

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 580

BY REVENUE AND TAXATION COMMITTEE

AN ACT

1 RELATING TO URBAN RENEWAL LAW; AMENDING SECTION 50-2007, IDAHO CODE, TO RE-
2 VISE PROVISIONS RELATING TO THE POWERS OF URBAN RENEWAL AGENCIES AND TO
3 PROVIDE FOR AN ELECTION; AND AMENDING SECTION 50-2012, IDAHO CODE, TO
4 PROVIDE FOR AN ELECTION TO APPROVE OR DISAPPROVE CERTAIN BONDS OR OBLI-
5 GATIONS, TO REVISE PROVISIONS RELATING TO THE AUTHORIZATION OF BONDS
6 AND TO MAKE TECHNICAL CORRECTIONS.
7

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

9 SECTION 1. That Section 50-2007, Idaho Code, be, and the same is hereby
10 amended to read as follows:

11 50-2007. POWERS. Every urban renewal agency shall have all the powers
12 necessary or convenient to carry out and effectuate the purposes and pro-
13 visions of this act, including the following powers in addition to others
14 herein granted:

15 (a) to undertake and carry out urban renewal projects and related ac-
16 tivities within its area of operation; and to make and execute contracts and
17 other instruments necessary or convenient to the exercise of its powers un-
18 der this act; and to disseminate slum clearance and urban renewal informa-
19 tion;

20 (b) to provide or to arrange or contract for the furnishing or repair
21 by any person or agency, public or private, of services, privileges, works,
22 streets, roads, public utilities or other facilities for or in connec-
23 tion with an urban renewal project; to install, construct, and reconstruct
24 streets, utilities, parks, playgrounds, off-street parking facilities,
25 public facilities, other buildings or public improvements; and any improve-
26 ments necessary or incidental to a redevelopment project; and to agree to
27 any conditions that it may deem reasonable and appropriate attached to fed-
28 eral financial assistance and imposed pursuant to federal law relating to
29 the determination of prevailing salaries or wages or compliance with labor
30 standards, in the undertaking or carrying out of an urban renewal project and
31 related activities, and to include in any contract let in connection with
32 such a project and related activities, provisions to fulfill such of said
33 conditions as it may deem reasonable and appropriate;

34 (c) within its area of operation, to enter into any building or property
35 in any urban renewal area in order to make inspections, surveys, appraisals,
36 soundings or test borings, and to obtain, upon sufficient cause and after a
37 hearing on the matter, an order for this purpose from a court of competent
38 jurisdiction in the event entry is denied or resisted; to acquire by pur-
39 chase, lease, option, gift, grant, bequest, devise, eminent domain or oth-
40 erwise, any real property (or personal property for its administrative pur-
41 poses) together with any improvements thereon; to hold, improve, renovate,
42 rehabilitate, clear or prepare for redevelopment any such property or build-

1 ings; to mortgage, pledge, hypothecate or otherwise encumber or dispose of
2 any real property; to insure or provide for the insurance of any real or per-
3 sonal property or operations of the municipality against any risks or haz-
4 ards, including the power to pay premiums on any such insurance; and to enter
5 into any contracts necessary to effectuate the purposes of this act: Pro-
6 vided however, that no statutory provision with respect to the acquisition,
7 clearance or disposition of property by public bodies shall restrict a mu-
8 nicipality or other public body exercising powers hereunder in the exercise
9 of such functions with respect to an urban renewal project and related activ-
10 ities, unless the legislature shall specifically so state;

11 (d) with the approval of the local governing body, (1) prior to approval
12 of an urban renewal plan, or approval of any modifications of the plan, to ac-
13 quire real property in an urban renewal area, demolish and remove any struc-
14 tures on the property, and pay all costs related to the acquisition, demoli-
15 tion, or removal, including any administrative or relocation expenses; and
16 (2) to assume the responsibility to bear any loss that may arise as the result
17 of the exercise of authority under this subsection in the event that the real
18 property is not made part of the urban renewal project;

19 (e) to invest any urban renewal funds held in reserves or sinking funds
20 or any such funds not required for immediate disbursement, in property
21 or securities in which savings banks may legally invest funds subject to
22 their control; to redeem such bonds as have been issued pursuant to section
23 50-2012, Idaho Code, at the redemption price established therein or to pur-
24 chase such bonds at less than redemption price, all such bonds so redeemed or
25 purchased to be canceled;

26 (f) to borrow money and to apply for and accept advances, loans, grants,
27 contributions and any other form of financial assistance from the federal
28 government, the state, county, or other public body, or from any sources,
29 public or private, for the purposes of this act, and to give such security
30 as may be required and to enter into and carry out contracts or agreements
31 in connection therewith; and to include in any contract for financial as-
32 sistance with the federal government for or with respect to an urban renewal
33 project and related activities such conditions imposed pursuant to federal
34 laws as the municipality may deem reasonable and appropriate and which are
35 not inconsistent with the purposes of this act. No debt may be incurred pur-
36 suant to this act which obligates county property taxpayers for payment, in-
37 cluding bonds or other liabilities or obligations lasting more than one (1)
38 fiscal year, without the assent of two-thirds (2/3) of the qualified elec-
39 tors voting at a countywide election for the purpose of approving or disap-
40 proving such proposed bonds, liabilities or obligations, provided however,
41 that an election shall not be required for ordinary and necessary expenses
42 for the administration of the urban renewal agency;

43 (g) within its area of operation, to make or have made all surveys and
44 plans necessary to the carrying out of the purposes of this act and to con-
45 tract with any person, public or private, in making and carrying out such
46 plans and to adopt or approve, modify and amend such plans, which plans may
47 include, but are not limited to: (1) plans for carrying out a program of vol-
48 untary compulsory repair and rehabilitation of buildings and improvements,
49 (2) plans for the enforcement of state and local laws, codes and regulations
50 relating to the use of land and the use and occupancy of buildings and im-

1 improvements and to the compulsory repair, rehabilitation, demolition, or
 2 removal of buildings and improvements, and (3) appraisals, title searches,
 3 surveys, studies, and other plans and work necessary to prepare for the un-
 4 dertaking of urban renewal projects and related activities; and to develop,
 5 test, and report methods and techniques, and carry out demonstrations and
 6 other activities, for the prevention and the elimination of slums and urban
 7 blight and developing and demonstrating new or improved means of providing
 8 housing for families and persons of low income and to apply for, accept and
 9 utilize grants of funds from the federal government for such purposes;

10 (h) to prepare plans for and assist in the relocation of persons (in-
 11 cluding individuals, families, business concerns, nonprofit organizations
 12 and others) displaced from an urban renewal area, and notwithstanding any
 13 statute of this state to make relocation payments to or with respect to such
 14 persons for which reimbursement or compensation is not otherwise made, in-
 15 cluding the making of such payments financed by the federal government;

16 (i) to exercise all or any part or combination of powers herein granted;

17 (j) in addition to its powers under subsection (b) of this section,
 18 an agency may construct foundations, platforms, and other like structural
 19 forms necessary for the provision or utilization of air rights sites for
 20 buildings and to be used for residential, commercial, industrial, and other
 21 uses contemplated by the urban renewal plan, and to provide utilities to the
 22 development site; and

23 (k) to use, lend or invest funds obtained from the federal government
 24 for the purposes of this act if allowable under federal laws or regulations.

25 SECTION 2. That Section 50-2012, Idaho Code, be, and the same is hereby
 26 amended to read as follows:

27 50-2012. ISSUANCE OF BONDS. (a) An urban renewal agency shall have
 28 power to issue bonds from time to time in its discretion to finance the un-
 29 dertaking of any urban renewal project under this act, including, without
 30 limiting the generality thereof, the payment of principal and interest upon
 31 any advances for surveys and plans or preliminary loans, and shall also have
 32 power to issue refunding bonds for the payment or retirement of such bonds
 33 previously issued by it. Such bonds shall be made payable, as to both princi-
 34 pal and interest, solely from the income, proceeds, revenues, and funds of
 35 the urban renewal agency derived from or held in connection with its under-
 36 taking and carrying out of urban renewal projects under this act: Provided,
 37 however, that payment of such bonds, both as to principal and interest, may
 38 be further secured by a pledge of any loan, grant or contribution from the
 39 federal government or other source, in aid of any urban renewal projects
 40 under this act, and by a mortgage of any such urban renewal projects, or any
 41 part thereof, title to which is in the urban renewal agency.

42 (b) Bonds issued under this section shall not constitute an indebted-
 43 ness within the meaning of any constitutional or statutory debt limitation
 44 or restriction, and shall not be subject to the provisions of any other law or
 45 charter relating to the authorization, issuance or sale of bonds. Bonds and
 46 other obligations of an urban renewal agency (and such bonds and obligations
 47 shall so state on their face) shall not be a debt of the municipality, the
 48 state or any political subdivision thereof, and neither the municipality,
 49 the state nor any political subdivision thereof shall be liable thereon, nor

1 in any event shall such bonds or obligations be payable out of any funds other
2 than those of said urban renewal agency. Bonds issued under the provisions
3 of this act are declared to be issued for an essential public and governmen-
4 tal purpose and, together with interest thereon and income therefrom, shall
5 be exempted from all taxes. No bonds shall be issued nor other similar obli-
6 gations incurred as provided for in this section if obligating county prop-
7 erty taxpayers for payment, without the assent of two-thirds (2/3) of the
8 qualified electors voting at a countywide election for the purpose of ap-
9 proving or disapproving such proposed bonds or obligations.

10 (c) In addition to the voting requirements provided for in subsection
11 (b) of this section, bBonds issued under this section shall be authorized by
12 resolution or ordinance of the urban renewal agency and may be issued in one
13 (1) or more series and shall bear such date or dates, be payable upon demand
14 or mature at such time, or times, bear interest at a rate or rates, be in such
15 denomination or denominations, be in such form either with or without coupon
16 or registered, carry such conversion or registration privileges, have such
17 rank or priority, be executed in such manner, be payable in such medium of
18 payment, at such place or places, and be subject to such terms of repayment,
19 at such place or places, and be subject to such terms of redemption (with or
20 without premium), be secured in such manner, and have such other character-
21 istics, as may be provided by such resolution or ordinance, or trust inden-
22 ture or mortgage issued pursuant thereto.

23 (d) Such bonds may be sold at not less than par at public or private
24 sales held after notice published prior to such sale in a newspaper having a
25 general circulation in the area of operation and in such other medium of pub-
26 lication as the agency may determine or may be exchanged for other bonds on
27 the basis of par: Provided, that such bonds may be sold to the federal gov-
28 ernment at private sale at not less than par, and, in the event less than all
29 of the authorized principal amount on such bonds is sold to the federal gov-
30 ernment, the balance may be sold at private sale at not less than par at an in-
31 terest cost to the agency of not to exceed the interest cost to the agency of
32 the portion of the bonds sold to the federal government.

33 (e) In case any of the officials of the urban renewal agency whose sig-
34 natures appear on any bonds or coupons issued under this act shall cease to
35 be such officials before the delivery of such bonds, such signatures shall,
36 nevertheless, be valid and sufficient for all purposes, the same as if such
37 officials had remained in office until such delivery. Any provision of any
38 law to the contrary notwithstanding, any bonds issued pursuant to this act
39 shall be fully negotiable.

40 (f) In any suit, action or proceeding involving the validity or en-
41 forceability of any bond issued under this act or the security therefor,
42 any such bond reciting in substance that it has been issued by the agency
43 in connection with an urban renewal project, as herein defined, shall be
44 conclusively deemed to have been issued for such purpose and such project
45 shall be conclusively deemed to have been planned, located and carried out in
46 accordance with the provisions of this act.