

**2010 ANNUAL REPORT
EAGLE URBAN RENEWAL AGENCY**

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 through September 30. Consequently, any formal financial statement would be limited to a report through the end of the Agency's fiscal year. Under amendments to Idaho Code Section 67-450B adopted in 2009, an urban renewal agency is required to prepare certain audited financial statements as described in that section depending on the agency's overall expenditures. Agencies with expenditures that do not exceed \$100,000 are not required to prepare any audited financial statements. Agencies with expenditures between \$100,000 and \$250,000 shall conduct a biennial audit of its financial statements every two years. Agencies with expenditures over \$250,000 must complete an audit of its financial statements each fiscal year. The Agency did conduct the required audit at the close of Fiscal Year 2010. A copy of the FY 2010 audit 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 2010 included Cameron Arial, Scott Nordstrom, Jason Haas, Teresa Yragui, Doug Racine, Jason Pierce, Mike Huffaker and Bob Bruce. Officers for the year were Cameron Arial, Chairman; Doug Racine, Vice-Chairman; Jason Haas, Treasurer; and Jason Pierce, Secretary. During 2010, the Agency commenced discussions with the Mayor and City Council to formally establish the number of board members at seven in order to provide more certainty as to membership and avoid quorum issues. In early 2011, the City Council concurred with the seven board member structure. 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. Sherry Atwell serves as the Administrative Assistant for the Agency.

AGENCY ACTIVITIES

- During 2010, the Agency entered into an agreement with Larry Knapp to provide facilitation services for the purpose of coordinating the potential redevelopment of the Four Corners area. Meetings were held with the property owners, development concepts discussed, and the role of the Agency explored. By year end, several of the property owners had commenced discussions to enter into an agreement that would guide development into the future.
- The overall coordination of planning activities for Urban Renewal phase has commenced and under discussion with various departments within the City and from the public. The Board also reaffirmed its commitment for enhanced discussion and coordination with the Mayor and City Council. In early 2011, a joint work session was convened to discuss the urban renewal plan, the implementation of the plan and future activity.
- At the request of certain property owners and interested parties, an examination of an additional area within the City of Eagle, west of the current urban renewal plan boundaries, commenced to determine the eligibility of the area for an urban renewal project and the potential role of the Agency. Several meetings were held with property owners, stakeholders, taxing entities, and others.

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. The Agency received tax increment revenue in 2010 of \$309,454.

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. 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 during the establishment of the Agency.

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.

Doug Racine
Chair
March 9, 2011