

CAPITAL CITY DEVELOPMENT CORPORATION  
Board of Commissioners Meeting  
Conference Room, Fifth Floor, 121 N. 9th Street  
August 10, 2015 12:00 p.m.

A G E N D A

- I. **CALL TO ORDER**.....Vice-Chair Zuckerman
- II. **AGENDA CHANGES/ADDITIONS**.....Vice-Chair Zuckerman

III. **CONSENT AGENDA**

- A. Minutes and Reports
  - 1. Approval of Meeting Minutes from July 13, 2015

IV. **ACTION ITEM**

- A. CONSIDER: Resolution 1396 The Roost Type 3 Agreement (10 minutes).....Shellan Rodriguez
- B. CONSIDER: Resolution 1397 620 S 9<sup>th</sup> DDA Extension (5 minutes).....Shellan Rodriguez
- C. CONSIDER: Resolution 1395 Proposed Fund Balance Policy Amendment (5 minutes)  
.....Ross Borden
- D. CONSIDER: Proposed FY 2015 Amended Budget (10 minutes).....Ross Borden
- E. CONSIDER: Proposed FY 2016 Original Budget (10 minutes).....Ross Borden
- F. CONSIDER: Capital Improvement Plan (10 minutes).....Todd Bunderson
- G. CONSIDER: CCDC Office Lease (5 minutes).....Ross Borden
- H. CONSIDER: Technical amendments to Courthouse Corridor Leases re Bond Redemption  
(5 minutes).....Ross Borden
- I. CONSIDER: Resolution 1398 \$5 million Central District Bond Term Sheet and Rate Lock  
Agreement (5 minutes).....Ross Borden

V. **INFORMATION/DISCUSSION ITEMS**

- A. The Grove Plaza, Renovation Design Concepts (20 minutes).....Doug Woodruff
- B. Broad Street Design Concepts (20 minutes).....Doug Woodruff
- C. Operations Report (5 minutes).....John Brunelle

VII. **ADJOURN**

*This meeting is being conducted in a location accessible to those with physical disabilities. Participants may request reasonable accommodations, including but not limited to a language interpreter, from CCDC to facilitate their participation in the meeting. For assistance with accommodation, contact CCDC at 121 N. 9th St, Suite 501 or (208) 384-4264 (TTY Relay 1-800-377-3529)*

MINUTES OF REGULAR MEETING  
BOARD OF COMMISSIONERS  
CAPITAL CITY DEVELOPMENT CORPORATION  
121 N. 9th St., Conference Room  
Boise, ID 83702  
July 13, 2015 12:00 p.m.

**I. CALL TO ORDER:** Chairman Hale convened the meeting with a quorum at 12:05 p.m.

Present were: Commissioner Dana Zuckerman, Commissioner John Hale, Commissioner David Bieter, Commissioner Stacy Pearson, and Commissioner David Eberle, Commissioner Lauren McLean, and Commissioner Pat Shalz. Commissioner Ryan Woodings was absent.

Agency staff members present were: John Brunelle, Executive Director; Todd Bunderson, Development Director; Max Clark, Parking and Facilities Director; Ross Borden, Finance Director; Ben Houpt, Project Coordinator; Pam Sheldon, Contracts Specialist; Joey Chen, Controller; Kevin Martin, Accountant; Mary Watson, Contracts Manager; Doug Woodruff, Project Manager; Shellan Rodriguez, Project Manager; Matt Edmond, Project Manager; Karl Woods, Project Manager; Peggy Breski, Contracts Specialist; Project Specialist, Laura Williams; Deah LaFollette, Executive Assistant. Also present was Agency legal counsel, Ryan Armbruster.

**II. CONSIDER: Changes, Modification, or Addition to the Agenda:**

There were no changes to the agenda.

**III. CONSENT AGENDA:**

Commissioner Zuckerman moved to approve the Consent Agenda. Commissioner Eberle seconded the motion.

All said Aye. The motion carried 7-0.

The Consent Agenda consisted of the following actions:

- A. Expenses
  - 1. Approval of Paid Invoice Report – June 2015
- B. Minutes and Reports
  - 1. Approval of Meeting Minutes from June 8, 2015
- C. Other
  - 1. Adopt Resolution #1393 Records Disposition

**IV. ACTION ITEMS:**

**A. CONSIDER: Resolution 1394 Approving Contract Award for 2015 Westside District Streetscapes Project**

Mary Watson, CCDC Contracts Manager, gave a report.

Commissioner Zuckerman moved to adopt Resolution No. 1394 awarding the construction contract for the 2015 Westside District Streetscape Project to Guho Corp. for the Bid amount of \$ 696,000.00 and authorizing the Executive Director to take all necessary steps to negotiate and execute the contract, and to expend funds as set forth in the resolution. Commissioner Eberle seconded the motion.

All said Aye. The motion carried 7-1.

#### **B. CONSIDER: T2 and T4 Designation for Inn at 500 Capitol**

Shellan Rodriguez, CCDC Project Manager, gave a report.

Commissioner Zuckerman moved to designate this project as a Type 2 General Assistance Participation Agreement and a Type 4 Public-Private Coordination Participation Agreement and to direct staff to continue negotiations of a Parking Reservation Agreement to assist The Inn at 500 Capitol. Commissioner Eberle seconded the motion.

All said Aye. The motion carried 7-1.

#### **C. CONSIDER: Written application to appear as amicus curiae (friend of the court) in the Auditorium District appeal, Docket No. 43074, pending before the Idaho Supreme Court**

John Brunelle, CCDC Executive Director, and Ryan Armbruster, Agency legal counsel, gave reports.

Commissioner Zuckerman moved to approve that the agency join as friend of the court in the case. Commissioner Eberle seconded the motion.

All said Aye. The motion carried 7-1.

#### **D. CONSIDER: Bank of America Term Loan**

Ross Borden, CCDC Finance Director, gave a report.

Commissioner Zuckerman moved to authorize staff to continue negotiating terms for a Not to Exceed \$5 million Term Loan with Bank of America for projects in the Central District. The expectation is the Board will formally consider a Resolution in August containing the final Term Loan agreement. Commissioner Eberle seconded the motion.

All said Aye. The motion carried 7-1.

### **V. INFORMATION/DISCUSSION ITEMS**

#### **A. Ada county Courthouse Bond Redemption/Pay Off**

Ross Borden, CCDC Finance Director, gave a report.

#### **B. The Roost**

Shellan Rodriguez, CCDC Project Manager, gave a report.

### **C. Presentation of Downtown Boise Hotel Market Study**

Matt Brookshier, City of Boise, gave a report.

### **D. Boise Centre Concourse Design**

Pat Rice, Boise Centre, gave a report.

### **E. Operations Report**

John Brunelle, CCDC Executive Director, gave a report.

### **VI. EXECUTIVE SESSION:**

A motion was made by Commissioner Zuckerman to go into an executive session at 2:05 p.m. to deliberate regarding acquisition of an interest in real property which is not owned by a public agency [Idaho Code 74-206(1)(c)] and to communicate with legal counsel for the public agency to discuss the legal ramifications of and legal options for pending litigation, or controversies not yet being litigated but imminently likely to be litigated [Idaho Code 74-206(1)(f)]. Commissioner Eberle seconded the motion. A roll call vote was taken;

Commissioner Eberle; Aye  
Commissioner Zuckerman; Aye  
Commissioner Hale; Aye  
Commissioner Shalz; Aye  
Commissioner Pearson; Aye  
Commissioner McLean; Aye  
Commissioner Bieter; Aye

All said Aye. The motion carried 7-0.

Communications ensued to communicate with legal counsel for the public agency to discuss the legal ramifications of and legal options for pending litigation, or controversies not yet being litigated but imminently likely to be litigated. Communications ensued to discuss acquisition of real property which is not owned by a public agency.

Commissioner Zuckerman left the meeting at 2:25 p.m.

### **EXECUTIVE SESSION ADJOURNMENT:**

A motion was made by Commissioner Eberle to adjourn executive session at 2:48 p.m. and return to the public meeting. Commissioner McLean seconded the motion. A roll call vote was taken;

Commissioner Eberle; Aye  
Commissioner Hale; Aye  
Commissioner Shalz; Aye  
Commissioner Pearson; Aye  
Commissioner McLean; Aye  
Commissioner Bieter; Aye

All said Aye. The motion carried 6-0.

**VII. ADJOURNMENT:**

There being no further business to come before the Board, a motion was made by Commissioner Eberle to adjourn the meeting. Commissioner McLean seconded the motion.

All said Aye.

The meeting was adjourned at 2:50 p.m.

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ADOPTED BY THE BOARD OF DIRECTORS OF THE CAPITAL CITY DEVELOPMENT CORPORATION ON THE \_\_\_\_ day of \_\_\_\_\_, 2015.

\_\_\_\_\_  
John Hale, Chair

\_\_\_\_\_  
Pat Shalz, Secretary



**AGENDA BILL**

<b>Agenda Subject:</b> Resolution No. 1396, Approval of Type 3 Agreement Special Assistance Participation Agreement and associated Purchase and Sale Agreement, regarding the property located on the SWC of 5 <sup>th</sup> and Broad Street.		<b>Date:</b>  8//10/2015
<b>Staff Contact:</b> Shellan Rodriguez	<b>Attachments:</b> 1- Resolution No. 1396 2- Type 3 Special Assistance Participation Agreement with attached Purchase and Sale Agreement	
<b>Action Requested:</b> Adopt Resolution No. 1396 approving and authorizing the execution of the Type 3 Special Assistance Participation Agreement as well as the Purchase and Sale Agreement for the property located on the SWC of 5 <sup>th</sup> and Broad.		

**Background:**

*Project Summary:*

The Roost is a 163-unit market rate apartment project slated to begin construction as early as this fall. The project will bring approximately 200 residents to Downtown’s LIV District as well as nearly 4,000 s.f. of retail space. It is adjacent to Boise Brewing, across the Street from Concordia Law School as well as in close proximity to multiple services (grocery, coffee, bars and restaurants). The building program includes 2 floors of parking and 5 floors of apartment units.

*August 2014* - Local Construct approached CCDC and introduced the apartment project in hopes of working with CCDC. The developers have since purchased the subject property, purchased adjacent properties, hired a local construction manager, set up a Boise office, and have worked to preserve and move some of homes that were previously on the subject site.

*February 2015* - CCDC Board of Commissioners designated the project as a Type 3 Special Assistance Participation Project based on the conditional letter of intent. The letter of intent was non-binding and committed an estimated \$3,000,000 towards the project for predevelopment, public improvements and purchase of a public parking garage. This project is one of the first housing projects of its kind in Downtown, it’s larger and will bring many residents to downtown, it is well located in the LIV District, an area that both the City and the CCDC are heavily invested in.

*July 2015* – CCDC Board of Commissioners received an update on The Roost and the progress made to date by the Developers. The findings of CCDCs downtown housing study support this

type of project and third party due diligence was completed that generally supports this investment. Downtown Housing is a priority of the City of Boise and CCDC as it leads to stronger investment in Downtown. Additionally, CCDC has generally encouraged additional public parking in developing areas of Downtown, such as the LIV District. CCDC Staff has met regularly with Local Construct and their design team to review the parking garage plan. CCDC's parking consultants have provided initial design review guidance memo that Local Construct's team is working on addressing.

**Fiscal Notes:**

The project includes reimbursement/or payment of eligible public improvement, predevelopment and public parking purchase expenses not to exceed \$3,240,000. This includes approximately \$82,000 in historic preservation effort, \$568,000 in public improvement costs, and the purchase of no less than 89 public parking spaces for approximately \$2,600,000. As a requirement of the Purchase and Sale the Developer will retain an Option to Purchase and a Right of First Refusal.

The public improvement and predevelopment reimbursement and the purchase will occur upon project completion and approval of improvements. This is expected to be early 2017.

**Staff Recommendation:**

Approve and authorize staff to execute the T3 Agreement Special Assistance Participation Agreement and associated Purchase and Sale Agreement regarding The Roost property.

**Suggested Motion:**

I move to adopt Resolution No. 1396 Approval of T3 Agreement Special Assistance Participation Agreement and Purchase and Sale Agreement regarding the property located on the SWC of 5<sup>th</sup> and Broad Street

**RESOLUTION NO. 1396**

BY THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF BOISE CITY, IDAHO:

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF BOISE CITY, IDAHO, APPROVING THE PURCHASE AND SALE AGREEMENT BETWEEN THE AGENCY AND ROOST PROJECT, LLC, FOR THE ACQUISITION OF A CONDOMINIUM UNIT IN THE TO BE CONSTRUCTED ROOST CONDOMINIUM PROJECT, SUCH UNIT TO BE A PUBLIC PARKING GARAGE; APPROVING A TYPE 3 PARTICIPATION AGREEMENT BETWEEN THE AGENCY AND ROOST PROJECT, LLC, OR PUBLIC IMPROVEMENTS RELATED TO THE CONSTRUCTION OF THE ROOST CONDOMINIUM PROJECT; AUTHORIZING THE CHAIRMAN, VICE-CHAIRMAN, OR EXECUTIVE DIRECTOR TO EXECUTE THE AGREEMENTS AND ANY NECESSARY DOCUMENTS OR AGREEMENTS, SUBJECT TO CERTAIN CONTINGENCIES; AUTHORIZING ANY TECHNICAL CORRECTIONS TO THE AGREEMENTS; AND PROVIDING AN EFFECTIVE DATE.

THIS RESOLUTION is made on the date hereinafter set forth by the Urban Renewal Agency of Boise City, 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, a duly created and functioning urban renewal agency for Boise City, Idaho (hereinafter referred to as the "Agency");

WHEREAS, the Agency, a public body, corporate and politic, is an urban renewal agency created by and existing under the authority of and pursuant to the Idaho Urban Renewal Law of 1965, being Idaho Code, Title 50, Chapter 20, and the Local Economic Development Act, being Idaho Code, Title 50, Chapter 29, as amended and supplemented for the purpose of financing the undertaking of any urban renewal project (collectively the "Act");

WHEREAS, the City of Boise, Idaho (the "City"), after notice duly published, conducted a public hearing on the River Street-Myrtle Street Urban Renewal Plan (the "River Street Plan");

WHEREAS, following said public hearing, the City adopted its Ordinance No. 5596 on December 6, 1994, approving the River Street Plan and making certain findings;

WHEREAS, the City, after notice duly published, conducted a public hearing on the First Amended and Restated Urban Renewal Plan, River Street-Myrtle Street Urban Renewal Project (annexation of the Old Boise Eastside Study Area and Several Minor Parcels) and Renamed River Myrtle-Old Boise Urban Renewal Project (the "River Myrtle-Old Boise Plan");



WHEREAS, following said public hearing, the City adopted its Ordinance No. 6362 on November 30, 2004, approving the River Myrtle-Old Boise Plan and making certain findings;

WHEREAS, Roost Project, LLC (“Roost”), owns or controls certain real property (the “Site”) located in the River Myrtle-Old Boise Urban Renewal District (“River Myrtle District”), as created by the River Myrtle-Old Boise Plan.

WHEREAS, Roost intends to construct a "for rent, market rate" residential apartment complex consisting of: approximately 163 studio, one, and two bedroom apartment units; approximately 189 structured parking spaces; and approximately 4,000 s.f. of first floor retail space within the Site (the “Project”). The Project is a seven (7) story building with the first floor serving as structured automobile parking and retail space, the second floor as structured automobile parking, and floors three through seven for apartment use.

WHEREAS, the Agency has in place a Participation Program which includes Type 3 – Special Assistance Program under which the Agency provides assistance towards larger transformative public or private projects;

WHEREAS, the Project fits within the definition of a Type 3 Project as defined in the Agency’s Participation Program

WHEREAS, the Agency has determined that it is in the public interest to enter into a Type 3 Participation Program Agreement (“Agreement”) with Roost whereby Roost will construct the Project and the Agency will reimburse Roost for constructing specified public improvements as specified in the Agreement;

WHEREAS, attached hereto as Attachment 1, and incorporated herein as if set forth in full, is the Type 3 Participation Agreement with Roost, and exhibits thereto (collectively the “Agreement”);

WHEREAS, the exhibits to the Agreement (which contain cost estimates for the Public Improvements, as defined in the Agreement, and a preliminary rendering of the Project, among other exhibits) have not been finalized;

WHEREAS, because the Agreement sets a maximum reimbursement amount of \$650,000 and the Agreement requires the reimbursable public improvements conform with the applicable streetscape standards adopted by the Agency and the City, the Agency deems it appropriate to delegate to the Executive Director of the Agency the power to approve the exhibits for the final Agreement;

WHEREAS, the Agency deems it appropriate to approve the Agreement, subject to the Executive Director’s negotiation of the exhibits; and

WHEREAS, the Board of Commissioners finds it in the best public interest to approve the Agreement and to authorize the Chairman, Vice-Chairman or Executive Director to execute the Agreement;

WHEREAS, as part of the Project, Roost will create a condominium regime for the Project in which the first floor parking garage (approximately eighty-nine (89) parking spaces) will be a separate condominium unit;

WHEREAS, Roost and the Agency have negotiated an agreement (the "Purchase and Sale Agreement"), attached hereto as Exhibit E to the Agreement (Attachment 1 to this Resolution), and incorporated herein as if set forth in full, whereby the Agency shall purchase the first floor parking garage ("CCDC Garage Unit") for Two Million Five Hundred Ninety Thousand Dollars (\$2,590,000.00);

WHEREAS, the Purchase and Sale Agreement provides for the Agency's approval of the final design plans for the CCDC Garage Unit and the condominium declarations prior to closing and an option to re-purchase the CCDC Garage Unit and right of first refusal;

WHEREAS, the Agency deems it appropriate to approve the Purchase and Sale Agreement; and

WHEREAS, the Board of Commissioners finds it in the best public interest to approve the Purchase and Sale Agreement and to authorize the Chairman, Vice-Chairman or Executive Director to execute the Purchase and Sale Agreement;

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

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

Section 2: That the Agreement, a copy of which is attached hereto as Attachment 1, and incorporated herein by reference, be and the same hereby is approved.

Section 3: That the Chairman, Vice-Chairman, or Executive Director of the Agency are hereby authorized to finalize the exhibits to the Agreement, sign and enter into the Agreement, and to execute all necessary documents required to implement the actions contemplated by the Agreement, subject to representations by the Agency staff and the Agency legal counsel that all conditions precedent to such actions have been met; and further, any necessary technical changes to the Agreement or other documents are acceptable, upon advice from the Agency's legal counsel that said changes are consistent with the provisions of the Agreement and the comments and discussions received at the August 10, 2015, Agency Board meeting; the Agency is further authorized to appropriate any and all funds contemplated by the Agreement and to perform any and all other duties required pursuant to said Agreement.

Section 4: That the Purchase and Sale Agreement, a copy of which is attached hereto as Exhibit E to the Agreement (Attachment 1 to this Resolution), and incorporated herein by reference, be and the same hereby is approved.

Section 5: That the Chairman, Vice-Chairman, or Executive Director of the Agency

are hereby authorized to enter into the Purchase and Sale Agreement, and to execute all necessary documents required to implement the actions contemplated by the Purchase and Sale Agreement, including execution of the Option to Purchase and Right of First Refusal, subject to representations by the Agency staff and the Agency legal counsel that all conditions precedent to such actions have been met; and further, any necessary technical changes to the Agreement or other documents are acceptable, upon advice from the Agency's legal counsel that said changes are consistent with the provisions of the Agreement and the comments and discussions received at the August 10, 2015, Agency Board meeting; the Agency is further authorized to appropriate any and all funds contemplated by the Purchase and Sale Agreement and to perform any and all other duties required pursuant to said Purchase and Sale Agreement.

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

PASSED by the Urban Renewal Agency of Boise City, Idaho, on August 10, 2015.  
Signed by the Chairman of the Board of Commissioners, and attested by the Secretary to the Board of Commissioners, on August 10, 2015.

APPROVED:

By \_\_\_\_\_  
Chairman

ATTEST:  
By \_\_\_\_\_  
Secretary

**TYPE 3 SPECIAL ASSISTANCE PARTICIPATION AGREEMENT**

**BY AND BETWEEN**

**THE CAPITAL CITY DEVELOPMENT CORPORATION**

**AND**

**THE ROOST PROJECT, LLC  
ROOST APARTMENT PROJECT**

## **TYPE 3 SPECIAL ASSISTANCE PARTICIPATION AGREEMENT**

**THIS TYPE 3 SPECIAL ASSISTANCE PARTICIPATION AGREEMENT (“Agreement”) is entered into by and between the CAPITAL CITY DEVELOPMENT CORPORATION (the “Agency” or “CCDC”) and The Roost Project, LLC, a California limited liability company qualified to do business in Idaho, and/or assigns (the “Participant”), collectively the “Parties.”**

### **RECITALS AND BACKGROUND INFORMATION**

Agency, an independent public body, corporate and politic, is an urban renewal agency created by and existing under the authority of and pursuant to the Idaho Urban Renewal Law of 1965, being Idaho Code, Title 50, Chapter 20, and the Local Economic Development Act, being Idaho Code, Title 50, Chapter 29, as amended and supplemented (collectively the "Act");

Participant owns or controls certain real property located in downtown Boise, Idaho which is more accurately described and depicted on attached Exhibit A (the “Site”).

Participant intends to construct a "for rent, market rate" residential apartment complex consisting of: approximately 163 studio, one, and two bedroom apartment units; approximately 189 structured parking spaces; and approximately 4,000 s.f. of first floor retail space within the Site (the “Project”). The Project is a seven (7) story building with the first floor serving as structured automobile parking and retail space, the second floor as structured automobile parking, and floors three through seven for apartment use. The Project is conceptually depicted on attached Exhibit B, however, the Parties understand and agree that the Project as depicted on Exhibit B is subject to change after final planning and design. The Project also includes the Public Improvements which are described and depicted on attached Exhibit C and Exhibit D.

The Project is located in the River Myrtle-Old Boise Urban Renewal District (“River Myrtle District”), as created by the First Amended and Restated Urban Renewal Plan, River Street-Myrtle Street Urban Renewal Project (the “Plan”). The Project will contribute to enhancing and revitalizing the River Myrtle District.

The Project will generate revenue allocation proceeds to Agency.

Agency has been asked to assist with the Project consistent with Agency’s Participation Program (the “Participation Program”) adopted by Agency on March 11, 2013, as subsequently amended.

Agency and Participant have negotiated the terms and conditions of Agency’s participation in the Project.

Under the terms of the Plan, Participant will be subject to the provisions of the Plan, which provisions grant to Agency the right to enter into an agreement with property owners who seek assistance from Agency.

As a result of the proposed participation by Agency, the Project will be enhanced and economically viable.

Participant intends to construct the Project in conformance with the River Myrtle Plan.

Under the provisions of the Plan and the Participation Program duly adopted by the Agency Board, Agency may participate in the funding of certain improvements subject to the conditions set forth in the Plan.

As a result of Participant's commitment to proceed with the construction of the Project, Participant's commitment to comply with the terms of the Plan, and Agency's commitment to reimburse Participant in compliance with the Plan and the Participation Program, the Parties desire to enter into this Agreement to formally define their respective obligations.

In conjunction with its obligations under this Agreement, Agency has agreed to purchase a condominium unit in the Project, such unit being the ground floor of the parking garage in the Project (the "Agency Parking Unit"), as further detailed in the Purchase and Sale Agreement attached hereto as Exhibit E. The Agency Parking Unit shall be used by Agency for public parking to serve the Project and the surrounding businesses and residences and transform the nature of the surrounding area. Agency considers the Project to be a "transformative project" as defined in the Participation Program.

In order to maximize the benefit to CCDC and the public and as an additional contribution by CCDC in light of the overall public benefit being provided by the Project, CCDC, as set forth in this Agreement, agrees to reimburse Participant for the construction of certain streetscape improvements to the block faces in the public right-of-way adjacent to the Site and construction of certain other right of way and public and utility service improvements described and depicted on Exhibit C and Exhibit D attached hereto (collectively referred to hereafter as the "Public Improvements").

By entering into this Agreement and complying with its terms, Agency finds that, as to the Site, Participant will comply with the provisions and requirements of the Plan, subject to satisfaction of all the conditions and requirements set forth herein, and that the Project will provide the public benefits set forth herein.

## AGREEMENTS

NOW, THEREFORE, in consideration of the above recitals, which are incorporated into this Agreement; the mutual covenants contained herein; and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. **Effective Date.** The “Effective Date” of this Agreement shall be the date when this Agreement has been signed by the Parties (last date signed) and shall continue until all obligations of each Party are complete. Provided, if Participant has not completed construction of the Project and the Public Improvements by December 1, 2017, Agency may, in its sole discretion, deem Participant to be in default and, subject to Section 22 below, terminate this Agreement without penalty. Notwithstanding the foregoing, if Participant is making substantial progress toward completion of the Project and the Public Improvements, the above date may be extended by Participant for an additional one hundred eighty (180) day period.

2. **Subject of Agreement.**

A. **Recitals and Background Information, Purpose of This Agreement, and Interest**

The Parties agree that the foregoing recitals and background information 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. The mutual consideration and covenants contained herein are intended to achieve the objectives and obligations of both Parties. Agency’s commitment herein is intended to comply with Agency’s authority under the Law and the River Myrtle Plan and is intended to constitute an expenditure of Agency funds for a public purpose and not be deemed a gift or donation of public funds.

The purpose of this Agreement is to effectuate the Plan by providing for Public Improvements that will be funded by Agency.

The completion of the Public Improvements as part of the Project pursuant to this Agreement and the fulfillment generally of this Agreement are in the vital and best interests of City and the health, safety, and welfare of its residents and are in accordance with the public purposes and provisions of applicable federal, state, and local laws and requirements. Implementation of this Agreement will further the goals and objectives of the Plan.

B. The Plan

This Agreement is subject to the provisions of the River Myrtle Plan, as duly amended.

C. The Project Area

The River Myrtle Project Area is located in the City, the exact boundaries of which are specifically described in the River Myrtle Plan.

D. The Site

The Site is that portion of the Project Area more particularly described and depicted in Exhibit A, which is attached hereto and incorporated herein by reference.

E. The City

The term City as used herein shall be the City of Boise City, Idaho.

F. Parties to This Agreement

i. Agency

Agency is an independent public body, corporate and politic, exercising governmental functions and powers and organized and existing under the Idaho Urban Renewal Law of the State of Idaho, Title 50, Chapter 20, Idaho Code, and the Local Economic Development Act, Title 50, Chapter 29, Idaho Code. The office of Agency is located at 121 N. 9th Street, Ste. 501, Boise, Idaho 83702. "Agency," as used in this Agreement, includes the Capital City Development Corporation and any assignee of or successor to its rights, powers, and responsibilities.

ii. Participant

Participant is The Roost Project, LLC, a California limited liability company qualified to do business in Idaho. The principal address of Participant is 3112 Los Feliz Blvd, Los Angeles, CA, 90039. Whenever the term "Participant" is used herein, such term shall include any permitted nominee, assignee, or successor in interest as herein provided. Participant qualifies as an "owner participant" or "participant" as those terms are used in the Plan.



G. The Private Development

The portion of the Project which is for private use, and excluding the Public Improvements, shall be referred to herein as the "Private Development".

The current total assessed value of the Site, as determined by the Ada County Assessor's Office, is SEVEN HUNDRED TWENTY SEVEN THOUSAND TWO HUNDRED DOLLARS (\$914,600) for tax year 2015.

For purposes of this Agreement, Participant estimates the total assessed value of the Project upon completion will be at least TWENTY SEVEN MILLION DOLLARS (\$27,000,000) (the "Estimated Value").

The Project and any construction of additional structures upon the Site by Participant, its successors, assigns, or purchasers of the Site or any portion of the Site, shall comply with all the provisions of the Plan and all applicable City building and zoning ordinances.

H. City Agreements and Approvals

"City Agreements and Approvals" shall mean any agreements concerning the Site between Participant and City concerning, among other things, any required building permits and other approvals by City for certain development of the Site.

Any default by Participant of City Agreements and Approvals, including but not limited to any and all applicable City ordinances, not cured within any applicable cure period shall constitute a default under this Agreement, with Agency reserving any of its rights and remedies under this Agreement concerning default.

3. Improvement of the Site and Agency's Participation.

A. Cost of Construction

The cost of the Project shall be borne by Participant, except as otherwise set forth herein.

B. Agency, City, and Other Governmental Agency Permits

Participant has or shall, at Participant's own expense, secure or cause to be secured any and all permits or approvals which may be required by Agency, City, or any other governmental agency relative to Site construction and operation.

C. Agency Funded Public Improvements

The Public Improvements are directly related to public facilities and are: (a) critical to the redevelopment of the Site; and (b) provide a higher quality of development that should assist Agency in achieving redevelopment of other properties adjacent to and in the vicinity of the Site and meeting the objectives of the Plan. Because of the Private Development, which achieves several of the objectives contained within the Plan, Agency finds the Public Improvements may be funded by Agency. Agency finds that the Public Improvements are in the best public interest and provide for enhanced development of the Site within the Project Area.

i. Construction of the Public Improvements. Participant agrees to construct the Public Improvements consistent with the following:

a. The Parties agree that the Public Improvements are depicted on **Exhibit C** and described with current estimated cost details described on **Exhibit D**. The Parties acknowledge that the designs set forth on Exhibit C and the cost estimates shown on Exhibit D are based on current City of Boise and CCDC criteria. In the event that the criteria are changed, then the costs may increase.

b. Participant shall schedule final construction inspection and meeting with CCDC to ensure that the Public Improvements are constructed pursuant to this Agreement.

ii.. Any other improvements that are constructed by Participant as part of the Project not included in this Agreement are not eligible for reimbursement pursuant to this Agreement. Additionally, CCDC's reimbursement obligation for the Public Improvements is limited to the amount expressly set forth in Section 4 of this Agreement.

4. Total Not to Exceed Reimbursement Amount.

A. CCDC, subject to the terms of this Agreement, agrees to reimburse Participant for the costs set forth in Exhibit D for cost of the Public Improvements and for such additional costs over and above the amounts set forth in Exhibit D within the limits set forth in paragraph 4.B. below or which are the result of City and CCDC criteria changes implemented after the date hereof.

B. In no event will the combined reimbursement for the Public

Improvements exceed SIX HUNDRED FIFTY THOUSAND DOLLARS (\$650,000). The parties acknowledge the costs for the Public Improvements may increase due to changes in criteria as described in paragraph 3. C. above and/or changes in criteria different than those used for the estimates set forth in Exhibit D. The parties agree to negotiate in good faith an increase in the not to exceed amount set forth in this Section 4.B. to account for changes in criteria different than those used for the estimates set forth in Exhibit D or other reasonable alternatives. Any increase to the not to exceed amount set forth in this Section 4.B. must be approved by CCDC in writing.

5. **Review of Construction Plans.** Upon CCDC's request, CCDC shall have the right and the opportunity to review Participant's construction plans, budgets, and bids for the Public Improvements (collectively the "Public Improvement Construction Documents"). Participant will utilize commercially reasonable contracting, budgeting and bidding practices to ensure that the Public Improvements are constructed consistent with the Public Improvement Construction Documents and are undertaken in a reasonable manner. For purposes of this Section, Participant shall be presumed to have utilized commercially reasonable contracting, budgeting and bidding practices if Participant or Participant's general contractor solicits or solicited competitive bids for the Public Improvements and such work is not performed by an affiliate or subsidiary of Participant.

6. **Participant's Notice to CCDC Prior to Construction of Public Improvements.** At least sixty (60) days before commencing construction of the Public Improvements, Participant shall notify CCDC in writing of the construction start date. Within ten (10) days of CCDC's receipt of the written notice, CCDC shall identify any portion of the Public Improvements CCDC intends on constructing. Participant shall not construct any portion of the Public Improvements CCDC indicates it will construct. Provided, if CCDC does not commence construction of the identified Public Improvements within sixty (60) days, Participant may construct the identified Public Improvements and be reimbursed pursuant to the terms of this Agreement.

7. **Notification of Completion; Inspection.** Upon completion of construction and issuance of a Certificate of Occupancy or equivalent thereof for the Project by the City, Participant shall notify CCDC in writing and request a final construction inspection and a meeting with CCDC to determine if the Public Improvements meet the requirements of this Agreement. CCDC shall provide Participant with written confirmation that the Public Improvements have been completed in compliance with this Agreement.

8. **Reimbursement.** Participant shall initially pay for all of the costs of

construction for the Public Improvements (not including any Public Improvements constructed by CCDC). The reimbursement payment to Participant by CCDC shall be made pursuant to this Section 8.

(a) By approval of this Agreement by CCDC's Board of Commissioners, CCDC has authorized reimbursement for the Public Improvements as set forth in this Section and the other provisions of this Agreement; provided, however, that such payment shall be subject to CCDC's Executive Director's approval of the specific requisitions or invoices submitted by Participant, as further set forth below.

(b) Participant is responsible for submitting invoices or receipts for work performed as part of the Project (the "Cost Documentation") within thirty (30) days of completion of the Project, which will permit CCDC to determine the Actual Eligible Costs, which shall be the actual costs to construct the Public Improvements, but in no event shall the Actual Eligible Costs be greater than the amount set forth in Exhibit D. Cost Documentation shall include the following:

- i. An accounting of the costs associated with the Public Improvements and evidence of payment of such costs by Participant. Participant shall include invoices from Participant's general contractor, subcontractor(s), and material suppliers for each type of eligible cost item, which shall specify quantities and unit costs of installed materials.
- ii. Explanation of any significant deviation between the initial cost estimates in Exhibit D and the actual costs in the Cost Documentation.

CCDC shall have the right to review the Cost Documentation and to obtain independent verification that the quantities of work claimed and the costs associated are consistent with the Public Improvement Construction Documents.

Within thirty (30) days of CCDC's receipt of the Cost Documentation, CCDC will notify Participant in writing of CCDC's acceptance of the Cost Documentation and CCDC's determination of the Actual Eligible Costs. CCDC shall notify Participant of any disputes with the Cost Documentation and provide Participant a reasonable time to explain any discrepancy. If the Parties cannot agree on any disputed costs, the Parties agree to submit to mediation or other mutually agreeable resolution method.

CCDC shall pay the amount determined to be the Actual Eligible Costs within thirty (30) days of CCDC's notice to Participant of the amount determined by CCDC to be the Actual Eligible Costs; provided, however, that if CCDC's Executive Director disputes or disapproves any requested payment amount, the undisputed or approved amount shall be paid, and the Parties shall exert

cooperative efforts to resolve the disputed or disapproved amount as soon as practicable. Unless otherwise mutually agreed by the Parties, payment shall be made via wire transfer, pursuant to wiring instructions to be provided to CCDC by Participant.

**9. Subordination of Reimbursement Obligations.** The Parties agree this Agreement does not provide Participant with a security interest in any CCDC revenues for the River Myrtle Plan Area or any other urban renewal plan area, including but not limited to revenue from any "Revenue Allocation Area" (as defined in Title 50, Chapter 29 of the Idaho Code) or any revenue from CCDC's parking garages. Notwithstanding anything to the contrary in this Agreement, the obligation of CCDC to make the payments as specified in this Agreement shall be subordinate to all CCDC obligations that have committed or in the future commit available CCDC revenues, including but not limited to revenue from any Revenue Allocation Area or any revenue from CCDC's parking garages, and may be subject to consent and approval by CCDC lenders.

**10. Compliance With Laws; Payment of Taxes**

**A. Local, State and Federal Laws**

Participant covenants that the construction of the improvements in conformity with all applicable laws, including all applicable federal and state labor standards.

**B. Taxes**

- i. **Taxes Generally.** Participant shall pay when due all real estate and personal property taxes and assessments assessed and levied on Participants' ownership interest of the Site. This provision or covenant shall run with the land and be binding upon Participant's successors. FROM THE EFFECTIVE DATE OF THIS AGREEMENT THROUGH DECEMBER 31, 2024, PARTICIPANT SHALL NOT, WITHOUT CCDC'S WRITTEN AUTHORIZATION, CONTEST THE VALIDITY OR AMOUNTS OF ANY TAX, LEVY, OR ASSESSMENT ON THE SITE. PROVIDED, ROOST MAY CONTEST THE ASSESSED VALUE OF THE SITE DETERMINED BY THE ADA COUNTY ASSESSOR IF THE ADA COUNTY ASSESSOR DETERMINES THE VALUE OF THE SITE IS GREATER THAN TWENTY SEVEN MILLION DOLLARS (\$27,000,000.00). HOWEVER, IN SUCH EVENT ROOST SHALL NOT REQUEST THE ADA COUNTY ASSESSOR DETERMINE THE VALUE OF THE SITE IS LESS THAN TWENTY SEVEN MILLION DOLLARS

(\$27,000,000.00).

- ii. **Delinquent Taxes; Non-taxable Property.** In the event any portion of the Site is deemed tax exempt or non-taxable, or in the event of any tax delinquency by any owner of parcels within the Site or by any tenant related to personal property, Participant agrees to pay to CCDC either (1) in-lieu-of taxes reflecting the amount of tax that would have been owed had the Site (or the portion of the Site) been considered taxable property or (2) the delinquent taxes, whichever is applicable.
- iii. **Small Employer Tax Incentive Act.** Participant shall not apply for or otherwise request any reduction in property taxes on the Site pursuant to Title 63, Chapter 44 of the Idaho Code, The Idaho Small Employer Incentive Act of 2005, Idaho Code § 63-602NN, or Idaho Code Section 63-606A.

**11. Captions and Headings.** The captions and headings in this Agreement are for reference only and shall not be deemed to define or limit the scope or intent of any of the terms, covenants, conditions, or agreements contained herein.

**12. No Joint Venture or Partnership.** CCDC and Participant agree that nothing contained in this Agreement or in any document executed in connection with this Agreement shall be construed as making CCDC and Participant a joint venture or partners.

**13. Successors and Assignment.** This Agreement is not assignable except that Participant may assign Participant's rights or obligations under this Agreement to a third party only with the written approval of CCDC, which approval may be granted or denied in CCDC's sole discretion. Provided, CCDC shall agree to any assignment of Participant's rights and obligations under this Agreement to any lender financing the construction of the Project. Such assignment shall be for purposes of securing performance in the construction and development of same.

**14. Notices and Receipt.** All notices given pursuant to this Agreement shall be in writing and shall be given by personal service, by United States mail, or by United States express mail or other established express delivery service (such as Federal Express), postage or delivery charge prepaid, return receipt requested, addressed to the appropriate Party at the address set forth below:

If to Participant:   The Roost Project, LLC  
                          Attn: Casey Lynch and Mike Brown  
                          3112 Los Feliz Blvd

Los Angeles, California 90039

If to CCDC: John Brunelle, Executive Director  
Capital City Development Corporation  
121 N. 9<sup>th</sup> Street, Suite 501  
Boise, Idaho 83701

The person and address to which notices are to be given may be changed at any time by any Party upon written notice to the other Party. All notices given pursuant to this Agreement shall be deemed given upon receipt. For the purpose of this Agreement, the term "receipt" shall mean the earlier of any of the following:

- (i) date of delivery of the notice or other document to the address specified above as shown on the return receipt;
- (ii) date of actual receipt of the notice or other document by the person or entity specified above; or
- (iii) in the case of refusal to accept delivery or inability to deliver the notice or other document, the earlier of:
  - (a) date of the attempted delivery or refusal to accept delivery,
  - (b) date of the postmark on the return receipt, or
  - (c) date of receipt of notice of refusal or notice of non-delivery by the sending Party.

15. **Applicable Law/Attorney Fees.** This Agreement shall be construed and enforced in accordance with the laws of the State of Idaho. Should any legal action be brought by either Party because of breach of this Agreement or to enforce any provision of this Agreement, the prevailing Party shall be entitled to reasonable attorney fees, court costs, and such other costs as may be found by the court.

16. **Indemnification.** Participant shall indemnify, defend, and hold CCDC and its respective officers, agents, and employees harmless from and against all liabilities, obligations, damages, penalties, claims, costs, charges, and expenses, including reasonable architect and attorney fees (collectively referred to in this section as "Claim"), which may be imposed upon or incurred by or asserted against CCDC or its respective officers, agents, and employees relating to the construction or design of the Public Improvements. Notwithstanding the foregoing, Participant shall have no obligation to indemnify and hold CCDC and its respective officers, agents, and employees harmless from and against any matter to the extent it arises

from the active negligence or willful act of CCDC or its respective officers, agents, or employees. In the event an action or proceeding is brought against CCDC or its respective officers, agents, and employees by reason of any such Claim, Participant, upon written notice from CCDC shall, at Participant's expense, resist or defend such action or proceeding.

17. **Insurance Requirements.** Participant shall, or through its contractor, agents, representatives, employees or subcontractors shall, at its sole cost, obtain and maintain in force for the duration of the construction of the improvements to the Site as part of the Project, insurance of the following types, with limits not less than those set forth below and in a form acceptable to CCDC, against claims for injuries to persons or damages to property which may arise from, or in connection with, the performance of the services hereunder by Participant, its agents, representatives, employees or subcontractors:

a. Commercial General Liability Insurance ("Occurrence Form") with a minimum combined single limit liability of \$1,000,000 each occurrence for bodily injury and property damage; with a minimum limit of liability of \$1,000,000 each person for personal and advertising injury liability. Such policy shall have a general aggregate limit of not less than \$2,000,000, which general aggregate limit will be provided on a per project basis. The policy shall be endorsed to name CCDC, including its respective affiliates, as additional insureds.

b. Workers' Compensation Insurance, including occupational illness or disease coverage, in accordance with the laws of the nation, state, territory, or province having jurisdiction over Participant's employees, and Employer's Liability Insurance. Participant shall not utilize occupational accident or health insurance policies, or the equivalent, in lieu of mandatory Workers' Compensation Insurance or otherwise attempt to opt out of the statutory Workers' Compensation system.

c. Automobile Liability Insurance covering use of all owned, non-owned, and hired automobiles with a minimum combined single limit of liability for bodily injury and property damage of \$1,000,000 per occurrence. This policy shall be endorsed to name CCDC, including its respective affiliates, directors, and employees, as additional insureds.

d. All insurance provided by Participant under this Agreement shall include a waiver of subrogation by the insurers in favor of CCDC. Participant hereby releases CCDC, including its respective affiliates, directors, and employees, for losses or claims for bodily injury, property damage covered by Participant's insurance or other insured claims arising out of Participant's performance under this Agreement or construction of the Project.



e. Certificates of insurance satisfactory in form to CCDC (ACORD form or equivalent) shall be supplied to CCDC evidencing that the insurance required above is in force, that, to the extent commercially reasonable, not less than thirty (30) days' written notice will be given to CCDC prior to any cancellation or restrictive modification of the policies, and that the waivers of subrogation are in force. Participant shall also provide, with its certificate of insurance, executed copies of the additional insured endorsements and dedicated limits endorsements required in this Agreement. At CCDC's request, Participant shall provide a certified copy of each insurance policy required under this Agreement.

f. The foregoing insurance coverage shall be primary and noncontributing with respect to any other insurance or self-insurance that may be maintained by CCDC. The fact that Participant has obtained the insurance required in this Section shall in no manner lessen or affect Participant's other obligations or liabilities set forth in the Agreement.

18. **Antidiscrimination During Construction.** Participant, for itself and its successors and assigns, agrees that in the rehabilitation and/or construction of improvements on the Site provided for in this Agreement, Participant will not discriminate against any employee or applicant for employment because of age, race, handicap, color, creed, religion, sex, marital status, ancestry, or national origin.

19. **Maintenance.** Participant shall maintain or arrange for the maintenance of the Public Improvements as may be required by the Boise City Code or the Ada County Highway District. Participant's obligations, as set forth in this Section 19 shall survive the termination of this Agreement. Participant acknowledges and agrees CCDC has no obligations to maintain the improvements constructed as part of the Public Improvements or any other maintenance obligations under this Agreement.

20. **Promotion of Project.** Participant agrees CCDC may promote the Public Improvements and CCDC's involvement with the Public Improvements. Such promotion includes reasonable signage at the Site notifying the public of CCDC's involvement with the Public Improvements.

21. **Warranty.** Participant warrants that the materials and workmanship employed in the construction of the Public Improvements are of good quality and conform to generally accepted standards within the construction industry. Such warranty shall extend for a period of one (1) year after completion of the Public Improvements, being the date CCDC acknowledged the completion of the Public Improvements. Provided, nothing herein shall limit the time within which CCDC may bring an action against Participant on account of Participant's failure to otherwise construct such improvements in accordance with this Agreement.

22. **Dispute Resolution.** In the event that a dispute arises between CCDC and Participant regarding the application or interpretation of any provision of this Agreement, the aggrieved party shall promptly notify the other party to this 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, the Parties agree to first endeavor to settle the dispute in an amicable manner by mediation or other process of structured negotiation under the auspices of a nationally or regionally recognized organization providing such services in the Northwestern States or otherwise, as the Parties may mutually agree before resorting to litigation. Should the Parties be unable to resolve the dispute to their mutual satisfaction within thirty (30) days after such completion of mediation or other process of structured negotiation, each Party shall have the right to pursue any rights or remedies it may have at law or in equity.

23. **Entire Agreement, Waivers, and Amendments.** This Agreement, including Exhibits A, B, C, D, and E are incorporated herein by reference, constitutes the entire understanding and agreement of the Parties. This Agreement 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 subject matter thereof. All waivers of the provisions of this Agreement must be in writing and signed by the appropriate authorities of CCDC and Participant, and all amendments hereto must be in writing and signed by the appropriate authorities of CCDC and Participant.

24. **Amendments to this Agreement.** CCDC and Participant agree to mutually consider reasonable requests for amendments to this Agreement and any exhibits hereto which may be made by any of the Parties hereto, lending institutions, bond counsel, financial consultants, or underwriters to CCDC, provided said requests are consistent with this Agreement and would not alter the basic business purposes included herein or therein. Any such amendments shall be in writing and agreed to by the Parties.

IN WITNESS WHEREOF, the Parties hereto have signed this Agreement the day and year below written to be effective as indicated above.

[signatures on following page]

Capital City Development Corporation (“Agency”)

By \_\_\_\_\_  
\_\_\_\_\_, Chair

\_\_\_\_\_  
(Date)

The Roost Project, LLC (“Participant”)

By \_\_\_\_\_

For The Roost Project, LLC

Its \_\_\_\_\_

\_\_\_\_\_  
(Date)

**Exhibits:**

- A: Site Map and Legal Description of the Site
- B: Conceptual Plans for Project
- C: Public Improvements – Description and Plans
- D: Schedule of Eligible Public Improvements Costs
- E: Purchase and Sale Agreement – Parking Garage Unit

**ACKNOWLEDGMENTS**

STATE OF IDAHO            )  
  ) ss.  
County of Ada            )

On this \_\_\_\_ day of \_\_\_\_\_, 2015, before me,  
\_\_\_\_\_, the undersigned notary public in and for said county  
and state, personally appeared \_\_\_\_\_, known or identified to me to be  
the Chair of the Capital City Development Corporation, the public body corporate  
and politic, that executed the within instrument, and known to me to be the person  
that executed the within instrument on behalf of said Agency and acknowledged to  
me that such Agency executed the same for the purposes herein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my  
official seal the day and year in this certificate first above written.

\_\_\_\_\_  
Residing at \_\_\_\_\_  
Commission Expires \_\_\_\_\_

STATE OF \_\_\_\_\_        )  
  ) ss.  
County of \_\_\_\_\_        )

On this \_\_\_\_ day of \_\_\_\_\_, 2015, before me,  
\_\_\_\_\_, the undersigned notary public in and for said county  
and state, personally appeared \_\_\_\_\_, known or identified to me to  
be the \_\_\_\_\_ of \_\_\_\_\_, an \_\_\_\_\_, and the  
person who signed the within instrument, and acknowledged to me that he has  
authority to execute and executed the foregoing instrument for the purposes therein  
contained on behalf of \_\_\_\_\_.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my  
official seal the day and year in this certificate first above written.

\_\_\_\_\_  
Residing at \_\_\_\_\_  
Commission Expires \_\_\_\_\_

**Exhibit A: Site Map and Legal Description of the Site**



R1749101277  
 LOTS 1-2 EXC' BLK 14 DAVIS ADD  
 R1749101287  
 PAR #1287 IN BLK 14 DAVIS ADD

R1749101301  
 LOT 6 & S 5' LOT 5 BLK 14 DAVIS ADD  
 R1749101311  
 LOTS 7-8 BLK 14 DAVIS ADD

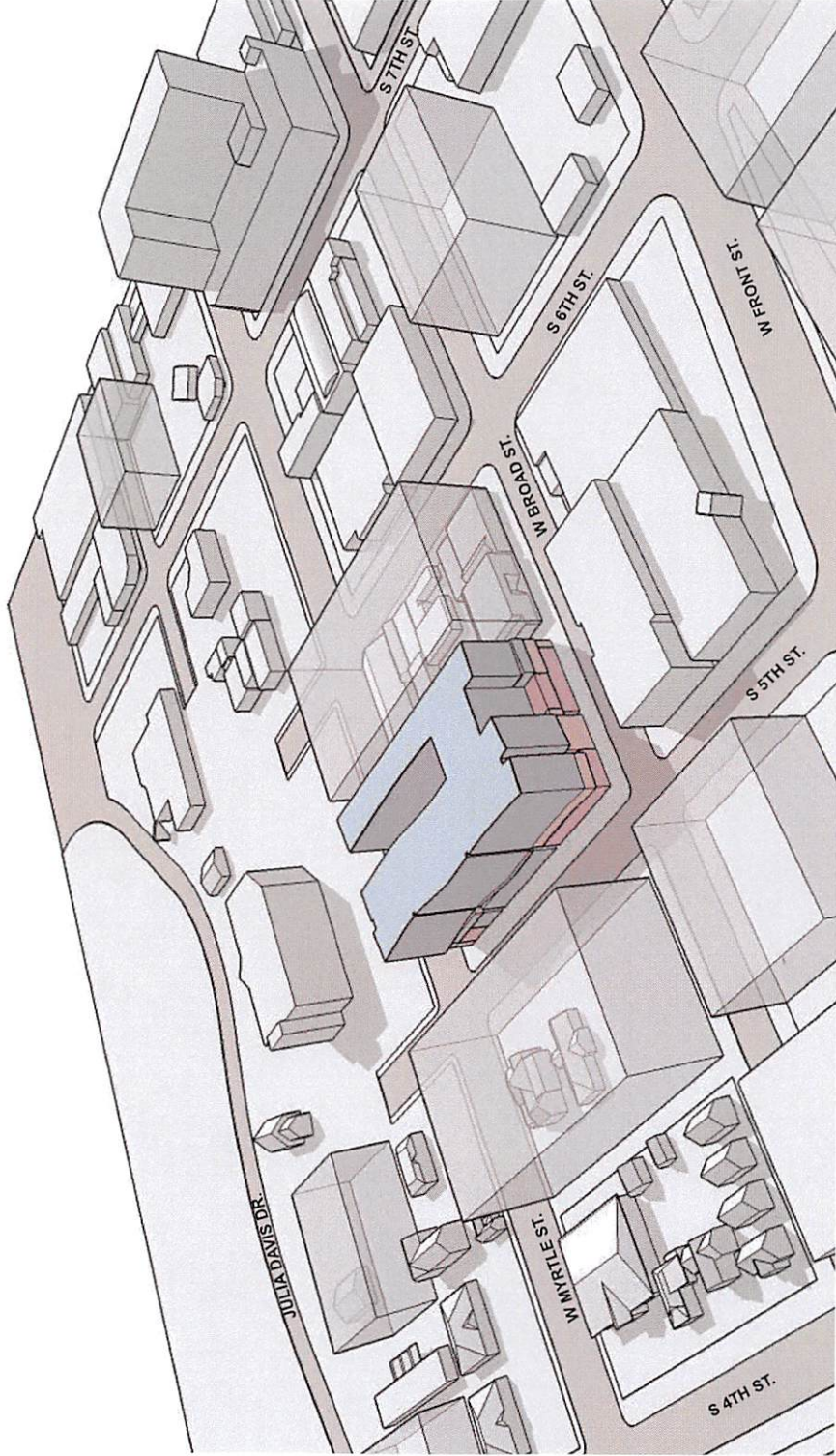
R1749101321  
 LOTS 9-10 BLK 14 DAVIS ADD

**Exhibit B: Conceptual Plans for Project**



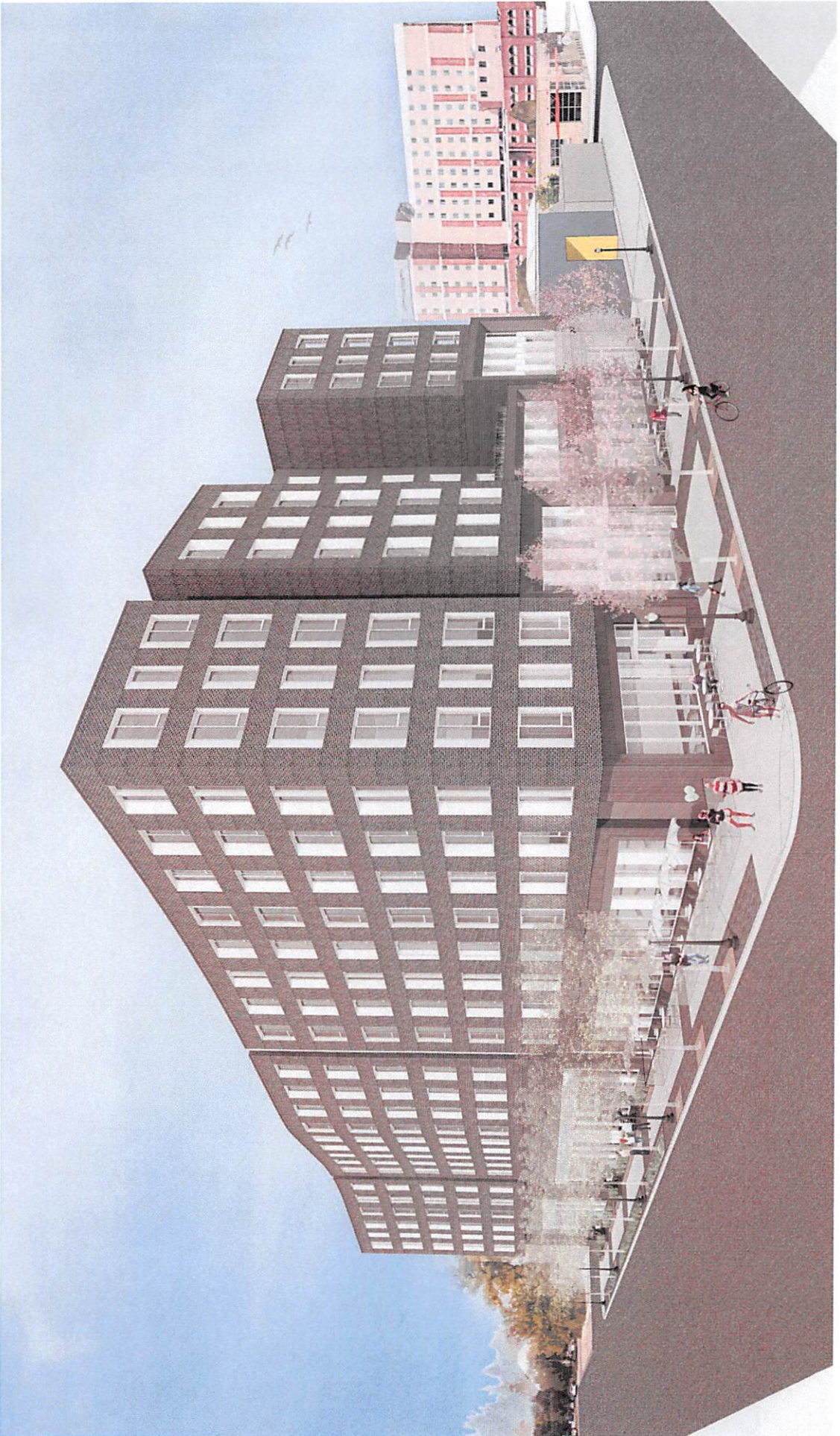
Holst Architecture for LocalConstruct  
Downtown Design Review, DRH15-00152  
Submitted June 3rd, 2015

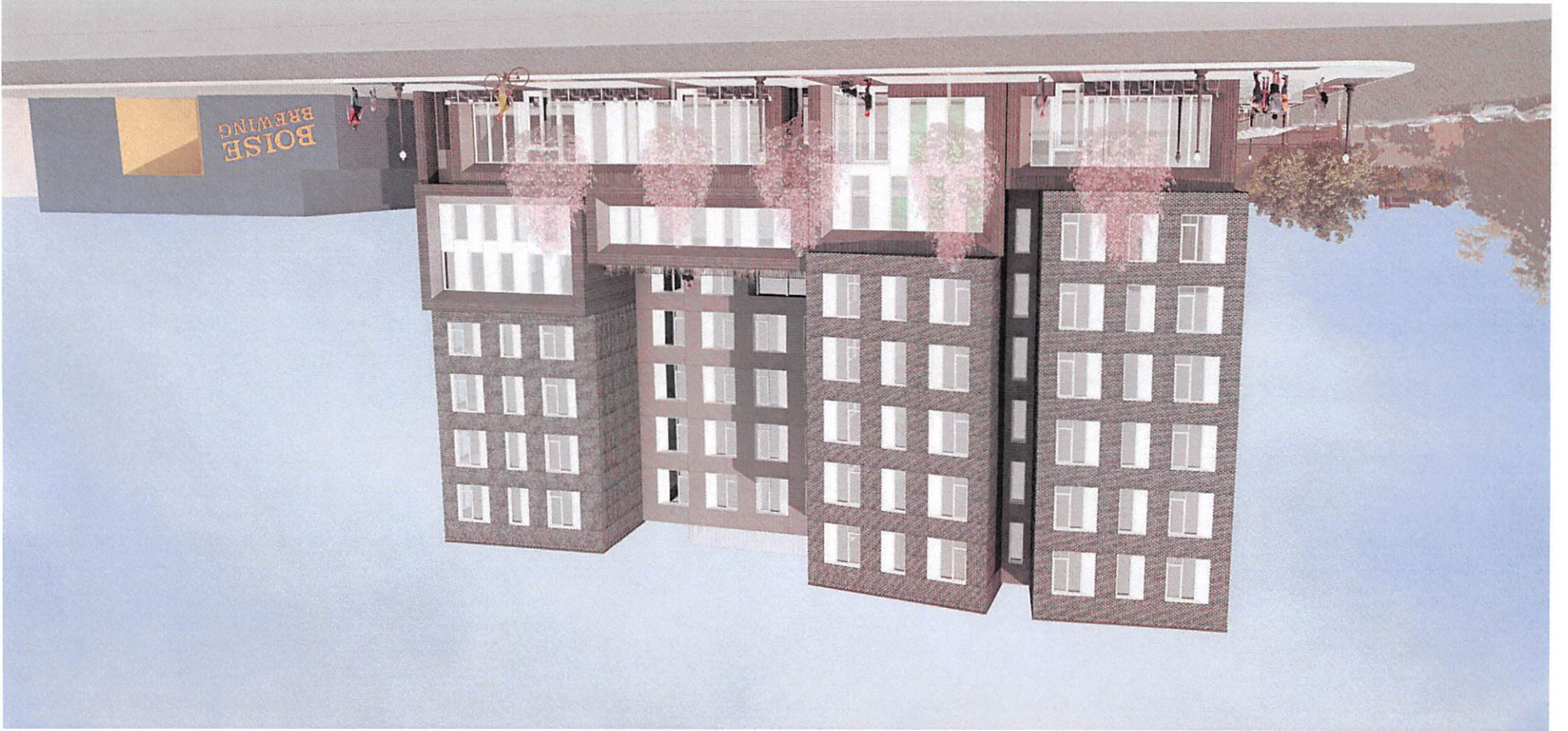




- COMMERCIAL
- HOUSING
- HOUSING COMMON/AMENITY
- PUBLIC PARKING

Site Diagram - Aerial Looking Southwest

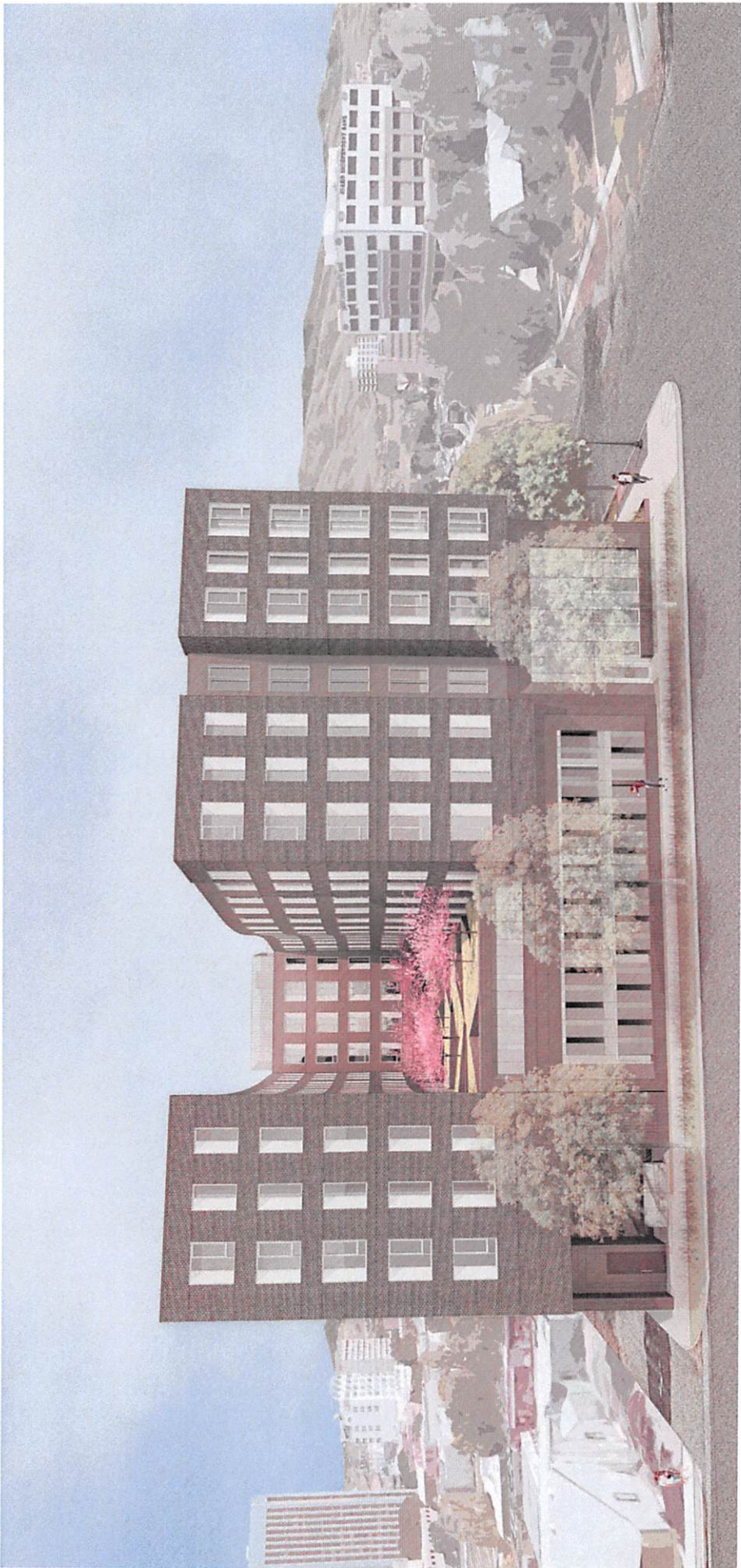


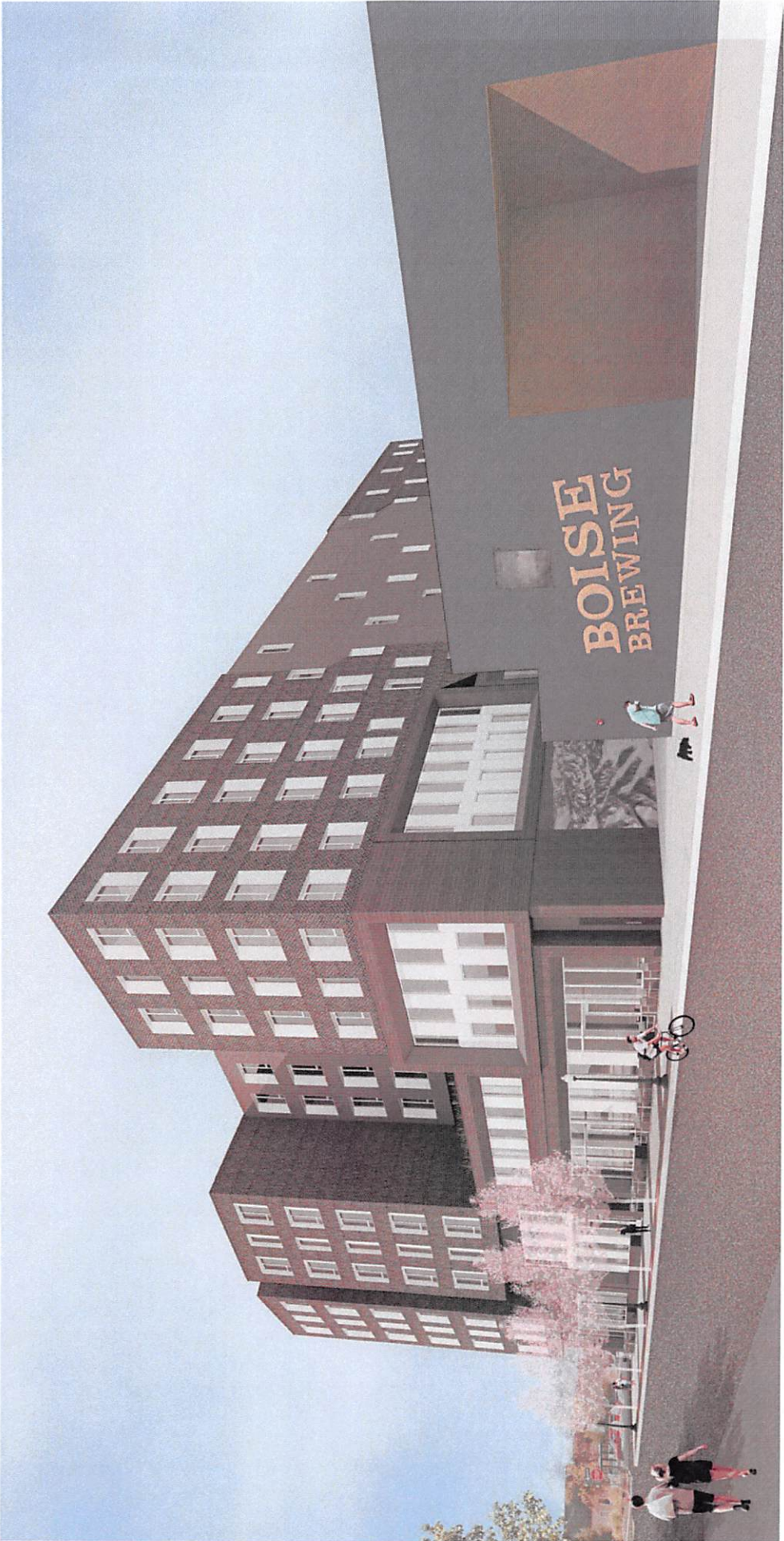
















- COMMERCIAL
- HOUSING
- HOUSING COMMON/AMENITY
- PUBLIC PARKING



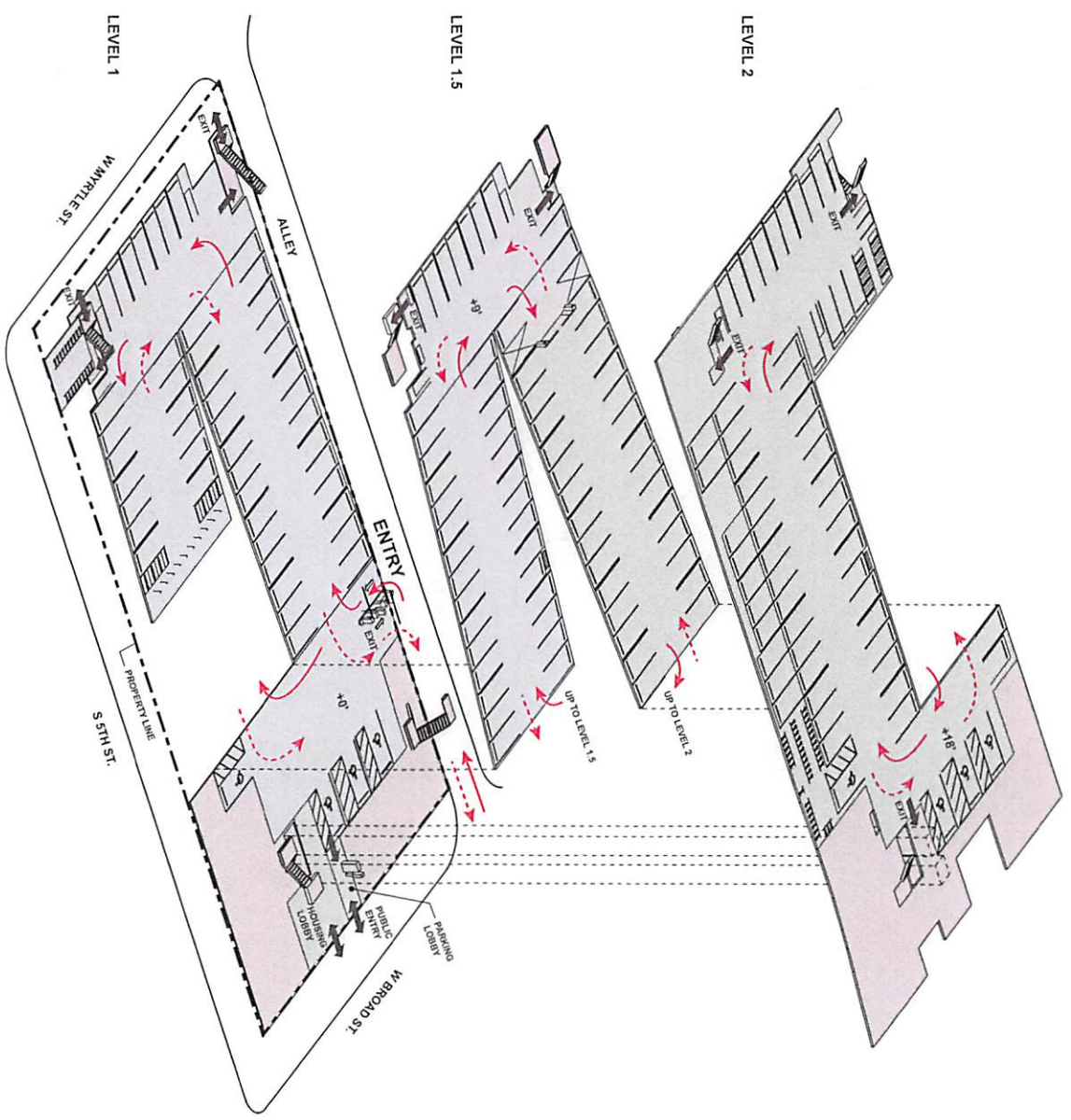
Level 03 Floor Plan



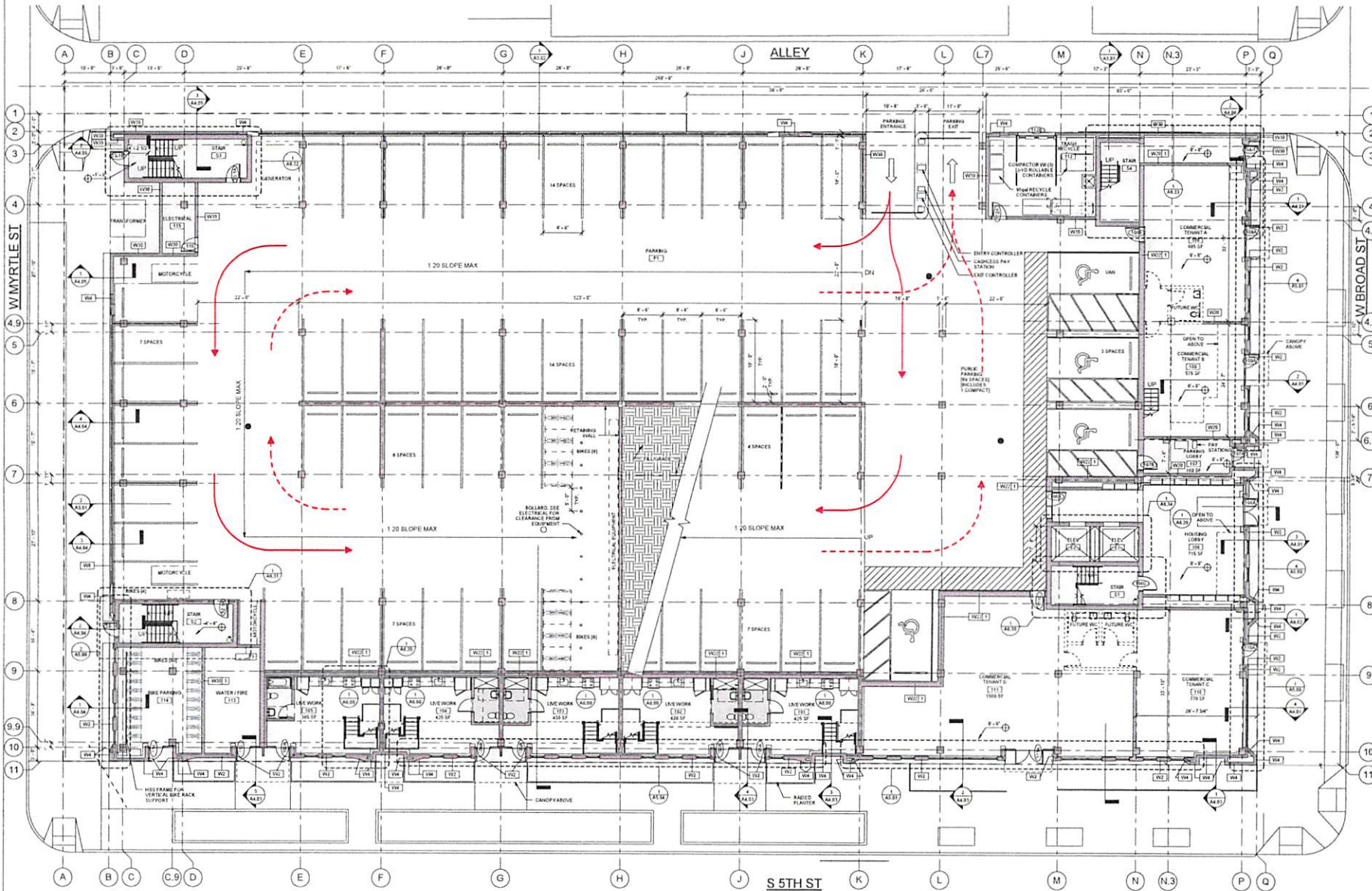
- COMMERCIAL
- HOUSING
- HOUSING COMMON/AMENITY
- PUBLIC PARKING



Level 04 - 07 Floor Plan



- PUBLIC PARKING
- 91 SPACES
- 4 ACCESSIBLE
- 1 COMPACT
- 6 MOTORCYCLE
- 58 BICYCLE
  
- RESIDENT PARKING
- 88 SPACES
- 4 ACCESSIBLE
- 3 COMPACT
- 5 TANDEN
- 5 TANDEN COMPACT
- 5 MOTORCYCLE
- 101 BICYCLE



1 LEVEL 01 FLOOR PLAN  
 1/8" = 1'-0"



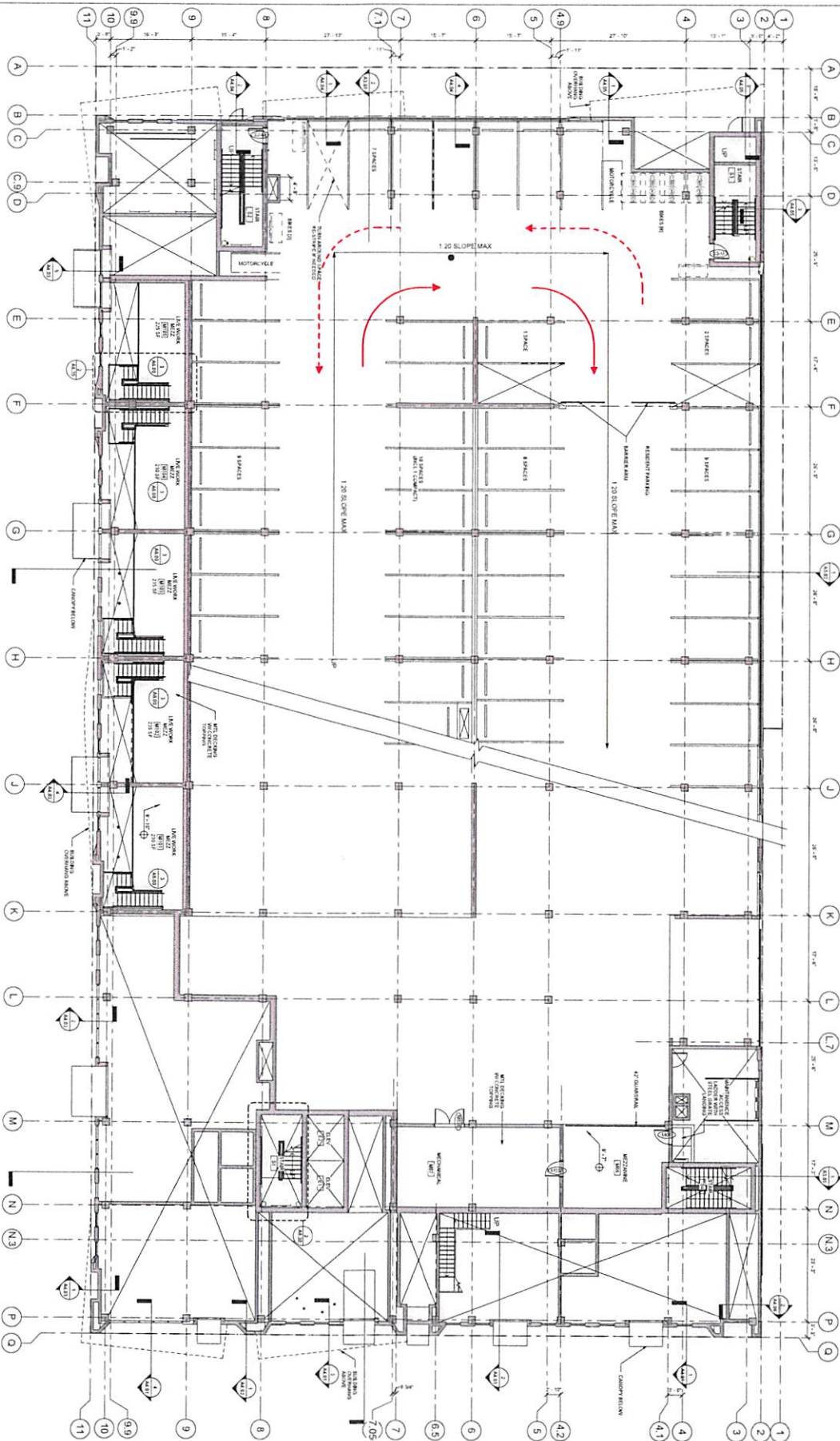
LEVEL 01 FLOOR PLAN

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A1.1M

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SCALE: [unreadable]

PROJECT: [unreadable]

DESIGN DEVELOPMENT

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PROJECT: [unreadable]

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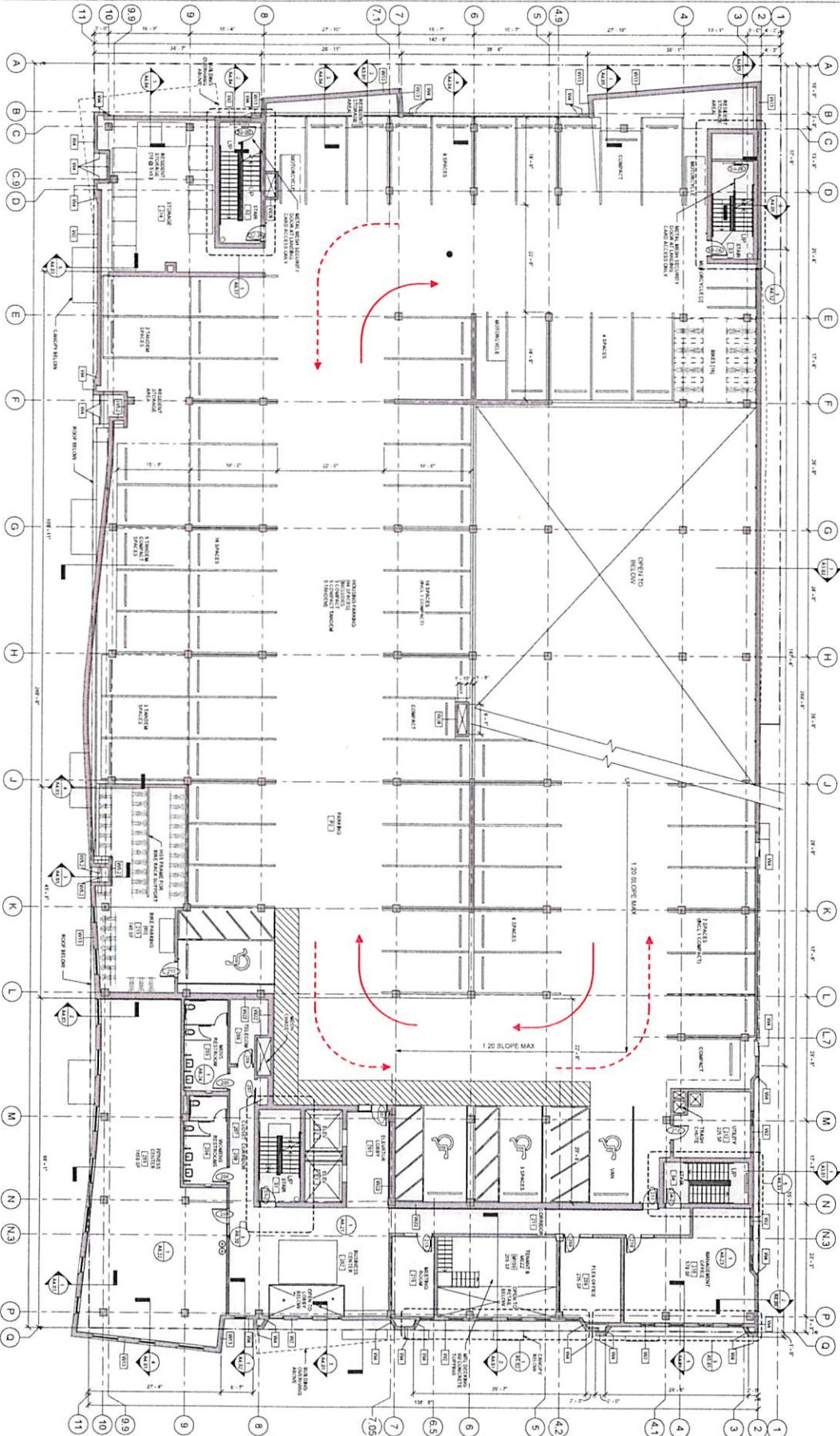
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Host Architecture

STH & BROAD

1 LEVEL 02 FLOOR PLAN



A1.02

LEVEL 02 FLOOR PLAN

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ARCHITECT: [illegible]

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ARCHITECT: [illegible]

SCALE: [illegible]

5TH & BROAD

401 5TH ST

MINNEAPOLIS, MN 55401

PHONE: 612.338.1111

FAX: 612.338.1111

WWW: 5THANDBROAD.COM

EMAIL: INFO@5THANDBROAD.COM

ARCHITECTURE

112 2ND ST NW

MINNEAPOLIS, MN 55401

PHONE: 612.338.1111

FAX: 612.338.1111

WWW: 5THANDBROAD.COM

EMAIL: INFO@5THANDBROAD.COM

ARCHITECTURE

112 2ND ST NW

MINNEAPOLIS, MN 55401

**Exhibit C: Public Improvements – Description and Plans**

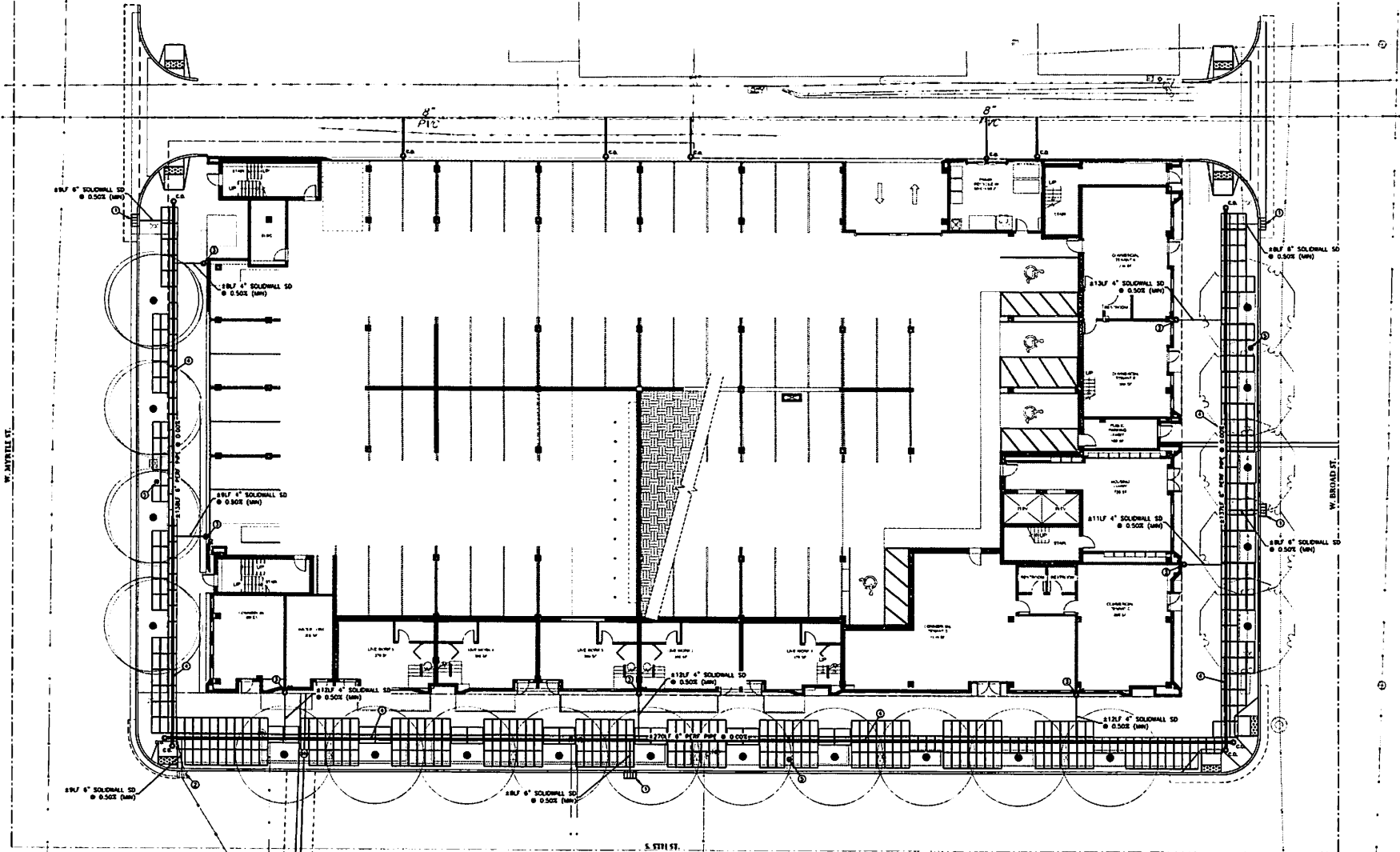




- NOTES**
1. CONSTRUCTION TO EXISTING RECORDS AND 1-4 DRAWINGS TO REVEAL ALL IN-SITU SURFACE PROFILES TO REVEAL SWELL CELL INSTALLATION. FIVE VERTICAL BORE HOLES @ 8' SPACING TO REVEAL IN-SITU SURFACE PROFILES AND FACILITY DEPTH(S) AT 0-10'-00" TO 0-20'-00" DEPTH AND SOILS @ 0-10' DEPTHS AT 0-10'-00".
  2. CONSTRUCTION TO EXISTING PROJECT LEGENDS. CHECKED FOR CONSTRUCTION TESTING AND INSPECTOR REPORTS PRIOR TO SWELL CELL INSTALLATION.
  3. INTERNAL SWELL CELLS PER SWELL CELL INSTALLATION AND UNFINISHED INSTALLATION INSTRUCTIONS.
  4. INTERNAL EXPOSED PER SWELL CELL INSTALLATION SHALL BE EXPOSED OFF-SITE.
  5. INTERNAL SWELL CELLS FINISH ANIMAL, OVAL OR UNDER EXISTING AND PROPOSED SPLATES.
  6. ARCHITECTURAL AND LANDSCAPE PLANS ARE SHOWN FOR REFERENCE ONLY.

- KEYNOTES**
1. INTERNAL PIPE 1" CATCH BASIN PER HOUR SWELL. SEE DETAIL A, SHEET 6, REVISION 0 AND REVISED AS NEEDED.
  2. CONNECT NEW EXISTING DRAIN PIPE TO EXISTING CATCH BASIN. SEE DETAIL A, SHEET 6.
  3. CONNECT ALL NEW SWELL EXPOSURE PIPE TO 4" PERFORATED PIPE. SEE REVISIONAL PLANS FOR LOCATION.
  4. 4" PERFORATED PIPE.
  5. INTERNAL EXPOSURE SHALL SEE DETAIL A, SHEET 6.

**SWELL CELLS**  
 481 - 3 INCH SWELL CELL UNITS  
 SHOWN ON THIS PLAN



STORM DRAINAGE PLAN



**POOLING PERMIT**

Issue	06-12-05
Revised	06-14-05
Final Permit	06-15-05

Approved By: [Signature] Date: [Blank]

**Exhibit D: Schedule of Eligible Public Improvements Costs**

This exhibit is a placeholder and shall be revised to reflect the values of the improvements per blockface.



5th & Broad Streetscape Values

	DESCRIPTION	QUANTITY	U/M	UNIT COST	AMOUNT
00-01-00	Sidewalk/Street Closure/Barricades	1	LS	\$ 25,000.00	\$ 25,000.00
00-02-00	Site Survey	5	DY	\$ 1,500.00	\$ 7,500.00
00-03-00	Building Demo (incl Abatement Allowance)	1	EA	\$ 15,000.00	\$ 15,000.00
00-04-00	Tree Removal	23	EA	\$ 150.00	\$ 3,450.00
00-05-00	Demo Parking Curb	714	LF	\$ 5.00	\$ 3,570.00
00-06-00	Demo Hardscape	1,264	SF	\$ 1.00	\$ 1,264.00
00-07-00	Demo AC Paving	6,500	SF	\$ 0.75	\$ 4,875.00
00-08-08	Demo Sidewalk	3,354	SF	\$ 1.50	\$ 5,031.00
00-09-00	Demo Curb & Gutter	629	LF	\$ 5.00	\$ 3,145.00
00-10-00	Utility Disconnects	1	LS	\$ 4,500.00	\$ 4,500.00
00-11-00	Demo Fencing	690	LF	\$ 3.00	\$ 2,070.00
00-12-00	Demo SD Inlet	1	EA	\$ 250.00	\$ 250.00
00-13-00	Demo Parking Pay Box	1	EA	\$ 250.00	\$ 250.00
00-14-00	Clear & Grubb	10,000	SF	\$ 0.15	\$ 1,500.00
00-15-00	Finish Grading	10,000	SF	\$ 0.25	\$ 2,500.00
00-16-00	Dust Control	1	LS	\$ 5,000.00	\$ 5,000.00
00-17-00	SWPPP/Erosion Control Measures	10,000	SF	\$ 0.35	\$ 3,500.00
00-18-00	A.C. Patch	2,432	SF	\$ 5.00	\$ 12,160.00
00-19-00	Curb & Gutter	603	SF	\$ 18.00	\$ 10,854.00
00-20-00	Sidewalk/Pavers	3,979	SF	\$ 12.00	\$ 47,748.00
00-21-00	Sidewalk	259	LF	\$ 5.00	\$ 1,295.00
00-22-00	Pavement Markings	1	LS	\$ 5,000.00	\$ 5,000.00
00-23-00	Demo/Relocate Existing Utilities	1	LS	\$ 20,000.00	\$ 20,000.00
00-24-00	Seepage Beds	1	LS	\$ (52,000.00)	\$ (52,000.00)
00-25-00	Silva Cell System	1	LS	\$ 280,000.00	\$ 280,000.00
00-26-00	Geothermal Piping Connection	100	LF	\$ 250.00	\$ 25,000.00
00-27-00	Bike Racks	1	LS	\$ 5,000.00	\$ 5,000.00
00-28-00	Tree Grates	15	EA	\$ 1,000.00	\$ 15,000.00
00-29-00	Landscape/Irrigation	3,972	SF	\$ 8.00	\$ 31,776.00
00-30-00	Site Light Poles	6	EA	\$ 2,500.00	\$ 15,000.00
00-31-00	Relocate Structures	1	LS	\$ 82,000.00	\$ 82,000.00
	<b>SUBTOTAL</b>				<b>\$ 587,238.00</b>

General Conditions	5.00%	\$ 29,361.90
Liability Insurance	1.00%	\$ 6,166.00
Construction Contingency	1.00%	\$ 6,227.66
Fee	3.00%	\$ 18,869.81
<b>TOTAL</b>		<b>\$ 647,863.36</b>

**Exhibit E: Purchase and Sale Agreement – Parking Garage Unit**

4853-1421-8790, v. 6

**PURCHASE AND SALE AGREEMENT**  
**The Roost Apartment Building – Unit 1 Parking Unit**  
**\_\_\_\_\_ 5<sup>th</sup> Street, Boise, Idaho 83702**

This Purchase and Sale Agreement (this “**Agreement**”) is made effective as of the last execution date set forth below (the “**Effective Date**”) by and between CAPITAL CITY DEVELOPMENT CORPORATION (“**Buyer**”) and The Roost Project, LLC, a California limited liability company qualified to do business in Idaho, and/or assigns (“**Seller**”), collectively the “Parties.”

**RECITALS**

A. Seller owns that certain real property located at \_\_\_\_\_ 5<sup>th</sup> Street, Boise, Idaho 83702, and legally described on Exhibit A (the “**Property**”).

B. Seller intends to develop and improve the Property as a "for rent, market rate" residential apartment complex consisting of approximately 163 studio, one and two bedroom apartment units, approximately 189 structured parking spaces and approximately 4,000 s.f. of first floor retail space (the “**Building**”). The Building will be seven (7) stories with the first floor serving as structured automobile parking (approximately eighty nine (89) parking spaces) and retail space, the second floor as structured automobile parking and floors three thru seven for apartment use.

C. Seller will create a condominium regime for the Building and the first floor parking garage (approximately eighty-nine (89) parking spaces) will be a separate condominium unit (referred to herein as the “**CCDC Garage Unit**”). The CCDC Garage Unit is graphically depicted on Exhibit B (“**Concept Plans**”) attached hereto.

D. Seller desires to sell, transfer and convey the CCDC Garage Unit and Buyer desires to purchase the CCDC Garage Unit all according to the provisions set forth in this Agreement.

E. Seller and Buyer have also entered into that certain Type 3 Special Assistance Participation Agreement in connection with the Property (“**Participation Agreement**”).

**AGREEMENT**

NOW, THEREFORE, in consideration of the foregoing recitals and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Buyer agree as follows:

1. **AGREEMENT TO PURCHASE AND SALE.** Subject to and in consideration of the mutual terms and conditions contained in this Agreement, Seller agrees to sell and convey the CCDC Garage Unit to Buyer and Buyer hereby agrees to purchase the CCDC Garage Unit from Seller.

2. **PURCHASE PRICE.** The purchase price for the CCDC Garage Unit shall be the sum of Two Million Five Hundred Ninety Thousand Dollars (\$2,590,000) (the “Purchase Price”). Buyer agrees to pay the Purchase Price in cash at Closing (as defined below).

3. **FURTHER AGREEMENTS.**

3.1 **Minimum Requirements for the CCDC Garage Unit.** The CCDC Garage Unit shall consist of, at a minimum, the following:

- No less than 89 parking spaces in total for the use of the general public 24 hours a day, 365 days a year
- No more than four (4) handicapped accessible spaces that meet applicable state and federal legal standards
- No more than 10 compact spaces
- No less than 22’ wide drive aisles on the straightaways, with no less than 24’ wide turning aisles
- Parking spaces (other than compact spaces) shall be a minimum of 8.6’ x 18’
- All parking access control system equipment shall be approved by Buyer before installation and shall be compatible with Buyer’s equipment installed in the existing Downtown Public Parking System garages owned and operated by CCDC
- All parking related signage and safety packages (mirrors, concrete markings, lighting) as well as their location within the CCDC Garage Unit and proposed on the exterior shall be approved by Buyer before purchasing and/ or installation.

3.2 **Conceptual Plans and Specifications.** Conceptual plans for the Building (“Concept Plans”) are attached hereto as Exhibit B which Concept Plans generally depict the Building, including the CCDC Garage Unit.

3.3 **Final Plans and Specifications.** Seller shall prepare and submit to Buyer for review and approval final plans and specifications for the CCDC Garage Unit (“Final Plans”) on or before December 1, 2015. Buyer agrees to promptly review and provide any comments regarding the CCDC Garage Unit to Seller within thirty (30) days of receipt of the Final Plans. Buyer and Seller agree to work together in good faith and promptly to resolve any issues associated with the Final Plans. Seller agrees to construct the CCDC Garage Unit substantially in accordance with the Final Plans subject to changes approved by Buyer and

customary industry tolerances, variances, and similar matters. Any material substitution of building material(s) must be approved by Buyer in writing, not to be unreasonably withheld or delayed, under the circumstances.

3.4 Condominium Plat (Map). Seller shall prepare and submit to Buyer for review and approval a condominium plat for the Building which shall include the CCDC Garage Unit (“Plat”) on or before [REDACTED], 2015. Buyer agrees to promptly review and provide any comments to Seller within ten (10) days of receipt of the Plat. Buyer and Seller agree to work together in good faith and promptly to resolve any issues associated with the Plat. If Buyer does not, in its reasonable discretion, approve the Plat, Buyer may terminate this Agreement without penalty. Upon Buyer’s approval of the Plat, this Agreement shall be amended to add the Plat as an exhibit.

3.5 Condominium Declaration. Seller shall prepare and submit to Buyer for review and approval a condominium declaration for the Building (“Declaration”) on or before [REDACTED], 2015. The Declaration shall include appropriate provisions regarding the management and operation of the parking units and parking garage areas of the Building and such other provisions as Seller and Buyer determine are appropriate. Buyer agrees to promptly review and provide any comments to Seller within thirty (30) days of receipt of the Declaration. Buyer and Seller agree to work together in good faith and promptly to resolve any issues associated with the Declaration. If Buyer does not, in its reasonable discretion, approve of the Declaration, Buyer may terminate this Agreement without penalty.

3.6 Construction. Seller plans to commence construction of the Building on or before September 30, 2015 (“Start Date”) and have the Building substantially completed on or before December 31, 2016 (“Completion Date”). Buyer and Seller understand and agree that the foregoing dates are tentative and may be extended for up to one hundred eighty (180) days by Seller by written notice to Buyer. Such dates shall also be extended for delays due to Acts of God and other matters outside the control of Seller.

3.7 Abatement. Seller has obtained that certain Phase 1 Environmental Site Assessment dated April 7, 2014, prepared by Gem Environmental Management LLC (“Phase I”) a copy of which has been provided to Buyer. The Phase I references certain structures on the Property which may contain certain Hazardous Materials, as defined below. Seller agrees that the existing structures on the Property shall be removed prior to Closing and any Hazardous Materials therein disposed of properly.

3.8 Construction and Design Meetings During Construction of the CCDC Garage Unit. During Construction of the Building, Seller and Buyer shall:

3.8.1 Permit Buyer (and/or a representative of Buyer) to attend weekly and/or monthly construction progress and design meetings for the CCDC Garage Unit to permit Buyer to assess the progress of development and construction and assess compliance with the Final Plans, as modified per the terms of this Agreement;

3.8.2 If requested, provide Buyer with written status reports on the construction of the CCDC Garage Unit in sufficient time to allow for their distribution to Buyer's board of directors prior to their regular monthly meetings;

3.8.3 Provide photos along with monthly status reports and, if requested, attend and provide oral status reports on the construction of the CCDC Garage Unit at regular monthly meetings of Buyer's board of commissioners.

4. **CONDITIONS.** Buyer's and Seller's obligations hereunder are expressly contingent on the satisfaction of the following, unless waived by the party:

4.1 Seller's Condition. On or before September 30, 2015, Seller has obtained bidding construction bids and construction contracts for the Building satisfactory to Seller, in Seller's discretion, and has otherwise determined that the Building is economically viable and feasible in light of the participation by Buyer pursuant to the Participation Agreement and the purchase by Buyer of the CCDC Garage Unit.

4.2 Buyer's Conditions. If each of the following conditions are not satisfied, Buyer may, in its sole discretion, terminate this Agreement without penalty.

4.2.1 On or before November 30, 2015, Seller shall provide Buyer with final bidding and costs for the two-story podium that will include the CCDC Garage Unit, including land costs, carrying costs, and all hard and soft construction costs. Within twenty (20) days of receiving such bid and cost information, Buyer has determined, acting reasonably and in good faith, that the Purchase Price set forth herein is a fair and reasonable investment for the CCDC Garage Unit.

4.2.2 Buyer's review and approval of a preliminary title report, to be provided to Buyer at Seller's cost.

4.2.3 Buyer's review and approval of the condominium declaration, bylaws, and association documents.

4.2.4 Buyer's inspection of the CCDC Garage Unit after construction has been completed but prior to Closing and determination that the CCDC Garage Unit, as constructed, conforms to the Final Plans, in all material



respects, as modified by agreement of the Parties, and subject to customary industry tolerances, variances, and similar matters.

## 5. TITLE AND INSURANCE

5.1 Within ten (10) days from the execution of this Agreement by both Parties, Seller shall provide, at its expense, a preliminary commitment (the “**Preliminary Commitment**”) for standard coverage title insurance for an amount equal to the Purchase Price from TitleOne Corporation, Attn: Scott Darling, 1101 W. River Street, Suite 201, Boise, Idaho 83702, phone: 208-424-8511; email: sdarling@titleonecorp.com (the “**Escrow Agent**”). Buyer shall review the exceptions appearing on the Preliminary Commitment for title insurance and shall provide a notice in writing to the Seller stating which exceptions, if any, must be removed at or prior to Closing. Should the Seller, in the opinion of Buyer, demonstrate an inability to remove the exceptions on the Preliminary Commitment necessary to transfer title to the Property free and clear of all liens and encumbrances, Buyer, at Buyer’s option, may choose not to proceed with the transaction at no penalty to Buyer.

5.2 At Closing, Escrow Agent shall, at Seller’s expense, be prepared to issue to Buyer a standard ALTA owner’s policy of title insurance (“**Owner’s Policy**”) in the amount of the Purchase Price insuring that fee simple title to the CCDC Garage Unit is vested in Buyer, subject only to the exceptions appearing on the Preliminary Commitment that Buyer deemed acceptable as set forth in Section 5.1. Buyer may, at its cost, obtain extended coverage title insurance.

5.3 At Closing, Seller shall execute a (i) special warranty deed (the “**Deed**”) conveying good and marketable title to the CCDC Garage Unit to Buyer, free from encumbrances done, made, or suffered by Seller except (a) Taxes not yet due and payable and (b) matters of record or appearing on the land, including the Permitted Exceptions, and (ii) an affidavit of non-foreign status.

## 6. CLOSING

6.1 Closing shall occur through Escrow Agent (the “**Closing**”). The Closing shall occur on or before thirty (30) days after Seller receives a certificate of occupancy for the Building or notice from the City of Boise (“**City**”) that the CCDC Garage Unit is complete and may be used by CCDC as a public parking garage (the “**Closing Date**”), unless otherwise agreed in writing by the Parties.

6.2 On or before the Closing Date, Buyer and Seller shall deposit with Escrow Agent all instruments, documents and monies (payable in cash, by wire funds or official bank check), as necessary to complete the transaction in accordance with this Agreement, and any other customary closing documents reasonably requested by Escrow Agent.

### 6.3 Costs and Prorations of Closing

6.3.1 Seller shall pay all taxes levied and assessed against the CCDC Garage Unit for all periods prior to the Closing Date. Taxes for the year in which the Closing occurs shall be prorated as of the Closing Date.

6.3.2 Rents, utilities, and other charges and income items shall be prorated as of the Closing Date. Seller shall pay all costs of terminating any existing service or maintenance contracts unless otherwise agreed in writing by Buyer.

6.3.3 Seller shall pay the premium for the Owner's Policy. If Buyer intends to purchase an extended coverage policy, Buyer shall pay any additional premium required therefor.

6.3.4 Buyer and Seller shall each pay one-half (1/2) of Escrow Agent's escrow fees. Buyer shall pay the cost of recording the Deed.

6.3.5 All other expenses not specifically referenced in this Agreement and incurred by Seller or Buyer with respect to this transaction shall be borne and paid exclusively by the party incurring the same without reimbursement.

6.4 Buyer shall be entitled to possession of the CCDC Garage Unit upon Closing, subject only to the Permitted Exceptions.

**7. SELLER'S REPRESENTATIONS AND WARRANTIES.** Seller makes the representations and warranties to Buyer set forth below. When used therein, "to Seller's knowledge", "no knowledge" or words of similar import shall mean the current actual knowledge of Mike Brown and Casey Lynch. Seller represents and warrants that Mike Brown and Casey Lynch are the representatives on behalf of Seller who has the requisite involvement and responsibility for the CCDC Garage Unit so as to have such knowledge, if any.

7.1 Seller has full power and right to enter into this Agreement and to sell the CCDC Garage Unit, and that the person executing this Agreement has full power and right to execute this Agreement on behalf of Seller.

7.2 At Closing, there will be no agreements (written or oral) in the nature of leases, rental agreements, licenses or other right to use or occupy the CCDC Garage Unit, other than as identified in the Permitted Exceptions, that will affect the CCDC Garage Unit from and after the Closing Date.

7.3 At Closing, Seller shall have paid or caused to be paid all costs for work performed on the CCDC Garage Unit by Seller or at Seller's request. Seller shall not allow any mechanic's liens on account of work done on behalf of

Seller or persons claiming under Seller to be filed on the CCDC Garage Unit (after the Closing Date).

7.4 Subject to any information contained in the Phase I referenced above, Seller has no knowledge of any "Hazardous Materials" (as defined below) having ever been used, produced, released, stored, transported, disposed of, generated, deposited in, over, under, or upon the Property in violation of then applicable law. The term "Hazardous Materials" shall collectively refer to underground storage tanks, petroleum and petroleum products, asbestos, PCBs, urea-formaldehyde and any hazardous or toxic substances, pollutants, contaminants, wastes or materials as defined under any environmental laws.

**8. WARRANTIES: LIMITED WARRANTY OF CONSTRUCTION.** *Unless otherwise provided for herein, Seller hereby warrants that for a period of one (1) year from the date of Closing, Seller will make all necessary repairs and corrections to the CCDC Garage Unit, either interior or exterior, structural or nonstructural, that shall become necessary by reason of faulty construction, labor or materials, or non-conformity of construction to the Final Plans. At Seller's sole option, Seller may either (1) make such repairs or corrections, (2) replace any faulty or non-conforming item or condition or (3) pay to Buyer the reasonable cost of such repair, correction, or replacement. This limited warranty: (1) is for the benefit of Buyer only and may not be assigned nor shall it inure to the benefit of any other person or entity; (2) shall survive Closing and the delivery of the Deed; and (3) is in lieu of all other warranties, oral or written, express or implied, except such other express written warranties as Seller may provide to Buyer and the warranties described below.*

**WARRANTIES OF COMPONENTS.** *Seller shall assign and deliver to Buyer at closing all guarantees and warranties of all components comprising the CCDC Garage Unit to the extent the same are assignable (the "Assigned Warranties and Guarantees"). Seller shall assist Buyer in making any claims under the Assigned Warranties and Guarantees.*

9. **ESCROW INSTRUCTIONS.** Escrow Agent shall be instructed to, in a manner consistent with the terms hereof: receive and hold deposits and other funds; disburse such funds in accordance with separate authorization signed by Buyer and Seller; prepare closing statements for execution by Buyer and Seller, receive documents, secure their execution and acknowledgement, record them in the proper sequence, deliver originals to the appropriate parties, and deliver copies of all documents signed by either party to that party.

10. **CASUALTY/CONDEMNATION.** If the CCDC Garage Unit is or becomes damaged or destroyed by fire or other casualty, or the subject of a condemnation proceeding, Buyer may, at its option, terminate this Agreement by giving notice of such termination to Seller prior to the Closing Date, and upon such

termination Escrow Agent shall immediately return the Deposit to Buyer without execution of any release or consent by Seller. In the event Buyer does not elect to terminate this Agreement, the Purchase Price shall be reduced by the total of any insurance proceeds or condemnation award received by Seller at or prior to Closing. On Closing, Seller shall assign to Buyer all of Seller's rights in and to any future insurance proceeds or condemnation awards or other proceeds payable or to become payable by reason of any taking. Seller agrees to notify Buyer of any casualty or condemnation proceedings within five (5) days after Seller learns thereof (or, in the event Seller learns of such proceedings within five (5) days of Closing, Seller shall notify Buyer prior to Closing). Buyer may if it chooses to participate in any discussions with insurers or such condemnation proceeding and Seller shall make no settlement or agreement regarding the same without Buyer's written approval.

## 11. **DEFAULT AND REMEDIES.**

11.1 If Buyer or Seller defaults under this Agreement, the non-defaulting party shall be entitled to all rights and remedies available at law or in equity, including but not limited to specific performance and including submitting matters to binding arbitration as set forth herein.

11.2 A party shall be in "default" if a party fails to perform its obligations hereunder and fails to cure or remedy such default within ten (10) days (or such longer period if a longer cure period is reasonably required) after receipt of written notice from the party claiming the default, specifying the nature of such default.

11.3 In the event of any controversy, claim or action being filed or instituted between Buyer and Seller relating to or arising out of this Agreement, the prevailing party shall be entitled to receive from the other party reasonable attorneys' fees and costs through all levels of action incurred by the prevailing party.

12. **GOVERNING LAW.** This Agreement shall be construed and interpreted in accordance with the laws of the State of Idaho.

13. **TIME, SEVERABILITY.** Time is of the essence of this Agreement, and each party to this Agreement agrees to promptly perform such acts as are reasonably required in connection herewith. If any provision of this Agreement to any extent is found by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement shall not be affected thereby.

14. **NOTICES.** All notices required pursuant to this Agreement shall be given in writing and shall be deemed properly served or delivered: (a) if delivered in person, or by electronic mail transmission with confirmation of receipt; (b) upon deposit for overnight delivery with any reputable overnight courier service, delivery confirmation requested; or (c) upon deposit with the U.S. Postal Service registered

or certified mail and addressed to the Parties at the addresses set forth below or such other addresses specified hereafter:

(a) If to Buyer: Capital City Development Corporation  
Attn: John Brunelle  
121 North 9th Street, Suite 501  
Boise, Idaho 83702

With a copy to: Elam & Burke, P.A.  
Attn: Ryan P. Armbruster  
P.O. Box 1539  
Boise, Idaho 83701-1539

(b) If to Seller: The Roost Project, LLC  
Attn: Casey Lynch and Mike Brown  
3112 Los Feliz Blvd  
Los Angeles, California 90039

With a copy to: Givens Pursley LLP  
Attn: L. Edward Miller  
601 W. Bannock Street  
Boise, Idaho 83702  
Phone: (208) 388-1200  
Email: edmiller@givenspursley.com

(c) If to Escrow Agent: TitleOne Corporation  
Attn: Scott Darling  
1101 W. River Street, Suite 201  
Boise, Idaho 83702  
Phone: (208) 424-8511  
Email: sdarling@titleonecorp.com

The party and address to which notices are to be given may be changed at any time by any party upon written notice to the other party. All notices given shall be deemed given upon receipt.

For the purpose of this Agreement, the term "receipt" shall mean the earlier of any of the following: (i) the date of delivery of the notice or other document to the address specified above as shown on the return receipt and/or email confirmation, (ii) the date of actual receipt of the notice or other document by the person or entity specified above, or (iii) in the case of refusal to accept delivery or inability to deliver the notice or other document, the earlier of (A) the date of the attempted delivery or

refusal to accept delivery, (B) the date of the postmark on the return receipt, or (C) the date of receipt of notice of refusal or notice of non-delivery by the sending party.

15. **ENTIRE AGREEMENT; CONSTRUCTION.** This Agreement constitutes the entire agreement between the Parties, has been entered into in reliance solely on the contents hereof, and shall not be modified except in writing signed by both Parties, supersedes any previous agreements, written or oral, between the Parties hereto, and shall be construed neutrally rather than strictly for or against either party. All Parties to this Agreement have either: (i) been represented by separate legal counsel; or (ii) have had the opportunity to be so represented. Thus, in all cases, the language in this Agreement shall be construed simply and in accordance with its fair meaning and not strictly for or against a party, regardless of which party prepared or caused the preparation of this Agreement. The Parties both acknowledge that they have entered into a Type 3 Special Assistance Participation Agreement dated \_\_\_\_\_, 2015, and nothing herein is intended to modify or alter that agreement.

16. **BINDING EFFECT.** This Agreement shall be binding upon the successors and assigns of the Parties to this Agreement.

17. **AGREED ENFORCEABILITY.** The Parties specifically acknowledge and agree that this Agreement shall be binding and enforceable between the Parties notwithstanding that the Plat and the exact legal description for the CCDC Garage Unit will not be available for some period after the execution hereof.

18. **ASSIGNMENT.** Buyer and Seller shall have the right to assign this Agreement upon written approval by the other party, not to be unreasonably withheld or delayed.

19. **COUNTERPARTS.** This Agreement may be signed in any number of counterparts and by facsimile, and once so executed by both Parties, each such counterpart will be deemed to be the original, but all counterparts together shall constitute but one (1) complete and binding agreement.

20. **TIME FOR PERFORMANCE.** Unless otherwise expressly stated in this Agreement, all time periods shall be deemed to mean calendar days. In the event any date for the time for performance in this Agreement falls upon a Saturday, Sunday, or legal holiday recognized in the State of Idaho, such time for performance shall be extended to the next business day.

21. **JOINT AND SEVERAL OBLIGATIONS.** In the event any party to this Agreement is composed of more than one person or entity, the obligations of said party shall be joint and several.

22. **NO WAIVER.** No waiver by either party of any default under this Agreement by the other party shall be effective or binding upon such party unless

given in the form of a written instrument signed by such party, and no such waiver shall be implied from any omission by such party to take action with respect to such default. No express written waiver of any default shall affect any other default or cover any period of time other than the default and/or period of time specified in such express waiver. One or more written waivers of any default under any provision of this Agreement shall not be deemed to be a waiver of any subsequent default in the performance of the same provision or any other term or provision contained in this Agreement.

23. **CAPTIONS.** The captions at the beginning of the several paragraphs, respectively are for convenience in locating the context, but are not part of the text.

24. **EXHIBITS.** The exhibits attached to this Agreement are incorporated herein as if fully set forth.

25. **OPTION TO PURCHASE AND FIRST RIGHT OF REFUSAL.** At the Closing, Buyer and Seller shall enter into an Option to Purchase and First Right of Refusal Agreement in the form of the document attached hereto and incorporated herein as Exhibit C (the "Option"). The execution of the Option is a material consideration to Seller for selling the CCDC Garage Unit to Buyer pursuant to this Agreement.

26. **TERMINATION.** In consideration of the payment of a termination fee which is the lesser of (a) Ten Thousand Dollars (\$10,000.00) or (b) the amount paid by Buyer after the Effective Date to financial consultants and parking consultants with respect to review of the design plans and financial information for the design and construction of the CCDC Garage Unit (not including attorney's fees), Seller may terminate and cancel this Agreement at any time on or before June 1, 2016 or one hundred eighty (180) days prior to Closing, whichever date is later, and in such event, this Agreement shall be null and void and of no force or effect.

[ end of text; signature page follows ]

DATED effective as of the last date set forth below.

Buyer: Capital City Development Corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

Seller: The Roost Project LLC,

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

Consented and Agreed:

TitleOne Corporation

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

- Exhibit A – Legal Description of the Property
- Exhibit B – Concept Plans
- Exhibit C – Option to Purchase and First Right of Refusal



ACKNOWLEDGMENTS

STATE OF IDAHO )  
 ) ss.  
County of Ada )

On this \_\_\_\_ day of \_\_\_\_\_, 2015, before me,  
\_\_\_\_\_, the undersigned notary public in and for said county  
and state, personally appeared \_\_\_\_\_, known or identified to me to be  
the Chair of the Capital City Development Corporation, the public body corporate  
and politic, that executed the within instrument, and known to me to be the person  
that executed the within instrument on behalf of said Agency and acknowledged to  
me that such Agency executed the same for the purposes herein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my  
official seal the day and year in this certificate first above written.

\_\_\_\_\_  
Residing at \_\_\_\_\_  
Commission Expires \_\_\_\_\_

STATE OF \_\_\_\_\_ )  
 ) ss.  
County of \_\_\_\_\_ )

On this \_\_\_\_ day of \_\_\_\_\_, 2015, before me,  
\_\_\_\_\_, the undersigned notary public in and for said county  
and state, personally appeared \_\_\_\_\_, known or identified to me to  
be the \_\_\_\_\_ of \_\_\_\_\_, an \_\_\_\_\_, and the  
person who signed the within instrument, and acknowledged to me that he has  
authority to execute and executed the foregoing instrument for the purposes therein  
contained on behalf of \_\_\_\_\_.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my  
official seal the day and year in this certificate first above written.

\_\_\_\_\_  
Residing at \_\_\_\_\_  
Commission Expires \_\_\_\_\_

**EXHIBIT A**  
**LEGAL DESCRIPTION OF THE PROPERTY**

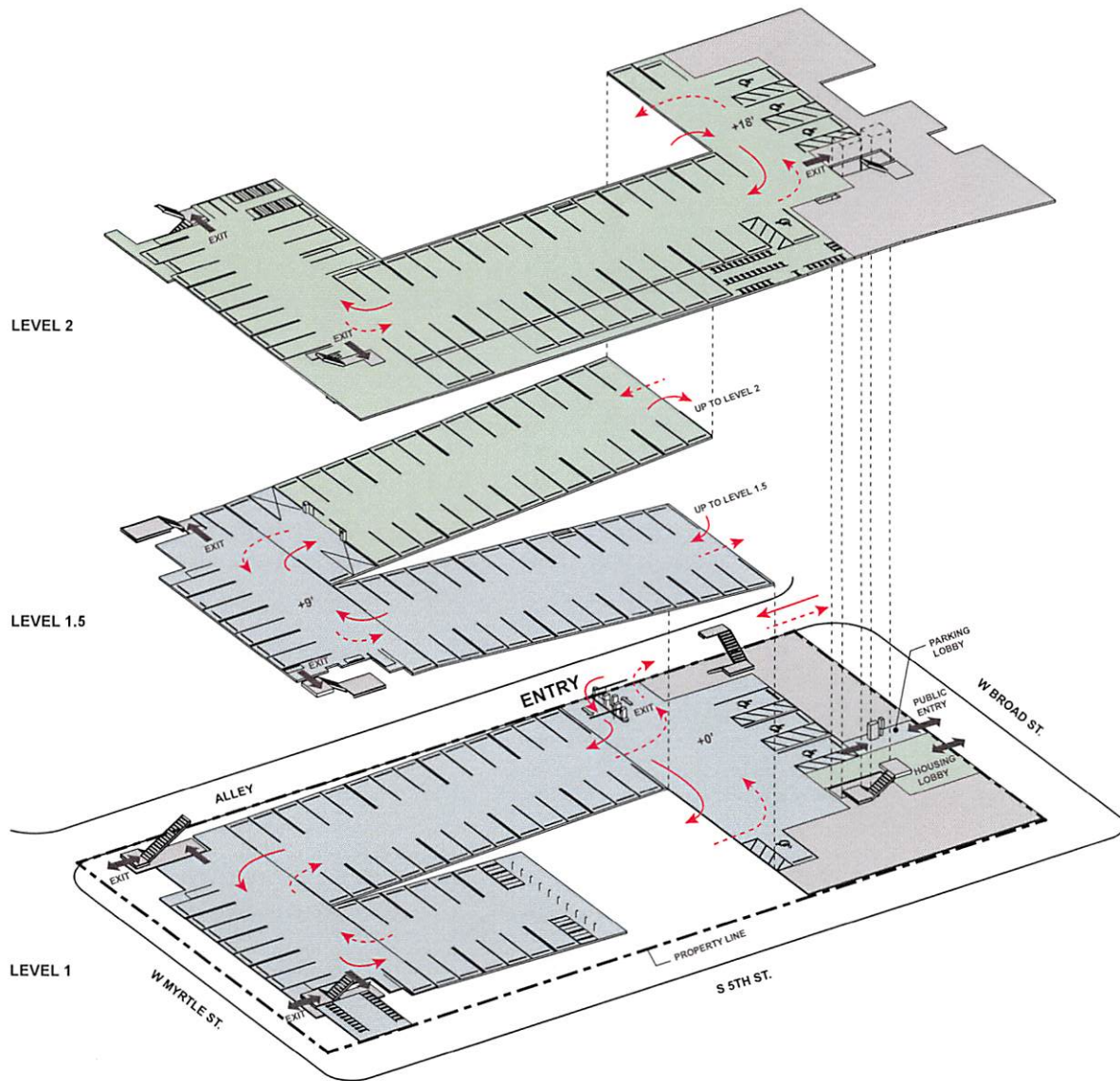


R1749101277  
LOTS 1-2 EXC' BLK 14 DAVIS ADD  
R1749101287  
PAR #1287 IN BLK 14 DAVIS ADD

R1749101301  
LOT 6 & S 5' LOT 5 BLK 14 DAVIS ADD  
R1749101311  
LOTS 7-8 BLK 14 DAVIS ADD

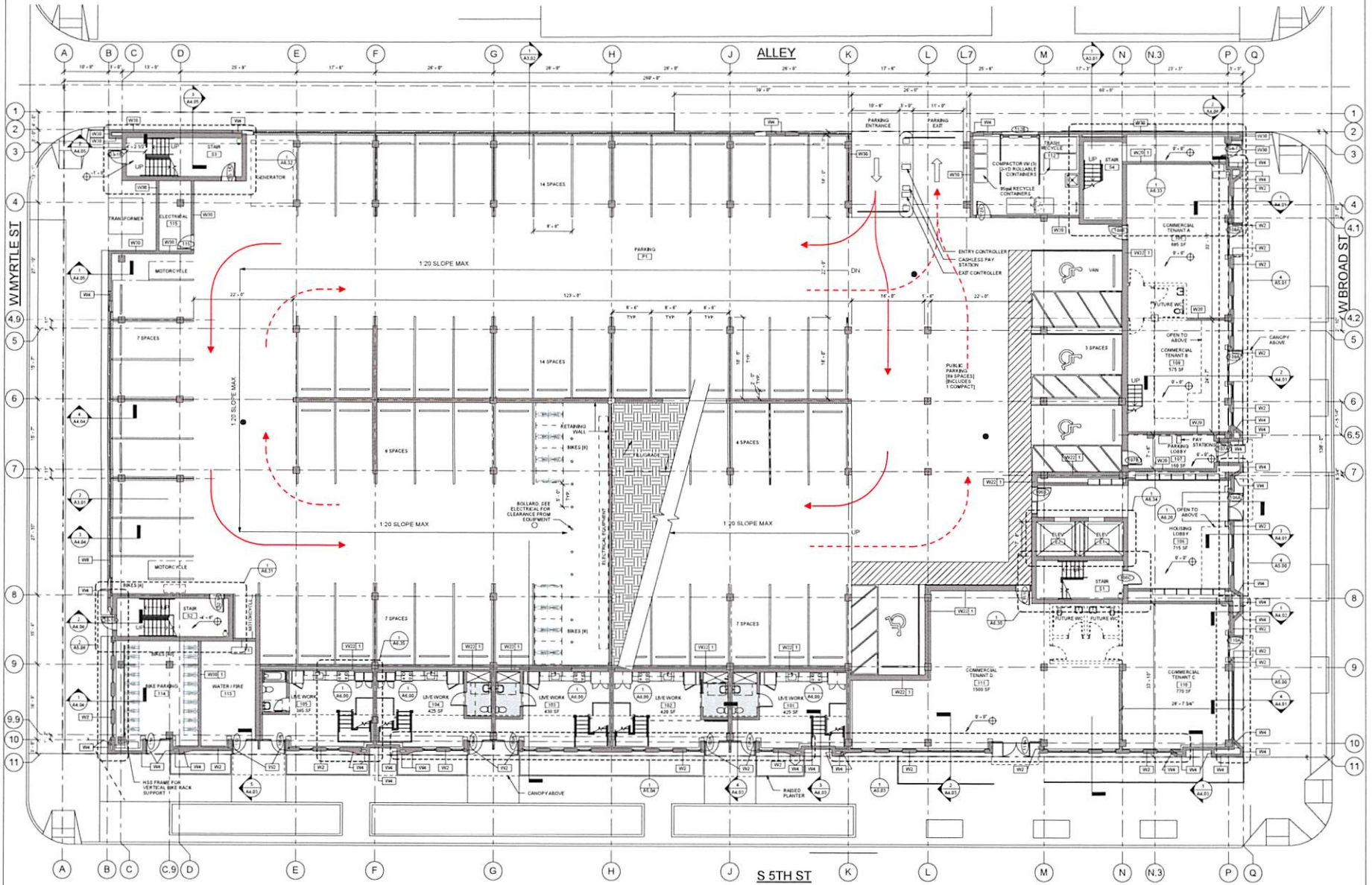
R1749101321  
LOTS 9-10 BLK 14 DAVIS ADD

**EXHIBIT B**  
**CONCEPT PLANS**



- PUBLIC PARKING**  
 91 SPACES  
 4 ACCESSIBLE  
 1 COMPACT  
 6 MOTORCYCLE  
 58 BICYCLE
  
- RESIDENT PARKING**  
 88 SPACES  
 4 ACCESSIBLE  
 3 COMPACT  
 5 TANDEM  
 5 TANDEM COMPACT  
 5 MOTORCYCLE  
 101 BICYCLE





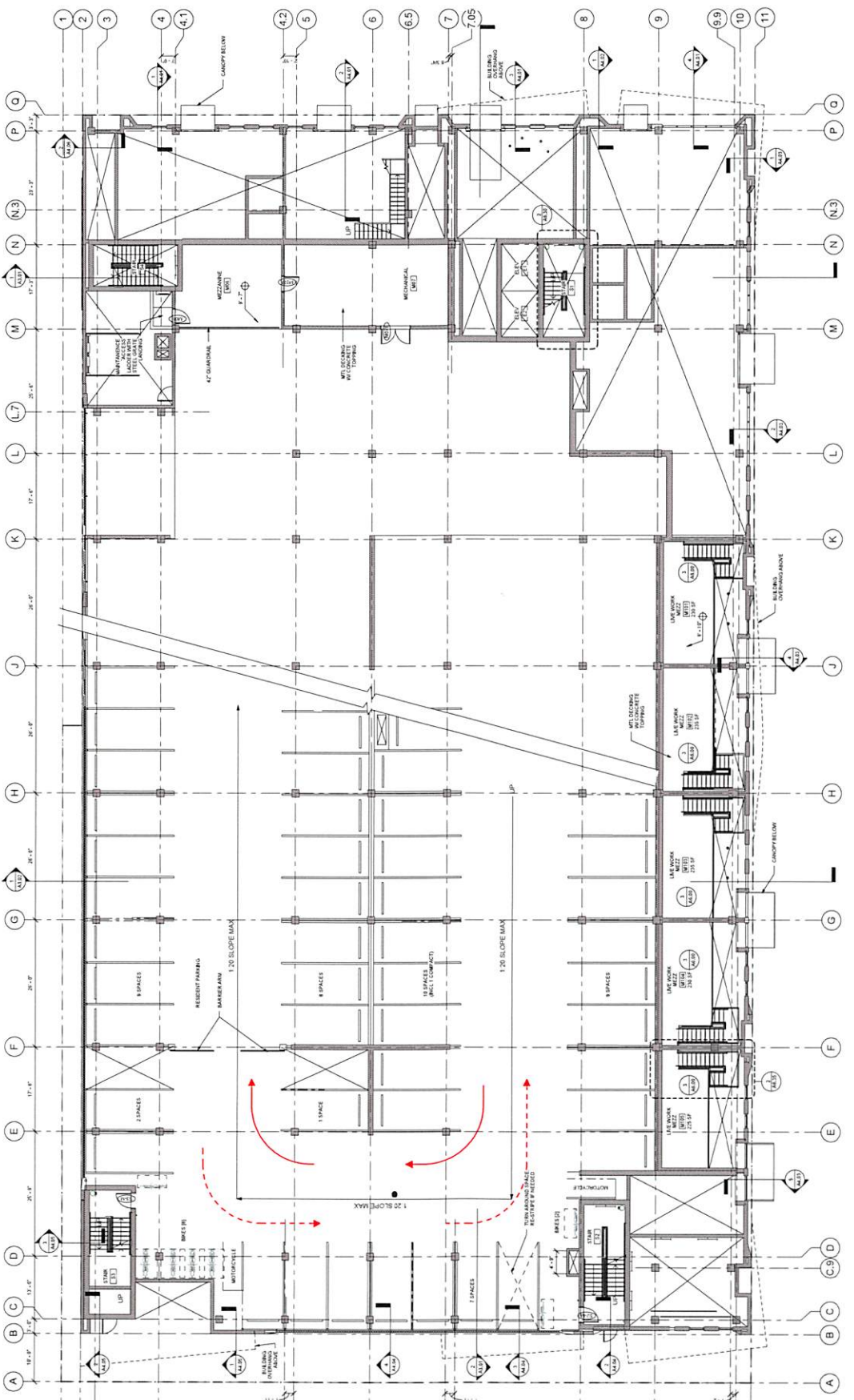
1 LEVEL 01 FLOOR PLAN  
 1/8" = 1'-0"

PROJECT NORTH

LEVEL 01 FLOOR PLAN

A1.01

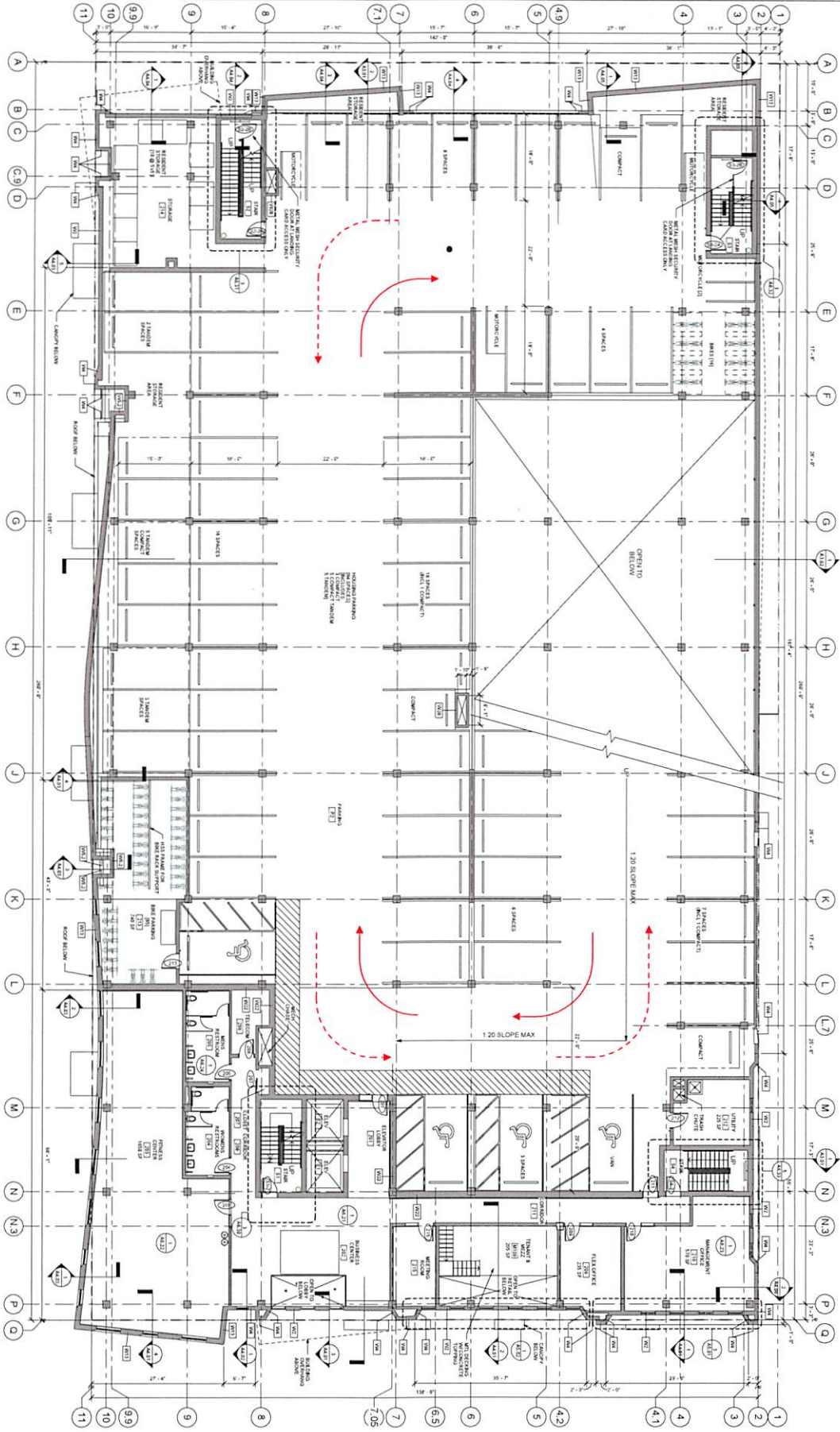
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**MEZZANINE FLOOR PLAN**  
 A1.1M  
 1/8" = 1'-0"



1 LEVEL 02 FLOOR PLAN







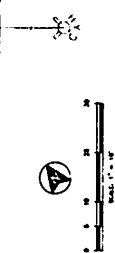
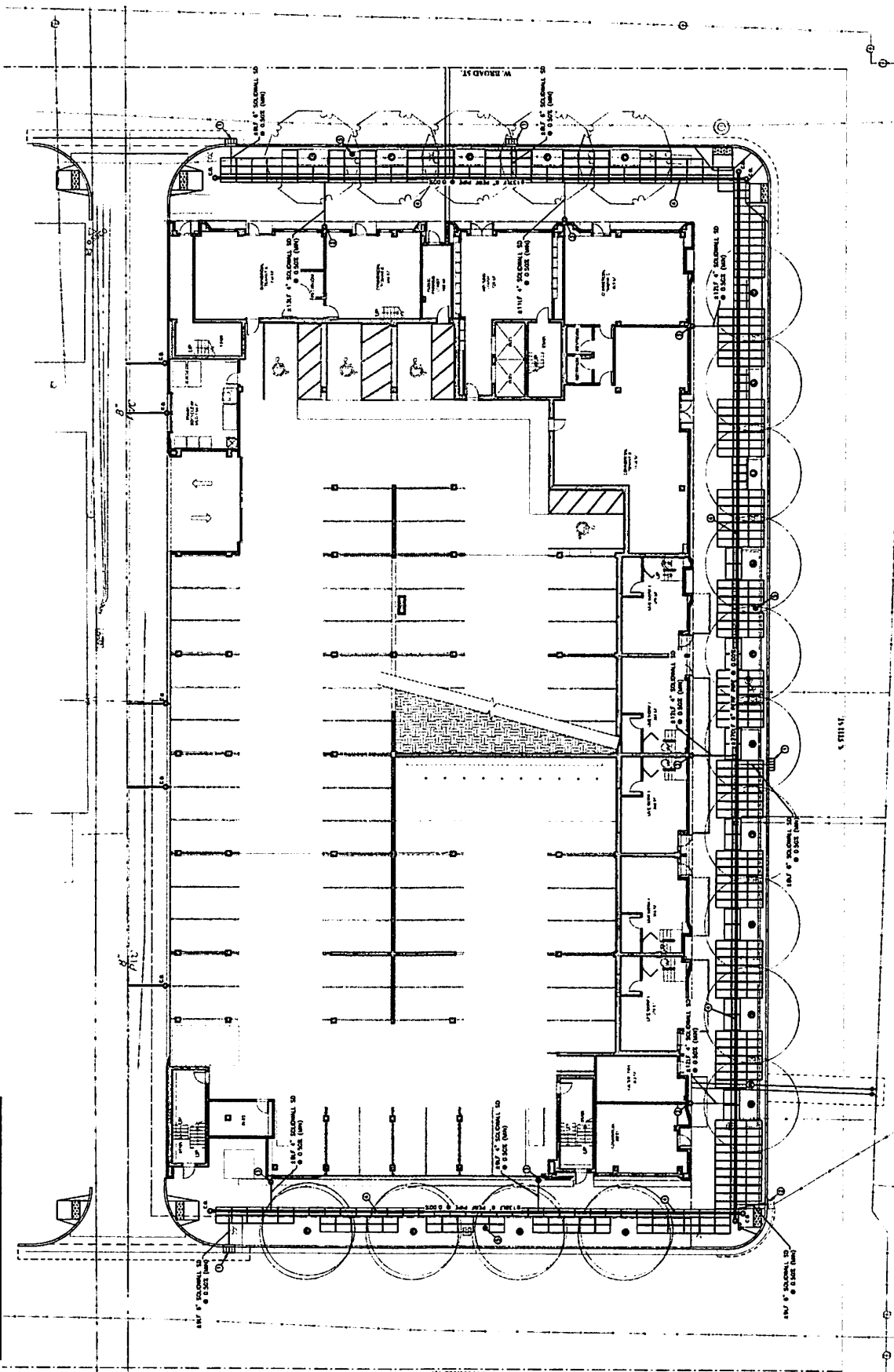


FORM NO.	REV.	DATE	DESCRIPTION
SD-1	1	10/10/10	ISSUE FOR PERMIT
SD-1	2	10/10/10	ISSUE FOR PERMIT
SD-1	3	10/10/10	ISSUE FOR PERMIT

**REVISIONS**  
 1. 10/10/10  
 2. 10/10/10  
 3. 10/10/10

- REVISIONS**
1. 10/10/10
  2. 10/10/10
  3. 10/10/10
  4. 10/10/10
  5. 10/10/10
  6. 10/10/10
  7. 10/10/10
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  9. 10/10/10
  10. 10/10/10

- NOTES**
1. ALL NOTES TO BE OBSERVED BY THE CONTRACTOR AND ALL NOTES TO BE OBSERVED BY THE CONTRACTOR.
  2. ALL NOTES TO BE OBSERVED BY THE CONTRACTOR AND ALL NOTES TO BE OBSERVED BY THE CONTRACTOR.
  3. ALL NOTES TO BE OBSERVED BY THE CONTRACTOR AND ALL NOTES TO BE OBSERVED BY THE CONTRACTOR.
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  9. ALL NOTES TO BE OBSERVED BY THE CONTRACTOR AND ALL NOTES TO BE OBSERVED BY THE CONTRACTOR.
  10. ALL NOTES TO BE OBSERVED BY THE CONTRACTOR AND ALL NOTES TO BE OBSERVED BY THE CONTRACTOR.



STORM DRAINAGE PLAN

**EXHIBIT C**

**OPTION TO PURCHASE AND FIRST RIGHT OF REFUSAL**

4839-4015-0820, v. 10

## **OPTION TO PURCHASE AND RIGHT OF FIRST REFUSAL**

THIS OPTION TO PURCHASE AND RIGHT OF FIRST REFUSAL (this “Agreement”) is entered by and between Capital City Development Corporation, an urban renewal agency and a public body, corporate and politic, of the State of Idaho whose address is 121 N. 9<sup>th</sup> St., Ste. 501, Boise, ID 83702 (“CCDC”), and The Roost Project LLC, a California limited liability company authorized to do business in Idaho whose address is 3112 Los Feliz Blvd., Los Angeles, CA, 90039 (“Roost”). CCDC and Roost may each individually be referred to hereinafter as a “Party” or collectively as the “Parties,” as appropriate under the circumstances.

### **RECITALS**

A. CCDC owns that certain real property located in Ada County, Idaho, together with all improvements thereon and all rights and appurtenances pertaining thereto, which is legally described as Unit 101 of the Roost Condominiums (collectively, the “Property”) and described on Exhibit A attached hereto.

B. Roost owns the remaining units in the Roost Condominiums, including the unit containing residential apartments (the “Roost Apartments Project”).

C. CCDC desires to grant to Roost, and Roost desires to accept from CCDC, an option to purchase the Property and right of first refusal on the Property, upon the terms and conditions hereinafter set forth.

### **AGREEMENT**

In consideration of \$1.00 paid to CCDC by Roost, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, CCDC hereby grants and conveys to Roost an option to purchase the Property and right of first refusal on the Property on the following terms and conditions.

#### **1. Option to Purchase.**

**1.1 Option to Purchase Property.** CCDC hereby grants to Roost the exclusive option to purchase the Property (the “Option”), subject to and on the terms and conditions hereinafter set forth and for the consideration hereinafter fixed. Upon exercise of the Option as set forth herein, Roost hereby agrees to purchase the Property for the Option Price (defined below) and according to the covenants, terms, and conditions contained herein.

**1.2 Term:** The Term of this Option shall commence two (2) years after the date CCDC obtained title to the Property and shall conclude six (6) years after the date CCDC obtained title to the Property (the “Option Period”).

**1.3 Exercise of Option; Termination.** The Option shall be exercised by Roost giving written notice to CCDC of its exercise of the Option (“Notice of Exercise”) during the Option Period. Roost shall have two opportunities per calendar year during the Option Period to exercise the Option, the first being on or before June 1 and the second on or before

December 1. If Roost exercises the Option on or before June 1, the effective date of the Notice of Exercise shall be June 1. If Roost exercises the Option after June 1 but before December 1, the effective date of the Notice of Exercise shall be December 1. Upon expiration of the Option Period, the Option shall automatically terminate, and neither Party shall have any further rights or obligations relating to the Option as set forth in Section 1 of this Agreement.

**1.4 Condition Precedent to Exercise of Option.** Roost may only exercise the Option if it is required to do so for either of the following reasons:

**1.4.1** In order to obtain permanent long-term financing for The Roost Apartments Project that is commercially reasonable for the Boise, Idaho apartment market, including commercially reasonable interest rate, loan fees, loan to value ratios, and other material terms of the loan. This condition shall be satisfied by Roost providing a letter from its prospective lender that the terms of a loan would be more favorable if Roost owned the Property; or

**1.4.2** In order for the The Roost Apartments Project to be competitive with similar projects and economically feasible, including, lease up, rental rates, marketability, and/or vacancy rates and other material considerations. This condition shall be satisfied by Roost providing written documentation evidencing that ownership of the Property is required for the Roost Apartment Project to be competitive and economically viable in the Boise market.

**1.5 Option Price.** The purchase price to be paid by Roost for the Property under the Option shall be the fair market value of the Property as determined by an appraisal of the Property as of the date of the Notice of Exercise (the "Option Price"). With respect to any appraisal conducted pursuant to the preceding sentence, such appraisal shall be conducted by two (2) appraisers both duly licensed and qualified by appropriate experience and ability and having no less than five (5) years' experience in the Boise business area. One such appraiser shall be designated by and paid by Roost and one such appraiser shall be designated and paid by CCDC. The appraisers shall prepare appraisal reports that provide an opinion on the fair market value of the Property.

If CCDC and Roost cannot agree as to the fair market value based on the received appraisals, the two appraisers shall select a third appraiser upon written notice of designation given to the Parties. The third appraiser shall prepare an appraisal that shall be paid for one-half by Roost and one-half by CCDC. The fair market value determination shall be the average of the fair market value determinations of such three (3) appraisers, using the appraisal reports prepared by the first two selected appraisers and the appraisal report prepared by the third appraiser.

The Option Price shall be paid in legal tender of the United States at the closing described in Section 1.7 of this Agreement.

**1.6 Meet and Confer Before Closing.** Prior to Closing, Roost and CCDC shall meet and confer concerning the impact of the exercise of the Option on any financing obtained by CCDC to fund the acquisition of the Property. Roost agrees to make any reasonable changes to the process by which it may exercise the Option and close on the Property in order to satisfy any requirements of CCDC's lenders and/or bond-holders with respect to CCDC's sale of the Property pursuant to this Agreement.

**1.7 Closing.** If Roost exercises the Option, then Roost shall close the transaction as soon as possible, but in no event later than 120 days after CCDC's receipt of the Notice of Exercise, unless Closing is delayed by the appraisal process or due to CCDC's need to satisfy requirements of its lenders and/or bondholders with respect to CCDC's sale of the Property pursuant to this Agreement.

## **2. Right of First Refusal.**

**2.1 Grant of Right of First Refusal.** CCDC hereby grants to Roost for a term extending from and after the Effective Date to and including that date which is fifteen (15) years after the Effective Date (the "Refusal Period"), the exclusive right of first refusal (the "Right of First Refusal") to purchase the Property. The Right of First Refusal provides Roost the opportunity to purchase the Property prior to CCDC's transfer of the Property to a party **other than** the City of Boise or another public entity; provided that such transfer shall be subject to the Option.

**2.2 Notice of Bona Fide Offer.** At such time as CCDC receives a bona fide offer for the purchase of the Property or any portion thereof by a third party, during the Refusal Period, and the offer is acceptable to CCDC in its sole judgment (the "Bona Fide Offer"), then CCDC shall forthwith offer the Property to Roost, in writing, on the same terms and conditions as are contained in the Bona Fide Offer and shall furnish Roost with a true, correct, and complete copy of the Bona Fide Offer at the time that it makes the offer to Roost. Any offer to transfer the Property by CCDC to another public entity shall not be deemed a Bona Fide Offer; provided that such transfer shall be subject to the Option.

**2.3 Acceptance of Offer.** Roost shall have 30 days after the receipt of such offer (the "Purchase Period") to notify CCDC in writing that it intends to purchase the Property on the terms of such offer (the "Purchase Notice"). If Roost declines to purchase the Property, or fails to give CCDC a Purchase Notice within the Purchase Period, then CCDC shall be free to sell the Property pursuant to the Bona Fide Offer on the terms and conditions contained therein, but such sale and transfer shall be subject to the Option which shall remain in full force and effect. For the avoidance of doubt, if the Bona Fide Offer is given to Roost during the Option Period and the price for the Property set forth in the Bona Fide Offer is less than the Option Price, then Roost shall be entitled to exercise the right of first refusal and purchase the Property for the price set forth in the Bona Fide Offer. If the price of the Bona Fide Offer is greater than the Option Price, CCDC may sell to the third party but such sale and transfer shall be subject to the Option in favor of Roost.

**2.4 Closing With Third Party.** In the event Roost does not timely give a Purchase Notice during the Purchase Period, and (a) if the sale to the third party does not close within sixty (60) days after the date of closing in the Bona Fide Offer, or (b) if the price or other material terms of the Bona Fide Offer change substantially, then CCDC shall notify Roost of such failure to close or the changes intended to be granted to the third party purchaser under the Bona Fide Offer, and Roost will have 15 days from the date of receipt of such notice to notify CCDC of its election to purchase the Property under the revised terms of the Bona Fide Offer, and if Roost does not notify CCDC of its election to purchase the Property within said 15 days, then CCDC shall be free to consummate the sale to the purchaser under the Bona Fide Offer pursuant to its revised terms.

**2.5 Roost's Obligation to Close.** If Roost notifies CCDC pursuant to Section 2.3 or Section 2.4 that it intends to purchase the Property, then Roost shall close the contemplated transaction on or before the date of closing as specified in the Bona Fide Offer. At closing, CCDC shall convey the Property to Roost by bargain and sale deed.

**2.6 New Bona Fide Offers.** Any new Bona Fide Offer from a third party, or any tendering again of a previously tendered Bona Fide Offer, by a person who has previously extended an offer shall be treated as a new Bona Fide Offer for purposes of this Agreement.

**2.7 Right of First Refusal Not Intended to Fail.** It is intended by the Parties that Roost's right to purchase the Property under Section 2 of this Agreement shall be valid and shall not fail as a result of CCDC receiving a Bona Fide Offer which, by its terms, cannot be matched by Roost (such as an exchange). Therefore, if Roost is able to perform under any of the terms (except for the exchange of property in lieu of payment of money) of any Bona Fide Offer extended by CCDC, then Roost shall have the right to purchase the Property for cash at a price that is the cash equivalent of said Bona Fide Offer. The "cash equivalent" is the cash price that fairly represents the fair market value of the Property as evidenced by the offer in question and as agreed by the Parties, or if no agreement, then as determined by independent appraisal by an appraiser mutually acceptable to the Parties, or if no mutually acceptable appraiser is found, then one shall be appointed by a court of competent jurisdiction. Either Party may seek a court order for the appointment of the appraiser if the Parties fail to agree on an appraiser. In all events, the Parties shall share the costs of all appraisals equally. In addition, CCDC agrees not to grant any option or long-term lease or to otherwise subdivide, sell, transfer, convey or assign any right, title or interest in and to the Property that would serve to defeat the right of first refusal or that would otherwise constitute a de facto sale of the Property or portion thereof without complying with the terms of this Agreement.

**3. Agreement Runs With the Land.** It is the intent of the Parties that the Option (to the extent of the Option Period) and the Right of First Refusal (to the extent of the Refusal Period) shall not lapse, but shall be covenants running with the land and shall be binding upon the subsequent owner(s) of the Property or any portion thereof.

#### **4. Miscellaneous.**

**4.1 Modification.** This Agreement constitutes the entire agreement between the Parties relative to the subject matter hereof and may only be amended by a writing specifically referencing this Agreement and signed by the Parties or their successors, legal representatives, assignees, or transferees.

**4.2 Notices.** Any notice under this Agreement shall be in writing and delivered in person or by public or private courier service (so long as such services provide written confirmation of delivery) (including U.S. Postal Service Express Mail) or certified mail, return receipt requested, addressed to the appropriate Party at the address set forth below, or at such other address a Party may from time to time specify by notice to the other Party. All notices given pursuant to this Agreement shall be deemed given upon receipt. For the purpose of this Agreement, the term "receipt" shall mean the earliest of any of the following: (a) the date of delivery of the notice or other document as shown on the return receipt; (b) the date of receipt of the notice or other document by the person or entity to whom it was addressed; or (c) in the case

of refusal to accept delivery or inability to deliver the notice or other document, the earliest of: (i) the date of the attempted delivery or refusal to accept delivery; (ii) the date of the postmark on the return receipt; or (iii) the date of receipt of notice of refusal or notice of non-delivery by the sending Party.

If to CCDC: Capital City Development Corporation  
Attn: John Brunelle  
121 North 9th Street, Suite 501  
Boise, Idaho 83702

With a copy to: Elam & Burke, P.A.  
Attn: Ryan P. Armbruster  
P.O. Box 1539  
Boise, Idaho 83701-1539

If to Seller: The Roost Project, LLC  
Attn: Casey Lynch and Mike Brown  
3112 Los Feliz Blvd  
Los Angeles, California 90039

With a copy to: Givens Pursley LLP  
Attn: L. Edward Miller  
601 W. Bannock Street  
Boise, Idaho 83702  
Phone: (208) 388-1200  
Email: [edmiller@givenspursley.com](mailto:edmiller@givenspursley.com)

**4.3 Headings.** The headings of the several sections contained herein are for convenience only and do not explain, define, limit, amplify, or aid in the interpretation, construction or meaning of the provisions of this Agreement.

**4.4 Recitals and Exhibits.** The recitals and exhibits contained herein are incorporated herein as if set forth in full. However, in the event of any conflict between such recitals and/or exhibits and the terms and conditions of this Agreement, this Agreement shall control.

**4.5 Time is of the Essence.** All time periods in this Agreement shall be deemed to refer to calendar days unless the time period specifically references business days; provided that if the last date on which to perform any act or give any notice under this Agreement shall fall on a Saturday, Sunday, or local, state, or national holiday, such act or notice shall be deemed timely if performed or given on the next succeeding business day. Time is of the essence with respect to each and every covenant and obligation under this Agreement.

**4.6 Governing Law.** This Agreement shall be governed by the laws of the State of Idaho as an agreement to be performed in the State of Idaho.



**4.7 Recording of Agreement.** The Parties agree the Agreement shall be recorded in the real property records of Ada County, Idaho.

**4.8 Grammatical Usage.** In construing this Agreement, feminine or neuter pronouns shall be substituted for those masculine in form and vice versa, and plural terms shall be substituted for singular and singular for plural in any place in which the context so requires.

**4.9 Binding Effect.** This Agreement shall run with the land and be deemed a burden on the Property for the benefit of Roost and be binding upon and inure to the benefit of the Parties hereto and their respective heirs, legal representatives, successors and assigns.

**4.10 Additional Acts.** Except as otherwise provided herein, in addition to the acts and deeds recited herein and contemplated to be performed, executed and/or delivered by the Parties, the Parties hereby agree to perform, execute and/or deliver or cause to be performed, executed and/or delivered any and all such further acts, deeds and assurances as any Party hereto may reasonably require to consummate the transaction contemplated hereunder.

**4.11 Remedies.** In the event of a breach hereunder by any Party, the non-breaching Party shall have all remedies available at law or in equity, including injunctive or other equitable relief. In any suit, action or appeal therefrom to enforce or interpret this Agreement, the prevailing Party shall be entitled to recover its costs incurred therein, including reasonable attorneys' fees and disbursements, and also including reasonable attorney's fees and costs associated with any appeal of a judgment. The prevailing Party will be that Party which was awarded judgment as a result of trial or which receives a payment of money from the other Party in settlement of claims asserted by that Party.

**4.12 Counterparts.** This agreement may be executed in any number of counterparts and once so executed by all Parties thereto, each such counterpart shall be deemed to be an original instrument but all such counterparts together shall constitute but one agreement.

IN WITNESS WHEREOF, the undersigned have caused this Agreement to be executed effective the day and year first above written.

CCDC:

Capital City Development Corporation,  
an Idaho corporation

---

John Brunelle, its Executive Director

ROOST:

The Roost Project, LLC,  
a California limited liability company

---

Michael J. Brown, Managing Member of  
LocalConstruct Advisors, LLC, its Manager

Exhibit A

Legal Description of the Property

[to be inserted]

4820-3042-9220, v. 14



**AGENDA BILL**

<b>Agenda Subject:</b> Approve Resolution No. 1397, amendment to the DDA, and the final approval of construction documents as requested by the developer of The Afton, 620 S. 9 <sup>th</sup> Street.		<b>Date:</b> August 10, 2015
<b>Staff Contact:</b> Shellan Rodriguez	<b>Attachments:</b> 1- Resolution No. 1397 2- First Amendment to the Disposition and Development Agreement	
<b>Action Requested:</b> Direct staff to approve Resolution No. 1397 to finalize and execute the First Amendment of the DDA and to approve the Final Construction Documents for Phase I of The Afton.		

**Fiscal Notes:**

There is no financial request associated with this action.

**Background:**

Since the execution of the Disposition and Development Agreement on September 14, 2014, the project is moving forward as per the agreed up on Schedule of Performance.

**Financing:**

The Developer has completed 100% of his equity raise and has a fully executed loan commitment from The Bank of the Cascades which expires September 14, 2015. CCDC has approved the Developer's Submission of Financing

**Environmental:**

Developer has recently raised the site in order to complete all environmental testing. The DEQ is completing environmental testing and we are scheduled to receive results before the end of the month.

DEQs report is on schedule, although not available at this time. Initial findings are unknown.

**Design:**

The Progress Set of Construction Documents was submitted in April 2015, they were conditionally approved by CCDC Staff thereafter. As conditioned, the Final Construction Documents were submitted to CCDC on July 22, 2015. CCDC has until August 11, 2015, to approve. Although there are minor revisions/ updates, it is staff's opinion the intent of the CCDC approved design is being met and the updates will help the project achieve financing and sales goals. The primary update is changing some of the live work units to larger townhome style residences along the "alley" and maintaining live/ work units in some of the retail areas along 8<sup>th</sup> Street and River Street.

**DDA Amendment:**

A summary of the DDA Amendment is below. Its primary purposes is to extend the land closing deadline and to no longer require the developer to have building permits before the transfer of the land.

- a) Land closing deadline extended approximately 45 days until Oct. 15, 2015.
- b) Amend Conditions Precedent to Closing to no longer require the developer to have full building permits or an upon payment of fees letter in hand before the transfer of land.
- c) Clarify insurance provisions.

**Staff Recommendation:**

Direct staff to finalize and execute the First Amendment of the DDA and to approve the Final Construction Documents for Phase I of The Afton.

**Suggested Motion:**

I move to adopt Resolution No. 1397 to authorize the Executive Director to execute the First Amendment to the DDA barring no substantive changes from the attached drafted document and to direct staff to approve the final construction documents for the Afton.

**RESOLUTION NO. 1397**

BY THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF BOISE CITY, IDAHO:

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF BOISE CITY, IDAHO, APPROVING AN AMENDMENT TO THE DISPOSITION AND DEVELOPMENT AGREEMENT BETWEEN THE URBAN RENEWAL AGENCY OF BOISE CITY, IDAHO, AND 620 S. 9TH STREET LLC; AND AUTHORIZING THE CHAIR, VICE-CHAIR, OR EXECUTIVE DIRECTOR AND SECRETARY, RESPECTIVELY, TO EXECUTE AND ATTEST SAID AMENDMENT SUBJECT TO CERTAIN CONDITIONS; AUTHORIZING THE EXECUTIVE DIRECTOR AND SECRETARY TO EXECUTE ALL NECESSARY DOCUMENTS REQUIRED TO IMPLEMENT THE AMENDMENT AND TO MAKE ANY NECESSARY TECHNICAL CHANGES TO THE AMENDMENT SUBJECT TO CERTAIN CONDITIONS; AND PROVIDING AN EFFECTIVE DATE.

THIS RESOLUTION, made on the date hereinafter set forth by the Urban Renewal Agency of Boise City, 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 (the "Law"), a duly created and functioning urban renewal agency for Boise City, Idaho (hereinafter referred to as the "Agency");

WHEREAS, the City Council of the City of Boise City, Idaho (the "City"), adopted its Ordinance No. 5597 on December 6, 1994, approving an Amended and Restated Boise Central District Urban Renewal Plan and making certain findings;

WHEREAS, the City, after notice duly published, conducted a public hearing on the River Street-Myrtle Street Urban Renewal Plan (the "River Street Plan");

WHEREAS, following said public hearing, the City adopted its Ordinance No. 5596 on December 6, 1994, approving the River Street Plan and making certain findings;

WHEREAS, the City after notice duly published, conducted a public hearing on the First Amended and Restated Urban Renewal Plan River Street-Myrtle Street Urban Renewal Project (Annexation of the Old Boise Eastside Study Area and Several Minor Parcels) and renamed River-Myrtle/Old Boise Urban Renewal Project (the "River Myrtle-Old Boise Plan") and the area referred to as the "Project Area;"

WHEREAS, following said public hearing, the City adopted its Ordinance No. 6362 on November 30, 2004, approving the River Myrtle-Old Boise Plan and making certain findings;

WHEREAS, the Agency adopted the River Myrtle-Old Boise Plan through Resolution No. 985 dated August 23, 2004;

WHEREAS, in order to achieve the objectives of the River Myrtle-Old Boise Plan, the Agency is authorized to acquire real property for the revitalization of areas within the Agency's boundaries;

WHEREAS, the Agency Board adopted Resolution No. 851 on February 12, 2001, authorizing the purchase of certain real property located at 620 S. 9th Street (the "Site"), in order to achieve the objectives of the River Myrtle-Old Boise Plan;

WHEREAS, at a public meeting in October 2014, the Agency Board approved, pursuant to Resolution 1363, a Disposition and Development Agreement ("DDA") between Agency and 620 S. 9th Street LLC ("Developer");

WHEREAS, the Agency staff and Developer find it necessary to amend the DDA and have negotiated the First Amendment to the Disposition & Development Agreement between Capital City Development Corporation and 620 S. 9th Street LLC, an Idaho limited liability company (the "Amendment"), which is attached hereto as Exhibit A and incorporated herein as if set forth in full;

WHEREAS, the Agency staff recommends approval of the Amendment;

WHEREAS, the Board of Directors finds it in the best public interest to approve the Amendment and to authorize the Chair, Vice-Chair, or Executive Director and Secretary to execute and attest the Amendment, 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 URBAN RENEWAL AGENCY OF BOISE CITY, IDAHO, AS FOLLOWS:

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

Section 2: That the Amendment, a copy of which is attached hereto as Exhibit A and incorporated herein as if set out in full, is hereby approved and adopted.

Section 3: That the Chair, Vice-Chair, or Executive Director and Secretary of the Board of Directors of the Agency are hereby authorized to sign and execute the Amendment and, further, are hereby authorized to execute all necessary documents required to implement the actions contemplated by the Amendment, subject to representations by the Executive Director and the Agency's legal counsel that all conditions precedent to actions and any necessary technical changes to the Amendment or other documents are acceptable upon advice from the Agency's legal counsel that said changes are consistent with the provisions of the Amendment and the comments and discussions received at the August 10, 2015, Agency Board meeting.

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

PASSED By the Urban Renewal Agency of Boise City, Idaho, on August 10, 2015.  
Signed by the Chair of the Board of Commissioners and attested by the Secretary to the Board of Commissioners on August 10, 2015.

APPROVED:

By: \_\_\_\_\_  
Chairman

ATTEST:

By: \_\_\_\_\_  
Secretary

4835-4056-0166, v. 1

**First Amendment to the Disposition & Development Agreement between  
Capital City Development Corporation and 620 S. 9<sup>th</sup> Street LLC, an Idaho limited  
liability company**

August \_\_\_\_\_, 2015

THIS FIRST AMENDMENT TO THE DISPOSITION AND DEVELOPMENT AGREEMENT (the “First Amendment”) is entered into this \_\_\_\_\_ day of August, 2015, by and between the Urban Renewal Agency of Boise City, also known as Capital City Development Corporation, a public body, corporate and politic (the “Agency”), organized pursuant to the Idaho Urban Renewal Law, Title 50, Chapter 20, Idaho Code, and undertaking projects under the authority of the Local Economic Development Act of 1988 as amended (the “Act”), and 620 S. 9<sup>th</sup> Street LLC, an Idaho limited liability company (the “Developer”), collectively referred to as the Parties and each individually as Party on the terms and provisions set forth below.

**RECITALS**

WHEREAS, the Agency adopted the River Myrtle-Old Boise Plan through Resolution No. 985 dated August 23, 2004;

WHEREAS, in order to achieve the objectives of the River Myrtle-Old Boise Plan, the Agency is authorized to acquire real property for the revitalization of areas within the Agency’s boundaries;

WHEREAS, on March 24, 2014, the Agency Board approved Resolution No. 1337 selecting Developer for purposes of negotiating an Agreement to Negotiate Exclusively (“Agreement”);

WHEREAS, on October 14, 2014, the Agency Board approved Resolution No. 1363 entering into a Disposition and Development Agreement (“DDA”);

WHEREAS, under the DDA the Closing of Parcel I shall be no later than 10 months after the Effective Date of the DDA which in effect is August 24, 2015;

WHEREAS, Developer requested Agency grant an extension of the Parcel I Closing to respond to certain circumstances including:

- (a) Idaho Department of Environmental Quality’s environmental findings report;
- (b) Better coordination with the Developer’s loan commitment expiration; and



(c) Enable the Developer to meet the conditions precedent to closing as per the DDA;

WHEREAS, in order to provide the Developer and CCDC the opportunity to accommodate the circumstances set forth above, it has become necessary for the parties to enter into this First Amendment in order to extend the Parcel I Closing to on or before October 15, 2015;

NOW, THEREFORE, the parties hereto agree as follows:

## **AGREEMENTS**

### **SECTION 1. PURPOSE OF FIRST AMENDMENT.**

The purpose of this First Amendment is to:

1. Amend Section 5.3.3 of the DDA to extend the Close of Parcel I Escrow from August 24, 2015 to October 15, 2015 and allow a single 30 day written extension at the sole discretion of the Agency's Executive Director.
2. Provide a Waiver as per Section 5.6 of the DDA on a portion of the conditions described in Sections 5.4.1(a) and Section 5.4.2(a): This amendment will allow the Developer to have submitted final grading plans and be ready to submit final building plans to the City of Boise. As per this waiver the Developer is not required to have grading or building permits or a confirmation of issuance upon payment of fees as a condition of closing.

### **SECTION 2. REVISION TO SECTION 5.3.3. of the DDA.**

Section 5.3.3, Close of Parcel I Escrow is hereby amended to read as follows:

**5.3.3. Close of Parcel I Escrow:** The Close of Escrow for Parcel I ("Parcel I Closing") shall occur within ten (10) days after the date all of the Agency Parcel I Closing Conditions and the Developer Parcel I Closing Conditions in Sections 5.4.1 and 5.4.2 (other than the conditions on the delivery of documents and funds into Escrow, which shall occur during said ten (10) day period) are satisfied or waived by the benefited party, but in no event later than October 15, 2015. Provided, Agency's Executive Director may grant one, additional, thirty (30) day extension of the scheduled Parcel I Closing Date, such additional extension being at the sole discretion of the Executive Director. Such additional extension, if granted, must be granted in writing.

### **SECTION 3. REVISION TO SECTION 5.4.1(a) of the DDA**

Section 5.4.1(a) of the DDA is hereby amended to read as follows:

(a) **Permits and Approvals.** Developer shall have obtained all land use approvals and entitlements (other than grading permits, building permits and condominium

plat approvals) for the development of Phase I from all governmental agencies with jurisdiction. With regard to such land use approvals and entitlements issued by the City for Phase I, the time period for appealing or challenging such approvals and entitlements shall have expired with no challenge having been timely filed, or if timely filed, either the approval or entitlement has been upheld or such action has otherwise been concluded in a manner satisfactory to Developer and Agency. Grading permits shall have been submitted to the City of Boise for review and approval.

#### SECTION 4. REVISION TO SECTION 5.4.2(a)

Section 5.4.2(a) of the DDA is hereby amended to read as follows:

(a) **Permits and Approvals.** Developer shall have obtained all land use approvals and entitlements for the separate conveyance of Parcel I and Parcel II and for the development of Phase I from all governmental agencies with jurisdiction, with the exception of grading permits, building permits and final condominium plat approvals. The time period for appealing or challenging such approvals and entitlements shall have expired with no challenge having been timely filed, or if timely filed, either the approval or entitlement has been upheld or such action has otherwise been concluded in a manner satisfactory to Developer and Agency. Grading permits shall have been submitted to the City of Boise for review and approval.

#### SECTION 5. SUBSTITUTED SCHEDULE OF PERFORMANCE.

The Schedule of Performance, Attachment 4 to the Agreement, is hereby revised to adhere to Section 2, Section 3 and Section 4 of this First Amendment.

#### SECTION 6. DEFINED TERMS

Capitalized terms in this First Amendment not defined herein shall be as defined in the DDA.

#### SECTION 8. INSURANCE AND INDEMNIFICATION

Section 8.1.2 of the DDA is hereby amended to read as follows:

Builder's Risk Insurance upon the Project covering one hundred percent (100%) of the replacement cost of the Project. This policy shall be written on a builder's risk "all risk" or open peril or special causes of loss policy form that shall at least include insurance for physical loss or damage to the construction, temporary buildings, falsework, and construction in transit, and shall insure against at least the following perils: (i) fire; (ii) lightning; (iii) explosion; (iv) windstorm or hail; (v) smoke; (vi) aircraft or vehicles; (vii) riot or civil commotion; (viii) theft; (ix) vandalism and malicious mischief; (x) leakage from fire extinguishing equipment; (xi) earthquake; (xii) sinkhole collapse; (xiii) collapse; (xiv) breakage of building glass; (xv) falling objects; (xvi) debris removal; (xvii) demolition occasioned by enforcement of laws and regulations; (xviii) weight of snow, ice, or sleet; (xix) water-damage; (xx) weight of people or personal property; (xxi) weight

of rain that collects on a roof; and (xxiii) damage resulting from the use of defective material or methods in construction, remodeling, or renovation during the course of construction, remodeling, or renovation;

IN WITNESS WHEREOF, the Parties hereto have executed this First Amendment as of the date set opposite their signatures. The effective date of this First Amendment shall be the date this First Amendment is signed by the Agency.

\_\_\_\_\_, 2015

AGENCY:

THE URBAN RENEWAL AGENCY

By \_\_\_\_\_  
John Brunelle, Executive Director

By \_\_\_\_\_  
\_\_\_\_\_, Secretary

\_\_\_\_\_, 2015

DEVELOPER:

620 S. 9<sup>TH</sup> STREET LLC, an Idaho limited liability company

By: HORMAECHEA DEVELOPMENT LLC,  
an Idaho limited liability company  
Its: Manager

By: \_\_\_\_\_  
Michael Hormaechea, Manager

STATE OF IDAHO                    )  
  ) ss.  
County of Ada                        )

On this \_\_\_\_ day of August, 2015, before me, \_\_\_\_\_, the undersigned notary public in and for said county and state, personally appeared \_\_\_\_\_, known or identified to me to be the Executive Director, and \_\_\_\_\_, known or identified to me to be the Secretary, respectively, of the Urban Renewal Agency of Boise City, also known as the Capital City Development Corporation, the public body, corporate and politic, that executed the within instrument on behalf of said Agency, and acknowledged to me that such Agency executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

\_\_\_\_\_  
Notary Public for Idaho  
Residing at \_\_\_\_\_  
Commission Expires \_\_\_\_\_

STATE OF IDAHO                    )  
  ) ss.  
County of Ada                        )

On this \_\_\_\_ day of August, 2015, before me, \_\_\_\_\_, the undersigned notary public in and for said State, personally appeared Michael Hormaechea, known or identified to me to be the Manager of HORMAECHEA DEVELOPMENT LLC, an Idaho limited liability company, the Manager of 620 S. 9TH STREET LLC, an Idaho limited liability company, who subscribed said limited liability company's name to the foregoing instrument, and acknowledged to me that he executed the same in said limited liability company's name.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

\_\_\_\_\_  
Notary Public for Idaho  
Residing at \_\_\_\_\_  
Commission Expires \_\_\_\_\_



**AGENDA BILL**

<b>Agenda Subject:</b> Amendment to Fund Balance Policy		<b>Date:</b> 8/10/15
<b>Staff Contact:</b> Ross Borden	<b>Attachments:</b> 1. Fund Balance Policy with proposed Amendment 2. Resolution 1395	
<b>Action Requested:</b> Adopt Resolution 1395 amending the Board's Fund Balance Policy.		

**Background:**

The Board of Commissioners adopted a formal Fund Balance Policy in 2011 in response to the Governmental Accounting Standards Board (GASB) Statement No. 54 "Fund Balance Reporting and Governmental Fund Type Definitions." GASB 54 requires public entities to have a fund balance policy in place. The purpose of GASB 54 is to provide greater clarity to financial statement readers by expanding and clearly defining fund balance categories. Do so helps communicate fiscal year end balances and their associated uses and obligations. The categories and definitions from Statement 54 have been incorporated in the Board's Fund Balance Policy and applied to the Agency's Revenue Allocation, Parking, General Operations, and Debt Service fund categories. Beginning with the FY 2011 audited financial statements, fund balance has been reported as nonspendable, restricted, committed or unassigned. Fund balance not meeting the first three definitions are reported on the financial statements as unassigned.

The next-to-last section of the Policy is "Working Capital Target." This is the only section this proposed amendment would affect. As the Agency budgets funds for large dollar projects and commitments, the Working Capital Target policy ensures that sufficient cash is available at the right time throughout the fiscal year to make the substantial sometimes front-loaded, sometimes back-loaded, typically sporadic payments that are characteristic of construction and community development projects. The Agency has worked diligently to achieve a Working Capital Target in each of its funds. Each fiscal year's budget is planned with this target in mind.

Working Capital is not a reserve, a savings account or an investment fund. It is fund balance committed to budgeted projects and initiatives in an amount considered to be sufficient to allow effective, continuous Agency operations, management of capital projects, and debt service in the context of the Agency's unique cash flow requirements. The Working Capital target is a snapshot as of September 30 of each year. The fund balances may drop below the target level intra-fiscal year as the budgeted projects are completed.

**Proposed Amendment:**

The amendment proposes these changes **Section 8.0 Working Capital Target:**

1. Change the Working Capital Target from six months of expenditures to four months of average annual revenues.
2. Add that, in an urban renewal district's final two years before termination, that district's revenue allocation fund's Working Capital target can be less than the otherwise prescribed four months of average annual revenues. This would allow revenues to be

spent down by the district's termination date. For example, with the Central District terminating in FY 2018, all revenues must be obligated by September 30, 2018 (but can be paid after that date).

CCDC's independent auditors, Eide Bailly, LLP, have reviewed the proposed amendment and consider it "reasonable."

**Fiscal Note:**

No effect on Agency revenues or expenses.

**Staff Recommendation:**

Amend the Board's current Fund Balance Policy.

**Suggested Motion:**

I move to adopt Resolution 1395 amending the Board's Fund Balance Policy as shown in Attachment A.

**CCDC Fund Balance Policy**  
**Effective date: September 12, 2011**  
**Amendment #1: September 9, 2013**  
**Proposed Amendment #2: 7-29-15**

## 1.0 Background

In February 2009, the Governmental Accounting Standards Board (GASB) issued Statement number 54, Fund Balance Reporting and Governmental Fund Type Definitions. GASB's stated objective for Statement 54 is to improve the usefulness and understandability of governmental fund balance information. The Statement establishes clearly defined categories of fund balance. The various categories and their definitions, as established by GASB, are listed below. The categories comprise a hierarchy based on the extent to which the Agency is subject to constraints on the purposes for which the funds in that category may be spent.

Capital City Development Corporation's (CCDC's) fund balance policy specifies how the categories, definitions and other requirements of Statement 54 are applied to CCDC's fund balance.

## 2.0 Definitions

- 2.1 NONSPENDABLE** fund balance as defined by Statement 54 includes amounts that cannot be spent because they are not in spendable form or legally or contractually required to be maintained intact.
- 2.1.1** Not in spendable form refers to items that are not expected to be converted to cash such as prepaid expenses, the long-term portion of notes receivable and property held for resale.
- 2.1.2** If the use of the proceeds from the sale of property or collection of receivables would be properly classified as restricted, committed or assigned (defined below) then the property or receivables would be classified as restricted, committed or assigned rather than nonspendable, in compliance with the guidance in Statement 54.
- 2.1.3** Amounts legally or contractually required to be maintained intact would include amounts such as the corpus of a permanent fund.
- 2.2 RESTRICTED** fund balance as defined by Statement 54 includes amounts upon which constraints have been placed by:
- 2.2.1** Creditors (such as in the form of debt covenants), grantors, or laws or regulations of other governments
- 2.2.2** Law, through constitutional provisions or enabling legislation. In this context, enabling legislation authorizes the Agency to charge or otherwise mandate payment of resources and includes a legally enforceable requirement that those resources be used only for the specific purpose stipulated in the legislation.
- 2.3 COMMITTED** fund balance as defined by Statement 54 includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision making authority. The commitment can only be removed or changed by the governing body taking the same type of action (such as a resolution) that it took to establish the commitment.

**CCDC Fund Balance Policy**  
**Effective date: September 12, 2011**  
**Amendment #1: September 9, 2013**  
**Proposed Amendment #2: 7-29-15**

- 2.4 ASSIGNED** fund balance as defined by Statement 54 includes amounts that are constrained by the Agency's intent to be used for specific purposes, but are not restricted or committed. The intent may be expressed by the governing body, or by the committee or staff to which the governing body has delegated its authority for this purpose.
- 2.4.1** Appropriations of existing fund balance in the next year's budget are considered assigned
- 2.4.2** Assignments may not cause a deficit in unassigned fund balance (defined below) according to the guidance provided in Statement 54
- 2.5 UNASSIGNED** fund balance as defined by Statement 54 is the residual classification for the Agency's general fund. It includes amounts that have not been assigned to other funds or properly classified as restricted, committed or assigned.

**3.0 Revenue Allocation Fund Balance**

- 3.1** CCDC has four revenue allocation funds, one for each of its four revenue allocation districts. Title 50, Chapter 20 of the Idaho code delineates the purposes for which revenue allocation funds may be spent by urban renewal agencies, along with the purposes set forth in the Agency's several urban renewal plans. Since the use of funds is proscribed in statute, the fund balance of the revenue allocation funds is considered **restricted** under the definitions provided in Statement 54. Therefore, fund balance in its entirety shall be reported as **restricted** on CCDC's financial statements as long as the statutory restrictions remain in place.
- 3.2** Operationally, CCDC deems it prudent to identify certain categories within the total restricted fund balance. Although the total fund balance shall properly be reported as restricted on the financial statements, CCDC will identify the following categories within that total for its own cash management purposes.
- 3.2.1 Bond Reserves and Payment Accounts.** The agreements related to CCDC's bonds or notes may require the establishment of reserves, bond funds or note funds, payment accounts or sinking funds. Under the definitions provided in Statement 54, these amounts are properly classified as **restricted**.
- 3.2.2 Project funds.** The CCDC Board of Commissioners recognizes that it is appropriate to set aside funds apart from working capital for a future project or initiative, pursuant generally to the budget and related documents such as the capital investment plan and parking reinvestment program. The CCDC Board of Commissioners shall delegate its authority to set aside funds in this manner to the Executive Director. Although these funds are set aside per the action of the Board's designee, because they are subject to the statutory requirements, they are properly classified as **restricted** under the definitions provided in Statement 54.



**CCDC Fund Balance Policy**  
**Effective date: September 12, 2011**  
**Amendment #1: September 9, 2013**  
**Proposed Amendment #2: 7-29-15**

**4.0 Parking Fund Balance**

- 4.1 CCDC has a parking fund that accounts for the operations of CCDC's downtown parking garage system. Parking Funds are not required to be restricted under the definitions established in Statement 54.
- 4.1.1 **Bond Reserves and Payment Accounts.** The agreements related to CCDC's bonds may require the establishment of reserves, payment accounts or sinking funds. Under the definitions provided in Statement 54, these amounts are properly classified as **restricted**.
- 4.1.2 **Emergency Repair Reserve.** The CCDC Board of Commissioners shall establish by resolution that an emergency repair reserve in the minimum amount of \$500,000 shall be on hand as of September 30<sup>th</sup> of each fiscal year. Funds within this reserve may be used intra-fiscal year for unforeseen, non-routine repair and maintenance expenditures in the garages when failure to do such repair and maintenance could adversely affect life safety or the ability to operate the garage(s) normally in the immediate future. The CCDC Board of Commissioners will evaluate the emergency repair reserve amount as part of each fiscal year's budget process and may amend the amount by resolution as it deems appropriate. As these funds are set aside by Board resolution, they are properly classified as **committed** under the definitions provided in Statement 54.
- 4.1.3 **Project funds.** The CCDC Board of Commissioners recognizes that it is appropriate to set aside funds apart from working capital for a future project or initiative pursuant generally to the budget and related documents such as the capital investment plan and parking reinvestment program. The CCDC Board of Commissioners shall delegate its authority to set aside funds in this manner to the Executive Director. Funds may not be set aside in project accounts if such action would cause the working capital reserve to fall below the Board-established target as of September 30 of each fiscal year. As these funds are set aside by action of the Board's designee, they are properly classified as **assigned** under the definitions provided in Statement 54.

**5.0 General Operations Fund**

- 5.1 CCDC has a general operations fund that accounts for personnel and operational expenses and for downtown-wide initiatives. Funds for program operations are transferred proportionally from the four revenue allocation funds and from the parking fund according to CCDC's cost allocation formula. Since a substantial portion of program operations funds come from revenue allocation, the fund balance in the program operations fund is **restricted** in the same way that the revenue allocation fund balances are **restricted**, as described in Section 3.1 above.
- 5.2 The amounts transferred from the revenue allocation and parking funds shall be budgeted to be only the amount required to cover the current fiscal year's budgeted expenditures.

**CCDC Fund Balance Policy**  
**Effective date: September 12, 2011**  
**Amendment #1: September 9, 2013**  
**Proposed Amendment #2: 7-29-15**

**6.0 Debt Service**

- 6.1** CCDC has a debt service account which accounts for transactions related to the Courthouse bonds and the related ground lease transaction, including the receipt and deposit of private rentals consisting of ground rent paid by the private developers. Since the revenues and expenses in this fund are covered by bond agreements and related lease agreements, the fund balance is **restricted** per the definitions provided in Statement 54.

**7.0 Funds Flow**

- 7.1** Certain expenditures may qualify under multiple classifications defined in this policy. To the extent that an expenditure qualifies under multiple classifications, unassigned fund balance will be used first, followed by assigned fund balance, followed by committed fund balance.

**8.0 Working Capital Target**

The CCDC Board of Commissioners has determined that is prudent for the Agency to have working capital on hand to fund its activities and ensure that the budgeted projects and initiatives can proceed smoothly during the year. Given that major revenue receipts and debt service payments occur semi-annually and that the Agency may undertake large construction or participation projects, the Board has determined that, beginning in Fiscal Year 2016, the appropriate working capital target as of September 30<sup>th</sup> of each fiscal year is equivalent to approximately ~~one half (six months) four times the average monthly revenues of in~~ the adopted budget ~~ed expenditures, adjusted for extraordinary items~~, for the next fiscal year and will be accounted for as **unassigned** fund balance. Accordingly, the Agency's annual budget shall be planned with the goal of achieving ~~the an approximate six month~~ working capital target by the close of each fiscal year. ~~Certain extraordinary expenditures, such as costs of issuance on new debt, property acquisition costs and capital expenditures, etc. and/or for which CCDC may have set aside funds for over one or more fiscal years may be excluded from the calculation to determine the appropriate operational amount approximately equivalent to six months of expenditures.~~ In an urban renewal district's final two years of existence, the working capital target can be less than four times the average monthly revenues to facilitate using all available revenues to complete projects prior to the district's termination. General Operations Fund revenue consists of the transfers from other funds to cover general operating expenditures. The appropriate working capital target for the General Operations Fund is equivalent to approximately four times the average monthly transfers of budgeted revenues.

**9.0 Reporting**

- 9.1** CCDC's audited financial statements are provided to the Board annually. The audited financial statements will include information on the characteristics of fund balance, including cash and noncash elements.

**RESOLUTION NO. 1395**

BY THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF BOISE CITY, IDAHO:

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF BOISE CITY, IDAHO, ADOPTING AN AMENDMENT TO THE FUND BALANCE POLICY AND RATIFYING A PREVIOUS AMENDMENT IN RESPONSE TO GOVERNMENT ACCOUNTING STANDARDS BOARD STATEMENT NO. 54; AUTHORIZING THE EXECUTIVE DIRECTOR TO TAKE APPROPRIATE ACTION; AND PROVIDING AN EFFECTIVE DATE.

THIS RESOLUTION, Made on the date hereinafter set forth by the Urban Renewal Agency of Boise City, 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 (the “Law”), a duly created and functioning urban renewal agency for Boise City, Idaho, hereinafter referred to as the “Agency.”

WHEREAS, the City Council of Boise City, Idaho (the “City”), after notice duly published, conducted a public hearing on the amended and restated Urban Renewal Plan for the Boise Central District Project I, Idaho R-4, and Project II, Idaho R-5 (the “Amended Urban Renewal Plan”);

WHEREAS, following said public hearing, the City adopted its Ordinance No. 5597 on December 6, 1994, approving the Amended Urban Renewal Plan and making certain findings;

WHEREAS, following said public hearing, the City adopted its Ordinance No. 5597 on December 6, 1994, approving the Amended Urban Renewal Plan and making certain findings;

WHEREAS, the City, after notice duly published, conducted a public hearing on the 2007 Amended and Restated Urban Renewal Plan for the Boise Central District Project I, Idaho R-4, and Project II, Idaho R-5 (the “2007 Plan”);

WHEREAS, following said public hearing, the City adopted its Ordinance No. 6576 on June 26, 2007, effective upon publication on July 23, 2007, approving the 2007 Amended Urban Renewal Plan and making certain findings on the 2007 Amended and Restated Urban Renewal Plan, for the Boise Central District Project I, Idaho R-4 and Project II, Idaho R-5;

WHEREAS, the City, after notice duly published, conducted a public hearing on the River Street-Myrtle Street Urban Renewal Plan (the “River Street Plan”);

WHEREAS, following said public hearing, the City adopted its Ordinance No. 5596 on December 6, 1994, approving the River Street Plan and making certain findings;

WHEREAS, the City, after notice duly published, conducted a public hearing on the First Amended and Restated Urban Renewal Plan, River Street-Myrtle Street Urban Renewal Project (annexation of the Old Boise Eastside Study Area and Several Minor Parcels) and Renamed River Myrtle-Old Boise Urban Renewal Project (the “River Myrtle-Old Boise Plan”);

WHEREAS, following said public hearing, the City adopted its Ordinance No. 6362 on November 30, 2004, approving the River Myrtle-Old Boise Plan and making certain findings;

WHEREAS, the City, after notice duly published, conducted a public hearing on the Westside Downtown Urban Renewal Plan (the “Westside Plan”);

WHEREAS, following said hearing, the City adopted its Ordinance No. 6108 on December 4, 2001, approving the Westside Plan and making certain findings;

WHEREAS, the City after notice duly published, conducted a public hearing on the 30<sup>th</sup> Street Area Urban Renewal Plan (“30<sup>th</sup> Street Plan”);

WHEREAS, following said hearing, the City adopted its Ordinance No. 6868 on December 4, 2012, approving the 30<sup>th</sup> Street Plan;

WHEREAS, the 2007 Plan, the River Myrtle Old Boise Plan, the Westside Plan, and the 30<sup>th</sup> Street Plan are collectively referred to as the “Boise Urban Renewal Plans”;

WHEREAS, the Governmental Accounting Standards Board (GASB) issued Statement No. 54 entitled Fund Balance Reporting and Governmental Fund Type Definitions. This pronouncement was effective for fiscal year 2011 reporting and requires that public entities have a fund balance policy in place;

WHEREAS, the Agency approved a Fund Balance Policy on September 12, 2011, by Resolution No. 1276;

WHEREAS, the Agency revised the Fund Balance Policy in September 2013, which included adding references the new 30<sup>th</sup> Street Plan, which was approved by Consent Agenda;

WHEREAS, Agency staff has prepared an additional amendment to the Fund Balance Policy, a copy of which is attached hereto as Exhibit A, and incorporated herein as if set forth in full, which amends section 8.0, Working Capital Target;

WHEREAS, Agency staff recommends approval of the Fund Balance Policy, as amended, by the Agency Board;

WHEREAS, the Board finds it in the best interests of the Agency and the public to approve and adopt the Fund Balance Policy, as amended;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF BOISE CITY, IDAHO:

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

Section 2. That the Fund Balance Policy, which was amended in September 2013, is hereby ratified.

Section 3. That the Fund Balance Policy, as amended, attached hereto as Exhibit A and incorporated herein as if set out in full, is hereby approved and adopted by the Agency Board, and that the Executive Director is authorized and directed to take all action to implement the Fund Balance Policy, as amended, for all Downtown Urban Renewal Plans.

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

PASSED by the Urban Renewal Agency of the City of Boise, Idaho, on August 10, 2015. Signed by the Chairman of the Board of Commissioners, and attested by the Secretary to the Board of Commissioners, on this 10th day of August 2015.

APPROVED:

By \_\_\_\_\_  
Chairman of the Board

ATTEST:

By \_\_\_\_\_  
Secretary



## AGENDA BILL

<b>Agenda Subject:</b> FY 2015 Amended Budget	<b>Date:</b> 8/10/15
<b>Staff Contact:</b> Ross Borden	<b>Attachments:</b> 1. Proposed FY 2015 Amended Budget 2. Notice of Public Hearing
<b>Action Requested:</b> Approve <i>proposed</i> FY 2015 Amended Budget	

### Background:

The CCDC Board of Commissioners has routinely amended its current year budget one time near the end of the fiscal year to reflect updated revenues, expenses and projects as a starting place for the coming fiscal year's budget.

### Fiscal Notes:

FY 2015 Original Budget	\$66,844,393
<u>Proposed FY 2015 Amended Budget</u>	<u>\$55,304,650</u>
Change	- \$11,539,743

The report format includes "Permanent Change" and "Timing Change" columns. Permanent changes are mid-year, positive or negative adjustments or reallocations of budgeted revenues or expenses. Timing changes are the acceleration or delay of budgeted funds to or from projects in different fiscal years. Most of the timing changes in this FY 2015 Amended budget are due to projects being rescheduled from FY 2015 to FY 2016 or beyond for a variety of reasons. All budgeted line items are classified as permanent or timing changes in the detail pages following the Revenue and Expense Summary page. Overall \$6,456,933 or 56% are Permanent reductions, due primarily to removing the budgeted \$7 million Revolving Line of Credit (RLOC), and \$5,082,750 or 44% was transferred to the Fund Balance to be available in FY16 for deferred capital projects.

### Revenue Highlights:

- No change in projected Revenue Allocation (Tax Increment) revenue.
- \$7 million Revolving Line of Credit (RLOC) revenue and expenses included in Original Budget has been removed from the FY 2015 Amended Budget.
- Use of Fund Balance: \$4.8 million transferred to Fund Balance due to timing changes for capital projects.

### Expense Highlights:

- Operating Expenses decreased slightly overall including a \$173,948 reduction to the Parking Operator contract due to PARCS-related efficiencies, additional Trailhead rent obligations and an increase in both the use credit/debit cards for parking transactions and associated merchant services fees.

- Debt Service & Contractual Obligations include the final Series 2010A-1 bond payment for the City Center and Eastman parking garages in the Central District and the first of four annual nominal \$1 million 8<sup>th</sup> & Main building Owner Participation Agreement reimbursements.
- Permanent changes affecting Identified Capital Projects were made to several streetscape projects in both the River-Myrtle / Old Boise and Westside districts. Timing changes include streetscapes, Wayfinding, the City Centre plaza project, and the Main Street Station local funding match.
- Potential Capital Projects were permanently reduced by \$4.65 million of budgeted RLOC funding.
- New DPPS garage signage was moved to FY16.
- \$830,000 for Property Development was permanently reallocated to FY 2015 mid-year LIV District and other projects in the River-Myrtle / Old Boise URD; \$1.1 million was moved to FY16 Westside projects.

Pass-Through Revenues and Expenses. Unchanged but notable is \$37.6 million from Ada County for the first available early pay off of the Series 2005 Courthouse Corridor bonds in August 2015.

**Staff Recommendation:**

Approve motion to amend FY 2015 Original budget and advertise the August 26 public hearing.

**Suggested Motion:**

I move to amend the FY 2015 Original budget to new revenue and expense totals of \$55,304,650 and set the time and date of Noon, August 26, 2015, for the statutorily-required public hearing on the Budget Amendment.

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## **FY 2015 AMENDED Budget**





## FY 2015 AMENDED Budget

### HIGHLIGHTS

#### REVENUE

- **Increases.** Other Revenue includes a \$92,000 TIF guarantee increase from Civic Plaza and two reimbursements: \$72,000 from GBAD for legal expenses related to judicial confirmation of its expansion project and \$43,000 from the city for 50% of Trailhead business accelerator expenses per MOU.
- **Decreases.** The \$7 million Revolving Line of Credit (RLOC) approved in the FY15 Original budget has been excised from the Amended budget. Four banks were eager to have Agency business but three had parity lien requirements and the fourth had unfunded debt concerns in the current regulatory environment so mutually-satisfactory terms proved elusive.
- **Fund Balance.** Adjusted by net of \$4.8 million to account for the overall changes in revenue and expenses predominantly due to project year timing.

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**Pass-Through Revenue & Expense.** Unchanged but notable from the Original budget is Ada County's pay off of the remaining \$37.6 million in outstanding Series 2005 Courthouse Corridor bonds in August 2015. The County will then purchase the facilities (courthouse and Parcel 3A parking garage) from CCDC for a nominal amount including Agency expenses.

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#### EXPENSE

##### Operating Expenses.

- **Increases.** Along with other minor increases, Personnel increased by \$79,323 with the addition of one new project manager FTE and associated employer-paid costs. Rent/Maintenance/Office increased \$175,145 due to the addition of the rent obligation for the new Trailhead business accelerator at 500 S 8<sup>th</sup> Street and increased merchant service fees due to a much higher percentage of customers using debit/credit cards for automated parking system transactions.
- **Decreases.** Parking Operator expense decreased by \$173,948 due to PARCS-related efficiencies. An increase in Wayfinding was offset by a reduction in Project Assessments for a net \$47,000 decrease in Predevelopment Services. Repairs/Maintenance – Streets & Facilities project spending \$58,147 less for repairs & maintenance and \$35,000 less for street furniture than originally budgeted.

**Debt Service & Contractual Obligations.** The \$99,115 increase is part of the final Series 2010A-1 bond payment for the City Center and Eastman parking garages in the Central URD to be made

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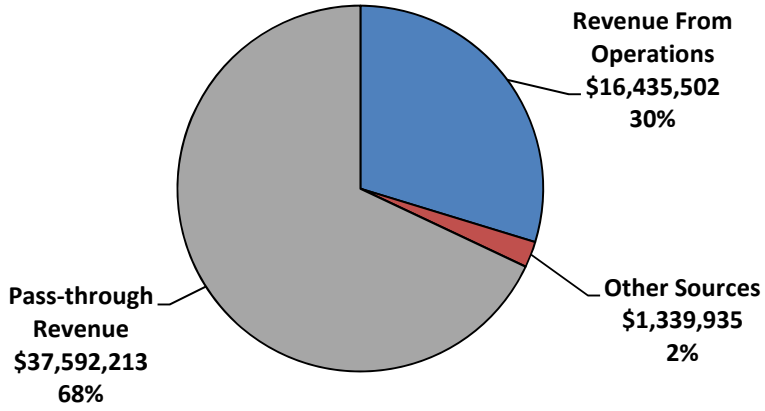
August 2015. The Westside and 30<sup>th</sup> Street URDs currently have no debt. The remaining principle on River-Myrtle / Old Boise URD's debt will be \$19.5 million in FY16. Also included here is the first of four annual, nominal \$1 million reimbursements for public improvements associated with the 8<sup>th</sup> & Main building's Owner Participation Agreement.

**Capital Outlay.**

- **Identified Projects:**
  - **Decreases.** Streetscape project adjustments totaling \$2.4 million. Factors include pushing some to future years due to timing and coordination considerations (e.g. west half of City Hall block), cancelation (14<sup>th</sup> Street) or adjustments to accommodate introduction of mid-year LIV District projects. Wayfinding fabrication and installation \$500,000 also moved forward. \$800,000 of Main Street Station local match moved to FY16 to match construction timing and payment schedule.
  - **Potential Projects:** \$4.6 million RLOC-budgeted TBD acquisitions removed to correspond with rescission of budgeted RLOC revenue.
  - **Parking Reinvestment Plan:** \$454,000 for exterior signage for DPPS garages moved to FY16.
  - **Property Development:** \$830,000 reallocated in River-Myrtle / Old Boise URD for mid-year LIV District and other projects. \$1.1 million reallocated to FY16 Westside URD projects.

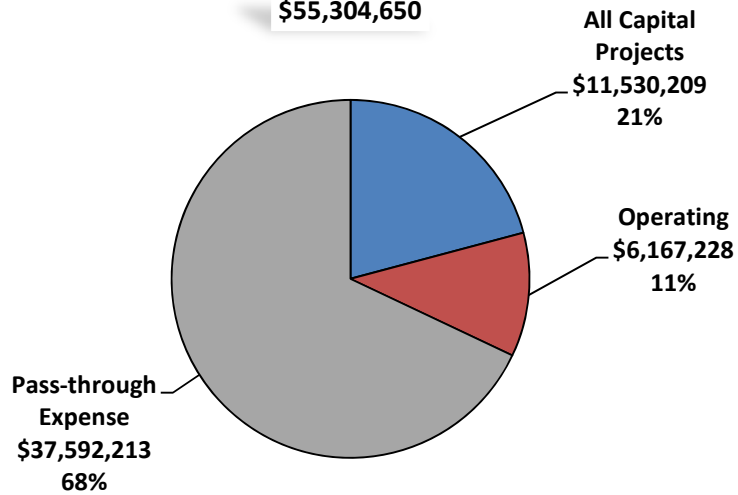
**Sources**

**\$55,304,650**



**Uses**

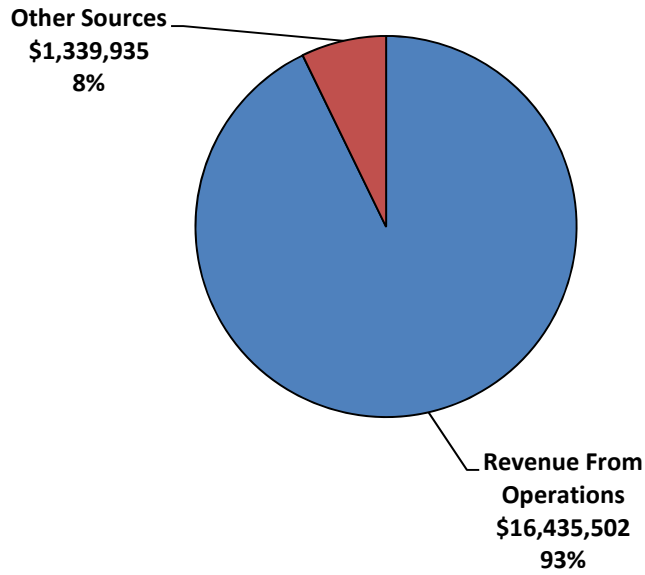
**\$55,304,650**



**FY 2015 AMENDED Operating Budget**

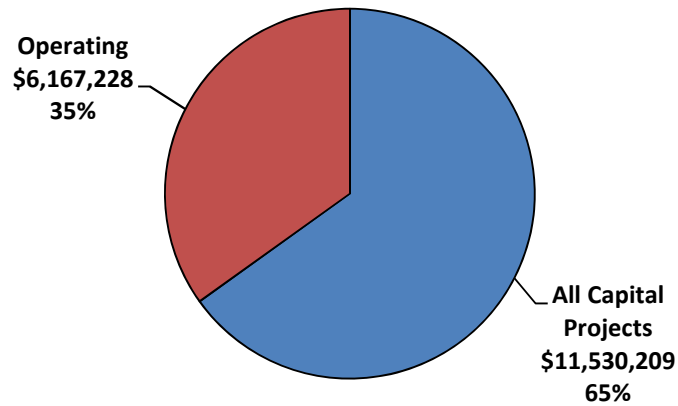
**Sources**

Less Pass-Through Revenue  
**\$17,712,437**



**Uses**

Less Pass-Through Expense  
**\$17,712,437**



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CCDC FY 2015 AMENDED BUDGET REVENUE SUMMARY	2015 ORIGINAL	2015 AMENDED	Permanent Change	Timing Change
<b>Revenue from Operations</b>				
Revenue Allocation (Tax Increment).....	10,940,000	10,940,000	-	
Parking Revenue.....	5,057,255	5,087,574	30,319	
Other Revenues.....	200,200	407,928	207,728	
Subtotal	16,197,455	16,435,502	238,047	-
<b>Other Sources</b>				
Misc. Revenues.....	71,000	100,000	29,000	
Revolving Line of Credit.....	7,000,000	-	(7,000,000)	
Use of (Transfer to) Fund Balance.....	5,983,725	1,176,935	275,960	(5,082,750)
Subtotal	13,054,725	1,276,935	(6,695,040)	(5,082,750)
<b>Subtotal - Revenue from Operations</b>	<b>29,252,180</b>	<b>17,712,437</b>	<b>(6,456,993)</b>	<b>(5,082,750)</b>
<b>Pass-Through Revenue</b>				
Courthouse Corridor Project.....	37,592,213	37,592,213	-	
<b>TOTAL REVENUE</b>	<b>66,844,393</b>	<b>55,304,650</b>	<b>(6,456,993)</b>	<b>(5,082,750)</b>

CCDC FY 2015 AMENDED BUDGET EXPENSE SUMMARY	2015 ORIGINAL	2015 AMENDED	Permanent Change	Timing Change
<b>Operating Expense</b>				
* Interagency Partnerships.....	122,490	139,900	17,410	-
* Legal Services.....	229,000	235,760	6,760	-
Parking Operator (Contractor).....	1,969,784	1,795,836	(173,948)	-
Personnel Costs.....	1,540,994	1,620,317	79,323	-
* Predevelopment Services.....	795,000	768,000	(47,000)	20,000
* Professional Services .....	495,860	496,520	30,660	(30,000)
* Rent/Maintenance/Office.....	675,141	850,286	175,145	-
* Repairs/Maintenance: Streets & Facilities.....	372,250	275,609	(86,641)	(10,000)
Subtotal	6,200,519	6,182,228	1,709	(20,000)
<b>Debt Service &amp; Contractual Obligations</b>				
* Parking Garage Debt Service/Contractual Obligations.....	4,734,361	4,833,476	99,115	-
<b>Capital Outlay</b>				
* Identified Capital Improvement Projects.....	10,016,550	5,957,733	(1,111,817)	(2,947,000)
* Potential Capital Improvement Projects.....	5,450,000	200,000	(4,650,000)	(600,000)
* Parking Reinvestment Plan.....	912,000	499,000	34,000	(447,000)
* Property Development.....	1,938,750	40,000	(830,000)	(1,068,750)
Subtotal	18,317,300	6,696,733	(6,557,817)	(5,062,750)
<b>Subtotal - Expenses for Operations</b>	<b>29,252,180</b>	<b>17,712,437</b>	<b>(6,456,993)</b>	<b>(5,082,750)</b>
<b>Pass-Through Expense</b>				
Courthouse Corridor Project.....	37,592,213	37,592,213	-	
<b>TOTAL EXPENSE</b>	<b>66,844,393</b>	<b>55,304,650</b>	<b>(6,456,993)</b>	<b>(5,082,750)</b>

\* Detail Attached

Permanent Changes - mid-year adjustments / reallocations of budgeted revenues or expenses.

Timing Changes - acceleration or delay of budgeted funds to/from projects in different fiscal years.

**CCDC FY 2015 AMENDED BUDGET  
EXPENSE DETAIL**

**DRAFT**

**2015 ORIGINAL      2015 AMENDED      Permanent Change      Timing Change**

**Interagency Partnerships**

1. Boise Valley Economic Partnership.....	20,000	20,000	-	
2. BVEP: Dues.....	3,000	3,000	-	
3. Chamber of Commerce: Regional Leadership.....	1,000	1,000	-	
4. Chamber of Commerce: State of City.....	650	650	-	
5. Chamber of Commerce: Dues.....	400	400	-	
6. COMPASS.....	8,190	8,100	(90)	
7. DBA: Annual Membership.....	10,000	10,000	-	
8. DBA: Public Relations: Alive After 5.....	7,500	7,500	-	
9. DBA: Public Relations: Bronco Shuttle.....	2,500	2,500	-	
10. DBA: Public Relations: State of Downtown.....	2,500	2,500	-	
11. DBA: Trash Service/Clean Team.....	59,000	64,000	5,000	
12. Other Sponsorships.....	5,000	2,500	(2,500)	
13. Redevelopment Association of Idaho.....	2,750	17,750	15,000	
Subtotal	122,490	139,900	17,410	-

**Legal Services**

1. 1401 W Idaho Disposition.....	-	6,000	6,000	
2. 620 S 9th.....	10,000	4,000	(6,000)	
3. 8th & Main Development Proposal.....	1,000	1,300	300	
4. Ash Street Properties RFP.....	5,000	3,300	(1,700)	
5. Auditorium Expansion.....	-	25,000	25,000	
6. Auditorium "Friends of the District".....	-	20,000	20,000	
7. Auditorium Others.....	-	6,500	6,500	
8. Carley Project 5th & Idaho.....	-	3,000	3,000	
9. Sherman & Howard - Bond Counsel.....	20,000	5,000	(15,000)	
10. City Center Project.....	-	3,000	3,000	
11. Central General Including Grove Plaza.....	7,000	16,000	9,000	
12. Civic Partners Issues.....	-	2,200	2,200	
13. Courthouse Corridor Issues.....	20,000	10,400	(9,600)	
14. Future URA District Assessment.....	5,000	-	(5,000)	
15. General Contracting (Parking).....	24,000	24,000	-	
16. General Legislative Activities (Ops).....	7,000	7,000	-	
17. General/Miscellaneous (Ops).....	50,000	20,000	(30,000)	
18. Line of Credit/Term Loan - Central.....	-	12,000	12,000	
19. Macy's Building.....	-	560	560	
20. Main Street Station.....	40,000	8,500	(31,500)	
21. Central District Termination Planning.....	10,000	3,200	(6,800)	
22. River Myrtle/Old Boise General.....	10,000	38,000	28,000	
23. Roost Development.....	-	5,000	5,000	
24. Stadium Assessment.....	5,000	-	(5,000)	
25. 30th St District General.....	1,000	2,000	1,000	
26. Westside District.....	14,000	9,800	(4,200)	
Subtotal	229,000	235,760	6,760	-

**CCDC FY 2015 AMENDED BUDGET  
EXPENSE DETAIL**

**DRAFT**

**2015 ORIGINAL      2015 AMENDED      Permanent Change      Timing Change**

**Predevelopment Services**

1. Boise GreenBike Station Sponsorship.....	10,000	10,000	-	
2. Central District Termination Planning.....	25,000	-		(25,000)
3. Downtown Wayfinding Project.....	40,000	113,000	73,000	
4. Grove Plaza 2.0 Marketing/Consultant.....	25,000	90,000		65,000
5. Downtown Housing Study.....	35,000	35,000	-	
6. Irrigation Assessment.....	5,000	5,000	-	
7. Parking Rate Study.....	25,000	5,000		(20,000)
8. Pioneer Pathway Phase 3 Design.....	50,000	50,000		-
9. Project Assessment.....	550,000	420,000	(130,000)	
10. DPPS Rebranding/Directory Implementation (parking).....	30,000	40,000	10,000	
Subtotal	795,000	768,000	(47,000)	20,000

**Professional Services**

1. Aerial Maps/3D Virtual Model.....	40,000	8,500	(31,500)	
2. Ash Street Properties RFP/Disposition.....	30,000	-		(30,000)
3. Compensation Consultant (BDPA).....	2,000	2,000	-	
4. Document Management Systems/Services.....	50,000	14,000	(36,000)	
5. Document Shredding.....	760	400	(360)	
6. Education Outreach (PARCS and DPPS).....	26,000	26,000	-	
7. Financial Advisor: Credit Facility/GBAD.....	65,000	46,270	(18,730)	
8. Financial Advising: Arbitrage.....	10,500	10,500	-	
9. Governmental Relations (Legislative).....	36,000	36,000	-	
10. Independent Audit Fees.....	52,000	45,250	(6,750)	
11. IT Services.....	22,600	25,500	2,900	
12. Office Update/Renovation.....	-	20,000	20,000	
13. Parking Consultant RFQ.....	5,000	-	(5,000)	
14. Parking Consulting/General Structural Consulting.....	10,000	10,000	-	
15. Parking Garage Sale Assessment.....	-	12,000	12,000	
16. Parking Comprehensive Strategic Plan.....	-	75,000	75,000	
17. Professional Services (Planning, Design, Engr.).....	56,000	75,100	19,100	
18. Public Information Program.....	50,000	50,000	-	
19. Warehouse Storage/Moving.....	10,000	5,000	(5,000)	
20. 30th St District Traffic Box Branding Wraps .....	-	5,000	5,000	
21. 620 S. 9th RFP/Disposition.....	30,000	30,000	-	
Subtotal	495,860	496,520	30,660	(30,000)



**CCDC FY 2015 AMENDED BUDGET  
EXPENSE DETAIL**

**DRAFT**

**2015 ORIGINAL      2015 AMENDED      Permanent Change      Timing Change**

**Rent/Maintenance/Office**

1. Advertising: Legal notices & Marketing.....	5,175	5,500	325	
2. Banking Fees.....	20,000	1,000	(19,000)	
3. Computer & Software Supplies.....	12,000	10,000	(2,000)	
4. Computer Equipment.....	19,800	18,800	(1,000)	
5. Condominium Mgmt Expenses.....	112,000	112,000	-	
6. Data T-1 And Web Hosting Service.....	16,000	16,000	-	
7. Dues & Subscriptions.....	7,385	7,056	(329)	
8. Insurance.....	95,000	85,000	(10,000)	
9. Local Meeting Expense.....	6,000	8,000	2,000	
10. Merchant Fees.....	86,000	220,000	134,000	
11. Miscellaneous.....	3,605	3,605	-	
12. Office & Phones.....	3,500	4,470	970	
13. Office Equipment Lease & Repairs.....	29,000	18,000	(11,000)	
14. Office Furniture & Equipment.....	26,500	40,000	13,500	
15. Office Rent (CCDC, West End, Trailhead, 8th St/BoDo space).....	130,000	224,655	94,655	
16. Office Rent - Parking Operator.....	42,156	15,000	(27,156)	
17. Office Supplies.....	12,500	12,500	-	
18. Personnel Training (Local).....	13,000	13,000	-	
19. Postage.....	2,000	2,000	-	
20. Printing & Binding.....	5,000	5,000	-	
21. Professional Development (Out of State).....	26,000	26,000	-	
22. Validation Expense (Parking).....	2,520	2,700	180	
Subtotal	<u>675,141</u>	<u>850,286</u>	<u>175,145</u>	<u>-</u>

**Repairs/Maintenance - Streets & Facilities**

1. 8th Street .....	30,000	30,000	-	
2. Holiday Lighting.....	14,250	14,250	-	
3. Powerwashing.....	17,300	7,300		(10,000)
4. Repairs & Maintenance.....	135,500	77,353	(58,147)	
5. Street Furniture.....	90,000	55,000	(35,000)	
6. The Grove - Operations.....	55,000	55,000	-	
7. Utilities .....	30,200	36,706	6,506	
Subtotal	<u>372,250</u>	<u>275,609</u>	<u>(86,641)</u>	<u>(10,000)</u>

**Parking Garage Debt Service/Contractual Obligations**

1. Parking Garage Debt Repayments.....	3,734,361	3,833,476	99,115	
2. CD, 8th & Main (Owner Participation).....	1,000,000	1,000,000	-	
Subtotal	<u>4,734,361</u>	<u>4,833,476</u>	<u>99,115</u>	<u>-</u>

CCDC FY 2015 AMENDED BUDGET EXPENSE DETAIL	2015	2015	Permanent Change	Timing Change
	ORIGINAL	AMENDED		
<b>Identified Capital Improvement Projects</b>				
1. CD, Grove Plaza 2.0 Design, Chartering & Renovation.....	200,000	135,000		(65,000)
2. CD, T3 Participation: Main Street Station (FTA 20% Local Match).....	2,100,000	1,300,000		(800,000)
3. CD, Bike Rack Installations.....	25,000	25,000	-	
4. CD, Streetscape - City Hall East Side.....	522,000	467,833	(54,167)	
5. CD, Streetscape - City Hall West Side.....	522,000	-		(522,000)
6. CD, Streetscape Design - 2016 Projects.....	50,000	50,000	-	
7. CD, T3 Participation: City Center Plaza Project .....	770,000	420,000		(350,000)
8. CD, VRT Transit Capital Improvements .....	-	22,500	22,500	
9. CD, Wayfinding Project Installation.....	200,000	-		(200,000)
10. CD, Public Art Project (Grant to City of Boise).....	-	30,000	30,000	
11. PARCS (Parking Access Revenue Control Systems).....	750,000	750,000	-	
12. RD, Bike Rack Installations.....	10,000	10,000	-	
13. RD, Streetscape-T4 Participation: 8th St, Broad-Myrtle, Both Sides.....	710,000	-		(710,000)
14. RD, Streetscape - Design 2015 Projects.....	50,000	50,000	-	
15. RD, Streetscape Design Next Year's Projects.....	20,000	20,000	-	
16. RD, Fulton Street, 9th - Capitol, Festival Street Improvements.....	50,000	65,000	15,000	
17. RD, Streetscape - Old Boise: Idaho/Main/5th/6th + 12th&Front .....	1,682,000	1,600,000	(82,000)	
18. RD, Streetscape - 620 S 9th Street Development.....	286,000	-	(286,000)	
19. RD, Traffic Box Art.....	30,000	20,000	(10,000)	
20. RD, VRT Transit Capital Improvements.....	22,500	-	(22,500)	
21. RD, Wayfinding Project Installation.....	150,000	-		(150,000)
22. RD, 5th & Julia Davis Park New Pedestrian Entrance.....	-	20,000	20,000	
23. WD, Bike Rack Installations.....	10,000	10,000	-	
24. WD, Streetscape - Design 2015 Projects.....	50,000	50,000	-	
25. WD, Streetscape Design for Upcoming Projects.....	20,000	20,000	-	
26. WD, Streetscape - 10th Street Furnishings.....	31,250	-	(31,250)	
27. WD, Streetscape - 11th/15th/Main Street.....	877,400	877,400	-	
28. WD, Streetscape - 13th Street.....	298,000	-	(298,000)	
29. WD, Streetscape - 14th Street.....	400,400	-	(400,400)	
30. WD, Traffic Box Art.....	30,000	15,000	(15,000)	
31. WD, Wayfinding Project Installation.....	100,000	-		(100,000)
32. 30D, Wayfinding Project Installation.....	50,000	-		(50,000)
Subtotal	10,016,550	5,957,733	(1,111,817)	(2,947,000)

**CCDC FY 2015 AMENDED BUDGET  
EXPENSE DETAIL**

**DRAFT**

**2015 ORIGINAL      2015 AMENDED      Permanent Change      Timing Change**

**Potential Capital Improvement Projects**

1. CD, T1 Participation; Streetscape Grants.....	150,000	150,000	-	
2. CD, TBD Acquisitions (RLOC).....	600,000	-	(600,000)	
3. RD, T1 Participation; Streetscape Grants.....	300,000	-		(300,000)
4. RD, TBD Acquisitions (RLOC).....	2,000,000	-	(2,000,000)	
5. WD, T1 Participation; Streetscape Grants.....	300,000	-		(300,000)
6. WD, TBD Acquisitions (RLOC).....	2,000,000	-	(2,000,000)	
7. 30D, Capital Improvement General.....	50,000	50,000	-	
8. 30D, T1 Participation; Streetscape Grants.....	50,000	-	(50,000)	
Subtotal	5,450,000	200,000	(4,650,000)	(600,000)

**Parking Reinvestment Plan**

1. Eastman Exterior/Interior Painting.....	35,000	-	(35,000)	
2. Entry Sign Eastman Main St.....	3,000	3,000	-	
3. Gator w/Plow.....	15,000	15,000	-	
4. "Park Plus" Modeling Tool (software).....	-	50,000	50,000	
5. Refurbish 24 CCDC@Work A-frame signs.....	-	2,500	2,500	
6. Scrubber Wrap.....	-	7,500	7,500	
7. Vehicle (pickup).....	15,000	15,000	-	
8. Downtown Public Parking Garage Signage.....	454,000	-		(454,000)
9. City Center Garage waterproofing.....	50,000	24,000	(26,000)	
10. Capitol Terrace garage waterproofing.....	300,000	330,000	30,000	
11. Handheld Scanner.....	-	7,000		7,000
12. Parking Website Upgrades.....	40,000	45,000	5,000	
Subtotal	912,000	499,000	34,000	(447,000)

**Property Development**

1. CD, Development Project.....	-	-	-	
2. RD, Development Project.....	830,000	-	(830,000)	
3. WD, Development Project.....	1,068,750	-		(1,068,750)
4. 30D, Development Project.....	40,000	40,000	-	
Subtotal	1,938,750	40,000	(830,000)	(1,068,750)

**EXHIBIT A**  
**CAPITAL CITY DEVELOPMENT CORPORATION**  
**PROPOSED FISCAL YEAR 2015 AMENDED BUDGET**

AN AMENDED ESTIMATE OF REVENUES AND EXPENSES OF THE CAPITAL CITY DEVELOPMENT CORPORATION FOR THE FISCAL PERIOD BEGINNING OCTOBER 1, 2014 TO AND INCLUSIVE OF SEPTEMBER 30, 2015 (FISCAL YEAR 2015) AND NOTICE OF PUBLIC HEARING .

As required by Idaho Code, the Board of Commissioners of the Capital City Development Corporation has estimated the amount of money necessary for all purposes during Fiscal Year 2015 and prepared a proposed amended budget that includes an estimate of revenue and expenses and that reflects current Board policy on budget-related matters. As also required by Idaho Code, the amended budget will be entered into the minutes of the Agency and published in the Idaho Statesman newspaper. Citizens are invited to attend the budget hearing that begins at noon, August 26, 2015, at Capital City Development Corporation, 121 N. 9th St, Suite 501, Boise, Idaho. Citizens may submit written or oral comments concerning the Agency's proposed amended budget. A copy of the proposed amended budget is available at Capital City Development Corporation during regular business hours, weekdays, 8:00 a.m. to 5:00 p.m. Please notify CCDC at 208-384-4264 for any accommodations necessary for persons with disabilities.

	<u>FISCAL YEAR 2013</u>	<u>FISCAL YEAR 2014</u>	<u>ORIGINAL FISCAL YEAR 2015 BUDGET</u>	<u>AMENDED FISCAL YEAR 2015 BUDGET</u>
	ACTUAL	ACTUAL	BUDGET	BUDGET
<b>GENERAL/SPECIAL REVENUE FUNDS:</b>				
<b>GENERAL OPERATIONS FUND</b>				
Transfers	1,625,486	1,859,647	<del>2,590,204</del>	2,555,793
Other	146,620	158,678	<del>412,000</del>	112,000
Total Revenues	<u>1,772,106</u>	<u>2,018,325</u>	<u><del>2,702,204</del></u>	<u>2,667,793</u>
Total Expenses	1,772,106	2,018,325	<del>2,702,204</del>	2,667,793
<b>CENTRAL REVENUE ALLOCATION FUND</b>				
Revenue Allocation ( <i>Property Tax Increment</i> )	2,782,837	2,851,537	<del>3,800,000</del>	3,800,000
Transfers	(2,649,105)	(2,161,789)	<del>(26,400)</del>	224,003
Other	106,350	130,510	<del>3,035,500</del>	134,700
Total Revenues	<u>240,082</u>	<u>820,257</u>	<u><del>6,809,100</del></u>	<u>4,158,703</u>
Total Expenses	240,082	820,257	<del>6,809,100</del>	4,158,703
<b>RIVER-MYRTLE / OLD BOISE REV ALLOC FUND</b>				
Revenue Allocation ( <i>Property Tax Increment</i> )	4,274,060	4,642,958	<del>5,100,000</del>	5,100,000
Transfers	(1,448,010)	(3,188,465)	<del>(376,063)</del>	(2,779,832)
Other	674,333	506,245	<del>2,459,500</del>	595,028
Total Revenues	<u>3,500,383</u>	<u>1,960,738</u>	<u><del>7,183,437</del></u>	<u>2,915,196</u>
Total Expenses	3,500,383	1,960,738	<del>7,183,437</del>	2,915,196
<b>WESTSIDE REVENUE ALLOCATION FUND</b>				
Revenue Allocation ( <i>Property Tax Increment</i> )	1,701,053	1,508,757	<del>1,900,000</del>	1,900,000
Transfers	388,463	(450,602)	<del>1,445,650</del>	(760,490)
Other	77,558	5,342	<del>2,004,500</del>	4,500
Total Revenues	<u>2,167,074</u>	<u>1,063,497</u>	<u><del>5,350,150</del></u>	<u>1,144,010</u>
Total Expenses	2,167,074	1,063,497	<del>5,350,150</del>	1,144,010
<b>30TH STREET REVENUE ALLOCATION FUND</b>				
Revenue Allocation ( <i>Property Tax Increment</i> )	0	37,864	<del>140,000</del>	140,000
Transfers	0	35,809	<del>101,000</del>	14,200
Total Revenues	<u>0</u>	<u>73,673</u>	<u><del>241,000</del></u>	<u>154,200</u>
Total Expenses	0	73,673	<del>241,000</del>	154,200
<b>PARKING FUND</b>				
Parking	4,303,721	4,770,533	<del>5,047,255</del>	5,077,574
Transfers	1,890,974	1,896,085	<del>2,165,934</del>	1,839,861
Other	335,372	141,124	<del>68,000</del>	70,000
Total Revenues	<u>6,530,067</u>	<u>6,807,741</u>	<u><del>7,281,189</del></u>	<u>6,987,435</u>
Total Expenses	6,530,067	6,807,741	<del>7,281,189</del>	6,987,435
<b>DEBT SERVICE FUND</b>				
Lease & Bond Revenue	5,087,738	5,234,238	<del>37,275,213</del>	37,275,213
Transfers	2,000	2,100	<del>2,100</del>	2,100
Total Revenues	<u>5,089,738</u>	<u>5,236,338</u>	<u><del>37,277,313</del></u>	<u>37,277,313</u>
Total Expenses	5,089,738	5,236,338	<del>37,277,313</del>	37,277,313
TOTAL REVENUES	\$ 19,299,450	\$ 17,980,569	<del>\$ 66,844,393</del>	\$ 55,304,650
TOTAL EXPENSES	\$ 19,299,450	\$ 17,980,569	<del>\$ 66,844,393</del>	\$ 55,304,650

MOTION TO APPROVE THE PROPOSED AMENDED BUDGET PASSED BY THE BOARD OF COMMISSIONERS OF THE CAPITAL CITY DEVELOPMENT CORPORATION IN BOISE, IDAHO, THIS 10th DAY OF AUGUST 2015. This is an accurate statement of the proposed expenditures and revenues as presented to the Board of Commissioners for Fiscal Year 2015 as amended. APPROVED BY THE CHAIRMAN OF THE CAPITAL CITY DEVELOPMENT CORPORATION IN BOISE, IDAHO THIS 10th DAY OF AUGUST 2015. John Hale, Chair. Pat Shalz, Secretary/Treasurer.



**AGENDA BILL**

<b>Agenda Subject:</b> FY 2016 Original Budget		<b>Date:</b> 8/10/15
<b>Staff Contact:</b> Ross Borden	<b>Attachments:</b> 1. <i>Proposed</i> FY 2016 Original Budget 2. Notice of Public Hearing	
<b>Action Requested:</b> Approve <i>proposed</i> FY 2016 Original Budget		

**Background:**

The Agency's fiscal year begins each year on October 1 and concludes the following year on September 30. Each fiscal year's Original Budget accounts for all revenues from all sources and all expenses for all Agency general operations, capital improvement projects, development contracts, parking activities, debt service and pass-thru funds.

**Fiscal Notes:**

<i>Proposed</i> FY 2015 Amended Budget	\$55,304,650
<i>Proposed</i> FY 2016 Original Budget	\$42,572,360
Change	- \$12,732,290

Revenue Highlights:

- Revenue Allocation (Tax Increment) revenues are projected to increase \$2.4 million or 22%, from \$10.9 million to \$13.3 million, for FY 2016.
- Parking revenue is estimated to increase by \$562,334 due to a projected increase in monthly rates effective January 1, 2016 (hourly rates not affected), increased demand and PARCS-related revenue collecting efficiencies.
- At its August 26, 2015 meeting, the Board of Commissioners is expected to consider a \$5 million Term Loan for three Central URD projects: Main Street Station local match, Grove Plaza 2.0 and City Hall Plaza to be repaid in fiscal years 2016-18.
- The FY 2016 budget also contains a \$13.5 million bond issue for three projects in the River-Myrtle / Old Boise URD: \$1.5 million for LIV District improvements to Broad Street, \$3 million for parking as part of The Roost apartment building development in the LIV District, and \$9 million for an as-yet-to-be-determined parking garage. Both of these borrowings are to be secured by district-specific tax increment revenue and system-wide net parking revenue.
- \$2.9 million moved from Fund Balance to the operating budget to assist with the FY 2016 work plan.

Expense Highlights:

- Personnel costs include employer-paid benefit increases, funding for an average 3% performance / 2% goal pool, and annualizing one project manager position. The change in Predevelopment Services funding removes completed FY 2015 activities and adds

\$280,000 for project assessments for a new line item total of \$700,000 across all districts. Rent/ Maintenance/Office includes annualized Trailhead rent. Repairs/ Maintenance – Street Furniture restores repair & maintenance and street furniture reductions in the FY 2015 Amended budget. When combining this year's \$129,900 reduction with the FY 2015 Amended budget reduction, the Parking Operator's budget has been reduced by \$303,848 since PARCS garage automation system has become fully operational.

- Debt Service & Contractual Obligations shows the net decrease in Parking Garage Debt Service payments between paying off the Series 2010A-1 bonds in FY 2015 and adding the first of three payments on the \$5 million Term Loan, both in the Central URD; also the addition of the \$175,000 Owyhee Plaza Participation Agreement reimbursement that will continue for four years, until FY 2019.
- Identified Capital Improvement Projects include \$3.9 million for Grove Plaza 2.0; \$3.5 million for multiple types of LIV District improvements including Broad St Wooneref, geothermal extension and hookups, gateways and pedestrian entrances; \$1.5 million for Fulton Street 'festival street' improvements, \$2.0 million for streetscapes; \$1.2 million for Wayfinding fabrication and installation, \$750,000 for Athlos (Macy's building) Development Agreement improvements; \$500,000 for the third and final Pioneer Pathway Phase, \$99,500 for public art.
- Potential Capital Improvement Projects include public parking associated with The Roost apartment building development in the LIV District (\$3 million) and the as-yet-to-be-determined parking garage (\$9 million) also in the River-Myrtle / Old Boise URD. Also \$600,000 for Type 1 Participation Agreements (streetscapes) in the River-Myrtle / Old Boise and Westside URDs.
- The Parking Reinvestment Plan includes the exterior signage for all DPPS garages originally planned for FY 2015.
- \$2.5 million in the Westside URD for strategic property acquisition and development.

Pass-Through Revenue & Expense. Courthouse Corridor Project remnants passed-through to Ada County include \$350,000 for Water Center access to Avenue A parking garage, and master and surplus ground lease payments from Civic Plaza and Civic Partners.

**Staff Recommendation:**

Approve motion to adopt FY 2015 Original Budget and advertise the August 26 public hearing.

**Suggested Motion:**

I move to approve the FY 2016 Original Budget totaling \$42,572,360 and set the time and date of Noon, August 26, 2015, for the statutorily-required public hearing on the Agency's budget for the coming fiscal year.

DRAFT



**FY 2016 ORIGINAL  
Budget**



## FY 2016 ORIGINAL Budget

### HIGHLIGHTS

#### REVENUE

- Increases.** Revenue Allocation (Tax Increment) revenues are projected to increase \$2.4 million or 22%, from \$10.9 million to \$13.3 million, for FY16. 30<sup>th</sup> Street URD revenue is projected to have the largest percentage increase - 143% or an additional \$200,000 for a district total of \$340,000. River-Myrtle/Old Boise URD revenue is projected to have the largest dollar increase – an additional \$1.3 million or 25% for a district total of \$6.4 million.

URD	FY16 Estimated Increment Value	FY16 Estimated Revenue
1. Central	\$273.8 million	\$4.3 million
2. River-Myrtle / Old Boise	\$416.9 million	\$6.4 million
3. Westside	\$141.3 million	\$2.3 million
4. 30 <sup>th</sup> Street	\$23.4 million	\$340,000
<b>Total</b>	<b>\$855.4 million</b>	<b>\$13.3 million</b>

- Parking revenue is estimated to increase by \$562,334 due to a projected increase in monthly rates effective January 1, 2016 (hourly rates not affected), increased demand and PARCS-related revenue collecting efficiencies.
- At its August 2015 meeting, the Board of Commissioners is expected to consider a not-to-exceed \$5 million Term Loan for three Central URD projects: Main Street Station local match, Grove Plaza 2.0 and City Hall Plaza. The FY16 budget also contains a \$13.5 million bond issue for three projects in the River-Myrtle / Old Boise URD: \$1.5 million for LIV District improvements to Broad Street, \$3 million for parking as part of The Roost apartment building development in the LIV District, and \$9 million for an as-yet-to-be-determined parking garage. Both of these borrowings are to be secured by district-specific tax increment revenue and system-wide net parking revenue.
- Decreases.** Removal of one-time reimbursements in the FY15 Amended budget.
- Fund Balance.** \$2.9 million moved to operating budget to assist with the FY16 work plan.

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**Pass-Through Revenue & Expense.** Courthouse Corridor Project remnants passed-through to Ada County: \$350,000 for Water Center access to Avenue A parking garage; master and surplus ground lease payments from Civic Plaza and Civic Partners.

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## EXPENSE

### Operating Expenses.

- **Increases.** Personnel costs include employer-paid benefit increases, funding for an average 3% performance / 2% goal pool, and annualizing one project manager position. The change in Predevelopment Services funding removes completed FY15 activities plus \$280,000 for project assessments. Rent/Maintenance/Office includes annualized Trailhead rent. Repairs/Maintenance – Street Furniture restores repair & maintenance and street furniture reductions in the FY15 Amended budget.
- **Decreases.** When combining this \$129,900 reduction with the FY15 Amended budget reduction, the Parking Operator's budget has been reduced by \$303,848 since PARCS garage automation system has become fully operational.

### Debt Service & Contractual Obligations

- A net decrease in Parking Garage Debt Service payments between paying off the Series 2010A-1 bonds in FY15 and adding the first of three payments on the \$5 million Term Loan, both in the Central URD; addition of \$175,000 Owyhee Plaza Participation Agreement reimbursement that will continue for four years, until FY19.

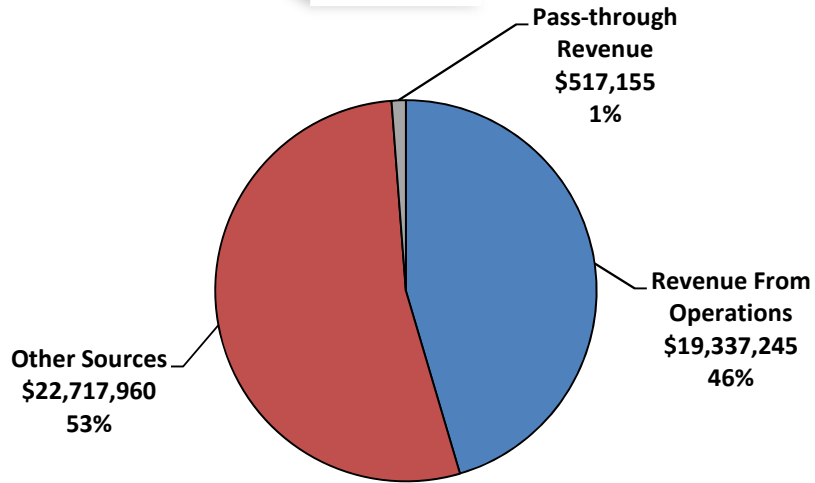
### Capital Outlay.

- **Identified Projects:**
  - **Increases.** \$3.9 million for Grove Plaza 2.0; \$3.5 million for multiple types of LIV District improvements including Broad St Wooneref, geothermal extension and hookups, gateways and pedestrian entrances; \$1.5 million for Fulton St festival street improvements, \$2.0 million for streetscapes; \$1.2 million for Wayfinding fabrication and installation, \$750,000 for Athlos (Macy's building) Development Agreement improvements; \$500,000 for the third and final Pioneer Pathway Phase, \$99,500 for public art.
  - **Decreases.** Completed streetscapes (\$2.9 million); final PARCS payment (\$750,000); Main Street Station local match (\$722,000); public art (\$65,000).
- **Potential Projects:** The public parking associated with The Roost apartment building development in the LIV District (\$3 million) and the as-yet-to-be-determined parking garage (\$9 million) also in the River-Myrtle / Old Boise URD are budgeted here. \$600,000 for Type 1 Participation Agreements in the River-Myrtle / Old Boise and Westside URDs.
- **Parking Reinvestment Plan:** Increased by \$298,000 to \$797,000 to accommodate the exterior signage for all DPPS garages originally planned for FY15.
- **Property Development:** \$2.5 million in the Westside URD for strategic property acquisition and development.

**FY 2016 ORIGINAL Budget**

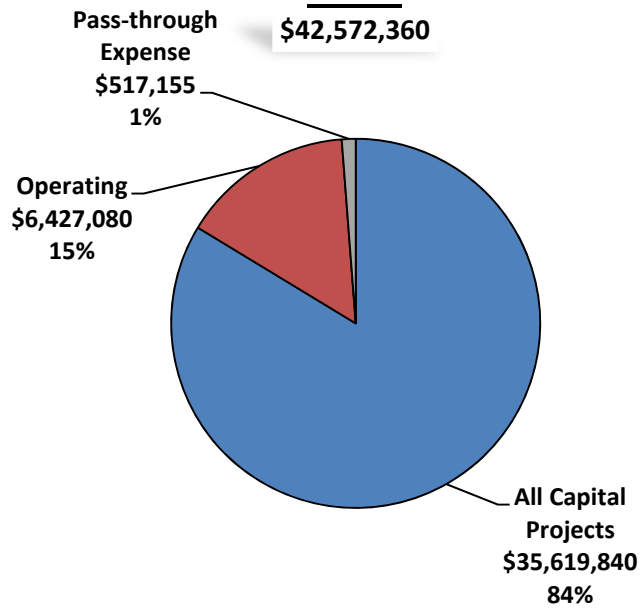
**Sources**

**\$42,572,360**



**Uses**

**\$42,572,360**



CCDC FY 2016 ORIGINAL BUDGET REVENUE SUMMARY	2015 AMENDED	2016 ORIGINAL	Change
<b>Revenue from Operations</b>			
Revenue Allocation (Tax Increment).....	10,940,000	13,340,000	2,400,000
Parking Revenue.....	5,087,574	5,649,908	562,334
Other Revenues.....	407,928	347,337	(60,591)
Subtotal	16,435,502	19,337,245	2,901,743
<b>Other Sources</b>			
Misc. Revenues.....	100,000	91,000	(9,000)
Term Loan/Bond Financing.....	-	18,500,000	18,500,000
Use of (Transfer to) Fund Balance.....	1,176,935	4,126,960	2,950,025
Subtotal	1,276,935	22,717,960	21,441,025
<b>Subtotal - Revenue from Operations</b>	<b>17,712,437</b>	<b>42,055,205</b>	<b>24,342,768</b>
<b>Pass-Through Revenue</b>			
Courthouse Corridor Project.....	37,592,213	517,155	(37,075,058)
<b>TOTAL REVENUE</b>	<b>55,304,650</b>	<b>42,572,360</b>	<b>(12,732,290)</b>

CCDC FY 2016 ORIGINAL BUDGET EXPENSE SUMMARY	2015 AMENDED	2016 ORIGINAL	Change
<b>Operating Expense</b>			
* Interagency Partnerships.....	139,900	144,100	4,200
* Legal Services.....	235,760	218,000	(17,760)
* Parking Operator (Contractor).....	1,795,836	1,665,936	(129,900)
* Personnel Costs.....	1,620,317	1,734,209	113,892
* Predevelopment Services.....	768,000	815,000	47,000
* Professional Services .....	496,520	536,185	39,665
* Rent/Maintenance/Office.....	850,286	934,080	83,794
* Repairs/Maintenance: Streets & Facilities.....	275,609	387,855	112,246
Subtotal	6,182,228	6,435,365	253,137
<b>Debt Service &amp; Contractual Obligations</b>			
* Parking Garage Debt Service/Contractual Obligations.....	4,833,476	4,417,120	(416,356)
<b>Capital Outlay</b>			
* Identified Capital Improvement Projects.....	5,957,733	15,015,720	9,057,987
* Potential Capital Improvement Projects.....	200,000	12,865,000	12,665,000
* Parking Reinvestment Plan.....	499,000	797,000	298,000
* Property Development.....	40,000	2,525,000	2,485,000
Subtotal	6,696,733	31,202,720	24,505,987
<b>Subtotal - Expenses for Operations</b>	<b>17,712,437</b>	<b>42,055,205</b>	<b>24,342,768</b>
<b>Pass-Through Expense</b>			
Courthouse Corridor Project.....	37,592,213	517,155	(37,075,058)
<b>TOTAL EXPENSE</b>	<b>55,304,650</b>	<b>42,572,360</b>	<b>(12,732,290)</b>

\* Detail Attached

**CCDC FY 2016 ORIGINAL BUDGET  
EXPENSE DETAIL**

**DRAFT**

**2015  
AMENDED      2016  
ORIGINAL      Change**

**Interagency Partnerships**

1. Boise Valley Economic Partnership.....	20,000	20,000	-
2. BVEP: Dues.....	3,000	3,000	-
3. Building Owners and Managers Association (BOMA).....	-	5,000	5,000
4. Chamber of Commerce: Regional Leadership.....	1,000	1,000	-
5. Chamber of Commerce: State of City.....	650	650	-
6. Chamber of Commerce: Dues.....	400	400	-
7. COMPASS.....	8,100	8,100	-
8. DBA: Annual Membership.....	10,000	10,000	-
9. DBA: Public Relations: Alive After 5.....	7,500	7,500	-
10. DBA: Public Relations: Bronco Shuttle.....	2,500	2,500	-
11. DBA: Public Relations: State of Downtown.....	2,500	2,500	-
12. DBA: Trash Service/Clean Team.....	64,000	67,200	3,200
13. Other Sponsorships.....	2,500	5,500	3,000
14. Redevelopment Association of Idaho.....	17,750	10,750	(7,000)
Subtotal	139,900	144,100	4,200

**Legal Services**

1. 1401 W Idaho Disposition.....	6,000	5,000	(1,000)
2. 620 S 9th.....	4,000	2,000	(2,000)
3. 8th & Main Development Proposal.....	1,300	1,000	(300)
4. Ash Street Properties RFP.....	3,300	5,000	1,700
5. Auditorium Expansion.....	25,000	10,000	(15,000)
6. Auditorium "Friends of the District".....	20,000	10,000	(10,000)
7. Auditorium Others.....	6,500	10,000	3,500
8. Carley Project 5th & Idaho.....	3,000	10,000	7,000
9. Sherman & Howard - Bond Counsel.....	5,000	5,000	-
10. City Center Project.....	3,000	3,000	-
11. Central District General Including Grove Plaza.....	16,000	20,000	4,000
12. Civic Partners Issues.....	2,200	5,000	2,800
13. Courthouse Corridor Issues.....	10,400	-	(10,400)
14. Future URA District Assessment.....	-	1,000	1,000
15. General Contracting (Parking).....	24,000	38,000	14,000
16. General Legislative Activities (Ops).....	7,000	7,000	-
17. General/Miscellaneous (Ops).....	20,000	20,000	-
18. Line of Credit/Term Loan - Central.....	12,000	1,000	(11,000)
19. Macy's Building.....	560	5,000	4,440
20. Main Street Station.....	8,500	5,000	(3,500)
21. Central District Termination Planning.....	3,200	7,000	3,800
22. River Myrtle/Old Boise District General.....	38,000	30,000	(8,000)
23. Roost Development.....	5,000	2,000	(3,000)
24. Stadium Assessment.....	-	1,000	1,000
25. 30th District General.....	2,000	5,000	3,000
26. Westside District General.....	9,800	10,000	200
Subtotal	235,760	218,000	(17,760)

CCDC FY 2016 ORIGINAL BUDGET EXPENSE DETAIL	2015 AMENDED	2016 ORIGINAL	Change
<b>Predevelopment Services</b>			
1. Boise GreenBike Station Sponsorship.....	10,000	10,000	-
2. Central District Termination Planning.....	-	25,000	25,000
3. Downtown Wayfinding Project.....	113,000	-	(113,000)
4. Grove Plaza 2.0 Marketing/Consultant.....	90,000	30,000	(60,000)
5. Downtown Housing Study.....	35,000	-	(35,000)
6. Irrigation Assessment.....	5,000	5,000	-
7. Parking Rate Study.....	5,000	25,000	20,000
8. Pioneer Pathway Phase 3 Design.....	50,000	-	(50,000)
9. Project Assessment.....	420,000	700,000	280,000
10. DPPS Rebranding/Directory Implementation (parking).....	40,000	20,000	(20,000)
Subtotal	768,000	815,000	47,000
<b>Professional Services</b>			
1. Aerial Maps/3D Virtual Model.....	8,500	-	(8,500)
2. Ash Street Properties RFP/Disposition.....	-	30,000	30,000
3. Compensation Consultant (BDPA).....	2,000	7,000	5,000
4. Document Management Systems/Services.....	14,000	6,500	(7,500)
5. Document Shredding.....	400	385	(15)
6. Education Outreach (PARCS and DPPS).....	26,000	51,000	25,000
7. Financial Advisor: Credit Facility/GBAD.....	46,270	25,000	(21,270)
8. Financial Advising: Arbitrage.....	10,500	10,500	-
9. Governmental Relations (Legislative).....	36,000	36,000	-
10. Independent Audit Fees.....	45,250	47,000	1,750
11. IT Services.....	25,500	26,800	1,300
12. Office Update/Renovation.....	20,000	3,000	(17,000)
13. Parking Consulting/General Structural Consulting.....	10,000	50,000	40,000
14. Parking Garage Sale Assessment.....	12,000	-	(12,000)
15. Parking Comprehensive Strategic Plan.....	75,000	25,000	(50,000)
16. Parking Construction Standards Updates.....	-	5,000	5,000
17. Parking Garage Structural Evaluations.....	-	25,000	25,000
18. Parking Mgmt Plan Update.....	-	10,000	10,000
19. Professional Services (Planning, Design, Engr.).....	75,100	81,000	5,900
20. Public Information Program.....	50,000	75,000	25,000
21. Warehouse Storage/Moving.....	5,000	10,000	5,000
22. 8th Street Direction Analysis.....	-	12,000	12,000
23. 30th St District Branding Traffic Box Wraps.....	5,000	-	(5,000)
24. 620 S. 9th RFP/Disposition.....	30,000	-	(30,000)
Subtotal	496,520	536,185	39,665

**CCDC FY 2016 ORIGINAL BUDGET  
EXPENSE DETAIL**

**DRAFT**

**2015  
AMENDED      2016  
ORIGINAL      Change**

**Rent/Maintenance/Office**

1. Advertising: Legal notices & Marketing.....	5,500	5,500	-
2. Banking Fees.....	1,000	1,000	-
3. Computer & Software Supplies.....	10,000	12,000	2,000
4. Computer Equipment.....	18,800	35,000	16,200
5. Condominium Mgmt Expenses.....	112,000	118,300	6,300
6. Data T-1 And Web Hosting Service.....	16,000	16,000	-
7. Dues & Subscriptions.....	7,056	9,486	2,430
8. Insurance.....	85,000	100,000	15,000
9. Local Meeting Expense.....	8,000	8,000	-
10. Merchant Fees.....	220,000	220,000	-
11. Miscellaneous.....	3,605	3,605	-
12. Office & Phones.....	4,470	4,620	150
13. Office Equipment Lease & Repairs.....	18,000	29,000	11,000
14. Office Furniture & Equipment.....	40,000	15,000	(25,000)
15. Office Rent (CCDC, West End, Trailhead, 8th St/BoDo space).....	224,655	287,869	63,214
16. Office Rent - Parking Operator.....	15,000	-	(15,000)
17. Office Supplies.....	12,500	14,000	1,500
18. Personnel Training (Local).....	13,000	12,000	(1,000)
19. Postage.....	2,000	2,000	-
20. Printing & Binding.....	5,000	5,000	-
21. Professional Development (Out of State).....	26,000	33,000	7,000
22. Validation Expense (Parking).....	2,700	2,700	-
Subtotal	<u>850,286</u>	<u>934,080</u>	<u>83,794</u>

**Repairs/Maintenance - Streets & Facilities**

1. 8th Street .....	30,000	30,000	-
2. Holiday Lighting.....	14,250	14,250	-
3. Powerwashing.....	7,300	17,300	10,000
4. Repairs & Maintenance.....	77,353	123,205	45,852
5. Street Furniture.....	55,000	105,000	50,000
6. The Grove - Operations.....	55,000	55,000	-
7. Utilities.....	36,706	43,100	6,394
Subtotal	<u>275,609</u>	<u>387,855</u>	<u>112,246</u>

**Parking Garage Debt Service/Contractual Obligations**

1. Parking Garage Debt Repayments.....	3,833,476	2,644,104	(1,189,372)
2. CD, Term Loan Repayment.....	-	598,016	598,016
3. CD, 8th & Main (Owner Participation).....	1,000,000	1,000,000	-
4. WD, Owyhee Plaza T2 Reimbursement.....	-	175,000	175,000
Subtotal	<u>4,833,476</u>	<u>4,417,120</u>	<u>(416,356)</u>

**CCDC FY 2016 ORIGINAL BUDGET  
EXPENSE DETAIL**

**DRAFT**

**2015  
AMENDED      2016  
ORIGINAL      Change**

**Identified Capital Improvement Projects**

1. CD, Grove Plaza 2.0 Design, Chartering & Renovation.....	135,000	3,950,000	3,815,000
2. CD, T3 Participation: Main Street Station (FTA 20% Local Match).....	1,300,000	578,000	(722,000)
3. CD, Bike Rack Installations.....	25,000	-	(25,000)
4. CD, Streetscape - City Hall East Side.....	467,833	-	(467,833)
5. CD, Streetscape - City Hall West Side.....	-	-	-
6. CD, Streetscape Design - 2016 Projects.....	50,000	-	(50,000)
7. CD, T3 Participation: City Center Plaza Project .....	420,000	350,000	(70,000)
8. CD, VRT Transit Capital Improvements.....	22,500	25,000	2,500
9. CD, Wayfinding Project Installation.....	-	400,000	400,000
10. CD, Public Art Project (Grant to City of Boise).....	30,000	-	(30,000)
11. CD, Main Street Station Interior Design/Art.....	-	50,000	50,000
12. CD, Grove 2.0 Art Project - Boise City.....	-	12,000	12,000
13. PARCS (Parking Access Revenue Control Systems).....	750,000	-	(750,000)
14. RD, Bike Rack Installations.....	10,000	-	(10,000)
15. RD, Streetscape-T4 Participation: 8th St, Broad-Myrtle, Both Sides.....	-	710,000	710,000
16. RD, Streetscape - Design 2015 Projects.....	50,000	-	(50,000)
17. RD, Streetscape Design Next Year's Projects.....	20,000	50,000	30,000
18. RD, Fulton Street, 9th - Capitol, Festival Street Improvements.....	65,000	1,500,000	1,435,000
19. RD, Streetscape - Old Boise: Idaho/Main/5th/6th + 12th&Front .....	1,600,000	-	(1,600,000)
20. RD, Traffic Box Art.....	20,000	-	(20,000)
21. RD, Boise City Art Project (Hayman House/Pioneer Pathway).....	-	25,000	25,000
22. RD, Boise City Art Project (Fulton Street).....	-	12,500	12,500
23. RD, Wayfinding Project Installation.....	-	600,000	600,000
24. RD, Jefferson Street, 4th - 5th (Idaho Supreme Court).....	-	75,000	75,000
25. RD, Pioneer Pathway Phase 3: River St - Greenbelt.....	-	500,000	500,000
26. RD, 5th & Julia Davis Park New Pedestrian Entrance.....	20,000	410,000	390,000
27. RD, T4 Participation: Broad St Geothermal Extension & Hookups.....	-	500,000	500,000
28. RD, Broad Street, Capitol-2nd, Street and Infrastructure Improvements.....	-	2,000,000	2,000,000
29. RD, Central Addition, Numbered Streets Streetscapes.....	-	300,000	300,000
30. RD, Central Add. Gateways: Myrtle, Front (5th/3rd),Broad (2nd/Capitol).....	-	300,000	300,000
31. RD, Streetscape-Bannock St, 9th to Capitol Blvd, North Side (Split w/WD).....	-	400,000	400,000
32. RD, Connector Analysis (Front & Myrtle).....	-	200,000	200,000
33. RD, T5 Participation: Ash Street Properties RFQ/P.....	-	100,000	100,000
34. WD, Bike Rack Installations.....	10,000	-	(10,000)
35. WD, Streetscape - Design 2015 Projects.....	50,000	-	(50,000)
36. WD, Streetscape Design for Upcoming Projects.....	20,000	50,000	30,000
37. WD, Streetscape - 11th/15th/Main Street.....	877,400	263,220	(614,180)
38. WD, State Street, 16th - 8th, Both Sides (Joint Project w/ACHD).....	-	100,000	100,000
39. WD, Traffic Box Art.....	15,000	-	(15,000)
40. WD, Wayfinding Project Installation.....	-	100,000	100,000
41. WD, Streetscape-Bannock St, 9th to Capitol Blvd, North Side (Split w/RD).....	-	500,000	500,000
42. WD, T3 Participation: Athlos DA Streetscape & Façade Easement.....	-	750,000	750,000
43. 30D, Main - Fairview Right Sizing.....	-	35,000	35,000
44. 30D, CCDC/City West End Revitalization Agreement.....	-	85,000	85,000
45. 30D, Multi-Purpose Stadium/Development.....	-	35,000	35,000
46. 30D, Wayfinding Project Installation.....	-	50,000	50,000
Subtotal	5,957,733	15,015,720	8,957,987

**CCDC FY 2016 ORIGINAL BUDGET  
EXPENSE DETAIL**

**DRAFT**

**2015  
AMENDED      2016  
ORIGINAL      Change**

**Potential Capital Improvement Projects**

1. CD, T1 Participation; Streetscape.....	150,000	-	(150,000)
2. RD, T1 Participation; Streetscape.....	-	300,000	300,000
3. RD, TBD Parking Garage .....	-	9,000,000	9,000,000
4. RD, T3: 5th&Broad St Parking Deck&Streetscape, Roost Apt/Parking Garage.....	-	3,240,000	3,240,000
5. WD, T1 Participation; Streetscape.....	-	300,000	300,000
6. 30D, Capital Improvement General.....	50,000	25,000	(25,000)
7. 30D, T1 Participation; Streetscape.....	-	-	-
Subtotal	200,000	12,865,000	12,665,000

**Parking Reinvestment Plan**

1. Entry Sign Eastman Main St.....	3,000	-	(3,000)
2. Gator w/Plow.....	15,000	-	(15,000)
3. Vehicle (pickup).....	15,000	-	(15,000)
4. "Park Plus" Modeling Tool (Software).....	50,000	-	(50,000)
5. Refurbish 24 CCDC@Work Signs.....	2,500	-	(2,500)
6. Scrubber Wrap.....	7,500	-	(7,500)
5. City Center Garage waterproofing.....	24,000	-	(24,000)
6. Capitol Terrace Garage waterproofing.....	330,000	-	(330,000)
9. Handheld Scanner.....	7,000	-	(7,000)
7. Cameras at Exits for All Garages.....	-	42,000	42,000
8. Exit Improvements - Pedestrian Safety.....	-	40,000	40,000
9. Downtown Public Parking Garage Signage.....	-	470,000	470,000
10. Exterior Signage Design.....	-	25,000	25,000
11. LED Lights for Capitol Terrace.....	-	75,000	75,000
12. Lobbies & Stairwells Painting.....	-	90,000	90,000
13. Relocate Grove St Signs to 9th & Front.....	-	5,000	5,000
14. Parking Website Upgrades.....	45,000	50,000	5,000
Subtotal	499,000	797,000	298,000

**Property Developments**

1. CD, Development Project.....	-	-	-
2. RD, Development Project.....	-	-	-
3. WD, Development Project.....	-	2,500,000	2,500,000
4. 30D, Development Project.....	40,000	25,000	(15,000)
Subtotal	40,000	2,525,000	2,485,000



**EXHIBIT A  
CAPITAL CITY DEVELOPMENT CORPORATION  
PROPOSED FISCAL YEAR 2016 ORIGINAL BUDGET**

AN ESTIMATE OF REVENUES AND EXPENSES OF THE CAPITAL CITY DEVELOPMENT CORPORATION FOR THE FISCAL PERIOD BEGINNING OCTOBER 1, 2015 TO AND INCLUSIVE OF SEPTEMBER 30, 2016 (FISCAL YEAR 2016), AND NOTICE OF PUBLIC HEARING .

As required by Idaho Code, the Board of Commissioners of the Capital City Development Corporation has estimated the amount of money necessary for all purposes during Fiscal Year 2016 and prepared a proposed budget that includes an estimate of revenues and expenses and that reflects current Board policy on budget-related matters. As also required by Idaho Code, the budget will be entered into the minutes of the Agency and published in the Idaho Statesman newspaper. Citizens are invited to attend the budget hearing that begins at noon, August 26, 2015 at Capital City Development Corporation, 121 N. 9th St, Suite 501, Boise, Idaho. Citizens may submit written or oral comments concerning the Agency's proposed budget. A copy of the proposed budget is available at Capital City Development Corporation during regular business hours, weekdays, 8:00 a.m. to 5:00 p.m. Please notify CCDC at 208-384-4264 for any accommodations necessary for persons with disabilities.

	FISCAL YEAR 2014 ACTUAL	AMENDED FISCAL YEAR 2015 BUDGET	FISCAL YEAR 2016 BUDGET
<b>GENERAL/SPECIAL REVENUE FUNDS:</b>			
<b>GENERAL OPERATIONS FUND</b>			
Transfers	1,859,647	2,555,793	2,553,900
Other	158,678	112,000	118,300
Total Revenues	<u>2,018,325</u>	<u>2,667,793</u>	<u>2,672,200</u>
Total Expenses	2,018,325	2,667,793	2,672,200
<b>CENTRAL REVENUE ALLOCATION FUND</b>			
Revenue Allocation <i>(Property Tax Increment)</i>	2,851,537	3,800,000	4,300,000
Transfers	(2,161,789)	224,003	(1,733,134)
Other	130,510	134,700	5,053,700
Total Revenues	<u>820,257</u>	<u>4,158,703</u>	<u>7,620,566</u>
Total Expenses	820,257	4,158,703	7,620,566
<b>RIVER-MYRTLE / OLD BOISE REV ALLOC FUND</b>			
Revenue Allocation <i>(Property Tax Increment)</i>	4,642,958	5,100,000	6,400,000
Transfers	(3,188,465)	(2,779,832)	984,633
Other	506,245	595,028	14,096,437
Total Revenues	<u>1,960,738</u>	<u>2,915,196</u>	<u>21,481,070</u>
Total Expenses	1,960,738	2,915,196	21,481,070
<b>WESTSIDE REVENUE ALLOCATION FUND</b>			
Revenue Allocation <i>(Property Tax Increment)</i>	1,508,757	1,900,000	2,300,000
Transfers	(450,602)	(760,490)	2,707,070
Other	5,342	4,500	4,500
Total Revenues	<u>1,063,497</u>	<u>1,144,010</u>	<u>5,011,570</u>
Total Expenses	1,063,497	1,144,010	5,011,570
<b>30TH STREET REVENUE ALLOCATION FUND</b>			
Revenue Allocation <i>(Property Tax Increment)</i>	37,864	140,000	340,000
Transfers	35,809	14,200	(22,800)
Total Revenues	<u>73,673</u>	<u>154,200</u>	<u>317,200</u>
Total Expenses	73,673	154,200	317,200
<b>PARKING FUND</b>			
Parking	4,770,533	5,077,574	5,639,908
Transfers	1,896,085	1,839,861	(442,409)
Other	141,124	70,000	70,000
Total Revenues	<u>6,807,741</u>	<u>6,987,435</u>	<u>5,267,499</u>
Total Expenses	6,807,741	6,987,435	5,267,499
<b>DEBT SERVICE FUND</b>			
Lease & Bond Revenue	5,234,238	37,275,213	200,155
Transfers	2,100	2,100	2,100
Total Revenues	<u>5,236,338</u>	<u>37,277,313</u>	<u>202,255</u>
Total Expenses	5,236,338	37,277,313	202,255
TOTAL REVENUES	\$ 17,980,569	\$ 55,304,650	\$ 42,572,360
TOTAL EXPENSES	\$ 17,980,569	\$ 55,304,650	\$ 42,572,360

MOTION TO APPROVE THE PROPOSED BUDGET PASSED BY THE BOARD OF COMMISSIONERS OF THE CAPITAL CITY DEVELOPMENT CORPORATION IN BOISE, IDAHO, THIS 10th DAY OF AUGUST 2015. This is an accurate statement of the proposed expenditures and revenues as presented to the Board of Commissioners for Fiscal Year 2016. APPROVED BY THE CHAIRMAN OF THE CAPITAL CITY DEVELOPMENT CORPORATION IN BOISE, IDAHO THIS 10th DAY OF AUGUST 2015. John Hale, Chair. Pat Shalz, Secretary/Treasurer .



## AGENDA BILL

<b>Agenda Subject:</b> CCDC Capital Improvement Plan 2016-2020 (CIP)		<b>Date:</b> August 10, 2015
<b>Staff Contact:</b> Todd Bunderson	<b>Attachments:</b> 2016-2020 CIP	
<b>Action Requested:</b> Approve CIP		

### **Fiscal Notes:**

Estimated project costs are identified by project, district and year in plan.

### **Background:**

The development of a multi-year capital improvement plan has been underway beginning in earnest with CCDC Board strategic planning in March of this year. Extensive collaboration and coordination has occurred particularly with the City of Boise and ACHD regarding project selection, timing and cooperative goal achievement. Additional presentation and review occurred in April with the CCDC Board leading into budget development. Further refinements have been made since and align fiscal 2016 budgets and plans with available resources. The CIP was designed into the Agency's Participation Program and will become a significant enhancement to operations. A Participation Program update is forthcoming as well.

The 5-year plan is flexible and will help accomplish more projects through this coordinated approach. The 5-year total is \$57.3 million including a diverse and robust project mix.

### **Staff Recommendation:**

Approve CIP

### **Suggested Motion:**

I move to approve the CIP as presented.

# 5-YEAR CAPITAL IMPROVEMENT PLAN 2016-2020



**CAPITAL CITY  
DEVELOPMENT CORP**



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# ABOUT CCDC



**CAPITAL CITY  
DEVELOPMENT CORP**

## COLLABORATE

With partners to achieve vitality goals

With Boise City to realize vision of Comprehensive Plan

With VRT/ACHD/ITD on transportation, transit and mobility goals

With local, regional, state and federal economic development agencies to retain, develop and expand business and commercial development

With private developers and entrepreneurial partners and find opportunities to leverage assets

## CREATE

Create new places from disinvested spaces

Create livable urban neighborhoods

Create shared visions and aspirational plans to guide development

Create high quality urban projects with synergistic mixed uses

Create culture and livability in public realm

Create new catalytic projects that stimulate neighborhood health

**MISSION**  
IMPROVE, DEVELOP AND GROW THE ECONOMY.

**VISION**  
CREATE VITALITY IN DOWNTOWN BOISE AND BE AMONG AMERICA'S MOST LIVABLE CITIES.

**VALUES**

COLLEGIAL	RESPONSIVE
TRANSPARENT	FAIR
RESOURCEFUL	PROFESSIONAL
EFFECTIVE	CATALYZE
RELIABLE	ACCOUNTABLE
CREATIVE	ACCESSIBLE

**OBJECTIVES**  
OPERATIONALIZE MISSION, VISION, VALUES, AND GOALS IN MULTI-YEAR CAPITAL IMPROVEMENT PLANS.

## DEVELOP

CCDC Participation Program

Stimulating downtown development with public infrastructure

1. Grants
2. General Assistance
3. Special Assistance
4. Public-Private Project Coordination
5. Property Disposition/ Redevelopment

## COMPLETE

Build lasting public infrastructure that stimulates development

Attract private development and grow economic base

Attract new infill development and downtown core residents

Fuel economic growth creating low vacancy/high occupancy buildings

Target/promote development uses for a healthy downtown economy

## DISTRICT PROJECTS



INFRASTRUCTURE



PLACEMAKING



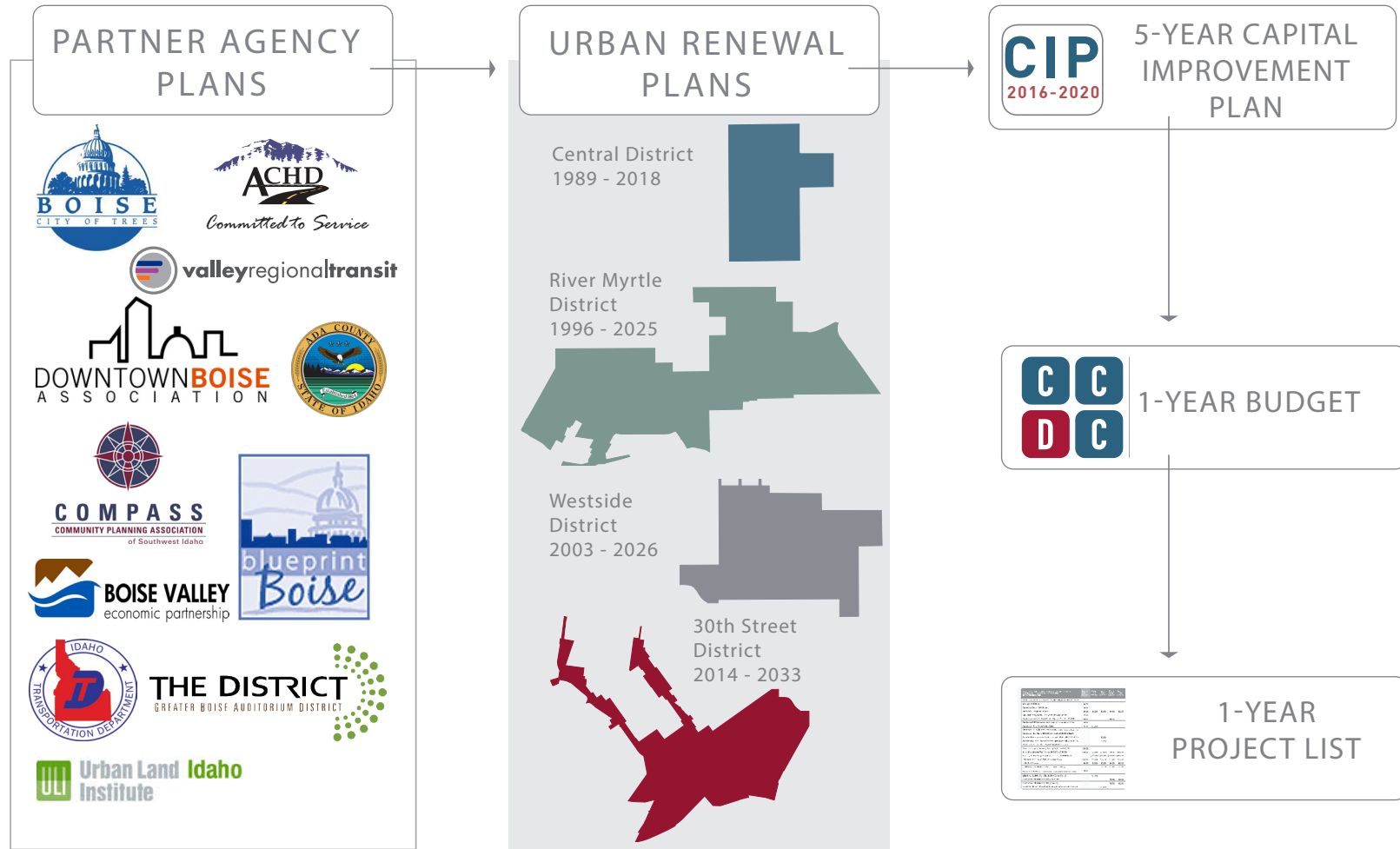
PUBLIC PARKING



TRANSIT



SPECIAL PROJECTS



Partner Agency plans are used to inform the Urban Renewal Plans.

Long term Urban Renewal Plans are written when the districts are formed.



# CIP CREATION



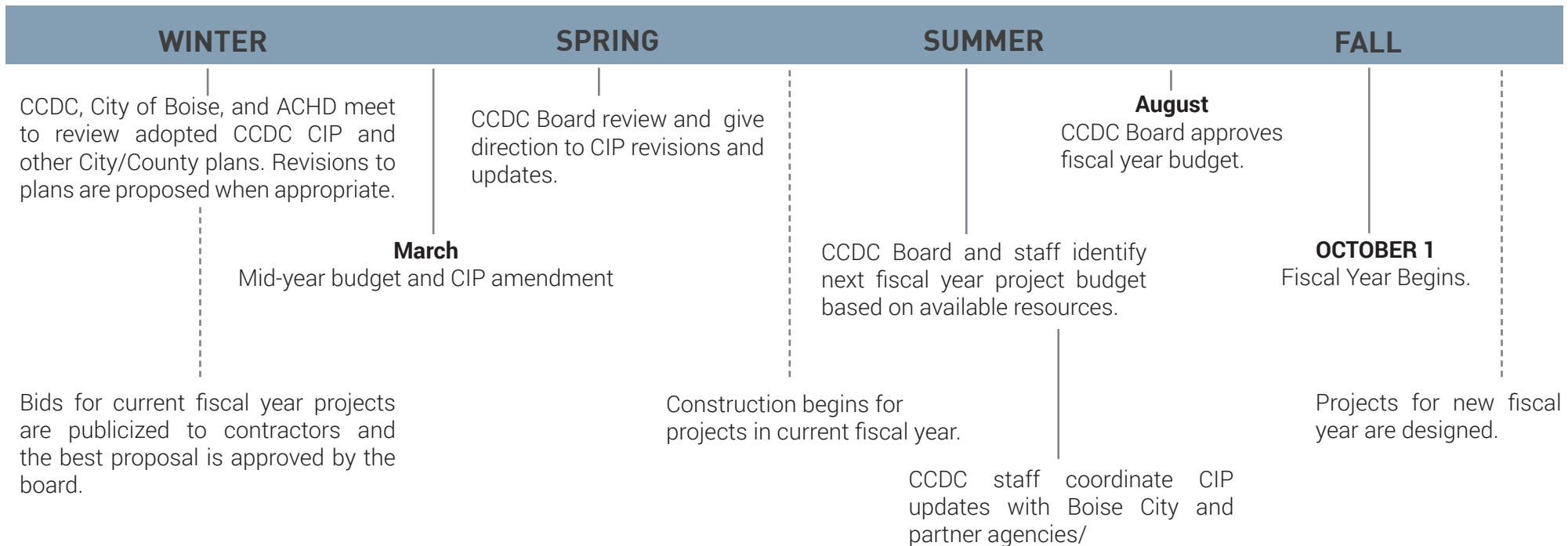
## Why does CCDC Create a 5-Year CIP?

CCDC creates a 5-year, fiscally constrained CIP as a predictable framework to collaborate with agency and community partners to achieve urban redevelopment goals and the long term vision for the city. The plan allows for flexibility to take advantage of unanticipated opportunities and changes in market conditions.

The CIP is built in conjunction with the budget to allocate limited resources by district to various capital improvement projects and participation agreements. The plan is evaluated and revised annually to make necessary adjustments as conditions change. As the CIP is updated each year, an additional year will be added so the CIP is always addressing the 5 upcoming years.

## What Types of Projects Are Included in the CIP?

CCDC is enabled by state statute to “prevent or arrest the decay of urban areas” and to “encourage private investment in urban areas.” CCDC does this through a variety of direct investments in public amenities and strategic planning efforts that benefits the public good. These investments fall into five main categories: Infrastructure, Placemaking, Parking, Transit, and Special Projects. In addition to managing our own projects, CCDC also assists the City of Boise and private developers by contributing to parts of their projects which fall under the categories previously mentioned.










# CITY GOAL IMPLEMENTATION



Blueprint Boise, the comprehensive plan for the City of Boise, was originally adopted in November 2011 and has seventeen goals for the Downtown Boise Planning Area. These goals are compatible with CCDC's mission and vision for downtown Boise. As such, in addition to advancing the redevelopment goals of adopted urban renewal plans, the Capital Improvement Plan also seeks to advance the Blueprint Boise goals for Downtown. One or more of the five project types undertaken by CCDC support each of Blueprint Boise's seventeen goals for Downtown, as shown below. For more information on CCDC's project types see pages (19-23).

Blueprint Boise Downtown Goals	CCDC Project Types				
	 Infrastructure	 Parking	 Placemaking	 Transit	 Special
<b>Centers, Corridors &amp; Neighborhoods</b>					
Downtown as civic, economic, educational, social and cultural center			●		●
Create in-town residential neighborhoods on the periphery of the CBD			●		●
Encourage redevelopment of surface parking	●	●			●
<b>Parking</b>					
Implement a Downtownwide parking system		●			
<b>Connectivity</b>					
Develop a robust, multimodal transportation system	●			●	
Strengthen connections to the Boise River and Downtown subdistricts	●		●		
<b>Public Services/Facilities</b>					
Maximize the use of existing infrastructure Downtown	●	●		●	
<b>Neighborhood Character</b>					
Use Downtown development as a model for sustainable land use	●	●	●	●	●
Create a safe, clean, and enjoyable environment Downtown.		●	●		●
Recognize the role religious institutions and other service providers					●
High standard for quality design and construction Downtown		●	●		●
<b>Culture, Education &amp; Arts</b>					
Maintain Downtown as the cultural center for the community and region			●		●
Retain and expand education opportunities Downtown					●
Recognize and protect historic resources Downtown			●		●
<b>Economic Development</b>					
Create and maintain a prosperous economy Downtown	●	●			●
Strive to keep Downtown's economy diversified	●	●			●
Balance prosperity, preservation, and design in permitting new development			●		●





# URBAN RENEWAL DISTRICT MAP





# ABOUT CENTRAL DISTRICT



The original urban renewal district in downtown Boise, the Central District has evolved a great deal over the years. It was first established as part of the federal urban renewal program in 1965 in hopes of locating a regional shopping mall in downtown Boise. After the federal government discontinued its urban renewal program and efforts to establish a regional mall downtown were unsuccessful, the Central District was subsequently reconfigured as an urban renewal district funded by tax increment financing in 1987.

Rather than a regional mall the plan called for mixed-use, pedestrian-oriented development, including office, retail, residential and cultural uses in new structures or renovated historic buildings. As the Central District prepares to sunset, nearly all of the goals of the 1987 have been accomplished including creating lively streets lined with retail; enhancing Capitol Boulevard as a grand gateway; improving 8th Street as a principal pedestrian connection; major public open space on The Grove Plaza; eliminating surface parking by constructing public structured parking to allow downtown development to intensify; public arts; and creating a downtown business association to manage downtown marketing and events, as well as public space operation and maintenance.

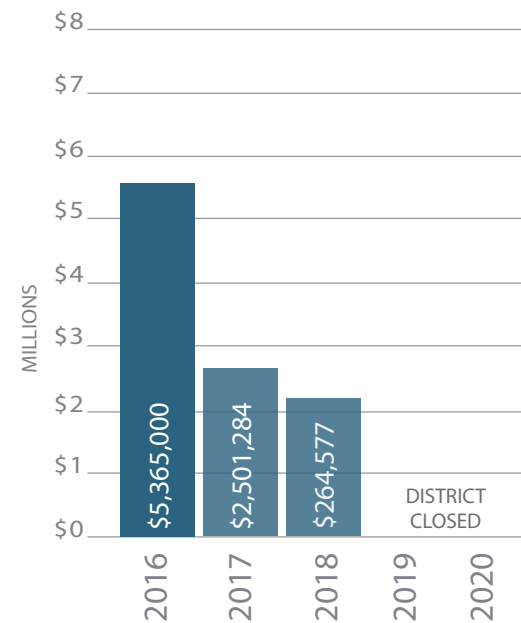
These public improvements have been joined by substantial private investments, including the 8th & Main building, Aspen Lofts, Boise Centre, Chase building, Grove Hotel & CenturyLink Arena, and Wells Fargo building. Still more public and private investments are expected before the district expires, including City Center Plaza and Main Street Station as well as City Hall Plaza and Grove Plaza renovations.

## FAST FACTS

- 34 acres
- Established: 1989
- District Ends: 2018
- Base Value: \$34 Million
- 2015 Value: \$308 Million

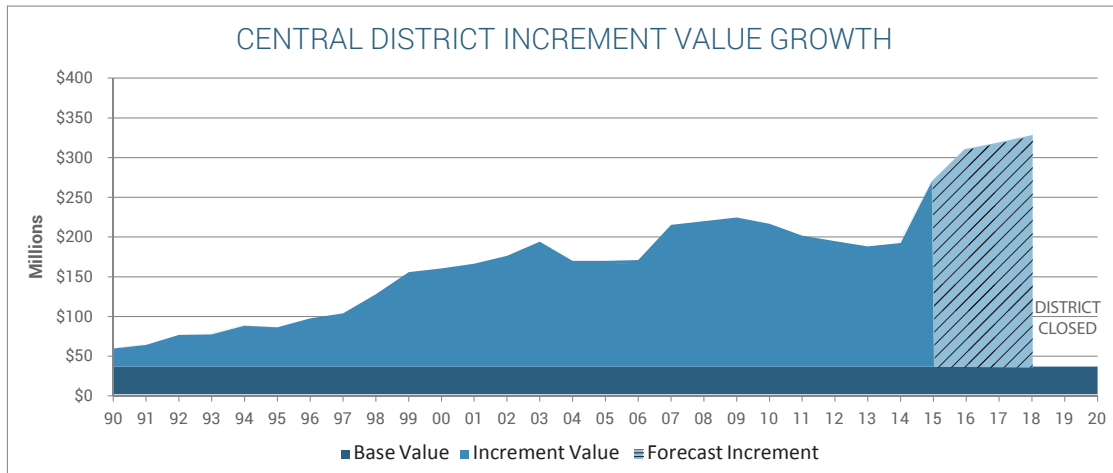


## CENTRAL DISTRICT ANNUAL INVESTMENT



**TOTAL: \$8,130,861**  
2016-2020

## CENTRAL DISTRICT INCREMENT VALUE GROWTH





# CENTRAL DISTRICT PROJECTS



CENTRAL DISTRICT	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	STATUS
Estimated Revenues	\$5,365,000	\$2,501,284	\$264,577	N/A	N/A	
<b>INFRASTRUCTURE</b>				District Closed		
Protected Bike Lanes - Idaho St, 9th - Capitol (Joint Project w/ACHD)		125,000			Designated	
Protected Bike Lanes - Main St., 9th - Capitol (Joint Project w/ACHD)		125,000			Designated	
Wayfinding Project Installation	400,000				Designated	
8th Street Retractable Bollards for Events		250,000			Designated	
<b>PLACEMAKING</b>						
City Hall Streetscape West Side		575,000			Obligated	
City Hall Plaza		650,000			Obligated	
T3 Participation: City Center Plaza Project	350,000				Obligated	
Grove Plaza 2.0 Design, Chartering & Renovation	3,950,000				Designated	
8th Street Refurbishment/Enhancements		426,284	264,577		Designated	
Central District Refurbishment/Closeout: Street Furniture, Irrigation Systems, Trees/Grates		250,000			Designated	
Capitol Blvd, Main - Idaho West side Bulbout		100,000			Designated	
<b>TRANSIT</b>						
Boise GreenBike Station Sponsorship					Obligated	
T3 Participation: Main Street Station - FTA Match	578,000				Obligated	
VRT Transit Improvements (Main Street Station)	25,000			Designated		
<b>SPECIAL PROJECTS</b>						
Main Street Station Interior Design/Artwork	50,000			Designated		
Grove Plaza 2.0, Boise City Art Project	12,000			Designated		
<b>Estimated Expenses</b>	<b>\$5,365,000</b>	<b>\$2,501,284</b>	<b>\$264,577</b>			

Status Definitions

**Obligated:** projects for which a formal agreement has been approved and/or executed. This may include an awarded contract, executed task order, or participation agreement.

**Designated:** proposed projects for which there has been a board designation, an informal agreement, or demonstrated commitment. This includes things like City Hall Plaza, Grove Plaza, Broad Street, participation agreements in process, or interagency coordination (Fulton, Broad, State).

**Tentative:** includes important projects and efforts that are less well defined, or projects that are less time sensitive.



# ABOUT RIVER MYRTLE DISTRICT



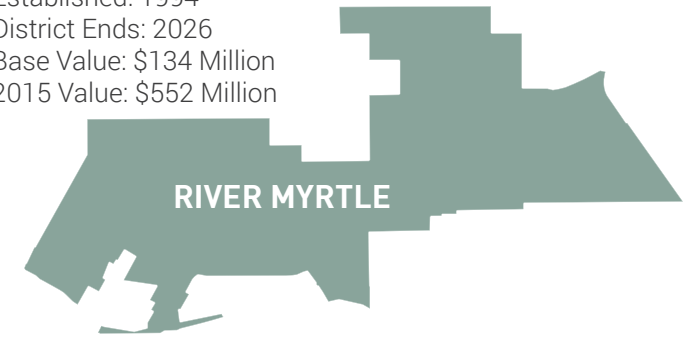
The River Myrtle District consisted of mostly vacant property, deteriorated residences and warehouses, and remnants of older industrial uses when it was first established in 1994. Redevelopment opportunities included the vacant Union Pacific switch yard properties, the 14-acre Ada County property, and the historic Eighth Street Marketplace, while assets included close access to the major employment centers in downtown (St. Luke's Medical Center), riverfront parks and the Boise River Greenbelt, and Boise State University. In 2004, the district was expanded to include Old Boise-Eastside and some additional areas between River Street and the Boise River making it the largest district. The district's urban renewal plan seeks to strengthen north-south connections between downtown and the Boise River; re-establish mixed-use, urban neighborhoods as part of an expanded downtown; extend/connect the Boise River Greenbelt and Julia Davis Park into sub-districts; and develop the Cultural District on the south end of 8th Street.

Public and private investment in the district to date includes the Ada County Courthouse Corridor, BoDo, the Downtown Connector (Front and Myrtle), Idaho Independent Bank Building, three public parking garages, numerous streetscape improvements, three prominent regional or national grocery chains, and numerous multifamily housing developments.

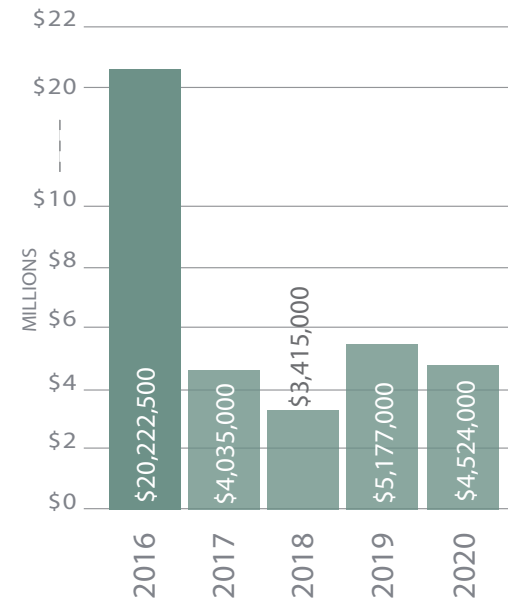
Still more public and private investment is underway or expected, including the Afton, Central Addition LIV District infrastructure improvements, JUMP and Simplot world headquarters, Payette Brewery, the completion of the Pioneer Pathway, 5th & Idaho, Idaho History Museum remodel, The Roost Apartment Project, and as many as three new hotels.

## FAST FACTS

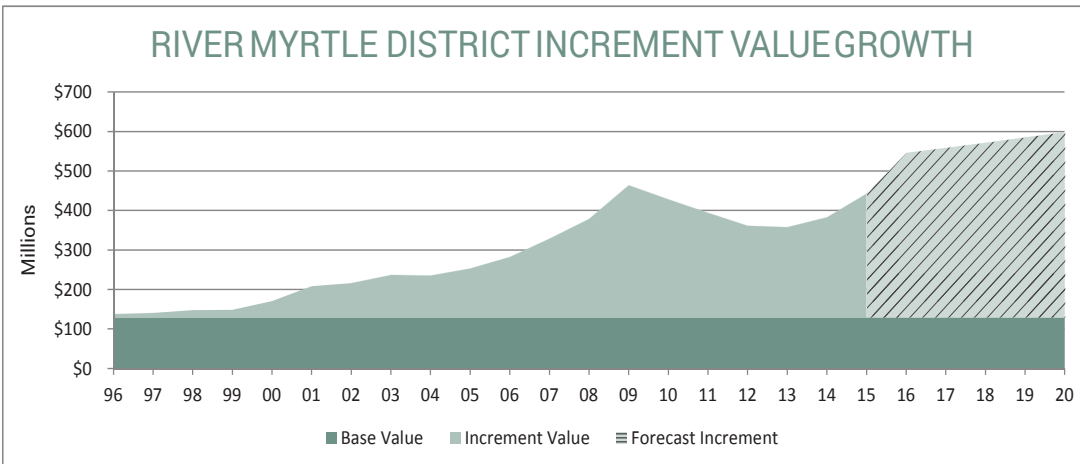
- 340 acres
- Established: 1994
- District Ends: 2026
- Base Value: \$134 Million
- 2015 Value: \$552 Million



## RIVER MYRTLE ANNUAL INVESTMENT



**TOTAL: \$37,373,500**  
2016-2020





# RIVER MYRTLE DISTRICT PROJECTS



RIVER MYRTLE DISTRICT	FY2016	FY2017	FY2018	FY2019	FY2020	STATUS
<b>Estimated Revenues</b>	\$20,222,500	\$4,035,000	\$3,415,000	\$5,177,000	\$4,524,000	
<b>INFRASTRUCTURE</b>						
Protected Bike Lanes - Idaho Street, Capitol - 2nd (Joint Project w/ACHD)		150,000				Designated
Protected Bike Lanes - Main Street, Capitol - Broadway (Joint Project w/ACHD)		150,000				Designated
Wayfinding Project Installation	600,000					Designated
<b>PARKING</b>						
T3 Participation: 5th & Broad Street Parking Deck, Roost Apartments/Parking Garage	3,240,000					Obligated
TBD RM Parking Garage	9,000,000					Designated
<b>PLACEMAKING</b>						
Streetscape - Design Next Year's Projects	50,000	50,000	50,000	50,000	50,000	Designated
T4 Participation: 8th Street, Broad - Myrtle, Both Sides	710,000					Obligated
Fulton Street, 9th - Capitol, Festival Street Improvements	1,500,000					Designated
Bannock Street, 9th to Capitol Blvd., North side (split with WD)	400,000					Designated
8th Street, State - Bannock (Split w WD)				200,000		Designated
T1 Participation: Streetscape Grants (T1)	300,000	300,000	300,000	300,000	300,000	Tentative
T3 Participation: Front/Myrtle - 9th/11th, JUMP/Simplot HQ Streetscape			875,000			Obligated
T2/T4 Participation: 5th & Idaho Apartments: Park, Plaza, Streetscapes, Utilities		615,000		144,000	144,000	Designated
Pioneer Pathway Phase 3: River St - Greenbelt	500,000					Designated
Main Street, Capitol - 5th, South Side		1,020,000				Designated
Grove Street Pedestrian Street Plan (16th to 10th)			75,000	100,000	2,000,000	Tentative
Grove Street Pedestrian Street Plan (6th to 3rd)			75,000		2,000,000	Tentative
Capitol Blvd, Boise River - Broad, Both Sides			1,100,000			Designated
T2/T4 Participation: Capitol & Broad, Inn at 500 Hotel		220,000		230,000	30,000	Obligated
Jefferson Street, 5th - 4th (Idaho Supreme Court)	75,000					Designated
<b>TRANSIT</b>						
Front & Myrtle Alternatives Analysis	200,000					Designated
<b>SPECIAL PROJECTS</b>						
Boise City Art Project (Fulton Street)	12,500					Designated
T5 Participation: Parcel Acquisition/Redevelopment				3,000,000		Tentative
Traffic Box Art Wraps		30,000	30,000	30,000		Designated
Boise City Art Project (Hayman House/Pioneer Pathway)	25,000					Tentative
T3 Participation: Parcel B Redevelopment TBD in FY2016						Designated
T5 Participation: Ash Street Properties RFQ/P	100,000					Tentative
Central Addition LIV District (see next page)	3,510,000	1,500,000	910,000	1,123,000		
<b>Total River Myrtle Estimated Expenses</b>	<b>\$20,222,500</b>	<b>\$4,035,000</b>	<b>\$3,415,000</b>	<b>\$5,177,000</b>	<b>\$4,524,000</b>	

Status Definitions

**Obligated:** projects for which a formal agreement has been approved and/or executed. This may include an awarded contract, executed task order, or participation agreement.

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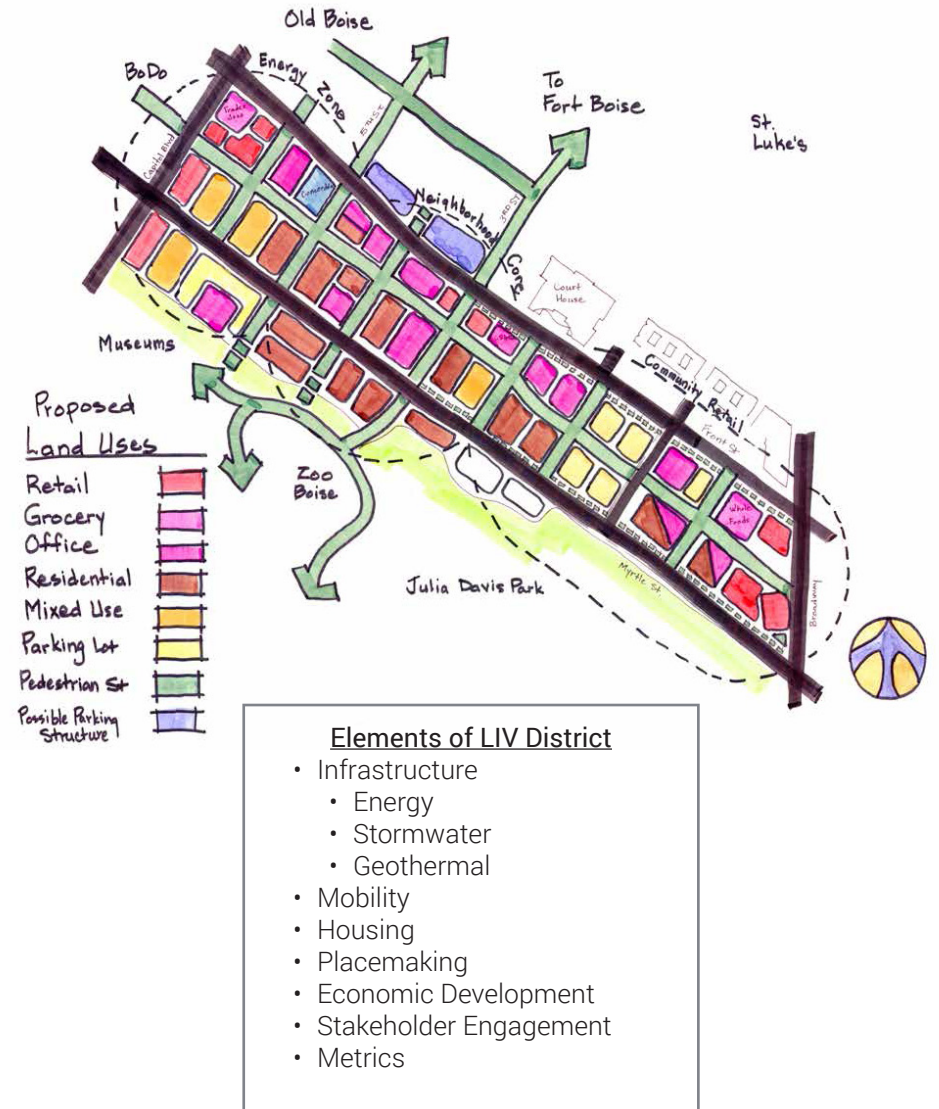
**Tentative:** includes important projects and efforts that are less well defined, or projects that are less time sensitive.

## CENTRAL ADDITION LIV DISTRICT

The Central Addition LIV District is a sub-district within the River Myrtle Urban Renewal District. The intent of this district is to create a dedicated area within Boise focused on implementing a variety of sustainability goals. Through a partnership between the City of Boise, CCDC, ACHD, and ITD a large investment in green infrastructure, geothermal expansion, placemaking, and historic preservation will occur. This investment will leverage private funds by encouraging and supporting private developers. Already, Trader Joe's, Concordia Law School, Idaho Independent Bank, Boise Brewing, George's Cycles, and CSHQA have established a presence in the district. Other planned private developments include a luxury boutique hotel and a 160-unit workforce housing apartment complex.

CCDC is leading the streetscape improvements and historic preservation activities, while also funding the geothermal system expansion, green stormwater management, and new public parking facilities. Streetscaping on Broad Street is scheduled to begin in the spring of 2016. Broad Street will become the core of the LIV District with new urban density housing and small retail services on the street level. Front and Myrtle are high volume vehicle traffic roads, however plans are being made to manage the traffic and increase pedestrian walkability.

Surrounded by the Ada County Courthouse, Julia Davis Park, Zoo Boise, and BoDo, the Central Addition is uniquely poised to exist as a vibrant and well-connected sub-district of Downtown. Signage and pathways connecting BSU to Julia Davis Park through the LIV District will be established. District policies will encourage mixed-use infill development with parking garages to promote walkability and land development. Environmental sustainability will be encouraged by establishing green infrastructure solutions including permeable pavers on sidewalks, low water usage plants, and geothermal heating systems that can easily be connected to new developments.





## CENTRAL ADDITION LIV DISTRICT

RIVER MYRTLE CONTINUED... CENTRAL ADDITION LIV DISTRICT	FY2016	FY2017	FY2018	FY2019	FY2020	STATUS
<b>INFRASTRUCTURE</b>						
5th & Myrtle New Signalized Crossing		200,000				Designated
5th & 6th Street 2-Way Conversions; Front to Myrtle		1,000,000				Designated
T4 Participation: Broad Street Geothermal Extension & Hookups	500,000					Obligated
<b>PARKING</b>						
Public Parking Supporting Julia Davis Park (see TBD parking garage)						Tentative
<b>PLACEMAKING</b>						
5th & Julia Davis Park New Pedestrian Entrance	410,000					Designated
Broad Street, Capitol - 2nd, Streetscape and Infrastructure Improvements	2,000,000					Obligated
T1 Participation: Central Addition, Numbered Streets Streetscapes	300,000	300,000	300,000	300,000		Designated
Myrtle Street, Capitol - 2nd, Both Sides (Pending ITD Permission)			610,000	493,000		Tentative
Front Street, 6th - 3rd, North Side (Pending ITD Permission)				330,000		Tentative
Central Addition Gateways: Myrtle (5th & 3rd), Front (5th & 3rd), Broad (2nd & Capitol)	300,000					Designated
<b>Total Central Addition LIV District</b>	<b>3,510,000</b>	<b>1,500,000</b>	<b>910,000</b>	<b>1,123,000</b>		
<b>Total River Myrtle Estimated Expenses</b>	<b>\$20,222,500</b>	<b>\$4,035,000</b>	<b>\$3,415,000</b>	<b>\$5,177,000</b>	<b>\$4,524,000</b>	

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# ABOUT WESTSIDE DISTRICT

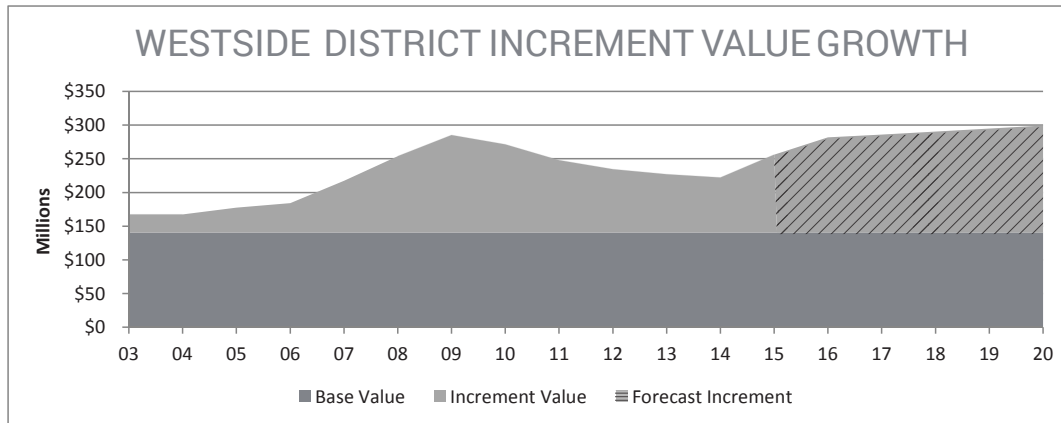


The Westside Downtown District was established in 2001, and is home to Boise Cascade, Idaho Power, Meadow Gold, One Capitol Center, and an abundance of surface parking. The Westside plan calls for a rich mixture of urban-style housing, shops, restaurants; increased downtown housing availability; an urban village centered around a plaza on 14th Street; plazas and park-like green spaces enriched with public art, concerts and cultural events; improved transit service; robust connections to other parts of downtown, the greenbelt, and the foothills; conversion of surface parking to structured parking; Main and Idaho as retail streets connecting to the downtown core; pedestrian-oriented design; and enhancement of the Boise City Canal through the district.

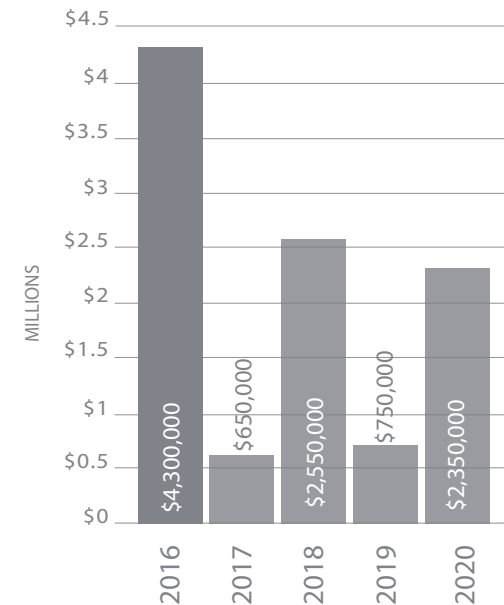
Public and private investment in the district to date includes the 9th & Grove Plaza, Banner Bank building, Boise Plaza remodel, Hotel 43 remodel, Linen building remodel, Owyhee hotel to apartment/office/event space conversion, Modern Hotel remodel, and numerous streetscape improvements, particularly along Main and Idaho streets. Still more investment in the district is either underway or expected in the near term, including One Nineteen, 1401 Idaho St. apartment project, CC Anderson building preservation and conversion to corporate headquarters, and a new hotel.

### FAST FACTS

- 144 acres
- Established: 2004
- District Ends: 2026
- Base Value: \$142 Million
- 2015 Value: \$283 Million



WESTSIDE DISTRICT ANNUAL INVESTMENT



TOTAL: \$10,600,000  
(2016-2020)





# WESTSIDE DISTRICT PROJECTS



WESTSIDE DISTRICT	FY2016	FY2017	FY2018	FY2019	FY2020	STATUS
<b>Estimated Revenues</b>	\$4,300,000	\$650,000	\$2,550,000	\$750,000	\$2,350,000	
<b>INFRASTRUCTURE</b>						
Protected Bike Lanes - Idaho Street, 16th - 9th (Joint Project w/ACHD)		150,000				Designated
Protected Bike Lanes - Main Street, from 16th to 9th (Joint Project w/ACHD)		150,000				Designated
Wayfinding Project Installation	100,000					Designated
<b>PARKING</b>						
TBD Parking Garage in Mixed Use Development						Tentative
<b>PLACEMAKING</b>						
Design Upcoming Streetscape Projects	50,000	50,000	50,000	50,000	50,000	Obligated
15th & 16th Streets/ Grove to Idaho Rightsizing per ACHD DBIP			200,000			Tentative
State Street, 16th - 8th, Both Sides (Joint Project w/ACHD)	100,000		2,000,000			Designated
8th Street, State - Bannock, Both Sides (Split w RM)				400,000		Tentative
Grove Street Pedestrian Plazas, 16th - 10th					2,000,000	Tentative
Bannock Street, 9th - Capitol Blvd., North side(Split with RM)	500,000					Designated
T1 Participation: Streetscape Grants	300,000	300,000	300,000	300,000	300,000	Tentative
T3 Participation: Athlos DA Streetscape & Façade Easement	750,000					Tentative
<b>SPECIAL PROJECTS</b>						
T5 Participation: Parcel Acquisition/Redevelopment	2,500,000					Tentative
<b>Estimated Expenses</b>	\$4,300,000	\$650,000	\$2,550,000	\$750,000	\$2,350,000	

Status Definitions

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# ABOUT 30TH STREET DISTRICT

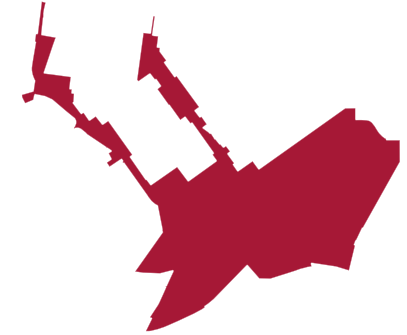


The 30th Street District, also known as the West End, established in 2014, is the newest district in downtown Boise. The 30th Street master plan envisions the district as a premiere urban place celebrating its unique location between the Boise River corridor and downtown Boise. It includes attractive neighborhoods and vibrant mixed-use activity centers serving local residents, the community and the region. The area serves as a gateway to downtown, welcomes visitors and has a unique identity and strong sense of place where people and businesses thrive.

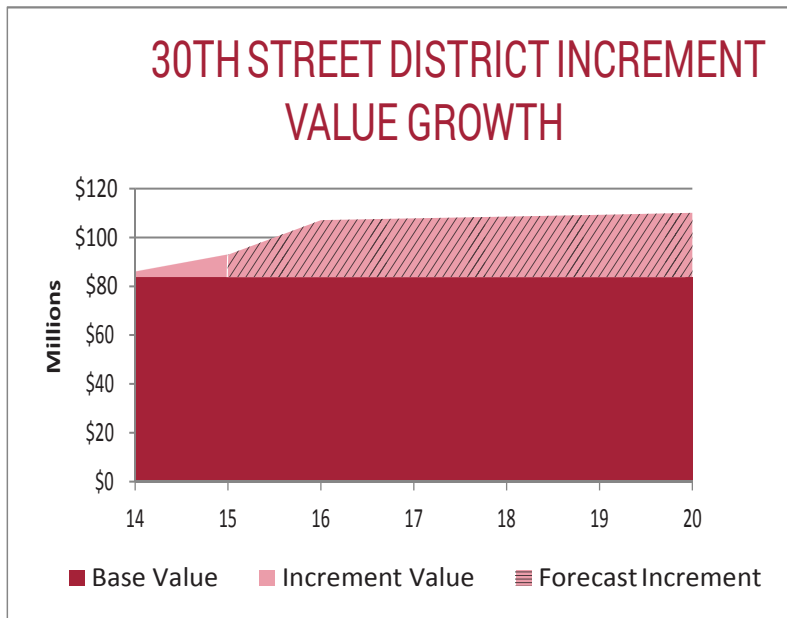
Recent and ongoing improvements in the district include the Whitewater Park, Esther Simplot Park, Whitewater Park Boulevard, 27th Street road diet, a new surgical office building, and a proposed College of Western Idaho campus.

### FAST FACTS

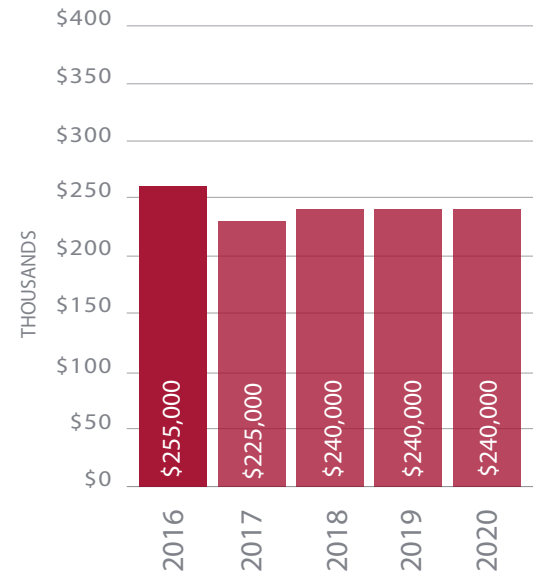
- 249 acres
- Established: 2014
- District Ends: 2033
- Base Value: \$84 Million
- 2015 Value: \$107 Million



### 30TH STREET DISTRICT INCREMENT VALUE GROWTH



### 30TH STREET DISTRICT ANNUAL INVESTMENT



**TOTAL: \$1,200,000**  
2016-2020



# 30TH STREET DISTRICT PROJECTS



30TH STREET DISTRICT	FY2016	FY2017	FY2018	FY2019	FY2020	STATUS
<b>Estimated Revenues</b>	<b>\$255,000</b>	<b>\$225,000</b>	<b>\$240,000</b>	<b>\$240,000</b>	<b>\$240,000</b>	
<b>INFRASTRUCTURE</b>						
Wayfinding Project Installation	50,000					Designated
Capital Improvements General	25,000	125,000	140,000	140,000	140,000	Tentative
Main-Fairview Right Sizing	35,000					Designated
<b>PLACEMAKING</b>						
T1 Participation: Streetscape Grants						Tentative
<b>SPECIAL PROJECTS</b>						
Development Projects General	25,000	100,000	100,000	100,000	100,000	Tentative
CCDC/City West End Revitalization Agreement	85,000					Tentative
Multi-Purpose Stadium/Development	35,000					Designated
<b>Estimated Expenses</b>	<b>\$255,000</b>	<b>\$225,000</b>	<b>\$240,000</b>	<b>\$240,000</b>	<b>\$240,000</b>	

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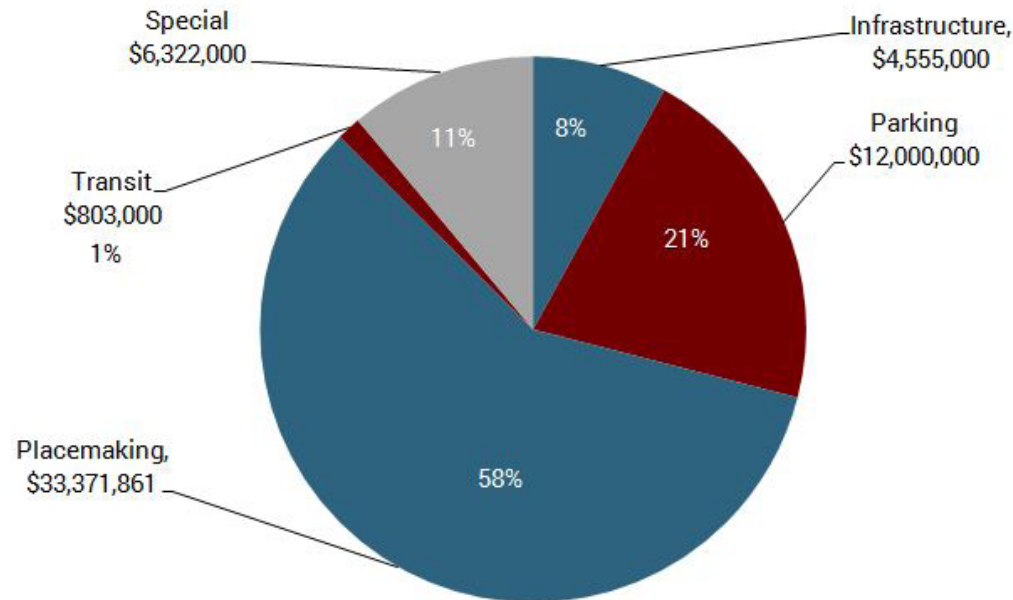
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# INVESTMENT SUMMARY

	Central	River Myrtle	Westside	30th St.	Total
<b>Infrastructure</b>	\$ 900,000	\$ 2,600,000	\$ 400,000	\$ 655,000	\$ 4,555,000
<b>Parking</b>		\$ 12,240,000			\$ 12,000,000
<b>Placemaking</b>	\$ 6,565,861	\$ 19,106,000	\$ 7,700,000		\$ 33,371,861
<b>Transit</b>	\$ 603,000	\$ 200,000			\$ 803,000
<b>Special</b>	\$ 62,000	\$ 3,227,500	\$ 2,500,000	\$ 545,000	\$ 6,334,500
<b>Total</b>	\$ 8,130,861	\$ 37,373,500	\$ 10,600,000	\$ 1,200,000	\$ 57,304,361

5-Year Investment by Project Type



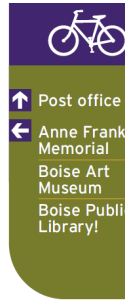
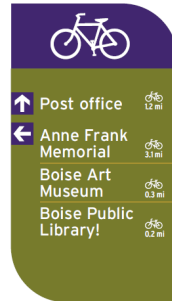
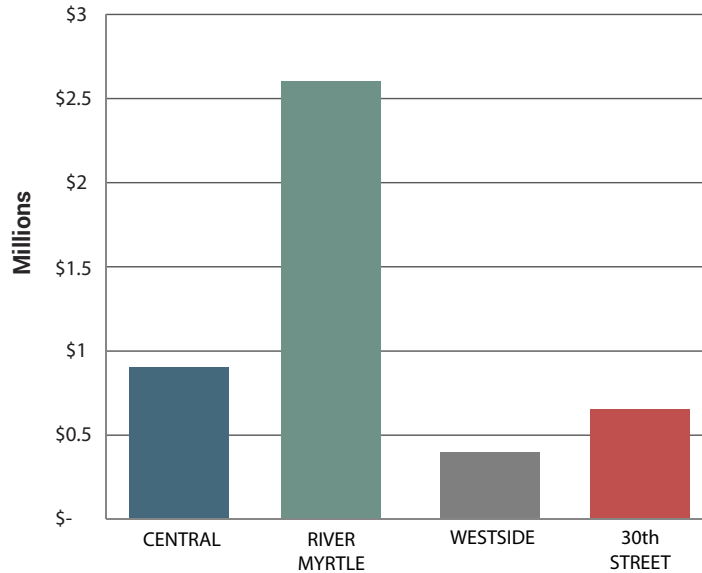


INFRASTRUCTURE

### What does this type of project include?

- New street construction and signal installation
- Protected bike lanes
- Utility under grounding
- Geothermal extensions
- 2- way street conversions
- Downtown wayfinding system for pedestrian, bicycle, and vehicular traffic

### 5-Year Infrastructure Investment by District



### Why does CCDC invest in these projects?

**Public investment fosters private investment.** Improving access, livability, and sustainability in downtown increases property values and also stimulates private developers to invest in and enhance real estate. CCDC's investments in public infrastructure encourage the highest and best use for properties downtown. By constructing infrastructure private developers can simply connect to existing utilities and amenities, which helps offset higher land and construction costs. Adding protected and clearly designated bike lanes on the roadways promotes alternative transportation options by making it easier for Boise residents and visitors to safely bicycle in and around downtown.

Another way in which CCDC **promotes sustainability** is through geothermal system expansion. CCDC's partnership with the City of Boise is essential to growing the city's robust geothermal heating system; a key goal of **Boise's Central Addition LIV District**. These extensions will make geothermal more accessible and gives real estate developers and property owners an attractive option in using this natural heating source.

Lastly, the new Wayfinding System **advances economic vitality** by clearly designating popular downtown locations and parking structures. This makes it easier and more convenient for visitors and residents to shop, dine, and enjoy our beautiful city. All of these infrastructure projects combined create an exciting city where people and business can thrive.

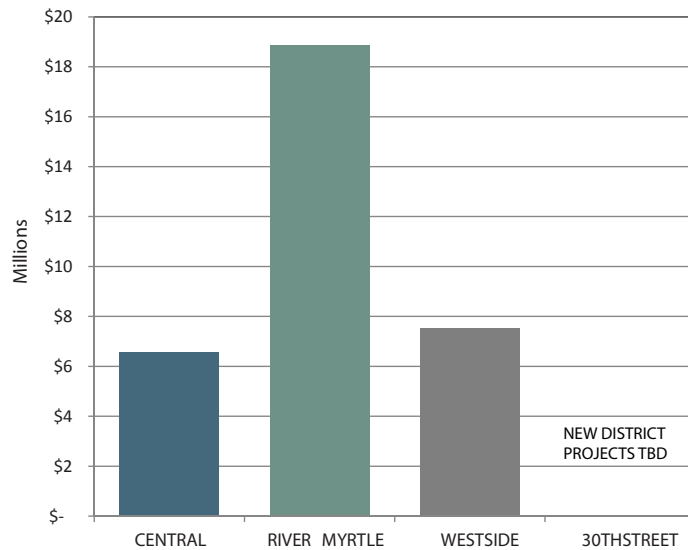


PLACEMAKING

## What does this type of project include?

- Streetscape updates - new sidewalk paving, curb and gutter, street trees, historic streetlights, bike racks, litter receptacles, and benches
- Open space creation - public parks, plazas, sidewalk cafe seating, and pathways (e.g. Pioneer Pathway)
- Suspended paving system under sidewalks - a cell based system used under paving as a means to deliver soil to support tree growth and absorb stormwater right where it falls

## 5-Year Placemaking Investment by District



## Why does CCDC invest in these projects?

Creating a **sense of place** through streetscapes and public open space is an essential part of keeping downtown Boise the regional center for business, government, tourism, and culture. There is a tangible difference between the streets which CCDC has improved with new trees, pavers, and benches and the old, cracked concrete sidewalks with no shade or interest for a pedestrian. Placemaking **contributes to the economic vitality of downtown** by making the city a place people want to spend time exploring. 8th Street and The Grove Plaza, both CCDC projects, are thriving gathering places which benefit neighboring shops and restaurants.

This energetic city center has a multiplier effect, bringing **vibrancy to the entire downtown** neighborhood. CCDC will continue to expand this energy into new neighborhoods with many upcoming streetscape improvement projects.

NOTE: Although suspended paving systems are normally installed with placemaking projects, they are an increasingly important component in stormwater management downtown.



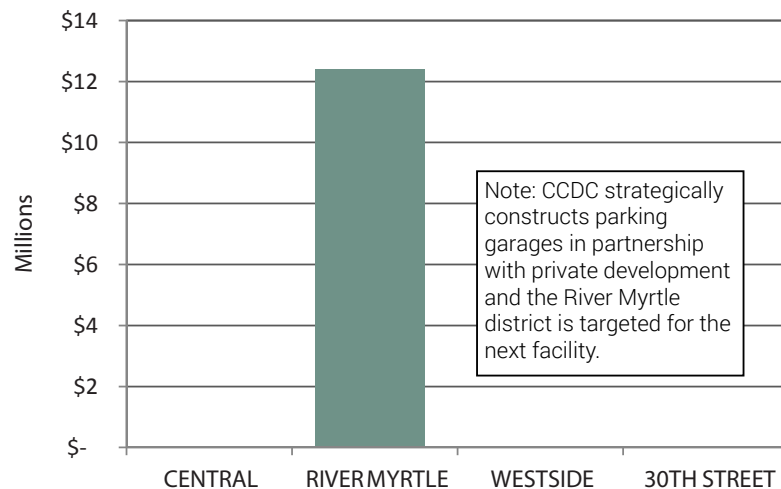


PUBLIC PARKING

## What does this type of project include?

- Capital improvements and updates to existing parking structures
- Building new parking structures
- Contributing funds to public/private partnership parking garage projects

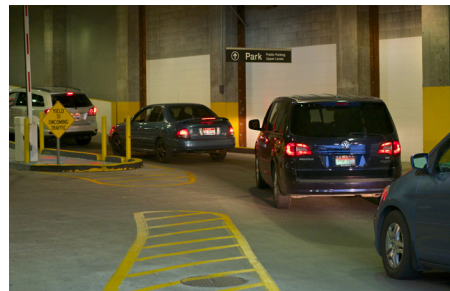
## 5-Year Public Parking Investment by District



## Why does CCDC invest in these projects?

**Structured public parking contributes to a vibrant downtown** and a strong economy in many ways. Structured public parking consolidates parking facilities and **frees up land for development** that would otherwise continue to be used as uninventing, under performing, inefficient surface parking. Structured parking can also be located more conveniently to high demand areas than surface lots, and can be integrated with a mix of retail, commercial, and residential uses. Structured parking allows former surface lots to redevelop into a **variety of uses** that are more productive and appealing, including residential, commercial, or even open space.

This new development both broadens the tax base and creates a virtuous cycle allowing more people to live, work, and play downtown. Well-designed structured parking with consolidated driveways and integrated ground floor retail, office and restaurant uses enhances the street level experience by making it more safe, comfortable, useful, and interesting for all users. Structured public parking allows for more convenience for users, better flexibility for businesses and employers, and reduced parking provision and management costs overall. CCDC supports public structured parking by providing financing of new structures and management of existing structures. Public parking garages **leverage significant new private development investment**.





## TRANSIT

### What does this type of project include?

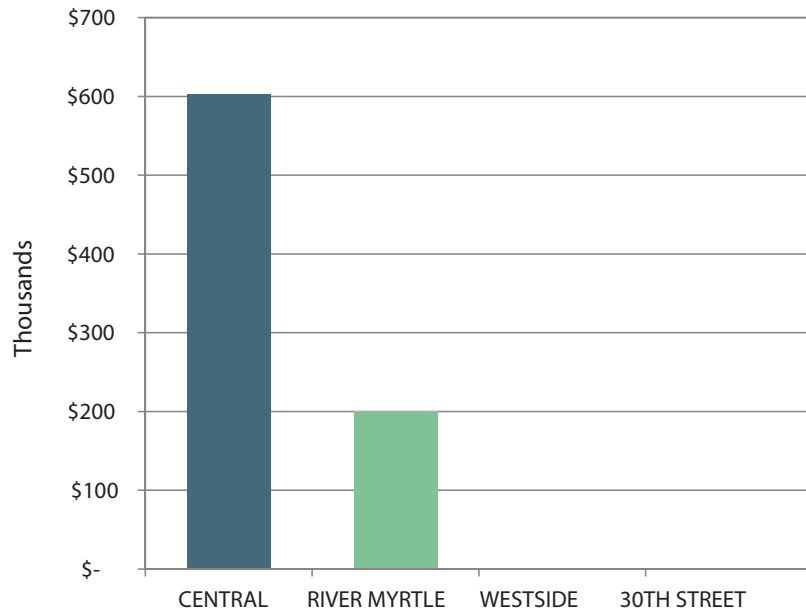
- Boise GreenBike
- Main Street Station
- Transit Shelters
- Downtown Circulator Analysis

### Why does CCDC invest in these projects?

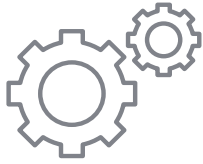
Public transit is essential to a healthy downtown. It **improves access and mobility** into and around downtown, allows downtown employers to access larger workforces, provides a transportation alternative to the privately owned automobile, increases property values, and improves the capacity and efficiency of the transportation system. Emerging transit services, such as bike share systems increase access and mobility, and in turn increase economic and tourist activity within downtown Boise.

Through providing matching funds of \$2.4 million, CCDC is **leveraging significant federal funding of \$9.6 million** to construct Main Street Station, a modernized transit hub that will allow Valley Regional Transit to effectively serve downtown Boise and the Boise metro region for years to come. CCDC is also a founding partner and station sponsor for **Boise GreenBike**, downtown Boise’s brand new bike share system. Both of these investments will not only make it easier for locals and visitors to get into and explore downtown, they will do so in a healthy and sustainable way that **promotes air quality and public health** while reducing traffic congestion.

### 5-Year Transit Investment by District





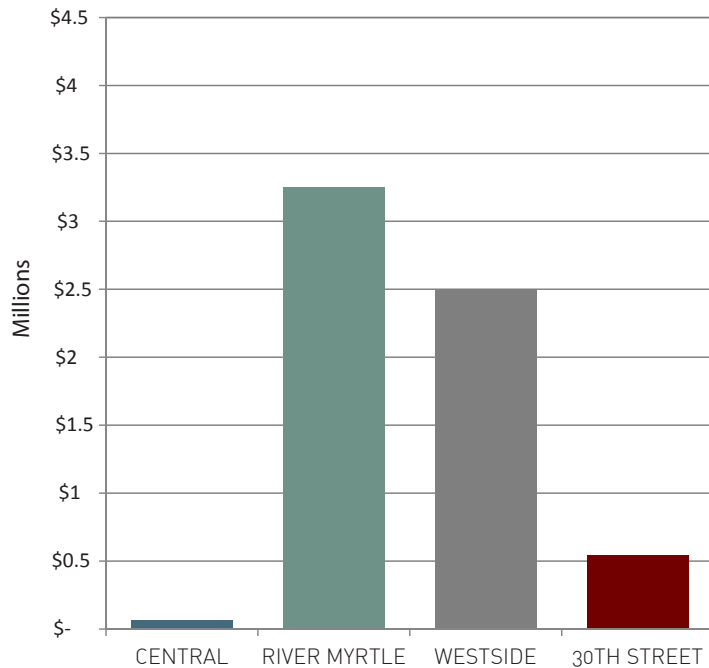


## SPECIAL PROJECTS

### What does this type of project include?

- Land acquisition for redevelopment
- Public art (e.g. sculpture in BoDo)
- Market Studies (Housing, Hotel)
- Creating business incubator office space (Trailhead and Watercooler)

### 5-Year Special Projects Investment by District



### Why does CCDC invest in these projects?

Special efforts are essential to ensuring a vibrant downtown with a **world class quality of life**. Such efforts include broad investment in public arts, proactive property development and redevelopment initiatives, and strategies to attract and promote housing, hospitality, and entrepreneurship downtown.

Public art enhances the downtown environment, offers social and educational opportunities, and promotes tourism. It can also be used to **celebrate local artists** and discourage vandalism. CCDC funds public art downtown on an ongoing basis, including standalone installations, installations with streetscape improvements, and innovative programs such as the traffic box art wraps.

Commissioned studies of the condition of downtown housing and hospitality can identify shortfalls and opportunities not otherwise readily recognized by the market. These studies may in turn be used to **encourage private development** and facilitate financing. Efforts to acquire, consolidate, and remediate properties also promote redevelopment downtown (e.g. The Afton condominiums and 1401 Idaho St. apartments). Redevelopment is not the only means of revitalization. Otherwise vacant facilities can also be transitionally re-purposed into business incubators (Watercooler, Trailhead), attracting and supporting entrepreneurial talent and economic growth downtown.





# SPOTLIGHT PROJECT: THE GROVE PLAZA



## Project Specs:

- Total Budget: \$3.95 Million
- Completion Estimate: Summer 2016
- District Location: Central

## Major Improvements:

- New brick pavers
  - Re-engraved 1986 personalized bricks
  - New personalized bricks
- New lighting and sound system
- Update and upgrade fountain
- Tree replacement and added supplemental shading system
- Added seating
- Public restroom (TBD)
- Improved performance stage

The Grove Plaza has become Boise's most vibrant downtown public space. During the day children play in the fountain, while adults read or enjoy lunch. Sometimes, you may find you are the only person in the whole plaza, while in the evenings you can enjoy a concert with thousands of others. The Grove Plaza hosts a variety of events including a summer concert series, Alive After Five, and the Capital City Public Saturday Market on Saturdays. This public plaza has leveraged tens of millions of dollars in private development over the years. The most recent building constructed is City Center Plaza, a mixed use development with over \$70 million of new investment.

A portion of The Grove Plaza was closed in summer 2015 to accommodate the construction of the adjacent City Center Plaza project which includes a regional transit hub below grade (Main Street Station). CCDC is currently in the design stage of The Grove Plaza renovation plans and intends to begin construction in early spring 2016. In May 2015, CCDC began an outreach campaign to gather input on The Grove Plaza renovation. Property owner meetings were held and a public survey was conducted to find out which kind of improvements Boise residents would like to see in the next generation of the plaza. Using this input, CCDC with design help from the local Boise firm, CSHQA, and the Portland-based firm, Zimmer Gunsul Frasca (ZGF), is preparing some exciting plans. Multiple public work sessions with the CCDC Board of Commissioners and the Boise City Council are underway in summer and fall 2015.

CCDC will be performing construction in conjunction with the other major construction projects on The Grove Plaza including the City Center Plaza building, Main Street Station, and the Boise Centre expansion. Construction is planned for early spring of 2016 to be finished by summer 2016. Similar to 1986, CCDC is re-energizing The Grove Plaza: Brick by Brick program. You can buy a brick engraved with your own name or personal message to support The Grove Plaza renovations.



## Project Specs:

- Total Budget: \$1.3 Million
- Completion Estimate: Summer 2016
- District Location: All

## Key Components:

- Enhanced signage for vehicles, pedestrians, bikes throughout city
- Clear directions for bike and pedestrians to Boise River and Greenbelt
- More visibility and access to downtown parking garages

CCDC is leading the effort to create Boise's new Downtown Wayfinding System, an infrastructure project to help drive business and economic development downtown by helping first time visitors, occasional visitors, and Boise natives to navigate downtown more easily. Making downtown more accessible to many modes of travel will help increase time and money spent in downtown. CCDC hired Sea Reach LTD to review existing downtown wayfinding signs and develop a fully integrated wayfinding system for multiple transportation modes and featuring branding and design that will be unique to Boise. The major components and design of the wayfinding system have been vetted through a stakeholder group representing more than a dozen different organizations, including: ITD, ACHD, City of Boise, DBA, VRT, and Boise State University.

The wayfinding system will organize downtown Boise into five color coded wayfinding zones: Central, East, North, South, and West. This will simplify navigation between areas, and allow navigation to specific destinations located within each zone. One of the goals of the wayfinding system is to make the city's public parking garages more visible and easier to access. With the downtown divided into areas, information about parking can be tied more closely with a destination, making it easier for visitors to choose a convenient place to park.

In addition to providing direction along principal vehicular routes entering the downtown, the system will also provide bicycle directional signs along designated bike routes, as well as pedestrian directional signs, maps and kiosks along designated pedestrian routes and pathways, including 8th Street, the Pioneer Pathway, and the Greenbelt. The pathway and Greenbelt signage is particularly significant, because one of the goals of the wayfinding system, both for the Downtown and for Boise Parks is to connect the river more closely with the downtown.

The final design is pending approval by transportation officials. Once the design is approved, a prototype will be made and fabrication manuals and technical plans will be finalized and the project will be put out to competitive bid. Fabrication and installation could begin as early as fall 2015.



## Project Specs:

- Total Budget: \$6 million, leveraging approximately \$57 million in private investment
- Completion Estimate: 2019 (all phases); units are expected to become available for all three projects in 2017
- District Location: River Myrtle and Westside

## Key Components:

- Participating in 3 housing developments
  - 620 S. 9th St. - The Afton
  - 1401 W. Idaho St. - Watercooler Building
  - 5th and Broad St. - The Roost
- 620 9th St. and 1401 Idaho St. are CCDC owned properties conveyed to property owners after competitive selection
- 5th and Broad will receive funding for a parking structure built as part of the housing development

Housing brings needed vitality to downtown, supports the development of a strong and diverse retail presence, provides rental and ownership options to attract and retain downtown workers, reduces auto-dependent commute trips, and strengthens the tax base. CCDC commissioned a study in April 2015 to assist the organization and policy makers in better understanding the downtown Boise housing environment. The study identified barriers to development, best practices for encouraging development, and provided recommendations for CCDC housing initiatives over the next 5 years.

One of the ways CCDC can encourage housing development is by conveying CCDC owned properties to private developers for a price that reduces the land basis, making development more feasible for private investment. In order to receive this competitively-priced land, a private developer must comply with a stringent set of priorities CCDC establishes in the RFP. After staff and board review, CCDC awards an Exclusive Right to Negotiate (ERN) to the developer that best understands and fulfills CCDC's vision for the property.

CCDC will be conveying ownership of a portion of its property located at 620 S. 9th Street in August 2015. RMH Development won the ERN by successfully including the elements CCDC proposal required. RMH plans include creating a mixed use development called The Afton, which has over 5000 square feet of retail space and 25 residential condominium units in phase one and an additional 39 residential condominiums in phase 2.

1401 West Idaho Street, commonly known as the Watercooler building, is the other property CCDC will be conveying for residential use in 2015. An Exclusive Right to Negotiate was awarded to LocalConstruct in June 2015 after a competitive proposal process. The developer's plans for the building include 32 market rate apartments, 7 live work units, 1450 square feet of retail space, and a pocket park.

Another crucial way in which CCDC can assist in residential development is through funding public parking, which creates shared efficiencies between private and public needs. LocalConstruct plans to build an apartment building with 152 for rent apartments in the Central Addition LIV District. CCDC will be participating in this development by purchasing and operating the parking structure built by LocalConstruct, but available to be used by the public at large.





### Participation Projects

- P 2016 Roost Parking & Streetscape Participation
- 2016 Central Addition LIV District Gateway
- 2016 The Afton Streetscape Participation
- 2016 JUMP Streetscape Participation
- 2017 City Hall Plaza Participation
- 2017 Athlos Streetscape Participation

### Placemaking & Streetscape Projects

- 2016
- 2017
- 2018
- 2019
- 2020

### Infrastructure Projects

- 2017 2-way Street Conversion (pending ACHD Approval)
- 2017 Protected Bike Lanes



## AGENDA BILL

<b>Agenda Subject:</b> CCDC Office Lease Extension 121 N 9 <sup>th</sup> Street, Suite 501 & Board Room		<b>Date:</b> August 10, 2015
<b>Staff Contact:</b> Ross Borden	<b>Attachment:</b> 1. Office Lease Agreement – Fourth Addendum	
<b>Action Requested:</b> Approve CCDC Office Lease Extension.		

**Fiscal Note:**

<b>ADDENDUM 4 <i>Final</i></b>			<i>Current</i>	<i>\$19.00</i>	<i>\$19.50</i>	<i>\$20.00</i>
Suite	Use	Sq Ft	FY15	FY16	FY17	FY18
			\$18.50	\$17.75	\$18.28	\$18.83
501	CCDC offices	5,405	\$ 99,993	\$ 95,939	\$ 98,803	\$ 101,776
500	CCDC Board Room	1,246	\$ 23,051	\$ 22,117	\$ 22,777	\$ 23,462
	Subtotal	6,651	\$ 123,044	\$ 118,055	\$ 121,580	\$ 125,238
500	Parking Operator offices <i>(vacated Feb 2015)</i>	1,803	\$ 33,356	\$ -	\$ -	\$ -
	<b>Total</b>	<b>8,454</b>	<b>\$ 156,399</b>	<b>\$ 118,055</b>	<b>\$ 121,580</b>	<b>\$ 125,238</b>

TI Reimbursement: \$2.00 per sq ft x 6,651 sq ft = **\$13,302.**

**Background:**

After occupying its previous location for 11 years, CCDC issued an RFP for office space in early 2008. Plaza 121 was selected due it being competitively priced, ability to accommodate public Board of Commissioner meetings, service as a meeting space for the Agency and its partners, location in Westside urban renewal district, proximity to the central core, proximity to both the Agency’s parking system operator and structured parking for convenient public access, efficient floor plan currently configured to Agency needs, limited expansion potential, and accommodation of Agency records storage needs. It also conveys a professional, capable image to prospective developers and partners. The building itself is an excellent example of healthy mixed use/adaptive re-use, has a healthy tenant mix, stable ownership, good building maintenance, and uses the city’s geothermal system.

CCDC has leased the 5th floor of the Plaza 121 building for office and parking operations since July 2008. The current one-year lease, with a rentable square foot rate of \$18.50, expires at the end of this fiscal year, September 30, 2015.

This proposed fourth addendum would extend the current least three years at reduced rates and reduce the amount of space to the current CCDC offices and Board Room. The Parking

Operator vacated its offices in Suite 500 in February 2015 to co-locate with the Car Park corporate operations two blocks away in the Key Bank building. The Car Park is now absorbing all space costs for the Parking Operator with no expectation that the Agency will contribute in the future. The Agency has no need for the former Parking Operator space after September 30, which will save over \$30,000 per month in lease costs beginning in FY16 and beyond. The lease extension also grants Agency has right of first refusal for that space.

This lease extension also includes a \$2.00 per sq foot reimbursement rate for tenant improvements the Agency has made over the past year. Those TI's include new carpet and paint in the Board Room and paint for the Front Office, erecting cubical walls, wall repair, wallpaper, painting, carpeting, electrical/rewiring.

Not included in this extension is the month-to-month lease in-place since 2009 for 300 sq ft of basement storage space in Suite 1B for \$90/month, which will be ongoing under a separate agreement. Another short-term lease for 1,416 sq ft of basement space at \$10.00 per sq ft used for the CCDC records project expired on April 30, 2015 and will not be renewed. That space worked well to facilitate efficient file transfer and work activities with the records historian currently under contract to organize and clean up fifty years of Agency records.

**Staff Recommendation:**

Approve 121 N 9<sup>th</sup> Street, Suite 500 & Board Room lease extension.

**Suggested Motion:**

I move to approve the CCDC office lease extension for 121 N 9<sup>th</sup> Street, Suite 500 and Board Room.

**OFFICE LEASE AGREEMENT  
FOURTH ADDENDUM**

THIS ADDENDUM, made and entered into this \_\_\_\_ day of ~~July~~August, 2015, by and between SECURITY, LLC, by Tomlinson & Associates, Inc. its agent, hereinafter called "Landlord", and Urban Renewal Agency of the City of Boise, the duly authorized urban renewal agency of the City of Boise, a public body corporate and politic, hereinafter called "Tenant".

WHEREAS, the parties hereto have entered into a Lease Agreement dated April 25, 2008, relating to certain premises located in the Plaza 121 Building at 121 N. 9<sup>th</sup> Street, Boise, Idaho, commonly referred to as suite 501 and Board Room, Boise, Idaho as shown on Exhibit A attached hereto:

This Fourth Addendum is made and entered into with regard to the following recited facts and circumstances, which are confirmed by the parties hereto:

**W I T N E S S E T H:**

WHEREAS, the parties hereby add to, amend or clarify certain provisions of said Lease and intend the provisions hereof to be interpreted and construed in conjunction with the provisions of said Lease;

NOW, THEREFORE, for and in consideration of the terms, conditions and covenants set forth in this Addendum, the parties covenant and agree as follows:

1. PREMISES: Suite 501 and the Board Room consist of 6,651 rentable square feet. This is a reduction in total square footage from the original lease and subsequent Lease Addenda of 1,803 rentable square feet.
2. LEASE TERM: The term of this Fourth Lease Addendum shall be Three (3) Years commencing October 1, 2015 and expiring on September 30, 2018.
3. BASE RENT: The base rent for the 6,651 rentable square feet during the extended term shall be as follows:

October 1, 2015 – September 30, 2016 = \$17.75/rentable square foot

October 1, 2016 – September 30, 2017 = \$18.28/rentable square foot

October 1, 2017 – September 30, 2018 = \$18.83/rentable square foot

4. DELIVERY OF PREMISES: Premises shall be delivered in "As-Is" condition. However, by no later than October 1, 2015 Landlord will reimburse Tenant the cost of Tenant Improvement completed by Tenant prior to that date at a rate of not



exceed \$2.00 per rentable square foot and not to exceed \$13,302.00. Tenant shall provide Landlord with copies of the Tenant Improvement invoices and payments made by Tenant for all items for which Tenant is seeking reimbursement.

5. LEASE RENEWAL OPTIONS: Tenant will have the option to renew all portions of the Premises at a rate competitive with the then market rents for comparable office space in downtown Boise, Idaho with six (6) months written notice.
6. RIGHT OF FIRST REFUSAL: Landlord grants Tenant an ongoing Right of First Refusal for the 1,803 rentable square feet of Suite 500 within the Plaza 121 Building. Landlord agrees to lease the additional office space in the Plaza 121 Building on the same terms and conditions contained in the Original Lease Agreement or Addenda in effect at the time.

All other terms, conditions and covenants in the original Office Lease Agreement, dated April 25, 2008 and Addenda to Lease Agreement shall remain the same.

IN WITNESS WHEREOF, the parties have executed this document the date first above written at Boise, Idaho.

**SECURITY, LLC**

By: Tomlinson & Associates, Inc., Agent

BY: \_\_\_\_\_

Randy Mason

Its: Vice President, Property Management

**URBAN RENEWAL AGENCY OF  
THE CITY OF BOISE CITY**

BY: \_\_\_\_\_

John Brunelle

Its: Executive Director



**AGENDA BILL**

<b>Agenda Subject:</b> Ada County Courthouse Corridor Bond Redemption		<b>Date:</b> August 10, 2015
<b>Staff Contact:</b> Ross Borden, Finance Director	<b>Attachments:</b> None.	
<b>Action Requested:</b> Authorize Executive Director to take necessary steps and approve the necessary agreements to complete the August 17, 2015 Courthouse Corridor bond redemption, transfer of property to Ada County, and amendment of associated leases.		

**Background:**

In 1999, CCDC and Ada County entered into an Amended and Restated Master Development Agreement for the Agency to construct a courthouse, related parking facilities, integrated retail space and related public improvements on a County-owned parcel in the River-Myrtle District ("Courts Complex Project") then lease those facilities back to the County. On November 18, 1999, the Board of Commissioners adopted Resolution 807 to issue Urban Renewal Lease Revenue Bonds, Series 1999, in the aggregate principal amount of \$62,620,000 to finance the Courts Complex Project consisting of the courthouse building and the associated parking garage, sometimes referred to as the Avenue A West Garage or Parcel 3A Garage. Six years later, on March 15, 2005, in order to reduce interest costs on the debt, the Board of Commissioners adopted Resolution 1019 to refund the outstanding Series 1999 bonds with Series 2005 Lease Revenue Refunding Bonds in an aggregate principal amount of \$57,640,000.

In late June, as allowed in the bond documents, Ada County initiated the optional redemption process to pay off all outstanding Series 2005 bonds at the first possible call date then purchase the facilities from the Agency for a nominal amount.

The formal bond redemption is scheduled for August 17, 2015, after which CCDC will formally transfer the Courthouse building, parking garage and personal property to Ada County. Agency counsel is preparing a conveyance document to accomplish that transfer.

The transfer of ownership to Ada County also requires several technical amendments to the various leases governing other parcels in the Courthouse Corridor Project. Those documents are currently with the County's attorney.

**Requested Action:**

Due to the need for various documents to be final and in-place for the August 17, 2015, bond redemption, the Board is requested to authorize the Executive Director to take the necessary steps to complete the bond redemption, transfer the property to the County, and amend the associated leases. While these actions were originally authorized when the bonds were issued in 1999 and 2005, this formal Board authorization informs the Board and paves the way for consummation of all transactions on August 17.

**Fiscal Notes:**

There is no fiscal impact to this requested Board action. For informational purposes, the nominal Principal and Interest amounts of the outstanding Courthouse Corridor bonds are:

\$ 866,332	8/15/15 Interest Only
<u>\$35,350,000</u>	Remaining Principle
\$36,216,332	

Bond Trustee US Bank will calculate final pay off amount, which must take into account Ada County ownership of a portion of the bonds. All applicable expenses and obligation-to-pay are being determined. The County is obligated to pay for Agency counsel (Ryan Armbruster at Elam & Burke), bond counsel (Kurt Kaufman at Sherman Howard) and Trustee (US Bank) fees as well as reasonable auditing fees the Agency may incur for the arbitrage calculation and/or other special audit requirements.

**Suggested Motion:**

I move to authorize the Executive Director to take necessary steps and approve the necessary agreements to complete the August 17, 2015 Courthouse Corridor bond redemption, transfer of property to Ada County, and amendment of associated leases.



## AGENDA BILL

<b>Agenda Subject:</b> \$5 million Bank of America Series 2015 Bond		<b>Date:</b> August 10, 2015
<b>Staff Contact:</b> Ross Borden, Finance Director	<b>Attachments:</b> 1. Resolution 1398 <ul style="list-style-type: none"> <li>- Exhibit A: Series 2015 Bond Term Sheet</li> <li>- Exhibit B: Notice of Negotiated Private Bond Sale, Notice of Bond Purchase Agreement, Notice of Bond Resolution</li> <li>- Exhibit C: Rate Lock Agreement</li> </ul>	
<b>Action Requested:</b> Adopt Resolution 1398 to accept the Series 2015 Bond Term Sheet; authorize staff, counsel and financial advisor to continue negotiations with Bank of America to produce required documents; publish public notice of the Series 2015 Bond sale and public Board meeting; authorize Chair or Vice Chair or Executive Director to enter into agreements and execute documents required to consummate the financing.		

### Background:

The Agency solicited a Not-to-Exceed \$5 million Term Loan (“Series 2015 Bond” or “Bond”) from current debt holder Bank of America to address three projects in the Central URD:

1. Funds to ensure the completion of the redesigned/refreshed Grove Plaza 2.0 to coincide with the completion of City Center Plaza in August 2016.
2. The redesign and reconstruction of City Hall Plaza and associated streetscapes on the western half of that block.
3. A portion of the Agency’s 20% local match for the Multi-Modal Center (Main Street Station) \$10 million federal earmark received by VRT.

The Agency’s FY 2015 Original budget included a \$7 million Revolving Line of Credit that is removed from the proposed FY 2015 Amended budget the Board will consider at this meeting. This three year, \$5 million direct purchase, private placement Bond is an alternative to the Revolving Line of Credit revenue source.

At its July 13, 2015 meeting, the Board authorized staff, financial advisor Eric Heringer of Piper Jaffray & Co., Agency counsel Ryan Armbruster of Elam & Burke, and bond counsel Kurt Kaufman of Sherman & Howard L.L.C. to continue negotiations with Bank of America with the expectation that final terms could be brought to the Board for consideration at its August 26, 2015 meeting.

Exhibit A of Resolution 1398 (attached) is the Term Sheet, dated July 16, 2015, submitted by Bank of America, N.A. for the purchase of the Series 2015 Redevelopment Bonds in the principle amount of \$5,000,000.00 by Specialized Lending, LLC (the “Bank”) a subsidiary of Bank of America, N.A., and outlining the provisions of a bond purchase agreement.

Exhibit B of Resolution 1398 (attached) is the statutorily-required, multi-function Notice of Negotiated Private Bond Sale / Notice of Bond Purchase Agreement / Notice of Bond

Resolution to be published in the Idaho Statesman newspaper. It summarizes the details of financing and invites public inspection of the documents and attendance at the Board's August 26, 2015 meeting at which time the Board is scheduled to consider the final documents and adoption of a resolution authorizing the issuance of the Series 2015 Bond.

Exhibit C of Resolution 1398 (attached) is the Rate Lock Agreement (RLA) that would establish the fixed interest rate of the Bond – likely to be lower than the indicative 3% rate – provided the Agency proceeds to sell the bond to Bank of America. If the financing does not close on schedule and interest rates have moved lower, the RLA would assess a breakage fee on the Agency, estimated at \$1,100 per basis point difference between the locked-in rate and the actual, lower rate on the closing date. The alternative to the RLA is waiting until a maximum of two days prior to closing to establish the actual interest rate, exposing the Agency to 30 days of interest rate risk. The Board is requested to enter into – not execute – the RLA at this meeting so that the interest rate would be known at the Board's August 26 meeting at which time the RLA would be executed, with closing scheduled for October 1, 2015.

**Fiscal Notes:**

This three year, \$5 million Bond will be used to accelerate the funding for the three noted Central District projects. Cost of issuance is an eligible expense. Interest would be paid semi-annually (March 1 and September 1) with Principal paid annually on September 1, 2016 through 2018 (\$500,000, \$2.25 million and \$2.25 million, respectively). The Bond would be secured by a first lien parity pledge of Available Agency Revenues deposited in the Bond Fund and consisting of Central District tax increment revenue and net Parking revenue. With the pure public uses of the funds, the Bond is anticipated to be tax exempt, bank qualified thus benefitting from lower interest rates.

While the formal Central URD termination date is December 31, 2017, which is the end of the first quarter of the Agency's Fiscal Year 2018, the Agency will continue to receive property tax increment revenue levied by the County in 2017 and paid to recipient entities in January and July 2018. From the Agency's perspective, its Central URD terminates on September 30, 2018, at the end of its FY 2018, although obligated funds can be paid out after that date. Any unexpended and unobligated tax increment revenue after that date would be rebated pro rata to the various taxing districts by that date.

**Suggested Motion:**

I move adoption of Resolution 1398 and...

1. Accept the Bank of America's Series 2015 Bond Term Sheet (attached to the resolution as Exhibit A);
2. Authorize staff, counsel and financial advisor to continue negotiations with Bank of America to produce a Purchase Agreement and other documents.
3. Authorize publishing public notice of the Series 2015 Bond financing and the Board's August 26, 2015 meeting to consider that financing (attached to the resolution as Exhibit B);
4. Authorize Board Chair or Vice Chair or Agency Executive Director to enter into agreements in substantially the same form as Exhibits A and C of the resolution and execute all documents required to implement those agreements.

**RESOLUTION NO. 1398**

BY THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF BOISE CITY, IDAHO:

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF BOISE CITY, IDAHO; ACCEPTING THAT CERTAIN TERM SHEET WITH SPECIALIZED LENDING LLC, (THE “BANK”) A SUBSIDIARY OF BANK OF AMERICA, N.A.; AUTHORIZING AGENCY REPRESENTATIVES TO ENGAGE IN FURTHER NEGOTIATIONS WITH SAID BANK IN ORDER TO PROVIDE THE NECESSARY DOCUMENTS FOR ATTACHMENT TO THE CONTEMPLATED BOND RESOLUTION; AUTHORIZING AGENCY REPRESENTATIVES TO TAKE THE REQUIRED STATUTORY ACTION TO PUBLISH THE NOTICE OF NEGOTIATED PRIVATE BOND SALE; APPROVING THAT CERTAIN RATE LOCK AGREEMENT BETWEEN THE BANK AND THE AGENCY; AND PROVIDING AN EFFECTIVE DATE.

THIS RESOLUTION, made on the date hereinafter set forth by the Urban Renewal Agency of Boise City, 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, a duly created and functioning urban renewal agency, hereinafter referred to as the “Agency.”

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

WHEREAS, the Agency is authorized to borrow money and to issue bonds for the purpose of financing urban renewal projects under the Urban Renewal Law;

WHEREAS, the City Council of the City of Boise City, Idaho (the “City”), after notice duly published, conducted a public hearing on the Amended and Restated Urban Renewal Plan for the Boise Central District Project I, Idaho R-4 and Project II, Idaho R-5 (the “Original Central Urban Renewal Plan”);

WHEREAS, the City, by adoption of Ordinance No. 5597 on December 6, 1994, duly approved the Original Central Urban Renewal Plan;

WHEREAS, the City Council of the City, after notice duly published, conducted a public hearing on June 5, 2007 on the 2007 Amended and Restated Urban Renewal Plan for the Boise Central District Project I, Idaho R-4 and Project II, Idaho R-5 (the “Central Urban Renewal Plan”);

WHEREAS, the City by adoption of Ordinance No. 6576 on June 26, 2007, duly approved the Central Urban Renewal Plan;

WHEREAS, Agency staff and its financial advisor, Eric Heringer, of Piper Jaffray & Co., hereinafter “Financial Advisor” have previously contacted several financial institutions seeking proposals to provide certain funding for public improvements authorized under the Central Urban Renewal Plan;

WHEREAS, a proposal (the “Proposal”) dated July 16, 2015, has been submitted by Bank of America, N.A. for the purchase of the Series 2015 Bond by Specialized Lending, LLC (the “Bank”) a subsidiary of Bank of America, N.A., outlining the provisions of a bond purchase agreement which would allow funding for several activities including: to make a grant to Valley Regional Transit (“VRT”) to enable VRT to pay a portion of the costs of the acquisition and construction of the Main Street Station, a multi modal below ground public transit center, (ii) to provide funds for improvements to and the renovation of the Grove Plaza, a public plaza owned by the Agency and (iii) to provide funds for improvements to and the renovation of the Boise City Hall Plaza and a parking garage located beneath such Plaza (collectively, the “Project”), all of which are located in the Central Urban Renewal Area (as defined in the Central Urban Renewal Plan); A copy of such proposal is attached hereto as Exhibit A and incorporated herein by reference;

WHEREAS, in order to provide financing for the Project, the Agency desires to authorize the issuance, sale and delivery of its “Urban Renewal Agency of Boise City, Idaho Redevelopment Bond, Series 2015” in the principal amount of \$5,000,000 (the “Series 2015 Bond”) pursuant to this Resolution;

WHEREAS, Agency staff and its Financial Advisor along with Agency counsel and bond counsel have reviewed the Proposal and find it in the Agency’s best interest to accept the Proposal and authorize the Chairman, Vice-Chairman or the Executive Director to sign the Proposal;

WHEREAS, the Board hereby accepts the Proposal submitted by the Bank;

WHEREAS, as required by Idaho Code Section 50-2012, of the Idaho Urban Renewal Law, prior to any private sale of bonds by the Agency, a notice of such intended action must be published in a newspaper having general circulation within the Agency’s area of operation;

WHEREAS, Agency staff and its Financial Advisor along with Agency counsel and bond counsel have prepared said notice, a copy of which is attached hereto as Exhibit B and incorporated herein by reference;

WHEREAS, in order to effectuate the issuance of the contemplated Series 2015 Bond for the Project, the Agency has requested a rate lock agreement concerning the interest rate related to the Bond;

WHEREAS, the Agency has received that certain rate lock agreement (the “Agreement”), a copy of which is attached hereto as Exhibit C and incorporated herein by reference;

WHEREAS, Agency staff and its Financial Advisor along with Agency counsel and bond counsel have reviewed the Agreement and find it in the Agency's best interest to accept the Agreement and authorize the Chairman, Vice-Chairman, or the Executive Director to sign the Agreement.

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

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

Section 2. That the Proposal, as attached as Exhibit A, submitted by the Bank is hereby accepted by the Agency.

Section 3. That the Board authorizes the Agency staff and its Financial Advisor along with Agency counsel and bond counsel to negotiate with the Bank as set forth in the Proposal for the preparation of the Purchase Agreement and other documents.

Section 4. That the Board authorizes Agency staff to take the necessary action to publish the attached Notice of Negotiated Private Bond Sale, Notice of Bond Purchase Agreement, and Notice of Bond Resolution (Exhibit B, hereto), providing notice of the Agency Board meeting scheduled for August 26, 2015 at 12:00 p.m.

Section 5. That the Agreement, as attached hereto as Exhibit C, is hereby accepted by the Agency.

Section 6. That the Chair or the Vice-Chair of the Board of Commissioners of the Agency or the Executive Director is hereby authorized to enter into and sign the Proposal and the Agreement in substantially the same form as attached hereto as Exhibits A and C and incorporated herein by reference, as presented at the regular meeting of the Board held on August 10, 2015; and further are hereby authorized, permitted, and directed to execute all documents required to implement said Proposal and Agreement, including, but not limited to any necessary changes in keeping with the presentation at the August 10, 2015, Board meeting, and any technical changes to the Proposal and Agreement so long as said changes do not change the substance of the Proposal and Agreement approved on August 10, 2015.

Section 7: That this Resolution shall be in full force and effect immediately upon its adoption and approval.

PASSED by the Urban Renewal Agency of Boise City, Idaho, on August 10, 2015.  
Signed by the Chair of the Board of Commissioners, and attested by the Secretary to the Board of Commissioners, on August 10, 2015.

APPROVED:

URBAN RENEWAL AGENCY OF BOISE  
CITY, IDAHO



By \_\_\_\_\_  
Chair

ATTEST:

By \_\_\_\_\_  
Secretary

4811-0864-9510, v. 1



# CAPITAL CITY DEVELOPMENT CORP.

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## Proposal for New Term Loan

July 16, 2015

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**Bank of America**   
**Merrill Lynch**

## Summary of Terms and Conditions

Updated Submission Date: July 16, 2015

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### Parties to the Transaction

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**Borrower:** Capital City Development Corporation (the "Borrower")

**Lender:** Bank of America, N.A. or Specialized Lending, LLC, a subsidiary of Bank of America Corporation (the "Bank").

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### The Facility

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**Facility:** Term Loan (the "Loan" or "Facility").

**Facility Amount:** Up to \$5,000,000

**Closing Date:** Anticipated to be after September 1, 2015

**Maturity:** September 1, 2018

**Repayment/Maturity:** Interest on the Credit Facility shall be paid semi-annually on each March 1 and September 1, commencing March 1, 2016. Principal on the Credit Facility shall be repaid annually each year on September 1, commencing September 1, 2016, based on the following principal repayment schedule:

<u>Maturity</u>	<u>Par (\$)</u>
9-1-2016	\$500,000
9-1-2017	\$2,200,000
9-1-2018	\$2,300,000
	<u>\$5,000,000</u>

Or such other principal repayment schedule as may be mutually agreed upon by Borrower and Bank. The Credit Facility will mature, and all unpaid principal and interest will be due and payable at Maturity, on September 1, 2018.

**Security:** The Credit Facility shall be secured by a first lien parity pledge of Borrower's Bond Fund, and shall be payable from Available Agency Revenues on deposit in the Bond Fund, any amounts transferred to the Bond Fund pursuant to the authorizing resolution, and income earned from the investment of moneys on deposit in the Bond Fund. The Available Agency Revenues means those revenues available to the Agency for the payment of the Credit Facility from any lawfully available sources, including but not limited to, net revenues of Borrower's Parking System (the "Net Parking Revenues") and incremental tax revenues received by the Borrower with respect to the Central Urban Renewal Area (the "Central Incremental Revenues"). In addition, so long as no deficiency exists in the amount required to be on deposit in the Bond Fund, any Other Available Agency Revenues may be used toward this debt service. Other Available Agency Revenues means any Available Agency Revenues, other than Net Parking Revenues and Central Incremental Tax Revenues.

**Use of Proceeds:** Proceeds of the Facility will be used for various projects in the Central District, and to pay costs of issuance.

**Optional  
Prepayments:**

Any prepayment of this Facility prior to its scheduled maturity may result in a prepayment fee. The prepayment fee shall be in an amount sufficient to compensate the Bank for any loss incurred by it as a result of the prepayment, as documented by the Bank, including any loss arising from the liquidation or reemployment of funds obtained by it to maintain the funds used to purchase the Facility or from fees payable to terminate the deposits from which such funds were obtained. For purposes of this paragraph, the Bank shall be deemed to have funded the purchase of the Facility by a matching deposit or other borrowing in the applicable interbank market, whether or not the Facility was in fact so funded. In no case shall a prepayment fee apply if the Bank's internally derived cost of funds is higher on the date of prepayment than it was on the date the fixed rate of the Facility was set.

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**Facility Fees**

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**Up-Front Fee:** \$5,000

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**Rates:**

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**Interest Rate:** Option A: Taxable: Indicative fixed rate: 3.00%;

Option B: Tax-Exempt, Bank-Qualified: Indicative fixed rate: 1.92%;

These are indicative rates as of submission date; the final rate will be locked two days prior to closing.

**Default Rate:** During the continuance of any default under the Facility, the Interest Rate on the Facility shall increase by six (6) percentage points per annum.

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**Other Fees and Expenses**

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**Bank Counsel:** Borrower will pay all reasonable costs and expenses associated with the preparation, due diligence, administration and enforcement of all documentation executed in connection with the Credit Facility, including Bank's attorney's fees, which are estimated at \$15,000.

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**Payment of Fees and Expenses**

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**Timing and Computation of Payments:** All fees are non-refundable. Bank's Counsel's fees and expenses and Bank's out-of-pocket expenses (if any) are payable at closing in immediately available funds.

All calculations of interest shall be made on the basis of a 30 day month and a 360 day year.

**Interest Payments:** Interest on the Facility will be payable semiannually; accruing from the Closing Date and payable on March 1 and September 1, beginning March 1, 2016.

**Fees and Expenses Valid for 90 Days:** All fees and expenses, including those of Bank Counsel, are subject to increase if the transaction is not closed within 90 days from the date the Bank receives the mandate from the Borrower. In addition, the fees and expenses payable to Bank Counsel may be increased if the security and/or structure of the transaction changes materially once documentation has commenced.

**Borrower Responsible For All Fees and Expenses:** The Borrower will pay all reasonable costs and expenses associated with the preparation, due diligence, administration, and closing of all loan documentation including, without limitation, the legal fees of counsel to the Bank, regardless of whether or not the Facility is closed.

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**Other Standard Provisions**

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**Indemnification:** To the extent permitted by law, the Borrower will indemnify and hold harmless Bank and its respective affiliates and its partners, directors, officers, employees, agents and advisors from and against all losses, claims, damages, liabilities and expenses arising out of or relating to the Facility, the Borrower's use of loan proceeds or the commitment including, but not limited to, reasonable attorneys' fees (including the allocated cost of internal counsel) and settlement costs. This indemnification shall survive and continue for the benefit of all such persons or entities.

**Transfers and Participations:** While the Bank is acquiring the Facility for its own account without a current intent to transfer or assign the same, the Bank reserves the right in its sole discretion, to assign, sell, pledge or participate interests in the Loan without the consent of the Borrower to the following:

- a) an affiliate of the Bank;
- b) a trust or other custodial arrangement established by the Bank of one of its affiliates, the owners of any beneficial interest in which are limited to qualified institutional buyers or accredited investors;
- c) a secured party, custodian or other entity in connection with a pledge by the Bank to secure public deposits or other obligations of the Bank or one of its affiliates to state or local governmental entities; or
- d) a transferee that the Bank reasonably believes to be a qualified institutional buyer or accredited investor and who executes an investor letter substantially in the same form as provided by Bank for this Facility.

**Waivers / Amendments:** Amendments and waivers of the provisions of the Agreement and other definitive credit documentation will require the written approval of Bank.

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**Choice of Law / Jury Trial / Venue**

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**Governing Law:** This Proposed Term Sheet, Agreement, Fee Letter and any other documents to which the Bank shall become a party will be governed by the laws of the State of Idaho.

**Jury Trial:** The Borrower agrees, to the extent permitted under applicable law, to waive any right to a trial by jury in any action or proceeding with respect to any dispute or controversy under the Loan Documents.

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## Description of the Basic Documentary Terms and Conditions

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### Documentation:

Documentation will include:

- The Agreement, either prepared by or subject to approval by Bank Counsel. The Agreement will include, but not be limited to, the terms and conditions outlined herein, as well as provisions that are customary and standard with respect to conditions precedent, representations and warranties, covenants, events of default and remedies;
- An unqualified legal opinion of nationally recognized bond counsel, in form and substance acceptable to Bank and its legal counsel, that (i) the resolution and all documents related to the Credit Facility have been properly adopted, authorized and executed; (ii) the resolution and all documents related to the Credit Facility constitute a legally binding obligation of the Borrower, payable from the Security and enforceable according to their terms (subject to standard exceptions); and if Option B is selected, (iii) interest payable on the Credit Facility is excludable from gross income for purposes of federal and state income taxes; and (iv) Borrower has designated the Credit Facility as a “qualified tax-exempt obligation”;
- A copy of the Resolution passed by the Board authorizing the issuance of the Credit Facility;
- Receipt of the original signed Note or Bond at closing.

### Conditions Precedent To Closing:

The closing and the initial extension of credit under the Facility will be subject to satisfaction of the conditions precedent deemed appropriate by Bank including, but not limited to:

The negotiation, execution and delivery of definitive documentation (including, without limitation, satisfactory legal opinions and other customary closing documents) for the Facility satisfactory to Bank.

Certification of Borrower’s Bond Counsel that Central Incremental Revenues will be collected by Borrower in 2018.

There shall not have occurred any event or condition that has had or could be reasonably expected, either individually or in the aggregate, to have a Material Adverse Effect. “Material Adverse Effect” means (A) a material adverse change in, or a material adverse effect on, the operations, business, assets, properties, liabilities (actual or contingent), condition (financial or otherwise) or prospects of the Borrower and any of their respective subsidiaries, taken as a whole; (B) a material impairment of the rights and remedies of Bank under any loan documentation, or of the ability of the Borrower to perform its obligations under any loan documentation to which it is a party; or (C) a material adverse effect upon the legality, validity, binding effect or enforceability against the Borrower of any loan documentation to which it is a party, in each case as determined in the sole discretion of Bank.

Certified copies of relevant ordinances, resolutions, agreements, contracts, certificates, etc.

Bring down of representations and warranties, receipt of statement as to compliance with covenants and of no Event of Default and any other event that, with the passage of time, the giving of notice, or both, would result in an Event of Default.

Other conditions precedent as are customary for a financing of the type contemplated, including payment of fees at closing.

**Condition to Precedent to All Extensions of Credit:**

Usual and customary for transactions of this type including, without limitation, the following:

- All of the representations and warranties in the loan documentation shall be true and correct as of the date of such extension of credit
- No event of default under the Facility or inchoate default shall have occurred and be continuing, or would result from such extension of credit

**Representations and Warranties:**

Usual and customary for transactions of this type including, without limitation, the following: (i) legal existence, qualification and power; (ii) due authorization and no contravention of law, contracts or organizational documents; (iii) enforceability; (iv) accuracy and completeness of specified financial statements and no event or circumstance, either individually or in the aggregate, that has had or could reasonably be expected to have a Material Adverse Effect; (v) no material litigation; (vi) no default; (vii) accuracy of disclosure; (viii) compliance with laws (including ERISA, Patriot Act, anti-bribery and OFAC sanctions), rules and regulations; (ix) bankruptcy and insolvency; and (x) no proposed legal changes which may adversely affect the Facility, the obligations of the Borrower thereunder or the transaction.

**Covenants:**

Usual and customary for transactions of this type, including, without limitation, the following: (i) timely delivery of audited financial statements and other information, (ii) notices of default, material litigation, material governmental proceedings or investigations, ERISA and environmental proceedings and material changes in accounting or financial reporting practices; (iii) payment of obligations; (iv) preservation of existence; and (v) compliance with laws (including ERISA, Patriot Act, anti-bribery and OFAC sanctions), rules and regulations.

In addition, General Covenants under Article V, Sections 501 through 516 of Borrower's Resolution No. 1215 of existing Central District Bonds will apply (see Exhibit A attached).

**Reporting Requirements:**

The Borrower shall provide the following financial information and statements in form and content acceptable to Bank:

- (a) Within 270 days after the close of each fiscal year of the Borrower, the complete audited financial statements of the Borrower;
- (b) Within 60 days after the commencement of each fiscal year of the Borrower, the authorized budget for the next fiscal year;
- (c) Within 60 days after the close of the semi-annual period ending March 31<sup>st</sup> of the Borrower, the in-house financial statement of the Borrower;
- (d) Within 90 days after close of each fiscal year of the Borrower, Borrower shall calculate compliance of Parking System Rate Covenant and provide to Bank;
- (e) Such other information respecting the affairs, condition and/or operations, financial or otherwise, of the Borrower as the Bank may from time to time reasonably request.

**Events of Default:** Usual and customary in transactions of this type including, without limitation, the following: (i) nonpayment of principal, interest, fees or other amounts; (ii) failure to perform or observe covenants set forth in the loan documentation; (iii) any representation or warranty proving to have been incorrect when made or confirmed; (iv) voluntary or involuntary bankruptcy, insolvency, debt moratorium, etc.; (v) inability to pay debts; and (vi) actual or asserted invalidity or impairment of any loan documentation, including failure to maintain the tax-exempt status of the Credit Facility (if Option B is selected).

**Remedies:** The Bank may, among other things, cause the Default Rate to apply to all outstanding obligations under the Facility and pursue any other remedies to which it is entitled under the Agreement, at law or in equity.

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**Contacts**

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**Bank:**

<p>Name: Barbara J. Miller          Bank: Bank of America, N.A.          Title: Vice President          Address: 800 5th Avenue, 34<sup>th</sup> Floor          Seattle, WA 98104-3185          Telephone: (206)358-2112          Facsimile: (206) 358-8818          email: <a href="mailto:barbara.j.miller@baml.com">barbara.j.miller@baml.com</a></p>	<p>Eric Kosmin          Specialized Lending, LLC          Senior Vice President          901 Main St., Floor 11          Dallas, TX 75202          (214)209-4285          (214)209-9657  <a href="mailto:eric.kosmin@baml.com">eric.kosmin@baml.com</a></p>
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**Bank Counsel:**

Bank Counsel: Chapman and Cutler LLP  
 Name: Christopher J. Preston, Associate  
 Address: 111 West Monroe Street  
 Chicago, IL 60603  
 Telephone: (312)845-3804  
 Facsimile: (312)5161804  
 email: [preston@chapman.com](mailto:preston@chapman.com)



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## Proposed Terms and Conditions Subject to Certain Events

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*This Summary of Terms is intended only as an outline of certain of the material terms of the Facility and does not purport to summarize all of the conditions, covenants, representations, warranties and other provisions that would be contained in definitive documentation for the Facility contemplated hereby. This Summary of Terms is not a commitment. It represents a willingness on the part of Bank to seek approval to provide the commitment indicated herein and consummate a transaction based upon the terms and conditions outlined in this term sheet and is subject to:*

Final credit approval (see “Credit Process Timeframe” below),

Absence of any material adverse change in the financial condition, operations or prospects of the Borrower, or in any law, rule or regulation (or their interpretation or administration), that, in each case, may adversely affect the consummation of the transaction, to be determined in the sole discretion of Bank,

Such additional due diligence as Bank may require, and

Agreement as to all final terms and conditions and satisfactory documentation thereof (including satisfactory legal opinions).

### **Credit Process:**

The credit process will take approximately 10 business days from the point at which the Bank is officially awarded the transaction and has in its possession all materials necessary to undertake a full credit analysis.

Bank of America, N.A. is an FDIC-insured financial institution with total assets in excess of \$500 million. Bank and assigned contacts above have specific experience in lending to governmental issuers.

### **Expiration:**

Consideration of a financing based on the terms and conditions presented in this term sheet shall automatically expire 60 days from the date hereof.

If the Bank issues a commitment, the Bank reserves the right to terminate, reduce or otherwise amend its commitment if the subject transaction is not closed within 90 days of the receipt of a signed term sheet.

### **Future Modifications:**

The terms, conditions, pricing levels and fees (including legal fees and expenses) cited herein reference the financing and the Facility Amount as described in this Summary of Terms and Conditions and are subject to revision in the event that (i) the Facility Amount changes, (ii) the security or transaction structure is modified, (iii) the transaction deviates materially from what was initially requested, (iv) the proposed financing does not close within 90 days of the receipt by Bank of America of a signed term sheet.

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## Confidentiality

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This Summary of Terms and Conditions contains confidential and proprietary structuring and pricing information. Except for disclosure on a confidential basis to your accountants, attorneys and other professional advisors retained by you in connection with the Facility or as may be required by law, the contents of this Summary of Terms and Conditions may not be disclosed in whole or in part to any other person or entity without our prior written consent, provided that nothing herein shall restrict disclosure of information relating to the tax structure or tax treatment of the proposed Facility.

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**No Advisory or Fiduciary Role**

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The Borrower acknowledges and agrees that: (i) the transaction contemplated by this Summary of Terms and Conditions is an arm's length, commercial transaction between the Borrower and the Bank in which the Bank is acting solely as a principal and for its own interest; (ii) the Bank is not acting as a municipal advisor or financial advisor to the Borrower; (iii) the Bank has no fiduciary duty pursuant to Section 15B of the Securities Exchange Act of 1934 to the Borrower with respect to the transaction contemplated hereby and the discussions, undertakings and procedures leading thereto (irrespective of whether the Bank has provided other services or is currently providing other services to the Borrower on other matters); (iv) the only obligations the Bank has to the Borrower with respect to the transaction contemplated hereby expressly are set forth in this Summary of Terms and Conditions; and (v) the Bank is not recommending that the Borrower take an action with respect to the transaction contemplated by this Summary of Terms and Conditions, and before taking any action with respect to the contemplated transaction, Borrower should discuss the information contained herein with its own legal, accounting, tax, financial and other advisors, as it deems appropriate. If Borrower would like a municipal advisor in this transaction that has legal fiduciary duties to Borrower, Borrower is free to engage a municipal advisor to serve in that capacity. This Summary of Terms and Conditions is provided to Borrower pursuant to and in reliance upon the bank exemption provided under the municipal advisor rules of the Securities and Exchange Commission, Rule 15Ba1-1 *et seq.*

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**Agreement by the Borrower**

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The Borrower hereby agrees to engage Bank to provide the Facility, which is the subject hereof, pursuant to the terms and conditions stated herein.

Please evidence your agreement with the foregoing by signing and returning a copy of the document to Bank.

**Accepted and Agreed to:**

**Capital City Development Corporation**

By: \_\_\_\_\_ Date: \_\_\_\_\_

ARTICLE V

GENERAL COVENANTS

Section 501. Payment of Principal, Premium, if any, and Interest. The Agency covenants that it will promptly pay the principal of, premium, if any, and interest on the Series 2010A Bonds issued under this Resolution at the place, on the dates, from the sources and in the manner provided herein and in the Series 2010A Bonds according to the true intent and meaning thereof. The principal of, premium, if any, and interest on the Series 2010A Bonds are payable solely from Available Agency Revenues on deposit in the Bond Fund, any amounts transferred to the Bond Fund pursuant to Sections 403, 405 and 406 hereof and income earned from the investment of moneys on deposit in the Bond Fund.

Section 502. Performance of Covenants; Legal Authorization. The Agency covenants that it will faithfully perform at all times any and all covenants, undertakings, stipulations and provisions contained in this Resolution, in the Series 2010A Bonds and in all proceedings of the Board pertaining thereto. The Agency represents that it is duly authorized under the Constitution and laws of the State to issue the Series 2010A Bonds and to adopt this Resolution; that all action on its part for the issuance of the Series 2010A Bonds and the adoption of this Resolution has been duly and effectively taken; and that the Series 2010A Bonds in the hands of the Bondholder are and will be the valid and enforceable obligations of the Agency according to the import thereof.

Section 503. Books and Records. The Agency covenants that so long as the Series 2010A Bonds are Outstanding and unpaid, it will keep, or cause to be kept, proper books of record and account with respect to Available Agency Revenues, including such records as are required by the Tax Compliance Certificate, which shall be made available to the Bondholder upon reasonable notice to the Agency.

Section 504. Tax Covenant. The Agency hereby covenants for the benefit of the Bondholder that it will not take any action or omit to take any action with respect to the Series 2010A-1 Bond, the proceeds thereof, any other funds of the Agency or the facilities refinanced by the proceeds of the Series 2010A-1 Bond if such action or omission (i) would cause the interest on the Series 2010A-1 Bond to lose its exclusion from gross income for federal income tax purposes under Section 103 of the Code, (ii) would cause interest on the Series 2010A-1 Bond to lose its exclusion from alternative minimum taxable income as defined in Section 55(b)(2) of the Code, except to the extent such interest is required to be included in the adjusted current earnings adjustment applicable to corporations under Section 56 of the Code in calculating corporate alternative minimum taxable income or (iii) would cause interest on the Series 2010A-1 Bond to lose its exclusion from State taxable income under present State law. The foregoing covenant shall remain in full force and effect notwithstanding the payment in full or defeasance of the Series 2010A-1 Bond until the date on which all obligations of the Agency in fulfilling the above covenant under the Code have been met.

For the purposes of Section 265(b)(3)(B) of the Code, the Agency hereby designates the Series 2010A-1 Bond as a qualified tax-exempt obligation.

Section 505. Against Encumbrances. Except as provided in this Resolution, the Agency will not hereafter mortgage or otherwise encumber, pledge, or place any charge upon any of the Central Incremental Tax Revenues or Net Parking Revenues and will not issue any obligation or security payable in whole or in part from Central Incremental Tax Revenues which has a right to payment prior or superior to, or on a parity with, the payment therefrom of the Series 2010A Bonds. Except as provided in this Resolution, the Agency will not hereafter mortgage or otherwise encumber, pledge, or place any charge upon any Other Available Agency Revenues existing on the date of adoption of this Resolution and will not issue any obligation or security payable in whole or in part from Other Available Agency Revenues existing on the date of adoption of this Resolution which has a right to payment prior or superior to, or on a parity with, the payment therefrom of the Series 2010A Bonds. Nothing in this Resolution prevents the Agency from issuing Subordinate Bonds at any time.

Section 506. Management and Operation of Parking System. The Agency will manage and operate all properties owned by the Agency and comprising any part of the Parking System in a sound and business-like manner

and in conformity with all valid requirements of any governmental authority relative to the Parking System or any part thereof, will maintain the same in good repair, working order and condition and will keep such properties insured at all times in conformity with sound business practice.

**Section 507. Disposal of Parking System.** Neither all nor substantially all of the Parking System shall be sold, leased, mortgaged, pledged, encumbered, alienated or otherwise disposed of, so long as the Series 2010A Bonds are Outstanding. The Agency may sell or otherwise dispose of properties, facilities and assets of the Parking System at any time and from time to time which shall have become unserviceable, inadequate, obsolete or unfit to be used in the operation of the Parking System or are no longer necessary, material to or useful in such operation. Except as otherwise provided by the immediately preceding two sentences, the Agency may sell, exchange or otherwise dispose of property, facilities and assets of the Parking System at any time and from time to time and may lease, contract or grant licenses for the operation of, or make arrangements for the use of, or grant easements or other rights to the properties, facilities and assets of the Parking System provided that either (i) the Agency shall receive either cash or real or personal property in consideration therefor equal to the fair market value of such property, facilities or assets of the Parking System subject to such action, as certified by an Authorized Representative of the Agency or (ii) the Bondholder receives a certificate of an Authorized Representative of the Agency stating that no Event of Default has occurred and is continuing and demonstrating that Agency would have been in compliance with Section 515 hereof for the most recent Fiscal Year, adjusting Total Agency Revenues to exclude the revenue and expenses attributable to the property, facilities or assets of the Parking System proposed to be sold, exchanged or disposed of. Any proceeds of any such sale, exchange or other disposition received and not used to replace such property so sold or so exchanged or otherwise so disposed of, shall be deposited by the Agency in the Parking Revenue Fund or into a special book account for the betterment, enlargement, extension, other improvement and equipment of the Parking System, or any combination thereof, as the Agency may determine, and any proceeds of any such lease received shall be deposited by the Agency in the Parking Revenue Fund.

Notwithstanding the foregoing, the Avenue A East Garage and the Avenue A West Garage may be sold or otherwise disposed of by the Agency without complying with the provisions of the first paragraph of this Section.

Exhibit B hereto may be changed from time to time to reflect additions thereto or deletions therefrom upon delivery of an updated Exhibit B by an Authorized Representative of the Agency to the Bondholder and substituting a copy thereof in the Agency's records pertaining to this Resolution. The Board hereby authorizes the Authorized Representatives of the Agency to take such action without the necessity of further Board approval.

**Section 508. Protection of Security and Rights of Bondholder.** The Agency will preserve and protect the security of the Series 2010A Bonds and the rights of the Bondholder, and will warrant and defend its rights against all claims and demands of all Persons. From and after the sale and delivery of the Series 2010A Bonds by the Agency, the Series 2010A Bonds shall be incontestable by the Agency.

**Section 509. Further Assurances.** The Agency will adopt, make, execute and deliver any and all such further resolutions, instruments and assurances as may be reasonably necessary or proper to carry out the intention or to facilitate the performance of this Resolution and for the better assuring and confirming unto the Bondholder the rights and benefits provided in this Resolution.

**Section 510. Amendment of Central Urban Renewal Plan.** The Agency will not amend the Central Urban Renewal Plan except as provided in this Section. If the Agency proposes to amend the Central Urban Renewal Plan, it shall cause to be filed with the Bondholder an urban development Consultant's Report on the effect of such proposed amendment. If the Consultant's Report concludes that the Central Incremental Tax Revenues will not be materially reduced by such proposed amendment, the Agency may undertake such amendment. If the Consultant's Report concludes that Central Incremental Tax Revenues will be materially reduced by such proposed amendment, the Agency shall not undertake such proposed amendment.

**Section 511. Central Incremental Tax Revenues.** The Agency shall comply with all applicable provisions of the Law concerning the annual receipt of the Central Incremental Tax Revenues.

**Section 512. Maintain Existence.** The Agency will maintain its existence as an urban renewal agency so long as the Series 2010A Bonds are Outstanding.

**Section 513. General.** The Agency shall do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the Agency under the provisions of the Law and this Resolution.

Upon the date of delivery of the Series 2010A Bonds, all conditions, acts and things required by law and this Resolution to exist, to have happened and to have been performed precedent to and in the issuance of the Series 2010A Bonds shall exist, have happened and have been performed, and the Series 2010A Bonds, together with all other indebtedness of the Agency, shall comply in all respects with the applicable laws of the State.

The Series 2010A Bonds are issued in connection with an urban renewal project, as defined in the Law. Accordingly, in any suit, action, or proceedings involving the validity or enforceability of the Series 2010A Bonds, the Series 2010A Bonds shall be conclusively deemed to have been issued for such purpose and such urban renewal project shall be conclusively deemed to have been planned, located and carried out in accordance with the provisions of the Law.

**Section 514. Reasonable and Adequate Charges.** While the Series 2010A Bonds remain Outstanding and unpaid, the fees, rates and other charges due to the Agency for the use of and services rendered by the Parking System shall be reasonable and just, taking into account and consideration public interest and needs, the cost and value of the Parking System, the Costs of Operation and Maintenance, reserves and any replacement accounts deemed necessary by the Agency for the Parking System and the amounts necessary, together with the Central Incremental Tax Revenues and Other Available Agency Revenues, to pay the principal of, premium, if any, and interest on the Series 2010A Bonds, any Outstanding Additional Bonds payable from Net Parking Revenues and any Outstanding Parity Obligations payable from Net Parking Revenues.

**Section 515. Rents, Fees and Charges.** The Agency shall at all times establish, charge, and collect fees, rents and other charges for the Parking System and shall adjust said fees and charges from time to time so that in each Fiscal Year, the revenues of the Parking System are sufficient to pay:

- (b) An amount equal to the Costs of Operation and Maintenance for such Fiscal Year; and
- (c) An amount, together with other Total Agency Revenues, equal to not less than 120% of Total Scheduled Debt Service for such Fiscal Year.

Not later than 90 days after the end of each Fiscal Year the Agency shall calculate whether the Agency has complied with this Section during that Fiscal Year. If the calculation demonstrates that the Agency has not complied with this Section during that Fiscal Year, within 30 days after the calculation is prepared, the Agency shall engage the services of a parking facilities Feasibility Consultant to make recommendations in rates, fees, and charges or expenses, or in such other matters, to be set forth in a Consultant's Report at the earliest possible date. The Agency agrees to use its best efforts to cause the Feasibility Consultant to make its recommendations within 60 days of the date it is engaged but in no event shall such recommendations be delivered later than 90 days of the date it is engaged. A copy of the Consultant's Report shall be filed with the Agency and the Bondholder and the Agency shall to the extent feasible follow the recommendations of the Feasibility Consultant. Notwithstanding anything in this Resolution to the contrary, if the Agency receives such a Consultant's Report, and, in the opinion of the Feasibility Consultant, substantially complies therewith, such substantial compliance shall cure an Event of Default based solely upon noncompliance with this Section even if such substantial compliance does not result in Total Agency Revenues at least equal to 120% of Total Scheduled Debt Service. Notwithstanding the foregoing provisions of this Section, the Agency shall not be required to engage a Feasibility Consultant for the purposes of this Section more than once in any two year period.

**Section 516. Additional Indebtedness.** If any covenant of the Agency pertaining to the incurrence of additional indebtedness contained in the documents evidencing or authorizing Outstanding Parity Obligations is in effect which contains a different covenant applicable to the incurrence of indebtedness payable from all or a portion of Available Agency Revenues from that set forth in this Section, the Agency agrees that it will not issue or incur any

Additional Bonds payable from all or a portion of Available Agency Revenues except in compliance with such covenant and the Agency shall not be required to comply with the provisions in the remainder of this Section.

If no covenant of the Agency pertaining to the incurrence of additional indebtedness contained in the documents evidencing or authorizing Outstanding Parity Obligations is in effect which contains a different covenant applicable to the incurrence of indebtedness payable from all or a portion of Available Agency Revenues from that set forth in this Section, the Agency shall not be required to comply with the provisions in the first paragraph of this Section; provided however, the Agency agrees that it will not issue or incur any Additional Bonds payable from Central Incremental Tax Revenues unless:

(d) As of the date of issuance or incurrence the Additional Bonds, no Event of Default shall have occurred and be continuing and no deficiency shall then exist in the amount required to be on deposit in the Bond Fund; and

(e) The Agency shall furnish to the Bondholder:

(1) a certificate of an Authorized Representative of the Agency evidencing that the Central Incremental Tax Revenues collected in the Fiscal Year ended immediately preceding the issuance or incurrence of the proposed Additional Bonds was equal to not less than 100% of the sum of (i) the Maximum Annual Debt Service on all Outstanding Bonds payable from the Central Incremental Tax Revenues and all Outstanding Parity Obligations payable from the Central Incremental Tax Revenues and (ii) Maximum Annual Debt Service on the Additional Bonds proposed to be issued or incurred, computed as if the proposed Additional Bonds had been issued or incurred at the beginning of such preceding Fiscal Year; and

(2) a certificate of an Authorized Representative of the Agency evidencing that the sum of the Central Incremental Tax Revenues collected in the Fiscal Year ended immediately preceding the issuance or incurrence of the proposed Additional Bonds and the Net Parking Revenues collected in such Fiscal Year was equal to not less than 125% of the sum of (i) the Maximum Annual Debt Service on all Outstanding Bonds payable from the Central Incremental Tax Revenues and all Outstanding Parity Obligations payable from the Central Incremental Tax Revenues and (ii) Maximum Annual Debt Service on the Additional Bonds proposed to be issued or incurred, computed as if the proposed Additional Bonds had been issued or incurred at the beginning of such Fiscal Year; or

(f) The Agency shall furnish to the Bondholder:

(1) a certificate of an Authorized Representative of the Agency evidencing that the Central Incremental Tax Revenues collected in the Fiscal Year ended immediately preceding the issuance or incurrence of the proposed Additional Bonds was equal to not less than 100% of the Scheduled Debt Service on all Outstanding Bonds payable from the Central Incremental Tax Revenues and all Outstanding Parity Obligations payable from the Central Incremental Tax Revenues during such Fiscal Year; and

(2) an urban development Consultant's Report projecting that in each of the Fiscal Years commencing after the date on which the Additional Bonds are to be issued or incurred and ending with the Fiscal Year in which any Outstanding Bonds payable from the Central Incremental Tax Revenues or any Outstanding Parity Obligations payable from the Central Incremental Tax Revenues or the proposed Additional Bonds last become due at maturity, the Central Incremental Tax Revenues will be not less than 100% of the Annual Debt Service on all Outstanding Bonds payable from the Central Incremental Tax Revenues and all Outstanding Parity Obligations payable from the Central Incremental Tax Revenues and the Additional Bonds proposed to be issued or incurred; and

(3) a parking facilities Consultant's Report and an urban development Consultant's Report projecting that in each of the Fiscal Years commencing after the date on which the Additional Bonds are to be issued or incurred and ending with the Fiscal Year in which any Outstanding Bonds payable from the Central Incremental Tax Revenues or any Outstanding Parity Obligations payable from the Central Incremental Tax Revenues or the proposed Additional Bonds last become due at maturity, the sum of Net Parking Revenues and the Central Incremental Tax Revenues will be not less than 130% of the Annual Debt Service on all Outstanding Bonds payable

from the Central Incremental Tax Revenues and all Outstanding Parity Obligations payable from the Central Incremental Tax Revenues and the Additional Bonds proposed to be issued or incurred; or

(g) If the Additional Bonds are to be issued or incurred to refinance Outstanding Bonds, either:

(1) the Agency shall furnish the Bondholder a certificate of an Authorized Representative of the Agency evidencing that the Annual Debt Service on the proposed Additional Bonds will not be more than \$50,000 greater in any Fiscal Year than the Annual Debt Service on the Outstanding Bonds being refinanced; or

(2) the conditions described in subsection (b) or (c) of this Section are met for the proposed Additional Bonds; or

(h) If the Additional Bonds are to be issued or incurred by the Agency for the purpose of financing the completion of any project for which Additional Bonds have theretofore been issued or incurred:

(1) the Agency shall furnish the Bondholder a certificate of an Authorized Representative of the Agency evidencing that such proposed Additional Bonds are in a principal amount not exceeding 10% of the aggregate principal amount of the Additional Bonds originally issued or incurred to finance the project (other than any refunding portions of the Additional Bonds) for which such proposed Additional Bonds are to be issued, or

(2) the conditions described in subsection (b) or (c) of this Section are met for the proposed Additional Bonds; or

(i) If the Additional Bonds to be issued or incurred are (or evidence obligations under) a line of credit or other instrument under which the principal amount thereof is not, or is not required to be, fully disbursed on the date of issuance or incurrence or have an original term of three years or less or are renewable at the option of the Agency for a period of three years or less from the date originally issued or incurred, the Agency shall furnish the Bondholder a certificate of an Authorized Representative of the Agency evidencing that the conditions described in subsections (b) or (c) of this Section are met for the proposed Additional Bonds, assuming that the maximum principal amount permitted to be Outstanding thereunder is Outstanding.

(j) Nothing in this Resolution prevents the Agency from issuing Subordinate Bonds at any time.

**EXHIBIT B**

**NOTICE OF NEGOTIATED PRIVATE BOND SALE,  
NOTICE OF BOND PURCHASE AGREEMENT,  
AND NOTICE OF BOND RESOLUTION**

Pursuant to the Idaho Urban Renewal Law, Chapter 20, Title 50, Idaho Code, as amended (specifically Idaho Code Section 50-2012), public notice is hereby given by the Urban Renewal Agency of Boise City, aka Capital City Development Corporation, Ada County, Idaho (the "Agency"), of negotiation for and private sale to Bank of America, N.A. (the "Bank"), of approximately \$5,000,000 of Urban Renewal Agency of Boise City Redevelopment Bond Series 2015 (the "Bonds"), for current certain public improvements as authorized by the Boise Central District Urban Renewal Plan, Boise Central District Urban Renewal Project. The proposed term of the Bonds is approximately three (3) years, secured by available Agency revenues consisting of net parking revenues from the Agency's parking system and incremental tax revenue from Central District revenue allocation area. The indicative interest rate on the Bonds as quoted from the Bank is approximately 3.0%. The Agency intends to enter into a Bond Purchase Agreement with the Bank (the "Bond Purchase Agreement"). Additional information concerning the terms and provisions of the Bond Purchase Agreement, the security for payment of the Bonds, other pertinent information relating to the Bond Purchase Agreement, and the Bonds is available for public inspection at the offices of the Agency at 121 North 9th Street, Suite 501, Boise, Idaho, 83702 (telephone 208-384-4264), Monday through Friday, 8:00 a.m. to 5:00 p.m. The Agency intends to proceed to close as soon as practical, subject to meeting all necessary conditions set forth in the proposed Bond Purchase Agreement.

Public notice is also hereby given that the Agency, during its special meeting on Wednesday, August 26, 2015, at 12:00 p.m. will consider the Bond Purchase Agreement and the resolution authorizing the issuance of the Bonds (the "Bond Resolution"). The meeting will take place at 121 North 9th Street, Suite 501, Boise, Idaho, 83702, at which time the Agency Board will consider approving the Bond Resolution, the Bond Purchase Agreement, and other documents relating to the Bond Resolution and Bond Purchase Agreement.

Any interested person is encouraged to attend the meeting. Interested persons may also submit written comments on the Bond Resolution, Bond Purchase Agreement, and other documents to the Agency at 121 North 9th Street, Suite 501, Boise, Idaho, 83702. Comments should be received no later than the close of business on August 24, 2015.

Individuals who will require special assistance to accommodate physical, vision, hearing, or other impairments, please contact the Agency at 208-384-4264 three (3) days prior to the meeting so that arrangements may be made.

By order of the Executive Director of the Urban Renewal Agency of Boise City.

DATED this \_\_\_\_ day of August 2015.

URBAN RENEWAL AGENCY OF BOISE CITY

By \_\_\_\_\_  
Executive Director



**EXHIBIT C**

**RATE LOCK AGREEMENT**

Bond Amount: \$5,000,000.00

Closing: October \_\_, 2015 by 1PM Central time

Interest: Payable semi-annually beginning March 1, 2016

Principal: Outstanding principal amount payable on the maturity date of September 1, 2018. (annual payments, currently \$500,000 due 9-1-2016, \$2,250,000 due 9-1-2017 and \$2,250,000 due 9-1-2018)

Bond Rate: Initial interest rate of \_\_\_\_% will accrue on the basis of a 360-day year and 30 day month.

1. The Urban Renewal Agency of Boise City, Idaho (the “*Borrower*”) has requested that Specialized Lending, LLC (the “*Bank*”) purchase Five Million Dollars (\$5,000,000) original principal amount of] revenue bonds to be issued by the Borrower (the “*Bonds*”). The full principal amount of the Bonds would be repaid on the maturity date of September 1, 2018 (see above). The Bonds, if issued, must be issued and purchased during the period from and including October 1, 2015 through and including October 5 2015 (the “*Closing Period*”).

2. The Borrower recognizes that the Bank has made no commitment to purchase the Bonds, and that the Bank is continuing its review of the proposed purchase of the Bonds and the related documentation. Despite the lack of a commitment to purchase the Bonds, the Borrower desires to obtain the agreement of the Bank that the Bonds, if issued, will bear an interest rate locked in by the Bank at this time. In response to the Borrower’s request, the Bank has agreed to lock in a fixed rate of \_\_\_\_\_% (the “*Bond Rate*”) per annum for the Bonds in accordance with the terms of this Rate Lock Agreement (this “*Agreement*”). Interest on the Bonds will accrue on the basis of a 360-day year and 30 day month.

3. The Borrower understands that, if the Bonds are not issued and purchased by the Bank during the Closing Period, or if the Bonds are issued and purchased by the Bank in a lesser principal amount than specified above, the Bank may suffer breakage costs and other losses, expenses and liabilities, as a result of having locked in the interest rate in advance based on this Agreement. Accordingly, in consideration of the Bank’s agreement to lock in the Bond Rate prior to the closing date, the Borrower agrees to pay to the Bank a Breakage Fee in the event the Bonds are not issued and purchased by the Bank during the Closing Period for any reason, or the principal amount of the Bonds issued and purchased by the Bank is less than the principal amount specified above. The Breakage Fee will be due even if the Bonds are not issued (or are issued in less than the principal amount specified above) because any condition to the Bank’s purchase of the Bonds which may be imposed by the Bank is not fulfilled or if the Bank does not purchase the Bonds for any reason.

4. The Breakage Fee will be equal to the present value of the difference, if positive, between (i) the sum of the interest payments that would have accrued on each Nonborrowed Installment of principal at a fixed interest rate for such installment equal to the Original Funding Rate, as if it had been borrowed on the last day of the Closing Period (the "*Measurement Date*"), less (ii) the sum of the interest payments that would have accrued on each Nonborrowed Installment of principal at a fixed interest rate for such installment equal to the Reinvestment Rate, as if it had been borrowed on the Measurement Date.

5. The following definitions will apply to the calculation of the Breakage Fee: (i) "Nonborrowed Installment" means the portion of the principal of or purchase price of the Bonds which would have been paid on a single Original Payment Date if the Bonds had been issued and purchased by the Bank on the Measurement Date and payments had been made as scheduled through maturity (including on each mandatory tender date and redemption date), (ii) "Original Funding Rate" means with respect to any Nonborrowed Installment of principal, the Swap Rate on the date the interest rate was fixed by the Bank under this Agreement in the amount of the Bonds and with a term, interest payment frequency and principal repayment schedule equal to the Bonds, (iii) "Reinvestment Rate" means with respect to any Nonborrowed Installment of principal, the Swap Rate on the Measurement Date for a term corresponding to the period of time remaining until such principal installment was scheduled to be made, interpolated, if necessary, and (iv) "Swap Rate" means, as of any date, the offered U.S. Dollar interest rate swap rate for a fixed rate payer determined by the Bank on such date by reference to the Bloomberg service or such other similar data source then used by the Bank for determining such rate.

6. The Bank may adjust the Original Funding Rate and the Reinvestment Rate to reflect the compounding, accrual basis, or other costs relating to the Bonds and its purchase of the Bonds. The rates shall include adjustments for reserve requirements, federal deposit insurance, and any other similar adjustment which the Bank deems appropriate. Each of the rates is the Bank's estimate only, and the Bank is under no obligation to actually purchase or match funds for any transaction or reinvest any amounts. The rates are not fixed by or related in any way to any rate the Bank quotes or pays for deposits accepted through its branch system.

7. The Borrower agrees that the Breakage Fee represents a reasonable estimate of the breakage costs and other losses, expenses and liabilities that the Bank may suffer if the Bonds are not issued and purchased by the Bank during the Closing Period or closes in a different amount or on different amortization terms than set forth above. The Borrower agrees that the Bank's willingness to lock in the Bond Rate in advance of the Closing Period is sufficient consideration for the Borrower's agreement to pay the Breakage Fee. The Borrower further acknowledges and agrees that the Bank's agreement to lock in the Bond Rate in no way commits the Bank to purchase the Bonds. **THE BORROWER EXPRESSLY AGREES TO ACCEPT THE RISK OF THE BONDS NOT BEING ISSUED AS CONTEMPLATED FOR ANY REASON AND HAS MADE AN INDEPENDENT DECISION, WITHOUT RELYING ON THE BANK OR ITS AFFILIATES, TO LOCK IN THE RATE AFTER DUE CONSIDERATION OF THE RISKS OF HAVING TO PAY A BREAKAGE FEE HEREUNDER. THE BORROWER ACKNOWLEDGES THAT THE BANK IS NOT ACTING AS BORROWER'S FIDUCIARY OR ADVISER WITH RESPECT TO THIS AGREEMENT OR THE BONDS.**

8. Any amount due under this Agreement which is not paid upon demand by the Bank shall bear interest until paid at the Bond Rate *plus* five percentage points (5.00%).

9. This Agreement constitutes the entire agreement of the parties hereto with respect to the subject matter hereof and shall supersede any prior expressions of intent or understandings with respect to this transaction.

10. Except to the extent that any law of the United States may apply, this Agreement shall be governed and interpreted according to the laws of the state of New York, without regard to any choice of law, rules or principles to the contrary. Nothing in this paragraph shall be construed to limit or otherwise affect any rights or remedies of the Bank under federal law.

**11. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER DOCUMENT EXECUTED IN CONNECTION HERewith OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (a) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, (b) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER DOCUMENTS CONTEMPLATED HEREBY BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION AND (c) CERTIFIES THAT THIS WAIVER IS KNOWINGLY, WILLINGLY AND VOLUNTARILY MADE.**

This Rate Lock Agreement is dated August \_\_, 2015.

URBAN RENEWAL AGENCY OF BOISE CITY,  
IDAHO

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

SPECIALIZED LENDING, LLC

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_



**TO: John Hale, Chairman, CCDC Board Executive Committee**  
**FM: John Brunelle, Executive Director**  
**RE: CCDC Operations Report – July 2015**

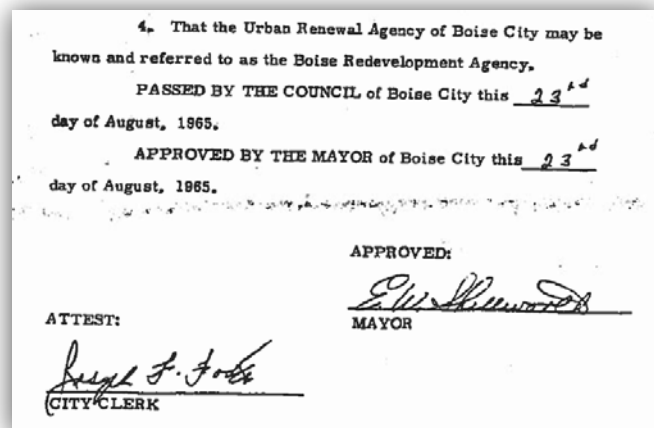
The month of July saw the steady advancement of many projects being managed by agency employees, many of them highly visible at construction sites throughout the downtown area. Members of the Finance Department worked extra hours preparing the FY15 Amended and FY16 Original budgets, with the added task of coordinating the financial planning details with the new 5-Year Capital Improvement Plan. Thanks to the dedicated effort of staff, particularly Joey Chen, these key items are ready for review at our regular monthly board meeting.

Our proactive effort to improve public parking in downtown kicked into high gear with the strategic planning stakeholder sessions and continued exploration of combining transit improvements with new parking opportunities. More discussion of the parking plan, including a review of monthly fee levels for high demand parking locations, will occur in upcoming weeks.

The month of August 2015 brings a couple of noteworthy events:

One of our most valuable players for the past 15 years, Pam Sheldon, will be retiring later this month. A celebration honoring Pam – who has truly set the gold standard for dedication and loyalty to the agency – is scheduled for Thursday, April 13, on the Berryhill outdoor patio, from 4 to 7 p.m. All friends and associates of Pam, including CCDC employees and board members, past and current, are encouraged to attend.

The other significant date is August 23. It was on this date in 1965 that the Boise Redevelopment Agency was established. Although the funding sources, state statutes, and even the name have changed over the past five decades, the mission to revitalize downtown Boise remains. Here's to everyone who has supported Boise's redevelopment agency over the past 50 years!



Development Team: Todd Bunderson, Doug Woodruff, Shellan Rodriguez,  
Karl Woods, Matt Edmond & Laura Williams

### **Streetscape: Broad Street (Capitol/2nd)**

Three property owner roundtable discussions were recently conducted. Initial concepts ideas have been developed based on public input and partner agency coordination. Informational presentations will be given to CCDC Board, City Council, and ACHD Commission on August 10, 11, and 12, respectively. Procurement of a CMGC is underway and staff intends to request selection of a CMGC in September. A concept plan approval request is also anticipated in September. Construction is scheduled for March to September 2016.

### **Pioneer Corridor Phase 3 Construction**

Permits ready for issue. First advertise to bid 8/11 with bid opening 9/2 and award 9/14, notice to proceed 10/5. Hormaechea to sign easement agreement this week 8/7).

### **Streetscape: Idaho St Both Sides 5th/6th**

Streetscape construction is substantially complete on the north side of Idaho. Silva Cell installation complete on the south side of Idaho with paver installation scheduled to start on 8/3.

### **Front & Myrtle Redesign**

Staff met with ITD (Amy Schroeder, Amanda LaMott), Boise (Karen Gallagher), ACHD (Terry Little, Justin Lucas) and Compass (Sabrina Minshall, Maryann Waldinger) on 7/30 and discussed goals for making Front and Myrtle more downtown friendly and some potential options and next steps. Follow up meeting has been requested by Boise Elevated on 8/11 to discuss how to move forward.

### **CWI Receives Appraisal and Chooses CTA for Master Planning**

As a part of their due diligence process, CWI commissioned an appraisal for the old Bob Rice property. The appraised value is \$8.975M, which supports the agreed upon purchase price of \$8.8M. In addition, CWI received 5 responses to their RFP for master planning the Ada County Campus. After completion of a review and interview process, CTA was the selected firm. There will be several opportunities for community involvement. Stay tuned for those announcements.

### **Charter for The Grove Plaza (Grove 2.0)**

A final draft of the charter has been drafted and will be shared with the stakeholder group for review in August. A final meeting will be held to finalize the charter and discuss future steps relative to what is agreed to in the document.

### **Inn at 500**

Staff has met with Counsel and expects negotiations on final agreements to continue with Developer's Counsel. Due to bond covenants availability of guaranteed spots for The Inn at 500

is limited to spaces not located in the Myrtle Street Garage. Staff expects to bring final documents to the CCDC Board for final approval in late August.

### **"The Roost" Local Construct Project - 5th & Broad**

Staff will bring final agreements to the Board in August.

### **YMCA holds Y not Tri**

With the efforts of CCDC and the City of Boise, the YMCA held their annual Y not Tri in the West End again this year. With 276 participants and well over 400 spectators, this event helps bring the West End alive with outdoor activity. Once Esther Simplot Park is completed in the spring of 2016, this event will only build upon the success of the last 2 years. It is likely additional triathlon and water based activities will start heading to the West End.

### **The Grove Plaza Brick Program**

Staff is targeting August 17 to launch "The Grove Plaza: Brick by Brick" program to help fund the renovation of The Grove Plaza. Bricks will be sold online at [www.thegroveplaza.com](http://www.thegroveplaza.com) and orders will be fulfilled by Fund Raisers LTD. The program will be marketed in a variety of ways including press releases and media coverage, social media, mailers, posters, and at events downtown. There will be two price points available \$60 and \$100 for "premium placement." In addition to selling new bricks, CCDC will be re-engraving the existing personalized bricks many of which are broken from years of use and enjoyment. ZGF and CSHQA are working on a unique design plan to appropriately designate each of the three brick types.

### **Historical Museum Streetscapes**

LKV Architects outreached regarding using the PP for streetscape improvements on Capital. LKV alerted staff that a Type 1 PP does not provide adequate financial incentive for their project and wants to review alternative options. Staff has scheduled a meeting with the development team to move this project forward and make a request to the Board.

### **LocalConstruct-Historic Homes - Removal & Receiving Sites Review**

CCDC has been asked to fund \$80,000 (in development budget to be reimbursed as part of their T3 agreement).

### **Hormaechea DDA - 620 S 9th St**

Staff is meeting with the developer regularly. The developer has requested an extension and some amendments to the existing DDA, staff will be presenting the request at the August Board Meeting.

### **TheGrovePlaza.com**

CCDC staff is developing [thegroveplaza.com](http://thegroveplaza.com) website which is being designed by Carew Co. The production of the website also includes development of a unique logo for The Grove Plaza. The website is anticipated to go live in January 2016.

### **CCDC Leading a Streetscape Effort**

Because the West End is Boise's newest urban renewal district, some development standards have yet to be established. CCDC recently held a roundtable with agency stakeholders to discuss how streetscape standards will be established. The West End boasts a diverse set of streets and neighborhood environments, making it interesting to see how the streetscape designs will help activate this community.

### **Multi Modal Center: Environmental & Tree Wells**

Construction remains on schedule. The top level of steel is being placed on the 9 story tower. The 5 story convention center expansion has yet to go vertical with steel. Ground floor exterior glazing is about to be placed.

### **ACHD receives final report on Green Infrastructure along Fairview Ave.**

The United States EPA is encouraging communities to use green infrastructure to help manage storm water and improve our water quality. The technical assistance provided to complete this report will hopefully get us one step closer to realizing more green infrastructure projects within the right of way.

### **Streetscape: Westside of 5th (Main/Bannock)**

Streetscape construction is substantially complete at this location.

### **Participation Program Type 3: JUMP!/Simplot HQ**

Finalizing agreement language and exhibits. Updated cost estimate received 7/21.

### **Participation Program Type 4: JPA: Public Works Central Addition Geothermal Expansion**

Boise City Public Works and City Environmental Division determined that the geothermal expansion is not required for this winter's heating season. The expansion timing has been changed from this fall to next spring to align with the street reconstruction of Broad Street.

### **Public Art - River Sculpture**

Construction has resumed on the restoration. Construction is going well and is anticipated to be completed by September 2015.

### **Streetscape: 12th & Front**

Sawcutting occurred the week of 7/27. Selective demo / construction scheduled to occur the week of 8/3. Work to be limited to Front Street to accommodate First Thursday event for Boise Art Glass on 8/6. Excavation on 12th Street scheduled to begin on 8/10 to accommodate First Thursday event.

### **Renovation of The Grove Plaza**

The design process of the renovation is well underway. Initial concepts will be presented to CCDC Board on August 10 and City Council on August 11. A completed concept is slated for a September board approval. In addition, the procurement of a Construction Manager/General



Contractor (CMGC) is underway for the project. Staff is working to request selection in September of a CMGC.

### **Carley Concept - 5th & Front Parking Garage**

CCDC's conditional letter of commitment has expired and CCDC staff has requested a number of items from the developer in order to consider asking CCDC Board for a new conditional commitment. Staff meets with Developer on a regular basis.

### **Carley Concept - 5th & Idaho Mixed Use Apartments**

CCDC has provided Developer with a conditional letter of commitment for up to \$1.2 Million but not greater than the amount of increment the project delivers to the District. The CCDCs proposed participation will be for streetscapes, undergrounding utilities, park land, park improvements and structure associated with park in order to move forward with their financing.

### **Hale Condo**

Requested info on Participation Program and intends to apply for PP T1 after submitting for building permits, mid August 2015.

### **Property Development: 503 - 647 S. Ash Street**

The Archaeological dig was a success based on the summary received from the University of Idaho professor who was managing the project.

### **Streetscape: Fulton Street Concept Plan**

Fulton Street is central to Boise's Cultural District and is being considered for street and streetscape improvements that will prioritize pedestrians and can accommodate festivals. CCDC is seeking a consultant to prepare a conceptual master plan during the summer of 2015 in preparation for design and construction in FY2016. Design consultants are preparing proposals for the project. Stakeholder coordination is underway.

### **RFQ/P 1401/1403 W Idaho St**

On May 11th the CCDC Board directed staff to move forward with negotiating an ERN with Local Construct. The ERN was executed on June 24, 2015. The developer will be submitting design plans later in August and Staff will be working with a re-use appraiser to provide the appraisal as the RFQ/ P process outlined.

### **Streetscape: 11th Street (Alley/Idaho)**

Bid opening occurred on 6/30/2015 with Guho Corp. being the apparent responsive low bidder. The CCDC Board of Commissioners reviewed the bid results at its meeting on July 13, 2015 resulting in a construction contract award to Guho. Construction is scheduled to start after the middle of August.

### **Streetscape: 14th Street**

14th Street streetscape improvements have been pulled from project scope for the year due to property owners that are opposed to the improvements and other circumstances. CCDC is

working with CoB to bring in an outside consultant to develop a strategy for maximizing return on investment within the district.

### **Streetscape: 15th Street**

Bid opening occurred on 6/30/2015 with Guho Corp. being the apparent responsive low bidder. The CCDC Board of Commissioners reviewed the bid results at its meeting on July 13, 2015 resulting in a construction contract award to Guho. Construction is scheduled to start after the middle of August.

### **Street Furniture - 10th Street Selection/Installation**

Silver trash cans in place. Remaining item is the benches. Going to use standard benches. Spoke with stakeholders, CTY and 601 Gallery. Locations selected. Valley Landscape has placed the benches. Benches anchorage still needs to be completed.

### **Participation in Housing on COB property**

CCDC staff meets regularly with Jay Story and City staff reviewing options for this property.

### **West End Streetscape Standards**

Subgroup meeting 8/13 to discuss proposals for Main/Fairview. Project team agreed during 7/29 on street types for all other streets, with new connections designated 'special'. Need follow up on special furnishing standards for 30th/West End. Draft manual update in progress.

### **ACHD Chip Seal Adjustments**

ACHD to chip seal 11th St (with 1/4" chips) and restripe with bike lanes in August.

### **Bike Rack Infill**

"In receipt of two new bike corrals, will install one each next to Modern Hotel and Ten Barrel Brewing upon approval of ACHD license agreement (on 8/19 ACHD commission agenda). Two big issues seem to be that it's taking too long to get approved (the process seems to be unclear) and the city would like something more aesthetically pleasing. We're working with ACHD, City of Boise, and DBA to develop a streamlined process for requesting and approving bike rack infill at the staff level. Key questions include:

1. Who should be the requestor
2. Who needs to sign off on request, under what circumstances
3. What should the menu of options be
4. Who should pay for what"

### **DBIP (DT Boise Implementation Plan) Update**

ACHD estimates the soonest a decision can be made on converting 5th & 6th is early 2016 (they want to see how 13th goes this year), and the soonest the actual conversion could take place is 2017. Subsequent coordination with CCDC staff and ACHD pavement managers has been included in the draft 5 year CIP. CCDC and ACHD staff have a tentative agreement to partner on combined streetscape/road rebuild projects on Fulton, 9th/east end and Broad, Capitol/2nd, as well as coordinating work on Bannock, 9th/Capitol in 2016. ACHD work on

conversion of 13th and 14th to 2-way is underway; streets will be put into two-way operation in mid-late September.

### **Wayfinding Project**

Manufacture of prototype wayfinding sign and project manual have been delayed ending Federal Highway Administration ruling on compliance of proposed design and color coding scheme with Chapter 2 of the Manual on Uniform Traffic Control Devices (Community Wayfinding section). ACHD staff notified CCDC of this issue on 6/11. Sea Reach submitted updated legend plans for vehicle, bike, pedestrian and parking signs on 8/4.

### **CCDC Business Plan & 5-Year Capital Improvement Plan**

Board reviews in March and April of this year have resulted in a new and coordinated interagency approach and 5-year CIP to be presented for approval at the August 10 Board Meeting.

### **CCDC Capital Improvement Plan**

CCDC Development staff is finalizing draft CIP document for adoption at 8/10 board meeting.

### **Participation Program Update**

Development team meeting 8/13 to discuss proposed revisions. To be considered at 9/14 board meeting.

### **Update CCDC Streetscape Manual**

Subgroup meeting 8/13 to discuss proposals for Main/Fairview. Project team agreed during 7/29 on street types for all other streets, with new connections designated 'special'. Team also agreed on general guidelines for the employment of suspended pavement systems. Need follow up on special furnishing standards for 30th/West End. Draft manual update in progress.

### **Affordable Housing Options**

Staff continues to meet with affordable housing developers and financial providers (such as NMTC) to begin to develop a strategy. Staff is assisting the COB in understanding barriers and parameters to affordable housing in downtown.

### **Capitol Terrace Garage - Waterproofing**

Trash room wall structural restoration, level 6 masonry wall sealing and coping cap replacement and plumbing work started the week of 7/27.

### **Capitol Terrace Parking Expansion**

A request for reconsideration of the project was submitted by Ken Howell on July 22nd. Staff is evaluating the proposal and will respond shortly.

### **Exterior Signage for All Garages**

Max and Matt are meeting with Sea Reach in mid-August (date TBD) to go over the updated parking wayfinding design and sign schedule. Kimley Horne will emulate the wayfinding design theme in developing signs to be mounted on garages and at garage entrances.

### **Parking Rate Examination**

Staff are exploring monthly rate adjustments for CCDC four garages, effective 1-1-16.

### **Parking Strategic Plan**

Two productive Stakeholder meetings were held in late June. The PowerPoint slide presentation and notes from those meetings has been circulated and posted on the Parking Website. Much of the desired data from the Request for Information has been accumulated and is currently being analyzed.

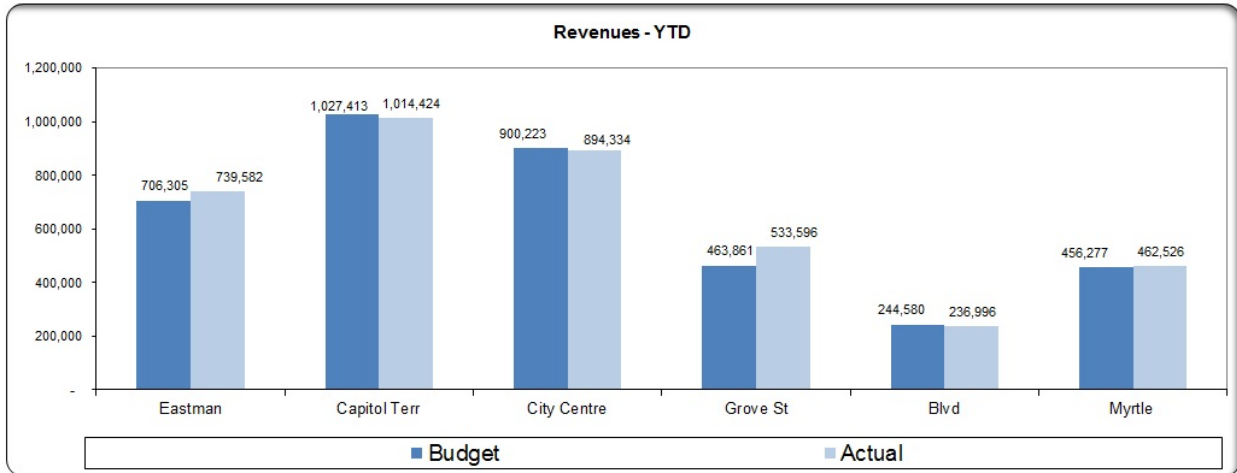
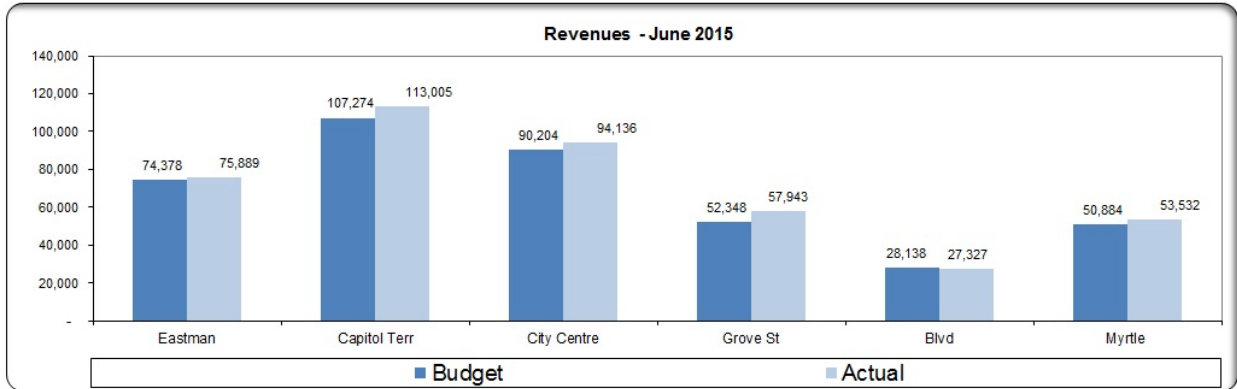
### **Parking Website**

Vendors have been selected. We are reviewing the scopes of work before the contracts can be finalized. Phase 2 (account management) work should start within the next month.

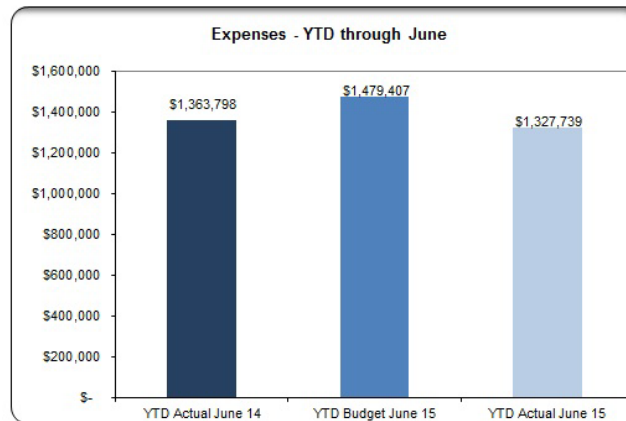
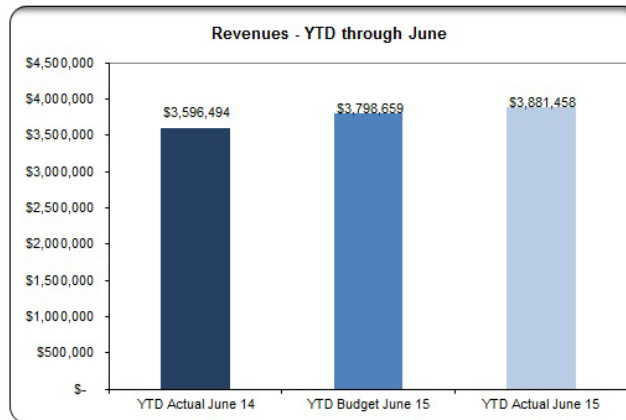
### **Rebranding Parking System**

This project will be initiated in August. We are exploring co-branding our garages with the City's on-street system.

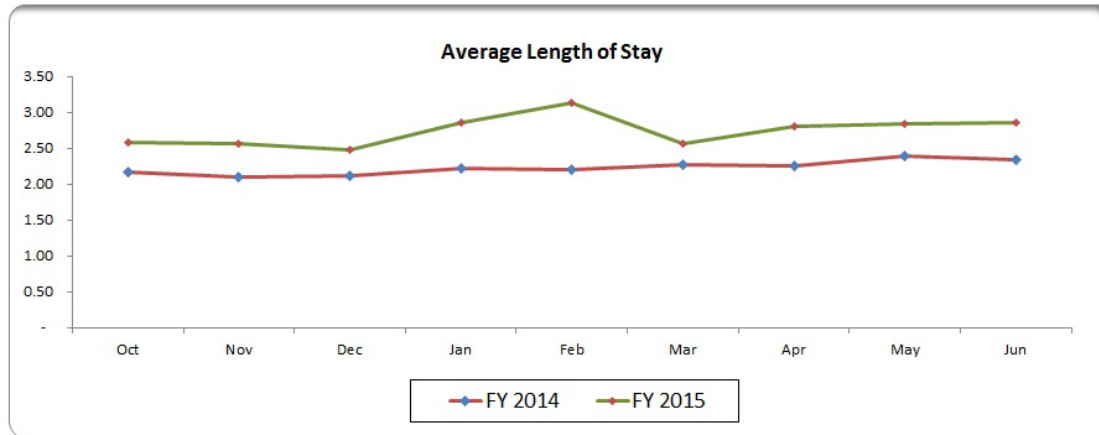
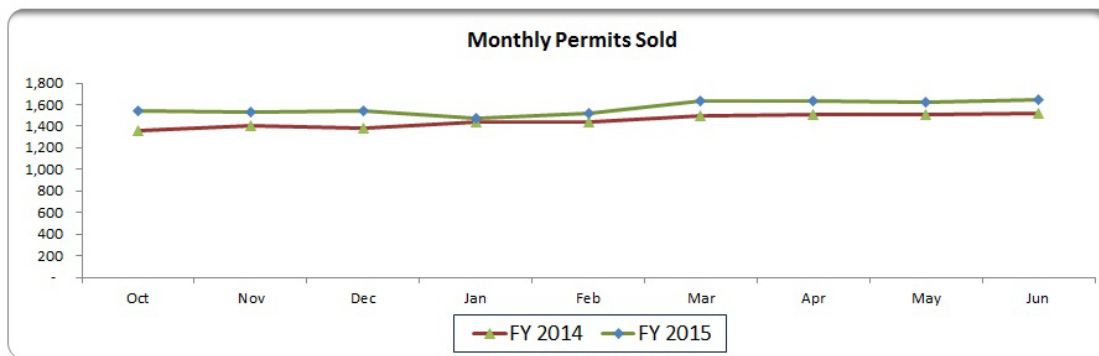
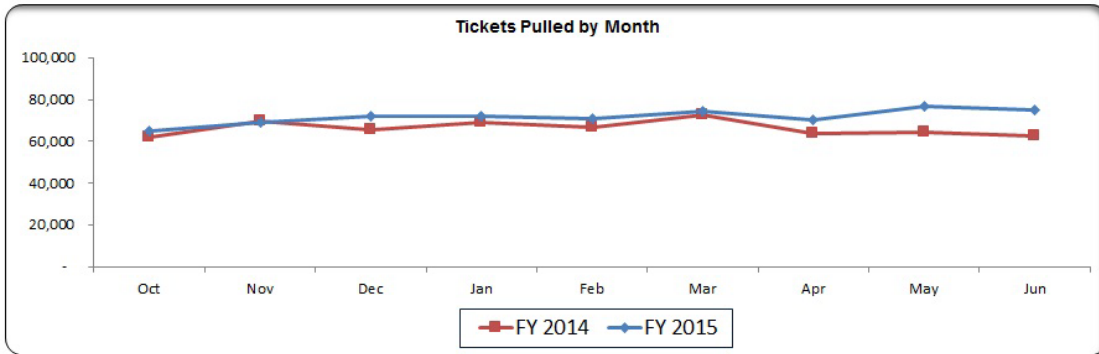
**CCDC  
Parking Results by Garage  
Budget v Actual - Current Month & YTD**



**CCDC**  
**System-wide Parking Operations**  
**Comparisons with Prior Year and Budget**



**CCDC  
System-wide Parking Results  
Tickets Pulled, Permits Sold, and Average Length of Stay by Month - Prior Years v Current Year Actual**



Finance Team: Ross Borden, Mary Watson, Joey Chen, Pam Sheldon, Kevin Martin & Peggy Breski

### **FY2015 Amended and FY2016 Original Budget Development Process**

Drafts of the FY 2015 Amended and FY 2016 Original budgets were previewed by the Executive Committee on Wednesday, July 29. After incorporating the resulting comments, refined drafts were distributed to the full Board on Friday, July 31, with a request for comment prior to the Executive Committee's regular pre-Board meeting on August 6. Along with commissioner-suggested changes, a few numbers are still subject to change, e.g. Revenue Allocation (Tax Increment) amounts that are currently based on estimates of both valuation and levy rates. Ada County is expected to distribute 'final' 2015 valuation reports the week prior to the August Board meeting but the seven taxing districts aren't expected to finalize their levy rates until the middle of month. Actual levy rates should not vary markedly from current estimates. Accompanying the proposed budgets is a proposed amendment to the Working Capital Target section of the Board's Fund Balance Policy. The proposed change from six months of expenditures to four months of average annual revenues is considered reasonable by the Agency's independent auditor. With the Central District in mind, it also adds flexibility during an urban renewal district's last two fiscal years before termination.

### **Bank of America Not-to-Exceed \$5 Million Term Loan / Bond**

Based on discussions with Agency staff, counsel and financial advisor, the Bank of America delivered a second Term Sheet in mid-July for a Not-to-Exceed \$5 million term loan to ensure cash availability for three Central District projects: the redesign / reconstruction of both Grove 2.0 and City Hall plazas and a portion of the Agency's \$2.1 million, 20% local match to Valley Regional Transit's federal earmark for construction of Main Street Station. The final Grove 2.0 project design will follow the currently underway stakeholder discussion / decision process and is targeted for completion coincident with the adjacent City Center Plaza project in FY16. The City Hall plaza and associated streetscape projects have been combined and are now scheduled for FY17. Bank of America has offered favorable terms and modified the original covenants to closely mirror those of the Agency's 2010 financing. Repayment will be made over the final three years of the Central District prior to termination: \$500,000 in FY16 and \$2.25 million in both FY17 and FY18. At its July meeting, the Board authorized Agency staff, counsel and financial advisor to continue negotiations. The Board will see the Term Sheet and Interest Rate Lock Agreement on its August 10 agenda and can expect to consider a resolution and final documents at its August 26 meeting.

### **Ada County Courthouse Complex Bond Payoff**

At the first available opportunity, and seven years prior to maturity, Ada County is ready to pay off all outstanding Series 2005 lease revenue bonds and expenses then purchase the courthouse building and associated parking garage from the Agency. The transaction will consist of paying off the outstanding bonds and modifying the related real estate agreements. The nominal FY15 Principal amount is \$35.4 million. Per the optional redemption process contained in the bond documents, the Ada County Commission directed CCDC to call the



outstanding bonds by notifying Bond Trustee US Bank. The Trustee then notified the bondholders that the bonds will be fully redeemed by August 17, 2015. Ada County will purchase the facilities from CCDC immediately after redemption. US Bank will calculate the final pay off amount, taking into account Ada County ownership of a portion of the bonds. The County will then wire that amount to US Bank on or before August 17, 2015. Bonds maturing on August 15, 2015 will be paid normally. All applicable expenses and obligations-to-pay are being determined. Ada County is obligated to pay for Agency counsel, bond counsel and Trustee fees as well as other fees the Agency may incur. Agency and County counsel have outlined the formal transfer process and are modifying the associated real estate documents including CCDC transfer documents conveying the facilities and personal property to the County.

### **Competitive or Qualifications-Based Procurement Activity**

**Construction Manager / General Contractor (CM/GC):** CCDC is currently advertising two Requests for Qualifications (RFQ). The first is for hiring a CM/GC for the Grove Plaza 2.0 renovation project. The second is for establishing a preapproved list of CM/GCs for high-profile, complex projects that CCDC expects to undertake in the next five years. Proposals for both RFQs must be submitted by Thursday, August 13.

Select, complex Agency public works projects can benefit from hiring construction companies that have special licensing as construction managers. Upon selection, the CM/GC provides pre-construction management services such as working with architects and engineers to ensure constructability, accurate scheduling, and availability of materials and special features. The Agency then negotiates with the CM/GC for a gross maximum price for construction, and the CM/GC completes the project. The CM/GC assumes the risk for any costs above the negotiated amount. Unlike low bid on public works construction, this CM/GC method allows CCDC to select the best contractor for job based on experience, qualifications, and capabilities. In doing so, the Agency benefits from the combined expertise of the designer and the contractor working together early on, resulting in a more predictable construction project and fewer changes along the way to final completion. This procurement method – also known as ‘Construction Manager At Risk’ – was recently added to the law by the Legislature.

**Downtown Parking Brand Identity:** A Request for Qualifications / Proposals (RFQ/P) for strategic parking plan consultant services in cooperation with the City of Boise. CCDC is seeking to select a firm to provide identity branding to enhance public awareness and perception of easy and convenient downtown parking. Proposals are due Wednesday, August 12, with interviews shortly thereafter. While these professional services are excluded from the procurement requirements in state statutes, CCDC is proceeding with this procurement in a manner that mimics a qualifications-based selection process in order to select the best firm for this project.

**Old Boise Streetscapes:**                      **6.5 block faces:**  
Invitation to Bid issued:                      March 10  
Bids Opened:                                      April 2  
Board Awards Contract:                      April 13  
Contract Awarded to:                      Guho Corporation  
Base Bid Amount:                              \$1,225,000

**Westside Streetscapes: 4.5 block faces**

Invitation to Bid Issued:                      June 2  
Bids Opened:                                      June 30  
Board Awards Contract:                      July 13  
Contract Awarded to:                      Guho Corporation  
Bid Amount:                                      \$696,000  
Notes:    Construction contract being prepared;  
Notice to Proceed anticipated week of July 27.

**Capital Terrace Parking Garage Waterproofing.**

Invitation to Bid Issued:                      March 31  
Bids Opened:                                      April 30  
Board Awards Contract:                      May 11  
Contract Awarded to:                      Specialty Systems Inc.  
Bid Amount:                                      \$315,600

**Pioneer Pathway, Phase 3 of 3 (River Street to Greenbelt).**

Invitation to Bid Issued:                      TBD, projected for mid August.  
Bids Opened:                                      TBD, projected early September  
Board Awards Contract:                      TBD, projected September 14 Board meeting  
Contract Awarded to:                      TBD  
Bid Amount:                                      TBD

**Other Contracts Activity**

**The Grove Plaza 2.0.** Task Order with CSHQA for initial design services for the renovation of the Grove Plaza.

**Grove Plaza 2.0 Engraved Brick Campaign: Marketing.** One Time, One Task contract with Guy Hand Productions for photography of the Grove Plaza on a Saturday and during Alive After Five to capture the life of the Grove Plaza and to utilize images in marketing materials for the Grove Plaza 2.0 Engraved Brick Campaign.

**620 S. 9<sup>th</sup> Street.** License agreement to demolish the CCDC warehouse to make way for The Afton condominium development.

**The Roost Parking Study.** Task Order for parking consultants Kimley-Horn Assoc. to provide a functional design review of the future purchase of 89 parking spaces in The Roost apartment development planned at 5<sup>th</sup> & Broad streets.

**Bronco Shuttle Sponsorship.** Finalized agreements for CCDC & DPPS for FY 2016 Bronco Shuttle sponsorship.

**River-Myrtle / Old Boise Paver Repairs.** Work Request for paver repairs in RM-OB district.

**Westside / RM-OB Bike Racks and Benches.** Work Request for Valley Landscaping to install four benches and 17 bike racks in the Westside and RM-OB districts.