

**CITY OF OLDTOWN
RESOLUTION NO. 2009-1**

A RESOLUTION OF THE CITY OF OLDTOWN, A MUNICIPAL CORPORATION OF THE STATE OF IDAHO, STATING FINDINGS THAT DETERIORATED AND DETERIORATING AREAS EXIST WITHIN THE CITY AND DECLARING A NEED FOR AN URBAN RENEWAL PLAN FOR THIS PURPOSE.

WHEREAS, the city of Oldtown is an Idaho municipal corporation with the authority to declare all or a portion of its city limits as a deteriorated or deteriorating area pursuant to the Idaho Urban Renewal Law of 1965 (codified as Chapter 20, Title 50, Idaho Code, and

WHEREAS the Mayor and City Council of the City of Oldtown has directed city representatives to study the magnitude of the deterioration and city representatives have reported to the City Council the nature of the deterioration and the area of the deterioration, and

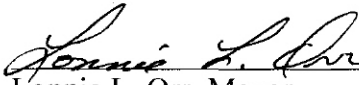
WHEREAS the City Council of the City of Oldtown desires to begin to remediate existing deterioration and prevent future deterioration, in order to protect the public health, safety, morals and welfare of the residents of the municipality;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF OLDTOWN AS FOLLOWS:

Section 1. That there are areas within the city limits of the City of Oldtown that are deteriorated and/or deteriorating as defined in I.C. 50-2018 (h) and (i), as herein described without limitation and as more fully depicted in Exhibit A, attached hereto and incorporated by reference herein, and hereinafter referred to as the area of deterioration, and as more fully described in Exhibit B, attached hereto and incorporated by reference herein, and hereinafter referred to as the detail of deterioration:

- a. Buildings, land and improvements, both residential and non-residential which by reason of dilapidation, deterioration, age and obsolescence are detrimental to the public health, safety and welfare.
- b. Inadequate public services and public buildings which substantially impairs the sound growth of the municipality and constitutes a social and economic liability, to wit:
 - i. An inadequate wastewater collection and treatment system.
 - ii. An inadequate domestic water supply system.
 - iii. Lack of water and wastewater service to areas of the City
 - iv. Inadequate public highways, streets, sidewalks, curbs, and street lighting.
 - v. Inadequate public administration facilities.
 - vi. Inadequate public parks and recreation facilities.

ADOPTED AND APPROVED THIS 12TH DAY OF October 2009


Lonnie L. Orr, Mayor

ATTEST:

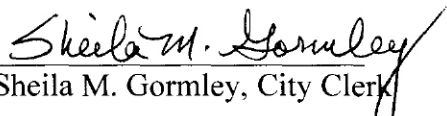

Sheila M. Gormley, City Clerk

EXHIBIT A
MAP OF THE URBAN RENEWAL AGENCY AREA OF DETERIORATION AND
DETERIORATING CONDITIONS

EXHIBIT B
DETAIL OF DETERIORATION

INTRODUCTION:

Under Idaho Local Economic Development Act (Municipal Corporations Code, Sec. 50-290 et. seq.) the city council has found and determined, on the basis of substantial evidence in the record, the project area as a “deteriorated area”. The purpose of this detail of deterioration is to present the conditions of deterioration as set forth in the Local Economic Development Act (LEDA), to show how such conditions relate to categories of being deteriorated to illustrate and substantiate the various conditions of deterioration.

The LEDA defines a deteriorated area as an area which is characterized by one or more of the conditions set forth in Sections 50-2903(7), which conditions cause a reduction or lack of proper utilization of the area and place a burden on the community which cannot reasonably be expected to be reversed or alleviated by private enterprise acting alone. These conditions are to be found in Oldtown and are addressed below. Section 50-2903(7) of the LEDA reads as follows:

“(7)(a) Any area, including slum area, in which there is a predominance of buildings or improvements, whether residential or nonresidential, which by reason of dilapidation, deterioration, age or obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, or crime, and is detrimental to the public health, safety, morals or welfare.

(b) Any area which by reason of the presence of a substantial number of deteriorated or deteriorating structures, predominance of defective or inadequate street layout, faulty lot layout in relation to size, adequacy, accessibility or usefulness, unsanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency exceeding the fair value of the land, defective or unusual conditions of title, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, results in economic underdevelopment of the area, substantially impairs or arrests the sound growth of a municipality, retards the provision of housing accommodations or constitutes an economic or social liability and is a menace to the public health, safety, morals or welfare in its present conditions and use.

(c) Any area which is predominately open and which because of obsolete platting, diversity of ownership, deterioration of structures or improvements, or otherwise, results in economic underdevelopment of the area, or substantially impairs or

arrests the sound growth of a municipality. The provisions of section 50-2008(d), Idaho Code shall apply to open areas.

(d) Any area which the local governing body certifies is in need of redevelopment or rehabilitation as a result of a flood, storm, earthquake, or other natural disaster or catastrophe respecting which the governor of the state has certified the need for disaster assistance under any federal law.

(e) Any area which by reason of its proximity to the border of an adjacent state is competitively disadvantaged in its ability to attract private investment, business or commercial development which would promote the purposes of this chapter.”

DETERIORATION DEFINED

1. Existing Social Conditions

Unsafe and hazardous traffic and pedestrian conditions exist which endanger life. Buildings and structures have conditions which are unfit or unsafe to occupy.

I. Inadequate and Unsafe Public Rights of Way

Deterioration is evident in the surfacing of roadways on nearly all of the newly-annexed city streets, but clearly on Old Diamond Mill Road, which is also evidence of a partially completed or dead-end roadway. Additionally, deteriorated conditions are evident in the newly-annexed area, including on Albeni Loop Road.

Highway 2 is the main route through the city and has significant issues, including the lack of sidewalks or pathways through the newly-annexed area of the city, which means walkways are not ADA-compliant. Turn lanes on that part of Highway 2 would greatly improve traffic flow. Cosmetic improvements to this arterial as well would enhance the experience of visitors to the city’s core area. In cities throughout north Idaho general improvements to a city’s main thoroughfare have shown marked improvement in retail, as well as civic pride when acquaintances visit.

II. Dilapidation or Deterioration

In the area of deterioration, the structural conditions of buildings and poor site conditions are evident throughout the newly-annexed portions of Oldtown.

III. Age or Obsolescence

Obsolescence is mainly applicable to commercial buildings where original design features are no longer appropriate to current uses, especially if the cost to provide ADA compliant access proves too high to make a business venture viable in those buildings.

Another area of deterioration is in lack of the wastewater and water service lines to the newly-annexed areas of the City. The lack of utilities is the largest detriment to managed growth and their provision would greatly enhance the ability of the City to see its commercial areas develop.

2. **Existing Economic Conditions**

Public Rights of Way, Buildings, Structures, and Conditions as described previously which result in economic underdevelopment of the area.

I. Inadequate and sub-standard traffic movements and flow

As noted above, many of Oldtown's streets, sidewalks, curbs and gutters are non existent or in disrepair in the newly-annexed area. Poor traffic circulation results from the narrow streets and the need for new pavement. Street lighting is non existent or in disrepair in many places within the area of deterioration.

Dead end roads are evident in the newly-annexed area of Oldtown, which promotes poor traffic circulation, with inadequate space to turn around large vehicles such as fire and utility trucks. The lack of turn lanes on Highway 2 also impedes traffic flow.

II. Substantially impairs or arrests the sound growth of a municipality.

In addition to streets and the wastewater and water service lines, other public improvements are in poor physical condition, based mostly on their age and the lack of funds for their improvement over time. This is not reflective of inaction on the part of public officials but instead to the city's annual budget constraints. The City's main water reservoir needs improvement, in partnership with the West Bonner Water and Sewer District. Water service lines from the reservoir to the urban renewal district, including upgrades to the pump at the river and connection across it, would help with fire flows and the duration of fire protection to the newly-annexed portion of the city.

The City's public facilities, including city hall and its park facilities, are deteriorated or in need of expansion. Adequate meeting space in an expanded city hall and additional park space and facilities would be beneficial to the community.

Access to recreational areas could be improved, including additional launch sites and rest rooms, and the provision of a breakwater at the boat ramp.

Better public access via improved parking would benefit the City, especially in its newly-annexed area, and would provide economic stimulus. Cities in north Idaho that have provided additional parking, and in some cases free parking, have seen an increase in visitors and/or shoppers.

As noted above, inadequate utilities contribute to deterioration in the area. Service lines are deteriorated or non-existent in some areas. Storm water runoff is a concern, especially if it contributes to the degradation of the Pend Oreille River. Storm drains and street gutters would help to assist in the direction and disposal of storm water.

III. Retards the provision of housing accommodations or constitutes an economic or social liability and is a menace to the public health, safety, morals or welfare in its present condition and use.

Upgrades in the deteriorated area might eliminate the shifting of uses currently observed, or rapid changes within the structures. An example is the conversion of some of the buildings to uses other than the original use.

In addition, it's evident from recent assessments from the county assessor that there may be a prevalence of depreciated values in the deteriorated area. Oldtown's overall valuation dropped significantly in 2008.

This often results when buildings are vacant for a period of time or have been offered for sale at lower prices.

Impaired investments appear to be evident as some of the businesses in the deteriorated area are for sale. This indicates the return on the owners' equity is diminished and the equity itself is in danger of being partially or totally lost. The Club Rio is evidence of a business which has experienced a decline in gross

sales in recent years as well as an increase in expenses due to circumstances outside of their control.

These conditions have contributed to increasing vacancy rates as evidenced by empty lots in the deteriorated area. Increased public safety related issues are evident as well, as sidewalks and/or pathways are in poor shape or non-existent in these locations.

Economic maladjustments are prevalent in the deteriorated area, including business failures and move-outs resulting in vacant stores and buildings.

The percentage of low to moderate income residents (LMI) is 65.15%. This allows the City to be eligible for LMI assistance via grants and low-interest loans.

There are also existing land uses that are inappropriate to the needs of businesses, industries and residents of Oldtown. This is evidenced by the existence of buildings that lack areas sufficient for expansion or proper access for customers & deliveries.

Another factor is the lack of adequate parking in the deteriorated area of Oldtown, which could be remediated if vacant property could be converted to that use, or if existing open spaces devoted to a particular use could be utilized to supplement the lack of parking.

3. Other Factors

The lack of comprehensive and readily-available internet access hinders business development, as evidenced by Ace Hardware, Tri-Pro Cedar and other businesses that would be well-served by better internet providers.

Another factor is the lack of a reliable and regular public transit system, which studies have shown is the largest impediment to sustained employment, especially in areas with a large LMI population. Deterioration tends to continue and areas further decline when employment opportunities are unavailable or not regular.

Finally, it must be noted that conditions of deterioration affect nearly the entire project area. Some properties have been added in the area of deterioration because their inclusion is necessary for effective redevelopment that will fund the improvements necessary to remediate the deterioration. This includes areas recently annexed into the City, including areas as defined in Idaho Code 50-2903(8)(c) which are “predominately open and which because of obsolete

platting, diversity of ownership, deterioration of structures or improvements, or otherwise, results in economic underdevelopment of the area or substantially impairs or arrests the sound growth of a municipality. “

The deteriorated area also includes all city property with the potential to be improved and some streets in the district so the deterioration of each could be adequately addressed.

Summary:

Oldtown has the potential to become again a very viable business center, especially as it is attached at the hip in many ways to Newport, Washington. Because of its history, location and changing industries, conditions of deterioration exist in many areas of the City, especially in its newly-annexed areas concerning the condition of its buildings, streets and utilities. This is not a reflection of inaction on the city or its elected officials but more a result of low property tax increases over the years or the lack of interest in owners to annex into the City.

A district boundary (included as Exhibit A), an assessed area which is less than 10% of the City's total property tax assessment, depicts the area of deterioration and its potential development where an incremental increase in property values will pay for the infrastructure needs of the city.

An urban renewal plan will detail the projects requiring funding to remediate their deterioration, as well as funding options to be utilized. A feasibility study will also be conducted to prove the viability of the funding options and a timeline for their implementation.

All of this effort is being undertaken to provide a forward-thinking City Council with the tools they can use to keep Oldtown as the quaint and functional place it has been in the past, and will remain to be into the future.

**CITY OF OLDTOWN
RESOLUTION NO. 2009-2**

A RESOLUTION OF THE CITY OF OLDTOWN, A MUNICIPAL CORPORATION OF THE STATE OF IDAHO, MAKING FINDINGS THAT DETERIORATED AND DETERIORATING AREAS EXIST WITHIN THE CITY AND DECLARING A NEED FOR AND APPOINTMENT OF AN URBAN RENEWAL AGENCY AND AN URBAN RENEWAL PLAN AND FEASIBILITY STUDY,

WHEREAS, the City of Oldtown is an Idaho municipal corporation with the authority to declare all or a portion of its city limits as a deteriorated or deteriorating area pursuant to the Idaho Urban Renewal Law of 1965 (codified as Chapter 20, Title 50, Idaho Code), and

WHEREAS the Mayor and City Council of the City of Oldtown has directed city representatives to study the magnitude of the deterioration and city representatives have reported to the City Council the nature of the deterioration and the area of the deterioration, and

WHEREAS the City Council of the City of Oldtown desires to begin to remediate existing deterioration and prevent future deterioration, in order to protect the public health, safety, morals and welfare of the residents of the municipality, and

WHEREAS Idaho law grants to municipal corporations the authority to create an urban renewal agency for the purposes of remediating and preventing municipal deterioration, and

WHEREAS Idaho law authorizes the City Council to appoint an agency and to designate the initial chairman of the commission,

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF OLDTOWN AS FOLLOWS:

Section 1. That there are areas within the city limits of the City of Oldtown that are deteriorated and/or deteriorating as defined in I.C. 50-2018 (h) and (i), as described in Exhibit 1, Findings of Deterioration, incorporated herein as Resolution 2009-1, adopted by the Oldtown City Council on October 12, 2009.

Section 2. That it is necessary for the City of Oldtown to form an urban renewal agency pursuant to Chapter 20, Title 50, Idaho Code, to adopt an urban renewal plan or plans in order to remediate the existing deterioration and to prevent future deterioration.

Section 3. That the following are appointed to the urban renewal agency by the Mayor and confirmed by the City Council:

Lonnie L. Orr, Chair, Term ends 10/11/2014

Gene Scott, Vice-Chair, Term ends 10/11/2013

Anna M. Burns, Secretary Treasurer, Term ends 10/11/2013

Robert J. Sedlacek, Member, Term ends 10/11/2012

Carl R. Kloefer, Member, Term ends 10/11/2012

ADOPTED AND APPROVED THIS 12TH DAY OF OCTOBER 2009

Lonnie L. Orr
Lonnie L. Orr, Mayor

ATTEST:

Sheila M. Gormley
Sheila M. Gormley, City Clerk

EXHIBIT A
MAP OF THE URBAN RENEWAL AGENCY AREA OF DETERIORATION AND
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City of Oldtown Urban Renewal Agency Information

As a result of House Bill 606aa, passed by the 2016 Legislature, urban renewal agencies with plans must submit those plans to the State Tax Commission by March 1, 2017 and provide updated plan information each year, beginning December 1 2017 or within 30 days of any amendment to a plan. We currently are attempting to establish contact information for upcoming correspondence regarding how to submit plans.

If a resolution has been adopted to create an urban renewal authority and that authority has an urban renewal plan, please fill in the information requested and return to:

Idaho State Tax Commission
Property Tax Division
Attn: Gary Houde
Po Box 36
Boise, Idaho 83722-0410
Email: gary.houde@tax.idaho.gov

General Information	
Name of Agency	Oldtown Urban Renewal Agency
Contact Name	Alicia C. Ehrmantrout
Mailing Address	215 N. Washington Ave. Oldtown ID 83822
Phone Number	208 437 3833
Fax Number	208 437 3833
Email	cityofoldtown@hotmail.com

Thank you.