

2009 Annual Report



Idaho Falls Redevelopment Agency

EXECUTIVE SUMMARY

In 2009, the Idaho Falls Redevelopment Agency accomplished the following:

- Developed a concept for the reconstruction of Memorial Drive which was approved by members of the Idaho Falls City Council, Bonneville County Commissioners, and the Idaho Falls Downtown Development Corporation. This concept was the subject of open houses held at Community Night Out, University Place, and the Idaho Falls Public Library in August, 2009. The concept was generally accepted by the public who participated; however, the need for replacement parking was a constant theme in their comments.

- Executed notes with developers working along the Snake River, including:
 - A promissory note with Ball Ventures for improvements in Snake River Landing in the amount of \$8,842,602. The developer financed improvements included installation of water and sewer mains, construction of streets, and Greenbelt improvements.

 - A promissory note with Hotel Developers LLC in the amount of \$129,289 for demolition, utilities, and Greenbelt improvements west of Candlewood Suites.

 - A promissory note for \$200,000 for the demolition of the “Army Surplus” building south of Broadway with Taylor Crossing.

- Advanced \$30,000 to Taylor Crossing for stabilization of the path on the west side of the Snake River.

- Financed the purchase of property with an asking price of \$150,000 on Legion Drive for Bonneville County. The property is to be used for parking near the Bonneville County Court House.

ORGANIZATION AND MISSION

The Idaho Falls Redevelopment Agency, originally created on July 6, 1966, was re-established by the Idaho Falls Mayor and Council on October 20, 1988. Twenty plus years after its re-establishment, the Agency is charged with implementing three urban renewal plans: Snake River Urban Renewal Project Plan, River Commons Urban Renewal Plan, and Pancheri-Yellowstone Urban Renewal Plan. These three urban renewal districts encompass 688 acres in central Idaho Falls or approximately 5% of the geographic area of the city.

The Agency Board of Commissioners is comprised of seven individuals:

Robert Barnes, Chair
LaMar John, Secretary-Treasurer
Thomas Hally
Lee Radford
Linda Martin
David Radford

David Radford, Bonneville County Board of Commissioners, was first appointed to the Board in 2003 to represent the interests of Bonneville County. Thomas Hally is the City Council liaison to the Board.

After serving as Vice-Chair for the Board for eight years, Greg Hill resigned in June, 2009. As of the date of this annual report, his position has not been filled.

Ryan Armbruster of Elam and Burke serves as legal counsel to the Agency. Thane Sparks is the treasurer for the Agency, and Renee Magee is the executive director. Harlan Mann is a consultant for the Agency.

The mission of the Agency is ***“To strengthen the tax base and promote the successful growth and development of the City of Idaho Falls by using, when necessary, tax increment financing to facilitate the construction of publicly owned infrastructure, giving due consideration to that which promotes and enhances the Snake River Greenbelt and encourages desirable land uses near that Greenbelt.”***

THE YEAR 2009



Pancheri-Yellowstone Urban Renewal District

The Pancheri-Yellowstone urban renewal district, with a term of 12 years, was created by the Mayor and Council of Idaho Falls in December, 2007. This area of 33 acres sandwiched between the Snake River and Yellowstone Highway and south of Pancheri Drive includes a former manufacturing facility, a lumber yard, and oil distribution businesses as well as open storage and vacant land. It has no public road system and is served by utilities which do not meet today's standards. In early

2008, the Agency entered into an owner participation agreement with Hotel Developers - Snake River LLC in which the Agency agreed to participate in Greenbelt improvements, utility relocation and trenching, and demolition. In late 2009, the Agency executed notes totaling \$129,289 for such work completed on the site of Candlewood Suites and the adjacent Greenbelt. As of December, 2009, the total incremental value in this newest district was \$6,994,998, the majority of which was due to the construction and opening of Candlewood Suites by Hotel Developers - Snake River LLC.

River Commons Urban Renewal District

River Commons Urban Renewal District, a former gravel pit for Monroc, Inc., sits immediately south of Pancheri Drive and borders the Snake River. The district encompasses 211 acres and was created in 2004 at the request of the new owner of the property, Ball Ventures and has a term of 24 years. The Agency entered into an owner participation agreement with Ball Ventures in March, 2005, and agreed to participate in the construction of Snake River Parkway and Pier View Drive, reconstruction of Milligan Road, power line and utility improvements, storm drainage and landscape improvements, and Greenbelt improvements with the exception of the pier. In January, 2009, the Agency entered into the Amended and Restated Limited Recourse Promissory Note for the principal amount of \$8,812,602. This note essentially completed the commitment under the owner participation agreement executed by the Agency and Ball Ventures in March, 2005. As of December, 2010, the former gravel pit had an increment value of \$30,683,907.



Snake River Urban Renewal District

The Snake River Urban Renewal District is the City's oldest existing urban renewal district. It was created in 1988 and encompassed the area bounded on the north by State Highway 20, I-15 and Utah Avenue south of Broadway on the west, the Snake River on the east and Pancheri Drive on the south. In 1988, the revenue allocation area did not cover the entire district. In 1992, both the district and revenue allocation area were expanded. The 1992 amended boundary for both was State Highway 20 on the north, I-15 on the west, approximately Pancheri Drive on the south, and the Snake River on the east.

Approximately \$8,400,000 has been spent within the 1992 district by the Agency for public improvements. In 2006, the area of the district was again expanded to include the downtown area east of the Snake River. The district will terminate in 2018.



Taylor Crossing on the River

In June, 2009, the Agency executed a Limited Recourse Promissory Note, Series 2009, in the principal amount of \$200,000 to reimburse Taylor Crossing for the demolition of the former Army Surplus building and site preparation for the Extended Stay Marriott Inn. Unfortunately, the developer lost their financing for the Marriott and the building has not been completed.

In June, the Agency agreed to advance to Taylor Crossing \$30,000 against the owner participation agreement. The \$30,000 was to be used for a portion of the costs to stabilize the Greenbelt path adjacent to Taylor Crossing on the River. Retaining walls were installed along the River bank to prevent further erosion of the path.



Downtown Idaho Falls

The Agency engaged the services of Pierson Land Works, a landscape architecture firm, in the fall of 2008 to develop concepts for Memorial Drive. By the end of 2008, Pierson had developed five concepts. In May of 2009, Pierson Land Works presented eight concepts to the Agency Board, members of the City Council, the Bonneville County Commissioners, and members of the Idaho Falls Downtown Development Corporation as well as interested citizens. Attached as Appendix A is the power point presentation from that meeting.

On the basis of comments from the May meeting, the concept below was developed. At the July meeting of the Agency, Greg Crockett appeared to inform the Agency Board the concept of Memorial Drive dated July 14, 2009, and shown below had been approved by the Board of the Idaho Falls Downtown Development Corporation. In early August, the concept as well as the information on downtown parking and traffic on Memorial Drive were shown on a four-sided kiosk at Community Night Out, University Place, and the Idaho Falls Public Library. The summary of the August comments from citizens are in Appendix B.



MEMORIAL DRIVE
REVISED CONCEPT
7-14-2009



SUMMARY OF PROJECTS AND STUDIES COMPLETED BY AGENCY

The following table summarizes the projects and studies completed by the Agency through 2009.

Description of Project	Monies Spent
Lindsay-Utah Avenue (street and utilities)	\$2,111,648
South Utah Avenue (street)	\$687,435
Wardell-Mercury improvements (street and utilities)	\$969,374
John Hole's pedestrian safety improvements	\$90,000
Snake River walkway improvements	\$41,360
South Utah construction and utilities	\$1,194,000
Pancheri-Utah Avenue intersection improvements (1/2 cost)	\$298,000
Relocation of power lines	\$1,388,614
Milligan Road and utility improvements	\$395,615
Storm water facilities, landscaping, and demolition	\$297,200
Utility improvements	\$409,473
Days Inn demolition reimbursement	\$293,000
Yellowstone: installation median with trees in downtown	\$235,414
Snake River Parkway (north of Pancheri, south of Wal-Mart)	\$200,455
I-15 entrance welcome sign and landscaping including demolition	\$82,527
Downtown parking study completed by Carl Walker, Inc.	\$47,050
Reimbursement to Bonneville County for land on Legion Drive	\$150,000
Concept of Memorial Drive completed by Pierson Land Works	\$20,362
Participation in retaining wall on Snake River, Taylor Crossing	\$30,000
TOTAL PROJECTS	\$8,941,527

The above public improvements were financed by bond proceeds, loans, or cash reserves.

SUMMARY OF ‘INCREMENT VALUE’, IDAHO FALLS URBAN RENEWAL DISTRICTS, 2009

The following table shows the “base value” or assessed value prior to creation of the revenue allocation area, the assessed value or taxable value of the urban renewal area today, and the “increment value” or increase in assessed value generated through urban renewal.

District	Base Value	Taxable Value	Increment Value
Snake River Amended	\$66,458,579	\$214,976,891	\$148,329,609
River Commons	\$262,134	\$30,786,848	\$30,524,714
Pancheri-Yellowstone	\$5,867,386 (08)	\$10,305,647 (08)	\$4,438,261 (08)

LEGAL REQUIREMENTS AND ADDITIONAL DOCUMENTATION

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 is limited to a report through the end of the Agency’s fiscal year.

The Agency received a report dated January 28, 2010, of its audited financial statements from Rudd and Company. This report identifies the Agency’s assets, liabilities, income and expenses through September 20, 2009. A copy of the report is attached as Exhibit C.

The Agency is also required to formally adopt its fiscal year budget in September 1 of each year. The Agency adopted its Fiscal Year 2010 budget on August 20, 2009. As required by the Idaho Urban Renewal Law and Local Economic Development Act, the Agency has filed its budget with the City of Idaho Falls. Copies of the budget are available through the Agency’s offices or the City Clerk.