

ORDINANCE NO. 992

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF KETCHUM, IDAHO, ADOPTING THE KETCHUM URBAN RENEWAL AREA PLAN; AUTHORIZING THE CITY CLERK TO TRANSMIT A COPY OF THIS ORDINANCE AND OTHER REQUIRED INFORMATION TO COUNTY OFFICIALS, STATE OFFICIALS AND OTHER TAXING ENTITIES; PROVIDING A SAVINGS AND SEVERABILITY CLAUSE; PROVIDING A REPEALER CLAUSE; PROVIDING FOR PUBLICATION BY SUMMARY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, on April 3, 2006, the Mayor and City Council adopted Resolution No. 06-033, thereby creating the Ketchum Urban Renewal Agency (the "Agency"), authorizing it to transact business and exercise the powers granted by the Idaho Urban Renewal Law of 1965, Idaho Code, Title 50, Chapter 20, as amended, and the Local Economic Development Act, Idaho Code, Title 50, Chapter 29, as amended; and

WHEREAS, on April 3, 2006, the Mayor and City Council adopted Resolution 06-034 determining certain property to be a deteriorated area or a deteriorating area or a combination thereof and designating such area as appropriate for an Urban Renewal Project; and

WHEREAS, on October 16, 2006, the Agency met and considered the Ketchum Urban Renewal Plan (the "Plan") and by unanimous vote adopted Resolution No. 06-URA5, recommending the City Council adopt the Plan; and

WHEREAS, on October 18 and 23, 2006, the Ketchum Planning and Zoning Commission reviewed the Plan and approved the Plan as being in conformity with Ketchum's general plan for the development of the municipality as a whole and made written recommendations regarding the Plan to the City Council; and

WHEREAS, on October 11, 2006, the required Notice of Public Hearing was published in the Idaho Mountain Express, the official newspaper for public notice in the City, setting the public hearing date for October 30, 2006; and

WHEREAS, on October 13, 2006, a copy of the Plan and Notice was hand delivered to the governing bodies of Blaine County Recreation District, Blaine County, Blaine County Ambulance District, Blaine County School District, Blaine County Cemetery District and the City of Ketchum; and

WHEREAS, on October 30, 2006, the Ketchum City Council held a public hearing on consideration of the adoption of the Plan; and

WHEREAS, the legislature of the State of Idaho enacted Chapter 29, Title 50 of the Idaho Code, as amended (the "Act") authorizing certain urban renewal agencies to adopt revenue allocation financing provisions as part of the urban renewal plans; and

WHEREAS, the Plan presented by the Agency contains a revenue allocation financing provision; and

WHEREAS, as required by applicable law, the Plan contains the following information which was made available to the general public and all taxing districts with taxing authority in the Project Area at least thirty days prior to the November 15, 2006, meeting of the City Council:

- (a) The kind, number, and location of all proposed public works or improvements within the revenue allocation area;
- (b) An economic feasibility study;
- (c) A detailed list of estimated project costs;
- (d) A fiscal impact statement showing the impact of the revenue allocation area, both until and after the bonds are repaid, upon all taxing districts levying taxes upon property on the revenue allocation area; and
- (e) A description of the methods of financing all estimated project costs and the time when related costs or monetary obligations are to be incurred.
- (f) 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.
- (g) 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, appropriate notice of the Plan and the revenue allocation provision contained therein has been given to the taxing districts and to the public as required by Idaho Code Section 50-2906; and

WHEREAS, it is necessary and in the best interest of the citizens of the City of Ketchum to adopt the Plan, including revenue allocation financing provisions, since revenue allocation will help finance the urban renewal project to be completed in accordance with the Plan in order to encourage private development in the Project Area, prevent and arrest decay of the Project Area due to the inability of existing financing methods to provide needed public improvements, encourage taxing districts to cooperate in the allocation of future tax revenues arising in the Project Area in order to facilitate the long-term growth of their common tax base, encourage private investment in the area and further the public purpose of the Agency.

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

Section 1. That it is hereby found and determined that:

- (a) The Ketchum Urban Renewal Area, as defined in Resolution No. 06-034, continues to be deteriorated or a deteriorating area as defined in the Idaho Urban Renewal Law of 1965 (the "Law") and qualifies as an eligible urban renewal area under the Law; and
- (b) The rehabilitation, conservation and redevelopment of the Project Area pursuant to the Plan is necessary in the interest of the public health, safety and welfare of the residents of the Project Area and City of Ketchum; and
- (c) There continues to be a need for the Agency to function in the Project Area and the City of Ketchum.

Section 2. That it is hereby found that the Agency does not intend to displace individuals through its development activities; however, should any such displacement happen a feasible method exists in Section 307 of the Plan for the re-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.

Section 3. That it is hereby found and determined that the Plan conforms to general plan for the development of the municipality as a whole of the City of Ketchum, Idaho

Section 4. That it is hereby found and determined that the Plan gives due consideration to the provision of adequate and open space, park and recreation areas and facilities that may be desirable for neighborhood improvement and shows consideration for the health, safety and welfare of any children residing in the general vicinity of the Project Area covered by the Plan.

Section 5. That it is hereby found and determined that the Plan affords maximum opportunity, consistent with the sound needs of the City as a whole for the rehabilitation or redevelopment of the Project Area by private enterprise.

Section 6. That it is hereby found and determined that the Revenue Allocation Area does not consist of predominantly open land, that the Agency does not intend to acquire any open land on any widespread basis, and that the Project Area is planned to be redeveloped in a manner that will include both residential and non-residential uses. The Plan does not indicate that the urban renewal area consists of any areas of open land to be acquired by the Agency for residential use development. Nonetheless, the parking lots identified in Attachment 4.3 shall be acquired for residential uses i.e. affordable workforce housing. The City hereby determines that a shortage of housing of sound standards and design which is decent, safe and sanitary exists in Ketchum; 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 Ketchum's plan for the development of the municipality as a whole as discussed herein above.

Section 7. That the Plan, a copy of which is attached hereto and marked as Exhibit B and made a part hereof by attachment, be and the same hereby is approved.

Section 8. That upon the effective date of this Ordinance, the City Clerk is authorized and directed to transmit to the county auditor and tax assessor of Blaine County, and to the governing bodies of the Blaine County School District, Blaine County Recreation District, Blaine County Ambulance District, Ketchum Cemetery District, City of Ketchum and to the State Tax Commission a copy of this Ordinance, a copy of the legal description of the boundaries of the Revenue Allocation Area and map or plat indicating the boundaries of the Revenue Allocation Area.

Section 9. That it is hereby found and determined that the equalized assessed valuation of the Revenue Allocation Area is likely to increase as a result of the initiation and completion of urban renewal projects pursuant to the Plan.

Section 10. That no direct or collateral action attacking the Plan 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 Plan.

Section 11. That pursuant this Ordinance shall be in full force and effect immediately upon its passage, approval and publication, and shall be retroactive to January 1, 2006 to the extent permitted by Title 50, Chapter 29, Idaho Code, as amended.

Section 12. 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 declaration shall not affect the validity of remaining portions of this Ordinance.

Section 13. All parts of Ordinances in conflict herewith are hereby repealed.

Section 14. This Ordinance, or a summary thereof in compliance with Section 50-901A, Idaho Code, substantially in the form annexed hereto as Exhibit "A," shall be published once in the official newspaper of the City, and shall take effect immediately upon its passage, approval, and publication.

PASSED BY THE CITY COUNCIL OF THE CITY OF KETCHUM, IDAHO and APPROVED by the Mayor this 15th of November, 2006.



Randy Hall, Mayor

ATTEST:

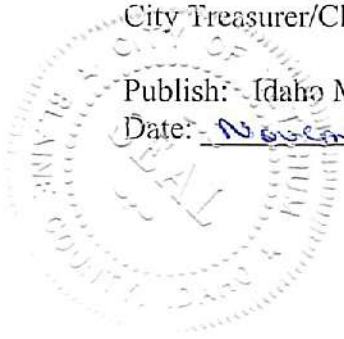
APPROVED AS TO FORM

AND CONTENT:

Sandra E. Cady
Sandra E. Cady, CMC
City Treasurer/Clerk

By: Ben W. Worst
Benjamin W. Worst,
City Attorney

Publish: Idaho Mountain Express
Date: November 22, 2006



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EXHIBIT A

**PUBLICATION OF SUMMARY OF ORDINANCE NO. 992
CITY OF KETCHUM, IDAHO**

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF KETCHUM, IDAHO, ADOPTING THE KETCHUM URBAN RENEWAL AREA PLAN; AUTHORIZING THE CITY CLERK TO TRANSMIT A COPY OF THIS ORDINANCE AND OTHER REQUIRED INFORMATION TO COUNTY OFFICIALS, STATE OFFICIALS AND OTHER TAXING ENTITIES; PROVIDING A SAVINGS AND SEVERABILITY CLAUSE; PROVIDING A REPEALER CLAUSE; PROVIDING FOR PUBLICATION BY SUMMARY; AND PROVIDING FOR AN EFFECTIVE DATE.

A summary of the principal provisions of Ordinance No. 992 of the City of Ketchum, Blaine County, Idaho, adopted on November 15, 2006, is as follows:

Section 1: That it is hereby found and determined that:

- (d) The Ketchum Urban Renewal Area, as defined in Resolution No. 06-034, continues to be deteriorated or a deteriorating area as defined in the Idaho Urban Renewal Law of 1965 (the "Law") and qualifies as an eligible urban renewal area under the Law; and
- (e) The rehabilitation, conservation and redevelopment of the Project Area pursuant to the Plan is necessary in the interest of the public health, safety and welfare of the residents of the Project Area and City of Ketchum; and

There continues to be a need for the Agency to function in the Project Area and the City of Ketchum.

Section 2: Section 307 of the Plan requires the Agency to comply with applicable state and federal rules and regulations governing relocation of people and further requires the Agency to provide reasonable relocation assistance to displaced families, if any, which constitutes a feasible method for the location of such families.

Section 3: Finds that the said Plan conforms to the general plan for the development of the municipality as a whole.

Section 4: Finds that the said Plan gives due consideration to the provision of adequate and open space, park and recreation areas and facilities that may be desirable for neighborhood improvement and shows consideration for the health, safety and welfare of any children residing in the general vicinity of the Project Area covered by the Plan.

Section 5: Finds that said Plan affords maximum opportunity, consistent with the sound needs of the City as a whole for the rehabilitation or redevelopment of the Project Area by private enterprise.

Section 6: Finds that the Revenue Allocation Area does not consist of predominantly open land, that the Agency does not intend to acquire any open land on any widespread basis, and that the Project Area is planned to be redeveloped in a manner that will include both residential and non-residential uses. Provided, however, that the City Council does find that if portions of the Revenue Allocation Area are deemed "open land" the criteria set forth in the Law, Title 50, Chapter 20, Idaho Code, as amended, have been met.

Section 7: Approves a copy of the Plan, which is attached to Ordinance No. 992 and marked as Exhibit B and made a part thereof by attachment. The Plan contains the following provisions regarding taxation of real property:

SECTION 500 METHODS OF FINANCING THE PROJECT

SECTION 501 General Description of the Proposed Financing Method

The Agency is authorized to finance the Projects with financial assistance from the City, State of Idaho, federal government, interest income, Agency bonds, donations, loans from private financial institutions, the lease or sale of Agency-owned property, or any other available source, public or private, including assistance from any taxing district or any public entity all as more specifically detailed in Attachment 4.

SECTION 502 Revenue Allocation Financing Provisions

The Agency hereby adopts revenue allocation financing provisions as authorized by Chapter 29, Title 50, Idaho Code (the "Act"), effective retroactively to January 1, 2006. These revenue allocation provisions shall apply to all taxing districts in which the Revenue Allocation Area is located and described on Attachments 1 and 2 to this Plan. The Agency shall take all actions necessary or convenient to implement these revenue allocation financing provisions. The Agency specifically finds that the equalized assessed valuation of property within the Revenue Allocation Area is likely to increase as a result of the initiation of the Projects.

The Agency, acting by one or more resolutions adopted by its Board of Directors, is hereby authorized to apply all or any portion of the revenues allocated to the Agency pursuant to the Act to pay such costs as are incurred or to pledge all or any portion of such revenues to the repayment of any moneys borrowed, indebtedness incurred, or bonds issued by the Agency to finance or to refinance the Project Costs (as defined in Idaho Code Section 50-2903[11]) of one or more urban renewal projects.

Upon enactment of an ordinance by the governing body of the City of Ketchum, Idaho, finally adopting these revenue allocation financing provisions and defining the Revenue Allocation Area described herein as part of the Plan, there shall hereby be created a special fund of the Agency into which the County Treasurer shall deposit allocated revenues as provided in Idaho Code Section 50-2908. The Agency shall use such funds solely in accordance with Idaho Code Section 50-2909 and solely for the purpose of providing funds to pay the Project Costs, including any incidental costs, of such urban renewal projects as the Agency may determine by resolution or resolutions of its Board of Directors.

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 to this Plan. This statement necessarily incorporates estimates and projections based on the Agency's present knowledge and expectations. The Agency is hereby authorized to update the presently anticipated Projects and use of revenue allocation financing of the related Project Costs if the Board of Directors of the Agency deems such updates necessary or convenient to effectuate the general objectives of the Plan. Such updates shall not constitute amendments or modifications of this Plan, including without limitation, modification pursuant to Idaho Code Section 50-2903(4).

The Agency may expend revenue allocation proceeds on an annual basis without the issuance of bonds. The Agency may obtain advances or loans from the City or private entities in order to immediately commence construction of certain of the public improvements. Revenues will continue to be allocated to the Agency until the Projects are completed or until any obligation to the City or other public entity or private entity are fulfilled. Attachment 5 incorporates estimates and projections based on the Agency's present knowledge and expectations concerning the length of time to complete the improvements. The activity may take longer depending on the significance and timeliness of development. Alternatively the activity may be completed earlier if revenue allocation proceeds are greater or the Agency obtains additional funds.

The revenue allocation proceeds are hereby irrevocably pledged to the payment of the principal and interest on the advance of monies or making of loans or the incurring of any indebtedness such as bonds, notes, and other obligations (whether funded, refunded, assumed, or otherwise) by the Agency to finance or refinance the Projects in whole or in part.

The Agency is authorized to make such pledges as to specific advances, loans, and indebtedness as appropriate in carrying out the Projects.

SECTION 503 Participation With Local Improvement Districts

Under the Idaho Local Improvement District Code, Chapter 17, Title 50, Idaho Code, the City has the authority to establish local improvement districts, including without limitation local business improvement districts, for various public facilities, including, but not limited to, streets, curbs, gutters, sidewalks, drains, landscaping, and other like facilities. To the extent allowed by the Law and the Act, the Agency reserves the authority to participate in the funding of local improvement district facilities and local business improvement district facilities. This participation may include either direct funding to reduce the overall cost of the LID or BLID or to participate as an assessed entity to finance the LID or BLID project.

SECTION 504 Issuance of Debt

Any debt incurred by the Agency shall be subject to all terms and conditions of applicable state and federal laws.

SECTION 505 Impact on Other Taxing Districts

A specific delineation of tax dollars generated by revenue allocation upon each taxing district is included in the Attachments hereto . The overall impact of the revenue allocation provisions is shown on Attachment 5B. The amounts set forth in Attachment 5B in the column "Gross Revenue" would constitute the amounts distributed to the other taxing entities from the Revenue Allocation Area if there were no urban renewal project. Each individual district's share of that amount would be determined by its particular levy rate as compared to the other districts in any given year.

SECTION 700 ENFORCEMENT

The administration and enforcement of this Plan, including the preparation and execution of any documents implementing this Plan, shall be performed by the Agency and/or the City.

The provisions of this Plan or other documents entered into pursuant to this Plan may also be enforced by court litigation instituted by either the Agency or the City. Such remedies may include, but are not limited to, specific performance, damages, reentry, injunctions, or any other remedies appropriate to the purposes of this Plan. In addition, any recorded provisions which are expressly for the benefit of owners of property in the Revenue Allocation Area may be enforced by such owners.

The Plan contains the following legal description and map:

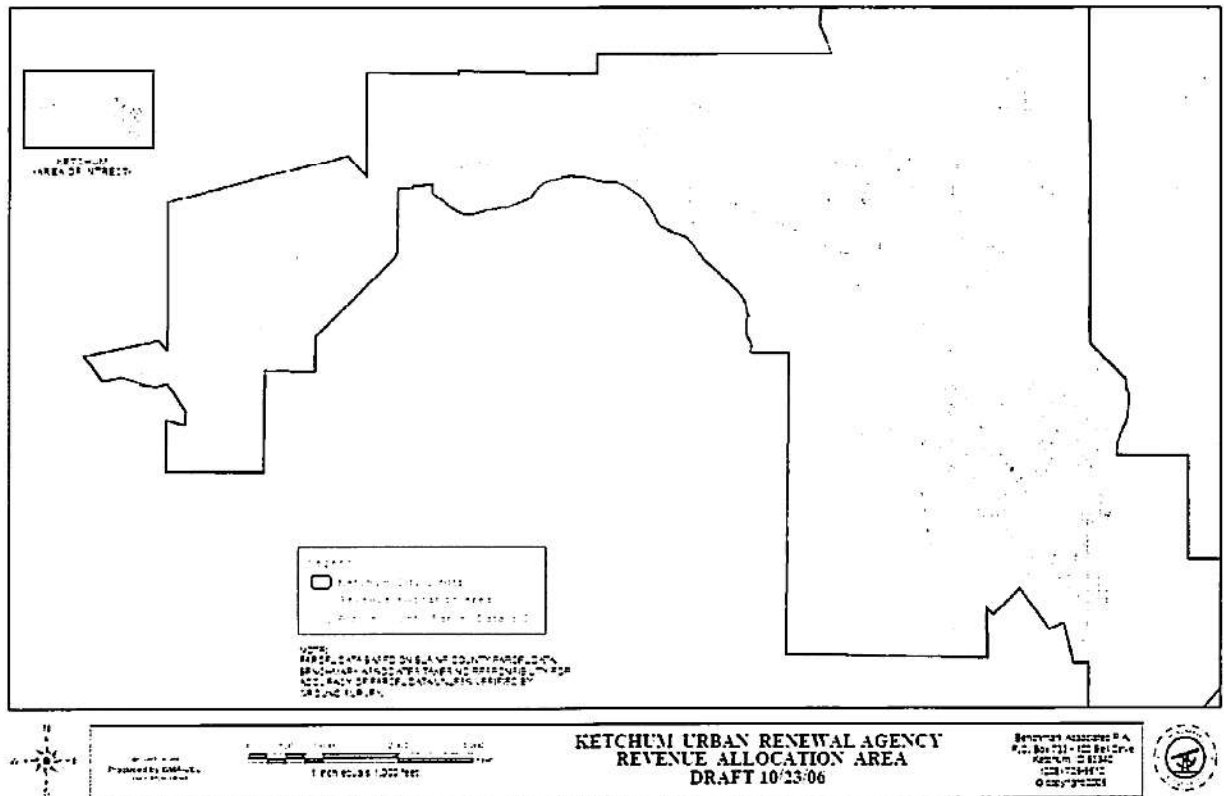
The Project Area and Revenue Allocation Area can be described as falling within the following general boundaries. These boundaries follow property boundaries on record at the Blaine County Assessor's Office and are specifically detailed on the Revenue Allocation Area-Boundary Map.

At the point of beginning designated as the intersection of State Highway 75 and Serenade Lane, thence north to Garnet Street, thence north to Topaz Street, thence north to Emerald Street, thence east approximately 200 feet, thence north to Jade Street, thence west 50 feet to Leadville Avenue South, thence north to Gem Street, thence north on Leadville Avenue South, thence continuing northwest on Leadville Avenue South, thence northeast along Trail Creek, thence northwest to Fifth Street East, thence southwest to Walnut Avenue North, thence northwest to Sixth Street East, thence southwest to the alley between East Avenue North and Leadville Avenue North, thence northwest approximately 850 feet, thence northeast to East Avenue North, thence northwest to State Highway 75, thence north approximately 1000 feet, thence east approximately 500 feet, thence south approximately 100 feet, thence west approximately 100 feet, thence south approximately 275 feet, thence northeast 300 feet, thence north approximately 50 feet, thence east approximately 1,150 feet, thence north approximately 375 feet, thence west to State Highway 75, thence north to Saddle Road, thence east approximately 1,800 feet including Kneeland Condominiums and Saddle View

Subdivision Number 3, Lot 21, Block 4, thence southwest on Saddle Road including Lots 1, 2, 3 and 4 of Northwood Park Subdivision Number 1 and Lindsay Circle and Park Circle West and Parcel A and Tax Lots 6689 and 6690 and Church of the Big Wood Parcel B to Warm Springs Road, thence southwest including Lot 1 of Kolouch Subdivision and Lots 1, 2 and 3 of Parkwood Subdivision, thence northwest on Warm Springs Road approximately 2,675 feet, thence north approximately 1,100 feet, thence southeast approximately 225 feet to West Canyon Run Boulevard, thence northeast approximately 175 feet, thence northwest approximately 325 feet, thence northeast approximately 325 feet, thence west approximately 1,500 feet, thence south approximately 300 feet, thence west approximately 375 feet, thence south approximately 375 feet, thence southeast approximately 325 feet, thence south approximately 50 feet, thence southeast approximately 800 feet to Four Seasons Way, thence southwest to Warm Springs Road excluding the Fields at Warm Springs Condominiums, thence on Bald Mountain Road for approximately 425 feet, thence south 100 feet, thence southeast including Tax Lots 7638, 7639, 7640 and 7641 and Geezer Alley and Townhouse Lane, thence east to the end of Warm Springs Road including Imperial, Rohen, Climax, Carbon Hill Millsite, Hot Springs Lode, Tax Lots 6856, 5930, 2790, 3425, 6357 and 4750, Greyhawk Subdivision, Greyhawk Subdivision II Lot 2, Greyhawk Subdivision III Lot 3, Puchner Lane, Gates Road, Jane Lane and all property located between Picabo Street, Howard Drive, Ritchie Drive, and Skiway Drive, thence northeast on Warm Springs Road to Tenth Street, thence northeast to State Highway 75, thence southwest from Warm Springs to Tenth Street East, thence southeast to Ninth Street East, thence southwest approximately 375 feet to the alley, thence southeast to Eighth Street East, thence southwest to Second Avenue North, thence northwest approximately 275 feet, thence southwest approximately 325 feet to Third Avenue North, thence northwest approximately 250 feet, thence northeast approximately 125 feet, thence north approximately 125 feet, thence southwest approximately 250 feet to Third Avenue North, thence southeast to Eighth Street West, thence northeast to Second Avenue North, thence southeast to Seventh Street West, thence southwest to Third Avenue North excluding the 7th Street Townhouses, thence southeast to the Bike Path, thence southeast on the Bike Path approximately 1,500 feet, thence from Third Avenue North southeast to Fourth Street West, thence northeast to Second Avenue North, thence southeast to River Street West, thence southwest to Third Avenue South, thence southeast to Cottonwood Street, thence northeast to Second Avenue South excluding the property between River Street West and Cottonwood Street and between Second Avenue South and Third Avenue South, thence from Second Avenue South southeast approximately 250 feet, thence northeast approximately 75 feet, thence southeast approximately 125 feet, thence northeast approximately 50 feet, thence along Second Avenue South to the Blaine County Line excluding the Westridge Condominiums, Sun Mountain Subdivision and Two Bridges Condominiums, thence east to the point of beginning, excluding certain property known as Habitat 2000 Condominiums, Block 89, Lots 1A and 2A, the Christiana and Colonade Buildings, Block 87, Lot 1, the Courtyard Condominiums, Block 6, Lots Amended 1A, 3 and 4, Block 17, Lots 1A and 3,

Block 19, Lots 3 and 4 Block 54, Lot 6, Block 56, Lot 6A, 2nd Avenue Condominiums, Andora Villa Number 3 Condominiums and Andora Lane Townhouses.

If there are any inconsistencies between the Description of the Project Area/Revenue Allocation Area Boundaries and the Project Area/Revocation Allocation Boundary Map, the Map controls.



Section 8: That upon the effective date of this Ordinance, the City Clerk is authorized and directed to transmit to the county auditor and tax assessor of Blaine County, and to the governing bodies of the Blaine County School District, Blaine County Recreation District, Blaine County Ambulance District, Ketchum Cemetery District, City of Ketchum and to the State Tax Commission a copy of this Ordinance, a copy of the legal description of the boundaries of the Revenue Allocation Area and map or plat indicating the boundaries of the Revenue Allocation Area.

Section 9: That it is hereby found and determined that the equalized assessed valuation of the Revenue Allocation Area is likely to increase as a result of the initiation and completion of urban renewal projects pursuant to the Plan.

Section 10: Finds any direct or collateral action attacking the Plan shall be brought within thirty (30) days from and after the effective date of this Ordinance adopting the Plan.

Section 11. Finds that this Ordinance shall be in full force and effect immediately upon its passage, approval and publication, and shall be retroactive to January 1, 2006, to the extent permitted by Title 50, Chapter 29, Idaho Code, as amended.

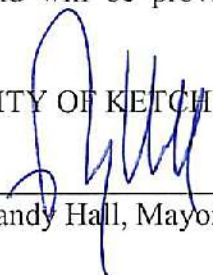
Section 12: Provides a savings and severability clause.

Section 13: Provides a repealer clause.

Section 14: Provides for publication of a summary of the Ordinance.


The full text of this Ordinance is available at the City Clerk's Office, Ketchum City Hall, 480 East Avenue North, Ketchum, Idaho 83340 and will be provided to any citizen upon personal request during normal office hours.

CITY OF KETCHUM, IDAHO



Randy Hall, Mayor


ATTEST:


Sandra E. Cady, CMC
City Treasurer/Clerk

STATEMENT OF LEGAL ADVISOR

I, the undersigned attorney at law, duly licensed in the State of Idaho and serving as City Attorney to the City of Ketchum, Idaho, hereby certify that I have read the attached Summary of Ordinance No. 992 of the City of Ketchum and that the same is true and complete and provides adequate notice to the public of the contents of said Ordinance.

Dated this 15th day of November, 2006.



Benjamin W. Worst,
Ketchum City Attorney

Publish: Idaho Mountain Express

Date: November 22, 2006