

KETCHUM URBAN RENEWAL AGENCY

Monday, September 18, 2023 at 2:00 PM 191 5th Street West, Ketchum, Idaho 83340

AGENDA

PUBLIC PARTICIPATION INFORMATION

Public information on this meeting is posted outside City Hall.

We welcome you to watch Council Meetings via live stream.

You will find this option on our website at https://www.ketchumura.org/kura/meetings.

If you would like to comment on a public hearing agenda item, please select the best option for your participation:

- Join us via Zoom (please mute your device until called upon).
 Join the Webinar: https://ketchumidaho-org.zoom.us/j/87838762979
 Webinar ID: 878 3876 2979
- 2. Join us at City Hall.
- 3. Submit your comments in writing at info@ketchumura.org (by noon the day of the meeting).

This agenda is subject to revisions. All revisions will be underlined.

CALL TO ORDER:

ROLL CALL:

COMMUNICATIONS FROM THE BOARD OF COMMISSIONERS:

CONSENT CALENDAR: (ALL ACTION ITEMS)

- 1. ACTION ITEM: Approval of Bills
- 2. ACTION ITEM: Approval of August 21, 2023 Minutes
- ACTION ITEM: Approval of Minutes for Joint KURA/City Council Meeting on August 21, 2023

ACTION ITEMS:

4. ACTION ITEM: Approval of Resolution 23-URA05 Approving the Second Amendment to Agreement to Negotiate 50082 for the First and Washington Project



5. ACTION ITEM: Recommendation to Approve Resolution 23-URA06 Authorizing the Chair to Sign Reimbursement Agreement 50087 Between the KURA and City of Ketchum ADJOURNMENT:

Payment Approval Report - URA Report Report dates: 9/1/2023-9/14/2023

Page: 1 Sep 14, 2023 06:58AM

Report Criteria:

Invoices with totals above \$0 included.

Paid and unpaid invoices included.

[Report].GL Account Number = "9610000000"-"9848009999"

Vendor Name	Invoice Number	Description	Net Invoice Amount
URBAN RENEWAL AGENCY			
URBAN RENEWAL EXPENDITURE	S		
98-4410-4200 PROFESSIONAL SERV	VICES		
KETCHUM COMPUTERS, INC.	19876	MONTHLY WORKSTATION MAINT	43.50
SUN VALLEY ECONOMIC DEVEL	1518	KURA QRTLY CONTRACT FOR SERVICES	1,500.00
ELAM & BURKE	203702	General Representation	405.00
ELAM & BURKE	203703	1st & Washington Profession Fees	421.00
ELAM & BURKE	204184	General Representation	1,643.10
ELAM & BURKE	204185	1st & Washington Profession Fees	6,143.50
98-4410-7100 INFRASTRUCTURE P	ROJECTS		
CITY OF KETCHUM	7169	IDAHO POWER UNDERGROUNDING 50% REIMBURSE CITY	100,000.00
98-4410-8801 REIMBURSE CITY GE	ENERAL FUND		
CITY OF KETCHUM	7160	FRICK REIMBURSE CC CHARGE ADOBE	239.88
CITY OF KETCHUM	7162	SALARIES & BENEFITS 7-15 to 8-25-2023	7,213.56
Total URBAN RENEWAL EXPE	NDITURES:		117,609.54
URA DEBT SERVICE EXPENDITUR	RES		
98-4800-8400 DEBT SERVICE ACCT	PRIN-2021		
ZIONS BANK CC	0001010000638	KURA BOND SERIES 2023 PRINCIPAL	472,587.82
98-4800-8450 DEBT SRVC ACCT IN	TRST-2021		
ZIONS BANK CC	0001010000638	KURA BOND SERIES 2023 INTEREST	34,684.13
Total URA DEBT SERVICE EXP	ENDITURES:		507,271.95
Total URBAN RENEWAL AGEN	CY:		624,881.49
Grand Totals:			624,881.49

Invoice



P.O. Box 5186 Ketchum, ID 83340

Bill To		
	rban Renewal Agency etchumidaho.org	

Date	Invoice #
9/1/2023	19876
Terms	Due Date
Net 30	10/1/2023

Federal Tax ID: 26-1671669

billing@ketchumcomputers.com

Date	Employee	Description	Quantity	Rate	Amount
9/3/2023	Mandeville	Monthly Workstation Maintenance: KURA laptop	1	43.50	43.50

Total

\$43.50

Sun Valley Economic Development, Inc.

PO Box 3893 Ketchum, ID 83340 US (208)720-7779 Harry@sunvalleyeconomy.org www.sunvalleyeconomy.org

Invoice



BILL TO Shellie Gallagher Ketchum Urban Renewal Agency City of Ketchum

INVOICE#	DATE	TOTAL DUE	DUE DATE	TERMS	ENCLOSED	
1518	09/13/2023	\$1,500.00	10/13/2023	Net 30		

ACTIVITY	QTY	RATE	AMOUNT
Public Sector - KURA Balance of Annual CFS	1	1,500.00	1,500.00
Thank you for your support.	BALANCE DU	JE	¢1 500 00

\$1,500.00



251 East Front Street, Suite 300 Post Office Box 1539 Boise, Idaho 83701 Telephone 208 343-5454 Fax 208 384-5844

Tax Id No. 82-0451327

Ketchum Urban Renewal Agency Attn: Suzanne Frick Executive Director PO Box 2315

July 31, 2023

Invoice # 203702

Ketchum, ID 83340

Billing Atty - MSC

FOR PROFESSIONAL SERVICES RENDERED

From July 17, 2023

Through July 31, 2023

RE: General Representation

CLIENT/MATTER: 08962-00001

HOURS

7/17/23	RPA	.10	Review and comment on proposed agenda for the
A			Board meeting.
7/21/23	RPA	.50	Review and comment on agenda items and process
			for approval of the FY 2024 tentative budget.
7/24/23	ARG	1.20	Prepare for Board meeting. Review Board packet
			materials, including amended FY 24 budget. Attend
			Board meeting via Zoom.

PROFESSIONAL FEES

405.00

			Charg	geable	Non-Cha	argeable
Timekeeper	Staff	Rate	Hours	Amount	Hours	Amount
Germaine, Abbey R.	Of Counsel	225.00	1.20	270.00	.00	.00
Armbruster, Ryan P.		225.00	.60	135.00	.00	.00
			1.80	405.00	.00	.00

PAGE 1



251 East Front Street, Suite 300 Post Office Box 1539 Boise, Idaho 83701 Telephone 208 343-5454 Fax 208 384-5844

Tax Id No. 82-0451327

Ketchum Urban Renewal Agency Attn: Suzanne Frick Executive Director PO Box 2315 Ketchum, ID 83340

July 31, 2023

Invoice # 203703

Billing Atty - MSC

CLIENT/MATTER: 08962-00003

FOR PROFESSIONAL SERVICES RENDERED

From July 5, 2023 Through July

Through July 31, 2023

RE: 1st and Washington Project

PROFESSIONAL FEES

HOURS

7/05/23	RPA	.30	financing and other negotiation issues. Consider next steps.
7/11/23	RPA	.20	Address outstanding issues for the project and next steps for drafting of DDA.
7/21/23	RPA	.10	Follow up on next steps for the DDA and status of developer financing.
7/25/23	RPA	.20	upcoming work session.
7/26/23	ARG	.40	Meeting with development team to discuss progress on various items and timing for information on certain key items to the project.
7/26/23	RPA	.20	draft DDA and schedule of performance.
7/28/23	RPA	.30	Address status of DDA and ground lease. Review updated pro forma from the developer.

421.00

PAGE 1

251 E. Front Street, Suite 300 Boise, Idaho 83702 Tax ID No. 82-0451327 Telephone 208-343-5454 Fax 208-384-5844



August 31, 2023

Ketchum Urban Renewal Agency

Attn: Suzanne Frick Executive Director

Ketchum, ID 83340

PO Box 2315

Invoice No.

204184

Client No.

8962

Matter No.

1

Billing Attorney:

MSC

INVOICE SUMMARY

For Professional Services Rendered from August 16, 2023 through August 31, 2023.

RE: General Representation

Total Professional Services \$ 1,620.00
Total Costs Advanced \$ 23.10

TOTAL THIS INVOICE \$ 1,643.10

ELAM & BURKE

August 31, 2023

Invoice No.

204184

Client No.

8962

Matter No.
Billing Attorney:

1 MSC

PROFESSIONAL SERVICES

Date	Atty	Description	Hours
8/16/23	RPA	Review draft agenda for the upcoming board meeting.	.10
8/17/23	ARG	Review and revise draft agenda for KURA meeting. Telephone call with Trent Donet regarding same. Email correspondence with Suzanne Frick to discuss same.	.70
8/17/23	RPA	Review proposed agenda and notice for regular board meeting and special meeting with city council. Consider board action on various items.	.40
8/18/23	RPA	Review board packet and attachments for upcoming regular board meeting and special joint meeting with the city council. Address budget issues and participation with the city.	1.30
8/21/23	ARG	Attend via Zoom joint meeting with city and agency. Outline next steps regarding 1st and Washington.	.90
8/21/23	RPA	Prepare for and attend via website for the regular board meeting and the joint special meeting with the city council. Outline follow up as related to those two board meetings.	2.50
8/22/23	RPA	Provide guidance to Suzanne Frick on bond resolution compliance concerning filing of budget and audit with bond purchaser. Provide overview of items for consideration at the September meeting concerning Agency participation with the city on several projects.	1.30

TOTAL PROFESSIONAL SERVICES

\$ 1,620.00

SUMMARY OF PROFESSIONAL SERVICES

Name	Staff Level	Rate	Billed	Billed	Non-Chargeable	Non-Chargeable
			Hours	Amount	Hours	Amount
Germaine, Abbey R.	Of Counsel	225.00	1.60	360.00	.00	.00
Armbruster, Ryan P.	Of Counsel	225.00	5.60	1,260.00	.00	.00
Total	***		7.20	\$ 1,620.00	.00	\$.00

ELAM & BURKE

August 31, 2023

Invoice No. 204184

Client No.

8962

Matter No.
Billing Attorney:

1 MSC

COSTS ADVANCED

Date	Description	Amount
	Copies	2.85
	Color Copies	20.25

TOTAL COSTS ADVANCED

\$ 23.10

TOTAL THIS INVOICE

\$ 1,643.10

251 E. Front Street, Suite 300 Boise, Idaho 83702 Tax ID No. 82-0451327 Telephone 208-343-5454 Fax 208-384-5844



August 31, 2023

Invoice No.

204184

Client No.

8962

Matter No.

1

Billing Attorney:

MSC

Ketchum Urban Renewal Agency

Attn: Suzanne Frick Executive Director PO Box 2315

Ketchum, ID 83340

REMITTANCE

RE: General Representation

BALANCE DUE THIS INVOICE

\$ 1,643.10

ONLINE PAYMENTS

Elam & Burke is committed to offering safe, secure, and convenient options to pay your bill using Visa, MasterCard, Discover, American Express, Apple Pay, Google Pay, and eCheck. NOTE: A 3% convenience surcharge will be applied to all of these transactions.

To pay online, please click here: Pay Now

WIRE/ACH PAYMENTS IN USD

Account Holder: Elam & Burke, PA

Bank Name:

U.S. Bank

Branch Name:

Meridian CenterPoint Office

Account Number:

ABA Routing Number:

82982196

122105155

SWIFT Code:

RKEBKUS12345

All checks should be made payable to:

Elam & Burke, PA

CHECK PAYMENTS

ATTN: Accounts Receivable

251 E. Front Street, Suite 300

Boise, ID 83702

(Please return this advice with payment.)

Please reference: Invoice 204184, File # 8962 - 1 on all payments.

INVOICES ARE PAYABLE UPON RECEIPT Thank you! Your business is greatly appreciated. 251 E. Front Street, Suite 300 Boise, Idaho 83702 Tax ID No. 82-0451327 Telephone 208-343-5454 Fax 208-384-5844



August 31, 2023

Invoice No.

204185

Client No.

8962

Matter No.

3

Billing Attorney:

MSC

INVOICE SUMMARY

For Professional Services Rendered from August 2, 2023 through August 31, 2023.

RE: 1st and Washington Project

Ketchum Urban Renewal Agency

Attn: Suzanne Frick

Executive Director

Ketchum, ID 83340

PO Box 2315

Total Professional Services

\$ 6,133.00

Total Costs Advanced

\$ 10.50

TOTAL THIS INVOICE

\$ 6,143.50

ELAM & BURKE

August 31, 2023

Invoice No.

204185

Client No.

8962

Matter No.

3

Billing Attorney:

MSC

PROFESSIONAL SERVICES

Date	Atty	Description	Hours
8/02/23	ARG	Prepare for check-in meeting with Suzanne Frick by reviewing materials provided by Developer. Attend check-in meeting with Suzanne Frick.	.60
8/02/23	RPA	Review memo from developer on pending issues, financing status, DDA status and schedule of performance. Attend call with Suzanne Frick and Abbey Germaine to consider next steps and further scheduling.	1.00
8/04/23	ARG	Review and respond follow-up list of questions for development team. Revise list and add additional questions.	.20
8/04/23	RPA	Review draft memo concerning information on development status and next steps towards a DDA.	.20
8/07/23	ARG	Incorporate additional revisions to question document in response to developer team information. Draft email correspondence to Suzanne Frick regarding same.	.30
8/07/23	RPA	Review and provide comment re response memo to developer on various questions concerning development schedule, financing, and work force housing unit count.	.60
8/08/23	ARG	Continue drafting DDA for consideration by KURA. Review ANE for purposes of drafting DDA.	1.70
8/08/23	RPA	Review emails concerning developer issues and memo from Suzanne Frick to developer for clarification of project schedule and agency contribution. Consider when to move forward with recharacterization of bond debt to take advantage of non-profit bonds.	.50
8/09/23	ARG	Teams meeting with developer team regarding status of project. Meeting with Suzanne Frick regarding same. Continue drafting DDA for consideration by KURA.	3.40
8/09/23	RPA	Review Suzanne Frick memo on status of project, funding, and schedule. Prepare for and attend Teams session with Suzanne Frick, Abbey Germaine, Frank Lee, and Mark Edlen re next steps of the development and schedule of performance, as well as status of DDA and ground lease.	1.30
8/16/23	RPA	Review emails re current status of negotiations and need for meeting. Follow up on remaining issues.	.10
8/17/23	RPA	Review status of issues re financing and schedule for approval of DDA and ground lease.	.20

August 31, 2023 Invoice No. 204185 Client No. 8962 Matter No. 3 MSC Billing Attorney: 8/18/23 .30 Consider potential participation with the developer and eligibility of items. RPA Determine role/contribution from the city. .50 8/21/23 RPA Address agency participation to bridge the funding gap, eligibility concerns, and impact of any city contribution. Determine whether ground lease may aid in participation. .30 8/22/23 RPA Address status of the DDA and ground lease. Consider participation for eligible projects and compliance with statutes and Idaho Constitution. 8/23/23 .20 Review and respond to email correspondence from Suzanne Frick regarding next ARG steps on 1st and Washington Project. 8/23/23 RPA Review emails re status meeting and next steps. Review email from Frank Lee .70 explaining the draft ground lease and comparison to the Bluebird lease. Outline funding issues. .20 8/25/23 RPA Address status of the DDA, schedule for approval and outstanding issues. 2.20 8/27/23 ARG Continue drafting 1st and Washington DDA. Begin drafting certificate of completion and associated documents. 3.90 8/28/23 ARG Continue drafting DDA for purposes of 1st and Washington disposition via ground lease. Draft accompanying attachments including memorandum and schedule of performance. .40 8/28/23 Address outstanding issues for the DDA and ground lease. Consider next steps and RPA schedule for approval. Consider eligible costs. Review updated construction costs and eligible activity. Consider how best to 3.00 8/29/23 RPA allocate costs. Review and edit the draft DDA. Draft explanatory email. Outline next steps and coordination of review and approval of the DDA. 1.70 8/30/23 ARG Continue drafting DDA. Discuss aspects of DDA revisions with Ryan Armbruster. Teams meeting with Suzanne Frick to discuss updates with 1st and Washington. Revise the DDA and address outstanding issues. Prepare for and update session with 1.30 8/30/23 RPA Abbey Germaine and Suzanne Frick. Outline outstanding issues. .30 8/31/23 RPA Continue working on the DDA for internal distribution.

TOTAL PROFESSIONAL SERVICES

\$ 6,133.00

ELAM & BURKE

August 31, 2023

Invoice No.

204185

Client No.

8962

Matter No.

3

Billing Attorney:

MSC

SUMMARY OF PROFESSIONAL SERVICES

Name	Staff Level	Rate	Billed	Billed	Non-Chargeable	Non-Chargeable
			Hours	Amount	Hours	Amount
Germaine, Abbey R.	Of Counsel	240.00	14.20	3,408.00	.00	.00
Armbruster, Ryan P.	Of Counsel	250.00	10.90	2,725.00	.00	.00
Total			25.10	\$ 6,133.00	.00	\$.00

COSTS ADVANCED

Date	Description	Amount
	Copies	4.05
	Color Copies	6.45

TOTAL COSTS ADVANCED

\$ 10.50

TOTAL THIS INVOICE

\$ 6,143.50

251 E. Front Street, Suite 300 Boise, Idaho 83702 Tax ID No. 82-0451327 Telephone 208-343-5454 Fax 208-384-5844



August 31, 2023

Invoice No.

204185

Client No.

8962

Matter No.

3

Billing Attorney:

MSC

REMITTANCE

RE: 1st and Washington Project

Ketchum Urban Renewal Agency

Attn: Suzanne Frick

Executive Director PO Box 2315

Ketchum, ID 83340

BALANCE DUE THIS INVOICE

\$ 6,143.50

ONLINE PAYMENTS

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WIRE/ACH PAYMENTS IN USD

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U.S. Bank

Branch Name:

Meridian CenterPoint Office

Account Number:

82982196

ABA Routing Number:

122105155

SWIFT Code:

RKEBKUS12345

All checks should be made payable to:

Elam & Burke, PA

ATTN: Accounts Receivable 251 E. Front Street, Suite 300

Boise, ID 83702

(Please return this advice with payment.)

Please reference: Invoice 204185, File # 8962 - 3 on all payments.

INVOICES ARE PAYABLE UPON RECEIPT Thank you! Your business is greatly appreciated.



CITY OF KETCHUM

P.O. Box 2315 Ketchum ID 83340 Phone: (208) 726-3841 Fax: (208) 727-5070

INVOICE

Date	Number	Page
09/05/2023	7169	1

Bill To: KETCHUM URBAN RENEWAL AGENCY

BOX 2315

KETCHUM ID 83340

Customer No. 410

Project:

Terms: Due Upon Receipt

Invoice Due Date: 09/05/2023

Quantity	Description	Unit Price	Net Amount
1	IDAHO POWER UNDERGROUNDING #22882 REIMBURS	100,000.00	100,000.00
	Please remit payment via:	Amount	100,000.00
tps://www.k	etchumidaho.org/administration/page/online-payments OR City of Ketchum PO Box 2315 Ketchum, ID 83340	Balance Due	100,000.00



City of Ketchum

CITY COUNCIL MEETING AGENDA MEMO

Meeting Date: | September 5, 2023 | Staff Member/Dept: | Jade Riley - Administration

Agenda Item: Recommendation to approve Idaho Power Company and City of Ketchum Underground

Relocation Funding Agreement #22882

Recommended Motion:

"I move to approve the Idaho Power underground relocation funding agreement"

Reasons for Recommendation:

- The city has coordinated with the Idaho Department of Transportation for the installation of sidewalks from Serenade to Gem Street.
- Undergrounding the current aerial power lines will enable the maximum space for the new sidewalks
- Undergrounding from Serenade to approx. Weyyakin Drive will enhance the entrance into town as well as the historic nature of the Reinheimer Ranch

Policy Analysis and Background (non-consent items only):

The city has been coordinating with the Idaho Transportation Department over the last several years regarding the concept design for roadway and pedestrian improvements from Elkhorn to River Street. The new roadway will create sidewalks on both sides of Highway 75 from Serenade to River Street with accompanying dedicated bike lanes.

Currently, there are aerial powerlines from Gem Street south to the Big Wood River bridge. Undergrounding the powerlines from the area where the new sidewalk will be placed (Gem Street to Serenade) is desired which is estimated at \$486,314. In addition, undergrounding from the lines from Serenade to the trees before Weyyakin Drive to provide an improved visual entrance into Ketchum (estimated costs \$413,686).

The city is proposing a cost share agreement with the URA. The URA portion would be applied to actual costs incurred only for the portion of Gem to Serenade as it is contained within the KURA district boundary. Idaho Power would like to enter into a reimbursement agreement with the city that would require a \$200,000 payment by October 31, 2023, and \$800,000 by the same date of 2024. These amounts include a \$100,000 contingency amount and might not be necessary once detailed engineering has occurred.

Sustainability Impact:

Undergrounding powerlines reduces likelihood of service disruptions.

Financial Impact:

None C	R Adequi	ate funds	exist in	account:

- Adequate funds exists in the approved FY24 and FY25 Capital Improvement Plan for power undergrounding.
- Adequate funds exists through current fiscal year CIP power ungrounding unspent funds (\$100,000), FY24 budgeted at \$150,000 and FY25 at \$180,000. A modest adjustment would need to be made to FY25 to cover final city obligation.

Attachments:

1. Idaho Power Agreement #22882

UNDERGROUND RELOCATION FUNDING AGREEMENT 22882 IDAHO POWER COMPANY CITY OF KETCHUM

THIS UNDERGROUND RELOCATION	ON FUNDING AGREEMENT ("Agreement") is
made and entered into this day of	, 2023, between Idaho Power Company,
	of Ketchum, hereinafter referred to as the "City".
IPC and the City are sometimes referred to h	erein individually as a "Party" or together as the
"Parties".	

RECITALS:

- A. The Idaho Transportation Department ("ITD") is planning a Highway 75 road improvement project running from Elkhorn Road north to River Street in the City of Ketchum ("Highway 75 Project").
- B. IPC owns and operates an overhead distribution line located along the east side of Highway 75 from approximately Elkhorn Road north to Gem Street that will need to be relocated further to the east for the Highway 75 Project. (Most of the subject IPC distribution line is currently located within the existing Highway 75 road right-of-way, but portions of the distribution line are located on adjacent private lands outside the existing Highway 75 road right-of-way.)
- C. IPC plans to relocate the subject distribution line overhead-to-overhead for the Highway 75 Project, following its standard overhead construction procedures. However, the City has requested that IPC relocate a portion of the distribution line underground approximately from Serenade Lane north to Gem Street, as shown on the drawing attached hereto as Exhibit A (the "Highway 75 Distribution Line").
- D. As part of IPC's undergrounding work, the City has also requested that IPC bury the existing IPC overhead distribution line located along Serenade Lane, also as shown on Exhibit A (the "Serenade Lane Distribution Line"). The Highway 75 Distribution Line and Serenade Lane Distribution Line are referred to together herein as the "Distribution Lines", and the burial of the Distribution Lines is referred to as the "Distribution Line Burial Project".
- E. IPC is able to proceed with the Distribution Line Burial Project at the City's cost under the terms and conditions set forth in this Agreement.

AGREEMENT:

NOW, THEREFORE, on the basis of the foregoing Recitals, and in consideration of the mutual covenants and commitments set forth herein, the Parties agree as follows:

1. Phase I of Distribution Line Burial Project. The first phase of the Distribution Line Burial Project will consist of IPC burying the Serenade Lane Distribution Line, including installing devices and other equipment that will facilitate the burial of the Highway 75 Distribution

Line ("Phase I").

- a. IPC will provide a cost estimate for the Phase I work to the City by July 31, 2023 ("Phase I Cost Estimate").
- 2. Phase II of Distribution Line Burial Project. The second phase of the Distribution Line Burial Project will consist of IPC relocating and burying the Highway 75 Distribution Line ("Phase II"). IPC will provide a cost estimate for the Phase II work to the City by July 31, 2023, based on the following three cost estimates.
- a. IPC's cost estimate for relocating the Highway 75 Distribution Line overhead-to-overhead ("Overhead Cost Estimate").
- b. IPC's cost estimate for relocating the Highway 75 Distribution Line overhead-to-underground ("Underground Cost Estimate").
- c. IPC's incremental cost estimate, representing the cost difference between the Overhead Cost Estimate and the Underground Cost Estimate ("Phase II Cost Estimate").
- 3. <u>City Review of Project Cost Estimate</u>. The City will review the Phase I Cost Estimate and Phase II Cost Estimate (together, the "Project Cost Estimate") and confirm to IPC by September 6th, 2023 whether the City wishes to proceed with the Distribution Line Burial Project.
- 4. <u>Project Timeline</u>. If the City confirms its request for IPC to proceed with the Distribution Line Burial Project by August 31, 2023, the Parties will follow the following timeline for the Distribution Line Burial Project:
- a. Phase I: The City will pay IPC the Phase I Cost Estimate by October 31, 2023 and IPC will complete the Phase I work by November 1, 2024, subject to the terms of Section 4(d) below.
- b. Phase II: The City will pay IPC the Phase II Cost Estimate by October 31, 2024 and IPC will complete the Phase II work by November 1, 2025, subject to the terms of Section 4(e) below.
- c. If it becomes reasonably apparent at any point that projected or actual costs will exceed estimated costs by greater than 5% of a Project Cost Estimate, then IPC will timely notify the City of such anticipated cost overages and the City will have an opportunity to accept or reject or negotiate for modification of further work before being responsible for such overages.
- d. After IPC has completed Phase I and Phase II ("Project Completion"), IPC will provide a statement to the City showing the total actual cost of the Phase I and Phase II work ("Total Actual Cost"). If the Total Actual Cost is greater than the Project Cost Estimate, the City will pay the difference to IPC within thirty (30) days after IPC presents the statement of Total Actual Cost to the City. If the Total Actual Cost is less than the Project Cost Estimate, IPC will refund the difference to the City within thirty (30) days after IPC presents the statement of Total Actual Cost to the City.
 - e. The Parties understand that the IPC Phase I and Phase II construction schedules set

forth in this Section 4 represent the Company's current best estimates for the Distribution Line Burial Project work, but the work schedule is subject to change due to changes in the timing of the ITD Project, weather, working conditions, availability of labor and materials, and other factors relating to the work. The Company will communicate any material changes to the Phase I and Phase II construction schedules to the City on a timely basis.

- f. The parties further understand that IPC's Total Actual Costs under this Agreement may be greater or lesser than IPC's Project Cost Estimate, based on the actual costs of labor and materials and other costs related to the Distribution Line Burial Project.
- g. IPC will follow its standard procedures for calculating estimated costs and actual costs under this Agreement.
- 5. Entire Agreement. This Agreement contains the entire agreement between the Parties respecting the matters herein set forth and supersedes all prior agreements between the Parties hereto respecting such matters. The Parties acknowledge and agree that the terms of this Agreement are consistent with the Ketchum Idaho Power Company Franchise Agreement.
- **6.** Governing Law. This Agreement shall be governed by, and construed in accordance with, the statutes, laws, legal decisions and rules and regulations of the State of Idaho.
- 7. No Waiver. No waiver of any breach by either party of the terms of this Agreement shall be deemed a waiver of any subsequent breach of the Agreement.
- **8.** Amendment. No amendment of this Agreement shall be effective unless the amendment is in writing, signed by all of the Parties.
- 9. <u>Signature.</u> This Agreement may be executed in any number of counterparts, each of which shall be deemed an original. An executed version of this Agreement which has been signed and transmitted by facsimile or other electronic or mechanical means shall be deemed an original.
- 10. Other Documents. The Parties agree to execute and deliver such other documents as may be necessary or desirable to carry out the purposes of this Agreement.
- 11. <u>Authority and Approval to Execute</u>. The signatories hereto represent and warrant that they have the authority and approval to execute this Agreement on behalf of the entities which are Parties to this Agreement and the Parties hereto so stipulate.

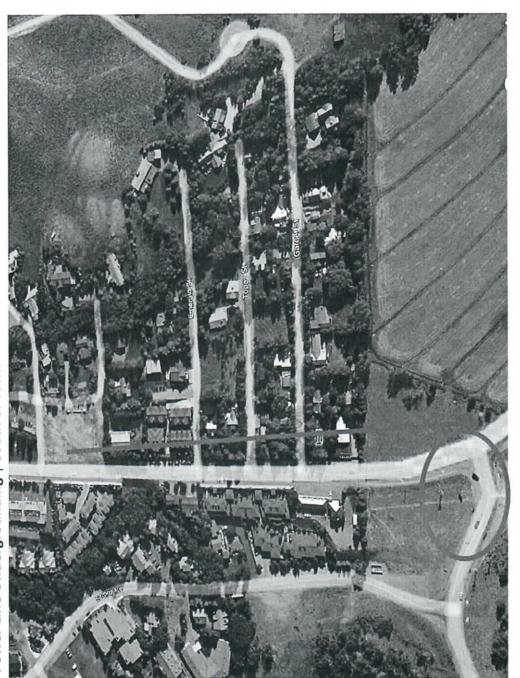
IN WITNESS WHEREOF, the Parties have signed this Agreement effective on the date set forth above.

IDAHO POWER COMPANY	CITY OF KETCHUM
Ву:	By:
Name:	Name:
Title:	Title:

EXHIBIT A

DISTRIBUTION LINE DEPICTION

Power Line Undergrounding | South of Town



Gem Street to Serenade Lane



Serenade Lane to Weyyakin



CITY OF KETCHUM

P.O. Box 2315 Ketchum ID 83340 Phone: (208) 726-3841 Fax: (208) 727-5070

INVOICE

Date	Number	Page
09/05/2023	7160	1

BIII To: KETCHUM URBAN RENEWAL AGENCY

BOX 2315

KETCHUM ID 83340

Customer No. 410

Project:

Terms: Due Upon Receipt

Invoice Due Date:

09/15/2023

Quantity	Description	Unit Price	Net Amount
1	REFUNDS & REIMBURSEMENTS	239.88	239.88
tps://www.l	Please remit payment via: ketchumidaho.org/administration/page/online-payments OR	Amount	239.88
	City of Ketchum PO Box 2315 Ketchum, ID 83340	Balance Due	239.88



U.S. BANK P. O. Box 6343 Fargo, ND 58125-6343

ACCOUNT NUMBER

4485-5910-0131-0568



AMOUNT DUE

\$0.00

000001101 01 SP 0.630 106481823054564 P
SUZANNE FRICK
CITY OF KETCHUM
PO BOX 2315
KETCHUM ID 83340-2315

"MEMO STATEMENT ONLY" DO NOT REMIT PAYMENT

> City pays Kura reinburses ARH 7160

MESSAGES:

 TRAN
 POST DATE
 MCC CODE
 TRANSACTION DESCRIPTION
 REFERENCE #
 AMOUNT

 08-16
 08-17
 5734
 ADOBE *ACROPRO TRIAL 408-536-6000 CA
 24492153228743148209268
 239.88

01-4193-9930

	ACCOUNT NUMBER	ACCOUNT SUI	MMARY
CUSTOMER SERVICE CALL	4485-5910-0131-0568	PURCHASES, FEES & ADJUSTMENTS	\$239.88
800-344-5696	O8/25/23	CHECKS/CASH ADVANCES	\$0.00
MANAGING ACCOL 4485-5945-55		DISPUTE AMOUNT	\$0.00
CONTACT AND CITY OF KETO SANDRA CA	HUM DY	CREDITS	\$0.00
PO BOX 231 KETCHUM, ID 8		STATEMENT	\$239.88



CITY OF KETCHUM

P.O. Box 2315 Ketchum ID 83340 Phone: (208) 726-3841 Fax: (208) 727-5070

INVOICE

Date	Number	Page
09/05/2023	7162	1

BIII To: KETCHUM URBAN RENEWAL AGENCY

BOX 2315

KETCHUM ID 83340

Customer No. 410

Project:

Terms: Due Upon Receipt

Invoice Due Date: 09/15/2023

Quantity	Description	Unit Price	Net Amount
1	SALARIES & BENEFITS 7-15 TO 8-25 2023	7,213.56	7,213.56
	Please remit payment via:	Amount	7,213.56
tps://www.	ketchumidaho.org/administration/page/online-payments OR		
	City of Ketchum PO Box 2315 Ketchum, ID 83340	Balance Due	7,213.56

	Rate									
Employee	w/benefits H	Hours	Amount			February	iary			
						Financial	cial			
Frick, Suzanne	100.03	69	6,902.34	Rate	Hours	Statement	ment			
Landers, Morgan	92.85	0	,	100.03		6'9 69	6,902.34			
Crutcher, Adam	48.48	0								
McCollum, Suzanne	16 43.11	1	43.11							
Donat, Trent	71.23	1	71.23							
Choma, Kelsie	43.81	3	131.43							
Gallagher, Shellie	65.45	1	65.45							
	1	Total	7,213.56							
		75.00								
				PERI	PERIOD ACTUAL	AL	YTD ACTUAL	BUDGET	ONEX	UNEXPENDED
	NON-DEPARTMENTAL	MENTAL								
	PERSONAL SERVICES:	RVICES:								
01-4193-1000					4,48	4,485.00	45,760.00	100,266.00		54,506.00
01-4193-2100		77			34	343.10	3,500.65	00.	_	3,500.65)
01-4193-2200		MENT-CITY			20	501.42	5,409.63	00.	_	5,409.63)
01-4193-2400		COMPENSATION	4-CITY			6.39	65.18	00.	_	65.18)
01-4193-2500		SANCE-CITY			1,52	1,522.00	12,176.00	00.	_	12,176.00)
01-4193-2510		SANCE-CITY			-	18.40	252.04	00.	_	252.04)
01-4193-2600		ISABILITY			2	26.03	222.18	00.	J	222.18)
	TOTAL PERSONAL SERVICES	NAL SERVICES			06'9	6,902.34	67,385.68	100,266.00		32,880.32

PCNT

45.6 .0 .0 .0 .0

67.2

KETCHUM URBAN RENEWAL AGENCY • KETCHUM, IDAHO 83340					
Vendor: 5106	ZIONS BANK	CC	09/01/2023	Check No: 2764	
INVOICE #	INV DATE	DESCRIPTION	INV AMOUNT	GL Number	
0001010000	08/17/2023	KURA BOND SERIES 2023 PRINCIPAL	472,587.82	98-4800-8400	
0001010000	08/17/2023	KURA BOND SERIES 2023 INTEREST	34 684 13	98-4800-8450	

TOTAL AMOUNT

507,271.95

3562-01-00-0005932-0001-0011026 CL011A

ZIONS BANK.

KETCHUM URBAN RENEWAL AGENCY PO BOX 2315 KETCHUM, ID 83340-2315



Commercial Loan Statement

Loan Number: 0001010000638245

LOAN INFORMATION		EXPLANATION OF AMOUNT DUE			
Statement Date	August 17, 2023	Due Date	Septem	ber 15, 2023	
Interest Paid Year to Date	\$34,684.13	Principal Due	98-4800-8400	\$472,587.82	
Interest Paid Prior Year	\$77,022.03	Interest Due	8460	\$34,684.13	
		Current Due		\$507,271.95	
		Total Due		\$507,271.95	
Maturity Date	September 15, 2030				
Loan Description - COMM TERM - PAY-AS-IF					

NOTE: If your payment is set up for Auto Draft, please do not remit a payment. Payment will be drafted from your account on the appropriate date.

LOAN ACTI	VITY SUMMA	LOAN ACTIVITY SUMMARY								
Your Account	Rate	Previous Principal Balance	Principal Advances/Charges	Principal Payments/ Adjustments	New Principal Balance**	Current Payment Due				
****8245	1.730000%	4,009,726.11	0.00	0.00	4,009,726.11	507,271.95				

^{**} THIS IS NOT A PAYOFF AMOUNT

ACCOUNT A	ACTIVITY for loan ****8245			
DATE	TRANSACTION DESCRIPTION	INTEREST/FEES	PRINCIPAL	BALANCE
02/15/2023	ENDING BALANCE PREV STMT			4,009,726.11
03/09/2023	Interest Payment	34,684.13-		
08/17/2023	ENDING BALANCE THIS STMT			4,009,726.11

PLEASE NOTE: If you are currently involved in a bankruptcy or have previously received a bankruptcy discharge for this debt, please treat this letter as for notice and informational purposes only and not as a demand for payment. Please contact us if you have filed for bankruptcy or have previously received a discharge of this debt so that we may update our records.

A division of Zions Bancorporation, N.A. Member FDIC

ZIONS BANK.

7860 S BINGHAM JUNCTION BLVD MIDVALE, UT 84047

Commercial Loan Statement Coupon

Your Account Number:

0001010000638245

Your Payment Due Date Is:

September 15, 2023

Total Amount Due:

\$507,271.95

CL011A 0 0 0 5 9 3 2 01 MB 0.561 "AUTO T9 0 3562 83340-231515 -C01-P05937-I1

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KETCHUM URBAN RENEWAL AGENCY PO BOX 2315 KETCHUM, ID 83340-2315 Enter Additional Payment Amount:

\$_____

Total Payment:

\$

ZIONS BANK.

Customer Service: 800-974-8800

Loan Billing Statement

Page 2

IMPORTANT INFORMATION ABOUT YOUR ZIONS BANK COMMERCIAL LOAN

Errors, Questions or Information Requests

For errors, questions or information requests regarding this statement or your loan in general, write us on a separate sheet of paper. Send inquiries to:

Zions First National Bank
 P.O. Box 1507
 Salt Lake City, UT 84110-1507

You must include:

- Your Name
- Last 4 digits of your loan number
- The information you believe to be incorrect or need more information on.

You may also telephone us at 800-974-8800, but doing so may not preserve your rights over writing us.

You do not have to pay any amount in question while we are investigating. You are still obligated to pay the amounts that are not in question. While we investigate your request, we cannot report you as delinquent to any credit reporting agency, or take any action to collect the amount in question.

Counseling Agency Information

One-family residence: If you would like contact information for counseling agencies or programs in your area, you can call the U.S. Department of Housing and Urban Development (HUD) at 1-800-569-4287 or visit

http://www.hud.gov/offices/hsg/sfh/hcc/hcs.cfm. If you would like contact information for a State housing financing agency, visit U.S. Consumer Financial Protection Bureau (CFPB) at http://www.consumerfinance.gov.

Please note: Information on the Past Payment
Breakdown section of this statement may not reflect
corrections or reversals that have been made to your
account balance(s) shown in the Transaction Activity
section of this statement. Those corrections or
reversals will be reflected in subsequent Loan Billing
Statements.

Posting of Payments

Your Minimum Payment Due must be received by the Payment Due Date listed on the front of this statement. Payments must be in the form of a check or money order, and in U.S. Dollars. Do not send cash. Send your payment to:

Zions Bank Enterprise Loan Operations P.O. Box 25822 Salt Lake City, UT 84125-0822

The bottom portion of the statement must accompany your payment. Any payments that are not: (a) in the form of a check or money order; (b) in U.S. Dollars; (c) accompanied by the bottom portion of the statement; or (d) received at the address indicated on the left hand portion of the Payment Coupon may be subject to a delay of up to five days in crediting.

Negative Credit Reporting Information

We may report information about your loan account to the credit reporting agencies. Late payments, missed payments, or other defaults on your loan account may be reflected in your credit report.



Zions Bank Enterprise Loan Operations P.O. Box 25822 Salt Lake City, UT 84125-0822



Meeting Minutes

Monday August 21, 2023, 2:00pm Ketchum City Hall

CALL TO ORDER:

Board Chair Susan Scovell called the meeting to order at 2:00pm. (00:00:38 in video)

ROLL CALL:

Present:

Board Chair Susan Scovell

Board Member Gary Lipton

Board Member Casey Dove

Board Member Jim Slanetz

Board Member Amanda Breen

Absent:

Board Member Tyler Davis Jeffers

Board Member Casey Burke

Other attendees:

Suzanne Frick, KURA Executive Director
Jade Riley, City Administrator
Morgan Landers, Director of Planning and Building
Ryan Armbruster (via teleconference)
Harry Griffith, Director SVED

COMMUNICATION FROM THE BOARD MEMEBERS: (00:01:01 in video)

Gary Lipton presented the board with a KURA funding spreadsheet covering 2006 – current day, showing how much funding the KURA has helped the city.

CONSENT CALENDAR: ALL ACTION ITEMS (00:002:38 in video)

1. Motion to move approve the bills. (00:02:51 in video)

Motion made by Amanda Breen; seconded by Casey Dove

Ayes: Gary Lipton, Casey Dove, Jim Slanetz, Amanda Breen, Susan Scovell

Nays: None

2. Motion to move approve July 24, 2023, Special Meeting KURA Minutes.

(00:03:11 in video)

Motion made by Susan Scovell; seconded by Jim Slanetz

Ayes: Gary Lipton, Casey Dove, Jim Slanetz, Amanda Breen, Susan Scovell

Nays: None



3. Recommendation to approve reimbursement for 311 First Street per Reimbursement Agreement #5066.

Presented by: Suzanne Frick

Comments, questions, and discussion by Board Members (00:3:38 in video)

Motion to move approve reimbursement to 311 First Street in the amount of \$9039.64. (00:04:34 in video)

Motion made by Amanda Breen; seconded by Casey Dove

Ayes: Gary Lipton, Casey Dove, Jim Slanetz, Amanda Breen, Susan Scovell

Nays: None

DISCUSSION ITEMS:

4. Information on Update to the Ketchum Comprehensive Plan and Zoning Ordinance. Presented by: Morgan Landers (00:4:45 in video)

Comments, questions, and discussion by Board Members (00:9:46 in video)

5. Presentation of Sun Valley Economic Development Quarterly Report Presented by: Harry Griffith (00:10:55 in video)

Comments, questions, and discussion by Board Members (00:20:40 in video)
Harry Griffith inquired about budget requests of KURA (00:21:14 in video)
Suzanne Frick responded (00:21:35 in video)

6. Update on First and Washington Project.
Presented by: Suzanne Frick (00:22:18 in video)
Joined by: Ryan Armbruster (00:27:32 in video)

Comments, questions, and discussion by Board Members (00:29:01 in video)

ACTION ITEMS:

7. Public Hearing and Adoption of Resolution 23URA-04 approving the FY24 KURA budget. Presented by: Suzanne Frick (00:32:42 in video)

Public Comment Opened (00:36:26 in video)

None

Public Comment Closed (00:36:49 in video)



Motion to approve the FY24 KURA Budget (00:37:22 in video)

Motion made by Jim Slanetz; seconded by Amanda Breen

Ayes: Gary Lipton, Casey Dove, Jim Slanetz, Amanda Breen, Susan Scovell

Nays: None

Motion to move adopt Resolution 23-URA04 and the Annual Appropriation Resolution appropriating sums of money authorized by law and deemed necessary to defray all expenses and liabilities of the Urban Renewal Agency for the fiscal year commencing October 1st, 2023, and ending September 30th, 2024 for all general, special and corporate purposes directing the Executive Director to submit said budget and providing an effective date. (00:37:35 in video)

Motion made by Casey Dove; seconded by Jim Slanetz

Ayes: Gary Lipton, Casey Dove, Jim Slanetz, Amanda Breen, Susan Scovell

Nays: None

8. Review, Discussion and Direction to Staff on KURA Participation in the Main Street Upgrade, Undergrounding Power Lines South on Main Street South of Downtown, and the Town Square Master Plan.

Presented by: Suzanne Frick and Jade Riley (00:38:25 in video)

1. Undergrounding of Power Lines (00:40:12 in video)

Comments, questions, and discussion by Board Members (00:44:05 in video)

2. Town Square Master Plan (00:47:03 in video)

Comments, questions, and discussion by Board Members (00:51:02 in video)

3. Main Street Project (00:56:41 in video)

Comments, questions, and discussion by Board Members (01:16:02 in video)

9. Discussion and Review of Draft City Council Resolution for First and Washington Avenue Funding.

Presented by: Suzanne Frick (01:26:45 in video)

Comments, questions, and discussion by Board Members (01:28:17 in video)



KETCHUM URBAN RENEWAL AGENCY 10. Recommendation to Approve Proposal with Workman and Company for the KURA FY23 Audit. (01:37:32 in video)

Motion to approve the August 8th, 2023, engagement letter with Workman and Company for the FY23 Audit. (01:37:50 in video)

Motion made by Amanda Breen; seconded by Casey Dove

Ayes: Gary Lipton, Jim Slanetz, Casey Dove, Susan Scovell, Casey Burke,

Tyler Davis-Jeffers

Nays: None

ADJOURNMENT:

Motion to adjourn 3:30 pm. (01:38:09 in video)

Motion made by Amanda Breen; seconded by Casey Dove

Ayes: Gary Lipton, Jim Slanetz, Casey Dove, Susan Scovell, Casey Burke,

Tyler Davis-Jeffers

Nays: None

	Susan Scovell, Chair	
ATTEST:		
 Trent Donat, KURA Secretary		





CITY OF KETCHUM and KURA SPECIAL JOINT MEETING MINUTES

4:00PM Monday, August 21, 2023

CALL TO ORDER: (00:14:in video)

Mayor Bradshaw called the Special joint meeting of the Ketchum City Council and KURA to order at 4:00 p.m.

ROLL CALL—City Council

Mayor Neil Bradshaw Michael David Amanda Breen Courtney Hamilton Jim Slanetz

ROLL CALL—KURA

Casey Dove Susan Scovell Amanda Breen Gary Lipton Jim Slanetz

ABSENT:

Casey Burke Tyler Davis-Jeffers

ALSO PRESENT:

Jade Riley—City Administrator
Suzanne Frick—KURA Executive Director
Trent Donat—City Clerk & Business Manager
Lisa Enourato—Public Affairs & Administrative Services Manager
Jamie Shaw—Police Chief KPD
Morgan Landers—Director of Planning and Building
Shellie Gallagher—Treasurer
Aly Swindley—Management and Communication Analyst
Mark Sindell—GGLO via teleconference
Ben White—GGLO via teleconference

COMMUNICATIONS FROM MAYOR AND COUNCIL AND PUBLIC COMMENTS: (00:01:23 in video)
None

NEW BUSINESS: (00:01:27 in video)

3. Discussion and Review of Draft Resolution 23-011 between the City of Ketchum and KURA for First and Washington Avenue Funding. Presented by: Suzanne Frick

Questions, comments, and discussion by Council and Board members. (00:02:25 in video)

For the record, this was noticed as Action but no recommended Motion. (00:07:05 in video)

Motion to adopt Resolution 23-011 and authorize the Mayor to sign. (00:07:38 in video)

MOVER: Michael David

SECONDER: Courtney Hamilton

AYES: Michael David, Courtney Hamilton, Jim Slanetz

RECUSED: Amanda Breen

RESULT: ADOPTED

2. Review and Discussion on the approach and direction of the Town Square Master Plan. Presented by: Suzanne Frick and Jade Riley (00:08:21 in video)
Joined by Mark Sindell and Ben White

Questions, comments, and discussion by Council and Board members. (00:24:36 in video)

Motion to adjourn the Special Joint meeting with KURA and City Council. (00:40:55 in video)

MOVER: Courtney Hamilton **SECONDER:** Miachel David

AYES: Michael David, Courtney Hamilton, Amanda Breen, Jim Slanetz

RESULT: ADOPTED UNANIMOUS

	Neil Bradshaw, Mayor
ATTEST:	
Trent Donat, City Clerk	
	Susan Scovell, KURA Chair
ATTEST:	



Ketchum Urban Renewal Agency

P.O. Box 2315 | 191 5th Street | Ketchum, ID 83340

September 18, 2023

Chair and Commissioners Ketchum Urban Renewal Agency Ketchum, Idaho

RECOMMENDATION TO APPROVE SECOND AMENDMENT TO AGREEMENT TO NEGOTIATE EXCLUSIVELY 50082 AND ADOPT RESOLUTION 23-URA05

Introduction/History

In January 2023 the KURA entered into an Agreement to Negotiate Exclusively (ANE) with Wood River Community Housing Trust Inc, and DeChase Development Services LLC. The ANE contained specific deadlines for completion of specific tasks. The original ANE dates were extended in May 2023. Per the terms of the extension, the Development and Disposition Agreement (DDA) was to be completed by September 24, 2023.

Since the Board approved the extension, staff and the development team have been working on concepts to assist with the funding gap for the project, developing the Development and Disposition Agreement (DDA) and Ground lease, and clarifying the financing strategy for the project. The issues are complex the September 24, 2023 deadline will not be met. Staff is recommending the Board approve a 60-day extension to the ANE, requiring completion of the DDA and Ground Lease by November 23, 2023.

The development team and staff have been working diligently to complete the agreements. Because of increased interest rates and construction costs, the project is estimated to cost more than originally estimated. In order for the project to proceed, the funding gap must be minimized. The development team is preparing a new proforma for the project. This will provide information necessary to develop funding options for Board consideration. Staff anticipates returning to the Board with the proposed DDA, Ground Lease and options to assist with funding.

Financial Requirement/Impact

There is no financial impact resulting from the recommended action.

Recommendation and Motion

Staff recommends the following motion:

"I move to approve the Second Amendment to ANE 50082 and Adopt Resolution 23-URA05."

Attachment: A: Resolution 23-URA05

B: Second Amendment to Agreement to Negotiate 50082

BY THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF KETCHUM, IDAHO:

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF KETCHUM, IDAHO, APPROVING A SECOND AMENDMENT TO AGREEMENT TO NEGOTIATE EXCLUSIVELY BETWEEN THE URBAN RENEWAL AGENCY OF THE CITY OF KETCHUM AND THE WOOD RIVER COMMUNITY HOUSING TRUST, INC. AND 1ST AND WASHINGTON DEVELOPMENT LLC; AND AUTHORIZING THE CHAIR AND SECRETARY, RESPECTIVELY, TO EXECUTE AND ATTEST SAID SECOND **AMENDMENT** TO AGREEMENT TO **NEGOTIATE** EXCLUSIVELY SUBJECT TO CERTAIN CONDITIONS; AUTHORIZING THE CHAIR AND SECRETARY TO EXECUTE ALL NECESSARY DOCUMENTS REQUIRED TO IMPLEMENT THE SECOND AMENDMENT TO AGREEMENT TO NEGOTIATE EXCLUSIVELY AND TO MAKE ANY NECESSARY TECHNICAL CHANGES TO THE SECOND AMENDMENT TO AGREEMENT TO NEGOTIATE EXCLUSIVELY; AND PROVIDING AN EFFECTIVE DATE.

THIS RESOLUTION is made on the date hereinafter set forth by the Urban Renewal Agency of Ketchum, Idaho, an independent public body, corporate and politic, authorized under the authority of the Idaho Urban Renewal Law of 1965, as amended, Chapter 20, Title 50, Idaho Code, and the Local Economic Development Act, as amended and supplemented, Chapter 29, Title 50, Idaho Code (collectively, the "Act"), as a duly created and functioning urban renewal agency for Ketchum, Idaho (hereinafter referred to as the "Agency").

WHEREAS, the City Council of the city of Ketchum (the "City") by adoption of Ordinance No. 992 on November 15, 2006, duly adopted the Ketchum Urban Renewal Plan (the "2006 Plan") to be administered by the Agency; and

WHEREAS, upon the approval of Ordinance No. 1077 adopted by the City Council on November 15, 2010, and deemed effective on November 24, 2010, the Agency began implementation of the amended Ketchum Urban Renewal Plan (the "2010 Plan"); and

WHEREAS, in order to achieve the objectives of the 2010 Plan, the Agency is authorized to acquire real property for the revitalization of areas within the 2010 Plan boundaries; and,

WHEREAS, the Agency owns certain real property addressed as 211 E. 1st Avenue, Ketchum (Parcel RPK00000190070), and real property unaddressed as Lot 5, Block 19 (Parcel RPK0000019005B), and Lot 6, Block 19 (Parcel RPK0000019006B) (the "Site"); and

WHEREAS, the Agency and Wood River Community Housing Trust, Inc. an Idaho nonprofit corporation ("Trust") and 1st and Washington Development LLC, an Idaho limited liability company ("1st and Washington") (with Trust and 1st and Washington herein collectively

referred to as the "Developer"), entered into the Agreement to Negotiate Exclusively ("ANE") on January 27, 2023, for the purpose of analyzing and assessing a development opportunity for the Site; and

WHEREAS, the ANE contemplated a negotiation period in which the Agency and the Developer were to negotiate the terms of the Disposition and Development Agreement ("DDA") and long-term ground lease ("Ground Lease"), as well as certain timelines for both Parties to provide certain information and data to the other Party; and

WHEREAS, pursuant to Section 102 of the ANE, the Parties have the ability to extend the ANE for a period of time to continue negotiations; and

WHEREAS, the Parties extended the negotiation period of the ANE pursuant to the First Amendment to Agreement to Negotiate Exclusively ("First Amendment"), approved by Resolution No. 23-URA03 and executed on May 15, 2023, to allow for the negotiation, finalization, and execution of a DDA and Ground Lease as well as extending certain timelines for the Parties to provide additional information and data required by the ANE; and

WHEREAS, the Parties desire to continue to negotiate in good faith to develop the DDA and Ground Lease and require additional time to finalize specific terms and conditions within the DDA. The Parties wish to extend the ANE in order to allow for an extension of the original negotiation timeframe for execution of the DDA and Gound Lease; and

WHEREAS, the Board of Commissioners of the Agency find it in the best public interest to approve the Second Amendment to ANE and authorize the Chair and Secretary to execute and attest the Second Amendment to ANE, subject to certain conditions, and to execute all necessary documents to implement the transaction, subject to the conditions set forth below.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE BOARD OF COMMISSIONERS OF THE KETCHUM URBAN RENEWAL AGENCY OF THE CITY OF KETCHUM, IDAHO, AS FOLLOWS:

<u>Section 1</u>: That the above statements are true and correct.

<u>Section 2</u>: That the Second Amendment to ANE, attached hereto as Exhibit A, is hereby incorporated herein and made a part hereof by reference and is hereby approved and accepted as to form recognizing technical changes or corrections, which may be required prior to execution of the Second Amendment to ANE.

Section 3: That the Chair of the Agency is hereby authorized to sign and enter into the Second Amendment to ANE and, further, is hereby authorized to execute all necessary documents required to implement the actions contemplated by the Second Amendment to ANE, subject to representations by the Agency staff and legal counsel that all conditions precedent to, and any necessary technical changes to, the Second Amendment to ANE are consistent with the provisions of the Agreement and the comments and discussion received at the September 18, 2023, Agency Board meeting, including any necessary substantive changes discussed and approved at the

Agency Board meeting.

<u>Section 4</u>: That this Resolution shall be in full force and effect immediately upon its adoption and approval.

PASSED by the Urban Renewal Agency of Ketchum, Idaho on September 18, 2023. Signed by the Chair of the Board of Commissioners and attested by the Secretary to the Board of Commissioners on September 18, 2023.

URBAN RENEWAL AGENCY OF KETCHUM

	By Susan Scovell, Chair	
ATTEST:	,	
Ву		
Secretary		

SECOND AMENDMENT

to

AGREEMENT TO NEGOTIATE EXCLUSIVELY 50082

by and between

THE URBAN RENEWAL AGENCY OF THE CITY OF KETCHUM

and

WOOD RIVER COMMUNITY HOUSING TRUST, INC. and $\mathbf{1}^{ST}$ AND WASHINGTON DEVELOPMENT LLC

THIS SECOND AMENDMENT TO AGREEMENT TO NEGOTIATE EXCLUSIVELY (this "Second Amendment") is entered into by and between the Urban Renewal Agency of the city of Ketchum, also known as the Ketchum Urban Renewal Agency, an independent public body, corporate and politic (the "Agency"), organized pursuant to the Idaho Urban Renewal Law, title 50, chapter 20, Idaho Code, as amended (the "Law"), and undertaking projects under the authority of the Law and the Local Economic Development Act, title 50, chapter 29, Idaho Code, as amended (the "Act"), and Wood River Community Housing Trust, Inc. an Idaho nonprofit corporation ("Trust") and 1st and Washington Development LLC, an Idaho limited liability company ("1st and Washington") (with Trust and 1st and Washington herein collectively referred to as the "Developer"), or its assigns as provided for herein, collectively referred to as the "Parties" and each individually as "Party," on the terms and provisions set forth below.

RECITALS

WHEREAS, the Agency owns certain real property addressed as 211 E. 1st Avenue, Ketchum (Parcel RPK00000190070), and real property unaddressed as Lot 5, Block 19 (Parcel RPK0000019005B), and Lot 6, Block 19 (Parcel RPK0000019006B) (the "Site"); and

WHEREAS, the Agency and the Developer entered into the Agreement to Negotiate Exclusively ("ANE") on January 27, 2023, for the purpose of analyzing and assessing a development opportunity for the Site, see Exhibit A attached hereto; and

WHEREAS, the ANE contemplated a negotiation period in which the Agency and the Developer were to negotiate the terms of the Disposition and Development Agreement ("DDA") and long-term ground lease ("Ground Lease"), as well as certain timelines for both Parties to provide certain information and data to the other Party; and

WHEREAS, pursuant to Section 102 of the ANE, the Parties have the ability to extend the ANE for a period of time to continue negotiations; and

WHEREAS, the Parties extended the negotiation period of the ANE pursuant to the First Amendment to Agreement to Negotiate Exclusively ("First Amendment"), approved by Resolution No. 23-URA03 and executed on May 15, 2023, see Exhibit B attached hereto, to allow for the negotiation, finalization, and execution of a DDA and Ground Lease as well as extending certain timelines for the Parties to provide additional information and data required by the ANE; and

WHEREAS, the Parties desire to continue to negotiate in good faith to develop the DDA and Ground Lease and require additional time to finalize specific terms and conditions within the DDA. The Parties wish to extend the ANE in order to allow for an extension of the original negotiaion timeframe for execution of the DDA and Gound Lease.

AGREEMENT

NOW, THEREFORE, for valuable consideration, the sufficiency of which is agreed and acknowledged, the Agency and the Developer agree the foregoing recitals are not mere recitations but are covenants of the Parties, binding upon them as may be appropriate and a portion of the consideration for the agreements contained herein, and hereby further agree as follows:

- A. PURPOSE OF SECOND AMENDMENT. Pursuant to Section 102, Negotiation Period of the ANE, the ANE was to terminate if the Parties had not reached an agreeable DDA and Ground Lease related to the Site within one hundred and eighty (180) days from the Effective Date. The Effective Date of the ANE is January 27, 2023, making the original Termination Date for the Negotiation Period, July 26, 2023. The Parties initially extended the negotiation period for an additional sixty (60) days, pursuant to the First Amendment providing the new Negotiation Period date of September 24, 2023. The negotiation of the Affordable Workforce Housing Project has been delayed and both Parties wish to extend the terms of the ANE to allow for the negotiation and finalization of an acceptable DDA and Ground Lease.
- **B. NEGOTIATION PERIOD.** Section 102 of the ANE specified that the Negotiation Period for which the Developer and the Agency were to negotiate a DDA and Ground Lease was one hundred and eighty days (180) days after execution of the ANE. Section 102 allows the Agency, in its discretion, to extend the ANE for an additional period of time. Both Parties believe it necessary to extend the ANE a second time to allow for the development of the Affordable Workforce Housing Project's specifics and execution of an agreed upon DDA and Ground Lease. Therefore, based on the terms and conditions outlined in this Second Amendment, the Agency and the Developer agree to extend the ANE for an additional sixty (60) days after the Effective Date of the First Amendment. The extension of an additional sixty (60) days after the Effective Date of the First Amendment, will extend the Negotiation Period to November 23, 2023.
- C. EXECUTION OF A DDA AND/OR GROUND LEASE. Based on the terms of the ANE, the First Amendment, and this Second Amendment, the negotiation and execution of a DDA and/or Ground Lease related to the Site must occur prior to November 23, 2023. Should execution of a DDA and/or Ground Lease between the Agency and the Developer not occur on or before November 23, 2023, the Agency shall have no further obligations related to the ANE, the First Amendment, or this Second Amendment, and the Deposit shall be returned to Developer, minus any funds spent by the Agency to obtain the Reuse Appraisal, if applicable, as contemplated in Section 103 and 102 of the ANE. If the ANE expires, the Agency will then pursue other options for development of the Site.
- **D. EXHIBIT** C **TO ANE.** The Schedule of Performance, Exhibit C to the ANE and the First Amendment, is hereby superseded and replaced by the attached updated Exhibit C –

Schedule of Performance. All other Exhibits to the ANE and First Amendment remain in full force and effect.

E. ALL OTHER TERMS TO REMAIN. All other terms and conditions of the ANE and First Amendment, not otherwise amended as provided herein this Second Amendment, shall remain in full force and effect and shall be binding upon the Parties as if set forth in full herein. Capitalized terms used but not defined in this Second Amendment shall have the same meanings ascribed to such capitalized terms in the ANE and First Amendment.

[signatures on following page]

, 2023	AGENCY
	THE URBAN RENEWAL AGENCY OF THE CITY OF KETCHUM, also known as KETCHUM URBAN RENEWAL AGENCY
	Susan Scovell, Chair
, 2023	TRUST Wood River Community Housing Trust, Inc. an Idaho nonprofit corporation
	By: Name:
, 2023	1st and Washington Development LLC an Idaho limited liability company

EXHIBIT A TO THE FIRST AMENDMENT EXECUTED AGREEMENT TO NEGOTIATE EXCLUSIVELY

AGREEMENT 50082 TO NEGOTIATE EXCLUSIVELY

by and between

THE URBAN RENEWAL AGENCY OF THE CITY OF KETCHUM and

WOOD RIVER COMMUNITY HOUSING TRUST, INC. and DECHASE DEVELOPMENT SERVICES LLC

THIS AGREEMENT TO NEGOTIATE EXCLUSIVELY (this "Agreement") is entered into by and between the Urban Renewal Agency of the city of Ketchum, also known as the Ketchum Urban Renewal Agency, an independent public body, corporate and politic ("Agency"), organized pursuant to the Idaho Urban Renewal Law, title 50, chapter 20, Idaho Code, as amended (the "Law"), and undertaking projects under the authority of the Law and the Local Economic Development Act, title 50, chapter 29, Idaho Code, as amended (the "Act"), and Wood River Community Housing Trust, Inc. an Idaho nonprofit corporation ("Trust") and deChase Development Services LLC, an Oregon limited liability company that is authorized to do business in Idaho ("deChase") (with Trust and deChase herein collectively referred to as "Developer"), or its assigns as provided for herein, collectively referred to as the "Parties" and each individually as "Party," on the terms and provisions set forth below.

RECITALS

WHEREAS, Agency, an independent public body, corporate and politic, is an urban renewal agency created by and existing under the authority of the Law and the Act; and

WHEREAS, the City Council of the city of Ketchum (the "City"), by adoption of Ordinance No. 992 on November 15, 2006, duly adopted the Ketchum Urban Renewal Plan (the "2006 Plan") to be administered by the Agency; and

WHEREAS, upon the approval of Ordinance No. 1077 adopted by the City Council on November 15, 2010, and deemed effective on November 24, 2010, the Agency began implementation of the Ketchum Urban Renewal Plan 2010 (the "2010 Plan"); and

WHEREAS, the 2010 Plan established the Revenue Allocation Area (the "Project Area"), which established an area for redevelopment and anticipated improvement projects; and

WHEREAS, in order to achieve the objectives of the 2010 Plan, the Agency is authorized to acquire real property for the revitalization of areas within the 2010 Plan boundaries; and

WHEREAS, the Agency owns certain real property addressed as 211 E. 1st Avenue, Ketchum (Parcel RPK00000190070), and real property unaddressed as Lot 5, Block 19 (Parcel RPK0000019005B) and Lot 6, Block 19 (Parcel RPK0000019006B) (the "Site"); and

WHEREAS, in accordance with Idaho Code § 50-2011 Disposal of Property in Urban Renewal Area, the Agency issued a Request for Proposals ("RFP") on May 26, 2022,

AGREEMENT TO NEGOTIATE EXCLUSIVELY – 1st and Washington – PAGE - 1

seeking to initiate a redevelopment project to revitalize the 2010 Plan Project Area in compliance with the 2010 Plan through redevelopment of the Site which could also serve as a catalyst for redevelopment of other properties in the vicinity; and

WHEREAS, following the publication of the RFP in the *Idaho Mountain Express* newspaper on May 26, 2022, the Agency received three (3) proposals for development of the Site by the August 26, 2022, deadline; and,

WHEREAS, the Agency Board appointed a review group ("Review Group") to join Agency staff in analyzing the proposals, conducting interviews with each development team, and providing findings of fact and comments to Agency staff sufficient for the Agency Board to make a selection of the proposals; and

WHEREAS, the Review Group along with Agency staff reviewed the proposals, interviewed each development team and thereafter provided findings of fact and comments to Agency staff which allowed the Review Group to prepare a ranking of the proposals for Agency Board consideration; and

WHEREAS, Agency staff ranked the proposals from Developer, Blueline Development, and Servitas. Developer originally submitted its proposal under the entity names Wood River Community Housing Trust and deChase Miksis Development. deChase Miksis Development is otherwise referred to and registered as deChase Development Services LLC. For purposes of this Agreement, Developer shall include deChase Miksis Development, otherwise known as deChase Development Services LLC; and

WHEREAS, at a public meeting on November 14, 2022, the Agency Board discussed the proposals and thereafter met with consensus regarding the proposals and selected the "Developer's Proposal" (as further defined below); and

WHEREAS, Developer's Proposal contemplates development of a four-story housing project, with street level parking, and retail on the first floor located on the Site as illustrated and shown in Exhibit A; and

WHEREAS, Agency and Developer intend to pursue the negotiations of a disposition and development agreement and long-term ground lease for the Site, and thus, comply with the required notice provisions concerning the disposition of property by Agency as set forth in the Law; and

WHEREAS, Agency seeks to enter into this Agreement with Developer for the purpose of analyzing and assessing development opportunities for the Site.

NOW, THEREFORE, Agency and Developer hereby agree as follows:

AGREEMENTS

Section 000 DEFINITIONS

"Affordable Workforce Housing Project" means the income-restricted residential dwelling units and associated common areas, amenities, and related parking, prioritized for

AGREEMENT TO NEGOTIATE EXCLUSIVELY - 1st and Washington - PAGE - 2

individuals and families living or working in the Ketchum area, to be developed by Developer on the Site pursuant to the Ground Lease and the DDA, and as further described within the definitions included in the Request for Proposals and Developer's Proposal found in the attached Exhibit B and incorporated herein by reference.

- "Agency" shall be the Ketchum Urban Renewal Agency and includes Agency staff.
- "Agency Board" shall be the members of the Agency's Board of Commissioners, as duly and legally appointed.
- "AMI" shall mean the then current "Area Median Income" adjusted by family size annually published by the U.S. Department of Housing & Urban Development (HUD) for the geographic area referred to as Ketchum, Idaho HUD Metro Statistical Area Rent (MSA) Area (or its successor index).
- "deChase" will be deChase Development Services, LLC, an Oregon limited liability company, or its assigns.
- "**Developer**" will be Trust and deChase, or their assigns. See Section 401 for the nature of Developer.
- "Disposition and Development Agreement" or "DDA" shall mean the agreement the parties intend to negotiate that will set forth the definitive terms of the development of Site by the Developer and the disposition of the property by the Agency through a long-term ground lease agreement.
- "Effective Date" shall be the date this Agreement is signed by both Parties (last date signed).
- "Garage" means the parking structure to be developed on the Site, as described in Section 809.
- "Project Parking" means the surface parking lot to be used as parking for the residents/users of the Affordable Workforce Housing Project, and not for the general public.
- "Public Parking" means the parking Garage to be used as parking for the general public, as set forth in Section 809.
- "Ground Lease" shall mean the mechanism by which the Agency will lease the Site to the Developer for a period of years, allowing the Developer to construct the Affordable Workforce Housing Project as contemplated.
- "Negotiation Period" shall begin on the Effective Date and end one hundred eighty (180) days after the Effective Date, unless extended by the Agency as provided herein.
 - "Schedule of Performance" shall mean the attached Exhibit C.
- "Scope of Development" shall mean Developer's preliminary concepts for development of the Affordable Workforce Housing Project included in Developer's Proposal

and attached as Exhibit B, which preliminary concepts will be subject to certain updates and changes negotiated by Developer and Agency during the course of this Agreement, the DDA and the Ground Lease.

"Site" shall mean the real property more particularly described in <u>Exhibit A</u>, attached hereto and incorporated herein by reference.

"Trust" will be Wood River Community Housing Trust, Inc., an Idaho nonprofit corporation, or its assigns.

Section 100 NEGOTIATIONS

Section 101 Good-Faith Exclusive Negotiations

The Parties agree the foregoing recitals are not mere recitations but are covenants of the Parties, binding upon them as may be appropriate and a portion of the consideration for the agreements contained herein.

Agency and Developer agree for the Negotiation Period (described below) to negotiate diligently and in good faith to prepare the DDA and the Ground Lease to be considered for execution between Agency and Developer, in the manner set forth herein, with respect to the development of the Affordable Workforce Housing Project located on the Site. During the Negotiation Period, Agency shall not directly or indirectly negotiate with any person or entity other than Developer with respect to the disposition or development of the Site.

Section 102 Negotiation Period

The Negotiation Period shall commence on the Effective Date and shall terminate one hundred eighty (180) days thereafter (the "Termination Date"). Provided, Agency may in its discretion extend the Negotiation Period for the DDA and/or the Ground Lease for an additional sixty (60) days beyond the Termination Date without payment by Developer. In the event that Developer requests an extension of Negotiation Period and Agency grants such request, Agency may, in its sole discretion, require Developer to pay an extension fee of \$5,000.00 pursuant to this Agreement. In the event an extension fee has been paid and the DDA and/or the Ground Lease has been executed by both Parties, such extension fee shall be credited back to the Developer.

If upon expiration of the Negotiation Period, Developer has not executed a mutually approved DDA and/or Ground Lease with Agency, then this Agreement shall terminate, unless extended in writing by Agency. Once a DDA and/or Ground Lease is signed by both Developer and Agency, then the terms of the DDA and/or Ground Lease shall prevail and this Agreement shall automatically terminate as to that DDA and/or Ground Lease.

If the negotiations do not result in an executed DDA and/or Ground Lease for the Site, Developer shall submit to Agency copies of the documents in its possession regarding the proposed development for the Site, excluding any confidential or privileged information. If this Agreement is terminated per this Section 102, Developer shall not seek reimbursement for costs and expenses from Agency and Agency shall not seek reimbursement for costs and expenses

from Developer except that Agency shall retain any extension fee paid by Developer, and Agency shall be entitled to retain the Deposit as provided in Section 103.

Section 103 Deposit

Developer's Submission of Deposit:

Recognizing that Trust is a not-for-profit corporation that is recognized as a 501(c)(3) public charity, Developer shall submit to Agency a deposit in an amount of \$10,000.00 ("Deposit") in the form of cash or cashier's check to ensure that Developer will proceed diligently and in good faith to negotiate and perform all of Developer's obligations under this Agreement. Provided, if the Parties terminate this Agreement before Agency incurs any costs in preparing the Reuse Appraisal (defined below) for the Site, as applicable, the Deposit shall be refunded in its entirety to Developer. Should Agency incur the costs of a Reuse Appraisal for the Site and this Agreement is subsequently terminated or a DDA and/or Ground Lease is not executed, Agency shall retain the cost of the Reuse Appraisal from the refunded Deposit amount. The Deposit shall be refunded in its entirety to the Developer should the DDA and/or Ground Lease be successfully negotiated and executed.

Submission of the Deposit must occur within fifteen (15) days of the Effective Date. If Developer fails to submit said Deposit within the fifteen (15) day period, Agency may terminate this Agreement, with neither Party having any further rights against nor liability to the other under this Agreement, unless as agreed to in writing by Agency.

Agency shall be under no obligation to pay or earn interest on Developer's Deposit, but if interest shall accrue or be payable thereon, such interest (when received by Agency) shall become part of the applicable Deposit and applied as described hereunder.

Section 200 DEVELOPMENT CONCEPT

Section 201 Scope of Development

Agency and Developer acknowledge Developer's proposal as submitted to Agency on or before August 24, 2022, with supplemental information provided on October 17, 2022, attached as Exhibit B (collectively, "Developer's Proposal"). In addition to Developer's Proposal, on November 14, 2022, the Agency Board identified several issues requiring further negotiation, which issues are identified in Section 800. Agency agrees to provide Developer with a list, if any, of those issues within thirty (30) days following the effective date of this Agreement.

The Parties further acknowledge the design of the Affordable Workforce Housing Project will be further refined in connection with the development of a specific design plan ("Design Development Plan"), which design refinement will occur pursuant to the terms of the DDA.

Section 202 Progress Reports

Developer agrees to make oral and/or written progress reports advising Agency on all matters and all studies being made by Developer on a monthly basis at the request of Agency.

Section 203 Assessment of Project Feasibility; Notification

In the event at any time during the Negotiation Period Developer determines that it is not feasible to proceed with development of all or a portion of the Affordable Workforce Housing Project, this Agreement shall be terminated upon ten (10) days' written notice to the Agency. In the event the Agreement is terminated before Agency incurs any costs in preparing the Reuse Appraisal (defined below) for the Site, the Deposit shall be refunded in its entirety to Developer. After Agency incurs any third-party costs in preparing the Reuse Appraisal for the Site, as applicable, such costs shall be deducted from the amount of the Deposit to be refunded to Developer (if any).

In the event of such termination, neither Party shall have any further rights against or liability to the other under this Agreement with respect to the Site. Developer acknowledges and consents that in the event this Agreement is terminated, Agency has the right and authority to enter into an exclusive right to negotiation agreement concerning the Site with any other interested developer.

Agency recognizes that the feasibility of the Project as proposed in Developer's Proposal is predicated upon the construction costs for the Project and interest rate for the Project financing remaining within the targets identified in Developer's Proposal. Agency further recognizes that construction costs and interest rates are dynamic variables that will fluctuate over time, and that the fluctuations may affect the feasibility of the Project.

Agency recognizes that the feasibility of the Project as proposed in Developer's Proposal is predicated upon Developer receiving City approvals that are consistent therewith, and that do not impose financial or other conditions or burden beyond the conditions or burdens that are typically imposed on similar projects in similar jurisdictions.

Agency recognizes that if construction costs, interest rates, City approvals or other matters affect the feasibility of the Project, then Developer will need to seek to modify the Project design and other features (such as unit mix and affordability levels) as necessary for the Project to become feasible. Agency and Developer agree to work together cooperatively to solve problems and adapt the Project to allow a feasible Project to be developed. However, should Developer's proposed modifications differ in such a way that Developer's Proposal is materially altered, Agency shall have the discretion to find that such modification is unacceptable. In the event the Agency and Developer are unable to reach an agreement on such modifications, Developer will either continue with Developer's Proposal or Agency and Developer will cease negotiations of a DDA and Ground Lease.

Section 204 Environmental Condition

Within thirty (30) days of the submission of the Deposit by Developer, Agency agrees to provide Developer with any environmental reports Agency possesses which may have included an investigation of the Site.

Section 300 GROUND LEASE AND/OR OTHER CONSIDERATIONS

During the Negotiation Period, Agency and Developer shall negotiate the schedule and conditions for Ground Lease of the Site with respect to financing and a schedule for the development of the Affordable Workforce Housing Project which schedule, and conditions will be included in the DDA.

Under the Law, Agency may transfer real property for no less than the fair reuse value. The reuse appraisal ("Reuse Appraisal") and its determination of value will be prepared and provided to Developer under the DDA as the information necessary to complete the Reuse Appraisal may not be available at the expiration of the Negotiation Period. The Reuse Appraisal shall establish the fair reuse value of the Site to be leased by the Agency as required under the Law (the "Residual Land Value").

Developer shall submit to Agency the data required by the appraiser ("Reuse Appraiser") who has been selected by Agency, which data ("Reuse Appraisal Data") is needed by the Reuse Appraiser to prepare the Reuse Appraisal for the Affordable Workforce Housing Project. Developer shall submit the Reuse Appraisal Data pursuant to the terms of the DDA. Developer may be required to supplement the Reuse Appraisal Data during the course of the Reuse Appraisal and shall submit this supplementary data in a timely manner as required by the Reuse Appraiser and Agency. The Reuse Appraisal Data includes but may not be limited to:

- density of development,
- costs expected to be incurred and revenues expected to be realized in the course of developing and leasing of the Agency owned parcels,
- residential unit types,
- commercial unit types
- sizes and expected rents,
- construction type and materials,
- exterior and interior finish materials,
- square footages of uses other than residential,
- leasing for other uses and assets such as office space, retail space and parking spaces,
- parking stalls and usage
- assumptions regarding soft costs such as marketing and insurance, risks of Agency, risks of Developer,
- Developer participation in the funding of public facilities and amenities, and
- estimated or actual Developer return including assumptions regarding entrepreneurial incentive, overhead and administration as these factors apply to the Project.

Developer acknowledges that Agency will be unable to commence the Reuse Appraisal process without Developer's submittal of the Reuse Appraisal Data, and Developer acknowledges that Agency will be unable to close under the terms of the DDA without the results of the Reuse Appraisal for the applicable property.

Agency recognizes that that Developer's Proposal assumes that the Ground Lease will have rent of \$1 per year, and that the identified rental rate is integral to achieving the affordable rents for residents/users of the Project. In no event will the Ground Lease rent be less than the Residual Land Value established by the Reuse Appraisal.

Section 400 DEVELOPER AND DEVELOPER'S OBLIGATIONS

Section 401 Nature of Developer

Developer is a partnership between Trust and deChase. Wherever the term "Developer" is used herein, such term shall include any permitted nominee or assignee as herein provided.

Developer currently anticipates that the development structure will be as follows: (a) deChase will establish a wholly owned subsidiary to develop and own the Affordable Workforce Housing Project through completion of the construction using equity provided by the Trust and construction financing provided and guaranteed by deChase; (b) at completion of construction, the Affordable Workforce Housing Project will be conveyed from deChase to a wholly owned subsidiary of Trust with long-term financing as outlined in Section 807; and (c) the Trust's subsidiary will own and operate the Affordable Workforce Housing Project for the balance of the term of the Ground Lease in accordance with the terms of the Ground Lease and the Trust's charitable purposes. Agency recognizes that the foregoing structure is based on Developer's current assumptions of what might be the most advantageous structure to achieve the financing and development of the Affordable Workforce Housing Project, and that Developer may modify that structure as Developer deems necessary or advantageous to achieve the most favorable financing and development of the Affordable Workforce Housing Project. By way of example, Developer may determine that it is most advantageous for the Trust to secure construction financing and the deChase subsidiary to serve only as a fee-for-service developer for the Trust's subsidiary. Agency agrees to cooperate with Developer and not unreasonably withhold or delay its approval of any development structure proposed by Developer.

Section 402 Developer's Principal Office and Development Team

Developer's Principal Office is located at:

deChase Development Services LLC 1199 Shoreline Drive, #290 Boise, ID 83702

Wood River Community Housing Trust, Inc. 675 E Sun Valley Road K-1 Ketchum, ID 83340

AGREEMENT TO NEGOTIATE EXCLUSIVELY - 1st and Washington - PAGE - 8

Agency and Developer acknowledge and agree that the Local Project Manager, as described in Section 906, shall also be a member of the Development Team. Unless otherwise set forth in Section 403 below, any other consultants and professionals on the Development Team (such as special architectural consultants, leasing agents, engineer, and contractor) will be selected at a later date. Agency acknowledges that Developer has preliminarily selected the following consultants and professionals for the Development Team:

Architect Pivot North, LLC

Civil: Benchmark Associates, P.A.

Structural: KPFF, Inc.

MEP: TJK Consulting Engineers, PC

Landscape: Landwork Studio LLC

Construction Management: Redpoint Construction Management LLC

Contractor: Conrad Brothers of Idaho/McAlvain Construction, Inc.

Public Outreach: SMR Development LLC

Developer shall advise Agency of any changes to the Development Team.

Section 403 Full Disclosure

Developer is required to make full disclosure to Agency of its officers, key managerial employees, and design professionals (collectively the "Development Team") involved in the development of the Site. Any change during the period of this Agreement of the Development Team or in the controlling interest of Developer is subject to the approval of Agency, such approval not to be unreasonably withheld or delayed. The selected architect for the Project is Pivot North Architecture. The selected general contractor is Conrad Brothers General Contractors of Idaho and McAlvain Construction Inc.

Any assignment or transfer of this Agreement is subject to Section 904.

Section 404 Compliance with Applicable Laws

Developer recognizes it will be required to comply with all applicable laws, including all applicable federal and state labor standards, antidiscrimination standards, affirmative action standards, and nondiscrimination and nonsegregation standards, laws, and regulations in development, rental, or lease of the Site.

Section 500 AGENCY'S RESPONSIBILITIES

Section 501 Urban Renewal Plan

This Agreement and any DDA and/or Ground Lease agreed to by the Parties are subject to the provisions of the 2010 Plan.

Section 600 REAL ESTATE COMMISSIONS

Agency shall not be liable for any real estate commission or brokerage fees arising from the development of the Site. Agency represents that it has engaged no broker, agency, or finder in connection with this transaction, and Developer agrees to hold Agency harmless from any claim by any broker, agent, or finder retained by Developer.

Section 700 EXECUTION OF THIS AGREEMENT NOT A DISPOSITION OF PROPERTY

By its execution of this Agreement, Agency is not committing itself to or agreeing to undertake: (a) disposition of land to Developer; or (b) agreement to a long term ground lease of land; or (c) any other acts or activities requiring the subsequent independent exercise of discretion by Agency, City, or any agency or department thereof; or (d) any other acts or activities requiring the subsequent independent exercise of discretion by any federal or state agency including, but not limited to, environmental clearance and historic preservation approval. Execution of this Agreement by Agency and Developer does not constitute a disposition of property by Agency.

Section 800 ISSUES OF NEGOTIATION

Developer recognizes that the following items are matters Agency desires be addressed during the Negotiation Period, but both Parties understand that there is no present agreement as to the manner or degree to which any particular item can or will be included in the applicable DDA and/or Ground Lease or Design Development Plans.

Section 801 Design Refinement

Prior to submission of the Design Development Plan, Agency and Developer shall engage in design discussion to address design issues related to the Design Development Plan identified by Agency, which Agency desires to resolve prior to submittal of the Design Development Plan to Agency by Developer. Agency shall prepare a written list, if any, of the issues to be addressed in the Design Development Plan within thirty (30) days following the execution of this Agreement, and the process shall be conducted as provided in the Schedule of Performance.

Section 802 Agency Participation

Developer specifically acknowledges, recognizes, and consents that Agency participation in the Affordable Workforce Housing Project may be limited to the long-term Ground Lease of the Site. Agency Participation is to be negotiated as part of the DDA and the Ground Lease. The foregoing shall not preclude Agency and Developer from agreeing to Agency having an ownership interest in the Public Parking located in the Garage, reimbursement of public infrastructure or improvements as part of the DDA and Ground Lease or as separate agreements entered into by the Parties.

Developer has requested Agency participation in the amount of Two Hundred Twelve Thousand, Five Hundred Ninety-Seven Dollars (\$212,597.00) for and which is the current estimated cost of relocating utilities from their current location to other locations that are conducive to the Affordable Workforce Housing Project subject to the final actual cost for said work. Agency's participation on this requested item will be negotiated as part of the DDA.

Section 803 Impact Fees

Agency acknowledges that Developer likely will be assessed impact fees by City. Such impact fees assessed represent a cost to the Developer and may be included within the Reuse Appraisal analysis as described in Section 300 of this Agreement. Provided, however, nothing contained herein obligates Agency to subsidize or pay any impact fees. The Agency acknowledges that Developer's Proposal assumes that the City will waive the impact fees that would normally be assessed against the Project, and that the failure of the City to waive the ordinary impact fees will affect the feasibility of the Project. Developer acknowledges that Agency has no ability to waive impact fees and such decision is solely that of the City; provided, however, Agency will support Developer's request to City to waive City impact fees, acknowledging that such support by Agency does not imply any financial or other contributions by the Agency related to such waivers.

Section 804 Community Outreach

The Parties agree that a public outreach plan will be developed and implemented as part of the Affordable Workforce Housing Project. Both Parties agree to coordinate and work together on public outreach prior to any design review application consideration by the City.

Section 805 Sequencing

The Parties shall address the sequencing and timing for development of several public and private components of the Affordable Workforce Housing Project and the related issues raised in the plans for financing the public portions, recognizing that the public and private portions may proceed on different schedules as a function of market conditions, available public funds, and costs, among other things.

Section 806 Ground Lease

The Agency and Developer anticipate entering into a fifty (50) year, long-term ground lease for lease of the Site to the Trust, or such successors or assigns as approved by the Agency which approval will not be unreasonably withheld, for development of the Affordable Workforce Housing Project ("Ground Lease"). The negotiations of the terms and conditions of the Ground Lease are to occur simultaneously with the development and negotiation of the DDA.

Agency recognizes that, to accommodate the financing, development or use thereof, it may be necessary or advantageous for portions of the Affordable Workforce Housing Project, the Garage and/or the ground floor areas to be separate sublease parcels or condominium units. The Ground Lease will allow Developer to create sublease parcels or condominium units in the leasehold estate in any reasonable manner.

Section 807 Unit Affordability Mix and Idaho Housing and Finance Association

Developer's Proposal sets forth a preferred allocation of mixed-income units in the Affordable Workforce Housing Project including 32% of the residential units at or below 100% AMI, 30% of the residential units at or below 120% AMI, and 38% of the residential units at or below 150% AMI. The Agency Board at its meeting on November 14, 2022, specifically requested that additional negotiations occur between the Agency and Developer to establish the

unit type associated with these AMI ranges (i.e. studio, 1 br, 2 br, 3 br). Agency has not specifically approved the unit type mix or affordability mix.

Agency acknowledges that Developer's proposed unit type mix and affordability mix is based on Developer's preliminary assumptions of what might be the most advantageous mix for the community. Developer intends to investigate its preliminary assumptions regarding the proposed unit type mix using current rental market data, and propose adjustments to reflect Developer's judgment on the most advantageous unit type mix for the community. Developer also intends to investigate its preliminary assumptions on the affordability mix using current information on the inputs affecting affordability (e.g., construction costs, interest rates, etc.) and availability of prospective tenants in each target income bracket, and propose adjustments to reflect Developer's judgment on the most advantageous affordability mix for the community, and that is also feasible. Agency agrees to cooperate and work with Developer and not unreasonably withhold or delay its approval of any unit type mix or affordability mix proposed by Developer that is consistent with Agency's feasible goals for the Affordable Workforce Housing Project. However, should Developer's proposed unit type mix or affordability mix differ in such a way that Developer's Proposal is materially altered, Agency shall have the discretion to find that such modification is unacceptable. In the event the Agency and Developer are unable to reach an agreement on such modifications, Developer will either continue with Developer's Proposal or Agency and Developer will cease negotiations of a DDA and Ground Lease.

Developer has indicated its intent to issue at least two series of bonds or notes to finance the Affordable Workforce Housing Project. The first series would be the Series A bonds which Developer anticipates will represent seventy to eighty-five percent (70% - 85%) of the cost of the Affordable Workforce Housing Project. The Series A bonds will be issued through the Idaho Housing and Finance Association ("IHFA") and will be double tax exempt. These Series A bonds will be secured by the Affordable Workforce Housing Project, including Developer's leasehold interest in the Ground Lease, but not the Agency's fee simple estate in the Site. The Series A bonds will be subordinate to the Ground Lease. Agency agrees to enter into any subordination, nondisturbance and attornment agreement reasonably requested by IHFA to issue the Series A bonds, unrelated to the fee simple estate in the Site. The Series A bonds are expected to have a ten (10) year term, but the term may be adjusted to reflect then current market conditions for tax exempt bond financing.

The second series are intended to be Series E (employer) notes issued by the owner of the Affordable Workforce Housing Project (i.e., the Trust's wholly owned subsidiary) and sold to governmental employers and 501c3 employers. The Series E notes will be assigned to a specific dwelling unit in the Affordable Workhouse Housing Project. During the term of the Series E note, the holder thereof will have a priority right to nominate eligible persons and families to lease the assigned dwelling unit, subject to all applicable laws and regulations. The Series E notes may be fully taxable. The Series E notes will not be secured. The Series E notes are expected to have a ten (10) year term, but the term may be adjusted to reflect then current market conditions.

The Parties recognize that, depending on market conditions: (i) the bonds and notes may altered to achieve the most favorable financing rates and terms that may be available for the Affordable Workforce Housing Project; and (ii) other financing instruments may be issued to ensure that Affordable Workforce Housing Project is fully financed.

On or before May 31, 2023, Developer shall provide Agency with the timeline and process to obtain such financing and the specific IHFA programs utilized.

The specific unit type mix, affordability mix and affordability monitoring will be further negotiated through approval of the DDA and Ground Lease. The Parties will work together to identify a monitoring agent, which may be self-reporting by the Trust or a third-party monitoring agent. Agency recognizes that IHFA will require monitoring and reporting for the Series A bonds, and Agency may accept the IHFA Series A bond monitoring and reporting requirements as satisfactory if they are reasonable.

Section 808 Availability of City Funds

Developer seeks to coordinate with City to determine the availability of funding for affordable and/or workforce housing projects. Developer shall provide Agency with information as to City funding and/or partnership opportunities as information becomes available. Likewise, Agency shall provide Developer with information as to Agency funding and/or partnership opportunities as information becomes available

Section 809 Structured Parking

Developer's Proposal as part of the Affordable Workforce Housing Project includes two options for parking at the Site. Option A consists of forty-four (44) surface stalls to be used exclusively by the occupants of the Affordable Workforce Housing Project. Option B adds a parking garage (i.e., the "Garage") comprised of two below-grade levels of parking and a surface parking lot resulting in ninety-one (91) stalls of which twenty (20) are surface stalls to be utilized by the occupants of the Affordable Workforce Housing Project (i.e., the "Project Parking") and seventy-one (71) below-grade stalls to be used as parking for the general public (i.e., the "Public Parking").

It is anticipated that the Agency intends to support the creation of the Public Parking through the direct ownership, operation and financing of the Public Parking. Considering the various ownership and financing structures related to the parking associated with the Site, on or before May 31, 2023, Developer will provide Agency with the following preliminary data:

- the then current construction budget for both the Project Parking and the Public Parking, including specific cost allocation methodologies for soft costs and hard costs, and information and/or standards that support the proposed allocation methodologies;
- term sheet concerning ownership structure of the Garage, including identification of parties with an ownership interest;
- parking management of the Garage, including any proposed shared use (with the understanding that the operator of the Public Parking will be responsible for management of the use of the Public Parking); and
- allocation of stalls between the Project Parking and the Public Parking.

(collectively, the "Preliminary Parking Data").

On or before June 30, 2023, Agency will notify Developer of Agency's intent with respect to Agency providing support for Public Parking, including Agency's plan for any Agency participation in the ownership, operation and financing of the Public Parking.

The DDA will include negotiated terms related to the parking for the Affordable Workforce Housing Project, including funding, ownership, management, and operations.

Section 810 Ground Floor Activation

Developer's Proposal as part of the Affordable Workforce Housing Project includes an activated ground floor concept. The ground floor concept includes possible retail and office space uses, with the possibility of residential amenities as well. It is contemplated that these spaces on the ground floor will be sized in a matter to accommodate a flexible range of uses from small office space to larger restaurant space. The DDA will specify the general nature of this ground floor use and the specific development plan, recognizing that specific tenants and development details will not be available at the time the DDA is executed.

Agency recognizes that Developer is investigating potential ground floor users that may be supportive to the community or the Affordable Workforce Housing Project, but that also require alterations to the current ground floor layout in Developer's Proposal, and other aspects of the Site development (including the Public Parking or the Garage). Agency agrees to work together cooperatively and creatively to accommodate the needs of any potential ground floor users that may contribute to the community or the Affordable Workforce Housing Project. Agency recognizes that the cooperation may include subdividing the ground floor area into a separate sublease parcel or condominium unit(s) to accommodate the financing, development or use of the ground floor area.

Section 900 GENERAL PROVISIONS

Section 901 Notices

Formal notices, demands, and communications between Agency and Developer shall be sufficiently given if sent by registered or certified mail, postage prepaid and return receipt requested, to the principal offices of Agency and Developer as set forth below. Routine communication may be by first class mail, e-mail, facsimile, or telephone.

Agency
Suzanne Frick, Executive Director
Ketchum Urban Renewal Agency
P.O. Box 2315
191 5th Street
Ketchum, ID 83340
(208) 727-5086
sfrick@ketchumidaho.org

With a copy to:

Abigail R. Germaine Ryan P. Armbruster Elam & Burke, P.A. 251 E Front St, Ste. 300 PO Box 1539 Boise, ID 83701 (208) 343-5454 arg@elamburke.com rpa@elamburke.com

deChase

J. Dean Papé deChase Miksis Development LLC 1199 Shoreline Drive, #290 Boise, Idaho 83702 (208) 830-7071 (voice) dean@dechase.com

With a copy to:

Anne C. Kunkel Varin Thomas Corporate Services LLC 242 North 8th Street, Suite 220 Boise, Idaho 83702 (208) 584-1266 (voice) (877) 717-1758 (fax) anne@varinthomas.com

Wood River Community Housing Trust, Inc.
Steven Shafran
Woodriver Community Housing Trust
PO Box 7840
Ketchum, Idaho 83340
(208) 721-2725 (voice)
steve@wrcht.org

With a copy to:

Franklin G. Lee Givens Pursley LLP 601 West Bannock Street Boise, Idaho 83702 (208) 388-1200 franklee@givenspursley.com

Section 902 Remedies and Damages

Notwithstanding anything to the contrary contained in this Agreement, Developer's obligations hereunder are nonrecourse. Agency's only recourse and security for Developer's obligations shall be retention of the Deposit as provided herein. In the event of any legal proceeding described in this Section 902 between the Parties to this Agreement to enforce any

provision of this Agreement or to protect or establish any right or remedy of either Party hereunder, the prevailing Party shall recover its reasonable attorney fees, at trial and upon appeal, in addition to all other third-party costs and damages allowed, as determined by the Court.

Section 903 No Recordation

In no event shall any Party record this Agreement, or any memorandum hereof or otherwise encumber the Site by reason of this Agreement or the negotiations contemplated hereby.

Section 904 Successors and Assigns

No Party may assign or delegate its obligations under this Agreement without the written consent of each other Party hereto, which consent may not be unreasonably withheld or delayed. Except as otherwise set forth in this Agreement, the terms, covenants, conditions, and agreements contained herein shall be binding upon and inure to the benefit of the heirs, personal representatives, successors, and assigns of the Parties hereto.

Section 905 Counterparts

This Agreement may be executed in counterparts, and each counterpart shall then be deemed for all purposes to be an original, executed agreement with respect to the Parties whose signatures appear thereon.

Section 906 Local Project Management

Mark Edlen of Trust shall serve as Developer's liaison and will be reasonably available to Agency.

Section 907 Computation of Time

In computing any period of time prescribed or allowed under this Agreement, the day of the act, event, or default from which the designated period of time begins to run shall not be included. The last calendar day of the period so computed shall be included, unless it is a Saturday, Sunday, or legal holiday, in which event the period runs until the end of the next day which is not a Saturday, Sunday, or legal holiday. As used herein, "legal holiday" means any holiday as defined by Idaho Code § 73-108.

Section 908 Anti-Boycott Against Israel Certification.

In accordance with Idaho Code § 67-2346, Developer, by entering into this Agreement, hereby certifies that it is not currently engaged in, or for the duration of this Agreement will not engage in, a boycott of goods or services from the State of Israel or territories under its control.

Section 1000 TERMINATION

Section 1001 Termination by Mutual Agreement

AGREEMENT TO NEGOTIATE EXCLUSIVELY - 1st and Washington - PAGE - 16

This Agreement may be terminated at any time by the written consent of the Parties. In the event of such termination, Deposit shall be refundable as set forth in Section 103 and neither Party shall have any further rights against or liability to the other under this Agreement.

Section 1002 Termination Due to Inability to Agree on the DDA Terms

Upon termination of this Agreement at the expiration of the Negotiation Period, neither Party shall have any further rights against nor liability to the other under this Agreement. If this Agreement is terminated for the Parties' failure to negotiate the DDA and Ground Lease acceptable to both Parties, Developer shall not seek reimbursement for costs and expenses from Agency, and Agency shall not seek reimbursement for costs and expenses from Developer, except to retain all or a portion of the applicable Deposit as provided in Section 103.

Exhibits

Exhibit A Legal Description of Site and Map of the Site

Exhibit B Developer's Proposal Exhibit C Schedule of Performance

End of Agreement | Signatures appear on the following page.

January 17, , 2023	AGENCY THE URBAN RENEWAL AGENCY OF THE CITY OF KETCHUM, also known as KETCHUM URBAN RENEWAL AGENCY Susan Scovell, Chair
Jan, 27 _{, 2023}	TRUST Wood River Community Housing Trust, Inc., an Idaho nonprofit corporation By: Steve Shafran, President Name:
January, 26 ,2023	deChase deChase Development Services LLC, an Oregon limited liability company By: J. Dean Pape', Manager
	Name:

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the dates set forth below.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the dates set forth below.

January 17, , 2023 AGENCY

THE URBAN RENEWAL AGENCY OF THE CITY OF KETCHUM, also known as KETCHUM URBAN RENEWAL AGENCY

Susan Scovell, Chair

______, 2023 <u>TRUST</u>

Wood River Community Housing Trust, Inc., an Idaho nonprofit corporation

By:_______Name:

January, 26 ,2023

deChase

deChase Development Services LLC, an Oregon limited liability company

Digitally signed by Justin Dean Pape DN: C=US, E=dean@dechase.com, O="deChase Development Services, LLC", OU=Principal, CN=Justin Dean Pape Date: 2023.01.26 13:41:35-07'00'

By: J. Dean Pape', Manager

Name:

Exhibit A Legal Description of the Site and Site Map

Lots 5, 6, 7 and 8 in Block 19, of the VILLAGE OF KETCHUM, as shown on the certified copy of the official map thereof, recorded as Instrument No. 302967, records of Blaine County, Idaho.

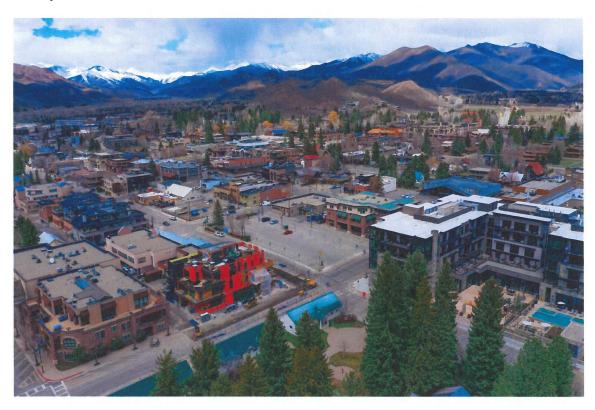


Exhibit B Developer's Proposal

Exhibit C Schedule of Performance

Task	Completion Date	Comments	Section Reference
Effective Date	Date Agreement signed by all Parties (last date signed)		000/102
Negotiation Period	Commences on the Effective Date and shall terminate one hundred eighty (180) days thereafter	Agency may extend the Negotiation Period an additional sixty (60) days without payment by Developer If Developer requests extension, an extension fee of \$5,000may be required.	102
Deposit	Within fifteen (15) days of the Effective Date	\$10,000	103
Environmental Reports	Within thirty (30) days of the submission of Deposit by Developer, Agency to provide any reports to Developer.		205
Financing		Developer to provide Agency on or before 05/31/2023, with timeline and process to obtain bonding and utilization of IHFA programs.	807
Community Outreach			804
Preliminary Parking Data	Due to Agency by 05/31/2023		809
Reuse Appraisal	Must be completed prior to closing on DDA		300
Design Development Plan	Developer to provide Design Development Plan		201
Termination Date/Deadline for Developer to execute a mutually approved DDA	One hundred eighty (180) days after the Effective Date.	Unless extension provided.	102

4878-2598-3040, v. 6

EXHIBIT B TO THE SECOND AMENDMENT EXECUTED FIRST AMENDMENT

FIRST AMENDMENT

to

AGREEMENT TO NEGOTIATE EXCLUSIVELY 50082

by and between

THE URBAN RENEWAL AGENCY OF THE CITY OF KETCHUM

and

WOOD RIVER COMMUNITY HOUSING TRUST, INC. and DECHASE DEVELOPMENT SERVICES LLC

THIS FIRST AMENDMENT TO AGREEMENT TO NEGOTIATE EXCLUSIVELY (this "Agreement") is entered into by and between the Urban Renewal Agency of the city of Ketchum, also known as the Ketchum Urban Renewal Agency, an independent public body, corporate and politic (the "Agency"), organized pursuant to the Idaho Urban Renewal Law, title 50, chapter 20, Idaho Code, as amended (the "Law"), and undertaking projects under the authority of the Law and the Local Economic Development Act, title 50, chapter 29, Idaho Code, as amended (the "Act"), and Wood River Community Housing Trust, Inc. an Idaho nonprofit corporation ("Trust") and 1st and Washington Development LLC, an Idaho limited liability company ("1st and Washington") (with Trust and 1st and Washington herein collectively referred to as the "Developer"), or its assigns as provided for herein, collectively referred to as the "Parties" and each individually as "Party," on the terms and provisions set forth below.

RECITALS

WHEREAS, the Agency owns certain real property addressed as 211 E. 1st Avenue, Ketchum (Parcel RPK00000190070), and real property unaddressed as Lot 5, Block 19 (Parcel RPK0000019005B), and Lot 6, Block 19 (Parcel RPK0000019006B) (the "Site"); and

WHEREAS, in accordance with Idaho Code § 50-2011 Disposal of Property in Urban Renewal Area, the Agency issued a Request for Proposals ("RFP") on May 26, 2022, seeking to initiate a redevelopment project to revitalize the 2010 Plan Project Area in compliance with the 2010 Plan through redevelopment of the Site which could also serve as a catalyst for redevelopment of other properties in the vicinity; and

WHEREAS, following the publication of the RFP in the *Idaho Mountain Express* newspaper on May 26, 2022, the Agency received three (3) proposals for development of the Site by the August 26, 2022, deadline; and,

WHEREAS, at a public meeting on November 14, 2022, the Agency Board discussed the proposals and thereafter met with consensus regarding the proposals and selected the Developer's Proposal; and

WHEREAS, the Agency and the Developer intended to pursue the negotiations of a Disposition and Development Agreement ("DDA") and plong-term ground lease ("Ground Lease") and, thus, comply with the required notice provisions concerning the disposition of property by the Agency as set forth in the Law; and

First Amendment to Agreement to Negotiate Exclusively- 1

<u>Section 1</u>: That the above statements are true and correct.

Section 2: That the First Amendment to ANE, attached hereto as Exhibit A, is hereby incorporated herein and made a part hereof by reference and is hereby approved and accepted as to form recognizing technical changes or corrections, which may be required prior to execution of the First Amendment to ANE.

Section 3: That the Chair of the Agency is hereby authorized to sign and enter into the First Amendment to ANE and, further, is hereby authorized to execute all necessary documents required to implement the actions contemplated by the First Amendment to ANE, subject to representations by the Agency staff and legal counsel that all conditions precedent to and any necessary technical changes to the First Amendment to ANE are consistent with the provisions of the Agreement and the comments and discussion received at the May 15, 2023, Agency Board meeting, including any necessary substantive changes discussed and approved at the Agency Board meeting.

<u>Section 4</u>: That this Resolution shall be in full force and effect immediately upon its adoption and approval.

PASSED by the Urban Renewal Agency of Ketchum, Idaho on May 15, 2023. Signed by the Chair of the Board of Commissioners and attested by the Secretary to the Board of Commissioners on May 15, 2023.

URBAN RENEWAL AGENCY OF KETCHUM

y ONAM OCOVELL - CHAIP
Susan Scovell, Chair

ATTEST:

 $\mathbf{R}_{\mathbf{V}}$

Secretary

4862-3106-3650, v. 2



IN WITNESS WHEREOF dates set forth below.	, the Parties hereto have executed this First Amendment on the
MAT 15, 2023	AGENCY THE URBAN RENEWAL AGENCY OF THE CITY OF KETCHUM, also known as KETCHUM URBAN RENEWAL AGENCY
	Susan Scovell, Chair
, 2023	TRUST Wood River Community Housing Trust, Inc. an Idaho nonprofit corporation
	By: Name:
6/12/2023 , 2023	an Idaho limited liability company By: I Dean Pane Manager

First Amendment to Agreement to Negotiate Exclusively- 5

IN WITNESS WHEREOF, dates set forth below.	the Parties hereto have executed this First Amendment on the
MAT 15, 2023	AGENCY THE URBAN RENEWAL AGENCY OF THE CITY OF KETCHUM, also known as KETCHUM URBAN RENEWAL AGENCY
	Susan Scovell, Chair
June 12, , 2023	TRUST Wood River Community Housing Trust, Inc. an Idaho nonprofit corporation Steven Shafran President Name:
	1st and Washington Development LLC an Idaho limited liability company

By: J. Dean Papé, Manager AGENCY
THE URBAN RENEWAL AGENCY OF
THE CITY OF KETCHUM, also known as
KETCHUM URBAN RENEWAL AGENCY

Susan Scovell, Chair

TRUST
Wood River Community Housing Trust, Inc.
an Idaho nonprofit corporation

By:
Name:

IN WITNESS WHEREOF, the Parties hereto have executed this First Amendment on the

By: _____

1st and Washington Development LLC

an Idaho limited liability company

______, 2023

to 1st and Washington Development LLC, which is comprised of the same development team, partners, and managers as deChase Development LLC.

- G. EXHIBIT C TO ANE. The Schedule of Performance, Exhibit C to the ANE, is hereby superseded and replaced by the attached updated Exhibit C Schedule of Performance. All other Exhibits to the ANE remain in full force and effect.
- H. ALL OTHER TERMS TO REMAIN. All other terms and conditions of the ANE, not otherwise amended as provided herein this First Amendment, shall remain in full force and effect and shall be binding upon the Parties as if set forth in full herein. Capitalized terms used but not defined in this First Amendment shall have the same meanings ascribed for such capitalized terms in the ANE.

[signatures on following page]

- B. NEGOTIATION PERIOD. Section 102 of the ANE specified that the Negotiation Period for which the Developer and the Agency were to negotiate a DDA and Ground Lease was one hundred and eighty days (180) days after execution of the ANE. Section 102 allows the Agency, in its discretion, to extend the ANE for an additional period of time. Both Parties believe it necessary to extend the ANE to allow for the development of the Affordable Workforce Housing Project's specifics and execution of an agreed upon DDA and Ground Lease. Therefore, based on the terms and conditions outlined in this First Amendment, the Agency and the Developer agree to extend the ANE for sixty (60) days after the Effective Date of the ANE. The extension of an additional sixty (60) days after the Effective Date of the ANE, will extend the Negotiation Period to September 24, 2023.
- C. EXECUTION OF A DDA AND/OR GROUND LEASE. Based on the terms of the ANE and pursuant to entering into this First Amendment, the negotiation and execution of a DDA and/or Ground Lease related to the Site must occur prior to September 24, 2023. Should execution of a DDA and/or Ground Lease between the Agency and the Developer not occur on or before September 24, 2023, the Agency shall have no further obligations related to the ANE or this First Amendment and the Deposit shall be returned to Developer, minus any funds spent by the Agency to obtain the Reuse Appraisal, if applicable, as contemplated in Section 103 and 102 of the ANE. If the ANE expires, the Agency will then pursue other options for development of the Site.
- **D. DEVELOPER'S PROPOSAL FINANCING.** Pursuant to Section 807 of the ANE, the Developer was to provide the Agency with its intended timeline and process to obtain financing and the specific IHFA programs that would be utilized to fund the Developer's Proposal, by May 31, 2023. Similar to the need to extend the Negotiation Period outlined above, the Developer requests an additional sixty (60) days to develop and provide this financing information to the Agency. This sixty (60) day extension would make the financing information due to the Agency on or before July 30, 2023.
- E. PARKING RELATED MATTERS. The ANE contemplated various parking structures and options for inclusion in the Affordable Workforce Housing Project. Pursuant to Section 809, both the Agency and the Developer were to provide the other with information and data related to the potential for Public and Project Parking on the Site. The Developer was to provide the Agency with preliminary data related to proposed parking by May 31, 2023. On or before June 30, 2023, the Agency was to notify the Developer of the Agency's intent to provide support for Public Parking. The Agency has notified the Developer that it does not intend to fund a subterranean public parking structure. It is understood that the Developer's Proposal contemplates a certain number of on-site, above-grade, parking spaces. The Parties agree that prior to June 30, 2023, the Parties will negotiate and solidify the nature and use of the contemplated on-site parking in order to include such terms within the DDA and Ground Lease.
- F. ASSIGNMENT OF INTEREST BY deCHASE. Section 401 of the ANE contemplated that deChase Development Services LLC would establish a wholly owned subsidiary to develop and own the Affordable Workforce Housing Project though completion of the construction. deChase Development Services LLC, hereby desires to assign its interest in the ANE

WHEREAS, the Agency and the Developer entered into the Agreement to Negotiate Exclusively ("ANE") on January 27, 2023, for the purpose of analyzing and assessing a development opportunity for the Site; and

WHEREAS, the ANE contemplated a negotiation period in which the Agency and the Developer were to negotiate the terms of the DDA and Ground Lease, as well as certain timelines for both Parties to provide certain information and data to the other Party; and

WHEREAS, the Parties have participated in negotiations since the effective date of the ANE and such negotiations have identified complex issues which require further information and negotiation efforts; and

WHEREAS, pursuant to Section 102 of the ANE, the Parties have the ability to extend the ANE for a period of time to continue negotiations; and

WHEREAS, deChase Development Services LLC, pursuant to Section 401 of the ANE, has assigned its interest in the ANE to 1st and Washington Development LLC and following execution of this First Amendment, the Developer will consist of Trust and 1st and Washington Development LLC: and

WHEREAS, the Parties desire to extend the negotiation period of the ANE pursuant to this First Amendment, to allow for the negotiation, finalization, and execution of a DDA and Ground Lease as well as extending certain timelines for the Parties to provide certain information and data required by the ANE.

AGREEMENT

NOW, THEREFORE, for valuable consideration, the sufficiency of which is agreed and acknowledged, the Agency and the Developer agree the foregoing recitals are not mere recitations but are covenants of the Parties, binding upon them as may be appropriate and a portion of the consideration for the agreements contained herein, and hereby further agree as follows:

A. PURPOSE OF FIRST AMENDMENT. Pursuant to Section 102, Negotiation Period of the ANE, the ANE was to terminate if the Parties had not reached an agreeable DDA and Ground Lease related to the Site within one hundred and eighty (180) days from the Effective Date. The Effective Date of the ANE is January 27, 2023, making the Termination Date for the Negotiation Period, July 26, 2023. The negotiation of the Affordable Workforce Housing Project has been delayed and both Parties wish to extend the terms of the ANE to allow for the negotiation and finalization of an acceptable DDA and Ground Lease. In addition, Pursuant to Section 807 and 809 of the ANE, both Parties agreed to provide the other Party with certain information related to the Affordable Workforce Housing Project's specifics by certain dates. Based on the necessity to negotiate critical development details, these dates for the exchange of information must also be extended.

EXHIBIT A TO THE FIRST AMENDMENT EXECUTED AGREEMENT TO NEGOTIATE EXCLUSIVELY

EXHIBIT C TO THE ANE

AGREEMENT 50082 TO NEGOTIATE EXCLUSIVELY

by and between

THE URBAN RENEWAL AGENCY OF THE CITY OF KETCHUM

WOOD RIVER COMMUNITY HOUSING TRUST, INC. and DECHASE DEVELOPMENT SERVICES LLC

THIS AGREEMENT TO NEGOTIATE EXCLUSIVELY (this "Agreement") is entered into by and between the Urban Renewal Agency of the city of Ketchum, also known as the Ketchum Urban Renewal Agency, an independent public body, corporate and politic ("Agency"), organized pursuant to the Idaho Urban Renewal Law, title 50, chapter 20, Idaho Code, as amended (the "Law"), and undertaking projects under the authority of the Law and the Local Economic Development Act, title 50, chapter 29, Idaho Code, as amended (the "Act"), and Wood River Community Housing Trust, Inc. an Idaho nonprofit corporation ("Trust") and deChase Development Services LLC, an Oregon limited liability company that is authorized to do business in Idaho ("deChase") (with Trust and deChase herein collectively referred to as "Developer"), or its assigns as provided for herein, collectively referred to as the "Parties" and each individually as "Party," on the terms and provisions set forth below.

RECITALS

WHEREAS, Agency, an independent public body, corporate and politic, is an urban renewal agency created by and existing under the authority of the Law and the Act; and

WHEREAS, the City Council of the city of Ketchum (the "City"), by adoption of Ordinance No. 992 on November 15, 2006, duly adopted the Ketchum Urban Renewal Plan (the "2006 Plan") to be administered by the Agency; and

WHEREAS, upon the approval of Ordinance No. 1077 adopted by the City Council on November 15, 2010, and deemed effective on November 24, 2010, the Agency began implementation of the Ketchum Urban Renewal Plan 2010 (the "2010 Plan"); and

WHEREAS, the 2010 Plan established the Revenue Allocation Area (the "Project Area"), which established an area for redevelopment and anticipated improvement projects; and

WHEREAS, in order to achieve the objectives of the 2010 Plan, the Agency is authorized to acquire real property for the revitalization of areas within the 2010 Plan boundaries; and

WHEREAS, the Agency owns certain real property addressed as 211 E. 1st Avenue, Ketchum (Parcel RPK00000190070), and real property unaddressed as Lot 5, Block 19 (Parcel RPK0000019005B) and Lot 6, Block 19 (Parcel RPK0000019006B) (the "Site"); and

WHEREAS, in accordance with Idaho Code § 50-2011 Disposal of Property in Urban Renewal Area, the Agency issued a Request for Proposals ("RFP") on May 26, 2022,

seeking to initiate a redevelopment project to revitalize the 2010 Plan Project Area in compliance with the 2010 Plan through redevelopment of the Site which could also serve as a catalyst for redevelopment of other properties in the vicinity; and

WHEREAS, following the publication of the RFP in the *Idaho Mountain Express* newspaper on May 26, 2022, the Agency received three (3) proposals for development of the Site by the August 26, 2022, deadline; and,

WHEREAS, the Agency Board appointed a review group ("Review Group") to join Agency staff in analyzing the proposals, conducting interviews with each development team, and providing findings of fact and comments to Agency staff sufficient for the Agency Board to make a selection of the proposals; and

WHEREAS, the Review Group along with Agency staff reviewed the proposals, interviewed each development team and thereafter provided findings of fact and comments to Agency staff which allowed the Review Group to prepare a ranking of the proposals for Agency Board consideration; and

WHEREAS, Agency staff ranked the proposals from Developer, Blueline Development, and Servitas. Developer originally submitted its proposal under the entity names Wood River Community Housing Trust and deChase Miksis Development. deChase Miksis Development is otherwise referred to and registered as deChase Development Services LLC. For purposes of this Agreement, Developer shall include deChase Miksis Development, otherwise known as deChase Development Services LLC; and

WHEREAS, at a public meeting on November 14, 2022, the Agency Board discussed the proposals and thereafter met with consensus regarding the proposals and selected the "Developer's Proposal" (as further defined below); and

WHEREAS, Developer's Proposal contemplates development of a four-story housing project, with street level parking, and retail on the first floor located on the Site as illustrated and shown in Exhibit A; and

WHEREAS, Agency and Developer intend to pursue the negotiations of a disposition and development agreement and long-term ground lease for the Site, and thus, comply with the required notice provisions concerning the disposition of property by Agency as set forth in the Law; and

WHEREAS, Agency seeks to enter into this Agreement with Developer for the purpose of analyzing and assessing development opportunities for the Site.

NOW, THEREFORE, Agency and Developer hereby agree as follows:

AGREEMENTS

Section 000 DEFINITIONS

"Affordable Workforce Housing Project" means the income-restricted residential dwelling units and associated common areas, amenities, and related parking, prioritized for

individuals and families living or working in the Ketchum area, to be developed by Developer on the Site pursuant to the Ground Lease and the DDA, and as further described within the definitions included in the Request for Proposals and Developer's Proposal found in the attached Exhibit B and incorporated herein by reference.

- "Agency" shall be the Ketchum Urban Renewal Agency and includes Agency staff.
- "Agency Board" shall be the members of the Agency's Board of Commissioners, as duly and legally appointed.
- "AMI" shall mean the then current "Area Median Income" adjusted by family size annually published by the U.S. Department of Housing & Urban Development (HUD) for the geographic area referred to as Ketchum, Idaho HUD Metro Statistical Area Rent (MSA) Area (or its successor index).
- "deChase" will be deChase Development Services, LLC, an Oregon limited liability company, or its assigns.
- "Developer" will be Trust and deChase, or their assigns. See Section 401 for the nature of Developer.
- "Disposition and Development Agreement" or "DDA" shall mean the agreement the parties intend to negotiate that will set forth the definitive terms of the development of Site by the Developer and the disposition of the property by the Agency through a long-term ground lease agreement.
- "Effective Date" shall be the date this Agreement is signed by both Parties (last date signed).
- "Garage" means the parking structure to be developed on the Site, as described in Section 809.
- "Project Parking" means the surface parking lot to be used as parking for the residents/users of the Affordable Workforce Housing Project, and not for the general public.
- "Public Parking" means the parking Garage to be used as parking for the general public, as set forth in Section 809.
- "Ground Lease" shall mean the mechanism by which the Agency will lease the Site to the Developer for a period of years, allowing the Developer to construct the Affordable Workforce Housing Project as contemplated.
- "Negotiation Period" shall begin on the Effective Date and end one hundred eighty (180) days after the Effective Date, unless extended by the Agency as provided herein.
 - "Schedule of Performance" shall mean the attached Exhibit C.
- "Scope of Development" shall mean Developer's preliminary concepts for development of the Affordable Workforce Housing Project included in Developer's Proposal

and attached as Exhibit B, which preliminary concepts will be subject to certain updates and changes negotiated by Developer and Agency during the course of this Agreement, the DDA and the Ground Lease.

"Site" shall mean the real property more particularly described in <u>Exhibit A</u>, attached hereto and incorporated herein by reference.

"Trust" will be Wood River Community Housing Trust, Inc., an Idaho nonprofit corporation, or its assigns.

Section 100 NEGOTIATIONS

Section 101 Good-Faith Exclusive Negotiations

The Parties agree the foregoing recitals are not mere recitations but are covenants of the Parties, binding upon them as may be appropriate and a portion of the consideration for the agreements contained herein.

Agency and Developer agree for the Negotiation Period (described below) to negotiate diligently and in good faith to prepare the DDA and the Ground Lease to be considered for execution between Agency and Developer, in the manner set forth herein, with respect to the development of the Affordable Workforce Housing Project located on the Site. During the Negotiation Period, Agency shall not directly or indirectly negotiate with any person or entity other than Developer with respect to the disposition or development of the Site.

Section 102 Negotiation Period

The Negotiation Period shall commence on the Effective Date and shall terminate one hundred eighty (180) days thereafter (the "Termination Date"). Provided, Agency may in its discretion extend the Negotiation Period for the DDA and/or the Ground Lease for an additional sixty (60) days beyond the Termination Date without payment by Developer. In the event that Developer requests an extension of Negotiation Period and Agency grants such request, Agency may, in its sole discretion, require Developer to pay an extension fee of \$5,000.00 pursuant to this Agreement. In the event an extension fee has been paid and the DDA and/or the Ground Lease has been executed by both Parties, such extension fee shall be credited back to the Developer.

If upon expiration of the Negotiation Period, Developer has not executed a mutually approved DDA and/or Ground Lease with Agency, then this Agreement shall terminate, unless extended in writing by Agency. Once a DDA and/or Ground Lease is signed by both Developer and Agency, then the terms of the DDA and/or Ground Lease shall prevail and this Agreement shall automatically terminate as to that DDA and/or Ground Lease.

If the negotiations do not result in an executed DDA and/or Ground Lease for the Site, Developer shall submit to Agency copies of the documents in its possession regarding the proposed development for the Site, excluding any confidential or privileged information. If this Agreement is terminated per this Section 102, Developer shall not seek reimbursement for costs and expenses from Agency and Agency shall not seek reimbursement for costs and expenses

from Developer except that Agency shall retain any extension fee paid by Developer, and Agency shall be entitled to retain the Deposit as provided in Section 103.

Section 103 Deposit

Developer's Submission of Deposit:

Recognizing that Trust is a not-for-profit corporation that is recognized as a 501(c)(3) public charity, Developer shall submit to Agency a deposit in an amount of \$10,000.00 ("Deposit") in the form of cash or cashier's check to ensure that Developer will proceed diligently and in good faith to negotiate and perform all of Developer's obligations under this Agreement. Provided, if the Parties terminate this Agreement before Agency incurs any costs in preparing the Reuse Appraisal (defined below) for the Site, as applicable, the Deposit shall be refunded in its entirety to Developer. Should Agency incur the costs of a Reuse Appraisal for the Site and this Agreement is subsequently terminated or a DDA and/or Ground Lease is not executed, Agency shall retain the cost of the Reuse Appraisal from the refunded Deposit amount. The Deposit shall be refunded in its entirety to the Developer should the DDA and/or Ground Lease be successfully negotiated and executed.

Submission of the Deposit must occur within fifteen (15) days of the Effective Date. If Developer fails to submit said Deposit within the fifteen (15) day period, Agency may terminate this Agreement, with neither Party having any further rights against nor liability to the other under this Agreement, unless as agreed to in writing by Agency.

Agency shall be under no obligation to pay or earn interest on Developer's Deposit, but if interest shall accrue or be payable thereon, such interest (when received by Agency) shall become part of the applicable Deposit and applied as described hereunder.

Section 200 DEVELOPMENT CONCEPT

Section 201 Scope of Development

Agency and Developer acknowledge Developer's proposal as submitted to Agency on or before August 24, 2022, with supplemental information provided on October 17, 2022, attached as Exhibit B (collectively, "Developer's Proposal"). In addition to Developer's Proposal, on November 14, 2022, the Agency Board identified several issues requiring further negotiation, which issues are identified in Section 800. Agency agrees to provide Developer with a list, if any, of those issues within thirty (30) days following the effective date of this Agreement.

The Parties further acknowledge the design of the Affordable Workforce Housing Project will be further refined in connection with the development of a specific design plan ("Design Development Plan"), which design refinement will occur pursuant to the terms of the DDA.

Section 202 Progress Reports

Developer agrees to make oral and/or written progress reports advising Agency on all matters and all studies being made by Developer on a monthly basis at the request of Agency.

Section 203 Assessment of Project Feasibility; Notification

In the event at any time during the Negotiation Period Developer determines that it is not feasible to proceed with development of all or a portion of the Affordable Workforce Housing Project, this Agreement shall be terminated upon ten (10) days' written notice to the Agency. In the event the Agreement is terminated before Agency incurs any costs in preparing the Reuse Appraisal (defined below) for the Site, the Deposit shall be refunded in its entirety to Developer. After Agency incurs any third-party costs in preparing the Reuse Appraisal for the Site, as applicable, such costs shall be deducted from the amount of the Deposit to be refunded to Developer (if any).

In the event of such termination, neither Party shall have any further rights against or liability to the other under this Agreement with respect to the Site. Developer acknowledges and consents that in the event this Agreement is terminated, Agency has the right and authority to enter into an exclusive right to negotiation agreement concerning the Site with any other interested developer.

Agency recognizes that the feasibility of the Project as proposed in Developer's Proposal is predicated upon the construction costs for the Project and interest rate for the Project financing remaining within the targets identified in Developer's Proposal. Agency further recognizes that construction costs and interest rates are dynamic variables that will fluctuate over time, and that the fluctuations may affect the feasibility of the Project.

Agency recognizes that the feasibility of the Project as proposed in Developer's Proposal is predicated upon Developer receiving City approvals that are consistent therewith, and that do not impose financial or other conditions or burden beyond the conditions or burdens that are typically imposed on similar projects in similar jurisdictions.

Agency recognizes that if construction costs, interest rates, City approvals or other matters affect the feasibility of the Project, then Developer will need to seek to modify the Project design and other features (such as unit mix and affordability levels) as necessary for the Project to become feasible. Agency and Developer agree to work together cooperatively to solve problems and adapt the Project to allow a feasible Project to be developed. However, should Developer's proposed modifications differ in such a way that Developer's Proposal is materially altered, Agency shall have the discretion to find that such modification is unacceptable. In the event the Agency and Developer are unable to reach an agreement on such modifications, Developer will either continue with Developer's Proposal or Agency and Developer will cease negotiations of a DDA and Ground Lease.

Section 204 Environmental Condition

Within thirty (30) days of the submission of the Deposit by Developer, Agency agrees to provide Developer with any environmental reports Agency possesses which may have included an investigation of the Site.

Section 300 GROUND LEASE AND/OR OTHER CONSIDERATIONS

During the Negotiation Period, Agency and Developer shall negotiate the schedule and conditions for Ground Lease of the Site with respect to financing and a schedule for the development of the Affordable Workforce Housing Project which schedule, and conditions will be included in the DDA.

Under the Law, Agency may transfer real property for no less than the fair reuse value. The reuse appraisal ("Reuse Appraisal") and its determination of value will be prepared and provided to Developer under the DDA as the information necessary to complete the Reuse Appraisal may not be available at the expiration of the Negotiation Period. The Reuse Appraisal shall establish the fair reuse value of the Site to be leased by the Agency as required under the Law (the "Residual Land Value").

Developer shall submit to Agency the data required by the appraiser ("Reuse Appraiser") who has been selected by Agency, which data ("Reuse Appraisal Data") is needed by the Reuse Appraiser to prepare the Reuse Appraisal for the Affordable Workforce Housing Project. Developer shall submit the Reuse Appraisal Data pursuant to the terms of the DDA. Developer may be required to supplement the Reuse Appraisal Data during the course of the Reuse Appraisal and shall submit this supplementary data in a timely manner as required by the Reuse Appraiser and Agency. The Reuse Appraisal Data includes but may not be limited to:

- density of development,
- costs expected to be incurred and revenues expected to be realized in the course of developing and leasing of the Agency owned parcels,
- residential unit types,
- commercial unit types
- sizes and expected rents,
- construction type and materials,
- exterior and interior finish materials,
- square footages of uses other than residential,
- leasing for other uses and assets such as office space, retail space and parking spaces,
- parking stalls and usage
- assumptions regarding soft costs such as marketing and insurance, risks of Agency, risks of Developer,
- Developer participation in the funding of public facilities and amenities, and
- estimated or actual Developer return including assumptions regarding entrepreneurial incentive, overhead and administration as these factors apply to the Project.

Developer acknowledges that Agency will be unable to commence the Reuse Appraisal process without Developer's submittal of the Reuse Appraisal Data, and Developer acknowledges that Agency will be unable to close under the terms of the DDA without the results of the Reuse Appraisal for the applicable property.

Agency recognizes that that Developer's Proposal assumes that the Ground Lease will have rent of \$1 per year, and that the identified rental rate is integral to achieving the affordable rents for residents/users of the Project. In no event will the Ground Lease rent be less than the Residual Land Value established by the Reuse Appraisal.

Section 400 DEVELOPER AND DEVELOPER'S OBLIGATIONS

Section 401 Nature of Developer

Developer is a partnership between Trust and deChase. Wherever the term "Developer" is used herein, such term shall include any permitted nominee or assignee as herein provided.

Developer currently anticipates that the development structure will be as follows: (a) deChase will establish a wholly owned subsidiary to develop and own the Affordable Workforce Housing Project through completion of the construction using equity provided by the Trust and construction financing provided and guaranteed by deChase; (b) at completion of construction, the Affordable Workforce Housing Project will be conveyed from deChase to a wholly owned subsidiary of Trust with long-term financing as outlined in Section 807; and (c) the Trust's subsidiary will own and operate the Affordable Workforce Housing Project for the balance of the term of the Ground Lease in accordance with the terms of the Ground Lease and the Trust's charitable purposes. Agency recognizes that the foregoing structure is based on Developer's current assumptions of what might be the most advantageous structure to achieve the financing and development of the Affordable Workforce Housing Project, and that Developer may modify that structure as Developer deems necessary or advantageous to achieve the most favorable financing and development of the Affordable Workforce Housing Project. By way of example, Developer may determine that it is most advantageous for the Trust to secure construction financing and the deChase subsidiary to serve only as a fee-for-service developer for the Trust's subsidiary. Agency agrees to cooperate with Developer and not unreasonably withhold or delay its approval of any development structure proposed by Developer.

Section 402 Developer's Principal Office and Development Team

Developer's Principal Office is located at:

deChase Development Services LLC 1199 Shoreline Drive, #290 Boise, ID 83702

Wood River Community Housing Trust, Inc. 675 E Sun Valley Road K-1 Ketchum, ID 83340

Agency and Developer acknowledge and agree that the Local Project Manager, as described in Section 906, shall also be a member of the Development Team. Unless otherwise set forth in Section 403 below, any other consultants and professionals on the Development Team (such as special architectural consultants, leasing agents, engineer, and contractor) will be selected at a later date. Agency acknowledges that Developer has preliminarily selected the following consultants and professionals for the Development Team:

Architect

Pivot North, LLC

Civil:

Benchmark Associates, P.A.

Structural:

KPFF, Inc.

MEP:

TJK Consulting Engineers, PC

Landscape:

Landwork Studio LLC

Construction Management:

Redpoint Construction Management LLC

Contractor:

Conrad Brothers of Idaho/McAlvain Construction, Inc.

Public Outreach:

SMR Development LLC

Developer shall advise Agency of any changes to the Development Team.

Section 403 Full Disclosure

Developer is required to make full disclosure to Agency of its officers, key managerial employees, and design professionals (collectively the "Development Team") involved in the development of the Site. Any change during the period of this Agreement of the Development Team or in the controlling interest of Developer is subject to the approval of Agency, such approval not to be unreasonably withheld or delayed. The selected architect for the Project is Pivot North Architecture. The selected general contractor is Conrad Brothers General Contractors of Idaho and McAlvain Construction Inc.

Any assignment or transfer of this Agreement is subject to Section 904.

Section 404 Compliance with Applicable Laws

Developer recognizes it will be required to comply with all applicable laws, including all applicable federal and state labor standards, antidiscrimination standards, affirmative action standards, and nondiscrimination and nonsegregation standards, laws, and regulations in development, rental, or lease of the Site.

Section 500 AGENCY'S RESPONSIBILITIES

Section 501 Urban Renewal Plan

This Agreement and any DDA and/or Ground Lease agreed to by the Parties are subject to the provisions of the 2010 Plan.

Section 600 REAL ESTATE COMMISSIONS

Agency shall not be liable for any real estate commission or brokerage fees arising from the development of the Site. Agency represents that it has engaged no broker, agency, or finder

in connection with this transaction, and Developer agrees to hold Agency harmless from any claim by any broker, agent, or finder retained by Developer.

Section 700 EXECUTION OF THIS AGREEMENT NOT A DISPOSITION OF PROPERTY

By its execution of this Agreement, Agency is not committing itself to or agreeing to undertake: (a) disposition of land to Developer; or (b) agreement to a long term ground lease of land; or (c) any other acts or activities requiring the subsequent independent exercise of discretion by Agency, City, or any agency or department thereof; or (d) any other acts or activities requiring the subsequent independent exercise of discretion by any federal or state agency including, but not limited to, environmental clearance and historic preservation approval. Execution of this Agreement by Agency and Developer does not constitute a disposition of property by Agency.

Section 800 ISSUES OF NEGOTIATION

Developer recognizes that the following items are matters Agency desires be addressed during the Negotiation Period, but both Parties understand that there is no present agreement as to the manner or degree to which any particular item can or will be included in the applicable DDA and/or Ground Lease or Design Development Plans.

Section 801 Design Refinement

Prior to submission of the Design Development Plan, Agency and Developer shall engage in design discussion to address design issues related to the Design Development Plan identified by Agency, which Agency desires to resolve prior to submittal of the Design Development Plan to Agency by Developer. Agency shall prepare a written list, if any, of the issues to be addressed in the Design Development Plan within thirty (30) days following the execution of this Agreement, and the process shall be conducted as provided in the Schedule of Performance.

Section 802 Agency Participation

Developer specifically acknowledges, recognizes, and consents that Agency participation in the Affordable Workforce Housing Project may be limited to the long-term Ground Lease of the Site. Agency Participation is to be negotiated as part of the DDA and the Ground Lease. The foregoing shall not preclude Agency and Developer from agreeing to Agency having an ownership interest in the Public Parking located in the Garage, reimbursement of public infrastructure or improvements as part of the DDA and Ground Lease or as separate agreements entered into by the Parties.

Developer has requested Agency participation in the amount of Two Hundred Twelve Thousand, Five Hundred Ninety-Seven Dollars (\$212,597.00) for and which is the current estimated cost of relocating utilities from their current location to other locations that are conducive to the Affordable Workforce Housing Project subject to the final actual cost for said work. Agency's participation on this requested item will be negotiated as part of the DDA.

Section 803 Impact Fees

Agency acknowledges that Developer likely will be assessed impact fees by City. Such impact fees assessed represent a cost to the Developer and may be included within the Reuse Appraisal analysis as described in Section 300 of this Agreement. Provided, however, nothing contained herein obligates Agency to subsidize or pay any impact fees. The Agency acknowledges that Developer's Proposal assumes that the City will waive the impact fees that would normally be assessed against the Project, and that the failure of the City to waive the ordinary impact fees will affect the feasibility of the Project. Developer acknowledges that Agency has no ability to waive impact fees and such decision is solely that of the City; provided, however, Agency will support Developer's request to City to waive City impact fees, acknowledging that such support by Agency does not imply any financial or other contributions by the Agency related to such waivers.

Section 804 Community Outreach

The Parties agree that a public outreach plan will be developed and implemented as part of the Affordable Workforce Housing Project. Both Parties agree to coordinate and work together on public outreach prior to any design review application consideration by the City.

Section 805 Sequencing

The Parties shall address the sequencing and timing for development of several public and private components of the Affordable Workforce Housing Project and the related issues raised in the plans for financing the public portions, recognizing that the public and private portions may proceed on different schedules as a function of market conditions, available public funds, and costs, among other things.

Section 806 Ground Lease

The Agency and Developer anticipate entering into a fifty (50) year, long-term ground lease for lease of the Site to the Trust, or such successors or assigns as approved by the Agency which approval will not be unreasonably withheld, for development of the Affordable Workforce Housing Project ("Ground Lease"). The negotiations of the terms and conditions of the Ground Lease are to occur simultaneously with the development and negotiation of the DDA.

Agency recognizes that, to accommodate the financing, development or use thereof, it may be necessary or advantageous for portions of the Affordable Workforce Housing Project, the Garage and/or the ground floor areas to be separate sublease parcels or condominium units. The Ground Lease will allow Developer to create sublease parcels or condominium units in the leasehold estate in any reasonable manner.

Section 807 Unit Affordability Mix and Idaho Housing and Finance Association

Developer's Proposal sets forth a preferred allocation of mixed-income units in the Affordable Workforce Housing Project including 32% of the residential units at or below 100% AMI, 30% of the residential units at or below 120% AMI, and 38% of the residential units at or below 150% AMI. The Agency Board at its meeting on November 14, 2022, specifically requested that additional negotiations occur between the Agency and Developer to establish the

unit type associated with these AMI ranges (i.e. studio, 1 br, 2 br, 3 br). Agency has not specifically approved the unit type mix or affordability mix.

Agency acknowledges that Developer's proposed unit type mix and affordability mix is based on Developer's preliminary assumptions of what might be the most advantageous mix for the community. Developer intends to investigate its preliminary assumptions regarding the proposed unit type mix using current rental market data, and propose adjustments to reflect Developer's judgment on the most advantageous unit type mix for the community. Developer also intends to investigate its preliminary assumptions on the affordability mix using current information on the inputs affecting affordability (e.g., construction costs, interest rates, etc.) and availability of prospective tenants in each target income bracket, and propose adjustments to reflect Developer's judgment on the most advantageous affordability mix for the community, and that is also feasible. Agency agrees to cooperate and work with Developer and not unreasonably withhold or delay its approval of any unit type mix or affordability mix proposed by Developer that is consistent with Agency's feasible goals for the Affordable Workforce Housing Project. However, should Developer's proposed unit type mix or affordability mix differ in such a way that Developer's Proposal is materially altered, Agency shall have the discretion to find that such modification is unacceptable. In the event the Agency and Developer are unable to reach an agreement on such modifications, Developer will either continue with Developer's Proposal or Agency and Developer will cease negotiations of a DDA and Ground Lease.

Developer has indicated its intent to issue at least two series of bonds or notes to finance the Affordable Workforce Housing Project. The first series would be the Series A bonds which Developer anticipates will represent seventy to eighty-five percent (70% - 85%) of the cost of the Affordable Workforce Housing Project. The Series A bonds will be issued through the Idaho Housing and Finance Association ("IHFA") and will be double tax exempt. These Series A bonds will be secured by the Affordable Workforce Housing Project, including Developer's leasehold interest in the Ground Lease, but not the Agency's fee simple estate in the Site. The Series A bonds will be subordinate to the Ground Lease. Agency agrees to enter into any subordination, nondisturbance and attornment agreement reasonably requested by IHFA to issue the Series A bonds, unrelated to the fee simple estate in the Site. The Series A bonds are expected to have a ten (10) year term, but the term may be adjusted to reflect then current market conditions for tax exempt bond financing.

The second series are intended to be Series E (employer) notes issued by the owner of the Affordable Workforce Housing Project (i.e., the Trust's wholly owned subsidiary) and sold to governmental employers and 501c3 employers. The Series E notes will be assigned to a specific dwelling unit in the Affordable Workhouse Housing Project. During the term of the Series E note, the holder thereof will have a priority right to nominate eligible persons and families to lease the assigned dwelling unit, subject to all applicable laws and regulations. The Series E notes may be fully taxable. The Series E notes will not be secured. The Series E notes are expected to have a ten (10) year term, but the term may be adjusted to reflect then current market conditions.

The Parties recognize that, depending on market conditions: (i) the bonds and notes may altered to achieve the most favorable financing rates and terms that may be available for the Affordable Workforce Housing Project; and (ii) other financing instruments may be issued to ensure that Affordable Workforce Housing Project is fully financed.

On or before May 31, 2023, Developer shall provide Agency with the timeline and process to obtain such financing and the specific IHFA programs utilized.

The specific unit type mix, affordability mix and affordability monitoring will be further negotiated through approval of the DDA and Ground Lease. The Parties will work together to identify a monitoring agent, which may be self-reporting by the Trust or a third-party monitoring agent. Agency recognizes that IHFA will require monitoring and reporting for the Series A bonds, and Agency may accept the IHFA Series A bond monitoring and reporting requirements as satisfactory if they are reasonable.

Section 808 Availability of City Funds

Developer seeks to coordinate with City to determine the availability of funding for affordable and/or workforce housing projects. Developer shall provide Agency with information as to City funding and/or partnership opportunities as information becomes available. Likewise, Agency shall provide Developer with information as to Agency funding and/or partnership opportunities as information becomes available

Section 809 Structured Parking

Developer's Proposal as part of the Affordable Workforce Housing Project includes two options for parking at the Site. Option A consists of forty-four (44) surface stalls to be used exclusively by the occupants of the Affordable Workforce Housing Project. Option B adds a parking garage (i.e., the "Garage") comprised of two below-grade levels of parking and a surface parking lot resulting in ninety-one (91) stalls of which twenty (20) are surface stalls to be utilized by the occupants of the Affordable Workforce Housing Project (i.e., the "Project Parking") and seventy-one (71) below-grade stalls to be used as parking for the general public (i.e., the "Public Parking").

It is anticipated that the Agency intends to support the creation of the Public Parking through the direct ownership, operation and financing of the Public Parking. Considering the various ownership and financing structures related to the parking associated with the Site, on or before May 31, 2023, Developer will provide Agency with the following preliminary data:

- the then current construction budget for both the Project Parking and the Public Parking, including specific cost allocation methodologies for soft costs and hard costs, and information and/or standards that support the proposed allocation methodologies;
- term sheet concerning ownership structure of the Garage, including identification of parties with an ownership interest;
- parking management of the Garage, including any proposed shared use (with the understanding that the operator of the Public Parking will be responsible for management of the use of the Public Parking); and
- allocation of stalls between the Project Parking and the Public Parking.

(collectively, the "Preliminary Parking Data").

On or before June 30, 2023, Agency will notify Developer of Agency's intent with respect to Agency providing support for Public Parking, including Agency's plan for any Agency participation in the ownership, operation and financing of the Public Parking.

The DDA will include negotiated terms related to the parking for the Affordable Workforce Housing Project, including funding, ownership, management, and operations.

Section 810 Ground Floor Activation

Developer's Proposal as part of the Affordable Workforce Housing Project includes an activated ground floor concept. The ground floor concept includes possible retail and office space uses, with the possibility of residential amenities as well. It is contemplated that these spaces on the ground floor will be sized in a matter to accommodate a flexible range of uses from small office space to larger restaurant space. The DDA will specify the general nature of this ground floor use and the specific development plan, recognizing that specific tenants and development details will not be available at the time the DDA is executed.

Agency recognizes that Developer is investigating potential ground floor users that may be supportive to the community or the Affordable Workforce Housing Project, but that also require alterations to the current ground floor layout in Developer's Proposal, and other aspects of the Site development (including the Public Parking or the Garage). Agency agrees to work together cooperatively and creatively to accommodate the needs of any potential ground floor users that may contribute to the community or the Affordable Workforce Housing Project. Agency recognizes that the cooperation may include subdividing the ground floor area into a separate sublease parcel or condominium unit(s) to accommodate the financing, development or use of the ground floor area.

Section 900 GENERAL PROVISIONS

Section 901 Notices

Formal notices, demands, and communications between Agency and Developer shall be sufficiently given if sent by registered or certified mail, postage prepaid and return receipt requested, to the principal offices of Agency and Developer as set forth below. Routine communication may be by first class mail, e-mail, facsimile, or telephone.

Agency
Suzanne Frick, Executive Director
Ketchum Urban Renewal Agency
P.O. Box 2315
191 5th Street
Ketchum, ID 83340
(208) 727-5086
sfrick@ketchumidaho.org

With a copy to:

Abigail R. Germaine Ryan P. Armbruster

Elam & Burke, P.A. 251 E Front St, Ste. 300 PO Box 1539 Boise, ID 83701 (208) 343-5454 arg@elamburke.com rpa@elamburke.com

deChase

J. Dean Papé deChase Miksis Development LLC 1199 Shoreline Drive, #290 Boise, Idaho 83702 (208) 830-7071 (voice) dean@dechase.com

With a copy to:

Anne C. Kunkel Varin Thomas Corporate Services LLC 242 North 8th Street, Suite 220 Boise, Idaho 83702 (208) 584-1266 (voice) (877) 717-1758 (fax) anne@varinthomas.com

Wood River Community Housing Trust, Inc.
Steven Shafran
Woodriver Community Housing Trust
PO Box 7840
Ketchum, Idaho 83340
(208) 721-2725 (voice)
steve@wrcht.org

With a copy to:

Franklin G. Lee Givens Pursley LLP 601 West Bannock Street Boise, Idaho 83702 (208) 388-1200 franklee@givenspursley.com

Section 902 Remedies and Damages

Notwithstanding anything to the contrary contained in this Agreement, Developer's obligations hereunder are nonrecourse. Agency's only recourse and security for Developer's obligations shall be retention of the Deposit as provided herein. In the event of any legal proceeding described in this Section 902 between the Parties to this Agreement to enforce any

provision of this Agreement or to protect or establish any right or remedy of either Party hereunder, the prevailing Party shall recover its reasonable attorney fees, at trial and upon appeal, in addition to all other third-party costs and damages allowed, as determined by the Court.

Section 903 No Recordation

In no event shall any Party record this Agreement, or any memorandum hereof or otherwise encumber the Site by reason of this Agreement or the negotiations contemplated hereby.

Section 904 Successors and Assigns

No Party may assign or delegate its obligations under this Agreement without the written consent of each other Party hereto, which consent may not be unreasonably withheld or delayed. Except as otherwise set forth in this Agreement, the terms, covenants, conditions, and agreements contained herein shall be binding upon and inure to the benefit of the heirs, personal representatives, successors, and assigns of the Parties hereto.

Section 905 Counterparts

This Agreement may be executed in counterparts, and each counterpart shall then be deemed for all purposes to be an original, executed agreement with respect to the Parties whose signatures appear thereon.

Section 906 Local Project Management

Mark Edlen of Trust shall serve as Developer's liaison and will be reasonably available to Agency.

Section 907 Computation of Time

In computing any period of time prescribed or allowed under this Agreement, the day of the act, event, or default from which the designated period of time begins to run shall not be included. The last calendar day of the period so computed shall be included, unless it is a Saturday, Sunday, or legal holiday, in which event the period runs until the end of the next day which is not a Saturday, Sunday, or legal holiday. As used herein, "legal holiday" means any holiday as defined by Idaho Code § 73-108.

Section 908 Anti-Boycott Against Israel Certification.

In accordance with Idaho Code § 67-2346, Developer, by entering into this Agreement, hereby certifies that it is not currently engaged in, or for the duration of this Agreement will not engage in, a boycott of goods or services from the State of Israel or territories under its control.

Section 1000 TERMINATION

Section 1001 Termination by Mutual Agreement

This Agreement may be terminated at any time by the written consent of the Parties. In the event of such termination, Deposit shall be refundable as set forth in Section 103 and neither Party shall have any further rights against or liability to the other under this Agreement.

Section 1002 Termination Due to Inability to Agree on the DDA Terms

Upon termination of this Agreement at the expiration of the Negotiation Period, neither Party shall have any further rights against nor liability to the other under this Agreement. If this Agreement is terminated for the Parties' failure to negotiate the DDA and Ground Lease acceptable to both Parties, Developer shall not seek reimbursement for costs and expenses from Agency, and Agency shall not seek reimbursement for costs and expenses from Developer, except to retain all or a portion of the applicable Deposit as provided in Section 103.

Exhibits

Exhibit A Legal Description of Site and Map of the Site

Exhibit B Developer's Proposal
Exhibit C Schedule of Performance

End of Agreement | Signatures appear on the following page.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the dates set forth below.

| January 17, , 2023 | AGENCY | THE URBAN RENEWAL AGENCY OF

THE CITY OF KETCHUM, also known as KETCHUM URBAN RENEWAL AGENCY

Susan Scovell, Chair

Jan, 27 , 2023

TRUST

Wood River Community Housing Trust, Inc., an Idaho no horofit corporation

By: Steve Shafran, President
Name:

January, 26 ,2023

deChase

deChase Development Services LLC, an Oregon limited liability company

By: J. Dean Pape', Manager Name: By: J. Dean Pape', Manager

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the dates

Name:_

Exhibit A Legal Description of the Site and Site Map

Lots 5, 6, 7 and 8 in Block 19, of the VILLAGE OF KETCHUM, as shown on the certified copy of the official map thereof, recorded as Instrument No. 302967, records of Blaine County, Idaho.



Exhibit B Developer's Proposal

Exhibit C Schedule of Performance

Task	Completion Date	Comments	Section Reference
Effective Date	Date Agreement signed by all Parties (last date signed)		000/102
Negotiation Period	Commences on the Effective Date and shall terminate one hundred eighty (180) days thereafter	Agency may extend the Negotiation Period an additional sixty (60) days without payment by Developer If Developer requests extension, an extension fee of \$5,000may be required.	102
Deposit	Within fifteen (15) days of the Effective Date	\$10,000	103
Environmental Reports	Within thirty (30) days of the submission of Deposit by Developer, Agency to provide any reports to Developer.		205
Financing		Developer to provide Agency on or before 05/31/2023, with timeline and process to obtain bonding and utilization of IHFA programs.	807
Community Outreach			804
Preliminary Parking Data	Due to Agency by 05/31/2023		809
Reuse Appraisal	Must be completed prior to closing on DDA	16.	300
Design Development Plan	Developer to provide Design Development Plan		201
Termination Date/Deadline for Developer to execute a mutually approved DDA	One hundred eighty (180) days after the Effective Date.	Unless extension provided.	102

4878-2598-3040, v. 6

Attachment C

Schedule of Performance

Task	Completion Date	Comments	Section Reference
Effective Date	Date Agreement signed by all Parties (last date signed)		000/102
Negotiation Period	Commences on the Effective Date and shall terminate one hundred eighty (180) days thereafter As extended, September 24, 2023	Agency may extend the Negotiation Period an additional sixty (60) days without payment by Developer If Developer requests extension, an extension fee of \$5,000 may be required First Amendment extends Negotiation Period sixty (60)	102
Deposit	Within fifteen (15) days of the Effective Date	\$10,000	103
Environmental Reports	Within thirty (30) days of the submission of Deposit by Developer, Agency to provide any reports to Developer		205
Financing	07/30/2023	First Amendment extends deadline - Developer to provide Agency on or before 07/30/2023, with timeline and process to obtain bonding and utilization of IHFA programs	807
Community Outreach			804
Preliminary Parking Data	June 30, 2023	First Amendment extends to June 30, 2023	809
Reuse Appraisal	Must be completed prior to closing on DDA		300
Design Development Plan	Developer to provide Design Development Plan Per DDA		201
Termination Date/Deadline for Developer	One hundred eighty (180) days after the Effective Date.	Unless extension provided First Amendment extends	102

to execute a mutually As extended, September approved 24, 2023	Negotiation Period sixty (60) days	
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<u>4894-6688-4705, v. 6</u>4894-6688-4705, v. 5

EXHIBIT C TO THE ANE Schedule of Performance

Task	Completion Date	Comments	Section Reference
Effective Date	Date Agreement signed by all Parties (last date signed)		000/102
Negotiation Period	Commences on the Effective Date and shall terminate one hundred eighty (180) days thereafter	Agency may extend the Negotiation Period an additional sixty (60) days without payment by Developer	102
	As extended, September 24, 2023	If Developer requests extension, an extension fee of \$5,000 may be required	
		First Amendment extends Negotiation Period sixty (60) days	
Deposit	Within fifteen (15) days of the Effective Date	\$10,000	103
Environmental Reports	Within thirty (30) days of the submission of Deposit by Developer, Agency to provide any reports to Developer		205
Financing	07/30/2023	First Amendment extends deadline - Developer to provide Agency on or before 07/30/2023, with timeline and process to obtain bonding and utilization of IHFA programs	807
Community Outreach			804
Preliminary Parking Data	June 30, 2023	First Amendment extends to June 30, 2023	809
Reuse Appraisal	Must be completed prior to closing on DDA		300
Design Development Plan	Developer to provide Design Development Plan Per DDA		201
Termination Date/Deadline for Developer to execute a	One hundred eighty (180) days after the Effective Date.	Unless extension provided	102
mutually	As extended by First	First Amendment extends	

approved DDA	Amendment, September 24, 2023	Negotiation Period sixty (60) days
	Extended by Second Amendment, November 23, 2023	Second Amendment extends Negotiation Period sixty (60) days

4885-7942-7199, v. 2



Ketchum Urban Renewal Agency

P.O. Box 2315 | 191 5th Street | Ketchum, ID 83340

September 18, 2023

Chair and Commissioners Ketchum Urban Renewal Agency Ketchum, Idaho

RECOMMENDATION TO APPROVE RESOLUTION 23-URA06 AUTHORIZING THE CHAIR TO SIGN REIMBURSEMENT AGREEMENT 50087 BETWEEN THE KURA ND CITY OF KETCHUM

Introduction/History

At the August 21, 2023 meeting the Board agreed to provide funding for two projects proposed by the City. The projects are preparation of the Town Square Master Plan and undergrounding power lines on Highway 75 between Gem Street and Serenade. The KURA would provide partial funding for both projects.

As the Board has done on other projects, staff is recommending the Board enter into a reimbursement agreement with the City memorializing the funding commitment and funding amounts. Staff recommends the Board approve a resolution and agreement. Once the Board has approved the proposed agreement, it will be presented to the City Council for approval.

Projects

Town Square Master Plan

Town Square was commissioned in 2011 and has enjoyed positive and significant use from the community. Several components are at the end of their useful life (water fountain, fireplaces, etc.). Several aspects could also be adjusted to improve functionality and user experience.

The Visitor's Center building lease with Starbucks expires in approximately three years. The lease revenues do not currently cover all operational costs associated with the building. There are also several deferred long-term maintenance items (new roof, logs are pulling away, and upgrade of ADA restrooms).

A competitive request for proposals was solicited from qualified firms to lead a master planning effort. GGLO from Boise was selected based on similar work completed not only in Idaho but the northwest as well. Staff has proposed a three phased effort with significant public engagement and joint meetings with the City Council and URA during each phase. The Board approved participation in a master plan to engage the public to better understand the current level of satisfaction with both Town Square and the Visitor's Center building to

inform both future public investments as well as direction regarding the solicitation of a new lease. The first phase of the public outreach is completed.

The KURA and City will split the planning/design costs 50/50 which are estimated to not exceed \$112,500. It is important to note these are only estimates for total costs and depend on direction given in Phase One. Specifically, if the City Council and KURA prefer a smaller future scope of improvements, Phases Two and Phase Three design costs would reflect that scaled back direction.

The proposed reimbursement agreement commits the KURA to funding an amount not to exceed \$56,250. This amount will only be necessary depending on future direction given a joint meetings of the KURA and City Council.

Undergrounding Power Lines on Highway 75

The city has been coordinating with the Idaho Transportation Department over the last several years regarding the concept design for roadway and pedestrian improvements from Elkhorn to River Street. The new roadway will create sidewalks on both sides of Highway 75 from Serenade to River Street with accompanying dedicated bike lanes.

Currently, there are aerial powerlines from Gem Street south to the Big Wood River bridge. Undergrounding the powerlines from the area where the new sidewalk will be placed (Gem Street to Serenade) is desired which is estimated at \$486,314. In addition, undergrounding the lines from Serenade to the trees before Weyyakin Drive to provide an improved visual entrance into Ketchum (estimated costs \$413,686). The segment between Gem Street and Serenade is in the KURA District, the segment between Serenade and Weyyakin is outside the KURA District.

The KURA agreed to fund the segment of the undergrounding from Gem Street to Serenade, the City will fund the segment from Serenade to Weyyakin. Idaho Power requested entering into a reimbursement agreement with the city that would require a \$200,000 payment by October 31, 2023, and \$800,000 by the same date of 2024. The KURA agreed to fund 50% of the \$200,000 cost and provide the remaining payment by October 31, 2024. The proposed reimbursement agreement reflects this funding approach.

Financial Requirement/Impact

There are sufficient funds to support the KURA contribution towards the Main Street Master Plan (\$56,250), and undergrounding power lines on Main Street (\$100,000 before Oct 31, 2023 and \$386,314 before October 31, 2024).

Recommendation and Motion

Staff Recommends the Board approve the following motion:

"I move to approve Resolution 23-URA06 authorizing the Chair to sign Reimbursement Agreement 50087 with the City of Ketchum."

Attachments: Resolution 23-URA06 and Reimbursement Agreement 50087

BY THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF KETCHUM, IDAHO:

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF KETCHUM, IDAHO, APPROVING THE PLANNING, DESIGN, ENGINEERING, AND CONSTRUCTION REIMBURSEMENT AGREEMENT FOR THE **UTILITY CITY PROJECTS** (MAIN STREET UNDERGROUNDING AND TOWN SQUARE MASTER PLAN) ("REIMBURSEMENT AGREEMENT") BETWEEN THE CITY OF KETCHUM AND THE KETCHUM URBAN RENEWAL AGENCY; AUTHORIZING THE CHAIR OR VICE-CHAIR AND SECRETARY, RESPECTIVELY, TO EXECUTE AND ATTEST SAID REIMBURSEMENT AGREEMENT SUBJECT CERTAIN CONDITIONS: AUTHORIZING THE CHAIR OR VICE-CHAIR AND SECRETARY TO EXECUTE ALL NECESSARY DOCUMENTS REQUIRED TO IMPLEMENT THE REIMBURSEMENT AGREEMENT AND TO MAKE ANY NECESSARY **TECHNICAL CHANGES** TO THE REIMBURSEMENT AGREEMENT SUBJECT TO CERTAIN CONDITIONS, INCLUDING SUBSTANTIVE CHANGES; AND PROVIDING AN EFFECTIVE DATE.

THIS RESOLUTION, made on the date hereinafter set forth by the Urban Renewal Agency of Ketchum, Idaho, also known as the Ketchum Urban Renewal Agency, an independent public body, corporate and politic, authorized under the authority of the Idaho Urban Renewal Law of 1965, Chapter 20, Title 50, Idaho Code, as amended (hereinafter the "Law") and the Local Economic Development Act, Chapter 29, Title 50, Idaho Code, as amended (hereinafter the "Act"), a duly created and functioning urban renewal agency for Ketchum, Idaho, hereinafter referred to as the "Agency."

WHEREAS, the Agency is authorized to undertake and carry out urban renewal projects to eliminate, remedy, or prevent deteriorated or deteriorating areas through redevelopment, rehabilitation, or conservation, or any combination thereof, within its area of operation and is authorized to carry out such projects jointly with the City;

WHEREAS, the City Council, of the city of Ketchum (the "City"), by adoption of Ordinance No. 992 on November 15, 2006, duly adopted the Ketchum Urban Renewal Plan (the "2006 Plan") to be administered by the Agency;

WHEREAS, upon the approval of Ordinance No. 1077 adopted by the City Council on November 15, 2010, and deemed effective on November 24, 2010, the Agency began implementation of the Ketchum Urban Renewal Plan 2010 (the "2010 Plan");

WHEREAS, the 2010 Plan established the Revenue Allocation Area (the "Project Area");

WHEREAS, the 2010 Plan identified improvement to sidewalks, streets, rights-of-way, pedestrian and bicycle access, crosswalks, and safety as important objectives of the 2010 Plan;

WHEREAS, the 2010 Plan and the Project Area terminate November 15, 2030, recognizing the Agency shall receive its allocation of revenues in 2031, pursuant to Idaho Code § 50-2903(7) (the "Termination Date"). Many of the proposed improvements identified in the 2010 Plan have not been completed and continue to suffer from certain deteriorating conditions;

WHEREAS, the City has requested funding participation from the Agency for undergrounding power lines on Highway 75 between Gem Street to Serenade, preparing a master plan for Town Square improvements, and the Rehabilitation of Main Street;

WHEREAS, these street projects will greatly enhance safety and pedestrian access along one of the busiest streets in Ketchum;

WHEREAS, the master plan for Town Square will identify improvements necessary for maintaining and enhancing Town Square, a project originally funded, in part, by the Agency;

WHEREAS, the City received a preliminary estimate for the costs of undergrounding power lines on Highway 75 from Gem Street to Weyyakin Drive from Idaho Power consisting of two hundred thousand dollars (\$200,000) to be paid by October 31, 2023, and eight hundred thousand dollars (\$800,000) to be paid by October 31, 2024;

WHEREAS, the Agency agreed at its Agency Board meeting on August 21, 2023, to fund fifty percent (50%) of the two hundred thousand dollar (\$200,000) cost estimate, for a total of one hundred thousand dollars (\$100,000) for the undergrounding utility work between Gem Street and Serenade, located within the Agency's Project Area by October 31, 2023;

WHEREAS, only a portion of the undergrounding project is within the Project Area. The Agency, at its Agency Board meeting on August 21, 2023, agreed to fund the undergrounding improvements between Gem Street and Serenade for a cost of three hundred eighty six thousand, three hundred fourteen dollars (\$386,314) to be paid by October 31, 2024, for a total Agency funded contribution not to exceed, four hundred eighty-six thousand three hundred fourteen dollars (\$486,314);

WHEREAS, the City issued a request for proposal for preparation of the Town Square Master Plan and selected GGLO to prepare the plan. The total cost of the plan is one hundred twelve thousand, five hundred dollars (\$112,500). The City requested the Agency split the cost of the plan and contribute an amount not too exceed fifty six thousand, two hundred and fifty dollars (\$56,250). The Agency agreed, at its Agency Board meeting on August 21, 2023, to fund fifty percent (50%) of the cost of the Town Square Master Plan that is one hundred twelve thousand, five hundred dollars (\$112,500) for an Agency contribution of fifty six thousand, two hundred fifty dollars (\$56,250);

WHEREAS, the Agency Board finds it in the best interests of the Agency to continue to enhance the development within the Project Area and in the best interests of the public to provide financial support for undergrounding of power lines on Main Street between Gem Street and Serenade, and preparation of a Town Square Master Plan;

WHEREAS, the Agency hereby finds and determines that this Reimbursement Agreement enables them to cooperate to their mutual advantage in a manner that will best accord with the needs and development of the City and the Agency;

WHEREAS, the ability for the City and Agency to cooperate and jointly benefit each other is expressly allowed pursuant to Idaho Code § 50-2015;

WHEREAS, Agency staff has reviewed the Reimbursement Agreement and recommends approval of the Reimbursement Agreement subject to certain conditions;

WHEREAS, the Board of Commissioners finds it in the best public interest to approve the Reimbursement Agreement and to authorize the Chair or Vice-Chair to execute and attest the Reimbursement Agreement, subject to certain conditions, and to execute all necessary documents to implement the transaction, subject to the conditions set forth below.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE BOARD OF COMMISSIONERS OF THE KETCHUM URBAN RENEWAL AGENCY OF THE CITY OF KETCHUM, IDAHO, AS FOLLOWS:

Section 1: That the above statements are true and correct.

<u>Section 2</u>: That the Reimbursement Agreement, attached hereto as Exhibit A, is hereby incorporated herein and made a part hereof by reference and is hereby approved and accepted, recognizing technical changes or corrections which may be required prior to execution of the Reimbursement Agreement.

Section 3: That the Chair or Vice-Chair and Secretary of the Agency are hereby authorized to sign and enter into the Reimbursement Agreement and, further, are hereby authorized to execute all necessary documents required to implement the actions contemplated by the Phase 1 Reimbursement Agreement subject to representations by the Agency staff and Agency legal counsel that all conditions precedent to and any necessary technical changes to the Reimbursement Agreement or other documents are acceptable upon advice from the Agency's legal counsel that said changes are consistent with the provisions of the Reimbursement Agreement and the comments and discussions received at the September 18, 2023, Agency Board meeting, including any substantive changes discussed and approved at that meeting.

<u>Section 4</u>: That this Resolution shall be in full force and effect immediately upon its adoption and approval.

PASSED By the Urban Renewal Agency of Ketchum, Idaho, on September 18, 2023. Signed by the Chair of the Board of Commissioners and attested by the Secretary to the Board of Commissioners, on September 18, 2023.

URBAN RENEWAL AGENCY OF KETCHUM

	Ву	
	Susan Scovell, Chair	
ATTEST:		
Ву		
Secretary		

KURA Agreement 50087 PLANNING, DESIGN, ENGINEERING, AND CONSTRUCTION REIMBURSEMENT AGREEMENT FOR CITY PROJECTS (Main Street Utility Undergrounding, and Town Square Master Plan)

THIS PLANNING, DESIGN, ENGINEERING, AND CONSTRUCTION REIMBURSEMENT AGREEMENT FOR CITY PROJECTS (the "Reimbursement Agreement") is made and entered into this _____ day of ______, 2023, by and between the city of Ketchum, Idaho, a municipal corporation of the state of Idaho (the "City"), and the Urban Renewal Agency of the city of Ketchum, Idaho, also known as the Ketchum Urban Renewal Agency, an independent public body corporate and politic (the "Agency"), individually referred to as "Party" and collectively as the "Parties."

RECITALS

WHEREAS, the Agency is authorized to undertake and carry out urban renewal projects to eliminate, remedy, or prevent deteriorated or deteriorating areas through redevelopment, rehabilitation, or conservation, or any combination thereof, within its area of operation and is authorized to carry out such projects jointly with the City;

WHEREAS, the City Council, of the city of Ketchum (the "City"), by adoption of Ordinance No. 992 on November 15, 2006, duly adopted the Ketchum Urban Renewal Plan (the "2006 Plan") to be administered by the Agency;

WHEREAS, upon the approval of Ordinance No. 1077 adopted by the City Council on November 15, 2010, and deemed effective on November 24, 2010, the Agency began implementation of the Ketchum Urban Renewal Plan 2010 (the "2010 Plan");

WHEREAS, the 2010 Plan established the Revenue Allocation Area (the "Project Area"), which established an area for redevelopment and anticipated improvement projects;

WHEREAS, the 2010 Plan identified improvement to sidewalks, streets, rights-of-way, pedestrian and bicycle access, crosswalks, and safety as important objectives of the 2010 Plan;

WHEREAS, the 2010 Plan and the Project Area terminate November 15, 2030, recognizing the Agency shall receive its allocation of revenues in 2031, pursuant to Idaho Code § 50-2903(7) (the "Termination Date"). Many of the proposed improvements identified in the 2010 Plan have not been completed and continue to suffer from certain deteriorating conditions;

WHEREAS, the City has requested funding participation from the Agency for undergrounding power lines on Highway 75 between Gem Street to Serenade, preparing a master plan for Town Square improvements, and the Rehabilitation of Main Street;

WHEREAS, these street projects will greatly enhance safety and pedestrian access along one of the busiest streets in Ketchum;

WHEREAS, the master plan for Town Square will identify improvements necessary for maintaining and enhancing Town Square, a project originally funded, in part, by the Agency;

WHEREAS, the City received a preliminary estimate for the costs of undergrounding power lines on Highway 75 from Gem Street to Weyyakin Drive from Idaho Power consisting of two hundred thousand (\$200,000) to be paid by October 31, 2023, and eight hundred thousand dollars (\$800,000) to be paid by October 31, 2024, see Exhibit A attached;

WHEREAS, the Agency agreed at its Agency Board meeting on August 21, 2023, to fund fifty percent (50%) of the two hundred thousand dollar (\$200,000) cost estimate, for a total of one hundred thousand dollar (\$100,000) for the undergrounding utility work between Gem Street and Serenade, located within the Agency's Project Area by October 31, 2023;

WHEREAS, only a portion of the undergrounding project is within the Project Area. The Agency, at its Agency Board meeting on August 21, 2023, agreed to fund the undergrounding improvements between Gem Street and Serenade for a cost of three hundred eighty-six thousand, three hundred fourteen dollars (\$386,314) to be paid by October 31, 2024, for a total Agency funded contribution not to exceed, four hundred eighty-six thousand three hundred fourteen dollars (\$486,314).

WHEREAS, the City issued a request for proposal for preparation of the Town Square Master Plan and selected GGLO to prepare the plan. The total cost of the plan is one hundred twelve thousand, five hundred (\$112,500). The City requested the Agency split the cost of the plan and contribute an amount not too exceed fifty-six thousand, two hundred and fifty dollar (\$56,250). The Agency agreed, at its Agency Board meeting on August 21, 2023, to fund fifty percent (50%) of the cost of the Town Square Master Plan that is one hundred twelve thousand, five hundred dollars (\$112,500) for an Agency contribution of fifty six thousand, two hundred fifty dollars (\$56,250);

WHEREAS, the Agency Board finds it in the best interests of the Agency to continue to enhance the development within the Project Area and in the best interests of the public to provide financial support for undergrounding of power lines on Main Street between Gem Street and Serenade, and preparation of a Town Square Master Plan;

WHEREAS, the City and the Agency hereby find and determine that this Reimbursement Agreement enables them to cooperate to their mutual advantage in a manner that will best accord with the needs and development of the City and the Agency;

WHEREAS, the ability for the City and Agency to cooperate and jointly benefit each other is expressly allowed pursuant to Idaho Code § 50-2015;

WHEREAS, in consideration of the payment by the Agency for costs, as more specifically defined in this Reimbursement Agreement, the City hereby agrees to serve and perform as project manager for the final planning, design, engineering, and construction of the Project; said final design to be subject to the review and approval of the Agency.

AGREEMENT

NOW, THEREFORE, in consideration of the provisions contained herein and the recitals set forth above, which are a material part of this Reimbursement Agreement, the Parties agree as follows:

1. **Definitions**. As used in this Reimbursement Agreement, the following words, unless the context dictates otherwise, shall have the following meanings:

Act shall mean collectively the Idaho Urban Renewal Law of 1965, title 50, chapter 20, Idaho Code, as amended and supplemented and the Local Economic Development Act of 1988, title 50, chapter 29, Idaho Code as amended and supplemented.

Board shall mean the Board of Commissioners of the Agency as the same shall be duly and regularly constituted from time to time.

Contract shall mean the contract through which the general contractor is awarded the construction of the Project.

Contractor shall mean the selected general contractor awarded the construction of the Project.

Design Consultant shall mean the selected design firm to prepare the Town Square Master Plan.

Project shall mean the undergrounding of power lines between Gem Street and Serenade in the City of Ketchum.

2. **Recitals and Purpose**

- a. The Parties agree that the foregoing recitals are not mere recitations but are covenants of the Parties, binding upon them as may be appropriate and a portion of the consideration for the agreements contained herein.
- b. The purpose of this Reimbursement Agreement is to provide for the definition of rights, obligations, and responsibilities of the Agency and City regarding the planning, design services, engineering services, project management services, and cost estimating services for this Reimbursement Agreement.
- 3. City Services and Responsibilities for the Undergrounding of Power Lines on Main Street. City agrees to furnish its skill and judgment necessary to carry out the project administration for the Project.

- 3.1 <u>Planning, Design, Engineering, and Construction</u>. City shall oversee Idaho Power's construction management and administration for the Project. updates on the construction of the Project for Agency review and comment.
- 3.3 Project Construction Estimates. City has obtained estimates from Idaho Power for the Project.
- 3.4 <u>Design and Construction</u>. The obligations under this Reimbursement Agreement shall end thirty (30) days after final payment to the Contractor under the Contract has been paid. The City shall:
 - a. Provide administration of the Project in compliance with generally accepted standards recognizing that the Project is a partially Agency funded project with the City providing project oversight.
 - b. Provide necessary project oversight to assure timely progress and process all invoices and payment requests and verify Idaho Power's entitlement to all progress payments or other payments requested by Contractor;
 - e. Receive and hold all certificates of insurance required by the Contract;
 - f. Provide monthly progress reports to Agency either in writing or by presentation to Agency at Agency's Board meetings;
 - h. Maintain all necessary records, documents, drawings, and other related documents normally maintained for a public works project; and
- 3.5 <u>City Contribution</u>. A portion of this Project as described in this Reimbursement Agreement is within the Project Area and is funded through the Agency. The City has budgeted funds for a portion of the work. City shall contribute all funds toward any work or improvements to areas outside the Project Area.
- 4. **City Services and Responsibilities for the Town Square Master Plan.** City, in partnership with the Agency, agrees to manage the Town Square Master Plan project and the Design Consultant necessary to carry out the project administration.
 - 4.1 <u>Planning, and Design.</u> City and Agency shall coordinate hiring of necessary planning and design services for the Town Square Master Plan. City shall provide the Agency with periodic reports and updates on the completion of the final design services, for Agency review and comment, including approval of the final design of the Project.
 - 4.2 <u>City and Agency Contribution</u>. The Town Square Master Plan as described in this Reimbursement Agreement, relates to the first phase of the Town Square Master Plan, consisting of planning and design services which are within the Project Area and is

funded fifty percent (50%) by the Agency and fifty percent (50%) by the City. The City has budgeted funds for a portion of the work. City shall contribute all funds toward any work or improvements to areas outside the Project Area.

- 5. **Agency and City Obligations**. The purpose of this Reimbursement Agreement is to provide for the definition of rights, obligations, and responsibilities of the Agency and City regarding the Project.
- 6. **Effective Date**. This Reimbursement Agreement shall be effective upon execution of the Reimbursement Agreement by Agency's Chairman of the Board of Commissioners and the Mayor of the City and/or the City Administrator, as the case may be, the effective date being the date of last signature.

7. **Method of Reimbursement.**

- a. Project Costs. As consideration for the public improvement and value of the Project set forth above, the Agency shall pay the City one hundred thousand dollars (\$100,000) by October 31, 2023, and three hundred eighty-six thousand three hundred fourteen dollars (\$386,314) before October 31, 2024, toward the Project cost estimate provided by Idaho Power. For a total funding contribution by the Agency, not to exceed four hundred eighty-six thousand three hundred fourteen dollars (\$486,314) All project costs related to areas outside of the Project Area will be borne by the City.
- b. Town Square Master Plan. As consideration for the public improvement and value of the Project set forth above for the Town Square Master Plan, the Agency shall fund fifty (50%) of the cost estimate of the Town Square Master Plan phase 1, consisting of planning and design services. Agency's funding contribution to the City will not exceed fifty-six thousand, two hundred fifty dollars (\$56,250).

In order to provide sufficient documentation to ensure compliance, the City shall provide the Agency with the following information in reimbursement invoices and in a final invoice upon completion of the Project and the Town Square Master Plan:

- a. requests for payment for billing invoices received for work related to the Project and Town Square Master Plan with sufficient documentation to ensure accuracy;
- c. certification by the City that the costs incurred for services are consistent with the scope of the Project and the Town Square Master Plan; and
- d. monthly reports on the Town Square Master Plan and Project status as described above.

Upon receipt and approval of the reimbursement invoice, Agency shall remit payment to City for all approved amounts within forty-five (45) days of Agency's receipt of an invoice or

payment request. If Agency disputes any amount, Agency shall pay the undisputed amount within forty-five (45) days and reasonably cooperate with City to resolve the disputed amount. City shall include this payment process within the Contract with the selected contractor.

7. **Records Project Costs.** Costs pertaining to the Project shall be kept on the basis of generally accepted accounting principles and shall be available to the Agency or the Agency's authorized representative at mutually convenient times.

8. **Insurance**.

- The City (either itself, Idaho Power, or the selected Contractor) shall a. purchase and maintain, for the benefit of the City and the Agency, insurance for protection from claims under the worker's compensation law of the state of Idaho arising from work performed on the Project and the Town Square Master Plan; claims for damages because of bodily injury, including personal injury, sickness, disease, or death of any of the City's employees or of any person while working on the Project and the Town Square Master Plan; claims for damages because of injury to or destruction or loss of use of tangible property as a result of work on the Project; and claims arising out of the performance of this Reimbursement Agreement and caused by negligent acts for which the City is legally liable. The terms and limits of liability shall be determined solely by the City, and nothing herein shall be construed as any waiver of any claim or defense by the City or the Agency premised upon any claim of sovereign immunity or arising from the Idaho Tort Claims Act. The amount of insurance shall be in the amounts set forth in the Idaho Tort Claims Act.
- b. The City shall also purchase and maintain for the benefit of the City and Agency property damage insurance for any property damage to the Project, the Town Square Master Plan, or other property owned by the City.
- 9. **Indemnity.** Only to the extent permitted by Idaho law, the City shall defend, indemnify, and hold Agency and their respective officers, agents, and employees harmless from and against all liabilities, obligations, damages, penalties, claims, costs, charges, and expenses, including reasonable planning, design and engineering fees, and attorney fees (collectively referred to in this section as "Claim"), which may be imposed upon or incurred by or asserted against Agency or its respective officers, agents, and employees relating to the planning, design, and engineering of the Project or otherwise arising out of this Reimbursement Agreement. In the event an action or proceeding is brought against Agency or their respective officers, agents, and employees by reason of any such Claim, City, upon written notice from Agency, shall, at City's expense, resist or defend such action or proceeding.

Notwithstanding the foregoing, City shall have no obligation to indemnify and hold Agency and its respective officers, agents, and employees harmless from and against any matter to the extent it arises from the negligence or willful act of Agency or its respective officers, agents, or employees or from conduct resulting in an award of punitive damages against Agency.

- 10. **Amendment**. This entire Reimbursement Agreement may be amended at any time and from time to time by the mutual written consent of the City and the Agency.
- 11. **Severability**. In the event any provision of this Reimbursement Agreement shall be declared by a court of competent jurisdiction to be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.
- 12. **Notice**. Any and all notices required to be given by either of the Parties hereto, unless otherwise stated in this Reimbursement Agreement, shall be in writing and be deemed communicated when mailed in the United States mail, certified, return receipt requested, addressed as follows:

To Agency:
Susan Scovell, Chair
City of Ketchum
Ketchum Urban Renewal Agency
P.O. Box 2315
Retchum, ID 83340
Ketchum, ID 83340

- 13. **Non-Waiver**. Failure of either Party to exercise any of the rights under this Reimbursement Agreement, or breach thereof, shall not be deemed to be a waiver of such right or a waiver of any subsequent breach.
- 14. **Choice of Law**. Any dispute under this Reimbursement Agreement, or related to this Reimbursement Agreement, shall be decided in accordance with the laws of the state of Idaho.
- 15. **Attorney Fees**. Should any litigation be commenced between the Parties hereto concerning this Reimbursement Agreement, the prevailing Party shall be entitled, in addition to any other relief as may be granted, to costs and reasonable attorneys' fees as determined by a court or arbitrator of competent jurisdiction. This provision shall be deemed to be a separate contract between the Parties and shall survive any default, termination, or forfeiture of this Reimbursement Agreement.
- 16. **Authority to Execute**. Agency and City have duly authorized and have full power and authority to execute this Reimbursement Agreement.
- 17. **Assignment**. It is expressly agreed and understood by the Parties hereto that the City shall not have the right to assign, transfer, hypothecate, or sell any of its rights under this Reimbursement Agreement except upon the prior express written consent of Agency.
- 18. **Disputes**. In the event that a dispute arises between Agency and City regarding application or interpretation of any provision of this Reimbursement Agreement, the aggrieved Party shall promptly notify the other Party to this Reimbursement Agreement of the dispute within ten (10) days after such dispute arises. If the Parties shall have failed to resolve the dispute within

thirty (30) days after delivery of such notice, each Party shall have the right to pursue any rights or remedies it may have at law or in equity.

19. Anti-Boycott Against Israel Certification.

City and Agency hereby certify pursuant to Section 67-2346, Idaho Code, they are not currently engaged in, and will not for the duration of this Agreement, knowingly engage in, a boycott of goods or services from Israel or territories under its control.

20. Government of China Owned Companies Prohibited

The Developer is not currently owned or operated by the government of China and will not for the duration of this Agreement be owned or operated by the government of China.

21. **Entire Agreement**. This Reimbursement Agreement along with any and all exhibits attached hereto and incorporated herein by reference contains and integrates all of the terms and conditions mentioned herein or incidental hereto and supersedes all negotiations or previous agreements between the Parties with respect to all or any part of the Project.

IN WITNESS WHEREOF, the Parties hereto, through their respective governing boards, have executed this Reimbursement Agreement on the date first cited above.

CITY OF KETCHUM

	By
ATTEST:	Neil Bradshaw, Mayor
City Clerk	
KETCHUM URBAN RENEWAL AGENCY	
By Susan Scovell, Chair	
ATTEST:	
Secretary	

Exhibit A

Idaho Power Estimate

Idaho Power Cost Estimates

Option 1: Gem Street to south of proposed round about at Serenade Ln: \$486,314

Option2: Gem Street to south of Weyyakin Drive: \$900,000