



Meeting Agenda: Thursday, March 17, 2022, 7:00 a.m.

City of Moscow Council Chambers • 206 E 3rd Street • Moscow, ID 83843
(A) = Board Action Item

1. **Consent Agenda (A)** - 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. Minutes from January 27, 2022
 - B. January 2022 Payables
 - C. January 2022 Financials
 - D. February 2022 Payables
 - E. February 2022 Financials**ACTION:** Approve the consent agenda or take such other action deemed appropriate.

2. **Public Comment**

Members of the public may speak to the Board regarding matters NOT on the Agenda nor currently pending before the Moscow Urban Renewal Agency. Please state your name and resident city for the record and limit your remarks to three minutes.

3. **Agency FY2021 Audit Presentation (A) – Renee Tack**

The 2021 MURA audit is attached and will be presented by MURA Treasurer Renee Tack and the auditors, Presnell Gage PLLC.

ACTION: Receive report and accept the 2021 MURA audit; or take such other action deemed appropriate.

4. **2021 MURA Annual Report Review (A) – Cody Riddle**

In accordance with State Statute, all urban renewal agencies are required to file with the local governing body by March 31st of each year an annual report describing the activities of the agency for the preceding year. Agencies are required to hold a public meeting to report the findings of the annual report and to take comments from the public prior to filing the report with the governing body. Staff has prepared the draft 2021 Annual Report for public comment and the Board's review and approval.

ACTION: Accept public comment and approve the 2021 Annual Report and associated Resolution 2022-01; or take other action as deemed appropriate.

5. **General Agency Updates – Cody Riddle**
 - Legacy Crossing District
 - Alturas District
 - General Agency Business

NOTICE: Individuals attending the meeting who require special assistance to accommodate physical, hearing, or other impairments, please contact the City Clerk, at (208) 883-7015 or TIDD 883-7019, as soon as possible so that arrangements may be made.



City of Moscow Council Chambers • 206 E 3rd Street • Moscow, ID 83843

Commissioners Present	Commissioners Absent	Staff in Attendance
Steve McGeehan, Chair	Sandra Kelly	Bill Belknap, Executive Director
Mark Beauchamp	Dave McGraw	Jennifer Fleischman, Clerk
Steve Drown		Cody Riddle, <i>incoming</i> Executive Director
Maureen Laflin (virtual)		Renee Tack, Treasurer
Nancy Tribble		

McGeehan called the meeting to order at 7:02 a.m.

1. Welcome to New Board Members – Chair McGeehan

McGeehan introduced the new Agency members and had each Commissioner provide a brief background.

2. Consent Agenda (A)

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. Minutes from November 18, 2021
- B. November 2021 Payables
- C. November 2021 Financials
- D. December 2021 Payables
- E. December 2021 Financials

Tribble moved for approval of the consent agenda as provided, seconded by Drown. Motion carried unanimously.

3. Public Comment

Members of the public may speak to the Board regarding matters NOT on the Agenda nor currently pending before the Moscow Urban Renewal Agency. Please state your name and resident city for the record and limit your remarks to three minutes.

None.

4. Election of Officers for 2022 (A) – Chair McGeehan

Per the Agency's bylaws, annual officer elections are to be held at the first meeting of the year. The Agency will elect and appoint officers for the positions of Chairperson, Vice Chairperson and Secretary.

There was a brief explanation of each elected officers' duties. McGeehan indicated he was willing to continue as Chair, if nominated. Drown nominated McGeehan as Chair, and Laflin seconded. Tribble nominated Beauchamp as Vice Chair, and McGeehan seconded. Drown nominated Tribble as Secretary, and McGeehan seconded.

Drown moved to elect Steve McGeehan as Chair, Mark Beauchamp as Vice Chair, and Nancy Tribble as Secretary. Laflin seconded the motion for the 2022 election of officers for the Agency. Motion carried unanimously.

5. Introduction of New Executive Director – Bill Belknap

The City of Moscow provides administrative, financial and executive director services to the Agency through the Administrative Services Agreement. Cody Riddle was recently hired as the Deputy City Supervisor for Community Development with the City of Moscow. Riddle will be introduced to the Board in preparation of transitioning into the role of Executive Director for the Agency over the next two months.

Belknap reviewed the Agency’s history of Executive Directors and how the City of Moscow works with the Agency. Cody Riddle introduced himself and provided a brief background of his prior work and qualifications. The Board thanked Belknap for his work and service to the Agency.

6. 2022 Legacy Crossing Projects Review – Cody Riddle

Staff will provide an overview of the upcoming capital construction projects programmed for upcoming construction season.

Riddle and Belknap reviewed the upcoming Legacy Crossing projects for 2022, with the understanding that some of the funding may not be expended until FY2023. There was a brief discussion about trees and pesticides in downtown Moscow. The northern boundary of the Legacy Crossing District ends on the north side of “A” Street.

7. General Agency Updates

- *Legacy Crossing District*

The DDA has been drafted and sent to legal counsel in Boise for review. Updated construction cost estimates have not been received from Olps for the Sixth and Jackson property purchase.

- *Alturas District*

The next bid advertisement cycle will conclude soon and the results will be brought before the Agency after the Bid Opening.

- *General Agency Business*

Brief review of the legislative updates from 2021 and the upcoming changes projected to occur in 2022.

McGeehan declared the meeting adjourned at 7:49 a.m.

Steve McGeehan, Agency Chair

Date



Balance Sheet
January 31, 2022

	Total Funds
ASSETS	
Cash	52,626
Investments - LGIP	1,918,085
Investments-Zions Debt Reserve	44,313
Other Assets	5,260
Land Held For Resale	353,870
Land	679,420
Total Assets	\$ 3,053,574
 LIABILITIES	
Accounts Payable	435,700
Deposits Payable	5,000
Series 2010 Bond - due within one year	34,000
Latah County payback agreement - due within one year	5,000
Series 2010 Bond - due after one year	193,000
Latah County payback agreement - due after one year	84,537
Total Liabilities	757,237
 FUND BALANCES	
Net Investment in Capital Assets	353,870
Restricted Fund Balance	44,312
Unrestricted Fund Balance	1,898,155
Total Fund Balance	2,296,337
 Total Liabilities and Fund Balance	 \$ 3,053,574

January-22
Checks by Date



<u>Check Number</u>	<u>Vendor</u>	<u>Description</u>	<u>Check Date</u>	<u>Check Amount</u>
4786	UCITYMOS 2200000593	City of Moscow Jan 2022 URA Admin Services	1/13/2022	4,477.67
Total for Check Number 4786:				<u>4,477.67</u>
4787	UACTUSI 56201-15536 FY22	Cactus International, Inc. Moscow URA Domain Registration for FY2022	1/27/2022	19.95
Total for Check Number 4787:				<u>19.95</u>
4788	UCITYMOS 15911-12312021	City of Moscow Dec '21 Utilities 6th & Jackson	1/27/2022	319.34
Total for Check Number 4788:				<u>319.34</u>
Total bills for January 2022:				<u>\$ 4,816.96</u>

January-22
 Accounts Payable Checks for Approval



Check	Check Date	Fund Name	Vendor	Void	Amount
4786	01/13/2022	Moscow Urban Renewal Agency	City of Moscow		4,477.67
4787	01/27/2022	Moscow Urban Renewal Agency	Cactus International, Inc.		19.95
4788	01/27/2022	Moscow Urban Renewal Agency	City of Moscow		319.34
Report Total:				\$ -	4,816.96

 Steve McGeehan, Chairperson

 Bill Belknap, Executive Director

Accounts payable expenditures as contained herein were made in compliance with the duly adopted budget for the current fiscal year and according to Idaho law.

 Renee Tack, Treasurer

General Ledger
Expense vs. Budget

January-22



Sort Level	Description	Amended Budget	Period Amt	End Bal	Variance	% Budget Used
890	Moscow Urban Renewal Agency					
880	URA General Fund					
890-880-642-00	Administrative Services	\$ 53,733.00	\$ 4,477.67	\$ 17,910.68	\$ 35,822.32	33.33%
890-880-642-15	Professional Services-Other	\$ 5,000.00	\$ -	\$ 1,250.00	\$ 3,750.00	25.00%
890-880-642-20	Professional Services-Auditing	\$ 5,200.00	\$ -	\$ -	\$ 5,200.00	0.00%
890-880-642-89	Professional Services	\$ 500.00	\$ 19.95	\$ 19.95	\$ 480.05	3.99%
890-880-644-10	Advertising & Publishing	\$ 500.00	\$ -	\$ -	\$ 500.00	0.00%
890-880-644-16	Land Sale Expenses	\$ 5,000.00	\$ -	\$ 190.11	\$ 4,809.89	3.80%
890-880-668-10	Liability Insurance-General	\$ 1,780.00	\$ -	\$ 1,780.00	\$ -	100.00%
E02	Contractual	\$ 71,713.00	\$ 4,497.62	\$ 21,150.74	\$ 50,562.26	29.49%
890-880-631-10	Postage Expense	\$ 100.00	\$ -	\$ -	\$ 100.00	0.00%
890-880-631-20	Printing and Binding	\$ 400.00	\$ -	\$ -	\$ 400.00	0.00%
890-880-644-15	Alturas Marketing/Maintenance	\$ 2,750.00	\$ -	\$ -	\$ 2,750.00	0.00%
890-880-647-10	Travel & Meetings-General	\$ 500.00	\$ -	\$ -	\$ 500.00	0.00%
890-880-649-10	Professional Development	\$ 500.00	\$ -	\$ -	\$ 500.00	0.00%
890-880-669-10	Misc. Expense-General	\$ 500.00	\$ -	\$ -	\$ 500.00	0.00%
890-880-669-11	Dist. of Net Prop. Sale Proceeds	\$ -	\$ -	\$ 665,475.53	\$ (665,475.53)	0.00%
E03	Commodities	\$ 4,750.00	\$ -	\$ 665,475.53	\$ (660,725.53)	14010.01%
880	URA General Fund	\$ 76,463.00	\$ 4,497.62	\$ 686,626.27	\$ (610,163.27)	897.98%

895	URA Legacy District						
890-895-642-10	Professional Services-Legacy	\$ 5,000.00	\$ -	\$ -	\$ 5,000.00	0.00%	
890-895-652-10	Heat, Lights & Utilities	\$ -	\$ 319.34	\$ 1,094.09	\$ (1,094.09)		
890-895-644-10	Ad. & Marketing Expense-Legacy	\$ 1,000.00	\$ -	\$ -	\$ 1,000.00	0.00%	
E02	Contractual	\$ 6,000.00	\$ 319.34	\$ 1,094.09	\$ 4,905.91	18.23%	
890-895-647-10	Travel & Meetings-Legacy	\$ 1,000.00	\$ -	\$ -	\$ 1,000.00	0.00%	
890-895-658-51	Development Participation	\$ 1,078,750.00	\$ -	\$ -	\$ 1,078,750.00	0.00%	
890-895-669-10	Misc. Expense-Legacy	\$ 500.00	\$ -	\$ -	\$ 500.00	0.00%	
890-895-675-00	Fiscal Agent Trustee fees	\$ 1,500.00	\$ -	\$ -	\$ 1,500.00	0.00%	
890-895-676-15	Latah County Reimb. Agreement	\$ 6,500.00	\$ 5,000.00	\$ 5,000.00	\$ 1,500.00	76.92%	
890-895-676-17	Owner Participation Agreements	\$ 62,335.00	\$ -	\$ -	\$ 62,335.00	0.00%	
E03	Commodities	\$ 1,150,585.00	\$ 5,000.00	\$ 5,000.00	\$ 1,145,585.00	0.43%	
890-895-770-35	1% Public Art	\$ -	\$ -	\$ -	\$ -	0.00%	
890-895-770-71	Land-Legacy	\$ -	\$ -	\$ -	\$ -	0.00%	
890-895-770-73	Improvements-Legacy	\$ -	\$ -	\$ -	\$ -	0.00%	
E04	Capital Outlay	\$ -	\$ -	\$ -	\$ -	0.00%	
890-895-890-00	Transfer To: General Fund	\$ 73,713.00	\$ -	\$ -	\$ 73,713.00	0.00%	
890-895-890-01	Transfer To: Capital Fund	\$ -	\$ -	\$ -	\$ -	0.00%	
E10	Transfers To	\$ 73,713.00	\$ -	\$ -	\$ 73,713.00	0.00%	
890-895-900-11	Contingency - Legacy	\$ 15,000.00	\$ -	\$ -	\$ 15,000.00	0.00%	
E90	Contingency	\$ 15,000.00	\$ -	\$ -	\$ 15,000.00	0.00%	
895	URA Legacy District	\$ 1,245,298.00	\$ 5,319.34	\$ 6,094.09	\$ 1,239,203.91	0.49%	
899	Dept						

890-891-790-01	Bond Principal - Alturas	\$	-	\$	-	\$	-	\$	-	0.00%
890-892-790-01	Bond Principal - Legacy	\$	34,000.00	\$	-	\$	-	\$	34,000.00	0.00%
890-892-791-01	Bond Interest - Legacy	\$	9,965.00	\$	-	\$	-	\$	9,965.00	0.00%
E05	Debt Service	\$	43,965.00	\$	-	\$	-	\$	43,965.00	0.00%
890-892-900-01	Ending Fund Bal - Assigned	\$	718,400.00	\$	-	\$	-	\$	718,400.00	0.00%
890-892-990-05	Ending Fund Bal - Restricted	\$	5,260.00	\$	-	\$	-	\$	5,260.00	0.00%
890-899-990-00	Ending Fund Bal - Unassigned	\$	52,683.00	\$	-	\$	-	\$	52,683.00	0.00%
890-899-990-05	Ending Fund Bal - Restricted	\$	13,047.00	\$	-	\$	-	\$	13,047.00	0.00%
E95	Ending Fund Balance	\$	789,390.00	\$	-	\$	-	\$	789,390.00	0.00%
899	Dept	\$	833,355.00	\$	-	\$	-	\$	833,355.00	0.00%
890	Moscow Urban Renewal Agency	\$	2,155,116.00	\$	9,816.96	\$	692,720.36	\$	1,462,395.64	32.14%

General Ledger
Revenue Analysis

January 2022



Account Number	Description	Budgeted Revenue	Period Revenue	YTD Revenue	Variance	Uncollected Bal	% Avail/Uncollect	% Received
890	Moscow Urban Renewal Agency							
890-000-410-01	Property Taxes - Legacy	\$ 845,500.00	\$ 292,842.12	\$ 332,019.18	\$ 513,480.82	\$ 513,480.82	60.73%	39.27%
890-000-471-00	Investment Earnings	\$ 4,500.00	\$ 182.83	\$ 607.48	\$ 3,892.52	\$ 3,892.52	86.50%	13.50%
890-000-478-10	Gain/Loss on Sale of Assets	\$ -	\$ -	\$ 230,097.00	\$ (230,097.00)	\$ (230,097.00)		
890-000-498-96	Transfer In: Legacy	\$ 73,713.00	\$ -	\$ -	\$ 73,713.00	\$ 73,713.00	100.00%	0.00%
890	Moscow Urban Renewal Agency	\$ 923,713.00	\$ 293,024.95	\$ 562,723.66	\$ 360,989.34	\$ 360,989.34	39.08%	60.92%
Revenue Total		\$ 923,713.00	\$ 293,024.95	\$ 562,723.66	\$ 360,989.34	\$ 360,989.34	39.08%	60.92%



Balance Sheet
February 28, 2022

	<u>Total Funds</u>
ASSETS	
Cash	41,852
Investments - LGIP	2,018,281
Investments-Zions Debt Reserve	44,313
Other Assets	5,260
Land Held For Resale	353,870
Land	679,420
Total Assets	<u><u>\$ 3,142,995</u></u>
LIABILITIES	
Deposits Payable	5,000
Series 2010 Bond - due within one year	34,000
Latah County payback agreement - due within one year	5,000
Series 2010 Bond - due after one year	193,000
Latah County payback agreement - due after one year	84,537
Total Liabilities	<u><u>321,537</u></u>
FUND BALANCES	
Net Investment in Capital Assets	353,870
Restricted Fund Balance	44,312
Unrestricted Fund Balance	2,423,276
Total Fund Balance	<u><u>2,821,458</u></u>
Total Liabilities and Fund Balance	<u><u>\$ 3,142,995</u></u>

February-22
Checks by Date



<u>Check Number</u>	<u>Vendor</u>	<u>Description</u>	<u>Check Date</u>	<u>Check Amount</u>
4789	UALTASCI A3547	Alta Science & Engineering 6th & Jackson Sampling & Report 2022	02/17/2022	1,082.50
Total for Check Number 4789:				<u>1,082.50</u>
4790	UCLAYTON 12/20/2021	Clayton B. Anderson Anderson OPA payment - 1st half 2021	02/17/2022	669.14
Total for Check Number 4790:				<u>669.14</u>
4791	UBRINGTR 12/20/2021	Bringham Living Trust Bringham OPA payment 1st half 2021	02/17/2022	1,978.22
Total for Check Number 4791:				<u>1,978.22</u>
4792	UCITYMOS 2200000666	City of Moscow February 2022 URA Admin Services	02/17/2022	4,477.67
Total for Check Number 4792:				<u>4,477.67</u>
4793	UCITYMOS 115911-01312022	City of Moscow Jan '22 Utilities - 6th & Jackson	02/17/2022	319.34
Total for Check Number 4793:				<u>319.34</u>
4794	UELAMBUR 194397	Elam & Burke Flatiron - Land Sale Expense	02/17/2022	602.00
Total for Check Number 4794:				<u>602.00</u>
4795	UGRITMAN 12/20/2021	Gritman Medical Park LLC Gritman OPA payment - 1st half 2021	02/17/2022	26,382.02
Total for Check Number 4795:				<u>26,382.02</u>

February-22
Checks by Date



<u>Check Number</u>	<u>Vendor</u>	<u>Description</u>	<u>Check Date</u>	<u>Check Amount</u>
4796	USWANGER	Larry Swanger	02/17/2022	
	12/20/2021	Swanger OPA payment - 2021 full year		<u>1,068.96</u>
Total for Check Number 4796:				<u>1,068.96</u>
ACH		Zion's Bank	02/28/2022	
	2/28/2022	Bond Interest Paymant		<u>2,256.34</u>
Total for Check Number ACH:				<u>2,256.34</u>
Total bills for February 2022:				<u>\$ 38,836.19</u>

February-22
 Accounts Payable Checks for Approval



Check	Check Date	Fund Name	Vendor	Void	Amount
4789	02/17/2022	Moscow Urban Renewal Agency	Alta Science & Engineering		1,082.50
4790	02/17/2022	Moscow Urban Renewal Agency	Clayton B. Anderson		669.14
4791	02/17/2022	Moscow Urban Renewal Agency	Bringham Living Trust		1,978.22
4792	02/17/2022	Moscow Urban Renewal Agency	City of Moscow		4,477.67
4793	02/17/2022	Moscow Urban Renewal Agency	City of Moscow		319.34
4794	02/17/2022	Moscow Urban Renewal Agency	Elam & Burke		602.00
4795	02/17/2022	Moscow Urban Renewal Agency	Gritman Medical Park LLC		26,382.02
4796	02/17/2022	Moscow Urban Renewal Agency	Larry Swanger		1,068.96
ACH	02/28/2022	Moscow Urban Renewal Agency	Zion's Bank		2,256.34
Report Total:				<u>0.00</u>	<u>38,836.19</u>

 Steve McGeehan, Chairperson

 Bill Belknap, Executive Director

Accounts payable expenditures as contained herein were made in compliance with the duly adopted budget for the current fiscal year and according to Idaho law.

 Renee Tack, Treasurer

General Ledger
Expense vs. Budget

February-22



Sort Level	Description	Amended Budget	Period Amt	End Bal	Variance	% Budget Used
890	Moscow Urban Renewal Agency					
880	URA General Fund					
890-880-642-00	Administrative Services	\$ 53,733.00	\$ 4,477.67	\$ 22,388.35	\$ 31,344.65	41.67%
890-880-642-15	Professional Services-Other	\$ 5,000.00	\$ 1,082.50	\$ 2,332.50	\$ 2,667.50	46.65%
890-880-642-20	Professional Services-Auditing	\$ 5,200.00	\$ -	\$ -	\$ 5,200.00	0.00%
890-880-642-89	Professional Services	\$ 500.00	\$ -	\$ 19.95	\$ 480.05	3.99%
890-880-644-10	Advertising & Publishing	\$ 500.00	\$ -	\$ -	\$ 500.00	0.00%
890-880-644-16	Land Sale Expenses	\$ 5,000.00	\$ -	\$ 190.11	\$ 4,809.89	3.80%
890-880-668-10	Liability Insurance-General	\$ 1,780.00	\$ -	\$ 1,780.00	\$ -	100.00%
E02	Contractual	\$ 71,713.00	\$ 5,560.17	\$ 26,710.91	\$ 45,002.09	37.25%
890-880-631-10	Postage Expense	\$ 100.00	\$ -	\$ -	\$ 100.00	0.00%
890-880-631-20	Printing and Binding	\$ 400.00	\$ -	\$ -	\$ 400.00	0.00%
890-880-644-15	Alturas Marketing/Maintenance	\$ 2,750.00	\$ -	\$ -	\$ 2,750.00	0.00%
890-880-647-10	Travel & Meetings-General	\$ 500.00	\$ -	\$ -	\$ 500.00	0.00%
890-880-649-10	Professional Development	\$ 500.00	\$ -	\$ -	\$ 500.00	0.00%
890-880-669-10	Misc. Expense-General	\$ 500.00	\$ -	\$ -	\$ 500.00	0.00%
890-880-669-11	Dist. of Net Prop. Sale Proceeds	\$ -	\$ -	\$ 229,775.53	\$ (229,775.53)	0.00%
E03	Commodities	\$ 4,750.00	\$ -	\$ 229,775.53	\$ (225,025.53)	4837.38%
880	URA General Fund	\$ 76,463.00	\$ 5,560.17	\$ 256,486.44	\$ (180,023.44)	335.44%

General Ledger
Expense vs. Budget

February-22



Sort Level	Description	Amended Budget	Period Amt	End Bal	Variance	% Budget Used
895	URA Legacy District					
890-895-642-10	Professional Services-Legacy	\$ 5,000.00	\$ -	\$ -	\$ 5,000.00	0.00%
890-895-642-12	Land Sale Expenses	\$ -	\$ 602.00	\$ 602.00	\$ (602.00)	0.00%
890-895-652-10	Heat, Lights & Utilities	\$ -	\$ 319.34	\$ 1,413.43	\$ (1,413.43)	0.00%
890-895-644-10	Ad. & Marketing Expense-Legacy	\$ 1,000.00	\$ -	\$ -	\$ 1,000.00	0.00%
E02	Contractual	\$ 6,000.00	\$ 921.34	\$ 2,015.43	\$ 3,984.57	33.59%
890-895-647-10	Travel & Meetings-Legacy	\$ 1,000.00	\$ -	\$ -	\$ 1,000.00	0.00%
890-895-658-51	Development Participation	\$ 1,078,750.00	\$ -	\$ -	\$ 1,078,750.00	0.00%
890-895-669-10	Misc. Expense-Legacy	\$ 500.00	\$ -	\$ -	\$ 500.00	0.00%
890-895-675-00	Fiscal Agent Trustee fees	\$ 1,500.00	\$ -	\$ -	\$ 1,500.00	0.00%
890-895-676-15	Latah County Reimb. Agreement	\$ 6,500.00	\$ -	\$ 5,000.00	\$ 1,500.00	76.92%
890-895-676-17	Owner Participation Agreements	\$ 62,335.00	\$ 30,098.34	\$ 30,098.34	\$ 32,236.66	48.28%
E03	Commodities	\$ 1,150,585.00	\$ 30,098.34	\$ 35,098.34	\$ 1,115,486.66	3.05%
890-895-770-35	1% Public Art	\$ -	\$ -	\$ -	\$ -	0.00%
890-895-770-71	Land-Legacy	\$ -	\$ -	\$ -	\$ -	0.00%
890-895-770-73	Improvements-Legacy	\$ -	\$ -	\$ -	\$ -	0.00%
E04	Capital Outlay	\$ -	\$ -	\$ -	\$ -	0.00%
890-895-890-00	Transfer To: General Fund	\$ 73,713.00	\$ -	\$ -	\$ 73,713.00	0.00%
890-895-890-01	Transfer To: Capital Fund	\$ -	\$ -	\$ -	\$ -	0.00%
E10	Transfers To	\$ 73,713.00	\$ -	\$ -	\$ 73,713.00	0.00%

General Ledger
Expense vs. Budget

February-22



Sort Level	Description	Amended		End Bal	Variance	% Budget Used
		Budget	Period Amt			
890-895-900-11	Contingency - Legacy	\$ 15,000.00	\$ -	\$ -	\$ 15,000.00	0.00%
E90	Contingency	\$ 15,000.00	\$ -	\$ -	\$ 15,000.00	0.00%
895	URA Legacy District	\$ 1,245,298.00	\$ 31,019.68	\$ 37,113.77	\$ 1,208,184.23	2.98%
899	Dept					
890-891-790-01	Bond Principal - Alturas	\$ -	\$ -	\$ -	\$ -	0.00%
890-892-790-01	Bond Principal - Legacy	\$ 34,000.00	\$ -	\$ -	\$ 34,000.00	0.00%
890-892-791-01	Bond Interest - Legacy	\$ 9,965.00	\$ 2,256.34	\$ 2,256.34	\$ 7,708.66	22.64%
E05	Debt Service	\$ 43,965.00	\$ 2,256.34	\$ 2,256.34	\$ 41,708.66	5.13%
890-892-900-01	Ending Fund Bal - Assigned	\$ 718,400.00	\$ -	\$ -	\$ 718,400.00	0.00%
890-892-990-05	Ending Fund Bal - Restricted	\$ 5,260.00	\$ -	\$ -	\$ 5,260.00	0.00%
890-899-990-00	Ending Fund Bal - Unassigned	\$ 52,683.00	\$ -	\$ -	\$ 52,683.00	0.00%
890-899-990-05	Ending Fund Bal - Restricted	\$ 13,047.00	\$ -	\$ -	\$ 13,047.00	0.00%
E95	Ending Fund Balance	\$ 789,390.00	\$ -	\$ -	\$ 789,390.00	0.00%
899	Dept	\$ 833,355.00	\$ 2,256.34	\$ 2,256.34	\$ 831,098.66	0.27%
890	Moscow Urban Renewal Agency	\$ 2,155,116.00	\$ 38,836.19	\$ 295,856.55	\$ 1,859,259.45	13.73%

General Ledger
Revenue Analysis

February 2022



Account Number	Description	Budgeted Revenue	Period Revenue	YTD Revenue	Variance	Uncollected Bal	% Avail/Uncollect	% Received
890	Moscow Urban Renewal Agency							
890-000-410-01	Property Taxes - Legacy	\$ 845,500.00	\$ 128,060.93	\$ 460,080.11	\$ 385,419.89	\$ 385,419.89	45.58%	54.42%
890-000-471-00	Investment Earnings	\$ 4,500.00	\$ 196.74	\$ 804.22	\$ 3,695.78	\$ 3,695.78	82.13%	17.87%
890-000-478-10	Gain/Loss on Sale of Assets	\$ -	\$ -	\$ 230,097.00	\$ (230,097.00)	\$ (230,097.00)		
890-000-498-96	Transfer In: Legacy	\$ 73,713.00	\$ -	\$ -	\$ 73,713.00	\$ 73,713.00	100.00%	0.00%
890	Moscow Urban Renewal Agency	\$ 923,713.00	\$ 128,257.67	\$ 690,981.33	\$ 232,731.67	\$ 232,731.67	25.20%	74.80%
Revenue Total		\$ 923,713.00	\$ 128,257.67	\$ 690,981.33	\$ 232,731.67	\$ 232,731.67	25.20%	74.80%



Moscow, Idaho

Financial Statements



For The Fiscal Year Ended
September, 30 2021

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

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January 25, 2022

To the Moscow Urban Renewal Agency Board of Commissioners and Citizens of the City of Moscow:

We are pleased to submit to you the *Audited Financial Statements for the Moscow Urban Renewal Agency* (hereafter “the Agency”) for the fiscal year ended September 30, 2021.

Idaho State Law requires that all government development authorities submit audited financial statements to the entity that sponsored their corporate existence. For the Moscow Urban Renewal Agency, this entity is the City of Moscow. The statements must be presented in conformity with generally accepted accounting principles (GAAP) and audited in accordance with generally accepted auditing standards (GAAS).

This report consists of management’s representations concerning the finances of the Agency. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect the Agency’s assets from loss, theft, or misuse and to compile sufficient and reliable information for the preparation of the Agency’s financial statements. Because the cost of internal controls should not outweigh their benefits, internal controls have been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The Agency’s financial statements have been audited by Presnell Gage, PLLC, a company of certified public accountants. The independent auditor concluded, based on the audit, that there was a reasonable basis for rendering an unmodified opinion on the Agency’s financial statements for the fiscal year ended September 30, 2021.

The Management’s Discussion and Analysis (MD&A) immediately follows the independent auditor’s report and provides a narrative introduction, overview, and analysis of the basic financial statements. The MD&A complements this Letter of Transmittal and the two should be read in conjunction.

Profile of the Moscow Urban Renewal Agency

The Agency was organized by the Moscow City Council in 1995 pursuant to resolution 95-08 in accordance with *Idaho Urban Renewal Law*, Ch. 20, Title 50, *Idaho Code* (the “Law”) and the *Local Economic Development Act*, Ch. 29, Title 50, *Idaho Code* (the “Act”). The Agency acts as an arm of the Idaho State government entirely separate and distinct from the City of Moscow as provided in *Idaho Code* Section 50-2006.

The purpose of the Agency is to undertake urban renewal projects in areas designated by the City of Moscow to be deteriorating, and to undertake this rehabilitation, conservation, redevelopment, or a combination thereof, in the interest of the public health, safety, morals or welfare of the residents of the City of Moscow.

The Agency is comprised of seven Commissioners appointed by the Mayor, and confirmed by the City Council, with terms as specified by the Mayor, as authorized by Moscow City Council Resolution 2008-17. Membership is constituted as follows: Two (2) members of the Moscow City Council; One (1) member of the Latah County Commission; and, four (4) members from the citizenry at large. Terms are staggered in such a fashion that no more than three (3) expire in any given year. The Board of Commissioners elects the Chair, Vice-Chair and Secretary from the ranks of the Commission. The Treasurer's office may be filled by Commissioners or by staff appointments made by the Commission.

The Chair is the chief presiding officer of the Agency. The Chair executes all deeds, bonds, contracts, and other legal documents authorized by the Commission. Some of the Chair's duties may be delegated by the Board of Commissions to the Agency's Executive Director, who oversees the day-to-day operations of the Agency and carries out the policies of the Board.

The City of Moscow is responsible for defining the geographic boundaries and legal creation of all urban renewal districts within the City. The Legacy Crossing District was created in 2008. The Agency works with the City of Moscow and the private sector to remedy blight and to facilitate economic development within urban renewal districts. The Agency's activities within urban renewal districts are directed by specific urban renewal plans adopted by the Moscow City Council. The Agency provides funding for these efforts through the use of tax increment financing.

When the City establishes a tax increment financing district, the value on the property within the district is frozen as of the year the district is established. The ad valorem taxes collected on the frozen or "base" value is paid to the various taxing entities providing services to that property. Any subsequent increase in the value of property above the base is called the "increment" value and the tax revenue generated from the increment value is transferred to the Agency. These tax increment revenues are used by the Agency to pay for public improvements and other revitalization activities in that district. When the district closes (now up to 20 years from commencement) the increment value is added back to the base value on the tax rolls. This helps diversify and strengthen the economic bases of both the City and the County.

Though urban renewal is a separate item on property tax statements, local property owners pay the same amount of tax whether or not an urban renewal district is established in their area.

FACTORS AFFECTING FINANCIAL CONDITION

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the Agency operates.

Local Economy

Moscow is a city in northern Idaho, situated along the Washington/Idaho border. Moscow is the county seat and largest city in Latah County. Moscow is the home of the University of Idaho, the land grant institution and primary research university for the state, as well as the home of New Saint Andrews College. Eight miles west is Pullman, Washington, home of Washington State University, also a land grant institution.

Moscow is the principal city in the Moscow, Idaho, Micropolitan Statistical Area (McrSA), which includes Latah County. The City contains over 60 percent of the County's population and while the University of Idaho is the dominant employer in Moscow, the City also serves as an agricultural and commercial hub for the Palouse region. Moscow leads all cities in the Micropolitan Statistical Area (McrSA) in most measures of economic power, including population, income, employment, bank deposits, assessed valuation, office space, and college enrollment.

The 2020 population of the City was 25,435 (2020 US Census), which places it as the 13th largest city in Idaho. The unemployment rate (not seasonally adjusted) for Latah County for September 2021 was 2.0 percent.

Long-term Financial Planning

Prior to the fourth Monday of March of the current year, the Latah County auditor notifies the Agency of the total taxable valuation of all the taxable property situated within the Legacy Crossing District for the preceding calendar year for the purpose of assisting the Agency to develop its annual budget.

In February 2020, the Latah County Assessor released its report on the Agency's assessed valuation for fiscal year 2021 (tax year 2020). Total assessed valuation within the Legacy Crossing District increased by over 10 percent. The Agency's tax increment revenue received in fiscal year 2021 was \$794,408, or about 6.3 percent increase over the prior year.

A tax increment calculation error occurred for the Legacy Crossing District. Following the 2012 property tax assessment process, Latah County notified the Agency that after a review of the assessment process, a tax increment calculation error had been made in the Legacy Crossing District, and the Agency had been allocated too much assessed value. It has been determined that the Agency received an overpayment of \$114,537 of property tax receipts over the previous three-year period. Pursuant to an agreement made between the Agency and Latah County, the overpayment will be repaid to Latah County on behalf of the effected taxing entities over a period beginning in fiscal year 2017 and ending in fiscal year 2029.

Major Fiscal Year Initiatives

Sixth and Jackson Property. The Agency owns a 0.84 acre property at the southwest corner of the intersection of Sixth and Jackson Streets in Moscow. The Agency's primary focus is the redevelopment of the property through completion of environmental assessment/remediation and facilitating the construction of improvements in conformance with the Legacy Crossing Plan. In May of 2013, the Agency was awarded an EPA Hazardous Substances Cleanup Grant to fund the removal of soils to allow the property to be redeveloped. The active cleanup construction was completed in the fall of 2016 and the Agency received the Certificate of Completion and Covenant Not to Sue from the State of Idaho Department of Environmental Quality in April 2017. In response to an RFP issued in the fall of 2014, Sangria Downtown, LLC, was selected as the successful respondent, and in April of 2015, the Agency entered into an Exclusive Negotiation Agreement (ENA) with Sangria Downtown, LLC. The goal of the ENA is to provide a process for negotiating a Disposition and Development Agreement (DDA) to formally document terms of transactions and responsibilities of the parties. The DDA was approved by the Agency's Board on October 26, 2017. In May of 2018, Sangria Downtown, LLC, terminated the DDA due to increased construction costs that rendered their project infeasible. The Agency issued a second RFP in 2018 and on February 21, 2019, selected Moscow Flatirons project submitted by Roderick D. Olps for the property. Progress on the development of the site was halted in 2020 due to the COVID-19 pandemic and is now expected to begin construction in the summer of 2022.

Private Development Partnerships. The Agency's Board has partnered in over \$40 million in private development projects to assist in funding the cost of needed public infrastructure, environmental remediation, and roadway and access improvements through Owner Participation Agreements (OPA). Through the OPA, the Agency reimburses the developer for identified public improvements from increased property taxes that result from the private investment. In fiscal year 2021, the Agency paid \$56,359 in OPA developer reimbursements.

Accounting System and Budget Control

The annual budget serves as the foundation for the Agency's financial planning and control. The Agency's Executive Director and Treasurer prepare the annual budget. The Agency must notify the Latah County clerk of the date, time, and location of the Agency's budget hearing for the upcoming fiscal year no later than April 30 of each year. The Agency's Board of Commissioners must adopt a prospective budget prior to the scheduled public hearing. Legal notice of the proposed budget and budget hearing must be published twice, at least seven (7) days apart in the official newspaper. The final budget document must be adopted and published by September 30 of each year.

The planning of the budget, proposed presentation, public hearing notices, public hearing, adoption and submission to Latah County is outlined in the annual budget calendar each year ensuring all legal compliance and disclosure. The Agency's adopted budget threshold is the Agency's total balance of revenues and expenditures. The Agency may amend the current year's budget at any time during the fiscal year so long as it follows the same public hearing requirements needed for the budget's original certification. Amendments to the budget are occasionally necessary for unanticipated revenues.

Awards and Acknowledgements

We would like to commend the City of Moscow staff for their efficient and dedicated service in helping to prepare this report. We also wish to thank Steve McGeehan, Chairman, and the Board of Commissioners for their support in planning and conducting the financial operations of the Agency in a responsible and progressive manner. Credit must also be given to the Agency's auditors, Presnell Gage, PLLC, for their most valuable assistance in preparation of this report.

Respectfully submitted,



Bill J. Belknap
Executive Director



Renee Tack
Agency Treasurer



INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
Moscow Urban Renewal Agency
Moscow, Idaho

Report of the Financial Statements

We have audited the accompanying financial statements of the governmental activities and each major fund of the Moscow Urban Renewal Agency, a component-unit of the City of Moscow, Idaho, as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Agency's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the Financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the Moscow Urban Renewal Agency as of September 30, 2021, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and budgetary comparison information on pages 9 through 17 and 23 through 24, respectively, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Moscow Urban Renewal Agency, a component-unit of the City of Moscow, Idaho's basic financial statements. The introductory section is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The introductory sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated January 25, 2022, on our consideration of the Moscow Urban Renewal Agency's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Moscow Urban Renewal Agency's internal control over financial reporting and compliance.



January 25, 2022

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

MANAGEMENT'S DISCUSSION AND ANALYSIS

This section offers readers an overview and analysis of the fiscal year 2021 financial activities of the Moscow Urban Renewal Agency (hereafter "the Agency") of the City of Moscow, Idaho. It should be read in conjunction with the Agency's audited financial statements, which follow this section.

2021 FINANCIAL HIGHLIGHTS

- The Agency's total net position was \$2,426,333.
- The Agency's liabilities at September 30, 2021, were \$761,048.
- The Agency's total year-end fund balances were \$2,063,450.
- The property tax revenue generated from within the Legacy Crossing District, was \$794,869, an increase of 6.3 percent. Property tax increment revenues are calculated on the change in property valuations as assessed by the Latah County Assessor.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Agency's annual financial report consists of several sections. Taken together, they provide a comprehensive overview of the Agency's activities. The sections of the report are as follows:

Management's Discussion and Analysis. This section of the report provides financial highlights, overview, and economic factors affecting the Agency.

Basic Financial Statements. This section includes the Agency-wide financial statements, fund financial statements, and notes to the financial statements. Agency-wide financial statements consist of the statement of net position and the statement of activities and utilize the accrual basis of accounting. The statements are intended to be more business-oriented and assist in assessing the *operational accountability* of the entity. The fund financial statements are similar to the Agency-wide statements, however, they use the modified accrual basis of accounting and focus on the *fiscal accountability* of the entity.

Agency-Wide Statements

- The statement of net position found on page 18 focuses on resources available for future operations. This statement presents a snapshot view of the assets the Agency owns, the liabilities it owes and the net difference. The net difference is further separated into amounts indicating the agency's assets, net of debt, restricted for debt service, and unrestricted amounts.
- The statement of activities found on page 19 focuses on gross and net costs of the Agency's programs and the extent to which such programs rely upon property tax and other revenues. This statement summarizes and simplifies the user's analysis to determine the extent to which programs are self-supporting and/or subsidized by general revenues.

Fund Financial Statements

- The balance sheet located on page 20 is similar to the statement of net position; however, the balance sheet omits long-term assets and long-term liabilities. This format helps assess current assets, which are available to meet current liabilities and debt service payments. Also, there is a reconciliation of the balance sheet and the statement of net position, which outlines why there are differences in the two statements.

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

MANAGEMENT'S DISCUSSION AND ANALYSIS

There are three statements of revenues, expenditures, and changes in fund balances on pages 21, 23, and 24. The statement on page 22 reconciles the differences to the Agency-wide statement of activities. The statements on pages 23-24 show the budget-to-actual revenues and expenditures for the year for the General fund and Legacy Agency, respectively, and help in assessing whether the Agency raised and spent funds according to the budget plan.

Notes to the Basic Financial Statements

- The notes to the financial statements provide additional disclosures required by governmental accounting standards and provide information to assist the reader in understanding the Agency's financial condition.

Report by the Independent Certified Public Accountants

- The report by the independent certified public accountants includes supplemental communication on the Agency's compliance and internal controls as required by Idaho statutes.

MAJOR AGENCY INITIATIVES IN FISCAL YEAR 2021

Legacy Crossing District. The Agency owns a lot located at the southwest corner of the intersection of 6th and Jackson Streets in Moscow, within the Legacy Crossing District. The Agency's primary focus is the redevelopment of the property through the completion of environmental assessment/remediation and facilitating the construction of improvements in conformance with the Legacy Crossing Plan. The Sixth and Jackson property is one of the beneficiaries of an EPA Brownfield Assessment Grant and underwent testing throughout in 2014 to develop a remediation plan to remove contaminated soils in order to prepare the property for redevelopment.

On May 29, 2013, the Agency was awarded an EPA Hazardous Substances Cleanup Grant to fund the removal of the contaminated soils. The active cleanup construction was completed in the fall of 2016 and the Agency received the Certificate of Completion and Covenant Not to Sue from the State of Idaho Department of Environmental Quality in April 2017.

In response to a Request for Proposals (RFP) for the property, Sangria Downtown, LLC, was selected as the successful respondent, and on October 26, 2017, a Disposition and Development Agreement (DDA) to formally document terms of transaction and responsibilities of the parties was approved by the Board. In May of 2018, Sangria Downtown, LLC, terminated the DDA due to increased construction costs that rendered their project infeasible. The Agency issued a second RFP in 2018 and on February 21, 2019, selected Moscow Flatirons project submitted by Roderick D. Olps for the property. Progress on the development of the site was halted in 2020 due to the COVID-19 pandemic and is now expected to begin construction in the summer of 2022.

On October 1, 2018, the Moscow City Council passed *Ordinance 2018-13* approving the amendment to the Legacy Crossing District Boundary to include the adjacent portion of Main Street through the adoption of the Amended and Restated Legacy Crossing Urban Renewal District Redevelopment Plan. Under state law, any such amendment becomes retroactively effective to January 1st of the year the amendment occurred. The district amendment resulting in the addition of 6 acres of land to the District bringing the total District size to approximately 169 Acres. The purpose of the amendment was to allow the opportunity for the Agency to financially participate in the reconstruction and repair of the deteriorating public infrastructure in downtown which has been identified as a major challenge area by the Moscow City Council.

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

MANAGEMENT'S DISCUSSION AND ANALYSIS

As part of the creation of the Legacy Crossing District, all the parcels were given a base value premised on the 2008 property values. Assessed values above the 2008 base for those parcels benefit the District. Once the Area is established, a tax code area is created that identifies those taxing entities levying taxes within the Area. Beginning in 2009, any increase in the properties assessed values times the levies, generates tax increment revenue for the District. The assessment process utilized by the County for three subsequent years (from the base year of 2008) used certain software developed and provided by the Idaho State Tax Commission. It was determined that the software during this three-year period of time experienced a "glitch" that needed to be manually overridden by the Latah County Assessor's office in order to have prevented an over allocation of value. The Agency has no part of the assessment process or establishment of the various tax levies.

Following the 2012 property tax assessment process, the County contended that the Agency received an over payment of \$114,537 of property tax receipts over the three-year period. A settlement agreement between the Agency and Latah County was reached to provide for a schedule of repayment of the property taxes. The remaining balance at September 30, 2021, was \$89,537.

Alturas Technology Park. Following the recommendation of Resolution 2015-02 to terminate the Alturas Technology Park revenue allocation area, the Moscow City Council passed *Ordinance 2015-15* terminating the Alturas revenue allocation area in 2015. The Agency holds one remaining lot in the Alturas Technology Park. Lot 2, Block 2, located at 1345 Alturas Drive, which is currently being marketed, with a bid opening scheduled for March of 2022.

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

MANAGEMENT'S DISCUSSION AND ANALYSIS

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Trends in the Urban Renewal Agency's Net Position

	2021	2020	2019
Assets			
Current and other assets	\$ 2,154,091	\$ 1,163,211	\$ 694,912
Capital assets (net of accumulated depreciation)	<u>1,033,290</u>	<u>1,210,676</u>	<u>1,210,676</u>
Total assets	<u>3,187,381</u>	<u>2,373,887</u>	<u>1,905,588</u>
Deferred outflows of resources	<u>0</u>	<u>0</u>	<u>0</u>
Liabilities			
Current liabilities	483,511	100,227	55,998
Long-term liabilities	<u>277,537</u>	<u>316,537</u>	<u>353,537</u>
Total liabilities	<u>761,048</u>	<u>416,764</u>	<u>409,535</u>
Deferred inflows of resources	<u>0</u>	<u>0</u>	<u>0</u>
Net position			
Net investment in capital assets	452,420	464,732	433,732
Restricted debt service	44,312	44,312	44,312
Unrestricted	<u>1,929,601</u>	<u>1,448,079</u>	<u>1,018,009</u>
Total net position	<u>\$ 2,426,333</u>	<u>\$ 1,957,123</u>	<u>\$ 1,496,053</u>

The Agency's total assets and deferred outflows of resources for 2021 exceeded its liabilities and deferred inflows of resources by \$2,426,333. The total capital assets are \$1,033,290 net of depreciation. The capital assets consist of land, infrastructure for water, sewer, curbs and sidewalks, street lighting, and paving.

Outstanding Debt. At the end of fiscal year 2021, the Agency had total outstanding bonded debt of \$227,000 as noted on page 31. These bonds are limited obligations of the Agency for the Legacy Crossing District. Additional information on the Agency's long-term debt can be found in Note 6 in the notes to the financial statements.

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

MANAGEMENT'S DISCUSSION AND ANALYSIS

Trends in the Urban Renewal Agency's Changes in Net Position

	2021	2020	2019
Revenues:			
General revenues:			
Property tax	\$ 794,869	\$ 747,652	\$ 443,686
Other revenues:			
Investment income	3,309	11,255	12,116
Disposal of asset (loss)	258,923	0	0
Grants and contributions	<u>0</u>	<u>0</u>	<u>0</u>
Total revenues	<u>1,057,101</u>	<u>758,907</u>	<u>455,802</u>
Expenditures:			
Project administration	582,740	287,833	127,228
Depreciation	0	0	0
Interest expense	<u>5,151</u>	<u>10,004</u>	<u>11,504</u>
Total expenditures	<u>587,891</u>	<u>297,837</u>	<u>138,732</u>
Change in net position	469,210	461,070	317,070
Net position, beginning	<u>1,957,123</u>	<u>1,496,053</u>	<u>1,178,983</u>
Net position, ending	<u>\$ 2,426,333</u>	<u>\$ 1,957,123</u>	<u>\$ 1,496,053</u>

The change in investment income reflects changes in the market value of investment bonds held by the Agency, and fluctuations in the interest rates effective during the fiscal year. The increase in project administration expenses is mainly due to the return of land sale revenue to the taxing districts. The Agency implements all Governmental Accounting Standards Board (GASB) pronouncements so that we are in compliance with the accounting standards for governments. Additional information comparing the Agency's budgeted to actual expenditures can be found in the statement of revenues, expenditures, and changes in fund balances on pages 23 and 24.

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

MANAGEMENT'S DISCUSSION AND ANALYSIS

FUND FINANCIAL ANALYSIS

Trends in the Urban Renewal Agency's Balance Sheet

	2021	2020	2019
ASSETS			
Cash and investments	\$ 2,148,165	\$ 1,155,404	\$ 687,058
Accounts receivable	666	2,547	2,594
Other assets	5,260	5,260	5,260
Land held for sale	<u>353,870</u>	<u>531,256</u>	<u>531,256</u>
Total assets	<u>2,507,961</u>	<u>1,694,467</u>	<u>1,226,168</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>0</u>	<u>0</u>	<u>0</u>
Total assets and deferred outflows or resources	<u>\$ 2,507,961</u>	<u>\$ 1,694,467</u>	<u>\$ 1,226,168</u>
LIABILITIES	<u>\$ 444,511</u>	<u>\$ 63,227</u>	<u>\$ 21,498</u>
DEFERRED INFLOWS OF RESOURCES	<u>0</u>	<u>0</u>	<u>0</u>
Total liabilities and deferred inflows of resources	<u>444,511</u>	<u>63,227</u>	<u>21,498</u>
FUND BALANCE			
Nonspendable	353,870	531,256	531,256
Restricted	44,312	44,312	44,312
Assigned	1,137,778	967,800	552,485
Unassigned	<u>527,490</u>	<u>87,872</u>	<u>76,617</u>
Total fund balance	<u>2,063,450</u>	<u>1,631,240</u>	<u>1,204,670</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 2,507,961</u>	<u>\$ 1,694,467</u>	<u>\$ 1,226,168</u>

The increase in liabilities is a result of increased accounts payable due to timing of year-end invoices. Accumulated funding has also been set aside for improvements to the Agency's lot located at the southwest corner of the intersection of Sixth and Jackson Street, which have been carried forward while the Agency continues the pursuit of the sale of this property. The \$44,312 of restricted fund balance represents the required bond reserve account balance for the Legacy Crossing District bond.

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

MANAGEMENT'S DISCUSSION AND ANALYSIS

ECONOMIC CONDITIONS AFFECTING THE AGENCY

Moscow's major employers are heavily represented in the sectors of education, health care, retail, and government. These four sectors represent 65 percent of Moscow's economy. The Latah County unemployment rate (not seasonally adjusted) for the month ending in September 2021 was 2.0 percent compared with 5.2 percent in September 2020. The September 2021 unemployment rate (not seasonally adjusted) of 2.0 percent was below a state unemployment rate of 2.9 percent and a national unemployment rate of 4.7 percent.

Latah County saw employment expansion in the following sectors from 2019 – 2020: ⁽¹⁾

- Construction (10.8 percent)
- Professional and Technical Services (0.5 percent)
- Administrative and Waste Services (0.4 percent)
- Health Care and Social Assistance (0.4 percent)

Latah County saw employment contraction in the following sectors: ⁽¹⁾

- Manufacturing (-2.0 percent)
- Wholesale Trade -(0.6 percent)
- Retail Trade (-1.9 percent)
- Information (-11.8 percent)
- Finance and Insurance (-1.5 percent)
- Real Estate (-1.9 percent)
- Management (-4.0 percent)
- Educational Services (-7.5 percent)
- Arts, Entertainment, and Recreation (-7.1 percent)
- Accommodation and Food Services (-18.9 percent)

Real Estate: ⁽²⁾

- The average home sale price in the City of Moscow increased 10.4 percent from \$314,027 in 2020 to \$346,727 in 2021, after a 12.2 percent increase the prior year.
- The average home sale price in Latah County increased 18.3 percent from \$286,040 in 2020 to \$338,270 in 2021, after a 4.3 percent increase the prior year.

Tourism: ⁽³⁾

- In the 2021 calendar year, Latah County transient occupancy tax increased by approximately 74 percent as the impacts of the COVID-19 pandemic on travel lessened.

Building Permits: ⁽⁴⁾

Total permitted construction value in the City of Moscow increased significantly from \$37.7 million in 2020 to \$47.3 million in 2021, well above the 10-year average of \$26.4 million.

1 U.S. Bureau of Labor Statistics

2 Latah County MLS

3 Idaho Department of Commerce, Tourism Department

4 City of Moscow Community Development Department.

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

MANAGEMENT'S DISCUSSION AND ANALYSIS

Urban Renewal and Tax Increment Financing (TIF). The State of Idaho offers few financial incentives for economic development. Urban renewal and tax increment financing is one of the few economic development tools available to local governments in Idaho.

As an urban renewal agency, the Agency receives tax increment revenues calculated on the assessed value over the frozen base, which is set at the time of creation of an urban renewal district. When the Agency completes public improvements in association with an urban renewal plan, the Agency is investing in the local community and economy helping to increase property values and economic activity in the community. Because states are cutting or delaying aid to local governments in significant numbers, transferring costs from themselves to their cities, counties, and K-12 schools, and in some cases additionally passing laws that limit the local government's ability to raise taxes, urban renewal and tax increment financing are vital economic development programs in Idaho.

The Alturas Technology Park District revenue allocation area was closed in the 2015 fiscal year. As a result of the closure, the \$22 million in increased property value that has occurred as a result of the Agency's investment in Alturas will be available to the taxing districts and will continue to provide long-lasting economic benefit to the City of Moscow and the region. Building on the success of the Alturas Technology Park District, the Legacy Crossing District was created in 2008 to provide a vision and direction for the redevelopment of an obsolete railroad corridor adjacent to downtown Moscow, and to increase economic opportunities for the community.

The Legacy Crossing District will have long-term positive impacts on the community and the Agency's financial status. The re-urbanization of inner-city districts, particularly those with land uses transitioning from industrial uses to mixed-uses, requires an extended planning horizon. Redevelopment activities continue on the Agency-owned property located at the southwest corner of the intersection of Sixth and Jackson Streets, including the completion of environmental remediation activities and review and selection of current proposals for redevelopment projects on the site.

FINANCIAL CONTACT

This financial report is designed to provide a general overview of the Agency's finances. Questions concerning any of the information provided in this report, or requests for additional financial information, should be addressed to the Moscow Urban Renewal Agency Treasurer, P.O. Box 9203, Moscow, Idaho, 83843.

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MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

STATEMENT OF NET POSITION
September 30, 2021

	Governmental Activities
ASSETS	
Cash and investments	\$ 2,148,165
Receivables	666
Land held for sale	353,870
Other assets	5,260
Land	679,420
Total assets	<u>3,187,381</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>0</u>
LIABILITIES	
Accounts payable	439,511
Deposit payable	5,000
Series 2010 Bond - due within one year	34,000
Latah County payback agreement - due within one year	5,000
Loan payable Legacy - long-term	193,000
Latah County payback agreement - due after one year	84,537
Total liabilities	<u>761,048</u>
DEFERRED INFLOWS OF RESOURCES	<u>0</u>
NET POSITION	
Net investment in capital assets	452,420
Restricted	
Debt service	44,312
Unrestricted	<u>1,929,601</u>
Total net position	<u><u>\$ 2,426,333</u></u>

See accompanying notes

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

STATEMENT OF ACTIVITIES
Year Ended September 30, 2021

	Expenses	Program Revenues	Operating Grants and Contributions	Net Revenue (Expense) and Changes in Net Position
GOVERNMENTAL ACTIVITIES				
Project administration	\$ 582,740			\$ (582,740)
Interest expense	5,151			(5,151)
Total governmental activities	<u>\$ 587,891</u>	<u>\$ 0</u>		<u>(587,891)</u>
GENERAL REVENUES				
Property taxes levied for general purposes				794,869
Investment income				3,309
Gain (loss) on disposal of assets				258,923
Total general revenues				<u>1,057,101</u>
Change in net position				469,210
NET POSITION, beginning of year				<u>1,957,123</u>
NET POSITION, end of year				<u>\$ 2,426,333</u>

See accompanying notes

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

BALANCE SHEET - GOVERNMENTAL FUNDS
September 30, 2021

	General	Legacy Crossing District	Total
ASSETS			
Cash and investments	\$ 971,795	\$ 1,176,370	\$ 2,148,165
Receivables	206	460	666
Other assets		5,260	5,260
Land held for sale	353,870		353,870
Total assets	<u>1,325,871</u>	<u>1,182,090</u>	<u>2,507,961</u>
DEFERRED OUTFLOWS OF RESOURCES			
	<u>0</u>	<u>0</u>	<u>0</u>
Total assets and deferred outflows of resources	<u>\$ 1,325,871</u>	<u>\$ 1,182,090</u>	<u>\$ 2,507,961</u>
LIABILITIES			
Accounts payable	\$ 439,511		\$ 439,511
Deposit payable	5,000		5,000
Total liabilities	<u>444,511</u>	<u>\$ 0</u>	<u>444,511</u>
DEFERRED INFLOWS OF RESOURCES			
	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCE			
Nonspendable	353,870		353,870
Restricted for debt service		44,312	44,312
Assigned		1,137,778	1,137,778
Unassigned	527,490		527,490
Total fund balance	<u>881,360</u>	<u>1,182,090</u>	<u>2,063,450</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 1,325,871</u>	<u>\$ 1,182,090</u>	<u>\$ 2,507,961</u>
RECONCILIATION OF THE STATEMENT OF NET POSITION TO THE BALANCE SHEET - GOVERNMENTAL FUNDS			
Total fund balance - Governmental Funds			\$ 2,063,450
Amounts reported for governmental activities in the statement of net position are different because:			
Capital assets used in governmental activities are financial resources and, therefore, are not reported in the funds			679,420
Long-term liabilities, consisting of bonds payable and tax repayment agreement, are due and payable in the current period and, therefore, are not reported in the funds			<u>(316,537)</u>
Total net position - Governmental Activities			<u>\$ 2,426,333</u>

See accompanying notes

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
Year Ended September 30, 2021

	<u>General</u>	<u>Legacy Crossing District</u>	<u>Total</u>
REVENUES			
Property taxes		\$ 794,869	\$ 794,869
Investment income	\$ 3,309		3,309
Gain (loss) on disposal of assets	258,923		258,923
Total revenues	<u>262,232</u>	<u>794,869</u>	<u>1,057,101</u>
EXPENDITURES			
Current			
Legal and professional fees	9,009	5,751	14,760
Insurance	1,695		1,695
Maintenance	2,845		2,845
Advertising	372		372
Management services	52,168		52,168
Sale of land expense	439,949		439,949
Land incentive agreement		56,359	56,359
Development participation		10,663	10,663
Other administration expenses		3,929	3,929
Debt Service			
Principal retirement		37,000	37,000
Interest		5,151	5,151
Total expenditures	<u>506,038</u>	<u>118,853</u>	<u>624,891</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(243,806)</u>	<u>676,016</u>	<u>432,210</u>
OTHER FINANCING SOURCES (USES)			
Operating transfers	506,038	(506,038)	0
Total other financing sources (uses)	<u>506,038</u>	<u>(506,038)</u>	<u>0</u>
Net change in fund balances	262,232	169,978	432,210
FUND BALANCES AT BEGINNING OF YEAR	<u>619,128</u>	<u>1,012,112</u>	<u>1,631,240</u>
FUND BALANCES AT END OF YEAR	<u><u>\$ 881,360</u></u>	<u><u>\$ 1,182,090</u></u>	<u><u>\$ 2,063,450</u></u>

See accompanying notes

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO
THE STATEMENT OF ACTIVITIES
Year Ended September 30, 2021

Net change in fund balances - Governmental Funds \$ 432,210

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

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities:

Principal payments made on long-term debt

37,000

Change in net position - Governmental Activities

\$ 469,210

See accompanying notes

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - GOVERNMENTAL FUNDS
GENERAL FUND
Year Ended September 30, 2021

	Budgeted Amounts Original and Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Investment income	\$ 6,500	\$ 3,309	\$ (3,191)
Gain (loss) on disposal of assets	670,295	258,923	(411,372)
Total revenues	<u>676,795</u>	<u>262,232</u>	<u>(414,563)</u>
EXPENDITURES			
Current			
Legal and professional fees	10,650	9,009	1,641
Insurance	1,575	1,695	(120)
Maintenance	3,750	2,845	905
Advertising	750	372	378
Management services	52,168	52,168	
Sale of land expense	10,000	439,949	(429,949)
Other administration expenses	2,000		2,000
Total expenditures	<u>80,893</u>	<u>506,038</u>	<u>(425,145)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>595,902</u>	<u>(243,806)</u>	<u>(839,708)</u>
OTHER FINANCING SOURCES (USES)			
Operating transfers	0	506,038	506,038
Total other financing sources (uses)	<u>0</u>	<u>506,038</u>	<u>506,038</u>
Net change in fund balances	595,902	262,232	(333,670)
FUND BALANCES BEGINNING OF YEAR	<u>(595,902)</u>	<u>619,128</u>	<u>1,215,030</u>
FUND BALANCES END OF YEAR	<u>\$ 0</u>	<u>\$ 881,360</u>	<u>\$ 881,360</u>

See accompanying notes

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - GOVERNMENTAL FUNDS
LEGACY CROSSING DISTRICT FUND
Year Ended September 30, 2021

	Budgeted Amounts Original and Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Property taxes	\$ 795,000	\$ 794,869	\$ (131)
Total revenues	<u>795,000</u>	<u>794,869</u>	<u>(131)</u>
EXPENDITURES			
Current			
Legal and professional fees	16,800	5,751	11,049
Advertising	1,000		1,000
Land incentive agreement	64,135	56,359	7,776
Development participation	741,000	10,663	730,337
Other administration expenses	4,900	3,929	971
Debt service			
Principal retirement	264,000	37,000	227,000
Interest	11,370	5,151	6,219
Total expenditures	<u>1,103,205</u>	<u>118,853</u>	<u>984,352</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(308,205)</u>	<u>676,016</u>	<u>984,221</u>
OTHER FINANCING SOURCES (USES)			
Proceeds from sale	150,000		(150,000)
Operating transfers		(506,038)	(506,038)
Total other financing sources (uses)	<u>150,000</u>	<u>(506,038)</u>	<u>(656,038)</u>
Net change in fund balances	(158,205)	169,978	328,183
FUND BALANCES BEGINNING OF YEAR	<u>158,205</u>	<u>1,012,112</u>	<u>853,907</u>
FUND BALANCES END OF YEAR	<u>\$ 0</u>	<u>\$ 1,182,090</u>	<u>\$ 1,182,090</u>

See accompanying notes

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

NOTES TO FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity. The Moscow Urban Renewal Agency (the “Agency”), a component unit of the City of Moscow, Idaho, was organized on June 19, 1995, under the Idaho Urban Renewal Law, Chapter 20, Title 50 of the *Idaho Code*. As such, the Agency acts as a legal entity, separate and distinct from the City of Moscow, even though members of the City Council also serve as members of the Agency’s governing board. However, the Agency is considered a component unit of the City of Moscow due to the oversight authority of the City Council.

The actions of the Agency are binding, and business, including the incurrence of long-term debt, is routinely transacted in the Agency’s name by its appointed representatives. The Agency is broadly empowered to engage in the general economic revitalization and redevelopment of the City through acquisition and development of property, public improvements, and revitalization activities in those areas of the City determined to be in a declining condition, which are in a redevelopment project area.

The Alturas Technology Park was the Agency’s first project. Phase I of the project was constructed during 1997 and 1998, and consists of six saleable lots and a public park. Construction of Phase II began in the fall of 2005. The Moscow Urban Renewal Agency closed the Alturas Technology Park Tax Allocation Area in 2016 and contributed public infrastructure capital assets to the City of Moscow.

During the fiscal year ended September 30, 2008, a central portion of the City of Moscow was declared a deteriorating area. A second urban renewal district was defined and named Legacy Crossing District. During the course of fiscal year 2007-2008, a plan was written, public comment was obtained, and a feasibility study conducted. The final Legacy Crossing Urban Renewal District plan was accepted by the City Council in June 2008 and filed as approved by the Idaho State Tax Commission in August 2008. During fiscal year 2009-2010, the Agency issued bonds to finance the purchase of the land relating to Legacy Crossing District.

Measurement Focus and Basis of Accounting. The financial statements of the Moscow Urban Renewal Agency have been prepared in accordance with accounting principles generally accepted in the United States of America as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The Agency uses the following two bases of accounting in these financial statements:

Economic Resources Measurement Focus and Accrual Basis of Accounting

Under this measurement focus, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

NOTES TO FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus and Basis of Accounting (Continued).

Current Financial Resources Measurement Focus and Modified Accrual Basis of Accounting

Under this measurement focus, revenues are recognized when susceptible to accrual; i.e., both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The Agency considers revenues as available if they are collected within 60 days after year-end.

Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Restricted Resources. Program expenses are allocated to restricted program revenue first and then to the next highest level of net position/fund balance restrictions when both restricted and unrestricted resources are available.

Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB #54) defines the different types of fund balances that a governmental entity must use for financial reporting purposes. GASB #54 requires the fund balance amounts to be properly reported within one of the fund balance categories below:

Nonspendable

Includes amounts that cannot be spent because they are either (1) not in spendable form or (2) legally or contractually required to be maintained intact.

Restricted

Includes amounts that can be spent only for the specific purpose stipulated by external resource providers, constitutional provisions, or enabling legislation.

Committed

Includes amounts that can only be used for the specific purposes determined by a formal action of the government's highest level of decision-making authority.

Assigned

Includes amounts that are intended to be used by the government for specific purposes but do not meet the criteria to be classified as restricted or committed.

Unassigned

Residual classification of fund balance that includes all spendable amounts that have not been restricted, committed, or assigned.

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

NOTES TO FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Agency-Wide Financial Statements. The statement of net position and the statement of activities display information about the overall Agency. Eliminations have been made to minimize the double-counting of internal activities. These statements reflect only governmental activities of the Agency since there are no “business-type activities” within the Agency. Governmental activities generally are financed through taxes, intergovernmental revenues, and other non-exchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

The statement of activities presents a comparison between direct expenses and program revenues for the Agency’s sole function of economic development within the Agency boundaries. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity. Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Fund Financial Statements. The fund financial statements provide information about the Agency’s funds. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities. The Agency has only governmental-type funds. Because there are only two funds, they are both presented on the face of the fund financial statements.

Basis of Presentation. The Agency uses the following governmental funds:

General Fund – This fund was created by the Agency, separate and apart from all other funds of the Agency, designated the “General Fund,” into which shall be deposited the excess interest revenues earned and incremental tax revenues received each year, after the provision has been made for payment of principal and interest on the bonds. The provision is determined by the Board and is sufficient to pay the costs of administration of the Agency for the fiscal year.

Legacy Crossing District Fund – This fund was created by the Agency as a special fund held by the Agency, separate and apart from all other funds of the Agency, designated the “Legacy Crossing District Fund.” All incremental tax revenues relating to each individual project area shall be deposited promptly upon receipt by the Agency into the associated fund and shall be used only for the following purposes and in the following order of priority:

- First, to pay the interest on the bonds and notes payable relating to the associated project.
- Second, to pay the principal of the bonds and notes payable relating to the associated project.
- Third, to fund the general fund.
- Fourth, to fund construction in the project areas for plans as legally approved by the Moscow Urban Renewal Agency Commission.
- Fifth, for any lawful purpose of the Agency.

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

NOTES TO FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates. The Agency uses estimates and assumptions in preparing financial statements in accordance with accounting principles generally accepted in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. Actual results could vary from the estimates that the Agency uses.

Budgets. As required by Idaho law, the Agency has adopted a budget, which is presented on the face of the financial statements.

Deposits and Investments. Cash is invested by the Agency until it is needed for the purpose of maximizing investment earnings. The investments are reported at fair value at September 30, 2021. The fair value is combined with the checking account balance and is presented as cash and investments.

Land Held for Sale. Land held for sale consists of properties purchased with the intent to sell the properties in the short-term. Land held for sale is stated at the lower of cost or fair market value. Land held for sale is not depreciated or amortized.

Capital Assets. Capital assets are long lived assets of the Agency as a whole. When purchased, such assets are recorded as expenditures in the governmental funds and capitalized. The Agency records all capital assets at their original cost. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Capital assets consist of land relating to the Legacy Crossing District.

Long-Term Obligations. Long-term debt is recognized as a liability of a governmental fund when due or when resources have been accumulated for early payment in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability.

Personnel. The Agency employs no personnel and, thus, has no liability disclosures for pension costs, employee compensated absence or payroll tax accruals. The Agency agrees to pay \$52,167 to the City of Moscow for services provided through City Administration, Public Works, Finance, and Community Development departments. Additionally, the Agency retains an Executive Director whose duties and responsibilities are equally separated from the City's Community Development Director. The Agency contracts with the City for the Executive Director's services, as stipulated in the City Services Agreement between the City and the Agency.

2. PROPERTY TAXES

In accordance with Idaho law, property taxes are levied in dollars in September for each calendar year. Levies are made on or before the second Monday of September. One-half of the property taxes are due on or before December 20th, and the remaining one-half is due on or before June 20th of the following year. A lien is filed on property after three years from the date of delinquency.

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

NOTES TO FINANCIAL STATEMENTS

2. PROPERTY TAXES (CONTINUED)

The Agency has no direct taxing power. The agency receives property taxes based upon the increase in assessed value of property caused by construction and growth in valuation since the base year. All taxing districts within the tax allocation area receive property tax revenue from their respective tax rate at the base year's assessed value. The assessed property value of the Legacy Crossing District in the base years was \$47,710,183. Each year since the base year, the assessed valuation has grown due to new construction, remodeling, or growth in value.

The increased valuation since the base year and the related property tax increment is listed as follows:

Tax Year	Legacy Crossing District	
	Valuation Increase	Tax Revenue
2008	Base Year	
2009	\$ 3,345,847	\$ 53,020
2010	8,377,408	129,830
2011	8,958,913	144,052
2012	5,449,902	97,548
2013	5,757,256	116,809
2014	8,170,320	179,241
2015	8,760,571	179,552
2016	9,097,017	179,343
2017	11,903,272	228,980
2018	20,267,003	371,958
2019	42,649,716	745,517
2020	47,124,123	794,408
2021	53,461,248 (preliminary)	908,841 (estimated)

3. CASH AND INVESTMENTS

At September 30, 2021, the carrying amount of the Agency's cash deposits was \$21,553, and the bank balance was \$21,553. The entire cash balance is FDIC insured.

As of September 30, 2021, the Agency had the following investments and maturities:

	Less than 1	1-5	Greater than 5	Interest Rate	Fair Value
Governmental Activities					
Cash and equivalents	\$ 44,313			0.00	\$ 44,313
Idaho State Treasurer's					
Local Government					
Investment Pool	2,082,299			0.12	2,082,299
Total investments	<u>\$2,126,612</u>	<u>\$ 0</u>	<u>\$ 0</u>		<u>\$2,126,612</u>

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

NOTES TO FINANCIAL STATEMENTS

3. CASH AND INVESTMENTS (CONTINUED)

Interest rate risk: In accordance with its investment policy, the Agency manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio.

Credit risk: As of September 30, 2021, the Agency's investment in the Idaho State Treasurer's Local Government Investment Pool is unrated. The Agency's investments held through Zions Bank are AAA rated by Moody's Investor Service and are implicitly guaranteed by the U.S. government.

Concentration of credit risk: The Agency's investment policy states that the Agency shall mitigate concentration risk by:

1. Limiting investments to avoid over concentration in securities from a specific issuer or business sector,
2. Limiting investment in securities that have higher credit risks,
3. Investing in securities with varying maturities, and
4. Continuously investing a portion of the portfolio in readily available funds such as the State Treasurer's Local Government Investment Pool, government-sponsored agencies, money market funds, or overnight repurchase agreements to ensure that appropriate liquidity is maintained in order to meet ongoing obligations.

Custodial credit risk – investments: For an investment, this is the risk that, in the event of the failure of the counterparty, the Agency will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Agency's policies include investments approved by *Idaho Code 50-1013*, which limit custodial credit by purchasing marketable securities by an implied guarantee of the United States of America, and the Agency uses brokers that qualify under Securities & Exchange Commission *Rule 15C3-1*.

4. LAND HELD FOR SALE

As of September 30, 2021, land held for sale, which is stated at the lower of cost or fair value, consists of three lots within the Alturas Technology Park. Three lots were sold during 2021. It is intended that these lots be disposed of by way of sale and steps have been taken for this purpose. The value of these remaining lots was \$353,870 at September 30, 2021.

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

NOTES TO FINANCIAL STATEMENTS

5. CAPITAL ASSETS

Capital assets consist of land, infrastructure for water, sewer, curbs and sidewalks, street lighting, and paving. Activity for the year ended September 30, 2021, was as follows:

	Beginning Balance 10/01/20	Increases	Decreases	Ending Balance 09/30/21
Capital assets not being depreciated				
Land	<u>\$ 679,420</u>			<u>\$ 679,420</u>
Total assets not being depreciated, net	<u>679,420</u>			<u>679,420</u>
Total assets being depreciated, net	<u>0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>0</u>
Governmental activities capital assets, net	<u>\$ 679,420</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 679,420</u>

6. LONG-TERM OBLIGATIONS

The following is a summary of debt transactions of the Agency for the fiscal year ended September 30, 2021:

	Series 2010 Revenue Allocation Bond	Total
Debt payable, 9/30/20	<u>\$ 259,000</u>	<u>\$ 259,000</u>
Principal payments	<u>(32,000)</u>	<u>(32,000)</u>
Debt payable, 9/30/21	<u>\$ 227,000</u>	<u>\$ 227,000</u>

Debt outstanding at September 30, 2021, consisted of the following:

Revenue Allocation Bonds - Series 2010 - \$510,000 Revenue Allocation (Tax Increment) Bonds due in annual installments, with an interest rate at September 30 of 4.39 percent.

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

NOTES TO FINANCIAL STATEMENTS

6. LONG-TERM OBLIGATIONS (CONTINUED)

At September 30, 2021, the annual debt service requirements to maturity, assuming current interest rates, are as follows:

Year Ending September 30	Series 2010	
	Principal	Interest
2022	\$ 34,000	\$ 9,965
2023	35,000	8,473
2024	37,000	6,936
2025	39,000	5,312
2026	40,000	3,600
2027	42,000	1,844
	<u>\$ 227,000</u>	<u>\$ 36,130</u>

Revenue Allocation Bonds are limited obligations of the Agency and are not general obligations of the Agency or the City of Moscow, Idaho. These bonds and other issued debt and the related interest are payable solely from property tax revenues from the designated project fund, reserve funds, and any unobligated funds of the Agency.

The total interest expense in 2021 amounted to \$5,151 in the governmental funds.

The Agency also agreed to a long-term payback agreement with Latah County, Idaho, for the repayment of \$114,537 of property taxes received in prior years (see note 8 for details). The payback agreement calls for annual installment payments over 15 years with no interest. At September 30, 2021, the annual required payments to Latah County are as follows:

Year Ending September 30	Tax Repayment Agreement
2022	\$ 5,000
2023	5,000
2024	5,000
2025	5,000
2026	10,000
2027-2029	59,537
	<u>\$ 89,537</u>

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

NOTES TO FINANCIAL STATEMENTS

7. FUND BALANCE CLASSIFICATIONS

Nonspendable. Nonspendable fund balances represent amounts that cannot be spent because they are either (1) not in spendable form or (2) legally or contractually required to be maintained intact. The Agency's nonspendable fund balance consists of land that is held for resale and is not considered to be in a spendable form.

Restricted. Restricted net position/fund balances represent amounts whose use is restricted by creditors, grantors, laws and regulations of other governments, or through enabling legislation. Restrictions for the Agency include resources of the Legacy Crossing District that are set aside for the specific purpose of satisfying debt service requirements set forth by the Agency's individual bond related covenants.

Assigned. The fund balances classified as assigned are for use for specific purposes but do not rise to the level of restricted or committed. The Agency has assigned balances that include the activities of the special revenue fund.

Unassigned. The unassigned fund balance is in the general fund and has not been restricted, committed, or assigned to specific purposes within the general fund.

8. PROPERTY TAX REPAYMENT AGREEMENT

As part of the creation of the Legacy Crossing District, all the parcels were given a base value premised on the 2008 property values. Assessed values above the 2008 base for those parcels benefit the District. Once the Area is established, a tax code area is created that identifies those taxing entities levying taxes within the Area. Beginning in 2009, any increase in the properties' assessed values times the levies, generates tax increment revenue for the District. The assessment process utilized by the County for three subsequent years from the base year of 2008 used certain software developed and provided by the Idaho State Tax Commission. It was determined that the software during this three-year period of time experienced a "glitch" that needed to be manually overridden by the Latah County Assessor's office in order to have prevented an over allocation of value. The Agency has no part of the assessment process or the establishment of the various tax levies.

Following the 2012 property tax assessment process, the County notified the Agency that after a review of the assessment process for the past three years, the District had been allocated too much assessed value. Disclosure note 2 on page 29 identifies these changes. The County determined that the Agency received an overpayment of \$114,537 of property tax receipts over a three-year period. The remaining balance at September 30, 2021, was \$89,537.

9. COMMITMENTS AND CONTINGENCIES

On September 21, 2011, the Agency entered into an Owners Participation Agreement (OPA) with Anderson Group, LLC, the developer of 625 South Jackson Street – in the Agency's Legacy District. The Agency's financial participation is an anticipated amount not to exceed \$110,875 of public improvements and site remediation, without interest. The OPA sets out conditions the developer must meet to become eligible for Agency financial participation. Payment will be made in semi-annual installments in the amount of 50 percent of the tax increment revenue generated from the additional assessed value resulting from the development completed by the developer. Payments will only occur upon receipt of tax increment revenue and will continue until the principal has been paid or December 31, 2032, whichever occurs first. Payments made during fiscal year 2021 totaled \$883. As of September 30, 2021, a total of \$2,923 has been paid to the developer.

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

NOTES TO FINANCIAL STATEMENTS

9. COMMITMENTS AND CONTINGENCIES (CONTINUED)

On October 6, 2016, the Agency entered into an OPA with Darold L. Bingham and Ann D. Bingham Living Trust, the developer of 402 West Sixth Street – in the Agency’s Legacy District. The Agency’s financial participation is an anticipated amount not to exceed \$38,077 of public improvements and site remediation, without interest. The OPA sets out conditions the developer must meet to become eligible for Agency financial participation. Payment will be made in semi-annual installments in the amount of 50 percent of the tax increment revenue generated from the additional assessed value resulting from the development completed by the developer. Payments will only occur upon receipt of tax increment revenue and will continue until the principal has been paid or December 31, 2032, whichever occurs first. Payments made during fiscal year 2021 totaled \$2,860. At September 30, 2021, a total of \$31,421 has been paid to the developer.

On October 6, 2016, the Agency entered into an OPA with Larry A. Swanger, the developer of 203 West Third Street – in the Agency’s Legacy District. The Agency’s financial participation is an anticipated amount not to exceed \$90,096 of public improvements related to the general condition and appearance of all Public Street and sidewalk infrastructure in the surrounding area, without interest. Payments made during fiscal year 2021 totaled \$1,741. At September 30, 2021, a total of \$50,489 has been paid to the developer.

On January 18, 2018, the Agency entered into an OPA with Gritman Medical Park LLC, the developer of 700 South Main Street – in the Agency’s Legacy District. The Agency’s financial participation is an anticipated amount not to exceed \$600,000 of public improvements related to the general condition and appearance of all public street and sidewalk infrastructure in the surrounding area, without interest. The OPA sets out conditions the developer must meet to become eligible for Agency financial participation. Payment will be made in semi-annual installments in the amount of 50 percent of the tax increment revenue generated from the additional assessed value resulting from the development completed by the developer. Payments will only occur upon receipt of tax increment revenue and will continue until the principal has been paid or December 31, 2032, whichever occurs first. Payments made during fiscal year 2021 totaled \$50,874. At September 30, 2021, a total of \$124,866 has been paid to the developer.

9. SUBSEQUENT EVENT

Management has evaluated subsequent events through January 25, 2022, the date the financial statements were available to be issued. An additional two Alturas lots were sold in October 2021 for \$230,097.

SUPPLEMENTARY INFORMATION



INDEPENDENT AUDITOR'S REPORT - GOVERNMENT AUDITING STANDARDS

Board of Commissioners
Moscow Urban Renewal Agency
Moscow, Idaho

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Moscow Urban Renewal Agency as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Moscow Urban Renewal Agency's basic financial statements, and have issued our report thereon dated January 25, 2022.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

Presnell Gage, PLLC

January 25, 2022



MOSCOW
Urban Renewal Agency
IDAHO

Annual Report

& Financial Statements for Fiscal Year 2021



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2021 Annual Report



2021 ANNUAL REPORT FOR THE MOSCOW URBAN RENEWAL AGENCY

The Mission of the Moscow Urban Renewal Agency (Agency) is to promote and support projects that achieve sustainable economic growth, vitality, and which enhance the community.

Per Idaho Code §50-2006(c), urban renewal agencies are to provide an annual report by March 31st of each year to the jurisdiction's governing body. For the Agency that is the Moscow City Council. This report is submitted in fulfillment of that requirement and to provide information to the public. The report will be available from February 26th through March 17th, for inspection during business hours in the Urban Renewal Agency's office, City Clerk's office, or on the Agency website at www.moscowura.com.

As required by Idaho Code §50-2006(c), the Agency will consider for approval the draft annual report of the Agency's 2021 activities at their meeting on March 17th, 2022. Written comments are welcomed and may be submitted to the Agency in advance of the meeting. Comments and responses from that period will be included in the final version of this report.

The comment period will remain open from February 26 to March 17th, 2022.

FOR MORE INFORMATION...

As required by Idaho Code §50-2011(f), the annual report identifies the real property held by the Agency and sets forth the reasons such property remains unsold and indicates the Agency's plans for disposition of the real property, if necessary. If you have any questions or to submit comments, please contact:

Bill Belknap, Executive Director
206 E Third Street, Moscow, Idaho 83843
(208)883-7011
www.moscowura.com
bbelknap@ci.moscow.id.us

Understanding URAs

Urban renewal and revenue allocation financing are the most significant tools available to Idaho communities for attracting and retaining businesses, generating economic development, promoting job creation and encouraging development of deteriorating and underutilized areas. The State of Idaho provides limited options for cities and counties to use in financing site preparation, infrastructure and other needed incentives necessary to attract and retain businesses. Revenue allocation financing allows communities to make a site ready for development, including extending water, sewer, streets and other improvements that reduce the cost to businesses of relocating or expanding.

Urban renewal and revenue allocation financing is particularly important because of the competitive nature of economic development, where Idaho communities face competition from communities in other states or countries where incentives such as tax abatements, local revenue sharing, and incentives for recruitment often exist. Many Idaho cities (some with more than one project area), have chosen these tools to revitalize their city. The positive impacts of urban renewal can be seen across the state of Idaho.



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MOSCOW URBAN RENEWAL AGENCY PROFILE

The Agency was organized by the Moscow City Council in 1995 pursuant to resolution 95-08 in accordance with Idaho Urban Renewal Law, Ch. 20, Title 50, Idaho Code (the "Law") and the Local Economic Development Act, Ch. 29, Title 50, Idaho Code (the "Act"). The Agency acts as an arm of the Idaho State government, entirely separate and distinct from the City of Moscow as provided in Idaho Code Section 50-2006.

The purpose of the Agency is to undertake urban renewal projects in areas designated by the City of Moscow to be deteriorating, and to undertake this rehabilitation, conservation, redevelopment or a combination thereof in the interest of the public health, safety, morals or welfare of the residents of the City of Moscow.

The Agency is comprised of seven Commissioners appointed by the Mayor and confirmed by the City Council, with terms as specified by the Mayor as authorized by Moscow City Council Resolution 2008-17. Membership is constituted as follows: Two (2) members of the Moscow City Council; one (1) member of the Latah County Commission; and, four (4) members from the citizenry at large. Terms are staggered in such a fashion that no more than three (3) expire in any given year. The Board of Commissioners elects the Chairman, Vice-Chairman and Secretary from the ranks of the Commission; the Treasurer office may be filled by Commissioners or by staff appointments made by the Commission.

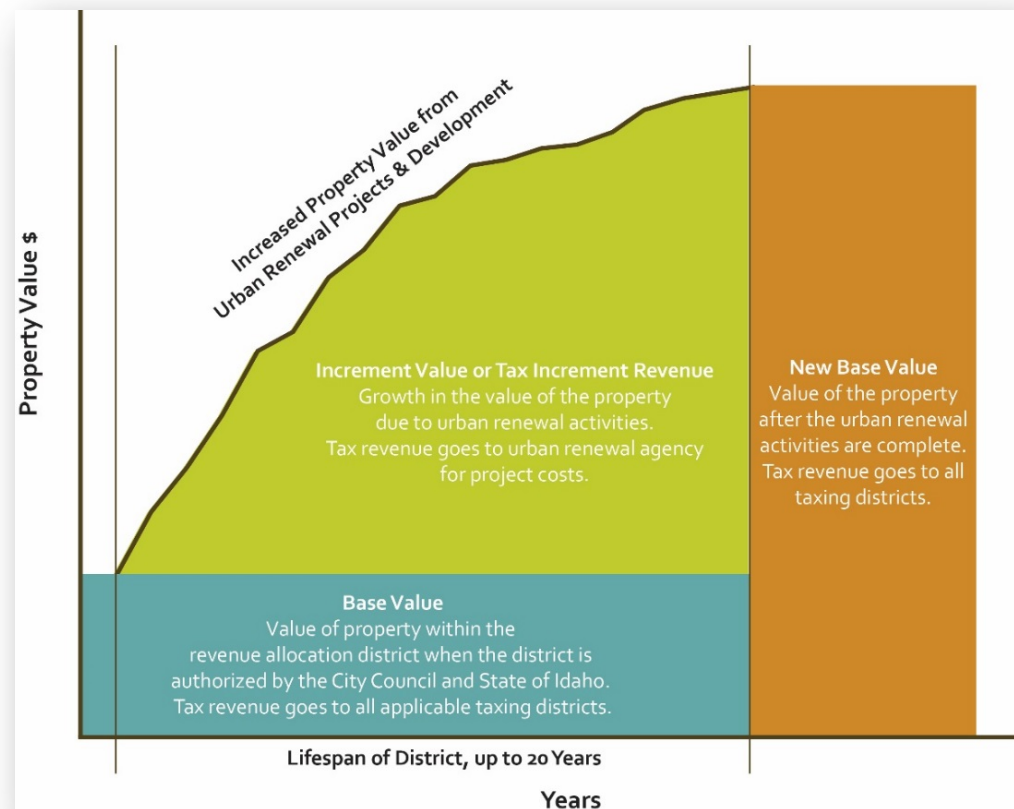
The Chairperson is the Chief Presiding Officer of the Agency. The Chair executes all deeds, bonds, contracts and other legal documents authorized by the Commission. Some of the Chair's duties may be delegated by the Board of Commissioners to the Agency's Executive Director who oversees the day-to-day operations of the Agency and carries out the policies of the Board.

The City of Moscow is responsible for defining the geographic boundaries and legal creation of all urban renewal districts within the city. The Alturas Technology Park District was created in 1995 and the Legacy Crossing District was created in 2008. The Agency works with the City of Moscow and the private sector to remedy blight and to facilitate economic development within these two districts. The Agency's activities within these districts are directed by specific urban renewal plans adopted by the Moscow City Council. The Agency provides funding for these efforts through the use of tax incremental financing.

As illustrated in the graphic on this page, when the city establishes a tax increment financing district, the value on the property in the district is set as of the date the district is created. The property tax revenue collected on this base value goes to the various taxing entities providing services to that property. Any increase in value over the base is called the increment value and the tax revenue generated from the increment value is transferred to the Agency.

These tax increment revenues are used by the Agency to pay for public improvements and other revitalization activities in that district. When the district closes (previously 24 years when the Legacy Crossing District was created and now currently 20 years), the increment value is added back to the base value on the tax rolls. This helps diversify and strengthen the economic bases of both the city and the county.

Though urban renewal is a separate item on property tax statements, local property owners pay the same amount of tax whether or not an urban renewal district is established in their area.



AGENCY BOARD OF COMMISSIONERS

The Agency is comprised of seven Commissioners appointed by the Mayor, and confirmed by the City Council, with terms specified by the Mayor, as authorized by Moscow City Council Resolution 2008-17. Officers of the agency consist of a Chairperson, Vice Chairperson, Secretary and Treasurer. Formal policy decisions are made by the Agency Board of Commissioners. In all significant financial matters, the Board receives recommendations from a standing Finance Committee that is comprised of two Board members and three community members.



2021 MURA Board *(pictured from left to right)*

Steve McGeehan, Chair

Brandy Sullivan, Vice Chair

Art Bettge, Secretary

Steve Drown, Commissioner

Dave McGraw, Commissioner

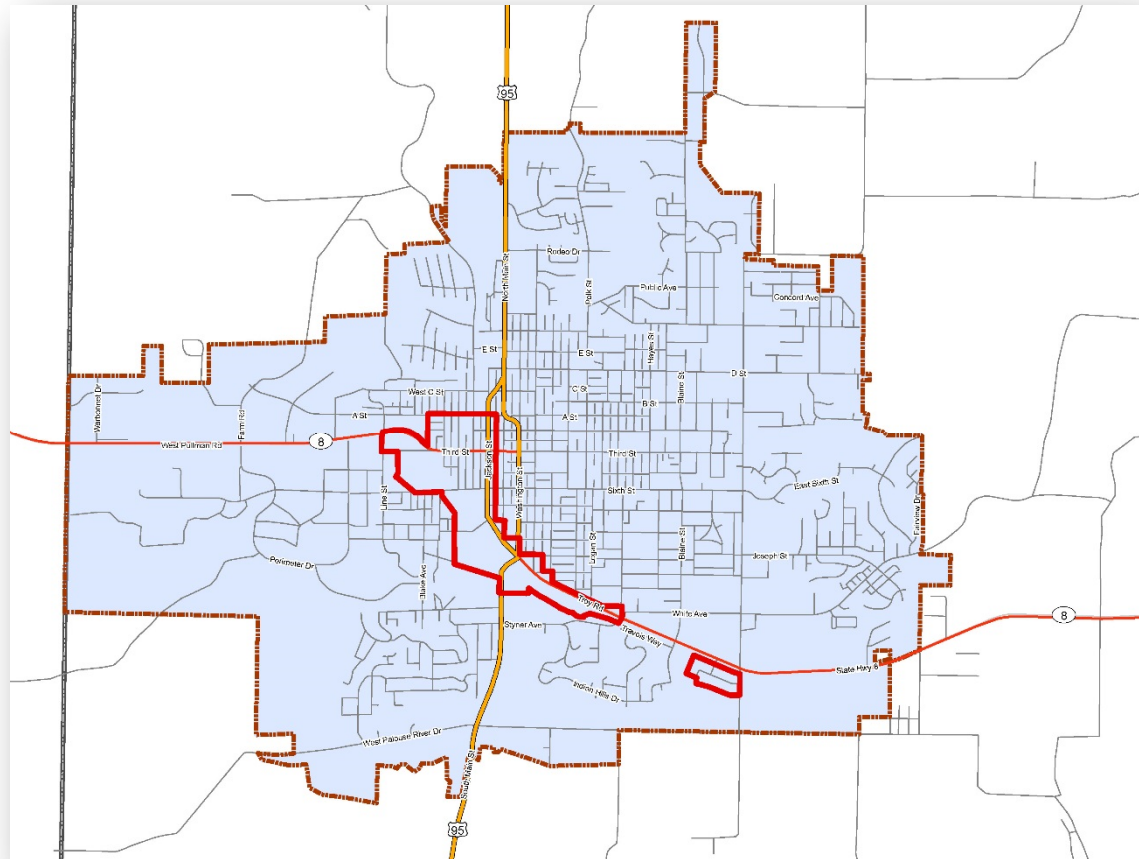
Nancy Tribble, Commissioner

Mark Beauchamp, Commissioner

THE DISTRICTS OF THE AGENCY

The Agency historically operated two urban renewal districts: The Alturas Technology Park and Legacy Crossing. The smaller Alturas Technology Park District was closed in 2015 and was located in the southeastern area of the City along State Highway 8, while the larger Legacy Crossing District is located just west of downtown near the University of Idaho Campus.

Applying a variety of redevelopment strategies to improve economic conditions and enhance the quality of life across the city, the Agency's catalog of projects demonstrates that there is no one-size-fits-all solution for community redevelopment. When taken as a whole, this diversity of efforts translates into a cohesive framework, serving critical community, business, and economic development needs.



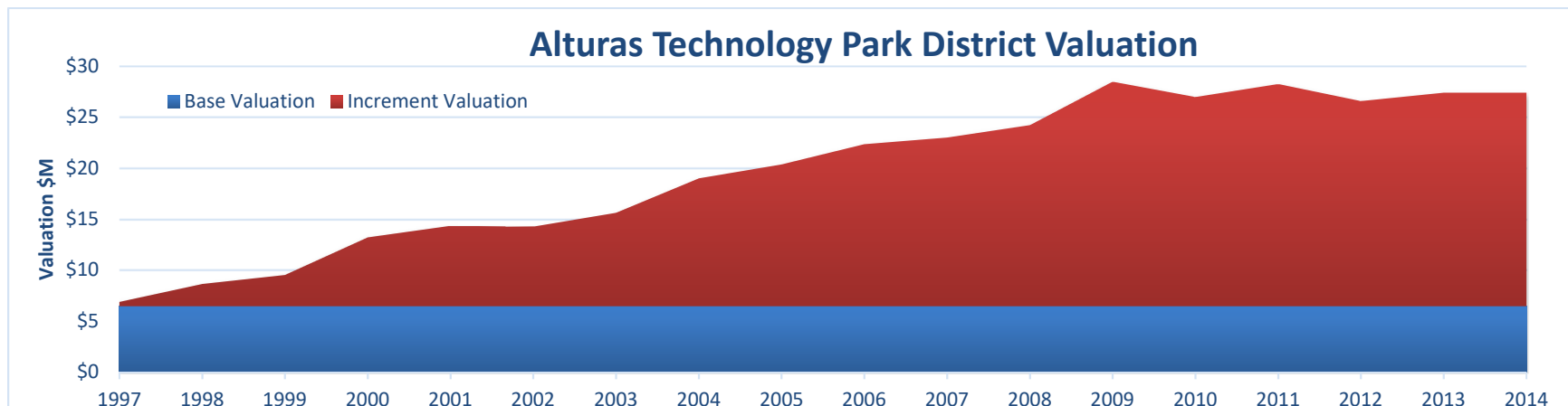
ALTURAS TECHNOLOGY PARK URBAN RENEWAL DISTRICT

The Alturas Technology Park was the Agency’s first District and is currently home to many of Moscow’s premier high-tech companies, including Comtech EF Data Corporation, Alturas Analytics, Inc., Anatek Labs, Inc., and BioTracking, LLC. The majority of these firms are linked to outside/non-local markets and are considered primary industries. Wealth enters the local economy principally by way of these industry types. Established in 1996, the assessed value of property within the revenue allocation area was approximately \$6.4 million. Improvements and developments made as a result of the Alturas Research and Technology Park Urban Renewal Plan have assisted in increasing property values dramatically and today the same area is valued at more than \$27 million.

Alturas Fast Facts

- Established: 1996
- 34 Acres - Revenue Allocation Area
- 13.5 Acres – Project Area
- Base Value: \$6.48 Million
- 2015 Value: \$27.4 Million
- Closure Date: 2015

The export industries within the Alturas Technology Park have a profound economic impact on the Moscow economy. As of the closure of the District, these companies had a total payroll of over \$6 million and paid an average wage of over \$50,000, which is significantly higher than the city’s median household income of \$35,389. During that period, the park contributed an estimated adjusted impact of \$26.7 million to the local community.



On July 22, 2015, the Agency passed Resolution 2015-02 recommending to the Moscow City Council termination of the Alturas Technology Park revenue allocation area. Following this recommendation, the City Council passed Ordinance 2015-15 terminating the Alturas revenue allocation area. Therefore the Agency has not received any future tax increment revenues beyond the 2015 fiscal year. The Agency was pleased to be able to close the revenue allocation area a year ahead of the schedule and allow the tax revenues to return to the taxing districts as soon as possible.

The Agency holds one remaining lot in the Alturas Technology Park. Lot 2, Block 2, located at 1345 Alturas Drive is currently being marketed, with a bid opening scheduled for March of 2022. Once the sale closes the Agency will return the net sale proceeds to the taxing districts.



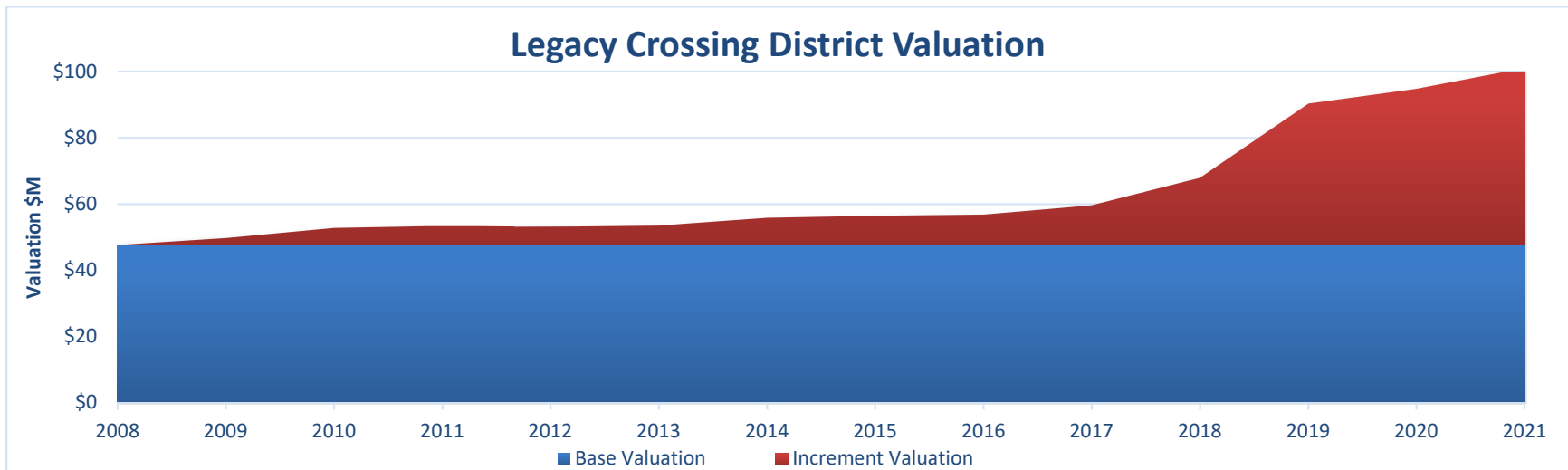
LEGACY CROSSING URBAN RENEWAL DISTRICT

The Legacy Crossing District was created in June of 2008 and is the Agency's second urban renewal district. When formed in 2008, the Legacy Crossing District originally covered 163 acres and included a majority of the blighted and underutilized properties located between Moscow's historic downtown and the University of Idaho. The District was amended in 2018 to include an additional 6 acres that encompass a portion of Main Street, bringing the total acreage to 169 acres.

Legacy Crossing Fast Facts

- Established: 2008
- 169 Acres
- Base Value: \$47.76 Million
- 2021 Value: \$101.2 Million
- Closure Date: 2032

In 2019, development continued in the District including the Barley Flats Condominium project on A Street and several smaller projects. Increment valuation nearly doubled within the district between 2018 and 2019 as the prior \$40 Million of construction projects that were started in 2017 and 2018 reached completion and entered the tax rolls. While development has slowed in the past couple years, the district still saw property value increase by an estimated \$6 million dollars in 2021.



In 2010, the Agency purchased a parcel within the District located at the southwestern corner of the intersection of 6th and Jackson streets. The property was purchased to enhance opportunities to connect downtown Moscow to the University of Idaho campus. The Agency and the City of Moscow understood that the property was the keystone to connectivity between the University and downtown and to the development of Hello Walk.

The Agency applied for and was successful in obtaining an EPA cleanup grant in the amount of \$115,317. The EPA cleanup grant was utilized to conduct the actual remediation and monitoring of the property, which will allow for its reuse. The active cleanup construction was completed in the fall 2016. The Agency received its Certificate of Completion and Covenant Not to Sue from the State of Idaho Department of Environmental Quality in April of 2017, clearing the way for future development on the site.

In response to an RFP issued in 2017, Sangria Downtown LLC was selected for the development of the property and entered into a Disposition and Development Agreement (DDA) with the Agency. In May of 2018, Sangria terminated the DDA due to increased construction costs that rendered their project infeasible. The Agency published a new RFP and the Moscow Flatiron project submitted by Roderick D. Olps was selected for the property. The Agency entered into an Exclusive Negotiation Agreement with Mr. Olps on March 7, 2019 and Phase I development plans were approved on October 3, 2019. The project was placed on hold for 2020 due to the COVID-19 pandemic, but is now slated for construction in 2022.





INVENTORY OF MURA OWNED PROPERTIES

District	Property Address	Parcel Number	SF /Acres	Planned Reuse	Sale and Development Status
Alturas	1345 Alturas Drive	RPM00270020020	34,531/SF	Fee Simple Sale	Advertised and Available for Sale
Legacy	Lot located at the southwestern corner of the intersection of 6 th and Jackson streets	RPM00000180025	0.87 Acres	Public pathway, public plaza, and future fee simple sale	Under ENA with Roderick D. Olps

As noted above, the Agency owns one (1) lot within the Alturas Technology Park District and one (1) lot within the Legacy Crossing District. The remaining Alturas lot is currently being marketed for sale through a current competitive bidding process. The Agency has entered into an ENA with Roderick D. Olps for the Sixth and Jackson Property.

Public Comments



For the Hearing Record: MURA Annual Report Draft FY2021

To Jennifer Fleischman

Cc Cody Riddle

CAUTION: This message originated from outside the City of Moscow's network. Exercise caution when clicking links or opening attachments. If in doubt, please contact Information Systems at extension 7004.

For the Hearing Record: MURA Annual Report Draft FY2021

From Victoria Seever, [121 N. Lilly, Moscow, Idaho 83843](#)

The Moscow Urban Renewal Agency (MURA) continues to be a bright spot in Moscow's development, especially in the Covid timeframe because the Agency has consistently moved forward with projects and a positive picture of growth.

It cannot be understated that as a front-end agency that envisions and identifies properties for Moscow's investment future which have been stalled by constraints such as being sited in a brownfield or an underdeveloped area, MURA gets the ball rolling. A private developer may be quite unable to incur the substantial cost of EPA cleanups in addition to property development. City government cannot stretch to engage in everything.

When MURA steps into the gap and/or partners with other principals, progress is initiated and achieved. By routinely attending MURA meetings and seeing this process, and by being a resident, particularly living near some of these projects, I've witnessed the value of its work done and future projects planned or in-progress.

I whole-heartedly remain a strong supporter of the MURA and recommend acceptance of its Draft Annual Report.

(Note: I may add comments at the Hearing during its presentation.)

Victoria Seever

Legal Notice

10/12
**NOTICE OF PUBLIC HEARING
MOSCOW URBAN RENEWAL AGENCY (MURA)
DRAFT ANNUAL REPORT FOR YEAR 2021**

As required by Idaho Code §50-2006(c), the Agency will consider for approval the draft annual report of the Agency's 2021 activities at their meeting on March 17, 2022 at 7:00 AM in the Council Chambers of Moscow City Hall at 206 E. Third Street. The report is available for inspection during business hours in the office of the City Clerk or on the Urban Renewal Agency's website: <http://moscowura.com/>. Written comments may be submitted to the Agency in advance of the meeting or may be presented at the meeting on March 17th.

As required by Idaho Code §50-2011(f), the annual report identifies the real property held by the Agency and sets forth the reasons such property remains unsold and indicates the Agency's plans for disposition of the real property, if necessary. If you have any questions or to submit comments, please contact MURA incoming Executive Director Cody Riddle at (208) 883-7027 or criddle@ci.moscow.id.us.

Publish: February 26, 2022

FINANCIAL STATEMENTS

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

STATEMENT OF NET POSITION September 30, 2021

	Governmental Activities
ASSETS	
Cash and investments	\$ 2,148,165
Receivables	666
Land held for sale	353,870
Other assets	5,260
Land	679,420
Total assets	<u>3,187,381</u>
DEFERRED OUTFLOWS OF RESOURCES	
	<u>0</u>
LIABILITIES	
Accounts payable	439,511
Deposit payable	5,000
Series 2010 Bond - due within one year	34,000
Latah County payback agreement - due within one year	5,000
Loan payable Legacy - long-term	193,000
Latah County payback agreement - due after one year	84,537
Total liabilities	<u>761,048</u>
DEFERRED INFLOWS OF RESOURCES	
	<u>0</u>
NET POSITION	
Net investment in capital assets	452,420
Restricted	
Debt service	44,312
Unrestricted	1,929,601
Total net position	<u>\$ 2,426,333</u>

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

STATEMENT OF ACTIVITIES Year Ended September 30, 2021

	<u>Expenses</u>	<u>Program Revenues</u>	<u>Net Revenue (Expense) and Changes in Net Position</u>
		<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>
GOVERNMENTAL ACTIVITIES			
Project administration	\$ 582,740		\$ (582,740)
Interest expense	5,151		(5,151)
Total governmental activities	<u>\$ 587,891</u>	<u>\$ 0</u>	<u>(587,891)</u>
GENERAL REVENUES			
Property taxes levied for general purposes			794,869
Investment income			3,309
Gain (loss) on disposal of assets			258,923
Total general revenues			<u>1,057,101</u>
Change in net position			469,210
NET POSITION, beginning of year			<u>1,957,123</u>
NET POSITION, end of year			<u>\$ 2,426,333</u>

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

BALANCE SHEET - GOVERNMENTAL FUNDS
September 30, 2021

	General	Legacy Crossing District	Total
ASSETS			
Cash and investments	\$ 971,795	\$ 1,176,370	\$ 2,148,165
Receivables	206	460	666
Other assets		5,260	5,260
Land held for sale	353,870		353,870
Total assets	<u>1,325,871</u>	<u>1,182,090</u>	<u>2,507,961</u>
DEFERRED OUTFLOWS OF RESOURCES			
	<u>0</u>	<u>0</u>	<u>0</u>
Total assets and deferred outflows of resources	<u>\$ 1,325,871</u>	<u>\$ 1,182,090</u>	<u>\$ 2,507,961</u>
LIABILITIES			
Accounts payable	\$ 439,511		\$ 439,511
Deposit payable	5,000		5,000
Total liabilities	<u>444,511</u>	<u>\$ 0</u>	<u>444,511</u>
DEFERRED INFLOWS OF RESOURCES			
	<u>0</u>	<u>0</u>	<u>0</u>
FUND BALANCE			
Nonspendable	353,870		353,870
Restricted for debt service		44,312	44,312
Assigned		1,137,778	1,137,778
Unassigned	527,490		527,490
Total fund balance	<u>881,360</u>	<u>1,182,090</u>	<u>2,063,450</u>
Total liabilities, deferred inflows of resources, and fund balance	<u>\$ 1,325,871</u>	<u>\$ 1,182,090</u>	<u>\$ 2,507,961</u>
RECONCILIATION OF THE STATEMENT OF NET POSITION TO THE BALANCE SHEET - GOVERNMENTAL FUNDS			
Total fund balance - Governmental Funds			\$ 2,063,450
Amounts reported for governmental activities in the statement of net position are different because:			
Capital assets used in governmental activities are financial resources and, therefore, are not reported in the funds			679,420
Long-term liabilities, consisting of bonds payable and tax repayment agreement, are due and payable in the current period and, therefore, are not reported in the funds			<u>(316,537)</u>
Total net position - Governmental Activities			<u>\$ 2,426,333</u>

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS
Year Ended September 30, 2021

	General	Legacy Crossing District	Total
REVENUES			
Property taxes		\$ 794,869	\$ 794,869
Investment income	\$ 3,309		3,309
Gain (loss) on disposal of assets	258,923		258,923
Total revenues	<u>262,232</u>	<u>794,869</u>	<u>1,057,101</u>
EXPENDITURES			
Current			
Legal and professional fees	9,009	5,751	14,760
Insurance	1,695		1,695
Maintenance	2,845		2,845
Advertising	372		372
Management services	52,168		52,168
Sale of land expense	439,949		439,949
Land incentive agreement		56,359	56,359
Development participation		10,663	10,663
Other administration expenses		3,929	3,929
Debt Service			
Principal retirement		37,000	37,000
Interest		5,151	5,151
Total expenditures	<u>506,038</u>	<u>118,853</u>	<u>624,891</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>(243,806)</u>	<u>676,016</u>	<u>432,210</u>
OTHER FINANCING SOURCES (USES)			
Operating transfers	<u>506,038</u>	<u>(506,038)</u>	<u>0</u>
Total other financing sources (uses)	<u>506,038</u>	<u>(506,038)</u>	<u>0</u>
Net change in fund balances	262,232	169,978	432,210
FUND BALANCES AT BEGINNING OF YEAR	<u>619,128</u>	<u>1,012,112</u>	<u>1,631,240</u>
FUND BALANCES AT END OF YEAR	<u>\$ 881,360</u>	<u>\$ 1,182,090</u>	<u>\$ 2,063,450</u>



MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS TO
THE STATEMENT OF ACTIVITIES
Year Ended September 30, 2021

Net change in fund balances - Governmental Funds \$ 432,210

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

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities:

Principal payments made on long-term debt 37,000

Change in net position - Governmental Activities \$ 469,210

MOSCOW URBAN RENEWAL AGENCY, MOSCOW, IDAHO

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - GOVERNMENTAL FUNDS
GENERAL FUND

Year Ended September 30, 2021

	Budgeted Amounts Original and Final	Actual Amounts	Variance with Final Budget Positive (Negative)
REVENUES			
Investment income	\$ 6,500	\$ 3,309	\$ (3,191)
Gain (loss) on disposal of assets	<u>670,295</u>	<u>258,923</u>	<u>(411,372)</u>
Total revenues	<u>676,795</u>	<u>262,232</u>	<u>(414,563)</u>
EXPENDITURES			
Current			
Legal and professional fees	10,650	9,009	1,641
Insurance	1,575	1,695	(120)
Maintenance	3,750	2,845	905
Advertising	750	372	378
Management services	52,168	52,168	
Sale of land expense	10,000	439,949	(429,949)
Other administration expenses	2,000		2,000
Total expenditures	<u>80,893</u>	<u>506,038</u>	<u>(425,145)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>595,902</u>	<u>(243,806)</u>	<u>(839,708)</u>
OTHER FINANCING SOURCES (USES)			
Operating transfers	<u>0</u>	<u>506,038</u>	<u>506,038</u>
Total other financing sources (uses)	<u>0</u>	<u>506,038</u>	<u>506,038</u>
Net change in fund balances	595,902	262,232	(333,670)
FUND BALANCES BEGINNING OF YEAR	<u>(595,902)</u>	<u>619,128</u>	<u>1,215,030</u>
FUND BALANCES END OF YEAR	<u>\$ 0</u>	<u>\$ 881,360</u>	<u>\$ 881,360</u>

MOSCOW URBAN RENEWAL AGENCY

RESOLUTION NO. 2022-01

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

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE MOSCOW URBAN RENEWAL AGENCY, TO BE TERMED THE “ANNUAL REPORT RESOLUTION,” APPROVING THE ANNUAL REPORT OF THE URBAN RENEWAL AGENCY, FOR CALENDAR YEAR 2021; APPROVING THE NOTICE OF FILING THE ANNUAL REPORT; DIRECTING THE CHAIR TO SUBMIT SAID REPORT; AND PROVIDING AN EFFECTIVE DATE.

THIS RESOLUTION, made on the date hereinafter set forth by the Moscow Urban Renewal Agency, 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 for Moscow, Idaho, hereinafter referred to as the “Agency.”

WHEREAS, pursuant to Section 20-2006(c), Idaho Code, the Agency is required to prepare an annual report and submit the annual report to the Mayor of the City of Moscow, Idaho, on or before March 31 of each year.

WHEREAS, pursuant to Idaho Code Section 50-2006(c), the Agency has prepared an annual report of the Agency’s activities for calendar year 2021, a copy of which report is attached hereto as Exhibit A and is incorporated herein by reference; and

WHEREAS, on February 26, 2022 the Agency published public notice that the 2021 Annual Report would be available for public inspection and would be presented at the Agency’s March 17th meeting during which, or prior to, the public was invited to provide comment; and

WHEREAS, on March 17, 2022, pursuant to Section 50-2006(c), Idaho Code, the Agency held an open public meeting, properly noticed, to report these findings during the Agency’s meeting held at 206 E. Third Street, Moscow, Idaho.

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

- Section 1: That the above statements are true and correct.
- Section 2. That the annual report attached hereto as Exhibit A is hereby approved and adopted by the Agency Board.
- Section 3: That the Chair shall submit said annual report to the city of Moscow, Idaho, on or before March 31, 2022.

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

PASSED AND ADOPTED by the Moscow Urban Renewal Agency, on March 17, 2022.
Signed by the Vice Chair of the Board of Commissioners, and attested by the Secretary of the Board of Commissioners, on March 17, 2022.

APPROVED:

By _____
Mark Beauchamp, Vice Chair

ATTEST:

By _____
Nancy Tribble, Secretary

DRAFT