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IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 597

BY LOCAL GOVERNMENT COMMITTEE

AN ACT RELATING TO URBAN RENEWAL LAW; AMENDING SECTION 50-2006, IDAHO CODE, TO 2 REVISE PROVISIONS RELATING TO URBAN RENEWAL AGENCY BOARD OF COMMIS-3 SIONERS, TO ESTABLISH PROVISIONS RELATING TO THE ELECTION OF A BOARD 4 5 OF COMMISSIONERS, TO ESTABLISH PROVISIONS RELATING TO LIMITING BOARD COMMISSIONERS FROM HOLDING CERTAIN ELECTIVE OFFICES, TO ESTABLISH PRO-6 VISIONS RELATING TO STAGGERED TERMS, TO ESTABLISH PROVISIONS RELATING 7 TO AN ELECTION, TO ESTABLISH PROVISIONS RELATING TO AN INTERIM DIRECTOR 8 AND TO ESTABLISH PROVISIONS RELATING TO TERMS OF OFFICE AND EXPIRATION 9 10 OF TERMS FOR COMMISSIONERS.

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

SECTION 1. 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" that was created by resolution as provided in section 50-2005, Idaho Code, before July 1, 2011, for the municipality; provided, that such agency shall not transact any business or exercise its powers hereunder until or unless: (1) the local governing body has made the findings prescribed in section 50-2005, Idaho Code; and provided further, that such agency created after July 1, 2011, shall not transact any business or exercise its powers provided for in this chapter until (2) a majority of qualified electors, voting in a citywide or countywide election depending on the municipality in which such agency is created, vote to authorize such agency to transact business and exercise its powers provided for in this chapter. If prior to July 1, 2011, the local governing body has made the findings prescribed in subsection (a)(1) of this section then such agency shall transact business and shall exercise its powers hereunder and is not subject to the requirements of subsection (a) (2) of this section.

- (b) Upon satisfaction of the requirements under subsection (a) of this section, the urban renewal agency is authorized to transact the business and exercise the powers hereunder by a board of commissioners to be established 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 ap-

pointment, except that all vacancies shall be filled for the unexpired term.

- (2) For inefficiency or neglect of duty or misconduct in office, a commissioner may be removed by a majority vote of the board or by the local governing body only after a hearing and after he shall have been given a copy of the charges at least ten (10) days prior to such hearing and have had an opportunity to be heard in person or by counsel. Any commission position which becomes vacant at a time other than the expiration of a term shall be filled by a majority vote of the board. The board may elect any person to fill such vacant position where such person meets the requirements of a commissioner provided for in this chapter.
- (3) 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.
- (4) 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, provided that this paragraph shall not apply to boards elected pursuant to subsection (c) of this section.
- (5) For urban renewal agencies existing before July 1, 2012, the local governing body shall no later than December 1, 2012, declare by adoption of an ordinance whether the urban renewal agency board of commissioners shall continue to exist pursuant to the provisions of this subsection or be elected by qualified electors pursuant to the provisions of subsection (c) of this section. Failure to enact such an ordinance shall be deemed an automatic declaration of the local governing body to have the board elected pursuant to subsection (c) of this section.
- (c) For any agency created after July 1, 2012, a board of commissioners of the urban renewal agency shall be elected by qualified electors in the city or county in which the urban renewal agency is established. Such board shall consist of not less than three (3) commissioners nor more than nine (9) commissioners.
 - (1) Board commissioners may not hold any other elective office of the city or county in which the urban renewal agency resides, except for elected precinct committeemen elected pursuant to section 34-624, Idaho Code. And, terms shall be staggered on any board of commissioners.
 - The board of commissioners shall be elected during the next available election cycle pursuant to section 34-106, Idaho Code. During the period of time from which the agency is authorized by a vote of the people in accordance with subsection (a) of this section, and the election of board commissioners, the mayor or board of county commissioners may

appoint an interim director until the board of commissioners of the urban renewal agency shall be elected.

- (3) The term of office shall not exceed four (4) years and the terms of the majority of commissioners shall not expire in the same year.
- (ed) 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 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. 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. The agency shall be required to hold a public meeting to report these findings and take comments from the public. 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.

- $(\underline{\text{de}})$ 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.
- (\underline{ef}) 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.