MSVM TRACY group

Twin Falls Urban Renewal Agency
Updates | February 2012

Projects

TFURA Video: We have completed the promotional video for the Agency featuring the success stories of C3 and Chobani. Both of these compelling projects are a strong demonstration of how and why a URA works, and why in particular the TFURA works so well. This project was complete by the MSVM Tracy team on a pro bono basis. And it was truly a team effort by our group, the TFURA Board and staff. We appreciate the input and insight of all of you and it shows up in the finished product. As of this writing we have already uploaded the 5:50 minute video on the TFURA website at this link http://twinfallsid.biz/node/73. We will also be providing additional copies of the video on another format, likely DVDs at this moment.

Media and In the News

Some of the following clips include mention of the TFURA. There are other clips that give you sense of what is going on in the Idaho Legislature and in other newspapers.

THIS WEEK: A Look at What's Worth Knowing in Magic Valley

Times-News Magicvalley.com | Posted: Monday, February 13, 2012 1:45 am | (0) Comments

Civic events
A more festive J-Town: Joe Mama's Car Show is cool, and pig wrestling at the Jerome County Fair is a blast. But some residents think that things to do — especially to mark holidays — have been lacking in Jerome.

Help mold the future of Jerome events today at a 6 p.m. community forum hosted by the Jerome Events Committee. Come to the Jerome Senior Center, 520 N. Lincoln Ave., with your best ideas. Who knows, maybe that cheese-carving contest you've been considering will take flight in dairy country.

Entertainment
Dancing diversity: The Brigham Young University International Folk Dance Ensemble will celebrate the traditional dance and music of a variety of cultures during its Friday performance at the College of Southern Idaho Fine Arts Center.

The 7:30 p.m. show costs $15, and features a 39-member troupe with varying skills. Tickets are available at the CSI Ticket Office, Crowley's the Quad, Bell's Family Books, Welch Music and I-Preserve — or at the door, if the show doesn't sell out beforehand.

Government
Downtown living: Last time the Twin Falls Urban Renewal Agency met, Glanbia announced a potential $15 million investment in downtown Twin Falls. The URA's noon meeting today at Twin Falls City Council Chambers will be a bit more low-key, but interesting nonetheless.

One thing that caught our eye: a proposal that would allow housing to be built in Twin Falls' Old Towne district. Providing urban living has been a key component of downtown revitalization efforts in other cities, and while the proposal is still in its infancy, the idea could represent another step in the city center's rejuvenation.

Have an event everybody should know about? Send it our way at Magicvalley.com/calendar or frontdoor@magicvalley.com.

Twin Falls Times News, Wednesday, Feb. 29, 2012 – by Melissa Davlin

One Urban Renewal Bill Fails, Another to be Altered

BOISE -- Urban renewal might not be popular with Idaho's legislators, but lawmakers aren't ready to eliminate the districts just yet.

After two days of testimony, the House Local Government Committee voted 5-4 Tuesday to hold a bill that would eliminate urban renewal districts in Idaho.

During the testimony, the committee heard arguments for and against the bill. Former state Sen. Rachel Gilbert of Boise called urban renewal "food stamps for businesses."

"I've watched urban renewal districts grow across this state. There are now 70 urban renewal districts across the state of Idaho," Gilbert said. Those districts took $52 million from the property tax base in Idaho, she said, adding that the free market should determine which businesses succeed.

Developer Scott Schoenherr of Boise testified against the bill, saying thriving downtowns are key to a community's identity and economic survival. On Friday, Twin Falls Economic Development Director Melinda Anderson also testified against the bill.

Recently, $17.15 million in urban renewal money provided incentives for yogurt company Chobani to build a new facility outside Twin Falls, including land acquisition, wastewater improvements, water lines, water meters, and infrastructure for natural gas and electric.

The committee also considered a bill that would require urban renewal districts to get approval from two-thirds of county voters before incurring any new debt.

Anderson testified on Tuesday against the second bill, saying quick action is essential when trying to attract new businesses. "All I know is companies won't wait around for a vote of the electorate to determine whether or not a project will come to fruition," she said.

The committee voted to hold the bill and allow sponsor Rep. Ken Roberts, R-Donnelly, to make changes.

Idaho Reporter Online, Saturday, Feb. 25, 2012 – by Dustin Hurst

House panel mulls repeal of Idaho's urban renewal law

In a two-hour hearing Friday afternoon, lawmakers heard public testimony on the idea of repealing Idaho's urban renewal law as a gateway to reforming economic development practices.

The repeal is part of a bill being pushed by Rep. Bob Schaefer, R-Nampa, who believes that urban renewal has been used and abused in recent years. The legislation wouldn't force active agencies to shut down, but would prevent new ones from being opened.

Schaefer isn't completely against the concept of local economic development, but told committee members that the law doesn't provide enough transparency or accountability to taxpayers, which he says creates an "advanced level of greed for taxpayer dollars."

If his bill makes it into law, Schaefer says he would bring legislation with reformed urban renewal practices therein. "We need to redraw an appropriate urban renewal law," Schaefer said.

Former state lawmaker Maurice Clements of Nampa told the panel that California has ended its urban renewal programs because they were rife with abuse and prodded Idaho lawmakers to do the same. "We're headed that direction," Clements warned. "This is a growing thing and there's going to be more abuse constantly."

But Pocatello Mayor Brian Blad said that in order to stay competitive with other states, Idaho must keep its urban renewal incentives in place. "We don't have what other states have," Blad said. "We don't have the ability to throw money at them because it sounds good."

Pocatello's chief financial officer, David Swindell, warned that waiting for the free market to bring jobs to Idaho's cities would be misguided. "That's using hope for a method," Swindell said, rejecting the market solution.

Blad said that the incentives and subsidies provided by urban renewal agencies are now required to interest corporate site-selectors. "The reality is the companies are looking for investments from their communities to come here," Blad said.

Melinda Anderson, head of the urban renewal agency in Twin Falls, agreed with Blad that incentives are needed to attract businesses, saying they are "literally the only tool Idaho communities have to create jobs and spur private investment."

The bill's vote was delayed because some panel lawmakers needed to return home for the weekend and panel chair Lenore Hardy Barrett, R-Challis, didn't want to rush the process. "This is not going to be one of those fast votes," Barrett said. "If you object, I'm sorry, but let's have due diligence here.

Idaho Reporter online, Wednesday, Feb. 22, 2012 – by Dustin Hurst

House votes to strip urban
renewal of eminent domain power

The Idaho House voted Tuesday to strip urban renewal agencies of eminent domain powers, though the measure making the change is likely doomed as it moves on to the Senate.

While the measure passed on a 47-18 vote, it will likely face a tough time in the Idaho Senate. The head of the Senate Local Government and Taxation Committee, Sen. Tim Corder, R-Mountain Home, told the budget committee last week that the Senate doesn't have "much appetite" for urban renewal reforms.

The bill, sponsored by Rep. Bob Nonini, R-PostFalls, wouldn't mean the end of urban renewal agencies using eminent domain, but would place significant hurdles in the process.

Instead of being allowed to use eminent domain itself, the new law would force urban renewal agencies to go before city councils to have the process approved. Nonini's contention is that urban renewal officials are not elected and have no public accountability. That, Nonini said, would change under his legislation.

"We think it is time to rein in urban renewal a little bit," Nonini said.

There isn't an epidemic of urban renewal entities using eminent domain, Nonini admitted, but said officials often use the process as a threat in transaction negotiations. "I find that offensive," he complained.

Rep. Wendy Jaquet, D-Ketchum, suggested the legislation is a solution without a problem. "This is very, very rare," Jaquet said. Rep. Bill Killen, D-Boise, said agencies only use eminent domain in "unusual circumstances."

An urban renewal lobbyist mentioned in the bill's committee hearing that agencies haven't used eminent domain in the past 30 years.

Rep. Lenore Hardy Barrett, R-Challis, said that even if agencies aren't using the process, the threat is always looming and lawmakers need to end it. "How much more do we want to invalidate our personal property rights?" Barrett asked. "It's simple. Just do it."

Coeur d'Alene Press, Wednesday, Feb. 22, 2012 – Editorial

Keep eye on big URA picture

Urban renewal makes an easy target for those of us who don't like taxes. Yes, that's just about all of us.

But should it? Are we being fair, are we being prudent, when we clamor for elimination of the laws that permit the use of tax-increment financing - an unwieldy term that assures much misunderstanding right out of the gate - to spur economic development in the short term for benefit in the long one?

Rep. Kathy Sims of Coeur d'Alene recently recommended changes to the way urban renewal agencies function, but Rep. Robert Schaefer, a Nampa Republican, introduced legislation last week that would repeal Idaho's urban renewal laws altogether and require debts incurred by urban renewal agencies to be retired. Schaefer's goal - to funnel more money toward schools, fire departments and highway agencies - seems laudable on the surface. But we think it bears deeper examination.

For the most part, urban renewal encourages developers to improve property that would then generate substantially more property taxes. The encouragement can take the form of grants, but most often it requires developers to pay out of their own pockets for improvements before realizing any longer term advantages.

When the property's value is increased, that ostensibly increases the property taxes generated by the improvement. For set periods - the range of years varies significantly - the additional property taxes coming from the more valuable property go back into the urban renewal agency, rather than to more traditional tax collectors like cities and schools.

Your view of the validity of urban renewal as an economic development tool probably depends upon the projects you're examining. In Coeur d'Alene, the people who oppose McEuen Park improvements probably aren't big fans of the city's urban renewal agency, which last week set aside $11.5 million to pay for some of those improvements. Conversely, citizens who appreciate what John Stone has done with the former brown field at Northwest Boulevard and Seltice Way - property that was not just ugly, but wasn't generating much property tax revenue, either - more likely appreciate urban renewal's efforts to spur positive growth there.

The subject is far too complex to resolve all urban renewal disputes in one brief editorial, but as a fairly frequent urban renewal critic, we urge citizens to think carefully before sentencing this economic development resource to Death Row. As much of a pain as it is to see the increased property taxes flowing back into urban renewal districts - taxes that will help fund further improvements within those districts - remember that when the district closes, all the property taxes within that district will return to the original taxing entities, like schools, fire departments and highway agencies.

Urban renewal is a prime example of short-term pain for long-term gain. Urban renewal districts have limited lifetimes, but the additional property tax revenue they'll generate can last for generations.

Hours

Client calls	1.0 hour
Client emails	4.5 hours
Agency calls	3.0 hours
Video Revise script	2.5 hours
Video review	1.5 hours
Video editing	5.5 hours
Clip review and Delivery to client	4.0 hours
Total hours	18 hours