PERSPECTIVE
PLANNING & CONSULTING

DRIGGS URBAN RENEWAL AGENCY
MAIN & 1ST STREET
ELIGIBILITY REPORT

PREPARED BY

Brad Cramer, MPA, AICP
Perspective Planning & Consulting LLC

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MAP 1- STUDY AREA BOUNDARY

EXECUTIVE SUMMARY

This report is a review of approximately 71 acres located between Main Street and First Street, (the Study Area) to determine its eligibility to become an Urban Renewal Area (URA) under the Idaho Urban Renewal Law of 1965 and Local Economic Development Act, which are described in more detail in Appendix B. The Study Area is located generally east of and including Main Street, west of and including First Street, south of and including Harper Avenue, and north of Johnson Avenue. The overall boundaries are shown on Map 1.

The Study Area is eligible to become a URA and Revenue Allocation Area. The primary qualifying conditions include deteriorating site conditions, especially asphalt and sidewalk, lot splits which have created undevelopable lots and lack of access to sewer, diversity of ownership and an inadequate street network in the southern portion of the Study Area. These conditions have led to economic underdevelopment and disuse. This is especially evident when comparing to the amount of development that has occurred on the west side of Main Street in the same general area.

The Idaho Urban Renewal Law of 1965, which comprises Chapter 20, Title 50 as amended and the Local Economic Development Act, comprising Chapter 29, Title 50 of Idaho Code as amended, outline the statutory criteria for determining whether an area is eligible to become a URA. To be eligible, a site must be determined to be a deteriorating and/or deteriorated area by meeting at least one of these statutory criteria. The review of the Study Area determined that it meets at least one of the criteria and is, therefore, eligible to be an urban renewal project. A summary of the requirements and whether they are met is included below in Table 1. The full analysis of each criterion is included in the main body of the report.





VACANT LOT SOUTH OF BROULIMS

TABLE 1

Summary of Findings

CRITERION	CRITERION MET	CHARACTERISTICS SUPPORTING FINDING
Substantial deterioration of structures and site	**Yes**	There are few deteriorating structures, but there is significant deterioration of public infrastructure, especially street asphalt and sidewalks.
Age or obsolescence	**No**	Although the structures in the northern portion are older, they are generally in good condition and functioning.
Predominance of defective or inadequate street layout	**Yes**	The street layout in the northern portion is adequate and well-connected. In the southern portion, there is a major lack of street infrastructure which affects nearly half the acreage of the Study Area.
Outmoded street patterns	**No**	Where street infrastructure exists, it is an effective, well-connected pattern.
Need for correlation of area with other areas of by streets and modern traffic requirements	**Yes**	In the southern portion of the Study Area there is a need for east/west roadways and extended north/ south roadways to better connect with the rest of the city and relieve traffic burden on Main Street.
Faulty lot layout	**Yes**	Lot splits in the northern portion of the Study Area have created undevelopable lots and lack of direct access to sewer.
Unsuitable topography	**No**	The Study Area is generally flat and there are no underlying soil issues which prevent development. There are areas on the southwest with high groundwater that does pose challenges to development. However, City of Driggs staff reported these areas are still developable with slab-on-grade construction.

CRITERION	CRITERION MET	CHARACTERISTICS SUPPORTING FINDING
Insanitary or unsafe conditions	**No**	There were no observed insanitary or unsafe conditions.
Diversity of ownership	**Yes**	75% of the parcels in the Study Area have unique ownership. The large vacant sites are under single ownership, relieving some of this issue for the most developable areas. The issue remains, though, in the downtown area to the north.
Tax or special assessment delinquency	**NA**	This was not evaluated.
Defective or unusual conditions of title	**NA**	This was not evaluated.
Existence of conditions which endanger life or property	**No**	There is some elevated risk of flooding due to lack of stormwater infrastructure, but City staff did not report this as a significant issue.
Impairs or arrests the sound growth of a municipality	**No**	The municipality has continued to grow around the Study Area. The impediments have slowed or stalled growth and redevelopment within the boundary but have not had a negative impact on the growth of the rest of the city.
Retards development of the area	**Yes**	The lack of infrastructure and deterioration of the site, along with lack of potential funding from development is a deterrent to development. There is also a significant need for additional street infrastructure in the southern portion of the Study Area.
Economic underdevelopment and economic disuse	**Yes**	See comments above.

ASHLEY AVE.



BACKGROUND INFORMATION

DRIGGS URBAN RENEWAL AGENCY

The Driggs Urban Renewal Agency (DURA) is the urban renewal agency of the City of Driggs. The Mayor, with the confirmation of the City Council, has appointed six individuals to the Driggs Redevelopment Agency:

Amanda Conner, Chair,
Erica Rice, Vice-Chair
Scott Tuttle
John Hansford
River Osborn
Dan Powers

DURA, was originally created in 2004. According to the 2025 annual report, DURA, "supports improvement of decaying properties within Urban Renewal District boundaries through rehabilitation, revitalization, conservation and /or redevelopment as allowed under Idaho Statute." DURA currently administers two urban renewal/revenue allocation areas: Main Street and Front Street Urban Renewal Districts.

Erin Gaffney serves as the DURA Administrator with assistance from City of Driggs Planning and Building Department Director, Jade Kreuger. Elam & Burke, P.A. is the legal counsel. Perspective Planning and Consulting has been engaged to prepare an eligibility report to determine if the Study Area meets the criteria for consideration as an urban renewal area (URA).

Urban Renewal Background Information

In response to federal programs funding redevelopment of "blighted" urban areas in the mid-twentieth century, Idaho passed the Idaho Urban Renewal Law of 1965. The law authorized Idaho Municipalities to identify deteriorating areas within their communities and to use federal grant monies to improve and, if necessary, redevelop these areas. Support for such federal expenditures dissipated and eventually ended in the early 1970's. With the loss of federal support, states needed another tool to assist cities to redevelop deteriorating areas and to participate in the economic vitality of their



HARPER AVE.

communities. Idaho cities have a significant financial challenge in responding to the infrastructure demands of growth along with the on-going need to maintain existing assets in good repair. Idaho cities face stringent constitutional limitations and near total dependence upon state legislative action to provide funding. An Idaho city's access to funding sources and the ability to employ effective financing mechanisms such as general obligation bonding severely constrain capital investment strategies.

Tools available to cities in Idaho Code Title 50, Chapters 20 and 29, the Urban Renewal Law of 1965 and the Local Economic Development Act, respectively, are some of the few available to assist communities in their efforts to support economic vitality. New sources of State support, such as Community Infrastructure Districts (CIDs) are available but still largely untested, thus DURA's on-going interest in exploring the potential for establishing additional urban renewal/revenue allocation areas is appropriate.

Purpose of the Report

The purpose of this report is to determine if the Study Area meets the criteria outlined in Idaho statutes, Idaho Code Sections 50-2018(8), (9), and 50-2903(8), for a URA. This report is the first step to assist the Driggs City Council determine if there is a need for creating a URA in a portion or all of the Study Area. To be eligible, a proposed URA need only meet one of the criteria in the statute. A complete list of all steps required to create a URA, and list of eligibility criteria is included in Appendix B.



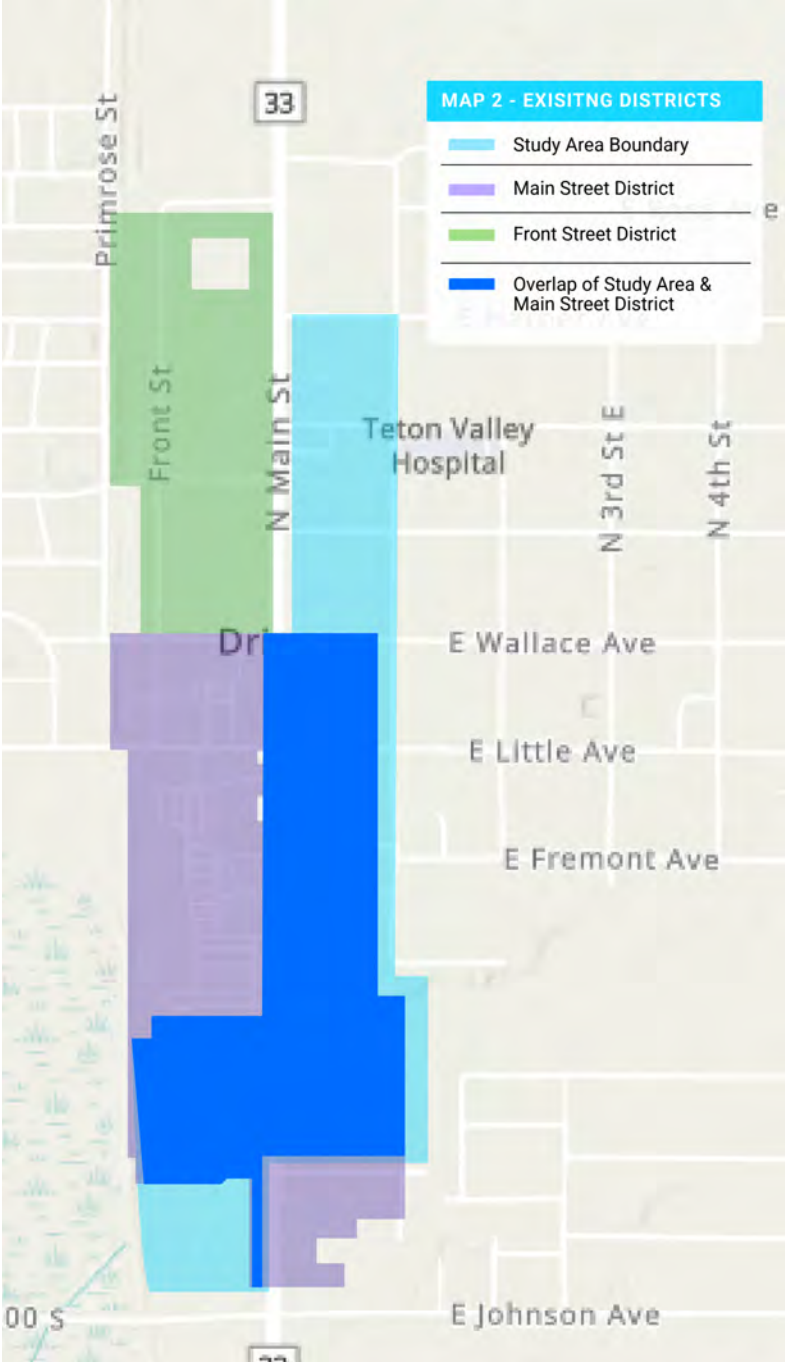
MAP 2 - EXISTING DISTRICTS

SUMMARY OF THE STUDY AREA

Study Area Overview

The Study Area includes approximately 71 acres and is located generally east of and including Main Street, west of and including First Street, south of and including Harper Avenue, and north of Johnson Avenue. The two main vacant development sites are located on the southern end of the Study Area on both sides of Main Street. The 13.06 acre site on the west side of Main, south of Broulim's grocery store is the main catalyst for this study and the potential site of the Element development, which includes an anchor 107-room hotel, restaurant and eight commercial pad sites. On the east side of Main Street is a vacant 8.25 acre site where development has been discussed, but no plans have been submitted. There are several other smaller, vacant sites throughout the Study Area that could support modest development opportunities. A redevelopment project at Short and Main is expected to include a 63 room hotel with restaurant and retail space. There are also several areas with existing buildings that are anticipated to redevelop within the potential life of the proposed URA.

As discussed in more detail below and shown on Map 2, approximately 54 of the 71 acres in the proposed Study Area are already included in the existing Main Street Urban Renewal District (Main Street District). DURA is considering closing the Main Street District by the end of 2026, two years before its original sunset date. This will allow for the potential creation of the proposed new



district without any overlap with the existing Main Street District.

History of the Study Area

Downtown Driggs traces its origins to 1889, when a wagon train of Mormon settlers established a community along Teton Creek. As the settlement developed, Main Street quickly emerged as the commercial spine. An 1897 survey documented a sixteen-block town anchored by Main Street and its first

few parallel streets. The blocks between Main and First Street formed the heart of this early commercial district, where residents could find the Driggs State Bank, the Driggs Hotel, and general merchandise store, a furniture shop, pool hall, millinery, and livery stable. The city incorporated in 1910, and downtown continued to serve as Teton Valley's commercial and civic center.[1]

In 2004 the DURA was created and established the Downtown Driggs Urban Renewal District, which covered parcels on the west side of Main Street between Wallace and the vacant lot on the south side of the Study Area. The block on the east side of Main between Little and Wallace, described as the Main/Little block, was studied as part of the eligibility report but ultimately not included in the original district because it pushed the base value of the district above the 10% limitation as described in more detail below. By 2007, however, the valuations





increased from their original base of $7,318,929 to approximately $25,000,000 and the Downtown Driggs Urban Renewal District was amended to include the Main/Little block along with the rest of the blocks on the east side of Main between Wallace and Johnson, This area is now referred to as the Main Street District.[2] The Main Street District is scheduled to sunset at the end of 2028, however DURA is considering closing it early in order to allow for the creation of a new urban renewal district in the boundaries of the Study Area.

Current Conditions in the Study Area

Topography and Geology

The Study Area is generally flat, with only an estimated 38-foot drop in elevation between the northern and southernmost ends.[3] This change in elevation does not pose a

[1] Information summarized from driggsidaho.org/about/history and huntsmansprings.com/history-buildings-in-driggs, both accessed on June 30, 2026

[2] First Amended and Restated Urban Renewal Plan, Downtown Driggs Urban Renewal Project, Including the Main Addition

[3] https://en-us.topographic-map.com/map-c37lcz/Driggs/?center=43.71468%2C-111.12293&zoom=15&popup=43.71771%2C-111.11426, accessed June 30, 2026

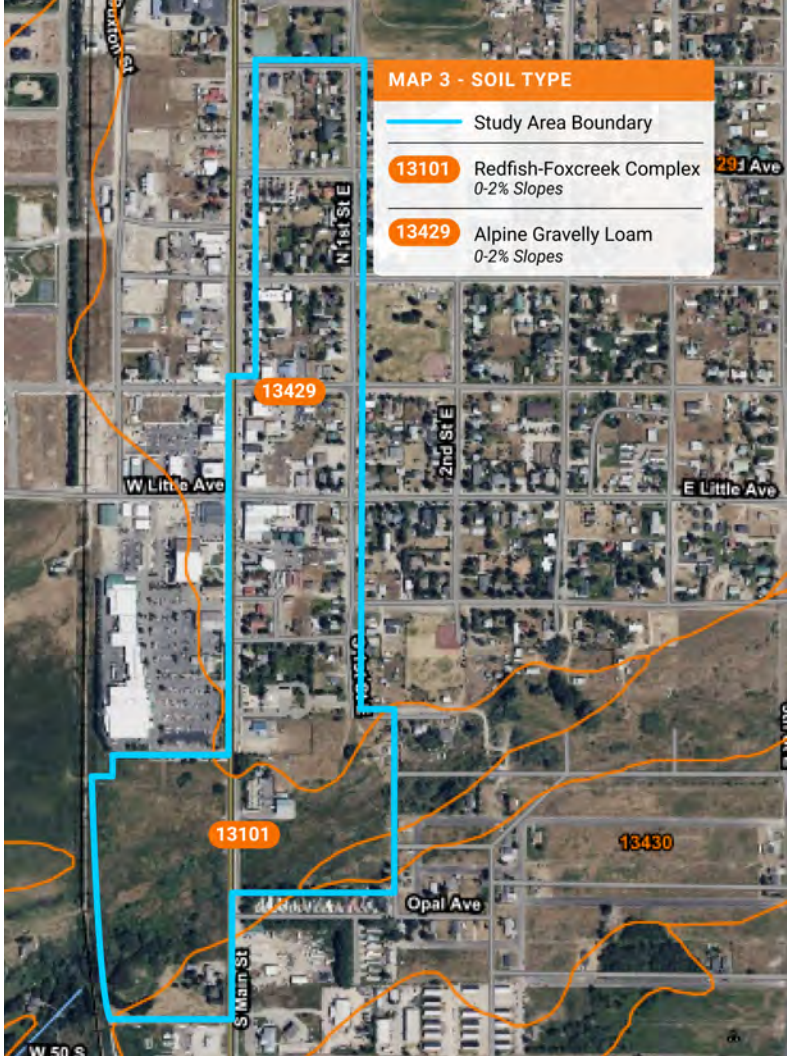
challenge to development. In terms of geology, there are two main soil types in the Study Area as shown on Map 3.[4] Along Main Street and the blocks to the east is Alpine gravelly loam, which is a well-drained soil with typically about 80 inches to the water table, which is the main limitation on development. On the large vacant sites on the south end of the Study Area is Redfish-Foxcreek complex. This soil has a much shallower water table which presents limitations on basements and subsurface parking. The Element development has already completed a geo-technical report which shows the water table as shallow three feet, which will likely limit construction to slab on grade. It is also expected to create challenges with stormwater discharge, as new development is required to manage storm water onsite. Additionally, the USGS shows NWI wetlands on those vacant sites on the south, with seasonal standing water and plant species that remain standing throughout the season.[5] These areas are shown on Map 4.

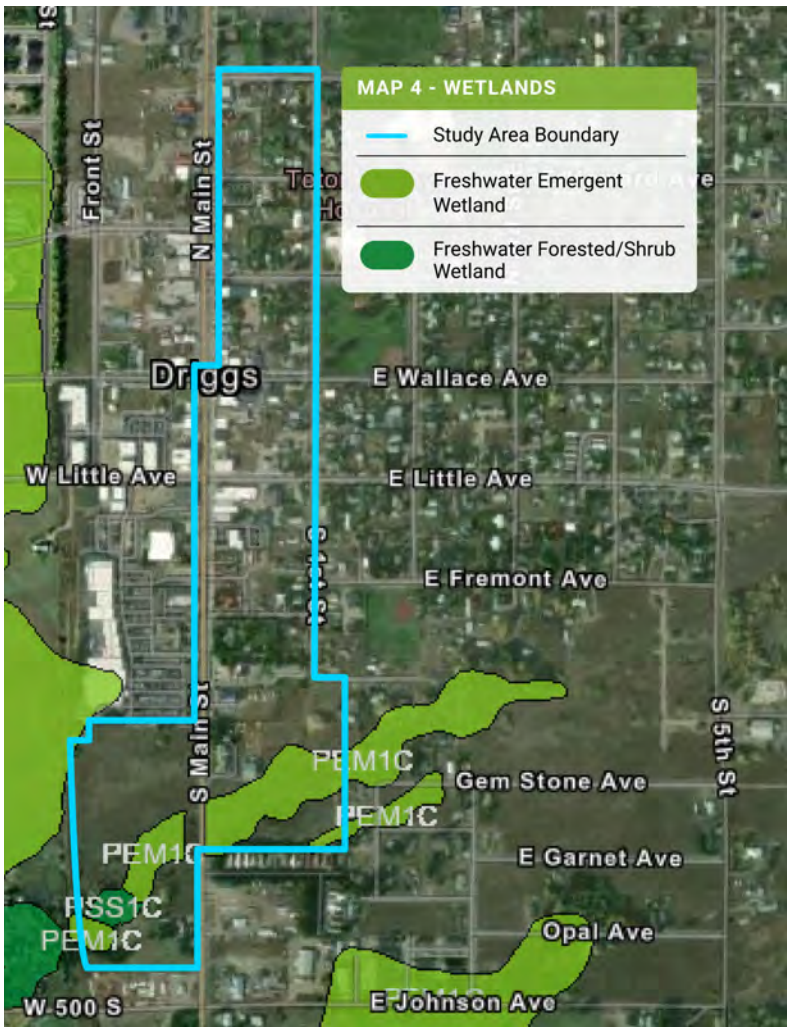
[4] https://websoilsurvey.nrcs.usda.gov/app/WebSoilSurvey.aspx, accessed June 30, 2026

[5] https://fwsprimary.wim.usgs.gov/wetlands/apps/wetlands-mapper/ , accessed June 30, 2026.

Land Uses and Structures

Land uses in the Study Area are a mix of commercial, professional, institutional and residential. Uses along Main Street are mainly commercial and office, but also include institutional uses like City Hall. The eastern halves of the blocks between Main and First Streets are mainly residential, but with pockets of small retail, office, and service.





MAP 5 - STREET CLASSIFICATIONS

Based on a walking tour and survey of the Study Area, buildings are generally in good condition. Although there are some structures which show signs of age and wear, especially accessory buildings, there were few structures that showed major signs of deterioration. There were also few observed vacancies, although on the residential structures it was not always clear whether a building was occupied. Due to the age of the structures there are certainly some which do not meet current building or fire codes, but they are still well maintained.

Streets

Generally, the Study Area has a well-connected grid street network, although some areas lack complete right-of-way infrastructure or the existing infrastructure is in a state of deterioration. The streets and their classifications are shown on Map 5 and in Table 2. In the 2025 City of Driggs Transportation Master Plan, Main Street/ Highway 33 is identified as a minor arterial controlled by the State of Idaho. Little Avenue is a major collector and runs east/west, connecting across Main Street. The other streets in the Study Area are classified as local roads. Although a heavily trafficked road, Main Street is pedestrian oriented within the downtown, with several mid-block crosswalks and appropriate signage. It should be noted here that the Main Street right-of-way is included in the Study Area from Depot Street south. North of Depot/ Wallace, Main is already included in the Front Street Urban Renewal District.

North of Little Ave, the street network is a grid pattern. South of Little, the traditional grid has been disrupted and there are fewer east/west connectors to and across Main



Street. Whereas the distance between streets north of Little is only 510 feet, the distance between Little and Short is 683 feet and 2,002 feet between Short and the next east/ west street, Johnson Ave. There is a need for another east west street south of Short. This need is planned to be met by the future construction of Harrop Avenue, which will be located in close alignment to Gemstone Avenue extended. Harrop will cross Main Street and eventually connect with Front Street extended. These extensions will create

TABLE 2

Streets in Study Area

STREET NAME	ORIENTATION	CLASSIFICATION
Main Street	North/South	Minor Arterial
Harper Avenue	East/West	Local
Howard Avenue	East/West	Local
Ashley Avenue	East/West	Local
Wallace Avenue	East/West	Local
Little Avenue	East/West	Major Collector
Short Street	East/West	Local
First Street	North/South	Local

a downtown area bypass around Main Street for local traffic, with Front street as the alternative north/south road to the west of Main and First Street serving that function on the east side of Main.

In terms of street condition and facilities, Main Street is generally in good condition and has a fully developed right-of-way with on-street parking, curb and gutter, street trees and sidewalks. The local streets to the east of Main are in various conditions. Little and Wallace are fully developed and in good condition. Wallace was identified by City staff as the model for future street enhancements for the east/west streets in the Study Area with angled parking, wider sidewalks, and landscaped bulb-outs at the intersections. Besides Little and Wallace, the east/west streets and First Street have several common issues described below.

- **Drainage:** There is little stormwater management infrastructure such as curb and gutter. This leads to pooling of water in the right-of-way, accelerating deterioration of the asphalt. This issue was also identified in the 2016 Downtown Master Plan.

- **Sidewalks:** The presence of sidewalks is inconsistent. Where sidewalks do exist, they are very narrow (3-4 feet) and often in a state of deterioration. There is ample evidence of pock marked or crumbling sidewalk concrete.





PICTURED ABOVE WALLACE AVE., BELOW LITTLE AVE.

Undeveloped Right-of-Way: The streets have 82.5 feet of right-of-way. Abased on aerial photo measurements, the streets have Existing asphalt, though, is only 26 feet in width. Where sidewalks do exist, especially on First Street, there is a 22-foot break between the edge-of-asphalt and the sidewalk. The space in between is a mix of gravel or encroachment of landscaping, parking, and storage from adjacent private uses. The positive of these conditions is that there is plenty of existing right-of-way to develop full infrastructure. However, because most of the adjacent lots are already developed, there is limited opportunity for private development to pay for the costs of the needed upgrades. Tools such as tax increment financing, grants, or the City's general budget will be the most likely funding sources for the improvements.

Utilities

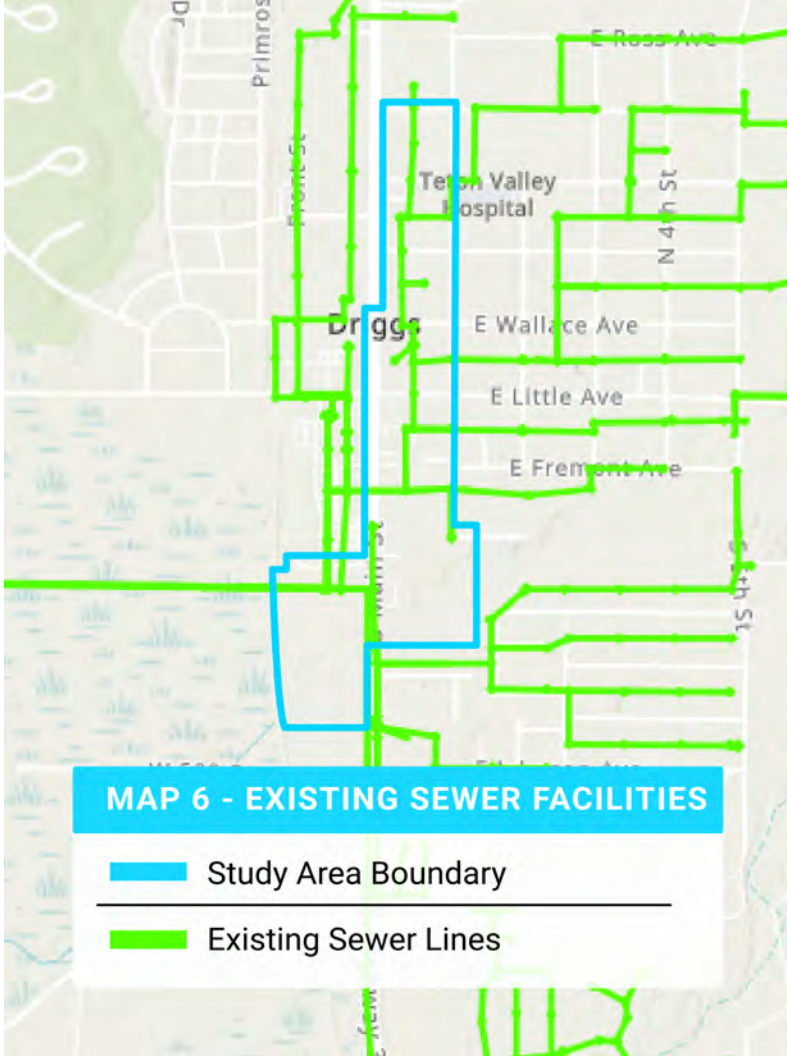
The Study Area has a well-developed utility network with water and sewer. Water lines exist in each of the roadways. Sewer also exists throughout the Study Area but, as is described in more detail below, is not always located in rights-of-way and there are access issues. Power utilities are available, but because they are not controlled by the City of Driggs or the DURA, they are not discussed in detail here. Maps 6 and 7 show the overall sewer and water networks in the Study Area. According to discussion with City staff, the utility network is generally sufficient to support development and redevelopment in the area, but there are other utility challenges to development.

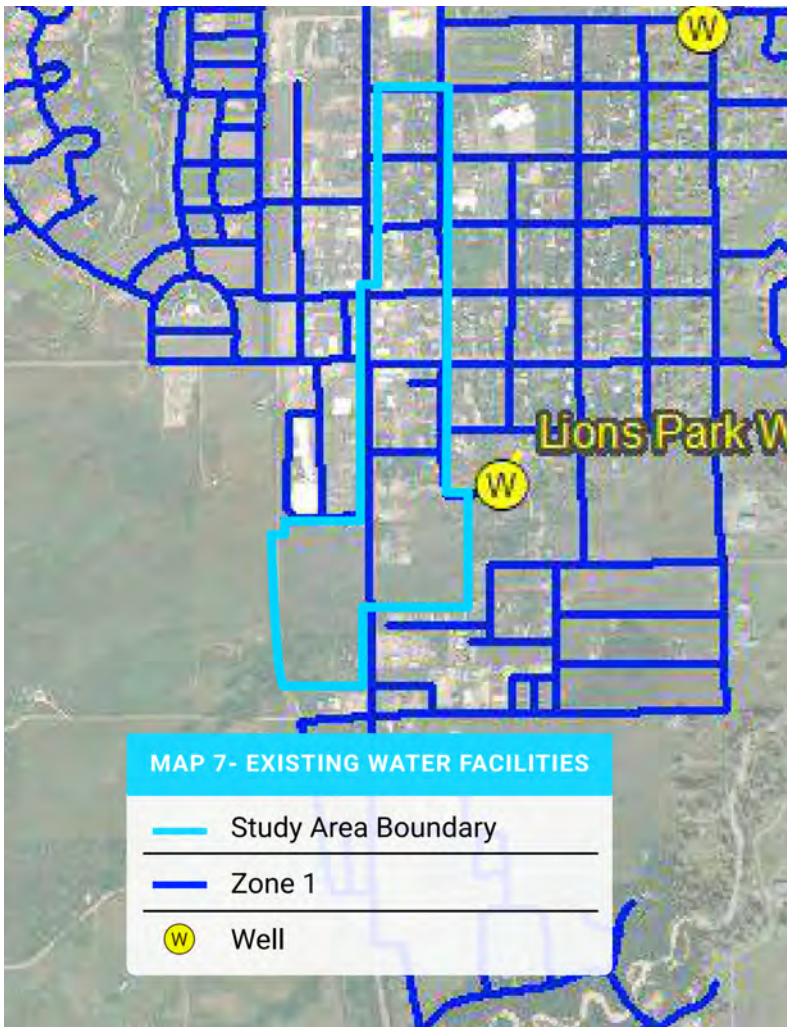
Water rights are the primary utility barrier to development within the Study Area. The 2023 Drinking Water Facility Plan notes that by

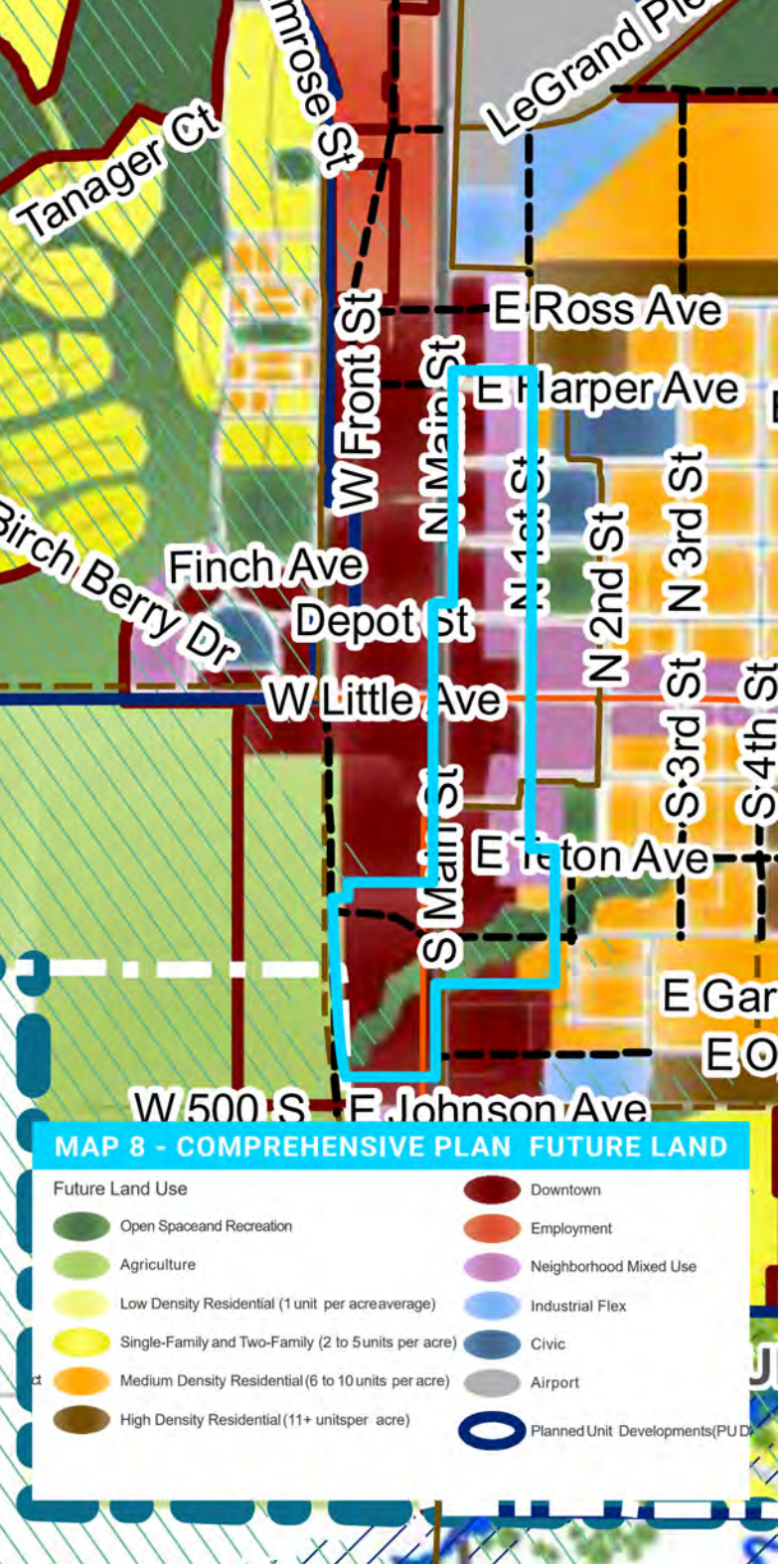
2042, Driggs will have a water supply deficit of approximately 1,000 gallons per minute (gpm). New development must demonstrate they have secured sufficient water rights to support their demand. This can be costly and may become more difficult over time. The Water Facility Plan recommends a new well and purchase of additional water rights to accommodate and provide for future growth.

As noted above, sewer service exists throughout the Study Area. However as shown on the map, many of the lines are not within rights-of-way, but rather are located in mid-block easements. Having sewer lines in mid-block alleys is not uncommon in older communities, but in this case, lot divisions over time have created situations where undeveloped properties no longer have direct access to a sewer line. This makes development, especially for lots along First Street and numerous east/west streets, challenging and costly. City staff noted the potential to extend a sewer line in First Street. Currently there is only a short section of sewer in First Street just south of Howard. This could be extended north and south for improved connection opportunities.

Stormwater management, although not always thought of as a utility, is critical infrastructure. The 2016 Downtown Master Plan discusses the lack of sufficient stormwater infrastructure in the downtown in general. This was confirmed during a site visit by the consultant where multiple areas of pooling was observed in the streets other than Main. Besides the lack of infrastructure, an already high water table on the west side of Main can make onsite stormwater management difficult.







MAP 8 - COMPREHENSIVE PLAN FUTURE LAND USE

Lot Layout

A review of the Teton County parcel viewer shows that lot layout in the Study Area is generally standard for older, dense development patterns, but that there are several lots within the center of the blocks that are not developable. It appears there have been lot splits over the years which have created these small lots, some of which are as small as 870 square feet. This is the primary contributor to issue with access to sewer referenced in the utilities section. Based on current parcel records, the consultant was only able to find one of these small parcels (30 E Little Avenue) that isn't under the same ownership as a larger adjacent lot. While this means the lots aren't currently landlocked, it still creates risk of sale of these lots, especially if other lands are being assembled for a larger development.

Driggs Comprehensive Plan Zoning

Uniquely Driggs, which is the city's comprehensive plan, identifies most of the Study Area as Downtown on the Future Land Use Map. It includes both DT 1 and DT 2 designations. The eastern portions of blocks fronting First Street (other than at the intersection of Little and First) are planned for Neighborhood Mixed Use. These designations are described below and shown on Map 8.

Downtown: The Downtown category is intended to increase activity and vibrancy in the City core with a mix of dense residential, business, light industrial, office, civic, and public spaces intended to be the focal point of the community. The Downtown future land use can include a number of zoning districts, not just DX. The Downtown use is intended to fill in vacant areas and increase the height of existing buildings to support residential living in the upper levels as well as

apartments. Restaurants, art, historic preservation, and human-scale pedestrian design will set the stage for the development standards. The Downtown will allow flexibility of uses as long as they support the design, character, and appeal of the heart of the City.

DT 1: Both historic downtown and the surrounding businesses and neighborhoods along Main Street are represented in this area.

DT 2: The area along Bates Road across from the Courthouse should support downtown uses to better incorporate the courthouse into Downtown. This should occur once infill and development of other vacant downtown areas is complete. The area between Bates road and Johnson avenue should be developed with a welcoming mix of commercial and employment uses that reflect the density and character of Downtown.



LITTLE AVE.

Mixed Use: Little Avenue exemplifies the look and feel of the Neighborhood Mixed Use category. Neighborhood Mixed Use integrates charming existing homes with infill serving a combination of residential buildings with a combination of residential and businesses such as restaurants, offices, retail, and service establishments. New Neighborhood Mixed Use areas are intended to support neighborhoods with small shops or group of shops to provide services to the surrounding residential areas. This land use both establishes the transition from Downtown to the medium-density neighborhoods to the east and provides a welcoming access point to Main Street when approached from Little Avenue, with a mix of uses lining both the north and south sides of the street.

MU1: This is a transitional area between the commercial designation along Main street and to neighborhoods east of 1st street.

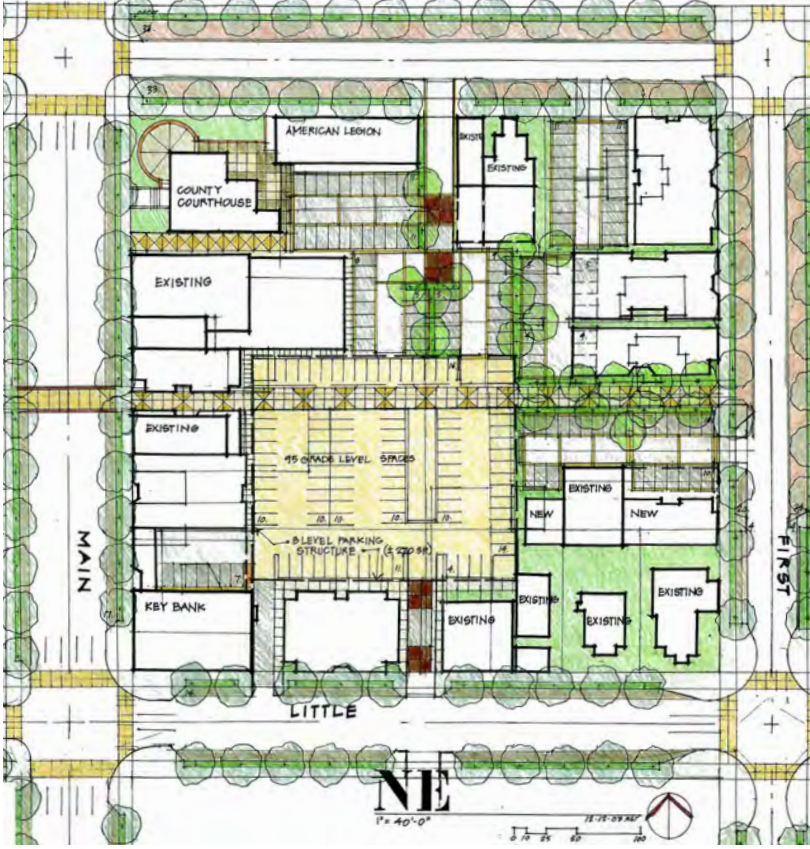
Uniquely Driggs also identifies goals and actions related to the Study Area and DURA as noted below:

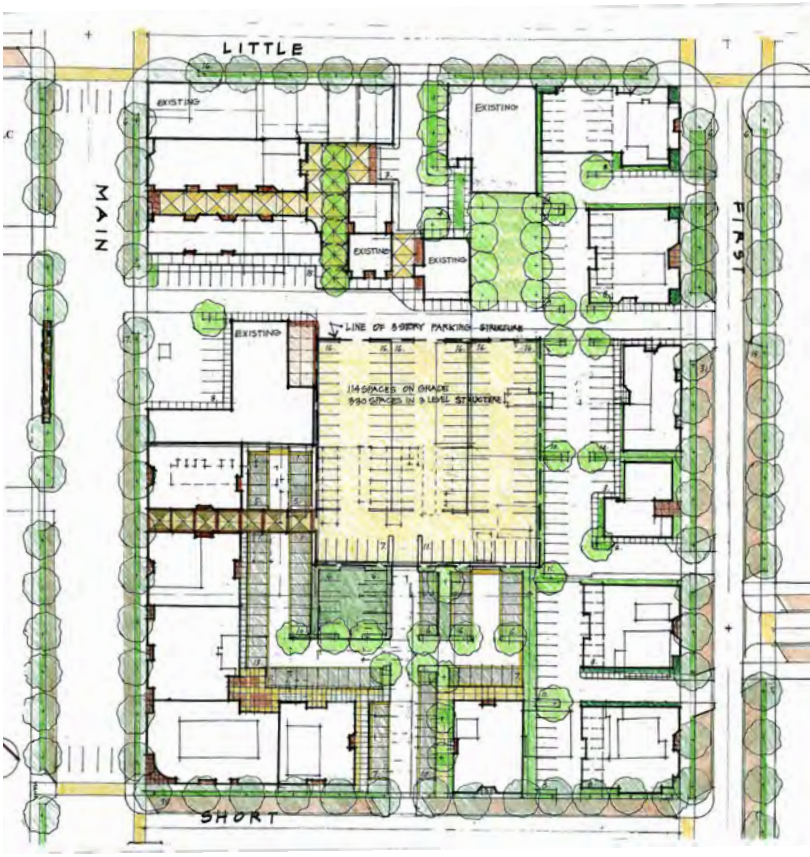
2.8: Our Unique Urban Design. Nature, community, and the small town feel are some of the features that residents love most about Driggs. Residents love Downtown, but would like to see a more walkable, lively environment with a variety of uses that acknowledge Driggs' history

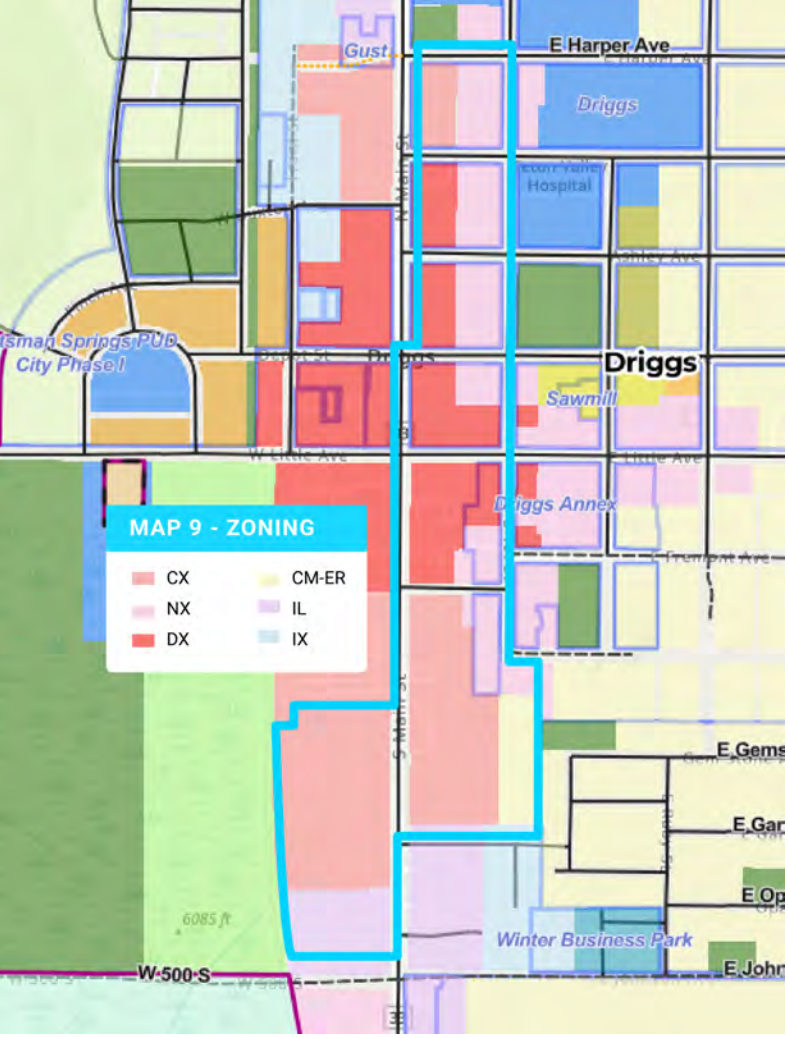
while also continuing to support arts, entertainment, and an array of employment and housing options. Recent efforts to locate parking areas behind important community structures allow new commercial buildings to face the street, and the recent wayfinding project is helping visitors navigate Driggs' restaurants and retail stores. Continuing to expand street trees and developing human-scale places for people to gather just for lunch among friends or for large community events are important. The Future Land Use Map identifies small neighborhood commercial nodes to provide services to communities within Driggs that are outside of Main Street; this improves walkability and provides places for neighborhoods to connect, but should be designed to prevent sprawl-like development.

Action 2.2.1.h: Continue to partner with Downtown Driggs Association and Driggs Urban Renewal Agency to implement the Main Street program and other effective downtown revitalization strategies. Action 2.6.1.h: Support the Urban Renewal District's efforts to establish additional public parking lots for cars and bicycles within the interior of downtown blocks.

In 2016 Driggs adopted a Downtown Core Framework Plan focused on the four blocks at Little and Main and Depot and Main. The Study Area includes the SE and NE blocks. The plan identifies opportunities for development and redevelopment and highlights the need for consistent and pedestrian friendly streetscapes, public parking, development standards, and improved stormwater and utility infrastructure.







MAP 9- ZONING

It also includes typical sections for future street redevelopment. Should the City proceed with the creation of the new urban renewal district, these diagrams will be helpful in planning and cost estimating. The master plans for the two blocks included in the Study Area are shown above.

There are three zones in the Study Area as shown on Map 9. DX (Downtown Mixed Use) covers most of the land fronting Main Street. CX (Commercial Mixed Use) is designated on the western half of the block between Howard and Harper and to the areas south of Short Street where the main vacant, developable lots are located. NX (Neighborhood Mixed Use) generally covers the eastern halves of the blocks between Main and First. The zoning is consistent with the future land use designations found in the comprehensive plan.

Ten Percent Limitation & Assessed Valuation Within Revenue Allocation Area

In addition to the eligibility criteria discussed in this report, Idaho statutes limit the combined base assessment rolls of the existing and proposed Revenue Allocation Areas (RAAs) to ten percent of the current assessed valuation of all taxable property within the municipality. Idaho Code Section 50-2903(15) states:

> *"Revenue allocation area" means that portion of an urban renewal area…where the equalized assessed valuation (as shown on the taxable property assessment rolls) of which the local governing body has determined, on and as a part of the urban renewal plan, is likely to increase as a result of the initiation of an urban renewal project….The base assessment roll or rolls of revenue allocation area or areas shall not exceed at any time ten percent (10%) of the current assessed valuation of all taxable property within the municipality.*

The Teton County Assessor's office provided the City of Driggs assessed value as well as the adjusted base of the existing urban renewal areas. The base values of each area are listed in Table 3 below. The numbers in the table reflect 2026 values. It is also important to note again that if the Study Area becomes a new urban renewal district, the Main Street District will be closed and its current base value will not apply. In addition, the base value on parcels that overlap between the Main Street District and the Study area will reset to current 2026 values. This is accounted for in the table.



VACANT LOT SOUTH OF BROULIMS

TABLE 3

Statutory Ten Percent Limitation Analysis

AREA	NET ASSESSED VALUE	PERCENTAGE
City of Driggs	$1,171,286,571	
	ADJUSTED BASE	
Main Street District	$11,426,369	0.97%
Front Street District	$5,536,549	0.47%
Study Area	$54,654,825	4.6%
Total Assessed Base URAs (All)	**$71,617,743**	6.1%
Total Assessed Base URAs Without Main Street	**$60,191,374**	**5.1%**

SOURCES: For Driggs' 2026 Assessed Value: Idaho State Tax Commission. For existing districts and proposed districts: Teton County Assessor and Teton County Parcel Map

The total combined adjusted base assessment rolls of the existing RAAs and Study Area will not exceed the estimated ten percent limit of $117,128,657. The combined rolls are estimated to be 5.1% using 2025 assessed values and accounting for the Main Street District closing before the Study Area becomes a new urban renewal district.

ASHLEY AVE.



FINDINGS

To find a study area is eligible for the creation of a URA and RAA, the Study Area must contain one or more of the statutory criteria spelled out in Idaho Code Sections 50-2018(8), (9), and 50-2903(8), and to the extent there is open land, the statutory criteria in Idaho Code Section 50-2903(8)(c). Below are the criteria and a brief discussion of the findings.

01 The Presence of a Substantial Number of Deteriorated or Deteriorating Structures and Deterioration of the Site

Most of the structures observed in the Study Area were in good or fair condition. There were some homes and accessory structures that did show some signs of deterioration, but not enough to reasonably constitute a substantial number. In terms of public infrastructure, or the site, there is significant deterioration of sidewalks and asphalt, especially on the streets other than Main, Little, and Wallace. First Street has numerous areas where the combination of pooling water and lack of curb to support the asphalt has contributed to sloughing off of the asphalt. There is substantial damage and deterioration to sidewalks where they exist on First Street and the side streets, other than those previously mentioned.

This criterion is met.

02 Age or Obsolescence

There are certainly older structures in the Study Area, however as mentioned in criterion 1, they appear to be in good condition for the most part. If residential structures are converted to commercial structures, there may be a need for more significant building and fire code upgrades, but there are several examples of successful projects of this type along the east side of First Street, just outside the Study Area. The road pattern and utility network is functional and can support development.

This criterion is not met.



ASHLEY AVE.

03 Predominance of Defective or Inadequate Street Layout

As noted in other sections of the report, the layout of the streets within most of the Study Area provides good connectivity both internally and to the surrounding area. With only a few exceptions the lots have frontage on public streets. But even in these exceptions, the isolated lots are under the same ownership as lots that do have frontage. There is adequate mobility both north/south and east/west. The major exception to the excellent connectivity is the lack of any east/west connection across Main Street south of Short Street. Indeed, there is no street network south of Broulim's within the Study Area. The lack of transportation infrastructure in this area, covers approximately 35 acres, which is nearly half of the total Study Area. Without additional roads all development in this area must access Main Street. Each access point represents conflict points on the roadway from overlapping traffic and turn movements and, without dedicated turn lanes, a slowdown of traffic on a minor arterial, which is meant to move vehicles across town. Contributing to the access issue is a lack of cross access opportunities between properties. This pushes direct access from roads to each property rather than consolidating at safe, regular intervals. Additionally, lack of public alleys, which an also provide a shared access to roadways contributes to the defective street layout. The Driggs transportation master plan recognizes the need not only for the east/west street in this area, but also the further extension of First Street and Front Street to provide a looped bypass which will relieve traffic demands on Main Street. This represents an inadequate street layout.

This criterion is met.

04 Outmoded Street Patterns

As noted in criterion 3, the street pattern in terms of layout and connection is excellent on the north and deficient on the south end of the Study Area. Where streets and roads do exist, there is not an outmoded street pattern. Although criteria 3 and 4 are very similar, an inadequate street network is not the same as an outmoded street pattern. In general, the existing street patterns are not a deterrent or primary obstacle to development. When development happens, there is space for dedication of new roadways where needed and sufficient right-of-way for improved street infrastructure on existing roads.

This criterion is not met.

05 Need for Correlation of the Area with Other Areas of Municipality by Streets and Modern Traffic Requirements

As noted in criterion 3, the northern portion of the Study Area is well connected internally, with the rest of the City, and with the broader region. The southern portion, however, has inadequate street infrastructure, resulting in additional burden on Main Street. Harrop Avenue (the future east/west street), extended First Street and extended Front Street are important components of improving overall connectivity and reducing the traffic burden on Main Street.

This criterion is met.

06 Faulty Lot Layout in Relation to Size, Adequacy, Accessibility, or Usefulness; Obsolete Platting

The lot layout is generally adequate for existing uses in the northern portion of the Study Area. There are lot splits which have occurred that create undevelopable lots and





lots that are difficult to develop.

With one exception identified, these small lots are still under the same ownership as adjacent larger lots, which is adequate for existing conditions. It will also be sufficient for conversions of existing structures to neighborhood commercial uses. Assembling land for demolition or for the parking lots desired by the City and DURA is more difficult because of these lot splits and the existing lot layout.

On the south end of the Study Area the land is vacant and platting will not be difficult for new development. Because of the lot splits in the northern portion of the Study Area, this criterion is met.

07 Unsuitable Topography

The topography in the Study Area is flat and does not pose a challenge to development. There is no evidence of challenging soil conditions or shallow basalt.

This criterion is not met.

08 Insanitary or Unsafe Conditions

There were no observed insanitary conditions in the Study Area. There were also no obvious unsafe conditions within the Study Area.

This criterion is not met.

09 Diversity of Ownership

There are 111 parcels in the Study Area. Based on the Teton County parcel map, 83 of the lots have unique ownerships. That is approximately 75%. Unfortunately, the data available through the GIS system did not provide acreage per lot so this report does not consider what percentage of land is under unique ownership. Still, regardless of land area, 75% of the parcels representing unique ownerships can present significant challenges for development and redevelopment because sufficient land often must be assembled in order to create a developable site that can meet modern standards. The City's plan to acquire land in the central portion of several of the blocks for public parking is an example of the type of project where this level of owner diversity can be challenging.

Although there is significant ownership diversity, the two large vacant sites on the south side of the Study Area have single owners. This relieves this diversity issue on the most developable sites in the Study Area, which is positive. However, in the downtown core where redevelopment and public parking projects are desired, the challenge remains.

This criterion is met.



SHORT STREET

10 Tax or Special Assessment Delinquency

Tax delinquencies were not evaluated for this report. This criterion is not met.

11 Defective or Unusual Conditions of Title

Conditions of title were not evaluated for this report. This criterion is not met.

12 Existence of Conditions which Endanger Life or Property by Fire and Other Causes

Similar to criterion 8, there were no conditions observed that obviously endanger life or property by fire or other similar causes. There may be some elevated risk of fire in the northern part of the Study Area where buildings are older, likely don't meet current fire codes, and are in a much denser environment, but nothing that is an unusual condition that would present a serious risk. There is also some elevated risk of flood damage due to lack of stormwater discharge facilities, but again, not enough to constitute a finding.

This criterion is not met.



FIRST & HARPER

13 Substantially Impairs or Arrests the Sound Growth of Municipality

The Study Area includes the core of downtown and is an infill area. Despite the presence of conditions which make development challenging, it does not appear to have delayed or impaired the overall growth of the City, which has continued to see development within the downtown and other areas. Although nearly half of the Study Area is undeveloped, the vacant sites have not been a major barrier to the overall growth of Driggs.

This criterion is not met.

14 Conditions which Retard Development of the Area AND

15 Results in Economic Underdevelopment of the Area and Economic Disuse

In the northern portion of the Study Area, there is a significant lack of complete street infrastructure, poor stormwater management facilities, lots which do not have access to sewer, and an overall lack of public parking to support redevelopment. In the southern portion, an inadequate street network contributes to the cost and challenge of development. These conditions contribute not only to the lack of development, but also to redevelopment in the older areas of the Study Area. This is more evident when compared with the development that has occurred west of Main Street, where new and redeveloped structures are evident beyond the first half of the blocks fronting Main Street.

This criterion is met.

Conclusion

The Study Area and proposed RAA meets one or more of the criteria for eligibility under Idaho Code Sections 50-2018(8) and (9) and 50-2903(8). The Study Area suffers from economic underdevelopment and economic disuse due to lack of adequate street network, and underdeveloped street infrastructure. There is also deterioration of public infrastructure, specifically the asphalt and sidewalks on First Street and the side, east/west streets. Sidewalks are not consistently installed and are too narrow for a walkable environment. There are also issues resulting from numerous lot splits and diversity of ownership in the northern portion of the Study Area, which have created undevelopable parcels and lack of direct access to sewer service. Finally, the Study Area lacks appropriate storm water management facilities, which contributes to the deterioration of asphalt. Table 4, which is also included in the executive summary, summarizes the findings of the eligibility for the Study Area.



SHORT & TETON

TABLE 4

Summary of Eligibility Criteria

CRITERION	CRITERION MET	CHARACTERISTICS SUPPORTING FINDING
Substantial deterioration of structures and site	**Yes**	There are few deteriorating structures, but there is significant deterioration of public infrastructure, especially street asphalt and sidewalks.
Age or obsolescence	**No**	Although the structures in the northern portion are older, they are generally in good condition and functioning.
Predominance of defective or inadequate street layout	**Yes**	The street layout in the northern portion is adequate and well-connected. In the southern portion, there is a major lack of street infrastructure which affects nearly half the acreage of the Study Area.
Outmoded street patterns	**No**	Where street infrastructure exists, it is an effective, well-connected pattern.
Need for correlation of area with other areas of by streets and modern traffic requirements	**Yes**	In the southern portion of the Study Area there is a need for east/west roadways and extended north/south roadways to better connect with the rest of the city and relieve traffic burden on Main Street.
Faulty lot layout	**Yes**	Lot splits in the northern portion of the Study Area have created undevelopable lots and lack of direct access to sewer.
Unsuitable topography	**No**	The Study Area is generally flat and there are no underlying soil issues which prevent development. There are areas on the southwest with high groundwater that does pose challenges to development. However, City of Driggs staff reported these areas are still developable with slab-on-grade construction.

CRITERION	CRITERION MET	CHARACTERISTICS SUPPORTING FINDING
Insanitary or unsafe conditions	**No**	There were no observed insanitary or unsafe conditions.
Diversity of ownership	**Yes**	75% of the parcels in the Study Area have unique ownership. The large vacant sites are under single ownership, relieving some of this issue for the most developable areas. The issue remains, though, in the downtown area to the north.
Tax or special assessment delinquency	**NA**	This was not evaluated.
Defective or unusual conditions of title	**NA**	This was not evaluated.
Existence of conditions which endanger life or property	**No**	There is some elevated risk of flooding due to lack of stormwater infrastructure, but City staff did not report this as a significant issue.
Impairs or arrests the sound growth of a municipality	**No**	The municipality has continued to grow around the Study Area. The impediments have slowed or stalled growth and redevelopment within the boundary but have not had a negative impact on the growth of the rest of the city.
Retards development of the area	**Yes**	The lack of infrastructure and deterioration of the site, along with lack of potential funding from development is a deterrent to development. There is also a significant need for additional street infrastructure in the southern portion of the Study Area.
Economic underdevelopment and economic disuse	**Yes**	See comments above.

APPENDIX A

Additional Site Photos

ASHLEY AVENUE









FIRST & ASHLEY AVENUE













FIRST & FREEMONT AVENUE













FIRST & HARPER AVENUE





FIRST & HOWARD AVENUE









FIRST & HOWARD AVENUE









FIRST & LITTLE AVENUE













FIRST & WALLACE AVENUE













FIRST, SHORT & TETON AVENUE













FIRST, SHORT & TETON AVENUE













FIRST, SHORT & TETON AVENUE













APPENDIX B

Steps in Creating a New Urban Renewal Area (URA) & Revenue Allocation Area (RAA)

If an urban renewal agency is in existence in a community, the creation of an urban renewal area, including a revenue allocation area (required for use of tax increment financing), begins with an eligibility report for a designated area within the community. The central question for an eligibility report is whether the study area has at least one of the statutory characteristics which must be found to be considered eligible for urban renewal activities. These characteristics or criteria are:

1. The presence of a substantial number of deteriorated or deteriorating structures and deterioration of site [50-2018(9), 50-2903(8)(b) and (8)(c), and 50-2008(d)(4)(2)],

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

3. Predominance of defective or inadequate street layout [50-2018(9) and 50-2903(8)(b)],

4. Outmoded street patterns [50-2008(d)(4)(2)],

5. Need for correlation of area with other areas of municipality by streets and modern traffic requirements [50-2008(d)(4)(2)],

6. Faulty lot layout in relation to size, adequacy, accessibility, or usefulness; obsolete platting [50-2018(9), 50-2903(8)(b) and (8)(c)], and 50-2008(d)(4)(2)]

7. Unsuitable topography [50-2008(d)(4)(2)],

8. Insanitary or unsafe conditions [50-2018(9), 50-2903(8)(b)],

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

10. Tax or special assessment delinquency [50-2018(9), 50-2903(8)(b)], and 50-2008 (d)(4)(2)]

11. Defective or unusual conditions of title [50-2018(9), 50-2903(8)(b) and (8)(c), and 50-2008(d)(4)(2)],

12. Existence of conditions which endanger life or property by fire and other causes [50-2018(9), 50-2903(8)(b)],

13. Substantially impairs or arrests the sound growth of a municipality and is a menace to the public health, safety, morals or welfare [50-2018(9), 50-2903(8)(b) and 8(c)],

14. Conditions which retard development of the area [50-2008(d)(4)(2)], and

15. Results in economic underdevelopment of the area [50-2903(8)(b)] and economic disuse [50-2008(d)(4)(2)].

If it is determined the Study Area has characteristics which meet one or more of the statutory criteria listed above, the Agency may accept the eligibility report and request its consideration by the governing body. No

URA can be formed unless the City Council adopts a resolution finding the area under consideration is deteriorated or deteriorating due to such characteristics, the redevelopment of the area is necessary for the welfare of the residents, and the area is appropriate for an urban renewal project.

The resolution approved by City Council authorizes the Agency to prepare a plan for the proposed urban renewal area. The urban renewal area plan is to include the following with specificity:

1. A statement describing the total assessed valuation of the base assessment roll of the revenue allocation area and the total assessed valuation of all taxable property within the municipality;

2. A statement listing the kind, number, and location of all proposed public works or improvements within the revenue allocation area;

3. An economic feasibility study;

4. A detailed list of estimated project costs;

5. A fiscal impact statement showing the impact of the revenue allocation area, both until and after the bonds are repaid, upon all taxing districts levying taxes upon property on the revenue allocation area;

6. A description of the methods of financing all estimated project costs and the time when related costs or monetary obligations are to be incurred;

7. A termination date for the plan and revenue allocation area as provided for in section 50-2903(20), Idaho Code. In determining the termination date, the plan shall recognize that the agency shall receive allocation of revenues in the calendar year following the last year of the revenue allocation provision described in the urban renewal plan;

8. A description of the disposition or retention of any assets of the agency upon the termination date. Provided however, nothing herein shall prevent the agency from retaining assets or revenues generated from such assets as long as the agency shall have resources other than revenue allocation funds to operate and manage such assets;

Once the plan is prepared and approved by the Agency, it is forwarded to the City Council. Prior to the public hearing before the City Council, the City Council forwards the plan to the City Planning and Zoning Commission for its determination that the plan conforms to the City's comprehensive plan. At least thirty (30) days prior to the public hearing, a copy of the notice and plan is distributed to the taxing entities overlapping the boundaries of the proposed district. After receiving the recommendation of the commission, and after notice fully published, the public hearing is held. The City Council must approve an urban renewal plan, including revenue allocation financing provisions, by an ordinance. If the ordinance is adopted by the City Council, a copy of the ordinance with legal description of the Revenue Allocation Area (RAA) is distributed to all the overlapping taxing entities, county officials and the State Tax Commission.

By state statute, following adoption of the ordinance, the RAA is effective January 1, of the year in which it is adopted. The RAA has a maximum life of twenty years under Idaho statutes. The urban renewal agency implements the plan adopted by the City Council.

APPENDIX C

Open Lands Analysis

The Study Area does not appear to have been used for agricultural uses in the past based on aerial photos. There has been development within and surrounding the Study Area, but many sites within the Study Area are vacant. The Study Area is large enough to support modern development but there are significant challenges due to shallow rock, deteriorating infrastructure, and obsolete platting which requires costly remediation.

Idaho Code Section 50-2903(8)(c) states: "[a]ny area which is predominately open and which because of obsolete platting, diversity of ownership, deterioration of structures or improvements, or otherwise, results in economic underdevelopment of the area or substantially impairs or arrests the sound growth of a municipality. The provisions of section 50-2008(d), Idaho Code, shall apply to open areas."

The eligibility criteria set forth in Idaho Code Section 50-2903(8)(c) for predominantly open land areas mirror or are the same as those criteria set forth in Idaho Code Sections 50-2018(9) and 50-2903(8)(b). "Diversity of ownership" is the same, while "obsolete platting" appears to be equivalent to "faulty lot layout in relation to size, adequacy, accessibility, or usefulness." "Deterioration of structures or improvements" is the same or similar to "a substantial number of deteriorated or deteriorating structures" and "deterioration of site or other improvements." There is also an additional qualification that the provisions of Idaho Code Section 50-2008(d) shall apply to open areas.

Idaho Code Section 50-2008 primarily addresses the urban renewal plan approval process and Idaho Code Section 50-2008(d)(4) sets forth certain conditions and findings for agency acquisition of open land as follows:

> The urban renewal plan will afford maximum opportunity, consistent with the sound needs of the municipality as a whole, for the rehabilitation or redevelopment of the urban renewal area by private enterprise: provided, that if the urban renewal area consists of an area of open land to be acquired by the urban renewal agency, such area shall not be so acquired unless (1) if it is to be developed for residential uses, the local governing

> body shall determine that a shortage of housing of sound standards and design which is decent, safe and sanitary exists in the municipality; that the need for housing accommodations has been or will be increased as a result of the clearance of slums in other areas; that the conditions of blight in the area and the shortage of decent, safe and sanitary housing cause or contribute to an increase in and spread of disease and crime and constitute a menace to the public health, safety, morals, or welfare; and that the acquisition of the area for residential uses is an integral part of and essential to the program of the municipality, or (2) if it is to be developed for nonresidential uses, the local governing body shall determine that such nonresidential uses are necessary and appropriate to facilitate the proper growth and development of the community in accordance with sound planning standards and local community objectives, which acquisition may require the exercise of governmental action, as provided in this act, because of defective or unusual conditions of title, diversity of ownership, tax delinquency, improper subdivision, outmoded street patterns, deterioration of site, economic disuse, unsuitable topography or faulty lot layouts, the need for the correlation of the area with other areas of a municipality by streets and modern traffic requirements, or any combination of such factors or other conditions which retard development of the area.

In sum, there is one set of findings if the area of open land is to be acquired and developed for residential uses and a separate set of findings if the land is to be acquired and developed for nonresidential uses.

Basically, open land areas may be acquired by an urban renewal agency and developed for nonresidential uses if such acquisition is necessary to solve various problems, associated with the land or the infrastructure, that have delayed the area's development. These problems include defective or usual conditions of title, diversity of ownership, tax delinquency, improper subdivisions, outmoded street patterns, deterioration of site, and faulty lot layout. All the stated conditions are included in one form or another in the definition of a deteriorated area and/or a deteriorating area set forth in Idaho Code Sections 50-2903(8)(b) and 50-2018(9). The conditions listed only in Section 50-2008(d)(4)(2) (the open land section) include economic disuse, unsuitable topography, and "the need for the correlation of the area with other areas of a municipality by streets and modern traffic requirements, or any combination of such factors or other conditions which retard development of the area."

The conclusion of this discussion concerning open land areas is that the area qualifies if any of the eligibility conditions set forth in Idaho Code Sections 50-2018(9) and 50-2903(8)(b) apply. Alternatively, the area under consideration qualifies if any of the conditions listed only in Idaho Code Section 50-2008(d)(4)(2) apply. As set forth in greater detail above, economic disuse, unsuitable topography, and faulty and obsolete platting are all conditions which delay development of the Study Area.

Based on the above analysis, while the Study Area does not appear to include "predominantly open land," which is not a defined term, and "greenfield" or previous agricultural operations, conditions found within the study area include economic disuse, unsuitable topography, and faulty platting, and therefore, the open land condition is satisfied.