

ORDINANCE NO. 3022

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TWIN FALLS, IDAHO, APPROVING THE URBAN RENEWAL PLAN FOR REVENUE ALLOCATION AREA #4-3; AUTHORIZING THE CITY CLERK TO TRANSMIT A COPY OF THIS ORDINANCE AND OTHER REQUIRED INFORMATION TO COUNTY AND STATE OFFICIALS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, The Twin Falls Urban Renewal Agency (hereafter "Agency") was created on July 19, 1965, by Resolution No. 909 of the Board of Commissioners of The City of Twin Falls, Idaho; and,

WHEREAS, on June 30, 1997, the City Council of the City of Twin Falls, Idaho (the "City"), by Resolution No. 1603 determined certain property to be a deteriorated area or a deteriorating area or a combination thereof and designated the area as appropriate for an Urban Renewal Project, to be known as Urban Renewal Area #4; and,

WHEREAS, on October 7, 2002, the "City" by Resolution No. 1692 approved expanding Urban Renewal Area #4 to include the property that is the subject of this plan; and,

WHEREAS, on November 3, 2011, the "Agency" met and considered an Urban Renewal Plan for Urban Renewal Area #4-3 attached hereto as Exhibit "A" (the "Plan"), and recommended to the Twin Falls City Council adoption of the Plan; and,

WHEREAS, on November 8, 2011, the Twin Falls Planning and Zoning Commission reviewed the Plan and determined that the Plan conforms with the City Comprehensive Plan, the City's zoning regulations, and the general plan for development of the municipality, and recommended approval of the Plan; and,

WHEREAS, on November 10, 2011, the Notice of Public Hearing was published in the Times News, the official newspaper for public notice in Twin Falls County, and also was mailed and receipt confirmed to the governing bodies of School District #411, Twin Falls County, The College of Southern Idaho, the Twin Falls Highway District, Twin Falls County Ambulance District, Twin Falls Fire District, Twin Falls Abatement District, and the City of Twin Falls, setting the date for a public hearing to be held on Monday, December 12, 2011 at 6:00 o'clock, p.m., for

consideration of the adoption of the Plan; and,

WHEREAS, on December 12, 2011, at 6:00 o'clock, p.m., the Twin Falls City Council held a public hearing on consideration of the adoption of the Plan; and,

WHEREAS, the legislature of the State of Idaho has enacted Chapter 29, Title 50, Idaho Code, authorizing certain urban renewal agencies (including the Agency) to adopt revenue allocation financing provisions as part of the urban renewal plans; and,

WHEREAS, the Plan presented by the Agency contains a revenue allocation financing provision; and,

WHEREAS, as required by applicable law, the Plan contains the following information which was made available to the general public and all taxing districts with taxing authority in Revenue Allocation Area #4-3 at least thirty days prior to the December 12, 2011, public hearing of the City Council:

- (1) A statement of the objectives of the municipality in undertaking the urban renewal project;
- (2) The sources of revenue to finance these costs, including estimates of revenue allocation under the Act;
- (3) The amount of bonded or other indebtedness to be incurred;
- (4) the duration of the project's existence;
- (5) A description of the revenue allocation area;
- (6) A statement of the estimated impact of revenue allocation financing on all taxing districts within Twin Falls County.
- (7) A statement describing the total assessed valuation of the base assessment roll of the revenue allocation area and the total assessed valuation of all taxable property within the municipality;
- (8) A statement listing the kind, number, and location of all proposed public works or improvements within the revenue allocation area;
- (9) An economic feasibility study;
- (10) A detailed list of estimated project costs;

- (11) A fiscal impact statement showing the impact of the revenue allocation area, both until and after the bonds are repaid, upon all taxing districts levying taxes upon property on the revenue allocation area;
- (12) A description of the methods of financing all estimated project costs and the time when related costs or monetary obligations are to be incurred;
- (13) A termination date for the plan and the revenue allocation area as provided for in section 50-2903(20), Idaho Code. In determining the termination date, the plan recognizes that the agency shall receive allocation of revenues in the calendar year following the last year of the revenue allocation provision described in the urban renewal plan; and
- (14) A description of the disposition or retention of any assets of the agency upon the termination date. The agency may retain assets or revenues generated from such assets as long as the agency has resources other than revenue allocation funds to operate and manage such assets.

WHEREAS, appropriate notice of the Plan and the revenue allocation provision contained therein has been given to the taxing districts and to the public as required by Idaho Code Section 50-2906; and,

WHEREAS, it is necessary and in the best interest of the citizens of the City of Twin Falls, Idaho, to adopt the Plan, including revenue allocation financing provisions, since revenue allocation will help finance urban renewal projects to be completed in accordance with the Plan (as now or hereafter amended) in order: to encourage private development in the Revenue Allocation Area #4-3; to prevent and arrest decay of the Twin Falls area due to the inability of existing financing methods to provide needed public improvements; to encourage taxing districts to cooperate in the allocation of future tax revenues arising in the Revenue Allocation Area #4-3 in order to facilitate the long-term growth of their common tax base; to encourage private investment within the City of Twin Falls and to further the public purposes of the Agency.

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE
CITY OF TWIN FALLS, IDAHO:

SECTION 1. That it is hereby found and determined that:

(a) Urban Renewal Area #4 was determined to be deteriorated or a deteriorating area as defined in the Act and qualifies as an eligible urban renewal area under the Act;

(b) The rehabilitation, conservation, and redevelopment of the Revenue Allocation Area #4-3 within Urban Renewal Area #4 is necessary in the interest of the public health, safety, and welfare of the residents of the City of Twin Falls; and,

(c) There continues to be a need for the Agency to function in the City of Twin Falls.

SECTION 2. That there is not expected to be any displacement of persons or families within Revenue Allocation Area #4-3.

SECTION 3. That said Urban Renewal Plan conforms to the Comprehensive Plan of the City of Twin Falls, Idaho.

SECTION 4. That the said Plan gives due consideration to the provision of adequate open space, park and recreation areas and facilities that may be desirable for neighborhood improvement and shows consideration for the health, safety and welfare of any children residing in the general vicinity of the Urban Renewal Area covered by the Plan.

SECTION 5. That said Urban Renewal Plan affords maximum opportunity, consistent with the sound needs of the City as a whole for the rehabilitation or redevelopment of Revenue Allocation Area #4-3 by private enterprise.

SECTION 6. That the redevelopment of the Project Area for industrial uses is necessary and appropriate to facilitate the proper growth and development of the community in accordance with sound planning standards and local community objectives, which acquisition will require the exercise of governmental action, because of defective or unusual conditions of title, diversity of ownership, economic disuse, unsuitable topography, and a combination of such factors or other conditions which retard development of the area.

SECTION 7. That the Urban Renewal Plan for Urban Renewal Area #4-3 is approved.

SECTION 8. That upon publication of this Ordinance, the City Clerk is authorized and

directed to transmit to the county auditor and tax assessor of Twin Falls County, and to the appropriate officials of School District #411, Twin Falls County, The College of Southern Idaho, the Twin Falls Highway District, Twin Falls County Ambulance District, Twin Falls Fire District, Twin Falls Abatement District, and the City of Twin Falls, and to the State Tax Commission a copy of this Ordinance, a copy of the legal description of the boundaries of the Revenue Allocation Area, and a map or plat indicating the boundaries of the Revenue Allocation Area.

SECTION 9. The City Council hereby finds and declares that Revenue Allocation Area #4-3 as defined in the Urban Renewal Plan includes that portion of the urban renewal area (defined as the Project Area in the Urban Renewal Plan), the equalized assessed valuation of which the Council hereby determines in and as part of the Urban Renewal Plan is likely to increase as a result of the initiation and completion of urban renewal projects pursuant to the Urban Renewal Plan.

SECTION 10. That this Ordinance shall be in full force and effect from and after its passage, approval and publication.

SECTION 11. This ordinance may be published in summary, pursuant to the provisions of Idaho Code §50-901A, as follows:

“SUMMARY OF ORDINANCE
ORDINANCE NO. 3022

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF TWIN FALLS, IDAHO, APPROVING THE URBAN RENEWAL PLAN FOR REVENUE ALLOCATION AREA #4-3; AUTHORIZING THE CITY CLERK TO TRANSMIT A COPY OF THIS ORDINANCE AND OTHER REQUIRED INFORMATION TO COUNTY AND STATE OFFICIALS; AND PROVIDING AN EFFECTIVE DATE.

With respect to the Urban Renewal Plan for Revenue Allocation Area #4-3, the City Council for the City of Twin Falls finds that Urban Renewal Area #4 was determined to be deteriorated or a deteriorating area as defined in the Act and qualifies as an eligible urban renewal area under the Act, the rehabilitation, conservation, and redevelopment of the Revenue Allocation Area #4-3 within Urban Renewal Area #4 is necessary in the interest of the public health, safety, and welfare of the residents of the City of Twin Falls, there continues to be a need for the Agency to function in the City of Twin Falls, there is not expected to be any displacement of persons or families within Revenue Allocation Area #4-3, the Urban Renewal Plan conforms to the Comprehensive Plan of the City of Twin Falls, Idaho, the Plan gives due consideration to the provision of adequate open space, park and recreation areas and facilities that may be desirable for neighborhood improvement and shows consideration for the health, safety and welfare of any children residing in the general vicinity of the Urban Renewal Area covered by the Plan, the Urban Renewal Plan affords

maximum opportunity, consistent with the sound needs of the City as a whole for the rehabilitation or redevelopment of Revenue Allocation Area #4-3 by private enterprise, the redevelopment of the Project Area for industrial uses is necessary and appropriate to facilitate the proper growth and development of the community in accordance with sound planning standards and local community objectives, which acquisition will require the exercise of governmental action, because of defective or unusual conditions of title, diversity of ownership, economic disuse, unsuitable topography, and a combination of such factors or other conditions which retard development of the area. The Urban Renewal Plan for Urban Renewal Area #4-3 is approved.

The Plan approved by the Ordinance describes the location of the Project Area as follows:

LOCATION AND PROJECT AREA

Revenue Allocation Area #4-3 consists of approximately two hundred (220) acres and is generally located south of Kimberly Road (3800 North or Highway 30), west of 3300 East, and north of the railroad right of way, as shown on the attached map, and is legally described as follows:

A parcel of land located in the NE $\frac{1}{4}$ and the NW $\frac{1}{4}$ of Section 24, Township 10 South, Range 17 East, Boise Meridian, Twin Falls County, Idaho; being more particularly described as follows:

N $\frac{1}{2}$ NE $\frac{1}{4}$;

TOGETHER WITH

S $\frac{1}{2}$ NE $\frac{1}{4}$ that lies north of the Northerly right-of-way boundary of the Union Pacific Railroad;

TOGETHER WITH

S $\frac{1}{2}$ NW $\frac{1}{4}$ that lies north of the Northerly right-of-way boundary of the Union Pacific Railroad;

TOGETHER WITH

A parcel of land located in the NW $\frac{1}{4}$ more particularly described as follows:

COMMENCING at the North one-quarter corner of said Section 24 from which the Northwest Section corner of said Section 24 bears South 89°48'00" West 2638.80 feet;

THENCE South 00°31'07" East along the East boundary of the NE $\frac{1}{4}$ NW $\frac{1}{4}$ of said Section 24 for a distance of 50.00 feet to a point on the Southerly right-of-way of U.S. Highway 30 and being the TRUE POINT OF BEGINNING;

THENCE continuing South 00°31'07" East along the East boundary of the NE $\frac{1}{4}$ NW $\frac{1}{4}$ of said Section 24 for a distance of 1269.01 feet to the Southeast corner of the NE $\frac{1}{4}$ NW $\frac{1}{4}$ of said Section 24;

THENCE South 89°46'46" West along the South boundary of the NE $\frac{1}{4}$ NW $\frac{1}{4}$ of said Section 24 for a distance of 1320.34 feet to the Southwest corner of the NE $\frac{1}{4}$ NW $\frac{1}{4}$ of said Section 24;

THENCE continuing South 89°46'46" West along the South boundary of the NW $\frac{1}{4}$ of said Section 24 for a distance of 6.39 feet;

THENCE North 00°12'00" West for a distance of 2.39 feet to a found 5/8" rebar;

THENCE continuing North 00°12'00" West for a distance of 890.83 feet to a found 5/8" rebar;

THENCE South 89°43'47" East for a distance of 181.24 feet;

THENCE North 00°39'29" East for a distance of 377.78 feet to a point on the Southerly right-of-way U.S. Highway 30;

THENCE North 89°48'00" East parallel with the North boundary of the NE $\frac{1}{4}$

NW¼ of said Section 24 and along the Southerly right-of-way of U.S. Highway 30 for a distance of 1132.79 feet to the TRUE POINT OF BEGINNING.

All containing approximately 220.97 acres.

The foregoing summary is true and complete and provides adequate notice to the public of the principal provisions of the ordinance. The full text of the Ordinance and Plan is available at Twin Falls City Hall.



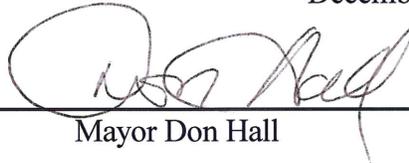
Fritz Wonderlich, City Attorney”

PASSED BY THE CITY COUNCIL

December 12, 2011

SIGNED BY THE MAYOR

December 12, 2011



Mayor Don Hall

ATTEST:



Deputy City Clerk

PUBLISH: *by SUMMARY, Thursday, December 15, 2011*

Attach Exhibit A – Urban Renewal Plan for Revenue Allocation Area #4-3

URBAN RENEWAL PLAN FOR REVENUE ALLOCATION AREA #4-3

INTRODUCTION

On June 30, 1997, the Twin Falls City Council enacted its Resolution No. 1603, which created Urban Renewal Area #4, pursuant to the provisions of Idaho Code §50-2005. On October 7, 2002, the City Council of the City of Twin Falls, by Resolution No. 1692 approved expanding Urban Renewal Plan #4 to include the property that is the subject of this plan. Within this Urban Renewal Area #4, the Urban Renewal Agency for the City of Twin Falls, and the Twin Falls City Council, have previously approved plans with revenue allocation financing, known as Revenue Allocation Area #4-1 and Revenue Allocation Area #4-2. The Urban Renewal Agency now proposes to establish a new urban renewal plan located within Urban Renewal Area #4 with revenue allocation financing provisions, to be known as Revenue Allocation Area #4-3.

LOCATION AND PROJECT AREA

Revenue Allocation Area #4-3 consists of approximately two hundred (220) acres and is generally located south of Kimberly Road (3800 North or Highway 30), west of 3300 East, and north of the railroad right of way, as shown on the attached map, and is legally described as follows:

A parcel of land located in the NE $\frac{1}{4}$ and the NW $\frac{1}{4}$ of Section 24, Township 10 South, Range 17 East, Boise Meridian, Twin Falls County, Idaho; being more particularly described as follows:

N $\frac{1}{2}$ NE $\frac{1}{4}$;

TOGETHER WITH

S $\frac{1}{2}$ NE $\frac{1}{4}$ that lies north of the Northerly right-of-way boundary of the Union Pacific Railroad;

TOGETHER WITH

S $\frac{1}{2}$ NW $\frac{1}{4}$ that lies north of the Northerly right-of-way boundary of the Union Pacific Railroad;

TOGETHER WITH

A parcel of land located in the NW $\frac{1}{4}$ more particularly described as follows:

COMMENCING at the North one-quarter corner of said Section 24 from which the Northwest Section corner of said Section 24 bears South 89°48'00" West 2638.80 feet;

THENCE South 00°31'07" East along the East boundary of the NE $\frac{1}{4}$ NW $\frac{1}{4}$ of said Section 24 for a distance of 50.00 feet to a point on the Southerly right-of-way of U.S. Highway 30 and being the TRUE POINT OF BEGINNING;

THENCE continuing South 00°31'07" East along the East boundary of the NE $\frac{1}{4}$ NW $\frac{1}{4}$ of said Section 24 for a distance of 1269.01 feet to the Southeast corner of the NE $\frac{1}{4}$ NW $\frac{1}{4}$ of said Section 24;

THENCE South 89°46'46" West along the South boundary of the NE¼ NW¼ of said Section 24 for a distance of 1320.34 feet to the Southwest corner of the NE¼ NW¼ of said Section 24;
THENCE continuing South 89°46'46" West along the South boundary of the NW¼ of said Section 24 for a distance of 6.39 feet;
THENCE North 00°12'00" West for a distance of 2.39 feet to a found 5/8" rebar;
THENCE continuing North 00°12'00" West for a distance of 890.83 feet to a found 5/8" rebar;
THENCE South 89°43'47" East for a distance of 181.24 feet;
THENCE North 00°39'29" East for a distance of 377.78 feet to a point on the Southerly right-of-way U.S. Highway 30;
THENCE North 89°48'00" East parallel with the North boundary of the NE¼ NW¼ of said Section 24 and along the Southerly right-of-way of U.S. Highway 30 for a distance of 1132.79 feet to the TRUE POINT OF BEGINNING.
All containing approximately 220.97 acres.

PURPOSE

The purpose of the Plan is to fund the acquisition of real property within the revenue allocation area, to prepare the land for industrial development, to improve public infrastructure needed to serve the project, including the construction of water lines, improvement of wastewater collection lines, wastewater pretreatment and treatment, natural gas and power (collectively the "Project"). The redeveloped property will then be sold, for industrial development, with deed restrictions to encourage maximum capital investment in the revenue allocation area, to encourage maximum job growth, long-term growth of the tax base, and such other matters that best serve the public interest and the purposes of the Urban Renewal Law and the Local Economic Development Act.

ASSESSED VALUATIONS

The base assessment roll of the proposed Revenue Allocation Area #4-3 is \$642,163. The base assessment rolls of all revenue allocation areas is \$24,074,083. The current assessed valuation of all taxable property within the City is \$2,282,743,583. The base assessment rolls of all revenue allocation areas within the City, including Revenue Allocation Area #4-3, is less than ten percent (10%) of the current assessed valuation of all taxable property within the City.

PUBLIC WORKS OR IMPROVEMENTS

- Construction of approximately 1 mile of water line to provide water supply to the RAA. Project will extend from the intersection of US30/Kimberly Rd. to the water supply facility on Marie Street, near Hankins road.
- Construction of pretreatment facilities to be located on US30/Kimberly Rd. between 3200E/Hankins Rd. and 3300E/Champlin Rd. The project will address wastewater characteristics prior to entry into the City's collection system which will extend the life of

the sewer collection piping.

- Construction of a wastewater collection line. The trunk line will extend from approximately 3250 E and US-30/Kimberly Rd. to the intersection of Poleline Dr. and Eastland Dr., and may require improvement of the line from the intersection of Poleline Dr. and Eastland Drive to the Waste Water Treatment Plant.
- Construction of modifications to the existing wastewater treatment plant, located about two miles west of the Perrine Bridge in the Snake River Canyon to handle an additional wastewater flow.
- Preparation of the site for development, including but not limited to relocation of irrigation works, site leveling, improvement of public access to the site, etc.
- Extension of electric power and natural gas infrastructure.
- Such other costs as are required to complete the project.

ECONOMIC FEASIBILITY STUDY

Agro-Farma intends to build and operate a yogurt processing facility in Twin Falls and expects to invest up to \$300,000,000 in both real and personal property. Based on a conservative assessed value of \$240,000,000 for both real and personal property, it is estimated that Agro-Farma may pay up to \$76,057,410 in property taxes over the 20-year life of RAA 4-3.

On January 1, 2011, the values of the properties within the proposed Revenue Allocation Area #4-3 were assessed by the Twin Falls County Assessor at the values shown in **Table 1**.

Table 1

Value of the Properties within the Proposed Revenue Allocation Area 4-3					
Parcel No.	Values		Property Tax Exemption	Taxable Values	
	January 1,2011			January 1,2011	Full Tax Payment
RP10S17E241200	\$ 384,398		\$ 79,982	\$ 304,416	\$ 4,801.36
RPT00107240020	58,701			58,701	925.85
PRT00107240600	40,565			40,565	639.81
RPT00107240610	43,950			43,950	693.20
RPT00107242400	32,267			32,267	508.93
RPT00107244200	37,990			37,990	599.19
RPT32430010010	60,535			60,535	954.78
RPT32430010020	3,204			3,204	50.53
RPT32430010030	60,535			60,535	954.78
Combined	\$ 722,145		\$ 79,982	\$ 642,163	\$ 10,128.43

* All parcels are reflected as being included in the City of Twin Falls.

The Current Taxable Market Value for the Area of \$642,163 is the base taxable value as of January 1, 2011 for the proposed Revenue Allocation Area. Each of the 7 taxing jurisdictions will continue to receive their portion of the tax revenue from the base taxable value.

Table 2 shows the current annual amount of tax revenue to each jurisdiction within the proposed Revenue Allocation Area #4-3.

Table 2

Current Revenue to Each Taxing District			
Taxing District	2010 Property Tax Levy Rate	January 1, 2011 Taxable Value Base Value	Current Property Tax Revenue
Twin Falls County	0.004045866	\$ 642,163	\$ 2,598.11
City of Twin Falls	0.006800067	642,163	4,366.75
Twin Falls School Dist. #411	0.002726628	642,163	1,750.94
College of Souther Idaho	0.000872809	642,163	560.49
Twin Falls Highway Dist.	0.001038132	642,163	666.65
Twin Falls Ambulance Dist.	0.000180899	642,163	116.17
Twin Falls Abatement Dist.	0.000107959	642,163	69.32
Combined	0.015772360		\$ 10,128.42

Table 3 shows the fiscal impact of the revenue allocation area, both until and after the bonds are paid, upon all taxing districts levying taxes upon property on the revenue allocation area. The table demonstrates that the Plan promotes the long-term growth of the tax base for the area.

Table 3

Year	Expected New Assessed Value of Land and Building	Twin Falls County	City of Twin Falls	School District No. 411 Except	School District No. 411	College of Southern Idaho	Twin Falls Highway District	Twin Falls Ambulance District	Twin Falls Abatement District	Total Funding
2010 Levy Rate		0.004045866	0.006800067	0.001455438	0.00127119	0.000872809	0.001038132	0.000180899	0.000107959	0.01577236
2011-2031	642,163	2,598	4,367	935	816	560	667	116	69	10,128
2032	241,109,798	975,498	1,639,563	350,920	306,496	210,443	250,304	43,617	26,030	3,802,871

The projects described in this document, to be completed in the proposed Revenue Allocation Area, will add new property tax value to the current base property tax values. The estimated value of both the new values and the current base values over the 20-year life of financing bonds is shown in **Table 4**.

Table 4

Estimated Valuations					
December 31	New Market Value - Building	New Market Value - Fixtures and Equipment	New Market Value - Land	Current Market Value for Area No. 4-3	Total Taxable Value
2012	165,200,000	70,800,000	4,467,635	642,163	241,109,798
2013	165,200,000	70,800,000	4,467,635	642,163	241,109,798
2014	165,200,000	70,800,000	4,467,635	642,163	241,109,798
2015	165,200,000	70,800,000	4,467,635	642,163	241,109,798
2016	165,200,000	70,800,000	4,467,635	642,163	241,109,798
2017	165,200,000	70,800,000	4,467,635	642,163	241,109,798
2018	165,200,000	70,800,000	4,467,635	642,163	241,109,798
2019	165,200,000	70,800,000	4,467,635	642,163	241,109,798
2020	165,200,000	70,800,000	4,467,635	642,163	241,109,798
2021	165,200,000	70,800,000	4,467,635	642,163	241,109,798
2022	165,200,000	70,800,000	4,467,635	642,163	241,109,798
2023	165,200,000	70,800,000	4,467,635	642,163	241,109,798
2024	165,200,000	70,800,000	4,467,635	642,163	241,109,798
2025	165,200,000	70,800,000	4,467,635	642,163	241,109,798
2026	165,200,000	70,800,000	4,467,635	642,163	241,109,798
2027	165,200,000	70,800,000	4,467,635	642,163	241,109,798
2028	165,200,000	70,800,000	4,467,635	642,163	241,109,798
2029	165,200,000	70,800,000	4,467,635	642,163	241,109,798
2030	165,200,000	70,800,000	4,467,635	642,163	241,109,798
2031	165,200,000	70,800,000	4,467,635	642,163	241,109,798

The potential Estimated New Market Values of up to \$165,200,000 for Buildings and Improvements, up to \$70,800,000 for Fixtures and Equipment, and \$4,467,635 for Land are projected to generate incremental tax revenues. **Table 5** shows the potential new assessed value and, based on 2010 levy rates, the expected incremental tax revenue from this new value is shown over the life of the twenty-year bonds.

Table 5

Year	Expected New Assessed Value of Land, Equip and Building	School District No. 411	URA
2010 Levy Rate		0.00127119	0.01450117
2012	240,467,635	306,496	3,487,062
2013	240,467,635	306,496	3,487,062
2014	240,467,635	306,496	3,487,062
2015	240,467,635	306,496	3,487,062
2016	240,467,635	306,496	3,487,062
2017	240,467,635	306,496	3,487,062
2018	240,467,635	306,496	3,487,062
2019	240,467,635	306,496	3,487,062
2020	240,467,635	306,496	3,487,062
2021	240,467,635	306,496	3,487,062
2022	240,467,635	306,496	3,487,062
2023	240,467,635	306,496	3,487,062
2024	240,467,635	306,496	3,487,062
2025	240,467,635	306,496	3,487,062
2026	240,467,635	306,496	3,487,062
2027	240,467,635	306,496	3,487,062
2028	240,467,635	306,496	3,487,062
2029	240,467,635	306,496	3,487,062
2030	240,467,635	306,496	3,487,062
2031	240,467,635	306,496	3,487,062
Combined		\$ 6,129,927	\$ 69,741,241

Table 6 shows the economic feasibility of using the potential New Property Tax Revenue shown as Revenue Available for Debt Service, to service up to \$47,905,000 debt to finance the potential cost of the proposed project.

Table 6

Tax Increment Financing				
Debt Service and Revenue Coverage Schedule				
Year	Debt Service on \$47,905,000 (4.03%-6.05%)	Revenue Available for Debt Service	Annual Funding Surplus (Deficit)	Cumulative Funding Surplus
2012	3,476,661	3,487,062	10,401	10,401
2013	3,479,526	3,487,062	7,536	17,937
2014	3,475,919	3,487,062	11,143	29,080
2015	3,476,319	3,487,062	10,743	39,823
2016	3,475,411	3,487,062	11,651	51,474
2017	3,477,898	3,487,062	9,164	60,638
2018	3,478,898	3,487,062	8,164	68,802
2019	3,477,417	3,487,062	9,645	78,447
2020	3,476,543	3,487,062	10,519	88,966
2021	3,478,484	3,487,062	8,578	97,544
2022	3,479,766	3,487,062	7,296	104,840
2023	3,479,992	3,487,062	7,070	111,910
2024	3,478,510	3,487,062	8,552	120,462
2025	3,479,372	3,487,062	7,690	128,152
2026	3,477,108	3,487,062	9,954	138,106
2027	3,480,115	3,487,062	6,947	145,053
2028	3,476,182	3,487,062	10,880	155,933
2029	3,475,457	3,487,062	11,605	167,538
2030	3,477,061	3,487,062	10,001	177,539
2031	3,475,376	3,487,062	11,686	189,225
Combined	\$ 69,552,015	\$ 69,741,240	\$ 189,225	\$ 189,225

ESTIMATED PROJECT COSTS

The estimated potential costs to build acquire and redevelop land, install new public infrastructure are listed in **Table 7**:

Table 7

Property Acquisition	\$4,467,635
Water Line Construction Up to 1.5 MGD	Up to ~ \$3,200,000
Waste Water Pretreatment Facility	Up to ~ \$4,550,000
Whey Digester Facility Up to 1.0 MGD	Up to ~ \$5,000,000
Waste Water Trunk Line Up to 2.5 MGD	Up to ~ \$9,000,000
WWTP Improvements Adding Up to 2.5 MGD	Up to ~ \$9,700,000
Extension of Electrical Power Up to 20MW	Up to ~ \$6,000,000
Extension of Natural Gas	Up to ~ \$750,000
Street Improvements	Up to ~ \$1,900,000
Site Development and Other Costs	Up to ~ \$3,337,365
Total Estimated Project Costs	Up to ~ \$47,905,000

FISCAL IMPACT STATEMENT

Without this urban renewal project and the public infrastructure required to serve the project, the industry could not have located its industrial plant within the Revenue Allocation Area, and there would be no increase in the value of the property for assessment purposes, and therefore no corresponding increase in the payment of taxes. **Table 3** above shows the potential impact of the revenue allocation area, both until and after the bonds are repaid, upon all taxing districts levying taxes upon property on the revenue allocation area. The expected potential assessed new value is shown over the life of the 20-year loan. The expected potential assessed new value from the projects will revert to each respective taxing jurisdiction's taxable market value upon the termination of the plan.

METHOD OF FINANCING PROJECT COSTS

The financing source to be used to cover the cost of the proposed projects will be a private placement of bonds or sale of bonds into the bond market in the estimated amount of up to \$47,905,000 to be repaid from additional property taxes generated from new private investment in the proposed revenue allocation area.

It is expected that the private placement or sale of bonds will be available as soon as judicial confirmation is approved and the appeal time has run. The private placement or sale of bonds will be paid off in year 20 of the plan.

TERMINATION DATE

This plan shall terminate twenty (20) years following the effective date of this plan. This plan shall become effective upon the approval thereof by the applicable ordinance of the City to occur

prior to December 31, 2011. The agency shall receive allocation of revenues in the calendar year following the last year of the revenue allocation provision, as described above, pursuant to Idaho Code §§50-2907 and 50-2903(2).

DISPOSTION OF ASSETS UPON THE TERMINATION DATE

Based upon the financing provisions for the project, it is not anticipated that the Agency will have any remaining assets related to this project on the termination date. Provided however, nothing herein shall prevent the agency from retaining assets or revenues generated from such assets as long as the agency shall have resources other than revenue allocation funds to operate and manage such assets.

CONCLUSIONS AND RECOMMENDATION

The Urban Renewal Agency of the City of Twin Falls, in cooperation with private industry is in the fortunate position of being able to redevelop a portion of the Urban Renewal Area #4 and assist the private sector in making a substantial investment in the community. The project will enable substantial new industrial development to occur and enable the renewal and economic development of a deteriorating area of the City. These private investments can only take place if the public infrastructure deficiencies are corrected. Without the improvements, these and future private investments will likely not take place in the area. With the completion of these projects, the community will substantially benefit. The initial phase of the new industrial project will create an estimated (400) new manufacturing jobs. The Magic Valley economy will benefit by the inclusion of this new industry.

In 1988, the Idaho Legislature passed the Local Economic Development Act. This law allows municipalities the opportunity to provide for a method of financing needed improvements, allocating a portion of the property taxes levied against taxable property within an Urban Renewal Area. The intent of the law is to identify areas in need of improvement and development and to encourage private investment in those areas.

The Urban Renewal Agency of the City of Twin Falls believes this project meets both the intent and the spirit of this law. Therefore, the Urban Renewal Agency of the City of Twin Falls recommends to the Twin Falls City Council the adoption of this Urban Renewal Plan and, further, to create and adopt Revenue Allocation Area #4-3 within Urban Renewal Area #4. The effect of said adoption will cause the increased property taxes of the existing tax increment projects to be added to the anticipated new property taxes to be allocated to the Urban Renewal Agency of the City of Twin Falls for the purposes of repaying a loan, proceeds of which will go to make the necessary public improvements and correct existing deficiencies as previously detailed.

This Urban Renewal Plan may be modified at any time by the Urban Renewal Agency of the City of Twin Falls, provided that--where the proposed modifications will substantially change the Plan--the modifications must be approved by the Twin Falls City Council in the same manner as the original Plan. Substantial changes for City Council approval purposes shall be regarded as revisions in Project boundaries, land uses permitted, private land acquisition, and other changes

which will violate the objectives of this Plan.

If any one or more of the provisions contained in this Plan to be performed on the part of the Agency shall be declared by any court of competent jurisdiction to be contrary to the law, then, such provision shall be deemed separable from the remaining provisions in this Plan and shall in no way affect the validity of the other provisions of this Plan.

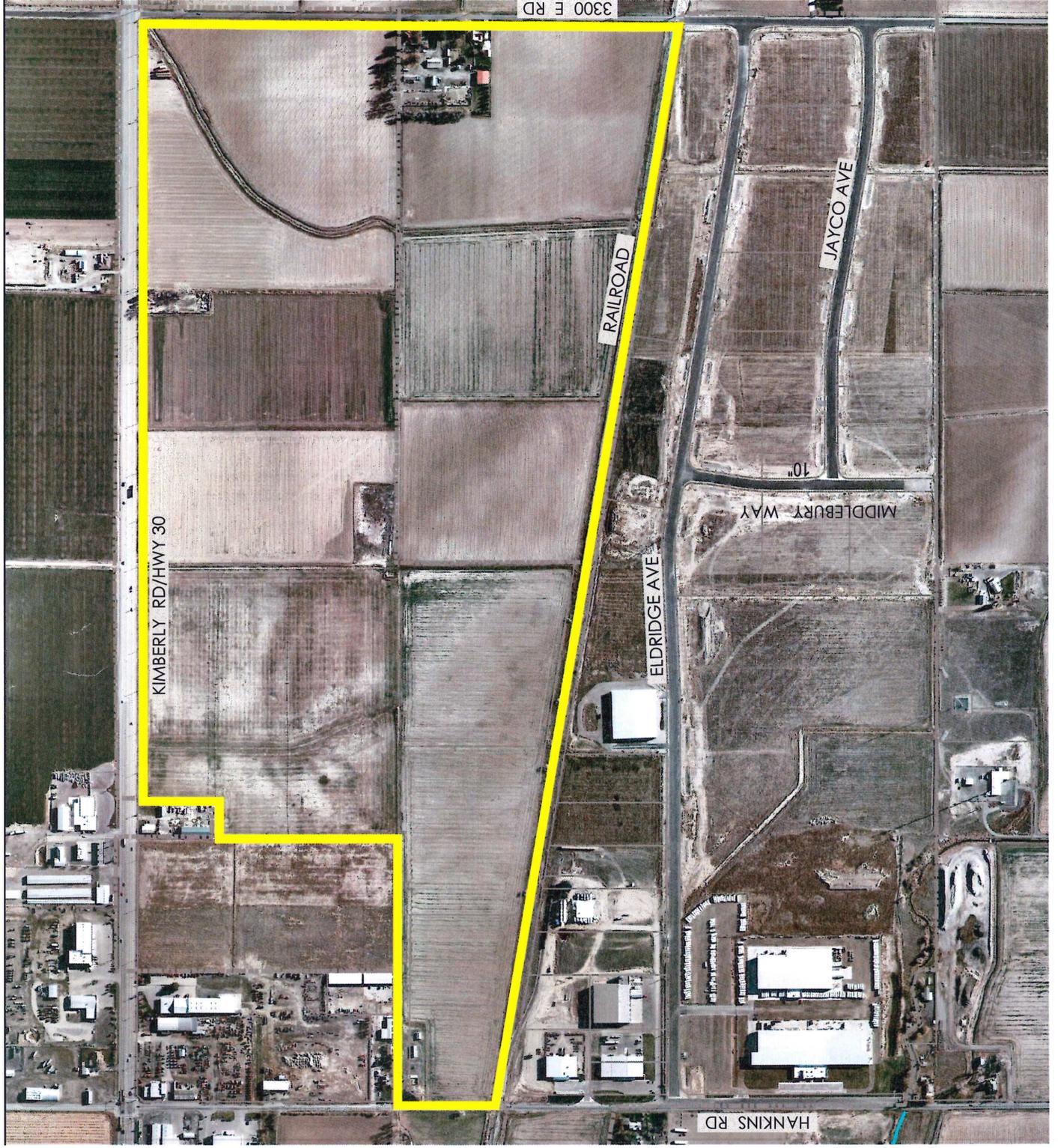


NOT TO SCALE

LEGEND



PROPERTY BOUNDARY

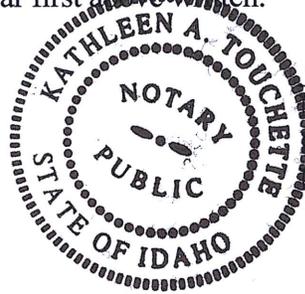


RAA 4-3

STATE OF IDAHO,)
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 County of Twin Falls)

On this 29th day of December, 2011, before me, the undersigned, a Notary Public in and for the State of Idaho, personally appeared Don Hall, known to me to be the Mayor of the City of Twin Falls, Idaho that executed the said instrument, and acknowledged to me that the City of Twin Falls, Idaho executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.



Kathleen A. Touchette
NOTARY PUBLIC
Residing at: TWIN FALLS, ID
My Commission Expires: 10-28-15