

Hailey Urban Renewal Agency Agenda
Hailey City Hall
115 South Main Street
Council Chambers – upstairs AND via Teams
Tuesday, March 17, at 11:00 AM

THIS MEETING IS BEING HELD IN MICROSOFT TEAMS.

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Meeting ID: 237 503 468 111

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Phone Conference ID: 324 529 467#

Email: Public comments may be shared with the Agency Board via email to Lisa Horowitz, lisa.horowitz@haileycityhall.org. Emails or other written testimony must be **received no later than 5:00 p.m. on Monday, March 16, 2026.**

Live Meeting Attendance: Members of the public wishing to attend the meeting may do so remotely through the virtual platform with a phone or a computer or in person. The Agency strives to make the meeting available virtually but cannot guarantee access due to platform failure, internet interruptions or other potential technological malfunctions. Log-in information is located at the top of this agenda.

If there are any questions, contact Lisa Horowitz at lisa.horowitz@haileycityhall.org or (208) 788-4221.

Chair:	Larry Schwartz
Vice Chair:	Sandi Viau
Treasurer	Ruth Bailes
Board Members	Martha Burke, Bob Brand, Brian McCue
Staff Support:	Lisa Horowitz, Executive Director of HURA and City Administrator

Next Resolution Available: 2026-001

A. 11:00 AM CALL TO ORDER

B. [11:00 am](#) Consent Agenda (ACTION ITEM):

- *All items listed are routine and acted on with one (1) Motion by the Board; there will be no separate discussion unless the Chair, Vice Chair, Commissioners, or staff requests an item be removed. Removed items will be placed under New Business unless otherwise instructed.*
- [CA 1](#) Motion to approve bills since February 24, 2026.
- [CA 2](#) Motion to approve meeting minutes dated February 24, 2026.

C. [11:05 am](#) New Business (ACTION ITEM):

- [NB 1](#) Presentation and adoption of the annual financial statements for Fiscal Year Ending September 30, 2025 by Brady Workman, auditor, followed by acceptance of audited financial statements. **ACTION ITEM**

D. [11:25 am](#) Public Comment (ACTION ITEM):

- [PC 1](#) Public Comment on 2025 Annual Report. **ACTION ITEM**

E. [11:30 am](#) Old Business (ACTION ITEM):

- [OB 1](#) Consider Resolution No. 2026-001 approving the 2025 Annual Report, authorize filing the Annual Report with the City Clerk and the State Controller's Office as required by Idaho law, and authorize publication of the legal notice of filing. **ACTION ITEM.**
- [OB 2](#) Update on Airport Way Master Transportation Plan

F. [11:50 am](#) Staff Reports

- [SR 1](#) Financials
- [SR 2](#) Upcoming Meeting: April 21, 2026

G. [12:00 pm](#) Adjourn

AGENDA ITEM SUMMARY

DATE: 03/17/2026

District: Gateway and Airport Way Districts

STAFF: RSB

SUBJECT: Motion to approve bills since February 24, 2026.

BACKGROUND/SUMMARY OF ALTERNATIVES CONSIDERED:

Below is a summary of current bills due, all invoices are attached for details:

Company	Invoice Date	Description	Invoice #	Amount Due
Opal Engineering	03/01/2026	HURA Airport Way Master Plan	1427	\$225.00
ICRMP	03/01/2026	25-26 Policy Yr. Premium	18042-2026-2	\$1,199.00
Lisa Enourato	03/09/2026	Administrative Services	122	\$828.75
Mountain West Loan	03/02/2026	HURA Loan Payment	03/15/2026	\$67,282.91
Elam & Burke	02/28/2026	Professional Services	220651	\$605.00
TOTAL:				\$70,140.66

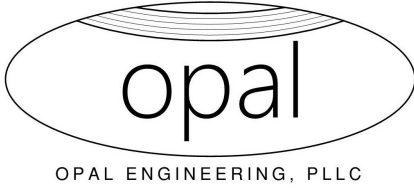
RECOMMENDATION FROM APPLICABLE DEPARTMENT HEAD:

Motion to approve bills since February 24, 2026.

ACTION OF THE HAILEY URBAN RENEWAL BOARD:

Date _____

Administrative Assistant _____



From **Opal Engineering**
PO Box 2530
Hailey, ID 83333

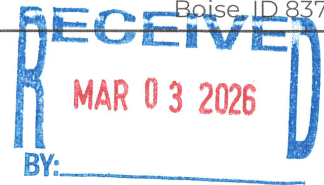
Invoice For **City of Hailey.**

Invoice ID **1427**
PO Number 100.003
Issue Date 03/01/2026
Due Date 03/31/2026 (Net 30)

Subject **City of Hailey- HURA Airport Way Master Plan**

Description	Quantity	Rate	Amount
[100.003] HURA Airport Way Master Plan - 02/12/2026 - Samantha Stahlnecker: Coordination meeting- Cedar/Broadford/HWY 75.	1.25	\$180.00	\$225.00

Amount Due \$225.00



Member Billing Contact:

Lisa Horowitz
 Hailey Urban Renewal Agency
 115 S Main
 Hailey, ID 83333

Invoice Date: 3/1/2026
Invoice Number: 18042 - 2026 - 2
Policy Period: 10-1-25 to 9-30-26
Policy Number: 45A18042100125

Insurance Billing

DESCRIPTION	
25-26 Policy Year Annual Premium:	\$2,398.00
Paid to Date:	\$1,199.00
Balance Due:	\$1,199.00
For proper application, please do not combine other payments with your premium remittance.	

Please Detach and Submit with Payment

Member:

Hailey Urban Renewal Agency
 115 S Main
 Hailey, ID 83333

Make Checks Payable to:

ICRMP
 PO Box 15116
 Boise, ID 83715

Invoice Date:	3/1/2026
Invoice Number:	18042 - 2026 - 2
Due Date:	4/1/2026
Balance Due:	\$1,199.00
Amount Paid:	

Write Amount Paid Here

MOUNTAIN WEST BANK
125 IRONWOOD DRIVE
COEUR D'ALENE, ID 83814

LOAN INFORMATION

STATEMENT DATE: 3/2/2026
ACCOUNT NUMBER: 3809248037683
CURRENT BALANCE: \$2,730,000.00
INTEREST RATE: 4.970%
PAYMENT DUE DATE: 3/15/2026
TOTAL AMOUNT DUE: \$67,282.91

HAILEY URBAN RENEWAL AGENCY
115 S MAIN ST
HAILEY, ID 83333-8408

DATE	DESCRIPTION OF TRANSACTIONS	AMOUNT
9/12/2025	INTEREST SPLIT OUT	\$75,037.47
9/12/2025	PRINCIPAL SPLIT OUT	\$265,000.00

IF YOU HAVE ANY QUESTION REGARDING YOUR LOAN OR THIS STATEMENT PLEASE CALL (208) 665-2377

HAILEY URBANK RENEWAL AGENCY
115 S MAIN ST
HAILEY, ID 83333-8408

AMOUNT DUE SUMMARY
PAST DUE AMOUNT: \$0.00
TOTAL AMOUNT DUE: \$67,282.91
PAYMENT DUE DATE: 3/15/2026

251 E. Front Street, Suite 300
Boise, Idaho 83702
Tax ID No. 82-0451327
Telephone 208-343-5454
Fax 208-384-5844



February 28, 2026

Hailey Urban Renewal Agency
Attn: Lisa Horowitz
City of Hailey
115 Main Street South
Hailey, ID 83333

Invoice No. 220651
Client No. 887
Matter No. 1
Billing Attorney: MSC

INVOICE SUMMARY

For Professional Services Rendered from February 3, 2026 through February 28, 2026.

RE: General

Total Professional Services	\$ 605.00
Total Costs Advanced	<u> \$.00</u>
TOTAL THIS INVOICE	\$ 605.00

Return to Agenda

AGENDA ITEM SUMMARY

DATE: 03/17/2026

District: Gateway and Airport Way Districts

STAFF: LE

SUBJECT: Motion to approve meeting minutes dated February 24, 2026.

B

BACKGROUND/SUMMARY OF ALTERNATIVES CONSIDERED:

Attached are the meeting minutes dated February 24, 2026.

RECOMMENDATION FROM APPLICABLE DEPARTMENT HEAD:

Motion to approve meeting minutes dated February 24, 2026.

ACTION OF THE HAILEY URBAN RENEWAL BOARD:

Date _____

Administrative Assistant _____

Hailey Urban Renewal Agency

115 MAIN STREET SOUTH (208) 788-9815
HAILEY, IDAHO 83333 Fax: (208) 788-2924

Hailey Urban Renewal Agency Minutes February 24, 2026

Attendees

Commissioner Larry Schwartz
Commissioner Martha Burke
Commissioner Brian McCue
Commissioner Sandi Viau

Meeting Called to Order at 11:00 a.m.

CONSENT AGENDA – 11:01 a.m.

CA1 Motion to approve bills since January 20, 2026

Motion to approve: Commissioner Viau

Motion seconded: Commissioner Burke

Result: All approved

CA2 Motion to approve meeting minutes dated January 20, 2026

Motion to approve: Commissioner Viau

Motion seconded: Commissioner Burke

Result: All approved

NEW BUSINESS – 11:05 a.m.

NB1 Presentation and adoption of the annual financial statements for Fiscal Year Ending September 30, 2025, prepared by Brady Workman. ACTION ITEM

Auditors were unable to meet prior to the HURA meeting with Commissioner Viau. This item has been moved to the March 17, 2026 meeting agenda.

NB2 Consideration and tentative approval of the 2025 Annual Report, and direct staff to prepare resolution for approval at the March 17 HURA meeting. ACTION ITEM

Commissioners requested staff to change the graphic on the front page.

Motion to approve: Commissioner Burke

Motion seconded: Commissioner McCue

Result: All approved

OLD BUSINESS – 11:15 a.m.

OB1 Airport Way update on preferred draft plan and schedule

GGLO provided update on schedule and will present new traffic modeling information and a draft plan at the next meeting suggesting the plan could be wrapped up by the end of April/beginning of May.

GGLO also presented a quick update on the Bullion Pathway confirming that budget numbers were tight. City is performing early demolition work and will direct procure items to reduce costs. Street crew will install silva cells and city has tested the stocked soil pile for use, resulting in large savings.

Commissioner McCue raised the issue of speeding on Bullion and that the new project will bring more people down that street. He strongly suggested speed bumps. GGLO stated they'd installed traffic calming measures at the bridge and stated that enforcement and ticketing are the best methods to reduce speeding traffic. Staff will add reactive speed signs and request the Hailey Police Department to increase their presence there. Police will first issue warnings. Staff may contact County to install bike markings and traffic lines on other side of bridge.

STAFF REPORTS – 11:30 a.m.

SR1 Financials

Staff reported an approximate \$468,000 in revenues and approximate \$3,000 in expenditures. Audit will be addressed at the next meeting. The board is in a healthy financial position now.

HURA attorney provided an update on House Bill 670, adding provisions to allow fire and emergency services to withdraw and how that can occur. The Redevelopment Association of Idaho opposes the bill and it is under current pending litigation.

Staff announced that the use of the 32 spaces in the new parking lot is not robust. Overland Car Rental and Enterprise Car Rental companies would like to lease a portion of the lot. The Board agreed with this approach. Staff will gather more details.

Staff also advised that Mel Jackson, Executive Director of Sun Valley Economic Development, attended the meeting briefly online and may way to meet with the Board.

ADJOURN – 11:45 a.m.

Motion to adjourn: Commissioner Burke

Motion seconded: Commissioner Viau

Result: All approved

Return to Agenda

AGENDA ITEM SUMMARY

DATE: 03/17/2026

District: Gateway and Airport Way Districts

STAFF: RB

SUBJECT: Presentation and adoption of the annual financial statements for Fiscal Year Ending September 30, 2025 by Brady Workman, auditor, followed by acceptance of audited financial statements.

-----**B**

BACKGROUND/SUMMARY OF ALTERNATIVES CONSIDERED:

The Hailey Urban Renewal Agency FY25 audit by Workman & Company and Representation Letter was presented to the Board for review and approval at their February 24 meeting. Commissioner Viau requested clarity on the representation of the bond proceeds in the audit, which moved the item to the March 17 agenda. Subsequent to the February 24 meeting, a phone meeting was held between Sandi Viau, Lisa Horowitz, Ruth Bailes, Brady Workman and Isaac Bateman. The auditors provided an explanation of the requirements that regulate how the URA’s bond proceeds need to be reflected within the audit. Suggestions were made to include a note in the audit to more accurately describe the methodology. That note will appear in the final document.

RECOMMENDATION FROM APPLICABLE DEPARTMENT HEAD:

Motion to adopt the final FY25 audit as presented by Workman & Company.

Motion to authorize Chair signature on the Representation Letter.

ACTION OF THE HAILEY URBAN RENEWAL BOARD:

Date _____

Administrative Assistant _____

HAILEY URBAN RENEWAL AGENCY

HAILEY, IDAHO

**Financial Statements
at September 30, 2025**

**HAILEY URBAN RENEWAL AGENCY
HAILEY, IDAHO**

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2190 Village Park Avenue, Suite 300 • Twin Falls, ID 83301 • 208.733.1161 • Fax: 208.733.6100

INDEPENDENT AUDITOR'S REPORT

January 21, 2026

To the Board of Commissioners
Hailey Urban Renewal Agency
Hailey, Idaho

Opinions

We have audited the accompanying financial statements of the governmental activities of the Hailey Urban Renewal Agency, as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Hailey Urban Renewal Agency's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities of the Hailey Urban Renewal Agency, as of September 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Hailey Urban Renewal Agency, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Hailey Urban Renewal Agency's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgement made by a reasonable user based on the financial statements.

Report Continued—

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Hailey Urban Renewal Agency's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Hailey Urban Renewal Agency's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planning scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 14-16 be presented to supplement the basic financial statements. Management has omitted a management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 21, 2026, on our consideration of the Hailey Urban Renewal Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Agency's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Agency's internal control over financial reporting and compliance.

Workman & Company

Certified Public Accountants
Twin Falls, Idaho

HAILEY URBAN RENEWAL AGENCY
Statement of Net Position
at September 30, 2025

	<u>Total Primary Government</u>	<u>Total Reporting Entity</u>
<u>ASSETS</u>		
Cash and Deposits	\$ 2,758,560	\$ 2,758,560
Property Tax Receivable	15,556	15,556
Total	<u>2,774,116</u>	<u>2,774,116</u>
Capital Assets:		
Land, Buildings and Infrastructure	<u>1,052,905</u>	<u>1,052,905</u>
Total	1,052,905	1,052,905
Less Accumulated Depreciation	<u>0</u>	<u>0</u>
Total Capital Assets	<u>1,052,905</u>	<u>1,052,905</u>
Total Assets	<u>3,827,021</u>	<u>3,827,021</u>
<u>LIABILITIES</u>		
Accounts Payable	351,306	351,306
Long-term Liabilities:		
Bond - Gateway	<u>2,730,000</u>	<u>2,730,000</u>
Total Liabilities	<u>3,081,306</u>	<u>3,081,306</u>
<u>NET POSITION</u>		
Invested in Capital Assets - net of related debt	0	0
Restricted For:		
Capital Projects	0	0
Unrestricted	<u>745,715</u>	<u>745,715</u>
Total Net Position	<u>\$ 745,715</u>	<u>\$ 745,715</u>

The accompanying notes are a part of these financial statements.

HAILEY URBAN RENEWAL AGENCY
Statement of Activities
For the Year Ended September 30, 2025

<u>Activities:</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenues and</u> <u>Changes in Net Position</u>	
<u>Governmental:</u>	<u>Expenses</u>	<u>Fees, Fines, and Charges for Services</u>	<u>Capital Grants and Contributions</u>	<u>Governmental Activities</u>	<u>Total</u>
General Government	\$ 811,418	\$ 0	\$ 0	(811,418)	\$ (811,418)
Total Governmental Activities	811,418	0	0	(811,418)	(811,418)
General Revenues:					
Property Taxes				733,542	733,542
Interest				138,313	138,313
Total general revenues and transfers				871,855	871,855
Changes in net position				60,437	60,437
Net Position - Beginning				685,278	685,278
Net Position - Ending				\$ 745,715	\$ 745,715

The accompanying notes are a part of these financial statements.

HAILEY URBAN RENEWAL AGENCY
Balance Sheet
Governmental Funds
for the year ended September 30, 2025

	South Zone	Gateway Zone	Airport Zone	Total Governmental Funds
ASSETS:				
Cash and Cash Deposits	\$	\$ 2,365,262	\$ 393,298	\$ 2,758,560
Taxes Receivable		13,146	2,410	15,556
Due From Other Funds				0
Total Assets	\$	\$ 2,378,408	\$ 395,708	\$ 2,774,116
LIABILITIES:				
Accounts Payable	1,334	213,060	92,137	306,531
Due To Other Funds	44,775			44,775
Total Liabilities	46,109	213,060	92,137	351,306
FUND BALANCE:				
Non-spendable				0
Restricted				0
Committed				0
Assigned		2,165,348	303,571	2,468,919
Unassigned	(46,109)			(46,109)
Total Fund Balance	(46,109)	2,165,348	303,571	2,422,810
Total Liabilities and Fund Balance	\$	\$ 2,378,408	\$ 395,708	\$ 2,774,116

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds. The cost of assets is \$ 1,052,905 less accumulated depreciation \$ 0	\$ 1,052,905
Long-term liabilities, including net pension liability, bonds payable and compensated absences are not payable in the current period and therefore are not reported in the governmental funds	\$ (2,730,000)
Net Position of Government Activities	\$ 745,715

HAILEY URBAN RENEWAL AGENCY
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
for the year ended September 30, 2025

	<u>South Zone</u>	<u>Gateway Zone</u>	<u>Airport Zone</u>	<u>Total Governmental Funds</u>
REVENUE:				
Property Taxes	\$	\$ 554,976	\$ 178,566	\$ 733,542
State Highway Users				0
Local Road and Bridge Tax				0
State Liquor				0
State Revenue Sharing				0
Franchise, Licenses and Permits				0
Sanitation				0
Grants and Contributions				0
Bond Proceeds		2,995,000		2,995,000
Interest Earnings		126,951	11,362	138,313
Miscellaneous				0
Total Revenue	<u>0</u>	<u>3,676,927</u>	<u>189,928</u>	<u>3,866,855</u>
EXPENDITURES:				
Participation Agreement		129,238		129,238
Professional Fees	8,192	56,568	72,889	137,649
Insurance	396	395	396	1,187
Administration	4,108	87,333	24,708	116,149
Debt Service		265,000		265,000
Interest Expense		116,634		116,634
Capital Outlay		1,363,466		1,363,466
Total Expenditures	<u>12,696</u>	<u>2,018,634</u>	<u>97,993</u>	<u>2,129,323</u>
EXCESS REVENUE (EXPENDITURES)	(12,696)	1,658,293	91,935	1,737,532
OTHER FINANCING SOURCES (USES):				
Operating transfers from other funds				0
Operating transfers (to) other funds				0
NET CHANGE IN FUND BALANCES	(12,696)	1,658,293	91,935	1,737,532
FUND BALANCE - BEGINNING	<u>(33,413)</u>	<u>507,055</u>	<u>211,636</u>	<u>685,278</u>
FUND BALANCE - ENDING	\$ <u>(46,109)</u>	\$ <u>2,165,348</u>	\$ <u>303,571</u>	\$ <u>2,422,810</u>

The accompanying notes are a part of these financial statements.

HAILEY URBAN RENEWAL AGENCY
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances of Governmental Funds
To the Statement of Activities
for the year ended September 30, 2025

Net Change in Fund Balance - Total Governmental Funds (Page 6) \$ 1,737,532

Governmental funds report capital outlays as current year expenditures. In the Statement of Activities the cost of these assets is allocated over their estimated useful lives as depreciation expense. This is the amount of current capital outlay for new fixed assets.

This is the amount of current year depreciaton. 0

This is the amount of new Governmental Fund assets. 1,052,905

Long term liabilities are not recorded in the Governmental funds.

Bond Liability (2,730,000)

Change in Net Position of Governmental Activities (Page 4) \$ 60,437

The accompanying notes are a part of these financial statements.

**HAILEY URBAN RENEWAL AGENCY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Reporting Entity

The Hailey Urban Renewal Agency (the Agency) was created for the purpose of redeveloping and rehabilitating certain deteriorating areas in the City of Hailey, Idaho, and was established by a resolution from the Hailey City Council dated January 25, 2010. The Agency is authorized under provisions of the Idaho Urban Renewal Law of 1965 (Chapter 20, Title 50, Idaho Code).

The Agency is a component unit, as defined by generally accepted accounting principles, of the City of Hailey, Idaho, because of its operational and financial responsibility with the City. The City of Hailey appoints the governing body of the Agency.

The financial statements of the Hailey Urban Renewal Agency have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local government units. The Governmental Accounting Standards Boards (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net position) report information on all of the non-fiduciary activities of the Agency.

The statement of activities demonstrates the degree to which the direct expense of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include: 1) charges to patrons who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The Agency's activities and general administrative services are classified as governmental activities. The Agency has no business-type activities.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as is the fiduciary fund financial statement. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Property taxes and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when the Agency receives cash.

The Agency reports the following major governmental funds:

- The *General Fund* is the Agency's primary operating fund. It accounts for all the financial resources of the Agency. The General Fund is reporting in the 3 Districts or zones.

**HAILEY URBAN RENEWAL AGENCY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

Continued—

Budgetary Policy

The Agency prepares a budget for its general fund operations. The statement of revenues and expenditures and changes in fund balances and actual-general fund presents comparison of the legally adopted budget with the actual data on a budgetary basis.

Under Idaho Code, the Agency's budget establishes maximum legal authorization for expenditures during the fiscal year. Expenditures are not to exceed the budgeted amounts, except as allowed by the Code for certain events.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditures of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the Agency because it is not considered necessary to assure effective budgetary control or to facilitate effective cash planning and control.

Capital Assets

Capital Assets, which include land, building and improvements, and furniture and equipment, are reported in the government-wide financial statements. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value of donation.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extended assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during construction is not capitalized.

The Agency's capital assets are being depreciated using the straight-line method over their useful lives.

As of the balance sheet date, the Agency does not report any capital assets.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Entity Classifications

- A. Agency-Wide Financial Statements – The Agency reports net assets in three categories – invested in capital assets, restricted and unrestricted.
- B. Fund Financial Statements – The Agency has adopted GASB Statement No. 54 “Fund Balance Reporting and Governmental Fund Type Definitions” (GASB 54) which defines how fund balances of the governmental funds are presented in the financial statements. There are five classifications of fund balances as presented below:

**HAILEY URBAN RENEWAL AGENCY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

Continued—

Non-spendable – These funds are not available for expenditures based on legal or contractual requirements. In this category, one would see inventory, long-term receivables, unless proceeds are restricted, committed, or assigned and legally or contractually required to be maintained intact (corpus or a permanent fund).

Restricted – These funds are governed by externally enforceable restrictions. In this category, one would see restricted purpose grant funds, debt service or capital projects.

Committed – Fund balances in this category are limited by the governments' highest level of decision making. Any changes of designation must be done in the same manner that it was implemented and should occur prior to end of the fiscal year, though the exact amount may be determined subsequently.

Assigned – These funds are intended to be used for specific purposes, intent is expressed by; governing body or an official delegated by the governing body.

Unassigned – This classification is the default for all funds that do not fit into the other categories. This, however, should not be a negative number for the general fund. If it is, the assigned fund balance must be adjusted.

Order of Use of Fund Balance – The Agency's policy is to apply expenditures against non-spendable fund balance, restricted fund balance, committed fund balance, assigned fund balance and unassigned fund balance at the end of the fiscal year. For all funds, non-spendable fund balances are determined first and then restricted fund balances for specific purposes are determined.

2. PROPERTY TAXES

Property taxes are billed and collected within the same period in which the taxes are levied. The Agency does not levy property taxes; however, it is entitled to the taxes levied on the increase in assessed valuation of real and personal property within its jurisdiction that occur after January 1, 2010.

In accordance with Idaho law, property taxes are levied in September for each calendar year. All personal taxes and one-half of real property taxes are due by December 20. The second half of the real property taxes is due by June 20. Tax levies on such assessed values are certified to the County prior to the commencement of the fiscal year.

Taxes are collected by Blaine County and remitted to the Agency primarily in January and July of the fiscal year. The Agency defers recognition of property taxes assessed but not collected within 60 days of the fiscal year-end. Such amounts have been recognized as revenues as they are deemed immaterial to the financial statements taken as a whole.

3. CASH AND DEPOSITS

Deposits: Custodial credit risk, in the case of deposits, is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The Agency has no deposit policy for custodial credit risk. At year end, \$61,504 of the Agency's bank balance was not exposed to custodial credit risk because it was insured by the FDIC and \$ 0 of deposits were exposed to custodial credit risk.

**HAILEY URBAN RENEWAL AGENCY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

Continued—

Investments: Custodial credit risk, in the case of investments, is the risk that in the event of the failure of the counterparty, the government will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. At year end, the Agency held the following investments:

Investment Type

Idaho State Local Government Investment Pool \$ 2,758,560

These investments are unrated external investment pools sponsored by the Idaho State Treasurer's Office. They are classified as "Investments in an External Investment Pool" and are exempt from custodial credit risk and concentration of credit risk reporting. Interest rate risk is summarized as follows: Asset-backed securities are reported using weighted average life to more accurately reflect the projected term of the security, considering interest rates and repayment factors.

The elected Idaho State Treasurer, following Idaho Code, Section 67-2328, is authorized to sponsor an investment pool in which the Agency voluntarily participates. The Pool is not registered with the Securities and Exchange Commission or any other regulatory body - oversight is with the State Treasurer, and Idaho Code defines allowable investments. All investments are entirely insured or collateralized with securities held by the Pool or by its agent in the Pool's name. And the fair value of the Agency's position in the external investment pool is the same as the value of the pool shares.

Credit Risk: The Agency's policy is to comply with Idaho State statutes which authorize the Agency to invest in obligations of the United States, obligations of the State or any taxing district in the State, obligations issued by the Farm Credit System, obligations of public corporations of the State of Idaho, repurchase agreements, tax anticipation notes of the State or taxing district in the State, time deposits, savings deposits, revenue bonds of institutions of higher education, and the State Treasurer's Pool.

Interest rate risk and concentration of credit risk: The Agency has no policy regarding these two investment risk categories.

The Agency maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is presented on the combined balance sheet as "Cash and Deposits."

Cash and Deposits are comprised of the following at the financial statement date:

Cash on Hand	\$	0
Deposits with financial institutions:		
Demand deposits		42,449
State of Idaho Investment Pool		<u>2,716,111</u>
Total		<u>\$2,758,560</u>

4. LABOR AND ASSOCIATED COSTS

The Agency does not currently employ any staff and contracts with the City of Hailey for administrative duties. Labor and associated costs are allocated to the Agency for reimbursement purposes. Because of the nature of the reimbursement, the Agency does not report any payroll or retirement liabilities.

**HAILEY URBAN RENEWAL AGENCY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

5. LITIGATION

The Agency, at the financial statement date, is not involved in any material disputes as either plaintiff or defendant.

6. RISK MANAGEMENT

The Agency is exposed to various risks of losses related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; injuries to the general public; and natural disasters. The Agency carries commercial insurance coverage for these risks to the extent deemed prudent by the board of commissioners.

7. SUBSEQUENT EVENTS

Subsequent events were evaluated through the date of the auditor's report, which is the date the Financial statements were available to be issued.

8. CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2025 is as follows:

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Governmental Activities:				
<i>Capital Assets being depreciated:</i>				
Land - Gateway Parking		1,052,905		1,052,905
Total	0	1,052,905	0	1,052,905
Less: Accumulated Depreciation:				0
Total Net Depreciated Assets	0	1,052,905	0	1,052,905
Governmental capital assets, net	\$ 0	\$ 1,052,905	\$ 0	\$ 1,052,905

The Agency has invested resources into improving infrastructure within each District area. These amounts were reported as expenditures in the year they occurred. The chart below is for informational purposes only as the Agency does not own the assets.

	<u>Beginning Balances</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balances</u>
Governmental Activities:				
<i>Capital Assets being depreciated:</i>				
Infrastructure - All	1,537,677	310,561		1,848,238
Total	1,537,677	310,561	0	1,848,238
Less: Accumulated Depreciation:				0
Total Net Depreciated Assets	1,537,677	310,561	0	1,848,238

**HAILEY URBAN RENEWAL AGENCY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

9. LONG-TERM DEBT

On December 3, 2024 the Agency sold \$ 2,995,000 Revenue Allocation Bond, Series 2024. The proceeds from this bond issuance paid for the purchase of Gateway District Improvements. The bond servicing agent is Mountain West Bank, a division of Glacier Bank. A summary of the future payments of principal and interest follows the notes to these financial statements.

Long-term debt on September 30, 2025, is as follows:

	Interest Rate	Fiscal Year	Balance
Revenue Allocation Bond, Series 2024:	4.97%	2026-2034	\$ 2,730,000

The following is a summary of the principal due over the next five and subsequent five-year increments:

2026	\$	250,000	
2027		260,000	
2028		275,000	
2029		285,000	
2030		300,000	
2031-2034		1,360,000	
	\$	2,730,000	

**REQUIRED
SUPPLEMENTARY INFORMATION**

HAILEY URBAN RENEWAL AGENCY
Budgetary Comparison Schedule
South Zone
for the year ended September 30, 2025

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Budget Positive (Negative)</u>
REVENUES:			
Property taxes - Tax Increment Revenues	\$ 15,000	\$ 0	\$ (15,000)
Earnings on investments	<u>0</u>	<u>0</u>	<u>0</u>
Total revenues	<u>15,000</u>	<u>0</u>	<u>(15,000)</u>
EXPENDITURES:			
Office Expense		0	0
Professional Fees	36,700	8,192	28,508
Insurance		396	(396)
Administrative Expenses	41,300	4,108	37,192
Capital Outlay	<u>70,000</u>	<u>0</u>	<u>70,000</u>
Total expenditures	<u>148,000</u>	<u>12,696</u>	<u>135,304</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(133,000)</u>	<u>(12,696)</u>	<u>120,304</u>
NET CHANGE IN FUND BALANCE	(133,000)	(12,696)	\$ <u><u>120,304</u></u>
FUND BALANCE - BEGINNING	<u>(33,416)</u>	<u>(33,413)</u>	
FUND BALANCE - ENDING	<u><u>\$ (166,416)</u></u>	<u><u>\$ (46,109)</u></u>	

The accompanying notes are a part of these financial statements.

HAILEY URBAN RENEWAL AGENCY
Budgetary Comparison Schedule
Gateway Zone
for the year ended September 30, 2025

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Budget Positive (Negative)</u>
REVENUES:			
Property taxes - Tax Increment Revenues	\$ 482,000	\$ 554,976	\$ 72,976
Bond Proceeds	2,900,000	2,995,000	95,000
Earnings on investments	<u>34,684</u>	<u>126,951</u>	<u>92,267</u>
Total revenues	<u>3,416,684</u>	<u>3,676,927</u>	<u>260,243</u>
EXPENDITURES:			
Participation Agreement	60,000	129,238	(69,238)
Professional Fees	36,000	56,568	(20,568)
Insurance	0	395	(395)
Administrative Expenses	41,300	87,333	(46,033)
Debt Service	456,000	265,000	191,000
Interest Expense	0	116,634	(116,634)
Capital Outlay	<u>3,115,906</u>	<u>1,363,466</u>	<u>1,752,440</u>
Total expenditures	<u>3,709,206</u>	<u>2,018,634</u>	<u>1,690,572</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(292,522)</u>	<u>1,658,293</u>	<u>1,950,815</u>
NET CHANGE IN FUND BALANCE	(292,522)	1,658,293	\$ <u><u>1,950,815</u></u>
FUND BALANCE - BEGINNING	<u>507,055</u>	<u>507,055</u>	
FUND BALANCE - ENDING	<u>\$ 214,533</u>	<u>\$ 2,165,348</u>	

The accompanying notes are a part of these financial statements.

HAILEY URBAN RENEWAL AGENCY
Budgetary Comparison Schedule
Airport Zone
for the year ended September 30, 2025

	<u>Original and Final Budget</u>	<u>Actual</u>	<u>Variance with Budget Positive (Negative)</u>
REVENUES:			
Property taxes - Tax Increment Revenues	\$ 150,000	\$ 178,566	\$ 28,566
Earnings on investments	<u>5,316</u>	<u>11,362</u>	<u>6,046</u>
Total revenues	<u>155,316</u>	<u>189,928</u>	<u>34,612</u>
EXPENDITURES:			
Office Expense	0	0	0
Professional Fees	136,700	72,889	63,811
Insurance	0	396	(396)
Administrative Expenses	41,300	24,708	16,592
Capital Outlay	<u>50,000</u>	<u>0</u>	<u>50,000</u>
Total expenditures	<u>228,000</u>	<u>97,993</u>	<u>130,007</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(72,684)</u>	<u>91,935</u>	<u>164,619</u>
NET CHANGE IN FUND BALANCE	(72,684)	91,935	\$ <u><u>164,619</u></u>
FUND BALANCE - BEGINNING	<u>211,636</u>	<u>211,636</u>	
FUND BALANCE - ENDING	<u>\$ <u>138,952</u></u>	<u>\$ <u>303,571</u></u>	

The accompanying notes are a part of these financial statements.

**OTHER
SUPPLEMENTARY INFORMATION**

HAILEY URBAN RENEWAL AGENCY
Bond-Future Principal and Interest Requirements
at September 30, 2025

	Annual Payment			
	Interest Rate	Fiscal Year	Principal Payment	Interest Payment
\$2,995,000 Revenue Allocation Bonds, Series 2024 4.97%				
	4.97%	2026	\$ 250,000	\$ 135,681
	4.97%	2027	260,000	123,256
	4.97%	2028	275,000	110,636
	4.97%	2029	285,000	96,666
	4.97%	2030	300,000	82,502
	4.97%	2031	315,000	67,592
	4.97%	2032	330,000	52,079
	4.97%	2033	350,000	35,536
	4.97%	2034	365,000	18,141
			\$ 2,730,000	\$ 722,089

The accompanying notes are a part of these financial statements.

2190 Village Park Avenue, Suite 300 • Twin Falls, ID 83301 • 208.733.1161 • Fax: 208.733.6100

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

January 21, 2026

To the Board of Commissioners
Hailey Urban Renewal Agency
Hailey, Idaho

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities of the Hailey Urban Renewal Agency, as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Hailey Urban Renewal Agency's basic financial statements, and have issued our report thereon dated December 20, 2025.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Hailey Urban Renewal Agency's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Hailey Urban Renewal Agency's internal control. Accordingly, we do not express an opinion on the effectiveness of the Hailey Urban Renewal Agency's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Hailey Urban Renewal Agency's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Report Continued—

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Workman & Company

WORKMAND AND COMPANY
Certified Public Accountants
Twin Falls, Idaho

Return to Agenda

AGENDA ITEM SUMMARY

DATE: 03/17/2026

District: Gateway and Airport Way Districts

STAFF: LH

SUBJECT: Consider Resolution No. 2026-001 approving the 2025 Annual Report, authorize filing the Annual Report with the City Clerk and the State Controller’s Office as required by Idaho law, and authorize publication of the legal notice of filing.

-----**B**

BACKGROUND/SUMMARY OF ALTERNATIVES CONSIDERED:

Resolution 2026-001, a resolution adopting the 2025 Annual Report.

RECOMMENDATION FROM APPLICABLE DEPARTMENT HEAD:

Motion to adopt Resolution No. 2026-001 approving the 2025 Annual Report, authorize filing the Annual Report with the City Clerk and the State Controller’s Office as required by Idaho law, and authorize publication of the legal notice of filing.

ACTION OF THE HAILEY URBAN RENEWAL BOARD:

Date _____

Administrative Assistant _____

RESOLUTION NO. 2026-001

BY THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF HAILEY, IDAHO:

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE HAILEY URBAN RENEWAL AGENCY, TO BE TERMED THE “ANNUAL REPORT RESOLUTION,” APPROVING THE ANNUAL REPORT OF THE URBAN RENEWAL AGENCY, FOR CALENDAR YEAR 2025; APPROVING THE NOTICE OF FILING THE ANNUAL REPORT WITH THE CITY AND IDAHO STATE CONTROLLER; AUTHORIZING ANY TECHNICAL CORRECTIONS TO THE ANNUAL REPORT; DIRECTING THE CHAIR, VICE-CHAIR, OR EXECUTIVE DIRECTOR TO FILE SAID REPORT; AND PROVIDING AN EFFECTIVE DATE.

THIS RESOLUTION, made on the date hereinafter set forth by the Hailey Urban Renewal Agency, an independent public body corporate and politic, authorized under the authority of the Idaho Urban Renewal Law of 1965, Chapter 20, Title 50, Idaho Code, as amended (the “Law”) and the Local Economic Development Act, Chapter 29, Title 50, Idaho Code, as amended (the “Act”), a duly created and functioning urban renewal agency for Hailey, Idaho, hereinafter referred to as the “Agency.”

WHEREAS, the City Council (the “City Council”) of the City of Hailey, Idaho (the “City”), after notice duly published, conducted a public hearing on the Urban Renewal Plan for the Gateway District Urban Renewal Project (the “Gateway Plan”);

WHEREAS, following said public hearing the City Council adopted its Ordinance No. 1138 on October 15, 2013, approving the Gateway Plan and making certain findings;

WHEREAS, the City Council after notice duly published, conducted a public hearing on the Urban Renewal Plan for the Airport Way District Urban Renewal Project (the “Airport Way Plan”);

WHEREAS, following said public hearing the City Council adopted its Ordinance No. 1295 on November 22, 2021, approving the Airport Way Plan and making certain findings;

WHEREAS, pursuant to Idaho Code Section 20-2006(5)(c), the Agency is required to prepare an annual report and file the annual report with the City and the Idaho State Controller on or before March 31 of each year;

WHEREAS, pursuant to Idaho Code Section 50-2006(5)(c), the Executive Director and Agency staff prepared the annual report of the Agency’s activities for calendar year 2025, a copy of which report is attached hereto as Exhibit A and incorporated herein by reference;

WHEREAS, the Executive Director took steps to make available a copy of the report for public review and comment;

WHEREAS, on March 17, 2026, pursuant to Idaho Code Section 50-2006(5)(c), the Agency held an open public meeting, properly noticed, to report these findings in the annual report and to take comments from the public at Hailey City Hall, Council Chambers, 115 Main Street S, Hailey, Idaho, on the proposed annual report.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE BOARD OF COMMISSIONERS OF THE HAILEY URBAN RENEWAL AGENCY, AS FOLLOWS:

Section 1: That the above statements are true and correct.

Section 2. That the annual report attached hereto as **Exhibit A** and the notice of filing the annual report attached hereto as **Exhibit B** are hereby approved, together with any technical changes to the annual report and/or notice consistent with comments and discussions received at the March 17, 2026, Agency Board meeting, and adopted by the Agency Board.

Section 3: That the Board Chair, Vice-Chair, or Executive Director shall submit said annual report to the City of Hailey, Idaho, and the Idaho State Controller, as directed by the Idaho State Controller's staff, on or before March 31, 2026.

Section 4: That this Resolution shall be in full force and effect immediately upon its adoption and approval.

PASSED AND ADOPTED by the Hailey Urban Renewal Agency, on March 17, 2026. Signed by the Chair of the Board of Commissioners and attested by the Secretary to the Board of Commissioners, on March 17, 2026.

APPROVED:

By _____
Chair of the Board

ATTEST:

By _____
Secretary

Exhibit A

2025 Annual Report



2025

**Hailey Urban
Renewal Agency**

Annual Report



About Us

The Hailey Urban Renewal Agency (HURA) was established in 2010 to promote economic revitalization in the City of Hailey through Tax Increment Financing (TIF). Using the TIF structure, HURA incentivizes private, community-focused development and reinvests incremental tax dollars into the same designated area to fund essential public infrastructure projects. Each designated area, or district, has a finite duration of 20 years. HURA's commissioners, composed of local business owners and residents approved by Hailey's elected leaders, work closely with City agencies and staff. HURA holds monthly public meetings and actively seeks community input and guidance.

As of this publication, HURA oversees two active districts: the Gateway District, which focuses on enhancing Hailey's downtown core, and the Airport Way District, which covers the north end of Hailey's light industrial area.

Beyond managing these districts, HURA played a key role in developing Hailey's 2024 Downtown Master Plan, which outlines a long-term vision for a vibrant, walkable, and well-connected downtown. More information on project statuses within these districts can be found on pages 7-10 of the Annual Report.

It is important to note that HURA does not supersede any city agencies, such as the City Council or Planning & Zoning Commission, nor does it have the authority to approve development projects.



BIGWOOD RIVER PHOTO BY GGLO

BOARD OF COMMISSIONERS



Larry Schwartz

Chairman

Martha Burke

Commissioner

Bob Brand

Commissioner

Brian McCue

Commissioner

Sandi Viau

Vice Chair
(not pictured)

STAFF MEMBERS

Lisa Horowitz

Executive Director

Ruth Bailes

Treasurer

Lisa Enourato

Secretary

Meghan Conrad

Legal Counsel

When We Meet

HURA holds public meetings on the third Tuesday of each month at 11 a.m. in Hailey City Hall. All are welcome to attend!

2026 MEETING DATES

January 20

February 24

March 17

April 21

May 19

June 16

July 21

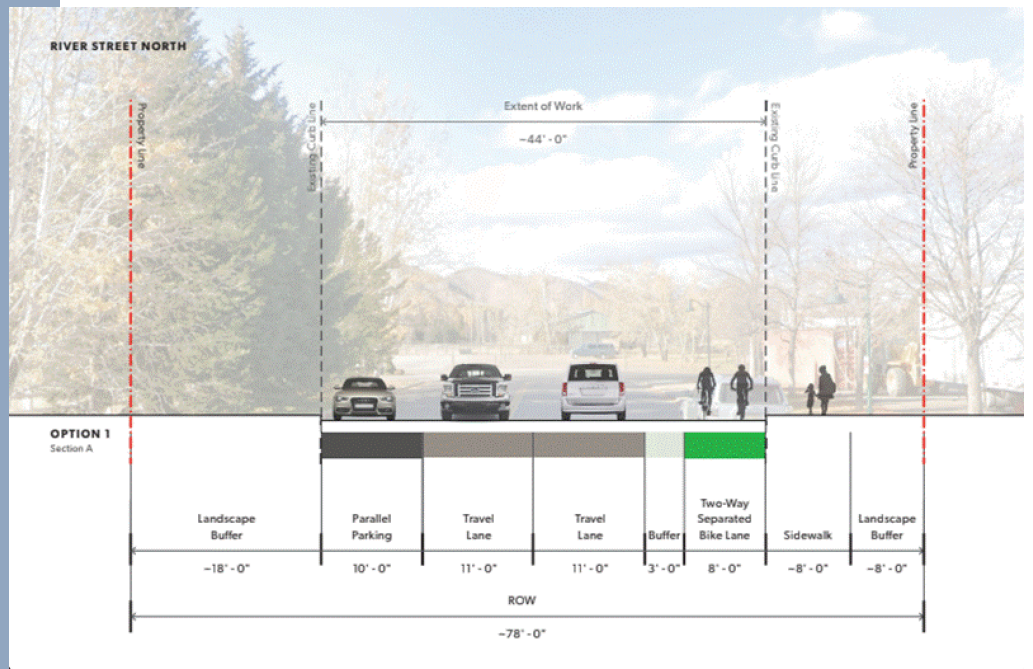
August 18

September 15

October 20

November 17

December 15



Contact Us!

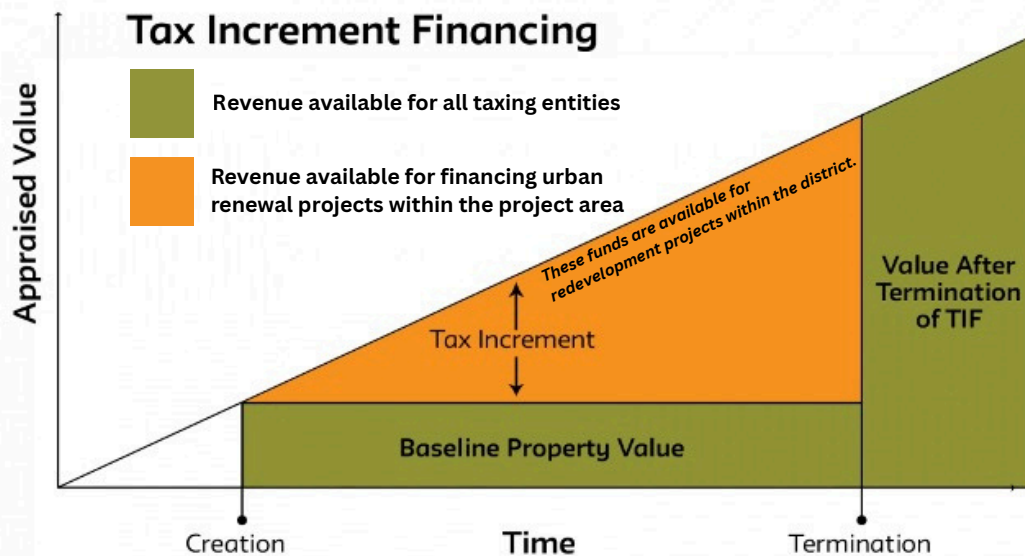
115 S Main Street
Hailey, ID 83333

www.haileycityhall.org

Lisa Horowitz, Executive Director
lisa.horowitz@haileycityhall.org
208-788-4221

How Tax Increment Financing Works

Tax Increment Financing (TIF) is a tool used by urban renewal agencies to fund public infrastructure improvements and redevelopment projects within designated areas, known as Revenue Allocation Areas (RAAs). These areas are established to address issues like blight, aging infrastructure, or underutilized and undeveloped properties that hinder economic growth and community development.



When an RAA is created, the current assessed value of all properties within the district is set as the "base value." Over time, as redevelopment occurs and property values increase, the additional property tax revenue generated above the base value – called the "tax increment" – is allocated to the urban renewal agency. These **funds are reinvested into the district** to finance infrastructure upgrades, streetscape improvements, public amenities, and other projects that encourage private investment and

support economic revitalization. **Importantly, TIF allows these efforts to proceed without impact to the general property tax base.**

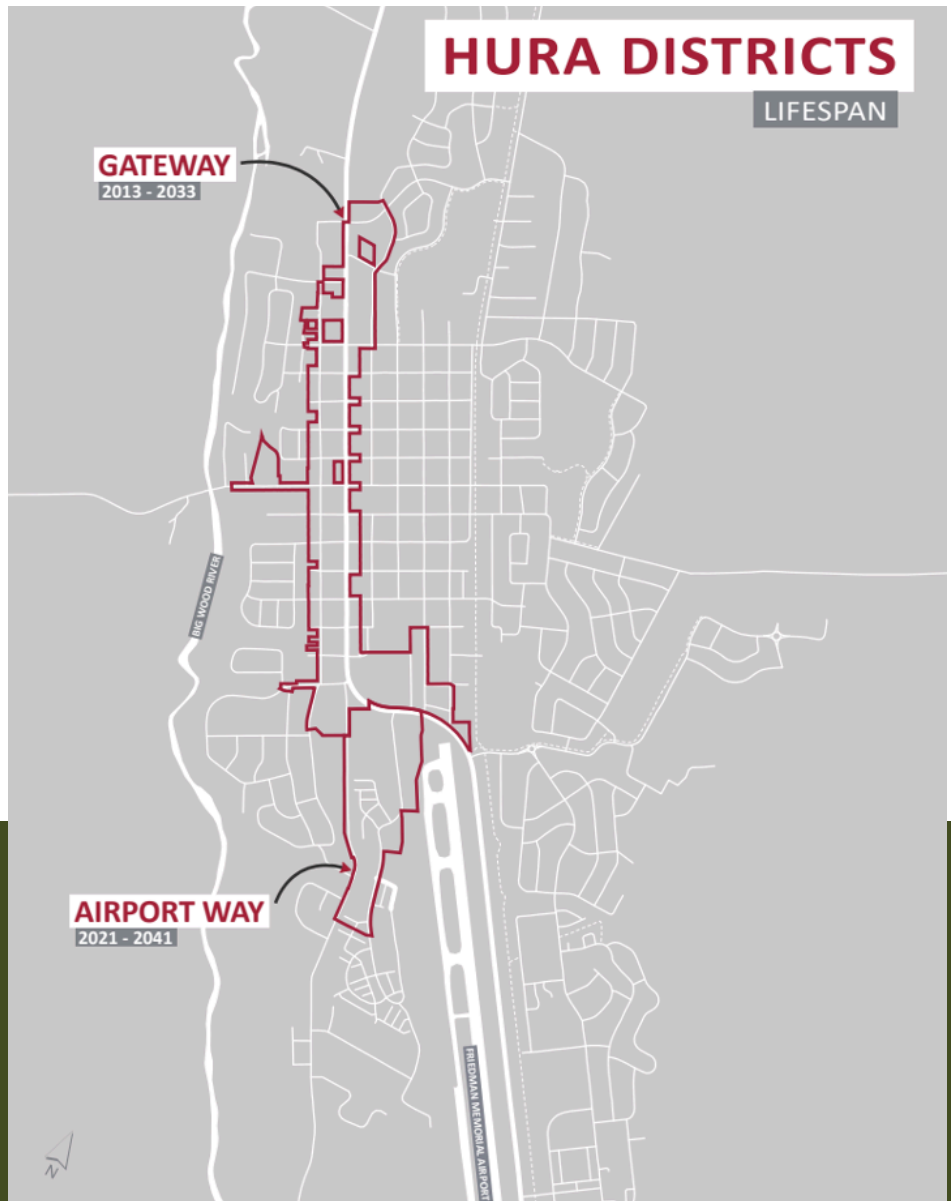
RAAs and TIF play a critical role in ensuring urban renewal efforts are financially sustainable while activating redevelopment and minimizing the financial burden on taxpayers. At the end of the district's term (20 years) tax revenues return to the underlying taxing entities.

HURA Districts

HURA has designated two Urban Renewal Districts: Gateway and Airport Way. These areas were created to address specific issues – blight, aging infrastructure, and underutilized and undeveloped properties that could benefit from redevelopment.

The TIF funding mechanism is used for projects such as road and utility upgrades, streetscapes, public facilities, and other enhancements that encourage private investment, support economic revitalization, and benefit the broader community. This funding method ensures urban renewal efforts are financially sustainable without impacting the general property tax base.

Pursuant to Idaho law, Urban Renewal Districts have a maximum lifespan of 20 years and automatically expire at the end of their designated term.



Hailey South Urban Renewal District

No additional action was taken in 2025 regarding the proposed Hailey South Urban Renewal District. The Eligibility Report adopted in 2023 remains in place, and HURA continues to monitor potential annexation proposals and infrastructure needs in the South Woodside area. The Agency will revisit consideration of the district's establishment should future development activity or annexation efforts warrant further evaluation.

Projects

Bullion Pathway Progress

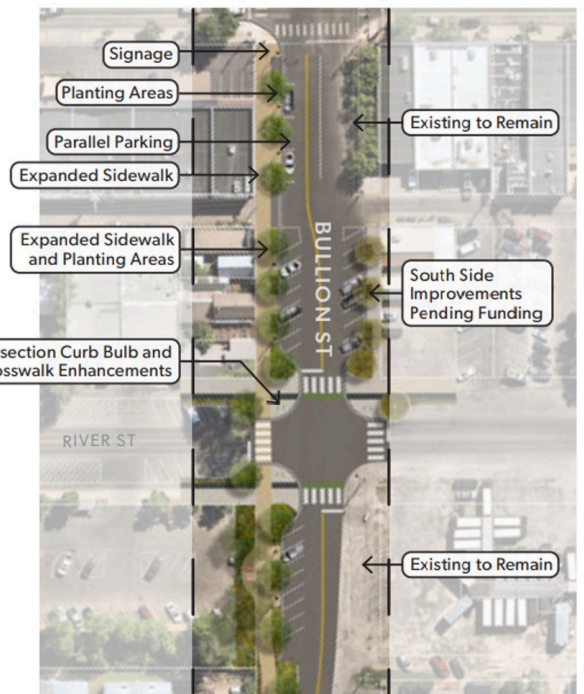
The Bullion Pathway is a planned multi-use pedestrian connection within the Gateway District, envisioned as part of Hailey’s Downtown Master Plan to improve east–west connectivity and create a more walkable, accessible downtown. The pathway is designed to run along the north side of Bullion Street, linking Main Street to Hop Porter Park and surrounding neighborhoods, with future connections planned beyond.

After several public meetings and work sessions with the Hailey Urban Renewal Agency, City Council, and Planning & Zoning Commission, a final plan for the Bullion Pathway has been selected. Public feedback played a key role in refining the alignment, amenities, and overall character of the Pathway. With the preferred design now established, the City will proceed with preparation of construction documents in 2026, followed by a competitive bidding process. In addition, an RFQ will be issued for art, placemaking, and wayfinding elements to enhance the user experience and reinforce the Pathway’s connection to the Big Wood River, downtown, and surrounding neighborhoods.

EXISTING CONDITION



PHASE 1



GRAPHIC BY GGLO

River Street Improvements

The River Street Enhancement Project is a multi-block infrastructure and streetscape initiative within the Gateway District, intended to improve safety and accessibility while supporting a more connected downtown. Improvements along River Street continue to enhance walkability, streetscape character, and overall user experience. As part of the project, three new curb bulb-outs were installed at the intersection of River and Bullion Streets, along with new streetlights and trees to improve visibility and better define the intersection.

A large, mature tree at the intersection was carefully removed after it became unsafe due to repeated limb failures. While its removal was difficult, it was necessary to ensure public safety and allow for the planned intersection improvements. A temporary section of the trunk was intentionally left in place during construction to assist crews with efficient and safe stump removal.

HURA paid homage to the tree acknowledging its significance and legacy:

“This tree has stood for generations, offering beauty, shade, and a sense of place in Hailey. While it’s difficult to say goodbye, the tree has become unsafe – dropping large branches and posing a risk to the community.

As part of the River Street Project, this tree is being carefully removed. Contractors have temporarily left approximately eight feet of the trunk standing to assist construction crews with the safe and efficient removal of the stump as part of ongoing improvements at the Bullion and River Street intersection.

Though this tree’s time has come, its legacy will live on. The Hailey Urban Renewal Agency is funding 94 new trees as part of the upcoming Bullion Pathway Project—ensuring future generations will continue to enjoy a greener, healthier, and more beautiful city.”



Airport Way - Preferred Direction



During 2025, HURA and the City conducted an extensive public engagement process to evaluate long-term improvements to Airport Way. Multiple routing options were presented and discussed through public meetings, stakeholder interviews, and comment opportunities. The engagement process focused on addressing safety concerns, improving connectivity, reducing congestion, and providing safer pedestrian and bicycle access between the airport, downtown, and surrounding neighborhoods.

Based on public input and technical evaluation, a preferred direction emerged that balances transportation efficiency, neighborhood impacts, and multimodal access. The preferred approach emphasizes improved connectivity, redundancy for emergency access, and enhanced pedestrian and bicycle facilities while minimizing impacts to adjacent residential areas.

The preferred direction and supporting rationale are documented in the Public Engagement Summary and will guide future coordination, design refinement, and funding discussions.

North River Street Parking Lot

The North River Street parking lot entered its first full year of public use following its purchase in 2024 using bond proceeds approved to support Gateway District improvements. As part of activating the site and improving its functionality, signage upgrades were completed to enhance visibility, wayfinding, and user understanding of parking regulations and seasonal use, including

designated overnight winter parking to address seasonal parking needs. New signage clearly identifies the lot as free public parking and communicates key requirements, including 72-hour parking limits, snow removal protocols, and vehicle restrictions. Information is provided in both English and Spanish to improve accessibility and clarity for a wide range of users. These improvements support better circulation, encourage appropriate use of the lot, and help manage parking availability for nearby businesses and visitors.



Amendment to Participation Agreements

In 2025, the HURA Board approved an amendment to existing participation agreements to increase the revenue participation rate from 50 percent to 75 percent of eligible revenues generated by new projects within the Gateway Urban Renewal District. The original agreements were structured at 50 percent; however, as the district approaches its sunset in 2030, the Board determined that a higher participation rate would better support project feasibility and provide participating developments with an improved return on investment. This amendment is intended to encourage continued reinvestment within the district while ensuring that public funding tools remain effective during the remaining life of the Gateway URD.

Long-Range Financial Forecast – Gateway Urban Renewal District

In early 2025, the HURA Board reviewed a long-range financial forecast for the Gateway Urban Renewal District evaluating revenues and expenditures through the remainder of the district's life. The analysis included projected fund balances under multiple revenue scenarios, including a mid-range projection assuming five percent annual revenue growth, as well as upper and lower projections reflecting ten percent growth and zero percent growth, respectively. Updates to the forecast accounted for the planned exhaustion of bond proceeds by 2027 and the removal of projected interest earnings thereafter. Based on this review, the Board elected to pause approval of new funding requests until additional clarity is available regarding future revenues and expenditures. This decision allows the agency to better evaluate financial capacity as revenues materialize and as construction bids are received for the Bullion Street Pathway project. The long-range forecast will continue to inform funding decisions and capital planning as the district approaches its sunset.



RECENT RIVER STREET IMPROVEMENTS

Financial Overview/Budget

HURA's 2025 budget continues to reflect a focus on reinvesting tax increment revenues into public infrastructure projects that support economic revitalization, connectivity, and livability within the Gateway and Airport Way districts. Expenditures prioritize planning, design, and construction of transportation, streetscape, parking, and utility improvements, while maintaining long-term financial sustainability. Detailed budget information is provided in the Financial Snapshot section of this report.

	ACTUAL FY24	BUDGET FY25	APPROVED FY26
REVENUE and APPLIED FUND BALANCE			
Tax Increment Revenue - Airport Way	\$ 144,151	\$ 150,000	\$ 165,000
Interest - Airport Way	\$ 7,380	\$ 5,316	\$ 7,000
Apply Airport Way Fund Balance			\$ 70,300
Sub Total Airport Way Revenue and Transfer			\$ 242,300
Tax Increment Revenue - Gateway	\$ 495,394	\$ 482,000	\$ 520,000
Interest - Gateway	\$ 45,152	\$ 34,684	\$ 60,000
2025 Bond Revenue - Gateway	\$ -	\$ 2,900,000	\$ -
Interest - Gateway Bond	-	\$ -	\$ 30,000
Apply Unspent Gateway Bond Proceeds			\$ 1,800,000
Miscellaneous (ig Parking Revenue)	\$ -	\$ -	\$ 21,800
Apply Gateway Fund Balance	\$ -	\$ -	\$ 125,303
Sub Total Gateway Revenue and Transfers			\$ 2,557,103
Tax Increment Revenue - South District	\$ -	\$ 15,000	\$ -
TOTAL HAILEY URA REVENUE and Transfers	\$ 692,077	\$ 3,587,000	\$ 2,799,403
Airport Way District - Expenditures			
Debt Service	\$ -	\$ -	\$ -
Professional and Legal	\$ 11,313	\$ 36,700	\$ 45,000
Studies and Master Plans	\$ -	\$ 100,000	\$ 100,000
Administration & Insurance	\$ 8,473	\$ 40,000	\$ 46,000
Other Expenses	\$ -	\$ 1,300	\$ 1,300
Participation Agreements	\$ -	\$ -	\$ -
Capital Expenses	\$ -	\$ 50,000	\$ 50,000
TOTAL AIRPORT WAY EXPENDITURES	\$ 19,786	\$ 228,000	\$ 242,300
Gateway District - Expenditures			
Debt Service	\$ -	\$ 456,000	\$ 385,861
Professional and Legal	\$ 30,443	\$ 36,700	\$ 45,000
Administration & Insurance	\$ 25,027	\$ 40,000	\$ 46,000
Other Expenses	\$ -	\$ 1,300	\$ 1,300
Participation Agreements	\$ 24,250	\$ 60,000	\$ 86,642
Other Urban Renewal Project Expenses			\$ 100,000
Capital Exp (FY26 Unspent Bond Proceeds)	\$ 589,536	\$ 3,115,906	\$ 1,800,000
TOTAL GATEWAY EXPENDITURES and Transfers	\$ 669,256	\$ 3,709,906	\$ 2,464,803
South Urban District - Expenditures (Did=strict TBD)			
Loan from Gateway	\$ -	\$ 70,000	\$ -
Debt Service	\$ -	\$ -	\$ -
Professional and Legal	\$ 27,131	\$ 36,700	\$ 45,000
Administration & Insurance	\$ 6,282	\$ 40,000	\$ 46,000
Other Expenses	\$ -	\$ 1,300	\$ 1,300
Participation Agreements	\$ -	\$ -	\$ -
Capital Expenses	\$ -	\$ -	\$ -
TOTAL SOUTH URBAN EXPENDITURES	\$ 33,413	\$ 148,000	\$ 92,300
TOTAL EXPENDITURES	\$ 722,455	\$ 4,085,906	\$ 2,799,403
CHANGE IN FUND BALANCE	\$ (30,378)	\$ (498,906)	\$ -
FUND BALANCE BEGINNING AIRPORT	\$ 79,891	\$ 211,636	\$ 138,952
FUND BALANCE BEGINNING GATEWAY	\$ 635,765	\$ 507,055	\$ 213,833
FUND BALANCE ENDING AIRPORT	\$ 211,636	\$ 138,952	\$ 68,652
FUND BALANCE ENDING GATEWAY	\$ 507,055	\$ 213,833	\$ 88,530
<i>Loan to South Urban (District TBD)</i>	<i>\$ (33,413)</i>	<i>\$ (166,413)</i>	<i>\$ (258,713)</i>

Exhibit B

PUBLIC NOTICE

PUBLIC NOTICE

As required by Idaho Code Section 50-2006(5)(c), the Urban Renewal Agency of the City of Hailey has filed a report of its 2025 activities with the office of the Hailey City Clerk and the Idaho State Controller's office. The report is available for inspection during business hours in the office of the Hailey City Clerk, 115 Main Street South, Hailey, Idaho. The report is also available on the Agency's website at <https://haileycityhall.org/boards-and-commissions/hailey-urban-renewal-agency/>.

If you have any questions please contact City Administrator, Lisa Horowitz, 208-788-4221 x 1520.

Published: March ____, 2026.

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AGENDA ITEM SUMMARY

DATE: 03/17/2026

District: Gateway and Airport Way Districts

STAFF: RSB

SUBJECT: Monthly review of financials.

BACKGROUND/SUMMARY OF ALTERNATIVES CONSIDERED:

- 1) Monthly Recap
 - 2) Financial Statements
 - 3) Budget Worksheet
-

RECOMMENDATION FROM APPLICABLE DEPARTMENT HEAD:

No action.

ACTION OF THE HAILEY URBAN RENEWAL BOARD:

Date _____

Administrative Assistant _____

HAILEY URBAN RENEWAL AGENCY
BALANCE SHEET
FEBRUARY 28, 2026

ASSETS

100000	ASSETS	952,905.00	
100010	LGIP - AIRPORT WAY	398,772.48	
100100	MOUNTAIN WEST SAVINGS	448,562.48	
120000	PROPERTY TAXES RECEIVABLE	7,779.04	
120015	LGIP GATEWAY BOND	1,719,198.51	
120020	LGIP - GATEWAY	283,635.37	
	TOTAL ASSETS		3,810,852.88

LIABILITIES AND EQUITY

LIABILITIES

200010	ACCOUNTS PAYABLE	70,140.66	
220010	2024 BOND SERIES GATEWAY	2,878,120.23	
	TOTAL LIABILITIES		2,948,260.89

FUND EQUITY

250000	UNRESTRICTED NET ASSETS	422,678.87	
	REVENUE OVER EXPENDITURES - YTD	439,913.12	
	BALANCE - CURRENT DATE	862,591.99	
	TOTAL FUND EQUITY		862,591.99
	TOTAL LIABILITIES AND EQUITY		3,810,852.88

HAILEY URBAN RENEWAL AGENCY
REVENUES WITH COMPARISON TO BUDGET
FOR THE 5 MONTHS ENDING FEBRUARY 28, 2026

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEARNED	PCNT
<u>SOURCE 31</u>					
310100 INTEREST INCOME - AIRPORT WAY	8.89	5,489.48	7,000.00	1,510.52	78.4
315010 TAX INCREMENT REVENUE - AIRPOR	887.12	123,443.96	165,000.00	41,556.04	74.8
TOTAL SOURCE 31	896.01	128,933.44	172,000.00	43,066.56	75.0
<u>SOURCE 32</u>					
320100 INTEREST INCOME - GATEWAY	8.89	4,349.22	60,000.00	55,650.78	7.3
325010 TAX INCREMENT REVENUE - GATEWA	3,670.04	364,300.89	520,000.00	155,699.11	70.1
325050 GATEWAY MISC. REVENUE	.00	.00	21,800.00	21,800.00	.0
TOTAL SOURCE 32	3,678.93	368,650.11	601,800.00	233,149.89	61.3
<u>SOURCE 34</u>					
340100 INTEREST INCOME - GATEWAY BOND	.00	25,686.67	30,000.00	4,313.33	85.6
TOTAL SOURCE 34	.00	25,686.67	30,000.00	4,313.33	85.6
TOTAL REVENUE	4,574.94	523,270.22	803,800.00	280,529.78	65.1

HAILEY URBAN RENEWAL AGENCY
EXPENDITURES WITH COMPARISON TO BUDGET
FOR THE 5 MONTHS ENDING FEBRUARY 28, 2026

	PERIOD ACTUAL	YTD ACTUAL	BUDGET	UNEXPENDED	PCNT
<u>AIRPORT WAY</u>					
410200 ADMINISTRATIVE EXPENSES - AIRP	276.25	5,625.69	46,000.00	40,374.31	12.2
410250 OTHER EXPENSES AIRPORT	.00	171.60	1,300.00	1,128.40	13.2
410300 CAPITAL EXPENSES - AIRPORT WAY	.00	.00	50,000.00	50,000.00	.0
410600 PROFESSIONAL AND LEGAL SERVICE	601.34	1,687.59	45,000.00	43,312.41	3.8
410700 STUDIES AND MASTER PLANS AIRP	225.00	40,951.70	100,000.00	59,048.30	41.0
TOTAL AIRPORT WAY	1,102.59	48,436.58	242,300.00	193,863.42	20.0
<u>GATEWAY</u>					
420200 ADMINISTRATIVE EXPENSES - GATE	276.25	16,577.92	46,000.00	29,422.08	36.0
420250 OTHER EXPENSES GATEWAY	.00	740.00	1,300.00	560.00	56.9
420300 CAPITAL EXPENSES - GATEWAY	.00	.00	1,900,000.00	1,900,000.00	.0
420500 PARTICIPATION AGREEMENTS - GAT	.00	11,712.22	86,642.00	74,929.78	13.5
420600 PROFESSIONAL AND LEGAL SERVICE	601.34	1,687.59	45,000.00	43,312.41	3.8
420800 DEBT SERVICE GATEWAY	.00	.00	385,861.00	385,861.00	.0
TOTAL GATEWAY	877.59	30,717.73	2,464,803.00	2,434,085.27	1.3
<u>SOUTH URBAN</u>					
430200 ADMINISTRATIVE EXPENSE SOUTH U	276.25	3,381.47	46,000.00	42,618.53	7.4
430250 OTHER EXPENSES SOUTH	.00	.00	1,300.00	1,300.00	.0
430600 PROFESSIONAL AND LEGAL SERVICE	601.32	821.32	45,000.00	44,178.68	1.8
TOTAL SOUTH URBAN	877.57	4,202.79	92,300.00	88,097.21	4.6
TOTAL EXPENDITURES	2,857.75	83,357.10	2,799,403.00	2,716,045.90	3.0
NET REVENUE OVER EXPENDITURES	1,717.19	439,913.12	(1,995,603.00)	(2,435,516.12)	22.0

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