

339323

ORDINANCE NO.1264

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PAYETTE, IDAHO, APPROVING THE PAYETTE URBAN RENEWAL PLAN WHICH PAYETTE URBAN RENEWAL PLAN INCLUDES REVENUE ALLOCATION FINANCING PROVISIONS; AUTHORIZING THE CITY CLERK TO TRANSMIT A COPY OF THIS ORDINANCE AND OTHER REQUIRED INFORMATION TO COUNTY OFFICIALS, STATE OFFICIALS AND OTHER TAXING ENTITIES; APPROVING THE SUMMARY OF THE ORDINANCE; PROVIDING FOR A WAIVER OF THE READING RULES; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, on the 5th day of December, 2005, the Council and Mayor of Payette, Idaho respectively, adopted Resolution No. 05-07 thereby creating the Payette Urban Renewal Agency ("Agency"), authorizing it to transact business and exercise the powers granted by the Idaho Urban Renewal Law of 1965, being Idaho Code, Title 50, Chapter 20, as amended (the "Law"), and the Local Economic Development Act, the same being Idaho Code, Title 50, Chapter 29, as amended; (the "Act"), upon making the findings of necessity required for creating said Urban Renewal Agency;

WHEREAS, Resolution 05-07, dated December 5, 2005, authorizes the Mayor to appoint and the City Council to confirm the appointment of Commissioners to the Agency Board;

WHEREAS, the City had previously retained Sage Community Resources ("Sage"), to study the area in question and to prepare an eligibility report (the "Report"), which would examine the designated urban renewal area for the purpose of determining whether such area is a deteriorating or deteriorated area as defined by Idaho Code, Sections 50-2018(i) and 50-2903(8).

WHEREAS, pursuant to Idaho Code Section 50-2008, an urban renewal project may not be planned or initiated unless the local governing body has, by resolution, determined such area to be a deteriorated area or deteriorating area, or combination thereof, and designated such area as appropriate for an urban renewal project;

WHEREAS, Idaho Code Section 50-2906, also requires that in order to adopt an urban renewal plan containing a revenue allocation financing provision, the local governing body must make a finding or determination that the area included in such plan is a deteriorated area or deteriorating area;

WHEREAS, City of Payette ("City") obtained the Report, dated November 29, 2005, which examined the then labeled Project Area Site, for the purpose of determining whether such an area was a deteriorating area and deteriorated area as defined by Idaho Code Sections 50-2018(i) and 50-2903(8);

Instrument # 339323

PAYETTE COUNTY

2006-10-13 03:40:51 No. of Pages: 80

Recorded for : CITY OF PAYETTE

BETTY J DRESSEN

Ex-Officio Recorder Deputy *[Signature]* Fee: 0.00

Index to: ORDINANCE

ORDINANCE – Plan - 1

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WHEREAS, the City Council, by way of Council Resolution No. 05-07 on December 5, 2005, accepted the Report for the Project Area Site and deemed a certain geographical area as a deteriorated or deteriorating area, directing the Agency to commence the preparation of an urban renewal plan which plan may include revenue allocation provisions for all or part of the area;

WHEREAS, the Mayor and Council considered the steps set forth by the Act and Law, accepting the Report finding the area set forth therein to be "deteriorated" or "deteriorating" areas as defined by Idaho Code Sections 50-2018(h) and (i), and 50-2903(8)(b) declaring such area as an urban renewal area, making additional findings regarding the characteristics of the area, making the necessary findings as required by Idaho Code Section 50-2008(a) and authorizing the Agency to prepare an urban renewal plan;

WHEREAS, the legislature of the State of Idaho has enacted the Local Economic Development Act, Chapter 29, Title 50, Idaho Code, referred to herein as the "Act," authorizing certain urban renewal agencies (including the Agency), to adopt revenue allocation financing provisions as part of their urban renewal plans;

WHEREAS, in order to implement the provisions of the Act and the Law either the Agency may prepare a plan, or any person, public or private, may submit such plan to the Agency;

WHEREAS, the Agency, with the assistance of Sage and others, prepared a proposed Payette Urban Renewal Plan (hereinafter referred to as the "Plan"), attached hereto as Exhibit 1, for the area previously designated as eligible for urban renewal planning and the area proposed to be eligible;

WHEREAS, such proposed Plan also contains provisions of revenue allocation financing as allowed by the Act;

WHEREAS, the content of the Plan has been discussed at several Agency Board meetings during March and April, 2006;

WHEREAS, various drafts of the Plan were presented to the Agency Board at several Board meetings during March and April, 2006;

WHEREAS, as required by the Act, the Agency reviewed the information within the Plan concerning use of revenue allocation funds and approved such information;

WHEREAS, at the regular meeting of the Agency Board on April 4, 2006, the Board adopted Resolution No. UR-2 which recommended the adoption of the Plan;

WHEREAS, the Agency has, by letters of transmittal dated April 10, 2006, submitted the Plan to the Mayor and City Council of Payette requesting the City schedule the necessary meetings and public hearing for consideration of the Plan in compliance with the Law and the Act;

WHEREAS, the Mayor and City Clerk have taken the necessary action to process the Plan;

WHEREAS, pursuant to the Law, the City of Payette Planning and Zoning Commission considered the Plan and its compliance with the Comprehensive Plan of the City of Payette on April 27, 2006, and forwarded its findings to the City Council, a copy of which is attached hereto as Exhibit 2;

WHEREAS, as of April 19, 2006, the Plan was submitted to the affected taxing entities, available to the public, and under consideration by the City Council;

WHEREAS, notice of the public hearing of the Plan was caused to be published by the City Clerk of Payette Idaho, in the *Independent Enterprise*, on April 19, 2006, a copy of said notice being attached hereto as Exhibit 3;

WHEREAS, as required by Idaho Code Sections 50-2905 and 50-2906, the Plan contains the following information which was made available to the general public and all taxing districts at least thirty (30) days prior to the May 22, 2006 special meeting of the City Council: (1) the kind, number and location of all proposed public works or improvements within the revenue allocation area; (2) an economic feasibility study; (3) a detailed list of estimated project costs; (4) a fiscal impact statement showing the impact of the revenue allocation area, both until and after the bonds are repaid, upon all taxing districts levying taxes upon property in the revenue allocation area; and (5) a description of the methods of financing all estimated project costs and the time when related costs or monetary obligations are to be incurred;

WHEREAS, the Plan authorizes certain projects to be financed by revenue allocation bonds and proceeds from revenue allocation;

WHEREAS, appropriate notice of the Plan and revenue allocation provision contained therein has been given to the taxing districts and to the public as required by Idaho Code Section 50-2906;

WHEREAS, on May 1, 2006, the City Council of the City of Payette conducted a work session in conjunction with the Agency Board to review the Plan;

WHEREAS, the City Council of the City of Payette during a special meeting of May 22, 2006, held a public hearing and did consider the Plan as proposed;

WHEREAS, it is necessary and in the best interest of the citizens of the City of Payette, Idaho to recommend approval of the Plan, and adopt the Plan, including revenue allocation financing provisions since revenue allocation will help finance urban renewal projects to be completed in accordance with the Plan (as now or hereafter amended), in order: (1) to encourage private development in the urban renewal area; (2) to prevent and arrest decay of the City of Payette due to the inability of existing financing methods to provide needed public improvements; (3) to encourage taxing districts to cooperate in the allocation of future tax revenues arising in the urban renewal area in order to facilitate the long-term growth of their

common tax base; (4) to encourage private investment within the City of Payette and (5) to further the public purposes of the Agency;

WHEREAS, the Board of Commissioners of the Agency has found, and the City Council hereby finds that the equalized assessed valuation of the taxable property in the revenue allocation area described in Attachments 1 and 2 of the Plan is likely to increase as a result of initiation of urban renewal projects in accordance with the Plan;

WHEREAS, under the Law and Act, any such urban renewal plan should provide for (1) a feasible method for the location of families who will be displaced from the urban renewal area in decent, safe and sanitary dwelling accommodations within their means and without undue hardship to such families; (2) the urban renewal plan should conform to the general plan of the municipality as a whole; (3) the urban renewal plan should give due consideration to the provision of adequate park and recreational areas and facilities that may be desirable for neighborhood improvement, with special consideration for the health, safety and welfare of the children residing in the general vicinity of the site covered by the plan; and (4) the urban renewal plan should afford maximum opportunity, consistent with the sound needs of the municipality as a whole, for the rehabilitation or redevelopment of the urban renewal area by private enterprise;

WHEREAS, under the Act and the Law certain additional findings must be made concerning predominantly open land to be included within the urban renewal area or revenue allocation area;

WHEREAS, if the urban renewal area consists of an area of open land to be acquired by the urban renewal agency, such area shall not be so acquired unless (1) if it is to be developed for residential uses, the local governing body shall determine that a shortage of housing of sound standards and design which is decent, safe and sanitary exists in the municipality; that the need for housing accommodations has been or will be increased as a result of the clearance of slums in other areas; that the conditions of blight in the area and the shortage of decent, safe and sanitary housing cause or contribute to an increase in and spread of disease and crime and constitute a menace to the public health, safety, morals, or welfare; and that the acquisition of the area for residential uses is an integral part of and essential to the program of the municipality, or (2) if it is to be developed for nonresidential uses, the local governing body shall determine that such nonresidential uses are necessary and appropriate to facilitate the proper growth and development of the community in accordance with sound planning standards and local community objectives, which acquisition may require the exercise of governmental action, as provided in the Law, because of defective or unusual conditions of title, diversity of ownership, tax delinquency, improper subdivisions, outmoded street patterns, deterioration of site, economic disuse, unsuitable topography or faulty lot layouts, the need for the correlation of the area with other areas of a municipality by streets and modern traffic requirements, or any combination of such factors or other conditions which retard development of the area;

WHEREAS, under the Act a deteriorated area includes any area which is predominantly open and which, because of obsolete platting, diversity of ownership, deterioration of structures or improvements, or otherwise, results in economic underdevelopment of the area, or substantially impairs or arrests the sound growth of a municipality;

WHEREAS, the overall base assessment roll for the Urban Renewal Area cannot exceed ten percent (10%) of the assessed value of the City of Payette;

WHEREAS, the City at its special meeting held on May 22, 2006, did consider the Plan as proposed, conducted the public hearing, and made certain comprehensive findings;

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF PAYETTE, IDAHO:

Section 1: It is hereby found and determined that:

- (a) The Project Area as defined in the Plan is a deteriorated or a deteriorating area as defined in the Law and the Act and qualifies as an eligible urban renewal area under the Law and Act, including under the Act a deteriorated or deteriorating area consisting of open land.
- (b) The rehabilitation, conservation, and redevelopment of the Project Area pursuant to the Plan is necessary in the interest of public health, safety, and welfare of the residents of the City of Payette.
- (c) There continues to be a need for the Agency to function in the City of Payette.
- (d) The Plan conforms to the Comprehensive Plan of the City of Payette.
- (e) The Plan gives due consideration to the provision of adequate park and recreation areas and facilities that may be desirable for neighborhood improvement (recognizing the limited nature of the Plan Area and the commercial and industrial area which constitutes the Plan Area), and shows consideration for the health, safety, and welfare of any residents or businesses in the general vicinity of the Project Area as defined by the Plan.
- (f) The Plan affords maximum opportunity consistent with the sound needs of the City as a whole for the rehabilitation and redevelopment of the Project Area by private enterprises.
- (g) The Plan provides a feasible method for relocation of any displaced families residing within the Project Area.
- (h) The base assessment roll of the Urban Renewal Area does not exceed ten percent (10%) of the assessed value of the City of Payette.

Section 2: That the City Council finds that the Project Area and Revenue Allocation Area do not consist of predominantly open land, that the Agency does not intend to acquire any open land on any widespread basis, and that the Project Area is planned to be redeveloped in a manner that will include both residential and non-residential uses. Provided, however, the City

Council finds that if portions of the Project Area and Revenue Allocation Area are deemed "open land," the criteria set forth in the Law and Act have been met.

Section 3: The City Council finds that one of the Plan objectives to increase the mixed use development opportunity to include housing does meet the sound needs of the City and will provide residential opportunities in an area that does not now contain such residential opportunities, and the portion of the Project Area which is identified for non-residential uses is necessary and appropriate to facilitate the proper growth and development standards in accordance with the objectives of the Payette Comprehensive Plan to overcome economic disuse, the need for improved traffic patterns, and the need for the correlation of this area with other areas of the City.

Section 4: The Plan, a copy of which is attached hereto and marked as Exhibit 1 and made a part hereof by attachment, be and the same hereby is approved. The City Clerk and/or the Agency may make certain technical corrections or revisions in keeping with the information and testimony presented at the May 22, 2006 hearing.

Section 5: No direct or collateral action attacking the Plan shall be brought prior to the effective date of this Ordinance or after the elapse of thirty (30) days from and after the effective date of the Ordinance adopting the Plan.

Section 6: Upon the effective date of this Ordinance, the City Clerk is authorized and directed to transmit to the Payette County Recorder, Payette County Auditor and Tax Assessor of Payette County, and to the appropriate officials of the Payette County Board of County Commissioners, City of Payette, Payette School District, Ambulance District, County Road/Bridge, Gopher Extension, Payette County Recreation, Riverside Cemetery and to the State Tax Commission, a copy of this Ordinance, a copy of the legal description of the boundaries of the Urban Renewal Revenue Allocation Area, and a map or plan indicating the boundaries of the Urban Renewal Revenue Allocation Area.

Section 7: The City Council hereby finds and declares that the Urban Renewal Revenue Allocation Area as defined in the Plan includes all of the Urban Renewal Project Area, the equalized assessed valuation of which the Council hereby determines is likely to increase as a result of the initiation and completion of urban renewal projects pursuant to the Plan.

Section 8: The City Council hereby approves and adopts the following statement of policy relating to the appointment of City Council members as members of the Agency's Board of Commissioners: If any City Council members are appointed to the Board, they are not acting in an ex officio capacity but rather as private citizens who, although they are also members of the City Council, are exercising their independent judgment as private citizens when they sit on the Board. Except for the powers to appoint and terminate Board members and to adopt the Plan the City Council recognizes that it has no power to control the powers or operations of the Agency.

Section 9: So long as any Agency bonds are outstanding, the City Council will not exercise its power under Idaho Code Section 50-2006 to designate itself as the Agency Board.

Section 10: This Ordinance shall be in full force and effect immediately upon its passage, approval and publication, and shall be retroactive to January 1, 2006, to the extent permitted by the Act.

Section 11: The provisions of this Ordinance are severable and if any provision of this Ordinance or the application of such provision to any person or circumstance is declared invalid for any reason, such declaration shall not affect the validity of remaining portions of this Ordinance.

Section 12: One-half, plus one, of the City Council members finding good cause, the City Council hereby dispenses with the rule that this Ordinance be read on three different days; two readings of which shall be in full, and have hereby adopted this Ordinance, having considered the Ordinance at one reading.

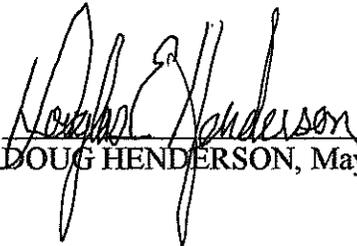
Section 13: The Summary of this Ordinance, a copy of which is attached hereto as Exhibit 4, is hereby approved.

Section 14: All ordinances, resolutions, orders or parts thereof in conflict herewith are hereby repealed, rescinded and annulled.

Section 15: **SAVINGS CLAUSE:** This Ordinance does not affect an action or proceeding commenced or right accrued before this Ordinance takes effect.

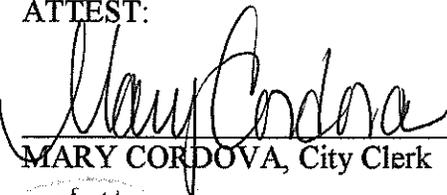
PASSED by the Council of the City of Payette, Idaho, this 22nd day of May, 2006.

APPROVED by the Mayor of the City of Payette, Idaho this 22nd day of May, 2006.

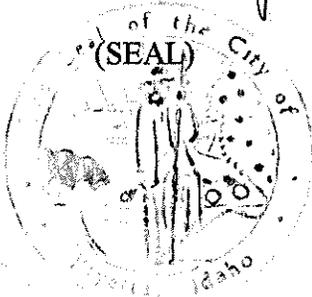


DOUG HENDERSON, Mayor

ATTEST:



MARY CORDOVA, City Clerk

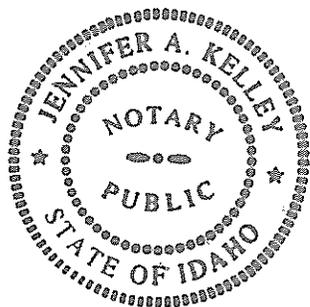


339323

State of Idaho)
) ss.
County of Payette)

On this 22nd day of May, in the year of 2006, before me Jennifer A. Kelley, a notary public, personally appeared MARY CORDOVA and DOUGLAS E. HENDERSON, personally known to me to be the persons whose name is subscribed to the within instrument, and acknowledged to me that they executed the same on behalf of the City of Payette in their official capacities as Mayor and City Clerk.

Jennifer A Kelley
Notary Public for Idaho
Residing at: Payette Id
Commission expires: 12-11-2008



339323

EXHIBIT 1

PAYETTE URBAN RENEWAL PLAN

339323

PAYETTE URBAN RENEWAL PLAN

PAYETTE URBAN RENEWAL AGENCY

CITY OF PAYETTE

Ordinance No. 1261
Adopted 5.22.06
Effective 5.22.06
5.31.06

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- Attachment 1 Map of Urban Renewal Project Area and Revenue Allocation Area
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- Attachment 4 Expected Land Use and Current Zoning Map of the Project Area
- Attachment 5 Statement of Proposed Public Improvements and Feasibility Study

URBAN RENEWAL PLAN FOR THE
PAYETTE URBAN RENEWAL AGENCY

I. [§100] INTRODUCTION

This is the Urban Renewal Plan (the "Plan") for the City of Payette (the "City"), County of Payette, State of Idaho, and consists of the text contained herein and:

The Urban Renewal Project Area and Revenue Allocation Area Boundary Map (Attachment 1),

The Description of the Urban Renewal Project Area Boundaries and Revenue Allocation Area Boundaries (Attachment 2),

The Private Properties Which May be acquired by Agency (Attachment 3),

The Map Depicting Expected Land Uses and Current Zoning Within Revenue Allocation Area and Project Area (Attachment 4),

The Statement of Proposed Public Improvements and Feasibility Study (Attachment 5)

The term "Project" is used herein to describe the overall activities defined in this Plan and conforms to the statutory definition of urban renewal project. Reference is specifically made to Idaho Code Section 50-2018(j) for the various activities contemplated by the term "Project." Such activities include both private and public development of property within the Urban Renewal Area. The term "Project" is not meant to refer to a specific activity or development scheme.

This Plan was prepared by Payette Urban Renewal Agency (the "Agency"), Board of Commissioners, and consultants of the Payette Urban Renewal Agency and was reviewed and recommended by the Agency pursuant to the State of Idaho Urban Renewal Law (Chapter 20, Title 50, Idaho Code), the Local Economic Development Act (Chapter 29, Title 50, Idaho Code), the Idaho Constitution, and all applicable local laws and ordinances.

The proposed redevelopment of the Project Area as described in this Plan conforms to the 2005 Payette City Comprehensive Plan City of Payette, as amended. The initial determination of deteriorated conditions was passed by the City Council on December 5, 2005 whereby the City Council found 1,020 acres within the City limits to meet the definition of deteriorated conditions. This plan specifically addresses approximately five of those acres within the greater Urban Renewal Eligibility Boundary.

The Agency may create several planning documents that generally describe the overall Project and identify certain specific public and private capital improvement projects. Because of the changing nature of the Project, these documents, by necessity, must be dynamic and flexible. The Agency anticipates that these documents will be modified as circumstances warrant. Any modification, however, shall not be deemed as an amendment of this Plan. No modification will be deemed effective if it is in conflict with this

Plan. The planning documents are purposely flexible and do not constitute specific portions of the Plan. Provided, however, prior to the adoption of any planning document or proposed modification to any planning document, the Agency shall notify the City and publish a public notice of such proposed modification at least thirty (30) days prior to the consideration of such proposed modification, thus providing the City and any other interested person or entity an opportunity to comment on said proposed modification. The Agency Board shall consider any such comments and determine whether to adopt the modification. The planning documents apply to redevelopment activity within the Project Area as described herein. In the event of any conflict between this Plan and the appended documents, the provisions of this Plan shall control. The Agency intends to rely heavily on any applicable City design standards, which may cover all, or part of the Project Area.

This Plan provides the Agency with powers, duties, and obligations to implement and further the program generally formulated in this Plan for the redevelopment, rehabilitation, and revitalization of the area within the boundaries of the Project (the "Project Area"). The Agency retains all powers allowed by the Law and the Act. Because of the long-term nature of this Plan, and the need to retain in the Agency flexibility to respond to market and economic conditions, property owner and developer interests, and opportunities from time to time presented for redevelopment, this Plan does not present a precise plan or establish specific projects for the redevelopment, rehabilitation, and revitalization of any area within the Project Area, nor does this Plan present specific proposals in an attempt to solve or alleviate the concerns and problems of the community relating to the Project Area. Instead, this Plan presents a process and a basic framework within which specific plans will be presented, specific projects will be established, and specific solutions will be proposed, and which provides tools to the Agency to fashion, develop, and proceed with such specific plans, projects, and solutions.

Implementation of this Plan will require public co-investment to help stimulate desired private development. Typically, the public will participate in funding public improvements like utilities, streets, and railroad spurs which, in turn, create an attractive setting for adjacent private investment for industrial, office, and commercial facilities.

The particular projects or redevelopment projects by private entities described herein are not intended to be an exclusive or exhaustive list of potential redevelopment activity. Allowed projects are those activities which comply with the Law and the Act and meet the overall objectives of this Plan.

The purpose of the Urban Renewal Law will be attained through and the major goals of this Plan are:

The elimination of environmental deficiencies in the Project Area, including, among others, , substandard streets, and deteriorated and inadequate public improvements, including certain streets, improvements and extensions to connect major traffic corridors, improvements to public utilities including water and sewer improvements, fire protection systems, railroad crossings, switches and extensions other public improvements, removal, burying, or relocation of overhead utilities, and improvement of irrigation and drainage ditches and laterals;

The assembly of land into parcels suitable for modern, integrated development with improved pedestrian and vehicular circulation in the Project Area along with appropriate parking;

The replanning, redesign, and development of undeveloped or underdeveloped areas which are stagnant or improperly utilized because of, limited traffic access, underserved utilities, and other site conditions;

The strengthening of the economic base of the Project Area and the community by the installation of needed public improvements and facilities to stimulate new private development providing, employment, and economic growth;

The provision of adequate land for street rights-of-way;

The provision of public service utilities such as water system improvements, main sewer system improvements (which may be located outside the Revenue Allocation Area), and certain pretreatment improvements within the Revenue Allocation Area

The establishment and implementation of performance criteria to assure high site design standards and environmental quality and other design elements which provide unity and integrity to the entire Project, including commitment of funds for planning studies, achieving high standards of development and leveraging such development to achieve public objectives and efficient use of scarce resources;

The strengthening of the tax base by encouraging private development, thus increasing the assessed valuation of properties within the Revenue Allocation Area and the Project Area as a whole, and benefiting the various taxing districts in which the Urban Renewal Area is located;

The creating of public spaces, gateway entries, and the like;

The provision of civic buildings or community facilities owned or occupied by other public entities including the City of Payette;

The site preparation of parcels to encourage private development; and

The preparation of the framework to increase residential opportunity within the Project Area.

A. [§101] General Procedures of the Agency

The Agency is a public body, corporate and politic, as defined and described under the Law and the Act. The Agency is also governed by its bylaws as authorized by the Law and adopted by the Agency. Under the Law, the Agency is governed by the Idaho open meeting law, the Public Records Act, the Ethics in Government Act, financial reporting requirements, and the competitive bidding requirements under Chapter 28, Title 67, Idaho Code.

The Agency shall conduct all meetings in open session and allow meaningful public input as mandated by the issue considered or by any statutory or regulatory provision. Whenever in this Plan it is stated that the Agency may modify, change, or adopt certain policy statements or contents of this Plan not requiring a formal amendment to the Plan as required by the Law or the Act, it shall be deemed to mean a consideration by the Board of such policy or procedure, duly noticed upon the Agency meeting agenda and

considered by the Agency at an open public meeting and adopted by a majority of the members present, constituting a quorum, unless any provision herein provides otherwise.

B. [§102] Provisions Necessary to Meet State and Local Requirements

1. [§103] Conformance With State of Idaho Urban Renewal Law of 1965, as Amended

- a. The laws of the State of Idaho require that an Urban Renewal Plan be prepared by the Payette Urban Renewal Agency for an area certified as an Urban Renewal Area by the Payette City Council. The Urban Renewal District outline was passed by the City Council by Resolution #05-07 on December 5, 2005.
- b. In accordance with the Idaho Urban Renewal Law of 1965, this Plan was submitted to the Planning Commission of the City of Payette. After consideration of the Plan, the Commission filed a resolution with the City Council stating that this Plan is in conformity with the Comprehensive Plan, City of Payette.
- c. Pursuant to the Idaho Urban Renewal Law of 1965, as amended, and the Local Economic Development Act, the City Council having published due notice thereof, a public hearing was held on this Plan. Notice of the hearing was duly published in a newspaper having general circulation. The City Council adopted this Plan on _____, 2006, by Ordinance No. _____.

C. [§104] History and Current Conditions of the Area

The community of Payette has a population of 7,054 and is located at the confluence of the Snake and Payette Rivers in southwestern Idaho. Fur trappers and miners, who explored the Payette River basin during the early 1800's, were followed by homesteaders who quickly developed irrigation systems and cleared the land for agricultural production. During the 1860's an Oregon Shortline railroad base camp, called Boomerang, was constructed. The site and community, which grew around it, was later named Payette in honor of the first area settler, Francois Payette. The valley, famous for its fruit and row crop farming seemed to explode with a number of enterprising individuals who built a legacy of successful businesses, handsome homes and buildings. The City was incorporated in 1891 and became the county seat of Payette County in 1917. During its early growth years, Payette was the central trading area for the valley. It is located on the Idaho/Oregon border in the Western Treasure Valley region of the State. The city is located along highway 95, the major North-South route in Idaho between the cities of Fruitland and Weiser. The terrain consists of rolling hills and bench lands with mountain regions to the north and south.

Payette's close proximity to the Oregon border has proved to be a hindrance to the development of a multi-faceted economy due to Oregon's lack of sales tax. The city of Payette strives to continue to be a viable community for its residents and realizes the need for public improvements to make the city more attractive for investment possibilities.

Payette County has been identified as the 16th fastest growing county in Idaho from 2000-2003 and is continuing to grow at a steady rate. The City of Payette celebrates and embraces its agricultural heritage

and strives to maintain the rural character that makes the city such a memorable place. With the increasing demand for housing and services including employment in the area the strain that has been placed on the city's infrastructure is evident. Deteriorated or deteriorating conditions currently exist within the City and it is the goal of the Urban Renewal Agency to correct these conditions and make Payette a safer and more enjoyable place for residents and visitors alike.

The City of Payette contains myriad different developments and vacant lots alike. Many sites within the boundaries of the Urban Renewal District are potential gray and brown fields where industrial uses have been abandoned and underutilized land and unsightly buildings are all that remain. The economy of the City plays a large role in the change in land use patterns as it shifts from an agricultural-based economy to one that finds its foundation in retail, light industrial, and commercial uses. Infrastructure within the city is in need of a funding mechanism to rehabilitate these deteriorating conditions. The entrance to downtown Payette off of Highway 95 is not currently a definable entrance to this city and the Urban Renewal Agency will dedicate one phase of rehabilitation to ensuring that signage and lighting are created in order to craft a gateway to the City that emphasizes its rich history and inviting citizens.

1. Existing Social Conditions

- A. Unsafe and hazardous traffic and pedestrian conditions exist which endanger life, buildings and structures having conditions which are unfit or unsafe to occupy, resulting from;
 - I. *Inadequate and Unsafe Public Rights of Way*
 - Surfacing of roadways in deterioration
 - Narrow roadways
 - Partially paved streets
 - Partially completed rights-of-way
 - Unpaved streets
 - Uncompleted (dead end) rights of way
 - II. *Dilapidation or Deterioration*
 - Structural conditions of buildings and poor site conditions in comparison to remainder of City.
 - III. *Age or Obsolescence*
 - Age of buildings
 - Obsolescence is mainly applicable to industrial and commercial buildings where size, layout, or other original design features may no longer be appropriate to current uses.

2. Existing Economic Conditions

- A. Public Rights of Way, Buildings, Structures and Conditions as described previously which result in economic underdevelopment of the area.
 - I. *Inadequate and sub-standard traffic movements and flow*
 - Streets, sidewalks, curbs, gutters are non-existent or in disrepair
 - Poor traffic circulation
 - Street lighting non-existent or in disrepair
 - II. *Substantially impairs or arrests the sound growth of the municipality.*

- a. Inadequate public improvements
 - Public improvements should be surveyed to determine adequacy/inadequacy by using the following factors
 - poor physical conditions
 - age
 - deterioration
 - improper design
 - lack of sufficient capacity
 - total absence of improvement in face of demonstrable need
- b. Inadequate public facilities
 - Need to be evaluated as in "a"(above)
 - Parks
 - Parking Facilities
- c. Inadequate utilities
 - Should be evaluated as in "a" (above)
 - Water processing and distribution facilities
 - Gas
 - Electrical
 - Cable television
 - Telephone
 - Sewage treatment facilities
 - Sewers, storm drains

III. *Retards the provision of housing accommodations or constitutes an economic or social liability and is a menace to public health, safety, morals or welfare in its present conditions and use.*

- a. Shifting of uses
 - Rapid changes in tenants within commercial structures
 - Conversions to uses other than the original use
- b. Prevalence of depreciated values

- c. Prevalence of impaired investments

An "impaired investment" is a rented or leased commercial, industrial or residential property on which the values or the return on the owner's equity are diminished or have stopped altogether, and/or the equity itself is in danger of being partially or totally lost. These conditions are evidenced by;

 - Decline in gross sales or rent
 - Inordinate increases in expenses due to circumstances existing in the area such as higher insurance costs, inability to obtain insurance at all, or higher costs for security protection
 - Increasing vacancy rates
 - Inability to sell properties at reasonable prices
 - Inability to obtain loans to maintain, rehabilitate or expand
 - Increased public safety related issues
- d. Prevalence of economic maladjustment
 - Business failures and move-outs
 - Declining employment figures
 - Increasing unemployment
 - Vacant stores and buildings
 - Declining business registrations
 - Declining property tax revenues and increasing police and fire services
 - Declining sales taxes or stagnation of same
 - Inability of property owners to bear special assessments
 - Low incomes of residents
- e. Existing land uses are inappropriate to needs of businesses, industries and residents of the city
 - The existence of vacant or partially vacant buildings of recent construction
 - The existence of unused or unique facilities of marginal need or usefulness
 - Lack of expansion area
 - Lack of proper access for customers and deliveries
 - Lack of transportation facilities
 - Lack of adequate parking
 - Lack of necessary utilities such as water and power
 - Improper Zoning

This Urban Renewal Plan describes the project area and improvements, how those improvements will be funded and outlines the powers, duties and obligations of the City Of Payette Urban Renewal Agency (the Agency). This plan, by way of adopted ordinance, establishes the City of Payette Urban Renewal Area and Tax Allocation District, which is approximately 5 acres. The Tax Allocation district consists of 5.138 acres and is zoned industrial. The assessed value of the land based upon 2005 Tax Year Values, within the revenue allocation area is \$926,047 and consists primarily of underutilized and vacant

lots. The assessed value of the eligible Urban Renewal boundary is \$22,398,387, based upon 2005 Tax Year Values. Seneca Foods Corporation is located within the Urban Renewal Plan area and is one of the few viable productive uses of land within the boundary. Buildings are abandoned, as are large parcels that contain nothing more than rubbish.

The City of Payette Urban Renewal district is proposed under the Idaho Urban Renewal law. For instance, a phasing plan in these types of districts is usually infeasible as improvements made in one part of the district, may provide benefits to another area of the district by reducing traffic congestion, improving public safety, and reducing unfavorable items for example, vacant lots, crime and poor public utilities. This generally requires that the entire urban renewal district be adopted as a tax increment district because of interrelation of improvements and benefits with a deteriorated urban renewal district and the inability to predict what areas exactly will benefit from an improvement made in a deteriorated area.

The preparation and approval of an urban renewal plan, including a revenue allocation financing provision, gives the City additional resources to solve the public infrastructure problems in this area. Revenue allocation financing should help to improve the situation. In effect, property taxes generated by new developments within the area may be used by the City's urban renewal agency to finance a variety of needed public improvements and facilities. Finally, some of the new developments may also generate new jobs in the community that would, in turn, benefit area residents.

Additionally, orderly development of the revenue allocation area will create a viable industrial area with easy access to highways, railways and within close proximity to downtown making Payette a more attractive opportunity for new and future businesses.

D. [§105] Purpose of Activities

The description of activities, public improvements, and the estimated costs of those items are intended to create an outside limit of the Agency's activity. The Agency reserves the right to change amounts from one category to another, as long as the overall total amount estimated is not substantially exceeded. The items and amounts are not intended to relate to any one particular development, developer, or owner. Rather, the Agency intends to discuss and negotiate with any owner or developer who seeks Agency assistance. During such negotiation, the Agency will determine, on an individual basis, the eligibility of the activities sought for Agency funding, the amount the Agency may fund by way of percentage or other criteria including the need for such assistance. The Agency will also take into account the amount of revenue allocation proceeds estimated to be generated from the developer's activities. The Agency also reserves the right to establish by way of policy, its funding percentage or participation, which would apply to all developers and owners.

The Agency also reserves its discretion and flexibility in deciding which improvements should be funded and at what level, whether using its own funds or funds generated by other sources.

The activities listed in Attachment 5 are also prioritized by way of importance to the Agency by the amounts funded, and by year of funding, with earlier years reflecting the more important activities, achievement of higher objectives, long-term goals, and commitments. As required by the Law and Act, the Agency will adopt more specific budgets annually. The Agency reserves the right to prioritize the several

projects described in this Plan. The Agency reserves the right to retain its flexibility in funding the various activities.

Throughout this Plan there are references to Agency activities, Agency funding, and the acquisition, development, and contribution of public improvements. Such references do not necessarily constitute a full, final, and formal commitment by the Agency, rather granting to the Agency the discretion to participate as stated, subject to achieving the objectives of this Plan and provided such activity is deemed eligible under the Idaho Urban Renewal Law and the Local Economic Development Act.

E. [§106] Open Land Criteria

Such open land areas may be acquired by the Agency and developed for nonresidential uses if such acquisition is needed to solve various problems, associated with the land or the public infrastructure, that have retarded its development. These problems include defective or usual conditions of title, diversity of ownership, tax delinquency, improper subdivisions, outmoded street patterns, deterioration of site, and faulty lot layout, all of which are included in one form or another in the Section 50-2903(8)(b) definition of deteriorated area. The problems that are listed only in Section 50-2008(d)(4)(2) (the open land section) include economic disuse, unsuitable topography, and "the need for the correlation of the area with other areas of a municipality by streets and modern traffic requirements, or any combination of such factors or other conditions which retard development of the area."

Such areas qualify if any of the standard 50-2018(i) and 59-2903(8)(b) characteristics apply. But such areas also qualify if any of the problems listed only in 50-2008(d)(4)(2) apply. Clearly, lack of water and sewer facilities, a nonexistent street system, lack of fire protection facilities, and possible additional groundwater pollution are all conditions, which retard development of the area.

II. [§200] DESCRIPTION OF PROJECT AREA

The Urban Renewal Area as shown on Attachment 1 and as described in Attachment 2 is the entire area referred to as the Project Area. The Agency may use its funding resources, including revenue allocation proceeds, to fund public improvements within the various rights-of-way and railroad right-of-way. The Urban Renewal Area as shown on Attachment 1 and as described in Attachment 2 is the area from which revenue allocation proceeds will be received.

For purposes of boundary descriptions and use of proceeds for payment of improvements, the boundary shall be deemed to extend to the outer boundary of rights-of-way, including the railroad right-of-way.

III. [§300] PROPOSED REDEVELOPMENT ACTIONS

A. [§301] General

The Agency proposes to eliminate and prevent the spread of blight and deterioration in the Project Area by:

1. The acquisition of certain real property (if needed);
2. The demolition or removal of certain buildings and improvements for public rights-of-way for streets, utilities, walkways, and other improvements, for public facility building sites, to eliminate unhealthful, unsanitary, or unsafe conditions, enhance density, eliminate obsolete or other uses detrimental to the public welfare or otherwise to remove or to prevent the spread of blight or deterioration;
3. The provision for participation by property owners within the Project Area to achieve the objectives of this Plan;
4. The management of any property acquired by and under the ownership and control of the Agency;
5. The provision for relocation assistance to displaced Project occupants, as required by law;
6. The installation, construction, or reconstruction of streets, utilities, including electrical distribution and transmission lines in underground configuration, if needed to encourage new developments, fiber optic or other communication systems, and other public improvements, including, but not limited to, irrigation and drainage laterals and ditches, storm drain systems, water and sewer improvements, fire protection systems, railroad crossings, switches and extensions, and other public improvements., including civic buildings or community facilities owned or occupied by other public agencies including City of Payette storm drain systems, and walkways;
7. The disposition of property for uses in accordance with this Plan;
8. The redevelopment of land by private enterprise or public agencies for uses in accordance with this Plan, including participation by the Agency in Site Preparation;
9. The rehabilitation of structures and improvements by present owners, their successors, and the Agency;
10. The preparation and assembly of adequate sites for the development and construction of facilities for industrial, commercial, governmental, and other ancillary uses;
11. To the extent allowed by law, lend or invest federal funds to facilitate redevelopment;
12. The construction of foundations, platforms, and other like structural forms necessary for the provision or utilization of air rights, sites for buildings to be used for residential, commercial, industrial, and other uses contemplated by the Plan, and to provide utilities to the development site; and

In the accomplishment of these purposes and activities and in the implementation and furtherance of this Plan, the Agency is authorized to use all the powers provided in this Plan and all the powers now or hereafter permitted by law.

B. [§302] Urban Renewal Plan Objectives

Urban Renewal action is necessary in the Project Area to combat problems of physical deterioration and economic underdevelopment.

The Urban Renewal Project Area consists of approximately 5.138 acres. The area begins south of 2nd Avenue North to the north, runs directly down South 6th Street and includes three blocks ending at 4th Avenue South. The area has a history of a slow-growing tax base primarily attributed to: undeveloped areas and lack of modern public improvements.

This environment contrasts sharply with the growing economic and cultural strength of the City of Payette, and the Payette County region. The construction of connecting utilities and streets will aid, assist, and enhance traffic flow and provide more adequate utility service to the property to enhance the overall development of said property.

The above-described area has a history of a slow-growing tax base primarily attributed to inadequate and deteriorated public improvements and facilities, poorly maintained properties, undeveloped and underdeveloped properties, diverse property ownership, parcel site and configuration, and other deteriorating factors.

Hence, the Urban Renewal Plan for the Project Area is a proposal for street, utilities, and railroad spur improvements to provide an improved environment for new commercial and industrial facilities, eliminate unsafe conditions, and to otherwise prevent the extension of deterioration and reverse the deteriorating action of the area.

Any streets or other rights-of-way to be vacated or relocated will create additional building area for development or public use. Vacations or relocations must be requested from the City of Payette, or any agency having jurisdiction over the particular public right-of-way.

Air rights and subterranean rights may be disposed of for any permitted use within the Project Area boundaries.

Less than fee acquisition may be utilized by the Payette Urban Renewal Agency when and if necessary to promote redevelopment in accordance with the objectives of the Plan.

Temporary project improvement shall be provided to facilitate adequate vehicular and pedestrian circulation. Agency participation in the cost of removal of extraordinary site conditions such as a topographical land variance.

The provisions of this Plan are applicable to all public and private property in the Project Area. The provisions of the Plan shall be interpreted and applied as objectives and goals, recognizing the need for flexibility in interpretation and implementation, while at the same time not in any way abdicating the rights

and privileges of the property owners which are vested in the present and future zoning classifications of the properties. All development under an owner participation agreement shall conform to those standards specified in Section 304 of this Plan.

Without direct public intervention, much of the Project Area could conceivably remain unchanged for the next several years. It is anticipated success will come through several public-private partnerships. The Plan creates the necessary flexible framework for the Project Area to capture a share of Payette's growing industrial economy.

C. [§303] Participation Opportunities and Agreement

1. [§304] Participation Agreements

The Agency shall enter into an owner participation agreement with any existing or future owner of property, in the event the property owner seeks and/or receives assistance from the Agency in the redevelopment of the property. In that event, the Agency may allow for an existing or future owner of property to remove his property and/or structure from future Agency acquisition subject to entering into an owner participation agreement.

Each structure and building in the Project Area to be rehabilitated or to be constructed as a condition of the owner participation agreement between the Agency and the owner pursuant to this Plan will be considered to be satisfactorily rehabilitated and constructed, and the Agency will so certify, if the rehabilitated or new structure meets the following standards:

- a. Executed owner participation agreement to meet conditions described below.
- b. Any such property within the Project shall be required to conform to all applicable provisions, requirements, and regulations of this Plan. The owner participation agreement may require as a condition of financial participation by the Agency a commitment by the property owner to meet the greater objectives of the land use elements identified in the Comprehensive Plan, applicable zoning ordinance, and any Framework Master Plan. Upon completion of any rehabilitation each structure must be safe and sound in all physical respects and be refurbished and altered to bring the property to an upgraded marketable condition that will continue throughout an estimated useful life for a minimum of twenty (20) years.
- c. All such buildings or portions of buildings which are to remain within the Project Area shall be rehabilitated in conformity with all applicable codes and ordinances of the City of Payette.
- d. Any new construction shall also conform to all applicable provisions, requirements, and regulations of this Plan.
- e. Any new construction shall also conform to all applicable codes and ordinances of the City of Payette.

All such agreements will address phasing issues, justification and eligibility of project costs, and achievement of the objectives of the Urban Renewal Plan. Agency shall retain its discretion in the funding level of its participation.

In such participation agreements, participants who retain real property shall be required to join in the recordation of such documents as may be necessary to make the provisions of this Plan applicable to their properties.

In the event a participant fails or refuses to rehabilitate, develop, use, and maintain its real property pursuant to this Plan and a participation agreement, the real property or any interest therein may be acquired by the Agency in accordance with Section 307 of this Plan and sold or leased for rehabilitation or development in accordance with this Plan.

Owner participation agreements may be used to implement the following objectives:

- a. Encouraging established businesses to revitalize deteriorating areas of their parcels to accelerate the enhancement of the street environment in the Plan area.
- b. Subject to the limitations of the Law and the Act, providing incentives to existing business owners to encourage continued utilization and expansion of existing permitted uses to prevent properties from falling into disuse, a proliferation of vacant and deteriorated parcels and a reduction in area employment.
- c. Allowing existing nonconforming uses to continue in accordance with City regulations and to accommodate improvements and expansions allowed by City regulations.
- d. Subject to the limitations of the Act, providing incentives to improve nonconforming properties so they implement the design guidelines contained in this Plan to the extent possible and to encourage an orderly transition from nonconforming to conforming uses over the next twenty-four (24) years.

D. [§305] Cooperation With Public Bodies

Certain public bodies are authorized by state law to aid and cooperate, with or without consideration, in the planning, undertaking, construction, or operation of this Project. The Agency shall seek the aid and cooperation of such public bodies and shall attempt to coordinate this Plan with the activities of such public bodies in order to accomplish the purposes of redevelopment and the highest public good.

The Agency, by law, is not authorized to acquire real property owned by public bodies without the consent of such public bodies. The Agency will seek the cooperation of all public bodies, which own or intend to acquire property in the Project Area. All plans for development of property in the Project Area by a public body shall be subject to Agency approval, in the event the Agency is providing any financial assistance.

Subject to applicable authority, the Agency may impose on all public bodies the planning and design controls contained in this Plan to insure that present uses and any future development by public bodies will conform to the requirements of this Plan. The Agency is authorized to financially (and otherwise) assist any public entity in the cost of public land, buildings, facilities, structures, or other improvements of the Project Area.

The Agency specifically intends to cooperate to the extent allowable with the City of Payette and other public entities for the construction of street and utility improvements. The Agency shall also cooperate with the City of Payette on various relocation, screening, or underground projects, the providing of fiber optic capability, and the funding of water and sewer improvements. To the extent any public entity, including the City of Payette, has funded certain improvements such as water and sewer facilities, the Agency may reimburse those entities for those expenses. The Agency also intends to cooperate and seek available assistance from state and federal sources for economic development.

In the event the Agency is participating in the public development by way of financial incentive or otherwise, the public body shall enter into a participation agreement with the Agency and then shall be bound by the Plan and other land use elements and shall conform to those standards specified in Section 304 of this Plan.

E. [§306] Property Acquisition

1. [§307] Real Property

Only as specifically authorized herein, the Agency may acquire, but is not required to acquire, real property located in the Project Area where it is determined that the property is needed for public rights-of-way to construct certain street improvements by any means authorized by law (including, but not limited to, the Idaho Urban Renewal Law, the Local Economic Development Law, and the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended). The Agency is authorized to acquire either the entire fee or any other interest in real property less than a fee, including structures and fixtures upon the real property. Other property that the Agency may acquire for public improvements and facilities is identified in Attachment 3.

Agency acquisition of any real property to assist any developer or owner participant attempting to assemble land for development within the Project Area, or to respond to an owner of property within the Project Area who wishes to convey title of such property to the Agency by any voluntary legal means, including by gift, shall be accomplished by way of agreement without formal amendment to this Plan.

The Agency may acquire, but is not required to acquire, by gift, devise, exchange, purchase, eminent domain, or any other lawful method that property identified in Attachment 3. Such acquisition and subsequent disposition shall be made for development by the Agency or private developer to achieve those objectives set forth herein.

It is in the public interest and is necessary in order to eliminate the conditions requiring redevelopment and in order to execute this Plan for the power of eminent domain to be employed by the Agency to acquire real property in the Project Area which cannot be acquired by gift, devise, exchange, purchase, or any other lawful method.

Only as specifically authorized herein, the Agency may acquire, but is not required to acquire, any real property located in the Project Area where it is determined that the property is needed for construction of public improvement, should be acquired to eliminate or mitigate the deteriorated or deteriorating conditions, and as otherwise allowed by law. The acquisition shall be by any means authorized by law (including, but not limited to, the Idaho Urban Renewal Law, the Local Economic Development Law, and the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended). The Agency is authorized to acquire either the entire fee or any other interest in real property less than a fee, including structures and fixtures upon the real property, without acquiring the land upon which those structures and fixtures are located.

The Agency shall not acquire real property to be retained by an owner pursuant to a participation agreement if the owner fully performed under the agreement.

Generally, the Agency intends to acquire any real property through voluntary or consensual gift, devise, exchange, or purchase. Such acquisition of property may be for the development of the public improvements identified in this Plan, or for the assembly of properties for the redevelopment of those properties to achieve the objectives of this Plan. Such properties may include properties owned by private parties or public entities. This Plan does not anticipate the Agency's widespread use of its resources for property acquisition, except for the construction of public improvements and any ability to engage in certain demonstration projects, such as enhancement opportunities and other major objectives outlined in this Plan and entries to the City and in limited circumstances for assembly of properties for enhanced redevelopment.

It is in the public interest and is necessary in order to eliminate the conditions requiring redevelopment and in order to execute this Plan for the power of eminent domain to be employed by the Agency to acquire real property in the Project Area which cannot be acquired by gift, devise, exchange, purchase, or any other lawful method.

The Agency shall not acquire real property on which an existing building is to be continued on its present site and in its present form and use without the consent of the owner unless: (a) such building requires structural alteration, improvement, modernization, or rehabilitation; (b) the site or lot on which the building is situated requires modification in size, shape, or use; (c) it is necessary to impose upon such property any of the controls, limitations, restrictions, and requirements of this Plan and the owner fails or refuses to execute a participation agreement in accordance with the provisions of this Plan; or (d) the site or portion thereof is necessary for public improvements.

The purpose of this section is to allow the Agency to use its eminent domain authority to acquire properties necessary for the construction of public improvements, for acquisition of those sites that are deteriorated or deteriorating as described above, or for assembly of parcels for greater development.

Under the provisions of the Act, the urban renewal plan "shall be sufficiently complete to indicate such land acquisition, demolition and removal of structures, redevelopment, improvements, and rehabilitation as may be proposed to be carried out in the urban renewal area" Idaho Code § 50-2018(1). At the present time, the Agency cannot specifically identify which parcels may be necessary for acquisition

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for public improvements. The Agency reserves the right to determine which properties, if any, should be acquired.

The Idaho Legislature, during its Second Regular Session, Fifty Eighth Legislature, adopted House Bill 555, signed into law by the Governor, effective July 1, 2006, Session Laws Chapter 96. House Bill 555 restricts the use of eminent domain by an urban renewal agency for promoting or effectuating economic development unless the specific property to be condemned is proven by clear and convincing evidence that it possesses characteristics as defined in the statute, including an actual risk of harm to the public health, safety, morals, or general welfare, endangers property by fire or other peril, or poses an actual identifiable threat to building occupants. Such findings, if made by an urban renewal agency, are freely reviewable in the course of judicial proceedings.

This plan does not anticipate the use of eminent domain for acquisition of property for economic development by a private entity. In the event the Agency seeks to invoke such authority, the Agency will comply with the new legislative mandate.

2. [§308] Personal Property

Generally, personal property shall not be acquired. However, where necessary in the execution of this Plan, the Agency is authorized to acquire personal property in the Project Area by any lawful means, including eminent domain. For purposes of this Plan, acquisition of certain permanent fixtures or improvements upon real property shall be governed by this section. The Agency retains the right to purchase those fixtures or improvements (including buildings) for the purpose of eliminating certain deteriorated or deteriorated structures to facilitate the redevelopment the real property upon which the buildings and structures are located. Such acquisition shall be based upon appraised value of the structures and negotiation with the owner of the structures. The Agency shall take into account, before committing to such acquisition, any environmental or other liability present or potentially present in such structures. In the event, the Agency determines to acquire such property; it shall do so upon the successful negotiation of an owner participation agreement in compliance with the terms of Section 304 of this Plan. In addition, such owner shall commit to the redeployment of the real property and to maintain the real property in a safe and clean manner. The Agency shall acquire such property by way of any acceptable conveyance.

F. [§309] Property Management

During such time such property, if any, in the Project Area is owned by the Agency, such property shall be under the management and control of the Agency. Such property may be rented or leased by the Agency pending its disposition for redevelopment, and such rental or lease shall be pursuant to such policies as the Agency may adopt.

G. [§310] Relocation of Persons (Including Individuals and Families), Business Concerns, and Others Displaced by the Project

If the Agency receives federal funds for real estate acquisition and relocation, the Agency shall comply with 24 C.F.R. Part 42, implementing the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended. The Agency may also undertake relocation activities for

those not entitled to benefit under federal law, as the Agency may deem appropriate for which funds are available. The Agency's activities should not result in the displacement of families within the area. In the event the Agency's activities result in displacement, the Agency shall compensate such residents by providing reasonable moving expenses into decent, safe, and sanitary dwelling accommodations within their means and without undue hardship to such families. The Agency will not participate in any private redevelopment activity which will result in displacement of families unless a method exists for the relocation of displaced families in decent, safe, and sanitary dwelling accommodations within their means and without undue hardship to such families. For any other activity, the Agency will comply with the provisions of the Idaho Urban Renewal Law regarding relocation.

The Agency reserves the right to extend benefits for relocation to those not otherwise entitled to relocation benefits as a matter of state law under the Act or the Law. The Agency may determine to use as a reference the relocation benefits and guidelines promulgated by the federal government, the state government, or local government, including the State Department of Transportation. The intent of this section is to allow the Agency sufficient flexibility to award relocation benefits on some rational basis, or by payment of some lump sum per case basis. The Agency may also consider the analysis of replacement value for the compensation awarded to either owner occupants or businesses displaced by the Agency to achieve the objectives of this Plan. The Agency may adopt relocation guidelines which would define the extent of relocation assistance in non-federally-assisted projects and which relocation assistance to the greatest extent feasible would be uniform.

For displacement of families, the Agency shall comply with, at a minimum, the standards set forth in the Law. The Agency shall also comply with all applicable state laws concerning relocation benefits.

H. [§311] Demolition, Clearance, and Building and Site Preparation

1. [§312] Demolition and Clearance

The Agency is authorized (but not required) to demolish and clear buildings, structures, and other improvements from any real property in the Project Area as necessary to carry out the purposes of this Plan.

2. [§313] Preparation of Building Sites

The Agency is authorized (but not required) to prepare, or cause to be prepared, as building sites any real property in the Project Area owned by the Agency. In connection therewith, the Agency may cause, provide for, or undertake the installation or construction of streets, utilities, and other public improvements necessary to carry out this Plan. The Agency is also authorized (but not required) to construct foundations, platforms, and other structural forms necessary for the provision or utilization of air rights sites for buildings to be used for industrial, commercial, private, public, and other uses provided in this Plan. The Agency is also authorized (but not required) to purchase certain site or building improvements for purpose of site preparation and development. The Agency is also authorized (but not required), to participate in the Site Preparation and clearance of Private Properties to assist in the redevelopment of those Private Properties.

I. [§314] Property Disposition and Development

1. [§315] Real Property Disposition and Development

a. [§316] General

For the purposes of this Plan, the Agency is authorized to sell, lease, exchange, subdivide, transfer, assign, pledge, encumber by mortgage or deed of trust, or otherwise dispose of any interest in real property under the reuse provisions set forth in Idaho Code Section 50-2011. To the extent permitted by law, the Agency is authorized to dispose of real property by negotiated lease, sale, or transfer without public bidding.

Real property acquired by the Agency may be conveyed by the Agency and, where beneficial to the Project Area, without charge to any public body as allowed by law. All real property acquired by the Agency in the Project Area shall be sold or leased to public or private persons or entities for development for the uses permitted in this Plan.

All purchasers or lessees of property acquired from the Agency shall be obligated to use the property for the purposes designated in this Plan, to begin and complete development of the property within a period of time which the Agency fixes as reasonable, and to comply with other conditions which the Agency deems necessary to carry out the purposes of this Plan.

b. [§317] Disposition and Development Documents

To provide adequate safeguards to ensure that the provisions of this Plan will be carried out and to prevent the recurrence of blight, all real property sold, leased, or conveyed by the Agency, as well as all property subject to participation agreements, is subject to the provisions of this Plan.

The Agency shall reserve such powers and controls in the disposition and development documents as may be necessary to prevent transfer, retention, or use of property for speculative purposes and to ensure that development is carried out pursuant to this Plan.

Leases, deeds, contracts, agreements, and declarations of restrictions of the Agency may contain restrictions, covenants, covenants running with the land, rights of reverter, conditions subsequent, equitable servitudes, or any other provisions necessary to carry out this Plan. Where appropriate, as determined by the Agency, such documents, or portions thereof, shall be recorded in the office of the Recorder of Payette County.

All property in the Project Area is hereby subject to the restriction that there shall be no discrimination or segregation based upon race, color, creed, religion, sex, age, national origin, or ancestry in the sale, lease, sublease, transfer, use, occupancy, disability/handicap, tenure, or enjoyment of property in the Project Area. All property sold, leased, conveyed, or subject to a participation agreement shall be expressly subject by appropriate documents to the restriction that all deeds, leases, or contracts for the sale, lease, sublease, or other transfer of land in the Project Area shall contain such nondiscrimination and nonsegregation clauses as required by law.

The land and/or air rights and subterranean rights acquired by the Payette Urban Renewal Agency will be disposed of subject to an agreement between the Agency and the Developers. The Developers (including owner/participants) will be required by the contractual agreement to observe the Land Use and Building Requirements provision of this Plan and to submit a Redevelopment Schedule satisfactory to the Agency. Schedule revisions will be made only at the option of the Payette Urban Renewal Agency.

As required by law or as determined in the Agency's discretion to be in the best interest of the Agency and the public, the following requirements and obligations shall be included in the agreement.

That the Developers, their successors, and assigns agree:

- (1) That a plan and time schedule for the proposed development shall be submitted to the Payette Urban Renewal Agency.
- (2) That the purchase or lease of the land and/or subterranean rights and/or air rights is for the purpose of redevelopment and not for speculation.
- (3) That the building of improvements will be commenced and completed as jointly scheduled and determined by the Payette Urban Renewal Agency and the Developer(s).
- (4) That there will be no discrimination against any person or group of persons because of disability/handicap, age, race, sex, creed, color, national origin, or ancestry, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises or any improvements erected or to be erected thereon, therein conveyed; nor will the Developer himself or any person claiming under or through him establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, sublessees, or vendees in the premises or any improvements erected, or to be erected thereon, therein conveyed. The above provision will be perpetual and will be appended to the land disposed of within the Urban Renewal Project Area by the Payette Urban Renewal Agency.
- (5) That the site and construction plans will be submitted to the Agency for review as to conformity with the provisions and purposes of this Urban Renewal Plan.
- (6) That consideration will be given to businesses in the Project Area for lease or purchase of appropriate facilities.
- (7) That rehabilitation of any existing structure must assure that the structure is safe and sound in all physical respects and be refurbished and altered to bring the property to an upgraded marketable condition, which will continue throughout an estimated useful life for a minimum of twenty (20) years.
- (8) That the Agency receives adequate assurance acceptable to the Agency to ensure performance under the contract for sale.

- (9) All such buildings or portions of the buildings, which are to remain within the Project Area, shall be reconstructed in conformity with all applicable codes and ordinances of the City of Payette.
- (10) All disposition and development documents shall be governed by the provisions of Section 420 of this Plan.

The Agency also reserves the right to determine the extent of its participation based upon the achievements of the objectives of this Plan

c. [§318] Development by the Agency

To the extent now or hereafter permitted by law, the Agency is authorized to pay for, develop, or construct any publicly-owned building, facility, structure, or other improvement within the Project Area for itself or for any public body or entity, which buildings, facilities, structures, or other improvements are or would be of benefit to the Project Area. Specifically, the Agency may pay for, install, or construct the buildings, facilities, structures, and other improvements identified in Attachment 5, attached hereto and incorporated herein by reference, and may acquire or pay for the land required therefore.

The Agency may also prepare properties for development by renovation or other means as allowed by law. The Agency may also, as allowed by law, assist in the development of private projects.

In addition to the public improvements authorized under Idaho Code Section 50-2007, 50-2018, and 50-2903(9), (13), and (14), the Agency is authorized to install and construct, or to cause to be installed and constructed, within the Project Area for itself or for any public body or entity, public improvements and public facilities, including, but not limited to, the following: (1) utilities; (2) telecommunications (including fiber-optic) facilities; (3) landscaped areas; (4) street improvements; (5) flood control facilities and storm drains; (6) water mains; (7) fire prevention; (8) railroad crossings, switches, and extensions; and (9) other public infrastructure.

Any public facility ultimately owned by the Agency shall be operated and managed in such a manner to preserve the public purpose nature of the facility. Any lease agreement with a private entity or management contract agreement shall include all necessary provisions sufficient to protect the public interest and public purpose.

The Agency may enter into contracts, leases, and agreements with the City, or other public body or private entity, pursuant to this section, and the obligation of the Agency under such contract, lease, or agreement shall constitute an indebtedness of the Agency as described in Idaho Code Section 50-2909 which may be made payable out of the taxes levied in the Project Area and allocated to the Agency under subdivision (2)(b) of Section 50-2908 of the Act and Section 504 to this Plan or out of any other available funds.

d. [§319] Development Plans

All development plans (whether public or private) prepared, pursuant to disposition and development or owner participation agreements, shall be submitted to the Agency for approval and

architectural review. All development in the Project Area must conform to those standards specified in Section 421, infra.

2. [§320] Personal Property Disposition

For the purposes of this Plan, the Agency is authorized to lease, sell, exchange, transfer, assign, pledge, encumber, or otherwise dispose of personal property, which is acquired by the Agency.

J. [§321] Rehabilitation and Conservation

The Agency is authorized to rehabilitate, renovate, and conserve, or to cause to be rehabilitated, renovated, and conserved, any building or structure in the Project Area owned by the Agency for preparation of redevelopment and disposition. The Agency is also authorized and directed to advise, encourage, and assist in the rehabilitation and conservation of property in the Project Area not owned by the Agency.

As necessary in carrying out this Plan, the Agency is authorized to move, or to cause to be moved, any substandard structure or building or any structure or building, which can be rehabilitated to a location within or outside the Project Area.

K. [§322] Participation With Private Development or Public Development

Under the Idaho Urban Renewal Law the Agency has the authority to lend or invest funds obtained from the federal government for the purposes of the Urban Renewal law if allowable under federal laws or regulations. The federal funds that may be available to the Agency are governed by regulations promulgated by the Department of Housing and Urban Development for the Community Development Block Grant Program, the Economic Development Administration, the Small Business Administration, or other federal agencies.

Under those regulations the Agency may participate with the private sector in the development and financing of those private projects that will attain certain federal objectives.

The Agency may, therefore, use the federal funds for the provision of assistance to private for-profit business, including, but not limited to, grants, loans, loan guarantees, interest supplements, technical assistance, and other forms to support, for any other activity necessary or appropriate to carry out an economic development project.

As allowed by law, the Agency may also use funds from any other sources for any purpose set forth under the Law or Act.

The Agency may enter into contracts, leases, and agreements with the City, or other public body or private entity, pursuant to this section, and the obligation of the Agency under such contract, lease, or agreement shall constitute an indebtedness of the Agency as described in Idaho Code Section 50-2909 which may be made payable out of the taxes levied in the Project Area and allocated to the Agency under subdivision 2(b) of Section 50-2908 of the Local Economic Development Act and Section 504 to this Plan or out of any other available funds.

L. [§323] Conforming Owners

The Agency may, at the Agency's sole and absolute discretion, determine that certain real property within the Project Area presently meets the requirements of this Plan, and the owner of such property will be permitted to remain as a conforming owner without a participation agreement with the Agency, provided such owner continues to operate, use, and maintain the real property within the requirements of this Plan.

IV. [§400] USES PERMITTED IN THE PROJECT AREA

A. [§401] Redevelopment Plan Map and Development Strategy

The Urban Renewal Project Area Map, and the Description of the Urban Renewal Project Area Boundaries, attached hereto as Attachments 1, and 2, incorporated by reference, describe the proposed land uses to be permitted in the Project Area for all land—public and private. The proposed land uses to be permitted in the Project Area for all land, public and private, are depicted in Attachment 4.

B. [§402] Designated Land Uses

1. [§403] Industrial Uses

The areas shown in the Land Use Map for industrial uses shall be used for the industrial, commercial and manufacturing uses set forth and described in the City Zoning Ordinance.

C. [§404] Other Land Uses

1. [§405] Public Rights-of-Way

The major public streets within the Project Area include South 6th Street, and new rights-of-way to be established.

Additional public streets or improvements to existing streets (including, but not limited to 4th Ave. South, 3rd Ave. South, 2nd Ave. South and 1st Ave. South), alleys, and easements may be created, improved, or extended in the Project Area as need for development. Existing streets, alleys, easements, and irrigation or drainage laterals or ditches may be abandoned, closed, or modified as necessary for proper development of the Project, in conjunction with any applicable policies and standards of the City of Payette regarding changes to dedicated rights-of-way, and appropriate irrigation or drainage districts regarding changes to laterals or ditches.

Any changes in the existing interior or exterior street layout shall be in accordance with the objectives of this Plan and the City's design standards; shall be effectuated in the manner prescribed by State and local law; and shall be guided by the following criteria:

- a. A balancing of the needs of proposed and potential new developments for adequate vehicular access, vehicular parking, and delivery loading docks with the similar needs of any existing developments permitted to remain. Such balancing shall take into

consideration the rights of existing owners and tenants under the rules for owner and tenant participation adopted by the Agency for the Project and any participation agreements executed thereunder;

- b. The requirements imposed by such factors as topography, traffic safety, and aesthetics; and
- c. The potential need to serve not only the Project Area and new or existing developments, but to also serve areas outside the Project by providing convenient and efficient vehicular access and movement.

The public rights-of-way may be used for vehicular and/or pedestrian traffic, as well as for public improvements, public and private utilities, and activities typically found in public rights-of-way.

2. [§406] Other Public, Semi-Public, Institutional, and Nonprofit Uses

The Agency is also authorized to permit the maintenance, establishment, or enlargement of public, semi-public, institutional, or nonprofit uses, including park and recreational facilities; educational, fraternal, employee; philanthropic, and charitable institutions; utilities; governmental facilities; railroad rights-of-way and equipment; and facilities of other similar associations or organizations. All such uses shall, to the extent possible, conform to the provisions of this Plan applicable to the uses in the specific area involved. The Agency may impose such other reasonable requirements and/or restrictions as may be necessary to protect the development and use of the Project Area.

3. [§407] Interim Uses

Pending the ultimate development of land by developers and participants, the Agency is authorized to use or permit the use of any land in the Project Area for interim uses that are not in conformity with the uses permitted in this Plan. However, any interim use must comply with applicable Payette City Code.

D. [§408] General Controls and Limitations

All real property in the Project Area, under the provisions of either a disposition and development agreement or owner participation agreement, is made subject to the controls and requirements of this Plan. No such real property shall be developed, rehabilitated, or otherwise changed after the date of the adoption of this Plan, except in conformance with the provisions of this Plan.

1. [§409] Construction

All construction in the Project Area shall comply with all applicable state and local laws and codes in effect from time to time. In addition to applicable codes, ordinances, or other requirements governing development in the Project Area, additional specific performance and development standards may be adopted by the Agency to control and direct redevelopment activities in the Project Area in the event of a disposition and development agreement or owner participation agreement.

2. [§410] Rehabilitation and Retention of Properties

Any existing structure within the Project Area, subject to either a disposition and development agreement or owner participation agreement, approved by the Agency for retention and rehabilitation, shall be repaired, altered, reconstructed, or rehabilitated in such a manner that it will be safe and sound in all physical respects and be attractive in appearance and not detrimental to the surrounding uses.

3. [§411] Limitation on Type, Size, and Height of Buildings

Except as set forth in other sections of this Plan, the type, size, and height of buildings shall be as limited by applicable federal, state, and local statutes, ordinances, and regulations.

4. [§412] Open Spaces, Landscaping, Light, Air, and Privacy

Applicable federal, state, and local laws and ordinances shall govern the issues of open space, landscaping, light, air, and privacy.

5. [§413] Signs

All signs shall conform to City sign ordinances as they now exist or are hereafter amended. Design of all proposed new signs shall be submitted to the Agency and/or City prior to installation for review and approval pursuant to the procedures of this Plan.

6. [§414] Utilities

The Agency shall require that all utilities be placed underground whenever physically and economically feasible.

7. [§415] Incompatible Uses

No use or structure which by reason of appearance, traffic, smoke, glare, noise, odor, or similar factors which would be incompatible with the surrounding areas or structures shall be permitted in any part of the Project Area.

8. [§416] Nondiscrimination and Nonsegregation

There shall be no discrimination or segregation based upon race, color, creed, religion, sex, age, marital status, disability/handicap, national origin, or ancestry permitted in the sale, lease sublease, transfer, use, occupancy, tenure, or enjoyment of property in the Project Area.

9. [§417] Subdivision of Parcels

Any parcel in the Project Area shall be subdivided only in compliance with the City subdivision ordinance.

10. [§418] Minor Variations

Under exceptional circumstances, the Agency is authorized to permit a variation from the limits, restrictions, and controls established by this Plan. In order to permit such variation, the Agency must determine that:

- a. The application of certain provisions of this Plan would result in practical difficulties or unnecessary hardships inconsistent with the general purpose and intent of this Plan;
- b. There are exceptional circumstances or conditions applicable to the property or to the intended development of the property, which do not apply generally to other properties having the same standards, restrictions, and controls;
- c. Permitting a variation will not be materially detrimental to the public welfare or injurious to property or improvements in the area; and
- d. Permitting a variation will not be contrary to the objectives of this Plan.

No variation shall be granted which changes a basic land use or which permits other than a minor departure from the provisions of this Plan. In permitting any such variation, the Agency shall impose such conditions as are necessary to protect this public peace, health, safety, or welfare and to assure compliance with the purposes of this Plan. Any variation permitted by the Agency hereunder shall not supersede any other approval required under City codes and ordinances.

E. [§419] Design for Development

Within the limits, restrictions, and controls established in this Plan, the Agency is authorized to establish heights of buildings, land coverage, setback requirements, design criteria, traffic circulation, traffic access, and other development and design controls necessary for proper development of both private and public areas within the Project Area. Any development must also comply with the City of Payette's zoning ordinance regarding heights, setbacks, and other like standards.

In the case of property which is the subject of a disposition and development or participation agreement with the Agency, no new improvement shall be constructed, and no existing improvement shall be substantially modified, altered, repaired, or rehabilitated, except in accordance with this Plan. Under those agreements the architectural, landscape, and site plans shall be submitted to the Agency and approved in writing by the Agency. One of the objectives of this Plan is to create an attractive and pleasant environment in the Project Area. Therefore, such plans shall give consideration to good design, open space, and other amenities to enhance the aesthetic quality of the Project Area. The Agency shall not approve any plans that do not comply with this Plan. The Agency reserves the right to impose such design standards on an ad hoc, case-by-case basis through the approval process of the Owner Participation Agreement or disposition and development agreement. Any change to such approved design must be consented to by the Agency and such consent may be conditioned upon reduction of Agency's financial participation towards the Project.

In the event the Agency adopts design standards or controls, those provisions will thereafter apply to each site or portion thereof in the Project Area. Those controls and standards will be implemented through the provisions of any disposition and development agreement or owner participation agreement or by appropriate covenants appended to the land and instruments of conveyance executed pursuant thereto. These controls are in addition to any standards and provisions of any applicable City building or zoning ordinances; provided, however, each and every development shall comply with all applicable City zoning and building ordinance.

F. [§420] Off-Street Loading

Any development and improvements shall provide for off-street loading as required by the City ordinances as they now exist or are hereafter amended.

G. [§421] Off-Street Parking

All new construction in the area shall provide off-street parking as required by the City ordinances as they now exist or are hereafter amended.

H. [§422] Nonconforming Uses

The Agency may permit an existing use to remain in an existing building and site usage in good condition, which use does not conform to the provisions of this Plan, provided that such use is generally compatible with existing and proposed developments and uses in the Project Area. The owner of such a property must be willing to enter into a participation agreement and agree to the imposition of such reasonable restrictions as may be necessary to protect the development and use of the Project Area.

The Agency may authorize additions, alterations, repairs, or other improvements in the Project Area for uses which do not conform to the provisions of this Plan where such improvements are within a portion of the Project where, in the determination of the Agency, such improvements would be compatible with surrounding Project uses and development.

All nonconforming uses shall also comply with the Payette City Code.

I. [§423] Design Guidelines for Development Under a Disposition and Development Agreement or Owner Participation Agreement

Under an owner participation agreement or a disposition and development agreement the design guidelines and land use elements of the Plan shall be achieved to the greatest extent feasible, though the Agency retains the authority to grant minor variations under Section 418 of this Plan and subject to a negotiated agreement between the Agency and the developer or property owner.

Under those agreements, the architectural, landscape, and site plans shall be submitted to the Agency and approved in writing by the Agency. In such agreements, the Agency may impose additional design controls. One of the objectives of this Plan is to create an attractive pedestrian environment in the Project Area. Therefore, such plans shall give consideration to good design and amenities to enhance the aesthetic quality of the Project Area. These additional design standards or controls will be implemented

through the provisions of any disposition and development agreement or owner participation agreement or by appropriate covenants appended to the land and instruments of conveyance executed pursuant thereto. These controls are in addition to any standard and provisions of any applicable City building or zoning ordinances; provided, however, each and every development shall comply with all applicable City zoning and building ordinances.

V. [§500] METHODS OF FINANCING THE PROJECT

A. [§501] General Description of the Proposed Financing Method

The Agency is authorized to finance this Project with revenue allocation financing, financial assistance from the City of Payette, State of Idaho, federal government, interest income, Agency bonds, donations, loans from private financial institutions, the lease or sale of Agency-owned property, lease revenue conduit financing, or any other available source, public or private, including assistance from any taxing district or any public entity. The Agency is also authorized to obtain advances, borrow funds, and create indebtedness in carrying out this Plan. The principal and interest on such advances, funds, and indebtedness may be paid from any funds available to the Agency. The City, as it is able, may also supply additional assistance through City loans and grants for various public facilities.

The City or any other public agency may expend money to assist the Agency in carrying out this Project.

The Agency is also authorized to obtain advances, borrow funds, and create indebtedness in carrying out this Plan. The principal and interest on such advances, funds, and indebtedness may be paid from any other funds available to the Agency.

The Agency may also provide certain grants or loans to property owners, business owners, or others as may be allowed by law.

B. [§502] Revenue Bond Funds

As allowed by law and subject to such restrictions as are imposed by law, the Agency is authorized to issue bonds from time to time, if it deems appropriate to do so, in order to finance all or any part of the Project. Neither the members of the Agency nor any persons executing the bonds shall be liable on the bonds by reason of their issuance.

C. [§503] Other Loans and Grants

Any other loans, grants, guarantees, or financial assistance from the United States, the State of Idaho, or any other public or private source will be utilized if available, including developer contributions. The Agency intends to consider funding sources through Local Improvement Districts and/or Business Improvement Districts as authorized by state law. Neither the members of the Agency nor any persons executing such loans or grants shall be liable on the loans or grants by reason of their issuance.

D. [§504] Revenue Allocation Financing Provisions

The Agency hereby adopts revenue allocation financing provisions as authorized by Chapter 29, Title 50, Idaho Code (the "Act"), effective retroactively to January 1, 2006. These revenue allocation provisions shall apply to all taxing districts in which are located in the Revenue Allocation Area described in Attachments 1 and 2 of this Plan. The Agency shall take all actions necessary or convenient to implement these revenue allocation-financing provisions. The Agency specifically finds that the equalized assessed valuation of property within the Revenue Allocation Area is likely to increase as a result of the initiation of the urban renewal project.

The Agency, acting by one or more resolutions adopted by its Board of Directors, is hereby authorized to apply all or any portion of the revenues allocated to the Agency pursuant to the Act to pay as costs are incurred or to pledge all or any portion of such revenues to the repayment of any moneys borrowed, indebtedness incurred, or bonds issued by the Agency to finance or to refinance the Project Costs (as defined in Idaho Code Section 50-2903(14)) of one or more urban renewal projects.

Upon enactment of an ordinance by the governing body of the City of Payette, Idaho, finally adopting these revenue allocation financing provisions and defining the Revenue Allocation Area described herein as part of the Plan, there shall hereby be created a special fund of the Agency into which the County Treasurer shall deposit allocated revenues as provided in Idaho Code Section 50-2908. The Agency shall use such funds solely in accordance with Idaho Code Section 50-2909 and solely for the purpose of providing funds to pay the Project Costs, including any incidental costs, of such urban renewal projects as the Agency may determine by resolution or resolutions of its Board of Directors.

A statement listing proposed public improvements and facilities, an economic feasibility study, estimated project costs, fiscal impact upon other taxing districts, and methods of financing project costs required by Idaho Code Section 50-2905 is included in Attachment 5 to this Plan. This statement necessarily incorporates estimates and projections based on the Agency's present knowledge and expectations. The Agency is hereby authorized to modify the presently anticipated urban renewal projects and use of revenue allocation financing of the related Project Costs if the Board of Directors of the Agency deems such modification necessary or convenient to effectuate the general objectives of the Plan.

The Agency may also appropriate funds consisting of revenue allocation proceeds on an annual basis without the issuance of bonds. The Agency has also provided for obtaining advances or loans from the City or private entity in order to immediately commence construction of certain of the public improvements. Revenues will continue to be allocated to the Agency until the improvements identified in Attachment 5 are completely constructed or until any obligation to the City or other public entity or private entity are fulfilled. Attachment 5 incorporates estimates and projections based on the Agency's present knowledge and expectations concerning the length of time to complete the improvements. The activity may take longer depending on the significance and timeliness of development. Alternatively the activity may be completed earlier if revenue allocation proceeds are greater or the Agency obtains additional funds.

The revenue allocation proceeds are hereby irrevocably pledged for the payment of the principal and interest on the advance of monies or making of loans or the incurring of any indebtedness such as bonds, notes, and other obligations (whether funded, refunded, assumed, or otherwise) by the Agency to finance or refinance the Project in whole or in part.

The Agency is authorized to make such pledges as to specific advances, loans, and indebtedness as appropriate in carrying out the Project. Revenue allocation proceeds are deemed to be only a part of the proposed funding sources for the payment of public improvements and other project improvements. Additionally, project funding is proposed to be phased for the improvements, allowing various sources of funds to be accumulated for use.

At the time of the drafting of this urban renewal plan and its financial information in early 2006, several bills affecting ad valorem property taxes were pending before the Idaho State Legislature. Those bills would impact the property tax receipts of the Agency through either the elimination of the school district levy for operation and maintenance, or changes in the assessment process. Should those bills become law, the revenue received by the Agency could be less than anticipated as discussed in these sections and has depicted on Attachment 5 to this Plan. No representation is made through the adoption of this Urban Renewal Plan that the assumptions contained herein will remain in place for the term of the Urban Renewal Plan.

Similarly, because the plan is under consideration in early 2006, the assessed values for Tax Year 2006 and the levy rate for Tax Year 2006 cannot be determined. Thus, the assumptions and projections described in this plan have used Tax Year 2005 figures for both base assessment roll and tax levy rate. The actual funds received by the Agency will be premised on the base assessment roll effective for Tax Year 2006. The Agency may prepare an updated financial statement upon receipt of the Tax Year 2006 information, in a manner similar to that as depicted in Attachment 5 to this plan.

1. **[§504A] Economic Feasibility Study**

Attachment 5 consists of the Economic Feasibility Study ("Study") for the Urban Renewal Area. The Study constitutes the financial analysis required by the Act.

2. **[§504B] Assumptions and Conditions/Economic Feasibility Statement**

The information contained in Attachment 5 assumes certain completed and projected actions. Under the provisions of the Act, the revenue allocation shall continue until the bond debt is satisfied. All debt is projected to be repaid no later than the duration period of the Plan. The total amount of bonded indebtedness (and all other indebtedness) and the amount of revenue generated by revenue allocation is dependent upon the extent and timing of private development. Should all of the development take place as projected, bonded indebtedness could be extinguished earlier, dependent upon the bond sale documents or other legal obligations. Should private development take longer to materialize, or should the private development be substantially less than projected, then the amount of revenue generated will be substantially reduced and bonds may continue for their full term.

The Plan and attachments incorporate estimates and projections based on the Agency's present knowledge and expectations. Those projections include a rather substantial percentage increase in Tax Years 2006 and 2007 for assessment changes, as based upon known projects. The Agency may modify the project if the Board of Commissioners deems such modifications necessary to effectuate the Plan. The Plan proposes certain public improvements, including utility and street improvements, streetscapes, street

improvements, property acquisition, and relocation costs, which will facilitate development in the Revenue Allocation Area.

3. §504C Ten Percent Limitation

Under the Act the base assessed valuation for all revenue allocation areas cannot exceed gross/net ten percent (10%) of the current assessed valuation for the entire City. The base assessment roll, and less any homeowner's exemption, for the Payette Revenue Allocation Area as of January 1, 2005, was \$926,047. The combined base assessment roll for the Urban Renewal Area does not exceed ten percent (10%) of the assessed value for the City of Payette.

4. §504D Financial Limitation

The Study identifies several capital improvement projects. Use of any particular financing source for any particular purpose is not assured or identified. The authority of the Act will limit use of revenue allocation funds. If revenue allocation funds are unavailable, then the Agency will need to use a different funding source for that improvement, including grant funds. The Study has examined the potential of grant funding and certain funds, which may be received from the State of Idaho.

The amount of funds available to the Agency from revenue allocation financing is directly related to the assessed value of new improvements within the Revenue Allocation Area. Under the Act, the Agency is allowed the revenue allocation generated from inflationary increases and New Development Value. No inflationary increases have been assumed, but rather only the value of new development as those developments occur.

The Study, with the various estimates and projections, constitutes an economic feasibility study. Costs and revenues are analyzed, and the analysis shows the need for public capital funds during the project. Multiple financing sources including proposed revenue allocation notes and bonds, annual revenue allocations, developer contributions, developer loans (tax exempt and taxable), and other funds are shown. This Study identifies the kind, number, and location of all proposed public works or improvements, a detailed list of estimated project costs, a description of the methods of financing illustrating project costs, and the time when relate costs or monetary obligations are to be incurred. See Idaho Code § 50-2905. Based on these funding sources, the conclusion is that the project is feasible.

The information contained in the Study assumes certain projected actions. First, the Agency has projected one bond and one note issue. The bond term will be finally determined by the marketability of the notes. Under the provisions of the Act, the revenue allocation may continue until the end of the Plan term. Second, the total amount of indebtedness and the amount of revenue generated by revenue allocation is dependent upon the extent and timing of private development. Should private development take longer to materialize or should the private development be substantially less than projected, then the amount of revenue generated will be substantially reduced and bonds may continue for their full term.

The proposed timing for the public improvements may very well have to be modified depending upon the availability of some of the funds and the Agency's ability to sell an initial issue of notes or bonds.

The Plan has shown that the equalized valuation of the Revenue Allocation Area as defined in the Urban Renewal Plan is likely to increase as a result of the initiation and completion of urban renewal projects pursuant to the Urban Renewal Plan. The first increase in valuation will occur within the first year of the existence of the Agency as Seneca Foods, in partnership with the Urban Renewal Agency and the State Department of Commerce and Labor will invest over \$4 million in site improvements and construction for a new warehouse facility.

5. [§504E] Rebate of Revenue Allocation Funds

In any year during which the Agency receives revenue allocation proceeds, the Agency, as allowed by law, is authorized (but not required) to return or rebate to the other taxing entities identified in Attachment 5 of this Plan any revenue allocation funds not previously pledged or committed for the purposes identified in the Plan. Under the Act, the Agency must first apply all such revenues for the payment of the projected costs of the urban renewal project identified and repayment of principal and interest on any moneys borrowed, indebtedness incurred, or bonds issued by the Agency and maintain any required reserve for payments of such obligation or indebtedness. Only to the extent revenues of the Agency exceed these obligations shall the Agency consider any rebate or return of revenue allocation funds to the other taxing entities. The Agency shall rebate such funds in a manner that corresponds to each taxing entity's relative share of the revenue allocation proceeds or on the basis of extraordinary service requirements generated by the Project or particular circumstances, which the Agency may determine. All other taxing entities shall first receive any such rebate before such rebate shall be disbursed to the City.

Attachment 5 describes the Agency's financing plan for the Project. The Project will be financed, in part, through tax increment financing, using revenue allocation funds as allowed by the Act. The Agency anticipates that on an annual basis, tax increment, and other funds may be sufficient to satisfy the obligations incurred by the Agency, even though the entire amount of revenue allocation funds must be pledged for the term of any bonds or other debts incurred by the Agency. Therefore, on an annual basis, the Agency will consider the rebate of funds, which funds may not be revenue allocation funds, but other funds available to the Agency.

The Agency also reserves the right to provide a tax increment rebate to any particular taxing entity which may be entitled to a levy rate increase by virtue of an approved levy election.

6. [§504F] Participation With Local Improvement Districts

Under the Idaho Local Improvement District Code, Chapter 17, Title 50, Idaho Code, the City has the authority to establish local improvement districts for various public facilities, including, but not limited to, streets, curbs, gutters, sidewalks, storm drains, landscaping, and other like facilities. Likewise, the City has the authority to establish business improvement districts for parking facilities, public space, public promotion, retail trade activities, and transportation services. To the extent allowed by the Law and the Act, the Agency reserves the authority to participate in the funding of local improvement district or business improvement district facilities. This participation may include either direct funding to reduce the overall cost of the LID or BID or to participate as an assessed entity to finance the LID project or BID project.

7. [§504G] Issuance of Debt and Debt Limitation

Any debt incurred by the Agency as allowed by the Law and Act shall be secured by revenues identified in the debt resolution or revenue allocation funds as allowed by the Act. All such debt shall be repaid within the duration of this Plan.

8. [§504H] Impact on Other Taxing Districts and Levy Rate

A specific delineation of tax dollars generated by revenue allocation upon each taxing district has not been prepared. The overall impact of the revenue allocation project is shown in the Study. Since the passage of House Bill 156 in 1995, taxing entities are constrained in establishing levy rates by a function of the amount each budget of each taxing district can increase on an annual basis. The amounts set forth in the Study would constitute the amounts distributed to other taxing entities from the Revenue Allocation Area if there were no urban renewal project. Each individual district's share of that amount would be determined by its particular levy rate as compared to the other districts in any given year. Therefore, the impact of revenue allocation is more of a product of the imposition of House Bill 156. In addition, without the revenue allocation district and its ability to pay for public improvements and public facilities, fewer substantial improvements within the Revenue Allocation Area would be expected. Hence there would be lower increases in assessed valuation to be used by the other taxing entities.

One result of House Bill 156 is the likely reduction of the levy rate as assessed values increase for property within each taxing entity's jurisdiction. The Feasibility Study assumes an increase in value related to private development occurring all in Tax Year 2006, with no increases (or decreases) thereafter. Should development occur over two Tax Years, the revenue to the Agency will be reflected over a two Tax Year period. Based upon the limitations related to House Bill 156, as codified and amended since 1995, taxing districts are allowed to increase their budgets at an annual rate of 3% along with new growth and in the case of cities, annexations. Since the Feasibility Study assumes no increase in value, the impact on a single area basis would be to increase the levy rates. Consequently, the Study shows increases in levy rates. Historically, however, levy rates for an entire taxing district (like the City of Payette), levy rates have tended to decrease. Therefore, based upon levy rates established by all of the taxing districts (over which the Agency has no control), the revenues received by the Agency may be less than projected. The Study has also included an assumed interest rate and term, along with a debt service margin, which should allow the Agency flexibility in retiring the contemplated loan. Should the revenues be less than projected, the loan will take longer to pay off, and the Agency may need to continue its revenue allocation authority through the full term of the Plan (2030), as opposed to the fifteen (15) year loan term depicted in the Study.

E. [§505] Capital Improvement Contribution Policy

The Agency does hereby establish and fix the following policy for the design, acquisition, and construction costs of the development of new streets or bridges or the extension of any existing street within the Urban Renewal Area as described and defined in the Plan.

1. [§506] Developer/Owner Initiated Improvements

The Agency recognizes the right and possible interest of Developers/Owners to initiate the construction of designated new streets in the Project Area through:

- (a) One or more Local Improvement Districts ("LID");
- (b) Private financing; or
- (c) Direct payment of construction costs.

Any LID would be established by the City of Payette. Any of the three alternatives listed above would provide a means of financing necessary public improvements before the Agency would have the necessary funds to pay for such improvements. As an incentive for such Developer/ Owner financed improvements, the Agency (subject to applicable legal authority) may repay the Developer/Owner for one hundred percent (100%) of its total assessment, including interest, from available annual revenue allocation funds generated by new developments on the Developer/Owner's property included in the LID. If the improvements have been financed through private funding sources or paid directly by the Developer/Owner, the Agency may repay the Developer/Owner one hundred percent (100%) of the actual costs of construction. The Agency's contribution under this paragraph shall be conditioned upon the Developer having commenced construction (or a binding commitment to proceed issued by a recognized financial institution) to develop such property, thus generating additional revenue allocation funds. Any additional details concerning this policy will be specified in a resolution to be approved by the Agency complying with its normal approval process.

For purposes of this section, "available annual revenue allocation funds" shall mean those incremental tax (revenue allocation) revenues received by the Agency after all necessary payments have been made to:

- (a) Pay the interest and principal of the notes payable to any developer or any bonds, loans or note, or other obligations issued by the Agency;
- (b) Fund the Administration Fund;
- (c) Fund the Developer Fees; and
- (d) Fund any Debt Service Reserve Fund deposits.

2. **[§507] Variance**

The Agency reserves the right to grant minor variations from these standards under the guidelines established under Section 419 of this Plan.

F. **[§508] Phasing and Other Fund Sources**

The Agency anticipates funding only a portion of the entire cost of the public improvements shown on Attachment 5. Other sources of funds shall include developer contributions; grant funds, and City of Payette participation. Agency participation shall be determined by the amount of revenue allocation funds generated.

G. [§509] Lease Revenue Bonds

Under the Law, the Agency is authorized to issue revenue bonds to finance certain public improvements identified in the Urban Renewal Plan. Under that type of financing, the public entity would pay the Agency a lease payment annually, which provides certain funds to the Agency to retire the bond debt. Another variation of this type of financing is sometimes referred to as conduit financing, which provides a mechanism where the Agency uses its bonding authority for the project with the end user making payments to the Agency to retire the bond debt. These sources of revenues are not related to revenue allocation funds and may not be particularly noted in the Study, because of the "pass through" aspect of the financing. Under the Act, the economic feasibility study focuses on the revenue allocation aspects of the Agency's financial model.

These financing models typically are for a longer period of time than the 24-year period set forth in the Act. However, these financing models do not involve revenue allocation funds, but rather funds from the end users which provide a funding source for the Agency to continue to own and operate the facility beyond the term of the Plan as allowed by Idaho Code Section 50-2905(7) as those resources involve funds not related to revenue allocation funds.

VI. [§600] ACTIONS BY THE CITY

The City shall aid and cooperate with the Agency in carrying out this Plan and shall take all actions necessary to ensure the continued fulfillment of the purposes of this Plan and to prevent the recurrence or spread in the area of conditions causing blight. Actions by the City shall include, but not be limited to, the following:

- (a) Institution and completion of proceedings necessary for changes and improvements in private and publicly owned public utilities within or affecting the Project Area.
- (b) Revision of zoning (if necessary) within the Project Area to permit the land uses and development authorized by this Plan.
- (c) Imposition wherever necessary (by conditional use permits or other means) of appropriate controls within the limits of this Plan upon parcels in the Project Area to ensure their proper development and use.
- (d) Provision for administrative enforcement of this Plan by the City after development. The City and the Agency may develop and provide for enforcement of a program for continued maintenance by owners of all real property, both public and private, within the Project Area throughout the duration of this Plan.
- (e) Building Code enforcement.
- (f) Performance of the above actions and of all other functions and services relating to public peace, health, safety, and physical development normally rendered in accordance with a schedule which will permit the redevelopment of the Project Area to be commenced and carried to completion without unnecessary delays.

- (g) Institutional and completion of proceedings necessary for the establishment of a local improvement district under Chapter 17, Title 50, Idaho Code.
- (h) The undertaking and completing of any other proceedings necessary to carry out the Project.
- (i) Administration of Community Development Block Grant funds that may be made available for this Project.
- (j) Appropriate agreements with the Agency for administration, supporting services, funding sources, and the like.
- (k) Imposition, whenever necessary (by conditional use permits or other means as appropriate), of controls within the limits of this Plan upon parcels in the Project Area to ensure their proper development and use.
- (l) The waiver of any hookup or installation fee for sewer, water, or other utility services for any facility owned by any public agency, including the Agency facility.
- (m) Joint funding of certain public improvements, including but not limited to improvements to the main sewer treatment facility.
- (n) Use of City labor, services, and materials for construction of the public improvements listed in this Urban Renewal Plan.

The foregoing actions to be taken by the City do not constitute any commitment for financial outlays by the City.

VII. [§700] ENFORCEMENT

The Agency and/or the City shall perform the administration and enforcement of this Plan, including the preparation and execution of any documents implementing this Plan.

The provisions of this Plan or other documents entered into pursuant to this Plan may also be enforced by court litigation instituted by either the Agency or the City. Such remedies may include, but are not limited to, specific performance, damages, reentry, injunctions, or any other remedies appropriate to the purposes of this Plan. In addition, any recorded provisions which are expressly for the benefit of owners of property in the Project Area may be enforced by such owners.

VIII. [§800] DURATION OF THIS PLAN, TERMINATION, AND ASSET REVIEW

Except for the nondiscrimination and nonsegregation provisions which shall run in perpetuity, the provisions of this Plan shall be effective, and the provisions of other documents formulated pursuant to this

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Plan shall be effective for twenty-four (24) years from the date of adoption of the original Plan by the City Council in 2006, which period shall expire on December 31, 2030, except for any revenue allocation proceeds received in calendar year 2031.

This plan shall terminate no later than December 31, 2030, except for revenues which may be received in 2030. Either on January 1, 2031, or if the Agency determines an earlier terminate date:

- (a) When the Revenue Allocation Area plan budget estimates that all financial obligations have been provided for, the principal of and interest on such moneys, indebtedness, and bonds have been paid in full or when deposits in the special fund or funds created under this chapter are sufficient to pay such principal and interest as they come due, and to fund reserves, if any, or any other obligations of the Agency funded through revenue allocation proceeds shall be satisfied and the Agency has determined no additional project costs need be funded through revenue allocation financing, the allocation of revenues under Section 50-2908, Idaho Code, shall thereupon cease; any moneys in such fund or funds in excess of the amount necessary to pay such principal and interest shall be distributed to the affected taxing districts in which the Revenue Allocation Area is located in the same manner and proportion as the most recent distribution to the affected taxing districts of the taxes on the taxable property located within the Revenue Allocation Area; and the powers granted to the urban renewal agency under Section 50-2909, Idaho Code, shall thereupon terminate.
- (b) In determining the termination date, the Plan shall recognize that the Agency shall receive allocation of revenues in the calendar year following the last year of the revenue allocation provision described in the urban renewal plan.
- (c) For the fiscal year that immediately predates the terminate date, the Agency shall adopt and publish a budget specifically for the projected revenues and expenses of the Plan and make a determination as to whether the Revenue Allocation Area can be terminated before January 1 of the termination year pursuant to the terms of Section 50-2909(4), Idaho Code. In the event that the Agency determines that current tax year revenues are sufficient to cover all estimated expenses for the current year and all future years, by September 1, the Agency shall adopt a resolution advising and notifying the local governing body, the county auditor, and the State Tax Commission, recommending the adoption of an ordinance for termination of the Revenue Allocation Area by December 31 of the current year, and declaring a surplus to be distributed as described in Section 50-2909, Idaho Code, should a surplus be determined to exist. The Agency shall cause the ordinance to be filed with the office of the county recorder and the Idaho State Tax Commission as provided in Section 63-215, Idaho Code.

Upon termination of the revenue allocation authority of the urban renewal plan to the extent the Agency owns or possesses any assets, the Agency shall dispose of any remaining assets by granting or conveying or dedicating such assets to the City of Payette.

As allowed by Idaho Code Section 50-2905(7), the Agency may retain assets or revenues generated from such assets as loans the Agency shall have resources other than revenue allocation funds

to operate and manage such assets. Facilities, which provide a lease income stream to the Agency for full retirement of the facility debt, will allow the Agency to meet debt services obligations and provide for the continued operation and management of the facility.

For those assets, which do not provide such resources or revenues, the Agency will likely convey such assets to the City of Payette, depending on the nature of the asset.

Upon termination of the revenue allocation authority of the urban renewal plan to the extent the Agency owns or possesses any assets, the Agency shall dispose of any remaining assets by granting or conveying or dedicating such assets to the City of Payette.

IX. [§900] PROCEDURE FOR AMENDMENT

The Urban Renewal Plan may be further modified at any time by the Payette Urban Renewal Agency provided that, if modified after disposition of real property in the Project Area, the modifications must be consented to by the Developer or Developers or his successor or successors of such real property whose interest is substantially affected by the proposed modification. Where the proposed modification will substantially change the Plan, the modifications must be approved by the City Council in the same manner as the original Plan. Substantial changes for City Council approval purposes shall be regarded as revisions in project boundaries, land uses permitted, land acquisition, and other changes which will violate the objectives of this Plan.

X. [§1000] SEVERABILITY

If any one or more of the provisions contained in this Plan to be performed on the part of the Agency shall be declared by any court of competent jurisdiction to be contrary to law, then such provision or provisions shall be null and void and shall be deemed separable from the remaining provisions in this Plan and shall in no way affect the validity of the other provisions of this Plan.

XI. [§1100] ANNUAL REPORT

Under the Idaho Urban Renewal Law, the Agency is required to file with the City, on or before March 31 of each year, a report of the Agency's activities for the preceding calendar year, which report shall include a complete financial statement setting forth its assets, liabilities, income, and operating expenses as of the end of such calendar year.

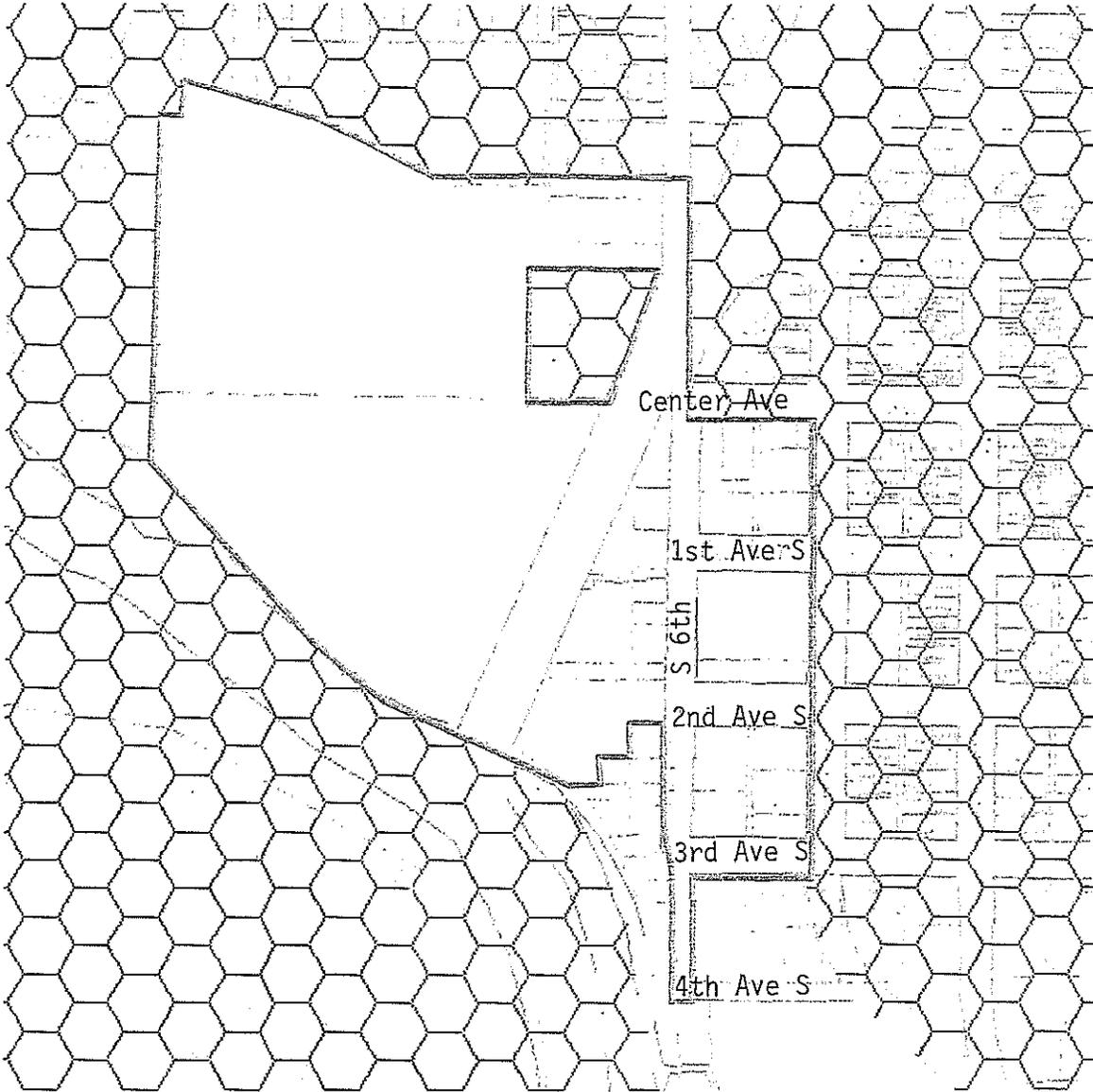


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Attachment 1

North



City of Payette
Urban Renewal District
Revenue Allocation Area #1
Area Boundary

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Attachment 2

Urban Renewal Project Area and Revenue Allocation Area

The Project Area consists of approximately five (5) acres generally described as beginning south of 2nd Avenue North to the north, running directly down South 6th Street and includes three blocks ending at 4th Avenue South. Properties within the above-described boundaries that do not demonstrate one or more of deteriorating or deteriorated characteristics, as described within the eligibility report, have explicitly been excluded from the Project Area.

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Attachment 3

Private Properties Which May Be Acquired by Agency

1. No particular properties have been identified for acquisition by the Agency, except as may be required for the objectives of the Plan.
2. The Agency reserves the right to acquire any additional right-of-way or access routes near or around existing or planned rights-of-way.
3. The Agency reserves the right to acquire property needed to encourage certain demonstration projects which achieve the objectives of the Plan (the exact location of which has not been determined).

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Attachment 5
Statement of Proposed Public Improvements
and Feasibility Study

In conjunction with the City of Payette and Seneca Foods, along with anticipated grant funds, the Urban Renewal District will participate in those public improvements described below:

The Urban Renewal Agency will be responsible for relocating water and sewer services for a new warehouse on the Seneca site at a cost of \$250,000. Power relocation will also be provided by the Agency at a cost of \$100,000. Fill/sand for the site of the new warehouse will be provided at a cost of \$150,000 for a total investment of \$500,000 for the initial project.

In phase 2, the Agency may propose a program of repair for curb, gutter and sidewalk within the Project Area as funds may become available. Those expenditures are not shown on the attached Feasibility Study.

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EXHIBIT 2

PLANNING & ZONING COMMISSION FINDINGS

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City of Payette
700 Center Avenue
Payette, Idaho 83661
208-642-6024

PLANNING & ZONING COMMISSION

May 18, 2006

Honorable Mayor Henderson &
Members of the Payette City Council
700 Center Avenue
Payette, Idaho 83661

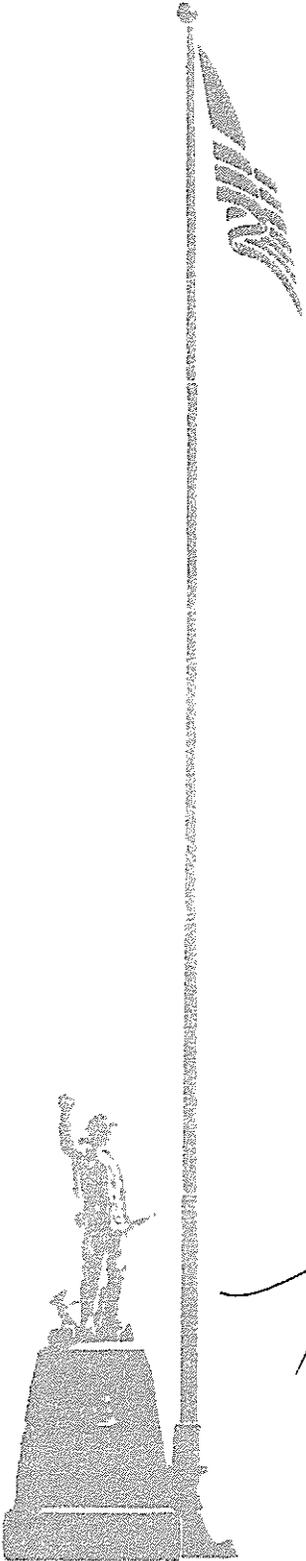
RE: Recommendation of Approval of Urban Renewal Plan

At our regular meeting of April 27, 2006, the Planning & Zoning Commission met with representatives of the Urban Renewal Agency and had opportunity to hear and comment on the proposed Payette Urban Renewal Plan.

During the meeting, the Planning and Zoning Commission unanimously voted to recommend the Payette City Council adopt the Payette Urban Renewal Plan of the Urban Renewal Agency.

Sincerely,

Randy Choate
Chairman
Payette Planning & Zoning Commission



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EXHIBIT 3

NOTICE PUBLISHED IN *INDEPENDENT ENTERPRISE*
April 19, 2006

**NOTICE OF A SPECIAL MEETING AND PUBLIC HEARING
BY THE CITY COUNCIL OF THE CITY OF PAYETTE TO CONSIDER
THE PAYETTE URBAN RENEWAL PLAN OF THE
URBAN RENEWAL AGENCY OF PAYETTE, IDAHO**

Notice is hereby given that the Payette City Council will hold, during a special meeting on Monday, May 22, 2006, at 6:00 p.m., a public hearing in the City Council Chambers, 700 Center Avenue, Payette, Idaho, to consider the Payette Urban Renewal Plan (the "Plan") of the Urban Renewal Agency of Payette (the "Agency"). The Plan proposes that the Agency undertake urban renewal projects pursuant to the Idaho Urban Renewal Law of 1965, as amended. The Plan being considered for adoption contains a revenue allocation financing provision pursuant to the Local Economic Development Act, Chapter 29, Title 50, Idaho Code, that will cause property taxes resulting from any increases in equalized assessed valuation in excess of the equalized assessed valuation as shown on the base assessment roll as of January 1, 2006, for the proposed revenue allocation area, to be allocated to the Agency for urban renewal purposes (the "Project Area"). The boundaries of the revenue allocation area, and the Urban Renewal Plan area which are coterminous, are hereinafter described. The Agency has recommended approval of the Plan. The Council will also be considering the final reading of an ordinance adopting the Plan.

The general scope and objectives of the Plan and the Urban Renewal Project are:

The elimination of environmental deficiencies in the Project Area, including, among others, obsolete and aged building types and inadequate public facilities and improvements.

The assembly of land into parcels suitable for efficient, integrated development with improved setback, pedestrian, and vehicular circulation in the Project Area, along with appropriate parking.

The replanning, redesign, and development of undeveloped and underdeveloped areas which are stagnant or improperly utilized.

The strengthening of the economic base of the Project Area and the community by the installation of needed public improvements to stimulate new employment, and economic growth.

The provision of adequate land for pedestrian walkways and street rights-of-way.

Improvements to the streets, rights-of-way, and other public infrastructure, including water and sewer system improvements, park improvements and public/community facilities.

Site preparation of parcels to encourage private redevelopment.

The establishment and implementation of performance criteria to assure high site design standards and environmental quality and other design elements which provide unity and integrity to the entire Project.

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The strengthening of the tax base by encouraging private development, thus increasing the assessed valuation of properties within the Revenue Allocation Area and the Project Area as a whole, and benefiting the various taxing districts in which the Urban Renewal Area is located.

The implementation of the Comprehensive Plan by the Agency within the Urban Renewal Area to the extent funding is available and the implementation of activities which are eligible activities under the Law and Act.

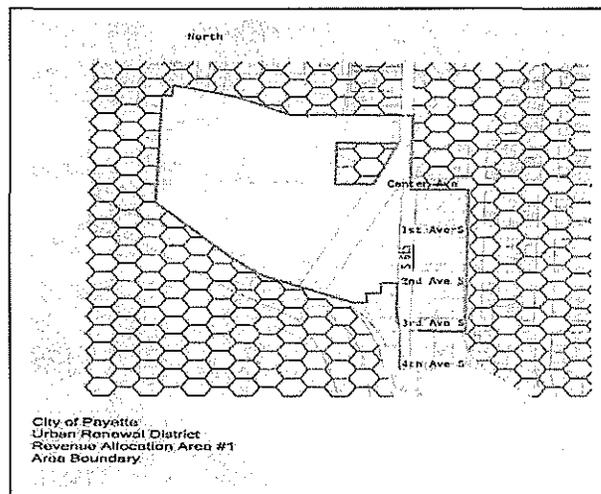
The preparation of the framework to increase residential opportunity within the Project Area.

Any such land uses as described in the Plan will be in conformance with the City of Payette Comprehensive Plan. Land made available will be developed by private enterprises or public agencies as authorized by law. The Plan defines various public and private improvements which may be made within the Urban Renewal area.

The project area herein referred to is located as follows:

Urban Renewal Project Area and Revenue Allocation Area:

The Project Area consists of approximately five (5) acres generally described as beginning south of 2nd Avenue North to the north, running directly down South 6th Street and includes three blocks ending at 4th Avenue South. Properties within the above-described boundaries that do not demonstrate one or more of deteriorating characteristics, as described within the eligibility report, have explicitly been excluded from the Project Area.



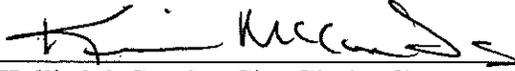
Copies of the proposed Plan are on file for public inspection and copying for the cost of duplication at the office of the City Clerk, 700 Center Avenue, Payette, Idaho 83661, between the hours of 8:00 a.m. and 5:00 p.m. Monday through Friday, exclusive of holidays.

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At the time and place noted above, all persons interested in the above matter may appear and be heard. Written comments will also be accepted. Comments should be directed to the City Clerk of Payette. Written comments should be submitted prior to the hearing date.

Individuals who will require special assistance to accommodate physical, vision, hearing, or other impairment, please contact the City Clerk at (208) 642-6024 three (3) days prior to the public hearing so that arrangements can be made.

DATED This 19th day of April, 2006.

BY: 
Kellie McCombs, City Clerk of Payette

Publication Date: April 19, 2006

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EXHIBIT 4

SUMMARY OF ORDINANCE NO. 1264

CITY OF PAYETTE

SUMMARY OF ORDINANCE NO. 1264

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF PAYETTE, IDAHO, APPROVING THE PAYETTE URBAN RENEWAL PLAN WHICH PAYETTE URBAN RENEWAL PLAN INCLUDES REVENUE ALLOCATION FINANCING PROVISIONS; AUTHORIZING THE CITY CLERK TO TRANSMIT A COPY OF THIS ORDINANCE AND OTHER REQUIRED INFORMATION TO COUNTY OFFICIALS, STATE OFFICIALS AND OTHER TAXING ENTITIES; APPROVING THE SUMMARY OF THE ORDINANCE; PROVIDING FOR A WAIVER OF THE READING RULES; AND PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF PAYETTE, IDAHO:

Section 1: It is hereby found and determined that:

- (a) The Project Area as defined in the Payette Urban Renewal Plan ("Plan") is a deteriorated or a deteriorating area as defined in the Law and the Act and qualifies as an eligible urban renewal area under the Law and Act, including under the Act a deteriorated area consisting of open land.
- (b) The rehabilitation, conservation, and redevelopment of the Project Area pursuant to the Plan is necessary in the interest of public health, safety, and welfare of the residents of the City of Payette.
- (c) There continues to be a need for the Agency to function in the City of Payette.
- (d) The Plan conforms to the Comprehensive Plan of the City of Payette.
- (e) The Plan gives due consideration to the provision of adequate park and recreation areas and facilities that may be desirable for neighborhood improvement (recognizing the limited nature of the Plan Area and the commercial and industrial area which constitutes the Plan Area), and shows consideration for the health, safety, and welfare of any residents or businesses in the general vicinity of the Project Area as defined by the Plan.
- (f) The Plan affords maximum opportunity consistent with the sound needs of the City as a whole for the rehabilitation and redevelopment of the Project Area by private enterprises.
- (g) The Plan provides a feasible method for relocation of any displaced families residing within the Project Area.

- (h) The base assessment roll of the Payette Project Area does not exceed ten percent (10%) of the assessed value of the City of Payette.

Section 2: That the City Council finds that the Project Area and Revenue Allocation Area do not consist of predominantly open land, that the Agency does not intend to acquire any open land on any widespread basis, and that the Project Area is planned to be redeveloped in a manner that will include both residential and non-residential uses. Provided, however, the City Council finds that if portions of the Project Area and Revenue Allocation Area are deemed "open land," the criteria set forth in the Law and Act have been met.

Section 3: The City Council finds that one of the Plan objectives to increase the mixed use development opportunity to include housing does meet the sound needs of the City and will provide residential opportunities in an area that does not now contain such residential opportunities, and the portion of the Project Area which is identified for non-residential uses is necessary and appropriate to facilitate the proper growth and development standards in accordance with the objectives of the Payette Comprehensive Plan to overcome economic disuse, the need for improved traffic patterns, and the need for the correlation of this area with other areas of the City.

Section 4: That the Plan, a copy of which is attached hereto and marked as Exhibit 1 and made a part hereof by attachment, be and the same hereby is approved.

Section 5: No direct or collateral action attacking the Plan shall be brought prior to the effective date of this Ordinance or after the elapse of thirty (30) days from and after the effective date of the Ordinance adopting the Plan.

Section 6: City Clerk is authorized and directed to transmit to the County Auditor and Tax Assessor of Payette County, and to the appropriate officials of the Payette County Board of County Commissioners, City of Payette, the Ambulance District, the County Road/Bridge District/ the Gopher Extension District, the Payette School District, the Payette County Recreation, Riverside Cemetery, and to the State Tax Commission, a copy of this Ordinance, a copy of the legal description of the boundaries of the Payette Urban Renewal Plan Revenue Allocation area, and a map or plan indicating the boundaries of the Payette Urban Renewal Plan Revenue Allocation Area.

Section 7: The equalized assessed valuation of the Payette Urban Renewal Plan is likely to increase as a result of the initiation and completion of urban renewal projects pursuant to the Payette Urban Renewal Plan.

Section 8: Any City Council members who are members of the Agency's Board of Commissioners are not acting in any ex officio capacity, but rather as private citizens and the City Council recognizes that it has no power to control the powers or operations of the Agency.

Section 9: So long as any Agency bonds are outstanding, the City Council shall not exercise its power under Idaho Code Section 50-2006 to designate itself as the Agency Board.

Section 10: The Ordinance shall be in full force and effect immediately upon its passage, approval and publication, and shall be retroactive to January 1, 2006, to the extent

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permitted by the Act, with the effective date of the base assessment roll covered by the original Revenue Allocation Area remaining at January 1, 2006.

Section 11: The provisions of this Ordinance are severable, and if any provision of this Ordinance or the application of such provision to any person or circumstance is declared invalid for any reason, such declaration shall not affect the validity of remaining portions of this Ordinance.

Section 12: One-half, plus one, of the City Council members finding good cause, the City Council hereby dispenses with the rule that this ordinance be read on three different days; two readings of which shall be in full, and have hereby adopted this ordinance, having considered it at one reading.

Section 13: The Summary of this Ordinance is hereby approved.

Section 14: All ordinances, resolutions, orders or parts thereof in conflict herewith are hereby repealed, rescinded and annulled.

Section 15: **SAVINGS CLAUSE:** This Ordinance does not affect an action or proceedings commenced or right accrued before this Ordinance takes effect.

PASSED by the City Council of Payette this 22nd day of May, 2006.

APPROVED by the Mayor on this 22nd day of May, 2006

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EXHIBITS TO THE ORDINANCE

EXHIBIT 1: The Payette Urban Renewal Plan.

EXHIBIT 2: The Planning & Zoning Commission Findings.

EXHIBIT 3: General Proof of Publication of the Notice providing notice of the public hearing of the Plan before the City Council.

EXHIBIT 4: Approved Summary of Ordinance No. 1264.

SUMMARY OF THE PLAN:

The Plan was prepared by the Payette Urban Renewal Agency ("Agency") and its consultants pursuant to the State of Idaho Urban Renewal Law, the local Economic Development Act, the Idaho Constitution and all applicable laws and ordinances and approved by the Agency. The Plan provides for the Agency to undertake urban renewal projects pursuant to the Idaho Urban Renewal Law of 1965 as amended (the "Law"), and the Local Economic Development Act, Chapter 29, Title 50, Idaho Code, as amended (the "Act"). The Plan contains a revenue allocation financing provision pursuant to the Act that will cause property taxes resulting from any increases in equalized assessed valuation in excess of the equalized assessed valuation as shown on the original base assessment roll as of January 1, 2006, as set forth in the Payette Urban Renewal Plan, to be allocated to the Agency for the urban renewal purposes.

The general scope and objectives of the Payette Urban Renewal Plan are:

1. The acquisition of certain real property (if needed);
2. The demolition or removal of certain buildings and improvements for public rights-of-way for streets, utilities, walkways and other improvements, for public facility building sites, to eliminate unhealthful, unsanitary, or unsafe conditions, lessen density, eliminate obsolete or other uses detrimental to the public welfare or otherwise to remove or to prevent the spread of blight or deterioration;
3. The provision for participation by property owners within the Project Area to achieve the objectives of the Plan;
4. The management of any property acquired by and under the ownership and control of the Agency;
5. The provision for relocation assistance to displaced Project occupants, as required by law;
6. The installation, construction, or reconstruction of streets, utilities, including electrical distribution and transmission lines in underground configuration, if needed to encourage new developments, fiber optic or other communication systems, and other public improvements, including, but not limited to irrigation and drainage laterals and ditches, storm drain systems, water and sewer improvements, fire protection systems, railroad crossings, switches and extensions, and other public improvements, including civic buildings or community facilities owned or occupied by other public agencies, including the City of Payette, and walkways;
7. The disposition of property for uses in accordance with this Plan;
8. The redevelopment of land by private enterprise or public agencies for uses in accordance with this Plan.

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9. The rehabilitation of structures and improvements by present owners, their successors, and the Agency.
10. The preparation and assembly of adequate sites for the development and construction of facilities for industrial, commercial, governmental, and other ancillary uses;
11. To the extent allowed by law, lend or invest federal funds to facilitate redevelopment;
12. The construction of foundations, platforms, and other like structural forms necessary for the provision or utilization of air rights, sites for buildings to be used for residential, commercial, industrial, and other uses contemplated by the Plan, and to provide utilities to the development site;
13. The elimination of environmental deficiencies in the Project Area, including, among others, obsolete and aged building types, and inadequate public improvements and facilities, and environmental remediation. .
14. The assembly of land into parcels suitable for modern, integrated development with appropriate setbacks, parking, pedestrian and vehicular circulation in the Project Area.
15. The replanning, redesign, and development of undeveloped and underdeveloped areas which are stagnant or improperly utilized.
16. The strengthening of the economic base of the Project Area and the community by the installation of needed site improvements and facilities to stimulate new private development providing employment, and economic growth.
17. The establishment and implementation of performance criteria to assure design standards and environmental quality and other design elements which provide unity and integrity to the entire Project Area.
18. The strengthening of the tax base by encouraging private development, thus increasing the assessed valuation of properties within the Revenue Allocation Area and the Project Area as a whole, and benefiting the various taxing districts in which the Project Area is located.
19. The creating of public spaces, gateway entries, and the like.
20. The provision of civic buildings or community facilities owned or occupied by other public entities, including the City of Payette.
21. Site preparation of parcels to encourage private development.

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22. The preparation of the framework to increase residential opportunity within the Project Area.

Any such land uses as described in the Payette Urban Renewal Plan will be in conformance with the Comprehensive Plan, City of Payette. Land made available will be developed by private enterprises or public agencies as authorized by law. The Payette Urban Renewal Plan identifies various public and private improvements which may be made within the Urban Renewal Project Area.

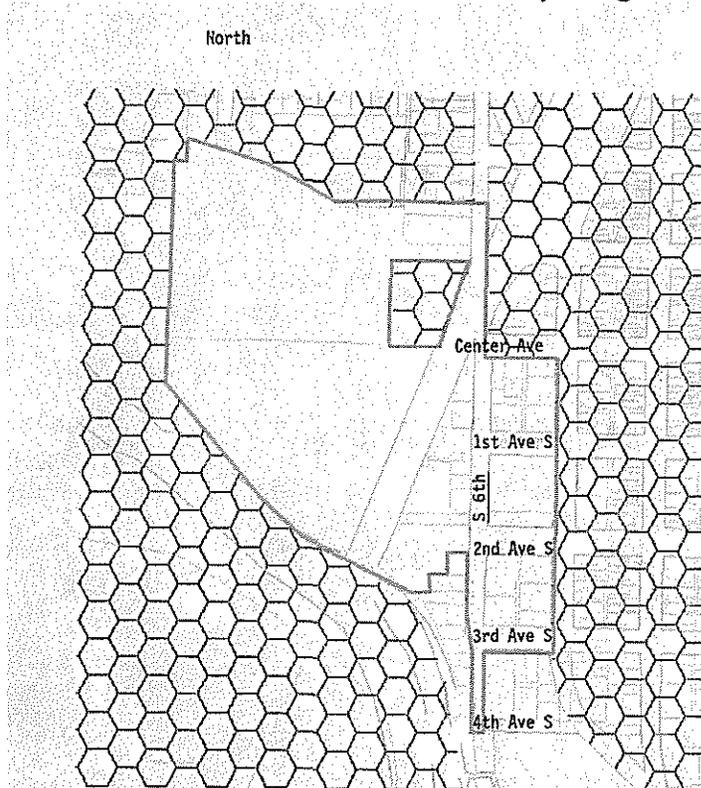
DESCRIPTION OF PROJECT AREA

The Project Area and Revenue Allocation Area is located as follows:

The Project Area consists of approximately five (5) acres generally described as beginning south of 2nd Avenue North to the north, running directly down South 6th Street and includes three (3) blocks ending at 4th Avenue South. Properties within the above-described boundaries that do not demonstrate one or more of deteriorating or deteriorated characteristics, as described within the eligibility report, have explicitly been excluded from the Project Area.

The Urban Renewal Area is the entire area referred to as the Project Area. The Agency may use its funding resources, including revenue allocation proceeds, to fund public improvements within the various rights-of-way and Revenue Allocation Area. The Revenue Allocation Area is the area from which revenue allocation proceeds will be received.

For purposes of boundary descriptions and use of proceeds for payment of improvements, the boundary shall be deemed to extend to the outer boundary of rights-of-way.



City of Payette
Urban Renewal District
Revenue Allocation Area #1
Area Boundary

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Sections 300 through 323 discuss the proposed redevelopment actions, participation opportunities and agreements, cooperation with public bodies, property acquisition standards and requirements, relocation, demolition and property disposition.

Sections 402 through 404 discuss the type of land uses authorized in the Project Area and list other controls by referencing the applicable City Ordinances.

Section 423 describes Design Guidelines for Development.

The Payette Urban Renewal Plan also contains a major section on financing. Among other sources, the Plan will utilize revenue allocation financing, authorized by the Act.

Section 504 and Attachment No. 5 discuss revenue allocation financing and show how such financing has worked and would work in the Project Area in the future if certain new private developments occur as estimated.

Increases in assessed valuation of real and personal property in the Project Area that occur after January 1, 2006 will generate revenue for the Agency to pay project costs. Project costs include Site preparation and demolition, street improvements, drainage improvement, utilities, and other public improvements costs. The assessed valuation of real and personal property on the base assessment roll is still available for use by the other taxing districts, City of Payette, County Road/Bridge, Payette County, Payette School District, Ambulance District, Payette County Recreation, Riverside Cemetery, and Gopher Extension, to finance their operations. The Payette Urban Renewal Plan authorizes the Agency to sell revenue bonds or other similar debt, to finance project costs and to use annual revenue allocations to pay the debt service.

The program outlined in the Payette Urban Renewal Plan emphasizes the installation of needed public improvements, site preparation and demolition, drainage and street improvements, sewer system improvements, utilities, and other costs to encourage private development.

Attachment No. 5 describes in detail the cost and financing methods for complete repayment for the debt incurred used to finance the Project and to also fund the described activities.

No change in the land use designation or the potential uses in the area have been proposed. The Payette Urban Renewal Plan follows the underlying zoning classifications of the City of Payette.

Sections 600 and 700 describe cooperative activities by the Agency with the City.

The duration of the Payette Urban Renewal Plan is for twenty-four (24) years through December 31, 2030. The Agency is required to prepare an annual report each year describing its activities during the previous year.

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ATTACHMENTS

- Attachment No. 1: Map of the Urban Renewal Project Area and Revenue Allocation Area
- Attachment No. 2: Description of Urban Renewal Project Area and Revenue Allocation Area
- Attachment No. 3: Properties Identified for Acquisition by the Agency
- Attachment No. 4: Expected Land Use and Current Zoning Map of the Project Area
- Attachment No. 5: Statement of Proposed Public Improvements and Feasibility Study

The full text of Ordinance No. 1264 is available at the offices of the City Clerk located at Payette City Hall, 700 Center Avenue, Payette, Idaho 83661.

This summary approved by the Payette City Council at its meeting of May 22, 2006.

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Attachment 2

Urban Renewal Project Area and Revenue Allocation Area

The Project Area consists of approximately five (5) acres generally described as beginning south of 2nd Avenue North to the north, running directly down South 6th Street and includes three blocks ending at 4th Avenue South. Properties within the above-described boundaries that do not demonstrate one or more of deteriorating or deteriorated characteristics, as described within the eligibility report, have explicitly been excluded from the Project Area.

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I, Bert L. Osborn, City Attorney for the City of Payette, declare that in my capacity as City Attorney of the City of Payette, pursuant to Idaho Code Section 50-901A(3) of the Idaho Code as amended, I hereby certify that I have reviewed a copy of the above cited Summary of Ordinance and have found the same to be true and complete and to provide adequate notice to the public of the contents, including the exhibits, of Ordinance No. 1264.

DATED this 24th day of May, 2006.



Bert L. Osborn, City Attorney
City of Payette

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Attachment 3

Private Properties Which May Be Acquired by Agency

1. No particular properties have been identified for acquisition by the Agency, except as may be required for the objectives of the Plan.
2. The Agency reserves the right to acquire any additional right-of-way or access routes near or around existing or planned rights-of-way.
3. The Agency reserves the right to acquire property needed to encourage certain demonstration projects which achieve the objectives of the Plan (the exact location of which has not been determined).

