

Sandpoint Urban Renewal Agency The City of Sandpoint

Downtown Revenue Allocation Area Plan 2005

SURA CHAIR:

MARK WILLIAMS

SURA BOARD MEMBERS:

John Corn, Nancy Hadley, Debbie Meaux and
Eric Paull

Plan prepared by *John Austin*, Pan Handle Area Council, *Stephen Drinkard*, City
of Sandpoint Planning Department and *Dana Wetzel* of Wetzel & Wetzel PLLC.

Printed: October 24, 2005

TABLE OF CONTENTS

1. INTRODUCTION

Deterioration Defined

Identifying Deteriorated Areas

Existing Social Conditions

Existing Economic Conditions

Other Factors

City of Sandpoint Findings

2. BOUNDARY DESCRIPTION

Urban Renewal District Legal Description

3. PROPOSED DEVELOPMENT ACTIONS

General

Background Summary

Specific Plans and Costs

Conformance With State And Local Requirements

Property Acquisition

Relocation of Businesses, Persons and Others

Disposition and Development Agreements

4. USES PERMITTED IN PROJECT AREA

Comprehensive and Urban Renewal Plans

General controls and limitations

Construction

Rehabilitation and retention of property

5. PROJECT FINANCING METHODS

General Description Of Financing Methodology

Bond Anticipation Notes

Tax Increment Funds

Loans And Grants

Community Development Block Grants

Local Improvement Districts

Loans And Advances

Tax Increment Guarantees

Certificates Of Participation

Joint Powers Authority

63-20 Debt

6. TAX ALLOCATION AREA

Tax Allocation Area Legal Description

Affected Agencies

7. ACTIONS BY THE CITY COUNCIL

8. ENFORCEMENT

9. DURATION OF THE PLAN/ DISPOSITION OF ASSETS

10. PLAN AMENDMENT PROCEDURES

11. TAX FEASIBILITY STUDY [Separate Document, appended]

12. APPENDIXES

Appendix A Project Costs

Appendix B IDAHO CODE SECTION 50-2008

Appendix C NOTICE OF PUBLIC HEARINGS

Appendix D Resolution No. 05-29: Formation of Urban Renewal Agency And Its First Urban Renewal Area

Appendix E Resolution No. 05-59: Creation Of The Downtown URA

Appendix F Resolution No. 05-64: Amended Description of RAA

Appendix G Minutes of Planning Commission Review of RAA Plans

Appendix H Map of Downtown Urban Renewal Area and Revenue Allocation Area

Appendix I (Ordinance No. 05-XX)

CHAPTER 1:

INTRODUCTION

The City of Sandpoint, a community with a population of approximately 8,000, is located in the panhandle of northern Idaho within Bonner County. Sandpoint is situated on Lake Pend Oreille and the Pend Oreille River, approximately 60 miles from the Canadian border.

Sandpoint is part of an area of the northwest that is among the fastest growing in the nation. Within a 50-mile radius, considered as a comfortable distance for reaching business, industry, education, medical, etc., there is in excess of a half a million people. Using the same yardstick, Boise has a market population of 400,000, Idaho Falls 150,000, and Pocatello 130,000.

This increase in growth and development has been partially realized in the greater Sandpoint area, which has absorbed a majority of the commercial development and, on the other side of the economic coin, the City of Sandpoint has absorbed much of the costs associated with serving more people in the area without recourse to dramatically increasing its tax revenue. A new Highway 95 by-pass under consideration in Sandpoint, moreover, will change forever the nature of the City's downtown area, and its growth patterns relative to commerce and industry.

New commercial development, with a few exceptions, has been slow in the downtown area of Sandpoint, and has instead begun to move to areas north of town, as evidenced by the Bonner Mall, Home Depot, Wal-Mart and other developments. It is anticipated that with the proposed by-pass of the Highway, the downtown will have fewer traffic problems but also fewer visitors. The Sandpoint Urban Renewal Agency is charged with finding ways to rehabilitate deteriorating areas while encouraging more commercial development. Improvements to the current Highway 95 route through town is a major objective once the by-pass is completed.

Rehabilitation of the downtown core began in earnest in 2003, based upon a plan developed by the consulting team of Tom Hudson and Lorraine Roach and the City Council, City staff, downtown property and business owners and the Downtown Sandpoint Business Association. It is a pro-active, four phased plan. Only one phase has been completed. The other three phases are lacking funding. Hence, the need for the use of tax increment financing downtown.

Much has been written about the importance of cleaning up the deteriorating elements of downtown and of re-creating downtown Sandpoint as a more pedestrian friendly area. However unique is downtown Sandpoint and its particular place among local and regional, economic dynamics, it is not alone in its desire to preserve its unique character and vitality.

Studies by the Main Street USA organization have shown the critical importance of a city's downtown to its economic and social well-being. Thousands of cities nationwide have undertaken similar "make-overs" of its downtown core. And hundreds of cities the size of Sandpoint, according to Main Street USA, have seen a very positive "Return on Investment" of dollars spent on revitalization

The Sandpoint Downtown Urban Renewal district is proposed under the deteriorated urban renewal law. This Urban Renewal Plan describes the project area and improvements, how those improvements will be funded and outlines the powers, duties and obligations of the Sandpoint Urban Renewal Agency (the Agency). This plan, by way of adopted ordinance, establishes the Downtown Urban Renewal Area and one Revenue Allocation Area (RAA), approximately 380 acres in size. The City has commissioned an economic feasibility study, which includes a fiscal impact statement. The economic feasibility study focuses on all aspects of the entire **Downtown Urban Renewal Area or District**, and aspects directly related to the project area or RAA. It is the intention of the Agency for much of the costs incurred by this plan to be funded by tax allocation financing, for a period not to exceed ten (10) years.

The Sandpoint Urban Renewal Agency will adopt two revenue allocation areas ["Northern" and "Downtown"], so incremental growth within each will fund projects in their area of development.

DETERIORATION DEFINED

Under Idaho Local Economic Development Act (Municipal Corporations Code, Sec. 50-290 et. seq.) the city council must find and determine, on the basis of substantial evidence in the record, the project area as a "deteriorated area" (when adopting an ordinance approving and adopting Urban Renewal plan for a project area). The purpose of this chapter is to present the conditions of deterioration as set forth in the Local Economic Development Act (LEDA), to show how such conditions relate to categories of being deteriorated, and to provide examples of the types of data to illustrate and substantiate the various conditions of deterioration.

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

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

(b) Any area which by reason of the presence of a substantial number of deteriorated or deteriorating structures, predominance of defective or inadequate street layout, faulty lot layout in relation to size, adequacy, accessibility or usefulness, unsanitary or unsafe conditions, deterioration of site or other improvements, diversity of ownership, tax or special assessment delinquency exceeding the fair value of the land, defective or unusual conditions of title, or the existence of conditions which endanger life or property by fire

and other causes, or any combination of such factors, results in economic underdevelopment of the area, substantially impairs or arrests the sound growth of a municipality, retards the provision of housing accommodations or constitutes an economic or social liability and is a menace to the public health, safety, morals or welfare in its present conditions and use.

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

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

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

Information presented in the deteriorated section of the plan is divided in two divisions, which address the broad categories prescribed by the law. Appropriate headings for these major divisions are: “Existing Social Conditions”, and “Existing Economic Conditions”. Within these major divisions, subheadings are used, to the extent applicable to the particular project area.

IDENTIFYING DETERIORATED AREAS

1. Existing Social Conditions

A. Unsafe and hazardous traffic and pedestrian conditions exist which endanger life, buildings and structures having conditions which are unfit or unsafe to occupy from,

I. Inadequate and Unsafe Public Rights of Way

- Surfacing of roadways in deterioration
- Narrow roadways
- Partially paved streets
- Partially completed rights-of-way
- Unpaved streets
- Uncompleted (dead end) rights of way

II. Dilapidation or Deterioration

- Structural conditions of buildings and poor site conditions in comparison to remainder of City

III. Age or Obsolescence

- Age of buildings
- Obsolescence is mainly applicable to industrial and commercial buildings where size, layout, or other original design features may no longer be appropriate to current uses.

2. Existing Economic Conditions

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

- I. Inadequate and sub-standard traffic movements and flow
 - Streets, sidewalks, curbs, gutters non existent or in disrepair
 - Poor traffic circulation
 - Street lighting non existent or in disrepair

- II. Substantially impairs or arrests the sound growth of a municipality.
 - a. Inadequate public improvements
 - Public improvements should be surveyed to determine adequacy/inadequacy by using the following factors:
 - ✓ Poor physical condition
 - ✓ age
 - ✓ deterioration
 - ✓ improper design
 - ✓ lack of sufficient capacity
 - ✓ total absence of improvement in face of demonstrable need.

 - b. Inadequate Public Facilities -
Need to be evaluated as in "a" (above)
 - Parks
 - Parking Facilities
 - Fire Station/EMS
 - City Beach

 - c. Inadequate Utilities -
Should be evaluated as in "a" (above)
 - Water processing and distribution facilities
 - Gas
 - Electrical (above ground/underground)
 - Cable television
 - Internet access
 - Telephone
 - Wastewater treatment facilities
 - Sewers, storm drains

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

a. Shifting of uses:

- Rapid changes in tenants within commercial structures (this week a thrift store, used furniture the next week)
- Conversions to uses other than the original use (service station converted to fast food operation)

b. Prevalence of depreciated values

c. Prevalence of impaired investments

An "impaired investment" is a rented or leased commercial, industrial or residential property on which the values or the return on the owner's equity are diminished or have stopped altogether, and/or the equity itself is in danger of being partially or totally lost. These conditions are evidenced by:

- Decline in gross sales or gross rents.
- Inordinate increases in expenses due to circumstances existing in the area (such as higher insurance costs, inability to obtain insurance at all or higher costs for security protection)
- Increasing vacancy rates
- Inability to sell properties at reasonable prices
- Inability to obtain loans to maintain, rehabilitate or expand
- Increased public safety related issues

d. Prevalence of economic maladjustment

- Business failures and move-outs
- Declining employment figures
- Increasing unemployment
- Vacant stores, and buildings
- Declining business registrations.
- Declining property tax revenues and increasing police and fire services
- Declining sales taxes or stagnation of same
- Inability of property owners to bear special assessments
- Low incomes of residents

e. Existing land uses inappropriate to needs of businesses, industries and residents of city.

- The existence of vacant or partially vacant buildings of recent construction
- The existence of unused or unique facilities of marginal need or usefulness
- Lack of expansion area
- Lack of proper access for customers & deliveries
- Lack of transportation facilities
- Lack of adequate parking
- Lack of necessary utilities (water, power)
- Improper zoning

3. Other Factors

The conditions of deterioration affect the entire project area. Non-blighted properties have been included because their inclusion is necessary for effective redevelopment.

4. City of Sandpoint Findings

That there is an area within the City of Sandpoint which is a deteriorated or a deteriorated area as defined by Idaho Code Section 50-2018(h), (i) and 50-2903(b),

That the area proposed is approximately bounded by Short Avenue, Sixth Avenue and Boyer Avenue on the *west*; Larch Street on the *north* as it extends from Short Avenue due east to the city property line in Lake Pend Oreille; parts of Lake Street, Pine Street and Superior Streets on the *south*; and Lake Pend Oreille on the *east*.

- a. The downtown business core, in light of the eventual construction of the Highway 95 By Way, can be, without proactive steps taken to revitalize its infrastructure, adversely affected by altered “through-stop” circulation;
- b. The consultant, Tom Hudson, hired by the city in 2001-2002, urged that proactive steps be taken to recreate downtown as a pedestrian friendly place and to radically change traffic circulation patterns and to provide sufficient parking for sound economic growth;
- c. At present, there is insufficient lighting—deficient by a factor 5 according to The Illuminating Engineering Society—so as to cause not only a social and economic liability, but a safety liability as well;
- d. Approximately 66% of this area’s sidewalks are in need of repair and/or widening to facilitate safe pedestrian passage;
- e. There remains significant Inflow and Infiltration problems in the core;
- f. The City Parking lot is underutilized due to poor circulation patterns and poor landscaping and inadequate lighting that is conducive to a feeling of being unsafe;

Other factors:

- a. There are critical anchors in the downtown core which include but are not limited to the county court house, the post office and the North Idaho College Outreach Center, and actions must be taken to insure their continued presence;
- b. A healthy downtown core must also include affordable residential housing and at present, such housing does not exist;
- c. There are underutilized assets in the downtown core that have become impediments to sound growth including convenient connectivity between the downtown core and the Sand Creek area;
- d. The economic vitality of the City of Sandpoint depends on funding, sustaining and coordinating efforts to support arts and maintain significant historical buildings;
- c. Residents of the City Of Sandpoint must also support the downtown area and marketing consultant Lorraine Roach has concluded that the current mix of businesses downtown is generally not attractive to the local City of Sandpoint resident.
- d. That unless the aforementioned conditions are improved, they will substantially impair the sound growth potential of the City of Sandpoint and will constitute an economic and social liability.
- e. That improvement of property and City services in the downtown core area is necessary and appropriate to facilitate the proper growth and development of the City in accordance with sound planning standards and the local community objectives.
- f. That based upon the conditions described above, and pursuant to Idaho Code Sections 50-2001, et. Seq. and 50-2901, et. Seq., there is a need for an urban renewal area to function in the downtown core of the city.

CHAPTER 2:

URBAN RENEWAL AREA BOUNDARY DESCRIPTION

A Tract of land lying in a portion of Sections 22 & 23, all in Township 57 North, Range 2 West, Boise Meridian, Bonner County, Idaho, more particularly described as follows:

BEGINNING at the Northeast Corner of said Section 22; Thence, **South 89°54'00" West, 2078.50 feet**, along the North line of said Section 22, to a point on the existing West Right of Way Line of Short Avenue, extended North;

Thence, leaving said North Section Line, **South 00°16'48" East, 1124.99 feet**, along the extended existing West Right of Way Line and the existing West Right of Way Line of said Short Avenue, to a point on the existing North Right of Way Line of Alder Street;

Thence, **South 89°53'59" West, 218.20 feet**, along the existing North Right of Way Line of said Alder Street, to a point of Intersection with the existing West Right of Way Line of Sixth Avenue;

Thence, **South 00°16'48" East, 1120.01 feet**, along the existing West Right of Way Line of said Sixth Avenue, to a point of Intersection with the existing North Right of Way line of Church Street;

Thence, **South 89°53'59" West, 375.00 feet**, along the existing North Right of Way Line of said Church Street, to a point of Intersection with the existing West Right of Way Line of Boyer Avenue;

Thence, **South 00°15'54" East, 710.00 feet**, along the existing West Right of Way Line of said Boyer Avenue, to a point of Intersection with the existing North Right of Way Line of Lake Street;

Thence, **North 89°53'59" East, 1622.11 feet**, along the existing North Right of Way Line of said Lake Street, to a point of Intersection with the existing West Right of Way Line of Third Avenue;

Thence, **South 00°16'48" East, 460.00 feet**, along the existing West Right of Way Line of said Third Street, to a point of Intersection with the existing North Right of Way Line of Superior Street;

Thence, **North 89°53'59" East, 4311.91 feet**, along the existing Right of Way Line of said Superior Street and the existing Right of Way Line of said Superior Street extended East, to a point on the existing Easterly City Limits of the City of Sandpoint;

Thence, Northerly, along said existing Easterly City Limits Boundary, the following nine (9) described courses:

1. **North 14°57'59" West, 1489.97 feet,**
2. **North 00°52'04" East, 320.57 feet,**
3. **North 09°24'22" West, 261.97 feet,**
4. **North 20°53'15" West, 306.27 feet,**
5. **North 34°43'27" West, 373.37 feet,**
6. **North 52°24'26" West, 735.27 feet,**
7. **South 84°27'57" West, 319.60 feet,**

8. North 01°02'41" East, 120.45 feet,

9. North 09°00'25" West, 266.72 feet, to a point on the North Line of the above-mentioned Section 23;

Thence, South 89°54'00" West, 1594.07 feet, along the North Line of said Section 23, to the **TRUE POINT OF BEGINNING.**

The Acreage for the Downtown Urban Renewal Area, including the Downtown Revenue Allocation Area, is approximately 380 acres.

CHAPTER 3:

PROPOSED DEVELOPMENT ACTIONS

GENERAL

The major objective of this downtown urban renewal plan is to provide pedestrian improvements and other public improvements that implement the goals of the Sandpoint Urban Renewal Agency (SURA) and the City.

Downtown Revitalization was formally identified as being a "Priority One" project in the long range Council "Items as Prioritized" document, dated March 26, 2002.

Consequently, the URA has established goals for the proposed Sandpoint area, which are as follows:

- Complete the Phased Plan for Downtown Revitalization as authorized by the City Council in 2002 and as conceptualized by the Tom Hudson Consultants and designed by the Downtown Steering Committee and, at first, Welch-Corner Engineering and, later, the JUB engineering team.
- Improve the parking situation downtown by making improvements to the City Parking lot.



BACKGROUND SUMMARY

In 1999, motivated by the fact of a number of businesses moving out of downtown to the north and south of the City, the City of Sandpoint and the recently formed Downtown Sandpoint Business Association (DSBA) created a downtown revitalization study, funded by EDA planning dollars.

Although the study was vastly superior to anything previously attempted, it lacked a true implementation plan and thus no real actions were taken. Moreover, the slow drain of businesses from downtown, the increasingly apparent poor parking and traffic circulation conditions and the deteriorating sidewalks were not enough motivation to prompt real action. People had, in a word or two, gotten used to deteriorating conditions downtown because, after all, it was still "our downtown" and there were a few bright lights such as the Panida Theater.

In early 2000, ITD published its final Environmental Impact Statement for the proposed Sand Creek Byway or Bypass. There was a remarkable estimate in that document that re-invigorated City and DSBA efforts to develop a plan of action for revitalizing downtown. It stated:

“If all businesses that depend [currently] upon through-stop traffic close permanently [because of the Sand Creek Byway and move to Ponderay or Sagle] the negative impacts would amount to a job loss of approximately 260 jobs with a corresponding impact to Sandpoint’s total economy.” *Sandpoint North & South—Final Environmental Impact Statement*, page 89

Whether that ITD economic study estimate proves to be true or not, the statement did prompt action. With a USDA grant, the City and the DSBA hired a well-known and very respected downtown revitalization consultant from Moscow, Idaho, Tom Hudson.

From late 2001 through 2002, the Hudson team and a community of local property owners, business leaders, city staff, DSBA members, and citizens developed a phased implementation plan for revitalizing downtown.

The core ideas behind revitalization efforts were:

- Market dynamics were reshaping downtown more or less negatively;
- There had been no coordinated public works “face-lift” of downtown in the city’s 100 year history;
- The public infrastructure [as assessed by not only Mr. Hudson but by city staff] was deteriorating;
- The City Parking Lot was a major asset that was woefully underutilized by the public and downtown employees and that lot management and structural changes had to be made;
- The Byway construction process would in itself be a dampening force on downtown economics for at least two to three years;
- ITD’s assessment of job loss during and after the Byway is completed might be correct.

Therefore, it became essential to be proactive and to re-create downtown Sandpoint as a pedestrian friendly area, in fact, not just in wish. The conditions and concerns observed in 2002 are only somewhat less true today, 2005, in spite of the completion of the first phase of revitalization in 2003.

After completion of the first phase of revitalization, the Downtown Steering Committee had to face very hard news: With the dramatic rise in construction costs, with the delay of the Byway construction (and, hence, a delay in finding out if “Reversion Funding” from ITD for some of the downtown streets was possible), it became apparent that there were insufficient funding sources to complete the phased re-construction plans without securing an additional funding source.

SPECIFIC PLANS AND COSTS

City Parking Lot

The 2001- 2002 community study of downtown, led by Tom Hudson, focused not only streetscape improvements in the core, but also on the importance of the City's parking lot. This initial study by Hudson, as well as a more in depth study commissioned by the City and the DSBA in 2004, concluded that there are two critical improvements needed in order to make the city parking lot usable by more people, more of the time. At the present time, the lot is woefully underutilized and as such contributes to lack of parking on the streets in front of retail outlets and thus reduced "turn-over" of parking spaces in front of these outlets.

First, and perhaps most important, a new management plan must be implemented that views the parking lot in the context of parking zones throughout the downtown, better signage, a new enforcement plan, new parking lot rates and a better mechanism for paying. The DSBA is currently working to implement the new management plan.

Second, a close review of the lot reveals physical problems, problems validated by comparison with successful parking lots in the United States:

- Inadequate lighting;
- Lack of sufficient and well-designed handicapped space;
- Poor landscaping that not only obscures visibility but detracts from efficient lay out of parking stalls;
- A southern entrance that imposes poor vehicular circulation;
- Inadequate entranced signage;
- An asphalt surface that is long over due for a rebuild;
- A storm water system that is, except for having "grandfather acceptance," does not meet today's standards;
- A layout that can be made more efficient and thus gain more parking stalls;
- A layout that does not take into account the possible shared use of the adjoining US Bank parking lot, thus increasing public parking and more efficient parking for US Bank customers.

The design team of Hatch-Mueller in Coeur d'Alene prepared a cost estimate of the physical changes to the parking lot. Principal designer Dell Hatch was hired by the DSBA in the spring of 2005 to prepare new designs of the parking lot. The DSBA Parking Committee, working with the City's Public Works department, arrived at a final design in September of 2005 and the cost estimates for the proposed changes were presented to the committee. These costs are itemized in Appendix A.

Cost estimates for the current parking lot are identified as "West Parking Lot." Cost estimates for the re-build of the US Bank parking lot, to make it a part of the public lot, are identified as the "East Parking lot." Total costs for work on both lots are \$462,220.18.

Street Scape Improvements

[Quoted from JUB Engineer's "Downtown Revitalization Project Status Report, May 2, 2004]:

The Sandpoint Downtown Revitalization project was divided into four phases- 2003, 2004, 2005 and 2007. Phase 2003 has been designed and constructed. The Downtown Revitalization Committee [a committee composed of the mayor, city staff, DSBA Board members, downtown business and property owners] reviewed the improvements and associated costs for Phase 2003. The committee maintains that improvements in future phases will remain consistent with those constructed in previous phases and will assess the same cost per foot to the property owners [for an LID]. Downtown improvements [in phases 2004, 05, 07] include:

- **Minimum 10-foot wide sidewalks**
- **Replace curbs**
- **Construct pedestrian bulb-outs**
- **Pedestrian Lighting**
- **Conduit for fiber optic cable**
- **Street trees**
- **Irrigation system**
- **Concrete sidewalks**
- **Storm water improvements**
- **Full street reconstruction (2007)**

Each phased area is described as follows:

Phase 2004

- **Third Avenue—Church Street to Oak Street**
- **Third Avenue—Main Street to Cedar Street**
- **Main Street—Third Avenue to Fifth Avenue**
- **Fourth Avenue—Church Street to Cedar Street**
- **Oak Street—Third Avenue to Fifth Avenue**
- **Second Avenue—Church Street to Main Street**

Phase 2005

- **Church Street—First Avenue to Fifth Avenue**
- **Fourth Avenue—Pine Street to Church Street**
- **Third Avenue—Pine Street to Church Street**
- **Second Avenue—Pine Street to Church Street**

Phase 2007

- **Fifth Avenue—Pine Street to Oak Street**
- **Church Street—Fifth Avenue to one block west**
- **Pine Street—First Street to Fifth Avenue**
- **First Avenue—Pine Street to Cedar Street**
- **Cedar Street—First Avenue to Fifth Avenue**

Below is a summary of the overall costs with this project as identified in detail in Appendix A of this Downtown Urban Renewal Plan. Note: The references "Phase 2004," "Phase 2005," and "Phase 2007," used to describe the originally planned phasing of the streetscape improvements, are being kept for the time being, even though the names are "out of date."

Item	Cost	Assessable Footage for An LID
Phase 2004	\$1,554,700	3,654 ft.
Phase 2005	\$1,686,800	3,490 ft.
Phase 2007	\$5,846,700	10,500 ft.
Total	\$9,088,200	
Less \$1,760,000 in LID(s) and a future \$500,000 Block Grant	\$6,828,200	
Parking Lot Improvements	\$462,220	0 ft.
Total	\$7,290,420	17,644 ft.

CONFORMANCE WITH STATE AND LOCAL REQUIREMENTS

The proposed redevelopment as proposed in this plan conforms to the Comprehensive Plan for the City of Sandpoint. This plan will be reviewed by the Sandpoint City Council, upon recommendation by the City's Planning and Zoning Commission October 4, 2005, stating that this plan is in conformity with the Sandpoint Comprehensive Plan. (See Minutes of Planning Commission, Appendix G.)

PROPERTY ACQUISITION

Pursuant to State Code Section 50-2007 the URA may acquire (by purchase, lease, option, gift, grant, bequest, devise, eminent domain or otherwise) real property. At the present time, the only property contemplated for acquisition is a portion of the US Bank parking lot, adjacent to the City Parking lot.

RELOCATION OF BUSINESSES, PERSONS AND OTHERS

No individuals, families, businesses, non-profit organizations or others are required to relocate as a result of this plan.

DISPOSITION AND DEVELOPMENT AGREEMENTS

The Disposition and Development Agreements are the legal documents that form Public/Private partnerships. They are used by the URA when entering into an agreement with a private developer for a specific project. Contemplated agreements could be effected for such things as public site improvements, other public capital improvements including off site improvements, and public parking.

CHAPTER 4: **USES PERMITTED IN PROJECT AREA**

COMPREHENSIVE AND URBAN RENEWAL PLANS

Idaho State Code 50-2008 states that:

Prior to its approval of an urban renewal project, the local governing body shall submit such plan to the planning commission of the municipality, if any, for review and recommendations as to its conformity with the general plan for the development of the municipality as a whole. [italics added.]

The planning commission shall submit its written recommendations with respect to the proposed urban renewal plan to the local governing body within thirty (30) days after receipt of the plan for review.

The main concern of the state law is whether or not the project[s] for a particular Revenue Allocation Area within a designated Urban Renewal Area is/are compatible with designated or planned land uses of the city's comprehensive plan.

The project for this particular plan consists finishing a Council approved project begun in 2002—i.e., the reconstruction of the core downtown streetscape and city parking lot. The project's scope of work is focused entirely upon the reconstruction and remediation of public streets, sidewalks and city parking lot and the addition of needed lighting, landscaping and other pedestrian amenities such as public art, bicycle racks and benches/ designed seating areas.

The project is entirely within an area so designated by the Comprehensive Plan Map as "Business" and so designated by the City Zoning Map as either "Commercial" or "Professional Office." Given the nature of the project, it will neither affect nor cause change to the current or planned use of properties within the area.

Moreover, this particular project will directly compliment many goals and policies of the Sandpoint Comprehensive Plan. Here follow applicable excerpts from the Comprehensive Plan [portions of the text are highlighted to indicate a particularly complimentary relationship to the project commonly known since 2002 as "the revitalization of downtown"]:

Section 2: Community Design

Policy 2: Encourage the rehabilitation and development of the downtown business district so as to provide a convenient and pleasant shopping atmosphere.

Implementation: Encourage cleanliness and the providing of benches, landscaping, and pleasant visual development while providing for adequate parking facilities and efficient traffic flow.

Policy 3: *All neighborhoods and districts in Sandpoint should be encouraged to develop in a manner and way that expresses a concern and appreciation for qualities of environment while maintaining unique characteristics which allow the area to be recognized as an individual entity.*

Implementation: *Encourage rehabilitation of existing structures, tree planting, landscaping and preservation of ground cover and encourage new construction of a design and nature to be compatible with the surrounding areas and encouraging at all times neighborhood and community input during the consideration of proposed development.*

Section 8: Economics

Goal: *To maintain and promote a healthy social and economic condition and development for the residents of Sandpoint.*

Policy 1: *To promote the orderly development of land use at optimum locations as they relate to facilities and adjacent land uses.*

Implementation:

1. *Encourage commercial developments; to concentrate in areas so as to minimize the negative influences on adjacent land uses and on traffic congestion, parking, and noise.*
2. *Commercial developments should develop only in non-residential areas.*

Policy 3: *Make effective use of tax resources so as not to burden the already established areas while providing for services and facilities for new growth.*

Section 11: Public Service Facilities and Utilities

Goal: *Public services facilities and systems should fulfill present needs and anticipated future needs.*

Policy 2: *Systems of transportation should be maintained and improved when necessary.*

Implementation: *Attention should be given to the paving and safety standards for City Street with underground drainage provided for run-off when necessary while encouraging improved systems of transportation, parking facilities, and street uses.*

Section 12: Transportation

Goal: *To provide for the safe and effective circulation of vehicular traffic, pedestrian and bicycle traffic.*

Policy 1: *Provide for adequate circulation patterns and handicap access in all new or reconfigured roads.*

Implementation: *Maintain and improve City Streets and examine the feasibility of methods of more safe and efficient traffic flow and essential business districts and study alternative traffic patterns so as to maximize the efficient traffic movement.*

Policy 2: *Increase parking facilities.*

Implementation: Study future and existing parking needs with anticipation of land acquisition or leasing so as to encourage off-street parking facilities.

Policy 3: *Promote and encourage the development of bicycle and pedestrian walking paths throughout the City. Support the effort of local community groups, business agencies, and other governmental agencies with plans to create safe bicycle and pedestrian passageways.*

In summary, the reconstruction of the streetscapes and the rehabilitation of the city parking lot in the downtown core area does meet both the letter and the intention of the Comprehensive Plan:

- The project specifically targets “the rehabilitation and development of the downtown business district.” [Section 2, Policy 2]
- All the design work for the project done in 2002-03 focuses on the “rehabilitation of existing structures” and maintains “unique characteristics” of downtown. [Section 2: Policy 3]
- The primary purpose of rebuilding the downtown public facilities is to create a pedestrian friendly downtown. According to the consultant Tom Hudson, and agreed upon by the downtown revitalization committee, a pedestrian friendly downtown is of paramount importance to “maintain and promote a healthy social and economic condition and development for the residents of Sandpoint.” [Section 8]
- A significant aspect of the project is to promote “safety standards” [e.g., better lighting and corner “bulb-outs” for pedestrians crossing streets] and to encourage “improved systems of transportation, parking facilities and street uses”. [Section 11]
- The project will create new and improved “handicap access in all new or reconfigured roads”; it will “increase parking facilities”; and, “promote and encourage the development of bicycle and pedestrian walking paths.” [Section 12: Transportation]

GENERAL CONTROLS AND LIMITATIONS

Construction:

All construction, which is funded or partially funded by the Urban Renewal Agency as a part of this plan, will be required to meet all applicable city and state specifications. In addition, each project must meet any requirements made by the URA as a condition of assistance. Such requirements may be in the form of additional performance and development standards. Construction may be by the Agency independently, or in conjunction with any other public agency.

Rehabilitation And Retention Of Property:

Rehabilitation of dilapidated commercial structures is an objective of the URA, in as much as the use of the structure complies with the plan and revenues available for assistance. Except in extenuating circumstances, ownership retention will always be a priority for most projects undertaken by the URA.

CHAPTER 5:

PROJECT FINANCING METHODS

GENERAL DESCRIPTION OF FINANCING METHODOLOGY

State law provides that urban renewal agencies have the power to finance urban renewal (redevelopment) activities and related costs. Agencies can issue both short and long term debt with existing and projected revenues. The debt of an urban renewal agency can be it's own, or, it can include any assignments of revenues from others. For the most part, urban renewal agencies utilize tax increment financing (TIF) as the financing tool. However, Government Code Section 50-2007(f) allows other financing mechanisms, as well. The following, are merely illustrative, and is not an all inclusive list, nor do they bind the Urban Renewal Agency to use one or any of the following financing mechanisms:

1. advances
2. loans
3. grants
4. contributions
5. any other form of financial assistance from public or private sources

BOND ANTICIPATION NOTES

Bond Anticipation Notes (BANs) are utilized when an agency needs to raise higher levels of financing than possible with a standard financing mechanism. The basic assumption of BAN financing is that tax increments will grow substantially over several years, due in part or whole to the application of the BANs funding to agency programs, and the agency will subsequently be able to afford a standard financing to refinance the BANs when the whole principal balance becomes due. BANs will typically have interest only payments for the short duration of the financing term, with all principal coming due in anticipation of a fully amortized standard bond financing that will refinance or take out the BANs.

BANs can raise substantial capital in advance of tax increment generation and project development. These notes can provide funding that can encourage private development in the early stages of the project when "seed" capital is needed most.

The customary BAN structure calls for the forecasting of tax increment revenues several years into the future, making an assumption about what interest rates will be at the end of the forecast / finance period, and then issuing short (two to three year) to medium (four to six year) notes. The financing program anticipates that the notes will be fully amortized standard bonds when the notes mature. Ban financing often includes a large component of capitalized (prepaid from note proceeds) interest, as the agency can typically not support full interest payments on the notes with tax increment funds. Thus, for \$100.00 of program funding, a BAN financing will require two sets of costs of issuance (both the BAN and permanent bond financing) totaling approximately \$7.00 per hundred, plus at least \$20.00 per hundred of capitalized interest. When the takeout

bonds are issued, the agency will be borrowing over \$127.00 (plus reserves) to pay for \$100.00 of initial project funding.

Despite the higher financing costs, in a relatively stable legal, political and financial climate BANs can prove to be quite effective. The URA can borrow substantial additional funds compared to a standard financing mechanism and after investing these funds in project improvements, cause further tax increment revenue growth. The concept is an attractive and convenient one that answers the problems facing any project area. Subsidies and public investment are needed up front to spur development that generates tax increment within twelve to eighteen months following construction.

The risk is straight forward - if the tax increment does not grow as projected and is not adequate to support a standard financing to take out the BAN when it comes due, the agency faces a number of unpleasant choices, including borrowing funds from the city to help retire the note debt, rolling the BAN with a second BAN issue, or default. That is why the Sandpoint Urban Renewal Agency will require that the developer guarantee the public financing, in case the projected tax increment fails to materialize.

The accuracy of the tax increment forecast is absolutely critical to the success of the program, market / interest rate fluctuations are also a significant variable, and the ability to "take-out" the BAN with bonds is subject to legal and political factors which are beyond the control of the URA. A successful BAN financing must take these variables fully into account.

A taxable BAN which is to be taken out with taxable bonds make more sense than tax-exempt notes because one of the primary risks, alterations of the tax law, is essentially removed. Because taxable financing is typically utilized as bridge financing, waiting for private repayments, the short-term nature of a BAN can be most effective.

TAX INCREMENT FUNDS

Tax increment financing is the principal method of financing the public costs of redevelopment. "Ad Valorem" property taxes generated from the increase in assessed valuation of property values, created by new development within a specified project area, is the major source of tax increment revenue. The assessed valuation at the time of adoption of the urban renewal plan becomes the base year value and is frozen at that level for the purpose of distribution of taxes to the various affected taxing entities (excepting schools). Each fiscal year, following the adoption of an urban renewal plan, the taxes generated by the assessed valuation that exceeds the base year level (known as tax increment) is paid to the urban renewal agency. The URA in turn utilizes these funds for the repayment of debt incurred by the URA in connection with redeveloping the project area.

When an urban renewal project is approved, there isn't any tax increment immediately available to the agency. The fiscal year following the adoption of the project there is an opportunity for some tax increment to be generated, but only if the assessed valuation of the area has increased from the prior year.

Normally very little funding is available within the first few years of a project. Therefore, funding for the initial cost of a project and the costs of implementation must be provided from

other sources. Many times the city will loan funds to the URA, or provide the capital improvements in the project area with the URA agreeing to reimburse the city when the agency receives its revenues.

In Sandpoint's situation, a developer will loan the agency the necessary startup funds, and he will also guarantee any bonds that are sold for the infrastructure improvements. A portion, or all of the funds advanced would be repaid by the agency pursuant to an agreement with the developer.

LOANS AND GRANTS

Community Development Block Grants:

The Community Development Block Grants (CDBG) program replaced a number of specific aid programs (such as the former federal Urban Renewal program) to allow local communities broader discretion in the administration of community development funds. Eligible activities include acquisition of property, clearance and demolition, relocation, public facilities and historic preservation. The funds must be targeted to specific areas to benefit low and moderate-income persons or to eliminate slums and blight. CDBG funds are widely used throughout the state for economic development and senior facilities.

Local Improvement Districts:

Local Improvement Districts (LID) have been used to fund public improvements that benefit private development. LID's place upon the benefited property the costs that are not borne by the urban renewal agency (or city). The State of Idaho has determined that LID's are a legal means for the city to fund such improvements. Formation of an LID requires the approval of a majority of the property owners in the affected area. The costs of the improvements are determined, and each property is assigned its prorata share. The LID expenses are paid off via the tax rolls over a predetermined period of time (usually 15 to 20 years).

Loans and Advances:

The URA may borrow funds for a project from the city or a lending institution. The drawback being the rate of interest. In addition, developers may advance or loan working capital to urban renewal agencies for preliminary redevelopment activities. Generally the developer is at risk with these advances and will be repaid only if the project goes forward.

Tax Increment Guarantees:

The willingness, or ability, of an urban renewal agency to incur project financial obligations for a specific development may be based on a projection that the development will produce tax increments in a certain amount, within a definite period of time. As an inducement to the urban renewal agency to proceed with its part of the development activities, such as paying for the costs of public facilities to serve the development, a developer may agree to guarantee to the URA the receipt of tax increments from the development in the amount and by the time projected. As stated above, the Sandpoint developer will guarantee any public financing included in this plan.

Certificates Of Participation:

Certificates of Participation (COP's) provide long term financing through a lease with an option to purchase, (also called a conditional sale agreement). This financing method is used for long term financing of major projects such as public facilities, parking garages, and recreational activities.

Where applicable, this financing method can also be used to finance the acquisition of motorized equipment, communications equipment, computers, and other major items of equipment.

When a public sale of a lease, or COP's in a lease, is planned the principle parties include:

1. The public agency
2. A bank, financial institution or lender (buys the present value of future lease payments)
3. Purchasers or investors (purchase the COP's)
4. A trustee (holds security for payment of lease - if any)
5. An escrow agency (the trustee may also be the escrow agency)

Lease agreements are for one year at a time resulting in the COP's commanding a higher interest rate. The URA would also have to comply with state public bidding for construction laws, usury and legal interest rate laws authorizing the lease and disclosure requirements.

Joint Powers Authority:

By agreement multiple public entities with common powers may form a Joint Powers Authority (J.P.A.) when it is to the advantage of those agencies to consolidate their forces to construct a public use facility or issue debt for public purposes that when done separately would be less advantageous. A joint exercise of power agreement must be approved by the participating entities in order to utilize a J.P.A. The security of any issue of a J.P.A. will depend upon the existing or projected cash flows, reserves, and other capital resources of the participating agencies and the approved obligations of each agency. In some cases it may be advantageous for the URA to form a J.P.A. before debt obligations are approved by the individual agencies.

63-20 Debt:

States and political subdivisions are authorized, under federal tax law, to issue obligations, the interest on which is exempt from federal income taxation ("Tax-exempt bond"). Each state has statutes and administrative rules that outline the terms under which tax-exempt bonds may be issued. There are circumstances, however, when a political subdivision would prefer not to issue bonds for a project. These reasons may be legal, practical or political. A facility may qualify for tax-exempt financing, because of its use by a governmental entity; nevertheless, the governmental entity elects not to finance the project with its own tax-exempt bonds. An alternative method of obtaining tax-exempt financing is available under the Internal Revenue Code. This method of financing is commonly referred to as "63-20" financing. The term "63-20" comes from the

Department of Treasury Revenue Ruling which first described and authorized this type of tax-exempt financing (in 1963).

In a 63-20 financing, a nonprofit corporation may issue tax-exempt debt for the purpose of financing facilities as long as certain requirements are met. The most well known requirement is that title to the facilities must be transferred to a governmental entity when the debt is retired. Interest on 63-20 debt is exempt from federal income taxation. Therefore, the cost of capital is, lower than it would be in the conventional capital markets.

Historically, 63-20 debt was primarily used for nonprofit corporations, qualified under Section 501(c)(3) of the Internal Revenue Code, to access the tax-exempt bond market. 63-20 debt is sold as tax-exempt bonds generally in the same financial markets as governmental tax exempt bonds. The interest rates may be comparable, depending upon the credit strength of the collateral security.

If the financed facility is leased to an entity other than the nonprofit issuer of the debt, the tenant is required to be either a governmental entity or a charitable organization. An underwriter may underwrite long term (20 years or more) bonds issued by the nonprofit corporation. The credit support of the bonds may derive from the lease of the facility to the governmental agency. The bonds may be issued on a non-recourse basis to the nonprofit corporation, i.e., the bonds would be secured solely by lease revenues. In a non-recourse financing, the owners of the bonds would have no recourse against any other assets of the corporation.

CHAPTER 6:

TAX ALLOCATION AREA

TAX ALLOCATION AREA LEGAL DESCRIPTION

The “tax allocation area” or “revenue allocation area” for the downtown urban renewal project area as defined by the following described boundary:

Please see in Appendix G for a map of the legal description.

A Tract of land lying in a portion of Sections 22 & 23, all in Township 57 North, Range 2 West, Boise Meridian, Bonner County, Idaho, more particularly described as follows:

Commencing at the Northeast Corner of said Section 22; Thence, **South 00°00'26" West, 1564.98 feet**, along the East line of said Section 22, to a point on the South Right of Way Line of the vacated portion of Cedar Street, said point being the **TRUE POINT OF BEGINNING**;

Thence, leaving said East Section Line, **South 89°55'44" West, 180.43 feet**, along the South Right of Way Line of the vacated portion of said Cedar Street, to the Northeast Corner of **Block 24** of *FARMIN'S THIRD ADDITION to SANDPOINT*, as shown on the Plat thereof, recorded in Book 1 of Plats, at Page 37, records of Bonner County, Idaho;

Thence, **South 00°12'03" East, 780.20 feet**, along the East Line of **Block 24** of said *FARMIN'S THIRD ADDITION to SANDPOINT* and the East Line of **Block 2** of *BRIDGES ADDITION to SANDPOINT*, as shown on the Plat thereof, recorded in Book 1 of Plats, at Page 52, records of Bonner County, Idaho, to a point on the existing North Right of Way Line of Bridge Street;

Thence, **South 89°53'59" West, 150.00 feet**, along the existing North Right of Way Line of said Bridge Street, to the Southwest Corner of **Block 2** of said Plat of *BRIDGES ADDITION to SANDPOINT*;

Thence, **North 00°12'01" West, 780.11 feet**, along the West Line of **Block 2** of said Plat of *BRIDGES ADDITION to SANDPOINT*, and the West Line of **Block 24** of said Plat of *FARMIN'S THIRD ADDITION to SANDPOINT*, said West Line also being the existing East Right of Way Line of First Street, to a point on the existing South Right of Way Line of Cedar Street;

Thence, diagonally, **North 45°09'00" West, 113.24 feet**, to a point on the existing North Right of Way Line of said Cedar Street, said point also being the Southeast Corner of **Block 15** of the *AMENDED FARMIN'S ADDITION to SANDPOINT*, as shown on the Plat thereof, recorded in Book 1 of Plats at Page 155, records of Bonner County, Idaho;

Thence, **North 00°12'06" West, 300.09 feet**, along the East Line of **Block 15** of said amended Plat, to the Northeast Corner thereof;

Thence, **South 89°52'37" West, 229.99 feet**, along the North Line of **Block 15** and the North Line extended West, of said amended Plat, to the Northeast Corner of **Block 14** of said amended Plat, said point also being a point of intersection with the existing South Right of Way Line of Alder Street and the existing West Right of Way Line of Second Avenue;

Thence, **South 00°12'00" East, 300.00 feet**, along the East Line of **Block 15** of said amended Plat, to a point on the existing North Right of Way Line of Cedar Street;

Thence, **South 89°53'59" West, 1060.00 feet**, along the existing North Right of Way Line of said Cedar Street, to a point of Intersection with the existing East Right of Way Line of Fifth Avenue;

Thence, **North 00°12'00" West, 1454.99 feet**, along the existing East Right of Way Line of said Fifth Avenue, to a point of Intersection with the existing South Right of Way Line of Larch Street;

Thence, **South 89°54'00" West, 218.00 feet**, along the existing South Right of Way Line of said Larch Street, to the Northeast Corner of **Block "A"** of *FARMIN'S FIFTH ADDITION to SANDPOINT*, as shown on the Plat thereof, recorded in Book 1 of Plats, at Page 56, records of Bonner County, Idaho;

Thence, **South 00°12'00" East, 354.98 feet**, along the East Line of **Block "A"** of said Plat, to a point on the existing North Right of Way Line of Fir Street;

Thence, **South 89°53'59" West, 113.89 feet**, along the existing North Right of Way Line of said Fir Street, to a point of Intersection with the existing East Right of Way Line of Short Avenue;

Thence, **South 00°16'48" East, 440.00 feet**, along the existing East Right of Way Line of said Short Avenue, to a point of Intersection with the existing South Right of Way Line of Poplar Street;

Thence, **North 89°53'59" East, 113.28 feet**, along the existing South Right of Way Line of said Poplar Street, to the Northeast Corner of **Block "G"** of said Plat of *FARMIN'S FIFTH ADDITION to SANDPOINT*;

Thence, **South 00°12'00" East, 360.00 feet**, along the East Line and the East Line extended South, of **Block "G"** of said Plat, to a point on the existing South Right of Way Line of Alder Street;

Thence, **North 89°53'59" East, 100.00 feet**, along the existing South Right of Way Line of said Alder Street, to the Northeast Corner of **Lot 2 of Block 33** of said Plat of *FARMIN'S FIFTH ADDITION to SANDPOINT*;

Thence, **South 00°16'48" East, 300.00 feet**, along the East Line of said **Lot 2** and the East Line of **Lot 11 of Block 33** of said Plat, to a point on the existing North Right of Way Line of Cedar Street;

Thence, diagonally, **South 14°03'37" West, 391.91 feet**, to the Southeast Corner of **Block "L"** of said Plat, said point also being on the existing North Right of Way Line of Oak Street;

Thence, **South 89°53'59" West, 313.90 feet**, along the existing North Right of Way Line of said Oak Street, to a point of Intersection with the existing East Right of Way Line of Sixth Avenue;

Thence, **South 00°16'48" East, 460.00 feet**, along the existing East Right of Way Line of said Sixth Avenue, to a point of Intersection with the existing South Right of Way Line of Church Street;

Thence, **South 89°53'59" West, 60.00 feet**, along the existing South Right of Way Line of said Church Street, to a point of Intersection with the existing West Right of Way Line of Sixth Avenue;

Thence, **South 00°16'48" East, 113.28 feet**, along the existing West Right of Way Line of said Sixth Avenue, to the Southeast Corner of **Block "P"** of said Plat of *FARMIN'S FIFTH ADDITION to SANDPOINT*;

Thence, **South 49°18'17" West, 240.85 feet**, along the Southeasterly Boundary of **Block "P"** of said Plat, to a point on the existing North Right of Way Line of Pine Street;

Thence, **South 89°53'59" West, 132.00 feet**, along the existing North Right of Way Line of said Pine Street, to a point of Intersection with the existing East Right of Way Line of Boyer Avenue;

Thence, **South 00°18'36" East, 360.00 feet**, along the existing East Right of Way Line of said Boyer Avenue, to a point of Intersection with the North Right of Way Line of Lake Street;

Thence, **North 89°53'59" East, 259.99 feet**, along the existing North Right of Way Line of said Lake Street, to the Southeast Corner of **Lot 16 of Block "B"** of the *AMENDED PLAT OF LAW'S SECOND*

ADDITION to SANDPOINT, as shown on the Plat thereof, recorded in **Book 1 of Plats**, at Page 58, records of Bonner County, Idaho;

Thence, **North 00°16'48" West, 150.00 feet**, along the East Line of **Lot 16** of **Block "B"** of said Plat, to the Northeast Corner thereof;

Thence, **North 89°53'59" East, 150.00 feet**, along the South Line of **Lots 8, 7 and 6** of **Block "B"** of said Plat, to the Southeast Corner of said **Lot 6**;

Thence, **North 00°16'48" West, 150.00 feet**, along the East Line of **Lot 6** of **Block "B"** of said Plat, to a point on the existing South Right of Way Line of Pine Street;

Thence, **North 89°53'59" East, 1782.11 feet**, along the existing Right of Way Line of said Pine Street, to a point of Intersection with the existing West Right of Way Line of First Avenue;

Thence, **South 00°16'48" East, 760.00 feet**, along the existing West Right of Way Line of said First Avenue, to a point of Intersection with the existing North Right of Way Line of Superior Street;

Thence, **North 89°53'59" East, 313.94 feet**, along the existing Right of Way Line of said Superior Street, to the Southeast Corner of **Block 8** of the *AMENDED PLAT OF WEIL'S SECOND ADDITION to SANDPOINT*, as shown on the Plat thereof, recorded in **Book 1 of Plats**, at Page 60, records of Bonner County, Idaho;

Thence, **North 00°12'00" West, 460.00 feet**, along the East Line of **Block 8** and the East Line of **Block 8**, extended North, of said Plat, to a point on the existing North Right of Way Line of Lake Street;

Thence, **South 89°53'59" West, 255.00 feet**, along the existing North Right of Way Line of said Lake Street, to a point of Intersection with the existing East Right of Way Line of First Avenue;

Thence, Northerly, along the existing East Right of Way Line of said First Avenue, the following three (3) described courses:

1. **North 00°12'00" West, 329.00 feet**,
2. **North 89°53'59" East, 20.00 feet**,
3. **North 00°12'00" West, 223.00 feet**, to a point on the existing South Right of Way Line of Bridge Street;

Thence, Easterly, along the existing South Right of Way Line of said Bridge Street, the following three (3) described courses:

1. **North 89°53'59" East, 150.00 feet**,
2. **North 84°19'23" East, 190.37 feet**,
3. **North 78°19'26" East, 437.13 feet**, to a point of Intersection with the existing East top of the Railroad Bed, of the Burlington Northern – Santa Fe Railroad;

Thence, Southerly, along said existing East top of the Railroad Bed, the following two (2) described courses:

1. **South 12°02'19" East, 355.79 feet**,
2. **South 19°25'07" East, 186.29 feet**, to a point;

Thence, **North 70°02'40" East, 148.69 feet**, to a point on the existing East Right of Way Line of said Burlington Northern – Santa Fe Railroad;

Thence, Southerly, along said existing Railroad Right of Way Line, the following two (2) described courses:

1. **South 25°27'44" East, 235.14 feet,**
2. **South 34°29'10" East, 523.90 feet,** to a point of Intersection with the existing North Right of Way Line of Superior Street, extended East;

Thence, **North 89°53'59" East, 2'165.35 feet,** along the existing North Right of Way Line of said Superior Street extended East, to a point in the existing Easterly City Limits of the City of Sandpoint;

Thence, Northerly, along said existing Easterly City Limits Boundary, the following six (6) described courses:

10. **North 14°57'59" West, 1489.97 feet,**
11. **North 00°52'04" East, 320.57 feet,**
12. **North 09°24'22" West, 261.97 feet,**
13. **North 20°53'15" West, 306.27 feet,**
14. **North 34°43'27" West, 373.37 feet,**
15. **North 52°24'26" West, 93.69 feet,** to a point of Intersection with the existing North Right of Way Line of Poplar Street, extended East;

Thence, **South 89°53'59" West, 2393.07 feet,** along the existing North Right of Way Line of said Poplar Street, extended East, to a point of Intersection with the existing West top of the Railroad Bed of the Burlington Northern – Santa Fe Railroad;

Thence, **South 11°40'08" East, 1088.68 feet,** along said existing West top of the Railroad Bed, to a point;

Thence, **North 80°54'10" East, 200.23 feet,** to a point on the existing East Right of Way Line of said Burlington Northern – Santa Fe Railroad;

Thence, **South 11°50'26" East, 458.06 feet,** along said existing East Railroad Right of Way Line, to a point of Intersection with the existing North Right of Way Line of Bridge Street;

Thence, Westerly, along the existing North Right of Way Line of said Bridge Street, the following two (2) described courses:

1. **South 83°33'34 West, 144.29 feet,**
2. **South 78°27'37" West, 444.68 feet,** to a point on the West Line of the above-mentioned Section 23;

Thence, **North 00°00'26" East, 767.86 feet,** along said West Section Line, to the **TRUE POINT OF BEGINNING.**

EXEMPTING THEREFROM:

The following described Parcels:

PARCEL 1

All of *Block 25 of FARMIN'S THIRD ADDITION to SANDPOINT*, as shown on the Plat thereof, recorded in Book 1 of Plats, at Page 37, recorded of Bonner County, Idaho, containing approximately 1.5 acres.

PARCEL 2

All of *Lots 1-10, 13-20 of Block 1* of the *PLAT OF SANDPOINT*, as shown on the Plat thereof, recorded in Book 1 of Plats, at Page 10, records of Bonner County, Idaho, containing approximately 2 acres.

PARCEL 3

All of *Lots 1-11 of Block 2* of the *PLAT OF SANDPOINT*, as shown on the Plat thereof, recorded in Book 1 of Plats, at Page 10, records of Bonner County, Idaho, containing approximately 1 acre.

PARCEL 4

All of *Block 3* of the *PLAT OF SANDPOINT*, as shown on the Plat thereof, recorded in Book 1 of Plats, at Page 10, records of Bonner County, Idaho, containing approximately 2 acres.

PARCEL 5

All of *Block 5* of the *PLAT OF SANDPOINT*, as shown on the Plat thereof, recorded in Book 1 of Plats, at Page 10, records of Bonner County, Idaho, containing approximately 1 acre.

PARCEL 6

All of *Block 6* of the *PLAT OF SANDPOINT*, as shown on the Plat thereof, recorded in Book 1 of Plats, at Page 10, records of Bonner County, Idaho, containing approximately 1 acre.

PARCEL 7

All of *Block 7* of the *PLAT OF SANDPOINT*, as shown on the Plat thereof, recorded in Book 1 of Plats, at Page 10, records of Bonner County, Idaho, containing approximately 2 acres.

PARCEL 8

All of *Block 8* of the *PLAT OF SANDPOINT*, as shown on the Plat thereof, recorded in Book 1 of Plats, at Page 10, records of Bonner County, Idaho, containing approximately 2 acres.

PARCEL 9

All of *Block 9* of the *AMENDED FARMIN'S ADDITION to SANDPOINT*, as shown on the Plat thereof, recorded in Book 1 of Plats, at Page 155, records of Bonner County, Idaho, containing approximately 2 acres.

PARCEL 10

All of *Block 11* of the *AMENDED FARMIN'S ADDITION to SANDPOINT*, as shown on the Plat thereof, recorded in Book 1 of Plats, at Page 155, records of Bonner County, Idaho, containing approximately 1.5 acres.

The Acreage for the Downtown Revenue Allocation Area, is approximately 204 acres.

AFFECTED AGENCIES

The following is a list of agencies that are affected by the "Downtown Revenue Allocation Area".

1. Lake Pend Oreille School District #84
2. Bonner County
3. Bonner County Road and Bridge
4. Independent Highway District
5. City of Sandpoint
6. East Bonner Library
7. Pend Oreille Hospital
8. Bonner County Ambulance

Recent changes in Idaho tax law have (excepting urban renewal agencies and school districts) neutralized the benefits and drawbacks to the creation of Tax Allocation Districts and Urban Renewal Districts. Currently, public agencies budgets are restricted to 3% annual growth from property taxes. At the end of a project's life, the tax increment generated was divided among the above-mentioned agencies in accordance to their respective agency's property tax levy rates. With the current laws in effect, the tax increment is now used to lower property tax rates resulting in benefiting the property tax payers with no provision for assisting the impacted agencies. Public agency budgets may be benefited by property taxes generated from new development via the formation of a Tax Allocation District for an Urban Renewal Agency.

CHAPTER 7:

ACTIONS BY THE CITY COUNCIL

The City shall aid and cooperate with the URA in carrying out this plan and shall take all actions necessary to ensure the continued fulfillment of the purposes and objectives of this plan. The City shall assist and support the URA in preventing and eliminating the spread and/or recurrence of conditions causing blight in the plan area. Actions by the City shall include, but are not limited to, the following:

1. Institution and completion of proceedings necessary for changes and improvements in private and publicly owned utilities within or affecting the project area.
2. Consideration of requests for re-zoning or other standards (if necessary) within the project area to permit the development authorized by this plan.
3. Consideration of appropriate site controls within the limits of this plan through the use of special use permits or site plan review to ensure proper development and use.
4. Where possible, preservation of historical sites, and wetlands, shall have a high priority in achieving development objectives.
5. Performance of the above actions and all other functions and services relating to public health, safety, and physical development normally rendered in accordance with the schedule which will permit the redevelopment of the project area to be commenced and carried to completion without unnecessary delays.
6. If necessary, institution and completion of proceedings for the establishment of a Local Improvement District, or districts under Chapter 17, Title 50, Idaho Code.
7. Administration of Community Development Block Grants and/or other state/federal funds that may be available and are used for the purposes of this plan.
8. The undertaking and completion of any other proceedings necessary to carry out the plan.
9. Appropriate agreements with the URA for administration, supporting services, funding sources, and other similar needs.
10. The actions listed above which are to be taken by the City do not constitute any commitment of financial outlay by the City.

CHAPTER 8: **ENFORCEMENT**

The URA and/or the City of Sandpoint shall perform the enforcement and administration of this plan, including the preparation and execution of all the documents used for the implementation of the Sandpoint Plan. The provisions of the Sandpoint Plan and other documents used pursuant to this plan may also be enforced by court litigation instituted by either the City or the URA. Remedies include, but are not limited to the following:

1. Specific performance
2. Damages
3. Injunctions
4. Other appropriate remedies

CHAPTER 9:

DURATION OF THE PLAN/ DISPOSITION OF ASSETS

The duration of the various segments that make up this urban renewal plan for the Downtown Revenue Allocation Area are as follows:

- A. The non-discrimination and non-segregation provisions of this plan shall be effective in perpetuity.
- B. Other provisions of this plan shall be effective for ten (10) years from the date of adoption of this plan by the Urban Renewal Agency.
- C. The Tax Allocation Area and its respective revenue allocation financing, under consideration by the City Council in 2005, shall be in effect for a period not to exceed ten (10) years which period shall expire on December 31, 2015, except for any revenue allocation proceeds received in calendar year 2016.

The Sandpoint Urban Renewal Agency [SURA] may determine an earlier terminate date:

When the Revenue Allocation Area plan budget estimates that all financial obligations have been provided for, the principal and interest on such moneys, indebtedness, and bonds have been paid in full and the SURA has determined no additional project costs need be funded through revenue allocation financing, the allocation of revenues under Section 50-2908, Idaho Code, shall thereupon cease; any moneys in such fund or funds in excess of the amount necessary to pay such principal and interest shall be distributed to the affected taxing districts in which Revenue Allocation Area is located in the same manner and proportion as the most recent distribution to the affected taxing districts of the taxes on the taxable property located within the Revenue Allocation Area; and the powers grant to the urban renewal agency under Section 50-2909, Idaho Code, shall thereupon terminate.

In determining the termination date, the Plan shall recognize that the Sandpoint Urban Renewal 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.

For the fiscal year that immediately predates the termination date, the SURA shall adopt and publish a budget specifically for the projected revenues and expenses of the Plan and make a determination as to whether the Revenue Allocation Area can be terminated before January 1 of the termination year pursuant to the terms of Section 50-2909(4), Idaho Code. In the event the SURA determines that current tax year revenues are sufficient to cover all estimated expenses for the current year and all future years, by September 1, the SURA shall adopt a resolution advising and

notifying the local governing body, the county auditor, and the State Tax Commission, recommending the adoption of an ordinance for termination of the Revenue Allocation Area by December 31 of the current year, and declaring a surplus to be distributed as described in Section 50-2909, Idaho Code, should a surplus be determined to exist. The SURA shall cause the ordinance to be filed with the office of the county recorder and Idaho State Tax Commission as provided in Section 63-215, Idaho Code.

Upon termination of the revenue allocation authority of the urban renewal plan, to the extent the SURA owns or possesses any assets, the SURA shall dispose of any remaining assets by granting or conveying such assets to the City of Sandpoint.

CHAPTER 10:

PLAN AMENDMENT PROCEDURES

The Downtown Revenue Allocation Area may be further modified at any time by the URA, provided that the modification, if made after disposition of real property by the URA in the plan area, must be consented to by the developer(s) or successor(s) of interest of such real property if their interest is substantially affected by the proposed modification.

Where the proposed modification substantially alters the adopted plan, the modifications must be approved by the Urban Renewal Agency Board, the City Planning and Zoning Commission and the City Council in the same manner as the original plan. Substantial changes for Council purposes shall include revisions to the following:

1. Project area boundaries
2. Permitted land uses
3. Land Acquisition
4. Changes to plan objectives

CHAPTER 11:
TAX FEASIBILITY STUDY

[See separate document]

Appendix A

Project Costs: City Parking Lot (West Side and East Side) &
Phased Street Scape Reconstructions

City of Sandpoint, Parking Lot
 OPINION OF PROBABLE COST
 10/24/2005



West Side

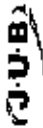
ITEM	QUANTITY	UNITS	COST/UNIT	COST
Mobilization	1	ls	\$3,000.00	\$3,000.00
Clearing and Grubbing	1	ls	\$500.00	\$500.00
Demo - Asphalt	4973	s.y.	\$2.00	\$9,946.00
Demo - Conc. Walk drive approach	2	ea	\$350.00	\$700.00
Demo - Remove wheel stops	127	s.y.	\$5.00	\$635.00
Demo - Remove signs	6	ea	\$50.00	\$300.00
Demo - Remove light poles/electrical/footer	5	ea	\$300.00	\$1,500.00
Demo - Remove Trees	19	ea	\$100.00	\$1,900.00
Demo - Remove Fence	300	lf	\$2.50	\$750.00
Asphalt	5350	sy	\$18.00	\$96,300.00
Conc. Curb	1000	lf	\$11.00	\$11,000.00
Wheel Stops	10	ea	\$30.00	\$300.00
Crushed aggregate base course	890	cy	\$28.00	\$24,920.00
curb ramps	6	ea	\$700.00	\$4,200.00
Driveway drop approach	2	ea.	\$1,500.00	\$3,000.00
Stormwater System (incl 2 dry wells.cb's)	1	ls.	\$5,000.00	\$5,000.00
Stormwater pipe	250	lf	\$15.00	\$3,750.00
Earthwork	1000	cy	\$8.00	\$8,000.00
Striping	3000	lf	\$1.50	\$4,500.00
Painted handicap symbols	6	ea	\$65.00	\$390.00
Trees	12	ea	\$400.00	\$4,800.00
Trees - flowering	10	ea	\$250.00	\$2,500.00
Shrubs	200	ea	\$25.00	\$5,000.00
Lighting (12 light poles)	12	ea	\$4,500.00	\$54,000.00
Irrigation - Tap, DCA, Vault, Q.C. Valve	1	ea.	\$3,000.00	\$3,000.00
Irrigation System	4000	sf	\$0.65	\$2,600.00
Signage - Traffic (5 stop, 6 HC)	11	ea.	\$200.00	\$2,200.00
Signage - Parking Rate	3	ea.	\$500.00	\$1,500.00
Parking Payment Drop Box	3	ea.	\$1,500.00	\$4,500.00
			Subtotal	\$260,691.00
A & E fees 12%		ea.	Subtotal	\$31,282.92
Contingency 10%		ea.	Subtotal	\$26,069.10
			Total	\$318,043.02

East Side

ITEM	QUANTITY	UNITS	COST/UNIT	COST
Mobilization	1	ls	\$1,000.00	\$1,000.00
Clearing and Grubbing	1	ls	\$500.00	\$500.00
Demo - Asphalt	2500	s.y.	\$2.00	\$5,000.00
Demo - Conc. Walk drive approach	2	ea	\$350.00	\$700.00
Demo - Remove wheel stops		s.y.	\$5.00	\$0.00
Demo - Remove signs	3	ea	\$50.00	\$150.00
Demo - Remove light poles/electrical/footer		ea	\$300.00	\$0.00
Demo - Remove Trees		ea	\$100.00	\$0.00
Demo - Remove Fence		lf	\$2.50	\$0.00
Asphalt	2500	sy	\$18.00	\$45,000.00
Conc. Curb	800	lf	\$11.00	\$8,800.00
Wheel Stops		ea	\$30.00	\$0.00
Crushed aggregate base course	416	cy	\$28.00	\$11,648.00
curb ramps	2	ea	\$700.00	\$1,400.00
Driveway drop approach	2	ea.	\$1,500.00	\$3,000.00
Stormwater System (incl 1 cb's)	1	ls.	\$1,500.00	\$1,500.00
Stormwater pipe	150	lf	\$15.00	\$2,250.00
Earthwork	600	cy	\$8.00	\$4,800.00
Striping	1000	lf	\$1.50	\$1,500.00
Painted handicap symbols	2	ea	\$65.00	\$130.00
Trees	8	ea	\$400.00	\$3,200.00
Trees - flowering	4	ea	\$250.00	\$1,000.00
Shrubs	60	ea	\$25.00	\$1,500.00
Grass Seed	600	sy	\$0.65	\$390.00
Lighting (12 light poles)	4	ea	\$4,500.00	\$18,000.00
Irrigation - Tap, DCA, Vault, Q.C. Valve		ea.	\$3,000.00	\$0.00
Irrigation System	5400	sf	\$0.65	\$3,510.00
Signage - Traffic (4 stop, 2 HC)	6	ea.	\$200.00	\$1,200.00
Signage - Parking Rate	1	ea.	\$500.00	\$500.00
Parking Payment Drop Box	1	ea.	\$1,500.00	\$1,500.00
			Subtotal	\$118,178.00
A & E fees 12%		ea.	Subtotal	\$14,181.36
Contingency 10%		ea.	Subtotal	\$11,817.80
			Total	\$144,177.16
West side ÷ East side			Grand Total	\$462,220.18

B. Phased Street Scope Reconstructions

ENGINEER'S OPINION OF PROBABLE COST



DATE: 20-11-04

PROJECT: City of Sandpoint Downtown Redevelopment - Phase 2004

PROJECT LOCATION: Sandpoint, Kootenai County, Idaho

PROJECT NUMBER: 04-001-00-21016

PROJECT DESCRIPTION: City of Sandpoint

ITEM NO.	DESCRIPTION	UNIT	SCHEDULE OF VALUES																							
			Quantity	Cost	14th Street (14th to 15th)	Main Street (14th to 15th)	Oak Street (14th to 15th)	Oak Street (14th to 5th)	2nd Avenue	3rd Avenue (North and South of Phase 2003)	4th Avenue (Church to Oak)	4th Avenue (Oak to Cedar)														
1	Remove Asphalt	SY	600	\$2,600.00	\$1,200.00	300	\$3,200.00	600	\$3,200.00	90	\$390.00	500	\$2,000.00	100	\$400.00	100	\$400.00									
2	Remove Streets	SY	1000	\$2,000.00	\$1,000.00	200	\$2,000.00	1000	\$2,000.00	400	\$1,600.00	800	\$1,600.00	200	\$800.00	200	\$800.00									
3	Removal of Curb and Gullies	LF	500	\$1,200.00	\$1,200.00	500	\$1,200.00	500	\$1,200.00	200	\$2,400.00	800	\$1,600.00	200	\$800.00	200	\$800.00									
4	Remove Sign	LS	1	\$210.00	\$210.00	1	\$210.00	1	\$210.00	1	\$210.00	1	\$210.00	1	\$210.00	1	\$210.00									
5	Regrade Paved (148pc)	Ton	20	\$2,700.00	\$720.00	0	\$720.00	100	\$2,700.00	30	\$2,700.00	50	\$675.00	20	\$540.00	200	\$1,800.00									
6	1st Phase Pavers	SY	200	\$1,200.00	\$600.00	250	\$600.00	300	\$1,200.00	100	\$400.00	250	\$600.00	250	\$600.00	425	\$1,700.00									
7	Cashed Aggregate for Base Type 1 (148pc)	Ton	200	\$1,200.00	\$1,200.00	600	\$1,200.00	200	\$1,200.00	600	\$1,200.00	750	\$1,200.00	750	\$1,200.00	625	\$1,000.00									
8	Place Fabric	SY	50	\$100.00	\$100.00	75	\$150.00	75	\$150.00	75	\$150.00	75	\$150.00	75	\$150.00	200	\$400.00									
9	Ball Gravel	SY	50	\$200.00	\$200.00	75	\$300.00	75	\$300.00	75	\$300.00	75	\$300.00	75	\$300.00	200	\$400.00									
10	Ball Gravel	SY	50	\$200.00	\$200.00	75	\$300.00	75	\$300.00	75	\$300.00	75	\$300.00	75	\$300.00	200	\$400.00									
11	Curbed Sidewalk	SY	50	\$150.00	\$150.00	75	\$225.00	75	\$225.00	75	\$225.00	75	\$225.00	75	\$225.00	200	\$300.00									
12	Traffic Rated Sidewalk - 6" Thick	SY	50	\$150.00	\$150.00	75	\$225.00	75	\$225.00	75	\$225.00	75	\$225.00	75	\$225.00	200	\$300.00									
13	Concrete Paved (148pc)	EA	30	\$3,000.00	\$900.00	40	\$4,000.00	50	\$5,000.00	50	\$5,000.00	60	\$6,000.00	60	\$6,000.00	100	\$10,000.00									
14	Concrete Paved (148pc)	EA	30	\$3,000.00	\$900.00	40	\$4,000.00	50	\$5,000.00	50	\$5,000.00	60	\$6,000.00	60	\$6,000.00	100	\$10,000.00									
15	Vertical Curb & Gulet	LF	2	\$1,200.00	\$1,200.00	2	\$1,200.00	2	\$1,200.00	2	\$1,200.00	2	\$1,200.00	2	\$1,200.00	2	\$1,200.00									
16	Type 1 Curb Base	EA	2	\$2,400.00	\$2,400.00	2	\$2,400.00	2	\$2,400.00	2	\$2,400.00	2	\$2,400.00	2	\$2,400.00	2	\$2,400.00									
17	Street Signage	LS	1	\$1,810.00	\$1,810.00	1	\$1,810.00	1	\$1,810.00	1	\$1,810.00	1	\$1,810.00	1	\$1,810.00	1	\$1,810.00									
18	Street Marking	LS	1	\$1,810.00	\$1,810.00	1	\$1,810.00	1	\$1,810.00	1	\$1,810.00	1	\$1,810.00	1	\$1,810.00	1	\$1,810.00									
19	Reconstruction (10%)	EA	4	\$12,000.00	\$4,800.00	4	\$12,000.00	0	\$24,000.00	0	\$24,000.00	4	\$12,000.00	4	\$12,000.00	4	\$12,000.00									
20	2.5" Caliper Tree	EA	4	\$2,100.00	\$8,400.00	4	\$8,400.00	4	\$8,400.00	4	\$8,400.00	4	\$8,400.00	4	\$8,400.00	4	\$8,400.00									
21	4" Caliper Tree	EA	4	\$2,100.00	\$8,400.00	4	\$8,400.00	4	\$8,400.00	4	\$8,400.00	4	\$8,400.00	4	\$8,400.00	4	\$8,400.00									
22	Plant (1/2" to 1/4")	LF	400	\$6,400.00	\$6,400.00	400	\$6,400.00	400	\$6,400.00	400	\$6,400.00	400	\$6,400.00	400	\$6,400.00	400	\$6,400.00									
23	Rebate Trees	EA	2800	\$14,280.00	\$14,280.00	2000	\$14,000.00	2000	\$14,000.00	2000	\$14,000.00	2000	\$14,000.00	2000	\$14,000.00	2000	\$14,000.00									
24	Vegetation	LS	1	\$6,040.00	\$6,040.00	1	\$6,040.00	1	\$6,040.00	1	\$6,040.00	1	\$6,040.00	1	\$6,040.00	1	\$6,040.00									
			TOTAL = \$116,100			TOTAL = \$97,300			TOTAL = \$108,700			TOTAL = \$192,100			TOTAL = \$69,000			TOTAL = \$142,800			TOTAL = \$128,500			TOTAL = \$156,500		

Phase 2004 Construction Contract	\$970,700
Mobilization (10%)	\$97,070
Traffic Control (5%)	\$18,510

Construction Total	\$1,165,280
Construction Engineering (10%)	\$116,528
Design Engineer, Legal, Admin. (15%)	\$166,730

Contaminated Soil Remediation	\$120,000
Overlay	\$40,000
Total	\$1,551,200

Assessable Franchise	\$3,658.00
Project Cost per Assessable Foot	\$430.00

B. Phased Street Scope Reconstructions

ENGINEER'S OPINION OF PROBABLE COST

DATE 20-5-2014

7/10/14
City of Sandpoint Downtown Revitalization - Phase 2005

PROJECT NO: 101014
Safety/Accessibility Issues

TO: City of Sandpoint

PROJECT NO: 21046

ITEM NO.	DESCRIPTION	SCHEDULE OF VALUES		Church Street (1st to 2nd)		Church Street (2nd to 3rd)		Church Street (3rd to 4th)		Church Street (4th to 5th)		2nd Avenue		3rd Avenue		4th Avenue		Church Street (6th to 7th Block)			
		UNIT	UNIT PRICE	Quantity	Cost	Quantity	Cost	Quantity	Cost	Quantity	Cost	Quantity	Cost	Quantity	Cost	Quantity	Cost	Quantity	Cost		
1	Remove Asphalt	SY	\$4.00	650	\$2,600.00	470	\$1,880.00	420	\$1,680.00	350	\$1,400.00	500	\$2,000.00	500	\$2,000.00	600	\$2,400.00	120	\$480.00		
2	Remove Sidewalk	SY	\$9.00	200	\$1,800.00	550	\$4,950.00	300	\$2,700.00	80	\$720.00	600	\$5,400.00	500	\$4,500.00	700	\$6,300.00	90	\$810.00		
3	Remove 1/2" curb and gutter	LF	\$3.00	300	\$900.00	700	\$2,100.00	600	\$1,800.00	600	\$1,800.00	600	\$1,800.00	600	\$1,800.00	600	\$1,800.00	600	\$1,800.00		
5	Remove Sign	LS	\$221.00	1	\$221.00	1	\$221.00	1	\$221.00	1	\$221.00	1	\$221.00	1	\$221.00	1	\$221.00	1	\$221.00		
6	Asphalt Pavement (1 1/2" x 6")	Ton	\$101.00	60	\$6,060.00	150	\$15,150.00	200	\$20,200.00	250	\$25,250.00	250	\$25,250.00	150	\$15,150.00	150	\$15,150.00	120	\$12,120.00	75	\$7,575.00
7	M-14. Bitumen Pavement	SY	\$4.00	200	\$800.00	400	\$1,600.00	300	\$1,200.00	200	\$800.00	200	\$800.00	300	\$1,200.00	300	\$1,200.00	300	\$1,200.00	125	\$500.00
8	Crushed Aggregate for Base (1 1/2" x 3/4")	Ton	\$6.00	400	\$2,400.00	800	\$4,800.00	800	\$4,800.00	750	\$4,500.00	750	\$4,500.00	750	\$4,500.00	750	\$4,500.00	750	\$4,500.00	550	\$3,300.00
9	Filter Fabric	SY	\$3.00	100	\$300.00	200	\$600.00	150	\$450.00	75	\$225.00	150	\$450.00	150	\$450.00	150	\$450.00	150	\$450.00		
10	Brick Gravel	SY	\$4.00	100	\$400.00	200	\$800.00	150	\$600.00	75	\$300.00	150	\$600.00	150	\$600.00	150	\$600.00				
11	Concrete Sidewalk	SY	\$34.00	300	\$10,200.00	550	\$18,700.00	650	\$22,100.00	500	\$17,000.00	500	\$17,000.00	500	\$17,000.00	500	\$17,000.00	500	\$17,000.00	400	\$13,600.00
12	Trade Related Sidewalk - 6" Thick	SY	\$55.00	100	\$5,500.00	100	\$5,500.00	100	\$5,500.00	75	\$4,125.00	150	\$8,250.00	120	\$6,600.00	140	\$7,700.00	140	\$7,700.00		
14	Concrete Pedestrian Crossing	SY	\$114.00	60	\$6,840.00	120	\$13,680.00	100	\$11,400.00	75	\$8,550.00	100	\$11,400.00	100	\$11,400.00	100	\$11,400.00	100	\$11,400.00		
15	Reinforcing IRAP	EA	\$533.00	5	\$2,665.00	5	\$2,665.00	5	\$2,665.00	5	\$2,665.00	5	\$2,665.00	5	\$2,665.00	5	\$2,665.00	5	\$2,665.00		
13	6" Medical Curb & Gutter	LF	\$13.00	300	\$3,900.00	700	\$9,100.00	700	\$9,100.00	600	\$7,800.00	600	\$7,800.00	600	\$7,800.00	600	\$7,800.00	600	\$7,800.00		
16	Type 1 Catch Basin	EA	\$1,518.00	5	\$7,590.00	5	\$7,590.00	5	\$7,590.00	5	\$7,590.00	5	\$7,590.00	5	\$7,590.00	5	\$7,590.00				
14	Steel Siding	LS	\$1,888.00	1	\$1,888.00	1	\$1,888.00	1	\$1,888.00	1	\$1,888.00	1	\$1,888.00	1	\$1,888.00	1	\$1,888.00				
18	Perimeter Marking	LS	\$1,888.00	1	\$1,888.00	1	\$1,888.00	1	\$1,888.00	1	\$1,888.00	1	\$1,888.00	1	\$1,888.00	1	\$1,888.00				
19	Pedestrian Marking	EA	\$3,153.00	4	\$12,612.00	5	\$15,765.00	6	\$18,918.00	6	\$18,918.00	6	\$18,918.00	4	\$12,612.00	4	\$12,612.00				
20	2 1/2" Caliper Tree	EA	\$833.00	8	\$6,664.00	4	\$3,332.00	6	\$5,004.00	6	\$5,004.00	4	\$3,332.00	4	\$3,332.00	4	\$3,332.00				
21	4" Underdrain	LF	\$17.00	300	\$5,100.00	700	\$11,900.00	700	\$11,900.00	600	\$10,200.00	600	\$10,200.00	600	\$10,200.00	600	\$10,200.00				
22	Conduit (5" Per side)	LF	\$5.00	100	\$500.00	200	\$1,000.00	200	\$1,000.00	300	\$1,500.00	300	\$1,500.00	250	\$1,250.00	250	\$1,250.00				
23	Reinforce Tree	EA	\$1,265.00	1	\$1,265.00	5	\$6,325.00	5	\$6,325.00	5	\$6,325.00	5	\$6,325.00	5	\$6,325.00						
24	Ingrain	LS	\$5,325.00	1	\$5,325.00	1	\$5,325.00	1	\$5,325.00	1	\$5,325.00	1	\$5,325.00	1	\$5,325.00						
				TOTAL	\$97,213	TOTAL	\$161,314	TOTAL	\$189,854	TOTAL	\$131,862	TOTAL	\$112,408	TOTAL	\$152,401	TOTAL	\$136,281	TOTAL	\$89,551		

Phase 2005 Construction Contract	\$1,062,104
Mobilization (10%)	\$106,210
Traffic Control (5%)	\$53,105
Construction Total	\$1,221,420
Construction Engineering (10%)	\$122,142
Design Engineer, Legal, Admin. (5%)	\$183,213
Contaminated Soil Remediation	\$120,000
Overday	\$40,000
Project Total	\$1,686,800
Assessable Frontages	3,490.00 LF
Project Cost Per Assessable Foot	\$480.00

B. Phased Street Scope Reconstructions
ENGINEER'S OPINION OF PROBABLE COST

DATE:

ITEM NO.	DESCRIPTION	UNIT	SCHEDULE OF VALUES UNIT PRICE	Total Costs Per Street											
				1st Avenue			Cedar Street			5th Avenue			Pine Street		
				Quantity	Cost	Quantity	Cost	Quantity	Cost	Quantity	Cost	Quantity	Cost	Quantity	
1	Remove Asphalt	SY	\$6.00	9000	\$54,000	8000	\$48,000	4200	\$25,200	6000	\$36,000	29200	\$175,200		
2	Remove Sidewalk	SY	\$11.00	3000	\$33,000	3000	\$33,000	1500	\$16,500	2500	\$27,500	10000	\$110,000		
3	Removal of Curb and Gutter	LF	\$4.00	3000	\$12,000	3000	\$12,000	2000	\$8,000	3000	\$12,000	11000	\$44,000		
5	Remove Sign	LS	\$273.00	5	\$1,365	5	\$1,365	5	\$1,365	5	\$1,365	20	\$5,460		
6	Plantmix Pavement (14Bpcf)	Ton	\$63.00	3500	\$220,500	7500	\$472,500	2000	\$126,000	2500	\$157,500	10500	\$664,500		
7	Misc Plantmix Pavement	SY	\$5.00	250	\$1,250	200	\$1,000	100	\$500	50	\$250	600	\$3,000		
8	Crushed Aggregate for Base Type I (1.44pcf)	Ton	\$21.00	3800	\$79,800	2500	\$52,500	2000	\$42,000	2500	\$52,500	10600	\$222,800		
9	Filter Fabric	SY	\$1.00	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0		
10	Biaxial Geogrid	SY	\$5.00	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0		
11	Sidewalk	SY	\$43.00	3500	\$150,500	2500	\$107,500	2000	\$86,000	3500	\$150,500	11500	\$494,500		
12	Traffic Rated Sidewalk - 0" Thick	SY	\$60.00	400	\$24,000	200	\$12,000	100	\$6,000	400	\$24,000	1100	\$66,000		
14	Concrete Pedestrian Crossing	SY	\$141.00	1000	\$141,000	700	\$98,700	400	\$56,400	600	\$84,600	2700	\$380,700		
15	Pedestrian Ramp	EA	\$780.00	20	\$15,600	30	\$23,400	20	\$15,600	30	\$23,400	100	\$78,000		
13	6" Vertical Curb & Gutter	LF	\$17.00	3100	\$52,700	2700	\$45,900	1700	\$28,900	3000	\$51,000	10500	\$178,500		
16	Type 1 Catch Basin	EA	\$1,872.00	50	\$93,600	30	\$56,160	20	\$37,440	30	\$56,160	130	\$243,360		
17	Street Signage	LS	\$2,340.00	1	\$2,340	1	\$2,340	1	\$2,340	1	\$2,340	4	\$9,360		
18	Pavement Marking	LS	\$2,340.00	1	\$2,340	1	\$2,340	1	\$2,340	1	\$2,340	4	\$9,360		
19	Pedestrian Lighting	EA	\$3,000.00	25	\$97,500	25	\$97,500	15	\$45,000	25	\$97,500	90	\$273,000		
20	2.5" Caliper Trees	EA	\$760.00	20	\$15,200	20	\$15,200	30	\$23,400	20	\$15,200	90	\$68,400		
21	4" Underdrain	LF	\$22.00	3100	\$68,200	2700	\$59,400	1800	\$39,600	3000	\$66,000	10500	\$233,200		
22	Conduit (5 Per side)	LF	\$7.00	12000	\$84,000	10000	\$70,000	10000	\$70,000	15000	\$105,000	47000	\$329,000		
23	Relocated Tree	EA	\$1,650.00	20	\$33,000	20	\$31,200	5	\$7,800	5	\$7,800	4	\$6,720		
24	Irrigation	LS	\$7,800.00	1	\$7,800	1	\$7,800	1	\$7,800	1	\$7,800	4	\$31,200		
25	Rock Cap	CY	\$21.00	0	\$0	0	\$0	0	\$0	0	\$0	0	\$0		
26	Roadway Excavation	CY	\$79.00	2500	\$197,500	2000	\$158,000	1000	\$79,000	1500	\$118,500	7000	\$553,000		
				TOTAL = \$1,259,000			TOTAL = \$994,400			TOTAL = \$691,300			TOTAL = \$1,039,100		

Phase 2007 Construction Contract	\$3,983,800
Mobilization (10%)	\$398,380
Traffic Control (5%)	\$199,190
Construction Total	\$4,581,400
Construction Engineering (10%)	\$458,140
Design Engineer, Legal, Admin. (15%)	\$687,210
Contaminated Soil Reclamation	\$120,000
Project Total	\$5,846,700
Assessable Frontage	10,500.00 FT
Cost per Assessable Foot	\$556.80

Appendix B

Idaho Code: Section 50-2008

State Code Section 50-2008

50-2008. Preparation and approval of plan for urban renewal project. (a) An urban renewal project for an urban renewal area shall not be planned or initiated unless the local governing body has, by resolution, determined such area to be a deteriorated area or a deteriorating area or a combination thereof and designated such area as appropriate for an urban renewal project.

(b) An urban renewal agency may itself prepare or cause to be prepared an urban renewal plan, or any person or agency, public or private, may submit such a plan to an urban renewal agency. Prior to its approval of an urban renewal project, the local governing body shall submit such plan to the planning commission of the municipality, if any, for review and recommendations as to its conformity with the general plan for the development of the municipality as a whole. The planning commission shall submit its written recommendations with respect to the proposed urban renewal plan to the local governing body within thirty (30) days after receipt of the plan for review. Upon receipt of the recommendations of the planning commission, or if no recommendations are received within said 30 days, then without such recommendations, the local governing body may proceed with the hearing on the proposed urban renewal project prescribed by subsection (c) hereof.

(c) The local governing body shall hold a public hearing on an urban renewal project, after public notice thereof by publication in a newspaper having a general circulation in the area of operation of the municipality. The notice shall describe the time, date, place and purpose of the hearing, shall generally identify the urban renewal area covered by the plan, and shall outline the general scope of the urban renewal project under consideration.

(d) Following such hearing, the local governing body may approve an urban renewal project and the plan therefore if it finds that (1) a feasible method exists for the location of families who will be displaced from the urban renewal area in decent, safe and sanitary dwelling accommodations within their means and without undue hardship to such families; (2) the urban renewal plan conforms to the general plan of the municipality as a whole; (3) the urban renewal plan gives due consideration to the provision of adequate park and recreational areas and facilities that may be desirable for neighborhood improvement, with special consideration for the health, safety and welfare of children residing in the general vicinity of the site covered by the plan; and (4) the urban renewal plan will afford maximum opportunity, consistent with the sound needs of the municipality as a whole, for the rehabilitation or redevelopment of the of the urban renewal area by private enterprise: Provided, that if the urban renewal area consists of an area of open land to be acquired by the urban renewal agency, such area shall not be so acquired unless (1) 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

(e) (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 subdivision, 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.

(e) An urban renewal plan may be modified at any time: Provided that if modified after the lease or sale by the urban renewal agency of real property in the urban renewal project area, such modification may be conditioned upon such approval of the owner, lessee or successor in interest as the urban renewal agency may deem advisable and in any event shall be subject to such rights at law or in equity as a lessee or purchaser, or his successor or successors in interest, may be entitled to assert.

(f) Upon the approval by the local governing body of an urban renewal plan or of any modification thereof, such plan or modification shall be deemed to be in full force and effect for the respective urban renewal area, and the urban renewal agency may then cause such plan or modification to be carried out in accordance with its terms.

(g) Notwithstanding any other provisions of this act, where the local governing body certifies that an area is in need of redevelopment or rehabilitation as a result of a flood, fire, hurricane, earthquake, storm, or other catastrophe respecting which the governor of the state has certified the need for disaster assistance under Public Law 875, Eighty-first Congress, or other federal law, the local governing body may approve an urban renewal plan and an urban renewal project with respect to such area without regard to the provisions of subsection (d) of this section and the provisions of this section requiring a general plan for the municipality and a public hearing on the urban renewal project. [1965, ch. 246, § 8, p. 600.]

Compiler's notes. For words "this act" see
Compiler's notes, § 50-2001.
Public Law 875, Eighty-first Congress, referred to in this
section, was repealed.

Sec. to sec. ref. This section is referred to in §§ 50-
2018, 50-2903 and 50-2906.

Appendix C

Notice of Public Hearings

REVENUE ALLOCATION AREA PLAN PUBLIC HEARING NOTICE

Notice is hereby given that the Sandpoint City Council will hold a public hearing on Wednesday November 16, 2005, at 5:30 p.m. in the council chambers at Sandpoint City Hall, 1123 Lake Street, Sandpoint, ID, to consider the following:

1. **Urban Renewal Plan for a Revenue Allocation Area in northern Sandpoint** - The objective of this plan is to fund public infrastructure improvements for the reconstruction of Great Northern Road/ Woodland Drive and other ancillary public improvements.
2. **Urban Renewal Plan for a Revenue Allocation Area in downtown Sandpoint** - The objective of this plan is to fund public infrastructure improvements for the reconstruction of pedestrian and vehicular facilities and other ancillary improvements in the City's downtown core.

The primary goal of both of these Plans is to encourage and sustain business development through a process known as "tax increment financing."

The Sandpoint City Council will hold a special meeting on November 30, 2005, at 5:30 p.m. in the council chambers to consider additional comments from taxing entities regarding the Urban Renewal Plans.

The public may review a copy of each of the Revenue Allocation Area Plans at the City Clerk's Office in City Hall, after October 26, 2005. Any person needing special accommodations to participate in the above noticed meetings should contact the City of Sandpoint seven days prior to the meeting at Sandpoint City Hall, 1123 Lake Street, Sandpoint, ID (263-3370).

Posted in *The Daily Bee* on October 26, 2005

Appendix D

Resolution No. 05-29: Formation of Urban Renewal Agency &
Its First Urban Renewal Area

No: 05-29
Date: May 18, 2005

RESOLUTION
OF THE CITY COUNCIL
CITY OF SANDPOINT

TITLE: URBAN RENEWAL AGENCY

WHEREAS: The City of Sandpoint desires to implement and empower the Urban Renewal Agency which was created by the Idaho Urban Renewal Law of 1965 (codified as Chapter 20, Title 50, Idaho Code); and,

WHEREAS: It is anticipated the Urban Renewal Agency intends to prepare an Urban Renewal Plan containing a revenue allocation financing provision, pursuant to the local Economic Development Act (codified as Chapter 29, Title 50, Idaho Code); and,

WHEREAS: The City recognizes there are certain factual prerequisites to the empowerment of the Agency and the ultimate adoption of the Urban Renewal Plan containing revenue allocation financing provisions;

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND THE CITY COUNCIL OF THE CITY OF SANDPOINT AS FOLLOWS:

Section 1: That there is an area within the City of Sandpoint which is a "deteriorated" or "deteriorating area" as defined by Idaho Code Section 50-2018(h), (i) and 50-2903(b),

Section 2: That the area proposed is approximately bounded by the Burlington Northern Santa Fe Railway on the West, the Burlington Northern Santa Fe Railway, Walnut Street, and Grahams Addition on the South, Boyer Avenue and North Boyer Avenue on the East, and the Residence "A" zone on the North. This area is set forth on the attached map and incorporated herein. This area shall be known as the Sandpoint Urban Renewal Area.

Section 3: That the City Council hereby makes the following findings and declarations of necessity:

- a. The Area includes the airport for the City of Sandpoint and Bonner County and it is predominately zoned Light Industrial. This Area is a likely and probable location for future commercial and industrial expansion of Sandpoint community activity.
- b. Many streets within the area are inadequate; portions of the Area, such as Great Northern Road, consist of graveled or partially paved surfaces. Most

are without curb, gutter or adequate sidewalks. Usage on the existing streets will far exceed their current capacity if further development occurs as expected in the area.

- c. The City of Sandpoint Comprehensive Plan bike path map proposes a path on Boyer Avenue, North Boyer Avenue, and Baldy Mountain Road. Removal of blight in the Area will enhance the experience and safety of those utilizing the trail.
- d. Undeveloped weed-covered vacant lots exist throughout this Area, acting as a drain on the City's resources through a decreased tax base and reduced tax revenues; many of these lots constitute a nuisance and are a social liability.
- e. Existing City sewer and water lines are inadequate to service the anticipated further commercial and public development.
- f. There are parcels of property in the area which lack safe and adequate street improvements necessary for their full development.
- g. It is necessary for the health, safety, and welfare that streets, sidewalks, and other public improvements be constructed or re-conditioned in this Area.
- h. This Area contains less than ten percent (10%) of the total assessed value in the City.

Section 4: That unless the aforementioned conditions are improved, they will substantially impair the sound growth potential of the City of Sandpoint and will constitute an economic and social liability; further development in the Area without such improvements will endanger public, health and welfare.

Section 5: That improvement of property and City services in the Area is necessary and appropriate to facilitate the proper growth and development of the City in accordance with sound planning standards and the local community objectives.

Section 6: That based upon the Conditions described above, and pursuant to Idaho Code Sections 50-2001, et. Seq. and 50-2901, et. Seq., there is a need for the Urban Renewal Agency to function in the City.

Section 7: The Sandpoint Urban Renewal Agency is hereby created and the Mayor is authorized to appoint five (5) commissioners for said district as provided by Idaho Code Section 50-2006. The City of Sandpoint Mayor is directed to cause City staff to assist in carrying out the Agency's work.

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

Raymond P. Miller, Mayor

ATTEST:

Helen M. Newton, City Clerk

City Council Members:

	YES	NO	ABSTAIN	ABSENT
1. Elliott	X			
2. Ogilvie	X			
3. Boge Second	X			
4. Burgstahler	X			
5. Spickelmire Motion	X			
6. Lamson		X		

Appendix E

Resolution No. 05-59: Creation of the Downtown URA

RESOLUTION
OF THE CITY COUNCIL
CITY OF SANDPOINT

TITLE: DOWNTOWN URBAN RENEWAL DISTRICT

WHEREAS: In the 2002 Community Development Block Grant application process, the City of Sandpoint City Council took formal action to recognize that a healthy, vibrant downtown core is the critical component to a healthy, economically sound city; and,

WHEREAS: The City Council identified the downtown core, as generally defined by the borders of the Business Improvement District to be as an area which is in need of revitalization; and,

WHEREAS: By Resolution No. 05-29 adopted on May 18, 2005 the City Council identified and adopted a Urban Renewal Area and created the Sandpoint Urban Renewal Agency as defined by the Idaho Urban Renewal Law of 1965 (codified as Chapter 20, Title 50, Idaho Code); and,

WHEREAS: The City Council now wishes to identify and adopt another urban renewal area to be known as the Downtown Urban Renewal Area; and,

WHEREAS: A purpose of an Urban Renewal Agency is to prepare Revenue Allocation Area Plans within defined Urban Renewal Areas including the new Downtown Urban Renewal Area; and,

WHEREAS: A Revenue Allocation Area Plan can provide a source of funding to ameliorate within that area deteriorating or deteriorated conditions as defined by Idaho Code Section 50-2018(h), (i) and 50-2903(b); and,

WHEREAS: This plan or plans can help ameliorate conditions that impede sound economic growth pursuant to Idaho Code Section 50-2018 (i).

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND THE CITY COUNCIL OF THE CITY OF SANDPOINT AS FOLLOWS:

Section 1: That there is an area within the City of Sandpoint, called the downtown business core, which is a deteriorating or deteriorated area as defined by Idaho Code Section 50-2018(h), (i) and 50-2903(b),

Section 2: That the area proposed is approximately bounded by Fifth Avenue/ Hwy 2 on the west, Larch Street on the north, Pine Street on the south and Lake Pend Oreille on the east. This area is set forth on the attached map and incorporated herein.

Section 3: That the City Council hereby ratifies and adopts the findings and declarations of necessity made in 2002 for the Community Development Block Grant which are set forth below:

- a. The downtown business core, in light of the eventual construction of the Highway 95 By Way, can be, without proactive steps taken to revitalize its infrastructure, adversely affected by altered “through-stop” circulation;
- b. The consultant, Tom Hudson, hired by the city in 2001-2002, urged that proactive steps be taken to recreate downtown as a pedestrian friendly place and to radically change traffic circulation patterns and to provide sufficient parking for sound economic growth;
- c. At present, there is insufficient lighting—deficient by a factor 5 according to The Illuminating Engineering Society—so as to cause not only a social and economic liability, but a safety liability as well;
- d. Approximately 66% of this area’s sidewalks are in need of repair and/or widening to facilitate safe pedestrian passage;
- e. There remains significant Inflow and Infiltration problems in the core;
- f. The City Parking lot is underutilized due to poor circulation patterns and poor landscaping and inadequate lighting that is conducive to a feeling of being unsafe;

Section 4: That the City Council further makes the following findings and declarations of necessity:

- a. There are critical anchors in the downtown core which include but are not limited to the county court house, the post office and the North Idaho College Outreach Center, and actions must be taken to insure their continued presence;
- b. A healthy downtown core must also include affordable residential housing and at present, such housing does not exist;

- c. There are underutilized assets in the downtown core that have become impediments to sound growth including convenient connectivity between the downtown core and the Sand Creek area;
- d. The economic vitality of the City of Sandpoint depends on funding, sustaining and coordinating efforts to support arts and maintain significant historical buildings;
- c. Residents of the City Of Sandpoint must also support the downtown area and marketing consultant Lorraine Roach has concluded that the current mix of businesses downtown is generally not attractive to the local City of Sandpoint resident.

Section 5: That unless the aforementioned conditions are improved, they will substantially impair the sound growth potential of the City of Sandpoint and will constitute an economic and social liability.

Section 6: That improvement of property and City services in the downtown core area is necessary and appropriate to facilitate the proper growth and development of the City in accordance with sound planning standards and the local community objectives.

Section 7: That based upon the conditions described above, and pursuant to Idaho Code Sections 50-2001, et. Seq. and 50-2901, et. Seq., there is a need for an urban renewal area to function in the downtown core of the city.

Section 8: That an urban renewal area for the downtown core of the city to be know as the Downtown Urban Renewal District is hereby created and shall be managed by the Urban Renewal Agency created by Resolution No. 05-29

Section 9: That this Resolution shall be in full force and effect immediately upon its adoption and approval.

Raymond P. Miller, Mayor

ATTEST:

Maree Peck, City Clerk

City Council Members:

	YES	NO	ABSTAIN	ABSENT
1. Elliott	X			
2. Ogilvie Motion	X			

3.	Boge			X
4.	Burgstahler	Second	X	
5.	Spickelmire		X	
6.	Lamson			X

Appendix F

Resolution No. 05-64: Amendment of Description of URA Boundary

RESOLUTION
OF THE CITY COUNCIL
CITY OF SANDPOINT

TITLE: DOWNTOWN URBAN RENEWAL DISTRICT AMENDED

- WHEREAS: In the 2002 Community Development Block Grant application process, the City of Sandpoint City Council took formal action to recognize that a healthy, vibrant downtown core is the critical component to a healthy, economically sound city; and,
- WHEREAS: The City Council identified the downtown core, as generally defined by the borders of the Business Improvement District to be as an area which is in need of revitalization; and,
- WHEREAS: By Resolution No. 05-29 adopted on May 18, 2005 the City Council identified and adopted a Urban Renewal Area and created the Sandpoint Urban Renewal Agency as defined by the Idaho Urban Renewal Law of 1965 (codified as Chapter 20, Title 50, Idaho Code); and,
- WHEREAS: The City Council now wishes to identify and adopt another urban renewal area to be known as the Downtown Urban Renewal Area; and,
- WHEREAS: A purpose of an Urban Renewal Agency is to prepare Revenue Allocation Area Plans within defined Urban Renewal Areas including the new Downtown Urban Renewal Area; and,
- WHEREAS: A Revenue Allocation Area Plan can provide a source of funding to ameliorate within that area deteriorating or deteriorated conditions as defined by Idaho Code Section 50-2018(h), (i) and 50-2903(b); and,
- WHEREAS: This plan or plans can help ameliorate conditions that impede sound economic growth pursuant to Idaho Code Section 50-2018 (i).

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND THE CITY COUNCIL OF THE CITY OF SANDPOINT AS FOLLOWS:

Section 1: That there is an area within the City of Sandpoint, called the downtown business core, which is a deteriorating or deteriorated area as defined by Idaho Code Resolution No.

Section 50-2018(h), (i) and 50-2903(b),

Section 2: That the area proposed is approximately bounded by Short Avenue, Sixth Avenue and Boyer Avenue on the *west*; Larch Street on the *north* as it extends from Short Avenue due east to the city property line in Lake Pend Oreille; parts of Lake Street and Superior Streets on the *south*; and Lake Pend Oreille on the *east*.

Section 3: That the City Council hereby ratifies and adopts the findings and declarations of necessity made in 2002 for the Community Development Block Grant which are set forth below:

- a. The downtown business core, in light of the eventual construction of the Highway 95 By Way, can be, without proactive steps taken to revitalize its infrastructure, adversely affected by altered “through-stop” circulation;
- b. The consultant, Tom Hudson, hired by the city in 2001-2002, urged that proactive steps be taken to recreate downtown as a pedestrian friendly place and to radically change traffic circulation patterns and to provide sufficient parking for sound economic growth;
- c. At present, there is insufficient lighting—deficient by a factor 5 according to The Illuminating Engineering Society—so as to cause not only a social and economic liability, but a safety liability as well;
- d. Approximately 66% of this area’s sidewalks are in need of repair and/or widening to facilitate safe pedestrian passage;
- e. There remains significant Inflow and Infiltration problems in the core;
- f. The City Parking lot is underutilized due to poor circulation patterns and poor landscaping and inadequate lighting that is conducive to a feeling of being unsafe;

Section 4: That the City Council further makes the following findings and declarations of necessity:

- a. There are critical anchors in the downtown core which include but are not limited to the county court house, the post office and the North Idaho College Outreach Center, and actions must be taken to insure their continued presence;
- b. A healthy downtown core must also include affordable residential housing and at present, such housing does not exist;

- c. There are underutilized assets in the downtown core that have become impediments to sound growth including convenient connectivity between the downtown core and the Sand Creek area;
- d. The economic vitality of the City of Sandpoint depends on funding, sustaining and coordinating efforts to support arts and maintain significant historical buildings;
- e. Residents of the City Of Sandpoint must also support the downtown area and marketing consultant Lorraine Roach has concluded that the current mix of businesses downtown is generally not attractive to the local City of Sandpoint resident.

Section 5: That unless the aforementioned conditions are improved, they will substantially impair the sound growth potential of the City of Sandpoint and will constitute an economic and social liability.

Section 6: That improvement of property and City services in the downtown core area is necessary and appropriate to facilitate the proper growth and development of the City in accordance with sound planning standards and the local community objectives.

Section 7: That based upon the conditions described above, and pursuant to Idaho Code Sections 50-2001, et. Seq. and 50-2901, et. Seq., there is a need for an urban renewal area to function in the downtown core of the city.

Section 8: That an urban renewal area for the downtown core of the city to be know as the Downtown Urban Renewal District is hereby created and shall be managed by the Urban Renewal Agency created by Resolution No. 05-29.

Section 9: That this Resolution shall be in full force and effect immediately upon its adoption and approval.

Raymond P. Miller, Mayor

ATTEST:

Maree Peck, City Clerk

City Council Members:

			YES	NO	ABSTAIN	ABSENT
1.	Elliott	Motion	X			
2.	Ogilvie	Second	X			
3.	Boge			X		
4.	Burgstahler		X			
5.	Spickelmire	Motion				X
6.	Lamson			X		

Appendix G

Minutes of Planning Commission Review of RAA Plans

SANDPOINT PLANNING COMMISSION

MEETING

October 4, 2005 MINUTES

COMMISSION MEMBERS PRESENT: Dick Hutter, John O'Hara, Gary Maxwell, Kevin Monahan, Steve Prince and Jan Temple.

COMMISSION MEMBERS ABSENT: Rafat Saied.

STAFF MEMBERS PRESENT: Planning Director/City Attorney Will Herrington, Associate Planner Joan Bramblee, and Recording Secretary Janet Richardson. Grant Writer Stephen Drinkard was present for the latter portion of the meeting.

Chairman John O'Hara called the meeting to order at 5:30 p.m.

[Minutes have been edited.]

PUBLIC MEETING:

Review of Urban Renewal Plans

Stephen Drinkard gave a review of the urban renewal plans. The Urban Renewal Board was established in May of this year, and an initial urban renewal area was established. Last month, that area was amended by the City Council to include more area: a northern area and the downtown area. The Board and city staff are developing Revenue Allocation Area Plans and having a survey company write the legal descriptions for those areas.

This Commission must decide whether the plans for these areas fit the intent and letter of the City's Comprehensive Plan. If they do, these plans will be presented to City Council.

Commissioner Hutter inquired about assessed value percentages. Mr. Drinkard responded that property included in Urban Renewal Areas cannot total more than 10 percent of the total assessed value in the city. There is approximately \$31 million of assessed value in the combined proposed areas. The total City valuation is about \$570 million. Mr. Drinkard's hope is to be comfortably below the 10 percent cap.

Mr. Drinkard said rebuilding Great Northern and Woodland Drive has been on the drawing board for several years. It is approximately a \$7 million project, but those costs increase each year. It is likely that the City could obtain \$2.5 million in grants for the project. Landowners could finance part of it, perhaps \$200,000 through a Local Improvement District. The Urban Renewal money is the most realistic way to finance the improvement of that road. Downtown, there is a \$7 million revitalization project. There is possibility of a block grant if there is a large infusion of local funds. There is also a possibility of reversion dollars from the state. The downtown revitalization project includes redoing streetscapes and upgrading the city parking lot. General obligation bonds could finance these projects, but it would take a super majority vote and it would be a huge hit on city residents. He does not expect that residents would pass a tax bond for these projects.

Upon questioning by Commissioner Hutter, Mr. Drinkard allowed that the estimate on the Great Northern road project is a "Cadillac" version, with sidewalks on both sides. Realistically, there would only be a sidewalk on one side, or just striping for pedestrians. He expects that it would cost \$2.5 million to purchase rights-of-way. A less expensive road would be \$6 million. Discussion ensued on the width of the right-of-way along Great Northern Road. Mr. Drinkard allowed the road project may only be a \$4 million or \$5 million project.

PUBLIC COMMENT:

Molly O'Reilly, 401 S. Euclid, Sandpoint, asked what the City's Comprehensive Plan says about public process and public participation.

Mr. Herrington said state law addresses that issue, not the Comprehensive Plan.

Mrs. O'Reilly said that staff has said that if this were a bond that went before the public, it would fail. She is concerned that the public is not here and is not aware of this plan. She noted there are several weeks left to take this plan to the public and try to get public support.

Seeing no other residents wishing to speak, Chairman O'Hara closed public testimony and opened the meeting to Commission discussion. A brief discussion ensued.

Commissioner Prince moved, and Commissioner Monahan seconded, that the Sandpoint Planning Commission forward a recommendation to the City Council that the Northern Revenue Allocation Area Plan is in conformity with the general Comprehensive Plan for the development of the City of Sandpoint as a whole.

The motion carried, with Commissioner Hurter opposed.

Commissioner Temple moved and Commissioner Prince seconded that the Sandpoint Planning Commission forward a recommendation to the City Council that the Downtown Revenue Allocation Area Plan is in conformity with the general Comprehensive Plan for the development of the City of Sandpoint as a whole.

Chairman O'Hara noted this Commission's part in the process is to advise the Council whether the Urban Renewal plan meets the city's Comprehensive Plan.

The motion carried, with Commissioner Hurter dissenting.

Appendix H

Map of Downtown Urban Renewal Area and Revenue Allocation Area

Insert Map here.

Appendix I

Ordinance No. ____: Establishment of Downtown RAA Plan
