

Sandpoint Urban Renewal Agency
The City of Sandpoint

Amended Urban Renewal Plan for the
Downtown Area
Sandpoint Urban Renewal Agency
Amended 2010

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CHAPTER 1: INTRODUCTION

SECTION 1 INTRODUCTION

A. Overview of this 2010 Urban Renewal Plan

This is the 2010 amendment and restatement to the 2005 Downtown Urban Renewal Plan¹ referred to hereinafter as the 2010 Plan. This Plan consists of the text and the following attachments:

- a) Description of the Project Area and Revenue Allocation Area Boundaries (attachment “1”);
- b) Project Area and Revenue Allocation Area Boundary Map (attachment “2”);
- c) Economic Feasibility Study for the Downtown Urban Renewal Area (attachment “3”).
- d) Project evaluation criteria (attachment “4”).
- e) Map depicting Expected Land Uses and Current Zoning within Revenue Allocation Area and 2010 Project Area (attachment “5”).

The term “Project” is used herein to describe the overall activities defined in this 2010 Plan, including both private and public development of property and activities to enhance economic development within the Urban Renewal Area. The term “Project” also refers to the specific activity or development identified in this 2010 Plan and included in Attachment “3” hereof. The term “Project” is not meant to refer to a specific activity or development scheme. Reference is specifically made to Idaho Code Section 50-2018 (J) for the various activities contemplated by the term “Project”.

In 2005 an urban renewal plan (hereinafter the “2005 Plan”) was prepared at the direction of the Sandpoint Urban Renewal Agency (the “SURA”) and utilized information gathered over a period of time including but not limited to 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. The 2005 Plan was reviewed and recommended by the SURA, pursuant to the State of Idaho Urban Renewal Law, Chapter 20, Title 50, Idaho Code (the “Law”), the Local Economic Development Act, Chapter 29, Title 50, Idaho Code (the “Act”), the Idaho Constitution, and all applicable local laws and ordinances.

This 2010 Plan provides the SURA with powers, duties, and obligations to implement and further the program for the redevelopment, rehabilitation, and revitalization of the area within the boundaries of the 2010 Amended and Restate Project area. This 2010 Plan amends the boundaries of the urban renewal project area to include an area referred to as the area bounded by 2nd Ave., Church Street, 3rd Ave., and Pine Street accepted by City Council Ordinance No. 1223 on December 16, 2009. This 2010 Plan provides updated financial information and additional statutory changes. The SURA retains all powers allowed by the Law and Act. Because of the long-term nature of the 2010 Amended and Updated Plan and the need to retain in the SURA flexibility to respond to market and economic conditions, property owner and developer interests, and opportunities from time to time presented for redevelopment, this 2010 Plan presents a process and a basic framework within which specific plans will be presented, specific projects will be established, and specific solutions will be proposed, and by which tools provided to the SURA to fashion, develop, and proceed with such specific plans, projects, and solutions.

Implementation of this 2010 plan will require public co-investment to help stimulate desired private development. Typically, the public will fund activities and enhanced public facilities like streets, sidewalks, parking facilities, public buildings such as City Hall, or plazas which, in turn, create an attractive setting for adjacent private investment. 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 September 30, 2029.

¹ Many of the tables and exhibits from the original 2005 Plan are not repeated in this Plan for ease of review and analysis. Additionally, much of the 2005 financial information and improvement list has been replaced or superseded. The original work for the 2005 Plan is available through the Sandpoint Urban Renewal Agency or the City of Sandpoint.

The proposed development and redevelopment of the 2010 Project Area as described in this plan conforms to the Sandpoint Comprehensive Plan 2009 (hereafter, the “Comprehensive Plan”) adopted by the City Council on February 11, 2009 Resolution No.09-03.

This 2010 Plan provides the SURA with powers, duties and obligations to implement and further the program generally formulated in this 2010 Plan for the redevelopment, rehabilitation, economic enhancement, and revitalization of the 2010 Project Area. The SURA retains all powers allowed by law. The SURA will encourage projects with those activities which comply with the Law and the Act and meet the overall objectives of this 2010 Plan.

The major goals of this 2010 Plan are including but not limited to:

- The strengthening of the economic base of the 2010 Project Area in the community by the installation of needed site improvements to retain current and to stimulate new commercial expansion, employment, and economic growth;
- The provision and improvement of streets, rights-of-way, and other public infrastructure and public facilities;
- The elimination of environmental deficiencies in the 2010 Project Area, including, among others, obsolete and aged building types, substandard streets or rights-of-way, inadequate and deteriorated public facilities and improvements;
- The strengthening of the tax base by encouraging private development, thus increasing the assessed valuation of properties within the Revenue Allocation area and the 2010 Project Area as a whole, and benefiting the various taxing districts in which the Urban Renewal Area is located;
- The provision for adequate land for parks and open spaces, pedestrian walkways, and parking facilities;
- The enhancement and improvement of transportation for pedestrians, vehicles, and bicycles in the Area;
- The planning, design, and development of undeveloped areas which are stagnant or inefficiently utilized;
- The establishment and implementation of performance criteria to assure design standards and environmental quality and other design elements which provide unity and integrity to the entire Amended Restated Project;
- The encouragement of funding of public art;
- The improvement of aesthetics in the Area;
- The assembly of land into parcels suitable for efficient, integrated development; and
- The accomplishment of all other things necessary and appropriate to arrest the impairment of sound growth, decay and deterioration.
- Extend maturity date to a period not to exceed September 30, 2029 (supported by Attachment 3)

The boundaries of the 2010 Project Area and the Revenue Allocation Area are described in Attachment “1”, which is attached hereto and incorporated herein by reference, and are shown on the 2010 Project Area and Revenue allocation Area Boundary Map attached hereto as Attachment “2” and incorporated herein by reference.

For purposes of boundary descriptions and use of proceeds for payment of improvements, the boundary shall be deemed to extend to the outer boundary of rights-of-way.

B. General Procedures of the SURA

SURA is a public body, corporate and politic, as defined and described under the Law and the Act. The SURA is governed by the various provisions of federal law and the laws of the State of Idaho including , - the Idaho open meeting law, the Public Records Act, the Ethics in Government Act, financial reporting requirements under Idaho Code Section 67-450(B), and the competitive bidding requirements under Chapter 28, Title 67, Idaho Code.

The SURA shall conduct all meetings in open session and allow meaningful public input as mandated by the issue considered or by any statutory or regulatory provision. Whenever in the 2010 Plan it is stated the SURA may modify, change, or adopt certain policy statements or contents of the 2010 Plan not requiring a formal amendment to this 2010 Plan as required by the Law or the Act, it shall be deemed to mean a consideration by the SURA board of such policy or procedure, duly noticed upon the SURA meeting agenda and considered by the SURA at an open public meeting and adopted by a majority of the members present, constituting a quorum, unless any provision herein provides otherwise.

SECTION 2 **Conformance with State and Local Requirements**

In 1994, the Local economic Development Act was amended to provide a new definition of properties and projects which could be considered under the authority of the Act. The Act also relies on the Urban Renewal Law, and it is the interplay between the two that empowers cities to use revenue allocation financing as a means of making enhancements and improvements to an Urban Renewal Area. The Act brings the benefits of the Urban Renewal Law to cities that experience a disadvantage in attracting business and commerce. The new definition provides that in border communities where areas of fort (40) acres or more can be determined to be “competitively economically disadvantaged,” an Urban Renewal Agency may designate the area as competitively disadvantaged and use a revenue allocation area to provide financing through the use of revenue allocation financing for public improvements which would enhance the area and thereby bring more commerce and business growth into the area and the community. The City of Sandpoint determined on May 18, 2005 pursuant to Resolution 05-29 as amended by 05-59, and 05-64, that the 2005 Project Area was a competitively economically disadvantaged area.

In addition, pursuant to Resolution 05-29 as amended, the City Council determined pursuant to Urban Renewal Law that one or more areas of deterioration exist as defined by Idaho Code 50-2018 (8) and (9) and 50-2903 (8). Pursuant to Resolution 05-29, the City of Sandpoint, as authorized by the Law, created the SURA.

In accordance with the Law, the 2005 Plan was forwarded by the SURA to the Planning Commission of the City of Sandpoint as required pursuant to Idaho Code 50-2008 (b). After review of the 2005 Plan, the Commission filed a recommendation with the City Council stating that the 2005 Plan was in conformity with the Comprehensive Plan of the City of Sandpoint. Said recommendation was made on October 4, 2005 and is incorporated herein by this reference.

Pursuant to the Idaho Urban Renewal Law of 1965, the City Council thereafter published due notice and held public hearing on the 2005 Plan on November 16, 2005. The City Council thereafter adopted the 2005 Plan on November 30, 2005 pursuant to Ordinance No. 1141 after making the requisite findings pursuant to Idaho Code 50-2008 (d) all of which incorporated herein by this reference.

SECTION 3 **HISTORY AND CURRENT CONDITIONS OF THE AREA**

SURA was created to be an urban renewal agency unique to Sandpoint, not to replicate other urban renewal agencies in other Idaho cities. It was created for the primary reason of funding critical infrastructure projects in Sandpoint which would stimulate economic development and arrest urban deterioration and obsolesce. These are projects that have been a top priority of the City of Sandpoint Council at least since 2002. Funding for these projects without the use of tax increment financing, has not been forthcoming.

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

the City. Since the adoption of the 2005 Plan, the SURA has invested approximately \$128,000 in public value creation efforts. The objectives of the 2005 Plan remain to be achieved.

Downtown Revitalization was formally identified as being a “Priority One” project in the long range Council “Items as Prioritized” document, which was adopted by the Council on March 26, 2002. The goal of the Council and the SURA is to 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-Comer Engineering and, later, the JUB engineering team.

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”. Although there were a few bright lights in the downtown area such as the Panida Theater it was apparent to the Council and the community that improvements must be made to the downtown area to arrest the deterioration that was driving away economic development.

In early 2000, ITD published its final Environmental Impact Statement for the proposed Sand Creek By Way 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 much 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, 2010, in spite of the completion of the first phase of revitalization in 2003 and the 3rd Ave. project in 2009.

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. The SURA with its unique combination of authority granted under the Law and the Act was formed and has stepped forward to assist both public and private investment to revitalize the downtown area.

CHAPTER 2: DESCRIPTION OF THE 2010 PROJECT AREA and REVENUE ALLOCATION AREA

The boundaries of the 2010 Project Area and the Revenue Allocation Area are described in Attachment “1”, which is attached hereto and incorporated herein by reference, and are shown on the 2010 Project Area and Revenue allocation Area Boundary Map attached hereto as Attachment “2” and incorporated herein by reference.

For purposes of boundary descriptions and use of proceeds for payment of improvements, the boundary shall be deemed to extend to the outer boundary of rights-of-way.

CHAPTER 3: PROPOSED DEVELOPMENT ACTIONS

SECTION 1 GENERAL

The SURA propose to eliminate and prevent the impairment of sound growth, decay and deterioration in the 2010 Project Area by encouraging and/or undertaking some or all of the following actions as set forth in Attachment 3 hereof. Enhanced public value creation opportunities have been identified in this 2010 Plan-a blue print for development of specific actions for the Downtown District.

- Downtown Revitalization: Complete the phased plan for downtown revitalization with the installation, construction, or reconstruction of streets, curb and gutter, sidewalks, streetscapes, design standards, utilities, parking facilities, recreation and park amenities, art, and other public improvements. In addition, SURA will support marketing efforts of downtown.
- Workforce Housing: Provide a support role in helping the city achieve its vision for workforce housing in the community.
- Job Creation/Retention: Partnership efforts to facilitate job creation and job retention.
- Education: Help support educational opportunities.

In addition to the general actions outlined above, the City has identified additional and specific opportunities. These include but are not limited to the following:

- Fund the design of the 5th Ave. curve
- Complete the Sandcreek Boardwalk
- Protect Sandcreek with upgrades to existing storm water treatment
- Encourage Dock Street improvements and bike path
- Encourage viable education facilities as a core community value creation driver
- Support housing opportunities within the districts including workforce housing

- Support the relocation of City Hall to the Downtown District

In the accomplishment of these purposes and activities and in the implementation and furtherance of this 2010 Plan, the SURA is authorized to use all the powers provided in this 2010 Plan and all the powers now and hereafter permitted by law including but not limited to:

- The acquisition of certain real property;
- the demolition or removal of certain buildings and improvements;
- the participation by person or entities engaged in business or holding interests in property within the 2010 Project Area;
- the management of any property acquired by and under the ownership and control of the SURA;
- the provision for relocation assistance to displaced 2010 Project occupants if required by law and /or if deemed necessary by the SURA;
- the installation, construction, or reconstruction of streets, curb and gutter, sidewalks, streetscapes, design standards, utilities, parking facilities, recreation and park amenities, art, and other public improvements including but not limited to the operation and management of such facilities and the design and engineering of such facilities in conformance with the Law, the Act, and this 2010 Plan;
- the disposition of property for uses in accordance with the Law, the Act, and this 2010 Plan and commitment by those who are conveyed such property to redevelop the property in accordance with this 2010 Plan;
- the development and redevelopment of land by private enterprise or public agencies for uses in accordance with this 2010 Plan;
- the assembly of adequate sites for the development and construction of residential and commercial facilities and recreational opportunities;
- to the extent allowed by law, the lending or investing of federal funds to facilitate redevelopment;
- the construction of foundations, platforms, and other like structural forms necessary for the provision or utilization of air rights and sites for buildings to be used for residential, commercial and other uses contemplated by the 2010 Plan and to provide utilities to the development site as authorized by Idaho Code Section 50-2007 (j);
- encourage/secure marketing and entertainment activities within the Urban Renewal Area;
- extend the maturity date of SURA for a period not to exceed September 30, 2029; and
- all other actions described in Chapter 1 of the 2010 Plan.

SECTION 2 **URBAN RENEWAL PLAN OBJECTIVES**

Urban renewal action is necessary in the 2010 Project Area to combat problems of deterioration and economic obsolescence as previously set forth in the 2005 Plan. Following the formation of the SURA in 2005 various areas of deterioration have been remedied by SURA action. However, numerous opportunities still exist for improving the economic viability of the Downtown District.

Hence, the Urban Renewal Plan for the 2010 Project Area is a proposal for public improvements, to provide an improved environment for retail, residential, educational, public park, and commercial developments, to eliminate

unsafe conditions, to assist potential owners and developers to assemble appropriate development sites where necessary through acquisition, demolition and disposition activities, and to otherwise prevent the extension of deterioration and reverse the deteriorating action of the area.

In coordination with the Idaho State Historical Society, consideration will be given to the preservation of structures of historic and architectural value within, or the moving of said structures outside, the 2010 Project Area boundaries where applicable.

The provisions of this 2010 Plan are applicable to all public and private property in the 2010 Project Area. The provisions shall be interpreted and applied as objectives and goals, recognizing the need for flexibility in interpretation and implementation, while at the same time not in any way abdicating the rights and privileges of the property owners which are vested in the present and future zoning classifications of the properties. All development under an owner "participation agreement" shall conform to those standards specified in Chapter 3, Section 5 of this 2010 Plan.

SECTION 3 **PROPERTY ACQUISITION**

The SURA may, but is not required to acquire property to further its objections. The SURA may acquire property by gift, devise, exchange, purchase, eminent domain, or any other lawful method. Such acquisition and subsequent disposition shall be made for development by SURA or private developer to achieve those objectives set forth herein. The acquisition shall be by a means authorized by the Law and the Act including, the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. The SURA is authorized to acquire a fee interest in property including structures and fixtures located thereon or any other interest less than a fee interest in property...

Generally, the SURA intends to acquire any real property through voluntary or consensual gift, devise, exchange, or purchase. Such acquisition of property may be for the development of public improvements identified in this 2010 Plan for the assembly of properties for the redevelopment of those properties to achieve the objectives of this 2010 Plan. Such properties may include properties owned by private parties or public entities. This 2010 Plan does not anticipate the SURA's widespread use of its resources for property acquisition.

SECTION 4 **USES PERMITTED IN THE PROJECT AREA**

The Project area is located entirely within an area designated by the Comprehensive Plan Map as "Business" and the City Zoning Map as "Commercial" or "Professional Office." The Project, it will not affect or change the current or planned use of properties within the area.

Moreover, the Project will directly compliment many goals and policies of the Sandpoint Comprehensive Plan.

All construction, which is funded or partially funded by the SURA as a part of this 2010 Plan, will be required to meet all applicable city and state specifications. In addition, each project must meet any requirements made by the SURA 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 or private entity.

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

SECTION 5 **PARTICIPATION OPPORTUNITIES AND AGREEMENT**

A. Participation Agreements

The SURA may require owner participation agreements with owners of property, whenever the property owner seeks and/or receives assistance from the SURA.

As a condition of the owner participation agreement each Project must meet the following standards:

1. To the Project must conform to applicable provisions, requirements, and regulations of this 2010 Plan. The owner participation agreement will require that the Project meet the objectives of the Sandpoint Comprehensive Plan 2009, applicable zoning ordinances, and subdivision ordinances. All Project improvements must be physically safe and sound and enhance and improve the marketable condition of the urban renewal area for a minimum useful life of twenty (20) years.
2. All buildings or portions of buildings which are to remain within the 2010 Project Area shall be rehabilitated to conform with applicable codes and ordinances of the City of Sandpoint.
3. Any new construction shall conform to all applicable provisions, requirements, and regulations of this 2010 Plan and the applicable codes and ordinances of the City of Sandpoint.
4. Any renovation of existing historic structures may seek appropriate waivers of the existing city building code.

Participation agreements may also require participants to record documents to carry out the provisions of this 2010 Plan.

In the event a participant under a participation agreement fails or refuses to rehabilitate, develop, used, and maintain its property pursuant to this 2010 Plan and participation agreement, among other means of enforcing the participation agreement, the property or any interest therein may be acquired by the SURA and sold or leased for rehabilitation or development in accordance with this 2010 Plan.

Any assistance provided by the SURA may also require among other items that the property owner participate in the formation of a local improvement district to construct public improvements, to agree to provide common business hours/days of the week to provide public parking for its customers and to participate in a widely distributed newsletter promoting the Downtown Business Association activities.

B. Subdivision Deviation and Impact Fee Consideration

A developer may request a deviation from the City's subdivision requirements pursuant to Municipal Code 16.32.

For development covered by an owner participation agreement or disposition and development agreement (as discussed in Part 3, Section 8), the SURA shall have the authority, but not the obligation to cooperate with the developer to apply for a credit or reimbursement of any impact fee, or for any refund of said fee assessed by any other governmental entity. The SURA shall also have the authority, but not the obligation, to consider paying of all or part of such impact fees from revenue allocation proceeds to the extent allowed by law.

C. Cooperation with Public Bodies

Certain public bodies are authorized by state law to aid and cooperate, with or without consideration, in planning, undertaking, construction, or operation of this 2010 Project. The SURA shall seek the aid and cooperation of such public bodies and shall attempt to coordinate this 2010 Plan with the activities of such public bodies in order to accomplish the purposes of redevelopment and the highest public good.

The SURA may impose on all public bodies [as defined by Idaho Code 50-2018 (3)] (50-2018) as allowed by law the provisions and controls contained in this 2010 Plan to ensure that present uses and any future development by public bodies within the 2010 Project Area conform to the requirements of this 2010 Plan. The SURA is authorized to financially (and otherwise) assist any public entity in the cost of public land, buildings, facilities, structures, or other improvements within the 2010 Project Area to the extent that said land, buildings, facilities, structures or other improvements provide benefit to the 2010 Project Area.

The SURA specifically intends to cooperate to the extent allowable by the law with (1) the city of Sandpoint for the (a) acquisition of property, (b) construction of public improvements and public buildings, and (c) public park improvements. In the event the SURA is participating in the public development by way of financial incentive or otherwise, the public body may be required to enter into a participation agreement with the SURA and then shall be bound by this 2010 Plan and other land use elements.

The SURA, by law, is not authorized to acquire real property owned by public bodies without the consent of such public bodies. The SURA, however, will seek the cooperation of all public bodies which own or intend to acquire property in the 2010 Project Area. Any public body which owns or leases property in the 2010 Project Area will be afforded all the privileges of an owner participant if such public body is willing to enter into a participation agreement with the SURA. All plans for development of property in the 2010 Project Area by a public body shall comply with the provisions of this 2010 Plan.

In order to maximize resources for urban renewal and economic development the SURA and the City council of the City of Sandpoint intend to regularly review and revisit the vision and goals that were initially expressed in 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. The SURA intends to give an annual report to the City Council setting forth the goals and vision of the SURA and outlining the status of ongoing projects and new or proposed projects. The City Council may review and forward comments concerning the report to the SURA which the SURA may incorporate into the ongoing implementation of the 2010 Plan.

SECTION 6 **PROPERTY MANAGEMENT**

During such time such property, if any, in the 2010 Amended and Restate Project Area is owned by the SURA, such property shall be under the management and control of the SURA. Such property may be rented or leased by the SURA pending its disposition for redevelopment, and such rental or lease shall be pursuant to such policies as the SURA may adopt.

SECTION 7 **RELOCATION OF PERSONS (INCLUDING INDIVIDUALS AND FAMILIES), BUSINESS CONCERNS, AND OTHERS DISPLACED BY THE PROJECT**

If the SURA receives Federal funds for real estate acquisition and relocation, the SURA shall comply with 24 C.F.R. Part 42, implementing the Uniform Relocation and Assistance and Real Property Acquisition Policies Act of 1970, as amended. The SURA may also undertake relocation activities for those not entitled to benefit under federal law as the SURA may deem appropriate for which funds are available. Persons leasing property held for redevelopment (i.e. those tenants who commence tenancy after acquisition by the SURA) shall not be eligible for relocation benefits. In the even the SURA activities directly result in the displacement of families within the Area, the SURA shall relocate such displaced families into decent, safe, and sanitary dwelling accommodations without undue hardship to such families as required by law. For any other activity, the SURA will comply with the provisions of the Law regarding relocation.

The SURA reserves the right to extend benefits for relocation to those not otherwise entitled to relocation benefits as a as provided under the Act or the Law. The SURA may use guidelines promulgated by the Federal government, the State government, or local government, including the State Department of Transportation and highway districts as a reference for determining relocation benefits. The SURA may consider an award of relocation benefits on a rational basis, lump sum per case basis analysis or replacement value basis or other reasonable basis. The SURA may adopt relocation guidelines which would define the extent of relocation assistance in non-federally assisted projects and provide uniform assistance to greatest extent feasible.

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

SECTION 8

DEMOLITION, CLEARANCE, AND BUILDING SITE PREPARATION

A. Demolition and Clearance

The SURA is authorized (but not required) to demolish and clear buildings, structures, and other improvements from any real property in the 2010 Project Area as necessary to carry out the purposes of this 2010 Plan.

B. Preparation of Building Sites

The SURA is authorized (but not required) to prepare, or cause to be prepared, as building sites any real property in the 2010 Project Area owned by the SURA. In connection therewith, the SURA may cause, provide for, or undertake the installation or construction of streets, utilities, parks, pedestrian walkways, parking facilities, drainage facilities, and other public improvements necessary to carry out this 2010 Plan.

The SURA is authorized (but not required) to construct foundations, platforms, and other structural forms necessary for the provision or utilization of air rights sites for buildings to be used for residential, commercial, private, public, and other uses provided in this 2010 Plan. To the extent allowed by the Law and Act, SURA may assist in the preparation of building sites by way of reclamation, remediation, or elimination of blighted or deteriorated conditions.

SECTION 9

REAL PROPERTY DISPOSITION AND DEVELOPMENT

A. General

For the purpose of this 2010 Plan, the SURA is authorized to sell, lease, exchange, subdivide, transfer, assign, pledge, encumber by mortgage or deed of trust, or otherwise dispose of any interest in real property under the reuse provisions set forth in Idaho Code Section 50-2011 and as otherwise allowed by law. To the extent permitted by law, the SURA is authorized to dispose of real property by negotiated lease, sale, or transfer without public bidding.

B. Disposition and Development Documents

To provide adequate safeguards to ensure that the provisions of this 2010 Plan will be carried out and to prevent the recurrence of blight, all real property sold, leased, or conveyed by the SURA, as well as all property subject to participation agreements, is subject to the provisions of this 2010 Plan. The SURA shall reserve such powers and controls in the disposition and development documents as may be necessary to prevent transfer, retention, or use of property for speculative purposes and to ensure that development is carried out pursuant to this 2010 Plan.

C. Development by the SURA

To the extent now or hereafter permitted by law set forth in Idaho Code Section 50-2007, the SURA is authorized to pay for, develop, or construct any publicly owned building, facility, structure, or other improvement within the 2010 Project Area for itself or for any public body or entity, which buildings, facilities, structures, or other improvements are or would be of benefit to the 2010 Project Area.

In addition, the SURA is authorized to install and construct, or to cause to be installed and constructed, within the 2010 Project Area for improvements or facilities that are needed to support new development in the 2010 Project Area, for itself or for any public body or entity, public improvements and public facilities, including, but not limited to the following; utilities, pedestrian paths, traffic signals, landscaped areas, street improvements-including new access roads and streets, sanitary sewers, flood control facilities and storm drains, water mains, pumps, and reservoirs, parks and recreation facilities, improved railroad property use, civic centers, city hall, or the like.

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

D. Development Plans

All development plans (whether public or private) prepared pursuant to disposition and development or owner participation agreements, shall be submitted to the SURA for approval. All development in the 2010 Project Area must conform to the standards of this 2010 Plan.

CHAPTER 4: METHODS OF FINANCING THE 2010 PROJECT

SECTION 1 GENERAL DESCRIPTION OF THE PROPOSED FINANCING

State Law provides that urban renewal agencies have the power to finance urban renewal (redevelopment) activities and related costs. The SURA is authorized to finance this 2010 Project with financial assistance from the City, State of Idaho, Federal Government, interest income, SURA bonds, donations, loans from private financial institutions, the lease or sale of SURA-owned property, or any other available source, public or private, including assistance from any taxing district or public entity.

Agencies can issue both short and long term debt with existing and projected revenues. Urban renewal agencies typically utilize tax increment financing (TIF) as a financing tool, however other financing mechanisms can also be employed by the Agency including development contracts.

The SURA is authorized to obtain advances, borrow funds, and create indebtedness in carrying out this 2010 Plan. The principal and interest on such advances, funds, and indebtedness may be paid from any funds available to the SURA. The City, as it is able, may also assist the SURA financially in for various public facilities.

The City or any other public agency may expend money to assist the SURA in carrying out this 2010 Project.

A. Tax Increment Funds

Tax increment financing is the principal method of financing the public costs of redevelopment. The assessed valuation at the time of adoption of the urban renewal plan becomes this 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 (know as tax increment) is paid to the urban renewal agency. The SURA in turn utilizes these funds for the repayment of debt incurred by the SURA in financing this 2010 Project. Because projects do not generate tax increment revenue the first year that the project is placed on the tax rolls initial project costs must be proved from other sources.

B. Participation with Local Improvement Districts

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

C. Issuance of Debt and Debt Limitation

Any debt incurred by the SURA as allowed by the Law and Act shall be secured by revenues identified in the debt resolution or revenue allocation funds as allowed by the Act. All such debt shall be repaid within the duration of this 2010 Plan.

D. 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. A joint exercise of power agreement must be approved by the participating entities.

E. Other Loans and Grants

Any other loans, grants, guarantees, or financial assistance from the United States, the State of Idaho, or any other public or private source will be utilized by the SURA if such funds are made available for projects authorized under the 2010 Plan.

F. Economic Feasibility

Attachment “3” consists of the Economic Feasibility Study (“Study”) for the Urban Renewal Area prepared by the SURA. The Study constitutes the financial analysis required by the Act.

G. Assumptions and Conditions/Economic Feasibility

The information contained in Attachment “3” assumes certain completed and projected actions. Under the provisions of the Act, the revenue allocation shall continue until any bond debt or other obligation is satisfied. All debt is projected to be repaid no later than the duration period of this 2010 Plan. The total amount of indebtedness and the amount of revenue generated by revenue allocation is dependent upon the extent and timing of private development. Should all of the development take place as projected, indebtedness could be extinguished earlier, dependent upon the bond sales documents or other legal obligations. Should private development take longer to materialize, or should the private development be substantially less than projected, then the amount of revenue generated will be substantially reduced and those obligations may continue for their full term. The Study assumed appropriate escalation rates along with particular projects estimated to add value to the 2010 Project Area.

This 2010 Plan and attachments incorporate estimates and projections based on the SURA’s present knowledge and expectations. The SURA may modify the 2010 Project if the Board of Commissioners deems such modifications necessary to effectuate this 2010 Plan. This 2010 Plan proposes certain public improvements, including utility improvements, streetscapes, street improvements, storm water, which will facilitate development in the Revenue Allocation Area.

The proposed timing for the public improvements may be modified depending upon the availability of funds and the SURA’s ability to finance relevant debt obligations.

CHAPTER 5: MISCELLANEOUS

SECTION 1

ACTION BY THE CITY

The City will, to the extent authorized by law, aid and cooperate with the SURA in carrying out this 2010 Plan and shall take all actions necessary to ensure the continued fulfillment of the purposes and objectives of this 2010 Plan. The City shall assist and support the SURA in preventing and eliminating the spread and/or recurrence of conditions causing blight in the 2010 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 2010 Project Area.
2. Consideration of requests for re-zoning or other standards (if necessary) within the 2010 Project Area to permit the development authorized by this plan.
3. Consideration of appropriate site controls within the limits of this 2010 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 2010 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 2010 Plan.
8. The undertaking and completion of any other proceedings necessary to carry out the 2010 Plan.
9. Appropriate agreements with the SURA for administration, supporting services, funding sources, and other similar needs.

The forgoing actions do not constitute any financial commitment by the City. The Planning Commission and City Council review recommendations to the SURA.

SECTION 2 **ENFORCEMENT**

The administration and enforcement of this 2010 Plan, including the preparation and execution of any documents implementing this 2010 Plan, shall be performed by the SURA with the assistance of the City.

SECTION 3 **DURATION OF THIS 2010 PLAN**

The duration of the various segments which make up this 2010 Plan for the Downtown Revenue Allocation Area are as follows:

1. The non-discrimination and non-segregation provisions of this 2010 Plan shall be effective in perpetuity.
2. Other provisions of this 2010 Plan shall be effective until September 30, 2029.
3. The Revenue Allocation Area and its respective revenue allocation financing, under consideration by the City Council in 2005 and amended 2009 shall be in effect until September 30, 2029, except for any revenue allocation proceeds received in calendar year 2029.

The SURA may determine an earlier terminate date:

1. 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 granted to the urban renewal agency under Section 50-2909, Idaho Code, shall thereupon terminate.

2. In determining the termination date, the 2010 Plan shall recognize that the SURA shall receive allocation of revenues in the calendar year following the last year of the revenue allocation provision described in the 2010 Plan.
3. 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 2010 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.
4. Upon termination of the revenue allocation authority of the 2010 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.

SECTION 4 SEVERABILITY

The provisions of this 2010 Plan are hereby declared to be severable and if any provision of this 2010 Plan or the application of such provision to any person or circumstance is declared invalid for any reason, such declaration of the application shall not affect the validity of remaining portions of this 2010 Plan.

SECTION 5 ATTACHMENTS, EXHIBITS, and TABLES

All attachments and table referenced in this 2010 Plan are attached and incorporated herein by their reference. All other documents referenced in this 2010 Plan but not attached are incorporated by their reference as if set forth fully.

SECTION 6 PROCEDURES FOR AMENDMENT

This 2010 Plan may be further modified at any time by the SURA, provided that, if modified after disposition of real property in the 2010 Project Area or after execution of an owner participation agreement, the modifications must be consented to by the developer or developers or their successor or successors of such real property whose interest is substantially affected by the proposed modification. Where the proposed modification will substantially change this 2010 Plan, the modifications must be approved by the Sandpoint City Council in the same manner as this 2010 Plan. Substantial changes shall be regarded as revisions in project boundaries; land uses permitted, land acquisition, and other changes which would substantially change the objectives of this 2010 Plan.

Attachment 1

The City hereby approves the amendment (Ordinance No. 1223 dated December 16, 2009) to the Downtown Urban Renewal Area to include the following described lands:

DOWNTOWN URBAN RENEWAL AREA LEGAL DESCRIPTION

Section 1: The City hereby approves the amendment to the Downtown Urban Renewal Area to include the following described lands:

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, 265.72 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.

DOWNTOWN REVENUE ALLOCATION AREA LEGAL DESCRIPTION

The City hereby approves the amendment (Ordinance No. 1223 dated December 16, 2009) to the Downtown Urban Renewal Revenue Allocation Area to include the following described lands:

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, 2165.35 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:

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, 93.69 feet, to a Point of Intersection with the existing North Right of Way Line of Poplar Street, extended East,**

Thence, along said North Right of Way line, **South 89°53'59" West, 1839.66 feet,** to the southeast corner of a parcel (Seasons);

Thence, **North 28°08'42" West, 682.03 feet** to the northeast corner of said parcel;

Thence, **South 79°08'42" West, 285.79 feet** to the west right-of-way of the Burlington Northern-Santa Fe Railroad;

Thence, **South 11°31'06" East, 559.69 feet,** along said existing West right-of-way of the BNSF railway to a point on the said North Right-of-Way of Poplar Street;

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.**

EXCEPT:

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 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 8

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.

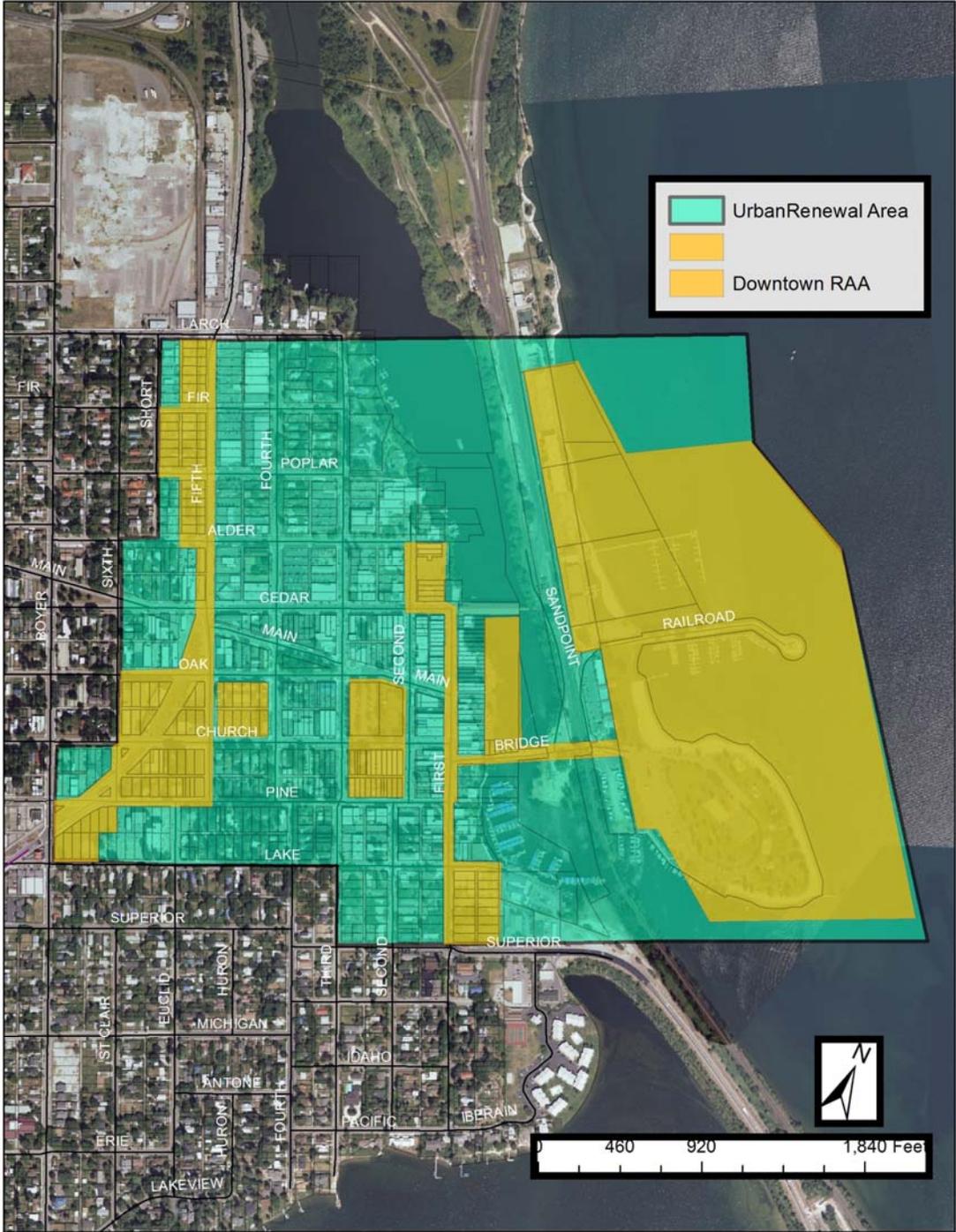
PARCEL 9

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.

A map thereof, which is attached hereto as Exhibit "A", and incorporated herein by this reference.

Attachment 2

Downtown Sandpoint Urban Renewal Area and Revenue Allocation Area



Jeremy Grimm, Planning Director, City of Sandpoint 01/08/2010

Attachment 3

Economic Feasibility for the Downtown Urban Renewal Area

Attachment 4

Project Evaluation Criteria

One of the objectives of this 2010 Plan is to create an attractive pedestrian environment in the 2010 Project Area. Therefore, developers shall give consideration to good design, and amenities to enhance pedestrian traffic and the aesthetic quality of the 2010 Project Area. Additional design standards or controls may be implemented through the provisions of agreements or by appropriate covenants appended to the land and instruments of conveyance executed thereto. These controls would be in addition to any standard and provisions of any applicable City ordinances or building codes, and conformance to the Comprehensive Plan.

Each project is judged on its own merit; therefore no specific weight is given to any of the criteria listed below. As a method of measuring the public benefit derived from the project, the SURA evaluates proposed projects based on the following criteria. Note: these are not listed in any particular order of importance:

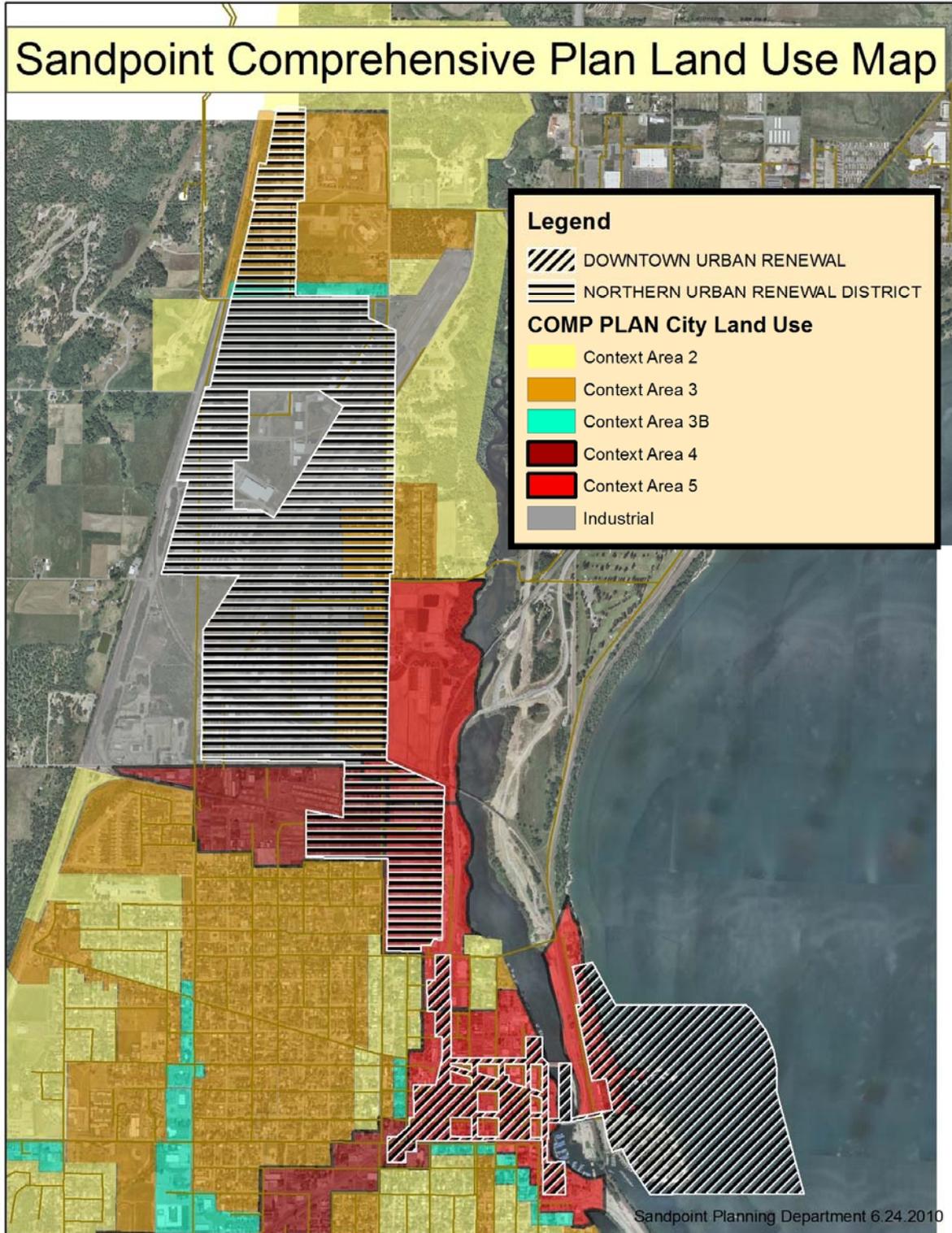
- Economic Stimulus-The amount of economic activity to be generated by the project is assessed, as well as the leverage ratio of public to private investment. All application should contain credible, measurable information substantiating the project's economic stimulus.
- Tax Generation-The increase in taxable value associated with the proposed project as measured in tax increment generation.
- Employment -Total employment generated (or retained) by the project including permanent and part-time jobs, and construction jobs.
- Urban housing-Will the project promote and/or create affordable/workforce housing?
- Elimination of Deteriorated Conditions-The project's direct and indirect impact on eliminating the physical and fiscal deterioration within the urban renewal district and surrounding community. Improvement to public infrastructure (including but not limited to public right of way, sidewalks, parking, lighting, public safety, utilities, etc.).
- Special or Unique Opportunities-The extent to which the project represents a unique opportunity, meets a special need, or addresses specific SURA or community goals, i.e. public art.
- Impact Assessment-The environmental impacts of the project, the project design, and impact on existing businesses or residents.
- Financial Assistance-Other forms of financing available to the Applicant. Lender participation and state/federal grant monies, for example, are examined to assess the need for SURA partnership funding assistance.
- Project Feasibility-A determination of feasibility is made based on the strength of the Applicant's demonstration of both market demand and financial strength of the project.
- Developer Ability to Perform-An assessment of the Applicant's capability to undertake the relative complexities of the project based on past performance on similar projects.
- Timely Completion-The feasibility of completing the project according to the Applicant's project schedule.
- Payment of Taxes-All property taxes and special assessments on the project property must be paid to date.
- Justification for SURA funding-Why does your project need SURA partnership funding?

Understandably every project is different and therefore flexibility in evaluation is required. SURA board members are directed to weigh projects in a comprehensive fashion. For example, a project may meet one particular criterion,

but meet no others whereas another project may meet a majority of the criteria but not meet any particular criteria very well. The evaluation process will always require independent, sound judgment by the Board and require a measurement of cost versus benefit to the urban renewal area and the community as a whole.

Attachment 5

Map depicting Expected Land Uses and Current Zoning within Revenue Allocation Area and 2010 Project Area.



Context Area Descriptions

CA-2 is the lowest density development pattern located in the City, characterized by Sandpoint's historic single-family neighborhoods set on a traditional street grid with small Accessory Dwelling Units, an urban forest, active alleys, on-street and alley parking, 2009 Sandpoint Comprehensive Plan 4•3 walk-able streets and a variety of housing types intermixed on the same street. Individual structures should respect the scale and character of the built environment with the bulk, mass and architecture of new structures being harmonious with existing residences in their vicinity. Neighborhoods such as those comprising South Sandpoint or in the vicinity of Sixth Avenue for example already feature CA-2- style development and are identified as such on the comprehensive plan map. Similarly, areas to the north and east of the airport, given their existing form and distance from the City's center, are designated CA-2 in this comprehensive plan. Beyond the City, much of the ACI immediately adjacent to CA-2 designations within city limits has been designated CA-2, to facilitate a more seamless transition should those areas be annexed in the future.

CA-3 development patterns increase the density of housing through the use of smaller lot sizes, smaller setbacks, options for shared open space and the inclusion of attached and detached multi-family units. CA-3 supports the traditional street grid pattern, sidewalks and walk-able proximity to services exemplified by many of Sandpoint's traditional neighborhoods. CA-3 is limited to residential uses only. The bulk, mass and architecture of multi-family and single family units should seamlessly integrate with one another, encouraging a balanced streetscape where no one structure or development dominates. This pattern exists or is designated primarily in the area bounded by Boyer, Lincoln, Lake and Spruce Streets, and serves to buffer CA-2 neighborhoods and CA-4 centers. Within city limits, this designation reflects the on-the-ground densities and uses including collections of duplexes, and high density housing along Main and Division.

CA-3B (Business Overlay) development patterns are identical to CA-3 patterns, but envision mixed-use, neighborhood-compatible retail. These areas are typified by pedestrian focused activities such as, salons, coffee shops, and residentially-scaled professional or institutional offices. All commercial structures should have a residential component to prevent these areas from becoming vacant islands of inactivity after the close of business hours. CA-3B designations are established on the comprehensive plan map where such patterns already exist, or may aid to buffer or provide continuity between future higher-intensity areas, such as along Division north and south of Highway 2.

CA-4 pattern areas generally match those of CA-3B, but increase density by emphasizing two and three-story mixed-use and attached townhome-style residences. CA-4 areas are intended as vibrant secondary centers of commercial, office, and residential development, serving as neighborhood hubs for residents in neighboring CA-3 and CA-2 districts. The comprehensive plan map establishes CA-4 districts along Highway 2, between downtown and the southwestern edge of the City, and along Baldy Mountain Road between Boyer and Division. In the ACI, no CA-4 areas are envisioned.

CA-5 areas are envisioned as the primary commercial centers of the city, similar in urban pattern to CA-4 but with additional density in the form of scaled multi-story buildings housing shops and stores on the ground floor, offices on the second floor, and remaining floors dedicated to condos and apartments. CA-5 areas are envisioned as safe, pedestrian friendly and attractive places, drawing visitors and residents for community events, public art, shopping, dining and entertainment. Today, Sandpoint's downtown comes closest to exemplifying the CA-5 pattern.

Industrial-Existing Industrial designations remain largely intact under this plan, representative of the important roll that manufacturing plays in the local economy. Some industrial area has been reduced on the comprehensive plan map, south of Baldy Road, to provide for future commercial development within walking distance to residences in the vicinity.