

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 97

BY LOCAL GOVERNMENT COMMITTEE

AN ACT

1 RELATING TO URBAN RENEWAL AND LOCAL ECONOMIC DEVELOPMENT; AMENDING SEC-  
2 TION 50-2008, IDAHO CODE, TO PROVIDE THAT AN URBAN RENEWAL PLAN PLANNED  
3 OR APPROVED SHALL BE LIMITED TO SPECIFIC PROJECTS AND SHALL INCLUDE A  
4 TERMINATION DATE AND TO MAKE TECHNICAL CORRECTIONS; AMENDING CHAPTER  
5 20, TITLE 50, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 50-2015A,  
6 IDAHO CODE, TO PROVIDE FOR DISTRIBUTION OF CERTAIN REVENUE AND TO DEFINE  
7 A TERM; AMENDING SECTION 50-2904, IDAHO CODE, TO PROVIDE FOR DISTRI-  
8 BUTION OF CERTAIN REVENUE AND TO DEFINE A TERM; AND AMENDING SECTION  
9 50-2905, IDAHO CODE, TO PROVIDE THAT A CERTAIN PLAN BE CONSISTENT WITH  
10 THE PROVISIONS OF SECTION 50-2008, IDAHO CODE, AND TO MAKE TECHNICAL  
11 CORRECTIONS.  
12

13 Be It Enacted by the Legislature of the State of Idaho:

14 SECTION 1. That Section 50-2008, Idaho Code, be, and the same is hereby  
15 amended to read as follows:

16 50-2008. PREPARATION AND APPROVAL OF PLAN FOR URBAN RENEWAL  
17 PROJECT. (a) An urban renewal project for an urban renewal area shall not  
18 be planned or initiated unless the local governing body has, by resolution,  
19 determined such area to be a deteriorated area or a deteriorating area or  
20 a combination thereof and designated such area as appropriate for an urban  
21 renewal project.

22 (b) An urban renewal agency may itself prepare or cause to be prepared  
23 an urban renewal plan, or any person or agency, public or private, may sub-  
24 mit such a plan to an urban renewal agency. Prior to its approval of an ur-  
25 ban renewal project, the local governing body shall submit such plan to the  
26 planning commission of the municipality, if any, for review and recommenda-  
27 tions as to its conformity with the general plan for the development of the  
28 municipality as a whole. The planning commission shall submit its written  
29 recommendations with respect to the proposed urban renewal plan to the lo-  
30 cal governing body within thirty (30) days after receipt of the plan for re-  
31 view. Upon receipt of the recommendations of the planning commission, or if  
32 no recommendations are received within said thirty (30) days, then without  
33 such recommendations, the local governing body may proceed with the hearing  
34 on the proposed urban renewal project prescribed by subsection (c) hereof of  
35 this section.

36 (c) The local governing body shall hold a public hearing on ~~an~~ the ur-  
37 ban renewal project, after public notice thereof by publication in a newspa-  
38 per having a general circulation in the area of operation of the municipali-  
39 ty. The notice shall describe the time, date, place and purpose of the hear-  
40 ing, shall generally identify the urban renewal area covered by the plan, and  
41 shall outline the general scope of the urban renewal project under consider-  
42 ation.

1 (d) Following such hearing, the local governing body may approve an ur-  
2 ban renewal project and the plan therefor if it finds that (1) a feasible  
3 method exists for the location of families who will be displaced from the ur-  
4 ban renewal area in decent, safe and sanitary dwelling accommodations within  
5 their means and without undue hardship to such families; (2) the urban re-  
6 newal plan conforms to the general plan of the municipality as a whole; (3)  
7 the urban renewal plan gives due consideration to the provision of adequate  
8 park and recreational areas and facilities that may be desirable for neigh-  
9 borhood improvement, with special consideration for the health, safety and  
10 welfare of children residing in the general vicinity of the site covered by  
11 the plan; and (4) the urban renewal plan will afford maximum opportunity,  
12 consistent with the sound needs of the municipality as a whole, for the reha-  
13 bilitation or redevelopment of the urban renewal area by private enterprise:  
14 Provided, that if the urban renewal area consists of an area of open land to  
15 be acquired by the urban renewal agency, such area shall not be so acquired  
16 unless (1) if it is to be developed for residential uses, the local governing  
17 body shall determine that a shortage of housing of sound standards and design  
18 which is decent, safe and sanitary exists in the municipality; that the need  
19 for housing accommodations has been or will be increased as a result of the  
20 clearance of slums in other areas; that the conditions of blight in the area  
21 and the shortage of decent, safe and sanitary housing cause or contribute to  
22 an increase in and spread of disease and crime and constitute a menace to the  
23 public health, safety, morals, or welfare; and that the acquisition of the  
24 area for residential uses is an integral part of and essential to the program  
25 of the municipality, or (2) if it is to be developed for nonresidential uses,  
26 the local governing body shall determine that such nonresidential uses are  
27 necessary and appropriate to facilitate the proper growth and development of  
28 the community in accordance with sound planning standards and local commu-  
29 nity objectives, which acquisition may require the exercise of governmental  
30 action, as provided in this ~~act~~ chapter, because of defective or unusual con-  
31 ditions of title, diversity of ownership, tax delinquency, improper subdivi-  
32 sions, outmoded street patterns, deterioration of site, economic disuse,  
33 unsuitable topography or faulty lot layouts, the need for the correlation of  
34 the area with other areas of a municipality by streets and modern traffic re-  
35 quirements, or any combination of such factors or other conditions which re-  
36 tard development of the area.

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

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

49 (g) Notwithstanding any other provisions of this act, where the local  
50 governing body certifies that an area is in need of redevelopment or reha-

1 bilitation as a result of a flood, fire, hurricane, earthquake, storm, or  
 2 other catastrophe respecting which the governor of the state has certified  
 3 the need for disaster assistance under ~~Public Law 875, Eighty-first Congress~~  
 4 42 U.S.C. section 5121, or other federal law, the local governing body may  
 5 approve an urban renewal plan and an urban renewal project with respect to  
 6 such area without regard to the provisions of subsection (d) of this section  
 7 and the provisions of this section requiring a general plan for the munici-  
 8 pality and a public hearing on the urban renewal project.

9 (h) (i) Notwithstanding any other provision of this chapter and chap-  
 10 ter 29, title 50, Idaho Code, a plan prepared or approved for an urban  
 11 renewal area shall be limited to specific projects, clearly and con-  
 12 cisely described in such plan and shall include specific descriptions  
 13 of the development, redevelopment, improvements, land to be acquired,  
 14 and which, if any, existing structures are to be removed or demolished.  
 15 Any modification of such plan shall be subject to the foregoing limita-  
 16 tions.

17 (ii) Such plan shall also include a project termination date as pro-  
 18 vided for in section 50-2903, Idaho Code.

19 SECTION 2. That Chapter 20, Title 50, Idaho Code, be, and the same is  
 20 hereby amended by the addition thereto of a NEW SECTION, to be known and des-  
 21 ignated as Section 50-2015A, Idaho Code, and to read as follows:

22 50-2015A. DISTRIBUTION OF REVENUE. Any urban renewal area revenues  
 23 collected pursuant to the provisions of this chapter or chapter 29, ti-  
 24 tle 50, Idaho Code, that exceed the amount necessary for the urban renewal  
 25 agency to meet its financial obligations, including those incurred under  
 26 the urban renewal plan, competitively disadvantaged border community area  
 27 ordinance, bonds, agreements or other financial obligations of the urban re-  
 28 newal agency, shall be disbursed to the taxing districts on a pro rata basis.  
 29 For purposes of this section, the term "financial obligations" shall mean  
 30 contract obligations and the improvements or project identified by the urban  
 31 renewal agency within the urban renewal plan.

32 SECTION 3. That Section 50-2904, Idaho Code, be, and the same is hereby  
 33 amended to read as follows:

34 50-2904. AUTHORITY TO CREATE REVENUE ALLOCATION AREA. An authorized  
 35 municipality is hereby authorized and empowered to adopt, at any time, a  
 36 revenue allocation financing provision, as described in this chapter, as  
 37 part of an urban renewal plan or competitively disadvantaged border com-  
 38 munity area ordinance. A revenue allocation financing provision may be  
 39 adopted either at the time of the original adoption of an urban renewal plan  
 40 or the creation by ordinance of a competitively disadvantaged border com-  
 41 munity area or thereafter as a modification of an urban renewal plan or the  
 42 ordinance creating the competitively disadvantaged border community area.  
 43 Urban renewal plans existing prior to the effective date of this section may  
 44 be modified to include a revenue allocation financing provision. Except as  
 45 provided in subsections (1), (2) and (3) of this section, no revenue allo-  
 46 cation provision of an urban renewal plan or competitively disadvantaged  
 47 border community area ordinance, including all amendments thereto, shall

1 have a duration exceeding twenty-four (24) years from the date the ordinance  
2 is approved by the municipality; and provided further, no additions to the  
3 land area of an existing revenue allocation area shall be interpreted to or  
4 shall cause an extension of the date of the twenty-four (24) year limit that  
5 was originally established for the revenue allocation area. Urban renewal  
6 area revenues collected pursuant to the provisions of this chapter or chap-  
7 ter 20, title 50, Idaho Code, that exceed the amount necessary for the urban  
8 renewal agency to meet its financial obligations, including those incurred  
9 under the urban renewal plan, competitively disadvantaged border community  
10 area ordinance, bonds, agreements or other financial obligations of the ur-  
11 ban renewal agency, shall be disbursed to the taxing districts on a pro rata  
12 basis. For purposes of this section, the term "financial obligations" shall  
13 mean contract obligations and the improvements or project identified by the  
14 urban renewal agency within the urban renewal plan. Notwithstanding these  
15 limitations, the duration of the revenue allocation financing provision may  
16 be extended if:

17 (1) The maturity date of any bonds issued to provide funds for a spe-  
18 cific project in the revenue allocation area and payable from the revenue al-  
19 location financing provision exceeds the duration of the revenue allocation  
20 financing provision, provided such bond maturity is not greater than thirty  
21 (30) years; or

22 (2) The urban renewal agency determines that it is necessary to refi-  
23 nance outstanding bonds payable from the revenue allocation financing pro-  
24 vision to a maturity exceeding the twenty-four (24) year duration of the rev-  
25 enue allocation financing provision in order to avoid a default on the bonds;  
26 or

27 (3) The local governing body has adopted an urban renewal plan or com-  
28 petitively disadvantaged border community area ordinance or an amendment to  
29 an urban renewal plan or competitively disadvantaged border community area  
30 ordinance prior to July 1, 2000, in which is defined the duration of the plan  
31 beyond a period of twenty-four (24) years, in which case the revenue alloca-  
32 tion provision shall have a duration as described in such urban renewal plan  
33 or competitively disadvantaged border community area ordinance; and

34 (4) During the extensions set forth in subsections (1) and (2) of this  
35 section, any revenue allocation area revenues exceeding the amount neces-  
36 sary to repay the bonds during the period exceeding the twenty-four (24) year  
37 maturity of the revenue allocation financing provision shall be returned to  
38 the taxing districts in the revenue allocation area on a pro rata basis.

39 SECTION 4. That Section 50-2905, Idaho Code, be, and the same is hereby  
40 amended to read as follows:

41 50-2905. RECOMMENDATION OF URBAN RENEWAL AGENCY. In order to imple-  
42 ment the provisions of this chapter, the urban renewal agency of the munic-  
43 ipality shall prepare and adopt a plan for each revenue allocation area and  
44 submit the plan and recommendation for approval thereof to the local gov-  
45 erning body. In addition to the following, such plan shall be consistent  
46 with the provisions of section 50-2008, Idaho Code. The plan shall include  
47 a statement listing:

48 (1) The kind, number, and location of all proposed public works or im-  
49 provements within the revenue allocation area;

- 1           (2) An economic feasibility study;
- 2           (3) A detailed list of estimated project costs;
- 3           (4) A fiscal impact statement showing the impact of the revenue allo-  
4 cation area, both until and after the bonds are repaid, upon all taxing dis-  
5 tricts levying taxes upon property on the revenue allocation area; ~~and~~
- 6           (5) A description of the methods of financing all estimated project  
7 costs and the time when related costs or monetary obligations are to be in-  
8 curred-;
- 9           (6) A termination date for the plan and the revenue allocation area as  
10 provided for in section 50-2903(20), Idaho Code. In determining the termi-  
11 nation date, the plan shall recognize that the agency shall receive alloca-  
12 tion of revenues in the calendar year following the last year of the revenue  
13 allocation provision described in the urban renewal plan-; and
- 14           (7) A description of the disposition or retention of any assets of the  
15 agency upon the termination date. Provided however, nothing herein shall  
16 prevent the agency from retaining assets or revenues generated from such as-  
17 sets as long as the agency shall have resources other than revenue allocation  
18 funds to operate and manage such assets.