

**FIRST AMENDMENT TO THE
HAYDEN URBAN RENEWAL CAPITAL DEVELOPMENT PLAN
HAYDEN URBAN RENEWAL PROJECT**

HAYDEN URBAN RENEWAL AGENCY

CITY OF HAYDEN, IDAHO

**Ordinance No. 406
Adopted December 13, 2005
Effective December 16, 2005, publication**

**First Amendment to the
Hayden Urban Renewal Capital Development Plan
Ordinance No. 658
Adopted November 18, 2025
Effective December 2, 2025, publication of ordinance summary**

BACKGROUND

This First Amendment (“First Amendment”) to the Hayden Urban Renewal Capital Development Plan, Hayden Urban Renewal Project (the “Plan”) amends the Plan for the following purposes: 1) to add approximately 4.081 acres of land contiguous to the existing boundary of the Capital Development Plan revenue allocation area (the “Capital Development Plan Project Area”) and generally bounded by Honeysuckle Avenue to the south and Commerce Drive to the north with Government Way intersecting the node (the “Node 1A”); 2) to add approximately 5.135 acres of land contiguous to the existing boundary of the Capital Development Plan Project Area and generally an area situated at the northeast, northwest, and southwest corners of the Orchard Avenue and Government Way intersection (the “Node 1B”); 3) to add approximately 1.600 acres of land contiguous to the existing boundary of the Capital Development Plan Project Area and generally an area situated at the northeast corner of Miles Avenue and Government Way (the “Node 1E”); 4) to add approximately 6.240 acres of land contiguous to the existing boundary of the Capital Development Plan Project Area and generally an area situated at the northeast corner of Wyoming Avenue and Government Way (the “Node 1F”); and 5) to add approximately 2.169 acres of land contiguous to the existing boundary of the Capital Development Plan Project Area and generally an area situated at the southeast corner of Lacey Avenue and Government Way (the “Node 1K”). Collectively, Node 1A, Node 1B, Node 1E, Node 1F and Node 1K are referred to as the amendment area (the “Amendment Area”). The scope of this First Amendment is limited to addressing the addition of the Amendment Area to the Capital Development Plan Project Area; to update the list of public improvements; and to update Sections of the Plan based on statutory changes. It is important to note this First Amendment to the Plan does not extend the Plan’s duration. The Plan terminates on December 31, 2029; however, revenue allocation proceeds will be received in 2030 pursuant to Idaho Code § 50-2905(7).

This First Amendment to the Plan, seeking to add the Amendment Area to the Capital Development Plan Project Area pursuant to Idaho Code § 50-2903, does not result in a reset of the base assessment roll values to the current equalized assessed values in the year following the amendment or modification of the Plan. House Bill 606, effective July 1, 2016, amended the Local Economic Development Act, Chapter 29, Title 50, Idaho Code, as amended (the “Act”), firmly establishing “[f]or plans adopted or modified prior to July 1, 2016, and for subsequent modifications of those urban renewal plans, the value of the base assessment roll of property within the revenue allocation area shall be determined as if the modification had not occurred.” Idaho Code § 50-2903(4). Though the provisions of Idaho Code § 50-2903A do not apply to the Plan, a plan amendment or modification to add area to an existing revenue allocation area pursuant to Idaho Code § 50-2903 is a specifically identified exception to a base reset. Idaho Code § 50-2903A(1)(a)(ii). This highlights the legislative support for these types of amendments.

Idaho Code § 50-2903 permits an urban renewal agency, after July 1, 2011, to add area to an existing revenue allocation area one (1) time “so long as the total area to be added is not greater than ten percent (10%) of the existing revenue allocation area and the area to be added is contiguous to the existing revenue allocation area” Idaho Code § 50-2903. Contiguity cannot be established solely by a shoestring or public or railroad right-of-way. *See* Idaho Code § 50-2903. The Amendment Area to be added to the Capital Development Plan Project Area totals 19.225 acres and is contiguous to the existing Capital Development Plan Project Area and is less than ten (10%) percent of the existing revenue allocation area, which is approximately 720 acres.

A separate base assessment value will be established for the areas to be added to the Capital Development Plan Project Area, effective retroactive to January 1, 2025. The Agency will receive an allocation of revenues from the Amendment Area from any increases in value above the base value through the remaining years of the Plan. The base values for the original Capital Development Plan Project Area will continue to be retroactive to January 1, 2005.

The Amendment Area to be added to the Capital Development Plan Project Area was deemed to be a deteriorated area and/or a deteriorating area under the Idaho Urban Renewal Law of 1965, Chapter 20, Title 50, Idaho Code, as amended (the “Law”) and the Act, and, therefore, eligible for inclusion into the existing revenue allocation area pursuant to the Hayden Urban Renewal Agency District Expansion Eligibility Report, prepared by The Metts Group, dated September 2024 (the “Eligibility Report”). The Eligibility Report was submitted to the Agency, which by adoption of Resolution No. 2024-03 on September 9, 2024, found the Amendment Area to be eligible and authorized the transmission of the Eligibility Report and Resolution to the Hayden City Council (the “City Council”), together with the Agency’s recommendation that the area be designated as appropriate for an urban renewal project, and seeking direction from the City Council to proceed with an urban renewal plan amendment. The Hayden City Council, by adoption of Resolution No. 2024-05 on September 24, 2024, found the Amendment Area under consideration to be a deteriorating area or a deteriorated area in the City, as defined by the Law and the Act, and authorized preparation of a plan amendment.

AMENDMENTS TO THE PLAN

1. Definitions. Capitalized terms not otherwise defined herein shall have the respective meanings ascribed to such terms in the Plan.

2. The following defined terms in the Plan are amended throughout the Plan as follows:

a. Delete “Project Area” and replace with “Amended Project Area” except where specifically referenced in this First Amendment.

b. Delete references to “Attachment 1” and replace with “Attachment 1, as supplemented by Attachment 1A” except where specifically referenced in this First Amendment.

c. Delete references to “Attachment 2” and replace with “Attachment 2, as supplemented by Attachment 2A” except where specifically referenced in this First Amendment.

d. Delete references to “Attachment 4” and replace with “Attachment 4, as supplemented by Attachment 4A” except where specifically referenced in this First Amendment.

e. Delete references to “Attachments 5, 5A and 5B” and replace with “Attachments 5, 5A, and 5B, as supplemented by Attachment 5C” except where specifically referenced in this First Amendment.

3. Amendment to List of Attachments. The List of Attachments following the Table of Contents is amended by deleting the list of attachments and replacing it as follows:

Attachment 1	Map of Urban Renewal Project Area and Revenue Allocation Area
Attachment 1A	Boundary Map of Each of Node 1A, Node 1B, Node 1E, Node 1F and Node 1K
Attachment 2	Description of Urban Renewal Project Area and Revenue Allocation Area
Attachment 2A	Legal Description of the Boundaries of Each of Node 1A, Node 1B, Node 1E, Node 1F and Node 1K
Attachment 3	Properties Identified for Acquisition by the Agency
Attachment 4	Expected Land Uses and Current Zoning Map of the Project Area
Attachment 4A	Map Depicting Expected Land Uses and Current Zoning Within the Amendment Area
Attachment 5	Introduction to Attachment 5, Statement of Proposed Public Improvements, Costs, Revenue, Tax Impacts, and Financing Methods
Attachment 5A	Net Value of Private Development in Hayden Revenue Allocation and Area and Annual Tax Revenue Allocation
Attachment 5B	Estimated Annual Revenues and Costs
Attachment 5C	Supplement to Attachments 5, 5A and 5B: Financial Analysis Related to the 2025 Annexation of the Amendment Area

4. Amendment to Section 100 of the Plan.

a. Section 100 is amended by deleting the list of attachments in the first paragraph and replacing it as follows:

Map of Urban Renewal Project Area and Revenue Allocation Area (Attachment 1);

Boundary Map of Each of Node 1A, Node 1B, Node 1E, Node 1F and Node 1K (Attachment 1A);

Description of Urban Renewal Project Area and Revenue Allocation Area (Attachment 2);

Legal Description of the Boundaries of Each of Node 1A, Node 1B, Node 1E, Node 1F and Node 1K (Attachment 2A);

Properties Identified for Acquisition by the Agency (Attachment 3);

Expected Land Uses and Current Zoning Map of the Project Area (Attachment 4);

Map Depicting Expected Land Uses and Current Zoning Within the Amendment Area (Attachment 4A)

Introduction to Attachment 5, Statement of Proposed Public Improvements, Costs, Revenue, Tax Impacts, and Financing Methods (Attachment 5);

Net Value of Private Development in Hayden Revenue Allocation and Area and Annual Tax Revenue Allocation (Attachment 5A);

Estimated Annual Revenues and Costs (Attachment 5B); and

Supplement to Attachments 5, 5A and 5B: Financial Analysis Related to the 2025 Annexation of the Amendment Area (Attachment 5C).

Attachments 1 through 5B, as supplemented by Attachments 1A, 2A, 4A, and 5C, attached hereto (collectively, the “Plan Attachments, as supplemented”) are incorporated herein and shall be considered a part of this Plan.

5. Amendment to Section 102.1 of the Plan. Section 102.1 entitled “CONFORMANCE WITH STATE OF IDAHO URBAN RENEWAL LAW OF 1965, AS AMENDED” is amended by adding new paragraphs to the end of the existing language as follows:

Subsequent to adoption of this Plan in 2005, in fall 2024, the City retained a third-party consultant to review approximately 19.225 total acres of land divided into distinct “nodes” adjacent and contiguous to the Project Area for an eligibility determination for an urban renewal project. The area reviewed included (1) land contiguous to the northern existing boundary of the Project Area and generally bounded by Honeysuckle Avenue to the south and Commerce Drive to the north with Government Way intersecting the node (the “Node 1A”); (2) land contiguous to the northern existing boundary of the Project Area and generally an area situated at the northeast, northwest, and southwest corners of the Orchard Avenue and Government Way intersection (the “Node 1B”); (3) land contiguous to the existing boundary of the Project Area and generally an area situated at the northeast corner of Miles Avenue and Government Way (the “Node 1E”); (4) land contiguous to the existing boundary of the Project Area and generally an area situated at the northeast corner of Wyoming Avenue and Government Way (the “Node 1F”); and (5) land contiguous to the existing boundary of the Project Area and generally an area situated at the southeast corner of Lacey Avenue and Government Way (the “Node 1K”). Collectively, Node 1A, Node 1B, Node 1E, Node 1F and Node 1K are referred to as the amendment area (the “Amendment Area”).

The Amendment Area to be added to the Project Area was reviewed and determined to be a deteriorated area and/or a deteriorating area under the Law and the Act and, therefore, eligible for inclusion into the existing revenue allocation area pursuant to the Hayden Urban Renewal Agency District Expansion Eligibility Report, prepared by The

Metts Group, dated September 2024 (the “Eligibility Report”). The Eligibility Report was submitted to the Agency, which by adoption of Resolution No. 2024-03 on September 9, 2024, found the additional area to be eligible and authorized the transmission of the Eligibility Report and Resolution to the City Council, together with the Agency’s recommendation that the area be designated as appropriate for an urban renewal project, and seeking direction from the City Council to proceed with an urban renewal plan amendment. The City Council by adoption of Resolution No. 2024-05 on September 24, 2024, found the area under consideration to be a deteriorating area or a deteriorated area in the City, as defined by the Law and the Act, and authorized preparation of a plan amendment.

Idaho Code Section 50-2033 permits an urban renewal agency, after July 1, 2011, to add area to an existing revenue allocation area one (1) time “so long as the total area to be added is not greater than ten percent (10%) of the existing revenue allocation area and the area to be added is contiguous to the existing revenue allocation area” Idaho Code § 50-2033. The existing Project Area is approximately 720 acres; therefore, the area to be added to the existing Project Area could not exceed 72 acres. The 19.225 acres being added to the Project Area hereby creates the “Amended Project Area” as further described and shown in Attachments 1, 1A, 2, and 2A.

This First Amendment to the Plan (the “First Amendment”) seeks to add the Amendment Area to the existing Project Area, and to make corresponding updates to the Plan and Plan Attachments.

This First Amendment was prepared and submitted to the Agency for its review and approval. The Agency approved the First Amendment by the adoption of Agency Resolution No. _____ on _____ 2025, and submitted the First Amendment to the City Council with its recommendation for adoption.

In accordance with the Law, this First Amendment was submitted to the Planning and Zoning Commission of the City. After consideration of the First Amendment, the Commission reported to the City Council, by Resolution, finding that this First Amendment is in conformity with the City’s Comprehensive Plan, as amended.

Pursuant to the Law and Act, the City Council having published due notice thereof, held a public hearing on the First Amendment. Notice of the hearing was duly published in the _____, a newspaper having general circulation in the City. The City Council adopted the First Amendment on _____, 2025, by Ordinance No. _____.

6. Amendment to Section 103 of the Plan. Section 103 is amended by adding new paragraphs following the last paragraph as follows:

During 2024, the City, Agency, and other interested parties began to examine the need to expand the Project Area to include certain areas along or adjacent to critical rights-of-way, transportation corridors and intersections. The approximately 19.225 acres total of land to be added to the Project Area is separated into five (5) distinct geographic areas referred to as “nodes:” Node 1A, including approximately 4.081 acres; Node 1B, including

approximately 5.135 acres; Node 1E, including approximately 1.600 acres; Node 1F, including approximately 6.240 acres; and Node 1K, including approximately 2.169 acres, all as further described above.

As set forth in the Eligibility Report, each node to be added to the Project Area includes a predominance of defective or inadequate street layout and faulty lot layout in relation to size, adequacy, accessibility or usefulness.

Node 1A presents with challenging access to parking restricting access to the businesses located on that corner, which further poses a challenge for future development efforts in that area. Additionally, the intersection of Government Way and Honeysuckle Avenue is currently operating at a level of service E, indicating that the current design is inadequate for multi-modal functionality and safety. There continues to be a high incidence of accidents in this area. The area around Node B lacks sidewalks or paved roadway shoulders on both sides of Orchard Avenue precluding safe transportation for cyclists and pedestrians. Like Node 1A, the intersection of Government Way and Orchard Avenue in Node 1B has been deemed deficient by the 2040 Transportation Strategic Plan and the Government Way Corridor Study, due to the existence of multiple driveways and access points contributing to a high incidence of vehicle accidents. Node 1E presents access issues to a portion of Node 1E. Further, Node E is also not currently suitable for cyclists and pedestrian activities because of the lack of sidewalks or paved roadway shoulders on both sides of Miles Avenue. The Miles Avenue intersection is also deficient and requires a new traffic signal and turn lanes to accommodate area growth and use of this intersection. Node 1F lacks adjacent sidewalks and paved roadways along Wyoming Avenue. The intersection of Government Way and Wyoming Avenue is currently failing during high use times and is not expected to meet future service requirements given the existing conditions and projected area growth. Similar to the other nodes, Node 1K lacks safe transportation for cyclists and pedestrians due to the lack of sidewalks and paved roadway shoulders on both sides of Lacey Avenue. The adjacent roadways require improvements for traffic control and to accommodate increased uses due to growth.

The First Amendment embraces the principles set forth in the Plan and proposes improvements to public infrastructure and other publicly owned assets throughout the expansion area, including, improvements to other public facilities, such as, but not limited to, streets, streetscapes, intersection improvements (including signalization), pedestrian/bike amenities, sewer improvements, public parking, improvements to community facilities, including community centers, parks and open space, property acquisition and public art. A portion of the expansion area is underdeveloped and is not being used to its highest and best use due to the right-of-way deficiencies. The foregoing conditions have arrested or impaired the goals for improvements in the expansion area.

The preparation and approval of an urban renewal plan amendment including a revenue allocation financing provision, gives the City additional resources to solve the public infrastructure problems in this area. Revenue allocation financing should help to improve the situation. In effect, property taxes generated by new developments within the Amended Project Area may be used by the Agency to finance a variety of needed public improvements and facilities in the Amended Project Area.

It is unlikely individual developers or the City will take on the prohibitive costs of constructing the necessary infrastructure in the Amended Project Area without the ability of revenue allocation to help offset at least some of these costs. But for urban renewal and revenue allocation financing, the proposed public improvements would not occur.

7. Amendment to Section 200 of the Plan. Section 200 entitled “DESCRIPTION OF PROJECT AREA” is deleted and replaced as follows:

DESCRIPTION OF THE AMENDED PROJECT AREA

The boundaries of the Project Area and of the Revenue Allocation Area are shown on Attachment 1, Map of Urban Renewal Project Area and Revenue Allocation Area, and are described in Attachment 2, Description of Urban Renewal Project Area and Revenue Allocation Area.

The boundaries of the area added to the Project Area, pursuant to the First Amendment, are shown on Attachment 1A, Boundary Map of Each of Node 1A, Node 1B, Node 1E, Node 1F and Node 1K, and are described in Attachment 2A, Legal Description of the Boundaries of Each of Node 1A, Node 1B, Node 1E, Node 1F and Node 1K. Collectively, the Project Area, as amended, may be referred to as the “Amended Project Area.”

For purposes of boundary descriptions and use of proceeds for payment of improvements, the boundary shall be deemed to extend to the outer boundary of rights-of-way or other natural boundary unless otherwise specified, or unless the area is already within the existing Project Area.

The attachments referenced above are attached to the Plan and/or the First Amendment and are incorporated herein by reference.

8. Amendment to Section 301 of the Plan.

a. Section 301 is amended by deleting paragraph 1 and replacing it as follows:

1. The acquisition of real property in accordance with Idaho Code § 50-2010(a) 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.

b. Section 301 is amended by deleting paragraph 7 and replacing it as follows:

7. 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;

c. Section 301 is amended by adding paragraphs 14-22 as follows:

14. 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;

15. The engineering, design, installation, construction, and/or reconstruction of streets, including but not limited to improvements and upgrades to Government Way, Honeysuckle Avenue, Orchard Avenue, Miles Avenue, Wyoming Avenue, Dakota Avenue, Lacey Avenue, Centa Avenue, Schmidt Street, Hilgren Avenue and Hayden Avenue, and related pedestrian facilities, intersection improvements and traffic signals;

16. The engineering, design, installation, construction, and/or reconstruction of utilities including but not limited to sewer system improvements and upgrades, including sewer line expansion, and improvements and upgrades to power and gas facilities;

17. 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;

18. The planning, engineering, design, installation, construction, and/or reconstruction of improvements to the Civic Campus, Croffoot Park and McIntire Park, and other civic centers.

19. The construction and financial support of infrastructure necessary for the provision of improved transit and alternative transportation;

20. The environmental assessment and remediation of brownfield sites, or sites where environmental conditions detrimental to development and/or redevelopment exist;

21. In collaboration with property owners and other stakeholders, working with the City 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 Amended Project Area as needed to support implementation of this Plan;

22. Other related improvements to those set forth in Section 301, as amended by the First Amendment, and as may be further described in Attachments 5, 5A, 5B and 5C.

9. Amendment to Section 302 of the Plan. Section 302 is amended by deleting the first sentence of the second paragraph and replacing it as follows:

The Amended Project Area includes the area as described in Section 200, as amended by the First Amendment.

10. Amendment to Section 401 of the Plan. Section 401 is amended by deleting the paragraph and replacing it as follows:

The Amended Project Area includes the area as described in Section 200, as amended by the First Amendment. The proposed land uses to be permitted in the Amended Project Area for all land, public and private, are depicted in Attachments 4 and 4A.

11. Amendment to Section 504 of the Plan.

a. Section 504 is amended by deleting the first sentence of the first paragraph and replacing it as follows: The Agency hereby adopts revenue allocation financing provisions as authorized by the Act, Chapter 29, Title 50, Idaho Code, effective retroactively to January 1, 2005, for the original Project Area and effective retroactively to January 1, 2025, for the area added to the Project Area by the First Amendment.

b. Section 504 is amended by deleting the fourth paragraph and replacing it as follows: A statement listing proposed public improvements and facilities, an economic feasibility study, estimated project costs, fiscal impact upon other taxing districts, and methods of financing project costs required by Idaho Code § 50-2905 is included in Attachments 5, 5A and 5B for the Project Area, and as supplemented by Attachment 5C for the area added to the Project Area by the First Amendment, including a 2025 update for the existing Project Area. The information contained in Attachments 5, 5A and 5B incorporated estimates and projections based on the Agency's and the consultants' knowledge and expectations at that time. The information contained in Attachment 5C necessarily incorporates estimates and projections based on the Agency's present knowledge and expectations and includes analysis and assessment based on the additional estimated 19.225 acres added to the Project Area¹.

12. Amendment to Section 504.1 of the Plan. Section 504.1 is amended by deleting Section 504.1 and replacing it as follows:

Attachments 5, 5A and 5B consist of the Economic Feasibility Study for the Urban Renewal Area prepared by Harlan W. Mann, Urban Renewal Consultant and Lisa Key,

¹ See also, Section 301 to the Plan, as amended.

City of Hayden Community Development Director. Attachment 5C consists of the Supplement to Attachments 5, 5A and 5B: Financial Analysis Related to the 2025 Annexation of the Amendment Area, which includes an Economic Feasibility Study for the area added to the Project Area by the First Amendment, plus a 2025 update for the existing Project Area prepared by The Metts Group (collectively, Attachments 5, 5A, 5B and 5C are referred to as the “Study”). The Study constitutes the financial analysis required by the Act.

13. Amendment to Section 504.2 of the Plan. Section 504.2 is amended by adding a new paragraph to the end of the existing language as follows:

Attachment 5C incorporates estimates and projections based on the consultants’ present knowledge and expectations. From Tax Year 2025 to 2029, Attachment 5C projects values in the Amended Project Area to increase by approximately \$36.5 million assuming steady annual growth based on historical values and accounting for inflationary adjustments. Based on projected values and levy rates, over the same period the cumulative allocation of revenue to the Agency from the Amended Project Area is estimated to be \$6.2 million dollars. The Plan, as amended by the First Amendment propose funding certain public improvements to facilitate development in the Amended Project Area as set forth in the Study and Section 301, as amended.

14. Amendment to Section 504.3 of the Plan. Section 504.3 entitled “TEN PERCENT LIMITATION” is deleted and replaced as follows:

TEN PERCENT VALUE LIMITATION AND THE TEN PERCENT GEOGRAPHIC LIMITATION

Under the Act, the base assessed valuation for all revenue allocation areas cannot exceed gross/net ten percent (10%) of the current assessed value for the entire City. According to the Kootenai County Assessor, the assessed value for the City as of January 1, 2025, is \$3,509,472,866. Therefore, the 10% limit is \$350,947,286.

The adjusted base assessed value of the existing revenue allocation area, plus the expansion area, as of January 1, 2025, is as follows:

Hayden Urban Renewal Capital Development Plan	\$48,566,404
2025 Amendment Area	\$18,648,428
TOTAL:	\$67,214,832

The adjusted base values for the combined revenue allocation areas total \$67,214,832, which is less than 10% of the City’s 2025 value.

Further Idaho Code § 50-2033 provides that after July 1, 2011: “[a]n urban renewal plan that includes a revenue allocation area may be extended only one (1) time to extend the boundary of the revenue allocation so long as the total area to be added is not greater than ten percent (10%) of the existing revenue allocation area and the area to be added is

contiguous to the existing revenue allocation area but such contiguity cannot be established solely by a shoestring or strip of land which comprises a railroad or public right-of-way.” The Project Area consists of approximately 720 acres; therefore, the 10% geographic limit is approximately 72 acres. The area to be added to the Project Area, which is adjacent and contiguous to the Project Area, consists of approximately 19.225 acres, which is less than 10% of the acreage included in the Project Area.

15. Amendment to Section 504.8 of the Plan. Section 504.8 of the Plan is amended by deleting Section 504.8 and replacing it as follows:

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 5C. The addition of the geographic area to the Project Area pursuant to the First Amendment does not reset the base; however, for the area added, the base value is the assessed value as of January 1 of the year in which the municipality approved the expansion or, in this instance, January 1, 2025.

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 law. 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 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. 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 may 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 premised upon the fact the proposed development and/or redevelopment 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 jurisdiction². 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, or a deannexation occurs³. Any new construction within the Amended Project Area is not available in the short term 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 a percentage of the increment value on the new construction roll for purposes of setting the following year's budget and revenue from such value is not limited to the 8% cap set forth in Idaho Code Sections 63-802.

Pursuant to the First Amendment and Attachment 5C concerning the expansion and including a 2025 update for the existing Project Area, as 2025 certified levy rates are not determined until fall 2025, the 2024 certified levy rates have been used in Attachment 5C as a starting point for purposes of the assumptions in the analysis, which contemplates a 2% annual reduction in the levy rate starting in 2025.⁴ Those taxing districts and rates are as follows:

Taxing Districts	Levies to UR (2024)	Levies not to UR (2024)	Total to UR (2024)
Coeur d'Alene School #271	.000008087 (tort)	.000833126	.000008087
Lakeland Joint School #272	.000011923 (tort)	0.000908221	.000011923
Community Library Network	.000143427		.000143427
Community Library Network Bond	0	.000009661	0
City of Hayden	.000793791	0	.000793791
Kootenai County	.001322448	0	.001322448
Kootenai County Ambulance	.000077637	.000000104	.000077637
Kootenai County Hospital	0	0	0
Lakes Highway #2	.000282600	0	.000282600
North Idaho Junior College	.000383916	.000000578	.000383916
North Kootenai Water	.000643288	0	.000643288
Northern Lakes Fire Protection District	.000650873	.000001234	.000650873
TOTAL:			0.004317990

House Bill 587, as amended in the Senate, effective July 1, 2020, amends Idaho Code § 50-2908 altering the allocation of revenue allocation funds to the Agency from the Lakes Highway

² House Bill 389 amended Idaho Code Sections 63-802 and 63-301A limiting the value placed on the new construction roll and available to a taxing district for a budget capacity increase. This could result in lower levy rates over time.

³ Subject to a limited exception in Idaho Code Section 63-301A(3)(k).

⁴ Due to the timing of the taxing districts' budget and levy setting process, certification of the 2025 levy rates did not occur until after this First Amendment had been prepared and was in the process of being considered by the Agency.

#2 Highway District levy⁵. This amendment will apply to this Amendment Area and provides: “[i]n the case of a revenue allocation area first formed or expanded to include the property on or after July 1, 2020, all taxes levied by any highway district, *unless the local governing body that created the revenue allocation area has responsibility for the maintenance of roads or highways*” will be allocated to the applicable highway district, which in this case is the Lakes Highway #2 Highway District. Idaho Code Section 50-2908(2)(a)(iv).

It is generally understood the City has, or will have, responsibility for the maintenance of the roads or highways in and around the Amended Project Area, and therefore, the taxes levied by the Lakes Highway #2 Highway District on the increment value will be allocated to the Agency, without need of a further agreement, pursuant to Idaho Code Section 50-2908(2)(a)(iv). An agreement with the Lakes Highway #2 Highway District is not necessary for this Amended Project Area. No agreement was required for the original Project Area.

House Bill 436, effective retroactive to January 1, 2025, in part, amends Idaho Code § 50-2906 providing that fire protection and ambulance service districts are not subject to the financing provisions of a revenue allocation area modified after July 1, 2025, unless the fire protection district and/or the ambulance service district each consent to be included pursuant to the process outlined in Idaho Code § 50-2906(4). This legislative amendment will apply to the Amendment Area, but not the existing Project Area.⁶ Should the fire protection district and/or the ambulance service district fail to consent to be subject to the financing provisions of the First Amendment for the Amendment Area, the levies from those districts will not generate revenue to the Agency from the parcels in the Amendment Area, resulting in a reduction to the total levy rate applicable to the Amendment Area. Removal of those levies is not projected to have a significant impact on the overall revenue projection in the Amendment Area. Attachment 5C projects total revenue generation from the Amendment Area to be \$19,232. For purposes of the revenue projection analysis set forth in Attachment 5C, the levies are included in the revenue model for the Amendment Area, subject to obtaining the necessary consents.

The Study has made certain assumptions concerning the levy rate. The levy rate is projected to be the same for the existing Project Area and the Amendment Area, and is estimated to decrease 2% a year commencing in 2025 for the remaining duration of the Amended Project Area to adjust for anticipated growth outside of the Amended Project Area and caps on taxing district budgets; projecting growth will outpace taxing district budgets. Land and improvement values are estimated to increase annually. If the overall levy rate is less than projected, or if expected development fails to occur as estimated, the Agency shall receive fewer funds from revenue allocation. The Study has also considered the timing of the original projects identified in the Plan, as updated, and pushed back the completion timeline where necessary to account for current market conditions.

⁵ Senate Bill 1107, as amended in the Senate, effective July 1, 2021, made a corresponding amendment to Idaho Code Section 40-1415(3) to address the responsibility for funding certain urban renewal projects.

⁶ HB436 also outlines a process for fire protection districts and ambulance service districts to seek withdrawal from existing revenue allocation areas in amended Idaho Code Section 50-2906(5). Should withdrawal be granted at any point there will be a reduction to the Agency’s revenue allocation proceeds from the existing Project Area.

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 Amended Project Area. The Study has taken this statute into account.

16. Amendment to Section 500 of the Plan. Section 500 of the Plan is amended by the addition of new Section 504.13 entitled “MEMBERSHIP DUES AND SUPPORT OF COMMUNITY ECONOMIC DEVELOPMENT” as follows:

504.13 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 Operation 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.

17. Amendment to Section 800 of the Plan. Section 800 of the Plan is amended by deleting Section 800 and replacing it as follows:⁷

Except for the nondiscrimination and nonsegregation provisions which shall run in perpetuity, the provisions of this Plan shall be effective, and the provisions of other documents formulated pursuant to this Plan, shall be effective for twenty-four (24) years⁸ 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, 2029, except for any revenue allocation proceeds received in calendar year 2030, as contemplated by Idaho Code § 50-2905(7). The Agency may use proceeds in 2030 to wind up eligible projects set forth herein and as identified in Section 301 and the Study. As stated in the Plan, any owner participation agreement or disposition and development agreement obligations will cease as of December 31, 2029.

Pursuant to Idaho Code § 50-2914 the Agency may terminate an urban renewal plan containing a revenue allocation financing provision in accordance with the provisions of Idaho Code §§ 50-2903(5) and 50-2909(4). Idaho Code § 50-2903(5) provides “[i]n the event that the [A]gency determines that current tax year revenues are sufficient to cover all estimated expenses for the current year and all future years”, the Agency shall adopt a resolution recommending termination of the revenue allocation area by September 1. In order to provide sufficient notice of

⁷ This amendment does not seek to extend the duration of the Agency’s revenue allocation authority; rather, the intent is to update this Section to better reflect the Idaho law provisions governing termination.

⁸ The Plan was adopted prior to the change in duration to twenty (20) years.

termination to the affected taxing districts to allow them to benefit from the increased budget capacity, the Agency will also use its best efforts to provide a written termination notice by May 1, 2030:

- 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 by the County Clerk 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. Idaho Code § 50-2909(4).
- 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. Idaho Code §§ 50-2905(7) and 50-29014.
- 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. Idaho Code § 50-2903(5).

Upon termination of the revenue allocation authority of the Plan to the extent the Agency owns or possesses any assets, subject to the following paragraph, the Agency intends to dispose of any remaining assets by granting or conveying or dedicating such assets to the City, unless based on the nature of the asset, disposition to another public entity is more appropriate.

As allowed by Idaho Code § 50-2905(8), the Agency may retain 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. 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 City, depending on the nature of the asset.

18. Amendment to Section 1100 of the Plan. Section 1100 of the Plan is deleted and replaced with new Section 1100 entitled “ANNUAL REPORT AND OTHER REPORTING REQUIREMENTS” as follows:

1100 ANNUAL REPORT AND OTHER REPORTING REQUIREMENTS

Under the Law, the Agency is required to file with the City and the State Controller’s office, on or before March 31 of each year, a report of the Agency’s activities for the preceding calendar year, which report shall include certain financial information required under Idaho Code § 67-1076. 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 the local government registry portal, Idaho Code §§ 67-1076 and 50-2006(5)(c), State of Idaho Controller’s Office, and 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 Kootenai County Board of County Commissioners.

19. Amendment to Plan to add new Attachment 1A. The Plan is amended to add new Attachment 1A entitled “Boundary Map of Each of Node 1A, Node 1B, Node 1E, Node 1F and Node 1K ,” attached hereto.

20. Amendment to Plan to add new Attachment 2A. The Plan is amended to add new Attachment 2A entitled “Legal Description of the Boundaries of Each of Node 1A, Node 1B, Node 1E, Node 1F and Node 1K,” attached hereto.

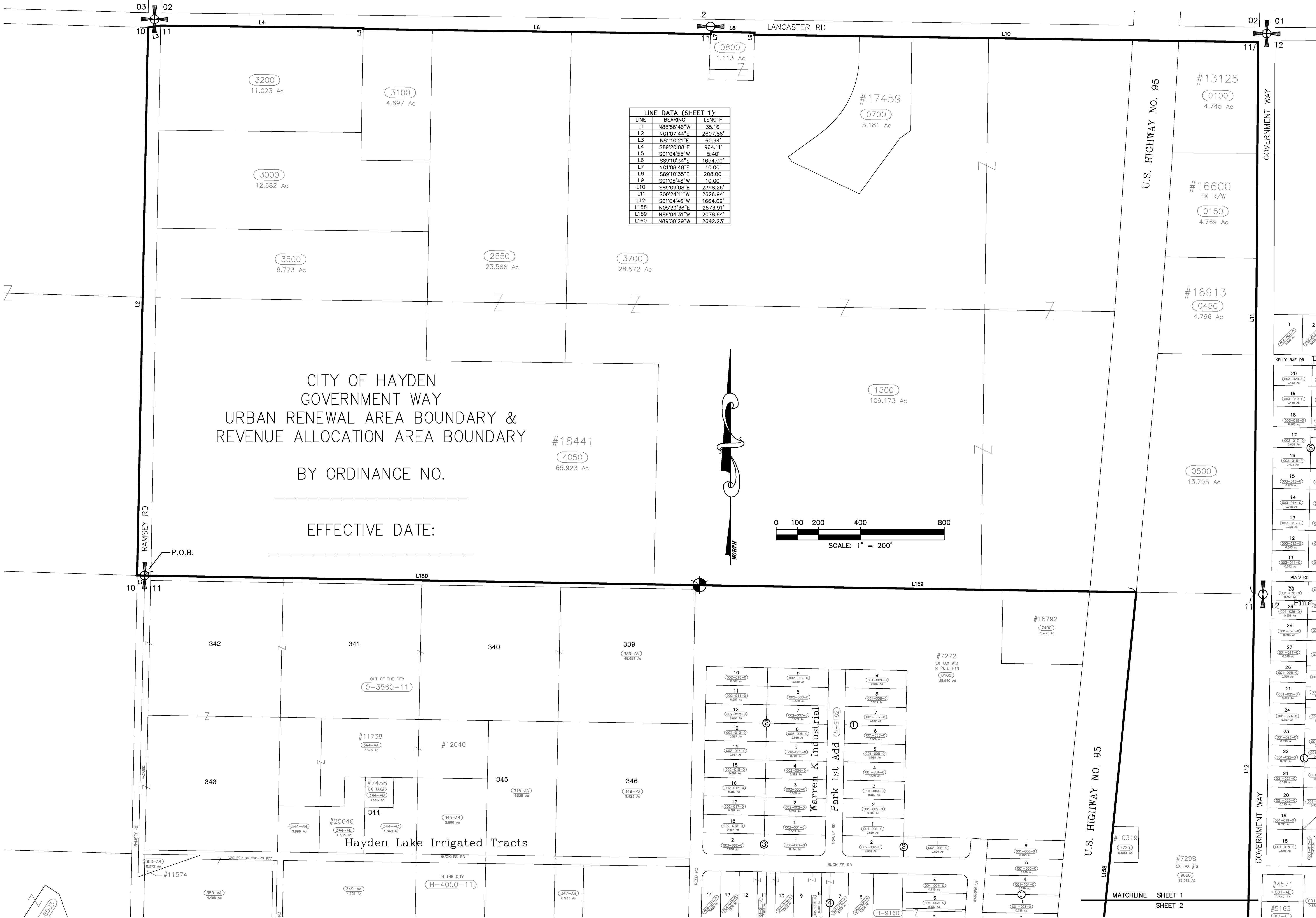
21. Amendment to Plan to add new Attachment 4A. The Plan is amended to add new Attachment 4A entitled “Map Depicting Expected Land Uses and Current Zoning Within the Amendment Area,” attached hereto.

22. Amendment to Plan to add new Attachment 5C. The Plan is amended to add new Attachment 5C entitled “Supplement to Attachments 5, 5A and 5B: Financial Analysis Related to the 2025 Annexation of the Amendment Area,” attached hereto.

23. Hayden Urban Renewal Capital Development Plan Remains in Effect. Except as expressly modified in this First Amendment, the Plan and the Attachments thereto remain in full force and effect.

Attachment 1A

Boundary Map of Each of Node 1A, Node 1B, Node 1E, Node 1F and Node 1K



LINE DATA (SHEET 1):		
LINE	BEARING	LENGTH
L1	N89°58'46"W	35.16'
L2	N01°07'44"E	2607.86'
L3	N81°10'21"E	60.94'
L4	S89°20'08"E	964.11'
L5	S01°04'55"W	5.40'
L6	S89°10'34"E	1654.09'
L7	N01°08'48"E	10.00'
L8	S89°10'35"E	208.00'
L9	S01°08'48"W	10.00'
L10	S89°09'08"E	2398.26'
L11	S00°24'11"W	2626.94'
L12	S01°04'46"W	1664.09'
L158	N05°39'36"E	2673.91'
L159	N89°04'31"W	2078.64'
L160	N89°00'29"W	2642.23'

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001-017-D 0.586 Ac	

PROJECT NO.: 41914.06-1

DESIGNED BY: MLH

DRAWN BY: MNR

CHECKED BY: 41014.091EX01.DWG

DATE: 05/22/2025

SHEET NO: 1 OF 3

LOCATED IN SECTIONS

10,11,12,13,14,23, AND 24, T51N

R4W, B.M., KOOTENAI COUNTY, ID

CITY OF HAYDEN

HAYDEN URBAN

RENEWAL AGENCY

WELCH-CORNER & ASSOCIATES, INC.

330 E. Lakeside Ave. Suite 101

Coeur d'Alene, ID 83814

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(208) 664-8933

(208) 235-0644-3596

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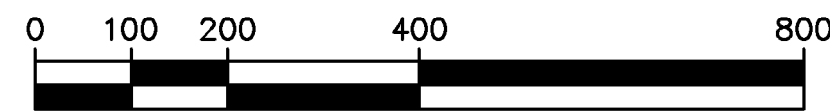
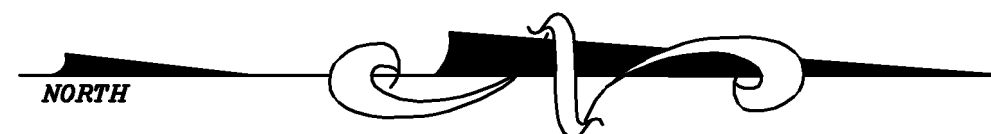
CONSTRUCTION

CITY OF HAYDEN
GOVERNMENT WAY
URBAN RENEWAL AREA BOUNDARY &
REVENUE ALLOCATION AREA BOUNDARY

BY ORDINANCE NO.

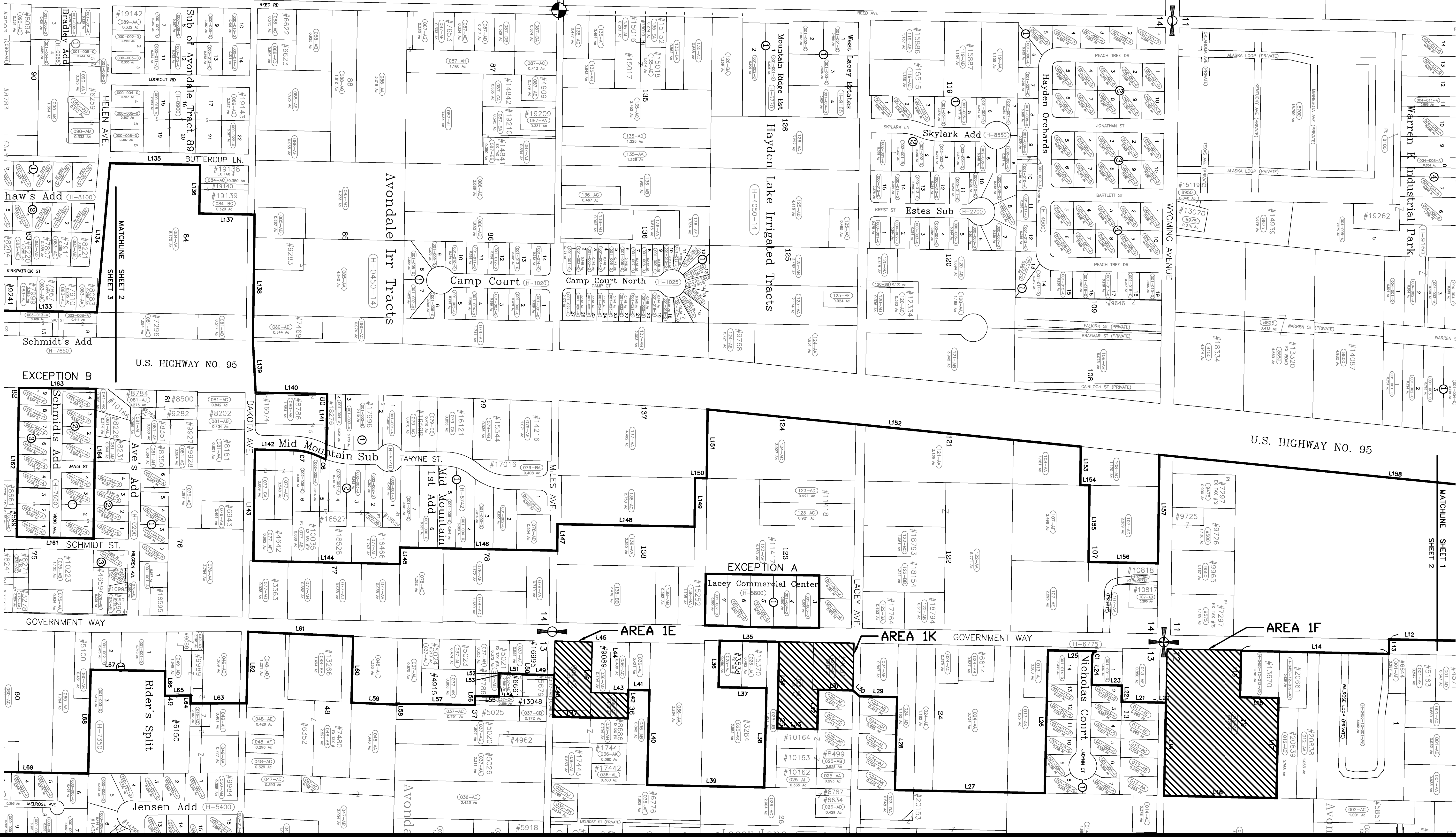
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C6	31.57'	330.00'	5°28'55"	S23°12'49"W	31.56'
C7	116.74'	270.00'	24°46'23"	S13°34'05"W	115.83'



SCALE: 1" = 200'

LINE DATA (SHEET 2):					
LINE	BEARING	LENGTH	LINE	BEARING	LENGTH
L12	S01°04'46"W	1664.09'	L32	S88°40'57"E	170.00'
L13	S89°03'56"E	62.79'	L33	S01°10'40"W	172.04'
L14	S01°14'27"W	635.60'	L34	N88°39'27"W	372.42'
L15	S88°47'01"E	200.00'	L35	S01°04'45"W	256.88'
L16	N01°14'55"E	165.00'	L36	S88°37'57"E	200.00'
L17	S88°47'01"E	430.33'	L37	N01°04'46"E	206.96'
L18	S01°14'32"W	483.60'	L38	S88°39'27"E	427.33'
L19	N88°47'01"W	400.12'	L39	S01°10'46"W	504.30'
L20	S01°10'48"E	29.99'	L40	N88°36'26"W	407.45'
L21	S01°10'48"W	160.99'	L41	S01°04'45"W	451.56'
L22	N88°46'01"W	70.00'	L42	S88°36'26"E	15.33'
L23	S01°14'12"W	130.98'	L43	S01°14'26"W	80.49'
L24	N88°46'01"W	124.94'	L44	N88°36'03"W	217.58'
L25	S01°04'35"W	210.79'	L45	S01°26'31"W	80.47'
L26	S88°44'22"E	614.36'	L46	S88°35'40"E	324.82'
L27	S01°10'51"W	644.33'	L47	S01°07'03"W	161.01'
L28	N88°41'42"W	400.00'	L48	N88°34'54"W	179.17'
L29	S01°10'48"W	160.99'	L49	S01°06'30"W	134.66'
L30	S41°03'00"W	39.01'	L50	N88°36'00"W	3.00'
L31	S01°10'44"W	150.00'	L51	S01°06'30"W	101.00'
L32	S88°40'57"E	170.00'	L52	S88°36'00"E	3.00'
L33	S01°10'40"W	172.04'	L53	N01°06'30"E	1.00'
L34	N88°39'27"W	372.42'	L54	S88°36'00"W	96.28'
L35	S01°04'45"W	256.88'	L55	S00°45'05"W	102.02'
L36	S88°37'57"E	200.00'	L56	S89°14'55"E	37.96'
L37	N01°04'46"E	206.96'	L57	S00°58'55"W	338.40'
L38	S88°39'27"E	427.33'	L58	S88°37'24"E	4.31'
L39	S01°10'46"W	504.30'	L59	S02°31'52"W	193.54'
L40	N88°36'26"W	407.45'	L60	N88°37'24"W	285.07'
L41	S01°04'45"W	451.56'	L61	N89°11'17"W	451.56'
L42	S88°36'26"E	15.33'	L62	S88°38'59"E	307.71'
L43	S01°14'26"W	80.49'	L63	S00°13'05"E	241.27'
L44	N88°36'03"W	217.58'	L64	N88°39'18"W	33.77'
L45	S01°26'31"W	80.47'	L65	S00°19'01"E	111.23'
L46	S88°35'40"E	324.82'	L66	N88°39'37"W	106.24'
L47	S01°07'03"W	161.01'	L67	N01°06'38"E	388.03'
L48	N88°34'54"W	179.17'	L68	S89°12'31"E	208.75'
L49	S01°06'30"W	134.66'	L69	N01°06'50"E	237.75'
L50	N88°36'00"W	3.00'	L70	S89°12'39"E	544.28'
L51	S01°06'30"W	101.00'	L71	N86°51'16"E	221.99'
L52	S88°36'00"E	3.00'	L72	N01°11'00"E	307.45'
L53	N01°06'30"E	1.00'	L73	S89°11'32"E	281.55'
L54	S88°36'00"W	96.28'	L74	S01°10'53"W	165.45'
L55	S00°45'05"W	102.02'	L75	S89°12'39"E	179.48'
L56	S89°14'55"E	37.96'	L76	N01°11'55"E	630.12'
L57	S00°58'55"W	338.40'	L77	N89°07'45"W	71.20'
L58	S88°37'24"E	4.31'	L78	N01°11'41"E	677.30'
L59	S02°31'52"W	193.54'	L79	N89°20'02"W	114.38'
L60	N88°37'24"W	285.07'	L80	N01°10'53"E	588.93'
L61	N89°11'17"W	451.56'	L81	N01°10'51"E	208.71'
L62	S88°38'59"E	307.71'	L82	N01°10'51"E	50.00'
L63	S00°13'05"E	241.27'	L83	N89°18'17"W	296.54'
L64	N88°39'18"W	33.77'	L84	N05°41'20"E	1614.42'
L65	S00°19'01"E	111.23'	L85	S89°13'45"E	165.89'
L66	N88°39'37"W	106.24'	L86	N01°02'51"E	39.52'
L67	N01°06'38"E	388.03'	L87	S89°13'45"E	330.00'
L68	S89°12'31"E	208.75'	L88	N01°02'51"E	299.23'
L69	N01°06'50"E	237.75'	L89	N89°12'31"W	466.72'
L70	S89°12'39"E	544.28'	L90	N05°39'36"E	2673.91'
L71	N86°51'16"E	221.99'	L91	N05°39'36"E	2673.91'



PRELIMINARY
NOT FOR
CONSTRUCTION

WELCH-COMER
PLANNING & ENGINEERING, INC.
330 E. Lakeside Ave., Suite 101
Coeur d'Alene, ID 83814
208-664-8922
208-664-8923
(NW) 208-664-3966
www.welchcomer.com
DATE: _____

LOCATED IN SECTION
10, 11, 12, 13, 14, 23, AND 24
R4W, B.M., KOOTENAI COUNTY, ID

CITY OF HAYDEN
HAYDEN URBAN
RENEWAL AGENCY

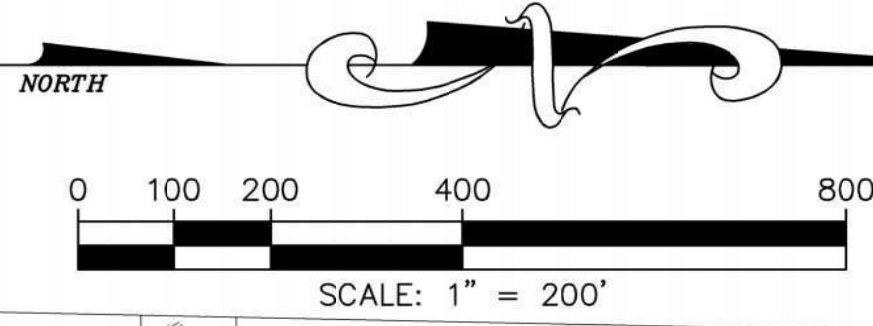
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DESIGNED BY: MLH
DRAWN BY: MNR
CHECKED BY: _____
DWG NO.: 41914.061X01.DWG
DATE: 05/22/2025
SHEET NO.: 2 OF 3

CITY OF HAYDEN
GOVERNMENT WAY
URBAN RENEWAL AREA BOUNDARY &
REVENUE ALLOCATION AREA BOUNDARY

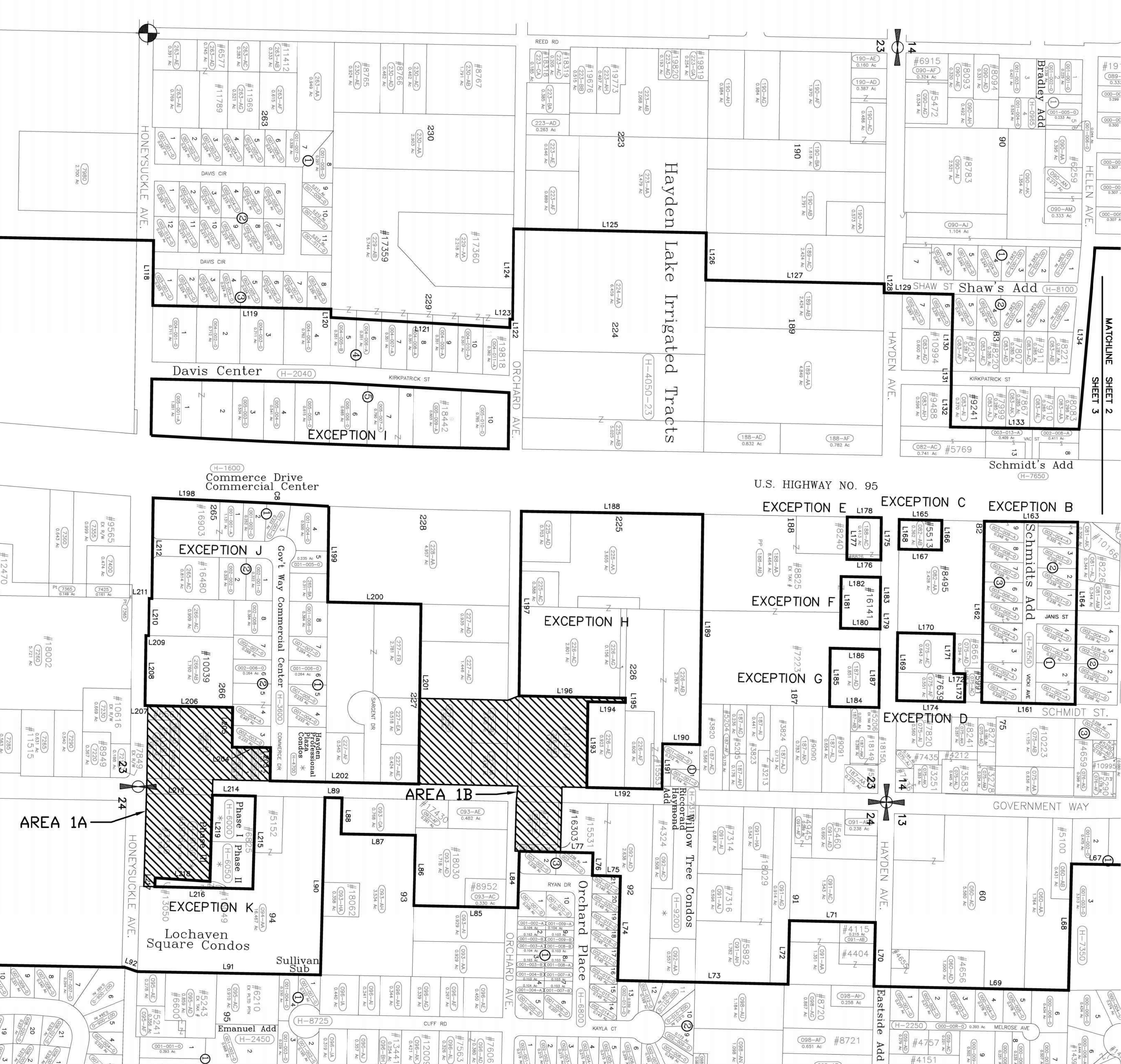
BY ORDINANCE NO.

EFFECTIVE DATE:

CURVE DATA (SHEET 3):					
CURVE	LENGTH	RADIUS	DELTA	CHD BRG	CHORD
C2	122.76'	230.00'	30°34'53"	N15°00'01"E	121.31'
C3	86.92'	280.00'	17°47'09"	N08°21'01"W	86.57'
C4	146.86'	470.00'	17°54'13"	N08°17'27"W	146.27'
C5	47.13'	30.00'	90°00'35"	N45°39'40"E	42.43'
C8	385.14'	28757.90'	0°46'02"	N02°53'03"E	385.14'



LINE DATA (SHEET 3):											
LINE	BEARING	LENGTH	LINE	BEARING	LENGTH	LINE	BEARING	LENGTH	LINE	BEARING	LENGTH
L67	S01°04'55"W	322.41'	L86	N88°35'30"W	248.78'	L105	N81°38'30"W	219.47'	L124	N89°22'05"W	319.80'
L68	S88°40'25"E	447.24'	L87	S01°02'32"W	263.62'	L106	S05°51'06"W	845.64'	L125	N01°11'09"E	681.91'
L69	S01°08'45"W	689.34'	L88	N88°34'18"W	127.36'	L107	N89°24'08"W	246.82'	L126	S89°17'29"E	167.00'
L70	N88°41'40"W	225.88'	L89	S01°13'41"W	60.00'	L108	N00°32'34"E	5.84'	L127	N01°12'19"E	631.93'
L71	S01°13'10"W	303.24'	L90	S88°34'18"E	627.56'	L109	S89°24'18"E	45.00'	L128	S89°17'59"E	31.68'
L72	S88°40'51"E	225.02'	L91	S01°02'32"W	263.62'	L110	N00°32'34"E	30.00'	L129	S01°02'32"E	244.28'
L73	S01°17'12"W	603.18'	L92	S18°29'00"W	46.77'	L111	N89°24'30"W	45.00'	L130	S88°45'42"E	272.00'
L74	N88°29'12"W	368.75'	L93	S00°59'14"W	227.62'	L112	N00°32'34"E	5.84'	L131	S89°17'59"E	50.00'
L75	S01°34'50"W	98.97'	L94	N89°00'32"W	224.94'	L113	N17°14'35"W	30.03'	L132	S88°50'23"E	147.68'
L76	N88°34'53"W	79.81'	L95	S00°59'28"W	83.67'	L114	N00°39'40"E	391.29'	L133	N00°57'11"E	454.84'
L77	S01°19'15"W	115.64'	L96	N89°00'32"W	485.13'	L115	N00°39'40"E	30.00'	L134	N84°58'18"W	643.77'
L78	N88°36'27"W	175.26'	L97	N00°59'45"E	168.51'	L116	N89°20'20"W	292.00'	L135	S01°05'00"W	330.00'
L79	S01°14'48"W	9.96'	L98	N89°13'22"W	386.65'	L117	N01°08'55"E	136.33'	L136	N89°17'19"E	640.71'
L80	S88°36'42"E	150.00'	L99	N00°59'45"E	255.80'	L118	S89°16'20"E	229.85'	L137	N01°05'00"E	140.00'
L81	S01°13'41"W	150.00'	L100	N89°13'22"W	386.65'	L119	N01°08'42"E	630.95'	L138	S89°17'19"E	644.73'
L82	S88°36'42"E	25.01'	L101	N01°00'49"E	410.06'	L120	S89°14'13"E	30.02'	L139	S01°04'40"W	175.00'
L83	N01°19'15"E	15.07'	L102	N89°20'50"W	267.12'	L121	N03°13'45"E	633.32'	L140	S01°11'35"W	135.50'
L84	S88°29'02"E	200.25'	L103	N04°01'00"E	170.55'	L122	N89°17'07"W	30.03'	L141	N01°20'29"E	175.00'
L85	S01°13'41"W	368.33'	L104	N89°20'50"W	429.98'	L123	N03°13'45"E	10.00'	L142	S89°17'59"E	205.69'



PROJECT NO.: 41014.06.1
DESIGNED BY: MHP
DRAWN BY: MHP
CHECKED BY: MHP
DATE: 05/22/2025
SHEET NO.: 3 OF 3

LOCATED IN SECTION
10, 11, 12, 13, 14, 23, AND 24, T51N
R4W, B.M., KOOTENAI COUNTY, ID

CITY OF HAYDEN
HAYDEN URBAN
RENEWAL AGENCY

PRELIMINARY
NOT FOR
CONSTRUCTION

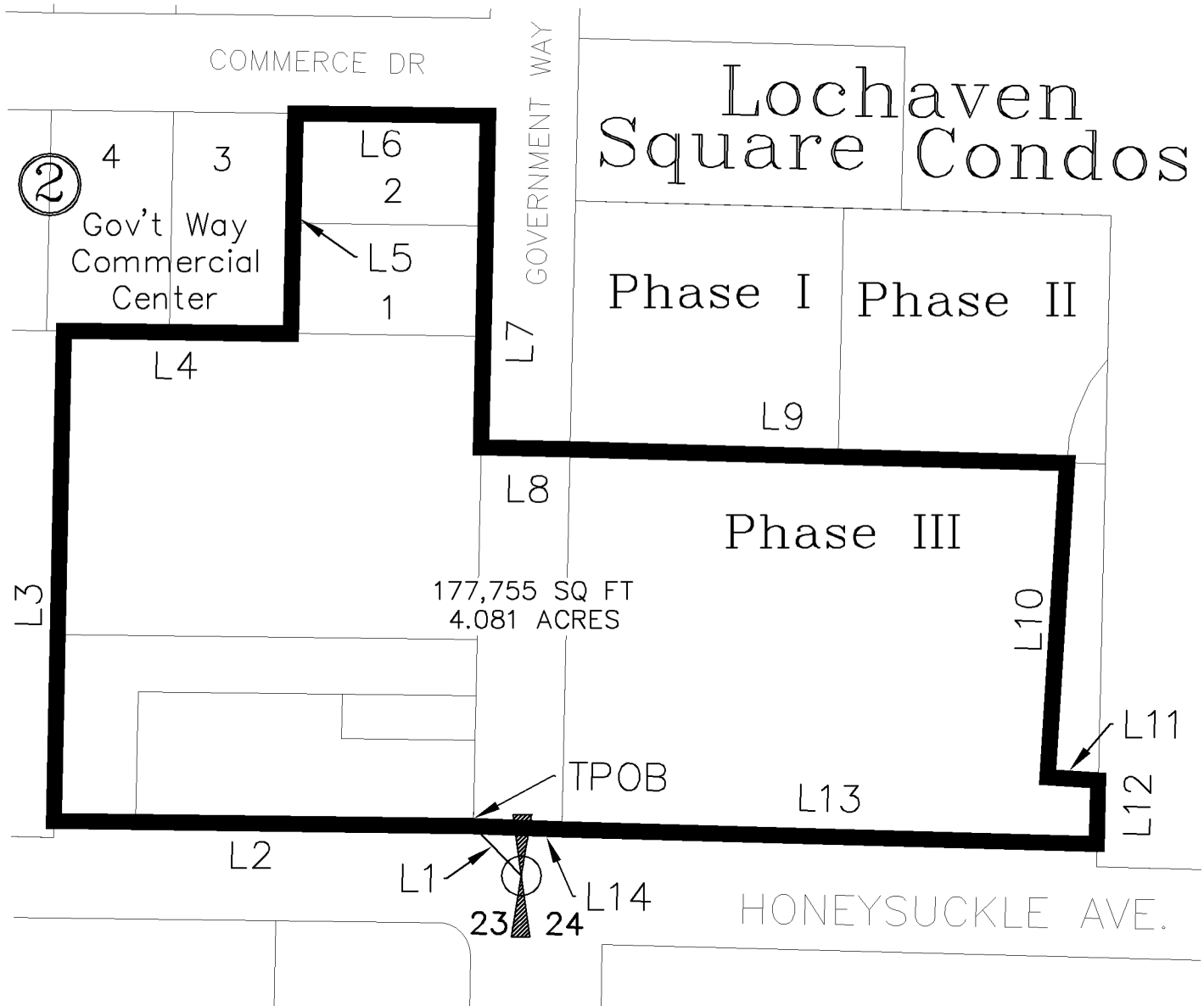
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Coeur d'Alene, ID 83814
www.welchcomer.com

LINE DATA:		
LINE	BEARING	LENGTH
L1	N44°02'08"W	42.25'
L2	N89°16'21"W	257.25'
L3	N01°11'34"E	301.18'
L4	S89°17'10"E	139.25'
L5	N01°11'35"E	135.50'
L6	S89°17'10"E	118.06'
L7	S01°12'33"W	203.69'
L8	S88°48'26"E	54.53'
L9	S89°35'55"E	302.76'
L10	S02°23'53"W	193.67'
L11	S87°49'21"E	30.82'
L12	S00°07'00"W	39.07'
L13	N89°35'55"W	282.85'
L14	N88°52'02"W	101.92'

EXHIBIT A
AREA 1A
CITY OF HAYDEN
HAYDEN URBAN RENEWAL AGENCY
LOCATED IN THE NE 1/4 OF SECTION 23 AND
THE NW 1/4 OF SECTION 24, TOWNSHIP 51
NORTH, RANGE 4 WEST, BOISE MERIDIAN,
KOOTENAI COUNTY, IDAHO



SCALE: 1"=100'

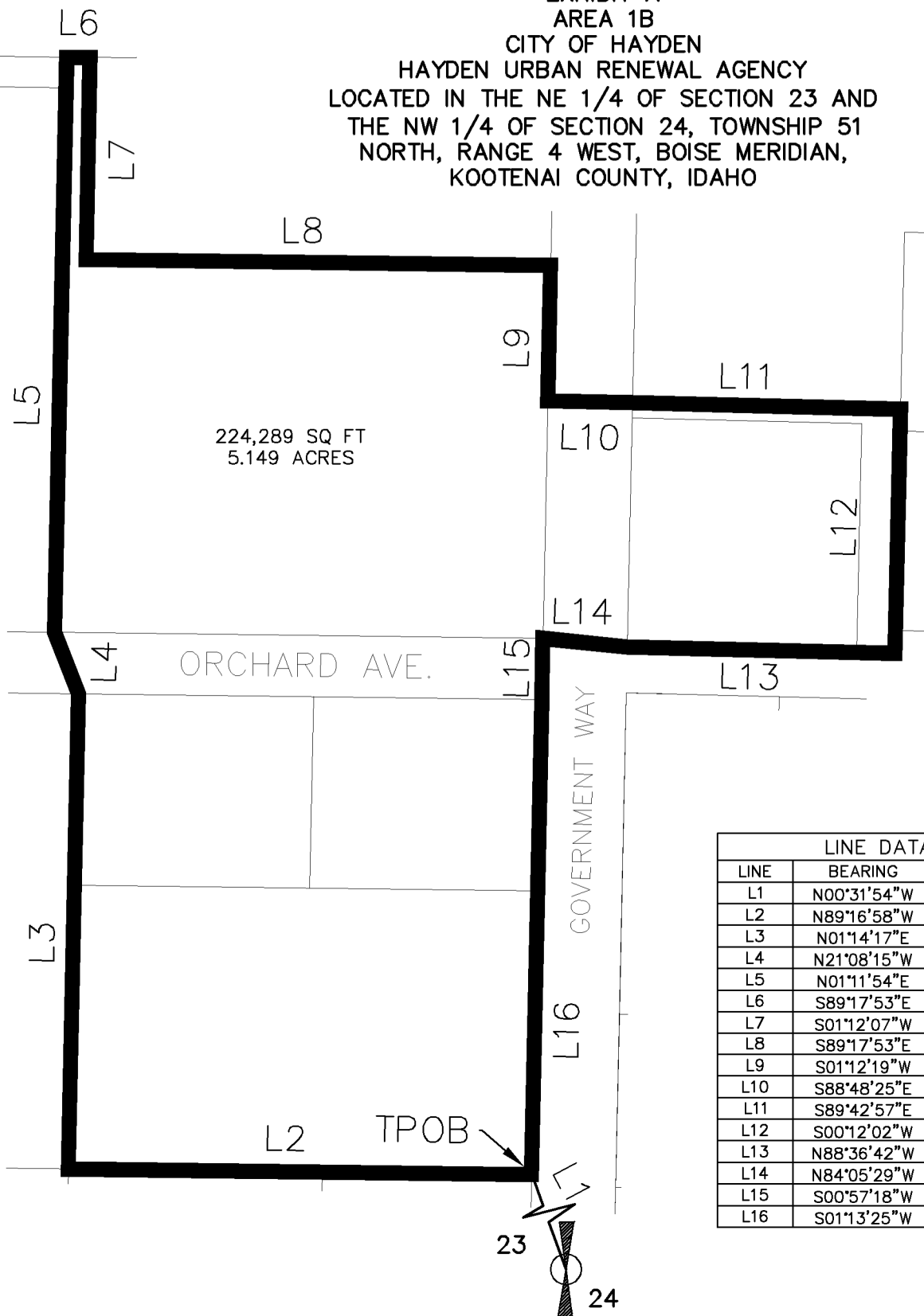


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Coeur d'Alene, ID 83814 (fax) 208-664-5946

CITY OF HAYDEN
HAYDEN URBAN RENEWAL AGENCY
AREA 1A
T51N, R4W, SEC. 23&24, B.M.

PROJECT NO.: 41014.091
DESIGNED BY: MLH
DRAWN BY: SNR
DWG: 41014.091EX04.DWG
DATE: 06/04/2025
SHEET NO: 1 OF 1

EXHIBIT A
 AREA 1B
 CITY OF HAYDEN
 HAYDEN URBAN RENEWAL AGENCY
 LOCATED IN THE NE 1/4 OF SECTION 23 AND
 THE NW 1/4 OF SECTION 24, TOWNSHIP 51
 NORTH, RANGE 4 WEST, BOISE MERIDIAN,
 KOOTENAI COUNTY, IDAHO



SCALE: 1"=100'

LINE DATA:		
LINE	BEARING	LENGTH
L1	N00°31'54"W	992.63'
L2	N89°16'58"W	302.82'
L3	N01°14'17"E	311.05'
L4	N21°08'15"W	43.10'
L5	N01°11'54"E	376.00'
L6	S89°17'53"E	15.49'
L7	S01°12'07"W	132.01'
L8	S89°17'53"E	303.49'
L9	S01°12'19"W	88.47'
L10	S88°48'25"E	55.50'
L11	S89°42'57"E	175.30'
L12	S00°12'02"W	160.06'
L13	N88°36'42"W	175.01'
L14	N84°05'29"W	55.37'
L15	S00°57'18"W	40.00'
L16	S01°13'25"W	311.05'



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CITY OF HAYDEN
 HAYDEN URBAN RENEWAL AGENCY
 AREA 1B
 T51N, R4W, SEC. 23&24, B.M.

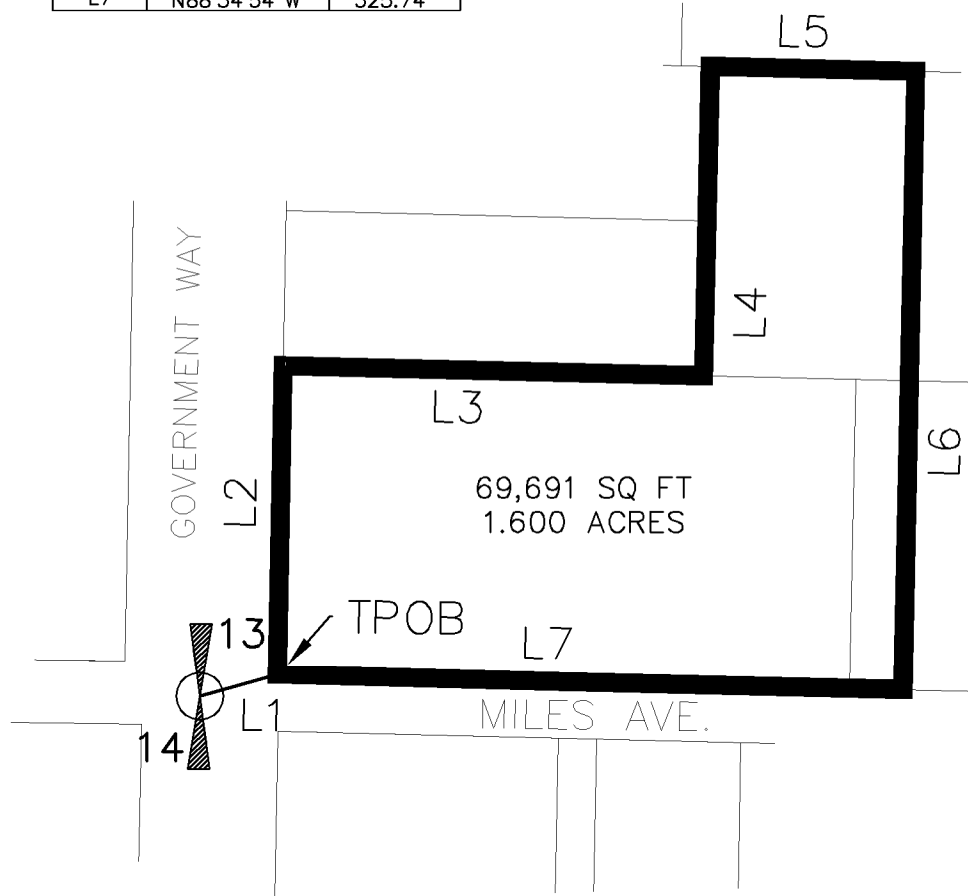
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 DESIGNED BY: MLH
 DRAWN BY: SNR
 DWG: 41014.091EX04.DWG
 DATE: 06/04/2025
 SHEET NO: 1 OF 1

EXHIBIT A
AREA 1E
CITY OF HAYDEN
HAYDEN URBAN RENEWAL AGENCY
LOCATED IN THE NW 1/4 OF SECTION 13, TOWNSHIP 51 NORTH,
RANGE 4 WEST, BOISE MERIDIAN, KOOTENAI COUNTY, IDAHO

LINE DATA:		
LINE	BEARING	LENGTH
L1	N74°13'50"E	42.03'
L2	N01°04'45"E	160.94'
L3	S88°35'40"E	218.88'
L4	N01°14'26"E	160.99'
L5	S88°36'26"E	106.96'
L6	S01°10'44"W	322.02'
L7	N88°34'54"W	325.74'



SCALE: 1"=100'



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CITY OF HAYDEN
HAYDEN URBAN RENEWAL AGENCY
AREA 1E
T51N, R4W, SEC 13, B.M.

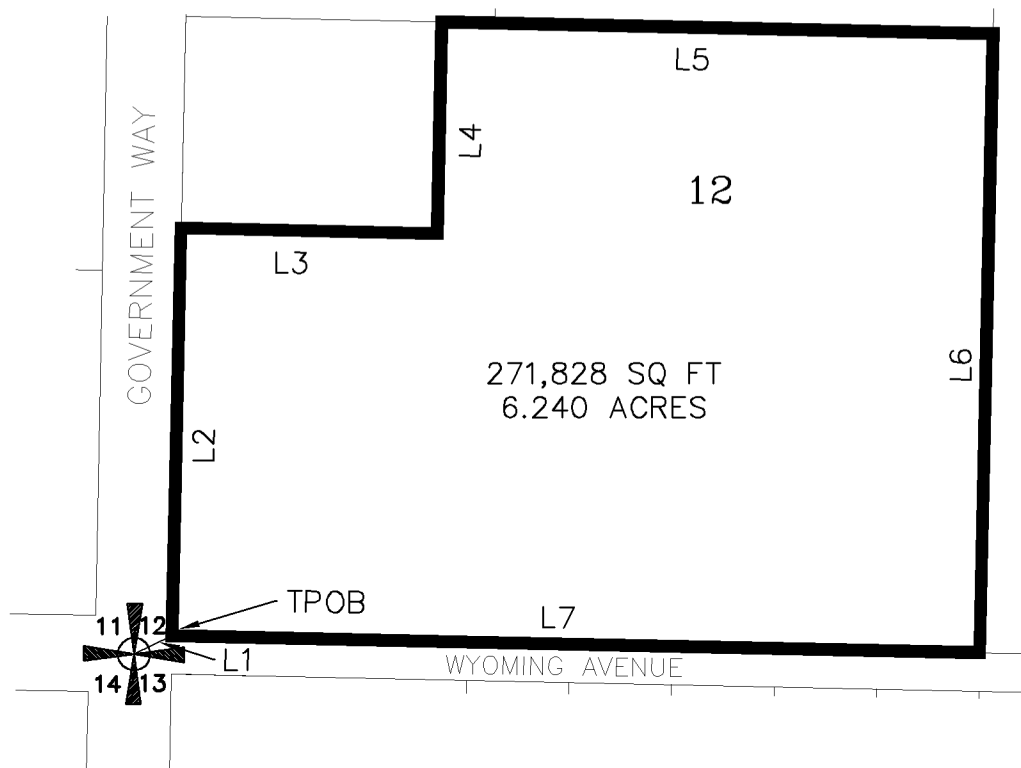
PROJECT NO.: 41014.091
DESIGNED BY: MLH
DRAWN BY: SNR
DWG: 41014.091EX04.DWG
DATE: 06/04/2025
SHEET NO: **1 OF 1**

EXHIBIT A
AREA 1F
CITY OF HAYDEN
HAYDEN URBAN RENEWAL AGENCY
LOCATED IN THE SW 1/4 OF SECTION 12, TOWNSHIP 51 NORTH,
RANGE 4 WEST, BOISE MERIDIAN, KOOTENAI COUNTY, IDAHO

LINE DATA:		
LINE	BEARING	LENGTH
L1	N64°10'26"E	33.21'
L2	N01°14'33"E	318.60'
L3	S88°47'01"E	200.00'
L4	N01°14'33"E	165.00'
L5	S88°47'01"E	430.33'
L6	S01°14'32"W	483.60'
L7	N88°47'01"W	630.33'



SCALE: 1"=150'



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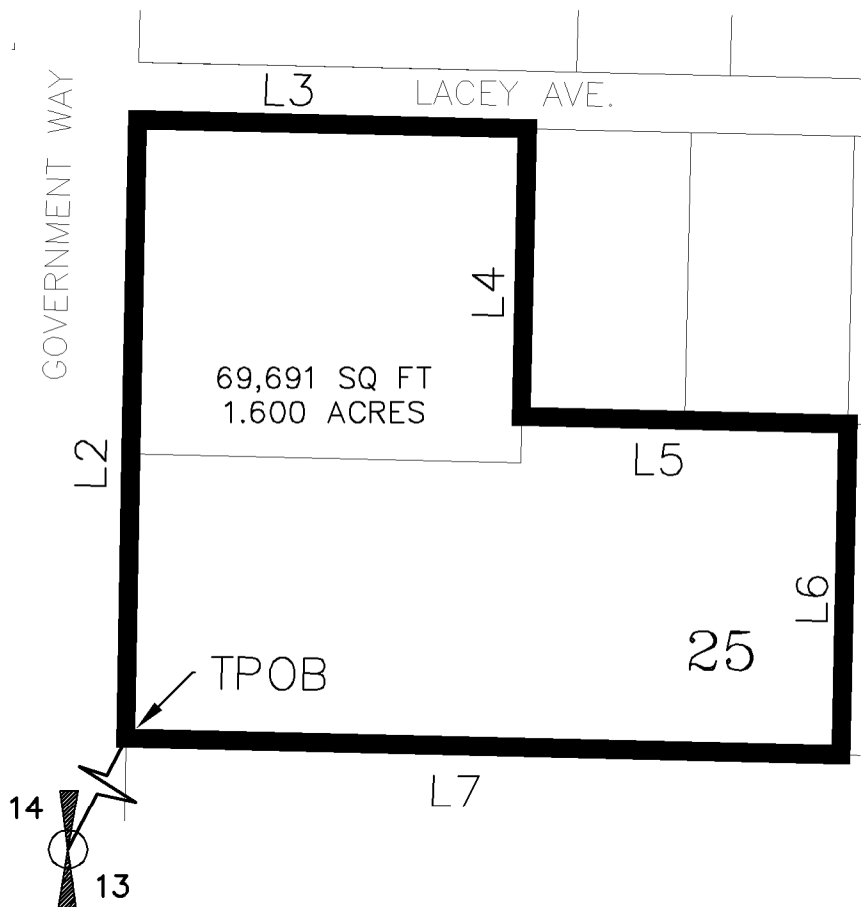
CITY OF HAYDEN
HAYDEN URBAN RENEWAL AGENCY
AREA 1F
T51N, R4W, SEC 12, B.M.

PROJECT NO.: 41014.091
DESIGNED BY: MLH
DRAWN BY: SNR
DWG: 41014.091EX04.DWG
DATE: 06/04/2025
SHEET NO: **1 OF 1**

EXHIBIT A
 AREA 1K
 CITY OF HAYDEN
 HAYDEN URBAN RENEWAL AGENCY
 LOCATED IN THE NW 1/4 OF SECTION 13, TOWNSHIP 51 NORTH,
 RANGE 4 WEST, BOISE MERIDIAN, KOOTENAI COUNTY, IDAHO



SCALE: 1"=100'



LINE DATA:		
LINE	BEARING	LENGTH
L1	N02°33'25"E	978.22'
L2	N01°04'45"E	321.88'
L3	S88°40'58"E	202.98'
L4	S01°10'44"W	150.00'
L5	S88°40'57"E	170.00'
L6	S01°10'44"W	172.01'
L7	N88°39'41"W	372.42'



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CITY OF HAYDEN
 HAYDEN URBAN RENEWAL AGENCY
 AREA 1K
 T51N, R4W, SEC 13, B.M.

PROJECT NO.: 41014.091
 DESIGNED BY: MLH
 DRAWN BY: SNR
 DWG: 41014.091EX04.DWG
 DATE: 06/04/2025
 SHEET NO: 1 OF 1

Attachment 2A

Legal Description of the Boundaries of Each of Node 1A, Node 1B, Node 1E, Node 1F and
Node 1K

Area 1A

That portion of the Northeast quarter of Section 23 and the Northwest quarter of Section 24, Township 51 North, Range 4 West, Boise Meridian, Kootenai County, Idaho, described as follows:

COMMENCING at the Quarter Section Corner common to said Sections 23 and 24;
Thence, along the centerline of the Right-of-Way for Government Way, North 44°02'08"
East, 42.25 feet, to the North Right-of-Way of Honeysuckle Avenue, said point being the
TRUE POINT OF BEGINNING;

Thence, along said North Right-of-Way of Honeysuckle Avenue, parallel to the East-West
center line of Section 23, North 89°16'21" West, 257.25 feet;

Thence, along said East line of "Tax No. 10039", North 01°11'34" East, 301.18 feet, to the
North line of the South half of Tract 266 of the AMENDED PLAT OF HAYDEN LAKE
IRRIGATED TRACTS, recorded in Book C, Page 67, records of Kootenai County, Idaho;

Thence, along said North line, South 89°17'10" East, 139.25 feet, to the Southwest corner
of Lot 1, Block 2 of the plat of GOVERNMENT WAY COMMERCIAL CENTER, recorded in
Book G, Page 107, records of Kootenai County, Idaho;

Thence, along the West line of Lot 1 and Lot 2 of said Block 2, North 01°11'35" East, 135.50
feet, to the Northwest corner of said Lot 2;

Thence, along the North line of said Lot 2, South 89°17'10" East, 118.06 feet, to the West
Right-of-Way of Government Way;

Thence, along said West Right-of-Way, South 01°12'33 West, 203.69 feet;

Thence, crossing the Right-of-way for Government Way, South 88°48'26" East, 54.53 feet,
to the North line of the plat of LOCHAVEN SQUARE CONDOMINIUM OFFICES PHASE 3 RE-
PLAT 2014, recorded in Book L, Page 22;

Thence, along the plat of LOCHAVEN SQUARE CONDOMINIUM OFFICES PHASE 3 RE-PLAT
2014 the following 5 courses:

1. South 89°35'55" East, 302.76 feet;
2. South 02°23'53" West, 193.67 feet;
3. South 87°49'21" East, 30.82 feet;
4. South 00°07'00" West, 39.07 feet;
5. North 89°35'55" West, 282.85 feet, to the East Right-of-Way of Government Way;

Thence, leaving said plat of LOCHAVEN SQUARE CONDOMINIUM OFFICES PHASE 3 RE-
PLAT 2014 and crossing Government Way, North $88^{\circ}52'02''$ West, 101.92 feet, to the **TRUE
POINT OF BEGINNING;**

Containing 177,755 square feet or 4.081 acres, more or less.

Area 1B

That portion of the Northeast quarter of Section 23 and the Northwest quarter of Section 24, Township 51 North, Range 4 West, Boise Meridian, Kootenai County, Idaho, described as follows:

COMMENCING at the Quarter Section Corner common to said Sections 23 and 24;
Thence, North 00°31'54" West, 992.63 feet, to the South line of the North half of Tract 227 of the AMENDED PLAT OF HAYDEN LAKE IRRIGATED TRACTS, recorded in Book C, page 67, records of Kootenai County, Idaho, said point being the **TRUE POINT OF BEGINNING**;

Thence, along said South line, North 89°16'58" West, 302.82 feet, to the West line of the East half of the said North half of Tract 227;

Thence, along said West line, North 01°14'17" East, 311.05 feet, to the South Right-of-Way of Orchard Avenue;

Thence, crossing Orchard Avenue, North 21°08'15" West, 43.10 feet to the Southwest corner of a parcel of land in Tract 226 of the AMENDED PLAT OF HAYDEN LAKE IRRIGATED TRACTS;

Thence, along the West line of said parcel of land in Tract 226, taken to be coincidental with the East line of Tract 226, North 01°11'54" East, 376.00 feet;

Thence, South 89°17'53" East, 15.49 feet, to the Northwest corner of the parcel described in the deed to Andrew Pickolick, et ux, recorded October 19, 1954 in Book 158 of deeds, Page 302, records of Kootenai County, Idaho;

Thence, South 01°12'07" West, 132.01 feet, to the Southwest corner of said Pickolick parcel;

Thence, South 89°17'53" East, 303.49 feet, to the West Right-of-Way of Government way;

Thence, along said West Right-of-Way, South 01°12'19" West, 88.47 feet;

Thence, crossing Government Way, South 88°48'25" East, 55.50 feet, to the Northwest corner of a parcel located in a portion of the South half of Tract 92 of the plat of AVONDALE, recorded in Book B, Page 132, records of Kootenai County, Idaho;

Thence, along the North line of said parcel located in a portion of the South half of Tract 92, South 89°42'57" East, 175.30 feet;

Thence, along the East line of said parcel, South 00°12'02" West, 160.06 feet;

Thence, North 88°36'42" West, 175.01 feet, to the East Right-of-Way of Government Way and the North Right-of-Way of Orchard Avenue;

Thence, crossing Government Way, North 84°05'29" West, 55.37 feet, to the West Right-of-Way of Government Way and the North Right-of-Way of Orchard Avenue;

Thence, crossing Orchard Avenue, South 00°57'18" West, 40.00 feet, to the West Right-of-Way of Government Way and the South Right-of-Way of Orchard Avenue;

Thence, along said West Right-of-Way of Government Way, South 01°50'21" West, 314.57 feet to the **TRUE POINT OF BEGINNING**;

Containing 223,686 square feet or 5.135 acres, more or less.

Area 1E

That portion of the Northwest quarter of Section 13, Township 51 North, Range 4 West, Boise Meridian, Kootenai County, Idaho, more particularly described as follows:

COMMENCING at the Quarter Section Corner common to said Sections 13 and 14;
Thence, North 74°13'50" East, 42.03 feet, to a line of intersection with the Southwest corner of Tract 36 of the plat of AVONDALE IRRIGATED TRACTS, recorded in Book B, Page 132, records of Kootenai County Idaho, said point being the **TRUE POINT OF BEGINNING**;

Thence, along the West line of the West half of the South half of said Tract 36 of the plat of AVONDALE IRRIGATED TRACTS, taken to be coincidental with the East Right-of-Way of Government Way, North 01°04'45" East, 160.94 feet, to the North line of the said West half of the South half of Tract 36;

Thence, along said North line, South 88°35'40" East, 218.88 feet;

Thence, North 01°14'26" East, 160.99 feet, to the South line of the North half of said Tract 36 of the plat of AVONDALE IRRIGATED TRACTS;

Thence, along said South line, South 88°36'26" East, 106.96 feet, to a point of intersection with a line offset 27.87 feet Easterly from the North-South centerline of said Tract 36;

Thence, along said offset line, South 01°10'44" West, 322.02 feet, to the North Right-of-Way of Miles Avenue;

Thence, along said North Right-of-Way, North 88°34'54" West, 325.74 feet, to the **TRUE POINT OF BEGINNING**;

Containing 69,691 square feet or 1.600 acres, more or less.

Area 1F

That portion of the Southwest quarter of Section 12, Township 51 North, Range 4 West, Boise Meridian, Kootenai County, Idaho, more particularly described as follows:

COMMENCING at the Section Corner common to Sections 11, 12, 13, and 14; Thence, North $64^{\circ}10'26''$ East, 33.21 feet to a point of intersection with the East Right-of-Way of Government Way, and the North Right-of-Way of Wyoming Avenue, said point being the **TRUE POINT OF BEGINNING**;

Thence along said East Right-of-Way, North $01^{\circ}14'33''$ East, 318.60 feet;

Thence, leaving said East Right-of-Way, South $88^{\circ}47'01''$ East, 200.00 feet, to a point 165 feet South and 200 feet East of said Northwest corner of the South three-fourths of Tract 12 of the plat of AVONDALE IRRIGATED TRACTS, recorded in Book B, Page 132, records of Kootenai County, Idaho;

Thence, along a line 200 feet East of said Tract 12, North $01^{\circ}14'33''$ East, 165.00 feet, to the North line of said South three-fourths;

Thence, along said North line, South $88^{\circ}47'01''$ East, 430.33 feet, to the East line of said South three-fourths;

Thence, along said East line, South $01^{\circ}14'32''$ West, 483.60 feet, to the South line of said Tract 12 and the North Right-of-Way of Wyoming Avenue;

Thence, along said North Right-of-Way, North $88^{\circ}47'01''$ West, 630.33 feet, to the **TRUE POINT OF BEGINNING**.

Containing 271,828 square feet or 6.240 acres.

Area 1K

That portion of the Northwest quarter of Section 13, Township 51 North, Range 4 West, Boise Meridian, Kootenai County, Idaho, described as follows:

COMMENCING at the Quarter Section Corner common to said Sections 13 and 14; Thence, North 02°33'25" East, 978.22 feet, to a point of intersection with the South boundary line of the Northern half of Tract 25 of the plat of AVONDALE IRRIGATED TRACTS, recorded in Book B, Page 132, records of Kootenai County, Idaho, and the East Right-of-Way of Government Way, said point being the **TRUE POINT OF BEGINNING**;

Thence, along said East Right-of-Way, North 01°04'45" East, 321.88 feet, to the North boundary of said Tract 25;

Thence, along said North line, South 88°40'58" East, 202.98 feet, to a point of intersection with a line offset 425 feet Easterly from, and parallel to, the East boundary of said Tract 25;

Thence, along said line offset 425 feet Easterly from, and parallel to, the East line of said Tract 25 of the plat of AVONDALE IRRIGATED TRACTS, South 01°10'44" West, 150.00 feet, to a point of intersection with a line offset 150 feet Southerly from, and parallel to, the South Right-of-Way of Lacey Avenue;

Thence, along said line, South 88°40'57" East, 170.00 feet, to a point of intersection with a line offset 255 feet Westerly from, and parallel to, the East line of said Tract 25;

Thence, along said line, South 01°10'44" West, 172.01 feet, to the said South line of the Northern half of said Tract 25;

Thence, along said South line of the Northern half of Tract 25, North 88°39'41" West, 372.42 feet, to the East Right-of-Way of Government Way, said point being the **TRUE POINT OF BEGINNING**;

Containing 94,488 square feet or 2.169 acres, more or less.

Attachment 4A

Map Depicting Expected Land Uses and Current Zoning Within the Amendment Area

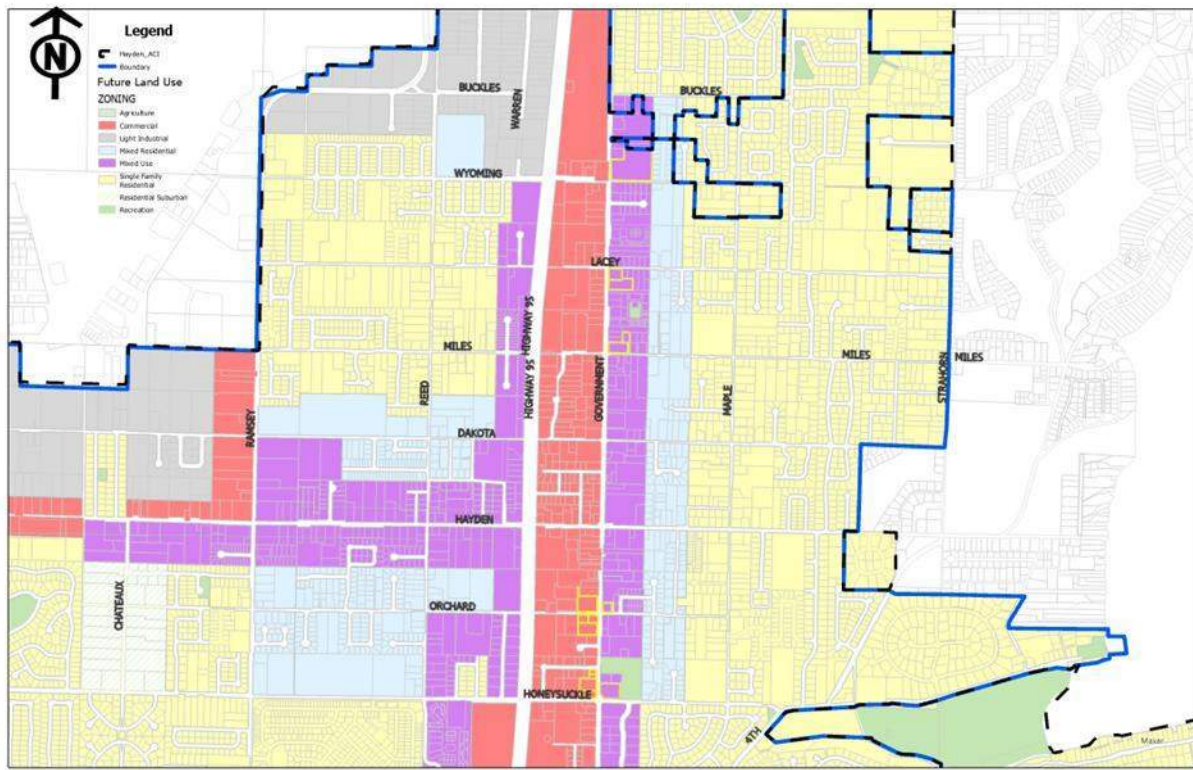
Attachment 4A

Map Depicting Expected Land Uses and Current Zoning Within the Amendment Area

Future Land Use Map

The properties west of Government Way are designated Commercial Land Use (Red) and those east of Government Way are designated Mixed Use (Purple)

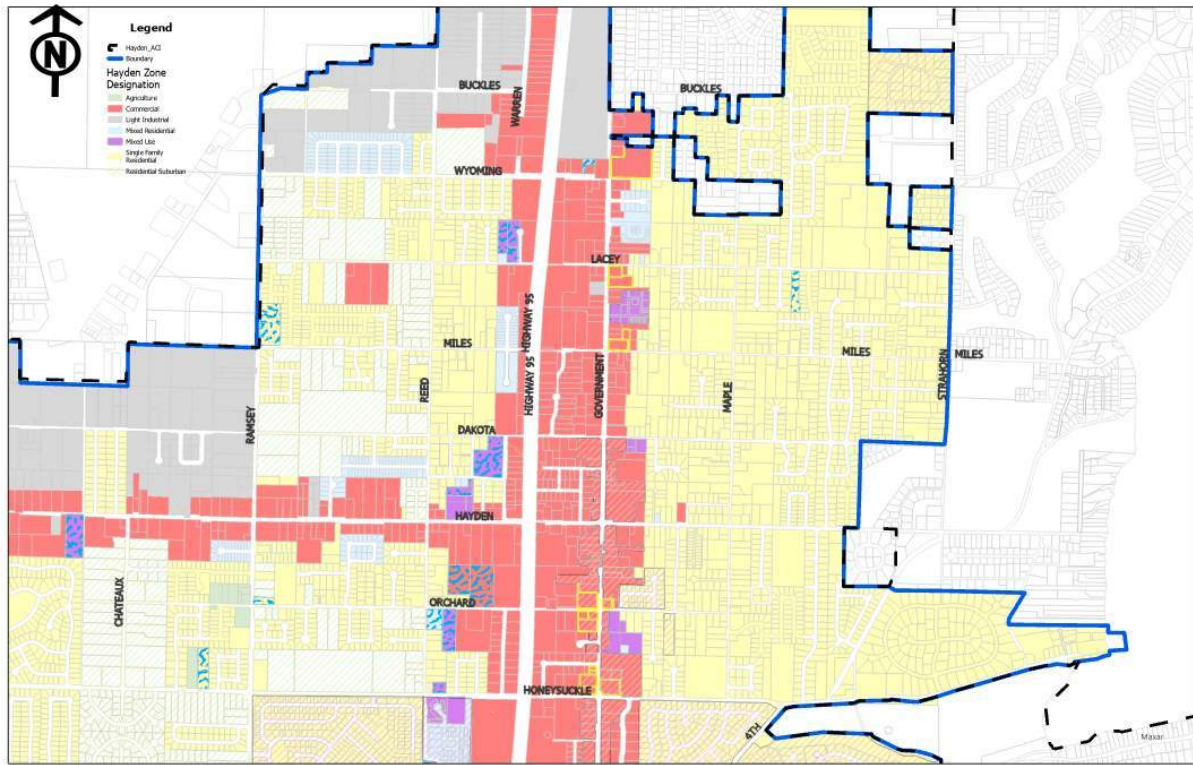




Zoning Map

Most properties are within the Central Business District overlay (Diagonal Lines) of the Commercial Zone (Red).





Attachment 5C

Supplement to Attachments 5, 5A and 5B: Financial Analysis Related to the 2025 Annexation of
the Amendment Area

4847-6772-7771, v. 6



ECONOMIC FEASIBILITY STUDY

Hayden Urban Renewal Agency

Prepared By:



Contents

Introduction 2

Expansion Area..... 2

Existing Conditions..... 4

 Social Conditions..... 4

Financial Analysis 6

 Future Development..... 7

 Projected Assessed Values..... 8

 Projected Tax Increment Revenue..... 8

 Taxing Districts 10

Conclusion..... 12



Introduction

Urban renewal and revenue allocation financing are one of the most significant tools available to Idaho communities for attracting and retaining businesses, generating economic development, promoting job creation and encouraging development of deteriorating and underutilized areas.

The State of Idaho provides limited options for cities and counties to use in financing site remediation/preparation, public infrastructure and other needed incentives necessary to attract and retain businesses. Revenue allocation financing allows communities to make a site “ready” for development, including extending water, sewer, streets and other public improvements that reduce the cost to businesses of relocating or expanding. Revenue allocation financing also allows Idaho cities and counties to compete with other jurisdictions in attracting industry and business to Idaho.

This feasibility report focuses on an expansion area of the current District encompassing 20 parcels, divided into five (5) nodes, totaling 19.225 acres, increasing the total RAA to approximately 739 acres. All nodes are located directly adjacent to the existing RAA. All parcels are improved; there are no agricultural parcels included.

This study lays the groundwork to assess the economic feasibility of this expansion area from an economic perspective. The public benefits resulting from this partnered development include:

- Underutilized property or land can be developed to a productive use
- Public infrastructure upgrades enhance capacity for surrounding area and community at large
- Improvements to local transportation systems benefit the community at large
- Increasing local tax base may mean property owners enjoy lower levy rates in the future
- Increased local tax base also bodes well for enrollment in the public schools and overall budget
- Successful projects generate increased sales and income taxes for the state

Expansion Area

As the map below indicates, the proposed expansion area is divided into five (5) nodes, all contiguous to the existing RAA boundary.

1. **1A:** An area bordered by Honeysuckle Avenue to the south and Commerce Drive to the north, with Government Way intersecting the node and situated within the existing RAA.
2. **1B:** An area situated at the northeast, northwest, and southwest corners of the Orchard Avenue and Government Way intersection.
3. **1E:** An area situated at the northeast corner of Miles Avenue and Government Way.
4. **1F:** An area situated at the northeast corner of Wyoming Avenue and Government Way.
5. **1K:** An area situated at the southeast corner of Lacey Avenue and Government Way.

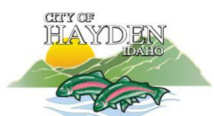
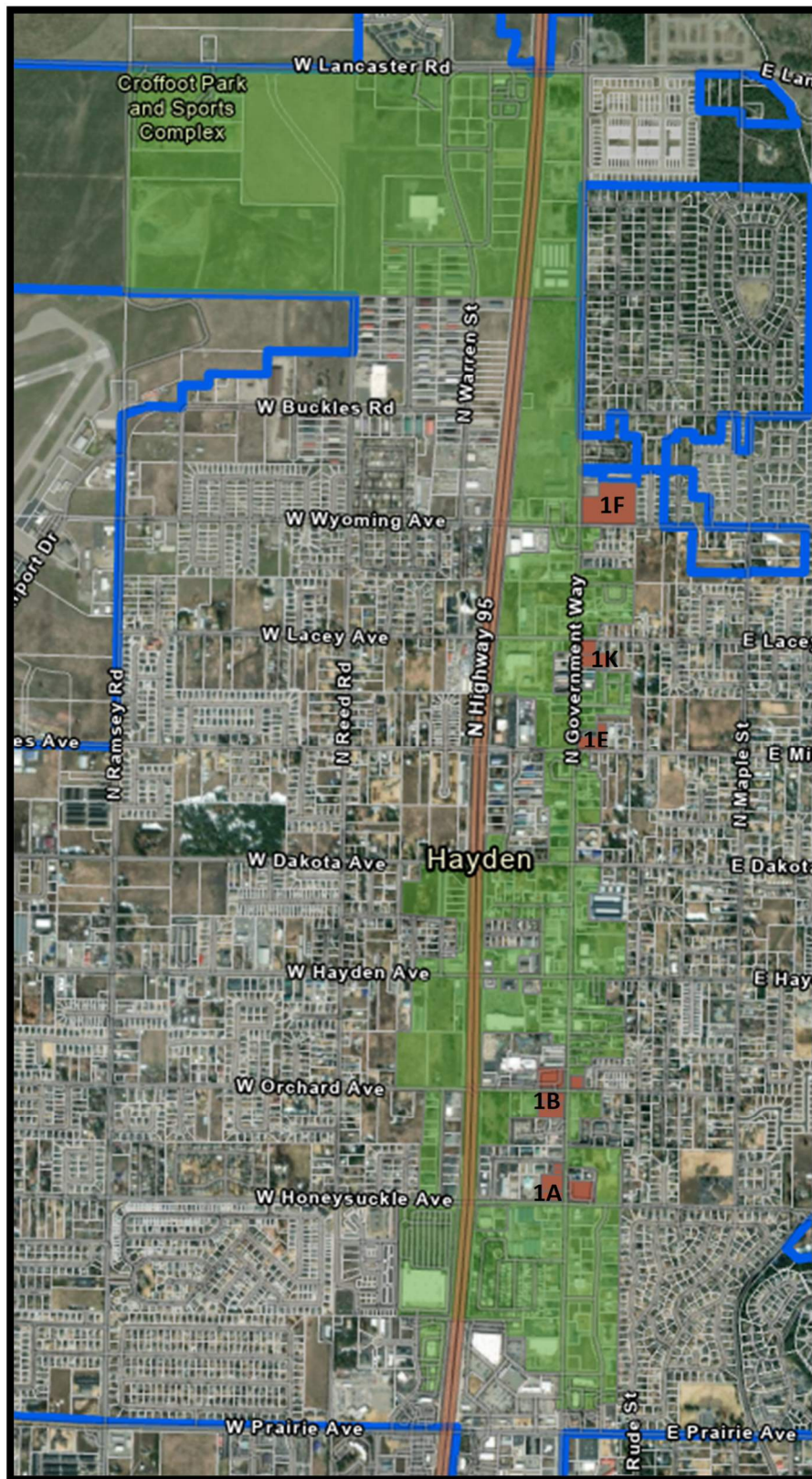


Figure 1. Proposed Hayden Urban Renewal District Allocation Area Amendment



Existing Conditions

Zoning

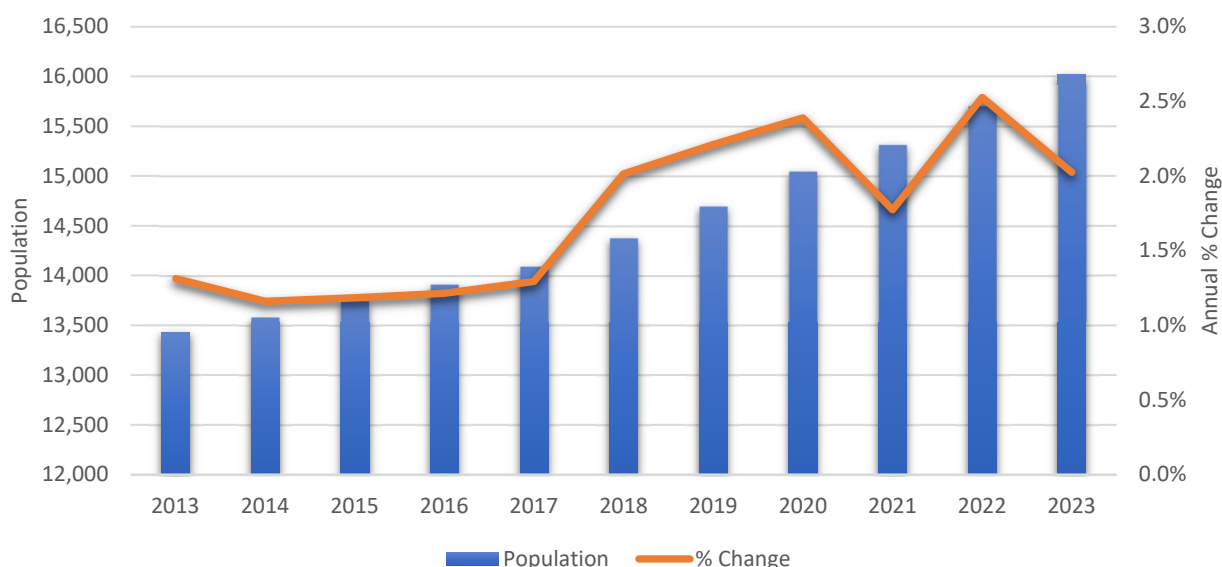
The five nodes are located at key intersections and primarily proposed to be included within the RAA for the installation of safety improvements. Each node is situated along Government Way and zoned commercial.

Social Conditions

Population

The City of Hayden has experienced steady and accelerating population growth over the past decade. Since 2019, the population has grown by approximately 9%, with annual growth rates ranging from 1.8% to over 2.5%—a notable increase compared to the 1.3% average annual growth during the five years prior. The spike in growth post-2017 reflects broader regional trends influenced by migration during and after the pandemic. Overall, the city has maintained an average annual growth rate of 1.8% over the past ten years, indicating consistent upward momentum.

Figure 2. Population Trends, City of Hayden (2013-2023)



Source: ACS, 5-year estimates

Housing Units

Over the past decade (2013–2023), housing units grew at an average annual rate of 1.5%, with notable acceleration during the pandemic years. Between 2019 and 2023 (the “COVID” period), housing stock increased by 4.1% overall, or 0.8% annually, which was slower than the 2.1% annual growth observed in the five years prior to the pandemic. This suggests a deceleration in housing unit growth post-2020—potentially due to rising construction costs, labor shortages, or regulatory factors.

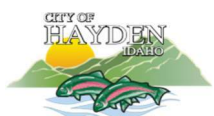
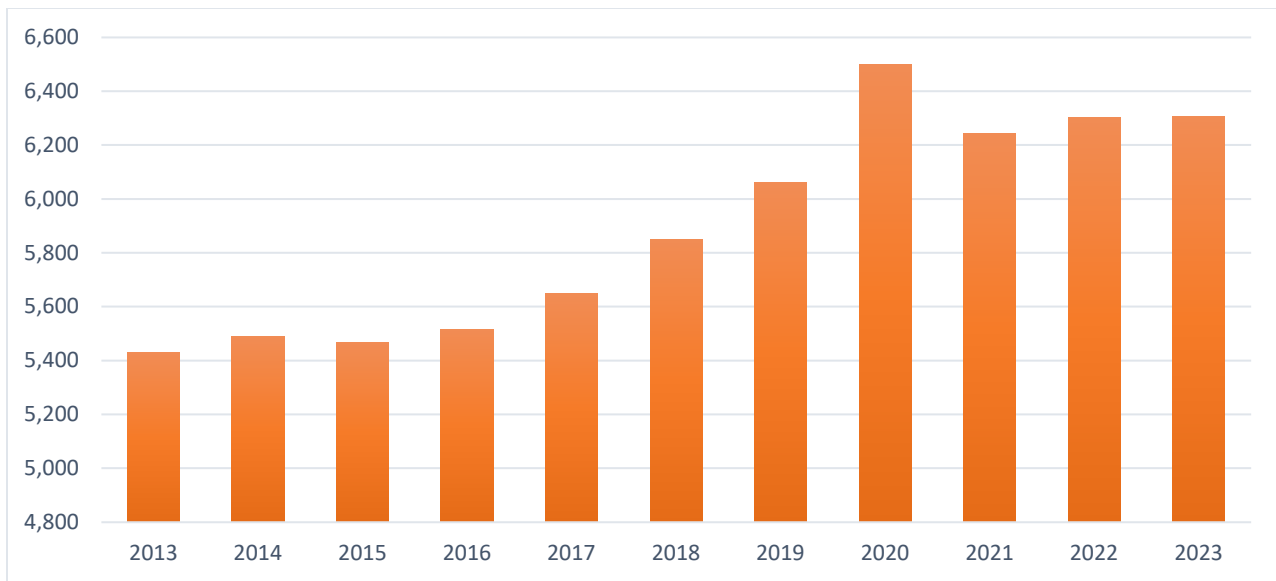


Figure 3. Housing Units, Hayden (2013-2023)

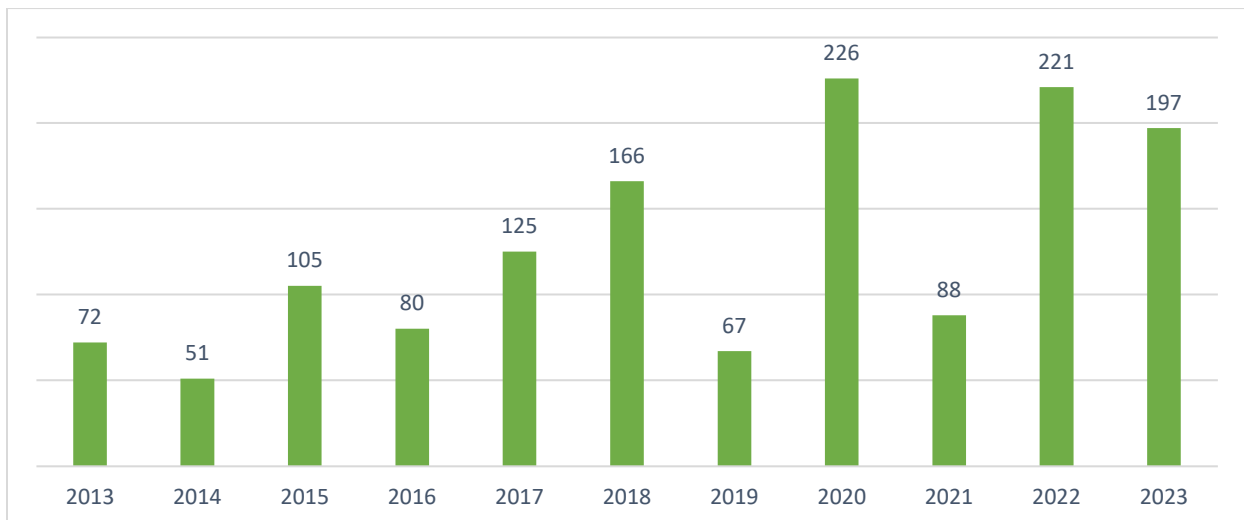


Source: ACS, 5-year estimates

Lots Platted

In contrast, lots platted surged dramatically during the pandemic, rising 194% between 2019 and 2023—an average annual increase of 24.1%. This contrasts with a modest 7% decline from 2013 to 2019 (or a sharper 36% decline if measured from 2015), indicating a major shift in development activity. The sharp increase in lots platted may signal anticipation of future housing demand, land speculation, or a policy shift easing subdivision approvals.

Figure 4. Lots Platted, City of Hayden (2013-2023)



Source: Spokane-Kootenai Real Estate Research Committee, Spring Report 2025

Financial Analysis

Taxable Value of Property in Area

In 2025, the existing Revenue Allocation Area (RAA) had a base assessed value of \$48,566,404 and a current assessed value of \$332,915,023 (Kootenai County Assessor and Clerk, July 2025). The proposed expansion area has an assessed value of \$18,648,428, representing approximately 0.5% of the City's total assessed value that year. Combined, the base value of the existing RAA and the proposed expansion equals \$67,214,832, or 1.9% of the City's total assessed valuation—well below the 10% threshold established under Idaho Code §50-2903(16).

If an urban renewal plan is adopted, the Kootenai County Assessor will determine the official base value of the expansion area as of January 1 of the formation year. The projected assessed base value of the expansion area parcels may differ slightly from the final base value to be determined by the Kootenai County Assessor.

Table 1. Assessed Valuation by Node

Area	Acreage	Assessed Value (2025) ¹	% of Total City Assessed Value
Existing RAA	720	\$48,566,404	1.4%
Amendment Area	19.225	\$18,648,428	0.5%
1A	4.081	\$6,980,293	
1B	5.135	\$7,649,843	
1E	1.600	\$1,261,624	
1F	6.240	\$1,057,483	
1K	2.169	\$1,699,185	
Existing RAA + Amendment Area	739.225	\$67,214,832	1.9%
City of Hayden		\$3,509,472,866	---

Sources: City of Hayden and Kootenai County Auditor and Assessor

¹ Even using the 2025 current assessed taxable value of the existing RAA of \$332,915,023, combined with the current taxable value of the expansion area of \$18,648,428, the combined value is 10% of the total taxable value of the City.



Future Development

Projections for future development of priority projects in the existing RAA and the proposed expansion area are shown in the table below. Any of the proposed projects can be developed at any time as approved by the HURA Board of Commissioners. Project cost estimates were provided by Welch-Comer Engineers and are adjusted for inflation.

It is also important to note that if no additional projects were undertaken for the remainder of the district's life, the Urban Renewal Agency is projected to end with an estimated \$9.16 million in its ending balance. This projection accounts for all anticipated revenue sources as well as normal operating expenditures. For context, the total estimated cost of the currently prioritized projects is approximately \$9.15 million, meaning that **the district is positioned to fully fund the identified priorities within existing revenue forecasts.**

HURA Project List							
Item	Name	FY26	FY27	FY28	FY29	FY30	Total
Civic Center							
1	Civic Center (senior center and community center)	\$35,000	\$175,000	\$2,105,000	\$1,684,000	\$421,000	\$4,420,000
2	Civic Center Parking Lot and Other Hardscape	\$30,000	\$150,000	\$510,000	\$510,000		\$1,200,000
	Subtotal	\$65,000	\$325,000	\$2,615,000	\$2,194,000	\$421,000	\$5,620,000
City Hall and McIntire Park							
3	New Parking at McIntire Park	\$60,000	\$465,000				\$525,000
4	McIntire Park Improvements (Phase 1)			\$100,000	\$650,000	\$725,000	\$1,475,000
	Subtotal	\$60,000	\$465,000	\$100,000	\$650,000	\$725,000	\$2,000,000
Intersections/Road Improvements							
5	Gov't Way/Miles Improvements		\$975,000				\$975,000
6	Honeysuckle/Government Way Design & ROW		\$300,000				\$300,000
7	Gov't Way/Wyoming Signal Design			\$150,000			\$150,000
8	Gov't Way/Dakota Turn Lanes Design				\$100,000		\$100,000
	Subtotal	\$0	\$1,275,000	\$150,000	\$100,000	\$0	\$1,525,000
	TOTAL ESTIMATED COSTS	\$125,000	\$2,065,000	\$2,865,000	\$2,944,000	\$1,146,000	\$9,145,000

Source: Welch-Comer Engineers, HURA

The following projects are identified as additional priorities, beyond those listed above, that may be pursued if revenues exceed current projections, project prioritization changes, or partnership funding opportunities with private developers and/or other public entities are presented. Project funding remains at the discretion of the Urban Renewal Agency Board.

Additional Projects if Funds are more than anticipated		
9	Expand City Hall Parking	\$400,000
10	Honeysuckle/Government Way Construction	\$1,200,000
11	Gov't Way/Wyoming Signal Construction	\$1,700,000
12	Sewer Upsize Gov't Way & Hayden	\$400,000
13	McIntire Park Improvements (Phase 2)	\$1,025,000
14	Relocate Ballfield to Croffoot Park	\$1,400,000
15	Property Acquisition	\$300,000
16	Public Art	\$25,000

Source: Welch-Comer Engineers, HURA



Projected Assessed Values

The following table presents projected assessed values from 2025 to 2029, recognizing 2030 is the final year of revenue to be received by the Agency from this RAA. The revenues shown reflect the anticipated impact of the proposed expansion. All scenarios demonstrate steady annual growth based on historical assessed values and account for inflationary adjustments. The existing RAA value (base and increment) starts at approximately \$332.9 million in 2025 and increases to roughly \$367.5 million by 2029, reflecting a growth of over \$34.6 million. The proposed expansion area is projected to increase from \$18.6 million in 2025, growing to roughly \$20.6 million by 2029. Combined, assessed values are expected to rise from \$351.6 million in 2025 to roughly \$388.1 million by 2029, an overall increase of approximately \$36.5 million. This steady progression demonstrates the financial advantages of preserving the existing RAA while implementing the expansion area to fund the identified priority improvement projects.

Projected Property Assessed
Value at
End of District Life

EXISTING RAA: \$367.5M

EXPANSION ONLY: \$20.6M

**EXISTING + EXPANSION:
\$388.1M**

* Figures are rounded for clarity

Table 2. Projected Assessed Values

Plan/Tax Year	Fiscal Year	Existing RAA	Expansion only	Existing + Expansion
2025	2026	\$332,915,023	\$18,648,428	\$351,563,451
2026	2027	\$341,237,899	\$19,114,639	\$360,352,537
2027	2028	\$349,768,846	\$19,592,505	\$369,361,351
2028	2029	\$358,513,067	\$20,082,317	\$378,595,384
2029	2030	\$367,475,894	\$20,584,375	\$388,060,269

Source: Author's Calculations based on 2025 Values provided by the Kootenai County Assessor

Projected Tax Increment Revenue

Projected tax increment revenues (TIF) are shown separately for the existing RAA, the proposed RAA expansion area, and the combined total. The 2024² consolidated levy rate (for all taxing districts overlapping the HURA boundary and eligible for allocation) is applied and then reduced 2% annually to reflect historic rate compression as assessed valuations grow. Under these assumptions, the existing RAA plus the proposed expansion area are estimated to generate roughly \$6.2 million in total revenue allocation proceeds over the remaining life of the district.

² 2025 levy rates were not available at the time this study was prepared.



The 2025 RAA adjusted base value, verified by the Kootenai County Assessor and County Clerk's office, is \$48,566,404. Accordingly, the projected revenue for the existing RAA, and the combined base for the existing RAA and the proposed expansion area is projected as outlined below.

Although the proposed expansion area is small and generates limited revenue on its own, the prioritized projects will still benefit from the revenue capacity of the overall RAA district.

Figure 5. Projected Tax Increment Revenue at end of Hayden Urban Renewal District life

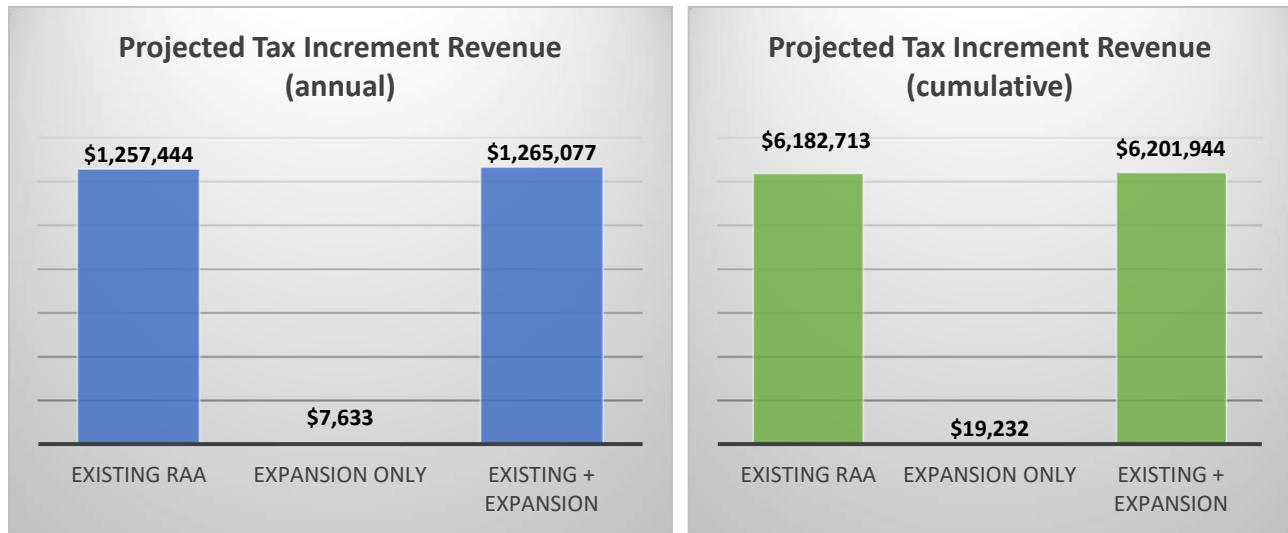


Table 3. Tax Increment Revenue Projection: Existing Revenue Allocation Area

Existing RAA							
Plan/Tax Year	Fiscal Year	Projected Assessed Value	Base	Increment Value	Projected Levy Rate	TIF Revenue (annual)	TIF Revenue (cumulative)
2025	2026	\$332,915,023	\$48,566,404	\$284,348,619	0.004274810	\$1,215,536	\$1,215,536
2026	2027	\$341,237,899	\$48,566,404	\$292,671,495	0.004189314	\$1,226,093	\$2,441,629
2027	2028	\$349,768,846	\$48,566,404	\$301,202,442	0.004105528	\$1,236,595	\$3,678,224
2028	2029	\$358,513,067	\$48,566,404	\$309,946,663	0.004023417	\$1,247,045	\$4,925,269
2029	2030	\$367,475,894	\$48,566,404	\$318,909,490	0.003942949	\$1,257,444	\$6,182,713

Table 4. Tax Increment Revenue Projection: Proposed RAA Expansion Area

Proposed RAA Expansion only							
Plan/Tax Year	Fiscal Year	Projected Assessed Value	Base	Increment Value	Projected Levy Rate	TIF Revenue (annual)	TIF Revenue (cumulative)
2025	2026	\$18,648,428	\$18,648,428	\$0	0.004274810	\$0	\$0
2026	2027	\$19,114,639	\$18,648,428	\$466,211	0.004189314	\$1,953	\$1,953
2027	2028	\$19,592,505	\$18,648,428	\$944,077	0.004105528	\$3,876	\$5,829
2028	2029	\$20,082,317	\$18,648,428	\$1,433,889	0.004023417	\$5,769	\$11,598
2029	2030	\$20,584,375	\$18,648,428	\$1,935,947	0.003942949	\$7,633	\$19,232

Table 5. Tax Increment Revenue Projection: Existing RAA and Proposed RAA Expansion Area

Existing RAA + Proposed RAA Expansion							
Plan/Tax Year	Fiscal Year	Projected Assessed Value	Base	Increment Value	Projected Levy Rate	TIF Revenue (annual)	TIF Revenue (cumulative)
2025	2026	\$351,563,451	\$67,214,832	\$284,348,619	0.004274810	\$1,215,536	\$1,215,536
2026	2027	\$360,352,537	\$67,214,832	\$293,137,705	0.004189314	\$1,228,046	\$2,443,582
2027	2028	\$369,361,351	\$67,214,832	\$302,146,519	0.004105528	\$1,240,471	\$3,684,053
2028	2029	\$378,595,384	\$67,214,832	\$311,380,552	0.004023417	\$1,252,814	\$4,936,867
2029	2030	\$388,060,269	\$67,214,832	\$320,845,437	0.003942949	\$1,265,077	\$6,201,944

Taxing Districts

The assessed value of the properties in an urban renewal district at the time the district is put in place is called the base value. The increment value is the amount that the assessed value increases above the base after the urban renewal district is put in place. In general, and subject to Idaho Code 50-2908, an agency receives an allocation of revenue from property tax dollars generated from incremental value.

As stated by Kootenai County, taxing districts have the ability to collect their full budget requests. This includes the allowed 3% annual budget increase, plus statutory budget capacity increases, such as new construction, annexation and forgone amounts. This is because property taxes are budget driven and not assessment driven. 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 and/or by levy limits.

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.



A 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 terminated³. Any new construction within the Project Area is not available for inclusion by the taxing entities to increase their budgets. Upon termination of the District or de-annexation of area, the taxing entities will be able to include a percentage of the accumulated increment value in setting the following year's budget and revenue from such value **is not limited to** the eight (8%) percent cap in Idaho Code § 63-802(1)(a)(ii).

For the purposes of this study, the 2024 levy rate was used (latest year available at the time of this study). The applicable taxing districts and their corresponding rates are as follows:

Taxing District Levies (2024)⁴:

Coeur d'Alene School #271	0.000008087
Lakeland Joint School #272	0.000011923
Community Library Network	0.000143427
Community Library Network Bond	0
City of Hayden	0.000793791
Kootenai County	0.001322448
Kootenai County Ambulance	0.000077637
Kootenai County Hospital	0
Lakes Highway #2	0.000282600
North Idaho Junior College	0.000383916
North Kootenai Water	0.000643288
Northern Lakes Fire Protection District	0.000650873
TOTAL:	0.00431799

The study assumes that the consolidated levy rate will decline by 2 percent annually over the life of the revenue allocation area as assessed valuations grow. As the City grows, the levy rate is expected to decrease. If the overall levy rate is less than projected, or the assessed values do not increase as expected, the Agency shall receive fewer funds from revenue allocation.

Pursuant to Idaho Code § 50-2908, the Agency is not entitled to revenue allocation proceeds from certain levies (e.g. from voter approved levies and bonds) 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.

Dedicating efforts to maintaining a healthy economy is one variable in a viable city. These efforts will produce induced economic benefits in terms of jobs, sales, and expected overall increase in population,

³ Subject to the limited exception in Idaho Code Section 63-301A(3)(k).

⁴ Due to HB 436, EMS and fire districts must consent to be included in the amendment area. If EMS or fire districts choose not to participate, the levy rate in the amendment area will be slightly lower than projected.



including student enrollment. The impact of potential increases in school enrollment—and resulting increase in funding—has the potential to offset some of the impacts felt through allocating these revenues elsewhere for the short-term.

Conclusion

Based on the updated assessed values, levy rates, and cost estimates, the Hayden Urban Renewal District with the proposed expansion area remains economically feasible and well-positioned to support identified priority projects. In 2025, the combined assessed value of the existing RAA and the expansion area is approximately \$351.6 million. By the end of the district's life in 2029, this figure is projected to reach nearly \$388.1 million—an increase of 10.4 percent or \$36.5 million.

Over the remaining life of the district, tax increment revenues are estimated at about \$6.2 million, the majority of which will come from the existing RAA. **While the expansion area is relatively small and will generate only about \$19,000 in increment, it covers**

key safety and infrastructure needs along Government Way, and those projects will be supported by the overall revenue capacity of the district.

Importantly, the expansion does not push the district beyond the statutory 10% valuation threshold, ensuring compliance with Idaho Code. The projected revenues are also sufficient to fund the improvements identified by Welch-Comer Engineers, while giving the Urban Renewal Agency Board flexibility to consider additional projects if revenues exceed expectations.

In summary, the proposed expansion strengthens the RAA's ability to take on important infrastructure and safety projects, while remaining financially sound under conservative assumptions. Though modest in size, it provides a strategic boost to the district, supports Hayden's ongoing growth, and ensures that community-wide projects can be funded in a way that aligns with the City's long-term development goals. Without the expansion, those projects would fall outside the district and might not be funded at all.

Cumulative Estimated Tax Increment Revenue

\$387 per Resident

in Community Improvements by 2030



The Hayden Urban Renewal District and expansion are projected to generate **\$6.2 million** in tax increment revenues by 2030.

That equals about **\$387 per resident** in new infrastructure investments — funding safer intersections, better roads, and critical public improvements that benefit the entire community.

Cash Flow Analysis						
Hayden Urban Renewal District						
EXISTING RAA + PROPOSED RAA EXPANSION						
	Fiscal Year	2026	2027	2028	2029	2030
	Plan/Tax Year	2025	2026	2027	2028	2029
Beginning Balance		\$ 3,681,150	\$ 4,598,162	\$ 3,603,548	\$ 1,835,859	\$ 15,513
Source of Funds						
	Revenue Allocation	\$ 1,215,536	\$ 1,228,046	\$ 1,240,471	\$ 1,252,814	\$ 1,265,077
	Developer Contribution (OPA)	---	---	---	---	---
	City Contribution	---	---	---	---	---
	Bond Allocation	---	---	---	---	---
	Other Revenue	\$ 113,040	\$ 140,040	\$ 168,040	\$ 196,040	\$ 225,040
Total Funds Available		\$ 5,009,726	\$ 5,966,248	\$ 5,012,059	\$ 3,284,713	\$ 1,505,630
Use of Funds						
Civic Center						
	Civic Center (senior center and community center)	\$35,000	\$175,000	\$2,105,000	\$1,684,000	\$421,000
	Civic Center Parking Lot and Other Hardscape	\$30,000	\$150,000	\$510,000	\$510,000	
City Hall and McIntire Park						
	New Parking at McIntire Park	\$60,000	\$465,000			
	McIntire Park Improvements (Phase 1)			\$100,000	\$650,000	\$725,000
Intersections/Road Improvements						
	Gov't Way/Miles Improvements		\$975,000			
	Honeysuckle/Government Way Design & ROW		\$300,000			
	Gov't Way/Wyoming Signal Design			\$150,000		
	Gov't Way/Dakota Turn Lanes Design				\$100,000	
Total Infrastructure Expenditures		\$ 125,000	\$2,065,000	\$2,865,000	\$2,944,000	\$1,146,000
Net available for Operating Expenses & Debt Service		\$ 4,884,726	\$ 3,901,248	\$ 2,147,059	\$ 340,713	\$ 359,630
Operating Expenses						
	241 Operating and Administrative	\$ 50,445	\$ 53,100	\$ 55,800	\$ 58,600	\$ 61,500
	248 Professional Services	\$ 161,120	\$ 169,600	\$ 178,100	\$ 187,000	\$ 196,400
	OPAs	\$ 74,999	\$ 75,000	\$ 77,300	\$ 79,600	\$ 82,000
Total Operating Expenses		\$ 286,564	\$ 297,700	\$ 311,200	\$ 325,200	\$ 339,900
Net Available after Investments & Operating Expenses		\$ 4,598,162	\$ 3,603,548	\$ 1,835,859	\$ 15,513	\$ 19,730
Reimbursement Agreements						
	Available for reimbursement (to City or other Developers)	\$ 4,598,162	\$ 3,603,548	\$ 1,835,859	\$ 15,513	\$ 19,730
	OPA Reimbursement	\$ -	\$ -	\$ -	\$ -	\$ -
Total Debt Service		\$ -	\$ -	\$ -	\$ -	\$ -
Total Use of Funds		\$ 411,564	\$ 2,362,700	\$ 3,176,200	\$ 3,269,200	\$ 1,485,900
Ending Balance		\$ 4,598,162	\$ 3,603,548	\$ 1,835,859	\$ 15,513	\$ 19,730

