



Guest column: Public-private partnerships enhance growth

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Thomas Hally

Urban renewal districts are an example of how government in partnership with private industry can lead to unprecedented growth, writes Thomas Hally.

Throughout history, government has been involved in helping the economy grow. Medical industry research in the area of DNA and the nature of cells has led to advanced medical treatments. The government provided information to the private sector and they took it from there.

The internet was developed by the government and the information was shared with many companies that have given us the tech industry which has enabled the United States to be a leader that has enhanced not only the economy of the United States but also the economies of the whole world. The GIS navigations system was developed by the U.S. Air Force. Grants from the government have enabled the private sector that have lead to advancements in agriculture that have improved the production and quality of crops. A significant amount of that success can be attributed to work done in Idaho. I think you can see the point.

Let's get closer to home, at the local level. The Department of Energy, through labs such as the INL, has provided research that has contributed to medicine, agriculture and energy. This has been a powerful force in the local economy and the Idaho economy. The state and Idaho Falls would not be the same if it were not for the INL. A small modular nuclear reactor is being developed with help from the federal government to the private sector. City government has been involved by voicing support for the development of the reactor and its location close to Idaho Falls. Mayor Casper has many legislators and professionals regarding this project and the support of the city. Her contacts have been throughout the nation. The city of Idaho Falls has been a partner with the Utah Association of Municipal Power Services through Idaho Falls power. The board of Idaho Falls Power is the city council. We have spent many hours each month on energy and this project. UAMPS is making every effort to help with the construction of this project. Funding will not continue to become available unless there are power purchase contracts, which UAMPS is obtaining. This project is creating quite a buzz through out the country as the whole world moves toward a reduction of the carbon imprint on our climate.

The cities in the state of Idaho have one main tool to help with economic development. This tool has become an issue in the upcoming governor's race. The tool is Urban Renewal Districts, which were allowed to be created by the Idaho Legislature. There are some districts that have stretched the intended use of this too. The Legislature, to its credit, has made changes to the law. The governing council of the districts is composed of a member of the city council, a county commissioner, with the rest of the board from the private sector. If you look all along the Snake River, including Memorial

Drive, you will find the footprint of Urban Renewal Districts. The money comes from increased taxes as a result of the development. The development would not have happened without the help of financing from the district. For example, the issues faced with the concrete plant and basalt would not have attracted the development that has happened in that district. Millions of dollars were required to overcome these challenges alone. No one was interested until a district was created which required an eligibility study by an independent expert. The Savings Center property is another example. This project required underground parking and the removal of 25 million pounds of basalt. This will be a great enhancement to the entry to our downtown. This project would not have come to fruition without the help of a district. U.S. Representative Raul Labrador called this “corporate welfare.” He blames this tool for the state economy under performing. Really?

The voters in Idaho Falls should know that the increased value of the Urban Renewal Districts in Idaho Falls is over \$250 million. That is over the base value when the districts started. It is still increasing and when the districts end the tax dollars will continue every year, not to mention the jobs that have been created. The leverage of the tax dollars that have been created as a result of the development has been a wonderful asset to the city. The developers do not get help with infrastructure, cleanup, public parking, basalt removal unless they create increased value. There is no up front bonding money. We are recognized throughout the state as having used this tool wisely and for its intended use. Voters might want to consider this issue and the other partnerships between governments and the private sector when they cast their votes.

Hally is president of the Idaho Falls city council, a council member of the Idaho Falls Urban Renewal District, a member of the board of Development Workshop. He received his MA degree from ISU in counseling, with a minor in business.