THE URBAN RENEWAL AGENCY OF THE CITY OF TWIN FALLS

Urban Renewal Agency
Agenda

Monday, May 11, 2020, 12:00 PM

City Council Chambers
203 Main Avenue East, Twin Falls, Idaho

Members: Dexter Ball, Perri Gardner, Suzzane Cawthra, Rudy Ashenbrener, Cindy Bond, Andy Hohwieler, Doug Vollmer

1) Confirmation of Quorum/Call Meeting to Order

2) Conflict of Interest Declaration

3) Consent Calendar

   a) **ACTION ITEM:** Request to approve 1) Minutes for March 25, 2020 meeting; 2) March 2020 Financial Report; 3) April 2020 Accounts Payable, 4) April 2020 Financial Report; 5) May 2020 Accounts Payable.

4) Reports/Updates

   a) **INFORMATIONAL:** Executive Director's Report

5) Items of Consideration

   a) **ACTION ITEM:** Presentation and Request for Approval of the FY2019 Audited Financial Statements.

   By: Brent Hyatt, Assistant Finance Officer

   b) **ACTION ITEM:** Presentation of the 2019 Annual Report followed by a Request for Public Comment and a Request to Approve Resolution #2020-06 authorizing the filing of the 2019 Annual Report with the City of Twin Falls.

   By: Nathan Murray, Executive Director

   c) **ACTION ITEM:** Open the Sealed Bids received for the auction of 215 Shoshone Street South, Lots 4 & 5, and authorize the Chair to sign a Quit Claim Deed to the high bidder if the requirements for submission have been met.

   By: Nathan Murray, Executive Director

   d) **ACTION ITEM:** Consideration of a request to accept a response to the Request for Proposal to develop property at 2nd Avenue South, Block 103, Lots 25-32.

   By: Nathan Murray, Executive Diretor

   e) **INFORMATIONAL:** Appoint a Budget Committee (3 members) to review the 2020-2021 budget.

   By: Cindy Bond, Chair

f) **ACTION ITEM:** Consideration of a request to approve Resolution #2020-07 authorizing amendments to the Bylaws of the Urban Renewal Agency of the City of Twin Falls.

By: Nathan Murray, Executive Director

6) General Input/Announcements - Public/Staff
To provide public input please send written comments by mail to: Urban Renewal Agency, P.O. Box 1907, Twin Falls, ID 83303-1907, Attn: Lorrie Bauer or email to lbauer@tfid.org. (Note: Written comments must be received prior to 11:00 AM on the date of the meeting. The comments will either be read into the record or displayed on the overhead projector.)

7) Upcoming Meeting(s)
Monday, June 8, 2020 at 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.

THE URBAN RENEWAL AGENCY OF THE CITY OF TWIN FALLS

Urban Renewal Agency
Minutes

Wednesday, March 25, 2020, 12:00 PM

- SPECIAL MEETING -

City Hall, Overflow Room #116
203 Main Avenue East- Twin Falls, Idaho

Members: Dexter Ball, Perri Gardner, Suzzane Cawthra, Rudy Ashenbrener, Cindy Bond, Andy Hohwieler, Doug Vollmer

1) **Confirmation of Quorum/Call Meeting to Order**
Chair Bond called the meeting to order at 12:06 PM. A quorum was present.

2) **Conflict of Interest Declaration**
None.

3) **Consent Calendar**

a) Request to approve 1) Minutes for February 19, 2020 meeting; 2) February 2020 Financial Report; 3) March 2020 Accounts Payable.
MOTION: Andy Hohwieler moved to approve the consent calendar. Suzzane Cawthra seconded the motion. Roll call vote showed all members present voted. Approved 7 to 0.

4) **Reports/Updates**
None.

5) **Items of Consideration**

a) Consideration of a request to approve the solicitation of development proposals for property generally located at 151 2nd Avenue South in Twin Falls.
Nathan Murray explained the Agency would send out an RFP for the property behind 160 Main known as Lots 25-32, Block 103 of the Original Twin Falls Townsite, consisting of 1.72 acres. The RFP is asking for a mixed-use development that includes housing, a commercial component, and a structured parking facility. He summarized the timeline with responses due May 8th and discussion will take place during the May meeting.

Murray added the developer of the 160 Main Avenue project is planning to submit plans for approval by April 7th. The land pertaining to this RFP is currently owned by the City of Twin Falls, however, an item on the March 30th City Council agenda will start the public process to transfer the property to the Agency. At this time, the Agency is operating under the expectation that the City Council will vote to approve the transfer. If the transfer is not approved, the process will be stopped. Discussion ensued.
MOTION: Perri Gardner moved to authorize staff to put forth the RFP for the project at 151 2nd Avenue South. Andy Hohwieler seconded the motion. Roll call vote showed all members present voted. Approved 7 to 0.

b) Consideration of a request to sign Resolution No. 2020-04 approving the Second Amendment to the Disposition & Development Agreement relating to the 160 Main Ave South Development.

Nathan Murray explained the background with the Galena Fund. The developer is asking for an extension to submit the financial information with a deadline being the end of March. Investors are ready and excited about this project. Discussion ensued.
MOTION: Andy Hohwieler moved to adopt the 2nd Amendment to the Disposition & Development Agreement relating to the 160 Main Avenue South development. Dexter Ball seconded the motion. Roll call vote showed all members present voted. Approved 7 to 0.

c) Consideration of a request to conduct a sealed bid auction for the sale of real property located at 215 Shoshone Street South (Lots 4 & 5, Block 118, Twin Falls Townsite).
Nathan Murray explained this is the final step of the process before publicly requesting submissions of bids for the purchase of this property. A quit-claim deed has been submitted to the county for review to separate Lots 4 and 5 from Lot 17 and creating two separate parcels. A broker price option has been secured from Thornton Oliver Keller Commercial Real Estate. Their opinion of fair value is $3.00/SF, $25,000 minimum. Discussion ensued. Justification for going lower than the broker price option is to entice more bids, and the environment we are in right now is uncertain.
MOTION: Andy Hohwieler moved to direct staff to conduct a sealed bid auction for the sale of real property located at 215 Shoshone Street South, Lots 4 and 5, Block 118, of the Twin Falls Townsite setting the minimum price at $20,000. Rudy Ashenbrener seconded the motion. Roll call vote showed all members present voted. Approved 7 to 0.

6) General Input/Announcements - Public/Staff
Murray stated the next meeting will be May 11th, pending future restrictions.

7) Upcoming Meeting(s)
Monday, May 11, 2020.

8) Adjournment
The meeting adjourned at 12:30 PM.

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Lorrie Bauer, Recording Secretary

Urban Renewal Agency of the City of Twin Falls, ID
Profit & Loss
March 2020

		Mar 20
Ordinary Income/Expense		
Income		
Investment Income		11,046.99
Property Taxes		1,204.32
Rental Income		1,333.33
Total Income		13,584.64
Gross Profit		13,584.64
Expense		
RAA 4-1		
City Property Expense		
Commons (129 Hansen) & Main	483.65	
Bowyer Park (122 4th Ave S)	10.54	
Total City Property Expense	494.19	
Youth Ranch (160 Main Ave S)	247.68	
Total RAA 4-1		741.87
Bond Trustee Fees		3,000.00
Debt Payments - Interest		344,575.00
Debt Payments - Principal		375,000.00
Legal Expense		7,451.19
Total Expense		730,768.06
Net Ordinary Income		-717,183.42
Net Income		**-717,183.42**

Urban Renewal Agency of the City of Twin Falls, ID
P&L Over (Under) Budget - YTD
October 2019 through March 2020

	Oct '19 - Mar 20	Budget	$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
Contributions	4,828.14			
Investment Income	50,476.95	65,100.00	-14,623.05	77.5%
Property Taxes	5,449,375.12	8,027,512.00	-2,578,136.88	67.9%
Rental Income	7,999.99	15,996.00	-7,996.01	50.0%
Total Income	5,512,680.20	8,108,608.00	-2,595,927.80	68.0%
Gross Profit	5,512,680.20	8,108,608.00	-2,595,927.80	68.0%
Expense				
RAA 4-1				
City Property Expense				
Commons (129 Hansen) & Main	14,347.80			
Bowyer Park (122 4th Ave S)	65.09			
City Property Expense - Other	195.99			
Total City Property Expense	14,608.88			
Downtown Art	8,997.50			
Youth Ranch (160 Main Ave S)	2,682.31			
2nd Ave Parking Lot (Goold)	68,300.00			
Other Properties/Projects	1,150.00			
RAA 4-1 - Other	0.00	1,638,715.00	-1,638,715.00	0.0%
Total RAA 4-1	95,738.69	1,638,715.00	-1,542,976.31	5.8%
RAA 4-3 (Chobani)				
Debt Pay. (Chobani) Interest	0.00	1,604,911.00	-1,604,911.00	0.0%
Debt Pay. (Chobani) Principal	0.00	2,118,863.00	-2,118,863.00	0.0%
Total RAA 4-3 (Chobani)	0.00	3,723,774.00	-3,723,774.00	0.0%
Bond Trustee Fees	3,000.00	5,000.00	-2,000.00	60.0%
Community Relations & Website	0.00	500.00	-500.00	0.0%
Debt Payments - Interest	401,082.60	800,123.00	-399,040.40	50.1%
Debt Payments - Principal	375,000.00	2,895,000.00	-2,520,000.00	13.0%
Dues and Subscriptions	4,950.00	4,500.00	450.00	110.0%
Insurance Expense	6,797.00	6,800.00	-3.00	100.0%
Legal Expense	18,145.93	30,000.00	-11,854.07	60.5%
Management Fee	208,000.00	208,000.00	0.00	100.0%
Meeting Expense	730.28	2,500.00	-1,769.72	29.2%
Miscellaneous	150.00	500.00	-350.00	30.0%
Office Expense	95.16	500.00	-404.84	19.0%
Prof. Dev.\Training	579.00	2,500.00	-1,921.00	23.2%
Professional Fees	16,000.00	10,000.00	6,000.00	160.0%
Property Tax Expense	60.84			
Repairs and Maintenance	64,000.00			
Total Expense	1,194,329.50	9,328,412.00	-8,134,082.50	12.8%
Net Ordinary Income	4,318,350.70	-1,219,804.00	5,538,154.70	-354.0%
Other Income/Expense				
Other Income				
Transfers In	0.00	150,000.00	-150,000.00	0.0%
Transfers Out	0.00	-150,000.00	150,000.00	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	**4,318,350.70**	**-1,219,804.00**	**5,538,154.70**	**-354.0%**

URA April 2020 Accounts Payable Listing

Check #	Date	Paid Amount	Name	Account	Fund	Memo
4046		-	Void			
4047	04/09/2020	24.00	Happy Housekeepers	Commons (129 Hansen) & Main	Rev Alloc 4-1	Commons Restroom Cleanup 2019-04/ #89078
4047	04/09/2020	192.00	Happy Housekeepers	Commons (129 Hansen) & Main	Rev Alloc 4-1	Commons Restroom Cleanup 2019-06 / #9262535
4048	04/09/2020	124.64	Intermountain Gas Company	Commons (129 Hansen) & Main	Rev Alloc 4-1	Gas - 129 Hansen (Feb) / 12375-2020-02
4048	04/09/2020	136.26	Intermountain Gas Company	Commons (129 Hansen) & Main	Rev Alloc 4-1	Gas - 129 Hansen (Mar) / 12375 2020-03
4048	04/09/2020	9.79	Intermountain Gas Company	Youth Ranch (160 Main Ave S)	Rev Alloc 4-1	Gas - 160 Main Av / 30001 2020-03
4049	04/09/2020	97.95	PMT	Commons (129 Hansen) & Main	Rev Alloc 4-1	Broadband Services / #858403-2 2020-04
4050	04/09/2020	4,056.95	Elam & Burke	Legal Expense	General	Professional Fees for Feb 2020 (2) #184341
4050	04/09/2020	90.00	Elam & Burke	Legal Expense	Rev Alloc 4-1	160 Main Av Fees for Feb 2020 (3) #184342
4050	04/09/2020	45.00	Elam & Burke	Legal Expense	General	Washington St S Fees for Feb 2020 (4) #184343

Urban Renewal Agency of the City of Twin Falls, ID
Profit & Loss
April 2020

		Apr 20
Ordinary Income/Expense		
Income		
Investment Income		8,280.77
Property Taxes		2,339.24
Rental Income		1,333.33
Total Income		11,953.34
Gross Profit		11,953.34
Expense		
RAA 4-1		
City Property Expense		
Commons (129 Hansen) & Main	882.37	
Bowyer Park (122 4th Ave S)	10.33	
Total City Property Expense	892.70	
Youth Ranch (160 Main Ave S)	3,636.08	
Total RAA 4-1		4,528.78
RAA 4-3 (Chobani)		
Debt Pay. (Chobani) Interest	1,604,910.73	
Debt Pay. (Chobani) Principal	1,434,000.00	
Total RAA 4-3 (Chobani)		3,038,910.73
Legal Expense		7,574.08
Total Expense		3,051,013.59
Net Ordinary Income		-3,039,060.25
Net Income		**-3,039,060.25**

Urban Renewal Agency of the City of Twin Falls, ID
P&L Over (Under) Budget - YTD
October 2019 through April 2020

	Oct '19 - Apr 20	Budget	$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
Contributions	4,828.14			
Investment Income	58,757.72	65,100.00	-6,342.28	90.3%
Property Taxes	5,451,714.36	8,027,512.00	-2,575,797.64	67.9%
Rental Income	9,333.32	15,996.00	-6,662.68	58.3%
Total Income	5,524,633.54	8,108,608.00	-2,583,974.46	68.1%
Gross Profit	5,524,633.54	8,108,608.00	-2,583,974.46	68.1%
Expense				
RAA 4-1				
City Property Expense				
Commons (129 Hansen) & Main	15,230.17			
Bowyer Park (122 4th Ave S)	75.42			
City Property Expense - Other	195.99			
Total City Property Expense	15,501.58			
Downtown Art	8,997.50			
Youth Ranch (160 Main Ave S)	6,318.39			
2nd Ave Parking Lot (Goold)	68,300.00			
Other Properties/Projects	1,150.00			
RAA 4-1 - Other	0.00	1,638,715.00	-1,638,715.00	0.0%
Total RAA 4-1	100,267.47	1,638,715.00	-1,538,447.53	6.1%
RAA 4-3 (Chobani)				
Debt Pay. (Chobani) Interest	1,604,910.73	1,604,911.00	-0.27	100.0%
Debt Pay. (Chobani) Principal	1,434,000.00	2,118,863.00	-684,863.00	67.7%
Total RAA 4-3 (Chobani)	3,038,910.73	3,723,774.00	-684,863.27	81.6%
Bond Trustee Fees	3,000.00	5,000.00	-2,000.00	60.0%
Community Relations & Website	0.00	500.00	-500.00	0.0%
Debt Payments - Interest	401,082.60	800,123.00	-399,040.40	50.1%
Debt Payments - Principal	375,000.00	2,895,000.00	-2,520,000.00	13.0%
Dues and Subscriptions	4,950.00	4,500.00	450.00	110.0%
Insurance Expense	6,797.00	6,800.00	-3.00	100.0%
Legal Expense	25,720.01	30,000.00	-4,279.99	85.7%
Management Fee	208,000.00	208,000.00	0.00	100.0%
Meeting Expense	730.28	2,500.00	-1,769.72	29.2%
Miscellaneous	150.00	500.00	-350.00	30.0%
Office Expense	95.16	500.00	-404.84	19.0%
Prof. Dev.\Training	579.00	2,500.00	-1,921.00	23.2%
Professional Fees	16,000.00	10,000.00	6,000.00	160.0%
Property Tax Expense	60.84			
Repairs and Maintenance	64,000.00			
Total Expense	4,245,343.09	9,328,412.00	-5,083,068.91	45.5%
Net Ordinary Income	1,279,290.45	-1,219,804.00	2,499,094.45	-104.9%
Other Income/Expense				
Other Income				
Transfers In	0.00	150,000.00	-150,000.00	0.0%
Transfers Out	0.00	-150,000.00	150,000.00	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	**1,279,290.45**	**-1,219,804.00**	**2,499,094.45**	**-104.9%**

Twin Falls Urban Renewal Agency - May Accounts Payable Listing 2019-20

Check #	Date	Paid Amount	Name	Account	Fund	Memo
4051	5/5/2020	71.67	City of Twin Falls	Youth Ranch (160 Main Ave S)	Rev Alloc 4-1	Water & Sewer / #130529 2020-04
4052	5/5/2020	3,450.00	EHM Engineers, Inc.	Youth Ranch (160 Main Ave S)	Rev Alloc 4-1	Survey for Potential Parking Structure / #82124
4053	5/5/2020	2,318.50	Elam & Burke	Legal Expense	General	Professional Fees for Mar 2020 / 02 #184850
4053	5/5/2020	594.05	Elam & Burke	Legal Expense	Rev Alloc 4-1	160 Main Ave Fees for Mar 2020 / 03 #184851
4053	5/5/2020	50.00	Elam & Burke	Legal Expense	General	Washington St. South fees for Mar 2020 / 04 #184852
4054	5/5/2020	10.33	ID Power	Bowyer Park (122 4th Ave S)	Rev Alloc 4-1	Power - 122 4th Ave S / #2228
4054	5/5/2020	104.62	ID Power	Youth Ranch (160 Main Ave S)	Rev Alloc 4-1	Power - 160 Main Ave / #9168
4054	5/5/2020	233.74	ID Power	Commons (129 Hansen) & Main	Rev Alloc 4-1	Power - 129 Hansen / #0226
4055	5/5/2020	329.10	Times News	Legal Expense	Rev Alloc 4-1	RFP Notice - 151 2nd Av S / #100274
4055	5/5/2020	90.48	Times News	Legal Expense	Rev Alloc 4-1	RFP Notice - 215 Shoshone St / #100243
4056	5/5/2020	73.78	Intermountain Gas Company	Commons (129 Hansen) & Main	Rev Alloc 4-1	Gas - 129 Hansen St / #12375
4056	5/5/2020	9.79	Intermountain Gas Company	Youth Ranch (160 Main Ave S)	Rev Alloc 4-1	Gas - 160 Main Ave / #0001
4057	5/5/2020	97.95	PMT	Commons (129 Hansen) & Main	Rev Alloc 4-1	Broadband Services #8584030002
4058	5/5/2020	750.00	Twin Falls Downtown Farmers Market	Miscellaneous	Rev Alloc 4-1	Farmers Market Sponsorship

THE URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS

Date: Monday, May 11, 2020

To: Urban Renewal Agency of the City of Twin Falls

From: Nathan Murray, Executive Director

Executive Director's Report

1) Washington St. South Plan - The project is on hold indefinitely. The developer said that pending changes in commodity prices and the restoration of contracts, the project could pick up again in the future. In the meantime, staff will continue to prepare the site for future development.

2) 160 Main Ave. S- The applicant submitted building plans the City on April 8th. The plans have been reviewed and changes where requested by the City's plans examiner. When revised plans are submitted, they will be re-reviewed and a permit may be issued. Although it is not needed, the developer is waiting to have full permit approval before beginning demolition of the site.

Attachments**:**

None

URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO

AUDITED FINANCIAL STATEMENTS
September 30, 2019

URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO

MH&co Mahlke Hunsaker & Company PLLC
Certified Public Accountants

February 28, 2020

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Urban Renewal Agency of the
City of Twin Falls, Idaho

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Urban Renewal Agency of the City of Twin Falls, Idaho as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Urban Renewal Agency of the City of Twin Falls, Idaho's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Urban Renewal Agency of the City of Twin Falls, Idaho , as of September 30, 2019, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

www.m-hcpa.com | 208.734.2077| 201 Canyon Crest Drive, Suite 100, Twin Falls, ID 83301

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on pages 25-27 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Urban Renewal Agency of the City of Twin Falls, Idaho's basic financial statements. The combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements are fairly stated in all material respects in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 28, 2020, on our consideration of the Urban Renewal Agency of the City of Twin Falls, Idaho's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Urban Renewal Agency of the City of Twin Falls, Idaho's internal control over financial reporting and compliance.

Sincerely,

Mahlke Hunsaker & Co.

MAHLKE HUNSAKER & COMPANY, pllc
Twin Falls, Idaho

FINANCIAL STATEMENTS

Government-Wide Financial Statements

URBAN RENEWAL AGENCY

OF THE CITY OF TWIN FALLS, IDAHO

Statement of Net Position

September 30, 2019

	Primary Government	
	Governmental Activities	Total
Assets		
Cash and cash equivalents	$ 5,801,436	$ 5,801,436
Receivables:		
Property taxes	54,663	54,663
Other governments	1,219	1,219
Construction in progress	355,527	355,527
Real estate	3,640,735	3,640,735
Total Assets	$ 9,853,579	$ 9,853,579
Liabilities		
Accounts payable	$ 376,653	$ 376,653
Accrued interest	3,058,802	3,058,802
Development Agreement	10,234,049	10,234,049
Project Improvement Reimbursement Agreement	7,041,806	7,041,806
Noncurrent liabilities		
Due to other governments	4,000,000	4,000,000
Due within one year	3,329,000	3,329,000
Due in more than one year	39,154,000	39,154,000
Total Liabilities	67,194,310	67,194,310
Net Position		
Net investment in capital assets	(55,762,593)	(55,762,593)
Restricted for:		
Debt service	2,693,826	2,693,826
Redevelopment	661,121	661,121
Unrestricted	(4,933,085)	(4,933,085)
Total Net Position	(57,340,731)	(57,340,731)
Total Liabilities and Net Position	$ 9,853,579	$ 9,853,579

The accompanying notes are an integral part of the financial statements

URBAN RENEWAL AGENCY

OF THE CITY OF TWIN FALLS, IDAHO

Statement of Activities

For the Year Ended September 30, 2019

		Program Revenues			Net (Expenses) Revenues and Changes in Net Assets	
					Primary Government	
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Total
Primary Government:						
Governmental Activities:						
General government	$ 291,986	$ -	$ -	$ -	$ (291,986)	$ (291,986)
Community development	3,586,433	-	-	-	(3,586,433)	(3,586,433)
Interest on long-term debt	3,270,715	-	-	-	(3,270,715)	(3,270,715)
Total Governmental Activities	7,149,133	-	-	-	(7,149,133)	(7,149,133)
General Revenues and Transfers:						
Taxes:						
Property taxes, levied for general tax increment purposes					7,748,450	7,748,450
Other income and sale of assets					159,070	159,070
Investment income		-			141,967	141,967
Rental Income					16,000	16,000
Total General Revenues and Transfers					8,065,487	8,065,487
Changes in Net Position					916,354	916,354
Net Position, October 1, 2018					(58,257,085)	(58,257,085)
Net Position, September 30, 2019					$ (57,340,731)	$ (57,340,731)

The accompanying notes are an integral part of the financial statements

FINANCIAL STATEMENTS

Fund Financial Statements

URBAN RENEWAL AGENCY

OF THE CITY OF TWIN FALLS, IDAHO

Fund Balance Sheet

GOVERNMENTAL FUNDS

September 30, 2019

	General	Redevelopment	Debt Service	Total Governmental Funds
Assets				
Cash and cash equivalents	$ 2,447,660	$ 659,950	$ 2,693,826	$ 5,801,436
Property tax receivable	-	54,663	-	54,663
Due from other governments	-	1,219	-	1,219
Total Assets	$ 2,447,660	$ 715,831	$ 2,693,826	$ 5,857,317
Liabilities				
Accounts payable	$ 373,729	$ 2,924	$ -	$ 376,653
Total Liabilities	373,729	2,924	-	376,653
Deferred Inflows of Resources				
Unavailable revenue-property taxes	-	51,786	-	51,786
Fund Balances				
Restricted fund balance:	-	661,121	2,693,826	3,354,947
Unrestricted fund balance:				
Committed fund balance	-		-	-
Assigned fund balance	-	-	-	-
Unassigned fund balance	2,073,931	-	-	2,073,931
Total Fund Balances	2,073,931	661,121	2,693,826	5,428,878
Total Liabilities and Fund Balances	$ 2,447,660	$ 715,831	$ 2,693,826	$ 5,857,317

The accompanying notes are an integral part of the financial statements

URBAN RENEWAL AGENCY

OF THE CITY OF TWIN FALLS, IDAHO

Statement of Revenues, Expenditures, and Changes in Fund Balances

GOVERNMENTAL FUNDS

For the Year Ended September 30, 2019

	General	Redevelopment	Debt Service	Total Governmental Funds
Revenues				
Property taxes	$ -	$ 3,351,095	$ 4,384,355	$ 7,735,450
Rental income	16,000		-	16,000
Investment income	60,767	13,849	67,352	141,967
Other income	153,970	5,100	-	159,070
Total Revenues	230,736	3,370,044	4,451,706	8,052,487
Expenditures				
Current				
General government and administration	289,486	2,500	-	291,986
Area development and improvements	355,527	3,586,433	-	3,941,959
Debt service				
Principal	-	2,848,184	2,111,000	4,959,184
Interest and other charges	-	142,588	2,414,024	2,556,612
Total Expenditures	645,012	6,579,705	4,525,024	11,749,741
Excess (Deficiency) of Revenues Over (Under) Expenditures	(414,276)	(3,209,661)	(73,318)	(3,697,255)
Other Financing Sources (Uses)				
Transfers in (out)	-	(72,858)	72,858	-
Construction advances	-	3,171,118	-	3,171,118
Total Other Financing Sources (Uses)	-	3,098,260	72,858	3,171,118
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(414,276)	(111,401)	(460)	(526,137)
Fund Balances - Beginning of Year	2,488,207	772,522	2,694,286	5,955,015
Fund Balances - End of Year	$ 2,073,931	$ 661,121	$ 2,693,826	$ 5,428,878

The accompanying notes are an integral part of the financial statements

URBAN RENEWAL AGENCY

OF THE CITY OF TWIN FALLS, IDAHO

Reconciliation of Governmental Funds Balance Sheet to the Government-wide Statement of Net Position

September 30, 2019

Governmental Fund Balances	$	5,428,878
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds		3,996,262
Prepaid expenses are not a financial resource and therefore not reported in the governmental funds		-
Certain property tax collections are not available to pay for current period expenditures and therefore are reported as deferred inflows of resources in the governmental funds		51,786
Long-term liabilities, including bonds, real estate notes, and revenue notes and related accrued interest, are not due and payable in the current period and therefore are not reported in the governmental funds		(66,817,658)
Total Net Position of Governmental Activities	$	(57,340,731)

Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Government-wide Statement of Activities for the year ended September 30, 2019

Net Change in Fund Balances - Total Governmental Funds	$	(526,137)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Property tax revenues in the government-wide statement of activities include economic resources that are not reported as revenues in the governmental fund operating statement		13,000
Governmental funds report principal payments in the period they are paid while the payment reduces long-term liabilities in the Statement of Net Assets		4,959,184
Accrued interest is reported in the statement of activities, but does not require the use of financial resources and therefore is not reported as an expenditure in governmental funds		(714,102)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore, are not reported as expenditures in governmental funds: Change in prepaid expenses		-
Proceeds from the issuance of long-term debt provide current financial resources to governmental funds and are reported as revenues. In the same way, repayments of long-term debt use current financial resources		(3,171,118)
Governmental funds report capital outlays as expenditures on the governmental fund type operating statement. However, in the government-wide statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which the removal of completed projects exceeded capitalized capital outlay in the current period		355,527
Changes in Net Position of Governmental Activities	$	916,354

The accompanying notes are an integral part of the financial statements

NOTES TO FINANCIAL STATEMENTS

URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO

NOTES TO FINANCIAL STATEMENTS
September 30, 2019

1. ***SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES***

Organization

The Urban Renewal Agency of the City of Twin Falls, Idaho was organized under Idaho law on July 19, 1965 to rehabilitate, conserve, and redevelop deteriorated or deteriorating areas in the City of Twin Falls to increase the tax base, promote economic development and promote employment.

In April 1998, the Urban Renewal Agency adopted an Urban Renewal Plan for Urban Renewal Area No. 4 and created Revenue Allocation Area No. 4. The original area included the old town area and much of the industrial area of Twin Falls, stretching from 2800 East to 3300 East between the South Park Avenue/ Kimberly Road line on the north and Orchard Avenue on the south. Later a call center building on Poleline Road and Revenue Allocation Area's No. 4-3 and 4-4 were added. The following Revenue Allocation Areas now exist:

> Revenue Allocation Area No. 4-1 includes limited areas within Urban Renewal Area No. 4. In July of 2013 the Board of Directors approved an expansion of the original Revenue Allocation Area 4-1. The expansion, of 10%, was towards the central downtown area of Twin Falls.
>
> Revenue Allocation Area No. 4-3 was created in November 2011. Revenue Allocation Area No. 4-3 consists of approximately two hundred and twenty acres and is generally located south of Kimberly Road (3800 North of Highway 30, west of 3300 East and north of the railroad).
>
> Revenue Allocation Area No. 4-4 was created in May, 2015 and consists of approximately ninety acres. It is generally located south of Kimberly Road (3800 North or Hwy 30), west of 3300 East, and south of the railroad right-of-way.

Under Chapter 20, Title 50 of the Idaho Code, the Agency is an independent public body, corporate and politic. For financial reporting purposes only, the Agency is a discretely presented component unit of the reporting entity of the City of Twin Falls, Idaho.

Financial Reporting Entity
The Agency's financial statements include the accounts of all Agency operations. Governmental accounting and financial reporting standards require the inclusion of any organizations considered a component unit of the reporting entity.

Urban Renewal Agency of the City of Twin Falls, Idaho has no component units, but is considered a component unit of the City.

The financial statements of the Urban Renewal Agency of the City of Twin Falls, Idaho, have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the governmental Agency's accounting policies are described below.

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

Basis of Presentation, Measurement Focus and Basis of Accounting

The Agency's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements, which provide a more detailed level of financial information.

Government-Wide Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the Agency as a whole. The primary government is presented separately within these financial statements with the focus on the primary government. Individual funds are not displayed but the statements distinguish governmental activities, generally supported by taxes and grants and the Agency's general revenues, from business-type activities, generally financed in whole or in part with fees charged to external customers. The Agency does not have any business-type activities.

The statement of net position presents the financial position of the governmental activities of the Agency at year-end.

The statement of activities presents a comparison between direct expenses and program revenues for each function of the Agency's governmental activities. Direct expenses are those that are specifically associated with a function and therefore clearly identifiable to that particular function. The Agency does not allocate indirect expenses to functions in the statement of activities.

The statement of activities reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Program revenues include: (1) charges for services which report fees and other charges to users of the Agency's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. For identifying to which function program revenue pertains, the determining factor for charges for services is which function generates the revenue. For grants and contributions, the determining factor is to which function the revenues are restricted.

Other revenue sources not properly included with program revenues are reported as general revenues of the Agency. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the Agency.

Fund Financial Statements

During the year, the Agency segregates transactions related to certain Agency functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the Agency at this more detailed level. Fund financial statements are provided for governmental and proprietary funds.

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

Fund Financial Statements-continued
Major individual governmental and enterprise funds are reported in separate columns.

Fund Accounting
The Agency uses funds to maintain its financial records during the year. A fund is a fiscal and accounting entity with a self-balancing set of accounts. The Agency has only one category of funds: governmental.

Governmental Funds
Government funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Fund liabilities are assigned to the fund from which they will be liquidated. The Agency reports the difference between its governmental fund assets and its liabilities and deferred inflows of resources as fund balance. The following are the Agency's major governmental funds:

Major Governmental Funds
The *general fund* is the Agency's primary operating fund. It accounts for all financial resources of the agency, except those required to be accounted for in another fund.

The *redevelopment fund* accounts for revenue sources that are legally restricted to expenditures for specific purposes.

The *debt service fund* accounts for the servicing of general long-term debt not being financed by proprietary or non-expendable trust funds.

Measurement Focus, Basis of Accounting and Basis of Presentation

Government-wide Financial Statements
The government-wide financial statements are prepared using the economic resources measurement focus. All assets, all liabilities and deferred inflows of resources associated with the operation of the Agency are included on the statement of net position. The statement of activities reports revenues and expenses.

Fund Financial Statements
All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets, current liabilities and deferred inflows of resources generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the governmental fund statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements are prepared using the accrual basis of accounting.

At the fund reporting level, the governmental funds use the modified accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows of resources, and in the presentation of expenses versus expenditures.

Revenues-Exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On the modified accrual basis, revenue is recorded when the exchange takes place and in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the Agency, the phrase “available for exchange transactions” means expected to be received within 60 days of year-end.

Revenues-Non-exchange Transactions

Non-exchange transactions, in which the Agency receives value without directly giving equal value in return, include property taxes, grants and donations. Revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the Agency must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the Agency on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions also must be available (i.e., collected within 60 days) before it can be recognized in the governmental funds.

Under the modified accrual basis, the following revenue sources are considered to be susceptible to accrual: Property taxes and interest. Other receipts and taxes become measurable and available when cash is received by the government and are recognized as revenue at that time.

Entitlements and shared revenues are recorded at the time of receipt or earlier if the susceptible to accrual criteria are met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

Unearned Revenue

Unearned revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Expenses/Expenditures

On the accrual basis of accounting, expenses are recognized at the time they are incurred. On the modified accrual basis, expenditures generally are recognized in the accounting period in which the related fund liability is incurred and due, if measurable.

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

ASSETS, LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND EQUITY

Deposits and Investments

Cash includes amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquired by the Agency. Short-term investments are all in U. S. Treasury money market funds regulated by the Securities and Exchange Commission.

State statutes authorize the Agency to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds and repurchase agreements. Investments are stated at fair market value at year end.

The Agency is a voluntary participant in the State of Idaho Local Government Investment Pool (LPIG). The LPIG is regulated by State of Idaho Code under the oversight of the Treasurer of the State of Idaho. The fair value of the Agency's investments in the pool is reported in the accompanying financial statements at amounts based on the Agency's pro-rata share of the fair market value provided by the fund for the entire portfolio. The LGIP is not rated by a nationally recognized statistical rating organization.

Custodial Credit Risk

For deposits and investments, custodial credit risk that, in the event of the failure of the counterparty, the Agency will not be able to recover the value of its deposits, investments or collateral securities that are in the possession of an outside party. The Agency does not have a policy for custodial credit risk outside of the deposit and investment agreements.

Credit Risk

Credit risk is the risk that an issuer of debt securities or another counterparty to an investment will not fulfill its obligation is commonly expressed in terms of the credit quality rating issued by a nationally recognized statistical rating organization such as Moody's Standard & Poor's and Fitch's. The investments of the Agency are not rated and the Agency's policy does not restrict them to rated.

Receivables and Payables

All trade and property tax receivables are shown net of any allowances for collectability.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Restricted Assets

Tax increment property tax revenues are restricted first to the ongoing payment of revenue bonds outstanding. When received, these revenues are deposited in a separate account controlled by a bank trustee. All use of these funds must be requisitioned and approval of the trustee is required before payment is made.

The amount shown as restricted cash in the financial statements is the maximum annual debt service requirements for both principal and interest on the bonds.

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

Capital Assets and Depreciation
In its process and efforts to rehabilitate many areas of the City of Twin Falls, the Agency has acquired certain properties and made improvements such as streets, parking lots and parks. Many of these parcels acquired and constructed have been contributed to the City of Twin Falls but certain real estate acquisitions are held by the Agency for future rehabilitation, conservation, redevelopment, and sale in accordance with its purpose.

Proprietary capital assets are reported in their respective fund. Donated assets are stated at fair value on the date donated. Capital assets are depreciated using the straight-line method. When capital assets are disposed, the cost and applicable accumulated depreciation are removed from the respective accounts, and the resulting gain or loss is recorded in operations.

Property, plant and equipment are depreciated in the proprietary funds using the straight-line method over the following estimated useful lives:

Land	Not depreciated
Buildings and improvements	50 years
Machinery and equipment	5-20 years

Depreciation has been computed and recorded in these statements for the rental fund's existing building.

Deferred Inflows of Resources
In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The Agency has only one type of item, which arises only under a modified accrual basis of accounting that qualifies for reporting in this category. Accordingly, the item, unavailable revenue, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Interfund Transactions
Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after the non-operating revenues/expenses section in proprietary funds. Repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them are not presented on the financial statements (i.e., they are netted).

Transfers between funds reported in the governmental activity's column are eliminated. Interfund transactions are reported as operating transfers in conformity with generally accepted accounting principles.

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

Accrued Liabilities and Long-Term Obligations
All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In the government-wide financial statements and proprietary fund statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of applicable bond premiums or discounts. Bond issuance costs are reported as an expense of the current period. Refunding of debt may result in deferred gains or losses and are reported as deferred inflows and outflows of resources.

The difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense using the straight-line method.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, in the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Fund Equity
Fund equity at the governmental fund financial reporting level is classified as “fund balance.” Fund equity for all other reporting is classified as “net position.”

Governmental Fund Balances
Generally, governmental fund balances represent the difference between the current assets and deferred outflows of resources, and current liabilities and deferred inflows of resources. Governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the Agency is bound to honor constraints on the specific purposes for which amounts in those resources can be spent. Fund balances are classified as follows:

Nonspendable fund balance - Includes amounts that cannot be spent because they are not in spendable form, or they are legally or contractually required to be maintained intact. This classification includes inventories, prepaid amounts, assets held for sale, and long-term receivables.

Restricted fund balance – Constraints placed on the use of these resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or other governments; or are imposed by law (through constitutional provisions or enabling legislation.

Committed fund balance - Amounts that can only be used for specific purposes because of a formal action (resolution or ordinance) by the Agency’s highest level of decision-making authority, the Board of Directors.

Assigned Fund Balance – Amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. This intent can be expressed by the Board of Directors through the budgetary process.

1. SUMMARY OF SIGNIFICANT ACCOUNTING PROCEDURES-Continued

Governmental Fund Balances-continued
Unassigned Fund Balance – This classification includes amounts that are available for any purpose. Positive amounts are reported only in the general fund.

Net Position
Net position represents the difference between assets and deferred outflows of resources, and liabilities and deferred inflows of resources. Net investment in capital assets consists of cost of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. This net investment in capital assets amount also is adjusted by any bond issuance deferral amounts. Net position is reported as restricted when there are limitations imposed on its use either through the enabling legislation adopted by the Agency or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. All other net position is reported as unrestricted.

The Agency applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Operating Revenues and Expenses
Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the Agency, those revenues are rental income. Operating expenses are necessary costs incurred to provide the good or service that are the primary activity of the fund. Items that do not result from the provision of goods or services to customers or directly relate to the principal and usual activity of the fund are recorded as nonoperating revenues and expenses. These items include investment earnings and gains or losses on the disposition of capital assets.

Estimates
Management uses estimates and assumptions in preparing financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and reported revenues and expenses. It is at least reasonably possible that the significant estimates used will change within the next year.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgets
Annually by September 1, the Agency is required to adopt and publish a budget for the next fiscal year. This budget is prepared by fund and includes historical information for the prior two years.

Budgets are adopted on a basis consistent with generally accepted accounting principles. Annual appropriated budgets are adopted for the general, redevelopment, and debt service funds. All annual appropriations lapse at fiscal year-end.

Excess of Expenditures over Appropriations
For the fund year ended September 30, 2019, the General Fund exceeded appropriations in the amount of $444,276, the Debt Service Fund exceeded appropriations in the amount of $460.

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY-continued

Other
The Agency's Funds are requiring more accountability as additional revenue allocation areas are added. No allocation was made of property tax revenues to the general funds revenues, as has been the practice in past years, in an effort to first use the general funds reserves before requiring revenue allocation areas to contribute to the General Funds annual overhead.

3. CASH AND INVESTMENTS

Cash and Cash Equivalents – A reconciliation of cash and cash equivalents at September 30, 2019 is as follows.

Cash in bank	$	5,934
State Investment Pool		1,754,278
Money-market bond funds		4,041,224
Total Cash & Cash Equivalents	$	5,801,436

The reconciled bank balance is covered by $250,000 federal depository insurance with the remainder covered by collateral held by the Agency's agent in the Agency's name.

The Agency has no investments in foreign currency and no expenses to foreign currency risk.

4. *TAXES RECEIVABLE AND UNAVAILABLE REVENUE*

The Urban Renewal Agency operates within Twin Falls County, Idaho. Idaho counties are responsible for collecting property taxes and remitting them to the various taxing entities within the County. Annually, taxes on property are due on the 20th of December; however, they may be paid in two installments with the second installment due June 20 in the following year. Penalties and interest are assessed if a taxpayer fails to pay an installment within ten days of the installment due date.

Taxes on real property are a lien on the property and attach on July 1, of the year for which taxes are levied. After a three-year waiting period, a tax deed is issued conveying the property to the County with a lien for back taxes and accumulated charges. Redemption may be made by the owner, and such other persons described by statute, by paying all back taxes and accumulated penalties, interest and costs.

In the governmental fund statements, taxes receivable and unavailable revenue consist of property tax revenue yet to be collected. Amount due from other governments is the property tax revenue estimated to be collected by Twin Falls County after year end and remitted to the Agency through November 2019.

5. CAPITAL ASSETS

A summary of activity in the general fixed for the Agency for the year ended September 30, 2019, was as follows:

	Balance, September 30, 2018	Additions	Deletions or Transfers	Balance, September 30, 2019
Governmental Activities:				
Land and Buildings	$ 3,640,735	$ -	$ -	$ 3,640,735
	$ 3,640,735	$ -	$ -	$ 3,640,735

6. LONG-TERM DEBT

All long-term debt the Agency has issued are revenue allocation bonds that are payable, both principal and interest, solely from the revenues the Agency derives from the increased property taxes generated from the revenue allocation area described in the bond ordinance.

<u>Revenue bonds and notes</u>

Outstanding debt at September 30, 2019 consists of the following:

Revenue Allocation Bond, Series 2016A, dated July 1, 2016 and maturing September 1, 2036. The proceeds of the bonds provided funds to repay interim financing for the Clif Bar Project, establish a reserve fund, and to pay costs of issuance of the Bonds and other expenses. The bonds are term bonds that require semiannual payments on March 1, and September 1 each year. The bonds bear interest at 5.5%.	$12,530,000
Revenue Allocation Refunding Bonds, Series 2015A (Tax Exempt), dated February 5, 2015 and maturing August 1, 2022. The proceeds of the bonds provided funds to refund prior obligations issued, establish a reserve fund, and to pay costs of issuance of the Bonds and other expenses. The bonds are term bonds that require annual sinking fund deposits on August 1 each year. Bonds maturing August 1, 2016 and later are subject to prior redemption on August 1, 2015. The bonds bear interest at 2.1%	834,000

6. LONG-TERM DEBT – continued

Revenue Allocation Bonds, Series 2013A, dated February 21, 2013 and maturing April 1, 2032. The proceeds of the bonds provided funding to certain urban renewal projects. The bonds are term bonds that require annual sinking fund deposits on April 1 each year. Bonds maturing August 1, 2016 and later are subject to prior redemption on August 1, 2015. The bonds bear interest at 6.318%. Repayment of the bonds is guaranteed by Chobani Global Holding, Inc.	25,403,000
Revenue Allocation Bonds, Series 2015C, dated July 23, 2015 and maturing August 1, 2022. The proceeds of the bonds were used and will be used to fund renewal projects along or near the Main Ave. of Twin Falls, downtown. The bonds are term bonds that require semi-annual interest payments on February 1 and August 1. Annual principal payments are due on August 1 each year beginning on August 1, 2018. The bonds interest rates vary; currently the rate is 1.534%.	3,716,000
Total	$ 42,483,000

Expected annual maturities of these obligations are as follows:

Year	Total	Interest	Principal
September 30, 2020	$ 5,725,763	$ 2,396,763	$ 3,329,000
September 30, 2021	5,667,765	2,236,765	3,431,000
September 30, 2022	6,597,636	2,071,636	4,526,000
September 30, 2023	4,276,433	1,876,433	2,400,000
September 30, 2024	4,198,995	1,730,995	2,468,000
2025-2029	19,922,158	6,303,158	13,619,000
2030-2034	12,873,475	1,998,475	10,875,000
2035-2036	1,965,350	130,350	1,835,000
Total	$ 61,227,575	$ 18,744,575	$ 42,483,000

The Agency is also indebted to Chobani Idaho, LLC. The Agency entered into a Projects Improvements Reimbursement Agreement on May 9, 2016, to reimburse cost incurred by Chobani to construct certain Project Improvements authorized by the Development Agreement, including site remediation, a water storage tank and a wastewater equalization tank. At September 30, 2019, the Agency was indebted in the amount of $7,041,806. The Agency is also indebted to Clif Bar & Company. The Agency entered into a Development Agreement on October 17, 2013, to reimburse cost incurred by Clif Bar & Company to construct certain Project Improvements authorized by the Development Agreement. At September 30, 2019, the Agency was indebted in the amount of $10,234,049.

6. LONG-TERM DEBT – continued

The Agency is also indebted to the City of Twin Falls. The Agency entered into an agreement on April 10, 2017 to purchase a parcel of real property, including a wastewater treatment facility. The property was then transferred to Con Agra. At September 30, 2019, the Agency was indebted in the amount of $4,000,000. The obligation bears no interest and requires repayment as incremental tax revenue from Revenue Allocation Area 4-1 becomes available and full repayment prior to the area's closure.

Changes in Long-Term Debt

During the year ended September 30, 2019, the following changes occurred in liabilities reported as the general long-term debt.

Obligation	Balances, September 30, 2018	Additions	Repayments	Balances, September 30, 2019
Revenue Allocation Bonds, Series 2013A	$ 26,769,000	$ -	$ 1,366,000	$ 25,403,000
Revenue Allocation Bonds, Series 2015A-Tax Exempt	1,037,000	-	203,000	834,000
Revenue Allocation Bonds, Series 2015C-Taxable	4,623,000	-	907,000	3,716,000
Revenue Allocation Bonds, Series 2016	13,275,000	-	745,000	12,530,000
Total Revenue Bonds	45,704,000	-	3,221,000	42,483,000
Chobani Idaho, LLC-Projects Improvements Reimbursement Agreement	4,608,872	3,171,118	738,184	7,041,806
Clif Bar-Development Agreement	10,234,049	-	-	10,234,049
City of Twin Falls Agreement	5,000,000	-	1,000,000	4,000,000
Total Agreements	19,842,921	3,171,118	1,738,184	21,275,855
Total	$ 65,546,921	$ 3,171,118	$ 4,959,184	$ 63,758,855

6. *LONG-TERM DEBT – continued*

The bonds, or other debt of the Agency are not indebtedness, within the meaning of any constitutional or statutory debt limitation, and are not and will not be a debt of the Agency of Twin Falls, and the Agency shall not be liable thereon.

7. *MANAGEMENT AGREEMENT*

The Agency and the City of Twin Falls entered into an agreement in March 1993, where the City agreed to provide administrative, legal, engineering, budgeting and accounting services in exchange for a fee paid by the Agency. The amount is determined annually and was $208,000 for the year.

8. *COMMITMENTS AND SUBSEQUENT EVENTS*

The Agency has evaluated subsequent events through February 28, 2019, the date which the financial statements were available to be issued.

9. *BOND COVENANT COMPLIANCE*

The Agency is subject to various covenants as a result of the various bonds issued by the Agency. During the year ended September 30, 2019, the Agency is in compliance with these covenants.

REQUIRED SUPPLEMENTARY INFORMATION

URBAN RENEWAL AGENCY

OF THE CITY OF TWIN FALLS, IDAHO

General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

For the Year Ended September 30, 2019

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
Property taxes	$ -	$ -	$ -	$ -
Rental income	15,996	15,996	16,000	4
Investment Income	42,000	42,000	60,767	18,767
Other income	-	-	153,970	153,970
Total Revenues	57,996	57,996	230,736	172,740
Expenditures				
Current				
General government	285,800	285,800	289,486	(3,686)
Area development and improvements	-	-	355,527	(355,527)
Total Expenditures	285,800	285,800	645,012	(359,212)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(227,804)	(227,804)	(414,276)	(186,472)
Other Financing Sources (Uses)				
Transfers in (out)	257,804	257,804	-	(257,804)
Total Other Financing Sources (Uses)	257,804	257,804	-	(257,804)
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	$ 30,000	$ 30,000	(414,276)	$ (444,276)
Fund Balance - Beginning of Year			2,488,207	
Fund Balance - End of Year			$ 2,073,931	

The accompanying notes are an integral part of the financial statements

URBAN RENEWAL AGENCY

OF THE CITY OF TWIN FALLS, IDAHO

Redevelopment Fund

Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

For the Year Ended September 30, 2019

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
Property taxes	$ 4,966,984	$ 4,966,984	$ 3,351,095	$ (1,615,889)
Investment income	8,000	8,000	13,849	5,849
Other Income	-	-	5,100	5,100
Total Revenues	4,974,984	4,974,984	3,370,044	(1,604,940)
Expenditures				
Current				
General government and administration	-	-	2,500	(2,500)
Area development and improvements	1,919,320	1,919,320	3,586,433	(1,667,113)
Real estate expense	12,000	12,000	-	12,000
Debt service				
Principal	4,334,984	4,334,984	2,848,184	1,486,800
Interest and other charges	150,876	150,876	142,588	8,288
Total Expenditures	6,417,180	6,417,180	6,579,705	(162,525)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,442,196)	(1,442,196)	(3,209,661)	(1,767,465)
Other Financing Sources (Uses)				
Construction advances	-	-	3,171,118	3,171,118
Transfers in (out)	(257,804)	(257,804)	(72,858)	184,946
Total Other Financing Sources (Uses)	(257,804)	(257,804)	3,098,260	3,356,064
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	$ (1,700,000)	$ (1,700,000)	(111,401)	$ 1,588,599
Fund Balance - Beginning of Year			772,522	
Fund Balance - End of Year			$ 661,121	

The accompanying notes are an integral part of the financial statements

URBAN RENEWAL AGENCY

OF THE CITY OF TWIN FALLS, IDAHO

Debt Service Fund

Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual

For the Year Ended September 30, 2019

	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
Revenues				
Property taxes	$ 4,525,025	$ 4,525,025	$ 4,384,355	$ (140,670)
Investment income	2,000	2,000	67,352	65,352
Total Revenues	4,527,025	4,527,025	4,451,706	(75,319)
Expenditures				
Debt service				
Principal	2,111,000	2,111,000	2,111,000	-
Interest and other charges	2,416,025	2,416,025	2,414,024	2,001
Total Expenditures	4,527,025	4,527,025	4,525,024	2,001
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(73,318)	(73,318)
Other Financing Sources (Uses)				
Transfers in (out)	-	-	72,858	72,858
Total Other Financing Sources (Uses)	-	-	72,858	72,858
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	$ -	$ -	(460)	(460)
Fund Balance - Beginning of Year			2,694,286	
Fund Balance - End of Year			$ 2,693,826	

The accompanying notes are an integral part of the financial statements

SUPPLEMENTARY INFORMATION

URBAN RENEWAL AGENCY

OF THE CITY OF TWIN FALLS, IDAHO

Combined Fund Balance Sheet

REDEVELOPMENT FUNDS

September 30, 2019

	Area 4-1	Area 4-3	Area 4-4	Total Redevelopment Funds
Assets				
Cash and cash equivalents	$ 266,328	$ 361,532	$ 32,090	$ 659,950
Property tax receivable	54,663	-	-	54,663
Due from other governments	1,219	-	-	1,219
Total Assets	$ 322,209	$ 361,532	$ 32,090	$ 715,831
Liabilities				
Accounts payable	$ 2,924	$ -	$ -	$ 2,924
Total Liabilities	2,924	-	-	2,924
Deferred Inflows of Resources				
Unavailable revenue-property taxes	51,786	-	-	51,786
Fund Balances				
Restricted fund balance:	267,499	361,532	32,090	661,121
Unrestricted fund balance:				
Committed fund balance	-	-		-
Assigned fund balance	-	-	-	-
Unassigned fund balance	-	-	-	-
Total Fund Balances	267,499	361,532	32,090	661,121
Total Liabilities and Fund Balances	$ 322,209	$ 361,532	$ 32,090	$ 715,831

The accompanying notes are an integral part of the financial statements

URBAN RENEWAL AGENCY

OF THE CITY OF TWIN FALLS, IDAHO

Redevelopment Fund

Combining Statement Of Revenues, Expenditures, and Changes in Fund Balances

By Project for the Redevelopment Fund

For the Year Ended September 30, 2019

	Area 4-1	Area 4-3	Area 4-4	Total Redevelopment Fund
Revenues				
Property taxes	$ 2,637,279	$ 713,816	$ -	$ 3,351,095
Investment income	-	9,980	3,869	13,849
Other Income	5,100	-	-	5,100
Total Revenues	2,642,379	723,796	3,869	3,370,044
Expenditures				
Current				
General government and administration	2,500	-	-	2,500
Area development and improvements	415,315	3,171,118	-	3,586,433
Debt service				
Principal	2,110,000	738,184	-	2,848,184
Interest and other charges	140,588	-	2,000	142,588
Bond issuance costs	-	-	-	-
Total Expenditures	2,668,403	3,909,301	2,000	6,579,705
Excess (Deficiency) of Revenues Over (Under) Expenditures	(26,024)	(3,185,505)	1,869	(3,209,661)
Other Financing Sources (Uses)				
Construction advances	-	3,171,118	-	3,171,118
Transfers in (out)	-	-	(72,858)	(72,858)
Total Other Financing Sources (Uses)	-	3,171,118	(72,858)	3,098,260
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(26,024)	(14,388)	(70,989)	(111,401)
Fund Balance - Beginning of Year	293,523	375,919	103,080	772,522
Fund Balance - End of Year	$ 267,499	$ 361,532	$ 32,090	$ 661,121

The accompanying notes are an integral part of the financial statements

URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS, IDAHO
Combined Fund Balance Sheet
DEBT SERVICE FUNDS
September 30, 2019

	Area 4-1	Area 4-3	Area 4-4	Total Debt Service Funds
Assets				
Cash and cash equivalents	$ -	$ 2,693,747	$ 79	$ 2,693,826
Total Assets	$ -	$ 2,693,747	$ 79	$ 2,693,826
Liabilities				
Accounts Payable	$ -	$ -	$ -	$ -
Total Liabilities	-	-	-	-
Deferred Inflows of Resources				
Unavailable revenue-property taxes	-	-	-	-
Fund Balances				
Restricted fund balance:	-	2,693,747	79	2,693,826
Unrestricted fund balance:				-
Committed fund balance	-	-	-	-
Assigned fund balance	-	-	-	-
Unassigned fund balance	-	-	-	-
Total Fund Balances	-	2,693,747	79	2,693,826
Total Liabilities and Fund Balances	$ -	$ 2,693,747	$ 79	$ 2,693,826

The accompanying notes are an integral part of the financial statements

URBAN RENEWAL AGENCY

OF THE CITY OF TWIN FALLS, IDAHO

Debt Service Fund

Combining Statement Of Revenues, Expenditures, and Changes in Fund Balances

By Project for the Redevelopment Fund

For the Year Ended September 30, 2019

	Area 4-1	Area 4-3	Area 4-4	Total Debt Service Fund
Revenues				
Property taxes	$ -	$ 2,993,026	$ 1,391,329	$ 4,384,355
Investment income	-	67,186	166	67,352
Total Revenues	-	3,060,212	1,391,495	4,451,706
Expenditures				
Current				
Debt service				
Principal	-	1,366,000	745,000	2,111,000
Interest and other charges	-	1,694,212	719,813	2,414,024
Bond issuance costs	-	-		-
Total Expenditures	-	3,060,212	1,464,813	4,525,024
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	(73,318)	(73,318)
Other Financing Sources (Uses)				
Construction advances				-
Transfers in (out)	-	-	72,858	72,858
Total Other Financing Sources (Uses)	-	-	72,858	72,858
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	-	-	(460)	(460)
Fund Balance - Beginning of Year	-	2,693,747	540	2,694,286
Fund Balance - End of Year	$ -	$ 2,693,747	$ 79	$ 2,693,826

The accompanying notes are an integral part of the financial statements

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Commissioners
Urban Renewal Agency of the
City of Twin Falls, Idaho

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Urban Renewal Agency of the City of Twin Falls, Idaho's, as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Urban Renewal Agency of the City of Twin Falls, Idaho's basic financial statements, and have issued our report thereon dated February 28, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Urban Renewal Agency of the City of Twin Falls, Idaho's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Urban Renewal Agency of the City of Twin Falls, Idaho's internal control. Accordingly, we do not express an opinion on the effectiveness of the Urban Renewal Agency of the City of Twin Falls, Idaho's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Urban Renewal Agency of the City of Twin Falls, Idaho's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Sincerely,

Mahlke Hunsaker & Co.

MAHLKE HUNSAKER & COMPANY, PLLC
TWIN FALLS, IDAHO
February 28, 2020

Mahlke Hunsaker & Company pllc
www.m-hcpa.com | 208.734.1089| 201 Canyon Crest Drive, Suite 100 Twin Falls, ID 83301

THE URBAN RENEWAL AGENCY OF THE CITY OF TWIN FALLS

Date: Monday, May 11, 2020

To: Urban Renewal Agency of the City of Twin Falls

From: Nathan Murray, Executive Director

ACTION ITEM

Request:

Presentation of the 2019 Annual Report followed by a Request for Public Comment and a Request to Approve Resolution #2020-06 authorizing the filing of the 2019 Annual Report with the City of Twin Falls.

Time Estimate:

N/A

Background:

Title 50, Chapter 2006(c) requires that Urban Renewal Agencies operating in Idaho present an annual report regarding its activities and finances for the preceding year. Once approved by the Board of Commissioners, it will be transmitted to the City of Twin Falls 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 #2020-06, which transmits the Annual Report to the City Clerk.

Once transmitted to the City Clerk, 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 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. 2019 URA Annual Report
2. Resolution 2020-06 = 2019 Annual Report

THE URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS

2019 Annual Report

Board of Commissioners

January – June 2019

Dexter Ball - Chair
Perri Gardner – Vice Chair
Rudy Ashenbrener
Cindy Bond
Suzzane Cawthra
Andy Hohwieler
Doug Vollmer

July – December 2019

Cindy Bond - Chair
Perri Gardner – Vice Chair
Andy Hohwieler - Secretary
Rudy Ashenbrener
Dexter Ball
Suzzane Cawthra
Doug Vollmer

Staff

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

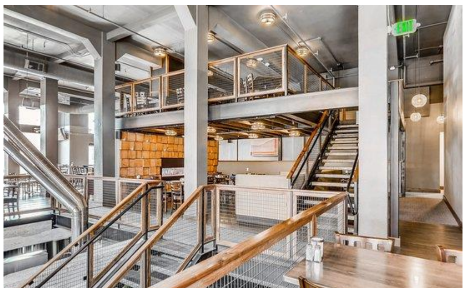
This Annual Report is prepared pursuant to Title 50, Chapter 2006 (c) Idaho Code:

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 2019

Historic Ballroom

In February, a ribbon cutting was held to celebrate the grand opening and completion of uses at the Historic Ballroom, including the new Milner's Gate Brewery, located at 205 Shoshone Street North.



The Project began in 2017, when the Agency purchased 219 Shoshone Street North with plans to repurpose the property. That site was woven in with development taking place next door, which was an adaptive reuse of an historic building. The Agency assisted financially with the project spending $386,000 on related public infrastructure for improvements to adjacent sidewalks, a water main line, and area lighting.

The previously underutilized building would become 33,000 square feet of new office space, conference/meeting rooms, a restaurant and brewery. The revitalization project won top construction project of the year from the Idaho Business Review.

Washington Street South Urban Renew District

In spring, the Agency began work on development of a new Revenue Allocation Area for a 162 acre tract along Washington Street South between Diamond Avenue West and Park Avenue West. Per an eligibility report, the property was found to have inadequate utilities, access and environmental conditions to capture growth. The agency authorized an Economic Feasibility Study to identify investments that could be made to create a revenue allocation area to capture Tax Increment Financing for investment.

Over the course of several months, and in cooperation with City engineering staff, surveyors, designers, property owners, and the Twin Falls City Council, a plan was adopted to allow future development to recoup costs for public infrastructure should development take place. It is anticipated that in 2020, Gem State Dairy will begin development of the site for a state of the art milk processing plant.

Downtown Transportation Study

In April, the Agency Board authorized H.W. Lochner, Inc. to study the effects of traffic calming measures on the Second Avenues in Downtown Twin Falls. Since the success of the Main Avenue Project, there has been a desire from area property owners and merchants to improve the pedestrian environment of the 2nds and affected land-uses. A study was the first step to identify and prioritize future projects to effect a change in street design.

Over several months, Lochner reviewed data and met with Stakeholders. Later, several options were presented to the Agency Board which included the removal of a lane of traffic, adding a lane of protected angle parking, a bike line, and bulb-outs at intersections. Although the Agency is not a decision making body for this roadway, they expressed a preference for reducing the lanes and additional parking to potentially slow speeds and create a safer pedestrian environment. Some of the proposed options may end up as recommendations for revised street design to ITD as part of future projects.

Downtown Arts

The Agency continued to support the arts through the authorization of funds distributed for beautification projects by a sub-committee of the agency dedicated to review art installation projects.

The sub-committee, with final authorization from the full board, elected to approve and pay for wraps of utility boxes with the works of local artists. It also authorized a mural on the north side of the building at 202 Main Avenue South. A large painting of the Idaho Department Store, done by Leon Smith.

160 Main Avenue South

This ongoing project, which had been delayed for much of 2018, took a big step forward in 2019 with the acquisition by the Galena Fund of Boise. It will be the site of Idaho's first Opportunity Zone Fund Project and is planned to become the tallest structure in Downtown Twin Falls.

The planned $9m mixed-use project will be 75-feet tall, have 44-untis of residential, 11,000 square feet of office, and ground level restaurant/commercial space. The project is anticipated to begin construction in the spring of 2020.

Summary Financial Statements

Table 1

Statement of Net Position
As of September 30, 2018 and 2019

	2019	2018	Percentage Change 2018-2019
Current & Other Assets	$ 6,212,844	$ 6,150,286	1%
Capital Assets	3,640,735	3,640,735	
Total Assets	**9,853,579**	**9,791,021**	**1%**
Long-term Debt Outstanding	66,817,657	67,891,623	(2%)
Other Liabilities	376,653	156,484	141%
Total Liabilities	**67,194,310**	**68,048,107**	**(1%)**
Net Investment in Capital Assets	(55,762,593)	(56,906,187)	
Restricted and Unrestricted	(1,578,138)	(1,350,899)	
Total Net Position	**$ (57,340,731)**	**$ (58,257,086)**	

Statement of Net Position
The Statement of Net Position reports on the assets and liabilities of the Agency. Notable changes in Net Position value 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 net increase in total assets can be attributed to the collection of property taxes in excess of construction activities and debt payments.

Table 2

Statement of Activities
For Years Ended September 30, 2019 and 2018

	2019	2018	Percentage Change 2018-2019
Charges for Services - Rent	$ 16,000	$ 71,189	1%
Property Tax Increment	7,748,450	9,772,099	(21%)
Other Income and Sale of Assets	159,070	(2,425,077)	(107%)
Investment Earnings	141,967	111,706	27%
Total Revenue	**8,065,487**	**7,529,917**	**7%**
General Government	291,986	372,707	(22%)
Rental Property Expenses		240,961	(100%)
Community Development	3,586,433	27,453,619	(87%)
Interest on Long-Term Debt	3,270,715	3,183,393	3%
Total Expenses	**7,149,134**	**31,250,680**	**(77%)**
Increase (Decrease) in Net Assets	916,354	(23,720,763)	
Net Position - Beginning	(58,257,085)	(34,536,323)	
Net Position - Ending	**$ (57,340,731)**	**$ (58,257,086)**	

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

Revenues
The property tax increment incurred a substantial reduction from past years. Both Chobani and Clif Bar had contested the valuations of their properties for property tax purposes. Their successful revaluation of the properties, and resultant lower property taxes, are reflected in the reduced collections for 2019.

Expenses
The Agency is involved in planning for future development in a newly formed revenue allocation area and continued enhancements to existing revenue allocation areas. During the next fiscal year many of those projects will advance from the planning phase. In the meantime, the agency did not experience significant project activity during 2019 compared to recent years. The development that did occur primarily involved improvements to the wastewater pre-treatment facility at Chobani's processing plant.

The full audited financial statements of the Agency are available at Twin Falls City Hall during regular business hours.

RESOLUTION NO. 2020-06

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 2019 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 Public Notice shall be published in the Times News:

"PUBLIC NOTICE

The Urban Renewal Agency of the City of Twin Falls, Idaho, has filed a report of its 2019 activities with the office of the City Clerk. The Annual Report may be viewed during business hours at the office of the City Clerk or Urban Renewal Agency, both located at City Hall, 203 Main Avenue East, Twin Falls, Idaho. It is also available online at https://www.tfid.org/126/Urban-Renewal-Agency."

PASSED BY THE URBAN RENEWAL AGENCY	May 11, 2020.
SIGNED BY THE CHAIR	May 11, 2020.

APPROVED:

By____________________________________

Cindy R. Bond, Chair

ATTEST:

By________________________________

Andy Hohwieler, Secretary

THE URBAN RENEWAL AGENCY OF THE CITY OF TWIN FALLS

Date: Monday, May 11, 2020

To: Urban Renewal Agency of the City of Twin Falls

From: Nathan Murray, Executive Director

ACTION ITEM

Request:

Open the Sealed Bids received for the auction of 215 Shoshone Street South, Lots 4 & 5, and authorize the Chair to sign a Quit Claim Deed to the high bidder if the requirements for submission have been met.

Time Estimate:

N/A

Background:

In March, the URA Board voted to solicit bids from the public to purchase surplus property owned by the Agency at 215 Shoshone St S. The bids were published in the Times-News multiple times in April, and staff has received two bids. A minimum bid amount was set at $25,000.00.

Approval Process:

The Board would authorize the Chair to sign a Quit Claim Deed conveying the property to the highest bidder.

Budget Impact:

Money paid to the Agency for the property would be added to the budget for RAA #4-1.

Regulatory Impact:

N/A

Conclusion:

If the requirements for the minimum bid have been satisfied, then staff recommends that the Agency authorize signing the Quit Claim Deed. If there are questions regarding either or both of the submissions, staff recommends delaying approval of the Quit Claim Deed to a further date.

Attachments:

1. Bid Results Sheet
2. Auction Bid Packet - 215 Shoshone

TWIN FALLS URBAN RENEWAL AGENCY

Public Auction Sealed Bid: 215 S. Shoshone Street South, Twin Falls, Idaho
BIDS DUE: May 8, 2020, at 4:30 p.m.
Bid Opening: May 11, 2020, at 10:00 a.m.

Minimum Bid: $25,000

BIDDER	Completed Signed Bid Form	Acknowledgement and Release Form signed & dated	Deposit (1% of Total Bid Amount)	Proof of Financial Ability	TOTAL BID AMOUNT	Bid TieBreaker

SEALED BID AUCTION PACKET

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

FOR PUBLIC AUCTION SALE OF:
215 Shoshone Street South, Lots 4 and 5, Block 118, Twin Falls Townsite, Twin Falls, Idaho

PUBLIC AUCTION SEALED BID DATES:
Bid Closing: April 30, 2020 at 4:30 p.m.
Auction/Bid Opening: May 11, 2020 (during URA meeting)

SEALED BID PUBLIC AUCTION
TERMS AND CONDITIONS

All bids submitted must be submitted to the Urban Renewal Agency of the City of Twin Falls (the "Agency") at its offices, 203 Main Avenue East, Twin Falls, Idaho, 83301, in compliance with the following Terms and Conditions:

Auction Location: Council Chambers, 203 Main Avenue East, Twin Falls, Idaho.

Auction Date: Sealed bids will be opened at the Council Chambers, 203 Main Avenue East, Twin Falls, Idaho, on May 11, 2020, during the Agency's meeting beginning at 12:00 noon. The public is welcome to attend. Bid results will be brought to Board for final decision at the May 11, 2020 Board meeting.

Property to be Auctioned:

Real property located at 215 Shoshone Street South, Lots 4 and 5, Block 118, Twin Falls Townsite, Twin Falls, Idaho (the "Property"). The legal description and depiction of the Property is attached hereto as Exhibit A.

Minimum Bid: The minimum bid shall be not less than one hundred percent (100%) of the opined value of the Property, $20,000.00. The broker's opinion is available upon request.

The Bid Form, attached as Exhibit B, hereto requests an additional bid amount if there are tying high bids, however, escalation clauses are prohibited. **Bids less than the minimum bid will be returned.**

Sealed Bids: Bidders need to complete, in full, without modifications, insertions or deletions and sign in ink the Bid Form, attached hereto as Exhibit B, and the

Acknowledgment and Release, attached hereto as Exhibit C, and seal it in an envelope marked on the outside: "Bid for 215 Shoshone Street South, Lots 4 and 5" together with the Bid Deposit and Proof of Funds, as described hereunder.

Deliver Sealed Bids To:

Sealed Bids should be delivered to the offices of the Agency, 203 Main Avenue East, Twin Falls, Idaho, 83301, **no later than 4:30 p.m. on the Bid Closing Date, April 30, 2020. Late bids will not be accepted and will be returned unopened.**

Bid Deposit: A deposit of 1% of the Total Bid Amount is required for each bid delivered in the sealed envelope with the Bid Form in the form of a cashier's check, certified check or money order payable to the Agency. No offer will be accepted without a Bid Deposit. The Bid Deposit will be returned to each unsuccessful bidder. The Bid Deposit will be credited against the winning bid.

Proof of Funds: Bidders must provide Agency with proof of financial ability to pay in full the Bid Amount on or before the Bid Opening. Acceptable proof of such financial ability shall be: (1) A letter from a financial institution clarifying bidder's prequalification to place a bid at no less than the asking Minimum Bid; or (2) evidence of cash or liquid cash assets at no less than the asking Minimum Bid.

Payment of Winning Bid Amount:

The high bidder for the Property agrees to enter into a purchase and sale agreement within twenty-one (21) days of bid opening. The high bidder shall pay to the Agency the purchase price by cash or cashier's check drawn on a national or state of Idaho chartered bank within sixty (60) days of the date of the purchase and sale agreement. **If full payment is not received within sixty (60) days, the Agency reserves the right to cancel the bid and retain the Bid Deposit. The Property will then be offered to the next highest bidder at its Total Bid Amount.**

Property Inspection: The Property can be viewed upon appointment only.

AS IS: Upon receipt of full payment, Agency will convey title to the Property "as-is" without warranty of any kind, by quitclaim deed, substantially in the form attached as Exhibit D hereto. Costs of recordation of the deed and document preparation and other closing costs will be paid by the successful bidder. The Agency is not providing title insurance to the successful bidder.

Changes to Bid: No additions or changes to original Bids will be allowed after submittal. While changes are not permitted, the Agency may request clarification from bidders.

Purchase and Sale Agreement:

Highest bidder will be required to enter into a Purchase and Sale Agreement within 21 Days of Bid Opening. Including timeline for Due Diligence.

Further Information:

Questions may be directed to Nathan Murray at 208.735.7240 or via email at nmurray@tfid.org.

EXHIBIT A

LEGAL DESCRIPTION AND DEPICTION OF PROPERTY

(215 Shoshone Street South, Lots 4 and 5, Block 118 of Twin Falls Townsite, Twin Falls, Idaho.)

A portion of Parcel: RFP0001118004A

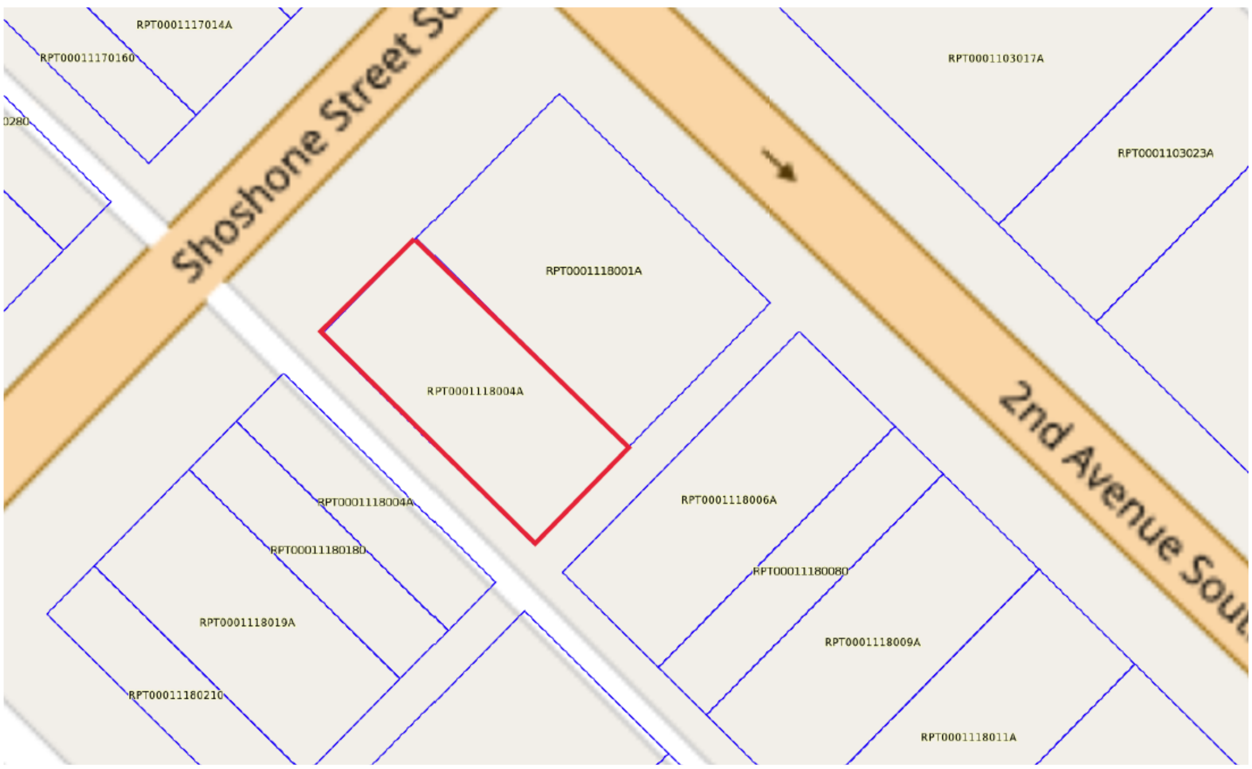


EXHIBIT B
<u>BID FORM</u>

<u>PROPERTY</u>: 215 Shoshone Street South, Lots 4 and 5, Block 118, Twin Falls Townsite, Twin Falls, Idaho

The undersigned hereby submits the following bid for the above-described Property:
Total Bid Amount: [print numerically and write out, no escalation clauses allowed]

$____

____ Dollars

Bid Deposit in the amount of $____________________ based on the Total Bid Amount is attached in the form of a cashier's check _____, certified check _____; money order _____ -- payable to the City of Twin Falls Urban Renewal Agency.

Bid Tiebreaker: In the event the above Total Bid Amount is tied for the highest bid, the undersigned authorizes the Agency to increase the Total Bid Amount to the following *maximum* amount [print numerically and write out, no escalation clauses allowed]:

$____

____ Dollars

The Agency reserves the right to reject any and all Bids, to waive formalities which do not affect the essential fairness of the bidding process, to make awards in the best interest of the Agency, and to accept the Bid deemed the highest by the Agency.

The undersigned promises to submit full payment of the Total Bid Amount (less the Bid Deposit) to the Agency as required in the **TERMS AND CONDITIONS included in the Sealed Bid Packet.**

<u>Individual Bidder</u>	**<u>Entity Bidder</u>**
______________________________	______________________________
Legal Name	**Legal Name**
______________________________	______________________________
Signature of Bidder	**Signature of Bidder**
______________________________	______________________________
Date	**Date**

EXHIBIT C

ACKNOWLEDGMENT & RELEASE

Acknowledgment & Release

The undersigned ("Respondent"), on behalf of Respondent, has read and fully accepts the Urban Renewal Agency of the City of Twin Falls ("Agency"), discretion and non-liability as stipulated herein, expressly for, but not limited to, Agency's decision to proceed with a disposition process by issuing a sealed bid auction packet concerning the 215 Shoshone Street South property, Lots 4 and 5, Block 118, Twin Falls Townsite, Twin Falls, Idaho (the "Bid Auction Packet"). Capitalized terms not defined herein shall have the meaning ascribed in the Bid Auction Packet.

Respondent accepts and agrees to the terms and conditions as described or as may be modified as well as the following:

1. Agency reserves the right in its sole discretion and judgment, for whatever reasons it deems appropriate and at any time:

    a. to terminate the Bid Auction Packet at any time for any reason with no financial or other obligation to Respondent;

    b. obtain further information from any person, entity, or group, including, but not limited to, any person, entity, or group responding to the Bid Auction Packet and to ascertain the depth of Respondent's capability and desire to develop the Site;

    c. waive any formalities or defects as to form, procedure, or content with respect to its Bid Auction Packet and any submission by any respondent; and

    d. accept or reject any submission or part thereof received in response to the Bid Auction Packet, including any statement submitted by the undersigned, or select any one submission over another, subject to the minimum bid.

2. Agency is governed by state law as provided in Title 50, Chapter 20, and in Title 50, Chapter 29 of the Idaho Code, and other state and federal regulations that may apply.

3. Agency may accept or reject any bid in response to the Bid Auction Packet or select one bidder over another as set forth in the Bid Auction Packet.

4. Respondent understands that by responding to the Bid Auction Packet, its bid will be subject to review and comment by Agency staff and consultants.

5. Respondent agrees to waive any formalities or defects as to form, procedure, or content with respect to the Bid Auction Packet and any responses by any respondent thereto.

6. Respondent consents to the acquisition of information by Agency in conjunction with this Bid Auction Packet, waives all claims, and releases Agency from any liability in the acquisition of this information and use of this information.

7. Respondent agrees that neither Agency, or the City of Twin Falls, shall have any liability whatsoever of any kind or character, directly or indirectly, by reason of all or any decision made at the discretion of Agency or the City of Twin Falls.

8. Non-Liability of Agency. Respondent agrees that Agency shall not have any liability whatsoever of any kind or character, directly or indirectly, by reason of all or any decision made at the discretion of Agency as identified above.

9. Respondent has carefully and thoroughly reviewed the Bid Auction Packet and has found the Bid Auction Packet and all attachments thereto to be complete and free from ambiguities and sufficient for their intended purpose.

10. Respondent participates in the Bid Auction Packet process at its own risk.

By:____________________________________

Its:____________________________________

Date:__________________________________

EXHIBIT D

QUITCLAIM DEED

FOR VALUE RECEIVED, the Urban Renewal Agency of the City of Twin Falls, Idaho, also known as the Twin Falls Urban Renewal Agency, an independent public body, corporate and politic and urban renewal agency created and existing in the city of Twin Falls, Idaho (the "GRANTOR") does hereby convey, remise, release, and quitclaim to ______________________________ (the "GRANTEE") all right, title and interest which Grantor now has in and to that certain real property situated in the COUNTY OF ADA, STATE OF IDAHO, commonly known as 215 Shoshone Street South, Lots 4 and 5, Block 118 of Twin Falls Townsite, Twin Falls, Idaho, and more particularly described on Exhibit "A" attached hereto and by this reference made a part hereof.

TOGETHER with all of GRANTOR's right title and interest in the structures, improvements and fixtures thereto, the tenements, hereditaments and appurtenances thereunto belonging or in anywise appertaining, the reversion and reversions, remainder and remainders, and rents, issues and profits thereof.

The current address of the GRANTEE is:

IN WITNESS WHEREOF, this Quitclaim Deed has been duly executed by and on behalf of GRANTOR, this ________ day of ________________________, 20__.

Urban Renewal Agency of the City of Twin Falls

By: ___________________________________

Cindy R. Bond, Chair

Attest:

____

Andy Hohwieler, Secretary

STATE OF IDAHO)
) ss.
COUNTY OF TWIN FALLS)

On this _____ day of ___________________, 20_____, before me, ________________________________, a Notary Public in and for said State, personally appeared _______________________, known or identified to me to be the ____________________ of the Urban Renewal Agency of the City of Twin Falls, the entity that executed the within instrument or the person who executed the instrument on behalf of said entity, and acknowledged to me that such entity executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

____
Notary Public for Idaho
My commission expires ______________________

THE URBAN RENEWAL AGENCY OF THE CITY OF TWIN FALLS

Date: Monday, May 11, 2020

To: Urban Renewal Agency of the City of Twin Falls

From: Nathan Murray, Executive Director

ACTION ITEM

Request:

Consideration of a request to accept a response to the Request for Proposal to develop property at 2nd Avenue South, Block 103, Lots 25-32.

Time Estimate:

N/A

Background:

In March, the Board authorized a 'Request for Proposals' to develop property Lots 25-32 of Block 103 Downtown. The RFP was broadly shared and noticed in the Times-News. To date, no proposals have been submitted as of the creation of this document on May 7th, but the application does not close until May 8th at 4pm. If proposals are received, they will be shared at the meeting.

Also, during the month of April, staff worked with the City of Twin Falls to transfer ownership of the property to the Agency. Steps are being taken such that, if a viable development proposal comes to the Agency, the City will transfer ownership.

Approval Process:

A majority vote by the Board would be needed to authorize staff to enter in to an exclusive right to negotiate with a developer on a proposal.

Budget Impact:

N/A

Regulatory Impact:

N/A

Conclusion:

Staff recommends a thorough review of any proposals before entering into a right to negotiate contract.

Attachments:

None

THE URBAN RENEWAL AGENCY OF THE CITY OF TWIN FALLS

Date: Monday, May 11, 2020

To: Urban Renewal Agency of the City of Twin Falls

From: Nathan Murray, Executive Director

ACTION ITEM

Request:

Consideration of a request to approve Resolution #2020-07 authorizing amendments to the Bylaws of the Urban Renewal Agency of the City of Twin Falls.

Time Estimate:

N/A

Background:

The most recent bylaws of the Urban Renewal Agency of the City of Twin Falls were approved in December 2019.

An amendment is necessary to update the commissioner terms from a four (4) year term to a three (3) year term in Article 3, Section D.

Approval Process:

A majority vote by the board would authorize an amendment to the bylaws.

Budget Impact:

N/A

Regulatory Impact:

N/A

Conclusion:

Staff recommends approving the proposed amended bylaws as submitted.

Attachments:

1. BYLAWS - 20200511 Amendment (DRAFT)
2. Resolution 2020-07 = Bylaws Amendment - Board Term

Bylaws of the

Urban Renewal Agency of the City of Twin Falls, Idaho

12-9-2019 *(Amended 5-11-2020)*

* * * * *

ARTICLE 1 - PUBLIC CORPORATION

The Urban Renewal Agency of the City of Twin Falls, Idaho (the "Agency"), is an independent public body, corporate and politic created pursuant to Title 50, Chapter 20, Idaho Code, (the "Act") and Resolution No. 909 of the City of Twin Falls (the "City" or the "Municipality") passed on July 19, 1965. These Bylaws are subject to any limitations contained therein.

ARTICLE 2 - NONLIABILITY OF COMMISSIONERS

The private property of the commissioners shall be exempt from execution or other liability from any debts of the Agency and no commissioner shall be liable or responsible for any debts or liabilities of the Agency.

ARTICLE 3 - COMMISSIONERS

Section A – General Powers. The business and affairs of the Agency shall be managed by the board of commissioners which shall exercise all of the powers of the Agency.

Section B – Compensation. Commissioners shall serve without compensation, but commissioners shall be entitled to out-of-pocket costs and compensation for their services for projects carried out by the Agency.

Section C – Appointment. The Agency is comprised of seven Commissioners appointed by the Mayor and confirmed by the City Council. Commission vacancies are filled by appointment of the Mayor, with confirmation by the City Council, and filled for the remainder of the unexpired term.

Section D – Term. Each commissioner shall serve a three (3) ~~four (4)~~ year term. Commissioners may serve up to two (2) consecutive terms. The terms of each commissioner shall expire in the month of June.

ARTICLE 4 - MEETINGS OF COMMISSIONERS

Section A – Regular Meetings. Regular meetings of the commissioners shall be scheduled at 12:00 noon, local time, on the second Monday of each month, at the City Hall, 203 Main Avenue East, Twin Falls, Idaho, for the purpose of transacting such business as may come before such meetings. Public notice shall be posted to the TFID.org website, in a prominent place at the principal office, if one exists, and at City Hall.

Section B – Special Meetings. A special meeting of the board of commissioners may be called at any time by the Executive Director or the Chairperson. Upon receipt of such notice, the Recording Secretary shall cause written notice of such time, date, place and purpose of such meeting to be given to each commissioner of the Agency as hereinafter provided in this Article 4.

Section C – Notice of Special Meetings. Public notice of the time, date, place and purpose of any special meeting of the Agency shall be posted to the TFID.org website, in a prominent place at the principal office, if one exists, and at City Hall no later than 24 hours preceding such meeting.

Section D – Waiver of Notice. Any commissioner may waive, in writing, any notice of a meeting required to be given by these Bylaws. The attendance of a commissioner at any meeting shall constitute a waiver of notice of such meeting by such commissioner, except in case a commissioner shall attend a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting has not been lawfully called or convened.

Section E – Resolutions. Resolutions adopted by the Agency in connection with the exercise of any of its powers hereunder, or under the Act, shall be signed by the Chairperson or Vice Chairperson and attested by the Secretary or Assistant Secretary, provided that the person who attests shall not be the same person as the person who signs.

Section F – Quorum. A majority of the Agency shall constitute a quorum for the transaction of business (four commissioners).

ARTICLE 5 - OFFICERS

Section A – Number and Qualifications. The officers of the Agency shall be a Chairperson, a Vice Chairperson, and a Secretary and such other officers as may be determined by the Agency from time to time to perform such duties as may be designated by the Agency. Only the Chairperson and Vice Chairperson need be members of the Board of Commissioners.

Section B – Election and Term of Office. The officers shall be elected annually by the Agency at the first regular annual meeting of the Agency in July. Officer terms shall be for one year. Any vacancy in any office shall be filled by the Agency by election for the unexpired portion of the term.

Section C – Chairperson.

1. The Chairperson shall be the principal executive officer of the Agency and, unless otherwise determined by the members of the Agency, shall preside at all meetings of the Agency.
2. The Chairperson shall execute any resolutions adopted by the Agency and any documents, certificates, deeds, mortgages, deeds of trust, notes, bonds, contracts or other instruments authorized by the Agency. The Chairperson shall have the power to vote on any matter under consideration by the Commission unless he or she is prohibited from doing so by Idaho law.
3. The Chairperson shall, in general, perform all duties incident to the office of the Chairperson and such other duties as may be prescribed by the Agency from time to time.

Section D – Vice Chairperson. In the absence of the Chairperson, or in the event of the Chairperson's inability or refusal to act, the Vice Chairperson shall perform the duties of the Chairperson, and when so acting shall have all the powers of and be subject to all of the restrictions upon the Chairperson. The Vice Chairperson shall also perform such other duties from time to time as may be prescribed by the Agency.

Section E – Other Officers. Duties of other officers may vary, as directed by the Commission.

ARTICLE 6 - STAFF

Section A – Executive Director. The Agency may employ an Executive Director as its primary staff. The Executive Director shall have a specific job description, goals which are adjusted as needed, and performance standards which are reviewed regularly. Direct management of the Executive Director shall be provided by the Agency's Executive Committee working with and through the City Supervisor. Performance evaluation of the Executive Director shall be provided by the City Supervisor utilizing input and direction from the Executive Committee.

Section B – City Staff. City staff may be asked to provide services to the Agency from time to time. Such services will be requested by and coordinated through the Agency's Executive Director. Reimbursement will be made to the City as set forth in the most current Agreement for Services between the City of Twin Falls and the Urban Renewal Agency of the City of Twin Falls.

Section C – Other Services. Other services, such as professional services, liability insurance, website hosting, audits, and legal counsel shall be utilized as needed by the Agency. When required by any adopted Agency policy, the scope of such service agreements shall be in writing, authorized the signature of the Chairperson, and implemented under the oversight of the Agency's Executive Director.

ARTICLE 7 - FINANCIAL TRANSACTIONS

Section A – Contracts. Except as otherwise provided in these Bylaws, the Agency may authorize any officer or officers, agent or agents, to enter into any contract or execute and deliver any instrument in the name and on behalf of the Agency, and such authority may be general or confined to specific instances.

Section B – Checks, Drafts, etc. All checks, drafts or other orders for payment of monies, and all notes, bonds, or other evidences of indebtedness issued in the name of the Agency shall be signed by such officer or officers, agent or agents, employee or employees of the Agency and in such manner as shall from time to time be determined by resolution or ordinance of the Agency.

Section C – Deposits. All funds of the Agency may be deposited from time to time to the credit of the Agency in such banks or other financial institutions as the Agency may select.

Section D – Fiscal Year. The fiscal year of the Agency shall begin on the first day of October of each and every year and shall end on the last day of September of the following calendar year.

ARTICLE 8 - MISCELLANEOUS

Section A – Rules and Regulations. The Agency shall have the power to make and adopt such rules and regulations not inconsistent with the law, or these Bylaws, as it may deem desirable for the management of the business and affairs of the Agency.

Section B – Accounting System and Reports. The Agency shall cause to be established and maintained, in accordance with generally accepted principles of accounting, an appropriate accounting system.

ARTICLE 9 - AMENDMENTS

These Bylaws may be altered, amended or repealed by the affirmative vote of a majority of the commissioners then in office, at any regular or special meeting, provided the notice of such meeting shall have contained a copy of the proposed alteration, amendment or repeal.

We, the undersigned, representing all of the members of the Board of Commissioners of the Urban Renewal Agency of the City of Twin Falls, do hereby certify that the foregoing bylaws were duly adopted as the bylaws of said Agency on the 9th day of December, 2019.

Amended on the 11th Day of May 2020.

____
Cindy Bond, Chair

____
Perri Gardner, Vice Chair

Attest:

____
Andy Hohwieler, Secretary

RESOLUTION NO. 2020-07

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, AMENDING THE BYLAWS TO UPDATE THE BOARD OF COMMISSIONER TERMS AND MAKING CERTAIN TECHNICAL CHANGES; 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 (hereinafter the "Law") and the Local Economic Development Act, Chapter 29, Title 50, Idaho Code, as amended (hereinafter the "Act"), 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, the Agency Board has adopted bylaws and periodically the Agency Board reviews and updates the Agency's bylaws to reflect current and preferred practices;

WHEREAS, the Agency Board adopted the amended and restated Bylaws of the Urban Renewal Agency of the City of Twin Falls, Idaho (the "Bylaws") on December 9, 2019, by Resolution No. 2019-10;

WHEREAS, Article 9 of such Bylaws allows for the Bylaws to be altered, amended or repealed by the affirmative vote of a majority of the commissioners then in office, at any regular or special meeting, provided the notice of such meeting shall have contained a copy of the proposed alteration, amendment or repeal;

WHEREAS, the Agency Board now finds it necessary to amend Article 3, Section D of the existing Bylaws of the Agency to update the commissioner terms from four (4) year terms to three (3) year terms;

WHEREAS, the Agency Board now finds it necessary to make a few technical edits to the Bylaws;

NOW, THEREFORE, BE IT RESOLVED:

<u>Section 1</u>: That Article III, Section D of the Bylaws is hereby amended to read as follows:

Section D- Term. Each commissioner shall serve a three (3) year term. Commissioners may serve up to two (2) consecutive terms. The terms of each commissioner shall expire in the month of June.

Section 2: That the Chair hereby authorizes Agency staff to make certain technical changes to the Bylaws consistent with the discussion and comments received at the May 11, 2020, Agency Board meeting.

Section 3: That this Resolution shall be in full force and effect immediately upon its adoption and approval.

PASSED AND ADOPTED by the Urban Renewal Agency of the City of Twin Falls, Idaho, on May 11, 2020. Signed by the Chair of the Board of Commissioners and attested by the Secretary to the Board of Commissioners, on this 11th day of May 2020.

APPROVED:

____

Cindy Bond, Chair

ATTEST:

By______________________________

Andy Hohwieler, Secretary

4821-9200-6331, v. 1