



CITY OF
REXBURG
America's Family Community

ORDINANCE NO. 1123

BY THE COUNCIL:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REXBURG, IDAHO, APPROVING THE SECOND AMENDED AND RESTATED DOWNTOWN DISTRICT REDEVELOPMENT PLAN, WHICH PLAN INCLUDES REVENUE ALLOCATION FINANCING PROVISIONS; AUTHORIZING THE CITY CLERK TO TRANSMIT A COPY OF THIS ORDINANCE AND OTHER REQUIRED INFORMATION TO COUNTY AND STATE OFFICIALS; APPROVING THE SUMMARY OF THE ORDINANCE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council and Mayor of the city of Rexburg respectively on or about November 6, 1991, adopted and approved a resolution creating the 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, as amended (hereinafter the "Act") upon making the findings of necessity required for creating said Agency;

WHEREAS, the City Council of the city of Rexburg, Idaho (the "City"), 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 Urban Renewal 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 April 9, 1997, and passed Resolution No. 97.01, finding the Washington School Site Area as "deteriorated" or "deteriorating area" as defined by Idaho Code sections 50-2018(8), (9) and 50-2903(8) declaring such area as an urban renewal area, making the necessary findings as required by Idaho Code section 50-2008(a) and authorizing the Agency to prepare an urban renewal plan;

WHEREAS, the City Council, after notice duly published, conducted a public hearing on the Washington School Urban Renewal Plan (the "Washington School Urban Renewal Plan");

WHEREAS, following said public hearing, the City Council adopted its Ordinance No. 794 on June 3, 1997, approving the Washington School Urban Renewal Plan, and making certain findings;

Instrument # 391879

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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 ("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 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 Amended and Restated Downtown District Redevelopment Plan ("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, 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, an urban renewal plan shall (a) conform to the general plan for the municipality as a whole except as provided in section 50-2008(g), Idaho Code; and (b) shall be sufficiently complete to indicate such land acquisition, demolition and removal of structures, redevelopment, improvements, and rehabilitation as may be proposed to be carried out in the urban renewal area, zoning and planning changes, if any, land uses, maximum densities, building requirements, and any method or methods of financing such plan, which methods may include revenue allocation financing provisions;

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;

WHEREAS, in April 2014, the Agency authorized the commencement of an eligibility study and preparation of an eligibility report of the area and surrounding properties;

WHEREAS, the Agency obtained the East 2nd South Area Eligibility Report (the "Report"), dated June 12, 2014, which examined an area in Rexburg known as the East 2nd South Area for the purpose of determining whether such area is a deteriorating area or deteriorated area as defined by Idaho Code, sections 50-2018(9) and 50-2903(8);

WHEREAS, the Agency accepted the Report by way of Resolution No. 2014-4 at the June 17, 2014, meeting of the Agency Board;

WHEREAS, the City Council, on July 2, 2014, adopted Resolution No. 2014-12 accepting the Report;

WHEREAS, the Mayor and Council considered the steps set forth by the Act and Law, accepting the Report finding the area set forth in the Report to be a "deteriorated" or "deteriorating" area as defined by Idaho Code sections 50-2018(9) and 50-2903(8)(b) declaring such area as an urban renewal area, making additional findings regarding the characteristics of the area, making the necessary findings as required by Idaho Code section 50-2008(a) and authorizing the Agency to prepare an urban renewal plan;

WHEREAS, the Legislature of the state of Idaho enacted the Act authorizing urban renewal agencies, including the Agency, to adopt revenue allocation financing provisions as part of their urban renewal plans;

WHEREAS, in order to implement the provisions of the Act and the Law, either the Agency may prepare a plan or any person, public or private, may submit such plan to the Agency;

WHEREAS, the Agency and its consultants have undertaken the planning process during 2014;

WHEREAS, the Agency has prepared a proposed Second Amended and Restated Downtown District Redevelopment Plan (the "Amended Plan"), which includes the additional urban renewal area referred to as East 2nd South Project Area ("Amended Project Area" or "Amended Revenue Allocation Area") for the area designated as eligible for urban renewal planning;

WHEREAS, such proposed Amended Plan also contains the provisions of revenue allocation financing as allowed by the Act;

WHEREAS, the Agency Board considered all comment and information submitted to the Agency during several Board meetings and the Board meeting held on July 24, 2014;

WHEREAS, on July 24, 2014, the Agency Board passed Resolution No. 2014-6 proposing and recommending the approval of the Amended Plan;

WHEREAS, the Agency has, by letter of transmittal dated September 12, 2014, submitted the Amended Plan to the Mayor and City;

WHEREAS, the Mayor and City Clerk have taken the necessary action to process the Amended Plan;

WHEREAS, pursuant to the Law, the city of Rexburg Planning and Zoning Commission considered the Amended Plan and its compliance with the City of Rexburg Vision 2020 Comprehensive Plan on October 2, 2014, and forwarded its findings to the City Council, a copy of which is attached hereto as Exhibit 1;

WHEREAS, notice of the public hearing of the Amended Plan was caused to be published by the City Clerk in the *Standard Journal* on October 2 and 16, 2014, a copy of said notice being attached hereto as Exhibit 2;

WHEREAS, as of September 26, 2014, the Amended Plan was submitted to the affected taxing entities, available to the public, and under consideration by the City Council;

WHEREAS, the City Council during its regular meeting of November 5, 2014, held such public hearing;

WHEREAS, as required by Idaho Code sections 50-2905 and 50-2906, the

Amended Plan contains the following information which was made available to the general public and all taxing districts thirty (30) days prior to the public hearing on November 5, 2014, the regular meeting of the City Council, but no more than sixty (60) days prior to the date set for final reading of the ordinance: (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) 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, notes and/or other obligations are repaid, upon all taxing districts levying taxes upon property in the revenue allocation area; (6) a description of the methods of financing all estimated project costs and the time when related costs or monetary obligations are to be incurred; (7) a termination date for the plan and the revenue allocation area as provided for in section 50-2903(20), Idaho Code. In determining the termination date, the plan shall recognize that the agency shall receive allocation of revenues in the calendar year following the last year of the revenue allocation provision described in the urban renewal plan; and (8) a description of the disposition or retention of any assets of the agency upon the termination date. Provided however, nothing herein shall prevent the agency from retaining assets or revenues generated from such assets as long as the agency shall have resources other than revenue allocation funds to operate and manage such assets;

WHEREAS, the Amended Plan authorizes certain projects to be financed by revenue allocation bonds, or loans, and proceeds from revenue allocation;

WHEREAS, appropriate notice of the Amended Plan and revenue allocation provision contained therein has been given to the taxing districts and to the public as required by Idaho Code section 50-2906;

WHEREAS, it is necessary and in the best interest of the citizens of the City to adopt the Amended Plan, including revenue allocation financing provisions, since revenue allocation will help finance urban renewal projects to be completed in accordance with the Amended Plan (as now or hereafter amended), in order to: encourage private development in the urban renewal area; prevent and arrest decay of the City due to the inability of existing financing methods to provide needed public improvements; encourage taxing districts to cooperate in the allocation of future tax revenues arising in the urban renewal area in order to facilitate the long-term growth of their common tax base; encourage private investment within the City; and to further the public purposes of the Agency;

WHEREAS, the City Council finds that the equalized assessed valuation of the taxable property in the Amended Revenue Allocation Area is likely to increase, and continue to increase, as a result of initiation and continuation of urban renewal projects in accordance with the Amended Plan;

WHEREAS, under the Law and Act any such plan should provide for (1) a feasible method 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 should conform to the general plan of the municipality as a whole; (3) the urban renewal plan should 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 the children residing in the general vicinity of the site covered by the plan; and (4) the urban renewal plan should 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;

WHEREAS, if the urban renewal area consists of an area of open land to be acquired by the urban renewal agency, such area shall not be so acquired unless (1) if it is to be developed for residential uses, the local governing body shall determine that a shortage of housing of sound standards and design which is decent, safe, and sanitary exists in the municipality; that the need for housing accommodations has been or will

be increased as a result of the clearance of slums in other areas; that the conditions of blight in the area and the shortage of decent, safe, and sanitary housing cause or contribute to an increase in and spread of disease and crime and constitute a menace to the public health, safety, morals, or welfare; and that the acquisition of the area for residential uses is an integral part of and essential to the program of the municipality; or (2) if it is to be developed for nonresidential uses, the local governing body shall determine that such nonresidential uses are necessary and appropriate to facilitate the proper growth and development of the community in accordance with sound planning standards and local community objectives, which acquisition may require the exercise of governmental action, as provided in the Law, 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;

WHEREAS, the collective base assessment roll for the revenue allocation areas under the Washington School Plan, the North Highway Plan, as amended, the University Boulevard Plan, and the new Amended Plan cannot exceed ten percent (10%) of the assessed value of the City;

WHEREAS, the City Council at its regular meeting held on November 5, 2014, considered the Amended Plan as proposed and made certain comprehensive findings.

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

SECTION 1: It is hereby found and determined that:

- (a) The Amended Project Area as defined in the Amended Plan is a deteriorated or a deteriorating area as defined in the Law and the Act and qualifies as an eligible urban renewal area under the Law and Act.
- (b) The rehabilitation, conservation, and redevelopment of the urban renewal area pursuant to the Amended Plan are necessary in the interests of public health, safety, and welfare of the residents of the City.
- (c) There continues to be a need for the Agency to function in the City.
- (d) The Amended Plan conforms to the City of Rexburg 2020 Comprehensive Plan.
- (e) The Amended Plan gives due consideration to the provision of adequate park and recreation areas and facilities that may be desirable for neighborhood improvement (recognizing the mixed use components of the Amended Plan and the need for overall public improvements), and shows consideration for the health, safety, and welfare of any residents or businesses in the general vicinity of the urban renewal area covered by the Amended Plan.
- (f) The Amended Plan affords maximum opportunity consistent with the sound needs of the City as a whole for the rehabilitation and redevelopment of the urban renewal area by private enterprises.
- (g) The Amended Plan provides a feasible method for relocation of any displaced families residing within the Amended Project Area.
- (h) The collective base assessment roll for the revenue allocation areas under the Washington School Plan, the North Highway Plan, as amended, the University Boulevard Plan, and the new Amended Plan do not exceed ten percent (10%) of the assessed value of the City.

- (i) The Amended Plan includes the requirements set out in Idaho Code § 50-2905.
- (j) The Amended Plan is sufficiently complete to indicate such land acquisition, demolition and removal of structures, redevelopment, improvements, and rehabilitation as may be proposed to be carried out in the urban renewal area, zoning and planning changes, if any, land uses, maximum densities, building requirements, and any method or methods of financing such plan, which methods may include revenue allocation financing provisions.

SECTION 2: The City Council finds that the Amended Project Area does not consist of predominantly open land, that the Agency does not intend to acquire any open land on any widespread basis, and that the Amended Project Area is planned to be redeveloped in a manner that will include nonresidential uses. Provided, however, the City Council finds that if portions of the Amended Project Area are deemed "open land," the criteria set forth in the Law and Act has been met.

SECTION 3: The City Council finds that the Amended Plan meets the sound needs of the City and will provide opportunities in an area that does not now contain such opportunities, and nonresidential uses are necessary and appropriate to facilitate the proper growth and development standards in accordance with the objectives of the City of Rexburg 2020 Comprehensive Plan, as may be amended to overcome economic disuse, the need for improved traffic patterns, and the need for the correlation of this area with other areas of the City.

SECTION 4: The Amended Plan, a copy of which is attached hereto and marked as Exhibit 3 and made a part hereof by attachment, be, and the same hereby is, approved. As directed by the City Council, the City Clerk and/or the Agency may make certain technical corrections or revisions in keeping with the information and testimony presented at the November 5, 2014, hearing, and incorporate changes or modifications, if any.

SECTION 5: No direct or collateral action challenging the Amended Plan shall be brought prior to the effective date of this Ordinance or after the elapse of thirty (30) days from and after the effective date of this Ordinance adopting the Amended Plan.

SECTION 6: Upon the effective date of this Ordinance, the City Clerk is authorized and directed to transmit to the County Auditor and Tax Assessor of Madison County and to the appropriate officials of Madison County Board of County Commissioners, city of Rexburg, Madison County Road and Bridge, Madison County Library, Madison County Ambulance, Madison County Mosquito Abatement, Rexburg Cemetery, Madison County School #321, and the State Tax Commission a copy of this Ordinance, a copy of the legal description of the boundaries of the Amended Revenue Allocation Area, and a map or plat indicating the boundaries of the Amended Revenue Allocation Area.

SECTION 7: The City Council hereby finds and declares that the Amended Revenue Allocation Area as defined in the Amended Plan, the equalized assessed valuation, of which the City Council hereby determines is in and is part of the Amended Plan, is likely to continue to increase as a result of the initiation and completion of urban renewal projects pursuant to the Amended Plan.

SECTION 8: The City Council hereby approves and adopts the following statement policy relating to the appointment of City Council members as members of the Agency's Board of Commissioners: If any City Council members are appointed to the Board, they are not acting in an ex officio capacity but, rather, as private citizens who, although they are also members of the City Council, are exercising their independent judgment as private citizens when they sit on the Board. Except for the powers to appoint and terminate Board members and to adopt the Amended Plan, the City Council recognizes that it has no power to control the powers or operations of the

Agency.

SECTION 9: So long as any Agency bonds, notes or other obligations are outstanding, the City Council will not exercise its power under Idaho Code Section 50-2006 to designate itself as the Agency Board.

SECTION 10: This Ordinance shall be in full force and effect immediately upon its passage, approval, and publication and shall be retroactive to January 1, 2014, to the extent permitted by the Act relating to the area added by the Amended Plan, January 1, 2003, for the Downtown Plan, and January 1, 2009, for the Amended Restated Downtown Plan.

SECTION 11: The provisions of this Ordinance are severable, and if any provision of this Ordinance or the application of such provision to any person or circumstance is declared invalid for any reason, such declaration shall not affect the validity of remaining portions of this Ordinance.

SECTION 12: One-half plus one of the City Council members finding good cause, the City Council hereby dispenses with the rule that this Ordinance be read on three different days, and have hereby adopted this Ordinance, having considered it at one reading.

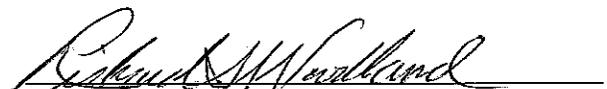
SECTION 13: The Summary of this Ordinance, a copy of which is attached hereto as Exhibit 4, is hereby approved.

SECTION 14: All ordinances, resolutions, orders or parts thereof in conflict herewith are hereby repealed, rescinded and annulled.

SECTION 15: SAVINGS CLAUSE: This ordinance does not affect an action or proceeding commenced or right accrued before this ordinance takes effect.

PASSED by the City Council of the city of Rexburg, Idaho, on this 5th day of November, 2014.

APPROVED by the Mayor of the city of Rexburg, Idaho, on this 5th day of November, 2014.


Richard S. Woodland, Mayor

ATTEST:


Blair Kay, City Clerk

Exhibit 1

**RESOLUTION OF THE REXBURG PLANNING AND ZONING COMMISSION
RELATING TO THE SECOND AMENDED AND RESTATED DOWNTOWN
DISTRICT REDEVELOPMENT PLAN FOR THE CITY OF REXBURG**

**RESOLUTION OF THE REXBURG PLANNING AND ZONING COMMISSION
RELATING TO THE SECOND AMENDED AND RESTATED DOWNTOWN
DISTRICT REDEVELOPMENT PLAN FOR THE CITY OF REXBURG**

WHEREAS, the Rexburg Redevelopment Agency (hereinafter "Agency"), has submitted a proposed Urban Renewal Plan entitled "Second Amended and Restated Downtown District Redevelopment Plan for the Downtown Urban Renewal Project" (the "Plan") to the City of Rexburg, and the City Council, through the Mayor, referred the Plan to the Rexburg Planning and Zoning Commission for review and recommendations concerning the conformity of said Plan with the Comprehensive Plan known as the City of Rexburg Vision 2020 Comprehensive Plan; and

WHEREAS, the staff of the Rexburg Planning and Zoning Commission has reviewed said Plan and has determined that it is in all respects in conformity with the Comprehensive Plan; and

WHEREAS, the Rexburg Planning and Zoning Commission met on October 2, 2014, to consider the Plan; and

WHEREAS, the Rexburg Planning and Zoning Commission has reviewed said Plan in view of the Comprehensive Plan.

NOW, THEREFORE, BE IT RESOLVED BY THE PLANNING AND ZONING COMMISSION OF THE CITY OF REXBURG, IDAHO:

Section 1. That the Plan, submitted by the Rexburg Redevelopment Agency and referred to this Commission by the City Council for review, is in all respects in conformity with the Comprehensive Plan.

Section 2. That the Director of the Planning and Zoning Division by and hereby is authorized and directed to provide the Rexburg City Council with a certified copy of this Resolution relating to said Plan.

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

PASSED by the Planning and Zoning Commission of the City of Rexburg, Idaho, this 2nd day of October 2014.

 10/2/2014
Chairman, Planning and Zoning Commission


Director, Planning and Zoning Division

4835-4151-2990, v. 1

Exhibit 2

NOTICE PUBLISHED IN THE *STANDARD JOURNAL*

NOTICE OF REGULAR MEETING AND PUBLIC HEARING BY THE
CITY COUNCIL OF THE CITY OF REXBURG
TO CONSIDER THE
SECOND AMENDED AND RESTATED URBAN RENEWAL PLAN
REXBURG REDEVELOPMENT PROJECT
OF THE REXBURG REDEVELOPMENT AGENCY
OF THE CITY OF REXBURG

NOTICE IS HEREBY GIVEN that the City Council of the city of Rexburg will hold during its regular meeting, a public hearing in City Council Chambers, 35 North 1st East, Rexburg, Idaho, on November 05, 2014, at 7:10 p.m., to consider the Second Amended and Restated Downtown District Redevelopment Plan for the Downtown Urban Renewal Project ("Plan") of the Rexburg Redevelopment Agency ("Agency"). The boundaries of the Plan Area, including the amended area, are hereinafter described. The boundaries include both urban renewal and revenue allocation areas. The Plan proposes that the Agency continue to undertake urban renewal projects pursuant to the Idaho Urban Renewal Law of 1965 as amended. Generally, the Plan updates the Downtown Urban Renewal Plan, originally adopted in 2003 and amended in 2009, to add an additional revenue allocation/urban renewal area. The Plan being considered for adoption contains a revenue allocation financing provision pursuant to the Local Economic Development Act, Chapter 29, Title 50, Idaho Code, that will cause property taxes resulting from any increase in equalized assessed valuation in excess of the equalized assessed valuation as shown on the base assessment roll as of January 1, 2014, for the proposed additional revenue allocation area to be allocated to the Agency for urban renewal purposes. The base assessment roll for the original project area remains January 1, 2003, and for the first amended area remains January 1, 2009. The Agency has adopted and recommended approval of the Plan. [The City Council will also be considering the first through third readings of an Ordinance to adopt the Plan.] The third reading of the Ordinance is also scheduled for November 05, 2014, at 7:10 p.m.....

The general scope and objectives of the Plan are:

1. Acquisition of certain real property (if needed) and through the voluntary measures described in Section 305;
2. Demolition or removal of certain buildings and improvements for public rights-of-way for streets, utilities, walkways, and other improvements for public facility building sites, to eliminate unhealthful, unsanitary, or unsafe conditions, improve density, eliminate obsolete or other uses detrimental to the public welfare, or otherwise to remove or to prevent the spread of deteriorating or deteriorated conditions;
3. Provision for participation by property owners within the Project Area to achieve the objectives of this Plan;
4. Management of any property acquired by and under the ownership and control of the Agency;
5. Provision for relocation assistance to displaced Project Area occupants, as required by law;
6. The installation, construction, or reconstruction of streets, railroad spurs (as allowed by law), utilities, including electrical distribution and transmission lines in underground configuration, if needed to encourage new developments, fiber optic or other communication systems, parking facilities, and other public improvements, including, but not limited to, irrigation and drainage laterals and ditches, canal crossings, storm drain systems, water and sewer improvements, fire

protection systems, streetlights, traffic signals, sidewalks, curbs, gutters, and other public improvements, including community facilities owned or occupied by the Agency or other public agencies, including the City's walkways, public open spaces, community centers, cultural centers and visitors or information centers as may be deemed appropriate by the Board, and also including other public improvements, such as, but not limited to, installation, construction or reconstruction of fire stations and/or police stations;

7. Disposition of property for uses in accordance with this Plan;
8. The redevelopment of land by private enterprise or public agencies for uses in accordance with this Plan;
9. Rehabilitation of structures and improvements by present owners, their successors, and the Agency;
10. Preparation and assembly of adequate sites for the development and construction of facilities for commercial, public, mixed-use development, office, appropriate retail, and other ancillary uses;
11. As allowed by law, lend or invest federal funds to facilitate redevelopment;
12. Construction of foundations, platforms, and other like structural forms necessary for the provision or utilization of air rights, sites for buildings to be used for residential, public, commercial, and other uses contemplated by the Plan, and to provide utilities to the development site; and
13. Coordinating with the City in the implementation of the City's Comprehensive Plan within the Project Area.

Any such land uses as described in the Plan will be in conformance with zoning for the city of Rexburg and the Comprehensive Plan for the city of Rexburg, as adopted by the City Council. Land made available will be developed by private enterprises or public agencies as authorized by law. The Plan identifies various public and private improvements which may be made within the Urban Renewal Area.

The Urban Renewal Project Area and Revenue Allocation Area herein referred to is described as follows:

Original 2003 urban renewal revenue allocation area is more particularly described as follows:

A. Description of urban renewal project area:

Blocks 32, 33, 34, 37, 38, 39, 40, and the surrounding streets of the Rexburg Original Townsite, Madison County, Idaho; lying within Sections 19 and 30 of Township 6 North, Range 40 East of the Boise Meridian.

More particularly as follows:

Beginning at a point 49.5 feet East of the Southeast corner of said Section 19, thence North 819 feet to the Southwest corner of Block 20, thence West 2,376 feet to the Northeast corner of Block 31, thence South 759 feet, thence West 759 feet, thence South 879 feet to the Northeast corner of Block 46, thence East 3,135 feet to the Northwest corner of Block 8 of the Rigby Addition to Rexburg, thence North 819 feet to the point of beginning.

B. Description of revenue allocation area:

Blocks 32, 33, 34, 37, 38, 39, 40, and the surrounding streets of the Rexburg Original

Townsite, Madison County, Idaho; lying within Sections 19 and 30 of Township 6 North, Range 40 East of the Boise Meridian.

More particularly as follows:

Beginning at a point 49.5 feet East of the Southeast corner of said Section 19, thence North 819 feet to the Southwest corner of Block 20, thence West 2,376 feet to the Northeast corner of Block 31, thence South 759 feet, thence West 759 feet, thence South 879 feet to the Northeast corner of Block 46, thence East 3,135 feet to the Northwest corner of Block 8 of the Rigby Addition to Rexburg, thence North 819 feet to the point of beginning.

Less Lot 2 of Block 39 of the Original Rexburg Townsite.

Additional urban renewal/revenue allocation area (2009):

The West 2nd South Hemming Site Addition is included in the following description:

Beginning at a point 49.5 feet East of the Southeast corner of Section 19, Township 06 North, Range 40 E, Boise Meridian; running thence North 819 feet to the Southwest corner of Block 20; thence West 2,376 feet to the Northeast corner of Block 31; thence South 759 feet; thence West 759 feet; thence South 1,821.48 feet; thence East 209.59 feet; thence North 65.84 feet; thence East 148.20 feet; thence South 65.25 feet; thence East 82.73 feet; thence North 8.56 feet; thence East 17.25 feet; thence South 74.19 feet; thence East 409.58 feet; thence North 1,007.56 feet; thence East 2267.65 feet; thence North 818.96 feet to the point of beginning.

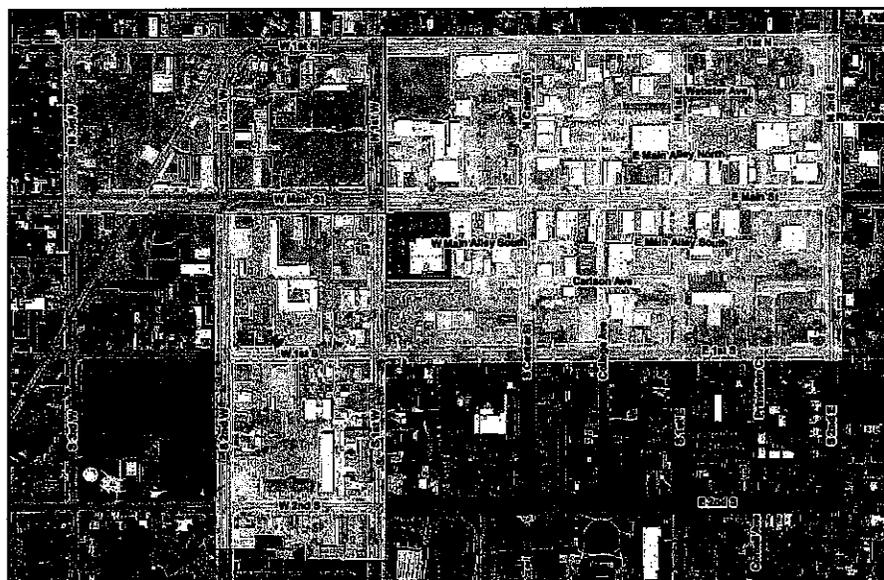
Less the following: Lot 2, Block 39 of the Original Rexburg Townsite.

Additional urban renewal/revenue allocation area (2014):

The East 2nd South Area is described as the public right-of-way or easement that includes:

- 2nd South Street from 1st West Street to and including its intersection with 2nd East Street
- Center Street from 1st South to 2nd South Streets
- College Avenue from 1st South to 2nd South Streets
- 1st East Street from 1st South to 2nd South Streets
- Princeton Court cul-de-sac
- 2nd East Street from 1st South to 2nd South Streets

The project areas are also depicted in the map below.



E 2nd S Addition
Downtown District

Tony L. Burkholder
Community Development Consultant

LEGEND

-  Downtown District Redevelopment Plan
-  Washington School Urban Renewal Plan
-  Area to be added to Downtown District

Printed July 24, 2014



Copies of the proposed Plan are on file for public inspection and copying for the cost of duplication at the office of the City Clerk of Rexburg, 35 North 1st East, Rexburg, Idaho, between the hours of 8:00 a.m. and 4:00 p.m., Monday through Friday, exclusive of holidays.

The hearing will be held in a handicapped accessible facility. All information presented in the hearing shall also be available upon advance request in a form usable by persons with hearing or visual impairments; individuals with other disabilities may receive assistance by contacting the City 24 hours prior to the hearing.

At the hearing date, time, and place noted above (November 05, 2014, at 7:10 p.m.), all persons interested in the above matters may appear and be heard. Written comments will also be accepted. Comments should be directed to the City Clerk of Rexburg. Written comments should be submitted prior to the hearing date.

DATED this 12th day of September, 2014.

Blair Kay
Blair Kay, City Clerk }

2 publication dates: October 2nd and 16th, 2014.

Exhibit 3

SECOND AMENDED AND RESTATED DOWNTOWN DISTRICT REDEVELOPMENT PLAN

REXBURG URBAN RENEWAL PROJECT

REXBURG REDEVELOPMENT AGENCY

CITY OF REXBURG, IDAHO

Ordinance No. 910
Adopted December 17, 2003
Effective December 22, 2003, Publication

Amended and Restated Plan
Ordinance No. 1035
Adopted December 2, 2009
Effective December 12, 2009, Publication

Second Amended and Restated Plan
Ordinance No. 1123
Adopted November 05, 2014
Effective November 08, 2014, Publication

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**SECOND AMENDED AND RESTATED DOWNTOWN DISTRICT REDEVELOPMENT PLAN
FOR
REXBURG URBAN RENEWAL PROJECT

REXBURG REDEVELOPMENT AGENCY
CITY OF REXBURG, IDAHO**

I. 100 INTRODUCTION

This is the Second Amended and Restated Downtown District Redevelopment Plan¹ (the "Plan") for the Downtown Urban Renewal Project (the "Project Area," which includes the Downtown Project Area of 2003 (the "2003 Project Area"), the West 2nd South Hemming Site (the "2009 Project Area") and a new area described below as the East 2nd South Area), in the city of Rexburg (the "City"), county of Madison, state of Idaho, and consists of the text contained herein and the following attachments:

Description of the Project Area and Revenue Allocation Area (Attachment 1);

Project Area- Revenue Allocation Area Boundary Map (Attachment 2);

Private Properties Which May be Acquired by Agency (Attachment 3);

¹ This Second Amended and Restated Downtown District Redevelopment Plan is organized in a manner which, instead of showing new text underlined and text deleted as crossed out, simply restates in total the text of this Plan. Many of the tables and exhibits from the original 2003 Project Area and the 2009 Project Area are not repeated in this Plan for ease of review and analysis. Additionally, much of the financial information and improvement list has been replaced or superseded. The original work for the 2003 Project Area and the 2009 Project Area is available through the Agency or the city of Rexburg.

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

Statement of Proposed Public Improvements, Costs, Revenues, Tax Impacts and Financing Methods (6-12-2014) (Attachment 5);

Estimated Net Taxable Value of New Private Development (Commercial/ Residential) Rexburg Downtown Urban Renewal Project, as Amended (6-12-2014) (Attachment 5A);

Estimated Annual Tax Revenue Allocations Rexburg Downtown Urban Renewal Project, as Amended (6-12-2014) (Attachment 5B); and

Estimated Annual Revenues and Costs Rexburg Downtown Urban Renewal Project, as Amended (6-12-2014) (Attachment 5C).

The term "Project" is used herein to describe the overall activities defined in this Plan and conforms with the statutory definition of the urban renewal project. Reference is specifically made to Idaho Code Section 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 Project Area. The term "Project" is not meant to refer to a specific activity or development scheme. Collectively, the 2003 Project Area, the 2009 Project Area and the East 2nd South Area are referred to as the "Project Area."

This Plan was prepared for the Rexburg Urban Renewal Agency, aka the Rexburg Redevelopment Agency (the "Agency"), Board of Commissioners, by its consultants and staff of 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.

The proposed redevelopment of the Project Area as described in this Plan conforms to the City of Rexburg Vision 2020 Comprehensive Plan (the "Comprehensive Plan"), adopted by the City Council of the city of Rexburg ("City Council") on March 4, 2009, pursuant to Resolution No. 2009-03, as amended.

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

This Plan provides the Agency with powers, duties, and obligations to implement and further the program generally formulated in this Plan for 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. Because of the long-term nature of this Plan and the need to retain flexibility to respond to market and economic conditions, property owner

and developer interests, and opportunities from time to time presented for redevelopment, this Plan does not present a precise plan or establish specific projects for redevelopment, rehabilitation, and revitalization of any area within the Project Area nor does this Plan present specific proposals in an attempt to solve or alleviate the concerns and problems of the community relating to the Project Area. Instead, this Plan presents a process and a basic framework within which specific plans will be presented, specific projects will be established, and specific solutions will be proposed, and by which tools are provided to the Agency to fashion, develop, and proceed with such specific plans, projects, and solutions. In particular this Plan attempts to respond to the challenges created by the development and enhancement of Brigham Young University-Idaho campus located in Rexburg, Idaho.

Implementation of this Plan will require public co-investment to help stimulate desired private development. Typically, the public will fund enhanced public improvements like utilities, streets, alley improvements, storm drainage facilities, sidewalks, street lights, traffic signals, parking facilities, public buildings, or open space/plazas which, in turn, create an attractive setting for adjacent private investment in office, retail, residential housing, or other commercial facilities.

The particular projects or redevelopment projects by private entities described herein are not intended to be an exclusive or exhaustive list of potential redevelopment activity. Allowed projects are those activities which comply with the Law and the Act and meet the overall objectives of this Plan. The public-private relationship is crucial in the successful redevelopment of the Project Area.

The purpose of the Law will be attained through and the major goals of this Plan are:

- a. The elimination of environmental deficiencies in the Project Area, including, among others, deteriorated and inadequate public improvements including certain streets and improvements; improvements to public utilities including water and sewer improvements, fire protection systems, railroad spurs and crossings (as allowed by law); streetlights; other public improvements; removal, burying, or relocation of overhead utilities; extension of electrical distribution lines and transformers; improvement of irrigation and drainage ditches and laterals; improvement of storm drainage facilities; and environmental remediation of brownfield sites;
- b. The assembly of land into parcels suitable for modern, integrated development with improved setback, parking, pedestrian, and vehicular circulation in the Project Area;
- c. The replanning, redesign, and development of undeveloped or underdeveloped areas which are stagnant or improperly utilized;
- d. The strengthening of the economic base of the Project Area and the community by installation of needed public improvements and facilities to stimulate new private development, commercial expansion, employment, and economic growth;
- e. The establishment and implementation of performance criteria to assure high site design standards, environmental quality, and other design elements which provide unity and integrity to the entire Project Area;
- f. The strengthening of the tax base by encouraging private development, thus, increasing the assessed valuation of properties within the Project Area as a whole and benefiting the various taxing districts in which the Project Area is located;
- g. The creating of public spaces, gateway entries, and the like;
- h. The provision of civic buildings and public facilities owned or occupied by the Agency or other public entities including the City;
- i. The provision of adequate land for open space, street rights-of-way and pedestrian rights-of-way, alley improvements, sidewalks, street lights, parking facilities, traffic signals;
- j. Implementation of the Comprehensive Plan by the Agency within the Project Area to the extent funding is available and the implementation if activities are eligible activities under the Law and Act; and
- k. Installation, construction or reconstruction of public facilities or buildings, including but not limited to fire stations and/or police stations.

The Agency retains all powers allowed by law. The Agency will encourage projects with those activities which comply with the Law and the Act and meet the overall objectives of this Plan.

A primary purpose of this Plan is to provide an update of historical activities of the Agency since 2003, a projection of remaining activities through 2027, and the addition of the East 2nd South Area. The 2003 Plan provided a term of twenty-four years but showed projections and estimates only through 2013/2014, with the expectation that the Agency might have completed those activities within that time frame. Because of a variety of circumstances, the activities took longer to achieve, and in 2009, the 2003 Plan was amended, in part, to add an additional geographic area referred to as West 2nd South, or the Hemming Site. This Plan describes projected activities through 2027, the Plan's termination date. An additional purpose of this Plan is to update the Plan to include legislative changes since 2009.

The Agency will encourage projects with those activities which comply with the Law and the Act and meet the overall objectives of this Plan.

1. 100.1 General Procedures of the Agency

The Agency is a public body, corporate and politic, as defined and described under the Law and the Act. The Agency is also governed by its bylaws as authorized by the Law and adopted by the Agency. Under the Law, the Agency is governed by the Idaho open meeting law, the Public Records Act, the Ethics in Government Act, financial reporting requirements, and the competitive bidding requirements under Chapter 28, Title 67, Idaho Code.

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

B. 101 Provisions Necessary to Meet State and Local Requirements

1. 101.1 Conformance with the Idaho Urban Renewal Law of 1965, as Amended

The laws of the state of Idaho require that an urban renewal plan be prepared for an area certified as an urban renewal area by the City Council. The 2003 Project Area was certified by the City Council by Resolution No. 2003-06 on March 19, 2003.

With the adoption of Resolution No. 2003-06, the City Council found the 2003 Project Area a deteriorated and deteriorating area existing in the City as defined by the Law and Act, and authorized the preparation of an urban renewal plan.

On October 29, 2003, the Agency formally recommended adoption of the 2003 Plan by passage of Resolution No. 2003-2. The plan was then formally submitted to the Mayor of the City.

In accordance with the Law, the 2003 Plan was submitted to the Planning and Zoning Commission of the City. After consideration of the 2003 Plan, the Commission reported to the City Council stating that the 2003 Plan was in conformity with the Comprehensive Plan of the City.

Pursuant to the Law and the Act, the City Council, having published due notice thereof, a public hearing was held on the 2003 Plan. Notice of the hearing was duly published in a newspaper having general circulation. The City Council adopted the

2003 Plan on December 17, 2003, by Ordinance No. 910, deemed effective upon publication on December 22, 2003.

Subsequent to the establishment of the 2003 Project Area, the Agency reviewed the eligibility of the West 2nd South Hemming Site as an urban renewal area. The 2009 Project Area, amending the 2003 Project Area, was certified by the City Council on September 3, 2008, by adoption of City Council Resolution 2008-18.

With the adoption of Resolution No. 2008-18, the City Council found the 2009 Project Area a deteriorated and deteriorating area existing in the City as defined by the Law and Act, and authorized the preparation of the first amended and restated urban renewal plan.

On October 15, 2009, the Agency Board formally recommended adoption of the 2009 Plan, amending the 2003 Plan, by passage of Agency Resolution No. 2009-04. The 2009 Plan was then formally submitted to the Mayor and City Council. After consideration of the 2009 Plan, the Commission reported to the City Council stating that the 2003 Plan was in conformity with the Comprehensive Plan of the City.

In accordance with the Law and Act, the City Council having published due notice thereof, a public hearing was held on the 2009 Plan, amending the 2003 Plan, on December 2, 2009. Notice of the hearing was duly published in a newspaper of general circulation. The City Council adopted this Plan on December 2, 2009, by Ordinance No. 1035, deemed effective upon publication on December 12, 2009.

In 2014, the Agency considered whether to amend the Plan to add additional projects. Additionally, the Agency reviewed the eligibility of a geographic area adjacent and contiguous to the 2003 and 2009 Project Areas, referred to as the East 2nd South Area for purposes of determining whether to amend the Plan. The East 2nd South Area was certified by the City Council on July 2, 2014, by adoption of City Council Resolution 2014-12.

With the adoption of Resolution No. 2014-12, the City Council found the East 2nd South Area to be a deteriorated and deteriorating area existing in the City as defined by the Law and Act, and authorized the preparation of the second amended and restated urban renewal plan.

On July 24, 2014, the Agency Board formally recommended adoption of this Plan, by passage of Agency Resolution No. 2014-6. This Plan was then formally submitted to the Mayor and City Council. After consideration of the this Plan, the Commission reported to the City Council stating that this Plan was in conformity with the Comprehensive Plan of the City.

In accordance with the Law and Act, the City Council having published due notice thereof, a public hearing was held on this Plan on November 05, 2014. Notice of the hearing was duly published in a newspaper of general circulation. The City Council adopted this Plan on November 05, 2014, by Ordinance 1123, deemed effective upon publication on November 08, 2014.

2. 101.2 History and Current Conditions

A summary of the Agency's activities since 2003 is described on Attachment 5C. Since the adoption of the initial urban renewal plan in 2003, the Agency has focused on approving an overall downtown planning document. The Agency has also acquired certain property and undertaken certain demolition of structures to provide enhanced access to public parking.

The original project area was the subject of an initial Eligibility Report dated January 31, 2003. The Downtown District Area is a deteriorating area because of the presence of various conditions, most of which are related to the public infrastructure or certain private improvements or facilities which are deteriorating in nature. Either public infrastructure is older and needs to be replaced and/or upgraded or it is grossly inadequate to serve planned new development. In either case, the result is the same;

existing development is often discouraged from upgrading and expanding, and new development is often slowed or thwarted because of the lack of necessary public infrastructure. Certain parcelization, inadequate parking, and/or potential of the loss of parking hinder development opportunity.

During 2008 and 2009, the Agency and other interested parties began to examine the need for an expansion of the original project area to include what has sometimes been referred to as the West 2nd South Hemming Site. This additional project area responds to certain deteriorating conditions, development opportunity, and the need for public services and improvements.

During 2014, the Agency and other interested parties began to examine the need to further expand the amended project area to include the East 2nd South Area. The infrastructure in this area is deteriorated or deteriorating and is inadequate to serve planned new developments in the Project Area. The East 2nd South Area lacks sidewalks and streetlights. Several rights-of-way require reconstruction and new traffic signals. Finally, improvements are required to the sewer and water systems, as well as to the storm water facilities and systems. Furthermore, the Agency also reviewed the need for additional projects in the Project Area and identified certain public facilities requiring updating in order to serve the new development in the Project Area, including the need for an upgraded fire station. This type of improvement was not specifically contemplated by the original 2003 Plan or the 2009 Amended and Restated Plan.

The preparation and approval of an urban renewal plan, including a revenue allocation financing provision, gives the City additional resources to solve the public infrastructure problems in this area. Revenue allocation financing should help to improve the situation. In effect, property taxes generated by new developments within the area may be used by the City's urban renewal agency to finance a variety of needed public improvements and facilities. Finally, some of the new developments may also generate new jobs in the community that would, in turn, benefit area residents.

C. 102 Purpose of Activities

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

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

The Agency reserves the right to prioritize the projects described in this Plan. The Agency also reserves the right to retain its flexibility in funding the various activities. The Agency also reserves its discretion and flexibility in deciding which

improvements should be funded and at what level, whether using its own funds or funds generated by other sources.

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.

II. 200 DESCRIPTION OF PROJECT AREA

The boundaries of the Project Area and of the Revenue Allocation Area are described in Attachment 1, which is attached hereto and incorporated herein by reference, and are shown on the Project Area and Revenue Allocation Boundary Map, attached hereto as Attachment 2 and incorporated herein by reference. The Project Area now includes the geographic area initially determined to be eligible for urban renewal activity by virtue of the 2003 Eligibility Report dated January 31, 2003, the West 2nd South Area Hemming Site determined to be eligible for urban renewal activity pursuant to the 2009 Eligibility Report, dated September 9, 2009, and the East 2nd South Area determined to be eligible for urban renewal activity pursuant to the 2014 Eligibility Report, dated June 12, 2014. As originally adopted in 2003, the urban renewal area and revenue allocation area are not co-terminous, as the revenue allocation area does not include the Melaleuca property on Block 39. This distinction continued through the 2009 amendment, and through this amendment adding the East 2nd South Area. For purposes of boundary descriptions and use of proceeds for payment of improvements, the boundary shall be deemed to extend to the outer boundary of rights-of-way or other natural boundary unless otherwise stated.

III. 300 PROPOSED REDEVELOPMENT ACTIONS

A. 301 General

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

1. Acquisition of certain real property (if needed) and through the voluntary measures described in Section 305;
2. Demolition or removal of certain buildings and improvements for public rights-of-way for streets, utilities, walkways, and other improvements for public facility building sites, to eliminate unhealthful, unsanitary, or unsafe conditions, improve density, eliminate obsolete or other uses detrimental to the public welfare, or otherwise to remove or to prevent the spread of deteriorating or deteriorated conditions;
3. Provision for participation by property owners within the Project Area to achieve the objectives of this Plan;
4. Management of any property acquired by and under the ownership and control of the Agency;
5. Provision for relocation assistance to displaced Project Area occupants, as required by law;
6. The installation, construction, or reconstruction of streets, railroad spurs (as allowed by law), utilities, including electrical distribution and transmission lines in underground configuration, if needed to encourage new developments, fiber optic or other communication systems, parking facilities, and other public improvements, including, but not limited to, irrigation and drainage laterals and ditches, canal crossings, storm drain systems, water and sewer improvements, fire protection systems, streetlights,

traffic signals, sidewalks, curbs, gutters, and other public improvements, including community facilities owned or occupied by the Agency or other public agencies, including the City's walkways, public open spaces, community centers, cultural centers and visitors or information centers as may be deemed appropriate by the Board, and also including other public improvements, such as, but not limited to, installation, construction or reconstruction of fire stations and/or police stations;

7. Disposition of property for uses in accordance with this Plan;
8. The redevelopment of land by private enterprise or public agencies for uses in accordance with this Plan;
9. Rehabilitation of structures and improvements by present owners, their successors, and the Agency;
10. Preparation and assembly of adequate sites for the development and construction of facilities for commercial, public, mixed-use development, office, appropriate retail, and other ancillary uses;
11. As allowed by law, lend or invest federal funds to facilitate redevelopment;
12. Construction of foundations, platforms, and other like structural forms necessary for the provision or utilization of air rights, sites for buildings to be used for residential, public, commercial, and other uses contemplated by the Plan, and to provide utilities to the development site; and
13. Coordinating with the City in the implementation of the City's Comprehensive Plan within the Project Area.

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

B. 302 Urban Renewal Plan Objectives

Urban renewal action is necessary in the Project Area to combat problems of physical deterioration or deteriorating conditions.

The Project Area consists of the original approximately seven (7) city blocks bordered by 2nd West on the west, 2nd East on the east, 1st North on the north, and 1st South on the south. The 2009 amendment added the West 2nd South Area Hemming Site that included the area of West 1st South on the north, South 1st West on the east, properties on West 2nd South on the south, and South 2nd West on the west. The East 2nd South Area includes the following public street rights-of way:

1. East 2nd South Street from South 1st West Street to South 2nd East Street;
2. South Center Street from East 1st South Street to East 2nd South Street;
3. College Avenue from East 1st South Street to East 2nd South Street;
4. South 1st East Street from East 1st South Street to East 2nd South Street;
5. Princeton Court; and
6. South 2nd East from East 1st South Street to East 2nd South Street.

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

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

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

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

Less than fee acquisition may be utilized by the Agency when and if necessary to promote redevelopment in accordance with the objectives of the Plan.

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

The Agency may participate in the cost of removal of extraordinary site conditions. A further objective of the Plan is to provide for the acquisition and clearance of property to be used for other public facilities. Off-street parking facilities may be developed to serve new commercial uses within the Project Area. Finally, an objective of the Plan is to provide for installation, construction or reconstruction of public facilities or buildings, including but not limited to fire stations and/or police stations. Over the life of the Plan, land use in the Project Area will be modified to the extent that buildings currently vacant and land underdeveloped may be converted to Mixed-Use Development, public and private parking, and public/semi-public uses.

The provisions of this Plan are applicable to all public and private property in the Project Area. The provisions of the Plan shall 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 the Plan:

1. Initiate simultaneous projects designed to revitalize the Project Area. From street and utility improvements to significant new development, the Agency plans a key role in creating the necessary momentum to get and keep things going.
2. Secure certain public open space in critical areas (e.g., plazas and pathways); this public open space will greatly increase property values adjacent to it and greatly contribute simultaneously to a new sense of place.
3. Develop new Mixed-use Development projects.
4. Pursue development across all land-use sectors.
5. Develop parking facilities.
6. Install, construct, or reconstruct public facilities or buildings, including but not limited to fire stations and/or police stations.

Without Agency intervention, much of the Project Area could remain unchanged through the remaining term of the Plan. It is anticipated success will come through numerous public-private partnerships. The Plan creates the necessary flexible framework for the Project Area to support the City's economic development.

C. 303 Participation Opportunities and Agreement

1. 303.1 Participation Agreements

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

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

1. 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 or new development, each structure must be safe and sound in all physical respects and be refurbished and altered to bring the property to an upgraded marketable condition which will continue throughout an estimated useful life for a minimum of twenty (20) years.
2. All such buildings or portions of buildings which are to remain within the Project Area shall be rehabilitated in conformity with all applicable codes and ordinances of the City.
3. Any new construction shall also conform to all applicable provisions, requirements, and regulations of this Plan.
4. Any new construction shall also conform to all applicable codes and ordinances of the City.
5. Participant shall be charged a fee of one percent (1%) to pay overhead expenses calculated on the private development investment identified in any approved reimbursement agreement or disposition and development agreement or on any public infrastructure project funded by the Agency, setting aside one percent (1%) of the infrastructure project costs for overhead expenses.

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

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

In the event a participant fails or refuses to rehabilitate, develop, use, and maintain the participant's real property pursuant to this Plan and a participation agreement, the real property or any interest therein may be acquired by the Agency in accordance with Section 305 of this Plan and sold or leased for rehabilitation or development in accordance with this Plan.

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

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

D. 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.

Subject to applicable authority, the Agency may impose on all public bodies the provisions and 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 within the Project Area.

The Agency specifically intends to cooperate to the extent allowable by law with the City, Madison County, the State of Idaho, and School District 321, and any other taxing districts for the construction and reconstruction of public improvements and facilities, including water and sewer systems, and improvements to city streets and the state highway. Specifically, the Agency intends to address traffic issues in the Project Area with the City. The Agency seeks to provide input, guidance, and financial assistance, if available, to improve traffic flow, roadway/access improvements, streetscapes, parking, and related traffic issues. The Agency also intends to cooperate with local authorities to improve other transportation opportunities in the Project Area. Finally, the Agency intends to cooperate with the City, Madison County and/or other taxing districts for the construction and/or reconstruction of public facilities or buildings, including but not limited to fire stations and/or police stations.

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

In the event the Agency is participating in the public development by way of financial incentive or otherwise, the public body shall enter into a participation agreement with the Agency and then shall be bound by the Plan and other land use elements and shall conform to those standards specified in Section 405 of this Plan.

E. 305 Property Acquisition

1. 305.1 Real Property

Only as specifically authorized herein, and only through voluntary sale by the property owner, the Agency may acquire, 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 or required to eliminate or mitigate the deteriorated or deteriorating conditions, 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 shall not acquire real property to be retained by an owner pursuant to a participation agreement if the owner fully performed under the agreement.

The Agency intends to acquire any real property through voluntary or consensual gift, devise, exchange, or purchase. Such acquisition of property may be for the development of the public improvements identified in this Plan or for the assembly of properties for the redevelopment of those properties to achieve the objectives of this Plan. Such properties may include properties owned by private parties or public entities. This Plan does not anticipate the Agency's widespread use of its resources for property acquisition, except for the construction of public improvements, any ability to engage in certain demonstration and strategic projects, and other major objectives outlined in this Plan, and to assemble certain critical or strategic parcels to dispose to the private sector to assist in the redevelopment of the Project Area.

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 or 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.

The Agency is authorized by this Plan to acquire the properties identified in Attachment 3 hereto. Otherwise, Agency acquisition of any other real property shall be accomplished only following a formal amendment to this Plan properly approved by the City Council that will include an exhibit identifying the property to be acquired.

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)(b). The Agency has not identified any particular parcel for acquisition for the construction of public improvements with the exception of the School District site and surrounding properties on that block. However, certain parcels may be acquired for development of public improvements, assemblage of parcels, or other demonstration projects. These activities are generally described in Attachment 3. The Agency may also acquire property for the purpose of developing public parking facilities, public open space, other public facilities, including but not limited to fire stations and/or police stations and to enhance the opportunity for other uses. At the present time, the Agency cannot specifically identify which parcels may be necessary for acquisition. The Agency reserves the right to determine which properties, if any, should be acquired. Generally, the Agency will invoke its acquisition authority only for the elimination or mitigation of deteriorated or deteriorating buildings, structures, or properties in order to enhance public open space

in the Project Area or assist or participate in site reclamation, remediation, or elimination of deteriorated areas, and then only by voluntary means. However, 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 Section 7-701A.

2. 305.2 Personal Property

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

F. 306 Property Management

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

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

If the Agency receives federal funds for real estate acquisition and relocation, the Agency shall comply with 24 C.F.R. Part 42, implementing the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended. The Agency may also undertake relocation activities for those not entitled to benefit under federal law, as the Agency may deem appropriate for which funds are available. The Agency's activities should not result in the displacement of families within the area. In the event the Agency's activities result in displacement, the Agency shall compensate such residents by providing for reasonable moving expenses into decent, safe, and sanitary dwelling accommodations within their means and without undue hardship to such families. The Agency will not participate in any private redevelopment activity which will result in displacement of families unless a method exists for the relocation of displaced families in decent, safe, and sanitary dwelling accommodations within their means and without undue hardship to such families. For any other activity, the Agency will comply with the provisions of the Law regarding relocation.

The Agency reserves the right to extend benefits for relocation to those not otherwise entitled to relocation benefits as a matter of state law under the Act or the Law. The Agency may determine to use as a reference the relocation benefits and guidelines promulgated by the federal government, the state government, or local government, including the Idaho Transportation Department. The intent of this section is to allow the Agency sufficient flexibility to award relocation benefits on some

rational basis, or by payment of a lump sum amount on a per case basis. The Agency may also consider the analysis of replacement value for the compensation awarded to either owner occupants or businesses displaced by the Agency to achieve the objectives of this Plan. The Agency may adopt relocation guidelines which would define the extent of relocation assistance in non-federally-assisted projects and which relocation assistance to the greatest extent feasible would be uniform.

For displacement of families, the Agency shall comply with, at a minimum, the standards set forth in the Law. The Agency shall also comply with all applicable state laws concerning relocation benefits. If such a program is considered, it shall be adopted by Resolution by the Agency Board.

H. 308 Demolition, Clearance, Building Site Preparation and Construction Activities

1. 308.1 Demolition and Clearance

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

2. 308.2 Building Site Preparation and Construction Activities

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 rock removal and site preparation. In connection therewith, the Agency may cause, provide for, or undertake the installation, construction, or reconstruction of certain public improvements including signals, street lights, plazas/open space, parking facilities, alley improvements, storm drainage facilities and other public facilities or buildings, including but not limited to fire stations and/or police stations, and other public improvements necessary to carry out this Plan. The Agency is also authorized, but not required, to construct foundations, platforms, and other structural forms necessary for the provision or utilization of air rights sites for buildings to be used for industrial, commercial, private, public, and other uses provided in this Plan. To the extent allowed by the Law and Act, the Agency may assist in the preparation of building sites by way of reclamation, remediation, or elimination of deteriorated conditions. The Agency is also authorized, but not required, to purchase certain site or building improvements for purposes of site preparation and development.

I. 309 Property Disposition and Development

1. 309.1 Real Property Disposition Development

(a) 309.1.1 General

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

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

Real property acquired by the Agency may be conveyed by the Agency and, where beneficial to the Project Area, without charge to any public body as allowed by

law. All real property acquired by the Agency in the Project Area may be sold or leased to public or private persons or entities for development for the uses permitted in this Plan.

The Agency 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.

(b) 309.1.2 Disposition and Development Documents

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

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

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

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

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

The developers, their successors, and assigns agree that:

1. A plan and time schedule for the proposed development shall be submitted to the Agency.
2. 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.
3. The building of improvements will be commenced and completed as jointly scheduled and determined by the Agency and the developer(s).
4. There will be no discrimination against any person or group of persons because of handicap, disability, age, race, sex, creed, color, national origin or ancestry, in the sale, lease, sublease, transfer, use, occupancy, tenure, or

enjoyment of the premises or any improvements erected or to be erected thereon, therein conveyed, nor will the developer or any person claiming under or through the developer establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, sub-lessees, or vendees in the premises or any improvements therein conveyed. The above provision is perpetual and is appended to the land disposed of within the Project Area by the Agency.

5. The site and construction plans shall be submitted to the Agency for review as to conformity with the provisions and purposes of this Plan.
6. At the discretion of the Agency a bond or other surety shall be provided acceptable to the Agency to ensure performance under the contract of the sale.
7. 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 shall continue throughout an estimated useful life for a minimum of twenty (20) years.
8. 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.
9. All new construction shall have a minimum estimated life of no less than twenty (20) years.
10. All disposition and development documents and owner participation agreements shall be governed by the provisions of Section 405 of this Plan.
11. The developer shall be charged a fee of one percent (1%) to pay overhead expenses calculated on the private development investment identified in any approved reimbursement agreement or disposition and development agreement or on any public infrastructure project funded by the Agency, setting aside one percent (1%) of the infrastructure project costs for overhead expenses.

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

(c) 309.1.3 Development by the Agency

To the extent now or hereafter permitted by the Law or Act, the Agency is authorized to pay for, develop, or construct any publicly-owned building, facility, structure, or other improvement within the Project Area for itself or for any public body or entity, which buildings, facilities, structures, or other improvements are or would be of benefit to the Project Area, including but not limited to fire stations and/or police stations. Specifically, the Agency may pay for, install, or construct the buildings, facilities, structures, and other improvements identified in Attachment 5, attached hereto and incorporated herein by reference, and may acquire or pay for the land required therefor.

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

In addition to the public improvements authorized under Idaho Code Sections 50-2007, 50-2018, and 50-2903(9), (13) and (14), the Agency is authorized to install and construct, or to cause to be installed and constructed, within the Project Area or outside the Project Area for improvements or facilities that are needed to support new

development in the Project Area, for itself or for any public body or entity, public improvements and public facilities, including, but not limited to, the following: (1) utilities including fiber-optics; (2) pedestrian paths and sidewalks; (3) traffic signals; (4) landscaped areas; (5) street and alley improvements, including new access roads and streets and street lighting and signalization; (6) sanitary sewers; (7) storm drainage facilities; (8) water mains and pumps; (9) plazas and open space; (10) parking facilities; and (11) fire stations, police stations and/or any other public buildings or facilities.

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

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

(d) 309.1.4 Development Plans

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

J. 310 Personal Property Disposition

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

K. 311 Rehabilitation and Conservation

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

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

L. 312 Participation with Private or Public Development

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 ("ICDBG"), the Economic Development Administration, the Small Business Administration, or other available federal grant programs. 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 which likely will attain certain federal objectives.

The Agency may, therefore, use the federal funds for the provision of assistance to private, for-profit business, including, but not limited to, grants, loans, loan guarantees, interest supplements, technical assistance, and other forms of support, 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.

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

M. 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 may 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.

N. 314 Arts Funding

The Agency encourages public art and performing arts through joint ventures with private developers and in cooperation with the City. Whenever possible, any Agency arts funding will be used to leverage additional contributions from developers, other private sources, and public or quasi-public entities.

IV. 400 USES PERMITTED IN THE PROJECT AREA

A. 401 Redevelopment Plan Map and Development Strategy

The Description of the Project Area and Revenue Allocation Area Boundaries and the Project Area- Revenue Allocation Area Boundary Map, are collectively attached hereto as Attachment 1 and Attachment 2 and incorporated by reference. As indicated in Section 200 of this Plan, the Project Area and Revenue Allocation Area are not co-terminus because the Melaleuca property on Block 39 is excluded from the Revenue Allocation Area. The proposed land uses to be permitted in the Project Area for all land, public and private, are described in Attachment 4.

B. 402 Designated Land Uses

1. 402.1 Land Use Classifications

The land use classifications for the Project Area are as shown and depicted in Attachment 4 and include general commercial, service commercial, residential, and office, all as more specifically defined in the Rexburg City Code. The Agency also recognizes those land uses permitted by conditional uses under each zoning classification, subject to the conditions imposed by the City pursuant to the conditional use process.

C. 403 Other Land Uses

1. 403.1 Public Rights-of-Way

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

The major public streets within the Project Area include 1st North, Main, 1st South, 2nd West, 1st West, Center, College, 1st East, 2nd East, South 2nd West, West 2nd South, South 1st West, and other major rights-of-way which may be developed in the [Update list] Project Area.

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

1. A balancing of the needs of proposed and potential new developments for adequate pedestrian and vehicular access, vehicular parking, and delivery loading docks with the similar needs of any existing developments permitted to remain. Such balancing 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;
2. The requirements imposed by such factors as topography, traffic safety, and aesthetics; and
3. The potential need to serve not only the Project Area and new or existing developments, but to also serve areas outside the Project by providing convenient and efficient vehicular access and movement.

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

2. 403.2 Other Public, Semi-Public, Institutional, and Nonprofit Uses

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

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

3. 403.3 Interim Uses

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

D. 404 General Controls and Limitations

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

1. 404.1 Construction

All construction in the Project Area shall comply with all applicable state and local laws and codes in effect from time to time. 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.

2. 404.2 Rehabilitation and Retention of Properties

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

3. 404.3 Limitation on Type, Size, and Height of Building

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

4. 404.4 Open Spaces, Landscaping, Light, Air, and Privacy

The issues of open space, landscaping, light, air, and privacy shall be governed by applicable federal, state, and local ordinances.

5. 404.5 Signs

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

6. 404.6 Utilities

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

7. 404.7 Incompatible Uses

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

8. 404.8 Nondiscrimination and Nonsegregation

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

9. 404.9 Subdivision of Parcels

Any parcel in the Project Area shall be subdivided only in compliance with the City subdivision ordinance.

10. 404.10 Minor Variations

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

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

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

11. 404.11 Off-Street Loading

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

12. 404.12 Off-Street Parking

All new construction in the area shall provide off-street parking as required by the City ordinances as they now exist or are hereafter amended. The off-street parking requirement may be met by a public parking facility, including a public parking garage and/or public parking lot within proximity to the new construction.

E. 405 Design for Development

1. 405.1 Design Guidelines for Development

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

In the case of property which is the subject of a disposition and development or owner participation agreement with the Agency, no new improvement shall be constructed and no existing improvement shall be substantially modified, altered, repaired, or rehabilitated except in accordance with this Plan. Under those agreements the architectural, landscape, and site plans shall be submitted to the Agency and

approved in writing by the Agency. One of the objectives of this Plan is to create an attractive and pleasant environment in the Project Area. Therefore, such plans shall give consideration to good design and other amenities to enhance the aesthetic quality of the Project Area. The Agency shall not approve any plans that do not comply with this Plan. The Agency reserves the right to impose such design standards on an ad hoc, case by case basis through the approval process of the owner participation agreement or disposition and development agreement. Any change to such approved design must be consented to by the Agency and such consent may be conditioned upon reduction of Agency's financial participation towards the Project.

In the event the Agency adopts design standards or controls, those provisions will thereafter apply to each site or portion thereof in the Project Area. Those controls and standards will be implemented through the provisions of any disposition and development agreement or owner participation agreement or by appropriate covenants appended to the land and instruments of conveyance executed pursuant thereto. These controls are in addition to any standards and provisions of any applicable City building or zoning ordinances; provided, however, each and every development shall comply with all applicable City zoning and building ordinance. Absent the Agency developing and promulgating specific design standards or controls, the Agency shall review all projects by applying and/or deferring to the usual approval process imposed by the City.

2. 405.2 Design Guidelines for Development under a Disposition and Development Agreement or Owner Participation Agreement

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

Under those agreements, the architectural, landscape, and site plans shall be submitted to the Agency and approved in writing by the Agency. In such agreements, the Agency may impose additional design controls. One of the objectives of this Plan is to create an attractive 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 disposition and development agreement or owner participation agreement or by appropriate covenants appended to the land and instruments of conveyance executed pursuant thereto. These controls are in addition to any standard and provisions of any applicable City building or zoning ordinances; provided, however, each and every development shall comply with all applicable City zoning and building ordinances.

3. 405.3 Nonconforming Uses

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

The Agency may authorize additions, alterations, repairs, or other improvements in the Project Area for uses which do not conform to the provisions of this Plan where such improvements are within a portion of the Project where, in the

determination of the Agency, such improvements would be compatible with surrounding Project uses and development.

All nonconforming uses shall also comply with the City Code.

4. 405.4 Design Review

By submitting this Plan and attachments for approval by the City Council, the Agency requests the City formally recognize the Agency as a commenting entity for all zoning applications filed for property within the Project Area. As a commenting entity, the Agency shall be provided the type of information submitted to other commenting entities. The Agency, through the Agency Board or a subcommittee of the Board, shall provide its comments on the application and its compliance with the Plan provisions and design guidelines, if any, adopted by the Agency.

V. 500 METHODS OF FINANCING THE PROJECT

A. 501 General Description of the Proposed Financing Method

The Agency is authorized to finance this Project with financial assistance from the City, state of Idaho, federal government, interest income, Agency bonds, donations, loans from private financial institutions, the lease or sale of Agency-owned property, or any other available source, public or private, including assistance from any taxing district or any public entity.

The Agency is also authorized by the Law and Act to obtain advances, borrow funds, and create indebtedness in carrying out this Plan. The Agency may also consider an interfund transfer from other urban renewal project areas. The principal and interest on any such advances, funds, and indebtedness may be paid from any funds available to the Agency. The City, as it is able, may also supply additional assistance through City loans and grants for various public facilities.

The City or any other public agency may expend money to assist the Agency in carrying out this Project. The Agency may also provide certain grants or loans to property owners or others as may be allowed by law.

B. 502 Revenue Bond Funds

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

C. 503 Other Loans and Grants

Any other loans, grants, guarantees, or financial assistance from the United States, the state of Idaho, including Idaho Community Development Block Grant funds, or any other public or private source will be utilized if available. The Agency may seek funds from either federal or state agencies. The Agency may consider funding sources through Local Improvements Districts and/or Business Improvements Districts as authorized by state law. Neither the members of the Agency nor any persons executing such loans or grants shall be liable on the loans or grants by reason of their issuance. As currently projected Attachment 5C does not show the receipt of such loans or grants. Should the Agency obtain such loans or grants, the reliance on Revenue Allocation funds will be reduced.

D. 504 Revenue Allocation Financing Provisions

The Agency hereby adopts revenue allocation financing provisions as authorized by the Act, effective retroactively to January 1, 2003, for the original

revenue allocation area, January 1, 2009, for the West 2nd South Area Hemming Site, and January 1, 2014, for the East 2nd South Area. These revenue allocation provisions shall apply to all taxing districts in which are located in or overlap the Revenue Allocation Area 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 continue 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 such costs as are incurred or to pledge all or any portion of such revenues to the repayment of any moneys borrowed, indebtedness incurred, or bonds issued by the Agency to finance or to refinance the Project Costs (as defined in Idaho Code Section 50-2903(14)) of one or more urban renewal projects.

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

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

The Agency may also appropriate funds consisting of revenue allocation proceeds on an annual basis without the issuance of bonds. The Agency may obtain advances or loans from the City, private entities (including banks and other lending institutions) on a short-term basis in order to immediately commence construction of certain of the public improvements based upon financial capacity. Revenues will continue to be allocated to the Agency until the improvements identified in Attachment 5 are completely constructed or until any obligations to the City or other public entity or private entity are fulfilled. Attachment 5 incorporates estimates and projections based on the Agency's present knowledge and expectations concerning the length of time to complete the improvements. The activity may take longer depending on the significance and timeliness of development. Alternatively the activity may be completed earlier if revenue allocation proceeds are greater or the Agency obtains additional funds.

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

Under legislation adopted in 2000 by the 55th Idaho Legislature, 2nd Regular Session, effective July 1, 2000, Sess. Laws, Ch. 275, Idaho Code § 50-2904(2), revenue allocation authority is limited to twenty-four (24) years from the date the ordinance was passed by the City Council, except for those urban renewal plans which were adopted prior to 2000. 56th Idaho Legislature, 2nd Regular Session, Sess. Laws, Ch. 143. *See*

Idaho Code § 50-2904(3). The original plan was adopted in 2003, with a termination date of December 31, 2027, and the Amended and Restated Urban Renewal Plan was adopted in 2009. This Second Amended and Restated Urban Renewal Plan does not extend the termination date of this Plan; therefore, the Plan term remains through December 31, 2027.

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 the major 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.

1. 504.1 Economic Feasibility Study

Attachment 5 consists of the Economic Feasibility Study for the Project Area (the "Study") updated by Richard Horner, former City of Rexburg Finance Officer and Agency Chairman. The Study constitutes the financial analysis required by the Act and is based upon existing information from the Agency and City. Projections are based upon input from the Agency, property owners, developers, and others.

2. 504.2 Assumptions and Conditions/Economic Feasibility Statement

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

The Plan and attachments incorporate estimates and projections based on the Agency's present knowledge and expectations. Valuation increases for the tax years 2014 through 2019 are based largely on five phases of the planned Hemming development and projections of four phases of development for the Junior High site. Net property value increases are based on trends from the initial ten-year period commencing with tax year 2014. The Plan proposes certain public improvements which will facilitate development in the Project 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, and others. The information has been analyzed by the Agency and its consultants in order to provide an analysis that meets the requirements set forth under the Law and Act. At the point in time when the Agency may seek a loan from lenders or others, a more detailed and then-current financial pro forma will be presented to those lenders or underwriters for analysis to determine the borrowing capacity of the Agency. As set forth herein, the Agency reserves the right to fund the Project on a "pay as you go" basis. The Agency Board will prioritize the activities set forth in this Plan and determine what funds are available and what activities can be funded. The Agency will establish those priorities through its mandated annual budgetary process.

The assumptions concerning revenue allocation proceeds are based upon certain assessed value increases and assumed tax levy rates.

House Bill 1 adopted by the 58th Idaho Legislature convening in Special Session in August 2006, repealed the operation and maintenance property tax levy imposed by school districts (codified at Idaho Code Section 33-802). House Bill 1 also repealed Idaho Code Section 50-2908(2)(a)(iii) which required certain revenue allocation funds to be disbursed to school districts. The financial analysis set forth in Attachment 5 has taken into account the provisions of House Bill 1.

House Bill 315 adopted by the 62nd Idaho Legislature amended Idaho Code Section 63-602KK, and provides for personal property tax exemption to businesses. Application of the exemption may have the effect of reducing the base value and/or reducing the increment value. The financial analysis set forth in Attachment 5 has taken into account the provisions of HB315.

3. 504.3 Ten Percent Limitation

Under the Act, the base assessed valuation for all revenue allocation areas cannot exceed gross/net ten percent (10%) of the current assessed valuation for the entire City.

County records show that the 2013 adjusted base assessment roll values for the City's four existing revenue allocation areas, less homeowner's exemptions, are as follows:

North Highway	\$6,589,802
Washington School	\$2,119,928
Downtown Rexburg (2003 and 2009)	\$41,331,386
University Boulevard- S. 12th W.	<u>\$8,817,974</u>
TOTAL	\$58,859,090

The City's 2013 total assessed value, less homeowner's exemption and personal property tax exemption, as reported by the Idaho State Tax Commission, is \$807,522,989.00; therefore, ten percent of that value is \$80,752,290.00. The 2013 assessed value of the East 2nd South Area, which includes only public street rights-of-way, is \$0.00. As a result, the total base assessment roll value for the combined revenue allocation areas does not exceed ten percent (10%) of the 2013 assessed values for the City.

Further Idaho Code § 50-2033, effective 2011, provides: "[a]n urban renewal plan that includes a revenue allocation area may be extended only one (1) time to extend the boundary of the revenue allocation so long as the total area to be added is not greater than ten percent (10%) of the existing revenue allocation area and the area to be added is contiguous to the existing revenue allocation area but such contiguity cannot be established solely by a shoestring or strip of land which comprises a railroad or public right-of-way." The combined 2003 Project Area and 2009 Project Area (less the Melaleuca property) consists of 119.28 acres; therefore the 10% geographic limit is 11.9 acres. The East 2nd South Area, which is adjacent and contiguous to the 2003 Project Area and 2009 Project Area, consists of 10.79 areas, which is less than 10% of the acreage included in the original 2003 plan area, as amended in 2009.

4. 504.4 Financial Limitation

The Study identifies several capital improvement projects and property acquisition along with demolition. Use of any particular financing source for any particular purpose is not assured or identified. Use of revenue allocation funds will be limited by the authority of the Act. If revenue allocation funds are unavailable, then the Agency will need to use a different funding source for that improvement, including grant funds.

The amount of funds available to the Agency from revenue allocation financing is directly related to the assessed value of new improvements within the Revenue Allocation Area. Under the Act, the Agency is allowed the revenue allocation generated from inflationary increases and new development value. The tax levy rates are estimated to generally increase 1% per year from 2013 through 2027.

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

Under the provisions of the Act, the revenue allocation may continue until the end of the Plan term. Second, the total amount of expenses and the amount of revenue generated by revenue allocation is dependent upon the extent and timing of private development. Should assessed values increase and no substantial decrease in levy rates, the project may be terminated earlier. Should assessed values decrease with no substantial levy increase, then the amount of revenue generated will be substantially reduced and the Agency will continue to complete the improvement.

The proposed timing for the public improvements may very well have to be modified depending upon the availability of revenues. The Agency anticipates financing the improvements on an annual cash basis as well as possible borrowing as may be available.

Attachment 5B lists those public improvements which Agency intends to construct through the term of the Plan. The costs of improvements are estimates only. 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 to any particular improvement, any particular cost, or any particular order of construction. The Agency reserves its discretion and flexibility in deciding which improvements are more critical for redevelopment, and the Agency intends to coordinate its public improvements with associated development by private developers/owners. 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 5B first, in conjunction with industrial private development generating the increment as identified in Attachment 5A.

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.

E. 505 Participation with Local Improvement Districts and Business Improvement Districts

Under the Idaho Local Improvement District Code, Chapter 17, Title 50, Idaho Code, the City has the authority to establish local improvement districts for various public facilities, including, but not limited to, streets, curbs, gutters, sidewalks, drains, landscaping, and other like facilities. To the extent allowed by the Law and the Act, the Agency reserves the authority 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. The

Agency also may participate, as allowed by law, in a Business Improvement District (BID) as set forth in Chapter 26, Title 50, Idaho Code.

F. 506 Issuance of Debt and Debt Limitation

Any debt incurred by the Agency as allowed by the Law and Act shall be secured by revenues identified in the debt resolution or revenue allocation funds as allowed by the Act. All such debt shall be repaid within the duration of this Plan. The Agency reserves the discretion based upon its financial capacity and the ability to pay to complete the authorized projects in a more expedited manner.

G. 507 Impact on Other Taxing Districts

A specific delineation of tax dollars generated by revenue allocation upon each taxing district has not been prepared. The overall impact of the revenue allocation project is shown in the Study. Pursuant to Idaho Code Section 63-802, taxing entities are constrained in establishing levy rates by a function of the amount each budget of each taxing district can increase on an annual basis. The amounts set forth in the Study would constitute the amounts distributed to other taxing entities from the Revenue Allocation Area if there were no urban renewal project. Each individual district's share of that amount would be determined by its particular levy rate as compared to the other districts in any given year. Therefore, the impact of revenue allocation is more of a product of the imposition of Section 63-802, Idaho Code. In addition, without the revenue allocation district and its ability to pay for public improvements and public facilities, fewer substantial improvements within the Revenue Allocation Area would be expected; hence there would be lower increases in assessed valuation to be used by the taxing entities.

If the overall levy rate is less than assumed, the Agency will receive fewer funds from revenue allocation. 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 (in this instance, 2003, 2009 and 2014), with periodic adjustments allowed by Idaho state code. The increment value is the difference between the base assessed value and current assessed value in any given year while the property is in a revenue allocation area. Under Section 63-802, Idaho Code, 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 Section 63-802, Idaho Code.

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 the 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 property values in the urban renewal districts that are not subject to revenue allocation 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.

Additionally, because of certain conditions, the Study has taken the existing 2013 levy rate and imposed a one percent increase of the annual gross levy rate through 2027.] One result of Section 63-802 and House Bill 79 (2007), codified as Section 63-301A, Idaho Code, is the possible reduction of the levy rate as assessed values increase

for property within each taxing entity's jurisdiction. House Bill 79, became effective retroactive to January 1, 2007, upon the Governor's signature on March 21, 2007. If the overall levy rate is less than as assumed, the Agency shall receive fewer funds from revenue allocation. Section 63-301A, Idaho Code, prohibits taxing entities from including, as part of the new construction roll, the increased value related to new construction within the revenue allocation area until the revenue allocation authority is terminated. Any new construction within the Revenue Allocation Area is no longer available for inclusion by the taxing entities to increase their budgets. Less tax revenue will be available to those taxing entities. Upon termination of this Plan, the taxing entities will be able to include the accumulated new construction roll value accrued since December 31, 2006, in setting the following year's budget and revenue from such value is separate and above the three percent increase allowed in Section 63-802(1)(a), Idaho Code.

Generally, the impact on the taxing entities would be to determine the Agency's projected revenue and disburse those funds in the same ratio as the respective levy rates of each taxing district. For Tax Year 2013, those districts' tax levy and rates are as follows:²

Madison County	\$6,366,562	.004425110
City of Rexburg	\$3,367,135	.004062363
Madison County Road and Bridge	\$2,216,899	.001540867
Madison County Library	\$ 708,680	.000575506
Madison County Ambulance	\$ 579,159	.000402547
Madison County Mosquito Abatement	\$ 401,837	.000279299
Rexburg Cemetery	\$ 58,360	.000061953
Madison County School #321	\$ 121,371	.000109354
TOTAL		

As noted above, Section 63-802, Idaho Code, may have the effect of reducing the levy rate as assessed values increase for property within each taxing entity's jurisdiction; however, it is unclear how Section 63-602KK may impact the levy rate. The Study has made certain assumptions concerning the levy rate. The levy rate is estimated to be 0.015361844 for 2014, and is estimated to increase 1% per year. The annual increment value is expected to increase by approximately 3% a year. If the overall levy rate is less than projected, the Agency shall receive fewer funds from revenue allocation.

The 2008 Idaho Legislature passed and Governor Otter signed House Bill 470 as amended in the Idaho Senate, which bill became effective retroactive to January 1, 2008 (Session Laws, Chapter 253). The bill amended Idaho Code Sections 50-2908, 63-803, and 63-811. In brief, the bill provided that an urban renewal agency shall not be 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 held after January 1, 2008, 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 and has assumed the impact of House Bill 470.

H. 508 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 could include developer

² These levy rates do not include voter approved levy rates since January 1, 2008. This levy rate cannot be used to generate revenue for the Agency because of HB 470, approved by the 2008 Idaho Legislature. Additionally, for the West 2nd South Hemming Site and the East 2nd South Area, voter approved levies approved prior to December 31, 2007, are not applicable to those areas. Attachment 5B has made all those calculations.

contributions, loans or bonds, federal and state funds, grants, and City participation. Agency participation shall be determined by the amount of revenue allocation funds generated.

I. 509 [Reserved]

J. 510 Lease Revenue, Parking Revenue, and Bonds

Under the Law, 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 may not be particularly noted in the Study, because of the "pass through" aspects of the financing. Under the Act, the economic feasibility study focuses on the revenue allocation aspects of the Agency's financial model.

These financing models typically are for a longer period of time than the 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 Section 50-2905(7) as those resources involve funds not related to revenue allocation funds.

One other potential use of financing is lease revenue bonds from the user of a public facility. For example, a lease revenue bond may be a way to finance certain public buildings without the use or obligation of revenue allocation proceeds.

VI. 600 ACTIONS BY THE CITY

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

1. Institution and completion of proceedings necessary for changes and improvements in private and publicly-owned property, rights-of-way, or public utilities within or affecting the Project Area;
2. Assuring that all project activities are consistent with the City Comprehensive Plan, zoning ordinances, and all applicable laws and regulations within the Project Area to permit the land uses and development authorized by this Plan;
3. Imposition, wherever necessary, by conditional use permits or other means of appropriate controls within the limits of this Plan upon parcels in the Project Area to ensure their proper development and use;
4. Provision for administrative enforcement of this Plan by the City after development, wherein the City and the Agency may develop and provide for enforcement of a program for continued maintenance by owners of all real property, both public and private, within the Project Area throughout the duration of this Plan;
5. Building code enforcement;

6. 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;
7. Institution and completion of proceedings necessary for the establishment of an LID under Chapter 17, Title 50, Idaho Code, or a BID under Chapter 26, Title 50, Idaho Code;
8. The undertaking and completing of any other proceedings necessary to carry out the Project;
9. Administration of Idaho Community Development Block Grants and other state and federal grant funds that may be made available for the Project;
10. Appropriate agreements with the Agency for administration, supporting services, funding sources, and the like;
11. The imposition, whenever necessary (by conditional use permits or other means as appropriate), of controls within the limits of this Plan upon parcels in the Project Area to ensure their proper development and use;
12. Joint funding of certain public improvements and coordination with the City's programs; and
13. Use of City labor, services, and materials for construction of the public improvements listed in the Plan, where appropriate and available.
14. 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.

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

A. 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.

VII. 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.

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

VIII. 800 DURATION OF THIS PLAN

Except for the nondiscrimination and nonsegregation provisions which shall run in perpetuity, the provisions of this Plan and the provisions of other documents

formulated pursuant to this Plan shall be effective for twenty-four (24) years from the effective date of the original adoption of the 2003 Plan subject to modifications and/or extensions set forth in Idaho Code § 50-2904. The revenue allocation authority will expire on December 31, 2027, which date shall be deemed the termination date of this Plan except for any revenue allocation proceeds received in calendar year 2028.

This Plan shall terminate no later than December 31, 2027, except for revenues which may be received in 2028. Either on January 1, 2028, or if the Agency determines an earlier termination date:

1. 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 Plan are sufficient to pay such principal and interest as they come due and to fund reserves, if any, or any other obligations of the Agency funded through revenue allocation proceeds shall be satisfied and the Agency has determined no additional project costs need be funded through revenue allocation financing, the allocation of revenues under Section 50-2908, Idaho Code, shall thereupon cease; any moneys in such fund or funds in excess of the amount necessary to pay such principal and interest shall be distributed to the affected taxing districts in which the Revenue Allocation Area is located in the same manner and proportion as the most recent distribution to the affected taxing districts of the taxes on the taxable property located within the Revenue Allocation Area; and the powers granted to the urban renewal agency under Section 50-2909, Idaho Code, shall thereupon terminate.
2. 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.
3. For the fiscal year that immediately predates the termination date, the Agency shall adopt and publish a budget specifically for the projected revenues and expenses of the Plan and make a determination as to whether the Revenue Allocation Area can be terminated before January 1 of the termination year pursuant to the terms of Section 50-2909(4), Idaho Code. In the event that the Agency determines that current tax year revenues are sufficient to cover all estimated expenses for the current year and all future years, by September 1, of the then-current year, the Agency shall adopt a resolution advising and notifying the local governing body, the county auditor, and the State Tax Commission, recommending the adoption of an ordinance for termination of the Revenue Allocation Area by December 31 of the current year and declaring a surplus to be distributed as described in Section 50-2909, Idaho Code, should a surplus be determined to exist. The Agency shall cause the ordinance to be filed with the office of the County Recorder for Madison and the Idaho State Tax Commission as provided in Section 63-215, Idaho Code.

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

As allowed by Idaho Code Section 50-2905(7), the Agency may retain assets or revenues generated from such assets as loans; the Agency shall have the resources other than revenue allocation funds to operate and manage such assets. Similarly, facilities which provide an 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.

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

IX. 900 PROCEDURE FOR AMENDMENT

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

X. 1000 SEVERABILITY

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

XI. 1100 ANNUAL REPORT

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

Additionally, House Bill 560 adopted by the 62nd Idaho Legislature, Second Regular Session, codified at Idaho Code Section 67-450E, requires the Agency to comply with certain reporting requirements. On or before December 1 of each year, the Agency must submit to the online central registry certain administrative information and financial information, including information regarding bonds or other indebtedness. Failure to comply with the mandatory reporting requirements may result in compliance measures imposed by the Madison County Board of County Commissioners.

XII. 1101 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

Description of the Project Area and Revenue Allocation Area Boundaries

The original project area adopted in 2003 is generally described as 2nd West on the west, 2nd East on the east, 1st North on the north, and 1st South on the south. The West 2nd South Hemming Site adds the area of West 1st South on the north, South 1st West on the east, properties on West 2nd South on the south, and South 2nd West on the west.

Original 2003 urban renewal revenue allocation area is more particularly described as follows:

A. Description of urban renewal project area:

Blocks 32, 33, 34, 37, 38, 39, 40, and the surrounding streets of the Rexburg Original Townsite, Madison County, Idaho; lying within Sections 19 and 30 of Township 6 North, Range 40 East of the Boise Meridian.

More particularly as follows:

Beginning at a point 49.5 feet East of the Southeast corner of said Section 19, thence North 819 feet to the Southwest corner of Block 20, thence West 2,376 feet to the Northeast corner of Block 31, thence South 759 feet, thence West 759 feet, thence South 879 feet to the Northeast corner of Block 46, thence East 3,135 feet to the Northwest corner of Block 8 of the Rigby Addition to Rexburg, thence North 819 feet to the point of beginning.

B. Description of revenue allocation area:

Blocks 32, 33, 34, 37, 38, 39, 40, and the surrounding streets of the Rexburg Original Townsite, Madison County, Idaho; lying within Sections 19 and 30 of Township 6 North, Range 40 East of the Boise Meridian.

More particularly as follows:

Beginning at a point 49.5 feet East of the Southeast corner of said Section 19, thence North 819 feet to the Southwest corner of Block 20, thence West 2,376 feet to the Northeast corner of Block 31, thence South 759 feet, thence West 759 feet, thence South 879 feet to the Northeast corner of Block 46, thence East 3,135 feet to the Northwest corner of Block 8 of the Rigby Addition to Rexburg, thence North 819 feet to the point of beginning.

Less Lot 2 of Block 39 of the Original Rexburg Townsite.

Additional urban renewal/revenue allocation area (2009):

The West 2nd South Hemming Site Addition is included in the following description:

Beginning at a point 49.5 feet East of the Southeast corner of Section 19, Township 06 North, Range 40 E, Boise Meridian; running thence North 819 feet to the Southwest corner of Block 20; thence West 2,376 feet to the Northeast corner of Block 31; thence South 759 feet; thence West 759 feet; thence South 1,821.48 feet; thence East 209.59 feet; thence North 65.84 feet; thence East 148.20 feet; thence South 65.25 feet; thence East 82.73 feet; thence North 8.56 feet; thence East 17.25 feet; thence South 74.19 feet; thence East 409.58 feet; thence North 1,007.56 feet; thence East 2267.65 feet; thence North 818.96 feet to the point of beginning.

Less the following: Lot 2, Block 39 of the Original Rexburg Townsite.

Additional urban renewal/revenue allocation area (2014):

The East 2nd South Area is described as the public right-of-way or easement that includes:

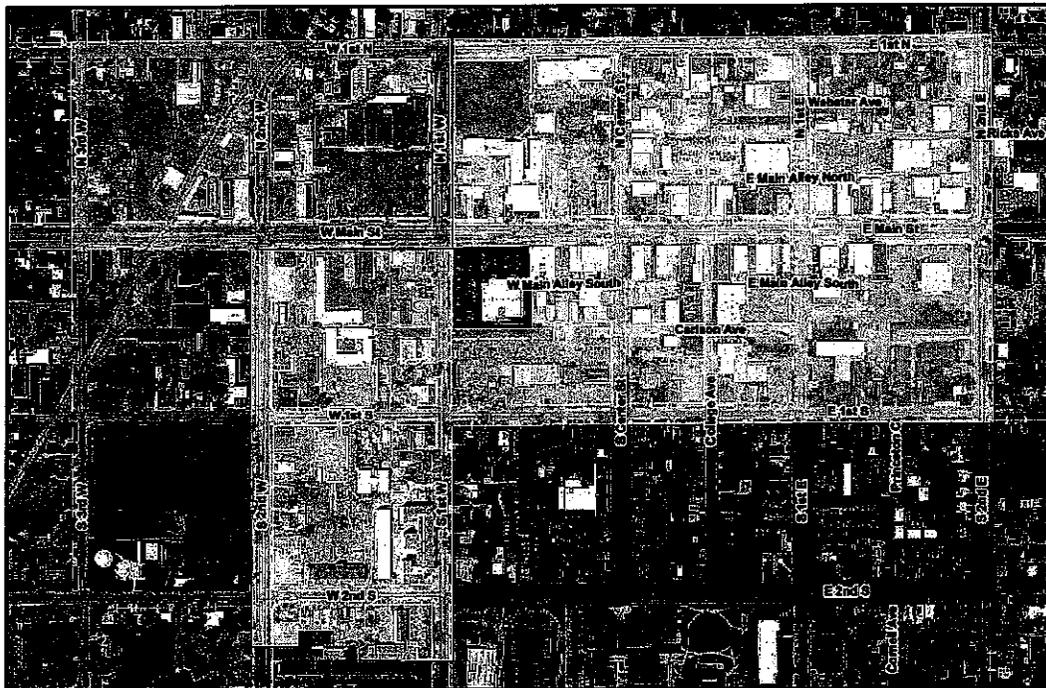
- 1) 2nd South Street from 1st West Street to and including its intersection with 2nd East Street

ORDINANCE – North Highway, South Addition Plan - i

(h:/judy/wpdata/Rexburg/n highway amend/Ordinance.doc)

- 2) Center Street from 1st South to 2nd South Streets
- 3) College Avenue from 1st South to 2nd South Streets
- 4) 1st East Street from 1st South to 2nd South Streets
- 5) Princeton Court cul-de-sac
- 6) 2nd East Street from 1st South to 2nd South Streets

Attachment 2
Project Area- Revenue Allocation Area Boundary Map



E 2nd S Addition
Downtown District

Terry L. Bulkofer
 Community Development Consultant

LEGEND

- Downtown District Redevelopment Plan
- Washington School Urban Renewal Plan
- Area to be added to Downtown District

Printed July 24, 2014



Exhibit 4

CITY OF REXBURG

SUMMARY OF ORDINANCE NO. 1123

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF REXBURG, IDAHO, APPROVING THE SECOND AMENDED AND RESTATED DOWNTOWN DISTRICT REDEVELOPMENT PLAN, WHICH PLAN INCLUDES REVENUE ALLOCATION FINANCING PROVISIONS; AUTHORIZING THE CITY CLERK TO TRANSMIT A COPY OF THIS ORDINANCE AND OTHER REQUIRED INFORMATION TO COUNTY AND STATE OFFICIALS; APPROVING THE SUMMARY OF THE ORDINANCE; AND PROVIDING AN EFFECTIVE DATE.

SECTION 1: It is hereby found and determined that:

- (a) The Amended Project Area as defined in the Amended Plan is a deteriorated or a deteriorating area as defined in the Law and the Act and qualifies as an eligible urban renewal area under the Law and Act.
- (b) The rehabilitation, conservation, and redevelopment of the urban renewal area pursuant to the Amended Plan are necessary in the interests of public health, safety, and welfare of the residents of the City.
- (c) There continues to be a need for the Agency to function in the City.
- (d) The Amended Plan conforms to the City of Rexburg 2020 Comprehensive Plan.
- (e) The Amended Plan gives due consideration to the provision of adequate park and recreation areas and facilities that may be desirable for neighborhood improvement (recognizing the mixed use components of the Amended Plan and the need for overall public improvements), and shows consideration for the health, safety, and welfare of any residents or businesses in the general vicinity of the urban renewal area covered by the Amended Plan.
- (f) The Amended Plan affords maximum opportunity consistent with the sound needs of the City as a whole for the rehabilitation and redevelopment of the urban renewal area by private enterprises.
- (g) The Amended Plan provides a feasible method for relocation of any displaced families residing within the Amended Project Area.
- (h) The collective base assessment roll for the revenue allocation areas under the Washington School Plan, the North Highway Plan, as amended, the University Boulevard Plan, and the new Amended Plan do not exceed ten percent (10%) of the assessed value of the City.
- (i) The Amended Plan includes the requirements set out in Idaho Code § 50-2905.
- (j) The Amended Plan is sufficiently complete to indicate such land acquisition, demolition and removal of structures, redevelopment, improvements, and rehabilitation as may be proposed to be carried out in the urban renewal area, zoning and planning changes, if any, land uses, maximum densities, building requirements, and any method or methods of financing such plan, which methods may include revenue allocation financing provisions.

SECTION 2: The City Council finds that the Amended Project Area does not consist of predominantly open land, that the Agency does not intend to acquire any open land on any widespread basis, and that the Amended Project Area is planned to be redeveloped in a manner that will include nonresidential uses. Provided, however, the City Council finds that if portions of the Amended Project Area are deemed "open land," the criteria set forth in the Law and Act has been met.

SECTION 3: The City Council finds that the Amended Plan meets the sound needs of the City and will provide opportunities in an area that does not now contain such opportunities, and nonresidential uses are necessary and appropriate to facilitate the proper growth and development standards in accordance with the objectives of the City of Rexburg 2020 Comprehensive Plan, as may be amended to overcome economic disuse, the need for improved traffic patterns, and the need for the correlation of this area with other areas of the City.

SECTION 4: The Amended Plan, a copy of which is attached hereto and marked as Exhibit 3 and made a part hereof by attachment, be, and the same hereby is, approved. As directed by the City Council, the City Clerk and/or the Agency may make certain technical corrections or revisions in keeping with the information and testimony presented at the November 5, 2014, hearing, and incorporate changes or modifications, if any.

SECTION 5: No direct or collateral action challenging the Amended Plan shall be brought prior to the effective date of this Ordinance or after the elapse of thirty (30) days from and after the effective date of this Ordinance adopting the Amended Plan.

SECTION 6: Upon the effective date of this Ordinance, the City Clerk is authorized and directed to transmit to the County Auditor and Tax Assessor of Madison County and to the appropriate officials of Madison County Board of County Commissioners, city of Rexburg, Madison County Road and Bridge, Madison County Library, Madison County Ambulance, Madison County Mosquito Abatement, Rexburg Cemetery, Madison County School #321, and the State Tax Commission a copy of this Ordinance, a copy of the legal description of the boundaries of the Amended Revenue Allocation Area, and a map or plat indicating the boundaries of the Amended Revenue Allocation Area.

SECTION 7: The City Council hereby finds and declares that the Amended Revenue Allocation Area as defined in the Amended Plan, the equalized assessed valuation, of which the City Council hereby determines is in and is part of the Amended Plan, is likely to continue to increase as a result of the initiation and completion of urban renewal projects pursuant to the Amended Plan.

SECTION 8: The City Council hereby approves and adopts the following statement policy relating to the appointment of City Council members as members of the Agency's Board of Commissioners: If any City Council members are appointed to the Board, they are not acting in an ex officio capacity but, rather, as private citizens who, although they are also members of the City Council, are exercising their independent judgment as private citizens when they sit on the Board. Except for the powers to appoint and terminate Board members and to adopt the Amended Plan, the City Council recognizes that it has no power to control the powers or operations of the Agency.

SECTION 9: So long as any Agency bonds, notes or other obligations are outstanding, the City Council will not exercise its power under Idaho Code section 50-2006 to designate itself as the Agency Board.

SECTION 10: This Ordinance shall be in full force and effect immediately upon its passage, approval, and publication and shall be retroactive to January 1, 2014, to the extent permitted by the Act relating to the area added by the Amended Plan, January 1, 2003, for the Downtown Plan, and January 1, 2009, for the Amended

Restated Downtown Plan.

SECTION 11: The provisions of this Ordinance are severable, and if any provision of this Ordinance or the application of such provision to any person or circumstance is declared invalid for any reason, such declaration shall not affect the validity of remaining portions of this Ordinance.

SECTION 12: One-half plus one of the City Council members finding good cause, the City Council hereby dispenses with the rule that this Ordinance be read on three different days, and have hereby adopted this Ordinance, having considered it at one reading.

SECTION 13: The Summary of this Ordinance, a copy of which is attached hereto as Exhibit 4, is hereby approved.

SECTION 14: All ordinances, resolutions, orders or parts thereof in conflict herewith are hereby repealed, rescinded and annulled.

SECTION 15: SAVINGS CLAUSE: This ordinance does not affect an action or proceeding commenced or right accrued before this ordinance takes effect.

PASSED by the City Council of the city of Rexburg, Idaho, on this 5th day of November 2014.

APPROVED by the Mayor of the city of Rexburg, Idaho, on this 5th day of November 2014.

EXHIBITS TO THE ORDINANCE

- Exhibit 1 Resolution of the Rexburg Planning and Zoning Commission Relating to the Second Amended and Restated Downtown District Redevelopment Plan for the City of Rexburg
- Exhibit 2 Notice Published in the *Standard Journal*
- Exhibit 3 Second Amended and Restated Downtown District Redevelopment Plan
- Exhibit 4 Ordinance Summary

SUMMARY OF AMENDED PLAN

The Second Amended and Restated Downtown District Redevelopment Plan (“Amended Plan”) was prepared by the urban renewal agency of the city of Rexburg, the Rexburg Redevelopment Agency (“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 Idaho Constitution, and all applicable laws and ordinances and was approved by the Agency. The Amended Plan provides for the Agency to undertake urban renewal projects pursuant to the Law and Act. The Amended Plan contains a revenue allocation financing provision pursuant to the Act that will cause property taxes related to the East 2nd South Area resulting from any increases in equalized assessed valuation in excess of the equalized assessed valuation as shown on the original base assessment roll as of January 1, 2014, to be allocated to the Agency for the urban renewal purposes. The base assessment roll date for the original Downtown Plan remains at January 1, 2003, and January 1, 2009, for the Amended and Restated Downtown Plan

The general scope and objectives of the Amended Plan are:

1. Acquisition of certain real property (if needed) and through the voluntary measures described in Section 305;
2. Demolition or removal of certain buildings and improvements for public rights-of-way for streets, utilities, walkways, and other improvements for public facility building sites, to eliminate unhealthful, unsanitary, or unsafe conditions, improve density, eliminate obsolete or other uses detrimental to

the public welfare, or otherwise to remove or to prevent the spread of deteriorating or deteriorated conditions;

3. Provision for participation by property owners within the Amended Project Area to achieve the objectives of this Plan;
4. Management of any property acquired by and under the ownership and control of the Agency;
5. Provision for relocation assistance to displaced Amended Project Area occupants, as required by law;
6. The installation, construction, or reconstruction of streets, railroad spurs (as allowed by law), utilities, including electrical distribution and transmission lines in underground configuration, if needed to encourage new developments, fiber optic or other communication systems, parking facilities, and other public improvements, including, but not limited to, irrigation and drainage laterals and ditches, canal crossings, storm drain systems, water and sewer improvements, fire protection systems, streetlights, traffic signals, sidewalks, curbs, gutters, and other public improvements, including community facilities owned or occupied by the Agency or other public agencies, including the City's walkways, public open spaces, community centers, cultural centers and visitors or information centers as may be deemed appropriate by the Board, and also including other public improvements, such as, but not limited to, installation, construction or reconstruction of fire stations and/or police stations;
7. Disposition of property for uses in accordance with this Plan;
8. The redevelopment of land by private enterprise or public agencies for uses in accordance with this Plan;
9. Rehabilitation of structures and improvements by present owners, their successors, and the Agency;
10. Preparation and assembly of adequate sites for the development and construction of facilities for commercial, public, mixed-use development, office, appropriate retail, and other ancillary uses;
11. As allowed by law, lend or invest federal funds to facilitate redevelopment;
12. Construction of foundations, platforms, and other like structural forms necessary for the provision or utilization of air rights, sites for buildings to be used for residential, public, commercial, and other uses contemplated by the Plan, and to provide utilities to the development site; and
13. Coordinating with the City in the implementation of the City's Comprehensive Plan within the Project Area.

Any such land uses as described in the Amended Plan will be in conformance with zoning for the city of Rexburg and the City of Rexburg Vision 2020 Comprehensive Plan as adopted by the City Council. Land made available will be developed by private enterprises or public agencies as authorized by law. The Amended Plan identifies various public and private improvements which may be made within the Amended Project Area.

The Amended Project Area herein referred to is located generally as follows:

Original 2003 urban renewal revenue allocation area is more particularly described as follows:

- A. Description of urban renewal project area:

Blocks 32, 33, 34, 37, 38, 39, 40, and the surrounding streets of the Rexburg Original Townsite, Madison County, Idaho; lying within Sections 19 and 30 of Township 6 North, Range 40 East of the Boise Meridian.

More particularly as follows:

Beginning at a point 49.5 feet East of the Southeast corner of said Section 19, thence North 819 feet to the Southwest corner of Block 20, thence West 2,376 feet to the Northeast corner of Block 31, thence South 759 feet, thence West 759 feet, thence South 879 feet to the Northeast corner of Block 46, thence East 3,135 feet to the Northwest corner of Block 8 of the Rigby Addition to Rexburg, thence North 819 feet to the point of beginning.

B. Description of revenue allocation area:

Blocks 32, 33, 34, 37, 38, 39, 40, and the surrounding streets of the Rexburg Original Townsite, Madison County, Idaho; lying within Sections 19 and 30 of Township 6 North, Range 40 East of the Boise Meridian.

More particularly as follows:

Beginning at a point 49.5 feet East of the Southeast corner of said Section 19, thence North 819 feet to the Southwest corner of Block 20, thence West 2,376 feet to the Northeast corner of Block 31, thence South 759 feet, thence West 759 feet, thence South 879 feet to the Northeast corner of Block 46, thence East 3,135 feet to the Northwest corner of Block 8 of the Rigby Addition to Rexburg, thence North 819 feet to the point of beginning.

Less Lot 2 of Block 39 of the Original Rexburg Townsite.

Additional urban renewal/revenue allocation area (2009):

The West 2nd South Hemming Site Addition is included in the following description:

Beginning at a point 49.5 feet East of the Southeast corner of Section 19, Township 06 North, Range 40 E, Boise Meridian; running thence North 819 feet to the Southwest corner of Block 20; thence West 2,376 feet to the Northeast corner of Block 31; thence South 759 feet; thence West 759 feet; thence South 1,821.48 feet; thence East 209.59 feet; thence North 65.84 feet; thence East 148.20 feet; thence South 65.25 feet; thence East 82.73 feet; thence North 8.56 feet; thence East 17.25 feet; thence South 74.19 feet; thence East 409.58 feet; thence North 1,007.56 feet; thence East 2267.65 feet; thence North 818.96 feet to the point of beginning.

Less the following: Lot 2, Block 39 of the Original Rexburg Townsite.

Additional urban renewal/revenue allocation area (2014):

The East 2nd South Area amendment is included in the following description:

The right of way for the following street segments which are shown on the Original Rexburg Town site, Parker Addition, Rigby Addition, and the Princeton Court Subdivision which are described as follows:

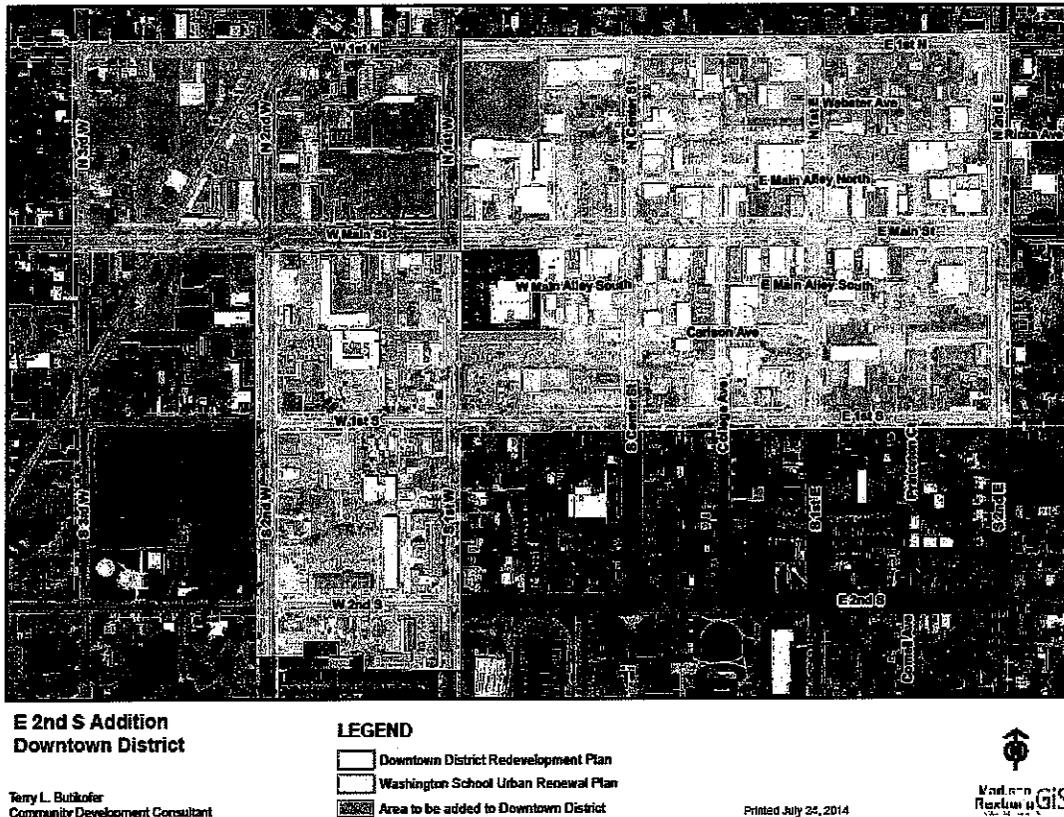
Center Street, College Ave, 1st East, and 2nd East from 1st South to 2nd South
All of Princeton Court
2nd South from 1st West to 2nd East

All of the right of ways are 99 feet except for College Ave which is 60 feet, and Princeton Court which is 33 feet ending in a 35 foot radius cul-de-sac

More particularly as follows:

[INSERT LEGAL FOR ADDED AREA]

The Amended Project Area is also depicted in the map below.



Sections 300 through 314 discuss the proposed redevelopment actions, participation opportunities and agreements, cooperation with public bodies, property acquisition standards and requirements, relocation, demolition, and property disposition.

Section 402 discusses the type of land uses authorized in the Amended Project Area.

Section 405 describes design guidelines for development.

The Amended Plan also contains a major section on financing. Among other sources, the Amended Plan will utilize revenue allocation financing, authorized by the Act. This statute was approved in 1988 by the Idaho Legislature. Section 504 and Attachment 5 discuss revenue allocation financing and show how such financing has worked and would work in the Amended Project Area in the future if certain new private developments occur as estimated.

Increases in assessed valuation of real and personal property in the East 2nd South Area that occur after January 1, 2014, will generate revenue for the Agency to pay project costs. Project costs include street improvements, environmental remediation, and other public improvement costs. The assessed valuation of real and personal property on the base assessment roll is still available for use by the other taxing districts, Madison County, city of Rexburg, Madison County Road and Bridge, Madison County Library, Madison County Ambulance, Madison County Mosquito Abatement, Rexburg Cemetery, and Madison County School #321 to finance their operations. The Amended Plan authorizes the Agency to sell revenue bonds to finance project costs and to use annual revenue allocations to pay the debt service.

The program outlined in the Amended Plan emphasizes the installation of needed public improvements, street improvements, utility work, and other costs to encourage private development.

Attachment 5 describes in detail the cost and financing methods for complete repayment of the debt incurred used to finance the projects and to also fund the additional described activities.

No change in the land use designation or the potential uses in the area have been proposed. The Amended Plan follows the underlying zoning classifications of the city of Rexburg.

Sections 600 and 700 describe cooperative activities by the Agency with the City.

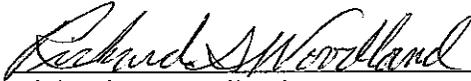
The duration of the Amended Plan is for twenty-four (24) years. A termination process is described in Section 800 of the Amended Plan. The Agency is required to prepare an annual report each year describing its activities during the previous year.

ATTACHMENTS TO THE AMENDED PLAN

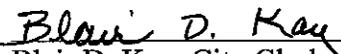
Attachment 1	Description of the Project Area and Revenue Allocation Area
Attachment 2	Project Area- Revenue Allocation Area Boundary Map
Attachment 3	Private Properties Which May be Acquired by Agency
Attachment 4	Map Depicting Expected Land Uses and Current Zoning within the Revenue Allocation Area and Project Area
Attachment 5	Statement of Proposed Public Improvements, Costs, Revenues, Tax Impacts and Financing Methods
Attachment 5A	Estimated Net Taxable Value of New Private Development (Commercial/Residential) Rexburg Downtown Urban Renewal Project, as Amended (7-24-2014)
Attachment 5B	Estimated Annual Tax Revenue Allocations Rexburg Downtown Urban Renewal Project, as Amended (7-24-2014)
Attachment 5C	Estimated Annual Revenues and Costs Rexburg Downtown Urban Renewal Project, as Amended (7-24-2014)
Attachment 5.4	Estimated Annual Revenues and Costs in the Area 4 Urban Renewal Project

The full text of Ordinance 1123 is available at the offices of the City Clerk, 35 North 1st East, Rexburg, Idaho.

This summary is approved by the Rexburg City Council at its meeting of November 5, 2014.

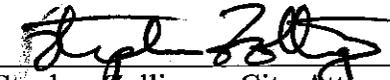

Richard S. Woodland, Mayor

ATTEST:


Blair D. Kay, City Clerk

I, Stephen Zollinger, City Attorney for the city of Rexburg, Idaho, hereby declare and certify that in my capacity as City Attorney of the city of Rexburg, pursuant to Idaho Code section 50-901A (3) of the Idaho Code as amended, I have reviewed a copy of the above Summary of Ordinance, have found the same to be true and complete, and said Summary of Ordinance provides adequate notice to the public of the contents, including the exhibits, of Ordinance No. 1123.

DATED this 5th day of November 2014.


Stephen Zollinger, City Attorney
Rexburg, Idaho

RESOLUTION OF THE REXBURG PLANNING AND ZONING COMMISSION
RELATING TO THE SECOND AMENDED AND RESTATED DOWNTOWN
DISTRICT REDEVELOPMENT PLAN FOR THE CITY OF REXBURG

WHEREAS, the Rexburg Redevelopment Agency (hereinafter "Agency"), has submitted a proposed Urban Renewal Plan entitled "Second Amended and Restated Downtown District Redevelopment Plan for the Downtown Urban Renewal Project" (the "Plan") to the City of Rexburg, and the City Council, through the Mayor, referred the Plan to the Rexburg Planning and Zoning Commission for review and recommendations concerning the conformity of said Plan with the Comprehensive Plan known as the City of Rexburg Vision 2020 Comprehensive Plan; and

WHEREAS, the staff of the Rexburg Planning and Zoning Commission has reviewed said Plan and has determined that it is in all respects in conformity with the Comprehensive Plan; and

WHEREAS, the Rexburg Planning and Zoning Commission met on October 2, 2014, to consider the Plan; and

WHEREAS, the Rexburg Planning and Zoning Commission has reviewed said Plan in view of the Comprehensive Plan.

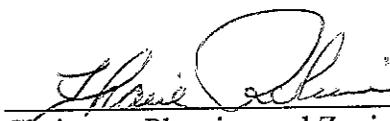
NOW, THEREFORE, BE IT RESOLVED BY THE PLANNING AND ZONING COMMISSION OF THE CITY OF REXBURG, IDAHO:

Section 1. That the Plan, submitted by the Rexburg Redevelopment Agency and referred to this Commission by the City Council for review, is in all respects in conformity with the Comprehensive Plan.

Section 2. That the Director of the Planning and Zoning Division by and hereby is authorized and directed to provide the Rexburg City Council with a certified copy of this Resolution relating to said Plan.

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

PASSED by the Planning and Zoning Commission of the City of Rexburg, Idaho, this 2nd day of October 2014.



Chairman, Planning and Zoning Commission

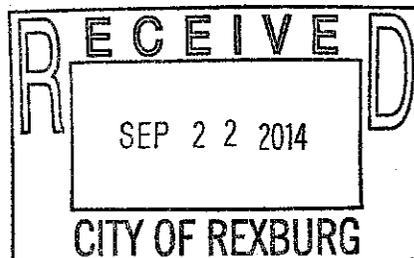


Director, Planning and Zoning Division

The Rexburg Redevelopment Agency

September 22, 2014

Elaine McFerrin
City of Rexburg
Planning and Zoning Coordinator
35 North 1st East
Rexburg, ID 83440



RE: Second Amended and Restated Downtown District Redevelopment Plan for the
Downtown Urban Renewal Project

Dear Planning and Zoning Commission:

In compliance with the Idaho Urban Renewal Law of 1965, as amended, Chapter 20, Title 50 (the "Law") and the Local Economic Development Act, Chapter 29, Title 50, Idaho Code, as amended (the "Act"), the Rexburg Redevelopment Agency is providing you with a copy of the Second Amended and Restated Downtown District Redevelopment Plan for the Downtown Urban Renewal Project. Under the provisions of the Law and the Act, This plan must be reviewed by the Planning & Zoning Commission.

To expedite your review of this plan, I have provided you with a descriptive discussion of the general scope and objectives of the plan as well as a description of the Urban Renewal Area being recommended. This will be much easier than wading through the entire plan that you have reviewed when it was initially created and again when it was modified the first time. You found that the plan complied with your comprehensive plan both times. The Planning and Zoning Commissions finding will be passed on to the City Council before they conduct a public hearing regarding the adoption of this modified plan.

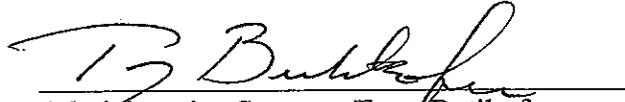
As you will see in the discussion attached to this cover letter, the modifications being made to the existing downtown plan include language that would allow the Rexburg Redevelopment Agency to assist the County and City of Rexburg to help with the construction or reconstruction of public buildings such as fire stations and/or police stations. Additional modifications being made include the addition of five downtown city streets to the Urban Renewal Area to allow tax increment financing to be used to fund improvements to be made to these streets.

The Rexburg Redevelopment Agency is requesting the Planning and Zoning Commission to review the plan and make a finding that these modifications being made to the plan complies with the City's Comprehensive Plan.

Thank you for your consideration of this plan as it relates to compliance with the Comprehensive Plan. If you have any questions please do not hesitate to contact me.

Very truly yours,

REXBURG REDEVELOPMENT AGENCY


Administrative Support, Terry Butikofer

GENERAL SCOPE AND OBJECTIVES AND GENERAL DESCRIPTION OF THE
SECOND AMENDED AND RESTATED URBAN RENEWAL PLAN
REXBURG REDEVELOPMENT PROJECT
OF THE REXBURG REDEVELOPMENT AGENCY
OF THE CITY OF REXBURG

The general scope and objectives of the Plan are:

1. Acquisition of certain real property (if needed) and through the voluntary measures described in Section 305;
2. Demolition or removal of certain buildings and improvements for public rights-of-way for streets, utilities, walkways, and other improvements for public facility building sites, to eliminate unhealthful, unsanitary, or unsafe conditions, improve density, eliminate obsolete or other uses detrimental to the public welfare, or otherwise to remove or to prevent the spread of deteriorating or deteriorated conditions;
3. Provision for participation by property owners within the Project Area to achieve the objectives of this Plan;
4. Management of any property acquired by and under the ownership and control of the Agency;
5. Provision for relocation assistance to displaced Project Area occupants, as required by law;
6. * The installation, construction, or reconstruction of streets, railroad spurs (as allowed by law), utilities, including electrical distribution and transmission lines in underground configuration, if needed to encourage new developments, fiber optic or other communication systems, parking facilities, and other public improvements, including, but not limited to, irrigation and drainage laterals and ditches, canal crossings, storm drain systems, water and sewer improvements, fire protection systems, streetlights, traffic signals, sidewalks, curbs, gutters, and other public improvements, including community facilities owned or occupied by the Agency or other public agencies, including the City's walkways, public open spaces, community centers, cultural centers and visitors or information centers as may be deemed appropriate by the Board, and also including other public improvements, such as, but not limited to, installation, construction or reconstruction of fire stations and/or police stations;
7. Disposition of property for uses in accordance with this Plan;
8. The redevelopment of land by private enterprise or public agencies for uses in accordance with this Plan;
9. Rehabilitation of structures and improvements by present owners, their successors, and the Agency;

10. Preparation and assembly of adequate sites for the development and construction of facilities for commercial, public, mixed-use development, office, appropriate retail, and other ancillary uses;
11. As allowed by law, lend or invest federal funds to facilitate redevelopment;
12. Construction of foundations, platforms, and other like structural forms necessary for the provision or utilization of air rights, sites for buildings to be used for residential, public, commercial, and other uses contemplated by the Plan, and to provide utilities to the development site; and
13. Coordinating with the City in the implementation of the City's Comprehensive Plan within the Project Area.

Any such land uses as described in the Plan will be in conformance with zoning for the city of Rexburg and the Comprehensive Plan for the city of Rexburg, as adopted by the City Council. Land made available will be developed by private enterprises or public agencies as authorized by law. The Plan identifies various public and private improvements which may be made within the Urban Renewal Area.

The Urban Renewal Project Area and Revenue Allocation Area herein referred to is described as follows:

Original 2003 urban renewal revenue allocation area is more particularly described as follows:

A. Description of urban renewal project area:

Blocks 32, 33, 34, 37, 38, 39, 40, and the surrounding streets of the Rexburg Original Townsite, Madison County, Idaho; lying within Sections 19 and 30 of Township 6 North, Range 40 East of the Boise Meridian.

More particularly as follows:

Beginning at a point 49.5 feet East of the Southeast corner of said Section 19, thence North 819 feet to the Southwest corner of Block 20, thence West 2,376 feet to the Northeast corner of Block 31, thence South 759 feet, thence West 759 feet, thence South 879 feet to the Northeast corner of Block 46, thence East 3,135 feet to the Northwest corner of Block 8 of the Rigby Addition to Rexburg, thence North 819 feet to the point of beginning.

B. Description of revenue allocation area:

Blocks 32, 33, 34, 37, 38, 39, 40, and the surrounding streets of the Rexburg Original Townsite, Madison County, Idaho; lying within Sections 19 and 30 of

Township 6 North, Range 40 East of the Boise Meridian.

More particularly as follows:

Beginning at a point 49.5 feet East of the Southeast corner of said Section 19, thence North 819 feet to the Southwest corner of Block 20, thence West 2,376 feet to the Northeast corner of Block 31, thence South 759 feet, thence West 759 feet, thence South 879 feet to the Northeast corner of Block 46, thence East 3,135 feet to the Northwest corner of Block 8 of the Rigby Addition to Rexburg, thence North 819 feet to the point of beginning.

Less Lot 2 of Block 39 of the Original Rexburg Townsite.

Additional urban renewal/revenue allocation area (2009):

The West 2nd South Hemming Site Addition is included in the following description:

Beginning at a point 49.5 feet East of the Southeast corner of Section 19, Township 06 North, Range 40 E, Boise Meridian; running thence North 819 feet to the Southwest corner of Block 20; thence West 2,376 feet to the Northeast corner of Block 31; thence South 759 feet; thence West 759 feet; thence South 1,821.48 feet; thence East 209.59 feet; thence North 65.84 feet; thence East 148.20 feet; thence South 65.25 feet; thence East 82.73 feet; thence North 8.56 feet; thence East 17.25 feet; thence South 74.19 feet; thence East 409.58 feet; thence North 1,007.56 feet; thence East 2267.65 feet; thence North 818.96 feet to the point of beginning.

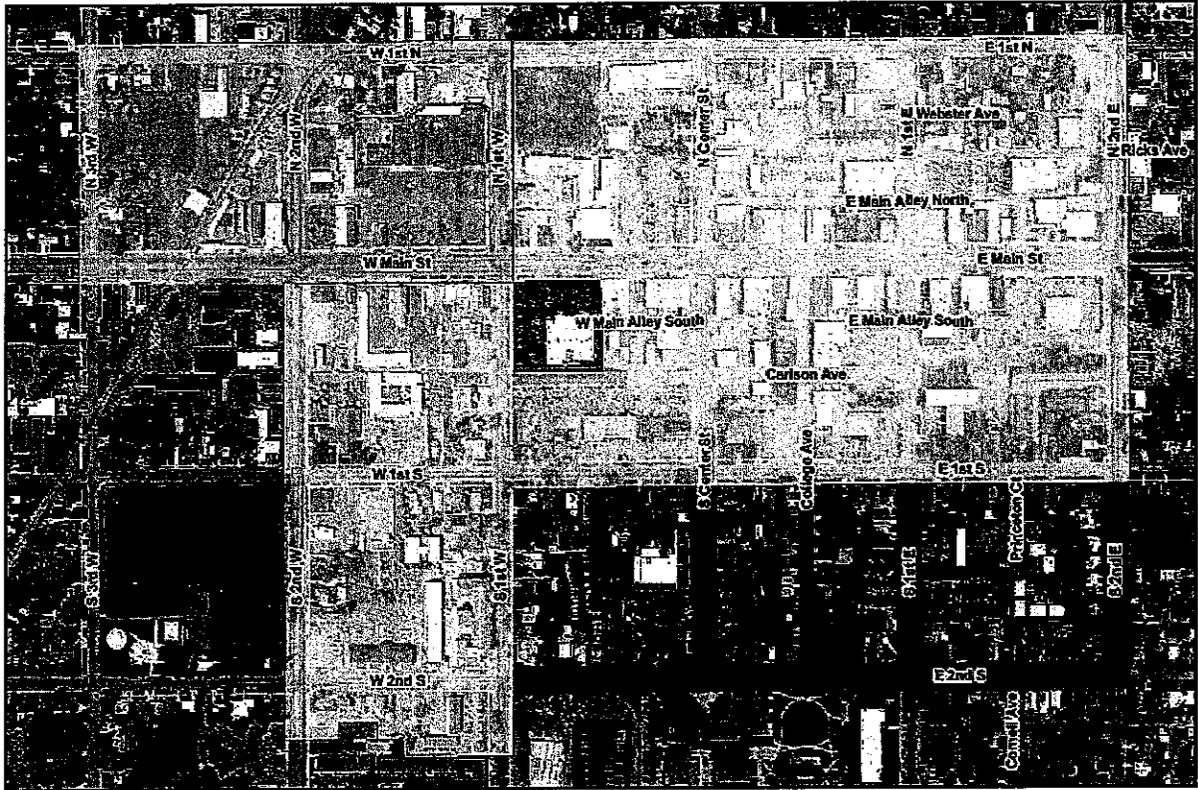
Less the following: Lot 2, Block 39 of the Original Rexburg Townsite.

Additional urban renewal/revenue allocation area (2014):

The East 2nd South Area is described as the public right-of-way or easement that includes:

2nd South Street from 1st West Street to and including its intersection with 2nd East Street
Center Street from 1st South to 2nd South Streets
College Avenue from 1st South to 2nd South Streets
1st East Street from 1st South to 2nd South Streets
Princeton Court cul-de-sac
2nd East Street from 1st South to 2nd South Streets

The major modifications to this plan have been highlighted in yellow. The project areas are also depicted in the map below.



**E 2nd S Addition
Downtown District**

Terry L. Bulkofer
Community Development Consultant

LEGEND

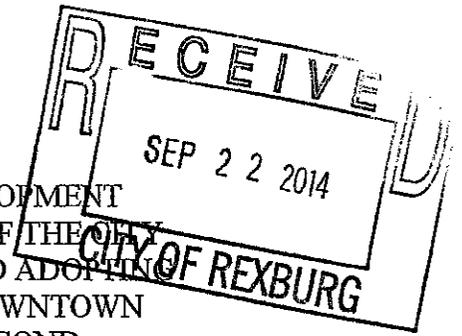
- Downtown District Redevelopment Plan
- Washington School Urban Renewal Plan
- Area to be added to Downtown District

Printed July 24, 2014



Copies of the proposed Plan are on file for public inspection and copying for the cost of duplication at the office of the City Clerk of Rexburg, 35 North 1st East, Rexburg, Idaho, between the hours of 8:00 a.m. and 4:00 p.m., Monday through Friday, exclusive of holidays. Elaine has also been provided a copy.

RESOLUTION NO. 2014-6



A RESOLUTION OF THE REXBURG REDEVELOPMENT AGENCY, THE URBAN RENEWAL AGENCY OF THE CITY OF REXBURG, IDAHO, RECOMMENDING AND ADOPTING THE SECOND AMENDED AND RESTATED DOWNTOWN DISTRICT REDEVELOPMENT PLAN, EAST SECOND SOUTH ADDITION, WHICH SECOND AMENDED AND RESTATED PLAN INCLUDES REVENUE ALLOCATION FINANCING PROVISIONS; AUTHORIZING THE CHAIRMAN OR ADMINISTRATOR AND THE SECRETARY OF THE AGENCY TO TAKE APPROPRIATE ACTION; AND PROVIDING FOR THIS RESOLUTION TO BE EFFECTIVE UPON ITS PASSAGE AND APPROVAL.

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

WHEREAS, the City Council of the City of Rexburg, Idaho (the "City"), 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 Urban Renewal Plan and making certain findings;

WHEREAS, the Rexburg 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 Rexburg City Council, after notice duly published, conducted a public hearing on April 9, 1997, and passed Resolution No. 97.01, finding the Washington School Site Area as "deteriorated" or "deteriorating area" as defined by Idaho Code Section 50-2018(h), (I) and 50-2903(b) declaring such area as an urban renewal area, making the necessary findings as

required by Idaho Code Section 50-2008(a) and authorizing the Agency to prepare an urban renewal plan;

WHEREAS, the Rexburg City Council, after notice duly published, conducted a public hearing on the Washington School Urban Renewal Plan (the "Washington School Urban Renewal Plan");

WHEREAS, following said public hearing, the City Council adopted its Ordinance No. 794 on June 3, 1997, approving the Washington School Urban Renewal Plan, and making certain findings;

WHEREAS, the Rexburg 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 Rexburg City Council, after notice duly published, conducted a public hearing on the University Boulevard-South 12th West Urban Renewal Plan ("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 Rexburg City Council, after notice duly published, conducted a public hearing on the Amended and Restated Downtown District Redevelopment Plan ("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, based on inquiries and information presented by certain interested parties and property owners, 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, the Agency commenced certain discussions concerning examination of the additional area as appropriate for an urban renewal project;

WHEREAS, in April 2014, the Agency authorized the commencement of an eligibility study and preparation of an eligibility report of the area and surrounding properties;

WHEREAS, the Agency has obtained an eligibility report (the "Report"), which examined an area in downtown Rexburg in an area known as the East 2nd South Urban Renewal Project Area for the purpose of determining whether such area was a deteriorating area and deteriorated area as defined by Idaho Code Sections 50-2018(9) and 50-2903(8);

WHEREAS, the Agency accepted the Report by way of Resolution No. 2014 - 4 at the June 17, 2014, meeting of the Agency Board;

WHEREAS, pursuant to the Resolution adopted by the Agency on June 17, 2014, the Agency has sought authorization to pursue the development of an urban renewal plan for the City within a geographical area which the Agency seeks the City Council determination of qualification for urban renewal activity;

WHEREAS, at its July 2, 2014, meeting the City Council considered the Eligibility Report for designation of an urban renewal area;

WHEREAS, by approval of City Council Resolution No. 2014-12, the City Council directed the Agency to commence preparation of an urban renewal plan for the area designated;

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;

WHEREAS, the Agency has previously commenced the implementation of the Amended and Restated Downtown Plan;

WHEREAS, the Agency has now proposed to embarked on a revised urban renewal project referred to as the Second Amended and Restated Downtown District Redevelopment Plan, East Second South Addition ("Second Amended and Restated Downtown District Redevelopment Plan") to redevelop a portion of the City pursuant to the Law and the Local Economic Development Act, Chapter 29, Title 50, Idaho Code (hereinafter the "Act");

WHEREAS, the Second Amended and Restated Downtown District Redevelopment Plan proposes to add an additional urban renewal area referred to as the East Second South Addition, located in the following area: an area generally described as the following public street rights-of-way:

1. East 2nd South Street from South 1st West Street to South 2nd East Street;
2. South Center Street from East 1st South Street to East 2nd South Street;
3. College Avenue from East 1st South Street to East 2nd South Street;

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4. South 1st East Street from East 1st South Street to East 2nd South Street;
5. Princeton Court; and
6. South 2nd East from East 1st South Street to East 2nd South Street.

WHEREAS, the Second Amended and Restated Downtown District Redevelopment Plan updates certain provisions and financial information from the prior version of the Amended and Restated Downtown Plan, adopted in 2009, changes in the Law and Act since 2009, and provide a projection concerning remaining and additional improvements, projected expenses, and anticipated revenues through 2029;

WHEREAS, the Agency has prepared the proposed Second Amended and Restated Downtown District Redevelopment Plan for the area previously designated as eligible for urban renewal planning;

WHEREAS, the Act authorizes certain urban renewal agencies (including the Agency), to adopt revenue allocation financing provisions as part of their urban renewal plans;

WHEREAS, in order to implement the provisions of the Act and the Law either the Agency may prepare a plan, or any person, public or private, may submit such plan to the Agency;

WHEREAS, such proposed Second Amended and Restated Downtown District Redevelopment Plan also contains provisions of revenue allocation financing as allowed by the Act;

WHEREAS, in order to implement the provisions of the Act, the Agency shall prepare and adopt a plan for each revenue allocation area and submit the Second Amended and Restated Downtown District Redevelopment Plan and recommendation for approval thereof to the City Council;

WHEREAS, as required by the Act, the Agency has reviewed the information within the Second Amended and Restated Downtown District Redevelopment Plan concerning use of revenue allocation funds and approved such information;

WHEREAS, the Agency Board, at several meetings in 2014, has considered public improvements related to the Amended and Restated Downtown Project Area;

WHEREAS, such Second Amended and Restated Downtown District Redevelopment Plan will be tendered to the Planning and Zoning Commission and to the City for their consideration and review as required by the Law and the Act;

WHEREAS, under the Act, the Second Amended and Restated Downtown District Redevelopment Plan shall include a statement listing; (1) 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) 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 in the revenue allocation area; and (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(2); and (8) a description of the disposition or retention of any assets of the agency upon the termination date;

WHEREAS, the Agency Board has considered all information submitted to date and all comments and information submitted to the Agency during the July 24, 2014, meeting;

WHEREAS, it is necessary and in the best interests of the citizens of the City to recommend approval of the Second Amended and Restated Downtown District Redevelopment Plan and to adopt, as part of the Second Amended and Restated Downtown District Redevelopment Plan, revenue allocation financing provisions that will help finance urban renewal projects to be completed in accordance with the Second Amended and Restated Downtown District Redevelopment Plan (as now or hereafter amended), in order to (1) encourage private development in the urban renewal area; (2) to prevent and arrest decay of the Second Amended and Restated Downtown District Redevelopment Plan Area due to the inability of existing financing methods to provide needed public improvements; (3) to encourage taxing districts to cooperate in the allocation of future tax revenues arising in the Second Amended and Restated Downtown District Redevelopment Plan Area in order to facilitate the long-term growth of their common tax base; (4) to encourage the long-term growth of their common tax base; (5) to encourage private investment within the city of Rexburg and (6) to further the public purposes of the Rexburg Redevelopment Agency;

WHEREAS, the Board of Commissioners of the Agency finds that the equalized assessed valuation of the taxable property in the revenue allocation area described in Attachments 1 and 2 of the Second Amended and Restated Downtown District Redevelopment Plan is likely to continue to increase as a result of initiation of urban renewal projects in accordance with the Second Amended and Restated Downtown District Redevelopment Plan;

WHEREAS, under the Law and Act, any such Plan should provide for (1) a feasible method 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 should conform to the general plan of the municipality as a whole; (3) the urban renewal plan should 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 the children residing in the general vicinity of the site covered by the plan; and (4) the urban renewal plan should 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;

WHEREAS, if the urban renewal area consists of an area of open land to be acquired by the urban renewal agency, such area shall not be so acquired unless (1) if it is to be developed for residential uses, the local governing body shall determine that a shortage of housing of sound standards and design which is decent, safe and sanitary exists in the municipality; that the need

for housing accommodations has been or will be increased as a result of the clearance of slums in other areas; that the conditions of blight in the area and the shortage of decent, safe and sanitary housing cause or contribute to an increase in and spread of disease and crime and constitute a menace to the public health, safety, morals, or welfare; and that the acquisition of the area for residential uses is an integral part of and essential to the program of the municipality, or (2) if it is to be developed for nonresidential uses, the local governing body shall determine that such nonresidential uses are necessary and appropriate to facilitate the proper growth and development of the community in accordance with sound planning standards and local community objectives, which acquisition may require the exercise of governmental action, as provided in the Law, 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;

WHEREAS, the overall Second Amended and Restated Downtown District Redevelopment Plan Area base assessment roll, along with the Washington School Plan Area and the North Highway Plan Area, as amended, and the University Boulevard Plan Area cannot exceed ten percent (10%) of the Base Assessment Value of the City;

WHEREAS, the area to be added to the Second Amended and Restated Downtown District Development Plan Project Area cannot exceed ten percent (10%) of the area within the Amended and Restated Downtown Project Area, and the area to be added is contiguous to the Amended and Restated Downtown Project Area;

WHEREAS, Agency staff and consultants recommend the Board accept the Second Amended and Restated Downtown District Redevelopment Plan and forward it to the City Council;

WHEREAS, the Board finds it in the best public interest to recommend approval of the adoption of the Second Amended and Restated Downtown District Redevelopment Plan as set forth in Exhibit 1 attached hereto and incorporated herein by reference and to forward it to the Mayor and City Council of the City.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE REXBURG REDEVELOPMENT AGENCY, REXBURG, IDAHO AS FOLLOWS:

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

Section 2: It is hereby found and determined that the project area as defined in the Second Amended and Restated Downtown District Redevelopment Plan is a deteriorated or a deteriorating area as defined in the Urban Renewal Law and the Economic Development Act and qualifies as an eligible urban renewal area under the Urban Renewal Law.

Section 3: That the Agency recommends that the Second Amended and Restated Downtown District Redevelopment Plan, a copy of which is attached hereto as Exhibit 1 and incorporated herein by reference, be adopted by the City Council including those sections, modifications, or text discussed at the July 24, 2014, Board meeting.

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Section 4: That this Resolution constitutes the necessary action of the Agency under the Act, Section 50-2905, recommending approval by the City Council and that the Second Amended and Restated Downtown District Redevelopment Plan includes a statement (1) 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) 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 in the revenue allocation area; and (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(2); and (8) a description of the disposition or retention of any assets of the agency upon the termination date.

Section 5: It is hereby found and determined that:

(a) The Second Amended and Restated Downtown District Redevelopment Plan gives due consideration to the provision of adequate park and recreation areas and facilities that may be desirable for neighborhood improvement (recognizing the commercial and industrial component of the Second Amended and Restated Downtown District Redevelopment Plan and the need for public improvements), and shows consideration for the health, safety, and welfare of any residents or businesses in the general vicinity of the urban renewal area covered by the Second Amended and Restated Downtown District Redevelopment Plan.

(b) The Second Amended and Restated Downtown District Redevelopment Plan affords maximum opportunity consistent with the sound needs of the City as a whole for the rehabilitation and redevelopment of the Project Area by private enterprises.

(c) The Second Amended and Restated Downtown District Redevelopment Plan provides a feasible method for relocation of any displaced families residing within the Project Area.

(d) The Project Area and Revenue Allocation Area may contain certain open land, that the Agency does not intend to acquire any open land on any widespread basis, and that the Project Area is planned to be redeveloped in a manner that will include both residential and non-residential uses. Provided, however, that if portions of the Project Area and Revenue Allocation Area are deemed "open land" the criteria set forth in the Law and Act have been met.

(e) That portion of the Project Area which is identified for non-residential uses is necessary and appropriate to facilitate the proper growth and development standards in accordance with the objectives of the Comprehensive Plan to overcome economic disuse, the need for improved traffic patterns and the need for the correlation of this area with other areas of the City.

(f) The base assessment roll of the Second Amended and Restated Downtown District Redevelopment Plan Area, along with the Washington School Plan Area and the North

Highway Plan Area, as amended, and the University Boulevard Plan Area, does not exceed ten percent (10%) of the assessed value of the City.

(g) The area to be added to the Second Amended and Restated Downtown District Redevelopment Plan Project Area does not exceed ten percent (10%) of the geographical area contained within the Amended and Restated Downtown Project Area and the area to be added is contiguous to the Amended and Restated Downtown Project Area.

Section 6: The Chairman, or the Administrator, and the Secretary of the Agency are hereby authorized and directed to take all steps necessary and convenient to submit the proposed Second Amended and Restated Downtown District Redevelopment Plan for approval by the City including, but not limited to, the preparation of the notice of public hearing on adoption of the revenue allocation financing provisions by the City Council and submittal of the Second Amended and Restated Downtown District Redevelopment Plan to the various taxing entities as required by Idaho Code Section 50-2906.

Section 7. That this Resolution shall be in full force and effect immediately upon its adoption and approval.

PASSED by the Rexburg Redevelopment Agency of Rexburg, Idaho, on July 24, 2014. Signed by the Chairman of the Board of Commissioners, and attested by the Secretary to the Board of Commissioners, on July 24, 2014.

APPROVED:

REXBURG REDEVELOPMENT AGENCY

By Richard R. Horner
Chair

ATTEST:
By [Signature]
Secretary



CITY OF
REXBURG
America's Family Community

November 24, 2014

Madison County
City of Rexburg
Madison County Road and Bridge
Madison County Library
Madison County Ambulance
Madison County Mosquito Abatement
Rexburg Cemetery
Madison County School #321

TAXING ENTITY:

RE: Second Amended and Restated Downtown District Redevelopment Plan for the
Downtown Urban Renewal Project

Dear Sir or Madam:

Enclosed please find a copy of Ordinance No. 1123 approved by the City Council of Rexburg on November 5, 2014, and signed by the Mayor on November 5, 2014, which adopted the Second Amended and Restated Downtown District Redevelopment Plan for the Downtown Urban Renewal Project ("Plan"). Publication of the Ordinance Summary occurred on November 8, 2014. You are being provided a copy of the Ordinance and a copy of the summary of the Ordinance. No changes were made beyond what had been transmitted to you on September 26, 2014. As set forth in the Idaho Code Section 50-2907, you are also being provided a separate copy of the legal description of the revenue allocation area and a copy of the map depicting the revenue allocation area.

Should you desire a copy of the entire Plan and its attachments, copies can be obtained from the office of the City Clerk, 35 North 1st East, Rexburg, Idaho, 83440.

Sincerely,

Blair D. Kay

Blair Kay, City Clerk

Enclosures

cc: Mayor Richard S. Woodland
Richard Horner, Chair
Ryan P. Armbruster