



CITY OF KUNA
***** NOTICE *****
SPECIAL CITY COUNCIL
MEETING

**A SPECIAL MEETING OF THE KUNA CITY COUNCIL
IS SCHEDULED FOR:**

AUGUST 26, 2014
4:00 p.m.

Kuna City Hall Council Chamber
763 W. Avalon
Kuna, ID 83634

- 1. Call to Order and Roll Call**
- 2. Urban Renewal Agency**
 - A. Discuss Resolution No. R21-2011 Urban Renewal Agency**
 - B. Discuss Existing Urban Renewal Agency Formed in 2011 Versus Forming New Urban Renewal Agency by Voter Approval.**
 - C. Discuss Boundaries of Urban Renewal District**
 - D. Discuss Urban Renewal Plan**
- 3. Adjournment**

RESOLUTION NO. R21-2011

A RESOLUTION BY THE KUNA CITY COUNCIL IMPLEMENTING THE STATUTORY CRITERIA, CREATING AND EMPOWERING THE KUNA URBAN RENEWAL AGENCY, MAKING CERTAIN FINDINGS OF FACT, DETERMINING AN AREA OR AREAS OF THE CITY OF KUNA TO BE A DETERIORATING AND DETERIORATED AREA AS DEFINED BY IDAHO CODE, SECTIONS 50-2018(8) AND (9) AND 50-2903(8), AUTHORIZING THE MAYOR TO APPOINT AGENCY BOARD MEMBERS, AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Kuna (the "City") obtained an Eligibility Report, dated November 7, 2003 (the "Report"), prepared by Harlan W. Mann, which examined an area in downtown Kuna bounded generally by West Fourth Street, Linder Avenue/Swan Falls Road, Union Pacific Railroad right-of-way, Shortline Street, West Avalon, and School Avenue, and adjacent areas, including an area bounded by Swan Falls Road, Stagecoach Way, and Union Pacific right-of-way, and commercially designated property along Avalon Street between Linder and Kay Avenue;

WHEREAS, the City Council and Mayor of the City of Kuna, Ada County, Idaho, on or about December 22, 2003, adopted and approved Resolution No. 208, creating the Urban Renewal Agency of the City of Kuna, 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 the Urban Renewal Agency of the City of Kuna, and authorizing the Urban Renewal Agency to commence the planning process to prepare an urban renewal plan;

WHEREAS, such area examined in the Report was determined to be a deteriorating and deteriorated area as defined by the Law and Act;

WHEREAS, the Urban Renewal Agency of the City of Kuna obtained a revised Report, dated July 16, 2004 (the "Revised Report"), prepared by Harlan W. Mann, which examined an area several blocks at the east end of downtown Kuna;

WHEREAS, the City Council and the Mayor, on or about August 3, 2004, adopted and approved Resolution No. 208A, determining a certain additional area in downtown Kuna to be a deteriorating and deteriorated area as defined by the Law and Act, directing the Urban Renewal Agency of the City of Kuna to commence and complete the preparation of an urban renewal plan, and providing for an effective date;

WHEREAS, such area examined in the Revised Report was determined to be a deteriorating and deteriorated area as defined by the Law and Act;

WHEREAS, the Urban Renewal Agency caused a draft urban renewal plan to be prepared;

WHEREAS, the City Council and the Mayor, on or about December 21, 2004, adopted and approved Resolution No. 223, repealing Resolution No. 208 and Resolution No. 208A, which created the Urban Renewal Agency and authorized it to transact business and exercise the powers granted by the Law and Act;

WHEREAS, the City recognizes that there are certain factual prerequisites to the empowerment of the agency and the ultimate adoption of an urban renewal plan containing revenue allocation financing provisions;

WHEREAS, one such area was originally examined and determined to be a deteriorating or deteriorated area as defined in the Law and the Act in the Report and Revised Report prepared by Harlan W. Mann;

WHEREAS, the area originally examined in the Report and Revised Report continues to be a deteriorating or deteriorated area;

WHEREAS, the comprehensive plan for the City was revised and amended, and during that process information was presented indicating there are additional deteriorating and deteriorated areas within the City, including the city center and urban core as indicated in that certain staff report dated April 18, 2011, attached hereto as Exhibit A and incorporated herein by reference.

WHEREAS, the City now desires to implement and empower an urban renewal agency pursuant to the Law;

WHEREAS, it is anticipated that the urban renewal agency intends to prepare an urban renewal plan containing a revenue allocation financing provision pursuant to the Act;

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

Section 1. That there are one or more areas within the City which are deteriorating or deteriorated areas as defined by Idaho Code, Sections 50-2018(8) and (9) and 50-2903(8).

Section 2. That one such area is described in the Report and the Revised Report and made a part hereof by reference.

Section 3. That the rehabilitation, conservation, and redevelopment, or a combination thereof, of such area is necessary in the interest of the public health, safety, and welfare of the residents of the City.

Section 4. That there is a need for an urban renewal agency to function in the City.

Section 5. Based on the Report and the Revised Report, and further based on information presented during the proceedings to amend the comprehensive plan for the City, as set forth in Exhibit A, the City Council makes the findings that there are one or more areas within the City determined to be a deteriorating area as defined by Idaho Code § 50-2018(9) and

a deteriorated area as defined by Idaho Code §§ 50-2018(8) and 50-2903(8), and that such areas are determined to be appropriate for an urban renewal project.

Section 6. That pursuant to Idaho Code § 50-2006(b), the Mayor is authorized and directed to appoint, with the advice and consent of the City Council, a number of commissioners of the urban renewal agency as allowed by the Law.

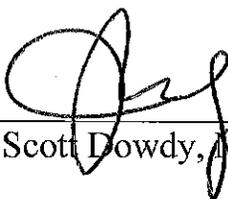
Section 7. That the City Council hereby directs the urban renewal agency to commence the planning process to prepare an urban renewal plan for one or more areas determined to be appropriate for an urban renewal project.

Section 8. That this Resolution shall be in full force and effect immediately upon its adoption and approval.

ADOPTED AND APPROVED this 3rd day of May, 2011.

CITY OF KUNA
Ada County, Idaho





J. Scott Dowdy, Mayor


Brenda S. Bingham, City Clerk

Exhibit "A"

April 18, 2011

To: Mayor and City Council

From: Steven Hasson, AICP

Subject:

Qualifying that Kuna's city center and urban core possess deteriorating areas that require rehabilitation, conservation and redevelopment in order to address public health, safety, morals and welfare concerns through establishment of a Kuna urban renewal agency to function in the municipality.

This report relies upon assessment and policy statements found in the City's recently updated comprehensive land use plan [Plan] for this determination of deteriorating conditions and their possible amelioration through urban renewal agency formation.

Dear Mayor and Council:

The City's comprehensive land use plan [Plan] is a document that reflects on the community's views and values – providing guidance about activities and actions the City should pursue during the course of its growth and development. The guidance and direction the Plan offers are crafted in terms of goals and objectives and intended to address the community's public health, safety, morals and welfare.

The City's recently approved Plan is the product of two years of public planning effort that involved more than 60 public meetings and public input from several hundred City citizens. In a sense, the Plan is the City's Constitution intended to reflect community views, values and directions. Because this is a recently adopted product it is reasonable to believe its policy statements and assessments reflect current community perspectives.

Among the Plan's stated goals: **form an urban renewal agency to sponsor needed renovation in the downtown core** [page 197].

This goal statement is supported by the following policy statements:

Consider establishing an urban renewal district that can focus on downtown and capital facility improvement matters [page 51].

The Kuna community has expressed a strong desire to sustain and revitalize its historic downtown core and to expand and strengthen it [page 203].

[The City should develop] an economic development strategy that assists in defining the kinds of economic and business ventures appropriate to the historic portion of downtown [page 208].

Why does the Plan advocate for creation of an urban renewal agency?

During the course of community conversations that culminated with the construction and adoption of a Plan – there was recognition the City center [the downtown core area] was falling into a state of deterioration or possessed blight characteristics that impeded its ability to rebound without economic assistance. The public expressed the view - absent the City's economic intervention – this area would remain dysfunctional. This assessment was directed primarily toward the older built-out section of downtown Kuna. This depiction of a deteriorating, undernourished or dysfunctional downtown area - needing economic development assistance is found throughout the Plan. This portrayal is enumerated in a number of assessments listed below. These assessments should be considered findings of fact reflecting the presence of deteriorating or blighted conditions in Kuna's downtown area needing economic resolution through formation of an urban renewal agency.

- This outmigration of [downtown businesses] has the prospect of diminishing downtown commerce. Thus, it is important that the City encourage "destination" businesses to remain or locate in downtown [page 206];
- [Kuna residents] may not feel a strong affinity with Kuna's downtown [page 73];
- Downtown should be improved with an emphasis on [creating] pedestrian friendly areas [page 73];
- Renovation is needed in the downtown core [page 197];
- The City of Kuna maintains records showing....an increasing trend for businesses to locate [away from downtown]. In order to facilitate more business development in downtown and offset this outmigration trend - the City may consider offering incentives to encourage the renovation of existing storefronts.... to assist Main Street redevelopment [page 73];
- Many downtown storefronts are in need of refurbishment [page 73];
- Residents of Kuna perceive a general lack of parking availability in the City center and this belief is accentuated during City events and festival activities [page 190];
- [Downtown] storefronts do little to garner pedestrian interest [page 206];
- Heavy truck traffic travels through Main Street, which interferes with the ability of the downtown area to possess the cohesion necessary to its revitalization [page 206];
- The building stock in the historic downtown is generally limited to one story buildings, the street's continuous façade is not solid or well defined [page 189];
- There is a need to increase the number of [downtown] sidewalksas their paucity limits pedestrian activity [page 190];

- The downtown sidewalks are too narrow to support café type activities [page 190];
- Main Street's 60 foot width is too wide and its accompanying sidewalks possess few street trees, bike lanes, and on street parking [page 189];
- [The City Center] possesses few street trees, benches and typical City Center public amenities ..., which can entice pedestrian and retail activity [page 190];
- Traffic calming devices should be integrated into the street design to increase [downtown] pedestrian safety [page 194];
- The City Center street grid system....breaks down in all directions away from the historic core [page189];
- At present these [transportation] corridors have not been subject to redevelopment activity [page 192];
- Kuna's City Center lack basic street furniture that entices pedestrian activity [page 190];
- [The] City Center's current development densities are quite low [page 86];
- Downtown lacks basic pedestrian amenities such as lighting, benches, trash receptacles and landscaping [page 206];
- There is considerable amount of undeveloped land within.... the City Center [page 87];
- The Union Pacific Railroad also imposes barriers to improving the downtown [page 206].

In general, the Plan provides any number of goals and objectives that support economic redevelopment through creation of an urban renewal agency. These goals and objective statements are provided below, in no particular order, to provide a general sense the action to create an urban renewal agency and subsequent urban renewal district(s) and particularity in the downtown area - is an action fully supported by the Plan. These policy statements listed below should be considered as facts and findings in support of creating a Kuna Urban Renewal Agency for purposes of ameliorating the aforementioned deterioration, blight and dysfunction assessments relative to Kuna's downtown/City Center area.

- Develop a healthy and vibrant City Center that offers Kuna residences a variety of services [page 203];
- Encourage business investments in the City Center [page 205];
- Revitalize and strengthen downtown [page77];
- Strengthen and expand the City Center area [page 50];

- Provide the capital and economic infrastructure that is necessary to attract top quality employment [page 50];
- Provide façade renovation grants for businesses fronting on Main Street [page 51];
- Locate important community buildings like the post office and City hall in the downtown area [Page 51];
- Improve the City Center's streetscape [page 51];
- Encourage historical preservation through capitalizing on the rehabilitation of historical commercial and residential structures [page 78];
- Encourage infill development of vacant or underutilized land and create greater densities in the core of the City [page 78];
- Develop open spaces, plazas, and gathering areas within the downtown to accommodate public activity [page 203];
- Increase pedestrian accommodations [downtown] relying on sidewalks and pathways and improved intersection crossings [page 133];
- Create a pleasant place for pedestrians to gather in the downtown area with adequate parking facilities [page 133];
- Adopt mix use development strategies to encourage the City Center's year around use [page 203];
- Create lively and attractive pedestrian oriented streets within the City Center [page 204];
- Assure the City Center is bicyclists friendly through the installation of bike lanes and bike related furniture [page 204];
- Encourage the development of cultural facilities [in the City Center] like museums, concert halls, theaters and art galleries [page 204];
- Locate public facilities in the downtown area [page 205];
- Explore the development of funding mechanisms that can be relied upon for initiating pedestrian projects [page 135];
- Employ traffic calming devices in the downtown core [page 137];
- [City Center] street widths should be narrowed to provide a human scale connection between the street sides so the downtown becomes a more intimate place to live, work and play [page 194].

April 19, 2011

To: Mayor and City Council

From: Steven Hasson, AICP



Subject: Discussion and approval of resolution R-21-201: A resolution of the City of Kuna, Ada County, Idaho, implementing the statutory criteria creating and empowering the Kuna Urban Renewal Agency and providing an effective date.

Dear Mayor and Council:

Councilman Cardoza asked me at the last council meeting where we were with respect to forming an urban renewal agency and noting that we have discussed the prospects of reforming this type of agency for the last couple years.

I say reforming the agency and noting that a previous City Council had formed an urban renewal agency in December of 2003. And that action had been followed by the formation of a proposed urban renewal district - but a subsequent elected Council had repealed that agency authority and district creation in December of 2004.

Thus, you are asked to recreate an urban renewal agency by adoption of the accompanying resolution R-21-201.

By State law any Idaho municipality may set up an urban renewal agency [URA] for the purpose of urban rehabilitation within an "area of operation" or district of that municipality. When an URA is initially formed - a commission body is established. This body is charged with designating an urban renewal district [or districts] as well as initiating an eligibility report that becomes the basis for establishing an urban renewal plan to improve that area[s].

Basically, this is an agency set up by the City Council to create extra revenue from property taxes to implement improvements to certain areas of the City that are known to suffer from deterioration or depreciation that are in need of improvements and economic stimulation.

In Kuna's circumstance this would most likely be the older sections of Kuna, in proximity to the downtown area to include the City core.

I had a map constructed from the City's Comprehensive Land Use Plan that denotes areas of Kuna that would be likely candidates for district formation [see attachment].

It should be noted that the form of economic stimulation that may be employed in the district formed may be anything from remodeling a building to adding a park.

The URA provides for areas of the City to be revitalized to draw new business and to improve that area's living standard through installation of new infrastructure, restoration of old buildings, replacement of faulty septic systems with public sewer, redevelopment of vacant lots, upgrade of buildings that do not meet building code provisions, street lighting, and improvements to traffic flow as representative of items eligible for URA assistance within the district created.

URA's are funded through revenue allocation financing, which comes from taxes but does not involve tax levy increases.

The way the financing occurs: the total tax value of all the properties in the district created is determined and that value forms a cap that is in place for a twenty-year period. As taxable property values within the district increase above the set cap - the excess revenue goes to the URA to fund public redevelopment projects.

In essence – this is a reciprocal funding process - whereby the URA gets funds from its districts' tax base and then those funds are redistributed directly back into that district in the form of urban renewal projects. It may take some time for the district money to accumulate so the URA can also issue low interest tax exempt bonds to fund projects in the interim.

The district formed not only needs to include an older area in a state of deterioration, but also area(s) of the City forecasted to increase significantly in value. Again, this is because the urban renewal district receives property values on the amount the property increases in value. The more the property value increases after the district is put into place, the greater the revenue that is generated by the urban renewal district.

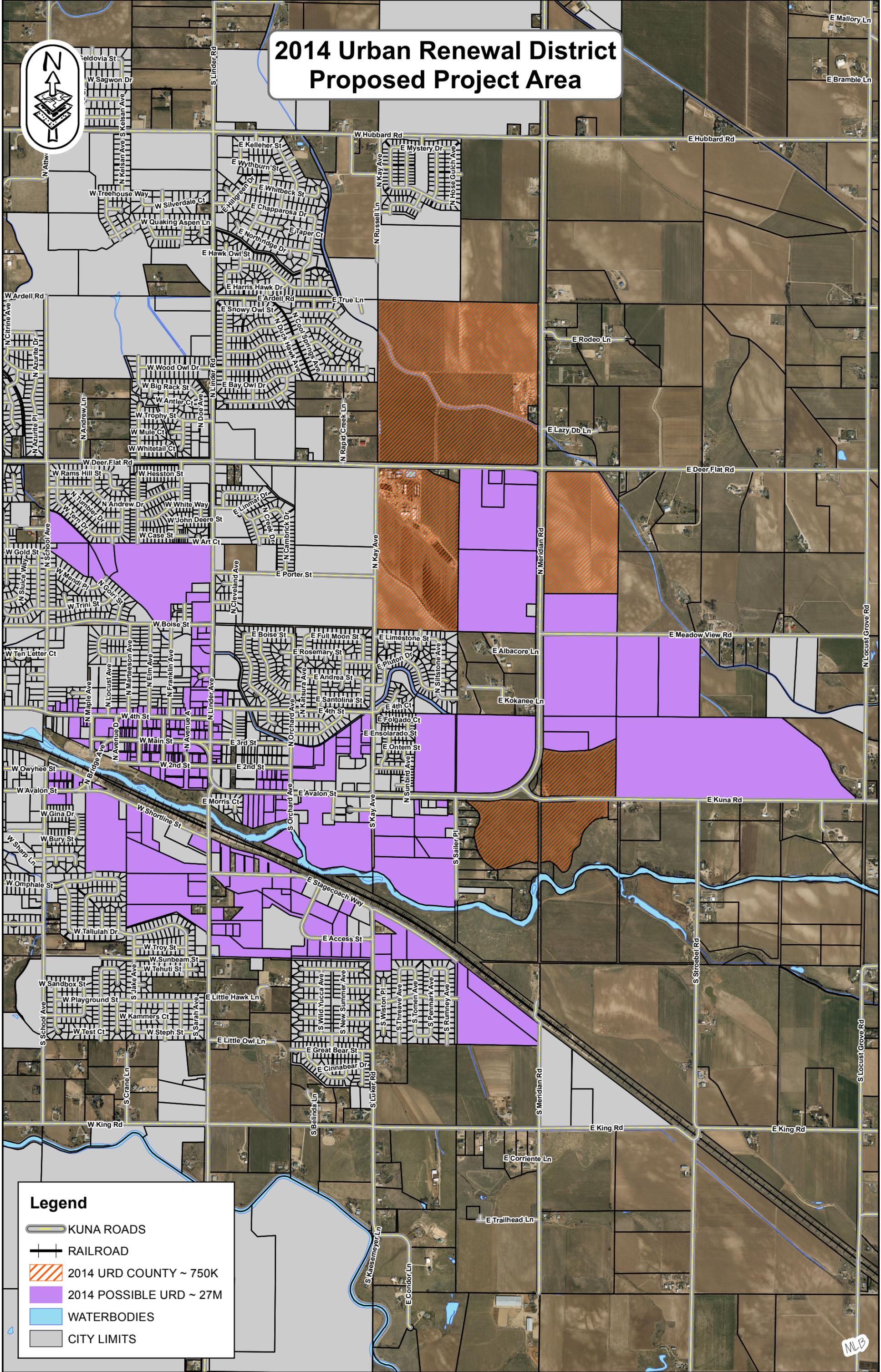
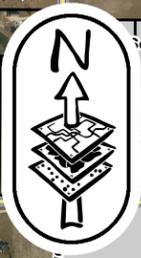
Overall, the idea is to add value to the properties located in the district.

The need to include land into the district that will increase in value - is one of the reasons the former urban renewal agency was repealed as it did not include land that would likely increase in value. And the Council was correct in that action because the previous district formed has not increased in value to any degree.

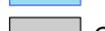
With all this in mind staff would ask you to adopt the accompanying resolution along with certain findings set forth in Idaho Code 50-2005. The findings required by this code section include: that one or more deteriorated areas exist within the confines of Kuna; the rehabilitation, conservation, redevelopment, or a combination thereof, of such area or areas is necessary to the interest of the public health, safety, morals or welfare of the residents of the municipality; and there is a need for an urban renewal agency to function in the municipality.

The basis for the findings is included within the resolution and relies, in part, on the former eligibility report that advises of the deteriorating nature of the downtown area, complimented by an attachment constructed by staff [Attachment "A"] based upon a review of the City's comprehensive Land Use Plan that supports findings to the effect there are certain geographic areas of Kuna of a deteriorating nature.

2014 Urban Renewal District Proposed Project Area



Legend

-  KUNA ROADS
-  RAILROAD
-  2014 URD COUNTY ~ 750K
-  2014 POSSIBLE URD ~ 27M
-  WATERBODIES
-  CITY LIMITS