb Weston prior to its entering the main wastewater treatment plant. The facility was aging and headed for major repairs. Through mutual agreement, the City sold the processing plant to the Agency and the Agency then resold the pre-treatment plant to Lamb Weston for \$1, charging the Company with the care and operational expenses going forward. That transaction created a \$6,000,000 loss to the Agency and is included in the Sale of Assets category above.

Expenses

In 2016 and 2017, the agency was involved with finishing up the construction projects at Clif Bar and beginning work on the reconstruction of Main Avenue. Expenditures for the Main Avenue project were \$4,800,000 and \$1,200,000 for 2017 and 2016 respectively. Clif Bar expenditures were \$600,000 and \$7,700,000 for the same periods. All these costs were inventoried as work in process rather than as expenses. In the near future, the Agency will recognize the cumulative costs as an investment in the development of the community.

RESOLUTION NO. 2018-01

A RESOLUTION OF THE URBAN RENEWAL AGENCY OF THE CITY OF TWIN FALLS, IDAHO, AUTHORIZING THE FILING OF ITS ANNUAL REPORT OF ACTIVITIES WITH THE CITY OF TWIN FALLS.

WHEREAS, Idaho Code 50-2006(c) requires every urban renewal agency exercising powers under the Urban Renewal Law to file with the local governing body a report of its activities for the preceding calendar year, which report shall include a complete financial statement setting forth its assets, liabilities, income and operating expense as of the end of such calendar year; and,

WHEREAS, Idaho Code 50-2006(c) requires every urban renewal agency to hold a public meeting to report these findings and take comments from the public; and,

WHEREAS, Idaho Code 50-2006(c) requires every urban renewal agency, at the time of filing the report, to publish in a newspaper of general circulation in the community a notice that the report has been filed with the municipality and that the report is available for inspection during business hours in the office of the agency.

NOW, THEREFORE, BE IT RESOLVED BY THE URBAN RENEWAL AGENCY OF THE CITY OF TWIN FALLS, IDAHO:

Section 1: That the 2017 Annual Report of the Urban Renewal Agency of the City of Twin Falls shall be filed with the City of Twin Falls.

Section 2: That the following “Notice of Filing the Annual Report of the Urban Renewal Agency of the City of Twin Falls” shall be published in the Times News:

“Notice of Filing of the 2017 Annual Report
Of the Urban Renewal Agency of the City of Twin Falls, Idaho

The Urban Renewal Agency of the City of Twin Falls, Idaho, has filed its 2017 Annual Report with the City of Twin Falls. The Report is available for inspection during business hours in the office of the Urban Renewal Agency, in City Hall, at 203 Main Avenue East, Twin Falls, Idaho.”

PASSED BY THE URBAN RENEWAL AGENCY
SIGNED BY THE CHAIRMAN

March 12, 2018.
March 12, 2018.

Chairman