

MINUTES
HOUSE LOCAL GOVERNMENT COMMITTEE

DATE: Tuesday, February 14, 2012

TIME: 1:30 P.M.

PLACE: Room EW05

MEMBERS: Chairman Barrett, Vice Chairman Marriott, Representative(s) Collins, Bayer, Chadderdon (Malek), Barbieri, Luker, Perry, Sims, Higgins, Buckner-Webb

**ABSENT/
EXCUSED:** Representative Perry

GUESTS: Ron Harriman, Rachel Gilbert, and Maurice Clement, Tax Accountability Committee (TAC); Erik Makrush, Idaho Freedom Foundation; Tony Smith and Larry Benton, Benton Ellis; Zach Hague, Capitol West; Ryan Armbruster, Idaho Falls Redevelopment Agency; John Evans, Mayor, Garden City; Scott Turlington, Meridian Development Conference; Melinda Anderson, City of Twin Falls; Russ Hendricks, Idaho Farm Bureau; Teresa Molitor, Lake City Development Corporation/Jerome Urban Renewal Agency; John Watts, Veritas Advisors; Russell Westerberg, Capital City Development Corporation; Miquel Legarreta, Realtor; Katie Jackson, Matthew Vaughan, Jason Wickham, Ashley Bell, Makayla Boots, Jodee Boots, and Charles Steenpolk, American Heart Association; Max Greenlee, Risch Pisca

Chairman Barrett called the meeting to order at 1:35 p.m.

MOTION: **Representative Collins** made a motion to approve the minutes of February 8, 2012. **Motion carried by voice vote.**

MOTION: **Representative Marriott** made a motion to approve the minutes of February 10, 2012. **Motion carried by voice vote.**

H 504: **Representative Sims** presented **H 504**, which relates to Urban Renewal Law and amends Section 50-2006, Idaho Code, to establish provisions for the selection of a board of commissioners. Effective July 1, 2012, the city council or board of county commissioners would adopt by resolution the method by which existing urban renewal agencies shall select a board of commissioners either by the mayor, by and with the advice and consent of the local governing body, or by provisions provided for in subsection (b) of Section 50-2006.

Representative Sims responded to Committee members' questions on specific language in the proposed legislation, the pros and cons of elections for such an agency, the potential lack of election funds and quality of candidates.

Testimony was heard from **Mr. Ronald Harriman**, **Mr. Maurice Clements**, and former Senator **Rachel Gilbert**, Tax Accountability Committee (TAC); and **Mr.**

Eric Makrush, Idaho Freedom Foundation, who testified **in favor of H 504.**

Testimony was also heard from **Mr. Ryan Armbruster**, representing the Idaho Falls Redevelopment Agency; and **John Evans**, Mayor of Garden City, who testified in **opposition to H 504.** A lengthy question-and-answer period ensued on all aspects of the merits and disadvantages of the proposed legislation.

ORIGINAL MOTION: **Representative Marriott** made a motion to introduce **H 504** with a **DO PASS** recommendation.

SUBSTITUTE MOTION: **Representative Luker** made a substitute motion to **HOLD H 504** in committee until a new draft is created to clarify the many questions posed by committee members and to ensure the terminology meets the scrutiny of a legal counsel before a bill is presented on the floor.

**AMENDED
SUBSTITUTE
MOTION:**

Representative Bayer made an amended substitute motion to send **H 504** to General Orders. After further discussion, Representative Bayer **withdrew the amended substitute motion**.

**SUBSTITUTE
MOTION:**

Chairman Barrett called for a roll call vote to **HOLD H 504** in committee until a new draft is created. **Motion carried by a vote of 8 AYE to 2 NAY. Reps. Collins, Bayer, Malek, Barbieri, Luker, Sims, Higgins, Buckner-Webb and Chairman Barrett. Voting in favor of the motion; Reps. Marriott and Sims voting NAY.**

H 506:

Representative Nonini presented **H 506**, which amends Sections 50-2007 and 50-2010, Idaho Code, placing additional limitations on the use of eminent domain. The intent is that urban renewal agencies shall not have the authority to exercise the power of eminent domain. Nothing in the proposed legislation shall prohibit a city or county from utilizing its authority of eminent domain within its jurisdiction. Representative Nonini stressed the powers in the current legislation provides authority for non-elected officials, which is too broad.

Testimony was heard by former Senator **Rachel Gilbert, Mr. Maurice Clements, Mr. Eric Makrush, and Mr. Russ Hendricks**, who all spoke **in support of H 506**. **Mr. Ryan Armbruster** spoke **in opposition to H 506**, stating he had never seen a need for such a bill.

Representative Nonini concluded his presentation of **H 506** by emphasizing that the intent of the bill is to approach the issue in a proactive manner to prevent any possible occurrence of abuse.

MOTION:

Representative Collins made a motion to introduce **H 506** with a **DO PASS** recommendation. **Motion carried by voice vote. Representative Nonini** will sponsor the bill on the floor.

H 507:

Representative Thompson presented **H 507**, which amends Urban Renewal Law 50-2008 to remove language included in certain urban renewal plans, to clearly identify the parameters of an urban renewal project with certain specific descriptions, to establish that modifications to a plan shall comply with the same provisions, to establish that a plan shall include a definite start and termination date, and to make a technical correction.

Committee members engaged in a thorough discussion, particularly as relates to clarity of the language; whether or not the wording included in **H 507** conflicts with **H 95**; and the actual purpose of the proposed bill. **Representative Thompson** said the purpose of the bill is to put in place those sideboards that will describe a project with more specificity to prevent occurrence of future abuses.

Testimony was heard by **Mr. Ryan Armbruster**, Idaho Falls Redevelopment Agency, who was of the opinion that the changes are unnecessary. **Ms. Melinda Anderson**, Director of the Twin Falls Urban Renewal Agency, spoke in **opposition to H 507**. **Mr. Russ Hendricks**, Idaho Farm Bureau; **Mr. Maurice Clements**; and **Mr. Ron Harriman**, TAC, spoke in **support of H 507**.

**ORIGINAL
MOTION:**

Representative Higgins made a motion to introduce **H 507** with a **DO PASS** recommendation.

**SUBSTITUTE
MOTION:**

Representative Luker made a substitute motion to send **H 507** to General Orders, amending the bill as follows:

AMENDMENT TO SECTION 1

On page 3 of the printed bill, delete lines 5 through 9, and insert:

" (h) (i) Any urban renewal plan containing a revenue allocation financing provision shall include the information set forth in section 50-2905, Idaho Code.

(ii) A plan prepared or approved for an urban";
and delete lines 16 and 17.

CORRECTION TO TITLE

On page 1, in line 2, delete "TO RE-"; delete line 3; in line 4, delete "RENEWAL PLANS,"; in line 7, delete ", TO ESTABLISH THAT A PLAN"; and in line 8, delete "SHALL INCLUDE A TERMINATION DATE".

Representative Bayer seconded the substitute motion.

**VOTE ON
SUBSTITUTE
MOTION:**

Motion passed by voice vote. **Representative Thompson** will sponsor the bill on the floor.

ADJOURN:

There being no further business to come before the committee, the meeting was adjourned at 4:20 p.m.

Representative Barrett
Chair

Jeanne Clayton
Secretary