

CAPITAL CITY DEVELOPMENT CORPORATION
Board of Commissioners Meeting
Conference Room, Fifth Floor, 121 N. 9th Street
April 9, 2018 12:00 p.m.
A G E N D A

I. **CALL TO ORDER** Chair Zuckerman

II. **AGENDA CHANGES/ADDITIONS** Chair Zuckerman

III. **CONSENT AGENDA**

A. Expenses

1. Approval of Paid Invoice Report – March 2018

B. Minutes and Reports

1. Approval of March 12, 2018 Meeting Minutes

C. Other

- 1 Approve Resolution #1540 - Records Disposition

IV. **ACTION ITEM**

A. CONSIDER: 6th & Front – Type 3 Participation Project, Remnant Disposition, and Parking Permit Purchase Agreement with Front Street Investors, LLC (5 minutes) Laura Williams

B. CONSIDER: Resolution #1535 - Approval of Real Estate Conveyance Agreement with the City of Boise for 617 Ash Street (5 minutes) Shellan Rodriguez

C. CONSIDER: Resolution #1537 - Authorizing Purchase of Property within Westside District (5 minutes) Shellan Rodriguez

D. CONSIDER: Resolution #1539 - Prequalification of Contractors for 10th & Front Garage Concrete Repairs Project (5 minutes) Mary Watson

V. **INFORMATION/DISCUSSION ITEMS**

A. Shoreline URD Update (5 minutes) Shellan Rodriguez

B. Parking and Mobility Programs Update (5 minutes) Max Clark

C. Operations Report (5 minutes) John Brunelle

VI. **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).

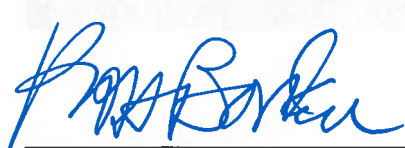


Paid Invoice Report

For the Period: 3/01/2018 through 3/31/2018

Payee	Description	Payment Date	Amount
Payroll:			
EFTPS - IRS	Federal Payroll Taxes	3/14/2018	12,182.66
Idaho State Tax Commission	State Payroll Taxes	3/14/2018	2,455.00
CCDC Employees	Direct Deposits Net Pay	3/14/2018	33,180.87
PERSI	Retirement Payment	3/14/2018	14,790.56
EFTPS - IRS	Federal Payroll Taxes	3/28/2018	12,125.82
Idaho State Tax Commission	State Payroll Taxes	3/28/2018	2,428.00
CCDC Employees	Direct Deposits Net Pay	3/28/2018	32,888.89
PERSI	Retirement Payment	3/28/2018	15,055.02
Total Payroll Payments:			125,106.82
Checks and ACH			
Various Vendors	Check and ACH Payments Issued (See Attached)	March 2018	480,580.68
Total Paid Invoice, Reported Payments:			480,580.68
Total Cash Disbursements:			\$ 605,687.50

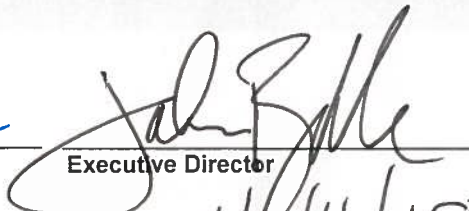
I have reviewed and approved all cash disbursements in the month listed above.



Finance Director

4/4/2018

Date



Executive Director

4/4/18

Date



Board Member

April 6, 2018

Date

Report Criteria:

Detail report type printed

Vendor Number	Name	Invoice Number	Description	Invoice Date	Check Amount	Check Number	Check Issue Date
3652	ACHD Commuteride	2018-14	May in Motion Sponsorship	02/28/2018	5,000.00	62804	03/08/2018
Total 3652:					5,000.00		
1097	Advanced Sign Design	64162-IN-AD	EV Charging Station Sign	03/12/2018	130.00	62829	03/29/2018
		64210-IN	Parking Garage Signs & In	03/23/2018	2,285.00	62829	03/29/2018
Total 1097:					2,415.00		
1139	American Cleaning Service	64860	Trailhead Cleaning	03/01/2018	936.71	10731	03/12/2018
Total 1139:					936.71		
3838	American Fire Protection L	11340	Monthly pump inspection &	03/07/2018	185.00	62830	03/29/2018
Total 3838:					185.00		
4035	Anglyn Property Advisors L	102	Consulting Letter, Cap & Fr	02/22/2018	750.00	10716	03/02/2018
Total 4035:					750.00		
1316	Blue Cross of Idaho	1803200009	Health Insurance - March 2	03/01/2018	22,589.02	62796	03/01/2018
Total 1316:					22,589.02		
1331	Boise Centre	8285-IN	Grove maintenance fee - F	02/01/2018	6,922.00	62800	03/05/2018
		8285-IN	Grove maintenance fee - E	02/01/2018	429.70	62800	03/05/2018
Total 1331:					7,351.70		
1385	Boise City Utility Billing	91177 MAR1	848 Main St # 0447416001	03/01/2018	7.15	10757	03/26/2018
Total 1385:					7.15		
1418	Boise Metro Chamber of C	5780552	Regional Leadership Conf	02/14/2018	1,500.00	10717	03/02/2018
		5780663	Annual Membership Dues	02/21/2018	450.00	10732	03/12/2018
Total 1418:					1,950.00		
1454	BOMA Boise	BS4910A	Idaho Commercial Real Est	02/01/2018	4,500.00	10718	03/02/2018
Total 1454:					4,500.00		
3712	Car Park	JANAURY 20	9th & Main - Eastman	01/31/2018	29,136.95	10730	03/09/2018
		JANAURY 20	Capitol & Main - Cap T	01/31/2018	34,939.44	10730	03/09/2018
		JANAURY 20	9th & Front - City Centre	01/31/2018	31,759.03	10730	03/09/2018
		JANAURY 20	10th & Front - Grove	01/31/2018	27,849.05	10730	03/09/2018
		JANAURY 20	Capitol & Front - BLVD	01/31/2018	14,134.59	10730	03/09/2018
		JANAURY 20	Capitol & Myrtle - Myrtle	01/31/2018	24,362.37	10730	03/09/2018
Total 3712:					162,181.43		
3898	Carver Thornton Young (C	18-0301	8th Street Corridor Const.	02/28/2018	810.00	10733	03/12/2018

Vendor Number	Name	Invoice Number	Description	Invoice Date	Check Amount	Check Number	Check Issue Date
Total 3898:					810.00		
1556	Caselle Inc.	85824	Contract support - March 2	03/01/2018	787.33	62797	03/01/2018
Total 1556:					787.33		
2810	CenturyLink	1435411641	Grove - Data Service	03/11/2018	1,214.33	62831	03/29/2018
		MARCH 201	Grove - Data Service	03/05/2018	1,214.33	10771	03/23/2018
Total 2810:					2,428.66		
1595	CITY OF BOISE	IK5	Park & Ride Q1	02/28/2018	16,870.00	62825	03/22/2018
		IL1076	Down Town Core Maint - C	12/31/2017	2,220.00	62801	03/05/2018
		IL1076	Down Town Core Maint - R	12/31/2017	1,509.60	62801	03/05/2018
		IL1076	Down Town Core Maint -	12/31/2017	710.40	62801	03/05/2018
		IL1077	Down Town Core Maint - C	01/31/2018	1,110.00	62801	03/05/2018
		IL1077	Down Town Core Maint - R	01/31/2018	754.80	62801	03/05/2018
		IL1077	Down Town Core Maint -	01/31/2018	355.20	62801	03/05/2018
		IL1084	Down Town Core Maint - C	02/02/2018	1,110.00	62801	03/05/2018
		IL1084	Down Town Core Maint - R	02/02/2018	754.80	62801	03/05/2018
		IL1084	Down Town Core Maint -	02/02/2018	355.20	62801	03/05/2018
		IL1095	Down Town Core Maint - C	03/01/2018	1,110.00	62832	03/29/2018
		IL1095	Down Town Core Maint - R	03/01/2018	754.80	62832	03/29/2018
		IL1095	Down Town Core Maint -	03/01/2018	355.20	62832	03/29/2018
Total 1595:					27,970.00		
3947	Crane Alarm Service	15023	Troubleshooting Main Pan	02/20/2018	545.00	62805	03/08/2018
		9408	Fire Alarm System - Monito	03/01/2018	25.00	62805	03/08/2018
Total 3947:					570.00		
1703	CSHQA	30639	Garage Signage	01/31/2018	766.32	10725	03/07/2018
		30686	Central dist. Infrastructure	01/31/2018	990.00	10725	03/07/2018
		30686	2018 CD Public Improvem	01/31/2018	15,504.50	10725	03/07/2018
Total 1703:					17,260.82		
1787	Downtown Boise Associati	8152	Parking Map and Directory	03/09/2018	1,800.00	62820	03/21/2018
Total 1787:					1,800.00		
1832	Eide Bailly LLP	EI00604755	Audit 2017	02/13/2018	1,250.00	10719	03/02/2018
Total 1832:					1,250.00		
1838	Elam & Burke P.A.	171717	Carley Project - 5th & Front	01/31/2018	1,285.00	10726	03/07/2018
		171718	Ash Street Properties	01/31/2018	1,880.00	10726	03/07/2018
		171719	30th Street	01/31/2018	180.00	10726	03/07/2018
		171720	CD Closeout	01/31/2018	740.00	10726	03/07/2018
		171722	Fowler	01/31/2018	505.00	10726	03/07/2018
		171723	GBAD	01/31/2018	34.00	10726	03/07/2018
		171724	Parcel B Hotel Project	01/31/2018	1,602.00	10726	03/07/2018
		171725	Parking Matters	01/31/2018	480.00	10726	03/07/2018
		171726	Multi-Purpose Facility & Sh	01/31/2018	9,905.00	10726	03/07/2018
		171727	101-0 General	01/31/2018	2,214.50	10726	03/07/2018

Vendor Number	Name	Invoice Number	Description	Invoice Date	Check Amount	Check Number	Check Issue Date
		171729	RM Implement	01/31/2018	245.00	10726	03/07/2018
		171730	Legislation	01/31/2018	140.00	10726	03/07/2018
		171731	WS District	01/31/2018	1,684.50	10726	03/07/2018
		171732	New URD - GWD	01/31/2018	44.80	10726	03/07/2018
	Total 1838:				20,939.80		
4047	FastSigns	EST-2418	Garage Signage - 11th/Fro	02/28/2018	791.57	62806	03/08/2018
	Total 4047:				791.57		
1898	Fiberpipe	1821	E-mail & Audio hosting	03/01/2018	64.90	10734	03/12/2018
	Total 1898:				64.90		
3807	FreedomVoice Systems	2018-030105	Monthly Service	03/01/2018	554.65	62807	03/08/2018
	Total 3807:				554.65		
3832	Glancey Rockwell & Associ	16062	CCDC Garage Add Wayfin	02/28/2018	179.98	62821	03/21/2018
	Total 3832:				179.98		
3695	Guho Corp.	17084-01	2018 CD Public Improvem	02/28/2018	37,611.85	10742	03/14/2018
	Total 3695:				37,611.85		
3872	Guy Hand Productions	1806	Pictures for CCDC Annual	02/14/2018	5,800.00	62802	03/05/2018
	Total 3872:				5,800.00		
3497	Hampton Inn & Suites	CRANA ALA	Reimburse for Crane Alarm	06/01/2017	2,960.00	Multiple	Multiple
	Total 3497:				2,960.00		
3853	Hawkins Companies LLC	JANUARY-M	Cap T. Condo: Jan- Mar. 2	02/28/2018	13,038.78	62826	03/22/2018
	Total 3853:				13,038.78		
2129	Idaho Blueprint & Supply C	421258	URD Map	02/01/2018	51.98	10735	03/12/2018
	Total 2129:				51.98		
2165	Idaho Power	10368 MAR1	617 S Ash #2200910368	03/05/2018	5.94	10748	03/20/2018
		2223708260	421 N 10th St, 222370826	02/28/2018	652.31	62808	03/08/2018
		27995 FEB1	9th & State # 2201627995	02/28/2018	3.54	10748	03/20/2018
		34903 MAR1	8th St lights #2202934903	03/05/2018	84.58	10748	03/20/2018
		406607 MAR	9th St outlets #220040660	03/15/2018	3.54	10770	03/20/2018
		83212 MAR1	Grove Vault #2205983212	03/05/2018	48.17	10748	03/20/2018
		WO# 275004	Undergrounding Power - 1	02/13/2018	6,414.00	62803	03/05/2018
		WO# 275004	Undergrounding Power - 1	02/13/2018	1,775.00	62803	03/05/2018
	Total 2165:				8,987.08		
3900	Idaho Records Manageme	0125870	Records Storage	02/28/2018	92.22	10736	03/12/2018

Vendor Number	Name	Invoice Number	Description	Invoice Date	Check Amount	Check Number	Check Issue Date
Total 3900:					92.22		
4053	Idaho Walk Bike Alliance	2018 STRID	Strider Sponsorship	03/14/2018	2,500.00	62823	03/21/2018
Total 4053:					2,500.00		
3965	In The Bag Promotions Inc.	9171	CCDC Branded Apperal Or	03/20/2018	1,227.96	62833	03/29/2018
Total 3965:					1,227.96		
2240	Intermountain Gas Compa	30007 FEB1	617 Ash St #69482130007	02/21/2018	15.95	10747	03/14/2018
		99689 FEB1	415 N 10th #75314699689	02/21/2018	232.65	62809	03/08/2018
		99689 MARC	415 N 10th #75314699689	03/22/2018	442.77	62834	03/29/2018
Total 2240:					691.37		
3966	Involta	0030582	Website Hosting Services	02/28/2018	1,347.90	62810	03/08/2018
Total 3966:					1,347.90		
2288	Jensen Belts	1603-24	2016 LIV District Public Infr	01/31/2018	3,144.00	10727	03/07/2018
		1765-2	WD, Downtown Urban Par	01/31/2018	3,776.00	10727	03/07/2018
		1768-1	Streetscape Design Next Y	01/31/2018	3,554.00	10727	03/07/2018
		1768-1	Streetscape Design Next Y	01/31/2018	2,754.00	10727	03/07/2018
		1768-2	Streetscape Design Next Y	02/28/2018	1,104.00	10749	03/26/2018
Total 2288:					14,332.00		
2360	Kittelton & Associates Inc.	0093476	8th/River Crossing Study	02/23/2018	1,700.00	62811	03/08/2018
Total 2360:					1,700.00		
3439	KPFF Consulting Engineer	182604	Parking Garage Repair Ass	01/31/2018	310.00	10720	03/02/2018
Total 3439:					310.00		
3819	Level 3 Communications L	67084826	Internet & Data	02/17/2018	605.18	62812	03/08/2018
		69420775	Internet & Data	03/17/2018	605.18	62835	03/29/2018
Total 3819:					1,210.36		
3881	Mary E. Watson	PLANT	Office Related Reimb.	03/27/2018	10.58	10758	03/30/2018
Total 3881:					10.58		
2465	Materials Testing & Inspect	150796	Exterior Signs for Garages	02/08/2018	125.20	10721	03/02/2018
		150908	10th & Front Garage Evalu	02/08/2018	300.00	10721	03/02/2018
		150908	10th & Front Garage Evalu	02/08/2018	100.00	10721	03/02/2018
		151134	Exterior Signs for Garages	02/22/2018	102.20	10721	03/02/2018
		151169	Suicide Prevention Rail 9th	02/22/2018	170.80	10721	03/02/2018
		151460	Exterior Signs for Garages	02/28/2018	204.40	10750	03/26/2018
Total 2465:					1,002.60		
4018	Merit Professional Coating	DRAW #3 R	Lobbies & Stairwells Painti	03/01/2018	3,515.15	62827	03/22/2018
		DRAW #4 R	Lobbies & Stairwells Painti	03/01/2018	2,790.00	62827	03/22/2018

Vendor Number	Name	Invoice Number	Description	Invoice Date	Check Amount	Check Number	Check Issue Date
Total 4018:					6,305.15		
3833	Musgrove Engineering P.A.	16-198L	Power Line Relocation - T	02/23/2018	415.00	10737	03/12/2018
Total 3833:					415.00		
3813	Oliver Russell	22410	Downtown Parking Ads	03/01/2018	20,000.00	62828	03/23/2018
Total 3813:					20,000.00		
2774	Pro Care Landscape Mana	18838	Snow Removal 421 N 10th	02/28/2018	1,015.50	62813	03/08/2018
Total 2774:					1,015.50		
2798	Quadrant Consulting Inc.	9633	ALTA Survey of 1010 Jeffe	02/28/2018	1,429.72	62836	03/29/2018
Total 2798:					1,429.72		
3896	Rim View LLC	MARCH 201	Monthly Rent and NNN - Tr	03/01/2018	13,279.29	62798	03/01/2018
Total 3896:					13,279.29		
3796	Scheidt & Bachmann USA	30731	CC Compliance PCI Patch	12/31/2017	1,500.00	10751	03/26/2018
		31030	January 2018 Merchant Fe	01/31/2018	994.76	10722	03/02/2018
		31504	February 2018 Merchant F	02/28/2018	894.22	10751	03/26/2018
Total 3796:					3,388.98		
3542	Security LLC - Plaza 121	MARCH 201	Office rent - March 2018	03/01/2018	10,898.86	62799	03/01/2018
Total 3542:					10,898.86		
3949	Shellan Rodriguez	PMI WESTE	PMI CE - Reimbursement	03/19/2018	149.00	10756	03/26/2018
Total 3949:					149.00		
3974	Stability Networks Inc.	26368	Complete Care Network Su	02/28/2018	1,960.00	10738	03/12/2018
		26368	Azure Cloud Backup	02/28/2018	420.00	10738	03/12/2018
		26472	New Computer Equipment	03/16/2018	4,494.00	10752	03/26/2018
Total 3974:					6,874.00		
3029	State Insurance Fund	17655483	Workers Comp	02/26/2018	841.00	62814	03/08/2018
Total 3029:					841.00		
3242	Suez Water Idaho	192853 MAR	Eastman office #06000337	03/13/2018	62.22	10759	03/30/2018
		230025 MAR	437 S 9th St irri #06006688	03/13/2018	29.94	10759	03/30/2018
		28504 MAR1	Grove & 10th #060035756	03/13/2018	50.87	10759	03/30/2018
		34259 MAR1	516 S 9th St irri #06006391	03/13/2018	29.94	10759	03/30/2018
		38055 MARC	421 N 10th Street 0600434	03/13/2018	62.60	62837	03/29/2018
		531111 MAR	8th & GROVE #060072175	03/14/2018	52.48	10759	03/30/2018
		621111 MAR	617 Ash St water #060063	03/13/2018	23.53	10759	03/30/2018
Total 3242:					311.58		

Vendor Number	Name	Invoice Number	Description	Invoice Date	Check Amount	Check Number	Check Issue Date
3831	The Land Group Inc.	0139460	RD, River Street SS, Ash t	02/28/2018	5,380.49	10743	03/14/2018
Total 3831:					5,380.49		
3907	Total System Services	C000898	HVAC Agreement @ Trailh	02/01/2018	99.56	62815	03/08/2018
Total 3907:					99.56		
3170	Treasure Valley Coffee Inc.	05100414	Tea	03/01/2018	14.30	10739	03/12/2018
		05452775	Water & Cooler Rental	03/06/2018	77.65	10753	03/26/2018
		05484260	Coffee & tea	03/05/2018	137.15	10739	03/12/2018
Total 3170:					229.10		
3248	ULI-Urban Land Institute	ULI OPEN S	Grove Plaza Open Space	03/08/2018	200.00	Multiple	Multiple
Total 3248:					200.00		
3233	United Heritage	02014-001 M	ST & LT Dissability & Life I	03/01/2018	1,320.22	62816	03/08/2018
Total 3233:					1,320.22		
3835	US Bank - Credit Cards	02.26.2018	Voice, data & webhosting s	02/26/2018	25.00	10745	03/14/2018
		02.26.2018	Office Supplies	02/26/2018	248.79	10745	03/14/2018
		02.26.2018	Computer & Software Supp	02/26/2018	176.77	10745	03/14/2018
		02.26.2018	Postage	02/26/2018	220.00	10745	03/14/2018
		02.26.2018	Dues & Subscriptions	02/26/2018	249.00	10745	03/14/2018
		02.26.2018	Travel & Meeting(non-local	02/26/2018	409.59	10745	03/14/2018
		02.26.2018	Personnel Training (Local)	02/26/2018	1,065.28	10745	03/14/2018
		02.26.2018	Local Meetings & Transpor	02/26/2018	519.07	10745	03/14/2018
		02.26.2018	Professional Services Gen	02/26/2018	236.80	10745	03/14/2018
		02.26.2018	The Grove - Operations	02/26/2018	180.19	10745	03/14/2018
		02.26.2018	Repairs & Maintenance	02/26/2018	539.70	10745	03/14/2018
Total 3835:					3,870.19		
3864	USI Idaho Kibble & Prentic	2347568	Commercial Package FY20	02/22/2018	1,116.00	62817	03/08/2018
Total 3864:					1,116.00		
3841	VoiceText Communications	20345	Conference calls	02/04/2018	7.37	10723	03/02/2018
		3.11.18-3133	Conference calls	03/11/2018	3.95	10754	03/26/2018
Total 3841:					11.32		
3997	Wash Worx	#INV-000264	WS - Bike Racks - Main Str	03/05/2018	5,175.00	10744	03/14/2018
		INV-000259	Suicide Prevention Rail 9th	02/14/2018	10,000.00	10728	03/07/2018
		INV-000265	Bike Rack Install - Chambe	03/10/2018	500.00	10755	03/26/2018
Total 3997:					15,675.00		
3365	Westerberg & Associates	206	Legislative Advisement Ser	01/31/2018	5,000.00	10724	03/02/2018
		207	Legislative Advisement Ser	02/28/2018	5,000.00	10729	03/05/2018
Total 3365:					10,000.00		
3998	Western Records Destructi	0387777	Records Destroyed	03/01/2018	40.00	62824	03/21/2018

Vendor Number	Name	Invoice Number	Description	Invoice Date	Check Amount	Check Number	Check Issue Date
Total 3998:					40.00		
3374	Western States Equipment	613795	Bldg 8 generator maintena	03/27/2018	625.23	62838	03/29/2018
		IN591818	Bldg 8 generator maintena	02/28/2018	235.15	62818	03/08/2018
		IN591823	Bldg 8 generator maintena	02/28/2018	262.28	62818	03/08/2018
Total 3374:					1,122.66		
3990	Xerox Corporation	092442983	Copier Lease	02/28/2018	459.66	10741	03/12/2018
Total 3990:					459.66		
Grand Totals:					480,580.68		

Report Criteria:

Detail report type printed

MINUTES OF REGULAR MEETING
BOARD OF COMMISSIONERS
CAPITAL CITY DEVELOPMENT CORPORATION
121 N. 9th St., Conference Room
Boise, ID 83702
March 12, 2018 12:00 p.m.

I. CALL TO ORDER:

Chairman Zuckerman convened the meeting with a quorum at 12:00 p.m.

Present were: Commissioner David Bieter, Commissioner Scot Ludwig, Commissioner Gordon Jones, Commissioner Ben Quintana, Commissioner Ryan Woodings, and Commissioner Dana Zuckerman.

Commissioner MaryAnne Jordan was absent.

Commissioner Scot Ludwig left the meeting at 1:10 p.m.

Agency staff members present were: John Brunelle, Executive Director; Todd Bunderson, Development Director; Max Clark, Parking and Mobility Director; Ross Borden, Finance & Administration Director; Mary Watson, General Counsel & Contracts Manager; Doug Woodruff, Senior Project Manager; Karl Woods, Project Manager; Laura Williams, Project Manager; Matt Edmond, Project Manager; Shellan Rodriguez, Real Estate Development Manager; Kathy Wanner, Contracts Specialist; and Sandy Lawrence, Administrative Assistant. Also present was Agency legal counsel, Ryan Armbruster.

II. AGENDA CHANGES/ADDITIONS:

Commissioner Woodings moved to amend the Agenda posted on March 8, 2018 to include Action Item E: 1536 – Approval of Termination of the Purchase and Sale Agreement for the condominium of 406 S. 5th Street, aka 5th & Broad Garage. At the time the original agenda was posted, Action Item E had not yet been presented for inclusion on the agenda.

Commissioner Ludwig recused himself from voting on the consent agenda.

Commissioner Quintana seconded the motion.

With the exception of Commissioner Ludwig, All said Aye. The motion carried, 5-0.

III. CONSENT AGENDA:

Expenses

1. Approval of Paid Invoice Report – February 2018

B. Minutes and Reports

1. Approval of February 12, 2018 Meeting Minutes

C. Other

1. Approve Resolution #1530 – 222 N 8th Street – Diablo & Sons – Type One Participation Agreement with Bittercreek/Red Feather LLC [Designation 2/12/18, NTE \$150,000]
2. Approve Resolution #1531 – 122 N 5th Street – Shops on 5th – Type One Participation Agreement with Brownfield's Building, LLC [Designation 2/12/18, NTE \$150,000]
3. Approve Resolution #1534 Approval of 201 N 29th Street – Whittier Elementary – Type Four Participation Agreement with Boise School District [Designation 2/12/18, NTE \$540,000]
4. Approve FY 2018 Q1 Financial Report, October 1 thru December 31, 2017 (Unaudited)

Commissioner Bieter made a motion to approve the Consent Agenda.
Commissioner Woodings seconded the motion.

All said Aye, the motion carried 6 – 0.

IV. ACTION ITEM

A. PUBLIC MEETING: 2017 Annual Report

There being no public comments, Commissioner Zuckerman requested a brief statement on the Annual Report from CCDC Executive Director John Brunelle.

B. CONSIDER: Approval of the 2017 Annual Report

John Brunelle, CCDC Executive Director, gave a report.

Commissioner Bieter moved to approve the 2017 Annual Report for publication.
Commissioner Woodings seconded the motion.

All said Aye. The motion carried, 6 – 0.

C. CONSIDER: Approval of the 2018-2022 Capital Improvement Mid-Year Amendment

Todd Bunderson, CCDC Development Director, and Laura Williams, CCDC Project Manager, gave a report.

Commissioner Woodings moved to approve the mid-year CIP Amendment as presented.
Commissioner Quintana seconded the motion.

All said Aye. The motion carried, 6 – 0.

D. CONSIDER: Capitol & Front Garage Disposition – Discuss and Approve Disposition Process and Request for Proposals

Laura Williams, CCDC Project Manager, and Todd Bunderson, CCDC Development Director, gave a report.

Commissioner Woodings moved to authorize the Executive Director to finalize the Capitol & Front Garage Request for Proposals, and publish the RFP using the process as outlined.

Commissioner Quintana seconded the motion.

All said Aye. The motion carried, 6-0.

E. CONSIDER: Resolution #1536 – Approval of Termination of the Purchase and Sale Agreement for the condominium of 406 S. 5th Street, aka 5th & Broad Garage

Shellan Rodriguez, CCDC Real Estate Development Manager, gave a report.

Commissioner Ludwig recused himself from voting on Resolution #1536.

Commissioner Zuckerman moved to adopt Resolution #1536, approving and authorizing Staff to proceed to finalize the Termination of Purchase and Sale Agreement for Unit 1 Parking Unit of The Fowler Apartment Building.

Commissioner Quintana seconded the motion.

With the exception of Commissioner Ludwig, All said Aye. The motion carried, 5-0.

Commissioner Ludwig left the meeting at 1:15 p.m.

F. CONSIDER: Resolution #1532 – Central District CMGC Contract Amendment #2, Freak Alley and Union Alley Improvements

Doug Woodruff, CCDC Project Manager, gave a report.

Commissioner Woodings moved to adopt Resolution #1532, authorizing the amendment of the Central District CM/GC Agreement with Guho Corporation.

Commissioner Quintana seconded the motion.

All said Aye. The motion carried, 5-0.

G. CONSIDER: Resolution #1533 – Approval of Consultant Services Contract for Shoreline District Formation

Doug Woodruff, CCDC Project Manager, gave a report.

Commissioner Woodings moved to adopt Resolution #1533 and authorize the professional services agreement with CTA for the Shoreline District Urban Framework Plan.

Commissioner Quintana seconded the motion.

All said Aye. The motion carried, 5-0.

H. CONSIDER: Resolution #1538 – Awarding Contract for the Power Line Relocation Project: Main & Idaho Alley | 3rd to 5th Streets

Kathy Wanner, CCDC Contracts Specialist, gave a report.

Commissioner Woodings moved to adopt Resolution #1538 recognizing Anderson & Wood Construction Co., Inc. as the lowest responsive bidder, awarding the Power Line Relocation: Main & Idaho Alley | 3rd To 5th Street Project contract to Anderson & Wood Construction Co., Inc. for the total Base Bid amount of \$328,767.90, and authorizing the Executive Director to negotiate and execute the contract and to expend funds as set forth in the resolution.

Commissioner Quintana seconded the motion.

All said Aye. The motion carried, 5-0.

V. INFORMATION/DISCUSSION ITEMS:

A. Operations Report

John Brunelle, CCDC Executive Director, gave a report.

VI. EXECUTIVE SESSION

A motion was made by Commissioner Woodings to go into an executive session at 1:35 p.m. to deliberate regarding acquisition of an interest in real property which is not owned by a public agency [Idaho Code 67-2345(1)(c)]. Commissioner Quintana seconded the motion. A roll call vote was taken:

Commissioner Bieter	Aye
Commissioner Ludwig	Absent
Commissioner Jordan	Absent
Commissioner Jones	Aye
Commissioner Quintana	Aye

Commissioner Woodings Aye
Commissioner Zuckerman Aye

All said Aye. The motion carried, 5-0.

EXECUTIVE MEETING ADJOURNMENT

Commissioner Quintana left the meeting at 1:55 p.m. A motion was made by Commissioner Woodings to adjourn executive session at 1:55 p.m. and return to the public meeting. Commissioner Bieter seconded the motion. A roll call vote was taken:

Commissioner Bieter Aye
Commissioner Ludwig Absent
Commissioner Jordan Absent
Commissioner Jones Aye
Commissioner Quintana Absent
Commissioner Woodings Aye
Commissioner Zuckerman Aye

All said Aye. The motion carried 4 – 0.

VII. REGULAR MEETING ADJOURNMENT

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

All said Aye. The motion carried, 5-0.

The meeting was adjourned at 1:56 p.m.

- - - -

ADOPTED BY THE BOARD OF DIRECTORS OF THE CAPITAL CITY DEVELOPMENT CORPORATION ON THE 9th day of April, 2018.

Dana Zuckerman, Chair

Ryan Woodings, Vice Chair

RESOLUTION NO. 1540

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 DESTRUCTION OF CERTAIN RECORDS ELIGIBLE FOR DESTRUCTION PURSUANT TO THE PUBLIC RECORDS RETENTION POLICY APPROVED ON MARCH 13, 2017, THROUGH THE ADOPTION OF RESOLUTION NUMBER 1487; AUTHORIZING THE EXECUTIVE DIRECTOR TO DESTROY THOSE RECORDS CURRENTLY ELIGIBLE FOR DESTRUCTION; 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, and the Local Economic Development Act, as amended and supplemented, Chapter 29, Title 50, Idaho Code (collectively, the "Act"), as a duly created and functioning urban renewal agency for Boise City, Idaho (hereinafter referred to as the "Agency"); and,

WHEREAS, the City Council of the City of Boise City, Idaho (the "City"), after notice duly published, conducted a public hearing on the 1987 Amended and Restated Urban Renewal Plan for the Boise Central District Project I, Idaho R-4, and Project II, Idaho R-5 (the "Boise Central District Urban Renewal Plan") and, following said public hearing, the City adopted its Ordinance No. 5026 on August 19, 1987, approving the Boise Central District Urban Renewal Plan and making certain findings; and,

WHEREAS, the City, after notice duly published, conducted a public hearing on the 1994 Amended and Restated Urban Renewal Plan for the Boise Central District Project I, Idaho R-4, and Project II, Idaho R-5 (the "1994 Amended Urban Renewal Plan") and, following said public hearing, the City adopted its Ordinance No. 5597 on December 6, 1994, approving the 1994 Amended Urban Renewal Plan and making certain findings; and,

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 "Central District Plan") and, following said public hearing, the City adopted its Ordinance No. 6576 on June 26, 2007, effective upon publication on July 23, 2007, approving the Central District Plan; and,

WHEREAS, the City, after notice duly published, conducted a public hearing on the River Street-Myrtle Street Urban Renewal Plan (the "River Street Plan"), and following said public hearing the City adopted its Ordinance No. 5596 on December 6, 1994, approving the River Street Plan and making certain findings; and,

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 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; and,

WHEREAS, the City, after notice duly published, conducted a public hearing on the Westside Downtown Urban Renewal Plan (the "Westside Plan"), and following said public hearing the City adopted its Ordinance No. 6108 on December 4, 2001, approving the Westside Plan and making certain findings; and,

WHEREAS, the City after notice duly published, conducted a public hearing on the 30th Street Area Urban Renewal Plan ("30th Street Plan"), and following said public hearing, the City adopted its Ordinance No. 6868 on December 4, 2012, approving the 30th Street Plan and making certain findings; and,

WHEREAS, the Agency Board on March 13, 2017, approved Agency Resolution No. 1487, which adopted the Agency's Public Records Retention Policy and Email Policy (the "Public Record Retention Policy"), consistent with Idaho Code Section 50-907 regarding the classification and retention of records; and,

WHEREAS, Agency staff believes it to be beneficial to have the Agency Board approve the destruction of records identified on Exhibit A, attached to this Resolution and incorporated by reference as if set forth in total herein, which are currently eligible for destruction pursuant to the Public Record Retention Policy; and,

WHEREAS, Agency staff has notified the Boise City Clerk in writing that certain records are scheduled for destruction and has invited the City to notify the Agency within 30 days whether they wish to retain all or a portion of said records at their own expense; and,

WHEREAS, Agency staff recommends approval of the destruction of those records currently eligible for destruction according the Public Record Retention Policy, unless the Boise City Clerk should respond affirmatively within the given time frame that they wish the records to be retained; and,

WHEREAS, the Board finds it in the best interests of the Agency and the public to approve the destruction of those records currently eligible for destruction, provided that the Boise City Clerk does not indicate that the records should be retained.

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 Executive Director is authorized and directed to take all action to destroy the records listed on Exhibit A, attached hereto, including providing advance notice to the Boise City Clerk.

Section 3: 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 April 9, 2018.
Signed by the Chair of the Board of Commissioners and attested by the Secretary to the
Board of Commissioners on this 9th day of April, 2018.

URBAN RENEWAL AGENCY OF BOISE CITY

By: _____
Dana Zuckerman, Chair

ATTEST:

By: _____
Secretary



RECORDS DESTRUCTION EXHIBIT SUMMARY SHEET

By my signature below, I certify the following statements.

I have reviewed the list of documents on the attached Exhibit. The listed documents are semi-permanent or temporary records as described in the Public Records Retention Policy adopted by the CCDC Board on March 13, 2017. All of the documents listed on the attached Exhibit are beyond the retention requirement and are therefore eligible for destruction.

The Boise City Clerk has been notified in writing of CCDC's intent to destroy these documents (see attached letter). CCDC will hold destruction of the documents until the date noted in the letter to provide the City Clerk an opportunity to request retention of the documents if they wish.


Kathy Wanner


Date

CCDC RECORDS ELIGIBLE FOR DESTRUCTION

Board Review Date: 04/09/2018 - Resolution No 1540

Date	Contents	Retention Classification	Eligible Destruction Date & Review
	Competitive Selection records (bid invitations, statements of qualification, bid responses, notice of award)	SEMI-PERMANENT	
FY2010	Power Washing Services - Parking Garages - Bids rejected	SEMI-PERMANENT	4/2/2015
FY2010	Historic Light Poles - 2010 Streetscape	SEMI-PERMANENT	7/15/2015
FY2010	Power Washing Services - Parking Garages	SEMI-PERMANENT	7/29/2015
FY2010	Copiers	SEMI-PERMANENT	9/13/2015
FY2010	Capital Terrace Stairs & Landings Project	SEMI-PERMANENT	10/1/2015
FY2011	511 S Ash Street - Demolition	SEMI-PERMANENT	1/6/2016
FY2011	RFQ - PARCS Equipment	SEMI-PERMANENT	2/24/2016
FY2011	City Centre Stair Replacement Project	SEMI-PERMANENT	3/14/2016
FY2011	RFQ - Executive Director Search Company	SEMI-PERMANENT	3/15/2016
FY2011	Historic Street Lights	SEMI-PERMANENT	3/18/2016
FY2011	Eastman Garage Waterproofing Project	SEMI-PERMANENT	4/11/2015
FY2011	2011 Streetscapes	SEMI-PERMANENT	4/12/2016
FY2011	IFB - PARCS Equipment	SEMI-PERMANENT	4/15/2016
FY2011	Watercooler Parking Lot & Streetscape	SEMI-PERMANENT	8/8/2016
FY2011	Modern Parking Meter Pilot Project - RFP	SEMI-PERMANENT	9/28/2016
FY2011	City Centre Garage Fire Sprinkler Project	SEMI-PERMANENT	10/21/2016
FY2011	RFQ - Design Build Team - City Centre Garage Fire Sprinkler	SEMI-PERMANENT	10/24/2016
FY2011	DPPS Operator RFP	SEMI-PERMANENT	12/23/2016
FY2012	Historic Street Lights	SEMI-PERMANENT	3/9/2017
FY2012	2012 Streetscapes	SEMI-PERMANENT	5/31/2017
FY2012	2012 Bicycle Racks - informal	SEMI-PERMANENT	6/1/2017
FY2012	2012 Waterproofing Project - DPPS	SEMI-PERMANENT	6/4/2017
FY2012	RFP - PARCS Wireless Network	SEMI-PERMANENT	7/3/2017
FY2012	IFB - Power Washing Services 2012	SEMI-PERMANENT	6/5/2017
FY2012	Street Trees - Informal		

CCDC RECORDS ELIGIBLE FOR DESTRUCTION

Board Review Date: 04/09/2018 - Resolution No 1540

Date	Contents	Retention Classification	Eligible Destruction Date & Review
FY1994 - FY2006	Misc Interagency Agreements, Improvement Agreements	SEMI-PERMANENT	12/31/2011
FY2011	Misc Improvement agreements	SEMI-PERMANENT	12/31/2016
FY2006 / FY2011	Misc Expired 8th Street Sidewalk License Agreements	SEMI-PERMANENT	12/31/2016
FY2010 / FY 2011	Misc Task Orders	SEMI-PERMANENT	12/31/2016
FY 2009 - FY2011	Public Records Requests	SEMI-PERMANENT	12/31/2013



April 9, 2018

Jamie Heinzerling
Deputy City Clerk
PO Box 500
Boise, ID 83701

Re: Public Records Destruction

Dear Ms. Heinzerling,

Attached is Capital City Development Corporation's Resolution No. 1540 which will be presented to our Board for adoption on April 9, 2018. If adopted, this resolution authorizes the destruction of the attached temporary and semi-permanent records.

In compliance with Idaho Code Section 50-907 and the CCDC Public Records Retention Policy (approved on March 13, 2017, through the adoption of CCDC Resolution No. 1487), we are notifying you of our intent to destroy these records.

If you would like any of these documents to be retained, please notify me by May 9, 2018. If CCDC does not hear from you by that date and the Board approves Resolution No. 1540, we will proceed with the destruction of these records on or after May 9, 2018.

Please contact me by phone at 208-384-4264 or email at kwanner@ccdcb Boise.com if you have any questions or require further information.

Sincerely,

Kathy Wanner
Contracts Specialist



AGENDA BILL

Agenda Subject: 6 th and Front – Type 3 Participation Project, Remnant Disposition, and Parking Permit Purchase Agreement with Front Street Investors, LLC		Date: 4/9/2018
Staff Contact: Laura Williams	Attachments: 1 – Site Map 2 – Public Improvement Plan 3 – Renderings 4 – Disposition and Development Agreement DRAFT 5 – Type 3 Transformative Assistance Participation Agreement DRAFT 6 – Parking Permit Purchase Agreement DRAFT	
Action Requested: Provide feedback and designate project as eligible for a Type 3 Transformative Assistance Project and direct staff to negotiate and finalize terms of a Disposition and Development Agreement, a Type 3 Transformative Assistance Agreement, and a Parking Permit Purchase Agreement for future Board Approval.		

Background:

In September 2016, CCDC issued an RFP for the 0.3 acre Remnant parcel located on Front Street between 5th and 6th in the River Myrtle-Old Boise Urban Renewal District. One submission was received and CCDC Board of Commissioners awarded the Proposal to Capitol Partners, LP on November 14, 216. The proposal included a concept for a 600 space garage and 140 room hotel.

Subsequent to the award of the proposal, the developer – now DBA Front Street Investors, LLC - has been working with CCDC for many months determining how best to bring this project to fruition. The developer has found a hotel partner who will build a 7-story, 138 room hotel to wrap the now 540 space garage. CCDC finds this project to be consistent with redevelopment plans for the district and wants to encourage and support this development of currently vacant parcels and associated public and private parking within the District. As such, CCDC will be participating in the project in three ways 1) through discounted land disposition 2) reimbursing for public improvements 3) purchasing 200 monthly parking passes for 7 years to be re-sold to the public.

The Front Street Investors development team consists of Clay Carley and Dean Papé. Developer will be responsible for the construction of the Garage, and is partnering with Raymond Management Company, a hotel developer to build the hotel which will wrap the garage. If developer is unable to finalize agreements with the hotel developer, or if the hotel developer otherwise terminates the hotel development, Front Street Investors will be given a period of 3 years to build a different commercial development valued at a minimum of \$25 million.

The terms of this 3-part participation will be included in 3 agreements: Disposition and Development Agreement, Type 3 Assistance Agreement, and a Parking Permit Purchase Agreement. The basic terms of each agreement are listed below.

1. Disposition Agreement

- a. \$300,000 paid by Developer to CCDC at closing, no additional land write-down will be provided upon completion of the project.
- b. Requirement to build 500 space parking garage and hotel/commercial for \$25 million (not included the parking garage) within 3 years.
- c. Requirements to close on property will include:
 - i. Evidence of financing,
 - ii. General Contractor under contract,
 - iii. Entitlements with City of Boise to facilitate a construction start date within a timely manner of disposition
- d. Construction commencing not later than Jan. 1, 2019, or the property ownership will automatically revert to CCDC, unless prior written consent is given.
- e. All three Agreements must be finalized and signed before conveyance.

2. Public Improvements Participation (Type 3 Transformative Assistance)

- a. Request of \$1,845,200
 - i. Streetscapes: \$794,465
 - ii. Utilities: \$572,303
 - iii. 2 Public Parks: \$478,406
- b. Reimbursement paid over 4 years, once actual increment revenue generated by the project is received by CCDC.

3. Parking Permit Purchase Agreement

- a. CCDC purchases 200 monthly passes for 7 years @ \$150 per space
- b. Spaces re-sold by Developer/Operator, and CCDC will receive the income from any of the 200 allotted spaces that are re-sold to the public
- c. Developer's existing customers, will not be included in passes re-sold from CCDC's allotted spaces (i.e. Hotel spaces and parkers on-site today)
- d. All passes must be sold at same pricing and at a minimum price of \$150/month

Project Timeline:

November 2016: Proposal for Remnant Disposition Awarded to Capitol Partners, LP
November 2017: Letter of Intent of Agreement Terms signed by Developer and CCDC
January 2018: City DR Approved Project
April 2018: Board Reviews Project for Designation
May 2018: Board Approves 3 Participation Contracts for Project
June 2018: Expected Property Conveyance
July 2018: Construction Begins
January 2020: Construction Complete

2021 – 2025: Public Improvements Reimbursement Paid
2020 – 2026: Parking Spaces purchased by CCDC

Fiscal Notes:

Reimbursement and/or payment of eligible public improvements not to exceed \$1,850,000. Discounted land sale of \$300,000. Public parking purchase expenses of \$2,520,000. Total anticipated participation is \$4,670,000. Reimbursement will be paid using tax increment generated by the project. Currently the project value is expected to be \$18.25 million for the garage and approx. \$30 million for the hotel. The project will generate approximately \$3.5 million in revenue over the life of the district, which will be used to reimburse developer for public improvements, and may pay for some of the parking spaces if they are not re-sold.

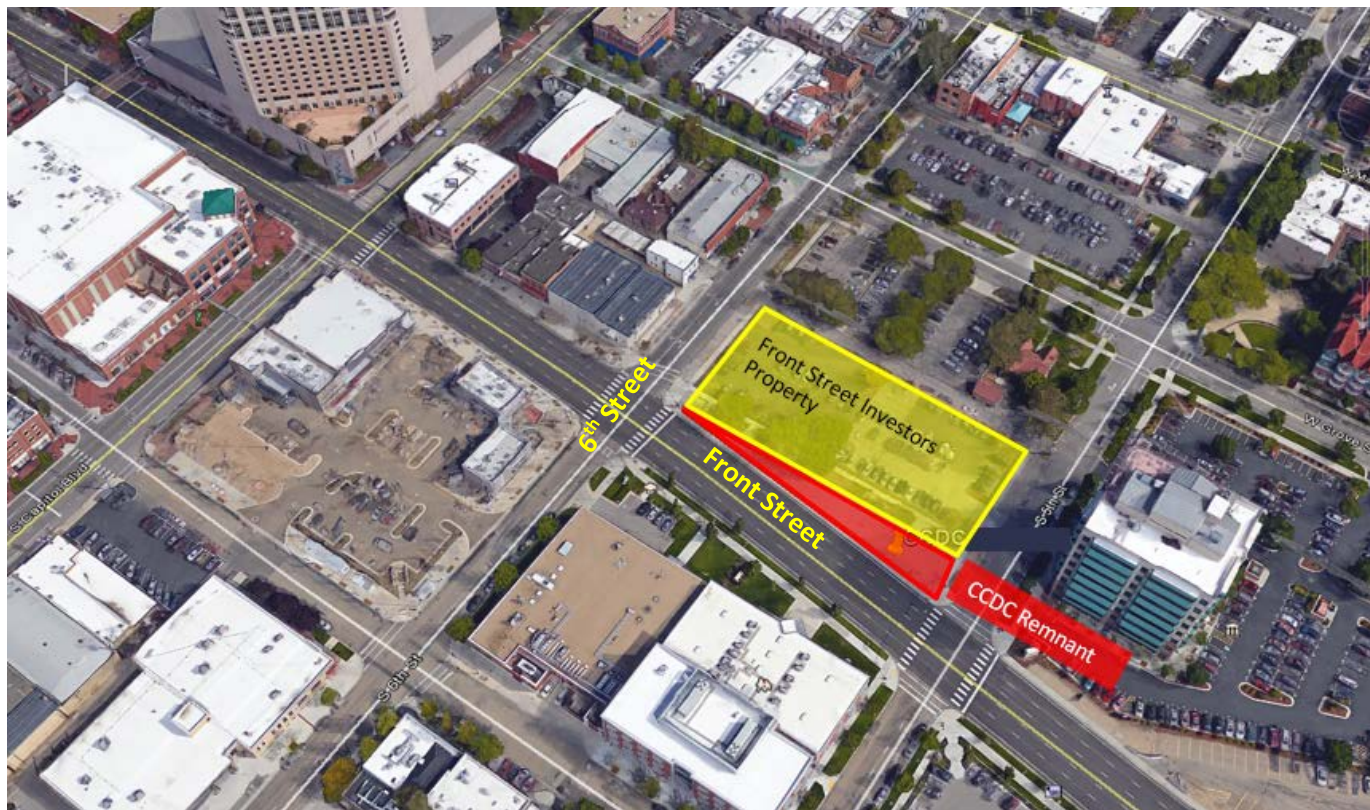
Staff Recommendation:

Provide feedback and designate project as eligible for a Type 3 Transformative Assistance Project and direct staff to negotiate and finalize terms of a Disposition and Development Agreement, a Type 3 Transformative Assistance Agreement, and a Parking Permit Purchase Agreement for future Board Approval.

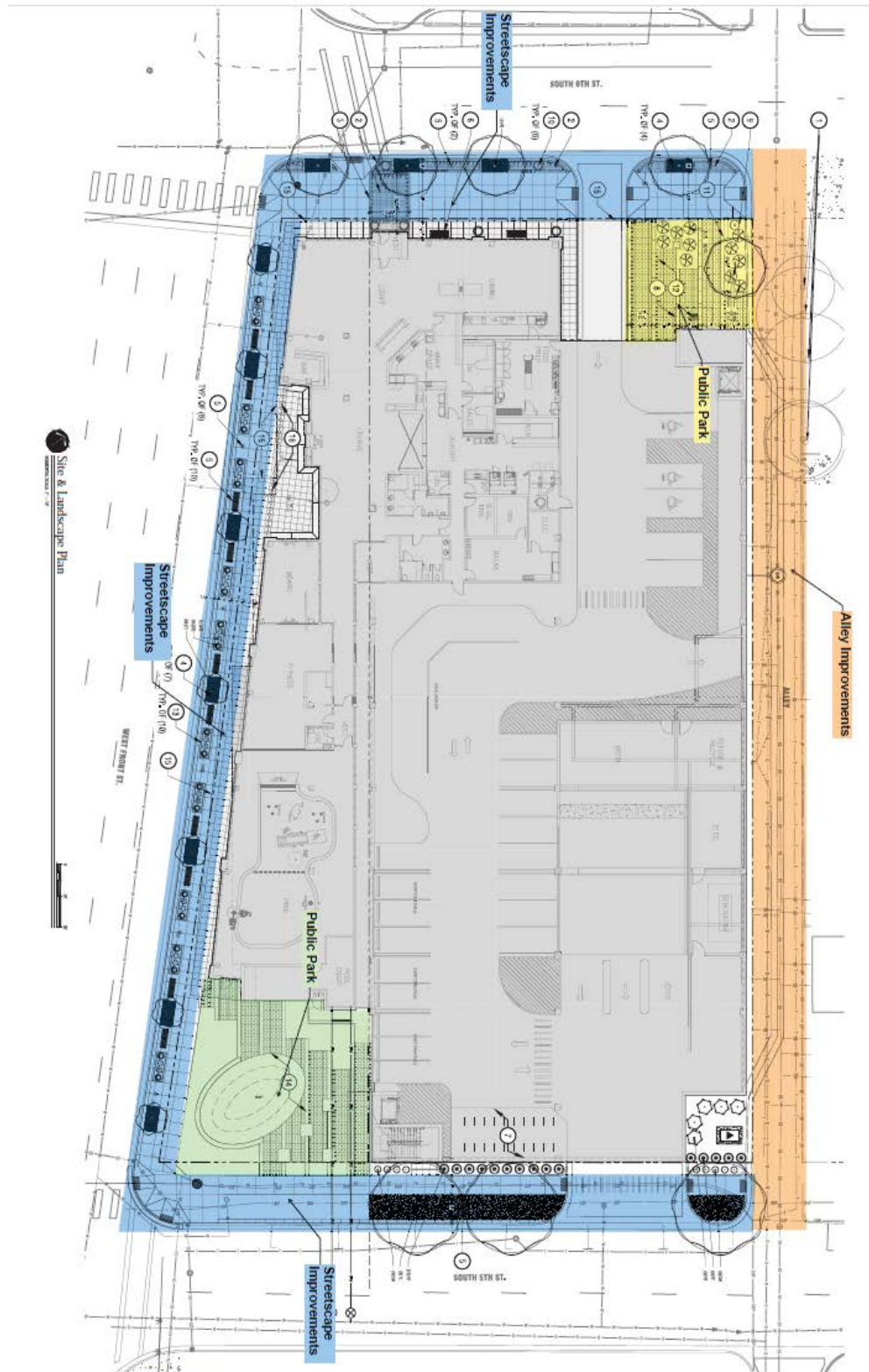
Suggested Motion:

I move to Designate the 6th and Front project as a Type 3 Transformative Assistance Project and direct staff to negotiate and finalize terms of a Disposition and Development Agreement, a Type 3 Transformative Assistance Agreement, and a Parking Permit Purchase Agreement for future Board Approval.

Attachment 1 – Site Map



Attachment 2 – Public Improvements Plan



Attachment 3 – Renderings



Attachment 4 – Disposition and Development Agreement DRAFT

DISPOSITION AND DEVELOPMENT AGREEMENT

CAPITAL CITY DEVELOPMENT CORPORATION

and

FRONT STREET INVESTORS, an Idaho Limited Liability Company

_____, 2018

6th and Idaho Urban Renewal Project

LIST OF ATTACHMENTS

Attachment 1	Site Plan of the 6th and Idaho Project (“Site Plan”)
Attachment 2	Legal Description of the Property (“Legal Description”)
Attachment 3	Scope of Development
Attachment 4	Schedule of Performance
Attachment 5	Design Review Drawings
Attachment 6	Title Report
Attachment 7	Form of Deed
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DISPOSITION AND DEVELOPMENT AGREEMENT

THIS DISPOSITION AND DEVELOPMENT AGREEMENT ("Agreement") is entered into by and between THE URBAN RENEWAL AGENCY OF BOISE, IDAHO, also known as the CAPITAL CITY DEVELOPMENT CORPORATION, and **FRONT STREET INVESTORS, LLC**, an Idaho limited liability company qualified to do business in Idaho, individually referred to as a "Party" and collectively referred to as the "Parties." The Parties agree as follows:

1. DEFINITIONS

"Agency" means the Urban Renewal Agency of Boise, Idaho, also known as the Capital City Development Corporation, and any assignee of or successor to its rights, powers, and responsibilities under this Agreement.

"Agency Closing Conditions" has the meaning ascribed to it in Section 5.3.1.

"Agreement" has the meaning ascribed to it in the first paragraph of this document.

"Certificate of Completion" means the Certificate of Completion for the Project, as ascribed to it in Section 9.1.

"City" means the City of Boise, Idaho.

"Close" and "Closing" refer to that point in time when a deed held in Escrow is recorded in the office of the Recorder of the county in which the subject property is located and funds due to Agency upon delivery of the such deed are available for distribution from the Escrow to Agency, notwithstanding that such funds may not actually be distributed due to wire transfer deadlines or similar circumstances.

"Closing" has the meaning ascribed to it in Section 5.2.3.

"Closing Date" means the date of the Closing.

"Deed" means the Special Warranty Deed.

"Deposit" has the meaning ascribed to it in Section 5.1.2.1.

"Design Review Drawings" has the meaning ascribed to it in Section 7.4, including any approved revisions.

“Developer” means Front Street Investors, LLC, an Idaho limited liability company qualified to do business in Idaho, any Developer Affiliate that takes title to any portion of the Property under this Agreement, and any other permitted assignee or successor in interest as herein provided.

“Developer Affiliate” has the meaning ascribed to it in Section 2.4.2.

“Developer Closing Conditions” has the meaning ascribed to it in Section 5.3.2.

“Effective Date” has the meaning ascribed to it in Section 13.9.

“Environmental Reports” means the Phase I Environmental Site Assessment of the Property dated ____.

“Escrow” means the escrow set up by the Parties with the Escrow Agent with respect to the acquisition of the Property.

“Escrow Agent” has the meaning ascribed to it in Section 5.2.

“Final Construction Documents” means those drawings, plans, and specifications sufficient in detail to obtain a building permit for the Project, including a final landscaping and grading plan.

“Hazardous Materials” means any substance, material, or waste which is (1) defined as a “hazardous waste,” “hazardous material,” “hazardous substance,” “extremely hazardous waste,” or “restricted hazardous waste” under any provision of federal or Idaho law; (2) petroleum; (3) asbestos; (4) polychlorinated biphenyls; (5) radioactive materials; (6) designated as a “hazardous substance” pursuant to Section 311 of the Clean Water Act, 33 U.S.C. § 1251, *et seq.* (33 U.S.C. § 1321), or listed pursuant to Section 307 of the Clean Water Act (33 U.S.C. § 1317); (7) defined as a “hazardous substance” pursuant to the Resource Conservation and Recovery Act, 42 U.S.C. § 6901, *et seq.* (42 U.S.C. § 6903); (8) defined as a “hazardous substance” pursuant to Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. § 9601, *et seq.* (42 U.S.C. § 9601); or (9) determined by Idaho, federal, or local governmental authority to be capable of posing a risk of injury to health, safety, or property, including underground storage tanks.

“Memorandum” means a summary of this Agreement in the substance and form attached hereto as Attachment 9, to be recorded in the office of the Recorder of Ada County, Idaho.

“Party” has the meaning ascribed to it in the first paragraph of this document.

“Parties” has the meaning ascribed to it in the first paragraph of this document.

"Permitted Title Exceptions" has the meaning ascribed to it in Section 5.3.2(c).

"Plan Area" means the area under the jurisdictional scope of the Redevelopment Plan.

"Project" means the project that is the subject of this Agreement and more particularly described in Section 2.5 below.

"Project Area" means the Project Area identified in the Redevelopment Plan.

"Project Budget" has the meaning ascribed to it in Section 4.1(a).

"Property" means the real property described on Attachment 2.

"Purchase Price" has the meaning ascribed to it in Section 5.1.1.

"Redevelopment Plan" means the River Myrtle Renewal Plan as recommended by Agency and approved by City on December 4, 2001.

"Scope of Development" means the schedule attached to this Agreement as Attachment 3.

"Schedule of Performance" means the schedule attached to this Agreement as Attachment 4.

"Site" means certain real property with a property address of _____, Boise, Idaho 83702 (the "Site") as depicted on Attachment A and described on Attachment B attached hereto and incorporated herein.

"Special Warranty Deed" means a deed in the substance and form of the draft deed attached hereto as Attachment 7.

"Supplemental Title Objections" has the meaning ascribed to it in Section 3.2.

"Title Company" means TitleOne Corporation, having an address of 1101 W. River St., Suite 201, Boise, ID 83702.

"Title Policy" has the meaning ascribed to it in Section 5.3.2(c).

"Title Report" has the meaning ascribed to it in Section 3.2.

"Urban Renewal Law" has the meaning ascribed to it in Section 2.4.1.

2. SUBJECT OF AGREEMENT

2.1. Purpose of This Agreement.

The purpose of this Agreement is to effectuate the Redevelopment Plan by memorializing the disposition of Agency owned property to Developer to facilitate the Project, for construction of a hotel and parking garage development within the Plan Area.

2.2. The Redevelopment Plan.

This Agreement is subject to the provisions of the Redevelopment Plan.

2.3. The Project Area.

The Project Area is located in the Plan Area, and the exact boundaries thereof are specifically described in the Redevelopment Plan.

2.4. Parties to This Agreement.

2.4.1. 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, chapters 20 and 29, Idaho Code (collectively the "Urban Renewal Law"). The office of Agency is located at 121 N. 9th Street, Ste. 501, Boise, Idaho.

2.4.2. Developer

Developer is Front Street Investors, LLC, an Idaho limited liability company qualified to do business in Idaho. The principal office of Developer is located at _____. Developer reserves the right to transfer the rights under this Agreement as authorized herein, including the right to have the Property to which it is to take title hereunder conveyed to and developed by an affiliated entity that it has a majority ownership stake in and controls ("Developer Affiliate").

2.4.3. Developer's General Contactor

Developer has selected _____ as its general contractor for the Project. The qualifications and identity of Developer's general contractor are of particular concern to Agency. In the event Developer desires to select another general contractor for the Project other than the contractor identified in materials supplied to the Agency by Developer, Developer agrees to notify Agency of such desire and provide the identity of the substitute general contractor for Agency's approval, which approval shall not be unreasonably withheld.

2.5. The Project.

The Project that is the subject of this Agreement is a hotel with 140 guest rooms and (generally list amenities) and a parking garage with approximately 500 parking spaces (list any other features) (the "Project").

The Project will substantially conform to the Design Review Drawings, attached hereto as Attachment 5 (the "Design Review Drawings"), as amended.

2.6. Disposition Does Not Contemplate Land Speculation.

Developer represents and warrants that its undertakings pursuant to this Agreement are and will be used for the purpose of the development of the Project and not for speculation in landholding except as to the extent authorized in this Agreement.

2.7. Selection of Developer.

Developer further recognizes that in view of:

- (1) The importance of the Project as part of the development of the Property to the general welfare of the community;
- (2) the reliance by Agency on the real estate expertise of Developer and the continuing interest which Developer will have in the Project to assure the quality of the use, operation, and maintenance of the development thereof; and
- (3) the fact that a change in control of Developer or any other act or transaction involving or resulting in a significant change in the ownership or a change with respect to the identity of the parties in control of Developer or the degree thereof may be for practical purposes a transfer or disposition of any portion of the Project;

the qualifications and identity of Developer are of particular concern to Agency, and it is because of such qualifications and identity that Agency has entered into this Agreement with Developer. No voluntary or involuntary successor in interest of Developer shall acquire any rights or powers under this Agreement except as expressly set forth herein. Except as provided herein, Developer shall not assign all or any part of this Agreement without the prior written approval of Agency, which approval shall not be unreasonably withheld.

Developer warrants and represents to Agency that Developer is a manager-managed limited liability company. The sole manager of Developer is _____. The manager of Developer has full and exclusive authority, power and discretion to manage and control the

business and affairs of Developer relating to the acquisition and development of the Project, without the need for approval by the members of Developer. Although the manager is and intends to remain a member of Developer, the authority of the manager of Developer is not dependent upon the manager's ownership of a membership interest in Developer. The following shall not be changed without the prior written approval of Agency, which approval shall not be unreasonably withheld: (a) the structure of Developer as a manager-managed limited liability company; (b) the identity of the manager of Developer; (c) the number of managers of Developer; and (d) the authority of the manager as it relates to the Property and the Project.

It shall not be unreasonable for Agency to withhold its approval when using criteria such as those used by this and other redevelopment agencies in selecting redevelopers for similar developments, or because the proposed transferee does not have a current financial strength, experience, or reputation for integrity equal to or better than Clayton Carley and Dean Papé as of the date this Agreement has been executed by Agency. Developer shall promptly notify Agency of any and all changes whatsoever in the identity of the parties having control of Developer. This Agreement may be terminated by Agency if there is any significant change (voluntary or involuntary) in the management or control of Developer in violation of this Agreement (other than such changes occasioned solely by the death or incapacity of an individual) that has not been approved by Agency prior to the time of such change, if such change occurs prior to the issuance of the Certificate of Completion referred to in Section 9.1.

Notwithstanding any other provisions hereof, Developer reserves the right, at its discretion and without the prior written consent of Agency, subject to the disclosure requirements set forth below, to join and associate with other persons in joint ventures, partnerships, or other entities for the purpose of acquiring and developing the Property, or portions thereof, provided that Developer maintains operating control of such entities and remains fully responsible to Agency as provided in this Agreement with respect to the Property. This section is not deemed to preclude mortgage-lender participation and conditions therein, provided such mortgage-lender participation complies with this Agreement.

Provided further, however, Developer is required to make full disclosure to Agency of its principals, officers, managers, joint venturers, key managerial employees involved in the Project, and all similar material information concerning Developer, in each case to the extent relevant to Developer's performance hereunder. Any significant change during the period of this Agreement in the control of Developer or the control by Developer of the Project covered by this Agreement is subject to the approval of Agency, such approval not to be unreasonably withheld.

3. RIGHT OF ENTRY/REVIEW OF TITLE

3.1 Right of Entry; Developer's Investigations.

Subject to the conditions set forth herein, including the insurance and indemnity provisions set forth in Section 8, Developer and its agents, contractors, consultants, and employees are hereby given permission to access the Property at all reasonable times until the Closing (or earlier termination of this Agreement), during normal business hours, for the purpose of conducting tests and inspections of the Property, including surveys and architectural, engineering, geotechnical and environmental inspections and tests; provided, however, any intrusive or invasive investigations (e.g., core sampling, and including, without limitation, any environmental testing other than a Phase I or Phase II Environmental Site Assessment or update to any prior environmental assessments) shall be subject to Agency's prior written consent, which consent shall not be unreasonably withheld.

Developer shall provide to Agency, promptly upon completion and at no cost or expense to Agency, a list of all reports, studies and test results prepared by Developer's consultants and copies of any of the above-listed materials Agency might request. All of the foregoing inspections shall be performed by Developer at Developer's sole cost and expense.

As a condition to any such entry, inspection or testing, Developer shall (a) notify Agency in advance of the date and purpose of the intended entry and provide to Agency the names and/or affiliations of the persons entering the Property; (b) conduct all studies in a diligent, expeditious and safe manner and not allow any dangerous or hazardous conditions to occur on the Property; (c) comply with all applicable laws and governmental regulations; (d) keep the Property free and clear of all materialmen's liens, lis pendens and other liens arising out of the entry and work performed by or on behalf of Developer; (e) maintain or assure maintenance of workers' compensation insurance on all persons entering the Property in the amounts required by the State of Idaho; and (f) promptly repair any and all damage to the Property caused by Developer, its agents, employees, contractors, or consultants and return the Property to its original condition following Developer's entry.

Developer shall indemnify, defend, and hold harmless Agency, and its officers, officials, representatives, members, employees, volunteers and agents from and against any and all loss, cost, liability or expense (including reasonable attorneys' fees) arising from the entries of Developer, its agents, contractors, consultants, and employees upon the Property or from Developer's failure to comply with the conditions to Developer's entry onto the Property provided for herein; provided, however, the indemnity shall not extend to protect Agency from any pre-existing liabilities for matters merely discovered by Developer (e.g., latent environmental contamination). Such indemnity shall survive the Close of Escrow or the termination of this Agreement for any reason.

3.2 Review of Title; Approved Title Exceptions.

Prior to the Effective Date of this Agreement, Developer reviewed the Commitment for Title Insurance (attached hereto as Attachment No. 6) and underlying title documents disclosed therein for the Property, issued by the Title Company under File No. _____, having an effective date of _____ (the "Title Report"). Developer agrees it shall accept title to the Property with the Permitted Title Exceptions.

If, prior to the Close of Escrow, Developer receives any supplement to the Title Report (with the understanding that Developer shall have the right to order updates to the Title Report at any time prior to Close of Escrow) disclosing any new title matters that will adversely affect the development of the Project, not disclosed to Developer prior to the expiration of the Effective Date, Developer shall have five (5) business days from receipt of such supplemental title report (and all underlying documents referenced therein) to notify Agency of any objections ("Supplemental Title Objections") it may have with respect to the supplemental title report.

If Developer does not give such notice within such five (5) business day period, such failure shall be conclusively deemed to be Developer's approval of those matters.

If Developer has any Supplemental Title Objections, Agency shall have five (5) business days after receipt thereof to notify Developer that Agency (a) will cause or (b) elects not to cause any or all of the Supplemental Title Objections disclosed therein to be removed or insured over by the Title Company in a manner reasonably satisfactory to Developer. Agency's failure to notify Developer within such five (5) business day period as to any Supplemental Title Objections that Agency is willing to cure or cause to be insured over shall be deemed an election by Agency not to remove or have the Title Company insure over such Supplemental Title Objections.

If Agency notifies or is deemed to have notified Developer that Agency shall not remove nor have the Title Company insure over any or all of the Supplemental Title Objections, Developer shall have three (3) business days after the expiration of Agency's five (5) business day period to respond to Developer's Supplemental Title Objections to either (a) terminate this Agreement or (b) waive such Supplemental Title Objections and proceed to Closing, without any abatement or reduction in the purchase price on account of such Supplemental Title Objections or (c) propose an abatement or reduction in the purchase price on account of such Supplemental Title Objections, which the Agency shall have 10 days to accept or reject.

If Developer does not give notice within said period, Developer shall be deemed to have elected to waive the Supplemental Title Objections.

3.3 Compliance With Laws.

Developer shall comply with applicable laws and building codes with respect to any work or investigations on the Property prior to Closing, including the City's Erosion Control Program.

4. EVIDENCE OF PROJECT FINANCING

4.1. Submission of Preliminary Evidence of Financing.

No later than ten (10) days after the Effective Date or such later time as may be approved by Agency, Developer shall submit to Agency's Executive Director evidence satisfactory to the Executive Director that Developer will have at or before Closing the financial capability necessary for the acquisition of the Property and the development of the Project thereon pursuant to this Agreement. Such **preliminary** evidence of financial capability shall include all of the following:

- (a) Reliable cost estimates for Developer's total cost of acquiring the Property and developing the Project (including both "hard" and "soft costs") ("**Project Budget**").
- (b) A copy of the term sheets or loan commitment or commitments obtained by Developer, or a Letter of Intent and proof of funds from and equity partner, for all of the sources of funds to finance acquisition of the Property and construction of the Project. All copies of term sheets and loan commitments submitted by Developer to Agency shall be certified by Developer to be true and correct copies thereof. Each commitment for financing shall be in such form and content acceptable to Agency's Executive Director and shall reasonably evidence a firm and enforceable commitment, with only those contingencies and conditions that are standard or typical for similar projects prior to land closing.
- (c) If the total Project Budget exceeds the amount of financing commitments received pursuant to subparagraph (b) above, evidence satisfactory to the Executive Director demonstrating that Developer has adequate funds available and committed to cover such difference.

4.2. Time to Approve Evidence of Financing.

Agency shall approve or disapprove of Developer's preliminary evidence of financing within five (5) days of receipt of a complete submission. Agency's approval shall not be unreasonably withheld. If Agency's Executive Director shall disapprove such evidence of financing, he or she shall do so by written notice to Developer stating the reasons for such disapproval and Developer shall promptly resubmit its evidence of financial capability, as modified to conform to Agency's requirements, not more than twenty (20) days after receipt of the Agency Executive Director's disapproval.

4.3. Public Records Law.

All information submitted to Agency may be subject to the Idaho Public Records Law. As an alternative to formal submittal of this required information, Developer may allow an inspection and review of such information by Agency. In such case, Agency shall provide a notice of approval of evidence of financing in writing within the time allotted in Section 4.2.

4.4. Lender Modifications.

The Parties acknowledge that substantial debt financing will be necessary for the development of the Project. Developer may submit for Agency approval, and Agency shall reasonably consider, modifications to this Agreement requested by Developer's lenders or prospective lenders for the Project.

5. DISPOSITION AND CONVEYANCE OF THE PROPERTY

5.1. Disposition and Conveyance of the Property.

In accordance with and subject to all the terms, covenants, and conditions of this Agreement, Agency agrees to convey the entire fee estate of the Property in the condition required pursuant to Section 6 of this Agreement to Developer.

Developer agrees to develop the Property within the time, for the consideration, and subject to the terms, conditions, and provisions as herein provided, including, without limitation, as provided in the Scope of Development (**Attachment 3**) and the Schedule of Performance (**Attachment 4**). Agency agrees to meet its obligations herein provided with respect to the Property including, without limitation, as provided in the Scope of Development and the Schedule of Performance. The time periods set forth in the Schedule of Performance may be extended for up to 90 days in total if the delays are caused by matters beyond the Developer's reasonable control. Any extension must be agreed upon in writing by Agency's Executive Director.

The sale of the Property by Agency to Developer is for purpose of development, in compliance with the Urban Renewal Law, and to achieve the objectives of the Redevelopment Plan. Thus, use of the Property for land speculation is prohibited.

5.1.1. Purchase Price

The purchase price for the Property (the "Purchase Price") is Three Hundred Thousand Dollars (\$300,000.00). The Purchase Price is the fair market value of the Property unencumbered by this Agreement, as determined by the Parties based upon commercial

appraisals obtained by Agency and Developer. The Agency, in accordance with Idaho law, may only sell real property for not less than its fair value for uses in accordance with the urban renewal plan and other restrictions that may be imposed by the Agency. See Idaho Code § 50-2011. Agency and Developer have determined that the fair value (or the “fair re-use value”) of the Property is less than \$300,000. In determining the fair re-use value of the remnant parcel, Agency considered the requirements of the Plan, the permitted uses of the remnant parcel provided in the Plan; the restrictions upon, and the covenants, conditions and obligations to develop and construct the hotel and parking structure in accordance with this Agreement; and the objectives of the Plan for the prevention of the recurrence of slum or blighted areas within the Plan Area and how the disposition of the Property to Developer is designed to achieve those goals.

5.1.2. Payment of Purchase Price

5.1.2.1. Deposit. Within five (5) days of the Effective Date, Developer shall deposit with Agency the sum of Fifteen Thousand Dollars (\$15,000.00). The Deposit shall be credited to the Purchase Price upon the Closing.

5.1.2.2. Closing Funds. At least one (1) day prior to the Closing, the balance of the Purchase Price shall be deposited into Escrow by Developer by (i) a wire transfer of funds, (ii) cashier's or certified check drawn on or issued by the offices of a financial institution located in the State of Idaho, or (iii) cash.

5.2. Escrow.

Within five (5) business days after the Effective Date of this Agreement, the Parties agree to open an escrow (the “Escrow”) with TitleOne Corporation (the “Escrow Agent”). This Agreement constitutes the joint escrow instructions of Agency and Developer, and a duplicate original of this Agreement shall be delivered to the Escrow Agent upon the opening of the Escrow. Agency and Developer shall provide such additional escrow instructions as shall be necessary and consistent with this Agreement. The Escrow Agent hereby is empowered to act under this Agreement and, upon indicating its acceptance of the provisions of this Section in writing delivered to Agency and to Developer within five (5) days after the opening of the Escrow, shall carry out its duties as Escrow Agent hereunder.

5.2.1. Escrow Instructions

This Agreement, together with any standard instructions of Escrow Agent that the Parties may subsequently execute, and any additional instructions of Developer and Agency to Escrow Agent consistent with the provisions of this Agreement, shall constitute the joint escrow instructions of Developer and Agency to Escrow Agent as well as an agreement between Developer and Agency. In the event of any conflict between the provisions of this Agreement

and Escrow Agent's standard instructions, if executed by the Parties, this Agreement shall prevail.

5.2.2. Payment of Costs

Developer and Agency shall each pay one-half of the Escrow fee, any charges for recording the Special Warranty Deed and the other documents to be recorded hereunder (to the extent the County Recorder's Office does not waive such charges). Agency shall pay the charge for an ALTA standard owner's policy in the amount of the Purchase Price. Developer shall pay the charge for any additional title coverage requested by Developer, including an ALTA extended owner's policy, if Developer obtains such policies. Developer will be responsible for paying endorsements desired by Developer except for the cost of any endorsements Agency agrees to provide to cure any Supplemental Title Objections pursuant to Section 3.2. Agency and Developer shall each be responsible for their respective attorneys' fees and costs. Taxes and assessments, if any, applicable to periods before and after Closing shall be allocated to the Property and prorated between the Parties in an equitable manner. Agency shall cause all utilities serving the Property to be terminated on or before Closing and shall be responsible for costs associated with such utility services prior to Closing. All other costs of the Escrow not specifically allocated in this Agreement shall be allocated to the Parties as is customary in a commercial real estate transaction in Ada County, Idaho.

5.2.3. Close of Escrow

The Close of Escrow ("Closing") shall occur within ten (10) days after the date all of the Agency Closing Conditions and the Developer Closing Conditions in Sections 5.3.1 and 5.3.2 (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 the date that is ten (10) months after the Effective Date.

5.2.4. Deliveries by Agency

On or before the scheduled Closing Date, Agency shall deliver the following to Escrow Agent:

- (a) the Special Warranty Deed, duly executed and acknowledged by Agency;
- (b) the Memorandum, duly executed and acknowledged by Agency;
- (c) all other documents reasonably required by Escrow Agent from Agency to carry out and close the Escrow pursuant to this Agreement.

5.2.5. Deliveries by Developer

On or before the scheduled Closing Date, Developer shall deliver the following to Escrow Agent:

- (a) the balance of the Purchase Price;
- (b) the Memorandum, duly executed and acknowledged by Developer;
- (c) executed construction loan documents for the Project consistent with the evidence of financing as approved by Agency pursuant to Section 4; and
- (d) all other sums and documents reasonably required by Escrow Agent from Developer to carry out and close the Escrow pursuant to this Agreement, including Developer's portion of the Escrow fees and prorations.

5.2.6. Closing, Recording and Disbursements

On the Closing Date (except as otherwise provided below), and when all of the conditions precedent to the Close of Escrow set forth in Sections 5.3.1 and 5.3.2 of this Agreement have been satisfied or waived by the appropriate party in writing, Escrow Agent shall take the actions set forth in this Section.

- (a) Recording. Escrow Agent shall cause the Special Warranty Deed and the Memorandum to be recorded in the office of the Recorder of Ada County, Idaho.
- (b) Disbursement of the Purchase Price. Escrow Agent shall disburse the Purchase Price to Agency after deducting therefrom the escrow closing costs and prorations chargeable to Agency hereunder.
- (c) Delivery of Closing Documents. Escrow Agent shall deliver to Developer the recorded Special Warranty Deed. Escrow Agent shall deliver to Agency the recorded Memorandum, and any other documents (or copies thereof) deposited by Developer with Escrow Agent pursuant to this Agreement, with copies of same to Developer.
- (d) Delivery of Title Policy. Escrow Agent shall instruct the Title Company to deliver the Title Policy to Developer.

5.2.7. General Escrow Account

All funds received in the Escrow shall be deposited by the Escrow Agent with other escrow funds of the Escrow Agent in a general escrow account or accounts with any state or national bank doing business in the State of Idaho. Such funds may be transferred to any other

such general escrow account or accounts. All disbursements shall be made by check of the Escrow Agent. All adjustments shall be made on the basis of a 30-day month.

5.2.8. Termination

If the Escrow is not in condition to close before the time for conveyance established in this Agreement, either Party who then shall have fully performed the acts to be performed before the Closing, may, in writing, terminate this Agreement in the manner set forth in Section 11.6 hereof, and demand the return of its money, papers, and documents. Thereupon all obligations and liabilities of the Parties under this Agreement shall cease and terminate in the manner set forth in Section 11.6 hereof. If neither Agency nor Developer shall have fully performed the acts to be performed before the time for conveyance established in the Schedule of Performance, no termination or demand for return shall be recognized until ten (10) days after the Escrow Agent shall have mailed copies of such demand to the other Party or Parties at the address of its or their principal place or places of business. If any objections are raised within the 10-day period, the Escrow Agent is authorized to hold all money, papers, and documents until instructed in writing by both Agency and Developer or upon failure thereof by a court of competent jurisdiction. If no such demands are made, the Parties shall cause the Closing to occur as soon as possible. The terms of this paragraph shall not affect the rights of Agency or Developer to terminate this Agreement under Section 11 hereof. Nothing in this Section shall be construed to impair or affect the rights or obligations of Agency or Developer to specific performance.

5.2.9. Amendment

Any amendment of these escrow instructions shall be in writing and signed by both Agency and Developer. At the time of any amendment, the Escrow Agent shall agree to carry out its duties as Escrow Agent under such amendment.

5.2.10. No Real Estate Commissions or Fees

Agency represents that it has not engaged any broker, agent, or finder in connection with this transaction. Developer represents that it has not engaged a broker in connection with this transaction. Developer agrees to hold Agency harmless from any claim concerning any real estate commission or brokerage fees arising out of Developer's actions and agrees to defend and indemnify Agency from any such claim asserted concerning the commission or brokerage fees. Agency agrees to hold Developer harmless from any claim concerning any real estate commission or brokerage fees arising out of Agency's actions and agrees to defend and indemnify Developer from any such claim asserted concerning the commission or brokerage fees. Provided, however, nothing herein shall prevent Developer from preleasing or preselling space within the Project, thus incurring real estate commissions or brokerage fees. In no event, though, shall Agency be liable for any real estate commission or brokerage fees on account of any such preleasing or preselling activity.

5.3. Conditions to Property Transfer.

5.3.1. Conditions to Agency's Obligations

In addition to any other condition set forth in this Agreement in favor of Agency, Agency shall have the right to condition its obligation to convey the Property to Developer and close the Escrow upon the satisfaction, or written waiver by Agency, of each of the following conditions precedent on the Closing Date or such earlier time as provided for herein (collectively, the "Agency Closing Conditions"):

- (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 the Project from all governmental agencies with jurisdiction. With regard to such land use approvals and entitlements issued by the City for the Project, 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. Developer shall have obtained approval of its final grading plans for the Project and grading permits shall be ready to be issued upon payment of fees. Developer shall provide written confirmation from the City that the permits and approvals are ready to be issued.
- (b) **Developer Deliveries Made.** Developer has deposited with Escrow Agent all sums and documents required of Developer by this Agreement for the Closing.
- (c) **Insurance.** Developer shall have timely submitted and obtained Agency's approval of the insurance required pursuant to Section 8.1 of this Agreement.
- (d) **Evidence of Financing.** Agency shall have approved Developer's evidence of financing in accordance with Section 4 of this Agreement.
- (e) **No Default.** Developer shall not be in material default of any of its obligations under this Agreement (and shall not have received notice of a default hereunder which has not been cured), and all representations and warranties of Developer contained herein shall be true and correct in all material respects.
- (f) **Construction Contract.** Prior to Closing, Developer shall submit to Agency a construction contract for the Project that requires the Project to be constructed for an amount that does not substantially exceed the Project Budget, as described in Section 4.1(a).

5.3.2. Conditions to Developer's Obligations

In addition to any other condition set forth in this Agreement in favor of Developer, Developer shall have the right to condition its obligation to purchase the Property and close the Property Escrow upon the satisfaction, or written waiver by Developer, of each of the following conditions precedent on the Closing Date or such earlier time as provided for herein (collectively, the "Developer Closing Conditions"):

(a) **Permits and Approvals.** Developer shall have obtained all land use approvals and entitlements for the conveyance of the Property and for the development of the Project 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. Developer shall have obtained approval of its final grading plans for the Project and grading permits shall be ready to be issued upon payment of fees.

(b) **Agency Deliveries Made.** Agency has deposited with Escrow Agent all documents required of Agency by this Agreement for the Closing.

(c) **Title Policy.** The Title Company is unconditionally and irrevocably committed to issue to Developer at Closing a ALTA standard coverage owner's title policy, or, upon Developer's request, an ALTA extended coverage owner's policy of title insurance ("Title Policy"), insuring Developer's title to the Property in the amount of the Purchase Price, subject only to the following (collectively, the "Permitted Title Exceptions"): the standard exceptions and exclusions from coverage contained in such form of the policy; matters created by, through or under Developer; items disclosed by the Survey; items that would have been disclosed by a physical inspection of the Property on the Effective Date; real estate taxes not yet due and payable; the documents to be recorded under this Agreement; any mutually agreed upon Supplemental Title Objections; and the exceptions disclosed in the Title Report that are listed in the first paragraph of Section 3.2 of this Agreement. If Developer requests ALTA extended coverage, any standard exceptions shall not be Permitted Title Exceptions.

(d) **No Default.** Agency shall not be in default of any of its obligations under this Agreement (and shall not have received notice of a default hereunder which has not been cured), and Agency's representations and warranties contained herein shall be true and correct in all material respects as of the date of this Agreement and the Closing Date.

(e) **Debt and Equity Financing.** Agency shall have approved Developer's evidence of financing in accordance with Section 4 of this Agreement.

(f) **Construction Contract.** Prior to Closing, Developer shall submit to Agency a construction contract for the Project that requires the Project to be constructed for an amount that does not substantially exceed the Project Budget, as described in Section 4.1(a).

5.4. Satisfaction of Conditions.

Where satisfaction of any of the foregoing conditions requires action by Developer or Agency, each party shall use its diligent efforts, in good faith, and at its own cost, to expeditiously satisfy such condition. If a party is not in a position to know whether or not a condition precedent has been satisfied, then the party that is aware of the status of the condition shall immediately notify the other party.

5.5. Waiver.

Agency may at any time or times, at its election, waive any of the Agency Closing Conditions set forth in Section 5.3.1, but any such waiver shall be effective only if contained in a writing signed by Agency and delivered to Developer. Developer may at any time or times, at its election, waive any of the Developer Closing Conditions set forth in Section 5.3.2, but any such waiver shall be effective only if contained in a writing signed by Developer and delivered to Agency.

5.6. Termination.

In the event each of the Agency Closing Conditions set forth in Section 5.3.1 is not fulfilled by the outside date for the Closing Date, or such earlier time period as provided for herein, or waived by Agency pursuant to Section 5.5, and provided Agency is not in default of this Agreement, Agency may at its option terminate this Agreement and the Escrow opened hereunder. In the event that each of the Developer Closing Conditions set forth in Section 5.3.2 is not fulfilled by the outside date for the Closing Date, or such earlier time period as provided for herein, or waived by Developer pursuant to Section 5.5, and provided Developer is not in default of this Agreement, Developer may at its option terminate this Agreement and the Escrow opened hereunder. No termination under this Agreement shall release either party then in default from liability for such default. In the event this Agreement is terminated, all closing documents and funds delivered by Agency to Developer or Escrow Agent shall be returned immediately to Agency and all closing documents and funds delivered by Developer to Agency or Escrow Agent shall be returned immediately to Developer; provided, however, that Agency shall retain the Deposit so long as Agency has fully performed the obligations required to be performed by Agency prior to that time.

6. CONDITION OF THE PROPERTY.

6.1. "As Is".

Subject to Agency's representations and warranties expressly set forth in this Agreement, Developer acknowledges and agrees that any portion of the Property that it acquires from Agency pursuant to this Agreement shall be purchased "as is."

6.2. Agency Representations.

Agency represents and warrants to Developer as follows: (1) Agency has given Developer complete copies of the Title Report and the Environmental Reports; (2) the Title Report, the Survey and Environmental Reports constitute all information of which Agency has actual knowledge concerning the physical condition of the Property, including, without limitation, information about any Hazardous Materials or violations of any applicable laws; (3) the individuals entering into this Agreement on behalf of Agency have the authority to bind Agency; (4) entering into this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary Agency action and do not violate the laws governing Agency's activities or any other agreement to which Agency is a party; (5) upon Close of Escrow, there will be no tenants, occupants or other parties in possession of the Property. These representations and warranties shall survive Close of Escrow and delivery of any Deed to Developer.

6.3. Environmental Release and Waiver.

Subject to Agency's representations and warranties expressly set forth in this Agreement, Developer hereby releases and waives all rights, claims, or causes of action Developer may have in the future against Agency arising out of or in connection with any Hazardous Materials at, on, in, beneath, or from the Property.

7. DEVELOPMENT OF THE PROPERTY.

7.1. Scope of Development.

If acquired by Developer, the Property shall be developed as provided in the Scope of Development, subject to the terms and conditions of this Agreement.

7.2. Local, State, and Federal Laws.

Developer shall carry out any required construction of the improvements in conformity with all applicable laws, including all applicable federal and state labor standards.

7.3. Antidiscrimination During Construction.

Developer, for itself and its successors and assigns, agrees that in the construction of the improvements provided for in this Agreement, Developer will not discriminate against any employee or applicant for employment because of physical disability, race, color, creed, religion, sex, sexual orientation, gender identity/ expression, marital status, ancestry, or national origin.

7.4. Design Review Drawings.

The Parties acknowledge Developer has submitted to Agency Design Review Drawings attached hereto (Attachment 5). Agency approves the Design Review Drawings for development of the Property. If Developer proposes or advances any substantial change to the design of the Project, which change would be of such significance to require re-submittal to the City Design Review Committee, Developer shall provide Agency updated and revised Design Review Drawings. Agency shall have fifteen (15) days to review, approve, disapprove, or modify such changes. Any disapproval shall state in writing the reasons for disapproval and the changes which Agency requests to be made. Such reasons and changes must be consistent with the Scope of Development and any items previously approved or deemed approved hereunder. Developer, upon receipt of a disapproval based upon powers reserved by Agency hereunder, shall revise such plans, drawings, and related documents (or such portions thereof) and resubmit them to Agency as soon as possible after receipt of the notice of disapproval.

7.5. Construction Phase Reporting.

The Parties acknowledge and agree that communication and cooperation between the Parties is imperative to the successful completion of the Project and to achieve the objectives of the Redevelopment Plan. Therefore, the Parties shall endeavor to keep the other Party sufficiently informed regarding matters related to the development and construction of the Project so the other Party can have a meaningful opportunity to review, comment, and respond on matters relating to the other Party's performance of its obligations under this Agreement.

7.5.1. Developer's Obligations

Developer, as requested by Agency, shall:

7.5.1.1. Permit Agency staff to attend weekly and/or monthly construction progress and design meetings for the Project to permit Agency to assess the progress of development and construction and assess compliance with the Scope of Development, the Schedule of Performance, and the adherence of the development and construction to the plans approved by Agency.

7.5.1.2. Provide Agency with a monthly written status report on the Project (consisting of a simple narrative of the status, an update as to the progress on the schedule of performance, and a summary of the percentage of completion) in sufficient time to allow for their distribution to Agency's board of directors prior to their regular monthly meetings; such monthly report shall include any photos taken by Developer in the normal course of project supervision that would be helpful to supplement the simple written narrative in the monthly status reports.

7.5.1.3. If requested, attend and provide oral status reports on the Project at regular monthly meetings of Agency's board of directors; and

7.5.1.4. To the extent the meetings described in Section 7.5.1.1 above are not adequate, schedule and attend meetings at the request of the Agency with Agency's staff, Agency's consultants, and representatives from the City of Boise or other public entities (if necessary) for general coordination and review of the progress and schedule of the Project, any implementation agreements or other documents to be submitted by either Party, and any other tasks necessary or convenient for development of the Project to achieve the objectives of the Redevelopment Plan.

7.5.2. Agency's Obligations

In furtherance of this Section, Agency shall:

7.5.2.1. provide timely and meaningful comments to the information, reports, and other documents submitted to Agency by Developer; and

7.5.2.2. upon Developer's request, provide Developer with all of Agency's comments, conditions, and requirements regarding Developer's plans for the Project in sufficient time (provided that Developer provides Agency with a reasonable period of time for Agency to review Developer's plans) for Developer to respond to Agency's comments, conditions, and requirements prior to filing an application with City for the Project.

7.5.3. Meeting Attendance

The Parties shall use their best reasonable efforts to have their respective principals and staff members available, as needed, to participate in meetings, hearings, and work sessions if requested by the other Party.

7.5.4. Access to the Property

For the purpose of assuring compliance with this Agreement, representatives of Agency shall have the reasonable right of access to the Property without charges or fees and at normal

construction hours during the period of construction for the purposes of this Agreement, including, but not limited to, the inspection of the work being performed in constructing the improvements. Agency shall cause anyone who comes onto the Property on Agency's behalf to comply with applicable OSHA or other safety regulations.

7.5.5. Reasonableness

Developer shall reasonably comply with the requirements of the Redevelopment Plan and shall prepare final construction documents consistent with the Design Review Drawings. Agency will not unreasonably impose requirements regarding materials, design elements, construction methods or other elements that materially affect the costs of the Project, or which would cause development of the Project to become economically infeasible as set forth in Subsection 11.6.1.4. Nothing herein shall limit the reviewing authority of Agency granted under this Agreement, provided, however, that Agency and Developer acknowledge that cooperation between the parties is essential to the development of the Project.

7.6. Cost of Construction.

As between the Parties the cost of developing and constructing all improvements on the Property under this Agreement shall be borne by Developer unless agreed to otherwise in writing.

8. INSURANCE AND INDEMNIFICATION.

8.1. Bodily Injury, Property Damage, and Workers' Compensation Insurance.

Developer shall, or through its contractor shall, at its sole cost, obtain and maintain in force from and after the Closing insurance of the following types, with limits not less than those set forth below with respect to the Project, and with the following requirements:

8.2. Bodily Injury, Property Damage, and Workers' Compensation Insurance.

Developer shall, or through its contractor shall, at its sole cost, obtain and maintain in force from and after the Closing insurance of the following types, with limits not less than those set forth below with respect to the Project, and with the following requirements:

8.2.1. Commercial General Liability Insurance (Occurrence Form) with a minimum combined single limit liability of \$2,000,000 each occurrence for bodily injury and property damage; with a minimum limit of liability of \$2,000,000 each person for personal and advertising injury liability. Such policy shall have an aggregate products/completed operations liability limit of not less than \$2,000,000 and a general aggregate limit of not less than \$2,000,000. The products/completed operations liability coverage shall be maintained in full

force and effect for not less than three (3) years following completion of the Project issuance of a certificate of occupancy, whichever is later. The policy shall be endorsed to name Agency, including its respective affiliates, the financing parties and the respective officers, directors, and employees of each as additional insureds. All policies shall be occurrence form policies and not a claims-made policy.

8.2.2. 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; (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; (xx) weight of people or personal property;

8.2.3. Workers' Compensation Insurance, including occupational illness or disease coverage, in accordance with the laws of the nation, state, territory, or province having jurisdiction over Developer's employees, and Employer's Liability Insurance with minimum limits as required by law. Developer 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.

8.2.4. Automobile Liability Insurance covering use of all, 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.

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

8.2.6. Certificates of Insurance. Developer (or Developer's contractor(s), as applicable) shall provide certificates of insurance satisfactory in form to Agency (ACORD form or equivalent) to Agency 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 Agency prior to any cancellation or restrictive modification of the policies, and that the waivers of subrogation are in force. Developer (or Developer's contractor(s), as applicable) shall also provide, with its certificate of insurance, executed copies of the additional insured endorsements and dedicated limits endorsements required in this Agreement. At Agency's

request, Developer shall provide a certified copy of each insurance policy required under this Agreement.

8.2.7. All policies of insurance required by this Agreement shall be issued by insurance companies with a general policyholder's rating of not less than A and a financial rating of AAA (or equivalent ratings if such are changed) as rated in the most current available "Best's Insurance Reports" and qualified to do business in the State of Idaho.

8.2.8. The foregoing insurance coverage shall be primary and non-contributing with respect to any other insurance or self-insurance that may be maintained by Agency. Developer's General Liability Insurance policy shall contain a Cross-Liability or Severability of Interest clause. The fact that Developer has obtained the insurance required in this Section shall in no manner lessen or affect Developer's other obligations or liabilities set forth in the Agreement.

8.3. Indemnification.

Developer shall indemnify and hold Agency, and its 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 Agency, or its respective officers, agents, and employees by reason of any of the following occurrences:

8.3.1. Any work or thing done in connection with the Project by or at the direction of Developer, including, without limitation, inspection of the Property prior to Closing, any work on the Property prior to Closing, and the construction of any improvements, or any tenant improvements, in each case by or at the direction of Developer; or

8.3.2. Any use, nonuse, possession, occupation, condition, operation, maintenance, or management of the Project or any part thereof by Developer; or

8.3.3. Any negligence on the part of Developer or any of its agents, contractors, servants, employees, subtenants, operators, licensees, or invitees; or

8.3.4. Any accident, injury, or damage to any person or property occurring in, on, or about the Property or any part thereof during construction of the Project by or at the direction of Developer; or

8.3.5. Any failure on the part of Developer to perform or comply with any of the terms, provisions, covenants, and conditions contained in this Agreement to be performed or complied with on its part.

8.3.6. In case any action or proceeding is brought against Agency, or its respective officers, agents, and employees by reason of any such claim for which Developer is required to provide indemnification hereunder, Developer, upon written notice from Agency shall, at Developer's expense, resist or defend such action or proceeding.

8.3.7. Notwithstanding the foregoing, Developer shall have no obligation to indemnify and hold Agency and its respective officers, agents, and employees harmless from and against any matter to the extent it arises from the active negligence or willful act of Agency, or its respective officers, agents, or employees or from conduct resulting in an award of punitive damages against Agency. The obligations of Developer under this Section are not intended to run with the land or to be binding upon subsequent owners of portions of the Property.

9. POST PROJECT COMPLETION PURCHASE PRICE ADJUSTMENT.

9.1. Certificate of Completion.

Promptly after completion of all construction and development to be completed by Developer for the Project, Developer shall submit to Agency a request for a certificate of completion for the Project ("Certificate of Completion"). Agency shall promptly issue the Certificate of Completion if (a) City has issued a certificate of occupancy for the shell and core of the Project and (b) if Developer is not in default under this Agreement and Agency has not sent notice to Developer of any event which with the passing of time could give rise to a default under this Agreement. The Parties acknowledge the failure to construct the Project within the time frame set forth in the Schedule of Performance may, after Agency provided Developer with written notice of default and an opportunity to cure any such default as set forth in Sections 11.1 and 11.2, be considered by Agency as a default by Developer under this Agreement. Agency shall not unreasonably withhold the Certificate of Completion.

The Certificate of Completion shall be executed by Agency and Developer and be in such form as to permit it to be recorded by the Office of the County Recorder of Ada County, Idaho.

The Certificate of Completion shall be, and shall so state, conclusive determination of satisfactory completion of the construction of the Project and conclusive determination of satisfactory completion of the obligations of Developer and Agency required by this Agreement with respect to completion of the construction of the Project.

The Certificate of Completion shall not constitute evidence of compliance with or satisfaction of any obligation of Developer to any holder of a mortgage or any insurer of a mortgage securing money loaned to finance the improvements or any part thereof. Such Certificate of Completion is not notice of completion as referred to under other laws of the State of Idaho.

10. DEVELOPER'S POST-DEVELOPMENT AND CONSTRUCTION OBLIGATIONS.

Anything to the contrary in this Agreement notwithstanding, the following provisions set forth in this Section are the only obligations of Developer intended to survive with respect to the Property following the issuance of a Certificate of Completion.

10.1. Taxes, Assessments, Encumbrances, and Liens.

Developer shall pay when due all ad valorem property taxes and personal property taxes and assessments assessed and levied on the Property for any period subsequent to Developer's acquisition of the Property from Agency, respectively. Nothing herein contained shall be deemed to prohibit Developer from contesting the validity or amounts of any tax, assessment, encumbrance, or lien or to limit the remedies available to Developer with respect thereto.

10.2. In-Lieu-of Taxes.

In the event the Property or any improvements thereon or any possessory interest therein should at any time be subject to ad valorem taxes or privilege taxes levied, assessed, or imposed on the Property, Developer shall pay taxes upon the assessed value of the entire Property and any improvements thereon and not merely upon the assessed value of its ownership of the Property interest. In the event the Property or any portion thereof or leasehold interest is leased, conveyed, or transferred to an entity exempt or partially exempt from ad valorem taxes and to the extent that ad valorem, privilege, or any other taxes or assessments levied on the Property or any improvements thereon are of a lesser amount than would be levied if the Property or any portion thereof were entirely in private, nonexempt ownership, the then owner of the Property shall be responsible to pay as in-lieu-of taxes the difference between the taxes and assessments actually levied and the taxes and assessments which would be levied if the Property or any portion thereof were privately owned. Developer shall pay such difference to Agency within thirty (30) days after the taxes for such year become payable to the taxing agencies and in no event later than the delinquency date of such taxes established by law. Any in-lieu-of taxes received by Agency pursuant to this Section shall be treated by Agency as incremental tax revenues and promptly deposited upon receipt into the appropriate Agency account. The obligation set forth in this Section shall terminate and cease to be of any effect upon the payment of taxes for tax year 2024, the date upon which the current Redevelopment Plan expires. Developer acknowledges payments in lieu of taxes for taxes levied and imposed in 2024 are due and payable in 2025.

10.3. Use of the Property During Term of the Redevelopment Plan.

Developer covenants and agrees for itself, its successors, its assigns, and every successor in interest that during construction and thereafter, Developer, its successors, and assignees shall devote the Property to the uses specified in the Redevelopment Plan, the Deeds, and this

Agreement for the periods of time specified therein. The Property shall only be used for the uses specified in the Scope of Development.

10.4. Obligation to Refrain From Discrimination.

Developer covenants by and for Developer and any successors in interest that there shall be no discrimination against or segregation of any person or group of persons on account of physical disability, race, color, creed, religion, sex, sexual orientation, gender identity/ expression, marital status, ancestry, or national origin. in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of Property, nor shall Developer or any person claiming under or through Developer establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, subtenants, sublessees, or vendees of the Property. The foregoing covenants shall run with the land.

10.4.1. Effect and Duration of Covenants

Except as otherwise provided in this Section and the Deeds, the covenants contained in this Section and the Deeds shall remain in effect until December 31, 2024 (the termination date of the Redevelopment Plan). The covenants against discrimination shall remain in effect in perpetuity. The covenants established in this Agreement that expressly run with land and the Deeds shall, without regard to technical classification and designation, be binding for the benefit and in favor of Agency, Agency's successors and assigns, City, and any successors in interest to the Property or any part thereof.

10.4.2. Provisions That Run With the Land

Agency is deemed the beneficiary of the terms and provisions of this Agreement that expressly run with the land for and in its own rights and for the purposes of protecting the interests of the community and other parties, public or private, in whose favor and for whose benefit this Agreement and the covenants running with the land have been provided. The covenants that expressly run with the land shall run in favor of Agency without regard to whether Agency has been, remains, or is an owner of any land or interest therein in the Property, any parcel or subparcel, or in the Project Area. Agency shall have the right, if the covenants that expressly run with the land are breached, to exercise all rights and remedies and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breaches to which it or any other beneficiaries of such covenants may be entitled. Notwithstanding the foregoing, if Developer or any subsequent owner of any portion of the Property conveys any portion of the Property, such owner shall, upon the conveyance, be released and discharged from all of its obligations in connection with the portion of the Property conveyed by it arising under this Agreement after the conveyance but shall remain liable for all obligations in connection with the portion of the Property so conveyed arising under this Agreement prior to the conveyance. The new owner of any such portion of the

Property shall be liable for all obligations arising under this Agreement with respect to such portion of the Property after the conveyance.

11. DEFAULTS, REMEDIES, AND TERMINATION.

11.1. Defaults—General.

Failure or delay by either Party to perform any term or provision of this Agreement after receiving notice and an opportunity to cure as set forth herein shall constitute a default under this Agreement. Upon receipt of such notice, a Party must immediately commence to cure, correct, or remedy such failure or delay and shall complete such cure, correction, or remedy with reasonable diligence. A Party so acting and during any period of curing shall not be in default.

11.2. Written Notice.

The Party claiming a failure or delay in performance shall give written notice of default to the Party failing or delaying performance specifying the default complained of by the injured Party. Except as required to protect against further damages, the Party claiming default may not institute proceedings against the Party in default until sixty (60) days after giving such notice, said sixty (60) days constituting the period to cure any default.

11.3. No Waiver.

Except as otherwise expressly provided in this Agreement, any failure or delay by either Party in asserting any of its rights or remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies or deprive such Party of its right to institute and maintain any actions or proceedings that it may deem necessary to protect, assert, or enforce any such rights or remedies.

11.4. Materiality of Provisions.

It is expressly understood and agreed that each of the covenants, promises, stipulations, and agreements of the Parties hereto and under the provisions of this Agreement are an integral and indivisible part of the consideration given by each to the other and that each covenant, promise, stipulation, and agreement of the Parties shall be deemed and construed as material. Subject to Section 11.1 above, it is further understood and agreed that time is of the essence of this Agreement; that failure, refusal, or neglect for any reason whatsoever of either Party hereto to perform any of the covenants, promises, stipulations, or agreements to be performed by the Party pursuant to the terms and provisions of this Agreement shall constitute a material default on the part of the Party failing to perform such covenant, promise, stipulation, or agreement; and that the occurrence of any such default on the part of either

Party shall give the other Party the right to terminate or otherwise enforce this Agreement in accordance with the provisions of this Section.

11.5. Legal Actions.

11.5.1. Institution of Legal Actions

Subject to the express limitations herein, either Party may institute legal action to cure, correct, or remedy any default or recover damages for any default or to obtain any other remedy consistent with the purpose of this Agreement.

11.5.2. Applicable Law

The laws of the State of Idaho shall govern the interpretation and enforcement of this Agreement.

11.5.3. Acceptance of Service of Process

In the event that any legal action is commenced by Developer against Agency, service of process on Agency shall be made by personal service upon the Chair of Agency or in such other manner as may be provided by law. In the event that any legal action is commenced by Agency against Developer, service of process on Developer shall be made by personal service upon Developer or in such other manner as may be provided by law and shall be valid whether made within or without the State of Idaho.

11.5.4. Rights and Remedies

Subject to the express limitation herein, the rights and remedies of the Parties are cumulative, and the exercise by any Party of one or more of such rights or remedies shall not preclude the exercise by it, at the same time or different times, of any other rights or remedies for the same default or any other default by the other Party.

11.5.5. Specific Performance

If Developer or Agency has provided notice and an opportunity to cure pursuant to Section 11.1, the default is not cured, the nondefaulting Party, at the nondefaulting Party's option, may institute an action for specific performance of the terms of this Agreement provided that specific performance shall be limited to those actions which necessitate action on the part of a Party but not for any action where damages (including, without limitation, liquidated damages pursuant to Section 11.5.6 below) are otherwise available.

11.5.6. Automatic Right of Reversion.

If, after Closing, Developer fails to commence construction on the Project on or before January 1, 2019, then all the right, title, and interest in and to the Property shall revert to and revest in the Agency upon Agency's reimbursement of the Purchase Price paid by Developer to Developer, less a termination fee of \$25,000. For purposes of this provision, commencement of construction shall be the following:

- a. Obtaining construction financing (through traditional bank financing and equity partnerships) equal to the estimated construction costs for the Project. Developer shall provide Agency a copy of the construction finance loan agreements with its lender to Agency for review and approval as to sufficiency of the loan proceeds to fund the Project (but not as to business deal points between Developer and its lender).
- b. Obtaining building permits from the City of Boise for the Project
- c. Commencement of excavation on the Property for the Project, with such excavation being performed by Developer's general contractor (or a subcontractor)

11.5.7. Limitation on Agency's Remedies Prior to Developer's Acquisition of the Property

If Developer defaults in its obligation to acquire the Property or to satisfy any conditions relating to the acquisition of the Property, Agency's sole and exclusive remedy shall be to terminate this Agreement and retain Developer's Deposit relating to the Property as liquidated damages. Such amount to be retained by Agency has been agreed by the Parties to be reasonable compensation and the exclusive remedy in those events, because the precise amount of damages in those events would be difficult to determine.

11.6. Remedies and Rights of Termination Prior to Conveyance of the Property to Developer.

11.6.1. Termination by Developer

In the event that prior to Closing for the Property, as applicable:

11.6.1.1. Agency does not tender title to the Property, as applicable, or possession thereof in the manner and condition and by the dates provided in this Agreement, and any such failure is not cured within sixty (60) days after written demand by Developer; or

11.6.1.2. Agency is unable to perform its obligations as set forth in the Scope of Development; or

11.6.1.3. the zoning of the Property, as applicable, does not permit the development, construction, use, operation, or maintenance of the improvements specified in the Scope of Development and in this Agreement to be developed and constructed thereon; or

11.6.1.4. Developer, after and despite reasonably diligent effort and prior to the dates established therefore in the Schedule of Performance, is unable to obtain and submit the evidence of financing reasonably acceptable to Agency or on or before Agency's approval of Developer's evidence of financing, Developer notifies Agency in writing that, in Developer's judgment, it is not economically or financially feasible for Developer to perform or finance its obligations under this Agreement in the time established therefore in the Schedule of Performance; or

11.6.1.5. Agency is in breach or default with respect to any other obligation of Agency under this Agreement, subject to the cure provisions set forth in Section 11 of this Agreement; then this Agreement may, at the option of Developer, be terminated by written notice thereof to Agency. Upon such termination, neither Agency nor Developer shall have any further rights against or liability to the other under this Agreement. In the event this Agreement is so terminated, all closing documents and funds delivered by Agency to Developer or Escrow Agent shall be returned immediately to Agency and all closing documents and funds delivered by Developer to Agency or Escrow Agent shall be returned immediately to Developer; provided, however, that Agency shall retain any Deposit so long as Agency has fully performed the obligations required to be performed by Agency prior to that time.

11.6.2. Termination by Agency prior to the conveyance of the Property

In the event that prior to the conveyance of the Property, as applicable, to Developer:

11.6.2.1. Developer fails to pay the Deposit as required by Section 5.1.2.1 of this Agreement;

11.6.2.2. Developer transfers or assigns or attempts to transfer or assign this Agreement or any rights herein or in the Property or the buildings or improvements thereon in violation of this Agreement; or

11.6.2.3. there is any significant change in the legal structure or control of Developer contrary to the provisions of Section 2.7 hereof; or

11.6.2.4. after and despite diligent effort and prior to the dates established therefore in the Schedule of Performance, subject to the cure provisions set forth in of Section 11 of this Agreement, Developer is unable to obtain and submit the evidence of

financing reasonably acceptable to Agency or before Agency's approval of Developer's evidence of financing Developer notifies Agency in writing that, in Developer's judgment, it is not economically or financially feasible for it to perform or finance its obligations under this Agreement in the time established therefore in the Schedule of Performance; or

11.6.2.5. Subject to the cure provisions set forth herein, Developer does not pay the Purchase Price and take title to the Property under tender of conveyance by Agency pursuant to this Agreement; or

11.6.2.6. Developer is in breach or default with respect to any other obligation of Developer under this Agreement, subject to the cure provisions set forth in of Section 11 of this Agreement; or

11.6.2.7. the zoning of the Property does not permit the development, construction, use, operation, or maintenance of the improvements specified in the Scope of Development and in this Agreement to be developed and constructed thereon; or

11.6.2.8. Agency is unable to perform its obligations as set forth in the Scope of Development; then this Agreement may, at the option of Agency, be terminated by Agency by written notice thereof to Developer. Upon such termination, neither Agency nor Developer shall have any further rights against or liability to the other under this Agreement. In the event this Agreement is so terminated, all closing documents and funds delivered by Agency to Developer or Escrow Agent shall be returned immediately to Agency and all closing documents and funds delivered by Developer to Agency or Escrow Agent shall be returned immediately to Developer; provided, however, that Agency shall retain any Deposit so long as Agency has fully performed the obligations required to be performed by Agency prior to that time.

12. GENERAL PROVISIONS.

12.1. No Assignment of Rights.

Prior to the issuance by Agency of a Certificate of Completion pursuant to Sections 9 and 10 with respect to the Property, Developer shall not, except as expressly permitted by this Agreement, sell, transfer, convey, assign, or lease the whole or any part of such Property or the buildings or improvements thereon without the prior written approval of Agency, which approval shall not be unreasonably withheld. Conveyance to a Developer Affiliate shall be permitted and shall not be subject to further review or approval by Agency. This prohibition shall not apply subsequent to the issuance of the Certificate of Completion, which shall signify Agency's acknowledgment that the work required on the Property has been completed. This prohibition shall not be deemed to prevent the granting of easements or permits to facilitate

the Project or to prohibit or restrict the leasing of any part or parts of a building or structure when said improvements are completed or to prohibit or restrict the preleasing or preselling of any part or parts of the structure so long as the lessee or buyer shall obtain no rights under this Agreement and that any right to occupy or acquire any part of the structure prior to Developer completing all the necessary improvements shall be terminable by Agency in the event Developer fails to complete all the necessary improvements. In the absence of specific written agreement by Agency, no such transfer, assignment, or approval by Agency shall be deemed to relieve Developer from any obligations under this Agreement until completion of the Project as evidenced by the issuance of a Certificate of Completion.

12.2. Notices, Demands, and Communications Between the Parties.

Formal notices, demands, and communications between Agency and Developer shall be sufficiently given upon dispatch if dispatched by registered or certified mail, postage prepaid, return receipt requested, to the principal offices of Agency and Developer as set forth in Section 2.4 hereof. Such written notices, demands, and communications may be sent in the same manner to such other addresses as either Party may from time to time designate by mail.

12.3. Conflicts of Interest.

No member, official, or employee of Agency shall have any personal interest, direct or indirect, in this Agreement, nor shall any such member, official, or employee participate in any decision relating to this Agreement which affects his or her personal interests or the interests of any corporation, partnership, or association in which he or she is directly or indirectly involved.

12.4. Warranty Against Payment of Consideration for Agreement.

Developer warrants that it has not paid or given, and will not pay or give, any third person any money or other consideration for obtaining this Agreement other than normal costs of conducting business and costs of professional services such as for architects, engineers, and attorneys.

12.5. Nonliability of Agency Officials and Employees.

No member, official, or employee of Agency shall be personally liable to Developer in the event of any default or breach by Agency or for any amount which may become due to Developer or on any obligations under the terms of this Agreement.

12.6. Forced Delay; Extension of Times of Performance.

In addition to the specific provisions of this Agreement, performance by any Party hereunder shall not be deemed to be in default where delays or defaults are due to war; insurrection; strikes; lock-outs; riots; floods; earthquakes; fires; casualties; acts of God; acts of

the public enemy; epidemics; quarantine restrictions; freight embargoes; lack of transportation; governmental restrictions or priority; litigation; unusually severe weather; inability to secure necessary labor, material, or tools; delay of any contractor, subcontractor, or suppliers; acts of another Party; proceedings before or acts or failures to act of any public or governmental agency or entity, including approvals by any historic preservation agency (other than acts or failures to act of Agency shall not excuse performance by Agency); approvals by building officials for issuance of building permits; and temporary cessation of work for archeological digs, environmental analysis, or removal of hazardous or toxic substances; or any causes beyond the control or without the fault of the Party claiming an extension of time to perform. An extension of time for any such cause shall only be for the period of the forced delay, which period shall commence to run from the time of the commencement of the cause. If, however, notice by the Party claiming such extension is sent to the other Parties more than thirty (30) days after the commencement of the cause, the period shall commence to run only thirty (30) days prior to the giving of such notice. Times of performance under this Agreement may also be extended in writing by the Parties.

12.7. Inspection of Books and Records.

Agency has the right, upon not less than seventy-two (72) hours' notice, at all reasonable times, to inspect the books and records of Developer pertaining to the Project as pertinent to the purposes of this Agreement. Developer also has the right, upon not less than seventy-two (72) hours' notice, at all reasonable times, to inspect the books and records of Agency pertaining to the Project as pertinent to the purposes of this Agreement.

12.8. Reports, Studies and Test.

If Developer does not proceed with the purchase of the Property and development of the Project, Agency may retain possession of any reports, studies and test results prepared by Developer's consultants, including any soils or engineering tests concerning the Property, previously submitted by Developer. Building and improvement designs, plans and specifications are not intended to be covered by the preceding sentence. However, Developer agrees not to prevent Agency from obtaining building and improvement designs, plans, and specifications from Developer's design professionals if Agency and such design professionals enter into a separate arrangement for Agency to obtain such designs, plans, and specifications. Agency or any other person or entity designated by Agency shall be free to use such reports, studies, and test results for any reason whatsoever without cost or liability thereof to Developer or any other person, except to the extent Agency may have to reach agreement with Developer's consultants. Developer does not make and hereby expressly disclaims any representation or warranty as to the accuracy of any such information or Agency's right to rely thereon.

12.9. Approvals by the Parties.

Wherever this Agreement requires Agency and/or Developer to approve, or permits a Party to submit to the other Party for approval, any contract, document, plan specification, drawing, or other matter, such approval shall not be unreasonably withheld, conditioned or delayed.

12.10. Attorney Fees.

In the event of any action or proceeding at law or in equity between Developer and Agency to enforce any provision of this Agreement or to protect or establish any right or remedy of either Party hereunder, the unsuccessful Party to such litigation shall pay to the prevailing Party all costs and expenses, including reasonable attorney fees incurred therein by such prevailing Party (including such costs and fees incurred on appeal), and if such prevailing Party shall recover judgment in any such action or proceeding, such costs, expenses, and attorney fees shall be included in and as a part of such judgment.

13. SPECIAL PROVISIONS.

13.1. Amendment of Redevelopment Plan.

Pursuant to the provisions of the Redevelopment Plan or modification or amendment therefore, Agency agrees that no amendment that changes the uses or development permitted on the Property or changes the restrictions or controls that apply to the Property or otherwise affects the Property shall be made or become effective without the prior written consent of Developer. Amendments to the Redevelopment Plan applying to other property in the Project Area shall not require the consent of Developer.

13.2. Submission of Documents for Approval.

Whenever this Agreement requires either Party to submit plans, drawings, or other documents to the other Party for approval, which shall be deemed approved if not acted on by the Party within a specified time, said plans, drawings, or other documents shall be accompanied by a letter stating that they are being submitted and shall be deemed approved unless rejected by the other Party within the stated time. If there is no time specified herein for such Party's action, the other Party may submit a letter requiring approval or rejection of documents within thirty (30) days after submission or such documents shall be deemed approved.

13.3. Computation of Time.

In computing any period of time prescribed or allowed under this Agreement, the day of the act, event, or default from which the designated period of time begins to run shall not be included. The last calendar day of the period so computed shall be included, unless it is a Saturday, Sunday, or legal holiday, in which event the period runs until the end of the next day which is not a Saturday, Sunday, or legal holiday. As used herein, "legal holiday" means a legal holiday recognized by Agency on which the offices of Agency are closed for regular business.

13.4. No Third-Party Beneficiary.

The provisions of this Agreement are for the exclusive benefit of Agency and Developer, and their successors and assigns, and not for the benefit of any third person; nor shall this Agreement be deemed to have conferred any rights, express or implied, upon any third person except for provisions expressly for the benefit of a mortgagee or lender of Developer or its successors and assigns.

13.5. Dispute Resolution.

In the event that a dispute arises between the Parties concerning (i) the meaning or application of the terms of, or (ii) an asserted breach of this Agreement, the Parties shall meet and confer in a good faith effort to resolve their dispute. The first such meeting shall occur within thirty (30) days of the first written notice from either Party evidencing the existence of the dispute. The Chair of Agency and the managing member of Developer shall both be included among the individuals representing the Parties at the first such meeting. If the Parties shall have failed to resolve the dispute within thirty (30) days after delivery of such notice, the Parties agree to first consider 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 United States or otherwise, as the Parties may mutually agree before resorting to litigation or to arbitration. The costs of such mediation or other process of structured negotiation shall be equally split between the Parties. 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, or if the Parties cannot mutually agree to attempt to settle any dispute by 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.

13.6. Good Faith and Cooperation.

It is agreed by Agency and Developer to act in good faith in compliance with all of the terms, covenants, and conditions of this Agreement and shall deal fairly with each other.

13.7. Entire Agreement, Waivers, and Amendments.

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 hereof including, without limitation, the Agreement to Negotiate Exclusively. All waivers of the provisions of this Agreement must be in writing and signed by the appropriate authorities of Agency and Developer, and all amendments hereto must be in writing and signed by the appropriate authorities of Agency and Developer.

13.8. Effective Date of Agreement.

This Agreement, when executed by Developer and delivered to Agency, must be authorized, executed, and delivered by Agency within forty-five (45) days after the date of signature by Developer or this Agreement shall be void, except to the extent that Developer shall consent in writing to further extensions of time for the authorization, execution, and delivery of this Agreement. Developer recognizes that Agency must comply with certain notice, solicitation, and comment periods and a disclosure process as required by law. Because of that process Agency may be unable to execute this Agreement as proposed, and in such event, this Agreement shall be void. The effective date of this Agreement (the "Effective Date") shall be the date when this Agreement has been signed by Agency.

[signatures on following page]

AGENCY:
THE CAPITAL CITY DEVELOPMENT CORPORATION

By _____
John Brunelle
Executive Director
_____, 2015

DEVELOPER:

Front Street Development, LLC
an Idaho limited liability company

By _____

It's **Manager**
_____, 2018

STATE OF IDAHO)
) ss.
County of _____)

On this _____ day of _____, 2018, before me, _____,
the undersigned notary public in and for said county and state, personally appeared John
Brunelle, known or identified to me to be the Executive Director of THE URBAN RENEWAL
AGENCY OF THE CITY OF BOISE, IDAHO, 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 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.

Notary Public for Idaho

Residing at _____

Commission Expires _____

STATE OF IDAHO)
) ss.
County of _____)

On this _____ day of _____, 2018, 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
Idaho limited liability company, "Developer" herein, and acknowledged to me that he executed
the within instrument on behalf of such Developer 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.

Notary Public for Idaho
Residing at _____
Commission Expires _____

Attachment 1

Map of the Property

Attachment 2

Legal Description of the Property

Attachment 3

Scope of Development

Attachment 5

Design Review Drawings

Attachment 6

Title Report

Recording Requested By and
When Recorded Return to:

SPACE ABOVE THIS LINE FOR
RECORDER'S USE ONLY

SPECIAL WARRANTY DEED

THE URBAN RENEWAL AGENCY OF _____, also known as _____ DEVELOPMENT CORPORATION ("**Grantor**"), for valuable consideration paid by _____, an Idaho limited liability company ("**Grantee**"), which has a current address of _____, does hereby sell, transfer and convey unto Grantee, all of that certain real property located in _____ County, Idaho, and described on Exhibit "A" attached hereto and incorporated herein ("**Property**").

Together with all and singular the tenements, hereditaments, and appurtenances thereunto belonging or in anywise appertaining, the reversion and reversions, remainder and remainders, rents, issues and profits thereof and all estate, right, title and interest in and to the Property.

To have and to hold, all and singular the Property together with its appurtenances unto Grantee and Grantee's successors and assigns forever.

Grantor makes no covenants or warranties with respect to title, express or implied, other than that previous to the date of this instrument, Grantor has not conveyed the same estate to any person other than Grantee and that such estate is at the time of the execution of this instrument free from encumbrances done, made or suffered by the Grantor, or any person claiming under Grantor, subject to any and all easements, restrictions, agreements and encumbrances of record or appearing on the land as of the date of this instrument.

1. The Property is conveyed subject to:
 - a. The Disposition and Development Agreement entered into by and between the Grantor and Grantee and dated _____, 20____, as implemented by any subsequent implementation agreements between Grantor and Grantee (herein collectively referred to as the "DDA") and the Redevelopment Plan (as defined in the DDA); the full text of the Redevelopment Plan, the DDA and such implementation

agreements are available for review at the offices of the Grantor and the City of Boise.

2. The Grantee hereby covenants and agrees, for itself and its successors and assigns, that during construction and thereafter, the Grantee shall use, operate, and maintain the Property for the uses specified in the Redevelopment Plan and (unless expressly waived in writing by the Grantor) for the specific use as follows:

The Property shall be used only for a mixed-use condominium project constructed in accordance with the Scope of Development (Attachment 3 to the DDA) until December 31, _____. The period of time from the date of issuance by the Grantor of a Certificate of Completion, pursuant to the DDA, until December 31, _____, shall be referred to hereinafter as the "Use Covenant Period."

3. Prior to commencement of construction of the improvements as required in the DDA and notwithstanding any provisions in the DDA to the contrary, the Grantee shall not enter into, create, or suffer any transfer of title, assignment, lien, or other encumbrances without the written consent of the Grantor. On or following commencement of construction of the improvements as required by the DDA, the following provisions of this paragraph shall apply.

Prior to the recordation by the Grantor of a Certificate of Completion of construction as provided in the DDA, the Grantee shall not, except as permitted by the DDA, assign or attempt to assign or lease the whole or any part of the Property (or any portion thereof) or of the improvements to be constructed thereon without the prior written approval of the Grantor. This prohibition shall not be applicable to a transfer or transfers to any entity or entities owned or controlled by the Grantee transfer permitted by the DDA. This prohibition shall not apply to any of such Property (or any portion thereof) subsequent to the recordation of the Certificate of Completion with respect to the construction of the improvements thereon or to a sale of any such Property (or any portion thereof) at foreclosure (or to a conveyance thereof in lieu of a foreclosure) pursuant to a foreclosure thereof by a lender approved by the Grantor under the DDA. This prohibition shall not be deemed to prevent the granting of easements or permits to facilitate the development of such property or to prohibit or restrict the leasing or selling of any part or parts thereof or of any improvements constructed thereon with respect to which a Certificate of Completion has been issued by the Grantor.

4. The Grantee covenants by and for itself, its heirs, executors, administrators, assigns, and all persons claiming under or through them that there shall be no discrimination against or segregation of any person or group of persons on

account of race, color, creed, religion, sex, marital status, age, handicap, national origin, or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Property; nor shall the Grantee itself, or any person claiming under or through it establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, subtenants, sublessees or vendees in the Property.

5. No violation or breach of the covenants, conditions restrictions, provisions, or limitations contained in this Deed shall defeat or render invalid or in any way impair the lien or charge of any mortgage, deed of trust, or other financing or security instrument permitted by the DDA; provided, however, any successor of the Grantee to the Property shall be bound by such remaining covenants, conditions, restrictions, limitations, and provisions, whether such successor's title was acquired by foreclosure, deed in lieu of foreclosure, trustee's sale, or otherwise.
6. Except as otherwise provided, the covenants contained in paragraph 2 of this Deed shall remain in effect until December 31, 2024. The covenants contained in paragraphs 2, 3, 4, 5, and 6 of this Deed shall be binding for the benefit of the Grantor, its successors and assigns, and any successor in interest to the Property, or any part thereof, and such covenants shall run in favor of the Grantor and such aforementioned parties for the entire period during which such covenants shall be in force and effect, without regard to whether the Grantor is or remains an owner of any land or interest therein to which such covenants relate. The Grantor and such aforementioned parties, in the event of any breach of any such covenants, shall have the right to exercise all of the rights and remedies and to maintain any actions at law or suits in equity or other proper proceedings to enforce the curing of such breach. The covenants contained in this Deed shall be for the benefit of and shall be enforceable only by the Grantor, its successors, and such aforementioned parties. Notwithstanding the foregoing, if Grantee or any subsequent owner of any portion of the Property conveys any portion of the Property, such owner shall, upon the conveyance, be released and discharged from all of its obligations in connection with the portion of the Property conveyed by it arising under this Deed after the conveyance but shall remain liable for all obligations in connection with the portion of the Property so conveyed arising under this Deed prior to the conveyance. The new owner of any such portion of the Property shall be liable for all obligations arising under this Deed with respect to such portion of the Property after the conveyance.
7. In the event of any express conflict between this Deed and the DDA, the provisions of this Deed shall control.
8. Any amendments to the Redevelopment Plan which change the uses or development permitted on the Property as proposed in the DDA or otherwise change the restrictions or controls that apply to the Property or otherwise affect the grantee's obligations or rights with respect to the Property shall require the

written consent of the Grantee. Amendments to the Redevelopment Plan applying to other property in the Project Area shall not require the consent of the Grantee.

IN WITNESS WHEREOF, the Grantor and Grantee have caused this instrument to be executed on their behalf by their respective officers thereunto duly authorized.

GRANTOR:

URBAN RENEWAL AGENCY

By _____
Executive Director
Date: _____

The provisions of this Deed are hereby approved and accepted:

GRANTEE:

_____, a Delaware limited liability
company

By _____
Its _____
Date: _____

ACKNOWLEDGEMENTS

STATE OF IDAHO)
) ss.
County of _____)

On this _____ day of _____, 20____, before me, the undersigned, a Notary Public in and for said State, personally appeared _____ known or identified to me to be the Executive Director of The Urban Renewal Agency of the City of Boise, also known as the Capital City Development Corporation, the entity that executed the within instrument or the person who executed the instrument on behalf of said entity, and acknowledged to me that such entity 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 _____
My commission expires _____

STATE OF IDAHO)
) ss.
County of _____)

On this _____ day of _____, 20____, before me, the undersigned, a Notary Public in and for said State, personally appeared _____ and _____, known or identified to me to be the _____, respectively, of _____, an _____ limited liability, the entity that executed the within instrument or the person who executed the instrument on behalf of said entity, and acknowledged to me that such entity 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 _____
My commission expires _____

PROPERTY DESCRIPTION EXHIBIT "A"

[To be attached]

ATTACHMENT 8

FORM OF MEMORANDUM

4819-3174-7113, v. 10

Attachment 5 – Type 3 Transformative Participation Agreement DRAFT

TRANSFORMATIVE ASSISTANCE PARTICIPATION AGREEMENT

BY AND BETWEEN

THE CAPITAL CITY DEVELOPMENT CORPORATION

AND

FRONT STREET INVESTORS, LLC

6TH AND IDAHO PROJECT

TRANSFORMATIVE ASSISTANCE PARTICIPATION AGREEMENT

THIS TRANSFORMATIVE ASSISTANCE PARTICIPATION AGREEMENT (the “**Agreement**”) is entered into by and between the Urban Renewal Agency of the City of Boise, also known as the Capital City Development Corporation, a public body, corporate and politic, of the State of Idaho (“**CCDC**”), and Front Street Investors, LLC, an Idaho limited liability company (“**Participant**”). CCDC and Participant may be collectively referred to as the “**Parties**” and individually referred to as a “**Party**.”

RECITALS

CCDC is an urban renewal agency created by and existing pursuant to the Idaho Urban Renewal Law of 1965, being Idaho Code, Title 50, Chapter 20, and the Local Economic Project Act, being Idaho Code, Title 50, Chapter 29, as amended and supplemented (collectively the “**Act**”).

Participant is the owner of the real property located at _____, Boise, ID 83702 (the “**Project Site**” or “**Site**”), which is more accurately described and depicted on attached **Exhibit A**.

Participant plans to develop and construct on the Site a mixed use project consisting of a hotel and a parking garage (the “**Project**”). CCDC is entering this Agreement in reliance on Participant’s construction of the Project.

Preliminary concept plans for the Project are attached as **Exhibit B** (the “**Concept Plans**”). The Concept Plans generally depict the Project, as approved by the Boise City Design Review Committee in Matter _____. CCDC understands the Concept Plans are conceptual only and are subject to final planning and design.

Participant intends on constructing certain Public Improvements (as further described below), described and depicted on attached **Exhibit C**.

The Project is located in the River Myrtle-Old Boise Urban Renewal District (“**River Myrtle District**”), as defined 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 and will generate revenue allocation proceeds to CCDC for the duration of its existence (the “**Reimbursement Period**”). The Reimbursement Period shall terminate on September 30, 2025.

CCDC has been asked to assist with the Project consistent with CCDC’s Participation Program (the “**Participation Program**”) adopted by CCDC and as subsequently amended or

updated. Under the provisions of the Plan and the Participation Program, CCDC may participate in the funding of certain improvements.

CCDC and Participant have negotiated the terms and conditions of CCDC's participation in 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** (collectively referred to hereafter as the "**Public Improvements**" as further described below) which are described and depicted on **Exhibit D**.

Participant's estimated timeline, value of the completed Project, and identification of the four elements that comprise the Project (parking garage, retail building, office building, and commercial building) is attached hereto as **Exhibit E**.

AGREEMENT

NOW, THEREFORE, in consideration of the above recitals, 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 (the "**Effective Date**") of this Agreement shall be the date when this Agreement has been signed by Participant and CCDC (last date signed).
2. **Recitals, Purpose of This Agreement, and Interest.** The Parties agree that the foregoing recitals are not mere recitations but are covenants of the Parties, binding upon them and forming a portion of the consideration for the agreements contained herein. CCDC's commitment herein is designed to comply with CCDC's authority under the Act and the Plan and is intended to constitute an expenditure of CCDC funds for a public purpose and not be deemed a gift or donation of public funds.
3. **Cost of Construction.** The cost of the Project and the Public Improvements, defined below, shall be borne by Participant, subject to reimbursement as set forth herein.
4. **Permits and Approvals.** Participant shall, at Participant's own expense, secure any and all permits or approvals which may be required by CCDC, City of Boise ("**City**"), or any other governmental agency relative to Site construction and operation.
5. **Public Improvements.** "**Public Improvements**" shall mean those improvements eligible and agreed to for funding by CCDC including certain streetscape improvements to the block faces in the public right of way adjacent to the Site, construction of certain other right of

way, public improvements, and construction of utility service improvements, all of which are described and depicted on **Exhibit D**. The Public Improvements are directly related to public facilities and are: (a) critical to the redevelopment of the Site; (b) are in the best public interest; (c) provide for enhanced development of the Site; and (d) provide a higher quality of development that should assist CCDC in achieving redevelopment of other properties adjacent to the Site and meeting the objectives of the Plan.

6. Construction of Public Improvements. The Public Improvements shall be constructed in accordance with the overall City infrastructure plans, policies, and design standards. Upon CCDC's reasonable prior 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 commercially reasonable manner. Participant shall be presumed to have utilized commercially reasonable contracting, budgeting, and bidding practices if its general contractor solicits or solicited competitive bids for the Public Improvements and such work is not performed by an affiliate or subsidiary of Participant.

7. Commencement of the Public Improvements. Participant shall commence construction on the Public Improvements on or before December 31, 2018. In the event that Participant fails to commence construction of the Public Improvements on or before December 31, 2018, CCDC may terminate this Agreement. Participant will be deemed to have commenced the construction upon Participant's receipt of a building permit from the City for the parking garage element of the Project. The commencement date may be extended for up to one hundred eighty (180) days by Participant, upon written approval from CCDC, which approval shall not be unreasonably withheld. Such dates shall also be extended for delays permitted under Section 39 herein and other matters outside the control of Participant. Participant's construction of the Public Improvements may be phased consistent with the phasing of Participant's construction of the Project. Construction of the Public Improvements shall be completed within twenty-four (24) months of the Effective Date, subject to Section 39.

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

9. Approvals of Project and Public Improvements. Participant shall be responsible for obtaining necessary approvals for the Project (including the Public Improvements) from the governmental entities and other entities necessary, including to the extent necessary, but not limited to, Boise City, the Ada County Highway District (ACHD), Idaho Transportation

Department (ITD), and other governmental entities having approval authority for the Project (the “**Approving Entities**”).

Participant shall keep CCDC advised of the approval process of the Approving Entities and advise CCDC immediately if any action of Approving Entities shall affect the scope and purpose of the Agreement. Participant shall provide CCDC courtesy copies of any applications to Boise City for any modifications to the design of the Project, approved as _____, and notice of any hearings on such applications before Boise City.

The Public Improvements and the Project shall be designed, constructed, and installed in compliance with the requirements of any of the Approving Entities, as applicable, and shall meet the design approved as _____ or as approved by any subsequent applications to Boise City. Any changes to the designs for the Public Improvements require CCDC’s written approval, such approval will not be unreasonably withheld.

10. Warranty on Public Improvements. Participant warrants that the materials and workmanship employed in the construction of the Public Improvements shall be good and sound and shall conform to generally accepted standards within the construction industry. Such warranty shall extend for a period of one (1) year after acceptance of the Public Improvements by CCDC, 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 or the Public Improvement Construction Documents. The one-year warranty period does not constitute a limitation period with respect to the enforcement of Participant’s other obligations under the Agreement.

11. Maintenance. Participant recognizes CCDC has no specific authority to accept maintenance responsibility of the Public Improvements and that no agreement has been reached with CCDC to accept any maintenance obligations for the Public Improvements. Provided however, that this Section 11 shall not limit or modify any obligation that CCDC assumes or may assume in the future in association with its purchase of a portion of the parking garage that is pursuant to a separate agreement.

12. Notification of Completion; Inspection. Upon completion of construction of each Phase of the Public Improvements, Participant shall notify CCDC in writing and request a final construction inspection and a meeting with CCDC to determine if the Public Improvements for such Phase meet the requirements of this Agreement. Following the inspection and meeting, provided the Public Improvements for such Phase meet the requirements of this Agreement, CCDC shall provide Participant with written confirmation that the Public Improvements for such Phase have been completed in compliance with this Agreement within ten (10) days of the inspection. The confirmation shall also identify any portion of the Public Improvements for such Phase that need to be completed or corrected and establish a time frame for their completion or correction.

13. Estimated Eligible Costs for Public Improvements. Participant has estimated the cost of the Public Improvements to be _____ Dollars (\$_____.00) (the “**Estimated Eligible Costs**”). Attached hereto as **Exhibit D** is a schedule of Estimated Eligible Costs.

14. Determination of CCDC Reimbursement Amount. Upon completion of the construction of each Phase of the Public Improvements (as approved by the Approving Entities in compliance with Section 9) on the Site and City’s acceptance of such improvements (if applicable), Participant will dedicate and grant easements, as required, for all public infrastructure and utility infrastructure constructed to: (a) City; (b) to the other Approving Entities with jurisdiction over such public improvements; or (C) the public utility provider whose utility infrastructure has been constructed.

Upon acceptance of the improvements and the dedication of the utility infrastructure improvements and other public improvements as set forth above, Participant, within a reasonable time, shall submit an invoice (“**Invoice**”) to CCDC for the Public Improvements together with an accounting of the actual costs to construct the Public Improvements and Cost Documentation, as defined below. Submission of Cost Documentation may occur on a Phase by Phase basis upon completion of each Phase’s construction of Public Improvements under Section 7. “Cost Documentation” shall include the following:

- a. Schedule of values that includes line items for each Phase’s Public Improvements approved by CCDC for reimbursement so they are identifiable separate from other line items (“**Schedule of Values**”) and correspond to the Estimated Eligible Costs.
- b. Invoices, billings, and other proof of expenditures from Participant’s general contractor, subcontractor(s) and material suppliers for each type of eligible cost item (e.g. concrete, pavers, benches, historic street lights)(the “**Proof of Expenditure**”). Proof of Expenditure shall be specific to Public Improvements for each Phase and, if necessary, specify quantities and unit costs of installed materials, and a percentage estimate of how much installed material was used for the Public Improvements in comparison to the amount used for the remainder of Participant’s project.
- c. Explanation of any significant deviation between the Estimated Cost and the actual costs in the Cost Documentation.

CCDC shall have the right to review the Cost Documentation for each Phase of Public Improvements and to obtain independent verification that the quantities of work claimed, the unit costs and the total costs for eligible costs are commercially reasonable and consistent with the cost estimates provided by Participant to CCDC prior to construction. In the event Participant fails to timely deliver the Cost Documentation, CCDC may, in its discretion, elect to terminate its payment obligations under this Agreement by providing Participant with written

notice of such default. Participant shall have thirty (30) days from such written notice to cure the default. In the event Participant fails to cure such a default as to those Public Improvements that are the subject of such default notice, CCDC's payment obligations for Public Improvements that are the subject of such uncured default under this Agreement may be terminated in CCDC's sole discretion.

Within thirty (30) days of CCDC's receipt of the Cost Documentation, CCDC will notify Participant in writing of CCDC's determination of the actual costs to construct the Public Improvements for such Phase, CCDC shall notify Participant of the amount CCDC shall reimburse Participant for the Public Improvements for such Phase (the "**CCDC Reimbursement**"). **The CCDC Reimbursement shall be the lesser of the Actual Costs or the Estimated Eligible Costs. Participant acknowledges CCDC will not reimburse Participant for an amount greater than the Estimated Eligible Costs, even if the Actual Costs are greater than the Estimated Eligible Costs. Participant acknowledges CCDC will not reimburse Participant for an amount greater than the tax increment generated on the Site and received by CCDC, even if the costs are greater than the tax increment generated.**

If Participant disagrees with CCDC's calculation of the CCDC Reimbursement, Participant must respond to CCDC in writing within ten (10) days of CCDC Reimbursement explaining why Participant believes CCDC's calculation was in error and providing any evidence to support any such contentions Participant wants CCDC to consider. CCDC shall respond to Participant within ten (10) days with a revised amount for the CCDC Reimbursement which will not be less than the original proposed CCDC Reimbursement or notifying Participant CCDC will not revise the initial amount calculated. At that point, the determination of the CCDC Reimbursement will be final.

CCDC's determination of the CCDC Reimbursements shall be made consistent with the requirements of this Agreement and shall be made in a commercially reasonable manner.

15. Conditions to CCDC's Payment Obligation.

The following conditions must be met before CCDC has any obligation to reimburse Participant for the Public Improvements:

- a. City issues a Certificate of Occupancy or Temporary Certificate of Occupancy for any portion of the Project.
- b. CCDC provides written confirmation to Participant that the Public Improvements for the specified Phase of development have been completed in compliance with this Agreement.

16. Deadline to Complete Project. In order to be eligible for any CCDC Reimbursement for the Public Improvements under this Agreement, Participant must complete

the Project consistent with Section 7 above. Upon written notice, the Project may be extended as set forth in Section 7. If Participant does not complete the Project within the time period set forth in this Section, CCDC shall have no obligation to reimburse Participant for the costs of the Public Improvements. The Project shall be considered completed for the purposes of this Section upon Participant's meeting the conditions of Section 15 for the final phase of the Project and the final Phase of the Public Improvements.

17. Payment Terms. Upon determining the CCDC Reimbursement, CCDC shall execute the "Confirmation of Final Reimbursement Amount and Payment Schedule".

A copy of the Confirmation of Final Reimbursement Amount and Payment Schedule is attached hereto as **Exhibit F**.

The CCDC Reimbursement shall be reimbursed over a period not to exceed four (4) years.

In general, though exceptions exist for periodic adjustments to the property tax rolls, the value of construction activity occurring during a given calendar year that is completed by December 31 of that year will be added to the property tax rolls as of January 1 of the subsequent year and assessments on this value will be collected during the following fiscal year for Ada County.¹ For example, a construction project completed in November of 2015 will add value to the property tax rolls for tax year 2016. Taxes for tax year 2016 will then be collected in fiscal year 2017 (October 1, 2016 – September 30, 2017). In general, if a project is not completed with a certificate of occupancy (a partial value but not a full value may be identified) by December 31st of any given year, the new value will not be added to the property tax rolls for following tax year but will instead be deferred another year.

The maximum four-year period of collection years (the "Reimbursement Period") shall begin on September 1 of the year in which CCDC receives tax increment for the first full tax year *after* the completion of the Project. For example, if the Project is completed in November, the first full tax year will begin the following January. CCDC will receive its first tax increment payment in the January *after* the first full tax year. The first payment shall be made in the first September *following* the first full tax year.

On or before September 30 each year during the Reimbursement Period, CCDC shall pay Participant eighty percent (80%)² of the tax increment generated from the Site as a result of the Project that is actually received by CCDC as of October 1 of that year (the "Annual Payment").

¹ CCDC and Ada County both operate on a fiscal year beginning on October 1 and ending September 30.

² CCDC has determined the Project is a Tier 1 Project, as defined in the Participation Program. If Participant modifies the contemplated Project, CCDC reserves the right to re-examine the determination. If the Project is determined to be a Tier 2 or Tier 3 Project, the percentage of the tax increment to be paid to Participant may be amended.

CCDC shall make a total of no more than four (4) Annual Payments. Provided once CCDC has reimbursed Participant for the CCDC Reimbursement Amount, CCDC shall have no further payment obligations.

The formula is illustrated as such:

Subtract the Tax Year 2015 total Assessed Value from the Assessed Value upon completion as determined by the Ada County Tax Assessor. Multiply that by the levy rate and then multiply by the 0.8, which is the factor based on the Project's scoring in **Exhibit G**. This equals the first annual payment.

For illustration purposes only, the Annual Payment Schedule is estimated below. This is an estimate and is in no way guaranteed.

Estimated Payments

1)	September 15, 2020	\$ _____
2)	September 15, 2021	\$ _____
3)	September 15, 2022	\$ _____
4)	September 15, 2023	\$ _____
Total		\$ _____

Participant represents redevelopment of the Site shall result in sufficient increases to its assessed value to allow CCDC to reimburse Participant during the Reimbursement Period. The current total assessed value of the Site, as determined by the Ada County Assessor's Office, is \$ _____ for tax year 2018.

For purposes of this Agreement, Participant estimates the total value of the Project upon completion will be at least \$____,000,000 (the "Estimated Value"). **If the CCDC Reimbursement is not fully reimbursed by the four Annual Payments as further limited by the termination date of the Plan, CCDC will not be obligated to make any additional payments.**

Participant acknowledges that the sum of the Annual Payments may be less than the CCDC Reimbursement if eighty percent of the tax increment generated as a result of the Project during the Reimbursement Period is less than the CCDC Reimbursement.

It is the specific intent of the Parties that the CCDC Reimbursement shall be paid from the tax increment monies, if any, which are paid to CCDC as a direct result of the Project and any future development constructed on the Site. CCDC's payment obligations hereunder shall not constitute a general obligation or debt of CCDC, the State of Idaho, or any of its political subdivisions or give rise to a charge against their general credit or taxing powers to be payable out of any funds or properties other than the eighty percent of the tax increment generated by the Project during the Reimbursement Period.

Notwithstanding the above, CCDC reserves the right, in its sole discretion, to pay off the CCDC Reimbursement at any time.

18. CCDC Reimbursement Assignable. CCDC shall reimburse Participant by paying the CCDC Reimbursement to Participant or to Participant's assignee. Participant shall have the absolute right to assign its right to reimbursement to its lender, its successor, or other entity designated by Participant in writing. CCDC shall cooperate as reasonably necessary to memorialize any such assignment.

19. 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 District 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; provided, however, that CCDC (a) shall not grant any other person or entity a security interest in CCDC's tax increment revenues for the River Myrtle District, except as may be related to loans, issuance of credit, or the issuance of bonds related to the maintenance, operation, or purchase of parking facilities or any other urban renewal project; (b) except as permitted in the previous clause, shall not enter into any agreement committing the tax increment generated from the Site to any other person or entity; and (c) shall not, without prior notice to Participant, modify the Plan in such a way as would (i) adversely affect the implementation of the Plan, (ii) adversely affect the ability of CCDC to obtain revenue from the Site, or (iii) result in the resetting of the base value of the Site. Upon reasonable request from the Participant, CCDC will provide updates on the availability of funds for the CCDC Reimbursement and the most recently adopted annual budget for the River Myrtle District.

20. 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 Project. 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.

21. 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 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 and City 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.

22. Use of the Site. For so long as Participant owns the Site, Participant agrees and covenants that the use and development of the Site shall comply with all other provisions and conditions of the Plan for the period of time the Plan is in force and effect, which for purposes of this Agreement is deemed through December 31, 2024.

23. Local, State and Federal Laws. Participant covenants that it will carry out the construction of the improvements in conformity with all applicable laws, including all applicable federal and state labor standards.

24. Taxes. Participant shall pay when due all real estate and personal property taxes and assessments assessed and levied on Participant's ownership interest of the Site. This provision or covenant shall run with the land and be binding upon Participant's successors. Participant recognizes CCDC has no authority or involvement in the assessment, tax, or collection process for ad valorem taxes, including real property and personal property taxes. Participant also recognizes the ability of CCDC to reimburse Participant for the CCDC Reimbursement is dependent on the ad valorem assessment and collection process. Participant expressly acknowledges and understands that the CCDC Reimbursement is linked to the tax increment revenue actually generated from the Site, and in the event insufficient taxes are received by CCDC for any reason including a reduction of the tax levy rate or assessed values less than assumed by CCDC and Participant or in the event of any tax delinquency or contest of value by any owner of parcels within the Site or by any tenant related to personal property the actual tax increment received by CCDC will be reduced, which in turn will result in lower Annual Payments by CCDC to Participant.

25. Tax Appeals/Exemptions. Participant or its successors shall not, without CCDC's written authorization, which shall not be unreasonably withheld if participant does not seek to have its assessed valuation reduced below the Estimated Value, contest or appeal the assessed value or seek any property tax exemption for any of the parcels within the Site, including but not limited to an exemption or reduction under Idaho Code § 63-602NN or Idaho Code Section 63-606A, for property taxes assessed for any property tax year up to and including property tax year 2024, seeking a lower tax assessment for any of the parcels within the Site. The property tax year runs from January 1st to December 31. Provided, Participant may appeal the assessed value or seek any property tax exemption for the Site if the Ada County Assessor determines the value of the Site is greater than the Estimated Value upon receipt of CCDC's written authorization, such authorization shall not be unreasonably withheld and shall be provided in a timely manner. Any appeal of an assessed value or request for property tax exemption for the Site for an assessment at less than the Estimated Value requires CCDC's written authorization, which shall be provided in CCDC's sole discretion.

26. Default. Unless a different cure period in the event of a default is provided herein, neither Party shall be deemed to be in default of this Agreement except upon the expiration of forty-five (45) days (ten [10] days in the event of failure to pay money) from receipt of written notice from the other Party specifying the particulars in which such Party has failed to perform its obligations under this Agreement unless such Party, prior to expiration of said 45-day period (ten [10] days in the event of failure to pay money), has rectified the particulars specified in said notice of default or is diligently proceeding with rectification of those particulars. In the event of a default, the nondefaulting Party may do the following:

- a. The nondefaulting Party may terminate this Agreement upon written notice to the defaulting Party and recover from the defaulting Party all direct damages incurred by the nondefaulting Party.
- b. The nondefaulting Party may seek specific performance of those elements of this Agreement which can be specifically performed, in addition, recover all damages incurred by the nondefaulting Party. The Parties declare it to be their intent that elements of this Agreement requiring certain actions be taken for which there are not adequate legal remedies may be specifically enforced.
- c. The nondefaulting Party may perform or pay any obligation or encumbrance necessary to cure the default and offset the cost thereof from monies otherwise due the defaulting Party or recover said monies from the defaulting Party.
- d. The nondefaulting Party may pursue all other remedies available at law, it being the intent of the Parties that remedies be cumulative and liberally enforced so as to adequately and completely compensate the nondefaulting Party.
- e. In the event Participant defaults under this Agreement, CCDC (the nondefaulting Party) shall have the right to suspend or terminate its payment under this Agreement, as more specifically defined in this Agreement, for so long as the default continues and if not cured, CCDC's obligation for payment may be deemed extinguished by CCDC in its discretion. In addition, if CCDC funds shall have been paid, Participant shall reimburse CCDC for any such funds Participant received. Notwithstanding the foregoing, however, Participant shall have no obligation to reimburse CCDC for any portion of CCDC Reimbursement and CCDC shall not withhold CCDC Reimbursement that: (a) relates to a Phase of the Public Improvements that has been accepted; (b) has previously been or is currently subject to CCDC Reimbursement; and (c) is not subject to a default notice.

27. Dispute Resolution. In the event that a dispute arises between CCDC and Participant regarding application or interpretation of any provision of this Agreement or a Party's performance of any obligations under this Agreement, the Parties may first endeavor to settle the dispute in an amicable manner by mediation. If the Parties elect to mediate their dispute, the Parties will select a mediator by mutual agreement and agree to each pay half of the mediator's costs and fees. The mediation will take place in Boise, Idaho, unless otherwise agreed by the Parties in writing. Should the Parties be unable to resolve the dispute to their mutual satisfaction within forty-five (45) days after such completion of mediation, each Party shall have the right to pursue any rights or remedies it may have at law or in equity. If the Parties do not mutually agree to mediate the dispute, either Party may pursue any rights or remedies it may have at law.

28. Rights and Remedies Are Cumulative. Except as otherwise expressly stated in this Agreement, the rights and remedies of the Parties are cumulative, and the exercise by any Party of one or more of such rights or remedies shall not preclude the exercise by it, at the same time or different times, of any other rights or remedies for the same default or any other default by the other Party.

29. 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.

30. 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.

31. Assignment. Subject to Participant's right to assign the right to the CCDC Reimbursement under this Agreement, Participant's rights and obligations under this Agreement are not assignable. Provided Participant may assign Participant's rights or obligations under this Agreement to a third party only with the written approval of CCDC, which approval shall not be unreasonably withheld.

32. Notice. 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 Agency:	Capital City Development Corporation Attn: John Brunelle 121 North 9th Street, Suite 501 Boise, Idaho 83702
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With a copy to:

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

(b) If to Participant: [insert]

With a copy to: [insert]

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.

33. Conflicts of Interest. No member, official, or employee of CCDC shall have any personal interest, direct or indirect, in this Agreement, nor shall any such member, official, or employee participate in any decision relating to this Agreement which affects his/her personal interests or the interests of any corporation, partnership, or association in which he/she is directly or indirectly interested.

Participant warrants that except for its consulting professions advising it in conjunction with this Agreement, it has not paid or given, and will not pay or give, any third party any money or other consideration for obtaining this Agreement.

34. Non-Liability of CCDC Officials and Employees. No member, official, or employee of CCDC shall be personally liable to Participant in the event of any default or breach by CCDC or for any amount which may become due to Participant or on any obligations under the terms of this Agreement.

35. Successors and Assigns. This Agreement shall, except as otherwise provided herein, be binding upon and inure to the benefit of the successors and assigns of the Parties hereto.

36. 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.

37. Severability. If any provisions of this Agreement shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions of this Agreement, and this Agreement shall be construed and enforced as if such illegal or invalid provisions had not been contained herein.

38. Counterparts. This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute one and the same instrument.

39. Forced Delay; Extension of Times of Performance. In addition to the specific provisions of this Agreement, performance by any Party hereunder shall not be deemed to be in default where delays or defaults are due to war; insurrection; strikes; lock-outs; riots; floods; earthquakes; fires; casualties; acts of God; acts of the public enemy; epidemics; quarantine restrictions; freight embargoes; lack of transportation; lack of materials or labor at commercially reasonable prices or in commercially reasonable quantities; governmental restrictions or priority; litigation; unusually severe weather; acts of another party; environmental analysis, or removal of hazardous or toxic substances; acts or the failure to act of any public or governmental agency or entity (except that acts or the failure to act of CCDC shall not excuse performance by CCDC); or any other causes beyond the control or without the fault of the Party claiming an extension of time to perform. An extension of time for any such cause shall only be for the period of the forced delay, which period shall commence to run from the time of the commencement of the cause, if notice is delivered by the Party claiming such extension no later than forty-five (45) days after the commencement of the cause. If, however, notice by the Party claiming such extension is sent to the other Party more than forty-five (45) days after the commencement of the cause, the period shall commence to run only forty-five (45) days prior to the giving of such notice. Times of performance under this Agreement may also be extended in writing by CCDC and Participant.

40. Inspection of Books and Records. CCDC has the right, upon not less than seventy-two (72) hours' notice, at all reasonable times, to inspect the books and records of Participant pertaining to the Public Improvements.

No inspection by CCDC shall, however, cause any document, information, or record of Participant to become a public record subject to public disclosure pursuant to Title 74, Chapter 1 of the Idaho Code, unless such document, information, or record is actually delivered to CCDC by Participant.

Except as set forth in this Agreement or other agreement executed by the Parties, recorded by the Parties, or made part of the records of CCDC, the Parties acknowledge that Participant's documents, records, plans, and information in any form related to the Project shall be confidential unless and until such documents are provided to CCDC, and then CCDC shall take such action as is permissible under Title 74, Chapter 1 of the Idaho Code to protect the confidentiality of documents provided by Participant that have been clearly marked as confidential with reference to the applicable section of Idaho Code under which the documents are deemed not subject to public disclosure.

41. 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 which signage shall not interfere with the construction or operation of the Public Improvements or the Site and shall be approved by Participant, in its reasonable discretion.

42. Entire Agreement, Waivers, and Amendments. This Agreement, including Exhibits A through D, inclusive, 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.

Exhibit A – Legal Description

Exhibit B – Project Concept Plan

Exhibit C – Public Improvements Plan

Exhibit D – Public Improvements Cost Estimate

Exhibit E – Project Timeline and Estimated Value

Exhibit F – Confirmation of Reimbursement (Draft)

Exhibit G – Participation Program Scorecard

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

{Signatures on the following page}

(Date)

Capital City Development Corporation (“CCDC”)

By _____
John Brunelle, Executive Director

6th and Idaho Development, LLC (“Developer”)
an Idaho limited liability company

(Date)

By _____
J. Dean Papé, Manager

EXHIBIT A
LEGAL DESCRIPTION

DRAFT

EXHIBIT B
PROJECT CONCEPT PLAN

DRAFT

EXHIBIT C

PUBLIC IMPROVEMENTS PLAN AND NARRATIVE

DRAFT

EXHIBIT D

PUBLIC IMPROVEMENTS COST ESTIMATE

DRAFT

EXHIBIT E
Project Timeline and Estimated Value

Description	ELEMENT A	ELEMENT B
	Hotel	Parking Garage
Private Construction Value (excludes public garage spaces)	\$_____	\$_____
DR Approval		
Construction Drawing Final		
Submittal for Building Permit		
Building Permit Approval		
Construction Financing		
Commencement of Construction		
Completion of Construction		

Exhibit F

Confirmation of Reimbursement (Draft)

CONFIRMATION OF AGENCY REIMBURSEMENT AND PAYMENT SCHEDULE

This CONFIRMATION OF AGENCY REIMBURSEMENT AND PAYMENT SCHEDULE ("Payment Schedule") is entered into between the CAPITAL CITY DEVELOPMENT CORPORATION, a public body, corporate and politic, organized and existing under the Idaho Urban Renewal Law of 1965, as amended, Chapter 20, Title 50, Idaho Code, and the Local Economic Development Act of 1988 as amended, Chapter 29, Title 50, Idaho Code ("CCDC"), and _____, an Idaho _____ ("Participant").

WITNESSETH:

1. CCDC Contribution

CCDC has, pursuant to the procedures set forth in the Type 3 Transformative General Assistance Participation Agreement by and between CCDC and Participant with an effective date of _____ (the "Participation Agreement"), determined the CCDC Reimbursement for the Project, as those terms are defined in the Participation Agreement, shall be _____ and ___/100 dollars (\$_____) (the "CCDC Reimbursement").

2. Payment Schedule

CCDC agrees to reimburse Participant for the amount of the CCDC Reimbursement, or less as set forth and explained below, without interest from the Effective Date of this Payment Schedule as follows:

CCDC shall make a total of four (4) "Annual Payments". The amounts of the Annual Payments shall be determined based on the tax increment proceeds CCDC receives from the value added to the Site over and above the 2018 tax year assessed value of the Site. The 2018 tax year assessed value of the Site, as determined by the Ada County Assessor is \$_____.

First Annual Payment – Due on or before September 30, _____

CCDC shall pay Participant eighty percent (80%) of the increased tax increment generated from the Project on the Site actually received by CCDC as of September 30 of _____ [insert year]

Second Annual Payment – Due on or before September 30, _____

CCDC shall pay Participant the lesser of the remaining unpaid CCDC Reimbursement (after crediting any prior payments) OR eighty percent (80%) of the increased tax increment generated from the Project on the Site actually received by CCDC as of September 30 of _____ [insert year]

Third Annual Payment – Due on or before September 30, ____
CCDC shall pay Participant the lesser of the remaining unpaid CCDC Reimbursement (after crediting any prior payments) OR eighty percent (80%) of the increased tax increment generated from the Project on the Site actually received by CCDC as of September 30 of ____ [insert year]

Fourth Annual Payment – Due on or before September 30, ____
CCDC shall pay Participant the lesser of the remaining unpaid CCDC Reimbursement (after crediting any prior payments) OR eighty percent (80%) of the increased tax increment generated from the Project on the Site actually received by CCDC as of September 30 of ____ [insert year]

CCDC may redeem, at any time, in whole or in part, without penalty, the then principal amount outstanding.

Participant acknowledges that the sum of the four Annual Payments may be less than the CCDC Reimbursement if the tax increment generated by the Project during the Reimbursement Period is less than the CCDC Reimbursement.

If the CCDC Reimbursement is not fully reimbursed by the four Annual Payments or by the termination date of the Plan, CCDC will not be obligated to make any additional payments.

3. Limitation on Making Payments

It is the intention of the Parties that Participant shall only be paid from the Incremental Tax Revenues, if any, which are paid or are payable to CCDC as a direct result of the Project constructed by Participant on the Site. If, for any reason, the Incremental Tax Revenues anticipated to be received by CCDC as a direct result of the Project on the Site are reduced, curtailed, or limited in any way by enactments, initiative referendum, or judicial decree, CCDC shall have no obligation to pay the tax increment obligation to Participant as described in this Agreement from other sources or monies which CCDC has or might hereinafter receive.

4. Except as expressly modified above, the terms and conditions of the Participation Agreement are still binding on CCDC and Participant as set forth in such Participation Agreement.

IN WITNESS WHEREOF, this Payment Schedule has been entered into as of the date and year first above written.

AGENCY:
CAPITAL CITY DEVELOPMENT CORPORATION

By: _____
_____, Executive Director

Date

ATTEST:

By: _____
_____, Secretary

PARTICIPANT:
6TH AND IDAHO DEVELOPMENT, LLC

By: _____
Its: _____

Date

Attachment 6 – Parking Permit Purchase Agreement DRAFT

DRAFT PARKING PERMITS PURCHASE AGREEMENT

THIS PARKING PERMITS PURCHASE AGREEMENT ("**Agreement**") made as of the ____ day of _____, 20__, by and between Capitol Partners, LP, an Idaho limited partnership ("**Developer**"), and Capital City Development Corporation, a public body, corporate and politic ("**CCDC**").

WITNESSETH:

WHEREAS, the City Council of the City of Boise City, Idaho ("**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**"); with the jurisdictional area of the River Myrtle – Old Boise Plan referred to herein as the "**River-Myrtle Plan Area**"; and

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

WHEREAS, Developer owns the real property located at 245 S 5th Street, 518 W Front Street, and 520 W Front Street in Boise, Idaho, described on Exhibit A attached hereto and made a part hereof, (the "**Property**") which Property shall be improved by Developer, at Developer's cost, to include a six hundred (600) space parking garage for vehicles ("**Parking Garage**"). Developer also plans on constructing a 135 guest room hotel (the "**Hotel**") on the Property. As used hereafter, "**Parking Garage**" shall include the real property described on Exhibit A which will be improved for a parking garage; and

WHEREAS, Developer has the authority to enter into this Agreement, and the right, power and interest in the Parking Garage, and the authority to issue parking permits to CCDC for use of the Parking Garage.

NOW, THEREFORE, in consideration of the mutual covenants, promises and conditions contained herein, Developer and CCDC agree as follows:

1. SPECIFICATIONS FOR THE PARKING GARAGE

1.1 Number of Spaces. The Parking Garage shall have no less than 500 parking spaces.

1.2 The Parking Garage shall have a commercially conventional layout for the parking spaces, drive aisles, and turning radius and shall be functional for passenger vehicles, SUVs, and accommodate for pick-up trucks, which is approved by the City of Boise and meet applicable City guidelines.

2. PURCHASE AND RESALE OF PARKING PERMITS

2.1 CCDC agrees to purchase two hundred (200) monthly parking permits (“**CCDC Parking Permits**”) each month during the Term of this Agreement (defined below). With such purchase includes the right by CCDC to sell such CCDC Parking Permits to individuals for the sole purpose of parking vehicles in the Parking Garage. Provided, Developer, by and through the operator of the Parking Garage (“**Operator**”), shall be primarily responsible for marketing the CCDC Parking Permits and shall take all commercially reasonable steps to market and resell the CCDC Parking Permits to individuals on behalf of CCDC. CCDC may assist in the resale of the CCDC Parking Permits, but the primary obligation to resell the CCDC Parking Permits lies with Developer.

2.2 During the entire Term, the price to be paid by CCDC for the CCDC Parking Permits shall be One Hundred and Fifty Dollars (\$150) per permit, for a total of \$30,000 per month for the 200 CCDC Parking Permits (“**Parking Fee**”). CCDC shall pay Developer for the CCDC Parking Permits in advance each month, no later than the last day of the preceding month.

2.3 CCDC Parking Permits shall permit the holder to park in the Garage with 24 hour access/seven days a week unless specifically agreed to by CCDC in writing.

2.4 The sale price for monthly parking permits in the Parking Garage and the resale price for the CCDC Parking Permits shall be no less than \$150. Provided, with CCDC’s written approval, parking permits and CCDC Parking Permits may be sold for less than \$150. Notwithstanding the foregoing, any parking permits sold or secured directly by Developer to the persons or entities listed on Exhibit B and any CCDC Parking Permits resold directly by CCDC (as opposed to Developer or Operator) are exempt from this minimum price requirement.

2.5 On or before the 5th day of the month, Developer shall pay to CCDC the full amount owed to Developer for the previous month’s resale of the CCDC Parking Permits. For clarification, if Developer resells a CCDC Parking Permit for \$175, Developer shall pay to CCDC \$175, not \$150 and it is Developer’s responsibility to collect the purchase price from the purchasers of the CCDC Parking Permits.

2.6 Developer shall sell the CCDC Parking Permits prior to selling any other parking permits for the Parking Garage. For clarification, until each and every CCDC Parking Permit is resold, Developer shall be prohibited from selling any monthly parking permits for the Parking Garage sold to any other third party. Notwithstanding the foregoing, any parking permits sold or secured directly by Developer to the persons or entities listed on Exhibit B are exempt from this obligation. .

2.7 All users of the Parking Garage shall be subject to Parking Garage Rules and Regulations enacted and enforced by Developer, as the same may, from time-to-time, be

amended by Developer, and such other reasonable rules made by Developer. Prior to the beginning of the Term of this Agreement, Developer agrees to provide CCDC with a copy of the parking garage rules and regulations. Developer agrees to provide CCDC with written notice thirty (30) days prior to adopting any amendments to the parking garage rules and regulations.

3. TERM

3.1 Term. The Term of this Agreement shall begin thirty (30) days after Developer is issued a certificate of occupancy or a temporary certificate of occupancy from Boise City for the Parking Garage and the Parking Garage is opened for use by customers (the “**Commencement Date**”). This Agreement shall terminate after 7 years after the Commencement Date, unless terminated earlier as set forth below. When the Commencement Date is known, Developer and CCDC shall execute and deliver to each other a written acknowledgement of the agreed Commencement Date. If construction of the Parking Garage does not commence on or before January 1, 2019, or if a certificate of occupancy for the Parking Garage or other formal permission to operate the Parking Garage by the City of Boise is not issued for the Parking Garage on or before January 31, 2020, either party shall have the right to terminate this Agreement by providing the other party with written notice of their desire to do so. In that event, neither party shall have any liability under this Agreement.

4. MAINTENANCE AND REPAIR

4.1 CCDC has absolutely no obligations whatsoever for the maintenance and repair of the Parking Garage or the day to day operations of the Parking Garage.

4.2 Developer shall at all times keep the Parking Garage and all improvements thereon in good condition and repair in a manner consistent with other parking garages in downtown Boise, Idaho. Developer’s obligations hereunder include, but are not limited to, maintaining all lighting and electrical facilities, all signage, all curbing and paving, including the striping thereon, any structural, mechanical, electrical or other installations or any alterations required by statutes or regulations pertaining to air quality, environmental protection, provisions for persons with disabilities or other similar government requirements. Developer, at Developer’s sole cost and expense, shall use reasonable diligence to complete all required maintenance and repair of the Parking Garage during the Term of this Agreement.

5. OPERATION OF THE PARKING GARAGE

5.1 The manner and method of operation, maintenance, service and repair of the Parking Garage and the expenditures therefor shall be in the commercially reasonable discretion of Developer, Operator, or such other persons or agents as Developer may delegate or assign to exercise such management and control, unless otherwise specified herein. Over-sale of monthly parking passes in comparison to the number of spaces designated for monthly parking shall be within commercial reasonable limits and shall not exceed 125%. CCDC shall have no authority to make additional rules or set standards for operating the Parking Garage. Developer, at its

expense, will be responsible for payment of all property taxes and special assessments on the Parking Garage.

5.2 The Parking Garage shall be operated as a public parking facility and shall be open 24 hours a day, every day of the year, subject to closures for maintenance as necessary.

5.3 Developer agrees to maintain commercially reasonable insurance coverage for the ownership and operation of the Parking Garage.

6. INDEMNIFICATION

6.1 Developer covenants and agrees to defend, indemnify, and hold CCDC harmless against all liabilities, losses, costs, damages, expenses, causes of action, suits, claims, demands, and judgments of any kind or nature whatsoever that may in any way come against CCDC for or on account of personal injuries or death, and damage to real or personal property or to the loss of any personal property related to, concerning, or arising out of this Agreement or the operation and maintenance of the Parking Garage, including court and stenographic costs and an amount in reimbursement of reasonable attorney fees; provided however, that Developer shall have no obligation to indemnify and hold CCDC and their respective officers, agents, or employees harmless from and against any matter to the extent it arises from the act of negligence or wilful act of CCDC or their respective officers, agents, or employees.

In case any action or proceeding is brought against CCDC or its respective officers, agents, or employees, by reason of any such claim, Developer, upon written notice from CCDC, shall, at Developer's expense, resist or defend such action or proceeding.

The limits of insurance required under this Agreement shall not be deemed a limitation of the covenants to indemnify, defend, and hold CCDC harmless.

7. DESTRUCTION OF PARKING GARAGE

7.1 Partial Destruction. If the Parking Garage is partially damaged by fire, storm, lightning, earthquake, or any other casualty, including destruction due to bombing, shelling or other war damage ("**Occurrence**"), and the Parking Garage shall be rendered unusable by reason of such Occurrence, Developer shall, at its own expense, cause the damage to be repaired and the CCDC Parking Permits and the Fee shall be abated until the Parking Garage is repaired and/or reconstructed. In the event of such abatement of this Agreement, CCDC shall receive a refund of any amounts that were prepaid for CCDC Parking Permits for periods occurring after the date of such termination.

7.2 Total Destruction. If the Parking Garage is totally destroyed by reason of such Occurrence, either party shall have the right to terminate this Agreement by written notice to the other party within thirty (30) days after such Occurrence, in which event all rights and obligations of the parties under this Agreement shall terminate and end as of the date of such

Occurrence, except for the obligation of CCDC to pay sums which were due and payable prior to the date of the Occurrence. In the event of termination of this Agreement, CCDC shall receive a refund of any amounts that were prepaid for CCDC Parking Permits for periods occurring after the date of such termination.

7.3 Uninsured Casualty. If the damage to the Parking Garage is caused by a casualty for which coverage is excluded under the insurance maintained by Developer and the cost of repairing such damage exceeds \$100,000.00, Developer shall have the right to terminate this Agreement, in which event all rights and obligations of the parties under this Agreement shall terminate and end as of the date of such Occurrence, except for the obligation of CCDC to pay sums that were due and payable prior to the date of the Occurrence. In the event of termination of this Agreement, CCDC shall receive a refund of any amounts that were prepaid for CCDC Parking Permits for periods occurring after the date of such termination.

8. DEVELOPMENT OBLIGATION

8.1 Developer's Obligation to Construct a Hotel on the Property. Subject to Section 8.2, Developer shall complete construction of the Hotel on the Property on or before two (2) years after the Commencement Date. Completion of construction means issuance of a certificate of occupancy or temporary certificate of occupancy by the City for the Hotel. Upon completion of the construction of the Hotel, the Hotel shall have a value of no less than Twenty Five Million Dollars (\$25,000,000), which valuation shall be the greater of: a) the project costs for the Hotel; b) the fair marked value of the Hotel, as determined by an appraiser licensed in the State of Idaho; or c) the assessed value, as determined by the Ada County Assessor.

8.2 Alternate Construction Obligation. Developer may elect to construct an alternate building within the River-Myrtle Plan Area ("**Alternate Building**") instead of constructing the Hotel. If Developer elects to construct an Alternate Building, such Alternate Building shall meet the following criteria:

8.2.1 The Alternate Building must be located on the original development site or at Developer's property on Grove Street as indicated in Exhibit B.

8.2.2 Construction of the Alternate Building shall commence no later than 3 years after the Parking Garage has opened. Completion of construction means issuance of a certificate of occupancy or temporary certificate of occupancy by the City for the Alternate Building.

8.2.3 The Alternate Building shall have, upon completion, a value of no less than Twenty Five Million Dollars (\$25,000,000), which valuation shall be the greater of: a) the project costs for the Hotel; b) the fair marked value of the Hotel, as determined by an appraiser licensed in the State of Idaho; or c) the assessed value, as determined by the Ada County Assessor.

8.3 Developer shall pay, when due, all personal and real property taxes for the Parking Garage and Hotel or Alternate Building (if applicable) during the Term.

9. DEFAULT

9.1 Events of CCDC Default. At any time during the Term of this Agreement, if CCDC shall:

- 9.1.1 fail to pay when due any installment of any sum herein specified to be paid by CCDC on or before its due date following notice or demand in writing by Developer to CCDC and CCDC's failure to cure said non-payment within thirty (30) days of receipt of such notice; or
- 9.1.2 fail to timely observe or perform CCDC's other covenants, agreements or obligations hereunder within thirty (30) days following written notice delivered to CCDC, which notice shall specify the matter(s) then in default; provided that additional time reasonably required to cure the matter(s) in default shall be allowed so long as CCDC is diligently pursuing all actions required to cure the matter(s) for which a default is claimed under this subsection (b), the same shall constitute a default by CCDC of this Agreement.

9.2 Remedies after CCDC Default. In the event of a default by CCDC, Developer, shall have the following remedies:

- 9.2.1 Termination of Agreement. Developer shall have the immediate right, but not the obligation, to terminate this Agreement and all rights of CCDC hereunder by giving CCDC written notice of Developer's election to terminate. In the event that Developer shall elect to so terminate this Agreement, Developer shall be entitled to recover the prorated amount owed by CCDC to Developer as of the date of such termination, all costs and expenses for enforcing termination of the CCDC Parking Permits purchased under this Agreement, and reasonable attorney's fees in connection with such termination. In such event, CCDC shall receive a refund of any fee amounts that were prepaid for periods occurring after the date of such termination.
- 9.2.2 Maintain Agreement. Developer shall have the right to maintain the Agreement and CCDC shall continue to owe all sums due hereunder as they become due and, without limiting the foregoing, in the event that CCDC's default is due to the lack of payment of any sum hereunder, Developer may retain any sums collected by the resale of the CCDC Permits until the default is cured.
- 9.2.3 Other Remedies. Any other right or remedy available to Developer under this Agreement, at law or in equity.

9.3 Developer's Default and Termination by CCDC. If Developer fails to perform any of its obligations under this Agreement, and said failure continues for a period of thirty (30) days following the delivery by CCDC to Developer of a written notice specifying in reasonable detail the matter(s) claimed to be in default, such shall constitute a default by Developer under this Agreement, provided, that additional time reasonably required to cure the matter(s) in default shall be allowed so long as Developer has commenced and is diligently pursuing all actions required to cure the matter(s) for which a default is claimed under this Section 9.3. If Developer fails to cure or commence the curing of the default within the time herein provided, then CCDC's obligations (including but not limited to any obligation to purchase the CCDC Parking Permits or make any payments for any parking permits) under this Agreement shall be stayed until such time as the default is cured. Any stay of CCDC's obligations shall not extend the term of this Agreement. Upon cure of the default, Developer shall not be entitled to seek payment for any amounts that would have been owed by CCDC for the purchase of the CCDC Parking Passes during the time of such stay. **Provided, should Developer default or otherwise fail to meet its obligations under Section 8, Developer shall not be entitled to any time to cure such a default and CCDC may terminate this Agreement effective immediately upon such default by Developer of any of its obligations under Section 8.** In the event of termination of this Agreement under this Section 9.3, CCDC shall receive a refund of any amounts that were prepaid for CCDC Parking Permits for periods occurring after the date of such termination. In the event that CCDC shall elect to so terminate this Agreement, CCDC shall be entitled to recover all costs and expenses for enforcing termination of the CCDC Parking Permits purchased under this Agreement.

10. NO WAIVER

10.1 The failure of Developer or CCDC to seek redress for violations or to insist upon the strict performance of any covenant or condition of this Agreement shall not be deemed a waiver of such violation or of any future similar violation and the waiver by Developer or CCDC of any breach shall not be deemed a waiver of any past, present or future breach of the same or any other term, covenant or condition of this Agreement.

11. ASSIGNMENT OF AGREEMENT

11.1 CCDC Assignment. CCDC shall not assign or otherwise transfer this Agreement or any of its rights under this Agreement without the prior written consent of Developer in each instance.

11.2 Transfer of Developer's Interest. In the event of a sale or conveyance by Developer of the Parking Garage, other than a transfer for security purposes only, Developer shall be relieved from all obligations and liabilities accruing thereafter on the part of Developer, provided that any funds in the hands of Developer at the time of transfer in which CCDC has an interest, shall be delivered to the successor of Developer, and provided that Developer presents CCDC with adequate documentation to establish that the transferee has assumed any and all of Developer's obligations and/or duties under this Agreement. CCDC agrees to attorn to the

purchaser or assignee provided such adequate documentation is presented. If Developer does not provide CCDC with such documentation, then CCDC has the right to terminate this Agreement and be entitled to a refund as set forth in Section 8.3 of this Agreement.

11.3 Developer shall not assign or otherwise transfer this Agreement or any of its rights under this Agreement without the prior written consent of CCDC in each instance. Provided, CCDC shall agree to any assignment of Developer's rights and obligations under this Agreement to any lender financing the construction of the Parking Garage, the Hotel, or the Alternate Building so long as such assignment shall be for purposes of securing performance in the construction and development of same.

12. NOTICES

12.1 Any notice, payment or demand given under the terms of this Agreement shall be deemed given and delivered when it is in writing and personally delivered or deposited in the United States mail, postage prepaid, certified or registered mail, return receipt requested and addressed to the party at the address set forth below. Until changed by notice in writing, notices, payments, demands and communications shall be addressed as follows:

Developer:

Capitol Partners, LP

Clay Carley & Dean Pape

106 North 6th Street, #M2

Boise, Idaho 83702

Email

phone

CCDC:

Capital City Development Corporation

John Brunelle

121 N. 9th Street

Boise, Idaho 83702

jbrunelle@ccdcb Boise

208-364-4264

Either party may by written notice to the other designate a new or additional address to which notices, payments, demands or communications may be mailed.

13. MISCELLANEOUS

13.1 Succession. This Agreement shall be binding upon and shall inure to the benefit of the respective heirs, personal representatives, successors and assigns of the parties.

13.2 Attorneys' Fees and Costs. If either party shall default under this Agreement and said default is cured with the assistance of an attorney for the other party, as a part of curing said default, the reasonable attorneys' fees incurred by the other party shall be added to the balance due and payable or, in the case of a non-monetary default, shall be paid to the other party upon demand. In the event suit or action is filed by either party against the other to interpret or enforce this Agreement, the unsuccessful party to such litigation agrees to pay to the prevailing party all costs and expenses, including attorneys' fees incurred therein, including the same with respect to an appeal.

13.3 Limitation of Developer's Liability. The obligations of Developer under this Agreement do not constitute personal obligations of Developer or its successors or assigns and CCDC shall look solely to the real estate that is the subject of this Agreement and to no other assets of Developer or its successors or assigns for satisfaction of any liability under this Agreement.

13.4 Severability. If any term or provision of this Agreement shall be determined by a Court to be invalid or unenforceable, the remainder of this Agreement shall not be affected thereby and each term and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law. It is the intention of the parties that if any provision in this Agreement is capable of two constructions, then the provision shall be interpreted to have the meaning which renders it valid.

13.5 Section Headings. The section headings, title and captions used in this Agreement are for convenience only and are not part of this Agreement, nor alter, vary or change any of the terms, conditions or provisions of this Agreement.

13.6 Entire Agreement. This Agreement, including the exhibits attached hereto, contains the entire agreement between the parties as of the date of this Agreement and the execution hereof has not been induced by either party or any agent of either party, by representations, promises, undertakings not expressed herein. There are no collateral agreements, stipulations, covenants, promises, inducements or undertakings whatsoever between the parties concerning the subject matter of this Agreement which are not expressly contained herein.

13.7 Choice of Law. This Agreement shall be interpreted by and according to the laws of the State of Idaho. The parties agree that the courts of Idaho shall have exclusive jurisdiction over any dispute regarding this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused their names to be hereto signed by their duly authorized officer on the date hereinabove first written.

_____, 2018

AGENCY

THE URBAN RENEWAL AGENCY OF
THE CITY OF BOISE, also known as
CAPITAL CITY DEVELOPMENT CORPORATION

John Brunelle, Executive Director

_____, 2018

DEVELOPER

<Name of Development Company Signatory>

Exhibit A
Property Description

DRAFT

Exhibit B
[List of Parking Pass Customers Not Subject to Sell First Obligation]

DRAFT



AGENDA BILL

Agenda Subject: Resolution No. 1535		Date: 4.9.2018
Approval of the Real Estate Conveyance Agreement by and between CCDC and the City of Boise for the property located at 617 Ash Street.		
Staff Contact: Shellan Rodriguez	Attachments: 1) Resolution No. 1535 2) February 13, 2018, memo from Boise City Dept. of Arts & History 3) Real Estate Conveyance Agreement	
Action Requested: Adopt Resolution No. 1535 approving and authorizing the execution of the Real Estate Conveyance Agreement by and between CCDC and the City of Boise for the property located at 617 Ash Street.		

Background:

Since 2011, CCDC has owned the single family home addressed as 617 Ash Street in the River Myrtle Old Boise Urban Renewal District. The property is referred to as the Hayman House as it was owned for many years by Erma Hayman. Ms. Hayman's grandson, Dick Madre, sold the property to CCDC, with the expectation to preserve the home as a unique piece of Boise history as well as African American history. The home was constructed in 1907 and is one of the few remaining original residences in the River Street Neighborhood, which was home to a thriving African American, Basque and immigrant neighborhood in Boise's early days. The home is made of sandstone and, although modest, is architecturally unique. The home is architecturally significant as it is constructed with sandstone. It is currently vacant and in-tact.

CCDC owns the parcels adjacent to the home as well. In September of 2016 the agency advertised a Request for Development Proposals/ Qualifications (RFP/Q). Since that time CCDC has been working closely with the City of Boise Arts and History Department and Planning Development Services Department to create workforce housing on the 0.75 - acre site. The Ash Street Townhomes will complement the River Street Neighborhood Plan as well as the Hayman House's historic values. For these reasons the Hayman House property was intentionally not included in the Ash Street Disposition process and the developer has created a vision for the property that is conscious of the Hayman House and the adjacent park. The Ash Street Townhomes are hoping to start construction as early as this spring.

In March 2016, the CCDC Board agreed with Staff's suggestion to start discussion with the City of Boise Arts and History Department to confirm their interest in the property. The thought was and continues to be that the City, specifically The Arts and History Department, is better suited to preserve, maintain and operate the property as a long term asset to the community, similar to the project they have recently completed, the James Castle House. For a variety of reasons including the design and timeline of the adjacent workforce housing project, known as The Ash Street Townhomes, the City and CCDC are both comfortable moving forward with the conveyance.

Funds have been included within CCDCs CIP since 2016 for capital needs improvements that were expected to be complete either upon closing or conveyed with the title to the property.

In 2017 the Department of Arts and History completed a Design RFP to create a plan for the property including improvements inside the structure as well as an extensive landscape plan that incorporates flexible space for meetings, concerts, educational activities, etc. Due to the recent revision in the flood plain boundaries the site requires additional improvements to meet the new flood plain requirements.

Fiscal Notes:

Based on a Capital Needs Assessment performed by CTY Architects and dated October 2016, CCDC has included capital improvements for this property within the CIP. In 2017 the CIP included approximately \$70,000, which has not been spent to date.

In February of 2018, a memo received from the Department of Arts and History requested an additional \$207,000 to assist with costs of floodplain mitigation, site improvements, and utility connections and upgrades. The total request of \$277,000 is outlined in detail within the memo which can be found attached to this document (Attachment #2).

The additional request has been added to the amended CIP and will be amended with the next budget.

Staff Recommendation:

Adopt Resolution No. 1535 approving and authorizing the execution of the Conveyance Agreement for the Hayman House, located at 617 Ash Street to the City of Boise with \$277,000 for the purpose of completing interior and exterior capital needs, floodplain mitigation and utility connections and upgrades.

Suggested Motion:

Adopt Resolution No. 1535 approving and authorizing the execution of the Real Estate Conveyance Agreement by and between CCDC and the City of Boise for the property located at 617 Ash Street.

RESOLUTION NO. 1535

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 A REAL ESTATE CONVEYANCE AGREEMENT BETWEEN THE URBAN RENEWAL AGENCY OF BOISE CITY, IDAHO, AND THE CITY OF BOISE; AND AUTHORIZING THE CHAIR, VICE-CHAIR, OR EXECUTIVE DIRECTOR AND SECRETARY, RESPECTIVELY, TO EXECUTE AND ATTEST SAID AGREEMENT SUBJECT TO CERTAIN CONDITIONS; AUTHORIZING THE EXECUTIVE DIRECTOR AND SECRETARY TO EXECUTE ALL NECESSARY DOCUMENTS REQUIRED TO IMPLEMENT THE AGREEMENT AND TO MAKE ANY NECESSARY TECHNICAL CHANGES TO THE AGREEMENT 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 (the "City Council") of the City of Boise City, 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 Council adopted its Ordinance No. 5596 on December 6, 1994, approving the River Street Plan and making certain findings;

WHEREAS, the City Council 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"). The jurisdictional area of the River Myrtle-Old Boise Plan is referred to herein as the "Project Area;"

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

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 Project Area;

WHEREAS, the Agency owns certain real property generally located at 617 Ash Street, Boise, Idaho and commonly known as the Hayman House (the “Site”);

WHEREAS, the Agency seeks to transfer the Site to the City of Boise;

WHEREAS, Idaho Code § 50-2015 allows the Agency to convey Property to City without consideration and subject to the terms and conditions as the Agency deems necessary;

WHEREAS, Agency staff and City staff negotiated the Real Estate Conveyance Agreement (“Agreement”) that provides for the transfer of the Site from the Agency to the City;

WHEREAS, Agency staff recommends approval of the Agreement, which is attached hereto as Exhibit A and incorporated herein as if set forth in full;

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

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

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

Section 2: That the Agreement 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 enter into the Agreement and, further, are hereby authorized to execute all necessary documents required to implement the actions contemplated by the Agreement, subject to representations by the Executive Director and Agency legal counsel that all conditions precedent to actions and 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 April 9, 2018, 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 April 9, 2018. Signed by the Chair of the Board of Commissioners and attested by the Secretary to the Board of Commissioners on April 9, 2018.

APPROVED:

By: _____
Chairman

ATTEST:

By: _____
Secretary

4848-4672-5454, v. 2



DEPARTMENT OF ARTS & HISTORY

MAYOR: David H. Bieter | DIRECTOR: Terri Schorzman

MEMO

TO: John Brunelle
FROM: Terri Schorzman
CC: Jade Riley
DATE: 2/13/2018
RE: Erma Hayman House

STATUS, REQUEST, AND NEXT STEPS

Status: The City of Boise, Department of Arts & History (A&H) developed an exterior public art and landscape plan for the Erma Hayman House (attached), and identified potential costs for exterior and interior upgrades. We prepared these items in preparation of ownership transfer from CCDC to the City of Boise, under the operation of A&H.

The Capital Needs Assessment that CCDC conducted two years ago for the house indicated base costs for upgrades. We've used these estimates and included costs for floodplain requirements, site improvements, exterior and interior improvements, and utility allowances (see attached). CCDC has offered \$70,000 toward these improvements. (CCDC will also fund streetscape improvements for \$68,000). The City of Boise will use the Percent for Art fund for public art on the site's exterior, approximately \$145,000.

Request: The total estimated project cost is \$553,000. We respectfully request \$207,000 from CCDC, in addition to the \$70,000 already committed to the project to ensure timely and professional completion of the project. The City of Boise will match the total contributed through the Percent for Art fund and other capital funds to meet the total estimated project cost.

Next steps: Per agreement of the funds requested, the City will proceed with the Transfer Agreement.

Hayman House Development (draft estimate, in \$1000, 2/12/18)

Area	Construction Estimate	Soft Cost (%)	Soft Cost (\$)	Cont (%)	Cont (\$)	Total Cost Estimate	Details and Unknowns
1. Floodplain	\$ 40	20%	\$ 8	20%	\$ 10	\$ 58	Assumes commercial (no resident) in floodplain. Rough Estimate.
2. Site Improvements	\$ 124	15%	\$ 19	30%	\$ 43	\$ 185	Stormwater Mgmt, Geotech, Survey, Utility Locate unknown. Includes basic grading and landscape and permits.
3. Public Art	\$ 125		\$ -		\$ -	\$ 125	This is flexible on timing.
4. Signage	\$ 20		\$ -		\$ -	\$ 20	This is flexible on timing.
5. House Exterior	\$ 47	15%	\$ 7	20%	\$ 11	\$ 65	Includes roof, windows, paint.
6. House Interior	\$ 32	20%	\$ 6	20%	\$ 8	\$ 46	plumbing and fixtures, elec and fixtures, hvac
7. Utilities	\$ 40	15%	\$ 6	20%	\$ 9	\$ 55	water, stormwater, elec, fiber allowance: Sewer by developer
Totals						\$ 553	If costs were allocated 50%, \$277 per contributor.

The Hayman House

The Hayman House, located at 617 Ash Street, was built in 1907. The River Street neighborhood was a working-class section of the city and home to many immigrants including Asian, Greeks, Eastern Europeans, and Basques. By the 1930s the neighborhood housed about 80 African American families. Erma and her husband Lawrence Hayman bought the house in 1949 according to city directories, and Erma Hayman lived in the house until her death in 2009.



617 Ash Street
(c. 1970s).

The Hayman House serves as a physical reminder of the contributions of Black and immigrant communities in Boise's development and evolution. It also prompts exploration of the tendency for people in a dominant culture to collectively exclude those who are different from them.

The historic River Street Neighborhood was the only place where people from marginalized groups could rent and/or purchase homes in Boise. Most Americans did not own their own home prior to WWII but rental restrictions prevented blacks from living outside certain neighborhoods. This happened across the country. The Hayman House's preservation and interpretation are critical components for representing those whose stories are often omitted from standard historical research. The home's architecture also provides insight into stylistic and construction trends of the era and how those intersect with different demographic groups.



1917 River Street Boundary Map, courtesy ISHS.

THE HOUSE ITSELF

The Hayman House is a one-story residence constructed in 1907, two years after the Lover's Lane Addition was platted. Though its builder is unknown, its sandstone material is similar to the Idaho Capitol Building constructed in the same time frame.

The house was originally on two 26' x 122' lots formed by the odd-shaped triangular block of Lover's Lane (now known as Pioneer Walkway) and Ash Street.

The house is approximately 900 square feet. The modest one-bedroom residence has a hipped roof with a central hipped dormer that formerly had two attic windows. The symmetrical façade has a recessed, enclosed porch and squared sandstone corners around the porch columns, windows, and doors. A protruding sandstone belt course around the house serves as the window sills for the one-over-one wood windows.

The River Street Neighborhood and Pioneer Pathway

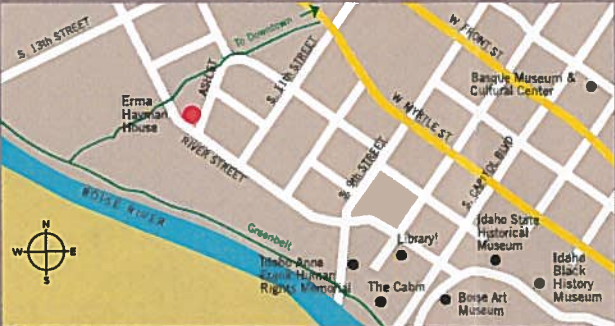
What is now known as the River Street Neighborhood was homesteaded in 1863 by John McClellan, who built a cottonwood shack from logs floated down the Boise River. Two years later, McClellan named a swath of land "Lover's Lane," which became known as the Pioneer Pathway. In 1892, the Oregon Short Line Railroad laid tracks through the area and the term "other side of the tracks" became a stark reality as the rails divided people by race and economic levels. As a result, the River Street Neighborhood became a place where people from many cultures made their homes.



John McClellan in front of his rustic cabin, 1863.

The Hayman House provides a connection to the fading River Street Neighborhood of single-family homes. Its scale, shape, and architectural distinctiveness strengthens the neighborhood image and creates a sense of place and historic reference along the Pioneer Walkway and River Street.

Site Context Map



Material Palette Concept

- Subtle, quiet, historical
- Local and regionally sourced plants and materials

SUGGESTED MATERIALS:

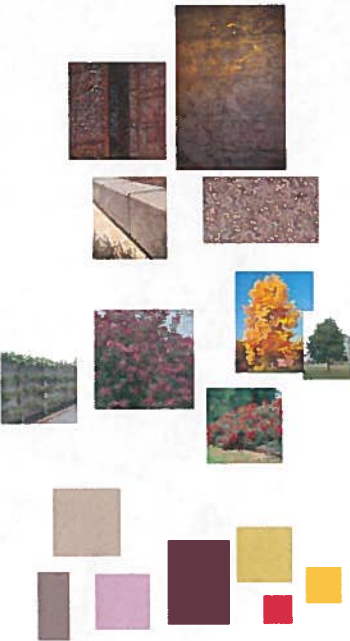
- Metals: natural and rusted steel, bronze tones
- Stone: sandstone, crushed local stone (chat), river rock
- Hardscape: concrete and chat
- Artwork: references old and new, conceptual with historical, matte > shiny

SUGGESTED LANDSCAPE PLANTINGS:

- Use historic/period appropriate plantings when possible
- Tall grasses, lavender, lilacs, hedge roses, groundcover
- Streetscape trees – Tulip Trees
- Interior trees – Autumn Purple Ash, Espalier

SUGGESTED COLORS:

- Sandstone, grey, and lilac are colors found on the site
- Interpretive signage could use sandstone and dark lilac colors with bursts of soft celery, red, and mustard (in art elements and type) for contrast.



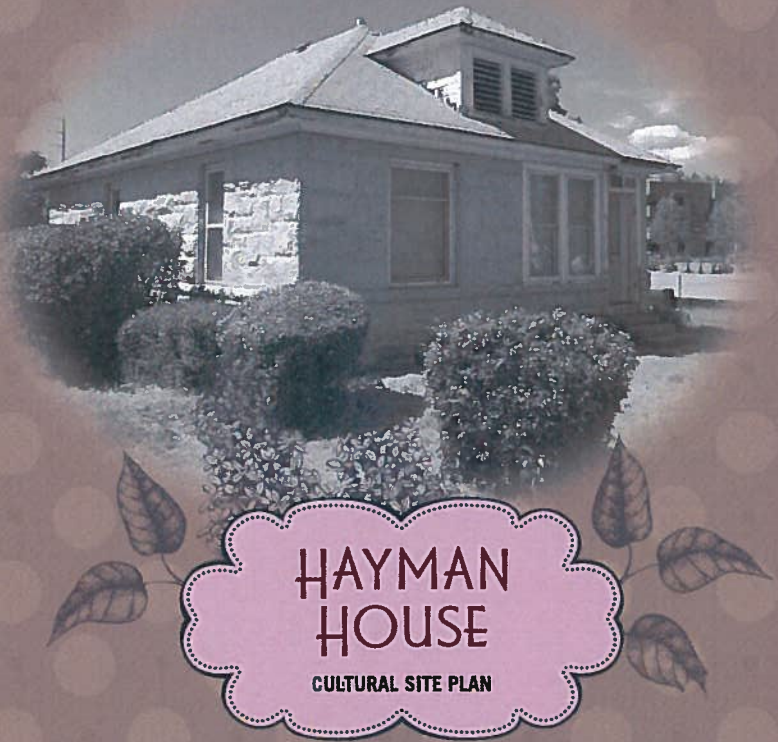
SOURCES / FURTHER READING:

www.riverstreethistory.com
www.boiseweekly.com/boise/a-house-of-stone-a-heart-of-gold
www.idahostatesman.com/news/local/article40865139.html
Individual contacts: Dicky Madry, John Bertram, William White, III
Boise City Department of Arts and History



The mission of the Boise City Department of Arts & History is to enhance Boise by providing leadership, advocacy, education, services, and support for arts and history in order for people to create, engage and connect with the community.

This plan was created by BROAD APPROACH, a team consisting of Cathy Sewell, Kim Siegenthaler, and Stephanie Inman in partnership with the City of Boise.





AGENDA BILL

Agenda Subject: Adopt Resolution #1537, Approval of the Purchase and Sale Agreement and First Amendment with 1010 Jefferson LLC for the purchase of real property located at 1010 W. Jefferson Street.		Date: 4/9/2018
Staff Contact: Shellan Rodriguez	Attachments: <ol style="list-style-type: none"> 1- Area Map 2- Resolution #1537 3- Purchase and Sale Agreement 4- First Amendment 5- Due Diligence Report Summary 6- CCDC Property Acquisition Guidelines 	
Action Requested: Adopt Resolution #1537 approving and authorizing the execution of the Purchase and Sale Agreement for 1010 W. Jefferson and the adjacent parking lot.		

Background:

The 0.6-acre property is located on the northeast corner of West Jefferson and North 11th streets within the Westside Urban Renewal District. It includes a 28,000 s.f. +/- professional office building on the eastern third of the parcel and a surface parking lot with approximately 57 spaces on the western two thirds of the property. The office building was originally constructed in 1950 and has been renovated throughout the years, most recently in 2006. The building includes two stories above ground and a full basement. It is currently nearly fully leased with the current building owners leasing a portion of the building. A rent roll summary is below.

Tenant	Suite	Rentable SF	Lease Expire	Rent/ S.F.	Monthly Base Rent	# of Parking Spaces	Parking Rate	Monthly Parking Rent	Total Current Monthly Rent
Barker Rosholt Simpson LLP (owner)	102	3091	4/10/2023	\$18.00	\$4,636.80	8	75	\$600	\$5,236.80
Gummersall - Farmers Insurance (owner)	103	1036	4/10/2023	\$18.00	\$1,554.23	2	75	\$150	\$1,704.23
ID Water Users Association, Inc. (non-owner)	101	1090	4/10/2023	\$18.00	\$1,635.30	2	75	\$150	\$1,785.30
Vacant	104	2322							
Your Health Idaho (non-owner)	200	9689	7/31/2021		\$12,886.25	21	\$60	\$1,260	\$14,146.25
Bluum - Idaho Charter Network (non-owner)	201	2645	10/30/2020		\$4,408.33	9	\$75	\$675	\$675

The property is zoned C5.

CCDC's representative approached the owners in December regarding their interest in selling the property as it was not listed. The property, as part of an assemblage, with CCDC's recent acquisition of 421 N. 10th coupled with its location and proximity to the downtown core and State Street Corridor is a valuable acquisition to create additional investment in the URD. In addition to assemblage potential, the property is a large corner lot and is currently an underutilized surface parking lot which therefore meets various objectives within the drafted Property Acquisition Guidelines presented to Executive Committee earlier this year (Attachment 6).

The attached property map depicts the nearby properties and the property owners. The State of Idaho owns the surface parking lot on the corner of Jefferson and 10th street and currently uses it for employee parking. The state owns the office building across 10th Street. Staff has confirmed the State Department of Administration they have no plans to move, dispose or develop their lot and are in need of additional parking for their employees. The YMCA owns and utilizes the parking lot across the alley from the 1010 parking lot for YMCA customer parking. CCDC Staff has had conversations with the Y regarding their master plan for their properties along the State Street Corridor. Although there is no master plan in place they are interested in updating their existing premise to continue serving the growing downtown Y community.

The initial Purchase and Sale Agreement (PSA) was entered into on December 18, 2017. It is contingent upon CCDC Board approval and approval of lease negotiations with the current owners who currently use office space within the building. Those lease terms have been negotiated by staff and the leases are attached to the First Amendment to the PSA. \$95,000 in refundable Earnest Money was deposited into escrow immediately thereafter. Staff negotiated a relatively long due diligence period to insure the purchase of the 421 S. 10th property went forward and to provide ample time for CCDC staff to investigate the property and obtain necessary third party reports. The following reports have been completed, restricted use appraisal, a building inspection, an ALTA survey, a title commitment and an environmental site assessment. A complete list of 3rd party due diligence reports and a summary findings is attached hereto.

Summary Purchase and Sale Agreement and Amendment Terms:

Term	Initial	Current
Purchase Price:	\$4,975,000	\$4,840,000
Closing Date:	April 1, 2018	April 16, 2018
Due Diligence:	120 days	
Other:		
Owner Lease Terms:	90 days to agree	\$18/ s.f., 5 years, attached to the Amendment

Summary of Value

The appraised value based on a restricted use appraisal dated January 22, 2018, by Langston and Associates is \$4,840,000. This is the purchase price.

This property is under contract at a stabilized cap rate of 6.25%. Based on research of other downtown commercial and office buildings sold over the past 12 mos. cap rates have ranged from 3.1% to 7.7% with an average of 6.22%.

Fiscal Notes:

The CIP as amended by the Board on March 12, 2018, included \$5.6 million in FY 2018 for “10th and State Area- Catalytic, Mixed Use Dev. Parcel Acquisition, Public Parking”. The purchase of this property would utilize the majority of this item in the CIP.

CCDCs Controller has confirmed cash will initially be used to purchase this property if approved, reimbursed by a possible bond sale later this fiscal year.

Purchase Price	\$	4,840,000
Buyers Rep Fee (3%)	\$	145,200
		<hr/>
Total	\$	4,985,200 + Closing Costs

Staff Recommendation:

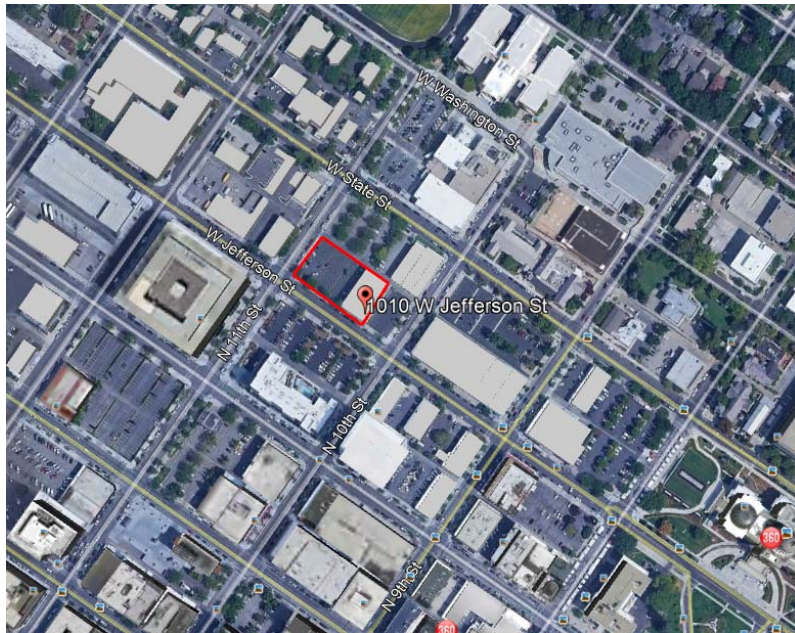
Adopt Resolution #1537 .

Suggested Motion:

I move to Adopt Resolution #1537, Approval of the Purchase and Sale Agreement and amendment with 1010 Jefferson LLC for the purchase of real property located at 1010 W. Jefferson Street.

Area Map

1010 W. Jefferson



RESOLUTION NO. 1537

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 AGREEMENT OF PURCHASE AND SALE BY AND BETWEEN THE URBAN RENEWAL AGENCY OF THE CITY OF BOISE AND 1010 JEFFERSON LLC AND RATIFYING EXECUTION OF SAME; AUTHORIZING AND DIRECTING THE EXECUTIVE DIRECTOR AND SECRETARY, RESPECTIVELY, TO EXECUTE AND ATTEST ANY AND ALL DOCUMENTS OR AGREEMENTS NECESSARY TO ACQUIRE THE PROPERTY, SUBJECT TO CERTAIN CONTINGENCIES; AUTHORIZING ANY TECHNICAL CORRECTIONS TO THE AGREEMENT; AUTHORIZING THE APPROPRIATION OF CERTAIN FUNDS PURSUANT TO THE AGREEMENT; 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, and the Local Economic Development Act, as amended and supplemented, Chapter 29, Title 50, Idaho Code (collectively the "Act"), as a duly created and functioning urban renewal agency for Boise City, Idaho (hereinafter referred to as the "Agency").

WHEREAS, the City Council of the City of Boise City, Idaho (the "City"), after notice duly published, conducted a public hearing on the 1987 Amended and Restated Urban Renewal Plan for the Boise Central District Project I, Idaho R-4, and Project II, Idaho R-5 (the "Boise Central District Urban Renewal Plan") and, following said public hearing, the City adopted its Ordinance No. 5026 on August 19, 1987, approving the Boise Central District Urban Renewal Plan and making certain findings; and,

WHEREAS, the City, after notice duly published, conducted a public hearing on the 1994 Amended and Restated Urban Renewal Plan for the Boise Central District Project I, Idaho R-4, and Project II, Idaho R-5 (the "1994 Amended Urban Renewal Plan") and, following said public hearing, the City adopted its Ordinance No. 5597 on December 6, 1994, approving the 1994 Amended Urban Renewal Plan and making certain findings; and,

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 "Central District Plan") and, following said public hearing, the City adopted its Ordinance No. 6576 on June 26, 2007, effective upon publication on July 23, 2007, approving the Central District Plan; and,

WHEREAS, the City after notice duly published, conducted a public hearing on the River Street-Myrtle Street Urban Renewal Plan (the "River Street Plan"), and following said public hearing the City adopted its Ordinance No. 5596 on December 6, 1994, approving the River Street Plan and making certain findings; and,

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,

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; and,

WHEREAS, the City, after notice duly published, conducted a public hearing on the Westside Downtown Urban Renewal Plan (the "Westside Plan"), and following said public hearing, the City adopted its Ordinance No. 6108 on December 4, 2001, approving the Westside Plan and making certain findings; and,

WHEREAS, 1010 Jefferson LLC, an Idaho Limited Liability Company (the "Owner"), is the owner of certain real property (the "Property") located in the City of Boise, County of Ada, State of Idaho, and addressed as 1010 W. Jefferson Street, Boise, which address is within the Westside Plan Urban Renewal Area; and,

WHEREAS, under the terms and provisions of the Westside Plan, the Property or portions thereof have been identified by Agency staff as a potential site for private development, for certain public improvements, or for other mixed uses consistent with the Westside Plan; and,

WHEREAS, the Agency's Executive Director submitted an offer to purchase the Property by signing the "*Real Estate Purchase and Sale Agreement*" with one (1) amendment (collectively, the "Agreement"), which has been signed by the Owner and the Agency Executive Director, a copy of which is attached hereto as Exhibit A; and,

WHEREAS, the Agency desires to purchase the Property from 1010 Jefferson LLC for purposes of redevelopment in compliance with the Westside Plan; and,

WHEREAS, based upon information received by the Agency during the Due Diligence period of the Agreement, including an appraisal prepared by Langston & Associates Inc., and a Phase I Environmental Site Inspection performed by Terracon Consulting Inc., the Agency finds that the price required by 1010 Jefferson LLC is based upon reasonable market information and that the purchase price constitutes a compromise; and,

WHEREAS, the Agency has sufficient funds to acquire the Property; and,

WHEREAS, the Agency Board finds it in the best interest of the Agency and the public to approve the purchase of the Site and to authorize the Chairman, Vice-Chairman, or Executive Director and Secretary, respectively, to execute all closing documents and to pay the purchase price 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, AS FOLLOWS:

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

Section 2: That the Agency Board hereby approves and ratifies the Executive Director's execution of the *"Real Estate Purchase and Sale Agreement"* with one (1) amendment, attached hereto as Exhibit A and incorporated herein by reference.

Section 3: That the Chairman, Vice-Chairman, or Executive Director and Secretary, respectively, are authorized and directed to execute any and all documents or agreements necessary to acquire the Property, including the documents necessary to appropriate and tender the purchase price of FOUR MILLION EIGHT HUNDRED FORTY THOUSAND DOLLARS (\$4,840,000.00) along with specified closing costs from the Agency FY 2018 budget, subject to satisfaction of all contingencies set forth in the Agreement, including but not limited to any necessary escrow instructions and any necessary technical changes to the Agreement or other closing documents, upon advice from Agency legal counsel that said changes are consistent with the provisions of this Resolution.

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 April 9, 2018. Signed by the Chairman of the Board of Commissioners and attested by the Secretary to the Board of Commissioners on April 9, 2018.

URBAN RENEWAL AGENCY OF BOISE CITY

By: _____
Dana Zuckerman, Chair

ATTEST:

By: _____
David H. Bieter, Secretary



REAL ESTATE PURCHASE AND SALE AGREEMENT

THIS REAL ESTATE PURCHASE AND SALE AGREEMENT ("Agreement") is made this 18th day of December 2017 (the "Effective Date"), by and between 1010 Jefferson LLC, an Idaho Limited Liability Company, (the "Owner") and the purchaser, the Urban Renewal Agency of the City of Boise, Idaho, an independent public body, corporate and politic, organized under the laws of the state of Idaho, doing business as the **Capital City Development Corporation** ("**Buyer**"). Owner and Buyer are collectively referred to herein as the "Parties," and each individually as a "Party."

RECITALS

A. 1010 Jefferson LLC, an Idaho Limited Liability Company, presently owns Parcel #R1013004553, in the City of Boise, Ada County, Idaho, commonly known as 1010 W. Jefferson Street, Boise, Idaho, and more particularly described on attached **Exhibit A** (the "Property").

B. The Parties wish to agree upon terms and conditions whereupon Buyer will acquire legal title to the Property through a voluntary sale to Buyer by Owner.

AGREEMENT

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. **Purchase and Sale.** Owner agrees to sell and Buyer agrees to purchase the Property pursuant to the terms and conditions set forth in this Agreement. Buyer's obligation under this Agreement to purchase the Property is **expressly conditioned** on Owner's sale of Parcel #R1013004553 Boise, Ada County, Idaho, addressed as 1010 W. Jefferson Street, Boise to Buyer.

2. **Purchase Price.** The Purchase Price shall be Four Million Nine Hundred Seventy-Five Thousand and no/100 Dollars (\$4,975,000.00).

3. **Earnest Money.** Within **five (5) business days** of the execution of this Agreement, Buyer shall deposit an amount equal to Ninety-Five Thousand and no/100 Dollars (\$95,000.00) (the "Earnest Money") with TitleOne Corp. (the "Escrow Holder"). Such deposited amount and any interest that may accrue shall be fully applied to the Purchase Price. Buyer shall be refunded the full amount deposited in escrow plus any accrued interest, minus any escrow fees and any actual out of pocket Seller expenses, if Buyer decides, in its sole discretion, not to continue with the transaction to purchase the Property prior to the end of the Property Inspection Due Diligence Period detailed and defined below in Section 4.a.

4. **Contingencies.**

a. **Due Diligence Period.** Buyer shall have **120 days** from the date of mutual execution of this Agreement for the "Property Inspection Due Diligence Period." Buyer may terminate this Agreement and be refunded any and all deposits or funds deposited in escrow and any interest accrued, minus escrow fees and any actual out of pocket Seller expenses, should Buyer deem the Property, in its discretion and for any reason, unsatisfactory.

b. **Owner's Title Obligations.** Within ten (10) days of mutual execution of this Agreement, Owner shall deliver or cause to be delivered to Buyer a commitment for an owner's title insurance policy, dated after the date hereof, issued by TitleOne Corporation (the "Title Insurer") in the amount of the Purchase Price with standard form coverage, together with legible copies of all documents referenced therein as exceptions, showing marketable and insurable title to the Property subject only to: title exceptions pertaining to liens or encumbrances of a definite or ascertainable amount that may be removed by the payment of money or otherwise on the Closing Date, and which Owner shall so remove at Closing; standard exceptions printed by the Title Insurer; and title exceptions not otherwise objected to by Buyer (collectively, the "Permitted Exceptions"). During the Due Diligence Period Buyer may object in writing to any exception shown and if not removed by Owner on or before the Closing Date, Buyer shall have the right to terminate this Agreement. The legal description set forth in the Title Commitment shall be the legal description used to describe the Property on the Warranty Deed delivered to Buyer by Owner at Closing.

c. **Owner's Other Obligations.** Within ten (10) days of mutual execution of this Agreement, Owner shall deliver or cause to be delivered to Buyer any and all documents listed in Exhibit C, including all existing tenant leases, contracts, reports, studies, maps, tax billings, as-built drawings, warranty information, liens, and maintenance reports, operating income, and expense statements.

d. During the Property Inspection Due Diligence Period, Owner shall allow Buyer and their contractors or inspectors reasonable access to the Property to permit Buyer to inspect the Property.

e. Additional Conditions and Contingencies.

i. Appraisal. At Buyer's option, cost, and expense, an appraisal or professional opinion of value may be obtained.

ii. Inspection and Environmental Report. This Agreement shall be contingent upon, if elected by the Buyer, the Buyer obtaining during the Due Diligence Period, at the Buyer's cost and expense, a third party report (or multiple reports) of the Property's environmental and building condition evidencing that the Property, building and all equipment and systems therein and all structural components thereof comply with all applicable building, life-safety, environmental and other applicable codes and requirements and are in good condition and that there are no repairs or replacements necessary and no material environmental hazards. In the event any such hazard exists any such remediation of those conditions must be completed to the satisfaction of the Buyer and/ or their consultant(s). This includes but shall not be limited to geotechnical, lead based paint, radon, or asbestos.

iii. Legal compliance. This Agreement shall be contingent upon Buyer confirming, during the Due Diligence Period, that the Property is in full compliance with all zoning, building, life-safety and other codes and regulations applicable to the Property. If the Property is not in full compliance with all zoning, building, life-safety and/or other codes and regulations then Closing under this Agreement shall be contingent upon resolution of such non-compliant issues to Buyer's satisfaction.

iv. No adverse change. This Agreement shall be contingent upon no material adverse change to the Property prior to the Closing Date.

v. Survey. This Agreement shall be contingent upon, if elected by the Buyer, the Buyer obtaining during the Due Diligence Period, at the Buyer's cost and expense, an ALTA survey, not finding and bringing to the attention of the Seller any material encroachments by the Property or upon the Property, or discrepancies in the physical characteristics of the building or premises, including but not limited to, a material departure from the size of the building, or other matters disclosed in an ALTA survey prior to expiration of the Due Diligence Period, and resolution of any such encroachments or discrepancies to Buyer's satisfaction.

vi. Possession and Leases. Within ninety (90) days of the mutual execution of this Agreement, Buyer will seek to negotiate and/or renew existing leases on the Property with those parties currently occupying space within the Property who are part of the ownership or are closely related to the ownership, to be effective at

Closing, including lease rates, lease periods, extensions, and parking entitlements. In the event the parties cannot reach a mutually satisfactory agreement on the leases, the Buyer or Seller, at their sole discretion and within said 90 days, may choose not to proceed with the transaction to purchase the Property. Buyer shall be refunded the full amount deposited in escrow plus any accrued interest, minus any escrow fees and actual out of pocket Seller expenses. Buyer shall not attempt to negotiate any existing leases with non-owner tenants prior to closing without the written approval of Seller.

vii. Buyer Board Approval. Buyer is a public agency and must receive final purchase approval by the Buyer's Board of Commissioners. In the event Buyer does not receive final purchase approval by the Buyer's Board of Commissioners at a public meeting during the Due Diligence Period, Buyer may terminate this agreement with a Notice of Termination.

viii. Due Diligence Material. Should Buyer terminate this contract during the Property Inspection Due Diligence Period, Seller may request any results or studies of the due diligence be provided to the Seller, and Buyer shall provide the requested material within ten (10) business days of such request, *at no cost to Seller*

f. **Closing.** Closing shall take place at a time mutually agreed upon by the parties and not earlier than January 1, 2018 nor later than April 1, 2018. At Closing, Buyer shall pay the Purchase Price less the Earnest Money on deposit with the Escrow Holder including any accrued interest to Owner as follows: In cash or certified funds at closing subject to Buyer's satisfactory review and acceptance of any inspections, studies, or issues that may be deemed relevant by Buyer during the Property Inspection Due Diligence Period. At or before closing, and at Buyer's sole discretion, any existing loans on the Property shall be paid in full or, if agreed by Buyer, assigned to Buyer with the Purchase Price reduced in the same amount.

g. **Documents at Closing.** At Closing, Owner shall execute and deliver to Buyer a warranty deed conveying good and marketable title to the Property, subject only to existing easements, rights-of-way, real property taxes and assessments for the year of Closing and future years, and other encumbrances as may be consented to by Buyer.

h. **Condition of Title.** Title to the Property shall be good and marketable and shall be free and clear of all liens, encumbrances, easements, assessments, restrictions, and other exceptions to title, except the lien of taxes not yet due and payable, and the Permitted Exceptions.

i. **Permissible Exchange.** Buyer hereby acknowledges that Owner may create an Internal Revenue Service Section 1031 tax-deferred exchange for the Property and in such event the Owner's rights and obligations under this Agreement may be assigned to

an accommodator selected by Owner to facilitate such exchange. Buyer agrees to cooperate with Owner in a manner necessary to enable Owner to qualify for said exchange at no additional cost or liability to Buyer. Buyer and Owner also agree to consider the most appropriate structure of the contract for sale of land and the conveyance of the Property to meet the interests of the Parties.

5. **Attorney Fees on Default.** If either Party defaults or otherwise fails to keep or perform any of the covenants, conditions, or agreements herein agreed to be kept by such Party and the other Party is required to employ an attorney to enforce any of the covenants, conditions, or agreements herein contained, then and in such event, the Party in default agrees to pay, in addition to all other sums herein agreed to be paid by such Party, a reasonable attorney fee, together with any costs and disbursements that may be incurred in enforcing this Agreement.

6. **Integration.** The Parties hereto acknowledge the terms, conditions, and covenants of this Agreement shall supersede any prior negotiations and agreements of the Parties, there are no other agreements not contained in this Agreement, and this Agreement shall be the final expression of the agreement of the Parties and shall control. No modifications of this Agreement shall be valid unless in writing and signed by the Party against which the enforcement of any extension, change, modification or amendment is sought, and only then to the extent set forth in such instrument.

7. **Binding Effect.** This Agreement shall inure to the benefit of and be binding upon the Parties hereto and their respective heirs, executors, administrators, and assigns.

8. **Notices.**

a.Original Addresses. Whenever any Party hereto shall desire to give or serve any notice, demand, request, approval, or other communication, each such communication shall be in writing and shall be delivered personally, by messenger, or by mail, postage prepaid, addressed as set forth in this Section 5.a. Service of any such communication shall be deemed made on the date of actual receipt at such address.

Owner:
1010 Jefferson LLC
c/o Al Barker
1010 West Jefferson Street Suite 102
Boise, ID 83702

Buyer:
John Brunelle, Executive Director
Capital City Development Corporation
121 N. 9th Street, Suite 501
Boise, Idaho 83702

with copies to: Ryan Armbruster
Elam & Burke, P.A.
251 E. Front Street, Suite 300
P.O. Box 1539
Boise, Idaho 83701

b. **Change of Address.** Any Party hereto may from time to time, by notice in writing served upon the other Party hereto, designate a different address to which or a different person or additional persons to whom all communications are thereafter to be made.

c. **Informal Communications.** Informal communication may be delivered in person or by telephone, U.S. Mail, courier, or e-mail. Notices of default, legal claims, demands for indemnification, or any notices or communications required to be made in writing by this Agreement are not informal communications and must be in writing as set forth in section 5.a.

9. **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original of this Agreement and which together shall constitute but one and the same instrument.

10. **Applicable Law.** This Agreement shall be governed by the laws of the State of Idaho.

11. **Risk of Loss.** Risk of loss or damage to the Property shall be entirely borne by Owner until the Closing Date. Owner shall keep the Property insured against loss by fire and other casualty usually insured against in the market area of the Property until the Closing. Should the Property be damaged by fire or other cause after the execution of this Agreement but prior to Closing, this Agreement shall be voidable at the option of Buyer by written notice to Owner within ten (10) days of the date Buyer receives notice of such damage.

12. **No Condemnation.** Buyer and Owner agree that, although Buyer has eminent domain or condemnation authority, Owner is voluntarily selling the Property to Buyer. Owner waives all requirements of Idaho Code § 7-711A as to the rights of a seller in condemnation proceedings.

13. **Acknowledgement of Receipt of Summary of Rights.** Owner expressly acknowledges receipt of a document entitled Summary of Property Owner's Rights When Buyer Seeks to Acquire Property prior to Buyer and Owner entering into negotiations for this Agreement ("Summary of Rights"). A copy of the Summary of Rights is attached as Exhibit B. Owner expressly represents they understand the rights set forth in the Summary of Rights apply only to situations where Buyer acquires property through eminent domain. Buyer will not pursue acquisition of the Property from Owner by eminent domain. Owner expressly acknowledges they have voluntarily consented to enter into this Agreement. Accordingly, Owner expressly waives all rights set forth in the Summary of Rights as to Owners in a condemnation proceeding.

14. **Closing Costs.** Parties shall equally share closing escrow fees and recording fees.
15. **Brokerage Fees.** Buyer and Owner agree the Buyer is using a commercial Broker and the Owner is not using a Broker. The Brokerage fees associated with the Buyer's Broker will be the sole responsibility of the Buyer.
16. **Survival of Terms.** The terms, provisions, warranties, covenants, and indemnities shall survive the Closing, and this Agreement shall not be merged therein but shall remain binding upon and for the Parties hereto until fully observed, kept, or performed.
17. **Severability.** In the event any term or provision of this Agreement shall be held illegal, invalid, unenforceable, or inoperative as a matter of law, the remaining terms and provisions of this Agreement shall not be affected thereby, but each term and provision shall be valid and shall remain in full force and effect.
18. **Additional Acts.** Each Party agrees to take such other actions and to execute and deliver such further documents as may reasonably be required to consummate this transaction and to afford each other reasonable cooperation towards that end.
19. **Assignment.** Buyer may assign this Agreement prior to delivery of the deed to Buyer.
20. **Waiver.** Waiver of performance of any provision of this Agreement shall not be a waiver of, nor prejudice, the Party's rights otherwise to require performance of the same provision or any other provision.
21. **Time of the Essence.** Time is of the essence in this Agreement.
22. **Representation and Warranties of Owner and Disclaimer.** Owner's warranties and representations shall survive the Closing and delivery of the deed, and, unless otherwise noted herein are true, material and relied upon by Buyer in all respects, both as of the date of Agreement, and as of the date of Closing. Owner hereby makes the following warranties and representations to Buyer:
- a. **Authority of Owner.** Owner is the Owner of the Property and/or have the full right, power and authority to sell, convey and transfer the Property to Buyer as provided herein, and to perform Owner's obligations hereunder.
 - b. **Possessory Right.** Owner has no knowledge that anyone will, at the Closing, have any right to possession of the Property, except as disclosed by this Agreement or otherwise in writing to Buyer.
 - c. **Actions, Suits or Proceedings, Compliance with Law and Regulations.** Owner has no knowledge of any actions, suits or proceedings pending or threatened

before any commission, board, bureau, agency, instrumentality, arbitrator(s) court or tribunal that would affect the Property or the right to occupy or utilize same. There is no prior or pending condemnation or taking affecting all or any portion of the Property and Owner has no notice or knowledge of any proposed taking or condemnation of all or any portion of the Property.

d. **Notice of Change.** Owner will promptly notify Buyer in writing of any material change affecting the Property that becomes known to Owner prior to the Closing.

e. **No Owner Bankruptcy Proceedings.** Neither Owner nor the Property are the subject of a bankruptcy, insolvency, or probate proceeding.

f. **Condition of Title.** Owner shall convey to Buyer good and marketable title to the Property, which shall be free and clear of all liens, encumbrances, and other exceptions to title, except the liens and taxes and assessments not yet due and payable, and any easements and restrictions of public record.

g. **Hazardous Materials.** During the Owner's ownership of the Property, Owner has not used or permitted and Owner will not use or permit the Property to be used, whether directly or through contractors, agents or tenants, and to the best of Owner's knowledge, the Property has not at any time been used, for the generating, transporting, treating, storage, manufacture, emission of, or disposal of any dangerous, toxic or hazardous pollutants, chemicals, wastes or substances as defined in any federal, state or local environmental laws, statutes, regulations, requirements and ordinances, hereinafter referred to as "Hazardous Materials," except those items used in the ordinary course of business, including alcohol and cleaning solutions. Owner warrants that there have been no investigations or reports involving Owner or the Property by any governmental authority which in any way pertains to Hazardous Materials, nor is Owner aware of any environmental problems relating to the Property.

23. **Acceptance.** Buyer's offer is made subject to acceptance of Owner on or before Friday, ^{Monday} December 15, 2017 at 4pm. *APP*

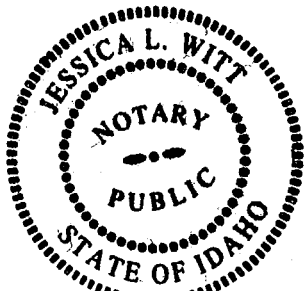
18

[End of Agreement | SIGNATURE PAGE TO FOLLOW] *John Brumelle*

STATE OF IDAHO)
) ss.
County of Ada)

On this 18th day of December, 2017, before me, a Notary Public, personally appeared Albert P. Barker, known or identified to me to be the person whose name is subscribed to the foregoing instrument, and acknowledged to me that he 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.

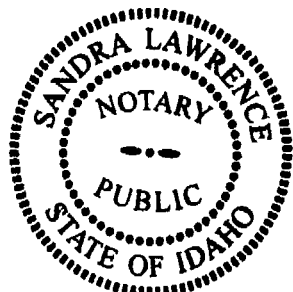


Wiss L Witt
Notary Public for Idaho
Residing at Boise, ID
Commission Expires 2/23/2021

STATE OF IDAHO)
) ss.
County of Ada)

On this 17th day of December, 2017, before me, a Notary Public, personally appeared John Brunelle, the Executive Director of the Urban Renewal Agency for the City of Boise, an independent public body corporate and politic, organized under the laws of the state of Idaho, known or identified to me to be the person whose name is subscribed to the foregoing instrument and acknowledged to me that the Capital City Development Corporation 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.



Sandra Lawrence
Notary Public for Idaho
Residing at Boise, ID
Commission Expires 10-18-23

IN WITNESS WHEREOF, the undersigned have executed this Agreement as of the day and year first written above.

OWNER:

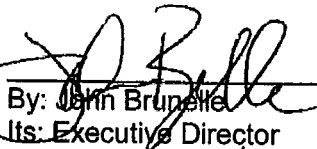


Print Name: ALBERT P BARKER MEMBER OF NBN LLC, MEMBER OF 1010 JEFFERSON LLC

12/18/17

Date

CAPITAL CITY DEVELOPMENT CORPORATION:

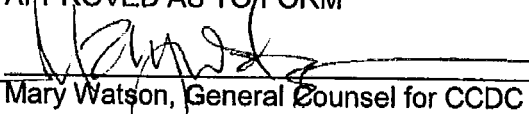


By: John Brunelle
Its: Executive Director

12/12/17

Date

APPROVED AS TO FORM



Mary Watson, General Counsel for CCDC

Exhibit A

Legal Description of Property:

Lots 1 through 4 and the West 33.15 feet of Lot 5, in Block 68, in BOISE CITY ORIGINAL TOWNSITE, filed in Book 1 of Plats at Page 1, Records of Ada County, Idaho.

Exhibit B

SUMMARY OF PROPERTY OWNER'S RIGHTS WHEN THE AGENCY SEEKS TO ACQUIRE PROPERTY

The Urban Renewal Agency for the City of Boise, an independent public body, corporate and politic, organized under the laws of the State of Idaho, doing business as the Capital City Development Corporation ("Agency") has been granted the power under the Idaho Constitution and the laws of the State of Idaho and the United States to acquire private property for public use. Often, this is referred to as "eminent domain" or condemnation. The power may only be exercised when three conditions are satisfied: (i) the property is needed for a public use; (ii) the acquisition of the property is necessary to such public use; and (iii) the acquisition and use must be in the manner which will be most compatible with the greatest public good and the least private injury.

In instances where the Agency desires to exercise its power of eminent domain for the purpose of effectuating economic development, it must be proved by clear and convincing evidence that: (1) the subject property be in such condition that it meets all of the following requirements: (i) the property, due to general dilapidation, compromised structural integrity, or failed mechanical systems, endangers life or endangers property by fire or by other perils that pose an actual identifiable threat to building occupants; and (ii) the property contains specifically identifiable conditions that pose an actual risk to human health, transmission of disease, juvenile delinquency or criminal content; and (iii) the property presents an actual risk of harm to the public health, safety, morals or general welfare; or (2) for those public and private uses for which eminent domain is expressly provided in the Constitution of the State of Idaho.

If the Agency desires to exercise its power of eminent domain, it must negotiate with the property Owner in good faith to purchase the property sought and/or to settle with the Owner for any other damages which might result to the remainder of the Owner's property. The property Owner is entitled to be paid for any reduction in the value of the Owner's remaining property. The value of the property to be acquired is to be determined based upon the highest and best use of the property. If negotiations to purchase the property and settle damages are unsuccessful, the property Owners is entitled to an assessment of damages from a court, jury, or referee as provided by Idaho law.

The Owner has the right to consult with an appraiser of the Owner's choosing at any time during the acquisition process, at the Owner's cost and expense. Upon request, the Agency shall deliver to the Owner a copy of all appraisal reports concerning the Owner's property prepared by the Agency. Once a complaint for condemnation is filed, the Idaho Rules of Civil Procedure control the disclosure of appraisals.

The Owner has the right to consult with an attorney at any time during the acquisition process. In cases in which the Agency condemns property and the Owner is able to establish that just compensation exceeds the last amount timely offered by the Agency by ten percent (10%) or more, the Agency may be required to pay the Owner's reasonable costs and attorney's fees. The court will make the determination whether costs and fees will be awarded.

This summary of rights is deemed delivered when sent by United States certified mail, postage prepaid, addressed to the person or persons shown in the official records of the county assessor as the Owner of the property to be acquired.

If the Agency desires to acquire property pursuant to Chapter 7, Eminent Domain, of Title 7, Idaho Code, Agency or any of its agents or employees shall not give the Owner any deadlines as to when the Owners must respond to the initial offer which is less than thirty (30) days. A violation of this provision shall render null and void any action pursuant to Chapter 7, Eminent Domain, of Title 7, Idaho Code.

Nothing in this summary of rights alters the assessment of damages set forth in Idaho Code § 7-711.

If you have any questions concerning this summary of rights form, please contact
Mary Watson, Agency General Counsel.
mwatson@ccdcboise.com or #208-384-4264

EXHIBIT C
Due Diligence (Owner-Occupied Building)

FINANCIAL/OPERATING STATEMENTS

1. Capital expenditure records for the past 5 years.
2. Maintenance/service contracts and agreements including contracts relating to ownership, operation, and maintenance of Property (including janitorial, laundry, pool, pest control, landscaping, and snow removal contracts).
3. Current ad valorem tax bills and real property tax statements and assessments.
4. List of vendors, contractors, and utility companies with account numbers.
5. List of tangible personal property owned by Owner and used in connection with the ownership, operation, use, and maintenance of Property.
6. Current appraisal (if available).
7. List of all operating expenses for past 5 years (including, without limitation, insurance, maintenance costs, utilities, cleaning and janitorial services, landscaping, snow removal, and common area maintenance costs).
8. Copies of occupancy permits.
9. Copies of all owners' association documents (including meeting minutes, assessments, marketing, and promotional expenses) for past 5 years.
10. Copies of restrictive covenants applicable to the Property.
11. Copies of all service agreements and amendments thereto (including, without limitation, alarm systems, antennae/cable/satellite dishes, cleaning and janitorial services, extermination, landscaping, snow removal, security, elevator, etc.).
12. Copies of all utility bills for the past 24 months.

ARCHITECTURAL/SURVEY/REPORTS

13. Site plan.
14. Floor plans.
15. Governmental licenses, permits and approvals, and zoning ordinance and letter or restrictions affecting development of the Property.
16. Existing boundary and/or ALTA survey (if available).
17. Existing title policy and underlying documents.
18. As-built drawings.
19. Statement of structural alterations made to Property.
20. Copies of all guaranties and warranties on the building, roofs, major repairs, etc.
21. Environmental report (if available) including a Phase I, Phase II, asbestos or lead based paint or radon test results.
22. Market surveys or studies of area or comparable property (if available).

OTHER INFORMATION

23. Copies of all existing tenant leases.

FIRST AMENDMENT TO REAL ESTATE PURCHASE AND SALE AGREEMENT

This First Amendment, is made as of **March 13, 2018**, to the Real Estate Purchase and Sale Agreement dated December 18, 2017:

PROPERTY: 1010 W. Jefferson Street
BUYER: Capital City Development Corporation
SELLER: 1010 Jefferson LLC

SELLER and BUYER hereby acknowledge and agree to the following:

1. The Purchase Price shall be Four Million Eight Hundred Forty Thousand and no/100 Dollars (\$4,840,000.00).
2. Section 4.e.vi., Additional Conditions and Contingencies: Seller and Buyer agree to the lease terms as attached to this First Amendment and to be effective at Closing. This said contingency is satisfied and complete.
3. Section 4.f, Closing: The Closing shall be extended to no later than April 16, 2018.

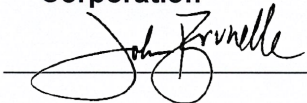
To the extent the terms of this Amendment modify or conflict with any provisions of the Purchase and Sale Agreement, these terms shall control. All other terms and conditions of the Purchase and Sale Agreement not modified by this First Amendment shall remain the same. Upon its execution by both parties, this First Amendment is made an integral part of the aforementioned Agreement.

If a signed acceptance is not received on or before 5:00 pm local time on March 29, 2018, this Amendment shall be null and void.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date first above written.

BUYER: Capital City Development Corporation

By:



Name: John Brunelle

Its: Executive Director

Date: March 29, 2018

SELLER: 1010 Jefferson LLC

By:



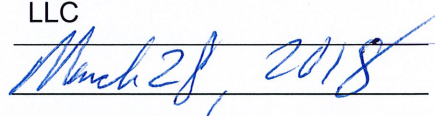
Name:

Albert P. Barker, Member of
NBN LLC

Its:

Member of 1010 Jefferson
LLC

Date:





COMMERCIAL OFFICE LEASE AGREEMENT
1010 JEFFERSON BUILDING

THIS COMMERCIAL OFFICE LEASE AGREEMENT (the "**Lease**") is made this ____ day of April, 2018 (the "**Effective Date**"), by and between the Urban Renewal Agency of the city of Boise, Idaho, and independent public body corporate and politic, organized and existing under the laws of the state of Idaho and doing business as Capital City Development Corporation ("**Landlord**"), and Idaho Water Users Association, Inc. an Idaho Corporation ("**Tenant**"). Landlord and Tenant are collectively referred to herein as the "Parties" and each individually as a "Party."

LEASE PREMISES

Landlord hereby leases and rents to Tenant and Tenant hereby leases and rents from Landlord, subject to the terms and provisions of this Lease, those certain premises (the "**Premises**") shown and described on **Exhibit A**, attached hereto and made a part hereof; which Premises are located in the 1010 Jefferson Building, addressed as 1010 W. Jefferson Street, Boise, Idaho, 83702. As used in this Lease, reference to the "**Building**" shall mean the whole of the building structure, landscaping, adjacent parking lot, and other improvements, together with the underlying land.

TENANT-SPECIFIC LEASE PROVISIONS

Use of Premises: General office use.

Initial Term: Five (5) Years

Commencement Date: _____, 2018

Option to Renew: Should the Landlord desire to continue leasing space within the Building upon expiration of the initial lease term, Tenant shall have the option to renew for a mutually agreed upon term and a rent at Fair Market Value.

Base Rent: \$18.00 per rentable square foot, for the Premises. Rental square footage is calculated at 948 usable square footage multiplied by 1.15% @ 18.00 per square foot for a monthly rental rate of \$1,635.30.

Security Deposit: \$1,635.30 paid upon execution of this Lease.

Parking. Tenant shall have the right to lease up to three (3) parking spaces in the adjacent parking lot at the rate of \$75 per space per month.

Other Amounts Due: Tenant's proportionate share of increased Building Operating Expenses over the base year.

Tenant's Address for Delivery of Notices:

Idaho Water Users Association
1010 W. Jefferson, Suite 101
Boise, Idaho 83702
Attn: Paul Arrington, Executive Director

Landlord's Address for Payment of Rent and Delivery of Notices:

Capital City Development Corporation
121 N. 9th Street, Suite 501
Boise, Idaho 83702

GENERAL LEASE PROVISIONS

I. PREMISES AND COMMON AREAS

1.1 Premises.

The Premises subject to this Lease shall be that space within the Building located at 1010 Jefferson Street in Boise, Idaho, as more particularly described in the Tenant-Specific Lease Provisions of this Lease, and as depicted on Exhibit A, but excluding any Common Area and/or service areas, common stairways, stairwells, hallways, access ways, pipes, ducts, conduits, wires and appurtenant fixtures serving exclusively or in common with other parts of the Building.

1.2 Common Areas.

Subject to reasonable rules from time to time made by Landlord and delivered to Tenant, Tenant shall have the right to use in common with Landlord and other tenants the following (hereafter "**Common Areas**"):

- (a) Building Common Area. The common stairways, elevators, main lobby area, access ways and passage ways and the common pipes, ducts, conduits, wires and appurtenant equipment serving the Premises.
- (b) Land Common Area. Common walkways, interior and exterior window surfaces, sidewalks, and driveways necessary for access to the Building and landscaping.

1.3 Parking.

During the Initial Term of this Lease, for use by Tenant three (3) parking permits in the adjacent parking lot leased from Landlord at the rate indicated in the Tenant-Specific Lease Provisions. Tenant shall be solely responsible for all costs for any such parking spaces used by Tenant.

II. LEASE TERM

2.1 Initial Term.

The Initial Term of this Lease shall be the term shown on Tenant-Specific Lease Provisions.

2.2 Option to Renew.

Should the Landlord desire to continue leasing space within the Building, the Tenant shall have the option to renew the Lease for a mutually agreed upon term commencing immediately following the expiration of the then current term, said renewal to be upon all of the terms, conditions, covenants and provisions of the Lease except as provided below in Section 2.02 (d). The failure of the Tenant to exercise the option for the renewal term in the manner and within the time herein provided shall terminate the rights of the Tenant with respect to the renewal period. The Tenant's right to exercise the option to renew the term of the Lease shall be subject to the following conditions:

- (a) The Lease shall be in force and effect after the time the notice of the Tenant's election to renew the term is delivered to the Landlord and on the last day of the then current term.
- (b) The Tenant shall not be in default under any provision of the Lease at the time the Tenant delivers to the Landlord a notice of the Tenant's election to renew the term or on the last day of the then current term.
- (c) The Tenant shall deliver to the Landlord a written notice irrevocably exercising the option to renew the term not later than one hundred eighty (180) days before the last day of the then current term.
- (d) Unless otherwise provided in this lease, the Base Rent shall be adjusted to fair market rent for comparable office space in downtown Boise, Idaho. Within thirty (30) days of Tenant's notice to Landlord that it desires to extend the Lease, the parties shall negotiate in good faith as regards the Annual Base Rent for the option term. In no event shall the Annual Base Rent for the option term be less than the current Annual Base Rent at the end of the Initial Term. Should the parties despite their good faith efforts fail to agree upon the new Annual Base Rent, this Lease shall terminate at the end of the then current term.

III. RENT

3.1 Security Deposit.

Upon execution of this Lease, Tenant shall pay the security deposit indicated in the Tenant-Specific Lease Provisions.

3.2 Rent.

Tenant shall pay "Rent" to Landlord, defined herein to include the following:

- (a) The Base Rent identified in the Tenant-Specific Lease Provisions of this Lease on the 1st day of each calendar month, in advance, commencing on the Commencement Date. Rent for any period less than a full calendar month shall be pro-rated on a per diem basis based on actual days.
- (b) Tenant's Proportionate Share (defined below) of any increase in the Building Operating Expenses (hereinafter defined) paid or incurred by Landlord in connection with the Building. Commencing with the 1st calendar year

following 2018 (the "**Base Year**"), if in any lease year during the term of this Lease the Building Operating Expenses shall be higher than the Building Operating Expenses for the Base Year, the Rent payable by Tenant for the year shall be increased by an amount equal to Tenant's Proportionate Share of such increase for the current lease year and each subsequent lease year until further adjusted in accordance with the terms herein.

(1) As used herein, the term "**Tenant's Proportionate Share**" shall be calculated by taking Tenant's rentable square footage subject to this Lease as the numerator and dividing it by the total rentable square footage of office space in the Building as the denominator.

(2) Building Operating Expenses for the Base Year shall be adjusted, if necessary, to reflect occupancy of at least 90% of the rentable square feet of office space in the Building.

(3) As used herein, the term "**Building Operating Expenses**" shall be considered part of the rent that Tenant must pay and shall include all costs of operation of the Building and maintenance as determined by standard accounting practices and shall include the following costs: water and sewer charges; insurance premiums; electricity, gas and other utility services used in connection with the operation of the Building; lighting; janitorial services; maintenance (including re-painting) and repair with respect to the exterior of the Building and the interior Common Areas, including signage not installed by a tenant; maintenance and repair of the roof; janitorial service with respect to the interior of the Premises; trash removal; general maintenance and repair of the equipment, components, facilities, and improvements in the Building and the Common Areas; professional management services; landscaping maintenance and replacement; snow removal and ice treatment; and "Taxes," defined as all taxes, assessments, and fees levied upon the Building, the property of Landlord located therein, or the rents collected therefrom, by any governmental entity based upon the ownership, leasing, renting, or operation of the Building.

(4) As used herein, Building Operating Expenses shall not include any of the following:

i. Salaries or benefits for Landlord's executives and employees above the grade of property manager; provided, however, the property management services shall either be (i) provided by an independent, unrelated party selected as a result of a competitive bidding process, or (ii) provided by Landlord or a related party at a rate that is competitive in the Boise market,

ii. Capital expenditures which would constitute capital costs under generally accepted accounting principles including but not limited to the cost of replacement of any mechanical, electrical, or plumbing systems, or of any substantial component or part of such systems beyond the scope of routine maintenance and repair, or any other cost which is capital in nature. If Landlord leases any items of capital equipment which results in savings or reductions in expenses which would otherwise be included in Building Operating Expenses, then the rentals and other costs paid pursuant to such leasing will be

included in Building Operating Expenses for the year in which they were incurred, or in an amount equal to the amortization if amortized over the useful life of the item on a straight-line basis.

iii. Expenditures for which Landlord is reimbursed from any insurance carrier, from any tenant, including Tenant, or from any other source.

iv. Advertising and promotional expenditures.

v. Cost incurred in performing work or furnishing services for any tenant (including Tenant), whether at such tenant's or Landlord's expense, to the extent that such work or service is in excess of any work or service that Landlord is obligated to furnish to Tenant at Landlord's expense.

vi. Bad debt loss, rent loss, or reserves for either of them.

vii. The cost of utility service furnished to any particular tenant and paid for by such tenant.

viii. Financing costs, including points, commitment fees, broker's fees, legal fees, and mortgage interest and amortization payments.

ix. Costs incurred in connection with the rehabilitation of the Building.

x. Costs, expenses or expenditures relating to the duties, liabilities or obligations of other tenants in the Building.

xi. Costs incurred by Landlord arising out of its failure to perform or breach of any of its covenants, agreements, representations, warranties, guarantees or indemnities made under this Lease.

xii. Costs, fines or penalties incurred by Landlord due to violations of any applicable governmental law, requirement or order.

xiii. Costs incurred in the removal, abatement, or other treatment of asbestos or other hazardous substances present in the Building.

xiv. Legal fees, space planner's fees, broker's commissions and other costs incurred by Landlord in connection with leasing space and negotiating leases with tenants of the Building, or legal fees in connection with disputes between Landlord and any tenant of the Building, or between Landlord and any mortgagee.

xv. Costs of improving, altering, constructing or redecorating any interior space leased to tenants of the Building.

xvi. Any amounts paid to a person, firm, corporation, or other entity related to Landlord, which is in excess of the amount charged by unaffiliated parties for comparable goods or services.

xvii. Costs incurred by Landlord to remedy any defects in the design of materials used or Building equipment, or to repair or replace the

structural steel framing, roof, foundation and underground utility lines forming a part of or servicing the Building.

xviii. Costs associated with the operation of the business of the entity which constitutes Landlord as the same are distinguished from the costs of operation of the Building, including, without limitation, accounting and legal expenses, costs of selling, syndicating, financing, mortgaging or hypothecating Landlord's interest in the Building, costs of any disputes between Landlord and its employees, or property managers.

xix. The value or lost income to Landlord of any office space in the Building which is utilized for the management of the Building.

xx. Costs associated with the treatment of asbestos, environmental remediation, or hazardous substances.

Within ninety (90) days after the end of each calendar year, Landlord shall deliver to Tenant an itemization of the actual Building Operating Expenses for the immediately preceding lease year and an itemization of the same expenses for the Base Year. If the Building Operating Expenses for the preceding lease year exceed those expenses for the Base Year, Tenant shall, within thirty (30) days, pay to the Landlord an amount equal to Tenant's Proportionate Share multiplied by such excess. The failure of Tenant to pay Tenant's Proportionate Share of the increase in the Building Operating Expenses within the time provided in this Lease shall constitute a default under the terms hereof in like manner as the failure of Tenant to pay the Annual Base Rent when due. If Tenant's payments made during such lease year exceed Tenant's share of Building Operating Expenses increases or if the Building Operating Expenses decrease, Landlord shall refund to Tenant the excess or difference at the time Landlord furnishes the itemization to Tenant.

3.4 Late Charges.

Tenant acknowledges that the late payment of Rent to Landlord will cause Landlord to incur costs not contemplated by this Lease, the exact amount of which Landlord is not capable of determining. Accordingly, if any monthly installment of the Annual Base Rent or any other sum payable by Tenant to Landlord under this Lease shall not be received by Landlord within ten (10) days of the date said installment or payment is due, Tenant shall pay to Landlord a late charge of five percent (5%) of the amount then due. Further, and in addition to any late charges, any sums payable by Tenant to Landlord under the terms of this Lease which shall be past due for a period of thirty (30) or more days, shall bear interest from the due date until paid at the prime rate as published in the Wall Street Journal on the date of such default plus four percent (4%) per annum.

3.5 Place of Payment.

Until otherwise directed by Landlord in writing, Tenant shall deliver all notices and pay all Rent and other amounts due under this Lease to Landlord at the address for Landlord set forth in the Tenant-Specific Lease Provisions.

3.6 Downtown Boise Association.

Tenant acknowledges that it is in an assessment area benefiting the Downtown Boise Association ("DBA"). Tenant shall pay all DBA assessments when they become due if and when Tenant is legally obligated to pay such assessments by the DBA. Unpaid assessments shall constitute a default under Section 16.01(c) of this Lease.

IV. USE OF PREMISES

4.1 Use of Premises.

During the full term of this Lease, the Premises shall be used as provided in the Tenant-Specific Lease Provisions of this Lease. No other use of the Premises shall be made without Landlord's prior written consent. Tenant's use shall be further governed by the Rules and Regulations attached hereto as "**Exhibit B.**"

4.2 Waste and Nuisance.

Tenant shall not use the Premises in any manner that will constitute waste nor result in a nuisance or an unreasonable annoyance to other tenants and occupants of other portions of the Building.

4.3 Warranties.

Landlord provides no warranties to Tenant, and Tenant in executing this Lease is relying upon his or her own judgment, information, and inspection of the Premises.

V. UTILITIES AND SERVICES

5.1 Landlord's Obligations Regarding Utilities.

Landlord shall cause the Building to be maintained in a first-class manner. Landlord shall supply all utilities furnished to the Premises as may be required by Tenant for the use and occupation of the Premises between the hours of 7 AM and 6 PM, Mondays through Fridays, national holidays excepted. Landlord also shall provide all maintenance services with respect to the exterior and interior of the Building and the Premises and the Common Areas, the maintenance of the landscaped areas outside the Building, and the maintenance of the sidewalks and parking lot. In addition, Landlord shall cause the removal of trash and rubbish deposited in the manner and in the location designated by Landlord, and Landlord shall provide all janitorial services with respect to the exterior and interior of the Building, Parking Lot, and the Common Areas.

5.2 Tenant's Obligations Regarding Utilities.

Tenant shall pay: all costs for telephone service; internet service; security (alarm) systems, if any; any other service required by Tenant, which service is not provided by Landlord; and Tenant's Proportionate Share of increases in Building Operating Expenses as provided above.

5.3 Security Alarm System.

Any security alarm system for Tenant's premises shall be provided by Tenant at Tenant's expense, subject to written approval by Landlord.

VI. TAXES

6.1 Real Property Taxes.

Landlord shall pay all ad valorem real property taxes levied and assessed against the Building, subject to the obligation of Tenant to pay its share of the Building Operating Expenses as provided above.

6.2 Personal Property Taxes.

Tenant shall pay all personal property taxes levied and assessed against Tenant's fixtures,

equipment, and other property. Landlord shall pay any taxes or assessments assessed against Landlord's personal property used in the maintenance, operation, and repair of the Building, subject to the obligation of Tenant to pay its share of the Building Operating Expenses.

VII. INSURANCE

7.1 Tenant's Obligations.

Tenant shall, at its sole cost and expense, throughout the term of this Lease, obtain and maintain commercial general liability insurance for the mutual benefit of both Tenant and Landlord at the following limits and coverages:

Bodily Injury and Property Damage Liability	\$1,000,000 each occurrence combined
Personal Injury Liability	\$1,000,000 each occurrence
Products - Completed Operations	\$1,000,000 each occurrence
General Aggregate Limit	\$1,000,000 each occurrence

7.2 Landlord's Obligation.

Landlord shall purchase and keep in force a policy or policies of insurance covering the Building in an amount not less than ninety percent (90%) of the full replacement cost (exclusive of the cost of excavations, foundations, and footings), providing protection against any peril generally included within the classification "fire and extended coverage," or, at Landlord's election, "special form coverage," including earthquake coverage and/or ordinance or law coverage, if elected by Landlord.

7.3 Waiver of Subrogation.

Any insurance specified herein shall include a clause or endorsement denying to the insurer a right of subrogation against the other party to the extent rights have been waived by the insured prior to occurrence of an injury or loss. Notwithstanding any provisions of this Lease to the contrary, each Party hereby waives any rights of recovery against the other for injury or loss due to hazards covered by insurance containing such a clause or endorsement to the extent of the insurance proceeds paid or payable by reason of the injury or loss covered thereby.

VIII. MAINTENANCE AND REPAIR

8.1 Landlord's Obligations.

Landlord shall repair and maintain the Building in good and workmanlike manner, including but in no way limited to all plumbing, air conditioning, heating and electrical systems serving the Premises.

8.2 Tenant's Obligations.

Tenant shall take good care of the Premises and shall pay to Landlord the cost of any repairs thereto or to the Building which are necessitated by the misuse or negligence of Tenant, its employees, agents, contractors, licensees, or invitees.

8.3 Failure to Repair.

If Tenant refuses or neglects to make repairs and/or maintain the Premises, or any part thereof, as required herein, in a manner reasonably satisfactory to Landlord, Landlord shall have the right, upon giving Tenant reasonable written notice of its election to do so, to make such repairs or perform such maintenance on behalf of and for the account of

Tenant. In such event, such work shall be paid for by Tenant as additional Rent and shall be due promptly upon receipt of a bill therefor. No exercise by Landlord of any rights herein reserved shall entitle Tenant to any damage for any injury or inconvenience occasioned thereby or to any abatement of Annual Base Rent or other amounts payable by Tenant under this Lease.

IX. INDEMNITY

9.1 By Tenant.

Tenant agrees to indemnify and hold Landlord harmless against all actions, claims, demands, costs, damages or expense of any kind on account thereof, including attorneys' fees and costs of defense, which may be brought or made against Landlord, or which Landlord may pay or incur, by reason of Tenant's use and occupancy of the Premises or Tenant's failure to perform this Lease.

X. ALTERATIONS AND TENANT IMPROVEMENTS

10.1 No Alterations Without Consent.

Tenant will not make any alterations or changes in or to the Premises without first obtaining the prior written consent of Landlord. Tenant shall cooperate with Landlord in making any alterations or changes requested by Tenant and approved by Landlord to ensure that said alterations or changes do not interfere with the operation of Building services, including but not limited to HVAC and lighting controls.

10.2 Tenant Allowance and Additional Cost of Improvements.

Tenant Improvements shall be performed at the sole cost of Tenant. Upon expiration of the term of this Lease, Tenant Improvements shall be considered a permanent part of the Premises and remain therein.

10.3 Trade Fixtures.

Trade fixtures, equipment, and other personal property which are installed by Tenant to the walls, ceilings, floors, or other part of the Premises shall remain the property of Tenant and may be removed by Tenant at any time during the term of this Lease, provided that Tenant promptly repairs all damage resulting from the installation or removal.

10.4 Liens Prohibited.

Tenant shall keep the Premises and the Building free and clear of all liens related to any improvements placed by Tenant on the Premises. Tenant shall indemnify, save and hold Landlord and the Building harmless against any liability, loss, damage, cost, attorneys' fees and all other expenses on account of any prohibited lien.

XI. DESTRUCTION OF PREMISES

11.1 Fully Tenantable.

If the Premises are damaged by fire or other casualty but are not thereby rendered untenable, in whole or in part, Landlord shall, at its own expense, cause such damage to be repaired and neither the Annual Base Rent nor other amounts payable by Tenant under this Lease shall be abated.

11.2 Partially Untenable.

If the Premises shall be rendered partially untenable by reason of such occurrence, Landlord shall, at its own expense, cause the damage to be repaired and the Annual Base Rent for the part of the Premises rendered untenable shall be abated proportionately on a square footage basis as long as said part remains untenable. As used herein, "partially untenable" shall mean that Tenant is unable to use the Premises for the purposes leased for a period of ten (10) or more consecutive days.

11.3 Totally Untenable.

If the Premises shall be rendered wholly untenable by reason of such occurrence, Landlord shall, at its own expense, cause such damage to be repaired and the Annual Base Rent meanwhile shall be abated. In such event either Landlord or Tenant shall have the right, which may be exercised by written notice delivered to the other party within thirty (30) days after such occurrence, to elect to terminate this Lease in which event all rights and obligations of the parties shall terminate and end as of the date of such occurrence, except for the obligation of Tenant to pay Annual Base Rent or other sums which were due and payable prior to the date of the occurrence.

11.4 Destruction of Building.

In the event that fifty percent (50%) or more of the Building shall be damaged or destroyed by fire or other cause, either Landlord or Tenant shall have the right, which may be exercised by written notice delivered to the other party within thirty (30) days after such occurrence, to elect to terminate this Lease in which event all rights and obligations of the parties shall terminate and end as of the date of such occurrence, except for the obligation of Tenant to pay any Annual Base Rent or other sums which were due and payable prior to the date of the occurrence.

XII. SUBLETTING

12.01 Subletting.

Tenant shall not sublease, assign, or otherwise permit occupancy of the Premises by any other entity or party without Landlord's prior written consent, which shall not be unreasonably withheld, provided, however, that Landlord may refuse to consent to such sublease if Tenant's proposed subtenant unreasonably competes with another tenant in the Building. Landlord's consent to assignment or sublease of the Premises does not release Tenant from any of Tenant's obligations under this Lease.

XIII. SIGNAGE

13.01 Signage.

Tenant's name and suite number will be placed in the directory in the lobby of the Building and on the tenant entry plaque at Landlord's expense at time of first occupancy. Any changes to the directory signage requested by Tenant will be at Tenant's expense. Any other Tenant-desired signage will require Landlord's prior written consent.

XIV. QUIET ENJOYMENT

14.01 Quiet Enjoyment.

Landlord agrees that Tenant, upon paying the Rent and performing the covenants, terms, and conditions of this Lease required of Tenant to be kept and performed, may quietly have, hold, and enjoy the Premises during the term hereof.

XV. DEFAULT

15.1 Events of Default.

Time is of the essence in performing each and every condition of this Lease. The occurrence of any of the following events shall constitute a material default and breach of this Lease by Tenant.

- (a) Failure of Tenant to occupy the Premises or, once occupied, if Tenant vacates or abandons the Premises.
- (b) Failure of Tenant to pay any installment of Rent by the tenth (10th) day after the 1st of the month said installment of Rent is due.
- (c) Failure of Tenant to pay any other sum payable under this Lease within thirty (30) days after written demand therefor is delivered to Tenant.
- (d) Default by Tenant in the performance of any of Tenant's covenants, agreements or obligations hereunder (excluding a default in the payment of Rent or other monies due) which continues for thirty (30) days after written notice thereof is delivered to Tenant by Landlord.
- (e) Filing by or against Tenant in any court, pursuant to any statute, either in the United States or of any other state, a petition in bankruptcy or insolvency, or for reorganization or for appointment of a receiver or trustee of all or a substantial portion of the property owned by Tenant or if Tenant makes an assignment for the benefit of creditors, or any execution or attachment shall be issued against Tenant or all or a substantial portion of Tenant's property, whereby all or any portion of the Premises covered by this Lease or any improvements thereon shall be taken or occupied or attempted to be taken or occupied by someone other than Tenant, except as may herein be otherwise expressly permitted, and such adjudication, appointment, assignment, petition, execution or attachment shall not be set aside, vacated, discharged or bonded within thirty (30) days after the determination, issuance or filing of the same.

15.2 Landlord's Remedies.

In the event of a default by Tenant under this Lease, Landlord shall have all rights and remedies allowed by law or equity including, but not limited to, the following:

- (a) Termination and Damages: In addition to any other remedy available to Landlord at law or in equity, all of which other remedies are reserved unto the Landlord, Landlord shall have the right to immediately terminate the Tenant's right to possession of the Premises and/or this Lease and all rights of Tenant hereunder by delivering a written notice of termination to Tenant. In the event that Landlord elects to so terminate such possession and/or this Lease, Landlord shall have the right to recover from Tenant the following:
 - (1) Any unpaid Rent earned at the time of such termination;
 - (2) Any other amount necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to perform the obligations under this Lease or which in the ordinary course of things would likely result

therefrom;

(3) Reasonable attorneys' fees incurred by Landlord as the result of such material default and breach and costs in the event suit is filed by Landlord to enforce any remedy; and/or

(4) At Landlord's election, such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by applicable law.

A termination of this Lease under this Section shall not release or discharge Tenant from any obligation under this Lease but shall constitute only a termination of the right of Tenant to possess and occupy the Premises, unless otherwise specifically stated by Landlord in writing at the time of such termination.

- (b) Non-Termination and Re-Entry: In addition to the other rights of Landlord herein provided, Landlord shall have the right, without terminating this Lease, at its option, to re-enter and re-take possession of the Premises and all improvements thereon and collect rents from any subtenants and/or sublet the whole or any part of the Premises for the account of the Tenant, upon any terms or conditions determined by Landlord. In such event of subleasing, Landlord shall have the right to collect any rent which may become payable under any sublease and apply the same first to the payment of expenses incurred by Landlord in dispossessing Tenant and in subletting the Premises and, thereafter, to the payment of the Annual Base Rent and other amounts payable by Tenant under this Lease required to be paid by Tenant in fulfillment of Tenant's covenants hereunder; and Tenant shall be liable to Landlord for the payment of the Annual Base Rent and other amounts required to be paid by Tenant under this Lease, less any amounts actually received by Landlord from a sublease and after payment of expenses incurred, applied on account of the Annual Base Rent and other amounts due hereunder. In the event of such election, Landlord shall not be deemed to have terminated this Lease by taking possession of the Premises unless written notice of termination has been given by the Landlord to Tenant.
- (c) No Termination: No re-entry or taking possession of the Premises by Landlord pursuant to the provisions of this Lease shall be construed as an election to terminate this Lease unless a written notice of such intention is delivered by Landlord to Tenant. Notwithstanding a re-letting without termination by Landlord due to the default by Tenant, the Landlord may at any time after such re-letting elect to terminate this Lease for such default.

15.3 Landlord's Default; Tenant's Remedies.

The occurrence of the following shall constitute a material default and breach of this Lease by Landlord: failure by Landlord to perform any covenant, agreement, condition, or provision of this Lease, which continues for thirty (30) days after written notice thereof is delivered to Landlord by Tenant. In the event of a default by Landlord under this Lease, Tenant shall have all rights and remedies available at law or in equity, including, but not limited to, the right to set-off against Rent and the amount required to cure any default on the part of Landlord.

XVI. SURRENDER OF PREMISES

16.1 Condition.

Upon the expiration or earlier termination of this Lease, Tenant shall quit and surrender possession of the Premises to Landlord in as good order and condition as the same are at the Commencement Date of this Lease or hereafter may be improved by Landlord or Tenant, reasonable wear and repairs, which repairs are Landlord's obligation excepted. Tenant shall, without expense to Landlord, remove or cause to be removed from the Premises all debris, rubbish, furniture, equipment, business and trade fixtures, free-standing cabinetwork, movable partitions and other articles of personal property owned by Tenant and all similar items of any other persons claiming under Tenant, and Tenant shall, before expiration of termination, repair all damage to the Premises resulting from such removal and otherwise restore the Premises. Tenant shall be responsible, at Tenant's expense, for the removal of all telephone, data, networking and any other cabling installed by Tenant upon surrender of the Premises, without disturbing or affecting in any way the cabling installed and maintained by Landlord.

16.2 Permanent Property.

All fixtures (excluding trade fixtures), equipment, alterations, additions, improvements and/or appurtenances attached to or built into the Premises prior to or during the Term of this Lease, whether by Landlord at its expense or at the expense of Tenant, or both, shall be and remain part of the Premises and shall not be removed by Tenant at the end of the Term unless otherwise expressly provided for in this Lease. Such fixtures, equipment, alterations, additions, improvements and/or appurtenances shall include, but shall not be limited to: all floor coverings, drapes, paneling, molding, doors, vaults, plumbing systems, electrical systems, lighting systems, silencing equipment, all fixtures and outlets for the systems mentioned above and for all telephone, radio, telegraph and television purposes and any special flooring or ceiling installations.

XVII. MISCELLANEOUS

17.1 Landlord's Right of Entry.

Landlord and Landlord's authorized representatives shall have the right to enter the Premises at all reasonable times upon giving twenty-four (24) hours' notice to Tenant in a non-emergency situation for the purpose of determining whether the Premises are in good condition, to make necessary repairs or perform any maintenance, to serve any notice required or allowed under this Lease, or to show the Premises to prospective brokers, agents, buyers, or tenants. In the event of emergency circumstances, Landlord or Landlord's authorized representative shall have the right to immediately enter the Premises and take any action necessitated by the emergency.

17.2 No Waiver.

The failure of Landlord to seek redress for violations or to insist upon the strict performance of any covenant or condition of this Lease shall not be deemed a waiver of such violation or of any future similar violation and the waiver by Landlord of any breach shall not be deemed a waiver of any past, present or future breach of the same or any other term, covenant, or condition of this Lease.

17.3 Notices.

Whenever any notice, approval, consent, request, or election is given or made pursuant to this Lease, it shall be deemed delivered when it is in writing and personally delivered or

deposited in the United States mail, postage prepaid, certified or registered mail, return receipt requested, and addressed to the party at the address set forth in the Tenant-Specific Lease Provisions.

17.4 Holding Over.

Should Tenant continue to occupy the Premises or any part thereof after the expiration or earlier termination of this Lease, whether with or against the consent of Landlord, such tenancy shall be month-to-month at a rent equal to 125% of the Annual Base Rent in force and effect for the last month of the term expired or terminated.

17.5 Attorneys' Fees and Costs.

In the event suit or action is filed by either party against the other to interpret or enforce this Lease, the unsuccessful party to such litigation agrees to pay to the prevailing party all costs and expenses, including attorneys' fees incurred therein, including the same with respect to an appeal.

17.6 Transfer of Landlord's Interest.

In the event of a sale or conveyance by Landlord of the Premises and/or the Building, other than a transfer for security purposes only, and only upon written assignment and assumption of this Lease by Landlord's successor, Landlord shall be relieved from all obligations and liabilities accruing thereafter on the part of Landlord, provided, however, that any funds in the hands of Landlord at the time of transfer in which Tenant has an interest, shall be delivered to the successor of Landlord.

17.7 Construction.

All parties hereto have either (i.) been represented by separate legal counsel, or (ii.) have had the opportunity to be so represented.

17.8 Heirs and Assigns.

This Lease shall be binding upon and shall inure to the benefit of the respective heirs, personal representatives, successors and assigns of the parties.

17.9 Severability.

The provisions of this Lease are declared to be severable. If any provision of this Lease shall be found to be invalid, the remainder of this Lease shall not be affected thereby and each term and provision of this Lease shall be valid and enforceable to the fullest extent permitted by law. It is the intention of the Parties that if any provision in this Lease is capable of two constructions, then the provision shall be interpreted to have the meaning which renders it valid.

17.10 Force Majeure.

Any prevention, delay, or stoppage due to strikes, lockouts, labor disputes, court orders, acts of God, inability to obtain labor or materials or reasonable substitutes thereof, government restrictions, regulations or controls, hostile government action, civil commotion, fire or other casualty and other causes beyond the reasonable control of the party obligated to perform shall excuse the performance by such party for a period equal to any such prevention, delay or stoppage except the obligations imposed with regard to Rent and other charges to be paid by Tenant pursuant to this Lease, which obligation shall not be affected thereby.

17.11 Captions and Headings.

The captions and headings used in this Lease are for convenience only and are not deemed to define or limit the scope or intent of any of the terms, covenants, conditions, or

agreements contained herein.

17.12 Subordination and Attornment to Mortgage.

Upon request of Landlord, Tenant will, in writing, subordinate its rights to the lien of any mortgage or deed of trust to any bank, insurance company, or other lending institution, which at any time is in force against the land and building of which the Premises are a part. Tenant shall attorn to the purchaser upon any foreclosure of said lien of mortgage or deed of trust and shall thereafter recognize such purchaser as the Landlord under this Lease. The provisions of this section notwithstanding, and so long as Tenant is not in default, this Lease shall remain in full force and effect for the full term.

17.13 Entire Agreement.

This Lease, including the exhibits attached hereto, contains the entire agreement between the parties as of the date of this Lease and the execution hereof has not been induced by either party or any agent of either party, by representations, promises, or undertakings not expressed herein. There are no collateral agreements, stipulations, covenants, promises, inducements, or undertakings whatsoever between the Parties concerning the subject matter of this Lease which are not expressly contained herein.

End of Agreement | Signatures appear on the following page.

IN WITNESS WHEREOF, the Parties hereto have executed this Lease as of the day and year first written above.

LANDLORD

Capital City Development Corporation

John Brunelle, Executive Director

TENANT

Idaho Water Users Association

By: _____

Its: _____

Exhibits

A: Depiction of Premises

B: Rules and Regulations

Exhibit A

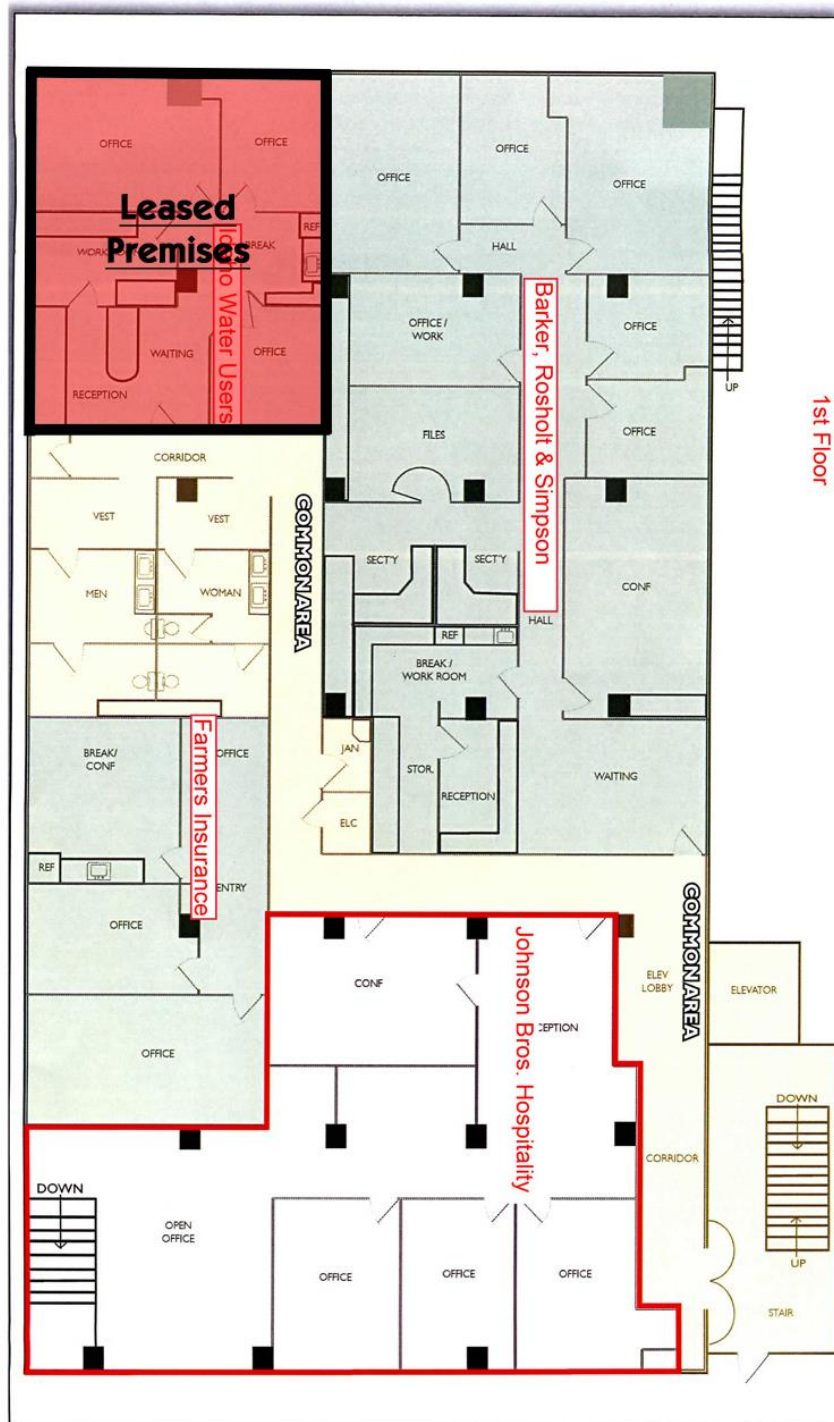


Exhibit B

BUILDING RULES AND REGULATIONS. SIGNS

Except as otherwise provided in the Lease, the following rules and regulations shall apply for the 1010 Jefferson Building:

1. The sidewalks, entrances, halls, passages, elevators and stairways shall not be obstructed by any of the Tenants, or used by them for any other purpose than for ingress and egress to and from their respective leased premises.
2. Tenants, their agents, employees, or visitors, shall not make or commit any improper noises or disturbances of *any* kind in the building, or make or defile the water closets, toilet rooms, windows, elevators, or doors of the building or interfere in any way with other Tenants or those having business with them.
3. The toilet rooms, water closets, and other water apparatus shall not be used for any purpose other than those for which they were constructed, and no sweepings, rubbish, rags, ashes, chemicals, or other refuse shall be thrown therein. Any damage from such misuse or abuse shall be borne by the Tenant by whom or by those employees or visitors of Tenant it shall be caused.
4. Smoking shall not be permitted anywhere in the Building, nor on the sidewalks and alleys surrounding the Building except in areas specifically designated as a smoking area.
5. No air-tight covering shall be laid on the floors, nor shall articles (except for interior artwork) be fastened to, or holes drilled, or nails or screws driven into walls, windows, partitions, nor shall the walls or partitions be painted, papered or otherwise covered, or in any way marked or broken, without the prior written consent of the Landlord.
6. Nothing shall be placed on the outside of the building, or on the windows, windowsills, or projections.
7. The only window treatment permitted for the windows in the leased premises is that installed by and approved in writing by the Landlord.
8. No sign, advertisement, or notice other than as approved by Landlord, shall be inscribed, painted, or affixed on any part of the outside or inside of said building. Signs on doors and windows shall be subject to prior written approval by Landlord, the cost of affixing to be paid by Tenant. A directory with the names of Tenants will be provided by Landlord.

9. After permission to install telephones, data networks, or other electric wires has been granted, Landlord will direct where and how the same are to be placed. No wires shall be run in any part of the building excepting by or under the direction of Landlord, Attaching of wires to the outside of the building is absolutely prohibited.

10. The Landlord shall in all cases have the right to Prescribe the weight and proper position of safes or other heavy objects in the building; and the bringing in of said safes, all furniture, fixtures or supplies, the taking out of said articles, and moving about of said articles within the building, shall only be at such times and in such manner as the Landlord shall designate; and any damage caused by any of the before mentioned operations or by any of the said articles during the time they are in the building, shall be repaired by Tenant at Tenant's expense,

11. No additional locks shall be placed upon any doors without the written consent of the Landlord, and the Tenant shall not permit any duplicate keys to be made. All necessary keys shall be furnished by the Landlord, and the same shall be surrendered upon the termination of this Lease, and the Tenant shall then give to the Landlord or his agents explanation of the combination of all locks upon the doors or vaults. Landlord will provide one key at Landlord's expense. All other keys will be paid for by Tenant at Landlord's reasonable cost.

12. No motor vehicles will be allowed in the building.

13. No Tenant shall do or permit anything to be done in said Building, or bring or keep anything therein which will in any way increase the rate of fire insurance on said building or on property kept therein, or obstruct or interfere with the rights of other Tenants, or in any way injure or annoy them, or conflict with the laws relating to fires, or with the regulations of the Fire Department or with any insurance policy upon said building or any part thereof or conflict with any of the rules and ordinances of the Department of Health. Tenant understands and agrees that the vehicle of any Tenant obstructing any sidewalk, alley, or other unauthorized area, and particularly in areas designated by specially painted curbs as fire lane areas or in the bank drive-thru area, may be towed away at owner's risk and expense.

14. In order that the leased premises may be kept in a good state of preservation and cleanliness, each Tenant shall, during the continuance of his Lease, permit Landlord's property manager or contractor to take charge of any cleaning of premises.

15. No Tenant shall employ any person or persons other than as specified in the office Lease for the purpose of cleaning premises unless approved in writing by Landlord, it being understood and agreed that Landlord shall not be responsible to Tenant for loss of property or for any damage done to the furniture or other effects of Tenant by the Landlord or any of its employees or agents or any other persons or firm unless proof of Landlord's responsibility for

such damage or loss of property is established.

16. No antennae or satellite dishes of any kind shall be permitted to be attached to the Building without the express written consent of the Landlord. When approved, said antennae or satellite dishes shall be installed according to Landlord's instructions and at Tenant's sole expense for installation and maintenance.

17. No animals or birds shall be brought into or kept in or upon the premises.

18. No machinery of any kind, other than normal office machines (i.e., copying machines, personal computers, dictating equipment, calculators, or similar desk-type equipment only), shall be allowed to be operated on the premises without prior written consent of Landlord.

19. No interference with the heating apparatus will be permitted. All regulating and adjusting will be done by employees of Landlord. No space heaters are allowed anywhere in the Building.

20. The use of office suites as sleeping apartments, for the preparation of foods (other than the use of a microwave oven to heat lunch or snacks for employees or guests of Tenant), or for any immoral or illegal purpose is absolutely prohibited.

21. No Tenant shall conduct, or permit any other person to conduct any auction upon the premises, or store goods, wares, or merchandise upon the premises without the prior written approval of the Landlord except for the usual supplies and inventory to be used by the Tenant in the conduct of its business.

22. All glass, locks, and trimmings, in or about the doors and windows of the premises and all electric fixtures on the premises which belong to the Building shall be kept whole, and whenever broken by anyone, shall be immediately replaced or repaired and put in order by Tenant under the direction and to the satisfaction of the Landlord and the same shall be left whole and in good repair upon the termination of this Lease.

23. Any and all damage to floors, walls, or ceilings due to Tenant or Tenant's employees' failure to shut off running water or liquid shall be paid by Tenant.

24. Landlord reserves the right to make any and all alterations in the premises as may be required by Tenant, the expense of such alterations to be paid by Tenant.

25. Normal business hours, except by special arrangement, shall be 7:00 a.m. to 10:00 p.m. The Building will be open to visitors from 7:30 a.m. to 6:00 pm., Monday through Friday.



COMMERCIAL OFFICE LEASE AGREEMENT
1010 JEFFERSON BUILDING

THIS COMMERCIAL OFFICE LEASE AGREEMENT (the “**Lease**”) is made this ____ day of April, 2018 (the “**Effective Date**”), by and between the Urban Renewal Agency of the city of Boise, Idaho, and independent public body corporate and politic, organized and existing under the laws of the state of Idaho and doing business as Capital City Development Corporation (“**Landlord**”), and Alan Gummersall, dba Alan Gummersall Insurance (“**Tenant**”). Landlord and Tenant are collectively referred to herein as the “Parties” and each individually as a “Party.”

LEASE PREMISES

Landlord hereby leases and rents to Tenant and Tenant hereby leases and rents from Landlord, subject to the terms and provisions of this Lease, those certain premises (the “**Premises**”) shown and described on **Exhibit A**, attached hereto and made a part hereof; which Premises are located in the 1010 Jefferson Building, addressed as 1010 W. Jefferson Street, Boise, Idaho, 83702. As used in this Lease, reference to the “**Building**” shall mean the whole of the building structure, landscaping, adjacent parking lot, and other improvements, together with the underlying land.

TENANT-SPECIFIC LEASE PROVISIONS

Use of Premises: General office use.

Initial Term: Five (5) Years

Commencement Date: _____, 2018

Option to Renew: Should the Landlord desire to continue leasing space within the Building upon expiration of the initial lease term, Tenant shall have the option to renew for a mutually agreed upon term and a rent at Fair Market Value.

Base Rent: \$18.00 per rentable square foot, for the Premises. Rental square footage is calculated at 901 usable square footage multiplied by 1.15% @ 18.00 per square foot for a monthly rental rate of \$1,554.23.

Security Deposit: \$1,554.23 paid upon execution of this Lease.

Parking. Tenant shall have the right to lease up to two (2) parking spaces in the adjacent parking lot at the rate of \$75 per space per month.

Other Amounts Due: Tenant's proportionate share of increased Building Operating Expenses over the base year.

Tenant's Address for Delivery of Notices:

Alan Gummersal Insurance
1010 W. Jefferson, Suite 103
Boise, Idaho 83702
Attn: Alan Gummersal

Landlord's Address for Payment of Rent and Delivery of Notices:

Capital City Development Corporation
121 N. 9th Street, Suite 501
Boise, Idaho 83702

GENERAL LEASE PROVISIONS

I. PREMISES AND COMMON AREAS

1.1 Premises.

The Premises subject to this Lease shall be that space within the Building located at 1010 Jefferson Street in Boise, Idaho, as more particularly described in the Tenant-Specific Lease Provisions of this Lease, and as depicted on Exhibit A, but excluding any Common Area and/or service areas, common stairways, stairwells, hallways, access ways, pipes, ducts, conduits, wires and appurtenant fixtures serving exclusively or in common with other parts of the Building.

1.2 Common Areas.

Subject to reasonable rules from time to time made by Landlord and delivered to Tenant, Tenant shall have the right to use in common with Landlord and other tenants the following (hereafter "**Common Areas**"):

- (a) Building Common Area. The common stairways, elevators, main lobby area, access ways and passage ways and the common pipes, ducts, conduits, wires and appurtenant equipment serving the Premises.
- (b) Land Common Area. Common walkways, interior and exterior window surfaces, sidewalks, and driveways necessary for access to the Building and landscaping.

1.3 Parking.

During the Initial Term of this Lease, for use by Tenant three (3) parking permits in the adjacent parking lot leased from Landlord at the rate indicated in the Tenant-Specific Lease Provisions. Tenant shall be solely responsible for all costs for any such parking spaces used by Tenant.

II. LEASE TERM

2.1 Initial Term.

The Initial Term of this Lease shall be the term shown on Tenant-Specific Lease Provisions.

2.2 Option to Renew.

Should the Landlord desire to continue leasing space within the Building, the Tenant shall have the option to renew the Lease for a mutually agreed upon term commencing immediately following the expiration of the then current term, said renewal to be upon all of the terms, conditions, covenants and provisions of the Lease except as provided below in Section 2.02 (d). The failure of the Tenant to exercise the option for the renewal term in the manner and within the time herein provided shall terminate the rights of the Tenant with respect to the renewal period. The Tenant's right to exercise the option to renew the term of the Lease shall be subject to the following conditions:

- (a) The Lease shall be in force and effect after the time the notice of the Tenant's election to renew the term is delivered to the Landlord and on the last day of the then current term.
- (b) The Tenant shall not be in default under any provision of the Lease at the time the Tenant delivers to the Landlord a notice of the Tenant's election to renew the term or on the last day of the then current term.
- (c) The Tenant shall deliver to the Landlord a written notice irrevocably exercising the option to renew the term not later than one hundred eighty (180) days before the last day of the then current term.
- (d) Unless otherwise provided in this lease, the Base Rent shall be adjusted to fair market rent for comparable office space in downtown Boise, Idaho. Within thirty (30) days of Tenant's notice to Landlord that it desires to extend the Lease, the parties shall negotiate in good faith as regards the Annual Base Rent for the option term. In no event shall the Annual Base Rent for the option term be less than the current Annual Base Rent at the end of the Initial Term. Should the parties despite their good faith efforts fail to agree upon the new Annual Base Rent, this Lease shall terminate at the end of the then current term.

III. RENT

3.1 Security Deposit.

Upon execution of this Lease, Tenant shall pay the security deposit indicated in the Tenant-Specific Lease Provisions.

3.2 Rent.

Tenant shall pay "Rent" to Landlord, defined herein to include the following:

- (a) The Base Rent identified in the Tenant-Specific Lease Provisions of this Lease on the 1st day of each calendar month, in advance, commencing on the Commencement Date. Rent for any period less than a full calendar month shall be pro-rated on a per diem basis based on actual days.
- (b) Tenant's Proportionate Share (defined below) of any increase in the Building Operating Expenses (hereinafter defined) paid or incurred by Landlord in connection with the Building. Commencing with the 1st calendar year

following 2018 (the "**Base Year**"), if in any lease year during the term of this Lease the Building Operating Expenses shall be higher than the Building Operating Expenses for the Base Year, the Rent payable by Tenant for the year shall be increased by an amount equal to Tenant's Proportionate Share of such increase for the current lease year and each subsequent lease year until further adjusted in accordance with the terms herein.

(1) As used herein, the term "**Tenant's Proportionate Share**" shall be calculated by taking Tenant's rentable square footage subject to this Lease as the numerator and dividing it by the total rentable square footage of office space in the Building as the denominator.

(2) Building Operating Expenses for the Base Year shall be adjusted, if necessary, to reflect occupancy of at least 90% of the rentable square feet of office space in the Building.

(3) As used herein, the term "**Building Operating Expenses**" shall be considered part of the rent that Tenant must pay and shall include all costs of operation of the Building and maintenance as determined by standard accounting practices and shall include the following costs: water and sewer charges; insurance premiums; electricity, gas and other utility services used in connection with the operation of the Building; lighting; janitorial services; maintenance (including re-painting) and repair with respect to the exterior of the Building and the interior Common Areas, including signage not installed by a tenant; maintenance and repair of the roof; janitorial service with respect to the interior of the Premises; trash removal; general maintenance and repair of the equipment, components, facilities, and improvements in the Building and the Common Areas; professional management services; landscaping maintenance and replacement; snow removal and ice treatment; and "Taxes," defined as all taxes, assessments, and fees levied upon the Building, the property of Landlord located therein, or the rents collected therefrom, by any governmental entity based upon the ownership, leasing, renting, or operation of the Building.

(4) As used herein, Building Operating Expenses shall not include any of the following:

i. Salaries or benefits for Landlord's executives and employees above the grade of property manager; provided, however, the property management services shall either be (i) provided by an independent, unrelated party selected as a result of a competitive bidding process, or (ii) provided by Landlord or a related party at a rate that is competitive in the Boise market,

ii. Capital expenditures which would constitute capital costs under generally accepted accounting principles including but not limited to the cost of replacement of any mechanical, electrical, or plumbing systems, or of any substantial component or part of such systems beyond the scope of routine maintenance and repair, or any other cost which is capital in nature. If Landlord leases any items of capital equipment which results in savings or reductions in expenses which would otherwise be included in Building Operating Expenses, then the rentals and other costs paid pursuant to such leasing will be

included in Building Operating Expenses for the year in which they were incurred, or in an amount equal to the amortization if amortized over the useful life of the item on a straight-line basis.

iii. Expenditures for which Landlord is reimbursed from any insurance carrier, from any tenant, including Tenant, or from any other source.

iv. Advertising and promotional expenditures.

v. Cost incurred in performing work or furnishing services for any tenant (including Tenant), whether at such tenant's or Landlord's expense, to the extent that such work or service is in excess of any work or service that Landlord is obligated to furnish to Tenant at Landlord's expense.

vi. Bad debt loss, rent loss, or reserves for either of them.

vii. The cost of utility service furnished to any particular tenant and paid for by such tenant.

viii. Financing costs, including points, commitment fees, broker's fees, legal fees, and mortgage interest and amortization payments.

ix. Costs incurred in connection with the rehabilitation of the Building.

x. Costs, expenses or expenditures relating to the duties, liabilities or obligations of other tenants in the Building.

xi. Costs incurred by Landlord arising out of its failure to perform or breach of any of its covenants, agreements, representations, warranties, guarantees or indemnities made under this Lease.

xii. Costs, fines or penalties incurred by Landlord due to violations of any applicable governmental law, requirement or order.

xiii. Costs incurred in the removal, abatement, or other treatment of asbestos or other hazardous substances present in the Building.

xiv. Legal fees, space planner's fees, broker's commissions and other costs incurred by Landlord in connection with leasing space and negotiating leases with tenants of the Building, or legal fees in connection with disputes between Landlord and any tenant of the Building, or between Landlord and any mortgagee.

xv. Costs of improving, altering, constructing or redecorating any interior space leased to tenants of the Building.

xvi. Any amounts paid to a person, firm, corporation, or other entity related to Landlord, which is in excess of the amount charged by unaffiliated parties for comparable goods or services.

xvii. Costs incurred by Landlord to remedy any defects in the design of materials used or Building equipment, or to repair or replace the

structural steel framing, roof, foundation and underground utility lines forming a part of or servicing the Building.

xviii. Costs associated with the operation of the business of the entity which constitutes Landlord as the same are distinguished from the costs of operation of the Building, including, without limitation, accounting and legal expenses, costs of selling, syndicating, financing, mortgaging or hypothecating Landlord's interest in the Building, costs of any disputes between Landlord and its employees, or property managers.

xix. The value or lost income to Landlord of any office space in the Building which is utilized for the management of the Building.

xx. Costs associated with the treatment of asbestos, environmental remediation, or hazardous substances.

Within ninety (90) days after the end of each calendar year, Landlord shall deliver to Tenant an itemization of the actual Building Operating Expenses for the immediately preceding lease year and an itemization of the same expenses for the Base Year. If the Building Operating Expenses for the preceding lease year exceed those expenses for the Base Year, Tenant shall, within thirty (30) days, pay to the Landlord an amount equal to Tenant's Proportionate Share multiplied by such excess. The failure of Tenant to pay Tenant's Proportionate Share of the increase in the Building Operating Expenses within the time provided in this Lease shall constitute a default under the terms hereof in like manner as the failure of Tenant to pay the Annual Base Rent when due. If Tenant's payments made during such lease year exceed Tenant's share of Building Operating Expenses increases or if the Building Operating Expenses decrease, Landlord shall refund to Tenant the excess or difference at the time Landlord furnishes the itemization to Tenant.

3.4 Late Charges.

Tenant acknowledges that the late payment of Rent to Landlord will cause Landlord to incur costs not contemplated by this Lease, the exact amount of which Landlord is not capable of determining. Accordingly, if any monthly installment of the Annual Base Rent or any other sum payable by Tenant to Landlord under this Lease shall not be received by Landlord within ten (10) days of the date said installment or payment is due, Tenant shall pay to Landlord a late charge of five percent (5%) of the amount then due. Further, and in addition to any late charges, any sums payable by Tenant to Landlord under the terms of this Lease which shall be past due for a period of thirty (30) or more days, shall bear interest from the due date until paid at the prime rate as published in the Wall Street Journal on the date of such default plus four percent (4%) per annum.

3.5 Place of Payment.

Until otherwise directed by Landlord in writing, Tenant shall deliver all notices and pay all Rent and other amounts due under this Lease to Landlord at the address for Landlord set forth in the Tenant-Specific Lease Provisions.

3.6 Downtown Boise Association.

Tenant acknowledges that it is in an assessment area benefiting the Downtown Boise Association ("DBA"). Tenant shall pay all DBA assessments when they become due if and when Tenant is legally obligated to pay such assessments by the DBA. Unpaid assessments shall constitute a default under Section 16.01(c) of this Lease.

IV. USE OF PREMISES

4.1 Use of Premises.

During the full term of this Lease, the Premises shall be used as provided in the Tenant-Specific Lease Provisions of this Lease. No other use of the Premises shall be made without Landlord's prior written consent. Tenant's use shall be further governed by the Rules and Regulations attached hereto as "**Exhibit B.**"

4.2 Waste and Nuisance.

Tenant shall not use the Premises in any manner that will constitute waste nor result in a nuisance or an unreasonable annoyance to other tenants and occupants of other portions of the Building.

4.3 Warranties.

Landlord provides no warranties to Tenant, and Tenant in executing this Lease is relying upon his or her own judgment, information, and inspection of the Premises.

V. UTILITIES AND SERVICES

5.1 Landlord's Obligations Regarding Utilities.

Landlord shall cause the Building to be maintained in a first-class manner. Landlord shall supply all utilities furnished to the Premises as may be required by Tenant for the use and occupation of the Premises between the hours of 7 AM and 6 PM, Mondays through Fridays, national holidays excepted. Landlord also shall provide all maintenance services with respect to the exterior and interior of the Building and the Premises and the Common Areas, the maintenance of the landscaped areas outside the Building, and the maintenance of the sidewalks and parking lot. In addition, Landlord shall cause the removal of trash and rubbish deposited in the manner and in the location designated by Landlord, and Landlord shall provide all janitorial services with respect to the exterior and interior of the Building, Parking Lot, and the Common Areas.

5.2 Tenant's Obligations Regarding Utilities.

Tenant shall pay: all costs for telephone service; internet service; security (alarm) systems, if any; any other service required by Tenant, which service is not provided by Landlord; and Tenant's Proportionate Share of increases in Building Operating Expenses as provided above.

5.3 Security Alarm System.

Any security alarm system for Tenant's premises shall be provided by Tenant at Tenant's expense, subject to written approval by Landlord.

VI. TAXES

6.1 Real Property Taxes.

Landlord shall pay all ad valorem real property taxes levied and assessed against the Building, subject to the obligation of Tenant to pay its share of the Building Operating Expenses as provided above.

6.2 Personal Property Taxes.

Tenant shall pay all personal property taxes levied and assessed against Tenant's fixtures,

equipment, and other property. Landlord shall pay any taxes or assessments assessed against Landlord's personal property used in the maintenance, operation, and repair of the Building, subject to the obligation of Tenant to pay its share of the Building Operating Expenses.

VII. INSURANCE

7.1 Tenant's Obligations.

Tenant shall, at its sole cost and expense, throughout the term of this Lease, obtain and maintain commercial general liability insurance for the mutual benefit of both Tenant and Landlord at the following limits and coverages:

Bodily Injury and Property Damage Liability	\$1,000,000 each occurrence combined
Personal Injury Liability	\$1,000,000 each occurrence
Products - Completed Operations	\$1,000,000 each occurrence
General Aggregate Limit	\$1,000,000 each occurrence

7.2 Landlord's Obligation.

Landlord shall purchase and keep in force a policy or policies of insurance covering the Building in an amount not less than ninety percent (90%) of the full replacement cost (exclusive of the cost of excavations, foundations, and footings), providing protection against any peril generally included within the classification "fire and extended coverage," or, at Landlord's election, "special form coverage," including earthquake coverage and/or ordinance or law coverage, if elected by Landlord.

7.3 Waiver of Subrogation.

Any insurance specified herein shall include a clause or endorsement denying to the insurer a right of subrogation against the other party to the extent rights have been waived by the insured prior to occurrence of an injury or loss. Notwithstanding any provisions of this Lease to the contrary, each Party hereby waives any rights of recovery against the other for injury or loss due to hazards covered by insurance containing such a clause or endorsement to the extent of the insurance proceeds paid or payable by reason of the injury or loss covered thereby.

VIII. MAINTENANCE AND REPAIR

8.1 Landlord's Obligations.

Landlord shall repair and maintain the Building in good and workmanlike manner, including but in no way limited to all plumbing, air conditioning, heating and electrical systems serving the Premises.

8.2 Tenant's Obligations.

Tenant shall take good care of the Premises and shall pay to Landlord the cost of any repairs thereto or to the Building which are necessitated by the misuse or negligence of Tenant, its employees, agents, contractors, licensees, or invitees.

8.3 Failure to Repair.

If Tenant refuses or neglects to make repairs and/or maintain the Premises, or any part thereof, as required herein, in a manner reasonably satisfactory to Landlord, Landlord shall have the right, upon giving Tenant reasonable written notice of its election to do so, to make such repairs or perform such maintenance on behalf of and for the account of

Tenant. In such event, such work shall be paid for by Tenant as additional Rent and shall be due promptly upon receipt of a bill therefor. No exercise by Landlord of any rights herein reserved shall entitle Tenant to any damage for any injury or inconvenience occasioned thereby or to any abatement of Annual Base Rent or other amounts payable by Tenant under this Lease.

IX. INDEMNITY

9.1 By Tenant.

Tenant agrees to indemnify and hold Landlord harmless against all actions, claims, demands, costs, damages or expense of any kind on account thereof, including attorneys' fees and costs of defense, which may be brought or made against Landlord, or which Landlord may pay or incur, by reason of Tenant's use and occupancy of the Premises or Tenant's failure to perform this Lease.

X. ALTERATIONS AND TENANT IMPROVEMENTS

10.1 No Alterations Without Consent.

Tenant will not make any alterations or changes in or to the Premises without first obtaining the prior written consent of Landlord. Tenant shall cooperate with Landlord in making any alterations or changes requested by Tenant and approved by Landlord to ensure that said alterations or changes do not interfere with the operation of Building services, including but not limited to HVAC and lighting controls.

10.2 Tenant Allowance and Additional Cost of Improvements.

Tenant Improvements shall be performed at the sole cost of Tenant. Upon expiration of the term of this Lease, Tenant Improvements shall be considered a permanent part of the Premises and remain therein.

10.3 Trade Fixtures.

Trade fixtures, equipment, and other personal property which are installed by Tenant to the walls, ceilings, floors, or other part of the Premises shall remain the property of Tenant and may be removed by Tenant at any time during the term of this Lease, provided that Tenant promptly repairs all damage resulting from the installation or removal.

10.4 Liens Prohibited.

Tenant shall keep the Premises and the Building free and clear of all liens related to any improvements placed by Tenant on the Premises. Tenant shall indemnify, save and hold Landlord and the Building harmless against any liability, loss, damage, cost, attorneys' fees and all other expenses on account of any prohibited lien.

XI. DESTRUCTION OF PREMISES

11.1 Fully Tenantable.

If the Premises are damaged by fire or other casualty but are not thereby rendered untenable, in whole or in part, Landlord shall, at its own expense, cause such damage to be repaired and neither the Annual Base Rent nor other amounts payable by Tenant under this Lease shall be abated.

11.2 Partially Untenable.

If the Premises shall be rendered partially untenable by reason of such occurrence, Landlord shall, at its own expense, cause the damage to be repaired and the Annual Base Rent for the part of the Premises rendered untenable shall be abated proportionately on a square footage basis as long as said part remains untenable. As used herein, "partially untenable" shall mean that Tenant is unable to use the Premises for the purposes leased for a period of ten (10) or more consecutive days.

11.3 Totally Untenable.

If the Premises shall be rendered wholly untenable by reason of such occurrence, Landlord shall, at its own expense, cause such damage to be repaired and the Annual Base Rent meanwhile shall be abated. In such event either Landlord or Tenant shall have the right, which may be exercised by written notice delivered to the other party within thirty (30) days after such occurrence, to elect to terminate this Lease in which event all rights and obligations of the parties shall terminate and end as of the date of such occurrence, except for the obligation of Tenant to pay Annual Base Rent or other sums which were due and payable prior to the date of the occurrence.

11.4 Destruction of Building.

In the event that fifty percent (50%) or more of the Building shall be damaged or destroyed by fire or other cause, either Landlord or Tenant shall have the right, which may be exercised by written notice delivered to the other party within thirty (30) days after such occurrence, to elect to terminate this Lease in which event all rights and obligations of the parties shall terminate and end as of the date of such occurrence, except for the obligation of Tenant to pay any Annual Base Rent or other sums which were due and payable prior to the date of the occurrence.

XII. SUBLETTING

12.01 Subletting.

Tenant shall not sublease, assign, or otherwise permit occupancy of the Premises by any other entity or party without Landlord's prior written consent, which shall not be unreasonably withheld, provided, however, that Landlord may refuse to consent to such sublease if Tenant's proposed subtenant unreasonably competes with another tenant in the Building. Landlord's consent to assignment or sublease of the Premises does not release Tenant from any of Tenant's obligations under this Lease.

XIII. SIGNAGE

13.01 Signage.

Tenant's name and suite number will be placed in the directory in the lobby of the Building and on the tenant entry plaque at Landlord's expense at time of first occupancy. Any changes to the directory signage requested by Tenant will be at Tenant's expense. Any other Tenant-desired signage will require Landlord's prior written consent.

XIV. QUIET ENJOYMENT

14.01 Quiet Enjoyment.

Landlord agrees that Tenant, upon paying the Rent and performing the covenants, terms, and conditions of this Lease required of Tenant to be kept and performed, may quietly have, hold, and enjoy the Premises during the term hereof.

XV. DEFAULT

15.1 Events of Default.

Time is of the essence in performing each and every condition of this Lease. The occurrence of any of the following events shall constitute a material default and breach of this Lease by Tenant.

- (a) Failure of Tenant to occupy the Premises or, once occupied, if Tenant vacates or abandons the Premises.
- (b) Failure of Tenant to pay any installment of Rent by the tenth (10th) day after the 1st of the month said installment of Rent is due.
- (c) Failure of Tenant to pay any other sum payable under this Lease within thirty (30) days after written demand therefor is delivered to Tenant.
- (d) Default by Tenant in the performance of any of Tenant's covenants, agreements or obligations hereunder (excluding a default in the payment of Rent or other monies due) which continues for thirty (30) days after written notice thereof is delivered to Tenant by Landlord.
- (e) Filing by or against Tenant in any court, pursuant to any statute, either in the United States or of any other state, a petition in bankruptcy or insolvency, or for reorganization or for appointment of a receiver or trustee of all or a substantial portion of the property owned by Tenant or if Tenant makes an assignment for the benefit of creditors, or any execution or attachment shall be issued against Tenant or all or a substantial portion of Tenant's property, whereby all or any portion of the Premises covered by this Lease or any improvements thereon shall be taken or occupied or attempted to be taken or occupied by someone other than Tenant, except as may herein be otherwise expressly permitted, and such adjudication, appointment, assignment, petition, execution or attachment shall not be set aside, vacated, discharged or bonded within thirty (30) days after the determination, issuance or filing of the same.

15.2 Landlord's Remedies.

In the event of a default by Tenant under this Lease, Landlord shall have all rights and remedies allowed by law or equity including, but not limited to, the following:

- (a) Termination and Damages: In addition to any other remedy available to Landlord at law or in equity, all of which other remedies are reserved unto the Landlord, Landlord shall have the right to immediately terminate the Tenant's right to possession of the Premises and/or this Lease and all rights of Tenant hereunder by delivering a written notice of termination to Tenant. In the event that Landlord elects to so terminate such possession and/or this Lease, Landlord shall have the right to recover from Tenant the following:
 - (1) Any unpaid Rent earned at the time of such termination;
 - (2) Any other amount necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to perform the obligations under this Lease or which in the ordinary course of things would likely result

therefrom;

(3) Reasonable attorneys' fees incurred by Landlord as the result of such material default and breach and costs in the event suit is filed by Landlord to enforce any remedy; and/or

(4) At Landlord's election, such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by applicable law.

A termination of this Lease under this Section shall not release or discharge Tenant from any obligation under this Lease but shall constitute only a termination of the right of Tenant to possess and occupy the Premises, unless otherwise specifically stated by Landlord in writing at the time of such termination.

- (b) Non-Termination and Re-Entry: In addition to the other rights of Landlord herein provided, Landlord shall have the right, without terminating this Lease, at its option, to re-enter and re-take possession of the Premises and all improvements thereon and collect rents from any subtenants and/or sublet the whole or any part of the Premises for the account of the Tenant, upon any terms or conditions determined by Landlord. In such event of subleasing, Landlord shall have the right to collect any rent which may become payable under any sublease and apply the same first to the payment of expenses incurred by Landlord in dispossessing Tenant and in subletting the Premises and, thereafter, to the payment of the Annual Base Rent and other amounts payable by Tenant under this Lease required to be paid by Tenant in fulfillment of Tenant's covenants hereunder; and Tenant shall be liable to Landlord for the payment of the Annual Base Rent and other amounts required to be paid by Tenant under this Lease, less any amounts actually received by Landlord from a sublease and after payment of expenses incurred, applied on account of the Annual Base Rent and other amounts due hereunder. In the event of such election, Landlord shall not be deemed to have terminated this Lease by taking possession of the Premises unless written notice of termination has been given by the Landlord to Tenant.
- (c) No Termination: No re-entry or taking possession of the Premises by Landlord pursuant to the provisions of this Lease shall be construed as an election to terminate this Lease unless a written notice of such intention is delivered by Landlord to Tenant. Notwithstanding a re-letting without termination by Landlord due to the default by Tenant, the Landlord may at any time after such re-letting elect to terminate this Lease for such default.

15.3 Landlord's Default; Tenant's Remedies.

The occurrence of the following shall constitute a material default and breach of this Lease by Landlord: failure by Landlord to perform any covenant, agreement, condition, or provision of this Lease, which continues for thirty (30) days after written notice thereof is delivered to Landlord by Tenant. In the event of a default by Landlord under this Lease, Tenant shall have all rights and remedies available at law or in equity, including, but not limited to, the right to set-off against Rent and the amount required to cure any default on the part of Landlord.

XVI. SURRENDER OF PREMISES

16.1 Condition.

Upon the expiration or earlier termination of this Lease, Tenant shall quit and surrender possession of the Premises to Landlord in as good order and condition as the same are at the Commencement Date of this Lease or hereafter may be improved by Landlord or Tenant, reasonable wear and repairs, which repairs are Landlord's obligation excepted. Tenant shall, without expense to Landlord, remove or cause to be removed from the Premises all debris, rubbish, furniture, equipment, business and trade fixtures, free-standing cabinetwork, movable partitions and other articles of personal property owned by Tenant and all similar items of any other persons claiming under Tenant, and Tenant shall, before expiration of termination, repair all damage to the Premises resulting from such removal and otherwise restore the Premises. Tenant shall be responsible, at Tenant's expense, for the removal of all telephone, data, networking and any other cabling installed by Tenant upon surrender of the Premises, without disturbing or affecting in any way the cabling installed and maintained by Landlord.

16.2 Permanent Property.

All fixtures (excluding trade fixtures), equipment, alterations, additions, improvements and/or appurtenances attached to or built into the Premises prior to or during the Term of this Lease, whether by Landlord at its expense or at the expense of Tenant, or both, shall be and remain part of the Premises and shall not be removed by Tenant at the end of the Term unless otherwise expressly provided for in this Lease. Such fixtures, equipment, alterations, additions, improvements and/or appurtenances shall include, but shall not be limited to: all floor coverings, drapes, paneling, molding, doors, vaults, plumbing systems, electrical systems, lighting systems, silencing equipment, all fixtures and outlets for the systems mentioned above and for all telephone, radio, telegraph and television purposes and any special flooring or ceiling installations.

XVII. MISCELLANEOUS

17.1 Landlord's Right of Entry.

Landlord and Landlord's authorized representatives shall have the right to enter the Premises at all reasonable times upon giving twenty-four (24) hours' notice to Tenant in a non-emergency situation for the purpose of determining whether the Premises are in good condition, to make necessary repairs or perform any maintenance, to serve any notice required or allowed under this Lease, or to show the Premises to prospective brokers, agents, buyers, or tenants. In the event of emergency circumstances, Landlord or Landlord's authorized representative shall have the right to immediately enter the Premises and take any action necessitated by the emergency.

17.2 No Waiver.

The failure of Landlord to seek redress for violations or to insist upon the strict performance of any covenant or condition of this Lease shall not be deemed a waiver of such violation or of any future similar violation and the waiver by Landlord of any breach shall not be deemed a waiver of any past, present or future breach of the same or any other term, covenant, or condition of this Lease.

17.3 Notices.

Whenever any notice, approval, consent, request, or election is given or made pursuant to this Lease, it shall be deemed delivered when it is in writing and personally delivered or

deposited in the United States mail, postage prepaid, certified or registered mail, return receipt requested, and addressed to the party at the address set forth in the Tenant-Specific Lease Provisions.

17.4 Holding Over.

Should Tenant continue to occupy the Premises or any part thereof after the expiration or earlier termination of this Lease, whether with or against the consent of Landlord, such tenancy shall be month-to-month at a rent equal to 125% of the Annual Base Rent in force and effect for the last month of the term expired or terminated.

17.5 Attorneys' Fees and Costs.

In the event suit or action is filed by either party against the other to interpret or enforce this Lease, the unsuccessful party to such litigation agrees to pay to the prevailing party all costs and expenses, including attorneys' fees incurred therein, including the same with respect to an appeal.

17.6 Transfer of Landlord's Interest.

In the event of a sale or conveyance by Landlord of the Premises and/or the Building, other than a transfer for security purposes only, and only upon written assignment and assumption of this Lease by Landlord's successor, Landlord shall be relieved from all obligations and liabilities accruing thereafter on the part of Landlord, provided, however, that any funds in the hands of Landlord at the time of transfer in which Tenant has an interest, shall be delivered to the successor of Landlord.

17.7 Construction.

All parties hereto have either (i.) been represented by separate legal counsel, or (ii.) have had the opportunity to be so represented.

17.8 Heirs and Assigns.

This Lease shall be binding upon and shall inure to the benefit of the respective heirs, personal representatives, successors and assigns of the parties.

17.9 Severability.

The provisions of this Lease are declared to be severable. If any provision of this Lease shall be found to be invalid, the remainder of this Lease shall not be affected thereby and each term and provision of this Lease shall be valid and enforceable to the fullest extent permitted by law. It is the intention of the Parties that if any provision in this Lease is capable of two constructions, then the provision shall be interpreted to have the meaning which renders it valid.

17.10 Force Majeure.

Any prevention, delay, or stoppage due to strikes, lockouts, labor disputes, court orders, acts of God, inability to obtain labor or materials or reasonable substitutes thereof, government restrictions, regulations or controls, hostile government action, civil commotion, fire or other casualty and other causes beyond the reasonable control of the party obligated to perform shall excuse the performance by such party for a period equal to any such prevention, delay or stoppage except the obligations imposed with regard to Rent and other charges to be paid by Tenant pursuant to this Lease, which obligation shall not be affected thereby.

17.11 Captions and Headings.

The captions and headings used in this Lease are for convenience only and are not deemed to define or limit the scope or intent of any of the terms, covenants, conditions, or

agreements contained herein.

17.12 Subordination and Attornment to Mortgage.

Upon request of Landlord, Tenant will, in writing, subordinate its rights to the lien of any mortgage or deed of trust to any bank, insurance company, or other lending institution, which at any time is in force against the land and building of which the Premises are a part. Tenant shall attorn to the purchaser upon any foreclosure of said lien of mortgage or deed of trust and shall thereafter recognize such purchaser as the Landlord under this Lease. The provisions of this section notwithstanding, and so long as Tenant is not in default, this Lease shall remain in full force and effect for the full term.

17.13 Entire Agreement.

This Lease, including the exhibits attached hereto, contains the entire agreement between the parties as of the date of this Lease and the execution hereof has not been induced by either party or any agent of either party, by representations, promises, or undertakings not expressed herein. There are no collateral agreements, stipulations, covenants, promises, inducements, or undertakings whatsoever between the Parties concerning the subject matter of this Lease which are not expressly contained herein.

End of Agreement | Signatures appear on the following page.

IN WITNESS WHEREOF, the Parties hereto have executed this Lease as of the day and year first written above.

LANDLORD

TENANT

Capital City Development Corporation

Alan Gummersall

John Brunelle, Executive Director

Alan Gummersall

Exhibits

A: Depiction of Premises

B: Rules and Regulations

Exhibit A

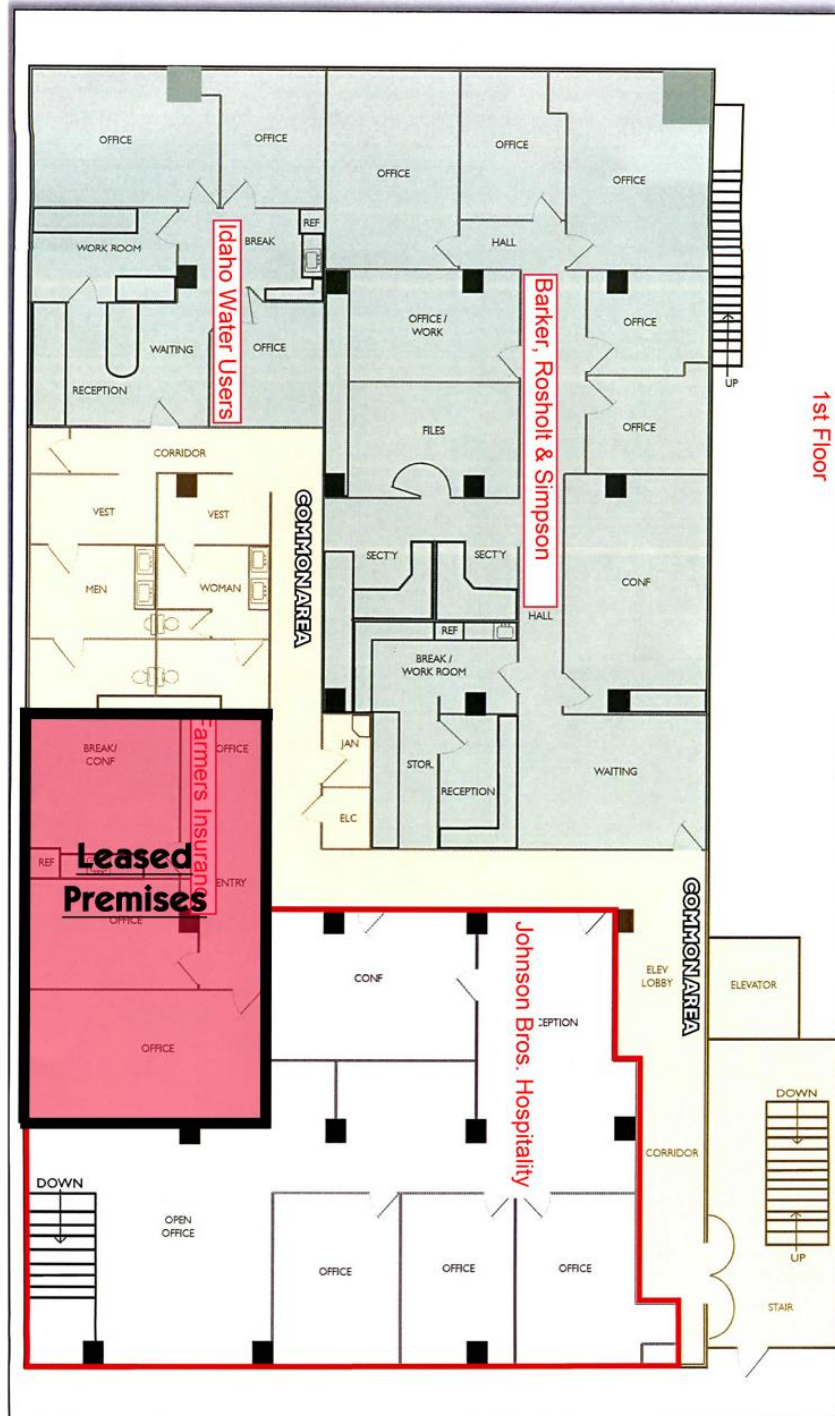


Exhibit B

BUILDING RULES AND REGULATIONS. SIGNS

Except as otherwise provided in the Lease, the following rules and regulations shall apply for the 1010 Jefferson Building:

1. The sidewalks, entrances, halls, passages, elevators and stairways shall not be obstructed by any of the Tenants, or used by them for any other purpose than for ingress and egress to and from their respective leased premises.
2. Tenants, their agents, employees, or visitors, shall not make or commit any improper noises or disturbances of *any* kind in the building, or make or defile the water closets, toilet rooms, windows, elevators, or doors of the building or interfere in any way with other Tenants or those having business with them.
3. The toilet rooms, water closets, and other water apparatus shall not be used for any purpose other than those for which they were constructed, and no sweepings, rubbish, rags, ashes, chemicals, or other refuse shall be thrown therein. Any damage from such misuse or abuse shall be borne by the Tenant by whom or by those employees or visitors of Tenant it shall be caused.
4. Smoking shall not be permitted anywhere in the Building, nor on the sidewalks and alleys surrounding the Building except in areas specifically designated as a smoking area.
5. No air-tight covering shall be laid on the floors, nor shall articles (except for interior artwork) be fastened to, or holes drilled, or nails or screws driven into walls, windows, partitions, nor shall the walls or partitions be painted, papered or otherwise covered, or in any way marked or broken, without the prior written consent of the Landlord.
6. Nothing shall be placed on the outside of the building, or on the windows, windowsills, or projections.
7. The only window treatment permitted for the windows in the leased premises is that installed by and approved in writing by the Landlord.
8. No sign, advertisement, or notice other than as approved by Landlord, shall be inscribed, painted, or affixed on any part of the outside or inside of said building. Signs on doors and windows shall be subject to prior written approval by Landlord, the cost of affixing to be paid by Tenant. A directory with the names of Tenants will be provided by Landlord.

9. After permission to install telephones, data networks, or other electric wires has been granted, Landlord will direct where and how the same are to be placed. No wires shall be run in any part of the building excepting by or under the direction of Landlord, Attaching of wires to the outside of the building is absolutely prohibited.

10. The Landlord shall in all cases have the right to Prescribe the weight and proper position of safes or other heavy objects in the building; and the bringing in of said safes, all furniture, fixtures or supplies, the taking out of said articles, and moving about of said articles within the building, shall only be at such times and in such manner as the Landlord shall designate; and any damage caused by any of the before mentioned operations or by any of the said articles during the time they are in the building, shall be repaired by Tenant at Tenant's expense,

11. No additional locks shall be placed upon any doors without the written consent of the Landlord, and the Tenant shall not permit any duplicate keys to be made. All necessary keys shall be furnished by the Landlord, and the same shall be surrendered upon the termination of this Lease, and the Tenant shall then give to the Landlord or his agents explanation of the combination of all locks upon the doors or vaults. Landlord will provide one key at Landlord's expense. All other keys will be paid for by Tenant at Landlord's reasonable cost.

12. No motor vehicles will be allowed in the building.

13. No Tenant shall do or permit anything to be done in said Building, or bring or keep anything therein which will in any way increase the rate of fire insurance on said building or on property kept therein, or obstruct or interfere with the rights of other Tenants, or in any way injure or annoy them, or conflict with the laws relating to fires, or with the regulations of the Fire Department or with any insurance policy upon said building or any part thereof or conflict with any of the rules and ordinances of the Department of Health. Tenant understands and agrees that the vehicle of any Tenant obstructing any sidewalk, alley, or other unauthorized area, and particularly in areas designated by specially painted curbs as fire lane areas or in the bank drive-thru area, may be towed away at owner's risk and expense.

14. In order that the leased premises may be kept in a good state of preservation and cleanliness, each Tenant shall, during the continuance of his Lease, permit Landlord's property manager or contractor to take charge of any cleaning of premises.

15. No Tenant shall employ any person or persons other than as specified in the office Lease for the purpose of cleaning premises unless approved in writing by Landlord, it being understood and agreed that Landlord shall not be responsible to Tenant for loss of property or for any damage done to the furniture or other effects of Tenant by the Landlord or any of its employees or agents or any other persons or firm unless proof of Landlord's responsibility for

| such damage or loss of property is established.

16. No antennae or satellite dishes of any kind shall be permitted to be attached to the Building without the express written consent of the Landlord. When approved, said antennae or satellite dishes shall be installed according to Landlord's instructions and at Tenant's sole expense for installation and maintenance.

17. No animals or birds shall be brought into or kept in or upon the premises.

18. No machinery of any kind, other than normal office machines (i.e., copying machines, personal computers, dictating equipment, calculators, or similar desk-type equipment only), shall be allowed to be operated on the premises without prior written consent of Landlord.

19. No interference with the heating apparatus will be permitted. All regulating and adjusting will be done by employees of Landlord. No space heaters are allowed anywhere in the Building.

20. The use of office suites as sleeping apartments, for the preparation of foods (other than the use of a microwave oven to heat lunch or snacks for employees or guests of Tenant), or for any immoral or illegal purpose is absolutely prohibited.

21. No Tenant shall conduct, or permit any other person to conduct any auction upon the premises, or store goods, wares, or merchandise upon the premises without the prior written approval of the Landlord except for the usual supplies and inventory to be used by the Tenant in the conduct of its business.

22. All glass, locks, and trimmings, in or about the doors and windows of the premises and all electric fixtures on the premises which belong to the Building shall be kept whole, and whenever broken by anyone, shall be immediately replaced or repaired and put in order by Tenant under the direction and to the satisfaction of the Landlord and the same shall be left whole and in good repair upon the termination of this Lease.

23. Any and all damage to floors, walls, or ceilings due to Tenant or Tenant's employees' failure to shut off running water or liquid shall be paid by Tenant.

24. Landlord reserves the right to make any and all alterations in the premises as may be required by Tenant, the expense of such alterations to be paid by Tenant.

25. Normal business hours, except by special arrangement, shall be 7:00 a.m. to 10:00 p.m. The Building will be open to visitors from 7:30 a.m. to 6:00 pm., Monday through Friday.



COMMERCIAL OFFICE LEASE AGREEMENT
1010 JEFFERSON BUILDING

THIS COMMERCIAL OFFICE LEASE AGREEMENT (the "**Lease**") is made this ____ day of April, 2018 (the "**Effective Date**"), by and between the Urban Renewal Agency of the city of Boise, Idaho, and independent public body corporate and politic, organized and existing under the laws of the state of Idaho and doing business as Capital City Development Corporation ("**Landlord**"), and Barker Rosholt & Simpson LLP, a Limited Liability Partnership ("**Tenant**"). Landlord and Tenant are collectively referred to herein as the "Parties" and each individually as a "Party."

LEASE PREMISES

Landlord hereby leases and rents to Tenant and Tenant hereby leases and rents from Landlord, subject to the terms and provisions of this Lease, those certain premises (the "**Premises**") shown and described on **Exhibit A**, attached hereto and made a part hereof; which Premises are located in the 1010 Jefferson Building, addressed as 1010 W. Jefferson Street, Boise, Idaho, 83702. As used in this Lease, reference to the "**Building**" shall mean the whole of the building structure, landscaping, adjacent parking lot, and other improvements, together with the underlying land.

TENANT-SPECIFIC LEASE PROVISIONS

Use of Premises: General office use.

Initial Term: Five (5) Years

Commencement Date: _____, 2018

Option to Renew: Should the Landlord desire to continue leasing space within the Building upon expiration of the initial lease term, Tenant shall have the option to renew for a mutually agreed upon term and a rent at Fair Market Value.

Base Rent: \$18.00 per rentable square foot, for the Premises. Rental square footage is calculated at 2688 usable square footage multiplied by 1.15% @ 18.00 per square foot for a monthly rental rate of \$4,636.80.

Security Deposit: \$4,636.80 paid upon execution of this Lease.

Parking. Tenant shall have the right to lease up to eight (8) parking spaces in the adjacent parking lot at the rate of \$75 per space per month.

Other Amounts Due: Tenant's proportionate share of increased Building Operating Expenses over the base year.

Tenant's Address for Delivery of Notices:

Barker Rosholt & Simpson LLP
PO Box 2139
Boise, Idaho 83701-2139
Attn: Albert P. Barker

Landlord's Address for Payment of Rent and Delivery of Notices:

Capital City Development Corporation
121 N. 9th Street, Suite 501
Boise, Idaho 83702

GENERAL LEASE PROVISIONS

I. PREMISES AND COMMON AREAS

1.1 Premises.

The Premises subject to this Lease shall be that space within the Building located at 1010 Jefferson Street in Boise, Idaho, as more particularly described in the Tenant-Specific Lease Provisions of this Lease, and as depicted on Exhibit A, but excluding any Common Area and/or service areas, common stairways, stairwells, hallways, access ways, pipes, ducts, conduits, wires and appurtenant fixtures serving exclusively or in common with other parts of the Building.

1.2 Common Areas.

Subject to reasonable rules from time to time made by Landlord and delivered to Tenant, Tenant shall have the right to use in common with Landlord and other tenants the following (hereafter "**Common Areas**"):

- (a) Building Common Area. The common stairways, elevators, main lobby area, access ways and passage ways and the common pipes, ducts, conduits, wires and appurtenant equipment serving the Premises.
- (b) Land Common Area. Common walkways, interior and exterior window surfaces, sidewalks, and driveways necessary for access to the Building and landscaping.

1.3 Parking.

During the Initial Term of this Lease, for use by Tenant eight (8) parking permits in the adjacent parking lot leased from Landlord at the rate indicated in the Tenant-Specific Lease Provisions. Tenant shall be solely responsible for all costs for any such parking spaces used by Tenant.

II. LEASE TERM

2.1 Initial Term.

The Initial Term of this Lease shall be the term shown on Tenant-Specific Lease Provisions.

2.2 Option to Renew.

Should the Landlord desire to continue leasing space within the Building, the Tenant shall have the option to renew the Lease for a mutually agreed upon term commencing immediately following the expiration of the then current term, said renewal to be upon all of the terms, conditions, covenants and provisions of the Lease except as provided below in Section 2.02 (d). The failure of the Tenant to exercise the option for the renewal term in the manner and within the time herein provided shall terminate the rights of the Tenant with respect to the renewal period. The Tenant's right to exercise the option to renew the term of the Lease shall be subject to the following conditions:

- (a) The Lease shall be in force and effect after the time the notice of the Tenant's election to renew the term is delivered to the Landlord and on the last day of the then current term.
- (b) The Tenant shall not be in default under any provision of the Lease at the time the Tenant delivers to the Landlord a notice of the Tenant's election to renew the term or on the last day of the then current term.
- (c) The Tenant shall deliver to the Landlord a written notice irrevocably exercising the option to renew the term not later than one hundred eighty (180) days before the last day of the then current term.
- (d) Unless otherwise provided in this lease, the Base Rent shall be adjusted to fair market rent for comparable office space in downtown Boise, Idaho. Within thirty (30) days of Tenant's notice to Landlord that it desires to extend the Lease, the parties shall negotiate in good faith as regards the Annual Base Rent for the option term. In no event shall the Annual Base Rent for the option term be less than the current Annual Base Rent at the end of the Initial Term. Should the parties despite their good faith efforts fail to agree upon the new Annual Base Rent, this Lease shall terminate at the end of the then current term.

III. RENT

3.1 Security Deposit.

Upon execution of this Lease, Tenant shall pay the security deposit indicated in the Tenant-Specific Lease Provisions.

3.2 Rent.

Tenant shall pay "Rent" to Landlord, defined herein to include the following:

- (a) The Base Rent identified in the Tenant-Specific Lease Provisions of this Lease on the 1st day of each calendar month, in advance, commencing on the Commencement Date. Rent for any period less than a full calendar month shall be pro-rated on a per diem basis based on actual days.
- (b) Tenant's Proportionate Share (defined below) of any increase in the Building Operating Expenses (hereinafter defined) paid or incurred by Landlord in connection with the Building. Commencing with the 1st calendar year

following 2018 (the "**Base Year**"), if in any lease year during the term of this Lease the Building Operating Expenses shall be higher than the Building Operating Expenses for the Base Year, the Rent payable by Tenant for the year shall be increased by an amount equal to Tenant's Proportionate Share of such increase for the current lease year and each subsequent lease year until further adjusted in accordance with the terms herein.

(1) As used herein, the term "**Tenant's Proportionate Share**" shall be calculated by taking Tenant's rentable square footage subject to this Lease as the numerator and dividing it by the total rentable square footage of office space in the Building as the denominator.

(2) Building Operating Expenses for the Base Year shall be adjusted, if necessary, to reflect occupancy of at least 90% of the rentable square feet of office space in the Building.

(3) As used herein, the term "**Building Operating Expenses**" shall be considered part of the rent that Tenant must pay and shall include all costs of operation of the Building and maintenance as determined by standard accounting practices and shall include the following costs: water and sewer charges; insurance premiums; electricity, gas and other utility services used in connection with the operation of the Building; lighting; janitorial services; maintenance (including re-painting) and repair with respect to the exterior of the Building and the interior Common Areas, including signage not installed by a tenant; maintenance and repair of the roof; janitorial service with respect to the interior of the Premises; trash removal; general maintenance and repair of the equipment, components, facilities, and improvements in the Building and the Common Areas; professional management services; landscaping maintenance and replacement; snow removal and ice treatment; and "Taxes," defined as all taxes, assessments, and fees levied upon the Building, the property of Landlord located therein, or the rents collected therefrom, by any governmental entity based upon the ownership, leasing, renting, or operation of the Building.

(4) As used herein, Building Operating Expenses shall not include any of the following:

i. Salaries or benefits for Landlord's executives and employees above the grade of property manager; provided, however, the property management services shall either be (i) provided by an independent, unrelated party selected as a result of a competitive bidding process, or (ii) provided by Landlord or a related party at a rate that is competitive in the Boise market,

ii. Capital expenditures which would constitute capital costs under generally accepted accounting principles including but not limited to the cost of replacement of any mechanical, electrical, or plumbing systems, or of any substantial component or part of such systems beyond the scope of routine maintenance and repair, or any other cost which is capital in nature. If Landlord leases any items of capital equipment which results in savings or reductions in expenses which would otherwise be included in Building Operating Expenses, then the rentals and other costs paid pursuant to such leasing will be

included in Building Operating Expenses for the year in which they were incurred, or in an amount equal to the amortization if amortized over the useful life of the item on a straight-line basis.

iii. Expenditures for which Landlord is reimbursed from any insurance carrier, from any tenant, including Tenant, or from any other source.

iv. Advertising and promotional expenditures.

v. Cost incurred in performing work or furnishing services for any tenant (including Tenant), whether at such tenant's or Landlord's expense, to the extent that such work or service is in excess of any work or service that Landlord is obligated to furnish to Tenant at Landlord's expense.

vi. Bad debt loss, rent loss, or reserves for either of them.

vii. The cost of utility service furnished to any particular tenant and paid for by such tenant.

viii. Financing costs, including points, commitment fees, broker's fees, legal fees, and mortgage interest and amortization payments.

ix. Costs incurred in connection with the rehabilitation of the Building.

x. Costs, expenses or expenditures relating to the duties, liabilities or obligations of other tenants in the Building.

xi. Costs incurred by Landlord arising out of its failure to perform or breach of any of its covenants, agreements, representations, warranties, guarantees or indemnities made under this Lease.

xii. Costs, fines or penalties incurred by Landlord due to violations of any applicable governmental law, requirement or order.

xiii. Costs incurred in the removal, abatement, or other treatment of asbestos or other hazardous substances present in the Building.

xiv. Legal fees, space planner's fees, broker's commissions and other costs incurred by Landlord in connection with leasing space and negotiating leases with tenants of the Building, or legal fees in connection with disputes between Landlord and any tenant of the Building, or between Landlord and any mortgagee.

xv. Costs of improving, altering, constructing or redecorating any interior space leased to tenants of the Building.

xvi. Any amounts paid to a person, firm, corporation, or other entity related to Landlord, which is in excess of the amount charged by unaffiliated parties for comparable goods or services.

xvii. Costs incurred by Landlord to remedy any defects in the design of materials used or Building equipment, or to repair or replace the

structural steel framing, roof, foundation and underground utility lines forming a part of or servicing the Building.

xviii. Costs associated with the operation of the business of the entity which constitutes Landlord as the same are distinguished from the costs of operation of the Building, including, without limitation, accounting and legal expenses, costs of selling, syndicating, financing, mortgaging or hypothecating Landlord's interest in the Building, costs of any disputes between Landlord and its employees, or property managers.

xix. The value or lost income to Landlord of any office space in the Building which is utilized for the management of the Building.

xx. Costs associated with the treatment of asbestos, environmental remediation, or hazardous substances.

Within ninety (90) days after the end of each calendar year, Landlord shall deliver to Tenant an itemization of the actual Building Operating Expenses for the immediately preceding lease year and an itemization of the same expenses for the Base Year. If the Building Operating Expenses for the preceding lease year exceed those expenses for the Base Year, Tenant shall, within thirty (30) days, pay to the Landlord an amount equal to Tenant's Proportionate Share multiplied by such excess. The failure of Tenant to pay Tenant's Proportionate Share of the increase in the Building Operating Expenses within the time provided in this Lease shall constitute a default under the terms hereof in like manner as the failure of Tenant to pay the Annual Base Rent when due. If Tenant's payments made during such lease year exceed Tenant's share of Building Operating Expenses increases or if the Building Operating Expenses decrease, Landlord shall refund to Tenant the excess or difference at the time Landlord furnishes the itemization to Tenant.

3.4 Late Charges.

Tenant acknowledges that the late payment of Rent to Landlord will cause Landlord to incur costs not contemplated by this Lease, the exact amount of which Landlord is not capable of determining. Accordingly, if any monthly installment of the Annual Base Rent or any other sum payable by Tenant to Landlord under this Lease shall not be received by Landlord within ten (10) days of the date said installment or payment is due, Tenant shall pay to Landlord a late charge of five percent (5%) of the amount then due. Further, and in addition to any late charges, any sums payable by Tenant to Landlord under the terms of this Lease which shall be past due for a period of thirty (30) or more days, shall bear interest from the due date until paid at the prime rate as published in the Wall Street Journal on the date of such default plus four percent (4%) per annum.

3.5 Place of Payment.

Until otherwise directed by Landlord in writing, Tenant shall deliver all notices and pay all Rent and other amounts due under this Lease to Landlord at the address for Landlord set forth in the Tenant-Specific Lease Provisions.

3.6 Downtown Boise Association.

Tenant acknowledges that it is in an assessment area benefiting the Downtown Boise Association ("DBA"). Tenant shall pay all DBA assessments when they become due if and when Tenant is legally obligated to pay such assessments by the DBA. Unpaid assessments shall constitute a default under Section 16.01(c) of this Lease.

IV. USE OF PREMISES

4.1 Use of Premises.

During the full term of this Lease, the Premises shall be used as provided in the Tenant-Specific Lease Provisions of this Lease. No other use of the Premises shall be made without Landlord's prior written consent. Tenant's use shall be further governed by the Rules and Regulations attached hereto as "**Exhibit B.**"

4.2 Waste and Nuisance.

Tenant shall not use the Premises in any manner that will constitute waste nor result in a nuisance or an unreasonable annoyance to other tenants and occupants of other portions of the Building.

4.3 Warranties.

Landlord provides no warranties to Tenant, and Tenant in executing this Lease is relying upon his or her own judgment, information, and inspection of the Premises.

V. UTILITIES AND SERVICES

5.1 Landlord's Obligations Regarding Utilities.

Landlord shall cause the Building to be maintained in a first-class manner. Landlord shall supply all utilities furnished to the Premises as may be required by Tenant for the use and occupation of the Premises between the hours of 7 AM and 6 PM, Mondays through Fridays, national holidays excepted. Landlord also shall provide all maintenance services with respect to the exterior and interior of the Building and the Premises and the Common Areas, the maintenance of the landscaped areas outside the Building, and the maintenance of the sidewalks and parking lot. In addition, Landlord shall cause the removal of trash and rubbish deposited in the manner and in the location designated by Landlord, and Landlord shall provide all janitorial services with respect to the exterior and interior of the Building, Parking Lot, and the Common Areas.

5.2 Tenant's Obligations Regarding Utilities.

Tenant shall pay: all costs for telephone service; internet service; security (alarm) systems, if any; any other service required by Tenant, which service is not provided by Landlord; and Tenant's Proportionate Share of increases in Building Operating Expenses as provided above.

5.3 Security Alarm System.

Any security alarm system for Tenant's premises shall be provided by Tenant at Tenant's expense, subject to written approval by Landlord.

VI. TAXES

6.1 Real Property Taxes.

Landlord shall pay all ad valorem real property taxes levied and assessed against the Building, subject to the obligation of Tenant to pay its share of the Building Operating Expenses as provided above.

6.2 Personal Property Taxes.

Tenant shall pay all personal property taxes levied and assessed against Tenant's fixtures,

equipment, and other property. Landlord shall pay any taxes or assessments assessed against Landlord's personal property used in the maintenance, operation, and repair of the Building, subject to the obligation of Tenant to pay its share of the Building Operating Expenses.

VII. INSURANCE

7.1 Tenant's Obligations.

Tenant shall, at its sole cost and expense, throughout the term of this Lease, obtain and maintain commercial general liability insurance for the mutual benefit of both Tenant and Landlord at the following limits and coverages:

Bodily Injury and Property Damage Liability	\$1,000,000 each occurrence combined
Personal Injury Liability	\$1,000,000 each occurrence
Products - Completed Operations	\$1,000,000 each occurrence
General Aggregate Limit	\$1,000,000 each occurrence

7.2 Landlord's Obligation.

Landlord shall purchase and keep in force a policy or policies of insurance covering the Building in an amount not less than ninety percent (90%) of the full replacement cost (exclusive of the cost of excavations, foundations, and footings), providing protection against any peril generally included within the classification "fire and extended coverage," or, at Landlord's election, "special form coverage," including earthquake coverage and/or ordinance or law coverage, if elected by Landlord.

7.3 Waiver of Subrogation.

Any insurance specified herein shall include a clause or endorsement denying to the insurer a right of subrogation against the other party to the extent rights have been waived by the insured prior to occurrence of an injury or loss. Notwithstanding any provisions of this Lease to the contrary, each Party hereby waives any rights of recovery against the other for injury or loss due to hazards covered by insurance containing such a clause or endorsement to the extent of the insurance proceeds paid or payable by reason of the injury or loss covered thereby.

VIII. MAINTENANCE AND REPAIR

8.1 Landlord's Obligations.

Landlord shall repair and maintain the Building in good and workmanlike manner, including but in no way limited to all plumbing, air conditioning, heating and electrical systems serving the Premises.

8.2 Tenant's Obligations.

Tenant shall take good care of the Premises and shall pay to Landlord the cost of any repairs thereto or to the Building which are necessitated by the misuse or negligence of Tenant, its employees, agents, contractors, licensees, or invitees.

8.3 Failure to Repair.

If Tenant refuses or neglects to make repairs and/or maintain the Premises, or any part thereof, as required herein, in a manner reasonably satisfactory to Landlord, Landlord shall have the right, upon giving Tenant reasonable written notice of its election to do so, to make such repairs or perform such maintenance on behalf of and for the account of

Tenant. In such event, such work shall be paid for by Tenant as additional Rent and shall be due promptly upon receipt of a bill therefor. No exercise by Landlord of any rights herein reserved shall entitle Tenant to any damage for any injury or inconvenience occasioned thereby or to any abatement of Annual Base Rent or other amounts payable by Tenant under this Lease.

IX. INDEMNITY

9.1 By Tenant.

Tenant agrees to indemnify and hold Landlord harmless against all actions, claims, demands, costs, damages or expense of any kind on account thereof, including attorneys' fees and costs of defense, which may be brought or made against Landlord, or which Landlord may pay or incur, by reason of Tenant's use and occupancy of the Premises or Tenant's failure to perform this Lease.

X. ALTERATIONS AND TENANT IMPROVEMENTS

10.1 No Alterations Without Consent.

Tenant will not make any alterations or changes in or to the Premises without first obtaining the prior written consent of Landlord. Tenant shall cooperate with Landlord in making any alterations or changes requested by Tenant and approved by Landlord to ensure that said alterations or changes do not interfere with the operation of Building services, including but not limited to HVAC and lighting controls.

10.2 Tenant Allowance and Additional Cost of Improvements.

Tenant Improvements shall be performed at the sole cost of Tenant. Upon expiration of the term of this Lease, Tenant Improvements shall be considered a permanent part of the Premises and remain therein.

10.3 Trade Fixtures.

Trade fixtures, equipment, and other personal property which are installed by Tenant to the walls, ceilings, floors, or other part of the Premises shall remain the property of Tenant and may be removed by Tenant at any time during the term of this Lease, provided that Tenant promptly repairs all damage resulting from the installation or removal.

10.4 Liens Prohibited.

Tenant shall keep the Premises and the Building free and clear of all liens related to any improvements placed by Tenant on the Premises. Tenant shall indemnify, save and hold Landlord and the Building harmless against any liability, loss, damage, cost, attorneys' fees and all other expenses on account of any prohibited lien.

XI. DESTRUCTION OF PREMISES

11.1 Fully Tenantable.

If the Premises are damaged by fire or other casualty but are not thereby rendered untenable, in whole or in part, Landlord shall, at its own expense, cause such damage to be repaired and neither the Annual Base Rent nor other amounts payable by Tenant under this Lease shall be abated.

11.2 Partially Untenable.

If the Premises shall be rendered partially untenable by reason of such occurrence, Landlord shall, at its own expense, cause the damage to be repaired and the Annual Base Rent for the part of the Premises rendered untenable shall be abated proportionately on a square footage basis as long as said part remains untenable. As used herein, "partially untenable" shall mean that Tenant is unable to use the Premises for the purposes leased for a period of ten (10) or more consecutive days.

11.3 Totally Untenable.

If the Premises shall be rendered wholly untenable by reason of such occurrence, Landlord shall, at its own expense, cause such damage to be repaired and the Annual Base Rent meanwhile shall be abated. In such event either Landlord or Tenant shall have the right, which may be exercised by written notice delivered to the other party within thirty (30) days after such occurrence, to elect to terminate this Lease in which event all rights and obligations of the parties shall terminate and end as of the date of such occurrence, except for the obligation of Tenant to pay Annual Base Rent or other sums which were due and payable prior to the date of the occurrence.

11.4 Destruction of Building.

In the event that fifty percent (50%) or more of the Building shall be damaged or destroyed by fire or other cause, either Landlord or Tenant shall have the right, which may be exercised by written notice delivered to the other party within thirty (30) days after such occurrence, to elect to terminate this Lease in which event all rights and obligations of the parties shall terminate and end as of the date of such occurrence, except for the obligation of Tenant to pay any Annual Base Rent or other sums which were due and payable prior to the date of the occurrence.

XII. SUBLETTING

12.01 Subletting.

Tenant shall not sublease, assign, or otherwise permit occupancy of the Premises by any other entity or party without Landlord's prior written consent, which shall not be unreasonably withheld, provided, however, that Landlord may refuse to consent to such sublease if Tenant's proposed subtenant unreasonably competes with another tenant in the Building. Landlord's consent to assignment or sublease of the Premises does not release Tenant from any of Tenant's obligations under this Lease.

XIII. SIGNAGE

13.01 Signage.

Tenant's name and suite number will be placed in the directory in the lobby of the Building and on the tenant entry plaque at Landlord's expense at time of first occupancy. Any changes to the directory signage requested by Tenant will be at Tenant's expense. Any other Tenant-desired signage will require Landlord's prior written consent.

XIV. QUIET ENJOYMENT

14.01 Quiet Enjoyment.

Landlord agrees that Tenant, upon paying the Rent and performing the covenants, terms, and conditions of this Lease required of Tenant to be kept and performed, may quietly have, hold, and enjoy the Premises during the term hereof.

XV. DEFAULT

15.1 Events of Default.

Time is of the essence in performing each and every condition of this Lease. The occurrence of any of the following events shall constitute a material default and breach of this Lease by Tenant.

- (a) Failure of Tenant to occupy the Premises or, once occupied, if Tenant vacates or abandons the Premises.
- (b) Failure of Tenant to pay any installment of Rent by the tenth (10th) day after the 1st of the month said installment of Rent is due.
- (c) Failure of Tenant to pay any other sum payable under this Lease within thirty (30) days after written demand therefor is delivered to Tenant.
- (d) Default by Tenant in the performance of any of Tenant's covenants, agreements or obligations hereunder (excluding a default in the payment of Rent or other monies due) which continues for thirty (30) days after written notice thereof is delivered to Tenant by Landlord.
- (e) Filing by or against Tenant in any court, pursuant to any statute, either in the United States or of any other state, a petition in bankruptcy or insolvency, or for reorganization or for appointment of a receiver or trustee of all or a substantial portion of the property owned by Tenant or if Tenant makes an assignment for the benefit of creditors, or any execution or attachment shall be issued against Tenant or all or a substantial portion of Tenant's property, whereby all or any portion of the Premises covered by this Lease or any improvements thereon shall be taken or occupied or attempted to be taken or occupied by someone other than Tenant, except as may herein be otherwise expressly permitted, and such adjudication, appointment, assignment, petition, execution or attachment shall not be set aside, vacated, discharged or bonded within thirty (30) days after the determination, issuance or filing of the same.

15.2 Landlord's Remedies.

In the event of a default by Tenant under this Lease, Landlord shall have all rights and remedies allowed by law or equity including, but not limited to, the following:

- (a) Termination and Damages: In addition to any other remedy available to Landlord at law or in equity, all of which other remedies are reserved unto the Landlord, Landlord shall have the right to immediately terminate the Tenant's right to possession of the Premises and/or this Lease and all rights of Tenant hereunder by delivering a written notice of termination to Tenant. In the event that Landlord elects to so terminate such possession and/or this Lease, Landlord shall have the right to recover from Tenant the following:
 - (1) Any unpaid Rent earned at the time of such termination;
 - (2) Any other amount necessary to compensate Landlord for all detriment proximately caused by Tenant's failure to perform the obligations under this Lease or which in the ordinary course of things would likely result

therefrom;

(3) Reasonable attorneys' fees incurred by Landlord as the result of such material default and breach and costs in the event suit is filed by Landlord to enforce any remedy; and/or

(4) At Landlord's election, such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by applicable law.

A termination of this Lease under this Section shall not release or discharge Tenant from any obligation under this Lease but shall constitute only a termination of the right of Tenant to possess and occupy the Premises, unless otherwise specifically stated by Landlord in writing at the time of such termination.

- (b) Non-Termination and Re-Entry: In addition to the other rights of Landlord herein provided, Landlord shall have the right, without terminating this Lease, at its option, to re-enter and re-take possession of the Premises and all improvements thereon and collect rents from any subtenants and/or sublet the whole or any part of the Premises for the account of the Tenant, upon any terms or conditions determined by Landlord. In such event of subleasing, Landlord shall have the right to collect any rent which may become payable under any sublease and apply the same first to the payment of expenses incurred by Landlord in dispossessing Tenant and in subletting the Premises and, thereafter, to the payment of the Annual Base Rent and other amounts payable by Tenant under this Lease required to be paid by Tenant in fulfillment of Tenant's covenants hereunder; and Tenant shall be liable to Landlord for the payment of the Annual Base Rent and other amounts required to be paid by Tenant under this Lease, less any amounts actually received by Landlord from a sublease and after payment of expenses incurred, applied on account of the Annual Base Rent and other amounts due hereunder. In the event of such election, Landlord shall not be deemed to have terminated this Lease by taking possession of the Premises unless written notice of termination has been given by the Landlord to Tenant.
- (c) No Termination: No re-entry or taking possession of the Premises by Landlord pursuant to the provisions of this Lease shall be construed as an election to terminate this Lease unless a written notice of such intention is delivered by Landlord to Tenant. Notwithstanding a re-letting without termination by Landlord due to the default by Tenant, the Landlord may at any time after such re-letting elect to terminate this Lease for such default.

15.3 Landlord's Default; Tenant's Remedies.

The occurrence of the following shall constitute a material default and breach of this Lease by Landlord: failure by Landlord to perform any covenant, agreement, condition, or provision of this Lease, which continues for thirty (30) days after written notice thereof is delivered to Landlord by Tenant. In the event of a default by Landlord under this Lease, Tenant shall have all rights and remedies available at law or in equity, including, but not limited to, the right to set-off against Rent and the amount required to cure any default on the part of Landlord.

XVI. SURRENDER OF PREMISES

16.1 Condition.

Upon the expiration or earlier termination of this Lease, Tenant shall quit and surrender possession of the Premises to Landlord in as good order and condition as the same are at the Commencement Date of this Lease or hereafter may be improved by Landlord or Tenant, reasonable wear and repairs, which repairs are Landlord's obligation excepted. Tenant shall, without expense to Landlord, remove or cause to be removed from the Premises all debris, rubbish, furniture, equipment, business and trade fixtures, free-standing cabinetwork, movable partitions and other articles of personal property owned by Tenant and all similar items of any other persons claiming under Tenant, and Tenant shall, before expiration of termination, repair all damage to the Premises resulting from such removal and otherwise restore the Premises. Tenant shall be responsible, at Tenant's expense, for the removal of all telephone, data, networking and any other cabling installed by Tenant upon surrender of the Premises, without disturbing or affecting in any way the cabling installed and maintained by Landlord.

16.2 Permanent Property.

All fixtures (excluding trade fixtures), equipment, alterations, additions, improvements and/or appurtenances attached to or built into the Premises prior to or during the Term of this Lease, whether by Landlord at its expense or at the expense of Tenant, or both, shall be and remain part of the Premises and shall not be removed by Tenant at the end of the Term unless otherwise expressly provided for in this Lease. Such fixtures, equipment, alterations, additions, improvements and/or appurtenances shall include, but shall not be limited to: all floor coverings, drapes, paneling, molding, doors, vaults, plumbing systems, electrical systems, lighting systems, silencing equipment, all fixtures and outlets for the systems mentioned above and for all telephone, radio, telegraph and television purposes and any special flooring or ceiling installations.

XVII. MISCELLANEOUS

17.1 Landlord's Right of Entry.

Landlord and Landlord's authorized representatives shall have the right to enter the Premises at all reasonable times upon giving twenty-four (24) hours' notice to Tenant in a non-emergency situation for the purpose of determining whether the Premises are in good condition, to make necessary repairs or perform any maintenance, to serve any notice required or allowed under this Lease, or to show the Premises to prospective brokers, agents, buyers, or tenants. In the event of emergency circumstances, Landlord or Landlord's authorized representative shall have the right to immediately enter the Premises and take any action necessitated by the emergency.

17.2 No Waiver.

The failure of Landlord to seek redress for violations or to insist upon the strict performance of any covenant or condition of this Lease shall not be deemed a waiver of such violation or of any future similar violation and the waiver by Landlord of any breach shall not be deemed a waiver of any past, present or future breach of the same or any other term, covenant, or condition of this Lease.

17.3 Notices.

Whenever any notice, approval, consent, request, or election is given or made pursuant to this Lease, it shall be deemed delivered when it is in writing and personally delivered or

deposited in the United States mail, postage prepaid, certified or registered mail, return receipt requested, and addressed to the party at the address set forth in the Tenant-Specific Lease Provisions.

17.4 Holding Over.

Should Tenant continue to occupy the Premises or any part thereof after the expiration or earlier termination of this Lease, whether with or against the consent of Landlord, such tenancy shall be month-to-month at a rent equal to 125% of the Annual Base Rent in force and effect for the last month of the term expired or terminated.

17.5 Attorneys' Fees and Costs.

In the event suit or action is filed by either party against the other to interpret or enforce this Lease, the unsuccessful party to such litigation agrees to pay to the prevailing party all costs and expenses, including attorneys' fees incurred therein, including the same with respect to an appeal.

17.6 Transfer of Landlord's Interest.

In the event of a sale or conveyance by Landlord of the Premises and/or the Building, other than a transfer for security purposes only, and only upon written assignment and assumption of this Lease by Landlord's successor, Landlord shall be relieved from all obligations and liabilities accruing thereafter on the part of Landlord, provided, however, that any funds in the hands of Landlord at the time of transfer in which Tenant has an interest, shall be delivered to the successor of Landlord.

17.7 Construction.

All parties hereto have either (i.) been represented by separate legal counsel, or (ii.) have had the opportunity to be so represented.

17.8 Heirs and Assigns.

This Lease shall be binding upon and shall inure to the benefit of the respective heirs, personal representatives, successors and assigns of the parties.

17.9 Severability.

The provisions of this Lease are declared to be severable. If any provision of this Lease shall be found to be invalid, the remainder of this Lease shall not be affected thereby and each term and provision of this Lease shall be valid and enforceable to the fullest extent permitted by law. It is the intention of the Parties that if any provision in this Lease is capable of two constructions, then the provision shall be interpreted to have the meaning which renders it valid.

17.10 Force Majeure.

Any prevention, delay, or stoppage due to strikes, lockouts, labor disputes, court orders, acts of God, inability to obtain labor or materials or reasonable substitutes thereof, government restrictions, regulations or controls, hostile government action, civil commotion, fire or other casualty and other causes beyond the reasonable control of the party obligated to perform shall excuse the performance by such party for a period equal to any such prevention, delay or stoppage except the obligations imposed with regard to Rent and other charges to be paid by Tenant pursuant to this Lease, which obligation shall not be affected thereby.

17.11 Captions and Headings.

The captions and headings used in this Lease are for convenience only and are not deemed to define or limit the scope or intent of any of the terms, covenants, conditions, or

agreements contained herein.

17.12 Subordination and Attornment to Mortgage.

Upon request of Landlord, Tenant will, in writing, subordinate its rights to the lien of any mortgage or deed of trust to any bank, insurance company, or other lending institution, which at any time is in force against the land and building of which the Premises are a part. Tenant shall attorn to the purchaser upon any foreclosure of said lien of mortgage or deed of trust and shall thereafter recognize such purchaser as the Landlord under this Lease. The provisions of this section notwithstanding, and so long as Tenant is not in default, this Lease shall remain in full force and effect for the full term.

17.13 Entire Agreement.

This Lease, including the exhibits attached hereto, contains the entire agreement between the parties as of the date of this Lease and the execution hereof has not been induced by either party or any agent of either party, by representations, promises, or undertakings not expressed herein. There are no collateral agreements, stipulations, covenants, promises, inducements, or undertakings whatsoever between the Parties concerning the subject matter of this Lease which are not expressly contained herein.

End of Agreement | Signatures appear on the following page.

IN WITNESS WHEREOF, the Parties hereto have executed this Lease as of the day and year first written above.

LANDLORD

Capital City Development Corporation

John Brunelle, Executive Director

TENANT

Barker Rosholt & Simpson LLP

By: _____

Its: _____

Exhibits

A: Depiction of Premises

B: Rules and Regulations

Exhibit A

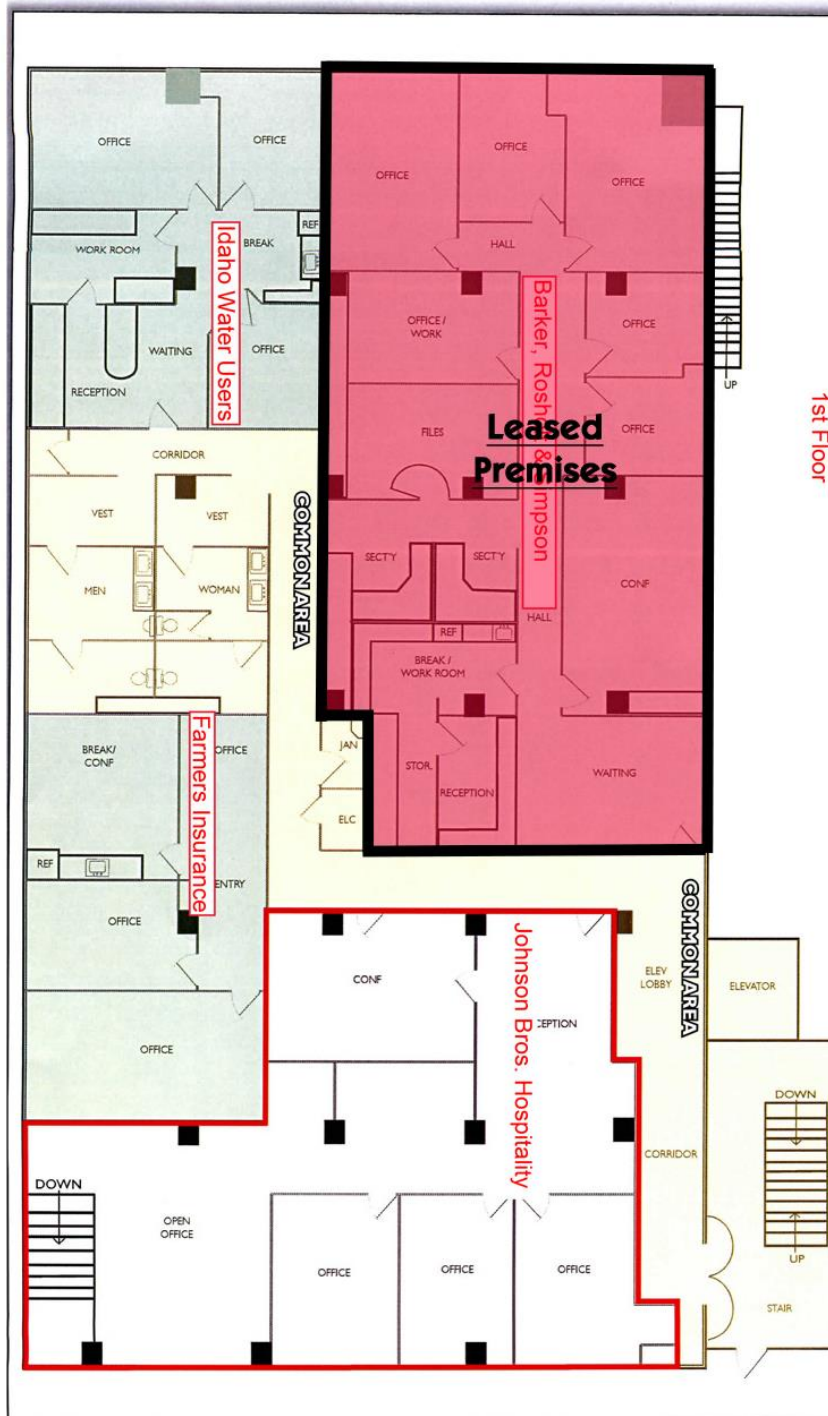


Exhibit B

BUILDING RULES AND REGULATIONS. SIGNS

Except as otherwise provided in the Lease, the following rules and regulations shall apply for the 1010 Jefferson Building:

1. The sidewalks, entrances, halls, passages, elevators and stairways shall not be obstructed by any of the Tenants, or used by them for any other purpose than for ingress and egress to and from their respective leased premises.
2. Tenants, their agents, employees, or visitors, shall not make or commit any improper noises or disturbances of *any* kind in the building, or make or defile the water closets, toilet rooms, windows, elevators, or doors of the building or interfere in any way with other Tenants or those having business with them.
3. The toilet rooms, water closets, and other water apparatus shall not be used for any purpose other than those for which they were constructed, and no sweepings, rubbish, rags, ashes, chemicals, or other refuse shall be thrown therein. Any damage from such misuse or abuse shall be borne by the Tenant by whom or by those employees or visitors of Tenant it shall be caused.
4. Smoking shall not be permitted anywhere in the Building, nor on the sidewalks and alleys surrounding the Building except in areas specifically designated as a smoking area.
5. No air-tight covering shall be laid on the floors, nor shall articles (except for interior artwork) be fastened to, or holes drilled, or nails or screws driven into walls, windows, partitions, nor shall the walls or partitions be painted, papered or otherwise covered, or in any way marked or broken, without the prior written consent of the Landlord.
6. Nothing shall be placed on the outside of the building, or on the windows, windowsills, or projections.
7. The only window treatment permitted for the windows in the leased premises is that installed by and approved in writing by the Landlord.
8. No sign, advertisement, or notice other than as approved by Landlord, shall be inscribed, painted, or affixed on any part of the outside or inside of said building. Signs on doors and windows shall be subject to prior written approval by Landlord, the cost of affixing to be paid by Tenant. A directory with the names of Tenants will be provided by Landlord.

9. After permission to install telephones, data networks, or other electric wires has been granted, Landlord will direct where and how the same are to be placed. No wires shall be run in any part of the building excepting by or under the direction of Landlord, Attaching of wires to the outside of the building is absolutely prohibited.

10. The Landlord shall in all cases have the right to Prescribe the weight and proper position of safes or other heavy objects in the building; and the bringing in of said safes, all furniture, fixtures or supplies, the taking out of said articles, and moving about of said articles within the building, shall only be at such times and in such manner as the Landlord shall designate; and any damage caused by any of the before mentioned operations or by any of the said articles during the time they are in the building, shall be repaired by Tenant at Tenant's expense,

11. No additional locks shall be placed upon any doors without the written consent of the Landlord, and the Tenant shall not permit any duplicate keys to be made. All necessary keys shall be furnished by the Landlord, and the same shall be surrendered upon the termination of this Lease, and the Tenant shall then give to the Landlord or his agents explanation of the combination of all locks upon the doors or vaults. Landlord will provide one key at Landlord's expense. All other keys will be paid for by Tenant at Landlord's reasonable cost.

12. No motor vehicles will be allowed in the building.

13. No Tenant shall do or permit anything to be done in said Building, or bring or keep anything therein which will in any way increase the rate of fire insurance on said building or on property kept therein, or obstruct or interfere with the rights of other Tenants, or in any way injure or annoy them, or conflict with the laws relating to fires, or with the regulations of the Fire Department or with any insurance policy upon said building or any part thereof or conflict with any of the rules and ordinances of the Department of Health. Tenant understands and agrees that the vehicle of any Tenant obstructing any sidewalk, alley, or other unauthorized area, and particularly in areas designated by specially painted curbs as fire lane areas or in the bank drive-thru area, may be towed away at owner's risk and expense.

14. In order that the leased premises may be kept in a good state of preservation and cleanliness, each Tenant shall, during the continuance of his Lease, permit Landlord's property manager or contractor to take charge of any cleaning of premises.

15. No Tenant shall employ any person or persons other than as specified in the office Lease for the purpose of cleaning premises unless approved in writing by Landlord, it being understood and agreed that Landlord shall not be responsible to Tenant for loss of property or for any damage done to the furniture or other effects of Tenant by the Landlord or any of its employees or agents or any other persons or firm unless proof of Landlord's responsibility for

such damage or loss of property is established.

16. No antennae or satellite dishes of any kind shall be permitted to be attached to the Building without the express written consent of the Landlord. When approved, said antennae or satellite dishes shall be installed according to Landlord's instructions and at Tenant's sole expense for installation and maintenance.

17. No animals or birds shall be brought into or kept in or upon the premises.

18. No machinery of any kind, other than normal office machines (i.e., copying machines, personal computers, dictating equipment, calculators, or similar desk-type equipment only), shall be allowed to be operated on the premises without prior written consent of Landlord.

19. No interference with the heating apparatus will be permitted. All regulating and adjusting will be done by employees of Landlord. No space heaters are allowed anywhere in the Building.

20. The use of office suites as sleeping apartments, for the preparation of foods (other than the use of a microwave oven to heat lunch or snacks for employees or guests of Tenant), or for any immoral or illegal purpose is absolutely prohibited.

21. No Tenant shall conduct, or permit any other person to conduct any auction upon the premises, or store goods, wares, or merchandise upon the premises without the prior written approval of the Landlord except for the usual supplies and inventory to be used by the Tenant in the conduct of its business.

22. All glass, locks, and trimmings, in or about the doors and windows of the premises and all electric fixtures on the premises which belong to the Building shall be kept whole, and whenever broken by anyone, shall be immediately replaced or repaired and put in order by Tenant under the direction and to the satisfaction of the Landlord and the same shall be left whole and in good repair upon the termination of this Lease.

23. Any and all damage to floors, walls, or ceilings due to Tenant or Tenant's employees' failure to shut off running water or liquid shall be paid by Tenant.

24. Landlord reserves the right to make any and all alterations in the premises as may be required by Tenant, the expense of such alterations to be paid by Tenant.

25. Normal business hours, except by special arrangement, shall be 7:00 a.m. to 10:00 p.m. The Building will be open to visitors from 7:30 a.m. to 6:00 pm., Monday through Friday.

Due Diligence Items 1010 W. Jefferson				
	Description	Received	Additional Information/ Vendor	Summary of Findings
Other Buyer Obtained Due Diligence				
1	Appraisal	1/22/2018	Langston & Associates, Inc.	Market Value of Leased Property at Stabilization \$4,840,000 (Parking and Building)
2	Phase I Environmental Assessment	2/8/2018	Terracon Consultants, Inc.	No REC's Identified
3	Survey		Quadrant Consulting Inc.	3 existing encroachments: 1- trash enclosure on adjacent property 2- front entrance in ROW on Jefferson 3- Parking blocks in ROW on N. 11th Street.
4	Property Condition Report		Hutchison Smith Architects	Aging Asphalt, minor adjustments to egress suggested, Additional parking and design standards will apply to major exterior changes, concrete post and beam construction, existing sidewalk does not meet accessibility. Roof Evaluation: Good Condition Structural: Was designed in 1950s with the intent that a 3rd floor could be added. The same future occupancy requires no structural upgrades. MEP: No major findings
5	New owner leasebacks		CCDC	COMPLETE and attached to First Amendment



Property Acquisition Guidelines
(Conditions Contributing to Revitalization)

REQUIREMENTS:

- 1) Property is located within an Urban Renewal District
- 2) Staff may provide findings that acquisition is likely to advance the Urban Renewal Plan.
- 3) Potential redevelopment opportunities are identified in support of acquisition
- 4) Acquisition does not displace decent housing or thriving business

CRITERIA - Property should meet at least one of the following criteria:

- 1) Vacant or underutilized building OR property:
 - (1) High vacancy, abandoned, vacant, low density, etc.
 - (2) needs additional development, more density than allowed by existing zoning / land use code
- 2) Site represents a catalyst for area/neighborhood if redeveloped in a certain fashion
- 3) Surface Parking Lot
- 4) Blighted property
- 5) Underdeveloped property where improvement value is less than land value
- 6) Property is part of a parcel assemblage to meet a long term goal: community project, affordable housing, placemaking, transit, etc.
- 7) Highly Visible Location :
 - (1) Corner lots, major roads, near major development, major employer, corridor, etc.
 - (2) Corner lots can spur redevelopment or change the atmosphere of the block.
- 8) The Acquisition would spur Economic Development
 - (1) New business
 - (2) Job creation
 - (3) Creative economy
- 9) Partnership Potential – Public or Private
- 10) Community Need – “ice rink” or place making effort (The Grove), Broad Street
- 11) Promotion of Transit Oriented Development
- 12) Exceptionally low cost and/or low risk
- 13) Protects the fabric of community (protects pedestrian experience, protects affordable or workforce housing, protects a community need, etc.)
- 14) Property presents a unique barrier to conventional development:
 - (1) Environmental cleanup needs (perceived or actual)
 - (2) Land Owner who doesn’t develop
 - (3) Historic Preservation issues, concerns, requirements
 - (4) Unique to Boise landmark



AGENDA BILL

Agenda Subject: Prequalification of Contractors for 10 th & Front Garage Concrete Repairs		Date: April 9, 2018
Staff Contact: Mary Watson, General Counsel Contracts Manager	Attachments: A. Resolution No. 1539 B. SOQ scoring C. Request for Qualifications issued March 1, 2018	
Action Requested: Adopt Resolution No. 1539 selecting prequalified contractors for the 10 th & Front Garage Concrete Repairs Project.		

Background:

Agency staff has found it desirable for public works contractors to have experience in constructing certain high cost Agency projects. Equally important is a demonstrated ability to handle complex logistics and site conditions in an urban setting, sufficient resources to keep the project moving quickly, and sensitivity to community relations.

To accomplish those goals, the Agency utilizes Idaho Code § 67-2805(2)(b) which provides for a two-stage process for procuring public works construction valued in excess of \$200,000:

- Stage 1: Agencies can examine preliminary supplemental qualifications such as experience constructing similar facilities and overall performance history to prequalify licensed public works contractors prior to a competitive bidding process.
- Stage 2: Invite competitive bids from only licensed public works contractors that have been prequalified at Stage 1.

The 10th & Front Garage Concrete Repairs Project will involve repairing locations of spalling concrete and crack routing and sealing of concrete on all levels of the garage. Some concrete repair may include full depth repair, removing precast panels for access, shoring the existing decks, and installing new guardrails. In addition to concrete deck repair, both stair tower roofs will be repaired which may include roof deck replacement, roofing replacement, and waterproofing.

The Agency's Request for Qualifications (RFQ) for the Project was issued on March 1, 2018. Legal notice was published in the *Idaho Statesman* newspaper on March 1 and 8, 2018.

Seven contractors responded to the RFQ by the 3:00 p.m., March 15, 2018, deadline:

1. Consurco, Inc.
2. ESI – Engineered Structures, Inc.
3. Guho Corp.
4. McAlvain Construction, Inc.
5. Structural Preservation Systems, LLC
6. Watson Associates
7. Western Specialty Contractors

Contractor Licensing

An initial review of the seven contractor's licensing information revealed that Consurco, Inc. and Watson Associates are not properly licensed to perform the work, as follows:

- **Consurco Inc.** has an appropriate Class B license for contracts of not more than \$600,000. But the company does not have the necessary Type 3 Building Construction license or Type 4 Specialty Construction license with skilled trade categories.
- **Watson Assoc.** has an appropriate Type 3 Building Construction license. However, the company has a Class C license for contracts of not more than \$200,000 which is insufficient for this project estimated to cost \$500,000.

Because of these licensing deficiencies, Consurco Inc. and Watson Associates cannot be considered properly licensed at this prequalification stage, as required by Idaho Code § 67-2805(2)(b)(ii). Neither SOQ was reviewed and scored.

Reviewing and Scoring the Statements of Qualifications (SOQ)

In addition to simple licensing and company information, the RFQ (see Attachment 3) requested information on the following prequalification standards:

- Experience constructing similar public works facilities – 30 points possible
- Key personnel – 20 points possible
- Overall performance history – 25 points possible
- References – 15 points possible
- Prior Experience with Capital City Development Corporation – 10 points possible

The Agency's Project Manager and Project Engineer reviewed and scored the SOQs submitted by the five properly-licensed companies. A score of 75 or greater was needed to be eligible to bid the project – three of the five companies met that scoring threshold:

Guho Corp., McAlvain Construction, Inc., and Structural Preservation Systems, LLC.

The SOQs received from ESI-Engineered Structures Inc. and Western Specialty Contractors did not score high enough to be prequalified for this project. Company information about completing similar projects was not fully equivalent to the Agency project; information about the work experience on similar projects by key personnel could have been much stronger; references could have been more on-point in order to judge the company's capabilities on the Agency project; and neither company had direct experience working with the Agency. Please see Attachment 2 for detailed scoring information.

Fiscal Notes:

The Agency's FY2018 budget includes sufficient funding for this project.

Staff Recommendation:

Staff recommends that the Agency Board adopt Resolution No. 1539 prequalifying Guho Corp., McAlvain Construction, Inc., and Structural Preservation Systems, LLC as eligible to submit competitive bids for the 10th & Front Garage Concrete Repairs Project.

The resolution finds that Consurco, Inc. and Watson Associates cannot be prequalified to submit a competitive bid because they do not hold the correct public works contractors licenses for this project. Also, the resolution provides the reasons why ESI-Engineered Structures, Inc., and Western Specialty Contractors failed to meet prequalification standards.

Suggested Motion:

I move to adopt Resolution No. 1539 prequalifying Guho Corp., McAlvain Construction, Inc., and Structural Preservation Systems, LLC as eligible to submit competitive bids for the 10th & Front Garage Concrete Repairs Project.

ATTACHMENT A

RESOLUTION NO. 1539

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, PREQUALIFYING GUHO CORP., MCALVAIN CONSTRUCTION, INC., AND STRUCTURAL PRESERVATION SYSTEMS, LLC, AS ELIGIBLE TO SUBMIT COMPETITIVE BIDS FOR THE 10TH & FRONT GARAGE CONCRETE REPAIRS PROJECT; FINDING THAT CONSURCO, INC., ESI-ENGINEERED STRUCTURES, INC., WATSON ASSOCIATES, AND WESTERN SPECIALTY CONTRACTORS ARE NOT PREQUALIFIED AND CANNOT SUBMIT BIDS FOR THE PROJECT; 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, and the Local Economic Development Act, as amended and supplemented, Chapter 29, Title 50, Idaho Code (collectively the "Act"), as a duly created and functioning urban renewal agency for Boise City, Idaho (hereinafter referred to as the "Agency").

WHEREAS, Idaho Code § 67-2805(2)(b) provides for a two-stage process for procurement of public works construction, which includes:

- Stage 1: Allows public agencies to establish preliminary supplemental qualifications for purposes of prequalifying licensed public works contractors prior to a competitive bidding process, and,
- Stage 2: Invites competitive bids from only licensed public works contractors that have been prequalified at Stage 1; and,

WHEREAS, Idaho Code § 67-2805(2)(b) allows a political jurisdiction to examine a public works contractor's qualifications related to:

- Demonstrated technical competence
- Experience constructing similar facilities
- Prior experience with the political subdivision
- Availability of resources, equipment, and personnel
- Overall performance history; and,

WHEREAS, the Agency issued a Request for Qualifications from licensed public works contractors for the 10th & Front Garage Concrete Repairs Project ("RFQ") on March 1, 2018, and published notice of the RFQ in the *Idaho Statesman* newspaper on March 1 and 8, 2018; and,

WHEREAS, the deadline for submitting a signed Statement of Qualifications and Required Waiver & Release Form (collectively, the "SOQ") was March 15, 2018, at 3:00 p.m.; and,

WHEREAS, seven (7) construction companies provided their SOQs by the March 15, 2018, deadline: Consurco, Inc., ESI-Engineered Structures, Inc., Guho Corp., McAlvain Construction, Inc., Structural Preservation Systems, Inc., Watson Associates, and Western Specialty Contractors; and,

WHEREAS, Agency staff examined the SOQ from Consurco, Inc. and found that the company has an appropriate Class B license for contracts of not more than \$600,000 but that the company is not eligible to be prequalified because the company does not have the correct License Type 4 Specialty Construction skilled trade categories to undertake this project involving concrete, specially placed concrete, post-tensioned concrete structures, and similar; and,

WHEREAS, Agency staff examined the SOQ from Watson Associates and found that the company has an appropriate Type 3 Building Construction license but that the company is not eligible to be prequalified because the company has a Class C license which limits it to contracts of not more than \$200,000; and,

WHEREAS, Agency staff and the Project Engineer examined the remaining five (5) SOQs and scored each of them according to a scoring method outlined in the RFQ; and,

WHEREAS, Agency staff and the Project Engineer found that Guho Corp., McAlvain Construction, Inc., and Structural Preservation Systems, LLC, provided information that was deemed sufficient to meet the 75-point scoring threshold (out of 100 total points possible) for the prequalification standards set forth in the RFQ; and,

WHEREAS, Agency staff and the Project Engineer thoroughly examined the SOQs from ESI-Engineered Structures, Inc., and Western Specialty Contractors and found that the companies did not meet the 75-point scoring threshold for the prequalification standards in order to be prequalified to bid on the 10th & Front Garage Concrete Repairs Project, to wit:

- ESI-Engineered Structures, Inc.: information about completing similar facilities was not fully equivalent to the Agency project; information about the work experience on similar projects by key personnel could have been much stronger; references could have been more on-point in order to judge the company's capabilities on the Agency project; and the company has only indirect experience working with the Agency (no direct contracting history).
- Western Specialty Contractors: information about completing similar facilities was not fully equivalent to the Agency project; the company provided little to no information about the work experience of key personnel that would be involved in the project; the company provided very little information requested about references; and the company has no prior experience working with the Agency; and,

WHEREAS, Agency staff recommends the Agency Board prequalify, in accordance with Idaho Code § 67-2805(2)(b), Guho Corp., McAlvain Construction, Inc., and Structural Preservation Systems, LLC, as eligible to submit competitive bids for the 10th & Front Garage Concrete Repairs Project; and,

WHEREAS, the Agency Board finds it in the best public interest to prequalify Guho Corp., McAlvain Construction, Inc., and Structural Preservation Systems, LLC, as eligible to submit competitive bids for the 10th & Front Garage Concrete Repairs Project.

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

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

Section 2: That the Agency Board hereby finds that Guho Corp., McAlvain Construction, Inc., and Structural Preservation Systems, LLC, provided sufficient information to meet the 75-point scoring threshold for the prequalification standards set forth in the RFQ.

Section 3: That the Agency Board hereby prequalifies, in accordance with Idaho Code § 67-2805(2)(b), Guho Corp., McAlvain Construction, Inc., and Structural Preservation Systems, LLC, as eligible to submit competitive bids for the 10th & Front Garage Concrete Repairs Project.

Section 4: That the Agency Board finds that Consurco, Inc. is ineligible to be prequalified for the 10th & Front Garage Concrete Repairs Project because the company does not have the correct License Type 4 Specialty Construction skilled trade categories to undertake this project involving concrete, specially placed concrete, post-tensioned concrete structures, and similar.

Section 5: That the Agency Board finds that Watson Associates is ineligible to be prequalified for the 10th & Front Garage Concrete Repairs Project because the company does not have the correct License Class (Class B or higher) to undertake this project estimated to cost \$500,000.

Section 6: That the Agency Board finds that ESI-Engineered Structures, Inc., did not meet the 75-point scoring threshold for the prequalification standards in order to be prequalified to bid on the 10th & Front Garage Concrete Repairs Project

Section 7: That the Agency Board finds that Western Specialty Contractors did not meet the 75-point scoring threshold for the prequalification standards in order to be prequalified to bid on the 10th & Front Garage Concrete Repairs Project

Section 8: 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 April 9, 2018. Signed by the Chairman of the Board of Commissioners and attested by the Secretary to the Board of Commissioners on April 9, 2018.

URBAN RENEWAL AGENCY OF BOISE CITY

By: _____
Dana Zuckerman, Chair

ATTEST:

By: _____
David H. Bieter, Secretary

ATTACHMENT B: SOQ SCORING

10th & Front Garage Concrete Repairs Prequalification RFQ					
COMPANY	ESI	GUHO	McAlvain	Structural	Western
Experience constructing similar public works facilities					
KPFF	20	20	25	25	25
KEW	15	27	28	27	13
Key Personnel					
KPFF	10	15	18	15	5
KEW	14	20	20	17	5
Overall Performance History					
KPFF	25	25	25	25	25
KEW	25	25	25	25	25
References (can be same or different from #1 above)					
KPFF	10	10	10	11	5
KEW	10	15	15	15	9
Prior Experience with CCDC					
KPFF	5	10	10	0	0
KEW	5	10	10	0	0
Sum divided by 2	69.5	88.5	93	80	56

10th & Front Garage Concrete Repairs Prequalification RFQ	RFQ Submittal Evaluation Company Evaluated: ESI
Public Works Contractor License	Confirmed 3/19: PWC-C-11288; Type 3; Class Unlimited
Company Contact Person	Joe Jackson, VP Operations
Phone #	208-362-3040
E-mail	JoeJackson@esiconstruction.com
NOTES	Semi-relevant projects. Wouldn't be my first choice but they do good work and could sub more experienced outfits.
Score:	69
Date / Time of RFQ Submission	March 15 at 2:08 p.m
Exhibit B: Signed Waiver and Release PASS - FAIL	PASS
Exhibit A: Statement of Qualifications	
One (1) Signed Original	yes
Two (2) Complete Copies	yes
1. Experience constructing similar facilities	
30 points possible	15
3 examples in last ten years	Washington Fed Bank - \$428,649 (2012) WINCO expansion/renovation in Ontario - \$350,232 (2016) Imperial Plaza Garage (topping slab) - \$22,904
Projects were equivalent scope - \$200k value	Only two of the three
Each project was concrete rehab and repair in open facility	WINCO project open during construction; other two are unclear.
Include all contact info and project info	yes
2. Key Personnel	
20 points possible	14
PROJECT MANAGER Resume	Bobby Christensen
3 full consecutive years of experience	PM with ESI since September 2016; prior with Velocity Steel (14 yrs)
Managed 3 construction projects in last 10 years	Yes
Projects were equivalent scope - \$200k value	No. \$12,500, \$5,600, \$11,200
Projects were concrete rehab and repair in open facility	concrete rehab yes, open facility unclear.
PROJECT SUPERINTENDENT Resume	Adam Duryee
3 full consecutive years of experience	Superintendent with ESI since April 2013; prior with Larkor Construction (8 yrs)
Supervised 3 construction projects in last 10 years	Yes
Projects were equivalent scope - \$200k value	Yes
Projects were concrete rehab and repair in open facility	1 of the 3 fit the bill (kinda)
ALTERNATE CANDIDATE RESUME(S)	Donnie Smith (alt to Christensen) Tim Freer (alt to Duryee)
3. Overall Performance History	
25 points possible	25
Letter from surety - provided	yes
Written health & safety program - provided	yes
Health & safety training program - provided	yes
Safety meeting policy and sample agenda - provided	yes
4. References (can be same or different from #1 above)	
15 points possible	10
3 references provided from last ten years	yes
Projects were equivalent scope - \$200k value	yes
Projects were concrete rehab and repair in open facility	concrete rehab yes, repair in open facility no.
Include all contact info and project info	Yes
Prior Experience with CCDC	
10 points possible	5
Include all project info	None of the projects listed were with CCDC directly; indirectly - half points

10th & Front Garage Concrete Repairs Prequalification RFQ	RFQ Submittal Evaluation Company Evaluated: GUHO CORP
Public Works Contractor License	Confirmed 3/19: PWC-C-12569; Type 3; Class Unlimited
Company Contact Person	Anthony Guho, Vice President
Phone #	208-939-8850
E-mail	anthony@guhocorp.com
NOTES	Personal experience with this company - good team and solid project experience
Score:	97
Date / Time of RFQ Submission	March 15 at 1:54 p.m. by FedEx
Exhibit B: Signed Waiver and Release PASS - FAIL	PASS
Exhibit A: Statement of Qualifications	
One (1) Signed Original	yes
Two (2) Complete Copies	yes
1. Experience constructing similar facilities 30 points possible	27
3 examples in last ten years	City Center Parking Garage Stair Replacement - \$1,268,596 (2011-2012) 2012 Streetscapes - Phase I \$233,134 / Phase II \$1,220,779 (2012-2013) Capital Annex Infrastructure and Utilities \$1,080,082 (2012-2013)
Projects were equivalent scope - \$200k value	yes
Each project was concrete rehab and repair in open facility	two out of the three
Include all contact info and project info	yes
2. Key Personnel 20 points possible	20
PROJECT MANAGER Resume	Anthony Guho
3 full consecutive years of experience	PM with Guho since 2009
Managed 3 construction projects in last 10 years	Yes
Projects were equivalent scope - \$200k value	Yes
Projects were concrete rehab and repair in open facility	Yes
PROJECT SUPERINTENDENT Resume	Rob Cloninger
3 full consecutive years of experience	Superintendent with Guho since 2001
Supervised 3 construction projects in last 10 years	Yes
Projects were equivalent scope - \$200k value	Yes
Projects were concrete rehab and repair in open facility	Yes
ALTERNATE CANDIDATE RESUME(S)	
3. Overall Performance History 25 points possible	25
Letter from surety - provided	yes
Written health & safety program - provided	yes
Health & safety training program - provided	yes
Safety meeting policy and sample agenda - provided	yes
4. References (can be same or different from #1 above) 15 points possible	15
3 references provided from last ten years	yes
Projects were equivalent scope - \$200k value	yes
Projects were concrete rehab and repair in open facility	yes
Include all contact info and project info	yes
Prior Experience with CCDC 10 points possible	10
Include all project info	seven CCDC projects listed

10th & Front Garage Concrete Repairs Prequalification RFQ	RFQ Submittal Evaluation Company Evaluated: McAlvain Concrete Inc.
Public Works Contractor License	Confirmed 3/19: PWC-017535; Type 3; Class Unlimited
Company Contact Person	Chuck Graves, President
Phone #	208-362-2125
E-mail	estimatingteam@mc Alvain.com
NOTES	
Score:	98
Date / Time of RFQ Submission	March 15 at 2:30 p.m.
Exhibit B: Signed Waiver and Release PASS - FAIL	PASS
Exhibit A: Statement of Qualifications	
One (1) Signed Original	yes
Two (2) Complete Copies	yes
1. Experience constructing similar facilities	
30 points possible	28
3 examples in last ten years	Boise State Stadium Concrete Rehab - \$656,776 (2016) Barber Dam Rehab Phase I - \$1,174,104 (2007-2008) Boise City Hall Plaza w/Garage Repair - \$616,537 (2017)
Projects were equivalent scope - \$200k value	yes
Each project was concrete rehab and repair in open facility	yes - and more than three similar examples given
Include all contact info and project info	yes
2. Key Personnel	
20 points possible	20
PROJECT MANAGER Resume	Mike Wilson
3 full consecutive years of experience	PM with McAlvain since 1996
Managed 3 construction projects in last 10 years	Yes
Projects were equivalent scope - \$200k value	Yes
Projects were concrete rehab and repair in open facility	Yes
PROJECT SUPERINTENDENT Resume	Brian Burford
3 full consecutive years of experience	With McAlvain since 1995
Supervised 3 construction projects in last 10 years	Yes
Projects were equivalent scope - \$200k value	Yes
Projects were concrete rehab and repair in open facility	Yes
ALTERNATE CANDIDATE RESUME(S)	
3. Overall Performance History	
25 points possible	25
Letter from surety - provided	yes
Written health & safety program - provided	yes
Health & safety training program - provided	yes
Safety meeting policy and sample agenda - provided	yes
4. References (can be same or different from #1 above)	
15 points possible	15
3 references provided from last ten years	yes
Projects were equivalent scope - \$200k value	yes
Projects were concrete rehab and repair in open facility	yes
Include all contact info and project info	yes
Prior Experience with CCDC	
10 points possible	10
Include all project info	Five projects listed

10th & Front Garage Concrete Repairs Prequalification RFQ	RFQ Submittal Evaluation Company Evaluated: Structural Preservation Systems
Public Works Contractor License	Confirmed 3/19: PWC-C-16359; Type 4 with correct concrete specialties (3200, 3300, 3370, 3380, 3600, 3650, 3900, 4000, 7100, 7920, 9960, 13110); Class AA
Company Contact Person	Michael Szoke, Assistant Secretary
Phone #	714-891-9080
E-mail	mszoke@structural.net
NOTES	
Score:	84
Date / Time of RFQ Submission	March 15 before 9 a.m. by FedEx Overnight
Exhibit B: Signed Waiver and Release PASS - FAIL	PASS
Exhibit A: Statement of Qualifications	
One (1) Signed Original	yes
Two (2) Complete Copies	yes
1. Experience constructing similar facilities 30 points possible	27
3 examples in last ten years	Miami International Airport AVIS Facility - \$286,000 (2010) Hyatt Grand Champions Resort Parking Structure Repairs - \$500,277 (2014) Traviatte Rexford Parking Garage Repairs - \$594,449 (2013)
Projects were equivalent scope - \$200k value	yes
Each project was concrete rehab and repair in open facility	Not enough info to determine; more than three similar examples given
Include all contact info and project info	yes
2. Key Personnel 20 points possible	17
PROJECT MANAGER Resume	Robert St. John
3 full consecutive years of experience	Senior Project Manager - with company for 30 years
Managed 3 construction projects in last 10 years	yes
Projects were equivalent scope - \$200k value	yes
Projects were concrete rehab and repair in open facility	yes
PROJECT SUPERINTENDENT Resume	Jason Kyawmyint
3 full consecutive years of experience	Superintendent with company for 7 years
Supervised 3 construction projects in last 10 years	Yes
Projects were equivalent scope - \$200k value	unknown
Projects were concrete rehab and repair in open facility	yes
ALTERNATE CANDIDATE RESUME(S)	Jacob Pardon, PM - 12 yrs experience Osvaldo Contreras, Superintendent - 27 yrs experience
3. Overall Performance History 25 points possible	25
Letter from surety - provided	yes
Written health & safety program - provided	yes
Health & safety training program - provided	yes
Safety meeting policy and sample agenda - provided	yes
4. References (can be same or different from #1 above) 15 points possible	15
3 references provided from last ten years	yes
Projects were equivalent scope - \$200k value	yes
Projects were concrete rehab and repair in open facility	rehab yes; cannot determine if open facility
Include all contact info and project info	yes
Prior Experience with CCDC 10 points possible	0
Include all project info	Does not have prior experience with CCDC

10th & Front Garage Concrete Repairs Prequalification RFQ	RFQ Submittal Evaluation Company Evaluated: Western Specialty Contractors
Public Works Contractor License	Confirmed 3/19: PWC-C-11760; Type 4 with correct concrete specialties (3300, 4000, 7100, 7920); Class AA
Company Contact Person	David J. Kimble, Branch Manager
Phone #	425-226-8353
E-mail	DavidJK@Westerngroup.com
NOTES	Poor proposal. Unclear, incomplete. They do not appear to have full depth repair experience, or if they do, it is extremely limited.
Score:	52
Date / Time of RFQ Submission	March 15 before 9 a.m. by FedEx Overnight
Exhibit B: Signed Waiver and Release PASS - FAIL	PASS
Exhibit A: Statement of Qualifications	
One (1) Signed Original	yes
Two (2) Complete Copies	yes
1. Experience constructing similar facilities	
30 points possible	13
3 examples in last ten years	Portage Bay Garage Repairs - \$451,184 (2012) Northgate North Parking Garage Repairs - \$235,229 (2014) Alderwood Mall Parking Deck Repairs - \$266,437 (2016)
Projects were equivalent scope - \$200k value	3 - only one project had even a partial depth repair. They mostly do topical work.
Each project was concrete rehab and repair in open facility	0- assume so but no way of knowing...
Include all contact info and project info	yes
2. Key Personnel	
20 points possible	5
PROJECT MANAGER Resume	Peter Marshall
3 full consecutive years of experience	Project management with the company since 2008
Managed 3 construction projects in last 10 years	projects not listed - no information; waterproofing?
Projects were equivalent scope - \$200k value	unknown - minimal information given; no project contact info given
Projects were concrete rehab and repair in open facility	unknown - minimal information given; no project contact info given
PROJECT SUPERINTENDENT Resume	Eric Strock
3 full consecutive years of experience	Superintendent with company since 2005
Supervised 3 construction projects in last 10 years	yes - but waterproofing is closest match
Projects were equivalent scope - \$200k value	unknown - minimal information given; no project contact info given
Projects were concrete rehab and repair in open facility	unknown - minimal information given; no project contact info given
ALTERNATE CANDIDATE RESUME(S)	David Kimble, LEED AP - project manager; no project info given to evaluate this candidate
3. Overall Performance History	
25 points possible	25
Letter from surety - provided	yes
Written health & safety program - provided	yes
Health & safety training program - provided	yes
Safety meeting policy and sample agenda - provided	yes
4. References (can be same or different from #1 above)	
15 points possible	9
3 references provided from last ten years	yes to one reference; other two references of unknown date
Projects were equivalent scope - \$200k value	4 over \$200k
Projects were concrete rehab and repair in open facility	0 unclear
Include all contact info and project info	yes
Prior Experience with CCDC	
10 points possible	0
Include all project info	Does not have prior experience with CCDC

10th & Front Garage Concrete Repairs Prequalification RFQ	RFQ Submittal Evaluation Company Evaluated: ESI
Public Works Contractor License	Confirmed 3/19: PWC-C-11288; Type 3; Class Unlimited
Company Contact Person	Joe Jackson, VP Operations
Phone #	208-362-3040
E-mail	JoeJackson@esiconstruction.com
NOTES	Familiar with this company's work locally; know Joe and Bobby well - this company is great with new build projects, performance with rehab and repairs projects is uncertain - needed to show more experience in that area in order to be pre-qualified for this project.
Score:	70
Date / Time of RFQ Submission	March 15 at 2:08 p.m
Exhibit B: Signed Waiver and Release PASS - FAIL	PASS
Exhibit A: Statement of Qualifications	
One (1) Signed Original	yes
Two (2) Complete Copies	yes
1. Experience constructing similar facilities 30 points possible	20
3 examples in last ten years	Washington Fed Bank - \$428,649 (2012) WINCO expansion/renovation in Ontario - \$350,232 (2016) Imperial Plaza Garage (topping slab) - \$22,904
Projects were equivalent scope - \$200k value	Only two of the three
Each project was concrete rehab and repair in open facility	Unclear. WINCO project open during construction but not equivalent; other two are unclear.
Include all contact info and project info	yes
2. Key Personnel 20 points possible	10
PROJECT MANAGER Resume	Bobby Christensen - strong Sup experience but not familiar with pm experience
3 full consecutive years of experience	PM with ESI since September 2016; prior with Velocity Steel (14 yrs)
Managed 3 construction projects in last 10 years	yes
Projects were equivalent scope - \$200k value	no
Projects were concrete rehab and repair in open facility	yes
PROJECT SUPERINTENDENT Resume	Adam Duryee
3 full consecutive years of experience	Superintendent with ESI since April 2013; prior with Larkor Construction (8 yrs)
Supervised 3 construction projects in last 10 years	yes
Projects were equivalent scope - \$200k value	no
Projects were concrete rehab and repair in open facility	no
ALTERNATE CANDIDATE RESUME(S)	Donnie Smith (alt to Christensen) Tim Freer (alt to Duryee)
3. Overall Performance History 25 points possible	25
Letter from surety - provided	yes
Written health & safety program - provided	yes
Health & safety training program - provided	yes
Safety meeting policy and sample agenda - provided	yes
4. References (can be same or different from #1 above) 15 points possible	10
3 references provided from last ten years	yes
Projects were equivalent scope - \$200k value	no - only the bank project was truly equivalent
Projects were concrete rehab and repair in open facility	no
Include all contact info and project info	yes
Prior Experience with CCDC 10 points possible	5
Include all project info	None listed were direct with CCDC; semi-partner on several projects (i.e. Grove Plaza)

10th & Front Garage Concrete Repairs Prequalification RFQ	RFQ Submittal Evaluation Company Evaluated: GUHO CORP
Public Works Contractor License	Confirmed 3/19: PWC-C-12569; Type 3; Class Unlimited
Company Contact Person	Anthony Guho, Vice President
Phone #	208-939-8850
E-mail	anthony@guhocorp.com
NOTES	
Score:	80
Date / Time of RFQ Submission	March 15 at 1:54 p.m. by FedEx
Exhibit B: Signed Waiver and Release PASS - FAIL	PASS
Exhibit A: Statement of Qualifications	
One (1) Signed Original	yes
Two (2) Complete Copies	yes
1. Experience constructing similar facilities	
30 points possible	20
3 examples in last ten years	City Center Parking Garage Stair Replacement - \$1,268,596 (2011-2012) 2012 Streetscapes - Phase I \$233,134 / Phase II \$1,220,779 (2012-2013) Capital Annex Infrastructure and Utilities \$1,080,082 (2012-2013)
Projects were equivalent scope - \$200k value	yes
Each project was concrete rehab and repair in open facility	two out of the three
Include all contact info and project info	yes
2. Key Personnel	
20 points possible	15
PROJECT MANAGER Resume	Anthony Guho
3 full consecutive years of experience	PM with Guho since 2009
Managed 3 construction projects in last 10 years	yes
Projects were equivalent scope - \$200k value	yes
Projects were concrete rehab and repair in open facility	no
PROJECT SUPERINTENDENT Resume	Rob Cloninger
3 full consecutive years of experience	Superintendent with Guho since 2001
Supervised 3 construction projects in last 10 years	yes
Projects were equivalent scope - \$200k value	yes
Projects were concrete rehab and repair in open facility	no
ALTERNATE CANDIDATE RESUME(S)	
3. Overall Performance History	
25 points possible	25
Letter from surety - provided	yes
Written health & safety program - provided	yes
Health & safety training program - provided	yes
Safety meeting policy and sample agenda - provided	yes
4. References (can be same or different from #1 above)	
15 points possible	10
3 references provided from last ten years	yes
Projects were equivalent scope - \$200k value	yes
Projects were concrete rehab and repair in open facility	yes - capital annex, city centre garage stairs, streetscapes sort of
Include all contact info and project info	yes
Prior Experience with CCDC	
10 points possible	10
Include all project info	seven CCDC projects listed

10th & Front Garage Concrete Repairs Prequalification RFQ	RFQ Submittal Evaluation Company Evaluated: McAlvain Concrete Inc.
Public Works Contractor License	Confirmed 3/19: PWC-017535; Type 3; Class Unlimited
Company Contact Person	Chuck Graves, President
Phone #	208-362-2125
E-mail	estimatingteam@mc Alvain.com
NOTES	
Score:	88
Date / Time of RFQ Submission	March 15 at 2:30 p.m.
Exhibit B: Signed Waiver and Release PASS - FAIL	PASS
Exhibit A: Statement of Qualifications	
One (1) Signed Original	yes
Two (2) Complete Copies	yes
1. Experience constructing similar facilities	
30 points possible	25
3 examples in last ten years	Boise State Stadium Concrete Rehab - \$656,776 (2016) Barber Dam Rehab Phase I - \$1,174,104 (2007-2008) Boise City Hall Plaza w/Garage Repair - \$616,537 (2017)
Projects were equivalent scope - \$200k value	yes
Each project was concrete rehab and repair in open facility	yes - and more than three similar examples given
Include all contact info and project info	yes
2. Key Personnel	
20 points possible	18
PROJECT MANAGER Resume	Mike Wilson
3 full consecutive years of experience	PM with McAlvain since 1996
Managed 3 construction projects in last 10 years	yes
Projects were equivalent scope - \$200k value	yes
Projects were concrete rehab and repair in open facility	mostly
PROJECT SUPERINTENDENT Resume	Brian Burford
3 full consecutive years of experience	With McAlvain since 1995
Supervised 3 construction projects in last 10 years	yes
Projects were equivalent scope - \$200k value	yes
Projects were concrete rehab and repair in open facility	yes
ALTERNATE CANDIDATE RESUME(S)	
3. Overall Performance History	
25 points possible	25
Letter from surety - provided	yes
Written health & safety program - provided	yes
Health & safety training program - provided	yes
Safety meeting policy and sample agenda - provided	yes
4. References (can be same or different from #1 above)	
15 points possible	10
3 references provided from last ten years	yes
Projects were equivalent scope - \$200k value	yes
Projects were concrete rehab and repair in open facility	yes
Include all contact info and project info	yes
Prior Experience with CCDC	
10 points possible	10
Include all project info	Five projects listed

10th & Front Garage Concrete Repairs Prequalification RFQ	RFQ Submittal Evaluation Company Evaluated: Structural Preservation Systems
Public Works Contractor License	Confirmed 3/19: PWC-C-16359; Type 4 with correct concrete specialties (3200, 3300, 3370, 3380, 3600, 3650, 3900, 4000, 7100, 7920, 9960, 13110); Class AA
Company Contact Person	Michael Szoke, Assistant Secretary
Phone #	714-891-9080
E-mail	mszoke@structural.net
NOTES	Not sure who would be the actual lead. Not sure if they know the local market and players - so will they self-perform or will they look to hire all locally?
Score:	76
Date / Time of RFQ Submission	March 15 before 9 a.m. by FedEx Overnight
Exhibit B: Signed Waiver and Release PASS - FAIL	PASS
Exhibit A: Statement of Qualifications	
One (1) Signed Original	yes
Two (2) Complete Copies	yes
1. Experience constructing similar facilities 30 points possible	25
3 examples in last ten years	Miami International Airport AVIS Facility - \$286,000 (2010) Hyatt Grand Champions Resort Parking Structure Repairs - \$500,277 (2014) Traviatte Rexford Parking Garage Repairs - \$594,449 (2013)
Projects were equivalent scope - \$200k value	yes
Each project was concrete rehab and repair in open facility	Not enough info to determine; more than three similar examples given
Include all contact info and project info	yes
2. Key Personnel 20 points possible	15
PROJECT MANAGER Resume	Robert St. John
3 full consecutive years of experience	Senior Project Manager - with company for 30 years
Managed 3 construction projects in last 10 years	yes
Projects were equivalent scope - \$200k value	yes
Projects were concrete rehab and repair in open facility	yes
PROJECT SUPERINTENDENT Resume	Jason Kyawmyint
3 full consecutive years of experience	Superintendent with company for 7 years
Supervised 3 construction projects in last 10 years	yes
Projects were equivalent scope - \$200k value	yes
Projects were concrete rehab and repair in open facility	yes
ALTERNATE CANDIDATE RESUME(S)	Jacob Pardon, PM - 12 yrs experience Osvaldo Contreras, Superintendent - 27 yrs experience
3. Overall Performance History 25 points possible	25
Letter from surety - provided	yes
Written health & safety program - provided	yes
Health & safety training program - provided	yes
Safety meeting policy and sample agenda - provided	yes
4. References (can be same or different from #1 above) 15 points possible	11
3 references provided from last ten years	yes
Projects were equivalent scope - \$200k value	yes
Projects were concrete rehab and repair in open facility	rehab yes; cannot determine if open facility
Include all contact info and project info	yes
Prior Experience with CCDC 10 points possible	0
Include all project info	Does not have prior experience with CCDC

10th & Front Garage Concrete Repairs Prequalification RFQ	RFQ Submittal Evaluation Company Evaluated: Western Specialty Contractors
Public Works Contractor License	Confirmed 3/19: PWC-C-11760; Type 4 with correct concrete specialties (3300, 4000, 7100, 7920); Class AA
Company Contact Person	David J. Kimble, Branch Manager
Phone #	425-226-8353
E-mail	DavidJK@Westerngroup.com
NOTES	
Score:	60
Date / Time of RFQ Submission	March 15 before 9 a.m. by FedEx Overnight
Exhibit B: Signed Waiver and Release PASS - FAIL	PASS
Exhibit A: Statement of Qualifications	
One (1) Signed Original	yes
Two (2) Complete Copies	yes
1. Experience constructing similar facilities	
30 points possible	25
3 examples in last ten years	Portage Bay Garage Repairs - \$451,184 (2012) Northgate North Parking Garage Repairs - \$235,229 (2014) Alderwood Mall Parking Deck Repairs - \$266,437 (2016)
Projects were equivalent scope - \$200k value	yes
Each project was concrete rehab and repair in open facility	yes
Include all contact info and project info	yes
2. Key Personnel	
20 points possible	5
PROJECT MANAGER Resume	Peter Marshall
3 full consecutive years of experience	Project management with the company since 2008
Managed 3 construction projects in last 10 years	projects not listed - no information
Projects were equivalent scope - \$200k value	unknown - minimal information given; no project contact info given
Projects were concrete rehab and repair in open facility	unknown - minimal information given; no project contact info given
PROJECT SUPERINTENDENT Resume	Eric Strock
3 full consecutive years of experience	Superintendent with company since 2005
Supervised 3 construction projects in last 10 years	yes
Projects were equivalent scope - \$200k value	unknown - minimal information given; no project contact info given
Projects were concrete rehab and repair in open facility	unknown - minimal information given; no project contact info given
ALTERNATE CANDIDATE RESUME(S)	David Kimble, LEED AP - project manager; no project info given
3. Overall Performance History	
25 points possible	25
Letter from surety - provided	yes
Written health & safety program - provided	yes
Health & safety training program - provided	yes
Safety meeting policy and sample agenda - provided	yes
4. References (can be same or different from #1 above)	
15 points possible	5
3 references provided from last ten years	yes to one reference; other two references of unknown date
Projects were equivalent scope - \$200k value	unknown - no project information given
Projects were concrete rehab and repair in open facility	assume so, but no project information given
Include all contact info and project info	only contact information given; no details
Prior Experience with CCDC	
10 points possible	0
Include all project info	Does not have prior experience with CCDC

ATTACHMENT C



REQUEST FOR QUALIFICATIONS

PUBLIC WORKS CONTRACTORS

PRE-QUALIFICATION FOR 10th & FRONT GARAGE CONCRETE REPAIRS PROJECT BOISE, IDAHO

**QUALIFICATIONS MUST BE RECEIVED BY:
3:00 P.M. LOCAL TIME, MARCH 15, 2018**

REQUEST FOR QUALIFICATIONS
Pre-Qualification for 10th & Front Garage Concrete Repairs

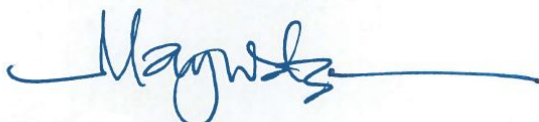
March 1, 2018

Capital City Development Corporation (CCDC), the urban renewal agency for the city of Boise, Idaho, will accept Statements of Qualifications from Idaho-licensed public works contractors to be pre-qualified, in accordance with Idaho Code § 67-2805(3)(b), to submit competitive bids for construction of its 10th & Front Garage Concrete Repairs Project in downtown Boise, Idaho. CCDC will prequalify bidders on the following criteria: technical competence; experience constructing similar facilities; prior experience with CCDC; available non-financial resources, equipment, and personnel; and overall performance history based upon the contractor's entire body of work. Only contractors pre-qualified through this process will be allowed to submit a bid for the public works construction project.

License public works contractors seeking pre-qualification must complete and submit the pre-qualification forms provided herein.

Submission deadline is 3:00 P.M. local time, March 15, 2018.

CCDC appreciates your interest in meeting the needs of the agency and the citizens of Boise.



Mary E. Watson
General Counsel | Contracts Manager



121 N 9TH ST, SUITE 501 BOISE, ID 83702
208-384-4264 WWW.CCDCBOISE.COM

PART 1 – GENERAL INFORMATION

1.1 SCOPE OF WORK

The 10th & Front Garage Concrete Repairs Project will involve repairing locations of spalling concrete and crack routing and sealing of concrete on all levels of the parking garage. Some concrete repair may include full depth repair, removing precast panels for access, shoring the existing deck, and installing new guardrails. The concrete repairs are located on the top of the concrete decks, on the underside of the concrete decks, and at some beam end bearing. In addition to concrete repair, both stair tower roofs will be repaired, which may include roof deck replacement, roofing replacement, and waterproofing. All work will be in accordance with project plans and specifications.

CCDC estimates the total project costs to be approximately \$500,000 dollars.

1.2 RFQ SUBMISSION

The submission package or envelope must be sealed and plainly marked for delivery as follows:

Capital City Development Corporation
121 N. 9th Street, Suite 501
Boise, Idaho 83702

Please indicate **“RFQ 10th & Front Garage Concrete Repairs”** on the outside envelope.

To be considered, the submission package must contain:

Exhibit A: Statements of Qualifications
Exhibit B: Required Waiver & Release

Exhibit A: Statements of Qualifications requires that the Respondent provide other documents containing requested information and answer all Yes / No questions found throughout. Failure to supply the requested information or complete any form may be cause to deem the submission non-responsive.

One (1) SIGNED original submission package and two (2) complete copies are required. Unsigned submissions will not be accepted. Late or incomplete submissions will not be accepted. Email or fax submissions will not be accepted. Respondent assumes full responsibility for the timely delivery of its submission to CCDC.

Respondent will be responsible for all costs (including site visits where needed) incurred in preparing or responding to this RFQ. All materials and documents submitted in response to this RFQ become the property of CCDC and will not be returned.

1.3 OBJECTIONS

Written objections to prequalification procedures must be received by CCDC at least three (3) business days before the date and time upon which submissions are due. Objections are to be in writing directed to Mary E. Watson, General Counsel | Contracts Manager, at the address shown above.

1.4 ADDENDA

In the event it becomes necessary to revise any part of the RFQ, written addenda will be issued. Addenda will be made available by way of the CCDC website: www.ccdcboise.com. It is the Respondent's responsibility to check for addenda prior to submitting a submission package. Respondents are requested to acknowledge all addenda in the space provided on the Submittal Cover Sheet. No addenda will be issued fewer than four (4) business days before the submission deadline unless the deadline is extended.

1.5 RIGHTS RESERVED

CCDC reserves the right to act in the public best interest and in furtherance of the purposes of the Idaho Urban Renewal Law, Chapter 20, Title 50, Idaho Code, and the laws for Purchasing by Political Subdivisions, Chapter 28, Title 67, Idaho Code. CCDC reserves the right to waive any formalities or defects as to form, procedure, or content with respect to its RFQ and any minor irregularities in the submissions received, to request additional data and information from any and all Respondents, to reject any submissions based on real or apparent conflict of interest, to reject any submissions containing inaccurate or misleading information, and to accept the submissions that are in the best interest of CCDC. The issuance of this RFQ and the receipt and evaluation of submissions does not obligate CCDC to take any further action relative to the RFQ. CCDC may in its discretion cancel this process at any time without liability.

1.6 PUBLIC RECORDS

CCDC is a public agency. All documents in its possession are public records subject to disclosure under the Idaho Public Records Act, Chapter 1, Title 74, Idaho Code, and will be available for inspection and copying by any person after the RFQ process is complete.

If any Respondent claims any part of its submission is exempt from disclosure under the Idaho Public Records Act, Respondent must: 1.) Indicate by marking the pertinent document "CONFIDENTIAL"; and, 2.) Include the specific basis for the position that it be treated as exempt from disclosure. Marking the entire submission as "Confidential" is not in accordance with the Idaho Public Records Act and will not be honored. CCDC, to the extent allowed by law and in accordance with these Instructions, will honor a designation of nondisclosure. By claiming material to be exempt from disclosure under the Idaho Public Records Act, Respondent expressly agrees to defend, indemnify, and hold CCDC harmless from any claim or suit arising from CCDC's refusal to disclose such materials. Any questions regarding the applicability of the Public Records Act should be addressed to your own legal counsel prior to submission.

END OF PART 1

PART 2 – QUALIFICATION INFORMATION

2.1 BASIS FOR SELECTION AND PRE-QUALIFICATION

In accordance with Idaho Code § 67-2805(3)(b), this Request for Qualifications will be evaluated as detailed below. Only Respondents who complete all information requested, completely and accurately, and receive a score of 75 points or greater will be eligible to bid on the 10th & Front Garage Concrete Repairs Project.

- Experience constructing similar public works facilities – 30 points possible
- Key personnel – 20 points possible
- Overall performance history – 25 points possible
- References – 15 points possible
- Prior Experience with Capital City Development Corporation – 10 points possible

CCDC may conduct investigations and interviews, if necessary, to determine the performance record and abilities of Respondent to perform the size and type of work to be contracted. By submitting a response to this RFQ, the Respondent is authorizing CCDC to conduct investigations and interviews as needed.

2.2 PROJECT SCHEDULE (*Tentative*)

Prequalification

Request for Qualifications issued	March 1, 2018
Last Day for Objections	March 12, 2018 by 3 p.m.
Qualifications Due	March 15, 2018 by 3 p.m.
Selection of Pre-Qualified Contractors	CCDC Board Meeting: April 9, 2018
<i>Deadline to Appeal</i>	<i>7 days from notice of Board decision</i>

Project Bidding

Invitation to Bid to Pre-Qualified Contractors	May 9, 2018
Pre-Bid Conference	<i>To be determined</i>
Bid Opening	May 30, 2018
Bid Award	CCDC Board Meeting: June 11, 2018

Project Construction

Notice to Proceed	Late June 2018
Estimated Construction Duration	Four Months

END OF PART 2

EXHIBIT A

RFQ: 10th & FRONT GARAGE CONCRETE REPAIRS PROJECT
STATEMENTS OF QUALIFICATIONS (SOQ)
(REQUIRED FOR SUBMISSION)

TO: Capital City Development Corporation
121 N. 9th Street, Suite 501
Boise, Idaho 83702

THE UNDERSIGNED DECLARES, that he/she holds the position indicated below as a corporate officer or the owner or a partner in the business entity submitting these Qualifications; that the undersigned is informed of all relevant facts surrounding the preparation and submission of these Qualifications; and that the undersigned represents and warrants that all information provided is true, accurate, and complete.

SIGNATURE: **X** _____

Print Name / Title: _____

Name of Company: _____

Company Type: ☐ Corporation ☐ Partnership ☐ Individual ☐ LLC ☐ Other

Business Address: _____

Telephone: _____ Fax: _____

E-mail Address: _____

LICENSE: Idaho Public Works Contractor License # _____

Number of years the Company has been in business: _____

Is the Company a parent or subsidiary of another Company? ☐ Yes ☐ No

If yes, please explain: _____

ADDENDA: Respondent has reviewed and understands all addenda issued with this RFQ:

Addendum No. _____ Dated: _____

Addendum No. _____ Dated: _____

INSTRUCTIONS: Review each page of this Exhibit A.
Provide the documents requested and answer all Yes / No questions found herein.

1. SIMILAR PROJECT EXPERIENCE

Contractor's experience completing similar projects will be evaluated. 30 points possible.
The Contractor (and the Key Personnel) must have the following project experience:

Contractor Requirements

- Successfully completed the construction of at least three (3) projects each with a bid price of \$200,000 or more within the last ten (10) years.
 - All three (3) projects must have been focused on concrete rehabilitation and repair in a facility that was operational during the course of the repair work.

PROVIDE: Provide at least three (3) examples of Respondent's work equal to or exceeding a project cost of \$200,000 within the last ten (10) years. All three (3) projects must have been focused on concrete rehabilitation and repair in a facility that was operational during the course of the repair work.

Include all of the following project information to verify and evaluate whether the Contractor has the project experience required: Owner names, addresses, phone numbers, email addresses, dates of construction, original contract value, final contract value, descriptions of the projects, descriptions of the work performed, and descriptions of the additional work performed beyond the original contract value if required.

Three examples provided with complete project information. _____ Yes _____ No

2. KEY PERSONNEL

Experience of Key Personnel will be evaluated. 20 points possible.
The Key Personnel must have the following project experience:

Project Manager Required Experience

- At least three (3) full consecutive years of experience as a construction project manager focused on concrete rehabilitation and repair.
- Successfully managed and completed three (3) construction projects each with a bid price of \$200,000 or more within the last ten (10) years. All projects shall be focused on concrete rehabilitation and repair.

Project Superintendent Required Experience

- At least three (3) full consecutive years of experience as a project superintendent focused on concrete rehabilitation and repair.
- Successfully supervised and completed three (3) construction projects each with a bid price of \$200,000 or more within the last ten (10) years. All projects shall be focused on concrete rehabilitation and repair.

PROVIDE: Provide a résumé for each candidate who would fill the positions of Project Manager and Project Superintendent for the 10th & Front Concrete Repair Project. Be sure the résumés include:

- Employment information such as names, dates of employment, addresses, phone numbers, and email addresses that is sufficient to verify and evaluate the Project Manager's and Project Superintendent's employment history.
- All of the following project information to verify and evaluate whether the Project Manager and Project Superintendent have the required project experience: Owner names, addresses, phone numbers, email addresses, dates of construction, original contract values, final contract values, descriptions of the projects, and descriptions of the work performed.

One (1) alternate candidate résumé for each position may be provided in case the primary candidate's employment and project references cannot be reached or the primary candidate's experience requirements do not meet the requirements. Please be sure to indicate "*Alternate*" on any alternate candidate résumés.

Résumés provided with complete contact information. _____ Yes _____ No

3. OVERALL PERFORMANCE HISTORY

Contractor's overall performance history will be evaluated. 25 points possible.

PROVIDE: Provide answers to the following questions; provide documents where requested.

Provide a statement or letter from a surety insurer authorized to do business in the State of Idaho which states that Contractor's current available bonding capacity is sufficient for the project for which it seeks pre-qualification. Surety insurer must have an A.M. Best financial strength rating of "A-" or better.	
In the last five (5) years, have you or any of the company owners, officers, or partners had their Contractor's license revoked?	
In the last five (5) years, have you or any of the company owners, officers, or partners been "defaulted" or "terminated" by an owner (other than for convenience of the owner)?	
In the last five (5) years, have you or any of the company owners, officers, or partners been convicted of a crime involving any federal, state, or local law related to construction, including any act of dishonesty?	
In the last five (5) years, have you or any of the company owners, officers, or partners been convicted of a crime involving the awarding of a contract on a government construction project or the bidding or performance of a government construction contract?	
Is your company currently in bankruptcy proceedings or has the company filed for bankruptcy at any time during the last five (5) years?	
Is your company currently in default on any loan agreement or financing agreement with a bank, financial institution, or other financial entity?	

In the last five (5) years, has your company ever been denied bond coverage by a surety?	
In the last five (5) years, has any surety company made any payments on your company's behalf as a result of default, to satisfy any claims made against a performance or payment bond, in connection with any public or private construction project?	
In the last five (5) years, has any claim against your company concerning your company's work on a construction project been filed in court or submitted to mediation or arbitration?	
In the last five (5) years, has any insurance carrier, for any form of insurance, refused to renew your company's insurance policy?	
In the last five (5) years, has the U.S. Army Corps of Engineers, Environmental Protection Agency, Idaho Department of Environmental Quality, or any other environmental quality control board cited and assessed penalties against your company or the owner of a project on which your company was the contractor and deemed responsible for the penalties?	
Does your company have a written health and safety (H&S) program / procedures? <i>If yes, provide a copy, in hardcopy or CD format.</i>	
Does your company have a health and safety training program? <i>If yes, provide a copy of the policy and procedures, in hardcopy or CD format.</i>	
Does your company conduct safety meetings during the course of a construction project? <i>If yes, provide a copy of the safety meeting policy and a sample agenda.</i>	

4. REFERENCES

Contractor's References will be evaluated. 15 points possible.

References must be project owners – not subcontractors, building officials, lending institutions, or the like. CCDDC may ask questions relative to Contractor's abilities and competence, including any or all of the following:

- Contractor's ability to provide adequate supervision on the project.
- Contractor's ability to work cooperatively with Owner, Architect, and outside parties.
- Contractor's ability to manage safety on the job site.
- Contractor's ability to work in accordance with the contract documents.
- Contractor's ability to provide timely reports, submittals, and scheduling updates.
- Contractor's utilization of change order requests
- Contractor's ability to maintain strong public relations and minimize disruption to businesses and the general public.
- Contractor's interaction with regulatory agencies and utilities.
- Contractor's ability to keep the project on schedule.
- Contractor's ability to manage closeout procedures efficiently and effectively.

PROVIDE: Provide three (3) references that can speak to Contractor's abilities and competence on projects equal to or exceeding a project cost of \$200,000 within the last ten (10) years. All of the projects shall be focused on concrete rehabilitation and repair.

Include all of the following information to verify and evaluate Contractor's References: Owner names, addresses, phone numbers, email addresses, dates of construction, original contract value, final contract value, descriptions of the projects, and descriptions of the work performed.

Contractor may indicate that the References are the same as those that were listed for Section 1 (Similar Project Experience) above, or Contractor may choose to provide different references.

References provided are those in Section 1 above. _____ Yes _____ No

New References are provided with complete contact information. _____ Yes _____ No

5. PRIOR EXPERIENCE WITH CCDC

Experience working with CCDC will be evaluated. 10 points possible.

PROVIDE: Provide information about previous projects completed for Capital City Development Corporation. Include the project names, dates of construction, original contract value, final contract value, descriptions of the projects, descriptions of the work performed, descriptions of the additional work performed beyond the original contract value if required., CCDC Project Manager names, and Contractor's Key Personnel who worked on the projects.

Information provided with complete project information. _____ Yes _____ No

END OF EXHIBIT A

EXHIBIT B

REQUIRED WAIVER & RELEASE (REQUIRED FOR SUBMISSION)

The undersigned Respondent has read this waiver and release and fully accepts Capital City Development Corporation's (CCDC) discretion and non-liability as stipulated herein, and expressly for, but not limited to, CCDC's decision to proceed with a pre-qualification selection process in response to the Request for Qualifications (RFQ) to pre-qualify public works contractors to bid its 10th & Front Garage Concrete Repairs Project.

- A. Discretion of CCDC: The Idaho-licensed public works contractor making a submission to this RFQ agrees that CCDC has the right to, unless contrary to applicable state law:
- 1) Modify or suspend any and all aspects of the process seeking proposals and making any decisions concerning the RFQ;
 - 2) Obtain further information from any person, entity, or group regarding the Respondent, and to ascertain the depth of Respondent's capability and experience for supplying the desired services and in any and all other respects to meet with and consult with any Respondent or any other person, entity, or group;
 - 3) Waive any formalities or defects as to form, procedure, or content with respect to CCDC's RFQ to pre-qualify contractors and any response by any Respondent thereto;
 - 4) Accept or reject any submission received in response to the RFQ, including any submission by the undersigned; or score one proposal over another in accordance with the selection criteria; and
 - 5) Accept or reject all or any part of any materials or statements, including, but not limited to, the nature and type of proposal.
- B. Non-Liability of CCDC:
- 1) The undersigned agrees that CCDC shall have no liability whatsoever of any kind or character, directly or indirectly, by reason of all or any decision made at the discretion of CCDC as identified above.
 - 2) The undersigned, including all team members, have carefully and thoroughly reviewed the RFQ and has found it to be complete and free from ambiguities and sufficient for their intended purpose.

SIGNATURE: **X**_____

Print Name / Title: _____

Name of Firm: _____

Date: _____

MEMO



Date: April 2, 2018

To: CCDC Board of Commissioners, Executive Director Brunelle

From: Max Clark, Director of Parking & Mobility

Subject: Update on ParkBOI's Parking Program and Mobility Initiatives

While successful and acclaimed, there has been more going on behind the scenes with the ParkBOI off-street parking system than fresh paint and easily identifiable exterior signage. This memo will highlight some operational observations and a few outside the box mobility initiatives.

Parking System Observations

One of the most frequently asked questions I get is what the impact was of the February, 2018 rate increase on our parking business. The direct answer is negligible. Overall we are below budget projections by nearly \$175,000 which is largely a result of delaying rate increases by 5 months over what was anticipated (Feb. '18 actual implementation vs. Oct. '17 budgeted implementation). With the new monthly rates in place and demand still strong we anticipate making up ground each month.

Regarding monthly parking, it's safe to say that had we deliberately not refilled vacant monthly spaces in three of our garages (Capitol & Myrtle and 9th & Front due to over-crowding; 10th & Front due to anticipated summer construction work) the garages would have been 100% leased out. As it is, at the end of February we were 4.6% below where we were in 2017 for the same period. The difference could have easily been made up by the 147 spaces currently requested on our new wait list. The other factor affecting our occupancy is the addition of the 827 spaces at the 11th & Front Garage, 414 of which are being licensed for \$100/month. In short, demand for downtown monthly parking is still strong.

What is interesting is that our hourly/transient business was down 9% from the same period last year (Feb. 2017 vs. Feb. 2018). There were 5,796 fewer transactions in 2018 than in 2017. We are not certain why this is, but possible explanations include a reduction in the number of construction workers downtown, the implementation of a higher daily maximum charge coupled with the opening of 11th & Front (migration to the lower cost option), the implementation of the City's "Twilight Parking Program", better weather for bicycling, some general construction "fatigue" downtown and possibly the Elder Street Park & Ride getting some traction. More on the Transportation Demand Management programs later in this report. Nonetheless, we

anticipate continued stronger hourly business as we head into the busy outdoor season downtown.

Attached are some daily occupancy charts for six of our seven garages. 11th & Front does not yet have functional entry and exiting equipment so measurements there have yet to commence. One note of caution before further commentary is offered: this month we are resetting the parking counts nightly to correct for inaccuracies caused by gate manipulation, parking pass mis-readings and a few other factors which result in inaccurate occupancy counts at the beginning of each day. We anticipate that in April we will have occupancy counts with much stronger levels of confidence than what we're showing you now, though we believe the overall trends in this month's reports will be consistent with what will be shown in the future.

The charts show peak occupancy for weekdays between 12n and 1p. Not counting 11th & Front yet, more than 75% of our spaces are occupied then. In the parking business 85% occupancy is considered "full". This is not surprising, as hourly guests visiting professional businesses peak then, aided no doubt by all the great lunch options, and are combined with the monthlies already downtown. Sunday is our slowest day, followed by Monday and Tuesday. Saturday evenings around 8p we are nearly as full as weekday daytime peak, which again speaks well of the dining and entertainment options our downtown has to offer.

From an operations standpoint, there are three areas we will be focusing on in the next few months: (1) as mentioned above, getting our statistical capability to the level where we are confident in measuring, assessing and reporting trends on a monthly basis; (2) achieving more consistent enforcement of our parking regulations, most importantly ensuring that our monthly customers park where they should, thereby leaving the lower garage spaces available for hourly visitors; and (3) activating the sidewalk kiosk vehicle count system to show the number of spaces available in each garage. We have been slowed in our efforts to achieve this goal by our equipment provider, who must make some software adjustments to our equipment. We continue to pursue this vigorously, hoping this feature will be operational by the end of May.

Mobility Initiatives

Boiseans love their cars, an affair that is consistent throughout the American West, particularly east of the Cascade Mountains and Pacific Coast states. In Idaho specifically we rank 49th out of 50 states in funding of public transportation. We lack big city density, love our outdoor activities and like everyone else now approach our transportation future cautiously given what we hear on the daily news about autonomous vehicles and transportation networked companies (Uber, Lyft, etc.).

Nonetheless, nearly everyone recognizes that in the near term cars will continue to be the major mode of transportation in our community, and CCDC continues to play a major role in accommodating cars as part of our daily lives. However, we no longer have to be the sole provider of downtown parking, as the attractiveness of our downtown has resulted in the private sector taking a leading role in providing more parking. Luckily our development community and City leaders recognize we need to establish viable alternatives to the single occupied vehicle,

and the following few paragraphs will explore what we and our like-minded private and public partners are doing to provide these alternatives.

Park & Ride/Shuttle Service

For the past eight months we've partnered with the City, Boise State University and Valley Regional Transit to provide a weekday daytime no-charge Park & Ride/Shuttle Service from the Elder Street site located on S. Vista near the freeway and airport. Hampered initially by having only one van available, utilization of the service grew from a low of 74 rides in December '17 to 435 rides in March '18. There are now 76 registered users, with an estimated number of vehicles in the lot per day of 5-17. This increase is attributable to a number of factors, including the addition of a second van resulting in more frequent (and therefore convenient) pickup and delivery, the February parking rate increases, implementation the City's longer hours of on-street enforcement and the implementation of their E-Permit program which eliminated several areas of free on-street parking. We have just signed a three-month extension of the service, through June, which will allow us a longer evaluation of the improved service.

Also in the works is the acquisition of two 14 passenger vans with VRT and the City, to possibly be used in future initiatives like another Park & Ride/Shuttle service from the west end of the downtown.

Secure Bike Parking

Agency staff have identified an area on the ground floor of the 9th & Main Garage where we are designing a secure bicycle parking area for daily usage. Matt Edmond is working with an advisory group and an architectural firm to design a secure, convenient and inviting facility that will encourage downtown commuters to bicycle to and from the downtown and leave their bike in a secure area while they work and/or visit.

Designated Motorcycle Parking

The City now provides short term (2 hours) motorcycle parking at several on-street locations. We are working to provide at least two areas on the ground floor of our garages where daily motorcycle parking can occur for a very modest fee. We are doing this to encourage commuting by something other than a single occupied vehicle, and because we have prohibited the utilization of parking spaces in our garages. We also are doing this because of safety factors entering and exiting garages and because we want to preserve parking spaces for cars. We expect the facility in 9th & Front to be operational in April, with the facility in either Capitol & Main or 9th & Main to be operational in May.

Carpool Preferential Parking

We have just soft launched a carpool preference parking program in our garages. Together with ACHD Commuteride, we offer carpool parking for between 2-4 riders that allows them to receive preferential access to the garage of their choice, park anywhere that is unrestricted, and have one day/week to drive alone for whatever reason. We will report on the progress of this program as we fine tune and promote it in the ensuing few months.



FRIDAY UPDATE

April 6, 2018

TO: Dana Zuckerman, Chair and CCDC Board of Commissioners
FM: John Brunelle, Executive Director
RE: CCDC Operations Report – April 2018

NEW BASQUE RESTAURANT IN WESTSIDE URD

When CCDC partnered with Local Construct to bring a new mixed-use project to the Westside URD, the early results were very good. More than twenty new residential units available for rent; innovative live/work units on the street level, and a clean, modern outdoor gathering area at the corner of 14th & Idaho. So what could Local Construct and its private partners do to make it even better? How about a charcuterie board with Jamon Serrano, Chorizo Soria, and a well-matched beverage? You got it! The new restaurant, Txikiteo, is now open in The Watercooler building. It was an aspiration, and now it is real. We are pleased have helped -- and even happier to celebrate!



Txikiteo Restaurant



OPENING DAY!

Speaking of aspirations, check out this beautiful new stadium in North Augusta, South Carolina, home of the Augusta Greenjackets. They broke ground on the stadium less than one year ago, and opening day is this week. Congratulations to Chris Schoen, Greenstone Properties, and Agon Sports & Entertainment on this success!

Amending the Series 2017 A Bond Resolution

Last May the Board adopted Resolution 1478 to issue \$13 million in River-Myrtle / Old Boise District Redevelopment bonds (Series 2017 A Bond Resolution) to fund three projects: 1) Purchase when complete the 5th & Broad 89-space parking condo in The Fowler apartment development (\$2.6 million); 2) Purchase when complete the 11th & Front 250-space parking condo in Pioneer Crossing development (\$5.4 million); 3) Broad Street / LIV District streetscape and infrastructure improvements (\$4.9 million).

At its meeting last month the Board adopted Resolution 1536 terminating the 5th & Broad parking condo purchase agreement with The Fowler developer LocalConstruct. The Agency's financial participation in that development is no longer necessary and LocalConstruct has a plan to provide public parking in the LIV District.

Fortunately, there is no shortage of public (tax-exempt) projects in the RMOB District eligible to receive the now-uncommitted \$2.6 million. Foremost is the long awaited, much anticipated, exciting new public Library! project.

It is now necessary to amend the Series 2017 A bond resolution to reflect the change in use of those bond funds. Bond holder Zions Bank has indicated preliminary consent to the change, and the Agency and city are busy drafting agreement language. Those steps are expected to be finalized in the coming weeks so that the Board can expect to consider the Amendment to the Series 2017 A Bond Resolution at its regular May meeting.

COMPETITIVE BIDDING and QUALIFICATION-BASED SELECTIONS

ParkBOI Garage Signage – Invitation to Bid

New parking garage signage to implement the ParkBOI brand identity.

2017

- April 10: Board awards public works construction contract to YESCO.
- May 16: Contract executed.
- Summer: Permitting and fabrication.
- Nov 15: Amendment signed to account for permitting delays.

2018

- February: Final Completion delayed due to sign fabrication delays.
- March 2: Substantial Completion met. All signs are installed and illuminated.
- **March 23 Final Completion; project is complete.**

CM/GC Central District Improvements Project

Selection of a Construction Manager / General Contractor (CM/GC) for final year (pre-sunset) Central District improvements.

2017

- August 9: Request for Qualifications issued; public notice in *Idaho Statesman*.
- Sept 7: Submissions due from licensed CM/GCs.
- October 9: Board approved Guho Corp as CM/GC.
- November 21: Contract Executed; pre-construction services begin.

2018

- February 12: The Board approved the contract amendment for first Guaranteed Maximum Price (GMP) for construction.
- March 12: Board approved second GMP for construction.

2018 Streetscape Improvements Project – Selection of Design Professional

Design of 2018 streetscape improvements on River Street between Ash Street and 12th Street.

2017

- October 24: RFP issued to three on-call design professional firms.
- November 8: Proposals due from the design professionals.
- November 28: The Land Group selected as the design professional of record.

2018

- January: Task Order with The Land Group for design documents.
Note: Project costs are estimated at less than \$200k – informal bidding is planned.
- March 31: 90% construction drawings and specifications complete.
- April: ACHD review, then to city.
- May: Construction Bidding – *anticipated*.
- Summer: Contract awarded / Construction to proceed – *anticipated*.

CM/GC Westside District Urban Park Project

Selection of a Construction Manager / General Contractor (CM/GC) for an Urban Park project in the Westside District.

2017

- November 22: Request for Qualifications issued.
- Nov 23 & 30: Public notice in *Idaho Statesman*.
- December 8: Submissions due from licensed CM/GCs.

2018

- January 8: Board approval of Wright Brothers as CM/GC.
- March 7: Contract executed; pre-construction services begin.

Power Line Undergrounding – Invitation to Bid

Formal bid process to select an electrical contractor to install underground power in the alley between Main and Idaho running from 3rd Street to 5th Street. The project will be in coordination with Idaho Power and ACHD.

- January 24: Invitation to Bid issued.
- February 22: Bids due. One Bid received.
- March 12: Board awards contract to Anderson & Wood Construction.
- March 27: Contract executed.
- June 2018: *Notice to Proceed (in conjunction with ACHD's start date)*

10th & Front Garage Concrete Repairs – RFQ and Bidding

Two-step process to contract for extensive concrete repairs. Pre-qualification process then bidding process. Construction in Summer 2018.

- March 1, 2018: Request for Qualifications Issued.
- March 1 and 8: Public notice in the Idaho Statesman newspaper/
- March 15: Statements of Qualifications are due from licensed contractors.
- April 9: Board considers approval of pre-qualified contractors.
- May: Invitation to Bid given to pre-qualified contractors.
- June: Board approval of bid; contract for construction – *anticipated*.

OTHER CONTRACTS ACTIVITY

Central District:

- **GBAD:** Addendum #2 for The Grove Plaza operations and maintenance. Contract term is the duration of the district, until September 30, 2018.
- **TML:** License agreement to utilize a portion of 8th Street for a one day crane placement to access the roof of the Fidelity Building as part of a building update / remodel.
- **8th Street Patio Licenses:** In preparation for the Central District sunset and the upcoming improvements along 8th Street, CCDC has updated property owner licenses and associated tenant sidewalk patio agreements. The city of Boise will assume this responsibility in the future, after being conveyed ownership of the 8th Street segments currently owned by CCDC.

River-Myrtle / Old Boise District:

- **Capitol Landscape:** Work Request to remove / replace a small area of brick pavers in the crosswalk at 9th & Front streets to assess the underlying base for future bidding purposes.
- **Wash Worx:** Work Request to install four bike racks in front of the new Chamber of Commerce offices at 11th & Front streets.

Westside District:

- **Sloan Metal Solutions:** Purchase Order for a prototype bike corral to be located at 1519 W. Main Street (The HandleBar)

Parking:

- **Hummel Architects:** Task Order for professional services on the 10th & Front parking garage concrete repair project.
- **Hummel Architects:** Task Order to provide limited architectural services for the 10th & Front parking garage concrete repair project.
- **MR Priest:** Work Request for fabrication and installation of garage utility room signage.
- **Advanced Sign:** Task Order to fabricate and install new Plexiglas signage covers in ParkBOI garages.

Multi-District / Agency-focused / Interagency:

- **City of Boise:** MOU for FY2018 Traffic Box Art Program consisting of 14 traffic boxes in River-Myrtle / Old Boise, Westside, and 30th Street districts.
- **CTA Architects & Engineers:** Professional Services Agreement for an urban framework plan (guide) for the proposed Shoreline District.
- **SB Friedman Development Advisors:** First Amendment to add the additional scope of work and compensation for Phases 3 – 7 of the Shoreline District URA Market Analysis Project.

Development Team: Todd Bunderson, Matt Edmond, Shellan Rodriguez, & Laura Williams, Karl Woods, Doug Woodruff, Ben Houpt.

ECONOMIC DEVELOPMENT

6th and Front – Parking Garage – PP Type 3, 5

Project Description

In the fall of 2016, CCDC issued an RFP for the remnant parcel located on Front Street between 5th and 6th. One application was received from Capitol Partners LP, and the Board approved the proposal in November of 2016. Since then, the developer and CCDC have worked through an agreed upon re-use value. The developer plans to build a 500 space parking garage with a 138-room hotel. CCDC's remnant parcel plays a critical role in the development.

Update

CCDC will be participating in this project in 3 ways: property conveyance, public improvements reimbursement, and parking assistance by purchasing 200 monthly passes for 7 years to re-sell to the public. Staff is presenting this project to the Board at the April meeting for feedback and a formal "Designation."

Next Steps

Following a Board Designation, staff will work with legal counsel to finalize all three agreements with the Developer to bring back to the Board for final approval. CCDC will convey the land once financing is secured and building permits obtained. The Developer is planning to break ground in July 2018.

Other Active Economic Development Projects

T5 Parcel Acquisition for Redevelopment - 1010 W. Jefferson

CCDC has reviewed the due diligence materials and has extended the closing to account for CCDC Board meeting scheduling. Agency staff will bring the Purchase and Sale Agreement and Amendments to the board for final approval in April.

2403 W Fairview - Adare Manor Development - Designated PP

Because 30th Street District priorities have been revised and other private projects did not come to fruition, additional funds became available in the District and Staff recommended and received Board approval of Type 4 Participation in February to complete streetscapes, sidewalks and undergrounding utilities.

Multi-Purpose Sports Park

Agency staff continues working others to determine a critical path for this project, development budget, schedule and financing plan.

503 - 647 S. Ash Street - Ash Street RFP - PP Type 5

The DDA is fully executed. The alley vacation and lot consolidation has been finalized. The developer is delayed in closing on the property due to comments received on construction drawings and the need for encroachments from various public agencies (City and ACHD). The developer hopes to close in April.

620 S. 9th - The Afton - PP Type 5

There is no further board action needed. The developer has submitted a letter exercising his option on Phase 2 and is near completion on the environmental remediation. Phase II will likely be closing in the next 60-90 days.

INFRASTRUCTURE PROJECTS

750 Main Street – Capitol Terrace – PP Type 1

Project Description

Hawkins purchased Capitol Terrace in downtown Boise in April 2017. The company is planning a renovation of the exterior of the building. The improvements will bring the building up to date with new paint, awnings, and lighting. Hawkins has submitted application for a Type 1 agreement to reimburse for 22 new awnings in the public right-of-way. The awnings meet CCDC specifications of material and size, and protect the public sidewalks and pedestrian environment.

Update

The Agency is working with Hawkins to secure an Encroachment License and a Construction License Agreement for the installation of the new awnings, signage, and an architectural entrance feature, all of which extend into the right of way on 8th Street, owned by CCDC.

Next Steps

Staff continues to work with Hawkins on common area improvements and exterior painting through a Type 4 Agreement. Improvements are scheduled to begin this spring and complete in fall 2018.

Other Active Infrastructure Projects

Bannock Street, 9th to Capitol Blvd - Streetscape Improvement Project

CCDC is restarting this project to align the design and construction with ACHD's DBIP work in the area in 2019. Agency staff has submitted a Cost Share Application and has hired Jensen Belts Associates as the design professional for the project. The project area has been surveyed, and CCDC has met with the City for multiple schematic design meetings. Jensen Belts Associates has presented multiple bike lane and vehicle travel options, and the City of Boise has requested traffic counts to weigh viability of travel options. The most viable design options are to be selected in collaboration with the City. Those options will be presented to ACHD and stakeholders.

122 N 5th Street - Shops at 5th - PP Type 1

The Board approved the Type 1 Agreement with the Shops at 5th for new streetscapes at the March meeting. Staff has finalized and executed the agreement with Brownfields Building, LLC. Construction is scheduled to begin this spring. Staff will check in with the developer throughout construction, and the reimbursement will be paid upon project completion for an amount not to exceed \$150,000.

Grove Street, 10th to 16th and 4th to 6th - Pedestrian Improvement Plan - CIP Project

CCDC, in collaboration with the City and design professionals, are working to develop a vision statement and design ideas. Agency staff is currently working on task order to hire a consultant for visioning effort.

2200 Fairview - New Path Community Housing - PP Type 1

The New Path Type 1 Agreement was approved by the Board on the Consent Agenda at the November meeting. Staff has executed the agreement. The reimbursement for public improvements will take place upon completion for an amount not to exceed \$150,000. Framing has started on the fourth and final floor, and the developer is expecting an August completion. The developer is working to put together a mid-way open house for our supporting partners to be able to come and visit the site. This is tentatively looking to be around late May/early June.

301 29th St. - Whittier Elementary - PP Type 4

The Board Approved the Type 4 Agreement at the March Board meeting. Staff has finalized and executed the agreement with Whittier Elementary / Boise school District. Construction is underway to build the new Whittier Elementary and Phase 1 of the Public Improvements, scheduled to be complete in December 2018. Staff will plan a tour of the new facility, when the project is further along.

T3 Participation: Streetscape Improvements Front & Myrtle, 9th & 11th (JUMP/Simplot HQ)

The developer submitted notice of completion and documentation of costs and CCDC staff inspected the streetscape improvements in February. The final certificate of occupancy is still outstanding. The sidewalks on Front and Myrtle appear to be outside of the public rights-of-way and not covered by a formal easement. Staff is preparing written confirmation and determining if there are any outstanding requirements for public access prior to issuing written confirmation.

222 N 8th Street - Diablo & Sons - PP Type 1 Potential

The Board approved the Type 1 Agreement with Diablo & Sons for new awnings at the March meeting. Staff has finalized and executed the agreement with Bittercreek / Red Feather. Construction is underway on the new restaurant, and the building owner plans to have new awnings installed in late spring / early summer.

MOBILITY PROJECTS

ParkBOI Carpool Program

Project Description

CCDC, in collaboration with ParkBOI has soft launched a carpool preference parking program in the seven CCDC-owned parking garages. Together with ACHD, Commuteride, carpool is parking is offered for between 2-4 riders that allows them to receive preferred access to the garage of their choice, park anywhere that is unrestricted, and have one day per week to drive alone for whatever reason.

Update

Details about ParkBOI carpool priority parking and how to sign up have been posted on ParkBOI, BoiseParking, and CCDC websites, as well as shared on social media.

Next Steps

The Agency will report on the progress of this program as we fine tune and promote it in the ensuing few months.

Other Active Mobility Projects

10th & Front Garage Concrete Repairs

This project will involve repairing locations of spalling concrete, crack routing and sealing of concrete on all levels of the garage. Some concrete repair will be full depth, removing precast panels, shoring existing decks, installing new guardrails and replacing roofs to stop water infiltration. CCDC has issued, received and reviewed an RFQ to establish a qualified list of bidders for the work. KPFF has been contracted to provide bid documents, projected going out to bid in May. The recommendation will be taken to the Board in April. Construction documents will be completed and the project will be bid. Construction to occur summer of 2018.

Exterior Signage for All Garages

Our parking operator is currently working with our PARCS equipment supplier to activate the vehicle counts system on the sidewalk kiosks. We expect the count indicators to be operational by the end of May.

Parking Rate Examination

New rates went into effect February 1. All spaces lost to attrition that were allowed to be occupied were filled with wait list members. Our current wait list has 140 spaces requested.

Park & Ride Shuttle

A Park & Ride/Shuttle service from the Elder Street lot near I-84 airport has been underway since mid-June 2017. The addition of a second van has increased use of the service. There are currently 76 registered participants, and there are between 5-17 cars in the lot every weekday. There were 435 rides in March 2018, up from 74 in December 2017. CCDC has extended the agreement with the City to the end of this fiscal year so that we can make a better assessment of the fully operable service.

ParkBOI Website

ParkBOI.com and BoiseParking.com have been updated with current garage information, including the addition of the 11th & Front Garage and the carpool program.

Daily/Weekly/Monthly Parking Statistics

Our parking operator is manually tabulating and re-setting the garage counts on a daily basis. We have agreed on a set of metrics to report monthly. For the May Board meeting we hope to have a full set of metrics to provide the Board. This will include revenue, counts, length of stay, calls to the monitoring center and others.

1101 Front - Pioneer Crossing / 11th and Front Garage- PP Type 3

CCDC has provided direction to the developer on parking equipment signage and waterproofing. Adding a fifth level to the garage has delayed the Agency's purchase of its 250 spaces. Okland is completing final punch list items. Staff has approved draft condo declarations for the garage as well as final parking management and operating agreements. The developer is hoping for a late April closing but a date is TBD.

Capitol & Front Garage Disposition

CCDC is working to sell the Capitol & Front ParkBOI Garage. The garage was originally built to catalyze development on the southeastern corner of The Grove Plaza. Block 22 built The Grove Hotel and Century Link Arena in 1998 and CCDC has owned and operated the subterranean, 207-space garage since. The garage accounts for only 5% of ParkBOI revenue, and would be

better suited to be run by the private sector. As such, with CCDC's goal of redevelopment achieved, the Agency plans to accept proposals from purchasers, with a minimum bid set at \$6.8 million. Staff is finalizing the RFP internally and with legal counsel. The RFP is scheduled to be published on April 9, with a submittal due date of April 30. Depending on the number of respondents, the proposals may be reviewed by the Board as early as the May 14 Board meeting.

Bike Rack Infill

CCDC has installed 32 additional bike racks in response to requests from citizens, businesses, and other agencies in 2018. CCDC has submitted an application for zoning certificate for a prototype of a new bike corral. Pending zoning certificate approval, the agency also will purchase a prototype of a new bike corral to be installed in Westside Downtown.

Wayfinding Project Installation

CCDC and City staff are discussing modification of the scope of the wayfinding project to address concerns over sign clutter, maintenance, flexibility, and utility in the age of smart phone saturation. Staff is reaching out to stakeholders about how to meet their needs with a modified project, and will present a proposed modification to the CCDC board in May.

5th & 6th Street - 2-way Conversions - CIP Project

ACHD held the project kickoff meeting for the conversion of 5th and 6th Streets on March 21. CCDC, City of Boise, and some stakeholders have concerns over impacts to parking and streetscapes under ACHD's proposed concept, but ACHD has been disinclined to modify the concept to minimize these impacts. Design will be completed in 2018 with construction scheduled for 2019.

Front & Myrtle Alternatives Analysis

CCDC and City of Boise staff are holding round table discussions with stakeholders along this corridor in April. Most of the near-term improvements included with the ITD cooperative agreement on Front & Myrtle have been completed. CCDC and City staff will compile feedback from round table discussions to present to city council and CCDC board in consideration of a formal request to ITD.

PLACE MAKING PROJECTS

Central District Improvements (Inc. 8th Street) - CIP Project

With the impending Central District sunset and the need for repairs and minor improvements to areas of older streetscape, the Agency has budgeted funds in FY18 to make improvements throughout the Central District. The large areas of improvement in this project are Capitol Boulevard's east sidewalk improvements, 8th Street's furnishing zone enhancements, and Freak/Union Alley improvements. A collection of miscellaneous spot repairs also will be completed. This includes spot repair of brick paving areas, tree grate upgrades to current accessibility standards, replacement of bike racks, benches, and trash receptacles that are in disrepair or do not meet current standards. The project will be completed in FY18, prior to sunset of Central District. The 8th Street furnishing zone improvements have been made from Fork to Funky Taco. Improvements from Thomas Hammer to Diablo and Sons are currently under construction. Additionally, pedestrian ramp construction to meet ADA compliance is underway and the retractable Bollards at Main Street are being installed the first week of April.

Freak Alley and Union Alley improvements have been permitted by the City. The contractor is awaiting ACHD permit to begin work, which is expected to happen the week of April 9. The City Council also approved Parklane Company's Union Block Building basement renovation proposal, which includes stairwells in Union Alley and Idaho Street public right of way. This private redevelopment is being coordinated with this public works project. Capitol Boulevard streetscape and protected bike lane improvements have obtained Design review approval. CSHQA is producing technical drawings and working with CCDC staff to coordinate with key stakeholders. 8th Street furnishing zones are on schedule to be complete by June 15. The Freak/Union alley construction activity is planned to occur from April to June 15, depending on the status of other construction projects occurring in the area. Capitol Boulevard construction is planned to occur during June, July and August. As construction approaches further detail will be developed and coordination with key stakeholders will occur.

Traffic Box - Public Art

City of Boise Arts and History has issued the Call to Artists. CCDC and the City have collaborated on content for the art on the respective boxes. Artists were selected and traffic boxes assigned on 3/7/2018.

Artists were selected and traffic boxes assigned on 3/7/2018. Artists will now finalize design content to be reviewed, approved and installed this summer.

South 8th Street District Plan - CIP Project

CCDC has hired CTY Architects and The Land Group as design professionals for 8th & Fulton intersection and Simplot Alley work. The City has contracted with an artist for a mural at 8th & Fulton and has received an RFP response for the 8th Street pedestrian bridge lighting. CTY has provided schematic design concepts for overhead infrastructure at Simplot Alley and a landmark at 8th & Fulton and is proceeding with the design process. Projects were presented as an informational item at the September 11 Board Meeting. Projects have been reevaluated and modified based on comments. Artists have been selected through the City, and design professionals for design projects have been contracted by CCDC. Project schedules are being reevaluated based on comments with the exception of the Simplot Alley work, which will align with ACHD's permeable alley project in 2018. CTY has provided revised design for tension sculpture based on Board comments.

8th Street Event Bollards

Guho began installing the bollards the first week of April, beginning at the north side of Main Street. Bollard installation will be completed with 8th Street improvements this spring.

5th & Myrtle New Signalized Crossing

Construction road closures caused by the Fowler have ended, finally allowing for data collection necessary for a signal warrant analysis. ACHD has already collected updated traffic data on 5th and Myrtle near the intersection. COMPASS will be collecting pedestrian data at and around the intersection in mid-April

Alley, 6th to 3rd between Main & Idaho - CCDC Alley Program

The CCDC Board approved the contract with Anderson & Wood on March 12. ACHD will be holding pre-construction and utility coordination meetings for its alley project on April 17, with an anticipated start date of June 1. The undergrounding work will be coordinated with the ACHD alley project to minimize disruptions to adjacent properties.

BoDo Sidewalk Easements

Draft easements (six in total) are out to property owners and/or owner associations for review and comment. Three owner groups have agreed in concept, one easement has been approved and signed by the ownership party. CCDC staff will continue to work with owners to get easements signed, and bring any owner-signed easements to the CCDC Board for batch approval, likely in May.

15th Street Utility Undergrounding and Conduit Bank

CCDC has requested preliminary engineering from Idaho Power and is discussing scope of underground conduit work with Boise Public Works. Design will be completed in 2018 with construction planned for 2019, ahead of a scheduled road resurfacing by ACHD. A new fire station is planned for construction in 2021.

Freak Alley & Union Block Alley - CCDC Alley Program

The CCDC Board approved Central District GMP #2, which includes Freak and Union Alleys, at its March 12 meeting. The contractor will begin work on Freak Alley the week of April 9. City Council also approved the Union Block Building basement renovation, which includes stairwells in Union Alley. This private redevelopment is being coordinated with this public works project.

SPECIAL PROJECTS

617 S. Ash St. - Hayman House - PP Type 5

Project Description

This is a CCDC owned parcel that was purchased in 2011 with the intent of preserving it as an historical asset to the River Street Neighborhood. It is one of the only remaining original single-family homes in the neighborhood and its stone construction coupled with its unique history as the residence of Erma Hayman, an African American widow for many years makes it an interesting property from a historical perspective.



Hayman House

Update

The Hayman House will be conveyed to the City in order for it to be preserved as a public amenity. City Arts and History has expressed interest in moving forward with the conveyance in the next 30-60 days.

Next Steps

CCDC received a request for additional \$200,000 funds as part of the conveyance agreement and it was approved in the amended CIP. CCDC will be requesting Board approval of the conveyance agreement in April, and City staff will request final approval from City Council thereafter. City staff has discussed the terms of the conveyance agreement with City Council in work sessions and has received informal approval.

PROPERTY MANAGEMENT UPDATES

8th Street

The 8th Street CIP project is underway. Capital City Public Market starts on April 14 on Idaho Street between Capitol Boulevard and 9th Street.

Parking System

The completion certificate of the ParkBOI sign project has been issued and is awaiting signatures from the contractor. The 9th & Front Parking Garage Safety Railing was installed the weekend of March 17. CCDC is working on closing out the permit and project.

Trailhead

CCDC is currently researching possibility of needing to replace the HVAC system.

Ash Street Properties

Staff is working to relocate items stored at the future Ash Street Townhomes site.

General Maintenance

Staff is working on the spring sidewalk maintenance task list and is expecting to receive quotes by April 6.

The Grove Plaza

CCDC is working on the spring maintenance task list. The Suez Fountain is anticipated to be activated the week of April 30. Furnishings on The Grove Plaza will go out at this same time.

Condos

Staff is working on scheduling the annual Capitol Terrace Condo Association meeting.