

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 19

BY LOCAL GOVERNMENT COMMITTEE

AN ACT

1 RELATING TO URBAN RENEWAL; AMENDING SECTION 50-2007, IDAHO CODE, TO PROVIDE  
2 FOR APPROVAL OF THE LOCAL GOVERNING BODY WHEN INCURRING CERTAIN DEBT  
3 AND TO MAKE TECHNICAL CORRECTIONS; AND AMENDING SECTION 50-2012, IDAHO  
4 CODE, TO PROVIDE FOR APPROVAL OF THE LOCAL GOVERNING BODY WHEN ISSUING  
5 CERTAIN BONDS OR OBLIGATIONS, TO REVISE PROVISIONS RELATING TO THE IS-  
6 SUANCE OF CERTAIN BONDS 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 provi-  
13 sions of this ~~act~~ chapter, including the following powers in addition to oth-  
14 ers 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~~ chapter; and to disseminate slum clearance and urban renewal in-  
19 formation;

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 acquire by purchase, lease, op-  
35 tion, gift, grant, bequest, devise, eminent domain or otherwise, any real  
36 property or personal property for its administrative purposes, together  
37 with any improvements thereon; to hold, improve, renovate, rehabilitate,  
38 clear or prepare for redevelopment any such property or buildings; to mort-  
39 gage, pledge, hypothecate or otherwise encumber or dispose of any real  
40 property; to insure or provide for the insurance of any real or personal  
41 property or operations of the municipality against any risks or hazards,  
42 including the power to pay premiums on any such insurance; and to enter into

1 any contracts necessary to effectuate the purposes of this ~~act~~ chapter:  
 2 ~~Provided~~ however, that no statutory provision with respect to the acquisi-  
 3 tion, clearance or disposition of property by public bodies shall restrict a  
 4 municipality or other public body exercising powers hereunder in the exer-  
 5 cise of such functions with respect to an urban renewal project and related  
 6 activities, unless the legislature shall specifically so state;

7 (d) With the approval of the local governing body~~r~~: (1) prior to ap-  
 8 proval of an urban renewal plan, or approval of any modifications of the  
 9 plan, to acquire real property in an urban renewal area, demolish and remove  
 10 any structures on the property, and pay all costs related to the acquisition,  
 11 demolition, or removal, including any administrative or relocation ex-  
 12 penses; ~~and~~ (2) to assume the responsibility to bear any loss that may arise  
 13 as the result of the exercise of authority under this subsection in the event  
 14 that the real property is not made part of the urban renewal project; ~~and~~ (3)  
 15 to incur debt pursuant to this act, including bonds or other liabilities or  
 16 obligations lasting more than one (1) fiscal year; provided however, that  
 17 approval of the local governing body shall not be required for ordinary and  
 18 necessary expenses for the administration of the urban renewal agency;

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) In accordance with subsection (d) of this section, tTo borrow money  
 27 and to apply for and accept advances, loans, grants, contributions and any  
 28 other form of financial assistance from the federal government, the state,  
 29 county, or other public body, or from any sources, public or private, for the  
 30 purposes of this ~~act~~ chapter, and to give such security as may be required and  
 31 to enter into and carry out contracts or agreements in connection therewith;  
 32 and to include in any contract for financial assistance with the federal gov-  
 33 ernment for or with respect to an urban renewal project and related activ-  
 34 ities such conditions imposed pursuant to federal laws as the municipality  
 35 may deem reasonable and appropriate and which are not inconsistent with the  
 36 purposes of this ~~act~~ chapter;

37 (g) Within its area of operation, to make or have made all surveys and  
 38 plans necessary to the carrying out of the purposes of this ~~act~~ chapter and  
 39 to contract with any person, public or private, in making and carrying out  
 40 such plans and to adopt or approve, modify and amend such plans, which plans  
 41 may include, but are not limited to: (1) plans for carrying out a program  
 42 of voluntary compulsory repair and rehabilitation of buildings and improve-  
 43 ments, (2) plans for the enforcement of state and local laws, codes and regu-  
 44 lations relating to the use of land and the use and occupancy of buildings and  
 45 improvements and to the compulsory repair, rehabilitation, demolition, or  
 46 removal of buildings and improvements, and (3) appraisals, title searches,  
 47 surveys, studies, and other plans and work necessary to prepare for the un-  
 48 dertaking of urban renewal projects and related activities; and to develop,  
 49 test, and report methods and techniques, and carry out demonstrations and  
 50 other activities, for the prevention and the elimination of slums and urban

1 blight and developing and demonstrating new or improved means of providing  
 2 housing for families and persons of low income and to apply for, accept and  
 3 utilize grants of funds from the federal government for such purposes;

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

10 (i) To exercise all or any part or combination of powers herein granted;

11 (j) In addition to its powers under subsection (b) of this section,  
 12 an agency may construct foundations, platforms, and other like structural  
 13 forms necessary for the provision or utilization of air rights sites for  
 14 buildings and to be used for residential, commercial, industrial, and other  
 15 uses contemplated by the urban renewal plan, and to provide utilities to the  
 16 development site; and

17 (k) To use, lend or invest funds obtained from the federal government  
 18 for the purposes of this ~~aet~~ chapter if allowable under federal laws or regu-  
 19 lations.

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

22 50-2012. ISSUANCE OF BONDS. (a) An urban renewal agency shall have  
 23 power to issue bonds from time to time in its discretion to finance the un-  
 24 dertaking of any urban renewal project under this ~~aet~~ chapter, including,  
 25 without limiting the generality thereof, the payment of principal and inter-  
 26 est upon any advances for surveys and plans or preliminary loans, and shall  
 27 also have power to issue refunding bonds for the payment or retirement of  
 28 such bonds previously issued by it. Such bonds shall be made payable, as to  
 29 both principal and interest, solely from the income, proceeds, revenues,  
 30 and funds of the urban renewal agency derived from or held in connection with  
 31 its undertaking and carrying out of urban renewal projects under this ~~aet~~  
 32 chapter: ~~Provided,~~ however, that payment of such bonds, both as to prin-  
 33 cipal and interest, may be further secured by a pledge of any loan, grant or  
 34 contribution from the federal government or other source, in aid of any urban  
 35 renewal projects under this ~~aet~~ chapter, and by a mortgage of any such urban  
 36 renewal projects, or any part thereof, title to which is in the urban renewal  
 37 agency.

38 (b) Bonds issued under this section shall not constitute an indebted-  
 39 ness within the meaning of any constitutional or statutory debt limitation  
 40 or restriction, and shall not be subject to the provisions of any other law  
 41 or charter relating to the authorization, issuance or sale of bonds. Bonds  
 42 and other obligations of an urban renewal agency, and such bonds and obli-  
 43 gations shall so state on their face, shall not be a debt of the municipi-  
 44 pality, the state or any political subdivision thereof, and neither the mu-  
 45 nicipality, the state nor any political subdivision thereof shall be liable  
 46 thereon, nor in any event shall such bonds or obligations be payable out of  
 47 any funds other than those of said urban renewal agency. Bonds issued under  
 48 the provisions of this ~~aet~~ chapter are declared to be issued for an essen-  
 49 tial public and governmental purpose and, together with interest thereon and

1 income therefrom, shall be exempted from all taxes. No bonds shall be is-  
2 sued nor other similar obligations incurred as provided for in this section  
3 if obligating county property taxpayers for payment, without the approval of  
4 the local governing body for the purpose of approving or disapproving such  
5 proposed bonds or obligations.

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

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

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

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