

RESOLUTION NO. 2018- 6

A RESOLUTION OF THE MAYOR AND COUNCIL OF THE CITY OF HEYBURN, A MUNICIPAL CORPORATION OF IDAHO, DETERMINING A CERTAIN AREA WITHIN THE CITY TO BE A DETERIORATED OR DETERIORATING AREA AS DEFINED BY IDAHO CODE SECTIONS 50-2018(9) AND 50-2903(8); DIRECTING THE URBAN RENEWAL AGENCY OF HEYBURN TO COMMENCE THE PREPARATION OF AN URBAN RENEWAL PLAN SUBJECT TO CERTAIN CONDITIONS, WHICH PLAN MAY INCLUDE REVENUE ALLOCATION PROVISIONS FOR ALL OR PART OF THE AREA; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Mayor and Council of Heyburn, Idaho (“City”), respectively, on or about July 14, 2010, adopted and approved Resolution No. 2010-6 creating the Heyburn Urban Renewal Agency (the “Agency”), authorizing it to transact business and exercise the powers granted by the Idaho Urban Renewal Law of 1965, as amended, Chapter 20, Title 50, Idaho Code as amended (hereinafter the “Law”), and the Local Economic Development Act, Chapter 29, Title 50, as amended (hereinafter the “Act”) upon making the findings of necessity required for creating said Agency;

WHEREAS, the City, on October 26, 2011, after notice duly published, conducted a public hearing on the Heyburn Urban Renewal Plan (the “Heyburn Plan”);

WHEREAS, following said public hearing the City adopted its Ordinance 541 on October 26, 2011, approving the Plan and making certain findings;

WHEREAS, during March and April 2018, Terra Firma Development, LLC (the “Developer”) approached the Agency Board to discuss the possibility of examining certain properties located in the general vicinity of 556 W. 400 S. Heyburn, Idaho, 83336 with a legal address of SE4SW4 LESS TAX 521369 9-10-23 and NE4SW4 LESS TAX 20 9-10-23 (the “Study Area”) for inclusion within a new urban renewal area;

WHEREAS, Developer owns or controls the Study Area;

WHEREAS, the Developer and Agency acknowledge the Agency and Alfresco, LLC entered into a previous Memorandum of Understanding in 2012 (the “2012 MOU”). As provided for in the 2012 MOU, Alfresco, LLC previously provided funds for the preparation of an eligibility report examining certain properties for the then study area;

WHEREAS, the Agency incurred expenses in excess of the funds then provided by the Agency and requested an additional deposit by Alfresco, LLC;

WHEREAS, the Agency and Alfresco, LLC did not proceed beyond the initial eligibility report to consider a proposed urban renewal plan;

WHEREAS, the Developer now seeks to restart the process and proceed through the required steps;

WHEREAS, because of the amount of time that has elapsed since the original eligibility report in 2012, the different development entity, and the changes to the proposed scope of development, the Agency Board approved Resolution No. 2018-5 on June 12, 2018, finding it in best interest of the public that an updated/supplemental eligibility report should be prepared to confirm the eligibility criteria;

WHEREAS, the Agency has obtained an updated/supplemental eligibility report (the "Report"), which examined the Boulevard Area for the purpose of determining whether such area was a deteriorating area and deteriorated area as defined by Idaho Code Sections 50-2018(9) and 50-2903(8);

WHEREAS, pursuant to Idaho Code Sections 50-2018(9) and 50-2903(8), which define the qualifying conditions of a deteriorating area and a deteriorated area, many of the conditions necessary to be present in such an area are found in the Boulevard, *i.e.*,

- a. age or obsolescence;
- b. predominance of defective or inadequate street layout;
- c. outmoded street patterns;
- d. need for correlation of area with other areas of a municipality by streets and modern traffic patterns;
- e. faulty lot layout in relation to size, adequacy, accessibility, or usefulness;
- f. unsanitary or unsafe conditions;
- g. economic disuse or undeveloped property; and
- h. other conditions which delay development of the area.

WHEREAS, the Boulevard Area contains open land;

WHEREAS, under the Act a deteriorated area includes any area which is predominantly open and which, because of obsolete platting, diversity of ownership, deterioration of structures or improvements, or otherwise, results in economic underdevelopment of the area or substantially impairs or arrests the sound growth of a municipality;

WHEREAS, Idaho Code Sections 50-2018(9), 50-2903(8) and 50-2008(d) list the additional conditions applicable to open areas, which are the same or similar to the conditions set forth above;

WHEREAS, such additional conditions regarding open areas are present and are found in the Boulevard Area;

WHEREAS, the effects of the listed conditions cited in the Report result in economic underdevelopment of the area, substantially impairs or arrests the sound growth of a municipality, constitutes an economic or social liability, and is a menace to the public health,

safety, morals, or welfare in its present condition or use;

WHEREAS, the Agency, on June 25, 2018, adopted Resolution No. 2018-7, a copy of which is attached as Exhibit B, accepting the Report and authorizing the Chairman of the Agency or his designee to transmit the Report to the City requesting its consideration for designation of an urban renewal area and requesting the City to direct the Agency to prepare an urban renewal plan for the Boulevard Area, which urban renewal plan may include a revenue allocation provision as allowed by law;

WHEREAS, the Report includes a preliminary analysis concluding the base assessment roll value for the Boulevard Area along with the base value of the Heyburn Plan area does not exceed 10% of the overall current (2018) property value of the City;

WHEREAS, under the Law and Act, Idaho Code Sections 50-2018(9) and 50-2903(8)(f), the definition of a deteriorating area shall not apply to any agricultural operation, as defined in Idaho Code Section 22-4502(1), absent the consent of the owner of the agricultural operation except for an agricultural operation that has not been used for three (3) consecutive years;

WHEREAS, the Boulevard Area may include parcels subject to such consent and will need to obtain the necessary consents prior to creation of any revenue allocation area;

WHEREAS, pursuant to Idaho Code Section 50-2008, an urban renewal project may not be planned or initiated unless the local governing body has, by resolution, determined such area to be a deteriorated area or a deteriorating area, or combination thereof, and designated such area as appropriate for an urban renewal project;

WHEREAS, Idaho Code Section 50-2906 also requires that in order to adopt an urban renewal plan containing a revenue allocation financing provision, the local governing body must make a finding or determination that the area included in such plan is a deteriorated area or a deteriorating area; and

WHEREAS, it is desirable and in the best public interest that the Agency prepare an urban renewal plan for the area identified as the Boulevard Area in the Report located in the city of Heyburn, county of Minidoka, state of Idaho.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF HEYBURN AS FOLLOWS:

1. That there are one or more areas within the City, which are deteriorating or deteriorated areas as defined by Idaho Code, Sections 50-2018(9) and 50-2903(8).
2. That one such area is the area described in the Report attached hereto and made a part hereof by reference.
3. That the rehabilitation, conservation, and redevelopment, or a combination thereof, of such area is necessary in the interest of the public health, safety, and

welfare of the residents of the City.

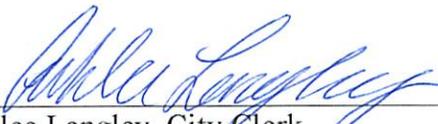
4. Based on the Eligibility Report the City Council makes the findings that:
 - a. The area identified in the Eligibility Report is determined to be a deteriorating area as defined by Idaho Code, Section 50-2018(9) and a deteriorated area as defined by Idaho Code, Section 50-2903(8);
 - b. The area identified in the Eligibility Report is determined to be appropriate for an urban renewal project.
 - c. The Agency will need to obtain the required consent from the property owners concerning agricultural operations prior to creation of any revenue allocation area.
5. That the City Council hereby directs the Urban Renewal Agency to commence the planning process to prepare an urban renewal plan for the area identified in the Eligibility Report determined to be appropriate for an urban renewal project.
6. That this Resolution shall be in full force and effect immediately upon its adoption and approval.

RESOLVED this 27th day of June 2018.

CITY OF HEYBURN, a municipal
corporation of Idaho

By 
Mayor Cleo Gallegos

ATTEST:


Ashlee Langley, City Clerk

4847-9986-6987, v. 1