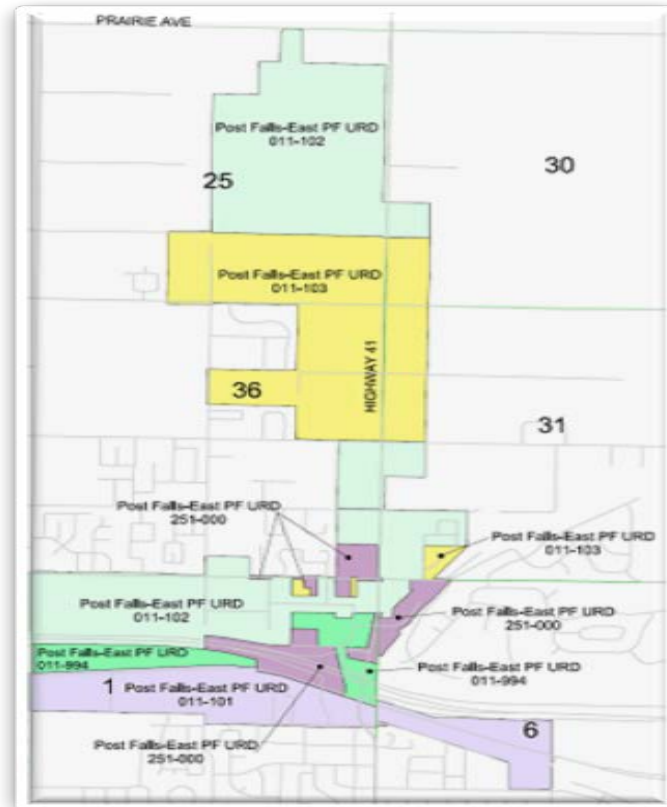


Post Falls Urban Renewal Agency

East Post Falls

District Review Committee Report



May 2012

Committee Members:

Tim Short, Chair
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TABLE OF CONTENTS

A.	District Review Committee Goals.....	1
B.	District Review Methodology.....	1
C.	District Summary	1
D.	Creation of District	1
E.	Plan Purpose and Goals.....	2
F.	Objectives of Subdistricts	2
G.	Proposed Development Actions and Costs	3
H.	Completed Improvements	3
I.	Job Creation	4
J.	Financial Impact	4
K.	Rebates.....	5
L.	Pending Actions	5
M.	Findings	5

East Post Falls District Review Committee Report May 2012

A. District Review Committee Goals

1. Update the Post Falls Urban Renewal Agency Commissioners on the status of the East Post Falls district;
2. Summarize insights gained with the district review process; and
3. Establish a benchmark for progress and future reviews of the district.

B. District Review Methodology

This review was completed through an evaluation of the district plan, a history of projects completed to date and consideration of future potential activities in the district.

C. District Summary

Creation and Term	2002 for 13 years, ending 2015
Size	972 acres
Base assessed value	\$ 62,413,796
Current (2011) assessed value	\$161,629,481

D. Creation of District

The district was created under the provisions of the Idaho Code Urban Renewal Act (Title 50, Chapter 20) to create jobs, address road and traffic control issues and extend infrastructure. It was determined to be a deteriorated or deteriorating area by Post Falls City Council Resolution 02-01 on February 15, 2002, and the district plan was approved by City Resolution 2002-04 on November 7, 2002 and passed with City Ordinance 1017 on December 18, 2002. This district plan was amended to expand the boundaries north in order to include infrastructure improvements to the Tullamore development. The amendment was approved with City Ordinance 1093 on December 20, 2005.

1. The original East Post Falls district, known as the South subdistrict, consists of 469 acres with the City of Post Falls as the proponent.
2. The Central subdistrict consists of 261 acres with the City of Post Falls as the proponent.
3. The North subdistrict consists of 242 acres with the original proponent being Tullamore Properties, LLC of Beaverton, OR, now owned by Panhandle State Bank.

E. Plan Purpose and Goals

Included in the district plan, the following purposes and major goals were identified:

1. The elimination of environmental deficiencies including, among others, inadequate public improvements and facilities and obsolete and aged building types;
2. The assembly of land into parcels suitable for modern development with appropriate setbacks, parking, pedestrian and vehicular circulation;
3. The replanning, redesign and development of undeveloped and underdeveloped areas which are stagnant or improperly utilized;
4. Strengthening of the economic base and installation of needed public improvements and facilities to stimulate new commercial expansion, employment and economic growth;
5. The establishment and implementation of performance criteria to assure high site design standards and environmental quality and other design elements which provide unity and integrity to the entire project area;
6. Strengthening of the tax base by encouraging private development; and
7. Creation of public spaces, gateway entries and the like.

The key elements and activities needed to accomplish the above listed major purposes and goals include:

1. Initiate simultaneous projects designed to revitalize the project area;
2. Secure certain public open space in critical areas;
3. Develop new mixed use projects to attract, encourage and assist the development of new businesses within the area; and
4. Pursue development across all land use sectors simultaneously.

F. Objectives of Subdistricts

1. The major objective of the South and Central subdistricts is to provide traffic and other public improvements such as redesign and improvements to existing streets, redesigning intersections, ramps from I-90, widening of roadways, signalization and pedestrian access, encourage and assist the development of new businesses within the East Post Falls area and provide the necessary infrastructure support for the attraction of new business.
2. The major objective of the North Tullamore subdistrict includes infrastructure and public roadways to accommodate major commercial and mixed use developments.

The Urban Renewal Agency is primarily providing tax increment financing (TIF) reimbursement for the commercial development which, at this time, supports one senior living facility and two workforce housing developments. The uses within this district may be altered because of acquisition of the property by a new developer. These changes may alter the involvement of the Urban Renewal Agency depending on the uses to be incorporated within the development. It is noted that the original proponent donated land to KCFR for a new fire station.

G. Proposed Development Actions and Cost

The original district plan of 2002 listed the following specific actions and costs:

1. East Seltice/Highway 41 Improvement Projects: \$350,000 - \$500,000. Construct improvements to the area along Seltice Way from Exit 7 to Highway 41 and along Highway 41 from Seltice to Mullan Avenue. Construct roadway and utility improvements to the undeveloped area south of Seltice near exit 7.
2. Greensferry Overpass: \$5,000,000 - \$6,000,000. Construct an Interstate-90 overpass at Greensferry Road to connect Seltice Way to Mullan Avenue.
3. Spencer Street and Third Avenue Improvements: \$1,600,000 - \$1,900,000. Construct utility and roadway improvements to connect Third Avenue to Spencer Street and to connect Spencer Street from Second Avenue to Seltice Way.
4. Centennial Trail Relocation and Cedar Street Signalization: \$730,000 – \$860,000. Relocation of the existing Centennial Trail connection from the intersection of Seltice Way, Ross Point Road and Highway 41 to the intersection of Seltice Way and Cedar Street.
5. Mullan Avenue/Highway 41 Improvements: \$735,000 - \$850,000. Construct improvements to the intersection of Mullan Avenue and Highway 41.

H. Completed Improvements

1. Sewer and water lines were extended and additional streets constructed to expand the opportunity for commercial development along Highway 41 and Mullan Avenue. All public improvements completed to date have been dedicated to the City of Post Falls.
2. East Seltice/Highway 41 improvements completed were funded, in addition to Urban Renewal dollars, as follows:

\$ 450,000	Commerce Department Grant
\$ 480,000	EDA Grant
\$ 780,000	ITD Matching Funds
\$ 940,000	LID

\$ 150,000	Wal-Mart Contribution
<u>\$ 325,856</u>	Urban Renewal
\$3,125,856	Total funds

- Signalization at Cedar Street was completed in 2010. The City has submitted invoices to the Urban Renewal Agency for the cost of this project of \$249,136.38.

I. Job Creation

The district has attracted many new commercial developments including the Idaho Department of Labor, Garden Plaza Retirement Home, Spokane Teacher's Credit Union, Stan-Craft Boat Company, North Idaho Advanced Care Rehabilitation Hospital, Steel Structures of America and Wal-Mart, with current number of employees estimated at:

Business/Agency	# of employees
Idaho Department of Labor	38
Garden Plaza Retirement Home	75
Spokane Teacher's Credit Union	14
Stan-Craft Boat Company	35
Steel Structures of America	7
North Idaho Advanced Care Rehabilitation Hospital	<u>179</u>
TOTAL	351

J. Financial Impact

- The initial base value for this district was \$62,413,796, with the current value at \$161,629,481. This is an increase of 258% since the inception of the plan.
- Actual annual tax revenue received through 2012 and the projection for this district is as follows:

Year	South Central	Tullamore	Annual Totals
2006	0	0	0
2007	870,119	0	870,119
2008	1,078,313	0	1,078,313
2009	1,528,421	0	1,528,421
2010	1,951,248	58,740	2,009,988
2011	2,012,889	259,625	2,272,514
2012	2,089,067	220,496	2,309,563
2013	2,184,119	230,528	2,414,647
2014	2,283,497	241,017	2,524,514
2015	2,387,396	251,984	2,639,380
2016	2,496,022	263,449	2,759,471

- From creation of the plan to March 31, 2012, tax increments received total \$8,966,727.

K. Rebates

Because of considerable increase in tax increment received and the fact that certain projects have not been or will not be able to be completed, the district found itself with considerable tax increment for which there was no immediate or future projects to complete before the district closes in 2015. The Greensferry overpass was a major project in this district and, despite efforts to get this project done, circumstances beyond the control of the Urban Renewal Agency appear to negate this project. The Agency has, therefore, rebated to the taxing districts the following:

1. In October 2009, \$2.2 million.
2. In April 2012, \$3.2 million.

L. Pending Actions

1. Highway 41 Trail: A paved asphalt trail from Seltice Way to Mullan Avenue along the east side of Highway 41 is currently being considered. The project will require relocation of existing utility and storm drainage facilities, pedestrian signal modifications, grading and retention structures.
2. Spencer Street: It is anticipated that the Spencer Street project, as specifically set out in the district plan, will be started in 2012 and finished in 2013.

M. Findings

As this district has matured, the projects anticipated to be completed and other purposes and goals have been difficult to complete. The purpose and goals outlined in subsection E of this section have not been specifically addressed due to the efforts and energy it has taken to try and complete the Greensferry overpass, which would require most of the tax increment financing available during the life of the district.

It would be the desire of the Urban Renewal Agency at this time to work towards getting the most done during the remainder of time left in this district to benefit not only the taxing entities in this district, but also the Post Falls taxpayers.