

RESOLUTION NO. 2009-01

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

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF MOSCOW, IDAHO, APPROVING ACTUAL AMOUNTS OF REVENUE ALLOCATION FUNDS TRANSFERRED FROM THE ALTURAS PROJECT AREA FOR THE PURPOSES OF FUNDING STUDIES AND PLANNING FOR THE LEGACY CROSSING PROJECT AREA, WHICH WERE LOWER THAN THE MAXIMUM AMOUNTS PREVIOUSLY AUTHORIZED; APPROVING AN INTEREST RATE FOR FY 2008; DOCUMENTING DEBT BETWEEN THE TWO URBAN RENEWAL DISTRICTS; AND DIRECTING THE CHAIRMAN AND SECRETARY, RESPECTIVELY, TO TAKE APPROPRIATE ACTION AND PROVIDING FOR THE RESOLUTION TO BE EFFECTIVE UPON ITS PASSAGE AND APPROVAL; AND PROVIDING AN EFFECTIVE DATE.

THIS RESOLUTION, made on the date hereinafter set forth by the Urban Renewal Agency of Moscow, Idaho, 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, the Agency, an independent public body, corporate and politic, is an urban renewal agency created by and existing under the authority of and pursuant to the Idaho Urban Renewal Law of 1965, being Idaho Code, Title 50, Chapter 20 (the "Law") and the Local Economic Development Act, being Idaho Code, Title 50, Chapter 29 (the "Act") as amended and supplemented;

WHEREAS, on the 6th day of November, 1995, the Council and Mayor of Moscow, Idaho, respectively, adopted Resolution No. 95-13 thereby creating the Moscow Urban Renewal Agency ("Agency"), authorizing it to transact business and exercise the powers granted by the Law and the Act, upon making the findings of necessity required or creating said Urban Renewal Agency;

WHEREAS, the City Council of the City of Moscow, Idaho (the "City"), on July 1, 1996, after notice duly published, conducted a public hearing on the Alturas Research and Technology Park Competitively Disadvantaged Border Community Urban (the "Alturas Urban Renewal Plan");

WHEREAS, following said public hearing the City adopted its Ordinance No. 96-12 on July 1, 1996, approving the Alturas Urban Renewal Plan and making certain findings;

WHEREAS, the City on June 7, 2004, after notice duly published, conducted a public hearing on the First Amended and Restated Alturas Urban Renewal Plan (the "First Amended and Restated Alturas Urban Renewal Plan");

WHEREAS, following said public hearing, the City adopted its Ordinance No. 2004-28 on June 7, 2004, approving the Amended and Restated Alturas Urban Renewal Plan and making certain findings;

WHEREAS, the City, on June 20, 2005, after notice duly published, conducted a public hearing on the Second Amended and Restated Alturas Urban Renewal Plan (the "Second Amended and Restated Alturas Urban Renewal Plan");

WHEREAS, following said public hearing, the City adopted its Ordinance No. 2005-18 on June 20, 2005, approving the Second Amended and Restated Alturas Urban Renewal Plan and making certain findings;

WHEREAS, the City Council, on February 19, 2008, approved Resolution 2008-05 determining that deterioration existed in a new Project Area;

WHEREAS, certain activities contemplated to be funded through the Agency in anticipation of adoption of a new Project Area and Plan, including an eligibility study and plan conducted pursuant to the Law and the Act, were deemed critical to the commencement of certain private development, and required the expenditure of funds in anticipation of the receipt of funds from the new Plan Area;

WHEREAS, certain Alturas Project Revenue Allocation funds proceeds were available for use as advance funding for originating the new Project Area and Plan activities, providing funds are reimbursed to the Alturas Project Area within a reasonable time period at a reasonable rate of return upon sufficient receipt of tax increment revenues from the new Plan Area;

WHEREAS, the Agency Board of Commissioners found it to be in the best interests of the Agency and the public to allow for an interfund transfer to facilitate this interim financing;

WHEREAS, on May 24, 2007 the Agency Board of Commissioners approved Resolution No. 2007-04, authorizing an interfund transfer amount not to exceed Four Thousand Dollars (\$4,000) and at an interest rate of five point one two seven percent (5.127%);

WHEREAS, the actual amount of expenses incurred under the conditions of Resolution No. 2007-04 was Three Thousand Four Hundred Dollars (\$3,400);

WHEREAS, on October 11, 2007 the Agency Board of Commissioners approved Resolution No. 2007-08, authorizing an additional interfund transfer amount not to exceed Twenty-Six Thousand Dollars (\$26,000) and at an interest rate of five point one two seven percent (5.127%);

WHEREAS, the actual amount of expenses incurred under the conditions of Resolution No. 2007-08 was Twenty-Five Thousand Eight Hundred Seventy-Seven Dollars and Fifty-Five Cents (\$25,877.55);

WHEREAS, on June 2, 2008, the City Council, after notice duly published, conducted a public hearing on the Legacy Crossing Plan Area;

WHEREAS, following said public hearing, the City adopted its Ordinance No. 2008-10 on June 2, 2008, approving the Legacy Crossing Plan Area, and making certain findings consistent with the Law and the Act;

WHEREAS, no revenue allocation funds (tax increment) have accrued yet in the Legacy Crossing Plan Area, and both the timing and amount of tax increment funds to accrue are presently unknown;

WHEREAS, interest rates being earned on the Agency's investment funds in the Local Government Investment Pool ("LGIP") have fallen since 2007, and are difficult to predict into the future;

WHEREAS, it is fiscally responsible for the Agency's Board of Commissioners to review Resolution 2007-04 and 2007-08 with respect to funds actually utilized pursuant to such Resolutions in light of current investment conditions;

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

Section 1: That the actual amount of funds utilized pursuant to the Resolution 2007-04 and 2007-08 is \$3,400 and \$25,877.55 respectively. The total amount is thusly \$29,277.55.

Section 2: No further funds beyond \$29,277.55 is authorized pursuant to Resolution 2007-04 and 2007-08.

Section 3: That interest owing on both these interfund borrowings be adjusted annually, will be indexed to the average 12-month LGIP interest rates for the relevant fiscal year, and will be amended on the Agency's books annually.

Section 4. That because the \$3,400 was expended in FY 2007, interest owed for FY 2008 will be calculated at 3.13%, and will be \$106.42.

Section 5. That because the \$25,877.55 was expended in FY 2008, no interest will be owed on this amount until FY 2009.

Section 6. That the FY 2008 liability owed by the Legacy Crossing Plan Area to the Alturas Project Area be memorialized as Twenty-Nine Thousand Three Hundred Eighty-Three Dollars and Ninety-Seven Cents, calculated as follows: \$3,400 plus \$106.42 interest plus \$25,877.55, for a total of \$29,383.97.

Section 7. That this Resolution shall be in full force and effect immediately upon its adoption and approval.

PASSED by the Urban Renewal Agency of Moscow, Idaho, on 2-11-09
_____, at a duly noticed meeting of the Urban Renewal Agency Board.

URBAN RENEWAL AGENCY OF MOSCOW

By: John McCabe
Chairman

ATTEST:

By: [Signature]
Secretary