

**Hailey Urban Renewal Agency
Hailey City Hall
115 Main Street S
Council Chambers – upstairs AND via GoToMeeting
Thursday, April 1, 2021
11:00 AM**

Please join my meeting from your computer, tablet or smartphone.

<https://global.gotomeeting.com/join/247356349>

Via Teleconference: +1 (669) 224-3412 Access Code: 247-356-349

Via One-Touch Teleconference: <tel:+16692243412,,247356349#>

Council Chambers will be open to the public in accordance with the Modified Stage 2 of Rebound Idaho requirements. Pursuant to the State of Idaho and Department of Health and Welfare Stay Healthy Order, dated December 30, 2020, Council Chamber’s 6-foot social distancing occupancy capacity is 10. It is anticipated there will be [4] Agency Board Members and Staff present in the meeting location; therefore, the first [6] persons who appear will be allowed to be present in the meeting location.

Because social distancing is still required seating will be extremely limited and alternative methods of participation are still highly encouraged.

Face coverings and social distancing are required. There is no overflow meeting room available.

Email: Public comments may be shared with the Agency Board via email to Lisa Horowitz, lisa.horowitz@haileycityhall.org. Emails or other written testimony must be **received no later than 5:00 p.m. on Wednesday, March 31, 2021.**

Live Meeting Attendance: Members of the public wishing to attend the meeting may do so remotely through the GoToMeeting platform with a phone or a computer. Log-in information is located at the top of this agenda.

If there are any questions, contact Lisa Horowitz at lisa.horowitz@haileycityhall.org or (208) 788-9815 x 1.

Chair:	Larry Schwartz
Vice Chair:	Sandi Viau
Treasurer	Becky Stokes
Board Members	Walt Denekas, Martha Burke, Don Keirn
Staff Support:	Lisa Horowitz, Community Development Director

1. CALL TO ORDER 11:00 am
2. CONSENT AGENDA ACTION ITEM
 - a) Approval of Bills since March 4, 2021..... ACTION ITEM
3. New Business:
 - a) Consideration of the Draft Airport Way Urban Renewal District Eligibility Report...ACTION ITEM
 - b) Motion to approve funding not to exceed \$600,000 for the Phase 1 River street Improvement Project and direct staff and legal counsel to prepare a city-Agency Construction Agreement..... ACTION ITEM
4. Staff Report
5. Adjourn

Return to Agenda

**Total Due \$1,460.30, both balances
forwarded were paid in the March
invoice.**

ELAM & BURKE
ATTORNEYS AT LAW

251 East Front Street, Suite 300
Post Office Box 1539
Boise, Idaho 83701
Telephone 208 343-5454
Fax 208 384-5844

Tax Id No. 82-0451327

Hailey Urban Renewal Agency
Attn: Lisa Horowitz
City of Hailey
115 Main Street South
Hailey, ID 83333

February 28, 2021

Invoice # 189735

Billing Atty - MSC

FOR PROFESSIONAL SERVICES RENDERED

From February 5, 2021 Through February 28, 2021

RE: General

CLIENT/MATTER: 00887-00001

HOURS

2/05/21	MSC	.40	Review block maintenance spreadsheet and consider items of follow up with Lisa Horowitz and city staff.
2/07/21	RPA	.30	Address potential city agency agreement on maintenance of projects.
2/09/21	MSC	1.00	Call with Lisa Horowitz, Brian Yeager, and Eric Heringer to discuss River Street project and request for city-agency agreement to fund a portion of the maintenance. Review and analyze request and work on defining limits.
2/09/21	RPA	.10	Follow up on city agency agreement for maintenance and ability of agency to fund general upkeep of improvements.
2/10/21	MSC	.40	Review and respond to email communication from Lisa Horowitz concerning plan amendment.
2/10/21	MSC	.40	Review board packet and follow up with Mike Stoddard re meeting attendance. Follow up with Lisa Horowitz re annual report process and open meetings protocol re amending agendas.
2/11/21	MSC	1.10	Prepare for, attend and participate in the agency board meeting. Follow up with Ms. Horowitz re annual report comments.
2/26/21	MSC	.50	Review and revise the HURA Resolution re annual report.
2/26/21	RPA	.80	Review proposed maintenance reimbursement.

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ELAM & BURKE

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RE: General

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Address possible model for city-agency agreement.
Consider limitations of the TIF funds. Review
possible alternatives for funding.

PROFESSIONAL FEES 1,000.00

Timekeeper	Staff	Rate	Hours	Amount	Non-Chargeable	
					Hours	Amount
Armbruster, Ryan P.	Of Counsel	200.00	1.20	240.00	.00	.00
Conrad, Meghan S.	Shareholder	200.00	3.80	760.00	.00	.00
			5.00	1,000.00	.00	.00

COSTS ADVANCED	QTY	RATE	AMOUNT
Copies	2.00	.15	.30
TOTAL COSTS ADVANCED			.30

INVOICE TOTAL	1,000.30
BALANCE FORWARD	1,100.00
BALANCE DUE	2,100.30

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Hailey Urban Renewal Agency
Attn: Lisa Horowitz
City of Hailey
115 Main Street South
Hailey, ID 83333

February 28, 2021

Invoice # 189736

Billing Atty - MSC

FOR PROFESSIONAL SERVICES RENDERED

From February 2, 2021 Through February 28, 2021

RE: 2021 Financing

CLIENT/MATTER: 00887-00003

HOURS

2/02/21	RPA	.30	Follow up on status of financing schedule, selection of bond counsel. Consider needed disclosure given property tax cap and school district levy issues.
2/03/21	MSC	.10	Follow up with Eric Heringer concerning subordination clauses in the reimbursement agreements and status of follow up with bond counsel.
2/09/21	MSC	.20	Follow up with bond counsel concerning the engagement letter. Review proposed engagement letter and note comments re same. Follow up with Lisa Horowitz regarding agenda items.
2/09/21	RPA	.10	Follow up on status of financing, bond counsel agreement and schedule.
2/10/21	MSC	.30	Draft follow up email communication to Mike Stoddard concerning tweak to engagement letter and information re meeting date/time. Follow up with Lisa Horowitz re same.
2/10/21	RPA	.10	Review status of bond counsel engagement letter.
2/26/21	MSC	.50	Review bond financing schedule. Review ability to use bond proceeds to pay for costs incurred by city related to the project. Review email communication from municipal advisor re information to include in the RFP.
2/26/21	RPA	.70	Review financing issues, reimbursement of

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Tax Id No. 82-0451327

RE: 2021 Financing

CLIENT/MATTER: 00887-00003
February 28, 2021
Invoice # 189736

expenses of the Agency and the City. Consider
next steps.

PROFESSIONAL FEES 460.00

Timekeeper	Staff	Rate	Hours	Amount	Non-Chargeable	
					Hours	Amount
Armbruster, Ryan P.	Of Counsel	200.00	1.20	240.00	.00	.00
Conrad, Meghan S.	Shareholder	200.00	1.10	220.00	.00	.00
			2.30	460.00	.00	.00

INVOICE TOTAL 460.00
BALANCE FORWARD 360.00
BALANCE DUE 820.00

Return to Agenda

---DRAFT---

Airport Way
Urban Renewal District

Eligibility Report

Prepared for

Hailey Urban Renewal Agency
March 2021

Kushlan | Associates
Boise, Idaho

Introduction:

Kushlan | Associates was retained by the Hailey Urban Renewal Agency (Agency) to assist them in their consideration of the potential Airport Way Urban Renewal District located within the City of Hailey, Idaho.

The Mayor, with the confirmation of the City Council, has appointed five members to the Agency Board to guide the development of urban renewal plans and oversee their implementation. The current membership of the Agency Board is as follows:

Chair:	Larry Schwartz
Vice Chair	Sandi Viau
Commissioners	Walt Denekas
	Martha Burke
	Don Keirn

Urban Renewal	
Executive Director:	Lisa Horowitz
Secretary	Becky Stokes

Idaho Code § 50-2006 states: “URBAN RENEWAL AGENCY. (a) There is hereby created in each municipality an independent public body corporate and politic to be known as the "urban renewal agency" that was created by resolution as provided in section 50-2005, Idaho Code, before July 1, 2011, for the municipality..” to carry out the powers enumerated in the statutes. The Hailey City Council adopted Ordinance 1081 on April 11, 2011 bringing forth those powers within the City of Hailey.

The Hailey Urban Renewal Agency (HURA) currently oversees the implementation of one urban renewal district. The Gateway Urban Renewal District is the original district, which focuses on the revitalization of the downtown and adjacent areas. It was established by the City Council’s adoption of Ordinance No. 1183 on October 15, 2013. The Gateway Urban Renewal District is set to expire on December 31, 2033.

Map of Gateway Urban Renewal District



Background:

Native Americans visited the area now known as the Wood River Valley from prehistoric times during warm weather and fur trappers roamed the intermountain Rockies during the first half of the 19th century. The first mining claim was filed in the Gold Belt located west of the current city of Hailey in 1865. Active mining in the area started in 1879 with the first shipment of ore leaving the valley on July 1, 1881. Mining continued as a primary function focusing on the extraction of gold, silver and lead until 1890. In addition to the focus on mining, the region hosted one of the most substantial wool industries in the United States. The economy of the area has now evolved into a significant tourist destination.

The town was founded by John Hailey who filed a homestead claim on the future townsite in 1879, increasing his claim the following year to 440 acres and establishing his new organization as the Hailey Town Company. The townsite was surveyed in 1881 and officially platted at the Alturas county seat in Rocky Bar on May 10, 1881.

Blaine County was created by the Idaho Legislature on March 5, 1895 combining Alturas and Logan Counties and naming Hailey as County Seat for the new county.

City of Hailey Population History:

1910 population	1,231
1920 population	1,201
1930 population	973
1940 population	1,443
1950 population	1,464
1960 population	1,185
1970 population	1,425
1980 population	2,109
1990 population	3,687
2000 population	6,200
2010 population	7,960
2020 population	8,900

Cities across the nation actively participate in the economic vitality of their communities through investment in infrastructure. Water and sewer facilities as well as transportation and other systems are all integral elements of an economically viable community. With the significant growth rate through recent decades and corresponding extension of infrastructure, Hailey has a significant amount of capital maintenance and capital improvements looming on the near horizon.

Title 50, Chapters 20 and 29, the Urban Renewal Law of 1965 and the Local Economic Development Act contain some of the few tools that are available to Idaho cities to help fund public improvements. New sources of State support are not likely to become available in the foreseeable future, thus the Agency's interest in exploring the potential for establishing their second urban renewal district is appropriate.

Demographics:

According to the US Census Bureau, the estimated 2020 population of the City is 8,900 which is a 12.57% increase since 2010. This growth rate exceeds that experienced statewide which was 11.9% during that period. Hailey's population has more than quadrupled since 1980.

At 31.0%, the City's percentage of people under 18 years of age exceeds the statewide percentage of 25.1% by 5.9%. The percentage of population under 5 years of age exceeds the statewide figure by 0.4% (6.9% vs. 6.5%). The percentage of the City's population over 65 years of age (10.0%) is less than the statewide percentage (16.3%) by 6.3%. These statistics reflect a population base that is considerably younger than that found statewide.

The population is predominately white at 96.4% as compared to the statewide percentage of 93.0%. The Hispanic population of Hailey (32.3%) substantially exceeds that of the state where that percentage is 12.8%

Housing units are 63.1% owner-occupied as opposed to the statewide statistic of 70.0%. Median value of owner-occupied housing units is \$368,300 as compared to \$212,300 statewide. Monthly owner costs with mortgage is \$1,446 as compared to the statewide figure of \$1,270. Median gross rent in the City of Hailey is reported as \$671 as compared to \$853 statewide.

When income statistics are compared to statewide numbers, we see that the population of the City lags the rest of Idaho. The median household income in the City is \$51,158, approximately 9% below the statewide figure of \$55,785. Per capita annual income for the City's population is \$24,046 as compared to the statewide number of \$27,970. The percentage of the City's population below poverty level is 12.2% as compared to the statewide number of 11.2%.

These statistics suggest that the City's population is in a challenging position as compared to many Idaho communities. The capital and service delivery demands presented by the significant level of growth, when considered in the context of the fiscal limitations on Idaho local government suggest that utilizing existing investment mechanisms such as found in Title 50, Chapters 20 and 29 is a prudent exercise of local legislative authority.

Statistics are derived from the latest United States Census Bureau Report.

Steps in Consideration of an Urban Renewal District:

The first step in consideration of establishing an urban renewal district in Idaho is to define a potential area for analysis as to whether conditions exist within it to qualify for redevelopment activities under the statute. We have called this the “Study Area.”

The next step in the process is to review the conditions within the Study Area to determine whether the area is eligible for creating a district. The State Law governing urban renewal sets out the following criteria, at least one of which must be found, for an area to be considered eligible for urban renewal activities:

1. The Presence of a Substantial Number of Deteriorated or Deteriorating Structures and Deterioration of Site [50-2018(9) and 50-2903(8)(b)]
2. Age or Obsolescence [50-2018(8) and 50-2903(8)(a)]
3. Predominance of Defective or Inadequate Street Layout [50-2018(9) and 50-2903(8)(b)]
4. Faulty Lot Layout in Relation to Size, Adequacy, Accessibility, or Usefulness [50-2018(9) and 50-2903(8)(b)]
5. Insanitary or Unsafe Conditions [50-2018(9) and 50-2903(8)(b)]
6. Diversity of Ownership [50-2018(9) and 50-2903(8)(b)]
7. Tax or Special Assessment Delinquency [50-2018(9) and 50-2903(8)(b)]
8. Defective or Unusual Conditions of Title [50-2018(9) and 50-2903(8)(b)]
9. Results in Economic Underdevelopment of the Area [50-2903(8)(b)]
10. Substantially Impairs or Arrests the Sound Growth of a Municipality [50-2018(9) and 50-2903(8)(b)]

If the Eligibility Report finds that one or more of the conditions noted above exists within the Study Area, then the Agency may accept the findings and forward the Eligibility Report to the City Council for their consideration. If the City Council concurs with the determination of the Agency, they may direct that an Urban Renewal Plan be developed for the area that addresses the issues raised in the Eligibility Report.

The Agency then acts to prepare the Urban Renewal Plan for the new District and determines whether to also recommend the establishment of a Revenue Allocation

Area to fund improvements called for in the Plan. Once the Plan for the District and Revenue Allocation Area are completed, the Agency Board forwards it to the City Council for their consideration.

The City Council must refer the Urban Renewal Plan to the Planning and Zoning Commission to determine whether the Plan, as presented, is consistent with the City's Comprehensive Plan and make a corresponding finding. At the same time, other taxing entities levying property taxes within the boundaries of the proposed Urban Renewal District are provided a thirty-day opportunity to comment on the Plan to the City Council. While the taxing entities are invited to comment on the Plan, their concurrence is not required for the City Council to proceed with formal consideration.

Once the Planning and Zoning Commission makes their finding of conformity and the thirty-day comment period has passed, the City Council is permitted to hold a public hearing and formally consider the adoption of the Plan creating the new Urban Renewal District and Revenue Allocation Area.

The City Council must also find that the taxable value of the district to be created plus the Base Assessed Value of any existing Urban Renewal / Revenue Allocation Area does not exceed the statutory maximum of 10% of the citywide assessed valuation.

If the City Council, in their discretion chooses to proceed, they will officially adopt the Urban Renewal Plan and Revenue Allocation Area and provide official notification of that action to the County Assessor and Idaho State Tax Commission.

The Agency then proceeds to implement the Plan.

Analysis of the Study Area:

Description of the Airport Way Urban Renewal District Study Area:

The Study Area subject to the current review is located in the south westerly part of the City and west of the Friedman Memorial Airport. The Airport Way District is a primarily developed commercial and industrial area containing 62 parcels located on 39.993 acres with 40 separate owners-of-record. In addition, there are 33 owners of commercial and residential condominiums located within the Study Area. Combined, there are 73 individual owners-of-record within the Study Area. Six (6) of those parcels are under the ownership of public entities and thus are statutorily exempt from property taxes. One (1) single family residence exists along the east side of Broadford Road and reflects the Idaho State Homeowner Property Tax Exemption, indicating it serves as the primary residence of the owner. There are nine (9) condominium properties reflecting residential assessed values, six of which also reflect Homeowner Property Tax Exemption indicating

that these units serve as primary residences even though located in the Service Commercial Industrial zone.

The Study Area is accessed by way of Airport Way from State Highway 75 via a signalized intersection. Airport Way extends through an “S” curve where it transitions into Aviation Way. Various intersecting low-volume streets provide local access to existing businesses and vacant properties. Airport Way /Aviation Way provide the only access to the area with the exception of a substandard county road (Broadford–Highlands Road) located outside the City limits and a substantial distance from the main activity areas of the district. This is particularly significant due to the location of critical uses long this access roadway. St. Luke’s Clinic and the Blaine County Public Safety Complex as well as the City’s maintenance facility are all located here and served by this access facility. Should the northern end of Airport Way be blocked for any reason, access to and from these critical community facilities would be severely hampered.

Table 1 reflects the data for each of the tax parcels represented in the Study Area:

Table 1

Study Area – Airport Way						
Tax Parcel	Site Address	Acres	Land Value	Improvem ent Value	Total Taxable Value	% Impr. Value / Land Value
RPH0727000003A	810 S Main St	2.01	\$0	\$0	\$0	N/A
RPH0445002011A	920 S. Main St.	1.45	\$501,191	\$410,810	\$912,001	82%
RPH0445002011B	960 S Main St.	0.49	\$169,258	\$90,458	\$259,716	53%
RPH04450020100	920 S Main St.	1.0	\$344,957	\$0	\$344,957	Vacant
RPH04450010070	921 S. Main St	1.47	\$508,450	\$598,317	\$1,106,767	118%
RPH04450010090	1020 Airport Way	1.0	\$345,304	\$6,265,928	\$6,611,232	1,815%
RPH04450010060	1021 Airport Way	1.0	\$345,304	\$366,082	\$711,386	106%
RPH04450020080	1030 Airport Way	1.0	\$344,957	\$297,134	\$642,091	86%
RPH04450020060	1040 Airport Way	0.5	\$242,421	\$125,839	\$368,260	52%
RPH04450010030	1041 Airport Way	3.0	\$692,217	\$1,014,799	\$1,707,016	147%
RPH04450020070	1042 Airport Way	0.5	\$244,368	\$89,919	\$334,287	37%
RPH04450020050	1120 Airport Way	0.5	\$243,881	\$0	\$243,881	Vacant
RPH04450020040	1130 Airport Way	0.5	\$243,394	\$0	\$243,394	Vacant
RPH0445001002A	1131 Airport Way	0.43	\$207,859	\$304,942	\$512,801	147%

RPH04450020030	1140 Airport Way	0.47	\$227,816	\$122,595	\$350,411	54%
RPH04450020010	1220 Airport Way	0.63	\$304,729	\$158,367	\$463,096	52%
RPH040000501A0	1221 Airport Way	0.35	\$170,120	\$170,750	\$340,870	100%
RPH04450020020	1230 Airport Way	0.56	\$274,549	\$324,564	\$599,113	118%
RPH040000501D0	120 Citation Way	0.25	\$121,874	\$0	\$121,874	Vacant
RPH040000501C0	131 Citation Way	0.27	\$132,111	\$76,176	\$208,287	58%
RPH040000501B0	141 Citation Way	0.58	\$255,039	\$1,010,476	\$1,265,515	396%
RPH04000010100		02.54	\$693,527	\$0	\$693,527	Vacant
RPH040000501E0	1251 Airport Way	0.63	\$277,544	\$0	\$277,544	Vacant
RPH040000501F0		0.25	\$121,386	\$0	\$121,386	Vacant
RPH040000502A0	1220 Aviation Drive	0.75	\$332,258	\$0	\$332,258	Vacant
RPH040000401C0	1290 Citation Way	0.46	\$223,760	\$0	\$223,760	Vacant
RPH040000401DD	1310 Citation Way	0.43	\$209,134	\$0	\$209,134	Vacant
RPH040000401EE	1351 Aviation Drive	0.7	\$308,870	\$545,713	\$854,583	177%
RPH04000040200	1451 Aviation Drive	1.6	\$554,054	\$412,409	\$966,463	74%
RPH040000403A0	1551 Aviation Drive	2.6	\$708,539	\$0	\$708,539	Vacant
RPH040000403B0	1611 Aviation Drive	1.0	\$345,797	\$0	\$345,797	Vacant
RPH0400000000A		0.63	Exempt (City)	Exempt (City)	Exempt (City)	Vacant
RPH2N18015343A	43 Broadford Road	1.0	\$167,580	\$260,953	\$428,533 *	156%
RPH040000401A0	131 Citation Way	0.53	\$224,068	\$0	\$224,068	Vacant
RPH040000401B0	1291 Citation Way	0.51	\$224,603	\$0	\$224,603	Vacant
RPH040000502E0	20 Comet Lane	0.52	230,772	\$0	\$230,772	Vacant
RPH040000502D0	30 Comet Lane	0.26	\$127,723	\$0	\$127,723	Vacant
RPH040000502C0	40 Comet Lane	0.22	\$107,735	\$0	\$107,735	Vacant
RPH040000502B0		0.33	\$161,445	\$0	\$161,445	Vacant
RPH040000502J0	11 Comet Lane	0.22	\$109,180	\$0	\$109,180	Vacant
RPH07270000000	Common Area	0	\$0	\$0	\$0	Common Area
RPH040000502H0	31 Comet Lane	0.22	109,708	\$0	\$109,708	Vacant
RPH040000502G0	41 Comet Lane	0.22	\$109,708	\$0	\$109,708	Vacant
RPH040000502F0		0.4	\$193,048	\$0	\$193,048	Vacant
RPH07220000000		0	\$0	\$0	\$0	Common Area

RPH0700000000		0	\$0	\$0	\$0	Common Area
RPH04480010100	1020 Business Park Dr	0.83	\$388,700	\$702,477	\$1,091,177	181%
RPH04480010090	1010 Business Park Dr	0.25	\$164,948	\$226,904	\$391,852	138%
RPH0448001008A	1012 Business Park Dr	0.26	\$169,54	\$223,563	\$393,112	132%
RPH0448001007A	1014 Business Park Dr	0.23	\$153,777	\$199,025	\$352,802	129%
RPH04480010040	910 Business Park Dr	0.62	\$290,238	\$322,430	\$612,668	111%
RPH04480010030	810 South Main St	0.15	Exempt	Exempt	Exempt	Exempt
RPH04480010020	810 South Main	0.16	Exempt	Exempt	Exempt	Exempt
RPH04480010010	820 South Main St.	1.39	Exempt	Exempt	Exempt	Exempt
RPH2N180160680	830 Broadford Road	0.39	\$134,447	\$235,298	\$369,745	175%
RPH2N180160690		0.22	Exempt	Exempt	Exempt	Exempt
RPH070800000A0		0	0	0	0	Common Area
RPH040000404A0	110 Dornier Way	0.26	\$126,750	\$0	\$126,750	Vacant
RPH040000404B0		0.25	\$121,834	\$0	\$121,834	Vacant
RPH040000404B0		0.413	\$201,334	\$0	\$201,334	Vacant
Total Study Area		39.993	\$13,497,073	\$14,822,010	\$28,319,083	
Condominiums						
Parcel Number	Site Address	Commercial Value	Residential Value	Market Value	H/O Exemption	Taxable Value
Comet Condominiums						
RPH0727000001A	21 Comet Lane #1A	\$232,076	\$0	\$232,076	\$0	\$232,076
RPH07270000020	21 Comet Lane # 2	\$231,914	\$0	\$231,914	\$0	\$231,914
RPH0727000003A	21 Comet Lane #3A	\$0	\$188,600	\$188,600	\$94,300	\$94,300
RPH07270000040	21 Comet Lane #4	\$200,328	\$0	\$200,328	\$0	\$200,328
Total Comet Condominiums		\$664,318	\$188,600	\$852,918	\$94,300	\$758,618
1120 Broadford Condos						
RPH07220000010	1120 Broadford Road A1	\$107,500	\$150,500	\$258,000	\$75,250	\$182,750
RPH07220000020	1120 Broadford Road Unit 2	\$104,625	\$146,475	4251,100	\$73,238	\$177,862
RPH07220000030	1120 Broadford Road Unit 3	\$98,000	\$137,200	\$235,200	\$68,000	\$166,600
RPH07220000040	1120 Broadford Road Unit 4	\$196,000	\$0	\$196,000	\$0	\$196,000
RPH07220000050	1120 Broadford Road Unit 5	\$266,375	\$0	\$266,375	\$0	\$266,375
RPH07220000060	1120 Broadford Road Unit 6	\$131,500	\$189,700	\$321,200	\$0	\$321,200
RPH07220000070	1120 Broadford Road Unit 7	\$98,000	\$137,200	\$235,200	\$68,600	\$166,600
RPH07220000080	1120 Broadford Road Unit 8	\$196,000	\$0	\$196,000	\$0	\$196,000

RPH07220000090	1120 Broadford Road Unit 9	\$105,125	\$147,175	\$252,300	\$0	\$252,300
RPH07220000100	1120 Broadford Road Unit 10	\$214,875	\$0	\$214,875	\$0	\$214,875
RPH07220000110	1120 Broadford Road Unit 11	\$91,000	\$127,400	\$218,400	\$63,700	\$154,700
RPH07220000120	1120 Broadford Road Unit 12	\$196,000	\$0	\$196,000	\$0	\$196,000
RPH07220000130	1120 Broadford Road Unit 13	\$192,125	\$0	\$192,125	\$0	\$192,125
RPH07220000140	1120 Broadford Road Unit 14	\$193,000	\$0	\$193,000	\$0	\$193,000
RPH07220000150	1120 Broadford Road Unit 15	\$118,625	\$42,350	\$160,975	\$0	\$160,975
Total 1120 Bradford Condos		\$2,308,750	\$1,078,000	\$3,386,750	\$349,388	\$3,037,362
1030 Business Park Condos						
RPH070000000A0	1030 Business Park Dr., Suite A	\$168,612	\$0	\$168,612	\$0	\$168,612
RPH070000000B0	1030 Business Park Dr., Suite B	\$195,445	\$0	\$195,445	\$0	\$195,445
RPH070000000C0	1030 Business Park Dr., Suite C	\$228,974	\$0	\$228,974	\$0	\$228,974
RPH070000000D0	1030 Business Park Dr., Suite D	\$133,612	\$0	\$133,612	\$0	\$133,612
RPH070000000E0	1030 Business Park Dr., Suite E	\$133,612	\$0	\$133,612	\$0	\$133,612
RPH070000000F0	1030 Business Park Dr., Suite F	\$202,147	\$0	\$202,147	\$0	\$202,147
RPH070000000G0	1030 Business Park Dr., Suite G	\$200,634	\$0	\$200,634	\$0	\$200,634
Total 1030 Business Park Condos		\$1,263,036	\$0	\$1,263,036	\$0	\$1,263,036
Warehouse West Condos						
RPH0708000B050	1141 Airport Way B5	\$88,634	\$0	\$88,634	\$0	\$88,634
RPH0708000D030	1141 Airport Way D3	\$48,818	\$0	\$48,818	\$0	\$48,818
RPH0708000D040	1141 Airport Way D4	\$48,818	\$0	\$48,818	\$0	\$48,818
RPH0708000D050	1141 Airport Way D5	\$47,783	\$0	\$47,783	\$0	\$47,783
RPH0708000D070	1141 Airport Way D7	\$48,818	\$0	\$48,818	\$0	\$48,818
RPH0708000D080	1141 Airport Way D8	\$48,818	\$0	\$48,818	\$0	\$48,818
RPH0708000D090	1141 Airport Way D9	\$48,818	\$0	\$48,818	\$0	\$48,818
RPH0708000D100	1141 Airport Way D10	\$47,414	\$0	\$47,414	\$0	\$47,414
RPH0708000F010	1141 Airport Way F1	\$76,414	\$0	\$76,414	\$0	\$76,414
RPH0708000F020	1141 Airport Way F2	\$78,477	\$0	\$78,477	\$0	\$78,477
RPH0708000F030	1141 Airport Way F3	\$78,557	\$0	\$78,557	\$0	\$78,557
RPH0708000F040	1141 Airport Way B5	\$76,414	\$0	\$76,414	\$0	\$76,414
Total Warehouse West Condos		\$738,152	\$0	\$738,152	\$0	\$738,152
Total Condominium		\$4,974,256	\$1,266,600	\$6,240,856	\$443,688	\$5,797,168

Total Taxable Value	
Land and Improvements	\$28,319,083
Condominiums	\$5,797,168
Total Taxable Value	\$34,116,251

Please see the map below for a graphic representation of the Airport Way Urban Renewal District Study Area.



Airport Way Urban Renewal District

The proposed Airport Way Urban Renewal District consists of 62 tax parcels representing 39.993 acres (not including rights-of-way) located in the southwest part of the City, west of the Friedman Memorial Airport. There are an additional 38 condominium units located within the Study Area. It consists of commercially and industrially zoned properties along with a variety of public uses. Zoning designations are SCI-SO and TI. There is one Residentially zoned parcel located along Broadford Road. The City of Hailey Zoning Ordinance defines the purpose of the SCI-SO Service Commercial Industrial District as follows:

Service Commercial Industrial District: The purpose of the SCI district is to provide an area for master planned business park developments that do not conflict with, and do support, the central business district. The SCI district is further divided into two (2) subdistricts to provide and allow for flexibility within the master planned business park, to group compatible uses, and to better respond to the surroundings of the planned business park. The SCI district is intended to be a category of land use for large parcels and may not be appropriate for smaller parcels. (Ord. 1191, 2015)

The City of Hailey Zoning Ordinance defines the purpose of the TI Technological Industry District as follows:

Technological Industry District: The purpose of the TI district is to provide a permanent, year round employment base, including research and development, technological industries, uses related to the building, maintenance and construction professions, and limited light industry. (Ord. 1191, 2015)

None of the parcels included within Study Area have been used for agricultural or forestry purposes during the past three years, negating the requirement to gain specific consent of any property owner of such a property for inclusion in an urban renewal district.

While both private and public entities have made significant investment in the southerly portions of the Study Area with improvements to the streets and sidewalks along Aviation Way, the northerly portion of the Study Area has not seen investments that would bring the area's infrastructure up to current urban standards creating a significant gap between the more current level of infrastructure investment in the south and State Highway 75 at the north. Additionally, a detailed review of the Study Area reflects a pattern of underinvestment and disinvestment over time. The American Institute of Appraisers suggests that an economically viable, developed property would reflect a ratio of 30% land to 70% improvements. After initial improvements are made, without continuing reinvestment, the improvement ratio declines; and as it approaches par, a condition of disinvestment or deterioration is assumed. For the purposes of this study we have assumed that those parcels where the improvement value is less than the land value, a "deteriorated" condition exists. In those parcels

where the improvement value is between 100% and 150% of land value, a “deteriorating” condition exists.

Table 1 above shows that approximately 33.8% (20) of the privately held properties located within the Study Area either reflect this “deteriorated” or “deteriorating” condition. Another 33.9% of the privately held properties are vacant consisting of 15.05 acres or 37.1% of the total acreage.

Streets: As noted above, Aviation Drive has been improved to urban standards with required curb, gutter, drainage, and at least, partial, pedestrian facilities. Signalization of the intersection of Airport Way with State Highway 75 has been installed. The southerly portion of Airport Way, where there is a transition around an “S” Curve into Aviation Drive, has been partially improved. A curb and gutter section extends though the curve but sidewalks are available only on one side. Local streets served from the southern portion of Airport Way and Aviation Way have been paved with valley gutters in the center allowing rainwater and snowmelt to enter the storm drainage system. Curb and gutter are not provided on the local streets nor are there pedestrian facilities located there.

The northerly portion of Airport Way consists of asphalt mat paving with no curb and gutter, allowing the pavement edge to ravel creating an uneven verge with the gravel shoulder.

Storm Drainage: As noted in the section on Streets conditions above, Airport Way north of the curve is devoid of storm drainage facilities. This condition allows for the ponding of water during periods of snow melt and heavy rainfall, thus obscuring the uneven pavement edge creating a driving hazard as well as undermining the roadway base creating a costly maintenance requirement.

Pedestrian facilities: Investment has been made in the pedestrian facilities along Aviation Drive yet these facilities are isolated as there is no connection to State Highway 75 to the north along Airport Way. This requires pedestrians to compete with through traffic and industrial movements jeopardizing their safety, especially given the condition of the streets as noted in that section. City planning documents envision continued commercial and industrial investment in the area and beyond thus increasing pedestrian and bicycle traffic and the resultant vehicle conflicts along Airport Way.

Illumination: Decorative streetlights are present along Aviation Drive but no illumination has been provided along Airport Way. This can be especially dangerous in the future as pedestrian volumes increase in the busy area.

Water: Beyond the general discussion of community water supply capacity during certain parts of the year, the water distribution system within the Airport Way Study Area appears to be adequate to accommodate the vision for the area found in City planning documents.

Fire Protection: Fire hydrants exist throughout the Study Area, however their placement appears inconsistent. Given the commercial and industrial nature of the area, hazardous activities may be conducted within the buildings currently in the areas or planned. Thus, adequate fire flows are imperative and consistent location of hydrants facilitate their location during times of the year when their locations might be obscured by snow accumulation.

Sewer Collection: Sewer collection capacity within the Study Area appears adequate to accommodate current levels of anticipated growth within that area.

Required Findings Regarding Eligibility for the Study Area:

In order to make a finding that the Airport Way Study Area is, in fact, eligible for being considered for the establishment of an urban renewal district, one must compare the conditions found in the area with the statutory criteria noted above. For the convenience of the reader those criteria are repeated here:

1. The Presence of a Substantial Number of Deteriorated or Deteriorating Structures and Deterioration of Site [50-2018(9); and 50-2903(8)(b)]
2. Age or Obsolescence [50-2018(8) and 50-2903(8)(a)]
3. Predominance of Defective or Inadequate Street Layout [50-2018(9) and 50-2903(8)(b)]
4. Faulty Lot Layout in Relation to Size, Adequacy, Accessibility or Usefulness [50-2018(9) and 50-2903(8)(b)]
5. Insanitary or Unsafe Conditions [50-2018(9) and 50-2903(8)(b)]
6. Diversity of Ownership [50-2018(9); 50-2903(8)(b)]
7. Tax or Special Assessment Delinquency [50-2018(9) and 50-2903(8)(b)]
8. Defective or Unusual Conditions of Title [50-2018(9) and 50-2903(8)(b)]
9. Results in Economic Underdevelopment of the Area [50-2903(8)(b)]
10. Substantially Impairs or Arrests the Sound Growth of a Municipality [50-2018(9) and 50-2903(8)(b)]

Criterion #1: *The Presence of a Substantial Number of Deteriorated or Deteriorating Structures; and Deterioration of Site:* As noted above 16.1% privately owned properties within the Study Area reflect improvement values less than land values. Additional 10 parcels (16.1%) reflect values that approach that

point where land values exceed improvement values. 37.1% of the parcels remain vacant. This suggests that deteriorated or deteriorating structures exist or properties are vacant. Therefore, Criterion #1 is met.

Criterion #2: *Age or Obsolescence:* Substantial investment has been made in the southerly portion of the Study Area, but the majority of the Study Area along Airport Way are properties reflecting disinvestment. A substantial number of vacant parcels remain throughout the Study Area. Therefore Criterion #2 is met.

Criterion #3: *Predominance of Defective or Inadequate Street Layout.* Adequate right-of-way exists to accommodate the new investment consistent with the City's Comprehensive Plan. However, the primary access street into the Study Area has not been improved to full urban standards as required under City of Hailey development regulations. Full improvements to Airport Way will be required to bring the infrastructure in the area into compliance with current City requirements. The pedestrian system will need to be completed.

Additionally, access to the area is limited to Airport Way / Aviation Drive creating essentially a "one-way-in, one-way-out" situation. The area is immediately adjacent to the region's airport with frequent commercial flights as well as large volumes of general aviation traffic. The area serves as the location of the St. Luke's Hailey Clinic as well as the Blaine County Public Safety complex and the City of Hailey Maintenance facility. Should an unfortunate incident occur impacting the exclusive access route into the area, emergency response would be severely compromised. Therefore, Criterion #3 is met.

Criterion #4: *Faulty Lot Layout in Relation to Size, Adequacy, Accessibility or Usefulness.* The lots located in the Study Area are regularly configured and consistent with the requirements of City regulations. Therefore, Criterion #4 is not met.

Criterion #5: *Insanitary or Unsafe Conditions.* The substandard condition of Airport Way, the lack of adequate storm drainage facilities, the incomplete street lighting system and the lack of adequate pedestrian facilities, and insufficient access to critical community facilities point to current unsafe conditions that will be exacerbated as development occurs consistent with the City's Comprehensive Plan. Therefore, Criterion #5 is met.

Criterion #6: *Diversity of Ownership.* The 62 parcels and 38 condominiums examined in this study are under the ownership or control of 73 individuals or entities. Therefore, Criterion #6 is met.

Criterion #7: *Tax or Special Assessment Delinquency:* The records of the Blaine County Assessor do not reflect any tax or special assessment delinquency. Therefore, Criterion #7 is not met.

Criterion #8: Defective or Unusual Conditions of Title: No known defective or unusual conditions of title exist. Therefore Criterion 8 has not been met.

Criterion #9: Results in Economic Underdevelopment of the Area: The southerly portion of the Study Area has seen investment in recent years. However, a significant amount of the land within the Study Area remains underutilized and, in some cases, we see deteriorating uses. Therefore, Criterion #9 is met.

Criterion #10: Substantially Impairs or Arrests the Sound Growth of a Municipality. The Study Area represents one of only two area zoned for industrial uses in the City of Hailey. The Study Area is the only reasonable location to expand uses need to support a growing area economy. Therefore, Criterion #10 is met.

Findings: Airport Way District Study Area: Conditions exist within the Airport Way Study Area to allow the Board of Commissioners of the Agency and the City Council to determine that the area is eligible for urban renewal activities as prescribed in State Law.

	Criteria	Met	Not Met
1	The Presence of a Substantial Number of Deteriorated or Deteriorating Structures; and Deterioration of Site	X	
2	Age or Obsolescence	X	
3	Predominance of Defective or Inadequate Street Layout	X	
4	Faulty Lot Layout in Relation to Size, Adequacy, Accessibility or Usefulness		X
5	Insanitary or Unsafe Conditions	X	
6	Diversity of Ownership	X	
7	Tax or Special Assessment Delinquency		X
8	Defective or unusual condition of title		X
9	Results in Economic Underdevelopment of the Area	X	
10	Substantially Impairs or Arrests the Sound Growth of a Municipality	X	

Analysis: Open Land Conditions: The parcels located within the Study Area are located within the City limits and have been dedicated to various urban uses. Therefore, the provisions of Idaho Code Section 50-2903(8)(c) and 50-2008(d) do not apply.

Conclusion: Based upon our review of the data and the conditions that exist within the Study Area as noted above, one or more of the necessary criteria have been met and therefore the Hailey City Council may, determine that the Airport

Way Urban Renewal District, as proposed, is eligible for the establishment of an urban renewal district.

Other Relevant Issues:

Agricultural Landowners Concurrence: None of the area within the Study Area maintains an agricultural land property tax exemption as authorized under state law. The statutory provisions concerning the creation of an urban renewal district prohibit inclusion of any land used for agricultural purposes without the express written consent of the property owner. Given that no such exemptions exist nor have existed during the previous three years, consent is not required.

10% Analysis: In addition to the findings reported above, we also sought to verify that the assessed value of the proposed Study Area is within the statutory limits. As noted above, State Law limits the percentage of assessed value that can be included in urban renewal / revenue allocation districts to 10% of the total valuation of the City. According to Blaine County Assessor records, the most recent certified value for the City is \$1,126,647,293. The taxable value of the Study Area is \$34,116,251 representing 3.03% of the total City assessed value. The Base Assessed Value of the Gateway District is \$67,496,712. The Table below shows the result compared to the statutory requirement.

Statutory 10% Limitation Analysis		
Area	Base Assessed Value	Percentage
Total City	\$1,126,647,293	100%
• Gateway District URD	\$67,496,712	5.99%
• Proposed South Woodside A District URD	\$34,116,251	3.03%
Total UR Base Assessed Value Percentage	\$101,612,963	9.02%

We also explored the effect of creating this district on the capacity of the Urban Renewal Agency to consider future districts should they choose to do so. The table below shows that even if a new district similar to the Airport Way District were to be established, approximately 1.48% of the citywide assessed value would remain uncommitted.

Remaining Urban Renewal Capacity		
• Maximum 10% Limitation	\$112,664,729	10%
• Gateway District URD	\$67,496,715	5.99%
• Proposed Airport Way District URD	\$34,116,251	3.03%
• Total AV in Revenue Allocation Areas	\$101,612,753	9.02%
• Available AV under limitation	\$11,051,766	0.98%

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