



## AGENDA BILL

<b>Agenda Subject:</b> FY2022 Original Budget		<b>Date:</b> August 25, 2021
<b>Staff Contact:</b> Joey Chen, Director of Finance and Administration	<b>Exhibits:</b> 1. Resolution 1719 2. Exhibit A: FY2022 Original Budget 3. Exhibit B: Annual Appropriation Resolution	
<b>Action Requested:</b> Adopt Resolution 1719 approving the FY2022 Original budget.		

### Background:

The Agency's fiscal year begins on October 1 and concludes the following September 30. Each fiscal year's Original Budget accounts for all revenues from all sources and all expenses for all Agency general operations, capital improvement projects, development contracts, parking activities, debt service and pass-through funds.

As statutorily required, the FY2022 Original Budget and public hearing notice was published twice in the *Idaho Statesman* newspaper, on August 16 and 23. The Board will conduct the public hearing on the budget beginning at noon, Wednesday, August 25, 2021 at the Agency. When the hearing concludes the Board will consider the adoption of the FY2022 Original budget via Resolution 1719.

### Fiscal Notes:

<u>FY2022 Original Budget</u>	<u>\$61,755,759</u>
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Exhibit A is the complete FY2022 Original Budget with line-item detail by revenue and expense category and notable change narrative.

Exhibit B is the Annual Appropriation Resolution.

**Staff Recommendation:** Adopt Resolution 1719.

### Suggested Motion:

I move adoption of Resolution 1719 to approve the FY2022 Original Budget totaling **\$61,755,759** and authorize the Executive Director to file copies of the budget as required by law.

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**RESOLUTION NO. 1719**

BY THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF BOISE CITY, IDAHO:

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF BOISE CITY, IDAHO, TO BE TERMED THE "ANNUAL APPROPRIATION RESOLUTION," APPROPRIATING SUMS OF MONEY AUTHORIZED BY LAW AND DEEMED NECESSARY TO DEFRAY ALL EXPENSE AND LIABILITY OF THE URBAN RENEWAL AGENCY, FOR THE FISCAL YEAR COMMENCING OCTOBER 1, 2021, AND ENDING SEPTEMBER 30, 2022, FOR ALL GENERAL, SPECIAL, AND CORPORATE PURPOSES; DIRECTING THE AGENCY EXECUTIVE DIRECTOR TO SUBMIT SAID BUDGET TO THE CITY OF BOISE, BANK OF AMERICA, N.A., ZB, N.A., AND ANY OTHER PERSON OR ENTITY ENTITLED TO A COPY OF THE AGENCY'S BUDGET; AND PROVIDING AN EFFECTIVE DATE.

THIS RESOLUTION, is made on the date hereinafter set forth by the Urban Renewal Agency of Boise City, Idaho, also known as Capital City Development Corporation, an independent public body, corporate and politic, authorized under the authority of the Idaho Urban Renewal Law of 1965, Chapter 20, Title 50, Idaho Code, as amended (the "Law"), and the Local Economic Development Act, Chapter 29, Title 50, Idaho Code, as amended (the "Act"), as a duly created and functioning urban renewal agency for Boise City, Idaho (hereinafter referred to as the "Agency").

WHEREAS, the City Council (the "City Council") of the City of Boise City, Idaho (the "City"), after notice duly published, conducted a public hearing on the River Street-Myrtle Street Urban Renewal Plan (the "River Street Plan"), and following said public hearing, the City Council adopted its Ordinance No. 5596 on December 6, 1994, approving the River Street Plan and making certain findings; and,

WHEREAS, the City Council, after notice duly published, conducted a public hearing on the First Amended and Restated Urban Renewal Plan, River Street-Myrtle Street Urban Renewal Project (annexation of the Old Boise Eastside Study Area and Several Minor Parcels) and Renamed River Myrtle-Old Boise Urban Renewal Project (the "River Myrtle-Old Boise Plan"), and following said public hearing, the City Council adopted its Ordinance No. 6362 on November 30, 2004, approving the River Myrtle-Old Boise Plan and making certain findings; and,

WHEREAS, the City Council, after notice duly published, conducted a public hearing on the First Amendment to the First Amended and Restated Urban Renewal Plan, River Street-Myrtle Street Urban Renewal Project and Renamed River Myrtle-Old Boise Urban Renewal Project (the "First Amendment to the River Myrtle-Old Boise Plan"), and following said public hearing, the City Council adopted its Ordinance No. 24-18 on July 24, 2018, approving the First Amendment to the River Myrtle-Old Boise Plan deannexing certain parcels from the existing revenue allocation area and making certain findings; and,

WHEREAS, the City Council, after notice duly published, conducted a public hearing on the Westside Downtown Urban Renewal Plan (the "Westside Plan"), and following said public hearing, the City Council adopted its Ordinance No. 6108 on December 4, 2001, approving the Westside Plan and making certain findings; and,

WHEREAS, the City Council, after notice duly published, conducted a public hearing on the First Amendment to the Urban Renewal Plan Westside Downtown Urban Renewal Project (the "First Amendment to the Westside Plan"), and following said public hearing, the City Council adopted its Ordinance 45-20 on December 1, 2020, annexing two (2) geographical areas adjacent and contiguous to the northern boundary of the Westside Project Area into the existing revenue allocation area and making certain findings; and,

WHEREAS, the City Council, after notice duly published, conducted a public hearing on the 30th Street Area Urban Renewal Plan (the "30th Street Plan"), and following said public hearing, the City Council adopted its Ordinance No. 6868 on December 4, 2012, approving the 30th Street Plan and making certain findings; and,

WHEREAS, the City Council, after notice duly published, conducted a public hearing on the First Amendment to the Urban Renewal Plan, 30th Street Area, Urban Renewal Project (the "First Amendment to the 30th Street Plan"), and following said public hearing, the City Council adopted its Ordinance No. 26-18 on July 24, 2018, approving the First Amendment to the 30th Street Plan deannexing certain parcels from the existing revenue allocation area and making certain findings; and,

WHEREAS, the City Council, after notice duly published, conducted a public hearing on the Urban Renewal Plan for the Shoreline District Urban Renewal Project Area (the "Shoreline District Plan"), and following said public hearing the City Council adopted its Ordinance No. 55-18 on December 18, 2018, approving the Shoreline District Plan and making certain findings; and,

WHEREAS, the City Council, after notice duly published, conducted a public hearing on the Urban Renewal Plan for the Gateway East Economic Development District Project Area (the "Gateway East District Plan"), and following said public hearing the City Council adopted its Ordinance No. 58-18 on December 18, 2018, approving the Gateway East District Plan and making certain findings; and,

WHEREAS, the First Amendment to the River Myrtle-Old Boise Plan, the First Amendment to the 30th Street Plan, the Westside Plan, the Shoreline District Plan, and the Gateway East District Plan are collectively referred to herein as the "Plans"; and,

WHEREAS, pursuant to Idaho Code Sections 50-2006, 50-2903(5) and 50-1002, Agency staff has prepared a budget and the Agency has tentatively approved estimated revenues and expenditures for the fiscal year commencing October 1, 2021, and ending September 30, 2022, by virtue of its action at the Agency's Board meeting of August 9, 2021; and,

WHEREAS, Agency has previously published notice of a public hearing to be conducted on Wednesday, August 25, 2021, at the Capital City Development Corporation, 121 North 9th Street, Suite 501, Boise, Idaho; and,

WHEREAS, on Wednesday, August 25, 2021, pursuant to Idaho Code Section 50-1002, the Agency held a public hearing at the Capital City Development Corporation, 121 North 9th Street, Suite 501, Boise, Idaho, on the proposed budget, a true and correct copy of which is attached hereto as Exhibit A, and considered public comment on services, expenditures, and revenues planned for Fiscal Year 2022; and,

WHEREAS, pursuant to Idaho Code Section 50-2006, the Agency is required to pass an annual appropriation resolution and submit the resolution to the City of Boise on or before

September 1, 2021.

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

Section 1: The above statements are true and correct.

Section 2: That the total amount, or so much thereof as may be necessary to defray all expenses and liabilities of the Agency as authorized by law and set forth in Exhibit A, attached hereto and incorporated herein by reference, and the same is hereby appropriated out of any money in the Agency accounts for general, special, and corporate purposes of the Agency for the fiscal year commencing on October 1, 2021, and ending September 30, 2022.

Section 3: That the Agency Executive Director is authorized to submit a copy of this Resolution and the budget to the City of Boise on or before September 1, 2021, and to provide a copy of this Resolution and the budget to Bank of America, N.A., ZB, N.A., and any other person or entity entitled to receive a copy of the budget.

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

PASSED AND ADOPTED by the Urban Renewal Agency of Boise City, Idaho, on August 25, 2021. Signed by the Chair of the Board of Commissioners and attested by the Secretary to the Board of Commissioners on this 25th day of August, 2021.

URBAN RENEWAL AGENCY OF BOISE CITY

BY:    
 DocuSigned by: Dana Zuckerman   
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 Dana Zuckerman, Chair

ATTEST:

BY:    
 DocuSigned by: Lauren McLean   
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 Lauren McLean, Secretary

Exhibit A



## **FY2022 ORIGINAL BUDGET**

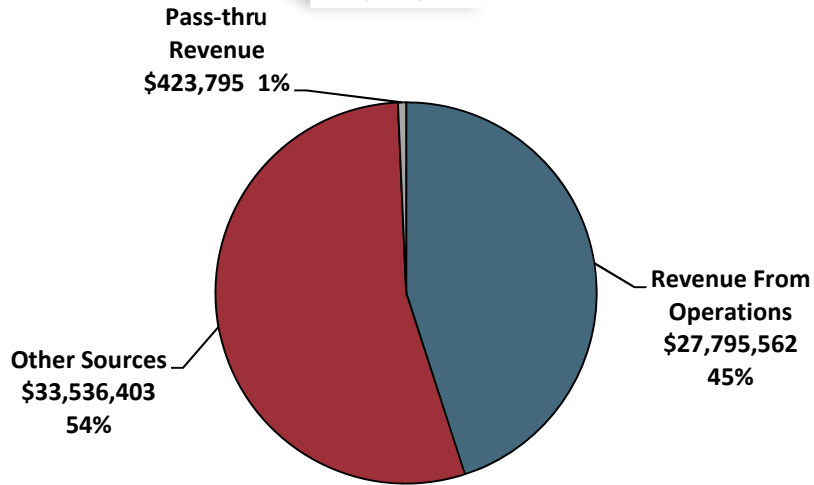
**October 1, 2021 - September 30, 2022**



### FY2022 ORIGINAL Budget

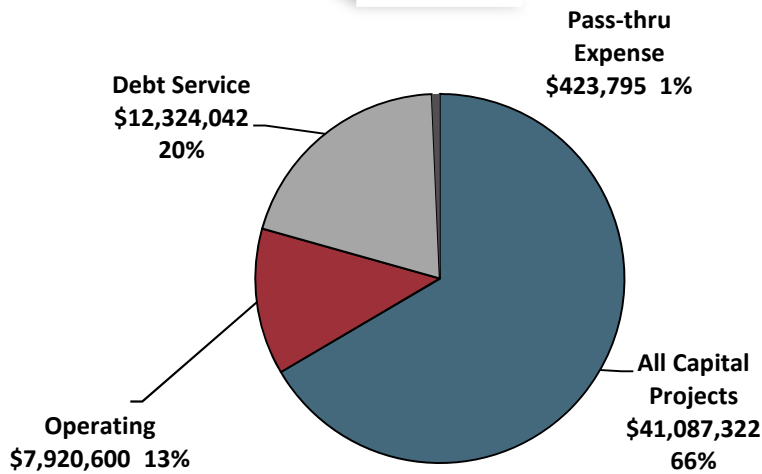
## Sources

\$61,755,759



## Uses

\$61,755,759



<b>FY2022 ORIGINAL BUDGET</b>	<b>2021</b>	<b>2021</b>	<b>2022</b>
<b>REVENUE SUMMARY</b>	<b>ORIGINAL</b>	<b>AMENDED</b>	<b>ORIGINAL</b>
<b>Revenue from Operations</b>			
* Revenue Allocation (Tax Increment).....	19,320,000	17,090,000	18,480,000
* Parking Revenue.....	4,582,565	6,274,441	7,636,762
Other Revenues (Various Reimbursements).....	2,185,445	6,311,761	1,678,800
Subtotal	\$ 26,088,010	\$ 29,676,202	\$ 27,795,562
<b>Other Sources</b>			
Misc. Revenues (Grants/Leases/Property Transactions).....	528,432	141,318	181,914
Bond Financing.....	10,000,000	-	-
Use of (Transfer to) Working Capital Fund.....	22,279,120	(5,252,976)	33,354,489
Subtotal	\$ 32,807,552	\$ (5,111,658)	\$ 33,536,403
<b>Subtotal - Revenue from Operations</b>	<b>\$ 58,895,562</b>	<b>\$ 24,564,544</b>	<b>\$ 61,331,964</b>
<b>Pass-Through Revenue</b>			
Ada County Courthouse Corridor Leases.....	421,850	421,850	423,795
Subtotal	\$ 421,850	\$ 421,850	\$ 423,795
<b>TOTAL REVENUE</b>	<b>\$ 59,317,412</b>	<b>\$ 24,986,394</b>	<b>\$ 61,755,759</b>
<b>EXPENSE SUMMARY</b>			
<b>Operating Expense</b>			
Services & Operations.....	2,817,209	2,394,617	2,821,661
Personnel Costs.....	2,612,500	2,526,100	2,470,650
Facilities Management.....	959,122	754,236	989,289
Professional Services .....	1,867,600	1,713,200	1,639,000
Subtotal	\$ 8,256,431	\$ 7,388,153	\$ 7,920,600
<b>Debt Service &amp; Contractual Obligations</b>			
Debt Service.....	4,331,731	4,331,731	12,324,042
Contractual Obligations.....	2,201,900	2,084,360	3,428,622
Subtotal	\$ 6,533,631	\$ 6,416,091	\$ 15,752,664
<b>Capital Outlay</b>			
Office Furniture/Computer Equipment.....	46,000	65,000	46,000
* Capital Improvement Plan (CIP).....	41,216,000	8,404,100	36,060,700
* Parking Reinvestment Plan (PRP).....	2,125,000	2,161,200	1,432,000
* Mobility Projects.....	718,500	130,000	120,000
Subtotal	\$ 44,105,500	\$ 10,760,300	\$ 37,658,700
<b>Subtotal - Expenses for Operations</b>	<b>\$ 58,895,562</b>	<b>\$ 24,564,544</b>	<b>\$ 61,331,964</b>
<b>Pass-Through Expense</b>			
Ada County Courthouse Corridor Leases.....	421,850	421,850	423,795
Subtotal	\$ 421,850	\$ 421,850	\$ 423,795
<b>TOTAL EXPENSE</b>	<b>\$ 59,317,412</b>	<b>\$ 24,986,394</b>	<b>\$ 61,755,759</b>

\* Detail Attached



<b>FY2022 ORIGINAL BUDGET REVENUE DETAIL</b>	<b>2021 ORIGINAL</b>	<b>2021 AMENDED</b>	<b>2022 ORIGINAL</b>
<b>Revenue Allocation (Tax Increment)</b>			
Gateway East District.....	1,730,000	1,500,000	2,250,000
Shoreline District.....	290,000	260,000	430,000
30th Street District.....	1,100,000	930,000	1,600,000
Westside District.....	4,500,000	4,000,000	4,100,000
River Myrtle-Old Boise District.....	11,700,000	10,400,000	10,100,000
Subtotal	19,320,000	17,090,000	18,480,000
<b>Parking Revenue</b>			
Hourly Parkers.....	2,326,509	4,220,254	5,897,702
Monthly Parkers.....	2,535,607	3,183,215	3,522,341
Validation / Special Events / Violation.....	77,209	49,580	196,047
Hotel Parking Revenue.....	132,760	379,013	236,721
First Hour Free Discount.....	(933,640)	(1,887,596)	(2,606,249)
Other Parking Revenues.....	444,120	329,975	390,200
Subtotal	4,582,565	6,274,441	7,636,762

<b>FY2022 ORIGINAL BUDGET EXPENSE DETAIL</b>	<b>2021 ORIGINAL</b>	<b>2021 AMENDED</b>	<b>2022 ORIGINAL</b>
<b>Capital Improvement Plan</b>			
Gateway East District.....	720,000	455,000	1,790,000
Shoreline District.....	100,000	3,000	250,000
30th Street District.....	1,920,000	265,000	2,240,000
Westside District.....	20,675,000	6,023,000	7,001,500
River Myrtle-Old Boise District.....	17,801,000	1,658,100	24,779,200
Subtotal	41,216,000	8,404,100	36,060,700
<b>Parking Reinvestment Plan</b>			
Capitol & Main Garage: Elevators Refurbish.....	-	20,000	-
9th & Front Garage: Stair Structural Repairs.....	500,000	770,000	182,000
ParkBOI Code Analysis and Compliance.....	-	90,000	-
9th & Main Garage: Elevator Refurbish.....	-	260,000	-
10th & Front Garage: Structural Damage Prevention.....	1,500,000	933,000	150,000
9th & Front,Capitol & Myrtle, 10th & Front Garages: LED Light Upgrades.....	125,000	26,000	-
ParkBOI Handrail & Guardrail IBC Update.....	-	17,200	150,000
Cap & Main Rout & Seal, Membrane Repairs.....	-	5,000	100,000
9th & Main Waterproof Membrane Replacement Maintenance (10 yr).....	-	10,000	250,000
10th & Front Waterproof Membrane Replacement Maintenance (10 yr).....	-	10,000	250,000
Cap & Myrtle Waterproof Membrane Replacement Maintenance (10 yr).....	-	10,000	250,000
10th & Front Stair Tower Enclosure - 10th St Side.....	-	10,000	100,000
Subtotal	2,125,000	2,161,200	1,432,000
<b>Mobility Projects</b>			
Downtown Mobility Infrastructure.....	588,500	-	-
VRT Transit Assessment for Improvements.....	25,000	30,000	35,000
ParkBOI Initiatives.....	-	-	25,000
Transportation Mobility Association (TMA) formation.....	100,000	100,000	60,000
EV Carshare - CommuterRide.....	5,000	-	-
Subtotal	718,500	130,000	120,000



## FY2022 ORIGINAL BUDGET

### ~ SUMMARY ~

#### REVENUE

##### ASSESSED TAXABLE VALUES

- The Assessed Value of taxable property in all of the Agency's current Urban Renewal Districts increased 26% since last year, from \$1.5 billion to \$1.9 billion.

	FY2021 Final	FY2022 Estimates
Gateway East	\$138,644,096	\$237,356,700
Shoreline	\$23,403,691	\$45,758,300
30th Street	\$83,486,827	\$165,619,700
Westside	\$349,105,605	\$418,224,200
River Myrtle / Old Boise	\$912,409,520	\$1,024,626,300
<b>TOTAL</b>	<b>\$1,507,049,739</b>	<b>\$1,891,585,200</b>

##### INCREMENT REVENUE

- FY2021 Amended to FY2022 Original total Increment Revenue increased by 8% and \$1.4 million to a new total of \$18.5 million.
  - \$300k decrease in RMOB revenue can be attributed to COVID and the makeup of property types in this district (office & hotel). Property values in RMOB only increased 10% (compared to 25%+ increase for most other areas of Boise); while we are assuming a 15% decrease in levy rate.

	FY2021 Amended	FY2022	\$ Change
Gateway East	\$1,500,000	\$2,250,000	\$750,000
Shoreline	\$260,000	\$430,000	\$170,000
30th Street	\$930,000	\$1,600,000	\$670,000
Westside	\$4,000,000	\$4,100,000	\$100,000
River Myrtle / Old Boise	\$10,400,000	\$10,100,000	(\$300,000)
<b>TOTAL</b>	<b>\$17,090,000</b>	<b>\$18,480,000</b>	<b>\$1,390,000</b>

## **PARKING REVENUE**

- Parking revenue is budgeted at \$7.6 million for FY2022.
  - Expect to see continued revenue growth from both hourly and monthly customers as recovery from the pandemic continues.
    - Monthly parking revenue is budgeted at 92% of pre-pandemic levels.
    - Hourly parking revenue is budgeted at 86% of pre-pandemic levels.
  - Hourly Rate: no proposed changes. Currently 1<sup>st</sup> Hour Free then \$3 per hour; \$15 daily maximum.
  - Monthly Rate: no proposed changes.

## **WORKING CAPITAL FUND**

- The FY2022 Original Budget taps the Working Capital Fund for \$33.3 million.
- Integral to the Agency's long-term Business Plan, the Working Capital Fund accounts for projected / estimated revenues and expenses and projects throughout the terms of all of the Agency's Urban Renewal Districts.

## **EXPENDITURES**

### **OPERATING EXPENSES**

#### **Services and Operations**

- Parking services and operations budget is \$2.2 million of the total \$2.8 million budgeted for this expense category.
  - The parking garage operator had several vacancies during FY2021 that are expected to be filled in FY2022 as recovery from the pandemic continues.
  - Due to the current labor market, the parking garage operator is increasing hourly pay rates to attract and retain staff.
  - Security costs have grown due to increased coverage as well as rising labor costs due to the current labor market.

#### **Bond Payments / Debt Service**

- Early bond redemption - The proposed FY2022 budget includes the recommendation of paying off the Agency's current bonds early. The estimated interest savings with the early redemption in FY2022 will be \$0.5 million. The budgeted bond payment of \$12 million includes: 1) \$4 million scheduled payment for FY2022; and 2) \$8 million early redemption of the three bonds.

<b>Bond</b>	<b>River-Myrtle / Old Boise</b>	<b>Parking</b>	<b>Total</b>
2017 A	\$5,786,196		\$5,786,196
2017 B	\$2,344,296		\$2,344,296
2011 B		\$4,023,550	\$4,023,550
AHA Payment		\$170,000	\$170,000
<b>TOTAL</b>	<b>\$8,130,492</b>	<b>\$4,193,550</b>	<b>\$12,324,042</b>

- Westside, 30th Street, Shoreline and Gateway East districts currently have no debt.

## **CAPITAL OUTLAY**

### **Capital Improvement Plan (CIP) Projects**

- \$36.1 million + \$3.4 million Contractual Obligations = \$39.5 million total CIP
- The FY2022 CIP focuses on support for housing partnerships and real estate acquisitions as well as construction of multi-year transformative projects.
- CCDC is updating the CIP approval process. At the August 9<sup>th</sup> board meeting, there will be a work session for the FY2022-FY2026 5-Year CIP plan. The 5-Year CIP will then be presented to the CCDC Board for adoption in October 2021.

### **Parking Reinvestment Plan (PRP) Projects**

- \$1.4 million. All budgeted projects and amounts in attached detail pages.

### **Mobility Projects**

- \$120k. All budgeted projects and amounts in attached detail pages.

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## **Pass-Through Revenue & Expense**

- Ada County Courthouse Corridor Leases are comprised of two agreements:
  - Lease revenue of about \$105k per year paid by Civic Plaza and passed-through to Ada County for parcels 3A and 3C (master ground lease) and condominium units 201A and 202 (supplemental ground lease).
  - Parking access revenue of \$317k paid annually by the University of Idaho for access to the Idaho Water Center and passed-through to trustee US Bank.

- Per independent auditor review, the debt service on the Series 2016 Lease Revenue Bonds, GBAD Expansion Project (\$23.1 million) conduit financing is shown as a note disclosure in the Agency's financial statements. That passed-through amount does not appear on CCDC's balance sheet or income statement so is not included in Agency budgets.
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**EXHIBIT B  
CAPITAL CITY DEVELOPMENT CORPORATION  
FISCAL YEAR 2022 ORIGINAL BUDGET**

BY THE BOARD OF COMMISSIONERS OF THE CAPITAL CITY DEVELOPMENT CORPORATION:

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE CAPITAL CITY DEVELOPMENT CORPORATION TO BE TERMED THE "ANNUAL APPROPRIATION RESOLUTION" APPROPRIATING SUMS OF MONEY AUTHORIZED BY LAW FOR A TWELVE MONTH PERIOD FROM THE FIRST DAY OF OCTOBER 2021 AND INCLUSIVE OF THE LAST DAY OF SEPTEMBER 2022 FOR ALL GENERAL, SPECIAL AND CORPORATE PURPOSES; AND DIRECTING THE EXECUTIVE DIRECTOR TO SUBMIT SAID BUDGET; AND PROVIDING AN EFFECTIVE DATE.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE CAPITAL CITY DEVELOPMENT CORPORATION, OF BOISE CITY, IDAHO, AS FOLLOWS:

Section 1. That the following total amount or so much thereof as may be necessary, is hereby appropriated out of any money in the Agency accounts for general, special, and corporate activities for the Capital City Development Corporation for the fiscal year beginning the first day of October 2021 and inclusive of the last day of September 2022.

Section 2. That the Executive Director shall submit said budget to the City of Boise.

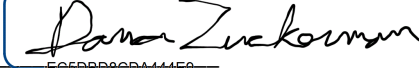
Section 3. That this Resolution shall be in full force and effect immediately upon its adoption and approval.

<u>FUNDS:</u>	FY 2020 ACTUAL EXPENSE	FY 2021 BUDGET EXPENSE	FY 2022 BUDGET EXPENSE
GENERAL OPERATIONS FUND	3,545,394	4,247,174	3,977,130
RIVER MYRTLE OLD BOISE REV ALLOC FUND	9,066,978	6,950,517	35,166,441
WESTSIDE REVENUE ALLOCATION FUND	1,143,104	6,488,599	9,038,500
30TH STREET REVENUE ALLOCATION FUND	311,776	412,322	2,402,122
SHORELINE REVENUE ALLOCATION FUND	-	33,100	375,000
GATEWAY EAST REVENUE ALLOCATION FUND	58,203	500,000	2,036,500
PARKING FUND	4,989,048	6,249,832	8,653,271
DEBT SERVICE FUND	103,111	104,850	106,795
<b>TOTAL</b>	<b>\$ 19,217,614</b>	<b>\$ 24,986,394</b>	<b>\$ 61,755,759</b>


PASSED AND ADOPTED by the Capital City Development Corporation of the City of Boise, Idaho, on this 25th day of August, 2021.

Signed by the Chairman of the Board of Commissioners and attested by the Secretary to the Board of Commissioners on this 25th day of August, 2021.

Approved: DocuSigned by:

By   
Dana Zuckerman, Chair

Attest: DocuSigned by:

By   
Lauran McLean, Secretary