

2011 ANNUAL REPORT GARDEN CITY URBAN RENEWAL AGENCY

Under the Idaho Urban Renewal Law, an urban renewal agency is required to file with the local governing body, on or before March 31 of each year, a report of its activities for the preceding calendar year, which shall include a complete financial statement setting forth its assets, liabilities, income and operating expense at the end of the calendar year. By virtue of certain amendments to the Idaho Urban Renewal Law adopted in 2002, the fiscal year of an urban renewal agency has been established as October 1st through September 30th. Consequently, any formal financial statement would be limited to a report through the end of the Agency's fiscal year. Under Idaho Code section 67-450B, local government entities must complete an audit of its statements at the conclusion of its fiscal year. A copy of the Agency's 2011 audited financial statements is attached. Also attached is a FY2011 Income Statement and Balance Sheet for the Agency.

The Garden City Council formally approved the RiverFront Urban Renewal Plan in December of 1996 through Ordinance No. 681, with a follow up approval of Ordinance No. 683 on January 15, 1997 to correct a 'technical error' in Ordinance No. 681. Since that approval, the Urban Renewal Agency has commenced with the implementation of the Plan.

In 2007, the Agency began considering updating the River Front Plan to (1) recognize changes in the Idaho Urban Renewal Law and the Economic Development Act adopted by the state legislature since 1996, (2) update the Agency's activities, and (3) provide projections of Agency activities through 2013. In January 2008, the Agency authorized the examination of property owned by the City of Garden City to determine whether such property would be eligible for inclusion within the River Front Plan area. On March 3, 2008, the Agency recommended approval of the Amended and Restated River Front Plan and forwarded the plan to the City Council for its consideration. On April 14, 2008, the City Council adopted Ordinance No. 888-08 approving the Amended and Restated River Front Plan. Ordinance No. 88-08 became effective upon publication on April 17, 2008. The Agency continues to implement the Amended and Restated River Front Plan.

REVENUES

Tax Increment Revenue

The only source of Agency income, other than interest on interest bearing accounts, which equated to \$4278 in FY2011, is Tax Increment Revenue generated within the River Front urban renewal area. In FY2011, the total Tax Increment Revenue received by the Agency was \$876,481.

EXPENDITURES

Leverage of Agency Dollars

An integral component of the Agency's program is to develop outside funding sources to leverage Agency dollars for improvements within the urban renewal area. The Agency has shared costs with Ada County Highway District ("ACHD") for street improvements, including curbs, gutters and sidewalks. Under this cost sharing program, \$1,531,835 in street improvements have been completed since FY2000, a total of \$666,748 funded by the Agency and the remainder by ACHD.

Street improvements under this program now include:

- 42nd Street (Adams to the river)
- 48th Street (Adams to the river)
- 49th Street (Adams to the river)
- 50th Street (Alworth to the river)
- 51st Street (Alworth to the river)
- 42nd Street (Adams to Chinden)

The Agency did not participate in any street improvements in FY2011 or participate in any other projects with outside agencies.

Review and Approve Requests for Agency Funding of Projects

The Agency continues to seek, review and approve funding, where appropriate, for other projects that positively impact the River Front urban renewal area and its residents. During FY2011, \$457,217 in funding was provided for the following major projects:

- ◆ Adams St. Waterline Extension and 42nd/43rd Street Connections. This waterline extension was to complete and extend improvements generated by the newly rehabilitated Well #13 just off Adams on 43rd Street. The well rehabilitation was funded by the Agency and completed in FY2010 with the final waterline connections finished in FY2011. A total of \$128,654 was funded, \$123,374 of which was in FY2011 for these extensions and connections.
- ◆ Bills/Ray/Teena Water & Sewer Lines. A series of water and sewer lines on Bills/Ray and Teena streets were corrupted and deteriorating, requiring significant maintenance by Public Works. New lines were designed and installed during FY2011 with funding from the Agency in the amount of \$189,707.
- ◆ Reservoir Design. The City has no water storage reservoir for high usage and emergency use, particularly in the urban renewal area. The Agency is funding the design and construction of the reservoir at the existing public works operations site on 46th Street.

Included in this project will be the design and installation of new water and sewer lines on 46th Street from the reservoir to Adams Street. During FY2011, the Agency funded \$52,150 of the design services.

- ◆ Public Safety Building Remodel. The Public Safety building had holding cells that were no longer required but the police department had a growing need for interview rooms for suspects/victims and witnesses. These interview rooms are highly specialized because of security and audio and visual tracking needs. A complete remodel was done within existing space and included the addition of a restroom. The Agency funded the project in the amount of \$69,843.
- ◆ Riverfront Park Improvements. The Agency continues to make incremental improvements to the Riverfront Park on 42nd Street adjacent to the Boys & Girls Club. In FY2011, additional landscaping, picnic tables and irrigation improvements were funded in the amount of \$24,660.
- ◆ Other Projects. The Agency funded \$22,143 in smaller projects, including landscape and soil amendments at Mystic Cove Park, greenbelt repair after spring flooding, etc.

OPERATING EXPENSES

The Agency has minimal operating expenses as it has no paid staff members, utilizing outside legal, secretarial and bookkeeping services. Total operating expenses, including secretarial, bookkeeping, audit, legal, consulting, liability insurance and other office expenses, amounted to \$20,454 in FY2011 which equates to 2.3% of total revenues and 4.3% of total expenditures.

ASSETS

The Agency's Assets are comprised solely of cash accounts and property taxes receivable. The major portions of property taxes are received twice per year (end of January and end of July) with smaller amounts of delinquent taxes received during the course of the year.

LIABILITIES AND DEBT

The Agency's liabilities consist only of current accounts payable and deferred revenue. The Agency has no long-term debt and, at this time, has no plans to incur such debt.

SIGNIFICANT CHANGES IN AGENCY'S FINANCIAL POSITION

There were no significant changes in the Agency's financial position in FY2011. The Agency continues to operate in a "pay-as-you-go" environment, committing only those funds to projects that do not require long-term debt but, rather, can be funded out of current funds or projected tax increment revenues in a given fiscal year.

The Agency is, to a degree, dependent upon other public agencies, such as the ACHD, as to what projects can be funded and implemented within a specific timeframe. The Agency does not have the ability to initiate and construct, for instance, street improvement projects, on its own. For this reason, the Agency works closely with agencies or the city government, such as ACHD or the City of Garden City, to develop and fund projects that are of benefit to the residents and businesses within the urban renewal area.

Pamela J. Beaumont

Chair

March 19, 2012