



Rathdrum

Urban Renewal Agenda

August 27, 2020

6:00 p.m.

Location: City Council Chamber
8047 W. Main Street
Rathdrum, ID 83858
(208) 687-0261

Zoom Conference information will be on
the City Website –
www.rathdrum.org/urbanrenewal

WELCOME-PLEASE TURN OFF CELL PHONES- Thank You.

Physically attending the open meeting: The City Council Chambers will be open for the meeting. However, please note the following:

1. Limited Seating will be provided at a minimum distance of 6' apart in accordance with guidelines.
2. If you are feeling sick, have been in close contact with someone who has been sick, or are uncomfortable being in physical attendance, please use the video conferencing option.
3. It is **required** those in attendance wear a face mask.

1) CALL THE MEETING TO ORDER

2) PLEDGE OF ALLEGIANCE

3) ROLL CALL

4) ACTION ITEM: CONSENT CALENDAR APPROVAL

- A) Approve August 5, 2020 Minutes
- B) Monthly Bills as Presented

5) Public Hearing: FY 2020-2021 Budget

6) NEW BUSINESS:

- A) **ACTION ITEM:** Consideration of Budget Adoption Resolution
- B) Discussion of the Silverado Urban Renewal Plan

C) **ACTION ITEM:** Consideration of the Resolution to adopt the Silverado Urban Renewal District Plan

7) **ADJOURN**



Rathdrum

Urban Renewal Minutes

August 5, 2020
6:00 p.m.

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8047 W. Main Street
Rathdrum, ID 83858
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3. It is **required** those in attendance wear a face mask.

1) CALL THE MEETING TO ORDER

Meeting called to order at 6:00 pm

2) PLEDGE OF ALLEGIANCE

3) ROLL CALL

PRESENT: Destry Randles, Paul Matthews, & Brett Seright via Zoom

ABSENT: Mark Worthen and Liz St. Mark

STAFF: Executive Director Duce, City Clerk Halligan and Attorney Megan Conrad with Elam & Burke via Zoom

4) **ACTION ITEM:** CONSENT CALENDAR APPROVAL

- A) Approve May 6, 2020 Minutes
- B) Monthly Bills as Presented

Executive Director Duce gave a brief presentation of the Consent Calendar

Motion made by Destry Randles to approve the Minutes and the Monthly Bills as presented. Motion seconded by Paul Matthews.

Motion passed

5) NEW BUSINESS:

A) ACTION ITEM: Consideration of the Final Draft Budget for publication

Executive Director Duce gave a brief presentation on the Final Draft Budget for publication.

The budget will be published twice in the newspaper, seven days apart and we will need a special meeting on August 27th because the budget needs to pass by the end of the month.

Motion made by Destry Randles that we approve the tentative Budget for publication. Motion seconded by Paul Mathews.

Ayes: Destry Randles
Paul Matthews
Brett Seright
Nays: None
Absent: Mark Worthen
Liz St. Marks

Motion passed

B) Proposed Meeting date of August 27 at 6:00 pm at City Hall Council Chambers for the Budget Public Hearing and Consideration of the Silverado Urban Renewal Plan.

Executive Director Duce stated that this would be a special meeting, replacing the meeting on September 2nd.

This meeting would be a public hearing for the budget, and we could also have the consideration of the Silverado Urban Renewal Plan.

The Silverado Urban Renewal Plan has gone through a couple of amendments. We will have those emailed out to you by Monday night, so you have them for a couple of weeks to review them.

6) ADJOURN

Meeting was adjourned at 6:13 pm.

Destry Randles, Chair

Attest:

Lorrann D. Morrell, Deputy Clerk

Rathdrum City Hall is an ADA accessible building. Assistance for persons with disabilities will be provided upon 24-hours' notice prior to the meeting.

	FY 2020 Budget	FY 2020 Actual	FY 2021 Proposed
Revenue:			
Cash Carry Forward	\$ 17,371	\$ (34,034)	\$ -
Tax Increment Revenue	\$ -	\$ -	\$ -
Other Revenue	\$ 25,000	\$ 27,043	\$ 25,000
Transfer In		\$ 49,999	
Total	\$ 42,371	\$ 43,008	\$ 25,000
Expenditures:			
Audit/Bookkeeping Services	\$ 1,000	\$ -	\$ 1,000
Legal Expense	\$ 15,000	\$ 10,109	\$ 13,500
Office/Misc. Expense	\$ 50	\$ 142	\$ 500
Professional Services	\$ 26,321	\$ 11,279	\$ 5,000
Publication	\$ -	\$ 2,429	\$ 5,000
Total	\$ 42,371	\$ 23,959	\$ 25,000

RESOLUTION NO. 2020-__

BY THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF RATHDRUM, IDAHO:

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE RATHDRUM URBAN RENEWAL AGENCY, TO BE TERMED THE “ANNUAL APPROPRIATION RESOLUTION,” APPROPRIATING SUMS OF MONEY AUTHORIZED BY LAW AND DEEMED NECESSARY TO DEFRAID ALL EXPENSES AND LIABILITY OF THE URBAN RENEWAL AGENCY, FOR THE FISCAL YEAR COMMENCING OCTOBER 1, 2020, AND ENDING SEPTEMBER 30, 2021, FOR ALL GENERAL, SPECIAL AND CORPORATE PURPOSES; DIRECTING THE CHAIRMAN TO SUBMIT THE RESOLUTION AND BUDGET TO THE CITY OF RATHDRUM AND ANY OTHER ENTITY ENTITLED TO A COPY OF THE RESOLUTION AND BUDGET; AND PROVIDING AN EFFECTIVE DATE.

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

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

WHEREAS, pursuant to Idaho Code §§ 50-2006, 50-2903(5) and 50-1002, the Agency prepared a budget and the Agency tentatively approved estimated revenues and expenditures for the fiscal year commencing October 1, 2020, and ending September 30, 2021, by virtue of its action at the Agency’s Board meeting on August 5, 2020;

WHEREAS, the Agency has previously published notice of a public hearing to be conducted on Wednesday, August 27, 2020, at 6:00 p.m., at the Rathdrum City Council Chambers, 8047 W. Main Street, Rathdrum, pursuant to the Notice of Public Hearing published August 19 and 26, 2020, a copy of which is attached hereto and incorporated herein as Exhibit A;

WHEREAS, on August 7, 2019, pursuant to Idaho Code § 50-1002, the Agency held a public hearing at Rathdrum City Council Chambers, 8047 W. Main Street, Rathdrum, on the proposed budget and considered public comment, along with Board input, on services, expenditures, and revenues planned for Fiscal Year 2021;

WHEREAS, pursuant to Idaho Code § 50-2006, the Agency is required to pass an annual appropriation resolution and submit the resolution to the City of Rathdrum, on or before September 1, 2020.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE BOARD OF COMMISSIONERS OF THE RATHDRUM URBAN RENEWAL AGENCY, AS FOLLOWS:

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

Section 2. That the sums of money, or as much thereof as may be authorized by law, needed or deemed necessary to defray all expenses and liabilities of the Agency, as set forth in Exhibit A, which is annexed hereto and by reference made a part of this Resolution, which was published on August 19 and 26, 2020. Those sums of money are hereby appropriated for the general, special, and corporate purposes and objectives of the Agency for the fiscal year commencing October 1, 2020, and ending on September 30, 2021.

Section 3: That the Chairman shall submit this Resolution and Budget to the City of Rathdrum on or before September 1, 2020.

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

PASSED AND ADOPTED by the Urban Renewal Agency of the City of Rathdrum, Idaho, on August 27, 2020. Signed by the Chair of the Board of Commissioners, and attested to by the Secretary to the Board of Commissioners, on this 27th day of August 2020.

APPROVED:

By: _____
Chair

ATTEST:

By: _____
Secretary

4853-1925-4428, v. 1

Order Confirmation

Ad Order Number

0000401699

Customer

RATHDRUM, CITY OF -LEGAL

Payor Customer

RATHDRUM, CITY OF -LEGAL

PO Number

Sales Rep.

cdahouse

Customer Account

9490

Payor Account

9490

Ordered By

MM

Order Taker

m Moore

Customer Address

8047 W. MAIN #2
RATHDRUM ID 83858 USA

Payor Address

8047 W. MAIN #2
RATHDRUM ID 83858 USA

Customer Fax

0000000000

Order Source

Customer Phone

2086870261

Payor Phone

2086870261

Customer Email

Special Pricing

Tear Sheets

0

Proofs

0

Affidavits

1

Blind Box

Promo Type

Materials

Invoice Text

CDA#4024 - BUDGET

Ad Order Notes

RUN DATES AUGUST 19, 26, 2020

Net Amount

\$155.55

Tax Amount

\$0.00

Total Amount

\$155.55

Payment Method

Invoice

Payment Amount

\$0.00

Amount Due

\$155.55

Ad Number **Ad Type**
 0000401699-01 ID Legal

Production Method **Production Notes**
 AdBooker

External Ad Number **Ad Attributes** **Ad Released** **Pick Up**
 No

Ad Size **Color**
 2 X 48 li

WYSIWYG Content

**Legal Notice
 Notice of Public Hearing
 Rathdrum Urban Renewal Agency
 Proposed Budget for Fiscal Year 2021**

A public hearing for consideration of the proposed Urban Renewal Agency budget for the fiscal year that begins October 1, 2020, and ends September 30, 2021, will be held at the Rathdrum City Council Chambers, 8047 W Main St, Rathdrum, ID on August 27, 2020, at 6:00 pm, pursuant to Idaho Code §§ 50-2903(5) and 50-1002. Written or oral comments about the proposed budget are welcome. Written comments may be submitted prior to the meeting to: Rathdrum Urban Renewal Agency, c/o Leon Duce, City of Rathdrum, 8047 W Main St, #1, Rathdrum, ID 83858.

The Agency budget funds the programs, services, and projects that the Agency Board and the City Council have determined to be important to meet the Agency's strategic goals.

The public hearing on the proposed budget is required for formal adoption of the FY 2021 budget. The proposed Expenditures and Revenues for FY 2021 have been tentatively approved by the Rathdrum Urban Renewal Agency Board of Commissioners on August 5, 2020.

The City Hall is accessible to persons with disabilities.

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Tax Increment Revenue	\$ -	\$ -	\$ -
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Publication	\$ -	\$2,429	\$5,000
Total	\$42,371	\$23,959	\$25,000

CDA LEGAL 4024
 AD#401699
 AUGUST 19, 26, 2020

Run Date	Product	Placement	Rate	Sched Cst	Disc/Prem	Color	Pickup	Tax	Subtotal
08/19/2020	ID CDA Press	Legals	\$7.79 per Inch	\$83.04	\$0.00	\$0.00	\$0.00	\$0.00	\$83.04
08/19/2020	ID CDA ONL-Top Ads	Legals	\$0.00 per Inch	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
08/26/2020	ID CDA ONL-Top Ads	Legals	\$0.00 per Inch	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
08/26/2020	ID CDA Press	Legals	\$6.05 per Inch	\$64.51	\$0.00	\$0.00	\$0.00	\$0.00	\$64.51

**URBAN RENEWAL PLAN FOR THE
SILVERADO URBAN RENEWAL PROJECT**

RATHDRUM URBAN RENEWAL AGENCY

RATHDRUM, IDAHO

Ordinance No. _____

Adopted _____

Effective _____

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Attachments

Attachment 1	Boundary Map of Silverado Urban Renewal Project Area and Revenue Allocation Area
Attachment 2	Legal Description of Silverado Urban Renewal Project Area and Revenue Allocation Area
Attachment 3	Properties Which May be Acquired by the Agency
Attachment 4	Map Depicting Expected Land Uses and Current Zoning Map of the Project Area
Attachment 5	Economic Feasibility Study
Attachment 6	Agricultural Operation Consents

100 INTRODUCTION

This is the Urban Renewal Plan (the “Plan”) for the Silverado Urban Renewal Project (the “Project”) in the city of Rathdrum (the “City”), county of Kootenai, state of Idaho. Attachments 1 through 6 attached hereto (collectively, the “Plan Attachments”) are incorporated herein and shall be considered a part of this Plan.

The term “Project” is used herein to describe the overall activities defined in this Plan and conforms to the statutory definition of an urban renewal project. Reference is specifically made to Idaho Code §§ 50-2018(10) and 50-2903(13) for the various activities contemplated by the term “Project.” Such activities include both private and public development of property within the urban renewal area. The term “Project” is not meant to refer to a specific activity or development scheme. The Silverado Project Area is also referred to as the “Project Area.”

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

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

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

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

This Plan includes the above information with specificity.

The proposed development of the Project Area as described in this Plan conforms to the City of Rathdrum 2014 Comprehensive Plan (the “Comprehensive Plan”), adopted by the Rathdrum City Council (the “City Council”), as may be amended from time to time. The City is currently in the process of working on an update to the Comprehensive Plan, which update is anticipated to be completed and adopted prior to December 31, 2020. The Agency intends to rely heavily on the City’s applicable zoning and design standards.

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

A modification shall not be deemed to occur when “[t]here is a plan amendment to support growth of an existing commercial or industrial project in an existing revenue allocation area...” Idaho Code § 50-2903A(1)(a)(iv). The proposed development of the Project Area includes a commercial multi-family residential apartment complex, together with a mix of other commercial and/or light industrial projects. Any adjustment to the list of improvements and/or revenue stream to support growth of the proposed commercial and/or industrial project is not a modification under Idaho Code § 50-2903A.

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

This Plan provides the Agency with powers, duties, and obligations to implement and further the program generally formulated in this Plan for the development, redevelopment, rehabilitation, and revitalization of the area within the boundaries of the Project Area. The Agency retains all powers allowed by the Law and Act. This Plan presents a process and a basic framework within which plan implementation, including contracts, agreements, and ancillary documents will be presented and by which tools are provided to the Agency to fashion, develop, and proceed with plan implementation. The Plan has balanced the need for flexibility over the twenty (20)-year timeframe of the Plan to implement the improvements identified in Attachment 5, with the need for specificity as required by Idaho Code § 50-2905. Attachment 5 specifically considers a phased buildout scenario relying on a realistic concept site plan.

The Plan narrative addresses the required elements of a plan set forth in Idaho Code § 50-2905(1), (5), (7) and (8). Attachment 5, together with the Plan narrative, meet the specificity requirement for the required plan elements set forth in Idaho Code § 50-2905(2)-(6), recognizing that actual Agency expenditures are prioritized each fiscal year during the required annual budgeting process.

Allowed projects are those activities which comply with the Law and the Act and meet the overall objectives of this Plan. The public-private relationship is crucial in the successful development and redevelopment of the Project Area. Typically, the public will fund enhanced public improvements like utilities, streets, and sidewalks which, in turn, establish the necessary infrastructure to support adjacent private investment, which in this case includes multi-family residential, light industrial and commercial facilities.

The purposes of the Law and Act will be attained through, and the major goals of this Plan, are:

- a. The installation and construction of public improvements, including new collector and arterial streets; improvements to existing roadways and intersections; installation of curbs, gutters and streetscapes, which for purposes of this Plan, the term “streetscapes” includes sidewalks, lighting, landscaping, benches, bike racks, public art and similar amenities between the curb and right of way line; installation and/or improvements to fiber optic facilities; improvements to public utilities including water and sewer improvements, and fire protection systems; removal, burying, or relocation of overhead utilities; extension of electrical distribution lines and transformers; improvement of irrigation and drainage ditches and laterals; and improvement of storm drainage facilities;
- b. The planning, design and construction of the proposed improvements to Meyer Road and Boekel Road;
- c. The planning, design and construction of new streets, including but not limited to the Thayer Connection Road, connecting Meyer Road to Boekel Road and the Meyer Backage Road, connecting Meyer Road to the new Thayer Connection Road;
- d. The replanning, redesign, and development of undeveloped or underdeveloped areas which are stagnant or improperly utilized because of limited traffic access, underserved utilities, and other site conditions, including underground gas lines and overhead transmission lines;
- e. The strengthening of the economic base of the Project Area and the community by the installation of needed public improvements to stimulate new private development providing multi-family residential housing options, employment and economic growth;
- f. The provision of adequate land for open space, street rights-of-way and pedestrian rights-of-way, including pathways;

- g. The reconstruction and improvement of street corridors to allow traffic flows to move through the Project Area along with the accompanying utility connections, through the Project Area;
- h. The provision of public service utilities, which may be sited outside of the Project Area, but are necessary to the development of the Project Area, such as water system improvements, sewer system improvements and improvements to storm drainage facilities;
- i. In conjunction with the City, the establishment and implementation of performance criteria to assure high site design standards and environmental quality and other design elements which provide unity and integrity to the entire Project Area, including commitment of funds for planning studies, achieving high standards of development, and leveraging such development to achieve public objectives and efficient use of scarce resources;
- j. The strengthening of the tax base by encouraging private development, thus increasing the assessed valuation of properties within the Project Area as a whole and benefiting the various taxing districts in which the urban renewal area is located; and
- k. The funding of necessary public infrastructure to accommodate both public and private development.

101 General Procedures of the Agency

The Agency is a public body, corporate and politic, as defined and described under the Law and the Act. Under the Law, the Agency is governed by the Idaho open meeting law, the Public Records Act and the Ethics in Government Act of 2015, Chapters 1, 2 and 4 of Title 74, Idaho Code; reporting requirements pursuant to Idaho Code §§ 67-450B, 67-450E, 50-2903A and 50-2913; and the competitive bidding requirements under Chapter 28, Title 67, Idaho Code, as well as other procurement or other public improvement delivery methods.

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

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

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

The City Council created the Agency by Resolution No. 73, dated February 14, 1995 as provided in Idaho Code §§ 50-2005 and 50-2006. Idaho law requires that the City Council, by resolution, must determine a geographic area be a deteriorated area or a deteriorating area, or a combination thereof, and designate such area as appropriate for an urban renewal project prior to preparation of an urban renewal plan. A consultant was retained to study a proposed project area approximately 260 acres in size and prepare an eligibility report. The eligibility report was submitted to the Agency. The Agency accepted the eligibility report by Agency Resolution No. 2017-002 on November 1, 2017, and thereafter submitted the eligibility report to the City Council for its consideration.

The area studied was deemed by the City Council to be a deteriorating area and/or a deteriorated area and therefore eligible for an urban renewal project by adoption of Resolution No. 2018-289 on January 10, 2018. With the adoption of Resolution No. 2018-289, the City Council authorized the preparation of an urban renewal plan, declaring the project area boundary under the plan shall be geographically smaller than the area considered in the eligibility report. Following several Agency meetings, and information from developers and property owners, the Board focused on a Project Area approximately 40 acres in size.

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

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

Pursuant to the Law and Act, the City Council having published due notice thereof, a public hearing was held on this Plan. Notice of the hearing was published in the *Coeur d'Alene Press*, a newspaper having general circulation in the City. The City Council adopted this Plan on _____], 2020, by Ordinance No. [_____].

103 History and Current Conditions of the Area

The Project Area contains approximately 42 acres of mostly vacant, undeveloped land zoned Industrial and R-3 (Multi-Family Residential – High Density) and is located outside of the downtown core in the southeast part of the City. The Project Area is generally bounded by Boekel Road on the south and Meyer Road on the east. A significant portion of the Project Area is encumbered by overhead high-voltage power transmission lines, which significantly restricts construction within the easement and represents a deterrent to development. The three developed parcels fronting Boekel Road cover 7.5 acres.

Most of the Project Area is in a transitional state until costly public infrastructure is extended to support contemplated development. Existing land uses surrounding the Project Area include residential, commercial, light industrial and agricultural.

The Project Area lacks the public infrastructure necessary to properly serve economic development contemplated by the City's zoning and Comprehensive Plan. Boekel Road and Meyer Road do not comply with current City standards requiring curbs, swales for storm drainage, sidewalks or pedestrian paths and illumination. Due to the lack of pedestrian facilities and the increasing residential uses to the south, these roadways present a safety concern. Additionally, the Project Area lacks an internal street network.

Municipal water distribution mains are located in Boekel Road and Meyer Road. As the Project Area is predominantly undeveloped, vacant land, once developed consistent with zoning designations, extensions will be necessary to serve the Project Area. Likely fire flows may need to be upgraded to adequately protect a more densely developed environment. Similarly, sewer collection mains are located in Boekel Road and Meyer Road; however, development within the Project Area will require an interior sewer collection system.

The Plan proposes improvements to public infrastructure and other publicly owned assets throughout the Project Area, creating the opportunity for development of a mixed-use project, including, but not limited to multi-family residential uses; gym, retail and office uses; gas station and convenience store; restaurants and medical and/or other professional offices; light industrial uses and open space (including trails and/or pathways). The Project Area is underdeveloped or vacant and is not being used to its highest and best use due to the existence of the power transmission lines transecting the Project Area, the age and obsolescence of infrastructure, the predominance of defective or inadequate street layout, outmoded street patterns, faulty lot layouts, insanitary and unsafe conditions, and inadequate utility infrastructure needed for residential, commercial and/or light industrial development. The foregoing conditions have arrested or impaired growth in the Project Area.

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 Project Area may be used by the Agency to finance a variety of needed public improvements and facilities. Finally, the contemplated residential developments will provide much needed higher density housing amongst commercial and/or light industrial developments that will generate new jobs in the community that would, in turn, benefit area residents.

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

104 Purpose of Activities

Attachment 5 includes identification of the proposed public improvements necessary for the contemplated development in the Project Area with specificity. The description of activities,

public improvements, and the estimated costs of those items are intended to create an outside limit of the Agency's activity. Due to the inherent difficulty in projecting future levy rates, future taxable value, absorption rates for commercial, light industrial and residential facilities, and the future costs of construction, the Agency reserves the right to:

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

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

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. The activities listed in Attachment 5 will be determined or prioritized as the overall Project Area develops and through the annual budget setting process.

The activities listed in Attachments 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. The projected timing of funding is primarily a function of market conditions and the availability of financial resources but is also strategic, considering the timing of private development partnership opportunities and the ability of certain strategic activities to stimulate development at

a given point in time within the planned 20-year period of the urban renewal district and revenue allocation area.

The Study (Attachment 5) has described a list of prioritized public improvements and other related activities in the Project Area with an estimated cost in 2019 dollars of approximately \$3,601,952. These amounts do not take into account inflationary factors, such as increasing construction costs, which would increase those figures depending on when the owner, developer and/or Agency is able to develop, construct or initiate those activities. The Study has concluded the capacity of revenue allocation funds through the term of the Plan based on the assumed phased development of projects and assessed value increases will likely generate an estimated \$6,038,576¹. The Agency reserves the discretion and flexibility to use revenue allocation proceeds in excess of the amounts predicted in the event higher increases in assessed values occur during the term of the Plan for the improvements and activities identified. Additionally, the Agency reserves the discretion and flexibility to use other sources of funds unrelated to revenue allocation to assist in the funding of the improvements and activities identified.

105 Open Land Criteria

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

Open land areas qualify for Agency acquisition and development for residential uses if the City Council determines there is a shortage of housing of sound standards and design which is decent, safe and sanitary in the City, that the need for housing will be increased as a result of the clearance of deteriorated areas, that the conditions of blight in the area and the shortage of decent, safe and sanitary housing contributes to an increase in the spread of disease and crime and constitutes 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 City. Due to the City’s expected growth the need for housing is significant. Further, the existing zoning designations in the Project Area allow for increased residential density, which is a buffer for the proposed surrounding industrial and commercial projects.

¹ A portion of the Project Area is zoned Industrial. This zone permits multi-family residential subject to a conditional use permit. The Economic Feasibility Study conservatively forecasts a light industrial project on the 3.93 acres within the industrial zoned area and concludes the proposed development is feasible. As an alternative development scenario, and consistent with City zoning, owners/developers may consider seeking a conditional use permit to build an additional multi-family project phase or complex in the industrial zoned area. If approved, preliminary estimates indicate a multi-family residential project in the Industrial zone may provide additional revenue allocation proceeds that may allow the Project Area to terminate even earlier than projected.

Open land areas qualify for Agency acquisition and development for primarily nonresidential uses if acquisition is necessary to facilitate the proper growth and development of the Project Area in accordance with City planning objectives if any of the deteriorating area conditions set forth in Idaho Code §§ 50-2018(8), (9) and 50-2903(8) apply. But such areas also qualify if any of the issues listed only in 50-2008(d)(4)(2) apply. The lack of interior water and sewer facilities, large parcel size, a deficient interior street system, lack of fire protection facilities and economic disuse are all conditions which delay or impair development of the open land areas and satisfy the open land conditions as more fully supported by the Thayer Eligibility Study for City of Rathdrum Urban Renewal Agency, prepared by JFoster and Associates, dated November, 2017.

This Plan does not anticipate or intend Agency acquisition of property within the Project Area. However, should the Agency determine the need to acquire property as further set forth in Attachment 3, then the open land areas qualify for Agency acquisition and development.

200 DESCRIPTION OF PROJECT AREA

The boundaries of the Project Area and the Revenue Allocation Area are shown on the Project Area and Revenue Allocation Boundary Map, attached hereto as Attachment 1 and incorporated herein by reference, and are described in the Legal Description of the Project Area and Revenue Allocation Area, attached hereto as Attachment 2 and incorporated herein by reference. For purposes of boundary descriptions and the 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.

300 PROPOSED REDEVELOPMENT ACTIONS

301 General

The Agency proposes to eliminate and prevent the spread of deteriorating conditions and deterioration in the Project Area by employing a strategy to improve and develop public and private lands, to provide for increased residential density pursuant to the City's land use and zoning maps, and to grow the economy in the Project Area. Implementation of the strategy includes, but is not limited to the following actions:

- a. The engineering, design, installation, construction, and/or reconstruction of storm water management infrastructure to support compliance with federal, state and local regulations for storm water discharge and to support private development;
- b. The provision for participation by property owners and developers within the Project Area to achieve the economic development objectives of this Plan;
- c. The engineering, design, installation, construction, and/or reconstruction of streets, including but not limited to improvements and upgrades to Boekel Road

and Meyer Road, and the construction of Thayer Connection Road, connecting Meyer Road to Boekel Road and the Meyer Backage Road, connecting Meyer Road to the new Thayer Connection Road, and related pedestrian facilities, intersection improvements and traffic signals;

- d. The engineering, design, installation, construction, and/or reconstruction of utilities (within and outside of the Project Area) including but not limited to improvements and upgrades to the water distribution system, booster system upgrades, water capacity improvements, water storage upgrades, sewer system improvements and upgrades, gravity interceptor, and improvements and upgrades to power and gas facilities. Construction of utilities outside of the Project Area are directly related to the growth and development within the Project Area, but cannot be sited within the Project Area;
- e. Removal, burying, or relocation of overhead utilities; removal or relocation of underground utilities; extension of electrical distribution lines and transformers; improvement of irrigation and drainage ditches and laterals; addition of fiber optic lines or other communication systems; public parking facilities, and other public improvements, including but not limited to, fire protection systems, roadways, curbs, gutters, and streetscapes, which for purposes of this Plan, the term streetscapes includes sidewalks, lighting, landscaping, benches, bike racks, public art and similar amenities between the curb and right-of-way line; and other public improvements, including public open spaces that may be deemed appropriate by the Board;
- f. The acquisition of real property for public right-of-way improvements, pedestrian facilities, open space and pathways, utility undergrounding and streetscape improvements to create development opportunities consistent with the Plan;
- g. The demolition or removal of certain buildings and/or improvements for public rights-of-way, pedestrian facilities, open space and pathways, utility undergrounding and streetscape improvements to encourage and enhance transportation and mobility options, decrease underutilized parcels, to eliminate unhealthful, unsanitary, or unsafe conditions, eliminate obsolete or other uses detrimental to the public welfare or otherwise to remove or to prevent the spread of deteriorating or deteriorated conditions and to promote economic growth and development or redevelopment;
- h. The development or redevelopment of land by private enterprise or public agencies for uses in accordance with this Plan;
- i. The provision of financial and other assistance to encourage and attract business enterprise including but not limited to start-ups and microbusinesses, mid-sized companies and large-scale corporations and industries;

- j. The rehabilitation of structures and improvements by present owners, their successors, and the Agency;
- k. The preparation and assembly of adequate sites for the development and construction of facilities for residential, commercial, industrial and governmental use;
- l. To the extent allowed by law, lend or invest federal funds to facilitate development and/or redevelopment;
- m. The environmental assessment and remediation of brownfield sites, or sites where environmental conditions detrimental to development and/or redevelopment exist;
- n. In collaboration with property owners and other stakeholders, working with the City to amend zoning regulations (if necessary) and standards and guidelines for the design of streetscape, multi-use pathways, parks and open space, and other like public spaces applicable to the Project Area as needed to support implementation of this Plan;
- o. In conjunction with the City, the establishment and implementation of performance criteria to assure high site design standards and environmental quality and other design elements which provide unity and integrity to the entire Project Area, including commitment of funds for planning studies, achieving high standards of development, and leveraging such development to achieve public objectives and efficient use of scarce resources; and
- p. Other related improvements to those set forth above as further set forth in Attachment 5.

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

302 Urban Renewal Plan Objectives

Urban renewal activity is necessary in the Project Area to combat problems of physical deterioration or deteriorating conditions. As set forth in greater detail in Section 103, the Project Area has a history of stagnant growth and development compared to other areas of the City based on deteriorated or deteriorating conditions that have arrested or impaired growth in the Project Area primarily attributed to: the high-voltage power transmission lines and corresponding easement that limit development, predominance of defective or inadequate street layout, faulty lot layout, unsafe conditions, outmoded street patterns, obsolete platting and obsolescence. The Plan for the Project Area is a proposal to work in partnership with public and private entities to create a mixed-use multi-family residential and commercial area, to improve, develop, and grow

the economy within the Project Area by the implementation of a strategy and program set forth in Section 301.

The provisions of this Plan are applicable to all public and private property in the Project Area. The provisions of the Plan shall be interpreted and applied as objectives and goals, recognizing the need for flexibility in interpretation and implementation, while at the same time not in any way abdicating the rights and privileges of the property owners which are vested in the present and future zoning classifications of the properties. All development under any development agreement shall conform to those standards specified in Section 303 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 represents the key elements of that effort:

- a. Initiate simultaneous projects designed to revitalize the Project Area. From street and utility improvements to significant new public or private development, the Agency plays a key role in creating the necessary momentum to get and keep things going.
- b. Develop new residential, commercial and light industrial opportunities, as well as encourage other economic development opportunities.
- c. Secure and improve certain public open space in critical areas.

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

Land use in the Project Area will be modified to the extent that the existing brownfields, and underutilized, underdeveloped, deteriorated, deteriorating and vacant land and land now devoted to scattered inconsistent uses will be converted to residential, commercial and light industrial uses. In implementing the activities described in this Plan, the Agency shall give due consideration to the provision of adequate park and open space, and community and recreational areas and facilities that may be desirable for neighborhood improvement, with special consideration for the health, safety, and welfare of residents in the general vicinity of the Project Area covered by the Plan, recognizing the mixed-use residential, commercial and light industrial nature of the Project Area.

303 Participation Opportunities and Participation Agreements

The Agency shall enter into an owner participation agreement (which term includes all types of reimbursement agreements) with any existing or future owner of property in the Project

Area, in the event the property owner receives assistance from the Agency in the development and/or redevelopment of the property. In that event, the Agency may allow for an existing or future owner of property to remove the property and/or structure from future Agency acquisition subject to entering into an owner participation agreement. It is anticipated the Agency will enter into an owner participation agreement with the current owner/developer of properties in the Project Area and/or its related entities. The Agency may also enter into owner participation agreements with other future owners and developers within the Project Area throughout the duration of this Plan in order to implement the infrastructure improvements set forth in this Plan.

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

- Any such property within the Project Area shall be required to conform to all applicable provisions, requirements, and regulations of this Plan. The owner participation agreement may require as a condition of financial participation by the Agency a commitment by the property owner to meet the greater objectives of the land use elements identified in the Comprehensive Plan and applicable zoning ordinances. Upon completion of any rehabilitation each structure must be safe and sound in all physical respects and be refurbished and altered to bring the property to an upgraded marketable condition that will continue throughout an estimated useful life for a minimum of twenty (20) years.
- All such buildings or portions of buildings which are to remain within the Project Area shall be rehabilitated or constructed in conformity with all applicable codes and ordinances of the City.
- Any new construction shall also conform to all applicable provisions, requirements, and regulations of this Plan, as well as, to all applicable codes and ordinances of the City.

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

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

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

- Encouraging property owners to revitalize and/or remediate deteriorated areas or deteriorating areas of their parcels to accelerate development in the Project Area.
- Subject to the limitations of the Law and the Act, providing incentives to property owners to encourage utilization and expansion of existing permitted uses during the transition period to prevent a decline in the employment base and a proliferation of vacant and deteriorated parcels in the Project Area during the extended development and/or redevelopment of the Project Area.
- Allowing existing nonconforming uses to continue in accordance with City regulations and to accommodate improvements and expansions allowed by City regulations and generally consistent with this Plan for the Project Area.
- Subject to the limitations of the Law and Act, providing incentives to improve nonconforming properties so they implement the design guidelines contained in this Plan to the extent possible and to encourage an orderly transition from nonconforming to conforming uses over the next twenty (20) years.
- Provide for advance funding by the developer/owner participant of those certain public improvements related to or needed for the private development. In that event, the Agency will agree as set out in the participation agreement to reimburse a portion of, or all of, the costs of public improvements identified in the participation agreement from the revenue allocation generated by the private development.

304 Cooperation with Public Bodies

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

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

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

The Agency intends to cooperate to the extent allowable with the City for the engineering, design, installation, construction, and/or reconstruction of public infrastructure improvements, including, but not limited to water, sewer, storm drainage, electrical, natural gas, telecommunication, or other similar systems and lines, streets, roads, curbs, gutters, sidewalks, walkways, public parking facilities and unoccupied auxiliary structures. The Agency shall also cooperate with the City on various relocation, screening, or underground projects and the providing of fiber optic capability. To the extent any public entity, including the City, has funded certain improvements, the Agency may reimburse those entities for those expenses. The Agency also intends to cooperate and seek available assistance from state, federal and other sources for economic development.

In the event the Agency is participating in the public development by way of financial incentive or otherwise, the public body shall enter into an agreement with the Agency and then shall be bound by the Plan and other land use elements and shall take into consideration those standards specified in Section 303 of this Plan.

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

305 Property Acquisition

305.1 Real Property

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

The Agency intends to acquire any real property through voluntary or consensual gift, devise, exchange, or purchase. Such acquisition of property may be for the development of the public improvements identified in this Plan. Such properties may include properties owned by private parties or public entities. This Plan allows the Agency's use of its resources for property acquisition.

In the event the Agency identifies certain property which should be acquired to develop certain public improvements intended to be constructed under the provisions of this Plan, the Agency shall coordinate such property acquisition with any other public entity (e.g., without limitation, the City, the 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 invocation of eminent domain authority as limited by Idaho Code § 7-701A.

The Agency is authorized by this Plan and Idaho Code §§ 50-2010 and 50-2018(12) to acquire the properties identified in Attachment 3 hereto for the purposes set forth in this Plan. The Agency has identified its intent to acquire and/or participate in the development of certain public improvements, including, but not limited to streets, streetscapes, lighting, water and sewer improvements, drainage facilities, intersection improvements, including the installation of traffic signals, public parking, parks and open space, multi-use paths and trails, power and gas improvements and/or relocations, and other related public infrastructure improvements. The Agency's property acquisition will result in remediating deteriorating conditions in the Project Area by facilitating the development of residential, commercial and light industrial uses. The public improvements are intended to be dedicated to the City upon completion. The Agency reserves the right to determine which properties identified, if any, should be acquired. The open land areas qualify for Agency acquisition as further set forth in Section 105 of this Plan.

It is in the public interest and is necessary, in order to eliminate the conditions requiring development and/or redevelopment and in order to execute this Plan, for the power of eminent domain to be employed by the Agency to acquire real property in the Project Area for the public improvements identified in this Plan, which cannot be acquired by gift, devise, exchange, purchase, or any other lawful method, subject to the limitations set forth in Idaho Code § 7-701A.

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

305.2 Personal Property

Generally, personal property shall not be acquired. However, where necessary in the execution of this Plan, the Agency is authorized to acquire personal property in the Project Area

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

306 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.

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

307 Demolition, Clearance and Site Preparation

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

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

308 Development by the Agency

To the extent now or hereafter permitted by law, the Agency is authorized to pay for, develop, or construct public improvements within the Project Area for itself or for any public body or entity, which public improvements are or would be of benefit to the Project Area. Specifically, the Agency may pay for, install, or construct the public improvements authorized under Idaho Code Section 50-2007, 50-2018(10) and (13), and 50-2903(9), (13), and (14), and as otherwise identified in Attachment 5 and may acquire or pay for the land required therefore.

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 or other public body or private entity pursuant to this section, and the obligation of the Agency under such contract, lease, or agreement shall constitute an indebtedness of the Agency as described in

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

309 Development Plans

All development plans (whether public or private) prepared pursuant to an owner participation agreement, shall be submitted to the Agency Board for approval and review. All development in the Project Area must conform to those standards specified in Section 408 and all applicable City ordinances.

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.

311 Participation with Others

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

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

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

As allowed by law, the Agency may also use funds from any other sources or participate with the private or public sector with regard to any programs administered by the Idaho Department of Commerce for any purpose set forth under the Law or Act.

The Agency may enter into contracts, leases, and agreements with the City, or other public body or private entity, pursuant to this section, and the obligation of the Agency under such contract, lease, or agreement shall constitute an indebtedness of the Agency as described in Idaho Code § 50-2909 which may be made payable out of the taxes levied in the Project Area and allocated to the Agency under Idaho Code § 50-2908(2)(b) and Section 500 to this Plan or out of any other available funds.

312 Conforming Owners

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

400 USES PERMITTED IN THE PROJECT AREA

401 Designated Land Uses

The Agency intends to rely upon the overall land use designations and zoning classifications of the City, as may be amended, and as tentatively depicted on Attachment 4 and as set forth in the City's Comprehensive Plan and within the Rathdrum zoning ordinance and requirements, including the future land use map and zoning classifications, as may be amended. For the most part, the Project Area will include high-density residential, commercial and light industrial development. Provided, however, nothing herein within this Plan shall be deemed to be granting any particular right to zoning classification or use.

402 Public Rights-of-Way

The Project Area contains existing maintained public rights-of-way as shown on Attachment 1, including but not limited to Boekel Road and Meyer Road. Any new roadways, including new collectors and/or arterials to be engineered, designed, installed and constructed in the interior of the Project Area including but not limited to the Thayer Connection Road, connecting Meyer Road to Boekel Road and the Meyer Backage Road, connecting Meyer Road to the new Thayer Connection Road, will be constructed in conjunction with any applicable policies and design standards of the City (and State and Federal standards, as the case may be) regarding dedicated rights-of-way. Additional public streets, alleys, and easements may be created in the Project Area as needed for proper development, and other potential roadways generally shown in Attachment 5.

Existing dirt roadways, streets, alleys, easements, and irrigation or drainage laterals or ditches (if any) may be improved, abandoned, closed, vacated, expanded or modified as necessary for proper development of the Project Area, in accordance with any applicable policies and standards of the Idaho Transportation Department, Kootenai County or the City regarding changes to dedicated rights-of-way.

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

- a. A balancing of the needs of proposed and potential new developments for adequate pedestrian and vehicular access (including cars, trucks, bicycles, etc.), vehicular parking, and delivery loading docks with the similar needs of any existing developments permitted to remain. Such balancing shall take into consideration the rights of existing owners and tenants under the rules for owner and tenant participation adopted by the Agency for the Project and any participation agreements executed thereunder;
- b. The requirements imposed by such factors as topography, traffic safety, and aesthetics;
- c. The potential need to serve not only the Project Area and new or existing developments, but to also serve areas outside the Project Area by providing convenient and efficient vehicular access and movement; and
- d. Street connectivity should be maximized, and the design and/or construction of permanent cul-de-sacs and dead-end streets should be minimized to the greatest extent practicable.

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

403 [RESERVED]

404 Interim Uses

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

405 Development in the Project Area Subject to the Plan

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

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

All construction in the Project Area shall comply with all applicable state laws, the Rathdrum City Code, as may be amended from time to time, and any applicable City Council

ordinances pending codification, including but not limited to, regulations concerning the type, size, density and height of buildings; open space, landscaping, light, air, and privacy; the undergrounding of utilities; limitation or prohibition of development that is incompatible with the surrounding area by reason of appearance, traffic, smoke, glare, noise, odor, or similar factors; parcel subdivision; off-street loading and off-street parking requirements.

In addition to the Rathdrum City Code, 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 an owner participation agreement.

407 Minor Variations

Under exceptional circumstances, the Agency is authorized to allow a variation from the limits, restrictions, and controls established by this Plan. In order to allow such variation, the Agency must determine that the variation is not contrary to the objectives of this Plan, is not materially detrimental to the public interest and is not contrary to Idaho Law.

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. In allowing 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 the Plan. Any variation permitted by the Agency hereunder shall not supersede any other approval required under City codes and ordinances and shall not be considered a modification to the Plan.

408 Design for Owner Participation Agreement

Within the limits, restrictions, and controls established in this Plan, the Agency is authorized to establish heights of buildings, density, 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, density and other like standards.

In the case of property which is the subject of an 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, open space, 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. 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 owner participation agreement. 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.

409 Nonconforming Uses

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

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

All nonconforming uses shall also comply with the City codes and ordinances.

500 METHODS OF FINANCING THE PROJECT

501 General Description of the Proposed Financing Methods

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

The Agency is also authorized to obtain advances, lines of credit, borrow funds, and create indebtedness in carrying out this Plan. The principal and interest on such advances, funds, and indebtedness may be paid from any funds available to the Agency. The City, as it is able, may also supply additional assistance through City loans and grants for various public improvements and facilities.

As allowed by law and subject to restrictions as are imposed by law, the Agency is authorized to issue notes or bonds from time to time, if it deems appropriate to do so, in order to

finance all or any part of the Project. Neither the members of the Agency nor any persons executing the bonds are liable personally on the bonds by reason of their issuance.

502 Revenue Allocation Financing Provisions

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

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

The Agency may consider a note or line of credit issued by a bank or lending institution premised upon revenue allocation funds generated by a substantial private development contemplated by the Study, as defined in Section 502.1, which would allow the Agency to more quickly fund the public improvements contemplated by this Plan. Likewise, a developer/owner advanced funding could achieve the same purpose.

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

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

The Agency may appropriate funds consisting of revenue allocation proceeds on an annual basis without the issuance of notes or bonds. The Agency may also obtain advances or loans from the City or Agency, or private entity and financial institutions in order to immediately commence construction of certain of the public improvements. Developer advanced funding of public improvements could also achieve the same purpose. The revenue allocation proceeds are hereby irrevocably pledged for the payment of the principal and interest on the advance of monies or making of loans or the incurring of any indebtedness such as bonds, notes, and other obligations (whether funded, refunded, assumed, or otherwise) by the Agency to finance or refinance the Project in whole or in part, including reimbursement to developers for the cost of eligible public improvements

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

502.1 Economic Feasibility Study

The Silverado Urban Renewal District Economic Feasibility Study, dated July 28, 2020, attached hereto as Attachment 5 constitutes the economic feasibility study ("Study") for the Project Area prepared by Tom Lien. The Study constitutes the financial analysis required by the Act and is based upon existing information from property owners, developers, the Agency, City and others.

502.2 Assumptions and Conditions/Economic Feasibility Statement

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

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

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

The assumptions concerning revenue allocation proceeds are based upon certain anticipated development, assessed value increases and assumed levy rates as more specifically set forth in Attachment 5. Further, the financial analysis set forth in Attachment 5 has taken into account and excluded levies that do not flow to the Agency consistent with Idaho Code § 50-2908. The types of new construction expected in the Project Area are high-density residential, light industrial and commercial facilities and improvements, as well as related public improvements. The Project Area has potential for a significant increase in light industrial and commercial growth due to the location of the Project Area near a growing residential area. However, without a method to construct the identified public improvements development is unlikely to occur in much of the Project Area.

502.3 Ten Percent Limitation

Under the Act, the base assessed valuation for all revenue allocation areas cannot exceed gross/net ten percent (10%) of the current assessed taxable value for the entire City. According to the Kootenai County Assessor, the assessed taxable value² for the City as of January 1, 2020, less homeowner’s exemptions is \$654,026,458; therefore, the 10% limit is \$65,402,645.

The adjusted base assessed value of the West Rathdrum Project Area as of January 1, 2020, is \$722,334. The estimated base value for the proposed Project Area is \$2,791,212⁴. The adjusted base values for the combined revenue allocation areas total \$3,513,546, which is less than 10% of the City’s 2020 taxable value.

502.4 Financial Limitation

² Includes taxable real and personal property, including operating property.

⁴ Pursuant to House Bill 560 enacted during the 2020 Legislative Session, as of July 1, 2020, there is no longer a speculative value exemption for agricultural land. Instead, the market value of land actively devoted to agriculture is its “actual use value.” This statutory change will have an impact on the current allocation of value between the base value and the increment value as there is no longer an agricultural tax exemption. Previously, any increase in valuation caused by the removal of the agricultural tax exemption from undeveloped agricultural land in a revenue allocation area was added to the base assessment roll. With the removal of the exemption, going forward the base value of agricultural land will be the actual use value. To be conservative, this Plan has considered an increase in the base assessment roll stemming from the removal of any existing agricultural exemptions.

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

The amount of funds available to the Agency from revenue allocation financing is directly related to the assessed value of new improvements within the Revenue Allocation Area. Under the Act, the Agency is allowed the revenue allocation generated from inflationary increases and new development value. Increases have been assumed based upon the projected value of new development as that development occurs and is assessed. For purposes of determining feasibility, the Study assumes development will be phased over seven years with each phase estimated to take approximately two years to be completed.

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 annual revenue allocations and developer contributions 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 the estimated 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 proposed development scenario.

The projections in the Study are based on reasonable assumptions and existing market conditions. First, the Agency has projected developer funding to assist with the administrative costs for establishing the new Project Area, and for the first two years of operation, pursuant to a memorandum of understanding with the Agency. Should the Project Area be established and generate sufficient revenue allocation funds, the developer funded amount is anticipated to be reimbursed prior to reimbursement for infrastructure costs pursuant to the terms of any owner participation agreement. Second, the Study, relying significantly on developer input, has projected development will be phased over seven years with each phase estimated to take approximately two years to be completed. Development within the Project Area includes multi-family residential, public open space, commercial, such as, a gym, general retail, gas station and/or convenience store and restaurant space, medical and other professional offices and light industrial development. These developments and/or improvements are expected to begin to generate revenue allocation funds as early as calendar year 2022. Third, the Study projects the existing owner/developer will advance fund many of the public improvements necessary for the development to occur, which amounts subject to reimbursement will be reimbursed to the existing owner/developer pursuant to the terms of an owner participation agreement. Fourth, under the provisions of the Act, the revenue allocation may continue until the end of the Plan term. Fifth, the total amount of indebtedness and the amount of revenue generated by revenue allocation is dependent upon the extent and timing of private development.

A portion of the Project Area is zoned Industrial. This zone permits multi-family residential subject to a conditional use permit. The Study conservatively forecasts a light

industrial project on the 3.93 acres within the industrial zoned area and concludes the proposed development is feasible. As an alternative development scenario, and consistent with City zoning, owners/developers may consider seeking a conditional use permit to build an additional multi-family project phase or complex in the industrial zoned area. If approved, preliminary estimates indicate a multi-family residential project in the Industrial zone may provide additional revenue allocation proceeds that may allow the Project Area to terminate even earlier than projected.



Finally, the Agency reserves the discretion and flexibility to use other sources of funds unrelated to revenue allocation to assist in the funding of the improvements and activities identified, including but not limited to loans, notes, and participation agreements. The Agency may also, re-prioritize projects and the location of those projects pursuant to market conditions, project timing, funding availability, etc. as more specifically detailed in the annual budget.

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

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

The Agency reserves its discretion and flexibility in deciding which improvements are more critical for development, and the Agency intends to coordinate its public improvements with associated development by private developers/owners. Where applicable, the Agency also intends to coordinate its participation in the public improvements with the receipt of certain grants or loans which may require the Agency's participation in some combination with the grant and loan funding.

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

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

502.5 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, except as may be authorized by law.

502.6 Impact on Other Taxing Districts and Levy Rate

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

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

The County Board of Commissioners calculates the levy rate required to produce the proposed budget amount for each taxing entity using the assessed values which are subject to each taxing entity's levy rate. Assessed values in urban renewal districts which are subject to revenue allocation (incremental values) are not included in this calculation⁵. The combined levy rate for the taxing entities is applied to the incremental property values in a revenue allocation area to determine the amount of property tax revenue which is allocated to an urban renewal agency. The property taxes generated by the base values in the urban renewal districts and by properties outside revenue allocation areas are distributed to the taxing entities. Properties in revenue allocation areas are subject to the same levy rate as they would be outside a revenue allocation area. The difference is how the revenue is distributed. If the overall levy rate is less than assumed, the Agency will receive fewer funds from revenue allocation.

⁵ There are exceptions to this assertion set forth in I.C. § 50-2908, where certain levies do not generate revenue for the Agency, and therefore, the full value of the Project Area is used to set the levy rate.

In addition, without the Revenue Allocation Area and its ability to pay for public improvements and public facilities, fewer substantial improvements within the Revenue Allocation Area would be expected during the term of the Plan; hence, there would be lower increases in assessed valuation to be used by the taxing entities. The Study's analysis is premised upon the fact the proposed development would not occur but for the ability to use revenue allocation funds to fund certain significant public infrastructure improvements.

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

As 2020 certified levy rates are not determined until late September 2020, the 2019 certified levy rates have been used in the Study for purposes of the analysis.⁶ Those taxing districts and rates are as follows:

Taxing District Levies:

Kootenai County	.002488493
Lakes Highway District #2	.000557072
City of Rathdrum	.004488580
Lakeland Joint School District No. 272	.000020913
Kootenai County Ambulance	.000138373
Northern Lakes Fire Protection	.001132884
North Idaho Junior College	.000797070
Community Library Network	.000301380
Kootenai County Hospital	.000000000
 TOTAL:	 .009924765

The Study has made certain assumptions concerning the levy rate. The levy rate is conservatively estimated to be .009924765 and is projected to stay level for the life of the revenue allocation area. Additionally, the Study assumes a combined annual inflationary increase

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

of 1.6% in land value and improvement value over the term of the Plan. If the overall levy rate is less than projected, or the land values do not increase as expected, or expected development fails to occur as estimated, the Agency shall receive fewer funds from revenue allocation.

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

503 Membership Dues and Support of Community Economic Development

The Act is premised upon economic development being a valid public purpose. To the extent allowed by the Law and the Act, the Agency reserves the authority to use revenue allocation funds to contract with non-profit and charitable organizations established for the purpose of supporting economic development and job creation. Additionally, the Agency reserves the authority to expend revenue allocation funds to join, participate and support non-profit organizations established to support Agency best practices and administration. The line item of Administrative Costs identified in the Study shall be deemed to include expenditures for the purposes described in this section as may be deemed appropriate during the annual budgetary process.

600 ACTIONS BY THE CITY

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

- a. Institution and completion of proceedings necessary for changes and improvements in private and publicly owned public utilities within or affecting the Project Area.
- b. Revision of zoning (if necessary) within the Project Area to permit the land uses and development authorized by this Plan.
- c. Imposition wherever necessary of appropriate controls within the limits of this Plan upon parcels in the Project Area to ensure their proper development and use.
- d. Provision for administrative enforcement of this Plan by the City after development. The City and the Agency may develop and provide for enforcement of a program for continued maintenance by owners of all real property, both public and private, within the Project Area throughout the duration of this Plan.

- e. Building Code enforcement.
- f. Performance of the above actions and of all other functions and services relating to public peace, health, safety, and physical development normally rendered in accordance with a schedule which will permit the development and/or redevelopment of the Project Area to be commenced and carried to completion without unnecessary delays.
- g. The undertaking and completing of any other proceedings necessary to carry out the Project.
- h. Administration of Community Development Block Grant funds that may be made available for this Project.
- i. Appropriate agreements with the Agency for administration, supporting services, funding sources, and the like.
- j. Use of public entity labor, services, and materials for construction of the public improvements listed in this Plan.
- k. Coordination of the development agreements entered into by the City and developer with the goals of the Plan.
- l. Assist with coordinating and implementing the public improvements in the Project Area identified in the Study.
- m. Contribute land for right-of-way improvements at no cost to support construction of the public improvements listed in this Plan.
- n. Joint funding of certain public improvements, including but not limited to improvements to roadways, sewer treatment and water system facilities and storage facilities.

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

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. The Agency expects to dedicate public improvements to the City.

700 ENFORCEMENT

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

800 DURATION OF THIS PLAN, TERMINATION, AND ASSET REVIEW

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

Idaho Code § 50-2903(5) provides the Agency shall adopt a resolution of intent to terminate the revenue allocation area by September 1 of the termination year. In order to provide sufficient notice of termination to the affected taxing districts to allow them to benefit from the increased budget capacity, the Agency will use its best efforts to provide notice of its intent to terminate this Plan and its revenue allocation authority by May 1, 2041, or if the Agency determines an earlier terminate date, then by May 1 of the early termination year:

- a. When the Revenue Allocation Area plan budget estimates that all financial obligations have been provided for, the principal of and interest on such moneys, indebtedness, and bonds have been paid in full or when deposits in the special fund or funds created under this chapter are sufficient to pay such principal and interest as they come due, and to fund reserves, if any, or any other obligations of the Agency funded through revenue allocation proceeds shall be satisfied and the Agency has determined no additional project costs need be funded through revenue allocation financing, the allocation of revenues under Idaho Code § 50-2908 shall thereupon cease; any moneys in such fund or funds in excess of the amount necessary to pay such principal and interest shall be distributed to the affected taxing districts in which the Revenue Allocation Area is located by the County Clerk in the same manner and proportion as the most recent distribution to the affected taxing districts of the taxes on the taxable property located within the Revenue Allocation Area; and the powers granted to the urban renewal agency under Idaho Code § 50-2909 shall thereupon terminate.
- b. In determining the termination date, the Plan shall recognize that the Agency shall receive allocation of revenues in the calendar year following the last year of the revenue allocation provision described in the Plan.

- c. For the fiscal year that immediately predates the termination date, the Agency shall adopt and publish a budget specifically for the projected revenues and expenses of the Plan and make a determination as to whether the Revenue Allocation Area can be terminated before January 1 of the termination year pursuant to the terms of Idaho Code § 50-2909(4). In the event that the Agency determines that current tax year revenues are sufficient to cover all estimated expenses for the current year and all future years, by May 1, but in any event, no later than September 1, the Agency shall adopt a resolution advising and notifying the local governing body, the county auditor, and the State Tax Commission, recommending the adoption of an ordinance for termination of the Revenue Allocation Area by December 31 of the current year, and declaring a surplus to be distributed as described in Idaho Code § 50-2909 should a surplus be determined to exist. The Agency shall cause the ordinance to be filed with the office of the county recorder and the Idaho State Tax Commission as provided in Idaho Code § 63-215.

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

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

For those assets which do not provide such resources or revenues, the Agency will likely convey such assets to the City, depending on the nature of the asset.

900 PROCEDURE FOR AMENDMENT OR MODIFICATION

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

purposes are technical and ministerial and are not deemed a modification under Idaho Code § 50-2903A(1)(a)(i).

1000 SEVERABILITY

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

1100 ANNUAL REPORT AND OTHER REPORTING REQUIREMENTS

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

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

1200 APPENDICES, ATTACHMENTS, EXHIBITS, TABLES

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

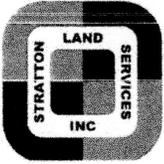
Attachment 1

Project Area and Revenue Allocation Area Boundary Map

Attachment 2

Legal Description of Project Area and Revenue Allocation Area

An area consisting of approximately 42 acres as more particularly described as follows:



STRATTON LAND SERVICES, INC.

8068 W. MAIN ST. UNIT 1
RATHDRUM, ID 83858
rob@strattonls.com

PHONE: (208) 687-2854
(888) 687-2854
www.strattonls.com

SURVEYING & ENGINEERING

13 November 2019

Project 17025 Head

Description for Urban Renewal District:

A portion of sections 5 and 6, township 51 north, range 4 west and sections 31 and 32, township 52 north, range 4 west, all of the Boise Meridian, City of Rathdrum, Kootenai County, Idaho, said portion being described as:

Beginning at the southwest corner of lot 3, block 1 of the plat of Head Tracts as recorded with Kootenai County in book 'J' of plats at page 172, said corner being on the north right-of-way line of Boekel Road, an old section line road with said right-of-way line 25 feet northerly of the section line;

Thence north 1304 feet to the northwest corner of said lot 3;

Thence east along the north line of said Head Tracts, the north line of the southeast quarter of the southeast quarter of said section 31 and said line extended 1345 feet to a point on the east right-of-way line of Meyer Road, an old section line road with said right-of-way line 25 feet easterly of the section line;

Thence south along said east right-of-way line 1301 feet to the intersection with said north right-of-way line of Boekel Road;

Thence southeasterly 52 feet to the intersection of the south right-of-way line of Boekel Road, an old section line road with said right-of-way line 25 feet southerly of the section line and the east right-of-way line of Meyer Road as established in a deed recorded with Kootenai County under inst. #1608506;

Thence southwesterly 104 feet to a point on the northerly end of a curve between the rights-of-way for Boekel Road and Meyer Road as dedicated on the plat of Thayer Northeast as recorded with Kootenai County in book 'G' of plats at page 410, said point also being on the south right-of-way line of Boekel Road as established in a deed recorded with Kootenai County under inst. #1380144, said right-of-way line being 55 feet southerly of the north line of the northeast quarter of said section 6;

Thence west along said south right-of-way line 1260 feet to the northeast corner of lot 2, block two of the plat of Thayer Northeast Block Two as recorded with Kootenai County in book 'I' of plats at page 173;

Thence north 80 feet to the said point of Beginning.



DEED OF CONVEYANCE

1380144

THIS DEED, entered into on the 30th day of November, 1994, between GEORGE AND AUDREY THAYER, husband and wife, hereinafter referred to as "GRANTORS", and the city of Rathdrum, a municipal corporation of the state of Idaho, hereinafter referred to as "GRANTEE", whose address is Post Office Box 67, Rathdrum, Idaho, as to the following real property situated in Kootenai County, state of Idaho, more specifically described as follows:

The South 30 feet of the North 55 feet of Section 6, T 51 N, R 4 W B M, Kootenai County, state of Idaho

WHEREAS, Grantors are the owners in title, or claim an interest in the real property herein described, to be conveyed to the Grantee by this deed for the purpose of establishing a public right of way; and

WHEREAS, Grantors herein, their successors in interest, heirs, executors, administrators and assigns, do hereby grant, bargain, sell, and convey all the right, title and interest in the following described real property unto the Grantors for right of way purposes inclusive of the future installation of roadways, curves, sewer, and water lines, utilities as may be required, and such other public uses as shall be required by the ordinances of the city of Rathdrum, the laws, rules and regulations of the state of Idaho, and such other applicable statutes, rules or regulations as are deemed necessary or appropriate.

NOW, THEREFORE, by acceptance of this Deed of Conveyance, the Grantee accepts ownership of the above described parcel being conveyed hereunder, without

1380144

obligation of contribution or maintenance until such time as roadways, curbs, water and sewer lines are installed and accepted by the city of Rathdrum pursuant to its standards.

IN WITNESS WHEREOF, the GRANTORS have set their hands this 30th day of November, 1994.

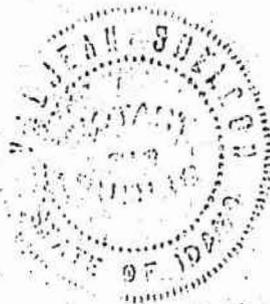
George E Thayer
GEORGE THAYER

Audrey L Thayer
AUDREY THAYER

STATE OF IDAHO)
) ss.
County of Kootenai)

On this 30th day of November, 1994, before me the undersigned Notary Public, personally appeared GEORGE and AUDREY THAYER, husband and wife, known or identified to be the person whose name is subscribed to the within instrument and acknowledged to me that they executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year first above written in this certification.



Valjean Sheldon
NOTARY PUBLIC FOR IDAHO
Residing at:
My Commission Expires: 4/28/2000

1380144

IN WITNESS WHEREOF, the GRANTEE have set their hands this 1st day of November, 1994.

[Signature]

CITY OF RATHDRUM

Charles E. Hall
MAYOR President of Council

ATTEST:

Judy Hollenbeck
JUDY HOLLENBECK, City Clerk

STATE OF IDAHO }
COUNTY OF FOOTENAI } SS
AT THE REQUEST OF
City of Rathdrum
DEC 2 10 30 AM '94
TOWNSHIP CLERK
Miss
FEE\$ 9.00 DEPUTY

1608506

EXHIBIT A

LEGAL DESCRIPTION

FOR

MEYER ROAD RIGHT-OF-WAY

FOUR PARCELS OF LAND situated in the West Half of Section 5 and the East Half of Section 6, Township 51 North, Range 4 West, Boise Meridian, Kootenai County, Idaho, more particularly described as follows:

PARCEL 1:

Commencing at a Point at the intersection of the West Line of the Northwest Quarter of Section 5 with the Easterly extension of the South Line of Block 1 of the Plat of "Thayer Northeast" (recorded as Instrument No. 1463191, in Book G of Plats, Pages 410 - 410A, Kootenai County Records), said Point being situated South 00°41'13" West, 555.00 feet, more or less, from a 5/8 inch rebar with a 2 inch diameter aluminum cap, as described in Corner Perpetuation and Filing (CP&F) Instrument No. 1427058, taken to monument the Section corner common to said Sections 5 and 6 and Sections 31 and 32 of Township 52 North, Range 4 West, of said Boise Meridian. (hereafter referred to as the Northwest Corner of said Section 5) and said Point also being situated North 00°41'13" East, 2126.88 feet, along said West Line of the Northwest Quarter of Section 5, from a 5/8 inch rebar with a 2 inch diameter aluminum cap as described in CP&F Instrument No. 1259232, taken to monument the Quarter Section Corner common to said Sections 5 and 6 (hereafter referred to as the West Quarter Section Corner of Section 5), which is situated North 00°41'32" East, 2655.37 feet, along the West Line of the Southwest Quarter of said Section 5, from a 5/8 inch rebar with a 2 inch diameter aluminum cap, as described in Corner Perpetuation and Filing (CP&F) Instrument No. 1259230, taken to monument the Section Corner common to said Sections 5 and 6 and Sections 7 and 8 in said Township 51 North, Range 4 West (hereafter referred to as the Southwest Corner of said Section 5);

Thence, along said Easterly extension of the South Line of Block 1 of the Plat of "Thayer Northeast", parallel with the North Line of Section 6, North 89°09'41" West, 25.00 feet, to a Point on a Line offset 25.00 feet Westerly from, and parallel with, said West Line of the Northwest Quarter of Section 5, said Line taken to be the West Line of the existing Right-of-Way for Meyer Road by prescriptive use, and said Point being the TRUE POINT OF BEGINNING;

Thence, along said West Line of the existing Right-of-Way for Meyer Road, South 00°41'13" West, 718.41 feet, more or less, to the Northeast Corner of that Parcel of Land conveyed to the City of Rathdrum by the Warranty Deed recorded as Instrument No. 1353496, Kootenai County Deed Records (hereafter referred to as "Well Parcel No. 1");

Thence, along the North Line of said "Well Parcel No. 1", perpendicular to said West Line of the existing Right-of-Way for Meyer Road, North 89°18'47" West, 15.00 feet, to a Point on a Line offset 40.00 feet Westerly from, and parallel with, said West Line of the Northwest Quarter of Section 5;

Thence, along said 40.00 foot Westerly offset Line from said West Line of the Northwest Quarter of Section 5, North 00°41'13" East, 718.45 feet, more or less, to said South Line of the Plat of "Thayer Northeast";

Thence, along said South Line of the Plat of "Thayer Northeast", South 89°09'41" East, 15.00 feet, to the TRUE POINT OF BEGINNING.

Containing 10,772 square feet (0.247 acres), more or less.

PARCEL 2:

Commencing at said Northwest Corner of Section 5;

Thence, along said West Line of the Northwest Quarter of Section 5, South 00°41'13" West, 1363.34 feet, to a Point on the Easterly extension of the South Line of said "Well Parcel No. 1";

1608506

Thence, along said Easterly extension of the South Line of said "Well Parcel No. 1", perpendicular to said West Line of the Northwest Quarter of Section 5, North 89°18'47" West, 25.00 feet, to a Point on said West Line of the existing Right-of-Way for Meyer Road, said Point taken to be the Southeast Corner of said "Well Parcel No. 1", and said Point being the TRUE POINT OF BEGINNING;

Thence, along said West Line of the existing Right-of-Way for Meyer Road, South 00°41'13" West, 1298.30 feet, to a Point on a Line offset 25.00 feet Westerly from, and parallel with, said West Line of the Southwest Quarter of Section 5, taken to be the West Line of the existing Right-of-Way for Meyer Road by prescriptive use;

Thence, along said West Line of the existing Right-of-Way for Meyer Road, South 00°41'32" West, 2630.37 feet, to a Point on a Line offset 25.00 feet Northerly from, and parallel with, the South Line of the Southeast Quarter of Section 6, taken to be the North Line of the Right-of-Way for Lancaster Road by prescriptive use;

Thence, along said North Line of the Right-of-Way for Lancaster Road, North 89°18'28" West, more or less, 15.00 feet, to a Point on a Line offset 40.00 feet Westerly from, and parallel with, said West Line of the Southwest Quarter of Section 5;

Thence, along said 40.00 foot offset Line from said West Line of the Southwest Quarter of Section 5, North 00°41'32" East, 1180.11 feet, to a point of tangent curvature;

Thence, 56.58 feet along the arc of a 760.00 foot radius curve concave to the West, having a central angle of 04°15'56", and a long chord bearing North 01°26'28" West, 56.57 feet, to a point of tangency;

Thence, North 03°34'25" West, 142.08 feet, to a point of tangent curvature;

Thence, 62.54 feet, along the arc of a 840.00 foot radius curve concave to the East, having a central angle of 04°15'56", and a long chord bearing North 01°26'28" West, 62.52 feet, to a Point on a Line offset 55.00 feet Westerly from, and parallel with, said West Line of the Southwest Quarter of Section 5;

Thence, along said 55.00 foot Westerly offset Line, North 00°41'32" East, 197.91 feet, to a point of tangent curvature;

Thence, 61.63 feet, along the arc of an 840.00 foot radius curve concave to the East, having a central angle of 04°12'15", and a long chord bearing North 02°47'39" East, 61.62 feet, to a point of tangency;

Thence, North 04°53'47" East, 145.89 feet, to a point of tangent curvature;

Thence, 55.77 feet, along the arc of a 760.00 foot radius curve concave to the West, having a central angle of 04°12'15", and a long chord bearing North 02°47'39" East, 55.75 feet, to a point of tangency situated upon said 40.00 foot Westerly offset Line from said West Line of the Southwest Quarter of Section 5;

Thence, along said 40.00 foot Westerly offset Line from the West Line of the Southwest Quarter of Section 5, North 00°41'32" East, 728.87 feet, to a Point on a Line offset 40.00 feet Westerly from, and parallel with, said West Line of the Northwest Quarter of Section 5;

Thence, along said 40.00 foot offset Line from the West Line of the Northwest Quarter of Section 5, North 00°41'13" East, 1298.30 feet, to the South Line of said "Well Parcel No. 1";

Thence, along said South Line of "Well Parcel No. 1", South 89°18'47" East, 15.00 feet, to the TRUE POINT OF BEGINNING

Containing 65,868 square feet (1.512 acres), more or less.

PARCEL 3:

Commencing at said Northwest Corner of said Section 5:

1608506

Thence, along said West Line of the Northwest Quarter of said Section 5, South 00°41'13" West, 25.00 feet, more or less, to a Point on a Line offset 25.00 feet Southerly from, and parallel with, the North Line of the Northwest Quarter of Section 5, taken to be the South Line of the existing Right-of-Way for Boekel Road by prescriptive use;

Thence, along said South Line of the existing Right-of-Way for Boekel Road, South 88°57'14" East, 25.00 feet, to a Point on a Line offset 25.00 feet Easterly from, and parallel with, said West Line of the Northwest Quarter of Section 5, taken to be the East Line of the existing Right-of-Way for Meyer Road by prescriptive use, and said Point being the TRUE POINT OF BEGINNING;

Thence, continuing along said South Line of the existing Right-of-Way for Boekel Road, South 88°57'14" East, 15.00 feet, to a Point on a Line offset 40.00 feet Easterly from, and parallel with, said West Line of the Northwest Quarter of Section 5;

Thence, along said 40.00 foot offset Line from said West Line of the Northwest Quarter of Section 5, South 00°41'13" West, 2656.39 feet, to a Point on a Line offset 40.00 feet Easterly from, and parallel with, said West Line of the Southwest Quarter of Section 5;

Thence, along said 40.00 foot Easterly offset Line from the West Line of the Southwest Quarter of Section 5, South 00°41'32" West, 728.87 feet, to a point of tangent curvature;

Thence, 61.64 feet, along the arc of an 840.00 foot radius curve concave to the West, having a central angle of 04°12'15", and a long chord bearing South 02°47'39" West, 61.62 feet, to a point of tangency;

Thence, South 04°53'47" West, 145.89 feet, to a point of tangent curvature;

Thence, 55.76 feet, along the arc of a 760.00 foot radius curve concave to the East, having a central angle of 04°12'15", and a long chord bearing South 02°47'39" West, 55.75 feet, to a Point of Cusp situated upon a Line offset 25.00 feet Easterly from, and parallel with, said West Line of the Southwest Quarter of Section 5, taken to be the East Line of the existing Right-of-Way for Meyer Road by prescriptive use, said Point of Cusp also being situated North 00°41'32" East, 48.61 feet, along said East Line of the Right-of-Way for Meyer Road, from a 5/8 inch rebar with a plastic cap inscribed "Welch, Comer PLS 5573" taken to monument the Northwest Corner of a parcel of land hereafter referred to as "Well Parcel No. 2";

Thence, along said East Line of the existing Right-of-Way for Meyer Road, North 00°41'32" East, 991.65 feet, to an angle point;

Thence, continuing along said East Line of the existing Right-of-Way for Meyer Road, North 00°41'13" East, 2656.48 feet, to the TRUE POINT OF BEGINNING.

Containing 52.777 square feet (1.211 acres), more or less.

PARCEL 4:

Commencing at said West Quarter Section Corner of said Section 5;

Thence, along said West Line of the Southwest Quarter of Section 5, South 00°41'32" West, 1140.27 feet, to a Point on the Westerly extension of the South Line of said "Well Parcel No. 2";

Thence, along said Westerly extension of the South Line of said "Well Parcel No. 2", perpendicular to said West Line of the Southwest Quarter of Section 5, South 89°28'18" East, 25.00 feet, to a 5/8 inch rebar with a plastic cap inscribed "Welch, Comer PLS 5573" taken to monument the Southwest Corner of said "Well Parcel No. 2, and situated upon said East Line of the existing Right-of-Way for Meyer Road;

Thence, along said East Line of the existing Right-of-Way for Meyer Road, South 00°41'32" West, 49.30 feet, to a point of tangent curvature, being the TRUE POINT OF BEGINNING;

Thence, 56.58 feet, along the arc of a 760.00 foot radius curve concave to the East, having a central angle of 04°15'56", and a long chord bearing South 01°26'26" East, 56.57 feet, to a point of tangency;

1608506

Thence, South 03°34'25" East, 142.08 feet, to a point of tangent curvature;

Thence, 62.54 feet, along the arc of an 840.00 foot radius curve concave to the West, having a central angle of 04°15'56", and a long chord bearing South 01°26'26" East, 62.52 feet, to a point of tangency situated upon said 40.00 foot Easterly offset Line from the West Line of the Southwest Quarter of Section 5;

Thence, along said 40 00 foot Easterly offset Line from the West Line of the Southwest Quarter of Section 5, South 00°41'32" West, 1180.11 feet, to a Point on a Line offset 25.00 feet Northerly from, and parallel with, the South Line of said Southwest Quarter of Section 5, taken to be the Northerly Line of the Right-of-Way for Lancaster Road by prescriptive use;

Thence, along said Northerly Line of the Right-of-Way for Lancaster Road, North 89°18'28" West, 15.00 feet, to a Point on said Easterly Line of the Right-of-Way for Meyer Road;

Thence, along said Easterly Line of the Right-of-Way for Meyer Road, North 00°41'32" East, 1440.80 feet, to the TRUE POINT OF BEGINNING.

Containing 19,676 square feet (0.451 acres), more or less.

The basis of bearings for this description is the Idaho State Plane Coordinate System, West Zone, NAD83(1992). A Convergence Angle of -00°51'00" was calculated at City of Rathdrum Control Monument No. 6. To convert to geodetic bearings, subtract the convergence angle from all Northeast and Southwest bearings, and add the convergence angle to all Northwest and Southeast bearings. A Combined Adjustment Factor (CAF) of 1.00008216, also calculated at City of Rathdrum Control Monument No. 6, was used to adjust coordinates from State Plane gnd to project ground.



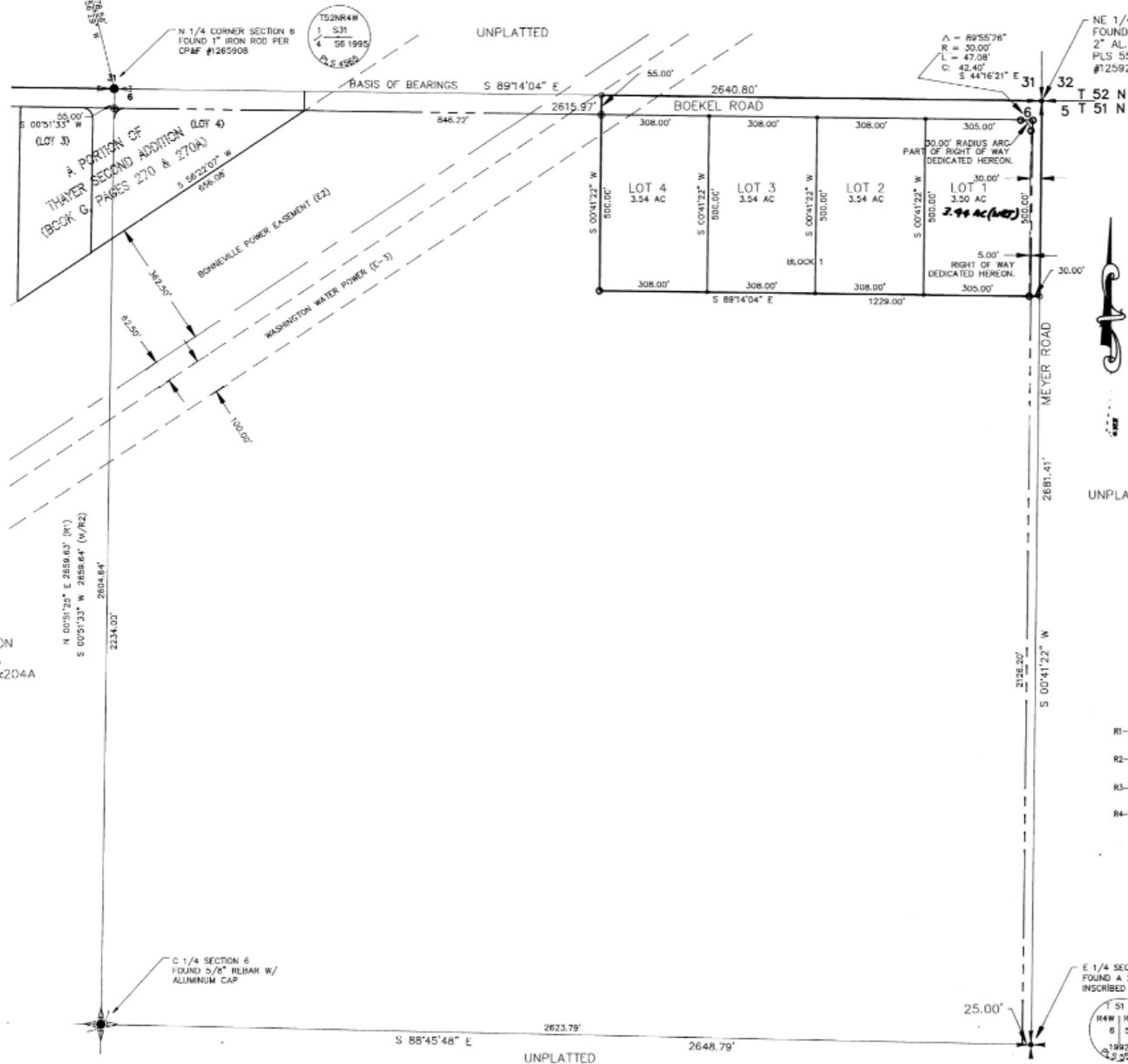
THAYER NORTHEAST

A PORTION OF THE NE 1/4 OF SECTION 6, TOWNSHIP 51 NORTH,
RANGE 4 WEST, BOISE MERIDIAN, CITY OF RATHDRUM,
COUNTY OF KOOTENAI, STATE OF IDAHO

BOOK G PAGE 410-A
#1463191

SHORT PLAT MAP
SHEET 2 OF 2 SHEETS
SEPTEMBER, 1996

RATHDRUM CITY MON. #4
N = 2,242,892.08
E = 220,845.55
(COORDS FROM CITY CONTROL)

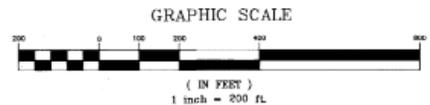


- LEGEND**
- SET 1/2 INCH X 24 INCH REBAR W/YELLOW SURCAP MARKED PLS 8249
 - SET 5/8 INCH X 30 INCH REBAR W/YELLOW SURCAP MARKED PLS 8249
 - SET 2 INCH DIA. X 36 INCH IRON PIPE W/7" BRASS CAP MARKED AS INITIAL POINT THAYER NORTHEAST
 - CALCULATED POINT-NOTHING SET
 - ⊕ FOUND MONUMENT AS DESCRIBED
 - (M) MEASURED DISTANCES
 - (R) RECORDED DISTANCES - SEE REFERENCE MAPS BELOW
 - ⊕ FOUND CONTROLLING SECTION CORNER OR SUBDIVISION SECTION CORNER AS DESCRIBED

BASIS OF BEARING
THE BASIS OF BEARING FOR THIS SURVEY IS THE NORTH LINE OF THE NORTHEAST QUARTER OF SECTION 6, T 51 N, R 4 W, B.M., AS S 89°14'04" E SHOWN ON THE THAYER SECOND ADDITION SUBDIVISION PLAT FILED IN BOOK G, PAGES 270 & 270A OF THE KOOTENAI COUNTY RECORDER'S OFFICE.

- RECORDS**
- E1 - PACIFIC GAS TRANSMISSION COMPANY. NOTICE OF LOCATION AMENDING DESCRIPTION OF EXISTING RIGHT OF WAY. RECORDED IN BOOK 300, PAGE 591 OF THE OFFICE OF THE RECORDER, KOOTENAI COUNTY, IDAHO.
 - E2 - U.S.A. TRANSMISSION LINE EASEMENT. RECORDED IN BOOK 147, PAGE 93 OF THE OFFICE OF THE RECORDER, KOOTENAI COUNTY, IDAHO.
 - E3 - WASHINGTON WATER POWER COMPANY. RIGHT OF WAY EASEMENT. RECORDED IN BOOK 149, PAGE 307 OF THE OFFICE OF THE RECORDER, KOOTENAI COUNTY, IDAHO.
 - E4 - STATE OF IDAHO. RIGHT OF WAY DEED. RECORDED IN BOOK 151, PAGE 58 OF THE OFFICE OF THE RECORDER, KOOTENAI COUNTY, IDAHO. CONSTRUCTION PLANS, FEDERAL AID PROJECT #5-5732(1), ON FILE AT THE IDAHO DEPARTMENT OF TRANSPORTATION, DIVISION OF HIGHWAYS, DISTRICT 1 OFFICE, COEUR D'ALENE, IDAHO.

- REFERENCE MAPS**
- R1 - RECORD OF SURVEY FILED AT BOOK 14, PAGE 96 BY GEM STATE ENGINEERING AND SURVEYING IN THE OFFICE OF THE RECORDER, KOOTENAI COUNTY, IDAHO.
 - R2 - RECORD OF SURVEY FILED AT BOOK 14 PAGE 113 BY GEM STATE ENGINEERING AND SURVEYING IN THE OFFICE OF THE RECORDER, KOOTENAI COUNTY, IDAHO.
 - R3 - RECORD OF SURVEY FILED AT BOOK 10 PAGE 14 BY GALE R. DAHLMAN IN THE OFFICE OF THE RECORDER, KOOTENAI COUNTY, IDAHO.
 - R4 - RECORD OF SURVEY FILED AT BOOK 10 PAGE 67 BY GALE R. DAHLMAN IN THE OFFICE OF THE RECORDER, KOOTENAI COUNTY, IDAHO.



North Idaho Engineering
4200 West Seltice Way
Coeur d'Alene, Idaho 83814
Phone: (208) 667-1171 Fax: (208) 664-3507

THAYER
SUBDIVISION
BOOK G,
PAGES 204 & 204A

THAYER
NORTHEAST
PLS 8249
1996

151 N
N4W 1/4 SW
6 5
1992
2525

02/15/96
100X-16290

THAYER NORTHEAST BLOCK TWO

A PORTION OF THE NORTHEAST QUARTER, SEC. 6, T.51N., R.4W., B.M.,
CITY OF RATHDRUM, KOOTENAI COUNTY, IDAHO

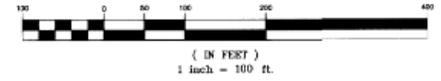
BOOK I PAGE 173
No. 1604827

STATE OF IDAHO
COUNTY OF KOOTENAI

AT THE REQUEST OF:
MECKEL ENGINEERING & SURVEYING, INC.
At 29 minutes past 9 o'clock A M
Date: SEP 1 1999

DRAWN BY: Scott M. Rasor English, Recorder
By: Ran Deputy
Fee \$ 11.00

GRAPHIC SCALE



BASIS OF BEARING

BASIS OF BEARING ~ SOUTH 89°14'04" EAST ALONG THE NORTH LINE OF SECTION 6 BETWEEN THE NORTH QUARTER CORNER AND THE NORTHEAST SECTION CORNER ACCORDING TO THE PLAT OF "THAYER NORTHEAST" AS RECORDED IN BOOK G AT PAGE 410 & 410A, RECORDS OF KOOTENAI COUNTY, IDAHO.

LEGEND

- FD. AN IRON ROD, 5/8 IN. DIAM., WITH PLASTIC CAP MKD. PLS 4182
- SET AN IRON ROD, 3/8 INS. LONG, 5/8 IN. DIAM., WITH A PLASTIC CAP MKD. PLS 6374
- CALCULATED POINT (NOTHING FOUND OR SET)
- OTHERS AS NOTED

SURVEYS OF RECORD & PRIOR SURVEYS

- | | | | |
|----------------|-------------|-----------|--|
| 1) W.B. MORRIS | PLS 6602 | DEC. 1993 | BK. 14, PG. 96 |
| 2) D. SCHUMANN | PLS 4182 | DEC. 1994 | BK. G, PGs. 204 & 204A
THAYER SUBDIVISION |
| 3) J. KINNEY | PE/PLS 1969 | APR. 1995 | BK. G, PGs. 263 & 263A
MEYER TRACTS |
| 4) D. SCHUMANN | PLS 4182 | JULY 1995 | BK. G, PGs. 270 & 270A
THAYER SECOND ADDITION |
| 5) J. KINNEY | PE/PLS 1969 | DEC. 1995 | BK. G, PGs. 333 & 333A
DREAMWOOD ADDITION |
| 6) D. SCHUMANN | PLS 4182 | SEP. 1996 | BK. G, PGs. 391 & 391A
THAYER FOURTH ADDITION |
| 7) J. HASSELL | PLS 8249 | SEP. 1996 | BK. G, PGs. 410 & 410A
THAYER NORTHEAST |

SURVEYOR'S CERTIFICATE

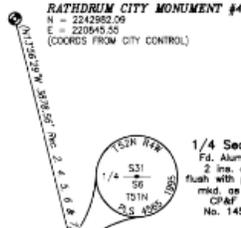
I, SCOTT M. RASOR, PROFESSIONAL LAND SURVEYOR No. 6374 IN THE STATE OF IDAHO, DO HEREBY CERTIFY THAT I HAVE SURVEYED, SUBDIVIDED AND PLATTED "THAYER NORTHEAST BLOCK TWO", MORE PARTICULARLY DESCRIBED IN THE OWNER'S CERTIFICATE ON SHEET 2 OF THIS PLAT. I FURTHER CERTIFY THAT THE SURVEY WAS MADE UNDER MY DIRECT SUPERVISION AND IS IN CONFORMITY WITH THE IDAHO CODES RELATING TO PLATS AND SUBDIVISIONS.

Scott M. Rasor 6/11/99
SCOTT M. RASOR, PLS 6374 DATE



LINE TABLE		
LINE	LENGTH	BEARING
L1	61.40	N89°14'04"W
L2	55.00	N00°46'27"E
L3	55.00	N00°46'27"E
L4	79.32	N46°51'56"E
L5	17.35	S89°14'04"E
L6	11.96	N00°46'27"E
L7	62.77	S89°13'18"W
L8	71.37	S46°51'56"W
L9	62.16	S89°14'04"E

LINE TABLE		
LINE	LENGTH	BEARING
L1	61.40	N89°14'04"W
L2	55.00	N00°46'27"E
L3	55.00	N00°46'27"E
L4	79.32	N46°51'56"E
L5	17.35	S89°14'04"E
L6	11.96	N00°46'27"E
L7	62.77	S89°13'18"W
L8	71.37	S46°51'56"W
L9	62.16	S89°14'04"E



NOTE:
THIS RECORD OF SURVEY DOES NOT ATTEMPT TO SHOW ALL EASEMENTS OR RIGHTS-OF-WAY OF RECORD, THE SIZE OR LOCATION OF PRESCRIPTIVE EASEMENTS, FENCE LINES OR PHYSICAL FEATURES OF THE PROPERTY.
ITEMS SUCH AS BUILDINGS AND FENCES WHICH ARE SHOWN, ARE FOR INFORMATIONAL PURPOSES ONLY.

SCALE: 1" = 100'	DRAWN: JOM	JOB NO. 98.271 DWG FILE: 8271PLT.DWG V1
DATE: JUNE 11, 1999	CHECKED: <u>SR</u>	CREW: CLR & CVF

MECKEL ENGINEERING & SURVEYING, INC.
402 IDAHO AVENUE, COEUR D'ALENE, IDAHO, 83814 (208)657-4638 fax: (208)654-3347

THAYER NORTHEAST BLOCK TWO
A PORTION OF THE NORTHEAST QUARTER, SEC. 6, T.51N., R.4W., B.M.,
CITY OF RATHDRUM, KOOTENAI COUNTY, IDAHO

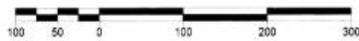
HEAD TRACTS

W 1/2 SE 1/4 SE 1/4 SECTION 31 T52N R4W B.M.

CITY OF RATHDRUM, KOOTENAI COUNTY IDAHO

LEGEND

- CORNERS FOUND, REBARS, 5/8 INCH DIAM
REBARS FOUND SOUTH LINE OF COPPER VALLEY RANCH ARE 1/2 INCH DIAM
ALL CORNER MONUMENTS FOUND ARE 5/8 INCH DIAM.
- CITY OF RATHDRUM CONTROL MONUMENTS, AL, CAP 3 1/2 INCH DIAM
IDAHO STATE PLANE COORDINATE SYSTEM, WEST ZONE, NAD 83 DATUM
1992 ADJUSTMENT, C.A.F. 1.00008216
- M = MEASURED
- CORNERS SET:
- PIPE, 1 1/8 INCH DIAM, WITH ID CAP
- REBAR, 1/2 INCH DIAM, WITH ID CAP
- GOV'T CORNERS FOUND AS SHOWN
- PUBLIC UTILITY EASEMENT RESERVED AND DEDICATED ALONG ALL SIDES OF LOT LINES, DISTANCES AS SHOWN



BASIS OF BEARINGS IS FROM GPS-R8 AND GPS-R9, CITY OF RATHDRUM CONTROL MONUMENTS, AS SHOWN. MONUMENTS USE IDAHO STATE PLANE COORDINATE SYSTEM, WEST ZONE, NAD 83 DATUM, 1992 ADJUSTMENT, C.A.F. 1.00008216. ALL COORDINATES SHOWN ARE AT THE C.A.F. 1.00008216 AS REQUESTED BY THE CITY OF RATHDRUM.

REFERENCES:

RECORD OF SURVEYS:

BOOK 15 AT PAGE 01
BOOK 17 AT PAGE 46

EASEMENTS OF REFERENCES:

- TRANSMISSION LINE EASEMENT RECORDED IN BOOK 147 AT PAGE 186
- RIGHT OF WAY EASEMENT TO WASHINGTON WATER POWER, BOOK 149 OF DEEDS AT PAGE 156
- EASEMENT TO WASHINGTON WATER POWER, FOR NATURAL GAS LINE, INSTRUMENT No. 758860, 1349094 AND 1385761
- EASEMENT TO WASHINGTON WATER POWER, FOR OPTIC CABLE AND COMMUNICATION LINE FACILITIES, INSTRUMENT No. 1387423
- EASEMENT TO CITY OF RATHDRUM FOR ROAD RIGHT OF WAY, INSTRUMENT No. 1388847

NUMBER OF LOTS: 3

SMALLEST LOT: 0.84 ACRES
LARGEST LOT: 17.22 ACRES
AVERAGE LOT: 6.59 ACRES
TOTAL ACREAGE: 19.76 ACRES

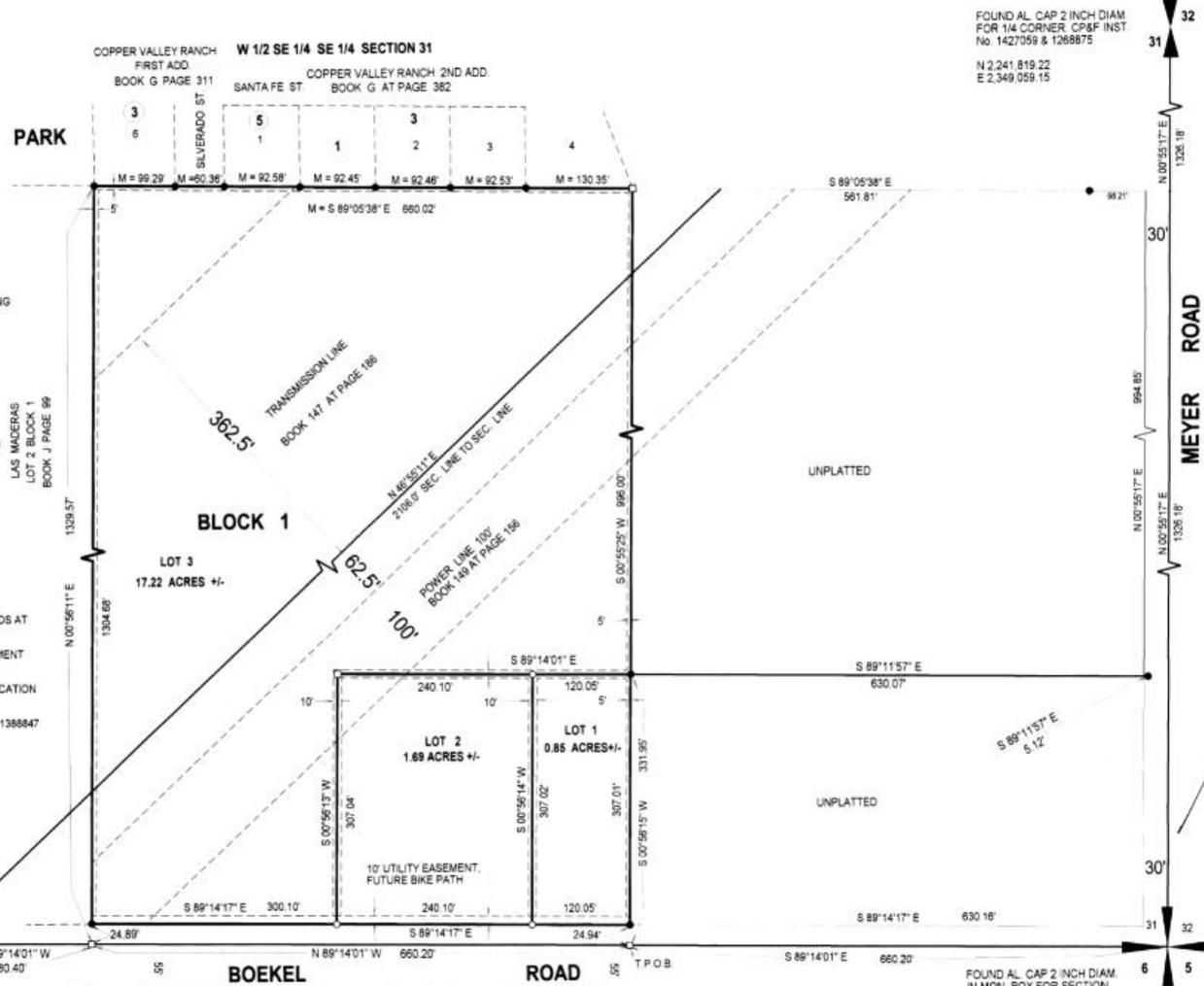
FOUND AL. CAP FOR 1/4 COR
CP&F INST No. 1597099, 1453939
1427057, 1265908

GPS-R8
N 2,239,154.30
E 2,345,791.88

BASIS OF BEARINGS

GPS-R9
N 2,239,145.51
E 2,346,947.85

THAYER NORTHEAST
BLOCK TWO
BOOK 1 AT PAGE 173



FOUND AL. CAP 2 INCH DIAM
FOR 1/4 CORNER, CP&F INST.
No. 1427059 & 1265875
N 2,241,819.22
E 2,349,059.15



LAND SURVEYOR
GALE R. DAHLMAN
P.O. BOX 474
HAYDEN ID 83835
(208) 772-5955

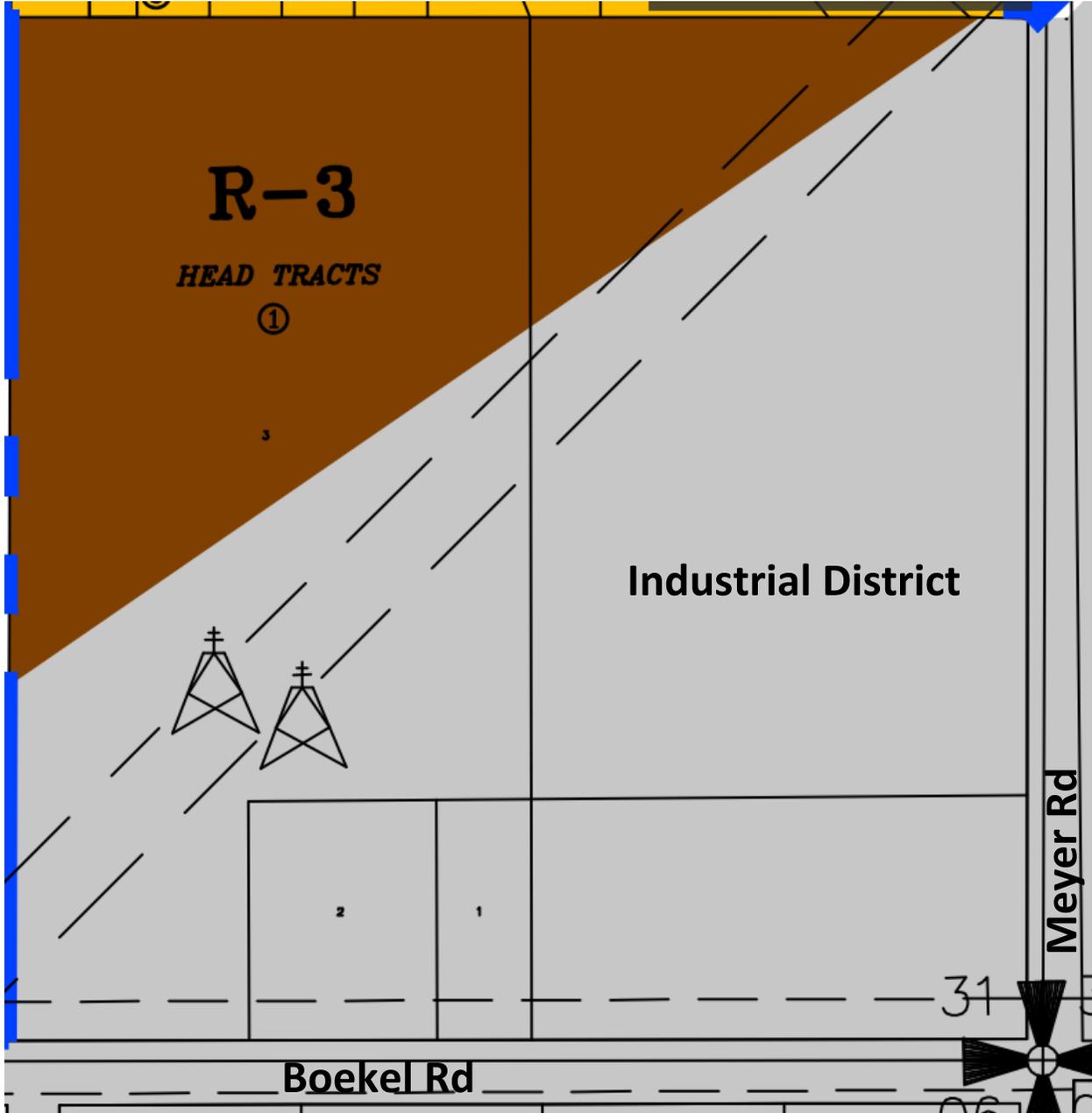
Attachment 3

Properties (Public and/or Private) Which May Be Acquired by Agency

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

Attachment 4

Map Depicting Expected Land Uses and Current Zoning
Within Revenue Allocation Area and Project Area



Attachment 5

Economic Feasibility Study

SILVERADO

URBAN RENEWAL DISTRICT

ECONOMIC FEASIBILITY STUDY

July 28, 2020

Prepared by:
Tom Lien

Prepared for:
Rathdrum Urban Renewal Agency

Table of Contents

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Appendix C – Preliminary Cost Estimates – Infrastructure	
Appendix D – Preliminary Cost Estimates – Building / Site Development	

Silverado District Economic Feasibility Study

INTRODUCTION

The Silverado District Project is a proposed development within the City of Rathdrum that includes anticipated business and residential development activities following construction of appropriate infrastructure. This 42-acre development area, also referred to as the “Project Area,” is zoned for commercial, industrial and residential (R-3). There are portions of the Project Area that include utility easements for overhead power transmission lines.

Providing a method for financing certain public infrastructure development is the primary purpose for establishing this revenue allocation area. Within the Project Area will be new streets, sidewalks, water, fire hydrants, sewer, storm water drainage, street lighting, street trees and possibly parks and walking paths.

The public infrastructure improvements are planned in annual phases with the initial build-out of the Meyer Loop in the first year and the extension of Boekel Connector in year 5. This timing will coincide with the development and access needs of the several lots as shown in the Site Plan (Exhibit B). The anticipated site development and building costs shown in the site plan are provided in Appendix D.

For the purpose of this Economic Feasibility Study, it is assumed the developer will advance-fund to-be-determined public infrastructure improvements which are detailed in Appendix C, Preliminary Cost Estimate, and will be reimbursed for some or all of those costs from an allocation of revenue generated by the increment value pursuant to a reimbursement agreement with the Urban Renewal Agency of the City of Rathdrum (the “Agency”). This method of financing is preferential to bonding because of the expense associated with bond financings and places the responsibility for absorption (and tax generation) on the developer. If the developer chooses, the cost of the infrastructure is paid for by the developer and later reimbursed when the investment in the district generates sufficient tax increment revenue.

FINDINGS

Boundary

The area subject to this report is northwest of the intersection of W. Boekel Rd. and N. Meyer Rd, with W. Boekel Rd providing the south boundary of the property and N. Meyer Rd. being the east boundary of the property. The west boundary would be N. Thayer St. if it were extended north from W. Boekel Rd and the north boundary would be W. Pine St. if it were extended east from N. Wright St.

The boundaries of the Project Area are shown on the Project Area and Revenue Allocation Boundary Map, attached hereto as Exhibit B and incorporated herein by reference, and are described in the Legal Description of the Project Area and Revenue Allocation Area, attached hereto as Exhibit C and incorporated herein by reference. For purposes of boundary descriptions and the 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.

Existing Land Uses.

Current legal parcels in the proposed District are as shown in Exhibit A attached. Land within the proposed district is mostly vacant with some existing commercial development fronting Boekel Rd and absorbing 7.54 acres of the total site. The Project Area was declared a deteriorated area and/or a deteriorating area and is therefore eligible for an urban renewal project.

VALUATION OF THE URBAN RENEWAL AREA

The Project Area has a total of 40 acres in 5 parcels with an assessed value of \$2,791,212 in 2020. The following table shows the current assessment by parcel number.

TABLE 1

CURRENT ASSESSMENT OF THE SILVERADO PROJECT AREA

Parcel	Identification No.	Owner	<u>AIN</u>	<u>Acres</u>	<u>2020 Valuation</u>
1	R00000319000	B Head	189032	15.00	\$456,197
2	R32500010030	Silverado Properties LLC	254394	17.22	\$164,366
3	R00000319900	B Head	199065	5.00	\$752,933
4	R32500010010	Johnson	25439	0.85	\$600,128
5	R32500010020	T-Squared	254393	1.69	\$817,588
				39.76	\$2,791,212

Source: Kootenai County Tax Records

The assessed values shown in Table 1 do not include any operating property values, and there are no Agricultural exemptions that would apply.

The taxing districts overlapping the Project Area have the certified levy rates for 2019 as shown in the following Table 2.

TABLE 2
LEVY RATES BY TAXING DISTRICT

Kootenai County	.002488493
City of Rathdrum	.004488580
Lakes Highway #2 – Rathdrum	.000557072
School District #272	.003478112
Northern Lakes Fire	.001132884
Comm Library Network	.000323908
North Idaho College	.000797070
Kootenai Co EMS	.000138373
Total	.013404492

Source: Kootenai County Treasurer

Applying the total levy rate to the 2020 assessed valuation of the taxable property in the Project Area provides the following projection of future revenue without urban renewal. For purposes of this analysis it is assumed the levy rates remain constant and the property values increase 1.6% annually. This is based on historical assessed value growth in the City of Rathdrum from 2008 through 2019.

TABLE 3
TAXING DISTRICT REVENUES WITHOUT THE SILVERADO PROJECT
WITH 1.6% ANNUAL INCREASE IN PROPERTY VALUE

	Year	Annual	Cumulative
	2020	37,415	37,415
1	2021	38,013	75,428
2	2022	38,622	114,050
3	2023	39,240	153,290
4	2024	39,687	193,157
5	2025	40,505	233,622
6	2026	41,153	274,815
7	2027	41,812	316,627
8	2028	42,481	359,108
9	2029	43,161	402,269
10	2030	43,851	446,120
11	2031	44,553	490,673
12	2032	45,266	535,939
13	2033	45,990	581,929
14	2034	46,726	628,655
15	2035	47,473	676,128
16	2036	48,233	724,361
17	2037	49,005	773,366
18	2038	49,789	823,155
19	2039	50,585	873,740
20	2040	51,395	925,135
21	2041	52,217	977,352
22	2042	53,052	1,030,404

Source: Tom Lien

Without investment in taxable improvements in the Project Area, annual revenues will continue to be very limited and stagnant. But for urban renewal and revenue allocation financing little development is anticipated to occur in the Project Area due to the high cost of the public infrastructure improvements.

Revenue allocation financing allows growth to pay for itself and provides a funding source for expensive public capital improvement projects associated with development. With that infrastructure base, the private investment in land and buildings can be made with the resultant improvements in the area and the entire Rathdrum community.

The current investment within the Project Area yields a very small amount of tax. Beginning at \$37,415 per year and the 1.6% per year increase in property values, the cumulative tax revenue is \$1,030,404 over 20 years. The primary purpose of the Urban Renewal Area designation is to encourage new and higher value development to occur within the area. Therefore, the following analysis will review the projected growth in the Project Area as a result of the Project and measure the implication those scenarios have on investment in the area and the taxes those investments are anticipated to generate.

THE PROJECT AREA

Current land use in the Project Area is a mix of agricultural and commercial/industrial. Anticipated future development will comprise 7.57 acres R-3 residential, 11.91 acres commercial/industrial and 5.77 right-of-way. The following Table 4 shows the future land use by acre for this project. There will be no required change in City comprehensive plan based on current land use.

**TABLE 4
FUTURE DEVELOPMENT IN THE PROJECT AREA**

<u>Land Use</u>	<u>Acre Size</u>
R-3 Multi-Family Residential	7.57
Gym / Retail / Offices	1.67
Gas Station / C-Store	1.62
Restaurant	1.02
Professional Offices	1.00
Medical Offices	1.01
Light Industrial	1.66
Light Industrial	3.93

Source: Olson Engineering

The development will be phased over 7 years with each phase estimated to take approximately 2 years to be completed. The following table shows the amount of acreage by use and by phase that may be developed. These are only projections of growth and will likely be different from what actually occurs (faster or slower). However, the projection is fairly accurate for our purposes of determining the economic feasibility of the Project.

The last item in Table 4 shows Light Industrial at 3.93 acres. Consistent with City zoning, developers may consider seeking a conditional use permit to build an additional multi-family project in the industrial zoned area. For purposes of the Economic Feasibility Study and conformity with the City’s Comprehensive Plan, the proposed development contemplates a light industrial project which is anticipated to produce less total long-term tax increment to be collected in the Project Area than a multi-family project. As shown in Appendix A, there is ample cumulative tax increment to fund the anticipated project costs, which could result in early termination of the Project Area. Alternatively, to the extent developers obtain a conditional use permit and build an additional multi-family project, the additional tax increment from a multi-family project will likely allow the Project Area to terminate even earlier than projected.

Table 5
Development Phasing - Revenue
Generation

<u>Phase</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>Total</u>
R-3 Multi-Family Residential	7.57				
Right-of-Way	1.99			3.78	
Gym / Retail / Offices		1.67			
Gas Station / C-Store		1.62			
Restaurant		1.02			
Professional Offices			1.00		
Medical Offices			1.01		
Light Industrial				1.66	
Light Industrial				3.93	
Total	9.56	4.31	2.01	9.37	25.25
					-1.99
					-3.78
Taxable Development not including Roads					19.48

Source: Olson Engineering

The taxable new development area is only 19.48 acres out of the total of 42 acres, which also includes non-taxable right-of-way and open space. The remaining acreage is allocated to pre-existing constructed properties (7.54 acres), roads and overhead power transmission easements (6.97 acres).

TABLE 6
GENERAL INFRASTRUCTURE DEVELOPMENT - COSTS SCHEDULE
Engineer's Detail is shown in Appendix C

General Items	\$ 506,000
Roadway Construction / Drainage	\$ 761,230
Meyer / Boekel Frontage Improvements	\$ 889,354
Water System	\$ 331,550
Sanitary Sewer System	\$ 84,690
Engineering & Testing	\$ 514,564
<u>Mobilization & Contingency</u>	<u>\$ 514,564</u>
Total	\$ 3,601,952

Source: Olson Engineering

The cost schedule for infrastructure construction shown in Table 6 above reflect current costs (see Appendix C for detailed estimates). It is anticipated and normal for the costs for future construction to exceed the stated costs. The future costs in year three and year six could result in additional costs to coincide with the anticipated development timeline of the 4 phases of parcel development as shown in Table 5 above. At an annual increase in costs of 3%, the total construction could increase as much as \$307,155.

PROJECTED REVENUE FROM INCREMENT VALUE IN THE PROJECT AREA

The developer advanced funding of public infrastructure construction is necessary to support the proposed private development listed in Table 5 above. As a result, the new taxable development will generate revenue to be allocated to the Agency that can be used to reimburse the developer for the costs of certain public infrastructure. Upon termination of the Project Area, the additional value is returned to the regular tax rolls. The increased values will generate future revenue to the taxing districts, in amounts exceeding that which would be generated without urban renewal. The following table estimates revenue allocation funds generated in the Project Area.

**TABLE 7
REVENUE ALLOCATION FUNDS GENERATED IN THE PROJECT AREA AS A RESULT OF NEW TAXABLE DEVELOPMENT**

Collection Year	Tax Revenue	Cumulative Revenue
2020	-0-	-0-
2021	-0-	-0-
2022	\$ 61,006	\$ 61,006
2023	\$159,577	\$ 220,583
2024	\$196,925	\$ 417,508
2025	\$215,166	\$ 632,674
2026	\$251,230	\$ 883,904
2027	\$267,440	\$1,151,344
2028	\$314,222	\$1,465,567
2029	\$319,250	\$1,784,816
2030	\$324,358	\$2,109,174
2031	\$329,548	\$2,438,722
2032	\$334,820	\$2,773,542
2033	\$340,177	\$3,113,720
2034	\$345,620	\$3,459,340
2035	\$351,150	\$3,810,490
2036	\$356,769	\$4,167,259
2037	\$362,477	\$4,529,736
2038	\$368,277	\$4,898,013
2039	\$374,169	\$5,272,182
2040	\$380,156	\$5,652,337
2041	\$386,238	\$6,038,576

Source: Tom Lien

In Table 2 above, the total levy rates of all taxing districts is 0.013404492 and is used to compute the taxing district revenues as shown in Table 3. The total levy rate used to compute taxing district revenue in Table 7 above, is 0.009924765, which does not include levy rates for School District #272 bond and supplemental levy, or the Community Library Network Bond. These levies are exempt from Urban Renewal.

The public infrastructure costs for Meyer Loop, Boekel Connector and Frontage Improvements (including water, sewer and drainage, etc.) total \$3,601,952 as shown in Table 6 above, and Appendix C. Additional urban renewal agency admin costs at 20% of annual increment per year, would total \$1,227,715 over 20 years. The Cumulative Revenue at the end of year 20 would provide excess revenue of \$1,208,903 through the 20-year district term.

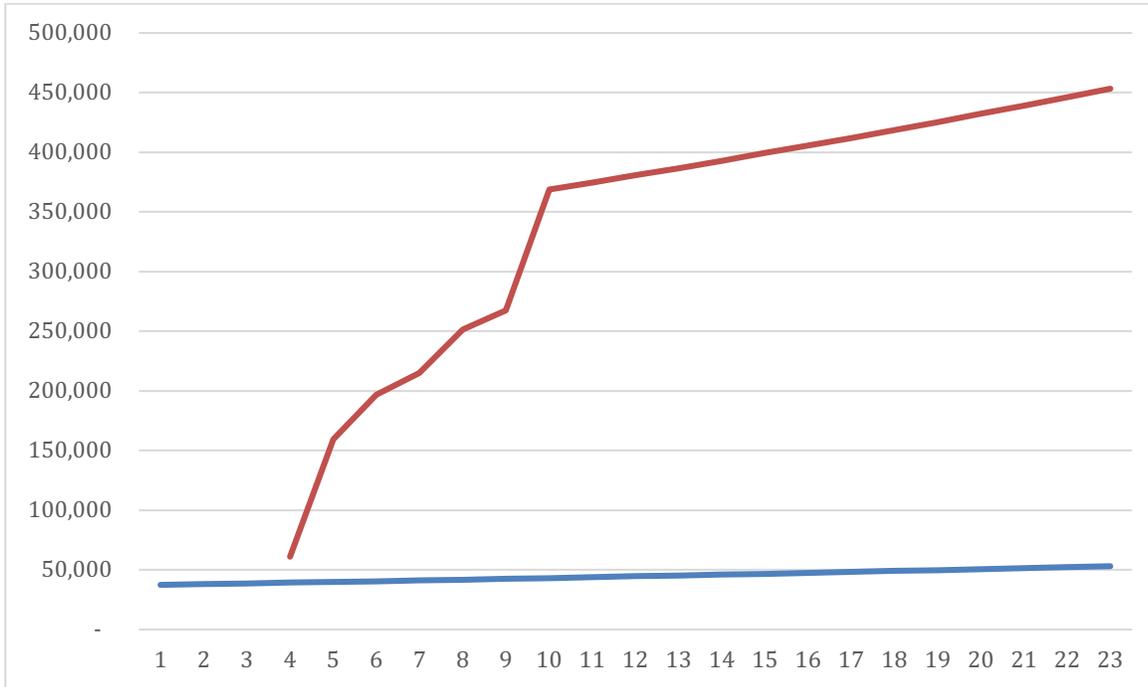
The projected tax revenue assumes an annual inflation growth factor of 1.6%. The portions of this tax increment accruing to the developer for reimbursement of his funding of public infrastructure costs will be as outlined in a standard Owner Participation Agreement to be executed between the developer and the urban renewal agency.

TAXING DISTRICT IMPACTS

During the duration of the Project Area, revenue allocation funds from new taxable development will flow to the Agency to be used to fund improvements consistent with the plan. This economic feasibility study assumes the Agency would enter into a reimbursement agreement with developers to reimburse developers for the cost of certain public infrastructure improvements. Generally, with some exceptions as set forth in Idaho Code § 50-2908, only the taxes levied on the base assessed value established when the Project Area is formed will continue to flow to the overlapping taxing districts. The impact on the overlapping taxing districts is the inability to increase budget capacity from new construction in the Project Area in the short-term. When the Project Area terminates the increment value will be added to the new construction roll, and will be returned to the tax rolls. The full taxable value is then available for use in the budget-levy setting process. The annual tax revenue generated by the development is anticipated to exceed \$360,000 per year (at 2037). That compares very favorably with the \$37,415 per year without the Project.

TABLE 8

TOTAL ANTICIPATED REVENUE ALLOCATION FUNDS THROUGH 2041



Series 1: Taxing District Levy Amounts - No annual increase in annual levy rate

Series 2: Urban Renewal New Tax Increment

CONCLUSIONS AND RECOMMENDATIONS

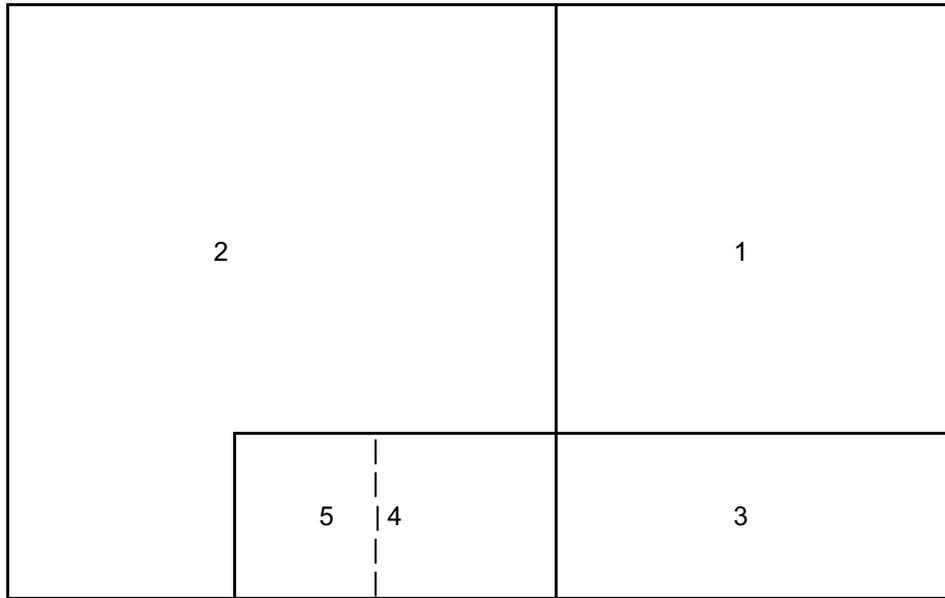
The use of revenue allocation financing for the Project is feasible. With proponent/developer investment in public infrastructure in the Project Area, the opportunity for private investment is made available in an area that would not otherwise be financially attractive. The proponent investment of \$3,601,952 in public accessible roads and infrastructure is reimburseable through tax revenue generated by private investment totaling approximately \$38,916,611. This is shown on an annual basis as Preliminary Cost Estimate – Project Building/Site Development in Appendix D.

EXHIBIT A

Silverado Site Parcels

Kootenai County Parcel Map

Parcel	Identification No.	Owner	AIN	Acres	Total Value
1	R00000319000	B Head	189032	15.000	456,197
2	R32500010030	Silverado Properties LLC	254394	17.220	164,366
3	R00000319900	B Head	199065	5.000	752,933
4	R32500010010	Johnson	254392	0.846	600,128
<u>5</u>	<u>R32500010020</u>	<u>T-Squared</u>	<u>254393</u>	<u>1.692</u>	<u>817,588</u>
				<u>39.758</u>	<u>2,791,212</u>



**Appendix A - Anticipated Development
Silverado Tax Increment Financing Projection**

Building / Site Development Cost Estimates

Year Built	Phase	1 2020	2 2021	3 2022	4 2023	5 2024	6 2025	7 2026	8 2027	9 2028	10 2029	11 2030	12 2031	13 2032	14 2033	15 2034	16 2035	17 2036	18 2037	19 2038	20 2039	21 2040	22 2041
Reimbursable Infrastructure Costs	1, 3 & 6	1,037,292		1,716,502			848,164																
R-3 Multi-Family Residential	1 & 2	6,146,896	9,833,444																				
Gym / Retail / Offices	3			2,251,355																			
Gas Station / C-Store	3			1,254,460																			
Restaurant	4					1,520,484																	
Professional Offices	5						1,471,528																
Medical Offices	5						1,815,295																
Light Industrial	6							1,228,294															
Light Industrial	6								4,282,559														
Light Industrial	7									4,282,559													
Total URD Base Investment		6,146,896	9,833,444	3,505,815	1,520,484	3,286,823	1,228,294	4,282,559															
Taxable New Construction				6,146,896	9,833,444	3,505,815	1,520,484	3,286,823	1,228,294	4,282,559													
Cumulative Taxable New Construction (Increase 1.6%)		6,146,896	16,078,690	19,941,764	21,679,717	25,313,415	26,946,724	31,660,430	32,166,907	32,681,669	33,204,576	33,735,849	34,275,623	34,824,033	35,381,217	35,947,317	36,522,474	37,106,833	37,700,543	38,303,751	38,916,611		
URD Tax Levy Rate		0.009924765	0.009924765	0.009924765	0.009924765	0.009924765	0.009924765	0.009924765	0.009924765	0.009924765	0.009924765	0.009924765	0.009924765	0.009924765	0.009924765	0.009924765	0.009924765	0.009924765	0.009924765	0.009924765	0.009924765	0.009924765	0.009924765
Annual Silverado Tax Increment				61,006	159,577	196,925	215,166	251,230	267,440	314,222	319,250	324,356	329,548	334,820	340,177	345,620	351,150	356,769	362,477	368,277	374,169	380,156	386,238
Cumulative Silverado Tax Increment				61,006	220,584	417,509	632,675	883,904	1,151,344	1,465,567	1,784,816	2,109,174	2,438,722	2,773,542	3,113,720	3,459,340	3,810,490	4,167,259	4,528,736	4,898,013	5,272,182	5,652,337	6,038,576
Administrative Costs		10,000	10,000	12,201	31,915	39,385	43,033	50,246	53,488	62,844	63,850	64,872	65,910	66,964	68,035	69,124	70,230	71,354	72,495	73,655	74,834	76,031	77,248
Annual Net Tax Increment				28,805	127,662	157,540	172,133	200,984	213,952	251,378	255,400	259,486	263,638	267,856	272,142	276,496	280,920	285,415	289,982	294,621	299,335	304,125	308,991
Cumulative Net Tax Increment				28,805	156,467	314,007	486,140	687,123	901,075	1,152,453	1,407,853	1,667,339	1,930,978	2,198,834	2,470,976	2,747,472	3,028,392	3,313,807	3,603,789	3,898,410	4,197,745	4,501,870	4,810,861
Annual New Infrastructure Costs		1,037,292	-	1,716,502	-	-	848,164	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Cumulative Infrastructure Costs		1,037,292	1,037,292	2,753,794	2,753,794	2,753,794	3,601,958	3,601,958	3,601,958	3,601,958	3,601,958	3,601,958	3,601,958	3,601,958	3,601,958	3,601,958	3,601,958	3,601,958	3,601,958	3,601,958	3,601,958	3,601,958	3,601,958
Remaining Infrastructure Costs		1,037,292	1,037,292	2,724,989	2,597,327	2,439,787	3,115,818	2,914,835	2,700,883	2,449,505	2,194,105	1,934,619	1,670,980	1,403,124	1,130,982	854,486	573,566	288,151	(1,831)	(296,452)	(595,787)	(899,912)	(1,208,903)

(1) Prior to district receiving tax increment in year 3, proponents pay admin fee to UR Agency and that is reimbursed in year 3 prior to being allocated to infrastructure costs.

Appendix B
Tax Increment Receipts on Base Values

Taxing District Levy Amounts			2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	
Taxing District	Levy Rate	% of Total	Tax Amount																							
Kootenai County	0.002488493	0.1856461998	6,946	7,057	7,170	7,285	7,401	7,520	7,640	7,762	7,886	8,013	8,141	8,271	8,403	8,538	8,674	8,813	8,954	9,098	9,243	9,391	9,541	9,694	9,849	
City of Rathdrum	0.004488580	0.3348564049	12,529	12,729	12,933	13,140	13,350	13,563	13,780	14,001	14,225	14,453	14,684	14,919	15,157	15,400	15,646	15,897	16,151	16,409	16,672	16,939	17,210	17,485	17,765	
Lakes Highway #2 - Rath	0.000557072	0.0415586059	1,555	1,580	1,605	1,631	1,657	1,683	1,710	1,738	1,765	1,794	1,822	1,852	1,881	1,911	1,942	1,973	2,004	2,037	2,069	2,102	2,136	2,170	2,205	
School District #272	0.003478112	0.2594736153	9,708	9,883	10,021	10,162	10,305	10,510	10,678	10,849	11,023	11,199	11,378	11,560	11,745	11,933	12,124	12,318	12,515	12,715	12,919	13,126	13,336	13,549	13,766	
Northern Lakes Fire	0.001132884	0.0845152506	3,162	3,213	3,264	3,316	3,369	3,423	3,478	3,534	3,590	3,648	3,706	3,765	3,826	3,887	3,949	4,012	4,076	4,142	4,208	4,275	4,344	4,413	4,484	
Community Library	0.000323908	0.0241641384	904	919	933	948	963	979	994	1,010	1,027	1,043	1,060	1,077	1,094	1,111	1,129	1,147	1,166	1,184	1,203	1,222	1,242	1,262	1,282	
North Idaho College	0.000797070	0.0594032024	2,225	2,260	2,297	2,333	2,371	2,409	2,447	2,486	2,526	2,566	2,608	2,649	2,692	2,735	2,778	2,823	2,868	2,914	2,961	3,008	3,056	3,105	3,155	
Kootenai - EMS	0.000138373	0.0103228828	386	392	399	405	412	418	425	432	439	446	453	460	467	475	482	490	498	506	514	522	531	539	548	
Total	0.013404492	100.00%	2,912,212	2,835,871	2,881,245	2,927,345	2,974,183	3,021,770	3,070,118	3,119,240	3,169,148	3,219,854	3,271,372	3,323,714	3,376,893	3,430,923	3,485,818	3,541,591	3,598,257	3,655,829	3,714,322	3,773,751	3,834,131	3,895,477	3,957,805	4,021,130
Series 1: Taxing District Levy Amounts - No annual increase in annual levy rate				37,415	38,013	38,622	39,240	39,867	40,505	41,153	41,812	42,481	43,161	43,851	44,553	45,266	45,990	46,726	47,473	48,233	49,005	49,789	50,585	51,395	52,217	53,052
Series 2: Urban Renewal New Tax Increment							61,006	159,577	196,925	215,166	251,230	267,440	368,750	374,650	380,644	386,735	392,922	399,209	405,597	412,086	418,679	425,378	432,184	439,099	446,125	453,263
Combined Tax Increment Beginning 2035																		460,319	467,684	475,167	482,769	490,494	498,342	506,315		

Because history has shown levy rates increase or decrease different years, no annual change was included in the levy rate for this feasibility study.
An annual increase of 1.6% in real property assessed values was included in the financial projections.

Appendix C

Preliminary Cost Estimate
Silverado Urban Renewal District - Infrastructure

Date: 9/30/2019

By: Eric Olson - Olson Engineering

Item	Description	Quantity	Unit	Unit Price	Total Price
General Items					
1	Erosion Control	1	LS	\$ 10,000.00	\$ 10,000.00
2	Traffic Control	1	LS	\$ 25,000.00	\$ 25,000.00
3	Electrical/Illumination	1	LS	\$ 300,000.00	\$ 300,000.00
4	Landscaping/Irrigation	1	LS	\$ 150,000.00	\$ 150,000.00
5	Dry Utility Trench	3000	LF	\$ 7.00	\$ 21,000.00
General Items Subtotal					\$ 506,000.00
Roadway Construction/Drainage - Interior Roads					
	MEYER BACKAGE ROAD (MEYER TO THAYER CONN.)	1154	LF		
	THAYER CONNECTOR ROAD (BOEKEL TO MEYER)	1576	LF		
	TOTAL ROAD CONSTRUCTION	2730	LF		
5	Clearing & Grubbing (18" Topsoil, Bermed on Site)	9100	CY	\$ 5.00	\$ 45,500.00
6	Roadway Excavation	3740	CY	\$ 8.00	\$ 29,920.00
7	16" Crushed Ballast/Base	10100	TN	\$ 20.00	\$ 202,000.00
8	3" Asphalt	1690	TN	\$ 80.00	\$ 135,200.00
9	Concrete Curb & Gutter incl Base	5460	LF	\$ 21.00	\$ 114,660.00
10	Drainage Curb Cuts	50	EA	\$ 150.00	\$ 7,500.00
11	Concrete Sidewalk incl. Base	27300	SF	\$ 5.00	\$ 136,500.00
12	Pedestrian Ramps	10	EA	\$ 1,200.00	\$ 12,000.00
13	Detention Ponds/Swales	16380	SF	\$ 2.00	\$ 32,760.00
14	Double-Depth Drywells	10	EA	\$ 3,200.00	\$ 32,000.00
15	Hydroseeding	81900	SF	\$ 0.10	\$ 8,190.00
16	Striping/Signage	1	LS	\$ 5,000.00	\$ 5,000.00
Roadway Construction/Drainage Subtotal					\$ 761,230.00
Frontage Improvements - Meyer Road					
	FRONTAGE LENGTH	1326	LF		
	1/2 WIDTH FULL REBUILD				
17	Utility Relocation	1	LS	\$ 250,000.00	\$ 250,000.00
18	Dry Utility Trench	1500	LF	\$ 7.00	\$ 10,500.00
19	Demo Existing Asphalt Road & Path	3540	SY	\$ 1.25	\$ 4,425.00
20	Roadway Excavation	4200	CY	\$ 8.00	\$ 33,600.00
21	18" Crushed Ballast/Base	5700	TN	\$ 20.00	\$ 114,000.00
22	6" Asphalt	1740	TN	\$ 80.00	\$ 139,200.00
23	Concrete Curb & Gutter incl Base	1326	LF	\$ 21.00	\$ 27,846.00
24	Drainage Curb Cuts	14	EA	\$ 150.00	\$ 2,100.00
25	8' Asphalt Path incl. Base	1180	SY	\$ 16.00	\$ 18,880.00
26	Pedestrian Ramps	2	EA	\$ 1,200.00	\$ 2,400.00
27	Detention Ponds/Swales	6630	SF	\$ 2.00	\$ 13,260.00
28	Double-Depth Drywells	5	EA	\$ 3,200.00	\$ 16,000.00

Item	Description	Quantity	Unit	Unit Price	Total Price
29	Hydroseeding	13260	SF	\$ 0.10	\$ 1,326.00
30	Striping/Signage	1	LS	\$ 5,000.00	\$ 5,000.00
Frontage Improvements - Meyer Road Subtotal					\$ 638,537.00
Frontage Improvements - Boekel Road					
	FRONTAGE LENGTH	1321	LF		
	1/2 WIDTH FULL REBUILD				
	ASSUMES EXISTING OH POWER CAN REMAIN				
31	Demo Existing Asphalt Road	2500	SY	\$ 1.25	\$ 3,125.00
32	Roadway Excavation	2600	CY	\$ 8.00	\$ 20,800.00
33	18" Crushed Ballast/Base	3300	TN	\$ 20.00	\$ 66,000.00
34	3" Asphalt	870	TN	\$ 80.00	\$ 69,600.00
35	Concrete Curb & Gutter incl Base	1321	LF	\$ 21.00	\$ 27,741.00
36	Drainage Curb Cuts	14	EA	\$ 150.00	\$ 2,100.00
37	10' Asphalt Path incl. Base	1470	SY	\$ 16.00	\$ 23,520.00
38	Pedestrian Ramps	2	EA	\$ 1,200.00	\$ 2,400.00
39	Detention Ponds/Swales	6605	SF	\$ 2.00	\$ 13,210.00
40	Double-Depth Drywells	5	EA	\$ 3,200.00	\$ 16,000.00
41	Hydroseeding	13210	SF	\$ 0.10	\$ 1,321.00
42	Striping/Signage	1	LS	\$ 5,000.00	\$ 5,000.00
Frontage Improvements - Meyer Road Subtotal					\$ 250,817.00
Water System					
43	8" Water Main Incl. Fittings	4821	LF	\$ 50.00	\$ 241,050.00
44	2" Commercial Service	10	EA	\$ 3,000.00	\$ 30,000.00
45	1" Irrigation Service	7	EA	\$ 2,000.00	\$ 14,000.00
46	Fire Hydrant Assembly	5	EA	\$ 5,300.00	\$ 26,500.00
47	Meyer Rd Interconnect	1	LS	\$ 10,000.00	\$ 10,000.00
48	Boekel Rd Interconnect	1	LS	\$ 10,000.00	\$ 10,000.00
Water System Subtotal					\$ 331,550.00
Sanitary Sewer System					
47	8" Sewer Main	1402	LF	\$ 45.00	\$ 63,090.00
48	Sewer Manholes	5	EA	\$ 3,200.00	\$ 16,000.00
49	Sewer Services	7	EA	\$ 800.00	\$ 5,600.00
Water System Subtotal					\$ 84,690.00

Construction Subtotal	\$ 2,572,824.00
10% Construction Administration	\$ 257,282.40
10% Engineering & Testing	\$ 257,282.40
20% Mobilization & Contingency	\$ 514,564.80
Total Project Costs	\$ 3,601,953.60

Notes:

1. Interior roads based upon Typical Street Section 3/4/12 36' F-F Curb & Gutter w/ 5' Sidewalks. 60' ROW 15' UEs.

Appendix D

**Preliminary Cost Estimate
Silverado Urban Renewal District - Building/Site Development**

LOT#	1	2	3	4	5	6	7	8 Phase 1	8 Phase 2
LOT SIZE (AC)	1.67	1.01	1.00	1.02	3.93	1.66	1.62	4.73	2.84
LOT SIZE (SF)	72,745	43,996	43,560	44,431	171,191	72,310	70,567	206,039	123,710
LAND USE	GYM/RET/OFF	MED OFF	PRO OFF	RESTAURANT	LIGHT IND	LIGHT IND	GAS/COFFEE	APARTMENTS	APARTMENTS
VEHICLE TRIPS/DAY	1,500	360	110	1,200	200	84	3,000	432	756
BUILDING SIZE (SF)	15,000	10,000	10,000	6,000	28,531	12,000	7,000	49,000	84,000
PAVING (SF)	43,300	25,500	25,200	28,800	97,000	45,200	47,700	67,000	48,000
BUILDING COST/SF	\$ 120	\$ 150	\$ 120	\$ 200	\$ 100	\$ 80	\$ 120	\$ 100	\$ 100
STRIPPING/GRADING	\$ 30,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 80,000	\$ 30,000	\$ 30,000	\$ 80,000	\$ 40,000
UTILITY SERVICES	\$ 15,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 100,000	\$ 10,000	\$ 15,000	\$ 150,000	\$ 30,000
DRAINAGE	\$ 15,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 30,000	\$ 10,000	\$ 15,000	\$ 30,000	\$ 15,000
PAVING	\$ 108,250	\$ 63,750	\$ 63,000	\$ 72,000	\$ 242,500	\$ 113,000	\$ 119,250	\$ 167,500	\$ 120,000
LANDSCAPE	\$ 25,000	\$ 20,000	\$ 20,000	\$ 20,000	\$ 50,000	\$ 20,000	\$ 25,000	\$ 25,000	\$ 25,000
TRAFFIC IMPACT FEE	\$ 48,105	\$ 11,545	\$ 3,528	\$ 38,484	\$ 26,880	\$ 2,694	\$ 96,210	\$ 58,061	\$ 101,606
PARK IMPACT FEE	\$ -	\$ -	\$ -	\$ -	\$ 98,893	\$ -	\$ -	\$ 59,336	\$ 103,837
HOOKUP/CAP FEES	\$ 30,000	\$ 30,000	\$ 25,000	\$ 30,000	\$ 630,000	\$ 25,000	\$ 30,000	\$ 383,000	\$ 662,000
BUILDING COSTS	\$ 1,800,000	\$ 1,500,000	\$ 1,200,000	\$ 1,200,000	\$ 2,853,100	\$ 960,000	\$ 840,000	\$ 4,900,000	\$ 8,400,000
PERMIT FEES	\$ 36,000	\$ 30,000	\$ 24,000	\$ 24,000	\$ 57,062	\$ 19,200	\$ 16,800	\$ 98,000	\$ 168,000
DESIGN FEES	\$ 144,000	\$ 120,000	\$ 96,000	\$ 96,000	\$ 114,124	\$ 38,400	\$ 67,200	\$ 196,000	\$ 168,000
	\$ 2,251,355	\$ 1,815,295	\$ 1,471,528	\$ 1,520,484	\$ 4,282,559	\$ 1,228,294	\$ 1,254,460	\$ 6,146,896	\$ 9,833,444

Attachment 6

Agricultural Operation Consent(s)

4828-5231-2239, v. 3

AGRICULTURAL OPERATION CONSENT FORM

COMES NOW Silverado Properties LLC, as owner of that certain property generally described as Parcel Identification number R32500010030 and Alternate Identification Number (AIN) 254394, and more particularly described on Exhibit A attached hereto and incorporated herein by reference ("Parcel #2"), and hereby certifies:

1. That Parcel #2 has been used, within the last three (3) years, as an agricultural operation; and
2. That the undersigned has reviewed the materials provided in Exhibit B, and has had an opportunity to review the Silverado District Urban Renewal Eligibility Report, prepared by JFoster & Associates, LLC, and as attached hereto as Exhibit C.

Further, Silverado Properties LLC hereby provide their consent and approval that the subject Parcel #2 may be included within a proposed urban renewal area, and may be deemed appropriate for inclusion within an urban renewal project area as defined by the Idaho Urban Renewal Law of 1965, Chapter 20, Title 50, Idaho Code, as amended, and the Local Economic Development Act, Chapter 29, Title 50, Idaho Code, as amended, as the Parcel possesses certain characteristics of eligibility.

DATED this 27 day of July, 2020.

Silverado Properties LLC, By:



Bobby G Head



Tracy L Head

IDAHO NOTARY ACKNOWLEDGEMENT
(INDIVIDUAL)

State of Idaho
County of Kootenai

On this 27 day of July, 2020, before me, Katy Battista, a notary public for the State of _____, personally appeared Tracy Head, known or identified to me (or proved to me on the oath of _____) to be the person named in the foregoing instrument, and acknowledged to me that he/she executed the same as his/her free act and deed, for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year in the certificate first above written.

[Signature]

Signature of Notary Public

Katy Battista

Printed Name of Notary Public

Commission Expiration Date: Aug 20 24



**IDAHO NOTARY ACKNOWLEDGEMENT
(INDIVIDUAL)**

State of Idaho
County of Kootenai

On this 27 day of July, 2020, before me, Katy Battista, a notary public for the State of Idaho, personally appeared Bobby Head, known or identified to me (or proved to me on the oath of _____) to be the person named in the foregoing instrument, and acknowledged to me that he/she executed the same as his/her free act and deed, for the uses and purposes therein mentioned.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year in the certificate first above written.

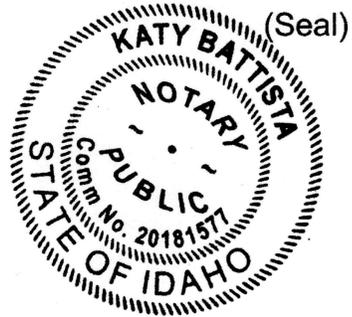


Signature of Notary Public

Katy Battista

Printed Name of Notary Public

Commission Expiration Date: Aug. 23, 2024
KB



BY THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY
OF RATHDRUM, IDAHO:

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF RATHDRUM, IDAHO, ALSO KNOWN AS THE RATHDRUM URBAN RENEWAL AGENCY, RECOMMENDING AND ADOPTING THE URBAN RENEWAL PLAN FOR THE SILVERADO URBAN RENEWAL PROJECT, WHICH PLAN INCLUDES REVENUE ALLOCATION FINANCING PROVISIONS; AUTHORIZING AND DIRECTING THE CHAIR OR VICE-CHAIR OF THE AGENCY, OR THE AGENCY ADMINISTRATOR AND THE SECRETARY OF THE AGENCY TO TAKE APPROPRIATE ACTION; AUTHORIZING AND DIRECTING THE ADMINISTRATOR AND SECRETARY OF THE AGENCY TO MAKE CERTAIN TECHNICAL CHANGES; PROVIDING FOR THIS RESOLUTION TO BE EFFECTIVE UPON ITS PASSAGE AND APPROVAL; AND PROVIDING AN EFFECTIVE DATE.

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

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

WHEREAS, the Mayor has duly appointed the Board of Commissioners of the Agency, which appointment was confirmed by the City Council;

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

WHEREAS, following the public hearing, the City Council adopted its Ordinance No. 583 on November 13, 2019, approving the West Rathdrum Plan and making certain findings;

WHEREAS, pursuant to Idaho Code § 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 § 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, based on inquiries and information presented by certain interested parties and property owners, the Agency commenced certain discussions concerning examination of an area as appropriate for an urban renewal project;

WHEREAS, in October 2017, the Agency authorized JFoster & Associates LLC to commence an eligibility study and preparation of an eligibility report of an area located north and south of Boekel Road, west of Meyer Road, north of Nagel Road, and east of State Highway 41, also referred to as the Thayer Area (the “Study Area”);

WHEREAS, the Agency obtained the Thayer Eligibility Study, dated November 2017 (the “Report”), which examined the Study Area for the purpose of determining whether such area was a deteriorating area and/or a deteriorated area as defined by Idaho Code §§ 50-2018(8), (9) and 50-2903(8);

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

- a. age or obsolescence;
- b. predominance of defective or inadequate street layout;
- c. outmoded street patterns;
- d. need for correlation of area with other areas of a municipality by streets and modern traffic patterns;
- e. faulty lot layout in relation to size, adequacy, accessibility, or usefulness;
- f. unsanitary or unsafe conditions;
- g. economic disuse or undeveloped property; and
- h. other conditions which delay development of the area.

WHEREAS, the Study Area has a substantial portion of open land or open area;

WHEREAS, under the Act, a deteriorated area includes any area which is predominantly open and which, because of obsolete platting, diversity of ownership, deterioration of structures or improvements, or otherwise, results in economic underdevelopment of the area or substantially impairs or arrests the sound growth of a municipality. *See*, Idaho Code § 50- 2903(8)(c);

WHEREAS, Idaho Code §§ 50-2018(9), 50-2903(8) and 50-2008(d) list the additional conditions applicable to open areas, which are the same or similar to the conditions set forth in the definitions of “deteriorating area” and “deteriorated area;”

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

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

WHEREAS, the Agency Board, on November 1, 2017, adopted Resolution No. 2017-002, accepting the Report and authorized the Agency Chair and Administrator to transmit the Resolution and Report to the City Council requesting its consideration for designation of an urban renewal area and requesting the City Council to direct the Agency to prepare an urban renewal plan for the Study Area, which plan may include a revenue allocation area as allowed by the Act;

WHEREAS, the City Council, by Resolution No. 2017-289, dated January 10, 2018, declared the Study Area described in the Report to be a deteriorated area and/or a deteriorating area as defined by Chapters 20 and 29, Title 50, Idaho Code, as amended, that such area is appropriate for an urban renewal project and directed the Agency to commence preparation of an urban renewal plan;

WHEREAS, the City Council further directed that the project area boundary under the urban renewal plan shall be geographically smaller than the Study Area in the Report;

WHEREAS, the Agency has embarked on an urban renewal project referred to as the Urban Renewal Plan for the Silverado Urban Renewal Project (the “Silverado Plan”) to redevelop a portion of the City, pursuant to the Law and the Act, as amended, which area is geographically smaller than the Study Area;

WHEREAS, the Silverado Plan proposes to create an urban renewal area commonly known as the Silverado Project Area, which area is approximately 40 acres and is generally bounded by Boekel Road on the south and Meyer Road on the east, and is shown on the Project Area and Revenue Allocation Boundary Map and is described in the Description of the Project Area and Revenue Allocation Area, which are attached to the Silverado Plan as Attachments 1 and 2 respectively.

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 interested property owners, developers and consultants have prepared the proposed Silverado Plan for the Silverado Project Area, which area was previously designated as eligible for urban renewal planning;

WHEREAS, the Act authorizes the Agency to adopt revenue allocation financing provisions as part of an urban renewal plan;

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

WHEREAS, in order to implement the provisions of the Law and the Act, the Agency shall prepare and adopt the Silverado Plan and submit the Silverado Plan and recommendation for approval thereof to the City;

WHEREAS, as required by the Law and the Act, the Agency has reviewed the information within the Silverado Plan concerning the use of revenue allocation funds and approved such information and considered the Silverado Plan at its meeting on August 27, 2020;

WHEREAS, the Agency Board, at several Agency Board meetings in 2018, 2019, and 2020 has considered public improvements related to the Silverado Project Area;

WHEREAS, the Silverado 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 Silverado Plan shall include with specificity the following: (1) a statement describing the total assessed valuation of the base assessment roll of the revenue allocation area and the total assessed valuation of all taxable property within the municipality; (2) a statement listing the kind, number, and location of all proposed public works or improvements within the revenue allocation area; (3) an economic feasibility study; (4) a detailed list of estimated project costs; (5) a fiscal impact statement showing the impact of the revenue allocation area, both until and after the bonds are repaid, upon all taxing districts levying taxes upon property 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 Idaho Code § 50-2903(20); and (8) a description of the disposition or retention of any assets of the agency upon the termination date;

WHEREAS, it is necessary and in the best interests of the citizens of the City to recommend approval of the Silverado Plan and to adopt, as part of the Silverado Plan, revenue allocation financing provisions that will help finance urban renewal projects to be completed in accordance with the Silverado Plan in order to (1) encourage private development in the urban renewal area; (2) to prevent and arrest decay of the Silverado Project 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 Silverado Project 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 and (6) to further the public purposes of the Agency;

WHEREAS, the Agency Board finds that the equalized assessed valuation of the taxable property in the revenue allocation area described in Attachments 1 and 2 of the

Silverado Plan is likely to increase as a result of initiation of urban renewal projects in accordance with the Silverado 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 this act, because of defective or unusual conditions of title, diversity of ownership, tax delinquency, improper subdivisions, outmoded street patterns, deterioration of site, economic disuse, unsuitable topography or faulty lot layouts, the need for the correlation of the area with other areas of a municipality by streets and modern traffic requirements, or any combination of such factors or other conditions which retard development of the area;

WHEREAS, the base assessment roll of the proposed Silverado Project Area, together with the base assessment roll value of the West Rathdrum Project Area, cannot exceed ten percent (10%) of the current assessed values of all the taxable property in the City;

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

WHEREAS, the Silverado Project Area includes parcels subject to such consent;

WHEREAS, Agency Administrator and consultants recommend the Agency Board accept the Silverado Plan and forward it to the City Council;

WHEREAS, the Agency Board finds it in the best interests of the Agency and the public to formally adopt the Silverado Plan, as set forth in **Exhibit 1** attached hereto, and to forward it to the Mayor and City Council, and recommend its adoption, subject to certain conditions.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF RATHDRUM, IDAHO, AS FOLLOWS:

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

Section 2. It is hereby found and determined that the Silverado Project Area as defined in the Silverado Plan is a deteriorated area, a deteriorating area, or a combination thereof, as defined in the Law and the Act and qualifies as an eligible urban renewal area under the Law.

Section 3. That the Agency specifically adopts the Silverado Plan along with any changes discussed at the August 27, 2020, Agency Board meeting, including but not limited to finalization of Attachments to the Plan, confirmation of levy rates, confirmation of the affected taxing districts, updated list of projects, estimated location or siting of improvements, updated map or legal description and any modifications to the economic feasibility study previously prepared by Tom Lien.

Section 4. That the Agency recommends that the Silverado 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, or replacement of Attachments as discussed at the August 27, 2020, Agency Board meeting.

Section 5. That the required agricultural operation consents have been obtained by the Agency.

Section 6. That Agency staff, prior to transmittal of the Silverado Plan to the City will include final Attachments to the Plan, including but not limited to the boundary map, legal description, properties which may be acquired by the Agency, the map depicting expected land uses and the current zoning map of the project area, the economic feasibility study, with all the attachments and the agricultural operations consents.

Section 7. That this Resolution constitutes the necessary action of the Agency under the Act, Idaho Code § 50-2905, recommending approval by the City and that the Silverado Plan includes with specificity the following: (1) a statement describing the total assessed valuation of the base assessment roll of the revenue allocation area and the total assessed valuation of all taxable property within the municipality; (2) a statement listing the kind, number, and location of all proposed public works or improvements within the revenue allocation area; (3) an economic feasibility study; (4) a detailed list of estimated project costs; (5) a fiscal impact statement showing the impact of the revenue allocation area, both until and after the bonds are

repaid, upon all taxing districts levying taxes upon property 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 Idaho Code § 50-2903(20); and (8) a description of the disposition or retention of any assets of the agency upon the termination date.

Section 8. It is hereby found and determined that:

- (a) The Silverado 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 multi-residential, commercial and industrial components of the Silverado 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 Silverado Plan.
- (b) The Silverado Plan affords maximum opportunity consistent with the sound needs of the City as a whole for the rehabilitation, development and redevelopment of the Project Area by private enterprises.
- (c) To the extent necessary, the Silverado Plan provides a feasible method for relocation of any displaced families residing within the Silverado Project Area.
- (d) The Silverado Project Area contains open land areas, that the Agency may acquire any open land, but does not intend to acquire open land on any widespread basis, that the Silverado Project Area is planned to be redeveloped in a manner that will include both residential and non-residential uses and that the "open land" criteria set forth in the Law and Act have been met.
- (e) The portion of the Silverado Project Area which is identified for residential uses is necessary and appropriate as the City Council may find there is a shortage of housing of sound standards and design which is decent, safe and sanitary in the City; that the need for housing 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 of residential uses is an integral part of and essential to the program of the City.
- (f) The portion of the Silverado Project Area which is identified for non-residential uses, the City Council may find 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.

- (g) The base assessment roll of the proposed Silverado Project Area, together with the base assessment roll value of the West Rathdrum Project Area, does not exceed ten percent (10%) of the current assessed values of all the taxable property in the City.
- (h) The Silverado Plan includes a revenue allocation provision and the Agency has determined that the equalized assessed valuation of the revenue allocation area will likely increase as the result of the initiation of an urban renewal project.

Section 9. That this Resolution constitutes the necessary action of the Agency under the Law, Section 50-2008, Idaho Code and the Act.

Section 10. The Chair, Vice-Chair, or Administrator and the Secretary of the Agency are hereby authorized and directed to take all steps necessary and convenient to submit the proposed Silverado Plan for approval by the City Council, including but not limited to the preparation of the notice of public hearing on adoption of the revenue allocation financing provisions by the City and submittal of the Silverado Plan to the various taxing entities as required by Idaho Code § 50-2906.

Section 11. That this Resolution shall be in full force and effect immediately upon its adoption and approval.

PASSED AND ADOPTED by the Urban Renewal Agency of the City of Rathdrum, Idaho, on _____, 2020. Signed by the Chair of the Board of Commissioners and attested by the Secretary to the Board of Commissioners, on _____, 2020.

APPROVED:

By _____
Chair of the Board

ATTEST:

By Secretary

4819-5107-4483, v. 2

RESOLUTION NO. 2020-_____