



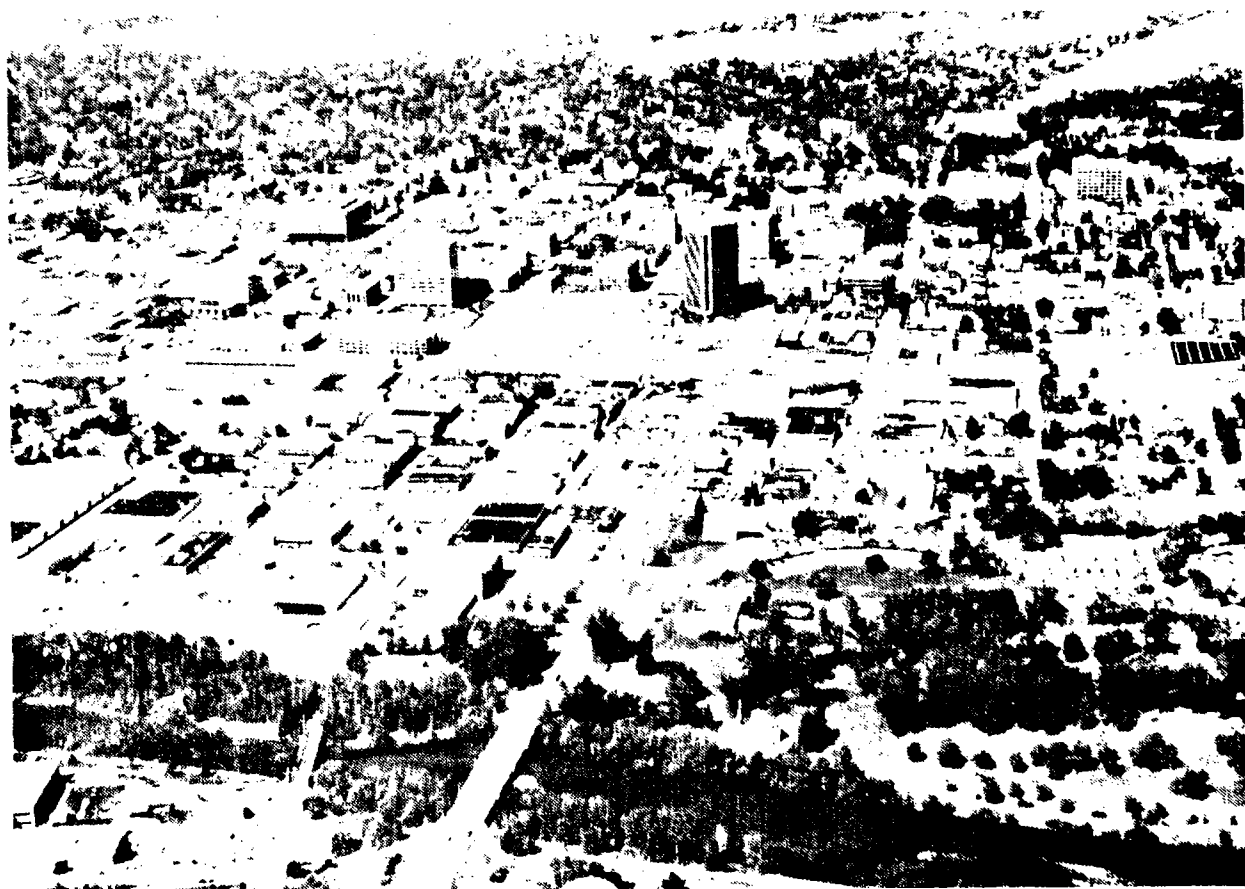
# BOISE R/UDAT

OCTOBER 11-14 1985

CENTRAL SECTION  
IDAHO CHAPTER

AMERICAN INSTITUTE  
OF ARCHITECTS

# BOISE R/UDAT



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## INTRODUCTION

Boise is a city in search of its identity, sense of place and purpose. It is a city with parking lots where a vibrant business, entertainment and residential core - its "heart" - should be.

Developing a regional shopping center in the central business district was viewed by many Boiseans as the way to stabilize the city core. However, because of marketing decisions by major retailers, such a downtown regional center apparently will now be built somewhere outside the core area.

So, after 20 years of hard work and frustration, Boise today faces the same redevelopment challenge and community needs. Our R/UDAT team accepts that challenge - the challenge of exploring and identifying land use and development programs which will build a better Boise, renewing the sense of civic pride in Idaho's Capital city.

This solution must be economically realistic. It must pull together people and factions fragmented by 2 decades of the redevelopment struggle. In short, it must succeed in blueprinting a redeveloped city core with business, entertainment and recreational opportunities that will provide the sense of identity Boiseans have missed.

Our plan for redeveloping the 8th Street Pedestrian Mall area will allow developers to respond to market demands. Its primary focus is on the 8-block redevelopment area, but it also outlines how the project can integrate all the physical and social advantages of the entire downtown area.

But a well-designed plan is only part of the process. Successful implementation of this plan depends on the commitment and ability of Boiseans to take the long-range view to revitalizing their downtown. Unless Boiseans can submerge their individual agendas and work together in the broader interests of the entire community, no plan can achieve what almost everyone agrees is needed to build the downtown Boise of the future.

## SUMMARY AND RECOMMENDATIONS:

Boise's existing downtown has survived a problem-laden period of time, and is now poised for new development.

A major problem of the Boise Downtown, in our perception, is a quantity of gratuitous criticism. The city has completely changed its direction with respect to the eight block area, and has solicited serious proposals from the development community.

The R/UDAT team has made 16 specific recommendations which we feel are key to the success of the new "downtown". They include:

- \* The citizens and civic factions need to submerge their individual agendas and work together in the broader interests of the entire community.
- \* A sense of community pride and spirit needs to permeate the downtown of the state's capital.
- \* The community should prepare and adopt design guidelines to restore Capitol Boulevard to a sense of grandure.
- \* The 8th Street Pedestrian Mall should be developed to provide a pedestrian linkage of the core area and induce spaces to support cultural and civic activities.
- \* A convention/trade center and hotel should provide an anchor for the 8th Street activity centers.
- \* Development should be designed to tie together the 8th Street Market area and the 8th Street Pedestrian Mall.
- \* A management structure should be developed for the long-term maintenance and operation of the 8th Street Pedestrian Mall.
- \* Release of BRA interest should utilize a ground lease concept whenever possible.
- \* A permanent fund to support the performing arts should be established through new development funds.
- \* A plan for the common areas should be developed and adopted before final development contracts are signed.

- \* The project area should be designed to provide opportunities for the introduction of housing in the project area.
- \* Expedite the development of the one-way couplets which service the downtown area.
- \* Development should respect the scale and historic quality of the downtown area.
- \* Adequate staff should be retained for the BRA to carry out its function as the master development coordinator for the project area.
- \* Inter-jurisdictional cooperation should be established to ensure coordinated implementation of the plan's elements.
- \* Regional Shopping Centers should be located in as close proximity to downtown as possible.

The R/UDAT Team was extremely stimulated by the contribution of the concerned citizens of Boise. The amount of participation was almost overwhelming, but after we had listened to and reviewed the information, it was quite obvious the directions that should be pursued. We have not shyed away from making some recommendations which are controversial, but we are convinced that the team's conclusions are right for Boise.

Boise can gain the unity and staying power to follow through to develop a quality downtown. It is our strongly held perception that the time to act is now and to vigorously take giant, bold steps for Boise.

W. Sarlow

*[Signature]*

*Richard Beatty*

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*Murre Murre*

## GOALS AND VISIONS

Despite obvious problems, Boise has a head start toward completing the long-awaited redevelopment of its core area; many of the elements for successful central business district redevelopment are already in place in downtown Boise.

But the frustration of trying to provide a regional comparison shopping center in the core area has overshadowed the many positive achievements which have occurred.

South of the downtown area, a substantial cultural arts and entertainment center has evolved over the past two decades.

East of the primary redevelopment district, the Old Boise area is undergoing a renaissance. A new local government center has been built.

The northern Main Street segment of the redevelopment area contains specialty retail merchants who have been able to survive the declining activity base of the central core.

West of the site, new corporate office and support professional development has occurred. The 20-year stalemate over redevelopment of the heart of the city - the central business district - has blocked effective coordination of these individual elements.



It is time for the citizens of Boise to rise above petty differences and pull together to ensure the immediate and successful redevelopment of their downtown. Past development efforts on these particular parcels of land have been characterized by deep philosophical disagreement. If the redevelopment of this area is now going to succeed, all factions must find a common ground and recognize mutual interests to ensure that the heart of the Capitol City of Idaho becomes a place of community pride rather than civic embarrassment.

The public's investment in the primary project area should be viewed as an opportunity to induce development and use of activity centers which could not be provided without this substantial public investment. The building activities proposed within this area should have the effect of stimulating redevelopment of privately owned lands in the surrounding areas.

Where opportunities exist for the same uses to occur on privately-controlled land outside the area, duplication within the project area should be avoided - unless the public benefit of their competition is clear and substantial.

Transfer of the redevelopment land to the private sector should be carefully conditioned on provision of public amenities which will tie together the substantial private investments which already have been made in the surrounding areas. This approach will assure that the whole is greater than its sum parts.

The purpose of our review has been to find uses for this city center area which will bind downtown Boise into a cohesive unit. It must be a place for people to live, meet, work, and play. It must take on the nature of the "community well." The first objective, therefore, is to identify uses and activity centers that will induce human interaction at a human scale. When downtown becomes "the place to be," all other aspects of its function will be secured.







8TH STREET MARKET PLACE - PLAZA

## BOISE'S DOWNTOWN RENEWAL - A SHORT HISTORY

Boise's Central Business District (CBD) has been a focus of intense community interest for nearly 20 years. The community's plan called for a general redevelopment of the city's core area. But all efforts to develop the downtown regional comparison retail center component have been unsuccessful. In the 11 block area, the equivalent of 3 blocks has been successfully redeveloped for a variety of uses by the private and public sectors.

Despite these achievements, the blocks which have not been redeveloped remain as blighted eyesores at the center of Idaho's capital city and are a source of discord in the community.

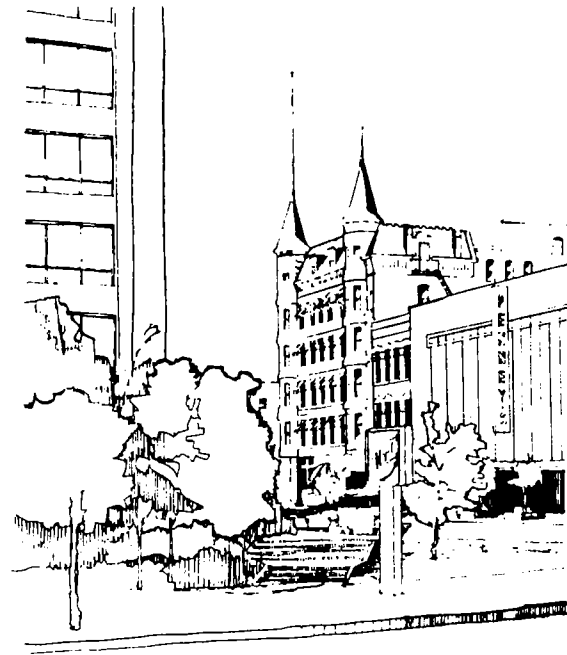
In the late 1940s, downtown Boise consisted of about 30 blocks of business buildings, including the Idaho State Capitol, servicing an immediate urban area population of 50,000 and a secondary trade area of the same population.

By 1960, the urban and secondary trade area population had doubled in size. Several neighborhood-size suburban shopping centers were built and the first community-size suburban center was underway, along with uncontrolled residential sprawl into the westerly farm area. Approximately one-fourth of the downtown commercial area had been converted into automobile parking. Additionally, at least 6 blocks along the southern edge of the CBD (adjacent to the railroad tracks) were in a blighted state.

In 1964, a civic task group constructed a development guide for the central business district which was adopted as a policy statement by the City Council. The guide recommended a planned urban renewal process, clearance, and redevelopment of the blighted areas. Boise Redevelopment Agency was created in 1965 upon the adoption of Idaho's Urban Renewal Law.

The BRA's activities from 1965 to June, 1969 consisted of surveying, planning, and acquiring and clearing buildings deemed to be unrehabilitable or unable to be maintained because of their interference with larger scale projects. Project areas were identified for the development of a regional shopping center along with other projects for individual parcel development.

Five major developers have attempted to carry out the regional shopping center element of the redevelopment plan. Following agency approval of the plan, each developer attempted to sell the idea to major retail stores. In every instance, the major stores either refused to participate in the downtown mall or conditioned their participation in such a manner as to defer commitment. The regional mall efforts in downtown became the focus of intense civic discussion and division.



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During the past 15-year period, the BRA has been able to complete the successful development of 7 projects. The achievements have become submerged amid controversies surrounding the mall proposals. Shopping of a significant scale has moved to the suburbs in the form of 4 community-size centers and another dozen neighborhood shopping plazas. Additionally, there has developed a proliferation of business plazas and suburban parks.

The community now realizes that a downtown regional shopping center is not possible in this market and is proceeding to locate such a facility in an area outside the city core. The challenge remains to develop an acceptable alternative for downtown redevelopment, given the existing circumstances.

To that end, in May, 1985 the BRA Board adopted a new policy, calling for development of downtown Boise with a wide mix of uses. A concurrent strategy is being implemented to develop a plan, at the same time entertaining proposals for development of any part or all of the 8-block area. The BRA has asked R/UDAT to provide a conceptual framework to guide in development of the core area.

Most certainly, the heart of one's city cannot be left solely to the highest bidder, with no consideration of its common community needs.



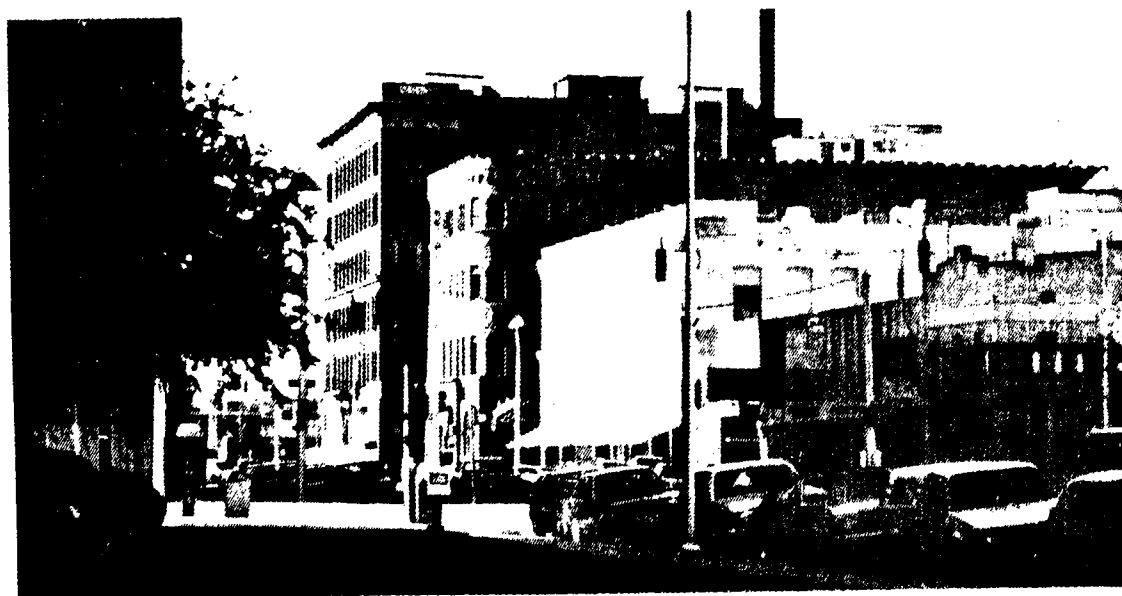
In order to successfully attain this goal, the first objective must be to generate a consensus within the community. It is this key element which has hamstrung Boise's previous planning efforts. While several national experts (Gruen, SOM, Kober, Barnett, and ELS) have participated in the past, each was but a "hired gun" for a single entity and could not withstand the criticism of the community at large. It is this broad-based public support that Boise demands. The R/UDAT process has provided the catalyst to achieve a common direction. The BRA, representing the public interest, must be continuously involved throughout the actual development.

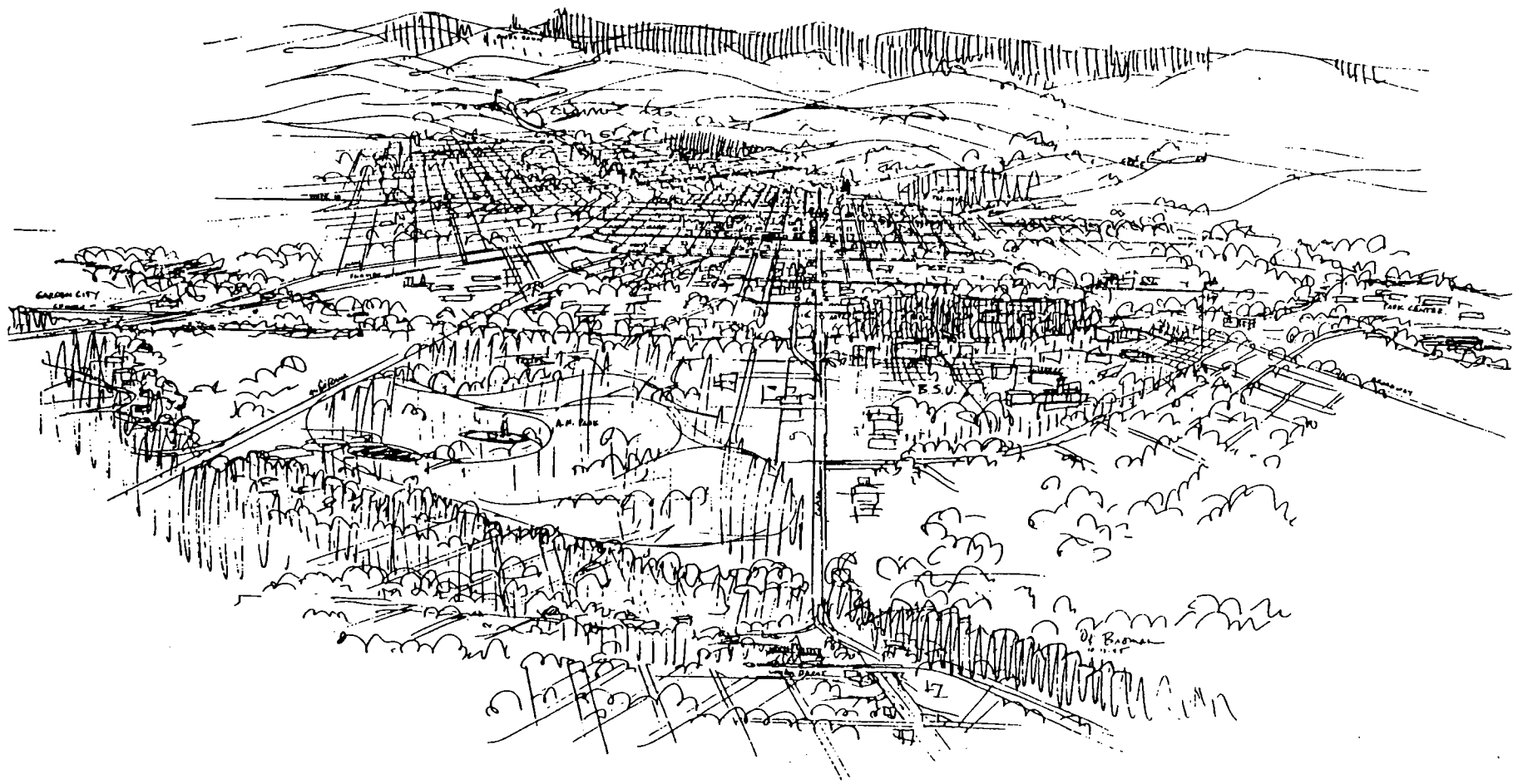
The second objective has been to produce an action plan designed to facilitate the realization of the community's prime goal. Development of a consistent agenda will bring the numerous fragmented issues into perspective. Because of the complexity of the HUD grant, community development funds, and state and local statutes, seemingly obvious and logical solutions could easily become entangled in needless delays and court battles if a detailed game plan is not clearly identified for all players to sign off on. Again, R/UDAT in this report provides a structured planning process to assure results.

The third objective has been to knit together the current Boise economic constraints and its long-term public goals. The establishment of programmatic guidelines with acceptable trade-offs will complement the developers' bottom-line decision process.



**PIONEER TENT BUILDING**



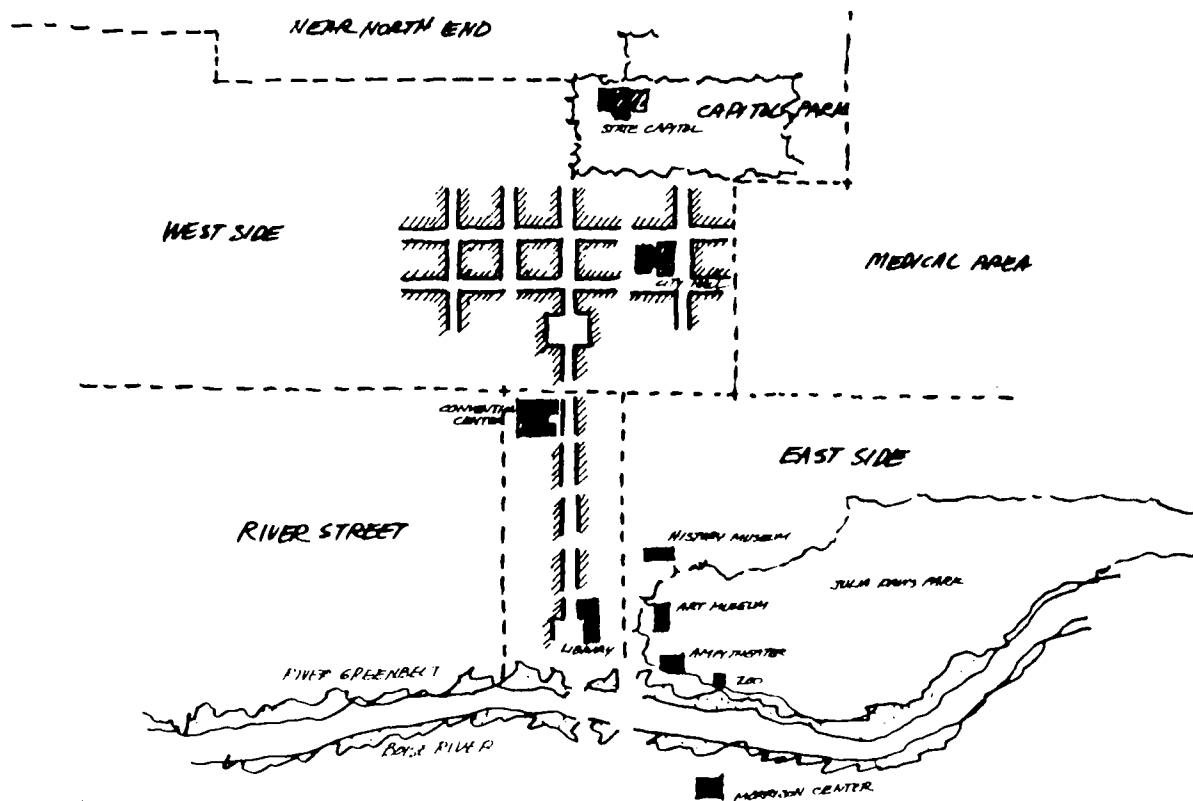


## GREATER DOWNTOWN BOISE

There is currently a basic structure to the Greater Downtown Boise Area. What is needed is a systematic completion of its component parts, its traffic movement systems, its area boundaries, and its transitions.

At present, the central core of downtown Boise is, by any definition, not the heart of the city. Over the last 20 years it has been left to dwindle and decay, and now lacks not only the physical construction of a vital CBD, but also the city life and spirit. How new development and redevelopment, both private and public, are orchestrated in this central core will determine the success or failure of the entire downtown area.

There are features of excellence surrounding the downtown area. To the south, the Boise River and its landscaped shoreline and bordering parks provide a natural resource and a soft but clear boundary to the downtown area. The Library, the Gallery of Art and History Museums, and the bandshell are a cluster of cultural activities at this location. Across the river, Boise State University provides an important cultural and educational center of activities with such facilities as the Morrison Center for the Performing Arts and Pavillion.



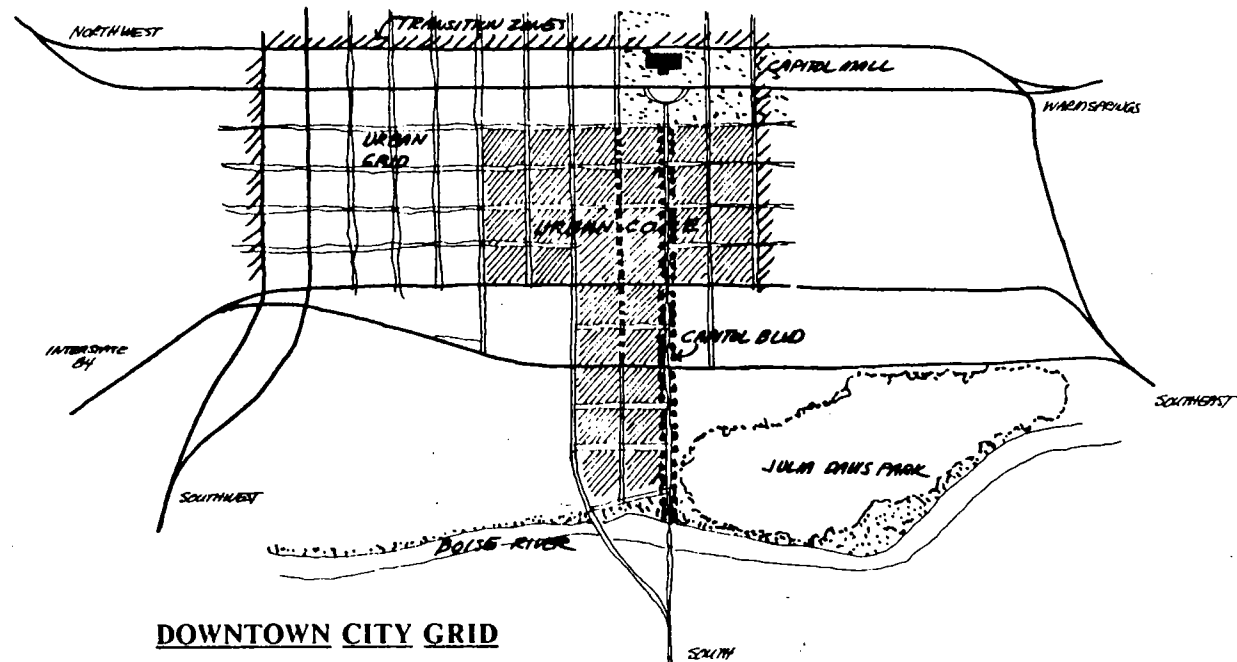
### 8TH ST. PEDESTRIAN MALL

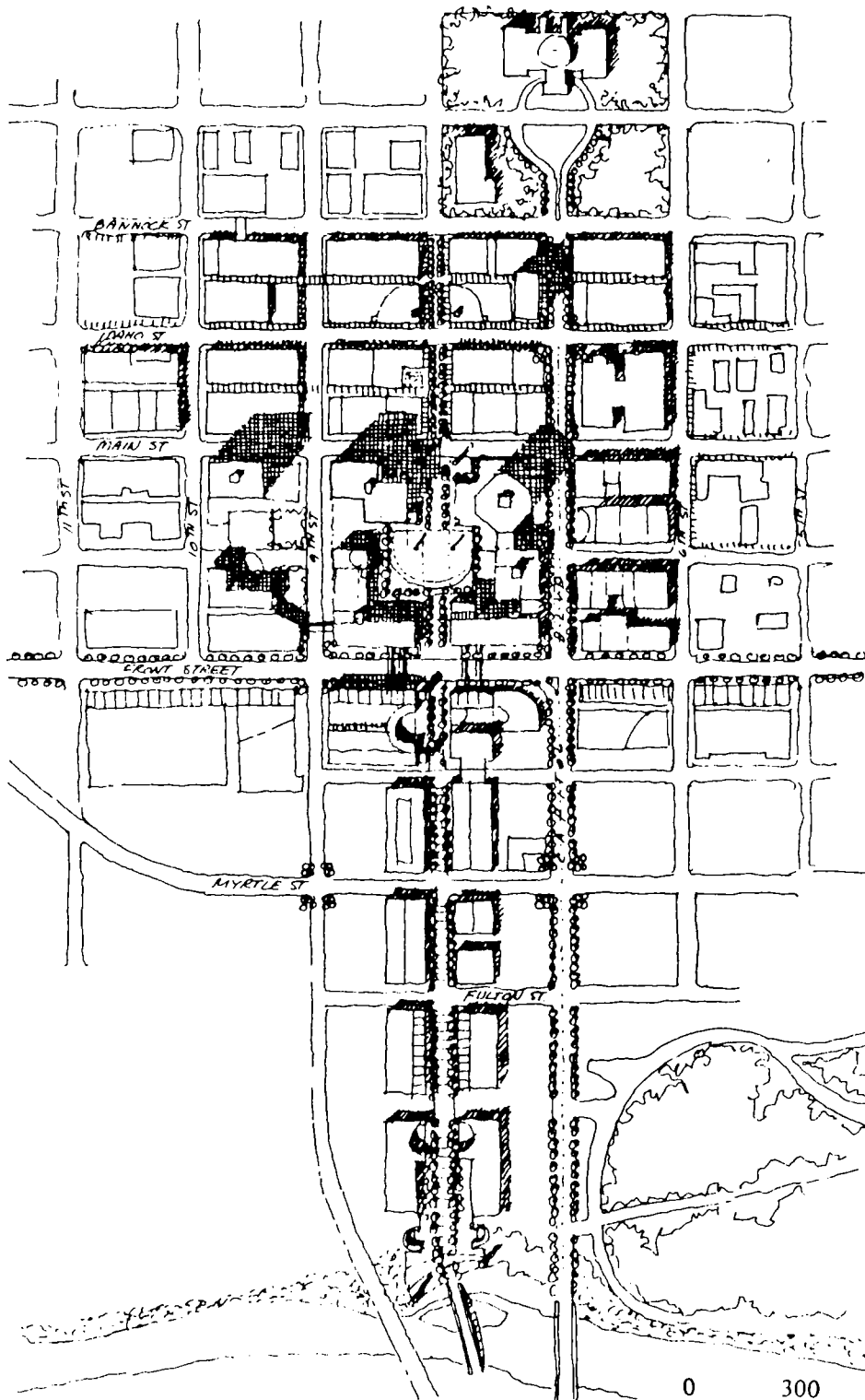
Concept Plan

To the north, at the visual termination of Capitol Boulevard, is the Idaho State Capitol and the well landscaped Capitol Mall area. Northeast of the downtown area is a well established medical district. Three solid residential areas are in close proximity to downtown. The Warm Springs, North End, and the East Side neighborhoods each make a strong contribution to downtown city life.

Downtown Boise is organized around a grid system which is appropriate and viable for existing and future new growth. Its primary deficiency has been the lack of adequate connection to the surrounding areas of the city. This is being corrected. In addition, the pedestrian environment of the city grid is wholly inadequate and has no image, no sense of place, and no amenities. The downtown urban fabric is pock-marked with parking lots and single-story commercial strip development which results in an ill-defined city center.

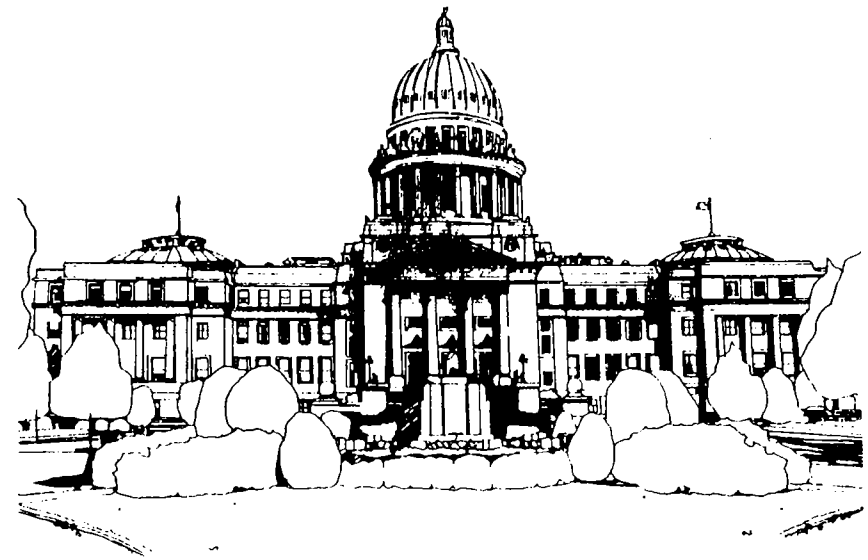
Significant commercial areas of architectural merit exist in the downtown area - the Old Boise historic complex, the 8th Street Marketplace development area, and the historically significant buildings in the core area.





**DOWNTOWN CONCEPT PLAN**

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**CAPITOL BUILDING**

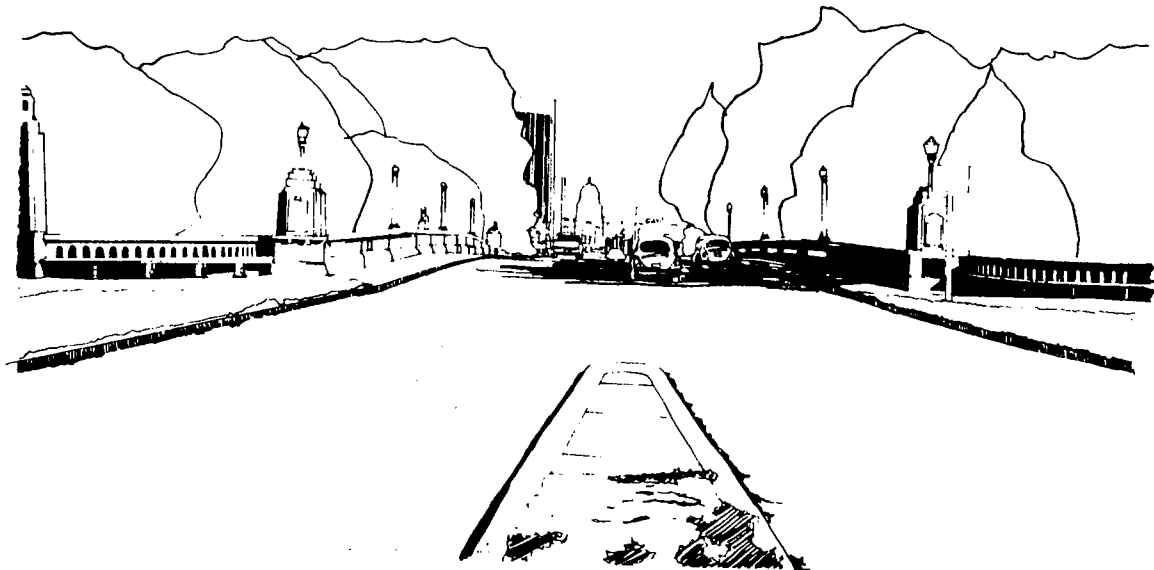


## Development Concept

The proposed concept centers on five major efforts:

- \* The revitalization of Capitol Boulevard and the creation of an 8th Street Pedestrian Mall as a retail, cultural and civic promenade.
- \* Create a vigorous, alive urban core with appropriate civic pride and investment in public amenities symbolic of a new future.
- \* Organize the auto circulation and parking system to provide ease of access and even distribution.
- \* Protect established residential areas from any negative impacts such as traffic and use conflicts which may result from new development by enforcing zoning policies and respecting the fragile quality of the neighborhoods.
- \* Establish a sense of unity within the downtown through the proper relationships of building form, open space, and materials. Special attention should be paid to using the existing architectural vocabulary found in the historic buildings.

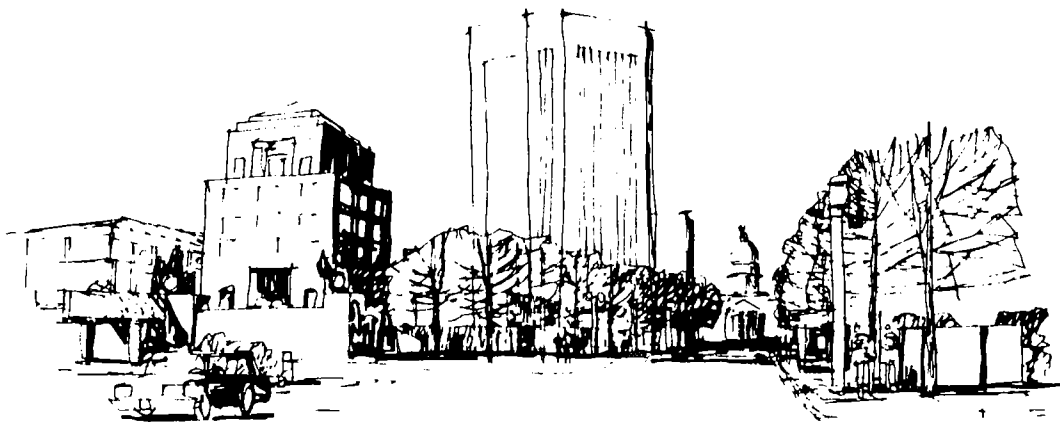
We believe the opportunity exists to create a quality environment for people to not only conduct business but to enjoy themselves and to establish a vision of the future which will restore Boise as a true Capital City.



## ELEMENTS OF THE PLAN

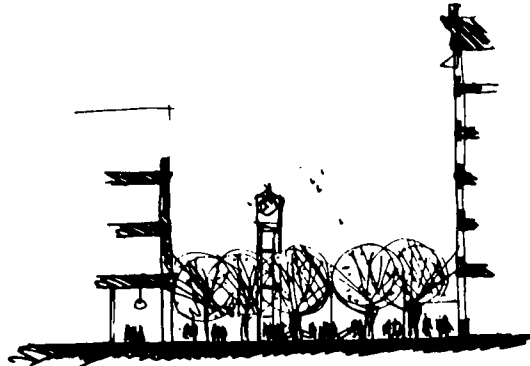
### Capitol Boulevard

Capitol Boulevard is the primary approach to this city and the seat of state government. It is a powerful visual symbol of government. Unfortunately, the boulevard is sorely lacking in visual organization and urban amenity. What is needed is a plan for the boulevard which incorporates a grand landscape and paving treatment, a new system of controlled and organized signage and lighting. A full set of design guidelines should be established and applied to new development and redevelopment. These guidelines should address building setbacks, height, materials, lighting, street improvements, and service access. The State Capital is a truly unique symbol which Boise wants to display. Encroachment into this unique environment needs careful and sensitive control.



CAPITOL BOULEVARD

### Pedestrian and Activities Network

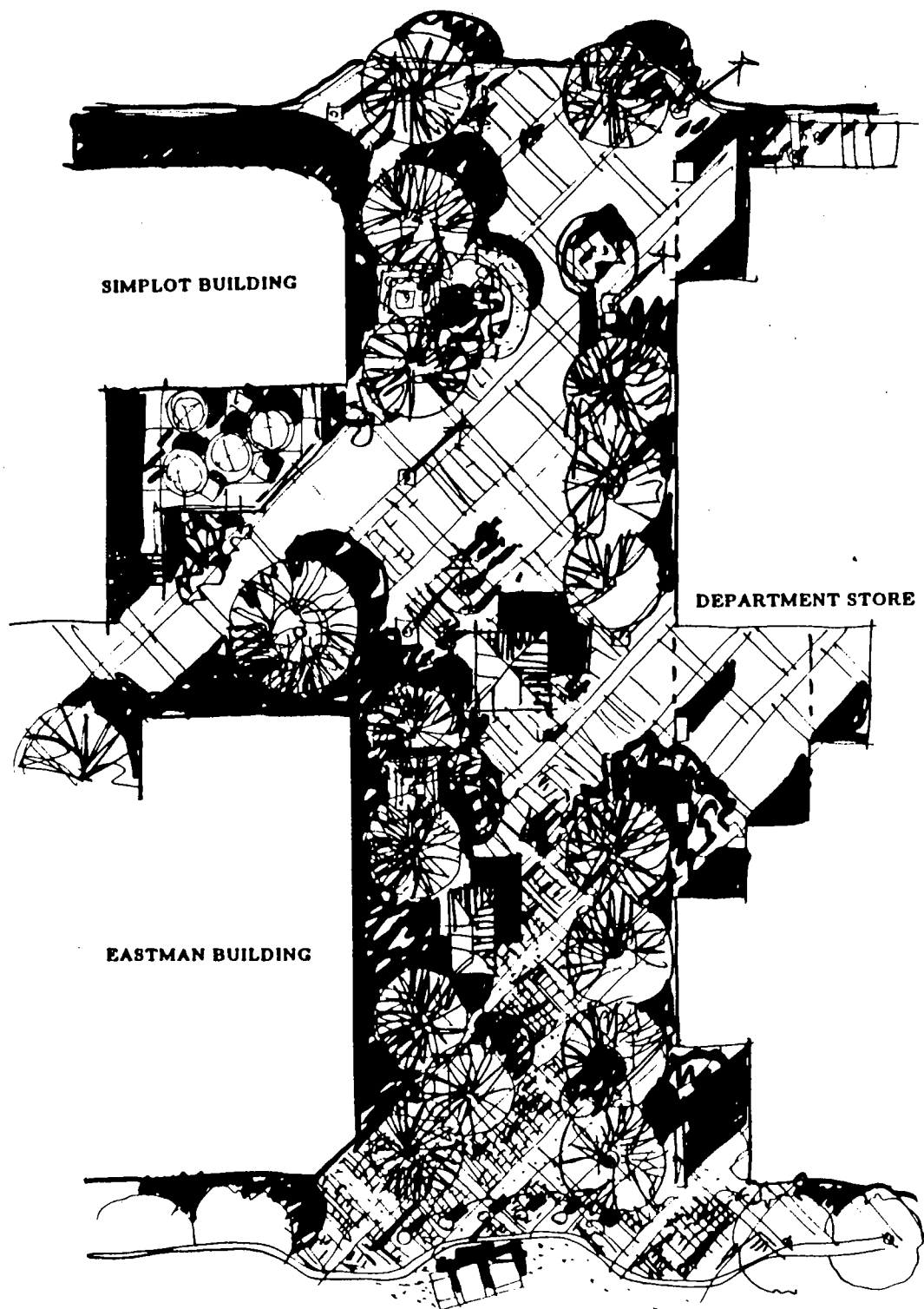


SECTION

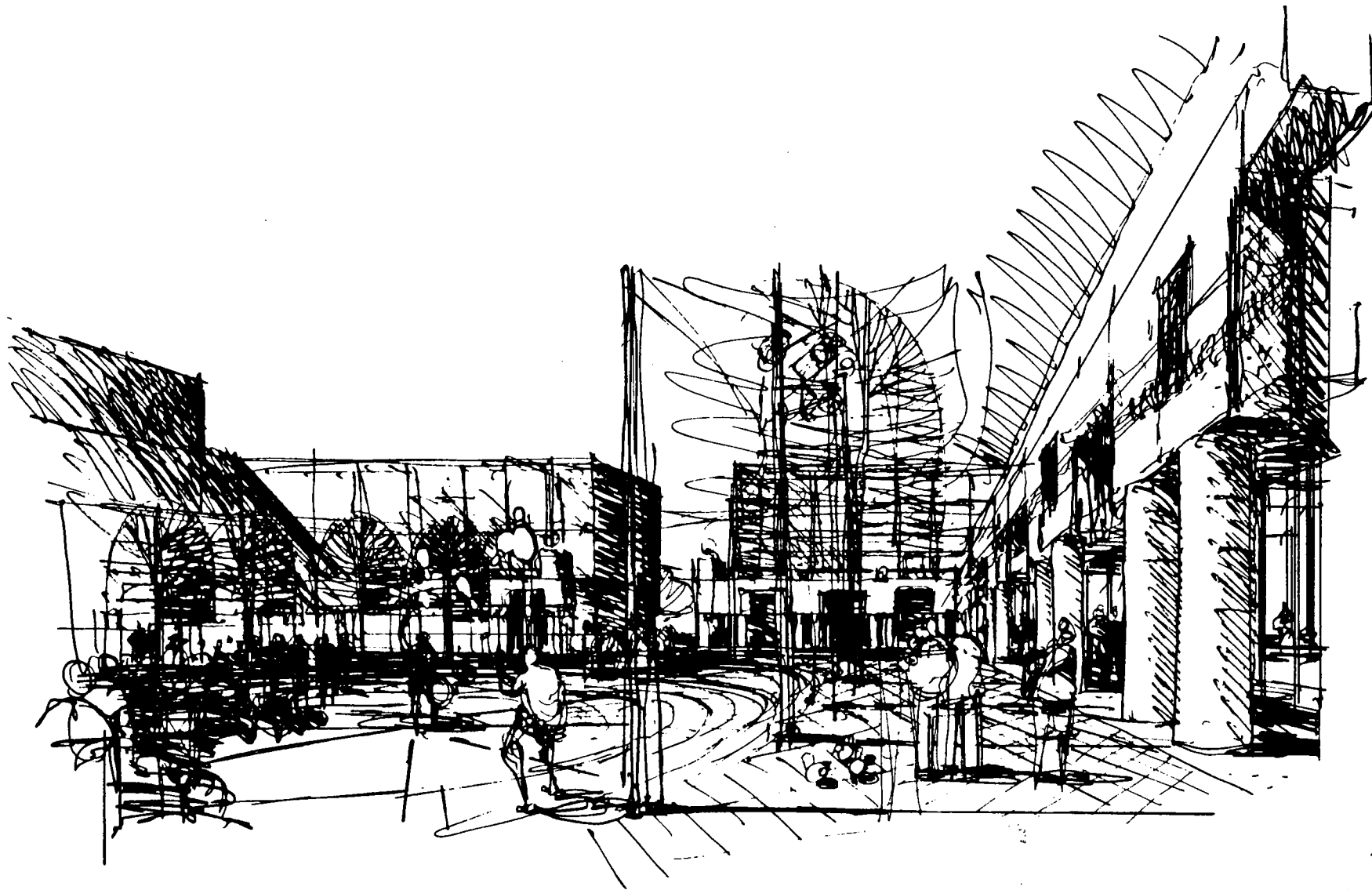
The Pedestrian and Activities Network is the framework upon which many elements of this plan are based. The network consists of a pedestrian environment constructed along the present 8th Street right-of-way from Myrtle Street to Bannock Street. This linear pedestrian corridor is interrupted by both activity points and cross-street traffic. Primarily, new and rehabilitated retail merchandising space will be provided at the street level. The excitement of moving from store to store will draw the pedestrian along this corridor. It is important, therefore, that a coordinated retailing program be undertaken. Pedestrian oriented activity points including cultural entertainment and recreational activities of both a public and private nature, provide variety and relief. The Pedestrian Mall should have a sense of informal landscape treatment tying the well-established, rambling river front greenbelt to the estate landscaping of the Statehouse area. Alleys should be developed ala Pikes Market in Seattle.



8TH STREET MALL BETWEEN IDAHO AND MAIN



8TH STREET  
PEDESTRIAN MALL BETWEEN IDAHO AND MAIN



SCHEME "A" PLAZA CORE

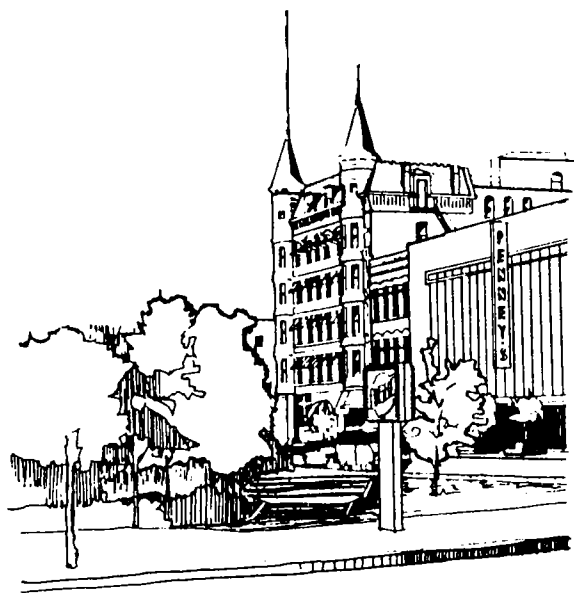
A major civic open space is proposed to be provided at a central location along the 8th Street Pedestrian Mall. This space will act as a central focal point of orientation for the urban downtown core. It is proposed that a formal management structure for the programming of this space and The Mall be established. The specifics of this management structure are covered in another section of this report. It is important that the property owners along this walkway be responsible for its maintenance and programming of its activities. This area in conjunction with other "private" public spaces will provide areas for skating, concerts, festivals, outdoor eating areas, display areas and the opportunity for the return of the Shakespeare Festival to the central city. These activities are the generators of vitality in city life.

The construction of this area will be the joint responsibility of a public/private partnership between the BRA and private developers. It is imperative that an overall development plan be adopted for the construction of these improvements so as to insure their compatibility during the incremental construction process.

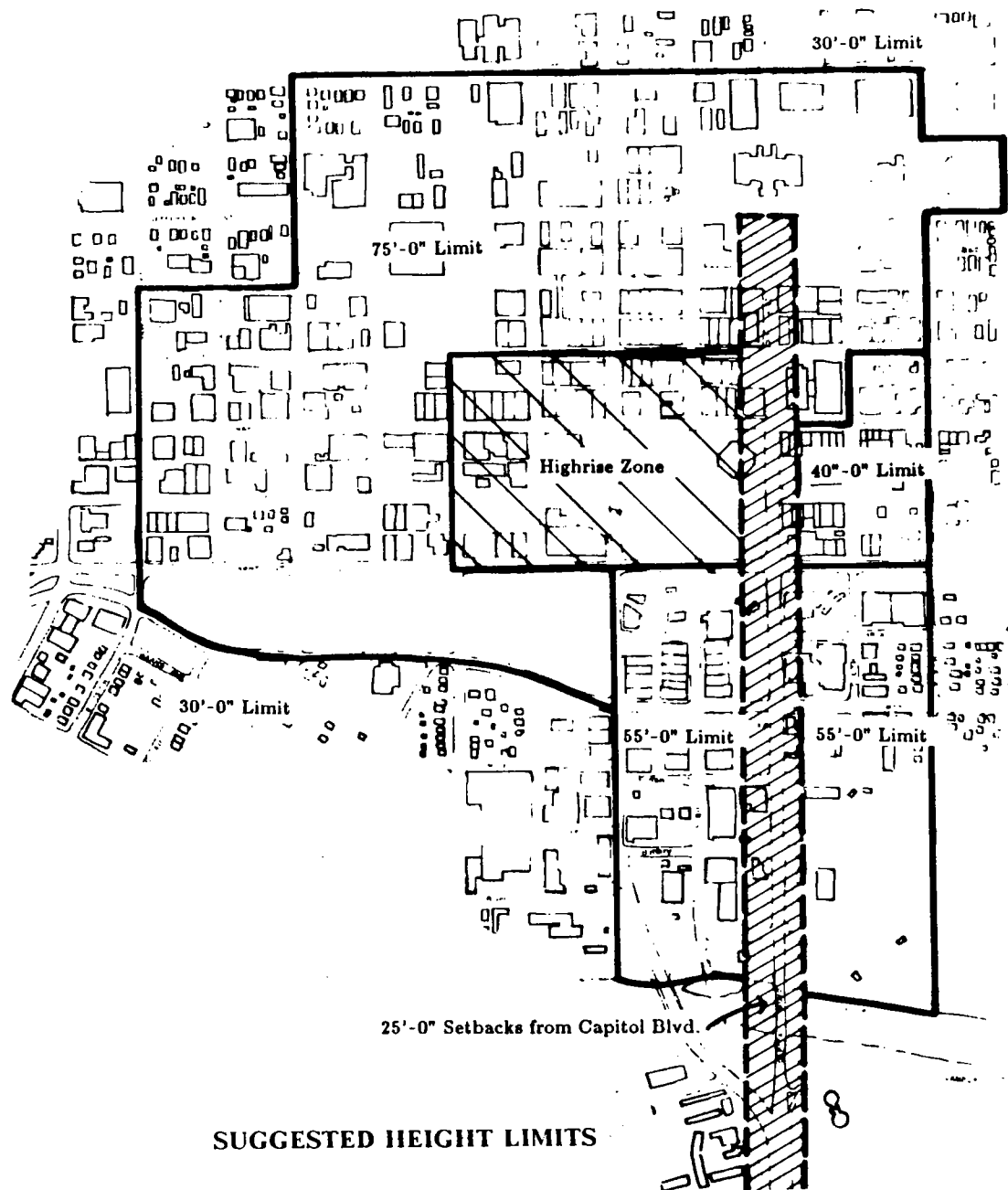
This linear pedestrian mall will provide the framework for the festival atmosphere which is critical for the festive and people oriented atmosphere which is critical for the successful redevelopment of Boise's center city. The ownership of the lands involved in the construction of this amenity by BRA represent a substantial public investment. It is important, therefore, that a substantial public benefit be derived from the development of this space. The value added to the surrounding properties will more than off-set costs involved in these improvements.

The development of this dramatic pedestrian mall will provide Boise with a sense of pride as the capital city of Idaho.





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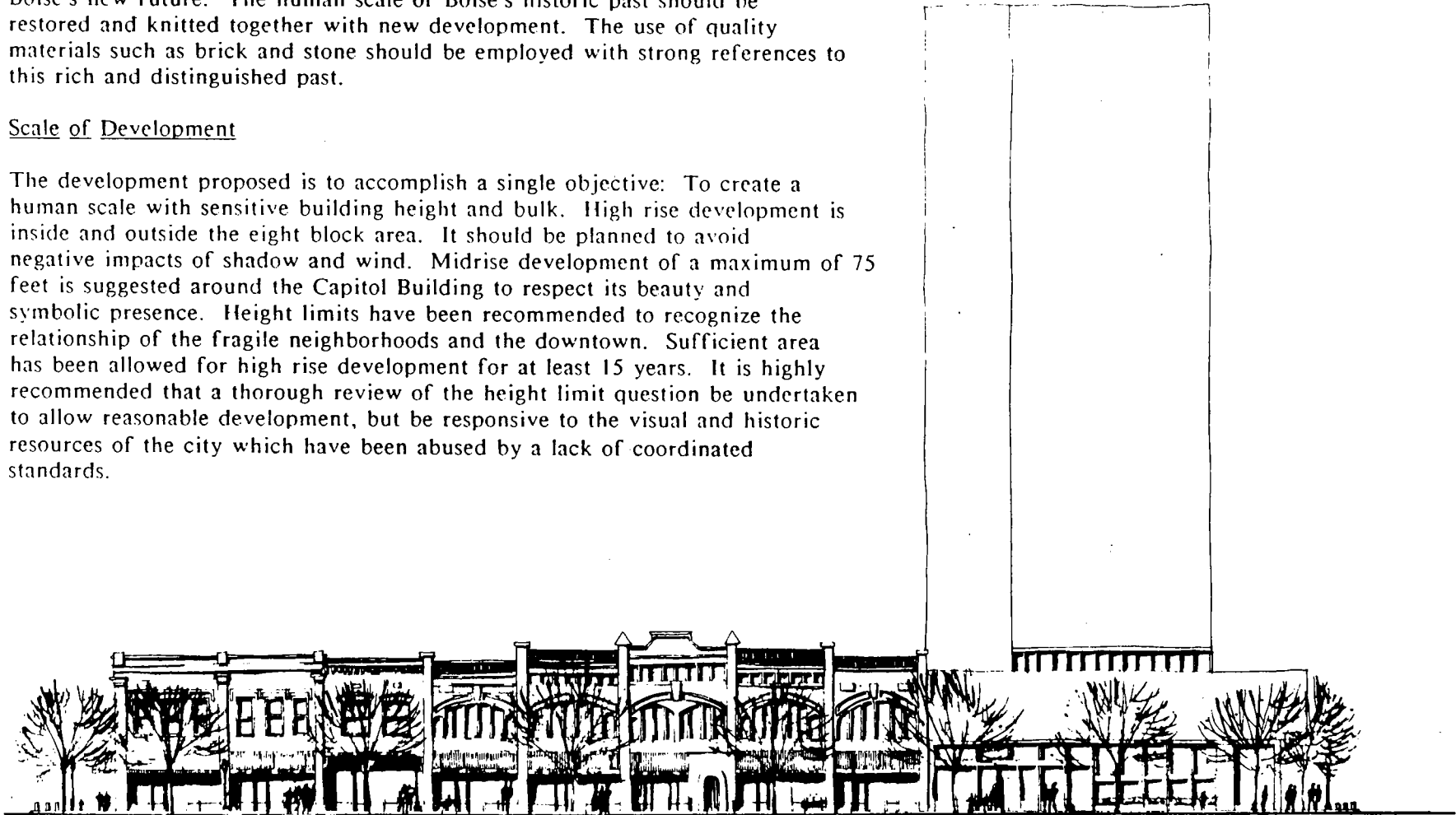
SUGGESTED HEIGHT LIMITS

## Historic Resources

The downtown area has buildings of major historic significance which should be preserved and rehabilitated. It is critical to the spirit of the city to maintain meaning of its historic past, while at the same time providing new opportunities for new economic development. In the redevelopment area there are many buildings which can be renovated and made a vital part of the revitalized retail core of the city. They add charm, depth and dimension to Boise's new future. The human scale of Boise's historic past should be restored and knitted together with new development. The use of quality materials such as brick and stone should be employed with strong references to this rich and distinguished past.

## Scale of Development

The development proposed is to accomplish a single objective: To create a human scale with sensitive building height and bulk. High rise development is inside and outside the eight block area. It should be planned to avoid negative impacts of shadow and wind. Midrise development of a maximum of 75 feet is suggested around the Capitol Building to respect its beauty and symbolic presence. Height limits have been recommended to recognize the relationship of the fragile neighborhoods and the downtown. Sufficient area has been allowed for high rise development for at least 15 years. It is highly recommended that a thorough review of the height limit question be undertaken to allow reasonable development, but be responsive to the visual and historic resources of the city which have been abused by a lack of coordinated standards.

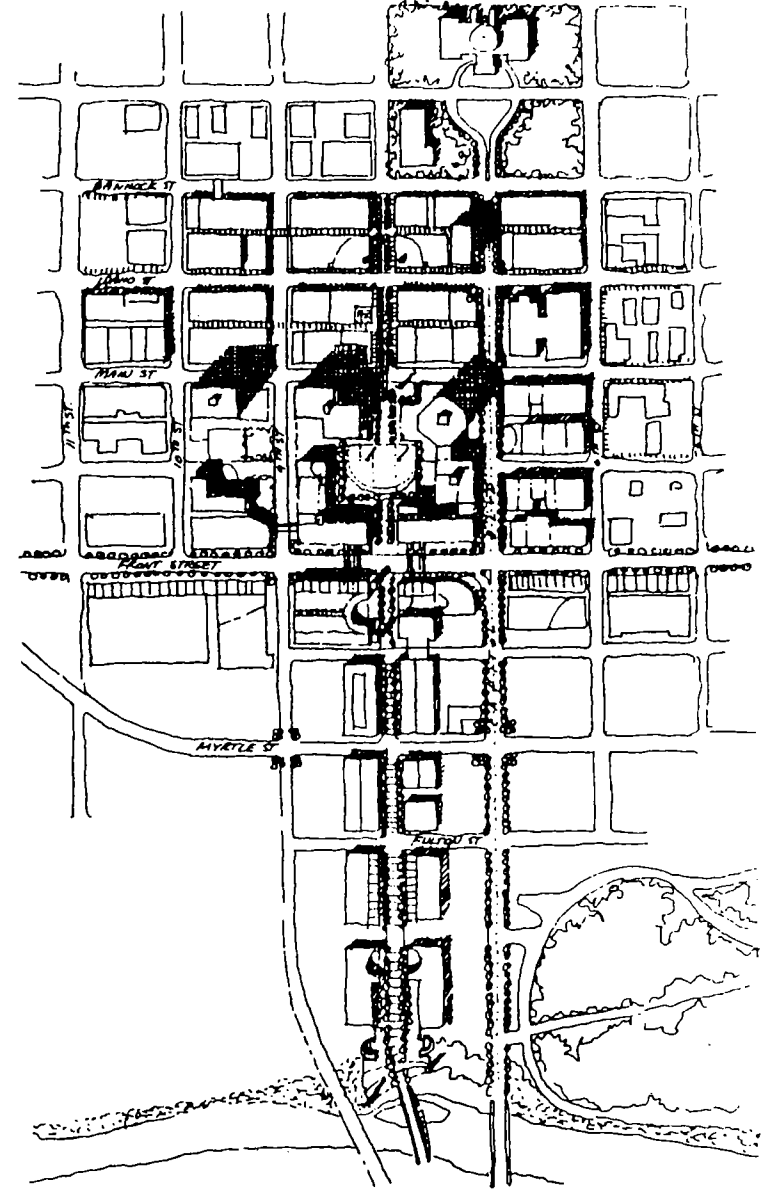
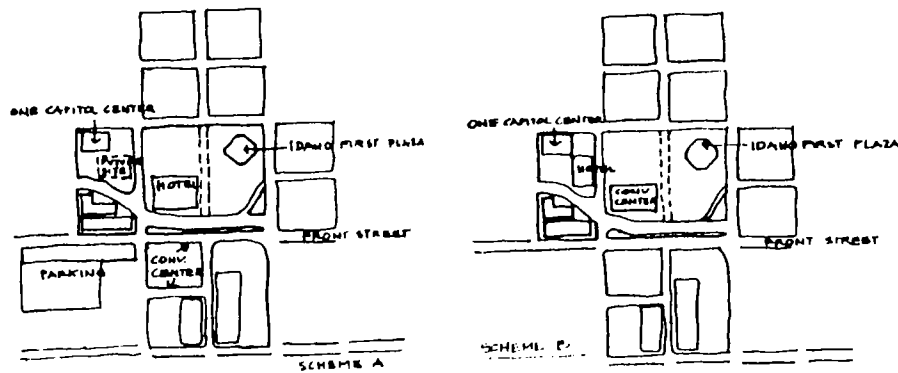


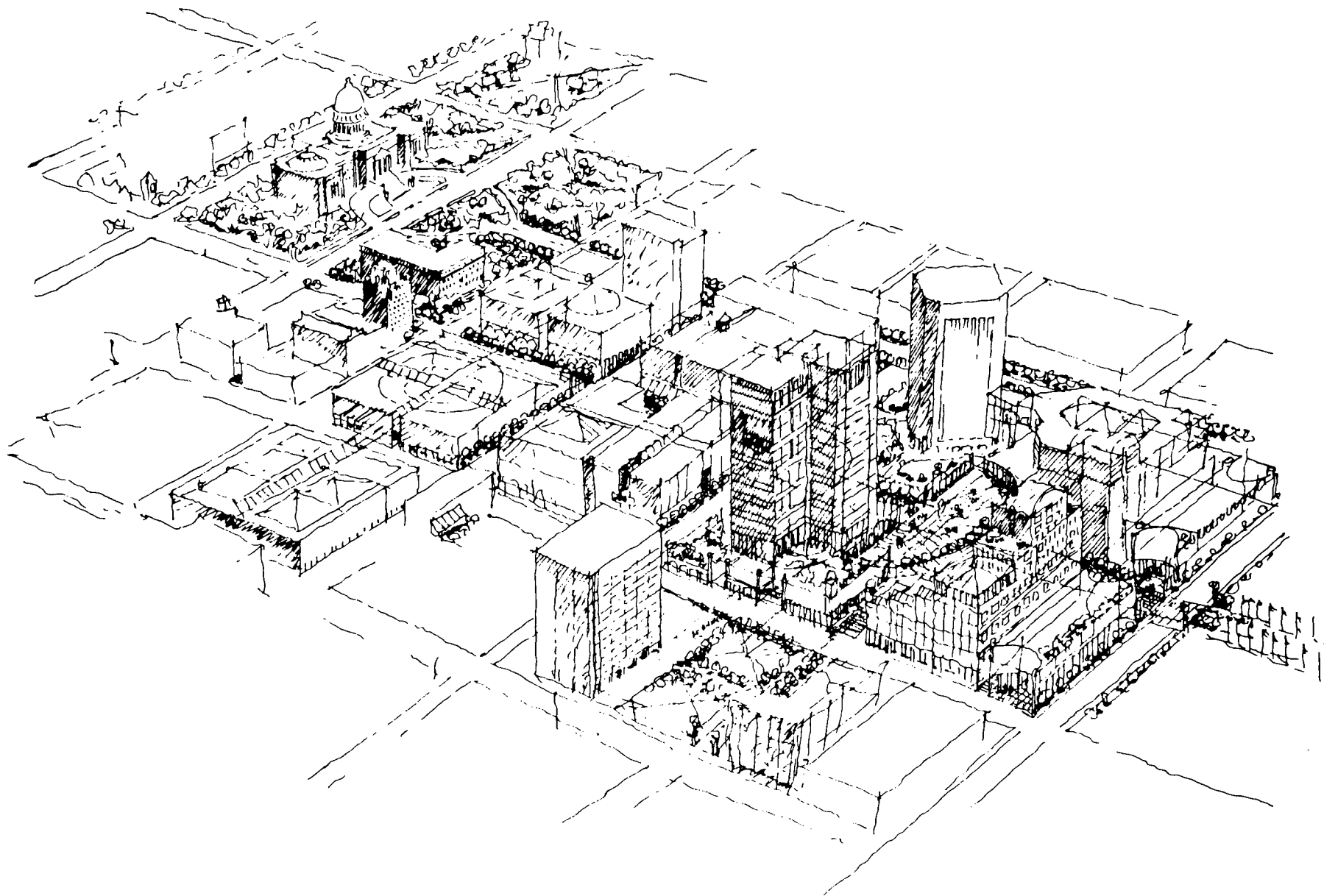
STREET ELEVATION - UNION BLOCK

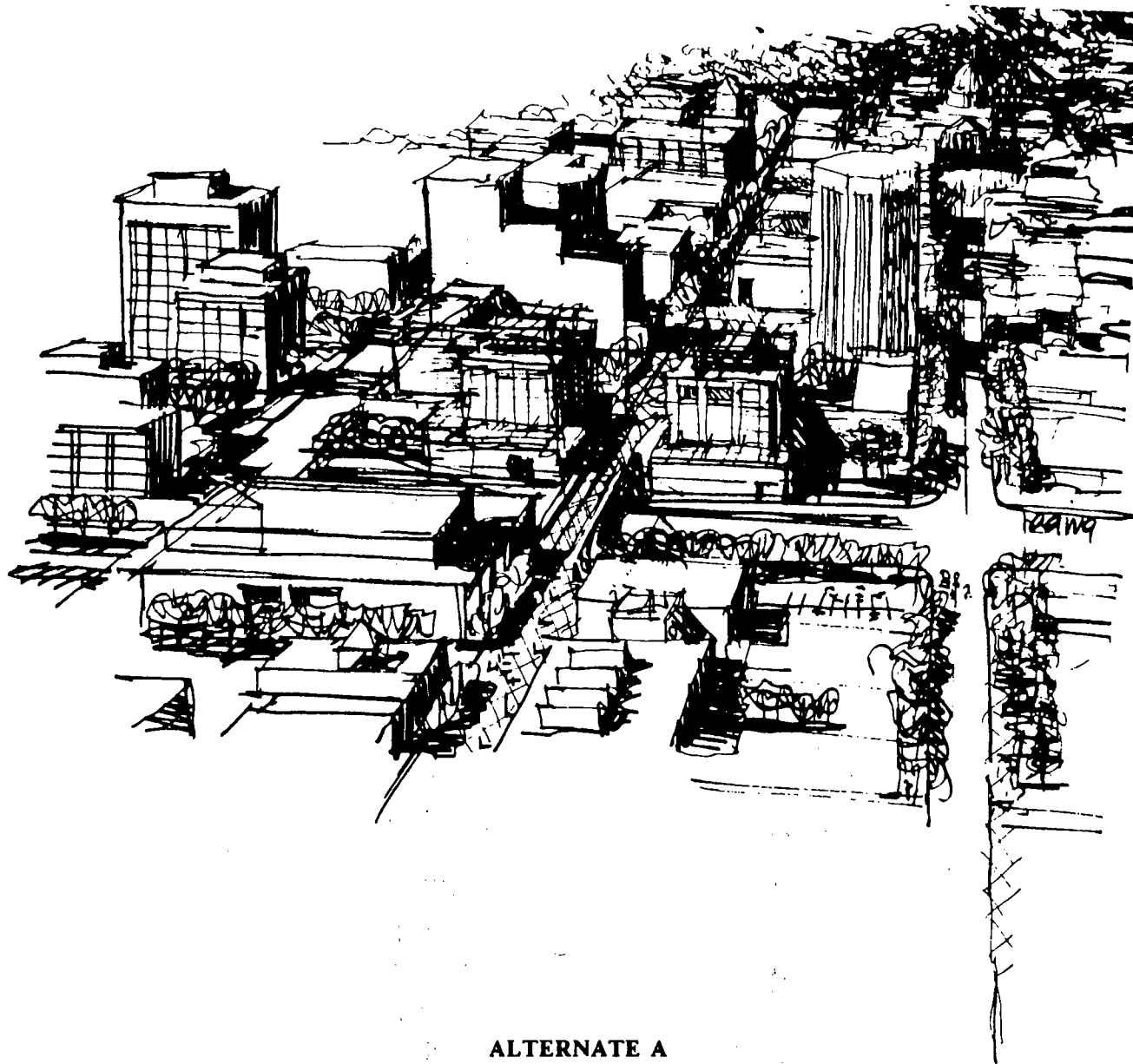


### Hotel/Convention Center/Office Alternate Schemes

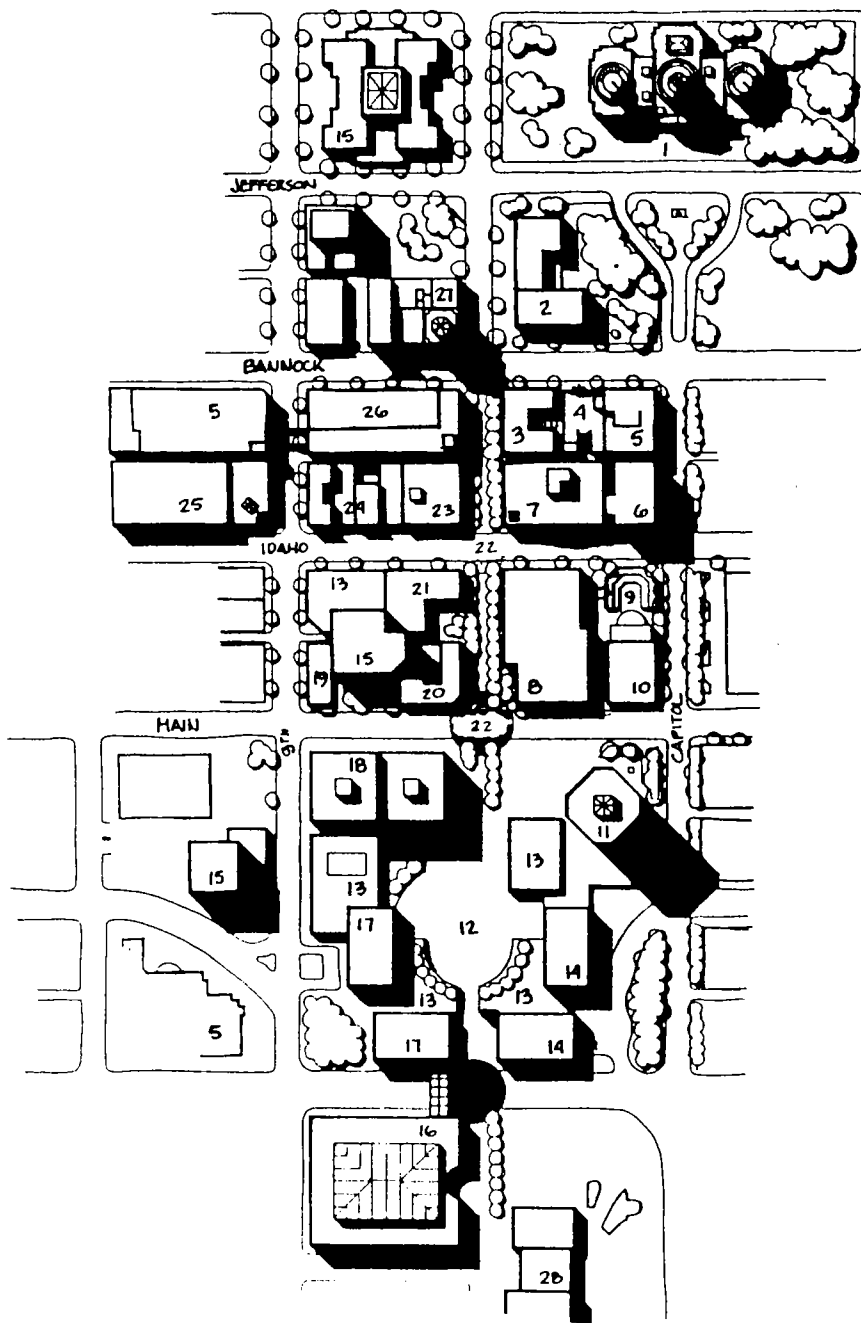
Two alternatives to the location of the conference center have been developed. Scheme A places the Convention Center south of Front Street and west of 8th Street. The hotel is located north of Front and west of 8th. Pedestrian access from the hotel to the convention center would be overhead bridge connection across Front Street. In this scheme the site adjacent to One Capital Center would be designated for office tower with the balance held for future development. Parking is expected to be along the railroad alignment south of Front Street and under the hotel and convention center.



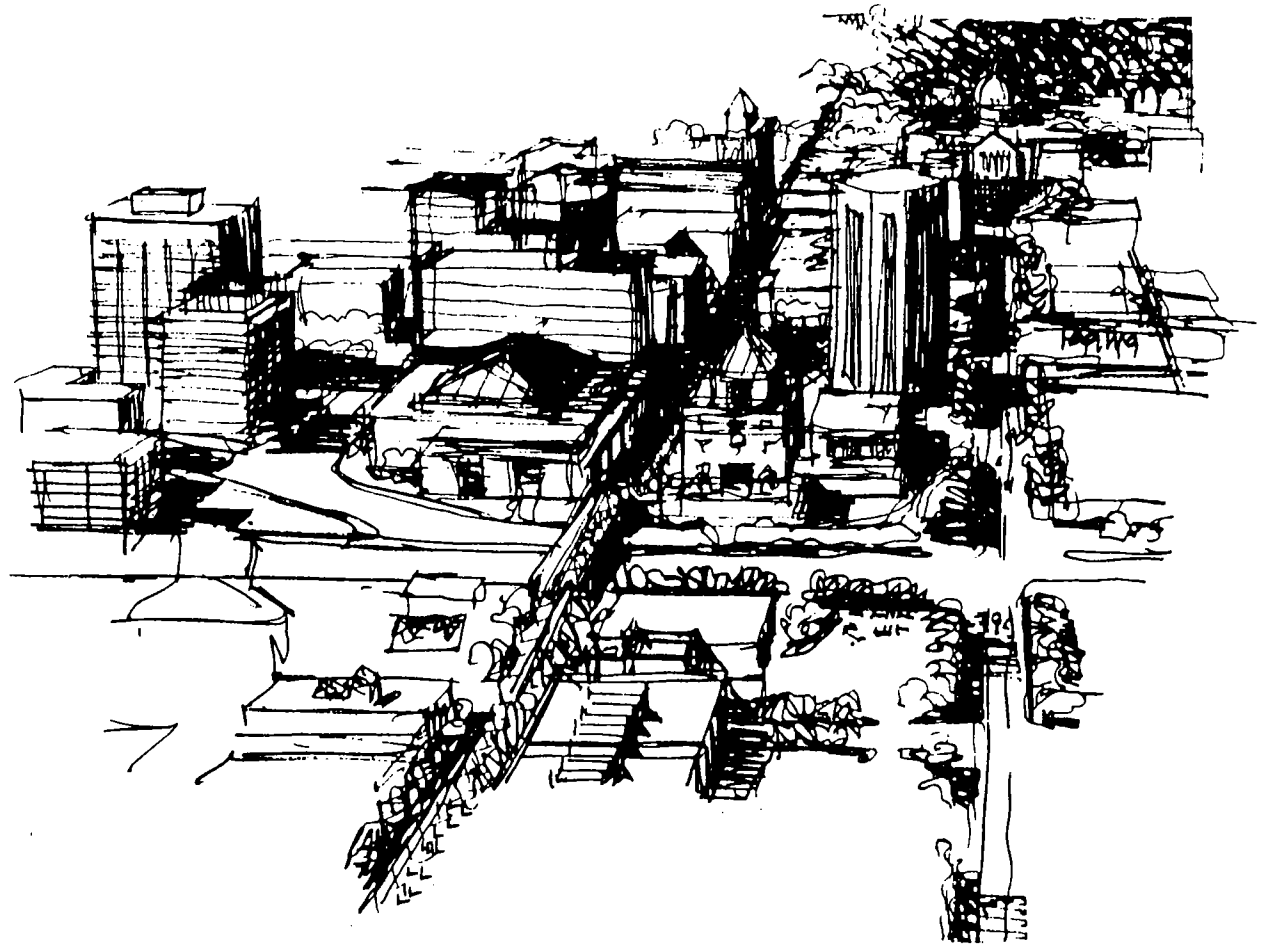




ALTERNATE A

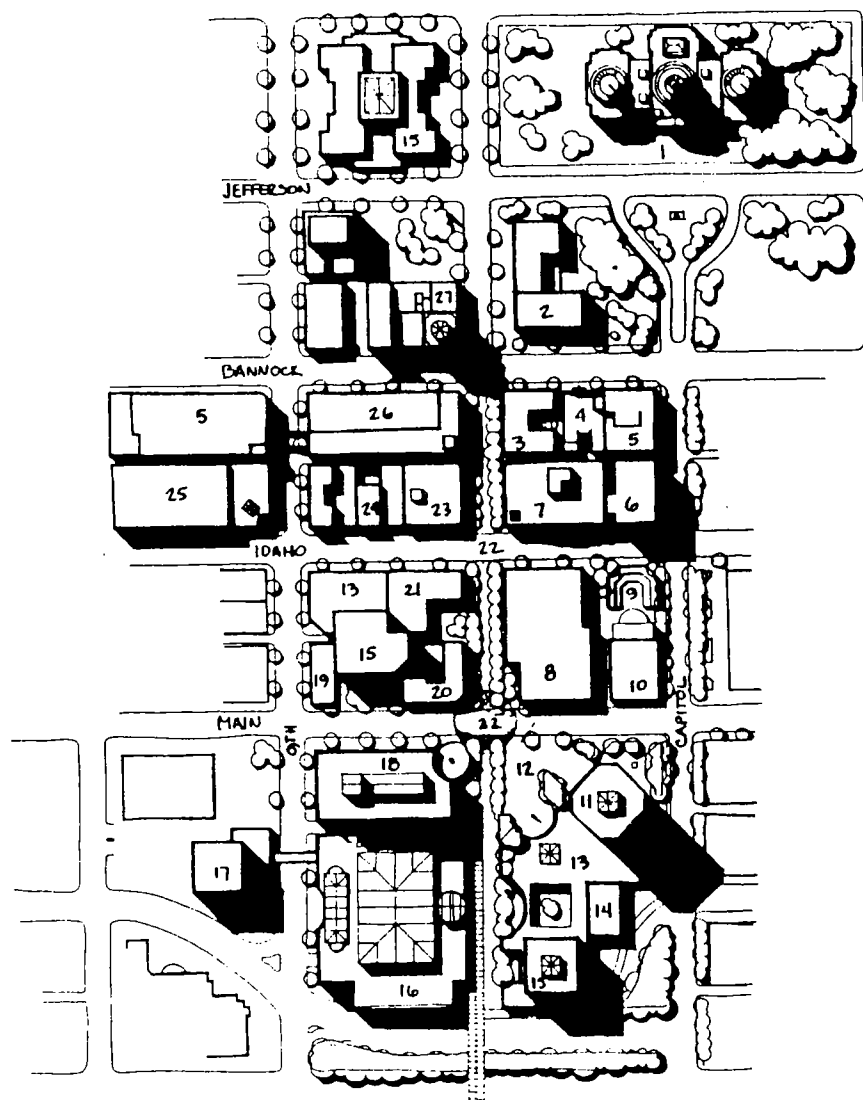


1. CAPITOL BUILDING
2. POST OFFICE
3. IDAHO BUILDING - RETAIL/  
OFFICE
4. RETAIL/RESIDENTIAL
5. PARKING
6. FIRST INTERSTATE BANK
7. UNION BLOCK/FIDELITY BLDG. -  
RETAIL/OFFICE OR RESIDENTIAL
8. DEPARTMENT STORE
9. SHAKESPEARE THEATRE
10. EGYPTIAN THEATRE
11. IDAHO FIRST NATIONAL BANK
12. PUBLIC PLAZA
13. RETAIL
14. CLASS A OFFICE - LOW RISE
15. CLASS A OFFICE - MEDIUM RISE
16. CONVENTION CENTER/RETAIL
17. HOTEL
18. CLASS A OFFICE - HIGH RISE
19. ALEXANDERS - RETAIL/OFFICE
20. EASTMAN BUILDING - RETAIL/  
RESIDENTIAL
21. SIMPLOT BUILDING - RETAIL/OFFICE
22. 8TH STREET PEDESTRIAN MALL
23. EXPANDED MODE
24. RETAIL
25. EXPANDED BON MARCHE
26. RETAIL/COMMERCIAL
27. I.B. & T CENTER
28. 8TH STREET MARKETPLACE

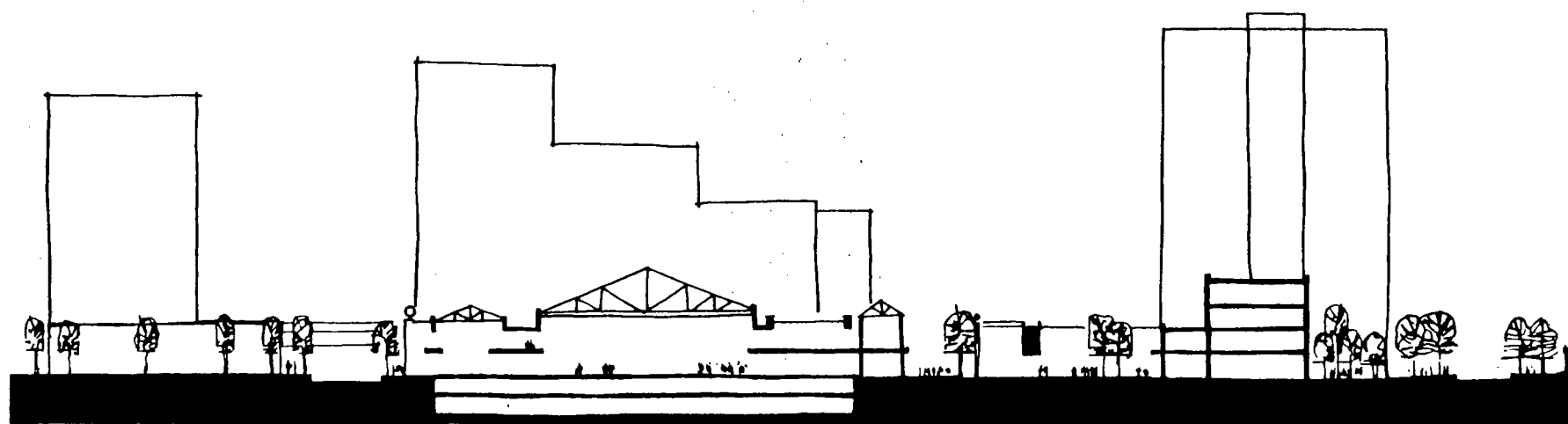
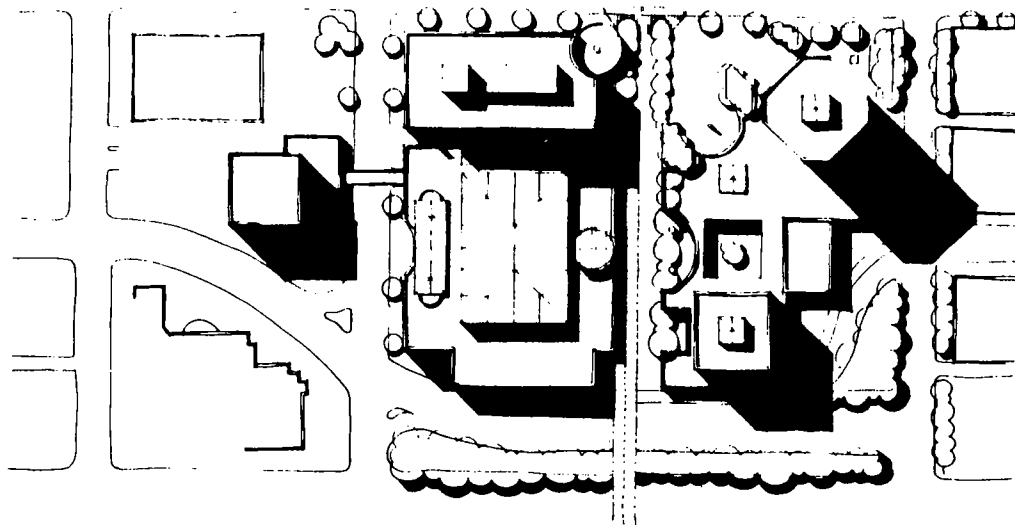


Scheme B locates the Convention Center in the redevelopment area north of Front Street and west of 8th Street. The hotel is located across 9th Street adjacent to One Capital Center with an overhead connection to the Convention Center. The Convention Center is within the redevelopment area and the hotel is outside the area. Parking is under the hotel and Convention Center.

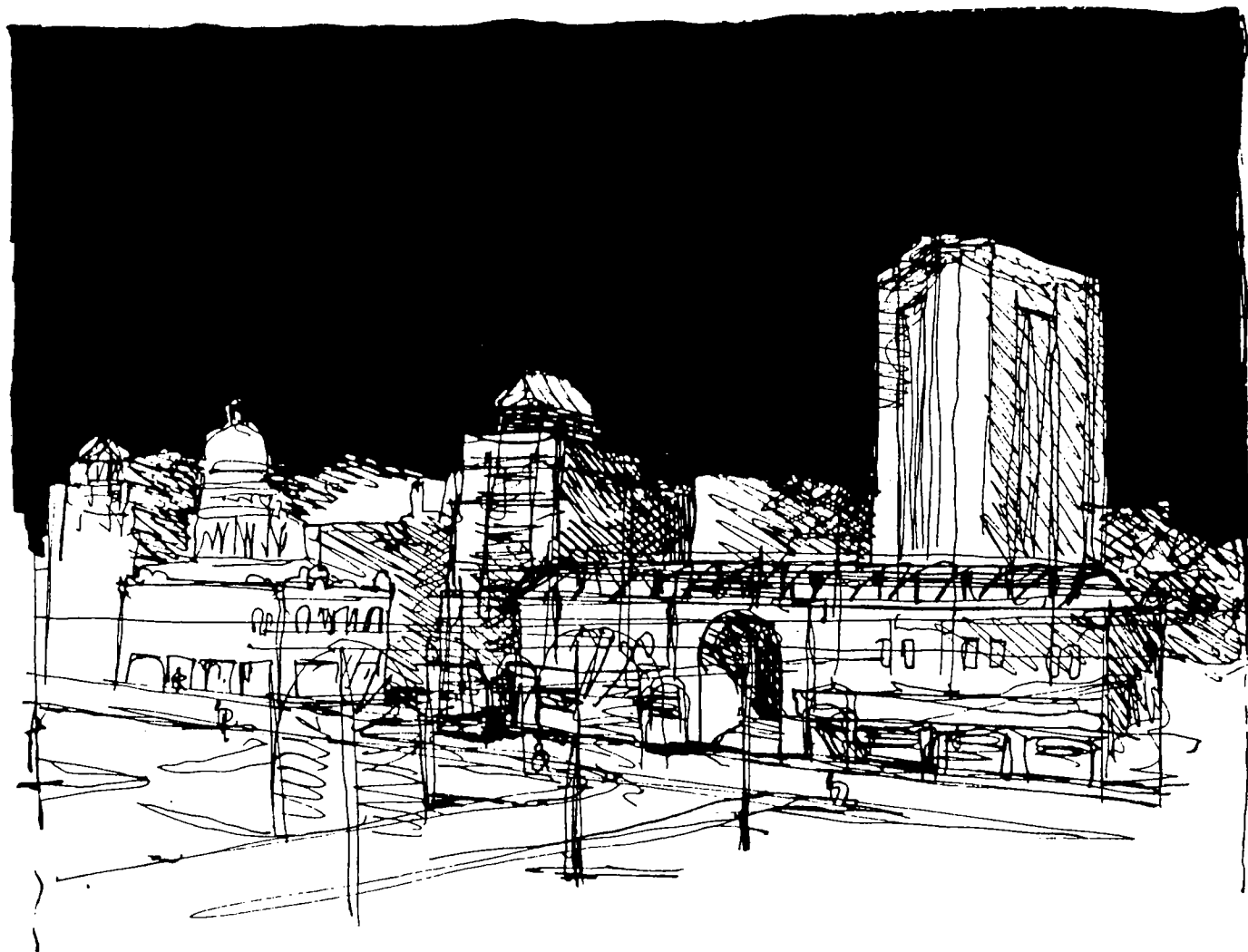
**ALTERNATE B**



1. CAPITOL BUILDING
2. POST OFFICE
3. IDAHO BUILDING - RETAIL/  
OFFICE
4. RETAIL/RESIDENTIAL
5. PARKING
6. FIRST INTERSTATE BANK
7. UNION BLOCK/FIDELITY BLDG. -  
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23. EXPANDED MODE
24. RETAIL
25. EXPANDED BON MARCHE
26. RETAIL/COMMERCIAL
27. I.B. & T CENTER



SECTION OF CONVENTION CENTER SCHEME "B"





## HOUSING

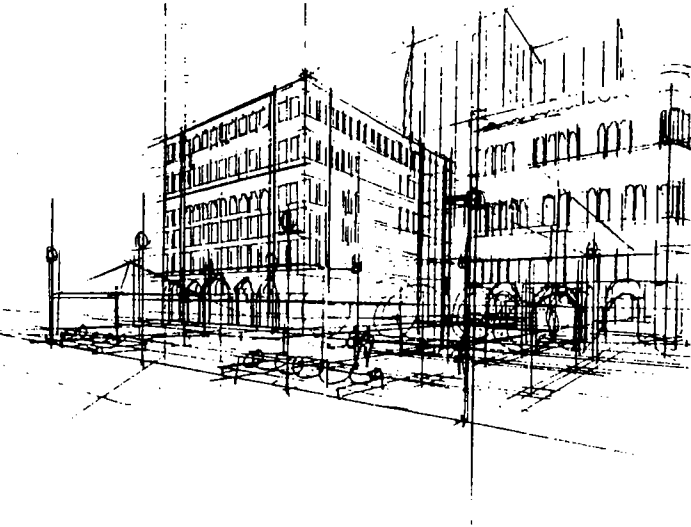
Housing, as an element in the downtown redevelopment plan, is perhaps the most difficult issue to evaluate as part of this effort.

Historically, western cities like Boise do not have a tradition of inner-city high-density housing, so it is difficult to gauge the level of demand for such a lifestyle.

Nevertheless, the premise adopted in this report is that the presence of some housing in the central business district is of such value to the success of other program elements that it must be included. A successful housing initiative in the project area should also enhance additional housing efforts in downtown Boise.

We suggest that a total of perhaps 200 units of rental and for-sale housing be built over a 3-year period.

This housing would be targeted to a market consisting primarily of younger individuals, childless couples, empty-nesters, and the well-elderly. It is critical that such housing, in addition to being integrated with its urban environment, be sensitive to the particular characteristics of the Boise market - emphasizing outdoor space, recreational opportunities and views.



The for-sale units could be built in a higher-density configuration aimed at an established, stable, higher-income market. Prospective buyers for such units generally can afford to fulfill recreational needs by frequent and extended trips outside downtown Boise.

On the other hand, the rental housing would be more likely to attract both a younger (more transient) and older resident of more modest economic means who, in both cases, will need to have a more direct connection with private open space and recreational alternatives on or near the residential site.

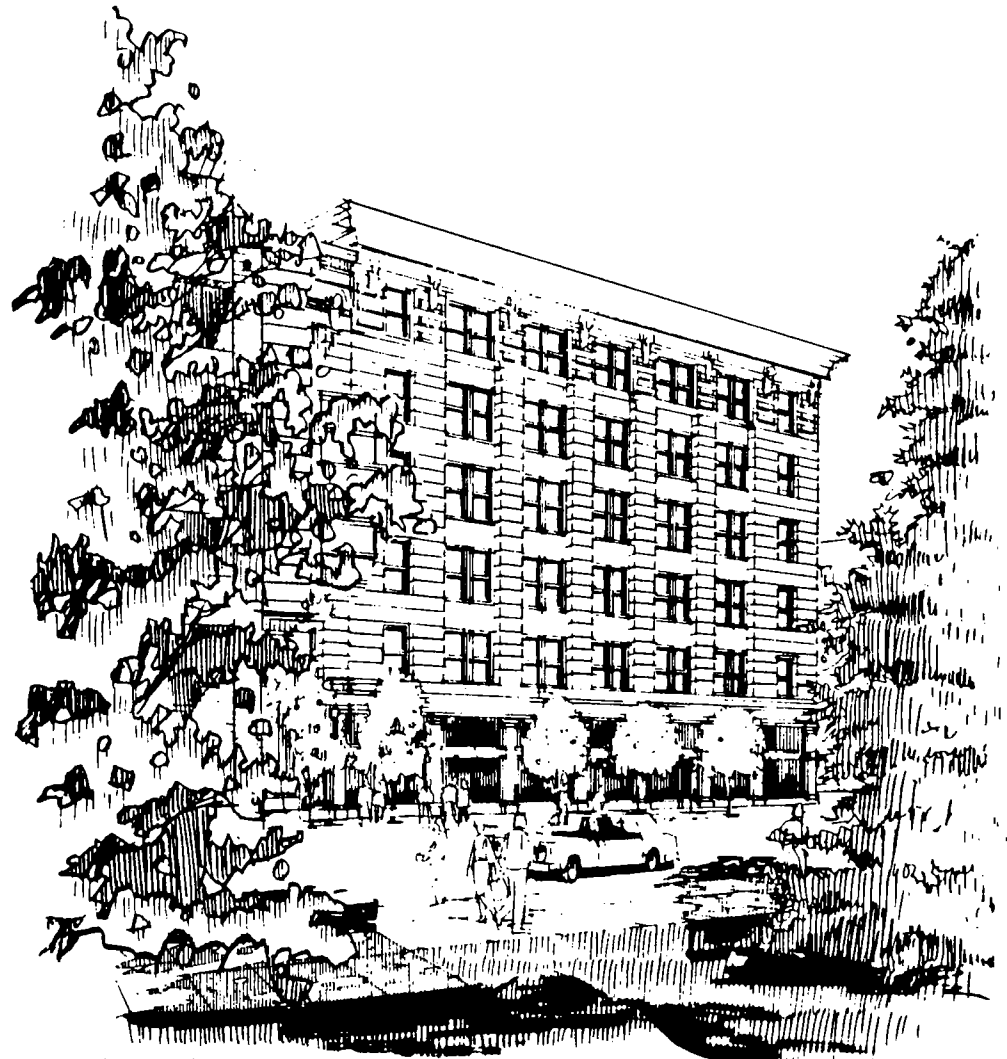
A point of special importance: The publicly owned land resource in the BRA redevelopment area represents a once-in-a-lifetime opportunity to create a true mixed-use neighborhood in Boise's central business district by discounting land costs for the limited housing development proposed here.

While the number of units being proposed will not add dramatically to the dollar volume of downtown retail sales, it is our conviction that the value of a residential environment (more people on the streets, on balconies, more lights on at night, etc.) is measurable and significant in inducing non-downtown residents to shop and seek entertainment downtown ("activity begets activity").

To the extent that this greater activity level can be quantified in terms of increased retail sales and, therefore, higher retail rents, the BRA would be entitled to a return on its public investment.

We recommend that the BRA explore a "value recapture" mechanism so the public entity can share in any increased rental revenue attributable to this "pump-priming" investment.





BANNOCK STREET

## OFFICE SPACE

The current total Class A office space in the CBD, exclusive of government and medical space, is approximately 1,125,000 sq. ft. (net leasable). This space is primarily occupied by financial and professional service firms, as well as headquarters for the management and operations personnel of industrial and manufacturing companies.

Space in lesser office buildings (older and renovated buildings) totals an additional 500,000 sq. ft. The current vacancy rate of less than 5 percent is attributable almost entirely to vacancies in the latter category.

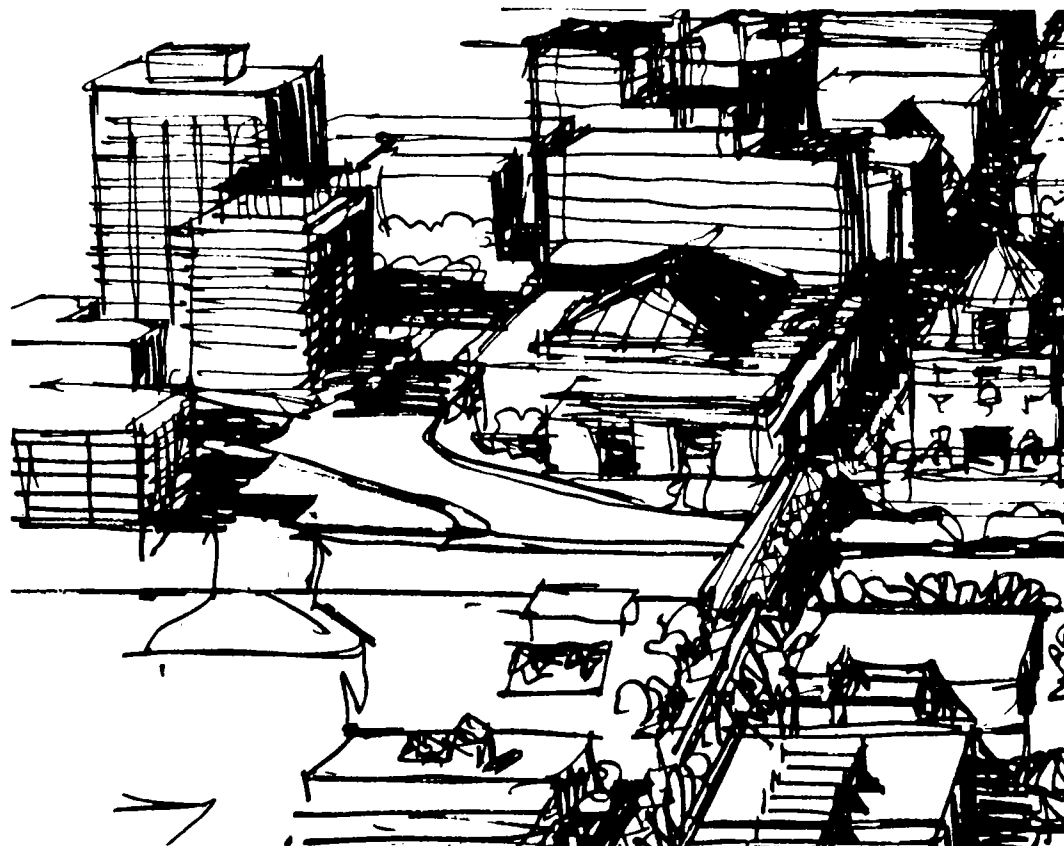
Based on our interviews and conversations and several of the proposals recently received by BRA for new office developments in the redevelopment area, it appears there is a current unmet demand of more than 300,000 sq. ft. for Class A office space in the CBD.

Despite this apparently high level of demand (over 25 percent of the CBD's current stock of Class A space), rent levels have remained at \$17-\$20 per sq. ft. for several years. The fact that rents have stayed stable despite this pent-up demand indicates there is considerable uncertainty about how much future office space demand there will be after the current backlog of demand is satisfied.

In view of this "window" in what otherwise may be a soft office market, we recommend that high-density, high-rise office development in the 300,000 sq. ft. range be initiated in the redevelopment of vacant areas generally south of Main Street.

The northern portion of the redevelopment site presents a different problem, in that office development is limited more to rehabilitation of existing buildings and the construction of compatible (e.g., 5 - 6 story) new office buildings. These infill projects, upon build-out, will contain a total of about 120,000 sq. ft. of office space.

We recommend that the redevelopment agency exercise caution in evaluating proposals for these sites, inasmuch as the market for such lesser office space appears to be rather weak.



## HOTEL, CONVENTION AND TRADE CENTER

The purpose of this section is not to analyze or express a judgment on the November, 1984 Laventhol & Horwath market analysis on the potential for a central city convention facility.

Suffice it to say, that it is the unanimous opinion of the R/UDAT Team that a convention facility is deemed both feasible and necessary for the project. Furthermore, it is our opinion that the current proposed Union Pacific Railroad site is inappropriate for the facility as it negates an effective linkage into the core activity areas of the Central Business District.

However, by placing the convention facility within the eight-block project area one is able to further solidify the preferred tie-in of a public-private complex.

The activity generated by the convention center, the office buildings, the retail space, and the common open space will cause a catalytic effect for further development around the project site, and within the existing business district lying north of the project, and the other specialty shopping areas south and east of the site.

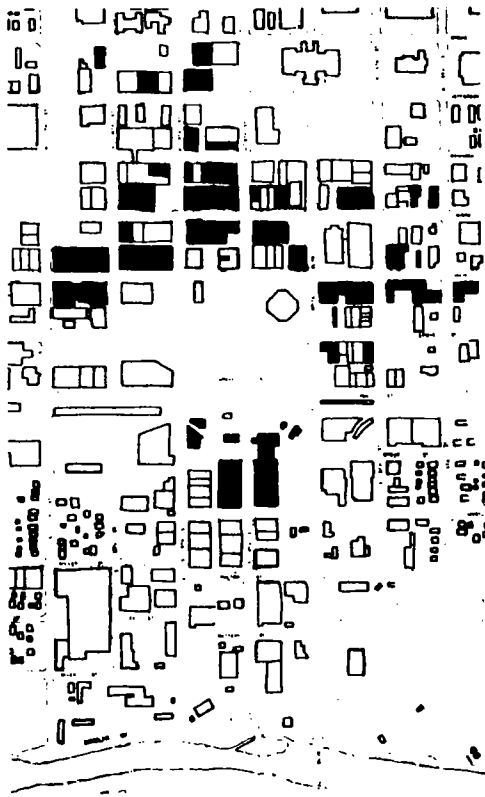
In turn, once the potential of this population base can be established, the opportunity exists to effectively tie into the project a major hotel facility having approximately 500 rooms with a first phase of 300 rooms.

The convention center must be designed in accordance with today's requirements for more single purpose activity areas (break out rooms, auditorium/theatre, executive conference rooms, etc), and a higher sophistication in audio-visual techniques and equipment including such elements as making provisions for a conference services coordinator, audio-visual technicians, an on-premise audio-visual production studio and other elements now deemed necessary by today's convention planners.

Furthermore, it is our recommendation that very serious thought be given to the inclusion of a "trade exhibit center" as a component of the conference center. This facility would be made available to local and national firms wishing to exhibit on a ongoing basis their wholesale products for local buyers.

Finally, the Convention - Trade Center, should be invited into the BRA project along similar lines as the Greater Boise Auditorium District is now proposing for the Union Pacific Railroad. The primary difference would be the ground lease arrangement which will actually make the financing of the center more viable due to the District's lower land expenditures resulting from now having only an annual rental payment rather than the need to purchase a site.

## RETAIL, ENTERTAINMENT, AND THE ARTS



The loss of opportunity to build a regional comparison shopping center in downtown Boise does not preclude the prospect of establishing a destination retail center within the core area. We believe that the appropriate target level for new retail and entertainment space to be added to the core in "8th Street Pedestrian Mall" is approximately 150,000 sq. ft. However, to achieve the objective of creating a successful, vital and active downtown retail component, the character and identity of the retail elements in the development area plan must be very carefully specified.

This retail component, "8th Street Pedestrian Mall," needs to have the following characteristics:

- \* It must be distinguishable from the office/commercial structures in the project area.
- \* It must be perceived as being continuous throughout the principle retail area of the core city.
- \* It should be linear to remain consistent with the street and building framework of the core city.
- \* It is essential to connect existing retail and cultural nodes, such as the 8th Street Marketplace and the Julia Davis Park area to the south, Bon Marche' and the Mode, Ltd. to the north, and the Old Boise Historic District to the east.
- \* While accommodating smaller department store outlets, the dominant focus should be on specialty retailing (such as a "festival marketplace") and "high end" clothing and accessories supplemented by entertainment, food, and cultural attractions (perhaps including a "farmers market").

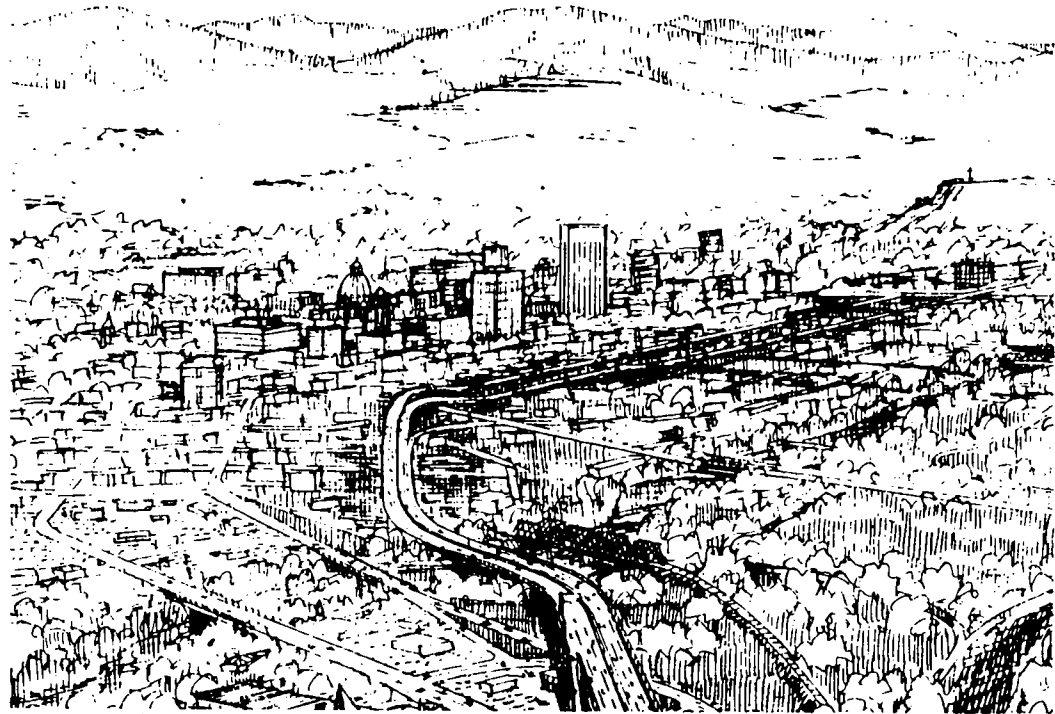
One of the most critical objectives which must be achieved by this retail spine is accommodation of both programmed and unprogrammed cultural and entertainment events. To this end, there are 2 elements to consider - the physical design and character of the retail spine and a management and financing mechanism to administer and underwrite these events. The former consideration is prominent in the master plan, where specific sites within the redevelopment area are identified for periodic (e.g., Shakespeare Festival performances) and continuous (e.g., visual art displays) cultural activities.

The administrative entity needed to accomplish these goals is described in the "Promotion and Management" chapter.

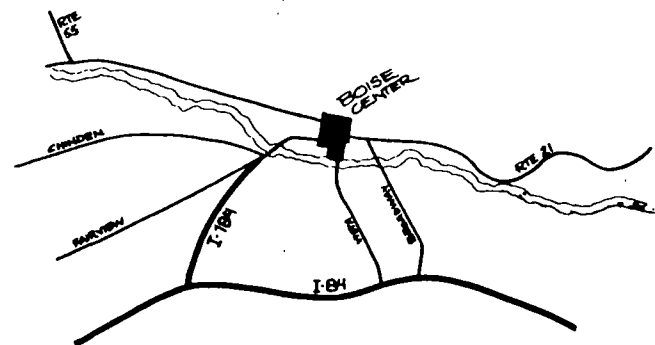
We propose that the basic source of funds for this cultural event programming function be a half of one percent set-aside by the BRA of all funds expended for development in the redevelopment area. This set-aside could create an endowment fund of as much as \$1 Million (in addition to the similar trust already in place to support the visual arts) and yield approximately \$100,000 per year once all BRA land is sold and developed.







**AERIAL DRAWING OF BOISE CITY (FROM SOUTH)**



**PRIMARY DOWNTOWN ACCESS**

## TRANSPORTATION

Accessibility is not a major problem for downtown Boise. Presently, and for the foreseeable future, access almost exclusively means the private automobile. The existing major street pattern - a grid of level, wide, well-maintained, adequately lit, and signalized streets - provides a clear, safe, and convenient system for traffic movement to and within the downtown. The regional highway network, through existing or soon to be improved connections, feeds into the city's arterials. Parking in the downtown is more than adequate to meet the present demand and is generally well located within easy access of the prime area destinations. The existing planning, engineering, and management of the street and highway system is professional and responsive to the changing needs of the city.

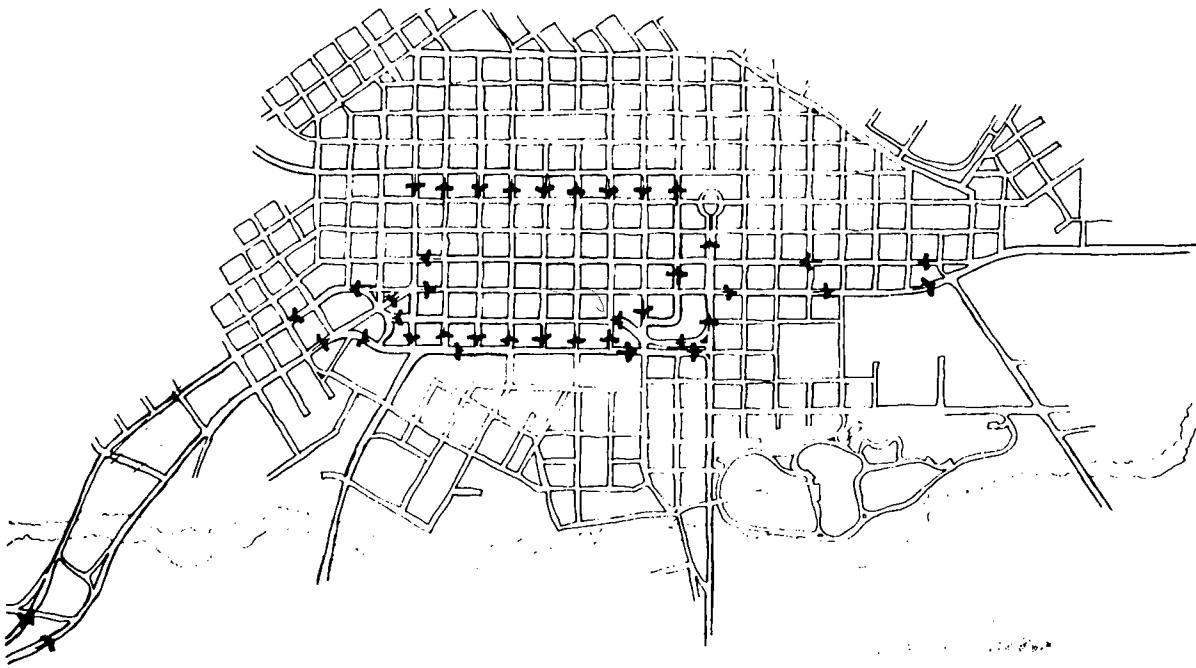
So what's the problem?

Basically, the problem is one of perception. To the residents as a whole, who cherish the outdoors and their freedom of unhindered movement, even slight inconveniences of delay and congestion seem great. For those citizens who are concerned with the viability of the downtown, it stems from frustration over the long-term inability to redevelop a major portion of the commercial area. The well-intentioned plans to revitalize downtown Boise through the insertion of a major regional shopping center in the heart of the city have not failed because of lack of workable access. The reason is more likely corporate policy decisions by major retailers which favor suburban locations with less restrictive expandable sites, free surface parking, and direct access from the existing interstate highways over locations in older downtown districts.

This is not to say that the people of Boise should adopt a laissez-faire attitude toward the transportation elements of planning and implementing improvements in the downtown. The recommendations for a new approach to revitalize downtown Boise will need well-integrated, carefully thought out transportation improvements if they are to succeed. The impact of traffic on neighborhoods surrounding the core area and the environment of the region must be constantly measured, analyzed, and mitigated as part of the decision making process to provide improved access to the downtown.

Toward this goal, the following guidelines are recommended:

- \* County, state and city transportation planning and engineering officials should be an integral part of the downtown redevelopment planning team.
- \* Neighborhood groups and citizens at large should officially participate in the planning process on a regular basis.
- \* Reduction of air pollution through increased traffic efficiency, encouragement of car-pooling, vans and public transportation.
- \* Scale, location, and other design elements of roadway improvements should be compatible and complimentary to the urban fabric.
- \* With growing scarcity of public funds for transportation improvements, priority should be given to maintenance and improvements of existing facilities, better traffic management, and new facilities that correlate directly to short-term development opportunities.



- \* Alternative transportation improvements such as bikeways, pedestrian paths, and private/public mass transit should be promoted.
- \* Educational and promotional programs should be developed to increase awareness and use of public transportation, carpools, vans, and parking facilities.
- \* Public transit, "whose time has not yet come in Boise," should be maintained for the elderly, youth, handicapped and as a choice for those who prefer it over the private car.

Specific transportation improvements that should be expedited to establish an access framework for the physical and economic development of the downtown include:

#### **Broadway/Chinden Interchange and Connector**

This improvement as planned is critical to establish the basic access from the regional highway network and Interstate I-84. The first phase at the western end, connecting the Interstate spur (I-184) across the Boise River to 15th Street is close to construction. The remaining phases which complete the Front Street/Myrtle couplet to Broadway are less definite due to lack of funding commitments. A high priority should be placed on the completion of this primary downtown access improvement, even if the scarcity of highway funds means settling for interim design solutions.

#### **Ninth Street/Capitol Couplet (9th Street Bridge)**

The extension of 9th Street via a new bridge across the Boise river to provide a one-way couplet of 9th and Capitol feeding the downtown from the south will improve capacity and flow into the downtown and should proceed as scheduled.

#### **Jefferson/State Couplet**

Modest new construction at the 19th Street area to the west and extension of Avenue B at the east should be implemented to establish the continuity of movement for this important pair of one-way streets which feed into the north side of downtown.

## Improvements Outside of Core

Roadway improvements such as the Stilson Road crossing of the Boise River to the west, the Route 21 realignment and a new river crossing to connect to I-84 on the east, the southeast corridor extension and intersection improvements on the regional arterial network will help to alleviate downtown traffic volume by offering alternative routes for through traffic. These improvements are responsive to the growth of the region and, to some extent, help to encourage or hinder the growth pattern. Therefore, priority and design of these improvements should be an integral part of the Ada County land use planning process.

## Specific Downtown Transportation Improvements

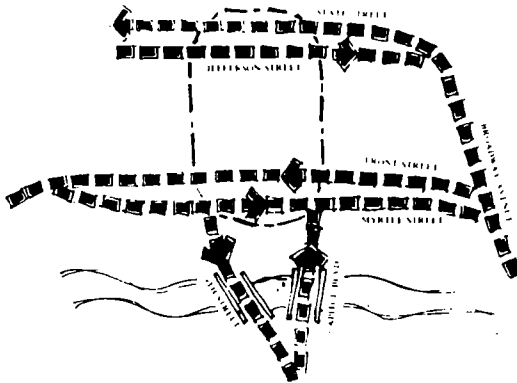
### Streets

Clarity and capacity are the two keys for improved access to the downtown. Clarity is provided by a system of one-way couplets feeding into the downtown grid pattern from the population areas to the east, west and south.

Capacity is provided by the generally four-lane streets with curbside parking controlled during peak hours and computerized traffic signals at the major intersections.

The local downtown streets will serve as collector-distributors to and from the major vehicular destinations within the downtown - parking facilities, loading/service areas, drop-off points and short-term curbside parking.

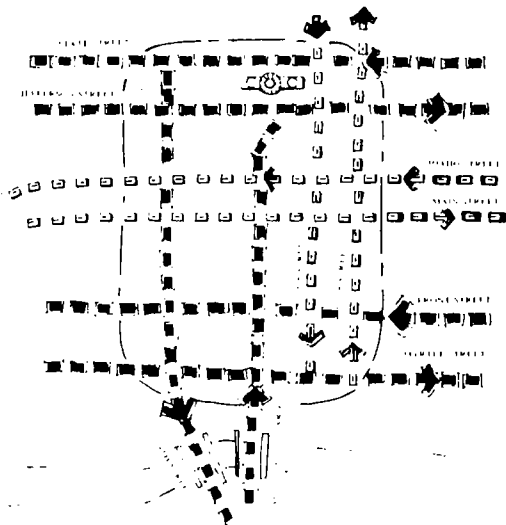
Idaho/Main Streets will be the basic east-west distributor couplet within the downtown and 5th/6th Streets will provide north-south continuity. Other local downtown streets can be retained as one-way or become two-way to ease access to parking and servicing and allow flexibility and reduce the need for recirculation around the larger downtown blocks. Grove and Bannock Streets fall into this category. In addition, the curved section of Grove Street from 10th street to Capitol Boulevard should be eliminated to allow for proper redevelopment in the 9th/10th Streets block and avoid a major conflict between 8th Street pedestrian flow across Front Street.



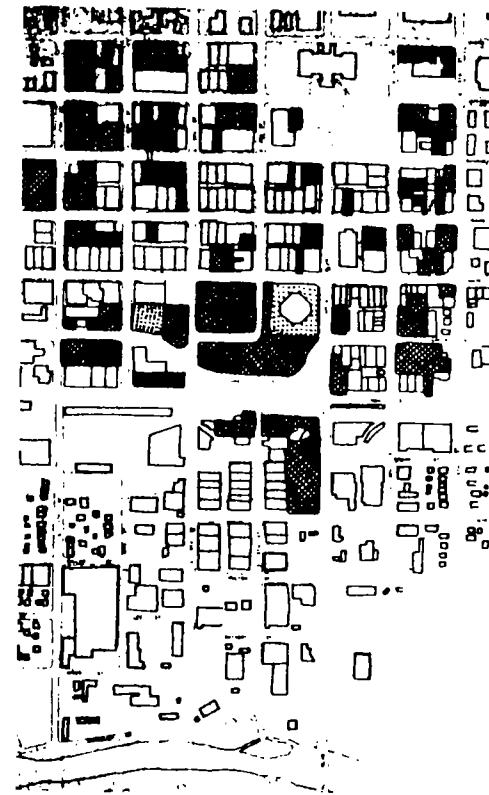
## Parking

As development begins to fill in the voids in the downtown, surface parking lots will be replaced by parking structures integrated with the new buildings. Today there are approximately 7000 off-street parking spaces in the immediate downtown area by the State House, 8th Street Marketplace, 5th Street, and 10th Street. (5000 surface and 2000 structured). Parking to serve the new retail, office, hotel, convention center and residential development should be provided within or directly adjacent to the structures served. Curb cut access/egress to the parking must be designed to feed onto the downtown distributor streets properly set-back from intersections and to minimize potential conflicts with pedestrian flow. Ground floor street frontages should be devoted to active retail/commercial space and not blank facades of parking structures. This is a design element that should be reviewed building by building to maximize interesting, active street fronts throughout the downtown.

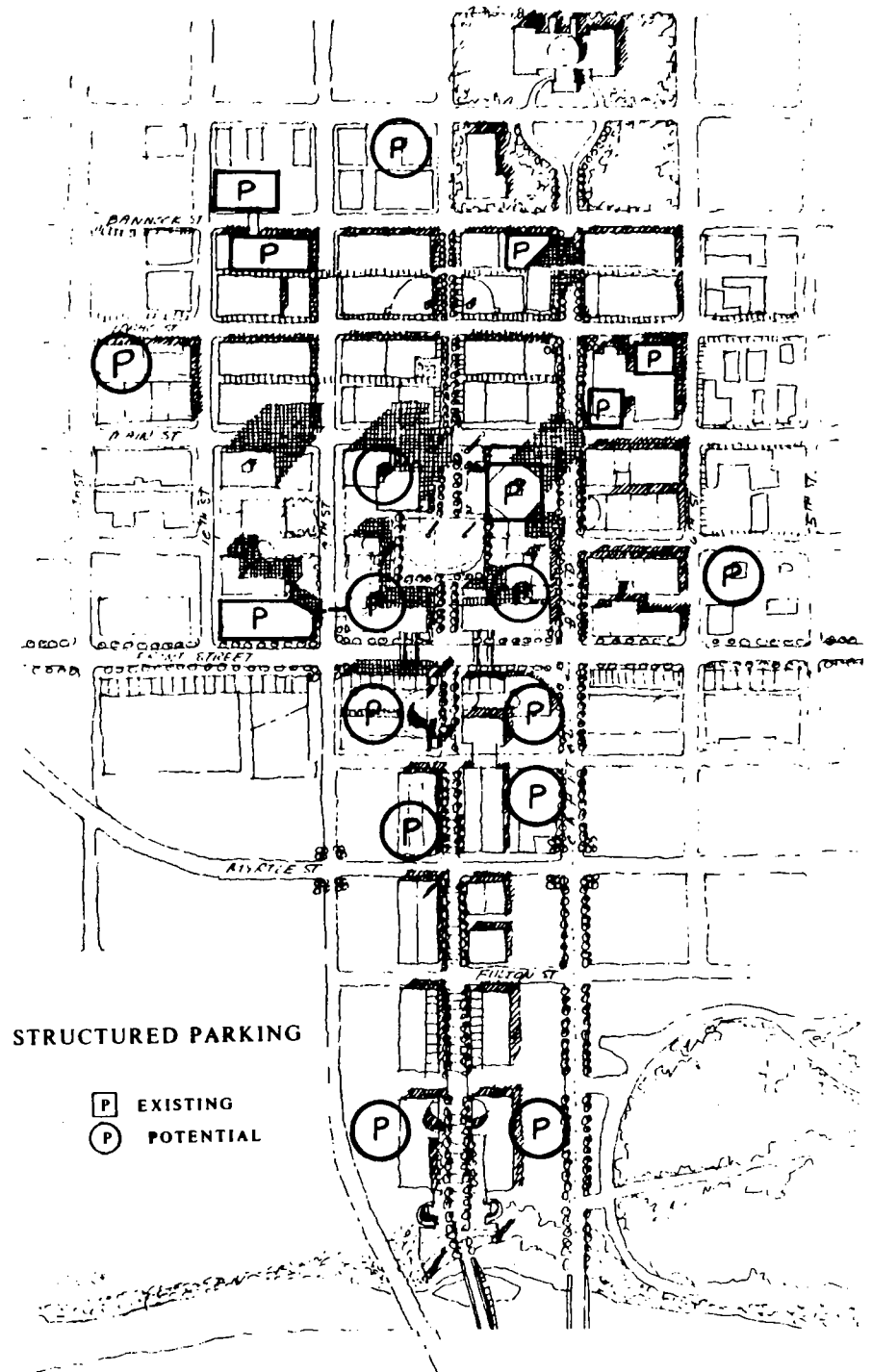
Approximately 2750 new parking spaces will be required to serve the new development to meet the existing zoning ordinance. Replacement of approximately 5000 existing surface lot spaces as the downtown develops brings the total of parking spaces within the immediate downtown area to 7750. Properly located in numerous locations throughout the downtown rather than attempting to meet the parking demand in several large parking structures, will allow the proposed street system to function well with convenient close to destination parking.



DOWNTOWN DISTRIBUTION SYSTEM



EXISTING AREA USED FOR PARKING



Signage should be designed to direct drivers to the parking locations and garage entrances. A well-designed "downtown Boise" logo could also be used on the major arterials to point out the best access to the CBD.

### **8th Street Pedestrian Mall**

The conversion of the 8th Street right-of-way into an attractive pedestrian activity center will provide a new, exciting element in downtown Boise. It will not only provide a new image for the city, but it becomes an important part of the circulation system. In addition to providing an area for pedestrians, the mall could also provide a right-of-way for a special low-speed, quiet people mover. This could add movement convenience between the major elements along the mall and add a special flavor and added entertainment. This system should be flexible so it could expand on demand to serve the nearby activity centers such as the Gallery of Art, Morrison Center, Zoo and special event sites in the downtown area.



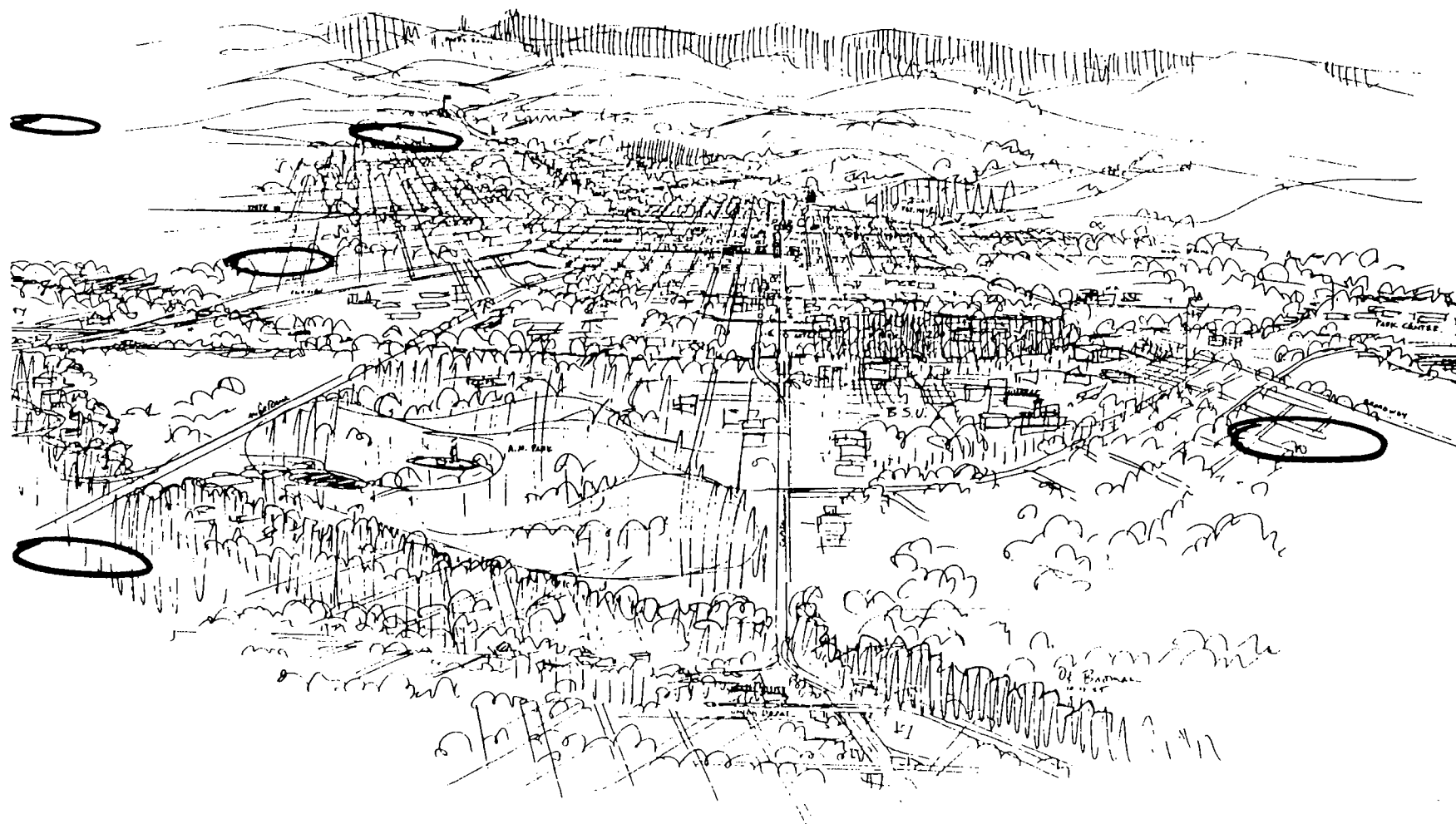
## Shopping Center Issue

The community has determined that regional comparison shopping can most realistically be handled in a regional shopping center located outside the immediate downtown area. It is important when evaluating the eventual location of the facility to keep in mind that there is a dynamic relationship between the physical location of the regional shopping center and the degree to which the core area will benefit from its introduction into the market area. The factors of both travel time and perceived proximity will influence the degree to which economic spill-over will occur.

The closer the regional comparison center can be located to the central specialty retail center, the more likely each will benefit from the other. The provision of a regional shopping center will not only help capture retail sales leakage occurring in the Boise market, but will also increase the present market area. This increase in the market area will have the effect of inducing an expanded money supply in the local market, which will be magnified by the multiplier effect of increased spending and will provide an extended customer base for other retail trade.

This second factor is of particular importance to the specialty retail market of the downtown area. This specialty retail market is not in direct competition with the regional comparison shopping market, but should be able to benefit from its expansion.

**Recommendation:** The community should address the economic reinforcing effect between location of the regional shopping center and the downtown specialty retail core when evaluating the location of a regional comparison shopping center site.



## **ECONOMIC BASE**

This following economic and demographic information has been compiled to present an overview of Boise's current and historic socioeconomic base and provide a perspective within which the project may be evaluated.

## **POPULATION**

During the period 1970 to 1980, Ada County was one of the fastest growing counties in the United States - population increased over 30 percent from 112,000 to above 173,000 in that decade. However, recently adjusted growth projections through the year 2000, show population increasing at a slower rate than in the past. Population is presented in two forms - by total number of persons in the planning areas and the relative percentage of total population concentrated in those same areas. Estimates of future population originally figured by Ada Planning Association using Bonneville Power Administration's 1983 projections, were adjusted to reflect the slower growth patterns of the future based on projections completed in early 1985.

Analysis of population by age groups, according to the 1980 U.S. Census, shows 56.1 percent of Ada County residents are over 25 years of age. Thirty-one percent of the total population are in the 25-44 years of age group.

Of the age group 25 years old and over, 18.3 percent have less than a high school education and 81.7 percent have completed high school. Twenty-two percent of the high school graduates have a college education. These figures are well above national averages. The 1980 U.S. Census reports 66.5 percent of all persons 25 years and older are high school graduates and 16.2 percent are college graduates.

**1970, 1980, 1990 and 2000 Population by Planning Area**

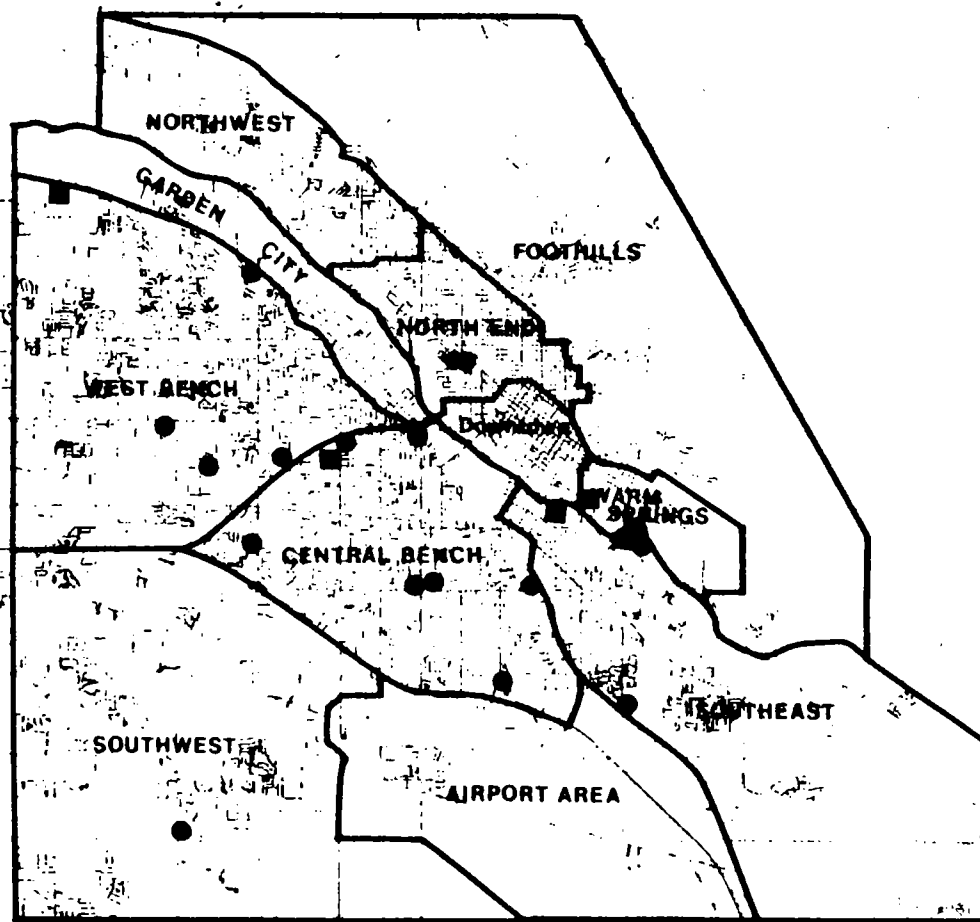
Planning Area	1970	1980	1990	2000
Central Bench	32,054	34,210	34,835	33,289
North River	34,222	36,320	41,754	46,016
City Center	--	2,970	4,437	3,819
Foothills	--	8,170	9,050	11,249
North End	--	16,322	15,139	12,178
Northwest	--	5,627	9,133	14,258
Warm Springs	--	3,231	3,995	4,512
Southeast	8,981	15,237	22,602	29,099
Southwest	2,590	18,648	20,343	18,805
West Bench	19,905	38,059	46,351	49,330
Garden City	--	5,096	7,658	10,711
Eagle	4,128	4,404	6,621	9,251
Kuna	2,276	2,277	3,324	4,348
Meridian	7,663	7,596	12,889	18,461
Rural	411	16,285	17,720	17,537
<b>Ada County Totals</b>	<b>112,230</b>	<b>173,036</b>	<b>206,439</b>	<b>226,136</b>

**1970, 1980, 1990 and 2000 Population by Planning Area  
PERCENT OF TOTAL**

Planning Area	1970	1980	1990	2000
Central Bench	28.5	19.7	16.8	14.7
North River	30.5	20.9	20.2	20.3
City Center	--	1.7	2.1	1.6
Foothills	--	4.7	4.3	4.9
North End	--	9.42	7.3	5.3
Northwest	--	3.2	4.4	6.3
Warm Springs	--	1.8	1.9	1.9
Southeast	8.0	8.8	10.9	12.8
Southwest	2.3	10.7	9.8	8.3
West Bench	17.7	21.9	22.4	21.8
Garden City	--	2.9	3.7	4.7
Eagle	3.6	2.5	3.2	4.0
Kuna	2.0	1.3	1.6	1.9
Meridian	6.8	4.3	6.2	8.1
Rural	.4	9.4	8.5	7.7
<b>Ada County Totals</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

# MAJOR EMPLOYERS

- 100 - 500 Full time employees
- ▲ 500 - 1,000 Full time employees
- Over 1,000 Full time employees



## EMPLOYMENT

Ada County employment figures were drawn from 2 sources. The 1970 total employment figure is from the State of Idaho's Division of Economic and Community Affairs, 1982 County Profiles; 1980 figures and projections for 1990 and 2000 were extracted from the Ada Planning Association, July 1984, Demographic Report. Their determinations project Ada County to have 105,500 employees in 1990 and 135,700 employees in the year 2000.

The major employers in Boise are identified as those with 100 or more fulltime employees. They are depicted on the following map. Among the largest employers in one location are Hewlett Packard, Morrison Knudsen, and Boise State University. Including the students, BSU draws over 12,000 people to the University area which is adjacent to the City Center.

### ADA COUNTY TOTAL EMPLOYMENT FOR 1980, 1990, AND 2000

PLANNING AREA	1970	1980	1990	2000
Central Bench	-	17,315	19,209	22,942
North River				
City Center	-	24,265	26,421	30,901
Foothills	-	2,649	2,987	4,201
North End	-	3,300	3,574	4,380
Northwest	-	1,336	1,679	2,203
Warm Springs	-	2,712	5,281	5,866
Southeast	-	5,620	7,030	9,826
Southwest	-	5,260	6,407	11,316
West Bench	-	13,136	23,013	30,607
Garden City	-	2,191	2,953	3,985
Eagle	-	801	961	1,466
Kuna	-	451	553	1,048
Meridian	-	2,905	3,377	5,431
Rural	-	2,191	5,024	5,540
Ada County Total	53,250	81,941	105,516	136,727

## INCOME

Income characteristics of Ada County residents are presented in the following Table. 1980 average personal income per household and median income per household with accompanying projections to 1990 and 2000 were extracted from the Shorett & Riely Market Analysis done for the BRA in July 1981.

The Idaho Department of Employment estimates that per capita income will increase at an average annual rate of 2.5 percent statewide. Ada Planning Association has adjusted this rate of increase to reflect local trends and suggests that the Ada County rate of increase will be over 3 percent.

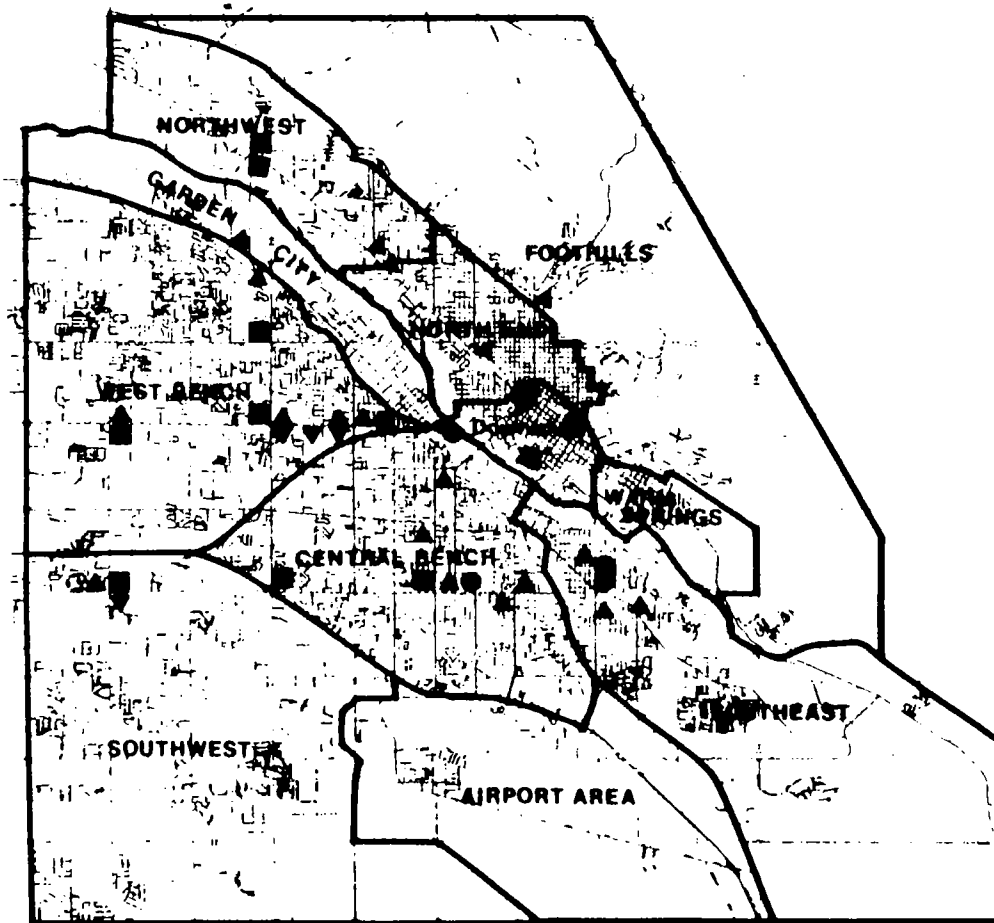
### 1980, 1990, 2000 PERSONAL INCOME; AVERAGE PER HOUSEHOLD BY PLANNING AREAS

PLANNING AREA	1980	1990	2000
Central Bench	25,600	27,200	28,800
North River			
City Center	26,435	28,100	29,700
Foothills	36,180	38,500	40,650
Northend	29,500	31,350	33,150
Northwest	27,830	29,600	31,250
Warm Springs	33,400	35,500	37,500
Southeast	32,000	32,500	33,800
Southwest	25,100	26,600	28,150
West Bench	29,500	31,350	33,150
Garden City	N/A	N/A	N/A
Eagle	26,435	28,100	29,700
Kuna	19,500	20,700	21,900
Meridian	25,100	26,600	28,150
Rural	23,655	25,150	26,600
Median Household Income	27,828	29,577	31,261

## RETAIL TRADE

There are currently 9 major retail centers in the Boise area with 150,000 or more square feet. With the exception of Eighth Street Marketplace, all of the major centers are located west of Orchard Avenue. In addition to these larger centers, there are 36 centers under 150,000 square feet. Sixty three percent of the smaller centers are between 50,000 and 150,000 square feet. These centers are located in the West Bench area. Nearly 70 percent of all the retail centers are located west of Orchard Avenue. (See following map of retail centers)

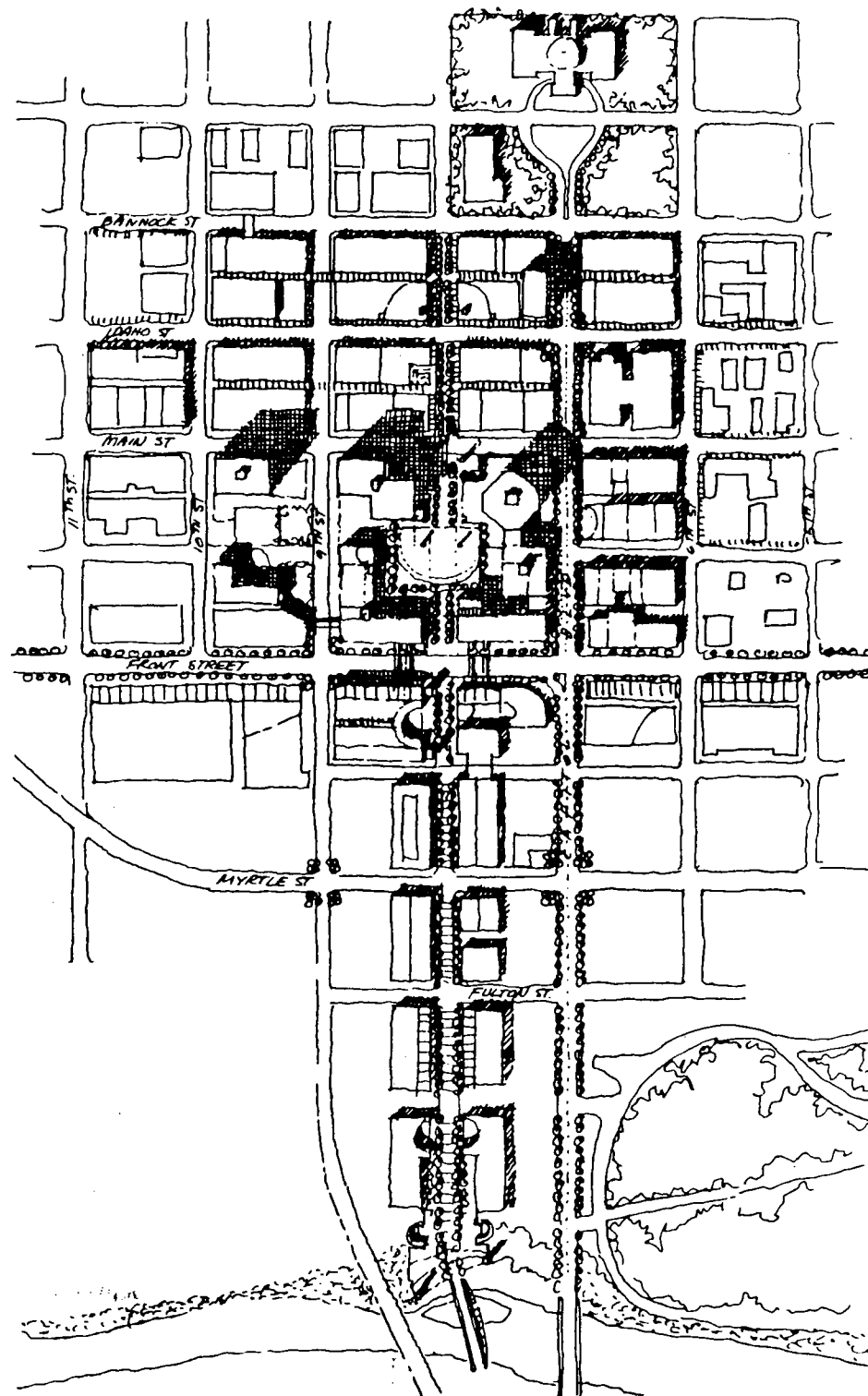
According to the 1982 Census of Retail Trade, total volume for Shoppers Goods Sales in Boise was \$190,296,000.



### RETAIL SHOPPING CENTERS

- Less than 25,000 Sq. Ft.
- ▲ 25,000 - 150,000 Sq. Ft.
- Over 150,000 Sq. Ft.





## FINANCIAL RESOURCES FOR PROJECT IMPLEMENTATION

Our analysis has evidenced that, though the City of Boise and the State of Idaho have access to a variety of financial mechanisms for core area redevelopment; there is a general reluctance to utilize these resources as incentive vehicles for public and private infrastructure construction within the eight-block redevelopment area.

While it is self-evident that two decades of urban renewal redevelopment frustration causes skepticism over the further involvement of municipal, state or federal financing techniques, it is also self-evident that during these same two decades the role of local and state governments in the use of "creative" financing techniques has, quite literally, leveraged the renaissance of numerous communities larger and smaller than Boise.

The attitude today towards the eight-block redevelopment area has to be, from a financial implementation point of view, one of aggressive governmental leadership coupled with the hard line recognition that private central core development corporations expect, and get, a gamut of financial and tax incentive programs from those communities that are ready to enter into a redevelopment partnership - resulting in financial equity and financial flexibility for both the public and private sector.

- . Financial Equity - the redevelopment of the eight-block area will directly benefit the economic well being of all the ancillary merchants and businesses in the Central Business District,
- . Financial Flexibility - Federal, State and Municipal tax and financial vehicles exist which, when coupled with private and institutional financing, can leverage a project far beyond it's normal expectations, thereby contributing to it's long range economic success to the benefit of all competing businesses.

Finally, while some core area commercial establishments have expressed some concern over the idea of financial leveraging of new businesses in the eight-block redevelopment area, they should attempt to understand that money leveraging is never a "give away" program - the businesses and developers are still obligated to be fiscally responsible to obtain their own building financing and be able to meet their repayment schedules. Also creative financing has absolutely nothing to do with real property tax abatement - an incentive used by some communities, but not being suggested here. The real incentive to both the businesses/developers and the community is the legitimate leveraging of money via a variety of redevelopment programs.



## FINANCING TOOLS:



The following array of programs represent, to the best of our knowledge, those financing tools best suited for Central City Redevelopment and currently available (or legislatively possible upon slight amendments) to the City of Boise and the various agencies.

1. Boise Redevelopment Agency - The agency has approximately \$10 million dollars in Community Development Block Grant funds, in the form of a Letter of Credit, through the U.S. Department of Housing and Urban Development.

These funds may be utilized for the development of parking facilities and all public amenities within the project.

The Agency also has the ability, by virtue of the Urban Renewal law, to borrow money and to apply for loans, grants etc, from any available federal, state, or local source, both public and private. It is also a vehicle for the issuance of it's own bonds, retiring them through income derived from the project.

Finally, the Agency may derive money from the sale or lease of the project land.

2. Special Assessment/Improvement District Financing - The City of Boise can form special improvement districts for the purpose of financing the construction of public improvements including parking, street improvements, landscaping, street furniture, sidewalks, etc. Repayment of the financing is accomplished by assessing the adjacent benefitted property owners.
3. Municipal Revenue Bonds - By statute, the city of Boise is able to issue bonds for the construction of necessary infrastructure within their community. The bonds would be retired with the project revenues.

4. Community Development Block Grant Funds - Annually, the City of Boise receives a federal allocation of block grant funds which may be used for a variety of community projects deemed as priorities by the residents of the community. These funds approximate \$940,000 annually. Currently, a substantial portion of these funds are used to assist in the financing of community capital improvement projects (utilities, parks, streets, etc).

Conversely though, these funds can be used for the development of public amenities/spaces/street furniture and landscaping.

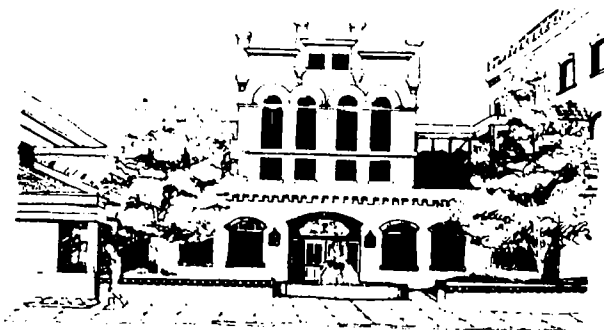
5. Small Business Administration 503 Loan Program - The SBA loan program can leverage the financing ability of the small business by providing long-term, low-interest fixed rate loans for business expansions of their operations.

Through an SBA 503 program, a business can buy property, construct or rehabilitate a building, or purchase machinery or equipment. The loan can be financed up to 90% of the cost of the project and usually the loan is financed 40% by the SBA and 50% by a financial institution. The business contributes a 10% equity. The maximum SBA loan is \$500,000 and SBA does not involve itself in "construction" loans. Other restrictions exist but, they are not restrictive for an expanding small business.

6. Industrial Revenue Bonds - This is an outstanding financing vehicle which has, over the past few years, been restructured by the federal government to eliminate historic abuses in their use by such establishments as fast-food restaurants, entertainment facilities and similar projects. Today, most states will utilize IRB's as an economic incentive tool for economic expansions.

IRB's primary advantage lies in the ability of a business to borrow funds at tax-exempt rates (several points below the conventional prime rate).





The Municipal Industrial Development program in the State of Idaho is, however, in our opinion, self limiting by restricting the use of these bonds to only industrial development facilities, warehousing, solid waste disposal and ski areas.

We would suggest, that while the use of IRB's for the eight-block redevelopment area might not be feasible, the Idaho Legislature should take under consideration the expansion of the law to include such economic expansion facilities as Research and Development facilities, and planned office and industrial park complexes.

An opportunity would exist then, for the ancillary development of modern high-technology office and R & D complexes within the City of Boise.

7. The Greater Boise Auditorium District - The auditorium District has the authority to levy up to 5% on hotel/motel rooms in the District plus the equivalent of a 2 mil levy on the property tax base.

The room tax was first imposed in 1979 and is currently being levied at 2%. The Auditorium District currently has \$1.5 million dollars on hand.

8. Private Development Funds - Businesses and development corporations have a wide array of financing sources to select from for the project, ranging from equity participation, joint ventures, syndication financing, pension or insurance company funds, foreign capital investments, etc, and conventional commercial borrowings from financial institutions.

9. Federal and Private Grants and Endowments - The project and community should not overlook the various opportunities to apply for various grants from federal agencies (e.g. National Endowment for the Arts), or private corporations or foundations.

Historically, numerous projects have been able to put the all important "finishing" touches to a project via these financing avenues.

10. Ground Leases - A commonly utilized financing technique is the use of a ground lease revenue source as the income stream to amortize the debt service of an improvement bond or other indebtedness.

A ground lease is nothing more than a leasehold right to a piece of real estate in exchange for which the Lessee (tenant) pays an agreed upon rent which is usually based on the fair market value of the property and an assumed rate of return required by the property owner (Lessor).

The primary reasons for utilizing a ground lease are as follows:

The BRA will derive an annual rental income based on the full market value of the land. At the same time this annual rental will reflect the inflationary appreciation in land prices via the inclusion of an escalation clause tied to some accepted index ( e.g. the CPI). Finally, at the end of the lease the BRA or it's agent can reappraise the land and release it. The benefit to the developers is primarily the fact that they do not have to come up with up-front payments for the land.

#### RECOMMENDED FINANCING TECHNIQUES FOR THE PROJECT AREA:

The following scenario is based on the premise that the citizens, businesses and governmental officials of the City of Boise are supportive of the idea of maximizing every legitimate financing technique which might be available, to insure once and for all the successful revival of the City's economic base. That being the case, the following should be investigated:



#### a) Project Assumptions:

- The project would require approximately \$20 million dollars for common open space/amenities and public parking.
- The BRA would, as the Lessor, make available to local developers (lessee(s)) the approximate 16 acre project on a long term ground lease basis.

In the interest of attracting financial institutional financing of project buildings by the Lessee(s), the BRA should investigate the legality of being able to subordinate these ground leases. If this is possible the BRA would be in a position to limit the term of the ground leases to a reasonable length, say 30 - 40 years (assuming that a developer would be seeking a permanent take-out mortgage of 20 - 30 years).

In the event the BRA could not, or would not, subordinate their interest in the land, then we suggest that the term of the ground lease be 45 - 60 years depending on the type of land use involved (35-45 years for offices and retail to 60 years for hotels).

The value of the ground lease would be based on the market value of the land. The BRA would derive income from the ground lease by selecting a fair rate of return on the market value of the land , for example:

1 acre of land = 43,560 square feet x \$10.00  
 per square foot market value = \$435,600.00 market value  
 per acre ( the market value of each portion of the project  
 would differ by the type of land use proposed).

The BRA could then take a conservative 10% return on their investment = \$43,500.00 annual rent per acre (Note: It is more palitible to raise the market value of the land UP and LOWER the rate of return - which creates the market impression to the lender and tenants that the land rental rate is extremely competitive and in fact below current normal market rate of return.)

The total ground lease revenue to be derived by the BRA on a yearly basis would be dependent upon the amount of land made available for private development. However, we would suggest that the BRA give thought to the idea of netting out the total project. In this manner the developers are made responsible for leasing out not only their building footprint but also their common area. BRA would derive, therefore, a possible total annual rental income of nearly \$700,500.00 at a \$10.00 per square foot market valuation or nearly \$1,000,000.00 at a \$14.00 per square foot market valuation for the 16 acres.

BRA would then have the option of taking this annual rent on a yearly basis with an escalation clause tied to the Consumer Price Index or to make a provision for a percentage lease participation with the office and retail developers and a percentage agreement on room, revenues and food and beverage with the hotel. All these are very acceptable provisions for today's sophisticated developers and financial institutions. Alternatively, the BRA could negotiate an up-front payment based on the net present value of the ground leases.

- a) Annual Rent Option - in this case the BRA would enter into individual long term leases which would contain several important clauses such as annual escalation provision, perhaps an option to renew the lease upon a reappraisal of the property, insurance requirements, provisions for BRA to recapture additional income in the event of higher than estimated rates of returns to the private developers, and so on. This would result in a per acre annual rental income of \$43,560 to \$60,984 (plus escalation factor).
- b) Upfront Lease Payment - The BRA would also have the option to negotiate straight up-front payments based on a net present value discount of the lease.

This option would result in a per acre one time payment of anywhere from \$432,227 to \$846,287 depending again on the assumed market value of the land and the level of escalation.  
(See Exhibit A)



# NET PRESENT WORTH FOR VARYING LEASE RATES & ESCALATIONS - EXHIBIT A

Year	Baseline Scenario Lease Payment @ \$14/SF & 3% Escalation	Lease Payment @ \$10/SF & 3% Escalation	Lease Payment @ \$14/SF & no Escalation	Lease Payment @ \$10/SF & no Escalation	Lease Payment @ \$14/SF w/Variable Escalation	Lease Payment @ \$10/SF w/Variable Escalation	Escalation Schedule (%/Yr)
1985	\$60,984	\$47,560	\$60,984	\$43,560	\$60,984	\$43,560	0%
1986	\$62,814	\$44,867	\$60,984	\$43,560	\$60,984	\$43,560	0%
1987	\$64,698	\$46,213	\$60,984	\$43,560	\$60,984	\$43,560	0%
1988	\$66,679	\$47,599	\$60,984	\$43,560	\$62,814	\$44,867	3%
1989	\$68,658	\$49,027	\$60,984	\$43,560	\$64,698	\$46,213	3%
1990	\$70,657	\$50,498	\$60,984	\$43,560	\$66,679	\$47,599	3%
1991	\$72,618	\$52,013	\$60,984	\$43,560	\$68,658	\$49,027	3%
1992	\$75,003	\$53,573	\$60,984	\$43,560	\$70,657	\$50,498	3%
1993	\$77,253	\$55,181	\$60,984	\$43,560	\$73,525	\$52,518	4%
1994	\$79,570	\$56,836	\$60,984	\$43,560	\$76,466	\$54,619	4%
1995	\$81,957	\$58,541	\$60,984	\$43,560	\$79,525	\$56,803	4%
1996	\$84,416	\$60,297	\$60,984	\$43,560	\$82,706	\$59,075	4%
1997	\$86,949	\$62,106	\$60,984	\$43,560	\$86,014	\$61,439	4%
1998	\$89,557	\$63,969	\$60,984	\$43,560	\$90,315	\$64,510	5%
1999	\$92,244	\$65,888	\$60,984	\$43,560	\$94,836	\$67,736	5%
2000	\$95,011	\$67,865	\$60,984	\$43,560	\$99,572	\$71,123	5%
2001	\$97,861	\$69,901	\$60,984	\$43,560	\$104,550	\$74,679	5%
2002	\$100,797	\$71,978	\$60,984	\$43,560	\$109,778	\$78,413	5%
2003	\$103,821	\$74,158	\$60,984	\$43,560	\$115,271	\$82,365	5%
2004	\$106,936	\$76,383	\$60,984	\$43,560	\$116,463	\$83,188	5%
2005	\$110,144	\$78,674	\$60,984	\$43,560	\$119,957	\$85,684	5%
2006	\$113,448	\$81,034	\$60,984	\$43,560	\$123,556	\$88,254	5%
2007	\$116,852	\$83,465	\$60,984	\$43,560	\$127,263	\$90,902	5%
2008	\$120,357	\$85,969	\$60,984	\$43,560	\$131,081	\$93,629	5%
2009	\$123,968	\$88,549	\$60,984	\$43,560	\$135,013	\$96,438	5%
2010	\$127,687	\$91,205	\$60,984	\$43,560	\$139,062	\$99,321	5%
2011	\$131,518	\$93,941	\$60,984	\$43,560	\$143,235	\$102,211	5%
2012	\$135,463	\$96,759	\$60,984	\$43,560	\$147,532	\$105,260	5%
2013	\$139,527	\$99,662	\$60,984	\$43,560	\$151,958	\$108,542	5%
2014	\$143,713	\$102,652	\$60,984	\$43,560	\$156,517	\$111,798	5%
2015	\$148,024	\$105,732	\$60,984	\$43,560	\$161,213	\$115,152	5%
2016	\$152,465	\$108,903	\$60,984	\$43,560	\$166,049	\$118,636	5%
2017	\$157,039	\$112,171	\$60,984	\$43,560	\$171,031	\$122,165	5%
2018	\$161,750	\$115,536	\$60,984	\$43,560	\$176,161	\$125,833	5%
2019	\$166,603	\$119,002	\$60,984	\$43,560	\$181,446	\$129,614	5%
2020	\$171,601	\$122,572	\$60,984	\$43,560	\$186,890	\$133,493	5%
2021	\$176,749	\$126,249	\$60,984	\$43,560	\$192,496	\$137,477	5%
2022	\$182,051	\$130,036	\$60,984	\$43,560	\$198,271	\$141,622	5%
2023	\$187,513	\$133,938	\$60,984	\$43,560	\$204,219	\$145,871	5%
2024	\$193,142	\$137,956	\$60,984	\$43,560	\$210,346	\$150,247	5%
2025	\$198,932	\$142,094	\$60,984	\$43,560	\$216,656	\$154,755	5%
2026	\$204,890	\$146,357	\$60,984	\$43,560	\$223,156	\$159,397	5%
2027	\$211,047	\$150,748	\$60,984	\$43,560	\$229,851	\$164,179	5%
2028	\$217,378	\$155,270	\$60,984	\$43,560	\$236,746	\$169,104	5%
2029	\$223,900	\$159,928	\$60,984	\$43,560	\$243,849	\$174,179	5%
2030	\$230,617	\$164,726	\$60,984	\$43,560	\$251,164	\$179,413	5%
2031	\$237,535	\$169,663	\$60,984	\$43,560	\$258,699	\$184,785	5%
2032	\$244,661	\$174,758	\$60,984	\$43,560	\$266,460	\$190,329	5%
2033	\$252,001	\$180,001	\$60,984	\$43,560	\$274,454	\$196,058	5%
2034	\$259,561	\$185,401	\$60,984	\$43,560	\$282,587	\$201,920	5%
2035	\$267,348	\$190,963	\$60,984	\$43,560	\$291,168	\$207,977	5%
Net present value	\$840,736	\$600,526	\$605,117	\$432,227	\$846,287	\$604,491	

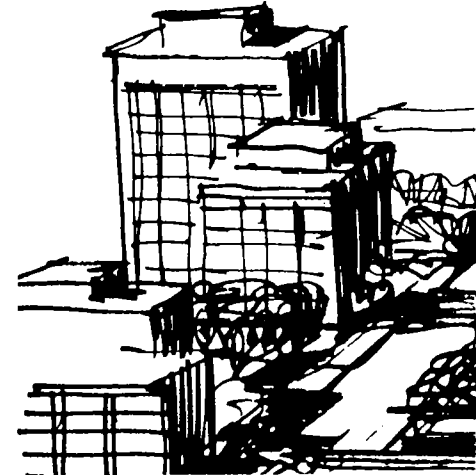
This exhibit A evaluates the time value or "Net Present Worth", over a 51 year period, for the lease rates of \$14/S.F. and \$10/S.F. for the project study area. Lease escalations of 3% per year and no escalations are compared for both lease rates. Lease payments are based upon 10% of the property's fair market value.

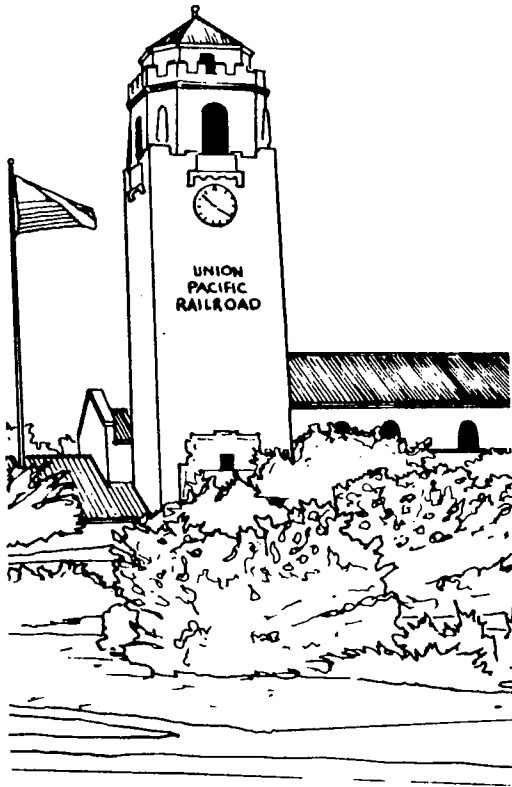
## RECOMMENDATIONS ON THE PROCESS OF SELECTING PREFERRED DEVELOPERS

Regardless of the magnitude or level of marketability of the project area land use components, the most critical issue facing the BRA and community will be the method used to select the preferred local developers and conversely, how these development entities proceed with marketing their individual facilities to potential tenants.

The BRA's Board of Directors should establish up-front a series of project policies including:

- The acceptability of a design framework for the project which at a minimum would define the preferred land uses by building footprint square footage. In particular, all of the open space/amenity and public parking components should be defined and predesigned prior to designating developer(s) for any individual building component.
- Based on this design framework the BRA should establish a series of market values for the various land use components, recognizing that, under a ground lease concept one has the ability to value the land parcel(s) at a higher value while taking a lower than normal return in the form of annual rent (8 - 10%).
- One should also establish policy on a possible range of "gives and takes" which might be utilized during the negotiation stage with local developer(s). Examples of this would include the abatement of the first couple of years of land rent (if this did not disturb the BRA's ability to float and pay for additional bonds), in return for a higher rental income stream in future years; or instead of adjusting the annual ground lease rent by an index such as the Consumer Price Index, one might consider taking the annual base rent and adding to it a percentage of some defined revenue income stream performance on the part of the developer/tenant ( this is an ideal method for hotel or retail tenants e.g. a percentage lease on rooms, food and beverage revenue on top of the base rent); another alternative is to accept up-front net present value discounted leases, and so on.





- The important aspect is to recognize what would be most important to a developer/tenant and then see if one might turn it to the BRA's advantage. The absolute value of the completed project to the BRA is not in 1986 or 1987!, rather it is the aggregate value of the total project at full development in 5 to 10 years.

- Establish a single source responsibility for BRA's development negotiations. The professional individual representing the BRA MUST be given full latitude in the selection and negotiation process, subject of course, to a very defined set of guidelines. Developer and tenants today do not, in fact will not, pay very much attention to "team" negotiations. The negotiation/solicitation team should, therefore, consist of the primary BRA representative and if required, the Board's counsel.

- Thought should also be given to the idea of obtaining the services of local professional "project development manager(s)" from one of the area's major corporations. These individuals would work closely with the BRA's primary representative during the pre-planning and construction phases.

- Once the basic design of the public spaces is completed, and land values known; then initiate negotiations with selected developers relative to building land use and design standards, ground lease rental rates, construction performance schedules, etc.

- Once all the various developers are selected the BRA should attempt to assist them in defining the marketplace which the potential developer's tenants might be coming from. This stage is critical. Remember, every community and every private development in the United States is consistently attempting to contact the "prime" tenants. In most cases solicitation letters are ignored.

- Once this tenant market is defined, the second stage of solicitation is initiated. In this stage those individuals or corporations are selected, who by virtue of their own business connection, might have access to an array of tenants best suited for the project. Within your own community, you have major corporations who could initiate this search for contacts very effectively.

- In the event it becomes necessary for the BRA to seek additional developers another source of possible development contacts can be readily derived from a variety of professional organizations such as the Urban Land Institute, the National Association of Industrial and Office Parks, the Industrial Development Research Council (an organization whose membership rolls consist primarily of senior officers of the Fortune 500 companies responsible for site selection and space planning), the International Association of Conference Centers, the International Downtown Executives Association, and so on.

- During the negotiation process it is imperative to be very realistic as to the needs of the developer(s), while at the same time remain very candid about any perceived obstacles. However, do the latter in such a way that one can offer workable alternatives. Make the developer(s) feel wanted and an important component of the project.

- Do every thing possible not to finalize contracts with the developers prior to finalizing the practicality of developing IN ONE SINGLE PHASE, the basic common open space/amenity/public parking infrastructure for the project. If the BRA can show credibility, then developers and their potential tenants will proceed on a concurrent development/occupancy schedule. This project must be developed in a concrete staging manner whereby all components blend into the overall project design at the appropriate time.

This means that the BRA must be responsible for the actual design of the common area envelope prior to entering into any contracts with the individual developers vying for components of the project.

In the second stage the BRA would issue approximately \$8 - \$10 million dollars in improvement bonds. These bonds would be retired for their term by the pledge of the ground lease rental income. In our scenario above we conservatively projected approximately \$700,000 to \$1,000,000 in annual rentals which would be more than enough to cover the debt service requirements for a bond. Furthermore, in today's bond market it is feasible to consider a variety of tax-exempt bonding techniques including the use of variable rate issue (Low-floater bond), which could save the project considerable interest savings.



The third stage is to combine the \$8-\$10 million dollars noted above, with the \$10 million dollars already committed in Community Block Grant funds. This combined infrastructure pool would enable the BRA to complete all of the open space requirements of the project plan and probably all of the public parking.

Under this concept, the developers of the project buildings would be subject to an ongoing common area maintenance fee ( normally an open book policy of 100% reimbursement for maintenance and a 5-10% administration fee).

The fourth stage would be to initiate a project support group which would have the responsibility of seeking public and private grants and endowments for use in an active series of "people oriented" projects such as outdoor art and sculptures, street furniture additions, and festival opportunities, etc.

The fifth stage would be to initiate on a community wide basis, the further involvement of area businesses and land owners in historic rehabilitation, development of new buildings and public right of way beautification - utilizing when possible municipal and private financing including Community Block Grants and Improvement District Assessments.

We would further urge the opportune timing for a revision of the IRB legislation to encourage the development of nearby planned office and high technology assembly complexes.

## MANAGEMENT AND PROMOTION OF THE DOWNTOWN AREA

Our specific charge is to focus on the property within and adjacent to the BRA designated development area, but our broader objective is to suggest a conceptual framework within which Boise's entire urban core could be revitalized.

A mechanism to manage, market and promote downtown Boise must be created in addition to the physical structures, financial mechanisms, transportation/accessibility improvements and public amenities.

By building upon existing organizations such as the Downtown Merchant's Association, 8th Street Association and the Old Boise Association, this civic management entity would identify and articulate the common objectives shared by downtown property owners, retailers, employers, lenders, residents and any other business, individual or citizen's group which has a vested interest in the health and stability of the downtown area.

Supported, primarily, by a membership dues structure, the management entity would take responsibility for:

- \* Coordinating and promoting common marketing efforts by its constituent retail members.
- \* Scheduling, producing and marketing special events, festivals (such as Streets for People and Pops at the Capitol), parades, and other activities aimed at attracting Boise area citizens to the downtown core.
- \* Establishing and promoting/enforcing standards for graphics, signals, street furniture, lighting and other elements critical to the attractiveness of the downtown pedestrian environment.
- \* Acting as an advocate of downtown interests in issues such as parking policies and automobile and public transit access to the core area.
- \* Establishing special assessment districts (formally or informally) to maintain, clean and, if necessary, improve security in public areas.

Among other immediate responsibilities which could be undertaken by this entity is the management of the "Cultural Events Fund." This fund is described in the "Retail" chapter as the basic source of funds to be used in integrating many of the city's cultural activities with the retail and entertainment uses in and near the redevelopment area.

By supplementing the fund's income stream (which eventually may be as high as \$100,000 per year) with portions of member assessments, proceeds from vendor concessions during festivities, and special events and other revenue-raising measures, the civic management entity can achieve a high degree of visibility and importance at a very early stage of the redevelopment period.



## The TEAM

The Boise R/UDAT started as the dream of a group of local architects and a few public officials, and blossomed into an intensive planning and design effort supported by an incredibly diverse segment of our population. The project was led by an outstanding group of visiting architects and urban specialists, who worked together almost around the clock from October 11 - 14.

The report was produced by dozens of different designers and writers in a very brief period of time. We hope that it will be read with the understanding that this was a team effort with no attempt made to organize the final recommendations into a single design and political philosophy, but rather to allow many diverse ideas to surface and be recognized in the hope that common ground can be found for the implementation of these recommendations.

We give our heartfelt thanks to the many individuals and organizations whose untiring efforts made R/UDAT a success.



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- Idaho Statesman
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- Mountain Bell
- Ore-Ida

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