



Agenda: Thursday, April 7, 2016, 7:00 a.m.

City of Moscow Council Chambers • 206 E 3<sup>rd</sup> Street • Moscow, ID 83843

1. **Consent Agenda** - Any item will be removed from the consent agenda at the request of any member of the Board and that item will be considered separately later.
  - A. Minutes from March 3<sup>rd</sup>, 2016
  - B. February 2016 Payables
  - C. February 2016 Financials

**ACTION:** Approve the consent agenda or take such other action deemed appropriate.

2. **Public Comment for items *not on agenda*:** Three minute limit
3. **Announcements**
4. **Redevelopment Association of Idaho Report – Gary Riedner**
5. **Moscow Urban Renewal Agency FY2015 Audit Presentation – Gary Riedner**  
The draft 2015 MURA audit is attached and will be presented by MURA Interim Treasurer Gary Riedner and the auditors, Presnell Gage PLLC.

**ACTION:** Receive 2015 audit report and accept 2015 MURA audit; or take such other action deemed appropriate.

6. **Downtown Restroom Request for Project Assistance – Bill Belknap**  
The City of Moscow has been working toward development of a downtown public restroom to support the variety of activities that occur in the area from parades to Farmers Market and other events. The bathroom is proposed to be located in the northeast corner of the South Jackson Street parking lot and would be wood frame construction with a weathered brick veneer. The City budgeted \$170,000 for the project based upon the architect's cost estimates. The City opened bids on the project on March 15<sup>th</sup> and the lowest bid received was \$191,600. With the addition of construction administration and contingency, the total project cost is estimated at \$208,150. The project location is within the Legacy Crossing District and there is discussion that the City may make a request for assistance from the Agency in the amount of \$15,000 to assist with the project's budgetary shortfall. The Agency budgeted \$80,640 for general improvements within the Legacy Crossing District for the FY16 fiscal year, of which nothing has been expended to date.

**ACTION:** Review request and provide direction as deemed appropriate.

**7. FY2017 MURA Budget Hearing Date Determination – Bill Belknap**

In accordance with state law, the Agency must notify the County Clerk's office of the date of the Agency's public hearing upon the Agency's FY2017 budget by no later than April 30<sup>th</sup>. Staff is proposing that the Agency set the hearing date for Thursday, August 4<sup>th</sup>, 2106, which will allow adequate time for the budget development and review process. Staff is seeking Board approval to set the hearing for 7:00 AM on Thursday, August 4, 2016.

**ACTION:** Set the FY2017 Budget hearing for August 4<sup>th</sup>, 2016; or take such other action deemed appropriate.

**8. 6<sup>th</sup> and Jackson Property Update – Bill Belknap**

Staff will provide an update on the status of the 6<sup>th</sup> and Jackson property remediation and redevelopment process.

**ACTION:** Accept report and provide direction as deemed appropriate.

**9. General Agency Updates – Bill Belknap**

- Legacy Crossing District
- Alturas District
- Strategic Plan

**NOTICE:** Individuals attending the meeting who require special assistance to accommodate physical, hearing, or other impairments, please contact the City Clerk, at (208) 883-7015 or TDD 883-7019, as soon as possible so that arrangements may be made.



City of Moscow Council Chambers • 206 E 3<sup>rd</sup> Street • Moscow, ID 83843

McGeehan called the meeting to order at 7:05 a.m.

Commissioners Present	Commissioners Absent	Also in Attendance
Steve McGeehan, Chair	John Weber	Bill Belknap, MURA Executive Director
Art Bettge		Gary Riedner, MURA Interim Treasurer
Steve Drown		Anne Peterson, Deputy City Clerk
Dave McGraw		George Skandalos
Ron Smith		Carly Lilly
Brandy Sullivan (7:44)		Henrienne Westberg, County Auditor

- 1. Consent Agenda** - Any item will be removed from the consent agenda at the request of any member of the Board and that item will be considered separately later.

- A. Minutes from February 18<sup>th</sup>, 2016

**ACTION:** Approve the consent agenda or take such other action deemed appropriate.

Bettge moved approval of the consent agenda, seconded by Drown. The motion passed with four votes in favor and one abstention (McGraw).

- 2. Public Comment for items *not on agenda***  
No comments.

- 3. Announcements**

The County commissioners confirmed McGraw's nomination to continue on the Board, and the appointment is scheduled to occur at the March 7 City Council meeting.

- 4. Redevelopment Association of Idaho Report – Gary Riedner**  
Nothing additional since last meeting.

- 5. Sangria Downtown LLC Development Proposal Report – Bill Belknap**

Per the amended schedule of performance for the Exclusive Negotiation Agreement with Sangria Downtown LLC, Sangria was scheduled to provide their development plans to the Agency by February 22<sup>nd</sup>.

Sangria has provided their revised development plans for the Agency's consideration. Per the schedule of performance, the Agency is to review and approve or approve with conditions by March 17, 2016.

**ACTION:** Receive presentation and provide direction as deemed appropriate.

Belknap reviewed the Sangria Downtown proposal process and introduced the revised development plans including additional apartments, a slightly revised building location, and more economical building finishes. Skandalos and Lilly reiterated the additional floor of apartments makes the project economically feasible. The building finishes will include historic brick on the bottom and more modern polished stone above. Slight changes to the parking plan moves vehicle congestion further from Hello Walk, while still allowing for future changes to accommodate two-way traffic or a possible shared driveway with the Anderson property. They are scheduled to meet with bank for appraisal and several builders to obtain design build bids.

Drown asked if individual architects would be allowed to modify the design. Skandalos said their only leeway will be variations in how they meet the required specs within the budget. McGraw asked the best-case groundbreaking timeframe and was told Fall 2016. Smith said based on previous experience he thought this project was perfect for the design build process. He moved acceptance of the design as presented and for the Agency to provide a letter of support to the Montana CDC. Bettge seconded the motion. Belknap said the DEQ documents are on track for property conveyance in June. The motion passed with four votes in favor and one abstention (McGraw).

#### **6. MURA Annual Report Presentation – Bill Belknap**

In Accordance with State Statute, all urban renewal agencies are required to file an annual report describing the activities of the agency for the preceding year with the local governing body by March 31st of each year. Agencies are also required to hold a public meeting to report the findings of the annual report and to take comments from the public prior to filing the report with the governing body. Staff has prepared the annual report and will present the final report at the Agency's March 3rd meeting. After approval of the Annual Report it will be presented to the City Council at their March 21st meeting.

**ACTION:** Approve the MURA 2015 Annual Report and associated Resolution; or take other action as deemed appropriate.

Belknap reviewed the report including the significant achievements for 2015 and trends of the Agency's assets and liabilities. McGraw said taxpayers will appreciate the reduction in property taxes that may result from this addition to the assessed valuation, and reiterated his belief the district was a perfect model for how URAs should function.

McGeehan invited public comment on the Annual Report. Victoria Seever cited several projects MURA has facilitated with unquestionable value and integrity to achieve sustainable economic growth, vitality, and community enhancement. She thanked the Board and city staff for their vision and dedication.

Bettge moved approval of the 2015 annual report and the associated resolution, seconded by Smith. The motion passed with five in favor and one abstention (McGraw).

**7. Alturas Increment Disbursement Approval – Bill Belknap**

On July 22, 2015, the Agency passed Resolution 2015-02 recommending termination of the Alturas Technology Park revenue allocation area to the Moscow City Council. Following this recommendation, the City Council passed Ordinance 2015-15 terminating the Alturas revenue allocation area. Therefore the Agency will not receive any future tax increment revenues beyond the 2015 fiscal year. One of the final steps in the District closure process is to disburse any excess revenues associated with the Alturas District. Staff has completed the draft 2015 fiscal year audit and financial report and have established the ending fund balance associated with the Alturas District and is now in a position to determine the disbursement amount. The disbursement will be made to the office of the Latah County Treasurer for distribution to the appropriate taxing districts.

**ACTION:** Approve the Alturas District increment disbursement to the office of the Latah County Treasurer and associated Resolution; or take other action as deemed appropriate.

Belknap reported that since few district closures have occurred within Idaho, the State Tax Commissioner is assisting in the determination of how the disbursement process should occur for the unallocated residual increment of \$849,956. Drown moved approval of the increment disbursement and the associated resolution. Sullivan seconded the motion, which passed with five in favor and one abstention (McGraw).

**8. General Agency Updates – Bill Belknap**

No additional updates at this time.

McGeehan reminded the Board that the March 17<sup>th</sup> meeting has been cancelled. Belknap said if anything arises requiring a meeting on March 24<sup>th</sup> he will notify the Board, otherwise the next meeting will be April 7<sup>th</sup>.

McGeehan declared the meeting adjourned at 7:55am.

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Steve McGeehan, Agency Chair \_\_\_\_\_ Date \_\_\_\_\_



**Balance Sheet**  
**February 29, 2016**

	Total Funds
<b>ASSETS</b>	
Cash	52,830
Investments-LGIP	1,287,654
Investments-Zions Debt Reserve	44,312
Taxes Receivable	(1,624)
Accounts Receivable	4,513
Land Held For Resale	531,256
Land	509,402
Infrastructure Assets	1,186,207
Accumulated Depreciation	(753,477)
Total Assets	2,861,072
 <b>LIABILITIES</b>	
Accounts Payable	
Deposits Payable	5,000
Series 2010 Bond - due within one year	25,000
Latah County payback agreement - due within one year	2,000
Series 2010 Bond - due after one year	374,000
Latah County payback agreement - due after one year	108,537
Total Liabilities	514,537
 <b>FUND BALANCES</b>	
Net Assets Invest. Cap Assets	587,443
Restricted Fund Balance	44,312
Unrestricted Fund Balance	1,729,670
Total Fund Balance	2,361,425
<b>Retained Earnings:</b>	-14,890
<b>Total Fund Balance and Retained Earnings:</b>	2,346,535
<b>Total Liabilities, Fund Balance and Retained Earnings:</b>	\$2,861,072

Checks by Date - Detail By Check Date

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February 2016

				Check Amount
4370	UCITYMOS	City of Moscow	2/8/2016	
	February 2016	Administration Fee's for February		\$ 3,750.00
	January	City of Moscow Utility Billing for 1/1/2016 - 01/31/2016		\$ 179.25
Total for Check Number 4370:				<u>\$ 3,929.25</u>
4371	UTEMP	Jeff Spellman	2/8/2016	
	1099s	Purchases 1099's from Staples with personal Credit Card		\$ 47.48
Total for Check Number 4371:				<u>\$ 47.48</u>
<u>Total for 2/8/2016:</u>				<u>\$ 3,976.73</u>
4372	UVISAADM	Cardmember Service	2/24/2016	
	2002474	ULI Canference Registration Belknap		\$ 40.00
	260303	ULI trip dinner Boise Belknap & McGraw		\$ 31.82
	78233	Airfare ULI Conference in Boise		\$ 257.70
Total for Check Number 4372:				<u>\$ 329.52</u>
4373	UTEMP	Dave McGraw	2/24/2016	
	6261	Airfare to attend 1-26-16 Urban Land Inst. Seminar		\$ 279.70
Total for Check Number 4373:				<u>\$ 279.70</u>
4374	UELAMBUR	Elam & Burke	2/24/2016	
	161295	Prepare and revise the OPA		\$ 2,150.00
Total for Check Number 4374:				<u>\$ 2,150.00</u>
4375	UROSAUER	Rosauers	2/24/2016	
	01-240368	February Meeting Supplies		\$ 9.31
Total for Check Number 4375:				<u>\$ 9.31</u>
4376	Uterragr	Terra Graphics	2/24/2016	
	04187	6th and Jackson Environmental Remediation		\$ 5,718.48
Total for Check Number 4376:				<u>\$ 5,718.48</u>
<u>Total for 2/24/2016:</u>				<u>\$ 8,487.01</u>

Checks by Date - Detail By Check Date

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February 2016

			Check Amount
ACH	UZIONS	Zions First National Bank	2/25/2016
	Feb 2016	Interest Pymt - Legacy Bond	\$ 7,869.15
	Feb 2016	Interest Earnings on Investment - Legacy applied to Bond Paymen	<u>\$ (102.56)</u>
Total for this ACH Check for Vendor UZIONS:			\$ 7,766.59
4377	UANDERSO	Anderson Group, LLC	2/25/2016
	2009-2015	Anderson Group Promissary note payment	<u>\$ 40.47</u>
Total for Check Number 4377:			\$ 40.47
4378	UWINTZ	Mark Wintz	2/25/2016
	2015 Taxes	Jackson Street owner participation payment	<u>\$ 10,925.66</u>
Total for Check Number 4378:			\$ 10,925.66
Total for 2/25/2016:			<u>\$ 18,732.72</u>
<b>Total Bills for February 2016</b>			<u><u>\$ 36,038.46</u></u>



# Checks for Approval

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FEBRUARY 2016



Check	Check Date	Account Name	Vendor	Void	Amount
4370	02/08/2016	Administrative Services	City of Moscow		3,750.00
4370	02/08/2016	Heat, Lights & Utilities	City of Moscow		179.25
4371	02/08/2016	Misc. Expense-General	Dave McGraw		47.48
4372	02/24/2016	Travel & Meetings-General	Cardmember Service		40.00
4372	02/24/2016	Travel & Meetings-General	Cardmember Service		31.82
4372	02/24/2016	Travel & Meetings-General	Cardmember Service		257.70
4373	02/24/2016	Travel & Meetings-General	Dave McGraw		279.70
4374	02/24/2016	Professional Services-Legacy	Elam & Burke		2,150.00
4375	02/24/2016	Misc. Expense-General	Rosauers		9.31
4376	02/24/2016	Improvements-Legacy	Terra Graphics		5,718.48
4377	02/25/2016	Agreement Cost	Anderson Group, LLC		40.47
4378	02/25/2016	Jackson St Owner Part. Agr.	Mark Wintz		10,925.66
				Report Total:	<u>23,429.87</u>

\_\_\_\_\_  
 Steve McGeehan, Chairperson

Accounts payable expenditures as contained herein were made in compliance with the duly adopted budget for the current fiscal year and according to Idaho law.

\_\_\_\_\_  
 Bill Belknap, Executive Director

\_\_\_\_\_  
 Gary J Riedner, Treasurer

# General Ledger Revenue Analysis

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 Period 05 - 05  
 Fiscal Year 2016

February 2016



Account Number	Description	Budgeted Revenue	Period Revenue	YTD Revenue	Uncollected Bal	% Received
<b>890</b>	<b>Moscow Urban Renewal Agency</b>					
890-000-00-410-01	Property Taxes - Legacy	\$ 141,000.00	\$ 5,547.22	\$ 105,009.49	\$ 35,990.51	74.47%
890-000-00-431-11	EPA Clean-up Grant - Legacy	\$ 108,235.00	\$ -	\$ -	\$ 108,235.00	0.00%
890-000-00-471-00	Investment Earnings	\$ 1,000.00	\$ 504.62	\$ 1,731.95	\$ (731.95)	173.20%
890-000-00-478-11	Sale of Land - Legacy	\$ 450,000.00	\$ -	\$ -	\$ 450,000.00	0.00%
890-000-00-910-00	Beg Fund Bal Unassigned	\$ 48,705.00	\$ -	\$ -	\$ 48,705.00	0.00%
890-000-00-911-00	Beg Fund Bal Assigned-Alturas	\$ 902,369.00	\$ -	\$ -	\$ 902,369.00	0.00%
890-000-00-912-00	Beg Fund Bal Assigned-Legacy	\$ 260,165.00	\$ -	\$ -	\$ 260,165.00	0.00%
890-000-00-912-01	Beg Fund Bal Res-Legacy	\$ 69,315.00	\$ -	\$ -	\$ 69,315.00	0.00%
<b>890</b>	<b>Moscow Urban Renewal Agency</b>	<b>\$ 2,262,382.00</b>	<b>\$ 206,075.53</b>	<b>\$ 585,665.29</b>	<b>\$ 1,676,716.71</b>	<b>25.89%</b>
<b>Revenue Total</b>		<b>\$ 2,262,382.00</b>	<b>\$ 206,075.53</b>	<b>\$ 585,665.29</b>	<b>\$ 1,676,716.71</b>	<b>26.00%</b>

# General Ledger Exp to Bud

User: jspellman  
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Period 05 - 05  
Fiscal Year 2016

February 2016



Account Number	Description	Budget	Period Amount	End Bal	Variance	Avail/Uncollect	% Collected
890	Moscow Urban Renewal Agency						
880	URA - General Agency						
890-880-10-642-00	Administrative Services	\$ 45,000.00	\$ 3,750.00	\$ 18,750.00	\$ 26,250.00	\$ 26,250.00	41.67%
890-880-10-642-10	Professional Services-Exec Dir	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
890-880-10-642-15	Professional Services-Other	\$ 6,000.00	\$ -	\$ 1,750.00	\$ 4,250.00	\$ 4,250.00	29.17%
890-880-10-642-20	Professional Services-Auditing	\$ 5,000.00	\$ -	\$ -	\$ 5,000.00	\$ 5,000.00	0.00%
890-880-10-642-30	Professional Services-Computer	\$ 1,000.00	\$ -	\$ 19.95	\$ 980.05	\$ 980.05	2.00%
890-880-10-644-10	Marketing Expense-General	\$ 1,000.00	\$ -	\$ 300.00	\$ 700.00	\$ 700.00	30.00%
890-880-10-668-10	Liability Insurance-General	\$ 1,650.00	\$ -	\$ 1,507.00	\$ 143.00	\$ 143.00	91.33%
E02	Contractual	\$ 59,650.00	\$ 3,750.00	\$ 22,326.95	\$ 37,323.05	\$ 37,323.05	37.43%
890-880-10-631-10	Postage Expense	\$ 100.00	\$ -	\$ -	\$ 100.00	\$ 100.00	0.00%
890-880-10-631-20	Printing and Binding	\$ 400.00	\$ -	\$ -	\$ 400.00	\$ 400.00	0.00%
890-880-10-647-10	Travel & Meetings-General	\$ 1,000.00	\$ 609.22	\$ 689.22	\$ 310.78	\$ 310.78	68.92%
890-880-10-649-10	Professional Development	\$ 1,000.00	\$ -	\$ -	\$ 1,000.00	\$ 1,000.00	0.00%
890-880-10-669-10	Misc. Expense-General	\$ 500.00	\$ 56.79	\$ 189.72	\$ 310.28	\$ 310.28	37.94%
E03	Commodities	\$ 3,000.00	\$ 666.01	\$ 878.94	\$ 2,121.06	\$ 2,121.06	29.30%
880	URA - General Agency	\$ 62,650.00	\$ 4,416.01	\$ 23,205.89	\$ 39,444.11	\$ 39,444.11	37.04%
890	Urban Renewal Agency						
890-890-10-642-10	Professional Services-Alturas	\$ 10,000.00	\$ -	\$ (410.00)	\$ 10,410.00	\$ 10,410.00	-4.10%
890-890-10-642-12	Land Sale Expense-Alturas	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
890-890-10-644-10	Marketing Expense-Alturas	\$ 4,000.00	\$ -	\$ 64.60	\$ 3,935.40	\$ 3,935.40	1.62%
E02	Contractual	\$ 14,000.00	\$ -	\$ (345.40)	\$ 14,345.40	\$ 14,345.40	-2.47%
890-890-10-647-10	Travel & Meetings-Alturas	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
890-890-10-658-10	Repairs & Maintenance	\$ 5,000.00	\$ -	\$ -	\$ 5,000.00	\$ 5,000.00	0.00%
890-890-10-669-10	Misc. Expense-Alturas	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
E03	Commodities	\$ 5,000.00	\$ -	\$ -	\$ 5,000.00	\$ 5,000.00	0.00%

# General Ledger Exp to Bud

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Period 05 - 05  
Fiscal Year 2016

February 2016



Account Number	Description	Budget	Period Amount	End Bal	Variance	Avail/Uncollect	% Collected
890-890-10-770-73 E04	Improvements-Alturas Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
890-890-10-800-00 E20	Termination Plan Other Financing Uses	\$ 767,044.00	\$ -	\$ -	\$ 767,044.00	\$ 767,044.00	0.00%
890-890-10-699-74 E81	Depreciation Expense Amortization Expense Depreciation & Amortization	0	0	0	0	0	0.00%
890-890-10-900-01 E90	Contingency - Alturas Contingency	\$ 40,000.00	\$ -	\$ -	\$ 40,000.00	\$ 40,000.00	0.00%
890	Urban Renewal Agency	\$ 826,044.00	\$ -	\$ (345.40)	\$ 826,389.40	\$ 826,389.40	-0.04%
895	URA - Legacy Crossing						
890-895-10-642-10	Professional Services-Legacy	\$ 10,000.00	\$ 2,150.00	\$ 2,150.00	\$ 7,850.00	\$ 7,850.00	21.50%
890-895-10-642-12	Land Sale Expense-Legacy	10000	0	0	10000	10000	0
890-895-10-644-10 E02	Marketing Expense-Legacy Contractual	\$ 2,000.00	\$ -	\$ -	\$ 2,000.00	\$ 2,000.00	0.00%
890-895-10-647-10	Travel & Meetings-Legacy	\$ 1,000.00	\$ -	\$ -	\$ 1,000.00	\$ 1,000.00	0.00%
890-895-10-652-10	Heat, Lights & Utilities	\$ 2,000.00	\$ 179.25	\$ 369.30	\$ 1,630.70	\$ 1,630.70	18.47%
890-895-10-658-10	Repairs & Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
890-895-10-669-10	Misc. Expense-Legacy	\$ 1,000.00	\$ -	\$ -	\$ 1,000.00	\$ 1,000.00	0.00%
890-895-10-675-00	Fiscal Agent Trustee fees	\$ 1,750.00	\$ -	\$ -	\$ 1,750.00	\$ 1,750.00	0.00%
890-895-10-676-15	Latah County Reimb. Agreement	2000	0	2000	0	0	1
890-895-10-676-17	Jackson St Owner Part. Agr.	\$ 9,000.00	\$ 10,925.66	\$ 10,925.66	\$ (1,925.66)	\$ (1,925.66)	121.40%
890-895-10-676-20	Agreement Cost	\$ 600.00	\$ 40.47	\$ 40.47	\$ 559.53	\$ 559.53	6.75%

# General Ledger Exp to Bud

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Printed: 03/09/16 12:45:26  
Period 05 - 05  
Fiscal Year 2016

February 2016



Account Number	Description	Budget	Period Amount	End Bal	Variance	Avail/Uncollect	% Collected
E03	Commodities	\$ 17,350.00	\$ 11,145.38	\$ 13,335.43	\$ 4,014.57	\$ 4,014.57	76.86%
890-895-10-770-35	1% Public Art	\$ 1,210.00	\$ -	\$ -	\$ 1,210.00	\$ 1,210.00	0.00%
890-895-10-770-71	Land-Legacy	0	0	0	0	0	0
890-895-10-770-73	Improvements-Legacy	\$ 193,675.00	\$ 5,718.48	\$ 75,415.98	\$ 118,259.02	\$ 118,259.02	38.94%
890-895-10-770-97	Infrastructure Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
E04	Capital Outlay	194885	5718.48	75415.98	119469.02	119469.02	0.387
890-895-10-676-10	Bond Issuance Cost	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
E05	Debt Service	0	0	0	0	0	0
890-895-10-900-01	Contingency - Legacy	15000	0	0	15000	15000	0
E90	Contingency	\$ 15,000.00	\$ -	\$ -	\$ 15,000.00	\$ 15,000.00	0.00%
895	URA - Legacy Crossing	\$ 249,235.00	\$ 19,013.86	\$ 90,901.41	\$ 158,333.59	\$ 158,333.59	36.47%
899	Dept						
890-899-11-790-01	Bond Principal - Alturas	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
890-899-11-791-01	Bond Interest-Alturas	0	0	0	0	0	0
890-899-12-790-01	Bond Principal - Legacy	\$ 399,000.00	\$ 7,869.15	\$ 7,869.15	\$ 391,130.85	\$ 391,130.85	1.97%
890-899-12-791-01	Bond Interest - Legacy	\$ 18,435.00	\$ -	\$ -	\$ 18,435.00	\$ 18,435.00	0.00%
E05	Debt Service	\$ 417,435.00	\$ 7,869.15	\$ 7,869.15	\$ 409,565.85	\$ 409,565.85	1.89%
890-899-10-990-00	Ending Fund Bal Unassigned	\$ 49,705.00	\$ -	\$ -	\$ 49,705.00	\$ 49,705.00	0.00%
890-899-11-990-00	End Fund Bal Assigned-Alturas	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
890-899-11-990-01	End Fund Bal Res-Alturas	45000	0	0	45000	45000	0
890-899-12-990-00	End Fund Bal Assigned-Legacy	\$ 261,405.00	\$ -	\$ -	\$ 261,405.00	\$ 261,405.00	0.00%
890-899-12-990-01	End Fund Bal Res-Legacy	69315	0	0	69315	69315	0
E95	Ending Fund Balance	\$ 425,425.00	\$ -	\$ -	\$ 425,425.00	\$ 425,425.00	0.00%

# General Ledger Exp to Bud

User: jspellman

Printed: 03/09/16 12:45:26

Period 05 - 05

Fiscal Year 2016

February 2016



Account Number	Description	Budget	Period Amount	End Bal	Variance	Avail/Uncollect	% Collected
899	Dept	\$ 842,860.00	\$ 7,869.15	\$ 7,869.15	\$ 834,990.85	\$ 834,990.85	0.93%
890	Moscow Urban Renewal Agency	\$ 1,980,789.00	\$ 31,299.02	\$ 121,631.05	\$ 1,859,157.95	\$ 1,859,157.95	6.14%

## SUMMARY OF HOUSE BILL 606A

### **Section 1: Amends Section 50-2006, Idaho Code, relating to urban renewal agency governance.**

1. Authorizes the city council to remove an urban renewal commissioner from office for inefficiency, neglect of duty, or misconduct.
2. Removes provisions of Idaho law that authorizes the urban renewal board to fill board vacancies prior to term expiration by appointment. That authority is now given to the mayor with the consent of the council.
3. Prohibits a majority of the city council from serving on an urban renewal commission. City councilors and the mayor may serve on the urban renewal board provided that they do not constitute a majority of the commission.
4. Allows a city council to insert itself as the urban renewal commission by ordinance for only up to one (1) year.
5. Authorizes the city council to enact an ordinance requiring urban renewal commissioners to stand for election. The election would be governed by municipal election law.
6. Requires that urban renewal commissioners must at minimum reside within the political boundaries of the county in which the agency is located.

### **Section 2: Amends Section 50-2033, Idaho Code, to set forth basic conditions in which urban renewal plans can be amended.**

1. Primarily technical changes and adds code references to other code sections.

### **Section 3: Amends Section 50-2903, Idaho Code, to add code references to other code sections.**

1. Adds references to new code sections created pursuant to this bill.
2. Provides for a grandfather clause to allow urban renewal plans created before July 1, 2016 to be amended for any purpose without resulting in a base reset.

### **Section 4: Creates a new Section 50-2903A, Idaho Code, to set forth the conditions under which an urban renewal plan can be amended without resetting the base assessment value.**

1. Establishes that an urban renewal plan created on or after July 1, 2016 can be only amended for the following reasons without resulting in a base reset:
  - a. To make technical or ministerial plan amendments,
  - b. To make a plan amendment that increases the revenue allocation area boundary by up to 10%,
  - c. To de-annex parcels from a revenue allocation area, or
  - d. To make a plan amendment to support growth of an existing commercial or industrial project in an existing revenue allocation area.
2. Importantly, the most negative impact, should this bill become law, any urban renewal plan amendment to a plan adopted after July 1, 2016, to accommodate a new economic development project will result in a resetting of the base assessment value and loss of existing tax increment (as noted below, any outstanding debt will be protected and will not lose the increment necessary to meet debt obligations).
3. Requires that the state tax commission, the county clerk, and the county assessor be notified of any urban renewal plan amendments.

4. If plan modifications are deemed to have occurred for a non-approved reason (see a-d above), the base assessment value will be reset and accrued tax increment will be lost.
5. If the base assessed value is reset and there is any indebtedness that cannot be repaid, the urban renewal agency will continue to receive any tax increment necessary to meet debt obligations.
6. Any tax increment in excess of what is necessary to meet debt obligations will be returned to eligible taxing districts and go into their respective base budgets.

**Section 5: Amends Section 50-2905, Idaho Code, relating to the content of revenue allocation area plans.**

1. Requires that a revenue allocation area plan must state with specificity details about the types of projects that are contemplated.
2. Requires that any changes to an urban renewal plan be noticed and completed in an open public meeting.

**Section 6: Creates a new Section 50-2905A, Idaho Code relating to the expenditure of certain urban renewal funds for public buildings.**

1. Allows for up to 51% of the project costs to construct certain public buildings to be paid for by revenue allocation funds.
2. If more than 51% of project costs for specified public buildings are to be spent on construction of the building, the proposal must be approved by 60% of city voters.
3. The voting provisions only apply to the following public buildings: an administrative building, a city hall, a library, a courthouse, a public safety building, a fire station, a jail or detention facility, or a judicial building.
4. All other types of buildings, infrastructure, or other public improvements not listed under the term "municipal building" may be funded 100% without the need of voter approval.

**Section 7: Creates a new Section 50-2913, to establish urban renewal reporting requirements and penalties for non-compliance.**

1. Establishes a central repository to be managed by the state tax commission for urban renewal agencies to upload urban renewal plans and urban renewal plan amendments.
2. Urban renewal agencies that fail to comply with reporting requirements will experience a onetime loss of new increment and a temporary loss of property tax replacement revenues.
3. There are no protections for any debt for which repayment is reliant upon the new increase in increment revenues which may jeopardize any debt obligations and make it more difficult to secure financing for future projects.
4. The online reporting requirements will be effective January 1, 2017.

**Section 8: Amends Section 63-301A, Idaho Code, relating to the new construction roll.**

1. Clarifies that in the event of a base reset prior to RAA termination, the lost increment will go to the respective taxing districts and be included in their respective base budgets.
2. Clarifies that in the event of an amendment to de-annex parcels, any increment associated with the de-annexation will go to the respective taxing districts and be included in their respective base budgets.



## **IMPORTANT BACKGROUND INFORMATION REGARDING AG OPINION #15-52926**

The proposal to amend HB606a, which may result in no bill this Session, is further complicated by an Attorney General Opinion released in November. The opinion is also attached to this email. I encourage you to review it. The AG's opinion calls into doubt whether or not an urban renewal plan can be amended without resetting the base assessment value. There are two statutes that govern plan amendments which read as follows:

Section 50-2903(4), Idaho Code: "Base Assessment Roll" means the equalized assessment rolls, for all classes or property, on January 1 of the year in which the local governing body of an authorized municipality passes an ordinance adopting or MODIFYING an urban renewal plan containing a revenue allocation financing provision ..." (added in 1988).

Section 50-2033, Idaho Code: "Notwithstanding these limitations, an urban renewal plan that includes a revenue allocation area may be extended only one (1) time to extend the boundary of the revenue allocation area ..." (added in 2011).

There is also a Tax Commission Administration Rule:

Idaho Property Tax Administrative Rule 804, Section 4: "When an authorized municipality passes an ordinance modifying an urban renewal plan containing a revenue allocation financing provision, the current value of property in the RAA shall be determined as if the modification had not occurred."

The Tax Commission is under pressure from legislators (and others) to reevaluate their rule because legislators do not believe that the Tax Commission has statutory authority to enact a rule that allows plans to be amended without resetting the base (except for boundary changes). As a practical matter, the Tax Commission has no way of knowing if a plan has been modified for any purpose other than a boundary change.

Given the content of the AG's opinion, many are concerned that if the legislature fails to act this session, urban renewal agencies will be exposed to either base resets for plan amendments or litigation leading to significant uncertainty and risk. There is also concern that bonding for future projects will be harder to come by without the protections contemplated in House Bill 606a.

### **POSITIVE ASPECTS OF HOUSE BILL 606A**

1. The conflicting statutory language highlighted in the AG's opinion is corrected statutorily and not through the judicial process, thus preserving existing urban renewal projects.
2. The mayor and city council are empowered to fill mid-term urban renewal vacancies (currently vacancies are filled by the UR commission).
3. The council is further empowered to remove UR commissioners from office for inefficiency, neglect of duty, or misconduct.
4. Existing urban renewal plans are grandfathered and amendments to those plans can be made without resetting the base assessment value.
5. In the event of a base reset, all forms of indebtedness are protected and the agency will continue to receive sufficient tax increment to ensure the repayment of outstanding obligations.

6. Idaho law is clarified to allow for any tax increment lost as a result of a base reset to be placed on local taxing district new construction rolls, thus preserving local budget capacity. Absent this change in law, local taxing districts, including cities, would lose any increment as a result of base reset prior to plan termination.

#### **NEGATIVE ASPECTS OF HOUSE BILL 606A**

1. While existing urban renewal plans can be modified for any purpose, new urban renewal plans created after July 1, 2016 cannot be amended for unanticipated economic development opportunities. This will not impact single parcel/single purpose revenue allocation areas; however, it will make plan amendments associated with downtown revenue allocation areas nearly impossible. The end result will be a significant increase in the amount of smaller, single purpose revenue allocation areas.
2. While there are protections for debt obligations associated with a potential base reset due to a prohibited plan amendment, there are no such protections for a temporary loss of revenue for failing to meet enhanced reporting requirements. If an urban renewal agency cannot verify its ability to meet reporting deadlines to lenders, it may become more difficult to secure debt financing for future projects.
3. Currently there are no limitation on how urban renewal funds can be used to construct public facilities, including buildings. House Bill 606a proposes limiting what types of facilities urban renewal funds can be spent on, including requiring a vote for certain expenditures over 50% of project costs.

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 606, As Amended,  
As Amended in the Senate, As Amended in the Senate

BY REVENUE AND TAXATION COMMITTEE

AN ACT

1 RELATING TO URBAN RENEWAL; AMENDING SECTION 50-2006, IDAHO CODE, TO REVISE  
2 PROVISIONS FOR THE MAKEUP OF THE BOARD OF COMMISSIONERS OF AN URBAN  
3 RENEWAL AGENCY, TO ALLOW FOR THE ELECTION OF COMMISSIONERS, TO REVISE  
4 PROVISIONS REGARDING THE FILLING OF VACANCIES, TO PROVIDE RESIDENCY  
5 REQUIREMENTS FOR COMMISSIONERS AND TO MAKE TECHNICAL CORRECTIONS;  
6 AMENDING SECTION 50-2033, IDAHO CODE, TO PROVIDE REQUIREMENTS FOR  
7 AMENDMENTS; AMENDING SECTION 50-2903, IDAHO CODE, TO REVISE THE DEFINI-  
8 TIONS OF "BASE ASSESSMENT ROLL," "PLAN" OR "URBAN RENEWAL PLAN" AND  
9 "PROJECT COSTS"; AMENDING CHAPTER 29, TITLE 50, IDAHO CODE, BY THE AD-  
10 DITION OF A NEW SECTION 50-2903A, IDAHO CODE, TO PROVIDE THE EFFECT OF  
11 AN ORDINANCE TO MODIFY AN URBAN RENEWAL PLAN AND TO PROVIDE EXCEPTIONS;  
12 AMENDING SECTION 50-2905, IDAHO CODE, TO PROVIDE THAT ANY CHANGES TO  
13 AN URBAN RENEWAL PLAN SHALL BE NOTICED AND COMPLETED IN AN OPEN PUBLIC  
14 MEETING; AMENDING CHAPTER 29, TITLE 50, IDAHO CODE, BY THE ADDITION OF A  
15 NEW SECTION 50-2905A, IDAHO CODE, TO PROVIDE FOR AN ELECTION ON CERTAIN  
16 PROJECTS AND TO DEFINE TERMS; AMENDING CHAPTER 29, TITLE 50, IDAHO CODE,  
17 BY THE ADDITION OF A NEW SECTION 50-2913, IDAHO CODE, TO PROVIDE THAT  
18 URBAN RENEWAL PLANS BE SUBMITTED TO THE STATE TAX COMMISSION AND TO PRO-  
19 VIDE PENALTIES FOR FAILURE TO REPORT; AMENDING SECTION 63-301A, IDAHO  
20 CODE, TO PROVIDE FOR INCLUSION ON THE NEW CONSTRUCTION ROLL WHEN A MODI-  
21 FICATION OF AN URBAN RENEWAL PLAN OR DE-ANNEXATION OCCURS AND TO MAKE A  
22 TECHNICAL CORRECTION; PROVIDING SEVERABILITY; AND PROVIDING EFFECTIVE  
23 DATES.  
24

25 Be It Enacted by the Legislature of the State of Idaho:

26 SECTION 1. That Section 50-2006, Idaho Code, be, and the same is hereby  
27 amended to read as follows:

28 50-2006. URBAN RENEWAL AGENCY. (a) There is hereby created in each mu-  
29 nicipality an independent public body corporate and politic to be known as  
30 the "urban renewal agency" that was created by resolution as provided in sec-  
31 tion 50-2005, Idaho Code, before July 1, 2011, for the municipality; pro-  
32 vided, that such agency shall not transact any business or exercise its pow-  
33 ers hereunder until or unless: (1) the local governing body has made the  
34 findings prescribed in section 50-2005, Idaho Code; and provided further,  
35 that such agency created after July 1, 2011, shall not transact any busi-  
36 ness or exercise its powers provided for in this chapter until (2) a major-  
37 ity of qualified electors, voting in a citywide or countywide election de-  
38 pending on the municipality in which such agency is created, vote to autho-  
39 rize such agency to transact business and exercise its powers provided for in  
40 this chapter. If prior to July 1, 2011, the local governing body has made the  
41 findings prescribed in subsection (a) (1) of this section then such agency

1 shall transact business and shall exercise its powers hereunder and is not  
2 subject to the requirements of subsection (a) (2) of this section.

3 (b) Upon satisfaction of the requirements under subsection (a) of this  
4 section, the urban renewal agency is authorized to transact the business and  
5 exercise the powers hereunder by a board of commissioners to be established  
6 as follows:

7 (1) Unless provided otherwise in this section, tThe mayor, by and with  
8 the advice and consent of the local governing body, shall appoint a  
9 board of commissioners of the urban renewal agency, which shall consist  
10 of not less than three (3) commissioners nor more than nine (9) commis-  
11 sioners. In the order of appointment, the mayor shall designate the  
12 number of commissioners to be appointed, and the term of each, provided  
13 that the original term of office of no more than two (2) commissioners  
14 shall expire in the same year. The commissioners shall serve for terms  
15 not to exceed five (5) years, from the date of appointment, except that  
16 all vacancies shall be filled for the unexpired term.

17 (2) For inefficiency or neglect of duty or misconduct in office, a com-  
18 missioner may be removed by a majority vote of ~~the board or by~~ the local  
19 governing body only after a hearing and after he shall have been given  
20 a copy of the charges at least ten (10) days prior to such hearing and  
21 have had an opportunity to be heard in person or by counsel. Any com-  
22 mission position ~~which that~~ becomes vacant at a time other than the ex-  
23 piration of a term shall be filled by ~~a majority vote of the board. The~~  
24 ~~board may elect any person to fill such vacant position where such per-~~  
25 ~~son meets the requirements of a commissioner provided for in this chap-~~  
26 ~~ter~~ the mayor or chair of the board of county commissioners, if that is  
27 the local governing body, by and with the advice and consent of the local  
28 governing body, including the mayor, if applicable, and shall be filled  
29 for the unexpired term.

30 (3) By enactment of an ordinance, the local governing body may appoint  
31 and designate itself from among its members to be members of the board of  
32 commissioners of the urban renewal agency, provided that such represen-  
33 tation shall be less than a majority of the board of commissioners of the  
34 urban renewal agency of the members of the local governing body on and  
35 after July 1, 2017, in which case all the rights, powers, duties, privi-  
36 leges and immunities vested by the urban renewal law of 1965, and as  
37 amended, in an appointed board of commissioners, shall be vested in the  
38 local governing body, who shall, in all respects when acting as an urban  
39 renewal agency, be acting as an arm of state government, entirely sepa-  
40 rate and distinct from the municipality, to achieve, perform and accom-  
41 plish the public purposes prescribed and provided by said urban renewal  
42 law of 1965, and as amended.

43 (4) By enactment of an ordinance, the local governing body may termi-  
44 nate the appointed board of commissioners and thereby appoint and des-  
45 ignate itself as the board of commissioners of the urban renewal agency  
46 for not more than one (1) calendar year.

47 (5) By enactment of an ordinance, the local governing body may provide  
48 that the board of commissioners of the urban renewal agency shall be  
49 elected at an election held for such purpose on one (1) of the November  
50 dates provided in section 34-106, Idaho Code, and the ordinance may pro-

1 vide term limits for the commissioners. In this case, all the rights,  
2 powers, duties, privileges and immunities vested by the urban renewal  
3 law of 1965, and as amended, in an appointed board of commissioners,  
4 shall be vested in the elected board of commissioners of the urban re-  
5 newal agency, who shall, in all respects when acting as an urban renewal  
6 agency, be acting as an arm of state government, entirely separate and  
7 distinct from the municipality, to achieve, perform and accomplish the  
8 public purposes prescribed and provided by said urban renewal law of  
9 1965, and as amended. The provisions of section 50-420, Idaho Code,  
10 shall apply to elected commissioners if the sponsoring entity is a city  
11 or the provisions of county election law if the sponsoring entity is a  
12 county and the county election law shall apply to the person running for  
13 commissioner as if they were running for county commissioner. In the  
14 event of a vacancy in an elected commissioner position, the replacement  
15 shall be appointed by the mayor or chair of the board of county commis-  
16 sioners, if that is the local governing body by and with the advice and  
17 consent of the local governing body, and shall be filled for the unex-  
18 pired term.

19 (6) In all instances, a member of the board of commissioners of the ur-  
20 ban renewal agency must be a resident of the county where the urban re-  
21 newal agency is located or is doing business.

22 (c) A commissioner shall receive no compensation for his services but  
23 shall be entitled to the necessary expenses, including traveling expenses,  
24 incurred in the discharge of his duties. Each commissioner shall hold office  
25 until his successor has been appointed and has qualified. A certificate of  
26 the appointment or reappointment of any commissioner shall be filed with the  
27 clerk of the municipality and such certificate shall be conclusive evidence  
28 of the due and proper appointment of such commissioner.

29 The powers of an urban renewal agency shall be exercised by the commis-  
30 sioners thereof. A majority of the commissioners shall constitute a quo-  
31 rum for the purpose of conducting business and exercising the powers of the  
32 agency and for all other purposes. Action may be taken by the agency upon a  
33 vote of a majority of the commissioners present, unless in any case the by-  
34 laws shall require a larger number.

35 The commissioners shall elect the chairman, cochairman or vice chair-  
36 man for a term of one (1) year from among their members. An agency may employ  
37 an executive director, technical experts and such other agents and employ-  
38 ees, permanent and temporary, as it may require, and determine their qual-  
39 ifications, duties and compensation. For such legal service as it may re-  
40 quire, an agency may employ or retain its own counsel and legal staff. An  
41 agency authorized to transact business and exercise powers under this chap-  
42 ter shall file, with the local governing body, on or before March 31 of each  
43 year a report of its activities for the preceding calendar year, which report  
44 shall include a complete financial statement setting forth its assets, lia-  
45 bilities, income and operating expense as of the end of such calendar year.  
46 The agency shall be required to hold a public meeting to report these find-  
47 ings and take comments from the public. At the time of filing the report, the  
48 agency shall publish in a newspaper of general circulation in the community  
49 a notice to the effect that such report has been filed with the municipality

1 and that the report is available for inspection during business hours in the  
2 office of the city clerk or county recorder and in the office of the agency.

3 (d) An urban renewal agency shall have the same fiscal year as a municipi-  
4 pality and shall be subject to the same audit requirements as a municipality.  
5 An urban renewal agency shall be required to prepare and file with its lo-  
6 cal governing body an annual financial report and shall prepare, approve and  
7 adopt an annual budget for filing with the local governing body, for informa-  
8 tional purposes. A budget means an annual estimate of revenues and expenses  
9 for the following fiscal year of the agency.

10 (e) An urban renewal agency shall comply with the public records law  
11 pursuant to chapter 1, title 74, Idaho Code, open meetings law pursuant to  
12 chapter 2, title 74, Idaho Code, the ethics in government law pursuant to  
13 chapter 4, title 74, Idaho Code, and the competitive bidding provisions of  
14 chapter 28, title 67, Idaho Code.

15 SECTION 2. That Section 50-2033, Idaho Code, be, and the same is hereby  
16 amended to read as follows:

17 50-2033. ~~PROHIBITED AMENDMENTS~~. Except for consolidation of revenue  
18 allocation areas, a revenue allocation area may ~~not only~~ be amended to ex-  
19 tend its boundaries as set forth herein. An amendment to an urban renewal  
20 plan ~~created under this chapter~~ that does not seek to increase the geographic  
21 area of the plan, or does not seek to extend the years of the plan beyond the  
22 maximum term allowed under chapter 29, title 50, Idaho Code, is not a pro-  
23 hibited amendment, but may be subject to the limitations set forth in sec-  
24 tion 50-2903A, Idaho Code. No plan amendment ~~to an existing revenue alloca-~~  
25 ~~tion area~~ shall be interpreted to or shall cause an extension of the limita-  
26 tions established for the existing revenue allocation area as set forth in  
27 section 50-2904, Idaho Code. ~~Notwithstanding these~~ Subject to the limita-  
28 tions in this section and section 50-2903A, Idaho Code, an urban renewal plan  
29 that includes a revenue allocation area may be extended only one (1) time to  
30 extend the boundary of the revenue allocation so long as the total area to be  
31 added is not greater than ten percent (10%) of the existing revenue alloca-  
32 tion area and the area to be added is contiguous to the existing revenue allo-  
33 cation area but such contiguity cannot be established solely by a shoestring  
34 or strip of land which comprises a railroad or public right-of-way.

35 SECTION 3. That Section 50-2903, Idaho Code, be, and the same is hereby  
36 amended to read as follows:

37 50-2903. DEFINITIONS. The following terms used in this chapter shall  
38 have the following meanings, unless the context otherwise requires:

39 (1) "Act" or "this act" means this revenue allocation act.

40 (2) "Agency" or "urban renewal agency" means a public body created pur-  
41 suant to section 50-2006, Idaho Code.

42 (3) "Authorized municipality" or "municipality" means any county or  
43 incorporated city which has established an urban renewal agency, or by or-  
44 dinance has identified and created a competitively disadvantaged border  
45 community.

46 (4) Except as provided in section 50-2903A, Idaho Code, "Base assess-  
47 ment roll" means the equalized assessment rolls, for all classes of taxable

1 property, on January 1 of the year in which the local governing body of an au-  
2 thorized municipality passes an ordinance adopting or modifying an urban re-  
3 newal plan containing a revenue allocation financing provision, except that  
4 the base assessment roll shall be adjusted as follows: the equalized as-  
5 sessment valuation of the taxable property in a revenue allocation area as  
6 shown upon the base assessment roll shall be reduced by the amount by which  
7 the equalized assessed valuation as shown on the base assessment roll ex-  
8 ceeds the current equalized assessed valuation of any taxable property lo-  
9 cated in the revenue allocation area, and by the equalized assessed valu-  
10 ation of taxable property in such revenue allocation area that becomes ex-  
11 empt from taxation subsequent to the date of the base assessment roll. The  
12 equalized assessed valuation of the taxable property in a revenue allocation  
13 area as shown on the base assessment roll shall be increased by the equal-  
14 ized assessed valuation, as of the date of the base assessment roll, of tax-  
15 able property in such revenue allocation area that becomes taxable after the  
16 date of the base assessment roll, provided any increase in valuation caused  
17 by the removal of the agricultural tax exemption from undeveloped agricul-  
18 tural land in a revenue allocation area shall be added to the base assess-  
19 ment roll. An urban renewal plan containing a revenue allocation financ-  
20 ing provision adopted or modified prior to July 1, 2016, is not subject to  
21 section 50-2903A, Idaho Code. For plans adopted or modified prior to July  
22 1, 2016, and for subsequent modifications of those urban renewal plans, the  
23 value of the base assessment roll of property within the revenue allocation  
24 area shall be determined as if the modification had not occurred.

25 (5) "Budget" means an annual estimate of revenues and expenses for the  
26 following fiscal year of the agency. An agency shall, by September 1 of each  
27 calendar year, adopt and publish, as described in section 50-1002, Idaho  
28 Code, a budget for the next fiscal year. An agency may amend its adopted  
29 budget using the same procedures as used for adoption of the budget. For  
30 the fiscal year that immediately predates the termination date for an urban  
31 renewal plan involving a revenue allocation area or will include the termi-  
32 nation date, the agency shall adopt and publish a budget specifically for the  
33 projected revenues and expenses of the plan and make a determination as to  
34 whether the revenue allocation area can be terminated before the January 1  
35 of the termination year pursuant to the terms of section 50-2909(4), Idaho  
36 Code. In the event that the agency determines that current tax year revenues  
37 are sufficient to cover all estimated expenses for the current year and all  
38 future years, by September 1 the agency shall adopt a resolution advising and  
39 notifying the local governing body, the county auditor, and the state tax  
40 commission and recommending the adoption of an ordinance for termination of  
41 the revenue allocation area by December 31 of the current year and declaring  
42 a surplus to be distributed as described in section 50-2909, Idaho Code,  
43 should a surplus be determined to exist. The agency shall cause the ordi-  
44 nance to be filed with the office of the county recorder and the Idaho state  
45 tax commission as provided in section 63-215, Idaho Code. Upon notification  
46 of revenues sufficient to cover expenses as provided herein, the increment  
47 value of that revenue allocation area shall be included in the net taxable  
48 value of the appropriate taxing districts when calculating the subsequent  
49 property tax levies pursuant to section 63-803, Idaho Code. The increment  
50 value shall also be included in subsequent notification of taxable value for

1 each taxing district pursuant to section 63-1312, Idaho Code, and subsequent  
2 certification of actual and adjusted market values for each school district  
3 pursuant to section 63-315, Idaho Code.

4 (6) "Clerk" means the clerk of the municipality.

5 (7) "Competitively disadvantaged border community area" means a parcel  
6 of land consisting of at least forty (40) acres which is situated within the  
7 jurisdiction of a county or an incorporated city and within twenty-five (25)  
8 miles of a state or international border, which the governing body of such  
9 county or incorporated city has determined by ordinance is disadvantaged in  
10 its ability to attract business, private investment, or commercial develop-  
11 ment, as a result of a competitive advantage in the adjacent state or nation  
12 resulting from inequities or disparities in comparative sales taxes, income  
13 taxes, property taxes, population or unique geographic features.

14 (8) "Deteriorated area" means:

15 (a) Any area, including a slum area, in which there is a predominance  
16 of buildings or improvements, whether residential or nonresidential,  
17 which by reason of dilapidation, deterioration, age or obsolescence,  
18 inadequate provision for ventilation, light, air, sanitation, or open  
19 spaces, high density of population and overcrowding, or the existence  
20 of conditions which endanger life or property by fire and other causes,  
21 or any combination of such factors, is conducive to ill health, trans-  
22 mission of disease, infant mortality, juvenile delinquency, or crime,  
23 and is detrimental to the public health, safety, morals or welfare.

24 (b) Any area which by reason of the presence of a substantial number of  
25 deteriorated or deteriorating structures, predominance of defective or  
26 inadequate street layout, faulty lot layout in relation to size, ade-  
27 quacy, accessibility or usefulness, insanitary or unsafe conditions,  
28 deterioration of site or other improvements, diversity of ownership,  
29 tax or special assessment delinquency exceeding the fair value of the  
30 land, defective or unusual conditions of title, or the existence of con-  
31 ditions which endanger life or property by fire and other causes, or any  
32 combination of such factors, results in economic underdevelopment of  
33 the area, substantially impairs or arrests the sound growth of a munici-  
34 pality, retards the provision of housing accommodations or constitutes  
35 an economic or social liability and is a menace to the public health,  
36 safety, morals or welfare in its present condition and use.

37 (c) Any area which is predominately open and which because of obsolete  
38 platting, diversity of ownership, deterioration of structures or im-  
39 provements, or otherwise, results in economic underdevelopment of the  
40 area or substantially impairs or arrests the sound growth of a munici-  
41 pality. The provisions of section 50-2008(d), Idaho Code, shall apply  
42 to open areas.

43 (d) Any area which the local governing body certifies is in need of  
44 redevelopment or rehabilitation as a result of a flood, storm, earth-  
45 quake, or other natural disaster or catastrophe respecting which the  
46 governor of the state has certified the need for disaster assistance  
47 under any federal law.

48 (e) Any area which by reason of its proximity to the border of an ad-  
49 jacent state is competitively disadvantaged in its ability to attract



1 private investment, business or commercial development which would  
2 promote the purposes of this chapter.

3 (f) "Deteriorated area" does not mean not developed beyond agricul-  
4 tural, or any agricultural operation as defined in section 22-4502(1),  
5 Idaho Code, or any forest land as defined in section 63-1701(4), Idaho  
6 Code, unless the owner of the agricultural operation or the forest  
7 landowner of the forest land gives written consent to be included in the  
8 deteriorated area, except for an agricultural operation or forest land  
9 that has not been used for three (3) consecutive years.

10 (9) "Facilities" means land, rights in land, buildings, structures,  
11 machinery, landscaping, extension of utility services, approaches, road-  
12 ways and parking, handling and storage areas, and similar auxiliary and re-  
13 lated facilities.

14 (10) "Increment value" means the total value calculated by summing the  
15 differences between the current equalized value of each taxable property in  
16 the revenue allocation area and that property's current base value on the  
17 base assessment roll, provided such difference is a positive value.

18 (11) "Local governing body" means the city council or board of county  
19 commissioners of a municipality.

20 (12) "Plan" or "urban renewal plan" means a plan, as it exists or may  
21 from time to time be amended, prepared and approved pursuant to sections  
22 50-2008 and 50-2905, Idaho Code, and any method or methods of financing such  
23 plan, which methods may include revenue allocation financing provisions.

24 (13) "Project" or "urban renewal project" or "competitively disadvan-  
25 taged border areas" may include undertakings and activities of a municipal-  
26 ity in an urban renewal area for the elimination of deteriorated or deterio-  
27 rating areas and for the prevention of the development or spread of slums and  
28 blight and may involve slum clearance and redevelopment in an urban renewal  
29 area, or rehabilitation or conservation in an urban renewal area, or any com-  
30 bination or part thereof in accordance with an urban renewal plan. Such un-  
31 dertakings and activities may include:

32 (a) Acquisition of a deteriorated area or a deteriorating area or por-  
33 tion thereof;

34 (b) Demolition and removal of buildings and improvement;

35 (c) Installation, construction, or reconstruction of streets, utili-  
36 ties, parks, playgrounds, open space, off-street parking facilities,  
37 public facilities, public recreation and entertainment facilities or  
38 buildings and other improvements necessary for carrying out, in the ur-  
39 ban renewal area or competitively disadvantaged border community area,  
40 the urban renewal objectives of this act in accordance with the urban  
41 renewal plan or the competitively disadvantaged border community area  
42 ordinance.

43 (d) Disposition of any property acquired in the urban renewal area or  
44 the competitively disadvantaged border community area (including sale,  
45 initial leasing or retention by the agency itself) or the municipality  
46 creating the competitively disadvantaged border community area at its  
47 fair value for uses in accordance with the urban renewal plan except for  
48 disposition of property to another public body;

1 (e) Carrying out plans for a program of voluntary or compulsory repair  
2 and rehabilitation of buildings or other improvements in accordance  
3 with the urban renewal plan;

4 (f) Acquisition of real property in the urban renewal area or the com-  
5 petitively disadvantaged border community area which, under the urban  
6 renewal plan, is to be repaired or rehabilitated for dwelling use or re-  
7 lated facilities, repair or rehabilitation of the structures for guid-  
8 ance purposes, and resale of the property;

9 (g) Acquisition of any other real property in the urban renewal area  
10 or competitively disadvantaged border community area where necessary  
11 to eliminate unhealthful, insanitary or unsafe conditions, lessen den-  
12 sity, eliminate obsolete or other uses detrimental to the public wel-  
13 fare, or otherwise to remove or to prevent the spread of blight or dete-  
14 rioration, or to provide land for needed public facilities or where nec-  
15 essary to accomplish the purposes for which a competitively disadvan-  
16 taged border community area was created by ordinance;

17 (h) Lending or investing federal funds; and

18 (i) Construction of foundations, platforms and other like structural  
19 forms.

20 (14) "Project costs" includes, but is not limited to:

21 (a) Capital costs, including the actual costs of the construction of  
22 public works or improvements, facilities, buildings, structures, and  
23 permanent fixtures; the demolition, alteration, remodeling, repair or  
24 reconstruction of existing buildings, structures, and permanent fix-  
25 tures; the acquisition of equipment; and the clearing and grading of  
26 land;

27 (b) Financing costs, including interest during construction and capi-  
28 talized debt service or repair and replacement or other appropriate re-  
29 serves;

30 (c) Real property assembly costs, meaning any deficit incurred from the  
31 sale or lease by a municipality of real or personal property within a  
32 revenue allocation district;

33 (d) Professional service costs, including those costs incurred for ar-  
34 chitectural, planning, engineering, and legal advice and services;

35 (e) Direct administrative costs, including reasonable charges for the  
36 time spent by ~~municipal~~ city or county employees in connection with the  
37 implementation of a project plan;

38 (f) Relocation costs;

39 (g) Other costs incidental to any of the foregoing costs.

40 (15) "Revenue allocation area" means that portion of an urban renewal  
41 area or competitively disadvantaged border community area where the equal-  
42 ized assessed valuation (as shown by the taxable property assessment rolls)  
43 of which the local governing body has determined, on and as a part of an urban  
44 renewal plan, is likely to increase as a result of the initiation of an urban  
45 renewal project or competitively disadvantaged border community area. The  
46 base assessment roll or rolls of revenue allocation area or areas shall not  
47 exceed at any time ten percent (10%) of the current assessed valuation of all  
48 taxable property within the municipality.

49 (16) "State" means the state of Idaho.

1 (17) "Tax" or "taxes" means all property tax levies upon taxable prop-  
2 erty.

3 (18) "Taxable property" means taxable real property, personal prop-  
4 erty, operating property, or any other tangible or intangible property  
5 included on the equalized assessment rolls.

6 (19) "Taxing district" means a taxing district as defined in section  
7 63-201, Idaho Code, as that section now exists or may hereafter be amended.

8 (20) "Termination date" means a specific date no later than twenty (20)  
9 years from the effective date of an urban renewal plan or as described in sec-  
10 tion 50-2904, Idaho Code, on which date the plan shall terminate. Every ur-  
11 ban renewal plan shall have a termination date that can be modified or ex-  
12 tended subject to the twenty (20) year maximum limitation. Provided how-  
13 ever, the duration of a revenue allocation financing provision may be ex-  
14 tended as provided in section 50-2904, Idaho Code.

15 SECTION 4. That Chapter 29, Title 50, Idaho Code, be, and the same is  
16 hereby amended by the addition thereto of a NEW SECTION, to be known and des-  
17 ignated as Section 50-2903A, Idaho Code, and to read as follows:

18 50-2903A. EFFECT OF ORDINANCE TO MODIFY URBAN RENEWAL PLAN -- EXCEP-  
19 TION.

20 (1) (a) On and after July 1, 2016, except as provided in subsection (2)  
21 of this section, when an urban renewal plan containing a revenue alloca-  
22 tion financing provision is modified through an ordinance of the autho-  
23 rized municipality, the base value for the year immediately following  
24 the year in which the modification occurred shall include the current  
25 year's equalized assessed value of the taxable property in a revenue al-  
26 location area. The urban renewal agency shall be required annually to  
27 attest to having or not having modified any of its plans. If no modifi-  
28 cation has occurred, the urban renewal agency shall attest that fact on  
29 an affidavit provided by the state tax commission before the first Mon-  
30 day in June of each year. Modification shall not be deemed to have oc-  
31 curred when:

32 (i) There is a plan amendment to make technical or ministerial  
33 changes to a plan that does not involve an increase in the use of  
34 revenues allocated to the agency pursuant to section 50-2908,  
35 Idaho Code; or

36 (ii) There is a plan amendment to accommodate an increase in the  
37 revenue allocation area boundary as permitted in section 50-2033,  
38 Idaho Code; or

39 (iii) There is a plan amendment to accommodate a de-annexation in  
40 the revenue allocation area boundary; or

41 (iv) There is a plan amendment to support growth of an existing  
42 commercial or industrial project in an existing revenue alloca-  
43 tion area, subject to the provisions of section 50-2905A, Idaho  
44 Code.

45 (b) Notice of any plan modification shall state the nature of the mod-  
46 ification and shall be provided to the state tax commission, the county  
47 clerk and the county assessor by the first Monday in June of the years  
48 following the modification.

1 (c) Once a modification is deemed to have occurred, the base assessment  
2 value shall be reset pursuant to this subsection.

3 (2) When the urban renewal agency certifies to the county clerk and  
4 state tax commission that there is outstanding indebtedness, the base value  
5 for the year immediately following the year in which the modification oc-  
6 curred shall be computed and adjusted irrespective of the modification to  
7 the plan, but in compliance with all other requirements for adjustment as  
8 provided in section 50-2903(4), Idaho Code. To be allowed this exception no  
9 later than the first Monday in June each year, beginning the year immediately  
10 following the year in which the modification occurred, the urban renewal  
11 agency must certify:

12 (a) That the indebtedness could not be repaid by the agency prior to  
13 the termination of the revenue allocation area without the allocation  
14 of property tax revenues as provided in section 50-2908, Idaho Code; and

15 (b) The estimated total budget to be used for paying indebtedness dur-  
16 ing each year until termination of the revenue allocation area, the  
17 amount of nonproperty tax revenue to be used by the agency to pay indebt-  
18 edness each year, and the estimated amount of revenue to be allocated to  
19 the agency for the modified revenue allocation area pursuant to section  
20 50-2908, Idaho Code, to be used for paying indebtedness. For purposes  
21 of this section "indebtedness" shall mean any bonds, including refund-  
22 ing bonds, notes, interim certificates, certificates of indebtedness,  
23 debentures or other obligations, together with all expenses necessary  
24 to comply with all covenants related to the indebtedness.

25 (3) To the extent the amount of revenue allocated to the modified rev-  
26 enue allocation area pursuant to section 50-2908, Idaho Code, exceeds the  
27 amount necessary to pay indebtedness certified in subsection (2) (b) of this  
28 section, the excess shall be distributed by the county clerk to each taxing  
29 district or unit in the same manner as property taxes, except that each tax-  
30 ing district or unit shall be notified of the amount of any distribution of  
31 excess urban renewal allocations included in any distribution. For purposes  
32 of the limitation provided by section 63-802, Idaho Code, moneys received by  
33 any taxing district or unit pursuant to this subsection shall be treated as  
34 property tax revenue.

35 (4) Within thirty (30) days from the time the state tax commission re-  
36 ceives information that an urban renewal plan for a revenue allocation area  
37 has been modified, the state tax commission shall notify the urban renewal  
38 agency and the county clerk of such receipt and the determination regarding  
39 any limits on the maximum amount of property tax revenue that will be allo-  
40 cated to the urban renewal agency from the current year's property taxes.

41 SECTION 5. That Section 50-2905, Idaho Code, be, and the same is hereby  
42 amended to read as follows:

43 50-2905. RECOMMENDATION OF URBAN RENEWAL AGENCY. In order to imple-  
44 ment the provisions of this chapter, the urban renewal agency of the munic-  
45 ipality shall prepare and adopt a plan for each revenue allocation area and  
46 submit the plan and recommendation for approval thereof to the local govern-  
47 ing body. The plan shall include with specificity:

1 (1) A statement describing the total assessed valuation of the base as-  
2 sessment roll of the revenue allocation area and the total assessed valua-  
3 tion of all taxable property within the municipality;

4 (2) A statement listing the kind, number, and location of all proposed  
5 public works or improvements within the revenue allocation area;

6 (3) An economic feasibility study;

7 (4) A detailed list of estimated project costs;

8 (5) A fiscal impact statement showing the impact of the revenue allo-  
9 cation area, both until and after the bonds are repaid, upon all taxing dis-  
10 tricts levying taxes upon property on the revenue allocation area;

11 (6) A description of the methods of financing all estimated project  
12 costs and the time when related costs or monetary obligations are to be in-  
13 curred;

14 (7) A termination date for the plan and the revenue allocation area as  
15 provided for in section 50-2903(20), Idaho Code. In determining the termi-  
16 nation date, the plan shall recognize that the agency shall receive alloca-  
17 tion of revenues in the calendar year following the last year of the revenue  
18 allocation provision described in the urban renewal plan; ~~and~~

19 (8) A description of the disposition or retention of any assets of the  
20 agency upon the termination date. Provided however, nothing herein shall  
21 prevent the agency from retaining assets or revenues generated from such as-  
22 sets as long as the agency shall have resources other than revenue allocation  
23 funds to operate and manage such assets; and

24 (9) Any changes to an urban renewal plan as provided in subsections (2)  
25 and (6) of this section shall be noticed and shall be completed in an open  
26 public meeting.

27 SECTION 6. That Chapter 29, Title 50, Idaho Code, be, and the same is  
28 hereby amended by the addition thereto of a NEW SECTION, to be known and des-  
29 ignated as Section 50-2905A, Idaho Code, and to read as follows:

30 50-2905A. ELECTION NECESSARY FOR EXPENDITURES ON CERTAIN  
31 PROJECTS. (1) Notwithstanding any other provision of this chapter, on and  
32 after July 1, 2016, it shall be unlawful for an urban renewal agency to expend  
33 revenue collected under this chapter on project costs when the amount of  
34 revenue collected under this chapter contributes to fifty-one percent (51%)  
35 or more of the total project cost and the project is for construction of a  
36 municipal building that will not be subject to property taxation or unless  
37 such construction project is first approved in an election by sixty percent  
38 (60%) of the participating qualified electors residing within the borders of  
39 the qualified municipality. An election pursuant to this section shall be in  
40 accordance with the provisions of chapter 1, title 34, Idaho Code.

41 (2) For purposes of this section, the following terms shall have the  
42 following meanings:

43 (a) "Municipal building" means only an administrative building, city  
44 hall, library, courthouse, public safety or law enforcement buildings,  
45 other judicial buildings, fire stations, jails and detention facili-  
46 ties;

47 (b) "Project costs" shall have the same meaning as provided in section  
48 50-2008, Idaho Code.

1 SECTION 7. That Chapter 29, Title 50, Idaho Code, be, and the same is  
2 hereby amended by the addition thereto of a NEW SECTION, to be known and des-  
3 ignated as Section 50-2913, Idaho Code, and to read as follows:

4 50-2913. URBAN RENEWAL AGENCY PLANS -- REPORTING INFORMATION REQUIRED  
5 -- PENALTIES FOR FAILURE TO REPORT. In addition to the provisions applicable  
6 to urban renewal agencies in chapters 20 and 29, title 50, Idaho Code, the  
7 provisions of this section shall also apply to urban renewal agencies. For  
8 purposes of this section, "urban renewal agency" shall have the same meaning  
9 as provided in chapters 20 and 29, title 50, Idaho Code.

10 (1) (a) There is hereby established a central registry with the state  
11 tax commission. The registry shall serve as the unified location for  
12 the reporting of and access to administrative and financial information  
13 of urban renewal plans in this state. To establish a complete list of  
14 all urban renewal plans of urban renewal agencies operating in Idaho, on  
15 the effective date of this act and so that the registry established will  
16 be comprehensive, every urban renewal agency shall register with the  
17 state registry. For calendar year 2017, the submission of information  
18 required by subsection (2) of this section shall occur prior to March 1,  
19 2017, and shall be in the form and format required by the state tax com-  
20 mission. In addition to the information required by this section for  
21 the March 1, 2017, filing deadline, the entity shall report the date of  
22 its last adoption or amendment or modification of an urban renewal plan.  
23 The registry listing will be available on the state tax commission web-  
24 site by July 1, 2017.

25 (b) The state tax commission shall notify each urban renewal agency of  
26 the requirements of this section.

27 (c) After March 1, and on or before December 1 of each year, the county  
28 clerk of each county shall submit a list to the state tax commission of  
29 all urban renewal agencies within the county.

30 (2) On or before December 1 of each year, every urban renewal agency  
31 shall submit to the central registry the following information each urban  
32 renewal plan adopted or modified pursuant to sections 50-2008 and 50-2905,  
33 Idaho Code, and any modifications or amendments to those plans.

34 (a) Within five (5) days of submitting to the central registry the in-  
35 formation required by this section, the urban renewal agency shall no-  
36 tify the agency's appointing authority, if the entity has an appointing  
37 authority, that it has submitted such information.

38 (b) If any information provided by an entity as required by this section  
39 changes during the year, the entity shall update its information on the  
40 registry within thirty (30) days of any such change.

41 (3) Notification and penalties.

42 (a) If an urban renewal agency fails to submit information required by  
43 this section or submits noncompliant information required by this sec-  
44 tion, the state tax commission shall notify the entity immediately af-  
45 ter the due date of the information that either the information was not  
46 submitted in a timely manner or the information submitted was noncom-  
47 pliant. The urban renewal agency shall then have thirty (30) days from  
48 the date of notice to submit the information or notify the state tax com-  
49 mission that it will comply by a time certain.

1 (b) No later than September 1 of any year, the state tax commission  
2 shall notify the appropriate board of county commissioners and city  
3 council of the entity's failure to comply with the provisions of this  
4 section. Upon receipt of such notification, the board of county commis-  
5 sioners shall place a public notice in a newspaper of general circula-  
6 tion in the county indicating that the entity is noncompliant with the  
7 legal reporting requirements of this section. The county commissioners  
8 shall assess to the entity the cost of the public notice. Such costs may  
9 be deducted from any distributions of tax increment financing of the  
10 urban renewal agency. For any noncomplying urban renewal agency, the  
11 state tax commission shall notify the board of county commissioners and  
12 city council of the compliance status of such entity by September 1 of  
13 each year until the entity is in compliance.

14 (c) An urban renewal agency that fails to comply with this section shall  
15 have any property tax revenue that exceeds the amount received in the  
16 immediate prior tax year distributed to the taxing districts located in  
17 or overlapping any revenue allocation area within that urban renewal  
18 district. Said distribution shall be based on each taxing district's  
19 proportionate share of the increment value in the current tax year mul-  
20 tiplied by the taxing district's current levy rate, reduced proportion-  
21 ately to match the excess to be so apportioned. Any money so received  
22 by any taxing district shall be treated as property tax revenue for the  
23 purposes of the limitation provided by section 63-802, Idaho Code.

24 (d) In addition to any other penalty provided in this section, in any  
25 failure to comply with this section, the state tax commission shall  
26 withhold the annual distribution of sales tax distribution pursuant to  
27 section 63-3638(13), Idaho Code, for any noncomplying urban renewal  
28 agency. The state tax commission shall withhold and retain such money  
29 in a reserve account until an urban renewal agency has complied with  
30 the provisions of this section, at which point the state tax commission  
31 shall pay any money owed to an urban renewal agency that was previously  
32 in violation of this section to the urban renewal agency.

33 (e) For any urban renewal agency, upon notification to the board of  
34 county commissioners from the state tax commission of noncompliance by  
35 such entity, the board of county commissioners shall convene to deter-  
36 mine appropriate compliance measures including, but not limited to, the  
37 following:

38 (i) Require a meeting of the board of county commissioners and the  
39 urban renewal agency's governing body wherein the board of county  
40 commissioners shall require compliance of this section by the en-  
41 tity; and

42 (ii) Assess a noncompliance fee on the noncomplying urban renewal  
43 agency. Such fee shall not exceed five thousand dollars (\$5,000).  
44 Such fees and costs may be deducted from any distributions of the  
45 tax increment financing. Any fee collected shall be deposited  
46 into the county's current expense fund.

47 (5) The provisions of this section shall have no impact or effect upon  
48 reporting requirements for local governing entities relating to the state  
49 tax commission. The state tax commission may allow compliance with this sec-

1 tion by the posting of links to an urban renewal agency's website for the  
2 posting of plans.

3 SECTION 8. That Section 63-301A, Idaho Code, be, and the same is hereby  
4 amended to read as follows:

5 63-301A. NEW CONSTRUCTION ROLL. (1) The county assessor shall prepare  
6 a new construction roll, which shall be in addition to the property roll,  
7 which new construction roll shall show:

8 (a) The name of the taxpayer;

9 (b) The description of the new construction, suitably detailed to meet  
10 the requirements of the individual county;

11 (c) A description of the land and its change in use, suitably detailed  
12 to meet the needs of the individual county;

13 (d) The amount of taxable market value added to the property on the cur-  
14 rent year's property roll that is directly the result of new construc-  
15 tion or a change in use of the land or both;

16 (e) The amount of taxable market value added as provided in subsection  
17 (3) (g) of this section as a result of dissolution of any revenue alloca-  
18 tion area;

19 (f) The amount of taxable market value to be deducted to reflect the ad-  
20 justments required in paragraphs (f) (i), (f) (ii), (f) (iii) and (f) (iv)  
21 of this subsection:

22 (i) Any board of tax appeals or court ordered value change, if  
23 property has a taxable value lower than that shown on any new con-  
24 struction roll in any one (1) of the immediate five (5) tax years  
25 preceding the current tax year;

26 (ii) Any reduction in value resulting from correction of value im-  
27 properly included on any previous new construction roll as a re-  
28 sult of double or otherwise erroneous assessment;

29 (iii) Any reduction in value, in any one (1) of the immediate five  
30 (5) tax years preceding the current tax year, resulting from a  
31 change of land use classification;

32 (iv) Any reduction in value resulting from the exemption provided  
33 in section 63-602W(4), Idaho Code, in any one (1) of the immediate  
34 five (5) tax years preceding the current tax year.

35 (2) As soon as possible, but in any event by no later than the first Mon-  
36 day in June, the new construction roll shall be certified to the county audi-  
37 tor and a listing showing the amount of value on the new construction roll in  
38 each taxing district or unit be forwarded to the state tax commission on or  
39 before the fourth Monday in July. Provided however, the value shown in sub-  
40 section (3) (f) of this section shall be reported to the appropriate county  
41 auditor by the state tax commission by the third Monday in July and the value  
42 sent by the county auditor to each taxing district. The value established  
43 pursuant to subsection (3) (f) of this section is subject to correction by the  
44 state tax commission until the first Monday in September and any such correc-  
45 tions shall be sent to the appropriate county auditor, who shall notify any  
46 affected taxing districts.

47 (3) The value shown on the new construction roll shall include the tax-  
48 able market value increase from:

49 (a) Construction of any new structure that previously did not exist; or



- 1 (b) Additions or alterations to existing nonresidential structures; or  
2 (c) Installation of new or used manufactured housing that did not pre-  
3 viously exist within the county; or  
4 (d) Change of land use classification; or  
5 (e) Property newly taxable as a result of loss of the exemption provided  
6 by section 63-602W(3) or (4), Idaho Code; or  
7 (f) The construction of any improvement or installation of any equip-  
8 ment used for or in conjunction with the generation of electricity and  
9 the addition of any improvement or equipment intended to be so used, ex-  
10 cept property that has a value allocated or apportioned pursuant to sec-  
11 tion 63-405, Idaho Code, or that is owned by a cooperative or municipal-  
12 ity, as those terms are defined in section 61-332A, Idaho Code, or that  
13 is owned by a public utility, as that term is defined in section 61-332A,  
14 Idaho Code, owning any other property that is allocated or apportioned.  
15 No replacement equipment or improvements may be included; or  
16 (g) Provided such increases do not include increases already reported  
17 on the new construction roll, as permitted in paragraphs (j) and (k) of  
18 this subsection, iIncreases in value over the base value of property  
19 on the base assessment roll within an urban renewal revenue allocation  
20 area that has been terminated pursuant to section 50-2909(4), Idaho  
21 Code, to the extent that this increment exceeds the incremental value  
22 as of December 31, 2006, or, for revenue allocation areas formed after  
23 December 31, 2006, the entire increment value. Notwithstanding other  
24 provisions of this section, the new construction roll shall not include  
25 new construction located within an urban renewal district's revenue al-  
26 location area, except as provided in this ~~subsection (3) (g) paragraph;~~  
27 or  
28 (h) New construction, in any one (1) of the immediate five (5) tax years  
29 preceding the current tax year, allowable but never included on a new  
30 construction roll, provided however, that, for such property, the value  
31 on the new construction roll shall reflect the taxable value that would  
32 have been included on the new construction roll for the first year in  
33 which the property should have been included.  
34 (i) Formerly exempt improvements on state college or state university  
35 owned land for student dining, housing, or other education related pur-  
36 poses approved by the state board of education and board of regents of  
37 the university of Idaho as proper for the operation of such state col-  
38 lege or university provided however, such improvements were never in-  
39 cluded on any previous new construction roll.  
40 (j) Increases in base value when due to previously determined incre-  
41 ment value added to the base value as required in sections 50-2903 and  
42 50-2903A, Idaho Code, due to a modification of the urban renewal plan.  
43 In this case, the amount added to the new construction roll will equal  
44 the amount by which the increment value in the year immediately preced-  
45 ing the year in which the base value adjustment described in this sub-  
46 section occurs exceeds the incremental value as of December 31, 2006,  
47 or, for revenue allocation areas formed after December 31, 2006, the en-  
48 tire increment value.  
49 (k) Increases in base value when due to previously determined incre-  
50 ment value added to the base value as a result of a de-annexation within

1        a revenue allocation area as defined in section 50-2903, Idaho Code. In  
2        this case, the amount added to the new construction roll will equal the  
3        amount by which the increment value in the year immediately preceding  
4        the year in which the de-annexation described in this subsection occurs  
5        exceeds the incremental value as of December 31, 2006, or, for revenue  
6        allocation areas formed after December 31, 2006, the entire increment  
7        value within the area subject to the de-annexation.

8        (4) The amount of taxable market value of new construction shall be the  
9        change in net taxable market value that is attributable directly to new con-  
10       struction or a change in use of the land or loss of the exemption provided by  
11       section 63-602W(3) or (4), Idaho Code. It shall not include any change in  
12       value of existing property that is due to external market forces such as gen-  
13       eral or localized inflation, except as provided in subsection (3) (g) of this  
14       section.

15       SECTION 9. SEVERABILITY. The provisions of this act are hereby declared  
16       to be severable and if any provision of this act or the application of such  
17       provision to any person or circumstance is declared invalid for any reason,  
18       such declaration shall not affect the validity of the remaining portions of  
19       this act.

20       SECTION 10. Section 7 of this act shall be in full force and effect on  
21       and after January 1, 2017. The remaining provisions of this act shall be in  
22       full force and effect on and after July 1, 2016.



Moscow, Idaho

## Financial Statements



For The Fiscal Year Ended  
September, 30 2015

**MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO**

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February 26, 2016

To the Moscow Urban Renewal Agency Board of Commissioners and Citizens of the City of Moscow:

We are pleased to submit to you the *Audited Financial Statements for the Moscow Urban Renewal Agency* (hereafter “the Agency”) for the fiscal year ended September 30, 2015.

Idaho State Law requires that all government development authorities submit audited financial statements to the entity that sponsored their corporate existence. For the Moscow Urban Renewal Agency this entity is the City of Moscow. The statements must be presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards (GAAS).

This report consists of management’s representations concerning the finances of the Agency. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect the Agency’s assets from loss, theft, or misuse and to compile sufficient and reliable information for the preparation of the Agency’s financial statements. Because the cost of internal controls should not outweigh their benefits, internal controls have been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that to the best of our knowledge and belief this financial report is complete and reliable in all material respects.

The Agency’s financial statements have been audited by Presnell Gage, PLLC, a company of certified public accountants. The independent auditor concluded, based on the audit, that there was a reasonable basis for rendering an unmodified opinion on the Agency’s financial statements for the fiscal year ended September 30, 2015.

The Management’s Discussion and Analysis (MD&A) immediately follows the independent auditor’s report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this Letter of Transmittal and the two should be read in conjunction.

### **Profile of the Moscow Urban Renewal Agency**

The Agency was organized by the Moscow City Council in 1995 pursuant to resolution 95-08 in accordance with the *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.

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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 Chair, Vice-Chair, and Secretary from the ranks of the Commission. The Treasurer's office may be filled by Commissioners or by staff appointments made by the Commission.

The Chair 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 Commissions to the Agency's 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 (which was closed in 2015) 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 urban renewal districts. The Agency's activities within urban renewal 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.

When the City establishes a tax increment financing district, the value on the property within the district is frozen as of the year the district is established. The ad valorem taxes collected on the frozen or "base" value is paid to the various taxing entities providing services to that property. Any subsequent increase in the value of property above 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.

## **FACTORS AFFECTING FINANCIAL CONDITION**

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the Agency operates.

## **Local Economy**

Moscow is a city in northern Idaho, situated along the Washington/Idaho border, with a population of 24,767 (2014 US Census est.). Moscow is the county seat and largest city in Latah County. Moscow is the home of the University of Idaho, the land grant institution and primary research university for the state, as well as the home of New Saint Andrews College. Eight miles west is Pullman, Washington, home of Washington State University, also a land grant institution.

Moscow is the principal city in the Moscow, Idaho, Micropolitan Statistical Area (McrSA), which includes Latah County. The City contains over 60 percent of the County's population and while the University of Idaho is the dominant employer in Moscow, the City also serves as an agricultural and commercial hub for the Palouse region. Moscow leads all cities in the Micropolitan Statistical Area (McrSA) in most measures of economic power, including population, income, employment, bank deposits, assessed valuation, office space, and college enrollment.

The 2015 population of the City was estimated at 24,615 (2015 US Census est.), which places it as the 12th largest city in Idaho. The City's population is expected to grow to 26,064 persons by 2019 with an annual average growth rate of 1.03 percent. The unemployment rate (not seasonally adjusted) for Latah County for September 2015 was 3.5 percent.

## **Long-term Financial Planning**

Prior to the fourth Monday of March of the current year, the Latah County auditor notifies the Agency of the total taxable valuation of all the taxable property situated within the Alturas Technology Park District and the Legacy Crossing District for the preceding calendar year for the purpose of assisting the Agency to develop its annual budget.

The Agency's tax increment revenue for fiscal year 2015 increased by \$13,811 (or 3.5 percent) to \$407,516 from \$393,705 received in 2014. Total assessed valuation within the Legacy Crossing District increased by 7.8 percent. The Agency's tax increment revenue for fiscal year 2015 increased by \$62,432 (or 53.6 percent) to \$179,241 from \$116,809 received in 2014.

A tax increment calculation error occurred for the Legacy Crossing District. Following the 2012 property tax assessment process, Latah County notified the Agency that after a review of the assessment process, a tax increment calculation error had been made in the Legacy Crossing District, and the Agency had been allocated too much assessed value. It has been determined that the Agency received an overpayment of \$114,537 of property tax receipts over the previous three-year period. Pursuant to an agreement made between the Agency and Latah County, the overpayment will be repaid to Latah County on behalf of the effected taxing entities over a period beginning in fiscal year 2015 and ending in fiscal year 2029.



## **Major Fiscal Year Initiatives**

Closure of the Alturas Technology Park Revenue Allocation Area. The Agency retired the remaining debt related to the Alturas Technology Park project in the summer of 2015. Following the last debt payment, the Agency passed Resolution 2015-02 recommending termination of the Alturas Technology Park revenue allocation area to the Moscow City Council. Following this recommendation, the City Council passed Ordinance 2015-15 formally terminating the Alturas revenue allocation area. The Agency was pleased to be able to close the revenue allocation area a year ahead of the schedule and allow the tax revenues to return to the taxing districts as soon as possible. The Agency continues to own six (6) lots within Alturas that are marketed for development for technology and research-based companies.

Sixth and Jackson Property. The Agency owns a 0.84 acre property at the southwest corner of the intersection of Sixth and Jackson Streets in Moscow. The Agency's primary focus is the redevelopment of the property through continued environmental assessment/remediation and facilitating the construction of improvements in conformance with the Legacy Crossing Plan. In May of 2013, the Agency was awarded an EPA Hazardous Substances Cleanup Grant to fund the removal of soils to allow the property to be redeveloped. The Sixth and Jackson property underwent environmental testing and cleanup planning in 2014 to prepare the property for redevelopment. In anticipation of the completion of the environmental remediation, in the fall of 2014 the Agency solicited proposals from interested developers for the redevelopment of the site. The Agency selected the proposal from Sangria Downtown LLC, and is currently in negotiations to define the final project and sale of the property. The environmental cleanup activities are anticipated to be completed in the spring of 2016 with redevelopment construction to begin in the fall of 2016.

## **Accounting System and Budget Control**

The annual budget serves as the foundation for the Agency's financial planning and control. The Agency's Executive Director and Treasurer prepare the annual budget. The Agency must notify the Latah County clerk of the date, time, and location of the Agency's budget hearing for the upcoming fiscal year no later than April 30 of each year. The Agency's Board of Commissioners must adopt a prospective budget prior to the scheduled public hearing. Legal notice of the proposed budget and budget hearing must be published twice, at least seven (7) days apart in the official newspaper. The final budget document must be adopted and published by September 30 of each year.

The planning of the budget, proposed presentation, public hearing notices, public hearing, adoption, and submission to Latah County is outlined in the annual budget calendar each year ensuring all legal compliance and disclosure. The Agency's adopted budget threshold is the Agency's total balance of revenues and expenditures. The Agency may amend the current year's budget at any time during the fiscal year so long as it follows the same public hearing requirements needed for the budget's original certification. Amendments to the budget are occasionally necessary for unanticipated revenues.



## **Awards and Acknowledgements**

We would like to commend the City of Moscow staff for their efficient and dedicated service in helping to prepare this report. We also wish to thank Steve McGeehan, Chairman, and the Board of Commissioners for their support in planning and conducting the financial operations of the Agency in a responsible and progressive manner. Credit must also be given to the Agency's auditors, Presnell Gage, PLLC, for their most valuable assistance in preparation of this report.

Respectfully submitted,

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Bill J. Belknap  
Executive Director

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Gary J. Riedner  
Interim Agency Treasurer



## INDEPENDENT AUDITOR'S REPORT

Board of Commissioners  
Moscow Urban Renewal Agency  
Moscow, Idaho

### Report of the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Moscow Urban Renewal Agency, a component-unit of the City of Moscow, Idaho, as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the Agency'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 and each major fund of the Moscow Urban Renewal Agency as of September 30, 2015, and the respective changes in financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

## **Other Matters**

### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and budgetary comparison information on pages 10 through 17 and 22 through 24, respectively, 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.

### *Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Moscow Urban Renewal Agency, a component-unit of the City of Moscow, Idaho's basic financial statements. The introductory section and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued a report dated February 26, 2016, on our consideration of the Moscow Urban Renewal Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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 the 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 Moscow Urban Renewal Agency's internal control over financial reporting and compliance.

PRESNELL GAGE PLLC

February 26, 2016

# MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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This section offers readers an overview and analysis of the fiscal year 2015 financial activities of the Moscow Urban Renewal Agency (hereafter "the Agency") of the City of Moscow, Idaho. It should be read in conjunction with the Agency's audited financial statements, which follow this section.

### 2015 FINANCIAL HIGHLIGHTS

- The Agency's total net position was \$2,362,339.
- The Agency's liabilities at September 30, 2015, were \$515,189.
- The Agency's total year-end fund balances were \$1,928,831.
- The net property tax increase of \$76,243 resulted from an increase of \$13,811 in increment revenue generated from within the Alturas Technology Park District and a \$62,432 increase in increment revenue generated from within the Legacy Crossing District. Property tax increment revenues are calculated on the change in property valuations as assessed by the Latah County Assessor.
- Redevelopment activities continue at the Agency-owned property located at the southwest corner of the intersection of Sixth and Jackson Streets in Moscow, including the completion of a Phase I of the environmental remediation of the property largely funded through a \$115,317 Environmental Protection Agency (EPA) Hazardous Substances Cleanup Grant.

### OVERVIEW OF THE FINANCIAL STATEMENTS

The Agency's annual financial report consists of several sections. Taken together, they provide a comprehensive overview of the Agency's activities. The sections of the report are as follows:

**Management's Discussion and Analysis.** This section of the report provides financial highlights, overview, and economic factors affecting the Agency.

**Basic Financial Statements.** This section includes the Government-wide financial statements, fund financial statements, and notes to the financial statements. Government-wide financial statements consist of the statement of net position and the statement of activities and utilize the accrual basis of accounting. The statements are intended to be more business-oriented and assist in assessing the *operational accountability* of the entity. The fund financial statements are similar to the government-wide statements; however, they use the modified accrual basis of accounting and focus on the *fiscal accountability* of the entity.

#### Government-Wide Statements

- The statement of net position found on page 18 focuses on resources available for future operations. This statement presents a snapshot view of the assets the Agency owns, the liabilities it owes, and the net difference. The net difference is further separated into amounts indicating the Agency's capital assets, net of related debt, restricted for debt service, and unrestricted amounts.
- The statement of activities found on page 19 focuses on gross and net costs of the Agency's programs and the extent to which such programs rely upon property tax and other revenues. This statement summarizes and simplifies the user's analysis to determine the extent to which programs are self-supporting and/or subsidized by general revenues.

# MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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### Fund Financial Statements

- The balance sheet located on page 20 is similar to the statement of net position; however, the balance sheet omits long-term assets and long-term liabilities. This format helps assess current assets, which are available to meet current liabilities and debt service payments. Also, there is a reconciliation of the balance sheet and the statement of net position, which outlines why there are differences in the two statements.

There are four statements of revenues, expenditures, and changes in fund balances on pages 21-24. The statement on page 21 reconciles the differences to the government-wide statement of activities. The statement on page 22 has the budget-to-actual revenues and expenditures for the year for the general fund and helps in assessing whether the Agency raised and spent funds according to the budget plan. The statements on pages 23 and 24 reflect the statements of revenues, expenditures, and changes in fund balances for the Alturas Technology Park District Fund and the Legacy Crossing District Fund, respectively.

### Notes to the Basic Financial Statements

- The notes to the financial statements provide additional disclosures required by governmental accounting standards and provide information to assist the reader in understanding the Agency's financial condition.

### Report by the Independent Certified Public Accountants

- The report by the independent certified public accountants includes supplemental communication on the Agency's compliance and internal controls as required by Idaho statutes.

## MAJOR AGENCY INITIATIVES IN FISCAL YEAR 2015

During fiscal year 2015, the Agency transitioned management support functions from the prior half-time Executive Director to an amended and expanded Agreement for Services with the City of Moscow following the resignation of the prior Executive Director during the 2014 fiscal year. Under the new services agreement, the City has expanded the scope of services to include Executive Director services. In July of 2015, the City appointed the City's Community Development Director to serve the role as Executive Director for the Agency. The Executive Director is responsible for the day-to-day operations of the Agency, coordination of Agency meetings and general business, and other duties defined in the official job description. The Agency meets certain criteria such that it is considered a component unit of the City of Moscow but continues to maintain its financial independence.

***Legacy Crossing District.*** The Agency owns a lot located at the southwest corner of the intersection of Sixth and Jackson Streets in Moscow, within the Legacy Crossing District. The Agency's primary focus is the redevelopment of the property through continued environmental assessment/remediation and facilitating the construction of improvements in conformance with the Legacy Crossing Plan. The Sixth and Jackson property is one of the beneficiaries of a City of Moscow EPA Brownfield Assessment Grant and underwent testing in 2014 to develop a remediation plan to remove contaminated soils in order to prepare the property for redevelopment.

## MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

### MANAGEMENT'S DISCUSSION AND ANALYSIS

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On May 29, 2013, the Agency was awarded an EPA Hazardous Substances Cleanup Grant to fund the removal of soils to allow the property to be redeveloped. In anticipation of completion of the environmental remediation, in the fall of 2014 the Agency solicited proposals from interested developers for the redevelopment of the site. The Agency selected the proposal from Sangria Downtown, LLC, and is currently in negotiations to define the final project and sale of the property. The environmental cleanup activities are anticipated to be completed in the spring of 2016 with redevelopment construction to occur in the fall of 2016.

As part of the creation of the Legacy Crossing District, all the parcels were given a base value premised on the 2008 property values. Assessed values above the 2008 base for those parcels benefit the District. Once the area is established, a tax code area is created that identifies those taxing entities levying taxes within the area. Beginning in 2009, any increase in the properties' assessed values times the levies, generates tax increment revenue for the District. The assessment process utilized by the County for three subsequent years (from the base year of 2008) used certain software developed and provided by the Idaho State Tax Commission. It was determined that the software during this three-year period of time experienced a "glitch" that needed to be manually overridden by the Latah County Assessor's office in order to have prevented an over-allocation of value. The Agency had no part of the assessment process or establishment of the various tax levies.

Following the 2012 property tax assessment process, the County contended that the Agency received an overpayment of \$114,537 of property tax receipts over the three-year period. A settlement agreement between the Agency and Latah County was reached to provide for a schedule of repayment of the property taxes. This liability has been accounted for within the Agency's finances.

**Greater Moscow Area Brownfield Coalition.** The Agency is a coalition partner with the City of Moscow and Latah County, administering a \$475,000 EPA Brownfield Coalition Assessment Grant. As a participating member of this coalition grant, the Agency has provided a benefit to the following properties within the Legacy Crossing Urban Renewal District as of September 30, 2015:

1102 South Main Street	\$ 89,259
317 West Sixth Street	\$120,582
207 North Main	\$ 39,857
Almon and "A" Street	\$ 75,002
Lilly and Asbury	\$ 29,637

The Agency anticipated and budgeted that the Brownfield cleanup would be completed, the lot sold, and the loan on the lot paid off in the 2015 fiscal year. Because this did not occur, the budgeted revenues and expenditures greatly exceed the actual activity (see page 24 - statement of revenues, expenditures, and changes in fund balance – budget to actual – Legacy Crossing). Furthermore, as the bulk of the remediation construction began just after the close of the 2015 fiscal year, only \$4,513 of the Brownfield cleanup grant was expended for remediation within the 2015 fiscal year.

**Alturas Technology Park.** On July 22, 2015, the Agency passed Resolution 2015-02 recommending termination of the Alturas Technology Park revenue allocation area to the Moscow City Council. Following this recommendation, the City Council passed Ordinance 2015-15 terminating the Alturas revenue allocation area. Therefore, the Agency will not receive any future tax increment revenues beyond the 2015 fiscal year. The Agency was pleased to be able to close the revenue allocation area a year ahead of schedule and allow the tax revenues to return to the taxing districts as soon as possible.



## MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

### MANAGEMENT'S DISCUSSION AND ANALYSIS

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The Agency continues to hold six undeveloped lots within the Alturas Technology Park. As real estate market conditions continue to improve, the Agency will aggressively market the remaining six lots in the Alturas Technology Park District targeting markets like agribusiness, biotechnology, software/IT, institutes and associations, and young technology professionals. Towards that end, the Agency entered into an agreement for real estate brokerage services to assist the Agency with the marketing and sale of the remaining lots.

#### GOVERNMENT-WIDE FINANCIAL ANALYSIS

##### Trends in the Urban Renewal Agency's Net Position

	2015	2014	2013
Cash and investments	\$ 1,398,714	\$ 1,098,035	\$ 834,771
Accounts receivable	4,513	111	89
Land held for sale	531,256	531,256	531,256
Land	510,316	505,803	505,803
Capital assets	432,729	491,218	549,706
Total assets	<u>2,877,528</u>	<u>2,626,423</u>	<u>2,421,625</u>
Total liabilities	<u>515,189</u>	<u>648,362</u>	<u>652,902</u>
Net position			
Invested in capital assets, net of related debt	588,357	508,385	447,909
Restricted debt service	44,312	159,483	150,057
Unrestricted	1,729,670	1,310,193	1,170,757
Total net position	<u>2,362,339</u>	<u>1,978,061</u>	<u>1,768,723</u>
Total liabilities and net position	<u>\$ 2,877,528</u>	<u>\$ 2,626,423</u>	<u>\$ 2,421,625</u>

The Agency's total assets for 2015 exceeded its liabilities by \$2,362,339. The total capital assets are \$943,045 net of depreciation. The capital assets owned by the Agency include the infrastructure within the Alturas Technology Park and the lot purchased within the Legacy Crossing District.

**Outstanding Debt.** At the end of fiscal year 2015, the Agency had total outstanding bonded debt of \$399,000 as noted on page 31. These bonds are limited obligations of the Agency for the Legacy Crossing District. Additional information on the Agency's long-term debt can be found in Note 6 in the notes to the financial statements.

**MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS**

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**Trends in the Urban Renewal Agency's Changes in Net Position**

	2015	2014	2013
General revenues:			
Property tax	\$ 586,757	\$ 510,514	\$ 491,641
Other revenues:			
Investment income (losses)	4,964	3,744	(848)
Grants and contributions	4,513	3,560	
Total revenues	<u>596,234</u>	<u>517,818</u>	<u>490,793</u>
Expenditures:			
Project administration	129,091	105,244	110,218
Depreciation	58,489	58,488	57,164
Interest	24,376	30,211	34,902
Total expenditures	<u>211,956</u>	<u>193,943</u>	<u>202,284</u>
Increase in net position	<u>\$ 384,278</u>	<u>\$ 323,875</u>	<u>\$ 288,509</u>
Net position, October 1	\$ 1,978,061	\$ 1,768,723	\$ 1,500,809
Prior period adjustment	0	(114,537)	(20,595)
Net position, September 30	2,362,339	1,978,061	1,768,723

The net property tax increase of \$76,243 resulted from an increase of \$13,811 in increment revenue generated from within the Alturas Technology Park District and a \$62,432 increase in increment revenue generated from within the Legacy Crossing District. Total interest income increased by a modest \$220 for fiscal year 2015. The increase in interest income reflects changes in the market value of investment bonds held by the Agency and interest rates, which continued to be flat during fiscal year 2015. The Agency implements all Governmental Accounting Standards Board (GASB) pronouncements so that we are in compliance with the accounting standards for governments. Additional information comparing the Agency's budgeted to actual expenditures can be found in the statement of revenues, expenditures, and changes in fund balances on pages 22-24.



MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

MANAGEMENT'S DISCUSSION AND ANALYSIS

FUND FINANCIAL ANALYSIS

Trends in the Urban Renewal Agency's Balance Sheet

	2015	2014	2013
Cash and investments	\$ 1,398,714	\$ 1,098,035	\$ 834,771
Accounts receivable	4,513	111	89
Land held for sale	531,256	531,256	531,256
Total assets	1,934,483	1,629,402	1,366,116
Total liabilities	5,652	877	990
Fund balance			
Nonspendable	531,256	531,256	531,256
Restricted	44,312	159,483	150,057
Assigned	1,302,302	891,082	638,114
Unassigned	50,961	46,704	45,699
Total fund balance	1,928,831	1,628,525	1,365,126
Total liabilities and fund balance	\$ 1,934,483	\$ 1,629,402	\$ 1,366,116

The Agency's balance sheet reflects the fiscal year 2015 amount restricted for debt service, including a decrease in the amount restricted from \$159,483 to \$44,312 - reflecting the retirement of the Alturas Technology Park District Debt that occurred within the 2015 fiscal year. Increased cash and investments from the prior year are the result of the anticipated excess Alturas District tax increment rebate that will occur within the 2016 fiscal year and accumulated funding that has been set aside for improvements to the Agency's lot located at the southwest corner of the intersection of Sixth and Jackson Streets, which have been carried forward while the Agency continues the environmental clean-up/mitigation of this property.

ECONOMIC CONDITIONS AFFECTING THE AGENCY

**Employment.** The Latah County unemployment rate (not seasonally adjusted) for the month ending in September 2015 was 3.5 percent compared with 3.2 percent in September 2014. The September 2015 unemployment rate (not seasonally adjusted) of 3.5 percent was below a state unemployment rate of 4.2 percent and a national unemployment rate of 5.1 percent. Overall employment increased in Latah County by 4.5 percent from March 2014 to March 2015 and wages grew by 16.5 percent during that same time period. <sup>1</sup>

Latah County saw employment expansion in the following sectors from March 2014 - March 2015: <sup>1</sup>

- Natural Resource and Mining (40.43 percent)
- Construction (17.8 percent)
- Goods Producing (17.2 percent)
- Professional and Business Support Services (12.1 percent)
- Trade, Transportation and Utilities (3.8 percent)
- Service Providing (2.8 percent)
- Leisure and Hospitality (1.6 percent)

<sup>1</sup>U.S. Bureau of Labor Statistics

# MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

## MANAGEMENT'S DISCUSSION AND ANALYSIS

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Latah County saw employment retractions in the following sectors: <sup>1</sup>

- Information (-12.9 percent)
- Manufacturing (-1.1 percent)

Real Estate:

- The average home sale price in Latah County increased 10.97 percent from \$198,517 in 2014 to \$220,295 in 2015, after a 9.44 percent decrease the prior year. <sup>2</sup>
- The average home sale price in the City of Moscow increased 10.65 percent from \$201,916 in 2014 to \$223,434 in 2015, after a 12.4 percent decrease the prior year. <sup>2</sup>

Tourism:

- Latah County transient occupancy tax increased in 2015 by 4.2 percent over 2014 (calendar year). <sup>3</sup>

Building Permits:

- Total permitted construction value in the City of Moscow decreased by nearly 25 percent from \$28.3 million in 2014 to \$21.3 million in calendar year 2015. <sup>4</sup>

**Urban Renewal and Tax Increment Financing (TIF).** The State of Idaho offers few financial incentives for economic development. Urban renewal and tax increment financing is one of the few economic development tools available to local governments in Idaho.

As an urban renewal agency, the Agency receives tax increment revenues calculated on the assessed value over the frozen base, which is set at the time of creation of an urban renewal district. When the Agency completes public improvements in association with an urban renewal plan, the Agency is investing in the local community and economy helping to increase property values and economic activity in the community. Because states are cutting or delaying aid to local governments in significant numbers, transferring costs from themselves to their cities, counties, and K-12 schools, and in some cases additionally passing laws that limit the local government's ability to raise taxes, urban renewal and tax increment financing are vital economic development programs in Idaho.

The Alturas Technology Park District revenue allocation area was closed in the 2015 fiscal year. As a result of the closure, the \$22 million in increased property value that has occurred as a result of the Agency's investment in Alturas will be available to the taxing districts and will continue to provide long-lasting economic benefit to the City of Moscow and the region. Building on the success of the Alturas Technology Park District, the Legacy Crossing District was created in 2008 to provide a vision and direction for the redevelopment of an obsolete railroad corridor adjacent to downtown Moscow, and to increase economic opportunities for the community.

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<sup>2</sup> Latah County MLS

<sup>2</sup> Latah County MLS

<sup>3</sup> Idaho Department of Commerce, Tourism Department

<sup>4</sup> City of Moscow Community Development Department

## MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

### MANAGEMENT'S DISCUSSION AND ANALYSIS

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The Legacy Crossing District will have long-term positive impacts on the community and the Agency's financial status. The reurbanization of inner-city districts, particularly those with land uses transitioning from industrial uses to mixed-uses, requires an extended planning horizon. Redevelopment activities continue on the Agency-owned property located at the southwest corner of the intersection of Sixth and Jackson Streets, including the completion of environmental remediation activities and the planning for redevelopment of the site by Sangria Downtown, LLC.

The 2015 residential construction valuation of \$12.6 million exceeded commercial construction values of \$8.7 million, which indicates that residential markets are beginning to recover from the effects of the Great Recession of 2009.

No new lot sales were completed in the Alturas Technology Park for fiscal year 2015. In general, the technology park continues to be challenged and other commercial activity in Moscow is generally comprised of new restaurants or office buildings located in existing buildings or new construction outside of Alturas. There are a limited number of existing commercial properties available in Moscow for companies to choose from and most would require a substantial reinvestment. So, as national and economic conditions continue to improve, the Agency anticipates greater interest in the Agency's lots in Alturas Technology Park.

#### **FINANCIAL CONTACT**

This financial report is designed to provide a general overview of the Agency's finances. Questions concerning any of the information provided in this report, or requests for additional financial information, should be addressed to the Moscow Urban Renewal Agency Treasurer, P.O. Box 9203, Moscow, Idaho, 83843.

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

STATEMENT OF NET POSITION  
September 30, 2015

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	Governmental Activities
<b>ASSETS</b>	
Cash and investments	\$ 1,398,714
Accounts receivable	4,513
Land held for sale	531,256
Capital assets	
Land	510,316
Infrastructure, net of accumulated depreciation of \$753,478	432,729
Total assets	<u>2,877,528</u>
<b>LIABILITIES</b>	
Accounts payable	652
Deposit payable	5,000
Series 2010 Bond - due within one year	25,000
Latah County payback agreement - due within one year	2,000
Series 2010 Bond - due after one year	374,000
Latah County payback agreement - due after one year	108,537
Total liabilities	<u>515,189</u>
<b>NET POSITION</b>	
Net investment in capital assets	588,357
Restricted	
Debt service	44,312
Unrestricted	<u>1,729,670</u>
Total net position	<u>\$ 2,362,339</u>

See accompanying notes

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

STATEMENT OF ACTIVITIES  
Year Ended September 30, 2015

	Expenses	Program Revenues	Net Revenue (Expense) and Changes in Net Assets
		Operating Grants and Contributions	Governmental Activities
<b>GOVERNMENTAL ACTIVITIES</b>			
Project administration	\$ 129,091	\$ 4,513	\$ (124,578)
Depreciation	58,489		(58,489)
Interest expense	24,376		(24,376)
Total governmental activities	<u>211,956</u>	<u>4,513</u>	<u>(207,443)</u>
<b>GENERAL REVENUES</b>			
Property taxes levied for general purposes			586,757
Investment income/losses			4,964
Total general revenues			<u>591,721</u>
Change in net position			384,278
NET POSITION, beginning of year			<u>1,978,061</u>
NET POSITION, end of year			<u><u>\$ 2,362,339</u></u>

See accompanying notes

**MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO**

BALANCE SHEET - GOVERNMENTAL FUNDS  
September 30, 2015

	<u>General</u>	<u>Alturas Technology Park District</u>	<u>Legacy Crossing District</u>	<u>Total</u>
<b>ASSETS</b>				
Cash and investments	\$ 51,129	\$ 935,765	\$ 411,820	\$ 1,398,714
Accounts receivable			4,513	4,513
Land held for sale		531,256		531,256
	<u>51,129</u>	<u>935,765</u>	<u>411,820</u>	<u>1,398,714</u>
<b>Total assets</b>	<b>\$ 51,129</b>	<b>\$ 1,467,021</b>	<b>\$ 416,333</b>	<b>\$ 1,934,483</b>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>Liabilities</b>				
Accounts payable	\$ 168	\$ 484		\$ 652
Deposit payable			\$ 5,000	5,000
	<u>168</u>	<u>484</u>	<u>5,000</u>	<u>5,652</u>
<b>Total liabilities</b>	<b>168</b>	<b>484</b>	<b>5,000</b>	<b>5,652</b>
<b>Fund Balance</b>				
Nonspendable		531,256		531,256
Restricted for debt service			44,312	44,312
Assigned		935,281	367,021	1,302,302
Unassigned	50,961			50,961
<b>Total fund balance</b>	<b>50,961</b>	<b>1,466,537</b>	<b>411,333</b>	<b>1,928,831</b>
<b>Total liabilities and fund balance</b>	<b>\$ 51,129</b>	<b>\$ 1,467,021</b>	<b>\$ 416,333</b>	<b>\$ 1,934,483</b>

RECONCILIATION OF THE STATEMENT OF NET POSITION TO THE BALANCE SHEET

<b>Total fund balance - Governmental Funds</b>	\$ 1,928,831
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	943,045
Long-term liabilities, consisting of bonds payable, are not due and payable in the current period and, therefore, are not reported in the funds	<u>(509,537)</u>
<b>Total net position - Governmental Activities</b>	<b>\$ 2,362,339</b>

See accompanying notes

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
Year Ended September 30, 2015

	General	Alturas Technology Park District	Legacy Crossing District	Total
<b>REVENUES</b>				
Property taxes		\$ 407,516	\$ 179,241	\$ 586,757
Grants and contributions			4,513	4,513
Investment income/losses	\$ 4,257		707	4,964
Total revenues	<u>4,257</u>	<u>407,516</u>	<u>184,461</u>	<u>596,234</u>
<b>EXPENDITURES</b>				
Current				
Legal and professional fees	58,748	5,037	9,367	73,152
Insurance	1,492			1,492
Advertising	557	712	198	1,467
Management services	30,000			30,000
Repairs and maintenance		14,969		14,969
Land incentive agreement			5,423	5,423
Other administration expenses	566		2,022	2,588
Debt Service				
Principal retirement		109,948	28,000	137,948
Interest		4,890	19,486	24,376
Capital outlay				
Land			4,513	4,513
Total expenditures	<u>91,363</u>	<u>135,556</u>	<u>69,009</u>	<u>295,928</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(87,106)</u>	<u>271,960</u>	<u>115,452</u>	<u>300,306</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Operating transfers	91,363	(91,363)		0
Total other financing sources (uses)	<u>91,363</u>	<u>(91,363)</u>	<u>0</u>	<u>0</u>
Net change in fund balances	4,257	180,597	115,452	300,306
FUND BALANCES AT BEGINNING OF YEAR	<u>46,704</u>	<u>1,285,940</u>	<u>295,881</u>	<u>1,628,525</u>
FUND BALANCES AT END OF YEAR	<u>\$ 50,961</u>	<u>\$ 1,466,537</u>	<u>\$ 411,333</u>	<u>\$ 1,928,831</u>
<b>RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES</b>				
<b>Net change in fund balances - Governmental Funds</b>				<b>\$ 300,306</b>
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 capital outlay for the current period.				4,513
This is the amount of depreciation taken during the current period.				(58,489)
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				<u>137,948</u>
<b>Change in net position - Governmental Activities</b>				<b><u>\$ 384,278</u></b>

See accompanying notes

**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, 2015

	Budgeted Amounts Original and Final	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Investment income/losses	\$ 1,000	\$ 4,257	\$ 3,257
Total revenues	<u>1,000</u>	<u>4,257</u>	<u>3,257</u>
<b>EXPENDITURES</b>			
Current			
Legal and professional fees	63,120	58,748	4,372
Insurance	1,540	1,492	48
Advertising	1,000	557	443
Management services	30,000	30,000	0
Other administration expenses	3,000	566	2,434
Total expenditures	<u>98,660</u>	<u>91,363</u>	<u>7,297</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(97,660)</u>	<u>(87,106)</u>	<u>10,554</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Operating transfers	<u>98,660</u>	<u>91,363</u>	<u>(7,297)</u>
Total other financing sources (uses)	<u>98,660</u>	<u>91,363</u>	<u>(7,297)</u>
Net change in fund balances	1,000	4,257	3,257
FUND BALANCES BEGINNING OF YEAR	<u>(1,000)</u>	<u>46,704</u>	<u>47,704</u>
FUND BALANCES END OF YEAR	<u>\$ 0</u>	<u>\$ 50,961</u>	<u>\$ 50,961</u>

See accompanying notes



**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, 2015

	Budgeted Amounts Original and Final	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Property taxes	\$ 394,000	\$ 407,516	\$ 13,516
Total revenues	<u>394,000</u>	<u>407,516</u>	<u>13,516</u>
<b>EXPENDITURES</b>			
Current			
Legal and professional fees	63,000	5,037	57,963
Advertising	10,000	712	9,288
Repairs and maintenance	10,750	14,969	(4,219)
Other administration expenses	2,000		2,000
Debt Service			
Principal retirement	109,950	109,948	2
Interest	5,225	4,890	335
Capital outlay			
Improvements	40,000		40,000
Contingency	157,380		157,380
Total expenditures	<u>398,305</u>	<u>135,556</u>	<u>262,749</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(4,305)</u>	<u>271,960</u>	<u>276,265</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Proceeds from sale	157,380		(157,380)
Operating transfers	(98,660)	(91,363)	7,297
Total other financing sources (uses)	<u>58,720</u>	<u>(91,363)</u>	<u>(150,083)</u>
Net change in fund balances	54,415	180,597	126,182
FUND BALANCES BEGINNING OF YEAR	<u>(54,415)</u>	<u>1,285,940</u>	<u>1,340,355</u>
FUND BALANCES END OF YEAR	<u>\$ 0</u>	<u>\$ 1,466,537</u>	<u>\$ 1,466,537</u>

See accompanying notes

**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, 2015

	Budgeted Amounts Original and Final	Actual Amounts	Variance with Final Budget Positive (Negative)
<b>REVENUES</b>			
Property taxes	\$ 100,000	\$ 179,241	\$ 79,241
Grants and contributions	111,757	4,513	(107,244)
Investment income/losses		707	707
Total revenues	<u>211,757</u>	<u>184,461</u>	<u>(27,296)</u>
<b>EXPENDITURES</b>			
Current			
Legal and professional fees	54,250	9,367	44,883
Advertising	3,000	198	2,802
Repairs and maintenance	1,925		1,925
Land incentive agreement	9,000	5,423	3,577
Other administration expenses	2,700	2,022	678
Debt service			
Principal retirement	425,000	28,000	397,000
Interest	19,490	19,486	4
Capital outlay			
Land		4,513	(4,513)
Improvements	143,457		143,457
Contingency	16,500		16,500
Total expenditures	<u>675,322</u>	<u>69,009</u>	<u>606,313</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(463,565)</u>	<u>115,452</u>	<u>579,017</u>
<b>OTHER FINANCING SOURCES (USES)</b>			
Proceeds from sale	<u>467,965</u>		<u>(467,965)</u>
Total other financing sources (uses)	<u>467,965</u>	<u>0</u>	<u>(467,965)</u>
Net change in fund balances	4,400	115,452	111,052
FUND BALANCES BEGINNING OF YEAR	<u>(4,400)</u>	<u>295,881</u>	<u>300,281</u>
FUND BALANCES END OF YEAR	<u>\$ 0</u>	<u>\$ 411,333</u>	<u>\$ 411,333</u>

See accompanying notes

# MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

## NOTES TO FINANCIAL STATEMENTS

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### 1. SIGNIFICANT ACCOUNTING POLICIES

**Reporting Entity.** The Moscow Urban Renewal Agency (the “Agency”), a component unit of the City of Moscow, Idaho, was organized on June 19, 1995, under the Idaho Urban Renewal Law, Chapter 20, Title 50 of the *Idaho Code*. As such, the Agency acts as a legal entity, separate and distinct from the City of Moscow, even though members of the City Council also serve as members of the Agency’s governing board. However, the Agency is considered a component unit of the City of Moscow due to the oversight authority of the City Council.

The actions of the Agency are binding, and business, including the incurrence of long-term debt, is routinely transacted in the Agency’s name by its appointed representatives. The Agency is broadly empowered to engage in the general economic revitalization and redevelopment of the City through acquisition and development of property, public improvements, and revitalization activities in those areas of the City determined to be in a declining condition, which are in a redevelopment project area.

The Alturas Technology Park is the Agency’s first project. Phase I of the project was constructed during 1997 and 1998, and consists of six saleable lots and a public park. Bonds were issued to finance the development costs. All six lots had been sold and occupied prior to the beginning of the current fiscal year.

On March 12, 2004, the Agency’s Board of Directors approved a plan to construct Phase II of the Alturas Technology Park. The City of Moscow’s Planning and Zoning Commission found the plan to conform with the City of Moscow’s Comprehensive Land Use Plan and it was approved by the City Council. The Agency approved an amendment to the plan, which contains provisions for financing Phase II and allows costs to be incurred for public improvements, an economic feasibility study, project costs, fiscal impact study, financing costs, and a plan for acquisition, disposition, and retention of assets, including real property. Construction of Phase II began in the fall of 2005 and completed prior to the beginning of the current fiscal year.

During the fiscal year ended September 30, 2008, a central portion of the City of Moscow was declared a deteriorating area. A second urban renewal district was defined and named Legacy Crossing District. During the course of fiscal year 2007-2008, a plan was written, public comment was obtained, and a feasibility study conducted. The final Legacy Crossing Urban Renewal District plan was accepted by the City Council in June 2008 and filed as approved by the Idaho State Tax Commission in August 2008. During fiscal year 2009-2010, the Agency issued bonds to finance the purchase of the land relating to Legacy Crossing District.

**Measurement Focus and Basis of Accounting.** The financial statements of the Moscow Urban Renewal Agency have been prepared in accordance with accounting principles generally accepted in the United States of America 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 Agency uses the following two bases of accounting in these financial statements:

**Economic Resources Measurement Focus and Accrual Basis of Accounting**

Under this measurement focus, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

NOTES TO FINANCIAL STATEMENTS

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1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

*Measurement Focus and Basis of Accounting (Continued).*

**Current Financial Resources Measurement Focus and Modified Accrual Basis of Accounting**

Under this measurement focus, revenues are recognized when susceptible to accrual; i.e., both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Agency considers revenues as available if they are collected within 60 days after year-end.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

***Restricted Resources.*** Program expenses are allocated to restricted program revenue first and then to the next highest level of net position/fund balance restrictions when both restricted and unrestricted resources are available.

Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB #54) defines the different types of fund balances that a governmental entity must use for financial reporting purposes. GASB #54 requires the fund balance amounts to be properly reported within one of the fund balance categories below:

**Nonspendable**

Includes amounts that cannot be spent because they are either (1) not in spendable form or (2) legally or contractually required to be maintained intact.

**Restricted**

Includes amounts that can be spent only for the specific purpose stipulated by external resource providers, constitutional provisions, or enabling legislation.

**Committed**

Includes amounts that can only be used for the specific purposes determined by a formal action of the government's highest level of decision-making authority.

**Assigned**

Includes amounts that are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed.

**Unassigned**

Residual classification of fund balance that includes all spendable amounts that have not been restricted, committed, or assigned.

# MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

## NOTES TO FINANCIAL STATEMENTS

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### 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Agency-Wide Financial Statements.** The statement of net position and the statement of activities display information about the overall Agency. Eliminations have been made to minimize the double-counting of internal activities. These statements reflect only governmental activities of the Agency since there are no “business-type activities” within the Agency. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the Agency’s sole function of economic development within the Agency boundaries. 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. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

**Fund Financial Statements.** The fund financial statements provide information about the Agency’s funds. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. The Agency has only governmental-type funds. Because there are only three funds, they are all presented on the face of the fund financial statements.

**Basis of Presentation.** The Agency uses the following governmental funds:

General Fund – This fund was created by the Agency, separate and apart from all other funds of the Agency, designated the “General Fund,” into which shall be deposited the excess interest revenues earned and incremental tax revenues received each year, after the provision has been made for payment of principal and interest on the bonds. The provision is determined by the Board and is sufficient to pay the costs of administration of the Agency for the fiscal year.

Alturas Technology Park and Legacy Crossing District Funds – These funds were created by the Agency as special funds held by the Agency, separate and apart from all other funds of the Agency, designated the “Alturas Technology Park Fund” and the “Legacy Crossing District Fund.” All incremental tax revenues relating to each individual project area shall be deposited promptly upon receipt by the Agency into the associated fund and shall be used only for the following purposes and in the following order of priority:

- First, to pay the interest on the bonds and notes payable relating to the associated project.
- Second, to pay the principal of the bonds and notes payable relating to the associated project.
- Third, to fund the general fund.
- Fourth, to fund construction in the project areas for plans as legally approved by the Moscow Urban Renewal Agency Commission.
- Fifth, for any lawful purpose of the Agency.

# MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

## NOTES TO FINANCIAL STATEMENTS

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### 1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

**Use of Estimates.** The Agency uses estimates and assumptions in preparing financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that the Agency uses.

**Budgets.** As required by Idaho law, the Agency has adopted a budget, which is presented on the face of the financial statements.

**Deposits and Investments.** Cash is invested by the Agency until it is needed for the purpose of maximizing investment earnings. The investments are reported at fair value at September 30, 2015. The fair value is combined with the checking account balance and is presented as cash and investments.

**Land Held for Sale.** Land held for sale consists of properties purchased with the intent to sell the properties in the short-term. Land held for sale is stated at the lower of cost or fair market value. Land held for sale is not depreciated or amortized.

**Capital Assets.** Capital assets are long lived assets of the Agency as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. The Agency records all capital assets at their original cost. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Capital assets consist of infrastructure at the Alturas Technology Park, which are depreciated using the straight-line method over their estimated useful life of 20 years, and the land relating to the Legacy Crossing District.

**Long-Term Obligations.** Long-term debt is recognized as a liability of a governmental fund when due or when resources have been accumulated for early payment in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability.

**Personnel.** The Agency employs no personnel and, thus, has no liability disclosures for pension costs, employee compensated absence, or payroll tax accruals. The Agency agrees to pay \$30,000 to the City of Moscow for services provided through City Administration, Public Works, Finance, and Community Development departments. Additionally, the Agency retains an Executive Director whose duties and responsibilities are equally separated from the City's Economic Development Director. The Agency contracts with the City for one-half of the full time position, as stipulated in the City Services Agreement between the City and the Agency.

### 2. PROPERTY TAXES

In accordance with Idaho law, property taxes are levied in dollars in September for each calendar year. Levies are made on or before the second Monday of September. One-half of the property taxes are due on or before December 20th, and the remaining one-half is due on or before June 20th of the following year. A lien is filed on property after three years from the date of delinquency.

**MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO**

**NOTES TO FINANCIAL STATEMENTS**

**2. PROPERTY TAXES (CONTINUED)**

The Agency has no direct taxing power. The agency receives property taxes based upon the increase in assessed value of property caused by construction and growth in valuation since the base year. All taxing districts within the tax allocation area receive property tax revenue from their respective tax rate at the base year's assessed value. The assessed property values of the Alturas Technology Park District and Legacy Crossing District in the base years were \$6,478,723 and \$47,710,183, respectively. Each year since the base year, the assessed valuation has grown due to new construction, remodeling, or growth in value.

The increased valuation since the base years and their related property tax increment is listed as follows:

Year	Alturas Technology Park District		Legacy Crossing District	
	Valuation Increase	Tax Revenue	Valuation Increase	Tax Revenue
1996	Base Year			
1997	\$ 412,961			
1998	2,152,755	\$ 8,715		
1999	3,035,029	37,802		
2000	6,733,645	55,711		
2001	7,870,259	122,694		
2002	7,791,240	142,102		
2003	9,154,368	158,102		
2004	12,532,351	182,716		
2005	13,902,634	216,171		
2006	15,874,049	226,213		
2007	16,528,808	267,176		
2008	17,743,264	275,300	Base Year	
2009	22,026,234	310,320	\$ 3,345,847	
2010	20,773,182	365,086	8,323,295	\$ 53,020
2011	20,959,640	349,530	8,377,408	129,830
2012	21,781,341	344,205	5,340,592	144,052
2013	20,097,246	394,093	4,898,388	97,548
2014	22,015,034	393,705	5,757,256	116,809
2015	Closeout Year	407,516	8,787,661	179,241



**MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO**

NOTES TO FINANCIAL STATEMENTS

**3. CASH AND INVESTMENTS**

At September 30, 2015, the carrying amount of the Agency's cash deposits was \$4,770, and the bank balance was \$15,368. The entire cash balance is FDIC insured.

As of September 30, 2015, the Agency had the following investments and maturities:

	<u>Less than 1</u>	<u>1-5</u>	<u>Greater than 5</u>	<u>Interest</u> <u>Rate</u>	<u>Fair Value</u>
Governmental Activities					
Cash and equivalents	\$ 44,312			0.00	\$ 44,312
Idaho State Treasurer's Local Government Investment Pool	1,349,632			0.21	1,349,632
Total investments	<u>\$1,393,944</u>	<u>\$ 0</u>	<u>\$ 0</u>		<u>\$1,393,944</u>

*Interest rate risk:* In accordance with its investment policy, the Agency manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio.

*Credit risk:* As of September 30, 2015, the Agency's investment in the Idaho State Treasurer's Local Government Investment Pool is unrated. The Agency's investments held through Zions Bank are AAA rated by Moody's Investor Service and are implicitly guaranteed by the U.S. government.

*Concentration of credit risk:* The Agency's investment policy states that the Agency shall mitigate concentration risk by:

1. Limiting investments to avoid over concentration in securities from a specific issuer or business sector,
2. Limiting investment in securities that have higher credit risks,
3. Investing in securities with varying maturities, and
4. Continuously investing a portion of the portfolio in readily available funds such as the State Treasurer's Local Government Investment Pool, government-sponsored agencies, money market funds, or overnight repurchase agreements to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.

*Custodial credit risk – investments:* For an investment, this is the risk that, in the event of the failure of the counterparty, the Agency will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Agency's policies include investments approved by *Idaho Code 50-1013*, which limit custodial credit by purchasing marketable securities by an implied guarantee of the United States of America, and the Agency uses brokers that qualify under Securities & Exchange Commission *Rule 15C3-1*.



**MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO**

**NOTES TO FINANCIAL STATEMENTS**

**4. LAND HELD FOR SALE**

As of September 30, 2015, land held for sale, which is stated at the lower of cost or fair value, consists of six lots within the Alturas Technology Park. It is intended that these lots be disposed of by way of sale and steps have been taken for this purpose. The value of these lots was \$531,256 at September 30, 2015.

**5. CAPITAL ASSETS**

Capital assets consist of land, infrastructure for water, sewer, curbs and sidewalks, street lighting, and paving. Activity for the year ended September 30, 2015, was as follows:

	Beginning Balances 10/01/14	Increases	Decreases	Ending Balances 09/30/15
Capital assets not being depreciated				
Land	\$ 505,803	\$ 4,513		\$ 510,316
Total assets not being depreciated, net	<u>505,803</u>	<u>4,513</u>		<u>510,316</u>
Capital assets being depreciated				
Infrastructure	1,186,207			1,186,207
Less accumulated depreciation for infrastructure	<u>(694,989)</u>		<u>\$ (58,489)</u>	<u>(753,478)</u>
Total assets being depreciated, net	<u>491,218</u>		<u>(58,489)</u>	<u>432,729</u>
Governmental activities capital assets, net	<u>\$ 997,021</u>	<u>\$ 4,513</u>	<u>\$ (58,489)</u>	<u>\$ 943,045</u>

**6. LONG-TERM OBLIGATIONS**

The following is a summary of debt transactions of the Agency for the fiscal year ended September 30, 2015:

	Series 2007 Revenue Allocation Bond	Series 2010 Revenue Allocation Bond	Total
Debt payable, 9/30/14	\$ 109,948	\$ 423,000	\$ 532,948
Additions			0
Principal payments	<u>(109,948)</u>	<u>(24,000)</u>	<u>(133,948)</u>
Debt payable, 9/30/15	<u>\$ 0</u>	<u>\$ 399,000</u>	<u>\$ 399,000</u>

**MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO**

NOTES TO FINANCIAL STATEMENTS

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**6. LONG-TERM OBLIGATIONS (CONTINUED)**

Debt outstanding at September 30, 2015, consisted of the following:

Revenue Allocation Bonds - Series 2010 - \$510,000 Revenue Allocation (Tax Increment) Bonds due in annual installments, with an interest rate at September 30 of 4.39 percent.

At September 30, 2015, the annual debt service requirements to maturity, assuming current interest rates, are as follows:

Year Ending September 30	Series 2010	
	Principal	Interest
2016	\$ 25,000	\$ 18,432
2017	27,000	17,287
2018	28,000	15,999
2019	29,000	14,591
2020	31,000	13,057
2021-2025	177,000	42,056
2026-2027	82,000	5,444
	<u>\$ 399,000</u>	<u>\$ 126,866</u>

Revenue Allocation Bonds are limited obligations of the Agency and are not general obligations of the Agency or the City of Moscow, Idaho. These bonds and other issued debt and the related interest are payable solely from property tax revenues from the designated project fund, reserve funds, and any unobligated funds of the Agency.

The Agency also agreed to a long-term payback agreement with Latah County, Idaho, for the repayment of \$114,537 of property taxes received in prior years (see note 8 for details). The payback agreement calls for annual installment payments over 15 years with no interest. At September 30, 2015, the annual required payments to Latah County are as follows:

Year Ending September 30	Tax Repayment Agreement
2016	\$ 2,000
2017	3,500
2018	3,500
2019	3,500
2020	3,500
2021-2025	25,000
2026-2029	69,537
	<u>\$ 110,537</u>

The total interest expense in 2015 amounted to \$24,376 in the governmental funds.

# MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

## NOTES TO FINANCIAL STATEMENTS

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### 7. FUND BALANCE CLASSIFICATIONS

***Nonspendable.*** Nonspendable fund balances represent amounts that cannot be spent because they are either (1) not in spendable form or (2) legally or contractually required to be maintained intact. The Agency's nonspendable fund balance consists of land that is held for resale and is not considered to be in a spendable form.

***Restricted.*** Restricted net position/fund balances represent amounts whose use is restricted by creditors, grantors, laws and regulations of other governments, or through enabling legislation. Restrictions for the Agency include resources of the Alturas Technology Park District and the Legacy Crossing District that are set aside for the specific purpose of satisfying debt service requirements set forth by the Agency's individual bond related covenants.

***Assigned.*** The fund balances classified as assigned are for use for specific purposes but do not rise to the level of restricted or committed. The Agency has assigned balances that include the activities of special revenue funds.

***Unassigned.*** The unassigned fund balance is in the general fund and has not been restricted, committed, or assigned to specific purposes within the general fund.

### 8. PROPERTY TAX REPAYMENT AGREEMENT

As part of the creation of the Legacy Crossing District, all the parcels were given a base value premised on the 2008 property values. Assessed values above the 2008 base for those parcels benefit the District. Once the Area is established, a tax code area is created that identifies those taxing entities levying taxes within the Area. Beginning in 2009, any increase in the properties' assessed values times the levies, generates tax increment revenue for the District. The assessment process utilized by the County for three subsequent years from the base year of 2008 used certain software developed and provided by the Idaho State Tax Commission. It was determined that the software during this three-year period of time experienced a "glitch" that needed to be manually overridden by the Latah County Assessor's office in order to have prevented an over allocation of value. The Agency has no part of the assessment process or the establishment of the various tax levies.

Following the 2012 property tax assessment process, the County notified the Agency that after a review of the assessment process for the past three years, the District had been allocated too much assessed value. Disclosure note 2 on page 30 identifies these changes. The County determined that the Agency received an overpayment of \$114,537 of property tax receipts over a three-year period.

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SUPPLEMENTARY INFORMATION

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## INDEPENDENT AUDITOR'S REPORT - GOVERNMENT AUDITING STANDARDS

Board of Commissioners  
Moscow Urban Renewal Agency  
Moscow, 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 and each major fund of the Moscow Urban Renewal Agency as of and for the year ended September 30, 2015, and the related notes to the financial statements, which collectively comprise the Moscow Urban Renewal Agency's basic financial statements, and have issued our report thereon dated February 26, 2016.

### Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Moscow Urban Renewal Agency'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 Moscow Urban Renewal Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Moscow Urban Renewal Agency'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 Moscow Urban Renewal Agency's financial statements are free of 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 the 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 Agency'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 Agency's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

PRESNELL GAGE PLLC

February 26, 2016

**City of Moscow  
New Downtown Restrooms**

**BID TAB FORM**

<b>General Contractor</b>	<b>Bid Bond</b>	<b>Addendum No. 1</b>	<b>Addendum No. 2</b>	<b>Base Bid</b>	<b>Listed Subcontractors</b>
<b>Quality Contractors, LLC</b> 1311 Brush Creek Road Deary, ID 83823 Tel: 208-877-1600	✓	✓	✓	<b>\$191,600</b>	M: Strom E: Strom P: Quality
<b>Golis Construction, Inc.</b> 320 Nelson Avenue Moscow, ID 83843 Tel: 208-631-4363	✓	✓	✓	<b>\$198,500</b>	M: Hilliards E: Strom P: Hilliards
<b>R. Wilson Construction</b> 210 Monica Street Troy, ID 83871 Tel: 208-835-4305	✓	✓	✓	<b>\$194,000</b>	M: Hilliards E: Strom P: Hilliards
<b>Kenaston Corporation</b> 2517 E. Main Street   PO Box 245 Lewiston, ID 83501 Tel: 208-746-1351	✓	✓	✓	<b>\$237,000</b>	M: Hilliards E: Strom P: Hilliards
<b>Mountain Crest Enterprises, Inc.</b> PO Box 1800 Mead, WA 99021 Tel: 509-370-6031	✓	✓	✓	<b>\$199,863</b>	M: Hilliards E: Strom P: Hilliards

JACKSON STREET

CITY OF MOSCOW TO CONSTRUCT  
2 INCH WATER SERVICE TO WITHIN  
5 FEET OF PROPOSED STRUCTURE

REMOVE AND REPLACE  
CONCRETE TO CREATE  
ADA ACCESSABILITY

RELOCATE EX LIGHT  
POLE AND BASE TO  
EAST SIDE OF THE  
RESTROOM

REMOVE EXISTING TREE

EX BENCH

EX BENCH

PROTECT LIGHT  
POLE WITH 5'  
RADIUS CURB

PROPOSED RESTROOM  
FF 2565.80

CONTRACTOR'S STAGING & PARKING AREA

2" CONDUIT  
COORDINATE CONNECTION  
WITH AVISTA

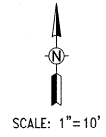
SEE CONTRACTOR'S NOTE  
FOR ALLEY CLOSURE

EX CB  
LID: 2565.13  
INV: FIELD VERIFY

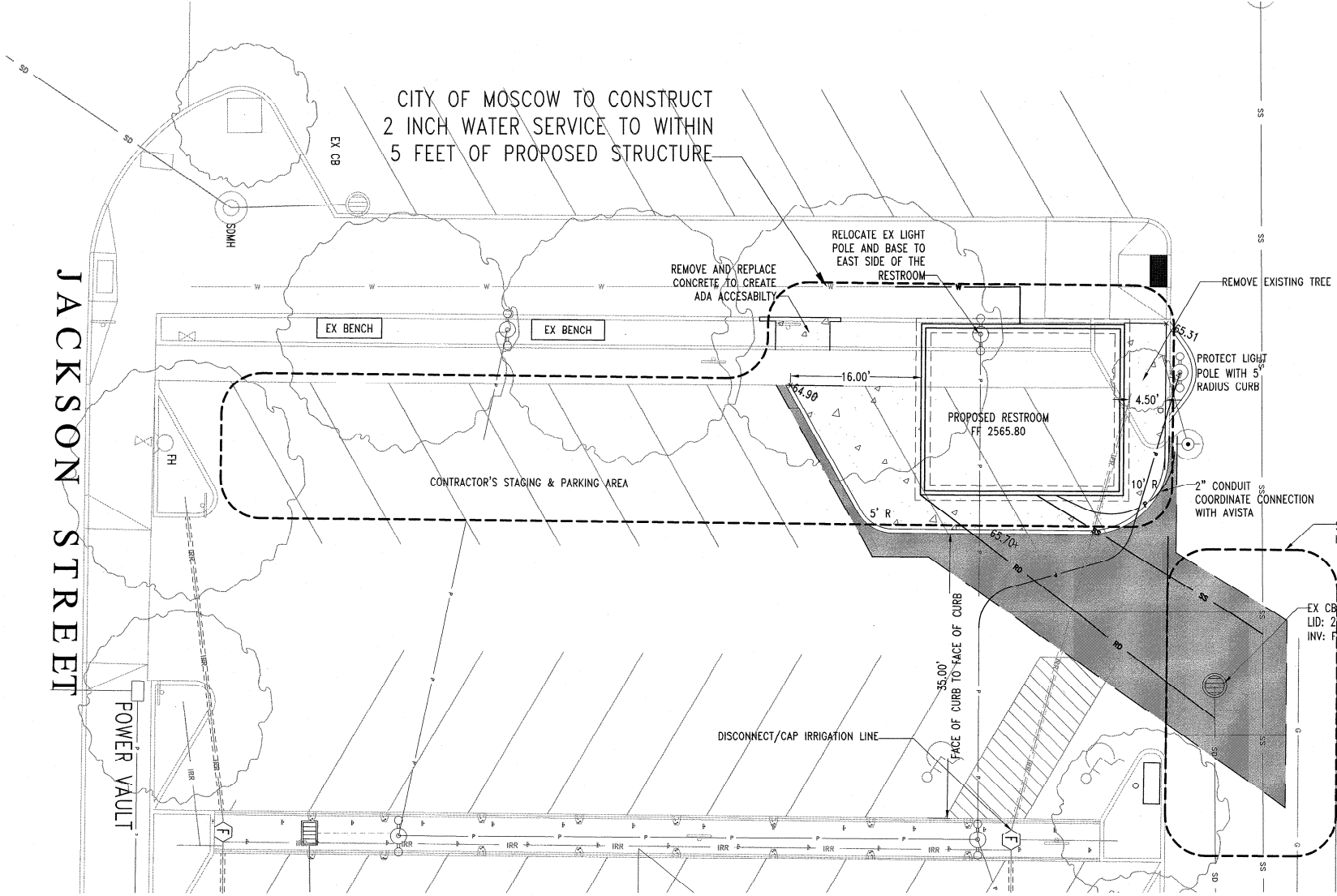
DISCONNECT/CAP IRRIGATION LINE

FACE OF CURB TO FACE OF CURB

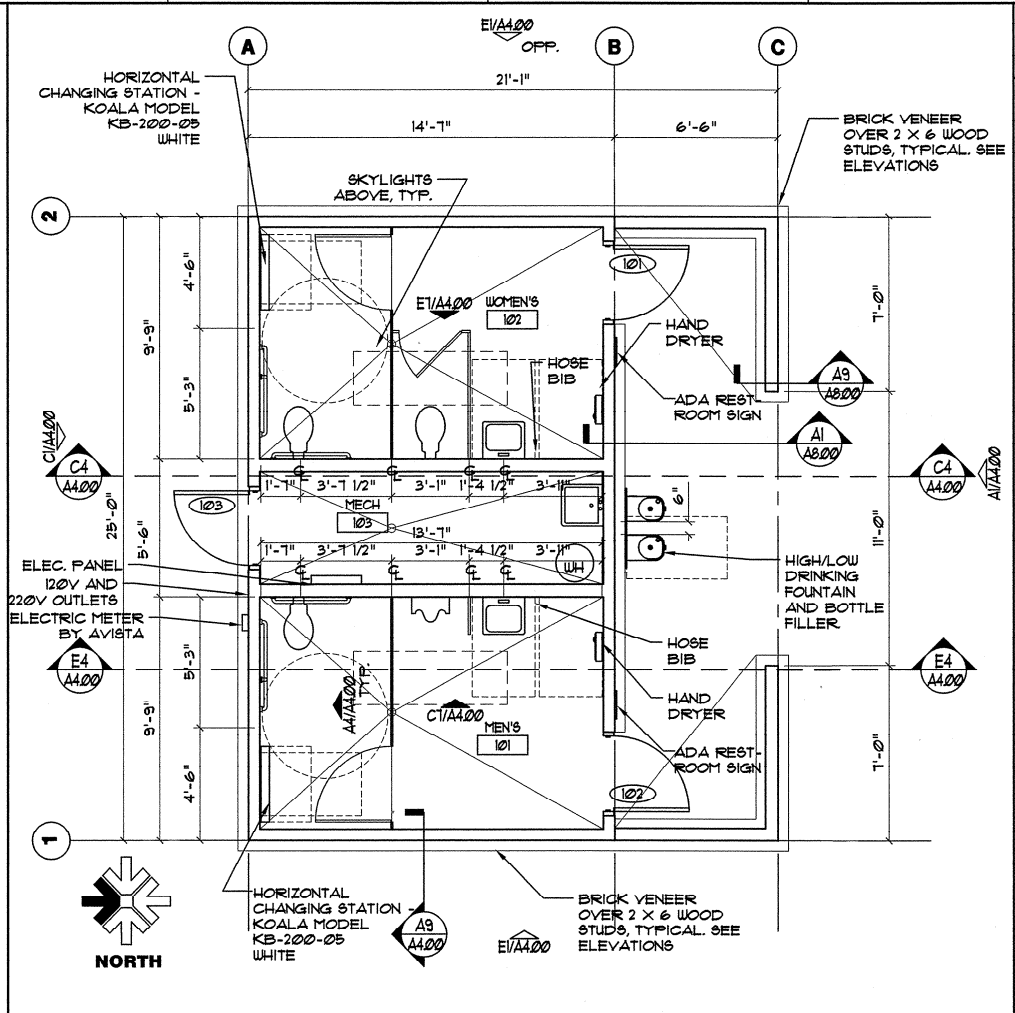
LINE OF BUILDINGS



5' CONC WALK







### GENERAL NOTES

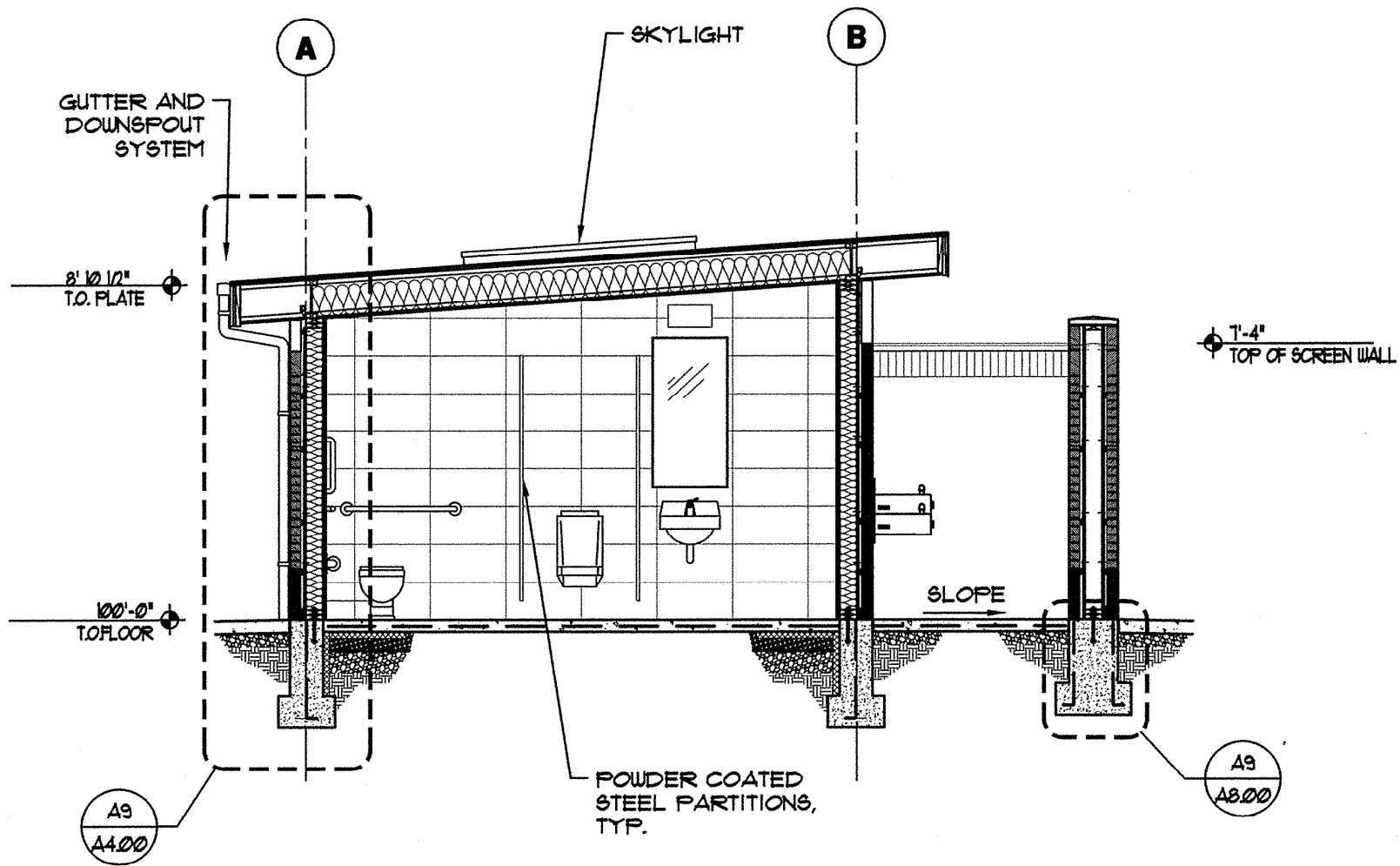
1. UNLESS NOTED OTHERWISE, ALL DIMENSIONS ARE TO FACE OF FRAMING, CONCRETE WALLS, CENTERLINE OF DOORS, WINDOWS, COLUMNS, AND REFERENCE GRIDS.
2. PROVIDE SOLID BLOCKING AND/OR GROUTING AS REQ'D TO SUPPORT WALL HUNG EQUIPMENT SUCH AS GRAB BARS, TOILET PARTITIONS, PLUMBING FIXTURES, AND ALL OTHER ACCESSORIES REQUIRING SUPPORT. VERIFY ALL LOCATIONS.
3. DOORS AND CASED OPENINGS WITHOUT LOCATION DIMENSIONS ARE TO BE 4" FROM FACE OF ADJACENT PARTITIONS.
4. INSTALL SKYLIGHTS BETWEEN THE ROOF FRAMING MEMBERS. COORDINATE LOCATION TO FIT WITHIN FRAMING. VERIFY FINAL LOCATIONS WITH THE ARCHITECT.
5. SPOT ELEVATIONS ARE FROM FINISH FLOOR TO FINISH CEILING.
6. ELECTRICAL AND MECHANICAL SHOWN FOR REFERENCE ONLY. SEE RELATED ELECTRICAL AND MECHANICAL DRAWINGS.
7. SEE C3/A8.00 FOR VENT PIPE FLASHING DETAIL.
8. COORDINATE WITH MECHANICAL, PLUMBING AND ELECTRICAL FOR PENETRATIONS AND ADDITIONAL REQUIREMENTS.
9. SEE DETAIL C1/A8.00 FOR GUTTER AND DOWNSPOUT DETAIL.
10. EXTEND AND FINISH ALL WALLS TO UNDER SIDE OF THE ROOF FRAMING.
11. ALL CONCRETE SLAB CONTROL JOINTS ARE TO BE SAW CUT JOINTS. ALL SAW CUT JOINTING IS TO BE COORDINATED WITH THE ARCHITECT. ALL JOINTS TO BE A MINIMUM OF 1/4" DEEP SAW CUTS. EXPOSED CONCRETE JOINTS ARE TO HAVE ELASTOMERIC SEALANT. REFER TO ARCHITECTURAL FLOOR FINISH PLANS.
12. SLOPE INTERIOR CONCRETE FLOORS TO DRAINS FOR POSITIVE DRAINAGE, ALL SURFACES.
13. THE INTERIOR SLAB ON GRADE IS A 4" SLAB WITH REINFORCEMENT WITH A LIGHT BROOM FINISH.
14. SEE CIVIL FOR THE BUILDING LOCATION. VERIFY EXACT LOCATION BY STAKING WITH OWNER AND ENGINEER PRIOR TO EXCAVATION.
15. ROOF FRAMING IS A DEFERRED SUBMITTAL. PROVIDE SHOP DRAWINGS FOR ROOF FRAMING BY TJI (OR EQUAL), STAMPED AND SIGNED BY AN ENGINEER LICENSED IN THE STATE OF IDAHO. USE 11 7/8" (NOMINAL) DEEP MEMBERS @ 24" O.C. TO ALLOW R30 INSULATION AND AIR SPACE.
16. SEE SHEET A8.00 FOR TYPICAL ARCHITECTURAL DETAILS AND INFORMATION.

**D5 FLOOR PLAN**  
SCALE: 1/4" = 1'-0"

SKYLIGHTS TO BE VELUX FCM RESIDENTIAL/COMMERCIAL TYPE FOR CATHEDRAL CEILING

VELUX MODEL FCM2270 SKYLIGHTS, 25 1/2" X 13 1/2" (OUTSIDE OF CURB DIMENSION) TYP. OF (2). VERIFY EXACT DIMENSIONS AND OTHER REQUIREMENTS WITH MANUFACTURER. INSTALL PER MANUFACTURER'S

REGION WEST



M.)

**E4**

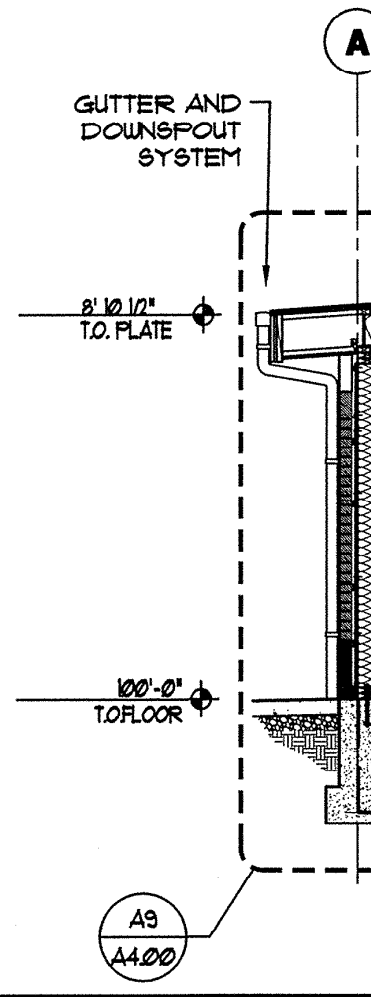
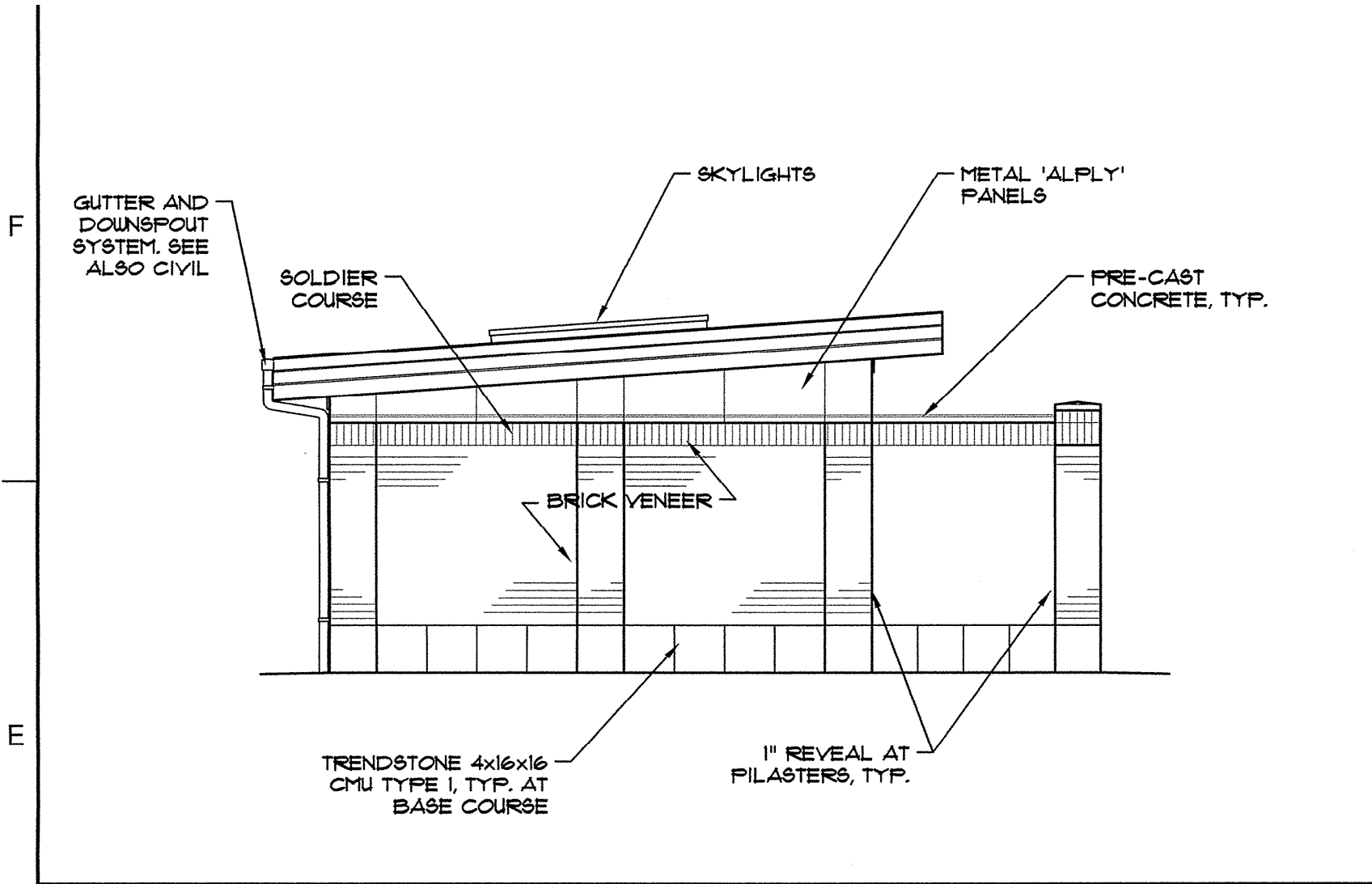
**BUILDING SECTION**

SCALE: 1/4" = 1'-0"

**E7**

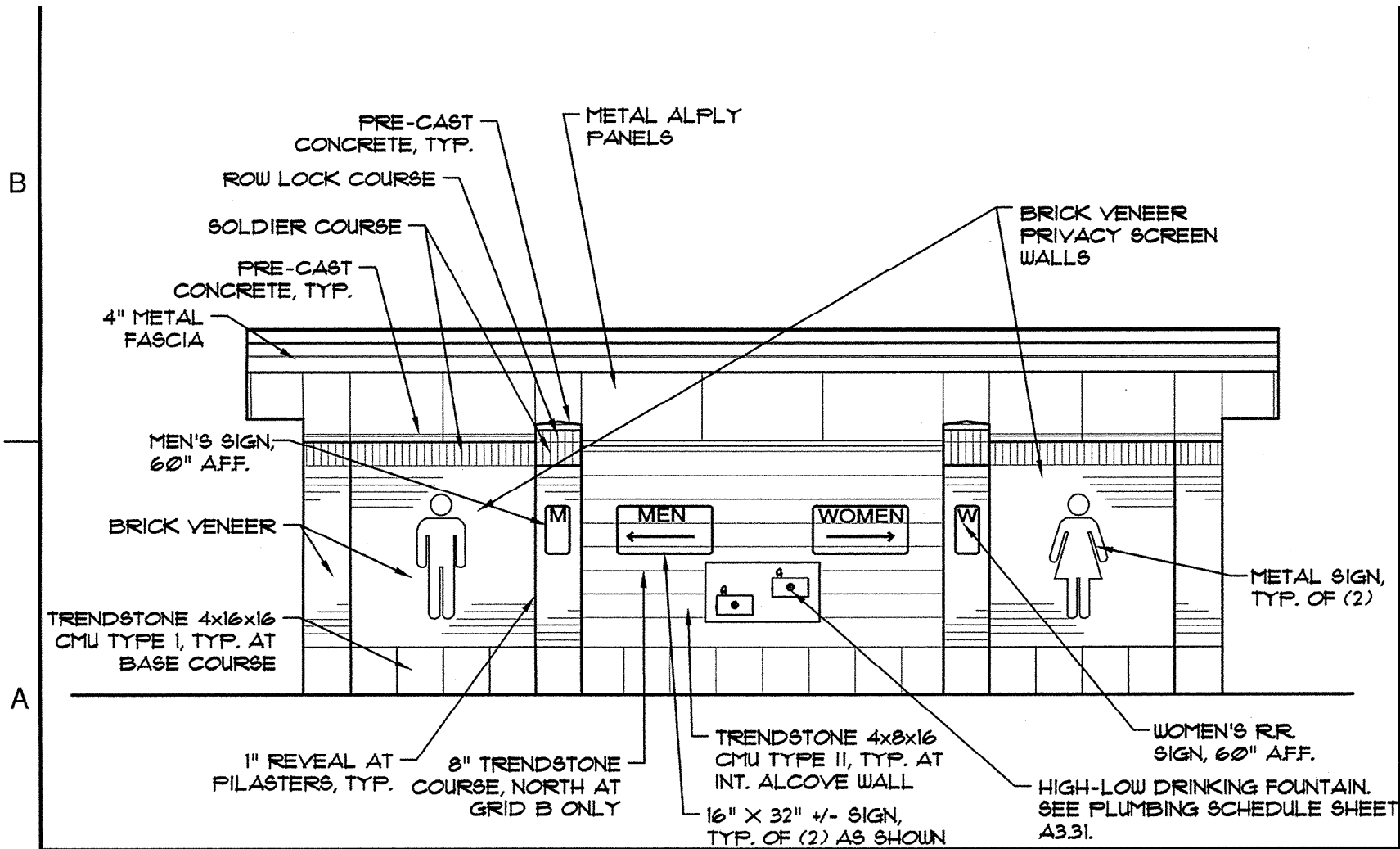
**INTER**

SCALE: 1/4"



**E1 BUILDING ELEVATION - (SE ELEVATION SHOWN, NE SIM.)**

**E4 BUILDING**



**A1**

**BUILDING ELEVATION**

SCALE: 1/4" = 1'-0"

**A4**

**INTERIOR**

SCALE: 1/4" = 1'-0"