

**URBAN RENEWAL PLAN FOR THE
CROSSROADS POINT PHASE 2 URBAN RENEWAL PROJECT AREA**

JEROME COUNTY URBAN RENEWAL AGENCY

JEROME COUNTY, IDAHO

Ordinance No. _____

Adopted _____

Effective _____

TABLE OF CONTENTS

		Page
100	INTRODUCTION	1
101	General Procedures of the Agency	3
102	Procedures Necessary to Meet State and Local Requirements: Conformance with the Idaho Urban Renewal Law of 1965, as Amended	3
103	History and Current Conditions of the Area	4
104	Purpose of Activities	5
105	Open Land Criteria	6
200	DESCRIPTION OF PROJECT AREA.....	7
300	PROPOSED REDEVELOPMENT ACTIONS	7
301	General.....	7
302	Urban Renewal Plan Objectives	9
303	Participation Opportunities and Participation Agreements.....	10
304	Cooperation with Public Bodies	12
305	Property Acquisition	13
	305.1 Real Property 13	
	305.2 Personal Property	15
306	Property Management.....	15
307	Relocation of Persons (Including Individuals and Families), Business Concerns, and Others Displaced by the Project.....	15
308	Demolition, Clearance and Site Preparation.....	15
309	Property Disposition and Development	16
	309.1. Disposition by the Agency.....	16
	309.2 Disposition and Development Agreements	16
	309.3. Development by the Agency.....	18
310	Development Plans	18
311	Personal Property Disposition.....	18
312	Participation with Others	18
313	Conforming Owners.....	19
400	USES PERMITTED IN THE PROJECT AREA.....	19
401	Designated Land Uses.....	19
402	Public Rights-of-Way	19
403	[RESERVED]	20
404	Interim Uses	20
405	Development in the Project Area Subject to the Plan.....	20
406	Construction Shall Comply with Applicable Federal, State, and Local Laws and Ordinances and Agency Development Standards.....	21
407	Minor Variations.....	21
408	Design for Development.....	22
409	Nonconforming Uses	22
500	METHODS OF FINANCING THE PROJECT	23

501	General Description of the Proposed Financing Methods	23
502	Revenue Allocation Financing Provisions.....	23
	502.1 Economic Feasibility Study	24
	502.2 Assumptions and Conditions/Economic Feasibility Statement	24
	502.3 Ten Percent Limitation	25
	502.4 Financial Limitation.....	26
	502.5 Participation with Local Improvement Districts and Business Improvement Districts	28
	502.6 Issuance of Debt and Debt Limitation	28
	502.7 Impact on Other Taxing Districts and Levy Rate	28
503	Lease Revenue and Bonds	30
504	Membership Dues and Support of Community Economic Development	30
600	ACTIONS BY THE CITY.....	31
	601 Maintenance of Public Improvements	32
700	ENFORCEMENT	32
800	DURATION OF THIS PLAN, TERMINATION, AND ASSET REVIEW	33
900	PROCEDURE FOR AMENDMENT OR MODIFICATION	34
1000	SEVERABILITY	34
1100	ANNUAL REPORT AND OTHER REPORTING REQUIREMENTS	35
1200	APPENDICES, ATTACHMENTS, EXHIBITS, TABLES	35

Attachments

Attachment 1	Boundary Map of Crossroads Point Phase 2 Urban Renewal Project Area and Revenue Allocation Area
Attachment 2	Legal Description of Crossroads Point Phase 2 Urban Renewal Project Area and Revenue Allocation Area
Attachment 3	Properties Which May be Acquired by the Agency
Attachment 4	Map Depicting Expected Land Uses and Current Zoning Map of the Project Area
Attachment 5	Economic Feasibility Study
Attachment 6	Agricultural Operation Consents

100 INTRODUCTION

This is the Urban Renewal Plan (the “Plan”) for the Crossroads Point Phase 2 Urban Renewal Project (the “Project”) in the County of Jerome, Idaho (the “County”), State of Idaho. Attachments 1 through 5 attached hereto (collectively the “Plan Attachments”) are incorporated herein and shall be considered a part of this Plan.

The term “Project” is used herein to describe the overall activities defined in this Plan and conforms to the statutory definition of an urban renewal project. Reference is specifically made to Idaho Code §§ 50-2018(10) and 50-2903(13) for the various activities contemplated by the term “Project.” Such activities include both private and public development of property within the urban renewal area. The term “Project” is not meant to refer to a specific activity or development scheme. The Crossroads Point Phase 2 Project Area is also referred to as the “Project Area.”

This Plan was prepared by the Board of Commissioners (the “Agency Board”) of the Jerome County Urban Renewal Agency (the “Agency”), its consultants, and staff and reviewed and recommended by the Agency pursuant to the Idaho Urban Renewal Law of 1965, Chapter 20, Title 50, Idaho Code, as amended (the “Law”), the Local Economic Development Act, Chapter 29, Title 50, Idaho Code, as amended (the “Act”), and all applicable local laws and ordinances.

Idaho Code § 50-2905 identifies what information the Plan must include with specificity as follows:

- (1) A statement describing the total assessed valuation of the base assessment roll of the revenue allocation area and the total assessed valuation of all taxable property within the municipality;
- (2) A statement listing the kind, number, and location of all proposed public works or improvements within the revenue allocation area;
- (3) An economic feasibility study;
- (4) A detailed list of estimated project costs;
- (5) 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;
- (6) A description of the methods of financing all estimated project costs and the time when related costs or monetary obligations are to be incurred;
- (7) A termination date for the plan and the revenue allocation area as provided for in section 50-2903(20), Idaho Code. In determining the termination date, the plan

shall recognize that the agency shall receive allocation of revenues in the calendar year following the last year of the revenue allocation provision described in the urban renewal plan; and

- (8) A description of the disposition or retention of any assets of the agency upon the termination date. Provided however, nothing herein shall prevent the agency from retaining assets or revenues generated from such assets as long as the agency shall have resources other than revenue allocation funds to operate and manage such assets.

This Plan includes the above information with specificity.

The proposed redevelopment of the Project Area as described in this Plan conforms to the 2018 Jerome County Comprehensive Plan, as may be amended from time to time (the “Comprehensive Plan”) and adopted by the Jerome County Board of County Commissioners (the “BOCC”). The Agency intends to rely heavily on the County’s applicable design standards.

This Plan is subject to the Plan modification limitations and reporting requirements set forth in Idaho Code § 50-2903A. Subject to limited exceptions as set forth in Idaho Code § 50-2903A, if this Plan is modified by BOCC ordinance, then the base value for the year immediately following the year in which modification occurs shall include the current year’s equalized assessed value of the taxable property in the revenue allocation area, effectively eliminating the Agency’s revenue stream. Should the Agency have any outstanding financial obligations, the County shall not adopt an ordinance modifying this Plan unless written consent has been obtained by any creditors, including but not limited to lending institutions and developers who have entered into reimbursement agreements with the Agency.

A modification shall not be deemed to occur when “[t]here is a plan amendment to support growth of an existing commercial or industrial project in an existing revenue allocation area...” Idaho Code § 50-2903A(1)(a)(iv). The proposed development of the Project Area is primarily a commercial and/or industrial project. Any adjustment to the list of improvements and/or revenue stream to support growth of the proposed commercial and/or industrial project is not a modification under Idaho Code § 50-2903A.

Further, a modification shall not be deemed to occur when “[t]here is a plan amendment to make technical or ministerial changes to a plan that does not involve an increase in the use of revenues allocated to the agency.” Idaho Code § 50-2903A(1)(a)(i). Annual adjustments as more specifically set forth in the Agency’s annual budget will be required to account for more/less estimated revenue and prioritization of projects. Any adjustments for these stated purposes are technical and ministerial and are not modifications under Idaho Code § 50-2903A.

This Plan provides the Agency with powers, duties, and obligations to implement and further the program generally formulated in this Plan for the development, redevelopment,

rehabilitation, and/or revitalization of the area within the boundaries of the Project Area. The Agency retains all powers allowed by the Law and Act. This Plan presents a process and a basic framework within which plan implementation, including contracts, agreements and ancillary documents will be presented and by which tools are provided to the Agency to fashion, develop, and proceed with plan implementation. The Plan has balanced the need for flexibility over the twenty (20)-year timeframe of the Plan to implement the improvements identified in Attachment 5, with the need for specificity as required by Idaho Code § 50-2905. The Plan narrative addresses the required elements of a plan set forth in Idaho Code § 50-2905(1), (7) and (8). Attachment 5, together with the Plan narrative, meets the specificity requirement for the required plan elements set forth in Idaho Code § 50-2905[(2)-(6)], recognizing that actual Agency expenditures are prioritized each fiscal year during the required annual budgeting process.

101 General Procedures of the Agency

The Agency is a public body, corporate and politic, as defined and described under the Law and the Act. The Agency is also governed by its bylaws as authorized by the Law and adopted by the Agency. Under the Law, the Agency is governed by the Idaho open meeting law, the Public Records Act, and the Ethics in Government Act of 2015, Chapters 1, 2 and 4 of Title 74, Idaho Code; reporting requirements pursuant to Idaho Code §§ 67-450B, 67-450E, 50-2903A and 50-2913; and the competitive bidding requirements under Chapter 28, Title 67, Idaho Code, as well as other procurement or other public improvement delivery methods.

Subject to limited exceptions, the Agency shall conduct all meetings in open session and allow meaningful public input as mandated by the issue considered or by any statutory or regulatory provision.

The Agency may adopt separate policy statements. Any modification to any policy statement is a technical or ministerial adjustment and is not a modification to this Plan under Idaho Code § 50-2903A.

102 Procedures Necessary to Meet State and Local Requirements: Conformance with Idaho Code §§ 50-2008 and 50-2906

Idaho law requires that an urban renewal plan be prepared for an area deemed eligible as an urban renewal area by the BOCC. The Project Area was reviewed and determined to be eligible by Agency Resolution No. 2020-2 on March 5, 2020. The Project Area was deemed eligible by the BOCC by adoption of Resolution No. 2020-18 on March 16, 2020.

With the adoption of BOCC Resolution No. 2020-18, the BOCC found the Project Area to be a deteriorated area and/or a deteriorating area existing in the unincorporated County as defined by the Law and Act and authorized the preparation of an urban renewal plan.

The Plan was prepared and submitted to the Agency for its review and approval. The Agency approved the Plan by the adoption of Agency Resolution No. 2020-6 on April 16, 2020, and submitted the Plan to the BOCC with its recommendation for adoption.

In accordance with the Law, this Plan was submitted to the County Planning and Zoning Commission. After consideration of the Plan, the Commission, by resolution, reported to the BOCC that this Plan is in conformity with the Comprehensive Plan.

Pursuant to the Law and Act, the BOCC having published due notice thereof, a public hearing was held on this Plan. Notice of the hearing was published in the *Times-News*, a newspaper having general circulation in the County. The BOCC adopted this Plan on [_____, _____], _____, by Ordinance No. [_____].

103 History and Current Conditions of the Area

This Project Area includes approximately 229 acres of undeveloped land under single ownership and is generally located north of Interstate 84 and east of 300 East in unincorporated Jerome County as shown on the map in Attachment 1 and described in Attachment 2. The Project Area consists of undeveloped high desert open areas filled with sagebrush, uneven and rolling terrain, with prominent lava fields resulting in a significant impediment to development.

The Project Area lacks the public infrastructure necessary to properly serve economic development contemplated by the Comprehensive Plan. Currently, there is no internal street network in the Project Area and the existing gravel road running east to west in the northern portion of the Project Area is inadequate to provide access for development purposes. Further, the Project Area lacks sidewalks, curbs, gutters, storm drains, parks and other related public site improvements. Existing parcels range in size from 13 to 131 acres and until re-platted are not useable. Two sewer main lines cross the Project Area; however, there is no interior wastewater collection system or water system. Due to the significant presence of basalt, installation of interior sewer and water systems will be costly and presents a significant barrier to development. Significantly, conditions within the Project Area present a risk of wildfire. The Project Area lacks adequate fire protection facilities. Without an internal network of hydrants and satisfactory fire flows, there is a risk of damage to property by fire.

In addition to faulty lot layout, lack of water and sewer facilities, as well as insufficient fire flows, create a serious disincentive to develop within the Project Area. As a result, the Project Area, located near an off-ramp, is slow growing in comparison to adjacent parcels and other areas within the County, and is underdeveloped. But for the creation of the Project Area, this site would be unlikely to develop due to the significant public infrastructure improvements and site conditions that present an obstacle to development.

This Plan contemplates the development of a commercial and industrial area. The preparation and approval of an urban renewal plan, including a revenue allocation financing provision, provides additional resources to solve the public infrastructure issues in the Project Area. The property taxes generated by new developments within the Project Area may be used by the Agency to finance a variety of needed public improvements and facilities. Finally, the new developments may also generate new job opportunities in the County that would, in turn, benefit area residents.

104 Purpose of Activities

Attachment 5 includes identification of the proposed public improvements necessary for the contemplated development with specificity. The description of activities, public improvements, and the estimated costs of those items are intended to create an outside limit of the Agency's activity. Due to the inherent difficulty in projecting future levy rates, future taxable value, absorption rates for industrial and commercial facilities, and the future costs of construction, the Agency reserves the right to:

- a. change funding amounts from one Project to another;
- b. to re-prioritize the Projects described in this Plan and the Plan Attachments;
- c. Retain flexibility in funding the various activities in order to best meet the Plan and the needs of the Project Area;
- d. Retain flexibility in determining whether to use the Agency's funds or funds generated by other sources;
- e. Alter the location of proposed improvements set forth in Attachment 5 to support development when it occurs. The information included in Attachment 5 presents a realistic development scenario recognizing it is difficult to project with any certainty where the improvements will be sited until any future projects submit plans to the County for design review and permitting.

The Agency intends to discuss and negotiate with any owner or developer of the parcels within the Project Area seeking Agency assistance during the duration of the Plan and Project Area. During such negotiation, the Agency will determine the eligibility of the activities sought for Agency funding, the amount the Agency may fund by way of percentage or other criteria including the need for such assistance. The Agency will also take into account the amount of revenue allocation proceeds estimated to be generated from the developer's activities. The Agency also reserves the right to establish by way of policy, its funding percentage or participation, which would apply to all developers and owners.

Throughout this Plan, there are references to Agency activities, Agency funding, and the acquisition, development, and contribution of public improvements. Such references do not necessarily constitute a full, final, and formal commitment by the Agency but, rather, grant to the Agency the discretion to participate as stated subject to achieving the objectives of this Plan and provided such activity is deemed eligible under the Law and the Act. The activities listed in Attachment 5 will be determined or prioritized as the overall Project Area develops and through the annual budget setting process.

The activities listed in Attachments 5 are also prioritized by way of importance to the Agency by the amounts funded, and by year of funding, with earlier years reflecting the more

important activities, achievement of higher objectives, long term goals, and commitments. The projected timing of funding is primarily a function of market conditions and the availability of financial resources but is also strategic, considering the timing of private development partnership opportunities and the ability of certain strategic activities to stimulate development at a given point in time within the planned 20-year period of the urban renewal district and revenue allocation area.

The Study (Attachment 5) has described a list of prioritized public improvements and other related activities with an estimated cost in 2020 dollars of approximately \$6,438,400 for improvements related to the Project Area. These amounts do not take into account inflationary factors, such as increasing construction costs, which would increase those figures depending on when the owner, developer and/or Agency is able to develop, construct or initiate those activities. The Study has concluded the capacity of revenue allocation funds through the term of the Plan based on the assumed development projects and assessed value increases will likely generate an estimated \$16,464,238 if developed as projected. The Agency reserves the discretion and flexibility to use revenue allocation proceeds in excess of the amounts predicted in the event higher increases in assessed values occur during the term of the Plan for the improvements and activities identified. Additionally, the Agency reserves the discretion and flexibility to use other sources of funds unrelated to revenue allocation to assist in the funding of the improvements and activities identified.

105 Open Land Criteria

Open land parcels within the Project Area may be acquired by the Agency so long as the area meets the conditions set forth in Idaho Code § 50-2008(d). These conditions include defective or unusual conditions of title, diversity of ownership, tax delinquency, improper subdivisions, outmoded street patterns, deterioration of site, and faulty lot layout, all of which are included in one form or another in the definitions of deteriorated area or deteriorating area set forth in Idaho Code §§ 50-2018(8), (9) and 50-2903(8). The issues listed only in Idaho Code § 50-2008(d)(4)(2) (the open land section) include economic disuse, unsuitable topography, and “the need for the correlation of the area with other areas of a municipality by streets and modern traffic requirements, or any combination of such factors or other conditions which retard development of the area.”

Open land areas qualify for Agency acquisition and development for primarily nonresidential uses if acquisition is necessary to facilitate the proper growth and development of the Project Area in accordance with County planning objectives if any of the deteriorating area conditions set forth in Idaho Code §§ 50-2018(8), (9), and 50-2903(8) apply. But such areas also qualify if any of the issues listed only in 50-2008(d)(4)(2) apply. The lack of water and sewer facilities, large parcel size, a deficient street system, lack of fire protection facilities, and economic disuse are all conditions which delay or impair development of the open land areas and satisfy the open land conditions as more fully supported by the Crossroads Point Phase 2 Urban Renewal Eligibility Report, prepared by Brent Tolman, Outwest Policy Advisors, dated March 4, 2020.

This Plan does not anticipate or intend Agency acquisition of property within the Project Area. However, should the Agency determine the need to acquire property as further set forth in Attachment 3, then the open land areas qualify for Agency acquisition and development.

200 DESCRIPTION OF PROJECT AREA

The boundaries of the Project Area and the Revenue Allocation Area are shown on the Project Area and Revenue Allocation Boundary Map, attached hereto as Attachment 1 and incorporated herein by reference, and are described in the Legal Description of the Project Area and Revenue Allocation Area, attached hereto as Attachment 2 and incorporated herein by reference. For purposes of boundary descriptions and the use of proceeds for payment of improvements, the boundary shall be deemed to extend to the outer boundary of rights-of-way or other natural boundary unless otherwise stated. The purpose of extending the boundary to the far side of the right-of-way is to provide for use of revenue allocation funds improvements for the entire width of the right-of-way. Such authority is not intended to impact property owners adjacent to the far right-of-way. The Agency will coordinate and cooperate with property owners to avoid any adverse impact.

300 PROPOSED REDEVELOPMENT ACTIONS

301 General

The Agency proposes to eliminate and prevent the spread of deteriorating conditions and deterioration in the Project Area by employing a strategy to grow the economy in the Project Area. Implementation of the strategy includes, but is not limited to, the following actions:

- a. The engineering, design, installation, construction, and/or reconstruction of storm water management infrastructure to support compliance with federal, state and local regulations for storm water discharge and to support private development;
- b. The provision for participation by property owners and developers within the Project Area to achieve the economic development objectives of this Plan;
- c. The engineering, design, installation, construction, and/or reconstruction of streets and related pedestrian facilities, intersection improvements and traffic signals;
- d. The engineering, design, installation, construction, and/or reconstruction of utilities (within and outside of the Project Area) including but not limited to improvements and upgrades to the water distribution system, booster system upgrades, water capacity improvements, water storage upgrades, sewer system improvements and upgrades, gravity interceptor, and improvements and upgrades to power and gas facilities. Construction of utilities outside of the Project Area are directly related to the growth and development within the Project Area, but cannot be sited within the Project Area, and include wastewater collection and sewer system improvements;

- e. Removal, burying, or relocation of overhead utilities; removal or relocation of underground utilities; extension of electrical distribution lines and transformers; improvement of irrigation and drainage ditches and laterals; addition of fiber optic lines or other communication systems; public parking facilities, and other public improvements, including but not limited to, fire protection systems, roadways, curbs, gutters, and streetscapes, which for purposes of this Plan, the term streetscapes includes sidewalks, lighting, landscaping, benches, bike racks, public art and similar amenities between the curb and right-of-way line; and other public improvements, including public open spaces that may be deemed appropriate by the Board;
- f. The acquisition of real property for public right-of-way improvements, pedestrian facilities, utility undergrounding and streetscape improvements to create development opportunities consistent with the Plan, including but not limited to future disposition to qualified developers and for qualified developments, including economic development;
- g. The disposition of real property through a competitive process in accordance with this Plan, Idaho law, including Idaho Code § 50-2011, and any disposition policies adopted by the Agency;
- h. The demolition or removal of certain buildings and/or improvements for public rights-of-way, pedestrian facilities, utility undergrounding and streetscape improvements to encourage and enhance transportation and mobility options, decrease underutilized parcels, to eliminate unhealthful, unsanitary, or unsafe conditions, eliminate obsolete or other uses detrimental to the public welfare or otherwise to remove or to prevent the spread of deteriorating or deteriorated conditions;
- i. The management of any property acquired by and under the ownership and control of the Agency;
- j. The development or redevelopment of land by private enterprise or public agencies for uses in accordance with this Plan;
- k. The construction and financial support of infrastructure necessary for the provision of improved transit and alternative transportation;
- l. The provision of financial and other assistance to encourage and attract business enterprise including but not limited to start-ups and microbusinesses, mid-sized companies and large-scale corporations and industries;
- m. The rehabilitation of structures and improvements by present owners, their successors, and the Agency;

- n. The preparation of sites, particularly related to basalt removal/remediation, for the development and construction of facilities for commercial, industrial and governmental use;
- o. To the extent allowed by law, lend or invest federal funds to facilitate development and/or redevelopment;
- p. The environmental assessment and remediation of brownfield sites, or sites where environmental conditions detrimental to development and/or redevelopment exist;
- q. In collaboration with property owners and other stakeholders, working with the County to amend zoning regulations (if necessary) and standards and guidelines for the design of streetscape, multi-use pathways, parks and open space, and other like public spaces applicable to the Project Area as needed to support implementation of this Plan;
- r. In conjunction with the County, the establishment and implementation of performance criteria to assure high site design standards and environmental quality and other design elements which provide unity and integrity to the entire Project Area, including commitment of funds for planning studies, achieving high standards of development, and leveraging such development to achieve public objectives and efficient use of scarce resources; and
- s. Other related improvements to those set forth above as further set forth in Attachment 5.

In the accomplishment of these purposes and activities and in the implementation and furtherance of this Plan, the Agency is authorized to use all the powers provided in this Plan and as permitted by the Law and the Act.

302 Urban Renewal Plan Objectives

Urban renewal activity is necessary in the Project Area to combat problems of physical deterioration or deteriorating conditions. As set forth in greater detail in Section 103, the Project Area has a history of a slow-growing tax base based on deteriorated or deteriorating conditions that have arrested or impaired growth in the Project Area primarily attributed to underdeveloped properties based on faulty lot layout and inadequate water and sewer facilities and fire protection. The Plan for the Project Area is a proposal to work in partnership with private entities to improve, develop, and grow the economy within the Project Area by the implementation of a strategy and program set forth in Section 301.

The provisions of this Plan are applicable to all public and private property in the Project Area. The provisions of the Plan shall be interpreted and applied as objectives and goals, recognizing the need for flexibility in interpretation and implementation, while at the same time

not in any way abdicating the rights and privileges of the property owners which are vested in the present and future zoning classifications of the properties. All development under any owner participation agreement shall conform to those standards specified in Section 303 of this Plan.

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

- a. Initiate simultaneous projects designed to revitalize the Project Area. From street and utility improvements to significant new development, the Agency plays a key role in creating the necessary momentum to get and keep things going.
- b. Develop new commercial and industrial opportunities as well as encourage other economic development opportunities.

Without direct public intervention, the Project Area has and could conceivably remain unchanged and in a deteriorated and/or deteriorating condition for the next twenty (20) years. The Plan creates the necessary flexible framework for the Project Area to support the County's economic development while complying with the "specificity" requirement set forth in Idaho Code § 50-2905.

Land use in the Project Area will be modified to the extent that the existing vacant land and land now devoted to scattered inconsistent uses will be converted to commercial and industrial uses. Because of the commercial and industrial nature of the Project Area, park and recreational facilities have not been proposed. In implementing the activities described in this Plan, the Agency shall give due consideration to the provision of adequate park and open space, and community and recreational areas and facilities that may be desirable for neighborhood improvement, with special consideration for the health, safety, and welfare of residents in the general vicinity of the site covered by the Plan, recognizing the primary commercial and industrial nature of the Project Area.

303 Participation Opportunities and Participation Agreements

The Agency may enter into various development participation agreements with any existing or future owner of property in the Project Area, in the event the property owner seeks and/or receives assistance from the Agency in the development of the property. The term "participation agreement" is intended to include all participation agreements with a property owner, including reimbursement agreements, grant agreements, and owner participation agreements. It is anticipated the Agency will enter into an owner participation agreement with the current owner/developer of the Project Area and/or its related entities. The Agency may also enter into owner participation agreements with other future owners and developers within the Project Area throughout the duration of this Plan in order to implement the infrastructure improvements set forth in this Plan.

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

- Any such property within the Project Area shall be required to conform to all applicable provisions, requirements, and regulations of this Plan. The participation agreement may require as a condition of financial participation by the Agency a commitment by the property owner to meet the greater objectives of the land use elements identified in the Comprehensive Plan and applicable zoning ordinances, and other requirements deemed appropriate and necessary by the Agency. Upon completion, each structure must be safe and sound in all physical respects and bring the property to an upgraded marketable condition that will continue throughout an estimated useful life for a minimum of twenty (20) years.
- All such buildings or portions of buildings which are to remain within the Project Area shall be rehabilitated or constructed in conformity with all applicable codes and ordinances of the County.
- Any new construction shall also conform to all applicable provisions, requirements, and regulations of this Plan as well as to all applicable codes and ordinances of the County.

All participation agreements will address development timing, phasing, justification and eligibility of project costs, and achievement of the objectives of the Plan. The Agency shall retain its discretion in the funding level of its participation. Obligations under participation agreements shall terminate no later than the termination date of this Plan—December 31, 2040. The Agency shall retain its discretion to negotiate an earlier date to accomplish all obligations under any participation agreement.

In all participation agreements, participants who retain real property shall be required to join in the recordation of such documents as may be necessary to make the provisions of this Plan applicable to their properties. Whether or not a participant enters into a participation agreement with the Agency, the provisions of this Plan are applicable to all public and private property in the Project Area.

In the event a participant under a participation agreement fails or refuses to rehabilitate, develop, use, and maintain its real property pursuant to this Plan and a participation agreement, the real property or any interest therein may be acquired by the Agency in accordance with Section 305.1 of this Plan and sold or leased for rehabilitation or development in accordance with this Plan.

Participation agreements may be used to implement the following objectives:

- Encouraging property owners to revitalize and/or remediate deteriorated areas and/or deteriorating areas of their parcels to accelerate development in the Project Area.
- Subject to the limitations of the Law and the Act, providing incentives to property owners to encourage utilization and expansion of existing permitted uses during the transition period to prevent a decline in the employment base and a proliferation of vacant and deteriorated parcels in the Project Area during the extended redevelopment of the Project Area.
- Allowing existing nonconforming uses to continue in accordance with County regulations and to accommodate improvements and expansions allowed by County regulations.
- Subject to the limitations of the Law and Act, providing incentives to improve nonconforming properties so they implement the design guidelines contained in this Plan to the extent possible and to encourage an orderly transition from nonconforming to conforming uses through the term of the Plan.
- Provide for advance funding by the developer/owner participant of those certain public improvements related to or needed for the private development. In that event, the Agency will agree as set out in the participation agreement to reimburse a portion of, or all of, the costs of public improvements identified in the participation agreement from the revenue allocation generated by the private development.

304 Cooperation with Public Bodies

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

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

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

The Agency intends to cooperate to the extent allowable with the County for the engineering, design, installation, construction, and/or reconstruction of public facilities and improvements, including, but not limited to basalt removal/remediation, water, sewer, storm drainage, electrical, natural gas, telecommunication, or other similar systems and lines, streets, roads, streetscapes, curbs, gutters, sidewalks, walkways, public parking facilities and unoccupied auxiliary structures. The Agency shall also cooperate with the County on various relocation, screening, or underground projects and the providing of fiber optic capability. To the extent any public entity, including the County, has funded certain improvements, the Agency may reimburse those entities for those expenses. The Agency also intends to cooperate and seek available assistance from state, federal and other sources for economic development.

In the event the Agency is participating in the public development by way of financial incentive or otherwise, the public body shall enter into a participation agreement with the Agency and then shall be bound by the Plan and other land use elements and shall take into consideration those standards specified in Section 303 of this Plan.

This Plan does not financially bind or obligate the Agency to any project or property acquisition; rather, for purposes of determining the economic feasibility of the Plan certain projects and expenditures have been estimated and included in the analysis. Agency revenue and the ability to fund reimbursement of eligible Project Costs is more specifically detailed in any participation agreement and in the annual budget adopted by the Agency Board.

305 Property Acquisition

305.1 Real Property

Only as specifically authorized herein, the Agency may acquire, through the voluntary measures described below, but is not required to acquire, any real property located in the Project Area where it is determined that the property is needed for construction of public improvements, required to eliminate or mitigate the deteriorated or deteriorating conditions, to facilitate economic development, including acquisition of real property intended for disposition to qualified developers through a competitive process, and as otherwise allowed by law. The acquisition shall be by any means authorized by law, including, but not limited to, the Law, the Act, and the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, but shall not include the right to invoke eminent domain authority except as authorized herein. The Agency is authorized to acquire either the entire fee or any other interest in real property less than a fee, including structures and fixtures upon the real property, without acquiring the land upon which those structures and fixtures are located.

The Agency intends to acquire any real property through voluntary or consensual gift, devise, exchange, or purchase. Such acquisition of property may be for the development of the public improvements identified in this Plan. Such properties may include properties owned by private parties or public entities. This Plan does not anticipate the Agency's use of its resources

for property acquisition, except as may be necessary for the construction of the public improvements identified in this Plan.

In the event the Agency identifies certain property which should be acquired to develop certain public improvements intended to be constructed under the provisions of this Plan, the Agency shall coordinate such property acquisition with any other public entity (e.g., without limitation, the County, the state of Idaho, or any of its authorized agencies), including the assistance of the Agency of funds to acquire said property either through a voluntary acquisition or the invocation of eminent domain authority as limited by Idaho Code § 7-701A.

The Agency is authorized by this Plan and Idaho Code §§ 50-2010 and 50-2018(12) to acquire the properties identified in Attachment 3 hereto for the purposes set forth in this Plan. The Agency has identified its intent to acquire and/or participate in the development of certain public improvements, including, but not limited to streets, streetscapes, lighting, water and sewer improvements, drainage facilities, intersection improvements, including the installation of traffic signals, public parking, parks and open space, multi-use paths and trails, power and gas improvements and/or relocations, and other related public infrastructure improvements. Further, the Agency may acquire real property to facilitate commercial and industrial development by assembling and disposing of developable parcels. The Agency's property acquisition will result in remediating deteriorating conditions in the Project Area by facilitating the development of commercial and industrial uses. The public improvements are intended to be dedicated to the County upon completion. The Agency reserves the right to determine which properties identified, if any, should be acquired. The open land areas qualify for Agency acquisition as further set forth in Section 105 of this Plan.

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

Under the provisions of the Act, the urban renewal plan "shall be sufficiently complete to indicate such land acquisition, demolition, and removal of structures, redevelopment, improvements, and rehabilitation as may be proposed to be carried out in the urban renewal area." Idaho Code § 50-2018(12). The Agency has generally described those properties by use as set out in Attachment 3 for acquisition for the construction of public improvements. The Agency may also acquire property for the purpose of developing streetscape and public utilities. The Agency reserves the right to determine which properties identified, if any, should be acquired.

305.2 Personal Property

Generally, personal property shall not be acquired. However, where necessary in the execution of this Plan, the Agency is authorized to acquire personal property in the Project Area by any lawful means, including eminent domain for the purpose of developing the public improvements described in section 305.1.

306 Property Management

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

307 Relocation of Persons (Including Individuals and Families), Business Concerns, and Others Displaced by the Project

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

There are no current residents in the Project Area and no future residents are anticipated due to the commercial and industrial nature of the Project Area. As a result, relocation benefits under the Law or the Act are not contemplated in this Plan.

In the event the Agency's activities result in displacement, the Agency shall comply with, at a minimum, the standards set forth in the Law. The Agency shall also comply with all applicable state laws concerning relocation benefits and shall also coordinate with the various local, state, or federal agencies concerning relocation assistance.

308 Demolition, Clearance and Site Preparation

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

Further, the Agency is authorized (but not required) to prepare, or cause to be prepared, as building sites any real property in the Project Area owned by the Agency including basalt removal/remediation and site preparation. In connection therewith, the Agency may cause, provide for, or undertake the installation or construction of streets, utilities, parks and open space, pedestrian walkways, public parking facilities, drainage facilities, and other public improvements necessary to carry out this Plan.

309 Property Disposition and Development

309.1. Disposition by the Agency

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

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

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

309.2 Disposition and Development Agreements

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

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

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

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

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

That the developers, their successors, and assigns agree:

- a. That a detailed plan and development schedule for the proposed development shall be submitted to and agreed upon by the Agency. Schedule revisions will be made only at the option of the Agency.
- b. That the purchase or lease of the land and/or subterranean rights and/or air rights is for the purpose of redevelopment and not for speculation.
- c. That the building of improvements will be commenced and completed as jointly scheduled and determined by the Agency and the developer(s).
- d. That the site and construction plans will be submitted to the Agency for review as to conformity with the provisions and purposes of this Plan.
- e. All new construction shall have a minimum estimated life of no less than twenty (20) years.
- f. That rehabilitation of any existing structure must assure that the structure is safe and sound in all physical respects and be refurbished and altered to bring the property to an upgraded marketable condition which will continue throughout an estimated useful life for a minimum of twenty (20) years.
- g. That the Agency receives adequate assurance acceptable to the Agency to ensure performance under the contract for sale.
- h. All such buildings or portions of the buildings which are to remain within the Project Area shall be reconstructed in conformity with all applicable codes and ordinances of the County.
- i. All disposition and development documents shall be governed by the provisions of Section 408 of this Plan.

The Agency also reserves the right to determine the extent of its participation based upon the achievements of the objectives of this Plan. Obligations under any disposition and development agreement and deed covenants, except for covenants which run with the land, beyond the termination date of this Plan, shall terminate no later than December 31, 2040. The Agency shall retain its discretion to negotiate an earlier date to accomplish all obligations under any disposition and development agreement.

309.3. Development by the Agency

To the extent now or hereafter permitted by law, the Agency is authorized to pay for, develop, or construct public improvements within the Project Area for itself or for any public body or entity, which public improvements are or would be of benefit to the Project Area. Specifically, the Agency may pay for, install, or construct the public improvements authorized under Idaho Code Section 50-2007, 50-2018(10) and (13), and 50-2903(9), (13), and (14), and as otherwise identified in Attachment 5 and may acquire or pay for the land required therefore.

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

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

310 Development Plans

All development plans (whether public or private) prepared, pursuant to disposition and development agreement or participation agreement, shall be submitted to the Agency Board for approval and review. All development in the Project Area must conform to those standards specified in Section 408 and all applicable County ordinances.

311 Personal Property Disposition

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

312 Participation with Others

Under the Law, the Agency has the authority to lend or invest funds obtained from the federal government for the purposes of the Law if allowable under federal laws or regulations. The federal funds that may be available to the Agency are governed by regulations promulgated by the Department of Housing and Urban Development for the Idaho Community Development Block Grant Program (“CDBG”), the Economic Development Administration, the Small Business Administration, or other federal agencies. In order to enhance such grants, the Agency’s use of revenue allocation funds is critical.

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

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

As allowed by law, the Agency may also use funds from any other sources or participate with the private or public sector with regard to any programs administered by the Idaho Department of Commerce for any purpose set forth under the Law or Act.

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

313 Conforming Owners

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

400 USES PERMITTED IN THE PROJECT AREA

401 Designated Land Uses

The Agency intends to rely upon the overall land use designations and zoning classifications of the County, as may be amended, and as tentatively depicted on Attachment 4 and as set forth in the Comprehensive Plan, including the future land use map and zoning classifications, as may be amended. Provided, however, nothing herein within this Plan shall be deemed to be granting any particular right to zoning classification or use.

402 Public Rights-of-Way

The sole public street within the Project Area is South 300 East Road as further set forth on Attachment 1. Additional public streets, alleys, and easements may be created in the Project Area as needed for proper development. Any new roadways, including new collectors and/or arterials to be engineered, designed, installed and constructed in the interior of the Project Area, will be constructed in conjunction with any applicable policies and design standards of the County (and State and Federal standards, as the case may be) regarding dedicated rights-of-way.

Additional public streets, alleys, and easements may be created in the Project Area as needed for proper development, and other potential roadways generally shown in Attachment 5.

Existing dirt or gravel roadways, streets, alleys, easements, and irrigation or drainage laterals or ditches (if any) may be improved, abandoned, closed, vacated, expanded or modified as necessary for proper development of the Project Area, in accordance with any applicable policies and standards of the County regarding changes to dedicated rights-of-way, and appropriate irrigation or drainage districts regarding changes to laterals or ditches.

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

- a. A balancing of the needs of proposed and potential new developments for adequate vehicular access, vehicular parking, and delivery loading docks with the similar needs of any existing developments permitted to remain. Such balancing shall take into consideration the rights of existing owners and tenants under the rules for owner and tenant participation adopted by the Agency for the Project Area and any participation agreements executed thereunder;
- b. The requirements imposed by such factors as topography, traffic safety, and aesthetics; and
- c. The potential need to serve not only the Project Area and new or existing developments, but to also serve areas outside the Project Area by providing convenient and efficient vehicular access and movement.

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

403 [RESERVED]

404 Interim Uses

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

405 Development in the Project Area Subject to the Plan

All real property in the Project Area, under the provisions of either a disposition and development agreement or a Development Agreement, is made subject to the controls and

requirements of this Plan. No such real property shall be developed, rehabilitated, or otherwise changed after the date of the adoption of this Plan, except in conformance with the provisions of this Plan.

406 Construction Shall Comply with Applicable Federal, State, and Local Laws and Ordinances and Agency Development Standards

All construction in the Project Area shall comply with all applicable state laws and any applicable BOCC ordinances pending codification, including but not limited to, regulations concerning the type, size, density and height of buildings; open space, landscaping, light, air, and privacy; the undergrounding of utilities; limitation or prohibition of development that is incompatible with the surrounding area by reason of appearance, traffic, smoke, glare, noise, odor, or similar factors; parcel subdivision; off-street loading and off-street parking requirements.

In addition to the County Code, ordinances, or other requirements governing development in the Project Area, additional specific performance and development standards may be adopted by the Agency to control and direct redevelopment activities in the Project Area in the event of a disposition and development agreement or participation agreement.

407 Minor Variations

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

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

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

408 Design for Development under a Disposition and Development Agreement or Participation Agreement

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

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

In the event the Agency adopts design standards or controls, those provisions will thereafter apply to each site or portion thereof in the Project Area. Those controls and standards will be implemented through the provisions of any disposition and development agreement or participation agreement. These controls are in addition to any standards and provisions of any applicable County building or zoning ordinances; provided, however, each and every development shall comply with all applicable County zoning and building ordinance.

409 Nonconforming Uses

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

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

All nonconforming uses shall also comply with the County codes and ordinances.

500 METHODS OF FINANCING THE PROJECT

501 General Description of the Proposed Financing Methods

The Agency is authorized to finance this Project with revenue allocation funds, financial assistance from the County (loans, grants, other financial assistance), state of Idaho, federal government or other public entities, interest income, developer advanced funds, donations, loans from private financial institutions (bonds, notes, line of credit), the lease or sale of Agency-owned property, public parking revenue, or any other available source, public or private, including assistance from any taxing district or any public entity.

The Agency is also authorized to obtain advances, lines of credit, borrow funds, and create indebtedness in carrying out this Plan. The Agency may also consider an inter-fund transfer from other urban renewal project areas or enter into a memorandum of understanding with any property owner and/or related entity to fund the establishment of the Project Area. The principal and interest on such advances, funds, and indebtedness may be paid from any funds available to the Agency. The County, as it is able, may also supply additional assistance through County loans and grants for various public improvements and facilities.

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

502 Revenue Allocation Financing Provisions

The Agency hereby adopts revenue allocation financing provisions as authorized by the Act, effective retroactively to January 1, 2020. These revenue allocation provisions shall apply to all taxing districts which are located in or overlap the Revenue Allocation Area shown and described on Attachments 1 and 2 to this Plan. The Agency shall take all actions necessary or convenient to implement these revenue allocation financing provisions. The Agency specifically finds that the equalized assessed valuation of property within the Revenue Allocation Area is likely to increase as a result of the initiation of the Project.

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

The Agency may consider a note or line of credit issued by a bank or lending institution premised upon revenue allocation funds generated by a substantial private development

contemplated by the Study as defined in section 502.1, which would allow the Agency to more quickly fund the public improvements contemplated by this Plan. Likewise, a developer/owner advanced funding could achieve the same purpose.

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

A statement listing proposed public improvements and facilities, a schedule of improvements, an economic feasibility study, estimated project costs, fiscal impact upon other taxing districts, and methods of financing project costs required by Idaho Code § 50-2905 is included in this Plan and in Attachment 5 to this Plan. This information necessarily incorporates estimates and projections based on the Agency's and consultants' present knowledge and expectations. The Agency is hereby authorized to adjust the presently anticipated urban renewal projects and use of revenue allocation financing of the related Project Costs if the Board deems such adjustment necessary or convenient to effectuate the general objectives of the Plan in order to account for revenue inconsistencies and unknown future costs. Agency revenue and the ability to fund reimbursement of eligible Project Costs is more specifically detailed in the annual budget.

Revenues will continue to be allocated to the Agency until termination of the revenue allocation area as set forth in Section 800. Attachment 5 incorporates estimates and projections based on the Agency's present knowledge and expectations concerning the length of time to complete the improvements and estimated future revenues. The activity may take longer depending on the significance and timeliness of development. Alternatively, the activity may be completed earlier if revenue allocation proceeds are greater or the Agency obtains additional funds.

502.1 Economic Feasibility Study

Attachment 5 constitutes the Economic Feasibility Study ("Study") for the urban renewal area prepared by Brent Tolman, Outwest Policy Advisors. The Study constitutes the financial analysis required by the Act and is based upon existing information from property owners, developers, the Agency, County and others.

502.2 Assumptions and Conditions/Economic Feasibility Statement

The information contained in Attachment 5 assumes certain completed and projected actions. All debt is projected to be repaid no later than the duration period of the Plan. The total amount of bonded indebtedness, developer reimbursement and all other loans or indebtedness,

and the amount of revenue generated by revenue allocation are dependent upon the extent and timing of private development. Should all of the proposed development take place as projected, the project indebtedness could be extinguished earlier, dependent upon the bond sale documents or other legal obligations. Should private development take longer to materialize, or should the private development be substantially less than projected, then the amount of revenue generated will be substantially reduced and debt may continue for its full term.

The Plan and the Plan Attachments incorporate estimates and projections based on the Agency's and consultants' present knowledge and expectations. The Plan proposes certain public improvements as set forth in Attachment 5, which will facilitate development in the Revenue Allocation Area.

The assumptions set forth in the Study are based upon the best information available to the Agency and consultants through public sources or discussions with property owners, developers, County staff and others. The information has been analyzed by the Agency and its consultants in order to provide an analysis that meets the requirements set forth under the Law and Act. At the point in time when the Agency may seek a loan from lenders or others, a more detailed and then-current financial pro forma will be presented to those lenders or underwriters for analysis to determine the borrowing capacity of the Agency. As set forth herein, the Agency reserves the right to fund the Project on a "pay as you go" basis. The Agency Board will prioritize the activities set forth in this Plan and determine what funds are available and what activities can be funded. The Agency will establish those priorities through its mandated annual budgetary process.

The assumptions concerning revenue allocation proceeds are based upon certain anticipated development, assessed value increases and assumed levy rates as more specifically set forth in Attachment 5. Further, the financial analysis set forth in Attachment 5 has taken into account and excluded levies that do not flow to the Agency consistent with Idaho Code § 50-2908.

The types of new construction expected in the Project Area are: industrial and commercial areas, other public facilities and improvements. The Project Area has potential for a significant increase in industrial and commercial growth due to the location of the Project Area. However, without a method to construct the identified public improvements such as water lines and street infrastructure, development is unlikely to occur in much of the Project Area.

502.3 Ten Percent Limitation

Under the Act, the base assessed valuation for all revenue allocation areas cannot exceed gross/net ten percent (10%) of the current assessed taxable value for the entire County. According to the Jerome County Assessor, the assessed taxable value¹ for the County as of

¹ Includes taxable real and personal property.

January 1, 2019,² less homeowner’s exemptions is \$946,854,745. Therefore, the 10% limit is \$94,685,475.

The adjusted base assessed value of each of the existing or proposed revenue allocation areas as of January 1, 2019, is as follows:

Crossroads Point Project Area	\$ 2,775,356 ³
Crossroads Point Phase 2 Project Area	\$ 332,382 ⁴
TOTAL:	\$ 3,107,738

The adjusted base values for the combined revenue allocation areas total \$3,107,738, which is less than 10% of the unincorporated County’s 2019 taxable value.

502.4 Financial Limitation

The Study identifies several capital improvement projects. Use of any particular financing or funding source for any particular purpose is not assured or identified. Use of the funding source shall be conditioned on any limitations set forth in the Law, the Act, by contract, or by other federal regulations. If revenue allocation funds are unavailable, then the Agency will need to use a different funding source for that improvement.

The amount of funds available to the Agency from revenue allocation financing is directly related to the assessed value of new improvements within the Revenue Allocation Area. Under the Act, the Agency is allowed the revenue allocation generated from inflationary increases and new development value. Increases have been assumed based upon the projected value of new development as that development occurs along with possible land reassessment based on a construction start.

The Study, with the various estimates and projections, constitutes an economic feasibility study. Costs and revenues are analyzed, and the analysis shows the need for public capital funds during the project. Multiple financing sources including annual revenue allocations, developer contributions, and other funds are shown. This Study identifies the kind, number, and location of all proposed public works or improvements, a detailed list of estimated project costs, a description of the methods of financing the estimated project costs, and the time when related

² Due to the timing of the assessment process and creation of this Plan, the 2019 values have been used to establish compliance with the 10% limitation. Using the 2019 values, the estimated base value of the existing plus proposed revenue allocation areas is less than 0.33 % of the total taxable value of the unincorporated County. Even assuming an increase in values for 2020, the base value of the revenue allocation area would not exceed 10% of the current assessed taxable value for the entire County.

³ Includes value of deannexed area as deannexed parcels removed pursuant to the First Amendment to the Amended and Restated Jerome County Crossroads Urban Renewal Project Urban Renewal Plan (the “First Amendment”) was not effective until BOCC Ordinance No. _____, dated _____, 2020.

⁴ The estimated base value assumes the agricultural exemption has been removed and that the increase in value will be allocated to the base assessment roll. The impact of HB560 passed by the Idaho Legislature and signed by the Governor on March 25, 2020 has not been applied either to the projections of incremental taxable value or to the projected incremental tax revenues.

costs or monetary obligations are to be incurred. See Idaho Code § 50-2905. Based on these funding sources, the conclusion is that the project is feasible.

The proposed timing for the public improvements may very well have to be adjusted depending upon the availability of some of the funds and the Agency's ability to finance any portion of the Project. **Any adjustment to Project timing or funding is technical or ministerial in nature and shall not be considered a modification of the Plan pursuant to Idaho Code § 50-2903A.**

Attachment 5 identifies those public improvements the Agency may directly fund in whole or reimburse a future owner, developer and/or public entity for through the term of the Plan. The costs of improvements are estimates only as it is impossible to know with any certainty what the costs of improvements will be in future years. There is general recognition that construction costs fluctuate and are impacted by future unknowns, such as, the cost of materials and laborers. Final costs will be determined by way of construction contract public bidding or by an agreement between the developer/owner and Agency. The identification of public improvements does not commit the Agency to any particular level of funding; rather, identification of the activity in the Plan allows the Agency to negotiate the terms of any reimbursement with the owner, developer and/or public entities. This Plan does not financially bind or obligate the Agency to any project or property acquisition; rather, for purposes of determining the economic feasibility of the Plan certain projects and expenditures have been estimated and included in the analysis. Agency revenue and the ability to fund reimbursement of eligible Project Costs is more specifically detailed in any participation agreement and in the annual budget adopted by the Agency Board. The proposed location and siting of roads and utilities in the Project Area is generally shown in Attachment 5 recognizing that the specific location of roads and utilities will depend on the type and timing of development. The change in location of the improvements shown in Attachment 5 does not constitute a modification to the Plan.

The Agency reserves its discretion and flexibility in deciding which improvements are more critical for development, and the Agency intends to coordinate its public improvements with associated development by private developers/owners. Where application the Agency also intends to coordinate its participation in the public improvements with the receipt of certain grants or loans which may require the Agency's participation in some combination with the grant and loan funding.

Generally, the Agency expects to develop those improvements identified in Attachment 5 first, in conjunction with private development within the Project Area generating the increment as identified in Attachment 5.

The Plan has shown that the equalized valuation of the Revenue Allocation Area as defined in the Plan is likely to increase as a result of the initiation and completion of urban renewal projects pursuant to the Plan.

502.5 [RESERVED]

502.6 Issuance of Debt and Debt Limitation

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

502.7 Impact on Other Taxing Districts and Levy Rate

An estimate of the overall impact of the revenue allocation project on each taxing district is shown in the Study through the new development projections set forth in Attachment 5.

The assessed value for each property in a revenue allocation area consists of a base value and an increment value. The base value is the assessed value as of January 1 of the year in which a revenue allocation area is approved by a municipality, with periodic adjustments allowed by Idaho law⁵. The increment value is the difference between the adjusted base assessed value and current assessed taxable value in any given year while the property is in a revenue allocation area. Under Idaho Code § 63-802, taxing entities are constrained in establishing levy rates by the amount each budget of each taxing district can increase on an annual basis. Taxing entities submit proposed budgets to the County Board of Commissioners, which budgets are required to comply with the limitations set forth in Idaho Code § 63-802. Therefore, the impact of revenue allocation is more of a product of the imposition of Idaho Code § 63-802, than the effect of urban renewal.

The County Board of Commissioners calculates the levy rate required to produce the proposed budget amount for each taxing entity using the assessed values which are subject to each taxing entity's levy rate. Assessed values in urban renewal districts which are subject to revenue allocation (incremental values) are not included in this calculation.⁶ The combined levy rate for the taxing entities is applied to the incremental property values in a revenue allocation area to determine the amount of property tax revenue which is allocated to an urban renewal agency. The property taxes generated by the base values in the urban renewal districts and by properties outside revenue allocation areas are distributed to the other taxing entities. Properties in revenue allocation areas are subject to the same levy rate as they would be outside a revenue allocation area. The difference is how the revenue is distributed. If the overall levy rate is less than assumed, the Agency will receive fewer funds from revenue allocation.

In addition, without the Revenue Allocation Area and its ability to pay for public improvements and public facilities, fewer substantial improvements within the Revenue Allocation Area would be expected during the term of the Plan; hence, there would be lower increases in assessed valuation to be used by the other taxing entities. The Study's analysis is

⁵ After July 1, 2020, HB560 removing the exemption on agricultural land will impact adjustments to the base. For purposes of this Plan, a conservative analysis using current law has been applied.

⁶ There are exceptions to this assertion set forth in I.C. § 50-2908, where certain levies do not generate revenue for the Agency, and therefore, the full value of the Project Area is used to set the levy rate.

premised upon the fact the proposed development would not occur but for the ability to use revenue allocation funds to fund certain significant public infrastructure improvements.

One result of new construction occurring outside the revenue allocation area (Idaho Code §§ 63-802 and 63-301A) is the likely reduction of the levy rate as assessed values increase for property within each taxing entity’s jurisdiction. From and after December 31, 2006, Idaho Code § 63-301A prohibits taxing entities from including, as part of the new construction roll, the increased value related to new construction within a revenue allocation area until the revenue allocation authority is terminated. Any new construction within the Project Area is not available for inclusion by the taxing entities to increase their budget capacity. Upon termination of this Plan or deannexation of area, the taxing entities will be able to include the accumulated new construction roll value in setting the following year’s budget and revenue from such value is not limited to the three percent increase allowed in Idaho Code § 63-802(1)(a).

As 2020 certified levy rates are not determined until late September 2020, the 2019 certified levy rates have been used in the Study for purposes of the analysis.⁷ Those taxing districts and rates area as follows:

Taxing District Levies:

OVERLAPPING TAXING DISTRICTS	Total Levies by Impacted District	To UR	Levy Applied to URD
COLLEGE OF SOUTHERN IDAHO COUNTY	0.000889340	Y	0.000889340
COUNTY JAIL BOND	0.004375838	Y	0.004375838
JEROME CEMETERY	0.000414791	N	0.000000000
JEROME FIRE	0.000336459	Y	0.000336459
JEROME HIGHWAY	0.000577700	Y	0.000577700
JEROME RECREATION	0.001326705	Y	0.001326710
JEROME WATER & SEWER	0.000519904	Y	0.000519904
LIFELINE AMBULANCE	0.000000000	Y	0.000000000
SCHOOL DIST 261	0.000321245	Y	0.000321245
TOTAL	0.012023532		0.008347196

The Study has made certain assumptions concerning the levy rate. The levy rate is estimated to stay level for the life of the revenue allocation area. The Study estimates annual

⁷ Due to the timing of the taxing districts’ budget and levy setting process, certification of the 2020 levy rates did not occur until this Plan had been prepared and was in the process of being considered by the Agency. In order to provide a basis to analyze the impact on the taxing entities, the 2019 levy rates are used. Use of the 2019 levy rates provides a more accurate base than estimating the 2020 levy rates.

increases to the land values by .01 and annual increases to the improvement/building values by .02. The Study does not consider value from personal property. If the overall levy rate is less than projected, or the land values do not increase as expected, or expected development fails to occur as estimated, the Agency shall receive fewer funds from revenue allocation. The Study has also considered the impact of House Bill 587aaS (HB587) adopted during the 2020 Legislative Session, and effective as of July 1, 2020. HB587 provides that for a revenue allocation area first formed or expanded to include property on or after July 1, 2020, all taxes levied by a highway district within the boundaries of the revenue allocation area are allocated to the highway district, unless the agency and highway district enter into an agreement for a different allocation. To the extent, this Plan is adopted by County ordinance after July 1, 2020, then a more conservative levy rate may apply, subject to any negotiated agreement; however, as set forth in the Study, the Project continues to be feasible.

Pursuant to Idaho Code § 50-2908, the Agency is not entitled to revenue allocation proceeds from certain levy increases which are allowed by either specific statutory authorization or approved by an election of the qualified electors of the particular taxing district. Therefore, for any levy election, the Agency will not receive revenue allocation funds which would have been generated by imposing that levy on the assessed valuation within the Project Area. The Study has taken this statute into account.

503 Lease Revenue and Bonds

Under the Law (Idaho Code § 50-2012), the Agency is authorized to issue revenue bonds to finance certain public improvements identified in the Plan. Under that type of financing, the public entity would pay the Agency a lease payment annually which provides certain funds to the Agency to retire the bond debt. Another variation of this type of financing is sometimes referred to as conduit financing, which provides a mechanism where the Agency uses its bonding authority for the Project, with the end user making payments to the Agency to retire the bond debt. These sources of revenues are not related to revenue allocation funds and are not particularly noted in the Study, because of the “pass through” aspects of the financing. Under the Act, the economic feasibility study focuses on the revenue allocation aspects of the Agency’s financial model.

These financing models typically are for a longer period of time than the 20-year period set forth in the Act. However, these financing models do not involve revenue allocation funds, but rather funds from the end users which provide a funding source for the Agency to continue to own and operate the facility beyond the term of the Plan as allowed by Idaho Code § 50-2905(8) as those resources involve funds not related to revenue allocation funds.

504 Membership Dues and Support of Community Economic Development

The Act is premised upon economic development being a valid public purpose. To the extent allowed by the Law and the Act, the Agency reserves the authority to use revenue allocation funds to contract with non-profit and charitable organizations established for the purpose of supporting economic development and job creation. Additionally, the Agency

reserves the authority to expend revenue allocation funds to join, participate and support non-profit organizations established to support Agency best practices and administration. The line item of Agency Administrative Expenses within the Study shall be deemed to include expenditures for the purposes described in this section as may be deemed appropriate during the annual budgetary process.

600 ACTIONS BY THE COUNTY

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

- a. Institution and completion of proceedings necessary for changes and improvements in private and publicly owned public utilities within or affecting the Project Area.
- b. Revision of zoning (if necessary) within the Project Area to permit the land uses and development authorized by this Plan.
- c. Imposition wherever necessary of appropriate controls within the limits of this Plan upon parcels in the Project Area to ensure their proper development and use.
- d. Provision for administrative enforcement of this Plan by the County after development. The County and the Agency may develop and provide for enforcement of a program for continued maintenance by owners of all real property, both public and private, within the Project Area throughout the duration of this Plan.
- e. Building Code enforcement.
- f. Performance of the above actions and of all other functions and services relating to public peace, health, safety, and physical development normally rendered in accordance with a schedule which will permit the redevelopment of the Project Area to be commenced and carried to completion without unnecessary delays.
- g. The undertaking and completing of any other proceedings necessary to carry out the Project.
- h. Administration of Idaho Community Development Block Grant funds that may be made available for this Project.
- i. Appropriate agreements with the Agency for administration, supporting services, funding sources, and the like.

- j. Use of public entity labor, services, and materials for construction of the public improvements listed in this Plan.
- k. Coordination of the development agreements entered into by the County and developer with the goals of the Plan.
- l. Assist with coordinating and implementing the public improvements in the Project Area identified in the Study.
- m. Contribute land for right-of-way improvements at no cost to support construction of the public improvements listed in this Plan.
- n. Joint funding of certain public improvements, including but not limited to improvements to sewer treatment facilities and water system and storage facilities.

In addition to the above, the County may elect to waive fees for sewer, water, or other utility services for any facility owned by any public entity or Agency facility and waive any County impact fee for development within the Project Area. The foregoing actions to be taken by the County do not constitute any commitment for financial outlays by the County.

601 Maintenance of Public Improvements

The Agency has not identified any commitment or obligation for long-term maintenance of the public improvements identified. The Agency will need to address this issue with the appropriate entity, public or private, who has benefited from or is involved in the ongoing preservation of the public improvement. The Agency expects to dedicate public improvements to the County.

700 ENFORCEMENT

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

800 DURATION OF THIS PLAN, TERMINATION, AND ASSET REVIEW

Except for the nondiscrimination and nonsegregation provisions which shall run in perpetuity, the provisions of this Plan shall be effective, and the provisions of other documents formulated pursuant to this Plan, shall be effective for twenty (20) years from the effective date of the Plan subject to modifications and/or extensions set forth in Idaho Code §§ 50-2904 and 50-2905(7). The revenue allocation authority will expire on December 31, 2040, except for any revenue allocation proceeds received in calendar year 2041, as contemplated by Idaho Code § 50-2905(7). The Agency may use proceeds in 2041 to complete the projects set forth herein. As stated in the Plan, any participation agreement or disposition and development agreement obligations will cease as of December 31, 2040.

Idaho Code § 50-2903(5) provides the Agency shall adopt a resolution of intent to terminate the revenue allocation area by September 1. In order to provide sufficient notice of termination to the affected taxing districts to allow them to benefit from the increased budget capacity, the Agency will use its best efforts to provide notice of its intent to terminate this Plan and its revenue allocation authority by May 1, 2041, or if the Agency determines an earlier terminate date, then by May 1 of the early termination year:

- a. When the Revenue Allocation Area plan budget estimates that all financial obligations have been provided for, the principal of and interest on such moneys, indebtedness, and bonds have been paid in full or when deposits in the special fund or funds created under this chapter are sufficient to pay such principal and interest as they come due, and to fund reserves, if any, or any other obligations of the Agency funded through revenue allocation proceeds shall be satisfied and the Agency has determined no additional project costs need be funded through revenue allocation financing, the allocation of revenues under Idaho Code § 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 Idaho Code § 50-2909 shall thereupon terminate.
- b. In determining the termination date, the Plan shall recognize that the Agency shall receive allocation of revenues in the calendar year following the last year of the revenue allocation provision described in the Plan.
- c. For the fiscal year that immediately predates the termination date, the Agency shall adopt and publish a budget specifically for the projected revenues and expenses of the Plan and make a determination as to whether the Revenue Allocation Area can be terminated before January 1 of the termination year pursuant to the terms of Idaho Code § 50-2909(4). In the event that the Agency determines that current tax year revenues are sufficient to cover all estimated

expenses for the current year and all future years, by May 1, but in any event, no later than September 1, the Agency shall adopt a resolution advising and notifying the local governing body, the county auditor, and the State Tax Commission, recommending the adoption of an ordinance for termination of the Revenue Allocation Area by December 31 of the current year, and declaring a surplus to be distributed as described in Idaho Code § 50-2909 should a surplus be determined to exist. The Agency shall cause the ordinance to be filed with the office of the county recorder and the Idaho State Tax Commission as provided in Idaho Code § 63-215.

Upon termination of the revenue allocation authority of the Plan to the extent the Agency owns or possesses any assets, the Agency shall dispose of any remaining assets by granting or conveying or dedicating such assets to the County.

As allowed by Idaho Code § 50-2905(8), the Agency may retain assets or revenues generated from such assets as loans; the Agency shall have resources other than revenue allocation funds to operate and manage such assets. Similarly, facilities which provide a lease income stream to the Agency for full retirement of the facility debt will allow the Agency to meet debt services obligations and provide for the continued operation and management of the facility.

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

900 PROCEDURE FOR AMENDMENT OR MODIFICATION

To the extent there is any outstanding loans or obligations, this Plan shall not be modified pursuant to the provisions set forth in Idaho Code § 50-2903A. Modification of this Plan results in a reset of the base value for the year immediately following the year in which the modification occurred to include the current year's equalized assessed value of the taxable property in the revenue allocation area, effectively eliminating the Agency's revenue stream as more fully set forth in Idaho Code § 50-2903A subject to certain limited exceptions contained therein, including the exception to allow an amendment to support growth of an existing commercial or industrial project. I.C. § 50-2903A(1)(a)(iv). As more specifically identified above, the Agency's projections are based on estimated values, estimated levy rates, estimated future development, and estimated costs of future construction/improvements. Annual adjustments as more specifically set forth in the Agency's annual budget will be required to account for more/less estimated revenue and prioritization of projects. Any adjustments for these stated purposes are technical and ministerial and are not deemed a modification under Idaho Code § 50-2903A(1)(a)(i).

1000 SEVERABILITY

If any one or more of the provisions contained in this Plan to be performed on the part of the Agency shall be declared by any court of competent jurisdiction to be contrary to law, then

such provision or provisions shall be null and void and shall be deemed separable from the remaining provisions in this Plan and shall in no way affect the validity of the other provisions of this Plan.

1100 ANNUAL REPORT AND OTHER REPORTING REQUIREMENTS

Under the Law, the Agency is required to file with the County, on or before March 31 of each year, a report of the Agency's activities for the preceding calendar year, which report shall include a complete financial statement setting forth its assets, liabilities, income, and operating expenses as of the end of such calendar year. This annual report shall be considered at a public meeting to report these findings and take comments from the public.

Additionally, the Agency must comply with certain other reporting requirements as set forth in Idaho Code § 67-450E, the local government registry portal, Idaho Code § 50-2913, the tax commission plan repository, and Idaho Code § 50-2903A, the tax commission's plan modification annual attestation. Failure to report the information requested under any of these statutes results in significant penalties, including loss of increment revenue, and the imposition of other compliance measures by the Jerome County Board of County Commissioners.

1200 APPENDICES, ATTACHMENTS, EXHIBITS, TABLES

All attachments and tables referenced in this Plan are attached and incorporated herein by their reference. All other documents referenced in this Plan but not attached are incorporated by their reference as if set forth fully.

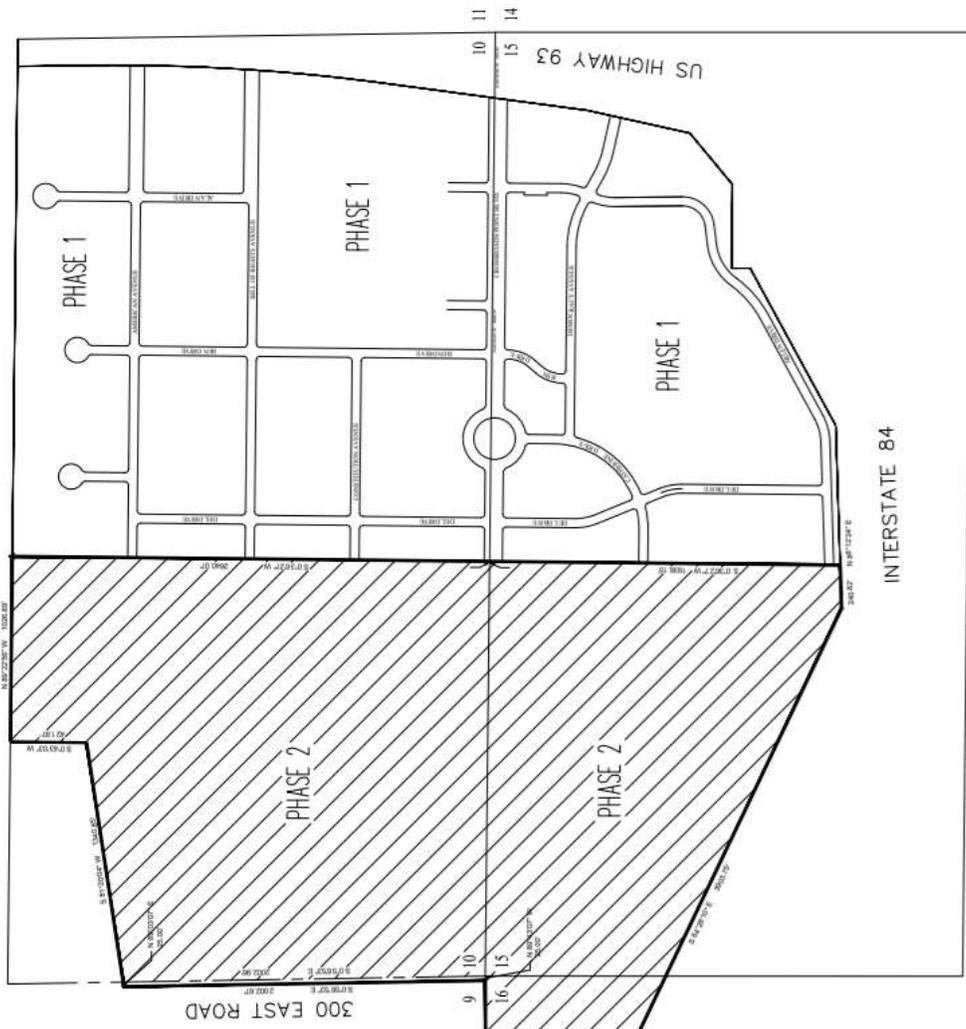
Attachment 1

Project Area and Revenue Allocation Area Boundary Map

**JEROME COUNTY URBAN RENEWAL AGENCY
CROSSROADS POINT PROJECT – PHASE 2**

A PORTION OF THE S 1/2 SECTION 9, S 1/2 SECTION 10, N 1/2 SECTION 15 AND N 1/2 SECTION 16
TOWNSHIP 3 SOUTH, RANGE 17 EAST, BOISE MERIDIAN

JEROME COUNTY, OAHO
APRIL, 2020



- BOUNDARY OF URA AREA – PHASE 2
- ▨ PHASE 2 AREA

Attachment 2

Legal Description of Project Area and Revenue Allocation Area

JEROME COUNTY URBAN RENEWAL AGENCY

CROSSROADS POINT PROJECT
PHASE 2 PROPERTY DESCRIPTION

229 +/- ACRE PARCEL

APRIL, 2020

A tract of land located in the South 1/2 of Section 10, the North 1/2 of Section 15 and the North 1/2 of Section 16, Township 9 South, Range 17 East, Boise Meridian, Jerome County, Idaho, more particularly described as follows:

Beginning at the Southeast corner of said Section 10;

THENCE North 89° 23' 33" West a distance of 363.72 feet along the southerly boundary of said Section 10 to the westerly boundary of Highway 93 ITD Project F2391;

THENCE North 89° 23' 33" West a distance of 2566.12 feet further along the southerly boundary of said Section 10 to the TRUE POINT OF BEGINNING;

THENCE North 0° 36' 27" East a distance of 2640.07 feet to a point on the northerly boundary of the S1/2 of said Section 10;

THENCE North 89° 22' 56" West a distance of 1027.36 feet along the northerly boundary of the S1/2 of said Section 10;

THENCE South 0° 30' 00" West a distance of 422.83 feet;

THENCE South 82° 16' 00" West a distance of 1339.19 feet to the west boundary of said Section 10 and the centerline of 300 East Road;

THENCE South 89° 03' 07" West a distance of 25.00 feet to the west right of way of 300 East Road;

THENCE South 0° 56' 53" East a distance of 2002.67 feet along the west right-of-way boundary of said 300 East Road to the south boundary of said Section 9;

THENCE South 89° 43' 07" West a distance of 2013.51 feet along the south boundary of said Section 9 to the northerly boundary of Interstate 84, Project I-80N-3 (11) 164;

THENCE South 61° 36' 38" East a distance of 129.40 feet along the north boundary of said Interstate 84, Project I-80N-3 (11) 164;

THENCE South 63° 43' 35" East a distance of 487.74 feet along the north boundary of said Interstate 84, Project I-80N-3 (11) 164;

THENCE South 64° 28' 10" East a distance of 3903.75 feet along the north boundary of said Interstate 84, Project I-80N-3 (11) 164;

THENCE North 88° 12' 24" East a distance of 240.82 feet along the northerly boundary of Interstate 84;

THENCE North 0° 36' 27" East a distance of 1938.15 feet to the northerly boundary of said Section 15 and the TRUE POINT OF BEGINNING, containing 229 acres more or less.

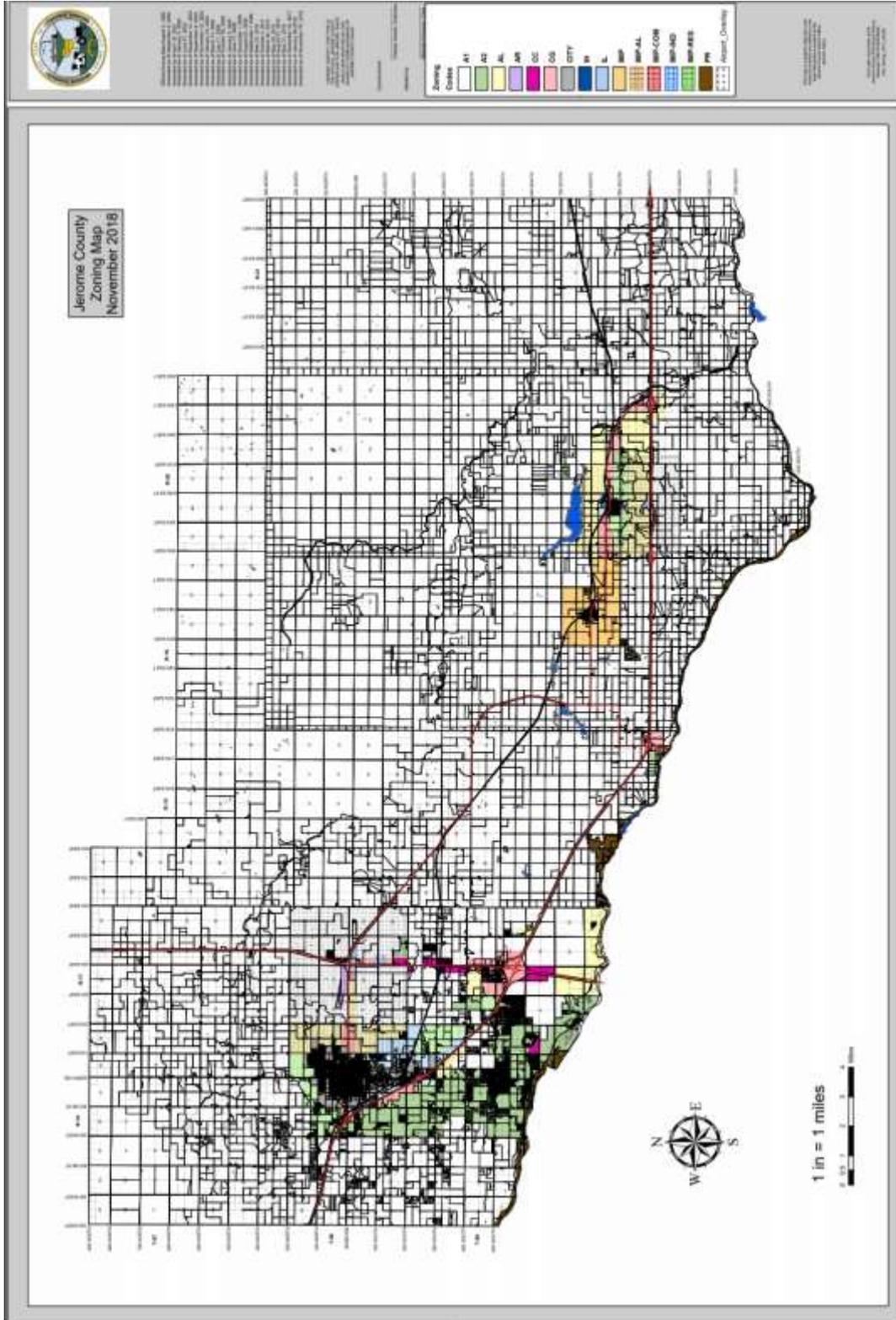
Attachment 3

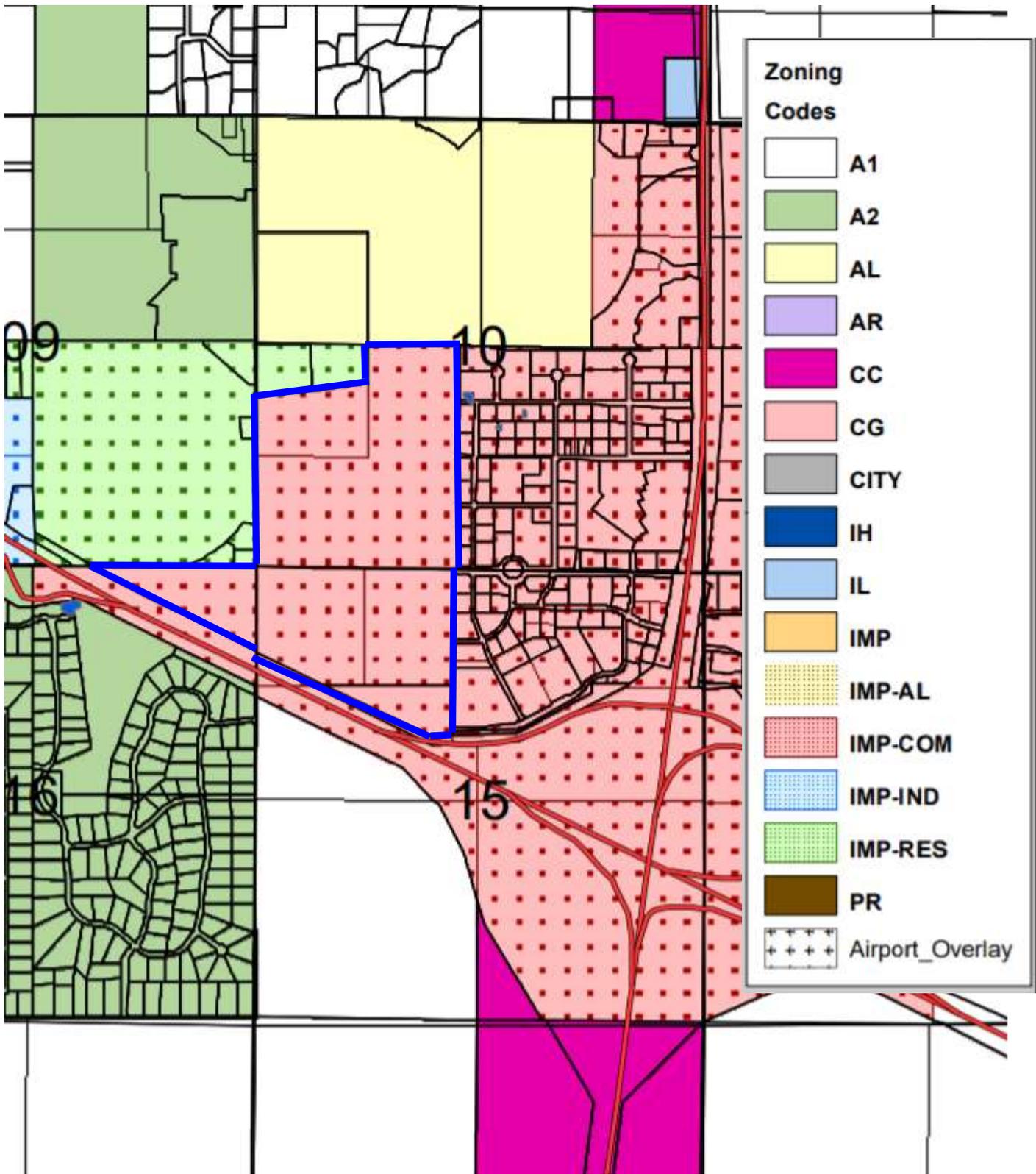
Properties (Public and/or Private) Which May Be Acquired by Agency

1. The Agency has not identified any particular parcel for the construction of public improvements or for private redevelopment. Properties which may be subject to acquisition included parcels to:
 - a) assemble with adjacent parcels to facilitate redevelopment;
 - b) assemble with adjacent rights-of-way to improve configuration and enlarge parcels for redevelopment;
 - c) reconfigure sites for development and possible extension of streets or pathways
 - d) assemble for future transfer to qualified developers to facilitate the development of industrial and commercial areas.
 - e) assemble for the construction of certain public improvements, including but not limited to streets, streetscapes, water and sewer improvements, environmental remediation/site preparation, parking, community facilities, parks, pedestrian/bike paths and trails, school facilities and other public facilities.
2. The Agency reserves the right to acquire any additional right-of-way or access routes near or around existing or planned rights-of-way.
3. The Agency reserves the right to acquire property needed to provide adequately sized sites for high priority projects for the development of public improvements (the exact location of which has not been determined).
4. Other parcels may be acquired for the purpose of facilitating catalyst or demonstration projects, constructing public parking, constructing new streets or pathways, enhancing public spaces, or to implement other elements of the urban renewal plan strategy and/or any master plan for the Project Area.

Attachment 4

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





Attachment 5

Economic Feasibility Study

JEROME COUNTY, IDAHO
FINANCIAL FEASIBILITY STUDY
CROSSROADS POINT PHASE 2
URBAN RENEWAL PROJECT

PREPARED BY:
OUTWEST POLICY ADVISORS
BURLEY, IDAHO

INTRODUCTION

Outwest Policy Advisors has guided urban renewal agencies across Southern Idaho in fulfilling their responsibilities and obligations authorized by the Idaho Legislature. OPA has provided Property Eligibility studies and Tax Increment Financing Feasibility studies on several projects to those agencies.

- The Boulevard – Heyburn
- Business Park 208 – Heyburn
- Harvest Springs – Chubbuck
- Northside Crossing - Chubbuck
- Hillcrest Heights - Chubbuck
- The Boulevard Plan Amendment – Heyburn
- Rigby Urban Renewal Project 2

Urban renewal projects in Idaho are governed by the Idaho Urban Renewal Law of 1965, as amended, Chapter 20, Title 50, Idaho Code (the “Law”) and the Local Economic Development Act, as amended, Chapter 29, Title 50, Idaho Code (the “Act”). This Feasibility Study for the Crossroads Point Phase 2 project area was prepared in accordance with the provisions of the Law and the Act and provides an analysis of the proposed project with respect to the anticipated revenue stream generated from incremental taxable value within the project area as well as highlights key factors affecting the local economy that necessitates the use of tax increment financing to meet the infrastructure needs of projected growth within the community.

EXECUTIVE SUMMARY

During the past decade, Jerome County has experienced significant growth in both population and the number of business establishments. With population and business establishment growth continuing to occur for the foreseeable future, there is inadequate inventory of developed or developable property to support industrial and commercial development. The following charts show the growth that has occurred in Jerome County over the period from 2010 to 2019. Population growth is shown on the left axis in Chart 1. The right axis shows the growth in employment for the same time period. Chart 2 below shows the growth in Jerome County business establishments between 2009 and 2019.

CHART 1

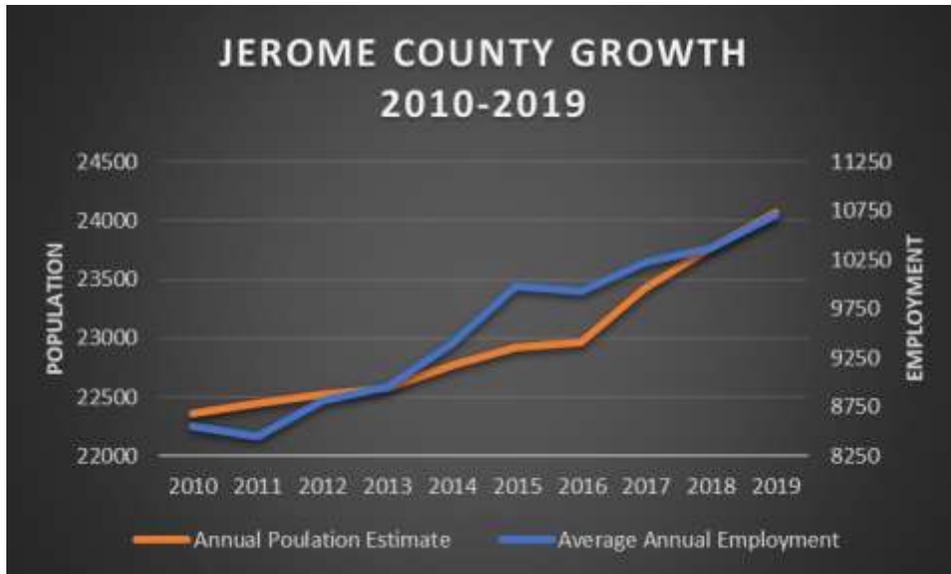
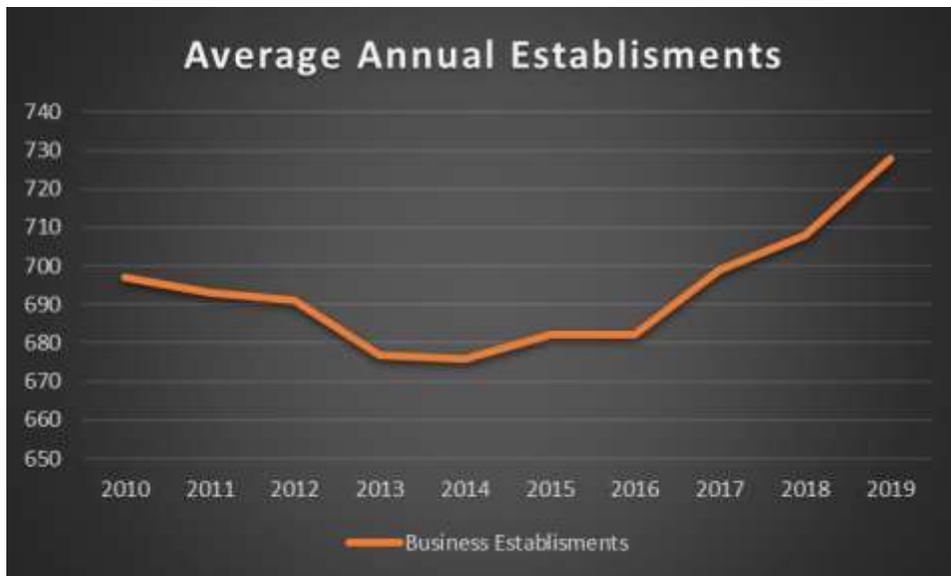


CHART 2



PROJECT AREA

The project area consists of four parcels and is generally located at the northwest corner of the intersection of Interstate 84 and US highway 93 in Jerome County and west of a line of longitude at approximately 114°27'15.00" W, said line located approximately ½ mile west of US Highway 93, is bounded on the west by S 300 E and is bounded on the south by Interstate 84 and properties owned by ABC Agra considered as common areas for Phase 1 of Crossroads Point. The subject property is bounded on the north by adjacent properties owned by Kelly Sheldon, Manuel Avila, and Thomas Peters.

The four parcels are more particularly identified as:

PARCEL ID#	DESCRIPTION	ACRES
RP09S17E104811A	SWSW, TAX 32 & 33 OF E1/2SW, TAX 6 OF NWSW SEC 10 T9 R17 130.43 AC	130.43
RP09S17E160001A	TAX 2 OF N1/2NE SEC 16 T9 R17 21.10 AC	21.10
RP09S17E152403A	TAX 18 OF NENW, TAX 1A OF NWNW 15-9-17 69.263 AC	69.26
RP09S17E152901A	TAX 11B OF S1/2NW 15-9-17 13.016 AC	13.02
TOTAL ACRES		233.81

EXISTING LAND USES

Land within the proposed project area is primarily open sagebrush and lava beds. One parcel has been improved by the building of a metal storage shed to house equipment for ABC Agra. The balance of the land as dry desert remains in a natural state excepting an area that experienced wildfire in 2019 has been harrowed and planted with native grasses and herbs to prevent topsoil erosion.

VALUATION OF URBAN RENEWAL AREAS

The following calculations show the assessed value of all existing and proposed Revenue Allocation Areas in unincorporated Jerome County. In compliance with Idaho Code § 50-2903(15) these calculations demonstrate that the base value of the existing and proposed revenue allocation areas does not exceed 10% of the total current assessed values of all taxable property within the unincorporated county. According to the Jerome County Assessor, the assessed taxable value for the County as of January 1, 2019, less homeowner's exemptions is \$946,854,745. Therefore, the 10% limit is \$94,685,475.

The adjusted base assessed value of each of the existing or proposed revenue allocation areas as of January 1, 2019, is as follows:

Crossroads Point Project Area	\$ 2,775,356
Crossroads Point Phase 2 Project Area	<u>\$ 332,382</u>
TOTAL:	\$ 3,107,738

The adjusted base values for the combined revenue allocation areas total \$3,107,738 which is less than 1% of the County's 2019 taxable value, well within the 10% limitation imposed by the Act.

PUBLIC IMPROVEMENTS

There are two sewer lines and a water line that transverse the property. There is an 8" gravity flow sewer line running east to west along what will become Americana Avenue once extended from Phase 1. There is also a 12" gravity flow sewer line running east to west along what will become Crossroads Point Boulevard once extended from Phase 1. This line then turns north and extends to a lift station just north of Americana Avenue extended. There is a natural gas

line adjacent to the sewer line along Crossroads Point Boulevard. This is a transport line for Intermountain Gas and does not provide connectivity to serve either industrial or commercial customers. A service line for such customers would have to be installed by Intermountain Gas. See the map in Appendix B for details.

Aside from these previously installed public works, the land in its current state is unsuitable for development as it lacks adequate public infrastructure to facilitate development and the terrain and topography are not conducive to encouraging private development. To make the land conducive to development, the developer has requested assistance with the improvements listed below.

TABLE 1
Proposed Public Improvements

DESCRIPTION	TOTAL
Water system improvements	\$618,125
Sewer system improvements	\$349,750
Roads, curb & gutter, sidewalk improvements	\$4,450,525
Utility system improvements	\$340,000
S 300 E Road	\$680,000
TOTAL	\$6,438,400

TAX LEVY RATES

This feasibility study sets out two approaches to the applicable levy rates used in the cash flow projections. During the 2020 legislative session, the Idaho Legislature passed HB587a that removes, absent a negotiated agreement, the revenues from the highway district levy from being distributed to an urban renewal agency. This legislation becomes effective July 1, 2020, and impacts any new urban renewal plan or any expanded urban renewal plan approved after that date. The plan and project area would be subject to this legislation if this plan is not approved prior to July 1, 2020. The tables below reflect the applicable levy rates for the proposed plan. Table 2 shows the levy rates that are used to calculate the projected cash flow provided the plan is approved by July 1, 2020. Table 3 shows the levy rate used to calculate the projected cash flow should the plan be approved on or after July 1, 2020.

TABLE 2
Tax Rates Used if Plan approved by July 1, 2020

OVERLAPPING TAXING DISTRICTS	TOTAL LEVY BY DISTRICT	TO UR	LEVY APPLIED TO URD
COLLEGE OF SOUTHERN IDAHO	0.000889340	Y	0.000889340
COUNTY	0.004375838	Y	0.004375838

COUNTY JAIL BOND	0.000414791	N	
JEROME CEMETERY	0.000336459	Y	0.000336459
JEROME FIRE	0.000577700	Y	0.000577700
JEROME HIGHWAY	0.001326705	Y	0.001326705
JEROME RECREATION	0.000519904	Y	0.000519904
JEROME WATER & SEWER	0.000000000	Y	0.000000000
LIFELINE AMBULANCE	0.000321245	Y	0.000321245
SCHOOL DIST 261	0.003261550	N	
TOTAL	0.012023532		0.008347191

TABLE 3
Tax Rates Used if Plan approved after July 1, 2020

OVERLAPPING TAXING DISTRICTS	TOTAL LEVY BY DISTRICT	TO UR	LEVY APPLIED TO URD
COLLEGE OF SOUTHERN IDAHO	0.000889340	Y	0.000889340
COUNTY	0.004375838	Y	0.004375838
COUNTY JAIL BOND	0.000414791	N	
JEROME CEMETERY	0.000336459	Y	0.000336459
JEROME FIRE	0.000577700	Y	0.000577700
JEROME HIGHWAY	0.001326705	N	
JEROME RECREATION	0.000519904	Y	0.000519904
JEROME WATER & SEWER	0.000000000	Y	0.000000000
LIFELINE AMBULANCE	0.000321245	Y	0.000321245
SCHOOL DIST 261	0.003261550	N	
TOTAL	0.012023532		0.007020486

FINANCING OPTIONS

Several financing options are available to fund the construction of the public improvements intended in the Project Area. These include but are not limited to:

- Tax Increment Financing/Revenue Allocation
- Improvements and/or payments by developers
- Other bonds, notes and/or loans
- Local Improvement District (LID)
- Development Impact Fees
- Grants from federal, state, regional agencies and/or private entities

TAX INCREMENT FINANCING/REVENUE ALLOCATION

Tax Increment Financing (TIF) funds are generated from the increased taxable value of development occurring on property that has been found to be eligible for inclusion in an urban renewal plan due to its deteriorated or deteriorating condition. Such property is deemed to have a base assessment role value as of January 1 in the year an urban renewal plan with a revenue allocation financing provision is adopted by the Jerome County Commissioners. Any development that increases the taxable value above the base value constitutes the “incremental taxable value.” The tax revenues generated by this incremental taxable value are allocated to the designated urban renewal agency for use in accordance with the Plan.

IMPROVEMENTS PAID BY DEVELOPER

Investment in public infrastructure can occur through direct investment of the incremental tax revenues or through a public-private partnership with a third party that invests in the infrastructure improvements and is repaid for that investment over time as revenues are generated. This is often a development entity which fronts the costs of the public infrastructure and receives a portion of the tax increment revenues to repay that investment.

COUNTY ADVANCES/BONDS

The County may provide advances or contribution for certain public improvements. Under such conditions the County would be considered a reimbursable partner in the development and incremental tax revenues generated by the Project would be allocated between the Developer, the Agency, and the County in predetermined percentages or fixed amounts. At this time, the County is not anticipated to participate in the project.

LOCAL IMPROVEMENT DISTRICTS

Assessment areas, created through local improvement districts, are another means of funding the timing gap between when funds are needed and when they are generated. This financing mechanism allocates an “assessment” among property owners based on the benefit to the various property owners from the improvements being made. Assessments made for new development where only one, or a small number of developers is involved, are generally based on acreage. Then the tax-exempt bonds can be issued using the County’s tax-exempt status. The property is the collateral for the bond and the revenue stream is the commitment of the property owner(s) to make the payments. Generally, this type of bond requires a 3:1 or 4:1 ratio in the market of currently appraised value (including the funded improvements) to the cost of the improvements in order to be sold. In the event the property owner is not able to, or chooses not to, make the bond payments, foreclosure action can be taken against the property. Given the lack of current development and a lack of multiple property owner among whom an assessment could be split, this method is not a feasible option.

DEVELOPMENT IMPACT FEES

While still a potential resource, development impact fees are being utilized less frequently than in years past. Part of the reason for this is the law is very stringent on how such impact fees are administered and for what purposes they may be utilized. Many communities charge a connection fee, but when a new large development is planned such connection fees generally do not generate adequate revenues to fund the total cost of the required public infrastructure improvements. Impact fees would generally be payable to the municipality where the development is to occur. The proposed development is outside of an incorporated city and located in the unincorporated county which does not provide infrastructure of any type. As such, the use of impact fees would not be useful for this project.

GRANTS – COMMUNITY DEVELOPMENT BLOCK GRANTS

The County may apply for an Idaho Community Development Block Grant to help with public infrastructure improvements. Such application must meet the specific eligibility criteria and objectives including but not limited to impact on low-to-moderate income areas and job creation in disadvantaged areas. Funding for improvements under the block grant program would only be available to the County as specific development activities are identified and would require an application at the time of proposed development. As such, the financial projections included in this study do not contemplate the use of block grant funding.

FINANCING RECOMMENDATION

At this time, the Jerome County Urban Renewal Agency does not have the resources, assets, and historical performance to seek bond funding to assist with the public improvements required by the Project. It is recommended that the developer pay for the approved public improvements and be reimbursed by the Agency as incremental tax revenues are distributed to the Agency. The rate of reimbursement should be negotiated between the Agency and the Developer subsequent to the Plan's approval.

CASH FLOW ANALYSIS

Appendix A shows the anticipated revenues to the Agency based on the assumption outlined in the appendix. Appendix B shows the projected sources and uses of funds, including developer contributions, incremental tax revenues, and expenses for public improvements. Additionally, this also shows the projected reimbursement to the developer for the public improvements as agreed by the Agency.

CONCLUSION

The timing of Plan approval will play a considerable role in the generation of incremental tax revenues. As described in the Tax Levy Rates section of this Study, due to HB587aaS, there is the potential for the Jerome Highway District tax levy to no longer be available to generate revenue for distribution to the Agency should this plan not be approved prior to July 1, 2020.

The impacts of timing of plan approval are shown below:

Generation of Incremental Tax Revenue based on Plan Approval Date

	Revenue	Rev to Improvement Ratio
Prior to July 1, 2020	\$16,464,238	3.88
On or after July 1, 2020	\$13,346,231	3.26

As shown in the Public Improvements section above, the proposed public improvement estimated costs are \$6,438,400. Based on the timing of plan approval and assuming the developments occur as projected, the projected revenues will exceed the cost of the anticipated revenues as shown. The Law and Act provide for the increase in personal property assessed values to be included in the tax increment revenues that are derived from the increase in taxable property values. The model used here to project the incremental tax revenue stream does not include an estimate for estimated personal property values. As such, this provides a cushion in the projected revenue stream should development occur at a slower pace than anticipated.

APPENDIX A

Private Development and Incremental Tax Projections

Crossroads Point Phase 2 Urban Renewal Plan

May 2020

Crossroads Point Phase 2

Projected Development & Incremental Revenues

May 2020

Scenario #1 Low Inflation Rate: 1% annual increase in land value and 2% annual increase in Improvement Value; Conservative Private investment																	Plan Begin Year		2020	
BASE Value																	Plan End Year		2039	
AG Exclusion Y	Initial Land Value	Initial Improvement Value	Initial Base Value																	
Value	\$ 27,025	\$ 305,357	\$ 332,382																	
	Land Base Value w inflation	Improvement Base Value w inflation	Base value Plus Inflation	Base Value Increase due to Inflation	New Land Value by Year	Cumulative New Land Value	Annual New Improvements Value on tax Roll	Cumulative new Construction Values on Tax Roll + inflation	Total Taxable Value	Homeowner's Exemption	Net taxable Value	Increment Value	Levy Rate	Tax Increment Yield	Admin Costs	Funding for Capital Projects/Debt Service				
2019	\$ 27,025	\$ 305,357	\$ 332,382	\$ -		\$ 27,025	\$ -	\$ -	\$ 332,382		\$ 332,382	\$ -	0.008347191	\$ -	\$ -					
1 2020	\$ 27,295	\$ 311,464	\$ 338,759	\$ 6,377	\$ 823,440	\$ 850,465	\$ 5,000,000	\$ 5,000,000	\$ 6,189,225		\$ 6,189,225	\$ 5,856,843	0.008347191	\$ 48,888	\$ 12,222	\$ 36,666				
2 2021	\$ 27,568	\$ 317,693	\$ 345,262	\$ 12,880	\$ 393,662	\$ 1,244,128	\$ 5,000,000	\$ 10,100,000	\$ 11,689,389		\$ 11,689,389	\$ 11,357,007	0.008347191	\$ 94,799	\$ 23,700	\$ 71,099				
3 2022	\$ 27,844	\$ 324,047	\$ 351,891	\$ 19,509	\$ 393,662	\$ 1,637,790	\$ 5,000,000	\$ 15,302,000	\$ 17,291,681		\$ 17,291,681	\$ 16,959,299	0.008347191	\$ 141,563	\$ 35,391	\$ 106,172				
4 2023	\$ 28,122	\$ 330,528	\$ 358,651	\$ 26,269	\$ 551,127	\$ 2,188,917	\$ 7,000,000	\$ 22,608,040	\$ 25,155,608		\$ 25,155,608	\$ 24,823,226	0.008347191	\$ 207,204	\$ 51,801	\$ 155,403				
5 2024	\$ 28,404	\$ 337,139	\$ 365,542	\$ 33,160	\$ 551,127	\$ 2,740,044	\$ 7,000,000	\$ 30,060,201	\$ 33,165,787		\$ 33,165,787	\$ 32,833,405	0.008347191	\$ 274,067	\$ 68,517	\$ 205,550				
6 2025	\$ 28,688	\$ 343,882	\$ 372,569	\$ 40,187	\$ 551,127	\$ 3,291,172	\$ 7,000,000	\$ 37,661,405	\$ 41,325,146		\$ 41,325,146	\$ 40,992,764	0.008347191	\$ 342,174	\$ 85,544	\$ 256,631				
7 2026	\$ 28,974	\$ 350,759	\$ 379,734	\$ 47,352	\$ 787,325	\$ 4,078,496	\$ 10,000,000	\$ 48,414,633	\$ 52,872,863		\$ 52,872,863	\$ 52,540,481	0.008347191	\$ 438,565	\$ 109,641	\$ 328,924				
8 2027	\$ 29,264	\$ 357,774	\$ 387,039	\$ 54,657	\$ 787,325	\$ 4,865,821	\$ 10,000,000	\$ 59,382,926	\$ 64,635,785		\$ 64,635,785	\$ 64,303,403	0.008347191	\$ 536,753	\$ 134,188	\$ 402,565				
9 2028	\$ 29,557	\$ 364,930	\$ 394,487	\$ 62,105	\$ 787,325	\$ 5,653,145	\$ 10,000,000	\$ 70,570,584	\$ 76,618,216		\$ 76,618,216	\$ 76,285,834	0.008347191	\$ 636,772	\$ 159,193	\$ 477,579				
10 2029	\$ 29,852	\$ 372,228	\$ 402,081	\$ 69,699	\$ 1,180,987	\$ 6,834,132	\$ 15,000,000	\$ 86,981,996	\$ 94,218,209		\$ 94,218,209	\$ 93,885,827	0.008347191	\$ 783,683	\$ 195,921	\$ 587,762				
11 2030	\$ 30,151	\$ 379,673	\$ 409,824	\$ 77,442	\$ 787,325	\$ 7,621,457	\$ 10,000,000	\$ 98,721,636	\$ 106,752,916		\$ 106,752,916	\$ 106,420,534	0.008347191	\$ 888,313	\$ 222,078	\$ 666,234				
12 2031	\$ 30,452	\$ 387,267	\$ 417,719	\$ 85,337	\$ 787,325	\$ 8,408,781	\$ 10,000,000	\$ 110,696,068	\$ 119,522,569		\$ 119,522,569	\$ 119,190,187	0.008347191	\$ 994,903	\$ 248,726	\$ 746,177				
13 2032	\$ 30,757	\$ 395,012	\$ 425,769	\$ 93,387	\$ 787,325	\$ 9,196,106	\$ 10,000,000	\$ 122,909,990	\$ 132,531,864		\$ 132,531,864	\$ 132,199,482	0.008347191	\$ 1,103,494	\$ 275,874	\$ 827,621				
14 2033	\$ 31,065	\$ 402,912	\$ 433,977	\$ 101,595	\$ 551,127	\$ 9,747,233	\$ 7,000,000	\$ 132,368,190	\$ 142,549,399		\$ 142,549,399	\$ 142,217,017	0.008347191	\$ 1,187,113	\$ 296,778	\$ 890,334				
15 2034	\$ 31,375	\$ 410,970	\$ 442,346	\$ 109,964	\$ 551,127	\$ 10,298,360	\$ 7,000,000	\$ 142,015,553	\$ 152,756,259		\$ 152,756,259	\$ 152,423,877	0.008347191	\$ 1,272,311	\$ 318,078	\$ 954,233				
16 2035	\$ 31,689	\$ 419,190	\$ 450,879	\$ 118,497	\$ 551,127	\$ 10,849,487	\$ 7,000,000	\$ 151,855,864	\$ 163,156,230		\$ 163,156,230	\$ 162,823,848	0.008347191	\$ 1,359,122	\$ 339,780	\$ 1,019,341				
17 2036	\$ 32,006	\$ 427,574	\$ 459,579	\$ 127,197	\$ 393,662	\$ 11,243,150	\$ 5,000,000	\$ 159,892,982	\$ 171,595,711		\$ 171,595,711	\$ 171,263,329	0.008347191	\$ 1,429,568	\$ 357,392	\$ 1,072,176				
18 2037	\$ 32,326	\$ 436,125	\$ 468,451	\$ 136,069	\$ 393,662	\$ 11,636,812	\$ 5,000,000	\$ 168,090,841	\$ 180,196,104		\$ 180,196,104	\$ 179,863,722	0.008347191	\$ 1,501,357	\$ 375,339	\$ 1,126,018				
19 2038	\$ 32,649	\$ 444,847	\$ 477,497	\$ 145,115	\$ 393,662	\$ 12,030,474	\$ 5,000,000	\$ 176,452,658	\$ 188,960,629		\$ 188,960,629	\$ 188,628,247	0.008347191	\$ 1,574,516	\$ 393,629	\$ 1,180,887				
20 2039	\$ 32,976	\$ 453,744	\$ 486,720	\$ 154,338	\$ 393,662	\$ 12,424,136	\$ 5,000,000	\$ 184,981,711	\$ 197,892,568		\$ 197,892,568	\$ 197,560,186	0.008347191	\$ 1,649,073	\$ 412,268	\$ 1,236,804				
														\$ 16,464,238	\$ 4,116,059	\$ 12,348,178				

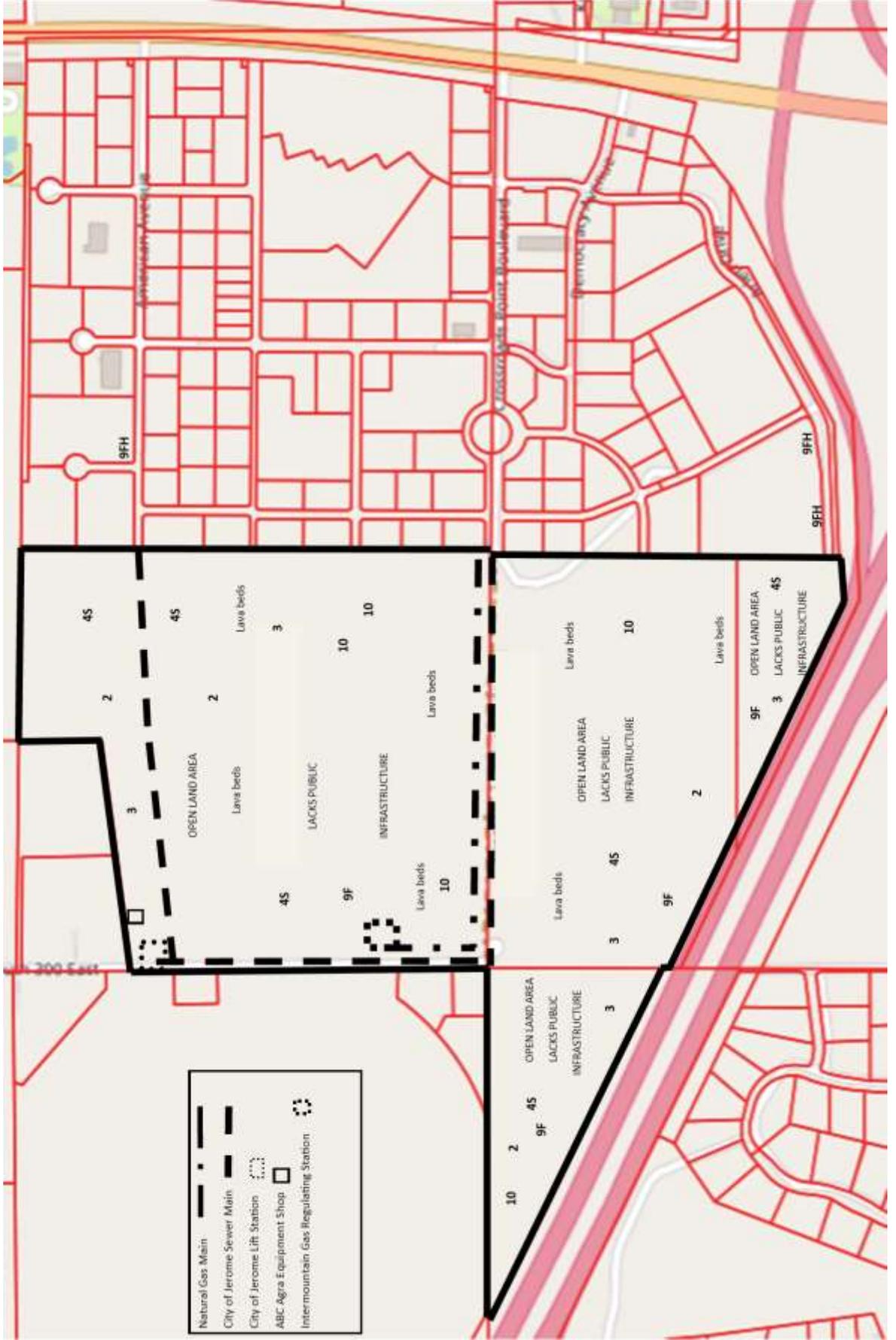
ASSUMPTIONS:

- ¹ Land Values inflation per year **1.00%**
- ² Improvement Values inflation per year **2.00%**
- ³ Administrative cost **25.00%** annual cap c **\$ 40,000** **N**
- ⁴ .
- ⁵ Property tax income available the year following completion of construction
- ⁶ New construction values inflate on same basis as original improvement values
- ⁷ IF APPLICABLE, Includes increased land value as a result of loss of AG Exclusion
- ⁸ This projection assumes levy rates will remain constant during the life of the RAA
- ⁹ Taxes will be collected the year following this year
- ¹⁰ IFF=Inflation Factor from 1 & 2 above

APPENDIX B

MAP OF EXISTING PUBLIC IMPROVEMENTS

EXISTING PUBLIC INFRASTRUCTURE 2020



Attachment 6

Owner's Ag Consent

CONSENT FORM

COMES NOW Arlen Crouch, Owner of ABC Agra, LLC an Idaho Limited Liability Company, and states that ABC Agra, LLC owns that certain property generally described as Parcel Identification Numbers RP09S17E104811A, RP09S17E152403A, RP09S17E160001A, and RP09S17E152901A in the real property records of Jerome County, Idaho, and more particularly described on Exhibit A attached hereto and incorporated herein by reference (the "Property"), and hereby certifies:

(1) that the Property has been used, within the last three (3) years, as an agricultural operation; and

(2) that the undersigned has reviewed the materials provided in Exhibit B, and has had an opportunity to review the supplemental urban renewal eligibility report, dated March 17, 2020, entitled Crossroads Point Phase 2 Urban Renewal Eligibility Report for the Jerome County Urban Renewal Agency of Jerome County, Idaho prepared by Brent Tolman of Outwest Policy Advisors, and as attached hereto as Exhibit C.

Further, Arlen Crouch, as Owner of said ABC Agra, LLC, hereby provides his consent and approval that the subject Property may be included within a proposed urban renewal area, and may be deemed appropriate for inclusion within an urban renewal project area as defined by the Idaho Urban Renewal Law of 1965, Chapter 20, Title 50, Idaho Code, as amended, and the Local Economic Development Act, Chapter 29, Title 50, Idaho Code, as amended, as the property possesses certain characteristics of eligibility.

DATED this 5 day of May, 2020.

ABC Agra, LLC



Name: Arlen Crouch

Title: Owner

EXHIBIT A

LEGAL DESCRIPTION

**CROSSROADS POINT PROJECT
PHASE 2 PROPERTY DESCRIPTION**

229 +/- ACRE PARCEL
APRIL 2020

A tract of land located in the South 1/2 of Section 10, the North 1/2 of Section 15 and the North 1/2 of Section 16, Township 9 South, Range 17 East, Boise Meridian, Jerome County, Idaho, more particularly described as follows:

Beginning at the Southeast corner of said Section 10;

THENCE North 89° 23' 33" West a distance of 363.72 feet along the southerly boundary of said Section 10 to the westerly boundary of Highway 93 ITD Project F2391;

THENCE North 89° 23' 33" West a distance of 2566.12 feet further along the southerly boundary of said Section 10 to the TRUE POINT OF BEGINNING;

THENCE North 0° 36' 27" East a distance of 2640.07 feet to a point on the northerly boundary of the S1/2 of said Section 10;

THENCE North 89° 22' 56" West a distance of 1027.36 feet along the northerly boundary of the S1/2 of said Section 10;

THENCE South 0° 30' 00" West a distance of 422.83 feet;

THENCE South 82° 16' 00" West a distance of 1339.19 feet to the west boundary of said Section 10 and the centerline of 300 East Road;

THENCE South 89° 03' 07" West a distance of 25.00 feet to the west right of way of 300 East Road;

THENCE South 0° 56' 53" East a distance of 2002.67 feet along the west right-of-way boundary of said 300 East Road to the south boundary of said Section 9;

THENCE South 89° 43' 07" West a distance of 2013.51 feet along the south boundary of said Section 9 to the northerly boundary of Interstate 84, Project I-80N-3 (11) 164;

THENCE South 61° 36' 38" East a distance of 129.40 feet along the north boundary of said Interstate 84, Project I-80N-3 (11) 164;

THENCE South 63° 43' 35" East a distance of 487.74 feet along the north boundary of said Interstate 84, Project I-80N-3 (11) 164;

THENCE South 64° 28' 10" East a distance of 3903.75 feet along the north boundary of said Interstate 84, Project I-80N-3 (11) 164;

THENCE North 88° 12' 24" East a distance of 240.82 feet along the northerly boundary of Interstate 84;

THENCE North 0° 36' 27" East a distance of 1938.15 feet to the northerly boundary of said Section 15 and the TRUE POINT OF BEGINNING, containing 229 acres more or less.

EXHIBIT B

EXCERPTS OF STATUTES IDAHO CODE §§ 50-2018(8) AND (9), 50-2008, 50-2903(8)

IDAHO CODE §§ 50-2018(8) AND (9)

(8) "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. Provided however, this definition shall not apply to any agricultural operation, as defined in section [22-4502](#)(2), Idaho Code, absent the consent of the owner of the agricultural operation or to any forest land as defined in section [63-1701](#)(4), Idaho Code, absent the consent of the forest landowner, as defined in section [63-1701](#)(5), Idaho Code, except for an agricultural operation or forest land that has not been used for three (3) consecutive years.

(9) "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. Provided however, this definition shall

not apply to any agricultural operation, as defined in section [22-4502](#)(2), Idaho Code, absent the consent of the owner of the agricultural operation or to any forest land as defined in section [63-1701](#)(4), Idaho Code, absent the consent of the forest landowner, as defined in section [63-1701](#)(5), Idaho Code, except for an agricultural operation or forest land that has not been used for three (3) consecutive years.

IDAHO CODE § 50-2008

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 sixty (60) 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 sixty (60) 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 42 U.S.C. section 5121, 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.

(h) Any urban renewal plan containing a revenue allocation financing provision shall include the information set forth in section [50-2905](#), Idaho Code.

IDAHO CODE §50-2903(8)

(8) "Deteriorated area" means:

(a) Any area, including a 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.

(f) "Deteriorated area" does not mean not developed beyond agricultural, or any agricultural operation as defined in

section 22-4502(1), Idaho Code, or any forest land as defined in section 63-1701(4), Idaho Code, unless the owner of the agricultural operation or the forest landowner of the forest land gives written consent to be included in the deteriorated area, except for an agricultural operation or forest land that has not been used for three (3) consecutive years.

EXHIBIT C
ELIGIBILITY REPORT

4825-2144-2169, v. 1

CROSSROADS POINT PHASE 2
URBAN RENEWAL ELIGIBILITY REPORT

PREPARED FOR THE
JEROME COUNTY URBAN RENEWAL AGENCY

BY
BRENT TOLMAN
of
OUTWEST POLICY ADVISORS



MARCH 4, 2020

THE CROSSROADS POINT PHASE 2 URBAN RENEWAL ELIGIBILITY REPORT

BACKGROUND

Preparation of this report was authorized by the Jerome County Urban Renewal Agency (“Agency”) on February 6, 2020. This report will provide the technical support for the first step in planning urban renewal projects. That first step is a policy decision by County Commissioners to designate a specific area as deteriorated or deteriorating and to authorize an urban renewal plan for this area.

The proposed urban renewal area includes four parcels of property totaling approximately 233.81 acres. The subject property is west of a line of longitude at approximately 114°.27'.15.00” W and east of 300 E and is bounded on the south by Interstate 84 and properties owned by ABC Agra considered as common areas for Phase 1 of Crossroads Point. The subject property is bounded on the north by adjacent properties owned by Kelly Sheldon, Manuel Avila, and Thomas Peters. Please see the attached map for a clearer understanding of the proposed boundaries of the urban renewal area.

Idaho Code Section 50-2008(a) states:

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.

CROSSROADS POINT PHASE 2

The Agency Board has asked that a study be completed to determine compliance with the statutory requirements before recommending to the Jerome County Commissioners that a new Urban Renewal Area be created.

As previously discussed, Step One in planning new renewal projects is a resolution by the Jerome County Commissioners (“County Commissioners”) making certain findings about specific geographic areas. This resolution would also authorize the Agency to prepare urban renewal plans for the areas. The attached definitions of *deteriorating area* and *urban renewal project* are very pertinent to this step and are the focus of this report.

Step Two in the renewal planning process is action by the Agency to prepare urban renewal plans and recommend their approval to the County Commissioners.

The County Commissioners initiate Step Three by referring the plans to the Planning and Zoning Commission and setting a public hearing on the plans. Step Three is completed by a Planning and Zoning Commission finding that the urban renewal plans conform to the County's Comprehensive Plan.

Step Four is the adoption of a County Commissioners ordinance approving the plans, after a public hearing.

DISCUSSION

This report focuses on whether the CROSSROADS POINT PHASE 2, as previously described and as outlined on the attached map, qualifies as a deteriorating area pursuant to Idaho Code Section 50-2018(9) and as a deteriorated area pursuant to Section 50-2903(8)(b) under virtually identical definitions. A copy of this joint definition is attached. The first statutory reference is from the basic urban renewal statute, while the second comes from the revenue allocation law.

Idaho Code Section 50-2018(9) was amended in 2006 by adding a new proviso concerning agricultural operations. Such agricultural operations may not be included in a deteriorating area unless the owner consents or if the operation has not been used for three consecutive years. This report, including the area map, does not certify that the proposed deteriorating areas comply with the agricultural operation proviso. Such compliance will need to be determined by Agency and County staff before the County Commissioners certifies the areas as deteriorating.

A substantial portion of the areas is predominately open land, so the areas must qualify under a specific portion of Idaho Code Section 50-2018(9) and a different statutory provision, Idaho Code Section 50-2903(8)(c) which reads as follows:

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.

Finally, the report will discuss why the area is appropriate for an urban renewal project.

A. Present Conditions

The attached definition of *deteriorating area* and *deteriorated area* [Idaho Code §§ 50-2018(9) and 50-2903(8)(b)] lists ten different conditions that may be present in such an area, with the tenth being the catch-all “any combination of such factors.” The presence of these conditions was documented through physical observation in 2019, as well as photographically documented during site visit in December 2019, contacts with various City & County officials, and assessor file information. Then the areas and their public infrastructures were evaluated, and the numbers that correspond to the applicable characteristics in the definition were placed at the appropriate locations on the attached map.

B. Open Land Area

The definition of Section 50-2903(8)(c) cited above lists several of the same characteristics as Sections 50-2018(9) and 50-2903(8)(b) under the same or similar descriptions. “Diversity of ownership” is the same, while “obsolete platting” appears to be equivalent to “faulty lot layout in relation to size, adequacy, accessibility, or usefulness.” “Deterioration of structures or improvements” is apparently a combination of “a substantial number of deteriorated or deteriorating structures” and “deterioration of site or other improvements.” The final term, “or otherwise,” at least implies that a predominately open area shares some of the same characteristics as the previous definition of deteriorated area, Idaho Code Section 50-2903(8)(b). There is also an additional qualification that, “The provisions of Section 50-2008(d), Idaho Code, shall apply to open areas.”

Section 50-2008(d) lists the findings that the County Commissioners must make in the ordinance approving an urban renewal plan. In addition, this section lists the special findings that the County Commissioners must make “if the urban renewal area consists of an area of open land to be acquired by the urban renewal agency.” There is one set of findings if the area of open land is to be developed for residential uses and a separate set of findings if the land is to be developed for nonresidential uses.

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

with other areas of a municipality by streets and modern traffic requirements, or any combination of such factors or other conditions which retard development of the area.”

The conclusion of this discussion about open land areas is that such areas qualify if any of the standard 50-2018(9) and 50-2903(8)(b) characteristics apply. But such areas also qualify if any of the problems listed only in 50-2008(d)(4)(2) apply. Clearly, lack of water and sewer facilities, a nonexistent or inadequate street system allowing access to these properties, and lack of fire protection facilities are all conditions which retard development of the areas.

The report text that follows below discusses each of the applicable characteristics of a deteriorated area, as defined by Section 50-2903(8)(b). Several of these characteristics, including diversity of ownership and predominance of defective or inadequate street layout, have exact or approximate counterparts listed under Section 50-2008(d)(4)(2), so their associated numbers, 6 and 2, may be used interchangeably. Other numbers, such as 4 (insanitary or unsafe conditions) and 9 (the existence of conditions which endanger life or property by fire or other causes), fit the broader characteristic of “any combination of such factors or other conditions which retard development of the area.” As discussed above, the lack of public infrastructure in the predominately open areas has been a significant factor in retarding development in these areas. Open land areas are designated with the words “Open Land.” In addition, lack of public infrastructure in open land areas is designated by the words “Lacks Public Infrastructure.”

C. Deteriorating/Deteriorated Area Characteristics

The following is a listing of conditions found in the areas by their corresponding numbers in the definition and a brief explanation of that condition and how it was evaluated and identified:

1. (1) A substantial number of deteriorated or deteriorating structures. There is one structure built in 2017 within the proposed project area. This building is in good repair and cannot be considered a deteriorated or deteriorating structure. This criteria is not met.
2. (2) Predominance of defective or inadequate street layout. The proposed project area is open land with one gravel road running east to west in the northern portion of the project area. This road is inadequate to provide sufficient access for development purposes of the 233 +/- acres. As such, this constitutes an inadequate street layout.

3. (3) Faulty lot layout in relation to size, adequacy, accessibility, or usefulness. The existing lot layouts are parcels ranging in size from 13.016 acres to 130.43 acres. Due to the size of the parcels, they are largely unusable until re-platted; hence a number “3” or “open land” appears on the map.

4. (4) Insanitary or unsafe conditions. There are several conditions existing within the proposed renewal area that apply to this characteristic. Typical insanitary conditions include excessive amounts of junk, trash, and weeds in violation of County or County sanitation codes. Another insanitary condition occurs in areas that lack sanitary sewers or where the sanitary sewer system has insufficient capacity to serve the project area. The proposed project area is largely high desert consisting of vast open areas filled with sagebrush, uneven, rolling terrain, and prominent lava fields some of which have been excavated creating unsafe conditions persons traversing the lands. There are two sewer main lines which cross the property as shown on the accompanying map, but the area lacks a wastewater collection system making the property undeveloped. Due to the presence of large lava beds, the installation of a wastewater collection system and sanitary water system will be a costly adventure and will continue to cause the area to be undeveloped until such systems can be installed. While sewer and water are available adjacent to the proposed business park, no public water distribution or sewer collection service exists in the interior area of the proposed development. This is partially due to inadequate street system and a faulty lot layout described above. This is represented on the map by the number “4S”

5. (5) Deterioration of site and other improvements. Site improvements include parking lots, fences, and landscaping areas, basically things other than structures that make up a developed property. The term “other improvements” is the place where public improvements such as streets, sidewalks, curbs, gutters, bridges, storm drains, parks, water mains, sanitary sewers are included. When the number 5 appears on the map in a street right-of-way it denotes those streets are deteriorated and lack site improvements as described.

6. (6) Diversity of ownership. Typically this characteristic is present when an area that needs to be redeveloped because of rundown buildings, is divided into a number of different ownerships. It could also occur where existing businesses are hindered in expanding because of the number of adjacent property ownerships. Multiple ownerships are more difficult for developers to assemble. This characteristic does not apply to the proposed area as the property is owned by a single entity.

7. (7) Tax and special assessment delinquency exceeding the fair value of the land. This characteristic does not apply to the proposed area.

8. (8) Defective and unusual conditions of title. As the property within the proposed project area is owned by a single entity, there is not issue of defective and unusual conditions of title. This characteristic is not met.

9. (9) The existence of conditions which endanger life or property by fire and other causes. The primary focus of this characteristic is inadequate fire protection facilities, particularly fire hydrants for projected new development. The lack of fire hydrants is typical throughout the entire area. Therefore, a number “9F” appears on the map throughout the area and indicates a lack of adequate fire protection facilities. This characteristic applies to proposed area because adequate placement of fire hydrants does not exist within the interior area of the proposed development. Existing hydrants are indicated on the map with “**9FH**”. Additionally, the proposed project area is open desert land and there is the risk of damage to property by fire. In fact, during the site visit, the consultant observed where a portion of the proposed project area was recently damaged by fire, most likely caused by lightening. Due to the presence of one structure within the proposed project area, a residential structure along the western most boarder, and a natural gas regulating station within the proposed project area, wildland fire could continue to damage the property as well as cause catastrophic damage to neighboring structures and facilities.

10. (10) Any combination of such factors. This number is placed on all areas where two or more of the other characteristics are present.

D. Effects of Present Conditions

1. (a) Results in economic underdevelopment of the area. Field review and aerial photography confirm the current underdeveloped status of the areas.

2. (c) Retards the provision of housing accommodations or (d) constitutes an economic or social liability. In their current condition, the properties in the proposed area are producing minimal property taxes. In addition, there is very limited public infrastructure serving the areas. Hence such areas tend to become economic liabilities for the Jerome County.

3. (e) And is a menace to the public health, safety, morals, or welfare in its present condition or use.

The previous discussion has established that these areas have had very slow growth and, as a result, have become modest economic liabilities. In addition, the nonexistent fire protection facilities create a safety problem in the areas. Accordingly, these conditions represent a menace or threat to the public welfare or prosperity and safety of the community.

E. Appropriateness of the Area for an Urban Renewal Project

The second part of the County Commissioner's determination is the policy decision of whether or not the area is appropriate for an urban renewal project. Note that part of the definition of an urban renewal project includes, "undertakings and activities of a municipality in an urban renewal area for the elimination of deteriorated and deteriorating areas."

CROSSROADS POINT PHASE 2

This report has provided support for a finding that the CROSSROADS POINT PHASE 2 is a deteriorating area because of the presence of various conditions, most of which are related to the public infrastructure. The public infrastructure, particularly water, sewer, and fire protection, are very inadequate and only marginally serve the needs of planned future development.

Preparation and approval of an urban renewal plan, including a revenue allocation financing provision, would give the County an additional resource to help solve the public infrastructure problems in the proposed project area. In effect, property taxes generated by new development within the area can be used by the Urban Renewal Agency to finance the needed public improvements to encourage more development. Finally, the new development would also generate additional jobs that would, in turn, benefit residents of the community.

CONCLUSION

This report concludes that the CROSSROADS POINT PHASE 2 described in this report is a deteriorating and deteriorated area characterized by inadequate public infrastructure that is appropriate for urban renewal projects.



DEFINITION OF DETERIORATING AREA, IDAHO CODE § 50-2018(9)
AND DETERIORATED AREA, IDAHO CODE § 50-2903(8)(b)

A deteriorating or deteriorated area is any area which by reason of the presence of (1) a substantial number of deteriorated or deteriorating structures; (2) predominance of defective or inadequate street layout; (3) faulty lot layout in relation to size, adequacy, accessibility, or usefulness; (4) insanitary or unsafe conditions; (5) deterioration of site or other improvements; (6) diversity of ownership; (7) tax or special assessment delinquency exceeding the fair value of the land; (8) defective or unusual conditions of title; (9) the existence of conditions which endanger life or property by fire and other causes; or (10) any combination of such factors, (a) (results in economic underdevelopment of the area);⁸ (b) substantially impairs or arrests the sound growth of a municipality; (c) retards the provision of housing accommodations; or (d) constitutes an economic or social liability; and (e) is a menace to the public health, safety, morals, or welfare in its present condition or use; provided, that if such deteriorating area consists of open land the conditions contained in the proviso in Idaho Code Section 50-2008(d) shall apply.⁹ Provided, however, this definition shall not apply to any agricultural operation, as defined in Section 22-4502(1), Idaho Code, absent the consent of the owner of the agricultural operation, except for an agricultural operation that has not been used for three (3) consecutive years.¹⁰

⁸This appears only in the revenue allocation statute.

⁹This appears only in the urban renewal statute.

¹⁰ This proviso was added to the urban renewal statute in 2006 by House Bill 735, as amended.



(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) 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.

DEFINITION OF URBAN RENEWAL PROJECT, IDAHO CODE § 50-2018(10)

“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:

- (a) acquisition of a deteriorated area or a deteriorating area or portion thereof;
- (b) demolition and removal of buildings and improvements;
- (c) 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;
- (d) 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 of property to another public body;
- (e) carrying out plans for a program of voluntary or compulsory repair and rehabilitation of building or other improvements in accordance with the urban renewal plan;
- (f) 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;
- (g) 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;
- (h) lending or investing federal funds; and
- (i) construction of foundations, platforms and other like structural forms.

Exhibit A



EXHIBIT B







4843-0925-6376, v. 6