

## ADA COUNTY COURTHOUSE PROJECT

- After several years of planning and analysis, in 1999 CCDC partnered with Ada County and private development to assist in constructing a new facility in downtown Boise. The location was selected in part to stimulate development in the area. Overall, 14 acres in downtown Boise would be redeveloped over time.
- The new courthouse building on Front Street retains this important governmental function in Boise's core business district and stimulated significant new private development including new housing, grocery, office, university, and retail business development together with expanded structured parking.
- The Ada County Courthouse building represents good urban form, sustainable development design and provides convenient access for the public.
- A long-term annually renewable lease-purchase agreement between CCDC and Ada County was put in place after a 74% favorable public advisory vote and a favorable judicial review and confirmation by the 4<sup>th</sup> District Court.
- This lease-purchase approach has saved taxpayer money by not raising taxes to pay for the courthouse utilizing available operating revenue together with private development resources for lease payments.
- In 1999, CCDC and Ada County entered into an Amended and Restated Master Development Agreement for the Agency to construct a courthouse, related parking facilities, integrated retail space, and related public improvements on a county-owned parcel in the River-Myrtle District ("Courts Complex Project") then lease those facilities

back to the County. On November 18, 1999, the CCDC Board of Commissioners adopted Resolution 807 to issue Urban Renewal Lease Revenue Bonds, Series 1999, in the aggregate principal amount of \$62,620,000 to finance the Courts Complex Project consisting of the courthouse building and the associated parking garage, sometimes referred to as the Avenue A West Garage or Parcel 3A Garage. Six years later, on March 15, 2005, in order to reduce interest costs on the debt, the CCDC Board of Commissioners adopted Resolution 1019 to refund the outstanding Series 1999 bonds with Series 2005 Lease Revenue Refunding Bonds in an aggregate principal amount of \$57,640,000.

- In late June 2015, as allowed in the bond documents, Ada County initiated the optional redemption process to pay off all outstanding Series 2005 bonds at the first possible call date then purchase the facilities from the Agency for a nominal amount.
- The formal bond redemption occurred on August 17, 2015. CCDC will formally transfer the Courthouse building, parking garage, and personal property to Ada County. Counsel is preparing a conveyance document to accomplish that transfer.
- Early payment of the bonds, 7 years early, saves taxpayers over \$6 million and demonstrates effectiveness of this public-public-private approach.
- In conjunction with the public project related to the Courthouse, CCDC and Ada County pursued separate private development of several parcels within the fourteen acre parcel. That effort resulted in a major downtown apartment project developed by Civic Plaza in conjunction with the Ada County/Boise City Housing Authority, who provided funding for the project along with certain tax credit allocations through the Idaho Housing and Finance Association.

Approximately \$20M of housing bonds were issued to construct two buildings for the 300 unit apartment project.

- Bonds were also issued for the underground garage, which serves the apartment project in an approximate amount of \$15M—\$2.5M for CCDC's 17% interest and \$13M for Civic Plaza's 83% interest.
- Eventually, one of the courthouse corridor parcels was sold by Ada County to the Idaho State Building Authority (ISBA), which resulted in development of the Idaho Water Center which houses the Idaho Department of Water Resources, the University of Idaho, and the United States Forest Service.
- In its simplest terms, the Water Center Building is divided into two pieces. The ground level surface and the office building are owned by ISBA and leased to the Idaho Department of Water Resources, the Department of Administration, and the University of Idaho. The ISBA issued bonds that provided for the construction of the office building.
- The underground parking parcel is owned by Civic Plaza (the apartment developer) and CCDC. Those two entities are tenants in common of the underground parcel with CCDC owning a 17% interest and Civic Plaza owning an 83% interest. (There are some fleet parking spaces and storage within the underground structure, which are leased directly from CCDC to ISBA.) Civic Plaza has leased its 83% interest to CCDC in order to operate and manage the parking structure as a unified garage. CCDC pays rent to Civic which equals the debt service on a portion of the Housing Bonds issued by the Boise City/Ada County Housing Authority that paid for the parking garage. CCDC also pays debt service on its 17% interest. The parking bonds were also issued by the Boise City/Ada County Housing Authority.

- CCDC and the University of Idaho entered into a parking access agreement which requires the University to pay CCDC \$350,000 annually for the right to purchase up to 200 parking spaces in the garage depicted on the attachment and the adjacent garage, which serves the Ada County Courthouse. The University has the right to renew this lease annually through February 2098. Individual parking passes are then issued on a monthly charge which has varied since the garage opened. Recently, CCDC has essentially transferred all of its rights and obligations (with the exception of the annual lease payments) to Ada County in order to better operate and manage this garage and the adjacent garage that serves the Courthouse.
- A site map showing the ownership interests of the various parties as of November 4, 2008, is attached. This transaction serves as an example of not only a complicated transaction, but more importantly, how several public entities and the private sector assimilated a wide array of funding sources to redevelop a critical piece of downtown property. We believe the development of the Ada County Courthouse, the Water Center, and the housing project has enhanced the development of the surrounding area, which includes the Whole Foods and Walgreens projects.

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