



URBAN RENEWAL AGENCY OF JEROME COUNTY

2018 ANNUAL REPORT

December 31

2018

The Annual Report provides an opportunity for the Agency to update the City of Heyburn, the public, and its constituencies on activities undertaken by the Agency during the respective calendar year. The Agency holds a public hearing to allow comment by the public on the contents of the Annual Report.

Activities of
the Agency

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Outwest Policy Advisors

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**2018 ANNUAL REPORT
JEROME COUNTY 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 the amendment 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 have no audit requirements. Given these requirements, the Agency has prepared audited financial statements for the Fiscal Year ended 2018. A copy of the audited financial statements is attached as Exhibit 1. The budgetary process, which the Agency completed on August 23, 2018, resulted in a budget approval that depicts actual and budgeted figures for Fiscal Year 2018. A copy of the approved budget is attached as Exhibit 2 to this report. Under new reporting requirements set forth in Idaho Code § 67-450E, the Agency must submit certain information to the Legislative Services Office by December 1, 2018, for the fiscal year 2018 period ending on September 30, 2018. The Agency filed this report prior to the statutory deadline of December 1, 2018.

The Jerome County Board of Commissioners formally approved the Crossroads Urban Renewal Plan on December 17, 2008, through Ordinance No. 2008-10. The ordinance became effective upon publication on December 25, 2008. The Jerome County Board of Commissioners formally approved the Amended and Restated Jerome County Crossroads Urban Renewal Project Urban Renewal Plan on December 6, 2010, through Ordinance No. 2010-12. The ordinance became effective upon publication on December 14, 2010. Since that approval, the Urban Renewal Agency has commenced with the implementation of the Amended and Restated Plan.

AGENCY BOARD MEMBERS, OFFICERS, CONSULTANTS AND SUPPORT STAFF

Board members for calendar year 2018 included

Joe Davidson 1/2018 – 3/2018
Marsha Martin 1/2018-12/2018, Chair
Kerm Douglas 1-2018-8/2018
Roger Morley 1/2018-12/2018, Vice-Chair
TJ McArthur 1/2018-12/2018
Wendy Robbins 1/2018-12/2018, Secretary
Steven Huettig 8/2018-12/2018

Officers for the year were Marsha Martin, Chairman; Roger Morley, Vice-Chairman; and Wendy Robbins as Secretary/Treasurer. Ryan Armbruster of the law firm of Elam and Burke served as legal counsel. The Agency also received support from Michelle Emerson, County Clerk until contracting with Outwest Policy Advisors for Administrative Services in March 2018.

AGENCY ACTIVITIES

The Agency's activities in 2018 focused on monitoring the Crossroads Point Plan. On August 1, 2013, the Agency and ABC Agra, LLC entered into an Owner Participation Agreement ("Agreement") for the Crossroads Point Business Center PUD. Under the Agreement, the Agency agreed to reimburse ABC Agra, LLC in an amount not to exceed \$1,900,000 for certain public improvements constructed within the Amended and Restated Plan Project Area. As set out in the Agreement, the Agency issued its Limited Recourse Promissory Note ("Note") in the principal amount of \$1,900,000. The Agency will repay the Note from tax increment proceeds generated from several lots within the Crossroads Point Business Center PUD. Interest on the Note is set at the prime rate plus 2% per annum. The Agency is obligated to disburse 75% of the tax increment it receives from those lots.

REVENUES

Tax Increment Revenue

The sources of Agency income included Tax Increment Revenue generated within the revenue allocation area and certain funds previously advanced by the county of Jerome. Because of the provisions of the Local Economic Development Act and the ad valorem tax system, the Agency received tax increment revenue in 2018 totaling \$128,042.

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, instead utilizing services from consultants during 2018. Those expenses are shown on Exhibit 2 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 ABC Agra, LLC for the Note, as authorized by the Agreement for the Crossroads Project for the costs of the public infrastructure. At the close of Fiscal Year 2018 the outstanding principal balance on the note was \$1,833,741.

SIGNIFICANT CHANGES IN AGENCY'S FINANCIAL POSITION

Except for the repayment of the ABC Agra LLC, Note, 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.

PUBLIC OUTREACH

The Agency considered this Annual Report at a special meeting on March 7, 2019. The board meeting had been advertised in the Times News prior to the meeting. A copy of the Annual Report had been provided to the County Clerk's office for review.

_____, Chair
March 7, 2018

4829-6522-3002, v. 1

**Jerome County Urban Renewal Agency
Exhibit 1**

**Jerome County Urban Renewal Agency
Exhibit 2**

Jerome County URA

2018 Actual versus Budget YTD

G/L Code	Account Title	Actual	Budget	Remaining \$	Remaining %
1000	TIF	\$ 128,041.82	\$ 100,000.00	\$ (28,041.82)	-28.04%
1200	City Advance	\$ -	\$ -	\$ -	0.00%
1300	Developer Fees	\$ -	\$ -	\$ -	0.00%
1500	Interest	\$ -	\$ -	\$ -	0.00%
		\$ 128,041.82	\$ 100,000.00	\$ (28,041.82)	

G/L Code	Account Title	Actual	Budget	Remaining \$	Remaining %
2000	Administrative	\$ 2,782.43	\$ -	\$ (2,782.43)	0.00%
3000	Legal	\$ 8,370.49	\$ 20,000.00	\$ 11,629.51	58.15%
4000	Legal Notices	\$ 697.46	\$ 1,000.00	\$ 302.54	30.25%
5000	Bank Fees	\$ 60.00	\$ -	\$ (60.00)	0.00%
6000	Consulting	\$ -	\$ 10,000.00	\$ 10,000.00	100.00%
7000	County Loan	\$ -	\$ -	\$ -	0.00%
8000	Developer Reimburse	\$ 103,577.36	\$ 75,000.00	\$ (28,577.36)	-38.10%
9000	Insurance	\$ 1,201.00	\$ 1,250.00	\$ 49.00	3.92%
10000	Audit	\$ 2,500.00	\$ 3,000.00	\$ 500.00	16.67%
11000	Membership Dues	\$ -	\$ -	\$ -	0.00%
12000	Office\Misc	\$ -	\$ 100.00	\$ 100.00	100.00%
13000	Secretarial	\$ 72.00	\$ 1,000.00	\$ 928.00	92.80%
	TOTAL	\$ 119,260.74	\$ 111,350.00	\$ (7,910.74)	-7.10%