

BY THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF
MOSCOW, IDAHO:

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF
THE MOSCOW URBAN RENEWAL AGENCY, TO BE
TERMED THE "ANNUAL REPORT RESOLUTION,"
APPROVING THE ANNUAL REPORT OF THE URBAN
RENEWAL AGENCY, FOR CALENDAR YEAR 2014;
APPROVING THE NOTICE OF FILING THE ANNUAL
REPORT; DIRECTING THE CHAIR TO SUBMIT SAID
REPORT; AND PROVIDING AN EFFECTIVE DATE.

THIS RESOLUTION, made on the date hereinafter set forth by the Moscow Urban
Renewal Agency, an independent public body corporate and politic, authorized under the
authority of the Idaho Urban Renewal Law of 1965, as amended, Chapter 20, Title 50, Idaho
Code, a duly created and functioning urban renewal agency for Moscow, Idaho, hereinafter
referred to as the "Agency,"

WHEREAS, the Agency, an independent public body, corporate and politic, is an urban
renewal agency created by and existing under the authority of and pursuant to the Idaho Urban
Renewal Law of 1965, being Idaho Code, Title 50, Chapter 20, as amended and supplemented
("Law");

WHEREAS, the City Council of the city of Moscow, Idaho (the "City"), on July 1, 1996,
after notice duly published, conducted a public hearing on the City of Moscow Idaho Research
and Technology Park Urban Renewal/Competitively Disadvantaged Border Community Area
Plan of 1996 (the "Plan");

WHEREAS, following said public hearing the City adopted its Ordinance 96-12 on July
1, 1996, approving the Plan and making certain findings;

WHEREAS, the City on June 7, 2004, after notice duly published, conducted a public
hearing on the First Amended and Restated Urban Renewal Plan (the "First Amended and
Restated Urban Renewal Plan");

WHEREAS, following said public hearing, the City adopted its Ordinance No. 2004-28
on June 7, 2004, approving the Amended and Restated Urban Renewal Plan and making certain
findings;

WHEREAS, the City, on June 20, 2005, after notice duly published, conducted a public
hearing on the Second Amended and Restated Urban Renewal Plan (the "Second Amended and
Restated Urban Renewal Plan");

WHEREAS, following said public hearing, the City adopted its Ordinance No. 2005-18 on June 20, 2005, approving the Second Amended and Restated Urban Renewal Plan and making certain findings;

WHEREAS, the City, on June 2, 2008, after notice duly published, conducted a public hearing on the Legacy Crossing Urban Renewal District Redevelopment Plan (the "Legacy Crossing Plan");

WHEREAS, following said public hearing, the City adopted its Ordinance No. 2008-10 on June 2, 2008, approving the Legacy Crossing Plan and making certain findings;

WHEREAS, pursuant to Idaho Code *Section* 50-2006(c), Agency Executive Director has prepared an annual report of the Agency's activities for calendar year 2013, a copy of which report is attached hereto as Exhibit A and is incorporated herein by reference;

WHEREAS, Agency opened the public comment period on the proposed annual report from March 23, 2015 to March 25, 2015, after notice was duly published on March 21, 2015. No public comments regarding the annual report were received by the Agency or City Clerk.

WHEREAS, on March 25, 2015, pursuant to Section 50-2006(c), Idaho Code, the Agency held an open public meeting, properly noticed, to report these findings during the Agency's meeting held at 206 E. Third Street, Moscow, Idaho;

WHEREAS, pursuant to Section 20-2006(c), Idaho Code, the Agency is required to prepare an annual report and submit the annual report to the Mayor of the city of Moscow, Idaho, on or before March 31 of each year.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE BOARD OF COMMISSIONERS OF THE MOSCOW URBAN RENEWAL AGENCY, AS FOLLOWS:

Section 1: That the above statements are true and correct.

Section 2. That the annual report attached hereto as Exhibit A and the notice of filing the annual report attached hereto as Exhibit B are hereby approved and adopted by the Agency Board.

Section 3: That the Chair shall submit said annual report to the city of Moscow, Idaho, on or before March 31, 2015.

Section 4: That this Resolution shall be in full force and effect immediately upon its adoption and approval.

PASSED AND ADOPTED by the Moscow Urban Renewal Agency, on March 25, 2015. Signed by the Chairman of the Board of Commissioners, and attested by the Secretary to the Board of Commissioners, on March 25, 2015.

APPROVED:

By John McCabe
John McCabe, Chairman of the Board

ATTEST:

By Brandy Sullivan
Brandy Sullivan, Secretary







Annual Report

& Financial Statements for Fiscal Year 2014



This page intentionally left blank.



2014 ANNUAL REPORT FOR THE MOSCOW URBAN RENEWAL AGENCY

The Mission of the Agency (Agency) is to promote and support projects that achieve sustainable economic growth, vitality, and which enhance the community.

Per Idaho Code §50-2006(c), urban renewal agencies are to provide an annual report by March 31 of each year to the jurisdiction's governing body. For the Agency that is the Moscow City Council. This report is submitted in fulfillment of that requirement and to provide information to the public. The report will be available from March 23 through March 25, 2015, for inspection during business hours in the office of the City Clerk or on the Urban Renewal Agency's website at www.moscowura.com.

As required by Idaho Code §50-2006(c), the Agency will consider for approval the draft annual report of the Agency's 2014 activities at their meeting on March 25, 2015. Written comments are welcomed and may be submitted to the Agency in advance of the meeting. Comments and responses from that period will be included in the final version of this report.

The comment period will remain open from March 23, 2015 to March 25, 2015.

FOR MORE INFORMATION...

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:

Gary J. Riedner, Interim Director
206 E. Third Street Moscow, Idaho 83843
(208)883-7006
www.moscowura.com
griedner@ci.moscow.id.us

UNDERSTANDING URAS

Urban renewal and revenue allocation financing are the most significant tools available to Idaho communities for attracting and retaining businesses, generating economic development, promoting job creation and encouraging development of deteriorating and underutilized areas. The State of Idaho provides limited options for cities and counties to use in financing site preparation, infrastructure and other needed incentives necessary to attract and retain businesses. Revenue allocation financing allows communities to make a site ready for development, including extending water, sewer, streets and other improvements that reduce the cost to businesses of relocating or expanding.

Urban renewal and revenue allocation financing is particularly important because of the competitive nature of economic development, where Idaho communities face competition from communities in other states or countries where incentives such as tax abatements, local revenue sharing, and incentives for recruitment often exist. Many Idaho cities (some with more than one project area), have chosen these tools to revitalize their city. The positive impacts of urban renewal can be seen across the state of Idaho.

CONTENTS

Moscow Urban Renewal Agency Profile	1
Agency Board and Staff	3
The Districts of the Agency	4
Financial Statements	5
Alturas Technology Park Urban Renewal District.....	19
Legacy Crossing Urban Renewal District	21
EPA Brownfields Coalition Assessment & Cleanup Grant.....	24
Inventory of MURA Owned Properties	25
Public Comments & Response.....	27
Legal Notice.....	27

This page intentionally left blank.



MOSCOW URBAN RENEWAL AGENCY PROFILE

The Agency was organized by the Moscow City Council in 1995 pursuant to resolution 95-08 in accordance with Idaho Urban Renewal Law, Ch. 20, Title 50, Idaho Code (the "Law") and the Local Economic Development Act, Ch. 29, Title 50, Idaho Code (the "Act"). The Agency acts as an arm of the Idaho State government, entirely separate and distinct from the City of Moscow as provided in Idaho Code Section 50-2006.

The purpose of the Agency is to undertake urban renewal projects in areas designated by the City of Moscow to be deteriorating, and to undertake this rehabilitation, conservation, redevelopment or a combination thereof in the interest of the public health, safety, morals or welfare of the residents of the City of Moscow.

The Agency is comprised of seven Commissioners appointed by the Mayor, and confirmed by the City Council, with terms as specified by the Mayor, as authorized by Moscow City Council Resolution 2008-17. Membership is constituted as follows: Two (2) members of the Moscow City Council; One (1) member of the Latah County Commission; and, four (4) members from the citizenry at large. Terms are staggered in such a fashion that no more than three (3) expire in any given year. The Board of Commissioners elects the Chairman, Vice-Chairman and Secretary from the ranks of the Commission, the Treasurer office may be filled by Commissioners or by staff appointments made by the Commission.



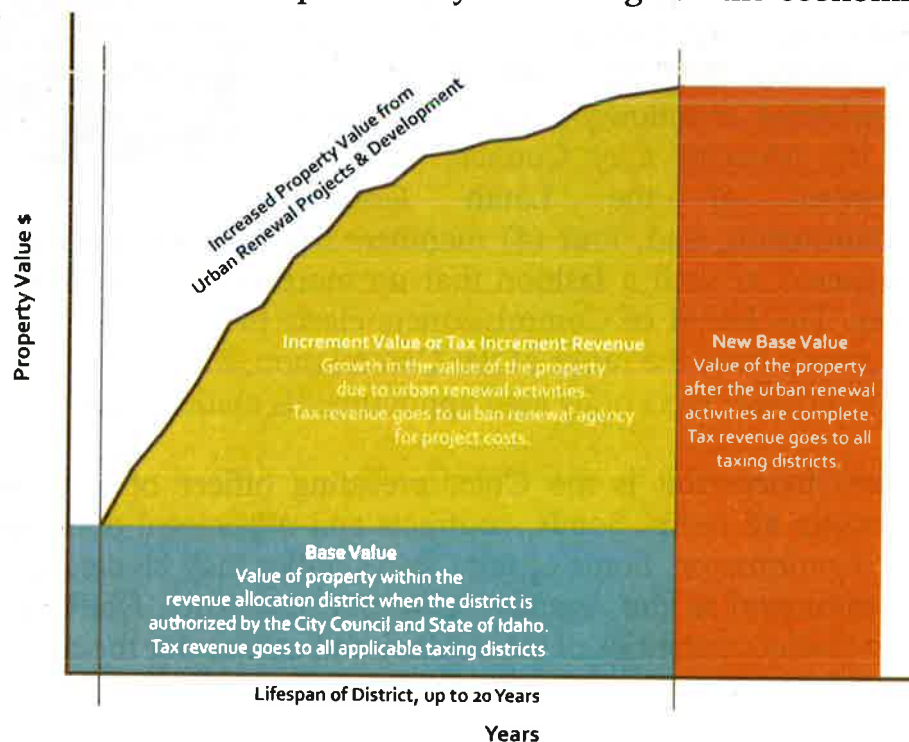
Comtech EF Data Corporation

The Chairperson is the Chief presiding officer of the Agency. The Chair executes all deeds, bonds, contracts and other legal documents authorized by the Commission. Some of the Chair's duties may be delegated by the Board of Commission to the Agency's part-time Executive Director who oversees the day-to-day operations of the Agency and carries out the policies of the Board.

The City of Moscow is responsible for defining the geographic boundaries and legal creation of all urban renewal districts within the city. The Alturas Technology Park District was created in 1995 and the Legacy Crossing District was created in 2008. The Agency works with the City of Moscow and the private sector to remedy blight and to facilitate economic development within these two districts. The Agency's activities within these districts are directed by specific urban renewal plans adopted by the Moscow City Council. The Agency provides funding for these efforts through the use of tax incremental financing.

As illustrated in the following graphic, when the city establishes a tax increment financing district, the value on the property in the district is set as of the date the district is created. The property tax revenue collected on this base value goes to the various taxing entities providing services to that property. Any increase in value over the base is called the increment value and the tax revenue generated from the increment value is transferred to the Agency. These tax increment revenues are used by the Agency to pay for public improvements and other revitalization activities in that district. When the district closes (now up to 20 years) the increment value is added back to the base value on the tax rolls. This helps diversify and strengthen the economic bases of both the city and the county.

Though urban renewal is a separate item on property tax statements, local property owners pay the same amount of tax whether or not an urban renewal district is established in their area.



AGENCY BOARD AND STAFF

The Agency is comprised of seven Commissioners appointed by the Mayor, and confirmed by the City Council, with terms specified by the Mayor, as authorized by Moscow City Council Resolution 2008-17. Officers of the agency consist of a Chairperson, Vice Chairperson, Secretary and Treasurer. Formal policy decisions are made by the Agency Board of Commissioners.



2014 MURA Board (pictured from left to right)

John McCabe, Chair

Steve McGeehan, Vice Chair

Brandy Sullivan, Secretary

Art Bettge, Commissioner

Steve Drown, Commissioner

Dave McGraw, Commissioner

John Weber, Commissioner

In addition, the City of Moscow provides ongoing staff support to the agency to assist in meeting operational needs of the Agency.



Staff (pictured from left to right)

Gary J. Riedner, Interim Executive Director, Moscow City Supervisor

Jeff Jones, Former Executive Director, *resigned 2014*

Don Palmer, Treasurer

Stephanie Kalasz, City Clerk

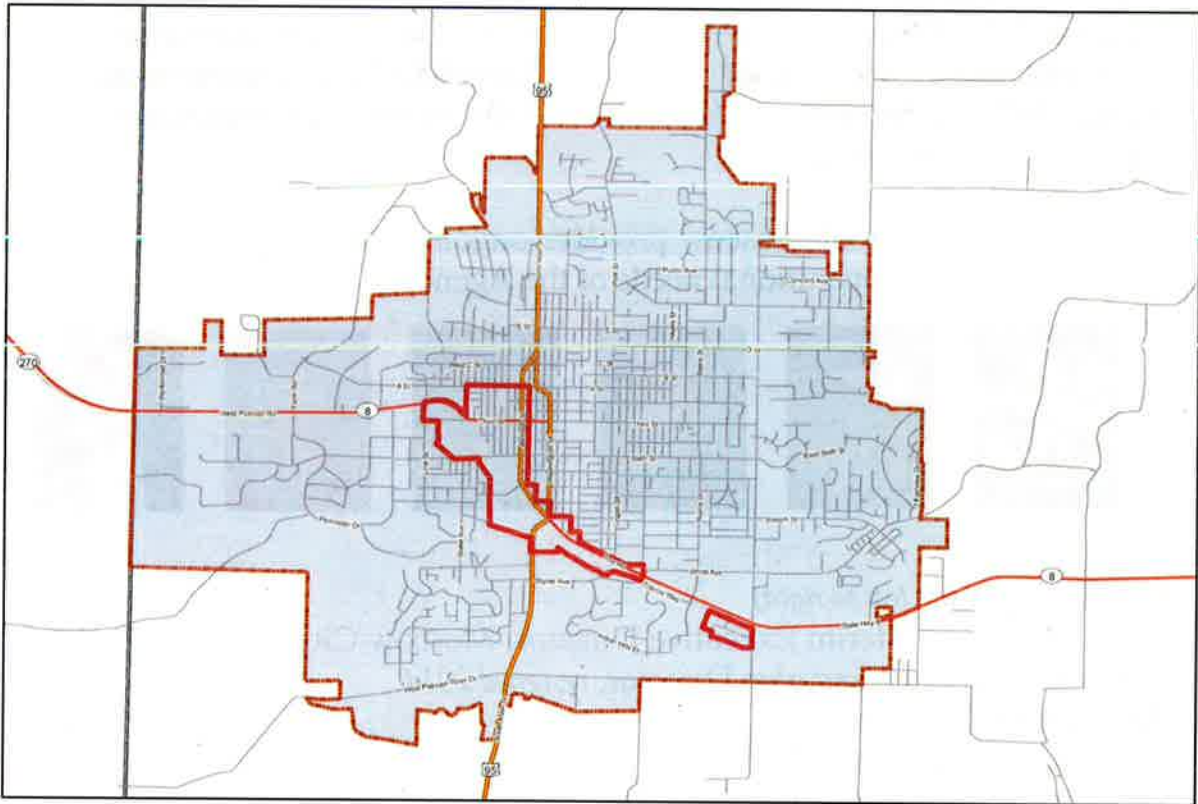
Joelle Dinubilo, Accounting Specialist

Ryan P. Armbruster, Elam & Burke, P.A., Legal Counsel

THE DISTRICTS OF THE AGENCY

The Agency operates in two urban renewal districts: The Alturas Technology Park and Legacy Crossing.

Applying a variety of redevelopment strategies to improve economic conditions and enhance the quality of life across the city, the Agency's catalog of projects demonstrates that there is no one-size-fits-all solution for community redevelopment. When taken as a whole, this diversity of efforts translates into a cohesive framework, serving critical community, business, and economic development needs.



FINANCIAL STATEMENTS

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO	
STATEMENT OF NET POSITION	
September 30, 2014	
	Governmental Activities
ASSETS	
Cash and investments	\$ 1,098,035
Accounts receivable	111
Land held for sale	531,256
Capital assets	
Land	505,803
Infrastructure, net of accumulated depreciation of \$694,989	491,218
Total assets	<u>2,626,423</u>
LIABILITIES	
Accounts payable	877
Series 2007 Bond - due within one year	109,948
Series 2010 Bond - due within one year	24,000
Latah County payback agreement - due within one year	4,000
Series 2010 Bond - due after one year	399,000
Latah County payback agreement - due after one year	110,537
Total liabilities	<u>648,362</u>
NET POSITION	
Net investment in capital assets	508,385
Restricted	
Debt service	159,483
Unrestricted	<u>1,310,193</u>
Total net position	<u>\$ 1,978,061</u>

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

STATEMENT OF NET ASSETS - Detail September 30, 2014

Assets

- Total Cash & Investments - \$1,098,035 at year end
- Accounts Receivable: LGIP Accrued Interest \$111
- Land held for sale in the amount of \$531,256 is the Alturas Property
- Capital Assets Land - \$505,803

Liabilities

- Accounts Payable - \$877
- Total Bond, Loan Principal, and Latah County payback agreement due in FY 2015 is \$109,948, \$24,000, and \$4,000 respectively (Total \$137,948)
- Non-current Liabilities - \$509,537

Net Position

- Restricted for Debt Service - \$159,483
- \$1,310,193 is considered unrestricted, it includes the URA's ownership in Land held for resale
- Invested in Capital Assets, net of Related Debt - \$508,385

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO			
STATEMENT OF ACTIVITIES			
Year Ended September 30, 2014			
		Program Revenues	Net Revenue (Expense) and Changes in Net Assets
	Expenses	Operating Grants and Contributions	Governmental Activities
GOVERNMENTAL ACTIVITIES			
Project administration	\$ 105,244	\$ 3,560	\$ (101,684)
Depreciation	58,488		(58,488)
Interest expense	30,211		(30,211)
Total governmental activities	193,943	3,560	(190,383)
GENERAL REVENUES			
Property taxes levied for general purposes			510,514
Investment income/losses			3,744
Total general revenues			514,258
Change in net position			323,875
NET POSITION, beginning of year			1,768,723
PRIOR PERIOD ADJUSTMENT			(114,537)
NET POSITION, end of year			\$ 1,978,061

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO				
BALANCE SHEET - GOVERNMENTAL FUNDS				
September 30, 2014				
	General	Alturas Technology Park District	Legacy Crossing District	Total
ASSETS				
Cash and investments	\$ 46,653	\$ 754,841	\$ 296,541	\$ 1,098,035
Accounts receivable	111			111
Land held for sale		531,256		531,256
Total assets	\$ 46,764	\$ 1,286,097	\$ 296,541	\$ 1,629,402
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable	\$ 60	\$ 157	\$ 660	\$ 877
Total liabilities	60	157	660	877
Fund Balance				
Nonspendable		531,256		531,256
Restricted for debt service		115,171	44,312	159,483
Assigned		639,513	251,569	891,082
Unassigned	46,704			46,704
Total fund balance	46,704	1,285,940	295,881	1,628,525
Total liabilities and fund balance	\$ 46,764	\$ 1,286,097	\$ 296,541	\$ 1,629,402
RECONCILIATION OF THE STATEMENT OF NET POSITION TO THE BALANCE SHEET				
Total fund balance - Governmental Funds				\$ 1,628,525
Amounts reported for governmental activities in the statement of net position are different because:				
Capital assets used in governmental activities are financial resources and, therefore, are not reported in the funds				997,021
Long-term liabilities, consisting of bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds				(647,485)
Total net position - Governmental Activities				\$ 1,978,061

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO				
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS				
Year Ended September 30, 2014				
	General	Alturas Technology Park District	Legacy Crossing District	Total
REVENUES				
Property taxes		\$ 393,705	\$ 116,809	\$ 510,514
Grants and contributions			3,560	3,560
Investment income/losses	1,005		2,739	3,744
Total revenues	1,005	393,705	123,108	517,818
EXPENDITURES				
Current				
Legal and professional fees	56,769	2,765	3,966	63,500
Insurance	1,492			1,492
Advertising	583	807		1,390
Management services	30,000			30,000
Repairs and maintenance		994	1,801	2,795
Other administration expenses	1,751		4,316	6,067
Debt service				
Principal retirement		95,964	23,000	118,964
Interest		9,766	20,445	30,211
Total expenditures	90,595	110,296	53,528	254,419
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(89,590)	283,409	69,580	263,399
OTHER FINANCING SOURCES (USES)				
Operating transfers	90,595	(90,595)		-
Total other financing sources (uses)	90,595	(90,595)	-	-
Net change in fund balances	1,005	192,814	69,580	263,399
FUND BALANCES AT BEGINNING OF YEAR	45,699	1,093,126	226,301	1,365,126
FUND BALANCES AT END OF YEAR	\$ 46,704	\$ 1,285,940	\$ 295,881	\$ 1,628,525
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES				
Net change in fund balances - Governmental Funds				\$ 263,399
Amounts reported for governmental activities in the statement of activities are different because:				
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense:				
This is the amount of depreciation taken during the current period.				(58,488)
The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities:				
Principal payments made on long-term debt				118,964
Change in net position - Governmental Activities				\$ 323,875

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO			
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES			
IN FUND BALANCES - BUDGET AND ACTUAL - GOVERNMENTAL FUNDS			
GENERAL FUND			
Year Ended September 30, 2014			
	Budgeted Amounts Original and Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Investment income/losses	\$ 2,000	\$ 1,005	\$ (995)
Total revenues	2,000	1,005	(995)
EXPENDITURES			
Current			
Legal and professional fees	61,420	56,769	4,651
insurance	1,550	1,492	58
Advertising	1,000	583	417
Management services	30,000	30,000	0
Other administration expenses	6,700	1,751	4,949
Total expenditures	100,670	90,595	10,075
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(98,670)	(89,590)	9,080
OTHER FINANCING SOURCES (USES)			
Operating transfers	258,050	90,595	(167,455)
Total other financing sources (uses)	258,050	90,595	(167,455)
Net change in fund balances	159,380	1,005	(158,375)
FUND BALANCES BEGINNING OF YEAR	(159,380)	45,699	205,079
FUND BALANCES END OF YEAR	\$ 0	\$ 46,704	\$ 46,704

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO			
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GOVERNMENTAL FUNDS ALTURAS TECHNOLOGY PARK DISTRICT FUND Year Ended September 30, 2014			
	Budgeted Amounts Original and Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 354,529	\$ 393,705	\$ 39,176
Total revenues	<u>354,529</u>	<u>393,705</u>	<u>39,176</u>
EXPENDITURES			
Current			
Legal and professional fees	46,540	2,765	43,775
Advertising	5,000	807	4,193
Repairs and maintenance	6,000	994	5,006
Other administration expenses	1,500		1,500
Debt Service			
Principal retirement	95,965	95,964	1
Interest	9,785	9,766	19
Capital outlay			
Improvements	135,000		135,000
Contingency	24,820		24,820
Total expenditures	<u>324,610</u>	<u>110,296</u>	<u>214,314</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>29,919</u>	<u>283,409</u>	<u>253,490</u>
OTHER FINANCING SOURCES (USES)			
Proceeds from sale	157,380		(157,380)
Operating transfers	(258,050)	(90,595)	167,455
Total other financing sources (uses)	<u>(100,670)</u>	<u>(90,595)</u>	<u>10,075</u>
Net change in fund balances	(70,751)	192,814	263,565
FUND BALANCES BEGINNING OF YEAR	<u>70,751</u>	<u>1,093,126</u>	<u>1,022,375</u>
FUND BALANCES END OF YEAR	<u>\$ 0</u>	<u>\$ 1,285,940</u>	<u>\$ 1,285,940</u>

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO			
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GOVERNMENTAL FUNDS LEGACY CROSSING DISTRICT FUND Year Ended September 30, 2014			
	Budgeted Amounts Original and Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 93,675	\$ 116,809	\$ 23,134
Grants and contributions	150,317	3,560	(146,757)
Investment income/losses		2,739	2,739
Total revenues	<u>243,992</u>	<u>123,108</u>	<u>(120,884)</u>
EXPENDITURES			
Current			
Legal and professional fees	44,258	3,966	40,292
Advertising	500		500
Repairs and maintenance	3,000	1,801	1,199
Other administration expenses	6,450	4,316	2,134
Debt service			
Principal retirement	446,000	23,000	423,000
Interest	20,445	20,445	
Capital outlay			
Improvements	177,004		177,004
Contingency	16,559		16,559
Total expenditures	<u>714,216</u>	<u>53,528</u>	<u>660,688</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(470,224)</u>	<u>69,580</u>	<u>539,804</u>
OTHER FINANCING SOURCES (USES)			
Proceeds from sale	467,965		(467,965)
Total other financing sources (uses)	<u>467,965</u>	<u>0</u>	<u>(467,965)</u>
Net change in fund balances	(2,259)	69,580	71,839
FUND BALANCES BEGINNING OF YEAR	<u>2,259</u>	<u>226,301</u>	<u>224,042</u>
FUND BALANCES END OF YEAR	<u>\$ 0</u>	<u>\$ 295,881</u>	<u>\$ 295,881</u>

Budget to Actual Revenues - Detail 30-Sep-14

Property Taxes - Alturas Technology Park

Budgeted:	\$	354,529
Actual:	\$	393,705
Excess:	\$	39,176

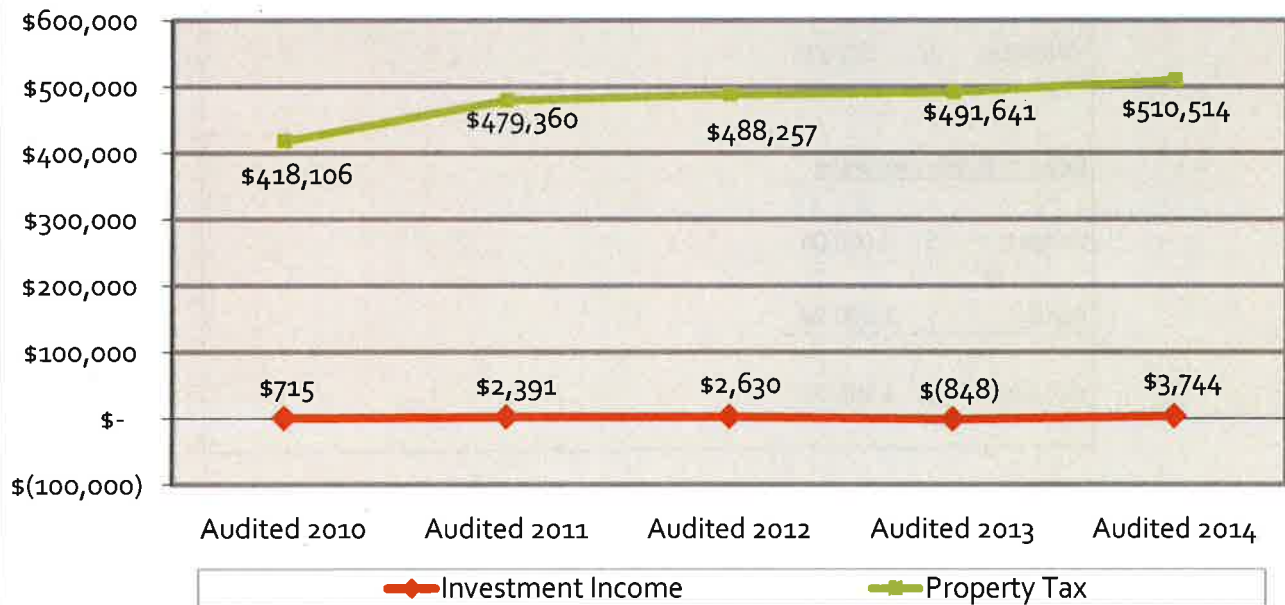
Property Taxes - Legacy Crossing

Budgeted:	\$	93,675
Actual:	\$	116,809
Excess:	\$	23,134

Investment Income/Losses - General Fund

Budgeted:	\$	2,000
Actual:	\$	1,005
Excess:	\$	995

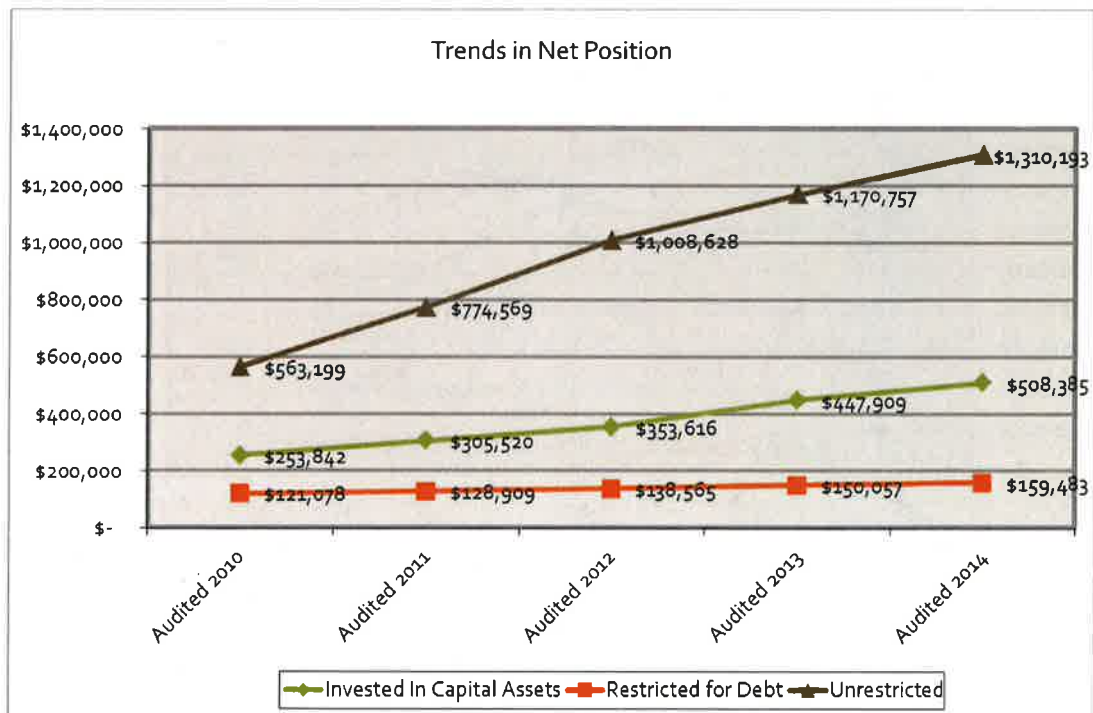
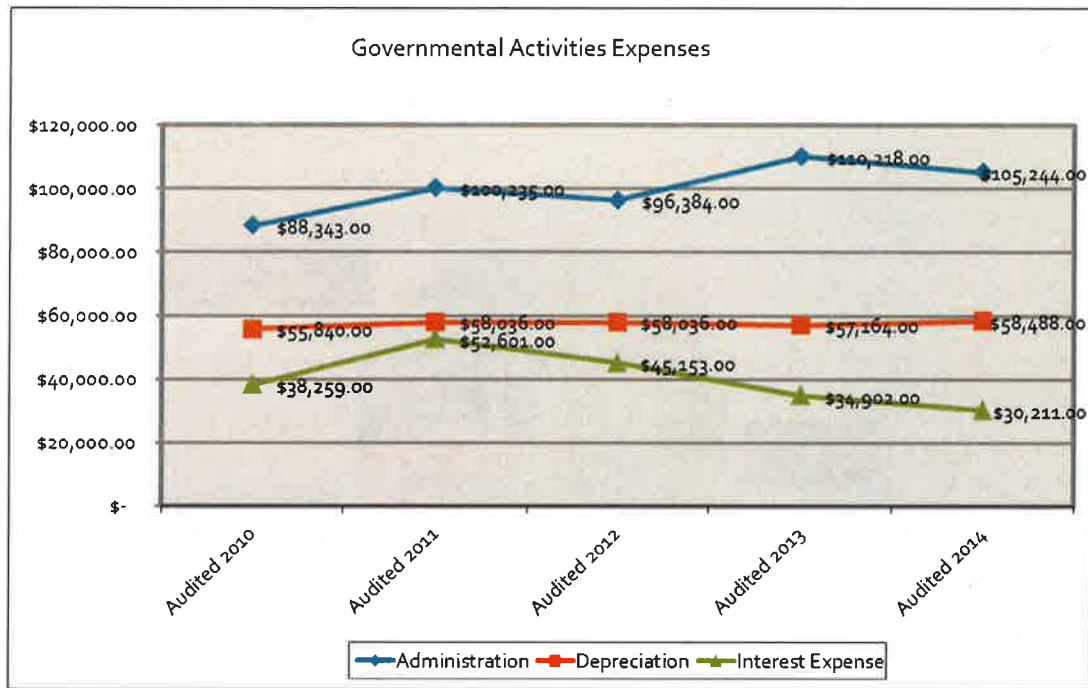
Property Tax & Investment Income Revenue Trend



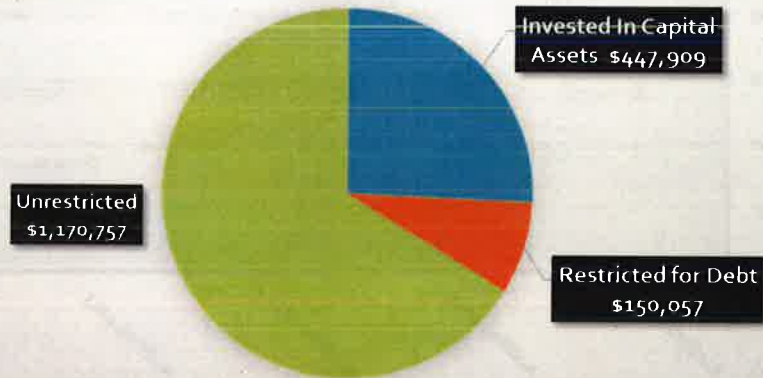
Budget to Actual Expenditures - Legacy Crossing September 30, 2014	
<u>Legal & Professional Fees</u>	<u>Other Administrative Costs</u>
Budget: \$ 44,258.00	Budget: \$ 6,450.00
Actual: \$ 3,966.00	Actual: \$ 4,316.00
Variance: \$ 40,292.00	Variance: \$ 2,134.00
<u>Advertising</u>	
Budget: \$ 500.00	
Actual: \$ -	
Variance: \$ 500.00	
<u>Repairs & Maintenance</u>	
Budget: \$ 3,000.00	
Actual: \$ 1,800.96	
Variance: \$ 1,199.04	

Budget to Actual Expenditures -Alturas September 30, 2014	
<u>Legal & Professional Fees</u>	<u>Other Administrative Costs</u>
Budget: \$ 46,540.00	Budget: \$ 1,500.00
Actual: \$ 2,765.00	Actual: \$
Variance: \$ 43,775.00	Variance: \$ 1,500.00
<u>Advertising</u>	
Budget: \$ 5,000.00	
Actual: \$ 807.12	
Variance: \$ 4,192.88	
<u>Repairs & Maintenance</u>	
Budget: \$ 6,000.00	
Actual: \$ 994.25	
Variance: \$ 5,005.75	

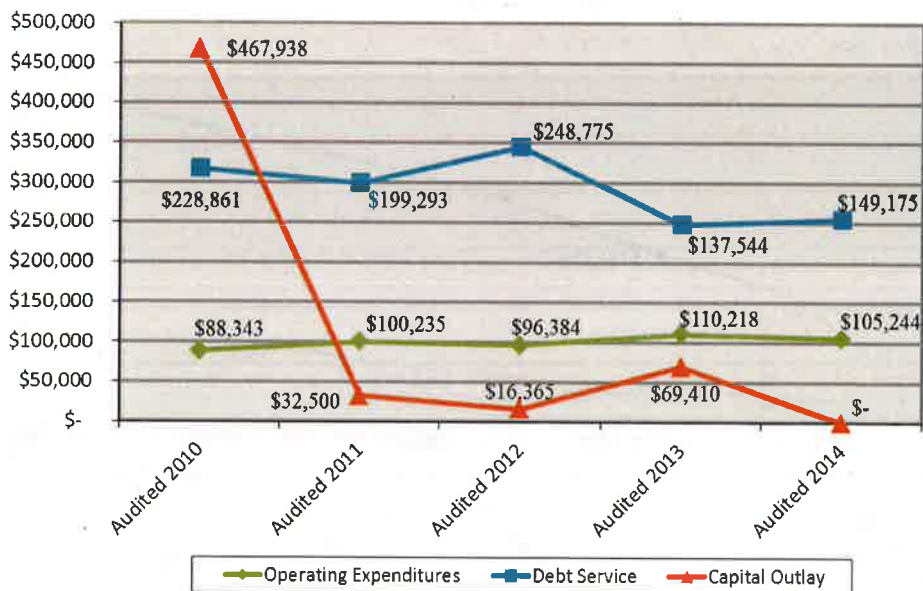
Budget to Actual Expenditures -General Fund September 30, 2014			
<u>Legal & Professional Fees</u>		<u>Other Administrative Costs</u>	
Budget:	\$ 61,420.00	Budget:	\$ 6,700.00
Actual:	\$ 56,769.15	Actual:	\$ 1,751.05
Variance:	\$ 4,650.85	Variance:	\$ 4,948.95
<u>Advertising</u>		<u>Management Services</u>	
Budget:	\$ 1,000.00	Budget:	\$ 30,000.00
Actual:	\$ 583.00	Actual:	\$ 30,000.00
Variance:	\$ 417.00	Variance:	\$ -
<u>Insurance</u>			
Budget:	\$ 1,550.00		
Actual:	\$ 1,492.00		
Variance:	\$ 58.00		

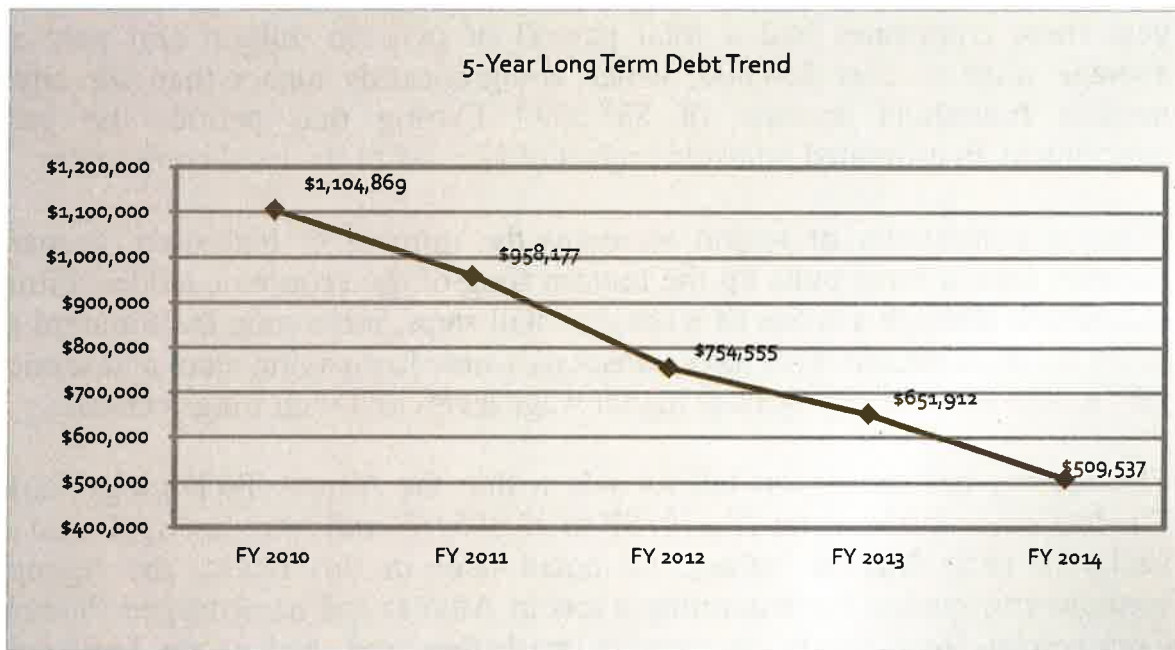


Audit 2014 Net Asset Categories



Expenditure Trends





ALTURAS TECHNOLOGY PARK URBAN RENEWAL DISTRICT

The Alturas Technology Park is the Agency's first District and is currently home to many of Moscow's premier high-tech companies, including Comtech EF Data Corporation, Alturas Analytics, Inc., Anatek Labs, Inc., and BioTracking, LLC. The majority of these firms are linked to outside/non local markets and are considered primary industries. Wealth enters the local economy principally by way of these industry types.

Established in 1996, the assessed value of property within the revenue allocation area was approximately \$6.4 million. Improvements and developments made as a result of the Alturas Research and Technology Park Urban Renewal Plan have assisted in increasing property values dramatically and today the same area is valued at more than \$22 million.

The export industries within the Alturas Technology Park have a profound economic impact on the Moscow economy. In the past



Alturas Technology Park

year these companies had a total payroll of over \$6 million and paid an average wage of over \$50,000, which is significantly higher than the city's median household income of \$35,389.¹ During that period, the park contributed an estimated adjusted impact of \$26.7M to the local community.

When a community or region increases the number of high-wage primary industry jobs, a force pulls up the bottom rung of the economic ladder, lifting individuals through a series of wage and skill steps, improving the standard of living for most people. This force causes part-time low paying retail and service jobs to fold into full-time jobs at higher wage levels and with fringe benefits.

The 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 were last appraised at \$2.34/SF (Fair Market Value). As noted later in this report, the Agency continued to market the remaining 6 lots in Alturas and has engaged Palouse Commercial Real Estate to provide marketing and real estate brokerage services.

Economic Modeling Specialists International (EMSI), a CareerBuilder company, moved from Alturas Technology Park into a newly remodeled building in downtown Moscow, within the boundaries of the Legacy Crossing District. EMSI is engaged in processing labor market data into information that helps educational institutions, workforce planners, and regional developers. EMSI currently employs 115 people internationally, with 107 employees in their Moscow office. The firm is anticipating additional growth in employment in the upcoming calendar year. The average wage of EMSI's employees is over \$50,000 per year.

Alturas Technology Park Urban Renewal District was created by Moscow City Ordinance 96-12, which was passed on July 1, 1996. The duration of the district is 20 years from that date. The Agency is currently developing a strategy for closure of the district in accordance with Idaho law.

¹ In 2014, Economic Modeling Specialists International moved from Alturas Technology Park to a location within Legacy Crossing Urban Renewal District. The statistics for Alturas Technology Park were estimated prior to EMSI's relocation.

LEGACY CROSSING URBAN RENEWAL DISTRICT

The Legacy Crossing District was created in June of 2008 and is the Agency's second urban renewal district. The Legacy Crossing District 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.

By definition, reurbanization involves redeveloping already urbanized areas, which decreases pressure for development of greenfield sites outside the City. Reurbanization provides an opportunity to learn from mistakes of the past and to create high-quality, livable urban environments while building at a human scale. Reurbanization can ensure a range of places where new kinds of businesses can locate and promote diversity of housing types and choice. Finally, reurbanization can support community building and social integration.

The opening of the Intermodal Transit Center, the reconstruction of College Street and the placement of the new bike /pedestrian bridge have provided a huge boost in capital and have jump-started the process of reurbanization. This is evidenced by EMSI's move into a newly remodeled building within the district, as well as by the construction of a new Jimmy Johns restaurant and plans by several other property owners to build or renovate existing buildings within the District.

The Legacy Crossing District continues to be challenged by the financial impacts of a tax increment error calculation (Idaho Tax Commission software) which reduced the Agency's revenues by 40% in calendar year 2013 (from \$144,052 in 2012 to \$97,548 in 2013). Fortunately, the valuation of property within the District increased in the 2014 calendar year, resulting in increment revenues of \$116,809, an increase of 19%.

The miscalculation of tax increment for 2009, 2010, and 2011 resulted in an overpayment of \$114,537 in tax revenues to the Agency in previous years and requires that the overpayment be reimbursed to Latah County for the benefit of the taxing entities. The Agency entered into a Release and Settlement Agreement with Latah County, which was approved by Agency Board

Resolution 2014-06. The agreement provides that the full amount will be repaid over a fifteen year period, in recognition that the error which caused the overpayment was not the fault of the Agency or Latah County.

The Agency has been forced to utilize more Owner Participation Agreements as opposed to tax increment revenue bond financing or direct investment strategies, because of the impacts of the recent recession, reduction in property values and the effect of the settlement for overpayment of tax increment revenue. Owner Participation Agreements require private developers or companies front the costs for new public infrastructure and are repaid from future tax increment revenues. This method of financing public improvements was utilized in the recent remodeling and revitalization of the EMSI Building (formerly the News-Review Building, home to the Moscow-Pullman Daily News). The Agency worked with a coalition consisting of the City of Moscow, Idaho Department of Commerce, Idaho Transportation Department, Wintz Construction and EMSI to provide public improvements, including fiber-optic service and improved sidewalks and public space adjacent to the building.

Continued utilization of these public-private partnerships will provide the resources necessary to redevelop the Legacy Crossing District into a vibrant and attractive mixed use neighborhood, including the design and development of the Hello Walk extension.

In 2010, the Agency purchased a property with The Legacy Crossing District, located at the southwestern corner of the intersection of 6th and Jackson streets. The property was purchased to enhance opportunities to connect downtown Moscow to the University of Idaho campus. The Agency and the City of Moscow understood that the property was the keystone to connectivity between the University and downtown and to the development of Hello Walk. Furthermore, it was recognized that imposing the development of a pedestrian corridor upon a private property owner was not feasible and the Agency decided to acquire the site. Agency discussions held at the time of purchase was always upon creating Hello Walk with potential remnant triangles that could support limited private development.

The property was the site of a former agricultural business and the Agency immediately began to clear the site, removing structures and debris. The site was then evaluated through the EPA Brownfields Assessment Coalition grant.

Certain pollutants were discovered during Phase I and Phase II environmental assessments. The Assessment grant is also being used to develop a plan for site remediation, to a level which is acceptable to the EPA and Idaho Department of Environmental Quality (DEQ). The Agency applied for, and was successful in obtaining an EPA cleanup grant, in the amount of \$115,317. The EPA cleanup grant will be utilized to conduct the actual remediation and monitoring of the property, which will allow for its re-use. Less than \$5,000 of the grant funds were expended in 2014, but it is expected that the cleanup will occur in 2015, with potential monitoring into 2016.

The property also borders 6th Street right of way, adjacent to the eastbound traffic lanes, including a right-turn-only lane. The 6th and Jackson intersection, particularly the eastbound lanes, are considered problematic because of alignment. The City of Moscow has identified approximately 3000 square feet of the Agency's property which the City would like to use for re-alignment of the eastbound traffic lanes. Preliminary plans have been provided to the Agency, and the Board has indicated a willingness to enter into negotiations. It is expected that those negotiations and potential property transfer would occur in 2015.

In November 2014, the Agency issued a Request for Proposals (RFP) for the redevelopment of the property. The pertinent terms of the RFP included the following language:

- The Agency is seeking developers who are willing to develop this lot for purposes and uses in conformance with the Legacy Crossing District Plan, Urban Mixed Commercial Zone, Legacy Crossing District Overlay District and Legacy Crossing District Overlay District Design Guidelines.
- The Agency envisions urban development of an esthetically pleasing and efficient mixed-use project that complements downtown, which incorporates the intent of the Legacy Crossing District Plan and Overlay District Design Guidelines.
- The subject property is a keystone location and key focal point linking the downtown area with the University of Idaho campus.
- Proposed developments are encouraged to take advantage of this unique site and incorporated entertainment and/or eating and drinking

establishments and residential and/or hospitality uses that will create energy and excitement and activate this key location.

The RFP responses were due on January 12, 2015. It is anticipated that proposals received will be evaluated for compliance with the directives of the RFP and the pertinent development guidelines, including the Legacy Crossing District Urban Renewal Plan, City of Moscow Urban Mixed Commercial Zone, Legacy Crossing Overlay District and Legacy Crossing Overlay District Design Guidelines. If a proposal is accepted, the Agency will negotiate an Exclusive Negotiation Agreement (ENA) agreement, which process guides discussions regarding development nature and form, agency project assistance, and conditions and obligations of disposition. The goal of the ENA is to provide a process within to negotiate a Disposition and Development Agreement (DDA) to formally document terms of transaction and responsibilities of the parties.

EPA BROWNFIELDS COALITION ASSESSMENT & CLEANUP GRANT

Creating the opportunity for economic revitalization through Brownfield redevelopment is a primary goal of the 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 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 District. The Agency’s Executive Director is also the Project Manager for the EPA Brownfield Coalition Grant and partners with Alisa Anderson, City of Moscow Grants Manager in administering the grant.

In 2014, Phase II Environmental Site Assessment activities took place for the following properties in the City of Moscow:

- MURA-owned lot located at the southwestern corner of the intersection of 6th & Jackson Streets
- 1102 S. Main Street
- 207 N. Main Street
- Potential Industrial Park site located on US95 and Palouse River Drive

In 2014, cleanup planning activities consisting of Alternative Brownfield Cleanup Alternatives (ABCA) took place for the following properties in the City of Moscow:

- MURA-owned lot located at the southwestern corner of the intersection of 6th & Jackson Streets

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.

INVENTORY OF MURA OWNED PROPERTIES

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	Lot located at the southwestern corner of the intersection of 6 th and Jackson streets	RPM00000180025	0.87 Acres	Public pathway, public plaza, and future fee simple sale

As noted above, the Agency owns six (6) lots within the Alturas Technology Park District and one (1) lot within the Legacy Crossing District.

In FY2014, the Agency executed a contract with a Palouse Commercial Real Estate, a commercial brokerage to provide the following scope of services:

- Develop strategies for sale of designated Agency-owned properties (such as conducting a study of comparable properties.
- Develop marketing materials (electronic and/or hard copy) to advertise sites for sale, distribute the materials to potential buyers via the appropriate form(s) of media and report results to the Agency on an agreed upon frequency
- Advise the Agency related to strategies to promote and sell the remaining lots in Alturas Technology Park.
- Participate in site tours of Agency-owned property that is for sale for potential buyers;
- Analyze offers from potential buyers and advise the Agency with respect to negotiations;
- Represent the Agency in negotiations with a prospective buyer from the time of offer until closing;
- Coordinate real estate transaction closings; and
- Handle all other customary activities and services associated with real estate transactions.



6th and Jackson Street Property

PUBLIC COMMENTS & RESPONSE

No public comment was submitted to the Agency prior to March 25 or offered at the March 25, 2015 Moscow Urban Renewal Agency meeting.

LEGAL NOTICE

NEWS REVIEW PUBLISHING COMPANY
The Moscow-Pullman Daily News
P.O. Box 374
Lewiston, Idaho 83501
(208) 743-9411

Date: 03/21/2015 INVOICE NO. 107914
Account No. 30117922
Description 107914 As requi
Times 1 Lines 37
Tab. lines

LEGAL ADVERTISING INVOICE

Sold To: MOSCOW URBAN RENEWAL AGENCY
PO BOX 9203
MOSCOW ID 83843

PO#

\$ 28.12

NOTICE: This is a invoice of Purchase made by you. Statement will be rendered the first of the month
Please Retain This Invoice as Your Statement Will Refer to Invoice by No. Only.

AFFIDAVIT OF PUBLICATION

Karen J. Lewis, 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 Moscow, 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:

March 21, 2015

the same being the date designated for
the publication of said notice.

Karen J. Lewis
On this 24th day of March
in the year of 2015 before me, a Notary Public,
personally appeared Karen J. Lewis,
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.

Carol Peterson
Notary Public for Idaho,
Residing at Lewiston, Idaho
My Commission Expires 9/1/2017

As required by Idaho Code 150-206(c), the Moscow Urban Renewal Agency will consider for approval the draft annual report of the Agency's 2014 activities on March 25, 2015. On March 23, 2015, a copy of the report will be available for inspection during business hours in the office of the City Clerk or on the Urban Renewal Agency's website: <http://moscowura.com>. Written comments may be submitted to the Agency in advance of the meeting. The comment period will remain open until March 25, 2015.

As required by Idaho Code 150-2011(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 Interim MURA Executive Director Gary J. Riedner at (208) 883-7006 or griedner@ci.moscow.id.us.

Publish: March 21, 2015



NEWS REVIEW PUBLISHING COMPANY

The Moscow-Pullman Daily News

P.O.Box 374

Lewiston, Idaho 83501

(208) 743-9411

Date:

03/21/2015

INVOICE NO.

107914

Account No.

30117922

Description

107914 As requi

Times

1

Lines

37

Tab. lines

\$ 28.12**LEGAL ADVERTISING
INVOICE**

Sold To: MOSCOW URBAN RENEWAL AGENCY

PO BOX 9203

MOSCOW ID 83843

PO#

NOTICE: This is a invoice of Purchase made by you. Statement will be rendered the first of the month
Please Retain This Invoice as Your Statement Will Refer to Invoice by No. Only.

AFFIDAVIT OF PUBLICATION

107914
As required by Idaho Code
§50-2006(c), the Moscow
Urban Renewal Agency will
consider for approval the
draft annual report of the
Agency's 2014 activities on
March 25, 2015. On March
23, 2015, a copy of the report
will be available for inspec-
tion during business hours
in the office of the City Clerk
or on the Urban Renewal
Agency's website: [http://
moscowura.com/](http://moscowura.com/). Written
comments may be submitted
to the Agency in advance of
the meeting. The comment
period will remain open until
March 25, 2015.

As required by Idaho Code
§50-2011(f), the annual re-
port identifies the real prop-
erty 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 sub-
mit comments, please contact
Interim MURA Executive
Director Gary J. Riedner at
(208) 883-7006 or [griedner@
ci.moscow.id.us](mailto:griedner@ci.moscow.id.us).

Publish: March 21, 2015

Karen J. Lewis _____, 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 Moscow, 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:

March 21, 2015

the same being the date designated for
the publication of said notice.

Karen J. Lewis

On this 29th day of March
in the year of 2015, before me, a Notary Public,
personally appeared Karen J. Lewis,
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.

Carol L. Peterson

Notary Public for Idaho,

Residing at Lewiston, Idaho

My Commission Expires 9-1-2017