

KEYSER MARSTON ASSOCIATES

**30TH STREET URBAN RENEWAL AREA
ELIGIBILITY REPORT**

Prepared for:

**THE CAPITAL CITY
DEVELOPMENT CORPORATION**

November 18, 2008

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Prepared by:

Keyser Marston Associates, Inc.

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I. INTRODUCTION

Keyser Marston Associates Inc. (KMA) has prepared this Eligibility Report (“Report”) for the proposed 30th Street Urban Renewal Project (“Project”) for the Capital City Development Corporation (“CCDC”) pursuant to Chapter 20 Urban Renewal Law of Title 50 Municipal Corporations of the Idaho Statutes.

This Report documents conditions in the area recommended for inclusion in the boundaries of the 30th Street Urban Renewal Project Area (“30th Street Project Area”, “Urban Renewal Project Area” or “Project Area”), which will support the required finding that the Project Area is “deteriorated” or “deteriorating”. This finding must be made before the City Council of the City of Boise (“City Council”) and gives further consideration for approval of the Project or adoption of an Urban Renewal Plan (“Plan”).

Upon adoption of a resolution finding that the Project Area is deteriorated or deteriorating, the City Council may direct CCDC to prepare an Urban Renewal Plan. Upon completion of the Plan, CCDC would transmit the Plan to the City Council and the City Council would refer the Plan to the Boise City Planning and Zoning Commission (“Commission”). The Commission would review the Plan and make a determination on its conformance with the City’s Comprehensive Plan. If the Plan is in conformance, the City Council would then hold a public hearing and take action to either approve the Project and the Plan, and create a corresponding Revenue Allocation Area, by ordinance or elect not to approve the Project.

II. REASONS FOR SELECTION OF THE PROJECT AREA

In 2007, Boise City and the Ada County Highway District initiated a master planning process for the 30th Street Area to address issues posed by a proposed extension of 30th Street from State Street at the north end to the Main-Fairview couplet at the south end. (The 30th Street Master Plan Area is shown in Figure 1.) These issues included how the street would be designed, changes in traffic patterns and potential traffic impacts, future development opportunities, and both improvement and protection of the existing neighborhood located east and north of the proposed street alignment.

The City undertook a comprehensive community outreach process to address community concerns and develop a long range vision for the area. The community identified the weaknesses of the area as:

- Lack of sidewalks and bike lanes
- Congestion and cut-through traffic
- Excessive traffic noise
- Lack of traffic signals
- Lack of public transit
- Lack of a neighborhood commercial center
- Poor housing stock

The result was the drafting of the 30th Street Master Plan (the “Master Plan”). The Master Plan proposes to revitalize businesses and create new commercial, housing and recreational opportunities. Some of the elements or barriers to implementing the Master Plan include:

- Providing the required infrastructure and amenities not only to allow growth in the 30th Street Project Area, but also to better connect the neighborhood with the downtown;
- Facilitating the development of vacant properties and the development and rehabilitation of underutilized properties;

- Renovating housing and businesses to contemporary standards; and
- Integrating and improving access from neighborhoods to the planned Esther Simplot Park, planned Whitewater Park, Bernardine Quinn Riverside Park, Boise River Greenbelt and improving recreation facilities.

The Master Plan identifies creation of an urban renewal project area as one method for implementing the Master Plan’s recommendations. The Master Plan Area is 680 acres in size. The City Council and CCDC are considering including 462 acres of the Master Plan area in the 573-acre Urban Renewal Project Area, to eliminate the barriers to development, access tools for investment in infrastructure and provide for the sound growth of the community. This area would include the proposed 30th Street corridor, a portion of the existing neighborhood which shows signs of needing reinvestment and revitalization and four proposed development nodes: (1) office, retail and residential development on property owned by the Idaho Transportation Department (ITD) at the intersection of Rose and State Streets; (2) a smaller scale mixed-use center including commercial and residential at the intersection of 30th Street and Pleasanton Avenue; (3) a neighborhood center including commercial and residential at the intersection of 27th Street and Pleasanton; and (4) a transit-oriented, mixed-use urban development where 30th Street intersects the Main-Fairview Corridor.

The Project Area also includes a portion of the residential neighborhood adjacent to the existing Westside Urban Renewal District including the West Downtown Neighborhood Association to allow for continuity in planning and ultimately building a downtown streetcar extension connecting the 30th Street Project Area and downtown Boise (“Downtown”). (The Downtown Boise Mobility Study published in October 2005 recommended that a downtown transit circulator be established to link activity centers in Downtown. During the development of the Master Plan, the 30th Street neighborhood expressed a strong desire for a transit link to Downtown. Route planning for the transit circulator—now expected to be a streetcar—has taken this desire into account and an extension to the Project Area is now envisioned.) The streetcar route is expected to extend westward from Downtown in a loop along Main Street, 30th Street and Fairview Avenue. This connection would facilitate revitalization of the underutilized commercial properties in this corridor and make the 30th Street Project Area a more desirable and viable place to live and work with easy access to the Downtown area.

The location of the various study areas and districts within or adjacent to the Project Area are shown on **Figure 1**. The boundaries of the recommended Urban Renewal Project Area with the proposed 30th Street extension are shown on **Figure 2**.

Figure 1: Study Areas and District Boundaries
 30th Street Urban Renewal Project Area
 Capital City Development Corporation

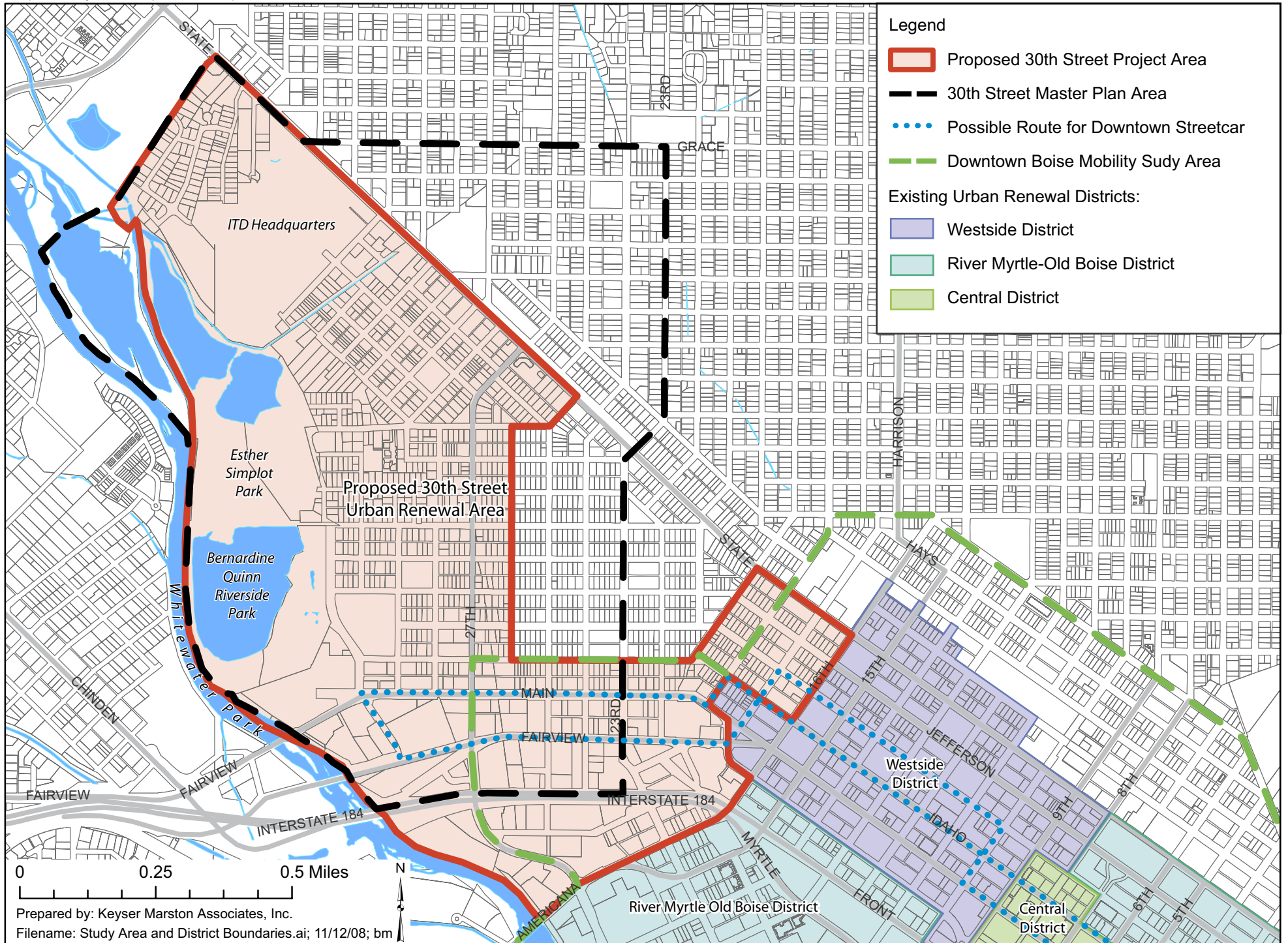
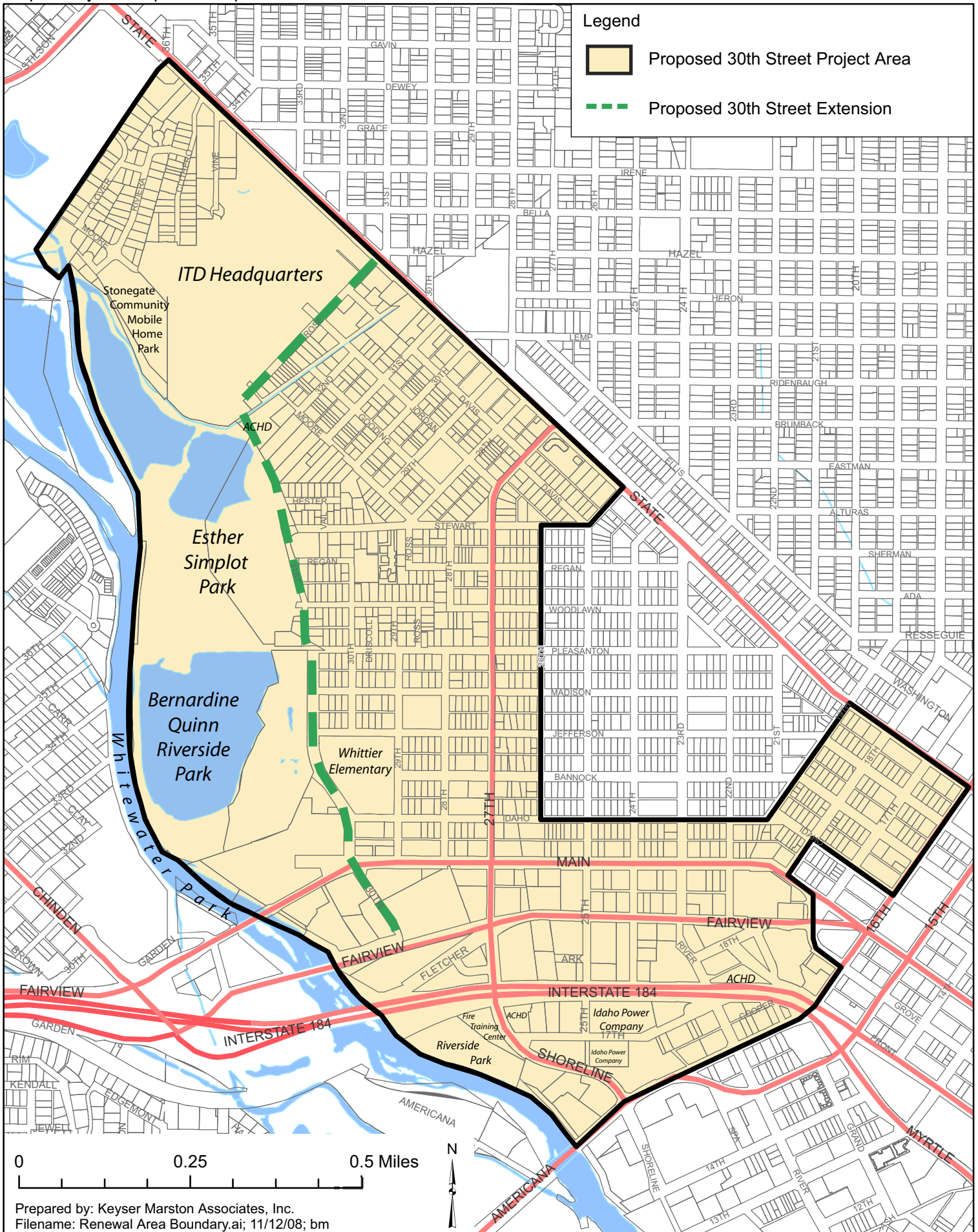


Figure 2: Proposed Urban Renewal Project Area Boundary
 30th Street Project Area
 Capital City Development Corporation



III. EXISTING CONDITIONS

A. EXISTING LAND USES WITHIN THE PROJECT AREA

As previously stated, the proposed Project Area contains approximately 573 acres. The existing land uses primarily consist of commercial, residential, vacant land and open space/park land adjoining the Boise River (“River”). The existing land uses are shown on **Figure 3**. (In Figure 3 and Table 1, City-owned land other than open space and the Fire Training Center has been identified by an asterisk, but has been classified by its current use since these properties are not expected to be retained for public purposes.) Commercial land uses are located along Main Street, Fairview Avenue, State Street and Americana Boulevard, with a scattering of commercial businesses along 27th Street. Although it would seem natural that residential areas close to the River corridor would be the most desirable, this is not true at the present time. The trees lining the River corridor are visible in the Project Area but the River itself is not visible from the residential neighborhood, and large tracts of vacant land separate both residential and commercial properties from the River itself. This situation will most likely change when the Esther Simplot Park is developed, but at present, the River is not influencing property values to a noticeable degree, and neighborhood residents have indicated that better access to the River is needed to improve the neighborhood. There is a bike path, which provides a connection from the residential neighborhood to the Boise River Greenbelt.

As shown in **Table 1**, the acreage of the Project Area is fairly equally divided among open space (16%), public/quasi public space (12%), residential uses (24%) commercial uses (19%) and public right-of-way (25%). Mixed-uses and vacant parcels make up the remainder (4%). The open space adjacent to the River includes the 55-acre Esther Simplot Park (planned for development), the 30-acre Bernardine Quinn Riverside Park and approximately 9-acres of the Boise River Greenbelt. Public/Semi-Public land totaling 70 acres includes the 46-acre Idaho Department of Transportation (ITD) Headquarters, Whittier Elementary School, Boise Fire Department, Idaho Power Company and Ada County Highway District (ACHD). Commercial land uses are primarily located along Main Street and Fairview Avenue consisting of retail and warehouse uses with some office and mixed-use projects at the east end of the Project Area closest to the Downtown. Commercial uses along State Street are retail-oriented and interspersed with older residential uses and vacant land. Americana is primarily developed with commercial warehouse and low-rise office uses. Residential uses in the Project Area are primarily single-family. In total, there are 591 single-family dwellings representing 82% of all residential uses. The remainder of the residential uses includes the 57-unit Stonegate Community Mobile Home Park and 128 multi-family properties. The major access routes to and through the Project Area include the one-way west bound Main Street, one-way east bound Fairview Avenue, two-way Americana

Boulevard on the southern boundary of the Project Area, two-way northwest/southeast diagonal State Street and two smaller capacity north/south streets, 27th and 23rd Streets. 27th Street crosses through the residential neighborhood connecting State Street to Shoreline Drive. 23rd Street crosses through the commercial area at the east end of the Project Area and provides indirect access to the residents in the Project Area. At the River, Main Street and Fairview Avenue are the western entry point to the City and merge at 16th Street to provide access to the Downtown. Because Fairview is a one-way eastbound street and Main is a one-way westbound street, access to the Downtown and commercial uses is confusing. North and southbound access is inadequately provided by 27th and 23rd Streets. The proposed 30th Street connection would improve north/south circulation and provide access to the River and proposed recreation areas.

The housing stock generally dates from the mid-1960s and tends to be small with an average size of 1,050 square feet.¹ The original Master Plan area included a residential area north of the State Street and south of State Street, which have similar housing characteristics. Homes in the Project Area (south of State Street) are selling at approximately \$217,000 compared to \$267,000 in the residential neighborhood north of State Street or approximately 19% less. Homes to the east of the Project Area, between 26th and 16th Streets are selling for even more, at approximately \$290,000 which is 33% higher. Homes of similar size and age closer to the Downtown are being rehabilitated and are considered more desirable because of the proximity to the Downtown.

¹ Housing age and square footage provided by the Assessor.

Figure 3: Existing Land Uses
 30th Street Urban Renewal Project Area
 Capital City Development Corporation

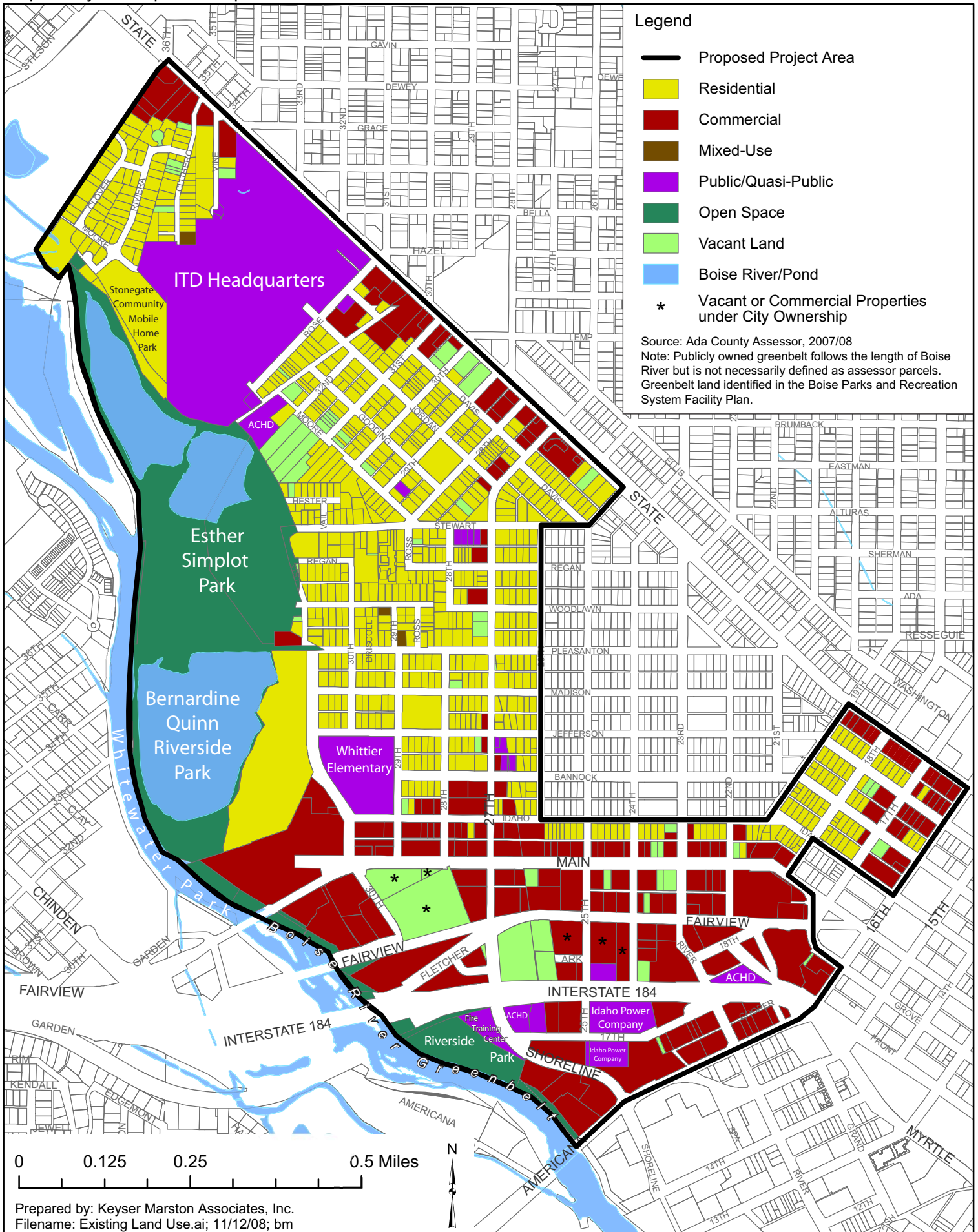


Table 1: Existing Land Uses
30th Street Urban Renewal Project Area
Capital City Development Corporation

Land Use	No. Parcels	% of Total	No. Acres	% of Total
Residential	720	71%	137.0	24%
Commercial	201	20%	106.5	19%
Mixed Use	3	0%	0.6	0%
Public/Quasi Public*	29	3%	69.9	12%
Open Space	6	1%	89.6	16%
Vacant Land	62	6%	25.0	4%
Public Right-of-Way**	0	0%	144.2	25%
TOTAL	1,021	100%	572.8	100%

* Includes a 46 acre property owned by the Idaho Department of Transportation.

** Right-of-way is calculated as the difference between the Project Area Boundary and the parcelized areas within.

Source: Assessor data property codes adjusted according to aerial photos and windshield survey May 2008.

The primary commercial corridors (Main Street and Fairview Avenue) are developed with a mix of buildings varying in size and age. Main Street and Fairview Avenue were once the location of car dealerships. The dealerships have relocated to the more central locations around the Boise Towne Square Mall to take advantage of higher traffic counts/larger market. The neighboring City of Nampa is also a regional center for auto-dealerships. There is little interest in new commercial development in the Project Area and the former automobile dealership sites remain vacant. For the most part, the commercial properties are developed with small retail uses interspersed with old warehouses and showrooms. Some mixed-use office and retail development is found in the east end of the Project Area closer to the Downtown. As mentioned above, it is hoped that with improvements to the River area, extension of 30th Street and the development of the streetcar loop from the Downtown to the Project Area, the improved access and amenities will encourage development and revitalization of the Project Area.

B. REQUIRED FINDINGS AND DEFINITION OF DETERIORATED AND DETERIORATING

Section 50-2008(a) of the Idaho Statutes states “an urban renewal project for an urban renewal area shall not be planned or initiated unless the local governing body has, by resolution, determined such area to be a deteriorated area, or deteriorating area, or a combination thereof and designated such area as appropriate for urban renewal.”

The Idaho Urban Renewal Law (Title 50, Chapter 20) includes definitions for deteriorated or deteriorating areas which include criteria, one or more of which must be met in an area for it to qualify for urban renewal. These criteria are in Sections 50-2018(8) and (9) and are listed below.

The Idaho Local Economic Development Act (Title 50, Chapter 29) allows for the creation of revenue allocation areas to assist in the financing of urban renewal plans. It includes a definition for “deteriorated area”, which has substantially the same criteria as the Urban Renewal Law, but also includes the following: results in economic underdevelopment of the area. [Sections 50-2903(8)(a) and (b)]. The criteria from Section 50-2903 are cross-referenced in the report sections which follow.

1. Deteriorated Area

Idaho Code Section 50-2018(8) defines a deteriorated area as an area in which there is a predominance of buildings or improvements, whether residential or non-residential, which by reasons of:

- a) Dilapidation;
- b) Deterioration;
- c) Age or Obsolescence;
- d) Inadequate provision for ventilation, light, air, sanitation, or open spaces;
- e) High density of population and overcrowding;
- f) The existence of conditions which endanger life or property by fire and other causes; or
- g) Any combination of such factors

is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, or crime and is detrimental to public health, safety, morals or welfare.

2. Deteriorating Area

Idaho Code Section 50-2018(9) defines a deteriorating area as one, by reason of:

- a) The presence of a substantial number of deteriorated or deteriorating structures;
- b) A predominance of defective or inadequate street layout;
- c) Faulty lot layout in relation to size, adequacy, accessibility or usefulness;
- d) Insanitary or unsafe conditions;
- e) Deterioration of site or other improvements;
- f) Diversity of ownership;
- g) Tax or special assessment delinquency exceeding the fair value of the land;
- h) Defective or unusual conditions of title;
- i) The existence of conditions which endanger life or property by fire and other causes;

- j) Any combination of such factors;
- k) Substantially impairs or arrests the sound growth of a municipality;
- l) Retards the provision of housing accommodations; or
- m) Constitutes an economic or social liability and is a menace to the public health, safety, morals or welfare in its present condition and use: Provided, if such deteriorating area consists of open land, “the conditions in the proviso in Section 50-2008(d), Idaho Code shall apply”. Section 50-2008(d), Idaho Code shall apply. (Section 50-2008(d)) references findings that must be made prior to the adoption of the urban renewal plan in relation to the Agency’s ability to acquire open land. Cross-references to the criteria in Section 50-2008(2) are included in the report sections which follow. The City Council will determine whether the provisions regarding acquisition of open land apply to the Project Area at the time the Urban Renewal Plan is adopted.

As noted earlier, the primary intent of the City and CCDC in evaluating the 30th Street Project Area for inclusion in an Urban Renewal Plan, is to facilitate the revitalization of the 30th Street residential areas to take advantage of the proximity to Downtown and the River and facilitate the revitalization of commercial properties, particularly the underutilized commercial sites at the west entry to Downtown. As part of this effort, the Urban Renewal Plan is expected to include the planning and development of park land along the River, extension of 30th Street and extension of the Downtown streetcar to the Project Area. The degree to which CCDC would participate in these capital projects will be addressed in the Urban Renewal Plan for the Project Area as required by Idaho Statutes prior to City approval of an Urban Renewal Project.

C. EVIDENCE OF A DETERIORATING AREA

- 1. The Presence of a Substantial Number of Deteriorated or Deteriorating Structures; and Deterioration of Site; [50-2018(9); and 50-2903(8)(b) and (8)(c); and [50-2008(d)(4)(2)]

The building stock in the Project Area is older and the level of reinvestment has been insufficient to maintain sound building conditions and attract new investment. In the commercial areas, primarily along Main Street and Fairview Avenue, vacant land and vacant obsolete and deteriorated buildings are

evidence of disinvestment and deterioration. In the residential areas, building maintenance has been deferred and a large number of yards are not well maintained. Photographic examples of deteriorated residential buildings and site conditions are provided in **Appendix A**.

Code violations are one indicator of deteriorating conditions in the Project Area. Over the past three-and-a-half years (January 2004 – May 2008) Boise City Code Enforcement has cited 67 code violations in the Project Area, the majority of which were on residential properties. When comparing the number of residential properties with at least one code violation—which may include more than one—to the total number of residential properties, 7% of the residential properties were cited for code violations. It should be noted that code violations are complaint based and the actual number of violations is likely higher than reported. **Figure 4** shows the location of properties cited for code violations.

One indicator of improving conditions is redevelopment or rehabilitation of properties. Over the 10-year period, from 1996 – 2006, 72 properties in the Project Area (7%) have been redeveloped or substantially rehabilitated² (**Table 2**). Therefore, the number of improved properties in a 10-year period is nearly equal to the number of properties cited for code violations in three-and-a-half years. The locations of the improved properties are shown on **Figure 5**.

Improvements to residential properties

A total of 58 permits have been issued for residential properties including 36 for new construction and 22 for major rehabilitations. In some instances, multiple permits were issued for a single property. In total, 55 properties were issued permits for improvement or 8% of the 720 residential properties. Although nearly the same percentage of properties have been rehabilitated as cited for violations, it is important to note that the improvements have occurred over a period that is three times as long as the period during which the code violations were reported. Investment is most likely not keeping pace with deterioration.

Much of the new residential construction is for houses on narrow 25-foot lots” created by plats filed in the early era of Boise’s development, which have been somewhat controversial. These buildings are usually two stories, covering much of the lot, and some with the garage as the prominent feature. These homes are

² A substantial or major rehabilitation is measured as having a permit valuation of at least 20% of the assessed value of the property.

in sharp contrast to the older homes that are predominantly small bungalow-style single story homes with ample set-backs.

Another measure of residential investment is the value of construction relative to the land value. The closer the ratio of land to building value, the less investment is occurring and the lower the value of the area. The ratio of building to land value for single-family residential development in the Project Area is 9:5. In comparison, the area immediately north of the Project Area, which is bounded by State Street, 23rd Street, Sunset Avenue and 36th Street, has a ratio of 12:5. It should be noted that the neighborhood north of State Street, which was used for comparison, has homes of similar age and size.

There are instances where new construction or rehabilitation is occurring on the same block as code violations. This situation could be viewed as positive. People willing to make investments may encourage improvements to problem properties. However, in comparing **Figure 4** "Properties Cited for Code Violations (January 2004 – May 2008)" to **Figure 5** "Location of Building Permits Issued Within the Project Area (1996 – 2006)," it does not appear that building permits are being issued for cited code violations. If problem properties are not addressed, they may jeopardize the new investment by making it more difficult to sell or resell improved properties, which in turn could dampen enthusiasm for investing in the Project Area. Visual inspection of the Project Area indicates that reinvestment has not yet reached a sufficient level to turn around and stabilize areas experiencing pioneering efforts to improve properties.

Improvements to commercial properties

Between 1996 and 2006, 33 permits were issued for commercial properties including nine for new construction and 24 for rehabilitation. Of the 201 commercial properties in the Project Area, 22 separate properties were issued permits for new construction or rehabilitation. This represents 11% of the developed commercial properties. However, 17 acres (16%) of commercially zoned land is vacant which indicates that the new construction (nine permits) and major rehabilitation (33 permits) is not significant given the large undeveloped areas.

Figure 4: Properties Cited for Code Violations (January, 2004 - May 2008)

30th Street Urban Renewal Project Area

Capital City Development Corporation

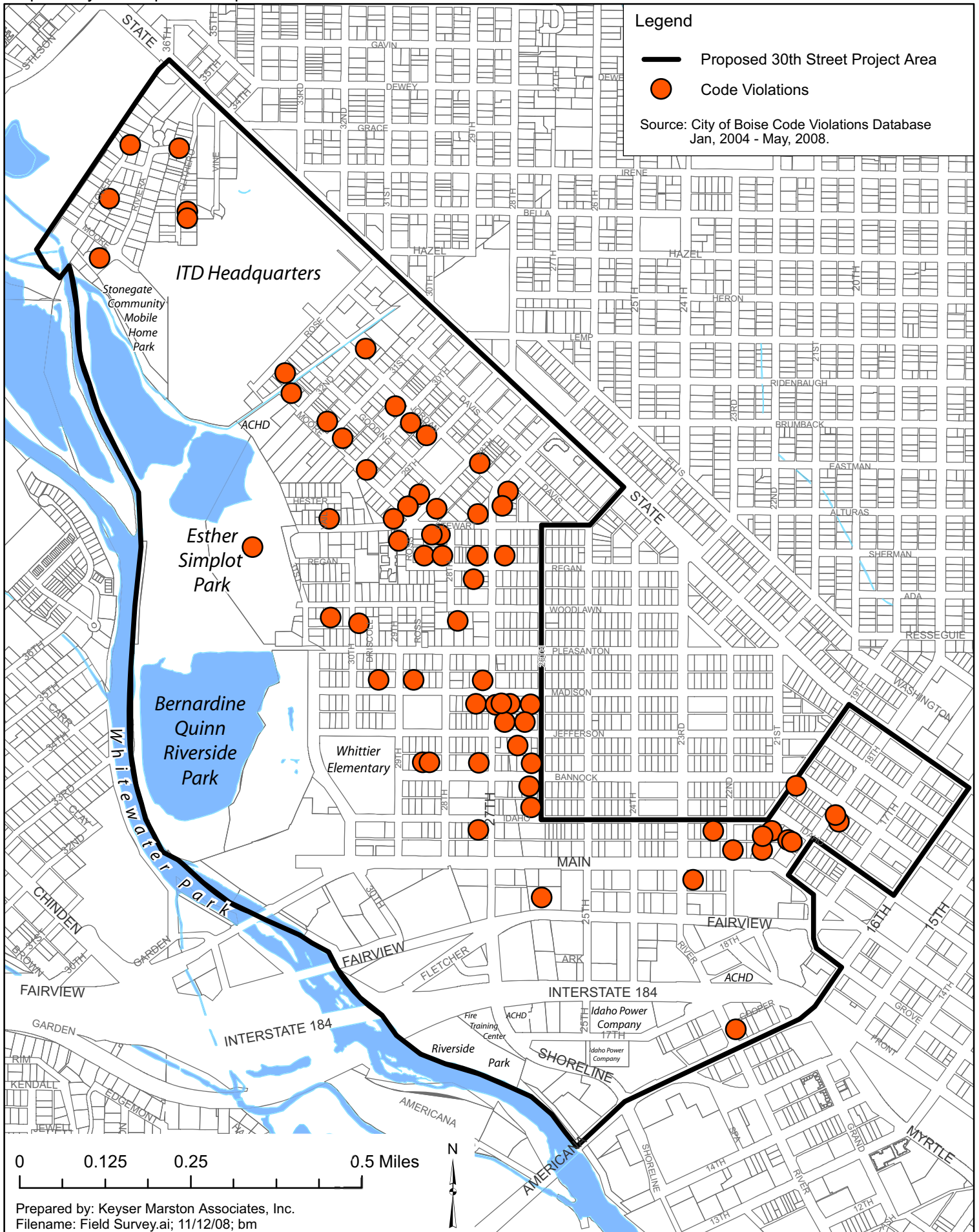


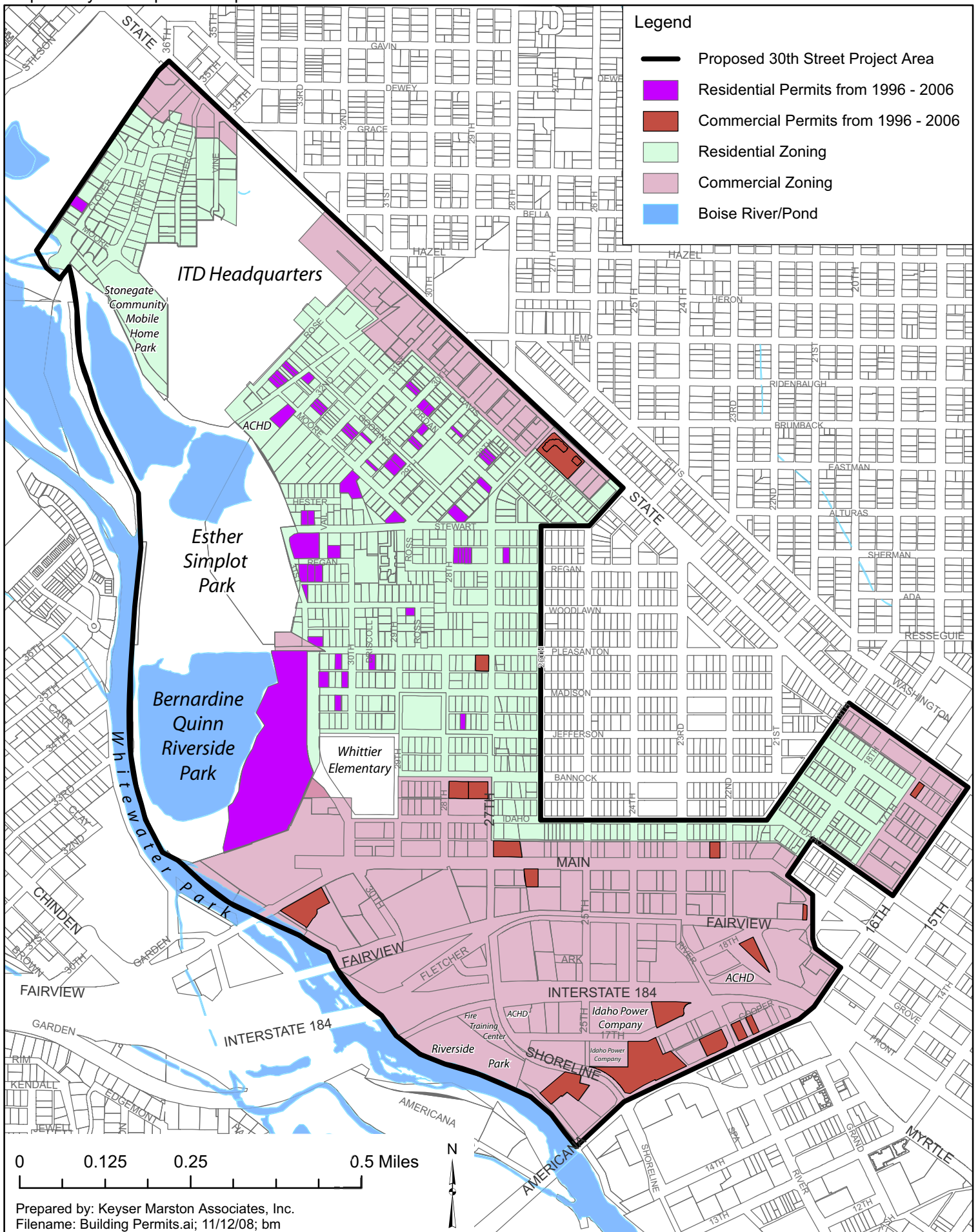
Table 2: Building Permits Issued within the Project Area (1996 - 2006)
30th Street Urban Renewal Project Area
Capital City Development Corporation

	<u>Number of Permits</u>	<u>Number of Properties Improved*</u>	<u>Average Valuation</u>	<u>Total Valuation</u>
Residential Construction Permits	58	55	\$141,678.74	\$8,217,367
New Construction	36	33	\$163,909.36	\$5,900,737
Major Rehabilitation	22	22	\$105,301.36	\$2,316,630
Commercial Construction Permits	33	17	\$244,425.15	\$8,066,030
New Construction	9	3	\$571,722.11	\$5,145,499
Major Rehabilitation	24	14	\$121,688.79	\$2,920,531
TOTAL	91	72	\$178,938.43	\$16,283,397

* If a single property received both a new construction permit and a major rehabilitation permit, it was counted as a property that received a major rehabilitation.

Source: Ada County building permit database 1996 - 2006.

Figure 5: Location of Building Permits Issued Within the Project Area (1996 - 2006)
 30th Street Urban Renewal Project Area
 Capital City Development Corporation



2. Age or Obsolescence [50-2018(8) and 50-2903(8)(a)]

Many of the commercial buildings have passed their useful lifespan and, combined with the lack of development interest, has resulted in corridors that appear obsolete and run-down. **Appendix B** includes photographs of obsolete commercial building and vacant sites along the commercial corridors. According to Marshall Valuation Services,³ the life expectancy of most commercial buildings is between 30 and 40 years depending on the quality of construction. Of the 213 commercial buildings in the Project Area, 62% were developed before 1978 and 48% were built before 1968. This would indicate that more than half the commercial structures have exceeded their useful life. This is in sharp contrast to what was once home to thriving car dealerships. Observations from David Wali from Colliers International, supports the conclusion that the buildings have little reuse potential. Mr. Wali noted that many older former auto related uses have no reuse potential and the old warehouse and showroom spaces are only slightly more desirable for reuse. The most likely tenant is a special needs tenant that would be looking for a space to readapt. There are more obsolete buildings than special needs tenants.

This analysis is consistent with the description of commercial uses in the Project Area as stated in the October 2007 Draft of the 30th Street Master Plan prepared by Boise City and ACHD.

- “Main Street/Fairview Avenue: A once vibrant automobile sale and commercial district along the Main/Fairview couplet has declined since the construction of the I-84 Connector in 1989. A hodgepodge of free standing retail, low rise office and motels are the predominate uses in the area. Several properties are either vacant, underutilized or have closed businesses. Property ownership in the area is fragmented, but there are several large properties held in single ownership, including the 8 ½ acre site owned by the City of Boise.
- State Street: The State Street commercial area in the vicinity of Rose Street... is (located on) one of Boise’s most heavily trafficked roads, dominated by the 45-acre ITD headquarters. Several smaller sites (less

³ The Marshall Valuation Services provides cost data for determining replacement costs of buildings and other improvements in the 50 states, plus the District of Columbia, Puerto Rico, Guam and Canada.

than one acre in size) of mostly older convenience retail, auto-oriented businesses, eating establishments and offices line State Street.”

3. A Predominance of Defective or Inadequate Street Layout [50-2018(9) and 50-2903(8)(b)]; Outmoded Street Patterns [50-2008(d)(4)(2)]; Need for Correlation of Area with Other Areas of a Municipality by Streets; and Modern Traffic Requirements [50-2008(d)(4)(2)]

The drafting of the 30th Street Master Plan has been a joint effort between the City of Boise and the Ada County Highway District (ACHD). The process also involved the ITD, Valley Regional Transit (VRT) and Community Planning Association of Southwest Idaho (COMPASS). The ACHD owns all the streets and highways within the County except for Federal and State highways, which necessitates that the City of Boise work with ACHD to develop a plan that not only meets ACHD objectives, but will revitalize the 30th Street Master Plan area, and more specifically, the Project Area. ITD, VRT and COMPASS were involved to create a multimodal transportation plan to serve the area and integrate the 30th Street extension with the larger regional networks of streets, highways and transit. Therefore, coordination with other public agencies is necessary for the revitalization of the Project Area.

The Project Area is within a mile of the Downtown. Due to the close proximity, the residential areas should be a desirable place to live. However, the overall grid pattern of streets is disconnected and skewed in certain parts of the Project Area, reducing access and contributing to the deterioration and stagnation of these parts. The existing one-way streets and lack of on-street parking also put the commercial uses at a disadvantage.

Within the Project Area, the residential streets south of Stewart Street and the commercial streets in the Main-Fairview Corridor are on an east-west, north-south grid. North of Stewart Street, the grid changes to match the northwest-southeast orientation of State Street. Where the two grids meet, the intersection alignments are generally skewed creating traffic conflicts and flow and safety issues. In the northern half of the Project Area, discontinuous streets create confusing street patterns that limit access and discourage investment. Also, currently streets dead-end along the undeveloped River floodplain which is planned for development as parkland. There is no continuous north-south route that connects these streets. The extension of 30th Street will relieve some of the traffic conflicts and confusion by providing a clear north-south route parallel to the River and increasing neighborhood connectivity. The 30th Street extension is expected to reroute general traffic now using 27th Street to travel from State

Street to the Main-Fairview Corridor, to provide alternative access from State Street to the Downtown and to provide access to existing and planned parks (Esther Simplot, Whitewater and Bernardine Quinn Riverside parks).

Adding a higher capacity, more modern north-south route between State Street and the Main-Fairview Corridor, i.e., 30th Street, has the potential for reducing traffic on 27th Street and calming this route through the center of the Master Plan Area. The Master Plan anticipates the use of street sections and traffic controls for these two streets that will encourage general traffic to use 30th Street and local traffic to use 27th Street. The current situation with 27th Street carrying both types of traffic disrupts the neighborhood, cuts off the Project Area west of 27th Street from using the grid street system to access Downtown and tends to discourage investment. Also, inconsistent sidewalks, including areas without sidewalks, hinders pedestrian circulation and effects the desirability of the Project Area.

Within the Project Area, Main and Fairview form a one-way couplet between 16th Street and a somewhat confusing interchange at Chinden Boulevard and I-184. Main Street runs west and Fairview runs east. Both of these streets provide high visibility and are lined with commercially zoned properties. Yet many of them are underdeveloped or vacant. An integral part of the proposed improvement to the street layout is the provision of on-street commercial parking. The commercial viability of Main Street and Fairview Avenue will be enhanced with on-street parking.

The extension of 30th Street to Fairview Avenue will improve access and traffic flow from State Street to the Main-Fairview Corridor. The proposed streetcar extension connecting the commercial areas within the Project Area to the Downtown will also improve access and increase commercial potential especially at streetcar stops. **Figure 6** shows circulation and parking deficiencies.

As noted in the 30th Street Specific Area Plan, the top weakness identified by the community and stakeholders was a lack of sidewalks and bike lanes. A residential area where there is a consistent lack of sidewalks is north of the ITD Headquarters along Clover, Riviera and Clithero. In the commercial areas, 25th Street and the western ends of Main Street and Fairview Avenue are missing sidewalk segments. **Figure 7** shows missing segments in the sidewalk system. **Appendix C** shows examples of areas without sidewalks and of unimproved alleys. Although there are areas and streets that consistently lack sidewalks, there are missing sidewalk segments throughout the Project Area.

Figure 6: Circulation and Parking Deficiencies
 30th Street Urban Renewal Project Area
 Capital City Development Corporation

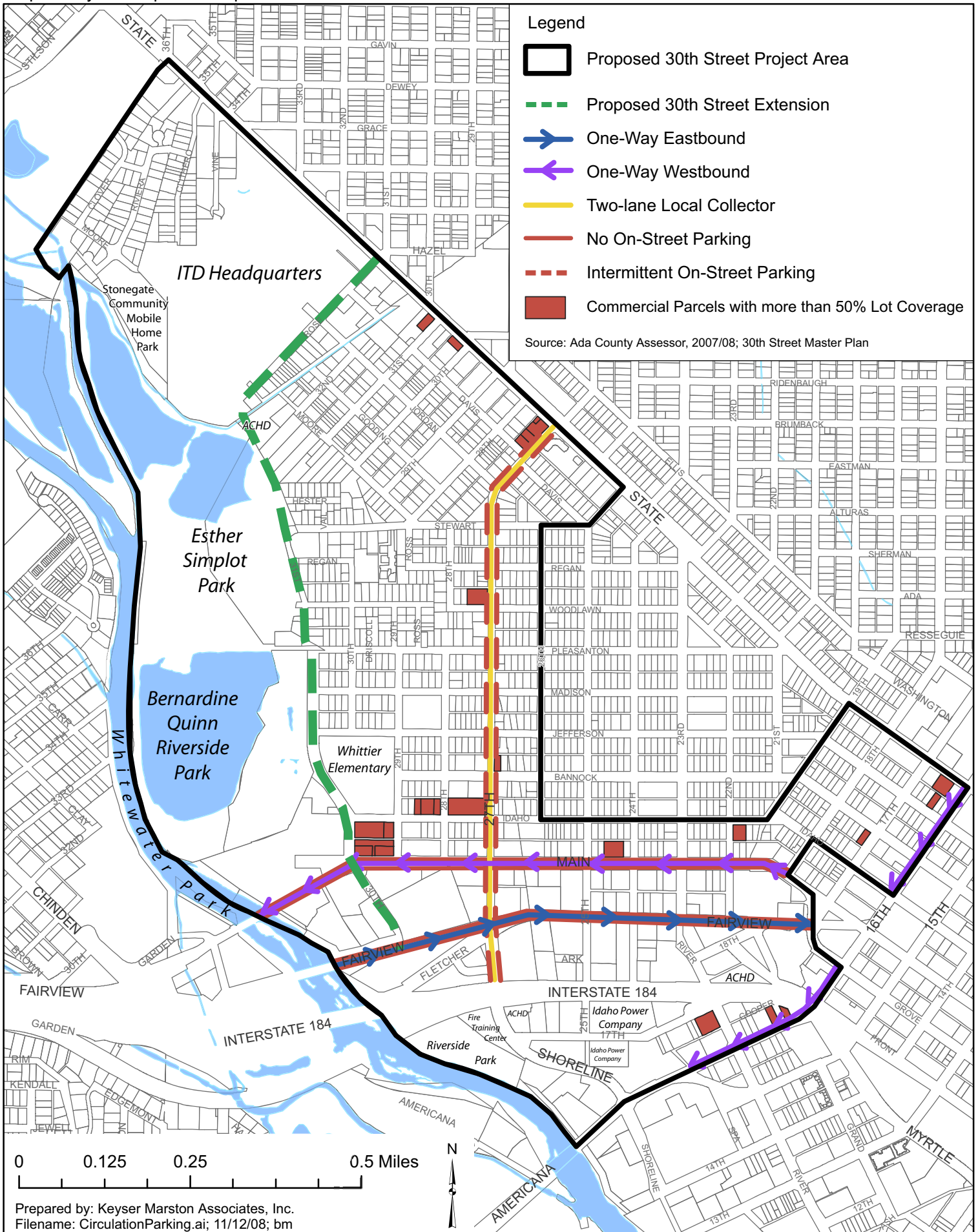
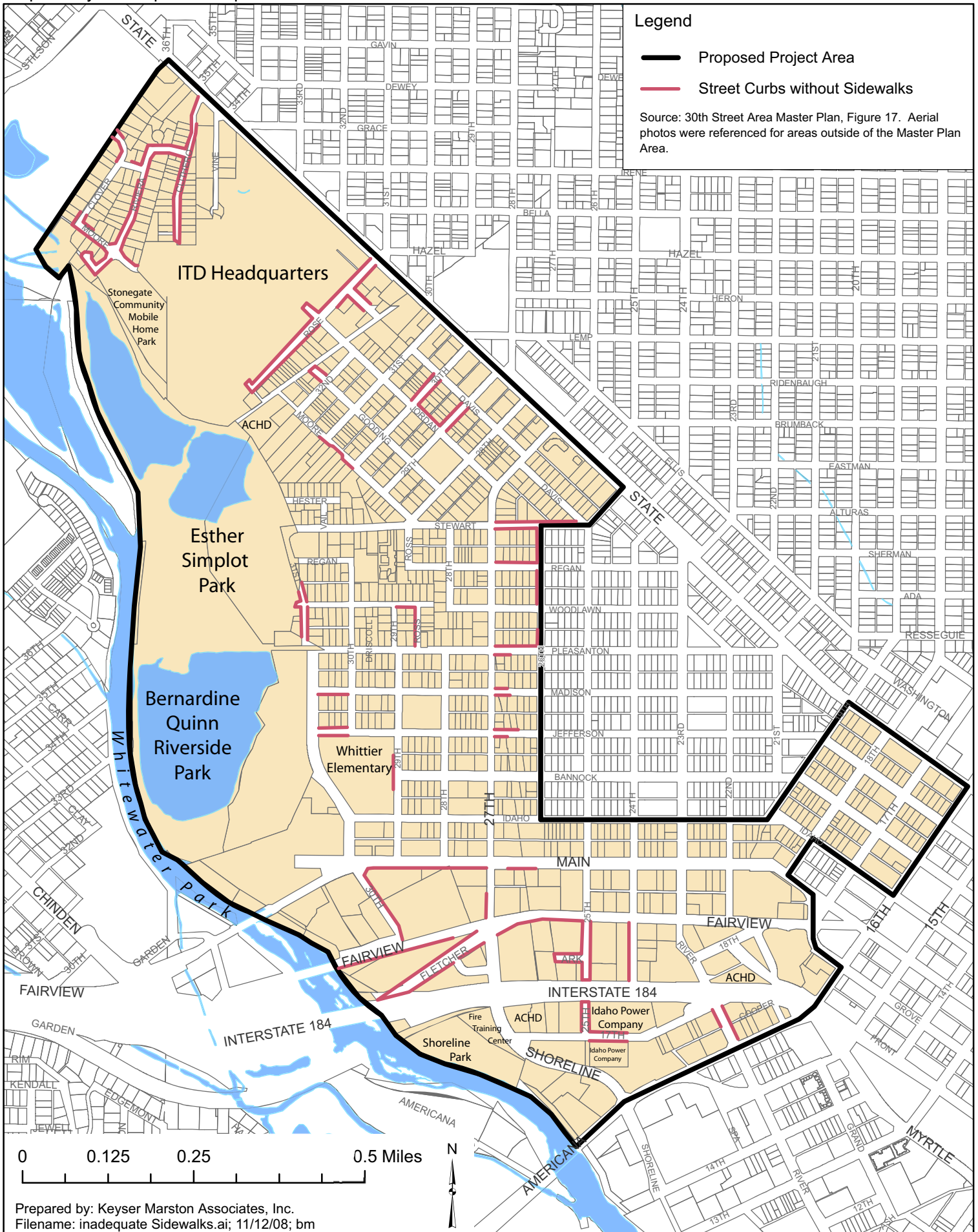


Figure 7: Inadequate Sidewalks
 30th Street Urban Renewal Project Area
 Capital City Development Corporation



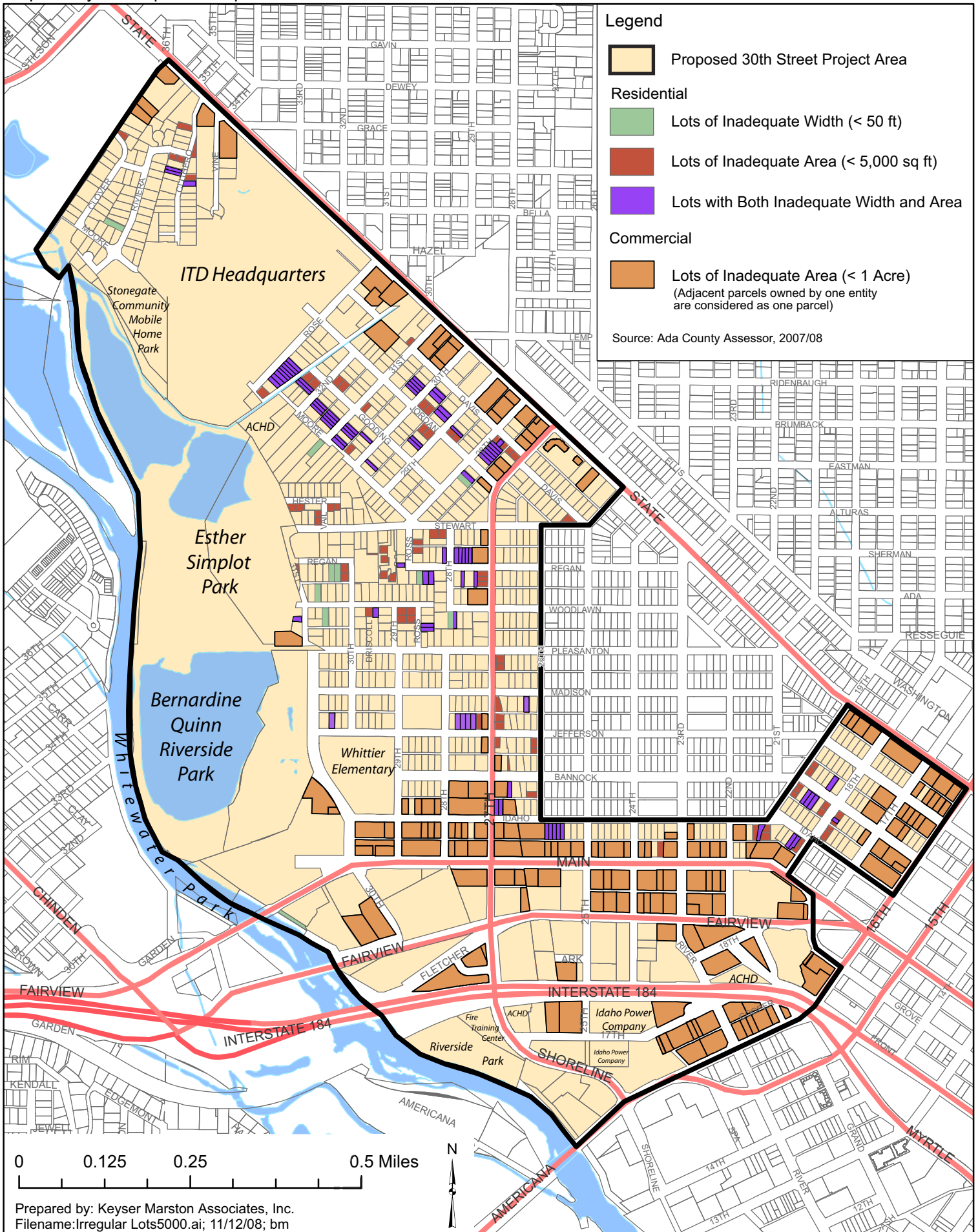
4. Faulty Lot Layout in Relation to Size, Adequacy, Accessibility or Usefulness [50-2018(9) and 50-2903(8)(b)]; Unsuitable Topography or Faulty Lot Layouts [50-2008(d)(4)(2)]

The typical residential block in the Project Area includes 12 lots that are 50 feet wide by 120 feet deep or 6,000 square feet (approximately 7 units per acre). The residential blocks are bisected by 16 foot wide alleys that provide access to garages. Access through the alleys is somewhat difficult because many are unimproved dirt roads that are full of ruts and holes. As previously mentioned, pedestrian access in the neighborhood is also limited due to intermittent sidewalks.

Certain subdivisions in the Project Area have blocks that were originally platted with 25-foot wide lots, which resulted in 24, 3000-square foot lots per block (approximately 14 units per acre). People could buy one, two or more lots to build homes. Some of these narrow lots have been redeveloped with narrow, two-story houses that differ from the traditional one-story bungalows that are more common in the Project Area. (The east side of 28th Street between Davis and Jordan streets is an example; see Figure 8.) The Boise City Comprehensive Plan encourages infill redevelopment in the traditional neighborhoods ringing Downtown, and the Boise City Council has set a policy that these narrow lots can be reused rather than requiring lot consolidations to achieve a larger minimum lot size. Boise City's minimum residential lot size is 5,000 square feet (approximately 9 units per acre). Infill redevelopment at 10-15 units per acre in traditional neighborhoods like the Project Area increases housing options close to Downtown employment, lowers housing costs and supports transit. The initial designs used for the "skinny houses" were controversial. New design guidelines have been developed to address community concerns with this type of housing. Residential lots that are less than 50 feet wide or less than 5,000 square feet or both have been identified in Figure 8 since these lot sizes are not typical for the neighborhood and extra care is required in how they are developed. Land assembly may be necessary to achieve a satisfactory outcome.

Figure 8 shows the location of lots with less than 50 feet in width, 5,000 feet in area or both. As shown on **Table 3**, excluding skinny lots and other parcels with a width of less than 50 feet, 81 parcels or 11% are less than 5,000 square feet indicating that parcel depth is less than standard for single-family and low density multiple-family residential parcels in the Project Area. In total, 25% of the parcels are less than the minimum size permitted by zoning. Of note, seven of the parcels that are less than 5,000 square feet are zoned commercial.

Figure 8: Lots of Inadequate Width and Area
 30th Street Urban Renewal Project Area
 Capital City Development Corporation



**Table 3: Lots of Inadequate Width and Area
30th Street Urban Renewal Project Area
Capital City Development Corporation**

Residential Parcels	Parcels	% of Total*
Parcels of Inadequate Width (< 50ft)	7	1%
Parcels of Inadequate Area (< 6,000 sq ft)	81	11%
Parcels of Inadequate Width and Area	88	12%
TOTAL	176	25%

Commercial Parcels	Parcels	% of Total**
Parcels of Inadequate Area (< one acre)	182	88%
Parcels less than one half acre	142	69%

* Based on a total of 720 residential parcels and a total of 207 commercial parcels including 16 commercially zoned vacant parcels.

Note: Parcels under common adjacent ownership were measured as one parcel.

Source: Ada County Assessor Data, 2007-2008

Commercial development requires substantially larger parcels than residential. In the commercial areas (Main, Fairview, Americana and State) the parcels have a wide range in size from .04 to 10.5 acres. The Main-Fairview corridor has a mixture of small and medium parcels along with very large parcels left from when auto dealerships dominated this area. Parking lots are extensive. The other corridors are characterized by a string of small- and medium-sized commercial buildings occupied by individual businesses and supported by surface parking lots. The Master Plan anticipates that commercial development in these corridors will evolve from the auto-oriented, suburban forms, which are typical now, toward urban forms with more mixed use buildings and structured parking. Parking ratios needed to support commercial uses may decline in the future if walking, bicycling and transit become practical alternatives to automobile travel. Under either scenario, a significant portion of the parcels (88%) are less than one-acre and 69% are less than one-half acre in size. Using the suburban model, one acre is roughly the minimum development size for contemporary uses. 7-11 requires a parcel size between 25,000 and 40,000 square feet (approximately half to one acre). A Walgreens, which represents a typical necessary neighborhood serving use (pharmacy), requires a minimum site size of approximately 75,000 square feet (1.7 acres). Using the urban model, mixed use buildings with ground floor retail served by structured parking typically need sites one acre or more in size and often use full blocks. Land assembly is needed to successfully redevelop the Project Area under either approach.

Access is not adequate for many retailers. The issue of access is related to both access ease in street circulation and availability of parking. As noted by David Wali from Colliers International, tenants prefer two-way streets because such streets increase the flexibility for customers to reach the tenant. Street parking is also preferred by tenants because it creates a perception of activity, as opposed to Main and Fairview Streets where you see very few cars parked. Street parking also provides extra parking options to customers/clients who are making quick trips. There is no street parking on Main Street or Fairview Avenue. Also, based on comparison of building to site areas, 11% of the businesses have in excess of 50% lot coverage which is typically required for a single story retail building with surface parking (assuming 4 spaces per 1,000 square feet of floor area).

The Project Area does not have larger anchor tenants that generate the repeat traffic and provide co-tenancy benefits desired by most retailers.⁴ Parcels will

⁴ Strategy: 30th Street Specific Area Plan, City of Boise / Ada County Highway District, Leland Consulting Group, page 27.

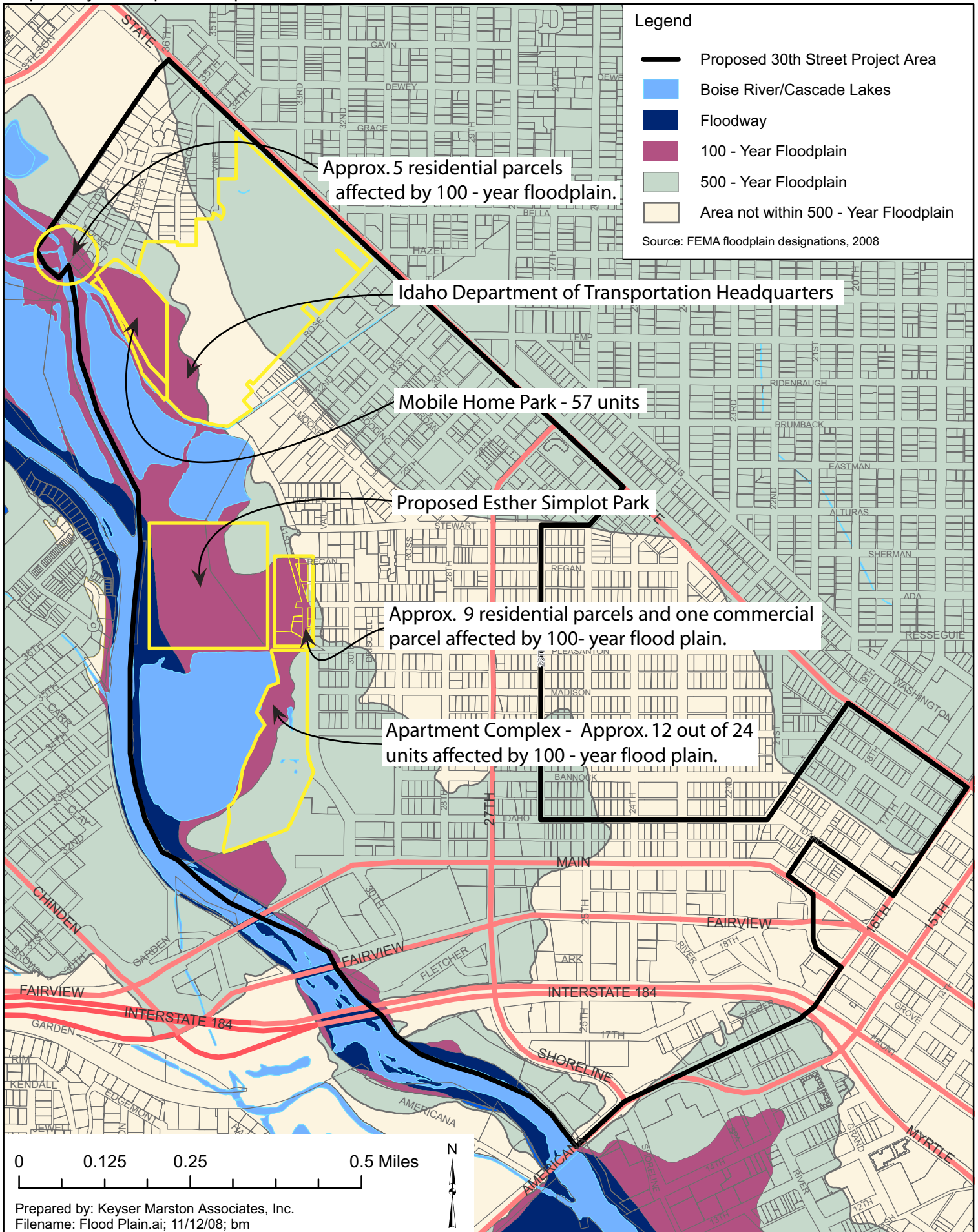
need to be assembled to accommodate larger retailers to attract more business to the Project Area. As discussed in more detail later in this Report, based on retail sales leakage, there is a need for general merchandise stores (e.g. Rite-Aid), food and beverage stores (e.g. Winco Foods) and electronic and appliance stores (e.g. Best Buy). These stores require larger parcels than provided along the commercial corridors. With the exception of the smallest electronic stores, 9% or less of the parcels are large enough to accommodate general merchandise, food and beverage and electronic and appliance stores.

5. Insanitary or Unsafe Conditions [50-2018(9)] and [50-2903(8)(b)]

The Boise River floodplain winds in and out along the north side of the River. The floodway is generally contained within the Boise City parkland. The 100-year floodplain extends as far east as 31st Street, between Woodlawn and Regan Avenues. Continuing down stream, the floodplain includes a portion of the ITD site adjacent to the Esther Simplot park site and the Stonegate Community Mobile Home Park.⁵ **Figure 9** shows the location of the floodplain and underlying lot lines. Approximately 83 residential units and two commercial properties are within the 100-year flood plain. The majority of residential units (69% or 57 units) that are subject to flooding are within the Stonegate Community Mobile Home Park. Although Boise City regulations do not prohibit placement of mobile home parks in floodplains, the potential hazard remains. The most notable non-residential use subject to flooding is a portion of the ITD Headquarters site. Planned improvements for the Whitewater Park and Esther Simplot Park that occur in the floodway must be done in a manner that ensures a no-net rise in the height of river flood flows. Park improvements that are outside the floodway but within the floodplain for the River will be built in a manner that meets the Boise City floodplain requirements for grading and flood proofing.

⁵ 30th Street Area Master Plan, City of Boise, Idaho Draft October 2007, Figure 2 Planning area & proposed alignment of the 30th Street.

Figure 9: Areas Within Flood Plains
 30th Street Urban Renewal Project Area
 Capital City Development Corporation



6. Diversity of Ownership [50-2018(9); [50-2903(8)(b) and (8)(c)]; and [50-2008(d)(4)(2)]

The 1,021 parcels in the Project Area are owned by 830 separate owners. A total of 816 parcels or 80% of the total parcels have property owners who do not own adjacent properties. For single-family zoned parcels, separate ownership is to be expected and does not hinder development. However, in commercial areas with small parcelization such as the Project Area, multiple owners hinder the ability to assemble parcels into suitable sizes for contemporary businesses.

Of the 201 commercial parcels 69% are owned by separate entities. In total, 63 (31%) of the commercial parcels are owned by persons or entities that own the adjacent parcels. However, of these 63 parcels only 37 (18%) when combined with the adjacent parcel provide a site that is one acre or larger. As discussed earlier, one acre is generally the minimum size for contemporary commercial development whether development occurs in a suburban- or urban-style form. In addition to these adjacent parcels under the same ownership, there are 22 parcels of one acre or greater that are under single ownership (excluding properties owned by the City). In total, 59 (29%) commercial parcels are either in single or under adjacent ownership and are one acre or greater in size. It can be assumed that the remaining commercial parcels with an area less than one acre or approximately 71% of the commercial parcels would need to be assembled to be redeveloped. **Table 4** lists the number of commercial parcels by single and multiple ownership with total acreage, and **Figure 10** shows multiple ownership throughout the Project Area.

The ability to redevelop commercial parcels of small size is demonstrated by the size of parcels that have been redeveloped (new construction) in the past 10 years (1996-2006). During this period, 91 permits were issued for new construction or rehabilitation which included 33 commercial properties. The average size of a parcel that was issued a permit(s) for new construction or rehabilitation was .72 acres and ranged in size from .01 to 3.09 acres. Within the Project Area only 38 commercial parcels (19%) are .72 acres in size or greater.

**Table 4: Commercial Property Ownership
30th Street Urban Renewal Project Area
Capital City Development Corporation**

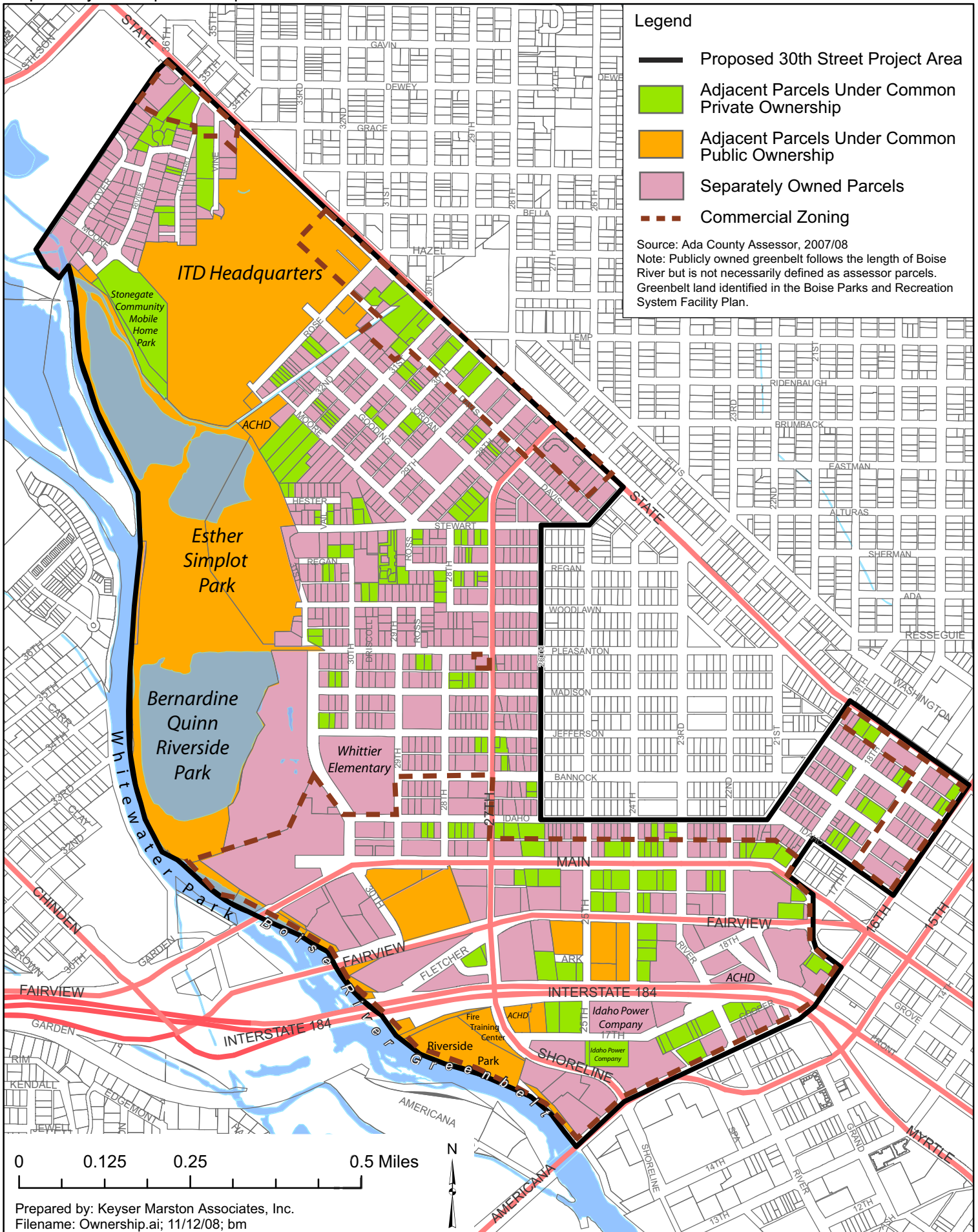
Property Size	Adjacent Parcels Owned by One Entity*	Parcels Owned by a Single Entity**	TOTAL
Properties > 1 Acre	37	22	59
Properties < 1 Acre	55	127	182
TOTAL	92	149	241

* Includes 5 residential parcels that are adjacent to commercial parcels owned by the same entity and 25 vacant parcels within commercial zoning.

** Includes 10 vacant parcels within commercial zoning.

Source: Ada County Assessor Data 2008

Figure 10: Property Under Common Ownership
 30th Street Urban Renewal Project Area
 Capital City Development Corporation



Another issue affecting investment in the Project Area particularly for residential properties is the number of rental properties. South of State Street, only 30% of the population own their homes, while north of State Street, 70% are homeowners. Predictably, median household incomes within the two areas follow a similar pattern: \$35,700 south of State Street and \$49,548 north of State Street. The median household income in Boise is \$49,382.⁶ Renters tend to be less inclined to invest in the property and for those with lower median incomes, there is less ability or incentive to invest in the property including yard maintenance. **Figure 11** shows home ownership within the Project Area and adjacent areas.

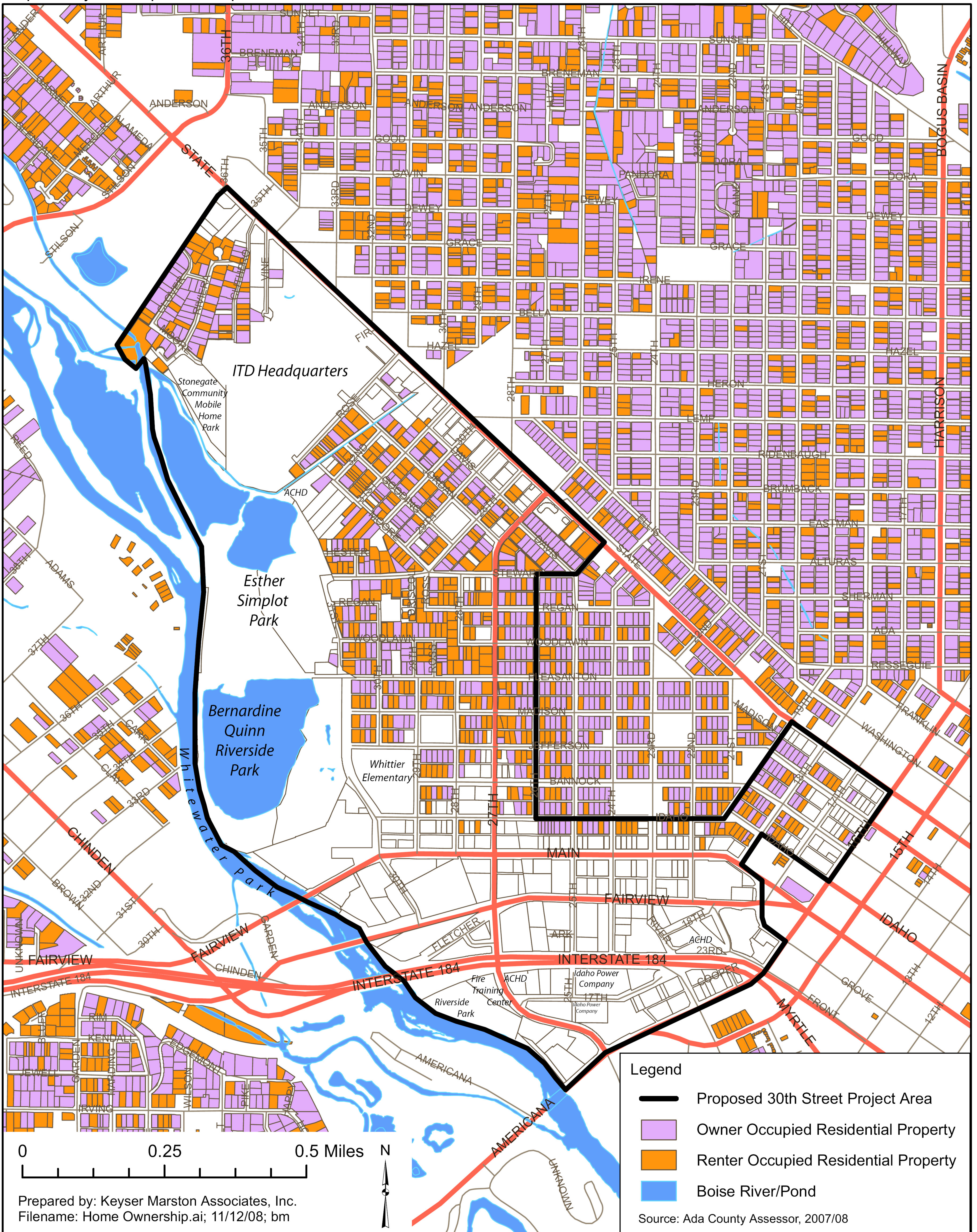
7. Substantially Impairs or Arrests the Sound Growth of a Municipality [50-2018(9) and [50-2903(8)(b)]; and Conditions Which Retard Development of the Area [50-2008(d)(4)(2)]

Downtown is surrounded by existing neighborhoods such as the 30th Street neighborhood, the foothills and the River. To keep these existing neighborhoods healthy, they must continue to attract growth and investment. The 30th Street area is a prime candidate to capitalize on the growth of the region and assist the City in accommodating new growth in terms of residents, jobs, and services while still protecting the neighborhood. Achieving this result requires constructing infrastructure including streets, sidewalks and transit that allow better access and connect the neighborhood to the Downtown, and building public amenities such as parks to encourage reinvestment.

The lack of access to the 30th Street area, the fact that the Project Area is somewhat hidden, has problems with property condition, street layout and missing infrastructure, and lacks visible connection to the River corridor, has hampered the vitality of the area rather than providing an area for growth adjacent to the Downtown. The 30th Street extension would provide an access route from State Street to Main Street and Fairview Avenue to access either the Downtown or the western entry point to the City. As part of the access improvements, the street design along Main Street and Fairview Avenue would have to be improved to attract neighborhood and community-oriented commercial uses in an area where commercial development has stagnated.

⁶ Claritas Demographic Snapshot, 2008.

Figure 11: Home Ownership
 30th Street Urban Renewal Project Area
 Capital City Development Corporation



0 0.25 0.5 Miles N

Prepared by: Keyser Marston Associates, Inc.
 Filename: Home Ownership.ai; 11/12/08; bm

D. OTHER EVIDENCE OF A DETERIORATING AREA

Chapter 29 of Title 50, “Local Economic Development Act” or more commonly referenced as the Revenue Allocation Act, also defines a Deteriorated Area and lists the same conditions referenced in Chapter 20, Title 50 outlined above. However, Chapter 29 does not differentiate between a deteriorated or deteriorating area in terms of definitions; rather it states that all of the characteristics define a deteriorated area. Furthermore, Chapter 29 expands upon the definition of “deteriorated” to include conditions that “result in economic underdevelopment of the area”. The following is a description of the results of the economic underdevelopment of the area.

1. Results in Economic Underdevelopment of the Area [50-2903(8)(b)]; and Economic Disuse [50-2008(d)(4)(2)]

For purposes of demonstrating the economic underdevelopment of the Project Area, low assessed values, retail sales leakage and residential sales were analyzed.

a. Low Assessed Values

Residential (including single- and multiple-family units) and commercial uses⁷ in the Project Area and the City were analyzed in terms of the average value per square foot for land and buildings. The average total assessed value per square foot (building and land) for residential uses in the Project Area was \$24.57 and for the City it was \$27.33 for a difference of 10%. The difference in values for commercial property is much greater between the Project Area and the City. The average assessed value per square foot for commercial property in the Project Area is \$27.40 compared to \$40.31 citywide with a difference of 32% (see **Table 5**).

Residential property in the Project Area had an average land value per square foot of \$8.35 and \$10.39 for commercial property. In comparison, residential and commercial land values citywide had an average of \$8.44 and \$11.86 per square foot, respectively. Residential land values were almost equal in the Project Area and the City, but commercial uses were 12% less.

⁷ Multiple-family properties are considered commercial uses by the Assessor, but for the purposes of this analysis, are considered residential uses.

**Table 5: Comparison of Assessed Land and Building Values
30th Street Urban Renewal Project Area
Capital City Development Corporation**

	Average Land Value Per Square Foot			Average Building Value Per Square Foot			Average Total Assessed Value Per Square Foot		
	PA	City*	% Difference	PA	City*	% Difference	PA	City*	% Difference
Residential	\$8.35	\$8.44	-1%	\$88.79	\$108.20	-18%	\$24.57	\$27.33	-10%
Commercial	\$10.39	\$11.86	-12%	\$44.37	\$62.14	-29%	\$27.40	\$40.31	-32%

* Approximately 2% of the parcels (441 out of 23,104) were not analyzed due to unavailable land values.

The most notable difference in assessed values between the Project Area and City was in building values. In the Project Area, the average residential building value was \$88.79 per square foot compared to \$108.20 per square foot citywide or a difference of 18%. The difference in value was even more pronounced for commercial uses. Commercial building values per square foot were \$44.37 compared to \$62.14 citywide or a difference of 29%. The significant difference in building values is another indicator of a lack of investment in the Project Area.

b. Residential Property Sales

The purpose of the analysis was to determine the relative economic viability of single-family and multiple-family residential properties in the Project Area.⁸ These sales are also reflective of the health of assessed property values in the Project Area. If residential properties are selling at lower prices than what is experienced in similar areas, then property values are likely to be stagnant or depressed.

Based on assessor data of homes of similar size and age, the area north of State Street, west of 23rd Street, south of Sunset Avenue and east of 36th Street, was used as a comparison area to the Project Area. Sales data was obtained from the Woodhouse Group website which provides residential sales listings in Boise.⁹ Sales prices and the sales price per square foot in the Project Area was compared to the comparison area. The analysis of sales price per square foot of building is provided to equalize the analysis regardless of varying housing sizes.

Based on the sales data available on the Woodhouse website, there are 11 single-family listings in the Project Area and 23 single-family listings in the comparison area. The median sales price of a single-family home in the Project Area was \$217,500 and the median home size was 1,344 square feet or a median per square foot price of \$154. The median sales price of a single-family home in the comparison area was \$267,389 and the median home size was 1,537 square feet. Homes in the comparison area had a median per square foot price of \$174. Based on sales listings, single-family homes in the Project Area are selling for 19% less than the comparison area and 11% less per square foot.

⁸ Similar analysis for commercial sales was not feasible due to a lack of for sale listings or sales comparables.

⁹ www.showboiserealestate.com, accessed July 16, 2008

**Table 6: For Sale Residential Properties
30th Street Urban Renewal Project Area
Capital City Development Corporation**

Single Family Residential

	<u>Median Price</u>	<u>Median Price/SF</u>	<u>Median SF</u>	<u>Number of Listings</u>
Project Area	\$217,500	\$154.63	1,344	11
Comparison Area*	\$267,389	\$174.38	1,547	23
Percent Difference	-19%	-11%	-13%	

Multiple Family Residential

	<u>Median Price</u>	<u>Median Price/SF</u>	<u>Median SF</u>	<u>Number of Listings</u>
Project Area	\$209,900	\$144.86	1,378	7
Comparison Area*	\$284,950	\$145.36	1,945	4
Percent Difference	-26%	0%	-29%	

Source: Woodhouse Group listing website, www.showboiserealestate.com, accessed 7/16/08.

*Comparison Area is defined as north of State Street, west of 23rd Street, South of Sunset Ave, and east of 36th Street.

Few multiple-family residential buildings were listed for sale on the Woodhouse website. In the Project Area, seven multiple-family buildings were for sale and in the comparison area there were four. In the Project Area, the median size of the multiple-family units is 1,378 square feet, which is similar to the median size for single-family homes (1,344 square feet). The multiple-family listings in both areas were duplexes but the median size for these units in the comparison area was 29% larger (1,945 square feet). Multiple-family homes are being offered in the Project Area at a median price of \$209,900 or \$145 per square foot, which is less than single-family homes. In the comparison area, the median multiple-family unit is offered at \$284,950 or \$145 per square foot. Although the per square foot value seems comparable, it is skewed by the substantially smaller building size (29% smaller in the Project Area).

c. Retail Sales

Low retail sales is an indicator of impaired property values. If businesses are not competitive, as indicated by low retail sales, the rents that can be achieved are also lower, which ultimately affects property values.

Retail sales are reported in 11 categories. As shown in detail on **Table 7**, there is retail sales leakage in five categories within the Project Area: “general merchandise stores”, “food and beverage”, “electronics and appliances”, “motor vehicle and parts dealers” and “gasoline stations”. As shown on **Table 7**, there is a 57% loss of sales revenues in food and beverage stores, 49% loss in electronic and appliance stores, 23% loss in the general merchandise category, a 22% loss in motor vehicle and parts dealers and 61% in gasoline stations.

To determine if the Project Area could accommodate tenants in the categories of retail sales leakage, building and site requirements for the target tenants were compared to existing building and parcel sizes. Motor vehicles and parts dealers were excluded because of their relocation outside of the Project Area and the unlikelihood of attracting these uses back to the Project Area. It is assumed that gasoline stations could be accommodated on several locations in the Project Area and this use, while necessary, does not attract retail activity as would retailers in the other retail sales leakage categories. As a result, gasoline stations were also excluded from the analysis.

**Table 7: Retail Sales Leakage by Business Type
30th Street Urban Renewal Project Area
Capital City Development Corporation**

Estimated 2008 Urban Renewal Area Population:	3,332
Estimated 2008 Per Capita Income:	\$23,457
Estimated 2008 Total Income:	\$78,158,724

Category of Retail Sales	Demand (Retail Potential)	Supply (Retail Sales)	Retail Sales Leakage/Surplus*	Surplus/Leakage as % of Demand*
General Merchandise Stores	\$4,620,060	\$3,548,894	-\$1,071,166	-23%
Clothing & Clothing Accessories Stores	\$1,497,024	\$1,498,445	\$1,421	0%
Food & Beverage Stores	\$4,225,258	\$1,811,591	-\$2,413,667	-57%
Food Services & Drinking Places	\$4,707,629	\$14,450,725	\$9,743,096	207%
Sporting Goods, Hobby, Book, & Music Stores	\$545,098	\$2,021,124	\$1,476,026	271%
Electronics & Appliance Stores	\$1,048,111	\$539,561	-\$508,550	-49%
Furniture & Home Furnishings Stores	\$1,231,640	\$3,779,165	\$2,547,525	207%
Building Materials & Garden Equipment	\$799,970	\$1,390,811	\$590,841	74%
Motor Vehicle & Parts Dealers	\$6,414,460	\$5,019,112	-\$1,395,348	-22%
Gasoline Stations	\$3,855,934	\$1,498,871	-\$2,357,063	-61%
Miscellaneous Retailers**	\$2,072,394	\$3,574,676	\$1,502,282	72%
TOTAL	\$31,017,578	\$39,132,975	\$8,115,397	26%

Source: ESRI and *infoUSA* ®

* Negative values represent sales leakage; positive values represent a surplus in sales.

**Includes nonstore retailers and health/personal care stores.

As previously noted, based upon retail sales leakage, the types of businesses that could be supported include general merchandise stores such as a Walgreens or Rite-Aid, and a mid-size retailer such as Big Lots. There is also demand to support a supermarket such as Albertsons, Wal-Mart or Winco Foods. Finally, there is sufficient demand to support an electronics store such as Radio Shack, Circuit City or Best Buy.

Assuming that these national or regional retailers could be attracted to the Project Area, there are very few buildings or parcels that are large enough to accommodate the requirements of the larger retailers, whether development occurred in a suburban-style or urban-style form. **Table 8** shows the typical site and building requirements for the nine prototype retailers representing categories of sales leakage and how the existing commercial buildings and parcels in the Project Area compare to their development criteria. (These requirements are based on a suburban-style approach to development.) Using the urban model, mixed-use buildings with ground floor retail served by structured parking typically need sites larger than one acre or more in size and often use full blocks. For example, a full block in Downtown Boise is 1.78 acres. The BoDo project includes one entire block and half portions of two adjoining blocks developed with retail, restaurants, office, cinema, a hotel and public parking garage. Another example is the mixed-use project on Block 3, in downtown Boise, which is bounded by Capitol Boulevard and by Idaho, 8th and Main Streets. It includes the Washington Mutual Tower (offices, condominiums, and first floor retail), Capitol Terrace Parking Garage and two-story retail building with apartments proposed above the retail. In these urban mixed-use examples, land assembly was required to successfully develop a project. Using either an urban or suburban model, land assembly is required for contemporary development. As indicated on Table 8, there are buildings and parcels large enough to accommodate a mid-size general merchandise store (Walgreens and Rite Aid) and a small electronics store (Radio Shack). Only 6% of the buildings and only 9% of the parcels can accommodate a large general merchandise store such as Big Lots. Only between 1% and 2% of the parcels are large enough to accommodate a full service market. Only one building is large enough for a full service market. Finally, 5% of the buildings can accommodate small to mid-size electronic stores and only 1% can accommodate a large electronics and appliances store such as Best Buy. Between 3% and 8% of the parcels are large enough to accommodate a mid-range to large electronic and appliance store. To attract these tenants, which are compatible with the goal to attract anchor uses, parcels would need to be assembled to create suitable lots and large buildings would have to be constructed.

**Table 8: Site and Building Requirements for Categories of Sales Leakage
30th Street Urban Renewal Project Area
Capital City Development Corporation**

General Merchandise	Preferred Building Size Range (Sq Ft)	No. Buildings in Range or Above Minimum Req. ¹	% of Total ²	Minimum Parcel Req. (Acres)	No. Parcels > Minimum Req. ¹	% of Total ⁴
Big Lots	20,000 - 60,000	12	6%	1.38	16	8%
Rite-Aid	16,000 - 23,000	11	5%	1.1	18	9%
Walgreens	12,000 - 18,000	11	5%	1.72	7	3%
		Average	6%			7%

Food & Beverage Stores	Preferred Building Size Range (Sq Ft)	No. Buildings in Range or Above Minimum Req. ¹	% of Total ²	Minimum Parcel Req. (Acres)	No. Parcels > Minimum Req. ¹	% of Total ⁴
Albertsons	60,000 +	1	0%	4.13	2	1%
Wal-Mart Markets	39,000 - 50,000	0	0%	2.69	4	2%
Winco Foods	92,000 +	1	0%	6.34	2	1%
			0%			1%

Electronics & Appliances	Preferred Building Size Range (Sq Ft)	No. Buildings in Range or Above Minimum Req. ¹	% of Total ²	Minimum Parcel Req. (Acres)	No. Parcels > Minimum Req. ¹	% of Total ⁴
Best Buy	30,000 - 45,000	3	1%	2.07	6	3%
Circuit City	20,000 - 35,000	10	5%	1.38	16	8%
Radio Shack	2,500 - 2,700	9	4%	0.17	159	79%
		Average	4%			30%

Source: Nadel Research Architects; Retail Tenant Profiles and Developer Advertising Sheets, ICSC Conference (March 17 -18)

Note: Retail Sales Leakage Categories based on Potential Retail Sales Table.

¹ Building area and lot size data determined from Assessor data.

² Based on a total of 201 commercial buildings/lots.

E. SUMMARY OF DETERIORATING CONDITIONS IN THE PROJECT AREA

As discussed in the previous section, existing deteriorated and deteriorating conditions in the Project Area consist of deteriorating structures, inadequate street layout, faulty lot layout and inadequate lot sizes, insanitary or unsafe conditions, diversity of ownership, low assessed values and obsolete buildings which cannot support contemporary retail use. A summary of the pertinent existing deteriorating conditions impacting the Project Area is shown in **Table 9**. The general locations of deteriorating conditions within the Project Area are shown on **Figure 12**.

F. CONCLUSION

This Report has described the existing deteriorating conditions within the Project Area which must be found to exist in order for an urban renewal project to be undertaken under the Idaho State Code. The approval of an urban renewal project and adoption of an urban renewal plan in the Project Area would provide a means of alleviating the existing deteriorating conditions in the Project Area. The approval of an urban renewal project could alleviate infrastructure deficiencies, remove unsafe and insanitary conditions and other development constraints, encourage orderly growth, increase the City's tax base, and provide new employment opportunities.

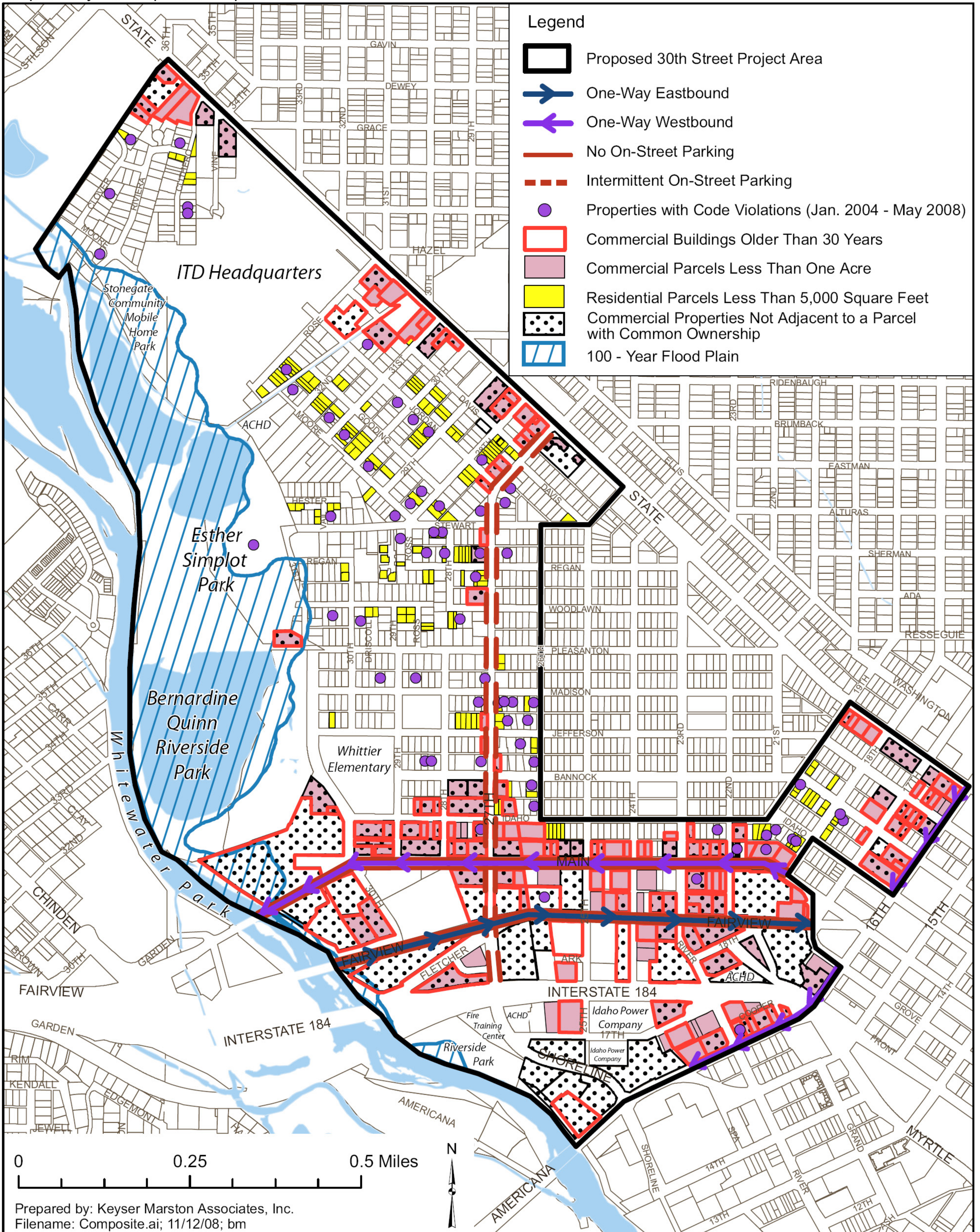
The Project Area has a number of characteristics that lead to a reasonable expectation for development of the type desired by the City to occur. It is located in close proximity to the Downtown and is expected to be served by both the 30th Street extension and the proposed downtown streetcar. With improved access, the Project Area's proximity to the Boise River and adjacent recreation areas will be realized. An examination of the level of building activity/rehabilitation and the trends in assessed valuation and lease rates in the Project Area, however, leads to the conclusion that the Project Area is underdeveloped and stagnant. This Report identifies the conditions that are inhibiting development.

This Report concludes that the 30th Street Urban Renewal Project Area described in this Report is a deteriorating and deteriorated area and, as such, is appropriate for an urban renewal project.

Table 9: Summary of Deteriorated and Deteriorating Conditions in the Project Area

BLIGHTING CONDITIONS PHYSICAL	PROJECT AREA IMPACT
Deteriorating or Deteriorated Structures and Poor Site Conditions	In the past 3 ½ years (Jan 04-May 08), 7% of the residential properties in the Project Area were cited for violations. In the past 10 years, (1996-2006) 7% of the properties in the Project Area have been issued a permit for major rehabilitation or new construction including 8% of the residential properties. Given the difference in time period, re-investment is not occurring at a rate to improve conditions. The deterioration of the area is evidenced by low building assessed values. Residential building values are 18% and commercial building values are 29% lower per square foot than citywide.
Age and Obsolescence	Commercial buildings have a life of 30 to 40 years. 62% of the commercial buildings were built before 1978 and 48% were built before 1968.
Inadequate Street Layout	Main Street and Fairview Avenue are one way streets without on-street parking. This results in circulation confusion and deters patrons looking for easy parking. Residential access to the main thoroughfares (State, Fairview and Main) is inadequate and access to the adjacent Boise River recreational area is virtually non-existent.
Faulty Lot Layout	25% of the residential parcels are less than the standard 5,000 square foot parcel and 88% of the commercial parcels are less than one acre which is considered the minimum size for a contemporary commercial use.
Insanitary or Unsafe Conditions	83 residential units and two commercial properties are located within a 100-year flood plain.
Diversity of Ownership	69% of the commercial parcels are under separate ownership (property owners who do not own adjacent properties). This inhibits the ability to assemble parcels for the orderly development of commercial uses within the Project Area.
Substantially Impairs or Arrests Sound Growth of a Municipality	The lack of access to the 30 th Street area hinders its development. The proposed Project Area is in close proximity to the Downtown (within a mile) and should provide a desirable neighborhood for persons to live without having to rely heavily on cars while taking advantage of urban activities. Instead, this area stagnates and development continues to occur on the periphery of the City consuming prime agricultural land and adding to traffic and congestion as residents commute to the Downtown.
Low Assessed Property Values	The total assessed values per square foot (building and land) for residential uses were 10% less and commercial uses were 32% less in the Project Area than citywide.
Low Residential Property Sales Price	Based on sales listings, homes are selling for 19% less in the Project Area than adjacent residential areas.
Retail Sales Leakage and Building Obsolescence	Citywide, there is retail sales leakage in the categories of general merchandise stores, food and beverage stores and electronics and appliance stores. Only between 1% and 9% of the parcels and even fewer buildings are large enough to accommodate all but the smallest national retailers within these categories. To attract these uses parcels would need to be assembled to create suitable lots and larger buildings would have to be constructed.

Figure 12: Composite of Deteriorated or Deteriorating Conditions in the Project Area
 30th Street Urban Renewal Project Area
 Capital City Development Corporation



Prepared by: Keyser Marston Associates, Inc.
 Filename: Composite.ai; 11/12/08; bm

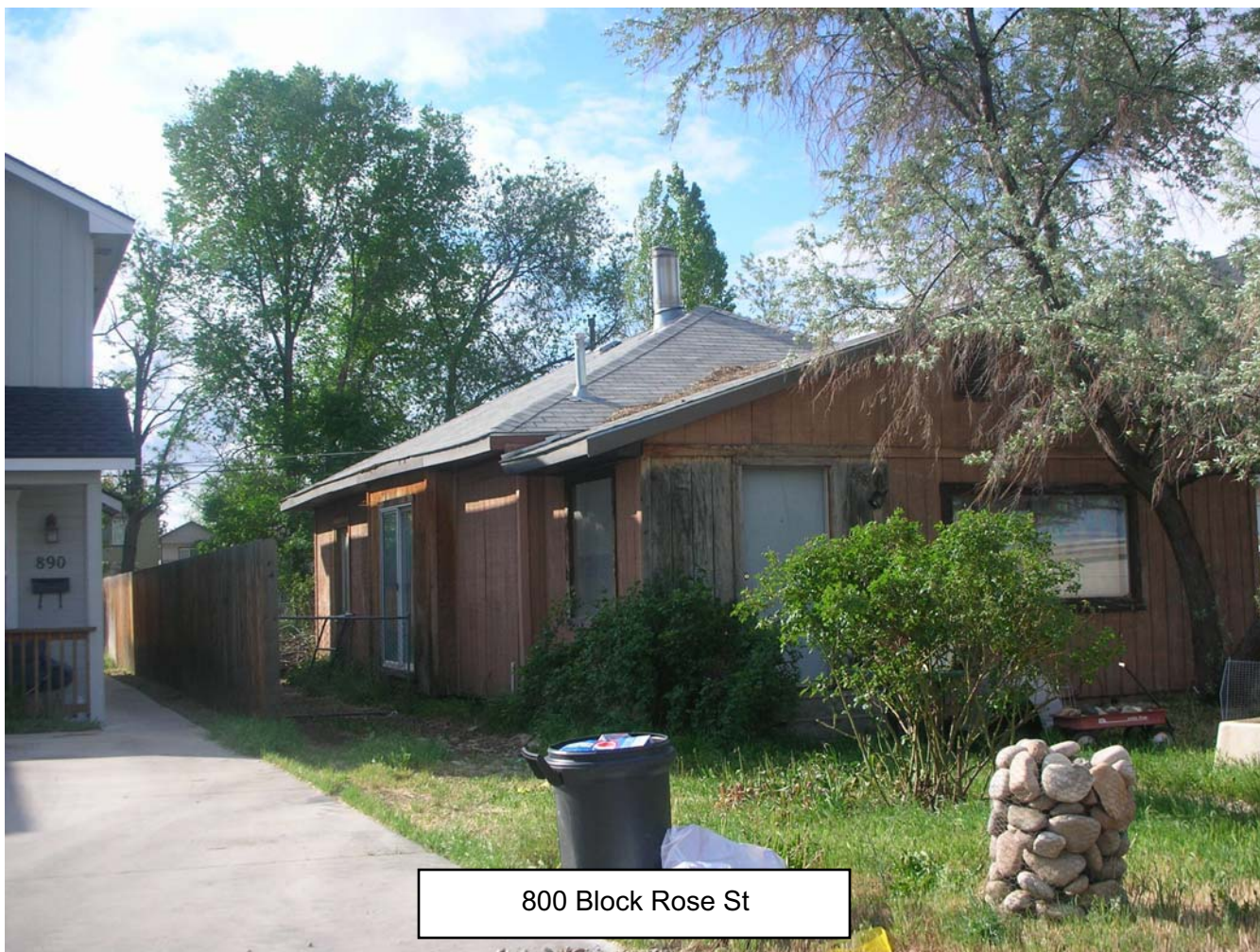
APPENDIX A

Photographic Examples Deteriorated and Deteriorating Building and Site Conditions

Appendix A
30th Street Urban Renewal Area



400 Block 27th Street



800 Block Rose St

Appendix A
30th Street Urban Renewal Area



900 Block 27th Street



900 Block Clover St

Appendix A
30th Street Urban Renewal Area



900 Block Clover



900 Block Clithero

Appendix A
30th Street Urban Renewal Area

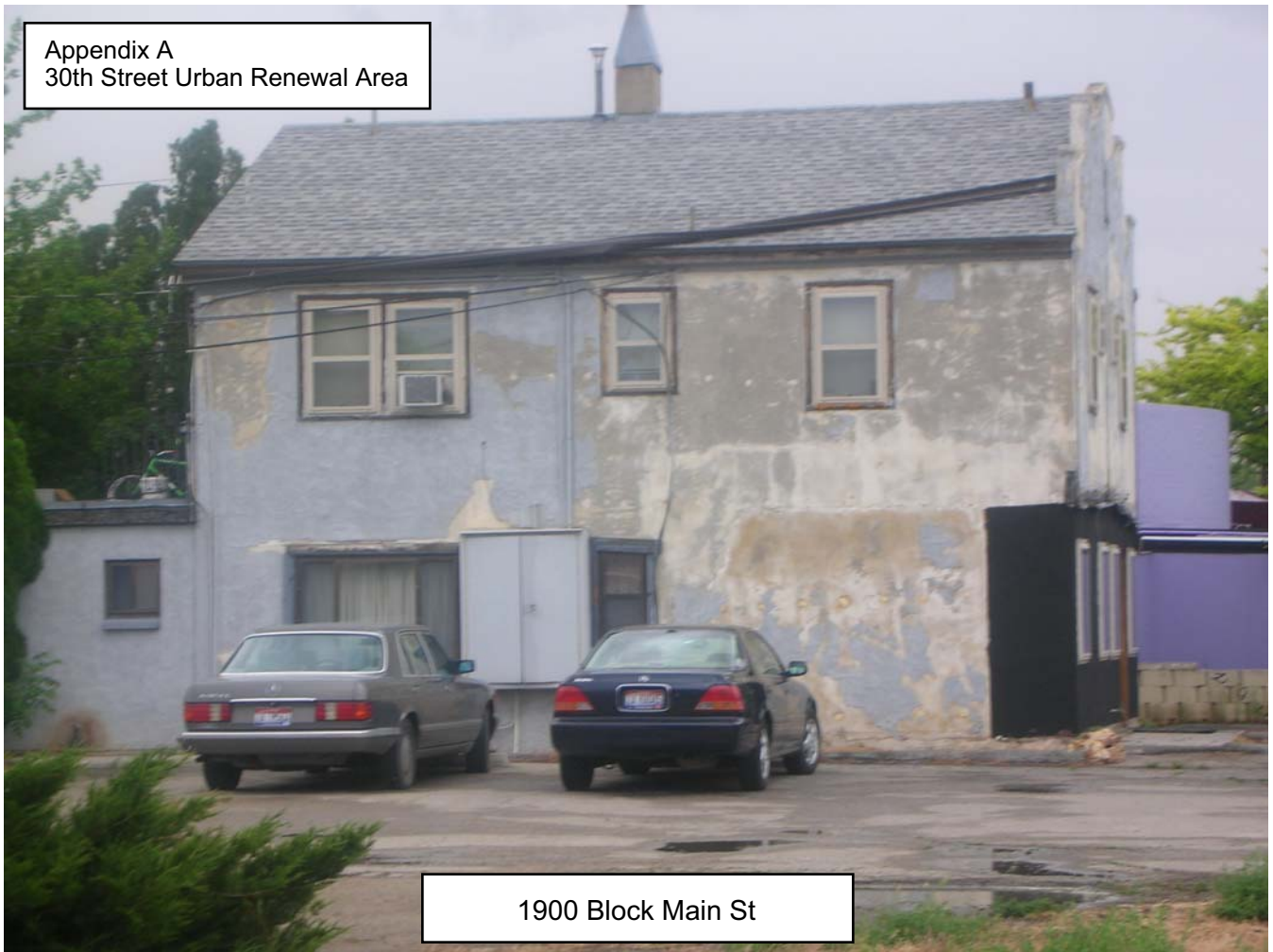


900 Block Clithero



1000 Block Clithero

Appendix A
30th Street Urban Renewal Area



1900 Block Main St



2600 Pleasanton

Appendix A
30th Street Urban Renewal Area



2700 Block Madison St



2900 Block Jordan St

Appendix A
30th Street Urban Renewal Area



3000 Block Stewart Ave

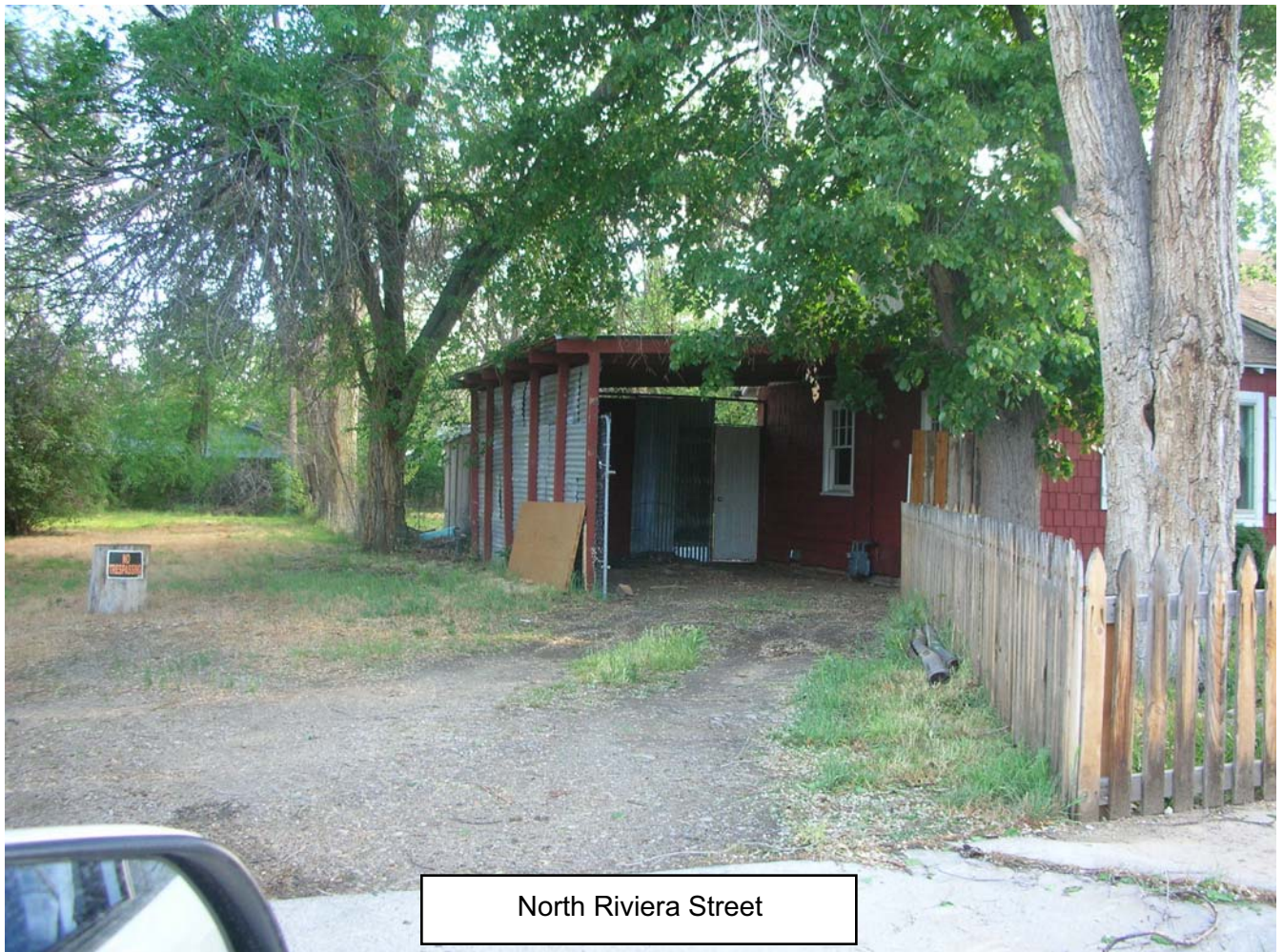


3100 Block Davis St

Appendix A
30th Street Urban Renewal Area



3100 Block Moore



North Riviera Street

Appendix A
30th Street Urban Renewal Area



2800 Block Bannock St



1000 Block Clithero Drive

Appendix A
30th Street Urban Renewal Area



900 Block 31st Street

APPENDIX B

Photographic Examples

Obsolete Commercial Buildings and Underutilized Commercial Land

Appendix B
30th Street Urban Renewal Area



100 Block 27th Street



800 Block 27th Street

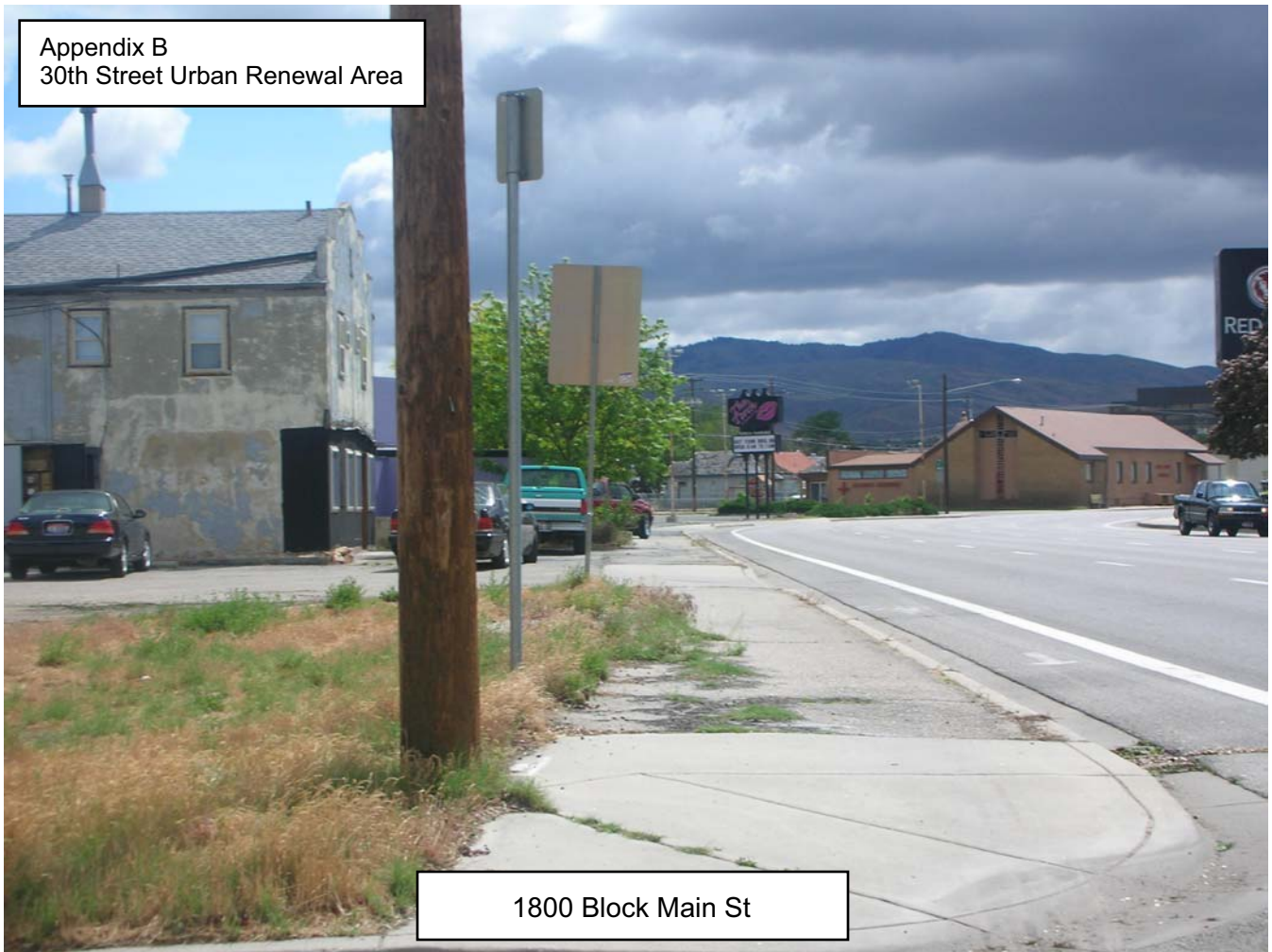


1100 Block 27th Street



1100 Block 31st Street

Appendix B
30th Street Urban Renewal Area



1800 Block Main St



1800 Block Main St

Appendix B
30th Street Urban Renewal Area



2400 Block Fairview



2400 Block Fairview

Appendix B
30th Street Urban Renewal Area

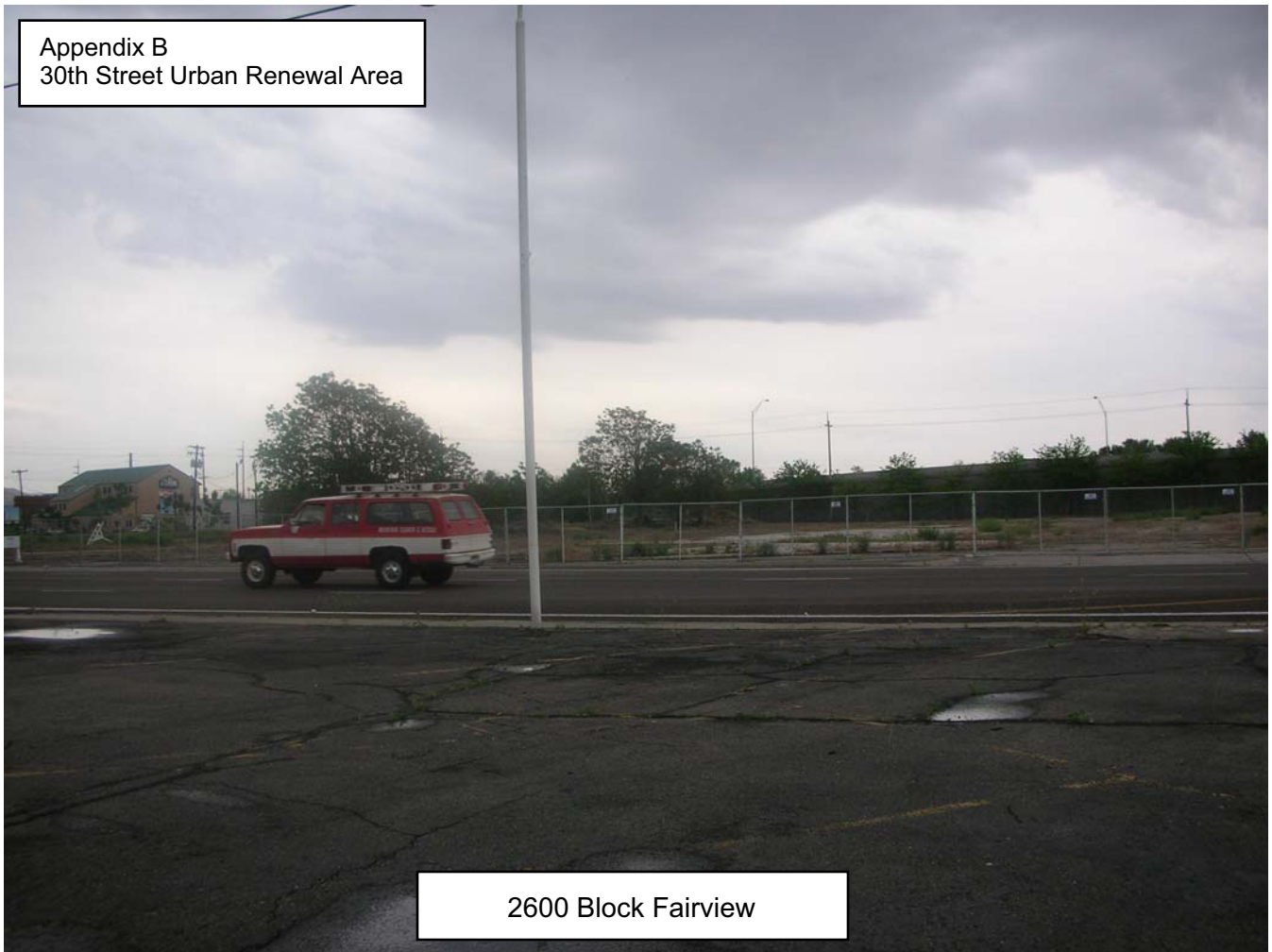


2400 Block Fairview



2500 Block Fairview

Appendix B
30th Street Urban Renewal Area



2600 Block Fairview



2900 Block Main St

Appendix B
30th Street Urban Renewal Area



2900 Block Main St

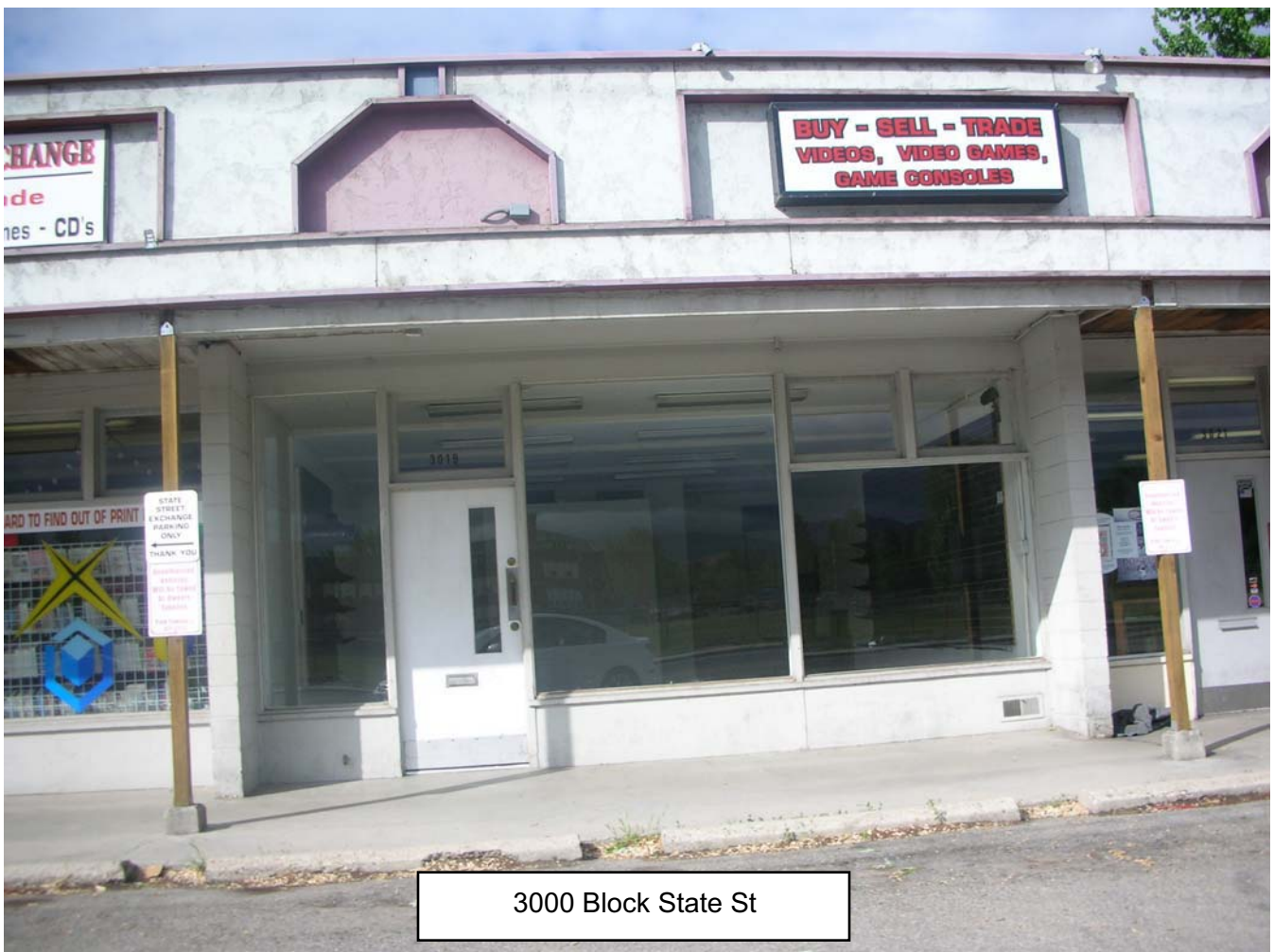


2900 Block Main St

Appendix B
30th Street Urban Renewal Area



2900 Block Main St



3000 Block State St

Appendix B
30th Street Urban Renewal Area

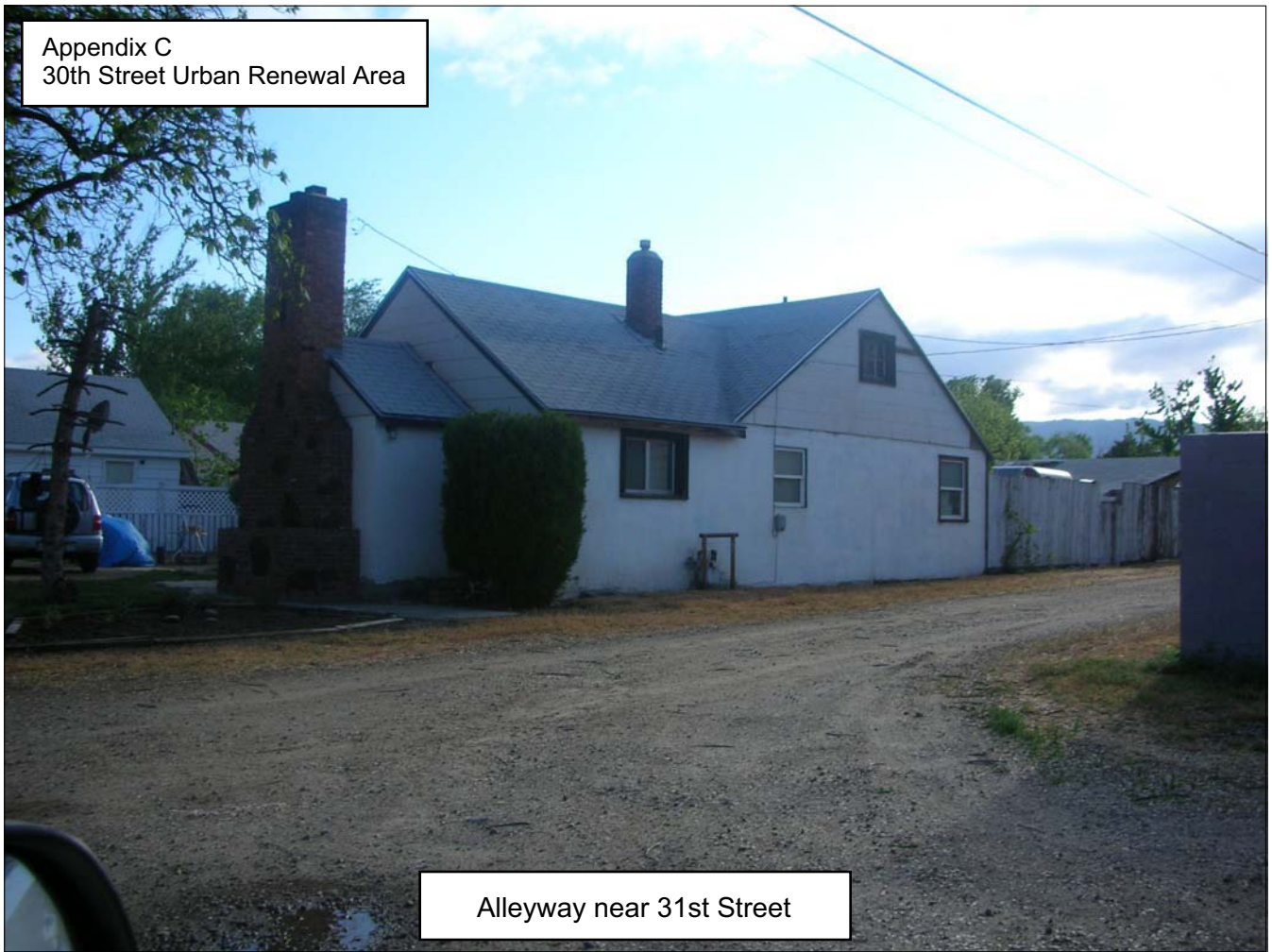


2900 Block Main St

APPENDIX C

Photographic Examples Missing Sidewalks and Unimproved Alleys

Appendix C
30th Street Urban Renewal Area



Alleyway near 31st Street



900 Block of Rose Sreet

Appendix C
30th Street Urban Renewal Area



2600 Block Pleasanton



2600 Block Madison

Appendix C
30th Street Urban Renewal Area



2700 Block Davis



3000 Block Jefferson

Appendix C
30th Street Urban Renewal Area



Alleyway near Davis St



Alleyway near Davis St

Appendix C
30th Street Urban Renewal Area



Alleyway near Jefferson St



1000 Block Clithero