

**2008 ANNUAL REPORT  
EAGLE URBAN RENEWAL AGENCY**

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Under the Idaho Urban Renewal Law, an urban renewal agency is required to file with the local governing body, on or before March 31 of each year, a report of its activities for the preceding calendar year, which shall include a complete financial statement setting forth its assets, liabilities, income and operating expense at the end of the calendar year. By virtue of certain amendments to the Idaho Urban Renewal Law adopted in 2002, the fiscal year of an urban renewal agency has been established as October 1<sup>st</sup> through September 30<sup>th</sup>. Consequently, any formal financial statement would be limited to a report through the end of the Agency's fiscal year. Under Idaho Code Section 67-450B, an urban renewal agency is required to prepare certain financial statements as described in that section depending on the agency's overall budget. Agencies with budgets that do not exceed \$50,000 are not required to prepare any reviewed financial statements. Agencies with budgets between \$50,000 and \$100,000 shall conduct a biennial review of its budgets every two years. Agencies with budgets between \$100,000 and \$250,000 shall conduct a biennial audit of its budgets. Given these requirements, the Agency has not yet been required to prepare a reviewed or audited financial statement. The Agency intends to conduct the required review or audit at the close of Fiscal Year 2009. The budgetary process which Agency completed on August 28, 2008, resulted in a budget approval which depicts actual and budgeted figures for Fiscal Years 2007, 2008, and 2009. A copy of the approved budget is attached as Exhibit 1 to this report.

The Eagle City Council formally approved the Downtown and East End Eagle Urban Renewal Plan on December 11, 2007, through Ordinance No. 592. The ordinance became effective upon publication on December 24, 2007. Since that approval, the Urban Renewal Agency has commenced with the implementation of the Plan.

***AGENCY BOARD MEMBERS, OFFICERS, CONSULTANTS AND SUPPORT STAFF***

Board members for calendar year 2008 included Cameron Arial, Lloyd Mahaffey, Scott Nordstrom, Jason Haas, Brian DeHaas, Doug Racine, Jason Pierce and Bob Banks. Mike Huffaker was appointed to the Board during 2008, and Bob Bruce replaced Bob Banks. Officers for the year were Cameron Arial, Chairman; Lloyd Mahaffey, Vice-Chairman; Jason Haas, Treasurer; and Jason Pierce, Secretary. Ryan Armbruster of the law firm of Elam and Burke served as legal counsel and Harlan Mann, Community Development Consultant, provided urban renewal consulting services. The Agency also received support from several city employees, including Bill Vaughan, Zoning Administrator, Sharon Bergmann, City Clerk/Treasurer, and Crystal Skinner, Administrative Clerk.

***AGENCY ACTIVITIES***

Much of the Agency's activities in 2008 focused on resolving a lawsuit brought by Joint School District No. 2 against both the City of Eagle and the Agency concerning the Plan. The parties successfully resolved the lawsuit by entering into a three party Settlement Agreement effective

November 25, 2008. The Settlement Agreement outlines the rebate of certain tax increment revenue to the School District recognizing the issues presented by the District.

Additionally, the Agency spent significant time during the budgetary approval process (July through September) discussing the repayment of the City's advances during FY 2007 and 2008. The City and Agency approved a Memorandum of Understanding dated December 9, 2008, which obligates the Agency to repay the City over the next four years. The City had previously advanced a total of \$129,950.00 through September 30, 2008, for activities in 2007 and 2008. The Agency has agreed to repay an amount equal to 15% of the Agency's yearly revenue allocation but not less than \$30,000 per year for four years or until the City is reimbursed in full.

During 2008, the Agency sought information on successful urban renewal projects in other areas of the Treasure Valley and solicited information and development ideas from property owners and others. In March 2008, the Agency heard a presentation from the Mayor of Caldwell and the Chairman of the Caldwell Urban Renewal Agency concerning the successful Caldwell project. Agency Board members participated in the Eagle Downtown Visioning workshop and other events concerning redevelopment of the Project Area. The Agency also learned about the four corners area at State Street and Eagle Road and development at the proposed Hill Road connections. The Agency is considering on how it might participate in the redevelopment of those intersections and adjacent properties. Later in the year, Board members participated with the effort by the Chamber of Commerce and the City for the Downtown Feasibility Study, along with the Downtown Design Workshops.

## ***REVENUES***

### *Tax Increment Revenue*

The only source of Agency income is Tax Increment Revenue generated within the urban renewal area and certain funds advanced by the city of Eagle. Because of the provisions of the Local Economic Development Act and the ad valorem tax system, the Agency received no tax increment revenue in 2008.

## ***EXPENDITURES***

### *Leverage of Agency Dollars*

An integral component of the Agency's program is to develop outside funding sources to leverage Agency dollars for improvements within the urban renewal area. The Agency has commenced the process to coordinate with property owners and public entities in an effort to determine redevelopment opportunities.

### *Review and Approve Requests for Agency Funding of Projects*

The Agency intends to seek, review and approve funding, where appropriate, for other projects that positively impact the urban renewal area and its residents.

### ***OPERATING EXPENSES***

The Agency has minimal operating expenses as it has no paid staff members, utilizing services from the city of Eagle during 2008. Those expenses are shown on Exhibit 1 to this report.

### ***ASSETS***

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

### ***LIABILITIES AND DEBT***

The Agency's liabilities consist only of current accounts payable and deferred revenue. The Agency's only long-term debt is the obligation to repay the City for the funds advanced as described above.

### ***SIGNIFICANT CHANGES IN AGENCY'S FINANCIAL POSITION***

Except for the repayment of the City advance, the Agency continues to operate in a "pay-as-you-go" environment, committing only those funds to projects that can be funded out of current funds or projected tax increment revenues in a given fiscal year, though the Agency continues to consider how to better leverage Agency funds.

Cameron Arial  
Chair  
March 30, 2009

