

CONSOLIDATED COURTHOUSE
AND
ADMINISTRATION CENTER

BACKGROUND:

The current Ada County Courthouse was constructed 57 years ago and is deteriorating at a rapid rate. Besides having structural problems, the courthouse lacks proper security for victims, witnesses, employees and judges. The courthouse lacks room for expansion and cannot be properly adapted for current and future uses of technology.

The county owns land at 3rd and Front Streets for a Consolidated Courthouse and Administration Center. The county is proposing that a private entity construct the facility, with no tax increase, in return for development opportunities on Front Street near Broadway Avenue. As part of this agreement, the private entity could construct office buildings, apartments, retail stores and other mixed-uses. The county will continue to own the land.

ADVISORY QUESTION;

If there is NOT an increase in property taxes, do you favor the construction of a Consolidated Courthouse and Administration Center through a public-private partnership?

YES 227



NO 228



no new Tax Dollars



Ada County Corridor Project A Public/Private Partnership



- ❖ Made Possible by
74% of the Voters of
Ada County

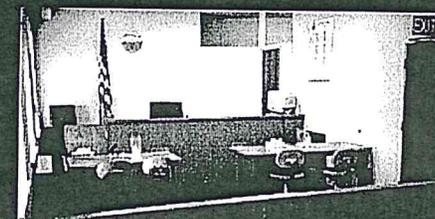
A Public Solution!



Jury Commission

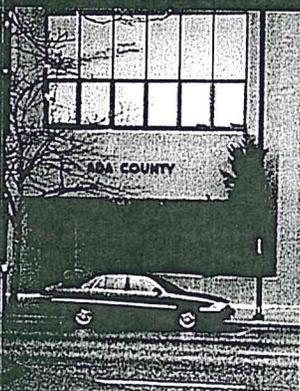


Magistrate Court



Small Claims Court

❖ All Services in One Location



Administrative Services

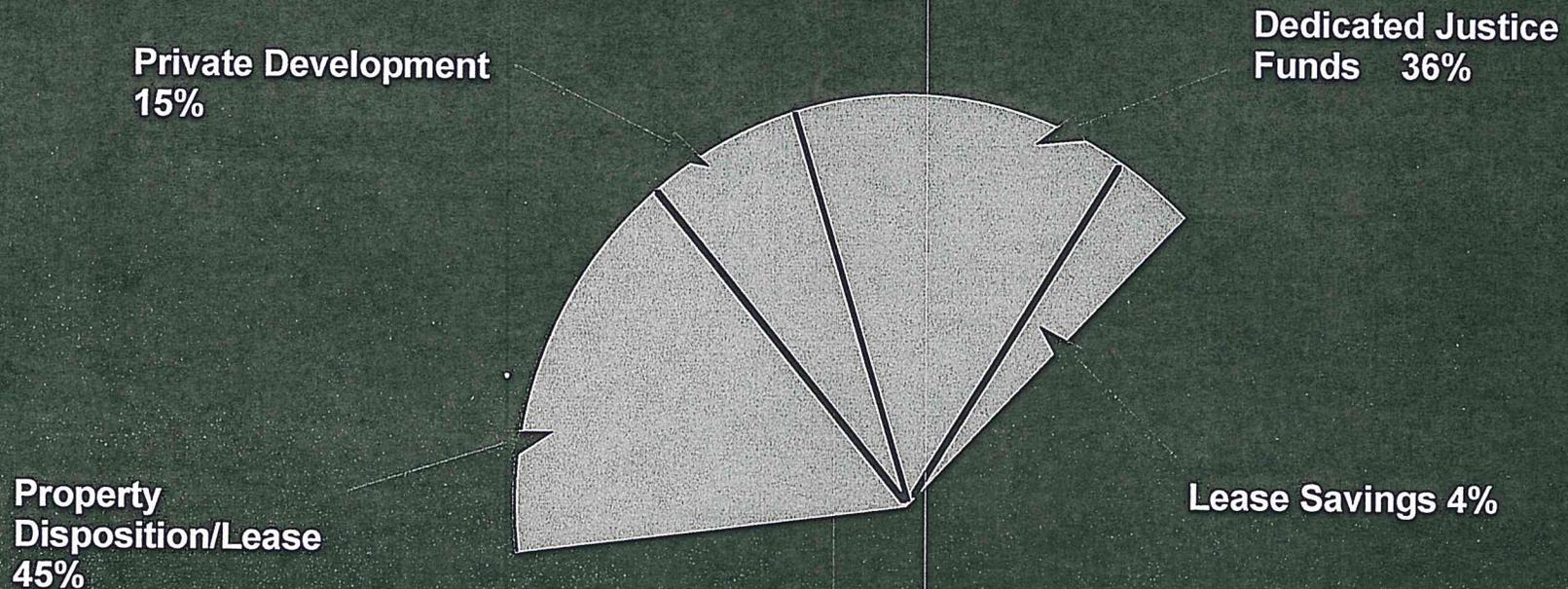


Adequate Parking



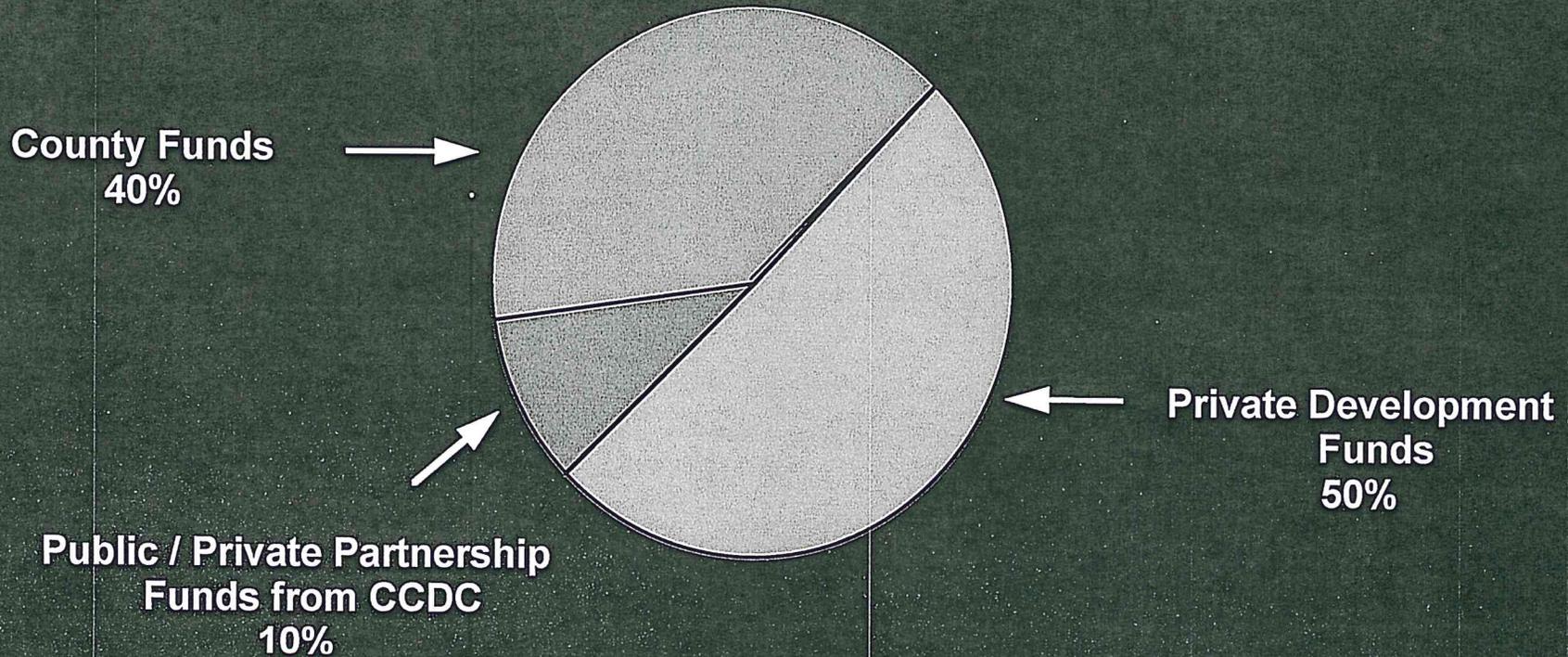
Retail Support

How Does the County Make Its Contribution?

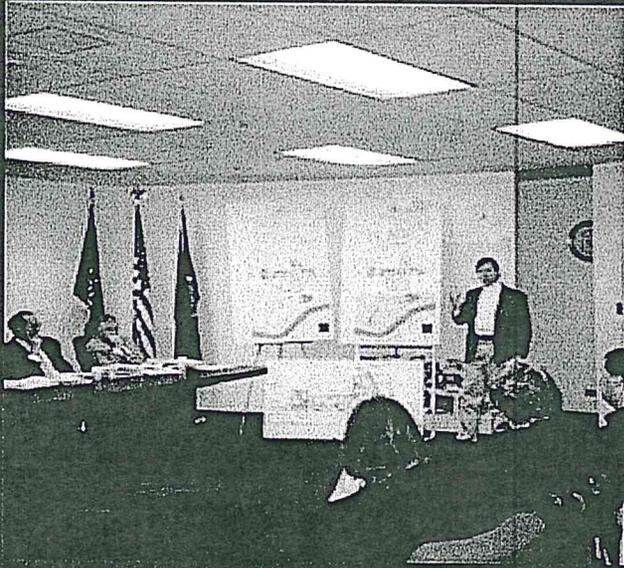


* Based on 30-year Financing Plan

Who Shares The Cost?



*A Public / Private Partnership
Makes This Possible . . .*

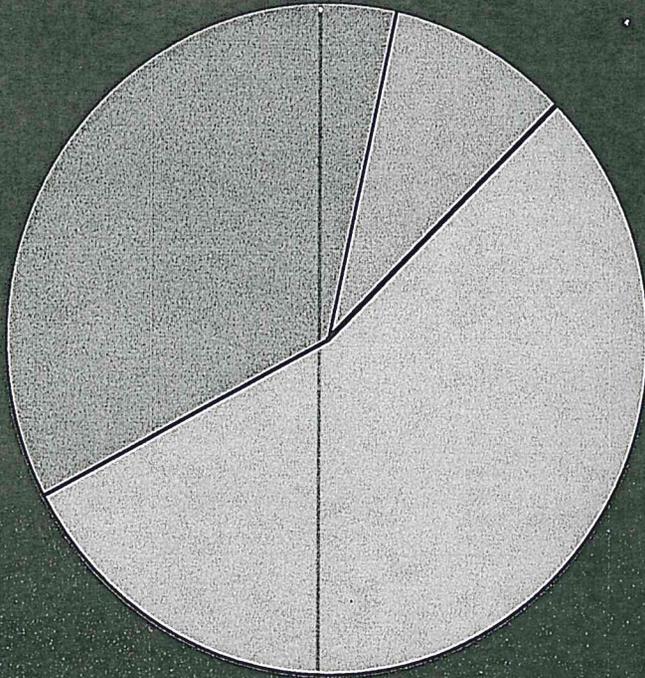


*. . . Because Private Dollars
Are Added To County Funds*

Why Private Sector Interest ?

- ❖ Attractive Location
- ❖ Anchored by Govt Center and Major Medical Facility
- ❖ Anchors generate Consumer Activity
- ❖ Govt & Medical Office Tenants
- ❖ CCDC provides Parking and Infrastructure
- ❖ Equates to Economic Opportunity

We Have the Opportunity



- ❖ To Implement a Cost Effective Solution

RESOLUTION NO. 998

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF ADA COUNTY, APPROVING THE FORM AND CONTENT OF THE COURTS COMPLEX LEASE, SETTING AS A CONDITION PRECEDENT APPROVAL OF A BUDGET CONTAINING AMOUNTS TO FUND THE INITIAL TERM OF THE LEASE, INSTRUCTING THE CLERK TO ADD FUNDING FOR THE INITIAL TERM OF THE COURTS COMPLEX LEASE TO THE ESTIMATED FISCAL YEAR 1999-2000 BUDGET, AND SETTING FURTHER CONDITIONS THAT CASE NO. CV OC 9804773D BE RESOLVED AND THAT THE CAPITAL CITY DEVELOPMENT CORPORATION FUND CONSTRUCTION FOR THE COURTS COMPLEX PROJECT.

THE BOARD OF COMMISSIONERS OF ADA COUNTY FINDS AS FOLLOWS:

WHEREAS, Ada County, Idaho (the "County") is a duly organized and existing county under the laws and the constitution of the State of Idaho; and

WHEREAS, County is authorized and statutorily mandated by Idaho Code Section 31-1001 to provide a courthouse, suitable office space and facilities for county departments and for the justice systems; and

WHEREAS, County constructed the current Ada County Courthouse in 1939 to function as a combined courts and administration facility; and

WHEREAS, the current Ada County Courthouse has been remodeled, renovated, and repaired numerous times over the years, adding additional courtrooms and work spaces for the justice system; and

WHEREAS, the former jail on the upper floors of the current Ada County Courthouse can no longer accommodate prisoners for extended periods of time due to safety, sanitation, and security reasons; and

WHEREAS, the former jail facilities can not be put to productive and efficient use; and

WHEREAS, in the mid 1970s County and the City of Boise constructed a public safety complex housing the Ada County Sheriff's Office, the Boise City Police Department, the Ada County Jail, and five additional courtrooms all of which are located some ten miles from the current Ada County Courthouse; and

WHEREAS, due to space limitations, County must currently operate courtrooms in three separate locations which causes confusion for users of the County's justice facilities and contributes to inefficient administration of justice; and

WHEREAS, new judges are scheduled be added to the list of those currently chambered in Ada County; and

WHEREAS, there is no more room to house additional judges, court clerks, and support staff in any of the existing court facilities; and

WHEREAS, when additional judges, court clerks, and support staff are provided, the County will be forced to find yet a fourth location for court facilities; and

WHEREAS, due to a lack of space, jurors reporting for jury duty must assemble three blocks from the current downtown Courthouse and then walk through the elements and stand in line exposed to potential tampering and the elements while waiting to pass through security checkpoints; and

WHEREAS, due to the outdated design of the old Courthouse, prisoners being transported from the Ada County Jail to court enter the old Ada County Courthouse through an unsecured parking lot utilized by the judiciary and staff employees and are then walked to court through open corridors mingling with members of the public; and

WHEREAS, the current criminal courtrooms do not have modern security features for the handling of high risk criminal defendants; and

WHEREAS, there are insufficient private waiting areas for the victims of abuse and sexual assault to wait during trial causing them to sit in the hallways, oftentimes near their assailants; and

WHEREAS, there are few areas for the private consultation of lawyers with their clients in the courthouses in Ada County; and

WHEREAS, there is insufficient parking available for the users of the County's current downtown Courthouse; and

WHEREAS, the current downtown Courthouse was not designed, and cannot be efficiently retrofitted for, modern electronic litigation and the presence of electronic media during trial; and

WHEREAS, several courtrooms in the current downtown Courthouse have been converted to courtroom use from other uses leaving structural support pillars obstructing the view of the courtroom by the judge, and the witness by observers; and

WHEREAS, efficient use and consumption of utility services is not possible in the current downtown Courthouse in its configuration as a courthouse; and

WHEREAS, the proposed new Ada County Courthouse to be located on the Corridor Property is designed to make the most economical use of services such as natural gas, electricity, and geothermal water; and

WHEREAS, the current Courthouse is bordered on all sides by major facilities of the State of Idaho, including the State Capitol, the State Supreme Court and three state office buildings; and

WHEREAS, design and location restrictions make it impossible to economically or feasibly modernize and expand the old Ada County Courthouse; and

WHEREAS, in 1978 a shortage of space caused County to build an Administration Building to house the administrative functions of the County; and

WHEREAS, there is no room left for growth in the Administration Building; and

WHEREAS, in 1990 County entered into a lease purchase of the Eagle's Building to provide additional administrative and court offices; and

WHEREAS, there is no room left for growth in the Eagle's Building; and

WHEREAS, in 1990 the Board of Ada County Commissioners determined that the existing Courthouse facilities were inadequate, did not comply with statutory mandates, and that a new larger facility would be needed in the foreseeable future; and

WHEREAS, the Board of Ada County Commissioners found that consolidating the County's scattered justice and administrative facilities into one building is necessary; and

WHEREAS, the Board of Ada County Commissioners found that providing for the orderly and efficient use of space would require a new facility; and

WHEREAS, in 1990, in order to obtain the real property on which to construct a new courthouse facility to meet the need to replace the existing structures and to provide the necessary parking for patrons and employees, the Board of Ada County Commissioners

entered into a lease purchase agreement for approximately 14 acres of land, (the Corridor Property), in downtown Boise, Idaho, the County Seat of Ada County, Idaho; and

WHEREAS, certain residents of Ada County, including Robert Forrey, and the Ada County Property Owners Association, Inc., questioned that decision and the transaction was thereafter presented for review in a contested hearing through the procedures provided in the Judicial Confirmation Law; and

WHEREAS, Robert Forrey personally participated in those contested proceedings and took the stand and testified against the purchase of the Corridor Property at that hearing; and

WHEREAS, in 1992, the lease and purchase agreements for the Corridor Property were determined and adjudged by the Honorable George Granata in that lawsuit to be, *inter alia*, an ordinary and necessary expense of County government due to the inadequate, overburdened, and obsolescent nature of the existing County facilities; and

WHEREAS, in that lawsuit, the transaction as structured was determined and adjudged by the Honorable George Granata, not to be a liability as defined by Idaho Constitution, Article VIII, § 3; and

WHEREAS, a copy of the decision of Judge Granata is appended hereto as Exhibit "4;" and

WHEREAS, the decision of Judge Granata was appealed by neither the Ada County Property Owners, Association, Inc. nor Robert Forrey; and

WHEREAS, the conditions recited therein and the basis for that decision have not changed; and

WHEREAS, County is now the owner of the Corridor Property in fee simple; and

WHEREAS, County has run out of room to house justice facilities, administrative facilities, and the officers and employees to run these systems and is sprawled out in six different locations scattered throughout Boise, Idaho; and

WHEREAS, the scattered nature of the County facilities is economically inefficient and prevents the fair management of the justice system and the County administrative system; and

WHEREAS, for the reasons and as described above, County purchased the Corridor Property; and

WHEREAS, County determined to provide for the orderly development of the Corridor Property and adjacent areas in the public interest and specifically to provide an economic basis so as to avoid the imposition of new taxes and to defray the costs of a new courthouse, the entire development having become known and designated as the "Ada County Courthouse Corridor Project;" and

WHEREAS, approximately ten (10) acres of Corridor Property is to be used for a courthouse, related parking facilities, other public improvements, integrated retail spaces, and other public and private development, and is referred to herein as the "Site", the portion of the development to be completed on the Site having become known as the "Courts Complex Project;" and

WHEREAS, County determined to construct a new courthouse, parking facilities, integrated retail space, and related development on a portion of the Site which is referred to herein as the "Land;" and

WHEREAS, the Capital City Development Corporation (Agency) is an urban renewal agency created by and existing under the authority of and pursuant to the Idaho Urban Renewal Law of 1965, being Idaho Code, Title 50, Chapter 20, as amended and supplemented (the "Law"); and

WHEREAS, the City of Boise City, Idaho (the "City"), by adoption of Ordinance No. 5596 on December 6, 1994, duly adopted the River Street-Myrtle Street Urban Renewal Plan (the "Urban Renewal Plan") as part of its Land Use Planning Principles to be administered by Agency; and

WHEREAS, the Urban Renewal Plan has designated a geographical area to be covered by the Urban Renewal Plan located in the River Street-Myrtle Street area of the City and referred to herein as the "Urban Renewal Area;" and

WHEREAS, the Corridor Property is located within the River Street-Myrtle Street area; and

WHEREAS, Agency has, as a part of the Urban Renewal Plan, determined that the Ada County Courthouse Corridor Project is an important element of the Myrtle Street portion of the Urban Renewal Area and is appropriate for its commitment of resources for public improvements and has expressed a willingness to consider other kinds and levels of support; and

WHEREAS, Agency and County entered into an agreement under which it was agreed that Agency would provide, at no charge to County, expertise and other assistance to County in the process of selecting a potential developer for the Ada County Courthouse Corridor Project; and

WHEREAS, Agency was designated as County's agent for purposes of providing advice and document control during the developer selection process; and

WHEREAS, in August 1995, County began its competitive process for selecting a developer or developers for the Ada County Courthouse Corridor Project by soliciting expressions of developer interest in designing and building, according to certain performance criteria, a replacement for the current County justice and administrative facilities, and the other portions of the Ada County Courthouse Corridor Project; and

WHEREAS, the solicitation of expressions of interest was published in local newspapers of general circulation and in national publications several times for a period in excess of 60 days; and

WHEREAS, sixty-one (61) developers requested information packages containing the design build and other performance criteria concerning the Ada County Courthouse Corridor Project; and

WHEREAS, twelve (12) developers submitted Phase I proposals expressing interest in the Ada County Courthouse Corridor Project therein, ten (10) of which ultimately qualified; and

WHEREAS, on November 9, 1995, the Board of Ada County Commissioners named a citizens' selection committee composed of eleven (11) persons representing a variety of disciplines and community perspectives (the "Committee") to assist in the selection process and to make a recommendation to the Commissioners of a developer or developers who could satisfy the design build and other performance criteria and with whom County should negotiate to complete the Ada County Courthouse Corridor Project; and

WHEREAS, the proposals of each of the remaining ten (10) developer teams and other background information were delivered to each of the Committee's members, and, after reviewing these Phase I proposals and other information, on December 12, 1995, the Committee met, conferred about and then selected six (6) developers who were invited to submit Phase II proposals, to wit: P-SG Boise/Hensel Phelps, The Boyer Company, Robert A. Alleborn, the Fluor/Wilmore Civic Partners Group, Renaissance Partnership/Griffin Realty Corporation, and Kajima Construction (Kajima thereafter withdrew from consideration); and

WHEREAS, each of the five (5) remaining developers was allowed to and did avail itself of an opportunity to meet with members of the Committee, County and Agency staff for the purpose of developing a better understanding about the Ada County Courthouse Corridor Project prior to submitting a Phase II Proposal; and

WHEREAS, on or before March 1, 1996, Agency received Phase II submissions from all remaining developers and, after reviewing the Phase II submissions, the Committee selected and met with four (4) developers on April 3, 1996: P-SG Boise/Hensel Phelps, The Boyer Company, Robert A. Alleborn, and the Fluor/Wilmore Civic Partners Group; and

WHEREAS, after due consideration and deliberation, the Committee recommended to the Board of Ada County Commissioners that it select Fluor/Wilmore Civic Partners Group with Morrison Knudsen Corporation, as principal contractor as the preferred developer candidate, with The Boyer Company being named as the alternate candidate; and

WHEREAS, on April 9, 1996, the Commissioners, by motion duly made and unanimously passed, accepted the Committee's recommendation and determined to begin negotiations with the Fluor/Wilmore Civic Partners Group, with the Morrison Knudsen Corporation as principal contractor; and

WHEREAS, on May 21, 1996, the question of whether the Ada County Courthouse Corridor Project should go forward, within certain constraints and subject to certain conditions, was presented for an advisory vote by the electors of County on the Primary Election Ballot, the specific proposition on which the vote was taken is attached hereto as Exhibit "5" (the "Ballot Proposition"); and

WHEREAS, the Ballot proposition passed overwhelmingly by a majority in excess of seventy percent (70%); and

WHEREAS, on September 10, 1996, County, Agency, and the Fluor/Wilmore Civic Partners Group, together with Wilmore Holdings, Inc., with Morrison Knudsen Corporation as principal contractor, entered into an Agreement to Negotiate Exclusively (the "ANE"), pursuant to which, as it has been amended, the parties have negotiated concerning the preparation and execution of an acceptable plan for development of the Ada County Courthouse Corridor Project and the Corridor Property; and

WHEREAS, Steven P. Semingson, the principal of the Wilmore Civic Partners Group and Wilmore Holdings Inc., after withdrawal of one member, Fluor Daniel, from the Fluor/Wilmore Civic Partners Group, continues to act as the Developer for the Ada

County Courthouse Corridor Project, (the "Developer"), with Morrison Knudsen Corporation continuing as principal contractor; and

WHEREAS, on April 28, 1998, County, Agency, and Civic Partners Idaho, LLC, (an Idaho subsidiary of Wilmore Civic Partners Group), entered into an Amendment to the ANE to reflect the current circumstances and to revise the Schedule of Performance in light of then current conditions; and

WHEREAS, Agency is authorized to acquire any interest in real property by negotiation which it deems necessary for or in connection with an Urban Renewal Project; and

WHEREAS, County is specifically authorized by Idaho Code Sections 50-2015 and 31-836, to lease its properties to a redevelopment agency for redevelopment purposes; and

WHEREAS, Agency has entered into a Development Agreement with the County for the development of the Site (the "Master Development Agreement"), attached hereto as Exhibit "1", which agreement provides, *inter alia*, for the construction of a new Ada County Courthouse and related parking facilities (the Facilities), to replace the existing outdated structures, integrated retail space (the "37 Retail Space") and ancillary public improvements (the "Bond Public Improvements") with Bond proceeds (collectively, the "Courts Complex Project"), related public improvements by Agency (the "Other Public Improvements"), and certain private development (the "Private Development") consistent with the Urban Renewal Plan; and

WHEREAS, County has determined that the remaining portions of the Corridor Property, to the east of Avenue A extended, to Broadway Avenue (the Avenue A Project), are not interconnected in use, parking and circulation with the Courts Complex Project, and should be developed independently of the Courts Complex Project; and

WHEREAS, because the Avenue A Project is not a part of the Site, and is not currently necessary for County's use in facilitating Agency's construction of the County courthouse building and the related development as now proposed, the Avenue A portion of the Corridor Property should, pursuant to Idaho Code § 31-836, be separately leased to Agency as surplus property of County; and

WHEREAS, Agency is authorized by the Law to acquire the Site, to finance the acquisition and construction of the Courts Complex Project by the issuance, sale, and delivery of lease revenue bonds, and to lease the Courts Complex Project to County, and Agency desires to undertake construction of the Courts Complex Project and to

provide financing for the Courts Complex Project pursuant to the Urban Renewal Plan;
and

WHEREAS, Agency proposes, under the Law, to finance the acquisition and construction of the Courts Complex Project, including the funding of a reserve fund, payment of capitalized interest and the payment of certain costs of issuance associated therewith, by the issuance of its Urban Renewal Lease Revenue Bonds (Ada County Courts Complex) Series 1999 in the aggregate principal amount of \$67,025,000.00 (the "Series 1999 Bonds"); and

WHEREAS, County has requested Agency to issue its Series 1999 Bonds in an amount sufficient, together with other monies available therefore, to (a) finance the costs of the Courts Complex Project; (b) fund the Debt Service Reserve Account in an amount equal to the Reserve Account Requirement as provided in the Bond Resolution; (c) fund a capitalized Interest Account in an amount sufficient to pay interest on the Series 1999 Bonds through August 15, 2001; and (d) to pay the cost of issuance associated therewith; and

WHEREAS, County proposes to lease the Site to Agency, pursuant to the Master Ground Lease, attached hereto as Exhibit "2", dated as of January 1, 1999, and has provided in the Master Ground Lease and in the Master Development Agreement, for development of the Site in compliance with the performance criteria expressed in the solicitations of interest, and for certain other controls over the development of the Courts Complex Project and Private Portions of the Site, as expressed in the Disposition and Development Agreement, (the "DDA") attached hereto as Exhibit "6", the Master Sublease, attached hereto as Exhibit "7," and the Sub-subleases; and

WHEREAS, Agency proposes to enter into a Design and Construction Contract with Morrison Knudsen Corporation for the construction of the Facilities, which contract is attached hereto as Exhibit "9;" and

WHEREAS, County will continue to have fee ownership of the Site subject only to Agency's interests in the Master Ground Lease and the sub-interests created therein; and

WHEREAS, it is proposed that pursuant to Idaho Code § 30-1001, County will sublease and rent the Facilities from Agency under the terms and conditions set forth in the Courts Complex Lease Agreement (the "Courts Complex Lease Agreement") attached hereto as Exhibit "8;" and

WHEREAS, the initial lease term of the proposed Courts Complex Lease commences on October 1, 1999, and will expire on September 30, 2000, and County shall be under no obligation to renew the term of the Courts Complex Lease; and

WHEREAS, the proposed Courts Complex Lease contains a provision for annual renewal terms that may be exercised by the affirmative action of the Board of Ada County Commissioners, in its sole discretion, prior to September 15th of each lease year of appropriating sufficient funds, to pay the lease payments due under the Courts Complex Lease for the next succeeding renewal term or the Courts Complex Lease will terminate; and

WHEREAS, pursuant to Idaho Code § 31-1001, County may purchase the Facilities upon due retirement of the Series 1999 Bonds; and

WHEREAS, County has imposed, pursuant to the solicitation of expressions of interest, as a condition of Agency's obtaining an interest in the Site for purposes of development and redevelopment pursuant to the Urban Renewal Plan, that Agency enter into certain agreements with Developer, and that Agency may not seek any other developer for the Ada County Courthouse Corridor Project; and

WHEREAS, Agency has no current interest in the Corridor Property and will obtain an interest only pursuant to the Master Ground Lease; and

WHEREAS, County would not have agreed to enter into the Master Ground Lease unless Agency committed to entering into the DDA and the Master Sublease with Developer; and

WHEREAS, Agency is required to invoke certain disposition procedures in compliance with Idaho Code Section 50-2011(b), when Agency disposes of real property by way of sale or lease, such requirements including public notice of its intent to sell or lease such property prior to the delivery of any instrument of conveyance, and that the sale or lease price, as the case may be, is no less than the fair reuse appraisal value of such property, all as set out under the Law; and

WHEREAS, Agency has published its Notice of Intent to Proceed with review for approval of the DDA; and

WHEREAS, Agency has previously published notice of its intent to dispose of the facilities to County under the Courts Complex Lease Agreement; and

WHEREAS, Agency will comply with its statutory procedures for the disposition of the private development parcels to Developer under the Master Sublease; and

WHEREAS, the Board of Ada County Commissioners has reviewed the proposed Courts Complex Lease, and has determined it is in the best interests of the County to enter into that agreement if, and when, the lawsuit filed by the Ada County Property Owners Association, Inc., and certain others, has been resolved and removed as a legal impediment to entering into the Agreement, and contingent upon Agency's funding of its Series 1999 Bonds to finance the Courts Complex Project, pursuant to the Bond Purchase Contract, attached hereto as Exhibit "3;" and

WHEREAS, the Board of Ada County Commissioners has reviewed the proposed Master Development Agreement and Master Ground Lease, and has determined it is in the best interest of the County to enter into those Agreements, subject to the condition that the Agency issue its Series 1999 Bonds for the construction of the Facilities; and

WHEREAS, the Board of Ada County Commissioners has reviewed the proposed Master Sublease, the DDA, the Bond Purchase Contract, and the Design Build Contract and, in conformance with the Master Ground Lease, has determined it is in the best interest of the County to approve the form and content of those agreements; and

WHEREAS, Agency will republish notice of its intent to enter into the Courts Complex Lease Agreement prior to its consideration of approval of the Courts Complex Lease Agreement;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF ADA COUNTY COMMISSIONERS THIS 2nd DAY OF FEBRUARY, 1999, That the form and content of the Master Sublease, the DDA, and the Design Build Contract are hereby approved; and

BE IT FURTHER RESOLVED that County shall execute, sign, and enter into the Master Development Agreement, and the Master Ground Lease; and

BE IT FURTHER RESOLVED that County shall approve and execute the Bond Purchase Contract; and

BE IT FURTHER RESOLVED that County shall approve the form and content of the Courts Complex Lease; and

BE IT FURTHER RESOLVED that the Ada County Clerk/Auditor/Recorder be instructed to place an amount necessary to fulfill the County's obligation under the Ada County Courts Complex Lease in the 1999-2000 fiscal year Estimated Budget for an initial Term commencing October 1, 1999; and

BE IT FURTHER RESOLVED that it shall be a condition precedent to the effectiveness of the Ada County Courts Complex Lease that the amounts necessary to fulfill the County's obligations thereunder have been approved in the Final Budget for the fiscal year 1999-2000 which commences October 1, 1999, by the Board of Ada County Commissioners; and

BE IT FURTHER RESOLVED that it shall be a condition precedent to the effectiveness of the Ada County Courts Complex Lease that resolution of that certain lawsuit between the Ada County Property Owners Association and Ada County be obtained, allowing the transaction to proceed forward; and

BE IT FURTHER RESOLVED that it shall be a condition precedent to the effectiveness of the Ada County Courts Complex Lease that the sale of its Series 1999 Bonds, or other Bonds by the Agency in an amount necessary to finance the construction of the Courts Complex Project have occurred.

ADOPTED this 2 day of February, 1999.

Board of Ada County Commissioners

By: Vernon L. Bisterfeldt
Vernon L. Bisterfeldt, Chairman

By: Frank Walker
Frank Walker, Commissioner

By: Roger Simmons
Roger Simmons, Commissioner

ATTEST:

David Navarro
J. David Navarro, Ada County Clerk

FOR IMMEDIATE RELEASE

February 2, 1999

**FINAL DEVELOPMENT DOCUMENTS SIGNED TO START ADA COUNTY
COURTHOUSE PROJECT**

(Boise)---More than two years after voters approved a public/private partnership to build a new Ada County Courthouse and Administration building, officials from Civic Partners, Morrison-Knudsen, Capital City Development Corporation and the Ada County Commissioners signed documents today to allow the development to move forward. A total of eight separate documents were either signed or approved this afternoon in the Ada County Commissioners hearing room, including the Master Development Agreement, the Authorizing Resolution, the Master Ground Lease, the Disposition and Development Agreement, the Master Sublease, the Bond Purchase Contract, the Design-Build Contract and the Courts Complex Lease.

The voluminous paperwork was required in part due to a lawsuit filed against the county by northern Idaho attorney Starr Kelso on behalf of Ada County Property Owners Association members Jim Auld and Robert Forrey. The signing of the documents today allows that lawsuit to move forward. County officials estimate that the lawsuit has cost the county and county taxpayers a full fiscal year due to bond timing problems. With today's signing it is possible to have a decision, and, if the decision is favorable, the sale of bonds in August of this year.

Although there are still other details to be worked out by the developer, Civic Partners Chief Executive Officer, Steve Semingson, says they are hoping for a ground breaking for the private side of the mixed-use development by mid-1999. Ground breaking for the courthouse and administration building is contingent on the timing and the outcome of the lawsuit. While Ada County Commissioners expressed confidence in the outcome, they acknowledge that the litigation has been expensive thus far, and that expense will continue to mount as the lawsuit continues.

The current Ada County Courthouse was built in 1939, when the population of Ada County was only 50,000 people. The building housed the courts and the county administration. More than 260,000 people now reside in Ada County, and county operations have spread to numerous locations. Ada County Commissioners proposed the current public/private partnership concept to relieve overcrowded conditions and avoid judicial gridlock. The consolidation of services will allow Ada County to pay for the facility by using funds generated from the disposition of existing properties, lease savings from current rented space, lease payments to the county from the retail, office and residential uses, fees generated from court activity, and revenues derived from

incremental property tax values. This financing concept will allow the county to avoid bond indebtedness which would impose a new and separate tax on property owners in Ada County. The concept was proposed and approved by almost three-fourths of Ada County voters on an advisory ballot in May of 1996. Ada County Commissioners feel the public/private partnership provides county taxpayers with a unique opportunity to address an obvious governmental need while creating a desirable, multi-use development without raising taxes.

The project will utilize county-owned property in the downtown core and is designed to combine work, shopping and living elements into an urban setting that is pedestrian friendly and reminiscent of the architectural style that characterizes historical downtown business districts. Along with the courthouse/administration building, other uses include office, retail, residential housing and public parking. Local design firms involved with the project include Armstrong Architects, Lombard-Conrad Architects, HDR Civil Engineering and Jensen Belts Landscape Architects. In addition, the national firms of McLarand, Vasquez & Partners and EDWA, Inc. are involved in the project's overall design. Marketing for retail and office space is being administered by the local office of Colliers International.

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF ADA COUNTY, IDAHO, EXPRESSING OFFICIAL INTENT, PURSUANT TO SECTION 1.150-2 OF THE FEDERAL INCOME TAX REGULATIONS, TO REIMBURSE, FROM THE PROCEEDS OF THE URBAN RENEWAL AGENCY OF BOISE CITY LEASE REVENUE BONDS, SERIES 1998, CERTAIN CAPITAL EXPENSES TO BE PAID BY THE COUNTY PENDING THE ISSUANCE OF BONDS; AND PROVIDING AN EFFECTIVE DATE:

WHEREAS, it is the intent of the Board of Commissioners (the "Board") of Ada County, Idaho (the "County"), to pay certain capital expenditures incident to the acquisition and construction of the Courts Complex Project to be financed with the proceeds of the Reimbursement Bonds referred to in Section 1 of this Resolution from the funds of the County pending the sale and delivery of the Reimbursement Bonds by the Urban Renewal Agency of Boise City and the receipt of the proceeds thereof, a portion of which Reimbursement Bonds is to be used to reimburse the funds of the County.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF ADA COUNTY, IDAHO, as follows:

Section 1. Ada County, Idaho (the "County"), reasonably expects to reimburse the expenditures described herein from the proceeds of the Urban Renewal Agency of Boise City Lease Revenue Bonds, Series 1998 (the "Reimbursement Bonds"), to be issued by the Urban Renewal Agency of Boise City (the "Agency") for the purpose of financing the acquisition and construction of a courthouse facility, parking garages, and certain related improvements, to be leased by the County from the Agency pursuant to the Courts Complex Lease Agreement.

Section 2. This declaration of official intent is made pursuant to § 1.150-2 of the Income Tax Regulations promulgated by the U.S. Department of the Treasury.

Section 3. The expenditures with respect to which the County reasonably expects to reimburse its funds from the Reimbursement Bonds are for the costs of acquisition and construction of the Ada County Courts Complex Project, consisting generally of the acquisition and construction of a public courthouse facility, public garages, public circulation spaces, and improvements associated therewith.

Section 4. The expenditures which the County expects to be reimbursed will be made from the Current Expense Fund of the County.

Section 5. The maximum principal amount of bonds expected to be issued for the project described in Section 3 is \$65,000,000.

Section 6. This Resolution shall be in full force and effect immediately upon its adoption and approval.

ADOPTED this 30th day of June, 1998.

Board of Ada County Commissioners

By: Vernon L. Bisterfeldt
Vernon L. Bisterfeldt, Chairman

By: Frank Walker
Frank Walker, Commissioner

By: Roger Simmons
Roger Simmons, Commissioner

ATTEST:

J. David Navarro
J. David Navarro, Ada County Clerk

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF ADA COUNTY APPROVING AND PROVIDING FOR THE SOURCE OF LEASE PAYMENTS PURSUANT TO THE COURTS COMPLEX LEASE BETWEEN THE COUNTY AND CAPITAL CITY DEVELOPMENT CORPORATION, DATED AS OF JUNE 1, 1998, AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO:

WHEREAS, Ada County (the "County") owns more than fourteen acres of land (the "Site") in downtown Boise and has contracted to enter into a public-private partnership to construct a new County Courthouse and Administration Building, associated parking garages, and public circulation ways (the "Courts Complex Project") on a portion of the Site and to allow private development of the remaining portion of the Site (the "Related Private Development"); and

WHEREAS, the County called for an advisory vote at the 1996 primary election to determine whether Ada County residents would support construction of the Courts Complex Project and the Related Private Development if there were no increases in property taxes; and

WHEREAS, more than 66 & 2/3 of Ada County voters approved the funding of the Courthouse Project, as proposed at the 1996 primary election; and

WHEREAS, the Courts Complex Project will be funded through a combination of sources including the County's dedicated justice fees, costs savings, sales of existing assets, various grounds rents, and funds derived from the Related Private Development; and

WHEREAS, the County proposes to enter into agreements with Capital City Development Corporation ("CCDC"), whereby CCDC will: (i) issue lease revenue bonds (the "Bonds") to fund construction of the Courts Complex Project, (ii) lease the Courts Complex Project to the County in exchange for lease payments (the "Lease Payments") which CCDC will apply toward debt service on the Bonds, subject to the County's right to renew the lease each year, (iii) manage development of the Site, and (iv) apply ground rentals received toward debt service on the Bonds; and

WHEREAS, through prudent fiscal management and conservative accounting practices the County has achieved and continues to maintain a high credit rating, which rating is AA by Standard & Poor's Ratings Group ("S&P") with respect to general obligations of the County; and

WHEREAS, it is in the best interests of the County to obtain the lowest lease payments possible on the Courts Complex Project and such costs will be reduced if S&P analyzes the transaction as containing the County's general obligation to pay the Lease Payments; and

WHEREAS, the lease payment cost would be increased if S&P analyzes the transaction as one in which the County is pledging only dedicated funds and revenues derived from nongovernmental sources; and

WHEREAS, it is in the best interests of the County to not limit the sources of funds from which Lease Payments will be paid.

NOW, THEREFORE, SUBJECT TO THE CONDITION THAT THE COUNTY CAN APPROVE AND REJECT LEASE PAYMENTS IN ANY ONE YEAR;

BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE COUNTY AS FOLLOWS:

Section 1. Payment for construction of the Courts Complex Project primarily shall consist of the funds previously identified by the County as available for the Courthouse Project.

Section 2. The County expects that CCDC will develop the Site and the Related Private Development in a manner that provides adequate funds for payment of debt service on the Bonds that is not paid from the County's identified funds.

Section 3. Notwithstanding the foregoing, the County does not intend to limit the source of revenue available for payment of the Lease Payments. The County expects that through conservative accounting practices, the County's fund balance and operating surplus will enable the County to make the required Lease Payments in full even if private development does not occur without an increase in property taxes.

Section 4. All resolutions or parts thereof in conflict herewith are, to the extent of such conflict, hereby repealed, and shall have no further force or effect.

Section 5. This Resolution shall take effect immediately upon its adoption and approval.

ADOPTED this 30th day of June, 1998.

Board of Ada County Commissioners

By: Vernon L. Bisterfeldt
Vernon L. Bisterfeldt, Chairman

By: Frank Walker
Frank Walker, Commissioner

By: Roger Simmons
Roger Simmons, Commissioner

ATTEST:

J. David Navarro
J. David Navarro, Ada County Clerk



ADA COUNTY

OPERATIONS
DEPARTMENT
650 Main Street
Boise, Idaho 83702

Dave Logan
Director

Phone
(208) 364-2345

M E M O R A N D U M

DATE: June 13, 1994
TO: Roger Simmons
Ada County Commissioner
FROM: Dave Logan, Director
Ada County Operations
SUBJECT: COURTHOUSE PROJECT

Please review the attached information that you requested:

The following is a brief description of the County's Courthouse Project which should be used to identify the possible scope.

- * Ada County has a need to replace its Courthouse, Administration Building, and the Eagle Building Complex.
- * The County is the landowner of a highly desirable 14.25 acre site.
- * The County has interest in developing a multi-use phased (but integrated) planned development.
- * The County's projection for office space (administrative and courthouse needs) through the year 2000 is 211,000 square feet. - 307
- * The project site lends itself to the potential integration of extensive private office and retail uses, governmental uses, public space and plazas within the site located at the present eastern boundary of downtown.
- * The project site will have strategically placed on-site structured parking for over 1,000 cars.
- * The County is interested in both meeting its foreseeable needs and providing options to meet its needs 25-50 years.

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- * The County is interested in utilizing (mining) the value of its land holdings and to assist in financing the development of its expanded administrative facility requirements.
- * The land values in this area are estimated at _____ per square foot and the height restriction is approximately _____ feet above ground level.



A Special Place

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POLICY STATEMENT

**SUPPORT THE CONSTRUCTION OF AN ADA COUNTY COURTHOUSE
IN THE DOWNTOWN AREA**

POLICY STATEMENT: The Boise Area Chamber of Commerce supports the future construction of an Ada County Courthouse in the downtown area of Boise. The Courthouse would include the judicial facilities for the county, which are courtrooms, judicial chambers and judicial administrative support offices.

Background:

The current Ada County Courthouse, located on Jefferson Street between 5th and 6th streets, was constructed in 1939 when the population of the county was 50,000. The courthouse contained all the functions of county government, including the jail and sheriff.

In 1975, with a county population of 130,000, the courthouse was remodeled to add courtroom and judicial chambers and county government functions began to migrate away from this overcrowded building. The courthouse contains 12 courtrooms for 8 District Judges and 15 Magistrates.

In 1995, with a population of over 250,000, Ada County now has an administration building attached to city hall and other county functions are located in a building at 6th and Idaho and near the jail on Barrister Street.

The current courthouse has many specific and structural problems. It is deteriorating at a rapid pace; has security problems for judges, employees and inmates; lacks parking space and room for expansion; and does not serve the needs for technology and other emerging innovations.

A Site Selection Committee appointed in 1986 recommended a new central court facility be located downtown. The committee established several guidelines for a new facility, including:

- * Should be a free-standing building within walking distance of the major government and law-oriented buildings in downtown Boise.
- * Should provide secure access for judges, jurors, law enforcement personnel, inmates, employees and the general public.
- * Should include adequate open space for future expansion and include adequate parking.

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In 1990, the Chief Justice of the Idaho Supreme Court appointed a Court Facilities Needs committee to assess the court facility needs in Ada County. The committee met for several months and studied various options for court facilities. With approval from the Board of the Ada County Commissioners, a nonprofit corporation named Friends of the Ada County Judicial System purchased 14.25 acres of Union Pacific Railroad right-of-way along Front Street from 3rd to Broadway for \$4 million. The nonprofit corporation then entered into a lease/purchase agreement with Ada County, with all payments made by the county. All payments have been completed and the property is owned by Ada County.

Financing Alternatives for a New County Courthouse:

1. Lease/purchase arrangement pursuant to Idaho Code: 31-1001. This section specifically allows a county to enter a long-term lease for jail and courthouse facilities. The arrangement can be developed so a lessor builds a courthouse to the county's specifications prior to leasing the facility to the county if the land is owned by the county.
2. Bond election process raising the necessary funds from property tax with a two-thirds vote of the electors.
3. Accumulation of a construction fund for criminal justice facilities allowed by Idaho Code: 31-1008.
4. Construction on the installment plan, building a facility piecemeal, one step at a time, from current revenue sources.

The Chamber is not endorsing any single courthouse funding plan or development proposal at this time. The Chamber's Local Government Committee will review financing plans to ensure that the project will not be a large public obligation.

The Chamber believes the development of county administrative offices beyond the specific needs of the judicial facilities should be in cooperation with Boise City. The current accessibility of citizens to joint facilities and functions has been positive. This includes various licensing, planning and zoning, mapping services and shared hearing room facilities. Future county facilities should allow for continued coordination and possible consolidation of services.

The Chamber applauds the county for looking ahead and acquiring a significant piece of property in the downtown area for a courthouse complex.

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The Other Side:

An alternative viewpoint is to construct courthouse facilities next to the current Ada County Jail in west Boise. This would eliminate the need of transferring inmates downtown. County administrative offices would remain in current locations.

County-owned land at Front and 3rd Streets could be sold to pay for additional juvenile detention facilities and/or reduce property tax rates.

Communications Strategy:

1. Communicate the position to Chamber membership through the newsletter Boise Business Today.
2. Issue a news release of the Chamber's position to the print media, television and radio.
3. Communicate the Chamber's support for a downtown location to the Ada County Commissioners.
4. Communicate the Chamber's position to other elected officials, including the Mayor of Boise and Boise City Council Members, Commissioners of the Ada County Highway District, Ada County Legislators and Mayors of other cities in Ada County.
5. If a public vote is held, communicate Chamber support to the business community.

WHY DO WE NEED A NEW COURTHOUSE?

FACTS:	THE PROPOSED SOLUTION
<p>Ada County services are spread out all over the county. Courts are currently located in four locations.</p>	<p>The new courthouse building would consolidate most operations into one facility, offering taxpayers "one stop" services. Consolidation would also allow county departments to achieve cost savings with less travel time between facilities and a decrease in overhead cost of maintaining separate facilities.</p>
<p>The number of courtrooms is inadequate, particularly in the downtown location. Each of the facilities has reached a maximum feasible expansion potential. Creation of another court complex would only add to the present confusion experienced by patrons attempting to find their way to the current courts.</p>	<p>A new courthouse will allow the courts to be consolidated into one building with efficiencies in operation and provision for future expansion.</p>
<p>Victims, juror and others having business in Ada County's courthouses have difficulty finding the facilities. Confusion over which court is where results in people showing up at the wrong building.</p>	<p>Proposed site for the new courthouse would be located on the connector couplet for ease of access by Ada County residents.</p>
<p>There is limited or insufficient parking at present courthouse locations, and there is no opportunity for expansion of parking at present facilities. Parking is extremely difficult at the downtown courthouse when the Legislature is in session.</p>	<p>Proposed site has adequate space for present and future parking.</p>
<p>Present downtown courthouse is located in an area which is inaccessible for the high volume of users.</p>	<p>The new courthouse site is one of the best in Ada County for easy vehicle access.</p>
<p>Barrister site does not have enough land for a new courthouse or space for parking required by a new facility Barrister courthouse is located in one of the most congested traffic areas in all of Idaho. Barrister site cannot support additional traffic. Additions to traffic flow on Cole Road would create safety concerns for law enforcement officers attempting to respond to emergencies from the public safety building.</p>	<p>Proposed site has sufficient land for a new courthouse building and adequate space for present and future parking.</p>

*Courthouse is 57 years old
 In fact in 1939*

FACTS:	THE PROPOSED SOLUTION:
<p>Safety at present courthouse facilities is of great concern.</p> <ul style="list-style-type: none"> ▪Even with metal detection equipment at the downtown courthouse, the facility is not secure and cannot be made secure. ▪Prisoners cannot be safely and securely transported, because there is no hardened sally port. ▪Jurors are at risk in the present facilities. Citizens who perform a public service by serving on a jury must walk to court for three blocks in all types of weather, and in serious cases are subject to potential tampering and threat. ▪Downtown courthouse does not meet current life safety codes and cannot be economically and practically renovated to meet codes. 	<p>Safety design standards for new court buildings would alleviate the risks for jurors, prisoners, employees, and the public in the new courthouse.</p>
<p>Present courthouse facilities cannot be economically and functionally retrofitted for advances in technology, i.e. electronic media access, computer connections, video arraignments.</p>	<p>Design of the new facility will plan for current and future advances in technology.</p>
<p>Existing facilities do not allow for improvements in government operations, such as a drive-up teller window for payment of driver's license renewals, child support, taxes, etc.</p>	<p>The design of the new facility will be more user friendly and allow for such services as a drive-up teller window for payment of licenses, child support, taxes, etc.</p>
<p>Ada County taxpayers do not want to pay more in taxes for a new courthouse.</p>	<p>A public/private partnership would allow for design and construction of the new courthouse on county-owned with NO NEW TAXES!</p>
<p>Property adjacent to the new courthouse site will be developed by the Civic Partners Development Team with uses complementary to those of the County.</p>	<p>The Civic Partners Development Team will either lease or purchase the land adjacent to the new facility, and the proceeds will be used by the County to offset the cost of the new Courthouse.</p>

THE FACTS:	THE PROPOSED SOLUTION:
<p>Existing County Facilities (County Administrative Building, County Courthouse, Eagles Building, etc.) will be leased to CCDC. CCDC will securitize the lease obligation on a tax exempt basis by issuing non-general obligation certificates of participation (COPs) to either public or private investors.</p>	<p>The net proceeds of the securitization will be available for construction of the new County facilities.</p>
<p>At the expiration of the lease to CCDC, ownership of the land and new County facilities will revert to the County.</p>	<p>The County will occupy the new facilities during the lease period, and own the land and facilities at the end of the lease...with no new tax expense to Ada County citizens!</p>
<p>The May 28 advisory ballot will give Ada County taxpayers an opportunity to indicate their approval of this proposal.</p>	<p>A "YES" vote will give Ada County Commissioners a nod from the citizens to proceed with much needed new facilities at NO TAX COST to the taxpayers of Ada County.</p>
<p>Draft for discussion 4/24/96</p>	

REASONS TO BUILD A NEW COURTHOUSE

1. Victims, jurors, and others having business at one of Ada County's courthouses have difficulties getting to the facilities. Overcrowding has led to courts located in four different facilities. Confusion and injustice often result from people showing up at the wrong building. The downtown courthouse is located in an area that is simply inaccessible for high volumes of users. The Barrister courthouse is located in one of the most congested traffic areas in all of Idaho. Further additions to the traffic flow on Cole Road would create safety concerns for law enforcement officers attempting to respond to emergencies from the public safety building. The Barrister site simply can not support additional traffic and does not contain enough space for a new courts building, let alone the parking requiring by increasing the use in such a fashion.

The proposed facility would be located on the connector couplet. There are few sites in Ada County with easier access for vehicle traffic. Customers could get and out of the complex with little difficulty.

2. When someone does get to one of the courthouses there is limited or no parking. What parking is available can not economically be expanded. As a result, access to the courthouse can be difficult. Parking for the downtown courthouses is especially unavailable when the legislature is in session.

The new site contains plenty of space for parking for current needs, and for the needs of Ada County's residents for years to come.

3. Although metal detection equipment has been installed, the downtown courthouse is not secure and cannot be made more secure. It has no hardened sally port for the safe and secure transfer of prisoners and is vulnerable to other forms of violent attack. In an era of rising violence in courtrooms nationwide security of victims and other participants in our courtrooms is essential.

A new courthouse can be designed with security considerations in mind.

4. The current courthouses are not capable of being economically and functionally retrofitted for advances in technology such as electronic media access, computer connections, and video arraignments.

A new facility allows planning for advances in technology.

5. The current downtown courthouse does not meet current life safety codes and can not be economically and practically renovated to meet code.

A new building would not have this difficulty.

6. Those citizens who are performing public service by serving on a jury must walk three blocks in often adverse weather and in serious cases are subject to potential tampering and threat.

Current design standards alleviate this risk in new court buildings.

7. Ada County's services are spread out all other the county.

A new facility would consolidate most operations in one facility offering taxpayers one stop shopping. Consolidation would also allow county departments to achieve cost savings from less travel time and overhead.

8. The current number of courtrooms is inadequate, particularly in the downtown location. Yet each of the facilities has reached its maximum feasible expansion. Creation of another court complex would only add to the confusion already experienced by patrons attempting to find their way to the current court.

A new courthouse will allow the courts to be consolidated in one building, achieve efficiencies in operation, and provide for future expansion.

9. Would provide an enhancement to the urban core.

10. Some improvements in government operation are not presently possible. An example is a drive up teller for the payment of driver's license renewals, child support, or taxes.

The new facility can be made more user friendly by allowing design for such things as drive up tellers.