



# INFRASTRUCTURE PLACE MAKING MOBILITY ECONOMIC DEVELOPMENT SPECIAL PROJECTS

## CAPITAL CITY DEVELOPMENT CORPORATION

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## 2016 ANNUAL REPORT





**CCDC** CAPITAL CITY  
DEVELOPMENT CORP  
**2016 ANNUAL REPORT**

**TABLE OF CONTENTS**

<b>3</b>	A LETTER FROM CCDC BOARD CHAIR, JOHN HALE	<b>29</b>	<b>KEY STRATEGY 4: ECONOMIC DEVELOPMENT</b>
<b>4</b>	A LETTER FROM CCDC EXECUTIVE DIRECTOR, JOHN BRUNELLE	<b>30</b>	TRAILHEAD
<b>5</b>	ABOUT CCDC VISION STATEMENT MISSION STATEMENT	<b>31</b>	BOISE CENTRE EXPANSION
<b>6</b>	FIVE CORE VALUES & FIVE KEY STRATEGIES TEN GUIDING PRINCIPLES	<b>33</b>	HOTELS STUDY
<b>7</b>	AGENCY OWNED PROPERTY	<b>34</b>	HOTELS COMPLETED / IN PROGRESS
<b>9</b>	KEY STRATEGIES (TYPES OF PROJECTS)	<b>34</b>	INN AT 500
<b>10</b>	<b>KEY STRATEGY 1: INFRASTRUCTURE</b>	<b>35</b>	RESIDENCE INN BY MARRIOTT
<b>12</b>	BROAD STREET IMPROVEMENTS	<b>36</b>	HYATT PLACE
<b>13</b>	THE ONE NINETEEN	<b>37</b>	HILTON GARDEN INN
<b>15</b>	THE STURIALE PLACE	<b>38</b>	REDEVELOPMENT PROPERTIES/HOUSING
<b>16</b>	13TH AND RIVER	<b>39</b>	THE AFTON
<b>17</b>	<b>KEY STRATEGY 2: PLACE MAKING</b>	<b>41</b>	THE WATERCOOLER APARTMENTS
<b>18</b>	THE GROVE PLAZA	<b>42</b>	ASH STREET
<b>19</b>	JULIA DAVIS PARK ENTRY	<b>43</b>	<b>KEY STRATEGY 5: SPECIAL PROJECTS</b>
<b>20</b>	CCDC ALLEY PROGRAM	<b>43</b>	TRAFFIC BOX ARTWORK WHITTIER ELEMENTARY FENCE ART
<b>21</b>	PIONEER CORRIDOR	<b>44</b>	HAYMAN HOUSE
<b>23</b>	<b>KEY STRATEGY 3: MOBILITY</b>	<b>45</b>	CENTRAL DISTRICT SUNSET PLANNING
<b>24</b>	PLANNING FOR THE FUTURE OF PUBLIC PARKING BIKE RACK INFILL PROJECTS FRONT AND MYRTLE ANALYSIS	<b>46</b>	INTER-AGENCY PLANNING DOWNTOWN PARKS AND PUBLIC SPACES PLAN PARKING AND MOBILITY PLANNING SOUTH 8TH STREET CORRIDOR PLAN
<b>25</b>	PUBLIC PARKING AT 5TH & BROAD	<b>47</b>	FINANCIAL HIGHLIGHTS
<b>28</b>	MAIN STREET STATION	<b>49</b>	2016 FINANCIAL STATEMENTS STATEMENT OF NET POSITION STATEMENT OF ACTIVITIES



# JOHN HALE, BOARD CHAIR



This is an incredible time to live and work in Boise. As Board Chair I am inspired by CCDC’s role in making Boise one of the most livable cities in the country. 2016 was an exceptional year for our agency. Our economic development, land activation, and project finance activity are leading the way in transforming our beautiful and functional cityscape.

No one agency transforms alone. This last year again showed the power of collaboration. We are very proud of our accomplishments with so many great partners like the City of Boise, ACHD, DBA, Boise State, and The Greater Boise Auditorium District.

In 2016, we strengthened our economic cooperation with many successful private sector developers. Our focus on balanced product mix saw the introduction of world-class office space and much-needed business district hotels. The Simplot Company Headquarters, the Clearwater building, and the new convention center space are only a few examples of the transformative projects reshaping our City. We also welcomed a surge in downtown residential stock for sale and for lease with great projects like The Afton and The Fowler.

And not least in our 2016 accomplishments is the overwhelming success of the Trailhead, Boise’s hub for startups and entrepreneurship. Trailhead grew to 350 members, held events that drew 20,000 participants, and saw various member-companies receive startup capital. Several Trailhead member-companies began hiring, and expanding downtown payrolls. Trailhead nearly doubled in space by opening Trailhead North to accommodate this growth.

As Board chair, I know that people are the key. Our agency succeeds with the leadership of Executive Director John Brunelle and the hard, intelligent work of the incredible CCDC staff. A shout out to our great Board of Directors, who provide quality oversight and bring tremendous experience to the table.

2016 set another high water mark in projects managed, more than any time in the 51 year history of the agency. These professionals daily improve downtown for all of us. I’m very proud of their work and grateful for their dedication. I look forward to raising the bar in 2017.

# JOHN BRUNELLE, EXECUTIVE DIRECTOR



Our 2016 Annual Report captures CCDC’s substantial commitment to making a meaningful, permanent, and positive impact on our community. The Agency’s projects and partnerships have advanced the steady and impressive redevelopment and economic growth in our districts, and in this past year we saw much of the agency’s work come to fruition in downtown. The year was marked with celebration, with many ground breakings, document signings, ribbon cuttings, and grand opening events.

Our team of motivated professionals worked with developers, investors, builders, and other public agencies to move these projects from concept to reality. These outstanding relationships advanced our planning goals and enriched Boise’s economy. In the past 42 months, CCDC catalyzed over \$575 million in private investment with public participation of approximately \$27 million.

The agency benefits greatly from the collective leadership and individual strengths of the Board of Commissioners. Two of our longstanding commissioners, David Eberle, and Lauren McLean, concluded their outstanding service on the CCDC board in 2016. The board welcomed three new commissioners as well: Maryanne Jordan, Scot Ludwig, and Ben Quintana. It is through their dedicated and thoughtful guidance that CCDC can achieve its goals to cultivate our local economy and build great public spaces – both of which contribute to a healthy and sustainable city.

With the success of the past comes the promise of more collaboration and development in the months ahead, which will include the rededication of The Grove Plaza, the completion of the Broad Street improvement project, and more partnerships with private developers working to make public improvements. During this period of rapid, sustained growth we remain relentless in our effort help our community thrive by building a more diverse, accessible, and bodacious Boise.

## BOARD OF COMMISSIONERS



DANA ZUCKERMAN  
Vice Chair



PAT SHALZ  
Secretary-Treasurer



RYAN WOODINGS  
Commissioner



STACY PEARSON  
Commissioner



DAVE BIETER  
Commissioner



BEN QUINTANA  
Commissioner



MARYANNE JORDAN  
Commissioner



SCOT LUDWIG  
Commissioner



# ABOUT CCDC

Boise’s Redevelopment Agency, Capital City Development Corporation (CCDC), catalyzes investment in the city through its own projects and public/private partnerships. CCDC focuses its work on economic development, infrastructure, place making, and mobility in its four redevelopment districts. The agency’s staff work hand-in-hand with local partner organizations and companies to redevelop underutilized properties and improve public places.

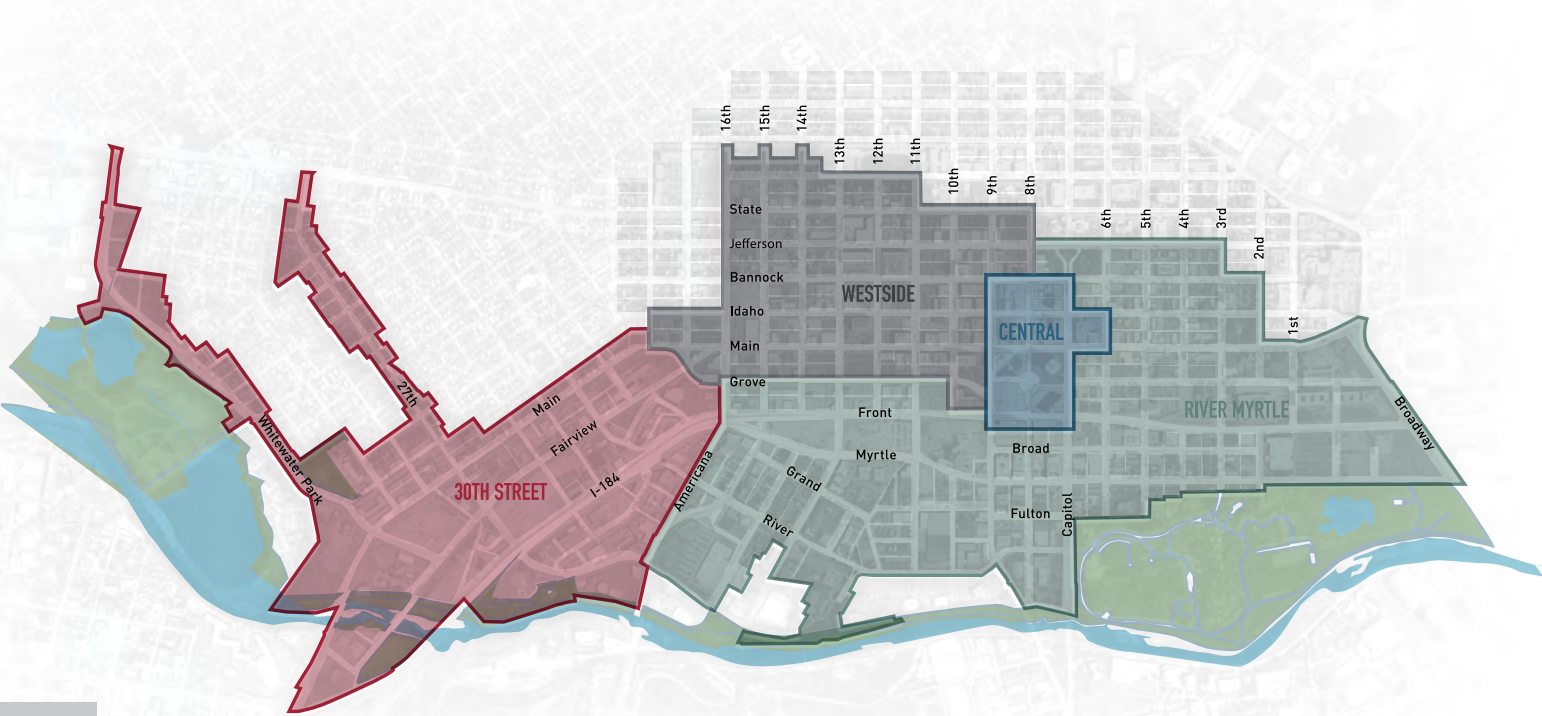
# VISION STATEMENT

Help the Boise community thrive in a sustainable economy where an exceptional built environment and excellent business opportunities are in perfect balance.

# MISSION STATEMENT

CCDC ignites diverse economic growth, builds vibrant urban centers, and promotes healthy community design.

<b>CENTRAL</b> District Term: FY 1989 - 2018   Acreage: 34	<b>30TH STREET</b> District Term: FY 2014 - 2033   Acreage: 249
<b>RIVER MYRTLE-OLD BOISE</b> District Term: FY 1996 - 2025   Acreage: 340	<b>WESTSIDE</b> District Term: FY 2003 - 2026   Acreage: 144



# FIVE KEY STRATEGIES

- INFRASTRUCTURE
- PLACE MAKING
- MOBILITY
- ECONOMIC DEVELOPMENT
- SPECIAL PROJECTS

# FIVE CORE VALUES

- PROFESSIONALISM
- LEADERSHIP
- ACCOUNTABILITY
- INTEGRITY
- TRANSPARENCY

# TEN GUIDING PRINCIPLES

This icon highlights working examples of our Guiding Principles throughout this publication.

- 01

Working in public service provides a great opportunity to help thousands of other people by making a meaningful, permanent, and positive impact on our community.
- 02

Creating places and neighborhoods people love is a key element in making a city desirable for residents, visitors, and investors.
- 03

Expanding mobility choices, improving infrastructure and encouraging innovation are imperative actions to making Boise competitive and equitable.
- 04

Communicating with our stakeholders for guidance and buy-in helps build trust and a stronger community.
- 05

Questioning, observing, networking and experimenting triggers associational thinking and are catalysts for innovation and creative ideas.
- 06

Fostering the expansion of local enterprise and career opportunity creates economic energy in our districts and beyond.
- 07

Redeveloping properties within our districts enhances the urban environment, honors our heritage, and fuels economic growth.
- 08

Focusing on community involvement enhances our holistic approach to building a diverse and bodacious Boise.
- 09

Maximizing our unique financial powers to catalyze investment, facilitate public projects, and increase agency revenue is paramount to stable and consistent resource management.
- 10

Collaborating with public and private partners to proactively plan and complete high quality development projects advances our planning goals and enriches Boise’s prosperity.



# AGENCY OWNED PROPERTY

CCDC obtains strategic properties with redevelopment potential. Generally the Agency will issue a Request for Qualifications/Proposals (RFQ/P) to the public with specific information about redevelopment objectives for the property and how the private sector can participate in the project. CCDC owns the following properties and is actively planning for property redevelopment. Idaho Code 50-2011(f) requires certain reporting on Agency owned properties.



MAP OF PROPERTIES ACQUIRED FOR PUBLIC USE, REHABILITATION, OR RESALE

# PROPERTIES ACQUIRED FOR PUBLIC USAGE

**THE GROVE PLAZA:** This property is managed by CCDC as an urban public park. Plans for disposition will be addressed in the Central District Termination Plan.

**8TH STREET FROM MAIN TO BANNOCK:** This property is a public street managed by CCDC as a festival, café, and public event street segment. Plans for disposition will be addressed in the Central District Termination Plan.

**PUBLIC PARKING GARAGES:** Agency owned parking garages include: Grove Street Garage, Eastman Garage, City Centre Garage, Boulevard Garage, Myrtle Street Garage, and Capitol Terrace Garage. Plans for retention and/or disposition will be addressed in the Central District Termination Plan. (Indicated on map with “P”).

# PROPERTIES ACQUIRED FOR REHABILITATION OR RESALE

**1) 620 S. 9TH (0.6 ACRES)**  
This property will be the location of Phase II of The Afton and 611 S. 8th was part of a lot line adjustment / property split made in order to phase the condominium development. Also acquired in 2001, the original warehouse has since been demolished in preparation for Phase II construction. The disposition and construction on this parcel are scheduled for later in 2017 as per the Disposition and Development Agreement.

**2) 429 S. 10TH (0.08 ACRES)**  
This land was acquired in 2001 to help bundle property for a private development in the River Street neighborhood. With multiple ownership changes on the block occurring over the past few years, and with construction underway on the Simplot HQ/JUMP project, and planned development in 2017 on Parcel B, CCDC is currently working with area property owners to identify the best strategy for redevelopment and disposition.

**3) FRONT STREET REMNANT (0.32 ACRES)**  
Left over from the Front Street realignment, this parcel was acquired in 2007 with intentions of combining it with adjacent land in a mixed-use development. CCDC is currently in an Exclusive Right to Negotiate contract with a development entity that is planning to redevelop adjacent parcels. The property disposition is planned for fall 2017.

**4) 503/509/511/623/647 S ASH (0.7 ACRES)**  
These small parcels were acquired in 2006, 2007, and 2011 as part of right of way acquisition for alignment of the Pioneer Corridor pathway project which will connect the Boise River Greenbelt to the city center. These properties were included in a competitive RFQ/P selection process, a developer was awarded the project, and are now part of an exclusive right to negotiate agreement for a new workforce housing project. Additional steps will be forthcoming in 2017.

**5) 617 S ASH (0.14 ACRES)**  
Like the above Ash St. parcels, 617 S Ash was acquired in 2011 for the Pioneer Corridor project. It includes The Hayman House, a historic home of cultural value to be preserved in the River Street neighborhood. Current disposition plans are considering a historic interpretive usage in cooperation with the City of Boise.



# KEY STRATEGIES

1

## INFRASTRUCTURE

IMPROVE PUBLIC INFRASTRUCTURE TO ATTRACT NEW INVESTMENT AND ENCOURAGE BEST USE OF PROPERTY.



2

## PLACE MAKING

DEVELOP PUBLIC SPACES AND ENERGIZED ENVIRONMENTS WHERE A BLEND OF CULTURES AND CONCENTRATED MIX OF USES CREATE A VALUED SENSE OF PLACE.



3

## MOBILITY

EXPAND MOBILITY CHOICES THAT INCLUDE PARKING AND MULTIPLE TRANSIT MODES TO ENABLE UNIVERSALLY ACCESSIBLE URBAN DISTRICTS.



4

## ECONOMIC DEVELOPMENT

CULTIVATE COMMERCE AND GROW RESILIENT, DIVERSIFIED, AND PROSPEROUS LOCAL ECONOMIES.



5

## SPECIAL PROJECTS

INVEST IN PROJECTS THAT RESPOND TO EMERGING REVITALIZATION OPPORTUNITIES INCLUDING PUBLIC AMENITIES, HISTORIC PRESERVATION, AND SUPPORT OF LOCAL ARTS AND CULTURE.



KEY STRATEGY 1



# INFRASTRUCTURE







Creating places and neighborhoods people love is a key element in making a city desirable for residents, visitors, and investors.

## BROAD STREET IMPROVEMENTS

Inspired by an initiative known as 'eco-districts,' the LIV District is a neighborhood development strategy designed around the principals of sustainable development and operations, as a part of Boise's first eco district. Now known as the LIV District, which stands for Lasting, Innovative, and Vibrant, the LIV District is a sub-district of the neighborhood platted as the Central Addition located east of Capitol Boulevard between Front and Myrtle Streets. The high level goal is to create an efficient, functioning, and sustainable in-town neighborhood in the core of downtown Boise. In cooperation with the City of Boise and ACHD, CCDC is participating in the project with nearly \$6 million of place making improvements and infrastructure enhancements to Broad Street, the district's primary street; now Boise's coolest street. CCDC has contracted with ZGF for conceptual design work, Jensen Belts Associates for construction drawings and permitting, and Guho Corporation as the Construction Manager/General Contractor and the project will be finished by Summer 2017 This combined effort has catalyzed significant new private development and financial investment in the previously struggling area.

The public improvements will include:

1. Reconstruction of Broad Street with creative design and streetscape amenities such as new street lights, benches, trees, planters, and curbside streets for festival uses
2. An extension of the city's geothermal system down Broad Street and into the injection well at Julia Davis Park expanding the service capabilities for this utility
3. Additional fiber optic resources available to the new commercial and residential developments
4. Use of innovative storm water solutions including permeable pavers and green storm water infrastructure which will allow stormwater to flow into the public right of way from private developments avoiding additional stormwater system impact in an over subscribed area – an essential key to enabling urban-scale projects





Collaborating with public and private partners to proactively plan and complete high quality development projects advances our planning goals and enriches Boise's prosperity.

## THE ONE NINETEEN

Sawtooth Development converted a surface parking lot into 26 luxury residences at 119 W. 10th Street in the core of downtown Boise. The project includes two levels of podium parking with 39 structured parking stalls and four levels of contemporary residential units above. This condominium project is designed with a focus on urban living. CCDC is participating in the project with a Type 1 Streetscape Grant reimbursing the developer \$150,000 for eligible expenses in the public right of way such as street trees, historic streetlights, street furnishings (bike racks and benches), sidewalks, landscaping, and sidewalk awnings.

The project total cost is approximately \$7.4 million and the condos were completed in December of 2016. The One Nineteen is the first completed for-sale downtown housing in an Urban Renewal District since 2008. CCDC is thrilled to help this first project as it breaks the ice for future housing projects in downtown.







Redeveloping properties within our districts enhances the urban environment, honors our heritage, and fuels economic growth.



## THE STURIALE PLACE

The Sturiale Place is a historic home being restored by Rita Sturiale. The 3,000 s.f. residence was previously located in the Central Addition LIV District across the street from The Fowler Apartments site. Ms. Sturiale relocated the building to a vacant parcel located at 1501 W. Jefferson Street, directly south of Rite Aid and located in the Westside District. Renovations are currently underway to restore and remodel the home for commercial uses to become an Italian café and specialty gift shop both uses that will allow public access to the restored historic structure.

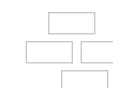
Through a Type 1 Streetscape Grant, CCDC provided \$40,000 in assistance for public improvements which includes street lighting, brick pavers, street trees, and limited landscaping.

The original house was initially built in 1893 for Mary F. Wood the first librarian of the Boise Carnegie Library. The Sturiale Café is projected to be open in the spring of 2017, bring vibrancy and life to a street that has been notoriously under-served.



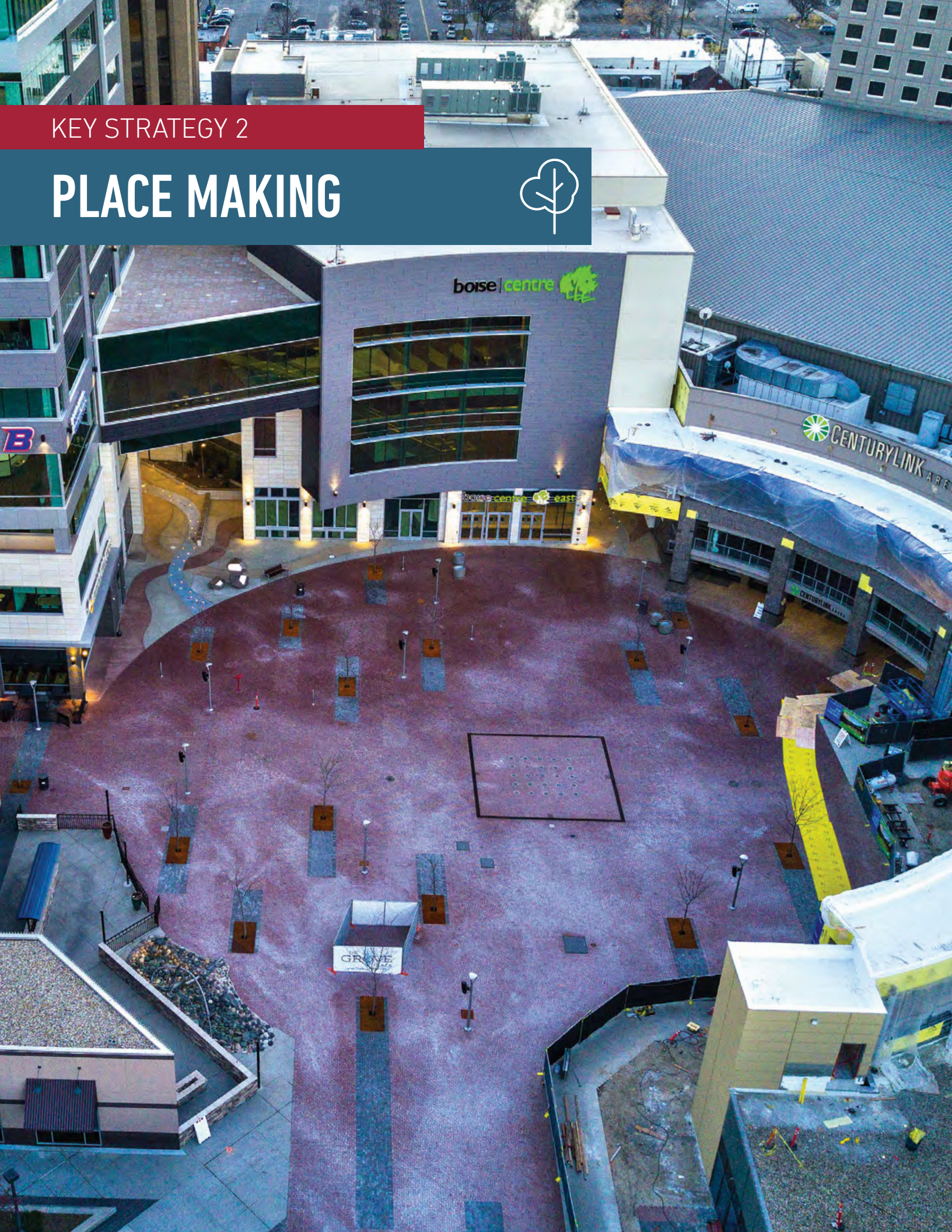
## 13TH AND RIVER

The Riverstone Building is a mixed use project that includes retail on the ground floor and a dormitory on the 2-4th floors. The dormitory is being used to house exchange students who attend the Riverstone International School. CCDC provided approximately \$43,000 in assistance through the Type 1 Streetscape Grant Program for public streetscape improvements on 13th Street and West River Street such as trees, street lights, and consolidated curb cuts.





## PLACE MAKING



## THE GROVE PLAZA

The Grove Plaza is the heart of downtown Boise and the city's most prominent public space. The plaza hosts over 60 events each year that range from large-scale concerts to cultural festivals. Originally constructed in 1986, The Grove Plaza was ready for some significant improvements when CCDC embarked on the renovation process in late 2014. Through a stakeholder and public engagement process, CCDC identified the essential pieces of the renovation project including:

- Re-construct the fountain - preserving and enhancing its attributes, while fixing mechanical issues
- Replace broken and cracked I-shaped bricks with new rectangular brick
  - Original engraved bricks were re-engraved and replaced
  - Re-initiate a personalized, engraved brick program
- Determine health of trees and replace trees in decline
- Implement suspended paving system to replace the inadequate concrete tree wells
- Build green storm water infrastructure and install high efficiency water-wise irrigation systems
- Install permanent sound and lighting equipment for ambient music and events
- Provide an improved performance stage
- Free, public Wi-Fi access further activating this business collaboration and recreation zone
- New moveable chairs, tables, and umbrellas for additional shade

With these concepts as a guide, designs were created by the Portland-based firm, Zimmer Gunsul Frasca (ZGF) and drawings were created by local Boise firm, CSHQA. McAlvain Construction was awarded the Construction Manager / General Contractor (CM/GC) contract for the project in September 2015. The construction process is an elaborate coordination exercise between the various construction projects underway on the block, and utilizing the services of a CMGC (Construction Manager General Contractor) has been essential to the process.

The Grove Plaza construction will cost approximately \$5.95 million and is being completed in careful coordination with the other major public and private construction projects on the neighboring properties including the City Center Plaza building, Main Street Station, and the Boise Centre expansion. The first phase included the north spoke, west spoke, east spoke and central plaza which were completed in late 2016. Phase two, the South Spoke will be complete by June 2017.







Communicating with our stakeholders for guidance and buy-in helps build trust and a stronger community.

## JULIA DAVIS PARK ENTRY

CCDC, in partnership with the City of Boise, is developing a pathway connection from the south end of 5th Street into Julia Davis Park. This connection is part of Boise’s Central Addition LIV District initiative and the Boise Parks Department’s plans for Julia Davis Park. The entrance is intended to increase the visibility and access to Julia Davis Park from Downtown Boise, as well as increase connectivity across Front and Myrtle streets between Julia Davis Park, the Central Addition LIV District, and downtown Boise.

The pathway project includes reconstruction of 5th Street south of Myrtle with 12’ wide stamped concrete sidewalks, 4’ wide furnishing zones for street lights and trees, a 52’ vehicular turnaround, and a 12’ wide pathway with landscaping improvements that will serve pedestrians and cyclists from the south end of 5th Street to Julia Davis Drive.

While the pathway connection into Julia Davis Park south of 5th Street will be for pedestrians and cyclists, the project will preserve vehicular access on 5th Street south of Myrtle as it currently exists.

Construction began in spring 2016 following the extension of a geothermal line in the area and should be completed by late summer of 2017.



## CCDC ALLEY PROGRAM

Alleys are an often overlooked and underutilized public asset in the downtown environment. Alleys serve an essential role in parking access, waste disposal, pickup and delivery, and as utility corridors. They also constitute up to 20 percent of the public space within a city block. This underutilized space present throughout downtown Boise presents many opportunities for better storm water capture and runoff reduction, art exhibition, place making, and public space for various uses within a bustling downtown. CCDC is working with the City of Boise, ACHD, utility companies, and various other stakeholders and partners to leverage and coordinate multiple investments into improving a number of downtown alleys as multifunctional public spaces. The public investment will include improvements such as undergrounding utility lines, consolidating waste receptacles, lighting, public art, and signage. The alleys from 8th to Capitol between Idaho and Bannock are currently the Board’s top priority, and the alleys from 6th to 3rd streets between Main and Idaho are also being explored as part of ACHDs “Green Alley” initiative.





## PIONEER CORRIDOR

Pioneer Pathway is a shared use recreational trail between the Boise River Greenbelt near Pioneer Bridge and the heart of Downtown Boise. The path runs through the River Street Neighborhood and is a public recreational open space convenient to a number of existing neighbors including Mercy Housing, Pioneer Neighborhood Community Center, and Giraffe Laugh. Payette Brewing recently relocated and renovated a building for a brewing facility, tasting room and outdoor patio on a property adjacent to the Pioneer Pathway, and the company cited this amenity as a key factor in their decision to move to this location.

The third and final phase of the Pathway, between the south side of River Street and the Greenbelt by Ann Morrison Park, was completed in February 2016. This completes the original plan to connect the Boise River Greenbelt at Pioneer Bridge, through the JUMP project (with the opportunity to hike up the Pioneer Stairs to the Pioneer Room) and on to Boise's new Coolest Street (Broad Street) in the LIV District or on to BoDo, South 8th Street Marketplace, and The Grove Plaza portions. The pathway will be maintained by Boise Parks & Recreation and features a signature look in landscaping and brick pavers, contemporary lighting, modern stylish benches and trash receptacles, and new River Birch trees.







## PLANNING FOR THE FUTURE OF PUBLIC PARKING

For the last fifteen months a team of mobility professionals and business representatives met to address the anticipated issue of a shortage of available parking downtown in mid-2017 or earlier. After much research and an extensive outreach effort the group recommended four initiatives for public and private consideration. Recommended solutions include the creation of a single brand for downtown mobility called GoBOI; the creation of a coordinating entity that functions like a “transportation management organization”; the development of a mobility app creating a seamless one-stop experience for customers seeking information and planning trips to and around the downtown; and preliminary recommendations for the establishment of two remote park & shuttle services as an interim parking solution until other measures are adopted.

## BIKE RACK INFILL PROJECTS

In 2016 CCDC added several additional bike racks to the downtown streetscape in response to business owners requests for more bike parking. Bike racks were installed outside the Mixed Greens gift shop and School of Rock, and larger bike corrals were added outside of 10 Barrel Brewery and the Modern Hotel. The bike corrals hold approximately 15 bikes and are placed on the road, generally in a car parking space, with permission from ACHD.

## FRONT AND MYRTLE ANALYSIS

CCDC has initiated an alternatives analysis to examine potential modifications to the Front and Myrtle thoroughfare in Downtown Boise in hopes of finding a better balance between all travel modes and commercial/retail interests along the corridor. In July 2016, CCDC published a request for proposals to conduct an alternatives analysis of Front and Myrtle Streets and Sam Schwartz Consulting was selected. The alternatives analysis will identify and consider a number of alternative treatments that might be used to address the challenges presented by the corridor. Once the technical analysis has been conducted and the alternatives have been vetted with the appropriate agencies for feasibility, the alternatives will go through a public outreach process, and an implementation strategy will be developed.



## PUBLIC PARKING AT 5TH & BROAD

The Fowler is a 159-unit mixed-use apartment project being developed by Local Construct. The project is located at the corner of 5th and Broad Streets in downtown Boise. The building program includes two and a half floors of parking, five floors of apartment units, and approximately 4,000 square feet of retail space on the ground level.

The CCDC Board of Commissioners approved a Type 3 Transformative Assistance Agreement for the Fowler Project which includes reimbursement for eligible public improvements, certain predevelopment expenses, and purchase of 89 public parking spaces. The cost of the parking stalls will be approximately \$2.6 million which will be financed with a bond sale with an additional \$650,000 for public improvements including streetscapes.

The Fowler is one of the first housing projects of its kind in downtown Boise (large-scale, for-rent, market-rate apartments). It is also the first new downtown Boise apartment project constructed since the economic downturn in 2008. CCDC is excited to assist this project which supports Boise City's housing initiative and provides a housing project which can be used as a recent comparable for purposes of appraisal and lending. The project is expected to be completed by summer 2017.







## MAIN STREET STATION

After many years of planning, the new downtown multi-modal center is now open. Located adjacent The Grove Plaza, Main Street Station is an underground transit center owned and operated by Valley Regional Transit. The facility was built by Gardner Company in conjunction with the City Center Plaza which houses Clearwater Analytics, Boise State University's Computer Science Department, and Boise Centre's convention center expansion.

CCDC provided \$2.4 million in local match funding to Valley Regional Transit's \$10 million Federal Transit Administration's federal award in order to construct the facility. As of publication, the entire \$2.4 million in local match has been paid to Valley Regional Transit. Expanding mobility choices by improving transportation facilities and building infrastructure are actions imperative to making Boise economically competitive and equitable.







Fostering the expansion of local enterprise and career opportunity creates economic energy in our districts and beyond.

## TRAILHEAD

In March 2015, CCDC helped establish Boise's newest space for innovators and entrepreneurs, "Trailhead." This collaborative professional place encourages gathering, connecting, and learning. Educational programming, unique networking opportunities, along with structured and unstructured events and drop-in sessions are offered. Trailhead is a non-profit, community effort focused on helping develop the next generation of business successes in the Boise valley.

CCDC has contracted for economic development services for this purpose and selected Trailhead as the location for office space located at 8th & Myrtle streets in the heart of the agency's River-Myrtle urban renewal district. This innovative co-working space offers users access to critical educational resources, varied collaboration opportunities and provides continuing inspiration to grow a business.

In 2016, Trailhead hosted 322 events attended by 6,600 people including the Inaugural Startup Week with 30 events and 700 attendees. Membership at Trailhead grew 80% and they have privately now opened an additional space to accommodate the entrepreneurial demand and coding school. This space is called Trailhead North for the larger and faster growing startups.







Questioning, observing, networking and experimenting triggers associational thinking and are catalysts for innovation and creative ideas.

## BOISE CENTRE EXPANSION

The Greater Boise Auditorium District (The District) had long sought to expand and improve its convention center, Boise Centre, located on The Grove Plaza. In July 2013, upon learning that Gardner Company had purchased the nearby US Bank property, CCDC leaders had an idea. They suggested to Gardner Company that an expansion for Boise Centre could be built adjacent the US Bank Building and that the developer should approach The District with this concept. As a result, after 25 years without any significant renovation – Boise Centre recently completed Phase 1 of 3 expansion phases. Phase 1, Boise Centre East is a 36,000 SF facility that was built in conjunction with the Clearwater Building and opened in October 2016. Phase 2 will connect the original building to the East building with an elevated concourse and Phase 3 renovates the original building to add a Junior Ballroom and new office space.

A recent Supreme Court decision affirms CCDC may act as a conduit financier, and in 2016 CCDC secured a bond for approximately \$25 million to fund the first phase of the expansion. In turn, CCDC leases the new building back to The District on an annually renewable (year-to-year) lease term. CCDC's conduit financing role allows efficient use of public resources utilizing low interest rates, and enabling the expansion to occur faster than other options.

This convention expansion has driven new hotel construction and retains the successful convention center location in central downtown Boise in a cost efficient and competitive expansion plan, which places Boise in an improved position to attract significantly more and bigger conventions to the downtown. Aiding in the convention center expansion helps CCDC advance its mission to promote economic vitality in downtown Boise. An expanded convention center will bring more visitors and businesses to downtown, who in turn, spend money at hotels, shops, restaurants, and potentially consider Boise as a place to relocate.







## HOTELS STUDY

In June 2015, PFK Consulting presented a Downtown Boise Hotel Market Study to CCDC, The Greater Boise Auditorium District, and The City of Boise which co-funded the assessment to identify and refine the lodging opportunities in downtown Boise. The report evaluated the downtown Boise lodging market and identified missing hotel segments as well as quantified future lodging demand based on projected growth and comparable cities.

The study's key findings included: Boise's downtown lodging inventory consisted of many older, limited-service hotels which do not meet current market demands; There is a specific unmet need to add a large, full-service hotel to cater to convention groups; and in comparison to comparable cities Boise has fewer hotels and is considerably below average for quality, branded, full-service hotels.

This assessment helped to advance several new hotel developments which were in pre-development phases in response to the expanded convention center plans. Good news is on the horizon and CCDC is participating in four downtown hotels of various types and character adding a diverse set of new hotel brands, prices, and products to the Boise market.

## HOTELS COMPLETED / IN PROGRESS

- INN AT 500
- RESIDENCE INN BY MARRIOTT
- HYATT PLACE
- HILTON GARDEN INN

### INN AT 500

The Inn at 500 Capitol opened its doors to the public in January of 2017. The 6-story, 112-room boutique hotel features a high-end restaurant, local artwork, themed rooms, a 1,700 SF conference room space, and a gym. Obie Development focuses on "creating boutique, thoughtful, and community-oriented developments with strong attention to detail and the complete guest experience."

CCDC is assisting the \$24 million development through two types of participation agreements and a parking lease agreement. The Type 2 General Assistance Agreement will provide \$269,000 for utility line relocation and upgrading, as well as streetscape improvements, public art, and landscaping located in a public easement for all Boise residents and visitors to enjoy. The Type 4 Capital Improvement Reimbursement Agreement will provide approximately \$198,000 for streetscape improvements, such as streetlights, trees, and benches located in the existing right-of-way.

Parking for the hotel will be provided on-site and through an agreement to use spaces in the City Centre or Myrtle Street garages owned by CCDC.





## RESIDENCE INN BY MARRIOTT

Eagle based developer, Pennbridge Capital, is constructing a 186-room, 10-story extended stay hotel at the corner of Broad Street and Capitol Boulevard in downtown Boise. The hotel is expected to cost \$31 million and is planned to be a Residence Inn by Marriott. This type of hotel caters to a longer-term visitor with amenities such as a kitchenette in each room, fitness area, pool, and a third floor patio and bar.

CCDC is assisting the project through a Type 2 General Assistance Participation Agreement. This project will receive approximately \$876,000 over the course of 4 years after the hotel is complete to pay for public infrastructure improvements.

Public improvements to the property include brick sidewalks, street trees, decorative fencing, streetlights, bicycle racks, green stormwater infrastructure, and a ground level plaza with irrigated planters and seating. The project will also relocate and extend the communication utilities located within the alleyway, underground the overhead facilities crossing Myrtle Street, and to tap into the city's geothermal for domestic hot water.



## HYATT PLACE

PEG Development based in Salt Lake City, UT, is building a 150 room hotel on a half block site located between 10th and 11th Streets on Bannock. The over \$20 million project is better utilizing downtown property which was previously a surface parking lot. Construction is scheduled to be complete in early 2017. CCDC is assisting the project through a Type 2 General Assistance Participation Agreement and the project will receive up to \$650,000 for public improvements in installments for 4 years after the project is complete.







## PIONEER CROSSING – HILTON GARDEN INN

CCDC has partnered with Gardner Company to activate a large 5-acre parcel which has been vacant for decades. A Hilton Garden Inn is planned to be constructed by Gardner Company at Pioneer Crossing (previously Parcel B) on the corner of 13th and Front Streets. The 5 story hotel will have approximately 136 rooms, fitness center, pool, and 4,000 SF meeting room. CCDC is assisting the project through a Type 3 General Assistance Participation Agreement to pay for the public improvements associated with the entire 4-block development. The combined development's tax increment will allow CCDC to purchase approximately 250 public parking spaces within a 650 space parking garage for \$5.4 million, as well as to reimburse expenses for up to \$4.3 million in public streets, streetscapes, and utilities located in the public right of way, in a public easement, or related to shared costs of condominium ownership. The development plan for this site also includes a new location for the Boise Metro Chamber of Commerce, a new restaurant corner, and a large new office building in the works. The Pioneer Crossing development will connect with CCDC's Pioneer Pathway at the corner of 11th & Myrtle creating new connectivity in the downtown pedestrian network.

## REDEVELOPMENT PROPERTIES / HOUSING

A unique tool that CCDC is utilizing to proactively achieve redevelopment is the strategic acquisition of underdeveloped and disinvested land and buildings followed by a competitive disposition process that targets specified uses which advance urban renewal plans. Through a public and competitive Request for Proposal process, CCDC identifies private developers who are willing to take on a catalytic project. These types of projects on these properties would likely not be possible without the financial participation of CCDC. These projects typically serve as catalysts for the neighborhood and result in spin-off development in the vicinity.

Strategically redeveloping properties within our districts enhances the urban environment, comports with specialized plans for downtown, and fuels economic growth. Collaborating with public and private partners to proactively plan and complete high quality development projects advances community planning goals and enriches Boise's prosperity. In 2016, CCDC worked on three redevelopment projects – The Afton, Watercooler Apartments, and Ash Street.







Maximizing our unique financial powers to catalyze investment, facilitate public projects, and increase agency revenue is paramount to stable and consistent resource management.

## THE AFTON

In 2015, CCDC was able to take advantage of this strategy when it conveyed ownership of a portion of a dilapidated warehouse property located at 8th and River Streets in August 2016. This property is located in a key location that connects downtown Boise to the Boise River and Greenbelt and areas south of the river like the BSU campus. After an open competitive process and careful review of multiple proposals from in and out of the Boise market, CCDC made a selection and entered into agreements with RMH Company to develop a mixed-use condominium project with a focus on for-sale housing.

RMH Company, a Boise firm, has planned the \$27 million project in two phases and will build condos and retail space on the property. The project has been named The Afton after an original landowner Emory Afton, president of Wholesale Electric Parts Company. The first phase of The Afton will be comprised of approximately 28 for-sale units including 3 live/work units with 1st floor retail space. There will also be approximately 3,000 SF of retail space located on corner of 8th and River.

CCDC's proactive effort to add a new, attractive, and energizing residential development to this neighborhood is being very well received both in terms of sales and with the neighbors. Construction of phase 1 began in October 2015, and is scheduled to be complete in late spring 2017. Phase 2 is coming up ahead of schedule based on the success of phase 1. This particular corner location has been overlooked for years, and will now come to life, offering Boise residents a new and exciting downtown housing option.







## THE WATERCOOLER APARTMENTS

In early 2015, CCDC issued a Request for Qualifications/Proposals (RFQ/P) inviting development teams to submit proposals for the CCDC-owned property located at 1401 W. Idaho Street in Boise. The CCDC Board of Commissioners selected Local Construct's proposal in May 2015 based on their proposal's ability to meet the 10 requirements: Strong Financing, Similar Successful Portfolio, Quick Construction, Pedestrian Friendly Design, Urban Context, Active Mixed Use, a High Floor to Area Ratio, Sustainability, Investment, and Catalyst Potential.

In the following months, an Exclusive Right to Negotiate (ERN) was finalized with the developer and CCDC staff and the developer refined and approved the design and scope of the project. The final Disposition and Development Agreement was approved by CCDC's Board, and Local Construct completed the purchase of the property in May of 2016.

The 3 floor apartment building is now well under construction and will include 30 new workforce apartments and 7 live/work units as well as 1,450 square feet of corner retail space. The project also includes a pocket park for public use. Total development costs are anticipated to be \$7 million. The building is scheduled to be complete mid-2017.



## ASH STREET

CCDC owns several parcels on Ash Street totaling approximately 0.75 acres and are all currently vacant. These parcels were part of an acquisition of land necessary to construct the Pioneer Pathway and all of the blighted parcels were razed. The Agency then identified the combined parcels as a new opportunity site for workforce housing. Located adjacent to the Pioneer Pathway, the historic Hayman House, a small city park, and within the River Street Neighborhood, this location offers an ability to be both close to the Boise River and close to the downtown core. A Request for Qualifications/Proposals for a workforce housing development was published in September 2016 with proposals due on November 15, 2016. The CCDC Board of Commissioners reviewed two complete proposals on November 29, 2016. The proposals were reviewed based on five criteria including neighborhood design and context, catalyst potential, investment, development schedule, and sustainability.

On December 12, 2016, the Board of Commissioners chose to award the RFP to deChase Miksis to construct workforce housing. The \$7 million deChase Miksis project proposes 23 3-bedroom townhouses with one-car garages, and 8 1-bedroom apartments with one parking space each. This in-fill housing project will energize the neighborhood, diversify the housing stock, and help connect this area as a safe, walkable and interesting area of town between the Boise River and Downtown. It also pays homage to the Hayman House and the history of the neighborhood.

CCDC and deChase Miksis are currently in an Exclusive Right to Negotiate period, and staff anticipates the Disposition and Development Agreement to be finalized in late spring 2017.





## KEY STRATEGY 5

# SPECIAL PROJECTS

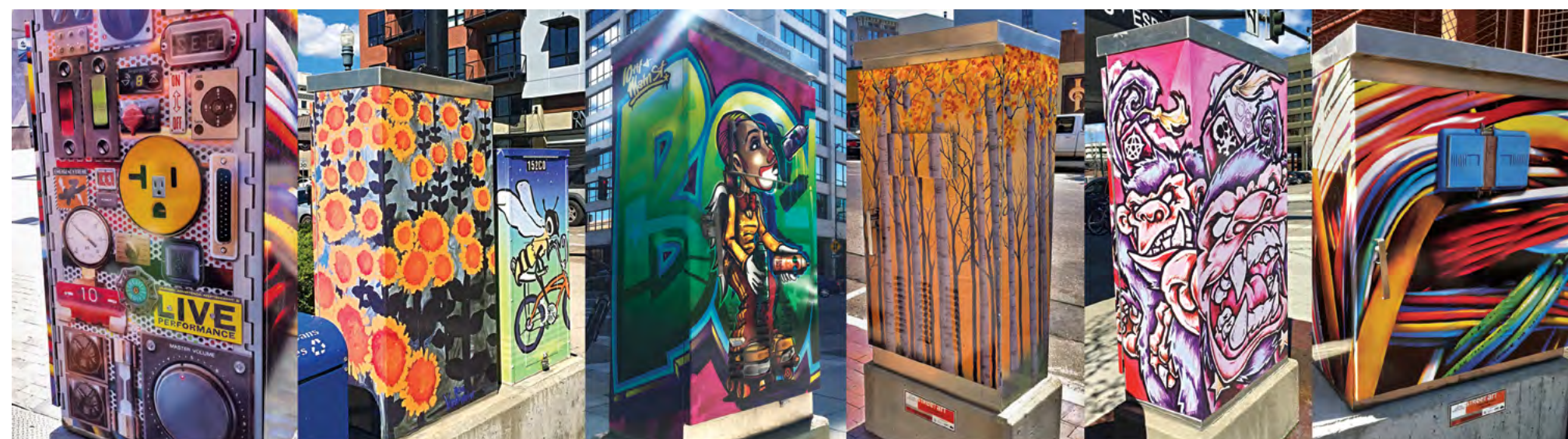


## HAYMAN HOUSE

The Historic Hayman House is located next to the Ash Street Properties. CCDC purchased the home with a commitment to preservation for both the architectural features and also to recognize the diversity of the inhabitants of this historic neighborhood. CCDC's redevelopment efforts around this property required development proposals to consider how this property would be respected and incorporated into any new construction proximate to the property. In 2016, CCDC determined a preservation strategy that identified several Capital Needs Improvement options and plans to convey the property to the Boise City Arts & History Department. The Arts & History department will be a better long-term owner of the property with plans to increase the programming and educational opportunities that can take place on the site.

## TRAFFIC BOX ARTWORK

CCDC and the City of Boise Art and History department partner to wrap utility boxes with artistic prints in the downtown. This adds to the pedestrian experience and also supports the local art culture. Equally as important, this effort has significantly reduced the graffiti which was frequent before the initiation of this collaborative program. This helps create a safer feeling downtown, encourages walking, and enhances the pedestrian experience. There are now 62 traffic boxes with art wraps located in Boise, and CCDC continues to support this public art effort annually. In 2016, 24 new art wraps were added to the collection and CCDC has plans to fund an additional 12 in 2017.



## WHITTIER ELEMENTARY FENCE ART

CCDC provided \$10,000 for a public art project located on the fence of Whittier Elementary School along Whitewater Park Boulevard. The piece was created by Idaho artists, Dennis & Margo Proksa of Black Rock Forge in Pocatello. The artwork was installed in August of 2016.







## CENTRAL DISTRICT SUNSET PLANNING

Urban renewal districts have limited terms by design. Districts are designed to address and improve infrastructure deficiencies and stimulate new development to create a safe, prosperous and welcoming public environment and catalyze investment in specific geographies. The Central District encompasses ten blocks in the heart of downtown Boise. It is CCDC's first urban renewal district, created in 1988. The district's thirty-year statutory lifespan ends in 2018, with final improvements to occur during Fiscal Year 2018. The return on the investment accelerates over the life of an urban renewal district with significant new private development occurring in the past few years. Here in its penultimate year, the Central District will generate \$4.9 million in tax increment revenue based on assessed district-wide increment value of \$296 million. Compare those current amounts to the \$351,000 in tax increment revenue generated by an assessed increment value of \$23 million in Year 1 and it is fair to conclude that the efforts in the Central District have been a tremendous success in revitalizing the core of downtown Boise.

The Central District's success in 'densifying' (efficiently utilizing limited, high value real estate) in the heart of the city is also an excellent example of utilizing structured parking for efficient land use – which CCDC fulfilled during the life of the district with the construction of the its six garage, 2,600 space public parking system.

CCDC also owns 8th Street from Bannock to Main streets as well as the (newly renovated) The Grove Plaza and north, south and west spokes with easements through the east spoke. Post-Central sunset ownership of those assets is currently under consideration by the Central District Sunset Working Group comprised of representatives from the CCDC Board and City of Boise.



Working in public service provides a great opportunity to help thousands of other people by making a meaningful, permanent, and positive impact on our community.

## INTER-AGENCY PLANNING

### DOWNTOWN PARKS AND PUBLIC SPACES PLAN

Increasing development activity in downtown Boise is leading to the rise of distinct urban neighborhoods. A need for urban parks and public spaces that anchor and energize these neighborhoods was recently identified and planned for in the Downtown Parks and Public Spaces Master Plan. CCDC supported Boise City Planning and Development Services' 11 month public planning process by assisting with public engagement, reviewing plans and documents, and updating CCDC's five year capital improvement plan to fund high priority near term urban park and interpretive site specific projects. A few examples of these key projects that CCDC is carrying forward include Hayman House community pocket park, a permanent public market, large public space near in the Westside District, Old Boise Linear Park, central business district alley enhancements, central addition streetscape improvements, Main Library public space, and Julia Davis Park 5th street entrance.

### PARKING AND MOBILITY PLANNING

Two significant plans were introduced in 2016 that will help frame the community discussion around providing mobility options outside of the single occupied vehicle. Fundamental to this vision is the idea that city streets (particularly in a downtown setting) are much more than spaces for moving vehicles – they are public places where urban life happens, and as such they must accommodate a range of functions and activities. The first plan is the Downtown Boise Parking Strategic Plan, introduced in the spring and adopted by the City Council and CCDC Board of Commissioners in the fall. Over the next several years the concepts and proposals in the Parking Strategic Plan will serve as a guide to addressing many of the mobility challenges brought on by development and growth. The second is the City's Transportation Action Plan (TAP), a vision of a modern, well-balanced transportation system. The TAP articulates a clear vision of a transportation system that provides real choice in mobility while creating great places for people. It includes a set of principles & values, targeted actions, and an evaluation matrix.

### SOUTH 8TH STREET CORRIDOR PLAN

Staff worked in collaboration with the City of Boise to select and hire consultants to evaluate the South 8th Street Corridor and recommend interventions to activate the area focusing on ROI. lolci, a landscape architecture, land planning and urban design firm located in Salt Lake City was hired for the effort. Through a series of stakeholder outreach efforts and public charrettes, a planning document was completed by lolci in the summer of 2016 recommending ideas to active the 8th Street Corridor. As the master plan reached completion, CCDC worked in collaboration with City of Boise to select CTY Studio architects in Boise to operationalize the plan, and approximate budgets and timelines. CTY Studio completed their effort towards the end of 2016. The documents were presented to the Board in January 2017.







## FINANCIAL HIGHLIGHTS

- The Agency's total assets and deferred outflows of resources exceeded its liabilities and deferred inflow of resources at the close of the fiscal year 2016 by \$37,796,202. Of this total, \$14,533,359 is invested in capital assets (net of debt).
- At fiscal year close, the Agency's governmental funds reported a combined ending fund balance of \$35,004,757, of which \$34,405,846 is nonspendable, restricted, committed or assigned.
- During fiscal year 2016 the Agency's expenses were \$12,674,685 compared to the \$15,288,248 reported in 2015. The change was primarily due to the decrease in interest on long-term debt with the Ada County Courthouse Project Bond payoff in fiscal year 2015 and efficiency improvements due to installation of new PARCS automated parking control equipment in 2014. Revenue allocation increased about 12.8% or \$1,511,032 in fiscal year 2016 as compared to the prior year due to the increased property valuations and new construction in Agency urban renewal districts.
- Total revenues increased by \$1,859,035. The majority of the increase was a result of increased property tax increment revenue.
- Interest and fees expense on long-term debt in governmental activities decreased by \$2,001,067 compared with fiscal year 2015, consistent with the payoff of the Ada County Courthouse Project Bond in 2015.
- The Agency's key revenues are parking revenues and revenue allocation district revenues (tax increment revenue). Parking revenues increased \$676,297 primarily due to: 1) monthly parking rates increased effective on January 1, 2016, 2) increased parking activity and 3) continued parking revenue collection efficiency due to installation of new PARCS automated parking control equipment in 2014. Revenue allocation increased about 12.8% or \$1,511,032 in fiscal year 2016 as compared to the prior year due to the increased property valuations and new construction in Agency urban renewal districts.



2016 FINANCIAL STATEMENTS

STATEMENT OF NET POSITION

	2015	2016	Percentage Change 2015-2016
Current & Other Assets	\$40,240,182	\$50,877,527	26.4%
Capital Assets	22,222,029	24,619,146	10.8%
<b>Total Assets</b>	<b>62,462,211</b>	<b>75,496,673</b>	<b>20.9%</b>
Deferred Outflows of Resources	<b>444,730</b>	<b>494,324</b>	<b>11.2%</b>
Long-term Debt Outstanding	18,396,459	21,578,832	17.3%
Other Liabilities	1,546,518	2,304,877	49.0%
<b>Total Liabilities</b>	<b>19,942,977</b>	<b>23,883,709</b>	<b>19.8%</b>
Deferred Inflows of Resources	<b>13,765,022</b>	<b>14,311,086</b>	<b>4.0%</b>
<b>Net Position</b>			
Net Investment in Capital Assets	16,051,747	14,533,359	(9.5%)
Restricted & Unrestricted	13,147,195	23,262,843	76.9%
<b>Total Net Position</b>	<b>\$29,198,942</b>	<b>\$37,796,202</b>	<b>29.4%</b>

Table 1 reflects the condensed fiscal year 2016 and fiscal year 2015 Statement of Net Position. Increases or decreases in Net Position value may vary significantly with variations in debt service payments, the timing of large public improvement projects, or the purchase or sale of land, buildings, and parking facilities. The Agency’s total Net Position increased \$8,522,260 compared to fiscal year 2015. The increase is the result of planned capital projects deferred to future budget years and continued increase of property tax increment revenues.

Approximately 38% of the Agency’s net position is invested in Capital Assets (i.e. land, buildings, equipment, parking facilities, and other) with the remaining balance in other net assets to provide for ongoing obligations and subsequent year activities.

STATEMENT OF ACTIVITIES

	2015	2016	Percentage Change 2015-2016
<b>Revenues</b>			
<b>Program Revenues</b>			
Charges for Services	\$1,621,402	\$194,372	(88.0%)
Operating Grants & contributions	562,718	1,652,113	193.6%
Parking	5,391,272	6,065,718	12.5%
<b>Total Program Revenue</b>	<b>7,575,392</b>	<b>7,912,203</b>	<b>4.4%</b>
<b>General Revenue</b>			
Property Tax Increment	11,826,169	13,337,201	<b>12.8%</b>
Unrestricted Investment			
Earnings	11,349	22,541	98.6%
<b>Total Revenues</b>	<b>19,412,910</b>	<b>21,271,945</b>	<b>9.6%</b>
<b>Expenses</b>			
<b>Program Expenses</b>			
Community Development	8,782,209	8,372,953	(4.7%)
Interest on Long-Term Debt	2,990,768	989,701	(66.9%)
Parking Facilities	3,515,271	3,312,031	(5.8%)
<b>Total Program Expenses</b>	<b>15,288,248</b>	<b>12,674,685</b>	<b>(17.1%)</b>
<b>Increase in Net Position</b>	<b>4,124,662</b>	<b>8,597,260</b>	
<b>Net Position - Beginning</b>	<b>25,074,280</b>	<b>29,198,942</b>	<b>16.4%</b>
<b>Net Position - Ending</b>	<b>\$29,198,942</b>	<b>\$37,796,202</b>	<b>29.4%</b>

Revenues: Charges for Services include lease revenues from the Ada County Courthouse Corridor Project. Operating Grants & Contributions include various reimbursements. Parking revenues include proceeds generated from operating the parking garages. General Revenues include earnings on investments. Overall, total Agency revenues increased \$1,859,035 compared with the prior year. Additionally, tax increment revenues increased \$1,511,032 compared to fiscal year 2015, reflecting strong economic conditions and higher property values.

Expenses: Community Development includes the general expenses of the Agency related to fulfilling its mission. Interest on Long-Term Debt includes the interest portion of payments related to long-term financing arrangements. Parking Facilities includes the cost of operating the parking system. Overall, total Agency expenses in fiscal year 2016 decreased \$2,613,563. The change was primarily due to the decrease in interest on long-term debt with the Ada County Courthouse Corridor Project Bond payoff in fiscal year 2015.