Moscow Urban Renewal Agency

Of Moscow, Idaho



Dear Friends,

I am pleased to present the 2011 Annual Report for the Moscow Urban Renewal Agency. The purpose of this report is to fulfill the annual report requirement mandated by Idaho Code §50-2006, which requires an Urban Renewal Agency to file a report of its activities for the preceding calendar year.

Moscow is more than just our address. Since 1996, we have helped shape Moscow and have been shaped by it. We have played important roles in the development of the Alturas Technology Park and are well-positioned to play a major role in the development of the newly created Legacy Crossing District.

We understand Moscow, and have a hard-earned reputation for integrity and commitment to the betterment of our community. Our deep knowledge of Moscow allows us to identify opportunities, while our balance sheet and economic development tools allow us to pursue them.

While the particular steps we take to unlock value from our assets may change in the coming years, some things won't. Foremost is our commitment to the disciplined allocation and investment of capital. Our commitment to a healthy balance sheet will remain unwavering.

I express my deep appreciation for the leadership of our Board of Commissioners, whose wisdom and guidance have been invaluable as we strive to create value. Finally, I thank you,our private and public partners, for your continued support of the Moscow Urban Renewal Agency.

Sincerely,

Jeffrey B. Jones, AICP

Executive Director

2011

Annual Report

Commission and Staff



Jeff Jones, Executive Director



John McCabe, Chairman



Tom Lamar, Vice Chairman



Steven McGeehan, Secretary



Sue Scott, Commissione



Dave McGraw, Commissioner



Brandy Sullivan, Commissioner



Steve Drown, Commissioner



Gary Riedner, City Supervisor



Don Palmer, Treasurer



Stephanie Kalasz, City Clerk



Jen Pfiffner Asst. to the City Supervisor



Joelle Dinubilo
Accounting Specialist



Statement of Activities

MOSCOW URBAN RENEWAL AGENCY

STATEMENT OF ACTIVITIES Year Ended September 30, 2011

	Net Revenue (Expense) and Changes in Net Assets
GOVERNMENTAL ACTIVITIES	
Project administration	\$ (100,235)
Depreciation	(55,840)
Amortization	(2,196)
Interest expense	(52,601)
Total governmental activities	(210,872)
GENERAL REVENUES	
Property taxes levied for general purposes	479,360
Investment interest	2,391
Total general revenues	481,751
Change in net assets	270,879
NET ASSETS, beginning of year	938,119
NET ASSETS, end of year	\$ 1,208,998

Balance Sheet

MOSCOW URBAN RENEWAL AGENCY

BALANCE SHEET - GOVERNMENTAL FUNDS September 30, 2011

		General	т.	Alturas echnology Park		Legacy Crossing District	_	Total
ASSETS	_	10002220	-			10.2000000	1127	000000
Cash and investments	\$	41,956	\$	380,918	\$	109,818	\$	532,692
Accounts receivable		121						121
Land held for sale			_	531,256			_	531,256
Total assets	\$	42,077	\$	912,174	\$	109,818	\$	1,064,069
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable	\$	288			\$	136	\$	424
Deferred revenue			\$	2,000				2.000
Total liabilities		288		2,000	_	136		2,424
Fund Balance							1 18	
Nonspendable				531,256				531.256
Restricted				84.597		44.312		128,909
Assigned				294.321		65.370		359.691
Unassigned		41.789		254,321		65,570		41.789
Total fund balance		41,789	_	910,174	_	109,682	_	1.061.645
Total fund balance		41,709	_	310,174		109,002	_	1,001,045
Total liabilities and fund balance	\$	42,077	\$	912,174	\$	109,818	\$	1,064,069
RECONCILIATION OF STATEMENT OF NET ASSETS TO	BAL	ANCE SHE	ET					
Total fund balance - Governmental Funds							\$ 1	1,061,645
Amounts reported for governmental activities in the state of net assets are different because:	emen	nt						
Capital assets used in governmental activities are resources and, therefore, are not reported in the							1	1,082,738
Other long-term assets are not available to pay for expenditures and, therefore, are deferred in the								22,792
Long-term liabilities, consisting of bonds payable, a	re no	t due and						
payable in the current period and, therefore, are			e fun	ds			_	(958,177)
Total net assets - Governmental Activities							\$ 1	,208,998

Revenues & Expenditures

MOSCOW URBAN RENEWAL AGENCY

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
Year Ended September 30, 2011

		Alturas	Legacy	
		Technology	Crossing	
REVENUES	General	Park	District	Total
Property taxes		\$ 349,530	\$ 129.830	\$ 479,360
Investment interest	\$ 2,391	• 0.0,000	120,000	2.391
Total revenues	2,391	349,530	129,830	481,751
EXPENDITURES				
Current				
Legal and professional fees	37,824		19,380	57,204
Insurance	1,899			1,899
Advertising	709	501	240	1,450
Management services	30,000			30,000
Taxes	889	044	4,627	4,627
Other administration expenses Debt Service	999	944	3,222	5,055
Principal retirement		126,692	20.000	146.692
Interest		28,623	23,978	52.601
Capital outlay		20,025	20,570	32,001
Improvements			32,500	32.500
Total expenditures	71,321	156,760	103,947	332,028
EXCESS (DEFICIENCY) OF REVENUES OVER	02/2/02/02/02			
EXPENDITURES	(68,930)	192,770	25,883	149,723
OTHER FINANCING SOURCES (USES)				
Operating transfers	71.321	(71,321)		0
Total other financing sources (uses)	71,321	(71,321)	0	0
Net change in fund balances	2,391	121,449	25,883	149,723
FUND BALANCES AT BEGINNING OF YEAR	39,398	788,725	83,799	911,922
FUND BALANCES AT END OF YEAR	\$ 41,789	\$ 910,174	\$ 109,682	\$ 1,061,645
RECONCILIATION OF STATEMENT OF REVENUES, EX FUND BALANCES - GOVERNMENTAL FUNDS TO ST				
Net change in fund balances				\$ 149,723
Amounts reported for governmental activities in the	statement of activiti	es are different b	ecause:	
Governmental funds report capital outlays as exp activities the cost of those assets is allocated of reported as depreciation expense:			nt of	
This is the capital outlay for the current period	od.			32,500
This is the amount of depreciation taken dur	ing the current perio	d.		(55,840)
The issuance of long-term debt (e.g. bonds, least to governmental funds, while the repayment of the current financial resources of governmental any effect on net assets. Also, governmental fundiscounts, and similar items when debt is first it amortized in the statement of activities:	the principal of long I funds. Neither trai unds report the effect	term debt consunsaction, however t of issuance cos	mes r, has ts, premiums,	
Principal payments made on long-term debt Deferred issuance cost amortization				146,692 (2,196)
Change in net assets - Governmental Activities				

General Fund Balances

MOSCOW URBAN RENEWAL AGENCY

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - GOVERNMENTAL FUNDS
GENERAL FUND

Year Ended September 30, 2011

	Ar Orig	nounts F inal and Actual			Fi	Variance with Final Budget Positive (Negative)	
REVENUES	_		_				
Investment interest	_\$	500	\$	2,391		1,891	
Total revenues	-	500		2,391		1,891	
EXPENDITURES							
Current Legal and professional fees		50,375		37,824		12,551	
Insurance		2.000		1.899		101	
Advertising		1.000		709		291	
Management services		30,000		30,000		0	
Other administration expenses		6.700		889		5,811	
Capital outlay		0,.00		-		0,011	
Improvements		214,750				214,750	
Total expenditures		304,825		71,321		233,504	
•							
EXCESS (DEFICIENCY) OF REVENUES							
OVER EXPENDITURES		(304,325)		(68,930)		235,395	
OTHER FINANCING COURCES (LICES)							
OTHER FINANCING SOURCES (USES) Operating transfers		265,640		71,321		(104 210)	
Total other financing sources (uses)		265,640		71,321		(194,319) (194,319)	
total other infancing sources (uses)		200,040		71,321		(134,319)	
Net change in fund balances		(38,685)		2,391		41,076	
FUND BALANCES BEGINNING OF YEAR		38,685		39,398		713	
FUND BALANCES END OF YEAR	\$	0_	\$	41,789	\$	41,789	

Alturas Fund Balances

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - GOVERNMENTAL FUNDS
ALTURAS TECHNOLOGY PARK FUND
Year Ended September 30, 2011

REVENUES	Budgeted Amounts Original and Final	Final B	
Property taxes	\$ 365,250	\$ 349,530	\$ (15,720)
Total revenues	365,250	349,530	(15,720)
EXPENDITURES			
Current			
Legal and professional fees	10,000		10,000
Advertising	5,000	501	4,499
Repairs and maintenance	1,200		1,200
Other administration expenses	1,500	944	556
Debt Service			
Principal retirement	206,854	126,692	80,162
Interest	28,986	28,623	363
Capital outlay			
Improvements	38,235		38,235
Total expenditures	291,775	156,760	135,015
EXCESS (DEFICIENCY) OF REVENUES			
OVER EXPENDITURES	73,475	192,770	119,295
OTHER FINANCING SOURCES (USES)			
Proceeds from sale	175,565		(175,565)
Operating transfers	(265,640)	(71,321)	194,319
Total other financing sources (uses)	(90,075)	(71,321)	18,754
Net change in fund balances	(16,600)	121,449	138,049
FUND BALANCES BEGINNING OF YEAR	16,600	788,725	772,125
FUND BALANCES END OF YEAR	\$ 0	\$ 910,174	\$ 910,174

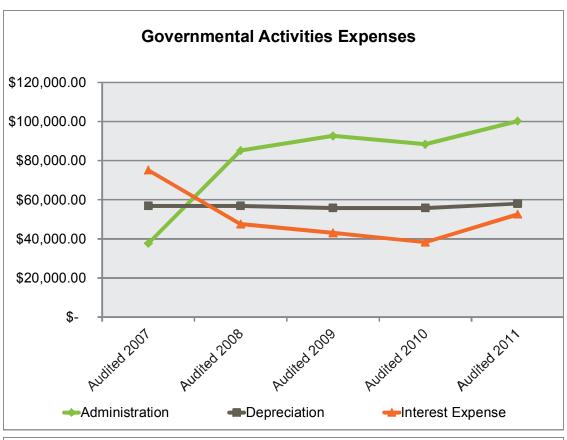
Legacy Fund Balances

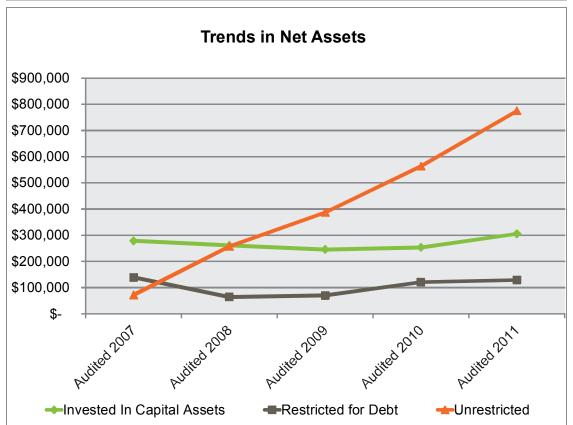
MOSCOW URBAN RENEWAL AGENCY

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - GOVERNMENTAL FUNDS
LEGACY CROSSING DISTRICT FUND
Year Ended September 30, 2011

	Budgeted Amounts Original and Actual Final Amounts		Variance with Final Budget Positive (Negative)		
REVENUES					
Property taxes	\$ 52,000	\$ 129,830	\$ 77,830		
Total revenues	52,000	129,830	77,830		
EXPENDITURES					
Current					
Legal and professional fees	5,560	19,380	(13,820)		
Advertising	500	240	260		
Taxes		4,627	(4,627)		
Other administration expenses	1,000	3,222	(2,222)		
Debt Service					
Principal retirement	20,000	20,000			
Interest	24,105	23,978	127		
Capital outlay					
Improvements	47,580	32,500	15,080		
Total expenditures	98,745	103,947	(5,202)		
Net change in fund balances	(46,745)	25,883	72,628		
FUND BALANCES BEGINNING OF YEAR	46,745	83,799	0_		
FUND BALANCES END OF YEAR	\$ 0	\$ 109,682	\$ 72,628		

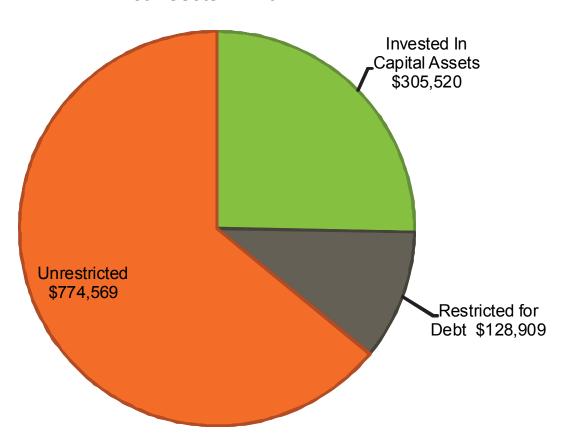
Expenses & Net Assets



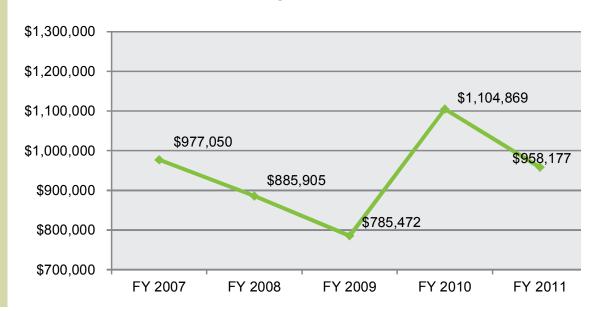


Net Assets & Long Term Debt

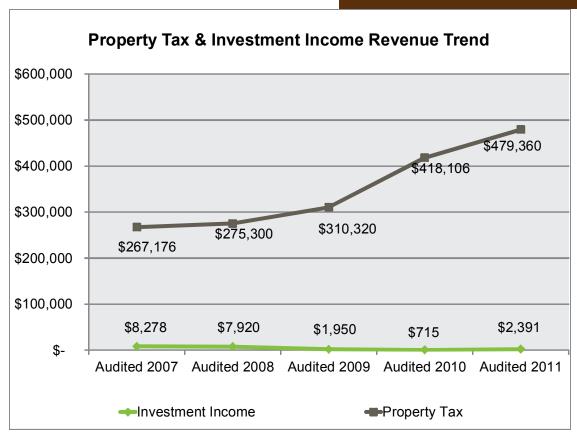
Net Assets FY 2011



5-Year Long Term Debt Trend



Tax & Investment Income



Budget to Actual Revenues

Budget to Actual Revenues - Detail September 30, 2011

Property Taxes – Alturas Technology Park:

Budgeted: \$ 365,250 Actual: \$ 349,530 Unrealized: \$ 15,720

Property Taxes – Legacy Crossing:

Budgeted: \$ 52,000 Actual: \$ 129,830 Excess: \$ 77,830

Interest Earnings – General Fund:

Budgeted: \$ 500 Actual: \$ 2,391 Excess: \$ 1,891

Budget to Actual Expenditures – General Fund September 30, 2011

Legal & Professional Fees:

Budget: \$ 50,375 Actual: \$ 37,824 Variance: \$ 12,551

Insurance:

 Budget:
 \$ 2,000

 Actual:
 \$ 1,899

 Variance:
 \$ 101

Advertising:

Budget: \$ 1,000 Actual: \$ 709 Variance: \$ 291 Management Services:

Budget: \$ 30,000 Actual: \$ 30,000 Variance: \$ 0

Other Administrative Expenses:

Budget: \$ 6,700 Actual: \$ 889* Variance: \$ 5,811

* \$889 consists of: \$759 for Travel and Meetings and \$130 Misc. Expense (Jack Nelson farewell refreshments and gift for service.)

Budget to Actual Revenues

Budget to Actual Expenditures – Alturas September 30, 2011

Legal & Professional Fees:

Budget: \$ 10,000 Actual: \$ 0 Variance: \$ 10,000

Advertising:

Budget: \$ 5,000 Actual: \$ 501 Variance: \$ 4,499

Repairs & Maintenance:

Budget: \$ 1,200 Actual: \$ 0 Variance: \$ 1,200

Other Administrative Expenses:

Budget: \$ 1,500 Actual: \$ 944* Variance: \$ 556

* \$944 is an adjustment to the Thompson
Note to balance to Latah Co.
Escrow balance due to
amortization schedule error over
time.

Budget to Actual Expenditures – Legacy Crossing September 30, 2011

Legal & Professional Fees:

Budget: \$ 5,560 Actual: \$ 19,380 Variance: \$ -13,820

Advertising:

Budget: \$ 500 Actual: \$ 240 Variance: \$ 260

Taxes:

Budget: \$ 0 Actual: \$ 4,627* Variance: \$ -4,627

Other Administrative Expenses:

Budget: \$ 1,000 Actual: \$ 3,222 Variance: \$ -2,222

* \$3,222 consists of: \$1,859 for Utilities for 6th & Jackson property, \$513 for Anderson Group participation agreement costs, and \$850 for reimbursement costs to U Of I Dept. of Architecture.

^{* \$4,627} property taxes at closing of 6th & Jackson property.

Alturas Technology Park District

Summary

R&D Technology Development

Revolutionary. That's technology. In order to keep pace with invention and discovery, you need an environment that allows technology to thrive. The Alturas Technology Park is a place where inspiration happens; where knowledge and community are shared. It's vital ground for the cultivation of ingenuity.



Located just 7 miles from the nearest regional airport and within 10 miles of two major universities, this unique business park also offers access to the local fiber-optic network and a public park.

The Alturas Technology Park is the Moscow Urban Renewal Agency's first district and is currently home to many of Moscow's premier high-tech companies, including EMSI, Comtech EF Data Corporation, Alturas Analytics, Inc., Anatech Labs, Inc., and BioTracking, LLC. This year the businesses in Alturas also experienced additional growth. EMSI made the Inc. 5000 List for the 5th straight year.

These companies now have a total payroll of \$6.2 million and pay an average wage of \$50,650, which is significantly higher than the city's median household income of \$35,389. Furthermore, the park contributes an estimated adjusted impact of \$26.7M to the local community.

The Moscow Urban Renewal Agency has six (6) lots left for sale within the Alturas Technology Park. The lots range in size from 28,370/SF to 38,885/SF and are priced at \$2.34/SF.

During FY2011:

- MURA staff prepared four (4) packages in response to RFIs submitted by industry Site Selectors; and,
- Distributed thirty-six (36) digital real estate packages to potential company relocates.





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Alturas Technology Park Project Area Map



Legacy Crossing Urban Renewal District

Summary

Mixed Use Development

The Legacy Crossing Urban Renewal District was created in June of 2008 and is the Agency's second urban renewal district. Legacy Crossing covers approximately 163 acres and includes a majority of the blighted and underutilized properties located between Moscow's historic downtown and the University of Idaho. The Agency, through public private partnerships, will focus on



redeveloping the district into a vibrant and attractive mixed use neighborhood and shall promote a pedestrian and bicycle friendly environment with an emphasis on comfortable and convenient access to Moscow's downtown and the University of Idaho, including the design and development of the "Hello Walk" extension.

Towards that end, the Agency completed the following development activities during YR2011.

 In February 2011, the property acquired by the Agency at 6th and Jackson Street was secured by

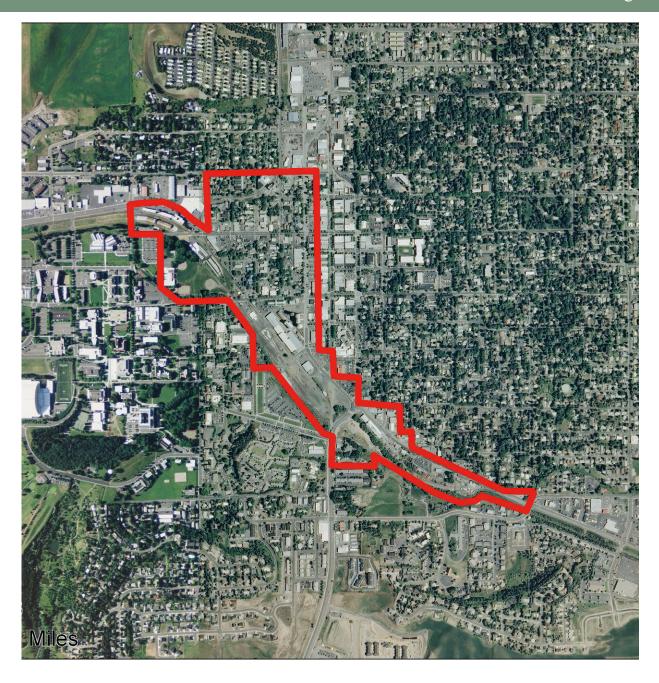
cables and bollards to prevent unauthorized use of the property.

- May 2011, Relient Engineering evaluated the seed sack warehouse located at 6th and Jackson Street for adaptive reuse.
- June 2011, the City of Moscow building department notitifed the Agency that the seed sack warehouse was deemed to be an unsafe and dangerous building and that the Agency would need to commence work within 15 days to remove the potential threats to public safety.
- July 2011, the Agency Board of Commissioners directed staff to prepare the seed sack warehouse for demolition.
- August 2011, STRATA completed an asbestos and lead based paint survey for the seed sack warehouse and coffee house located on the 6th and Jackson Street property.
- August 2011, the Legacy Crossing District repaid The Alturas Technology Park District start-up loan in the amount of \$35,396.84.

 September 2011, LaMoreaux Photogtraphy photographed the seed sack warehouse for historic preservation purposes.

- September 2011, Germer Construction secured the site and began the demolition of the seed sack warehouse. Site cleanup and final inspections were also completed during September 2011.
- September 2011, the Agency finalized a Limited Resource Promissory Note with the Anderson Group LLC relating to the environmental remediation of the Anderson Group LLC property.





163 Acres

Legacy Crossing Project Area Map

Inventory of MURA owned Properties

Real Estate Assets

District	Property Address	Parcel Number	SF /Acres	Planned Reuse
Alturas	1362 Alturas Drive	RPM00270010020	29,412/SF	Fee Simple Sale
Alturas	1412 Alturas Drive	RPM00270010030	28,370/SF	Fee Simple Sale
Alturas	1425 Alturas Drive	RPM00270020040	38,885/SF	Fee Simple Sale
Alturas	1383 Alturas Drive	RPM00270020030	36,997/SF	Fee Simple Sale
Alturas	1345 Alturas Drive	RPM00270020020	34,531/SF	Fee Simple Sale
Alturas	1293 Alturas Drive	RPM00270020010	35,029/SF	Fee Simple Sale
Legacy	201 W. 6th Street	RPM00000180025	0.87 Acres	Public pathway, public plaza and future fee simple sale

Land sales in the Alturas Technology Park Urban Renewal District have been slower than anticipated, primarily due to the global recession and in part due to challenges developers have had obtaining financing. The capital markets remain

tight due to the credit crunch, questionable residential lending practices and aggressive commercial lending practices. With Federal regulators pressuring or shutting down banks, many of these institutions aren't lending money. Consequently, it's difficult and at times impossible for developers to obtain loans. Furthermore, the shift from spec building to more pre-

leasing is likely to continue into the foreseeable future.

The current inventory of lots is six (6). Agency staff anticipate sales in the next few years to increase as the Agency's branding initiative and promotional efforts begin to take effect.



EPA Brownfield Coalition Grant

Assessments

Creating the opportunity for economic revitalization through Brownfield redevelopment is a primary goal of the Moscow Urban Renewal Agency. The United States Environmental Protection Agency (EPA) defines brownfields as "real property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant." These problem properties are not uncommon. According to the



General Accounting Office (GAO), there are close to 450,000 brownfields in the United States.

In 2010, the Moscow Urban Renewal Agency partnered with the City of Moscow and Latah County and was awarded an EPA Brownfields Assessment Coalition Grant totaling \$475,000.

The grant allows for environmental assessments and cleanup planning for sites

located primarily within the Legacy Crossing Urban Renewal District. The Agency's Executive Director is also the Project Manager for the EPA Brownfield Coalition Grant.

In 2011, the EPA determined the following four (4) Moscow site locations to be eligible for Phase I and /or Phase II Environmental Assessments:

- 317 W. 6th Street:
- 207 N. Main Street;
- 1102 S. Main Street; and
- 103 N. Almon Street.

Brownfield redevelopment can benefit both private investors and the Moscow community. For the public /private sectors, brownfield redevelopment can mean new business opportunities, the potential for profit on unused or under-utilized properties, increased environmental stewardship, and access to untapped markets.





Annual Report, 2011

Public Comments

The comment period on the Draft 2011 Annual Report was opened on February 2, 2012 and closed on March 16, 2012. No comments were received by the Agency during this period of time.

Agency Response to Comments

Legal Notice

NEWS REVIEW PUBLISHING COMPANY The Moscow-Pullman Daily News P.O.Box 374 Lewiston, Idaho 83501		Date:	02/18/2012	INVOICE NO.	55832
(208) 743		Account No.	30117922		
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As required by Idaho Code \$50-2006(c), the Moscow Urban Renewal Agency will review and take com-ment on the draft annual report of the Agency's 2011 activities on Febru-ary 22, 2012. A copy of the

ary 22, 2012. A copy of the ary 22, 2012. A copy of the report is available for inspection during business hours in the office of the City Clerk. Written comments may be submitted to the Agency in advance of the meeting and the Agency will solicit oral and written comments at the meeting. The comment period will remain open until March 16, 2012. As required by Idaho Code \$50-2011(f), the annual report identifies the real property held by the Agency and sets forth the reasons such property remains unsold and indicates the Agency's plans for disposition of the real property, if necessary. If you have any questions or to submit comments, please contact MURA Executive Director Jeff Jones at (208) 883-7007 or ijones@ci.moscowid.us.

AFFIDAVIT OF PUBLICATION

Mandy Charbonneau , Legal Clerk being first duly sworn, on oath deposes and says: I am the printer of Moscow-Pullman Daily News, a newspaper of general circulation, published daily except Sunday at Mosocw, Latah County, Idaho, in compliance with Sections 60-106, 60-107, and 60-108 of the Idaho Code and the amendments thereto; and an official newspaper for Whitman County, Washington as required by R.C.W. 36.72.071 and other provisions of the Revised Code of Washington and the amendments thereto: that the notice of which the annexed is a full, true and correct printed copy was published in the regular and entire issues of said newspaper and not in a supplement thereto, upon the following dates:

the same being the date designated for

the publication of said notice.

On this alst day of tebruan in the year of 2012, before me, a Notary Public, personally appeared Mandy Charbonneau known or identified to me to be the person whose name subscribed to the within instrument, and being by me first duly sworn, declared that the statements therein are true, and acknowledged to me that he executed the same.

Notary Public for Idaho,

Notary Public for runner.

Residing at Moscow, Idaho

Lynires

4/30





Moscow Urban Renewal Agency

206 E. Third Street