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IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 570

BY REVENUE AND TAXATION COMMITTEE

AN ACT RELATING TO URBAN RENEWAL LAW; AMENDING SECTION 50-2005, IDAHO CODE, TO REQUIRE THAT A RESOLUTION PROVIDE FOR THE HOLDING OF AN ELECTION AND TO PROVIDE THAT NO URBAN RENEWAL AGENCY AND NO MUNICIPALITY SHALL EXERCISE AUTHORITY GRANTED UNDER URBAN RENEWAL LAW UNTIL APPROVED BY MAJORITY VOTE AT AN ELECTION; AND AMENDING SECTION 50-2006, IDAHO CODE, TO PROVIDE THAT AN URBAN RENEWAL AGENCY SHALL NOT TRANSACT BUSINESS OR EXERCISE POWERS CONFERRED UNDER URBAN RENEWAL LAW UNTIL OR UNLESS APPROVED BY A MAJORITY OF THOSE VOTING UPON A CERTAIN QUESTION AND TO MAKE A TECHNICAL CORRECTION. 10

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Section 50-2005, Idaho Code, be, and the same is hereby amended to read as follows:

50-2005. FINDING OF NECESSITY BY LOCAL GOVERNING BODY -- SUBMISSION TO ELECTORS FOR APPROVAL. (a) No urban renewal agency and no municipality shall exercise the authority hereafter conferred by this act chapter until after the local governing body shall have adopted a resolution finding that: (1) one (1) or more deteriorated or deteriorating areas as defined in this aet chapter exist in such municipality; (2) the rehabilitation, conservation, redevelopment, or a combination thereof, of such area or areas is necessary in the interest of the public health, safety, morals or welfare of the residents of such municipality; and (3) there is need for an urban renewal agency to function in the municipality. Such resolution shall also provide for holding an election consistent with the provisions of subsection (b) of this section.

(b) No urban renewal agency and no municipality shall exercise the authority conferred by this chapter until the question of whether the rehabilitation, conservation, redevelopment, or a combination thereof, of an area designated in the resolution adopted pursuant to subsection (a) of this section is necessary and there is a need for an urban renewal agency to function in the municipality, is submitted to the qualified electors residing in such area and approved by a majority of those voting upon the question. Such election shall be held in the manner provided in chapter 4, title 50, Idaho Code.

SECTION 2. That Section 50-2006, Idaho Code, be, and the same is hereby amended to read as follows:

50-2006. URBAN RENEWAL AGENCY. (a) There is hereby created in each municipality an independent public body corporate and politic to be known as the "urban renewal agency" for the municipality; provided, that such agency shall not transact any business or exercise its powers hereunder until or unless the local governing body has made the findings prescribed in section 50-2005, Idaho Code, and until or unless approved by a majority of those voting upon the question prescribed in section 50-2005, Idaho Code.

- (b) Upon the local governing body making such findings <u>and upon voter approval</u>, the urban renewal agency is authorized to transact the business and exercise the powers hereunder by a board of commissioners to be appointed or designated as follows:
 - (1) The mayor, by and with the advice and consent of the local governing body, shall appoint a board of commissioners of the urban renewal agency which shall consist of not less than three (3) commissioners nor more than nine (9) commissioners. In the order of appointment, the mayor shall designate the number of commissioners to be appointed, and the term of each, provided that the original term of office of no more than two (2) commissioners shall expire in the same year. The commissioners shall serve for terms not to exceed five (5) years, from the date of appointment, except that all vacancies shall be filled for the unexpired term. For inefficiency or neglect of duty or misconduct in office, a commissioner may be removed only after a hearing and after he shall have been given a copy of the charges at least ten (10) days prior to such hearings and have had an opportunity to be heard in person or by counsel.
 - (2) By enactment of an ordinance, the local governing body may appoint and designate itself to be the board of commissioners of the urban renewal agency, in which case all the rights, powers, duties, privileges and immunities vested by the urban renewal law of 1965, and as amended, in an appointed board of commissioners, shall be vested in the local governing body, who shall, in all respects when acting as an urban renewal agency, be acting as an arm of state government, entirely separate and distinct from the municipality, to achieve, perform and accomplish the public purposes prescribed and provided by said urban renewal law of 1965, and as amended.
 - (3) By enactment of an ordinance, the local governing body may terminate the appointed board of commissioners and thereby appoint and designate itself as the board of commissioners of the urban renewal agency.
- (c) A commissioner shall receive no compensation for his services but shall be entitled to the necessary expenses, including traveling expenses, incurred in the discharge of his duties. Each commissioner shall hold office until his successor has been appointed and has qualified. A certificate of the appointment or reappointment of any commissioner shall be filed with the clerk of the municipality and such certificate shall be conclusive evidence of the due and proper appointment of such commissioner.

The powers of an urban renewal agency shall be exercised by the commissioners thereof. A majority of the commissioners shall constitute a quorum for the purpose of conducting business and exercising the powers of the agency and for all other purposes. Action may be taken by the agency upon a vote of a majority of the commissioners present, unless in any case the bylaws shall require a larger number.

The mayor may appoint a chairman, a cochairman, or a vice chairman for a term of office of one (1) year from among the commissioners, thereafter

the commissioners shall elect the chairman, cochairman or vice chairman for a term of one (1) year from among their members. An agency may employ an executive director, technical experts and such other agents and employees, permanent and temporary, as it may require, and determine their qualifications, duties and compensation. For such legal service as it may require, an agency may employ or retain its own counsel and legal staff. An agency authorized to transact business and exercise powers under this chapter shall 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 report shall include a complete financial statement setting forth its assets, liabilities, income and operating expense as of the end of such calendar year. At the time of filing the report, the agency shall publish in a newspaper of general circulation in the community a notice to the effect that such report has been filed with the municipality and that the report is available for inspection during business hours in the office of the city clerk or county recorder and in the office of the agency.

- (d) An urban renewal agency shall have the same fiscal year as a municipality and shall be subject to the same audit requirements as a municipality. An urban renewal agency shall be required to prepare and file with its local governing body an annual financial report and shall prepare, approve and adopt an annual budget for filing with the local governing body, for informational purposes. A budget means an annual estimate of revenues and expenses for the following fiscal year of the agency.
- (e) An urban renewal agency shall comply with the public records law pursuant to chapter 3, title 9, Idaho Code, open meetings law pursuant to chapter 23, title 67, Idaho Code, the ethics in government law pursuant to chapter 7, title 59, Idaho Code, and the competitive bidding provisions of chapter 28, title 67, Idaho Code.