

HAYDEN URBAN RENEWAL CAPITAL DEVELOPMENT PLAN

HAYDEN URBAN RENEWAL PROJECT

HAYDEN URBAN RENEWAL AGENCY

CITY OF HAYDEN, IDAHO

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HAYDEN URBAN RENEWAL CAPITAL DEVELOPMENT PLAN

HAYDEN URBAN RENEWAL AGENCY

SECTION 100 INTRODUCTION

This is the Hayden Urban Renewal Agency Plan (the Plan) for the Hayden Project Area (the Project) in the City of Hayden (the City), County of Kootenai, State of Idaho, and consists of the text contained herein and the following attachments:

Project Area-Revenue Allocation Area Boundary Map (Attachment 1);

Description of the Project Area and Revenue Allocation Area Boundaries (Attachment 2);

Private Properties Which May Be Acquired by the Hayden Urban Renewal Agency (Attachment 3);

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

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

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

Estimated Annual Revenues and Costs (Attachment 5B).

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

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

The proposed redevelopment of the Project Area as described in this Plan conforms to the City of Hayden Comprehensive Plan, as adopted by the City Council on April 12, 2005, by way of Resolution No. 2005-008.

The Agency may create several planning documents that generally describe the overall Project and identify certain specific public and private capital improvement projects. Because of the changing nature of the Project, these documents, by necessity, must be dynamic and flexible. The Agency anticipates that these documents will be modified as circumstances warrant. Any modification, however, shall not be deemed as an amendment of this Plan. No modification will be deemed effective if it is in conflict with this Plan. The planning documents are purposely flexible and do not constitute specific portions of the Plan. Provided, however, prior to the adoption of any planning document or proposed modification to any planning document, the Agency shall notify the City and publish a public notice of such proposed modification at least thirty (30) days prior to the consideration of such proposed modification, thus providing the City and any other interested person or entity an opportunity to comment on said proposed modification. The Agency Board shall consider any such comments and determine whether to adopt the modification. The planning documents apply to redevelopment activity within the Project Area as described herein. In the event of any conflict between this Plan and the appended documents, the provisions of this Plan shall control. The Agency intends to rely heavily on any applicable City design standards which may cover all or part of the Project Area.

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

Implementation of this Plan will require public co-investment to help stimulate desired private development. Typically, the public will fund enhanced public facilities like streets, sidewalks, parking facilities, parks, public buildings such as City Hall, or plazas which, in turn, create an attractive setting for adjacent private investment in office, retail, housing, or other commercial facilities.

The particular projects or redevelopment projects by private entities described herein are not intended to be an exclusive or exhaustive list of potential redevelopment

activity. Allowed projects are those activities which comply with the Law and the Act and meet the overall objectives of this Plan.

The purposes of the Law and Act will be attained through the following major objectives of this Plan:

- (a) the elimination of environmental deficiencies in the Project Area, including, among others, obsolete and aged building types, and inadequate public improvements and facilities, and environmental remediation;
- (b) the assembly of land into parcels suitable for modern, integrated development with appropriate setbacks, parking, pedestrian, and vehicular circulation in the Project Area;
- (c) the replanning, redesign, and development of undeveloped and underdeveloped areas which are stagnant or improperly utilized;
- (d) the strengthening of the economic base of the Project Area and the community by the installation of needed public improvements and facilities to stimulate new commercial expansion, employment, and economic growth;
- (e) the establishment and implementation of performance criteria to assure design standards and environmental quality and other design elements which provide unity and integrity to the entire Project Area;
- (f) the strengthening of the tax base by encouraging private development, thus increasing the assessed valuation of properties within the Revenue Allocation Area and the Project Area as a whole, and benefiting the various taxing districts in which the Project Area is located;
- (g) the creating of public spaces, gateway entries, public art, and the like;
- (h) the provision of civic buildings or community facilities owned or occupied by other public entities including the City of Hayden;
- (i) the provision of adequate land for open space and street rights-of-way; and
- (j) the construction and improvement of major street corridors to allow traffic flows to move through the development along with the accompanying utility connections through the Project Area.

SECTION 101 GENERAL PROCEDURES OF THE AGENCY

The Agency is a public body, corporate and politic, as defined and described under the Law and the Act. The Agency is also governed by its bylaws as authorized by

the Law and adopted by the Agency. Under the Law, the Agency is governed by the Idaho open meeting law, the Public Records Act, the Ethics in Government Act, financial reporting requirements under Idaho Code Section 67-450B, and the competitive bidding requirements under Chapter 28, Title 67, Idaho Code.

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

SECTION 102 PROVISIONS NECESSARY TO MEET STATE AND LOCAL REQUIREMENTS

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

The laws of the State of Idaho allow for an urban renewal plan to be submitted by any interested person or entity in an area certified as an Urban Renewal Area by the Hayden City Council. The Hayden City Council by Resolution 2005-18 certified the original Project Area on September 13, 2005.

In accordance with the Idaho Urban Renewal Law of 1965 this Plan was submitted to the Planning and Zoning Commission of the City of Hayden. After consideration of the Plan, the Commission filed its recommendation with the City Council stating that this Plan is in conformity with the Comprehensive Plan Update, April 12, 2005, including the City of Hayden future land use plan map.

Pursuant to the Idaho Urban Renewal Law of 1965, as amended, and the Local Economic Development Act, the City Council having published due notice thereof, a public hearing was held on this Plan. Notice of the hearing was duly published in a newspaper having general circulation. The City Council adopted this Plan on December __, 2005, by Ordinance No. _____.

SECTION 103 HISTORY AND CURRENT CONDITIONS

The Project Area was the subject of an Eligibility Report dated September 9, 2005. The Urban Renewal Project Area is a deteriorating area because of the presence of various conditions, most of which are related to the public infrastructure or certain private improvements or facilities which are deteriorating in nature. Either public infrastructure is older and needs to be replaced and/or upgraded or it is grossly inadequate to serve planned new development. In either case, the result is the same; existing development is often discouraged from upgrading and expanding, and new development is often slowed

or thwarted because of the lack of necessary public infrastructure. Certain parcelization, inadequate parking, and/or potential of the loss of parking hinder development opportunity.

In November 2004, Hayden City Council adopted the City of Hayden Downtown Vitalization Plan (“DTV Plan”). This DTV Plan details the project background, including community planning efforts for revitalization that begin in 1998, with the development of a Strategic Plan by Community of Hayden Action Team, which identified the highest priority, long-term infrastructure projects as “turning the downtown corridor into a business district that reflects a village atmosphere, free of blight, and that promotes small business retention and development.” The DTV Plan further details planning efforts that included extensive public participation, up to and including community visioning workshops in 2003 and 2004 that culminated in the development of the DTV Plan.

The DTV Plan includes an assessment of both the strengths and the challenges associated with the project area and details project elements designed to address the economic development challenges and opportunities within the project area, including needed infrastructure improvements, design elements, event development, joint marketing and promotion, and business recruitment and retention strategies. The implementation strategy detailed in the plan follows the National Trust for Historic Preservation’s “Main Street Approach” and focuses comprehensively on four major activity areas: physical improvements, promotion, business development, and organization.

The City has begun implementation activities in support of this DTV Plan, including: design and funding of a first phase of infrastructure and streetscape improvements along the Government Way Corridor, with construction planned for Fiscal Year 2006-2007; and, the formation of a Downtown Vitalization Committee, with representation from local government, businesses, residents, and existing community groups and business organizations. The formation of an Urban Renewal District, the subject of this plan, was specifically identified as an implementation activity within this plan was specifically identified as an implementation activity within the DTV Plan. The full text of the DTV Plan can be found on the City’s website at www.cityofhaydenid.us.

The preparation and approval of an urban renewal plan, including a revenue allocation financing provision, gives the City additional resources to solve the public infrastructure problems in this area. Revenue allocation financing should help to improve the situation. In effect, property taxes generated by new developments within the area may be used by the City’s urban renewal agency to finance a variety of needed public improvements and facilities. Finally, some of the new developments may also generate new jobs in the community that would, in turn, benefit area residents. Additionally, orderly development of the Urban Renewal area creates a downtown central business district and provides infrastructure for that activity within the central town site.

SECTION 104 PURPOSE OF ACTIVITIES

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

The activities listed in Attachment 5 are also prioritized by way of importance to the Agency by the amounts funded, and by year of funding, with earlier years reflecting the more important activities. As required by the Law and Act, the Agency will adopt more specific budgets annually.

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

The Agency reserves the right to prioritize the projects described in this Plan. The Agency also reserves the right to retain its flexibility in funding the various activities. The Agency also reserves its discretion and flexibility in deciding which improvements should be funded and at what level, whether using its own funds or funds generated by other sources.

SECTION 105 OPEN LAND CRITERIA

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

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

SECTION 200 DESCRIPTION OF PROJECT AREA

The boundaries of the Project Area and of the Revenue Allocation Area are shown in Attachment 1, which is attached hereto and described on the Project Area and Revenue Allocation Area Boundary descriptions, attached hereto as Attachment 2 and incorporated herein by reference.

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.

SECTION 300 PROPOSED URBAN RENEWAL ACTIONS

SECTION 301 GENERAL

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

1. Acquisition of certain real property (if needed);
2. Demolition or removal of certain buildings and improvements for public rights-of-way for streets, utilities, walkways, and other improvements for public facility building sites, to eliminate unhealthful, unsanitary, or unsafe conditions, improve density, eliminate obsolete or other uses detrimental to the public welfare, or otherwise to remove or to prevent the spread of deterioration;
3. Provision for participation by property owners within the Project Area;
4. Management of any property acquired by any entity under the ownership and control of the Agency;
5. Provision for relocation assistance to displaced Project occupants, as required by law;
6. Installation, construction, or reconstruction of streets, utilities including development of water and sewer systems, electrical distribution and transmission lines in underground configuration if

needed to encourage new developments, fiber optic systems, parking facilities, and other public improvements including civic buildings or community facilities owned or occupied by other public agencies, including the City of Hayden and the Coeur d'Alene School District No. 271, the Lakeland School District No. 272, and the Northern Lakes Fire District, storm drain systems, walkways, public open spaces, and visitors or information centers;

7. Disposition of property for uses in accordance with this Plan;
8. The redevelopment of land by private enterprise or public agencies for uses in accordance with this Plan;
9. Rehabilitation of structures and improvements by present owners, their successors, and the Agency;
10. Preparation and assembly of adequate sites for the development and construction of facilities for commercial, mixed-use development, office, appropriate retail, and other ancillary uses;
11. As allowed by law, lend or invest federal funds to facilitate urban renewal redevelopment;
12. Construction of foundations, platforms, and other like structural forms necessary for the provision or utilization of air rights, sites for buildings to be used for residential, commercial, and other uses contemplated by the Plan, and to provide utilities to the development site; and
13. Provision of civic buildings or community facilities owned or occupied by other public entities including the City of Hayden, Coeur d'Alene School District No. 271, and Lakeland School District No. 272, and visitors/information center owned or operated by the appropriate state or other local entity and other public facilities as may be deemed appropriate by the Urban Renewal Agency Board.

In the accomplishment of these purposes and activities and in the implementation and furtherance of this Plan, the Agency is authorized to use all the powers provided in this Plan and all the powers now or hereafter permitted by law. The Agency intends to encourage development of a mixed-use project consisting of residential, office, and supporting commercial and retail. For purposes of this Plan, the reference to "Mixed-Use Development" shall mean this objective.

SECTION 302

URBAN RENEWAL PLAN OBJECTIVES

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

The Project Area consists of approximately seven hundred and twenty (720) acres generally bordered on the north by the southern-most right-of-way boundary for Lancaster Road, from the western right-of-way boundary of North Government Way, west to the western right-of-way boundary of North Ramsey Road; south along the westernmost right-of-way boundary of Ramsey Road to the northernmost Kootenai County boundary line; due east along the northern County border and continuing on the same latitude to the eastern right-of-way boundary for U.S. 95; south along the eastern right-of-way boundary of U.S. 95 to the northern right-of-way boundary for West Dakota Avenue; west along the northern right-of-way boundary of Dakota Avenue to the eastern right-of-way boundary for Buttercup Lane; south along the eastern right-of-way boundary of Buttercup Lane, and continuing south along the same longitude to just north of Prairie Avenue; continuing east approximately 600 feet east of Government Way; continuing north to the southern right-of-way boundary for East Wyoming Avenue; continuing west to the western right-of-way of North Government Way; and, continuing north along the western right-of-way boundary of Government Way to the southern right-of-way boundary of Lancaster Road.

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

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

Hence, the Plan for the Project Area is a proposal for public improvements and facilities to: provide an improved environment for new commercial and Mixed-Use Development; eliminate unsafe conditions; assist potential owner participation and other developers to create appropriate development sites through consolidation of existing smaller parcels and, where necessary, through acquisition, demolition, and disposition activities; and otherwise prevent the extension of deterioration and reverse the deteriorating action of the area.

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

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

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

The Agency may act to improve transportation opportunities throughout the Project Area.

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

The provisions of this Plan are applicable to all public and private property in the Project Area. The provisions of the Plan shall recognize the need for flexibility in interpretation and implementation. All development under an owner participation agreement shall conform to those standards specified in Section 303.1 of this Plan.

The Agency will play a key role in creating the necessary momentum. The following list represents the key elements of the plan:

1. Initiate simultaneous projects designed to revitalize the Project Area.
2. Secure certain public open space in critical areas (e.g., parks, plazas, and pathways); this public open space will greatly increase property values adjacent to it and greatly contribute simultaneously to a new sense of place.
3. Develop new Mixed-Use Development projects.
4. Pursue development across all land-use sectors.
5. Develop parking facilities.
6. Promote and acquire public art through public and private partnerships.

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

SECTION 303

PARTICIPATION OPPORTUNITIES AND AGREEMENT

SECTION 303.1 PARTICIPATION AGREEMENTS

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

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

- (a) any such property within the Project Area shall be required to conform to all applicable provisions, requirements, and regulations of this Plan. Upon completion of any rehabilitation or new development, each structure must be safe and sound in all physical respects and be refurbished and altered to bring the property to an upgraded marketable condition which will continue throughout an estimated useful life for a minimum of twenty (20) years.
- (b) all such buildings or portions of buildings which are to remain within the Project Area shall be rehabilitated in conformity with all applicable codes and ordinances of the City of Hayden.
- (c) any new construction shall also conform to all applicable provisions, requirements, and regulations of this Plan.
- (d) any new construction shall also conform to all applicable codes and ordinances of the City of Hayden.

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

In the event a participant fails or refuses to rehabilitate, develop, use, and maintain its real property pursuant to this Plan and a participation agreement, the real property or any interest therein may be acquired by the Agency in accordance with

Section 305 of this Plan and sold or leased for rehabilitation or development in accordance with this Plan.

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

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

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

SECTION 304 COOPERATION WITH PUBLIC BODIES

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

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

The Agency intends to cooperate to the extent allowable by law with the City of Hayden, Kootenai County, the State of Idaho, Coeur d'Alene School District No. 271,

Lakeland School District No. 272, the Northern Lakes Fire Districts , the Kootenai County Consolidated Library District, and other public entities providing services within the project area for the construction and reconstruction of public improvements and facilities, including water and sewer systems, and improvements to city streets and the state highway. The Agency intends to address traffic issues in the urban renewal area with the City. The Agency seeks to provide input, guidance, and financial assistance to improve traffic flow, roadway/access improvements, streetscapes, parking, and related traffic issues. The Agency also intends to cooperate with local authorities to improve other transportation opportunities in the Urban Renewal Area. To the extent any public entity, including the City of Hayden has funded certain improvements, the Agency may reimburse those entities for those expenses.

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

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

SECTION 305 PROPERTY ACQUISITION

SECTION 305.1 REAL PROPERTY

Only as specifically authorized herein, the Agency may acquire, but is not required to acquire, real property located in the Project Area where it is determined that the property is needed for public rights-of-way to construct street improvements, utilities, and sites for public/community facilities by any means authorized by law (including, but not limited to, the Idaho Urban Renewal Law, the Local Economic Development Law, and the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended). The Agency is authorized to acquire either the entire fee or any other interest in real property less than a fee, including structures and fixtures upon the real property, without acquiring the land upon which those structures and fixtures are located.

Agency acquisition of any real property to assist any developer or owner participant attempting to assemble land for development within the Project Area, or to respond to an owner of property within the Project Area who wishes to convey title of such property to the Agency by any legal means, including by gift, shall be accomplished as authorized by the Law.

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

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

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

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

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

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

Under the provisions of the Act, the urban renewal plan "shall be sufficiently complete to indicate such land acquisition, demolition and removal of structures, redevelopment, improvements, and rehabilitation as may be proposed to be carried out in

the urban renewal area.” Idaho Code § 50-2018(1). The Agency has identified several parcels for acquisition for the construction of public improvements. Those parcels are contained within Attachment 3. The Agency also intends to acquire property for the purpose of developing public parking, public open space, and to enhance the opportunity for other uses. At the present time, the Agency cannot specifically identify which parcels may be necessary for acquisition for the parking or for site assembly for private development. The Agency reserves the right to determine which properties, if any, should be acquired. Generally, the Agency will invoke its acquisition authority only for the elimination or mitigation of deteriorated or deteriorating buildings, structures, or properties in order to enhance entryways to the project area, or to provide sites for public improvements, or for the other purposes set forth in this document.

SECTION 305.2 PERSONAL PROPERTY

Generally, personal property shall not be acquired. However, where necessary in the execution of this Plan and where allowed by law, the Agency is authorized to acquire personal property in the Project Area by any lawful means. For purposes of this Plan, acquisition of certain permanent fixtures or improvements upon real property shall be governed by this section. The Agency retains the right to purchase those fixtures or improvements (including buildings) for the purpose of eliminating certain deteriorated or deteriorating structures to facilitate the Urban Renewal of the real property upon which the buildings and structures are located. Such acquisition shall be based upon appraised value of the structures and negotiation with the owner of the structures. The Agency shall take into account, before committing to such acquisition, any environmental or other liability present or potentially present in such structures. In the event, the Agency determines to acquire such property; it shall do so upon the successful negotiation of an owner participation agreement in compliance with the terms of Section 303.1 of this Plan. In addition, such owner shall commit to the redevelopment of the real property and to maintain the real property in a safe and clean manner. The Agency shall acquire such property by way of any acceptable conveyance.

SECTION 306 PROPERTY MANAGEMENT

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

SECTION 307 RELOCATION OF PERSONS (INCLUDING INDIVIDUALS AND FAMILIES), BUSINESS CONCERNS, AND OTHERS DISPLACED BY THE PROJECT

If the Agency receives federal funds for real estate acquisition and relocation, the Agency shall comply with 24 C.F.R. Part 42, implementing the Uniform Relocation

Assistance and Real Property Acquisition Policies Act of 1970, as amended. The Agency may also undertake relocation activities for those not entitled to benefit under federal law, as the Agency may deem appropriate for which funds are available. The Agency's activities should not result in the displacement of families within the area. In the event the Agency's activities result in displacement, the Agency will compensate such residents by providing reasonable moving expenses into decent, safe, and sanitary dwelling accommodations within their means and without undue hardship to such families. For any other activity, the Agency will comply with the provisions of the Idaho Urban Renewal Law regarding relocation.

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

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

SECTION 308 DEMOLITION, CLEARANCE, AND BUILDING SITE PREPARATION

SECTION 308.1 DEMOLITION AND CLEARANCE

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

SECTION 308.2 PREPARATION OF BUILDING SITES

The Agency is authorized (but not required) to prepare or cause to be prepared as building sites any real property in the Project Area owned by the Agency. In connection therewith, the Agency may cause, provide for, or undertake the installation or construction of streets, utilities, parks, pedestrian walkways, traffic signals, drainage facilities, public art, and other public improvements necessary to carry out this Plan. The Agency is also authorized (but not required) to construct foundations, platforms, and other structural forms necessary for the provision or utilization of air rights sites for buildings to be used for industrial, commercial, private, public, and other uses provided

in this Plan. To the extent allowed by the Law and Act, the Agency may assist in the preparation of building sites by way of reclamation, remediation, or elimination of deteriorated conditions. The Agency is also authorized (but not required) to purchase certain site or building improvements for purposes of site preparation and development.

SECTION 309 **REAL PROPERTY DISPOSITION AND DEVELOPMENT**

SECTION 309.1 **GENERAL**

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

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

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

SECTION 309.2 **DISPOSITION AND DEVELOPMENT DOCUMENTS**

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

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

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

All property in the Project Area is hereby subject to the restriction that there shall be no discrimination or segregation based upon race, color, creed, religion, sex, age, handicap/disability, national origin, or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of property in the Project Area. All property sold, leased, conveyed, or subject to a participation agreement shall be expressly subject by appropriate documents to the restriction that all deeds, leases, or contracts for the sale, lease, sublease, or other transfer of land in the Project Area will contain such nondiscrimination and nonsegregation clauses as required by law. The Developers (including owner/participants) will be required by the contractual agreement to observe the Land Use and Building Requirements provision of this Plan and to submit an Urban Renewal Schedule satisfactory to the Agency. Schedule revisions will be made only at the option of the Agency.

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

The developers and their successors and assigns agree:

- (a) A plan and time schedule for the proposed development shall be submitted to the Agency.
- (b) The purchase or lease of the land, subterranean rights, and/or air rights is for the purpose of Urban Renewal and not for speculation.
- (c) Building improvements will be commenced and completed as jointly scheduled and determined by the Agency and the developer(s).
- (d) There will be no discrimination against any person or group of persons because of handicap/disability, age, race, sex, creed, color, national origin or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the premises or any improvements erected or to be erected thereon or therein conveyed, nor will the developer himself or any person claiming under or through him establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, sub lessees, or vendees within the premises or any improvements therein conveyed. The above provision will be perpetual and will be appended to the land disposed of within the Urban Renewal Project Area by the Agency.
- (e) The site and construction plans will be submitted to the Agency for review as to conformity with the provisions and purposes of this Plan.

(f) At the discretion of the Agency a bond or other surety will be provided acceptable to the Agency to ensure performance under the contract of the sale.

(g) Rehabilitation of any existing structure must assure that the structure conforms to all applicable codes and ordinances of the City of Hayden. The property will be upgraded to a marketable condition, which will continue throughout an estimated useful life for a minimum of twenty (20) years.

(h) All new construction shall have a minimum estimated life of no less than twenty (20) years.

(i) All disposition and development documents and owner participation agreements will be governed by the provisions of Section 405.2 of this plan.

(j) All such buildings or portions of the buildings which are to retain within the Project Area shall be reconstructed in conformity with all applicable codes and ordinances of the City of Hayden.

(k) All disposition and development documents shall be governed by the provisions of Section 420 of this Plan.

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

SECTION 309.3 DEVELOPMENT BY THE AGENCY

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

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

In addition to the public improvements authorized under Idaho Code Section 50-2007, the Agency is authorized to install and construct, or to cause to be installed and constructed, within the Project Area or outside the Project Area for improvements or facilities that are needed to support new development in the Project

Area, for itself or for any public body or entity, public improvements and public facilities, including, but not limited to, the following: (1) utilities (including placing such utilities underground); (2) pedestrian paths; (3) traffic signals; (4) landscaped areas; (5) street improvements, including new access roads and streets; (6) sanitary sewers; (7) flood control facilities and storm drains; (8) water mains and water lines; (9) recreation facilities and open space; (10) civic centers, city hall, or the like; (11) parking facilities; (12) technology related facilities, including fiberoptics; and (13) public art.

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

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

SECTION 309.4 DEVELOPMENT PLANS

All development plans, whether public or private, prepared pursuant to disposition and development or owner participation agreements shall be submitted to the Agency for review. All development in the Project Area must conform to those standards specified in Section 404, *infra*.

SECTION 310 PERSONAL PROPERTY DISPOSITION

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

SECTION 311 REHABILITATION AND CONSERVATION

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

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

SECTION 312

PARTICIPATION WITH PRIVATE OR PUBLIC DEVELOPMENT

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

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

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

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

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

SECTION 313

CONFORMING OWNERS

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

SECTION 314

PUBLIC ARTS FUNDING

The Agency may provide funding for arts projects, including placement and maintenance of public art, integration of art with project design, and provision for performing arts facilities and equipment. Potential arts projects will be evaluated on a case-by-case basis prior to funding by the Agency. A fundamental criterion for providing funding will be the degree to which a particular art project contributes to revitalization of

the Project Area and the achievement of the goals and objectives within this Urban Renewal Plan and the DTV Plan. The Agency may establish guidelines of contribution based on the construction cost of a particular project be allocated to arts projects, subject to budget considerations.

Arts projects may be selected and provided by the Agency, separately from any construction costs of developers, or may be funded through partnerships with developers and other public agencies. The Agency Board of Commissioners shall make selections of the works of art with the advice and assistance of the City of Hayden Arts Commission. Selected art projects may be an integral part of the public improvement/facility, attached to the structure, detached within or outside of the structure, or exhibited in other areas of the Project open to the general public.

Whenever possible, Agency arts funding will be used to leverage additional contributions from developers, other private sources, and public or quasi-public entities.

SECTION 400 USES PERMITTED IN THE PROJECT AREA

SECTION 401 URBAN RENEWAL PLAN MAP AND DEVELOPMENT STRATEGY

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

SECTION 402 DESIGNATED LAND USES

Agency intends to rely upon the overall land use designations and zoning requirements of the City of Hayden, as more particularly shown on Attachment 4 and as set forth in the City of Hayden Comprehensive Plan Update, dated April 12, 2005, including the future land use map.

SECTION 403 OTHER LAND USES

SECTION 403.1 PUBLIC RIGHTS-OF-WAY

The major streets within the Project Area include portions of North Government Way, West Hayden Avenue, West Honeysuckle Avenue, West Orchard Avenue, West Dakota Avenue, West Miles Avenue, West Lacey Avenue, West Wyoming Avenue, Centa Avenue, Schmidt Street, Hilgren Avenue, and other major rights-of-way which may be developed within the Project Area.

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

Any changes in the existing interior or exterior street layout shall be in accordance with the objectives of this Plan and the design standards of the City or Idaho Department of Transportation, as may be applicable, shall be effectuated in the manner prescribed by state and local law, and may be guided by the following criteria:

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

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

SECTION 403.2 **OTHER PUBLIC, SEMI-PUBLIC, INSTITUTIONAL, AND NONPROFIT USES**

The Agency may impose such other reasonable requirements and/or restrictions as may be necessary to protect the development and use of the Project Area.

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

SECTION 403.3 INTERIM USES

Pending the ultimate development of land by developers and participants, the Agency is authorized to use or permit the use of any land in the Project Area for interim uses. However, any interim use must comply with applicable Hayden City Code.

SECTION 404 GENERAL CONTROLS AND LIMITATIONS

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

SECTION 404.1 CONSTRUCTION

All construction in the Project Area shall comply with all applicable state and local laws and codes in effect. In addition to applicable codes, ordinances, or other requirements governing development in the Project Area, additional specific performance and development standards may be adopted by the Agency to control and direct Urban Renewal activities in the Project Area.

SECTION 404.2 REHABILITATION AND RETENTION OF PROPERTIES

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

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

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

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

The approximate amount of open space to be provided in the Project Area is the total of all areas which will be in the public rights-of-way, the public ground, the space around buildings, and all other outdoor areas not permitted to be covered by buildings.

Landscaping shall be developed in the Project Area to comply with the City's landscape ordinance.

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

SECTION 404.5 **SIGNS**

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

SECTION 404.6 **UTILITIES**

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

SECTION 404.7 **INCOMPATIBLE USES**

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

SECTION 404.8 **NONDISCRIMINATION AND
NONSEGREGATION**

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

SECTION 404.9 **SUBDIVISION OF PARCELS**

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

SECTION 404.10 **MINOR VARIATIONS**

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

- (a) the application of certain provisions of this Plan would result in practical difficulties or unnecessary hardships inconsistent with the general purpose and intent of this Plan;

- (b) there are exceptional circumstances or conditions applicable to the property or to the intended development of the property which do not apply generally to other properties having the same standards, restrictions, and controls;
- (c) permitting a variation will not be materially detrimental to the public welfare or injurious to property or improvements in the area; and
- (d) permitting a variation will not be contrary to the objectives of this Plan.

No variation shall be granted which changes a basic land use or which permits other than a minor departure from the provisions of this Plan, without amendment of this Plan. In permitting any such variation, the Agency shall impose such conditions as are necessary to protect this public peace, health, safety, or welfare and to assure compliance with the purposes of this Plan. Any variation permitted by the Agency hereunder shall not supersede any other approval required under Hayden City codes and ordinances.

SECTION 404.11 OFF-STREET LOADING

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

SECTION 404.12 OFF-STREET PARKING

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

SECTION 405 DESIGN FOR DEVELOPMENT

SECTION 405.1 DESIGN GUIDELINES FOR DEVELOPMENT

In the case of property which is the subject of a disposition and development or owner participation agreement with the Agency, no new improvement shall be constructed and no existing improvement shall be substantially modified, altered, repaired, or rehabilitated except in accordance with this Plan. Under those agreements the architectural, landscape, and site plans shall be submitted to the Agency and approved in writing by the Agency. One of the objectives of this Plan is to create an attractive and pleasant environment in the Project Area. Therefore, such plans shall give consideration to good design and other amenities to enhance the aesthetic quality of the Project Area. The Agency shall not approve any plans that do not comply with this Plan.

In the event the Agency adopts design standards or controls, those provisions will thereafter apply to each site or portion thereof in the Project Area. Those controls and standards will be implemented through the provisions of any disposition and development agreement or owner participation agreement or by appropriate covenants appended to the land and instruments of conveyance executed pursuant thereto. These

controls are in addition to any standards and provisions of any applicable City building or zoning ordinances; provided, however, each and every development shall comply with all applicable City zoning and building ordinances. Absent the Agency developing and promulgating specific design standards or controls, the Agency shall review all projects by applying and/or deferring to the usual approval process imposed by the City.

SECTION 405.2 **DESIGN GUIDELINES FOR DEVELOPMENT UNDER A DISPOSITION AND DEVELOPMENT AGREEMENT OR OWNER PARTICIPATION AGREEMENT**

Under an owner participation agreement or a disposition and development agreement the design guidelines and land use elements as imposed shall be achieved to the greatest extent feasible, though the Agency retains the authority to grant minor variations under Section 404.10 of this Plan and subject to a negotiated agreement between the Agency and the developer or property owner.

Under those agreements, the architectural, landscape, and site plans shall be submitted to the Agency and approved in writing by the Agency. In such agreements, the Agency may impose additional design controls. One of the objectives of this Plan is to create an attractive environment in the Project Area. Therefore, such plans shall give consideration to good design and amenities to enhance the aesthetic quality of the Project Area. These additional design standards or controls will be implemented through the provisions of any disposition and development agreement or owner participation agreement or by appropriate covenants appended to the land and instruments of conveyance executed pursuant thereto. These controls are in addition to any standard and provision of any applicable City building or zoning ordinance; provided, however, each and every development shall comply with all applicable City zoning and building ordinances, including any adopted City design standards.

SECTION 405.3 **NONCONFORMING USES**

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

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

All nonconforming uses shall also comply with the Hayden City Code, Title 11, Chapter 3.

SECTION 500 METHODS OF FINANCING THE PROJECT

SECTION 501 GENERAL DESCRIPTION OF THE PROPOSED FINANCING METHOD

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

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

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

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

SECTION 502 REVENUE BOND FUNDS

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

SECTION 503 OTHER LOANS AND GRANTS

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

SECTION 504

**REVENUE ALLOCATION FINANCING
PROVISIONS**

The Agency hereby adopts revenue allocation financing provisions as authorized by the Act, Chapter 29, Title 50, Idaho Code, effective retroactively to January 1, 2004. These revenue allocation provisions shall apply to all taxing districts in which the Revenue Allocation Area is located and described on Attachments 1 and 2 to this Plan. The Agency declares that the equalized assessed valuation of property within the Revenue Allocation Area is likely to increase as a result of the initiation of the Urban Renewal Project.

The Agency, acting by one or more resolutions adopted by its board of directors, is hereby authorized to apply all or any portion of the revenues allocated to the Agency pursuant to the Act to pay such costs as are incurred or to pledge all or any portion of such revenues to the repayment of any moneys borrowed, indebtedness incurred, or bonds issued by the Agency to finance or to refinance the Project costs (as defined in Idaho Code Section 50-2903(13)) of one or more urban renewal projects.

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

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

The Agency has also provided for expenditure of revenue allocation proceeds on an annual basis without the issuance of bonds. The Agency has also provided for obtaining advances or loans from the City, the State, private entities, or other sources in order to immediately commence construction of certain of the public improvements. Revenues will continue to be allocated to the Agency until the improvements identified in Attachment 5 are completely constructed or until any obligation to the City or other public entity or private entity are fulfilled. Attachment 5 incorporates estimates and projections based on the Agency's present knowledge and expectations concerning the

length of time to complete the improvements. The activity may take longer depending on the significance and timeliness of development. Alternatively the activity may be completed earlier if revenue allocation proceeds are greater or the Agency obtains additional funds.

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

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

The assumptions concerning revenue allocation proceeds are based upon certain assessed value increases and assumed tax levy rates. As of the effective date of this Urban Renewal Plan, the Idaho State Legislature has appointed an inter legislative committee to study the ad valorem property tax laws of the State of Idaho. The interim committee may propose certain changes to those property tax laws which could impact the types of property subject to ad valorem taxation, the creation of several exemptions, and the limitation of taxes. No representation is made through the adoption of this Urban Renewal Plan that the assumptions contained herein will remain in place for the term of the Urban Renewal Plan.

SECTION 504.1 **ECONOMIC FEASIBILITY STUDY**

Attachment 5 consists of the Economic Feasibility Study for the Urban Renewal Area prepared by Harlan W. Mann, Urban Renewal Consultant and Lisa Key, City of Hayden Community Development Director. The Study constitutes the financial analysis required by the Act.

SECTION 504.2 **ASSUMPTIONS AND CONDITIONS/ ECONOMIC FEASIBILITY STATEMENT**

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

the private development be substantially less than projected, then the amount of revenue generated will be substantially reduced and those obligations may continue for their full term.

The Plan and attachments incorporate estimates and projections based on the Agency's present knowledge and expectations. Those projections include a rather substantial percentage increase in Tax Years 2006 and 2007 for assessment changes, as based upon known projects. For Tax Years 2008-2020, the study has assumed a 10% per year reduction in construction activity, adjusted for construction cost inflationary factors.. The Agency may modify the project if the Board of Commissioners deems such modifications necessary to effectuate the Plan. The Plan proposes certain public improvements, including utility improvements, streetscapes, street improvements, property acquisition, and relocation costs, which will facilitate development in the Revenue Allocation Area.

SECTION 504.3 TEN PERCENT LIMITATION

Under the Act the base assessed valuation for all revenue allocation areas cannot exceed gross/net ten percent (10%) of the current assessed valuation for the entire City. The base assessment roll, and less any homeowner's exemption, for the Hayden Revenue Allocation Area is \$61,382,643. The total assessed value for the City of Hayden as of January 1, 2005, less homeowner's exemptions, is \$675,428,840. The combined base assessment roll for the Revenue Allocation Area does not exceed ten percent (10%) of the assessed value for the City of Hayden.

SECTION 504.4 FINANCIAL LIMITATION

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

The amount of funds available to the Agency from revenue allocation financing is directly related to the assessed value of new improvements within the Revenue Allocation Area. Under the Act, the Agency is allowed the revenue allocation generated from inflationary increases and new development value. The Study has assumed certain annual increases over the term of the Plan based on historical analysis and other circumstances; specifically, increases in valuations in the first two years of the plan are based upon known projects, with an assumed 10-percent per year reduction in construction activity through Year 15 of the plan (adjusted for construction price inflationary factors). Total levy rates are estimated to be reduced by 10 percent each year in the first two years, with a 1-percent annual reduction in levy rates assumed in each year thereafter.

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

The information contained in the Study assumes certain projected actions. First, the Agency has projected a bank loan or note issue. The term of such debt will be finally determined by the marketability of the notes. Under the provisions of the Act, the revenue allocation may continue until the end of the Plan term. Second, the total amount of indebtedness and the amount of revenue generated by revenue allocation is dependent upon the extent and timing of private development. Should all of the development take place as projected, indebtedness would be extinguished earlier, dependent upon the bond sale documents and legal obligations therein. Should private development take longer to materialize or should the private development be substantially less than projected, then the amount of revenue generated will be substantially reduced and bonds may continue for their full term. The Study has targeted certain private development projects by a particular year and at a value premised on certain build-out assumptions.

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

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

SECTION 504.5 **REBATE OF REVENUE ALLOCATION FUNDS**

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

generated by the Project. All other taxing entities shall first receive any such rebate before such rebate shall be disbursed to the City.

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

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

SECTION 504.6 **PARTICIPATION WITH LOCAL
IMPROVEMENT DISTRICTS AND BUSINESS
IMPROVEMENT DISTRICTS**

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

SECTION 504.7 **ISSUANCE OF DEBT AND DEBT
LIMITATION**

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

SECTION 504.8 **IMPACT ON OTHER TAXING DISTRICTS
AND LEVY RATE**

A specific delineation of tax dollars generated by revenue allocation upon each taxing district has not been prepared. The overall impact of the revenue allocation project is shown in the Study. Since the passage of House Bill 156 in 1995, taxing entities are constrained in establishing levy rates by a function of the amount each budget of each taxing district can increase on an annual basis. The amounts set forth in the

Study would constitute the amounts distributed to other taxing entities from the Revenue Allocation Area if there were no urban renewal project. Each individual district's share of that amount would be determined by its particular levy rate as compared to the other districts in any given year. Therefore, the impact of revenue allocation is more of a product of the imposition of House Bill 156. In addition, without the revenue allocation district and its ability to pay for public improvements and public facilities, fewer substantial improvements within the Revenue Allocation Area would be expected in the next five to ten years; hence there would be lower increases in assessed valuation to be used by the other taxing entities.

Additionally, the Study has taken the existing 2005 net levy rate of .0061235 (i.e., deducting the .004 school credit) and imposed a 10-percent reduction of the annual gross levy rate for 2006 and 2007, with a reduction of 1 percent per year thereafter. One result of House Bill 156 is the likely reduction of the levy rate as assessed values increase for property within each taxing entity's jurisdiction. If the overall levy rate is less than as assumed, the Agency shall receive fewer funds from revenue allocation.

SECTION 504.9 CAPITAL IMPROVEMENT CONTRIBUTION POLICY

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

SECTION 504.10 DEVELOPER/OWNER INITIATED IMPROVEMENTS

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

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

Any LID would be established by the City of Hayden. Any of the three alternatives listed above would provide a means of financing necessary public improvements before the Agency would have the necessary funds to pay for such improvements. As an incentive for such Developer/Owner financed improvements, the Agency (subject to applicable legal authority) may repay the Developer/Owner for one hundred percent (100%) of its total assessment, including interest, from available annual revenue allocation funds generated by new developments on the Developer/Owner's property included in the LID. If the improvements have been financed through private funding sources or paid directly by the Developer/Owner, the Agency may repay the Developer/Owner one hundred

percent (100%) of the actual costs of construction. The Agency’s contribution under this paragraph shall be conditioned upon the Developer having commenced construction (or a binding commitment to proceed issued by a recognized financial institution) to develop such property, thus generating additional revenue allocation funds. Any additional details concerning this policy will be specified in a resolution to be approved by the Agency complying with its normal approval process.

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

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

SECTION 504.11 VARIANCE

The Agency reserves the right to grant minor variations from these standards under the guidelines established under Section 504.10 of this Plan.

SECTION 504.12 PHASING AND OTHER FUND SOURCES

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

SECTION 504.13 LEASE REVENUE BONDS

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

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

SECTION 600 ACTIONS BY THE CITY

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

- (a) institute and complete proceedings necessary for changes and improvements in private and publicly-owned property, rights-of-way, or public utilities within or affecting the Project Area;
- (b) revise zoning, if necessary, within the Project Area to permit the land uses and development authorized by this Plan;
- (c) impose conditional use permits or other means of appropriate controls within the limits of this Plan upon parcels in the Project Area to ensure their proper development and use;
- (d) provide administrative enforcement of this Plan by the City after development, wherein the City and the Agency may develop and provide for enforcement of a program for continued maintenance by owners of all real property, both public and private, within the Project Area throughout the duration of this Plan;
- (e) enforce building codes;
- (f) perform all other functions and services relating to public, health, safety, and physical development normally rendered in accordance with a schedule which will permit the Urban Renewal of the Project Area to be commenced and carried to completion without unnecessary delays;
- (g) institute and complete proceedings necessary for the establishment of a LID under Chapter 17, Title 50, Idaho Code, or a BID under Chapter 26, Title 50, Idaho Code;
- (h) undertake and complete proceedings necessary to carry out the Project;
- (i) administrate Community Development Block Grant and other state and federal grant funds that may be made available for the Project;

- (j) appropriate agreements with the Agency for administration, supporting services, funding sources, and the like;
- (k) waive hookup or installation fee for sewer, water, or other utility services for any facility owned by any public agency, including the Agency;
- (l) impose, whenever necessary (by conditional use permits or other means as appropriate) controls within the limits of this Plan upon parcels in the Project Area to ensure their proper development and use;
- (m) preservation of historical sites and Building Code enforcement;
- (n) the waiver of any hookup or installation fee for sewer, water, or other utility services for any facility owned by any public agency, including the Agency facility;
- (o) joint funding of certain public improvements, including but not limited to improvements to the main sewer treatment facility; and
- (p) use of City labor, services, and materials for construction of the public improvements listed in this Urban Renewal Plan.

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

SECTION 700 ENFORCEMENT

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

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

SECTION 800 DURATION OF THIS PLAN

Except for the nondiscrimination and nonsegregation provisions which shall run in perpetuity, the provisions of this Plan shall be effective, and the provisions of other documents formulated pursuant to this Plan shall be effective for twenty-four (24) years from the date of adoption of the original Plan by the City Council in 2005, which period

shall expire on December 31, 2029, except for any revenue allocation proceeds received in calendar year 2030.

This Plan shall terminate no later than December 31, 2029, except for revenues which may be received in 2030. Either on January 1, 2030, or if the Agency determines an earlier terminate date:

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

As allowed by Idaho Code Section 50-2905(7), the Agency may retain assets or revenues generated from such assets as loans the Agency shall have resources other than revenue allocation funds to operate and manage such assets. The Agency may retain ownership of the several parking facilities which may be constructed in the Project Area, as parking revenues may be sufficient to provide the resources necessary for the Agency to retain those 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 of Hayden, depending on the nature of the asset.

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

SECTION 900 PROCEDURE FOR AMENDMENT

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

SECTION 1000 SEVERABILITY

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

SECTION 1100 ANNUAL REPORT

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

ATTACHMENT 1

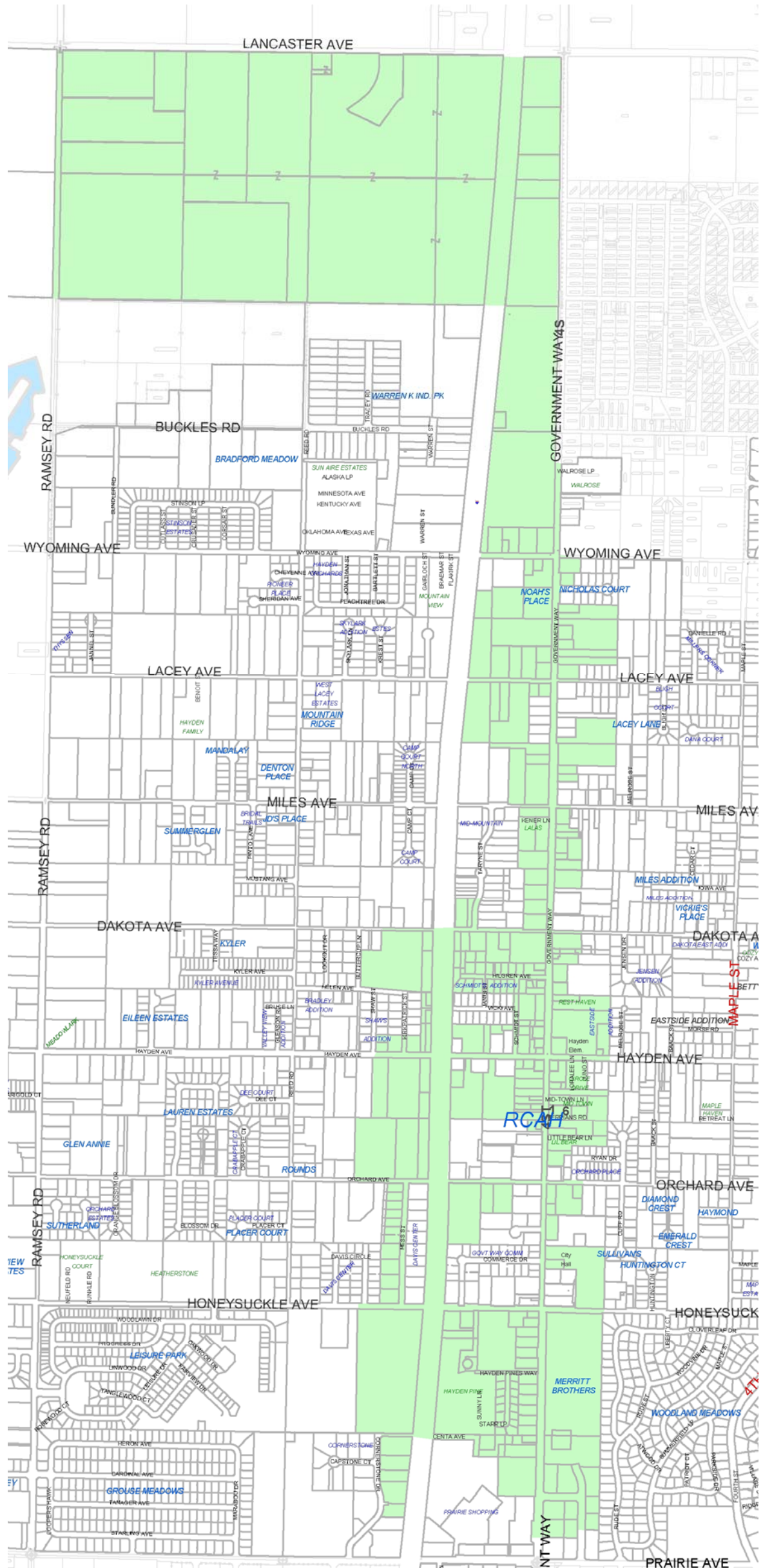
Map of Urban Renewal Project Area and Revenue Allocation Area

City of Hayden
Urban Renewal
Area

Harlan W. Mann
Community
Development
Consultant



Revised
September 13, 2005
Produced by
City of Hayden
Staff



ATTACHMENT 2

Description of Urban Renewal Project Area and Revenue Allocation Area

LEGAL DESCRIPTION

FOR

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

By Ordinance No. _____

Effective Date: _____

Portions of Sections 10, 11, 12, 13, 14, 23 and 24, all situated in Township 51 North, Range 4 West, Boise Meridian, Kootenai County, Idaho, more particularly described as follows:

BEGINNING at the Quarter Section Corner common to said Sections 10 and 11;

Thence, along the South line of the Northeast Quarter of said Section 10, North 88°56'46" West, 35.16 feet, to the West line of the Right-of-Way for Ramsey Road;

Thence, along said West line of the Right-of-Way for Ramsey Road, North 01°07'44" East, 2607.86 feet, to a point of intersection with the South line of the Right-of-Way for Lancaster Avenue;

Thence, crossing Ramsey Road, North 81°10'21" East, 60.94 feet, to the point of intersection of the South line of the Right-of-Way for Lancaster Avenue with the East line of the Right-of-Way for Ramsey Road;

Thence, along said South line of the Right-of-Way for Lancaster Avenue as follows:

South 89°20'08" East, 964.11 feet, to a point of intersection with the West line of the East 330 feet of the Northwest Quarter of the Northwest Quarter of said Section 11;

Along said West line of the East 330 feet of the Northwest Quarter of the Northwest Quarter of Section 11, South 01°04'55" West, 5.40 feet;

Leaving said West line of the East 330 feet of the Northwest Quarter of the Northwest Quarter of Section 11, South 89°10'34" East, 1654.09 feet, to a point of intersection with the West line of the Northeast Quarter of said Section 11;

Along said West line of the Northeast Quarter of said Section 11, North 01°08'48" East, 10.00 feet;

Leaving said West line of the Northeast Quarter of said Section 11, South 89°10'35" East, 208.00 feet, to the East line of the West 208 feet of said Northeast Quarter of said Section 11;

Thence, along said East line of the West 208 feet of said Northeast Quarter of said Section 11, South 01°08'48" West, 10.00 feet;

Thence, leaving said East line of the West 208 feet of said Northeast Quarter of said

Section 11, South 89°09'08" East, 2398.26 feet, to a point of intersection with the West line of the Right-of-Way for Government Way;

Thence, leaving said South line of the Right-of-Way for Lancaster Avenue, along said West line of the Right-of-Way for Government Way, as follows:

South 00°24'11" West, 2626.94 feet;

South 01°04'46" West, 1664.09 feet, to a point of intersection with the Westerly extension of a line offset 75.00 feet Southerly from, and parallel with, the South line of the North 2/5ths of Tract 1 of the plat of AVONDALE IRRIGATED TRACTS, recorded in Book B of Plats, Page 132;

Thence, crossing Government Way, along said Westerly extension of said 75.00 foot Southerly offset line, South 89°03'56" East, 62.79 feet, to a point of intersection with the East line of the Right-of-Way for Government Way;

Thence, along said East line of the Right-of-Way for Government Way, South 01°14'27" West, 954.20 feet, to a point of intersection with the North line of the Right-of-Way for Wyoming Avenue;

Thence, crossing said Wyoming Avenue, South 01°09'51" West, 29.99 feet, to the point of intersection of the South line of the Right-of-Way for Wyoming Avenue with said East line of the Right-of-Way for Government Way;

Thence, along said South line of the Right-of-Way for Wyoming Avenue, South 88°46'58" East, 230.21 feet, more or less, to a point of intersection with a line offset 400 feet Westerly from, and parallel with, said East boundary line of Tract 13 of said plat of AVONDALE IRRIGATED TRACTS;

Thence, along the West line of the East 400 feet of said Tract 13, South 01°10'48" West, 160.96 feet, to a point of intersection with the South line of the North Half of the North Half of said Tract 13, taken to be coincidental with the North boundary line of the plat of NICHOLAS COURT, recorded in Book I of Plats, Page 486;

Thence, along said North boundary line of the plat of NICHOLAS COURT, North 88°46'01" West, 70.06 feet, to the Northeast corner of Lot 1, Block 1, thereof;

Thence, along the East boundary line of said Lot 1, South 01°04'12" West, 130.98 feet, to the Southeast corner thereof;

Thence, along the Southerly boundary of said Lot 1 as follows:

North 88°46'01" West, 124.94 feet, to a point of tangent curvature;

31.36 feet along the arc of a 20.00 foot radius curve concave to the Northeast, having a central angle of 89°50'23" and a long chord bearing North 43°50'49" West, 28.24 feet, to a point of cusp on the East line of the Right-of-Way for Government Way;

Thence, along said East line of the Right-of-Way for Government Way, South 01°04'35" West, 210.79 feet, to the Southwest corner of Lot 14, Block 1, of said plat of NICHOLAS COURT;

Thence, along the South boundary of said plat of NICHOLAS COURT, South 88°44'22" East, 614.36 feet, to the Southeast corner of Lot 8, Block 1, thereof;

Thence, along the East boundary lines of Tracts 13 and 24 of said plat of AVONDALE

IRRIGATED TRACTS, South 01°10'51" West, 644.33 feet, to a point of intersection with the North line of the South Half of the South Half of said Tract 24;

Thence, along said North line of the South Half of the South Half of said Tract 24, North 88°41'42" West, 400.00 feet, to a point of intersection with a line offset 400 feet Westerly from, and parallel with, said East boundary line of Tract 24;

Thence, along the West line of the East 400 feet of said Tract 24, South 01°10'48" West, 160.99 feet, to a point of intersection with the North line of the Right-of-Way for Lacey Avenue;

Thence, South 41°03'00" West, 39.01 feet, more or less, to a point of intersection between the South line of the Right-of-Way for Lacey Avenue, and a line offset 425 feet Westerly from, and parallel with, the East boundary line of Tract 25 of said plat of AVONDALE IRRIGATED TRACTS;

Thence, along said South line of the Right-of-Way for Lacey Avenue, North 88°40'57" West, 202.98 feet, to a point of intersection with the East line of the Right-of-Way for Government Way;

Thence, along said East line of the Right-of-Way for Government Way, South 01°04'45" West, 578.75 feet, to a point of intersection with a line offset 65.00 feet Northerly from, and parallel with, the South boundary line of Tract 25 of said plat of AVONDALE IRRIGATED TRACTS, said point taken to be the Southwest corner of that parcel of land described in the document recorded in Book 150 of Deeds, Page 289 (hereinafter referred to as "Tax No. 3538");

Thence, along said 65.00 foot Northerly offset line, taken to be the South boundary line of said "Tax No. 3538", South 88°37'57" East, 200.00 feet, to a point of intersection with a line offset 200.00 feet Easterly from, and parallel with, the West boundary line of said Tract 25, taken to be the Southeast corner of said "Tax No. 3538";

Thence, along said 200.00 foot Easterly offset line, North 01°04'45" East, 206.96 feet, more or less, to a point of intersection with a line offset 50.00 feet Southerly from, and parallel with, the North line of the South Half of said Tract 25;

Thence, along said 50.00 foot Southerly offset line, South 88°39'27" East, 427.33 feet, more or less, to the East boundary line of said Tract 25;

Thence, along the East boundary lines of Tracts 25 and 36 of said plat of AVONDALE IRRIGATED TRACTS, South 01°10'45" West, 504.30 feet, to a point of intersection with a line offset 90.00 feet Northerly from, and parallel with, the South line of the North half of said Tract 36;

Thence, along said 90.00 foot Northerly offset line, North 88°36'26" West, 407.45 feet, more or less, to a point of intersection with a line offset 219 feet Easterly from, and parallel with, the West boundary line of said Tract 36;

Thence, along said 219 foot Easterly offset line, South 01°04'45" West, 90.00 feet, to a point of intersection with the aforesaid South line of the North half of said Tract 36;

Thence, along said South line of the North half of said Tract 36, South 88°36'26" East, 15.33 feet;

Thence, South 01°14'26" West, 80.49 feet, more or less, to a point of intersection with the South line of the North half of the North half of the South half of said Tract 36, said point being the Northeast corner of that parcel of land described in the document recorded in Book 264 of Deeds, Page 850 (hereinafter referred to as "Tax No. 9089");

Thence, along said South line of the North half of the North half of the South half of said Tract 36, also being the North boundary line of said "Tax No. 9089", North 88°36'03" West, 217.58 feet, to

the Northwest corner of said "Tax No. 9089", taken to be situated upon the East line of the Right-of-Way for Government Way;

Thence, along said East line of the Right-of-Way for Government Way, South 01°26'31" West, 241.41 feet, to a point of intersection with the North line of the Right-of-Way for Miles Avenue;

Thence, along said North line of the Right-of-Way for Miles Avenue, South 88°34'54" East, 146.56 feet, to a point of intersection with the Northerly extension of the East boundary line of the parcel of land described in the Quitclaim Deed recorded March 21, 1996, as Instrument No. 1438305 (hereinafter referred to as "Tax No. 16995"), taken to be a line offset 160.70 feet Easterly from, and parallel with, the West line of Tract 37 of said AVONDALE IRRIGATED TRACTS;

Thence, along said East boundary line of "Tax No. 16995", and the Northerly extension thereof, South 01°06'30" West, 134.66 feet, more or less, to a point of intersection with a line offset 105.00 feet Southerly from, and parallel with, the North boundary line of said Tract 37, said point taken to be the Southwest corner of the parcel of land described in the document recorded in Book 194 of Deeds, Page 442, and to be situated upon the North boundary line of the parcel of land described in the document recorded in Book 217 of Deeds, Page 139 (hereinafter referred to as "Tax No. 6661");

Thence, along said North boundary line of "Tax No. 6661", parallel with the North boundary line of said Tract 37, North 88°36'00" West, 3.00 feet, to a point of intersection with a line offset 157.70 feet Easterly from, and parallel with, the West line of Tract 37;

Thence, along said 157.70 foot Easterly offset line, South 01°06'30" West, 101.00 feet, to a point of intersection with the South line of the North 206.00 feet of said Tract 37;

Thence, along said South line of the North 206.00 feet of said Tract 37, South 88°36'00" East, 3.00 feet, to a point of intersection with the aforesaid line offset 160.70 feet Easterly from, and parallel with, the West line of Tract 37;

Thence, along said 160.70 foot Easterly offset line, North 01°06'30" East, 1.00 foot, to a point of intersection with the South line of the North 205.00 feet of said Tract 37, said point being the Southwest corner of the aforesaid "Tax No. 6661";

Thence, along said South line of the North 205.00 feet of said Tract 37, taken to be coincidental with the South boundary line of said "Tax No. 6661", South 88°36'00" East, 96.28 feet, to the Southeast corner of said "Tax No. 6661", taken to be situated upon the West boundary line of the parcel of land described in the Quitclaim Deed recorded in Book 331 of Deeds, Page 303 (hereinafter referred to as "Tax No. 13048");

Thence, along said West boundary line of "Tax No. 13048", South 00°45'05" West, 102.02 feet, to the Southwest corner thereof;

Thence, along the South boundary line of said "Tax No. 13048", South 89°14'55" East, 37.96 feet, to the Southeast corner thereof, taken to be coincidental with the Northeast corner of the parcel of land described in the document recorded in Book 177 of Deeds, Page 312 (hereinafter referred to as "Tax No. 4915");

Thence, along the East boundary line of said "Tax No. 4915", South 00°58'55" West, 338.40 feet, more or less, to the South boundary line of said Tract 37;

Thence, along said South boundary line of Tract 37, South 88°37'24" East, 4.31 feet, to a point of intersection with a line offset 300 feet Easterly from, and parallel with, the West boundary line

of Tract 48 of said plat of AVONDALE IRRIGATED TRACTS;

Thence, along said 300 foot Easterly offset line, South 02°31'52" West, 193.54 feet, to a point of intersection with a line offset 193.5 feet Southerly from, and parallel with, the North boundary line of said Tract 48;

Thence, along said 193.5 foot Southerly offset line, North 88°37'24" West, 285.07 feet, to a point of intersection with the East line of the Right-of-Way for Government Way;

Thence, along said East line of the Right-of-Way for Government Way, South 02°32'10" West, 451.56 feet, more or less, to a point of intersection with the North line of the Right-of-Way for Dakota Avenue;

Thence, along said North line of the Right-of-Way for Dakota Avenue, South 88°38'59" East, 307.71 feet, more or less, to a point of intersection with the Northerly extension of the West line of the East 300 feet of Tract 49 of said plat of AVONDALE IRRIGATED TRACTS;

Thence, along said West line of the East 300 feet of Tract 49, and the Northerly extension thereof, South 00°13'05" East, 241.27 feet, to a point of intersection with the South line of the North 50 feet of the South half of the North Half of said Tract 49;

Thence, along said South line of the North 50 feet of the South half of the North Half of said Tract 49, North 88°39'18" West, 33.77 feet, to the Northwest corner of the parcel of land described in the document recorded in Book 203 of Deeds, Page 245 (hereinafter referred to as "Tax No. 6150");

Thence, along the West boundary line of said "Tax No. 6150", South 00°19'01" East, 111.23 feet, to a point of intersection with the North boundary line of the plat of RIDER'S SPLIT, recorded In Book I of Plats, Page 285;

Thence, along said North boundary line of the plat of RIDER'S SPLIT, North 88°39'37" West, 106.24 feet, to the Northwest corner of Lot 3, Block 1 of said plat of RIDER'S SPLIT;

Thence, along the West boundary line of said Lot 3, South 01°04'55" West, 322.41 feet, to the Southwest corner thereof;

Thence, along the South boundary line of said Lot 3, South 88°40'25" East, 447.24 feet, to the Southeast corner thereof, taken to be coincidental with the Northwest corner of the plat of EASTSIDE ADDITION TO HAYDEN VILLAGE, recorded in Book E of Plats, Page 43:

Thence, along the West boundary line of said plat of EASTSIDE ADDITION TO HAYDEN VILLAGE, and the Southerly extension thereof, South 01°09'45" West, 689.34 feet, more or less, to a point of intersection with the South line of the Right-of-Way for Hayden Avenue;

Thence, along said South line of the Right-of-Way for Hayden Avenue, North 88°41'40" West, 225.88 feet, more or less, to a point of intersection with the West line of the East 225 feet of Tract 91 of said plat of AVONDALE IRRIGATED TRACTS;

Thence, along said West line of the East 225 feet of Tract 91, South 01°13'10" West, 303.24 feet, to a point of intersection with the North line of the South 13 feet of the North half of said Tract 91;

Thence, along said North line of the South 13 feet of the North half of said Tract 91, South 88°40'51" East, 225.02 feet, to a point of intersection with the East boundary line of said Tract 91;

Thence, along the East boundary lines of Tracts 91 and 92 of said plat of AVONDALE

IRRIGATED TRACTS, South 01°17'12" West, 603.18 feet, to the Southwest corner of Lot 13, Block 2, of the plat of ORCHARD PLACE, recorded in Book G of Plats, Page 50;

Thence, along the Northerly boundary of said Block 2, North 88°29'12" West, 368.75 feet, to the Northwest corner of Lot 21 of said Block 2;

Thence, along the West boundary line of said Lot 21, South 01°34'50" West, 98.97 feet, to the Southwest corner thereof, taken to be coincidental with the Northeast corner of Lot 1, Block 3, of said plat of ORCHARD PLACE;

Thence, along the North boundary line of said Lot 1, North 88°34'53" West, 79.81 feet, to the Northwest corner thereof;

Thence, along the West boundary line of said Lot 1, South 01°19'15" West, 115.64 feet, to the Northeast corner of that parcel of land described in the Quitclaim Deed recorded as Instrument No. 1373921 (hereinafter referred to as "Tax No. 16303");

Thence, along the North boundary line of said "Tax No. 16303", North 88°36'27" West, 175.26 feet, more or less, to a point of intersection with the East line of the Right-of-Way for Government Way;

Thence, along said East line of the Right-of-Way for Government Way, South 01°13'48" West, 159.96 feet, more or less, to a point of intersection with the North line of the Right-of-Way for Orchard Avenue;

Thence, along said North line of the Right-of-Way for Orchard Avenue, South 88°36'42" East, 175.01 feet, to a point of intersection with the East boundary line of said "Tax No. 16303";

Thence, along said East boundary line of "Tax No. 16303", North 01°19'15" East, 15.07 feet, to the Southwest corner of Lot 2, Block 3, of said plat of ORCHARD PLACE;

Thence, along the South boundary of Blocks 1 and 3 of said plat of ORCHARD PLACE, South 88°29'02" East, 200.25 feet, to a point of intersection with the Northerly extension of the West line of the East quarter of the West 4/5ths of the North half of Tract 93 of said plat of AVONDALE IRRIGATED TRACTS;

Thence, along said West line of the East quarter of the West 4/5ths of the North half of Tract 93, and the Northerly extension thereof, South 01°13'41" West, 368.33 feet, more or less, to the Southwest corner thereof, on the South line of said North half of Tract 93;

Thence, along said South line of the North half of Tract 93, North 88°35'30" West, 248.78 feet, to a point of intersection with the West line of the East 500 feet of said Tract 93;

Thence, along said West line of the East 500 feet of Tract 93, South 01°02'32" West, 263.62 feet, to a point of intersection with the North line of the South 60 feet of said Tract 93;

Thence, along said North line of the South 60 feet of Tract 93, North 88°34'18" West, 127.36 feet, to a point of intersection with the East line of the Right-of-Way for Government Way;

Thence, along said East line of the Right-of-Way for Government Way, South 01°13'41" West, 60.00 feet, to a point of intersection with the South boundary line of said Tract 93;

Thence, along said South boundary line of Tract 93, South 88°34'18" East, 627.56 feet, to the Southeast corner thereof, taken to be coincidental with the Northeast corner of Tract 94 of said plat of AVONDALE IRRIGATED TRACTS;

Thence, along the East boundary line of said Tract 94, South 01°02'35" West, 647.60 feet, to a point of intersection with the North line of the Right-of-Way for Honeysuckle Avenue;

Thence, South 18°29'00" West, 46.77 feet, more or less, to the Northwest corner of Lot 6, Block 7, of the plat of WOODLAND MEADOWS FIRST ADDITION;

Thence, along the West boundary line of said Block 7, South 00°59'14" West, 2277.62 feet, to the Northeast corner of Lot 1, Block 2, of the plat of MERRITT BROTHERS COMMERCIAL CENTER, recorded in Book I of Plats, Page 354;

Thence, along the North boundary line of said Lot 1, and the Westerly extension thereof, North 89°00'32" West, 224.94 feet, to a point of intersection with the West line of the Right-of-Way for Wayne Drive;

Thence, along said West line of the Right-of-Way for Wayne Drive, South 00°59'28" West, 83.67 feet, to the Southeast corner of Lot 5, Block 1, of said plat of MERRITT BROTHERS COMMERCIAL CENTER;

Thence, along the South boundary line of Lots 2 and 5 of said Block 1, and the Westerly extension thereof, North 89°00'32" West, 485.13 feet, to a point of intersection with the Easterly boundary of the parcel of land described in the Quitclaim Deed recorded as Instrument No. 1594078 (hereinafter referred to as "Tax No. 18282");

Thence, along said Easterly boundary of "Tax No. 18282" as follows:

North 00°59'45" East, 168.51 feet;

South 89°29'35" East, 26.02 feet;

North 00°59'45" East, 255.80 feet, to a point of intersection with the South boundary line of the parcel of land described in the Memorandum of Contract recorded in Book 97, Page 897 (hereinafter referred to as "Tax No. 11377");

Thence, along the South boundary line of said "Tax No. 11377", North 89°13'22" West, 386.65 feet, to the Southwest corner thereof;

Thence, along the West boundary line of said "Tax No. 11377", North 01°00'49" East, 410.06 feet, to a point of intersection with the South boundary line of the parcel of land described in the Warranty Deed recorded as Instrument No. 1364526 (hereinafter referred to as "Tax No. 16472");

Thence, along said South boundary line of "Tax No. 16472", and the Westerly extension thereof, North 89°20'50" West, 267.12 feet, to a point of intersection with the West line of the Right-of-Way for Centa Avenue;

Thence, along said West line of the Right-of-Way for Centa Avenue, North 04°01'00" East, 170.55 feet, to a point of intersection with the South line of the Right-of-Way for Centa Avenue;

Thence, along said South line of the Right-of-Way for Centa Avenue, North 89°20'50" West, 429.98 feet, to a point of intersection with the East line of the Right-of-Way for U.S. Highway No. 95;

Thence, North 81°38'30" West, 219.47 feet, more or less, to the point where the South line of the Right-of-Way for Centa Avenue intersects with the West line of the Right-of-Way for U.S. Highway No. 95, said point being the Northeast corner of Lot 8, Block 2, of the plat of CORNERSTONE BUSINESS AND PROFESSIONAL PARK, recorded in Book I of Plats, Page 147;

Thence, along said West line of the Right-of-Way for U.S. Highway No. 95, taken to be coincidental with the East boundary line of said Block 2, South 05°51'08" West, 845.64 feet, to the Southeast corner of Lot 4, of said Block 2;

Thence, along the South line of said Lot 4, North 89°24'08" West, 246.82 feet, to the Southwest corner thereof, on the Easterly line of the Right-of-Way for Cornerstone Drive;

Thence, along the Easterly line of the Right-of-Way for Cornerstone Drive as follows:

122.76 feet along a non-tangent 230.00 foot radius curve concave to the West, having a central angle of 30°34'53" and a long chord bearing North 15°50'01" East, 121.31 feet, to a point of tangency;

North 00°32'34" East, 6.84 feet;

South 89°24'30" East, 45.00 feet;

North 00°32'34" East, 30.00 feet;

North 89°24'30" West, 45.00 feet;

North 00°32'34" East, 8.66 feet, to a point of tangent curvature;

86.92 feet along the arc of a 280.00 foot radius curve concave to the West, having a central angle of 17°47'09" and a long chord bearing North 08°21'01" West, 86.57 feet, to a point of tangency;

North 17°14'35" West, 30.03 feet, to a point of tangent curvature;

146.86 feet along the arc of a 470.00 foot radius curve concave to the East, having a central angle of 17°54'13" and a long chord bearing North 08°17'27" West, 146.27 feet, to a point of tangency;

North 00°39'40" East, 391.29 feet, to a point of tangent curvature;

47.13 feet along the arc of a 30.00 foot radius curve concave to the Southeast, having a central angle of 90°00'35" and a long chord bearing North 45°39'40" East, 42.43 feet;

Thence, leaving said Easterly line of the Right-of-Way for Cornerstone Drive, and crossing said Centa Avenue, North 00°39'40" East, 30.00 feet, to a point of intersection with the North boundary line of said plat of CORNERSTONE BUSINESS AND PROFESSIONAL PARK, taken to be coincidental with the South boundary line of that parcel of land described in the Deed recorded as Instrument No. 1852429 (hereinafter referred to as "Tax No. 19871");

Thence, along said South boundary line of said "Tax No. 19871", North 89°20'20" West, 292.00 feet, to the Southwest corner thereof;

Thence, along the West boundary line of said "Tax No. 19871", and the Northerly extension thereof, North 01°06'55" East, 1363.93 feet, to the North line of the Right-of-Way for Honeysuckle Avenue, taken to be coincidental with the South boundary line of Block 2 of the plat of DAVIS CENTER, recorded in Book G of Plats, Page 82;

Thence, along said North line of the Right-of-Way for Honeysuckle Avenue, South 89°16'20" East, 229.85 feet, to the Southwest corner of Lot 1, Block 4, of said plat of DAVIS CENTER;

Thence, along the West boundary line of said Block 4, North 01°08'42" East, 630.95 feet, to the Southwest corner of Lot 5 of said Block 4, taken to be coincidental with the Southeast corner of the parcel of land described in the Deed recorded as Instrument No. 1482916 (hereinafter referred to as "Tax No. 17359");

Thence, along the South boundary line of said Lot 5, South 89°14'13" East, 30.02 feet, to a point of intersection with the East line of the West 30 feet of Lots 5 through 11, inclusive, of said Block 4;

Thence, along said East line of the West 30 feet of Lots 5 through 11, inclusive, of Block 4, North 03°13'45" East, 633.32 feet, to a point of intersection with the North boundary line of said Lot 11, taken to be coincidental with the South line of the Right-of-Way for Orchard Avenue;

Thence, along said South line of the Right-of-Way for Orchard Avenue as follows:

North 89°17'07" West, 30.03 feet, to a point of intersection with the East boundary line of the aforesaid "Tax No. 17359";

Along said East boundary line of "Tax No. 17359", North 03°13'45" East, 10.00 feet, to the Northeast corner thereof;

Along the North boundary line of said "Tax No. 17359", North 89°22'05" West, 319.80 feet, to a point of intersection with the Southerly extension of the West boundary line of Tract 224 of the plat of AMENDED PLAT OF HAYDEN LAKE IRRIGATED TRACTS, recorded in Book C of Plats, Page 67;

Thence, leaving said South line of the Right-of-Way for Orchard Avenue, along said West boundary line of Tract 224, and the Southerly extension thereof, North 01°11'09" East, 681.91 feet, to the Northwest corner thereof;

Thence, along the North boundary line of said Tract 224, South 89°17'29" East, 167.00 feet, to a point of intersection with the West boundary line of the East half of the West half of Tract 189 of said plat of AMENDED PLAT OF HAYDEN LAKE IRRIGATED TRACTS;

Thence, along said West boundary line of the East half of the West half of Tract 189, North 01°12'19" East, 631.93 feet, to the South line of the Right-of-Way for Hayden Avenue;

Thence, along said South line of the Right-of-Way for Hayden Avenue, South 89°17'59" East, 31.68 feet, to a point of intersection with the Southerly extension of the East line of the Right-of-Way for Shaw Street, as it was created by the plat of SHAW'S ADDITION TO AVONDALE, recorded in Book E of Plats, Page 98;

Thence, along said East line of the Right-of-Way for Shaw Street, and the Southerly extension thereof, North 01°15'29" East, 244.25 feet, to the Southwest corner of Lot 5, Block 2, of said plat of SHAW'S ADDITION TO AVONDALE;

Thence, along the South boundary line of said Lot 5, and the Easterly extension thereof, South 88°45'42" East, 272.00 feet, more or less, to a point of intersection with the West line of the Right-of-Way for Kirkpatrick Street;

Thence, crossing Kirkpatrick Street, South 89°30'15" East, 50.00 feet, more or less, to the Southwest corner of the parcel of land described in Instrument No. 1723951 (hereinafter referred to as "Tax No. 9241"), taken to be located on the East line of the Right-of-Way for Kirkpatrick Street;

Thence, along the South boundary line of said "Tax No. 9241", South 88°50'23" East, 147.68 feet, more or less, to the Southeast corner thereof, taken to be located upon the East boundary line of Tract 83 of said plat of AVONDALE IRRIGATED TRACTS;

Thence, along said East boundary line of Tract 83, North $00^{\circ}57'11''$ East, 454.84 feet, to the Northeast corner thereof;

Thence, North $84^{\circ}58'18''$ West, 643.77 feet, more or less, to the point of intersection of the North line of the Right-of-Way for Helen Avenue with the East line of the Right-of-Way for Buttercup Lane;

Thence, along said East line of the Right-of-Way for Buttercup Lane, North $01^{\circ}06'38''$ East, 388.03 feet, to a point of intersection with the South boundary line of the North 208.75 feet of the West 208.75 feet of Tract 84 of said plat of AVONDALE IRRIGATED TRACTS;

Thence, along said South boundary line of the North 208.75 feet of the West 208.75 feet of Tract 84, South $89^{\circ}11'23''$ East, 208.75 feet, to the Southeast corner thereof;

Thence, along the East boundary line of said North 208.75 feet of the West 208.75 feet of Tract 84, and the Northerly extension thereof, North $01^{\circ}06'50''$ East, 237.75 feet, to the North line of the Right-of-Way for Dakota Avenue;

Thence, along said North line of the Right-of-Way for Dakota Avenue, South $89^{\circ}12'39''$ East, 544.28 feet, to a point of intersection with the West line of the Right-of-Way for U.S. Highway No. 95;

Thence, crossing U.S. Highway No. 95, North $86^{\circ}51'16''$ East, 221.99 feet, more or less, to the point of intersection of the East line of the Right-of-Way for U.S. Highway No. 95 with the North line of the Right-of-Way for Dakota Avenue;

Thence, along said East line of the Right-of-Way for U.S. Highway No. 95, North $01^{\circ}11'00''$ East, 307.45 feet, to a point of intersection with the North line of the South half of Tract 80 of the plat of AVONDALE IRRIGATED TRACTS;

Thence, along said North line of the South half of Tract 80, South $89^{\circ}11'32''$ East, 281.55 feet, to a point of intersection with the East line of the Right-of-Way for Taryne Street, as it was established by the plat of MID MOUNTAIN SUBDIVISION, recorded in Book G of Plats, Page 133;

Thence, along said East line of the Right-of-Way for Taryne Street as follows:

31.57 feet along the arc of a 330.00 foot radius curve concave to the West, having a central angle of $05^{\circ}28'55''$ and a long chord bearing South $23^{\circ}12'49''$ West, 31.56 feet, to a point of reverse tangent curvature;

116.74 feet along the arc of a 270.00 foot radius curve concave to the East, having a central angle of $24^{\circ}46'23''$ and a long chord bearing South $13^{\circ}34'05''$ West, 115.83 feet, to a point of tangency;

South 01°10'53" West, 165.45 feet, more or less, to a point of intersection with the North line of the Right-of-Way for Dakota Avenue;

Thence, along said North line of the Right-of-Way for Dakota Avenue, South 89°12'39" East, 479.48 feet, to a point of intersection with the West boundary line of the East 247.5 feet of Tract 77 of said plat of AVONDALE IRRIGATED TRACTS;

Thence, along said West boundary line of the East 247.5 feet of Tract 77 of said AVONDALE IRRIGATED TRACTS, North 01°11'55" East, 630.12 feet, to a point of intersection with the South boundary line of Tract 78 of said plat of AVONDALE IRRIGATED TRACTS;

Thence, along said South boundary line of said Tract 78, North 89°07'45" West, 71.20 feet, to the Southeast corner of Block 1 of the plat of MID MOUNTAIN 1ST ADDITION, recorded in Book G of Plats, Page 422, taken to be coincidental with the Southeast corner of the West half of said Tract 78;

Thence, along the East boundary line of said Block 1, taken to be coincidental with the East line of said West half of said Tract 78, and the Northerly extension thereof, North 01°11'41" East, 677.30 feet, to a point of intersection with the North line of the Right-of-Way for Miles Avenue;

Thence, along said North line of the Right-of-Way for Miles Avenue, North 89°20'02" West, 114.38 feet, more or less, to a point of intersection with the East line of the West 208.71 feet of Tract 138 of said plat of HAYDEN LAKE IRRIGATED TRACTS;

Thence, along said East line of the West 208.71 feet of Tract 138, North 01°02'51" East, 588.93 feet, to a point of intersection with the South line of the North 50.00 feet of said Tract 138;

Thence, along said South line of the North 50.00 feet of Tract 138, North 89°18'17" West, 208.71 feet, to a point of intersection with the West boundary line of said Tract 138;

Thence, along said West boundary line of Tract 138, North 01°02'51" East, 50.00 feet, to the Northwest corner thereof, taken to be coincidental with the Northeast corner of Tract 137 of said plat of HAYDEN LAKE IRRIGATED TRACTS;

Thence, along the North boundary line of said Tract 137, North 89°18'17" West, 296.54 feet, more or less, to a point of intersection with the East line of the Right-of-Way for U.S. Highway No. 95;

Thence, along said East line of the Right-of-Way for U.S. Highway No. 95, North 05°41'20" East, 1614.42 feet, more or less, to a point of intersection with the North line of the South 290 feet of Tract 108 of said plat of HAYDEN LAKE IRRIGATED TRACTS;

Thence, along said North line of the South 290 feet of Tract 108, South 89°13'45" East, 165.89 feet, to the East boundary line of said Tract 108, said line taken to be coincidental with the West boundary line of Tract 107 of said plat of HAYDEN LAKE IRRIGATED TRACTS;

Thence, along said West boundary line of Tract 107, North 01°02'51" East, 39.52 feet, to a point of intersection with the South line of the North half of said Tract 107;

Thence, along said South line of the North half of said Tract 107, South 89°13'45" East, 330.00 feet, to the East line of the West 330 feet of said Tract 107;

Thence, along said East line of the West 330 feet of said Tract 107, North 01°02'51" East, 299.23 feet, to a point of intersection with the South line of the Right-of-Way for Wyoming Avenue;

Thence, along said South line of the Right-of-Way for Wyoming Avenue, North 89°12'31" West, 466.72 feet, to a point of intersection with said East line of the Right-of-Way for U.S. Highway No. 95;

Thence, along said East line of the Right-of-Way for U.S. Highway No. 95, North 05°39'36" East, 2673.91 feet, more or less, to a point of intersection with the South line of the Northeast Quarter of the aforesaid Section 11;

Thence, along said South line of the Northeast Quarter of Section 11, North 89°04'31" West, 2078.64 feet, to the Center Quarter Corner of said Section 11;

Thence, along the South line of the Northwest Quarter of Section 11, North 89°00'29" West, 2642.23 feet, to the POINT OF BEGINNING.

EXCEPTING THEREFROM (EXCEPTION A):

Lots 3 through 7, inclusive, of Block 1 of the plat of LACEY COMMERCIAL CENTER, recorded in Book G of Plats, Page 117A.

AND ALSO EXCEPTING THEREFROM (EXCEPTION B):

A portion of the plat of SCHMIDTS' ADDITION, recorded in Book D of Plats, Page 155, more particularly described as follows:

BEGINNING at the Northeast corner of Lot 1, Block 1, of said plat of SCHMIDTS' ADDITION, located upon the West line of the Right-of-Way for Schmidt Street;

Thence, along said West line of the Right-of-Way for Schmidt Street, South 01°14'28" West, 330.00 feet, to the Southeast corner of Lot 1, Block 3, of said plat of SCHMIDTS' ADDITION;

Thence, along the South boundary of said plat of SCHMIDTS' ADDITION, North

89°08'37" West, 640.71 feet, to a point of intersection with the East line of the Right-of-Way for U.S. Highway No. 95;

Thence, along said East line of the Right-of-Way for U.S. Highway No. 95, North 00°32'34" East, 330.00 feet, to a point of intersection with the North boundary of said plat of SCHMIDTS' ADDITION;

Thence, along said North boundary of the plat of SCHMIDTS' ADDITION, South 89°08'37" East, 644.73 feet, to the POINT OF BEGINNING.

AND ALSO EXCEPTING THEREFROM (EXCEPTION C):

BEGINNING at the point of intersection of the East line of the Right-of-Way for U.S. Highway No. 95 with the North line of the Right-of-Way for Hayden Avenue;

Thence, along said East line of the Right-of-Way for U.S. Highway No. 95, North 01°10'36" East, 150.00 feet, to a point of intersection with the North boundary line of the parcel of land described in the Warranty Deed recorded under Instrument No. 540875 (hereinafter referred to as "Tax No. 5513");

Thence, along the North boundary line of said "Tax No. 5513", South 89°10'55" East, 105.00 feet, to the Northeast corner thereof;

Thence, along the East boundary line of said "Tax No. 5513", South 01°10'36" West, 150.00 feet, to a point of intersection with said North line of the Right-of-Way for Hayden Avenue;

Thence, along said North line of the Right-of-Way for Hayden Avenue, North 89°10'55" West, 105.00 feet, to the POINT OF BEGINNING.

AND ALSO EXCEPTING THEREFROM (EXCEPTION D):

BEGINNING at the point of intersection of the West line of the Right-of-Way for Schmidt Street with the North line of the Right-of-Way for Hayden Avenue;

Thence, along said North line of the Right-of-Way for Hayden Avenue, North 89°10'52" West, 240.00 feet, to a point of intersection with the East boundary line of the parcel of land described in the Memorandum of Contract recorded under Instrument No. 612671 (hereinafter referred to as "Tax No. 8495");

Thence, along said East boundary line of said "Tax No. 8495", North 01°10'36" East, 200.52 feet, to a point of intersection with a line offset 100.00 feet Southerly from, and parallel with, the South boundary line of Block 3 of the plat of SCHMIDTS' ADDITION, recorded in Book D of Plats, Page 155;

Thence, along said 100.00 foot Southerly offset line, South 89°08'37" East, 140.00 feet, to a point on the West boundary line of the parcel of land described in the Warranty Deed recorded under Instrument No. 560423 (hereinafter referred to as "Tax No. 7639");

Thence, along said West boundary line of "Tax No. 7639", North 01°10'36" East, 40.00 feet, to the South boundary line of the parcel of land described in the Warranty Deed recorded in Book 200 of Deeds, Page 252 (hereinafter referred to as "Tax No. 5991");

Thence, along said South boundary line of "Tax No. 5991", parallel with said South boundary line of Block 3 of the plat of SCHMIDTS' ADDITION, South 89°08'37" East, 99.93 feet, to a point of intersection with said West line of the Right-of-Way for Schmidt Street;

Thence, along said West line of the Right-of-Way for Schmidt Street, South 01°09'31" West, 240.36 feet, to the POINT OF BEGINNING.

AND ALSO EXCEPTING THEREFROM (EXCEPTION E):

BEGINNING at the point of intersection of the East line of the Right-of-Way for U.S. Highway No. 95 with the South line of the Right-of-Way for Hayden Avenue;

Thence, along said South line of the Right-of-Way for Hayden Avenue, South 89°17'59" East, 150.00 feet, to a point of intersection with a line offset 150.00 feet Easterly from, and parallel with, said East line of the Right-of-Way for U.S. Highway No. 95;

Thence, along said 150.00 foot Easterly offset line, South 01°02'56" West, 120.00 feet, to a point of intersection with a line offset 120.00 feet Southerly from, and parallel with, said South line of the Right-of-Way for Hayden Avenue;

Thence, along said 120.00 foot Southerly offset line, North 89°17'59" West, 150.00 feet, to a point of intersection with said East line of the Right-of-Way for U.S. Highway No. 95;

Thence, along said East line of the Right-of-Way for U.S. Highway No. 95, North 01°02'56" East, 120.00 feet, to the POINT OF BEGINNING.

AND ALSO EXCEPTING THEREFROM (EXCEPTION F):

BEGINNING at the point of intersection of the South line of the Right-of-Way for Hayden Avenue with the common line between Tracts 187 and 188 of the aforesaid plat of AMENDED PLAT OF HAYDEN LAKE IRRIGATED TRACTS;

Thence, along said South line of the Right-of-Way for Hayden Avenue, South 89°17'19" East,

55.98 feet, to the East boundary line of the parcel of land described in the Notice of Lease Option recorded as Instrument No. 1363387 (hereinafter referred to as "Tax No. 16141");

Thence, along said East boundary line of "Tax No. 16141", South 01°05'00" West, 140.00 feet, to the Southeast corner thereof;

Thence, along the South boundary line of said "Tax No. 16141", North 89°17'19" West, 183.00 feet, to the Southwest corner thereof;

Thence, along the West boundary line of said "Tax No. 16141", North 01°05'00" East, 140.00 feet, to a point of intersection with said South line of the Right-of-Way for Hayden Avenue;

Thence, along said South line of the Right-of-Way for Hayden Avenue, South 89°17'19" East, 127.02 feet, to the POINT OF BEGINNING.

AND ALSO EXCEPTING THEREFROM (EXCEPTION G):

BEGINNING at the point of intersection of the South line of the Right-of-Way for Hayden Avenue with the East line of the West half of Tract 187 of the aforesaid plat of AMENDED PLAT OF HAYDEN LAKE IRRIGATED TRACTS;

Thence, along said East line of the West half of Tract 187, South 01°10'40" West, 175.00 feet;

Thence, North 89°17'57" West, 206.19 feet;

Thence, North 01°20'29" East, 175.00 feet, to a point of intersection with said South line of the Right-of-Way for Hayden Avenue;

Thence, along said South line of the Right-of-Way for Hayden Avenue, South 89°17'59" East, 205.69 feet, to the POINT OF BEGINNING.

AND ALSO EXCEPTING THEREFROM (EXCEPTION H):

BEGINNING at the point of intersection of the North line of the Right-of-Way for Orchard Avenue with the East line of the Right-of-Way for U.S. Highway No. 95;

Thence, along said East line of the Right-of-Way for U.S. Highway No. 95, North 00°57'34" East, 642.04 feet, to a point of intersection with the North boundary line of Tract 225 of the aforesaid plat of AMENDED PLAT OF HAYDEN LAKE IRRIGATED TRACTS;

Thence, along the North boundary lines of said Tract 225 and Tract 226 of the aforesaid plat of

AMENDED PLAT OF HAYDEN LAKE IRRIGATED TRACTS, South 89°17'29" East, 814.64 feet, to the Northwest corner of Block 1 of the plat of RICCORAID HAYMOND ADDITION, recorded in Book I of Plats, Page 458;

Thence, along the West boundary line of said plat of RICCORAID HAYMOND ADDITION, South 01°12'25" West, 132.40 feet, to the Southwest corner thereof;

Thence, along the South boundary line of said plat of RICCORAID HAYMOND ADDITION, South 89°16'37" East, 160.04 feet, to the West line of the Right-of-Way for Government Way;

Thence, along said West line of the Right-of-Way for Government Way, South 01°11'35" West, 509.75 feet, to a point of intersection with said North line of the Right-of-Way for Orchard Avenue;

Thence, along said North line of the Right-of-Way for Orchard Avenue, North 89°16'58" West, 972.03 feet, to the POINT OF BEGINNING.

AND ALSO EXCEPTING THEREFROM (EXCEPTION I):

Lots 1 through 10, inclusive, of Block 5 of the plat of DAVIS CENTER, recorded in Book G of Plats, Page 82.

AND ALSO EXCEPTING THEREFROM (EXCEPTION J):

BEGINNING at the point of intersection of the North line of the Right-of-Way for Honeysuckle Avenue with the East line of the Right-of-Way for U.S. Highway No. 95;

Thence, along said East line of the Right-of-Way for U.S. Highway No. 95 as follows:

North 02°30'02" East, 236.92 feet, to a point of tangent curvature;

385.14 feet along the arc of a 28,757.90 foot radius curve concave to the East, having a central angle of 00°46'02" and a long chord bearing North 02°53'03" East, 385.14 feet, to the Northwest corner of Block 1 of the plat of COMMERCE DRIVE COMMERCIAL CENTER, recorded in Book G of Plats, Page 107;

Thence, along the North boundary line of said Block 1, and the Easterly extension thereof, South 89°20'11" East, 338.93 feet, to the Northwest corner of Lot 8, Block 1, of the plat of GOVERNMENT WAY COMMERCIAL CENTER, recorded in Book F of Plats, Page 16, said corner take to be coincidental with the Southwest corner of Tract 227 of said plat of AMENDED PLAT OF HAYDEN LAKE IRRIGATED TRACTS;

Thence, along the West boundary line of said Tract 227, North 01°14'17" East, 330.24 feet, to a point of intersection with the South line of the North half of said Tract 227;

Thence, along said South line of the North half of said Tract 227, South 89°16'58" East, 333.55 feet, to a point of intersection with the West line of the East half of said North half of Tract 227;

Thence, along said West line of the East half of said North half of Tract 227, North 01°14'17" East, 311.05 feet, to a point of intersection with the South line of the Right-of-Way for Orchard Avenue;

Thence, along said South line of the Right-of-Way for Orchard Avenue, South 89°16'58" East, 302.74 feet, to a point of intersection with the West line of the Right-of-Way for Government Way;

Thence, along said West line of the Right-of-Way for Government Way, South 01°12'02" West, 1273.48 feet, to a point of intersection with the North line of the Right-of-Way for Honeysuckle Avenue;

Thence, along said North line of the Right-of-Way for Honeysuckle Avenue as follows:

North 89°16'21" West, 257.25 feet, to a point of intersection with the East boundary line of the parcel of land described in the Memorandum of Contract recorded in Book 83, Page 181 (hereinafter referred to as "Tax No. 10039");

Along said East boundary line of "Tax No. 10039", South 01°11'35" West, 10.00 feet;

Leaving said East boundary line of "Tax No. 10039", North 89°16'20" West, 247.55 feet, to a point of intersection with the West boundary line of said "Tax No. 10039";

Along said West boundary line of "Tax No. 10039", North 01°10'10" East, 10.00 feet;

Leaving said West boundary line of "Tax No. 10039", North 89°16'21" West, 131.59 feet, to a point of intersection with the East boundary line of Tract 265 of said plat of AMENDED PLAT OF HAYDEN LAKE IRRIGATED TRACTS;

Along said East boundary line of Tract 265, North 01°10'54" East, 10.00 feet;

Leaving said East boundary line of Tract 265, North 89°16'21" West, 355.93 feet, to the POINT OF BEGINNING.

AND ALSO EXCEPTING THEREFROM (EXCEPTION K):

BEGINNING at the point of intersection of the North line of the Right-of-Way for Honeysuckle Avenue with the East line of the Right-of-Way for Government Way;

Thence, along said East line of the Right-of-Way for Government Way, North $01^{\circ}13'41''$ East, 386.14 feet, more or less, to a point of intersection with the North line of the South 401.00 feet of Tract 94 of said plat of AVONDALE IRRIGATED TRACTS;

Thence, along said North line of the South 401.00 feet of Tract 94, taken to be coincidental with the North lines of the plats of LOHAVEN SQUARE CONDOMINIUM OFFICES PHASE 1, recorded in Book F of Plats, Page 101, and LOHAVEN SQUARE CONDOMINIUM OFFICES PHASE 2, recorded in Book F, Page 123, South $88^{\circ}24'00''$ East, 328.46 feet, more or less, to the Northeast corner of said plat of LOHAVEN SQUARE CONDOMINIUM OFFICES PHASE 2;

Thence, along the East boundary line of said plat of LOHAVEN SQUARE CONDOMINIUM OFFICES PHASE 2, and the Southerly extension thereof, South $01^{\circ}15'45''$ West, 386.04 feet, more or less, to a point of intersection with said North line of the Right-of-Way for Honeysuckle Avenue;

Thence, along said North line of the Right-of-Way for Honeysuckle Avenue, North $88^{\circ}25'02''$ West, 328.23 feet, more or less, to the POINT OF BEGINNING.

All references herein to Deeds, Plats, Book and Page numbers, and Instrument numbers refer to documents from the official records of the Kootenai County Recorder.

ATTACHMENT 3


Private Properties Which May Be Acquired by Agency


1. No particular properties have been identified for acquisition by the Agency, excepting Hayden Lake Elementary School (for which the City has an option to purchase) and such other properties as may be required to meet the objectives of the Plan.
2. The Agency reserves the right to acquire any additional right-of-way or access routes near or around existing or planned rights-of-way.
3. The Agency reserves the right to acquire property needed to encourage certain demonstration projects which achieve the objectives of the Plan (the exact location of which has not been determined).


ATTACHMENT 4


Expected Land Use and Current Zoning Map of the Project Area


LAND USE MAP LEGEND

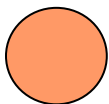
 **Central Business District:** Activities that are pedestrian-friendly and require minimal parking areas. A well defined mix of uses, including small scale retail activity, restaurants, professional services and other activities that enhance the future identity of the corridor as the downtown “Main Street” business district. Promote a mixture of activities, including residential uses on upper floors of multi-storied buildings in the district and community activity centers.


 **General Commercial:** Retail and service oriented activities that are primarily accessed by vehicle and may require larger parking and/or service areas than that required in the Central Business District. Any manufacturing and processing activity shall be directly related to onsite retail and professional services

 **Highway Commercial:** Commercial activities dependent on high visibility and oriented to servicing traffic along Highway 95, as well as the community. Retail and service oriented activities that are primarily accessed by vehicle and that may require a moderate amount of parking and service areas and have an acceptable impact on local roads.

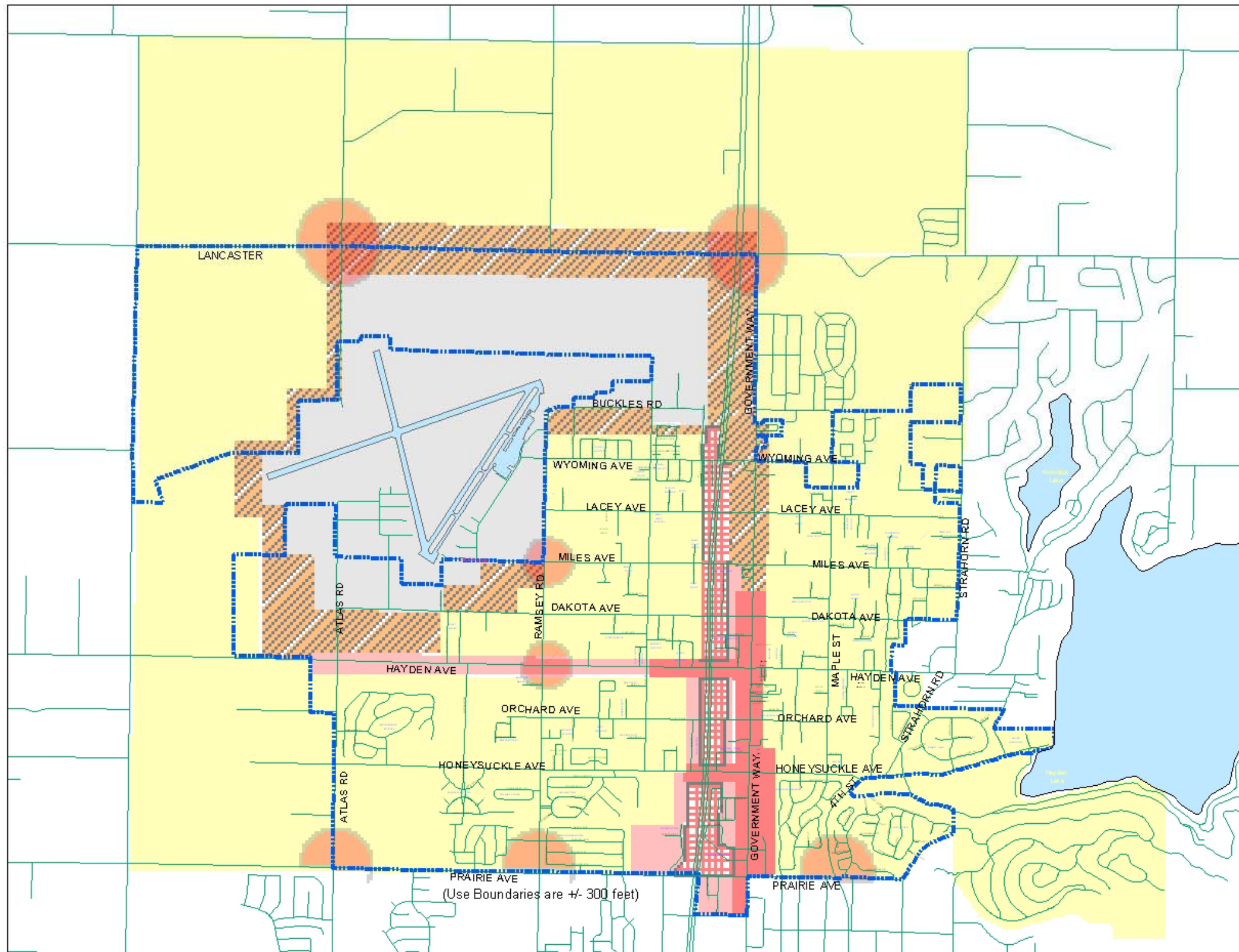
 **Light Industrial:** Manufacturing and wholesale businesses. Activities include manufacturing, processing, fabrication, assemblage, warehousing, freight-handling and similar operations.

 **Low-Impact Commercial/Light Industrial:** Commercial and light industrial activity with minimal aesthetic impact from noise, odor and visual character. Commercial and light industrial activities that are customer-oriented and do not require large parking areas or large service areas. Types of allowed activities include, but are not limited to, service-oriented businesses, retail and low-impact light industrial manufacturing.

 **Commercial Overlay District:** Neighborhood-oriented business located in small designated pockets in residential areas, as may be allowed through special use permit. Commercial activities include retail and professional service businesses designed to provide local service to residential areas.

 **Residential:** Areas where a variety of residential types and densities are allowed, ranging from larger lots to higher densities, as based upon the Residential Densities Map.

PLEASE NOTE: The boundaries delineating types of uses are not finite but outline a general area for designated activities. Boundary lines for types of use are generally within three hundred feet (300) feet of delineating the proposed area.



City of Hayden



Future Land Use

ATTACHMENT 5

Statement of Proposed Public Improvements, Costs, Revenue, Tax Impacts, and Financing Methods

Introduction

Expenditure of funds for projects is anticipated through 2020 with the project as a whole continuing in order to meet debt service.

Anticipated costs of the urban renewal project, revenue sources, estimated revenue allocations, and the amount of indebtedness required to complete the project are shown in Attachment 5. Attachment 5 necessarily incorporates estimates and projections based on the Agency's completed activities, present knowledge, and expectations. The Agency may modify the presently anticipated urban renewal projects and use of revenue allocation financing or the related project costs if the Board of Directors of the Agency deems such modification necessary or convenient to effectuate the general objectives of the Plan. Any future modification will affect the estimate.

Attachment 5A also depicts estimated tax assessments through 2020, anticipated increases in tax assessments through the development process, and increases as described in Section 504.4 of this Plan.

Attachment 5 also demonstrates the overall estimated impact of revenue allocation financing on all taxing districts in which the revenue allocation area is located. The impact on individual taxing districts would be determined by those districts' then-current levies and the projected addition of private investment within the Revenue Allocation Area.

The information contained in Attachment 5 assumes certain completed and projected actions. Under the provisions of the Act, the revenue allocation shall continue until the bond debt is satisfied. All debt is projected to be repaid no later than the duration period of the Plan. Second, the total amount of bonded indebtedness and the amount of revenue generated by revenue allocation is dependent upon the extent and timing of private development. Attachment 5B projects expenditures from 2005 through 2021. Should all of the development take place as projected, bonded or other indebtedness could be extinguished earlier, dependent upon the bond sale documents or other legal obligations. Should private development take longer to materialize, or should the private development be substantially less than projected, then the amount of revenue generated will be substantially reduced and bonds may continue for their full term.

The Urban Renewal Plan and attachments incorporate estimates and projections based on the Agency's present knowledge and expectations. The Agency may modify the project if the Board of Directors deems such modifications necessary to effectuate the Plan. The Plan proposes certain public improvements, including utility improvements,

streetscapes, street improvements, property acquisition, , relocation costs, water and sewer improvements, public facilities, and community facilities which will facilitate development in the Revenue Allocation Area.

Economic Feasibility Statement

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

The information contained in these attachments assumes certain projected actions. First, the Agency has projected certain loan or bond obligations. The loan or bond term will be finally determined by the marketability of the obligations. Under the provisions of the Act, the revenue allocation may continue until the debt is satisfied. Second, the total amount of indebtedness and the amount of revenue generated by revenue allocation is dependent upon the extent and time of private development. Should all of the development take place as projected, indebtedness would be extinguished earlier, dependent upon the bond sale documents and legal obligations therein. Should private development take longer to materialize or should the private development be substantially less than projected, then the amount of revenue generated will be substantially reduced and loan or bond obligations may continue for their full term.

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

Attachment 5A, Estimated Net Taxable Value of New Private Development and Annual Tax Revenue Allocations, lists estimated increases in tax assessments resulting from new development in the Revenue Allocation Area beginning in 2006 and illustrates how the project's new development would generate net revenue to the Agency.

Attachment 5B, Estimated Annual Revenues and Costs, shows the estimated sources and uses of funds through 2021.

The analysis has assumed certain changes in the levy rates as more particularly described in Attachment 5A and Section 504.4.

Description of Public Financing Sources

Revenue Allocation—Revenue allocation financing (sometimes referred to as tax increment financing) applies the increase in property taxes within a defined area to public infrastructure improvements. The improvements are designed to enhance the private development potential, thus creating the additional assessed valuation. The process is initiated upon action of a municipality, whereupon the county assessor will establish the assessed valuation within the Revenue Allocation Area for a base year. The incremental revenue may be applied directly as it is received by the authorized redevelopment agency or, more commonly, applied as a long-term revenue stream for the issuance of bonds or other debt obligations. Once the Plan has been fully implemented and/or the bonds or debt obligations have been retired, the incremental revenue flows back to the appropriate taxing districts in the same proportion as the base revenue. Under the Act, a percentage of the Tax Levy Rate (currently 0.0040) is deducted from the incremental taxes and passed through to the local public school district. Revenue Allocation has been available in Idaho since 1988 and is anticipated to be the major, and thus most essential, component for Plan financing.

Bond Anticipation Notes—Problematic with Revenue Allocation financing is the time delay from initiation of Plan implementation and establishment of the base assessment roll. Several years may elapse before the incremental tax revenue stream can adequately demonstrate the strength necessary to issue bonds. Short-term bond anticipation notes issued by local lenders or underwriters are a means of providing the bridge financing necessary to begin development work. Bond proceeds can then be used to “take out” the notes. The Agency may borrow other funds from other sources as needed and authorized under the Urban Renewal Plan.

Local Improvement Districts (LIDs)—This financing mechanism is used to fund capital improvements and distribute the cost among a number of property owners. Cities and highway districts often use LIDs for local street and sewer projects. After sixty percent (60%) of a proposed district's property owners sign a LID petition, a series of ordinances are adopted to create the district, approve the assessment roll, and issue construction warrants and long-term bonds. The tax-exempt bonds are issued through bid or negotiated sale with revenue collection tied to the property tax system. Bond terms are usually ten years.

SBA 504 Program—This program uses the public sale of reduced interest debentures to write-down commercial loans for commercial and limited industrial projects.

Community Reinvestment—Local lenders are making funds available at below-market interest rates in order to meet their Community Reinvestment Act obligations.

Community Development Block Grant (CDBG)—In order to achieve the objectives set forth in this Plan, the City may submit an application from time to time for Community Development Block Grant funding. Such application must meet certain

eligibility objectives. The grant is constrained to a specific list of eligible activities. However, Community Development Block Grant funding may be of some assistance in portions of the Agency's funding objectives. The City of Hayden has applied for and received two different Community Development Block Grants for infrastructure improvements in the project area.

Developer Advances—Given the delayed flow of revenue under tax increment financing, developer advances may be a desirable approach to initiate development projects. The terms of the advance would be negotiable on a project-by-project basis, but possible uses could be master planning, project administrations, necessary legal work, and even preliminary public infrastructure work.

City Advances—City may provide advances or contributions for certain public improvements.

Conduit Financing—The Agency reserves the right to participate as a conduit financing vehicle for those projects described in this Urban Renewal Plan, using lease or revenue proceeds, rather than revenue allocation proceeds.

Financing Conclusion

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

ATTACHMENT 5A

**Net Value of Private Development in Hayden Revenue Allocation Area and Annual
Tax Revenue Allocation**

ATTACHMENT 5A Estimated Net Taxable Value from New Private Development & Revenue Allocations							
Year Ass'd	Year Rec'd	Annual Val. Increase Note 1, 2	Cumulative Val. Increase	Total Levy Rate Note 3	Gross Revenues	School Payment Note 4	Agency Net Revenue
2006	2007	\$28,316,731	\$28,316,731	0.0101235	\$286,664	\$113,267	\$173,398
2007	2008	\$28,122,127	\$56,438,858	0.0091112	\$514,223	\$225,755	\$288,467
2008	2009	\$26,741,013	\$83,179,871	0.00902	\$750,286	\$332,719	\$417,566
2009	2010	\$25,340,052	\$108,519,923	0.0089298	\$969,065	\$434,080	\$534,986
2010	2011	\$24,012,486	\$132,532,409	0.0088405	\$1,171,658	\$530,130	\$641,528
2011	2012	\$22,754,472	\$155,286,881	0.0087521	\$1,359,092	\$621,148	\$737,944
2012	2013	\$21,562,365	\$176,849,247	0.0086646	\$1,532,330	\$707,397	\$824,933
2013	2014	\$20,432,713	\$197,281,960	0.008578	\$1,692,278	\$789,128	\$903,150
2014	2015	\$19,362,243	\$216,644,203	0.0084922	\$1,839,783	\$866,577	\$973,206
2015	2016	\$18,347,855	\$234,992,058	0.0084073	\$1,975,641	\$939,968	\$1,035,672
2016	2017	\$17,386,611	\$252,378,669	0.0083232	\$2,100,596	\$1,009,515	\$1,091,082
2017	2018	\$16,475,727	\$268,854,395	0.00824	\$2,215,350	\$1,075,418	\$1,139,932
2018	2019	\$15,612,563	\$284,466,959	0.0081576	\$2,320,557	\$1,137,868	\$1,182,689
2019	2020	\$14,794,621	\$299,261,580	0.008076	\$2,416,832	\$1,197,046	\$1,219,786
2020	2021	\$14,019,531	\$313,281,111	0.0079952	\$2,504,753	\$1,253,124	\$1,251,629
TOTALS					\$23,649,108	\$11,233,139	\$12,415,969

Note 1: 2006 & 2007 based upon known projects only.

Note 2: 2008-2020, assumes 10% reduction in construction per year, adjusted by construction cost inflationary rate.

Note 3: Assumes 10% reduction in total levy rate in 2006 & 2007, 1% per year thereafter.

Note 4: School payment based upon a levy rate of .004

ATTACHMENT 5B

Estimated Annual Revenues and Costs

ATTACHMENT 5B
Estimated Annual Revenues & Cost Figures
City of Hayden Urban Renewal District

10/31/2005

Budget Year	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Beginning Balance	\$0	\$8,798	\$90,701	\$178,239	\$137,174	\$156,214	\$168,760	\$97,854	\$44,432	\$51,509	\$63,550	\$152,470	\$110,025	\$139,770	\$10,096
SOURCES OF FUNDS:															
Revenue Allocation	\$173,398	\$288,467	\$417,566	\$534,986	\$641,528	\$737,944	\$824,933	\$903,150	\$973,206	\$1,035,672	\$1,091,082	\$1,139,932	\$1,182,689	\$1,219,786	\$1,251,629
City	\$283,442	\$1,303,228	\$0	\$750,000	\$275,011	\$269,525	\$0	\$455,156	\$0	\$0	\$566,274	\$0	\$0	\$0	\$0
Other Entities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,132,548	\$0	\$0	\$1,218,791	\$0
Grants			\$15,000	\$150,000	\$450,000	\$0	\$225,000	\$225,000	\$15,000	\$0	\$0	\$0	\$0	\$0	\$0
Bond Revenues/Loan Proceeds	\$841,946	\$431,225	\$0	\$2,499,330	\$548,567	\$717,795	\$1,181,448	\$512,888	\$0	\$238,008	\$566,274	\$1,735,945	\$0	\$1,218,791	\$0
Total, Source of Funds	\$1,298,786	\$2,022,920	\$432,566	\$3,934,316	\$1,915,106	\$1,725,264	\$2,231,381	\$2,096,195	\$988,206	\$1,273,680	\$3,356,179	\$2,875,877	\$1,182,689	\$3,657,369	\$1,251,629
TOTAL FUNDS AVAILABLE	\$1,298,786	\$2,031,718	\$523,267	\$4,112,555	\$2,052,279	\$1,881,478	\$2,400,141	\$2,194,049	\$1,032,638	\$1,325,190	\$3,419,729	\$3,028,347	\$1,292,714	\$3,797,139	\$1,261,725
EXPENDITURES:															
Community Facilities	\$408,535	\$11,672		\$3,399,330										\$2,437,583	
Equipment										\$238,008					
Property Acquisition & Redevelopment						\$501,261						\$1,735,945			
Public Art & Amenities	\$8,500	\$24,038	\$72,011		\$8,500	\$8,500	\$8,500	\$10,000	\$25,117	\$26,445	\$25,000	\$25,000	\$25,000	\$25,000	\$25,000
Streets	\$468,850	\$1,536,545			\$846,395	\$486,059	\$638,171	\$872,848			\$1,464,361				
Utilities	\$248,003	\$197,909			\$427,183		\$768,277	\$320,197	\$15,000	\$15,000	\$820,735	\$25,000	\$25,000	\$30,000	\$30,000
Debt Service & Closing Costs	\$128,538	\$141,913	\$137,955	\$436,939	\$470,701	\$569,314	\$735,327	\$789,999	\$779,742	\$816,078	\$786,070	\$956,153	\$921,434	\$1,107,504	\$1,010,351
Operating Budget	\$27,563	\$28,941	\$135,061	\$139,113	\$143,286	\$147,585	\$152,012	\$156,573	\$161,270	\$166,108	\$171,091	\$176,224	\$181,511	\$186,956	\$192,565
Total Expenditures	\$1,289,988	\$1,941,017	\$345,027	\$3,975,382	\$1,896,065	\$1,712,718	\$2,302,288	\$2,149,617	\$981,128	\$1,261,640	\$3,267,258	\$2,918,322	\$1,152,945	\$3,787,043	\$1,257,916
End Balance	\$8,798	\$90,701	\$178,239	\$137,174	\$156,214	\$168,760	\$97,854	\$44,432	\$51,509	\$63,550	\$152,470	\$110,025	\$139,770	\$10,096	\$3,809

Project Categories:

Community Facilities: To include property acquisition and development of municipal parking lots, community center, and other public facilities

Equipment: Reflects equipment purchase and lease to City and/or other public service providers within the URD in support of expanded service or specialized needs within the district.

Property Acquisition & Redevelopment: Provides for the acquisition of and redevelopment of key properties, in order to provide a public benefit or address an economic development need.

Public Art & Amenities: Provides up to 5% of net revenues for commissioned art, decorative banners and aesthetic treatments, gateway monumentation, etc.

Streets: Includes ROW acquisition and new pavement, curbs, sidewalks, drainage, lighting, streetscape enhancements including landscaping, and decorative treatments.

Utilities: Includes burial of dry utility lines, provision of wet utilities in unserved areas within the URD, and funds to cover capitalization fees and impact fees to serve as potential economic development incentives for developers within the URD.