

POCATELLO DEVELOPMENT AUTHORITY
Board of Commissioners Meeting
January 11, 2000
10:00 a.m.

City Hall
911 North 7th Avenue

10:00 a.m. Iwamizawa Room

Study & Review Session

11:00 a.m. Council Chambers

Call to Order - Chairman Hotchkiss

Acknowledge Guests of Board, if any

Disclosure of Conflicts of Interest, if any

Agenda - Add or Delete Action or Discussion Items

Action Items

Minutes for December 14 - Motion to Approve and/or Amend

Financial Report: December Income and Expenses

Consider Approving 2000 Cash Budget

Gateway West District: Consider Request

Consider Board Operating Funds

Consider Board Operating Funds Percentages

Discussion Items

Consolidated Central Corridor: Update on Judicial Validation

Executive Session, if required

Pocatello Development Authority
Cash Budget - 2000

	Estimated January	Estimated February	Estimated March	Estimated April	Estimated May	Estimated June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	Current Estimate 2000	Approved 2000
Beginning Balance	\$1,047,545.99	\$1,332,115.27	\$265,200.27	\$257,010.27	\$235,720.27	\$239,630.27	\$243,640.27	\$2,058,745.27	\$508,260.27	\$506,160.67	\$496,970.67	\$481,122.67	\$1,047,545.99	\$1,047,545.99
SOURCES OF FUNDS														
Gateway West District	20,000.00	0.00	0.00	0.00	0.00	0.00	32,300.00	0.00	0.00	0.00	0.00	0.00	\$52,300.00	\$52,300.00
Kress District	2,300.00	0.00	0.00	0.00	0.00	0.00	3,894.00	0.00	0.00	0.00	0.00	0.00	\$6,194.00	\$6,194.00
Newtown District	20,000.00	0.00	0.00	0.00	0.00	0.00	30,100.00	0.00	0.00	0.00	0.00	0.00	\$50,100.00	\$50,100.00
Varsity Square District	5,000.00	0.00	0.00	0.00	0.00	0.00	14,000.00	0.00	0.00	0.00	0.00	0.00	\$19,000.00	\$19,000.00
Al Ricken Drive District	975,000.00	0.00	0.00	0.00	0.00	0.00	1,449,456.00	0.00	0.00	0.00	0.00	0.00	\$2,424,456.00	\$2,424,456.00
Old Town District	50,000.00	0.00	0.00	0.00	0.00	0.00	142,000.00	0.00	0.00	0.00	0.00	0.00	\$192,000.00	\$192,000.00
North Main District	10,000.00	0.00	0.00	0.00	0.00	0.00	30,445.00	0.00	0.00	0.00	0.00	0.00	\$40,445.00	\$40,445.00
Roosevelt District	10,000.00	0.00	0.00	0.00	0.00	0.00	35,500.00	0.00	0.00	0.00	0.00	0.00	\$46,500.00	\$46,500.00
Central Corridor District	30,000.00	0.00	0.00	0.00	0.00	0.00	72,000.00	120,000.00	0.00	0.00	0.00	0.00	\$222,000.00	\$222,000.00
Board Discretionary Funds	24,500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$24,500.00	\$24,500.00
General Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2,542.00	13,021.19	\$15,563.19	\$15,563.19
Interest Income	2,500.00	5,000.00	3,900.00	3,800.00	4,000.00	4,100.00	4,500.00	5,500.00	3,600.00	3,400.00	3,500.00	3,200.00	\$47,000.00	\$47,000.00
TOTAL	1,149,300.00	5,000.00	3,900.00	3,800.00	4,000.00	4,100.00	1,815,195.00	125,500.00	3,600.00	3,400.00	6,042.00	16,221.19	\$3,140,058.19	\$3,140,058.19
CASH AVAILABLE	\$2,196,845.99	\$1,337,115.27	\$269,100.27	\$260,810.27	\$239,720.27	\$243,730.27	\$2,058,835.27	\$2,164,245.27	\$511,860.27	\$509,560.67	\$503,012.67	\$497,343.86	\$4,187,604.18	\$4,187,604.18
APPLICATION OF FUNDS														
Gateway West District	50,000.00	0.00	0.00	25,000.00	0.00	0.00	0.00	20,000.00	0.00	0.00	21,800.00	0.00	\$116,800.00	\$116,800.00
Kress District	0.00	2,300.00	0.00	0.00	0.00	0.00	3,894.00	0.00	0.00	0.00	0.00	0.00	\$6,194.00	\$6,194.00
Newtown District	0.00	20,000.00	0.00	0.00	0.00	0.00	30,100.00	0.00	0.00	0.00	0.00	0.00	\$50,100.00	\$50,100.00
Varsity Square District	0.00	2,500.00	0.00	0.00	0.00	0.00	0.00	5,609.60	0.00	0.00	0.00	0.00	\$8,109.60	\$8,109.60
Al Ricken Drive District	29.30	975,000.00	0.00	0.00	0.00	0.00	1,449,456.00	0.00	0.00	0.00	0.00	0.00	\$2,424,485.30	\$2,424,485.30
Old Town District	10,611.42	50,000.00	0.00	0.00	0.00	0.00	142,000.00	0.00	0.00	0.00	0.00	0.00	\$202,611.42	\$202,611.42
North Main District	0.00	10,000.00	0.00	0.00	0.00	0.00	30,445.00	0.00	0.00	0.00	0.00	0.00	\$40,445.00	\$40,445.00
Roosevelt District	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$0.00	\$0.00
Central Corridor	804,000.00	12,000.00	12,000.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$828,000.00	\$828,000.00
Board Discretionary Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	12,500.00	0.00	0.00	\$12,500.00	\$12,500.00
General Funds	90.00	90.00	90.00	90.00	90.00	90.00	90.00	90.00	90.00	90.00	90.00	90.00	\$1,080.00	\$1,080.00
Bank Charges	0.00	25.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$25.00	\$25.00
TOTAL	864,730.72	1,071,915.00	12,090.00	25,090.00	90.00	90.00	90.00	1,675,985.00	5,699.60	12,590.00	21,890.00	90.00	\$3,690,350.32	\$3,690,350.32
ENDING BALANCE	\$1,332,115.27	\$265,200.27	\$257,010.27	\$235,720.27	\$239,630.27	\$243,640.27	\$2,058,745.27	\$508,260.27	\$506,160.67	\$496,970.67	\$481,122.67	\$497,253.86	\$497,253.86	\$497,253.86

Pocatello Development Authority
Cash Budget - 1999

	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Actual July	Actual August	Actual September	Actual October	Actual November	Actual December	Actual 1999	Approved 1999
Beginning Balance	\$127,453.75	\$678,698.92	\$129,120.63	\$129,261.02	\$96,423.80	\$104,062.55	\$95,218.64	\$2,200,498.97	\$1,464,740.89	\$1,071,533.16	\$1,057,318.35	\$1,029,779.24	\$127,453.75	\$127,453.75
SOURCES OF FUNDS														
Gateway West District	0.00	0.00	0.00	0.00	0.00	0.00	14,496.48	21.40	185.10	0.00	0.00	19,959.82	\$34,662.80	\$14,680.00
Old Kraft Road District	0.00	0.00	0.00	3,446.80	333.16	0.00	77.04	0.00	0.00	0.00	0.00	0.00	\$3,857.00	\$0.00
Kress District	808.78	0.00	0.00	0.00	0.00	0.00	3,583.04	0.00	0.00	0.00	0.00	0.00	\$4,391.82	\$4,308.00
Newtown District	20,911.96	0.00	0.00	1,103.41	0.00	0.00	31,281.07	0.00	0.00	0.00	0.00	0.00	\$53,296.44	\$43,200.00
Varsity Square	0.00	0.00	0.00	0.00	0.00	0.00	18,017.79	0.00	568.54	0.00	0.00	0.00	\$18,586.33	\$18,537.00
Al Ricken Drive District	527,193.60	0.00	0.00	140,418.84	0.00	246.25	1,832,202.72	1,979,014.64	0.00	25,014.65	14.65	14.65	\$4,504,120.00	\$2,479,000.00
Old Town District	11,772.93	3,163.29	0.00	5,272.61	7,033.99	2,370.53	176,259.83	46,863.90	13,435.11	101.24	10,611.42	0.00	\$276,884.85	\$208,773.00
North Main District	8,373.53	0.00	0.00	0.00	0.00	4,864.26	26,668.91	0.00	0.00	0.00	0.00	0.00	\$39,906.70	\$39,907.00
Roosevelt District	0.00	0.00	0.00	0.00	0.00	0.00	1,865.33	0.00	205.08	0.00	0.00	0.00	\$2,070.11	\$2,038.00
Central Corridor	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$0.00	\$0.00
Administrative Fees	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$0.00	\$0.00
Unrestricted Funds	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$0.00	\$277,871.00
Interest Income	651.32	1,262.14	384.52	543.26	271.60	260.42	1,180.43	4,780.95	3,280.81	2,911.34	2,542.47	13,023.71	\$15,566.18	\$15,563.19
TOTAL	569,712.12	4,425.43	384.52	150,784.92	7,638.75	7,741.46	2,105,632.34	2,030,680.89	17,674.64	28,027.23	15,904.07	35,829.50	\$4,974,435.87	\$3,108,352.19
CASH AVAILABLE	\$697,165.87	\$681,124.35	\$129,505.15	\$280,045.94	\$104,062.55	\$111,804.01	\$2,200,850.98	\$4,231,179.86	\$1,482,415.53	\$1,099,560.39	\$1,073,222.42	\$1,065,608.74	\$5,101,889.62	\$3,235,805.94
APPLICATION OF FUNDS														
Gateway West District	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$0.00	\$20,000.00
Old Kraft Road District	0.00	0.00	0.00	0.00	0.00	3,161.65	0.00	77.04	0.00	0.00	0.00	0.00	\$3,238.69	\$0.00
Kress District	0.00	2,783.28	0.00	0.00	0.00	0.00	0.00	3,583.04	0.00	0.00	0.00	0.00	\$6,366.32	\$6,283.00
Newtown District	14.64	20,911.96	0.00	0.00	0.00	1,103.41	0.00	31,281.07	0.00	0.00	0.00	0.00	\$53,311.08	\$53,200.00
Varsity Cleaners	0.00	0.00	0.00	0.00	0.00	0.00	0.00	9,008.90	0.00	0.00	0.00	0.00	\$9,008.90	\$18,000.00
Al Ricken Drive District	884.76	516,361.60	0.00	140,418.84	0.00	0.00	0.00	1,832,448.97	0.00	0.00	29.29	0.00	\$2,490,143.46	\$2,479,000.00
Old Town District	19,506.70	11,772.93	0.00	4,721.98	0.00	10,747.91	0.00	207,203.36	0.00	0.00	30,750.09	0.00	\$284,702.97	\$208,773.00
North Main District	0.00	0.00	0.00	38,377.92	0.00	1,000.00	0.00	682,725.59	410,533.37	6,741.04	0.00	0.00	\$1,139,377.92	\$30,233.00
Roosevelt District	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	\$0.00	\$0.00
Central Corridor	0.00	0.00	160.13	0.00	0.00	522.88	261.44	0.00	279.90	10,435.00	12,634.80	17,996.60	\$42,290.75	\$0.00
Unrestricted Funds	60.85	159.00	84.00	103.40	0.00	49.52	90.57	111.00	69.10	25,066.00	0.00	66.15	\$25,859.59	\$1,020.00
Bank Charges	0.00	14.95	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	29.00	0.00	\$43.95	\$25.00
TOTAL	20,466.95	552,003.72	244.13	183,622.14	0.00	16,585.37	352.01	2,766,438.97	410,862.37	42,242.04	43,443.18	18,062.75	\$4,054,343.63	\$2,816,534.00
ENDING BALANCE	\$676,698.92	\$129,120.63	\$129,261.02	\$96,423.80	\$104,062.55	\$95,218.64	\$2,200,498.97	\$1,464,740.89	\$1,071,533.16	\$1,057,318.35	\$1,029,779.24	\$1,047,545.99	\$1,047,545.99	\$419,271.94

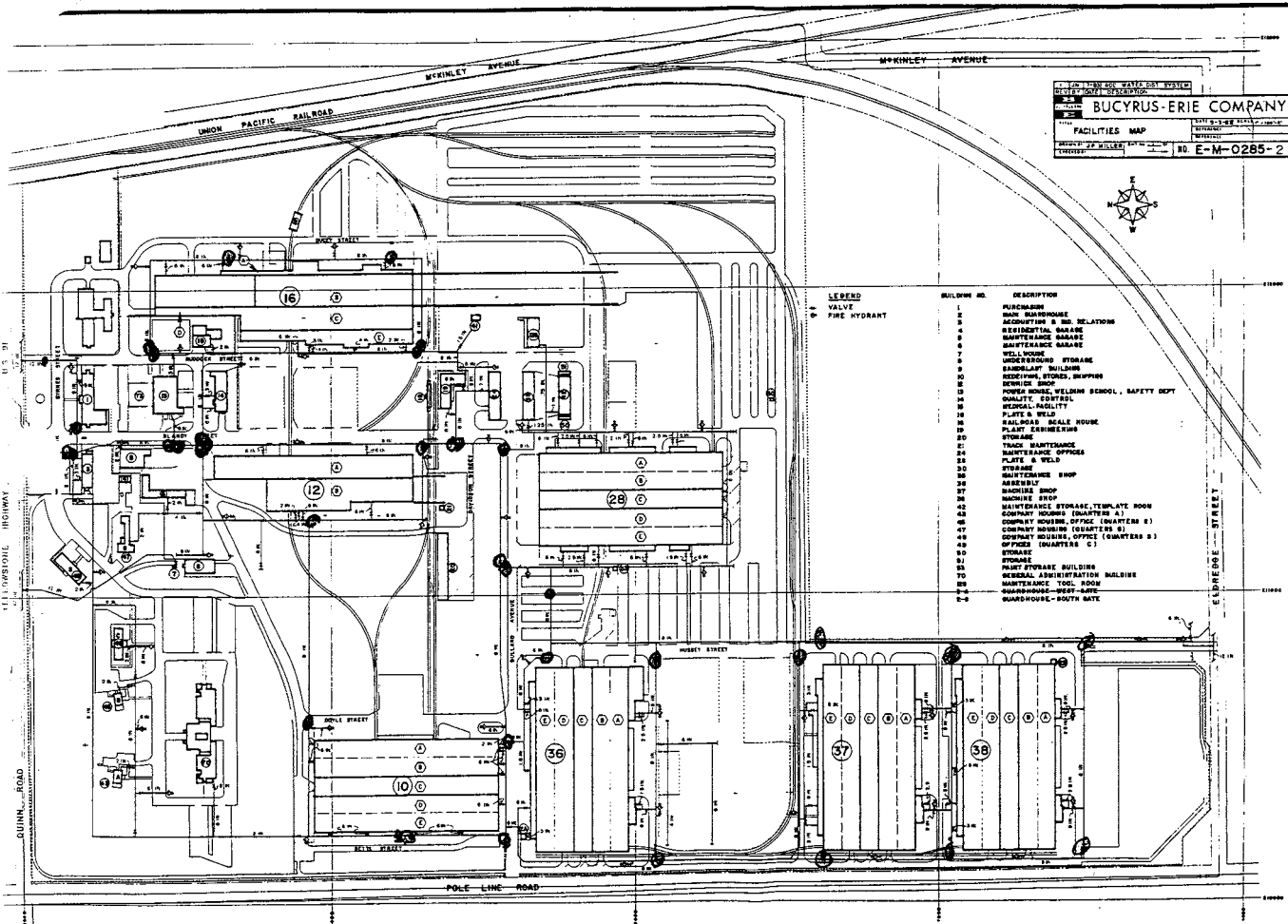
EARL T. SWIFT
669 W. QUINN RD
BLDG 2
POCATELLO, ID 83202-1938

FAMILIAN NW POCATELLO
PO BOX 4047
POCATELLO, ID 83205-4047
Telephone: 208-233-4023

INVOICE #5384667

Quantity	Description	Unit Price	Extended Price
QUICK VALVE INSERTION MACHINE			
1	BASE MACHINE, STORAGE BOX & ACCS SLIDE GATE 6 & 8 REAMERS, BLADES & SIZING RING SHELL CUTTERS: 5.5", 6", 6.325", 7.5", 8" & 8.425 SPACER ASSEMBLY HYDRAULIC POWER SYSTEM 15HP ASSORTED FASTENERS, CAP SCREWS NUTS 6 & 8 BLIND FLANGES		
1	TRAINER SUPPLIER W/SAMPLE 6 SLEEVE & INSERTION VALVE		
	Subtotal: QUICK VALVE INSERTION MACHINE		\$31,558.57
1	QUICK VALVE ADD-ON (PROVIDES FOR 4) 4 REAMER, BLADES & SIZING RINGS SHELL CUTTERS 3.5, 4 & 4.225 ASSORTED FASTENERS 4 BLIND FLANGE	\$4,418.67	4,418.67
5	4" VALVE SLEEVE RANGE 4.7-4.9	1,050.29/ea	5,251.45
5	4" INSERTION VALVE	754.88/ea	3,774.40
37	8" VALVE SLEEVE RANGE 8.95-9.15	1,247.17/ea	46,145.29
37	8" INSERTION VALVE	881.11/ea	32,601.07
	SUB TOTAL		\$123,749.45
	SALES TAX		6,187.47
	TOTAL		\$129,936.92

FOB DELIVERED



BUCYRUS-ERIE COMPANY	
FACILITIES MAP	NO. E-M-0285-2



LEGEND

- VALVE
- FIRE HYDRANT

BUILDING NO.	DESCRIPTION
1	MANAGER'S OFFICE
2	MAIN GARAGEHOUSE
3	SECRETARY'S & MGR. RELATIONS
4	RESIDENTIAL GARAGE
5	MAINTENANCE GARAGE
6	MAINTENANCE GARAGE
7	WELDING SHOP
8	WELDING SHOP
9	WELDING SHOP
10	RECEPTION, STORAGE, SHEDDING
11	RECEPTION, STORAGE, SHEDDING
12	RECEPTION, STORAGE, SHEDDING
13	POWER HOUSE, WELDMAN SCHOOL, SAFETY DEPT
14	RECEPTION, STORAGE, SHEDDING
15	RECEPTION, STORAGE, SHEDDING
16	RECEPTION, STORAGE, SHEDDING
17	RECEPTION, STORAGE, SHEDDING
18	RECEPTION, STORAGE, SHEDDING
19	RECEPTION, STORAGE, SHEDDING
20	RECEPTION, STORAGE, SHEDDING
21	RECEPTION, STORAGE, SHEDDING
22	RECEPTION, STORAGE, SHEDDING
23	RECEPTION, STORAGE, SHEDDING
24	RECEPTION, STORAGE, SHEDDING
25	RECEPTION, STORAGE, SHEDDING
26	RECEPTION, STORAGE, SHEDDING
27	RECEPTION, STORAGE, SHEDDING
28	RECEPTION, STORAGE, SHEDDING
29	RECEPTION, STORAGE, SHEDDING
30	RECEPTION, STORAGE, SHEDDING
31	RECEPTION, STORAGE, SHEDDING
32	RECEPTION, STORAGE, SHEDDING
33	RECEPTION, STORAGE, SHEDDING
34	RECEPTION, STORAGE, SHEDDING
35	RECEPTION, STORAGE, SHEDDING
36	RECEPTION, STORAGE, SHEDDING
37	RECEPTION, STORAGE, SHEDDING
38	RECEPTION, STORAGE, SHEDDING

8" = 37ea #78,746³⁶
 4" = 5m = 9,025⁸³
 Limit 31,558⁵⁷
 Mack
 Add-on 4,418⁶⁷
 \$123,749⁴⁵

POCATELLO DEVELOPMENT AUTHORITY

BACKGROUND:

The state-wide problem of deteriorating urban areas was addressed by the legislature in 1965, when it enacted an Urban Renewal Law stating that "the prevention and elimination of these conditions is a matter of state policy and state concern. . . ." This Act created urban renewal agencies in every municipality in the state as independent public bodies corporate and politic empowered to effectuate urban renewal ("rehabilitation, conservation, redevelopment, or a combination thereof, of such area or areas") in their communities. The Act provided that the agency's authority to transact business would commence as soon as the local governing body made findings regarding the need for urban renewal in certain areas of the community. Board members are to be appointed by the Mayor with the consent of the Council, but the agency's powers and operations are not controlled by the city.

Under the Act, urban renewal agencies such as PDA have as their sole purpose and duty the "fixing up" of the city in which they operate, whether by preventing further deterioration of an area, redeveloping existing areas, extending public services, or improving public services. The legislature provides an enormous list of items which it finds to be suitable for undertaking by the agencies, and gives them broad powers to carry out the purposes of the Act. Once a plan for an area has been formulated, however, the local governing body has to approve it before PDA can act. Furthermore, no plan can be approved UNLESS it passes 4 criteria, and the governing body officially makes finding to that effect: that displaced families can be relocated suitably, that the plan conforms to the city's general plan, that the plan adequately addresses the provision of adequate park and recreational areas, and that the plan will provide maximum opportunity for rehabilitation or redevelopment by private enterprise.

Funding for the operation of the agencies is not state-provided. An agency must provide its own funding through administrative fees set out in grants, through requests for funding from the municipality or county, or by obtaining operating funds for itself by charging its own administrative costs to the projects themselves, whether as items within bond issues or by separate "billings" to developers.

Cities have no statutory duty to provide services either to the agency directly or in furtherance of its projects; authorized project costs include payment to cities for the work their employees do in implementing a plan. Counties must as part of their regular duties "code" any revenue allocation districts for appropriate allocation of revenues during the life of a district.

In 1988, the legislature enacted the Local Economic Development Act to provide a means for "municipalities to raise revenue to finance the economic growth and development of urban renewal areas. . ." This chapter allows urban renewal agencies to receive "excess" tax money created by new developments in revenue allocation districts to fund projects in those areas. The allocated tax money is not given to the cities, even though it is to be used for (re)development of the cities but is directed to the agencies to be used to fund approved projects. The Idaho Supreme Court has upheld the authority of agencies and the constitutionality of the Act.

Once a Board member accepts appointment to the PDA (s)he is bound to carry out the duties, within the parameters established by the legislature, to effect the purposes of urban renewal.
PDA HISTORY:

On July 14, 1988, by means of Resolution No. 1988-13, the Pocatello City Council created the Pocatello Development Authority and specified that the Mayor should submit the names of 7 appointees to serve as the Board of Commissioners. The Resolution also declared the first three areas of the City to be suitable for urban renewal, the former Zweigart plant/Kraft Road area, the former PAFCO plant (old Naval Ordnance Plant) and the "Downtown" area.

Kirk Bybee of Ward, Maguire, and Bybee was the Board's first attorney. He billed monthly for his services and attended all meetings, preparing by-laws and contracts and providing legal advice to the Board. He resigned and Fred Ringe's services (Green, Service, Gasser) were contracted for in his place. The original by-laws were approved by PDA on October 14, 1988, and were recently amended to allow for the maximum number of directors and to specify the make-up of the board. The first year the Mayor appointed the Chairman and Vice-Chairman; thereafter elections are to be held in October of each year. The current Secretary is an appointed position, an officer who is not a member of the Board. The by-laws also allow PDA to hire or contract for services of other officers or staff as needed.

The Board's first Executive Director was Stuart Bullington, a grants specialist with the City Community Development Department, who prepared agendas, planned projects, and conducted a large portion of the meetings. Stuart left the City to work at SEICOG but was allowed to continue as Executive Director by that agency. After he left SEICOG his replacement, Nancy Taylor, then took over PDA duties and SEICOG requested an annual contract in the amount of \$10,000 for the services. Ms. Taylor resigned in 1990 prior to execution of the contract.

At this time, the Board, concerned over its lack of operating funds and inability to pay for services for which it was being billed, determined that it needed to include a charge for its own services (administrative costs) as a budgeted item in any approved project. This would provide an on-going source of income for operating costs and/or special projects not included in a particular revenue allocation district plan. Until these funds were available, Peter Angstadt, then Mayor of Pocatello and member of Bannock Development Corporation, offered to have the City Attorney serve as counsel at no cost to PDA and made temporary arrangements with Bannock Development Corporation to use the services of its director as PDA's director without charge to PDA. To date, PDA still has not collected any of this money and still has no source of funds to pay for professional services, or for its operating costs, pay for services, or initiate projects outside of revenue allocation areas, except for the unrestricted funds remaining from the sale of real property at Main and Bonneville. The Board adopted a policy in regard to the use of these funds by other public agencies, requiring that requests for expenses/reimbursement of services be presented ahead of time. The Board's own expenditure of any such funds is controlled by state law.

By State law, the Board operates on a calendar year basis and its Treasurer must provide a complete financial statement annually to the City Clerk no later than March 31st of each year for the previous calendar year, plus publish notice in the *Journal* stating that the report is available for inspection at the City Clerk's office.

PDA PROJECTS:

The Board oversees projects within the urban renewal areas created by the City Council, and the Board has the authority to recommend creation of revenue allocation districts within any existing urban renewal area to help fund the projects. The initial 3 districts have mushroomed into a variety of areas and projects over which the Board has control:

1. The ZWEIGART URA (DOMSEA (1988)—now dissolved
2. PAFCO plant/GATEWAY Area (Old Naval Ordnance Plant)
Lease payment for Ceratite, then Dal-Tile plus electrical & street upgrading
3. Downtown URA (1988) consolidated with several blocks on the east side of the underpass to create a new URA
Kress Building revenue allocation district (1990) loan payments
4. NewTown URA/revenue allocation district (1991) bonds issued
Primarily street & sewer improvements on 4th & 5th
5. Old Town URA (the combination district of 1991)
 - a. Old Town revenue allocation district (1993) bonds issued
 - * Curb, gutter, sidewalk and street lighting and parking lot improvements
 - * Pioneer Block Building project (façade easement for building)
 - b. North Main revenue allocation district (1995) bonds issued (infrastructure)
6. Alvin Ricken Drive URA/revenue allocation district (1995) bonds issued
Wide variety of projects for AMI and Ballard Medical developments,
Including road construction, utilities, and electrical service upgrades
7. Roosevelt URA (1995) Fred Meyer development
Sidewalk improvements in residential area & public infrastructure (not yet Begun)
8. Consolidated Central Corridor URA/revenue allocation district (1998)
Wide variety of potential projects

POCATELLO DEVELOPMENT AUTHORITY
GUIDELINES FOR TAX INCREMENT FINANCING PROJECTS

For Approval May 13, 1997

Pocatello Development Authority

Guidelines for Tax Increment Financing Projects

Introduction

The Pocatello Development Authority (PDA) was created by the City of Pocatello with authority from the Urban Renewal Act of 1965. PDA has authority to develop TIF projects as stated in Idaho Code Title 50 Chapter 29, or the Local Economic Development Act of 1988. PDA, therefore, acts as an arm of the State government and is separate and distinct from the City of Pocatello. PDA operates under the direction of a Board of Commissioners who are appointed by the Mayor and confirmed by the City Council.

PDA is charged with undertaking "urban renewal projects in areas designated by the City of Pocatello to be deteriorating and to undertake the rehabilitation, conservation, redevelopment or a combination thereof of such area or areas, in the interest of the public safety, morals or welfare of the residents of the city of Pocatello." To the extent that PDA's Board determines to be necessary and proper in carrying out this stated purpose, it is to "afford maximum opportunity consistent with the needs of the City of Pocatello as a whole, for the rehabilitation or redevelopment of the urban renewal area by private enterprise."

Also, PDA, acting by resolutions adopted by its Board of Commissioners, is authorized by Idaho law to apply all, or any portion of, the revenues allocated to the Agency for payment for improvements on a current basis or for the repayment of debt incurred by the Agency to finance project costs. PDA has the option to issue bonds backed by the anticipated revenues which will be generated by new development or redevelopment.

There is a wide range of public improvements that PDA is willing to finance through the use of Tax Increment Financing (TIF) revenues that are beneficial both to the community and to the tax paying entity locating in a TIF district.

PDA's Bylaws provide for the following duties and powers in attaining its stated purposes, and permit the following activities:

1. adoption of revenue allocation financing;
2. issuance of bonds;
3. acquisition of deteriorated areas;
4. demolition of buildings and improvements;

5. construction of streets, utilities, parks, playgrounds, open space, off-street parking, public facilities, or improvements;
6. implementation of plans for repair and rehabilitation of buildings or improvements in accordance with an urban renewal plan;
7. acquisition of real property in an urban renewal area which is to be repaired or rehabilitated, and then resold;
8. disposition of any property acquired in an urban renewal area at fair market value;
9. acquisition of real property in an urban renewal area, where necessary, to eliminate unhealthful or unsafe conditions, lessen density, or to prevent the spread of blight or deterioration, or to provide land needed for public facilities;
10. lending or investing federal funds; and
11. construction of structural forms.

In addition to the above stated powers and duties, the following general guidelines will apply to the use of TIF project financing.

PDA Guidelines for TIF Project Financing

Item #1

Funds from TIF projects will be used primarily to pay for publicly-owned improvements and for infrastructure to serve private sector development projects. However, PDA may recognize the need to help fund certain improvements and facilities which are privately-owned. Private-sector funding may require more detailed evaluation (including determination of private benefit commensurate with the overall risk of the project) and may require repayment of all, or a portion of, tax revenue funds advanced. Item #5 below details additional criteria for privately-owned facilities. The overall goal is to create projects whereby the public benefit is primary and exceeds the private benefit. The public benefit must be specific and identifiable as opposed to the private benefit.

Guidelines

- Protect, to the greatest extent possible, the tax base in the Urban Renewal Area for the needs of the taxing entities.
- The maximum term that TIF funds may be used for privately developed projects shall generally not exceed three (3) years, unless specifically stated in the document creating the TIF district.

- Based on new legislation, it must be understood that “base values” once adopted may be adjusted downward when the current taxable value of any parcel in an RAA is less than the most recent base value for such parcel.
- The maximum amount of funds paid out for a privately developed project shall not exceed 50% of tax increment funds which are paid to PDA, unless specifically stated in the document creating the TIF district.
- TIF money must be leveraged, as much as possible, with all other available resources.
- Funds shall not be paid out for a privately developed project in advance of the receipt of funds by PDA from the taxpayer, regardless of the method used to finance a project.
- TIF should not become a panacea for every financial need -- be cautious and selective.
- Application of funds shall always be at the discretion of the PDA Board and shall never be an entitlement of any taxpayer whether within or outside the improvement district.
- Develop an urban renewal agency resolution to play an active role in any proposed legislative action that could harm TIF projects, i.e. 1% Limitation Initiative.
- Do not use TIF when private development will happen of its own volition and can happen of its own volition.
- Do not use TIF for any non-physical improvements or sources such as rent subsidies.
- Do not use TIF money to guarantee loans. Use it only for public improvement.

Item #2

Each TIF project shall have an individual sponsor who will be responsible for providing information which the PDA Board may require. The TIF project sponsor shall provide notice to the PDA Board as early as practical of the possible undertaking of a project involving TIF. Such notification shall include at a minimum, a one page executive summary outlining the project to be proposed. The TIF project sponsor may be the Executive Director of PDA or a person designated by the Board, who may or may not be a compensated individual.

Guidelines

- Any excess revenue generated within a district due to market fluctuations may be directed into a sinking fund to retire the debt service early.
- Use only the minimum amount of TIF funds to fill in any project financing gaps.
- Use only when and if all other financing mechanisms fail.
- Use the largest percentage of financing that is possible from private sources.
- Identify all funds during the initial process of developing a project.

Item #3

As TIF uses public tax dollars, each candidate TIF project should be evaluated with full recognition of the strong demand on property tax revenues and the limited supply of those funds. Therefore, only that TIF money as determined to be absolutely necessary for the success of the project should be allocated. A statement of why more traditional methods of financing are not used or are unavailable should accompany presentations of the project to the Board.

Item #4

In evaluating all TIF projects, the following information should be furnished, or at least addressed, where appropriate in a business plan form:

Executive Summary

- i) to include an indication of how the proposed project meets the stated purposes of PDA
- ii) to include the amount and sources of TIF funds required with an explicit indication why

Guidelines

- Stick to the purposes of the Urban Renewal Acts. Connect each project to the stated objectives in the enabling legislation. TIF should be targeted to need that is expressed in the enabling legislation.
- Determine a plan and method to regain soft costs for agencies that produce administration and technical support. All soft costs for reimbursement must be documented by the appropriate agency. Reimbursed expenses must be followed up

with detailed records as to services provided and work results completed. Actual reimbursement will be based on these detailed records as submitted to the project manager. Detailed written explanations must be provided for expense reimbursement requested in excess of the scope, content and estimated budget in the approved plan.

Any reimbursed administrative services must be integral to the codified purpose of a project and must become integrated into the project plan prior to adoption.

There is to be no allocation of TIF money for after-the-fact expenses. Anticipated reimbursed expenses must include the scope, content and estimated for services in a budget outline format as an attachment to the plan.

- Develop a hold harmless clause in any plan or bond issue that removes any and all financial liability of the government entities and/or urban renewal agency.

Overview

- i) state present situation and project benefits to the community
- ii) job creation
- iii) expansion of trade area
- iv) community beautification
- v) general public benefit

Guidelines

- Develop a cost/benefit analysis as a part of the financial conditions of the plan.
- Develop criteria for minimum job creation in each district.
- Develop an expiration plan once a district plan has been accomplished. Establish criteria and procedures to close out individual projects within a district so that projects can become closed without closing the entire district.

Management

- i) identify principles, including all directly or indirectly involved
- ii) provide biographical information or profile of individual, commensurate with involvement either actively in operation or passively in financing

Guideline

- Disclosure of any personal interest should be included in each area plan.

Product/Service Description

Market Analysis

- i) customers
- ii) competition
- iii) overall market

Marketing Strategy

- i) price and profitability
- ii) selling techniques
- iii) distribution
- iv) advertising and promotion
- v) public relations

Financial Projections

- i) current or proforma balance sheet
- ii) 12-month budget
- iii) 5-year income statement
- iv) cash flow projection
- v) sources and application of funds summary
- vi) use of funding proceeds and timing

Guideline

- Make sure each project is approved only after the completion of a comprehensive due diligence report, i.e.
 - is it feasible and a secure investment;
 - will the project pay off;
 - will the project cash flow;
 - what is the financial strength of the companies involved; and
 - eliminate unnecessary risk.

Item #5

For projects involving funds directed to privately-owned facilities, the following additional information may be required prior to and during the project life:

- a) the type of entity (corporation, partnership or sole proprietorship) and the names and addresses of the principal shareholders or partners, especially for small closely-held concerns;
- b) audited financial statements of the principals, if requested by PDA;
- c) audited financial statements of the entity and up to the last three (3) years of tax returns, if deemed necessary; and
- d) credit reports, if requested by PDA.

Item #6

PDA shall have the right in all TIF projects to require audited statements or, if determined to be necessary and proper, may appoint an independent party to audit the books of the operation.

Policy for reimbursement/payment of administrative services

PDA shall establish a fund to be designated "Board Discretionary Fund" into which shall be placed monies designated as "administrative costs" in the budget of project(s) approved within Revenue Allocation District(s). After receipt of revenue (whether tax money or bond proceeds) the Board shall have the administrative costs portion of the revenue transferred to this fund. The Pocatello Development Authority will reimburse public agencies from this fund for certain administrative expenses related to Board-approved projects, subject to the following conditions:

- 1) The services provided must be within the overall scope of, and be related to, the project under consideration
- 2) The scope, content, and estimated amounts for services to be provided must be outlined in writing in "budget-quality detail" as part of the final project presented to the Board for approval
- 3) Detailed records must be maintained as to the services provided and the work completed. These records must be used as the basis for the reimbursement request.
- 4) Invoices summarizing the services provided and costs incurred must be submitted to the Board for payment approval.
- 5) Detailed written explanations must be provided for any reimbursement requested which is in excess of scope, content, and/or the estimated amount as approved in the final proposal.

ADOPTED AT BOARD MEETING DECEMBER 10, 1996

POCATELLO DEVELOPMENT AUTHORITY
BY-LAWS

ARTICLE I

NAME

The Urban Renewal Agency, as created pursuant to the provisions of the Idaho Urban Renewal Law of 1965 (Chapter 20, Title 50, Idaho Code) and the Local Economic Development Act (Chapter 29, Title 50, Idaho Code), shall be known as the POCATELLO DEVELOPMENT AUTHORITY.

ARTICLE II

ENABLING PROVISION

The Pocatello Development Authority was created by the City of Pocatello, a municipal corporation of Idaho, Pursuant to resolution 1988-13 in accordance with the Urban Renewal law of 1965, and the Local Economic Development Act. The Pocatello Development Authority shall act as an arm of state government, entirely separate and distinct from the City of Pocatello, as provided in Idaho Code Section 50-2006.

ARTICLE III

STATEMENT OF PURPOSE

The purpose of the Pocatello Development Authority is to undertake urban renewal projects in areas designated by the City of Pocatello to be deteriorating and to undertake the rehabilitation, conservation, redevelopment, or a combination thereof of such area, or areas, in the interest of the public health, safety, morals or welfare of the residents of the City of Pocatello. The Pocatello Development Authority, to the greatest extent it determines to be feasible in carrying out its stated purpose, shall afford maximum opportunity, consistent with the needs of the City of Pocatello as a whole, to the rehabilitation or redevelopment of the urban renewal area by private enterprise.

ARTICLE IV

BOARD OF COMMISSIONERS

A. **Appointment.** The Board of Commissioners of the Pocatello Development Authority shall consist of nine members determined in accordance with the provisions of Section 50-2006, Idaho Code, as the same now exists, or as may be amended hereafter, which section provides for appointment by the Mayor with the advice and consent of the City Council. The qualifications and eligibility of persons who serve on the Board of commissioners shall be as defined and described in Section 50-2006, Idaho Code, as the same now exists, or may be amended hereafter. Provided, however, that the membership shall be constituted as follows: one member of the Pocatello City Council, one member from the local banking community, one School District representative, one member of the Board of County Commissioners (or their designee), the Mayor of the City of Pocatello, and four other members from the citizenry at large.

B. **Term** Each commissioner shall serve for terms not to exceed five (5) years. The terms of each commissioner shall be staggered in such a fashion so that no more than two terms expire in any one (1) year, provided, however, that all terms shall expire in the month of May . Each commissioner shall hold office until his or her successor has been appointed and qualified. A letter noting the appointment, or reappointment, of a commissioner shall be filed with the City Clerk of the city of Pocatello, Idaho, and such certificate shall be conclusive evidence of the due and proper appointment of such commissioner.

C. **Compensation.** The commissioners shall receive no compensation for their services, but shall be entitled to the necessary expenses, including travel expense, incurred in the discharge of their duties.

D. Meetings. The Board of Commissioners shall hold regular meetings at dates and times certain each month. The Chairman, or a majority of the Board of Commissioners have the power to call special meetings of the Board, the object of which shall be submitted to the Board in writing; the call and the object, as well as the disposition thereof, shall be entered upon the minutes of the Secretary. Special meetings may be held upon such notice as is appropriate to the circumstances. The notice provided in this section may be dispensed with in the event a special meeting is called to deal with an emergency involving injury or damage to persons or property, or the likelihood of such injury or damage.

E. Quorum. A majority of the members of the Board of Commissioners shall constitute a quorum for the purpose of conducting business and exercising the powers of the authority , and for all other purposes. Official action may be taken by the Board of Commissioners on a vote of a majority of the members thereof p[resent at a duly-convened, regular or special meeting at which a quorum is present.

F. Executive Director, Legal Counsel, etc. The Board of Commissioners may employ an executive director, legal counsel, technical experts, a secretary, a treasurer, and such other agents and employees, permanent and temporary, as the board may require, and the qualifications and duties of, and compensation for all of said persons so employed shall be determined by the Board.

G. No Self-Dealings. No public official, or employee of the City of Pocatello (or a board, or a commission thereof) and no commissioner or employee of the Pocatello Development Authority shall voluntarily acquire any personal interest, direct or indirect, in any urban renewal project, or in any property included, or planned to be included, in any urban renewal project in the City of Pocatello, or in any contract, or proposed contract in connection with such urban renewal project. Where such acquisition is not voluntary, the

interest acquired shall be immediately disclosed in writing to the Pocatello Development Authority, and such disclosure shall be entered upon the minutes of the Board of Commissioners. If any such official, commissioner, or employee presently owns or controls, or owned or controlled, within the preceding two (2) years, any interest, direct or indirect, in any property which he knows is included, or planned to be included, in an urban renewal project, he or she shall immediately disclose this fact in writing to the Pocatello Development Authority, and such disclosure shall be entered upon the minutes of the Board of commissioners, and any such official commissioner or employee shall not participate in any action by the City of Pocatello (or board, or commission thereof), or Pocatello Development Authority affecting such property.

H. Misconduct. For inefficiency, or neglect of duty, or misconduct in office, a commissioner may be removed by the Pocatello Development Authority only after a hearing, and only after he or she shall be given a copy of the charges at least ten days prior to such hearing, and shall have had an opportunity to be heard in person, or by counsel.

I. Powers and Duties. The property, business, powers and affairs of the Pocatello Development Authority shall be managed and controlled by the Board of Commissioners thereof. The Board of Commissioners is vested with all powers as provided by the Idaho Urban Renewal Law of 1965 (Chapter 20, Title 50, Idaho Code), and the Local Economic Development Act (Chapter 29, Title 50, Idaho Code), as the same now exists, or as may be amended hereafter. The Pocatello Development Authority may undertake urban renewal projects for the elimination of deteriorated, or deteriorating areas, and for the prevention of the development, or spread of slums and blights, and may involve slum clearance and redevelopment in an urban renewal area, or rehabilitation or conservation in an urban renewal

area, or any combination or part thereof in accordance with an urban renewal plan. Such undertakings and activities within an urban renewal area may include the following:

1. Adopt a revenue allocation financing provision as described in the Local Economic Development Act as the same now exists, or as may be amended hereafter as part of an urban renewal plan;
2. Issue bonds from time to time in its discretion, to finance the undertaking of any urban renewal project;
3. Acquire a deteriorated area, or a deteriorating area, or a portion thereof;
4. Demolish and remove buildings and improvements;
5. Install, construct, or reconstruct streets, utilities, parks, playgrounds, open space, off-street parking facilities, public facilities or buildings, and other improvements necessary for carrying out, in the urban renewal area, the urban renewal objectives in accordance with the urban renewal plan.
6. Dispose of any property acquired in the urban renewal area (including sale, initial leasing, or retention by the Pocatello Development Authority itself) at its fair value for uses in accordance with the urban renewal plan, except for disposition of property to another public body;
7. Carry out plans for a program of voluntary, or compulsory repair and rehabilitation of buildings, or other improvements in accordance with the urban renewal area, which, under the urban renewal plan, is to be repaired or rehabilitated for dwelling use or related facilities, repair or rehabilitation of the structures for guidance purposes, and resale of the property;

9. Acquire any other real property in the urban renewal area where necessary to eliminate unhealthful, unsanitary or unsafe conditions, lessen density, eliminate obsolete or other uses detrimental to the public welfare, or otherwise to remove or to prevent the spread of blight or deterioration, or to provide land for needed public facilities;

10. Lending or investing federal funds; and

11. Construction of foundations, platforms and other like structural forms.

J. Reports. The Board of Commissioners shall file with the City Clerk, City of Pocatello, Idaho, on or before March 31st of each year, a report of its activities for the preceding calendar year, which report shall include a complete financial statement setting forth the authorities assets, liabilities, income, and operating expenses as of the end of such calendar year. At the time of filing such report, the Board of Commissioners shall cause to be published in the Idaho State Journal, Pocatello, Idaho, a notice to the effect that such report is available for inspection during the regular business hours in the office of the City Clerk and in the office of the authority.

ARTICLE V

OFFICERS

The Officers of the authority shall be a Chairman, Vice-Chairman, Secretary, Treasurer and such other officers as the Board of Commissioners may deem necessary. Only the Chairman and Vice-Chairman need be members of the Board of Commissioners.

A. Election and Term Mayor Richard Finlayson of the City of Pocatello shall designate the first Chairman and Vice-Chairman for a term of office of one (1) year from among the commissioners. Thereafter, the Board of Commissioners shall elect the chairman, Vice-Chairman, Secretary, Treasurer and such other officers as are deemed necessary for a

term of one (1) year until his or her successor is duly elected and qualified. Such election shall occur at the regular meeting held in October. Officers elected at that meeting shall hold office until the regular meeting the following October.

B. Chairman The Chairman shall be the chief presiding officer of the Pocatello Development Authority. The Chairman shall execute all deeds, bonds, contracts and other legal documents authorized by the Board, provided, however, that the Board may delegate certain of said duties to the Executive Director of the Authority. The Chairman shall be the chief administrator of the Pocatello Development Authority and shall have such powers and duties as may be assigned to him or her by the Board of Commissioners. The Chairman shall have the power to vote on any matter presented to the Board of Commissioners for their consideration. The Chairman shall also have such other powers and duties as may be assigned to him or her by the Board of Commissioners.

C. Vice-Chairman. The Vice-Chairman shall be possessed of all of the power and shall perform all the duties of the Chairman in the absence or disability of the Chairman. The Vice-Chairman shall have the power to vote on any matter presented to the Board of Commissioners for their consideration. The Vice-Chairman shall also have such other powers and duties as may be assigned to him or her by the Board of Commissioners.

D. Secretary. The Secretary shall keep the minutes of all proceedings of the Board, shall attend to giving and serving all notices of the meetings of the Board as required, shall execute along with the Chairman in the name of the Pocatello Development Authority all deeds, bonds, contracts, and other legal documents and instruments as authorized by the Board, and shall be the custodian of the seal of the Pocatello Development Authority, books, bylaws, and such other books, records and papers of the Board as the Board shall direct. In addition, the Secretary shall perform other duties and have such responsibilities as may be

designated by the Board., In case of the absence or disability of the Secretary, or the Secretary's refusal or neglect to perform such duties, all duties required of the Secretary may be performed by the Chairman or Vice-Chairman, or such other person as may be designated by the Board.

E. Treasurer. The Treasurer shall have the general custody of all the funds and securities of the Pocatello Development Authority, and shall have general supervision of the collection and disbursement of funds of the Pocatello Development Authority. The Treasurer shall endorse on behalf of the board for collection, check, notes and other obligations and shall deposit the same to the credit of the Board in such bank or banks or depositories as the Board may designate. The Treasurer may sign, with the Chairman or such other person or persons as may be designated for said purpose by the Board of Commissioners all negotiable instructions. The Treasurer shall enter, or cause to be entered regularly in the books of the Board, all monies received and paid by him on account of the Board, shall at all reasonable times exhibit the Board books and accounts to any commissioner of the Board at the office of the Board during regular business hours, and whenever required by the Board, or the chairman, shall render a statement of accounts. The Treasurer shall perform such other duties as may be prescribed from time to time by the Board or by the bylaws. In case of the absence or disability of the Treasurer, or the Treasurer's refusal or neglect to perform such duties, all duties required of the Secretary may be performed by the Chairman or Vice-Chairman, or such other person as may be designated by the Board.

F. Vacancy. If any of the foregoing offices shall, for any reason, become vacant, the Board of commissioners shall elect a successor who shall hold office for the unexpired term and until a successor is elected and qualified.

ARTICLE VI

MISCELLANEOUS

A. Seal. The seal of the Pocatello Development Authority shall be circular in form and shall have the name of the Pocatello Development Authority on the circumference and shall have the words "Corporate Seal Idaho" in the center.

(SEAL)

B. Committees. The Board of Commissioners may appoint one or more committees to investigate and study matters of Pocatello Development Authority business and, thereafter, to report on and make recommendations concerning said matters assigned to the Board of commissioners. When possible, each of said committees shall be chaired by a member of the Board, but said committees may be comprised of persons other than members of the Board of commissioners. No such committee shall have the power to make final decisions, power being vested solely in the directors. The terms of office, the persons serving, the matters to be studied, and all procedural decisions shall be made and decided by the Board of commissioners.

C. Accounts. In addition to such bank accounts as may be authorized by the Board of commissioners, the Treasurer of the Pocatello Development Authority, with the approval of the Chairman, may authorize such bank accounts to be opened or maintained in the name and on behalf of the Pocatello Development Authority as he or she may deem necessary or appropriate. Payments from such bank accounts are to be made upon the check of the

Pocatello Development Authority, each of which checks shall be signed by two of such directors, officers or bonded employees of the Pocatello Development Authority as shall be authorized by the Board of commissioners.

D. Robert's Rules. The rules contained in the current edition of *Robert's Rules of Order Newly Revised* shall govern regular and special meetings of the Board of commissioners in all cases to which they are applicable and in which they are not inconsistent with these bylaws and any special rules of order the Board of commissioners may adopt.

ARTICLE VII

AMENDMENTS


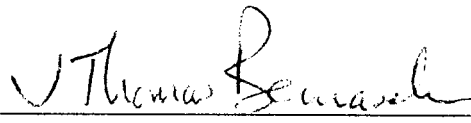
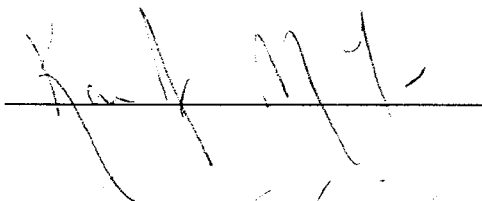
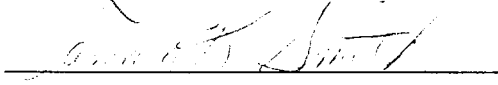
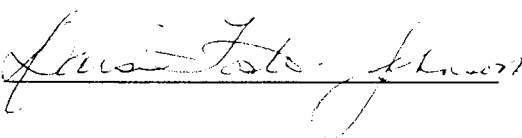
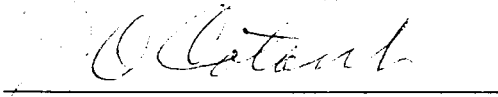
August 11, 1998: Article IV amended in part as follows:

A. Appointment. The Board of Commissioners of the Pocatello Development Authority shall consist of ~~seven~~ nine members determined and appointed in accordance with the provisions of Section 50-2006, Idaho Code, as the same now exists, or as may be amended hereafter, which provides for appointment by the Mayor with the advice and consent of the City Council, and as appointed by the Mayor of the City of Pocatello, with the advice and consent of the Pocatello City Council. The qualifications and eligibility of persons who serve on the Board of commissioners shall be as defined and described in Section 50-2006, Idaho Code, as the same now exists, or may be amended hereafter. Provided, however, that the membership shall be constituted as follows: one member of the Pocatello City Council, one member from the local banking community, one School District representative, one member of the Board of County Commissioners (or their designee), the Mayor of the City of Pocatello, and four other members from the citizenry at large.

B. Term. Each commissioner shall serve for terms not to exceed five (5) years. The terms of each commissioner shall be staggered in such a fashion so that no more than two terms expire in any one(1) year, provided, however, that all terms shall expire in the month of May . Each commissioner shall hold office until his or her successor has been appointed and qualified. * * * * *

These bylaws may be repealed, amended, or new bylaws adopted at any regular or special meeting for such purpose of the Board of commissioners by a majority vote of all members of said Board.

We, the undersigned, being members of the Board of Commissioners of the Pocatello Development Authority, do hereby certify that the foregoing amended bylaws were duly adopted as the bylaws of said Pocatello Development Authority on the 11th day of August, 1998.

 _____	 _____
 _____	_____
 _____	_____
 _____	_____
 _____	_____

CHAPTER 20.

URBAN RENEWAL LAW

Section

- 50-2001. Short title.
- 50-2002. Findings and declarations of necessity.
- 50-2003. Encouragement of private enterprise.
- 50-2004. Workable program.
- 50-2005. Finding of necessity by local governing body.
- 50-2006. Urban renewal agency.
- 50-2007. Powers.
- 50-2008. Preparation and approval of plan for urban renewal project.
- 50-2009. Neighborhood and community-wide plans.
- 50-2010. Acquisition of property.
- 50-2011. Disposal of property in urban renewal area.
- 50-2012. Issuance of bonds.
- 50-2013. Bonds as legal investments.
- 50-2014. Property exempt from taxes and from levy and sale by virtue of an execution.
- 50-2015. Cooperation by public bodies.
- 50-2016. Title of purchaser.
- 50-2017. Interested public officials, commissioners or employees.
- 50-2018. Definitions.
- 50-2019 - 50-2026. [Repealed.]
- 50-2027. Limitations on review of adoption or modification of plan, and issuance of bonds.
- 50-2028 - 50-2030. [Repealed.]
- 50-2031. Severability.
- [50-2032]. [Severability.]

50-2001. Short title.

This act shall be known and may be cited as the "Idaho Urban Renewal Law of 1965".
[1965, ch. 246, § 1, p. 600.]

Compiler's notes. The words "this act" refer to S.L. 1965, ch. 246 compiled as §§ 50-2001 - 50-2018.

Cited in:

Idaho Falls Redevelopment Agency v. Countryman, 118 Idaho 43, 794 P.2d 632 (1990).

Analysis

Limitations on County and Municipal Indebtedness.
Public Use.

Limitations on County and Municipal Indebtedness.

Article 8, § 3 of the Idaho Constitution is not applicable to the Boise Redevelopment Agency, created pursuant to the Idaho Urban Renewal Law, as the alter ego of the city of Boise, even though the city participates in the agency's creation and in the selection and removal of its commissioners, since the agency is an entity of legislative creation, its powers and duties were established by the legislature, and its

powers and operations are not controlled by the city. Boise Redevelopment Agency v. Yick Kong Corp. 94 Idaho 876, 499 P.2d 575 (1972).

Since the Boise Redevelopment Agency has no powers of taxation and no power to encumber any of the resources of the city of Boise, the provisions of Art. 8, § 3 of the Idaho Constitution are not applicable to the agency. Boise Redevelopment Agency v. Yick Kong Corp. 94 Idaho 876, 499 P.2d 575 (1972).

The Boise Redevelopment Agency is not a subdivision of the state within the meaning of § 3 or § 4 of Art. 8 of the Idaho Constitution. Boise Redevelopment Agency v. Yick Kong Corp. 94 Idaho 876, 499 P.2d 575 (1972).

Public Use.

Inclusion of certain buildings which were not deteriorated in urban renewal plan area does not authorize a taking for other than a public purpose where a predominance of the structures and other improvements are deteriorating and defective. Boise Redevelopment Agency v. Yick Kong Corp. 94 Idaho 876, 499 P.2d 575 (1972).

The proposed use of property for urban renewal projects, which plaintiff sought to condemn pursuant to the Idaho Urban Renewal Law (§§ 50-2001 - 50-2018) constituted a public use as required by the Idaho Constitution and various Idaho statutes, even though the majority of buildings would be constructed and occupied by private commercial enterprises, and the taking of property for such purpose would not be a denial of property without due process. Boise Redevelopment Agency v. Yick Kong Corp. 94 Idaho 876, 499 P.2d 575 (1972).

50-2002. Findings and declarations of necessity.

It is hereby found and declared that there exist in municipalities of the state deteriorated and deteriorating areas (as herein defined) which constitute a serious and growing menace, injurious to the public health, safety, morals and welfare of the residents of the state; that the existence of such areas contributes substantially and increasingly to the spread of disease and crime, constitutes an economic and social liability imposing onerous municipal burdens which decrease the tax base and reduce tax revenues, substantially impairs or arrests the sound growth of municipalities, retards the provision of housing accommodations, aggravates traffic problems and substantially impairs or arrests the elimination of traffic hazards and the improvement of traffic facilities; and that the prevention and elimination of these conditions is a matter of state policy and state concern in order that the state and its municipalities shall not continue to be endangered by areas which are focal centers of disease, promote juvenile delinquency, and consume an excessive proportion of its revenue because of the extra services required for police, fire, accident, hospitalization and other forms of public protection, services and facilities.

It is further found and declared that certain of such areas, or portions thereof, may require acquisition, clearance, and disposition subject to use restrictions, as provided in this act, since the prevailing condition of decay may make impracticable the reclamation of the area by conservation or rehabilitation; that other areas or portions thereof may, through the means provided in this act, be susceptible of conservation or rehabilitation in such a manner that the conditions and evils hereinbefore enumerated may be eliminated, remedied or prevented; and that salvageable areas can be conserved and rehabilitated through appropriate public action as herein authorized, and the cooperation and voluntary action of the owners and tenants of property in such areas.

It is further found and declared that the powers conferred by this act are for public uses and purposes for which public money may be expended as herein provided and the power of eminent domain and police power exercised; and that the necessity in the public interest for the provisions herein enacted is hereby declared as a matter of legislative determination.

[1965, ch. 246, § 2, p. 600.]

Compiler's notes. The words in parentheses so appeared in the law as enacted.

For words "this act" see Compiler's notes, § 50-2001.

Cited in:

Boise Redevelopment Agency v. Yick Kong Corp. 94 Idaho 876, 499 P.2d 575 (1972).

Relocation Costs.

The rule at common law that utilities must relocate at their own expense is not an absolute but is subject to legislative provision to the contrary, and also subject to any constitutional prohibition or requirement; however in the absence of clear legislative direction the courts will decline to abolish the common-law rule and establish a rule requiring relocation costs to be paid to permissive users such as the utilities, inasmuch as the Urban Renewal Act appears to contemplate payment of relocation costs to those with more substantial property interests. Mountain States Tel. & Tel. Co. v. Boise Redevelopment Agency, 101 Idaho 30, 607 P.2d 1084 (1980).

50-2003. Encouragement of private enterprise.

An urban renewal agency, to the greatest extent it determines to be feasible in carrying out the provisions of this act, shall afford maximum opportunity, consistent with the sound needs of the municipality as a whole, to the rehabilitation or redevelopment of the urban renewal area by private enterprise. A municipality shall also give consideration to this objective in exercising its powers under this act, including the formulation of a workable program, the approval of urban renewal plans, community-wide plans or programs for urban renewal, and general neighborhood renewal plans (consistent with the general plan of the municipality), the exercise of its zoning powers, the enforcement of other laws, codes and regulations relating to the use of land and the use and occupancy of buildings and improvements, and the provision of necessary public improvements.

[1965, ch. 246, § 3, p. 600.]

Compiler's notes. The words in parentheses so appeared in the law as enacted.

For words "this act" see Compiler's notes, § 50-2001.

Collateral References.

Validity, construction and effect of statutes providing for urban redevelopment by private enterprise. 44 A.L.R.2d 1414.

50-2004. Workable program.

A municipality for the purposes of this act may formulate for the municipality a workable program for utilizing appropriate private and public resources to eliminate, and prevent the development or spread of, slums and urban blight, to encourage needed urban rehabilitation, or to undertake such of the aforesaid activities or other feasible municipal activities as may be suitably employed to achieve the objectives of such workable program. Such workable program may include, without limitation, provision for: the prevention of the spread of blight into areas of the municipality which are free from blight through diligent enforcement of housing, zoning and occupancy controls and standards; the rehabilitation or conservation of slum and blighted areas or portions thereof by replanning, removing congestion, providing parks, playgrounds and other public improvements, by encouraging voluntary rehabilitation and by compelling the repair and rehabilitation of deteriorated or deteriorating structures; and to cooperate with an urban renewal agency for the clearance and redevelopment of deteriorated or deteriorating areas or portions thereof.

[1965, ch. 246, § 4, p. 600.]

Compiler's notes. For words "this act" see Compiler's notes, § 50-2001.

50-2005. Finding of necessity by local governing body.

No urban renewal agency and no municipality shall exercise the authority hereafter conferred by this act until after the local governing body shall have adopted a resolution finding that: (1) one or more deteriorated or deteriorating areas as defined in this act exist in such municipality; (2) the rehabilitation, conservation, redevelopment, or a combination thereof, of such area or areas is necessary in the interest of the public health, safety, morals or welfare of the residents of such municipality; and (3) there is need for an urban renewal agency to function in the municipality.

[1965, ch. 246, § 5, p. 600.]

Compiler's notes. For words "this act" see Compiler's notes, § 50-2001.

Construction.

The authority granted to a local governing body under this section to make findings does not constitute an unlawful delegation of legislative power because only a fact finding status exists in the local governing body and there are sufficient and adequate standards contained in this section especially when read in combination with § 50-2018. *Boise Redevelopment Agency v. Yick Kong Corp.* 94 Idaho 876, 499 P.2d 575 (1972).

50-2006. Urban renewal agency.

(a) There is hereby created in each municipality an independent public body corporate and politic to be known as the "urban renewal agency" for the municipality: provided, that such agency shall not transact any business or exercise its powers hereunder until or unless the local governing body has made the findings prescribed in section 50-2005, Idaho Code.

(b) Upon the local governing body making such findings, the urban renewal agency is authorized to transact the business and exercise the powers hereunder by a board of commissioners to be appointed or designated as follows:

(1) The mayor, by and with the advice and consent of the local governing body, shall appoint a board of commissioners of the urban renewal agency which shall consist of not less than three (3) commissioners nor more than nine (9) commissioners. In the order of appointment, the mayor shall designate the number of commissioners to be appointed, and the term of each, provided that the original term of office of no more than two (2) commissioners shall expire in the same year. The commissioners shall serve for terms not to exceed five (5) years, from the date of appointment, except that all vacancies shall be filled for the unexpired term. For inefficiency or neglect of duty or misconduct in office, a commissioner may be removed only after a hearing and after he shall have been given a copy of the charges at least ten (10) days prior to such hearings and have had an opportunity to be heard in person or by counsel.

(2) By enactment of an ordinance, the local governing body may appoint and designate itself to be the board of commissioners of the urban renewal agency, in which case all the rights, powers, duties, privileges and immunities vested by the urban renewal law of 1965, and as amended, in an appointed board of commissioners, shall be vested in the local governing body, who shall, in all respects when acting as an urban renewal agency, be acting as an arm of state government, entirely separate and distinct from the municipality, to achieve, perform and accomplish the public purposes prescribed and provided by said urban renewal law of 1965, and as amended.

(3) By enactment of an ordinance, the local governing body may terminate the appointed board of commissioners and thereby appoint and designate itself as the board of commissioners of the urban renewal agency.

(c) A commissioner shall receive no compensation for his services but shall be entitled to the necessary expenses, including traveling expenses, incurred in the discharge of his duties. Each commissioner shall hold office until his successor has been appointed and has qualified. A certificate of the appointment or reappointment of any commissioner shall be filed with the clerk of the municipality and such certificate shall be conclusive evidence of the due and proper appointment of such commissioner.

The powers of an urban renewal agency shall be exercised by the commissioners thereof. A majority of the commissioners shall constitute a quorum for the purpose of conducting business and exercising the powers of the agency and for all other purposes. Action may be taken by the agency upon a vote of a majority of the commissioners present, unless in any case the bylaws shall require a larger number.

The mayor may appoint a chairman, a cochairman, or a vice-chairman for a term of office of one (1) year from among the commissioners, thereafter the commissioners shall elect the chairman, cochairman or vice-chairman for a term of one (1) year from among their members. An agency may employ an executive director, technical experts and such other agents and employees, permanent and temporary, as it may require, and determine their qualifications, duties and compensation. For such legal service as it may require, an agency may employ or retain its own counsel and legal staff. An agency authorized to transact business and exercise powers under this act shall file, with the local governing body, on or before March 31 of each year a report of its activities for the preceding calendar year, which report shall include a complete financial statement setting forth its assets, liabilities, income and operating expense as of the end of such calendar year. At the time of filing the report, the agency shall publish in a newspaper of general circulation in the community a notice to the effect that such report has been filed with the municipality and that the report is available for inspection during business hours in the office of the city clerk or county recorder and in the office of the agency.

[1965, ch. 246, § 6, p. 600; am. 1976, ch. 256, § 1, p. 871; am. 1986, ch. 9, § 1, p. 49; am. 1987, ch. 276, § 1, p. 568.]

Compiler's notes. Section 2 of S.L. 1986, ch. 9 is compiled as § 50-2017.

Sec. to sec. ref. This section is referred to in §§ 50-2018 and 50-2903.

Cited in:

Idaho Falls Redevelopment Agency v. Countryman, 118 Idaho 43, 794 P.2d 632 (1990).

Analysis

Limitations on County and Municipal Indebtedness.
Relocation Costs.

Limitations on County and Municipal Indebtedness.

Article 8, § 3 of the Idaho Constitution is not applicable to the Boise Redevelopment Agency, created pursuant to the Idaho Urban Renewal Law, as the alter ego of the city of Boise, even though the city participates in the agency's creation and in the selection and removal of its commissioners, since the agency is an entity of legislative creation, its powers and duties were established by the legislature, and its powers and operations are not controlled by the city. Boise Redevelopment Agency v. Yick Kong Corp. 94 Idaho 876, 499 P.2d 575 (1972).

Relocation Costs.

The rule at common law that utilities must relocate at their own expense is not an absolute but is subject to legislative provision to the contrary, and also subject to any constitutional prohibition or requirement; however in the absence of clear legislative direction the courts will decline to abolish the common-law rule and establish a rule requiring relocation costs to be paid to permissive users such as the utilities, inasmuch as the Urban Renewal Act appears to contemplate payment of relocation costs to those with more substantial property interests. *Mountain States Tel. & Tel. Co. v. Boise Redevelopment Agency*, 101 Idaho 30, 607 P.2d 1084 (1980).

50-2007. Powers.

Every urban renewal agency shall have all the powers necessary or convenient to carry out and effectuate the purposes and provisions of this act, including the following powers in addition to others herein granted:

(a) to undertake and carry out urban renewal projects and related activities within its area of operation; and to make and execute contracts and other instruments necessary or convenient to the exercise of its powers under this act; and to disseminate slum clearance and urban renewal information;

(b) to provide or to arrange or contract for the furnishing or repair by any person or agency, public or private, of services, privileges, works, streets, roads, public utilities or other facilities for or in connection with an urban renewal project; to install, construct, and reconstruct streets, utilities, parks, playgrounds, off-street parking facilities, public facilities, other buildings or public improvements; and any improvements necessary or incidental to a redevelopment project; and to agree to any conditions that it may deem reasonable and appropriate attached to federal financial assistance and imposed pursuant to federal law relating to the determination of prevailing salaries or wages or compliance with labor standards, in the undertaking or carrying out of an urban renewal project and related activities, and to include in any contract let in connection with such a project and related activities, provisions to fulfill such of said conditions as it may deem reasonable and appropriate;

(c) within its area of operation, to enter into any building or property in any urban renewal area in order to make inspections, surveys, appraisals, soundings or test borings, and to obtain, upon sufficient cause and after a hearing on the matter, an order for this purpose from a court of competent jurisdiction in the event entry is denied or resisted; to acquire by purchase, lease, option, gift, grant, bequest, devise, eminent domain or otherwise, any real property (or personal property for its administrative purposes) together with any improvements thereon; to hold, improve, renovate, rehabilitate, clear or prepare for redevelopment any such property or buildings; to mortgage, pledge, hypothecate or otherwise encumber or dispose of any real property; to insure or provide for the insurance of any real or personal property or operations of the municipality against any risks or hazards, including the power to pay premiums on any such insurance; and to enter into any contracts necessary to effectuate the purposes of this act: Provided, however, that no statutory provision with respect to the acquisition, clearance or disposition of property by public bodies shall restrict a municipality or other public body exercising powers hereunder in the exercise of such functions with respect to an urban renewal project and related activities, unless the legislature shall specifically so state;

(d) with the approval of the local governing body, (1) prior to approval of an urban renewal plan, or approval of any modifications of the plan, to acquire real property in an urban renewal area, demolish and remove any structures on the property, and pay all costs related to the acquisition, demolition, or removal, including any administrative or relocation expenses; and (2) to assume the responsibility to bear any loss that may arise as the result of the exercise of authority under this subsection in the event that the real property is not made part of the urban renewal project;

(e) to invest any urban renewal funds held in reserves or sinking funds or any such funds not

required for immediate disbursement, in property or securities in which savings banks may legally invest funds subject to their control; to redeem such bonds as have been issued pursuant to section 50-2012, Idaho Code, at the redemption price established therein or to purchase such bonds at less than redemption price, all such bonds so redeemed or purchased to be canceled;

(f) to borrow money and to apply for and accept advances, loans, grants, contributions and any other form of financial assistance from the federal government, the state, county or other public body, or from any sources, public or private, for the purposes of this act, and to give such security as may be required and to enter into and carry out contracts or agreements in connection therewith; and to include in any contract for financial assistance with the federal government for or with respect to an urban renewal project and related activities such conditions imposed pursuant to federal laws as the municipality may deem reasonable and appropriate and which are not inconsistent with the purposes of this act;

(g) within its area of operation, to make or have made all surveys and plans necessary to the carrying out of the purposes of this act and to contract with any person, public or private, in making and carrying out such plans and to adopt or approve, modify and amend such plans, which plans may include, but are not limited to: (1) plans for carrying out a program of voluntary compulsory repair and rehabilitation of buildings and improvements, (2) plans for the enforcement of state and local laws, codes and regulations relating to the use of land and the use and occupancy of buildings and improvements and to the compulsory repair, rehabilitation, demolition, or removal of buildings and improvements, and (3) appraisals, title searches, surveys, studies, and other plans and work necessary to prepare for the undertaking of urban renewal projects and related activities; and to develop, test, and report methods and techniques, and carry out demonstrations and other activities, for the prevention and elimination of slums and urban blight and developing and demonstrating new or improved means of providing housing for families and persons of low income and to apply for, accept and utilize grants of funds from the federal government for such purposes;

(h) to prepare plans for and assist in the relocation of persons (including individuals, families, business concerns, nonprofit organizations and others) displaced from an urban renewal area, and notwithstanding any statute of this state to make relocation payments to or with respect to such persons for which reimbursement or compensation is not otherwise made, including the making of such payments financed by the federal government;

(i) to exercise all or any part or combination of powers herein granted;

(j) in addition to its powers under subsection (b) of this section, an agency may construct foundations, platforms, and other like structural forms necessary for the provision or utilization of air rights sites for buildings and to be used for residential, commercial, industrial, and other uses contemplated by the urban renewal plan, and to provide utilities to the development site; and

(k) to lend or invest funds obtained from the federal government for the purposes of this act if allowable under federal laws or regulations.

[1965, ch. 246, § 7, p. 600; am. 1972, ch. 156, § 1, p. 344; am. 1987, ch. 259, § 1, p. 536.]

Compiler's notes. The words in parentheses so appeared in the law as enacted.

For words "this act" see Compiler's notes, § 50-2001.

Section 2 of S.L. 1987, ch. 259 is compiled as § 50-2011.

Sec. to sec. ref. This section is referred to in §§ 50-2011, 50-2015, 50-2018.

Cited in:

Idaho Falls Redevelopment Agency v. Countryman, 118 Idaho 43, 794 P.2d 632 (1990).

Relocation Costs.

The rule at common law that utilities must relocate at their own expense is not an absolute but is subject to legislative provision to the contrary, and also subject to any constitutional prohibition or requirement; however in the absence of clear legislative direction the courts will decline to abolish the common-law rule and establish a rule requiring relocation costs to be paid to permissive users such as the utilities, inasmuch as the Urban Renewal Act appears to contemplate payment of relocation costs to those with more substantial property interests. *Mountain States Tel. & Tel. Co. v. Boise Redevelopment Agency*, 101 Idaho 30, 607 P.2d 1084 (1980).

50-2008. Preparation and approval of plan for urban renewal project.

(a) An urban renewal project for an urban renewal area shall not be planned or initiated unless the local governing body has, by resolution, determined such area to be a deteriorated area or a deteriorating area or a combination thereof and designated such area as appropriate for an urban renewal project.

(b) An urban renewal agency may itself prepare or cause to be prepared an urban renewal plan, or any person or agency, public or private, may submit such a plan to an urban renewal agency. Prior to its approval of an urban renewal project, the local governing body shall submit such plan to the planning commission of the municipality, if any, for review and recommendations as to its conformity with the general plan for the development of the municipality as a whole. The planning commission shall submit its written recommendations with respect to the proposed urban renewal plan to the local governing body within thirty (30) days after receipt of the plan for review. Upon receipt of the recommendations of the planning commission, or if no recommendations are received within said 30 days, then without such recommendations, the local governing body may proceed with the hearing on the proposed urban renewal project prescribed by subsection (c) hereof.

(c) The local governing body shall hold a public hearing on an urban renewal project, after public notice thereof by publication in a newspaper having a general circulation in the area of operation of the municipality. The notice shall describe the time, date, place and purpose of the hearing, shall generally identify the urban renewal area covered by the plan, and shall outline the general scope of the urban renewal project under consideration.

(d) Following such hearing, the local governing body may approve an urban renewal project and the plan therefor if it finds that (1) a feasible method exists 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 conforms to the general plan of the municipality as a whole; (3) the urban renewal plan gives 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 children residing in the general vicinity of the site covered by the plan; and (4) the urban renewal plan will 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: Provided, that 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 this act, 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.

(e) An urban renewal plan may be modified at any time: Provided that if modified after the lease or sale by the urban renewal agency of real property in the urban renewal project area, such modification may be conditioned upon such approval of the owner, lessee or successor in interest as the urban renewal agency may deem advisable and in any event shall be subject to such rights at law or in equity as a lessee or purchaser, or his successor or successors in interest, may be entitled to assert.

(f) Upon the approval by the local governing body of an urban renewal plan or of any modification thereof, such plan or modification shall be deemed to be in full force and effect for the respective urban renewal area, and the urban renewal agency may then cause such plan or modification to be carried out in accordance with its terms.

(g) Notwithstanding any other provisions of this act, where the local governing body certifies that an area is in need of redevelopment or rehabilitation as a result of a flood, fire, hurricane, earthquake, storm, or other catastrophe respecting which the governor of the state has certified the need for disaster assistance under Public Law 875, Eighty-first Congress, or other federal law, the local governing body may approve an urban renewal plan and an urban renewal project with respect to such area without regard to the provisions of subsection (d) of this section and the provisions of this section requiring a general plan for the municipality and a public hearing on the urban renewal project.

[1965, ch. 246, § 8, p. 600.]

Compiler's notes. For words "this act" see Compiler's notes, § 50-2001.

Public Law 875, Eighty-first Congress, referred to in this section, was repealed.

Sec. to sec. ref. This section is referred to in §§ 50-2018, 50-2903 and 50-2906.

50-2009. Neighborhood and community-wide plans.

(a) An urban renewal agency or any public body authorized to perform planning work may prepare a general neighborhood renewal plan for urban renewal areas which may be of such scope that urban renewal activities may have to be carried out in stages over an estimated period of up to ten (10) years. Such plan may include, but is not limited to, a preliminary plan which (1) outlines the urban renewal activities proposed for the area involved, (2) provides a framework for the preparation of urban renewal plans, and (3) indicates generally the land uses, population density, building coverage, prospective requirements for rehabilitation and improvement of property and portions of the area contemplated for clearance and redevelopment. A general neighborhood renewal plan shall, in the determination of the local governing body, conform to the general plan of the locality as a whole and the workable program of the municipality.

(b) A municipality or any public body authorized to perform planning work may prepare or complete a community-wide plan or program for urban renewal which shall conform to the general plan for the development of the municipality as a whole and may include, but is not limited to, identification of slum, blighted, deteriorated or deteriorating areas, measurement of blight, determination of resources needed and available to renew such areas, identification of

potential project areas and types of action contemplated, and scheduling of urban renewal activities.

(c) Authority is hereby vested in every municipality to prepare, to adopt and to revise from time to time, a general plan for the physical development of the municipality as a whole (giving due regard to the environs and metropolitan surroundings), to establish and maintain a planning commission for such purpose and related municipal planning activities, and to make available and to appropriate necessary funds therefor.

[1965, ch. 246, § 9, p. 600.]

Compiler's notes. The words in parentheses so appeared in the law as enacted.

Sec. to sec. ref. This section is referred to in § 50-2018.

50-2010. Acquisition of property.

(a) An urban renewal agency shall have the right to acquire by negotiation or condemnation any interest in real property, including a fee simple title thereto, which it may deem necessary for or in connection with an urban renewal project and related activities under this act. An urban renewal agency may exercise the power of eminent domain in the manner now or which may be hereafter provided by any other statutory provisions for the exercise of the power of eminent domain. Property already devoted to a public use may be acquired in like manner: Provided, that no real property belonging to the United States, the state, or any political subdivision of the state, may be acquired without its consent.

(b) In any proceeding to fix or assess compensation for damages for the taking or damaging of property, or any interest therein, through the exercise of the power of eminent domain or condemnation, evidence or testimony bearing upon the following matters shall be admissible and shall be considered in fixing such compensation or damages, in addition to evidence or testimony otherwise admissible:

(1) any use, condition, occupancy, or operation of such property, which is unlawful or violative of, or subject to elimination, abatement, prohibition, or correction under, any law or any ordinance or regulatory measure of the state, county, municipality, other political subdivision, or any agency thereof, in which such property is located, as being unsafe, substandard, insanitary or otherwise contrary to the public health, safety, or welfare;

(2) the effect on the value of such property, of any such use, condition, occupancy, or operation, or of the elimination, abatement, prohibition, or correction of any such use, condition, occupancy, or operation.

(c) The foregoing testimony and evidence shall be admissible notwithstanding that no action has been taken by any public body or public officer toward the abatement, prohibition, elimination or correction of any such use, condition, occupancy, or operation. Testimony or evidence that any public body or public officer charged with the duty or authority so to do has rendered, made or issued any judgment, decree, determination or order for the abatement, prohibition, elimination or correction of any such use, condition, occupancy, or operation shall be admissible and shall be prima facie evidence of the existence and character of such use, condition or operation.

[1965, ch. 246, § 10, p. 600.]

Compiler's notes. For words "this act" see Compiler's notes, § 50-2001.

50-2011. Disposal of property in urban renewal area.

(a) An urban renewal agency may sell, lease, or otherwise transfer real property or any interest therein acquired by it for an urban renewal project, and may enter into contracts with respect thereto, in an urban renewal area for residential, recreational, commercial, industrial, educational or other uses or for public use, or may retain such property or interest for public use, in accordance with the urban renewal plan, subject to such covenants, conditions and restrictions, including covenants running with the land, as it may deem to be necessary or desirable to assist in preventing the development or spread of future slums or blighted areas or to otherwise carry out the purposes of this act: Provided, that such sale, lease, other transfer, or retention, and any agreement relating thereto, may be made only after the approval of the urban renewal plan by the local governing body. The purchasers or lessees and their successors and assigns shall be obligated to devote such real property only to the uses specified in the urban renewal plan, and may be obligated to comply with such other requirements as the urban renewal agency may determine to be in the public interest, including the obligation to begin within a reasonable time any improvements on such real property required by the urban renewal plan. Such real property or interest shall be sold, leased, otherwise transferred, or retained at not less than its fair value for uses in accordance with the urban renewal plan except property disposed of by it to the community or any other public body which property must be disposed of pursuant to the provisions of subsection (f) of section 50-2015, Idaho Code, even though such fair value may be less than the cost of acquiring and preparing the property for redevelopment. In determining the fair value of real property for uses in accordance with the urban renewal plan, an urban renewal agency shall take into account and give consideration to the uses provided in such plan; the restrictions upon, and the covenants, conditions and obligations assumed by the purchaser or lessee or by the urban renewal agency retaining the property; and the objectives of such plan for the prevention of the recurrence of slum or blighted areas. The urban renewal agency in any instrument of conveyance to a private purchaser or lessee may provide that such purchaser or lessee shall be without power to sell, lease or otherwise transfer the real property without the prior written consent of the urban renewal agency until he has completed the construction of any or all improvements which he has obligated himself to construct thereon. Real property acquired by an urban renewal agency which, in accordance with the provisions of the urban renewal plan, is to be transferred, shall be transferred as rapidly as feasible in the public interest consistent with the carrying out of the provisions of the urban renewal plan. Any contract for such transfer and the urban renewal plan (or such part or parts of such contract or plan as the urban renewal agency may determine) may be recorded in the land records of the county in such manner as to afford actual or constructive notice thereof.

(b) An urban renewal agency may dispose of real property in an urban renewal area to private persons only under such reasonable competitive bidding procedures as it shall prescribe or as hereinafter provided in this subsection. An urban renewal agency may, by public notice by publication in a newspaper having a general circulation in the community (thirty (30) days prior to the execution of any contract to sell, lease or otherwise transfer real property and prior to the delivery of any instrument of conveyance with respect thereto under the provisions of this section) invite proposals from and make available all pertinent information to private redevelopers or any persons interested in undertaking to redevelop or rehabilitate an urban renewal area, or any part thereof. Such notice shall identify the area, or portion thereof, and shall state that proposals shall be made by those interested within thirty (30) days after the date of publication of said notice, and that such further information as is available may be obtained at such office as shall be designated in said notice. The urban renewal agency shall consider all such redevelopment or rehabilitation proposals and the financial and legal ability of the persons making such proposals to carry them out, and may negotiate with any persons for proposals for the purchase, lease or other transfer of any real property acquired by the agency in the urban renewal area. The urban renewal agency may accept such proposal as it deems to be in the public

interest and in furtherance of the purposes of this act. The agency may execute such contract in accordance with the provisions of subsection (a) and deliver deeds, leases and other instruments and take all steps necessary to effectuate such contract.

(c) An urban renewal agency may temporarily operate and maintain real property acquired by it in an urban renewal area for or in connection with an urban renewal project pending the disposition of the property as authorized in this act, without regard to the provisions of subsection (a) above, for such uses and purposes as may be deemed desirable even though not in conformity with the urban renewal plan.

(d) Any real property acquired pursuant to section 50-2007(d) may be disposed of without regard to other provisions of this section if the local governing body has consented to the disposal.

(e) Notwithstanding any other provisions of this act, and notwithstanding subsection (b) of this section, land in an urban renewal project area designated under the urban renewal plan for industrial or commercial uses may be disposed of to any public body or nonprofit corporation for subsequent disposition as promptly as practicable by the public body or corporation for redevelopment in accordance with the urban renewal plan, and only the purchaser from or lessee of the public body or corporation, and their assignees, shall be required to assume the obligation of beginning the building of improvements within a reasonable time. Any disposition of land to a nonprofit corporation under this subsection shall be made at its fair value for uses in accordance with the urban renewal plan. Any disposition of land to a public body under this subsection shall be made pursuant to the provisions of subsection (f) of section 50-2015, Idaho Code.

(f) Property previously acquired or acquired by an agency for rehabilitation and resale shall be offered for disposition within three (3) years after completion of rehabilitation, or an annual report shall be published by the agency in a newspaper of general circulation published in the community listing any rehabilitated property held by the agency in excess of such three (3) year period, stating the reasons such property remains unsold and indicating plans for its disposition.

[1965, ch. 246, § 11, p. 600; am. 1985, ch. 183, § 1, p. 467; am. 1987, ch. 259, § 2, p. 536.]

Compiler's notes. The words in parentheses so appeared in the law as enacted.

For words "this act" see Compiler's notes, § 50-2001.

Sections 1 and 3 of S.L. 1987, ch. 259 are compiled as §§ 50-2007 and 50-2015, respectively.

Section 2 of S.L. 1985, ch. 183 declared an emergency. Approved March 22, 1985.

50-2012. Issuance of bonds.

(a) An urban renewal agency shall have power to issue bonds from time to time in its discretion to finance the undertaking of any urban renewal project under this act, including, without limiting the generality thereof, the payment of principal and interest upon any advances for surveys and plans or preliminary loans, and shall also have power to issue refunding bonds for the payment or retirement of such bonds previously issued by it. Such bonds shall be made payable, as to both principal and interest, solely from the income, proceeds, revenues, and funds of the urban renewal agency derived from or held in connection with its undertaking and carrying out of urban renewal projects under this act: Provided, however, that payment of such bonds, both as to principal and interest, may be further secured by a pledge of any loan, grant or contribution from the federal government or other source, in aid of any urban renewal projects under this act, and by a mortgage of any such urban renewal projects, or any part thereof, title to which is in the urban renewal agency.

(b) Bonds issued under this section shall not constitute an indebtedness within the meaning

of any constitutional or statutory debt limitation or restriction, and shall not be subject to the provisions of any other law or charter relating to the authorization, issuance or sale of bonds. Bonds and other obligations of an urban renewal agency (and such bonds and obligations shall so state on their face) shall not be a debt of the municipality, the state or any political subdivision thereof, and neither the municipality, the state nor any political subdivision thereof shall be liable thereon, nor in any event shall such bonds or obligations be payable out of any funds other than those of said urban renewal agency. Bonds issued under the provisions of this act are declared to be issued for an essential public and governmental purpose and, together with interest thereon and income therefrom, shall be exempted from all taxes.

(c) Bonds issued under this section shall be authorized by resolution or ordinance of the urban renewal agency and may be issued in one or more series and shall bear such date or dates, be payable upon demand or mature at such time, or times, bear interest at a rate or rates, be in such denomination or denominations, be in such form either with or without coupon or registered, carry such conversion or registration privileges, have such rank or priority, be executed in such manner, be payable in such medium of payment, at such place or places, and be subject to such terms of repayment, at such place or places, and be subject to such terms of redemption (with or without premium), be secured in such manner, and have such other characteristics, as may be provided by such resolution or ordinance, or trust indenture or mortgage issued pursuant thereto.

(d) Such bonds may be sold at not less than par at public or private sales held after notice published prior to such sale in a newspaper having a general circulation in the area of operation and in such other medium of publication as the agency may determine or may be exchanged for other bonds on the basis of par: Provided, that such bonds may be sold to the federal government at private sale at not less than par, and, in the event less than all of the authorized principal amount on such bonds is sold to the federal government, the balance may be sold at private sale at not less than par at an interest cost to the agency of not to exceed the interest cost to the agency of the portion of the bonds sold to the federal government.

(e) In case any of the officials of the urban renewal agency whose signatures appear on any bonds or coupons issued under this act shall cease to be such officials before the delivery of such bonds, such signatures shall, nevertheless, be valid and sufficient for all purposes, the same as if such officials had remained in office until such delivery. Any provision of any law to the contrary notwithstanding, any bonds issued pursuant to this act shall be fully negotiable.

(f) In any suit, action or proceeding involving the validity or enforceability of any bond issued under this act or the security therefor, any such bond reciting in substance that it has been issued by the agency in connection with an urban renewal project, as herein defined, shall be conclusively deemed to have been issued for such purpose and such project shall be conclusively deemed to have been planned, located and carried out in accordance with the provisions of this act.

[1965, ch. 246, § 12, p. 600; am. 1970, ch. 133, § 17, p. 309; am. 1972, ch. 156, § 2, p. 344.]

Compiler's notes. The words in parentheses so appeared in the law as enacted.

For words "this act" see Compiler's notes, § 50-2001.

Sections 16 and 18 of S.L. 1970, ch. 133 are compiled as §§ 50-1917, 57-208 respectively.

Sec. to sec. ref. This section is referred to in §§ 50-2007 and 50-2909.

Mandamus Relief.

Where an agency petitioned for a writ of mandamus to require agency officials to sign a resolution for the issuance of certain bonds and to proceed to publish notice and execute the bonds, since the agency had available to it other adequate remedies at law and sufficient time within which to pursue those remedies,

all mandamus relief requested by the agency could have been accomplished at the district court level by a declaratory judgment action or in other proceedings, and the petition for issuance of a writ of mandamus was denied. *Idaho Falls Redevelopment Agency v. Countryman*, 118 Idaho 43, 794 P.2d 632 (1990).

50-2013. Bonds as legal investments.

All banks, trust companies, bankers, savings banks and institutions, building and loan associations, savings and loan associations, investment companies and other persons carrying on a banking or investment business, all insurance companies, insurance associations, and other persons carrying on an insurance business; and all executors, administrators, curators, trustees, and other fiduciaries, may legally invest any sinking funds, moneys, or other funds belonging to them or within their control in any bonds or other obligations issued by an urban renewal agency pursuant to this act: Provided that such bonds and other obligations shall be secured by an agreement between the issuer and the federal government in which the issuer agrees to borrow from the federal government and the federal government agrees to lend to the issuer, prior to the maturity of such bonds or other obligations, moneys in an amount which (together with any other moneys irrevocably committed to the payment of principal and interest on such bonds or other obligations) will suffice to pay the principal of such bonds or other obligations with interest to maturity thereon, which moneys under the terms of said agreement are required to be used for the purpose of paying the principal of and the interest on such bonds or other obligations at their maturity. Such bonds and other obligations shall be authorized security for all public deposits. It is the purpose of this section to authorize any persons, political subdivisions and officers, public or private, to use any funds owned or controlled by them for the purchase of any such bonds or other obligations. Nothing contained in this section with regard to legal investments shall be construed as relieving any person of any duty of exercising reasonable care in selecting securities.

[1965, ch. 246, § 13, p. 600.]

Compiler's notes. The words in parentheses so appeared in the law as enacted.

For words "this act" see Compiler's notes, § 50-2001.

50-2014. Property exempt from taxes and from levy and sale by virtue of an execution.

(a) All property of an urban renewal agency, including funds, owned or held by it for the purposes of this act shall be exempt from levy and sale by virtue of an execution, and no execution or other judicial process shall issue against the same nor shall judgment against an agency be a charge or lien upon such property: Provided, however, that the provisions of this section shall not apply to or limit the right of obligees to pursue any remedies for the enforcement of and pledge or lien given pursuant to this act by an agency on its rents, fees, grants or revenues from urban renewal projects.

(b) The property of an urban renewal agency, acquired or held for the purposes of this act, is declared to be public property used for essential public and governmental purposes and effective the date an urban renewal agency acquires title to such property it shall be exempt from all taxes of the municipality, the county, the state or any political subdivision thereof: Provided, that such tax exemption shall terminate when the agency sells, leases or otherwise disposes of such property in an urban renewal area for redevelopment to a purchaser or lessee which is not a public body entitled to tax exemption with respect to such property.

[1965, ch. 246, § 14, p. 600; am. 1972, ch. 156, § 3, p. 344.]

Compiler's notes. For words "this act" see Compiler's notes, § 50-2001.

Section 4 of S.L. 1972, ch. 156 declared an emergency. Approved March 17, 1972.

50-2015. Cooperation by public bodies.

(a) For the purpose of aiding in the planning, undertaking or carrying out of an urban renewal project and related activities authorized by this act, any public body may, upon such terms, with or without consideration, as it may determine: (1) dedicate, sell, convey or lease any of its interest in any property or grant easements, licenses or other rights or privileges therein to an urban renewal agency; (2) incur the entire expense of any public improvements made by such public body in exercising the powers granted in this section; (3) do any and all things necessary to aid or cooperate in the planning or carrying out of an urban renewal plan and related activities; (4) grant or contribute funds to an urban renewal agency and borrow money and apply for and accept advances, loans, grants, contributions, and any other form of financial assistance from the federal government, the state, county or other public body, or from any other source; (5) enter into agreements (which may extend over any period, notwithstanding any provision or rule of law to the contrary) with the federal government, an urban renewal agency or other public body respecting action to be taken pursuant to any of the powers granted by this act, including the furnishing of funds or other assistance in connection with an urban renewal project and related activities; and (6) cause public buildings and public facilities, including parks, playgrounds, recreational, community, educational, water, sewer or drainage facilities, or any other works which it is otherwise empowered to undertake to be furnished; furnish, dedicate, close, vacate, pave, install, grade, regrade, plan, or replan streets, roads, sidewalks, ways or other places; plan or replan, zone or rezone any part of the public body or make exceptions from building regulations; and cause administrative and other services to be furnished to the urban renewal agency. If at any time title to or possession of any urban renewal project is held by any public body or governmental agency, other than the urban renewal agency, which is authorized by law to engage in the undertaking, carrying out, or administration of urban renewal projects and related activities (including any agency or instrumentality of the United States of America), the provisions of the agreements referred to in this section shall inure to the benefit of and may be enforced by such public body or governmental agency.

(b) Any sale, conveyance, lease or agreement provided for in this section may be made by a public body without appraisal, public notice, advertisement or public bidding.

(c) For the purpose of aiding in the planning, undertaking or carrying out of any urban renewal project and related activities of an urban renewal agency, a municipality may (in addition to its other powers and upon such terms, with or without consideration, as it may determine) do and perform any or all of the actions or things which, by the provisions of subsection (a) of this section, a public body is authorized to do or perform, including the furnishing of financial and other assistance: Provided, that nothing contained in this section shall be construed as authorizing a municipality to give credit or make loans to an urban renewal agency.

(d) For the purposes of this section, a municipality may (in addition to its other powers):

(1) appropriate such funds and make such expenditures as may be necessary to carry out the purposes of this act, and levy taxes and assessments for curbs and gutters, streets and sidewalks; zone or rezone any part of the municipality or make exceptions from building regulations; and enter into agreements with an urban renewal agency (which agreements may extend over any period, notwithstanding any provisions or rule of law to the contrary), respecting action to be taken by such municipality pursuant to any of the powers granted by this act: [;]

(2) close, vacate, plan or replan streets, roads, sidewalks, ways or other places; and plan or replan any part of the municipality;

(3) within its area of operation, organize, coordinate and direct the administration of the

provisions of this act as they apply to such municipality in order that the objective of remedying slum and blighted areas and preventing the causes thereof within such municipality may be most effectively promoted and achieved, and establish such new office or offices of the municipality or to reorganize existing offices in order to carry out such purpose most effectively; and

(4) assume the responsibility to bear any loss that may arise as the result of the exercise of authority by the urban renewal agency under subsection (d) of section 50-2007, Idaho Code, in the event that the real property is not made a part of the urban renewal project.

(e) For the purposes of this section, or for the purpose of aiding in the planning, undertaking or carrying out of an urban renewal project and related activities of a municipality, such municipality may issue and sell its general obligation bonds. Any bonds issued by a municipality pursuant to this section shall be issued in the manner and within the limitations prescribed by the applicable laws of this state for the issuance and authorization of general obligation bonds by such municipality. Nothing in this section shall limit or otherwise adversely affect any other section of this act.

(f) Purchase and buy or otherwise acquire land in a project area from an agency for redevelopment in accordance with the plan, with or without consideration, as the agency may determine. Any public body which purchases, buys or otherwise acquires land in a project area from an agency for development pursuant to this subsection shall become obligated to:

(1) use the property for the purpose designated in the redevelopment plans;

(2) begin the redevelopment of the project area within a period of time which agency fixes as reasonable; and

(3) comply with other conditions which the agency deems necessary to carry out the purposes of this act.

[1965, ch. 246, § 15, p. 600; am. 1987, ch. 259, § 3, p. 536.]

Compiler's notes. The bracketed semicolon at the end of subdivision (d)(1) was inserted by the compiler.

The words in parentheses so appeared in the law as enacted.

For words "this act" see Compiler's notes, § 50-2001.

Sections 2 and 4 of S.L. 1987, ch. 259 are compiled as §§ 50-2011 and 50-2018, respectively.

Sec. to sec. ref. This section is referred to in § 50-2011.

Loaning of Credit.

Although action by the city of Boise pursuant to this section may constitute the city's raising money for or donating or lending credit to the Boise Redevelopment Agency, the prohibitions of Art. 8, § 4 and Art. 12, § 4 of the Idaho Constitution are not applicable to the agency since it is a public, rather than a private, enterprise. *Boise Redevelopment Agency v. Yick Kong Corp.* 94 Idaho 876, 499 P.2d 575 (1972).

50-2016. Title of purchaser.

Any instrument executed by an urban renewal agency and purporting to convey any right, title or interest in any property under this act shall be conclusively presumed to have been executed in compliance with the provisions of this act insofar as title or other interest of any bona fide purchasers, lessees or transferees of such property is concerned.

[1965, ch. 246, § 16, p. 600.]

Compiler's notes. For words "this act" see Compiler's notes, § 50-2001.

50-2017. Interested public officials, commissioners or employees.

No public official or employee of a municipality (or board or commission thereof), and no commissioner or employee of an urban renewal agency shall voluntarily acquire any personal interest, direct or indirect, in any urban renewal project, or in any property included or planned to be included in any urban renewal project in such municipality or in any contract or proposed contract in connection with such urban renewal project. Where such acquisition is not voluntary, the interest acquired shall be immediately disclosed in writing to the agency and such disclosure shall be entered upon the minutes of the agency. If any such official, commissioner or employee presently owns or controls, or owned or controlled within the preceding two (2) years, any interest, direct or indirect, in any property which he knows is included or planned to be included in an urban renewal project, he shall immediately disclose this fact in writing to the agency, and such disclosure shall be entered upon the minutes of the agency, and any such official, commissioner or employee shall not participate in any action by the municipality (or board or commission thereof), or urban renewal agency affecting such property. Any violation of the provisions of this section shall constitute misconduct in office.

[1965, ch. 246, § 17, p. 600; am. 1986, ch. 9, § 2, p. 49.]

Compiler's notes. The words in parentheses so appeared in the law as enacted.

Section 1 of S.L. 1986, ch. 9 is compiled as § 50-2006.

Section 3 of S.L. 1986, ch. 9 declared an emergency. Approved February 21, 1986.

50-2018. Definitions.

The following terms wherever used or referred to in this act, shall have the following meanings, unless a different meaning is clearly indicated by the context:

(a) "Agency" or "urban renewal agency" shall mean a public agency created by section 50-2006, Idaho Code.

(b) "Municipality" shall mean any incorporated city or town, or county in the state.

(c) "Public body" shall mean the state or any municipality, township, board, commission, authority, district, or any other subdivision or public body of the state.

(d) "Local governing body" shall mean the council or other legislative body charged with governing the municipality.

(e) "Mayor" shall mean the mayor of a municipality or other officer or body having the duties customarily imposed upon the executive head of a municipality.

(f) "Clerk" shall mean the clerk or other official of the municipality who is the custodian of the official records of such municipality.

(g) "Federal government" shall include the United States of America or any agency or instrumentality, corporate or otherwise, of the United States of America.

(h) "Deteriorated area" shall mean an area in which there is a predominance of buildings or improvements, whether residential or nonresidential, which by reason of dilapidation, deterioration, age or obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, or crime, and is detrimental to the public health, safety, morals or welfare.

(i) "Deteriorating area" shall mean an area which by reason of the presence of a substantial number of deteriorated or deteriorating structures, predominance of defective or inadequate street

layout, faulty lot layout in relation to size, adequacy, accessibility or usefulness, insanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency exceeding the fair value of the land, defective or unusual conditions of title, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, substantially impairs or arrests the sound growth of a municipality, retards the provision of housing accommodations or constitutes an economic or social liability and is a menace to the public health, safety, morals or welfare in its present condition and use: Provided, that if such deteriorating area consists of open land the conditions contained in the proviso in section 50-2008(d), Idaho Code, shall apply: And provided further, that any disaster area referred to in section 50-2008(g), Idaho Code, shall constitute a deteriorating area.

(j) "Urban renewal project" may include undertakings and activities of a municipality in an urban renewal area for the elimination of deteriorated or deteriorating areas and for the prevention of the development or spread of slums and blight, and may involve slum clearance and redevelopment in an urban renewal area, or rehabilitation or conservation in an urban renewal area, or any combination or part thereof in accordance with an urban renewal plan. Such undertakings and activities may include:

- (1) acquisition of a deteriorated area or a deteriorating area or portion thereof;
- (2) demolition and removal of buildings and improvements;
- (3) installation, construction, or reconstruction of streets, utilities, parks, playgrounds, off-street parking facilities, public facilities or buildings and other improvements necessary for carrying out in the urban renewal area the urban renewal objectives of this act in accordance with the urban renewal plan;
- (4) disposition of any property acquired in the urban renewal area (including sale, initial leasing or retention by the agency itself) at its fair value for uses in accordance with the urban renewal plan except for disposition [disposition] of property to another public body;
- (5) carrying out plans for a program of voluntary or compulsory repair and rehabilitation of buildings or other improvements in accordance with the urban renewal plan;
- (6) acquisition of real property in the urban renewal area which, under the urban renewal plan, is to be repaired or rehabilitated for dwelling use or related facilities, repair or rehabilitation of the structures for guidance purposes, and resale of the property;
- (7) acquisition of any other real property in the urban renewal area where necessary to eliminate unhealthful, insanitary or unsafe conditions, lessen density, eliminate obsolete or other uses detrimental to the public welfare, or otherwise to remove or to prevent the spread of blight or deterioration, or to provide land for needed public facilities;

(8) lending or investing federal funds; and

(9) construction of foundations, platforms and other like structural forms.

(k) "Urban renewal area" means a deteriorated area or a deteriorating area or a combination thereof which the local governing body designates as appropriate for an urban renewal project.

(l) "Urban renewal plan" means a plan, as it exists from time to time, for an urban renewal project, which plan (1) shall conform to the general plan for the municipality as a whole except as provided in subsection 50-2008(g), Idaho Code; and (2) 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, zoning and planning changes, if any, land uses, maximum densities, building requirements, and any method or methods of financing such plan, which methods may include revenue allocation financing provisions.

(m) "Related activities" shall mean (1) planning work for the preparation or completion of a community-wide plan or program pursuant to section 50-2009, Idaho Code, and (2) the functions related to the acquisition and disposal of real property pursuant to section 50-2007(d), Idaho

Code.

(n) "Real property" shall include all lands, including improvements and fixtures thereon, and property of any nature appurtenant thereto, or used in connection therewith, and every estate, interest, right and use, legal or equitable, therein, including terms for years and liens by way of judgment, mortgage or otherwise.

(o) "Bonds" shall mean any bonds (including refunding bonds), notes, interim certificates, certificates of indebtedness, debentures or other obligations.

(p) "Obligee" shall include any bondholder, agents or trustees for any bondholders, or lessor demising to the municipality property used in connection with urban renewal, or any assignee or assignees of such lessor's interest or any part thereof, and the federal government when it is a party to any contract with the municipality.

(q) "Person" shall mean any individual, firm, partnership, corporation, company, association, joint stock association, or body politic; and shall include any trustee, receiver, assignee, or other person acting in a similar representative capacity.

(r) "Area of operation" shall mean the area within the corporate limits of the municipality and the area within five (5) miles of such limits, except that it shall not include any area which lies within the territorial boundaries of another incorporated city or town unless a resolution shall have been adopted by the governing body of such other city or town declaring a need therefor.

(s) "Board" or "commission" shall mean a board, commission, department, division, office, body or other unit of the municipality.

(t) "Public officer" shall mean any officer who is in charge of any department or branch of the government of the municipality relating to health, fire, building regulations, or to other activities concerning dwellings in the municipality.

[1965, ch. 246, § 18, p. 600; am. 1970, ch. 103, § 1, p. 256; am. 1987, ch. 258, § 1, p. 524; am. 1987, ch. 259, § 4, p. 536; am. 1990, ch. 430, § 2, p. 1186.]

Compiler's notes. The bracketed word "disposition" in subdivision (j)(4) was inserted by the compiler.

The words in parentheses so appeared in the law as enacted.

For words "this act" see Compiler's notes, § 50-2001.

Sections 3 and 5 of S.L. 1987, ch. 259 are compiled as §§ 50-2015 and [50-2032] 50-2030, respectively.

Section 1 of S.L. 1990, ch. 430 contained repeals, and § 3 is compiled as § 50-2902.

Section 19 of S.L. 1965, ch. 246 read: "Notwithstanding any other evidence of legislative intent, it is hereby declared to be the controlling legislative intent that if any provision of this act, or the application thereof to any person or circumstances, is held invalid, the remainder of the act and the application of such provision to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

"Insofar as the provisions of this act are inconsistent with the provisions of any other law, the provisions of this act shall be controlling. The powers conferred by this act shall be in addition and supplemental to the powers conferred by any other law."

Cited in:

Idaho Falls Redevelopment Agency v. Countryman, 118 Idaho 43, 794 P.2d 632 (1990).

Analysis

Preciseness of Definitions.

Relocation Costs.

Preciseness of Definitions.

The definitions contained in this statute are sufficiently precise to give adequate guidelines to the local governing body. *Boise Redevelopment Agency v. Yick Kong Corp.* 94 Idaho 876, 499 P.2d 575 (1972).

Relocation Costs.

The rule at common law that utilities must relocate at their own expense is not an absolute but is subject to legislative provision to the contrary, and also subject to any constitutional prohibition or requirement; however in the absence of clear legislative direction the courts will decline to abolish the common-law rule and establish a rule requiring relocation costs to be paid to permissive users such as the utilities, inasmuch as the Urban Renewal Act appears to contemplate payment of relocation costs to those with more substantial property interests. *Mountain States Tel. & Tel. Co. v. Boise Redevelopment Agency*, 101 Idaho 30, 607 P.2d 1084 (1980).

50-2019 - 50-2026. Revenue allocation - Procedures - Purposes. [Repealed].

Compiler's notes. These sections, which comprised I.C., §§ 50-2019 - 50-2026, as added by 1987, ch. 258, § 2-9, p. 524, were repealed by S.L. 1990, ch. 430, § 1, effective April 12, 1990.

50-2027. Limitations on review of adoption or modification of plan, and issuance of bonds.

(1) No direct or collateral action attacking or otherwise questioning the validity of any urban renewal plan, project or modification thereto (including one containing a revenue allocation provision), or the adoption or approval of such plan, project or modification, or any of the findings or determinations of the agency or the local governing body in connection with such plan, project or modification, shall be brought prior to the effective date of the ordinance adopting or modifying the plan. No direct or collateral action attacking or otherwise questioning the validity of bonds issued pursuant to section 50-2012, Idaho Code, or section 50-2026(a), Idaho Code, shall be brought prior to the effective date of the resolution or ordinance authorizing such bonds.

(2) For a period of thirty (30) days after the effective date of the ordinance or resolution, any person in interest shall have the right to contest the legality of such ordinance, resolution or proceeding or any bonds which may be authorized thereby. No contest or proceeding to question the validity or legality of any ordinance, resolution or proceeding, or any bonds which may be authorized thereby, passed or adopted under the provisions of this chapter shall be brought in any court by any person for any cause whatsoever, after the expiration of thirty (30) days from the effective date of the ordinance, resolution or proceeding, and after such time the validity, legality and regularity of such ordinance, resolution or proceeding or any bonds authorized thereby shall be conclusively presumed. If the question of the validity of any adopted plan or bonds issued pursuant to this chapter is not raised within thirty (30) days from the effective date of the ordinance, resolution or proceeding issuing said bonds and fixing their terms, the authority of the plan, the authority adopting the plan, or the authority to issue the bonds, and the legality thereof, the same shall be conclusively presumed and no court shall thereafter have authority to inquire into such matters.

[I.C., § 50-2027, as added by 1987, ch. 258, § 10, p. 524; am. 1990, ch. 430, § 6, p. 1186.]

Compiler's notes. Section 50-2026 referred to in subsection (1) of this section has been repealed.

The words in parentheses so appeared in the law as enacted.

Section 5 of S.L. 1990, ch. 430 is compiled as § 50-2911.

Section 7 of S.L. 1990, ch. 430 declared an emergency. Approved April 12, 1990.

50-2028 - 50-2030. Revenue allocation termination - Effect of revenue allocation on other tax calculations - Urban renewal agency terminated. [Repealed.]

Compiler's notes. These sections, which comprised I.C., §§ 50-2028 - 50-2030, as added by 1987, ch. 258, §§ 11-13, p. 524, were repealed by S.L. 1990, ch. 430, § 1, effective April 12, 1990.

50-2031. Severability.

The provisions of the Idaho Urban Renewal Law of 1965, as it now exists or may hereafter be amended are hereby declared to be severable and if any provision of this act 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 act.

[I.C., § 50-2031, as added by 1987, ch. 258, § 14, p. 524.]

Compiler's notes. The words "this act" refer to S.L. 1987, ch. 259, which is compiled as §§ 50-2007, 50-2011, 50-2015, 50-2018 and 50-2030.

Section 15 of S.L. 1987, ch. 258 declared an emergency and provided that the act should be in full force and effect on and after its passage and approval retroactive to January 1, 1987. Approved April 1, 1987.

[50-2032]. [Severability].

The provisions of this act are hereby declared to be severable; and if any provision of this act 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 act.

[I.C., § [50-2032] 50-2030, as added by 1987, ch. 259, § 5, p. 536.]

Compiler's notes. This bracketed section designation "50-2032" has been given this section since §§ 50-2030 and 50-2031 were added by §§ 13 and 14 of ch. 258, S.L. 1987.

The bracketed catchline "Severability" was inserted by the compiler.

The words "this act" refer to S.L. 1987, ch. 259 which is compiled as §§ 50-2007, 50-2011, 50-2015, 50-2018 and [50-2032] 50-2030.

CHAPTER 29.

LOCAL ECONOMIC DEVELOPMENT ACT

Section

- 50-2901. Short title.
- 50-2902. Findings and purpose.
- 50-2903. Definitions.
- 50-2904. Authority to create revenue allocation area.
- 50-2905. Recommendation of urban renewal agency.
- 50-2906. Public hearing and ordinance required.
- 50-2907. Transmittal of revenue allocation area description and other documents to taxing agencies.
- 50-2908. Determination of tax levies - Creation of special fund.
- 50-2909. Issuance of bonds - Bond provisions.
- 50-2910. Bonds not general obligation of agency or municipality.
- 50-2911. Limitations on review.
- 50-2912. Severability.

50-2901. Short title.

This act may be known and cited as the "Local Economic Development Act."

[1988, ch. 210, § 1, p. 393.]

Compiler's notes. The words "this act" refer to S.L. 1988, ch. 210, which is compiled as §§ 50-2901 - 50-2912.

Sec. to sec. ref. This chapter is referred to in § 63-1909.

Collateral References.

Adverse impact upon existing business as factor affecting validity and substantive requisites of issuance, by state or local governmental agencies, of economic development bonds in support of private business enterprise. 39 A.L.R.4th 1096.

50-2902. Findings and purpose.

It is hereby found and declared that there exists in municipalities a need to raise revenue to finance the economic growth and development of urban renewal areas and competitively disadvantaged border community areas. The purpose of this act is to provide for the allocation of a portion of the property taxes levied against taxable property located in a revenue allocation area for a limited period of time to assist in the financing of urban renewal plans, to encourage private development in urban renewal areas and competitively disadvantaged border community areas, to prevent or arrest the decay of urban areas due to the inability of existing financing methods to promote needed public improvements, to encourage taxing districts to cooperate in the allocation of future tax revenues arising in urban areas and competitively disadvantaged border community areas in order to facilitate the long-term growth of their common tax base, and to encourage private investment within urban areas and competitively disadvantaged border community areas. The foregoing purposes are hereby declared to be valid public purposes for municipalities.

[1988, ch. 210, § 2, p. 393; am. 1990, ch. 430, § 3, p. 1186; am. 1994, ch. 381, § 1, p. 1222.]

Compiler's notes. The words "this act" refer to S.L. 1988, ch. 210, which is compiled as §§ 50-290, 50-2912.

Section 2 of S.L. 1990, ch. 430 is compiled as § 50-2018.

Cited in:

Idaho Falls Redevelopment Agency v. Countryman, 118 Idaho 43, 794 P.2d 632 (1990).

Opinions of Attorney General.

Six tax increment financing areas now operate in Idaho pursuant to the Local Economic Development Act and the proposed One Percent Initiative would have a serious impact on their ability to repay bonds. OAG 91-9.

50-2903. Definitions.

The following terms used in this chapter shall have the following meanings, unless the context otherwise requires:

- (1) "Act" or "this act" means this revenue allocation act.
- (2) "Agency" or "urban renewal agency" means a public body created pursuant to section 50-2006, Idaho Code.
- (3) "Authorized municipality" or "municipality" means any incorporated city which has established an urban renewal agency, or by ordinance has identified and created a competitively disadvantaged border community.
- (4) "Base assessment roll" means the equalized assessment rolls, for all classes of taxable property, on January 1 of the year in which the local governing body of an authorized municipality passes an ordinance adopting or modifying an urban renewal plan containing a revenue allocation financing provision, except that the base assessment roll shall be adjusted as follows: the equalized assessment valuation of the taxable property in a revenue allocation area as shown upon the base assessment roll shall be reduced by the amount by which the equalized assessed valuation as shown on the base assessment roll exceeds the current equalized assessed valuation of any taxable property located in the revenue allocation area, and by the equalized assessed valuation of taxable property in such revenue allocation area that becomes exempt from taxation subsequent to the date of the base assessment roll. The equalized assessed valuation of the taxable property in a revenue allocation area as shown on the base assessment roll shall be increased by the equalized assessed valuation, as of the date of the base assessment roll, of taxable property in such revenue allocation area that becomes taxable after the date of the base assessment roll.
- (5) "Clerk" means the city clerk of the municipality.
- (6) "Competitively disadvantaged border community area" means a parcel of land consisting of at least forty (40) acres which is situated within the boundaries of an incorporated city and within twenty-five (25) miles of a state or international border, which the governing body of such incorporated city has determined by ordinance is disadvantaged in its ability to attract business, private investment, or commercial development, as a result of a competitive advantage in the adjacent state or nation resulting from inequities or disparities in comparative sales taxes, income taxes, property taxes, population or unique geographic features.
- (7) "Deteriorated area" means:
 - (a) Any area, including slum area, in which there is a predominance of buildings or improvements, whether residential or nonresidential, which by reason of dilapidation, deterioration, age or obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, or crime,

and is detrimental to the public health, safety, morals or welfare.

(b) Any area which by reason of the presence of a substantial number of deteriorated or deteriorating structures, predominance of defective or inadequate street layout, faulty lot layout in relation to size, adequacy, accessibility or usefulness, insanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency exceeding the fair value of the land, defective or unusual conditions of title, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, results in economic underdevelopment of the area, substantially impairs or arrests the sound growth of a municipality, retards the provision of housing accommodations or constitutes an economic or social liability and is a menace to the public health, safety, morals or welfare in its present condition and use.

(c) Any area which is predominately open and which because of obsolete platting, diversity of ownership, deterioration of structures or improvements, or otherwise, results in economic underdevelopment of the area or substantially impairs or arrests the sound growth of a municipality. The provisions of section 50-2008(d), Idaho Code, shall apply to open areas.

(d) Any area which the local governing body certifies is in need of redevelopment or rehabilitation as a result of a flood, storm, earthquake, or other natural disaster or catastrophe respecting which the governor of the state has certified the need for disaster assistance under any federal law.

(e) Any area which by reason of its proximity to the border of an adjacent state is competitively disadvantaged in its ability to attract private investment, business or commercial development which would promote the purposes of this chapter.

(8) "Facilities" means land, rights in land, buildings, structures, machinery, landscaping, extension of utility services, approaches, roadways and parking, handling and storage areas, and similar auxiliary and related facilities.

(9) "Local governing body" means the city council of a municipality.

(10) "Plan" or "urban renewal plan" means a plan, as it exists or may from time to time be amended, prepared and approved pursuant to section 50-2008, Idaho Code, and any method or methods of financing such plan, which methods may include revenue allocation financing provisions.

(11) "Project" or "urban renewal project" or "competitively disadvantaged border areas" may include undertakings and activities of a municipality in an urban renewal area for the elimination of deteriorated or deteriorating areas and for the prevention of the development or spread of slums and blight, and may involve slum clearance and redevelopment in an urban renewal area, or rehabilitation or conservation in an urban renewal area, or any combination or part thereof in accordance with an urban renewal plan. Such undertakings and activities may include:

(a) Acquisition of a deteriorated area or a deteriorating area or portion thereof;

(b) Demolition and removal of buildings and improvement;

(c) Installation, construction, or reconstruction of streets, utilities, parks, playgrounds, open space, off-street parking facilities, public facilities, public recreation and entertainment facilities or buildings and other improvements necessary for carrying out, in the urban renewal area or competitively disadvantaged border community area, the urban renewal objectives of this act in accordance with the urban renewal plan or the competitively disadvantaged border community area ordinance.

(d) Disposition of any property acquired in the urban renewal area or the competitively disadvantaged border community area (including sale, initial leasing or retention by the agency itself) or the municipality creating the competitively disadvantaged border community area at its fair value for uses in accordance with the urban renewal plan except for disposition of property to another public body;

(e) Carrying out plans for a program of voluntary or compulsory repair and rehabilitation of

buildings or other improvements in accordance with the urban renewal plan;

(f) Acquisition of real property in the urban renewal area or the competitively disadvantaged border community area which, under the urban renewal plan, is to be repaired or rehabilitated for dwelling use or related facilities, repair or rehabilitation of the structures for guidance purposes, and resale of the property;

(g) Acquisition of any other real property in the urban renewal area or competitively disadvantaged border community area where necessary to eliminate unhealthful, insanitary or unsafe conditions, lessen density, eliminate obsolete or other uses detrimental to the public welfare, or otherwise to remove or to prevent the spread of blight or deterioration, or to provide land for needed public facilities or where necessary to accomplish the purposes for which a competitively disadvantaged border community area was created by ordinance;

(h) Lending or investing federal funds; and

(i) Construction of foundations, platforms and other like structural forms.

(12) "Project costs" includes, but is not limited to:

(a) Capital costs, including the actual costs of the construction of public works or improvements, facilities, buildings, structures, and permanent fixtures; the demolition, alteration, remodeling, repair or reconstruction of existing buildings, structures, and permanent fixtures; the acquisition of equipment; and the clearing and grading of land;

(b) Financing costs, including interest during construction and capitalized debt service or repair and replacement or other appropriate reserves;

(c) Real property assembly costs, meaning any deficit incurred from the sale or lease by a municipality of real or personal property within a revenue allocation district;

(d) Professional service costs, including those costs incurred for architectural, planning, engineering, and legal advice and services;

(e) Direct administrative costs, including reasonable charges for the time spent by municipal employees in connection with the implementation of a project plan;

(f) Relocation costs;

(g) Other costs incidental to any of the foregoing costs.

(13) "Revenue allocation area" means that portion of an urban renewal area or competitively disadvantaged border community area the equalized assessed valuation (as shown by the taxable property assessment rolls) of which the local governing body has determined, on and as a part of an urban renewal plan, is likely to increase as a result of the initiation of an urban renewal project or competitively disadvantaged border community area. The base assessment roll or rolls of revenue allocation area or areas shall not exceed at any time ten percent (10%) of the current assessed valuation of all taxable property within the municipality.

(14) "State" means the state of Idaho.

(15) "Tax" or "taxes" means all ad valorem tax levies upon taxable property.

(16) "Taxable property" means taxable real property, personal property, operating property, or any other tangible or intangible property included on the equalized assessment rolls.

(17) "Taxing district" means a taxing district as defined in section 63-201, Idaho Code, as that section now exists or may hereafter be amended.

[1988, ch. 210, § 3, p. 393; am. 1990, ch. 430, § 4, p. 1186; am. 1994, ch. 381, § 2, p. 1222; am. 1996, ch. 322, § 54, p. 1029.]

Compiler's notes. Sections 53 and 55 of S.L. 1996, ch. 322 are compiled as §§ 50-1512 and 50-2908, respectively.

50-2904. Authority to create revenue allocation area.

An authorized municipality is hereby authorized and empowered to adopt, at any time, a

revenue allocation financing provision, as described in this chapter, as part of an urban renewal plan or competitively disadvantaged border community area ordinance. A revenue allocation financing provision may be adopted either at the time of the original adoption of an urban renewal plan or the creation by ordinance of a competitively disadvantaged border community area or thereafter as a modification of an urban renewal plan or the ordinance creating the competitively disadvantaged border community area. Urban renewal plans existing prior to the effective date of this section may be modified to include a revenue allocation financing provision.

[1988, ch. 210, § 4, p. 393; am. 1994, ch. 381, § 3, p. 1222.]

Compiler's notes. Section 4 of S.L. 1994, ch. 381 is compiled as § 50-2906.

50-2905. Recommendation of urban renewal agency.

In order to implement the provisions of this chapter, the urban renewal agency of the municipality shall prepare and adopt a plan for each revenue allocation area and submit the plan and recommendation for approval thereof to the local governing body. The plan shall include a statement listing:

- (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 on 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.

[1988, ch. 210, § 5, p. 393.]

50-2906. Public hearing and ordinance required.

(1) To adopt a new urban renewal plan or create a competitively disadvantaged border community area containing a revenue allocation financing provision, the local governing body of an authorized municipality must enact an ordinance in accordance with chapter 9, title 50, Idaho Code, and section 50-2008, Idaho Code. To modify an existing urban renewal plan, to add or change a revenue allocation, an authorized municipality must enact an ordinance in accordance with chapter 9, title 50, Idaho Code, and conduct a public hearing as provided in section 50-2008(c), Idaho Code. No urban renewal project, plan, competitively disadvantaged border community area or modification thereto shall be held ineffective for failure to comply with the requirements of this section if compliance with the section is substantial and in good faith.

(2) A revenue allocation financing provision adopted in accordance with this chapter shall be effective retroactively to January 1 of the year in which the local governing body of the authorized municipality enacts such ordinance.

(3) The local governing body of an authorized municipality shall prepare a notice stating (a) that an urban renewal plan or modification thereto or a competitively disadvantaged border community area has been proposed and is being considered for adoption, and that such plan or modification thereto contains a revenue allocation financing provision that will cause property taxes resulting from any increases in equalized assessed valuation in excess of the equalized assessed valuation as shown on the base assessment roll to be allocated to the agency for urban renewal and competitively disadvantaged border community area purposes; and (b) that a public

hearing on such plan or modification will be held by the local governing body pursuant to section 50-2008(c), Idaho Code. The notice shall also state the time, date, and place of the hearing. At least thirty (30) days but not more than sixty (60) days prior to the date set for final reading of the ordinance, the local governing body shall publish the notice in a newspaper of general circulation and transmit the notice, together with a copy of the plan and recommendation of the urban renewal agency or the municipality which by ordinance created the competitively disadvantaged border community area, to the governing body of each taxing district which levies taxes upon any taxable property in the revenue allocation area and which would be affected by the revenue allocation financing provision of the urban renewal plan proposed to be approved by the local governing body.

[1988, ch. 210, § 6, p. 393; am. 1994, ch. 381, § 4, p. 1222.]

Compiler's notes. Section 3 of S.L. 1994, ch. 381 is compiled as § 50-2904.

50-2907. Transmittal of revenue allocation area description and other documents to taxing agencies.

After the effective date of an ordinance enacted by the local governing body of an authorized municipality, the clerk of the authorized municipality shall transmit, to the county auditor and tax assessor of the county in which the revenue allocation area is located, to the affected taxing districts, and to the state tax commission, a copy of the ordinance enacted, a copy of the legal description of the boundaries of the revenue allocation area, and a map or plan indicating the boundaries of the revenue allocation area. Such documents shall be transmitted as promptly as practicable following the enactment of such ordinance.

[1988, ch. 210, § 7, p. 393.]

50-2908. Determination of tax levies - Creation of special fund.

(1) For purposes of calculating the rate at which taxes shall be levied by or for each taxing district in which a revenue allocation area is located, the county commissioners shall, with respect to the taxable property located in such revenue allocation area, use the equalized assessed value of such taxable property as shown on the base assessment roll rather than on the current equalized assessed valuation of such taxable property.

(2) With respect to each such taxing district, the tax rate calculated under subsection (1) of this section shall be applied to the current equalized assessed valuation of all taxable property in the taxing district, including the taxable property in the revenue allocation area. The tax revenues thereby produced shall be allocated as follows:

(a) To the taxing district shall be allocated and shall be paid by the county treasurer:

(i) All taxes levied by the taxing district or on its behalf on taxable property located within the taxing district but outside the revenue allocation area;

(ii) A portion of the taxes levied by the taxing district or on its behalf on the taxable property located within the revenue allocation area, which portion is the amount produced by applying the taxing district's tax rate determined under subsection (1) of this section to the equalized assessed valuation, as shown on the base assessment roll, of the taxable property located within the revenue allocation area; and

(iii) If such taxing district is a school district, a further portion of the taxes levied by such district or on its behalf on the taxable property located within the revenue allocation area, which portion is the amount equal to the percentage specified in section 33-1002(7)(a), Idaho Code, multiplied by the difference between the current equalized assessed valuation of such taxable property and the equalized assessed valuation of such taxable property as shown on the base

assessment roll.

(b) To the urban renewal agency shall be allocated the balance, if any, of the taxes levied on the taxable property located within the revenue allocation area.

(3) Upon enactment of an ordinance adopting a revenue allocation financing provision as part of an urban renewal plan, the urban renewal agency shall create a special fund or funds to be used for the purposes enumerated in this chapter. The revenues allocated to the urban renewal agency pursuant to this chapter, shall be paid to the agency by the treasurer of the county in which the revenue allocation district is located and shall be deposited by the agency into one or more of such special funds. The agency may, in addition, deposit into such special fund or funds such other income, proceeds, revenues and funds it may receive from sources other than the revenues allocated to it under subsection (2)(b) of this section.

(4) For the purposes of section 63-803, Idaho Code, during the period when revenue allocation under this chapter is in effect, and solely with respect to any taxing district in which a revenue allocation area is located, the county commissioners shall, in fixing any tax levy, take into consideration the equalized assessed valuation of the taxable property situated in the revenue allocation area as shown in the base assessment roll, rather than the current equalized assessed value of such taxable property.

(5) For all other purposes, including, without limitation, for purposes of sections 33-802, 33-1002 and 63-1313, Idaho Code, reference in the Idaho Code to the term "market value for assessment purposes" (or any other such similar term) shall mean market value for assessment purposes as defined in section 63-208, Idaho Code.

[1988, ch. 210, § 8, p. 393; am. 1996, ch. 208, § 13, p. 658; am. 1996, ch. 322, § 55, p. 1029; am. 1997, ch. 117, § 8, p. 298.]

Compiler's notes. Sections 12 and 14 of S.L. 1996, ch. 208 are compiled as §§ 50-1512 and 59-1394, respectively.

Sections 54 and 56 of S.L. 1996, ch. 322 are compiled as §§ 50-2903 and 54-4105, respectively.

Sections 7 and 9 of S.L. 1997, ch. 117 are compiled as §§ 46-1008 and 58-1414A, respectively.

Section 22 of S.L. 1996, ch. 208 declared an emergency and provided that this section should be in effect July 1, 1996. Approved March 12, 1996.

Sections 12 and 14 of S.L. 1996, ch. 208 are compiled as §§ 50-1512 and 59-1394, respectively.

Section 22 of S.L. 1996, ch. 208 declared an emergency and provided that this section should be in effect July 1, 1996. Approved March 12, 1996.

Section 42 of S.L. 1997, ch. 117 declared an emergency and provided that §§ 1 - 40 should be in full force and effect retroactive to January 1, 1997. Approved March 15, 1997.

50-2909. Issuance of bonds - Bond provisions.

(1) If the local governing body of an authorized municipality has enacted an ordinance adopting a revenue allocation financing provision as part of an urban renewal plan, the urban renewal agency established by such municipality is hereby authorized and empowered:

(a) To apply the revenues allocated to it pursuant to section 8 of this act [50-2908], for payment of the projected costs of any urban renewal project located in the revenue allocation area;

(b) To borrow money, incur indebtedness and issue one or more series of bonds to finance or refinance, in whole or in part, the urban renewal projects authorized pursuant to such plan within the limits established by paragraph (c) below; and

(c) To pledge irrevocably to the payment of principal of and interest on such monies borrowed, indebtedness incurred or bonds issued by the agency the revenues allocated to it pursuant to section 8 of this act [50-2908].

All bonds issued under this section shall be issued in accordance with section 50-2012, Idaho Code, except that such bonds shall be payable solely from the special fund or funds established pursuant to section 8 of this act [50-2908].

(2) The agency shall be obligated and bound to pay such borrowed moneys, indebtedness, and bonds as the same shall become due, but only to the extent that the moneys are available in a special fund or funds established under section 8 of this act [50-2908]; and the agency is authorized to maintain an adequate reserve therefor from any moneys deposited in such a special fund or funds.

(3) Nothing in this chapter shall in any way impair any powers an urban renewal agency may have under subsection (a) of section 50-2012, Idaho Code.

(4) When 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, the allocation of revenues under section 8 of this act [50-2908], 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 9 of this act [50-2909] shall thereupon terminate.

[1988, ch. 210, § 9, p. 393.]

Compiler's notes. The bracketed references "50-2908" in subdivisions (1)(a) and (c), the last paragraph of subsection (1) and subsections (2) and (4) were inserted by the compiler since "section 8 of this act," 1988, ch. 210, § 8, p. 393, is compiled as § 50-2908.

Sec. to sec. ref. This section is referred to in § 50-2911.

50-2910. Bonds not general obligation of agency or municipality.

Except to the extent of moneys deposited in a special fund or funds under this act and pledged to the payment of the principal of and interest on bonds or other obligations, the agency shall not be liable on any such bonds or other obligations. The bonds issued and other obligations incurred by any agency under this chapter shall not constitute a general obligation or debt of any municipality, the state or any of its political subdivisions. In no event shall such bonds or other obligations give rise to general obligation or liability of the agency, the municipality, the state, or any of its political subdivisions, or give rise to a charge against their general credit or taxing powers, or be payable out of any funds or properties other than the special fund or funds of the agency pledged therefor; and such bonds and other obligations shall so state on their face. Such bonds and other obligations shall not constitute an indebtedness or the pledging of faith and credit within the meaning of any constitutional or statutory debt limitation or restriction.

[1988, ch. 210, § 10, p. 393.]

Compiler's notes. The words "this act" refer to S.L. 1988, ch. 210, which is compiled as §§ 50-2901 - 50-2912.

50-2911. Limitations on review.

(1) No direct or collateral action attacking or otherwise questioning the validity of any urban

renewal plan, project or modification thereto (including one containing a revenue allocation provision), or the adoption or approval of such plan, project or modification, or any of the findings or determinations of the agency or the local governing body in connection with such plan, project or modification, shall be brought prior to the effective date of the ordinance adopting or modifying the plan. No direct or collateral action attacking or otherwise questioning the validity of bonds issued pursuant to section 50-2909, Idaho Code, shall be brought prior to the effective date of the resolution or ordinance authorizing such bonds.

(2) For a period of thirty (30) days after the effective date of the ordinance or resolution, any person in interest shall have the right to contest the legality of such ordinance, resolution or proceeding or any bonds which may be authorized thereby. No contest or proceeding to question the validity or legality of any ordinance, resolution or proceeding, or any bonds which may be authorized thereby, passed or adopted under the provisions of this chapter shall be brought in any court by any person for any cause whatsoever, after the expiration of thirty (30) days from the effective date of the ordinance, resolution or proceeding, and after such time the validity, legality and regularity of such ordinance, resolution or proceeding or any bonds authorized thereby shall be conclusively presumed. If the question of the validity of any adopted plan or bonds issued pursuant to this chapter is not raised within thirty (30) days from the effective date of the ordinance, resolution or proceeding issuing said bonds and fixing their terms, the authority of the plan, the authority adopting the plan, or the authority to issue the bonds, and the legality thereof, the same shall be conclusively presumed and no court shall thereafter have authority to inquire into such matters.

[1988, ch. 210, § 11, p. 393; am. 1990, ch. 430, § 5, p. 1186.]

Compiler's notes. The words in parentheses so appeared in the law as enacted.

Sections 4 and 6 of S.L. 1990, ch. 430 are compiled as §§ 50-2903 and 50-2027, respectively.

Section 7 of S.L. 1990, ch. 430 declared an emergency. Approved April 12, 1990.

50-2912. Severability.

The provisions of this act are hereby declared to be severable and if any provision of this act 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 act.

[1988, ch. 210, § 12, p. 393.]

Compiler's notes. The words "this act" refer to S.L. 1988, ch. 210, which is compiled as §§ 50-2901 - 50-2912.