



Minutes: July 25, 2012, 7:00 a.m.

City of Moscow Council Chambers • 206 E 3<sup>rd</sup> Street • Moscow, ID 83843

McCabe called the meeting to order at 7:05 a.m.

**Attendance:**

Commission Members	Staff Present	Others Present
John McCabe, Chair	Jeff Jones, Executive Director	Patrick Vaughan, County Assessor
Steve McGeehan	Don Palmer, Finance Director	Brandon Macz, Reporter
Tom Lamar	Sue Nelson, Accounting Manager	James Dawson, Reporter
Dave McGraw	Stephanie Kalasz, City Clerk	
Sue Scott		

Absent: Steve Drown, Brandy Sullivan

1. Consent Agenda - Any item will be removed from the consent agenda at the request of any member of the Board and that item will be considered separately later.
  - A. Approval of Minutes from June 27, 2012 Meeting
  - B. Approval of June Payables and Financials

**ACTION:** Approve the consent agenda or take such action deemed appropriate.

Scott moved and McGeehan seconded approval of the consent agenda. Motion carried unanimously.

2. Public Comment for items *not on agenda*: 3 minute limit – No public comment was offered.
3. Announcements
  - o Board Meeting, Redevelopment Association of Idaho (RAI), August 16, 2012, 9:00am-10:30am, (Location to TBD), Moscow, ID

Jones said the Redevelopment Association of Idaho Board meeting will begin at 9:00 a.m. but the location is still being determined. He will let the Moscow URA Board know once the location is set.

4. Latah County Erroneous Increment Calculation – Jeff Jones
  - o Problem Definition
  - o Future Budget Implications

Jones said some of the Board members have been briefed on this issue. He said he was notified that there was a mathematical calculation error on the software used by the Assessor's office. He explained what had been explained to him by the Latah County Assessor. He said he, Palmer, McCabe and URA Attorney Ryan Armbruster had a discussion with Latah County and the Idaho State Tax Commission regarding the issue and the associated impacts. Jones said the MURA staff plans to review the data yet to be released by the Latah

County Assessor's office for each parcel within the Legacy Crossing District. If the County taxing authorities determine that the MURA needs to repay dollars related to past County assessment errors, the Agency will likely need to secure a loan from the Alturas Technology Park District and will be unable to close the Alturas Technology District early as originally planned. Furthermore, had staff known about the County's calculation error, the MURA would not have expedited the payoff of the Thompson note. Jones said the negative impact resulting from the County's calculation error was a huge setback for the Agency. He said staff will wait to see what the MURA is asked to do. Scott asked if there is some liability insurance for the software designer that would cover these losses. Jones said this happened once before where the City was required to pay the Highway District and there was no recourse.

Lamar asked if the audit is uncertified in order to give money back to people. If it remains certified, it seems that the error should just be fixed in the coming year. Jones said he is not sure about that but the MURA does not want funds that it should not have. However, it is frustrating to plan, especially if there is bond financing based on a forecasted income stream that is based on Certified values provided by the County and Idaho State Tax Commission. Treasurer Palmer discussed the problem and the difficulties with trying to guard against something like this. He said he just found out about it about two weeks ago. He discussed how the MURA increment is calculated. Vaughan said the increment has been corrected. He said the law is silent on the remedy relating to past errors, but that they will proceed in fashion that is in the best interest of the public. He explained that the calculation error resulted in adding a few cents to each house assessment. And, that based on some internal calculations that an adjusted levy rate to compensate for the error would not change the dollar amounts to the City of Moscow. Palmer said this is very minimal to citizens or bigger entities but it is very big to the MURA.

Jones said the next step will be the budget hearing. He said the URA will adjust its spending based on the lower increment. The budget will not be changed until staff knows what will be requested of the Agency. Some of the planned capital projects will likely change but money will be left in professional services for the 6<sup>th</sup> and Jackson property. He said staff will do the best possible for the Agency. There was discussion about what could be dropped from the budget and why other agencies have not been affected. Jones said it has something to do with the age of the district. Alturas is not affected but Legacy Crossing is affected. There will be follow-up with the Redevelopment Association of Idaho at the upcoming meeting. McCabe said there will be more meetings and we will move forward when all of the facts are available.

5. Legacy Crossing Urban Renewal District Status – Jeff Jones

- o Survey Services RFP

Jones gave background information regarding the survey services RFP. He said packets were sent out to several firms from as far away as New York. There were two respondents (a third did not meet the cutoff deadline). He said he would like someone from the Board to help him evaluate the submissions. McGraw and McCabe offered to help. Jones said he would like to do it next week some time.

6. Alturas Technology Park Status – Jeff Jones

- o MURA Alturas Technology Park Industry Tour(s), August 8, 2012

Jones said the Alturas tour is set up for August 8<sup>th</sup> and the Board will meet at City Hall at 7:00 a.m. He said BioTracking will be the first stop at 7:30 and then to Alturas Analytics.

The meeting adjourned at 7:35 a.m.