2025 ANNUAL REPORT
SANDPOINT URBAN RENEWAL AGENCY

AGENCY ANNUAL REPORT

Under the Idaho Urban Renewal Law, an urban renewal agency is required to file with the local governing body, on or before March 31 of each year, a report of its activities for the preceding calendar year, which shall include a complete financial statement setting forth its assets, liabilities, income and operating expense at the end of the calendar year. By virtue of certain amendments to the Idaho Urban Renewal Law adopted in 2002, the fiscal year of an urban renewal agency has been established as October 1st through September 30th. Consequently, any formal financial statement would be limited to a report through the end of the Agency's fiscal year. Under Idaho Code section 67-450B, local government entities must complete an audit of its statements at the conclusion of its fiscal year. A copy of the Agency's September 30, 2025 audited financial statement is attached as Exhibit 1. Additionally, as of FY2013/2014, the Agency must also submit certain information to the Legislative Services Office under Idaho Code § 67-450(E). The Agency completed the submission of the information prior to the March 30, 2026 deadline.

AGENCY BACKGROUND/PROJECT AREAS

Downtown Urban Renewal Area

The Sandpoint City Council formally approved the Downtown Urban Renewal Plan in November of 2005 through Ordinance No. 1141. Since that approval, the Urban Renewal Agency has commenced with the implementation of the Downtown Plan.

In 2009, the Agency began considering updating the Downtown Plan to (1) recognize changes in the Idaho Urban Renewal Law and the Economic Development Act adopted by the state legislature since 1996, (2) update the Agency's activities, (3) provide projections of Agency activities through 2029, and (4) to amend the boundaries of the urban renewal project area. In December 2009, the City Council amended the boundaries of the urban renewal project area to include an area referred to as the area bounded by 2nd Ave., Church Street, 3rd Ave., and Pine Street accepted by City Council Ordinance No. 1223 on December 16, 2009. On July 6, 2010, the Agency recommended approval of the Amended and Restated Downtown Plan and forwarded the plan to the City Council for its consideration. On August 18, 2010, the City Council adopted Ordinance No. 1241 approving the 2010 Amended Urban Renewal Plan for the Downtown Area.

FY2024/25 funded projects (Downtown area):

- Downtown Streets Improvements and Engineering. FY2024/25, SURA did fund $6,025 towards Phase III of the project. This funding occurred on December 6, 2024.

- City Parking Lot. FY2024/25, SURA funded $550,861.69 towards the revitalization of the City Parking lot. This funding occurred August 7 ($526,929.38) and December 6, 2024 ($23,923.31).

- Public Art. The Agency allocates 2.5% of the tax increment received annually towards public art within the Downtown Area. Art projects are reviewed and approved by the Sandpoint Arts Commission and then approved by resolution of the City Council prior to SURA funding. In FY2024/25, $125 funded towards the Silver Box project.

Northern Urban Renewal Area

The Sandpoint City Council formally approved the Northern Urban Renewal Plan in November of 1995 through Ordinance No. 1140. Since that approval, the Urban Renewal Agency has commenced with the implementation of the Northern Plan.

In 2009, the Agency began considering updating the Northern Plan to (1) recognize changes in the Idaho Urban Renewal Law and the Economic Development Act adopted by the state legislature since 1996, (2) update the Agency's activities, (3) provide projections of Agency activities through 2029, and (4) to amend the boundaries of the urban renewal project area. In December 2009, the City Council amended the boundaries of the urban renewal project area to include an area referred to as the former LP Mill area accepted by City Council Ordinance No. 1222 on December 16, 2009. On July 6, 2010, the Agency recommended approval of the Amended and Restated Northern Plan and forwarded the plan to the City Council for consideration. On August 18, 2010, the City Council adopted Ordinance No. 1240 approving the 2010 Amended Urban Renewal Plan for the Northern Area.

FY2024/25 funded projects (Northern area):

- Great Northern improvements and Engineering.FY2024/25, SURA did fund $51,826.47 towards this project. This funding occurred February 4, 2025.

FY2024/25 REVENUES

Tax Increment Revenue

The only source of Agency income, other than interest-on-interest bearing accounts, which equated to $292,922.80 ($74,943.20 - Downtown and $222,979.60 – Northern) in FY2024/25, is Tax Increment Revenue generated within the Downtown and Northern urban renewal project areas. In FY2024/25, the total Tax Increment Revenue received by the Agency was $1,850,641.88 of which $1,228,865.77 for the Downtown District and $621,776.11 for the Northern District.

FY2024/25 OPERATING EXPENSES

The Agency has minimal operating expenses as it has no paid staff members, utilizing outside legal, secretarial, and bookkeeping services. Total operating expenses, audit, legal, consulting, liability insurance and other office expenses, amounted to $5,933.49 allocated equally.

ASSETS

The Agency's Assets are comprised solely of cash accounts and property taxes receivable. The major portions of property taxes are received twice per year (February and August) with smaller amounts of delinquent taxes received during the year.

LIABILITIES AND DEBT

On September 7, 2018, the Agency issued a $1,500,000 revenue allocation note, with an interest rate of 3.63% per annum. The purpose of the note is for the acquisition, construction, and installation of public improvements within the Downtown District. The note requires semi-annual payments of $83,428 beginning on March 15, 2019. Loan matures on September 15, 2029. As of FYE2024/2025 the balance was $615,836.07.

The balance of the Agency's liabilities consists only of current accounts payable and deferred revenue.

SIGNIFICANT CHANGES IN AGENCY'S FINANCIAL POSITION

There were no significant changes in the Agency's financial position in FY2024/2025.

The Agency is, to a degree, dependent upon other public agencies, such as the City of Sandpoint, as to what projects can be funded and implemented within a specific period. The Agency does not have the ability to initiate and construct, for instance, street improvement projects, on its own. For this reason, the Agency works closely with agencies or the city government, such as the City of Sandpoint, to develop and fund projects that are of benefit to the residents and businesses within the urban renewal area.

Eric Paull
Chair