

**URBAN RENEWAL PLAN FOR THE
NORTH CENTRAL URBAN RENEWAL PROJECT**

**THE URBAN RENEWAL AGENCY OF THE CITY OF REXBURG, ALSO KNOWN AS
THE REXBURG REDEVELOPMENT AGENCY**

CITY OF REXBURG, IDAHO

Ordinance No. _____

Adopted _____

Effective _____

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100 INTRODUCTION

This is the Urban Renewal Plan (the “Plan”) for the North Central Urban Renewal Project (the “Project”) in the City of Rexburg (the “City”), state of Idaho. Attachments 1 through 10 attached hereto (collectively, the “Plan Attachments”) are incorporated herein and shall be considered a part of this Plan.

The term “Project” is used herein to describe the overall activities defined in this Plan and conforms to the statutory definition of an urban renewal project. Reference is specifically made to Idaho Code §§ 50-2018(10) and 50-2903(13) for the various activities contemplated by the term “Project.” Such activities include both private and public development of property within the urban renewal area. The North Central Project Area is also referred to as the “Project Area.”

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

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

- (1) A statement describing the total assessed valuation of the base assessment roll of the revenue allocation area and the total assessed valuation of all taxable property within the municipality.
- (2) A statement listing the kind, number, and location of all proposed public works or improvements within the revenue allocation area.
- (3) An economic feasibility study.
- (4) A detailed list of estimated project costs.
- (5) A fiscal impact statement showing the impact of the revenue allocation area, both until and after the bonds are repaid, upon all taxing districts levying taxes upon property on the revenue allocation area.
- (6) A description of the methods of financing all estimated project costs and the time when related costs or monetary obligations are to be incurred;
- (7) A termination date for the plan and the revenue allocation area as provided for in section 50-2903(20), Idaho Code. In determining the termination date, the plan shall recognize that the agency shall receive allocation of revenues in the calendar

year following the last year of the revenue allocation provision described in the urban renewal plan.

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

This Plan includes the above information with specificity.

The Project Area extends beyond the municipal boundary of the City to include parcels in unincorporated Madison County. Pursuant to Idaho Code Sections 50-2018(18) and 50-2906(1), the Madison County Board of County Commissioners (the “BOCC”) has deemed the Project Area eligible for an urban renewal project (Attachment 7). Further, for purposes of implementing this Plan, the BOCC entered into an intergovernmental agreement and adopted a transfer of powers ordinance (Attachment 9). As the Project Area develops, the City and County intend for the Project Area to be fully annexed into the City.

The proposed development of the Project Area as described in this Plan conforms to The City of Rexburg 2020 Comprehensive Plan (the “Comprehensive Plan”), as may be amended, and adopted by the City Council (the “City Council”). The Agency intends to rely heavily on any applicable City design standards which may cover all or part of the Project Area.¹

This Plan is subject to the Plan modification limitations and reporting requirements set forth in Idaho Code § 50-2903A. Subject to limited exceptions as set forth in Idaho Code § 50-2903A, if this Plan is modified by City Council ordinance, then the base value for the year immediately following the year in which modification occurs shall include the current year’s equalized assessed value of the taxable property in the revenue allocation area, effectively eliminating the Agency’s revenue stream. Should the Agency have any outstanding financial obligations, the City shall not adopt an ordinance modifying this Plan unless modification is deemed to have not occurred as provided in Idaho Code § 50-2903A(1)(a)(i)-(iv) and written consent has been obtained by any creditors, including but not limited to lending institutions and developers who have entered into reimbursement agreements with the Agency.

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

¹ The redevelopment of the Project Area also conforms to the Madison County “2020” Comprehensive Plan, as amended. However, as the Project Area will ultimately be annexed into the City prior to development, the City’s Comprehensive Plan and zoning ordinances will guide development as addressed in the intergovernmental agreement between the City and the County.

adjustments for these stated purposes are technical and ministerial and are not modifications under Idaho Code § 50-2903A.

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

Allowed projects are those activities which comply with the Law and the Act and meet the overall objectives of this Plan. The public-private relationship is crucial in the successful development and redevelopment of the Project Area. Typically, the public will fund enhanced public improvements like utilities, streets, and sidewalks which, in turn, create an attractive setting for adjacent private investment for a mix of uses, including industrial, light industrial, commercial, and residential facilities.

The purpose of the Law and Act will be attained through the implementation of the Plan. The master goals of this Plan are:

- a. The installation and construction of public improvements, including new collector and arterial streets and pedestrian pathways; improvements to existing roadways and intersections, including the installation of traffic signals; installation of curbs, gutters and streetscapes, which for purposes of this Plan, the term “streetscapes” includes sidewalks, lighting, landscaping, benches, bike racks, wayfinding, public art and similar amenities between the curb and right of way line; installation and/or improvements to fiber optic facilities; improvements to public utilities including water and sewer improvements, and fire protection systems; removal, burying, or relocation of overhead utilities; extension of electrical distribution lines and transformers; improvement of irrigation and drainage ditches and laterals; and improvement of storm drainage facilities;
- b. The acquisition of right-of-way, planning, design and construction of proposed improvements to reconfigure the 7th North and 2nd East/Yellowstone Highway Intersections; the 5th West Extension project; Barney Dairy Road to 2nd South and Barney Dairy to 7th North; the 2nd East Bridge reconfiguration; Barney Dairy to 2nd East reconfiguration; and the Moody Road overpass, as well as improvements to other existing roadways and intersections within the Project Area;

- c. The re-planning, redesign, and development of undeveloped or underdeveloped areas which are stagnant or improperly utilized because of limited traffic access, underserved utilities, and other site conditions, including the acquisition of right-of-way as may be necessary;
- d. The strengthening of the economic base of the Project Area and the community by the installation of needed public improvements to stimulate new private development providing employment and economic growth;
- e. The provision of adequate land for open space, street rights-of-way and pedestrian rights-of-way, including pedestrian bridges over the Teton River; the establishment of, or improvements to parks and preserves along the Teton River; improvements to the Teton River Trail and/or related pathways; and improvements to and possible purchase of the County fairgrounds;
- f. The reconstruction and improvement of street corridors to allow traffic flows to move through the Project Area along with the accompanying utility connections, through the Project Area;
- g. The provision of public service utilities, which may be sited outside of the Project Area, but are necessary to the development of the Project Area, such as water system improvements, sewer system improvements and improvements to storm drainage facilities;
- h. In conjunction with the City, the establishment and implementation of performance criteria to assure high site design standards and environmental quality and other design elements which provide unity and integrity to the entire Project Area, including commitment of funds for planning studies, achieving high standards of development, and leveraging such development to achieve public objectives and efficient use of scarce resources;
- i. The strengthening of the tax base by encouraging private development, thus increasing the assessed valuation of properties within the Project Area as a whole and benefiting the various taxing districts in which the urban renewal area is located; and
- j. The funding of necessary public infrastructure to accommodate both public and private development.

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 of 2015, Chapters 1, 2 and 4 of Title 74,

Idaho Code; reporting requirements pursuant to Idaho Code §§ 67-450B, 67-450E, 50-2903A and 50-2913; and the competitive bidding requirements under Chapter 28, Title 67, Idaho Code, as well as other procurement or other public improvement delivery methods.

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

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

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

Idaho law requires that the City Council, by resolution, must determine a geographic area be a deteriorated area or a deteriorating area, or a combination thereof, and designate such area as appropriate for an urban renewal project prior to preparation of an urban renewal plan. A geographic area was defined and studied, and the findings were set forth in an eligibility report. A portion of the area studied was deannexed from the boundaries of the existing Second Amended and Restated Urban Renewal Plan, North Highway Urban Renewal Project, Including South Addition, originally adopted by City Council Ordinance No. 728, on December 27, 1991, and as subsequently amended and restated to add geographic area by City Council Ordinance No. 815, on December 27, 1998, and by City Council Ordinance No. 950, on December 21, 2005 (the “North Highway District Project Area”), by the First Amendment to the North Highway District Project Area, adopted by City Council Ordinance No. 1230 on June 17, 2020.

The eligibility report was submitted to the Agency. The Agency accepted the eligibility report by Agency Resolution No. 2020-03 on July 9, 2020, and thereafter submitted the eligibility report to the BOCC and the City Council for their consideration.

As properties within the Project Area are outside the boundaries of the City and within the boundaries of unincorporated Madison County, and in accordance with Idaho Code § 50-2018(18), the BOCC adopted Resolution No. 447 on July 13, 2020, finding the Project Area to be a deteriorated area and/or deteriorating area and finding a need for the urban renewal plan. A copy of Resolution No. 447 is attached hereto as Attachment 7

The area studied was deemed by the City Council to be a deteriorating area and/or a deteriorated area pursuant to the Law and Act and therefore eligible for an urban renewal project by adoption of Resolution No. 2020-12 on July 15, 2020. With the adoption of Resolution No. 2020-12, the City Council authorized the preparation of an urban renewal plan.

In accordance with the Law and Act, the necessary agricultural operation consents were obtained from owners of any agricultural operations within the Project Area for property that has been used as an agricultural operation within the last three (3) years. Copies of the agricultural operation consents are attached hereto as Attachment 6 (exhibits B and C to the agricultural operation consents have been removed to reduce the length of this Plan).

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

In accordance with the Law, this Plan was submitted to the Planning and Zoning Commission of the City. After consideration of the Plan, the Commission reported to the City Council that this Plan is in conformity with the City's Comprehensive Plan.

In accordance with the Law and the Act, the City Council and BOCC entered into an intergovernmental agreement concerning the administration and implementation of the Plan and the BOCC adopted a transfer of powers ordinance on _____, _____, by Ordinance No. _____.

Pursuant to the Law and 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 the *Rexburg Standard Journal*, a newspaper having general circulation in the City. The City Council adopted this Plan on _____, _____, by Ordinance No. _____.

103 History and Current Conditions of the Area

This Project Area includes an estimated 1,206 acres with a mix of land uses. The Project Area generally includes necessary properties and roadway along the proposed extension of North 5th West from the Madison County Fairgrounds to West Moody Road, including properties necessary to construct an overpass on West Moody Road over State Highway 20. The Project Area also includes properties and roadway along North 2nd East and the North Yellowstone Highway from East 1st North to East Moran View Road. The Project Area also includes properties and roadway along East 7th North and Barney Dairy Road. It also includes undeveloped properties between East 7th North and Barney Dairy Road and East 2nd North. Lastly, the Project Area includes necessary properties along the proposed extension of East Parkway from about 6th South to 7th North. The Project Area includes properties located within the City limits as well as parcels within the City's area of impact, in unincorporated Madison County, which parcels are necessary to address roadway, sewer and water improvements, and to incent commercial and industrial development consistent with the Comprehensive Plan.

The Project Area includes mixed zoning for industrial, commercial and residential uses. A significant impediment to development is the extent of infrastructure necessary to develop and/or redevelop the area to support contemplated and/or future land uses. Development potential within the Project Area is currently restricted due to defective or inadequate connectivity, vehicular and pedestrian, in the Project Area, as well as, lack of access to the

municipal water system, which creates fire flow issues. Extension of a water distribution system throughout the Project Area is necessary to support development. Likewise, the sewer system will also need to be extended throughout the Project Area. Power system upgrades are also necessary. There are a number of larger parcels currently transitioning from traditional agricultural use that will likely need to be subdivided into developable lots. The Project Area lacks the public infrastructure necessary to properly serve economic development contemplated by the City's Comprehensive Plan.

The Plan proposes installation and improvements to public infrastructure and other publicly owned assets throughout the Project Area, as more specifically set forth in Attachment 5, creating the opportunity for commercial and industrial economic development, as well as the opportunity for expanded residential housing stock.

The Project Area currently includes an area in transition within the City and County, moving from predominantly open lands and agricultural uses to an area of increased demand for mixed-use growth as set forth in the Comprehensive Plan. As a result, the Project Area is underdeveloped and/or vacant and is not being used to its highest and best use due to the deteriorating conditions found in the Project Area, specifically: (1) obsolete platting and faulty lot layout – the large agricultural land-use patterns inhibit orderly growth if not encouraged to subdivide to allow mixed uses, which in turn results in economic underdevelopment of the area; (2) outmoded street patterns/inadequate street layout – the existing streets in the Project Area do not meet current City street standards and lack pedestrian facilities. Further the existing road systems does not serve major portions of the Project Area; (3) unsafe conditions – a central public water system and sewer collection system do not serve significant portions of the Project Area. The lack of hydrants creates fire-safety issues. The foregoing conditions have arrested or impaired sound and orderly growth in the Project Area and represents an area of economic underdevelopment.

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 and development impediment issues in this area. Revenue allocation financing should help to improve the situation. In effect, property taxes generated by new developments within the Project Area may be used by the Agency to finance a variety of needed public improvements and facilities. Finally, some of the new developments may also generate new jobs in the community that would, in turn, benefit area residents.

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

104 Purpose of Activities

Attachment 5 includes the public improvements list identifying with specificity the proposed public improvements and projects contemplated in the Project Area. The description of activities, public improvements, and the estimated costs of those items are intended to create an

outside limit of the Agency's activity. Due to the inherent difficulty in projecting future levy rates, future taxable value, and the future costs of construction, the Agency reserves the right to:

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

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

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

The activities listed in 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, achievement of higher objectives, long term goals, and commitments. As required by the Law and Act, the Agency will adopt more specific budgets annually. The projected timing of funding is primarily a function of the availability of market conditions and financial resources but is also strategic, considering the timing of private development partnership opportunities and the ability of certain strategic activities to stimulate development at a given points in time within the planned 20-year period of the urban renewal district and revenue allocation area.

The Study (Attachment 5) has described a list of prioritized public improvements and other related activities with an estimated cost in 2020 dollars of approximately \$30,620,000.00. This amount does not take into account inflationary factors, such as increasing construction costs, which would increase that figure depending on when the owner, developer and/or Agency is able to develop, construct or initiate those activities. The Study has concluded the capacity of revenue allocation funds through the term of the Plan based on the assumed development projects and assessed value increases will likely generate an estimated \$36,657,681.00 in revenue allocation proceeds. The Agency reserves the discretion and flexibility to use revenue allocation proceeds in excess of the amounts predicted in the event higher increases in assessed values occur during the term of the Plan for the improvements and activities identified. Additionally, the Agency reserves the discretion and flexibility to use other sources of funds unrelated to revenue allocation to assist in the funding of the improvements and activities identified.

105 Open Land Criteria

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

Open land areas qualify for Agency acquisition and development for residential uses if the City Council determines there is a shortage of housing of sound standards and design which is decent, safe and sanitary in the City, that the need for housing will be increased as a result of the clearance of deteriorated areas, that the conditions of blight in the area and the shortage of decent, safe and sanitary housing contributes to an increase in the spread of disease and crime and constitutes and menace to the public health, safety, morals, or welfare, and that the acquisition of the area for residential uses is an integral part of and essential to the program of the City. Due to the City’s expected growth, the need for housing is significant and integral to a successful mixed-use project area. Further, the existing zoning designations in the Project Area allow for increased residential density surrounding potential industrial and commercial projects.

Open land areas qualify for Agency acquisition and development for primarily nonresidential uses if acquisition is necessary and appropriate to facilitate the proper growth and development of the community in accordance with sound planning standards and local community objectives if any of the deteriorating area conditions set forth in Idaho Code §§ 50-2018(8), (9) and 50-2903(8) apply. But such areas also qualify if any of the issues listed only in Idaho Code § 50-2008(d)(4)(2) apply. The lack of water and sewer facilities, large parcel size, a deficient street system, lack of fire protection facilities, and economic underdevelopment, are all conditions which delay or impair development of the open land areas and satisfy the open land conditions as more fully supported by The North Central Area Urban Renewal Eligibility Report, prepared by Richard Horner, dated July 3, 2020.

This Plan does anticipate Agency acquisition of property within the Project Area, particularly to support right-of-way improvements; however, the acquisition of specific parcels is unknown at this time. Should the Agency determine the need to acquire property as further set forth in Attachment 3, then the open land areas qualify for Agency acquisition and development.

200 DESCRIPTION OF PROJECT AREA

The boundaries of the Project Area and the Revenue Allocation Area are shown on the Boundary Map of Urban Renewal Project Area and Revenue Allocation Area, attached hereto as Attachment 1 and incorporated herein by reference, and are described in the Legal Description of Urban Renewal Project Area and Revenue Allocation Area, 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 or other natural boundaries unless otherwise stated.

300 PROPOSED REDEVELOPMENT ACTIONS

301 General

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

- a. The engineering, design, installation, construction, and/or reconstruction of storm water management infrastructure to support compliance with federal, state and local regulations for storm water discharge and to support private development;
- b. The provision for participation by property owners and developers within the Project Area to achieve the objectives of this Plan;
- c. The engineering, design, installation, construction, and/or reconstruction of streets, pathways, and streetscapes, including but not limited to the 5th West Extension; the East Parkway Corridor; the 2nd East Bridge reconfiguration; the Barney Dairy Road to 2nd East reconfiguration; and the Moody Road overpass; and related pedestrian facilities, curb and gutter, intersection and rail crossing improvements, and traffic signals;
- d. The engineering, design, installation, construction, and/or reconstruction of utilities (within and outside of the Project Area) including but not limited to improvements and upgrades to the water distribution system, water capacity improvements, water storage upgrades, sewer system improvements and upgrades, lift station, and improvements, and upgrades to power, gas, fiber optics, communications and other such facilities. Such improvements include but are not limited to over-sizing the sewer line in Yellowstone Highway and the Teton River

sewer line extension. Construction of utilities outside of the Project Area are directly related to the growth and development within the Project Area, but cannot be sited within the Project Area;

- e. Removal, burying, or relocation of overhead utilities; removal or relocation of underground utilities; extension of electrical distribution lines and transformers; improvement of irrigation and drainage ditches and laterals; undergrounding or piping of laterals; addition of fiber optic lines or other communication systems; public parking facilities, and other public improvements, including but not limited to, fire protection systems, roadways, curbs, gutters, and streetscapes, which for purposes of this Plan, the term streetscapes includes sidewalks, lighting, landscaping, benches, signage, bike racks, public art, and similar amenities between the curb and right-of-way line; and other public improvements, including public open spaces that may be deemed appropriate by the Board;
- f. The acquisition of real property for public right-of-way improvements, public parks, pedestrian facilities, pathways and trails, recreational access points and to encourage development opportunities consistent with the Plan, including but not limited to future disposition to qualified developers. Improvements to public open space and pathways include but are not limited to the pedestrian bridges over the Teton River; the Barney Dairy Park/Johnson Preserve along the Teton River; and installation and/or improvements to the Teton River Trail;
- g. The acquisition of real property for utility undergrounding and streetscape improvements to create development opportunities consistent with the Plan, including but not limited to future disposition to qualified developers and for qualified developments, including economic development;
- h. The disposition of real property through a competitive process in accordance with this Plan, Idaho law, including Idaho Code § 50-2011, and any disposition policies adopted by the Agency;
- i. The demolition or removal of certain buildings and/or improvements for public rights-of-way, pedestrian facilities, utility undergrounding and streetscape improvements to encourage and enhance transportation and mobility options, decrease underutilized parcels, to eliminate unhealthful, unsanitary, or unsafe conditions, eliminate obsolete or other uses detrimental to the public welfare or otherwise to remove or to prevent the spread of deteriorating or deteriorated conditions. Such improvements may include the acquisition of and/or improvements to the County fairgrounds;
- j. The management of any property acquired by and under the ownership and control of the Agency;
- k. The development or redevelopment of land by private enterprise or public agencies for uses in accordance with this Plan;

- l. The construction and financial support of infrastructure necessary for the provision of improved transit and alternative transportation;
- m. The engineering, design, installation, construction, and/or reconstruction of below ground infrastructure to support the construction of certain municipal buildings pursuant to Idaho Code § 50-2905A, including public safety buildings; the purchase of public safety equipment, including, but not limited to equipment for the Madison Fire Department, Rexburg Police Department, Madison County Ambulance and the Madison County Sheriff Department, for use in, but not limited to, the Project Area.
- n. The provision of financial and other assistance to encourage and attract business enterprise including but not limited to start-ups and microbusinesses, mid-sized companies and large-scale corporations and industries;
- o. The provision of financial and other assistance to encourage greater density;
- p. The rehabilitation of structures and improvements by present owners, their successors, and the Agency;
- q. The preparation and assembly of adequate sites for the development and construction of facilities for industrial, commercial, office, retail, residential, and governmental use;
- r. In collaboration with property owners and other stakeholders, working with the City to amend zoning regulations (if necessary) and standards and guidelines for the design of streetscape, festival streets, plazas, multi-use pathways, parks and open space and other like public spaces applicable to the Project Area as needed to support implementation of this Plan;
- s. In conjunction with the City, the establishment and implementation of performance criteria to assure high site design standards and environmental quality and other design elements which provide unity and integrity to the entire Project Area, including commitment of funds for planning studies, achieving high standards of development, and leveraging such development to achieve public objectives and efficient use of scarce resources;
- t. To the extent allowed by law, lend or invest federal funds to facilitate development and/or redevelopment;
- u. The provision for relocation assistance to displaced Project Area occupants, as required by law, or within the discretion of the Agency Board for displaced businesses;

- v. Other related improvements to those set forth above as further set forth in Attachment 5.

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

302 Urban Renewal Plan Objectives

Urban renewal activity is necessary in the Project Area to combat problems of physical deterioration or deteriorating conditions. As set forth in greater detail in Section 103, the Project Area has a history of stagnant growth and development compared to other areas of the City based on deteriorated or deteriorating conditions that have arrested or impaired growth in the Project Area primarily attributed to: predominance of defective or inadequate street layout, faulty lot layout/obsolete platting, insanitary or unsafe conditions, and inadequate utility infrastructure needed for commercial and industrial development. The Plan for the Project Area is a proposal to work in partnership with public and private entities to improve, develop, and grow the economy within the Project Area by the implementation of a strategy and program set forth in Section 301.

The provisions of this Plan are applicable to all public and private property in the Project Area. The provisions of the Plan shall be interpreted and applied as objectives and goals, recognizing the need for flexibility in interpretation and implementation, while at the same time not in any way abdicating the rights and privileges of the property owners which are vested in the present and future zoning classifications of the properties. All development under an owner participation agreement shall conform to those standards specified in Section 303.1 of this Plan.

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

- a. Initiate simultaneous projects designed to revitalize the Project Area. From street and utility improvements to significant new public or private development, the Agency plays a key role in creating the necessary momentum to get and keep things going.
- b. Develop new mixed-use residential, retail, commercial, industrial and office opportunities and encourage economic development.
- c. Secure and improve certain public open space in critical areas.
- d. Initiate projects designed to increase workforce transportation and mobility options.

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

Land use in the Project Area will be modified to the extent that underutilized, underdeveloped, and vacant land and land now devoted to uses inconsistent with the future land uses of the area will be converted to residential, commercial, industrial retail and office uses. In implementing the activities described in this Plan, the Agency shall give due consideration to the provision of adequate open space, park and recreational areas and facilities that may be desirable for neighborhood improvement, with special consideration for the health, safety, and welfare of residents in the general vicinity of the site covered by the Plan.

303 Participation Opportunities and Agreement

303.1 Participation Agreements

The Agency shall enter into various development participation agreements with any existing or future owner of property in the Project Area, in the event the property owner receives assistance from the Agency in the development and/or redevelopment of the property. The term "owner participation agreement" or "participation agreement" is intended to include all participation agreements with a property owner, including reimbursement agreements, grant agreements or other participation agreements. In that event, the Agency may allow for an existing or future owner of property to remove the property and/or structure from future Agency acquisition subject to entering into an owner participation agreement. The Agency may also enter into owner participation agreements with other future owners and developers within the Project Area throughout the duration of this Plan in order to implement the infrastructure improvements set forth in this Plan.

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

- a. Any such property within the Project Area shall be required to conform to all applicable provisions, requirements, and regulations of this Plan. The owner participation agreement may require as a condition of financial participation by the Agency a commitment by the property owner to meet the greater objectives of the land use elements identified in the Comprehensive Plan, and applicable zoning ordinances. Upon completion of any rehabilitation 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 that will continue throughout an estimated useful life for a minimum of twenty (20) years.

- b. Any owner shall give due consideration to the provision of adequate park and recreational areas and facilities that may be desirable for neighborhood improvement, with special consideration for the health, safety and welfare of children and seniors residing in the general vicinity of the site covered by the Plan.
- c. All such buildings or portions of buildings which are to remain within the Project Area shall be rehabilitated or constructed in conformity with all applicable codes and ordinances of the City.
- d. Any new construction shall also conform to all applicable provisions, requirements, and regulations of this Plan, as well as to all applicable codes and ordinances of the City.

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

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

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

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

- a. Encouraging property owners to revitalize and/or remediate deteriorated areas or deteriorating areas of their parcels to accelerate development in the Project Area.
- b. Subject to the limitations of the Law and the Act, providing incentives to property owners to encourage utilization and expansion of existing permitted uses during the transition period to prevent a decline in the employment base and a proliferation of vacant and deteriorated parcels in the Project Area during the extended redevelopment of the Project Area.
- c. To accommodate improvements and expansions allowed by City regulations.

- d. Subject to the limitations of the Law and Act, providing incentives to improve nonconforming properties so they implement the design guidelines contained in this Plan to the extent possible and to encourage an orderly transition from nonconforming to conforming uses through the term of the Plan.
- e. Provide for advance funding by the developer/owner participant of those certain public improvements related to or needed for the private development and related to the construction of certain public improvements. In that event, the Agency will agree as set out in the participation agreement to reimburse a portion of, or all of, the costs of public improvements identified in the participation agreement from the revenue allocation generated by the private development.

304 Cooperation with Public Bodies

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

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

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

The Agency intends to cooperate to the extent allowable with the City and County, as the case may be, for the engineering, design, installation, construction, and/or reconstruction of public infrastructure improvements, including, but not limited to water, sewer, storm drainage, electrical, natural gas, telecommunication, or other similar systems and lines, streets, roads, curbs, gutters, sidewalks, walkways, public parking facilities and unoccupied auxiliary structures. The Agency shall also cooperate with the City and County on various relocation, screening, or underground projects and the providing of fiber optic capability. To the extent any public entity, including the City and/or County, has funded certain improvements, the Agency may reimburse those entities for those expenses. The Agency also intends to cooperate and seek available assistance from state, federal and other sources for economic development. This Plan does not financially bind any public entity to a project and does not constitute any commitment for financial outlays by the City and/or County; rather this Plan provides a framework for public entities to work together to resolve public infrastructure issues at the local level.

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 303.1 of this Plan.

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

305 Property Acquisition

305.1 Real Property

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

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

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

Idaho Code Section 7-701A specifically limits the Agency's ability to exercise eminent domain to involuntarily acquire real property in the Project Area for the purposes of conveying property for non-public uses.

The Agency is authorized by this Plan to acquire the properties identified in Attachment 3 hereto, including but not limited to property to be acquired for the extension or expansion of certain rights-of-way.

The Agency is authorized by this Plan and Idaho Code §§ 50-2010 and 50-2018(12) to acquire the properties identified in Attachment 3 hereto for the purposes set forth in this Plan. The Agency has identified its intent to acquire and/or participate in the development of certain public improvements, including, but not limited to streets, streetscapes, water and sewer improvements, environmental remediation/site preparation, public parking, community facilities, including but not limited to parks, pedestrian/bike paths and trails, recreation facilities and other public facilities and/or equipment, such as public infrastructure improvements and/or equipment to support a police/sheriff, fire and/or emergency medical services facility. Further, the Agency may acquire real property to facilitate commercial development by assembling and disposing of developable parcels. The Agency's property acquisition will result in remediating deteriorating conditions in the Project Area by facilitating the development of mixed-use, residential, commercial, retail and industrial areas. The public improvements are intended to be dedicated to the City or County upon completion where applicable. The Agency reserves the right to determine which properties identified, if any, should be acquired. The open land areas qualify for Agency acquisition as further set forth in Section 105 of this Plan.

It is in the public interest and may be necessary, in order to eliminate the conditions requiring redevelopment and in order to execute this Plan, for the power of eminent domain to be retained by the Agency to acquire real property in the Project Area for the public improvements identified in this Plan, which cannot be acquired by gift, devise, exchange, purchase, or any other lawful method. However, as set forth above, the Agency's authority to invoke eminent domain to acquire real property for disposition to private parties for economic development is limited by Idaho Code § 7-701A.

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

305.2 Personal Property

Generally, personal property shall not be acquired, except for purposes of providing for better police, sheriff and/or ambulance services in the Project Area. However, where necessary in the execution of this Plan, the Agency is authorized to acquire personal property in the Project

Area by any lawful means, including eminent domain for the purpose of developing the public improvements described in section 305.1.

306 Property Management

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

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

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

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. The Agency shall also coordinate with the various local, state, or federal agencies concerning relocation assistance as may be warranted.

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

308 Demolition, Clearance and Site Preparation

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

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

309 Property Disposition and Development

309.1 Disposition by the Agency

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

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

309.2 Disposition and Development Agreements

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

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

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

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

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

That the developers, their successors, and assigns agree:

- a. That a detailed scope and schedule for the proposed development shall be submitted to and agreed upon by the Agency.
- b. That the purchase or lease of the land and/or subterranean rights and/or air rights is for the purpose of redevelopment and not for speculation.
- c. That the building of improvements will be commenced and completed as jointly scheduled and determined by the Agency and the developer(s).
- d. That the site and construction plans will be submitted to the Agency for review as to conformity with the provisions and purposes of this Plan.
- e. All new construction shall have a minimum estimated life of no less than twenty (20) years.
- f. That rehabilitation of any existing structure must assure that the structure is safe and sound in all physical respects and be refurbished and altered to bring the property to an upgraded marketable condition which will continue throughout an estimated useful life for a minimum of twenty (20) years.
- g. That the Agency receives adequate assurance acceptable to the Agency to ensure performance under the contract for sale.
- h. All such buildings or portions of the buildings which are to remain within the Project Area shall be reconstructed in conformity with all applicable codes and ordinances of the City.
- i. All disposition and development documents shall be governed by the provisions of Section 409 of this Plan.
- j. All other requirements and obligations as may be set forth in any participation policy established and/or amended by the Agency.

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

309.3 Development by the Agency

To the extent now or hereafter permitted by law, the Agency is authorized to pay for, develop, or construct public improvements within the Project Area for itself or for any public

body or entity, which public improvements are or would be of benefit to the Project Area. Specifically, the Agency may pay for, install, or construct the public improvements authorized under Idaho Code Section 50-2007, 50-2018(10) and (13), and 50-2903(9), (13), and (14), and as otherwise identified in Attachment 5, attached hereto and incorporated herein by reference, and may acquire or pay for the land required therefore.

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 § 50-2909 which may be made payable out of the taxes levied in the Project Area and allocated to the Agency under Idaho Code § 50-2908(2)(b) and Section 500 of this Plan or out of any other available funds.

310 Development Plans

All development plans (whether public or private) prepared, pursuant to an owner participation or disposition and development agreement, shall be submitted to the Agency Board for approval and architectural review. All development in the Project Area must conform to those standards specified in Section 409. Additionally, development must be consistent with all City ordinances.

312 Participation with Others

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

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

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

As allowed by law, the Agency may also use funds from any other sources for any purpose set forth under the Law or Act.

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 § 50-2909 which may be made payable out of the taxes levied in the Project Area

and allocated to the Agency under Idaho Code § 50-2908(2)(b) and Section 500 of this Plan or out of any other available funds.

313 Conforming Owners

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

400 USES PERMITTED IN THE PROJECT AREA

401 Designated Land Uses

The Agency intends to rely upon the overall land use designations and zoning classifications of the City², as may be amended, and as depicted on Attachment 4 and as set forth in the City's Comprehensive Plan Land Use Map, including the future land use map and zoning classifications, as may be amended. For the most part, the Project Area is proposed as mixed-use, residential, commercial, retail and office development, and industrial. Provided, however, nothing herein within this Plan shall be deemed to be granting any particular right to zoning classification or use.

402 [Reserved]

403 Public Rights-of-Way

The Project Area includes existing maintained public rights-of-way as shown on Attachment 1, including but not limited to: East 7th North, 2nd East, North Yellowstone Highway, East 1st North, East Moran View Road, North 5th West, East Parkway, 6th South, Barney Dairy Road, 2nd South, State Highway 20 and Moody Road. Any new roadways, including new collectors and/or arterials to be engineered, designed, installed and constructed in the Project Area, will be constructed in conjunction with any applicable policies and design standards of the City (and State and Federal standards, as the case may be) regarding dedicated rights-of-way. Additional public streets, alleys, and easements may be created in the Project Area as needed for proper development, and other potential roadways generally shown in Attachment 5.

Additional improvements to existing streets and easements may be created, improved, or extended in the Project Area as needed for development. Existing dirt roadways, streets, easements, and irrigation or drainage laterals or ditches may be abandoned, closed, or modified as necessary for proper development of the Project Area, in conjunction with any applicable policies and standards of the City regarding changes to dedicated rights-of-way, and appropriate irrigation or drainage districts regarding changes to laterals or ditches.

² To the extent development occurs within unincorporated Madison County prior to annexation, the Agency will rely on the overall land use designations and zoning classifications of the County, as may be amended or those used by the City and allowed by the County in the area of City impact.

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

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

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

404 Interim Uses

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

405 Development in the Project Area Subject to the Plan

All real property in the Project Area, under the provisions of either a disposition and development agreement or an 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.

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

All construction in the Project Area shall comply with all applicable state laws, the Rexburg City Code, as may be amended from time to time, and any applicable City Council ordinances pending codification, including but not limited to, regulations concerning the type, size, density and height of buildings; open space, landscaping, light, air, and privacy; the

undergrounding of utilities; limitation or prohibition of development that is incompatible with the surrounding area by reason of appearance, traffic, smoke, glare, noise, odor, or similar factors; parcel subdivision; off-street loading and off-street parking requirements.

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

407 [Reserved]

408 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 an owner participation agreement and agree to the imposition of such reasonable restrictions as may be necessary to protect the development and use of the Project Area.

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

All nonconforming uses shall also comply with the applicable local ordinances.

409 Design Guidelines for Development under a Disposition and Development Agreement or Owner Participation Agreement

Under a disposition and development agreement and an owner participation agreement, the design guidelines and land use elements of the Plan shall be achieved to the greatest extent feasible, though the Agency retains the authority to grant minor variations under 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 pedestrian 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 owner participation agreement or disposition and development agreement. These controls are in addition to any standard and provisions of any applicable local building or zoning ordinances; provided, however, each and every development shall comply with all applicable local zoning and building ordinances.

500 METHODS OF FINANCING THE PROJECT

501 General Description of the Proposed Financing Method

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

The Agency is also authorized to obtain advances, lines of credit, borrow funds, and create indebtedness in carrying out this Plan. The Agency may also consider an inter-fund transfer from other urban renewal project areas. 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 improvements and facilities.

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

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

502 Revenue Allocation Financing Provisions

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

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

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

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

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

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

The Agency may also appropriate funds consisting of revenue allocation proceeds on an annual basis without the issuance of notes or bonds. The Agency has also provided for bonding, obtaining advances or loans from the Agency, or from the Agency's other revenue allocation area, or private entity and financial institutions in order to immediately commence construction of certain of the public improvements. Developer advanced funding of public improvements could also achieve the same purpose. 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, including reimbursement to developers for the cost of eligible public improvements.

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

The Agency reserves the right to either pay for Project Costs from available revenue (pay as you go basis) or borrow funds by incurring debt through notes or other obligations.

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.

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

502.1 Economic Feasibility Study

Attachment 5, supported by attachments 5A, 5B and 5C, constitute the Economic Feasibility Study (the "Study"), prepared by Richard Horner. The Study constitutes the financial analysis required by the Act and is based upon existing information from property owners, developers, the County, the Agency, the City and others.

502.2 Assumptions and Conditions/Economic Feasibility Statement

The information contained in Attachment 5 assumes certain completed and projected actions. All debt is projected to be repaid no later than the duration period of the Plan. The total amount of indebtedness (and all other loans or indebtedness), developer reimbursement and the amount of revenue generated by revenue allocation are dependent upon the extent and timing of private development. Should all of the development take place as projected, the project indebtedness could be extinguished earlier, dependent upon other legal obligations. Should private development take longer to materialize, or should the private development be substantially less than projected, then the amount of revenue generated will be substantially reduced and debt may continue for its full term.

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

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

The assumptions concerning revenue allocation proceeds are based upon certain anticipated development, assessed value increases, and assumed tax levy rates as more specifically set forth in Attachment 5. In projecting new construction, the Study considered

conservative projections based on known or proposed developments in the Project Area, anticipated build-out timeline, and anticipated projected future developments for industrial, commercial, retail and residential projects.

The types of new construction expected in the Project Area are: light-industrial, commercial, office, medical and nursing facility, residential, including residential above retail and office, live-work residences, higher density townhome, and single-family homes, lodging and retail. Developers have identified significant interest in these development types. The Project Area has potential for a significant increase in light industrial and commercial growth due to the proximity to major transportation corridors and population growth. Several large parcels in the Project Area have recently been acquired for development purposes. Other owners have expressed interest in developing their properties or selling to a developer. However, without a method to construct the identified public improvements such as main water and sewer lines and street infrastructure, development is unlikely to occur in much of the Project Area.

The financial analysis set forth in Attachment 5 has taken into account and excluded levies that do not flow to the Agency consistent with Idaho Code § 50-2908.

It is understood that application of certain exemptions, including the homeowner's exemption and Idaho Code § 63-602K, which provides for personal property tax exemption to businesses may have the effect of reducing the increment value, which in turn reduces revenue.

502.3 Ten Percent Limitation

Under the Act, the base assessed valuation for all revenue allocation areas cannot exceed gross/net ten percent (10%) of the current assessed taxable value for the entire City. According to the Madison County Assessor, the assessed taxable value for the City as of January 1, 2019³, less homeowners' exemptions, is \$1,258,690,595.00. Therefore, the 10% limit is \$125,869,059.00.

The 2019 adjusted base assessment roll values for the Agency's four (4) existing revenue allocation areas, less homeowners' exemptions are as follows:

North Highway	\$6,646,722.00 ⁴
Downtown Rexburg	\$33,297,201.00
University Boulevard	\$8,190,994.00
North Interchange	\$4,145,769.00

³ Due to the timing of the assessment process and creation of this Plan, the 2019 values have been used to establish compliance with the 10% limitation. Using the 2019 values, the total value of the existing revenue allocation areas combined with the value of this Project Area are less than 6.4% of the total taxable value of the City. Even assuming an increase in values for 2020, the combined values of the revenue allocation areas would not exceed 10% of the current assessed taxable value for the entire City. The City values are used as a more conservative analysis of the 10% valuation limitation.

⁴ The base assessment roll includes the value of parcels recently deannexed pursuant to Rexburg City Council Ordinance No. 1230, dated June 17, 2020, adopting the First Amendment to the Second Amended and Restated Urban Renewal Plan, North Highway Urban Renewal Project, Including South Addition. The deannexation is effective retroactive to January 1, 2020.

The estimated base value for the proposed Project Area (after the agricultural exemption is lifted⁵) is \$27,698,480.00. The combined total adjusted base assessment roll values for all existing revenue allocation areas including this Project Area are \$79,979,166.00 which is less than 10% of the City's 2019 value.

502.4 Financial Limitation

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

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

The Study, with the various estimates and projections, constitutes an economic feasibility study. Costs and revenues are analyzed, and the analysis shows the need for public capital funds during the Project. Multiple financing sources including proposed revenue allocation notes, annual revenue allocations, developer contributions, City and/or County contributions, interfund loan, 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 an interfund loan from the University Boulevard Project Area, which loan is to be re-paid prior to termination of the University Boulevard Project Area. Additionally, the Agency has projected revenue allocation funds based on known or anticipated developments within the Project Area, where establishment of this Plan was a critical factor in the developments moving forward. Under the provisions of the Act, revenue allocation may continue until the end of the Plan term. Third, the total amount of indebtedness and the amount of revenue generated by revenue allocation is dependent upon the extent and timing of private development. The Agency may also re-prioritize projects and the location of those projects pursuant to market

⁵ Pursuant to House Bill 560 enacted during the 2020 Legislative Session, as of July 1, 2020, there is no longer a speculative value exemption for agricultural land. Instead, the market value of land actively devoted to agriculture is its "actual use value." This statutory change will have an impact on the current allocation of value between the base value and the increment value as there is no longer an agricultural tax exemption. Previously, any increase in valuation caused by the removal of the agricultural tax exemption from undeveloped agricultural land in a revenue allocation area was added to the base assessment roll. With the removal of the exemption, going forward the base value of agricultural land will be the actual use value. To be conservative, this Plan has considered an increase in the base assessment roll stemming from the removal of any existing agricultural exemptions.

conditions, project timing, funding availability, etc. as more specifically detailed in the annual budget.

The Agency reserves the discretion and flexibility to use revenue allocation proceeds in excess of the amounts projected in the Study for the purpose of funding the additional identified projects and improvements. The projections in the Study are based on reasonable assumptions and existing market conditions. However, should the Project Area result in greater than anticipated revenues, the Agency specifically reserves the ability to fund the additional activities and projects identified in this Plan. Further, the Agency reserves the discretion and flexibility to use other sources of funds unrelated to revenue allocation to assist in the funding of the improvements and activities identified, including but not limited to owner participation agreements and disposition and development agreements. The Agency may also, re-prioritize projects pursuant to market conditions, project timing, funding availability, etc. as more specifically detailed in the annual budget.

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

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

The Agency reserves its discretion and flexibility in deciding which improvements are more critical for development or redevelopment, and the Agency intends to coordinate its public improvements with associated development by private developers/owners. Where applicable, the Agency also intends to coordinate its participation in the public improvements with the receipt of

certain grants or loans which may require the Agency's participation in some combination with the grant and loan funding.

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

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

502.5 [Reserved]

502.6 Participation with Local Improvement Districts and/or Business Improvement Districts

Under the Idaho Local Improvement ("LID") 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. To the extent allowed by the Law and the Act, the Agency reserves the authority, but not the obligation, to participate in the funding of local improvement district facilities. This participation may include either direct funding to reduce the overall cost of the LID or to participate as an assessed entity to finance the LID project. Similarly, to the extent allowed by the Law and the Act, the Agency reserves the authority, but not the obligation, to participate in the funding of the purposes specified under the Business Improvement Districts, Chapter 26, Title 50, Idaho Code.

502.7 Issuance of Debt and Debt Limitation

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

502.8 Impact on Other Taxing Districts and Levy Rate

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

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

with the limitations set forth in Idaho Code § 63-802. Therefore, the impact of revenue allocation on the taxing entities is more of a product of the imposition of Idaho Code § 63-802, then the effect of urban renewal.

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

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

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

As the 2020 certified levy rates are not determined until late September 2020, the 2019 certified levy rates have been used in the Study for purposes of the analysis. For Tax Year 2019⁶, those districts and rates for the parcels located within the City are as follows:⁷

<u>City Parcel Taxing Districts</u>	<u>Levy Rates:</u>
Madison County	.005206531
Madison County Ambulance	.000400000

⁶ Due to the timing of the taxing districts' budget and levy setting process, certification of the 2020 levy rates did not occur until this Plan had been prepared. In order to provide a basis to analyze the impact on the taxing entities, the 2019 levy rates are used. Use of the 2019 levy rates provides a more accurate base than estimating the 2020 levy rates.

⁷ It is unclear how the personal property tax exemption set forth in Idaho Code § 63-602KK may impact the levy rate.

Madison County Mosquito Abatement	.000330256
Madison County Road & Bridge	.001273733
Madison Library District	.000575611
Madison School #321	.000173557
City of Rexburg	.004152294
Rexburg Cemetery	.000048479
Sugar City Cemetery	.000133825
TOTAL⁸	.012294286

For Tax Year 2019,⁹ those districts and rates for the parcels located within the unincorporated County are as follows:¹⁰

<u>County Parcel Taxing Districts</u>	<u>Levy Rates:</u>
Madison County	.005206530
Madison County Ambulance	.000400000
Madison County Mosquito Abatement	.000330256
Madison County Road & Bridge	.001273733
Madison Library District	.000575611
Madison School #321	.000173557
Madison Fire	.001109631
Rexburg Cemetery	.000048479
Sugar City Cemetery	.000133825
Sugar Salem Scl Community Library	.000173694
Sugar-Salem School #322	.000045544 (tort only)
TOTAL¹¹	0.009470860

The Study has made certain assumptions concerning the levy rate. First, it is anticipated the parcels currently located outside the jurisdictional boundaries of the City and in unincorporated Madison County will be annexed into the City prior to development. As a result, the levy rate applied to parcels within the boundaries of the City has been used to estimate revenue. Second, the levy rate is estimated to stay level for the life of the revenue allocation area. As the actual impact of the expiration of any existing revenue allocation areas and/or property tax abatements granted pursuant to Idaho Code § 63-602NN, as well as property value fluctuations on the levy rate is unknown, the Study has assumed a conservative levy rate of .009. The annual increment value is expected to increase by approximately 1% over the term of the Plan once the improvements have been completed and fully assessed by the County. If the

⁸ Net of voter approved bonds and levies.

⁹ Due to the timing of the taxing districts' budget and levy setting process, certification of the 2020 levy rates did not occur until this Plan had been prepared. In order to provide a basis to analyze the impact on the taxing entities, the 2019 levy rates are used. Use of the 2019 levy rates provides a more accurate base than estimating the 2020 levy rates.

¹⁰ It is unclear how the personal property tax exemption set forth in Idaho Code § 63-602KK may impact the levy rate.

¹¹ Net of voter approved bonds and levies.

overall levy rate is less than projected, or if expected development fails to occur as estimated, the Agency shall receive fewer funds from revenue allocation.

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

503 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 City and/or County participation in projects (as may be budgeted annually by the City and/or County) and developer participation through the advance funding of projects subject to reimbursement for eligible public infrastructure costs. Agency participation shall be determined by the amount of revenue allocation funds generated. This Plan does not bind the City or County to fund any projects.

504 Lease Revenue and Bonds

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

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

505 Membership Dues and Support of Community Economic Development

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

item of Operating Expenses within the Study shall be deemed to include expenditures for the purposes described in this section as may be deemed appropriate during the annual budgetary process.

600 ACTIONS BY THE CITY AND COUNTY

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

- a. Institution and completion of proceedings necessary for changes and improvements in private and publicly owned public utilities within or affecting the Project Area.
- b. Revision of zoning (if necessary) within the Project Area to permit the land uses and development authorized by this Plan.
- c. Imposition wherever necessary of appropriate controls within the limits of this Plan upon parcels in the Project Area to ensure their proper development and use.
- d. Provision for administrative enforcement of this Plan by the City after development. The City, County and the Agency may develop and provide for enforcement of a program for continued maintenance by owners of all real property, both public and private, within the Project Area throughout the duration of this Plan.
- e. Building Code enforcement.
- f. Performance of the above actions and of all other functions and services relating to public peace, health, safety, and physical development normally rendered in accordance with a schedule which will permit the redevelopment of the Project Area to be commenced and carried to completion without unnecessary delays.
- g. Institution and completion of proceedings necessary for the establishment of a local improvement district under Chapter 17, Title 50, Idaho Code, or a BID under Chapter 26, Title 50, Idaho Code.
- h. The undertaking and completing of any other proceedings necessary to carry out the Project.
- i. Administration of Community Development Block Grant funds that may be made available for this Project.
- j. Appropriate agreements with the Agency for administration, supporting services, funding sources, and the like.

- k. The waiver of any hookup or installation fee for sewer, water, or other utility services for any facility owned by any public agency, including any Agency facility.
- l. Joint funding of certain public improvements, including but not limited to roadway improvements and/or improvements to sewer and water facilities.
- m. Use of public entity labor, services, and materials for construction of the public improvements listed in this Plan.
- n. The waiver of any city impact fee for development within the Project Area.
- o. Assist with coordinating and implementing the public improvements in the Project Area identified in the Study.

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

Actions by the County shall include, but not be limited to, entering into an agreement with the Agency and/or the City as may be necessary to make improvements to the portion of the Project Area located within the boundaries of the County, to coordinate with the City on annexation proceedings. **The foregoing actions, if taken by the County, do not constitute any commitment for financial outlays by the County.**

601 Maintenance of Public Improvements

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

700 ENFORCEMENT

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

800 DURATION OF THIS PLAN, TERMINATION, AND ASSET REVIEW

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

Agency may use proceeds in 2041 to complete the projects set forth herein. As stated in the Plan, any owner participation agreement or disposition and development agreement obligations will cease as of December 31, 2040.

Idaho Code § 50-2093(5) provides the Agency shall adopt a resolution of intent to terminate the revenue allocation area by September 1. In order to provide sufficient notice of termination to the affected taxing districts to allow them to benefit from the increased budget capacity, the Agency will use its best efforts to provide notice of its intent to terminate this Plan and its revenue allocation authority by May 1, 2041, or if the Agency determines an earlier terminate date, then by May 1 of the early termination year:

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

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

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

900 PROCEDURE FOR AMENDMENT OR MODIFICATION

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

1000 SEVERABILITY

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

1100 ANNUAL REPORT AND OTHER REPORTING REQUIREMENTS

Under the Law, the Agency is required to file with the 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. This annual report shall be considered at a public meeting to report these findings and take comments from the public.

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

1200 APPENDICES, ATTACHMENTS, EXHIBITS, TABLES

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

Attachment 1

Boundary Map of Urban Renewal Project Area and Revenue Allocation Area

Attachment 2

Legal Description of Urban Renewal Project Area and Revenue Allocation Area

Attachment 3

Private Properties Which May Be Acquired by Agency

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

Attachment 4

Map Depicting Expected Land Uses and Current Zoning Map
of the Project Area



Attachment 5

Statement of Proposed Public Improvements, Costs, Revenue,
Tax Impacts, and Financing Methods/Economic Feasibility Study

Attachment 5

North Central Urban Renewal Project Area

Statement of Proposed Public Improvements, Costs, Revenue, Tax Impacts, and Financing Methods/Economic Feasibility Study

Introduction

The Urban Renewal Plan for the North Central Urban Renewal Project (the “Plan”) and the corresponding revenue allocation area’s (the “Project Area”) termination date is December 31, 2040, however, recognizing Idaho Code § 50-2905(7) allows the Urban Renewal Agency of the City of Rexburg, Idaho, also known as the Rexburg Redevelopment Agency (the “Agency”) to receive the allocation of revenues in the calendar year following the last year of the revenue allocation provision in the Plan, expenditure of funds for projects is anticipated through 2041.

Anticipated costs of the urban renewal project (the “Project”), revenue sources, estimated revenue allocations, and the amount of indebtedness required to complete the Project are shown in Attachments 5A, 5B, and 5C. Attachments 5A, 5B and 5C necessarily incorporate estimates and projections based on the Agency’s present knowledge and expectations. The Agency may re-prioritize the presently anticipated list of public improvements based on the Agency’s annual estimated revenues and proposed budget as further set forth in the Plan.

Attachment 5A depicts estimated net taxable value of new private development within the Project Area through 2041. This analysis includes projected revenues from anticipated development within the Project Area, as well as projected new development based on projected growth. Conservative inflationary increases of 1%/year are projected. Attachment 5A also demonstrates the overall estimated impact of revenue allocation on the affected taxing districts by showing the new development projections, which increment value will be placed on the new construction roll at termination. As set forth in this Plan, the taxing districts have independent authority concerning the setting of their budgets as limited by Idaho Code Sections 63-802 and 63-301A.

Attachment 5B sets forth the revenue projections for the Project Area through 2041 based the new development revenue projections and the estimated applicable levy rate. Attachment 5B estimates a conservative levy rate of .009, which is projected to remain constant throughout the duration of the Plan and Project Area.

Attachment 5C sets forth the cash flow analysis showing the Project Area is anticipated to generate sufficient revenue to cover the costs of the proposed public infrastructure improvements, which are set forth below. Attachment 5C includes the description of the methods of financing, which are subject to change based on the Agency’s annual budget, as well

as the time when projects are expected to be funded. Those projects identified in the earlier years are assumed to have a higher prioritization.

The information contained in Attachment 5A, 5B and 5C assumes certain projected actions. Under the provisions of the Local Economic Development Act, Chapter 29, Title 50, Idaho Code, revenue allocation shall continue until any obligation 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 5C projects expenditures through the term of the Plan. If all of the planned development takes place as projected, bonded or other indebtedness could be extinguished earlier, dependent upon the bond sale documents or other legal obligations. If private investment takes longer to materialize, or should the private development be substantially less than projected, then the amount of revenue generated will be substantially reduced. In that instance certain public improvement projects may not be completed.

This Plan and Attachments 5A, 5B, and 5C incorporate estimates and projections based on the Agency's present knowledge and expectations. This Plan proposes certain public improvements, including utility improvements, the improvements to streetscapes, street improvement, improvements to intersections and traffic signals, sidewalks, curb and gutters, street lighting, pedestrian pathways, open space, points of access for recreation and other infrastructure costs, which will facilitate development in the revenue allocation area.

The proposed public improvement list, including the estimated costs of construction, is as follows:

Project Description	Estimated Cost
Reconfigure 7th North & 2nd East /Yellowstone intersections (\$4M project)	\$ 1,000,000
5th West Extension ROW purchase (\$8M project)	\$ 500,000
Yellowstone Sewer Line over-sizing (Rexburg to Sugar City -\$4M project)	\$ 2,000,000
Purchase Ambulance/Sheriff Capital Improvements	\$ 1,000,000
East Parkway Corridor -7th N to Moody Rd -ROW Acquisition	\$ -
Teton River Pedestrian Bridge Barney 1	\$ 150,000
Canal Vehicle Bridge Barney 2	\$ 150,000
Barney Dairy Park/Johnson Preserve Along Teton River (\$2M project)	\$ 750,000
Teton River Sewer Line Extention	\$ 1,000,000
East Parkway Corridor -Barney Dairy to 2nd South ROW Purchase	\$ 1,500,000
East Parkway Corridor -Barney Dairy to 7th N Construction -(\$6M project)	\$ 2,000,000
2nd East Bridge reconfiguration to 7 lanes	\$ 1,000,000
Pedestrian Bridges across Teton River on 2nd East	\$ 500,000
Teton River Pedestrian Bridges Eagle Park	\$ 150,000
Teton River Trail (3.26 Miles within district)	\$ 820,000
Odell Property Purchase, add constuction of roadway and signals	\$ 1,500,000
Barney Dairy to 2nd E reconfiguration (\$3M project)	\$ 500,000
Purchase Fair Grounds from County or properties around it & upgrade facilities	\$ 6,000,000
Moody Road Overpass	\$ 6,600,000
5th West Extension Construction (\$8M project)	\$ 3,500,000
TOTAL	\$ 30,620,000

Economic Feasibility Statement

Attachments 5A, 5B, and 5C, with their various estimates and projections, constitute 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 annual revenue allocation funds (pay-as-you-go), an interfund loan from an existing project area, notes and bonds, developer contributions, City and/or County contributions (to the extent budgeted), grant funds, in-kind services, and other public funds are shown. Based on the information contained in Attachments 5A, 5B and 5C, the conclusion is that the project is feasible.

The map attached hereto identifies the kind, number, and location of all proposed public works or improvements consistent with the detailed list of estimated project costs set forth above.

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

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. At termination, the increment value is returned to the regular tax rolls for the affected taxing districts to use in setting their levies. Further, the increment value is placed on the new construction roll and may be available for an affected taxing district to increase budget capacity, subject to certain limitations. Revenue allocation has been available to all Idaho cities since 1988 and is anticipated to be the major, and thus most essential, component for Plan financing.

Loans and Notes – The time delay from initiation of Plan implementation and the establishment of the base assessment role is problematic with revenue allocation. Several years may elapse before the incremental tax revenue stream can adequately demonstrate the strength necessary to issue bonds. Short term notes or loans issued by local lenders or others 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 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, Counties, and highway districts often use LIDs for local street and sewer projects. 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 twenty years.

Community Development Block Grant (CDBG) – The City may choose to submit an application from time to time for Idaho Community Development Block Grant funding in order to achieve the objectives set forth in this Plan. A block grant application must meet certain eligibility requirements, and is constrained to a specific list of eligible activities. However, Community Development Block Grant funding may be some assistance in completing portions of the Agency's funding objectives.

Developer Advances – Developer Advances may be a desirable approach to initiate development projects given the delayed flow of revenue under tax increment financing. The terms of the advance are negotiable on a project-by-project basis, but possible uses include; master planning, project administration, necessary legal work, and even preliminary public infrastructure work.

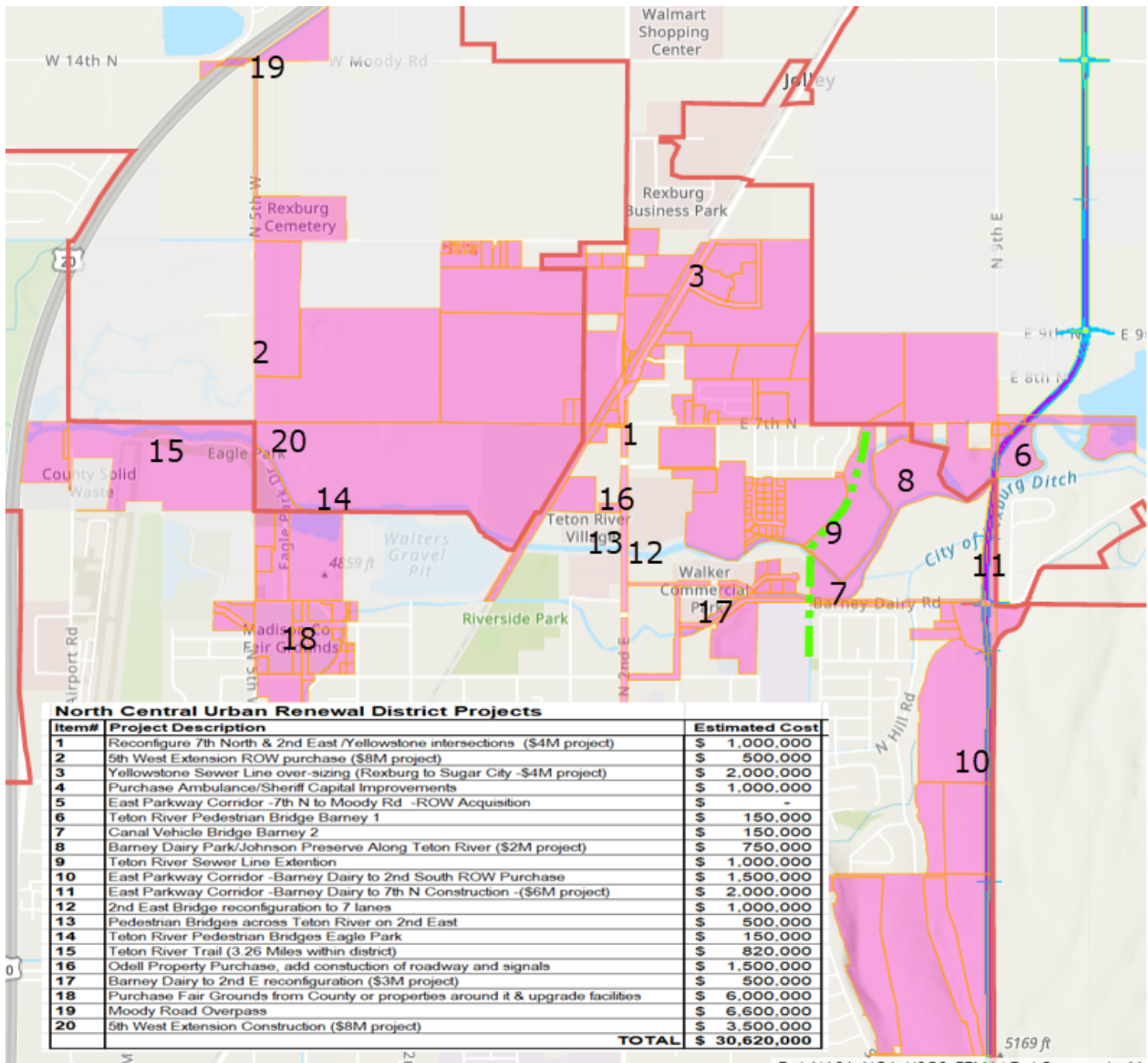
City or Agency Advances – A city (or other public entity) or agency may provide advances or contributions for certain public improvements from another existing project area.

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

Brownfield Loans/Grants - The City may choose to pursue a brownfield grant to assist a private property owner or municipality clean up a contaminated site located within an Urban Renewal Area.

Financing Conclusion

This 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.



Attachment 5A

Estimated Net Taxable Value of New Private Development

Attachment 5A
Estimated Net Taxable Value of New Private Development (Commercial/Residential)
Rexburg North Interchange Urban Renewal Project

Construction Year	Tax Year	Fiscal Year Ending	Beginning Balance	New Construction	1% Inflation	Cumulative Total
2020	2021	2022		31,266,286	-	31,266,286
2021	2022	2023	31,266,286	45,901,714	312,663	77,480,663
2022	2023	2024	77,480,663	45,901,714	774,807	124,157,184
2023	2024	2025	124,157,184	30,000,000	1,241,572	155,398,756
2024	2025	2026	155,398,756	30,000,000	1,553,988	186,952,744
2025	2026	2027	186,952,744	17,500,000	1,869,527	206,322,271
2026	2027	2028	206,322,271	2,000,000	2,063,223	210,385,494
2027	2028	2029	210,385,494	2,000,000	2,103,855	214,489,349
2028	2029	2030	214,489,349	2,000,000	2,144,893	218,634,242
2029	2030	2031	218,634,242	2,000,000	2,186,342	222,820,584
2030	2031	2032	222,820,584	2,000,000	2,228,206	227,048,790
2031	2032	2033	227,048,790	2,000,000	2,270,488	231,319,278
2032	2033	2034	231,319,278	2,000,000	2,313,193	235,632,471
2033	2034	2035	235,632,471	2,000,000	2,356,325	239,988,796
2034	2035	2036	239,988,796	-	2,399,888	242,388,684
2035	2036	2037	242,388,684	-	2,423,887	244,812,571
2036	2037	2038	244,812,571	-	2,448,126	247,260,697
2037	2038	2039	247,260,697	-	2,472,607	249,733,304
2038	2039	2040	249,733,304	-	2,497,333	252,230,637
2039	2040	2041	252,230,637	-	2,522,306	254,752,943

New Construction

Basic American Foods	Thompson Farms	Centennial Homes	Rudd & Co	Other	Total
12,500,000	11,926,286	5,536,000	1,304,000		31,266,286
25,000,000	15,901,714	5,000,000			45,901,714
25,000,000	15,901,714			5,000,000	45,901,714
25,000,000				5,000,000	30,000,000
25,000,000				5,000,000	30,000,000
12,500,000				5,000,000	17,500,000
				2,000,000	2,000,000
				2,000,000	2,000,000
				2,000,000	2,000,000
				2,000,000	2,000,000
				2,000,000	2,000,000
				2,000,000	2,000,000
				2,000,000	2,000,000
				2,000,000	2,000,000
				-	-
				-	-
				-	-
				-	-
				-	-
				-	-
125,000,000	43,729,714	10,536,000	1,304,000	36,000,000	Total

- 1 New Construction for the period of 2021-2040 is based largely on conservative projections of development for the area
- 2 Inflation reflects estimated net property value increases based on 90% of the past inflation in the construction cost index.
- 3 New development will be required to be annexed into a city limits in order to receive water and sewer services; therefore, the city levy should be the one used in the projection of revenue.

Attachment 5B

Estimated Annual Revenue Allocations

Attachment 5B
Estimated Annual Revenue Allocations
Rexburg North Interchange Urban Renewal Project
January 0, 1900

Construction Year	Tax Year Assessed	Fiscal Year Taxes Received	Estimated Valuation	Tax Levy Rate	Agency Revenue
2020	2021	2022	31,266,286	0.009000000	281,397
2021	2022	2023	77,480,663	0.009000000	697,326
2022	2023	2024	124,157,184	0.009000000	1,117,415
2023	2024	2025	155,398,756	0.009000000	1,398,589
2024	2025	2026	186,952,744	0.009000000	1,682,575
2025	2026	2027	206,322,271	0.009000000	1,856,900
2026	2027	2028	210,385,494	0.009000000	1,893,469
2027	2028	2029	214,489,349	0.009000000	1,930,404
2028	2029	2030	218,634,242	0.009000000	1,967,708
2029	2030	2031	222,820,584	0.009000000	2,005,385
2030	2031	2032	227,048,790	0.009000000	2,043,439
2031	2032	2033	231,319,278	0.009000000	2,081,874
2032	2033	2034	235,632,471	0.009000000	2,120,692
2033	2034	2035	239,988,796	0.009000000	2,159,899
2034	2035	2036	242,388,684	0.009000000	2,181,498
2035	2036	2037	244,812,571	0.009000000	2,203,313
2036	2037	2038	247,260,697	0.009000000	2,225,346
2037	2038	2039	249,733,304	0.009000000	2,247,600
2038	2039	2040	252,230,637	0.009000000	2,270,076
2039	2040	2041	254,752,943	0.009000000	2,292,776
				Total	36,657,681

Notes:

1 Estimated valuation is from Attachment 5A.

2 The tax levy rates are estimated to generally increase 0.0% per year. (See Levies)

Attachment 5C

Estimated Annual Revenues and Costs

Attachment 5C Estimated Annual Revenues and Costs (Figures Shown in 000) Rexburg North Interchange Urban Renewal Project January 0, 1900																							
Fiscal Year>	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	Totals
Beginning Balance		10	4	(81)	610	361	74	967	522	505	192	253	1,169	745	2,824	1,358	155	2,333	1,173	1,155	1,608	1,075	
Sources of Funds:																							
Revenue Allocation Estimate			281	697	1,117	1,399	1,683	1,857	1,893	1,930	1,968	2,005	2,043	2,082	2,121	2,160	2,181	2,203	2,225	2,248	2,270	2,293	36,656
Sale of Property																							-
Clawback from Developers																							-
State Highway Dept. Contribution																							-
City Water Utility Reimbursement																							-
City Sewer Utility Reimbursement																							-
Transfer from/to Univserity District Fund			800		(800)																		-
Transfer from/to Administration Fund	40		(40)																				-
Borrowing																							-
Total Sources of Funds	40	-	1,041	697	317	1,399	1,683	1,857	1,893	1,930	1,968	2,005	2,043	2,082	2,121	2,160	2,181	2,203	2,225	2,248	2,270	2,293	36,656
Total Funds Available	40	10	1,045	616	927	1,760	1,757	2,824	2,415	2,435	2,160	2,258	3,212	2,827	4,945	3,518	2,336	4,536	3,398	3,403	3,878	3,368	36,656
Uses of Funds:																							
Admin./Prof. Services	30	5	5	5	5	5	5	5	5	3	3	3	3	3	3	3	3	3	3	3	3	10	116
Bond Reserve & Capitalized Interest																							-
Bond Costs																							-
Bond Payments																							-
Reconfigure 7th North & 2nd East /Yellowstone intersections (\$4M project)			1,000																				1,000
5th West Extension ROW purchase (\$8M project)					500																		500
Yellowstone Sewer Line over-sizing (Rexburg to Sugar City -\$4M project)						1,500	500																2,000
Purchase Ambulance/Sheriff Capital Improvements							200		200		200		200		200								1,000
East Parkway Corridor -7th N to Moody Rd -ROW Acquisition									-														-
Teton River Pedestrian Bridge Barney 1								150															150
Canal Vehicle Bridge Barney 2								150															150
Barney Dairy Park/Johnson Preserve Along Teton River (\$2M project)								750															750
Teton River Sewer Line Extention								1,000															1,000
East Parkway Corridor -Barney Dairy to 2nd South ROW Purchase									1,500														1,500
Construction -(\$6M project)										500	1,500												2,000
2nd East Bridge reconfiguration to 7 lanes										1,000													1,000
Pedestrian Bridges across Teton River on 2nd East										500													500
Teton River Pedestrian Bridges Eagle Park												150											150
Teton River Trail (3.26 Miles within district)												820											820
Odell Property Purchase, add constuction of roadway and signals													1,500										1,500
Barney Dairy to 2nd E reconfiguration (\$3M project)													500										500
Purchase Fair Grounds from County or properties around it & upgrade facilities															3,000	3,000							6,000
Moody Road Overpass																		3,000	2,000	1,600			6,600
5th West Extension Construction (\$8M project)																					2,500	1,000	3,500
																							-
Water & Sewer Oversizing																							-
Wastewater Liftstations																							-
Wastewater Lines																							-
Water Lines																							-
Total Uses of Funds	30	5	1,005	5	505	1,505	705	2,055	1,705	2,003	1,703	973	2,203	3	3,203	3,003	3	3,003	2,003	1,603	2,503	1,010	30,736
Contingency @10%	10%	1	101	1	51	151	71	206	171	200	170	97	220	-	320	300	-	300	200	160	250	101	3,071
Overhead Charges @2%	2%	-	20	-	10	30	14	41	34	40	34	19	44	-	64	60	-	60	40	32	50	20	612
Total Uses of Funds	30	6	1,126	6	566	1,686	790	2,302	1,910	2,243	1,907	1,089	2,467	3	3,587	3,363	3	3,363	2,243	1,795	2,803	1,131	34,419
Ending Balance	10	4	(81)	610	361	74	967	522	505	192	253	1,169	745	2,824	1,358	155	2,333	1,173	1,155	1,608	1,075	2,237	2,237

Attachment 6

Agricultural Operation Consents

CONSENT FORM

JOSEPHINE BIRD, an individual, and states that he/she owns, as his/her sole and separate property, that certain property generally described as Parcel Identification Number: RP06N40E187370 and more particularly described on the Madison County Parcel Report attached hereto and incorporated herein by reference (the "Property"), and hereby certifies:

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

(2) that the undersigned has reviewed the urban renewal eligibility report, dated July 3, 2020, entitled The North Central Area Urban Renewal Eligibility Report, and as attached hereto.

Further, the undersigned hereby provides his/her consent and approval that the subject Property may be included within the proposed urban renewal area.

Further, it is understood that this consent will NOT CHANGE the amount of taxes on this property nor will it affect the owner's ability to do whatever they want with the property. It DOES make it possible for the Rexburg Urban Renewal Agency to add or improve roads in their area within the existing City or County owned right-of-way.

DATED this 25th day of August, 2020.

Kathleen K Grover

CONSENT FORM

FARRELL DAVIDSON, an individual, and states that he/she owns, as his/her sole and separate property, that certain property generally described as Parcel Identification Number: RP06N40E179001 and more particularly described on the Madison County Parcel Report attached hereto and incorporated herein by reference (the "Property"), and hereby certifies:

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

(2) that the undersigned has reviewed the urban renewal eligibility report, dated July 3, 2020, entitled The North Central Area Urban Renewal Eligibility Report, and as attached hereto.

Further, the undersigned hereby provides his/her consent and approval that the subject Property may be included within the proposed urban renewal area.

Further, it is understood that this consent will NOT CHANGE the amount of taxes on this property nor will it affect the owner's ability to do whatever they want with the property. It DOES make it possible for the Rexburg Urban Renewal Agency to add or improve roads in their area within the existing City or County owned right-of-way.

DATED this 17 day of August, 2020.

Farrell Davidson

CONSENT FORM

Harvey Bert Summers Manager of DS&S INC, states that DS&S INC owns that certain property generally described as Parcel Identification Number: RPRXBCA0207202, and more particularly described on the Madison County Parcel Report attached hereto and incorporated herein by reference (the "Property"), and hereby certifies:

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

(2) that the undersigned has reviewed the urban renewal eligibility report, dated July 3, 2020, entitled The North Central Area Urban Renewal Eligibility Report, and as attached hereto.

Further, that the undersigned, as Manager of said entity, hereby provides his/her consent and approval that the subject Property may be included within the proposed urban renewal area.

Further, it is understood that this consent will NOT CHANGE the amount of taxes on this property nor will it affect the owner's ability to do whatever they want with the property. It DOES make it possible for the Rexburg Urban Renewal Agency to add or improve roads in their area within the existing City or County owned right-of-way.

DATED this 14th day of July, 2020.



CONSENT FORM

Brett Satterthwaite, Manager of EDGE HOLDINGS LLC, states that EDGE HOLDINGS LLC owns that certain property generally described as Parcel Identification Number: RPRXBCA0291851, and more particularly described on the Madison County Parcel Report attached hereto and incorporated herein by reference (the "Property"), and hereby certifies:


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

(2) that the undersigned has reviewed the urban renewal eligibility report, dated July 3, 2020, entitled The North Central Area Urban Renewal Eligibility Report, and as attached hereto.

Further, that the undersigned, as Manager of said entity, hereby provides his/her consent and approval that the subject Property may be included within the proposed urban renewal area.

Further, it is understood that this consent will NOT CHANGE the amount of taxes on this property nor will it affect the owner's ability to do whatever they want with the property. It DOES make it possible for the Rexburg Urban Renewal Agency to add or improve roads in their area within the existing City or County owned right-of-way.

DATED this ____ day of _____, 2020.



CONSENT FORM

Va) Dean Grover, Manager of GROVER DEAN R FAMILY BYPASS TRUST, states that GROVER DEAN R FAMILY BYPASS TRUST owns that certain property generally described as Parcel Identification Number: RPR4GVR0000010, and more particularly described on the Madison County Parcel Report attached hereto and incorporated herein by reference (the "Property"), and hereby certifies:

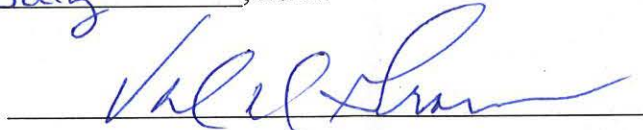
(1) that the Property has been used, within the last three (3) years, as an agricultural operation; and

(2) that the undersigned has reviewed the urban renewal eligibility report, dated July 3, 2020, entitled The North Central Area Urban Renewal Eligibility Report, and as attached hereto.

Further, that the undersigned, as Manager of said entity, hereby provides his/her consent and approval that the subject Property may be included within the proposed urban renewal area.

Further, it is understood that this consent will NOT CHANGE the amount of taxes on this property nor will it affect the owner's ability to do whatever they want with the property. It DOES make it possible for the Rexburg Urban Renewal Agency to add or improve roads in their area within the existing City or County owned right-of-way.

DATED this 27 day of July, 2020.



CONSENT FORM

DALE S JEPPESEN, an individual, and states that he/she owns, as his/her sole and separate property, that certain property generally described as Parcel Identification Number: RP06N40E178950 and more particularly described on the Madison County Parcel Report attached hereto and incorporated herein by reference (the "Property"), and hereby certifies:

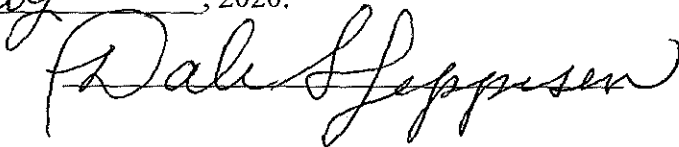
(1) that the Property has been used, within the last three (3) years, as an agricultural operation; and

(2) that the undersigned has reviewed the urban renewal eligibility report, dated July 3, 2020, entitled The North Central Area Urban Renewal Eligibility Report, and as attached hereto.

Further, the undersigned hereby provides his/her consent and approval that the subject Property may be included within the proposed urban renewal area.

Further, it is understood that this consent will NOT CHANGE the amount of taxes on this property nor will it affect the owner's ability to do whatever they want with the property. It DOES make it possible for the Rexburg Urban Renewal Agency to add or improve roads in their area within the existing City or County owned right-of-way.

DATED this 13 day of Aug, 2020.



CONSENT FORM

RAY PETERSON, Manager of R & S PETERSON COMMERCIAL PROPERTIES LLC, states that R & S PETERSON COMMERCIAL PROPERTIES LLC owns that certain property generally described as Parcel Identification Number: RPRXBCA0176677, and more particularly described on the Madison County Parcel Report attached hereto and incorporated herein by reference (the "Property"), and hereby certifies:

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

(2) that the undersigned has reviewed the urban renewal eligibility report, dated July 3, 2020, entitled The North Central Area Urban Renewal Eligibility Report, and as attached hereto.

Further, that the undersigned, as Manager of said entity, hereby provides his/her consent and approval that the subject Property may be included within the proposed urban renewal area.

Further, it is understood that this consent will NOT CHANGE the amount of taxes on this property nor will it affect the owner's ability to do whatever they want with the property. It DOES make it possible for the Rexburg Urban Renewal Agency to add or improve roads in their area within the existing City or County owned right-of-way.

* DATED this 29 day of July, 2020.



* AS LONG AS THERE IS NO LID^S.

CONSENT FORM

Bruce and Shirley Co-Trustees Mary G. Irrevocable Trust
MACK SHIRLEY ~~Executor~~ of LYNN PAUL SHIRLEY LIFE ESTATE, states that

Family members
~~LYNN PAUL SHIRLEY LIFE ESTATE~~ owns that certain property generally described as Parcel Identification Number: RP06N40E076031, and more particularly described on the Madison County Parcel Report attached hereto and incorporated herein by reference (the "Property"), and hereby certifies:

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

(2) that the undersigned has reviewed the urban renewal eligibility report, dated July 3, 2020, entitled The North Central Area Urban Renewal Eligibility Report, and as attached hereto.

Further, that the undersigned, as Manager of said entity, hereby provides his/her consent and approval that the subject Property may be included within the proposed urban renewal area.

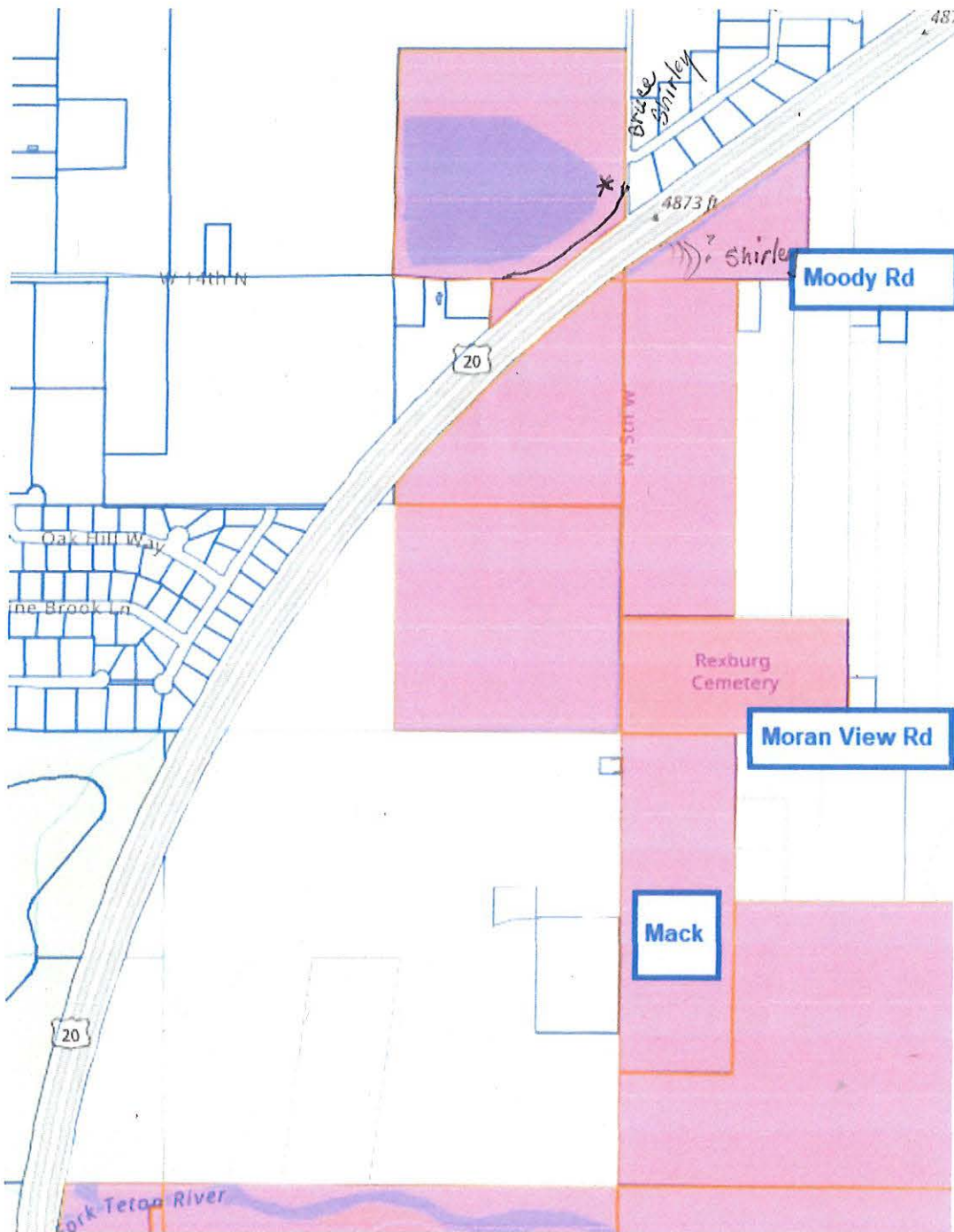
Further, it is understood that this consent will NOT CHANGE the amount of taxes on this property nor will it affect the owner's ability to do whatever they want with the property. It DOES make it possible for the Rexburg Urban Renewal Agency to add or improve roads in their area within the existing City or County owned right-of-way.

DATED this 25th day of August, 2020.

Mack G. Shirley
Bruce Shirley

Signed with the stipulation that residents living on the current Bruce Shirley property will still have South bound (and preferably East, also) access to W. 14th N. and the W. Moody Rd. going East. * See as marked on attached map.

Also stipulated, that if overpass renders existing property (3 cornered piece) useless for future use, that owner will receive reimbursement for entire acreage that becomes unusable because of overpass intrusion.



* The existing curved road that connects 1000 W. to W. 14th N. must be preserved w/ connecting access to overpass so as to make sure residents on Brace Shirley property are not landlocked and forced to go north in order to access Rexburg.

CONSENT FORM

MACK G SHIRLEY, an individual, and states that he/she owns, as his/her sole and separate property, that certain property generally described as Parcel Identification Number: RP06N40E185413 and more particularly described on the Madison County Parcel Report attached hereto and incorporated herein by reference (the "Property"), and hereby certifies:

- (1) that the Property has been used, within the last three (3) years, as an agricultural operation; and
- (2) that the undersigned has reviewed the urban renewal eligibility report, dated July 3, 2020, entitled The North Central Area Urban Renewal Eligibility Report, and as attached hereto.

Further, the undersigned hereby provides his/her consent and approval that the subject Property may be included within the proposed urban renewal area.

Further, it is understood that this consent will NOT CHANGE the amount of taxes on this property nor will it affect the owner's ability to do whatever they want with the property. It DOES make it possible for the Rexburg Urban Renewal Agency to add or improve roads in their area within the existing City or County owned right-of-way.

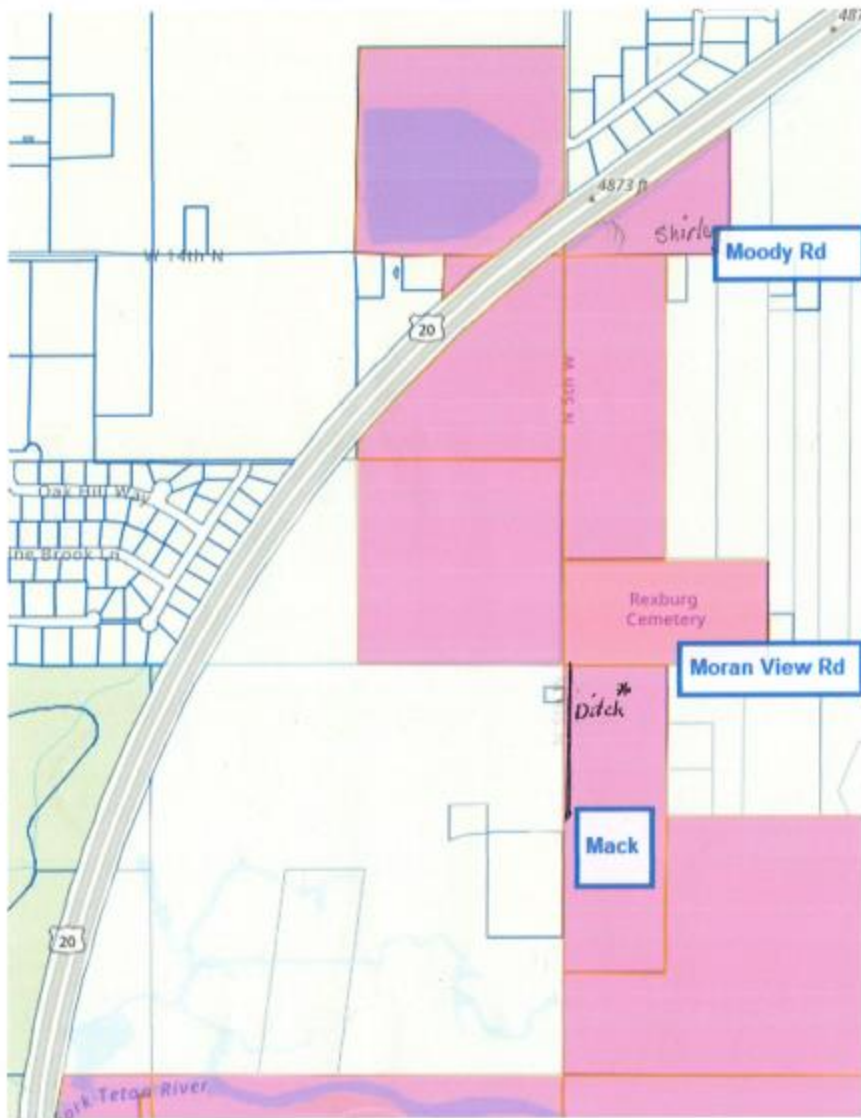
DATED this 25th day of August, 2020.

Mack G. Shirley *

* Stipulated that this agreement is binding only if the existing ditch bordering the west boundary of property and running south to pasture on south end of property is preserved and maintained in same location with needed improvements, (including fill when needed) so as to provide water as was customary in the past. **

** See attached map

new fencing in the pasture required by the placement of the 5th west road running inside the present fence would be provided at city expense. Please add that stipulation to the consent form. Thanks.



* Ditch that runs down West side of Mack Shirley property must be preserved, allowing water to run into pasture at South end of property.

CONSENT FORM

JAY FRED SMITH, an individual, and states that he/she owns, as his/her sole and separate property, that certain property generally described as Parcel Identification Number: RPR6N40E207222 and more particularly described on the Madison County Parcel Report attached hereto and incorporated herein by reference (the "Property"), and hereby certifies:

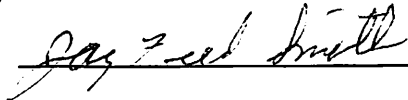
(1) that the Property has been used, within the last three (3) years, as an agricultural operation; and

(2) that the undersigned has reviewed the urban renewal eligibility report, dated July 3, 2020, entitled The North Central Area Urban Renewal Eligibility Report, and as attached hereto.

Further, the undersigned hereby provides his/her consent and approval that the subject Property may be included within the proposed urban renewal area.

Further, it is understood that this consent will NOT CHANGE the amount of taxes on this property nor will it affect the owner's ability to do whatever they want with the property. It DOES make it possible for the Rexburg Urban Renewal Agency to add or improve roads in their area within the existing City or County owned right-of-way.

DATED this 11th day of Aug, 2020.



CONSENT FORM

RICHARD F SMITH, an individual, and states that he/she owns, as his/her sole and separate property, that certain property generally described as Parcel Identification Number: RPRXBCA0290010 and more particularly described on the Madison County Parcel Report attached hereto and incorporated herein by reference (the "Property"), and hereby certifies:

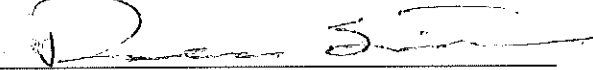
(1) that the Property has been used, within the last three (3) years, as an agricultural operation; and

(2) that the undersigned has reviewed the urban renewal eligibility report, dated July 3, 2020, entitled The North Central Area Urban Renewal Eligibility Report, and as attached hereto.

Further, the undersigned hereby provides his/her consent and approval that the subject Property may be included within the proposed urban renewal area.

Further, it is understood that this consent will NOT CHANGE the amount of taxes on this property nor will it affect the owner's ability to do whatever they want with the property. It DOES make it possible for the Rexburg Urban Renewal Agency to add or improve roads in their area within the existing City or County owned right-of-way.

DATED this 8 day of August, 2020.



Attachment 7

Madison County Board of County Commissioners Resolution No. 447 (eligibility)

In the Matter of Eligibility of North)
Central Area As Urban Renewal)
Area)
_____)

Instrument # 432300

REXBURG, MADISON, IDAHO

7-14-2020 04:04:51 PM No. of Pages: 5

Recorded for :

KIM H. MUIR

Fee: 0.00

Ex-Officio Recorder Deputy



RESOLUTION NO. 447

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF MADISON COUNTY, IDAHO, ADOPTING THE FINDINGS OF THE REXBURG URBAN RENEWAL AGENCY, THE URBAN RENEWAL AGENCY OF THE CITY OF REXBURG, IDAHO, ADOPTED BY RESOLUTION ON JULY 9, 2020, IN RESOLUTION NO. 2020-__ ; ACCEPTING THAT CERTAIN REPORT PREPARED FOR THE REXBURG URBAN RENEWAL AGENCY ON THE ELIGIBILITY FOR CERTAIN PROPERTY REFERRED TO AS THE NORTH CENTRAL AREA AS AN URBAN RENEWAL AREA AND REVENUE ALLOCATION AREA AND JUSTIFICATION FOR DESIGNATING THE AREA AS APPROPRIATE FOR AN URBAN RENEWAL PROJECT SUBJECT TO CERTAIN CONDITIONS; FINDING A PORTION OF THE NORTH CENTRAL AREA INCLUDES CERTAIN PROPERTIES WITHIN THE UNINCORPORATED AREA OF MADISON COUNTY; FINDING AND DECLARING THE NEED FOR AN URBAN RENEWAL PROJECT FOR THE NORTH CENTRAL AREA; APPROVING CREATION OF THAT PORTION OF THE NORTH CENTRAL AREA LYING OUTSIDE OF THE CORPORATE BOUNDARIES OF THE CITY OF REXBURG AND WITHIN THE UNINCORPORATED AREA OF MADISON COUNTY; FINDING THAT THE JURISDICTIONAL BOUNDARIES OF THE CITY OF REXBURG AND MADISON COUNTY REMAIN THE SAME; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Rexburg Urban Renewal Agency, an independent public body corporate and politic, under the authority of the Idaho Urban Renewal Law of 1965, Chapter 20, Title 50, Idaho Code, as amended (hereinafter the "Law") and the Local Economic Development Act, Chapter 29, Title 50, Idaho Code, as amended (hereinafter the "Act"), is a duly created and functioning urban renewal agency for Rexburg, Idaho, hereinafter referred to as the "Agency."

WHEREAS, the City Council (the "City Council") of the city of Rexburg (the "City") found that deteriorating areas exist in the City, therefore, for the purposes of the Law, created an urban renewal agency pursuant to the Law, authorizing the Agency to transact business and exercise the powers granted by the Law and the Act upon making the findings of necessity required for creating the Agency;

WHEREAS, there are several existing urban renewal project areas in the City;

WHEREAS, based on inquiries and information presented, the City commenced certain discussions concerning examination of an additional area within the City and unincorporated Madison County as appropriate for an urban renewal project;

RESOLUTION NO. 447

WHEREAS, in July 2020, the City authorized Richard Horner, to commence an eligibility study and preparation of an eligibility report of an area including necessary properties and roadway along the proposed extension of North 5th West from the Madison County Fairgrounds to West Moody Road, including properties necessary to construct an overpass on West Moody Road over State Highway 20. The proposed area also includes properties and roadway along North 2nd East and the North Yellowstone Highway from East 1st North to East Moran View Road. The proposed area also includes properties and roadway along East 7th North and Barney Dairy Road. It also includes undeveloped properties between East 7th North and Barney Dairy Road and East 2nd North. Lastly, the area also includes necessary properties along the proposed extension of East Parkway from about 6th South to East Moody Road. Collectively this area is referred to as the "North Central Area."

WHEREAS, the Agency obtained The North Central Area Urban Renewal Eligibility Report, dated July 3, 2020 (the "Eligibility Report"), a copy of which is attached hereto as **Exhibit A**, which examined the North Central Area, which area also included real property located within unincorporated Madison County, for the purpose of determining whether such area was a deteriorating area or a deteriorated area as defined by Idaho Code Sections 50-2018(9) and 50-2903(8);

WHEREAS, under the Act and Law, specifically Sections 50-2903(8)(f) and 50-2018 (8) and (9), Idaho Code, the definition of a deteriorating area shall not apply to any agricultural operation as defined in Section 22-4502(2), Idaho Code, or any forest land as defined in Section 63-1701(4), Idaho Code, absent the consent of the owner of the agricultural operation or the forest landowner of the forest land, except for an agricultural operation or forest land that has not been used for three (3) consecutive years;

WHEREAS, the North Central Area includes parcels subject to such consent. While the necessary consents have not been obtained, any and all consents shall be obtained prior to City Council adoption of any urban renewal plan;

WHEREAS, Idaho Code Section 50-2018(18) states that an urban renewal agency cannot exercise jurisdiction over any area outside the city limits without the approval of the other city or county declaring the need for an urban renewal plan for the proposed area;

WHEREAS, a portion of the North Central Area includes certain real property located in unincorporated Madison County;

WHEREAS, the Agency accepted the Eligibility Report by way of Resolution No. 2020-__ at the July 9, 2020, meeting of the Agency Board, a copy of which Resolution (without exhibits), is attached hereto as **Exhibit B**;

WHEREAS, pursuant to Idaho Code Section 50-2008, an urban renewal project may not be planned or initiated unless the local governing body has, by resolution, determined such area to be a deteriorated area or deteriorating area, or combination thereof, and designated such area as appropriate for an urban renewal project;

WHEREAS, Idaho Code Section 50-2904, also requires that in order to adopt an urban renewal plan containing a revenue allocation financing provision, the local governing body must

RESOLUTION NO. 447

make a finding or determination that the area included in such plan is a deteriorated area or deteriorating area;

WHEREAS, the proposed North Central Area has no impact on the jurisdictional boundaries of Madison County;

WHEREAS, on July 13, 2020, representatives of the City and/or Agency presented the Eligibility Report to the Madison County Commissioners requesting the Commissioners to consider adopting the findings concerning the proposed North Central Area.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MADISON COUNTY, IDAHO, AS FOLLOWS:

Section 1. That the above statements are true and correct.


Section 2. That the findings of the Agency made on July 9, 2020, in Resolution No. 2020-__, are hereby adopted by the Board of Madison County Commissioners.


Section 3. That there is a need for an urban renewal plan for the North Central Area.

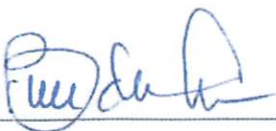
Section 4. That this Resolution shall be in full force and effect immediately upon its adoption and approval.

ADOPTED this 13th day of July 2020.

BOARD OF MADISON COUNTY COMMISSIONERS







ATTEST:



Madison County Clerk

RESOLUTION NO. 447

EXHIBIT A

The North Central Area Urban Renewal Eligibility Report, dated July 3, 2020

**THE NORTH CENTRAL AREA
URBAN RENEWAL ELIGIBILITY REPORT**

**PREPARED FOR THE
REXBURG URBAN RENEWAL AGENCY**

**BY
RICHARD HORNER
of
THE REXBURG REDEVELOPMENT AGENCY**

July 3, 2020

THE NORTH CENTRAL AREA URBAN RENEWAL ELIGIBILITY REPORT

BACKGROUND

Preparation of this report was authorized by the Rexburg Urban Renewal Agency (“Agency”) in July 2020. This report will provide the technical support for the first step in planning urban renewal projects. That first step is a policy decision by the Mayor and City Council to designate a specific area as deteriorated or deteriorating and to authorize an urban renewal project for this area.

The proposed urban renewal area includes necessary properties and roadway along the proposed extension of North 5th West from the Madison County Fairgrounds to West Moody Road, including properties necessary to construct an overpass on West Moody Road over State Highway 20. The proposed area also includes properties and roadway along North 2nd East and the North Yellowstone Highway from East 1st North to East Moran View Road. The proposed area also includes properties and roadway along East 7th North and Barney Dairy Road. It also includes undeveloped properties between East 7th North and Barney Dairy Road and East 2nd North. Lastly, the area also includes necessary properties along the proposed extension of East Parkway from about 6th South to East Moody Road. The geographic area under review is referred to as the “North Central area” or the “Study Area.” A significant portion of the Study Area is currently located within unincorporated Madison County.

Please see the attached map for a clearer understanding of the Study Area boundaries, which includes the City boundary line to assist with identification of the parcels located within unincorporated Madison County.

Idaho Code Section 50-2008(a) states:

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

REXBURG NORTH CENTRAL AREA

A. 10% Analysis

The Agency Board has asked that a study be completed to determine compliance with the statutory requirements regarding assessed value limitations before recommending to the Rexburg City Council that a new urban renewal area be created. The assessed value limitation statutory requirement found in the definition of “revenue allocation area” in Idaho Code Section 50-2903(15) mandates that the base assessment roll values of all revenue allocation areas within the City (including this proposed new revenue allocation area) cannot exceed 10% of the current assessed valuation of all taxable property within the City. While a significant portion of the Study Area is within unincorporated Madison County, to be conservative, and for purposes of this calculation, the estimated base assessment roll of the Study Area is compared to the assessed taxable value of the City (as opposed to a comparison with the assessed taxable value of Madison County).

County records show that the 2019¹ adjusted base assessment roll values for Rexburg’s four existing revenue allocation areas minus homeowner’s exemptions are as follows:

North Highway	\$6,646,722 ²
Downtown Rexburg	\$33,297,201
University Boulevard	\$8,190,994
<u>North Interchange</u>	<u>\$4,145,769</u>
Total	\$52,280,686

The City of Rexburg’s net taxable value minus the homeowner’s exemption and personal property exemption for 2019 is \$1,258,690,595. Ten percent of that value is \$125,869,059 which marks the limit for 2019. The 2019 assessed values for the Study Area are \$27,798,027.

¹ Due to the timing of the assessment process and creation of this Report, the 2019 values have been used to establish compliance with the 10% limitation. Even assuming an increase in values for 2020, the combined adjusted base values of the revenue allocation areas would not exceed 10% of the current assessed taxable value for the entire City.

² The base assessment roll includes the value of parcels recently deannexed pursuant to Rexburg City Council Ordinance No. 1230, dated June 17, 2020, adopting the First Amendment to the Second Amended and Restated Urban Renewal Plan, North Highway Urban Renewal Project, Including South Addition. The deannexation is effective retroactive to January 1, 2020.

Therefore, the total adjusted base assessment roll values for all existing revenue allocation areas including this proposed North Central area are \$80,078,713, which is \$45,790,346 below the 2019 maximum limit of \$125,869,059.

B. Steps in Consideration of an Urban Renewal District

Step One in planning new renewal projects is a review of the conditions within the Study Area to determine whether the area is eligible under the Idaho Urban Renewal Law of 1965, Chapter 20, Title 50, Idaho Code, as amended (the “Law”), and the Local Economic Development Act, Chapter 29, Title 50, Idaho Code, as amended (the “Act”). The Law and the Act set forth criteria in the definitions of a “deteriorating area” and/or a “deteriorated area,” at least one of which must be found, for an area to be considered eligible for urban renewal activities. The attached definitions of *deteriorating area*, *deteriorated area*, and *urban renewal project* are very pertinent to this step and are the focus of this report.

If this report finds one or more of the conditions present within the Study Area, then the Rexburg Urban Renewal Agency may accept the report and forward it to the City Council for its consideration. If the City Council adopts the report and makes the necessary findings by resolution, it may direct the Rexburg Urban Renewal Agency to prepare an urban renewal plan for the Study Area. As a portion of the Study Area is within unincorporated Madison County, compliance with Idaho Code Section 50-2018(18)³ is necessary, and the Madison County Board of County Commissioners is required to adopt a resolution declaring a need for an urban renewal project.

³ Idaho Code Section 50-2018(18) defines “area of operation” to mean “the area within the corporate limits of the municipality and the area within five (5) miles of such limits, except that it shall not include any area which lies within the territorial boundaries of another incorporated city or town or within the unincorporated area of the county unless a resolution shall have been adopted by the governing body of such other city, town or county declaring a need therefor.”

Step Two in the urban renewal planning process is action by the Agency to prepare the urban renewal plan, including the establishment of a revenue allocation area, and recommend its approval to the City Council. Once the urban renewal plan is completed and approved by the Rexburg Urban Renewal Agency, the plan is forwarded to the City Council for its formal consideration. If the urban renewal project area includes parcels located within unincorporated Madison County as currently included in the Study Area, prior to consideration of the urban renewal plan by the Rexburg City Council, Madison County and the City shall agree on administration of a revenue allocation financing provision, which agreement shall be formalized by a transfer of power ordinance adopted by Madison County.

The City initiates Step Three by referring the plan to the Planning and Zoning Commission for a finding that the plan is in conformity with the City's Comprehensive Plan. Additionally, the proposed plan is transmitted to the affected taxing entities, which includes those taxing districts levying property taxes within the boundaries of the proposed project area and are provided a thirty (30) day comment period prior to the public hearing before the City Council. Following the Planning and Zoning Commission making its finding of conformity and the expiration of the thirty (30) day period, the City Council will hold a public hearing and formally consider the adoption of the urban renewal plan establishing a new revenue allocation area.

Step Four is the adoption of a City Council ordinance approving the plan, after a public hearing, and transmittal of post-ordinance adoption documents to Madison County officials, the State Tax Commission, and the affected taxing entities.

DISCUSSION

This report focuses on whether the Study Area, as previously described and as outlined on the attached map, qualifies as a deteriorating area and/or a deteriorated area pursuant to Idaho Code Sections 50-2018(9) and 50-2903(8)(b) under virtually identical definitions. A copy of this joint definition is attached. The first statutory reference is from the Law, while the second comes the Act.

Pursuant to the Law and the Act, a “Deteriorated area” does not mean not developed beyond agricultural, or any agricultural operation as defined in section 22-4502(2), Idaho Code, unless the owner of the agricultural operation gives written consent to be included in the deteriorated area, except for an agricultural operation that has not been used for three (3) consecutive years. A significant portion of the Study Area likely falls within the definition of an agricultural operation requiring property owner consent to be included in the urban renewal project area. Efforts to identify parcels requiring consent is underway; however, such consents have not been obtained. Compliance with this requirement will need to be determined by Agency and City staff before the City Council certifies the area as deteriorating.

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

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

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

A. Present Conditions

The attached definition of *deteriorating area* and *deteriorated area* [Idaho Code §§ 50-2018(9) and 50-2903(8)(b)] lists ten different conditions that may be present in such an area, with the tenth being the catch-all “any combination of such factors.” The presence of these conditions was documented through physical observation in 2020, as well as, contacts with various City officials, County officials, and assessor file information. Then the area and its public infrastructure was evaluated, and the numbers that correspond to the applicable characteristics in the definition were placed at the appropriate locations on the attached map.

B. Open Land Area

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

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

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

requirements, or any combination of such factors or other conditions which retard development of the area.”

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

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

C. Deteriorating/Deteriorated Area Characteristics

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

(1) A substantial number of deteriorated or deteriorating structures. A significant portion of the area under consideration has traditionally been used for agricultural purposes and represents an area in transition. The structures in the North Central area mainly include the Madison County Fairgrounds on the corner of North 5th West and West 2nd East. These buildings would not constitute a substantial number of deteriorated or deteriorating

structures in an area that is largely open land. This characteristic does not apply to the Study Area.

(2) Predominance of defective or inadequate street layout. Moody Road, Moran View Road, State Highway 33 (North Yellowstone Highway), North 5th West, Barney Dairy Road, and North 2nd East are the streets that serve the area now. While there is no internal street system needed to support the current agricultural uses, the transition to support contemplated and/or future land uses will require significant street improvements to safely connect the real property to these existing streets. Also, there is no direct east side connection for traffic to proceed to State Highway 20, which is why planning documents contemplate a proposed new road, the East Parkway. This situation constitutes an inadequate street layout and this characteristic is met.

(3) Faulty lot layout in relation to size, adequacy, accessibility, or usefulness. In general, the Study Area includes a number of larger parcels currently transitioning from their traditional agricultural use. To implement the planned development for the Study Area, the parcels will likely require division into developable lots. Further, there is an undeveloped parcel between Highway 33 and the railroad tracks. The size, shape, and location of this parcel makes it difficult to develop; hence a number “3” appears on the map. This characteristic is met.

(4) Insanitary or unsafe conditions. There are several conditions existing within the Study Area where this characteristic applies. Typical insanitary conditions include excessive amounts of junk, trash, and weeds in violation of City or County sanitation codes. Another insanitary condition occurs in areas that lack sanitary sewers or where the sanitary sewer system has insufficient capacity. Basically, most of the east side of the Study Area has no sanitary sewer system. The existing system stops at Barney Dairy Road. Therefore, when the number 4S appears on the map, it indicates problems with the sanitary sewer system, in this case, lack of sewer mains. Although there are sewer lines in some of the existing streets within the Study Area, the large undeveloped parcels lack sewer mains. The number 4S indicates area where more sewer main line access is needed to support anticipated development. This

characteristic also applies where significant investment is necessary to support water system improvements to ensure sufficient fire flows, as well as remediation of any drainage issues.

There are also unsafe conditions in the Study Area. Most are found with the street system and include lack of sidewalks, curbs, and gutters; narrow, inadequate streets; and lack of any street access, streetlights, and safe intersections. The number "4ST" on the map indicates unsafe conditions with the street system, particularly North 2nd East, West Moran View Road, West Moody Road, State Highway 33, and Moody Road that are all two-lane roads. Proposed new streets include North 5th West, west-bound connections for Barney Dairy Road, and the East Parkway and its connection to East 2nd South. These streets will provide the vehicular access to the expected new businesses in the area. This characteristic is met.

(5) Deterioration of site and other improvements. Site improvements include parking lots, fences, and landscaping areas, basically things other than structures that make up a developed property. The term "other improvements" is the place where public improvements such as streets, sidewalks, curbs, gutters, bridges, storm drains, parks, water mains, sanitary sewers, and public facilities such as swimming pools and public buildings are included. When the number 5 appears on the map in a street right-of-way, it denotes those streets are deteriorated. As noted above, existing structures within the Study Area mainly include the Madison County Fairgrounds on the corner of North 5th West and West 2nd East. These buildings would not constitute a substantial number of deteriorated or deteriorating structures in an area that is largely open land. Due to the existing site conditions, this characteristic is met.

(6) Diversity of ownership. Typically, this characteristic is present when an area that needs to be redeveloped because of rundown buildings is divided into a number of different ownerships. It could also occur where existing businesses are hindered in expanding because of the number of adjacent property ownerships. Multiple ownerships are more difficult for developers to assemble. While there are 25 different ownerships, most parcels are fairly large and could accommodate a development without having to assemble a large number of parcels. For these reasons, this characteristic is not met.

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

(8) Defective and unusual conditions of title. These conditions have not been found in the Study Area.

(9) The existence of conditions which endanger life or property by fire and other causes. Sufficient water system capacity will be necessary to ensure adequate fire flows to protect the anticipated development in the Study Area. This characteristic is met.

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

D. Effects of Present Conditions

North Central Area

(a) Results in economic underdevelopment of the area. Field review and aerial photography confirm the current underdeveloped status of the area as compared to the City and County planning documents. This area represents a prime opportunity for expanding commercial and industrial development consistent with the goals of the community.

(b) Retards the provision of housing accommodations or constitutes an economic or social liability. In its current condition, the parcels within the Study Area are in transition and are producing minimal property taxes. In addition, there is very limited public infrastructure serving the areas. Hence such areas tend to become economic liabilities for the City of Rexburg and Madison County.

(c) And is a menace to the public health, safety, morals, or welfare in its present condition or use. The previous discussion has established that the Study Area has had very slow growth and, as a result, has become a modest economic liability. In addition, the nonexistent fire protection facilities create a safety problem in the areas. Accordingly, these conditions represent a menace or threat to the public welfare or prosperity and safety of the community.

E. Appropriateness of the Area for an Urban Renewal Project

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

NORTH CENTRAL AREA SUMMARY

This report has provided support for a finding that the North Central Area is a deteriorating area because of the presence of various conditions, most of which are related to the public infrastructure. The public infrastructures, particularly sewer and street access, are very inadequate and only marginally serve the needs of planned future development. Should a new major commercial and/or industrial development be developed on one of the large parcels on North 2nd East or on the east edge of the City, the City would be confronted by the high cost of infrastructure improvements that could not be attributed to the specific development.

Preparation and approval of an urban renewal plan, including a revenue allocation financing provision, would give the City an additional resource to help solve the public infrastructure problems in the North Central area, which to implement broader connectivity planning goals between the City and Madison County require the inclusion of parcels currently located within unincorporated Madison County but within Rexburg's Area of City Impact. In effect, property taxes generated by new development within the area can be used by the Urban Renewal Agency to finance the needed public improvements to encourage more development. Finally, the new development would also generate additional jobs that would, in turn, benefit residents of the community.

CONCLUSION

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

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

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

⁴This appears only in the revenue allocation statute.

⁵This appears only in the urban renewal statute. This text is found in Idaho Code Section 50-2903(8)(c).

Idaho Code § 50-2008(d)

(d) Following such hearing, the local governing body may approve an urban renewal project and the plan therefor if it finds that (1) a feasible method exists for the location of families who will be displaced from the urban renewal area in decent, safe and sanitary dwelling accommodations within their means and without undue hardship to such families; (2) the urban renewal plan conforms to the general plan of the municipality as a whole; (3) the urban renewal plan gives due consideration to the provision of adequate park and recreational areas and facilities that may be desirable for neighborhood improvement, with special consideration for the health, safety and welfare of children residing in the general vicinity of the site covered by the plan; and (4) the urban renewal plan will afford maximum opportunity, consistent with the sound needs of the municipality as a whole, for the rehabilitation or redevelopment of the urban renewal area by private enterprise: Provided, that if the urban renewal area consists of an area of open land to be acquired by the urban renewal agency, such area shall not be so acquired unless (1) it is to be developed for residential uses, the local governing body shall determine that a shortage of housing of sound standards and design which is decent, safe and sanitary exists in the municipality; that the need for housing accommodations has been or will be increased as a result of the clearance of slums in other areas; that the conditions of blight in the area and the shortage of decent, safe and sanitary housing cause or contribute to an increase in and spread of disease and crime and constitute a menace to the public health, safety, morals, or welfare; and that the acquisition of the area for residential uses is an integral part of and essential to the program of the municipality, or (2) if it is to be developed for nonresidential uses, the local governing body shall determine that such nonresidential uses are necessary and appropriate to facilitate the proper growth and development of the community in accordance with sound planning standards and local community objectives, which acquisition may require the exercise of governmental action, as provided in this act, because of defective or unusual conditions of title, diversity of ownership, tax delinquency, improper subdivisions, outmoded street patterns, deterioration of site, economic disuse, unsuitable topography or faulty lot layouts, the need for the correlation of the area with other areas of a municipality by streets and modern traffic requirements, or any combination of such factors or other conditions which retard development of the area.

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

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

- (a) acquisition of a deteriorated area or a deteriorating area or portion thereof;
- (b) demolition and removal of buildings and improvements;
- (c) installation, construction, or reconstruction of streets, utilities, parks, playgrounds, off-street parking facilities, public facilities or buildings and other improvements necessary for carrying out in the urban renewal area the urban renewal objectives of this act in accordance with the urban renewal plan;
- (d) disposition of any property acquired in the urban renewal area (including sale, initial leasing, or retention by the agency itself) at its fair value for uses in accordance with the urban renewal plan except for disposition of property to another public body;
- (e) carrying out plans for a program of voluntary or compulsory repair and rehabilitation of building or other improvements in accordance with the urban renewal plan;
- (f) acquisition of real property in the urban renewal area which, under the urban renewal plan, is to be repaired or rehabilitated for dwelling use or related facilities, repair, or rehabilitation of the structures for guidance purposes, and resale of the property;
- (g) acquisition of any other real property in the urban renewal area where necessary to eliminate unhealthful, insanitary or unsafe conditions, lessen density, eliminate obsolete or other uses detrimental to the public welfare, or otherwise to remove or to prevent the spread of blight or deterioration, or to provide land for needed public facilities;
- (h) lending or investing federal funds; and
- (i) construction of foundations, platforms and other like structural forms.

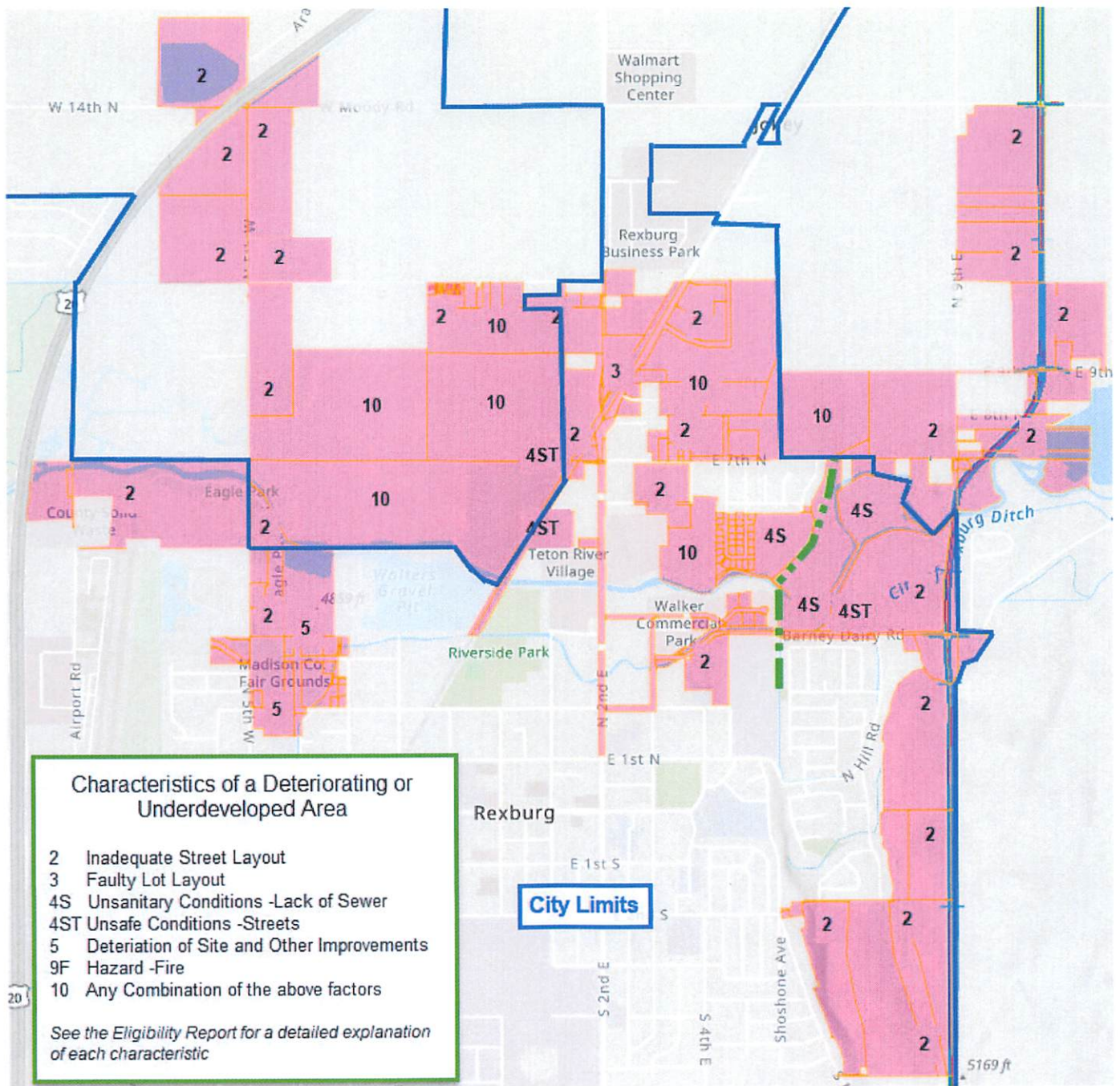


EXHIBIT B

Rexburg Urban Renewal Agency Resolution No. 2020-03
dated July 9, 2020, Accepting the Eligibility Report

(this Exhibit B does not include its Exhibit A as the Eligibility Report is
attached as Exhibit A to Attachment 7)

4818-8208-9154, v. 1

RESOLUTION NO. 2020-03

**BY THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF
REXBURG, IDAHO:**

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE REXBURG URBAN RENEWAL AGENCY, THE URBAN RENEWAL AGENCY OF THE CITY OF REXBURG, IDAHO, ACCEPTING THAT CERTAIN REPORT ON ELIGIBILITY FOR CERTAIN PROPERTY REFERRED TO AS THE NORTH CENTRAL AREA AS AN URBAN RENEWAL AREA AND REVENUE ALLOCATION AREA AND JUSTIFICATION FOR DESIGNATING THE AREA AS APPROPRIATE FOR AN URBAN RENEWAL PROJECT; AUTHORIZING THE CHAIRMAN OR ADMINISTRATOR TO TRANSMIT THE REPORT AND THIS RESOLUTION TO THE MADISON COUNTY BOARD OF COUNTY COMMISSIONERS AND THE CITY COUNCIL OF THE CITY OF REXBURG REQUESTING THEIR CONSIDERATION FOR DESIGNATION OF AN URBAN RENEWAL AREA AND SEEKING FURTHER DIRECTION FROM THE COMMISSION AND COUNCIL; AND PROVIDING AN EFFECTIVE DATE.

THIS RESOLUTION, made on the date hereinafter set forth by the Rexburg Urban Renewal Agency of the city of Rexburg, Idaho, an independent public body, corporate and politic, authorized under the authority of the Idaho Urban Renewal Law of 1965, Chapter 20, Title 50, Idaho Code, as amended (hereinafter the "Law") and the Local Economic Development Act, Chapter 29, Title 50, Idaho Code, as amended (hereinafter the "Act"), a duly created and functioning urban renewal agency for Rexburg, Idaho, hereinafter referred to as the "Agency."

WHEREAS, by Resolution dated November 6, 1991, the City Council (the "City Council") of the city of Rexburg (the "City") created an urban renewal agency, pursuant to the Law, authorizing the Agency to transact business and exercise the powers granted by the Law and the Act upon making the findings of necessity required for creating the Agency;

WHEREAS, the City Council, after notice duly published, conducted a public hearing on the North Highway Urban Renewal Project pursuant to the North Highway Urban Renewal Plan (the "North Highway Plan") to redevelop a portion of the City, pursuant to the Law and the Act;

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

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

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

WHEREAS, the City Council, after notice duly published, conducted a public hearing on the Downtown District Redevelopment Plan (the "Downtown Plan");

WHEREAS, following said public hearing, the City Council adopted its Ordinance No. 910 on December 17, 2003, approving the Downtown Plan, and making certain findings;

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

WHEREAS, following said public hearing, the City Council adopted its Ordinance No. 950 on December 21, 2005, approving the Second Amended and Restated North Highway Plan, and making certain findings;

WHEREAS, the City Council, after notice duly published, conducted a public hearing on the University Boulevard-South 12th West Urban Renewal Plan (the "University Boulevard Plan");

WHEREAS, following said public hearing, the City Council adopted its Ordinance No. 996 on December 19, 2007, approving the University Boulevard Plan, and making certain findings;

WHEREAS, the City Council, after notice duly published, conducted a public hearing on the Amended and Restated Downtown District Redevelopment Plan (the "Amended and Restated Downtown Plan");

WHEREAS, following said public hearing, the City Council adopted its Ordinance No. 1035 on December 2, 2009, approving the Amended and Restated Downtown Plan, and making certain findings;

WHEREAS, the City Council, after notice duly published, conducted a public hearing on the Second Amended and Restated Downtown District Redevelopment Plan, Downtown Urban Renewal Project (the "Second Amended and Restated Downtown Plan");

WHEREAS, following said public hearing, the City Council adopted its Ordinance No. 1123 on November 5, 2014, approving the Second Amended and Restated Downtown Plan, and making certain findings;

WHEREAS, the City Council, after notice duly published, conducted a public hearing on the Urban Renewal Plan for the North Interchange Urban Renewal Project (the "North Interchange Plan");

WHEREAS, following said public hearing, the City Council adopted its Ordinance No. 1134 on December 2, 2015, approving the North Interchange Plan, and making certain findings;

WHEREAS, the City Council, after notice duly published, conducted a public hearing on the First Amendment to the Second Amended and Restated Urban Renewal Plan, North Highway Urban Renewal Project, Including South Addition (the "First Amendment to the Second Amended and Restated North Highway Plan") seeking deannexation of a number of parcels from the existing Project Area;

WHEREAS, following said public hearing, the City Council adopted its Ordinance No. 1230 on June 17, 2020, approving the First Amendment to the Second Amended and Restated North Highway Plan, and making certain findings;

WHEREAS, the above referenced urban renewal plans and their project areas are collectively referred to as the Project Areas;

WHEREAS, based on inquiries and information presented, the City commenced certain discussions concerning examination of an additional area within the City and unincorporated Madison County as appropriate for an urban renewal project;

WHEREAS, in July 2020, the City authorized Richard Horner, to commence an eligibility study and preparation of an eligibility report of an area including necessary properties and roadway along the proposed extension of North 5th West from the Madison County Fairgrounds to West Moody Road, including properties necessary to construct an overpass on West Moody Road over State Highway 20. The proposed area also includes properties and roadway along North 2nd East and the North Yellowstone Highway from East 1st North to East Moran View Road. The proposed area also includes properties and roadway along East 7th North and Barney Dairy Road. It also includes undeveloped properties between East 7th North and Barney Dairy Road and East 2nd North. Lastly, the area also includes necessary properties along the proposed extension of East Parkway from about 6th South to East Moody Road. Collectively this area is referred to as the "North Central Study Area."

WHEREAS, the Agency has obtained The North Central Area Urban Renewal Eligibility Report, dated July 3, 2020 (the "Eligibility Report"), a copy of which is attached hereto as Exhibit A, which examined the North Central Study Area, which area also included real property located within unincorporated Madison County, for the purpose of determining whether such area was a deteriorating area or a deteriorated area as defined by Idaho Code Sections 50-2018(9) and 50-2903(8);

WHEREAS, pursuant to Idaho Code Sections 50-2018(9) and 50-2903(8), which lists the definition of deteriorating and deteriorated area, many of the conditions necessary to be present in such an area are found in the North Central Study Area;

WHEREAS, the effects of the listed conditions cited in the Eligibility Report result in economic underdevelopment of the areas, substantially impairs or arrests the sound growth of a

municipality, constitutes an economic or social liability, and is a menace to the public health, safety, morals, or welfare in its present condition or use;

WHEREAS, the Eligibility Report includes a preliminary analysis concluding the base assessment roll value for the North Central Study Area along with the base assessment rolls for the Project Areas does not exceed 10% of the current assessed valuation of all taxable property within the City;

WHEREAS, under the Law, Sections 50-2903(8)(f) and 50-2018 (8) and (9), the definition of a deteriorating area shall not apply to any agricultural operation as defined in section 22-4502(2) Idaho Code, absent the consent of the owner of the agricultural operation except for an agricultural operation that has not been used for three (3) consecutive years;

WHEREAS, the North Central Study Area includes parcels subject to such consent. While the necessary consents have not been obtained, any and all consents shall be obtained prior to City Council consideration of any urban renewal plan;

WHEREAS, Idaho Code Section 50-2018(18) states that an urban renewal agency cannot exercise jurisdiction over any area outside the city limits without the approval of the other city or county declaring the need for an urban renewal plan for the proposed area;

WHEREAS, a portion of the North Central Study Area includes certain properties within unincorporated Madison County;

WHEREAS, the Madison County Board of County Commissioners will be asked to adopt a resolution finding the need for an urban renewal project for the proposed North Central Study Area;

WHEREAS, the Eligibility Report addresses the necessary findings concerning the eligibility of open land within the North Central Study Area as defined in Idaho Code Sections 50-2018(9), 50-2903(8)(c), and 50-2008(d);

WHEREAS, pursuant to Idaho Code Section 50-2008, an urban renewal project may not be planned or initiated unless the local governing body has, by resolution, determined such area to be a deteriorated area or deteriorating area, or combination thereof, and designated such area as appropriate for an urban renewal project;

WHEREAS, Idaho Code Section 50-2906 also requires that in order to adopt an urban renewal plan containing a revenue allocation financing provision, the local governing body must make a finding or determination that the area included in such plan is a deteriorated area or deteriorating area.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE REXBURG URBAN RENEWAL AGENCY, REXBURG, IDAHO:

Section 1. That the above statements are true and correct.

Section 2. That the Board acknowledges acceptance and receipt of the Eligibility Report.

Section 3. That there are one or more areas within the City of Rexburg and within unincorporated Madison County, which are deteriorating or deteriorated areas as defined by Idaho Code, Sections 50-2018(9) and 50-2903(8), and as more fully set forth in the Eligibility Report, attached hereto as Exhibit A.

Section 4. That one such area is an area more commonly known as the North Central Study Area, and as more fully described in the Eligibility Report.

Section 5. That the rehabilitation, conservation, development, and redevelopment, or a combination thereof, of such area is necessary in the interest of the public health, safety, and welfare of the residents of the City.

Section 6. That the Chairman of the Agency Board of Commissioners or Administrator is hereby authorized to transmit the Eligibility Report to the City Council requesting that the City Council:

- a. Determine whether the North Central Study Area identified in the Eligibility Report qualifies as an urban renewal project and justification for designating the area, as appropriate, for an urban renewal project; Provided, however, the Agency requests the City Council not take such action until Madison County has approved a resolution declaring the need for an urban renewal project for the North Central Study Area;
- b. If such designation is made, whether the Agency should proceed with the preparation of an urban renewal plan for the area, which plan may include a revenue allocation provision as allowed by law.
- c. Coordinate with the Agency to obtain the required agricultural operation consent from the property owners.

Section 7. That the Chairman of the Agency Board or Administrator is hereby authorized to transmit the Eligibility Report to Madison County Board of County Commissioners for its consideration pursuant to Idaho Code Section 50-2018(18).

Section 8. That this Resolution shall be in full force and effect immediately upon its adoption and approval.

PASSED by the Rexburg Urban Renewal Agency of Rexburg, Idaho, on July 9, 2020.
Signed by the Chairman of the Board of Commissioners, and attested by the Secretary to the
Board of Commissioners, on July 9, 2020.

REXBURG URBAN RENEWAL AGENCY

By Richard R. Homan
Chairman

ATTEST:

By W. Randall Porter
Secretary

-3026-5380, v. 3

4814-1356-7938, v. 1

Attachment 8

Rexburg City Council Resolution No. 2020-12 (eligibility)

(Attachment 8 does not include the exhibits – see Attachment 7
for the Exhibits to the Rexburg City Council Resolution)

Instrument # 432540

REXBURG, MADISON, IDAHO

7-23-2020 09:24:29 AM No. of Pages: 34

Recorded for : CITY OF REXBURG

KIM H. MUIR

Fee: 0.00

Ex-Officio Recorder Deputy

Instrument # 432420

REXBURG, MADISON, IDAHO

7-17-2020 08:17:20 AM No. of Pages: 34

Recorded for : CITY OF REXBURG

KIM H. MUIR

Fee: 0.00

Ex-Officio Recorder Deputy



CITY OF
REXBURG
America's Family Community

Re-record to correct
missing page in Exhibit
C, madison County Resolution
No 447.

Resolution No. 2020-12**BY THE COUNCIL:**

A RESOLUTION BY THE REXBURG CITY COUNCIL DETERMINING A CERTAIN AREA WITHIN THE CITY OR WITHIN THE CITY'S AREA OF OPERATION, TO BE A DETERIORATED AREA OR A DETERIORATING AREA AS DEFINED BY IDAHO CODE SECTIONS 50-2018(9) AND 50-2903(8); DIRECTING THE URBAN RENEWAL AGENCY OF REXBURG TO COMMENCE THE PREPARATION OF AN URBAN RENEWAL PLAN SUBJECT TO CERTAIN CONDITIONS, WHICH PLAN MAY INCLUDE REVENUE ALLOCATION PROVISIONS FOR ALL OR PART OF THE AREA; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Council and Mayor of the City of Rexburg, respectively, on or about November 6, 1991, adopted and approved a resolution creating the Urban Renewal Agency of the City of Rexburg, also known as Rexburg Redevelopment Agency (the "Agency"), authorizing it to transact business and exercise the powers granted by the Idaho Urban Renewal Law of 1965, Chapter 20, Title 50, Idaho Code, as amended (hereinafter the "Law") and the Local Economic Development Act, Chapter 29, Title 50, Idaho Code, as amended (hereinafter the "Act") upon making the findings of necessity required for creating said Agency;

WHEREAS, the City Council, after notice duly published, conducted a public hearing on the North Highway Urban Renewal Project pursuant to the North Highway Urban Renewal Plan (the "North Highway Plan") to redevelop a portion of the City, pursuant to the Law and the Act;

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

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

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

WHEREAS, the City Council, after notice duly published, conducted a public hearing on the Downtown District Redevelopment Plan (the "Downtown Plan");

WHEREAS, following said public hearing, the City Council adopted its Ordinance No. 910 on December 17, 2003, approving the Downtown Plan, and making certain findings;

WHEREAS, the City Council, after notice duly published, conducted a public hearing on the Second Amended and Restated Urban Renewal Plan, North Highway Urban Renewal Project, Including South Addition (the “Second Amended and Restated North Highway Plan”);

WHEREAS, following said public hearing, the City Council adopted its Ordinance No. 950 on December 21, 2005, approving the Second Amended and Restated North Highway Plan, and making certain findings;

WHEREAS, the City Council, after notice duly published, conducted a public hearing on the University Boulevard-South 12th West Urban Renewal Plan (the “University Boulevard Plan”);

WHEREAS, following said public hearing, the City Council adopted its Ordinance No. 996 on December 19, 2007, approving the University Boulevard Plan, and making certain findings;

WHEREAS, the City Council, after notice duly published, conducted a public hearing on the Amended and Restated Downtown District Redevelopment Plan (the “Amended and Restated Downtown Plan”);

WHEREAS, following said public hearing, the City Council adopted its Ordinance No. 1035 on December 2, 2009, approving the Amended and Restated Downtown Plan, and making certain findings;

WHEREAS, the City Council, after notice duly published, conducted a public hearing on the Second Amended and Restated Downtown District Redevelopment Plan, Downtown Urban Renewal Project (the “Second Amended and Restated Downtown Plan”);

WHEREAS, following said public hearing, the City Council adopted its Ordinance No. 1123 on November 5, 2014, approving the Second Amended and Restated Downtown Plan, and making certain findings;

WHEREAS, the City Council, after notice duly published, conducted a public hearing on the Urban Renewal Plan for the North Interchange Urban Renewal Project (the “North Interchange Plan”);

WHEREAS, following said public hearing, the City Council adopted its Ordinance No. 1134 on December 2, 2015, approving the North Interchange Plan, and making certain findings;

WHEREAS, the City Council, after notice duly published, conducted a public hearing on the First Amendment to the Second Amended and Restated Urban Renewal Plan, North Highway Urban Renewal Project, Including South Addition (the “First Amendment to the Second Amended and Restated North Highway Plan”) seeking deannexation of a number of parcels from the existing Project Area;

WHEREAS, following said public hearing, the City Council adopted its Ordinance No. 1230 on June 17, 2020, approving the First Amendment to the Second Amended and Restated North Highway Plan, and making certain findings;

WHEREAS, the above referenced urban renewal plans and their project areas are collectively referred to as the Project Areas;

WHEREAS, it has become apparent that additional property within the City may be deteriorating or deteriorated and should be examined as to whether such an area is eligible for urban renewal planning purposes;

WHEREAS, based on inquiries and information presented, the City commenced certain discussions concerning examination of an additional area within the City and unincorporated Madison County as appropriate for an urban renewal project;

WHEREAS, in July 2020, the City authorized Richard Horner, to commence an eligibility study and preparation of an eligibility report of an area including necessary properties and roadway along the proposed extension of North 5th West from the Madison County Fairgrounds to West Moody Road, including properties necessary to construct an overpass on West Moody Road over State Highway 20. The proposed area also includes properties and roadway along North 2nd East and the North Yellowstone Highway from East 1st North to East Moran View Road. The proposed area also includes properties and roadway along East 7th North and Barney Dairy Road. It also includes undeveloped properties between East 7th North and Barney Dairy Road and East 2nd North. Lastly, the area also includes necessary properties along the proposed extension of East Parkway from about 6th South to East Moody Road. Collectively this area is referred to as the "North Central Study Area."

WHEREAS, the Agency obtained The North Central Area Urban Renewal Eligibility Report, dated July 3, 2020 (the "Eligibility Report"), a copy of which is attached hereto as **Exhibit A**, which examined the North Central Study Area, which area also included real property located within unincorporated Madison County, for the purpose of determining whether such area was a deteriorating area or a deteriorated area as defined by Idaho Code Sections 50-2018(9) and 50-2903(8);

WHEREAS, the Agency, on July 9, 2020, adopted Resolution No. 2020-__ (a copy of which is attached hereto as **Exhibit B**) accepting the Eligibility Report and authorizing the Chairman of the Agency to transmit the Eligibility Report to the City Council requesting its consideration for designation of an urban renewal area and requesting the City Council to direct the Agency to prepare an urban renewal plan for the North Central Study Area, which plan may include a revenue allocation provision as allowed by law;

WHEREAS, the Agency also authorized the transmittal of the Eligibility Report to Madison County for purposes of obtaining a resolution determining such area to be deteriorated and/or deteriorating and appropriate for an urban renewal project;

WHEREAS, pursuant to Idaho Code Sections 50-2018(9) and 50-2903(8), which lists the definition of a deteriorating area and a deteriorated area, many of the conditions necessary to be present in such an area are found in the North Central Study Area, *i.e.*,

- a. predominance of defective or inadequate street layout;
- b. faulty lot layout in relation to size, adequacy, accessibility or usefulness;
- c. insanitary or unsafe conditions;
- d. deterioration of site and other improvements;
- e. existence of conditions which endanger life or property by fire and other causes; and
- f. any combination of such factors.

WHEREAS, the North Central Study Area contains open land;

WHEREAS, under the Act a deteriorated area includes any area which is predominantly open and which, because of obsolete platting, diversity of ownership, deterioration of structures or improvements, or otherwise, results in economic underdevelopment of the area or substantially impairs or arrests the sought growth of a municipality;

WHEREAS, Idaho Code Sections 50-2018(9), 50-2903(8) and 50-2008(d) list the additional conditions applicable to open areas, which are the same or similar to the conditions set forth above;

WHEREAS, such additional conditions regarding open areas are present and are found in the North Central Study Area;

WHEREAS, the effects of the listed conditions cited in the Eligibility Report result in economic underdevelopment of the area, substantially impairs or arrests the sound growth of a municipality, constitutes an economic or social liability, and is a menace to the public health, safety, morals or welfare in its present condition or use;

WHEREAS, the Eligibility Report includes a preliminary analysis concluding the base assessment roll value for the North Central Study Area along with the base assessment rolls for the existing Project Areas does not exceed 10% of the overall current assessed valuation of all taxable property within the City;

WHEREAS, under the Law and Act, specifically Sections 50-2903(8)(f) and 50-2018 (8) and (9), the definition of a deteriorating area shall not apply to any agricultural operation as defined in section 22-4502(2) Idaho Code, absent the consent of the owner of the agricultural operation except for an agricultural operation that has not been used for three (3) consecutive years;

WHEREAS, the North Central Study Area includes parcels subject to such consent. While the necessary consents have not been obtained, any and all consents shall be obtained prior to City Council consideration of any urban renewal plan;

WHEREAS, Idaho Code Section 50-2018(18) states that an urban renewal agency cannot exercise jurisdiction over any area outside the city limits without the approval of the other city or county declaring the need for an urban renewal plan for the proposed area;

WHEREAS, a portion of the North Central Study Area includes certain properties within the City's area of operation and within unincorporated Madison County;

WHEREAS, the Madison County Board of County Commissioners was asked to adopt a resolution finding the need for an urban renewal project for the proposed North Central Study Area;

WHEREAS, the Madison County Board of County Commissioners adopted the Agency's finding concerning the proposed North Central Study Area by adopting Resolution No. ____ on July 13, 2020, which Resolution is attached hereto as **Exhibit C**, without the exhibits attached thereto;

WHEREAS, pursuant to Idaho Code Section 50-2008, an urban renewal project may not be planned or initiated unless the local governing body has, by resolution, determined such area to be a deteriorated area or deteriorating area, or combination thereof, and designated such area as appropriate for an urban renewal project;

WHEREAS, Idaho Code Section 50-2906, also requires that in order to adopt an urban renewal plan containing a revenue allocation financing provision, the local governing body must make a finding or determination that the area included in such plan is a deteriorated area or a deteriorating area;

WHEREAS, it is desirable and in the best public interest that the Agency prepare an urban renewal plan for the area identified as the North Central Study Area in the Eligibility Report located in the city of Rexburg, and within the City's area of operation;

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

Section 1: That the City Council of Rexburg finds and declares:

(a) That the North Central Study Area described in the Eligibility Report is a deteriorated area or a deteriorating area existing in the City and the City's area of operation as defined by Chapters 20 and 29, Title 50, Idaho Code, as amended;

(b) That there is a need for the Agency, an urban renewal agency, to function in accordance with the provisions of said Chapters 20 and 29, Title 50, Idaho Code, as amended, within a designated area for the purpose of establishing an urban renewal plan;

(c) That the area identified as the North Central Study Area in the Eligibility Report is determined to be a deteriorated area or a deteriorating area, or a combination thereof, and such area is designated as appropriate for an urban renewal project;

(d) That the area identified as the North Central Study Area in the Eligibility Report includes certain properties within the City's area of operation and within unincorporated Madison County. The Madison County Board of County Commissioners has adopted a resolution finding the need for an urban renewal project for the proposed North Central Study Area;

(e) That the Agency will need to receive the required agricultural consents from the property owners prior to formally submitting the proposed urban renewal plan to the City Council for its consideration.

Section 2: That the City Council hereby directs the Agency to commence preparation of an Urban Renewal Plan for consideration by the Agency Board and, if acceptable, final consideration by the City Council in compliance with Chapters 20 and 29, Title 50, Idaho Code, as amended.

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

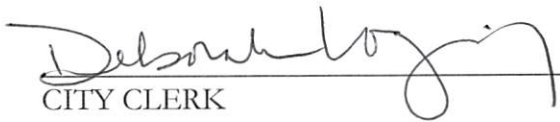
ADOPTED By the Council of the City of Rexburg, Idaho, this 15th day of July 2020.

APPROVED By the Mayor of the City of Rexburg, Idaho, this 15th day of July 2020.

APPROVED:


MAYOR

ATTEST:


CITY CLERK



Attachment 9

Madison County Board of County Commissioners Ordinance No. _____
(Intergovernmental Agreement and Transfer of Powers Ordinance)

Attachment 10

Rexburg City Council Resolution No. _____
(Intergovernmental Agreement – Madison County)

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