

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 185

BY WAYS AND MEANS COMMITTEE

AN ACT

1 RELATING TO URBAN RENEWAL; AMENDING CHAPTER 29, TITLE 50, IDAHO CODE, BY THE  
2 ADDITION OF A NEW SECTION 50-2903A, IDAHO CODE, TO PROVIDE PROVISIONS  
3 RELATING TO THE ANNUAL BUDGET, PLAN TERMINATION AND STATEMENT OF EXCESS  
4 REVENUE ALLOCATION FUNDS; AND PROVIDING SEVERABILITY.  
5

6 Be It Enacted by the Legislature of the State of Idaho:

7 SECTION 1. That Chapter 29, Title 50, Idaho Code, be, and the same is  
8 hereby amended by the addition thereto of a NEW SECTION, to be known and des-  
9 ignated as Section 50-2903A, Idaho Code, and to read as follows:

10 50-2903A. ANNUAL BUDGET -- BUDGET FOR PLAN TERMINATION -- STATEMENT OF  
11 EXCESS REVENUE ALLOCATION FUNDS. (1) An agency shall, by September 30 of  
12 each calendar year, except as set forth in subsection (2) of this section,  
13 adopt and publish as described in section 50-1002, Idaho Code, a budget for  
14 the next fiscal year. An agency may amend its adopted budget using the same  
15 procedures as used for adoption of the budget.

16 (2) For the fiscal year that immediately predates the termination date  
17 for an urban renewal plan involving a revenue allocation area or will include  
18 the termination date, the agency shall, by September 1, adopt and publish a  
19 budget specifically for the projected revenues and expenses of the plan and  
20 make a determination as to whether the revenue allocation area can be termi-  
21 nated before January 1 of the termination year pursuant to the terms of sec-  
22 tion 50-2909(4), Idaho Code.

23 (3) In the event that the agency determines that current tax year rev-  
24 enues are sufficient to cover all estimated expenses for the current year and  
25 all future years, by September 1, the agency shall adopt a resolution advis-  
26 ing and notifying the local governing body, the county auditor and the state  
27 tax commission and recommending the adoption of an ordinance for termination  
28 of the revenue allocation area by December 31 of the current year and declar-  
29 ing a surplus to be distributed as described in section 50-2909, Idaho Code,  
30 should a surplus be determined to exist. The agency shall cause the ordi-  
31 nance to be filed with the office of the county recorder and the Idaho state  
32 tax commission as provided in section 63-215, Idaho Code. Upon notification  
33 of revenues sufficient to cover expenses as provided herein, the increment  
34 value of that revenue allocation area shall be included in the net taxable  
35 value of the appropriate taxing districts when calculating the subsequent  
36 property tax levies pursuant to section 63-803, Idaho Code. The increment  
37 value shall also be included in subsequent notification of taxable value for  
38 each taxing district pursuant to section 63-1312, Idaho Code, and subsequent  
39 certification of actual and adjusted market values for each school district  
40 pursuant to section 63-315, Idaho Code.

41 (4) An agency shall, by March 31 of each calendar year, prepare and  
42 adopt a revenue allocation funds statement identifying any revenue allo-

1 cation funds in excess of the amount of revenue allocation funds necessary  
2 for the agency to meet its financial obligations as of September 30 of the  
3 prior year. Any excess revenue allocation funds identified by the agency  
4 in the statement shall be distributed pro rata to the taxing districts no  
5 later than October 31. For purposes of this subsection: the term "financial  
6 obligations" shall mean all agency indebtedness including bonds, notes and  
7 any other obligations; contract obligations; working capital for operat-  
8 ing expenses; capital improvements; and projects identified by the urban  
9 renewal plan with sufficient specificity describing the project, time of  
10 development and cost.

11 (a) The revenue allocation funds statement shall include:

12 (i) Description and amounts of all financial obligations;

13 (ii) Description and amounts of remaining improvements or  
14 projects identified by the agency in the urban renewal plan with  
15 sufficient specificity describing the project, time of develop-  
16 ment and cost;

17 (iii) Identification of the estimated amount necessary to achieve  
18 any adopted fiscal policies;

19 (iv) A statement evidencing any agency intent to amend to add ad-  
20 ditional improvements or projects not identified in the urban re-  
21 newal plan;

22 (v) A statement notifying of an agency's intent to terminate an  
23 urban renewal plan as described in subsection (2) of this section.

24 (b) The agency shall, by April 30, prepare and publish a notice stat-  
25 ing that the agency has prepared a revenue allocation funds statement  
26 and the place where the notice can be viewed by the public. A copy of the  
27 notice and of the revenue allocation funds statement shall be mailed to  
28 the involved taxing districts, the mayor, the city council and any re-  
29 questing party.

30 (c) Upon receipt of the April 30 notice and copy of the revenue allo-  
31 cation funds statement, the city council shall publish notice for a  
32 regular meeting whereat the council shall review the revenue allocation  
33 funds statement and hold a hearing for public comment thereon. If the  
34 council, by a two-thirds (2/3) vote, determines that additional excess  
35 revenue allocation funds exist that were not identified by the agency  
36 for distribution pro rata to the taxing districts, the council may order  
37 those funds distributed in whole or in part pro rata to the taxing dis-  
38 tricts.

39 SECTION 2. SEVERABILITY. The provisions of this act are hereby declared  
40 to be severable and if any provision of this act or the application of such  
41 provision to any person or circumstance is declared invalid for any reason,  
42 such declaration shall not affect the validity of the remaining portions of  
43 this act.