

2012

Annual Report



Hailey Urban Renewal Agency



Hailey Urban Renewal Agency

HURA BOARD OF DIRECTORS

- Jason Miller, Chair
- Larry Schwartz, Vice Chair
- Mary Sfingi, Secretary/Treasurer
- Don Keirn, Commissioner (City Council Member)
- Jim Spinelli, Commissioner

HURA STAFF

- Micah Austin, Executive Director HURA (Community Development Director)
- Ryan Armbruster, Legal Counsel
- Phil Kushlan, TIF Consultant

CITY OF HAILEY ELECTED OFFICIALS

- Fritz Haemmerle, Mayor
- Don Keirn, Council President
- Martha Beave-Burke, Council Member
- Carol Brown, Council Member
- Pat Cooley, Council Member

CITY STAFF

- Heather Dawson, City Administrator
- Tom Hellen, City Engineer/Public Works Director
- Becky Stokes, City Treasurer
- Mary Cone, City Clerk

Hailey Urban Renewal Agency

Hailey City Hall

115 Main St. So

Hailey, ID 83333

208-788-9815



Executive Summary

2012 HIGHLIGHTS

The Hailey Urban Renewal Agency made progress in several areas during 2012 including securing a loan from the City of Hailey, hiring legal counsel, hiring a Tax Increment Financing Consultant, and adopting its first annual budget among other successes. All of these achievements have placed the Hailey Urban Renewal Agency on a direct path to establishing the Gateway District as its first Revenue Allocation Area in 2013, thereby locking in the taxable values for this area based on 2013 numbers. At the present, a final draft of the Eligibility Report is being reviewed by staff for submittal to the Board for approval.

BACKGROUND ON THE HAILEY URA

In 2010, the Hailey City Council established the need for an urban renewal agency by adopting Resolution 2010-02, in accordance with the Idaho Urban Renewal Law (Idaho Code Title 50, Chapter 20). Since that time, significant staff and commissioner effort has been invested in drafting an Eligibility Report, Master Plan, District Map, and navigating the various requirements of state law governing an urban renewal agency. Beth Robrahn served as the first Executive Director of the Hailey Urban Renewal Agency in addition to her role as the Community Development Director for the City of Hailey. In early 2012, Ms. Robrahn took employment elsewhere, leaving the position of Director vacant for the Urban Renewal Agency for a period of nearly six months. In July 2012, Micah Austin assumed the position of Community Development Director for the City of Hailey and subsequently began working with the Agency where Beth Robrahn had left off. On August 8, 2012, the HURA Board appointed Micah Austin as the Executive Director and authorized him to begin preparing the necessary steps in formation of a revenue allocation district.

LOOKING FORWARD TO 2013

With the Eligibility Report nearly complete and the Master Plan already drafted, the next few months for the HURA will be busy and filled with public

hearings before the HURA Board, City Council, and the Planning and Zoning Commission. Barring any unforeseen setbacks, the Agency is well on track to establishing the Gateway District in 2013, thereby locking in the current taxable values in the Base Value for this district. This will be the one major goal and objective for 2013 and will set the Agency's agenda for the next 20 years. When the Gateway District is established in 2013, the district will have 20 years (2013-2033) to accomplish its goals before closing the district and redirecting the tax increment revenues to the various taxing entities. It is anticipated that first tax increment revenue for the Gateway District will be received in January 2015. Until that time, there will be a period of planning, forecasting, and preparing for the first exciting public infrastructure projects that the Agency will pursue in 2015.

CONCLUSION

There has been no better time for a revenue allocation district to be established in Hailey. Property values have plummeted for the last several years and they are now on the rise once again. The Great Recession has ended, building permits are on the rise, employment is improving, and the City is currently pursuing several economic development projects that would bring hundreds of new jobs to Hailey and to the Wood River Valley. This is truly an exciting time for the Hailey Urban Renewal Agency and it appears that things will continue to improve.

It is an honor and a great pleasure for me to serve the Hailey Urban Renewal Agency and I am optimistic that there are great things ahead.

Sincerely,

Micah Austin

2012 Projects Summary

LOAN FROM THE CITY OF HAILEY

- On November 6, 2012, the Hailey City Council approved a loan of \$50,000 to the Hailey Urban Renewal Agency for the purpose of establishing the Gateway District as the first revenue allocation district within Hailey.
- The loan agreement sets out the terms of repayment of the \$50,000 loan to the City of Hailey from the Hailey Urban Renewal Agency. The agreement states that the interest rate shall be 3% and the HURA shall make semi-annual payments equaling 75% of the total Tax Revenue Allocation proceeds to the City until the loan is paid off. According to the agreement, payments will begin as soon as the Agency receives its first tax increment proceeds.

MEMORANDUM OF UNDERSTANDING BETWEEN HURA AND CITY OF HAILEY

- In addition to the \$50,000 loan, the City and the Agency approved a MOU further defining the obligation of the Agency to the City in respect to the loan. Also, the MOU states that the "City shall establish a separate dedicated account for the benefit of the Agency [. . .] Agency and City shall establish an acceptable process for disbursement of Agency expenses from that account." The City Attorney as reviewed the MOU and has made no changes.

DESIGNATION OF THE GATEWAY DISTRICT

- As the first step in the Eligibility Report, the Board of Directors defined the boundaries for the proposed Gateway District and directed Staff to begin the Eligibility Report

ADOPTION OF FY 2013 BUDGET

- With the Agency in receipt of the \$50,000 loan, the Board adopted the FY 2013 Budget showing anticipated expenses.

CONTRACTS WITH PROFESSIONAL STAFF

- Following the loan approval from the City of Hailey, the Agency securing professional legal staff and a tax increment financing consultant:
 - Ryan Armbruster and Meghan Conrad with Elam and Burke were hired by the Agency to provide legal guidance and instruction.
 - Phil Kushlan with Kushlan Associates was hired as a tax increment consultant to draft the Eligibility Report and Master Plan.

Fiscal Year 2013 Budget

Notice of Public Hearing

Hailey Urban Renewal Agency

Proposed Budget for Fiscal Year 2013

A public hearing for consideration of the proposed Hailey Urban Renewal Agency budget for the fiscal year that began on October 1, 2012, and ends September 30, 2013, will be held at the Hailey City Council Chambers, located at 115 Main St. S, Hailey, Idaho on January 9, 2012 at 9:00 am, pursuant to Idaho Code 50-1002. Written comments may be mailed prior to the meeting to: Hailey Urban Renewal Agency, 115 Main St. S., Hailey, ID, 83333 or emailed to planning@haileycityhall.org.

The Agency budget funds the programs, services, and capital projects that the Agency Board and City Council, by way of adoption of potential urban renewal plans, may determine to be important to meet the Agency's strategic goals and meet the needs of the residents and businesses within the Agency's boundaries.

City Council Resolution No. 2010-02 adopted on January 25, 2010, authorized the establishment of the Urban Renewal Agency. The Agency has now embarked on the preparation of a supplemental eligibility report to consider an urban renewal/revenue allocation area. If the eligibility report is accepted by the Agency and the City Council, the Agency will prepare an urban renewal plan. The Agency expenses will primarily include legal expenses and other consulting expenses. Those activities will be funded through the City of Hailey's advance of \$50,000. The Agency approved a Memorandum of Understanding between the City and Agency on November 14, 2012, which addresses the advance. The budget below shows the breakdown of anticipated expenses for FY 2013. For FY 2013, the Agency's revenues will be limited to the City's advance.

Revenue FY 2013:	
	Proposed
Other Revenue (Gov't or Loan/Bond Proceeds)	\$0.00
Total Revenue	\$0.00
Expenditures FY 2013:	
	Proposed
Professional and Legal Services	\$22,583
Insurance	\$1,000
Administration Expense	\$9,000
Other Expenses	\$1,700
Total Expenditures	\$34,283

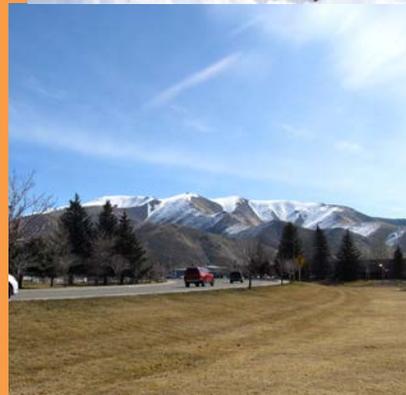
I, Micah Austin, Executive Director of the Hailey Urban Renewal Agency, do hereby certify that the foregoing is a true and correct statement of the proposed expenditures and revenues for Fiscal Year 2013, all of which have been tentatively approved at the Board meeting of December 12, 2012.

Looking Forward to 2013-2014

In 2013, the Hailey Urban Renewal Agency plans to have all steps completed in establishing the Gateway District as the first revenue allocation district in the City of Hailey. Adoption of the Eligibility Report, the Master Plan, and moving these through the prescribed legal process will be the main emphasis in 2013. Below is summary and schedule of the process ahead for the HURA:

Steps for Adoption of the Gateway District:

1. Approval of the supplemental eligibility report by the Hailey Agency Board
2. Approval of the supplemental eligibility report by the Hailey City Council
3. Outreach with property owners/developers and other interested parties including taxing entities on the content of the Plan, along with working drafts of boundary maps, legal descriptions, finance plan etc.
4. Distribution of rough draft of the Urban Renewal Plan and schedule additional meetings with groups referenced above and schedule approval meeting with the Board
5. Formal board meeting to consider the Plan for approval
6. Formal submission to the City for transmittal to taxing entities and others
7. Schedule meeting of City Planning and Zoning Commission
8. Formal transmittal of the Plan, attachments and supporting documents to the taxing entities and others
9. Formal publication of the notice of public hearing
10. First reading and public hearing of the ordinance
11. Second reading of the ordinance
12. Third reading and passage of the ordinance
13. Publication of the summary of the ordinance
14. Filing and recording of documents with the County recorder, County assessor, Tax Commission, etc.





Contact Information

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