

KUNA URBAN RENEWAL DISTRICT FREQUENTLY ASKED QUESTIONS



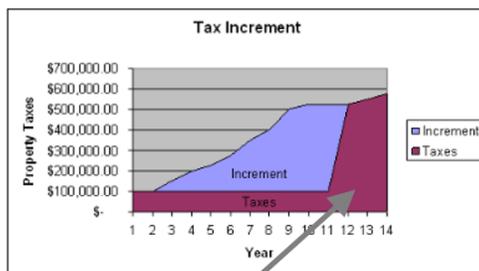
What is an Urban Renewal District (URD)?

An Urban Renewal District is a Tax Increment Finance (TIF) tool that helps fund infrastructure to support redevelopment (downtown), development of bare undeveloped land (business/industrial parks) and brownfield development (industrial site).

Tax Increment Financing: when a URD is put into place, property tax values begin to be separated into two groups – the *base* and the *increment*. Revenues collected on the base values are allocated to the overlapping taxing districts (city, county, etc.). Revenues collected on the increment values are allocated to the urban renewal agency to fund public infrastructure improvements within the URD. After the district closes, the increment value is included in the taxable value for each taxing district (city, county, etc.).

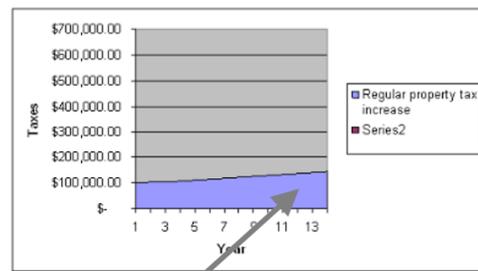
THE BASE...	THE INCREMENT...
The money that is collected based on the value of properties within the boundaries of the urban renewal district at the time the district is formed.	Any increase in revenues based on increased property values within the urban renewal district from the time the district is created until it is closed. The increment is then used to reimburse a developer or other proponents for building and creating public infrastructure that is accepted by the City.

TAX INCREMENT FINANCING GRAPH 1



Money that funds regular taxing entities. After year ten (or whatever the life of the district may be), most of the increased revenue flows back to the taxing districts. These funds open up an option for decreased levy rates and subsequent tax burden when a district closes.

TAX INCREMENT FINANCING GRAPH 2



This graph shows how increased revenues would look for taxing districts without a TIF. Without a TIF, many areas see no major development for many years.



What is the process of establishing a URD?

- 1. Develop Eligibility Study** – determine if an area, or areas, meet(s) the eligibility requirements set forth in the definitions of a deteriorated area and/or a deteriorating area in the Law (Chapter 20, Title 50, Idaho Code) and Act (Chapter 29, Title 50, Idaho Code).
- 2. Approve a Resolution** – by the Kuna City Council to authorize the Urban Renewal Agency to prepare an urban renewal plan for the area.
- 3. Prepare Urban Renewal Plan/Feasibility Study** – a plan, to be approved by the Kuna City Council, identifying improvements and infrastructure needed to redevelop/revitalize the URD area(s).
- 4. Review Urban Renewal Plan** – refer URD Plan to the Planning and Zoning Commission for a finding that the plan is in conformity with the City's Comprehensive Plan; set a public hearing before the Kuna City Council to review the Plan.
- 5. Adopt Ordinance** – by the Kuna City Council, after conducting the public hearing approving the Urban Renewal Plan.



What are the goals of establishing the URD?

The Kuna Downtown Revitalization Plan and Comprehensive Plan identify a URD as a key strategy to achieve many of the community's goals. A URD would help fund public improvements that support creating jobs through development or redevelopment that may not have occurred without the URD/TIF.

Community Goals

1. Higher education
2. Transportation
3. Office parks
4. Industrial parks
5. Recreational amenities
6. Public safety



How is the boundary of the URD determined?

The boundary, or boundaries of the URD(s), are determined by examining areas of the city that are prime for redevelopment (downtown) or development (future business and/or industrial areas). These areas will be evaluated to determine eligibility. Eligibility criteria, per Idaho Code, includes deteriorating buildings or sites, defective street layouts, faulty lot layout, insanitary or unsafe conditions, diversity of ownership, tax delinquency, defective and unusual conditions of title, or endangerment of life or property. An additional eligibility requirement is that upon establishment of the URD, the combined base values of any URDs (existing or proposed) cannot exceed 10 percent of the current assessed valuation of all taxable property within the City.



Does a URD take money away from other local government services?

The establishment of the URD does not raise taxes or affect impact fees. The taxing districts overlapping the URD (city, county, schools, emergency services, etc.) receive all revenue to which they are entitled under state law and applicable budget and levy limits.



Is the URD going to increase taxes?

No, property taxes are not increased when a URD is formed. The URD is not a taxing entity and cannot levy taxes. Assuming the redevelopment activities result in growth that would not have occurred otherwise, the URD's activities help raise property *values* within Kuna's renewal district(s) at a faster rate than Kuna as a whole. This translates into a more valuable property for the owner and in turn, more tax revenue in the district. .



What projects and/or improvements are anticipated?

Urban renewal districts are formed in areas that are often in need of additional public infrastructure to support development or redevelopment. Anticipated improvements may include but are not limited to streets, sidewalks, public utilities, water, sewer, irrigation, lighting, etc.



How can I be involved?

Contact the Kuna Economic Development Director to be added to the notification list:

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