

RESOLUTION NO. 16-__

BY THE BOARD OF COMMISSIONERS OF THE COEUR D'ALENE URBAN RENEWAL AGENCY OF THE CITY OF COEUR D'ALENE, IDAHO:

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE COEUR D'ALENE URBAN RENEWAL AGENCY DOING BUSINESS AS IGNITE CDA, ACKNOWLEDGING RECEIPT OF AND ACCEPTING THE FIRST AMENDMENT TO THE SECOND AMENDED AND RESTATED MIDTOWN-NORTHWEST BOULEVARD DOWNTOWN URBAN RENEWAL PLAN AREA WHICH FIRST AMENDMENT SEEKS TO DEANNEX CERTAIN PARCELS FROM THE EXISTING LAKE DISTRICT PROJECT AREA; AUTHORIZING THE CHAIRMAN AND EXECUTIVE DIRECTOR TO TAKE APPROPRIATE ACTION; PROVIDING FOR THE RESOLUTION TO BE EFFECTIVE UPON ITS PASSAGE AND APPROVAL; AND PROVIDING AN EFFECTIVE DATE.

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

WHEREAS, by Resolution No. 97-151, dated August 5, 1997, the City Council (the "City Council") of the City of Coeur d'Alene, Idaho (the "City") created an urban renewal agency, pursuant to the Law;

WHEREAS, the City Council after notice duly published, conducted a public hearing on the Coeur d'Alene Urban Renewal Plan for Midtown, Northwest Boulevard, and Downtown Urban Renewal Project (the "Plan") to redevelop a portion of the City, pursuant to the Law and the Act;

WHEREAS, following said public hearing, the City Council adopted its Ordinance No. 2842 on December 16, 1997, approving the Plan, and making certain findings;

WHEREAS, the City Council, after notice duly published, conducted a public hearing on the proposed amendment and restatement to the Plan (the "Amended and Restated Plan") to redevelop a portion of the City, pursuant to the Law and the Act;

WHEREAS, following said public hearing, the City Council adopted its Ordinance No. 3154 on November 18, 2003, approving the Amended and Restated Plan, and making certain findings;

WHEREAS, the City Council, after notice duly published, conducted a public hearing on a proposed amendment and restatement to the Amended and Restated Plan, the Second Amended and Restated Midtown-Northwest Boulevard Downtown Urban Renewal Plan, now referred to as the Lake District Urban Renewal Project Plan (the “Second Amended and Restated Plan”) to redevelop a portion of the City, pursuant to the Law and the Act;

WHEREAS, following said public hearing, the City Council adopted its Ordinance No. 3337 on August 19, 2008, approving the Second Amended and Restated Plan, and making certain findings;

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

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

WHEREAS, the Agency has reviewed the financial impact of the deannexation on its allocation of revenue and has concluded the remaining allocation of revenue is sufficient to pay its operations, obligations and to continue to implement the terms of the Second Amended and Restated Plan;

WHEREAS, the City has prepared the First Amendment to the Second Amended and Restated Plan (the “First Amendment”), as set forth in Exhibit 1 attached hereto, identifying the parcels to be deannexed from the Lake District Project Area;

WHEREAS, the First Amendment amends the Second Amended and Restated Plan, which contains provisions of revenue allocation financing as allowed by the Act;

WHEREAS, the First Amendment is expected to be adopted by the City in accordance with the requirements of the Law and the Act, specifically, but not limited to the requirements set forth in Idaho Code §§ 50-2008 and 50-2906; and

WHEREAS, the Agency Board finds it in the best interests of the Agency and the public to formally accept the First Amendment, as prepared by the City and as set forth in Exhibit 1 attached hereto, and to forward it to the Mayor and City, for adoption in accordance with the requirements of the Law and the Act.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF IGNITE CDA, THE COEUR D’ALENE URBAN RENEWAL AGENCY:

Section 1. The above statements are true and correct.

Section 2. That the Agency specifically acknowledges receipt of and accepts the First Amendment, attached hereto as Exhibit 1, identifying the parcels to be deannexed from the existing Lake District Project Area.

Section 3. That this Resolution constitutes the necessary action of the Agency under the Law, Section 50-2008, Idaho Code and the Act.

Section 4. The Chairman and the Executive Director of the Agency are hereby authorized and directed to take all steps necessary and convenient in partnership with the City to facilitate the City's adoption of the First Amendment.

Section 5. That this Resolution shall be in full force and effect immediately upon its adoption and approval.

PASSED by the Coeur d'Alene Urban Renewal Agency d/b/a ignite cda, on June 8, 2016. Signed by the Chairman of the Board of Commissioners and attested by the Executive Director on June 8, 2016.

Coeur d'Alene Urban Renewal Agency d/b/a ignite

cda

By _____
Chairman

ATTEST:

By _____
Executive Director
4818-0241-3618, v. 7

**FIRST AMENDMENT TO THE
SECOND AMENDED AND RESTATED**

**MIDTOWN-NORTHWEST BOULEVARD
DOWNTOWN URBAN RENEWAL PLAN**

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

CITY OF COEUR D'ALENE, IDAHO

**NOW REFERRED TO AS THE
LAKE DISTRICT
URBAN RENEWAL PROJECT PLAN**

**Ordinance No. 2842
Adopted December 16th, 1997
Effective December 24th, 1997**

**Amended and Restated Plan
Ordinance No. 3154
Adopted November 18th, 2003
Effective November 26th, 2003**

**Second Amended and Restated Plan
Ordinance No. 3337
Adopted August 19, 2008
Effective August 19, 2008**

**First Amendment to the
Second Amended and Restated Plan
Ordinance No. _____
Adopted July 13, 2016
Effective July __, 2016**

BACKGROUND

This First Amendment (“First Amendment”) to the Second Amended and Restated Midtown-Northwest Boulevard Downtown Urban Renewal Plan (the “Plan”) deannexes certain parcels from the plan area/revenue allocation area created by the Plan, commonly referred to as the “Lake District Project Area.” The urban renewal plan for the Lake District Project Area has undergone several substantial amendments since the original project area was approved by the Coeur d’Alene City Council in 1997, including in 2003 (the “Amended and Restated Plan”) and in 2008 (the “Second Amended and Restated Plan”). The scope of this First Amendment is limited to addressing the deannexation of certain parcels from the Lake District Project Area. It is important to note the deannexation of parcels from the Lake District Project Area does not change the termination date.

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

Currently, the revenue allocation proceeds from the deannexed parcels secure repayment of that certain Revenue Allocation Note, Series 2011 in the principal amount of up to \$16,700,000 (the “Note”) held by Washington Trust Bank. The deannexation of certain parcels within the boundaries of the Lake District Project Area by adoption of the First Amendment results in a reduction in the revenue allocation proceeds received by the Agency and pledged to Washington Trust Bank in that certain Note Purchase and Security Agreement, dated August 25, 2011, as amended (the “Note Purchase Agreement”). Pursuant to the terms of the Note Purchase Agreement, Washington Trust Bank must consent to a reduction in its security, and such consent must be obtained on or before the City Council approves and adopts the First Amendment, on July 13, 2016.

House Bill 606, effective July 1, 2016, amended the Idaho Urban Renewal Law of 1965, Chapter 20, Title 50, Idaho Code, as amended (the “Law”) and the Local Economic Development Act, Chapter 29, Title 50, Idaho Code, as amended (the “Act”) confirming that a plan amendment to the Second Amended and Restated Plan does not result in a reset of the base assessment roll values: “[f]or plans adopted or modified prior to July 1, 2016, and for subsequent modifications of those urban renewal plans, the value of the base assessment roll of

property within the revenue allocation area shall be determined as if the modification had not occurred.” Idaho Code § 50-2903(4). Further a plan amendment to accommodate a de-annexation in the revenue allocation boundary is also an identified exception to the base reset requirement. Idaho Code § 50-2903A(1)(a)(iii).

AMENDMENTS TO THE PLAN

1. Definitions. Capitalized terms not otherwise defined herein shall have the respective meanings ascribed to such terms in the Plan.

2. The following defined terms are amended throughout the Plan as follows:

(a) Delete “LCDC” and replace with “Agency.”

(b) Delete “Second Amended and Restated Project Area” and replace with “Amended Lake District Project Area” except as otherwise indicated in this First Amendment.

3. Amendment to Section 2 of the Plan.

(a) Section 2 entitled “CONFORMANCE WITH STATE AND LOCAL REQUIREMENTS” is amended by adding a new paragraph to the end of the existing language as follows:

This First Amendment to the Second Amended and Restated Midtown-Northwest Boulevard Downtown Urban Renewal Plan (the “First Amendment”) deannexes certain parcels from the Amended Lake District Project Area, as further described in Attachments 1 and 2. Pursuant to the Law, the City Council, having published due notice thereof, held a public hearing on the First Amendment. Notice of the hearing was duly published in a newspaper having general circulation. The City Council adopted the First Amendment on July 13, 2016, pursuant to Ordinance No.

_____.

4. Amendment to Part 2 of the Plan.

(a) Part 2 entitled “DESCRIPTION OF THE SECOND AMENDED AND RESTATED PROJECT AREA” is deleted and replaced as follows:

DESCRIPTION OF THE AMENDED LAKE DISTRICT PROJECT AREA

The boundaries of the Amended Lake District Project Area and of the Amended Revenue Allocation Area pursuant to the First

Amendment are described in Attachment “1”, which is attached hereto and incorporated herein by reference, and are shown on the Amended Lake District Project Area and Amended Revenue Allocation Area Boundary Map, attached hereto as Attachment “2” and incorporated herein by reference. The Second Amended and Restated Plan added two new geographic areas commonly referred to as the Sorenson Magnet School Site and the Winton Park/Winton School Site. The First Amendment deannexes certain parcels from the Amended Lake District Project Area.

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.

5. Amendment to Part 5, Section 1, D of the Plan.

(a) Part 5, Section 1, D is amended by adding a new sentence immediately following the end of the first sentence of the first paragraph as follows: Revenue allocation financing authority for the deannexed parcels pursuant to the First Amendment will be terminated effective January 1, 2016.

(b) Part 5, Section 1, D is amended by adding a new sentence following the first sentence of the fourth paragraph as follows: The estimated financial impact to the Agency as a result of the deannexation of certain parcels from the Amended Lake District Project Area pursuant to the First Amendment is set forth in the Supplement to the Economic Feasibility Study, in Attachment 5A.

6. Amendment to Part 5, Section 1, E of the Plan.

(a) Part 5, Section 1, E is amended by adding a new sentence immediately following the end of the second sentence as follows: No modifications to the Study have been made as a result of the First Amendment; however, the estimated financial impact to the Agency as a result of the deannexation of certain parcels from the Amended Lake District Project Area pursuant to the First Amendment is set forth in the Supplement to the Economic Feasibility Study in Attachment 5A.

7. Amendment to Part 5, Section 1, G of the Plan.

(a) Part 5, Section 1, G is amended by adding a new sentence at the end of the paragraph as follows: The deannexation of parcels from the Amended Lake District Project Area pursuant to the First Amendment will not change this analysis.

8. Amendment to Part 5, Section 1, H of the Plan.

(a) Part 5, Section 1, H is amended by adding a new sentence at the end of the second paragraph as follows: The deannexation of parcels from the Amended Lake District Project Area

pursuant to the First Amendment will impact the amount of revenue generated by revenue allocation as set forth in Attachment “5A.”

(b) Part 5, Section 1, H is amended by adding a new sentence at the end of the third paragraph as follows: Based on the findings set forth in Attachment “5A” pursuant to the First Amendment the conclusion is the deannexation of certain parcels from the Amended Lake District Project Area does not change the analysis and the Project continues to be feasible.

9. Amendment to Attachment 1 of the Plan.

Attachment 1 entitled “Description of the Second Amended and Restated Project Area and Revenue Allocation Area Boundaries” is deleted and replaced with Attachment 1 entitled “Description of the Amended Lake District Project Area and Amended Revenue Allocation Area Boundaries,” attached hereto.

10. Amendment to Attachment 2 of the Plan.

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

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

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

12. Second Amended and Restated Urban Renewal Plan Remains in Effect. Except as expressly modified in this First Amendment, the Plan and the Attachments thereto remain in full force and effect.

NOTICE OF SPECIAL MEETING AND PUBLIC HEARING BY THE
CITY COUNCIL OF THE CITY OF COEUR D'ALENE, IDAHO
TO CONSIDER THE
FIRST AMENDMENT TO THE
SECOND AMENDED AND RESTATED MIDTOWN-NORTHWEST BOULEVARD
DOWNTOWN URBAN RENEWAL PLAN
NOW REFERRED TO AS THE
LAKE DISTRICT URBAN RENEWAL PROJECT PLAN
OF THE URBAN RENEWAL AGENCY OF THE CITY OF COEUR D'ALENE,
DOING BUSINESS AS IGNITE CDA

NOTICE IS HEREBY GIVEN that the City Council of the City of Coeur d'Alene will hold, during its special meeting, a public hearing in City Council Chambers, _____, Coeur d'Alene, Idaho, 83814 on Wednesday, July 13, 2016, at _____ o'clock p.m., to consider for adoption the First Amendment (the "First Amendment") to the Second Amended and Restated Midtown-Northwest Boulevard Downtown Urban Renewal Plan (the "Plan"), concerning the existing Lake District Project Area of the Coeur d'Alene Urban Renewal Agency d/b/a ignite cda ("Agency"). The general scope and objective of the First Amendment is the deannexation of certain parcels from the boundaries of the existing Lake District Project Area. The proposed reduction in the boundary of the existing Lake District Project Area is hereinafter described. The boundary includes both urban renewal and revenue allocation areas. The First Amendment being considered for adoption contains a previously adopted revenue allocation financing provision pursuant to the Local Economic Development Act, Chapter 29, Title 50, Idaho Code, that will continue to cause property taxes resulting from any increase in equalized assessed valuation in excess of the equalized assessed valuation as shown on the base assessment roll as of January 1997 for the original 1997 Project Area, and January 2008 for the additional area, to be allocated to the Agency for urban renewal purposes. The Agency has specifically acknowledged receipt of, reviewed and took the necessary action on the First Amendment. The City Council will also be considering the first through third readings of an Ordinance to adopt the First Amendment. The three readings of the Ordinance to adopt the First Amendment are scheduled for July 13, 2016, at _____.

The First Amendment to the Plan shall deannex the following parcels from the existing Lake District Project Area:

[Create description of area coming out; consider including parcel ID numbers]

The deannexation of certain parcels from the existing Lake District Project Area is also depicted in the map below with the deannexed parcels shaded in _____.

[INSERT boundary MAP designating which parcels are coming out]

Copies of the proposed First Amendment are on file for public inspection and copying for the cost of duplication at the office of the City Clerk, City Hall, _____, Coeur d'Alene, Idaho 83814, between the hours of 8:00 o'clock a.m. and 4:00 o'clock p.m., Monday

through Friday, exclusive of holidays.

The hearing will be held in a handicapped accessible facility. All information presented in the hearing shall also be available upon advance request in a form usable by persons with hearing or visual impairments, individuals with other disabilities may receive assistance by contacting the City 24 hours prior to the hearing.

At the hearing date, time, and place noted above, all persons interested in the above matters may appear and be heard. Written comments will also be accepted. Comments should be directed to the Coeur d'Alene City Clerk. Written comments should be submitted prior to the hearing date.

DATED this _____ day of June, 2016.

Renata McLeod, City Clerk

Publication date: June 11 and 18, 2016.