

CITY OF MERIDIAN ORDINANCE NO. 21-1956

BY THE CITY COUNCIL:

**BERNT, BORTON, CAVENER,
HOAGLUN PERREAULT,
STRADER**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MERIDIAN, IDAHO, APPROVING THE FIRST AMENDMENT TO THE URBAN RENEWAL PLAN FOR THE UNION DISTRICT URBAN RENEWAL PROJECT, WHICH FIRST AMENDMENT SEEKS TO ANNEX CERTAIN PARCELS TO THE EXISTING UNION DISTRICT PROJECT AREA; WHICH FIRST AMENDMENT INCLUDES REVENUE ALLOCATION FINANCING PROVISIONS; AUTHORIZING THE CITY CLERK TO TRANSMIT A COPY OF THIS ORDINANCE AND OTHER REQUIRED INFORMATION TO COUNTY AND STATE OFFICIALS AND THE AFFECTED TAXING ENTITIES; PROVIDING SEVERABILITY; APPROVING THE SUMMARY OF THE ORDINANCE; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Meridian City Council and Mayor of Meridian respectively on or about July 24, 2001, adopted and approved a resolution creating the Urban Renewal Agency of Meridian, Idaho, also known as the Meridian Development Corporation (“MDC” or the “Agency”), authorizing it to transact business and exercise the powers granted by the Idaho Urban Renewal Law of 1965, Chapter 20, Title 50, Idaho Code, as amended (hereinafter the “Law”), and the Local Economic Development Act, Chapter 29, Title 50, Idaho Code, as amended (hereinafter the “Act”) upon making the findings of necessity required for creating said Agency;

WHEREAS, on October 8, 2002, the City Council (the “City Council”) of the City of Meridian, Idaho (the “City”), after notice duly published conducted a public hearing on the Meridian Revitalization Plan Urban Renewal Project, which is also referred to as the Downtown District (the “Downtown District Plan”);

WHEREAS, following said public hearing, the City Council on December 3, 2002, adopted Ordinance No. 02-987 approving the Downtown District Plan, making certain findings and establishing the Downtown District revenue allocation area (the “Downtown District Project Area”);

WHEREAS, the City Council, after notice duly published, conducted a public hearing on the Urban Renewal Plan for the Ten Mile Road -A Urban Renewal Project (the “Ten Mile Plan”). The public hearing was continued to June 21, 2016, for further testimony;

WHEREAS, following said public hearings, the City Council adopted its Ordinance No. 16-1695 on June 21, 2016, approving the Ten Mile Plan, making certain findings and establishing the Ten Mile revenue allocation area (the “Ten Mile Project Area”);

WHEREAS, the City Council, after notice duly published, conducted a public hearing on the First Amendment to the Meridian Revitalization Plan Urban Renewal Project (the “First Amendment to the Downtown District Plan”);

WHEREAS, following said public hearing, the City Council adopted its Ordinance No. 20-1881 on June 9, 2020, approving the First Amendment to the Downtown District Plan deannexing certain parcels from the Downtown District Project Area and making certain findings;

WHEREAS, the City Council, after notice duly published, conducted a public hearing on the Urban Renewal Plan for the Union District Urban Renewal Project (the “Union District Plan”);

WHEREAS, following said public hearing, the City Council adopted its Ordinance No. 20-1882 on June 9, 2020, approving the Union District Plan, making certain findings, and establishing the Union District revenue allocation area, which included the parcels deannexed pursuant to the First Amendment to the Downtown District Plan (the “Union District Project Area”);

WHEREAS, the City Council, after notice duly published, conducted a public hearing on the Second Amendment to the Meridian Revitalization Plan Urban Renewal Project (the “Second Amendment to the Downtown District Plan”);

WHEREAS, following said public hearing, the City Council adopted its Ordinance No. 21-1933 on July 13, 2021, approving the Second Amendment to the Downtown District Plan deannexing certain parcels from the Downtown District Project Area and making certain findings (collectively, the Downtown District Plan, and amendments thereto, are referred to as the “Existing Downtown District Plan,” and the Downtown District Project Area, and amendments thereto, are referred to as the “Existing Downtown District Project Area”);

WHEREAS, the Existing Downtown District Plan, the Ten Mile Plan, and the Union District Plan are collectively referred to as the “Existing Urban Renewal Plans” and their respective revenue allocation project areas are collectively referred to as the “Existing Project Areas;”

WHEREAS, there are two additional urban renewal plans and their respective revenue allocation project areas that may or will be considered by the City Council prior to December 31, 2021, specifically, the Urban Renewal Plan for the Northern Gateway District Urban Renewal Project and the Urban Renewal Plan for the Linder District Urban Renewal Project, collectively referred to as the “Proposed Urban Renewal Plans” and their respective revenue allocation project areas are collectively referred to as the “Proposed Project Areas;”

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 deteriorating area, or combination thereof, and designated such area as appropriate for an urban renewal project;

WHEREAS, an urban renewal plan shall (a) conform to the general plan for the municipality as a whole, except as provided in § 50-2008(g), Idaho Code; and (b) shall be sufficiently complete to indicate such land acquisition, demolition and removal of structures, redevelopment, improvements, and rehabilitation as may be proposed to be carried out in the urban renewal area, zoning and planning changes, if any, land uses, maximum densities, building requirements, and any method or methods of financing such plan, which methods may include revenue allocation financing provisions;

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 deteriorating area;

WHEREAS, based on inquiries and information presented by certain interested parties and property owners, MDC commenced certain discussions concerning examination of an additional area as appropriate for an urban renewal project;

WHEREAS, in 2021, MDC authorized Kushlan | Associates to commence an eligibility study and preparation of an eligibility report for an area 1.461 acres in size, which area was deannexed from the Downtown District Project Area. The area is located generally in the central part of the City on the block bounded by Main Street on the west, Idaho Avenue on the north, NE 2nd Street on the east, and Broadway Avenue on the south. The area is adjacent and contiguous to the Union District Project Area. The eligibility study area is commonly referred to as the Idaho Block Annexation Study Area (the “Study Area”);

WHEREAS, MDC obtained an eligibility report entitled Idaho Block Annexation to Union District (Proposed) Eligibility Report, dated June 2021 (the “Report”), which examined the Study Area, for the purpose of determining whether such area is a deteriorating area, a deteriorated area, or a combination of both a deteriorating area and a deteriorated area, as those terms are defined by Idaho Code Sections 50-2018(8), (9) and 50-2903(8);

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

- a. age or obsolescence;
- b. faulty lot layout in relation to size, adequacy, accessibility, or usefulness; obsolete platting; and
- c. diversity of ownership;

WHEREAS, the effects of the listed conditions cited in the Report result in economic underdevelopment of the area, 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 Report finds there is no open land within the Study Area as contemplated in Idaho Code Sections 50-2018(9), 50-2903(8)(c), and 50-2008(d), and there are not any agricultural operation parcels subject to property owner consent pursuant to Idaho Code Sections 50-2903(8)(f) and 50-2018(8) and (9);

WHEREAS, the MDC Board, on June 9, 2021, adopted Resolution No. 21-027 accepting the Report and authorizing the Chair, Vice-Chair, or Administrator of MDC to transmit the Report to the City Council requesting its consideration for designation of an urban renewal area and requesting the City Council to direct MDC to prepare an urban renewal plan amendment for the Study Area, which plan amendment may include a revenue allocation provision as allowed by the Act;

WHEREAS, the City Council on July 6, 2021, adopted Resolution No. 21-2274, declaring the Study Area described in the Report to be a deteriorated area or a deteriorating area, or a combination thereof, as defined by Chapters 20 and 29 of Title 50, Idaho Code, as amended, that such Study Area is appropriate for an urban renewal project, and directed MDC to commence preparation of an urban renewal plan amendment for the area designated;

WHEREAS, MDC seeks to amend the Union District Plan pursuant to Idaho Code Sections 50-2033 and 50-2903A(1)(a)(ii), which amendment contains provisions of revenue allocation financing, to redevelop a portion of the City pursuant to the Law and the Act, as amended;

WHEREAS, a modification is not deemed to have occurred under Idaho Code Section 50-2903A when there is a plan amendment to accommodate an increase in the revenue allocation area boundary as permitted in Idaho Code Section 50-2033. The First Amendment (defined below) is not a modification pursuant to Idaho Code Sections 50-2033 and 50-2903A(1)(a)(ii), and therefore, the base value of the existing Union District Project Area will not be adjusted upwards;

WHEREAS, in order to implement the provisions of the Act and the Law either MDC may prepare a plan, or any person, public or private, may submit such plan to MDC;

WHEREAS, MDC and its consultants have undertaken the planning process during 2021;

WHEREAS, pursuant to the Law and Act, as amended, the MDC prepared the First Amendment to the Urban Renewal Plan for the Union District Urban Renewal Project (the “First Amendment”), and the corresponding additional urban renewal/revenue allocation area, as set forth in Exhibit 3 attached hereto, seeking to add the Study Area to the Union District Project Area and further, to provide updates to certain provisions and financial information from the Union District Plan, to provide an updated projection concerning the existing and additional improvements, projected expenses, and anticipated revenues through the Union District Plan termination;

WHEREAS, the area to be added to the Union District Project Area is shown on the “Boundary Map of the Additional Area” and described in the “Legal Description of the Boundary of the Additional Area,” which are attached to the First Amendment as Attachments 1A and 2A respectively;

WHEREAS, the Act authorizes MDC to adopt revenue allocation financing provisions as part of an urban renewal plan or plan amendment;

WHEREAS, the First Amendment contains revenue allocation financing provisions as allowed by the Act;

WHEREAS, MDC and the City Council reviewed and considered the proposed public improvements within the First Amendment during a joint meeting on August 24, 2021;

WHEREAS, the Agency Board considered all comments and information submitted to the

Agency during several earlier Board meetings throughout 2021, and the Board meeting held on September 22, 2021;

WHEREAS, on September 22, 2021, the Agency Board passed Resolution No. 21-038 proposing and recommending the approval of the First Amendment;

WHEREAS, the Agency submitted the First Amendment to the Mayor and City Council;

WHEREAS, the Mayor and City Clerk have taken the necessary action in good faith to process the First Amendment consistent with the requirements set forth in Idaho Code Sections 50-2906 and 50-2008;

WHEREAS, pursuant to the Law, at a meeting held on October 7, 2021, the Meridian Planning and Zoning Commission considered the First Amendment and found by P& Z Resolution No 21-03 that the First Amendment is in all respects in conformity with the City of Meridian Comprehensive Plan, as may be amended (the “Comprehensive Plan”) and forwarded its findings to the City Council, a copy of which is attached hereto as Exhibit 1;

WHEREAS, the notice of public hearing of the First Amendment was caused to be published by the Meridian City Clerk in the *Idaho Press* on October 15 and 29, 2021, a copy of said notice is attached hereto as Exhibit 2;

WHEREAS, as of October 15, 2021, the First Amendment was submitted to the affected taxing entities and separately to the Ada County Highway District (“ACHD”), available to the public, and under consideration by the City Council;

WHEREAS, the City Council during its regular meeting of November 23, 2021, held such public hearing as noticed;

WHEREAS, as required by Idaho Code sections 50-2905 and 50-2906, the First Amendment contains the following information with specificity which was made available to the general public and all affected taxing districts prior to the public hearing on November 23, 2021, the regular meeting of the City Council, at least thirty (30) days but no more than sixty (60) days prior to the date set forth final reading of the Ordinance: (1) a statement describing the total assessed valuation of the base assessment roll of the revenue allocation area and the total assessed valuation of all taxable property within the municipality; (2) the kind, number, and location of all proposed public works or improvements within the revenue allocation area; (3) an economic feasibility study; (4) a detailed list of estimated project costs; (5) a fiscal impact statement showing the impact of the revenue allocation area, both until and after the bonds, notes and/or other obligations are repaid, upon all taxing districts levying taxes upon property in the revenue allocation area; (6) a description of the methods of financing all estimated project costs and the time when related costs or monetary obligations are to be incurred; (7) a termination date for the plan and the revenue allocation area as provided for in section 50-2903(20), Idaho Code. In determining the termination date, the plan shall recognize that the agency shall receive allocation of revenues in the calendar year following the last year of the revenue allocation provision described in the urban renewal plan; and (8) a description of the disposition or retention of any assets of the agency upon the termination date. Provided however, nothing herein shall prevent the agency from retaining

assets or revenues generated from such assets as long as the agency shall have resources other than revenue allocation funds to operate and manage such assets;

WHEREAS, the First Amendment authorizes certain projects to be financed by owner/developer participation agreements and proceeds from revenue allocation. Revenue allocation bonds, or loans are permissible;

WHEREAS, appropriate notice of the First Amendment and revenue allocation provision contained therein has been given to the affected taxing districts and to the public as required by Idaho Code §§ 50-2008 and 50-2906;

WHEREAS, it is necessary and in the best interest of the citizens of the City, to adopt the First Amendment and to adopt, as part of the First Amendment, revenue allocation financing provisions that will help finance urban renewal projects to be completed in accordance with the First Amendment, in order to: encourage private development in the urban renewal area; prevent and arrest decay of the Amended Project Area (as defined in the First Amendment) due to the inability of existing financing methods to provide needed public improvements; encourage the affected taxing districts to cooperate in the allocation of future tax revenues arising in the Amended Project Area in order to facilitate the long-term growth of their common tax base; encourage private investment within the City; and to further the public purposes of the Agency;

WHEREAS, the City Council finds that the equalized assessed valuation of the taxable property in the revenue allocation area as shown and described in Attachments 1A and 2A of the First Amendment is likely to increase, and continue to increase, as a result of initiation and continuation of urban renewal projects in accordance with the First Amendment;

WHEREAS, under the Law and Act any such plan should provide for (1) a feasible method for the location of families who will be displaced from the urban renewal area in decent, safe, and sanitary dwelling accommodations within their means and without undue hardship to such families; (2) the urban renewal plan should conform to the general plan of the municipality as a whole; (3) the urban renewal plan should give due consideration to the provision of adequate park and recreational areas and facilities that may be desirable for neighborhood improvement, with special consideration for the health, safety, and welfare of the children residing in the general vicinity of the site covered by the plan; and (4) the urban renewal plan should afford maximum opportunity, consistent with the sound needs of the municipality as a whole, for the rehabilitation or redevelopment of the urban renewal area by private enterprise;

WHEREAS, if the urban renewal area consists of an area of open land to be acquired by the urban renewal agency, such area shall not be so acquired unless (1) if it is to be developed for residential uses, the local governing body shall determine that a shortage of housing of sound standards and design which is decent, safe, and sanitary exists in the municipality; that the need for housing accommodations has been or will be increased as a result of the clearance of slums in other areas; that the conditions of blight in the area and the shortage of decent, safe, and sanitary housing cause or contribute to an increase in and spread of disease and crime and constitute a menace to the public health, safety, morals, or welfare; and that the acquisition of the area for residential uses is an integral part of and essential to the program of the municipality; or (2) if it is to be developed for nonresidential uses, the local governing body shall

determine that such nonresidential uses are necessary and appropriate to facilitate the proper growth and development of the community in accordance with sound planning standards and local community objectives, which acquisition may require the exercise of governmental action, as provided in the Law, because of defective or unusual conditions of title, diversity of ownership, tax delinquency, improper subdivisions, outmoded street patterns, deterioration of site, economic disuse, unsuitable topography or faulty lot layouts, the need for the correlation of the area with other areas of a municipality by streets and modern traffic requirements, or any combination of such factors or other conditions which retard development of the area;

WHEREAS, pursuant to Chapter 14, Title 40, Idaho Code, the ACHD is granted certain authority and jurisdiction over public rights of way within the Amended Project Area, as that term is defined in the First Amendment;

WHEREAS, ACHD also has the opportunity to provide comments on the proposed First Amendment;

WHEREAS, the base assessment roll of the area added by the First Amendment, together with the base assessment roll values of the Existing Project Areas, cannot exceed ten percent (10%) of the current assessed values of all the taxable property in the City;

WHEREAS, it is necessary, and in the best interests of the citizens of the City to adopt the First Amendment;

WHEREAS, the City Council at its regular meeting held on November 23, 2021, considered the First Amendment as proposed and made certain comprehensive findings.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF MERIDIAN, IDAHO:

SECTION 1: It is hereby found and determined that:

- (a) The area to be added to the existing Union District Project Area as defined in the First Amendment is a deteriorated area or a deteriorating area as defined in the Law and the Act and qualifies as an eligible urban renewal area under the Law and Act.
- (b) The rehabilitation, conservation, development and redevelopment of the urban renewal area pursuant to the First Amendment are necessary in the interests of public health, safety, and welfare of the residents of the City.
- (c) There continues to be a need for the Agency to function in the City.
- (d) The First Amendment conforms to the City of Meridian Comprehensive Plan as a whole.
- (e) The First Amendment gives due consideration to the provision of adequate park and recreation areas and facilities that may be desirable for neighborhood improvement (recognizing the mixed use components of the First Amendment and the need for

overall public improvements), and shows consideration for the health, safety, and welfare of any children, residents or businesses in the general vicinity of the urban renewal area covered by the First Amendment.

- (f) The First Amendment affords maximum opportunity consistent with the sound needs of the City as a whole for the rehabilitation, development and redevelopment of the urban renewal area by private enterprises.
- (g) Pursuant to Idaho Code §§ 50-2007(h) and 50-2008(d)(1), the First Amendment provides a feasible method for relocation obligations of any displaced families residing within the Amended Project Area and there is not anticipated to be any activity by the Agency that would result in relocation.
- (h) The collective base assessment rolls for the revenue allocation areas under the Existing Project Areas, the Proposed Project Areas and the area added by the First Amendment, do not exceed ten percent (10%) of the assessed values of all the taxable property in the City.
- (i) The area to be added by the First Amendment does not exceed ten percent (10%) of the geographical area contained within the existing Union District Project Area, and the area to be added is contiguous to the existing Union District Project Area.
- (j) The First Amendment includes the requirements set forth in Idaho Code § 50-2905 with specificity.
- (k) The First Amendment is sufficiently complete to indicate such land acquisition, demolition and removal of structures, redevelopment, improvements, and rehabilitation as may be proposed to be carried out in the urban renewal area, zoning and planning changes (if any) land uses, maximum densities, building requirements, and any method or methods of financing such plan, which methods may include revenue allocation financing provisions.
- (l) The urban renewal area, which includes the deteriorating area, as defined in Idaho Code section 50-2018(9) and Idaho Code section 50-2903(8)(f), does not include any agricultural operation requiring consent.
- (m) The portion of the Amended Project Area which is identified for non-residential uses is necessary and appropriate to facilitate the proper growth and development standards in accordance with the objectives of the Comprehensive Plan to overcome economic disuse, the need for improved traffic patterns, and the need for the correlation of this area with other areas of the City.
- (n) The portion of the Amended Project Area which is identified for residential uses is necessary and appropriate as there is a shortage of housing of sound standards and design which is decent, safe and sanitary in the City; that the need for housing accommodations has been or will be increased as a result of the clearance of slums in other areas; that the conditions of blight in the area and the shortage of

decent, safe and sanitary housing cause or contribute to an increase in and spread of disease and crime and constitute a menace to the public health, safety, morals, or welfare; and that the acquisition of the area for residential uses is an integral part of and essential to the program of the City.

SECTION 2: The City Council finds that the area added by the First Amendment does not include open land, that the Agency may acquire land within the Amended Project Area, and that the Amended Project Area is planned to be redeveloped in a manner that will include both residential and nonresidential uses.

SECTION 3: The City Council finds that one of the First Amendment objectives to increase the residential opportunity does meet the sound needs of the City and will provide housing opportunities in an area that does not now contain such opportunities, and the portion of the Amended Project Area which is identified for nonresidential uses are necessary and appropriate to facilitate the proper growth and development standards in accordance with the objectives of City's Comprehensive Plan, to overcome economic disuse, the need for improved traffic patterns, and the need for the correlation of this area with other areas of the City.

SECTION 4: The First Amendment, a copy of which is attached hereto and marked as Exhibit 3 and made a part hereof by attachment, be, and the same hereby is, approved. As directed by the City Council, the City Clerk and/or the Agency may make certain technical corrections or revisions in keeping with the information and testimony presented at the November 23, 2021, hearing and incorporate changes or modifications, if any.

SECTION 5: The boundaries of the area added by the First Amendment overlap the boundaries of the ACHD, which has the responsibility for the maintenance of roads and highways within the City. The Agency has negotiated an agreement with the ACHD pursuant to Idaho Code Section 50-2908(2)(a)(iv) for the area added by the First Amendment.

SECTION 6: The City Council declares that nothing within the First Amendment is intended or shall be interpreted to usurp the jurisdiction and authority of ACHD as defined in chapter 14, Title 40, Idaho Code. Further, pursuant to Section 40-1415, Idaho Code, ACHD has authority over the planning, location, design, construction, reconstruction, and maintenance of the City rights of way and accompanying curbs, gutters, culverts, sidewalks, paved medians, bulkheads, and retaining walls. In the planning process, ACHD shall take into consideration the principles contained in the First Amendment.

SECTION 7: No direct or collateral action challenging the First Amendment shall be brought prior to the effective date of this Ordinance or after the elapse of thirty (30) days from and after the effective date of this Ordinance adopting the First Amendment.

SECTION 8: Upon the effective date of this Ordinance, the City Clerk is authorized and directed to transmit to the County Auditor and Ada County Assessor, and to the appropriate officials of Ada County Board of County Commissioners, City of Meridian, Ada County Highway District, West Ada School District, Ada County Ambulance/EMS, Meridian Cemetery Maintenance District, College of Western Idaho, Meridian Free Library District, Mosquito Abatement District, the Western Ada Recreation District, and the State Tax Commission a copy of this Ordinance, a

copy of the legal description of the boundaries of the area added, and a map indicating the boundaries of the area added.

SECTION 9: The City Council hereby finds and declares that the Revenue Allocation Area, as amended to include the additional area as defined in the First Amendment, the equalized assessed valuation of which the City Council hereby determines is likely to increase and/or continue to increase as a result of the initiation and completion of urban renewal projects pursuant to the First Amendment.

SECTION 10: The City Council hereby approves and adopts the following statement policy relating to the appointment of City Council members as members of the Agency's Board of Commissioners: If any City Council members are appointed to the Board, they are not acting in an ex officio capacity but, rather, as private citizens who, although they are also members of the City Council, are exercising their independent judgment as private citizens when they sit on the Board. Except for the powers to appoint and terminate Board members and to adopt the First Amendment, the City Council recognizes that it has no power to control the powers or operations of the Agency.

SECTION 11: So long as any Agency bonds, notes or other obligations are outstanding, the City Council will not exercise its power under Idaho Code section 50-2006 to designate itself as the Agency Board.

SECTION 12: This Ordinance shall be in full force and effect immediately upon its passage, approval, and publication and shall be retroactive to January 1, 2021, to the extent permitted by the Act, for the area added by the First Amendment, with the existing Union District Project Area maintaining its base assessment roll as of January 1, 2020.

SECTION 13: The provisions of this Ordinance are severable, and if any provision of this Ordinance or the application of such provision to any person or circumstance is declared invalid for any reason, such determination shall not affect the validity of remaining portions of this Ordinance.

SECTION 14: The Summary of this Ordinance, a copy of which is attached hereto as Exhibit 4, is hereby approved.

SECTION 15: All ordinances, resolutions, orders, or parts thereof in conflict herewith are hereby repealed, rescinded, and annulled.

SECTION 16: Savings Clause. This Ordinance does not affect an action or proceeding commenced or right accrued before this Ordinance takes effect.

PASSED by the City Council of the City of Meridian, Idaho, this ____ day of December 2021.

APPROVED by the Mayor of the City of Meridian, Idaho, this _____ day of December 2021.

APPROVED:

Robert Simison, Mayor

ATTEST:

Chris Johnson, City Clerk

Exhibit 1

A Resolution of the Planning and Zoning Commission for the City of Meridian, Idaho, Validating
Conformity of the First Amendment to the Urban Renewal Plan for the Union District Urban
Renewal Project with the City of Meridian's Comprehensive Plan

CITY OF MERIDIAN

**BY THE PLANNING AND
ZONING COMMISSION**

**A RESOLUTION OF THE PLANNING AND ZONING COMMISSION FOR THE CITY
OF MERIDIAN, IDAHO, VALIDATING CONFORMITY OF THE FIRST
AMENDMENT TO THE URBAN RENEWAL PLAN FOR THE UNION DISTRICT
URBAN RENEWAL PROJECT WITH THE CITY OF MERIDIAN'S
COMPREHENSIVE PLAN**

WHEREAS, the Urban Renewal Agency of the City of Meridian (the "City"), Idaho, also known as Meridian Development Corporation (hereinafter "MDC"), the duly constituted and authorized urban renewal agency of the City, has submitted the proposed First Amendment to the Urban Renewal Plan for the Union District Urban Renewal Project (the "First Amendment") to the City; and

WHEREAS, the Mayor and Meridian City Council referred the First Amendment to the City Planning and Zoning Commission for review and recommendations concerning the conformity of said First Amendment with the City's Comprehensive Plan, as amended (the "Comprehensive Plan"); and

WHEREAS, on October 7, 2021, the City Planning and Zoning Commission met to consider whether the First Amendment conforms with the Comprehensive Plan as required by Idaho Code § 50-2008(b); and

WHEREAS, the City Planning and Zoning Commission has reviewed said First Amendment in view of the Comprehensive Plan; and

WHEREAS, the City Planning and Zoning Commission has determined that the First Amendment is in all respects in conformity with the Comprehensive Plan.

NOW, THEREFORE, BE IT RESOLVED BY THE PLANNING AND ZONING COMMISSION FOR THE CITY OF MERIDIAN, IDAHO:

Section 1. That the First Amendment, submitted by MDC and referred to this Commission by the Mayor and City Council for review, is in all respects in conformity with the City's Comprehensive Plan.

Section 2. That Exhibit A, the memorandum from Brian McClure, Comprehensive Associate Planner dated September 30, 2021, outlining the analysis supporting the determination that the First Amendment is in conformity with the City's Comprehensive Plan, is hereby adopted and incorporated as part of this Resolution.

Section 3. That the City Clerk is hereby authorized and directed to provide the Mayor and Meridian City Council with a signed copy of this Resolution relating to said First Amendment.

Section 4. That this Resolution shall be in full force and effect immediately upon its adoption and approval.

ADOPTED by the Planning and Zoning Commission of the City of Meridian, Idaho, this 7th day of October 2021.

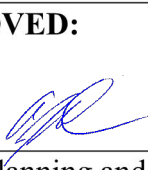

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| <p>APPROVED:</p> <p></p> <p>_____ Chair, Planning and Zoning Commission By Andrew Seal Vice Chairperson</p> | <p>ATTEST:</p> <p></p> <p>_____ City Clerk Chris Johnson 10-07-2021 By Adrienne Weatherly, Deputy City Clerk</p> |
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Exhibit 2

Notice Published in the *Idaho Press*

LEGAL NOTICE

NOTICE OF REGULAR MEETING AND PUBLIC HEARING BY THE CITY COUNCIL OF THE CITY OF MERIDIAN, IDAHO TO CONSIDER THE FIRST AMENDMENT TO THE URBAN RENEWAL PLAN FOR THE UNION DISTRICT URBAN RENEWAL PROJECT OF THE URBAN RENEWAL AGENCY OF MERIDIAN, IDAHO, ALSO KNOWN AS MERIDIAN DEVELOPMENT CORPORATION

NOTICE IS HEREBY GIVEN that on **Tuesday, November 23, 2021, at 6:00 p.m.** in City Council Chambers, Meridian City Hall, 33 E. Broadway Avenue, Meridian, Idaho, 83642, and/or in virtual meeting as may be noticed on the City's website (www.meridiacity.org), the City Council of the City of Meridian, Idaho ("City") will hold, during its regular meeting, a public hearing to consider for adoption the proposed First Amendment to the Urban Renewal Plan for the Union District Urban Renewal Project ("First Amendment"), concerning the Union District Urban Renewal Plan and Revenue Allocation Area ("Existing Union District Project Area") of the Urban Renewal Agency of Meridian, Idaho, also known as Meridian Development Corporation ("Agency"). The general scope and objective of the First Amendment is the addition of approximately 1.46 acres (including rights-of-way) of land contiguous to the northwestern boundary of the Existing Union District Project Area. The urban renewal and revenue allocation area boundary for the area to be added is coterminous and is hereinafter described.

The First Amendment proposes that the Agency undertake urban renewal projects, including identifying public facilities for funding, pursuant to the Idaho Urban Renewal Law of 1965, chapter 20, title 50, Idaho Code, as amended. The First Amendment being considered for adoption contains a revenue allocation financing provision pursuant to the Local Economic Development Act, chapter 29, title 50, Idaho Code, as amended, that for the area added will cause property taxes resulting from any increase in equalized assessed valuation in excess of the equalized assessed valuation as shown on the base assessment roll as of January 1, 2021, to be allocated to the Agency for urban renewal purposes. The boundary of the additional area includes both urban renewal and revenue allocation areas. The Existing Union District Project Area contains a previously adopted revenue allocation financing provision pursuant to the Act that will continue to cause property taxes resulting from any increase in equalized assessed valuation in excess of the equalized assessed valuation as shown on the base assessment roll as of January 1, 2020, to be allocated to the Agency for urban renewal purposes. The Agency has adopted and recommended approval of the First Amendment. The City Council will be considering the second reading of an ordinance to adopt the First Amendment at the meeting scheduled for November 23, 2021, at 6:00 p.m. An additional reading will follow consistent with the City's ordinance approval process. The First Amendment does not extend the duration of the Existing Union District Project Area.

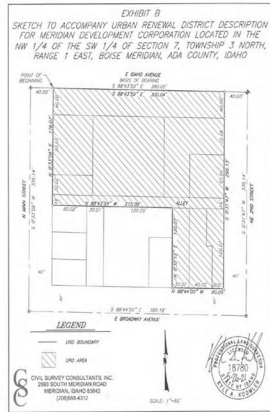
The general scope and objectives of the First Amendment are:

The First Amendment proposes improvements to public infrastructure and other publicly owned assets throughout the amendment area, creating the framework for the development of mixed-use, retail, office, commercial, and residential projects, as well as façade improvements, planning studies and installation and improvements to other public facilities, including, but not limited to, streets, streetscapes, water and sewer improvements, environmental and floodplain remediation/site preparation, public parking, other community facilities, parks, plazas, open space, and pedestrian/bike amenities, as more fully described in the First Amendment.

Any such land uses as described in the First Amendment will be in conformance with zoning for the City and the City's Comprehensive Plan, as amended. Land made available will be developed by private enterprises or public agencies as authorized by law. The First Amendment identifies various public and private improvements which may be made within the Amended Project Area.

The First Amendment shall add the following area to the Existing Union District Project Area described as follows:

An area consisting of approximately 1.46 acres (including rights-of-way) of land contiguous to the northwestern boundary of the Existing Union District Project Area and generally bounded by E. Idaho Avenue on the north, NE 2nd Street on the east, a portion of Broadway Avenue on the south, and E. Main Street on the west, an area referred to as the "Idaho Block" and as more particularly described in the First Amendment and depicted in the Map below:



Copies of the proposed First Amendment and the existing Union District Urban Renewal Plan are on file for public inspection and copying at the office of the City Clerk, Meridian City Hall, 33 E. Broadway Avenue, Meridian, Idaho 83642, between the hours of 8:00 a.m. and 5:00 p.m., Monday through Friday, exclusive of holidays. Costs for copying are outlined in Idaho Code Section 74-102. The proposed First Amendment can also be accessed online at <https://bit.ly/UnionFirstAmendment>. For additional assistance in obtaining a copy of the First Amendment in the event of business office interruptions, contact the office of the City Clerk at 208-888-4433.

At the hearing date, time, and place noted above (November 23, 2021, at 6:00 p.m.), all persons interested in the above matters may appear and be heard. Because social distancing orders may be in effect at the time of the hearing, written testimony is encouraged. Written testimony must be submitted at least five working days prior to the hearing. Oral testimony may be limited to three minutes per person. Information on assessing the meeting remotely will be posted on the published agendas, no later than 48 hours prior to the meeting at <https://meridiacity.org/agendas>. Additional information regarding providing testimony in compliance with any social distancing orders in effect may be obtained by calling 208-888-4433 or by email at cityclerk@meridiacity.org.

Meridian City Hall is accessible to persons with disabilities. All information presented in the hearing shall also be available upon advance request in a form usable by persons with hearing or visual impairments. Individuals with other disabilities may receive assistance by contacting the City 24 hours prior to the hearing.

DATED: October 8, 2021.
Chris Johnson, City Clerk

Exhibit 3

First Amendment to the Urban Renewal Plan for the Union District Urban Renewal Project

**FIRST AMENDMENT TO THE
URBAN RENEWAL PLAN FOR THE UNION DISTRICT URBAN RENEWAL
PROJECT**

**MERIDIAN URBAN RENEWAL AGENCY
(also known as Meridian Development Corporation)**

CITY OF MERIDIAN, IDAHO

**Ordinance No. 20-1882
Adopted June 9, 2020
Effective June 19, 2020, publication**

**First Amendment to the Union District Plan
Ordinance No. _____
Adopted _____
Effective _____ 2021, publication**

BACKGROUND

This First Amendment (“First Amendment”) to the Urban Renewal Plan for the Union District Urban Renewal Project (the “Plan”) amends the Plan for the following purpose: to add approximately 1.46 acres (including rights-of-way) of land contiguous to the northwestern boundary of the Union District Project Area and generally bounded by E. Idaho Avenue on the north, NE 2nd Street on the east, a portion of Broadway Avenue on the south, and E. Main Street on the west, an area referred to as the “Idaho Block.” The scope of this First Amendment is limited to addressing the addition of the Idaho Block to the Union District Project Area. It is important to note this First Amendment to the Plan does not extend the Plan’s duration. The Plan terminates on December 31, 2040; however, revenue allocation proceeds will be received in 2041 pursuant to Idaho Code Section 50-2905(7).

This First Amendment to the Plan, seeking to add the Idaho Block to the Union District Project Area pursuant to Idaho Code Section 50-2033, is not deemed to be a modification under Idaho Code Section 50-2903A. “Modification shall not be deemed to have occurred when: . . . (ii) There is a plan amendment to accommodate an increase in the revenue allocation area boundary as permitted in section 50-2033, Idaho Code...” Idaho Code Section 50-2903A(1)(a)(ii).

Idaho Code Section 50-2033 permits an urban renewal agency, after July 1, 2011, to add area to an existing revenue allocation area one (1) time “so long as the total area to be added is not greater than ten percent (10%) of the existing revenue allocation area and the area to be added is contiguous to the existing revenue allocation area” Idaho Code § 50-2033. Contiguity cannot be established solely by a shoestring or public railroad right-of-way. *See* Idaho Code § 50-2033. The geographic area to be added to the Union District Project Area is contiguous to the existing Union District Project Area and is less than ten percent (10%) of the existing revenue allocation area, which is 15.86 acres.

A separate base assessment value will be established for the area to be added to the Union District Project Area, effective retroactive to January 1, 2021. The Agency will receive an allocation of revenues from the added area from any increases in value above the base value through the remaining years of the Plan. The base values for the original Union District Project Area will continue to be retroactive to January 1, 2020.

The area to be added to the Union District Project Area was deemed to be a deteriorated area and/or a deteriorating area under the Law and Act and, therefore, eligible for inclusion into the existing revenue allocation area pursuant to the Idaho Block Annexation to Union District (Proposed) Eligibility Report, prepared by Kushlan | Associates, dated June 2021 (the “Eligibility Report”). The Eligibility Report was submitted to the Agency, which by adoption of Resolution No. 21-027 on June 9, 2021, found the additional area to be eligible and authorized the transmission of the Eligibility Report and Resolution to the Meridian City Council, together with the Agency’s recommendation that the area be designated as appropriate for an urban renewal project, and seeking direction from the City Council to proceed with urban renewal plan amendment. The Meridian City Council, by adoption of Resolution No. 21-2274 on July 6, 2021, found the area under consideration to be a deteriorating area or a deteriorated area in the City, as defined by the Law and the Act, and authorized preparation of a plan amendment.

AMENDMENTS TO THE PLAN

1. Definitions. Capitalized terms not otherwise defined herein shall have the respective meanings ascribed to such terms in the Plan.

2. The following defined terms are amended throughout the Plan as follows:

a. Delete “Project Area” and replace with “Amended Project Area” except where specifically referenced in this First Amendment.

b. Delete references to “Attachment 1” and replace with “Attachment 1, as supplemented by Attachment 1A” except where specifically referenced in this First Amendment.

c. Delete references to “Attachment 2” and replace with “Attachment 2, as supplemented by Attachment 2A” except where specifically referenced in this First Amendment.

d. Delete references to “Attachment 4” and replace with “Attachment 4, as supplemented by Attachment 4A” except where specifically referenced in this First Amendment

e. Delete references to “Attachment 5” and replace with “Attachment 5, as supplemented by Attachment 5A” except where specifically referenced in this First Amendment.

3. Amendment to List of Attachments. The List of Attachments on page iii of the Plan is amended by deleting the list of attachments and replacing it as follows:

| | |
|---------------|--|
| Attachment 1 | Boundary Map of Union District Urban Renewal Project Area and Revenue Allocation Area |
| Attachment 1A | Boundary Map of the Additional Area |
| Attachment 2 | Legal Description of Union District Urban Renewal Project Area and Revenue Allocation Area |
| Attachment 2A | Legal Description of the Boundary of the Additional Area |
| Attachment 3 | Properties Which May be Acquired by the Agency |
| Attachment 4 | Map Depicting Expected Land Uses and Current Zoning Map of the Project Area |
| Attachment 4A | Map Depicting Expected Land Uses and Current Zoning Within the Area Added by the First Amendment |
| Attachment 5 | Economic Feasibility Study |
| Attachment 5A | Supplement to the Economic Feasibility Study: Financial Analysis Related to the 2021 Annexation |

4. Amendment to Section 100 of the Plan. Section 100 is amended by deleting the last sentence of the first paragraph and replacing it as follows:

Attachments 1 through 5, as supplemented by Attachments 1A, 2A, 4A and 5A, attached hereto (collectively, the “Plan Attachments, as supplemented”) are incorporated herein and shall be considered a part of this Plan.

5. Amendment to Section 102 of the Plan. Section 102 entitled “Procedures Necessary to Meet State and Local Requirements: Conformance with Idaho Code Sections 50-2008 and 50-2906” is amended by adding new paragraphs to the end of the existing language as follows:

Subsequent to the adoption of this Plan in 2020, in 2021, the Agency retained a third-party consultant to review approximately 1.46 acres of land adjacent and contiguous to the Project Area for an eligibility determination for an urban renewal project. The area reviewed included land contiguous to the northwestern boundary of the Union District Project Area and generally bounded by E. Idaho Avenue on the north, NE 2nd Street on the east, a portion of Broadway Avenue on the south, and E. Main Street on the west (the “Idaho Block”).

The Idaho Block was reviewed and determined to be a deteriorated area and/or a deteriorating area under the Law and the Act and, therefore, eligible for inclusion into the existing revenue allocation area pursuant to the Idaho Block Annexation to Union District Eligibility Report (proposed), prepared by Kushlan | Associates, dated June 2021 (the “Eligibility Report”). The Eligibility Report was submitted to the Agency, which by adoption of Resolution No. 21-027 on June 9, 2021, found the additional area to be eligible and authorized the transmission of the Eligibility Report and Resolution to the City Council, together with the Agency’s recommendation that the area be designated as appropriate for an urban renewal plan amendment. The City Council by adoption of Resolution No. 21-2274 on July 6, 2021, found the area under consideration to be a deteriorating area or a deteriorated area in the City, as defined by the Law and the Act, and authorized preparation of a plan amendment. The 1.46 acres being added to the Project Area hereby creates the “Amended Project Area” as further described and shown in Attachments 1, 1A, 2, and 2A.

This First Amendment to the Plan (the “First Amendment”) adds certain parcels that were deannexed from the Downtown District Plan and Project Area in 2021 pursuant to the Second Amendment to the Meridian Revitalization Plan.

This First Amendment was prepared and submitted to the Agency for its review and approval. The Agency approved the First Amendment by the adoption of Resolution No. 21-038 on September 22, 2021 and

submitted the First Amendment to the City Council with its recommendation for adoption.

In accordance with the Law, this First Amendment was submitted to the Planning and Zoning Commission of the City. After consideration of the First Amendment, the Commission filed Resolution 21-06 dated October 7, 2021, with the City Council stating that the First Amendment is in conformity with the City's Comprehensive Plan.

Pursuant to the Law and Act, the City Council, having published due notice thereof, held a public hearing on the First Amendment. Notice of the hearing was duly published in the *Idaho Press*, a newspaper having general circulation in the City. The City Council adopted the First Amendment on _____, 2021, pursuant to Ordinance No. _____.

6. Amendment to Section 103 of the Plan. In Section 103, the term "Project Area" is now replaced with the term "Amended Project Area."

7. Amendment to Section 103 of the Plan. Section 103 of the Plan is amended by the addition of new Section 103.1 entitled "History and Current Conditions of the Expansion Area" as follows:

During 2021, the City, Agency, and other interested parties began to examine the need to expand the Project Area to include additional area adjacent and contiguous to the Project Area that continued to be underdeveloped.

The approximately 1.46 acres to be added to the Project Area includes eleven (11) tax parcels with an Old Town (OT) zoning designation and are located within the older developed area within the community. None of the parcels appear to be owner-occupied residences. Only the south half of Idaho Avenue between Main Street and NE 2nd Street is included. The area reviewed exhibited deteriorated conditions due to the age or obsolescence of the structures. The area is transitioning to a modern commercial center and the configuration of small lots does not accommodate modern commercial development rendering redevelopment economically infeasible. Similarly, the eleven (11) parcels range in size with the majority of lots under 5,000 square feet, which is an insufficient size to accommodate economical economic development. Diversity of ownership is also present, which makes land assemblage challenging. These above conditions result in economic underdevelopment of the area and are conditions that substantially impair and arrest the sound growth of the City.

The First Amendment embraces the principles set forth in the Plan and proposes improvements to public infrastructure and other publicly owned assets throughout the expansion area, creating the framework for the development of mixed-use, retail, office, commercial, and residential,

projects, as well as, façade improvements, planning studies and installation and improvements to other public facilities, including, but not limited to, streets, streetscapes, water and sewer improvements, environmental and floodplain remediation/site preparation, public parking, other community facilities, parks, plazas, open space, and pedestrian/bike amenities. The expansion area is underdeveloped and is not being used to its highest and best use due to age and obsolescence, as well as faulty lot layout in relation to size, adequacy, accessibility or usefulness, obsolete platting, and diversity of ownership. The foregoing conditions have resulted in economic underdevelopment of the expansion area and has arrested or impaired growth in the expansion area.

The preparation and approval of an urban renewal plan amendment including a revenue allocation financing provision, gives the City additional resources to solve the public infrastructure problems in this area. Revenue allocation financing should help to improve the situation. In effect, property taxes generated by new developments within the Amended Project Area may be used by the Agency to finance a variety of needed public improvements and facilities. Finally, some of the new developments may also generate new jobs in the community that would, in turn, benefit area residents.

It is unlikely individual developers will take on the prohibitive costs of constructing the necessary infrastructure in the expansion area without the ability of revenue allocation to help offset at least some of these costs. But for urban renewal and revenue allocation financing, the proposed commercial, office, residential and related public improvements would not occur.

8. Amendment to Section 200 of the Plan.

a. Section 200 entitled “DESCRIPTION OF THE PROJECT AREA” is deleted and replaced as follows:

DESCRIPTION OF THE AMENDED PROJECT AREA

The boundaries of the Project Area and of the Revenue Allocation Area are shown on Attachment 1, Boundary Map of Union District Urban Renewal Project Area and Revenue Allocation Area, and are described in Attachment 2, Legal Description of Union District Urban Renewal Project Area and Revenue Allocation Area.

The boundaries of the area added to the Project Area, pursuant to the First Amendment, are shown on Attachment 1A, Boundary Map of the Additional Area, and are described in Attachment 2A, Legal Description of the Boundary of the Additional Area. Collectively, the Project Area, as amended, may be referred to as the “Amended Project Area.”

For purposes of boundary descriptions and use of proceeds for payment of improvements, the boundary shall be deemed to extend to the outer boundary of rights-of-way or other natural boundary unless otherwise specified.

The attachments referenced above are attached hereto and are incorporated herein by reference.

9. Amendment to Section 301 of the Plan. Section 301 is amended as follows:
 - a. Section 301 is amended by deleting subsection (t) and replacing it as follows:
 - t. The construction and financial support of cultural facilities and the enhancement, installation and/or construction of parks, open spaces, plazas, and public recreational facilities;
 - b. Section 301 is amended by adding a new subsection (x) as follows:
 - x. The provision of financial and other assistance to encourage and support the Agency's façade improvement program
 - c. Section 301 is amended by adding a new subsection (y) as follows:
 - y. The funding in whole, or in part, any planning studies within the Amended Project Area.

10. Amendment to Section 302 of the Plan. Section 302 is amended by deleting the first paragraph and replacing it as follows:

Urban renewal activity is necessary in the Amended Project Area to combat problems of physical deterioration or deteriorating conditions. As set forth in greater detail in Sections 103 and 103.1, the Amended Project Area has a history of stagnant growth and development compared to the greater downtown area of the City based on deteriorated or deteriorating conditions that have arrested or impaired growth in the Amended Project Area primarily attributed to: underdeveloped properties; inadequate pedestrian and bicycle connectivity and mobility; the presence of a substantial number of deteriorating structures; deterioration of site; age and obsolescence; a predominance of defective or inadequate street layout; faulty lot layout in relation to size, adequacy, accessibility or usefulness; unsanitary or unsafe conditions; diversity of ownership; and defective or very unusual conditions of title. The Plan for the Amended Project Area is a proposal to work in partnership with public and private entities to improve, develop, and grow the economy within the Amended Project Area by the implementation of a strategy and program set forth in Section 301, as amended.

11. Amendment to Section 502 of the Plan.

a. Section 502 is amended by deleting the first sentence of the first paragraph and replacing it as follows: The Agency hereby adopts revenue allocation financing provisions as authorized by the Act, effective retroactively to January 1, 2020, for the original Project Area and effective retroactively to January 1, 2021, for the area added to the Project Area by the First Amendment.

b. Section 502 is amended by deleting the first and second sentences of the fifth paragraph and replacing them as follows: A statement listing proposed public improvements and facilities, an economic feasibility study, estimated project costs, fiscal impact upon other taxing districts, and methods of financing project costs required by Idaho Code Section 50-2905 is included in Attachment 5 for the Project Area, and as supplemented in Attachment 5A for the area added by the First Amendment. The information contained in Attachment 5 incorporated estimates and projections based on the Agency's and the consultants' knowledge and expectations at that time. The information contained in Attachment 5A necessarily incorporates estimates and projections based on the Agency's present knowledge and expectations and includes analysis and assessment based on the additional 1.461 acres added to the Project Area.¹

12. Amendment to Section 502.1 of the Plan. Section 502.1 is amended by deleting Section 502.1 and replacing it as follows:

Attachment 5 consists of the Economic Feasibility Study for the Union District Urban Renewal Area prepared by Kushlan | Associates and SMR Development, LLC for the original Project Area. Attachment 5A consists of the Economic Feasibility Study for the area added to the Project Area by the First Amendment prepared by Kushlan | Associates. Portions of the data from Attachment 5 are restated in Attachment 5A to the extent additional information was available related to the timing of projects impacting revenue generation and project funding in the expansion area (collectively, Attachments 5 and 5A are referred to as the "Study"). The Study constitutes the financial analysis required by the Act.

13. Amendment to Section 502.3 of the Plan. Section 502.3 of the Plan is amended by the addition of new Section 502.3.1 entitled "Updated Ten Percent Value Limitation and the Ten Percent Geographic Limitation" as follows:

Under the Act, the base assessed valuation for all revenue allocation areas cannot exceed gross/net ten percent (10%) of the current assessed taxable value for the entire City. According to the Ada County Assessor, the assessed taxable value for the City as of January 1, 2020² less

¹ See also Section 301 to the Plan, as amended.

² Due to the timing of the assessment process and creation of this Plan, the 2020 values have been used to establish compliance with the 10% limitation. Using the 2020 values, the total adjusted base value of the existing and proposed revenue allocation areas combined with the value of this annexation into the Project Area are less than 2.62% of

homeowners' exemption is \$10,375,837,804. Therefore, the 10% limit is \$1,037,583,780.

The adjusted base assessed value of each of the existing revenue allocation areas, plus the expansion area and the proposed revenue allocation areas, as of January 1, 2020, is as follows:

| | |
|--|---------------|
| Downtown District ³ | \$146,334,050 |
| Ten Mile District | \$39,539,125 |
| Union District | \$2,144,360 |
| Proposed Union District Project Area Amendment | \$3,414,100 |
| Proposed Northern Gateway District | \$68,832,974 |
| Proposed Linder District ⁴ | \$11,978,500 |
| TOTAL: | \$272,243,109 |

The adjusted base values for the combined revenue allocation areas total \$272,243,109, which is less than 10% of the City's 2020 taxable value.

Further, Idaho Code Section 50-2033 provides that after July 1, 2011: “[a]n urban renewal plan that includes a revenue allocation area may be extended only one (1) time to extend the boundary of the revenue allocation area so long as the total area to be added is not greater than ten percent (10%) of the existing revenue allocation area and the area to be added is contiguous to the existing revenue allocation area but such contiguity cannot be established solely by a shoestring or strip of land which comprises a railroad or public right-of-way.” The Project Area consists of approximately 15.86 acres; therefore, the 10% geographic limit is approximately 1.59 acres. The area to be added to the Project Area, which is adjacent and contiguous to the Project Area, consists of approximately 1.461 acres, which is less than 10% of the acreage included in the Project Area.

14. Amendment to Section 502.7 of the Plan.

a. Section 502.7 is amended by adding a new sentence at the end of the second sentence of the second paragraph as follows: The addition of the geographic area to the Project Area pursuant to the First Amendment does not reset the base⁵; however, for the area added, the base value is the assessed value as of January 1 of the year in which the municipality approved the expansion or, in this instance, January 1, 2021.

the total taxable value of the City. Even assuming an increase in values for 2022, the combined adjusted base values of the revenue allocation areas would not exceed 10% of the current assessed taxable value for the entire City.

³ Less area deannexed by the First Amendment to the Meridian Revitalization Plan Urban Renewal Project, and the Second Amendment to the Meridian Revitalization Plan Urban Renewal Project.

⁴ May not be established until calendar year 2022.

⁵ See Idaho Code Sections 50-2903A(1)(a)(ii) and 50-2033.

b. Section 502.7 is amended by adding a new footnote following the fourth sentence of the second paragraph as follows: House Bill 389 passed during the 2021 Legislative Session, effective in significant part as of January 1, 2021, further limits a taxing entity’s ability to increase the property tax portion of its budget. The Supplement to the Economic Feasibility Study: Financial Analysis Related to the 2021 Annexation, included as Attachment 5A, has considered the impact of House Bill 389 on the Project’s overall feasibility.

c. Section 502.7 is amended by adding a new footnote following the first sentence of the fifth paragraph as follows: House Bill 389 amended Idaho Code Sections 63-802 and 63-301A limiting the value placed on the new construction roll and available to a taxing district for a budget capacity increase. This could result in lower levy rates over time.

d. Section 502.7 is amended by deleting the last sentence of the fifth paragraph and replacing it as follows: Upon termination of this Plan, as amended by the First Amendment, and the Amended Project Area, the taxing entities will be able to include a percentage⁶ of the accumulated new construction roll value in setting the following year’s budget (subject to any applicable cap) pursuant to Idaho Code Sections 63-802 and 63-301A.

e. Section 502.7 is amended by adding new paragraphs following the end of the seventh paragraph as follows:

Pursuant to the First Amendment and Attachment 5A concerning the expansion, as 2021 certified levy rates are not determined until late September 2021, the 2020 certified levy rates have been used in Attachment 5A for purposes of the analysis.⁷ Those taxing districts and rates are as follows:

| <u>Taxing Districts:</u> | <u>Levy Rates:</u> |
|--|--------------------|
| The City of Meridian | .002230856 |
| The West Ada School District (School District No. 2) | .000014472 |
| Ada County | .002149935 |
| Emergency Medical District/Ada County Ambulance | .000118422 |
| Mosquito Abatement District | .000021106 |
| The Ada County Highway District | .000701539 |
| Meridian Library District | .000430489 |
| Meridian Cemetery District | .000048343 |
| Western Ada Recreation District | .000037736 |
| College of Western Idaho | .000124266 |
| TOTAL⁸ | .005877164 |

⁶ Pursuant to House Bill 389, 80% of the total eligible increment value is added to the new construction roll.

⁷ Due to the timing of the taxing districts’ budget and levy setting process, certification of the 2021 levy rates did not occur until this First Amendment had been prepared and considered by the Agency. In order to provide a basis to analyze the impact on the taxing entities, the 2020 levy rates are used. Use of the 2020 levy rates provides a more accurate base than estimating the 2021 levy rates.

⁸ Net of voter approved bonds and levies.

House Bill 587, as amended in the Senate, effective July 1, 2020, amends Idaho Code Section 50-2908 altering the allocation of revenue allocation funds to the Agency from the Ada County Highway District levy⁹. This amendment will apply to the expansion area¹⁰ added by this First Amendment and provides: “[i]n the case of a revenue allocation area first formed or expanded to include the property on or after July 1, 2020, all taxes levied by any highway district, unless the local governing body that created the revenue allocation area has responsibility for the maintenance of roads or highways” will be allocated to the applicable highway district, which in this case is the Ada County Highway District.

However, amended Idaho Code Section 50-2908 further provides the highway district and Agency may enter into an agreement for a different allocation. A copy of any agreement is required to be submitted to the Idaho State Tax Commission and to the Ada County Clerk by the Ada County Highway District as soon as practicable after the parties have entered into the agreement and by no later than September 1 of the year in which the agreement takes effect. The Agency intends to work with the Ada County Highway District to enter into an agreement allowing the Agency to retain the revenues from the highway district levies for the expansion area. No agreement is required for the original Project Area.

The Study has made certain assumptions concerning the levy rate. The levy rate is estimated to be 10% lower than the combined 2020 certified levy rate to adjust for the impact of House Bill 389, as well as considering the rapidly increasing property values. The levy rate is anticipated to remain level for the life of the Project Area. As the actual impact of the property value fluctuations on the levy rate is unknown, the Study has assumed a combined conservative levy rate of .0053. Land values are estimated to inflate at 8%/year for five (5) years and then inflate at a rate of 4%/year for the remaining duration of the Project Area. Improvement values are estimated to inflate at a rate of 10%/year for five (5) years, and thereafter are estimated to inflate at a rate of 5%/year for the duration of the Project Area. Estimated new development is anticipated occur annually and be fully on the tax rolls from year 2025 through 2029. If the overall levy rate is less than projected, or if expected development fails to occur as estimated, the Agency shall receive fewer funds from revenue allocation. The Study has also considered the timing of the original projects identified in the Plan and pushed back the completion timeline where necessary to account for current market conditions.

⁹ Senate Bill 1107, as amended in the Senate, effective July 1, 2021, made a corresponding amendment to Idaho Code Section 40-1415(3) to address the responsibility for funding certain urban renewal projects.

¹⁰ The amendment to Idaho Code Section 50-2908 does not apply to the original Project Area.

15. Amendment to Section 800 of the Plan. Section 800 is amended by adding a new sentence at the end of the first paragraph as follows: The addition of parcels to the original Project Area pursuant to this First Amendment has no impact on the duration of this Plan.

16. Amendment to Plan to add new Attachment 1A. The Plan is amended to add new Attachment 1A entitled “Boundary Map of the Additional Area,” attached hereto.

17. Amendment to Plan to add new Attachment 2A. The Plan is amended to add new Attachment 2A entitled “Legal Description of the Boundary of the Additional Area,” attached hereto.

18. Amendment to Plan to add new Attachment 4A. The Plan is amended to add new Attachment 4A entitled “Map Depicting Expected Land Uses and Current Zoning Within the Areas Added by the First Amendment,” attached hereto.

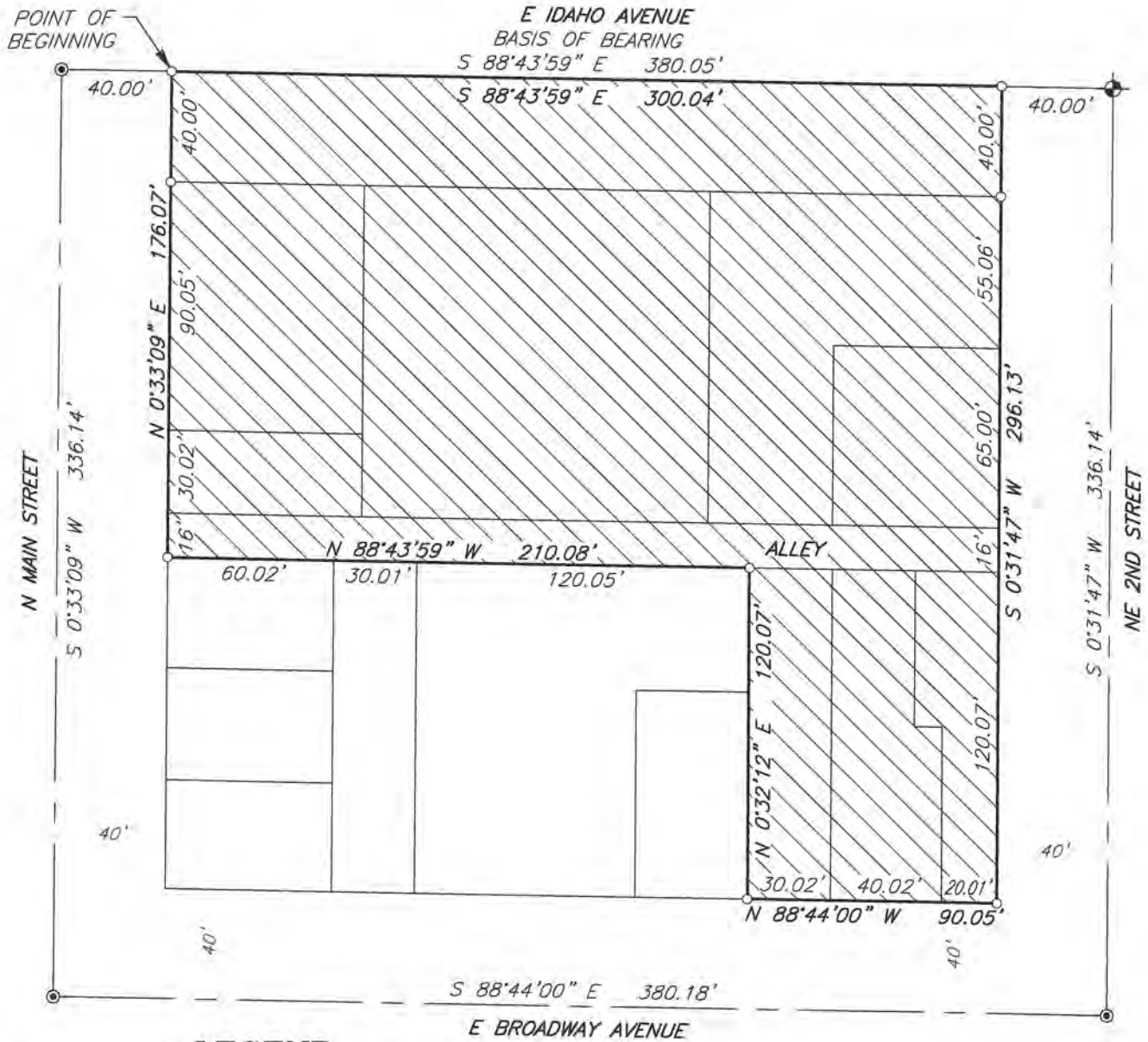
19. Amendment to Plan to add new Attachment 5A. The Plan is amended to add new Attachment 5A entitled “Supplement to the Economic Feasibility Study: Financial Analysis Related to the 2021 Annexation,” attached hereto.

20. Union District Plan Remains in Effect. Except as expressly modified in this First Amendment, the Plan and the Attachments thereto remain in full force and effect.



Attachment 1A
Boundary Map of the Additional Area

EXHIBIT B

SKETCH TO ACCOMPANY URBAN RENEWAL DISTRICT DESCRIPTION FOR MERIDIAN DEVELOPMENT CORPORATION LOCATED IN THE NW 1/4 OF THE SW 1/4 OF SECTION 7, TOWNSHIP 3 NORTH, RANGE 1 EAST, BOISE MERIDIAN, ADA COUNTY, IDAHO



LEGEND

-  URD BOUNDARY
-  URD AREA



CIVIL SURVEY CONSULTANTS, INC.
2893 SOUTH MERIDIAN ROAD
MERIDIAN, IDAHO 83642
(208)888-4312



SCALE: 1"=60'



Attachment 2A
Legal Description of the Boundary of the Additional Area

EXHIBIT A
URBAN RENEWAL DISTRICT BOUNDARY DESCRIPTION
FOR
MERIDIAN DEVELOPMENT CORPORATION

IDAHO BLOCK

A description for Urban Renewal District purposes located in the NW 1/4 of the SW 1/4 of Section 7, Township 3 North, Range 1 East, Boise Meridian, and being a part of Block 4 of the amended plat of the *TOWNSITE OF MERIDIAN* as found in Book 1 of plats at Page 30 in the office of the Recorder, Ada County, Idaho, more particularly described as follows:

Commencing at a 5/8 inch diameter iron pin marking the intersection of N Main Street and E Idaho Avenue, from which a brass cap monument marking the intersection of NE 2nd Street and E Idaho Avenue bears S 88°43'59" E a distance of 380.05 feet;

Thence S 88°43'59" E along the centerline of said E Idaho Avenue a distance of 40.00 feet to the POINT OF BEGINNING;

Thence continuing S 88°43'59" E a distance of 300.04 feet to a point on an extension of the easterly boundary of said Block 4;

Thence leaving said centerline S 0°31'47" W a distance of 40.00 feet to a point marking the northeasterly corner of said Block 4;

Thence continuing S 0°31'47" W along said easterly boundary a distance of 256.13 feet to a point marking the southeasterly corner of said Block 4;

Thence N 88°44'00" W along the southerly boundary of said Block 4 a distance of 90.05 feet to a point marking the southwesterly corner of Lot 8 of said Block 4;

Thence leaving said southerly boundary N 0°32'12" E along the westerly boundary of said Lot 8 a distance of 120.07 feet to a point marking the northwesterly corner of said Lot 8;

Thence N 88°43'59" W along the northerly boundary of Lots 1 – 7 of said Block 4 a distance of 210.08 feet to a point on the westerly boundary of said Block 4, said point being the northwesterly corner of Lot 1 of said Block 4;

Thence N 0°33'09" E along said westerly boundary a distance of 136.07 feet to a point marking the northwesterly corner of said Block 4;

Thence continuing N 0°33'09" E on an extension of said westerly boundary a distance of 40.00 feet to the POINT OF BEGINNING.

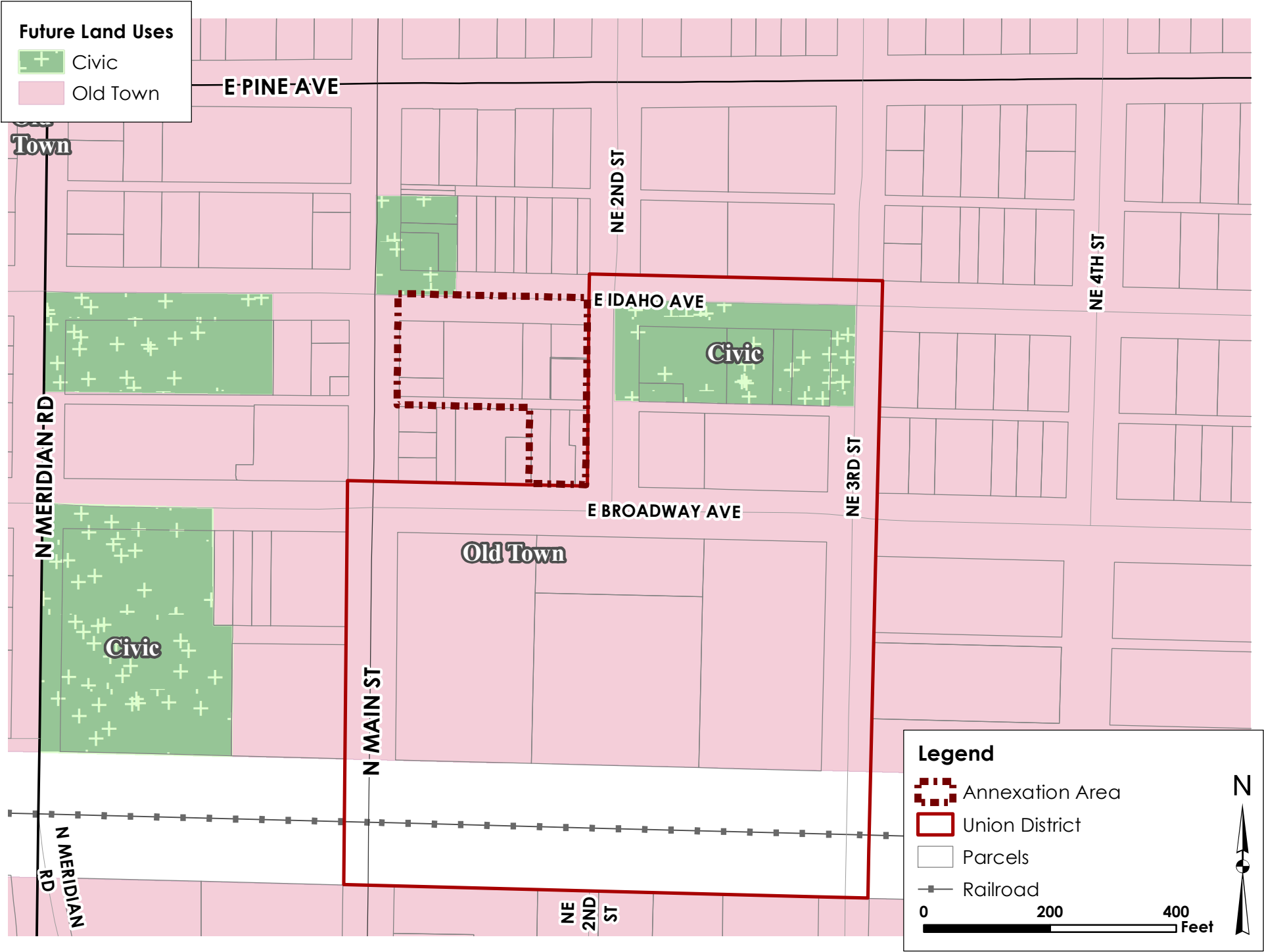
This parcel contains approximately 1.461 acres.

NOTE: This description was prepared using record information including Record of Surveys, Subdivision Plats and Deeds acquired from the Ada County Recorder's office. No field survey has been performed.

Prepared by: Kyle A. Koomler, PLS
Civil Survey Consultants, Incorporated
May 26, 2021



Attachment 4A
Map Depicting Expected Land Uses and Current Zoning Within the Areas Added by the First
Amendment



Future Land Uses

- Civic
- Old Town

Legend

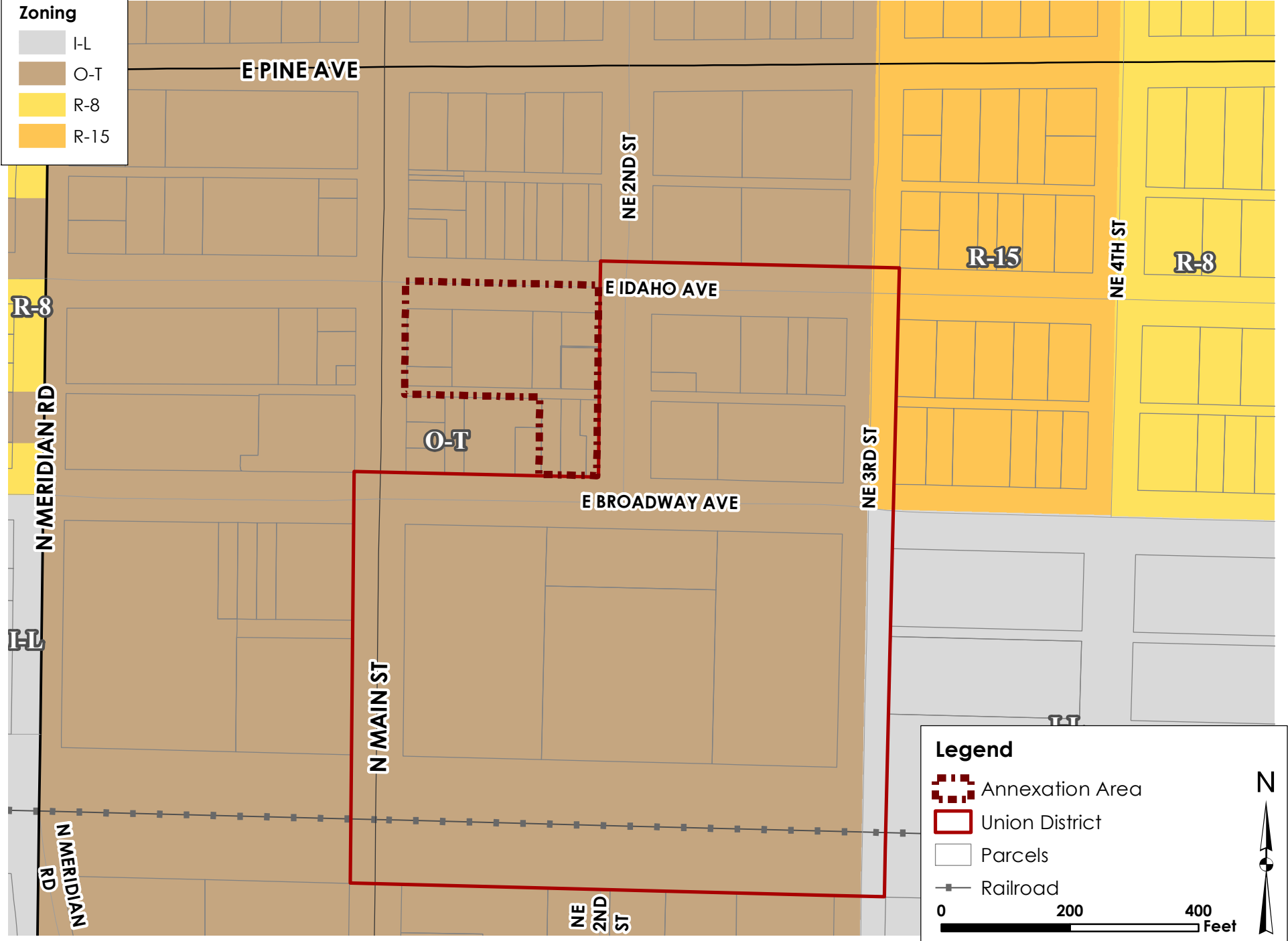
- Annexation Area
- Union District
- Parcels
- Railroad

0 200 400
 Feet

N

Zoning

- I-L
- O-T
- R-8
- R-15



Legend

- Annexation Area
- Union District
- Parcels
- Railroad

0 200 400
 Feet

N

Attachment 5A
Supplement to the Economic Feasibility Study:
Financial Analysis Related to the 2021 Annexation

4835-4848-9712, v. 7

ATTACHMENT 5.1A
Public Improvements within the Revenue Allocation Area

This attachment includes a projected list of proposed public works or improvements within the Union District Project Area, as amended by the First Amendment to the Urban Renewal Plan for the Union District Urban Renewal Project (the “First Amendment”), which added approximately 1.46 acres to the Union District Project Area pursuant to Idaho Code Sections 50-2903A(1)(a)(ii) and 50-2033 (the “Amended Project Area”). This Attachment 5A, the Supplement to the Economic Feasibility Study: Financial Analysis Related to the 2021 Annexation, is intended to address the scope of projects related to the expansion area; however, portions of the Economic Feasibility Study may be restated if additional information is available related to the timing of projects impacting revenue generation and project funding in the expansion area. The proposed improvements within the Amended Project Area include improvements to streets, utilities, and other public rights-of-way amenities as well as construction and/or improvements to parks, plazas and open space, a community center, façade improvements, public parking (structured and surface parking), property acquisition to support development and/or redevelopment goals, and brownfield and/or environmental clean-up.

The Union District Improvement List set forth below identifies needed investments to support private investment in capital facilities. Capital facilities generally have long useful lives and significant costs. The overall project and the infrastructure to support it are all consistent with the vision articulated in the City of Meridian Comprehensive Plan, Destination: Downtown Plan, the future land use map and as required in City development regulations. The cost estimates provided by owner/developers and the City are based upon prices for similar construction in the area.

Estimated costs expected to be incurred in implementing the Urban Renewal Plan for the Union District Urban Renewal Project (the “Plan”) as amended by the First Amendment are as follows:

Union District Improvement List

| | |
|------------------------------------|---------------------|
| Community Center Construction | <u>\$6,450,000</u> |
| Net District Cost Construction | \$6,450,000 |
| Community Center Site Improvements | \$1,615,000 |
| Structured Public Parking | <u>\$4,250,000</u> |
| Sub-Total | \$5,865,000 |
| Total Community Center Cost | \$12,315,000 |

Proposed Public Infrastructure, including Engineering, Design, Installation, Construction, and/or Reconstruction of:

| | |
|---|--------------------|
| Improvements to 3rd Street | |
| Improvements to Broadway Avenue | |
| Intersection Improvements and Rail Crossing Safety Enhancements | |
| Pedestrian improvements | |
| Streetscape Improvements | |
| Sewer Infrastructure Improvements | |
| Water Infrastructure Improvements | |
| Electrical Distribution Improvements | |
| Right-of-Way Landscaping Improvements | |
| Utility Relocations | |
| Lateral Relocation and Improvements | |
| Irrigation and Drainage Improvements | |
| Public Improvements Sub-total | \$1,215,000 |
| Additional Public Parking | \$3,810,000 |

Other Eligible Public Infrastructure Improvements

| | |
|-----------------------------------|--------------|
| Façade Improvements | \$750,000 |
| Property Acquisition | \$3,500,000 |
| Public Plazas, Parks & Open Space | \$3,000,000 |
| Environmental Remediation | \$2,250,000 |
| Idaho Avenue Improvements | \$1,000,000 |
| Planning Studies | \$259,000 |
| Grand Total | \$28,099,000 |

The projects and estimated costs have been derived from Galena Opportunity Fund and updated by the City and the Meridian Development Corporation (MDC) based upon similar works being carried out in the broader community and existing market conditions. The costs related to the expansion area improvements are estimated in 2021 dollars and are not inflated. Costs will likely vary from the costs detailed here, as they will be subject to inflation and further project refinement and timing. The cost estimates used in this analysis are considered estimates for the purpose of financial planning.

The Amended Project Area is estimated to generate \$25,389,904 in tax increment revenue between 2020 and 2040¹ in addition to the initial \$100,000 loan from the MDC to activate the program. Additional potential sources of funding for the identified projects may include funding in the amount of \$3,800,000 from the City to support the Community Center project recognizing the City is not committing funds to this Project and any commitment

¹ As the Idaho property tax system provides for taxes being paid in arrears, Revenue Allocation funds will be received in FY 2041. However, the final year of income has not been considered in determining the economic feasibility of the Union District, as amended.

would occur through the City's appropriations/budget process. Further funding may be available through grants.

The total from all sources is estimated to be \$29,289,904. There are presently \$28,099,000 of project costs identified in the Union District Improvement List provided by developers, property owners and the City. The fiscal analysis generally assumes projects will be implemented by developers as part of certain private developments within the Union District Project Area, as amended, specifically related to the Meridian Station Project and the Civic Block Project as contemplated in the original Plan, and the Idaho Block project in the expansion area. It is assumed that the developers will be reimbursed through Owner Participation Agreements (OPA) from resources derived from the Amended Revenue Allocation Area established by the Union District Project Area, as amended by the First Amendment. Projects are also anticipated to occur on a pay-as-you-go basis, in addition to funding from other public entities, if available, and any available grant funding.

Administrative costs over the 20-year life of the district are estimated at \$920,000 or approximately 3.16% of total estimated revenue. The initial inter-district loan to support startup costs is assumed to be repaid at 5% simple interest for a total obligation of \$115,000².

The total estimated expenditures equal \$29,134,000, leaving a \$155,903 positive program balance of at the end of the 20-year term. See attached cash flow analysis for detailed estimates.

The Plan, as amended by the First Amendment, provides for the Plan and Amended Project Area to extend through its maximum term of 20 years. This First Amendment will constitute the one-time annexation to the Union District Project Area as permitted in Idaho Code 50-2033.

Secure funding includes revenue allocation funds and is money MDC is highly likely to receive. The funds may not be in MDC's possession at the beginning of the Plan period, but it is virtually certain that MDC will receive the funds. MDC may need to take specific actions to generate the funding, but those actions are within its powers. Despite the high probability of secure funding, no project can proceed until a specific, enforceable funding plan is in place.

Potential funding is money that might be received by MDC. In every case MDC is eligible for the funding, and the source of funding exists under current law. However, each potential funding source requires one or more additional steps or decisions before MDC can obtain the resources, and the ultimate decision is outside of MDC's independent control. The City's potential capital contribution and grant funds are an example of potential funding. Thus, potential funding is not assumed in determining financial feasibility.

² The amount of revenue allocation proceeds dedicated to the administration of the Union District, as amended [\$802,183 shown in Forecast] is supplemented by the Inter-district loan to produce the full amount over the life of the District.

Unfunded projects, or portions of projects lack secure or potential funding. At this time, all projects are anticipated to be funded.

The amount of tax increment contributed to the project will vary depending upon the actual cost of infrastructure.

The Plan, as amended by the First Amendment, proposes certain public improvements that will facilitate development in the Amended Project Area. The overall investment package could be funded from a variety of financing methods and sources. The primary method of financing MDC's obligation will be through the use of tax increment revenue (i.e., incremental property taxes from the revenue allocation area). This Plan, as amended by the First Amendment, anticipates that at least a portion of the tax increment revenue will be used to reimburse an owner/developer through a negotiated agreement for some or all of the eligible improvement costs or through direct investment by MDC.

Other sources of funding for project may include, but are not limited to:

- Local Improvement District (LID)
- Business Improvement District (BID)
- Development Impact Fees
- Franchise Fees
- Grants from federal, state, local, regional agencies and/or private entities
- Other bonds, notes and/or loans
- Improvements and/or payments by developers

The total project costs and the amount of tax increment are estimates. The estimated project costs and revenues are based on MDC's present knowledge and expectations supported by detailed information from property owners, developers, City and MDC staff and MDC's consultants based in part upon current construction projects in the broader community.

Summary of Projects

Based on the Union District Improvement List, as amended by the First Amendment, set forth above, the estimated total costs for the public improvements are \$28,099,000.

Cost of Operations and Improvements by Year (2020-2041)

| Year | Secure Funding (TIF & MDC Loan) | Potential Funding | District Operating Expenses | MDC Loan Debt Service | Funds for Program, Capital, and Debt Service Expenses | Total Project Liabilities |
|--------------|--|--------------------------|------------------------------------|------------------------------|--|----------------------------------|
| 2020 | \$75,000 | \$0 | \$25,000 | \$0 | | \$25,000 |
| 2021 | \$25,000 | \$0 | \$25,000 | \$0 | | \$25,000 |
| 2022 | \$3,430 | \$0 | \$25,000 | \$0 | | \$25,000 |
| 2023 | \$7,167 | \$0 | \$25,000 | \$0 | \$0 | \$25,000 |
| 2024 | \$11,237 | \$0 | \$20,000 | \$0 | \$0 | \$20,000 |
| 2025 | \$390,630 | *\$3,800,000 | \$50,000 | \$0 | \$4,100,000 | \$4,150,000 |
| 2026 | \$676,794 | \$0 | \$50,000 | \$115,000 | \$475,000 | \$640,000 |
| 2027 | \$1,003,700 | \$0 | \$50,000 | \$0 | \$900,000 | \$950,000 |
| 2028 | \$1,187,991 | \$0 | \$50,000 | \$0 | \$1,100,000 | \$1,150,000 |
| 2029 | \$1,381,483 | \$0 | \$50,000 | \$0 | \$1,350,000 | \$1,400,000 |
| 2030 | \$1,452,136 | \$0 | \$50,000 | \$0 | \$1,400,000 | \$1,450,000 |
| 2031 | \$1,526,307 | \$0 | \$50,000 | \$0 | \$1,500,000 | \$1,550,000 |
| 2032 | \$1,604,171 | \$0 | \$50,000 | \$0 | \$1,550,000 | \$1,600,000 |
| 2033 | \$1,685,912 | \$0 | \$50,000 | \$0 | \$1,550,000 | \$1,600,000 |
| 2034 | \$1,771,724 | \$0 | \$50,000 | \$0 | \$1,800,000 | \$1,850,000 |
| 2035 | \$1,861,809 | \$0 | \$50,000 | \$0 | \$1,800,000 | \$1,850,000 |
| 2036 | \$1,956,381 | \$0 | \$50,000 | \$0 | \$1,900,000 | \$1,950,000 |
| 2037 | \$2,055,662 | \$0 | \$50,000 | \$0 | \$2,000,000 | \$2,050,000 |
| 2038 | \$2,159,889 | \$0 | \$50,000 | \$0 | \$2,100,000 | \$2,150,000 |
| 2039 | \$2,269,306 | \$0 | \$50,000 | \$0 | \$2,250,000 | \$2,300,000 |
| 2040 | \$2,384,174 | \$0 | \$50,000 | \$0 | \$2,324,000 | \$2,374,000 |
| 2041 | \$0 | \$0 | \$0 | \$0 | | \$0 |
| Total | \$25,489,903 | \$3,800,000 | \$920,000 | \$115,000 | \$28,099,000 | \$29,134,000 |

Note: This analysis anticipates a positive fund balance of \$155,903 the end of the project.

*Potential City contribution to the Community Center Project. Not a binding commitment. Any City funding would be subject to annual appropriations/budgeting considerations.

ATTACHMENT 5.2A

Economic Feasibility Study

The Plan, as amended by the First Amendment, is economically feasible because the proposed development is sufficient to fully cover the anticipated cost of the redevelopment program.

The economic feasibility of the Plan, as amended by the First Amendment, is based on the following factors:

- The amount of development anticipated in the Amended Project Area
- The timing of the proposed taxable development
- The nature of the proposed development
- The amount of tax revenue to be generated by the proposed development
- The cost of public improvement projects.
- If revenue equals or exceeds project costs, the Plan is economically feasible.

The following is a summary of the analysis and estimates of the factors used to determine the economic feasibility of the Plan, as amended by the First Amendment.

The Economic Feasibility Analysis

Summary:

Over the course of the Plan and the Union District Project Area, as amended by the First Amendment, \$25,389,904 of Tax Increment Revenue is estimated to be generated using the development scenarios proposed by property owners/developers within the Union District Project Area, as amended by the First Amendment, the City and MDC, in consultation with its consultants. The Economic Feasibility Study assumes 10% of annual revenue allocation area proceeds, or TIF revenue, will be used for administration of the Union District Project Area, as amended by the First Amendment, with that amount capped at \$50,000 per year, for a total of \$920,000 for administration costs over the 20-year lifespan of the District.

The attached spreadsheets entitled “Union District Revenue Model, as amended by the First Amendment” and “Union District, as amended by the First Amendment, Cash Flow Analysis” gives a more detailed outlook on the revenues and expenses of the development scenario.

The following assumptions were made in the formulation of the Financial Feasibility Analysis:

- Land Value Increase @ 8%/Year for 5 years then 4%/year through the remainder of the term
- Improvement Value Increase @ 10%/Year then 5%/year through the remainder of the term,

- Tax Rate reduced by 10% and then held constant through the life of the Plan
- Total Cost of Improvements over the life of the project: \$28,099,000
- Tax rate does not include levies excluded pursuant to Idaho Code 50-2908, such as voter approved bonds/levies after 2007, judgment levies or the School District Plant or supplemental levies excluded by law.

The Economic Feasibility Analysis shows that the project will generate adequate funds within the Amended Project Area to fund the necessary capital improvements.

4831-7174-6294, v. 6

| Year | Land Value (+8% annually for 5 years then 4%) | Impr. Value (+10% for 5 years then 5%) | Total Assessed Value | Annual New Const. Value on tax roll | Cum. New Const Value + Inflation @ 10% and 5% | Cumulative Homeowners' Exemption | Taxable Value | Increment Value (H - Base Value) | Levy Rate (-10%) | Tax Increment Yield | Admin Costs (10%) | Funding for Capital Projects / Debt Service | | |
|------|--|---|----------------------------|---|--|--|----------------|--|---------------------|---------------------------|----------------------|---|-------------------|----------------------|
| 2020 | \$ 4,033,200 | \$ - | \$ 4,033,200 | \$ - | \$ - | \$ - | \$ 4,033,200 | \$ - | 0.0053 | | | | | |
| 2021 | \$ 4,355,856 | \$ 2,987,700 | \$ 7,343,556 | \$ - | \$ - | \$ - | \$ 7,343,556 | \$ - | 0.0053 | \$ - | \$ - | \$ - | | |
| 2022 | \$ 4,704,324 | \$ 3,286,470 | \$ 7,990,794 | \$ - | \$ - | \$ - | \$ 7,990,794 | \$ 647,238 | 0.0053 | \$ 3,430 | \$ 343 | \$ 3,087 | | |
| 2023 | \$ 5,080,670 | \$ 3,615,117 | \$ 8,695,787 | \$ - | \$ - | \$ - | \$ 8,695,787 | \$ 1,352,231 | 0.0053 | \$ 7,167 | \$ 717 | \$ 6,450 | | |
| 2024 | \$ 5,487,124 | \$ 3,976,629 | \$ 9,463,753 | \$ - | \$ - | \$ - | \$ 9,463,753 | \$ 2,120,197 | 0.0053 | \$ 11,237 | \$ 1,124 | \$ 10,113 | | |
| 2025 | \$ 5,926,094 | \$ 4,374,292 | \$ 10,300,386 | \$ 70,747,000 | \$ 70,747,000 | \$ - | \$ 81,047,386 | \$ 73,703,830 | 0.0053 | \$ 390,630 | \$ 50,000 | \$ 340,630 | | |
| 2026 | \$ 6,163,138 | \$ 4,593,006 | \$ 10,756,144 | \$ 50,000,000 | \$ 124,284,350 | \$ - | \$ 135,040,494 | \$ 127,696,938 | 0.0053 | \$ 676,794 | \$ 50,000 | \$ 626,794 | | |
| 2027 | \$ 6,409,663 | \$ 4,822,656 | \$ 11,232,320 | \$ 54,990,000 | \$ 185,488,568 | \$ - | \$ 196,720,887 | \$ 189,377,331 | 0.0053 | \$ 1,003,700 | \$ 50,000 | \$ 953,700 | | |
| 2028 | \$ 6,666,050 | \$ 5,063,789 | \$ 11,729,839 | \$ 25,000,000 | \$ 219,762,996 | \$ - | \$ 231,492,835 | \$ 224,149,279 | 0.0053 | \$ 1,187,991 | \$ 50,000 | \$ 1,137,991 | | |
| 2029 | \$ 6,932,692 | \$ 5,316,979 | \$ 12,249,671 | \$ 25,000,000 | \$ 255,751,146 | \$ - | \$ 268,000,816 | \$ 260,657,260 | 0.0053 | \$ 1,381,483 | \$ 50,000 | \$ 1,331,483 | | |
| 2030 | \$ 7,209,999 | \$ 5,582,828 | \$ 12,792,827 | \$ - | \$ 268,538,703 | \$ - | \$ 281,331,530 | \$ 273,987,974 | 0.0053 | \$ 1,452,136 | \$ 50,000 | \$ 1,402,136 | | |
| 2031 | \$ 7,498,399 | \$ 5,861,969 | \$ 13,360,369 | \$ - | \$ 281,965,638 | \$ - | \$ 295,326,007 | \$ 287,982,451 | 0.0053 | \$ 1,526,307 | \$ 50,000 | \$ 1,476,307 | | |
| 2032 | \$ 7,798,335 | \$ 6,155,068 | \$ 13,953,403 | \$ - | \$ 296,063,920 | \$ - | \$ 310,017,323 | \$ 302,673,767 | 0.0053 | \$ 1,604,171 | \$ 50,000 | \$ 1,554,171 | | |
| 2033 | \$ 8,110,269 | \$ 6,462,821 | \$ 14,573,090 | \$ - | \$ 310,867,116 | \$ - | \$ 325,440,206 | \$ 318,096,650 | 0.0053 | \$ 1,685,912 | \$ 50,000 | \$ 1,635,912 | | |
| 2034 | \$ 8,434,680 | \$ 6,785,962 | \$ 15,220,642 | \$ - | \$ 326,410,472 | \$ - | \$ 341,631,113 | \$ 334,287,557 | 0.0053 | \$ 1,771,724 | \$ 50,000 | \$ 1,721,724 | | |
| 2035 | \$ 8,772,067 | \$ 7,125,260 | \$ 15,897,327 | \$ - | \$ 342,730,995 | \$ - | \$ 358,628,322 | \$ 351,284,766 | 0.0053 | \$ 1,861,809 | \$ 50,000 | \$ 1,811,809 | | |
| 2036 | \$ 9,122,949 | \$ 7,481,523 | \$ 16,604,472 | \$ - | \$ 359,867,545 | \$ - | \$ 376,472,018 | \$ 369,128,462 | 0.0053 | \$ 1,956,381 | \$ 50,000 | \$ 1,906,381 | | |
| 2037 | \$ 9,487,867 | \$ 7,855,599 | \$ 17,343,467 | \$ - | \$ 377,860,922 | \$ - | \$ 395,204,389 | \$ 387,860,833 | 0.0053 | \$ 2,055,662 | \$ 50,000 | \$ 2,005,662 | | |
| 2038 | \$ 9,867,382 | \$ 8,248,379 | \$ 18,115,761 | \$ - | \$ 396,753,969 | \$ - | \$ 414,869,730 | \$ 407,526,174 | 0.0053 | \$ 2,159,889 | \$ 50,000 | \$ 2,109,889 | | |
| 2039 | \$ 10,262,077 | \$ 8,660,798 | \$ 18,922,876 | \$ - | \$ 416,591,667 | \$ - | \$ 435,514,542 | \$ 428,170,986 | 0.0053 | \$ 2,269,306 | \$ 50,000 | \$ 2,219,306 | | |
| 2040 | \$ 10,672,561 | \$ 9,093,838 | \$ 19,766,399 | \$ - | \$ 437,421,250 | \$ - | \$ 457,187,649 | \$ 449,844,093 | 0.0053 | \$ 2,384,174 | \$ 50,000 | \$ 2,334,174 | | |
| | | | | \$ 225,737,000 | | | | | | | | \$ 25,389,904 | \$ 802,183 | \$ 24,587,721 |

Assumptions:

Values based on Ada County Assessor 2019 Data for original District properties (latest available) then 2020 values for Idaho Block expansion area

Land values inflate at 8% per year for 5 years, then 4% for the remainder of the Plan term

Improvement values inflate at 10% per year for 5 years then 5% for the remainder of the term

Tax Rate reduced by 10% in consideration of impacts of HB389; anticipation of potential further modifications to the property tax system; and the further termination of the Idaho Block Annexed to original Union District in 2021

New construction values based upon developer's estimates

Earliest C.O for private development projects will be in 2024

Residential units will not be owner occupied and thus not subject to the Homeowners Property Tax Exemption

Residential units will all be market rate rental units

10% of annual Revenue Allocation yield will be paid to Meridian Development Corporation for administration - Capped at \$50,000/year

Balance of Revenue Allocation Yield will be available for capital investment and/or program expenses

City of Meridian, subject to available funds pursuant to annual appropriations and budgeting, may provide \$3,800,000 in 2025 to support development of a Community Center within the District. This does not represent a commitment by the City; rather is included to assess potentially available funds to support projects.

**Union District, as amended by the First Amendment,
Cash Flow Analysis**

| | 2020 | 2021 | 2022 | 2023 | 2024 | 2025 | 2026 | 2027 | 2028 | 2029 | 2030 |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|
| Beginning Balance | \$ - | \$ 50,000 | \$ 50,000 | \$ 28,430 | \$ 10,597 | \$ 1,834 | \$ 42,464 | \$ 79,258 | \$ 132,958 | \$ 170,949 | \$ 152,432 |
| Source of Funds | | | | | | | | | | | |
| Total Revenue Allocation | \$ - | \$ - | \$ 3,430 | \$ 7,167 | \$ 11,237 | \$ 390,630 | \$ 676,794 | \$ 1,003,700 | \$ 1,187,991 | \$ 1,381,483 | \$ 1,452,136 |
| MDC Inter-District Loan * | \$ 75,000 | \$ 25,000 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| City Community Center Contribution | | | | | | \$ 3,800,000 | | | | | |
| Total annual Funds Available | \$ 75,000 | \$ 75,000 | \$ 53,430 | \$ 35,597 | \$ 21,834 | \$ 4,192,464 | \$ 719,258 | \$ 1,082,958 | \$ 1,320,949 | \$ 1,552,432 | \$ 1,604,568 |
| Use of Funds | | | | | | | | | | | |
| District Operating Expenses | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 20,000 | \$ 50,000 | \$ 50,000 | \$ 50,000 | \$ 50,000 | \$ 50,000 | \$ 50,000 |
| Repay Inter-District Loan @ 5% | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 115,000 | \$ - | \$ - | \$ - | \$ - |
| Program, Capital and Debt Service Expenses | | \$ - | \$ - | \$ - | \$ - | \$ 4,100,000 | \$ 475,000 | \$ 900,000 | \$ 1,100,000 | \$ 1,350,000 | \$ 1,400,000 |
| Total Use of Funds | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 25,000 | \$ 20,000 | \$ 4,150,000 | \$ 640,000 | \$ 950,000 | \$ 1,150,000 | \$ 1,400,000 | \$ 1,450,000 |
| Ending Balance | \$ 50,000 | \$ 50,000 | \$ 28,430 | \$ 10,597 | \$ 1,834 | \$ 42,464 | \$ 79,258 | \$ 132,958 | \$ 170,949 | \$ 152,432 | \$ 154,568 |
| | | | | | | | | | | | |
| | 2031 | 2032 | 2033 | 2034 | 2035 | 2036 | 2037 | 2038 | 2039 | 2040 | Total |
| Beginning Balance | \$ 154,568 | \$ 130,875 | \$ 135,046 | \$ 220,958 | \$ 142,682 | \$ 154,491 | \$ 160,872 | \$ 166,534 | \$ 176,423 | \$ 145,729 | |
| Source of Funds | | | | | | | | | | | |
| Total Revenue Allocation | \$ 1,526,307 | \$ 1,604,171 | \$ 1,685,912 | \$ 1,771,724 | \$ 1,861,809 | \$ 1,956,381 | \$ 2,055,662 | \$ 2,159,889 | \$ 2,269,306 | \$ 2,384,174 | \$ 25,389,903 |
| MDC Inter-District Loan | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 100,000 |
| City Community Center Contribution | | | | | | | | | | | \$ 3,800,000 |
| Total Funds Available | \$ 1,680,875 | \$ 1,735,046 | \$ 1,820,958 | \$ 1,992,682 | \$ 2,004,491 | \$ 2,110,872 | \$ 2,216,534 | \$ 2,326,423 | \$ 2,445,729 | \$ 2,529,903 | \$ 29,289,903 |
| Use of Funds | | | | | | | | | | | |
| District Operating Expenses | \$ 50,000 | \$ 50,000 | \$ 50,000 | \$ 50,000 | \$ 50,000 | \$ 50,000 | \$ 50,000 | \$ 50,000 | \$ 50,000 | \$ 50,000 | \$ 920,000 |
| Repay Inter-district Loan @ 5% | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 115,000 |
| Program, Capital and Debt Service Expenses | \$ 1,500,000 | \$ 1,550,000 | \$ 1,550,000 | \$ 1,800,000 | \$ 1,800,000 | \$ 1,900,000 | \$ 2,000,000 | \$ 2,100,000 | \$ 2,250,000 | \$ 2,324,000 | \$ 28,099,000 |
| Total Use of Funds | \$ 1,550,000 | \$ 1,600,000 | \$ 1,600,000 | \$ 1,850,000 | \$ 1,850,000 | \$ 1,950,000 | \$ 2,050,000 | \$ 2,150,000 | \$ 2,300,000 | \$ 2,374,000 | \$ 29,134,000 |
| Ending Balance | \$ 130,875 | \$ 135,046 | \$ 220,958 | \$ 142,682 | \$ 154,491 | \$ 160,872 | \$ 166,534 | \$ 176,423 | \$ 145,729 | \$ 155,903 | |

**Union District, as amended by the First Amendment,
Cash Flow Analysis**

| | |
|--|--|
| | |
| <u>Assumptions</u> | |
| Initial District Start-up costs supported by MDC Inter-district Loan of \$100,000 to be repaid at 5% Interest | |
| 10% of annual TIF yield dedicated to Meridian Development Corporation for District operating Expenses, capped at \$50,000, Yr. | |
| Land Values will increase at an average of 8% annually for 5 years then at 4% over the remaining life of the District | |
| Improvement Values will increase at an average of 10% annually for 5 years then at 5% over the remaining life of the District | |
| \$28,124,000 available for District Program Expenses, Capital Investment and Debt Service * | |
| <i>* Includes \$3,800,000 City of Meridian contribution to Community Center; not a binding commitment</i> | |

Exhibit 4

Summary of Ordinance No. _____

4832-4104-2941, v. 1

**NOTICE AND PUBLISHED SUMMARY
OF ORDINANCE PURSUANT TO I.C. §50-901(A)**

CITY OF MERIDIAN ORDINANCE NO. 21-____

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MERIDIAN, IDAHO, APPROVING THE FIRST AMENDMENT TO THE URBAN RENEWAL PLAN FOR THE UNION DISTRICT URBAN RENEWAL PROJECT, WHICH FIRST AMENDMENT SEEKS TO ANNEX CERTAIN PARCELS TO THE EXISTING UNION DISTRICT PROJECT AREA; WHICH FIRST AMENDMENT INCLUDES REVENUE ALLOCATION FINANCING PROVISIONS; AUTHORIZING THE CITY CLERK TO TRANSMIT A COPY OF THIS ORDINANCE AND OTHER REQUIRED INFORMATION TO COUNTY AND STATE OFFICIALS AND THE AFFECTED TAXING ENTITIES; PROVIDING SEVERABILITY; APPROVING THE SUMMARY OF THE ORDINANCE; AND PROVIDING AN EFFECTIVE DATE.

NOW THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE CITY OF MERIDIAN, IDAHO:

SECTION 1: It is hereby found and determined that:

- (a) The area to be added to the existing Union District Project Area as defined in the First Amendment is a deteriorated area or a deteriorating area as defined in the Law and the Act and qualifies as an eligible urban renewal area under the Law and Act.
- (b) The rehabilitation, conservation, development and redevelopment of the urban renewal area pursuant to the First Amendment are necessary in the interests of public health, safety, and welfare of the residents of the City.
- (c) There continues to be a need for the Agency to function in the City.
- (d) The First Amendment conforms to the City of Meridian Comprehensive Plan as a whole.
- (e) The First Amendment gives due consideration to the provision of adequate park and recreation areas and facilities that may be desirable for neighborhood improvement (recognizing the mixed use components of the First Amendment and the need for overall public improvements), and shows consideration for the health, safety, and welfare of any children, residents or businesses in the general vicinity of the urban renewal area covered by the First Amendment.
- (f) The First Amendment affords maximum opportunity consistent with the sound needs of the City as a whole for the rehabilitation, development and redevelopment of the urban renewal area by private enterprises.
- (g) Pursuant to Idaho Code §§ 50-2007(h) and 50-2008(d)(l), the First Amendment provides a feasible method for relocation obligations of any displaced families residing within the

Amended Project Area and there is not anticipated to be any activity by the Agency that would result in relocation.

(h) The collective base assessment rolls for the revenue allocation areas under the Existing Project Areas, the Proposed Project Areas and the area added by the First Amendment, do not exceed ten percent (10%) of the assessed values of all the taxable property in the City.

(i) The area to be added by the First Amendment does not exceed ten percent (10%) of the geographical area contained within the existing Union District Project Area, and the area to be added is contiguous to the existing Union District Project Area.

(j) The First Amendment includes the requirements set forth in Idaho Code § 50-2905 with specificity.

(k) The First Amendment is sufficiently complete to indicate such land acquisition, demolition and removal of structures, redevelopment, improvements, and rehabilitation as may be proposed to be carried out in the urban renewal area, zoning and planning changes (if any) land uses, maximum densities, building requirements, and any method or methods of financing such plan, which methods may include revenue allocation financing provisions.

(l) The urban renewal area, which includes the deteriorating area, as defined in Idaho Code section 50-2018(9) and Idaho Code section 50-2903(8)(f), does not include any agricultural operation requiring consent.

(m) The portion of the Amended Project Area which is identified for non-residential uses is necessary and appropriate to facilitate the proper growth and development standards in accordance with the objectives of the Comprehensive Plan to overcome economic disuse, the need for improved traffic patterns, and the need for the correlation of this area with other areas of the City.

(n) The portion of the Amended Project Area which is identified for residential uses is necessary and appropriate as there is a shortage of housing of sound standards and design which is decent, safe and sanitary in the City; that the need for housing accommodations has been or will be increased as a result of the clearance of slums in other areas; that the conditions of blight in the area and the shortage of decent, safe and sanitary housing cause or contribute to an increase in and spread of disease and crime and constitute a menace to the public health, safety, morals, or welfare; and that the acquisition of the area for residential uses is an integral part of and essential to the program of the City.

SECTION 2: The City Council finds that the area added by the First Amendment does not include open land, that the Agency may acquire land within the Amended Project Area, and that the Amended Project Area is planned to be redeveloped in a manner that will include both residential and nonresidential uses.

SECTION 3: The City Council finds that one of the First Amendment objectives to increase the residential opportunity does meet the sound needs of the City and will provide housing

opportunities in an area that does not now contain such opportunities, and the portion of the Amended Project Area which is identified for nonresidential uses are necessary and appropriate to facilitate the proper growth and development standards in accordance with the objectives of City's Comprehensive Plan, to overcome economic disuse, the need for improved traffic patterns, and the need for the correlation of this area with other areas of the City.

SECTION 4: The First Amendment, a copy of which is attached hereto and marked as Exhibit 3 and made a part hereof by attachment, be, and the same hereby is, approved. As directed by the City Council, the City Clerk and/or the Agency may make certain technical corrections or revisions in keeping with the information and testimony presented at the November 23, 2021, hearing and incorporate changes or modifications, if any.

SECTION 5: The boundaries of the area added by the First Amendment overlap the boundaries of the ACHD, which has the responsibility for the maintenance of roads and highways within the City. The Agency has negotiated an agreement with the ACHD pursuant to Idaho Code Section 50-2908(2)(a)(iv) for the area added by the First Amendment.

SECTION 6: The City Council declares that nothing within the First Amendment is intended or shall be interpreted to usurp the jurisdiction and authority of ACHD as defined in chapter 14, Title 40, Idaho Code. Further, pursuant to Section 40-1415, Idaho Code, ACHD has authority over the planning, location, design, construction, reconstruction, and maintenance of the City rights of way and accompanying curbs, gutters, culverts, sidewalks, paved medians, bulkheads, and retaining walls. In the planning process, ACHD shall take into consideration the principles contained in the First Amendment.

SECTION 7: No direct or collateral action challenging the First Amendment shall be brought prior to the effective date of this Ordinance or after the elapse of thirty (30) days from and after the effective date of this Ordinance adopting the First Amendment.

SECTION 8: Upon the effective date of this Ordinance, the City Clerk is authorized and directed to transmit to the County Auditor and Ada County Assessor, and to the appropriate officials of Ada County Board of County Commissioners, City of Meridian, Ada County Highway District, West Ada School District, Ada County Ambulance/EMS, Meridian Cemetery Maintenance District, College of Western Idaho, Meridian Free Library District, Mosquito Abatement District, the Western Ada Recreation District, and the State Tax Commission a copy of this Ordinance, a copy of the legal description of the boundaries of the area added, and a map indicating the boundaries of the area added.

SECTION 9: The City Council hereby finds and declares that the Revenue Allocation Area, as amended to include the additional area as defined in the First Amendment, the equalized assessed valuation of which the City Council hereby determines is likely to increase and/or continue to increase as a result of the initiation and completion of urban renewal projects pursuant to the First Amendment.

SECTION 10: The City Council hereby approves and adopts the following statement policy relating to the appointment of City Council members as members of the Agency's Board of

Commissioners: If any City Council members are appointed to the Board, they are not acting in an ex officio capacity but, rather, as private citizens who, although they are also members of the City Council, are exercising their independent judgment as private citizens when they sit on the Board. Except for the powers to appoint and terminate Board members and to adopt the First Amendment, the City Council recognizes that it has no power to control the powers or operations of the Agency.

SECTION 11: So long as any Agency bonds, notes or other obligations are outstanding, the City Council will not exercise its power under Idaho Code section 50-2006 to designate itself as the Agency Board.

SECTION 12: This Ordinance shall be in full force and effect immediately upon its passage, approval, and publication and shall be retroactive to January 1, 2021, to the extent permitted by the Act, for the area added by the First Amendment, with the existing Union District Project Area maintaining its base assessment roll as of January 1, 2020.

SECTION 13: The provisions of this Ordinance are severable, and if any provision of this Ordinance or the application of such provision to any person or circumstance is declared invalid for any reason, such determination shall not affect the validity of remaining portions of this Ordinance.

SECTION 14: The Summary of this Ordinance, a copy of which is attached hereto as Exhibit 4, is hereby approved.

SECTION 15: All ordinances, resolutions, orders, or parts thereof in conflict herewith are hereby repealed, rescinded, and annulled.

SECTION 16: Savings Clause. This Ordinance does not affect an action or proceeding commenced or right accrued before this Ordinance takes effect.

PASSED by the City Council of the City of Meridian, Idaho, this ____ day of December 2021.

APPROVED by the Mayor of the City of Meridian, Idaho, this ____ day of December 2021.

EXHIBITS TO THE ORDINANCE

- Exhibit 1 A Resolution of the Planning and Zoning Commission for the City of Meridian, Idaho, Validating Conformity of the First Amendment to the Urban Renewal Plan for the Union District Urban Renewal Project with the City of Meridian's Comprehensive Plan
- Exhibit 2 Notice Published in the *Idaho Press*
- Exhibit 3 First Amendment to the Urban Renewal Plan for the Union District Urban Renewal Project

SUMMARY OF THE FIRST AMENDMENT TO THE URBAN RENEWAL PLAN FOR THE UNION DISTRICT URBAN RENEWAL PROJECT

The First Amendment (“First Amendment”) to the Urban Renewal Plan for the Union District Urban Renewal Project (“Plan”) was prepared by the Urban Renewal Agency of the City of Meridian aka the Meridian Development Corporation (“MDC” or the “Agency”) pursuant to the Idaho Urban Renewal Law of 1965, Chapter 20, Title 50, Idaho Code, as amended (the “Law”), the Local Economic Development Act, Chapter 29, Title 50, Idaho Code, as amended (the “Act”), and all applicable laws and ordinances and was approved by the Agency. The First Amendment amends the Plan and the existing Project Area to add approximately 1.46 acres of land (including rights-of-way) adjacent and contiguous to the northwestern boundary of the existing Project Area. The First Amendment proposes that the Agency undertake urban renewal projects, including identifying public facilities for funding pursuant to the Law and the Act. The First Amendment contains a revenue allocation financing provision pursuant to the Act, that for the area added will cause property taxes resulting from any increase in equalized assessed valuation in excess of the equalized assessed valuation as shown on the base assessment roll as of January 1, 2021, to be allocated to the Agency for urban renewal purposes. The boundary of the additional area includes both urban renewal and revenue allocation areas. The existing Project Area contains a previously adopted revenue allocation financing provision pursuant to the Act that will continue to cause property taxes resulting from any increase in equalized assessed valuation in excess of the equalized assessed valuation as shown on the base assessment roll as of January 1, 2020, to be allocated to the Agency for urban renewal purposes.

The First Amendment does not extend the Plan’s duration. The Plan terminates on December 31, 2040; however, revenue allocation proceeds will be received in 2041 pursuant to Idaho Code Section 50-2905(7).

The general scope and objectives of the First Amendment area are limited to addressing the annexation of the additional area into the existing Project Area, recognizing certain portions of the Economic Feasibility Study may be restated to the extent additional information is available related to the timing of projects impacting revenue generation and project funding in the expansion area:

The First Amendment proposes improvements to the Amended Project Area generally including streets, utilities, and other public rights-of-way amenities as well as construction and/or improvements to parks, plazas and open space, a community center, façade improvements, public parking (structured and surface parking), property acquisition to support development and/or redevelopment goals, planning studies and brownfield and/or environmental clean-up.

Any such land uses as described in the First Amendment will be in conformance with zoning for the City and the City’s Comprehensive Plan, as amended. Land made available will be developed by private enterprises or public agencies as authorized by law. The First Amendment identifies

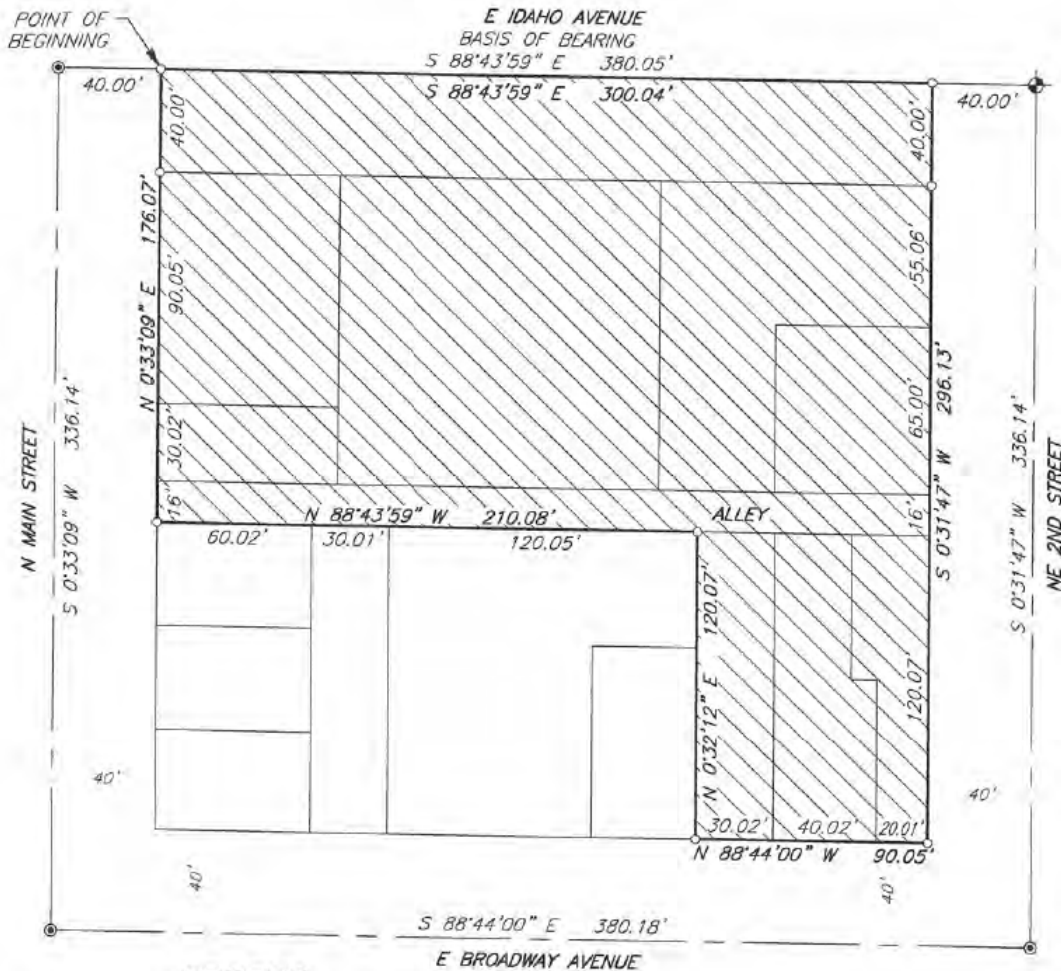
various public and private improvements which may be made within the Amended Project Area.

The area added to the existing Union District Project Area and Revenue Allocation Area by the First Amendment is generally described as follows:

An area consisting of approximately 1.46 acres (including rights-of-way) of land contiguous to the northwestern boundary of the Union District Project Area and generally bounded by E. Idaho Avenue on the north, NE 2nd Street on the east, a portion of Broadway Avenue on the south, and E. Main Street on the west, an area referred to as the “Idaho Block” and as more particularly described in the First Amendment and depicted in the Map below:

EXHIBIT B

SKETCH TO ACCOMPANY URBAN RENEWAL DISTRICT DESCRIPTION FOR MERIDIAN DEVELOPMENT CORPORATION LOCATED IN THE NW 1/4 OF THE SW 1/4 OF SECTION 7, TOWNSHIP 3 NORTH, RANGE 1 EAST, BOISE MERIDIAN, ADA COUNTY, IDAHO



LEGEND

- URD BOUNDARY
-  URD AREA



CIVIL SURVEY CONSULTANTS, INC.
2893 SOUTH MERIDIAN ROAD
MERIDIAN, IDAHO 83642
(208)888-4312



SCALE: 1"=60'



Section 100 is amended to update references to the Plan Attachments, the procedural history and history of the area added by the First Amendment.

Section 200 is amended to update references to the Amended Project Area maps and legal descriptions.

Sections 300 is amended to update the proposed redevelopment actions.

The First Amendment also updates the revenue allocation financing provisions in Section 500. Among other sources, the First Amendment will utilize revenue allocation financing as authorized by the Act.

Increases in assessed valuation of real and personal property in the area added by the First Amendment that occur after January 1, 2021, and for the existing Project Area that occur after January 1, 2020, will generate revenue for the Agency to pay project costs. The assessed valuation of real and personal property on the base assessment roll is still available for use by the other taxing districts, Ada County Board of County Commissioners, City of Meridian, Ada County Highway District, West Ada School District, Ada County Ambulance/EMS, Meridian Cemetery Maintenance District, College of Western Idaho, Meridian Free Library District, Mosquito Abatement District, Western Ada Recreation District to finance their operations. The First Amendment authorizes the Agency to sell revenue bonds to finance project costs and to use annual revenue allocations to pay debt service, as well as developer/owner participation agreements and revenue allocation proceeds.

Attachment 5 is supplemented to include the financial analysis related to the 2021 annexation and describes in detail the cost and financing methods for complete repayment of any debt incurred used to finance projects and to also fund the additional described activities for the area added by the First Amendment.

The First Amendment follows the underlying zoning classifications of the City.

The First Amendment does not extend the duration of the existing Plan and Project Area, which will terminate on December 31, 2040, except for any revenue allocation proceeds received in calendar year 2041, as contemplated by Idaho Code § 50-2905(7).

ATTACHMENTS TO THE FIRST AMENDMENT

| | |
|---------------|--|
| Attachment 1A | Boundary Map of the Additional Area |
| Attachment 2A | Legal Description of the Boundary of the Additional Area |
| Attachment 4A | Map Depicting Expected Land Uses and Current Zoning Within the Area Added by the First Amendment |
| Attachment 5A | Supplement to the Economic Feasibility Study: Financial Analysis Related to the 2021 Annexation |

This Ordinance shall be in full force and effect immediately upon its passage, approval, and publication and shall be retroactive to January 1, 2021, to the extent permitted by the Act.

Upon the effective date of this Ordinance, the City Clerk is authorized and directed to transmit to the County Auditor and Ada County Assessor, and to the appropriate officials of Ada County Board of County Commissioners, City of Meridian, Ada County Highway District, West Ada School District, Ada County Ambulance/EMS, Meridian Cemetery Maintenance District, College of Western Idaho, Meridian Free Library District, Mosquito Abatement District, Western Ada Recreation District, and the State Tax Commission a copy of this Ordinance, a copy of the legal description of the boundaries of the area added, and a map indicating the boundaries of the area added.

A full text of this ordinance and the First Amendment are available for inspection at City Hall, City of Meridian, 33 East Broadway Avenue, Meridian, Idaho.

City of Meridian
Mayor and City Council
By: Chris Johnson, City Clerk

First Reading: 11/16/2021; Second Reading and Public Hearing: 11/23/2021; Third Reading: 12/7/2021

**STATEMENT OF MERIDIAN CITY ATTORNEY AS TO ADEQUACY OF SUMMARY
OF ORDINANCE NO. _____**

The undersigned, William L.M. Nary, City Attorney of the City of Meridian, Idaho, hereby certifies that he is the legal advisor of the City and has reviewed a copy of the attached Ordinance No. 21-_____ of the City of Meridian, Idaho, and has found the same to be true and complete and provides adequate notice to the public pursuant to Idaho Code § 50-901A (3).

DATED this _____ day of December, 2021.

William. L.M. Nary, City Attorney