

2014 ANNUAL REPORT GARDEN CITY URBAN RENEWAL AGENCY

AGENCY ANNUAL REPORT

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 2014 audited financial statements is attached. Also attached is a FY2014 Income Statement and Balance Sheet for the Agency.

AGENCY BACKGROUND/PROJECT AREAS

River Front Project Area

The Garden City Council formally approved the River Front 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 River Front 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. 888-08 became effective upon publication on April 17, 2008. On July 17, 2012, the Agency passed Resolution 5-2012, formally adopting the 1st Amendment to the 2008 Amended and Restated River Front

Plan to delete certain properties that had not yet been developed. The City Council formally approved the updated Plan through Ordinance 953-12 on October 22, 2012.

On April 1, 2013, the Agency provided written notification to the appropriate taxing entities of its intention to terminate the River Front Plan at the end of FY2013. On May 20, 2013 the Agency adopted Resolution 2013-02, formally approving the Termination Plan for the River Front District. The City Council approved the Termination Plan on August 12, 2013.

During FY2014 the Agency completed projects that were approved and funded prior to the close of the project area. These projects included a remodel of the City's Animal Shelter as well as water and sewer line improvements on 46th Street from the new reservoir to Adams Street and sewer line improvements on 44th and 45th Streets from Adams to the Boise River.

At the close of the fiscal year, the Agency continued to hold \$7000 in funding for final audit and legal expenses related to the project area completion and distributed \$1247 in remaining funds to the appropriate taxing entities.

A FINAL REPORT for the River Front District is attached to this document.

River Front East Project Area

In December 2011, the Agency began discussing the creation of a new urban renewal district that would generally encompass the area from Veterans Parkway on the west to Garden Street on the east and from Osage right-of-way to the Boise River. The Agency utilized the services of an outside consultant to determine the eligibility of the area for urban renewal. After completion of the Eligibility Study in January 2012 and upon the recommendation of the Agency, the City Council approved Resolution 957-12 on February 13, 2012, declaring the area to be deteriorating or deteriorated and directing the Agency to prepare an Urban Renewal Plan.

On July 17, 2012, the Agency approved Resolution 6-2012, adopting the River Front East Urban Renewal Project Plan. The City Council formally approved the River Front East Urban Renewal Project Plan through Ordinance 954-12 on October 22, 2012 after a public hearing on the plan.

The Agency's project intent in this new District is the same as it has been in the original River Front District since 1996 and that is to replace and improve basic infrastructure (water and sewer lines, city wells, street improvements, etc.); and to enhance amenities such as parks and greenbelts, providing the catalyst for future economic development in the area.

During FY2014, the Agency received \$70,138 in tax increment revenue, of which \$20,061 was reimbursed to the River Front district for start-up expenses. The Agency will begin implementing the Plan in FY2015 as funds become available.

FY2014 REVENUES

Tax Increment Revenue

The only source of Agency income, other than interest on interest bearing accounts, which equated to \$239 in FY2014, is Tax Increment Revenue generated within the River Front and River Front East urban renewal project areas. In FY2014, the total Tax Increment Revenue received by the Agency was \$109,695, of which \$39,318 was for delinquent tax payments for the River Front District and \$70,128 was current tax increment revenue for the new River Front East District.

FY2014 EXPENDITURES

During FY2014, \$472,590 in funding was provided for various activities, virtually all of which was for completion of previously approved projects in the River Front District.

- ◆ Water and Sewer Line Improvements. As noted above, the Agency completed a number of water and sewer line improvements in the River Front District. These projects were approved in FY2013 and completed in FY2014 with FY2013 carryover funds of approximately \$360,000.
- ◆ Animal Shelter Remodel. The City does not have an animal adoption center but does temporarily shelter runaway dogs until owners can be located or, if not, until they can be taken to the Idaho Humane Society. The Animal Shelter was built a number of years ago and was in need of repair and upgrading to assure safe keeping of the animals. The Agency funded a \$75,000 remodel of the facility that included a new roof, new heating and air conditioning, new indoor and outdoor kennels, and other safety features.
- ◆ Riverfront and Mystic Cove Park Improvements. The Agency continues to make incremental improvements to the Riverfront Park on 42nd Street adjacent to the Boys & Girls Club and the Mystic Cove Park on 48th Street. In FY2014, additional landscaping and irrigation improvements were funded in the amount of \$4405.
- ◆ River Front East Project Area. During FY2012, the Agency funded \$17,911 in planning and legal services for the new River Front East Project Area. An additional expenditure of \$2,150 for legal fees was made in FY2013. As noted above, the River Front East district in FY2014 reimbursed these funds.

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 \$24,020 in FY2014.

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 FY2014. 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