

RECORDING FEE: \$0.00

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ORDINANCE NO. 3543
COUNCIL BILL NO. 16-1015

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COEUR D'ALENE, IDAHO, APPROVING THE FIRST AMENDMENT TO THE RIVER DISTRICT REDEVELOPMENT PLAN WHICH FIRST AMENDMENT SEEKS TO DEANNEX CERTAIN PARCELS FROM THE EXISTING RIVER DISTRICT PROJECT AREA; WHICH FIRST AMENDMENT AMENDS A PLAN THAT 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, on or about August 5, 1997, by Resolution No. 97-151 the City Council ("City Council") and Mayor of the City of Coeur d'Alene, Idaho (the "City") created an urban renewal agency, The Coeur d'Alene Urban Renewal Agency (formerly d/b/a Lake City Development Corporation and now d/b/a ignite cda, 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 (the "Law"), and the Local Economic Development Act, Chapter 29, Title 50, Idaho Code, as amended (the "Act"), upon making the findings of necessity required for creating said Agency;

WHEREAS, the City Council, after notice duly published, conducted a public hearing on the River District Redevelopment Plan (the "River District 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. 3155 on November 18, 2003, approving the River District Plan, and making certain findings;

WHEREAS, pursuant to Idaho Code § 50-2008(b), "any person or agency, public or private, may submit [an] urban renewal plan to an urban renewal agency;"

WHEREAS, the City seeks to amend the River District Plan to deannex certain parcels from the existing River District Project Area as described in the First Amendment defined below;

WHEREAS, the City has prepared the First Amendment to the River District Plan (the "First Amendment"), as set forth in Exhibit 1 attached hereto, identifying the parcels to be deannexed from the River District Project Area;

WHEREAS, the First Amendment amends the River District Plan, which contains provisions of revenue allocation financing as allowed by the Act;

WHEREAS, the City Council, on June 7, 2016, approved formal submission of the First Amendment to the Agency;

WHEREAS, on June 8, 2016, the Agency Board passed Resolution No. 2016-06 acknowledging receipt of and accepting the First Amendment;

WHEREAS, the Mayor and City Clerk have taken the necessary action to process the First Amendment;

WHEREAS, as of June 10, 2016, the First Amendment was submitted to the affected taxing entities, available to the public, and under consideration by the City Council;

WHEREAS, notice of the public hearing of the First Amendment was caused to be published by the Coeur d'Alene City Clerk in the *Coeur d'Alene Press* on June 11, 2016, a copy of said notice being attached hereto as Exhibit 2;

WHEREAS, as required by Idaho Code Section 50-2906, the First Amendment was made available to the general public and all taxing districts at least thirty (30) days prior to the July 13, 2016, special meeting of the City Council;

WHEREAS, appropriate notice of the First Amendment and the impact on the revenue allocation provision contained therein has been given to the taxing districts and to the public as required by Idaho Code Sections 50-2008 and 50-2906;

WHEREAS, at a meeting held June 14, 2016, the Coeur d'Alene Planning and Zoning Commission considered the First Amendment and found that the First Amendment is in all respects in conformity with the Comprehensive Plan; a copy of the Planning and Zoning Commission minutes, June 14, 2016 is attached hereto as Exhibit 3;

WHEREAS, the City Council during its special meeting on July 13, 2016, held the public hearing;

WHEREAS, it is necessary, and in the best interests of the citizens of the City to adopt the First Amendment;

WHEREAS, the City at its special meeting held on July 13, 2016, held a public hearing and considered the First Amendment as proposed, and made certain comprehensive findings; and

WHEREAS, the First Amendment amends a pre-July 1, 2016, plan containing a revenue allocation financing provision, and therefore, pursuant to Idaho Code Section 50-2903(4), there is no reset of the base assessment roll to the current values for the remaining Lake District Project Area.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF COEUR D'ALENE:

SECTION 1: The First Amendment attached hereto as Exhibit 1 and made a part hereof, is hereby approved. The City Clerk may make certain technical corrections or revisions in keeping with the information and testimony presented at the July 13, 2016, hearing.

SECTION 2: No direct or collateral action challenging the First Amendment 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 First Amendment.

SECTION 3: Upon the effective date of this Ordinance, the City Clerk is authorized and directed to transmit to the Kootenai County Auditor, Kootenai County Tax Assessor and Kootenai County Board of Commissioners, and to the appropriate officials of the Coeur d'Alene School District No. 271, Kootenai County EMS, North Idaho College, Eastside Highway District, Lakeside Highway District, Worley Highway District, Post Falls Highway District and the Idaho State Tax Commission a copy of this Ordinance, a copy of the legal description and a map indicating the parcels to be deannexed from the existing River District Project Area.

SECTION 4: This Ordinance shall be in full force and effect immediately upon its passage, approval, and publication.

SECTION 5: 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 6: At least 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; two readings of which shall be in full, and have hereby adopted this Ordinance, having considered it at one reading.

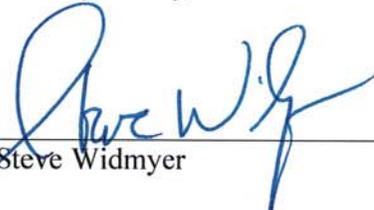
SECTION 7: The Summary of this Ordinance, a copy of which is attached hereto as Exhibit 4, is hereby approved.

SECTION 8: All ordinances, resolutions, orders or parts thereof in conflict herewith are hereby repealed, rescinded and annulled.

SECTION 9: SAVINGS CLAUSE: This Ordinance does not affect an action or proceeding commenced or right accrued before this Ordinance takes effect.

Passed under suspension of rules upon which a roll call vote was duly taken and duly enacted by an Ordinance of the City of Coeur d'Alene at a special call session of the City Council on July 13, 2016.

APPROVED, ADOPTED and SIGNED this 13th day of July, 2016.



Mayor Steve Widmyer

ATTEST:



Renata McLeod, City Clerk



EXHIBIT 1

**FIRST AMENDMENT TO THE
RIVER DISTRICT REDEVELOPMENT PLAN**

URBAN RENEWAL PROJECT

**COEUR D'ALENE URBAN RENEWAL AGENCY
(formerly d/b/a the Lake City Development Corporation and now d/b/a ignite cda)**

CITY OF COEUR D'ALENE, IDAHO

**Ordinance No. 3155
Adopted November 18, 2003
Effective November 26, 2003**

**First Amendment to the
River District Redevelopment Plan
Ordinance No. 3543
Adopted July 13, 2016
Effective July 15, 2016**

EXHIBIT 1

BACKGROUND

This First Amendment (“First Amendment”) to the River District Redevelopment Plan (the “Plan”) deannexes certain parcels from the plan area/revenue allocation area created by the Plan commonly referred to as the “River District Project Area.” The scope of this First Amendment is limited to addressing the deannexation of certain parcels from the River District Project Area. It is important to note the deannexation of parcels from the River District Project Area does not change the termination date.

As a result of the deannexation, in 2016 through the remaining years of the Plan, the Coeur d’Alene Urban Renewal Agency formerly d/b/a Lake City Development Corporation and now d/b/a ignite cda (the “Agency”) will cease receiving an allocation of revenues from the deannexed parcels. The increment value of the parcels deannexed from the River District Project Area shall be included in the net taxable value of the taxing district when calculating the subsequent property tax levies pursuant to section 63-803, Idaho Code. The increment value shall also be included in subsequent notification of taxable value for each taxing district pursuant to section 63-1312, Idaho Code, and subsequent certification of actual and adjusted market values for each school district pursuant to section 63-315, Idaho Code. The Kootenai County Assessor’s Office maintains the value information, including the increment value, if any, included on the new construction roll for new construction associated with the deannexed parcels. The amount added to the new construction roll will equal the amount by which the December 31, 2015, increment value exceeds the incremental value as of December 31, 2006.

House Bill 606, effective July 1, 2016, amended the Idaho Urban Renewal Law of 1965, Chapter 20, Title 50, Idaho Code, as amended (the “Law”) and the Local Economic Development Act, Chapter 29, Title 50, Idaho Code, as amended (the “Act”) confirming that a plan amendment to the Plan does not result in a reset of the base assessment roll values: “[f]or plans adopted or modified prior to July 1, 2016, and for subsequent modifications of those urban renewal plans, the value of the base assessment roll of property within the revenue allocation area shall be determined as if the modification had not occurred.” Idaho Code § 50-2903(4). Further a plan amendment to accommodate a de-annexation in the revenue allocation boundary is also an identified exception to the base reset requirement. Idaho Code § 50-2903A(1)(a)(iii).

AMENDMENTS TO THE PLAN

1. Definitions. Capitalized terms not otherwise defined herein shall have the respective meanings ascribed to such terms in the Plan.
2. The following defined terms are amended throughout the Plan as follows:
 - (a) Delete “LCDC” and replace with “Agency.”
 - (b) Delete “Project Area” and replace with “Amended Project Area” except where specifically referenced in this First Amendment.

EXHIBIT 1

3 Amendment to Section 102.1 of the Plan.

(a) Section 102.1 entitled “CONFORMANCE WITH STATE OF IDAHO URBAN RENEWAL LAW OF 1965, AS AMENDED” is amended by adding a new paragraph to the end of the existing language as follows:

This First Amendment to the River District Redevelopment Plan (the “First Amendment”) deannexes certain parcels from the existing Project Area, resulting in an “Amended Project Area” as further described in Attachments 1 and 2. Pursuant to the Law, the City Council, having published due notice thereof, held a public hearing on the First Amendment. Notice of the hearing was duly published in a newspaper having general circulation. The City Council adopted the First Amendment on July 13, 2016, pursuant to Ordinance No. 3543.

4. Amendment to Section 200 of the Plan.

(a) Section 200 entitled “DESCRIPTION OF PROJECT AREA” is deleted and replaced as follows:

DESCRIPTION OF THE AMENDED PROJECT AREA

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

5. Amendment to Section 302 of the Plan.

(a) Section 302 is amended by deleting the first sentence of the second paragraph and replacing it as follows:

The Amended Project Area consists of approximately 56.50 acres, with boundaries along the I-90 freeway on the north, Huetter Road on the west, Spokane River on the south, and Beebe Boulevard on the east, less the parcels deannexed pursuant to the First Amendment as shown on Attachments 1 and 2.

6. Amendment to Section 504 of the Plan.

EXHIBIT 1

(a) Section 504 is amended by adding a new sentence immediately following the end of the first sentence of the first paragraph as follows: Revenue allocation financing authority for the deannexed parcels pursuant to the First Amendment will be terminated effective January 1, 2016.

(b) Section 504 is amended by adding a new sentence following the first sentence of the fourth paragraph as follows: The estimated financial impact to the Agency as a result of the deannexation of certain parcels from the existing Project Area pursuant to the First Amendment is set forth in the Supplement to the Economic Feasibility Study for the River District Urban Renewal Area in Attachment 5A.

7. Amendment to Section 504.1 of the Plan.

(a) Section 504.1 is amended by adding a new sentence immediately following the end of the second sentence as follows: No modifications to the Study have been made as a result of this First Amendment; however, the estimated financial impact to the Agency as a result of the deannexation of certain parcels from the existing Project Area pursuant to the First Amendment is set forth in the Supplement to the Economic Feasibility Study for the River District Urban Renewal Area in Attachment 5A.

8. Amendment to Section 504.3 of the Plan.

(a) Section 504.3 is amended by adding a new sentence at the end of the paragraph as follows: The deannexation of parcels from the existing Project Area pursuant to the First Amendment will not change this analysis.

9. Amendment to Section 504.4 of the Plan.

(a) Section 504.4 is amended by adding a new sentence at the end of the second paragraph as follows: The deannexation of parcels from the existing Project Area pursuant to the First Amendment will impact the amount of revenue generated by revenue allocation as set forth in Attachment 5A.

(b) Section 504.4 is amended by adding a new sentence at the end of the third paragraph as follows: Based on the findings set forth in Attachment 5A pursuant to the First Amendment the conclusion is the deannexation of certain parcels from the existing Project Area pursuant to the First Amendment does not change the analysis and the Project continues to be feasible.

EXHIBIT 1

10. Amendment to Attachment 1 of the Plan.

(a) Attachment 1 entitled “Description of the Project Area and Revenue Allocation Area Boundaries” is deleted and replaced with Attachment 1 entitled “Description of the Amended Project Area and Amended Revenue Allocation Area Boundaries,” attached hereto.

11. Amendment to Attachment 2 of the Plan.

(a) Attachment 2 entitled “Project Area – Revenue Allocation Area Boundary Map” is deleted and replaced with Attachment 2 entitled “Amended Project Area-Amended Revenue Allocation Area Boundary Map,” attached hereto.

12. Amendment to Plan to add new Attachment 5A.

(a) The Plan is amended to add new Attachment 5A entitled “Supplement to the Economic Feasibility Study for the River District Urban Renewal Area,” attached hereto.

13. River District Redevelopment Plan Remains in Effect. Except as expressly modified in this First Amendment, the Plan and the Attachments thereto remain in full force and effect.

EXHIBIT 1 - ATTACHMENT 1

Description of the Amended Project Area and Amended Revenue Allocation Area Boundaries

River URD

De-annexation Legal Description

Those portions of the southwest quarter and the southeast quarter of Section 4, Government Lot 4 of Section 8 and Government Lots 1, 2 and 3 of Section 9, all within Township 50 North, Range 4 West, Boise Meridian, Kootenai County, Idaho, described as follows:

Lots 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 29, 30, 31, 32, 33, and 34, Block 1 of Edgewater at Mill River as recorded in Book J of Plats, Pages 60, 60A and 60B, records of Kootenai County, Idaho;

Lots 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, Block 6 and Lot 1, Block 7 of Mill River First Addition as recorded in Book J of Plats, Pages 202, 202A, 202B, 202C and 202D, records of Kootenai County, Idaho;

Lots 1 and 2, Block 1 of Seltice Medical as recorded in Book K of Plats, Pages 90 and 90A, records of Kootenai County, Idaho;

Lots 2, 3, 4, 5 and 6, Block 1 of Twenty-Six as recorded in Book K of Plats, Pages 298, 298B and 298C, records of Kootenai County, Idaho;

Lots 1 and 2, Block 1 of Mill River Fourth Addition as recorded in Book K of Plats, Pages 409 and 409A, records of Kootenai County, Idaho;

TOGETHER WITH AND INCLUDING

The West 350 feet of Kootenai County Tax Number 11968, identified as being recorded in a Warranty Deed Book 307, Page 334 on 7/23/80, more particularly described as follows:

That portion of the abandoned 100 feet wide railroad right of way described on Page 175, Book 286, Records Office, Kootenai County, Idaho, more particularly described as follows: BEGINNING at the southwest corner of Section 4, Township 50 North, Range 4 West, Boise Meridian; thence North $53^{\circ}20'09''$ East, 1622.52 feet to the TRUE POINT OF BEGINNING, said point being also the intersection of the South line said abandoned railroad right of way and the West line of the SE 1/4, of the SW 1/4, of said Section 4; thence North $01^{\circ}28'47''$ West, along said West line, 104.56 feet to point lying on the North line of said abandoned railroad right of way line; thence South $74^{\circ}29'54''$ East, along said North line 365.96 feet to a point on the East line of said West 350 feet; thence along said East line South $01^{\circ}28'47''$ East 104.56 feet to a point lying on the South line of said abandoned right of way; thence along said South line North $74^{\circ}29'54''$ West, 365.96 feet to the TRUE POINT OF BEGINNING. This Tax Number description was compiled from existing records and does not constitute a surveyed description of the actual parcel. This description was created from said Warranty Deed and calculations were performed to determine the geometry to mathematically define the West 350 feet. No field surveys were performed.

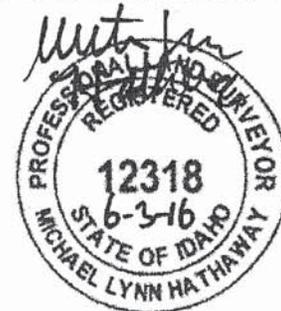


EXHIBIT 1 - ATTACHMENT 2

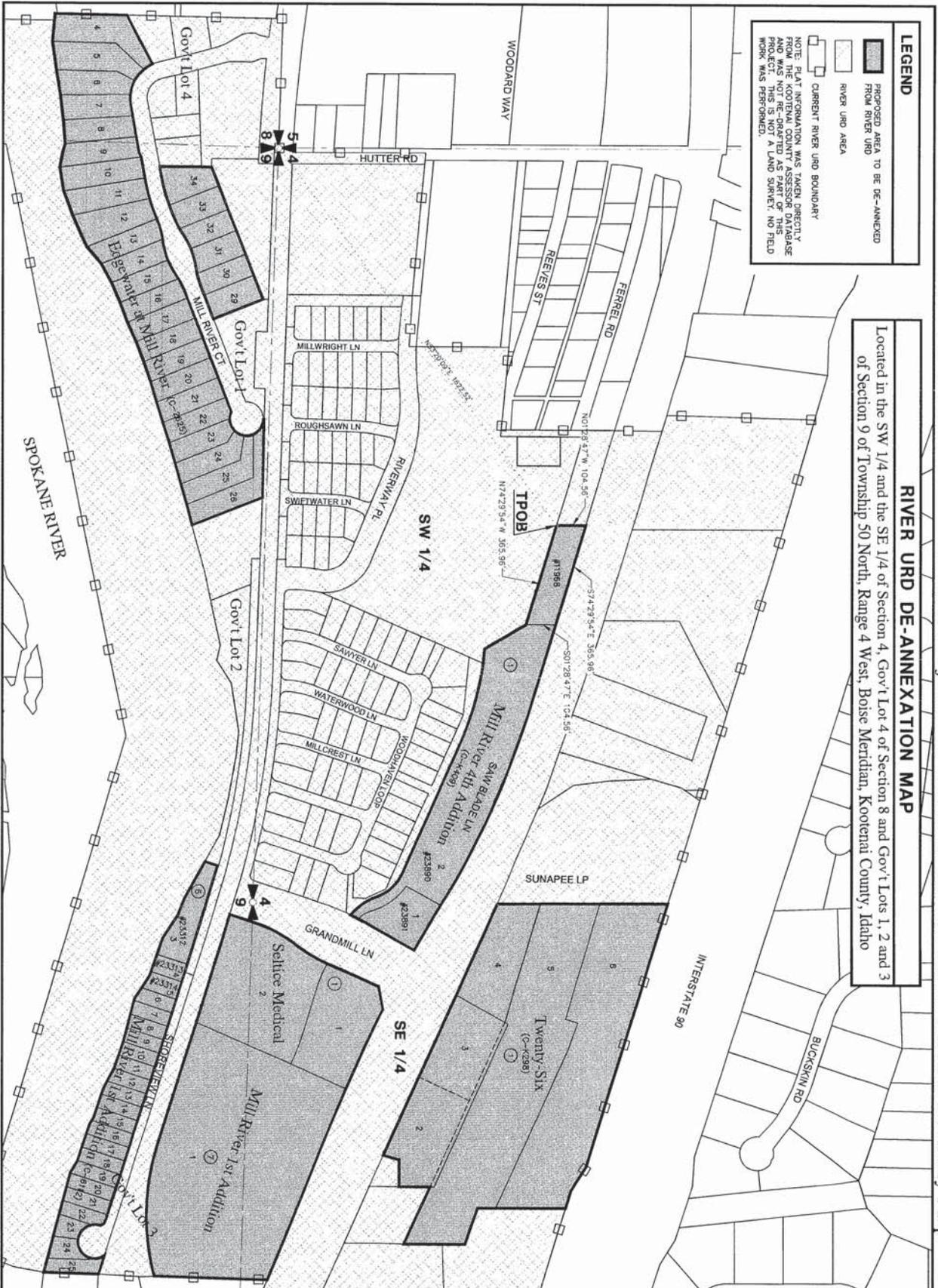
Amended Project Area - Amended Revenue Allocation Area Boundary Map

LEGEND

-  PROPOSED AREA TO BE DE-ANNEXED FROM RIVER URD
 -  RIVER URD AREA
 -  CURRENT RIVER URD BOUNDARY
- NOTE: PLAT INFORMATION WAS TAKEN DIRECTLY FROM THE COOTENAI COUNTY ASSESSOR DATABASE PROJECT. THIS IS NOT A LAND SURVEY. NO FIELD WORK WAS PERFORMED.

RIVER URD DE-ANNEXATION MAP

Located in the SW 1/4 and the SE 1/4 of Section 4, Gov't Lot 4 of Section 8 and Gov't Lots 1, 2 and 3 of Section 9 of Township 50 North, Range 4 West, Boise Meridian, Kootenai County, Idaho



PROJECT NO. 41960802

DESIGNED BY M.L.H.

DRAWN BY J.A.L./J.F.

CHECKED BY M.L.H.

DWG NAME 41960802.DWG

DATE 7-11-16

SHEET NO.

WELCH-COMER
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NO.	DATE	REVISION DESCRIPTION

GRAPHIC SCALE

1" = 200 FT.
1" = 100 FT.

COMPILED BY: Welch-Comer & Associates, Inc.
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FINANCIAL ANALYSIS

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- Exhibit B – Projection by District
- Exhibit C – Charts Showing Impact of De-Annexed Parcels
- Exhibit D – Parcels to Be De-Annexed

FINANCIAL ANALYSIS

INTRODUCTION

The Panhandle Area Council is pleased to assist the City of Coeur d'Alene and its Urban Renewal Agency, ignite cda, on a financial analysis of the impact of the City's proposal to de-annex parcels from both its Lake and River Districts. The City proposes to take this action in order to receive a portion of the tax increment that has been diverted to the Agency since 1997 in the Lake District and 2003 in the River District. The City has recognized the need for extra tax revenue for staffing its fourth fire station, scheduled to open in 2016, and the opportunity to reduce property taxes in the county.

IMPACT ON LOCAL GOVERNMENTS

The action would also potentially impact the budgets of other local governments, including North Idaho College and Kootenai County. Local governments would be allowed to add the amounts shown to their budgets for FY 2016-17, or use the new revenues to lower taxes for their constituents.

A breakdown of the funds to be received, defined as New Construction by the Idaho State Tax Commission:

TABLE 1
NEW CONSTRUCTION – BY AGENCY – FY 2016-2017

Tax Authority	Levy Rate	Tax Change
Coeur d'Alene Bond	0.000044342	\$ 3,418.87
City of Coeur d'Alene	0.005857486	451,623.35
TOTAL – City of Coeur d'Alene		455,042.22
Kootenai County	0.003178062	245,034.64
North Idaho College	0.001098933	84,729.82
Post Falls Highway District	0.000647527	37,828.66
Lakes Highway District	0.000758112	14,162.82
Kootenai County EMS	0.000171693	13,237.88
School District 271	0.000009062	698.71
Total		\$ 850,734.75

Source: Kootenai County Assessor

EXHIBIT 1 - ATTACHMENT 5A

BASIS OF THE ANALYSIS

The following assumptions have been used to determine the impact on the Agency:

1. The City Council will approve an ordinance no later than July 25, 2016 to de-annex the parcels Identified via the Kootenai County Assessor.
2. The State Tax Commission has determined that properties de-annexed prior to that date are to be included in the New Construction Rolls of each affected agency, and therefore eligible for inclusion in their budgets for FY 2016-17. The discussion of the timing of the receipt of the taxes to local governments from Alan Dornfest of the State Tax Commission can be found in Exhibit A.
3. The Assessed Value of the Net Tax Increment of each District of the Agency, as of January 1, 2016 is as follows:
 - **Lake District:** Value of the increment above the base value on January 1, 1997 is \$373,126,242.
 - **River District:** Value of the increment above the base value on January 1, 2003 is \$194,264,624.
4. The 2015 net increment values may change based on the subsequent tax rolls calculated by the County Assessor. And, although they are certain to change in future years, the analysis assumes the increment values will remain fixed for the life of the Districts, at their current 2015 values.
5. Although they too are certain to change, the Tax Levy Rates as of December 31, 2015 are fixed for the life of the Districts, as stated in Table 1 on Page 1.
6. Although not needed to mitigate the financial impact on the Lake District, some buildings and sites may be declared as surplus and sold, based on their non-depreciated value as of September 30, 2015.
7. The final installment of the Revenue Allocation Bond with Washington Trust Bank, in the amount of \$1,039,260, will be paid from restricted funds in the Debt Reserve Fund established and maintained by the Agency. The balance remaining, estimated at \$310,740, will become unrestricted cash at that time.
8. The Agency will work with Washington Trust Bank to provide further security for the Revenue Allocation Bonds, if required by their covenants, including increasing the Debt Service Reserve or using existing assets as collateral.
9. Operating expenses remain fixed for the life of the Districts, with the exception of salaries and overhead, which increase by 3% annually. The salaries and overhead expenses are split equally between the Districts through 2021, at which time the Lake District closes, and the salaries and benefits are halved.
10. Future projects of the Agency have been included, based on the Agency's projections, and in the timeline set forth by them.
11. Special Project Reserves in the amount of \$3 million in the Lake District and \$5 million in the River District are included. These are funds for grants for public projects not yet requested by local governments or identified by the Agency. The city may also partner with the Agency to fund other requested grant projects, if necessary.

EXHIBIT 1 - ATTACHMENT 5A

SUMMARY

Exhibit B details the impact on the Districts, as follows:

1. **Lake District:** With the loss of the current value of the increment since 1997 on the de-annexed parcels, **\$24,077,194**, the Agency will see **\$337,093** less in incremental taxes per year, beginning in 2017. The total over the five remaining years of the District is **\$1,685,465**. Please see Chart 1, Exhibit C.

However, this is partially offset by the new construction in the District, **\$64,863**, and the use of the Debt Service Reserve, **\$1,305,337**, to retire the final installment on the Washington Trust Bank Revenue Allocation Bonds.

Based on the analysis, there will be no impact on the Lake District for current projects or those currently proposed by the Agency.

However, the Agency may be restricted on the amount they can provide for public infrastructure via grants to local governments. As noted, the Agency has set aside \$3 million in the Special Projects Reserve, in addition to \$3.6 million for the Four Corners Project, \$2.5 million for an Education Facility, \$1.85 million for a Parking Structure and \$500,000 for Midtown initiatives.

2. **River District:** With the loss of the current value of the increment since 2003 on the de-annexed parcels, **\$86,688,437**, the Agency will see **\$1,003,337** less in incremental taxes, beginning in 2017. The total over the eleven remaining years of the District is **\$11,036,707**. Please see Chart 2, Exhibit C.

Based on the analysis, there is no financial impact on the River District for currently anticipated projects, despite the fact the de-annexation removes 44% of its increment. However, future grants to local governments, slated at \$12.2 million, would be reduced to \$5 million over 12 years. This is in addition to \$3.5 million for improvements to Seltice Way, \$500,000 for the transit center and \$100,000 for the BNSF property. Another impact is that by reducing the acreage of the District, the ability to amend its boundary to include the Atlas property would be reduced, since it is restricted to being 10% of the size of the District.

FINAL NOTE:

Coeur d'Alene's urban renewal agency, ignite cda, has in PAC's view done a remarkable job since its inception in 1997. Local critics, including some elected officials, believe its creation has increased taxes because of those being diverted to the Agency. This is simply not the case, as current law does not allow it. We believe de-annexing parcels before the close of a District is an extremely effective way to utilize this valuable tool, and we commend the parties for working together to do so.

EXHIBIT 1 - ATTACHMENT 5A

EXHIBIT A TIMING OF THE RECEIPT OF TAX DOLLARS FROM DE-ANNEXATION

From: Alan Dornfest, Idaho State Tax Commission
To: Mayor Steve Widmyer, City Administrator Jim Hammond
Subject: De-annexation of URD properties

It really depends on when the agency no longer expects to receive money for increment value within the portion of the RAA (Revenue Allocation Area) being de-annexed. Assume, for example that the URA does not need any more money from these properties and expects nothing from 2016 property taxes (ie: the ones paid in December 2016). If the de-annexation ordinance is effective before July 25, the increment value (or at least the growth in this value since 2006) can be counted as new construction for taxing district budgeting purposes for their FY 2017 budgets – fulfilled with 2016 property taxes. That's the best scenario – try to meet the July deadline. There is no way to extend it. If you are not planning to de-annex for this tax cycle, then just move these dates ahead a year. In that case, the cleanest scenario would be to de-annex as of the end of this calendar year.

Alan S. Dornfest • Property Tax Policy Supervisor
Idaho State Tax Commission • Property Tax Division
Phone: (208) 334-7742 • fax: (208) 334-7844
E-mail: alan.dornfest@tax.idaho.gov • website: tax.idaho.gov

EXHIBIT B
ignite cda - LAKE DISTRICT
SCHEDULE OF SOURCES AND USES OF FUNDS

EXHIBIT 1 - ATTACHMENT 5A

SOURCES OF FUNDS	2016	2017	2018	2019	2020	2021
TAX INCREMENT FINANCING REVENUES						
Assessed Values Above 1997 Base Value (1)	\$ 373,126,242	\$ 349,049,048	\$ 349,049,048	\$ 349,049,048	\$ 349,049,048	\$ 349,049,048
Levy Rates (From Kootenai County Assessor):						
<i>Kootenai County</i>	<i>0.003178062</i>					
<i>City of Coeur d'Alene- bond</i>	<i>0.000044342</i>					
<i>City of Coeur d'Alene- bond</i>	<i>0.000188847</i>					
<i>City of Coeur d'Alene</i>	<i>0.005857486</i>					
<i>Lakes Highway District</i>	<i>0.000758112</i>					
<i>Coeur d'Alene School District</i>	<i>0.00009062</i>					
<i>NIC</i>	<i>0.001098933</i>					
<i>Kootenai County Ambulance</i>	<i>0.000171693</i>					
Total Levy Rate	0.011306537					
Net Incremental Tax Revenue	\$ 4,218,766	\$ 3,946,536				
Less: Art Fund at 2%	84,375	78,931	78,931	78,931	78,931	78,931
TOTAL REVENUES - TAX INCREMENT	\$ 4,134,391	\$ 3,867,605				
BEGINNING CASH - 9/30/2015 AUDIT	\$ 4,240,545	\$ 3,632,757	\$ 2,591,266	\$ 1,024,533	\$ 1,058,474	\$ 1,085,972
OTHER REVENUES (Including Rentals)	129,000	114,600	114,600	114,600	114,600	114,600
SALE OF BUILDINGS AND SITES (2)						
REFUND WATRUST DEBT RESERVE (3)						310,740
TOTAL SOURCES OF FUNDS	\$ 8,503,936	\$ 7,614,962	\$ 6,573,471	\$ 5,006,738	\$ 5,040,679	\$ 5,378,917

USES OF FUNDS	2016	2017	2018	2019	2020	2021
OPERATING COSTS (Agency 2016 Budget):						
Salaries/Benefits (50-50 with River URD, 3%)	\$ 89,106	\$ 91,779	\$ 94,532	\$ 97,368	\$ 100,289	\$ 103,298
Office, Travel and Utilities	25,370	25,370	25,370	25,370	25,370	25,370
Professional Services	65,880	65,880	65,880	65,880	65,880	65,880
Communications (4)	20,000	5,000	5,000	5,000	5,000	5,000
Insurance	2,699	2,699	2,699	2,699	2,699	2,699
Property Management	80,922	80,922	80,922	80,922	80,922	80,922
Organizational Dues	4,855	4,855	4,855	4,855	4,855	4,855
Parking Initiatives (4)	25,000	-	-	-	-	-
Planning (4)	75,000	25,000	25,000	25,000	25,000	25,000
Special Reserve (5)		350,000	350,000	350,000	350,000	1,600,000
TOTAL OPERATING COSTS	\$ 388,832	\$ 651,505	\$ 654,258	\$ 657,094	\$ 660,015	\$ 1,913,024
CAPITAL COSTS (9/30/2015 Audit, Unless Noted):						
Washington Trust Bank (3)	\$ 2,080,000	\$ 2,080,000	\$ 2,080,000	\$ 2,080,000	\$ 2,080,000	\$ -
Parking Structure (4)		370,635	370,635	370,635	370,635	370,635
Education Facility (6)		1,250,000	1,250,000			
Midtown (4)		250,000	250,000			
Four Corners (4)	1,600,000	250,000	250,000	750,000	750,000	
609 Lofts IRA	29,988	32,631	33,937	35,294	36,706	38,174
Ice Plant IRA	44,812	48,762	50,713	52,741	54,851	
Chamber DDA	2,500	2,500	2,500	2,500	2,500	2,500
809 Third Property Debt	24,540	24,540	279,472			
301 Lakeside Debt	418,028					
Coeur d'Alene Public Library Debt	63,123	63,123	327,423			
712 Young Avenue Debt	219,356					
TOTAL CAPITAL COSTS	\$ 4,482,347	\$ 4,372,191	\$ 4,894,680	\$ 3,291,170	\$ 3,294,692	\$ 411,309
TOTAL USES OF FUNDS	\$ 4,871,179	\$ 5,023,696	\$ 5,548,938	\$ 3,948,264	\$ 3,954,707	\$ 2,324,333
ENDING FUND BALANCE	\$ 3,632,757	\$ 2,591,266	\$ 1,024,533	\$ 1,058,474	\$ 1,085,972	\$ 3,054,584

Note (1): 2017 Values, from Assessor:	2015 Value	Levy Rate	Less Increment	New Const.	New Increment	Net Change
De-annexed Parcels - Lake District	\$ 29,813,992	0.011306537	\$ 337,093	\$ 5,736,798	\$ 64,863	\$ 24,077,194
De-annexed Parcels - River District	89,616,051	0.011195952	1,003,337	2,927,614	32,777	86,688,437
TOTAL	\$ 119,430,043		\$ 1,340,430	\$ 8,664,412	\$ 97,640	\$ 110,765,631

Note (2): The sale of buildings and sites acquired by tax increment in the Lake District, on the books for \$2,679,953, are NOT included.

Note (3): Assumes the final bond payment to Washington Trust Bank will be from the Bond Reserve Account, currently \$1,305,337, leaving a net balance of \$310,740.

Note (4): From ignite cda projections.

Note (5): Allows funding for local government projects that yet may come before the Agency (\$3 million.)

Note (6): Funding over 2 years for the Education Facility, as endorsed by NIC.

SOURCES OF FUNDS	2016	2017	2018	2019	2020	2021
TAX INCREMENT FINANCING REVENUES						
Assessed Values Above 1997 Base Value (1)	\$ 194,264,624	\$ 107,576,187	\$ 107,576,187	\$ 107,576,187	\$ 107,576,187	\$ 107,576,187
Levy Rates (From Kootenai County Assessor):						
Kootenai County	0.003178062					
City of Coeur d'Alene- bond	0.000044342					
City of Coeur d'Alene- bond	0.000188847					
City of Coeur d'Alene	0.005857486					
Post Falls Highway District	0.000647527					
Coeur d'Alene School District	0.000009062					
NIC	0.001098933					
Kootenai County Ambulance	0.000171693					
Total Levy Rate	0.011195952					
Net Incremental Tax Revenue	2,174,977	1,204,418	1,204,418	1,204,418	1,204,418	1,204,418
Less: Art Fund at 2%	43,500	24,088	24,088	24,088	24,088	24,088
TOTAL REVENUES - TAX INCREMENT	\$ 2,131,477	\$ 1,180,330				
BEGINNING CASH - 9/30/2015 AUDIT	\$ 4,845,159	\$ 6,074,933	\$ 3,064,113	\$ 2,550,170	\$ 2,526,199	\$ 2,491,972
OTHER REVENUES (Including Interest)	4,980	5,080	5,181	5,285	5,391	5,498
TOTAL SOURCES OF FUNDS	\$ 6,981,616	\$ 7,260,343	\$ 4,249,624	\$ 3,735,785	\$ 3,711,920	\$ 3,677,800

USES OF FUNDS	2016	2017	2018	2019	2020	2021
OPERATING COSTS (Agency 2016 Budget):						
Salaries/Benefits (50-50 until 2021, at 3%)	\$ 89,106	\$ 91,779	\$ 94,532	\$ 97,368	\$ 100,289	\$ 103,298
Office, Travel and Utilities	12,070	12,070	12,070	12,070	12,070	12,070
Professional Services	44,680	44,680	44,680	44,680	44,680	44,680
Communications	20,000	5,000	5,000	5,000	5,000	5,000
Insurance	2,699	2,699	2,699	2,699	2,699	2,699
Organizational Dues	4,855	4,855	4,855	4,855	4,855	4,855
Planning	278,000	25,000	25,000	25,000	25,000	25,000
Special Project Reserve (2)						
TOTAL OPERATING COSTS	\$ 451,410	\$ 186,083	\$ 188,835	\$ 191,672	\$ 194,593	\$ 197,602
CAPITAL COSTS (9/30/2015 Audit, unless noted):						
River West - Phase 1	\$ 282,349	\$ 287,996	\$ 293,756	\$ 299,631	\$ 305,624	\$ 311,736
River West - Phase 2	44,166	45,049	45,950	46,869	47,806	48,763
MR Seniors	12,250	12,495	12,745	13,000	13,260	13,525
River West Apartments	11,849	12,086	12,328	12,575	12,826	13,083
River West III Apartments	4,659	4,659	4,659	4,659	4,659	4,659
Circuit at Sellice (3)		47,862	47,862	47,862	47,862	47,862
BNSF (3)	100,000	100,000				
Sellice Way Project (3)		3,500,000				
KMPO/Tribe Transit Center (3)			500,000			
Bond - \$5 million, 10 years, 3.5% (4)			593,318	593,318	593,318	593,318
TOTAL CAPITAL COSTS	\$ 455,273	\$ 4,010,147	\$ 1,510,618	\$ 1,017,914	\$ 1,025,355	\$ 1,032,946
TOTAL USES OF FUNDS	\$ 906,683	\$ 4,196,230	\$ 1,699,454	\$ 1,209,586	\$ 1,219,948	\$ 1,230,548
ENDING FUND BALANCE	\$ 6,074,933	\$ 3,064,113	\$ 2,550,170	\$ 2,526,199	\$ 2,491,972	\$ 2,447,252

Note (1): 2017 Values, from Assessor:	2015 Value	Levy Rate	Less Increment	New Const.	New Increment	Net Change
De-annexed Parcels - Lake District	\$ 29,813,992	0.011306537	\$ 337,093	\$ 5,736,798	\$ 64,863	\$ 24,077,194
De-annexed Parcels - River District	89,616,051	0.011195952	1,003,337	2,927,614	32,777	86,688,437
TOTAL	\$ 119,430,043		\$ 1,340,430	\$ 8,664,412	\$ 97,640	\$ 110,765,631

Note (2): From ignite cda, which assumed funding for projects that yet may come before the Agency, moved to pay debt service (see note 4.)

Note (3): Projections from ignite cda.

Note (4): Allows \$5 million in bonds in 2018 for projects that yet may come before the Agency.

SOURCES OF FUNDS	2022	2023	2024	2025	2026	2027
TAX INCREMENT FINANCING REVENUES						
Assessed Values Above 1997 Base Value (1)	\$ 107,576,187	\$ 107,576,187	\$ 107,576,187	\$ 107,576,187	\$ 107,576,187	\$ 107,576,187
Levy Rates (From Kootenai County Assessor):						
Kootenai County	0.003178062					
City of Coeur d'Alene- bond	0.000044342					
City of Coeur d'Alene- bond	0.000188847					
City of Coeur d'Alene	0.005857486					
Post Falls Highway District	0.000647527					
Coeur d'Alene School District	0.000009062					
NIC	0.001098933					
Kootenai County Ambulance	0.000171693					
Total Levy Rate	0.011195952					
Net Incremental Tax Revenue	1,204,418	1,204,418	1,204,418	1,204,418	1,204,418	1,204,418
Less: Art Fund at 2%	24,088	24,088	24,088	24,088	24,088	24,088
TOTAL REVENUES - TAX INCREMENT	\$ 1,180,330					
BEGINNING CASH - 9/30/2015 AUDIT	\$ 2,447,252	\$ 2,391,801	\$ 2,325,373	\$ 2,247,718	\$ 2,206,440	\$ 2,153,413
OTHER REVENUES (Including Interest)	5,608	5,720	5,835	5,952	6,071	6,192
TOTAL SOURCES OF FUNDS	\$ 3,633,189	\$ 3,577,851	\$ 3,511,538	\$ 3,434,000	\$ 3,392,841	\$ 3,339,934

USES OF FUNDS	2022	2023	2024	2025	2026	2027
OPERATING COSTS (Agency 2016 Budget):						
Salaries/Benefits (3% Annual Increase)	\$ 106,397	\$ 109,589	\$ 112,877	\$ 116,263	\$ 119,751	\$ 123,344
Office, Travel and Utilities	12,070	12,070	12,070	12,070	12,070	12,070
Professional Services	44,680	44,680	44,680	44,680	44,680	44,680
Communications	5,000	5,000	5,000	5,000	5,000	5,000
Insurance	2,699	2,699	2,699	2,699	2,699	2,699
Organizational Dues	4,855	4,855	4,855	4,855	4,855	4,855
Planning	25,000	25,000	25,000	25,000	25,000	25,000
Special Project Reserve (2)						
TOTAL OPERATING COSTS	\$ 200,701	\$ 203,893	\$ 207,181	\$ 210,567	\$ 214,055	\$ 217,648
CAPITAL COSTS (9/30/2015 Audit, unless noted):						
River West - Phase 1	\$ 317,971	\$ 324,331	\$ 330,817	\$ 337,433	\$ 344,182	\$ 351,066
River West - Phase 2	49,738	50,733	51,747	52,782	53,838	54,915
MR Seniors	13,795	14,071	14,353	14,640	14,932	15,231
River West Apartments	13,344	13,611	13,883	14,161	14,444	14,733
River West III Apartments	4,659	4,659	4,659	4,659	4,659	4,659
Circuit at Sellice (3)	47,862	47,862	47,862			
Bond - \$5 million, 10 years, 3.5% (4)	593,318	593,318	593,318	593,318	593,318	662,672
TOTAL CAPITAL COSTS	\$ 1,040,687	\$ 1,048,585	\$ 1,056,639	\$ 1,016,993	\$ 1,025,373	\$ 1,103,276
TOTAL USES OF FUNDS	\$ 1,241,388	\$ 1,252,478	\$ 1,263,820	\$ 1,227,560	\$ 1,239,428	\$ 1,320,924
ENDING FUND BALANCE	\$ 2,391,801	\$ 2,325,373	\$ 2,247,718	\$ 2,206,440	\$ 2,153,413	\$ 2,019,010
Note (1): 2017 Values, from Assessor:	<u>2015 Value</u>	<u>Levy Rate</u>	<u>Less Increment</u>	<u>New Const.</u>	<u>New Increment</u>	<u>Net Change</u>
De-annexed Parcels - Lake District	\$ 29,813,992	0.011306537	\$ 337,093	\$ 5,736,798	\$ 64,863	\$ 24,077,194
De-annexed Parcels - River District	89,616,051	0.011195952	1,003,337	2,927,614	32,777	86,688,437
TOTAL	\$ 119,430,043		\$ 1,340,430	\$ 8,664,412	\$ 97,640	\$ 110,765,631

Note (2): From ignite cda, which assumed funding for projects that yet may come before the Agency, moved to pay debt service (see note 4.)
 Note (3): Projections from ignite cda.
 Note (4): From ignite cda, allows \$5 million in bonds in 2018 for projects that yet may come before the Agency.

EXHIBIT 1 - ATTACHMENT 5A

Chart 1: De-Annexed Parcels and Remaining - Lake District

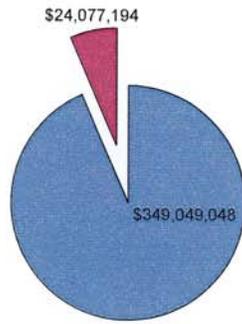
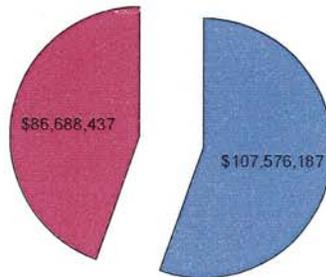


Chart 2: De-Annexed Parcels and Remaining - River District



AFFIDAVIT OF PUBLICATION

STATE OF IDAHO, }
County of Kootenai, } ss.

Holly Fredericks being first duly sworn upon oath deposes and says:

1. I am now and at all times hereinafter mentioned was a citizen of the United States, resident of the State of Idaho, over the age of twenty-one years and not a party of the above entitled action.

2. I am now and at all times hereinafter mentioned was the printer (principal clerk) of the "Coeur d'Alene Press," a newspaper printed and published daily except Sunday in Coeur d'Alene, Kootenai County, Idaho, and having a general circulation in said county.

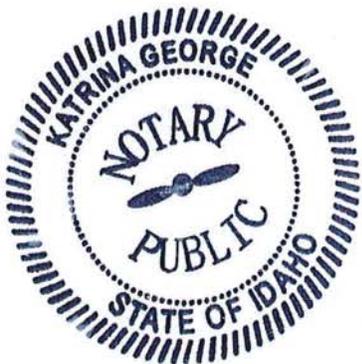
3. The legal notice

of which the annexed is a printed copy, was published in the regular Sat issue of said newspaper for one consecutive week commencing on the 11 day of June 20 16, and ending on the 11 day of June 20 16, and such publication was made as often during said period as said daily newspaper was regularly issued.

4. That said newspaper has been continuously and uninterruptedly published in said Kootenai County, during a period of more than seventy-eight consecutive weeks immediately prior to the first publication of said notice Holly Fredericks. On this 11 day of June in the year of 2016, before me, a Notary Public, personally appeared Holly Fredericks, known or identified to me to be the person whose name subscribed to the within instrument, and being by me first duly sworn, declared that the statements therein are true, and acknowledged to me that he executed the same.

Katrina George

Notary Public for the State of Idaho,
residing at Coeur d'Alene, Idaho.



MY COMMISSION EXPIRES 8/29/17

**NOTICE OF SPECIAL MEETING AND PUBLIC HEARING BY
THE CITY COUNCIL OF THE CITY OF COEUR D'ALENE,
IDAHO TO CONSIDER THE FIRST AMENDMENT TO THE
RIVER DISTRICT REDEVELOPMENT PLAN
OF THE COEUR D'ALENE URBAN RENEWAL AGENCY,
DOING BUSINESS AS IGNITE CDA**

NOTICE IS HEREBY GIVEN that the City Council of the City of Coeur d'Alene will hold, during its special meeting, a public hearing in Old City Council Chambers, 710 E. Mullan Avenue, Coeur d'Alene, Idaho, 83814 on Wednesday, July 13, 2016, at 8:00 o'clock a.m., to consider for adoption the First Amendment ("First Amendment") to the River District Redevelopment Plan (the "Plan"), concerning the existing River District Project Area of the Coeur d'Alene Urban Renewal Agency d/b/a ignite cda ("Agency"). The general scope and objective of the First Amendment is the deannexation of certain parcels from the boundaries of the existing River District Project Area. The proposed reduction in the boundary of the existing River District Project Area is hereinafter described. The boundary includes both urban renewal and revenue allocation areas. The First Amendment being considered for adoption contains a previously adopted revenue allocation financing provision pursuant to the Local Economic Development Act, Chapter 29, Title 50, Idaho Code, that will continue to 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 2003, to be allocated to the Agency for urban renewal purposes. The Agency has specifically acknowledged receipt of, reviewed and took the necessary action on the First Amendment. The City Council will also be considering the first through third readings of an Ordinance to adopt the First Amendment. The three readings of the Ordinance to adopt the First Amendment are scheduled for July 13, 2016, at 8:00 o'clock a.m.

The First Amendment to the Plan shall deannex the following parcels, identified by their Kootenai County AIN ID numbers, from the existing River District Project Area:

- 192550, 250503, 250504, 250505, 250506, 250507, 250508, 250509, 250510, 250511, 250512, 250513, 250514, 250515, 250516, 250517, 250518, 250519, 250520, 250521, 250522, 250523, 250524, 250525, 250528, 250529, 250530, 250531, 250532, 250533, 256754, 256755, 256756, 256757, 256758, 256759, 256760, 256761, 256762, 256763, 256764, 256765, 256766, 256767, 256768, 256769, 256770, 256771, 256772, 256773, 256774, 256775, 256776, 256777, 312021, 312022, 322312, 322314, 322315, 322316, 329167, 329168

The deannexation of these certain parcels from the existing River District Project Area is also depicted in the map attached in the dark shaded areas, and available for review on the City of Coeur d'Alene web page, www.cdaid.org by clicking on the "Public Hearing" link under the "Government" tab, or at City Hall by contacting Renata McLeod, City Clerk at (208)769-2231.

Copies of the proposed First Amendment are on file for public inspection and copying at the office of the City Clerk, City Hall, 710 E. Mullan Avenue, Coeur d'Alene, Idaho 83814, between the hours of 8:00 o'clock a.m. and 5:00 o'clock 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, all persons interested in the above matters may appear and be heard. Written comments will also be accepted. Comments should be directed to the Coeur d'Alene City Clerk. Written comments should be submitted prior to the hearing date.

DATED this 8th day of June, 2016. Renata McLeod, City Clerk

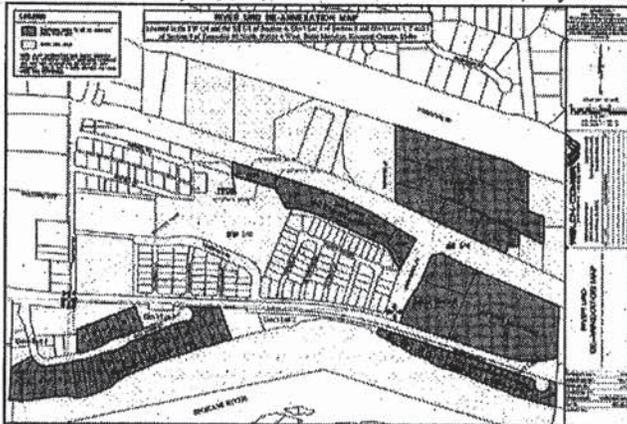


EXHIBIT 3

PLANNING COMMISSION MINUTES JUNE 14, 2016 LOWER LEVEL – COMMUNITY ROOM 702 E. FRONT AVENUE

COMMISSIONERS PRESENT:

Brad Jordan, Chairman
Lynn Fleming
Michael Ward
Peter Luttrupp
Tom Messina, Vice Chair
Lewis Rumppler
Jon Ingalls

STAFF MEMBERS PRESENT:

Hilary Anderson, Community Planning Director
Sean Holm, Planner
Mike Behary, Planner
Shana Stuhlmiller, Public Hearing Assistant
Randy Adams, Deputy City Attorney
Jim Hammond, City Administrator
Sam Taylor, Deputy City Administrator

COMMISSIONERS ABSENT:

CALL TO ORDER:

The meeting was called to order by Chairman Jordan at 5:30 p.m.

ADMINISTRATIVE:

1. Applicant: City of Coeur d'Alene, Jim Hammond
Request: De-annexation of parcels from URA River and Lake Districts.
ADMINISTRATIVE (I-5-16)

Jim Hammond, City Administrator, presented the staff report and answered questions from the Commission. He explained that the reason for the De-Annexation is the city needs money to hire 10 to 12 additional police officers. He commented that the city is in need of extra patrol officers for areas in the city that need additional coverage. He stated realistically the city needs 20 officers.

Commissioner Ingalls questioned if there is new legislation passed that is allowing for partial closure for these districts.

Mr. Hammond explained that the Attorney General's office stated that any change or modification to the Urban Renewal District resulting in a reset of the base and now with the new legislation the tax base would not be reset which will allow the funding to go for the hire of the new police officers.

Commissioner Rumppler inquired how much revenue the city will get back from this de-annexation.

Mr. Hammond stated that he would estimate \$1.4 million with \$800,000 from that million will go back to the tax payers as a refund.

Motion by Ingalls, seconded by Fleming that the plan amendments are in conformity with the Comprehensive Plan and recommend approval of the proposed amendments by the city. Motion approved.

EXHIBIT 4

SUMMARY OF COEUR D'ALENE ORDINANCE NO. 3543

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF COEUR D'ALENE, IDAHO, APPROVING THE FIRST AMENDMENT TO THE RIVER DISTRICT REDEVELOPMENT PLAN WHICH FIRST AMENDMENT SEEKS TO DEANNEX CERTAIN PARCELS FROM THE EXISTING RIVER DISTRICT PROJECT AREA; WHICH FIRST AMENDMENT AMENDS A PLAN THAT 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.

BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF COEUR D'ALENE:

SECTION 1: The First Amendment (the "First Amendment") to the River District Redevelopment Plan (the "River District Plan") is attached to Ordinance No.3543 as Exhibit 1 and is made a part of the Ordinance and is approved. The City Clerk may make certain technical corrections or revisions in keeping with the information and testimony presented at the July 13, 2016, hearing. A Summary of the First Amendment is set forth below. The full text of the Ordinance and the First Amendment is available at the offices of the City Clerk, located at the Coeur d'Alene City Hall, 710 East Mullan Avenue, Coeur d'Alene, Idaho 83814.

SECTION 2: No direct or collateral action attacking the First Amendment 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 First Amendment.

SECTION 3: Upon the effective date of this Ordinance, the City Clerk is authorized and directed to transmit to the Kootenai County Auditor, Kootenai County Tax Assessor and Kootenai County Board of Commissioners, and to the appropriate officials of the Coeur d'Alene School District No. 271, Kootenai County EMS, North Idaho College, Eastside Highway District, Lakeside Highway District, Worley Highway District, Post Falls Highway District and the Idaho State Tax Commission a copy of this Ordinance, a copy of the legal description and a map indicating the parcels to be deannexed from the existing River District Project Area.

SECTION 4: This Ordinance shall be in full force and effect immediately upon its passage, approval, and publication.

SECTION 5: 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.

EXHIBIT 4

SECTION 6: At least 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, two readings of which shall be in full, and have hereby adopted this Ordinance, having considered it at one reading.

SECTION 7: The Summary of this Ordinance, a copy of which is attached as Exhibit 4 to the Ordinance, is hereby approved.

SECTION 8: All ordinances, resolutions, orders or parts thereof in conflict herewith are hereby repealed, rescinded and annulled.

SECTION 9: SAVINGS CLAUSE: This Ordinance does not affect an action or proceeding commenced or right accrued before this Ordinance takes effect.

EXHIBITS TO THE ORDINANCE

- | | |
|-----------|--------------------------------------------------------------------|
| Exhibit 1 | First Amendment to the River District Redevelopment Plan |
| Exhibit 2 | Notice Published in the <i>Coeur d'Alene Press</i> , June 11, 2016 |
| Exhibit 3 | Planning & Zoning Commission Minutes, June 14, 2016 |
| Exhibit 4 | Ordinance Summary |

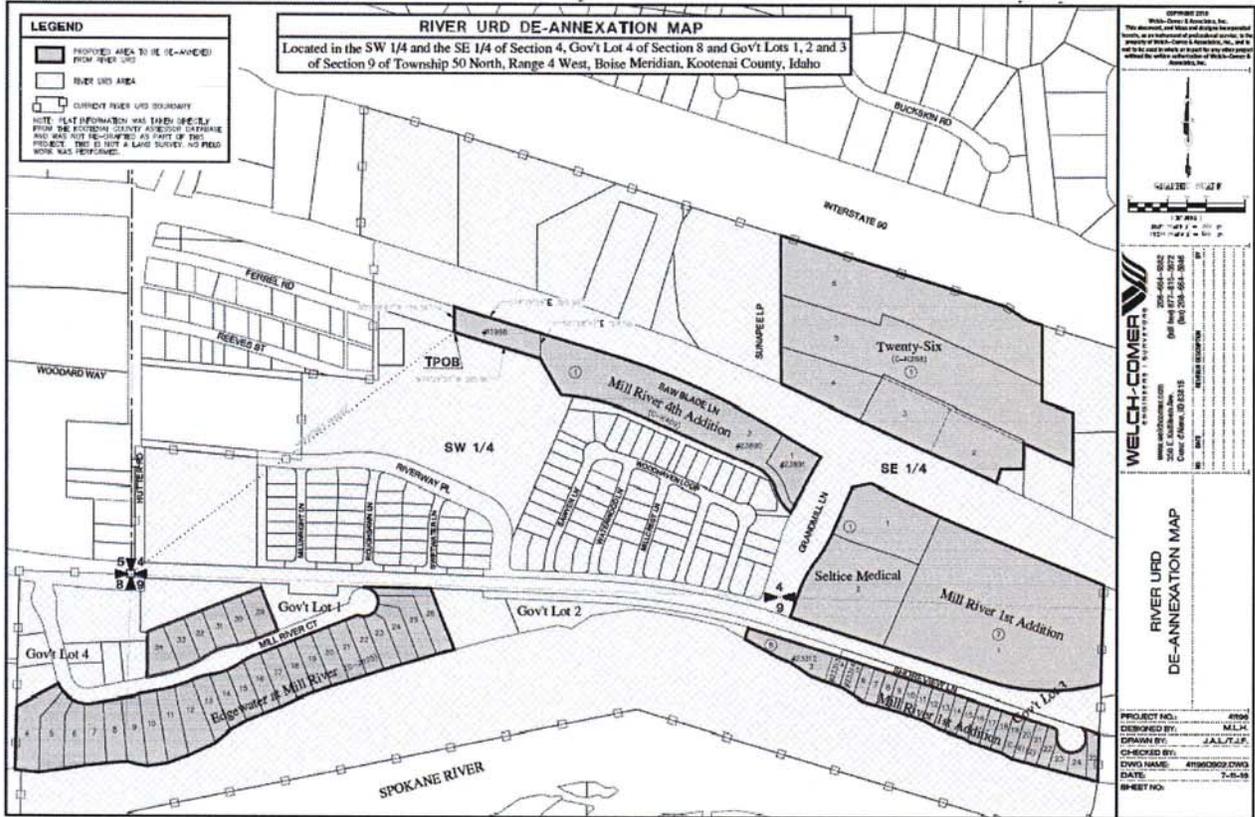
SUMMARY OF FIRST AMENDMENT

The First Amendment to the River District Redevelopment Plan was prepared by the City, pursuant to the Idaho Urban Renewal Law of 1965, Chapter 20, Title 50, Idaho Code, as amended, the Local Economic Development Act, Chapter 29, Title 50, Idaho Code, as amended, and all applicable laws and ordinances and was accepted by the Coeur d'Alene Urban Renewal Agency d/b/a ignite cda. The First Amendment seeks to deannex certain parcels from the existing River District Project Area. The First Amendment being considered for adoption contains a previously adopted revenue allocation financing provision pursuant to the Act that will continue to cause property taxes resulting from any increases in equalized assessed valuation in excess of the equalized assessed valuation on the parcels remaining in the River District Project Area as shown on the original base assessment roll as of January 1, 2003, that will continue to be allocated to the Agency for urban renewal purposes.

The general scope and objective of the First Amendment is the deannexation of certain parcels from the boundaries of the existing River District Project Area.

The First Amendment shall deannex the following parcels from the existing Lake District Project Area as shaded in dark gray on the map.

EXHIBIT 4



ATTACHMENTS TO THE FIRST AMENDMENT

- Attachment 1 Description of the Amended River District Project Area and Amended Revenue Allocation Area Boundaries
- Attachment 2 Amended River District Project Area –Amended Revenue Allocation Area Boundary Map
- Attachment 5A Supplement to the Economic Feasibility Study

The full text of Ordinance 3543, the First Amendment to the River District Redevelopment Plan is available at the offices of the City Clerk located at the Coeur d'Alene City Hall, 710 East Mullan Avenue, Coeur d'Alene, Idaho 83814.

This summary is approved by the Coeur d'Alene City Council at its meeting of July 13th, 2016.


 Renata McLeod, City Clerk

EXHIBIT 4

STATEMENT OF LEGAL ADVISOR

I, Michael C. Gridley, City Attorney for the City of Coeur d'Alene, Idaho, declare that in my capacity as City Attorney of the City of Coeur d'Alene, pursuant to Idaho Code Section 50-901A(3) of the Idaho Code as amended, and I hereby certify that I have reviewed a copy of the above Summary of Ordinance, have found the same to be true and complete, and provide adequate notice to the public of the contents, including the exhibits, of Ordinance No. 3543.

DATED this 13th day of July, 2016.



Michael C. Gridley, City Attorney