



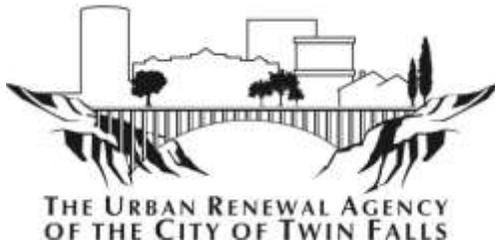
AGENDA
Regular Meeting of the City of Twin Falls
Urban Renewal Agency Board
305 3rd Avenue East, Twin Falls, Idaho
City Council Chambers
Monday, May 9, 2016 at 12:00 pm.

URBAN RENEWAL AGENCY BOARD MEMBERS:

Dan Brizee Chairman	Dexter Ball Vice-Chairman	Neil Christensen Secretary	Perri Gardner	Bob Richards	Gary Garnand	Brad Wills
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1. Call meeting to order.
2. Consent Agenda:
 - a. Review and approval of minutes from the April 11, 2016 special meeting.
 - b. Review and approval of the May 2016 financial report.
3. Clif Bar Funding Update – Brent Hyatt.
4. Clif Bar Project Update – Jesse Schuerman.
5. Main Avenue Project Update – Phil Kushlan and Mandi Roberts.
6. Consideration of a request to approve Resolution 2016-2 to adopt the Main Avenue Project Governance Model, Create the Main Avenue Project Oversight Subcommittee, and Delegate certain authority to said Subcommittee and to the Executive Director – Phil Kushlan (see staff report).
7. Main Avenue Project – Monthly Progress Report by Owner Representative – Paul Johnson & Dan Maffuccio of CH2M (see attached report).
8. Consideration of a request to approve the Project Improvements Reimbursement Agreement and Project Improvements Construction Agreement in regards to the Chobani Project – Phil Kushlan (see staff report).
9. Executive Director Report.
10. Summary of the 2016 Legislation Session in regards to Urban Renewal Agencies – Phil Kushlan (see attached letter dated April 13, 2016).
11. Public input and/or items from the Urban Renewal Agency Board or staff.
12. Adjourn. Next regular meeting: Monday, June 13, 2016 @ 12:00 pm.

**Any person(s) needing special accommodations to participate in the above noticed meeting should contact Lorrie Bauer at (208) 735-7313 at least two days before the meeting. Si desea esta información en español, llame Leila Sanchez al (208)735-7287.*



DRAFT

MEETING MINUTES

April 11, 2016

The Urban Renewal Agency held its regular monthly meeting at 12:00 p.m. this date in the Twin Falls City Council Chambers located at 305 3rd Avenue East, Twin Falls.

Present:

Dan Brizee	URA Chairman
Dexter Ball	URA Vice Chairman
Neil Christensen	URA Secretary
Perri Gardner	URA Member
Bob Richards	URA Member
Gary Garnand	URA Member
Brad Wills	URA Member

Absent: None

Also present:

Phil Kushlan	Interim Urban Renewal Executive Director
Jesse Schuerman	Urban Renewal Engineer
Lorrie Bauer	City Administrative Assistant
Brent Hyatt	City Assistant Finance Officer
Travis Rothweiler	City Manager
Mitch Humble	Deputy City Manager
Don Hall	City Council Liaison to URA
Leon Mills	Twin Falls County Commissioner Liaison
Jackie Fields	City Engineer
Mandi Roberts	Otak, Inc.
Gary Haderlie	JUB Engineers
Dan Maffuccio	CH2M
Paul Johnson	CH2M

Agenda Item 1 - Call meeting to order.

Chairman Brizee called the meeting to order at 12:00 p.m.

Agenda Item 2 - Consent Agenda: a) Review and approval of minutes from the March 23, 2016 special meeting and b) Review and approval of the April 2016 financial report.

Neil Christensen moved to accept the consent agenda as presented. Brad Wills seconded the motion. Roll call vote showed that all board members present voted in favor of the motion.

Agenda Item 3 – Main Avenue Update – Phil Kushlan.

Phil stated the cross section design of Hansen St. and Main Ave. has been completed that narrows the street and widens the sidewalk. The URA has entered in an agreement with CH2M, who will perform the owner representative services, and work closely with Otak. He announced the design schedule is on track for completion towards the end of summer and then the construction documents will be prepared.

Construction is scheduled to begin in January 2017 and be completed before the holiday season. He shared the financial resources are in place to achieve the vision of the project.

Brad Wills asked for clarification of design at the Shoshone Street intersection. Mandi Roberts, Otak, shared the scope of work includes feathering into the existing intersection on Shoshone, not replacing existing intersection. Shoshone Street is a state highway and permission must be granted from the State to make any changes. This time-consuming process was not included for this project, but can be completed at a later date if there is interest and resources to do so. Chairman Brizee confirmed the entire project would be bid at one time rather than in phases.

Agenda Item 4 – Main Avenue Project Governance Protocols – Phil Kushlan and CH2M.

Phil Kushlan explained that the project governance workflow is an articulated process that will be used as a communication piece for decision making on all aspects throughout the project to help keep the project on schedule. Direction from the Board was needed to determine how to deal with short term issues and their approval process. Phil introduced Dan Maffuccio and Paul Johnson from CH2M.

Dan Maffuccio, CH2M, announced a revision to the tracking system is that the Tracking System itself will be the responsibility of the Project Management Representative (CH2M), not the Design Consultant. He explained that any issue that impacts scope, cost, or schedule would go through this approval process. He then defined the process using the workflow chart.

The Board engaged in discussion regarding possible approval process options and parameters. One recommendation was a \$10,000/incident with \$50,000/month maximum for the Director approvals and forming a subcommittee as well. City Manager, Travis Rothweiler, recommended creating an ordinance or resolution that explained the structure, parameters, and operating guidelines of the prescribed process. Paul Johnson, CH2M, suggested setting up a contingency (percent) within the cost control report that would be part of the budget.

The Project Governance Workflow chart introduced today was a draft and a more comprehensive plan will be presented to the Board at a later date for approval.

Gary Garnand moved to approve the Executive Director at \$10,000 maximum budget and the Board form a subcommittee of volunteers, up to four members. Bob Richards seconded the motion. Dexter Ball questioned the timing of this decision and Phil Kushlan replied the decision should be presented in formal form at a later meeting. With that being said, Gary Garnand withdrew his motion.

Agenda Item 5 - Executive Director Report - Phil Kushlan.

Phil shared that current legislature created a grandfather clause that states any Urban Renewal district created before July 1, 2016 would follow the rules it was created with. Beginning July 1, 2016 there will be a greater level of specificity and reporting requirements for all new districts.

A new issue in regards to Urban Renewal building public buildings is that a limitation has been placed on revenue allocation resources that can be spent on general administrative buildings (ex. libraries, city halls, court houses). If an Urban Renewal Agency wants to participate in construction of these types of buildings, they can participate up to 50% of construction cost.

We continue to receive interest in downtown housing from housing developers. Phil recommends the board discuss their assets and decide how they want to deploy them in line with the agencies mission by 2022. Lorrie is currently working on updating the property inventory, including gathering the Deeds.

Offer on Goold property has been accepted and the Level I Analysis is underway at a cost of \$1,850. Mr. Florence suggested, and Phil concurred, we should spend an additional \$500 for a 50 year chain of title.

Agenda Item 6 - Public input and/or items from the Urban Renewal Agency Board or staff.

Brent Hyatt reminded the Board of services from Western Financial, Pat Clancy, in regards to the Clif Bar Bond. Due to new Securities and Exchange Commission (SEC) regulations, they would prohibit him from offering his services. The bond was changed to a Promissory Note to adhere to the regulations, however, it has been suggested we acquire a placement agent. The bond council will advise us the least expensive way to be in compliance, which may be to secure a placement agent. Brent asked for permission to issue an RFP for placement agent services, if needed, usually charging 1% of bond. The Board gave their permission.

City Manager, Travis Rothweiler, updated the board on the status of the Clif Bar project. He shared they are currently making sure their equipment is running properly and then they will begin producing product and moving them to market in the next few weeks. They are delaying their grand opening until sometime in late summer or early fall as they want to show a completed project.

Agenda Item 7 - Adjourn.

The meeting adjourned at 1:08 pm.

Next regular meeting: Monday, May 9, 2016 @ 12:00 pm.

Respectfully submitted,

Lorrie Bauer
Administrative Assistant

Urban Renewal Agency of the City of Twin Falls, ID
P&L Over (Under) Budget - YTD
 October 2015 through April 2016

	Oct '15 - Apr 16	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
Wash. Fed. LOC	0.00	2,500,000.00	-2,500,000.00	0.0%
Line of Credit Adv. - Clif Bar	4,465,276.04	15,000,000.00	-10,534,723.96	29.8%
Investment Income	10,207.58	8,780.00	1,427.58	116.3%
Property Taxes	4,136,886.43	7,471,290.00	-3,334,403.57	55.4%
Rental Income	256,185.64	433,726.00	-177,540.36	59.1%
Total Income	8,868,555.69	25,413,796.00	-16,545,240.31	34.9%
Gross Profit	8,868,555.69	25,413,796.00	-16,545,240.31	34.9%
Expense				
RAA 4-1				
Main Ave.	568,122.24			
Rogerson Building	24,910.45			
Downtown Development	7,845.82			
RAA 4-1 - Other	0.00	6,964,993.00	-6,964,993.00	0.0%
Total RAA 4-1	600,878.51	6,964,993.00	-6,364,114.49	8.6%
RAA 4-3 (Chobani)				
Debt Pay. (Chobani) Interest	1,372,569.76	1,372,570.00	-0.24	100.0%
Debt Pay. (Chobani) Principal	1,180,000.00	1,180,000.00	0.00	100.0%
RAA 4-3 (Chobani) - Other	3,711,503.00	9,076,000.00	-5,364,497.00	40.9%
Total RAA 4-3 (Chobani)	6,264,072.76	11,628,570.00	-5,364,497.24	53.9%
RAA 4-4 (Clif Bar)	4,463,944.78	15,056,477.00	-10,592,532.22	29.6%
Bond Trustee Fees	3,000.00	3,000.00	0.00	100.0%
Community Relations & Website	0.00	1,700.00	-1,700.00	0.0%
Debt Payments - Interest	37,019.31	118,880.00	-81,860.69	31.1%
Debt Payments - Principal	0.00	1,005,000.00	-1,005,000.00	0.0%
Dues and Subscriptions	750.00	2,650.00	-1,900.00	28.3%
Insurance Expense	2,877.00	5,800.00	-2,923.00	49.6%
Legal Expense	0.00	1,000.00	-1,000.00	0.0%
Management Fee	114,500.00	229,000.00	-114,500.00	50.0%
Meeting Expense	1,265.95	4,000.00	-2,734.05	31.6%
Miscellaneous	9,979.77	10,500.00	-520.23	95.0%
Office Expense	382.00	500.00	-118.00	76.4%
Prof. Dev.\Training	0.00	2,800.00	-2,800.00	0.0%
Professional Fees	27,204.19			
Property Tax Expense	26,143.28	37,000.00	-10,856.72	70.7%
Real Estate Exp. - Call Center	18,087.35	133,400.00	-115,312.65	13.6%
Real Estate Exp. - Other	4,427.65	7,200.00	-2,772.35	61.5%
Real Estate Lease	72,000.00	72,000.00	0.00	100.0%
Total Expense	11,646,532.55	35,284,470.00	-23,637,937.45	33.0%
Net Ordinary Income	-2,777,976.86	-9,870,674.00	7,092,697.14	28.1%
Other Income/Expense				
Other Income				
Cash Carryover	0.00	10,123,000.00	-10,123,000.00	0.0%
Transfers In	0.00	305,927.00	-305,927.00	0.0%
Transfers Out	0.00	-305,927.00	305,927.00	0.0%
Total Other Income	0.00	10,123,000.00	-10,123,000.00	0.0%
Net Other Income	0.00	10,123,000.00	-10,123,000.00	0.0%
Net Income	-2,777,976.86	252,326.00	-3,030,302.86	-1,100.9%

Twin Falls Urban Renewal May Check List - 2016						
Check #	Date	Paid Amount	Name	Account	Fund	Memo
3246	04/18/2016	88.00	J & L Sweeping Service, Inc.	Real Estate Exp. - Call Center	Rental Fund	Balance of the Invoice from the last check
3247		0.00	Void			
3248	04/22/2016	8,686.35	Keller Associates	RAA 4-4 (Clif Bar)	Rev Alloc 4-4	AC #149 Wastewater Treatment Fac.
3249		0.00	Void			
3250	04/22/2016	13,281.79	Kushlan Associates	Professional Fees	General	Interim Exec. Director
3251	04/29/2016	213,879.75	Stock Construction Services, Inc.	RAA 4-4 (Clif Bar)	Rev Alloc 4-4	AC #150 Construction Mgnt./#2850-11
3252		0.00	Void			
3253		0.00	Void			
3254	05/03/2016	212,267.53	Contractors Northwest, Inc.	RAA 4-4 (Clif Bar)	Rev Alloc 4-4	AC #151 Wastewater Facility Construction / CAP#12
3255	05/03/2016	10,752.00	Keller Associates	RAA 4-4 (Clif Bar)	Rev Alloc 4-4	AC #152 Wastewater Facility / #20
3256	05/04/2016	400.00	Council of Development Finance Agencies	Dues and Subscriptions	General	2016 Annual Dues / #16889
3257	05/04/2016	352.00	J & L Sweeping Service, Inc.	Real Estate Exp. - Call Center	Rental Fund	Property Maintenance - April / #26013
3258	05/04/2016	450.00	K & G Property Management	Real Estate Exp. - Call Center	Rental Fund	Property Management - April / #3595
3259	05/04/2016	12,361.07	Kushlan Associates	Professional Fees	Rental Fund	Interim Executive Director - April / #2016-03
3260	05/04/2016	217.86	Idaho Power	Real Estate Exp. - Call Center	Rental Fund	Power - 851 Pole Line Road
3260	05/04/2016	10.93	Idaho Power	Real Estate Exp. - Other	Rev Alloc 4-1	Power - 122 4th Av S (Park)
3261	05/04/2016	43.40	Mason's Trophies & Gifts	Miscellaneous	General	Board Members Namplates / #77619
3262	05/04/2016	150.00	MSVM Group, LLC	Community Relations & Website	General	URA Website Hosting & Support / #2367
3263	05/04/2016	150.00	Sawtooth Spraying Service	Real Estate Exp. - Call Center	Rental Fund	Remote Parking Lot - Sterilization / #39259
3263	05/04/2016	350.00	Sawtooth Spraying Service	Real Estate Exp. - Other	Rev Alloc 4-1	Downtown Trees - Spring Dormanto Oil Spraying / #3885
3264	05/04/2016	21.42	Times News	Legal Expense	General	URA Annual Report on 3/25/16 / #20805
3265	05/04/2016	160.75	Twin Falls Sandwich Company	Meeting Expense	General	Lunch for 4/11/16 Meeting
3265	05/04/2016	48,858.23	Otak	Main Ave.	Rev Alloc 4-1	Streetscape & Downtown Commons/#41600448
3266	05/04/2016	2,625.00	Commercial Property Maintenance	Real Estate Exp. - Call Center	Rental Fund	Landscape Maintenance - April / #2948

**Urban Renewal Agency of the City of Twin Falls, ID
Profit & Loss Detail**

April 2016

Type	Date	Num	Name	Memo	Amount	Balance
Ordinary Income/Expense						
Income						
Line of Credit Adv. - Clif Bar						
Deposit	04/04/2016		Clif Bar & Co.	Advance on Account	225.58	225.58
Deposit	04/18/2016		Clif Bar & Co.	Advance on the LOC	8,686.35	8,911.93
Deposit	04/25/2016		Clif Bar & Co.	Advance on the LOC	213,879.75	222,791.68
Total Line of Credit Adv. - Clif Bar					222,791.68	222,791.68
Investment Income						
Deposit	04/01/2016		Zions First National...	Interest on Account	665.85	665.85
Deposit	04/01/2016			Interest	665.85	1,331.70
Deposit	04/01/2016			Interest	275.14	1,606.84
Deposit	04/01/2016		Zions First National...	Interest on Account	8.37	1,615.21
Deposit	04/01/2016			Interest	18.23	1,633.44
Deposit	04/01/2016		State of Idaho	Interest on Account	1,666.29	3,299.73
Deposit	04/30/2016			Interest	1.89	3,301.62
Total Investment Income					3,301.62	3,301.62
Property Taxes						
Deposit	04/21/2016	16-0245...	Twin Falls County	Property Taxes - April, 2016	5,398.51	5,398.51
Deposit	04/21/2016	16-0245...	Twin Falls County	Property Taxes 1-0007	10.02	5,408.53
Total Property Taxes					5,408.53	5,408.53
Rental Income						
Deposit	04/05/2016		US Treasury	VA Rent	1,333.33	1,333.33
Deposit	04/28/2016	21356	C3	Rent - April, 2016	35,455.71	36,789.04
Total Rental Income					36,789.04	36,789.04
Total Income					268,290.87	268,290.87
Gross Profit					268,290.87	268,290.87
Expense						
RAA 4-1						
Main Ave.						
Check	04/06/2016	3240	JUB Engineers, Inc.	2015 Main Ave Utility Project / #99680	17,395.99	17,395.99
Check	04/06/2016	3243	Otak	Streetscape & DT Commons / #31600307	50,496.74	67,892.73
Check	04/06/2016	3245	Times News	RFQ Notice for Owner Representatiave Services / #1...	0.00	67,892.73
Total Main Ave.					67,892.73	67,892.73
Total RAA 4-1					67,892.73	67,892.73
RAA 4-3 (Chobani)						
Debt Pay. (Chobani) Interest						
Check	04/01/2016		Zions First National...	Interest to Bondholders	1,372,569.76	1,372,569.76
Total Debt Pay. (Chobani) Interest					1,372,569.76	1,372,569.76
Debt Pay. (Chobani) Principal						
Check	04/01/2016		Zions First National...	Principal to Bondholders	1,180,000.00	1,180,000.00
Total Debt Pay. (Chobani) Principal					1,180,000.00	1,180,000.00
RAA 4-3 (Chobani) - Other						
General...	04/14/2016	AJE #168		To reimburse excess TIF for Chobani advances	3,578,890.51	3,578,890.51
Total RAA 4-3 (Chobani) - Other					3,578,890.51	3,578,890.51
Total RAA 4-3 (Chobani)					6,131,460.27	6,131,460.27
RAA 4-4 (Clif Bar)						
Check	04/04/2016	3234	JUB Engineers, Inc.	AC #148 Hankins Water Storage Tank / #99650	225.58	225.58
Check	04/22/2016	3248	Keller Associates	AC #149 Wastewater Treatment Fac.	8,686.35	8,911.93
Check	04/29/2016	3251	Stock Construction...	AC #150 Construction Mgmt./#2850-11	213,879.75	222,791.68
Total RAA 4-4 (Clif Bar)					222,791.68	222,791.68
Insurance Expense						
Check	04/06/2016	3237	ICRMP	Semi-Annual Payment - 2nd Half	2,877.00	2,877.00
Total Insurance Expense					2,877.00	2,877.00
Meeting Expense						
Check	04/06/2016	3236	City of Twin Falls	Legislature Meeting in Boise - HB606A	106.00	106.00
Check	04/06/2016	3244	Papa Kelsey's	Lunch for 3/22/16 meeting	101.15	207.15
Total Meeting Expense					207.15	207.15

**Urban Renewal Agency of the City of Twin Falls, ID
Profit & Loss Detail**

April 2016

Type	Date	Num	Name	Memo	Amount	Balance
Office Expense						
Check	04/13/2016			Service Charge	15.00	15.00
Check	04/14/2016		Wells Fargo	Wire Transfer Fee	30.00	45.00
Check	04/22/2016	3247		Void	0.00	45.00
Check	04/22/2016	3249		Void	0.00	45.00
Total Office Expense					45.00	45.00
Professional Fees						
Check	04/22/2016	3250	Kushlan Associates	Interim Exec. Director	13,281.79	13,281.79
Total Professional Fees					13,281.79	13,281.79
Real Estate Exp. - Call Center						
Check	04/06/2016	3235	ACCO Engineered ...	HVAC Preventatiave Maintenance - Feb / #655537	748.00	748.00
Check	04/06/2016	3238	Idaho Power	Power - 851 Pole Line Rd	233.76	981.76
Check	04/06/2016	3239	J & L Sweeping Se...	Property Maintenance - March / #25910	352.00	1,333.76
Check	04/06/2016	3241	K & G Property Ma...	Property Management - March / #3589	450.00	1,783.76
Check	04/06/2016	3242	Kimberly Nurseries	Snow Removal on 2/4/16 (C3) / #139336	722.50	2,506.26
Check	04/18/2016	3246	J & L Sweeping Se...	Balance of the Invoice from the last check	88.00	2,594.26
Total Real Estate Exp. - Call Center					2,594.26	2,594.26
Real Estate Exp. - Other						
Check	04/06/2016	3236	City of Twin Falls	2016 Landscape Maintenance for D. Bowyer Park	2,805.00	2,805.00
Check	04/06/2016	3238	Idaho Power	Power - 122 4th Ave S (Park)	10.83	2,815.83
Total Real Estate Exp. - Other					2,815.83	2,815.83
Total Expense					6,443,965.71	6,443,965.71
Net Ordinary Income					-6,175,674.84	-6,175,674.84
Net Income					-6,175,674.84	-6,175,674.84

Urban Renewal Agency of the City of Twin Falls, ID
Balance Sheet
As of April 30, 2016

	Apr 30, 16
ASSETS	
Current Assets	
Checking/Savings	
Cash	
WF General Checking #6350	93,945.45
WF Savings #8992	20,989.17
Zions #8616 - Excess Funds	514,870.50
Zions #8616B - Payment Acct.	8.37
Zions #8616C - Bond Reserve	2,691,971.52
Wash. Fed. #342-4	398,137.83
Wash. Fed. Bond Reserve	430,251.38
State Investment Pool	4,257,880.24
Total Cash	8,408,054.46
Total Checking/Savings	8,408,054.46
Other Current Assets	
Deposits	10,000.00
Due from Other Governments	5,310.00
Property Taxes Receivable	135,130.00
Total Other Current Assets	150,440.00
Total Current Assets	8,558,494.46
Fixed Assets	
Land	1,350,000.00
Building	3,856,902.16
Equipment	475,000.00
Accumulated Depreciation	-852,733.56
Total Fixed Assets	4,829,168.60
TOTAL ASSETS	13,387,663.06
LIABILITIES & EQUITY	
Liabilities	
Long Term Liabilities	
Deferred Rev.-Property Tax	130,569.00
Total Long Term Liabilities	130,569.00
Total Liabilities	130,569.00
Equity	
Fund Balance	
Fund Balance-General Fund	-3.08
Fund Balance-Revenue Alloc.	8,380,458.00
Fund Balance-Bond Fund	2,705,411.00
Fund Balance-Rental Fund	4,949,205.00
Total Fund Balance	16,035,070.92
Net Income	-2,777,976.86
Total Equity	13,257,094.06
TOTAL LIABILITIES & EQUITY	13,387,663.06

Urban Renewal Agency of the City of Twin Falls, ID
Balance Sheet Detail
As of April 30, 2016

Type	Date	Num	Name	Memo	Amount	Balance
ASSETS						19,563,337.90
Current Assets						14,734,169.30
Checking/Savings						14,583,729.30
Cash						14,583,729.30
WF General Checking #6350						41,461.64
Check	04/04/2016	3234	JUB Engineers, Inc.	AC #148 Hankins Water Storage Tank...	-225.58	41,236.06
Deposit	04/04/2016			Deposit	225.58	41,461.64
Deposit	04/05/2016			Deposit	1,333.33	42,794.97
Check	04/06/2016	3235	ACCO Engineered Systems	HVAC Preventatiave Maintenance - F...	-748.00	42,046.97
Check	04/06/2016	3236	City of Twin Falls	Legislature Mtg/Landscaping Bowyer ...	-2,911.00	39,135.97
Check	04/06/2016	3237	ICRMP	Semi-Annual Payment - 2nd Half	-2,877.00	36,258.97
Check	04/06/2016	3238	Idaho Power	Power	-244.59	36,014.38
Check	04/06/2016	3239	J & L Sweeping Service, I...	Property Maintenance - March / #25910	-352.00	35,662.38
Check	04/06/2016	3240	JUB Engineers, Inc.	2015 Main Ave Utility Project / #99680	-17,395.99	18,266.39
Check	04/06/2016	3241	K & G Property Managem...	Property Management - March / #3589	-450.00	17,816.39
Check	04/06/2016	3242	Kimberly Nurseries	Snow Removal on 2/4/16 (C3) / #1393...	-722.50	17,093.89
Check	04/06/2016	3243	Otak	Streetscape & DT Commons / #31600...	-50,496.74	-33,402.85
Check	04/06/2016	3244	Papa Kelsey's	Lunch for 3/22/16 meeting	-101.15	-33,504.00
Check	04/06/2016	3245	Times News	VOID: RFQ Notice for Owner Represe...	0.00	-33,504.00
Transfer	04/06/2016			Funds Transfer	50,000.00	16,496.00
Transfer	04/12/2016			Funds Transfer	3,578,890.51	3,595,386.51
Check	04/13/2016			Service Charge	-15.00	3,595,371.51
General Journal	04/14/2016	AJE #168		To reimburse excess TIF for Chobani ...	-3,578,890.51	16,481.00
Check	04/14/2016		Wells Fargo		-30.00	16,451.00
Check	04/18/2016	3246	J & L Sweeping Service, I...	Balance of Invoice from the last check	-88.00	16,363.00
Deposit	04/18/2016			Deposit	8,686.35	25,049.35
Deposit	04/21/2016			Deposit	5,398.51	30,447.86
Deposit	04/21/2016			Deposit	10.02	30,457.88
Check	04/22/2016	3248	Keller Associates	AC #149 Wastewater Treatment Fac.	-8,686.35	21,771.53
Check	04/22/2016	3250	Kushlan Associates	Interim Exec. Director	-13,281.79	8,489.74
Check	04/22/2016	3247	Void		0.00	8,489.74
Transfer	04/22/2016			Funds Transfer	50,000.00	58,489.74
Check	04/22/2016	3249	Void		0.00	58,489.74
Deposit	04/25/2016			Deposit	213,879.75	272,369.49
Deposit	04/28/2016			Deposit	35,455.71	307,825.20
Check	04/29/2016	3251	Stock Construction Servic...	AC #150 Construction Mgnt./#2850-11	-213,879.75	93,945.45
Total WF General Checking #6350					52,483.81	93,945.45
WF Bond Escrow #6400						0.00
Total WF Bond Escrow #6400						0.00
WF Revenue Alloc. #5601						0.00
Total WF Revenue Alloc. #5601						0.00
WF Bond Reserve #5602						0.00
Total WF Bond Reserve #5602						0.00
WF Bond Fund #5600						0.00
Total WF Bond Fund #5600						0.00
WF Savings #8992						20,987.28
Deposit	04/30/2016			Interest	1.89	20,989.17
Total WF Savings #8992					1.89	20,989.17
Zions #8616 - Excess Funds						4,078,224.66
Deposit	04/01/2016			Deposit	665.85	4,078,890.51
Transfer	04/01/2016			Funds Transfer	1,166.41	4,080,056.92
Deposit	04/01/2016			Interest	665.85	4,080,722.77
Transfer	04/08/2016			Funds Transfer	13,038.24	4,093,761.01
Transfer	04/12/2016			Funds Transfer	-3,578,890.51	514,870.50
Total Zions #8616 - Excess Funds					-3,563,354.16	514,870.50
Zions #8616A - Bond Proceeds						0.00
Total Zions #8616A - Bond Proceeds						0.00
Zions #8616B - Payment Acct.						2,552,569.76
Check	04/01/2016		Zions First National Bank		-2,552,569.76	0.00
Deposit	04/01/2016			Deposit	8.37	8.37
Total Zions #8616B - Payment Acct.					-2,552,561.39	8.37
Zions #8616C - Bond Reserve						2,705,901.03
Transfer	04/01/2016			Funds Transfer	-1,166.41	2,704,734.62
Deposit	04/01/2016			Interest	275.14	2,705,009.76
Transfer	04/08/2016			Funds Transfer	-13,038.24	2,691,971.52
Total Zions #8616C - Bond Reserve					-13,929.51	2,691,971.52

Urban Renewal Agency of the City of Twin Falls, ID
Balance Sheet Detail
As of April 30, 2016

Type	Date	Num	Name	Memo	Amount	Balance	
Wash. Fed. #342-4						398,137.83	
Total Wash. Fed. #342-4						398,137.83	
Wash. Fed. Bond Reserve						430,233.15	
Deposit	04/01/2016		Interest		18.23	430,251.38	
Total Wash. Fed. Bond Reserve						18.23	430,251.38
State Investment Pool						4,356,213.95	
Deposit	04/01/2016		Deposit		1,666.29	4,357,880.24	
Transfer	04/06/2016		Funds Transfer		-50,000.00	4,307,880.24	
Transfer	04/22/2016		Funds Transfer		-50,000.00	4,257,880.24	
Total State Investment Pool						-98,333.71	4,257,880.24
Parking Lot Sinking Cash #3425						0.00	
Total Parking Lot Sinking Cash #3425						0.00	
Wells Fargo Securities #1251						0.00	
Total Wells Fargo Securities #1251						0.00	
Zions Warrant #6362						0.00	
Total Zions Warrant #6362						0.00	
Cash - Other						0.00	
Total Cash - Other						0.00	
Total Cash					-6,175,674.84	8,408,054.46	
Total Checking/Savings					-6,175,674.84	8,408,054.46	
Accounts Receivable						0.00	
Accounts Receivable						0.00	
Total Accounts Receivable						0.00	
Total Accounts Receivable						0.00	
Other Current Assets						150,440.00	
Accounts Receivable Clif Bar						0.00	
Total Accounts Receivable Clif Bar						0.00	
Account Receivable - Chobani						0.00	
Total Account Receivable - Chobani						0.00	
Deposits						10,000.00	
Total Deposits						10,000.00	
Due from Other Governments						5,310.00	
Total Due from Other Governments						5,310.00	
Interest Receivable						0.00	
Int. Rec.-Zions Bond						0.00	
Total Int. Rec.-Zions Bond						0.00	
Int. Rec.-Bond Fund						0.00	
Total Int. Rec.-Bond Fund						0.00	
Int. Rec.-Revenue Allocation						0.00	
Total Int. Rec.-Revenue Allocation						0.00	
Interest Receivable - Other						0.00	
Total Interest Receivable - Other						0.00	
Total Interest Receivable						0.00	
Inventory Asset						0.00	
Total Inventory Asset						0.00	
Prepaid Insurance						0.00	
Total Prepaid Insurance						0.00	
Property Taxes Receivable						135,130.00	
Total Property Taxes Receivable						135,130.00	
Total Other Current Assets						150,440.00	
Total Current Assets					-6,175,674.84	8,558,494.46	
Fixed Assets						4,829,168.60	
Land						1,350,000.00	
Total Land						1,350,000.00	

Urban Renewal Agency of the City of Twin Falls, ID
Balance Sheet Detail
As of April 30, 2016

Type	Date	Num	Name	Memo	Amount	Balance
Building						3,856,902.16
Total Building						3,856,902.16
Equipment						475,000.00
Total Equipment						475,000.00
Accumulated Depreciation						-852,733.56
Total Accumulated Depreciation						-852,733.56
Total Fixed Assets						4,829,168.60
Other Assets						0.00
Due from General (4-2)						0.00
Total Due from General (4-2)						0.00
Lease Receivable-Jayco						0.00
Total Lease Receivable-Jayco						0.00
Note Receivable - Agro Farma						0.00
Total Note Receivable - Agro Farma						0.00
Property Tax Clearing Account						0.00
Total Property Tax Clearing Account						0.00
Total Other Assets						0.00
TOTAL ASSETS					-6,175,674.84	13,387,663.06
LIABILITIES & EQUITY						19,563,337.90
Liabilities						130,569.00
Current Liabilities						0.00
Accounts Payable						0.00
Accounts Payable						0.00
Total Accounts Payable						0.00
Total Accounts Payable						0.00
Credit Cards						0.00
Total Credit Cards						0.00
Other Current Liabilities						0.00
Accts Pay - Rev. Alloc. 4-4						0.00
Total Accts Pay - Rev. Alloc. 4-4						0.00
Due to Other Governments						0.00
Total Due to Other Governments						0.00
Accts Pay - Bond Fund						0.00
Total Accts Pay - Bond Fund						0.00
Accts Pay - General						0.00
Total Accts Pay - General						0.00
Accts Pay - Rental Fund						0.00
Total Accts Pay - Rental Fund						0.00
Accts Pay - Rev. Alloc. 4-1						0.00
Total Accts Pay - Rev. Alloc. 4-1						0.00
Accts Pay - Rev. Alloc. 4-3						0.00
Total Accts Pay - Rev. Alloc. 4-3						0.00
Payroll Liabilities						0.00
Total Payroll Liabilities						0.00
Prepaid Rent						0.00
Total Prepaid Rent						0.00
Total Other Current Liabilities						0.00
Total Current Liabilities						0.00
Long Term Liabilities						130,569.00
BID Grant Oversight						0.00
Total BID Grant Oversight						0.00
Deferred Rev.-Lease						0.00
Total Deferred Rev.-Lease						0.00
Deferred Rev.-Lease Principal						0.00
Total Deferred Rev.-Lease Principal						0.00

Urban Renewal Agency of the City of Twin Falls, ID
Balance Sheet Detail
As of April 30, 2016

Type	Date	Num	Name	Memo	Amount	Balance
Deferred Rev.-Property Tax						130,569.00
Total Deferred Rev.-Property Tax						130,569.00
Due to Rev. Alloc. (4-1)						0.00
Total Due to Rev. Alloc. (4-1)						0.00
Notes and Bonds Payable						0.00
Bond Payable - Rev. Alloc.						0.00
Total Bond Payable - Rev. Alloc.						0.00
Note - D.L. Evans Bank						0.00
Total Note - D.L. Evans Bank						0.00
Note - Dell Building						0.00
Total Note - Dell Building						0.00
Note - McElliott						0.00
Total Note - McElliott						0.00
Notes and Bonds Payable - Other						0.00
Total Notes and Bonds Payable - Other						0.00
Total Notes and Bonds Payable						0.00
Security Deposit						0.00
Total Security Deposit						0.00
Total Long Term Liabilities						130,569.00
Total Liabilities						130,569.00
Equity						19,432,768.90
Fund Balance						16,035,070.92
Fund Balance-General Fund						-3.08
Total Fund Balance-General Fund						-3.08
Fund Balance-Revenue Alloc.						8,380,458.00
Total Fund Balance-Revenue Alloc.						8,380,458.00
Fund Balance-Bond Fund						2,705,411.00
Total Fund Balance-Bond Fund						2,705,411.00
Fund Balance-Rental Fund						4,949,205.00
Total Fund Balance-Rental Fund						4,949,205.00
Fund Balance-Sinking Fund						0.00
Total Fund Balance-Sinking Fund						0.00
Fund Balance - Other						0.00
Total Fund Balance - Other						0.00
Total Fund Balance						16,035,070.92
Opening Balance Equity						0.00
Total Opening Balance Equity						0.00
Unrestricted Net Assets						0.00
Total Unrestricted Net Assets						0.00
Net Income						3,397,697.98
Total Net Income					-6,175,674.84	-2,777,976.86
Total Equity					-6,175,674.84	13,257,094.06
TOTAL LIABILITIES & EQUITY					-6,175,674.84	13,387,663.06

URA/Clif Bar & Co. Projects

Monthly Activity

April, 2016

	Project Costs									Funding Sources				
	Land &			Utility	Canal	Impact								
	Improv. **	Water	Wastewater	Streets	Improv.	Relocation	Fees	RAA/Bond	Total	City*	URA	URA/Clif Adv.	State Grants*	Total
Beginning Balance	7,532,210.16	4,163,712.43	5,980,020.89	1,640,430.60	2,069,800.92	778,649.16	392,093.39	16,820.44	22,573,737.99	2,463,425.48	702,415.00	18,357,897.51	1,050,000.00	22,573,737.99
Grant										(338,838.00)			338,838.00	-
Keller Associates			8,686.35						8,686.35			8,686.35		8,686.35
Stock Construction, Inc.	213,879.75								213,879.75			213,879.75		213,879.75
JUB Engineers		225.58							225.58			225.58		225.58
Grant										(200,000.00)			200,000.00	-
Total	7,746,089.91	4,163,938.01	5,988,707.24	1,640,430.60	2,069,800.92	778,649.16	392,093.39	16,820.44	22,796,529.67	1,924,587.48	702,415.00	18,580,689.19	1,588,838.00	22,796,529.67
1st Amendment Budget ***	7,953,931.00	6,430,873.00	6,852,865.00	1,900,000.00	2,675,000.00	600,000.00	268,960.00	-	26,681,629.00	2,705,280.00	901,760.00	21,274,589.00	1,800,000.00	26,681,629.00
Difference	(207,841.09)	(2,266,934.99)	(864,157.76)	(259,569.40)	(605,199.08)	178,649.16	123,133.39	16,820.44	(3,885,099.33)	(780,692.52)	(199,345.00)	(2,693,899.81)	(211,162.00)	(3,885,099.33)

* State Grants are cost reimbursable grants. The City is funding expenditures for these grants until reimbursed.

** Stock Construction has contracted on project costs in three area's - by consensus the costs are all being presently accounted for as Land & Improvements.

*** The budget information displayed is as agreed to in the Deal Sheet. Additional change orders or modifications have been mutually agreed to through the Project Improvement Consent (PIC) process and are not included in these totals.

Over (Under) Advances:	
Credit Line Advance to date (see next tab)	18,581,730.19
Funding spent to date	<u>18,580,689.19</u>
Amounts Over (Under) Advanced	<u><u>1,041.00</u></u>
Refund from Idaho Power (used in May)	<u><u>1,041.00</u></u>



Date: May 9, 2016

To: Board of Commissioners

From: Phil Kushlan, Interim Executive Director

Request: Consideration of a request to approve Resolution 2016-2 to adopt the Main Avenue Project Governance Model, Create the Main Avenue Project Oversight Subcommittee, and Delegate certain authority to said Subcommittee and to the Executive Director.

Background: The Main Avenue Project Governance Model was developed to provide a collaborative and systematic approach to identify, track and expedite an appropriate approval process while informing project team members of the status and stage of approval for all issues entered into the system. An issue/decision tracking system was developed and will be maintained for monitoring project issues and tracking until a final decision is made and, if applicable, implementation is complete. Two stages of approval are provided.

Each issue that potentially impacts design, project schedule or cost will be collectively discussed for validation (stage 1). If validated, cost, time, and relevant impacts (such as impacts to other projects) will be quantified and presented to TFURA for approval for implementation (stage 2). Bi-weekly Owner/Architect progress meetings attended by the TFURA Executive Director and representatives, the City of Twin Falls City Manager, Project Manager (and others as the City deems appropriate), the OTAK / JUB design representatives, and CH2M will be held to update the status.

The make-up of those attending the Bi-weekly meeting will change over time as the specific demands of project coordination evolve.

As the design moves to completion, prompt and clearly articulated direction from the Agency and City is essential.

The Governance Model was first presented to the TFURA Board of Commissioners at their meeting held on April 11, 2016. Options for direct Board involvement were discussed and the Board requested that a resolution be drafted to memorialize the establishment of a Sub-committee to provide on-going oversight to the project and that would formally delegate decision-making to the Executive Director and the Subcommittee at differing levels.

The requested resolution is provided for your consideration. You will see that the document, as drafted, does six things:

- First, it formally adopts the Governance Model as the process by which the Main Avenue Project will be managed.

- Second, it delegates decision-making authority to the Executive Director to approve change orders with monetary values not exceeding \$5,000, with a monthly cumulative maximum of \$30,000.

- Third, it establishes the Main Avenue Project Oversight Subcommittee consisting of three members of the Agency Board of the Commissions with the Executive Director serving as a non-voting ex-officio member.

- Fourth, it delegates decision-making authority to the Subcommittee to approve change orders with a monetary value between \$5,001 and \$15,000 with a monthly cumulative maximum of \$100,000.

- Fifth, it recognizes that the meetings of the Main Avenue Project Oversight Subcommittee will be subject to the Idaho Open Meetings Law and City of Twin Falls policies on transparency, and

- Sixth, directs monthly reports be provided to the full Agency Board at their regular meetings.

Approval Process: A motion adopting Resolution 2016-2 would be appropriate. The Board is free to amend the resolution to alter the make-up of the Subcommittee, to provide different levels of delegated authority or make other changes if they so choose.

Budget Impact: Adoption of the Project Governance Model has no specific cost impact. However, establishing such a model facilitates the exercise of effective Agency control over the project budget moving forward.

Conclusion: We recommend your adoption of Resolution 2016-2.

Attachments: Resolution 2016-2
Graphic Representation of the Main Avenue Project Governance Model

RESOLUTION NO. 2016-2

A RESOLUTION OF THE URBAN RENEWAL AGENCY OF THE CITY OF TWIN FALLS, IDAHO, ADOPTING THE MAIN AVENUE PROJECT GOVERNANCE MODEL, CREATING THE MAIN AVENUE PROJECT OVERSIGHT SUBCOMMITTEE, AND DELEGATING CERTAIN AUTHORITY TO SAID SUBCOMMITTEE AND TO THE EXECUTIVE DIRECTOR.

WHEREAS, The Urban Renewal Agency of the City of Twin Falls, Idaho (AGENCY) has initiated a capital investment project to rehabilitate the infrastructure on Main Avenue between Fairfield and Jerome Streets and in the alleys north and south of Main Avenue; and,

WHEREAS, the Agency has retained the services of an Owner’s Representative to assist the Agency in administering the Main Avenue Project; and,

WHEREAS, the Owner’s Representative has recommended a Project Governance Workflow Model in the form attached to this resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE URBAN RENEWAL AGENCY OF THE CITY OF TWIN FALLS, IDAHO:

Section 1: That Board of Commissioners of the Agency adopts the Project Governance Model as proposed and attached hereto as exhibit (a).

Section 2: That the Executive Director of the Agency is hereby delegated authority to administer the project on a daily basis with authority to approve individual change orders with a monetary value of \$5,000 or less with a maximum monthly cumulative value of \$30,000.

Section 3: That a Main Avenue Project Oversight Subcommittee consisting of three (3) members of the Agency Board of Commissioners appointed by the Chair is hereby established. The Executive Director shall serve as an ex-officio, non-voting member of the Subcommittee.

Section 4: The Board of Commissioners of the Agency hereby delegates to the Main Avenue Project Oversight Subcommittee, additional authority to approve individual change orders beyond the authority delegated to the Executive Director above in amounts between \$5001 and \$15,000 with a maximum monthly cumulative value of \$100,000.

Section 5: The Main Avenue Project Oversight Subcommittee will be subject to the Idaho Open Public Meetings Law and City of Twin Falls policies on transparency.

Section 6: The Executive Director and Main Avenue Project Oversight Subcommittee shall submit a monthly project status report to the full Board of Commissioners on a monthly basis.

PASSED BY THE URBAN RENEWAL AGENCY
SIGNED BY THE CHAIRMAN

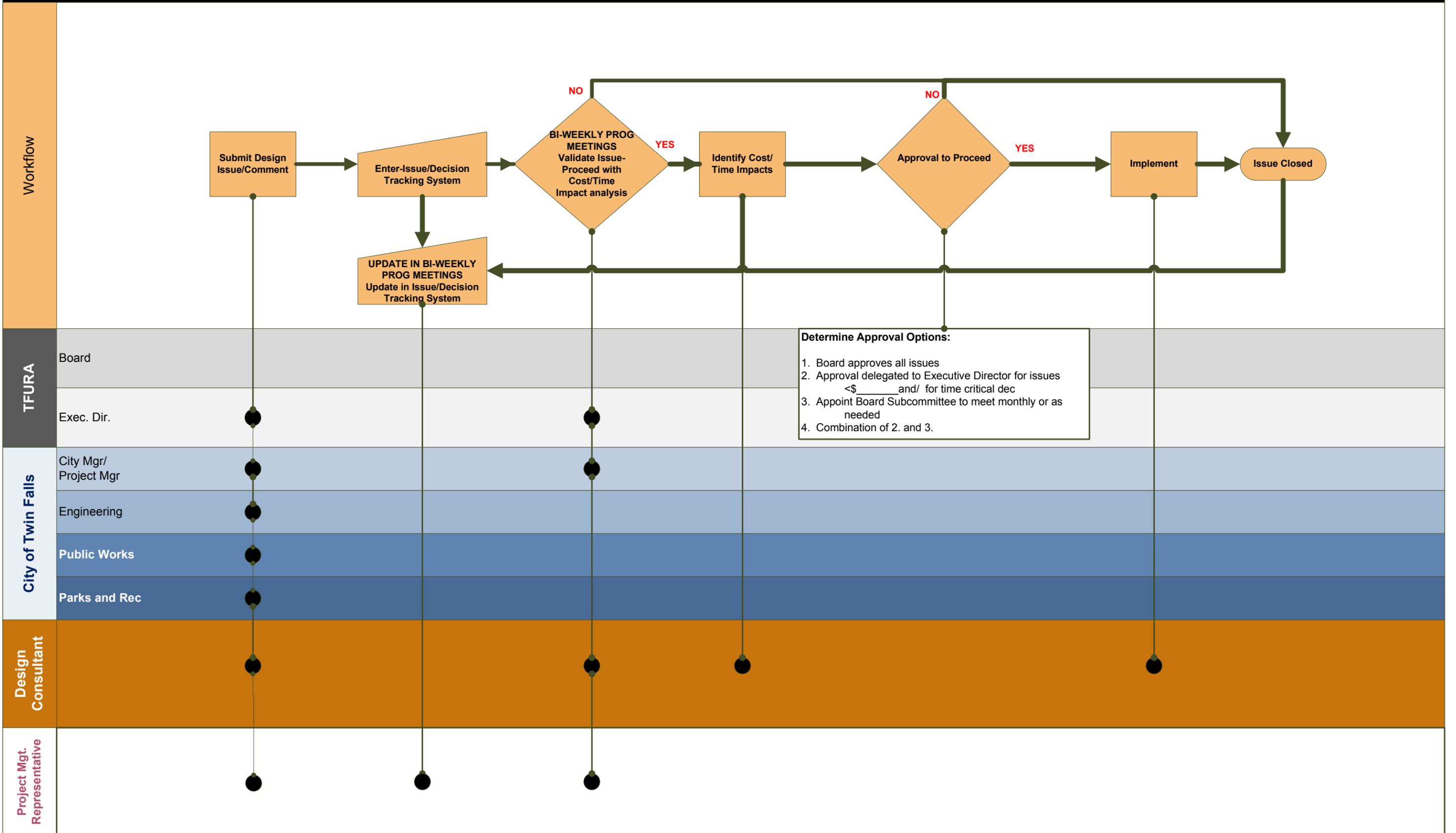
May 9, 2016.
May 9, 2016.

Daniel B. Brizee, Chairman



**Downtown Streetscape Project
PROJECT GOVERNANCE WORKFLOW**

Exhibit A



Twin Falls Urban Renewal Agency Main Street Redevelopment Project



Prepared for:

Monthly Report for Board Meeting of May 9, 2016



Prepared by – Owner's Representative



Monthly Project Progress Update

May 9, 2016

Main Street Redevelopment Project

Recent Progress, April 2016

Progress for the Main Avenue project over the last month (April 2016) is recapped below.

Task 1A – Project Mission and Scope

1. Resolution has been drafted regarding Project governance. Specific dollar limits of approval by the Director and the proposed TFURA construction subcommittee need to be resolved.
2. CH2M met with Phil Kushlan – Director, generally weekly to discuss progress and specific issues on the Main Avenue project
3. Developing Cost Control Report and Cash Flow Report
4. Interviewed project stakeholders including TFURA Director, Board Chari, City Manager, City Engineering staff
5. Walked project area with TFURA Director for general familiarity with street and alleyway issues, businesses, parking, and buildings
6. Discussed project delivery options and possible ways to streamline construction and minimize disturbance to merchants
7. Worked on refining project budget
8. Reviewed coordination questions with City Hall project
9. Attended design review meeting chaired by OTAK
10. Attended Project Advisory Committee Meeting chaired by OTAK
11. Provided estimate review comments to OTAK of the preliminary design and 90% segment
12. Discussed design Issues with respect to restroom and splash park
13. Continued discussion regarding looping the fire hydrants
14. Discussed Ground Penetrating Radar research accomplished earlier along Main Street by JUB
15. Monitored discovery of void under Hansen Street and resolution
16. CH2M met with Phil Kushlan – Director, weekly to discuss progress and specific issues on the Main Avenue project

Forecast Services, May 2016

Task 1A – Project Mission and Scope

- CH2M will incorporate the findings from the April 2016 meetings and discussions into a summary within the Project Execution Plan.

Task 1B – Project Execution Plan

- Project Delivery Workshop is scheduled for May 10, 2016. Topics to include:
 - a. Contracting approach: CM/GC or Design-Bid-Build
 - b. Unit price or hard bid work
 - c. Night time or day time construction, or combination
 - d. Limits of construction for City and TFURA projects, and oversight responsibilities
 - e. Necessity (or not) of advance purchasing brick

- f. Possible use of contractor incentives to expedite construction and minimize inconvenience to merchants
 - g. Methods of controlling cost and implementing closures of voids under the street (basements, coal chutes, other)
 - h. Other topics as appropriate
 - i. The participants will include TFURA, City, OTAK, JUB, CH2M – facilitator. Participants will be advised that they are providing input. We may not reach decisions on each of these topics. CH2M will discuss results with and make recommendations to TFURA for final decisions on each topic.
- Completion of Project Governance Model. The initial draft is included herein.
 - Completion of Master Project Schedule
 - Completion of the Cost Control Report and Cash Flow model

Task 1C – Reporting and Services During Design Completion

This task will be ongoing by CH2M through the fall of 2016 and will generally include the following:

- Facilitate Meetings (including preparing agenda and minutes)
- Identify and track Issues that potentially impact project costs and schedule
- Facilitate Coordination among Stakeholders
- Facilitate Approvals by Owner(s) (URA and City)
- Update Budget Summary Cost Status Report and Master Schedule
- Project Progress Report

Safety

- No safety issues to report.
- CH2M has completed our internal Health and Safety Plan for the project.

Budget

Main Street Project

- The Main Street Project estimate is currently \$5,855,000 for redevelopment of the 5 downtown blocks of Main Street. (This estimate does not include redevelopment of Hansen St. North and South, and the Commons plaza.) This Main Street estimate is just within TFURA’s preliminary budget for this work. There is an appropriate contingency for reasonable scope adjustments through design completion included within the value shown. A separate contingency for changes during construction is proposed, as well as allowances for indirect project costs. The more definitive cost control report is being shared with the Director and can be discussed in more detail with Board members upon request, but due to the potential sensitivity of some of the budget information such a report is typically not included in detail within CH2M’s monthly reports.
- The Cost Control Report being developed with the TFURA Director designates a recommended percentage of contingency through final design and for possible changes during construction.

Permitting and Design

- No status to report, since we are still in the design phase.

Schedule and Milestones

The Master Project Schedule for the Main Street project is currently being developed by CH2M. The project delivery discussions scheduled for next week (May 10, 2016) may affect the project schedule, so CH2M plans to introduce a Master Project Schedule as part of our forthcoming Project Execution Plan. In the meantime, the major phases of work are currently planned as follows.

Design Phase

90% Design Completion is planned for June 1, 2016 by OTAK. The plans will then be reviewed by the project team, including CH2M on behalf of TFURA, and City of Twin Falls.

Design Completion: Summer of 2016.

Bid and Award Phase

The Bid and Award phase is planned for late fall/winter of 2016. This will allow the construction contract to be signed so that construction work can begin in winter to early spring of 2017.

Construction Phase

Recent discussions with TFURA suggest that sufficient funding will be available to complete the project (5 blocks of Main Street Reconstruction) in one phase, versus multiple phases. The construction phase is therefore planned from late winter of 2017 into the fall of 2017 – approximately 9 to 10 months.

CH2M is currently discussing the idea of schedule incentives for the contractor to complete the project sooner, and other means of minimizing disruptions to downtown businesses. These and other topics will be addressed in the Project Delivery Workshop scheduled for May 10th.

Construction Contracting

- This phase is pending.

Construction Progress

Main Street Redevelopment: Scheduled for 2017 as discussed above.

Hansen Street South: This work is underway by Starr. The fountain was demolished in April 2016. The former pedestrian area is being converted into a compacted gravel lane, making way for this section of Hansen Street to be part of the Main Street Redevelopment work.

Hansen Street North: This area is currently barricaded by Starr, and is being used as an access and staging area for demolition of the Rogerson building (site of the new Commons plaza), and renovation of the Banner Building for the new City Hall.

CH2M plans to discuss the limits of the Commons Plaza and City Hall renovation in the May 10th Project Delivery workshop to determine what elements of the streetscapes work should remain as part of the City Hall work and which should be part of the Main Street work, with regard to project oversight by a CM/GC or Owner's Representative.

Owner Furnished Materials and Equipment

The topic of potential advance purchasing of brick for the project is being discussed, versus leaving the brick as part of the forthcoming contractor's work to procure.

There will likely be a need for special sidewalk cleaning equipment and snow removal equipment that may need to be purchased by TFURA in cooperation with the City, so that bricks won't be damaged during future cleaning and snow removal operations.

Employment and Economic Benefits

The economic benefits to Twin Falls' and Idaho's economies will be estimated and reported once the construction phase of the Main Street Redevelopment project is underway. This will be in terms of direct benefits, of the number of immediate jobs created or supported on the construction project. Secondary benefits will include an estimate of the number of jobs supported that are unrelated to the direct construction. We will also include an estimated percentage of the dollar volume of work going to local contractors with the associated dollars remaining in Twin Falls and the state of Idaho.

Twin Falls Urban Renewal Agency, Downtown Streets Redevelopment Project

30-Day Plan by CH2M – Owners Representative

Updated: April 21, 2016

The following Table outlines CH2M’s plan for our first five weeks of Owner’s Representative Services on the Downtown Streets Redevelopment Project. The table includes all relevant tasks outlined in our Scope of Services, but adds responsibilities, due dates and current status. This table will be updated periodically through completion of these tasks, and submitted to TFURA weekly.

Also refer to the attached Mobilization Plan graphic which shows a general timeline for completion of these services.

Task	Responsibility Primary Secondary Approval	Due Date	Progress	Week 1 Ending 08APR16	Week 2 Ending 15APR16	Week 3 Ending 22APR16	Week 4 Ending 29APR16	Week 5 Ending 06MAY16
1.A. Project Mission and Scope (1 month)								
1) Collect and examine project information from Owner and Project Team, including current design, estimate, budget, project requirements.	Primary: Dan Maffuccio Secondary: Paul Johnson	29APR16	Current prelim design info received. Gathering budget and estimate info. 90% design due 01JUNE.	Ongoing	Ongoing	Ongoing	Complete	
2) Interview Stakeholders, including TFURA and City staff, and design consultants.	Primary: Paul Johnson Secondary: Dan Maffuccio	22APR16	Have interviewed key TFURA and City staff. Held general discussions with OTAK.		Ongoing	Complete		
3) Discuss project issues and expectations for all phases of the project, and develop an issues tracking list for ongoing reporting.	Primary: Dan Maffuccio Secondary: Paul Johnson	29APR16	Issues tracking format has been developed. Share with PK week of 25APR.		Ongoing	Ongoing	Complete	
4) Prioritize project elements to be sure the basic project is fully anticipated to bid	Primary: Paul Johnson	Prelim: 22APR16	Current project scope appears affordable based on prelim budget		Ongoing	Complete on a		

Task	Responsibility Primary Secondary Approval	Due Date	Progress	Week 1 Ending 08APR16	Week 2 Ending 15APR16	Week 3 Ending 22APR16	Week 4 Ending 29APR16	Week 5 Ending 06MAY16
within budget, and the extras can be accepted if affordable.	Secondary: Dan Maffuccio	Final: 15JUN16	and OTAK estimate. Evaluate again in June.			prelim basis		
5) Develop a project cash flow projection considering the anticipated phases of the project and revenue streams. Identify any concerns of affording either construction or indirect cost items.	Primary: Paul Johnson Approval: Phil Kushlan	29APR16	Prelim info gathered from Phil Kushlan. Review with Brent at City.		Ongoing	Ongoing	Complete	
6) Identify any cost sharing requirements between the City and TFURA for aspects of the work related to the Main Street redevelopment project.	Primary: Paul Johnson Approval: Phil Kushlan	29APR16	Prelim info gathered from Phil Kushlan. Review with Travis Rothweiler.		Ongoing	Ongoing	Complete	
7) Facilitate an abbreviated Value Engineering review of the project only if necessary to prioritize project elements to reasonably assure the basic project is likely to bid within budget.	Primary: Paul Johnson with Project Team participation if necessary	15JUN16	Hold as a pending task for June 2016 if final estimate suggests cost concerns.					
Task 1B – Project Execution Plan (1 to 2 months)								
1) Develop a Project Execution Plan supporting an approach that minimizes cost and schedule impacts.	Primary: Paul Johnson Secondary: Dan Maffuccio Approval: Phil Kushlan	20MAY16	Project Execution Plan (PxP) will include info gathered in Tasks 1A and 1B.				Ongoing	Ongoing
2) Identify and document the Governance Structure for the Main Street project.	Primary: Dan Maffuccio Secondary: Paul Johnson Approval: Phil Kushlan, TFURA Bd.	15APR16	Governance Structure graphic presented and discussed at TFURA Bd mtg 11APR. Structure approved but dollar limits pending. CH2M will reflect this		Complete			

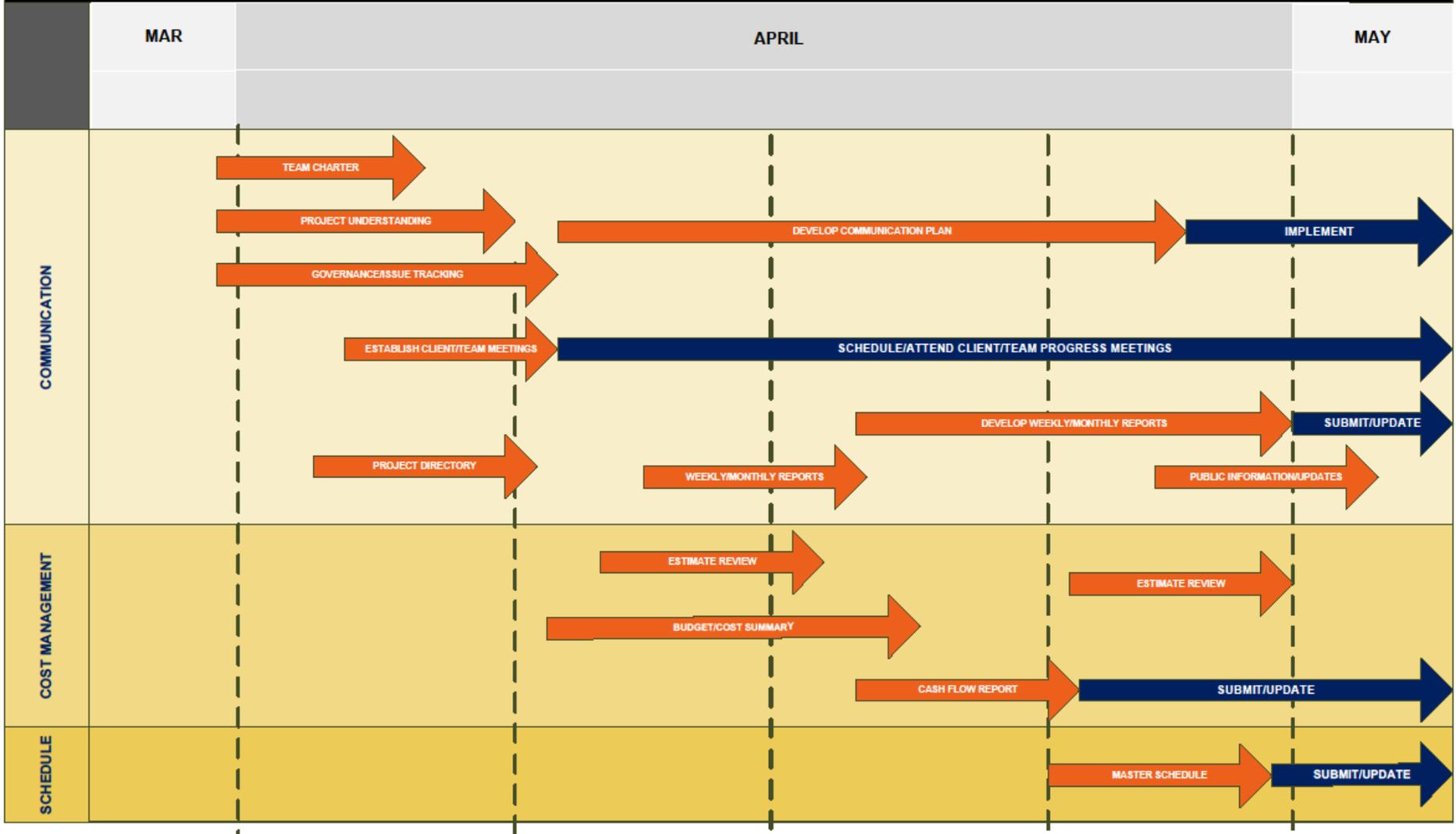
Task	Responsibility Primary Secondary Approval	Due Date	Progress	Week 1 Ending 08APR16	Week 2 Ending 15APR16	Week 3 Ending 22APR16	Week 4 Ending 29APR16	Week 5 Ending 06MAY16
			structure in the PxP.					
3) Based on learnings in Tasks 1A and 1B, develop a Scope of Work to assist TFURA with administration of the construction phase of work.	Primary: Paul Johnson Secondary: Dan Maffuccio	29JUL16	This task should follow the Project Delivery Workshop.					
4) Develop a Cost Control Report format for budget and scope accounting, comparing estimates against budgets for appropriate elements of TFURA's planned work.	Primary: Paul Johnson Secondary: Dan Maffuccio	29APR16	Prelim info gathered from Phil Kushlan.		Ongoing	Ongoing	Complete	
5) Prepare a Master Project Schedule including all relevant summary tasks for design, procurement, bidding, and construction phases of the Main Street project.	Primary: Paul Johnson Secondary: Dan Maffuccio	06MAY16	Prelim info gathered from Phil Kushlan and OTAK			Ongoing	Ongoing	Complete
Task 1C – Reporting and Services during Design Completion (Ongoing for 9 months)								
1) Facilitate or attend meetings to monitor and report the progress of the project design and preconstruction activities.	Primary: Dan Maffuccio Secondary: Paul Johnson	Through summer and fall 2016	Beginning now, but will become more focused following PxP		Ongoing	Ongoing	Ongoing	Ongoing
2) Provide input to the Project Team on key decisions and assumptions impacting the quality, schedule and cost of the project.	Primary: Dan Maffuccio Secondary: Paul Johnson	Through summer and fall 2016	Beginning now, but will become more focused following PxP		Ongoing	Ongoing	Ongoing	Ongoing
3) Review and provide input on cost estimates prepared by designer.	Primary: CH2M estimator, coordinated by Paul Johnson	29APR16	Prelim review to be complete by 29APR. Review final estimate in June.				Complete	

Task	Responsibility Primary Secondary Approval	Due Date	Progress	Week 1 Ending 08APR16	Week 2 Ending 15APR16	Week 3 Ending 22APR16	Week 4 Ending 29APR16	Week 5 Ending 06MAY16
4) Update the Project Master Schedule (monthly).	Primary: Paul Johnson Secondary: Dan Maffuccio	Through summary and fall 2016	Pending task to begin in May 2016					
5) Review design at key submittal dates for preliminary and final design. Provide comments for items that should be modified or incorporated into design for general project completeness.	Primary: Paul Johnson with input from CH2M disciplines	24JUN16	Pending receipt of 90% design on 01JUN16.					
6) Monitor compliance with the Master Project Schedule and report any deviations to Owner.	Primary: Paul Johnson Secondary: Dan Maffuccio	Through summary and fall 2016	Pending task to begin in May 2016					
7) Provide monthly updates of issues that could impact project cost and schedule.	Primary: Paul Johnson Secondary: Dan Maffuccio	Through summary and fall 2016	Pending task to begin in May 2016					
8) Prepare and present Monthly Reports of project progress to TFURA reporting on the status of all relevant project issues, approvals needed, and general progress of the project.	Primary: Paul Johnson Secondary: Dan Maffuccio	Through summary and fall 2016	Pending task to begin in May 2016					
9) Meet bi-weekly with TFURA and City to review project status and facilitate approvals. Coordinate with City's designated Communications liaison.	Primary: Paul Johnson Secondary: Dan Maffuccio	Through summary and fall 2016	Task to begin week of 25APR16.				Ongoing	Ongoing
Task 1D – Services during Bid and Award (Pending task. See Scope of Services.)								
Task II – Services during Construction. (Pending task. See Scope of Services.)								



**Downtown Streetscape Project
MOBILIZATION PLAN**

LEGEND
DEVELOP
IMPLEMENT

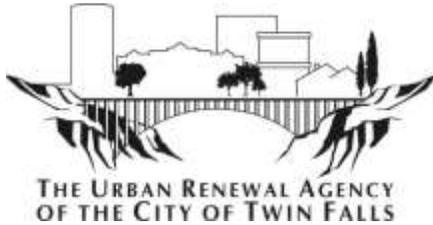


Action and Issues Lists

Action List, Updated as of May 4, 2016

DOWNTOWN STREETScape PROJECT_PM ACTION LIST						
no	class	Item	bid	status	action needed	remarks
1.050	Meetings	TF Engineering/PM coord meetings	CH	open	Need to determine frequency-attendance expectations	Is this monthly after every board meeting?
2.010	Report	Weekly Update emailed to Board	CH	progress	Coordinate with Phil. Update on Issues, key activities/events	
2.020	Report	Monthly Progress Report	CH	progress	Due COB 1st Wed of each month along with any reports, items to make Board Agenda	
2.030	Report	Public Information Updates	CH	open	Determine format, media source, information to report	
3.010	Deliverable	Project Directory	CH	progress	part of comm. Plan	
3.020	Deliverable	Cost Control Report	CH	progress	Submit for approval	Draft in progress
3.030	Deliverable	Project Cashflow	CH	open	Submit for approval	
3.040	Deliverable	Issue Tracking System	CH	progress	Submit for approval	Draft in progress
3.050	Deliverable	30 day mob. Plan	CH	progress	Submit for approval	Draft in progress
3.060	Deliverable	Master Sched	CH	open	Submit for approval	
3.081	Deliverable	Project Governance	URA	open	Approve Subcommittee Formation and level of authorities	
3.090	Deliverable	Workplan Summary	CH	progress	Submit for approval	Draft in progress
3.100	Deliverable	Construction Delivery/Procurement Plan	CH	open	Facilitate Workshop	
4.011	Design	Reconcile estimate	CH	open	Review preliminary estimate submitted with 90% partial submittal	
4.020	Design	Fire Marshal/Dept Review	CH	open	Confirm review	
4.030	Design	Integration of Art into Main Street	OTK	open	Define project requirements/design elements as needed	
4.031	Design	Coordinate OTAK design list w/Issue List	CH	open	CH contact OTAK and coordinate same to avoid duplication/omission of issues	Issue list should be potentially out of scope items
5.010	Procure	Mobilize Inspection Testing Firm	CH	open	Include in Master Sched process for selection	
6.010	Logistics	Concert Series during construction	CH	open	Include in Schedule and Constr. Plan	Begins 3rd week in June (days/location/duration of series?)
6.020	Logistics	Staging and Parking During construction	CH	open	Include in construction plan (construction forces and public access)	
8.010	Owner	Finalize 2nd line of Credit	URA	open	Confirm	

DOWNTOWN STREETScape PROJECT_ISSUE/DECISION TRACKING LIST										
No	Issue	Gen	Date	Action	Cost	Sche	Resp	Date Reso	Statu	Comments
1.00	Loop fire hydrant lines across Main Ave	TFURA	1-Apr	Estimate needed from JUB			OTAK	18-Apr	closed	JUB providing utility design. Prelim order of magnitude in 200K range
1.01	Loop fire hydrant lines across Main Ave	TFURA	26-Apr	Confirm JUB explanation of options in estimate and approval to proceed	\$ 184,000		TFURA		open	JUB estimate includes additional \$171,000 for dead end hydrants to second avenues (3 cross streets). Other additional options not priced for 8 1/2 in line
2.00	Revise Main Ave Cross Section--widen sidewalks	TFURA		Implement in Design			OTAK		closed	OTAK authorized to proceed. Included in 90% docs.
3.00	Determine construction procurement method	CH	1-Apr	Decision on Construction Delivery alternative			TFURA		open	evaluate d-b-b vs CMGC for delivering construction
4.00	Determine size of benches	TFURA	1-Apr	Confirm decision to proceed					open	
5.00	Transfer scope of work for Hansen/Commons areas	OTAK	11-Apr	Quantify and identify scope/impacts			TFURA		open	Star will need access on Hansen to complete their work. Discuss any issues involved with transfer of funds to Star Contract
6.00	Basement/Storage area revision/Commons Facility	TFURA	1-Apr	Go/No go for impact identification			TFURA		open	Provisions to drain and winterize fountain included in item 6.01.
6.01	Winterizing Fountain Piping system	TFURA	4-Apr	Include in Design			OTAK		open	OTAK memo dated 4-11-16 indicating gravity fed system into u.g. storage tank
6.02	Confirm final layout-Restroom	OTAK	4-Apr	Discuss City Councilman request to add more womens stalls; look at parking area adjustment/driveway			TFURA		open	
6.03	Finalize parking/driveway details behind restroom	OTAK	4-Apr	Approval to proceed			TFURA		open	
7.00	Prepurchase items/furnishings	OTAK	11-Apr	Determine need/impacts			OTAK		open	Discussion needed to determine items requiring prepurchase/owner furnished items as well
8.00	Treatment of Downtown Commons Wall	OTAK	11-Apr	Determine scope of work to address aesthetics and permanent waterproofing treatment			OTAK		open	
9.00	"Cavity" areas below Main Street sidewalks	CH	22-Apr	Determine potential areas of impact to design/construction			OTAK		open	
10.00	Placeholder for clarification of Phil's list	TFURA	15-Apr	Distinguish between design review vs Issue track			CH		open	distinguish between design review comments and change in scope
11.00	2nd Avenue Crosswalks (bulbout design)	OTAK	11-Apr	Go/No go for impact identification			TFURA		open	Coordination with ITD on design and identification of maintenance impacts needed to advise City of same.
12.00	Parking striping/sidewalk retrofit work in Vicinity of City Hall/Downtown Commons	OTAK	11-Apr	Go/No go for impact identification			TFURA		open	
13.00	Extent of Clay Pavers in Contract	OTAK	11-Apr	Go/No go and/or approach for including in bid docs (additive/deductive alternate)			TFURA		open	
14.00	Responsibility for removal/disposal of existing raised planters	COTF	11-Apr	Determine by City of in Construction Contract			TFURA		open	
15.00	Configuration of Bulbs/Storm Drainage/ADA access at Fairfield Intersection	COTF	11-Apr	Determine scope of work and appropriate construction contract			TFURA/COTF		open	
16.00	Confirm tree size	TFURA	11-Apr	Resolve with OTAK			TFURA		open	
17.00	Confirm paver configuration/pattern	TFURA	11-Apr	Resolve with OTAK			TFURA		open	
18.00	Determine requirement for electrical boxes at each tree well	TFURA	11-Apr	Resolve with COTF and OTAK			TFURA/COTF		open	



Date: May 9, 2016

To: Board of Commissioners

From: Phil Kushlan, Interim Executive Director

Request: Consideration of a request to approve the Project Improvement Reimbursement Agreement and Project Improvements Construction Agreement in regards to the Chobani Project.

Background: To encourage the location of this significant industrial enterprise in Twin Falls, a new Revenue Allocation District (RAA 4-3) was established. In November of 2011, the Agency entered into an agreement with Chobani Idaho, LLC, to provide a mechanism to repay capital investments in public infrastructure made by Chobani. That agreement provided for the issuance of bonds to fully reimburse the company's incurred cost in eligible public infrastructure costs. The Revenue Allocation funds derived from the property taxes paid on the private, taxable investment is paid into a special fund controlled by Zion's Bank, issuer of the long-term debt. The bond payments are made from the resources in the Fund.

The initial agreement anticipated that the revenue into the Fund would eventually exceed the on-going debt service requirement and other bond reserve requirements, in essence, creating "excess revenue" in the Fund. That excess revenue could be used for additional eligible public improvements within the project.

Since the initial work that allowed construction of the Chobani Plant, additional amounts have been spent on improving the Pretreatment Facility that performs an initial treatment of the effluent from the plant before it enters the City's sewer system. Without this level of pre-treatment, excessive strength in the inflow to the City's Wastewater Treatment Plant would likely overload the capacity of the facility.

To meet the standards of the City's discharge permit, which allows treated effluent to be discharged to the Snake River, substantial additional cost was incurred by Chobani. As you can see in the attached agreement, that additional cost exceeded \$13.7 million dollars. These amounts, recognizing investments made to date are reflected in the Project Improvement Reimbursement Agreement.

Additional work is anticipated to respond to the loads created by increasing plan capacity. Improvements to both the wastewater system and the water system are anticipated, costing \$7,000,000 and \$3,000,000 respectively.

Fortunately, the revenue stream resulting from the private taxable investment has exceeded the current demand for debt service on the Zion's bonds. In fact, a draw of approximately \$3.5 million was made from excess revenues in the Fund to reimburse part of the cost under a prior agreement. This agreement formalizes the process for reimbursement of the remaining \$10.1 million cost incurred by Chobani.

In addition to the reimbursement of expenses incurred by Chobani for required public improvements, and allowing for additional improvements the Reimbursement Agreement provides for an annual draw from the excess revenues to contribute to the administrative costs of the Agency. You will see that the agreement calls for 10% of annual revenue to be drawn by the Agency with an annual cap of \$150,000. This Administrative Fee is due as first priority after the payment for the bonds and before any excess revenue will be available to reimburse Chobani for project costs. Given the level of the annual revenue allocation

amounts, the cap has been reached and the Agency will draw \$150,000 each year from this Area for the balance of the life of the district.

Approval Process: A motion adopting the Public Improvement Reimbursement Agreement and the Project Improvements Construction Agreement would be appropriate.

Budget Impact: Adoption of the agreement will recognize the flow of resources through the Agency's budget as the reimbursement of incurred costs proceeds. Additionally, the Agency will receive \$150,000 annual payment to offset Agency operating costs through the life of the district. This is new money to the Agency and will provide a stronger fiscal foundation for Agency operations into the future.

Conclusion: We recommend your adoption of The Public Improvement Reimbursement Agreement and the Project Improvements Construction Agreements as presented.

Attachments: Project Improvement Reimbursement Agreement
Project Improvements Construction Agreement

PROJECT IMPROVEMENTS REIMBURSEMENT AGREEMENT

THIS PROJECT IMPROVEMENTS REIMBURSEMENT AGREEMENT (“**Agreement**”) is made on this _____ day of May 2016 (“**Effective Date**”) by and between the Urban Renewal Agency of the City of Twin Falls, an independent public body, corporate and politic, authorized under the authority of the Idaho Urban Renewal Law of 1965, as amended, Chapter 20, Title 50, Idaho Code, a duly created and functioning urban renewal agency (the “**Agency**”) and Chobani Idaho, LLC, an Idaho limited liability company (“**Chobani**”).

RECITALS

A. The Agency, Chobani’s predecessor Agro-Farma Idaho, Inc., and the City of Twin Falls (“**City**”) entered into that certain Development Agreement dated November 3, 2011 (“**Development Agreement**”) to set forth terms for the development, operation and expansion of a dairy manufacturing plant in Twin Falls, Idaho.

B. The Development Agreement provided for the creation of a twenty-year revenue allocation area on the plant site (“**RAA #4-3**”) so that incremental tax revenues generated within RAA #4-3 less statutory exemptions such as school bonds applied by the County (“**Revenue Allocation Revenues**”) could be used to finance the acquisition and preparation of the plant site, the construction of public infrastructure identified in the Development Agreement, and other projects as allowed by law and designated by Chobani (collectively, “**Project Improvements**”).

C. The Agency created RAA 4-3 and issued and sold bonds to Zions First National Bank to finance certain of the Project Improvements, based on Revenue Allocation Revenues from RAA 4-3 (“**Bond**”), pursuant to that certain Bond Resolution No. 2013-1 (“**Bond Resolution**”).

D. The Bond Resolution establishes segregated deposit accounts held by Zions First National Bank in Boise, Idaho, as Trustee, into which the Agency promptly deposits upon receipt all Revenue Allocation Revenues into the Revenue Allocation Fund, allocated according to the priority set forth in Section 9 of the Bond Resolution.

E. The Bond Resolution authorizes the Agency to direct disbursements from the Revenue Allocation Fund to pay parties that have incurred costs to construct Project Improvements through submittal of the requisition form included as Exhibit D to the Bond Resolution (“**Requisition Form**”), payable from available revenues after reserves are met, Trustee fees are paid, and the amount of any Bond principal and interest payment due within six months of any disbursement request is maintained (“**Available Revenues**”).

F. Chobani has incurred costs to construct certain Project Improvements authorized by the Development Agreement (“**Reimbursement**”), including site remediation, a water storage tank and a wastewater equalization tank, which costs have been documented and improvements have been accepted by the Agency and City, and which Reimbursement will be repaid to Chobani in accordance with the terms of this Agreement.

G. The parties will cooperate to quickly identify a purchaser of additional bonds or refinancing of the Bond based on Revenue Allocation Revenues as needed to pay the Reimbursement in full (“**Additional URA Financing**”).

H. In consideration of the Agency’s obligations under the Development Agreement and to provide funding to support the Agency’s administration of RAA #4-3, the Agency will be paid an administrative fee from Available Revenues in the amount of ten percent (10%) of the annual Revenue Allocation Revenues but not to exceed One Hundred Fifty Thousand Dollars (\$150,000) annually (“**Agency Administrative Fee**”) in accordance with the terms of this Agreement.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the parties hereto and the recitals set forth above which are acknowledged by the parties as true and correct and incorporated herein, Chobani and the Agency hereby agree as follows:

1. AGENCY ADMINISTRATIVE FEE

1.1 The parties agree that the Agency shall be entitled to payment of the Agency Administrative Fee from Available Revenues each fiscal year, beginning the year of the Effective Date and continuing until the termination of RAA #4-3. The Agency may submit a completed Requisition Form to request disbursement from the Revenue Allocation Fund for payment of the Agency Administrative Fee. If insufficient Available Revenues are available to pay the Agency Administrative Fee in any given calendar year, the remaining amount may be rolled over to subsequent years until paid in full, to the extent there are Available Revenues before termination of RAA #4-3. The payment of the Agency Administrative Fee shall have first priority over disbursements from the Available Revenues, as described in Section 2.3 of this Agreement.

2. REIMBURSEMENT

2.1 Reimbursement. The original amount of the Reimbursement was Thirteen Million Seven Hundred Twelve Thousand Five Hundred Thirty-five and 00/100ths Dollars (\$13,712,535.00). Disbursement of Three Million Five Hundred Seventy-Eight Thousand Eight Hundred Ninety and 51/100ths Dollars (\$3,578,890.51) was made from the Revenue Allocation Fund on April 12, 2016 and paid to Chobani on April 14, 2016. The current balance of the Reimbursement as of the Effective Date is Ten Million One Hundred Thirty-three Thousand Six Hundred Forty-four and 49/100ths (\$10,133,644.49).

2.2 Agreement to Pay Reimbursement. The Agency agrees to pay the Reimbursement balance and all other debts, obligations or liabilities, now or hereafter existing, arising out of this Agreement (collectively, “**Reimbursement**”) with Available Revenues and Revenue Allocation Revenues as and to the fullest extent available. All payments shall be made to Chobani at such place as it may designate in lawful money of the United States of America.

2.3 Submittal of Requisition Form for Payment of Reimbursement. On April 2nd of each year and on each date no later than seven (7) calendar days after the deposit of funds into the Revenue Allocation Fund due to subsequent tax payments or otherwise (each a “**Request Date**”), and continuing until the Reimbursement is paid in full, the Agency shall provide a completed and signed Requisition Request to Trustee, directing Trustee to disburse directly to Chobani all Available Revenues, less (i) the Agency Administrative Fee to be paid to the Agency if such fee has not already been paid for such calendar year, and (ii) any disbursement owing to the Agency or a third party that has been approved by Chobani in writing and in advance of such disbursement.

2.4 Alternative Payment of Reimbursement. In the event the Bond is paid or redeemed such that the Agency retains any Revenue Allocation Revenues before the Reimbursement is paid in full, or if for any other reason Available Revenues are not available to repay the Reimbursement, then Agency agrees to pay the Reimbursement directly from Revenue Allocation Revenues, immediately as and to the fullest extent available. In this event, the Agency will take all steps necessary, including by entering into a Security Agreement with Chobani and depositing funds into a segregated account to be controlled by Chobani or such other steps as may be needed to allow Chobani to perfect a security interest in the Revenue Allocation Revenues.

2.5 Final Documents. Within one week of the Effective Date, the Agency shall deliver to Chobani:

2.5.1 A certified copy of the final resolution by the Agency approving the terms and execution of this Agreement (“**Resolution**”);

2.5.2 A signed original of this Agreement; and

2.5.3 An opinion or opinions of legal counsel to the effect that (i) the Resolution and this Agreement have been duly adopted, authorized and executed by the Agency, and (ii) the Resolution and this Agreement are valid and legally binding obligations of the Agency, enforceable against the Agency in accordance with their terms.

2.5.4 Any other documents required by this Agreement.

3. REPRESENTATIONS AND WARRANTIES. As of the Effective Date and continuing thereafter until the Reimbursement is paid in full, the Agency represents and warrants to, and agrees with Chobani that the following are true and correct:

3.1 Authority. The Agency is a public body corporate and politic duly created by and existing under the laws of the State of Idaho, has all necessary power and authority to enter into this Agreement and to adopt the Resolution and perform its duties under this Agreement, and the Resolution and this Agreement will, when executed by the Agency, constitute legal, valid and binding obligations of the Agency that are enforceable in accordance with their terms. The individual signing this Agreement or any other document required to be signed by the Agency pursuant to this Agreement shall have all requisite authority to bind the Agency.

3.2 Enforceability. The execution and delivery of this Agreement, and the compliance with all provisions thereof, do not and will not conflict with or constitute a violation of, breach of or default (with or without notice or lapse of time or both) under any constitutional provision, statute, indenture, law, charter provision, mortgage, deed of trust, resolution, note or other agreement or instrument to which the Agency is a party or by which the Agency or any of its assets is presently bound, or, of any existing order, rule or regulation of any court or governmental agency or body having jurisdiction over the Agency or any of its activities and property; and all consents, approvals, authorizations and orders of governmental or regulatory authorities, if any, which are required for the consummation of the transactions contemplated in this Agreement have been obtained.

3.3 Litigation. There is no action, suit, proceeding or investigation at law or in equity before or by any court or government, city or body pending or, to the best of the knowledge of the Agency, threatened against the Agency or the City to restrain or enjoin the approval, execution or delivery of this Agreement or performance thereunder, which, in the reasonable judgment of the Agency, would have a material and adverse effect on the ability of the Agency to pay the Reimbursement or which in any way would adversely affect the validity or enforceability of this Agreement or performance thereunder.

3.4 Financial Information. The Agency has provided to Chobani all financial and other information necessary to fairly present in all material respects, in conformity with generally accepted accounting principles applied on a consistent basis (“GAAP”), the consolidated financial position of the Agency and to identify all material contingent liabilities. Since the date of the most recent financial statements provided to Chobani, there has been no material adverse change in the business condition (financial or otherwise), operations, properties or prospects of the Agency.

3.5 Payment of Taxes. The Agency has filed or caused to be filed truthful and accurate tax returns (if any are required); and has paid all taxes, assessments, fees, licenses, excise taxes, franchise taxes, governmental liens, penalties, and other charges levied or assessed against the Agency or any of its property imposed on it by any governmental authority, agency, or instrumentality that are due and payable.

3.6 Misrepresentations. No information, exhibits, data, or reports furnished by the Agency or its consultants or delivered to Chobani in connection with the Agency’s application for credit misstates any material fact, or omits any fact necessary to make such information, exhibits, data, or reports not misleading.

3.7 No Default. There is no event of default under the Development Agreement or any other document to which the Agency is a party; the Agency is not in default or breach of any material contract, agreement or instrument to which it is a party or by which its property or assets are bound.

3.8 No Burdensome Restrictions. No contract or other instrument to which the Agency is a party, or order, award, or decree of any court, arbitrator, or governmental agency, materially impairs the Agency’s ability to perform its obligations under this Agreement.

4. GENERAL COVENANTS

4.1 Payment of Reimbursement. The Agency covenants that it shall pay when due the Reimbursement at the place, from the sources and in the manner provided herein according to the terms and conditions of this Agreement.

4.2 Performance of Covenants; Legal Authorization. The Agency covenants and agrees that it will faithfully perform or cause to be performed any and all of its covenants, obligations, undertakings, stipulations and provisions contained in this Agreement.

4.3 Books and Records. The Agency covenants that so long as any Reimbursement is outstanding and unpaid, it will keep, or cause to be kept, proper books of record and account with respect to Revenue Allocation Revenues and Available Revenues, which shall be made available to Chobani upon reasonable notice to the Agency.

4.4 Against Encumbrances. Other than as evidenced by the Bond Resolution, the Agency has not, will not, and will not permit any, mortgage or otherwise encumber, pledge, or place any charge upon any of the Revenue Allocation Revenues or Available Revenues and has not, will not issue, and will not permit the issuance of, any obligation or security payable in whole or in part from the Revenue Allocation Revenues or Available Revenues that has a right to payment prior or superior to, or on parity with the payment therefrom of the Reimbursement.

4.5 Protection of Rights of Chobani. The Agency will maintain, preserve and defend the Revenue Allocation Revenues and Available Revenues and the rights and interests of Chobani to be reimbursed therefrom.

4.6 Withdrawals from Revenue Allocation Fund or Use of Revenue Allocation Revenues. Except as authorized by the Bond Resolution or this Agreement, the Agency shall not submit any Requisition Request or otherwise withdraw funds from the Revenue Allocation Fund or otherwise use or divert Revenue Allocation Revenues without Chobani's prior written consent.

4.7 Further Assurances. The Agency will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Agreement and for better assuring and confirming unto Chobani the rights and benefits provided in this Agreement.

4.8 Compliance with laws. The Agency shall comply with all laws, the Bond Resolution and other Bond documents, and its internal organizational documents at all times.

4.9 Maintain Existence. The Agency will maintain the RAA #4-3 and the Agency's existence as an urban renewal agency to the maximum extent permitted by law so long as any amounts under this Agreement are outstanding.

4.10 Reporting Requirements. While any amounts remain outstanding under this Agreement, the Agency shall comply with the following reporting and notification obligations:

4.10.1 Annually, the Agency shall provide Chobani with a copy of the Agency's annual audited financial statements, no later than one hundred eighty (180) days after the end of each calendar year.

4.10.2 The Agency shall notify Chobani promptly of any development that might reduce or retard the Agency's receipt of or access to the Available Revenues for repayment of the Reimbursement.

4.11 Additional URA Financing. The Agency will use its best efforts and take all necessary actions and provide all necessary information to obtain the Additional URA Financing to pay the Reimbursement in full as quickly as practically possible. In furtherance of the foregoing, upon Chobani's request, the Agency will work in good faith to assist in securing the refinancing of the Bond and/or the sale of additional bonds, the proceeds of which

will be used to pay the Reimbursement in full; provided however that such refinancing or bond issuance shall be on commercially reasonable financial terms, as determined in good faith by the Agency and Chobani.

4.12 General. The Agency shall do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the Agency under applicable laws and this Agreement. As of the Effective Date, all conditions, acts and things required by law and this Agreement to exist, to have happened and to have been performed precedent to and in the issuance of this Agreement shall exist, have happened and have been performed, and the Reimbursement, together with all other Reimbursement of the Agency, shall comply in all respects with the applicable laws of the State of Idaho.

5. EVENTS OF DEFAULT; REMEDIES

5.1 Events of Default. Each of the following events is hereby declared an “**Event of Default**” under this Agreement:

5.1.1 payment of any amounts due hereunder not being made within ten (10) days of when the same shall become due and payable; or

5.1.2 any representation or warranty is deemed to be false when made by the Agency in any manner or become false or misleading; or

5.1.3 the Agency shall for any reason be rendered incapable of fulfilling its obligations hereunder as determined by a court of law; or

5.1.4 the Agency fails to perform its obligations or covenants under this Agreement or the Development Agreement; or

5.1.5 under the provisions of any law for the relief or aid of debtors, any court of competent jurisdiction assuming custody or control of the Agency or of the whole or any substantial part of its property or, the Agency voluntarily files for bankruptcy protection or is subjected to an involuntary bankruptcy filing, and such suit, custody or control is not dismissed or terminated within thirty (30) days from the date of filing or assumption of such suit, custody or control; or

5.1.6 the Agency defaults in the due and punctual performance of any other of the non-payment covenants, conditions, agreements and provisions contained in this Agreement to be performed on the part of the Agency, and such default shall continue for thirty (30) days after written notice specifying such default and requiring the same to be remedied shall have been given to the Agency by Chobani; provided that if such default cannot with due diligence and dispatch be wholly cured within thirty (30) days but can be wholly cured, the failure of the Agency to remedy such default within such thirty (30) day period shall not constitute a default hereunder if the Agency shall immediately upon receipt of such notice commence with due diligence and dispatch the curing of such default and, having so commenced the curing of such default, shall thereafter prosecute and complete the same with due diligence and dispatch.

5.2 Remedies of Chobani. Upon the occurrence or continuation of an Event of Default hereunder, Chobani may:

5.2.1 by mandamus, or other suit, action or proceeding at law or in equity, enforce all rights of Chobani under this Agreement, and require the Agency to carry out any agreements with or for the benefit of Chobani and to perform its duties under law and this Agreement, provided that any such remedy may be taken only to the extent permitted under the applicable provisions of this Agreement;

5.2.2 bring suit upon this Agreement;

5.2.3 exercise any rights as a secured party under the Uniform Commercial Code;

5.2.4 by action or suit in equity, enjoin any acts or things that may be unlawful or in violation of the rights of the Chobani;

5.2.5 bring an action for specific performance to require the Agency to submit Requisition Requests as required herein for payment of the Reimbursement, assign such rights to Chobani, or otherwise obtain disbursement of Available Revenues to repay the Reimbursement; or

5.2.6 pursue any other available legal or equitable remedies.

No remedy by the terms of this Agreement conferred upon or reserved to Chobani is intended to be exclusive of any other remedy, but each and every such remedy shall be cumulative and shall be in addition to any other remedy given to Chobani now or hereafter existing at law or in equity or by statute.

No delay or omission of Chobani to exercise any right or power accruing upon any default or Event of Default hereunder shall impair any such right or power or shall be construed to be a waiver of any such default or Event of Default, or acquiescence therein; and every such right and power given by this Article to Chobani may be exercised from time to time and as often as may be deemed expedient.

5.3 Chobani to File Proofs of Claim in Receivership. In the case of any receivership, insolvency, bankruptcy, reorganization, arrangement, adjustment, composition, or other judicial proceedings affecting the Agency, Chobani shall, to the extent permitted by law, be entitled to file such proofs of claims and other documents as may be necessary or advisable in order to have claims of Chobani allowed in such proceedings for the entire amount due and payable by the Agency under this Agreement at the date of the institution of such proceedings and for any additional amounts which may become due and payable by it after such date.

5.4 Waivers. In the event any agreement contained in this Agreement should be breached by the Agency and thereafter waived by Chobani, such waiver shall be limited to the particular breach waived and shall not be deemed to waive any other breach hereunder.

5.5 Termination of Proceedings. In case Chobani shall have proceeded to enforce any right under this Agreement, and such proceedings shall have been discontinued or abandoned for any reason, or shall have been determined adversely to Chobani, then and in every case the Agency and Chobani shall, subject to any determination in such proceeding, be restored to their former positions and rights hereunder, and all rights, remedies and powers of Chobani shall continue as if no such proceedings had been taken.

6. MISCELLANEOUS

6.1 Limitation of Rights. With the exception of rights herein expressly conferred and indemnification rights, nothing expressed or mentioned in or to be implied from this Agreement is intended or shall be construed to give to any person or entity other than the Agency and Chobani any legal or equitable right, remedy or claim under or in respect to this Agreement or any covenants, conditions and provisions therein, this Agreement and all of the covenants, conditions and provisions thereof being intended to be and being for the sole and exclusive benefit of the Agency and Chobani as therein provided.

6.2 Attorney's Fees. If either party brings an action against the other party to enforce its rights under the Agreement, the prevailing party shall be entitled to recover its costs and expenses incurred in connection with such action and all appeals of such action, including without limitation reasonable attorneys' fees and costs.

6.3 Severability. If any provision of this Agreement shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative or unenforceable to any extent whatever.

6.4 Notices. Except as otherwise provided in this Agreement, all notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when in writing and either mailed by first class mail, postage prepaid, with proper address as indicated below or sent by electronic mail (with written confirmation by first class mail, postage prepaid). Either of such parties may, by written notice given by such party to the other, designate any address or addresses to which notices, certificates or other communications to it shall be sent when required as contemplated by this Agreement. Until otherwise provided by the respective parties, all notices, certificates and communications to each of them shall be addressed as follows:

To the Agency: Urban Renewal Agency of the City of Twin Falls
321 2nd Avenue East
Twin Falls, Idaho 83301
Attention: _____
Phone: (208) _____
Email: _____

To Chobani: John Bellardini, Vice President Finance & Treasurer
Chobani Idaho, LLC
147 State Highway 320
Norwich, NY 13815
Phone: (607) 337-1246
Email: John.Bellardini@chobani.com

Copy to: Office of General Counsel, Attention: Cathy King
(which shall not constitute notice) Chobani Idaho, LLC
147 State Highway 320
Norwich, NY 13815
Phone: (607) 337-1246
Email: cathy.king@chobani.com

Deborah Nelson
Givens Pursley LLP
601 W. Bannock Street
Boise, ID 83702
Phone: (208) 388-1200
Email: den@givenspursley.com

6.5 Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

6.6 Governing Law. This Agreement shall be governed exclusively by and construed in accordance with the laws of the State of Idaho.

6.7 Business Days. If the date for making any payment or the last date for performance of any act or the exercising of any right, as provided in this Agreement, shall occur on a Saturday or Sunday or a day on which commercial banks located in the State of Idaho are required or authorized to close, such payment may be made or act performed or right exercised on the next business day with the same force and effect as if done on the nominal date provided in this Agreement.

6.8 Repealer Clause. All Agency bylaws, orders, resolutions, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any bylaw, order, or other resolution, or part thereof, heretofore repealed.

6.9 Rules of Construction. Unless the context shall otherwise require:

6.9.1 an accounting term not otherwise defined herein shall have the meaning assigned to it in accordance with generally accepted accounting principles;

6.9.2 references to Articles and Sections are to the Articles and Sections of this Agreement;

6.9.3 words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders; and

6.9.4 unless the context shall otherwise indicate, words importing the singular number shall include the plural and vice versa.

6.10 Time is of the Essence. Time is of the essence with respect to this Agreement.

6.11 Third Party Beneficiaries. This Agreement shall not confer any rights or remedies on any person other than the parties and their respective successors and permitted assigns.

6.12 Entire Agreement. This Agreement and the other agreements referenced herein set forth the entire understanding and agreement of the parties.

6.13 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the parties, and their respective successors and permitted assigns.

[End of text; signatures follow on next page]

DATED effective as of the Effective Date.

AGENCY:

URBAN RENEWAL AGENCY OF THE CITY OF TWIN FALLS, an independent body politic and corporate constituting a public instrumentality of the State of Idaho

By: _____
Name: Daniel B. Brizee
Its: Chair

CHOBANI:

CHOBANI IDAHO, LLC, an Idaho limited liability company

By: _____
Name:
Its:

**PROJECT IMPROVEMENTS CONSTRUCTION AGREEMENT
(PTF Expansion)**

THIS PROJECT IMPROVEMENTS CONSTRUCTION AGREEMENT (PTF Expansion) (“**Agreement**”) is made on this _____ day of May 2016 (“**Effective Date**”) by and between the Urban Renewal Agency of the City of Twin Falls, an independent public body, corporate and politic, authorized under the authority of the Idaho Urban Renewal Law of 1965, as amended, Chapter 20, Title 50, Idaho Code, a duly created and functioning urban renewal agency (the “**Agency**”) and Chobani Idaho, LLC, an Idaho limited liability company (“**Chobani**”).

RECITALS

A. The Agency, Chobani’s predecessor Agro-Farma Idaho, Inc., and the City of Twin Falls (“**City**”) entered into that certain Development Agreement dated November 3, 2011 (“**Development Agreement**”) to set forth terms for the development, operation and expansion of a dairy manufacturing plant in Twin Falls, Idaho.

B. The Development Agreement provided for the creation of a twenty-year revenue allocation area on the plant site (“**RAA #4-3**”) so that incremental tax revenues generated within RAA #4-3 less statutory exemptions such as school bonds applied by the County (“**Revenue Allocation Revenues**”) could be used to finance the acquisition and preparation of the plant site, the construction of public infrastructure identified in the Development Agreement, and other projects as allowed by law and designated by Chobani (collectively, “**Project Improvements**”).

C. The Agency, Chobani and the City entered into that certain Wastewater Discharge Agreement dated September 1, 2015 (“**Wastewater Agreement**”) to set forth the rights and obligations of the parties relating to wastewater treatment, which provides that Chobani may direct the use of any excess Revenue Allocation Revenues for wastewater improvements, including expansion or upgrades of the pretreatment facility.

D. The Agency and Chobani entered into that certain Project Improvements Reimbursement Agreement, dated May _____, 2016 (“**First Reimbursement Agreement**”), in which the Agency agreed to reimburse Chobani for certain Project Improvement expenses from Revenue Allocation Revenues.

E. The Agency and Chobani now desire for Chobani to construct additional Project Improvements consistent with the Development Agreement and Idaho Code Section 50-2007(b), specifically to upgrade and expand the wastewater pretreatment facility and the water supply serving the Chobani plant (“**PTF Expansion**”), and for Chobani to be reimbursed from Revenue Allocation Revenues in accordance with the terms of this Agreement.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each of the parties hereto and the recitals set forth above which are acknowledged by the parties as true and correct and incorporated herein, Chobani and the Agency hereby agree as follows:

1. CONSTRUCTION OF PROJECT IMPROVEMENTS

1.1 Chobani will select contractors and suppliers for the procurement of equipment, public works, services and other matters for the PTF Expansion through a public bid process generally consistent with the process applicable to the Agency under Idaho law and otherwise in accordance with customary industry practices.

1.2 Chobani will construct or have constructed the PTF Expansion in a workmanlike quality.

1.3 Chobani will provide the initial funding for construction of the PTF Expansion until such time as the parties secure additional financing. The preliminary scope of work and cost estimate for the PTF Expansion is described in Exhibit A, attached hereto and incorporated by this reference. The Agency acknowledges that this reflects a preliminary concept and estimate and that the scope of work may evolve and the actual costs may be more or less than initially estimated.

1.4 Upon completion of the PTF Expansion and acceptance by the City of Twin Falls of the improvements, Chobani will provide commercially-reasonable documentation of all costs incurred for the PTF Expansion to the Agency, including invoices with a description of the materials or services provided.

2. REIMBURSEMENT FOR PROJECT IMPROVEMENTS

2.1 Upon the Agency’s acceptance of the cost documentation required by Section 1.4, which acceptance shall not be unreasonably withheld, the Agency shall enter into a second Project Improvements Reimbursement Agreement with Chobani to reimburse Chobani from Revenue Allocation Revenues based on the same repayment terms, representations, warranties and covenants in the First Reimbursement Agreement, with only the only material differences to be the amount of the new reimbursement.

3. MISCELLANEOUS

3.1 Severability. If any provision of this Agreement shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative or unenforceable to any extent whatever.

3.2 Notices. Except as otherwise provided in this Agreement, all notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when in writing and either mailed by first class mail, postage prepaid, with proper address as indicated below or sent by electronic mail (with written confirmation by first class mail, postage prepaid). Either of such parties may, by written notice given by such party to the other, designate any address or addresses to which notices, certificates or other communications to it shall be sent when required as contemplated by this Agreement. Until otherwise provided by the respective parties, all notices, certificates and communications to each of them shall be addressed as follows:

To the Agency: Urban Renewal Agency of the City of Twin Falls
321 2nd Avenue East
Twin Falls, Idaho 83301
Attention: _____
Phone: (208) _____
Email: _____

To Chobani: John Bellardini, Vice President Finance & Treasurer
Chobani Idaho, LLC
147 State Highway 320
Norwich, NY 13815
Phone: (607) 337-1246
Email: John.Bellardini@chobani.com

Copy to: Office of General Counsel
(which shall not constitute notice) Chobani Idaho, LLC
147 State Highway 320
Norwich, NY 13815
Phone: (607) 337-1246
Email: cathy.king@chobani.com

Deborah E. Nelson
Givens Pursley LLP
601 W. Bannock Street
Boise, ID 83702
Phone: (208) 388-1200
Email: den@givenspursley.com

3.3 Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

3.4 Governing Law. This Agreement shall be governed exclusively by and construed in accordance with the laws of the State of Idaho.

3.5 Repealer Clause. All Agency bylaws, orders, resolutions, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any bylaw, order, or other resolution, or part thereof, heretofore repealed.

3.6 Exhibits. All Exhibits hereto are hereby incorporated by reference as if fully set forth herein.

3.7 Successors and Assigns; Third Party Beneficiaries. This Agreement shall not confer any rights or remedies on any person other than the parties and their respective successors and permitted assigns.

3.8 Entire Agreement. This Agreement and the other agreements referenced herein, as well as any other executed written agreements between the parties, set forth the entire understanding and agreement of the parties.

DATED effective as of the Effective Date.

AGENCY:

URBAN RENEWAL AGENCY OF THE CITY OF TWIN FALLS, an independent body politic and corporate constituting a public instrumentality of the State of Idaho

By: _____
Name: Daniel B. Brizee
Its: Chair

CHOBANI:

CHOBANI IDAHO, LLC, an Idaho limited liability company

By: _____
Name:
Its:

EXHIBIT A

PRELIMINARY SCOPE OF WORK FOR PTF EXPANSION

This project is to make necessary improvements to the City of Twin Falls' existing wastewater pre-treatment facility (PTF) and water supply that serve the Chobani production plant.

Wastewater

As Chobani plant expansion and production increases are completed, the existing PTF must also be expanded to handle the increased flow and loads generated by the plant. Expansion of the PTF will involve two phases. Phase 1 will involve additional waste water equalization tanks to manage flows, screening to control debris, new & larger pH control systems and increased Dissolved Air Flootation (DAF) capacity. Phase 2 will involve increasing the Anaerobic processing capacity. In total, the wastewater improvements are estimated to cost approximately \$7,000,000, spent over two years.

Water

Other municipal services also need to be improved, including potable water tanks to manage incoming flows as well as additional filtration to maintain water quality. In total, the water improvements are estimated to cost approximately \$3,000,000, spent over two years.

RYAN P. ARMBRUSTER
MEGHAN S. CONRAD

251 East Front Street, Suite 300
Post Office Box 1539
Boise, Idaho 83701
Telephone 208 343-5454
Fax 208 384-5844
E-mail rpa@elamburke.com

April 13, 2016

Redevelopment Association of Idaho, Inc.
251 E. Front Street, Suite 301
Boise, ID 83702

Re: 2016 Legislative Session

Dear Directors and Members:

The 2016 Legislative Session brought about significant reforms to the statutes governing urban renewal agencies, specifically, the 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"), without addressing any of the modernization concepts supported by the Redevelopment Association of Idaho, Inc. ("RAI"). This effort began with the Interim Committee sessions in the summer and fall of 2015 and extending into the 2016 session. The Interim Committee convened several times from the start of the session through February, a practice virtually unheard of according to legislative lobbyist veterans.

The 2016 Legislative Session was challenging and few, if any, could have predicted the rollercoaster ride resulting in the passage of an urban renewal bill on the closing day of the Session. We appreciated the engagement of the RAI members who responded to RAI's legislative alerts and contacted legislators to discuss the importance of urban renewal as an economic development tool. Member contact is integral to the process and directly assisted with retaining or adding necessary language to make House Bill 606 workable. Certainly one of the takeaways from this Session is the continued need to support RAI's mission to educate legislators, the public, and others concerning how the urban renewal tool is used. RAI's role further includes educating RAI members regarding compliance with increasing statutory reporting requirements. We would particularly like to thank Seth Grigg and the Association of Idaho Cities ("AIC") for their efforts during the Session. Without Seth's tireless attention to

HB 606 throughout the Session, and his continued efforts to keep us involved in the process, the results of the 2016 Legislative Session could have been far more draconian.

We received assistance from many other quarters. Without their assistance, some of the protections and safeguards within HB 606 would not have been achieved.

House Bill 606: Also known as the “urban renewal reform bill” substantially amends the Law and the Act, particularly for plans adopted post July 1, 2016, and will impact how urban renewal is used as an economic development tool going forward. This bill was signed into law by the Governor on April 5, 2016. The impact of HB 606 will be addressed in detail during the AIC Annual Conference on June 22-24, 2016, in Boise. Below, please find a summary of the most significant changes made to the urban renewal statutes in HB 606:

1. **Elected Agency Board.** By enactment of an ordinance, the local governing body may provide the agency board members shall stand for election.
2. **Agency Board Composition.** Members of the local governing body shall constitute less than a majority of the agency board members. However, the local governing body has the ability to terminate the appointed agency board and to designate itself as the board “for not more than one (1) calendar year.” Presumably, this would allow a local governing body (the full City Council) the ability to take control from a rogue agency board and allow time to appoint a new board with less than a majority elected officials of the city. Additionally, agency board members must be residents of the county where the agency is located.
3. **No Risk of a Base Reset for Future Plan Amendments to Plans Adopted or Amended Before July 1, 2016.** A significant turning point in the Interim Committee discussions occurred in November 2015, with the issuance of an Attorney General Opinion indicating the base assessment roll values of a revenue allocation area should be reset to the current values upon the year of modification, yet recognizing there may be a statutory conflict in the Law and the Act leading to a different conclusion. The effect of a base reset is the loss of the increment value resulting in an immediate loss of revenue to an urban renewal agency leading to likely default on existing obligations. The Idaho State Tax Commission has never interpreted a plan amendment to require a base reset.

In an effort to acknowledge existing plans operating under the current interpretation that plan amendments do not cause a reset to the base assessment roll values to current values, language was added to the definition of “base assessment roll” to protect plans adopted or modified prior to July 1, 2016, and to clarify that subsequent modifications to plans

adopted or amended prior to July 1, 2016, are not subject to the new “base reset” limitations set forth in new Section 50-2905A.

4. **Urban Renewal Plans Adopted After July 1, 2016, May Only Be Amended in Limited Circumstances.** Idaho Code § 50-2903A is a new section of Idaho Code addressing under what circumstances an urban renewal plan can be amended/modified without resetting the base assessment roll values, including 1) to make technical or ministerial plan amendments that do not increase the use of tax increment revenues; 2) to make a one-time plan amendment to increase the revenue allocation area boundary by up to 10%; 3) to de-annex parcels from a revenue allocation area; or 4) to make a plan amendment to support growth of an existing commercial or industrial project in an existing revenue allocation area.

There is no exception to allow plan amendments to add projects in support of an unanticipated/new economic development opportunity in an existing revenue allocation area.

Upon certification by the agency of outstanding indebtedness that cannot be repaid prior to termination, a reset does not occur; however, the agency is required to rebate to the taxing districts any amount that exceeds the amount necessary to pay the indebtedness as certified.

5. **Urban Renewal Plans Adopted or Amended After July 1, 2016, Must State With Specificity Details Concerning the Types of Projects That Are Contemplated.** For urban renewal plans adopted post July 1, 2016, the specificity requirement combined with the reset of the base assessment roll upon plan modification will limit an agency’s ability to respond to new economic development opportunities. The specificity requirement is likely applicable to amendments of existing plans; however, plans adopted prior to July 1, 2016, may be amended without risk of a base reset.
6. **Limitations on the Use of Revenue Allocation Funds to Construct Certain Municipal Buildings.** New Section 50-2905A allows the use of revenue allocation funds to fund up to 50% of the costs to construct municipal buildings. If 51% or more of the project costs to construct a municipal building are to be funded by revenue allocation funds, the project must be approved by 60% of the participating qualified electors. Municipal building is defined as, and therefore, the voting provisions only apply to the construction of: an administrative building, a city hall, a library, a courthouse, public safety or law enforcement buildings, other judicial buildings, fire stations, jails, and detention facilities. No voter approval is required for public parking structures. Additionally, the limitation applies only to the municipal building itself and should not impact the ability of an agency to fund infrastructure (water, sewer,

streetscape, public parking, etc.) to support the municipal building. This new Section should have no impact on the ability to fund projects using lease revenue.

7. **Commencing January 1, 2017, Urban Renewal Agencies Are Subject to Additional Reporting Requirements Managed by the State Tax Commission and Draconian Penalties for Non-Compliance.** Idaho Code § 50-2913 is a new section establishing a central repository to be managed by the State Tax Commission for urban renewal agencies to upload urban renewal plans and urban renewal plan amendments. Urban renewal agencies that fail to comply with reporting requirements will experience, among other penalties, loss of new increment and a temporary loss of property tax replacement revenues. There is no statutory protection for outstanding indebtedness.

House Bill 404: RAI, AIC, and others were able to successfully defeat House Bill 404, which sought to require only urban renewal agencies to reimburse telecommunications providers for the full costs of relocating facilities within a project area.

Other legislation of interest to urban renewal agencies is as follows:

House Bill 443: Authorized cities to retain records through digital means and clarifies record retention period. It may be appropriate for urban renewal agencies to adopt these standards as policy.

House Bill 447: Expanded the public records exemption for proposed or existing critical infrastructure when disclosure of such information is reasonably likely to jeopardize the safety of persons, property or the public safety.

House Bill 541: Provides political subdivisions to acquire personal property or services through contracts entered into by the state of Idaho Division of Purchasing.

Senate Bill 1219: Amended the construction manager/general contractor law adopted in 2014. The bill requires the solicitation of bids from at least three qualified contractors or suppliers, allows limitations on self-performance, requires fees/compensation to be specified in written contracts, clarifies that all bids are public records, and that bidding may be done in stages.

Overall, this was an extremely active Session due to the work of the Interim Committee and Leadership's (particularly in the House) goals to have an urban renewal bill this year. Unfortunately, representations were made by Representative Rick Youngblood (Nampa) that this was not the end of the revisions to the Law and the Act, but rather the beginning. Many opponents of urban renewal also feel House Bill 606 was a good start but did not go far enough. The role of RAI in the legislative process was instrumental in educating legislators and communicating statutory analysis on proposed language that would have effectively killed the

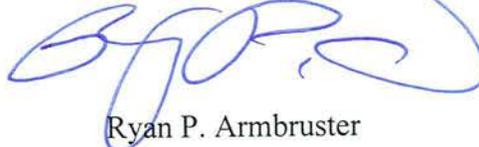
tool. Due to the hard work of many, the RAI is being called upon with more frequency to provide information and guidance related to urban renewal issues. With this increased role, there will continue to be an increasing legislative presence required. Unfortunately we have no reason to believe HB606 will hold off urban renewal related legislation in 2017; however, we believe that an overhaul effort will not be undertaken next Session.

At the upcoming AIC Conference, RAI will be presenting a more thorough analysis of House Bill 606 and other significant legislation. The session is scheduled for 9:15 to 10:45 on Thursday, June 23, 2016, with another session being presented by the Tax Commission immediately following. The RAI Annual Meeting will be held that afternoon at 4:00 p.m. More details will follow.

Should you have any questions, please feel free to contact one of us.

Sincerely,

ELAM & BURKE
A Professional Association



Ryan P. Armbruster



Meghan S. Conrad

MSC/ksk