

ORDINANCE NO. 910

BY THE COUNCIL:

**BENFIELD, BJORN, FULLMER,
LARSEN, POND, PUGMIRE**

**AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF
REXBURG, IDAHO, APPROVING THE DOWNTOWN DISTRICT
REDEVELOPMENT PLAN, WHICH PLAN INCLUDES REVENUE
ALLOCATION FINANCING PROVISIONS; AUTHORIZING THE
CITY CLERK TO TRANSMIT A COPY OF THIS ORDINANCE
AND OTHER REQUIRED INFORMATION TO COUNTY
AND STATE OFFICIALS; APPROVING THE SUMMARY OF
THE ORDINANCE; AND PROVIDING AN EFFECTIVE DATE.**

WHEREAS, on or about the 6th day of November, 1991, by Council Resolution, the Council and Mayor of Rexburg created an urban renewal agency, the Rexburg Redevelopment Agency (the "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, 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, the City Council of the City of Rexburg, Idaho (the "City"), after notice duly published, conducted a public hearing on the North Highway Urban Renewal Project pursuant to the North Highway Urban Renewal Plan (the "North Highway Plan") to redevelop a portion of the City, pursuant to the Law and the Act;

WHEREAS, following said public hearing, the City adopted its Ordinance No. 728 on December 27, 1991, approving the North Highway Urban Renewal Plan and making certain findings;

WHEREAS, the Rexburg City Council, after notice duly published, conducted a public hearing on the North Highway Amended and Restated Urban Renewal Plan (the "North Highway Amended and Restated Plan");

WHEREAS, following said public hearing the City Council adopted its Ordinance No. 815 on December 30, 1998, approving the North Highway Amended and Restated Plan and making certain findings;

WHEREAS, the Rexburg City Council, on April 9, 1997, passed Resolution No. 97-01, finding the Washington School Site Area as "deteriorated" or "deteriorating area" as defined by Idaho Code Section 50-2018(h), (i) and 50-2903(b) declaring such area as an urban renewal area, making the necessary findings as required by Idaho Code Section 50-2008(a) and authorizing the Agency to prepare an urban renewal plan;

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(Downtown District Redevelopment Plan /Ordinance.wpd)

Instrument # 308954

REXBURG, MADISON, IDAHO

2003-12-22

10:33:00 No. of Pages: 80

Recorded for : CITY OF REXBURG

MARILYN R. RASMUSSEN

Fee: 0.00

Ex-Officio Recorder Deputy

WHEREAS, the Rexburg City Council, after notice duly published, conducted a public hearing on the Washington School Urban Renewal Plan (the "Washington School Urban Renewal Plan");

WHEREAS, following said public hearing, the City Council adopted its Ordinance No. 794 on June 3, 1997, approving the Washington School Urban Renewal Plan, and making certain findings;

WHEREAS, the Agency has had certain discussions concerning examination of either a new area adjacent to the Washington School Site Area, or an expansion of the Washington School Site urban renewal area;

WHEREAS, in November, 2002, the Agency authorized the commencement of an eligibility study and the preparation of an eligibility report of the Site and surrounding properties;

WHEREAS, the Agency, retained Harlan W. Mann, Real Estate Consultant ("Consultant"), to study the area in question and to prepare an eligibility report (the "Eligibility 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(6)(b);

WHEREAS, the Agency, on February 5, 2003, adopted Resolution No. 2003-1 accepting the Eligibility Report for the Downtown District Site, dated January 31, 2003;

WHEREAS, the Rexburg City Council, by way of Council resolution on March 19, 2003, accepted the Eligibility Report for the area by adoption of City Council Resolution No. 2003-6;

WHEREAS, the Mayor and Council considered the steps set forth by the Act and Law, accepting the Eligibility Report finding the area set forth therein to be "deteriorated" or "deteriorating" areas as defined by Idaho Code Sections 50-2018(h), (i) and 50-2903(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, under Idaho Code Section 50-2008, an urban renewal project for an urban renewal area shall not be planned until such area has been found to be deteriorated or deteriorating by the adoption of a resolution by the City Council;

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 Rexburg Redevelopment Agency, referred to herein as 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, Agency staff and consultants have undertaken the planning process during 2003;

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(Downtown District Redevelopment Plan /Ordinance.wpd)

WHEREAS, the Agency has prepared a proposed Downtown District Redevelopment Plan (the "Downtown District Plan" and the urban renewal area referred to as the "Downtown District Project Area") for the areas designated as eligible for urban renewal planning;

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

WHEREAS, the Board considered all comment and information submitted to the Agency during its October 29, 2003 meeting;

WHEREAS, on October 29, 2003, the Agency Board passed Resolution No. 2003-2 proposing the Downtown District Redevelopment Plan;

WHEREAS, the Agency has, by letter of transmittal dated October 29, 2003, submitted the Downtown District Redevelopment Plan to the Mayor and City Council of Rexburg;

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

WHEREAS, at a meeting held November 20, 2003, the Rexburg Planning and Zoning Commission considered the Downtown District Redevelopment Plan and found that the Downtown District Redevelopment Plan is in all respects in conformity with the Comprehensive Plan; a copy of the Finding is attached hereto as Exhibit 1;

WHEREAS, notice of the public hearing of the Downtown District Redevelopment Plan was caused to be published by the Rexburg City Clerk of Rexburg, Idaho, in the *Standard Journal* on November 3, 5, and 24, 2003, a copy of said notice being attached hereto as Exhibit 2;

WHEREAS, as of November 3, 2003, the Downtown District Redevelopment Plan was submitted to the affected taxing entities, available to the public, and under consideration by the City Council;

WHEREAS, the City Council during its regular meeting of December 3, 2003, held such public hearing;

WHEREAS, as required by Idaho Code Sections 50-2905 and 50-2906, the Downtown District Redevelopment 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 December 3, 2003, regular 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 Downtown District Redevelopment Plan authorizes certain projects to be financed by revenue allocation bonds and proceeds from revenue allocation;

WHEREAS, appropriate notice of the Downtown District Redevelopment 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, it is necessary and in the best interest of the citizens of Rexburg, Idaho, to adopt the Downtown District Redevelopment Plan, including revenue allocation financing provisions since revenue allocation will help finance urban renewal projects to be completed in accordance with the Downtown District Redevelopment Plan (as now or hereafter amended), in order to: encourage private development in the urban renewal area; prevent and arrest decay of Rexburg, Idaho, due to the inability of existing financing methods to provide needed public improvements; 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; encourage private investment within Rexburg, Idaho; and to further the public purposes of the Agency;

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

WHEREAS, under the Law and Act any such Downtown District Redevelopment 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, 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, the overall base assessment rolls for the various revenue allocation areas cannot exceed ten percent (10%) of the Base Assessment Value of the City of Rexburg;

WHEREAS, the City at its regular meetings held on December 3 and 17, 2003, considered the Downtown District Redevelopment Plan as proposed and made certain comprehensive findings.

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

SECTION 1: It is hereby found and determined that:

(a) The Downtown District Redevelopment Project Area as defined in the Downtown District Redevelopment 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.

(b) The rehabilitation, conservation, and redevelopment of the urban renewal area pursuant to the Downtown District Redevelopment Plan are necessary in the interests of public health, safety, and welfare of the residents of the City of Rexburg.

(c) There continues to be a need for the Rexburg Redevelopment Agency ("Agency") to function in the City of Rexburg.

(d) The Downtown District Redevelopment Plan conforms to the Comprehensive Plan of the City of Rexburg.

(e) The Downtown District Redevelopment Plan gives due consideration to the provision of adequate park and recreation areas and facilities that may be desirable for neighborhood improvement (recognizing the mixed use components of the Downtown District Redevelopment Plan, the need for overall public improvements, and the proposed public open space), and shows consideration for the health, safety, and welfare of any residents or businesses in the general vicinity of the urban renewal area covered by the Downtown District Redevelopment Plan.

(f) The Downtown District Redevelopment Plan affords maximum opportunity consistent with the sound needs of the City as a whole for the rehabilitation and redevelopment of the urban renewal area by private enterprises.

(g) The Downtown District Redevelopment Plan provides a feasible method for relocation of any displaced families residing within the urban renewal area.

(h) The collective base assessment roll of the Downtown District Project Area, the base assessment roll of the North Highway Project Area, the Amended and Restated North Highway Project Area (reflecting the area added in 1998) and the Washington School Site Project Area, do not exceed ten percent (10%) of the assessed value of the City of Rexburg.

SECTION 2: The City Council finds that the Downtown District 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

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(Downtown District Redevelopment Plan /Ordinance.wpd)

basis, and that the Downtown District Project Area is planned to be redeveloped in a manner that will include both residential and nonresidential uses. Provided, however, the City Council finds that if portions of the Downtown District 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 Downtown District Redevelopment 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 Downtown District Project Area which is identified for nonresidential uses is necessary and appropriate to facilitate the proper growth and development standards in accordance with the objectives of the Rexburg 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 Downtown District Redevelopment Plan is attached hereto as Exhibit 3 and is made a part hereof, and the same is hereby 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 December 3, 2003, hearing, and the December 17, 2003 meeting.

SECTION 5: No direct or collateral action challenging the Downtown District Redevelopment 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 this Ordinance adopting the Downtown District Redevelopment Plan.

SECTION 6: Upon the effective date of this Ordinance, the City Clerk is authorized and directed to transmit to the County Auditor and Tax Assessor of Madison County and to the appropriate officials of Madison School District No. 321, Madison County, Rexburg Cemetery District, Madison Library District, City of Rexburg, Madison County Ambulance District, Madison County Mosquito Abatement District, and the State Tax Commission a copy of this Ordinance, a copy of the legal description of the boundaries of the Revenue Allocation Area, and a map or plat indicating the boundaries of the Revenue Allocation Area.

SECTION 7: The City Council hereby finds and declares that the Revenue Allocation Area as defined in the Downtown District Redevelopment Plan (defined as the Downtown District Project Area in the Downtown District Redevelopment Plan), the equalized assessed valuation of which the Council hereby determines is in and is part of the Downtown District Redevelopment Plan is likely to continue to increase as a result of the initiation and completion of urban renewal projects pursuant to the Downtown District Redevelopment Plan.

SECTION 8: The City Council hereby approves and adopts the following statement 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 Downtown District Redevelopment Plan, the City Council recognizes that it has no power to control the powers or operations of the Agency.

SECTION 9: This Ordinance shall be in full force and effect immediately upon its passage, approval, and publication and shall be retroactive to January 1, 2003, to the extent permitted by the Act.

SECTION 10: 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 11: 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.

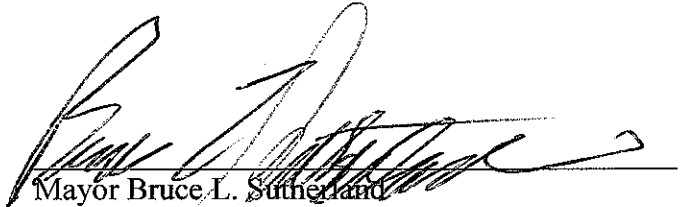
SECTION 12: The Summary of this Ordinance, a copy of which is attached hereto as Exhibit 4, is hereby approved.

SECTION 13: All ordinances, resolutions, orders or parts thereof in conflict herewith are hereby repealed, rescinded and annulled.

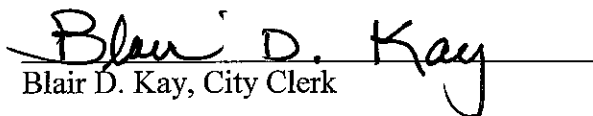
SECTION 14: SAVINGS CLAUSE: This ordinance does not affect an action or proceeding commenced or right accrued before this ordinance takes effect.

PASSED by the City Council of the City of Rexburg, Idaho, on this 17th day of December, 2003.

APPROVED by the Mayor of the City of Rexburg, Idaho, on this 17th day of December, 2003.


Mayor Bruce L. Sutherland

ATTEST:


Blair D. Kay, City Clerk

First Reading: December 03, 2003

Second Reading: December 17, 2003

Adopted after second reading by suspension of the Rule as allowed pursuant to Idaho Code Section 50-902

Yes: X No: _____

Third Reading: _____

STATE OF IDAHO)
 : ss.
County of Madison)

On this 17th day of December, 2003 before me, the undersigned, a Notary Public in and for said State, personally appeared BRUCE L. SUTHERLAND and BLAIR D. KAY, known to me to be the Mayor and City Clerk, respectively of the City of Rexburg, Idaho, and who executed the within instrument, and acknowledged to me that the City of Rexburg executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

(SEAL)



Nancy Lusk
Notary Public for Idaho
Residing at: Madison County
My Commission Expires: 3-26-09

Exhibit 1

RECOMMENDATION FINDING THE DOWNTOWN DISTRICT
REDEVELOPMENT PLAN
IN CONFORMITY WITH COMPREHENSIVE PLAN

ORDINANCE 910 - 9
(Downtown District Redevelopment Plan /Ordinance.wpd)

RESOLUTION OF THE REXBURG PLANNING AND ZONING COMMISSION
RELATING TO THE DOWNTOWN DISTRICT REDEVELOPMENT
PLAN FOR THE CITY OF REXBURG

WHEREAS, the Rexburg Redevelopment Agency (hereinafter "Agency"), has submitted a proposed Urban Renewal Plan entitled "Downtown District Redevelopment Plan" (the "Plan") to the City of Rexburg, and the City Council, through the Mayor, referred the Plan to the Rexburg Planning and Zoning Commission for review and recommendations concerning the conformity of said Plan with the Comprehensive Plan known as the City of Rexburg Comprehensive Plan; and

WHEREAS, the staff of the Rexburg Planning and Zoning Commission has reviewed said Plan and has determined that it is in all respects in conformity with the Comprehensive Plan; and

WHEREAS, the Rexburg Planning and Zoning Commission met on November 20, 2003, to consider the Plan; and

WHEREAS, the Rexburg Planning and Zoning Commission has reviewed said Plan in view of the Comprehensive Plan.

NOW, THEREFORE, BE IT RESOLVED BY THE PLANNING AND ZONING COMMISSION OF THE CITY OF REXBURG, IDAHO:

Section 1. That the Plan, submitted by the Rexburg Redevelopment Agency and referred to this Commission by the City Council for review, is in all respects in conformity with the Comprehensive General Plan.

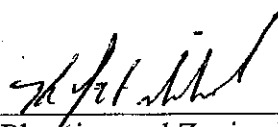
Section 2. That the Director of the Planning and Zoning Division by and hereby is authorized and directed to provide the Rexburg City Council with a certified copy of this Resolution relating to said Plan.

Section 3. That this Resolution shall be in full force and effect immediately upon its adoption and approval.

PASSED by the Planning and Zoning Commission of the City of Rexburg, Idaho, this 20th day of November, 2003.



Chairman, Planning and Zoning Commission



Director, Planning and Zoning Division

**NOTICE OF
REGULAR MEETING
AND PUBLIC HEARING
BY THE CITY COUNCIL
OF THE CITY OF REXBURG
TO CONSIDER THE
DOWNTOWN DISTRICT
REDEVELOPMENT PLAN
OF THE REXBURG
REDEVELOPMENT AGENCY
OF THE CITY OF REXBURG**

NOTICE IS HEREBY GIVEN that the City Council of the City of Rexburg will hold during its regular meeting, a public hearing in City Hall, 12 North Center, Rexburg, Idaho, on Wednesday, December 3, 2003, at 7:30 p.m., to consider the Downtown District Redevelopment Plan ("Downtown Plan"), of the Rexburg Redevelopment Agency. The boundaries of the Plan Area are hereinafter described. The boundaries include both the urban renewal and revenue allocation areas. The Downtown Plan proposes that the Rexburg Redevelopment Agency (the "Agency") undertake urban renewal projects pursuant to the Idaho Urban Renewal Law of 1965 as amended. The Downtown Plan proposes to create an urban renewal area commonly referred to as the Downtown District from 2nd West to 2nd East, 1st North to 1st South. The Downtown 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 increase in equalized assessed valuation in excess of the equalized assessed valuation as shown on the base assessment roll as of January 2003, to be allocated to the Agency for urban renewal purposes. The boundaries of the revenue allocation area are co-terminus with the urban renewal area. The Agency has recommended approval of the Downtown Plan. The Council will also be considering a final reading of an Ordinance to adopt the Downtown Plan.

The general scope and objectives of the

Downtown Plan are:

1. The elimination of environmental deficiencies in the Project Area, including, among others, obsolete and aged building types and inadequate public facilities, including certain streets and alleys.
2. The assembly of land into parcels suitable for modern, integrated development with improved setback parking, pedestrian and vehicular circulation in the project area.
3. Development of underdeveloped areas which are stagnant or improperly utilized.
4. The strengthening of the economic base of the project area and the community by the installation of needed site improvements to stimulate new commercial expansion, employment, and economic growth.
5. The provisions of adequate land for parks, plazas and pedestrian paths.
6. The establishment and implementation of performance criteria to ensure high site design standards and environmental quality and other design elements which provide unity and integrity to the entire project.
7. 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 benefitting the various taxing districts in which the Urban Renewal Area is located.
8. The providing of opportunities for participation by owners and tenants in the revitalization of their properties.

Any such land uses as described in the Downtown Plan will be in conformance with zoning for the City of Rexburg, adopted by the City Council. Land made available will be developed by private enterprises or public agencies as authorized by law. The Downtown Plan identifies various public and private

improvements which may be made within the Urban Renewal Area.

The Project Area herein referred to is located as follows:

In the City of Rexburg, Idaho, 2nd West on the west, 2nd East on the east, 1st South on the south and 1st North on the north.

The Revenue Allocation Area includes the above described area, less the Melateuca Property on Block 39.

The project area is also depicted in the map below.

Copies of the proposed Downtown Plan are on file for public inspection and copying for the cost of duplication at the office of the City Clerk, City Hall, 12 North Center, Rexburg, Idaho 83440 and the offices of East Central Idaho Planning & Development Association, 310 North Second East, Suite 115, Rexburg, Idaho 83440, between the hours of 8 a.m. and 4 p.m., Monday through Friday, exclusive of holidays.

The hearing will be held in a handicapped accessible facility. All information presented in the hearing shall also be available upon advance request in a form usable by persons with hearing or visual impairments, individuals with other disabilities may receive assistance by contacting the City 24 hours prior to the hearing.

At the time and place noted above, all persons interested in the above matters may appear and be heard. Written comments will also be accepted. Comments should be directed to the Rexburg City Clerk.

DATED This 3rd day of November, 2003.

BLAIR KAY,

City Clerk

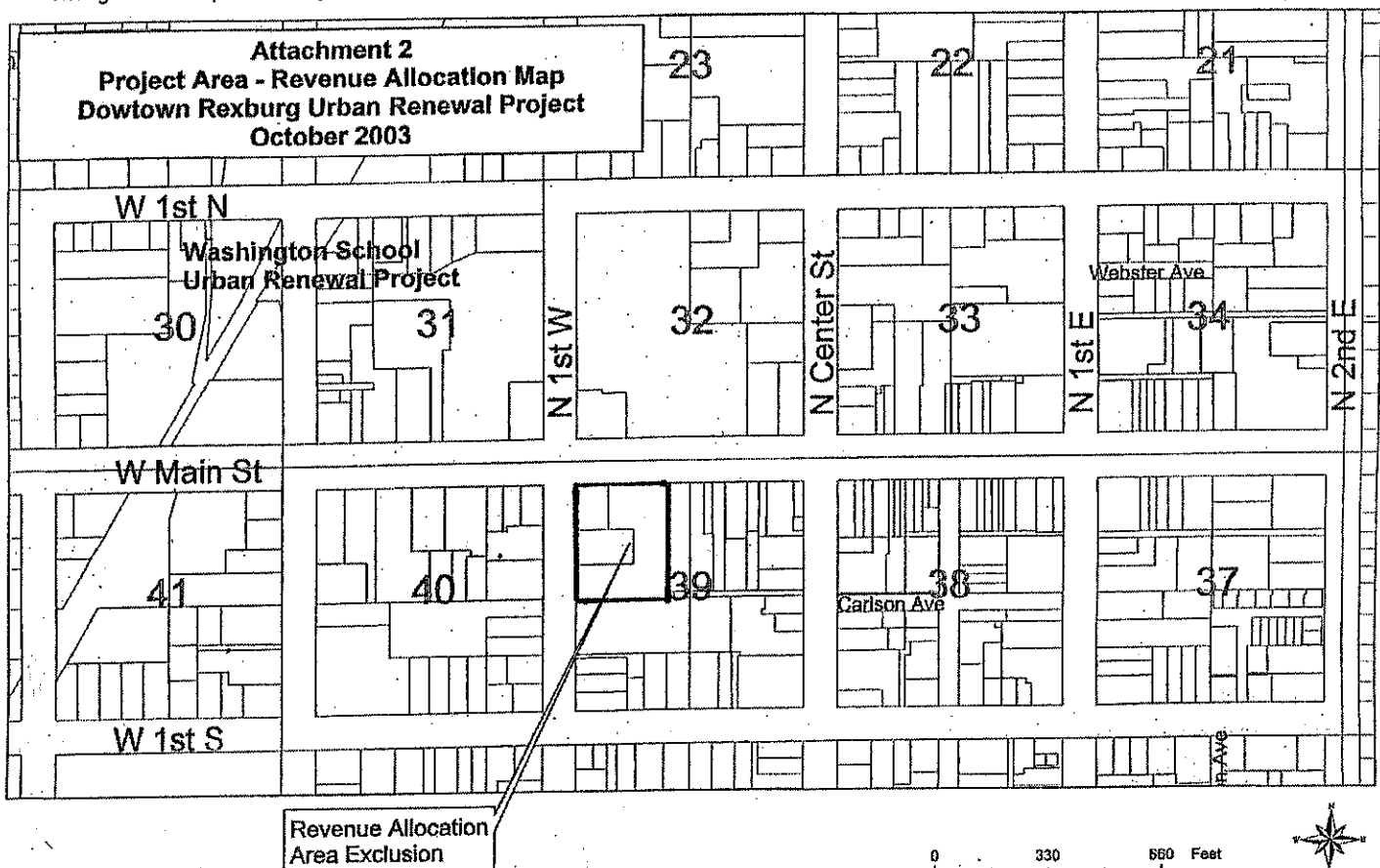


Exhibit 2

NOTICE PUBLISHED IN THE *STANDARD JOURNAL*

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(Downtown District Redevelopment Plan /Ordinance.wpd)

Exhibit 3

DOWNTOWN DISTRICT REDEVELOPMENT PLAN

ORDINANCE 910 - 11
(Downtown District Redevelopment Plan /Ordinance.wpd)

DOWNTOWN DISTRICT REDEVELOPMENT PLAN

URBAN RENEWAL PROJECT

**REXBURG URBAN RENEWAL AGENCY
(also known as the Rexburg Redevelopment Agency)**

CITY OF REXBURG, IDAHO

Ordinance No. 910
Adopted December 17th, 2003
Effective December 22, 2003, Publication

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DOWNTOWN DISTRICT REDEVELOPMENT PLAN

REXBURG URBAN RENEWAL AGENCY

(also known as the Rexburg Redevelopment Agency)

SECTION 100 INTRODUCTION

This is the Downtown District Redevelopment Plan (the "Plan") for the Downtown District Area Project (the "Project") in the City of Rexburg (the "City"), County of Madison, State of Idaho, and consists of the text contained herein and the following attachments:

Description of the Project Area and Revenue Allocation Area Boundaries (Attachment 1);

Project Area-Revenue Allocation Area Boundary Map (Attachment 2);

Private Properties Which May Be Acquired by the Rexburg Redevelopment Agency (Attachment 3);

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

Economic Feasibility Study for the Downtown District Urban Renewal Area (Attachment 5).

The term "Project" is used herein to describe the overall activities defined in this Plan and conforms with 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 consultants and staff of the Rexburg Redevelopment Agency, also known as the Rexburg Redevelopment Agency (the "Agency"), reviewed and recommended by the Agency Board of Commissioners, pursuant to the State of Idaho Urban Renewal Law, Chapter 20, Title 50, Idaho Code (the "Law"); the Local Economic Development Act, Chapter 20, Title 50, Idaho Code (the "Act"); and all applicable local laws and ordinances.

The proposed redevelopment of the Project Area as described in this Plan conforms to the City of Rexburg Comprehensive Plan, as adopted by the City Council on September 2, 1998, by way of Ordinance No. 808.

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 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 by which tools are provided 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 fund enhanced public facilities like streets, sidewalks, parking facilities, parks, public buildings such as City Hall, or plazas which, in turn, create an attractive setting for adjacent private investment in office, retail, housing, or other 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 purposes of the Law and Act that will be attained through and the major goals of this Plan are:

- (a) the elimination of environmental deficiencies in the Project Area, including, among others, obsolete and aged building types, and inadequate public improvements and facilities;
- (b) the assembly of land into parcels suitable for modern, integrated development with appropriate setbacks, parking, pedestrian, and vehicular circulation in the Project Area;
- (c) the replanning, redesign, and development of undeveloped and underdeveloped areas which are stagnant or improperly utilized;
- (d) 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 commercial expansion, employment, and economic growth;
- (e) 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 Area;
- (f) 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; and
- (g) the creating of public spaces, gateway entries, and the like.

SECTION 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 Idaho Code Section 50-341.

Generally, 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.

**SECTION 102 PROVISIONS NECESSARY TO MEET STATE AND
LOCAL REQUIREMENTS**

**SECTION 102.1 CONFORMANCE WITH STATE OF IDAHO URBAN
RENEWAL LAW OF 1965, AS AMENDED**

The laws of the State of Idaho allow for an urban renewal plan to be submitted by any interested person or entity in an area certified as an Urban Renewal Area by the Rexburg City Council. The original Project Area was certified by the Rexburg City Council by Resolution 2003-06 on March 19, 2003.

In accordance with the Idaho Urban Renewal Law of 1965 this Plan was submitted to the Planning and Zoning Commission of the City of Rexburg. After consideration of the Plan, the Commission filed its recommendation with the City Council stating that this Plan is in conformity with the Comprehensive Plan of the City of Rexburg.

SECTION 103 HISTORY AND CURRENT CONDITIONS

The Project Area was the subject of an Eligibility Report dated January 31, 2003. The Downtown District Area is a deteriorating area because of the presence of various conditions, most of which are related to the public infrastructure or certain private improvements or facilities which are deteriorating in nature. Either public infrastructure is older and needs to be replaced and/or upgraded or it is grossly inadequate to serve planned new development. In either case, the result is the same; existing development is often discouraged from upgrading and expanding, and new development is often slowed or thwarted because of the lack of necessary public infrastructure. Certain parcelization, inadequate parking, and/or potential of the loss of parking hinder development opportunity.

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.

SECTION 104 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. 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 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. 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.

SECTION 200 DESCRIPTION OF PROJECT AREA

The boundaries of the Project Area and of the Revenue Allocation Area are described in Attachment 1, which is attached hereto and incorporated herein by reference, and are shown on the Project Area and Revenue Allocation Area Boundary Map, attached hereto as Attachment 2 and incorporated herein by reference. The Revenue Allocation Areas does not include the Melaleuca Property on Block 39.

SECTION 300 PROPOSED REDEVELOPMENT ACTIONS

SECTION 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 *through voluntary measures described in Section 305*;

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, improve 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;
4. The management of any property acquired by any entity 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 development of water and sewer systems, electrical distribution and transmission lines in underground configuration if needed to encourage new developments of fiber optic systems, parking facilities, and other public improvements, including, but not limited to, storm drain systems, walkways, and public open spaces;
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;
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 commercial, mixed-use Development, office, appropriate retail, and other ancillary uses;
11. To the extent allowed by law, lend or invest federal funds to facilitate redevelopment; and
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, and other uses contemplated by the Plan, and to provide utilities to the development site.

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. Primarily, Agency intends to encourage development of a mixed-use project consisting of residential, office, and supporting commercial and retail. For purposes of this Plan, the reference to "Mixed-Use Development" shall mean this objective.

SECTION 302 URBAN RENEWAL PLAN OBJECTIVES

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

The Project Area consists of approximately seven (7) city blocks bordered by 2nd West on the west, 2nd East on the east, 1st North on the north, and 1st South on the south. The area has a history of a slow-growing tax base primarily attributed to inadequate and deteriorating public improvements and facilities, poorly maintained properties, undeveloped and underdeveloped properties, diverse property ownership, parcel site and configuration, and other deteriorating factors.

Hence, the Plan for the Project Area is a proposal for public improvements and facilities to: provide an improved environment for new commercial and Mixed-Use Development developments; eliminate unsafe conditions; assist potential owner participation and other developers to create appropriate development sites through parcelization of existing larger parcels and, where necessary, through acquisition, demolition, and disposition activities; and otherwise prevent the extension of blight and 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 Mixed-Use Development or public use. Any such vacations or relocations must be requested from the City of Rexburg or other 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.

Acquisition of any interest in real property may be utilized by the Agency when and if necessary to promote redevelopment in accordance with the objectives of the Plan.

Improve transportation opportunities throughout the Project Area.

Agency may participate in the cost of removal of extraordinary site conditions. A further objective of the Plan is to provide for the acquisition and clearance of property to be used for other public facilities. Off-street parking facilities may be developed to serve new commercial uses within the Project Area. Over the life of the Plan, land use in the Project Area will be modified to the extent that buildings currently vacant and land underdeveloped may be converted to Mixed-Use Development, public and private parking, and public/semi-public uses.

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 303.1 of this Plan.

This Plan must be practical in order to succeed. Particular attention has been paid to how it can be implemented, given the changing nature of market conditions. Transforming the Project Area into a vital, thriving part of the community requires an assertive strategy. The following list represents the key elements of that effort.

1. Initiate simultaneous projects designed to revitalize the Project Area. From sidewalk improvements to significant new development, the Agency plans to play a key role in creating the necessary momentum.
2. Secure certain public open space in critical areas. This public open space will greatly increase property values adjacent to it and greatly contribute to a new sense of place.
3. Develop new Mixed-Use Development projects.
4. Pursue development across all land-use sectors simultaneously.
5. Develop parking facilities.

Without direct public intervention, much of the Project Area could conceivably remain unchanged for the next several years. Success will come through numerous public-private partnerships. The Plan creates the necessary flexible framework for the Project Area to capture a share of Rexburg's growing population and economy.

SECTION 303 PARTICIPATION OPPORTUNITIES AND AGREEMENT

SECTION 303.1 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 new projects 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 agreements meet the conditions described below.
- (b) Any such property within the Project Area shall be required to conform to all applicable provisions, requirements, and regulations of this Plan. Upon completion of any rehabilitation or new development, 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 which 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 Rexburg.
- (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 Rexburg.

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, whether or not a participant enters into a participation agreement with the Agency, the provisions of this Plan are applicable to all public and private property in the Project Area.

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:

1. Encouraging property owners or tenants to revitalize deteriorating areas of their parcels and to incorporate elements of the Plan.
2. Subject to the limitations of the Law and the Act, providing incentives to existing property owners or tenants to encourage continued utilization and expansion of existing permitted uses to prevent properties from falling into disuse, a proliferation of vacant and deteriorated parcels.
3. Allowing existing nonconforming uses to continue in accordance with City regulations and to accommodate improvements and expansions allowed by City regulations.
4. Subject to the limitations of the Act, providing incentives to improve nonconforming properties so they implement the design guidelines recommended by this Plan to the extent possible and to encourage an orderly transition from nonconforming to conforming uses over the planning horizon.

SECTION 304 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 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 within the Project Area.

The Agency specifically intends to cooperate to the extent allowable by law with the City of Rexburg, Madison County, the State of Idaho, and School District 321 for the construction and reconstruction of public improvements and facilities, including water and sewer systems, and improvements to city streets and the state highway. Specifically, the Agency intends to address traffic issues in the urban renewal area with the City. The Agency seeks to provide input, guidance, and financial assistance, if available, to improve traffic flow, roadway/access improvements, streetscapes, parking, and related traffic issues. The Agency also intends to cooperate with local authorities to improve other transportation opportunities in the Urban Renewal Area.

The Agency, by law, is not authorized to acquire real property owned by public bodies without the consent of such public bodies. The Agency, however, will seek the cooperation of all public bodies that own or intend to acquire property in the Project Area. Any public body that owns or leases property in the Project Area will be afforded all the privileges of an owner participant if such public body is willing to enter into a participation agreement with the Agency. All plans for development of property in the Project Area by a public body shall comply with the provisions of this Plan.

SECTION 305 PROPERTY ACQUISITION

SECTION 305.1 REAL PROPERTY

Only as specifically authorized herein, the Agency may acquire, through the voluntary measures described below, 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 improvements, required 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), but shall not include the right to invoke eminent domain authority. 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.

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, any ability to engage in certain demonstration projects, and other major objectives outlined in this Plan, and to assemble certain critical or strategic parcels to dispose to the private sector to assist in the redevelopment of the Project Area.

In the event the Agency identifies certain property which should be acquired to develop certain public improvements intended to be constructed under the provisions of this Plan, the Agency shall coordinate such property acquisition, with any other public entity (e.g., without limitation, the City or the State of Idaho, or any of its authorized agencies), including the assistance of the Agency of funds to acquire said property either through a voluntary acquisition or the public entity's invoking of its eminent domain authority. The Agency shall not be entitled to invoke its statutory eminent domain authority without an express amendment to this Plan, properly approved by the City Council.

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). The Agency has not identified any particular parcel for acquisition for the construction of public improvements. However, certain parcels may be acquired for development of public improvements, assemblage of parcels, or other demonstration projects. These activities are generally described in Attachment 3. The Agency may also acquire property for the purpose of developing public parking facilities, public open space, and to enhance the opportunity for other uses. At the present time, the Agency cannot specifically identify which parcels may be necessary for acquisition for the parking facilities or for site assembly for private development. The Agency reserves the right to determine which properties, if any, should be acquired. Generally, the Agency will invoke its acquisition authority only for the elimination or mitigation of deteriorated or deteriorating buildings, structures, or properties in order to enhance public open space in the Project Area or assist or participate in site reclamation, remediation, or elimination of blighted or deteriorated areas, and then only by voluntary means.

SECTION 305.2 PERSONAL PROPERTY

Generally, personal property shall not be acquired. However, where necessary in the execution of this Plan and where allowed by law, the Agency is authorized to acquire personal property in the Project Area by any lawful means through voluntary means. 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 deteriorating structures to facilitate the redevelopment of 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 303.1 of this Plan. In addition, such owner shall commit to the redevelopment 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.

SECTION 306 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.

SECTION 307 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. 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.

SECTION 308 DEMOLITION, CLEARANCE, AND BUILDING SITE PREPARATION

SECTION 308.1 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.

SECTION 308.2 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, parks, pedestrian walkways, traffic signals, drainage facilities, 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. To the extent allowed by the Law and Act, Agency may assist in the preparation of building sites by way of reclamation, remediation, or elimination of blighted or deteriorated conditions.

SECTION 309 PROPERTY DISPOSITION AND DEVELOPMENT

**SECTION 309.1 REAL PROPERTY DISPOSITION AND
DEVELOPMENT**

SECTION 309.1(A) 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 and as otherwise allowed by law. To the extent permitted by law, the Agency is authorized to dispose of real property by negotiated lease, sale, or transfer without public bidding.

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.

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.

**SECTION 309.1(B) 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 Madison 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, handicap, national origin, or ancestry in the sale, lease, sublease, transfer, use, occupancy, 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 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 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 may be included in the agreement:

The developers and their successors and assigns agree:

- (a) A plan and time schedule for the proposed development shall be submitted to the Agency.
- (b) The purchase or lease of the land, subterranean rights, and/or air rights is for the purpose of redevelopment and not for speculation.
- (c) The building of improvements will be commenced and completed as jointly scheduled and determined by the Agency and the developer(s).
- (d) There will be no discrimination against any person or group of persons because of 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 or 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 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 Agency.
- (e) The site and construction plans will be submitted to the Agency for review as to conformity with the provisions and purposes of this Plan.

- (f) At the discretion of the Agency a bond or other surety will be provided acceptable to the Agency to ensure performance under the contract of the sale.
- (g) 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.
- (h) 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 Rexburg or Madison County, if applicable.
- (i) All new construction shall have a minimum estimated life of no less than twenty (20) years.
- (j) All disposition and development documents and owner participation agreements shall be governed by the provisions of Section 405.2 of this Plan.
- (k) All such buildings or portions of the buildings which are to retain within the Project Area shall be reconstructed in conformity with all applicable codes and ordinances of the City of Rexburg or Madison County, if applicable. All disposition and development documents shall be governed by the provisions of Section 420 of this Plan.

SECTION 309.1(C) DEVELOPMENT BY THE AGENCY

To the extent now or hereafter permitted by the Law or Act, 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 the Law or Act. The Agency may also as allowed by the Law or Act assist in the development of private projects.

In addition to the public improvements authorized under Idaho Code Section 50-2007, the Agency is authorized to install and construct, or to cause to be installed and constructed, within the Project Area or outside the Project Area for improvements or facilities that are needed to support new development in 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) pedestrian paths; (3) traffic signals; (4) landscaped areas; (5) street improvements, including new access roads and streets; (6) sanitary sewers; (7) flood control facilities and storm drains; (8) water mains, pumps, and reservoirs; (9) parks and recreation facilities; (10) civic centers, city hall, or the like; (11) parking facilities; and (12) technology related facilities.

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.

Where appropriate, the Agency seeks to coordinate special streets, parks, and urban open spaces within the Project Area.

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.

SECTION 309.1(D) 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 review. All development in the Project Area must conform to those standards specified in Section 404, *infra*.

SECTION 310 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.

SECTION 311 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. The Agency is authorized to acquire, restore, rehabilitate, move, and conserve buildings of historic or architectural significance.

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.

SECTION 312 PARTICIPATION WITH PRIVATE 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 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 and other applicable federal programs.

Under those regulations the Agency may participate with the private sector in the development and financing of those private projects which 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 of support or any other activity necessary or appropriate to carry out an economic development project.

The Agency may also use funds from any other sources for any purpose set forth under the Law.

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 of this Plan or out of any other available funds.

SECTION 313 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.

SECTION 400 USES PERMITTED IN THE PROJECT AREA

SECTION 401 REDEVELOPMENT PLAN MAP AND DEVELOPMENT STRATEGY

The Description of the Project Area and Revenue Allocation Area Boundary and Project Area-Revenue Allocation Area Boundary Map, attached hereto as Attachments 1 and 2 and incorporated by reference, describe the location of the Project Area boundaries. The proposed land uses to be permitted in the Project Area for all land, public and private, are depicted in Attachment 4.

SECTION 402 DESIGNATED LAND USES

Agency intends to rely upon the overall land use designations and zoning requirements of the City of Rexburg.

SECTION 403 OTHER LAND USES

SECTION 403.1 PUBLIC RIGHTS-OF-WAY

The major public streets within the Project Area include 1st North, Main, 1st South, 2nd West, 1st West, Center, College, 1st East, 2nd East, and other major rights-of-way which may be developed in the Project Area.

Additional public streets, alleys, and easements may be created in the Project Area as needed for proper development. Existing streets, alleys, and easements may be abandoned, closed, expanded, or modified as necessary for proper development of the Project in conjunction with any applicable policies and standards of the City or Idaho Department of Transportation as may be applicable regarding changes to dedicated rights-of-way.

Any changes in the existing interior or exterior street layout shall be in accordance with the objectives of this Plan and the design standards of the City or Idaho Department of Transportation, as may be applicable, 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 pedestrian and vehicular access, vehicular parking, and delivery loading docks with the similar needs of any existing developments permitted to remain, such balancing taking 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 also to serve areas outside the Project Area 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 in public rights-of-way.

SECTION 403.2 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. 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.

SECTION 403.3 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 Rexburg City Code.

SECTION 404 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.

SECTION 404.1 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.

SECTION 404.2 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.

SECTION 404.3 LIMITATION ON TYPE, SIZE, AND HEIGHT OF BUILDING

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.

SECTION 404.4 OPEN SPACES, LANDSCAPING, LIGHT, AIR, AND PRIVACY

The approximate amount of open space to be provided in the Project Area is the total of all areas which will be in the public rights-of-way, the public ground, the space around buildings, and all other outdoor areas not permitted to be covered by buildings. Landscaping shall be developed in the Project Area to ensure optimum use of living plant material.

Sufficient space shall be maintained between buildings in all areas to provide adequate light, air, and privacy.

SECTION 404.5 SIGNS

All signs shall conform to City sign ordinances as they now exist or are hereafter amended.

SECTION 404.6 UTILITIES

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

SECTION 404.7 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.

SECTION 404.8 NONDISCRIMINATION AND NONSEGREGATION

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

SECTION 404.9 SUBDIVISION OF PARCELS

Any parcel in the Project Area shall be subdivided only in compliance with the City Subdivision Ordinance.

SECTION 404.10 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, without amendment 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.

SECTION 404.11 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.

SECTION 404.12 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.

SECTION 405 DESIGN FOR DEVELOPMENT

SECTION 405.1 DESIGN GUIDELINES FOR DEVELOPMENT

Within the limits, restrictions, and controls established in this Plan and to the extent allowed by law, 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. Agency intends to rely on City standards including any particular standards which the City may impose over urban renewal project areas. Any development must also comply with the City of Rexburg Zoning Ordinance regarding heights, setbacks, and other like standards.

In the case of property which is the subject of a disposition and development or owner 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 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.

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 ordinances. Absent the Agency developing and promulgating specific design standards or controls, the Agency shall review all projects by applying and/or deferring to the usual approval process imposed by the City.

**SECTION 405.2 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 as imposed shall be achieved to the greatest extent feasible, though the Agency retains the authority to grant minor variations under Section 404.10 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 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 provision of any applicable City building or zoning ordinance; provided, however, each and every development shall comply with all applicable City zoning and building ordinances, including any adopted City design standards.

SECTION 500 METHODS OF FINANCING THE PROJECT

**SECTION 501 GENERAL DESCRIPTION OF THE PROPOSED
FINANCING METHOD**

The Agency is authorized to finance this Project with financial assistance from the City, State of Idaho, federal government, interest income, Agency bonds, donations, loans from private financial institutions, the lease or sale of Agency-owned property, 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.

SECTION 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.

SECTION 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. 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.

SECTION 504 REVENUE ALLOCATION FINANCING PROVISIONS

The Agency hereby adopts revenue allocation financing provisions as authorized by the Act, Chapter 29, Title 50, Idaho Code, effective retroactively to January 1, 2003. These revenue allocation provisions shall apply to all taxing districts in which the Revenue Allocation Area is located and described on Attachments 1 and 2 to 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 such costs as 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(13)) of one or more urban renewal projects.

Upon enactment of an ordinance by the governing body of the City 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 has also provided for expenditure 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, the State, private entities, or other sources 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, as well as payment for costs incurred for activities of the Project.

The Agency is authorized to make such pledges as to specific advances, loans, and indebtedness as appropriate in carrying out the Project.

SECTION 504.1 ECONOMIC FEASIBILITY STUDY

Attachment 5 consists of the Economic Feasibility Study ("Study") for the Urban Renewal Area prepared by Harlan W. Mann, Redevelopment Consultant. The Study constitutes the financial analysis required by the Act.

SECTION 504.2 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 any bond debt or other obligation is satisfied. All debt is projected to be repaid no later than the duration period of the Plan. 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 all

of the development take place as projected, 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 those obligations may continue for their full term.

The Plan and attachments incorporate estimates and projections based on the Agency's present knowledge and expectations. 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 improvements, streetscapes, street improvements, property acquisition, and relocation costs, which will facilitate development in the Revenue Allocation Area.

SECTION 504.3 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 Downtown District Revenue Allocation Area is \$29,278,018. The total assessed value for the City of Rexburg as of January 1, 2003, less homeowner's exemptions, is \$382,054,081. The base assessment roll, and less any homeowner's exemptions for the Washington School Revenue Allocation Area as of January 1, 1997, was \$2,662,894. The base assessment roll and less any homeowner's exemptions for the original North Highway Urban Renewal District as of January 1, 1991, was \$2,424,459 and for the amended area as of January 1, 1998, was \$293,597. The combined base assessment roll for the Revenue Allocation Area does not exceed ten percent (10%) of the assessed value for the City of Rexburg.

SECTION 504.4 FINANCIAL LIMITATION

The Study identifies several capital improvement projects. Use of any particular financing source for any particular purpose is not assured or identified. Use of the funding source shall be conditioned on any limiting authority. For example, the Agency may consider participation with owners or developers for facade improvements, partial contribution by the Agency, or encouraging certain demonstration projects such as affordable housing projects. Use of revenue allocation funds for that purpose will be limited by the authority of the Act. 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, Transportation Department.

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. The Study has assumed certain annual increases over the term of the Plan based on historical analysis and other circumstances.

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, 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 related 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 several bond terms and note issues. 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 all of the development take place as projected, indebtedness would be extinguished earlier, dependent upon the bond sale documents and legal obligations therein. 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 Study has targeted certain private development projects by a particular year and at a value premised on certain build-out assumptions. The Study has also assumed a modest 2.5-percent assessed value increase at the time the property in the scheduled blocks is reassessed.

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 Plan is likely to increase as a result of the initiation and completion of urban renewal projects pursuant to the Plan.

SECTION 504.5 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. 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.

SECTION 504.6 PARTICIPATION WITH LOCAL IMPROVEMENT DISTRICTS AND BUSINESS 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.

SECTION 504.7 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.

SECTION 504.8 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 in the next five to ten years, hence there would be lower increases in assessed valuation to be used by the other taxing entities.

Additionally, the Study has taken the existing 2003 net levy rate of .01156 (i.e., deducting the .004 school credit) and imposed a one percent of the annual reduction levy rate through 2013. 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. If the overall levy rate is less than as assumed, the Agency shall receive fewer funds from revenue allocation.

SECTION 504.9 LEASE REVENUE BONDS

One other potential use of financing is lease revenue bonds from the user of a public facility. For example, a lease base revenue bond may be a way to finance certain public buildings without the use or obligation of revenue allocation proceeds.

SECTION 600 ACTIONS BY THE CITY

The City shall *institute the normal processes to* 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 property, rights-of-way, or public utilities within or affecting the Project Area;
- (b) *Assuring that all project activities are consistent with the City Comprehensive Plan, Zoning Ordinances, and all applicable laws and regulations* 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, wherein 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 LID under Chapter 17, Title 50, Idaho Code, or a BID under Chapter 26, 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 and other state and federal grant funds that may be made available for the Project;
- (j) appropriate agreements with the Agency for administration, supporting services, funding sources, and the like;
- (k) 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; and
- (l) the 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.

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

SECTION 700 ENFORCEMENT

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

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.

SECTION 800 DURATION OF THIS PLAN

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 Plan shall be effective for twenty-four (24) years from the date of adoption of the original Plan by the City Council in 2003, which period shall expire on December 31, 2027, except for any revenue allocation proceeds received in calendar year 2028.

This Plan shall terminate no later than December 31, 2027, except for revenues which may be received in 2028. Either on January 1, 2027, 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 termination 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 Rexburg.

SECTION 900 PROCEDURE FOR AMENDMENT

The Plan may be further modified at any time by the Agency, provided that, if modified after disposition of real property in the Project Area or after execution of an owner participation agreement, the modifications must be consented to by the developer or developers or their 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 Rexburg City Council in the same manner as the original Plan. Substantial changes for Rexburg 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.

SECTION 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, 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.

SECTION 1100 ANNUAL REPORT

Under the 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.

Attachment 1

Description of the Project Area and Revenue Allocation Area Boundaries

[Note: Legal Description of Project Area will be forthcoming. See Attachment 2 for a map of the Project Area.]

The Project Area is generally described as 2nd West on the west, 2nd East on the east, 1st North on the north, and 1st South on the south.

The Revenue Allocation Area does not include the Melaleuca Property on Block 39.

Attachment 2A & 2B

Attachment 2A Downtown Rexburg Urban Renewal Project

Attachment 2B Project Area-Revenue Allocation Area Boundary Map

Attachment 3

Private Properties Which May Be Acquired by Agency

1. No particular properties have been identified for acquisition by Agency, except as may be required for the objectives of the Plan.
2. The Agency also 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 provide adequately sized sites for high priority projects such as public buildings, infrastructure, public parking facilities, transit and transportation facilities, etc. (the exact location of which has not been determined).
4. 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)

Attachment 4

Map Depicting Expected Land Uses and Current Zoning
Within Revenue Allocation Area and Project Area

Attachment 5

Statement of Proposed Public Improvements, Costs, Revenues,
Tax Impacts, Financing Methods, and Implementation Plan

Attachment 1

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[Note: Legal Description of Project Area will be forthcoming. See Attachment 2 for a map of the Project Area.]

The Project Area is generally described as 2nd West on the west, 2nd East on the east, 1st North on the north, and 1st South on the south.

The Revenue Allocation Area does not include the Melaleuca Property on Block 39.

ATTACHMENT 1

A. Description of Urban Renewal Project Area:

Blocks 32, 33, 34, 37, 38, 39, 40, and the surrounding streets of the Rexburg Original Townsite, Madison County, Idaho; lying within Sections 19 and 30 of Township 6 North, Range 40 East of the Boise Meridian.

More particularly as follows:

Beginning at a point 49.5 feet East of the Southeast corner of said Section 19, thence North 819 feet to the Southwest corner of Block 20, thence West 2,376 feet to the Northeast corner of Block 31, thence South 759 feet, thence West 759 feet, thence South 879 feet to the Northeast corner of Block 46, thence East 3,135 feet to the Northwest corner of Block 8 of the Rigby Addition to Rexburg, thence North 819 feet to the point of beginning.

B. Description of Revenue Allocation Area:

Blocks 32, 33, 34, 37, 38, 39, 40, and the surrounding streets of the Rexburg Original Townsite, Madison County, Idaho; lying within Sections 19 and 30 of Township 6 North, Range 40 East of the Boise Meridian.

More particularly as follows:

Beginning at a point 49.5 feet East of the Southeast corner of said Section 19, thence North 819 feet to the Southwest corner of Block 20, thence West 2,376 feet to the Northeast corner of Block 31, thence South 759 feet, thence West 759 feet, thence South 879 feet to the Northeast corner of Block 46, thence East 3,135 feet to the Northwest corner of Block 8 of the Rigby Addition to Rexburg, thence North 819 feet to the point of beginning.

Less Lot 2 of Block 39 of the Original Rexburg Townsite.

Attachment 2A & 2B

Attachment 2A Downtown Rexburg Urban Renewal Project

Attachment 2B Project Area-Revenue Allocation Area Boundary Map

Attachment 2A
Downtown Rexburg Urban Renewal Project

23

22

21

W 1st N

Washington School
Urban Renewal Project

30

31

N 1st W

32

N Center St

33

N 1st E

Webster Ave

34

N 2nd E

W Main St

41

40

39

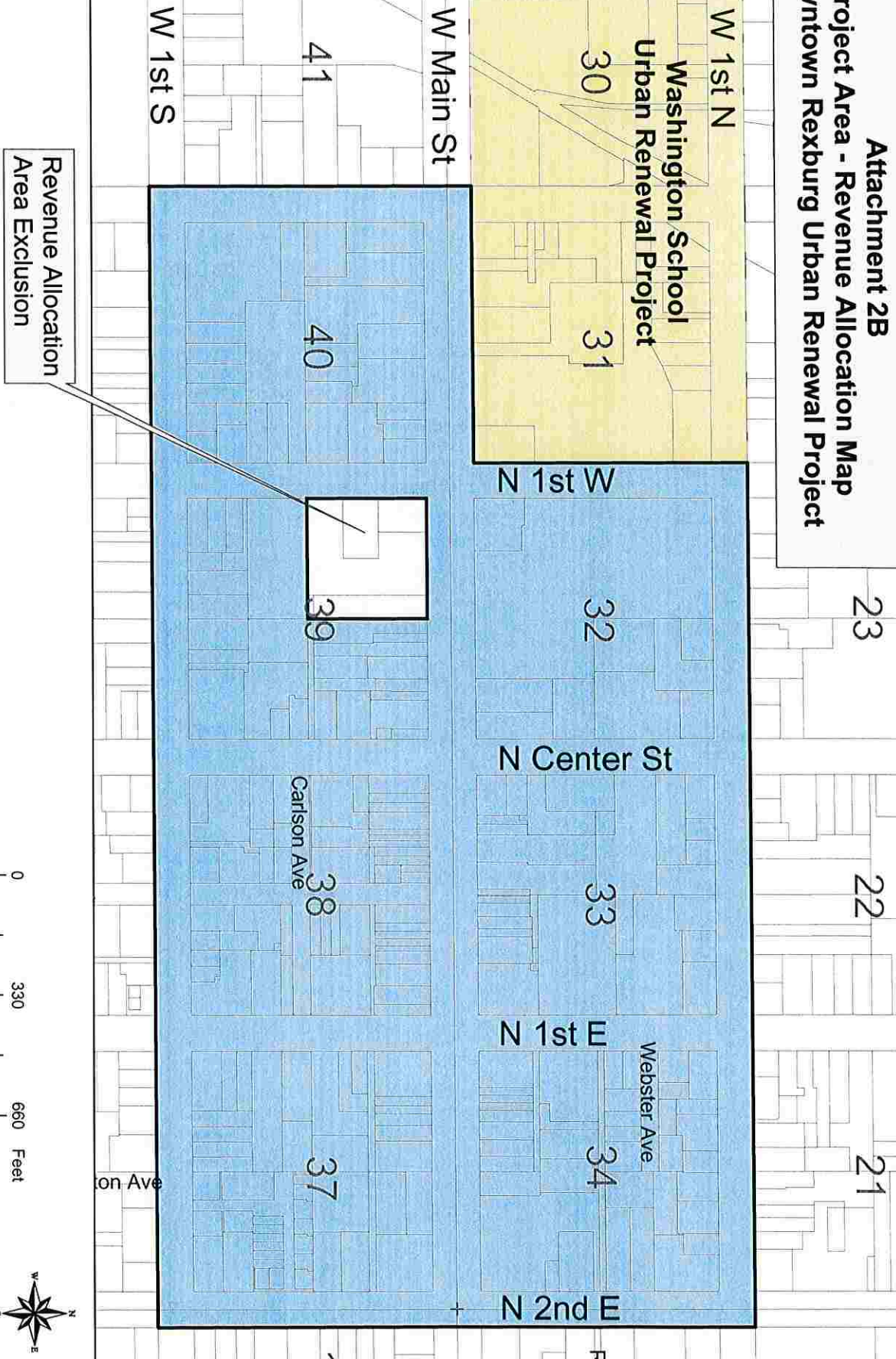
Carlson Ave
38

37

W 1st S



Attachment 2B
Project Area - Revenue Allocation Map
Downtown Rexburg Urban Renewal Project



Attachment 3

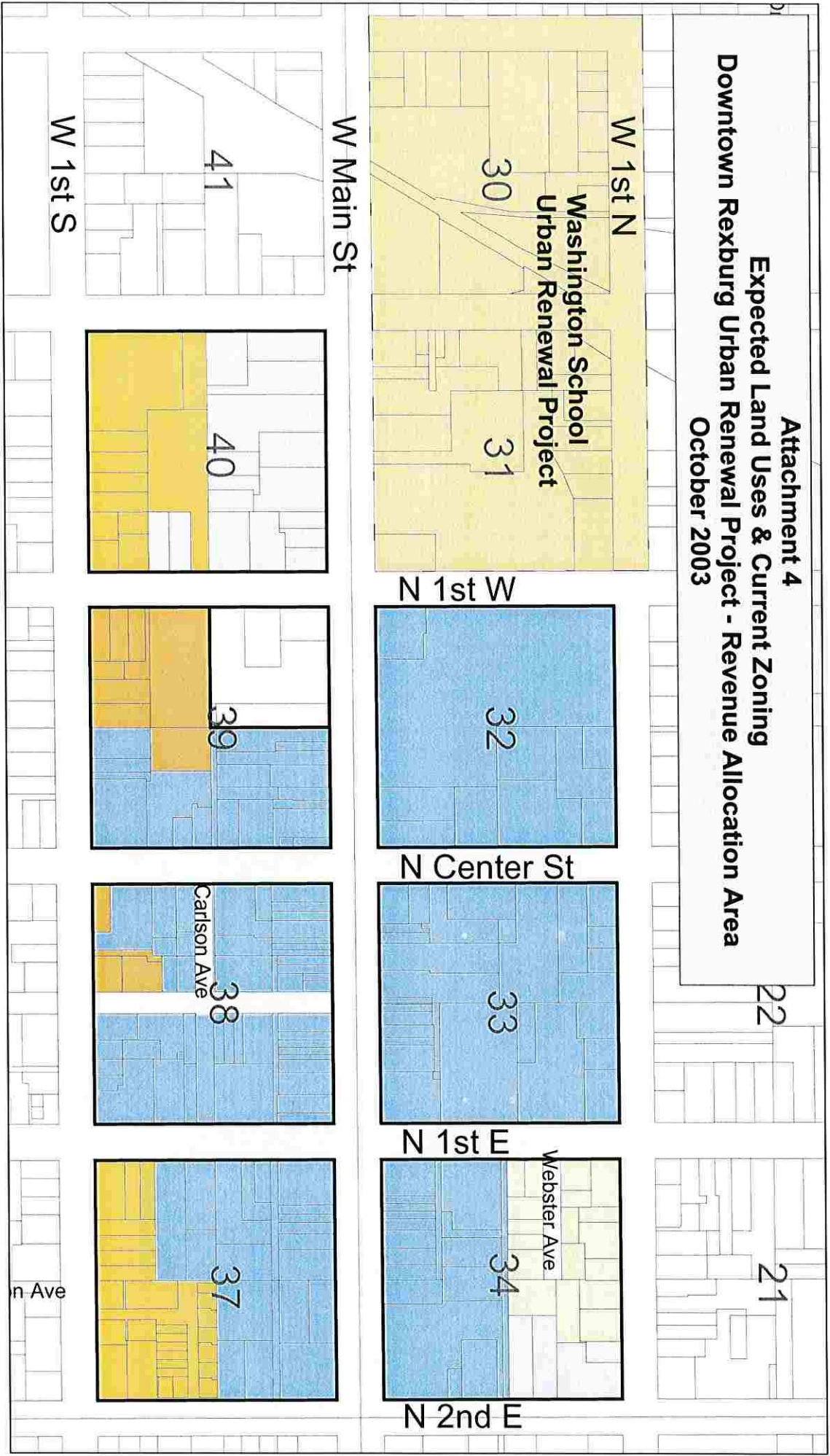
Private Properties Which May Be Acquired by Agency

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2. The Agency also 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 provide adequately sized sites for high priority projects such as public buildings, infrastructure, public parking facilities, transit and transportation facilities, etc. (the exact location of which has not been determined).
4. 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)

Attachment 4

Map Depicting Expected Land Uses and Current Zoning
Within Revenue Allocation Area and Project Area

Attachment 4
Expected Land Uses & Current Zoning
Downtown Rexburg Urban Renewal Project - Revenue Allocation Area
October 2003



Legend

- Low Density Residential 1
- Medium Density Residential
- High Density Residential
- Central Business District
- Highway Business District



Attachment 5

Statement of Proposed Public Improvements, Costs, Revenues,
Tax Impacts, Financing Methods, and Implementation Plan

Attachment 5A
Estimated Net Taxable Value¹ of New Private Development
in Downtown Rexburg Urban Renewal Project
(10-27-03)

Year	Residential	Commercial	Year Total ²	Cumulative Total
2003-2004	0	516,000 ³	516,000	516,000 ⁴
2004-2005	350,000 ⁴	900,000 ⁵	1,250,000	1,766,000
2005-2006	0	675,000 ⁶	675,000	2,441,000
2006-2007	0	0	0	2,441,000
2007-2008	0	5,588,000 ⁷	5,588,000	8,029,000
2008-2009	0	0	0	8,029,000
2009-2010	0	0	0	8,029,000
2010-2011	0	0	0	8,029,000
2011-2012	0	0	0	8,029,000
2012-2013	0	0	0	8,029,000

¹Cumulative estimated increases of assessed value for land, improvements, personal property, and utilities above base values of \$2,718,056 for the North Highway Project, \$2,662,894 for the Washington School Project, and an estimated \$29,278,018 for Downtown Rexburg Project, that excludes Block 41 and the Melaleuca property in Block 39.

²Generally reflects value of construction completed in the year indicated and assessed in the following year, but can include occupancy roll (buildings) and subsequent/missed roll (personal property) values for the following year.

³Estimated net increase in value for new restaurant.

⁴Estimated net increase in value after homeowner's exemption for new condominiums.

⁵Estimated net increase for possible new commercial development.

⁶Reflects estimated 2.5% property value increases for scheduled blocks on 5-year reassessment cycle.

⁷Includes estimated commercial development on property currently used as junior high school.

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Attachment 5B

**Estimated Annual Revenue Allocations
Downtown Rexburg Urban Renewal Project
10-27-03**

Year Assessed	Year Taxes Received	Estimated Valuation¹	Tax Levy Rate²	Gross Revenue³	School Payments⁴	Agency Net Revenue
2004	2005	516,000	0.0154081	7,951	2,064	5,887
2005	2006	1,766,000	0.0152540	29,939	7,064	22,875
2006	2007	2,441,000	0.0151015	36,863	9,764	27,099
2007	2008	2,441,000	0.0149505	36,494	9,764	26,730
2008	2009	8,029,000	0.0148010	118,837	32,116	86,721
2009	2010	8,029,000	0.0146530	117,649	32,116	85,533
2010	2011	8,029,000	0.0145065	116,473	32,116	84,357
2011	2012	8,029,000	0.0143614	115,308	32,116	83,192
2012	2013	8,029,000	0.0142178	114,155	32,116	82,039
2013	2014	8,029,000	0.0140756	113,013	32,116	80,897
Totals					221,357	585,330

¹Estimated valuation is based on cumulative net values from Attachment 5A.

²Tax levy rate is estimated to decrease 1 percent per year from 2003.

³Gross revenue is estimated valuation times tax levy rate. The amount shown as "Gross Revenue" is the amount that, absent revenue allocation authority, would be distributed to the other taxing entities in proportion to their respective annual levies. The levy amount is determined by compliance with the limitations contained within House Bill 156 adopted by the Idaho Legislature in 1995.

⁴School payment is estimated valuation times 0.0040 as required by statute, revised 1994.

Attachment 5C (10-27-03)
Estimated Annual Revenues and Costs (Figures Shown in 000)
Downtown Rexburg Urban Renewal Project

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	Totals
Beginning Balance	0	0	6	9	6	8	25	21	15	8	10	
Sources of Funds:												
Revenue Allocation ¹	0	6	23	27	27	87	86	84	83	82	81	586
Local Imp. Dist./BID		200										200
Agency Advance	15	15	15	15	15							75
Idaho Dept. Trans.		1,000										1,000
City		25										25
C.D. B.G.		500										500
Total Sources of Funds	15	1,746	38	42	42	87	86	84	83	82	81	2,386
Total Funds Available	15	1,746	44	51	48	95	111	105	98	90	91	
Uses of Funds:												
Parking Facilities		1,000										1,000
Street Lights			20	30	25	50	70					195
Alley Improvements		700										700
Marketing Plan		25										25
Property Acquis/Reloc								70	70	60	60	260
Admin./Prof. Services	15	15	15	15	15	20	20	20	20	20	20	195
Total Uses of Funds	15	1,740	35	45	40	90	90	90	90	80	80	2,375
END BALANCE	0	6	9	6	8	25	21	15	8	10	11 ²	

¹From Attachment 5B, rounded to the nearest thousand to 2014, fiscal year ending September 30 of year indicated.

²If this figure is achieved, it would be repaid to the taxing entities.

Attachment 5C-1 Detailed Presentation (10-27-03)
 Estimated Annual Revenues and Costs (Figures Shown in 000)
 Downtown Rexburg Urban Renewal Project

	2004	2005	2006	2007	2008- 2014	Total
SOURCES OF FUNDS						
Revenue Allocations		6	23	27	530	586
Agency Advance	15	15	15	15	15	75
Idaho Department of Transportation (2 grants)		1,000				1,000
Local Improvement District		200				200
Community Development Block Grants		500				500
City		25				25
Totals	15	1,746	38	42	545	2,386
COSTS²						
<u>Parking Facilities</u>						
At least 2 lots, north and south of Main Street to replace loss of angled parking on Main Street		1,000				1,000
<u>Marketing Plan</u>		25				25
<u>Street System</u>						
Street Lights			20	30	145	195
Alley Improvements and Landscaping		700				700
Property Acquisition and Relocation (possibly on a reimbursement basis to support development)					260	260

Exhibit 4

SUMMARY OF ORDINANCE NO. 910

ORDINANCE 910 - 12
(Downtown District Redevelopment Plan /Ordinance.wpd)

Exhibit 4
CITY OF REXBURG

SUMMARY OF ORDINANCE NO. 910

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REXBURG, IDAHO, APPROVING THE DOWNTOWN DISTRICT REDEVELOPMENT PLAN, WHICH PLAN INCLUDES REVENUE ALLOCATION FINANCING PROVISIONS; AUTHORIZING THE CITY CLERK TO TRANSMIT A COPY OF THIS ORDINANCE AND OTHER REQUIRED INFORMATION TO COUNTY AND STATE OFFICIALS; APPROVING THE SUMMARY OF THE ORDINANCE; AND PROVIDING AN EFFECTIVE DATE.

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF REXBURG:

SECTION 1: It is hereby found and determined that:

- (a) The Project Area as defined in the Downtown District Redevelopment 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.
- (b) The rehabilitation, conservation, and redevelopment of the urban renewal area pursuant to the Downtown District Redevelopment Plan is necessary in the interests of public health, safety, and welfare of the residents of the City of Rexburg.
- (c) There continues to be a need for the Rexburg Redevelopment Agency ("Agency") to function in the City of Rexburg.
- (d) The Downtown District Redevelopment Plan conforms to the Comprehensive Plan of the City of Rexburg.
- (e) The Downtown District Redevelopment Plan gives due consideration to the provision of adequate park and recreation areas and facilities that may be desirable for neighborhood improvement (recognizing the mixed use components of the Downtown District Redevelopment Plan, the need for overall public improvements, and the proposed public open space), and shows consideration for the health, safety, and welfare of any residents or businesses in the general vicinity of the urban renewal area covered by the Downtown District Redevelopment Plan.
- (f) The Downtown District Redevelopment Plan affords maximum opportunity consistent with the sound needs of the City as a whole for the rehabilitation and redevelopment of the urban renewal area by private enterprises.
- (g) The Downtown District Redevelopment Plan provides a feasible method for relocation of any displaced families residing within the urban renewal area.
- (h) The collective base assessment roll of the Downtown District Project Area, the base assessment roll of the North Highway Project Area, the Amended and Restated North Highway Project Area (reflecting the area added in 1998) and the Washington School Site Project Area do not exceed ten percent (10%) of the assessed value of the City of Rexburg.

SECTION 2: The City Council finds that the Downtown District Project Area and Revenue Allocation Area do not consist of predominately open land, that the Agency does not intend to acquire any open land on any widespread basis, and that the Downtown District Project Area is planned to be redeveloped in a manner that will include both residential and nonresidential uses. Provided, however, the City Council finds that if portions of the Downtown District 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 Downtown District Redevelopment 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 Downtown District Project Area which is identified for nonresidential uses is necessary and appropriate to facilitate the proper growth and development standards in accordance with the objectives of the Rexburg 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 Downtown District Redevelopment Plan attached hereto as Exhibit 3 and is made a part hereof, and the same is hereby 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 December 3, 2003, hearing and the December 17, 2003 meeting.

SECTION 5: No direct or collateral action attacking the Downtown District Redevelopment 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 this Ordinance adopting the Downtown District Redevelopment Plan.

SECTION 6: Upon the effective date of this Ordinance, the City Clerk is authorized and directed to transmit to the County Auditor and Tax Assessor of Madison County and to the appropriate officials of the Madison School District No. 321, Madison County, Rexburg Cemetery District, Madison Library District, City of Rexburg, Madison County Ambulance District, Madison County Mosquito Abatement District, and the State Tax Commission a copy of this Ordinance, a copy of the legal description of the boundaries of the Revenue Allocation Area, and a map or plat indicating the boundaries of the Revenue Allocation Area.

SECTION 7: The City Council hereby finds and declares that the Revenue Allocation Area as defined in the Downtown District Redevelopment Plan (defined as the Project Area in the Downtown District Redevelopment Plan), the equalized assessed valuation of which the Council hereby determines is in and is part of the Downtown District Redevelopment Plan is likely to continue to increase as a result of the initiation and completion of urban renewal projects pursuant to the Downtown District Redevelopment Plan.

SECTION 8: The City Council hereby approves and adopts the following statement 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 Downtown District Redevelopment Plan, the City Council recognizes that it has no power to control the powers or operations of the Agency.

SECTION 9: This Ordinance shall be in full force and effect immediately upon its passage, approval, and publication and shall be retroactive to January 1, 2003, to the extent permitted by the Act.

SECTION 10: 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 11: 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 12: The Summary of this Ordinance, a copy of which is attached hereto as Exhibit 4, is hereby approved.

SECTION 13: All ordinances, resolutions, orders or parts thereof in conflict herewith are hereby repealed, rescinded and annulled.

SECTION 14: SAVINGS CLAUSE: This ordinance does not affect an action or proceeding commenced or right accrued before this ordinance takes effect.

PASSED by the City Council of the City of Rexburg, Idaho, on this 17th day of December, 2003.

APPROVED by the Mayor of the City of Rexburg, Idaho, on this 17th day of December, 2003.

EXHIBITS TO THE ORDINANCE

Exhibit 1 Recommendation Finding Downtown District Redevelopment Plan in Conformity With Comprehensive Plan

Exhibit 2 Notice Published in the *Standard Journal*

Exhibit 3 Downtown District Redevelopment Plan

Exhibit 4 Ordinance Summary

SUMMARY OF PLAN

The Downtown District Redevelopment Plan was prepared by the urban renewal agency of the City of Rexburg, the Rexburg Redevelopment Agency ("Agency") pursuant to the State of Idaho Urban Renewal Law, the Local Economic Development Act, the Idaho Constitution, and all applicable laws and ordinances and was approved by the Agency. The Downtown District Redevelopment Plan provides for the Agency to undertake urban renewal projects pursuant to the Idaho Urban Renewal Law of 1965 as amended. The Downtown District Redevelopment Plan 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 original base assessment roll as of January 1, 2003, to be allocated to the Agency for the urban renewal purposes.

The general scope and objectives of the Downtown District Redevelopment Plan are:

1. The acquisition of certain real property *through voluntary measures described in Section 305*;
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, improve 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;
4. The management of any property acquired by any 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 development of water and sewer systems, electrical distribution and transmission lines in underground configuration, if needed to encourage new developments of fiber optic systems, parking facilities, and other public improvements, including, but not limited to, storm drain systems, walkways, and public open spaces;
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;
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 commercial, mixed use residential, office, appropriate retail, and other ancillary uses;
11. To the extent allowed by law, lend or invest federal funds to facilitate redevelopment; and
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, and other uses contemplated by the Plan, and to provide utilities to the development site.

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

The Project Area boundaries herein referred to are as follows:

2nd West on the west, 2nd East on the east, 1st North on the north and 1st South on the south.

The Revenue Allocation Area does not include the Melaleuca Property consisting of Lot 2 of Block 39.

Said tracts being more particularly described by record information as follows:

A. Description of Urban Renewal Project Area:

Blocks 32, 33, 34, 37, 38, 39, 40, and the surrounding streets of the Rexburg Original Townsite, Madison County, Idaho; lying within Sections 19 and 30 of Township 6 North, Range 40 East of the Boise Meridian.

More particularly as follows:

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Less Lot 2 of Block 39 of the Original Rexburg Townsite.

Sections 300 through 313 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 405 describes design guidelines for development.

The Downtown District Redevelopment Plan also contains a major section on financing. Among other sources, the Downtown District Redevelopment Plan will utilize revenue allocation financing, authorized by Chapter 20, Title 50, Idaho Code. This statute was approved in 1988 by the Idaho Legislature. Section 504 and Attachment 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, 2003, will generate revenue for the Agency to pay project costs. Project costs include street improvements, parking facilities, and other public improvement 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 Rexburg, Madison School District No. 321, Madison County, Rexburg Cemetery District, Madison Library District, Madison County Ambulance District, and Madison County Mosquito Abatement District to finance their operations. The Downtown District Redevelopment Plan authorizes the Agency to sell revenue bonds to finance project costs and to use annual revenue allocations to pay the debt service.

The program outlined in the Downtown District Redevelopment Plan emphasizes the installation of needed public improvements, street improvements, utility work, and other costs to encourage private development.

Attachment 5 describes in detail the cost and financing methods for complete repayment of the debt incurred used to finance the Project and to also fund the additional described activities.

No change in the land use designation or the potential uses in the area have been proposed. The Downtown District Redevelopment Plan follows the underlying zoning classifications of the City of Rexburg. Proposals for certain zone changes are made in the Downtown District Redevelopment Plan.

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

The duration of the Downtown District Redevelopment Plan is for twenty-four (24) years. A termination process is described in Section 800 of the Plan. The Agency is required to prepare an annual report each year describing its activities during the previous year.

ATTACHMENTS TO THE DOWNTOWN DISTRICT REDEVELOPMENT PLAN

Attachment 1	Description of Project Area and Revenue Allocation Area Boundary
Attachment 2A	Downtown Rexburg Urban Renewal Project
Attachment 2B	Project Area-Revenue Allocation Area Boundary Map
Attachment 3	Private Properties Which May be Acquired by Agency
Attachment 4	Map Depicting Expected Land Uses and Current Zoning within Revenue Allocation Area and Project Area

The full text of Ordinance 910 is available at the offices of the City Clerk located at Rexburg City Hall, 12 North Center, Rexburg, Idaho.

This summary is approved by the Rexburg City Council at its meeting of December 17, 2003.

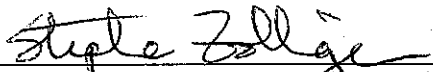

Bruce Sutherland, Mayor

ATTEST:


Blair D. Kay, City Clerk

I, Stephan P. Zollinger, City Attorney for the City of Rexburg, Idaho, hereby declare and certify that in my capacity as City Attorney of the City of Rexburg, pursuant to Idaho Code Section 50-901A(3) of the Idaho Code as amended, I have reviewed a copy of the above Summary of Ordinance, have found the same to be true and complete, and said Summary of Ordinance provides adequate notice to the public of the contents, including the exhibits, of Ordinance No. 910.

DATED this 17th day of December, 2003.



City Attorney, City of Rexburg, Idaho