

There have been a few letters to DFO on urban renewals. My husband, Chris Fillios, Candidate for City Council Seat 2 mentioned the LCDC tax issue during the Democrat forum two weeks ago. Others at that meeting asked Chris to share the information, and one blogger apparently did after checking their tax bill and friend's bill. However the press never mentioned it. Why are LCDC and the press hiding the truth from the public?

As a real estate appraiser for the past 30 years in 5 states and over 17 counties, I have seen good and abusive URDs. I am not writing this to either support or negate any of the comments to this site. I am here to provide you with tangible proof through tax records of what happens when URD's go wild. Urban renewal has its place in converting once unusable land or building into viable, taxable properties with higher values. Unfortunately, Tony Berns told us only half the story. His example of a \$150,000(base) property which appreciates to \$200,000 provides LCDC with a \$50,000 tax increment. The capture of the taxes to LCDC on the \$50,000 is minimal. LCDC or any urban renewal area needs new structures to be viable. No one can deny that the conversion of a brown field (Riverstone area) was a good use of urban renewal monies. So what is the issue? Where is the money going and who is really paying and subsidizing LCDC? The answer is everyone in the county.

As an example two city properties, both with similar real estate taxes, one in the River District URD (LCDC) and the other in the Fort Grounds, not in the URD. All taxes are rounded to the next dollar. Additional items common to both and not included are the School district funds which are not affected.

A Mill River property has a total tax of \$14,824. LCDC will net \$11,781, the City of Coeur d'Alene \$351, County Indigent Fund \$13, Justice Fund (assists Juvenile with issues) \$103, PF Highway District \$25 and the EMS (emergency management services) \$9.

The property outside the URD has a slightly higher tax of \$15,282. The City of Coeur d'Alene \$6,783, County Indigent Fund \$242, Justice Fund \$1,984, Worley Highway District \$1,182, and the EMS \$179.

What I see is the most critical functions of our government being hampered by LCDC. Some of the departments affected are EMS, Juveniles, the indigent fund helping those less fortunate, and our street maintenance. And by the way, our own city Police Department and Fire Department and the city streets are all affected. When large sums of money are taken out of the tax system in the city, those expenses still need to be paid. When your monthly budget is \$4000 and your hours get cut by 25%, you have two choices, cut your expenses or find an additional source of income. The additional source of income in this case is you, the taxpayer outside the URD. All the residents outside the URD, county included are subsidizing both county and city budgets. In 2011, LCDC received over \$5,000,000 from taxes.

So what can we do? We can decrease the length of time LCDC can receive city and county taxes. Per Idaho Statute the time frame is up to 24 years but can be less. We need to curb the time frame to a reasonable length for recapture by the URD and to pay any bonds outstanding.

Who is responsible? The City Council and Mayor work with the urban renewal corporation. They are ultimately responsible for any changes in the boundaries and extension of time frames for completion of a project.

Vote responsibly.

Linda Fillios