




Senator Souza
District 4, Coeur d'Alene

August 31, 2015

Dear Senator Souza:

With regards to your seven questions sent to ignite cda on August 19, 2015, please find the agency's responses below in *italicized* font. Please let us know if you require any additional information. Thank you for your interest in urban renewal in our state.

Best Regards,


Tony Berns
Executive Director
ignite cda



Idaho State Senate

Legislature.Idaho.Gov

August 19, 2015

To: Tony Berns, Executive Director, LCDC / ignite cda

Dear Mr. Berns,

As a member of the Legislative Interim Committee to study Urban Renewal laws in Idaho, I am conducting research into your organization's recent name change and public relations campaign. On-line ads, print ads, at least one billboard and several TV ads have all touted your agency's new name as well as "partnering in 1400 jobs". Here are my questions:

1. Your organization started out back in 1997 with the name "Coeur d'Alene Urban Renewal Agency". Several years later that name was changed LCDC, Lake City Development Corp., and now you have recently changed it again to "ignite cda".

ignite cda response document to Sen. Souza (8/31/15)

Idaho State Statute 50-20:2006 says that urban renewal agencies “are to be known as the urban renewal agency”. In what way do you believe your agency’s name changes align with the intent of this law?

As a clarification to your question: the name “Coeur d’Alene Urban Renewal Agency” has never been changed since 1997; a doing business as (dba) name was adopted.

Idaho Code § 50-2006(a) provides “[t]here 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.” The statute identifies the entity created as an “urban renewal agency,” but does not require the entity to use “urban renewal agency” in its name. There is no naming requirement in the Idaho urban renewal law. Therefore ignite cda believes its name aligns with the intent of the law.

The ignite cda website (www.ignitecda.org) identifies itself as Coeur d’Alene’s urban renewal agency and states “Inspired by the Local Economic Development Act, passed by the state legislature in 1988, the city in 1997 formed an urban renewal agency to jump-start the economy. Known as the Coeur d’Alene Urban Renewal Agency, the agency decided to assign a dba, Lake City Development Corporation (LCDC) in 2001. The dba name was changed to ignite cda in 2015 to more accurately reflect the agency’s mission.”

Additionally, Chapter 29 of the Idaho Code, the Local Economic Development Act, focuses on the importance of economic development, thus providing another reason for using a dba name different than the “urban renewal agency”. If one looks at the Findings and Purpose in Section 50-2902, financing economic growth and development shows the importance of economic development to assist the project(s) identified in the urban renewal plan and to encourage private development.

There are several urban renewal agencies throughout the State that conduct business without using “urban renewal agency” in their names, including Capital City Development Corporation, formerly known as the Boise Redevelopment Agency; Idaho Falls Redevelopment Agency; and the Rexburg Redevelopment Agency.

2. How does your new name, “ignite cda”, as shown in ads and billboards without subtitles, communicate to citizens that your organization is our community’s public urban renewal agency?

As a point of clarification, the legal name of the City’s urban renewal agency has been and remains “Coeur d’Alene Urban Renewal Agency”. The recent doing business as (dba) name change only applied to changing the dba name from Lake City Development Corporation to ignite cda.

Scientific research conducted by Robinson Research in the fall of 2014 demonstrated that local public perception of the term “urban renewal”, as is included in our legal name, has a negative connotation in the community. However, the research conducted showed clearly

that the public liked and was behind the major projects that the agency had a part in, yet had no idea that the agency was connected to the projects. This final data point is what led us to initiate the public communication outreach initiative to better inform the community of what we do, which is clearly communicated on our website (www.ignitecda.org). Citizens find our legal name, "Coeur d'Alene's Urban Renewal Agency," on the ignite cda website pages, our primary communication venue.

Although there is no requirement in the Idaho Code, ignite cda maintains an up-to-date website to ensure transparency with the public. The website's resources link provides links to urban renewal plan related documents, monthly financial reports and fiscal year audited financial statements. The resources link also includes access to videos of the monthly board meetings, agendas and minutes.

Ignite cda's goal of connecting with the public through the website and via ads and billboards is intended to create more public awareness of urban renewal. Certainly the transparency provided by ignite cda is above and beyond what was intended and set forth in Chapter 20 and 29, Title 50, Idaho Code.

3. Where, in the Idaho urban renewal statutes, do you find language allowing an urban renewal agency to use taxpayer money on a public relations campaigns to promote a name change?

Ignite cda views this initiative as a communication outreach effort, not a public relations campaign, wherein the agency is trying to inform and engage with the community.

The Idaho Urban Renewal Law (the "Law") gives ignite cda the power to create a "workable program for utilizing appropriate private and public resources." See I.C. § 50-2004. The Law encourages working with the community and private enterprise. I.C. § 50-2003. The Law also grants ignite cda "all the powers necessary or convenient to carry out and effectuate the purposes and provisions of this [Law], including undertaking urban renewal projects and "related activities" I.C. § 50-2007.

The purpose of the Law is to rehabilitate and conserve the City of Coeur d'Alene. In order to effectuate that purpose, the citizens and private enterprise of Coeur d'Alene need to be aware of ignite cda and its name, projects and activities. It follows that the Law thus allows utilization of public resources on a communication outreach initiative. Without knowledge of ignite cda, it would be nearly impossible to achieve the purpose of the Law.

Informing the public as to ignite cda's role in the community serves a dual purpose: to promote transparency by highlighting projects undertaken or participated in by the urban renewal agency; and to incentivize further private development by working to generate enthusiasm for the community. Ignite cda believes that advising the public as to the role of urban renewal in that process is within its statutory mission.

4. In regard to your organization "partnering in 1400 jobs", what were the sources of those jobs and what percent of the overall costs did LCDC give, fund, loan or subsidize in each of those projects?

The three sources for generating the aforementioned 1,400 job figure are below:

- *Riverstone Mix-Use (office, retail, residential) Development : 750 jobs*
- *US Bank Service Center: 500 jobs*
- *Kroc Community Center: 235 jobs*
- **Total: 1,485**

As you know, urban renewal agencies do not create jobs, they help attract employers who create the jobs. That was a key driver why ignite cda helped to set the table for these employers by helping to redevelop the brownfield sites that now host the Riverstone mix-use development, the US Bank Service Center and the Kroc Community Center. Following are project summaries capturing ignite cda's investment and project valuations.

Riverstone: Ignite cda investment: \$9 million. Project value: \$90 million

In order to reclaim/redevelop the brownfield sites at the Riverstone development, ignite cda entered into developer reimbursement agreements totaling \$9 million wherein ignite cda agreed to reimburse the project developer for ignite cda approved public infrastructure expenses. The developer agreed to pay for and install all of the public infrastructure improvements up front, and ignite cda agreed to reimburse the developer over time from tax increment revenue generated solely from the Riverstone project. This public financing tool has no risk to the public; if the developer's project does not generate enough funds to pay off the reimbursement debt obligation, then the developer is responsible for the costs of the public improvements.

US Bank Service Center: Ignite cda investment: \$400,000. Project value: \$9 million

The multi-million dollar Mill River development area, which includes the US Bank Service Center, is a direct result of ignite cda's contribution to provide public infrastructure. Ignite cda invested in the installation of water and sewer service extensions, development of a new waterfront park, roadway improvements, a new traffic signal, and streetscaping to lay the groundwork for development. Not only was the infrastructure critical for development, but the ignite cda financial assistance allowed the developers to donate waterfront property for public park use. Additionally, financial support for infrastructure installation from ignite cda allowed developer Neighborhood Inc. to donate 10 acres to U.S. Bank for construction of a 60,000-square-foot Service Center operated by U.S. Bank, which today employees 500 people.

Kroc Community Center: Ignite cda investment: \$535,000. Project value: community asset.

In 2006, the Kroc site was an enormous pit; a refuse site for asphalt, concrete and other construction waste adjacent to the old county garbage dump off Ramsey Road. Thanks to a \$72 million construction and operational grant from founders Ray and Joan Kroc, that all changed. Today, the 123,000-square foot Salvation Army Kroc Community Center is the envy of communities across the country. And it continues to grow, with expansions adding new amenities, new members, and new jobs. Ignite cda is proud to have played a role in its success, providing funds for infrastructure and site improvements to help land the Kroc Community Center in Coeur d'Alene.

5. Would each of the projects have passed the “but for” test?

Yes, we believe so. If the three aforementioned brownfield areas were not reclaimed and redeveloped, including infrastructure improvement installation, we believe these three very value adding projects would not have developed in Coeur d’Alene.

6. How many of the 1400 jobs are still active today?

Following is a current summary of jobs associated with the three aforementioned projects:

- *Riverstone Mix-Use (office, retail, residential)Development: 1,038 jobs*
- *US Bank Service Center: 500 jobs (at full capacity)*
- *Kroc Community Center: 252 jobs*
- ***Total: 1,790***

7. How much is your organization spending, in total, for the “ignite cda” name change and public relations campaign?

Ignite cda views this initiative as a communication outreach effort, not a public relations campaign, wherein the agency is trying to inform and engage with the community. This outreach initiative was launched based upon the results of last fall’s Robinson Research scientific survey wherein the results clearly illustrated that a majority (65% of the general public surveyed) had no idea who LCDC (Lake City Development Corporation) was, or what LCDC did. A full 53% of the public surveyed were not aware that Coeur d’Alene had an “Urban Renewal Agency.” Survey respondents thought LCDC was a private corporation and a private developer. Yet, the survey also showed overwhelming public support and appreciation for the projects LCDC had partnered on, e.g. the Kroc Community Center, new CDA Public Library, Riverstone, Higher Education Campus and Public Pathways.

The Agency board identified this disconnect as a major opportunity to better connect with the community and inform them of what the agency is and does. The Board felt a responsibility to better inform the community of how public tax dollars are expended in accomplishing the agency’s mission. A new action oriented dba name for the agency was needed; thus the ignite cda outreach communication initiative.

Ignite cda is spending the following funds on the communication outreach effort:

- *Phase 1: \$29,000*
 - ❖ *name and logo development (\$7,000)*
 - ❖ *new website design, development & construction (\$22,000)*
- *Phase 2: \$54,209 (outreach via the following mediums to encourage the community to visit the www.ignitecda.org website to learn more about the agency, and the agency’s accomplishments):*
 - ❖ *Creative/production: (\$15,000)*
 - ❖ *print (newspaper, online newspapers): (\$10,905)*
 - ❖ *Facebook / search engine retargeting: (\$12,500)*
 - ❖ *TV cable spots: (\$10,514)*

- ❖ *Billboard (\$2,790)*
- ❖ *4th of July Parade (2,500)*
- *Total Phase 1 & 2 cost: 83,209*