

January 1, 2017– December 31, 2017

**Annual
Report**

2017

Rexburg

ID



Urban Renewal Agency

2017 ANNUAL REPORT

REXBURG 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 31st 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. The fiscal year for municipalities and most other political subdivisions of the State of Idaho runs from October 1st through September 30th. Consequently, any formal financial statement would be limited to a report through the end of the entity's fiscal year. By statute, an urban renewal agency shall have the same fiscal year as a municipality and is subject to the same audit requirements as a municipality. Under Idaho Code Section 67-450B an urban renewal agency whose annual expenditures are between \$100,000 and \$250,000, may elect to have its financial status audited on a biennial basis. The annual expenditures for the Rexburg Urban Renewal Agency exceed \$250,000 so a full and complete audit of its financial statements is made each fiscal year.

REXBURG URBAN RENEWAL AGENCY PROFILE

The City of Rexburg began to explore the use of tax increment financing as an economic development tool in 1990. The Rexburg Urban Renewal Agency was formed on November 6, 1991 and is a seven-member commission that oversees and coordinates redevelopment efforts in Rexburg. They have engaged in strategic planning and have implemented urban renewal projects as they saw the need. At the time of this report the board members are: Richard Horner (Chairman), Joseph West (Vice Chairman), Douglas Hancey (Secretary), Randall Porter, Robert Chambers, Traci Peterson and Brad Wolfe.

The 1st Urban Renewal Area was formed in 1991, and included improving infrastructure in the North Highway Area to encourage commercial development in the area. This area was expanded in 1995 and again in 2001 when additional work was needed in the area to encourage additional development. The 2nd project undertaken was on 1st North and Main Street surrounding the unsafe Washington School Building. The 3rd district was originally formed downtown and included 7 city blocks bordered by 2nd West, 2nd East, 1st North, and 1st South. In 2014, the Downtown District extended one block further from 1st South to 2nd South. The area has a history of a slow growing tax base primarily attributed to inadequate and deteriorating public improvements and other deteriorating factors. The 4th development area was established in 2007, known as the University Boulevard- South 12th West District. It includes an area generally bounded by South 12 West. In 2015 the 5th district, known as the North Interchange District, was formed. This district was organized primarily to assist with the improvement of roads, sidewalks and business development associated with the construction of a Super Wal-Mart on North 2nd East.

PURPOSE AND GOALS

The purpose and goals of the Urban Renewal effort have included:

- The elimination of environmental deficiencies in the project areas.
- The assembly of land into parcels suitable for modern, integrated development with pedestrian and vehicular traffic.

- The strengthening of the tax base by encouraging private development, thus increasing the assessed valuation of properties within the Revenue Allocation Area and benefiting the various taxing districts in which the Urban Renewal Area is located.

URBAN RENEWAL EFFORTS AND IMPROVEMENTS OF 2017

The Rexburg Urban Renewal Agency held 4 meetings throughout 2017. The Agency discussed and approved several projects and improvements to the Urban Renewal areas. Each district and its 2017 project involvement will be discussed in detail below. The audit in its entirety is included as an additional document as part of this report.

REXBURG URA FY 2016 ANNUAL REPORT

At the March 9, 2016 meeting, Richard Horner read the public hearing script for the Annual Report. Katie Cook reviewed the 2016 Annual Report which was sent to the board members prior to the meeting. Katie Cook asked for any questions or comments on the report. Richard Horner suggested adding the links to the financial reports on the Rexburg Urban Renewal Website. Richard Horner then requested comments from anyone else outside of the board. No other comments were made, and Richard Horner closed the Public Hearing.

REXBURG FY 2016 AUDIT

At the March 9, 2017 meeting, Brad Reed and Jen Kennedy from Rudd & Company presented the 2016 audit. Brad told the board that the audit came back with a clean opinion, meaning there were no issues.

BOARD MEMBER CHANGES

At the August 17, 2017 meeting, Traci Peterson was appointed a new member of the board to fill the vacancy left by Richard Smith.

BUDGET FOR FY 2018

At the August 17, 2017 meeting, a public hearing was held to approve the FY 2018 budget. No objections were given from the community or agency members on the budget, and the budget seen below was approved.

	2016 Actual	2017 Budget	2018 Budget
Revenue			
North Highway Taxes	\$792,977.00	\$1,050,000.00	\$750,000.00
North Highway Other	\$8,227.00	\$203,800.00	\$6,300.00
Washington School Taxes	\$183,933.00	\$200,000.00	\$179,000.00
Washington School Other	\$282.00	\$500,000.00	\$600,100.00
Downtown Taxes	\$575,315.00	\$770,000.00	\$600,000.00
Downtown Other	\$4,566.00	\$1,500,800.00	\$940,100.00
University Blvd. Taxes	\$347,907.00	\$470,000.00	\$400,000.00
University Blvd. Other	\$5,907.00	\$1,727,900.00	\$1,612,500.00
North Interchange Taxes	\$0.00	\$210,000.00	\$234,000.00
North Interchange Other	\$0.00	\$2,979,600.00	\$2,867,100.00

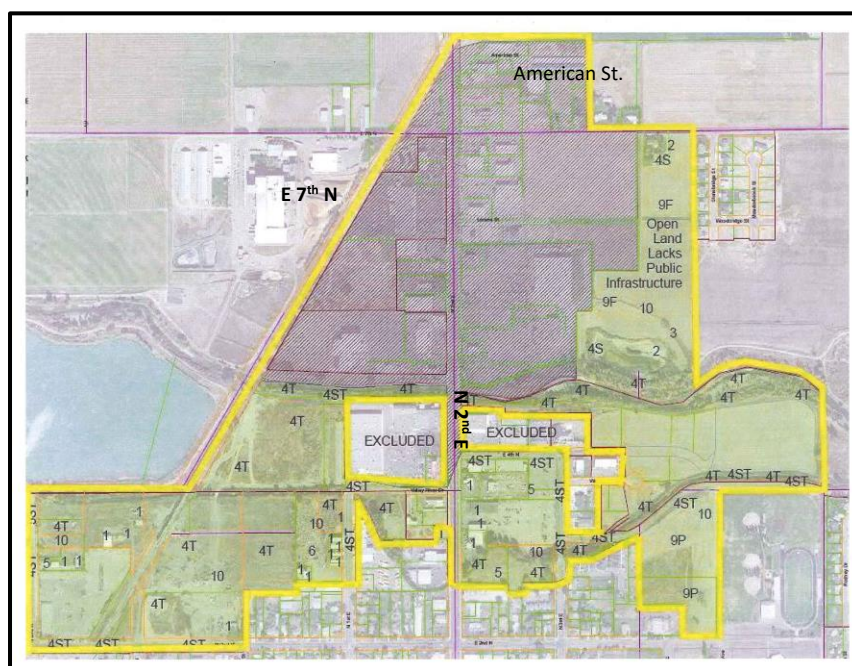
	Administrative Revenues	\$23,687.00	\$70,000.00	\$73,100.00
	<i>Total Income</i>	<i>\$1,942,801.00</i>	<i>\$9,682,100.00</i>	<i>\$8,262,200.00</i>
	Expense			
	North Highway	\$1,034,135.00	\$1,253,800.00	\$756,300.00
	Washington School	\$248,897.00	\$700,000.00	\$779,100.00
	Downtown	\$152,343.00	\$2,270,800.00	\$1,540,100.00
	University Blvd.	\$808.00	\$2,197,900.00	\$2,012,500.00
	North Interchange	\$192,098.00	\$3,189,600.00	\$3,101,100.00
	Administration	\$19,665.00	\$70,000.00	\$73,100.00
	<i>Total Expense</i>	<i>\$1,647,946.00</i>	<i>\$9,682,100.00</i>	<i>\$8,262,200.00</i>

NORTH HIGHWAY (2ND EAST) URBAN RENEWAL DISTRICT

IMPLEMENTED IN 1991, PROJECTED TERMINATION DATE DECEMBER 31, 2021

The Rexburg Urban Renewal Agency undertook its first project in 1991 shortly following its formation. The Agency formed an urban renewal area of sixty-six acres surrounding a portion of the North Highway and funded public improvements including street and utility improvements on North Highway (2nd East) to support development in that area anchored by the construction of a Wal-Mart store and an adjoining strip mall.

The 2005 amendment to the plan was made to combat problems of physical deterioration and economic underdevelopment in the expanded area, to make public improvements, and create public facilities.



MAP OF NORTH HIGHWAY URBAN RENEWAL DISTRICT

WASHINGTON SCHOOL DISTRICT
(WASHINGTON SCHOOL AREA) MAIN STREET, 1ST WEST
IMPLEMENTED IN 1997, PROJECTED TERMINATION DATE DECEMBER 31, 2017

Following its success in spurring development using tax increment financing on the North Highway, the Rexburg Redevelopment Agency formed a second Urban Renewal Area on 1st West and Main Streets and developed a public improvement project in support of commercial development on two blocks facing Main Street. This project was to improve the street and alleys, clear and remove deteriorated buildings, acquire land, improve utilities including water and sanitary sewer lines, to provide an improved environment for new and rehabilitated commercial facilities, to eliminate unsafe conditions, and to otherwise prevent the extension of deterioration and reverse the deteriorating condition of the area.

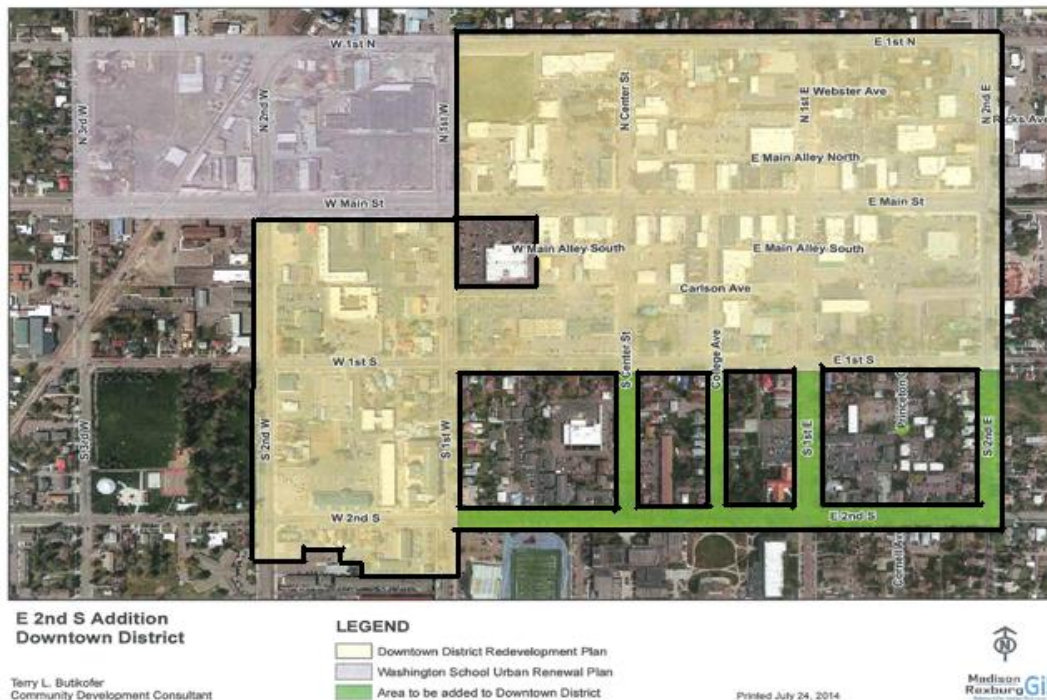


MAP OF WASHINGTON SCHOOL URBAN RENEWAL AREA (GRAY)

DOWNTOWN DISTRICT

IMPLEMENTATION DATE 2003, PROJECTED TERMINATION DATE DECEMBER 31, 2027

The 2003 Downtown District was put in place to combat problems of physical deterioration and economic underdevelopment in the seven-block area, to make public improvements, and create public facilities. Key elements of the plan include initiating simultaneous projects designed to revitalize the project area, secure certain public open space in critical areas, develop new mixed-use development projects, pursue development across all land-use sectors, and develop parking facilities. In 2014 the Agency extended the Downtown district one block further from 1st South to 2nd South. (Indicated in green on the map below.)

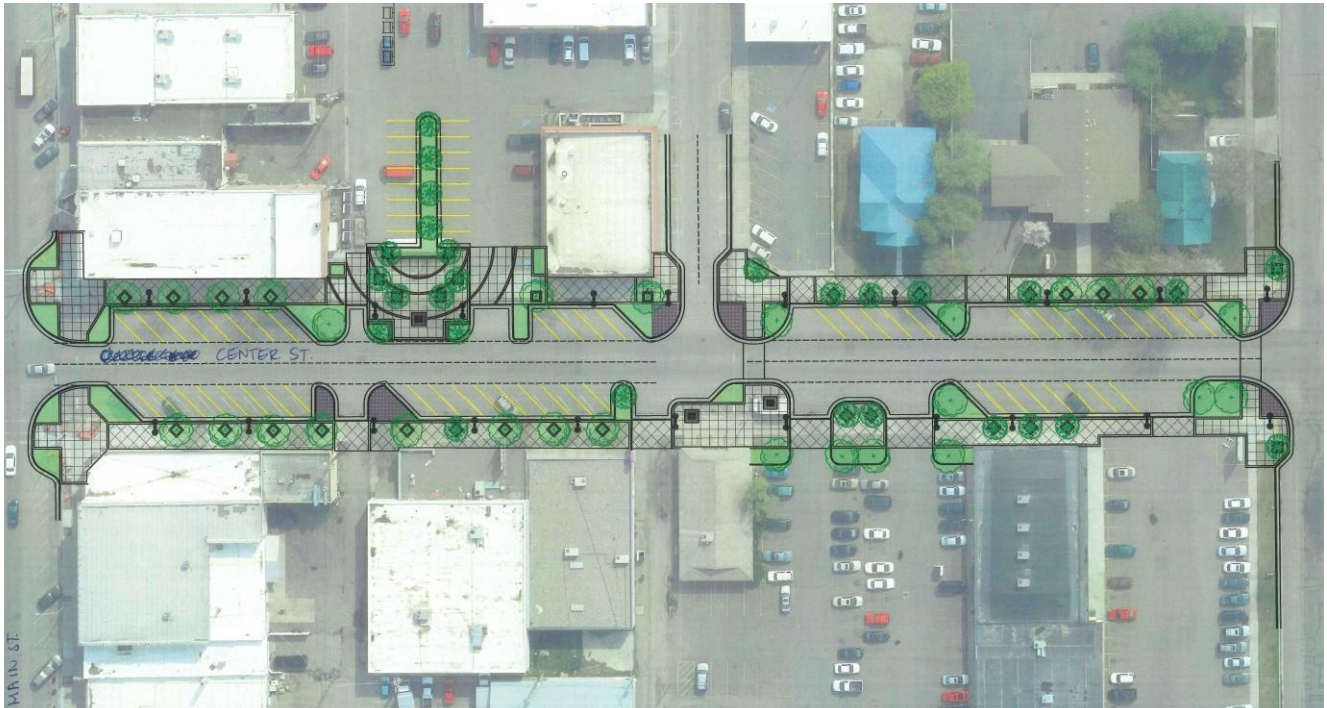


MAP OF DOWNTOWN URBAN RENEWAL DISTRICT (YELLOW AND GREEN)

CENTER STREET RECONSTRUCTION

At the May 25, 2017 meeting Scott Johnson from the City of Rexburg addressed the board with a bird's eye view picture of a proposed project on Center Street in Rexburg. The City wanted to see the street become more appealing and safer to pedestrians since it is one of the busiest streets in town. Rexburg URA agreed to contribute up to \$500,000 in partnership with the City for the reconstruction of the street. They added a lot more lighting as well as trees on the street.

At the June 15, 2017 meeting, Chairman Richard Horner addressed the board stating that the city was looking to get additional financial help for the reconstruction of Center Street because the bid for the project came in twice as much as was originally estimated. The amount of \$500,000 had already been approved by the Agency and the City asked for an approval of an additional \$500,000 for a total of \$1,000,000 funded by the Rexburg Urban Renewal Agency. The City also got additional help from the utility fund. The amount of \$1,000,000 funded by the Rexburg Urban Renewal Agency was approved for the reconstruction of center street.



CENTER STREET REVITALIZATION PLANS



OPEN GATHERING AREA



BROAD VIEW OF CENTER STREET



CENTER STREET TREE ADDITIONS



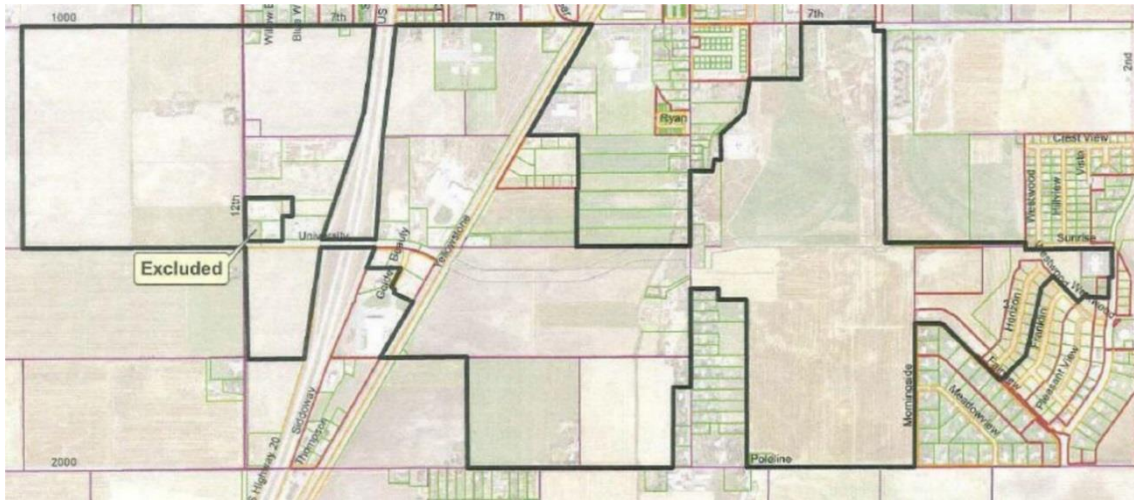
CENTER STREET LIGHTING AND PARKING



UNIVERSITY BOULEVARD DISTRICT

IMPLEMENTATION DATE 2007, PROJECTED TERMINATION DATE DECEMBER 31, 2031

The University Boulevard-South 12th West project area was developed in 2007 to address the need for economic and cultural growth of the area. The University Boulevard District plan allows for major street, storm drain and open space improvements to provide an improved environment for new and rehabilitated residential, retail, lodging, commercial, and industrial facilities and to eliminate unsafe conditions and prevent the extension of deterioration and reverse the deteriorating action of the area.



MAP OF THE UNIVERSITY BOULEVARD DISTRICT

SIDEWALKS AND SIGNALS

At the May 25, 2017 Joel Gray addressed the board with a map and cost estimate handout for the relocation of the traffic signal at the intersection of University and Yellowstone. They hope to complete the project in 2018, but are waiting on permission from the railroad which could take quite some time.

In the same meeting, Joel Gray also addressed the board with a map and cost estimate handout for the installation of a new sidewalk and curb and gutter on University Boulevard from the US 20 off ramp to Rexburg Motorsports. Chairman Richard Horner stated that the Rexburg Redevelopment Agency has already approved the construction of the two University Boulevard projects up to \$400,000. It is anticipated that construction of these projects will be completed in 2018.



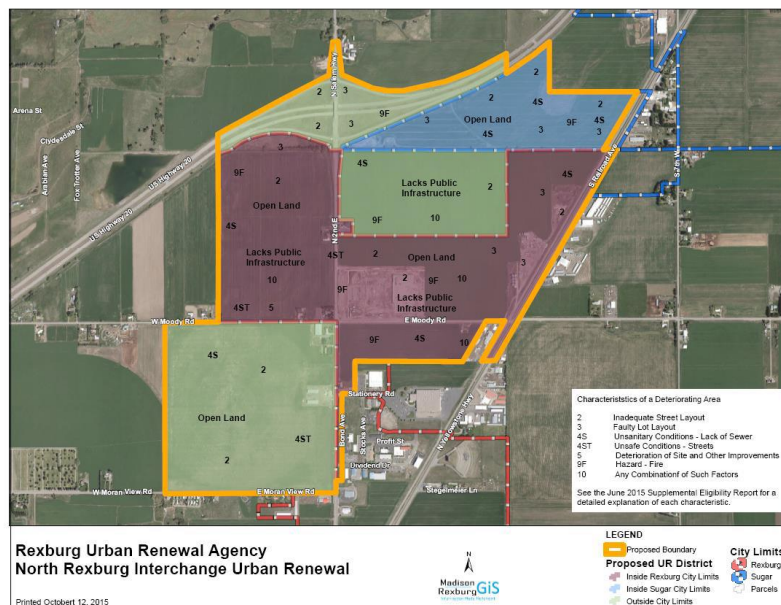
VIEW OF WHERE THE SIDEWALKS WILL BE CONSTRUCTED



NORTH INTERCHANGE DISTRICT

IMPLEMENTATION DATE 2015, PROJECTED TERMINATION DATE DECEMBER 31, 2035

The project area of the North Interchange District consists of 679 acres, including parcels currently located within City limits, and outside the City limits within the boundaries of Madison County and Sugar City. The parcels located in Madison County and Sugar City will be governed by an intergovernmental agreement. The primary purpose of the District is for street and utility improvements to provide an improved environment for new retail, residential and commercial facilities, public improvements or facilities, the elimination of unsafe conditions, and to otherwise prevent the extension of deterioration and reverse the deteriorating action of the area. Project improvements will also facilitate adequate vehicular and pedestrian circulation.



NORTH INTERCHANGE URBAN RENEWAL DISTRICT MAP

2ND EAST PROJECT

In the May 25, 2017 meeting Joel Gray addressed the board with a map and cost estimate handout for the reconstruction of 2nd East from 15th N (Walmart) on the east side of the road to the US 20 on and off ramps. There are two lanes from 15th N (Walmart) all the way out to the Hwy. 20 on and off ramps, a middle turning lane, and only one lane all the way from US 20 to 15th N (Walmart). There are now five lanes across to facilitate increased traffic.

There was also a new traffic light installed at Moody Rd. and 2nd East that the Agency participated in payment with Walmart.



2ND LANE TO US 20





WALMART STOPLIGHT





STOPLIGHT

SECOND LANE TO US 20



FINANCIAL STATEMENTS

The Rexburg Urban Renewal Agency is required to provide a complete financial statement setting forth its assets, liabilities, income, and operating expense. The financial statements can be found in the 2017 professional audit which is included as part of this report. Please note that the audit only covers through the end of the fiscal year so the assets, liabilities, income and expense are through September 30, 2017 and not the end of the year.