

IN THE HOUSE OF REPRESENTATIVES
HOUSE CONCURRENT RESOLUTION NO. 17

BY WAYS AND MEANS COMMITTEE

A CONCURRENT RESOLUTION

STATING FINDINGS OF THE LEGISLATURE AND AUTHORIZING THE LEGISLATIVE COUNCIL
TO APPOINT A COMMITTEE TO UNDERTAKE AND COMPLETE A STUDY OF URBAN RE-
NEWAL PLANS AND ISSUES.

Be It Resolved by the Legislature of the State of Idaho:

WHEREAS, in the past seven years, including this year, there have been many bills introduced in the Idaho Legislature regarding the subject of urban renewal and urban renewal agencies; and

WHEREAS, the subject of urban renewal agencies and the Local Economic Development Act has been a source of great public controversy and misunderstanding; and

WHEREAS, the Legislature desires that an interim committee be appointed to study and address the issue and subject of urban renewal to modernize the process and to provide local units of government with economic development tools.

NOW, THEREFORE, BE IT RESOLVED by the members of the First Regular Session of the Sixty-third Idaho Legislature, the House of Representatives and the Senate concurring therein, that the Legislative Council is authorized to appoint a committee to undertake and complete a study of the statutes and laws regarding urban renewal agencies, revenue allocation areas and the Economic Development Act contained in Chapters 20 and 29, Title 50, Idaho Code, and make recommendations for necessary changes to those and other related statutes, and if necessary to state statutes and the state constitution. The Legislative Council shall determine the number of legislators and membership from each house appointed to the committee and shall authorize the committee to receive input, advice and assistance from interested and affected parties who are not members of the Legislature.

BE IT FURTHER RESOLVED that nonlegislative members of the committee may be appointed by the cochairs of the committee who are appointed by the Legislative Council. Nonlegislative members of the advisory committee shall not be reimbursed from legislative funds for per diem, mileage or other expenses and shall not have voting privileges regarding the committee's recommendations or proposed legislation.

BE IT FURTHER RESOLVED that the committee shall report its findings, recommendations and proposed legislation, if any, to the Second Regular Session of the Sixty-third Idaho Legislature.

REVISED REVISED REVISED REVISED REVISED REVISED

STATEMENT OF PURPOSE

RS23723

This House Concurrent Resolution requests that the Legislative Council appoint a committee to study urban renewal and urban renewal agencies.

FISCAL NOTE

The cost of the Interim Committee is expected not to exceed a total of \$10,000. That amount would be apportioned between the Legislative Account and the General Fund.

Contact:

Representative Rick D. Youngblood
(208) 332-1000
Representative Robert Anderst
(208) 332-1000

Statement of Purpose / Fiscal Note

HCR017

REVISED REVISED REVISED REVISED REVISED REVISED



House of Representatives State of Idaho

April 10, 2015

Dear URA Work Group,

First, let me give a big THANK YOU for taking the time and for many of you making the commitment to travel to our weekly discussions on Urban Renewal. My sincere hope is that you did not leave with a feeling that it was not worth the time & effort. I know for me and my seat mate, Rep. Robert Anderst it was truly time well spent. Here are just a few items most of us discovered:

1. I believe we all understood Urban Renewal is one of, if not the most important tool our State has for great economic growth & success (used correctly).
2. A more broad awareness of the misuses of our important economic tool is not only in our SW Idaho area, but it's really around the State.
3. The use or declaration of Eminent Domain was identified as a local decision and to just eliminate it would jeopardize the potential of tax exempt bond financing. Again, this is a critical piece in bringing new or growing existing business to our communities.
4. We "potentially" cleared the misunderstanding of City Council members serving as all UR board members. I say this, as we still need to verify if all Council members would create a challenge with bond financing in some areas of the State? I will follow-up on this and get back to everyone.
5. As you know Rep. Anderst and I put together a final bill to "clean-up" some of the items/concerns brought up in our discussions. These concerns are similar to our bill last year HB514. They included, eliminate Public Buildings (defined) from incremental financings as these are buildings that come off the tax rolls. We could put parameters around there to involve minimum private sector investment and/or potentially a majority public vote. We also included a penalty to UR's if they do not report annually to the City Council with a public hearing, and added UR board members need to reside in the county of the UR agency. HB239 was printed but held in committee.
6. Our HCR17 (Urban Renewal Study Committee) did pass through both houses and we will be waiting to hear further directions from legislative council and leadership. This could be a real opportunity to further define and clear-up some on-going challenges that seem to come to the legislature every year.

Again, thank you to everyone who took interest and participated. As we move forward it will always be my personal goal to work towards making our best tool for economic growth in our State even a Better tool and hopefully easier to use.....(Used Correctly)!

With Kind regards,

A handwritten signature in black ink, appearing to read "Rick D. Youngblood", written over a large, loopy scribble.

Rick D. Youngblood
Idaho State Representative
Nampa District 12B

Cc: Rep. Robert Anderst, Nampa District 12A
Speaker, Rep. Scott Bedke

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 239

BY WAYS AND MEANS COMMITTEE

AN ACT

1
2 RELATING TO URBAN RENEWAL; AMENDING SECTION 50-2006, IDAHO CODE, TO PRO-
3 VIDE THAT URBAN RENEWAL AGENCY BOARD COMMISSIONERS SHALL BE RESIDENTS
4 AND QUALIFIED ELECTORS OF THE MUNICIPALITY IN WHICH THE URBAN RE-
5 NEWAL AGENCY WAS CREATED, TO REVISE A DATE, TO REQUIRE INCLUSION OF AN
6 AGENCY'S BUDGET IN A CERTAIN REPORT AND TO ESTABLISH A PENALTY FOR AN
7 AGENCY THAT FAILS TO FILE A CERTAIN REPORT; AMENDING CHAPTER 29, TITLE
8 50, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 50-2905A, IDAHO CODE,
9 TO PROVIDE THAT REVENUE ALLOCATION FUNDS SHALL NOT BE USED TO CONSTRUCT
10 CERTAIN BUILDINGS; AND AMENDING SECTION 63-802A, IDAHO CODE, TO REQUIRE
11 NOTICE OF A CERTAIN MEETING.

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

13 SECTION 1. That Section 50-2006, Idaho Code, be, and the same is hereby
14 amended to read as follows:

15 50-2006. URBAN RENEWAL AGENCY. (a) There is hereby created in each mu-
16 nicipality an independent public body corporate and politic to be known as
17 the "urban renewal agency" that was created by resolution as provided in sec-
18 tion 50-2005, Idaho Code, before July 1, 2011, for the municipality; pro-
19 vided, that such agency shall not transact any business or exercise its pow-
20 ers hereunder until or unless: (1) the local governing body has made the
21 findings prescribed in section 50-2005, Idaho Code; and provided further,
22 that such agency created after July 1, 2011, shall not transact any busi-
23 ness or exercise its powers provided for in this chapter until (2) a major-
24 ity of qualified electors, voting in a citywide or countywide election de-
25 pending on the municipality in which such agency is created, vote to autho-
26 rize such agency to transact business and exercise its powers provided for in
27 this chapter. If prior to July 1, 2011, the local governing body has made the
28 findings prescribed in subsection (a)(1) of this section then such agency
29 shall transact business and shall exercise its powers hereunder and is not
30 subject to the requirements of subsection (a)(2) of this section.

31 (b) Upon satisfaction of the requirements under subsection (a) of this
32 section, the urban renewal agency is authorized to transact the business and
33 exercise the powers hereunder by a board of commissioners to be established
34 as follows:

35 (1) The mayor, by and with the advice and consent of the local governing
36 body, shall appoint a board of commissioners of the urban renewal agency
37 which shall consist of not less than three (3) commissioners nor more
38 than nine (9) commissioners. In the order of appointment, the mayor
39 shall designate the number of commissioners to be appointed, and the
40 term of each, provided that the original term of office of no more than
41 two (2) commissioners shall expire in the same year. The commissioners
42 shall serve for terms not to exceed five (5) years, from the date of ap-

1 pointment, except that all vacancies shall be filled for the unexpired
2 term. The commissioners shall reside within and be qualified electors
3 of the municipality in which the urban renewal agency was created.

4 (2) For inefficiency or neglect of duty or misconduct in office, a com-
5 missioner may be removed by a majority vote of the board or by the local
6 governing body only after a hearing and after he shall have been given a
7 copy of the charges at least ten (10) days prior to such hearing and have
8 had an opportunity to be heard in person or by counsel. Any commission
9 position which becomes vacant at a time other than the expiration of a
10 term shall be filled by a majority vote of the board. The board may elect
11 any person to fill such vacant position where such person meets the re-
12 quirements of a commissioner provided for in this chapter.

13 (3) By enactment of an ordinance, the local governing body may appoint
14 and designate itself to be the board of commissioners of the urban re-
15 newal agency, in which case all the rights, powers, duties, privileges
16 and immunities vested by the urban renewal law of 1965, and as amended,
17 in an appointed board of commissioners, shall be vested in the local
18 governing body, who shall, in all respects when acting as an urban re-
19 newal agency, be acting as an arm of state government, entirely separate
20 and distinct from the municipality, to achieve, perform and accomplish
21 the public purposes prescribed and provided by said urban renewal law of
22 1965, and as amended.

23 (4) By enactment of an ordinance, the local governing body may termi-
24 nate the appointed board of commissioners and thereby appoint and des-
25 ignate itself as the board of commissioners of the urban renewal agency.

26 (c) A commissioner shall receive no compensation for his services but
27 shall be entitled to the necessary expenses, including traveling expenses,
28 incurred in the discharge of his duties. Each commissioner shall hold office
29 until his successor has been appointed and has qualified. A certificate of
30 the appointment or reappointment of any commissioner shall be filed with the
31 clerk of the municipality and such certificate shall be conclusive evidence
32 of the due and proper appointment of such commissioner.

33 The powers of an urban renewal agency shall be exercised by the commis-
34 sioners thereof. A majority of the commissioners shall constitute a quo-
35 rum for the purpose of conducting business and exercising the powers of the
36 agency and for all other purposes. Action may be taken by the agency upon a
37 vote of a majority of the commissioners present, unless in any case the by-
38 laws shall require a larger number.

39 The commissioners shall elect the chairman, cochairman or vice chairman
40 for a term of one (1) year from among their members. An agency may employ an
41 executive director, technical experts and such other agents and employees,
42 permanent and temporary, as it may require, and determine their qualifica-
43 tions, duties and compensation. For such legal service as it may require, an
44 agency may employ or retain its own counsel and legal staff. An agency au-
45 thorized to transact business and exercise powers under this chapter shall
46 file, with the local governing body, on or before ~~March 31~~ the second Tuesday
47 in September of each year a report of its activities for the preceding calen-
48 dar year, which report shall include a complete financial statement setting
49 forth its assets, liabilities, income and operating expense as of the end of
50 such calendar year and its budget for the following fiscal year. The agency

1 shall be required to hold a public meeting to report these findings and take
 2 comments from the public. At the time of filing the report, the agency shall
 3 publish in a newspaper of general circulation in the community a notice to
 4 the effect that such report has been filed with the municipality and that
 5 the report is available for inspection during business hours in the office of
 6 the city clerk or county recorder and in the office of the agency. Effective
 7 2016, any urban renewal agency that fails to file a report in compliance with
 8 this section shall be prohibited from receiving any increase in the incre-
 9 ment from the preceding year.

10 (d) An urban renewal agency shall have the same fiscal year as a munici-
 11 pality and shall be subject to the same audit requirements as a municipality.
 12 An urban renewal agency shall be required to prepare and file with its lo-
 13 cal governing body an annual financial report and shall prepare, approve and
 14 adopt an annual budget for filing with the local governing body, for informa-
 15 tional purposes. A budget means an annual estimate of revenues and expenses
 16 for the following fiscal year of the agency.

17 (e) An urban renewal agency shall comply with the public records law
 18 pursuant to chapter 3, title 9, Idaho Code, open meetings law pursuant to
 19 chapter 23, title 67, Idaho Code, the ethics in government law pursuant to
 20 chapter 7, title 59, Idaho Code, and the competitive bidding provisions of
 21 chapter 28, title 67, Idaho Code.

22 SECTION 2. That Chapter 29, Title 50, Idaho Code, be, and the same is
 23 hereby amended by the addition thereto of a NEW SECTION, to be known and des-
 24 ignated as Section 50-2905A, Idaho Code, and to read as follows:

25 50-2905A. USE OF REVENUE ALLOCATION FUNDS -- LIMITATIONS. Notwith-
 26 standing any other provision of this chapter, on and after July 1, 2015, an
 27 urban renewal agency shall not use revenue allocation funds to construct
 28 municipal buildings. For purposes of this section, a municipal building is a
 29 central administrative police building, a city hall, a library, or a court-
 30 house or other judicial building.

31 SECTION 3. That Section 63-802A, Idaho Code, be, and the same is hereby
 32 amended to read as follows:

33 63-802A. NOTICE OF BUDGET HEARING OR PUBLIC MEETING. (1) Not later
 34 than April 30 of each year, each taxing district shall set and notify the
 35 county clerk of the date and location set for the budget hearing of the dis-
 36 trict. If no budget hearing is required by law, the county clerk shall be so
 37 notified.

38 (2) Beginning in 2003, a taxing district that fails to comply with sub-
 39 section (1) of this section shall be prohibited from including in its bud-
 40 get any budget increase otherwise permitted by either subsection (1) (a) or
 41 (1) (e) of section 63-802, Idaho Code.

42 (3) If a taxing district wishes to change the time and location of such
 43 budget hearing as stated on the assessment notice, it shall publish such
 44 change of time and location in advance of such hearing as provided by law.

45 (4) Beginning January 1, 2016, an urban renewal agency, not later than
 46 April 30 of each year, shall set and notify the county clerk of the date and
 47 location of the public meeting required pursuant to section 50-2006, Idaho

1 Code. Any urban renewal agency that fails to comply with this subsection
2 shall be prohibited from receiving any increase in the increment from the
3 preceding year.