



Agenda: Thursday January 18, 2018, 7:00 a.m.

**City of Moscow Council Chambers • 206 E 3<sup>rd</sup> Street • Moscow, ID 83843**

1. **Consent Agenda** - Any item will be removed from the consent agenda at the request of any member of the Board and that item will be considered separately later.
  - A. Minutes from December 14, 2017

**ACTION:** Approve the consent agenda or take such other action deemed appropriate.

2. **Public Comment for items *not on agenda*:** Three minute limit

3. **Announcements**

4. **Election of Officers for 2018 – Chairperson McGeehan**

Per the Agency's bylaws, elections for officers for the year are to be held at the first meeting in January. The Agency will need to elect and appoint officers for the positions of Chairperson, Vice Chairperson and Secretary.

**ACTION:** Elect and appoint the 2018 officers for the positions of Chairperson, Vice Chairperson and Secretary.

5. **Paradise Creek Flood Study Phase I Results and Phase II Proposal – Bill Belknap**

On December 14<sup>th</sup> the Board authorized moving forward with Phase I of a flood study within a portion of the Legacy Crossing District. At that time, Staff reported that FEMA flood model appeared to include three bridge structures that no longer exist and which appeared to be increasing flood elevations. There are 29 parcels, including those under contract by Thompson Development and proposed for redevelopment, that are impacted by the current floodplain boundary and 14 of those parcels are located within the Legacy Crossing Urban Renewal District. A lowering and/or reduction of the regulatory floodplain would significantly assist in the potential redevelopment of the impacted properties. The Phase I work has been completed by Alta Science and Engineering and initial results indicate that once the prior bridge structures were removed from the flood model, flood elevations and floodplain width were reduced significantly. As Staff presented on December 14<sup>th</sup>, if the Phase I analysis indicated an anticipated reduction of flood elevations, the study would proceed to Phase II which would include field survey work to collect current channel and floodplain cross sections necessary for a full modeling analysis. If the full model analysis continues to demonstrate a reduction of flood elevations and extents the project would proceed to Phase III which would include the assistance and support in preparation and processing of the Letter of Map Revision application to FEMA to facilitate the remapping process. The cost of Phase II is estimated to be \$16,000. Staff anticipates making a request of the Moscow City Council to share in the study cost at the Council's upcoming February 5<sup>th</sup> meeting but would like Agency authorization to proceed with Phase II of the study to allow the project to move forward.

**ACTIONS:** Authorize proceeding with Phase II of the floodplain study in the amount not to exceed \$16,000; or take other action as deemed appropriate.

**6. Third Street Corridor Lighting and Sidewalk Improvement Project Contribution – Bill Belknap**

At the Board's January 19, 2017 meeting Staff briefed the Board regarding a pedestrian safety improvement project on West Third Street which is located within the Legacy Crossing Urban Renewal District that the City of Moscow was seeking grant funding to complete. The Project included sidewalk replacement and new lighting installation only (because replacement lighting does not meet the cost/benefit rating for grant funding) from Jackson Street west to Lieuellen. The Project was proposed to be constructed in two phases with an estimated cost of approximately \$400,000 each. At that time the Board committed to a contribution of \$87,000 toward the entire project which included \$72,000 for replacement of existing lighting which is not eligible for the grant funding plus an additional \$15,000 that Board had committed to the project. Grant funding for Phase I of the project was awarded last year with design in 2020 and construction in 2021. The City is reapplying for funding for Phase II and is seeking a letter reconfirming the Agency's prior commitment. The total project contribution amount would remain at \$87,000 for both phases (\$29,750 for Phase I and \$57,250 for Phase II). Both phases of the project contribution are included within the Agency's adopted 5-year capital improvement plan.

**ACTIONS:** Confirm the Agency's Phase II project contribution commitment in the amount of \$57,250; or take other action as deemed appropriate.

**7. Gritman Medical Office Building Project Limited Promissory Note Approval – Bill Belknap**

On September 15<sup>th</sup>, 2016 the Board approved the Owner Participation Agreement with Gritman Medical Park LLC in the amount not to exceed \$600,000 for public improvements including street and sidewalk reconstruction and other improvements associated with their medical office building project located at 803 S. Main Street. The project and associated public improvements have been completed and Gritman has presented its certification of expenses in the amount of \$600,000 for review and approval by the Board. Upon approval by the Board, the Agency will issue the limited promissory note which is the basis of reimbursement of the public improvement expenses that were incurred.

**ACTIONS:** Approve the certification of expenses and associated limited promissory note in the amount of \$600,000; or take other action as deemed appropriate.

**8. General Agency Updates – Bill Belknap**

- Legacy Crossing District
- Alturas District
- General Agency Business

**NOTICE:** Individuals attending the meeting who require special assistance to accommodate physical, hearing, or other impairments, please contact the City Clerk, at (208) 883-7015 or TDD 883-7019, as soon as possible so that arrangements may be made.



Minutes: Thursday, December 14, 2017, 7:00 a.m.

City of Moscow Council Chambers • 206 E 3<sup>rd</sup> Street • Moscow, ID 83843

Commissioners Present	Commissioners Absent	Also in Attendance
Steve McGeehan, Chair	Steve Drown	Bill Belknap, MURA Executive Director
Art Bettge	Dave McGraw	Anne Peterson, MURA Clerk
Ron Smith		
Brandy Sullivan		

Chair McGeehan called the meeting to order at 7:01 a.m.

1. **Consent Agenda** - Any item will be removed from the consent agenda at the request of any member of the Board and that item will be considered separately later.

*A. Minutes from October 26, 2017*

*B. October 2017 Financials*

*C. October 2017 Payables*

*D. November 2017 Financials*

*E. November 2017 Payables*

**ACTION:** Approve the consent agenda or take such other action deemed appropriate.

Bettge moved approval of the consent agenda, seconded by Smith. Motion passed unanimously.

2. **Public Comment for items *not on agenda*:** Three minute limit.

None.

3. **Announcements**

Belknap announced that with Sullivan's successful run for Council and early appointment to serve the remainder of John Weber's Council term for 2017, she transitions from a member-at-large of the Agency to a Council member representative.

4. **Paradise Creek Flood Study Proposal – Bill Belknap**

*Thompson Development is under contract to purchase three properties currently addressed as 213 Spotswood, 225 Spotswood and 222 Troy Road, all located within the Legacy Crossing District and just east of the South Couplet. Through the course of completing their due diligence work, Thompson Development identified that the subject property is located within the mapped 100 year floodplain and any new structures placed upon the property would be required to be elevated approximately three feet above current property elevation. Further examination by Staff appears to indicate that the current floodplain boundary may be the result of outdated FEMA map data which includes three bridge crossings that no longer exist and which previously presented an obstruction to flood waters. Staff has contacted Alta Science and Engineering about conducting an analysis to update the model to reflect current conditions and analyze the resulting impact upon the 100 year flood plain elevations and extents. If there are substantial reductions to flood elevations and extents, the Agency and City could pursue a Letter of Map Revision (LOMR) to amend the designated floodplain boundaries and elevations within the area. There are 29 parcels, including those under contract by Thompson Development, that are impacted by the current floodplain boundary and 14 of those parcels are located within the Legacy Crossing Urban Renewal District. A lowering and/or*

*reduction of the regulatory floodplain would significantly assist in the potential redevelopment of the impacted properties.*

*The floodplain study is proposed to be conducted in three phases. Phase I would include the conversion of the prior FEMA floodplain model to the current modeling platform and updating the model to reflect the two current bridge structures in the study area based upon the bridge construction drawings and other available existing data. If the Phase I analysis appears to indicate an anticipated reduction of flood elevations, the study would proceed to Phase II which would include field survey work to collect current channel and floodplain cross sections necessary for a full modeling analysis. If the full model analysis continues to show a beneficial reduction of flood elevations and extents the project would proceed to Phase III which would include the assistance and support in preparation and processing of the LOMR application to FEMA to facilitate the remapping process.*

**ACTIONS:** *Authorize proceeding with Phase I of the floodplain study in the amount not to exceed \$1,800; or take other action as deemed appropriate.*

Belknap anticipates Phase I analysis could be complete by early January. Phase II work might take around six weeks and FEMA review of any LOMA could take up to 3-4 months, so hopefully complete by the May/June timeframe. Bettge thought this action would be beneficial to all the properties in the area. Bettge asked if there could be any savings by coordinating the timing of this project with the City's plan to address the Bridge Street bridge. Belknap said the City is applying for a flood hazard mitigation grant to study that area and discussed extending the study downstream to campus but the timeframe doesn't match up with the anticipated development on the Spotswood/Troy Road parcels. McGeehan thought the phased approach made good sense. Bettge moved approval of an amount not to exceed \$1800 to study the Phase I examination of the floodplain. Smith seconded the motion which carried unanimously.

#### **5. Legacy Crossing Expansion Eligibility Study Update – Bill Belknap**

*As the Board is aware, the Agency's Strategic Plan identified as an action item the development of a district boundary amendment proposal and amendment process timeline to expand the District to include Main Street in the downtown area by June 1, 2018. Staff will provide an update to the Board on the status of this effort.*

**ACTIONS:** *Receive report and provide direction as deemed appropriate.*

The prior Legacy Crossing eligibility study is being updated for the proposed expansion area to reflect current conditions. The Public Works Department assessed public infrastructure (streets, curbing, sidewalks, water, storm water, sanitary sewer and street lighting) and Staff have determined that much of it is in significant deteriorating condition. Staff anticipate completing the eligibility study by February at which time the Board may forward the report and a resolution to City Council for its consideration. Following that the Legacy Crossing plan would be updated to include the expansion, the anticipated activities and the financial analysis. Sullivan asked how the recent Gritman work would fold in. Belknap said that was south of Eighth Street and their current building was already within the District. Belknap reminded Agency members the base value is not reset upon expansion of district plans established before 2016 (which includes Legacy Crossing). Members agreed that Main Street needs upgrades and were pleased to see the progress.

#### **6. Commissioner Weber Memorial Discussion – Bill Belknap**

*Commissioner John Weber passed away on November 8<sup>th</sup> after a courageous battle with cancer. John was a founder member of the Moscow Urban Renewal Agency appointed to the Board in June of 1996 and was an active member and proponent of the creation of the Alturas Technology Park as the Agency's first urban renewal project. In recognition of John's exceptional service to the Agency and Community, Staff is recommending that the Agency partner with the City on installation of a bench in Alturas Park in John's memory. Staff is seeking direction from the Board in this matter.*

**ACTIONS:** *Authorize a contribution in the amount of \$900 from the Alturas maintenance and repair fund, or other action as deemed appropriate.*

As a 40-year friend of Weber's, Mayor Lambert laughingly shared a recollection of when he expressed a commercial investment interest in some Alturas parcels and Weber lectured him that wasn't how urban renewal agencies worked. In seriousness, he wanted to note that Weber's dedication and commitment to the Agency shone through his years of service and betterment to the community. Bettge said Weber was always civically involved, loved Moscow, and devoted a lot of time through his years on Council and the URA, so he thought it highly appropriate there be a permanent remembrance. He moved approval of the \$900 expenditure, was seconded by Smith and the motion passed unanimously.

## **7. General Agency Updates – Bill Belknap**

- Legacy Crossing District
  - Following the Agency's approval of the Sangria DDA in October, Sangria's attorney had some questions which Belknap been working through. He will present a slightly modified DDA for the Agency's approval on January 4<sup>th</sup>.
  - Thompson Development's DEQ Phase I assessment on the Spotswood/Troy Road properties found nothing significant on the sites although it recommends a limited Phase II study around the sump and floor drain areas of the carwash to ensure connections to the sanitary system remain intact.
  - Continuing discussions on the Dumas Seed site include a partnership with another entity to preserve and repurpose the brick powerhouse. The rest of the site is anticipated to have 4-story, for-sale condo units and a commercial use in the powerhouse. Belknap expects the developer to request Agency assistance with the brownfield transition. He believes the plan is a good fit for the site.
- Alturas District
  - No update.
- General Agency Business
  - Belknap has been in conversation with the major property owners located in the potential South District and is giving them time to think over the tax consequences of being annexed. He will be back in touch with them after the holidays to further refine the proposed boundary.

The meeting adjourned at 7:46 AM.

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Steve McGeehan, Agency Chair

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Date



**Balance Sheet**  
**December 31, 2017**

	Total Funds
<b>ASSETS</b>	
Cash	11,820
Investments-LGIP	407,312
Investments-Zions Debt Reserve	44,318
Taxes Receivable	-
Accounts Receivable	
Land Held For Resale	531,256
Land	679,420
<b>Total Assets</b>	<b>1,674,125</b>
<b>LIABILITIES</b>	
Accounts Payable	
Deposits Payable	5,000
Series 2010 Bond - due within one year	28,000
Latah County payback agreement - due within one year	3,500
Series 2010 Bond - due after one year	319,000
Latah County payback agreement - due after one year	101,537
<b>Total Liabilities</b>	<b>457,037</b>
<b>FUND BALANCES</b>	
Net Assets Invest. Cap Assets	332,420
Restricted Fund Balance	43,999
Unrestricted Fund Balance	851,201
<b>Total Fund Balance</b>	<b>1,227,620</b>
<b>Retained Earnings:</b>	<b>-10,531</b>
<b>Total Fund Balance and Retained Earnings:</b>	<b>1,217,088</b>
<b>Total Liabilities, Fund Balance and Retained Earnings:</b>	<b>\$1,674,125</b>

# Checks by Date - Detail By Check Date

User: jmeekhof  
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## December 2017

				Check Amount
4519	UAVISTA	Avista	12/08/2017	
	Nov 2017	6th & Jackson Service		50.79
Total for Check Number 4513:				50.79
4520	UCITYMOS	City of Moscow	43077	
	Dec. 2017	Administrative Services- December 2017		3,978.42
	Nov. 2017	6th & Jackson Utilites- November 2017		199.35
Total for Check Number 4520:				4,177.77
4521	UELAMBUR	Elam & Burke	43077	
	170564	Sangria DOA Document Review		739.95
Total for Check Number 4521:				739.95
4522	UPALOCOM	Palouse Commerical	43077	
	5092021	Sangria Proforma Review		390.00
Total for Check Number 4522:				390.00
Total for 12/8/2017:				5,358.51
<b>Total Bills for December 2017:</b>				<b>5,358.51</b>

# Accounts Payable

## Checks for Approval

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Check	Check Date	Fund Name	Vendor	Void	Amount
4519	12/08/2017	Moscow Urban Renewal Agency	Avista		50.79
4520	12/08/2017	Moscow Urban Renewal Agency	City of Moscow		3,978.42
4520	12/08/2017	Moscow Urban Renewal Agency	City of Moscow		199.35
4521	12/08/2017	Moscow Urban Renewal Agency	Elam & Burke		739.95
4522	12/08/2017	Moscow Urban Renewal Agency	Palouse Commerical		<u>390.00</u>
Report Total:					<u><u>5,358.51</u></u>

Steve McGeehan, Chairperson

Accounts payable expenditures as contained herein were made in compliance with the duly adopted budget for the current fiscal year and according to Idaho law.

Bill Belknap, Executive Director

Gary J Riedner, Treasurer



# General Ledger

## Exp to Bud

User: jmeekhof

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Period 03 - 03

Fiscal Year 2018



Sort Level	Description	Budget	Period Amt	End Bal	Variance	Avail/Uncollect	% Expend/Collect
890	Moscow Urban Renewal Agency						
880	URA - General Agency						
890-880-10-642-00	Administrative Services	\$ 47,741.00	\$ 3,978.42	\$ 11,935.26	\$ 35,805.74	\$ 35,805.74	25.00%
890-880-10-642-10	Professional Services-Exec Dir	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
890-880-10-642-15	Professional Services-Other	\$ 6,000.00	\$ -	\$ 850.00	\$ 5,150.00	\$ 5,150.00	14.17%
890-880-10-642-20	Professional Services-Auditing	\$ 5,000.00	\$ -	\$ -	\$ 5,000.00	\$ 5,000.00	0.00%
890-880-10-642-30	Professional Services-Computer	\$ 1,000.00	\$ -	\$ -	\$ 1,000.00	\$ 1,000.00	0.00%
890-880-10-644-10	Marketing Expense-General	\$ 1,000.00	\$ -	\$ -	\$ 1,000.00	\$ 1,000.00	0.00%
890-880-10-668-10	Liability Insurance-General	\$ 1,650.00	\$ -	\$ 1,507.00	\$ 143.00	\$ 143.00	91.33%
E02	Contractual	\$ 62,391.00	\$ 3,978.42	\$ 14,292.26	\$ 48,098.74	\$ 48,098.74	22.91%
890-880-10-631-10	Postage Expense	\$ 100.00	\$ -	\$ -	\$ 100.00	\$ 100.00	0.00%
890-880-10-631-20	Printing and Binding	\$ 400.00	\$ -	\$ -	\$ 400.00	\$ 400.00	0.00%
890-880-10-644-15	Alturas Marketing/Maintenance	\$ 4,500.00	\$ -	\$ -	\$ 4,500.00	\$ 4,500.00	0.00%
890-880-10-647-10	Travel & Meetings-General	\$ 1,000.00	\$ -	\$ -	\$ 1,000.00	\$ 1,000.00	0.00%
890-880-10-649-10	Professional Development	\$ 1,000.00	\$ -	\$ -	\$ 1,000.00	\$ 1,000.00	0.00%
890-880-10-669-10	Misc. Expense-General	\$ 500.00	\$ -	\$ 23.62	\$ 476.38	\$ 476.38	4.72%
E03	Commodities	\$ 7,500.00	\$ -	\$ 23.62	\$ 7,476.38	\$ 7,476.38	0.31%
880	URA - General Agency	\$ 69,891.00	\$ 3,978.42	\$ 14,315.88	\$ 55,575.12	\$ 55,575.12	20.48%
890	Urban Renewal Agency						

890-890-10-642-10	Professional Services-Alturas	\$	-	\$	-	\$	-	\$	-	0.00%
890-890-10-642-12	Land Sale Expense-Alturas	\$	-	\$	-	\$	-	\$	-	0.00%
890-890-10-644-10	Marketing Expense-Alturas	\$	-	\$	-	\$	-	\$	-	0.00%
E02	Contractual	\$	-	\$	-	\$	-	\$	-	0.00%
890-890-10-647-10	Travel & Meetings-Alturas	\$	-	\$	-	\$	-	\$	-	0.00%
890-890-10-658-10	Repairs & Maintenance	\$	-	\$	-	\$	-	\$	-	0.00%
890-890-10-669-10	Misc. Expense-Alturas	\$	-	\$	-	\$	-	\$	-	0.00%
E03	Commodities	\$	-	\$	-	\$	-	\$	-	0.00%
890-890-10-770-73	Improvements-Alturas	\$	-	\$	-	\$	-	\$	-	0.00%
E04	Capital Outlay	\$	-	\$	-	\$	-	\$	-	0.00%
890-890-10-800-00	Termination Plan	\$	-	\$	-	\$	-	\$	-	0.00%
E20	Other Financing Uses	\$	-	\$	-	\$	-	\$	-	0.00%
890-890-10-699-74	Depreciation Expense	\$	-	\$	-	\$	-	\$	-	0.00%
890-890-10-699-99	Amortization Expense	\$	-	\$	-	\$	-	\$	-	0.00%
E81	Depreciation & Amortization	\$	-	\$	-	\$	-	\$	-	0.00%
890-890-10-900-01	Contingency - Alturas	\$	-	\$	-	\$	-	\$	-	0.00%
E90	Contingency	\$	-	\$	-	\$	-	\$	-	0.00%
890	Urban Renewal Agency	\$	-	\$	-	\$	-	\$	-	0.00%
895	URA - Legacy Crossing									
890-895-10-642-10	Professional Services-Legacy	\$	10,000.00	\$	1,129.95	\$	4,529.95	\$	5,470.05	45.30%
890-895-10-642-12	Land Sale Expense-Legacy	\$	-	\$	-	\$	-	\$	-	0.00%
890-895-10-644-10	Marketing Expense-Legacy	\$	2,000.00	\$	-	\$	-	\$	2,000.00	0.00%
E02	Contractual	\$	12,000.00	\$	1,129.95	\$	4,529.95	\$	7,470.05	37.75%
890-895-10-647-10	Travel & Meetings-Legacy	\$	1,000.00	\$	-	\$	-	\$	1,000.00	0.00%

890-895-10-652-10	Heat, Lights & Utilities	\$ 2,000.00	\$ 250.14	\$ 489.10	\$ 1,510.90	\$ 1,510.90	24.46%
890-895-10-658-10	Repairs & Maintenance	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
890-895-10-658-51	Development Participation	\$ -	\$ -	\$ 6,370.00	\$ (6,370.00)	\$ (6,370.00)	0.00%
890-895-10-669-10	Misc. Expense-Legacy	\$ 1,000.00	\$ -	\$ -	\$ 1,000.00	\$ 1,000.00	0.00%
890-895-10-675-00	Fiscal Agent Trustee fees	\$ 1,750.00	\$ -	\$ -	\$ 1,750.00	\$ 1,750.00	0.00%
890-895-10-676-15	Latah County Reimb. Agreement	\$ 3,500.00	\$ -	\$ -	\$ 3,500.00	\$ 3,500.00	0.00%
890-895-10-676-17	Jackson St Owner Part. Agr.	\$ 21,385.00	\$ -	\$ -	\$ 21,385.00	\$ 21,385.00	0.00%
890-895-10-676-20	Agreement Cost	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
E03	Commodities	\$ 30,635.00	\$ 250.14	\$ 6,859.10	\$ 23,775.90	\$ 23,775.90	22.39%
890-895-10-770-35	1% Public Art	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
890-895-10-770-71	Land-Legacy	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
890-895-10-770-73	Improvements-Legacy	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
890-895-10-770-97	Infrastructure Improvements	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
E04	Capital Outlay	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
890-895-10-676-10	Bond Issuance Cost	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
E05	Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
890-895-10-890-00	Transfer To: General Fund	\$ 65,391.00	\$ -	\$ -	\$ 65,391.00	\$ 65,391.00	0.00%
890-895-10-890-01	Transfer To: Capital Fund	\$ 232,310.00	\$ -	\$ -	\$ 232,310.00	\$ 232,310.00	0.00%
E10	Transfers To	\$ 297,701.00	\$ -	\$ -	\$ 297,701.00	\$ 297,701.00	0.00%
890-895-10-900-01	Contingency - Legacy	\$ 15,000.00	\$ -	\$ -	\$ 15,000.00	\$ 15,000.00	0.00%
E90	Contingency	\$ 15,000.00	\$ -	\$ -	\$ 15,000.00	\$ 15,000.00	0.00%
895	URA - Legacy Crossing	\$ 355,336.00	\$ 1,380.09	\$ 11,389.05	\$ 343,946.95	\$ 343,946.95	3.21%
899	Dept						
890-899-11-790-01	Bond Principal - Alturas	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
890-899-11-791-01	Bond Interest-Alturas	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
890-899-12-790-01	Bond Principal - Legacy	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%

890-899-12-791-01	Bond Interest - Legacy	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
E05	Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
890-899-10-990-00	Ending Fund Bal Unassigned	\$ 18,681.00	\$ -	\$ -	\$ 18,681.00	\$ 18,681.00	0.00%
890-899-10-990-01	Ending Fund Balance Alturas	\$ 26,400.00	\$ -	\$ -	\$ 26,400.00	\$ 26,400.00	0.00%
890-899-11-990-00	End Fund Bal Assigned-Alturas	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
890-899-11-990-01	End Fund Bal Res-Alturas	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
890-899-12-990-00	End Fund Bal Assigned-Legacy	\$ 55,443.00	\$ -	\$ -	\$ 55,443.00	\$ 55,443.00	0.00%
890-899-12-990-01	End Fund Bal Res-Legacy	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%
E95	Ending Fund Balance	\$ 100,524.00	\$ -	\$ -	\$ 100,524.00	\$ 100,524.00	0.00%
899	Dept	\$ 100,524.00	\$ -	\$ -	\$ 100,524.00	\$ 100,524.00	0.00%
890	Moscow Urban Renewal Agency	\$ 525,751.00	\$ 5,358.51	\$ 25,704.93	\$ 500,046.07	\$ 500,046.07	4.89%

# General Ledger Revenue Analysis

User: jmeekhof  
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Period 03 - 03  
Fiscal Year 2018

December 2017



Account Number	Description	Budgeted Revenue	Period Revenue	YTD Revenue	Variance	Uncollected Bal	% Avail/Uncollect	% Received
<b>890</b>	<b>Moscow Urban Renewal Agency</b>							
890-000-00-410-00	Property Taxes - Alturas	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	0.00%
890-000-00-410-01	Property Taxes - Legacy	\$ 228,980.00	\$ 9,287.15	\$ 14,192.33	\$ 214,787.67	\$ 214,787.67	93.80%	6.20%
890-000-00-431-11	EPA Clean-up Grant - Legacy	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	0.00%
890-000-00-471-00	Investment Earnings	\$ 1,000.00	\$ 0.23	\$ 981.27	\$ 18.73	\$ 18.73	1.87%	98.13%
890-000-00-478-10	Sale of Land - Alturas	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	0.00%
890-000-00-478-11	Sale of Land - Legacy	\$ -	\$ -	\$ -	\$ -	\$ -	0.00%	0.00%
<b>890</b>	<b>Moscow Urban Renewal Agency</b>	<b>\$ 229,980.00</b>	<b>\$ 9,287.38</b>	<b>\$ 15,173.60</b>	<b>\$ 214,806.40</b>	<b>\$ 214,806.40</b>	<b>93.40%</b>	<b>6.60%</b>
<b>Revenue Total</b>		<b>\$ 229,980.00</b>	<b>\$ 9,287.38</b>	<b>\$ 15,173.60</b>	<b>\$ 214,806.40</b>	<b>\$ 214,806.40</b>	<b>93.40%</b>	<b>6.60%</b>



## Cost Proposal

**Date:** 01/12/18

**Project:** Moscow URA - Paradise Creek LOMR 95 to Hwy 8

**Project Number:** 17837

**Client:** Moscow Urban Renewal Agency

**Project Manager:** Susan Firor

**Client Contact:** Bill Belknap

**Client Address:** 221 E Second Street

Moscow, ID 83843

**Phone:** 208-883-7011

Phase Description	Hours	Billing Rate	Contract Total
<b>Moscow URA - Paradise Creek LOMR 95 to Hwy 8</b>			
<b>Survey Planning</b>			
<b>Labor</b>			
Engineer II	3.00	88.80	\$266.40
Principal	5.00	198.53	\$992.65
Sr. Land Surveyor	2.00	122.34	\$244.68
		Labor total	<b>\$1,503.73</b>
		<b>Survey Planning total</b>	<b>\$1,503.73</b>
<b>Survey</b>			
<b>Labor</b>			
Engineer II	22.00	88.80	\$1,953.60
Facilities Tech	20.00	46.46	\$929.20
Principal	2.00	198.53	\$397.06
Sr. Land Surveyor	10.00	122.34	\$1,223.40
		Labor total	<b>\$4,503.26</b>
<b>Expense</b>			
Trimble RTK-GPS Base & Rover - daily rate	1.00	500.00	\$500.00
Mileage	250.00	0.58	\$144.45
		Expense total	<b>\$644.45</b>
		<b>Survey total</b>	<b>\$5,147.71</b>
<b>Modeling</b>			
<b>Labor</b>			
Engineer II	64.00	88.80	\$5,683.20
Intern	20.00	48.78	\$975.60
Principal	13.00	198.53	\$2,580.89
		Labor total	<b>\$9,239.69</b>
		<b>Modeling total</b>	<b>\$9,239.69</b>
<b>Total</b>			<b>\$15,891.13</b>



January 18, 2018

Honorable Mayor Bill Lambert  
206 E. Third Street  
Moscow, ID 83843

Dear Mayor Lambert,

The Moscow Urban Renewal Agency (MURA) is pleased to provide this letter of support and financial commitment for the City of Moscow Phase II Third Street/State Highway 8 Corridor Safety Improvements Local Highway Safety Improvement Project. The proposed project is located within the MURA's Legacy Crossing Urban Renewal District and is a much-needed safety improvement in an area that is highly utilized by motorists, pedestrians, and bicyclists.

The pedestrian walk improvements and additional lighting installation included within the Third Street/State Highway 8 Corridor Safety Improvements project will greatly increase the safety of all users and improve the visibility of pedestrians and bicyclists. The Third Street corridor is a critical link between downtown Moscow and the commercial and residential uses to the east and west. The subject portion of Third Street lies between residential areas to the north and West Park Elementary School and the University of Idaho to the south. Crossing Third Street presents a challenge to pedestrians seeking to travel back and forth to school, and the reduction of vehicular conflict points and the increased visibility of pedestrians to motorists is critical to their safety.

The MURA Board believes that this project is very important and would increase public safety, increase the condition of supporting public infrastructure, and support the continued economic growth and vibrancy of Moscow. These three elements are identified as goals and objectives within the Legacy Crossing District Plan. The Plan describes activities of the MURA including *"The elimination of deficiencies in the Legacy Crossing Project Area, including, but not limited to, deteriorating or deteriorated, or inadequate public improvements and facilities"* as well as *"...address public safety, traffic and connectivity issues in the Legacy Crossing Project Area with the City."* Further, under the Legacy Crossing Plan, *"The Agency is authorized to financially (and otherwise) assist any public entity in the cost of public land, buildings, facilities, structures, or other improvements within the Legacy Crossing Project Area."*

The MURA Board would be pleased to partner with the City and commit to contribute \$ 57,250 towards Phase 2 of this project to complete the total corridor improvements, thereby creating a safe cohesive corridor to blend with other prior improvements in the downtown corridor. The MURA Board fully supports this much-needed safety improvement and hopes its financial contribution will assist in bringing this project to fruition and to continue to support the social, cultural, and economic growth of Moscow and the Legacy Crossing District.

Sincerely,

\_\_\_\_\_, Chair  
Moscow Urban Renewal Agency

cc: Gary J. Riedner, City Supervisor

PO Box 9203  
221 E Second Street  
Moscow ID 83843  
P: 208-883-7011  
F: 208-883-7033  
[www.moscowura.com](http://www.moscowura.com)



700 S. Main  
Moscow, ID 83843-3046  
(208) 882-4511

January 12, 2018

Bill Belknap, Executive Director  
Moscow Urban Renewal Agency  
221 E. Second Street  
Moscow, ID 83843

Dear Bill,

As you may be aware, Gritman Medical Park L.L.C. has recently completed the construction of our recent medical office project located at 803 S. Main Street. In accordance with the Owner Participation Agreement (Agreement) between Gritman Medical Park L.L.C. and the Moscow Urban Renewal Agency, attached is the Certification of Costs detailing the actual expenses that Gritman Medical Park L.L.C. incurred in the construction of the public improvements that were completed in association with the project and addressed under the Agreement. Please advise if you require any additional materials to assist in your review and issuance of the verification of cost and associated limited promissory note.

Gritman Medical Park has been pleased with our collaborative partnership with the Moscow Urban Renewal Agency on this project and look forward to future opportunities to work together to serve and improve our community.

Best regards,

A handwritten signature in blue ink, appearing to read "Kara Besst", with a long horizontal flourish extending to the right.

Kara Besst, Manager  
Gritman Medical Park L.L.C.



Item#	Description	8th Street - Hwy 95	8th street - W of Main	HWY 95 Sidewalk to Crites	Total URA Responsibility	Unused	Final URA	Total Invoices Billed	Vendor
		URA Responsibility	URA Responsibility	URA Responsibility					
1023	Supervision	2,100	1,200	500	3,800	723	\$ 3,077	\$ 2,577	
1506	Barricades and safeguards	1,400	1,400	400	3,200	1,400	\$ 1,800	\$ 1,400	
1611	Water	40	40	40	120		\$ 120	\$ 80	
1618	Survey and Layout	4,800	1,750	2,150	8,700		\$ 8,700	\$ 6,550	Hodge & Assoc Invoices
1624	General& Final Cleanup	300	150	150	600		\$ 600	\$ 450	
2010	Excavation	62,222	46,800	9,850	118,872		\$ 118,872	\$ 109,022	Germer Construction Inc
2610	Concrete Paving	104,500	66,000		170,500		\$ 170,500		
2610	Concrete Sealing				-		\$ -		
	Dowels				-		\$ 10,500		
2611	Striping	6,660	6,888		13,548		\$ 13,548	\$ 13,548	Stripes-a-lot LLC
3000	Concrete curbs & sidewalk	13,980	13,800	11,750	39,530		\$ 39,530	\$ 208,781	Rauch Building Invoices
5702	Grates-material and labor	6,755			6,755		\$ 6,755		
16000	Electrical	87,819	6,300		94,119		\$ 94,119	\$ 94,119	Gropp Heating, Air and Electric, LLC
	Fiber (Gropp) (All fiber conduits and Vaults)	32,116			32,116		\$ 32,116	\$ 27,857	Gropp Heating, Air and Electric, LLC
	Landscaping (N. Country) (8 Trees @ \$400 each installed)	3,200			3,200	-	\$ 3,200	\$ 3,200	North Country Landscaping
1644	Insurance and bonds	6,000	6,000	1,407	13,407		\$ 13,407	\$ 12,000	
	Overhead & Profit	29,620	14,458	5,796	49,874		\$ 49,874	\$ 44,078	
	Fiber (Summit)	14,975			14,975		\$ 14,975	\$ 14,975	Summit
	Strata	1,957	4,940		6,897		\$ 6,696	\$ 6,696	Strata
	Hodge and Assoc	22,468	10,602		33,070		\$ 36,190	\$ 36,190	Hodge & Assoc Invoices
	Change order #1 (Additional catch basins and valve cluster tie in)	7,200			7,200		\$ 7,200	\$ 7,200	Germer Construction
	Change order #4 (Cover Excavation, geo grid, and base rock (Strata)	22,406			22,406		\$ 22,406	\$ 22,406	Germer Construction
	Change Order Sent 8/14/2017, Signage for Crites Sidewalk			4,451	4,451		\$ 4,451		
	Totals	436,518	185,328	39,493	661,339		\$ 658,635	\$ 611,129	

Sprenger Application for Payment  
Included on Rauch Building Invoices

10/1/2016 URS Str Sprenger Construction	619396	\$ 87,105.75
11/1/2016 URS Str Sprenger Construction	618138	\$ 123,742.00
12/1/2016 URS Str Sprenger Construction	618943	\$ 40,970.00
1/1/2017 URS Str Sprenger Construction	209699	\$ 71,012.00
2/1/2017 URS Str Sprenger Construction	209701	\$ 9,595.00
3/1/2017 URS Str Sprenger Construction	620582	\$ 59,814.00
4/1/2017 URS Str Sprenger Construction	621260	\$ 83,917.00
4/1/2017 URS Str Sprenger Construction	621753	\$ 22,406.00
5/1/2017 URS Str Sprenger Construction	622024	\$ 152,231.00
8/1/2017 URS Str Sprenger Construction	624644	\$ 20,834.00
Total		\$ 671,626.75

# APPLICATION FOR PAYMENT

CAP702

Page: 1 of 3

To:

Gritman - Main Street Repave  
Main Street  
Moscow, ID 83843

PROJECT:

MAIN STREET REPAVE  
Gritman - Main Street Repave  
Main Street  
Moscow ID 83843

From Contractor:

Sprenger Construction Company, Inc  
PO Box 9869  
Moscow, ID 83843

VIA ARCHITECT:

Jim Boudreau  
Eric Hedlund Design LLC  
754 4th Street  
Coeur d'Alene, ID 83814

CONTRACT FOR:

Application No.: Application Date: Period To: Contract Date:

9 AUG 31,2017 AUG 31,2017 SEP 1,2016

Project Nos:

Distribution List: ☐ Owner ☐ Construction Mgr  
☐ Architect ☐ Field  
☐ Contractor ☐ Other

## Contractor's Application for Payment

Application is made for payment as shown below, with attached Continuation Sheet.

1. Original Contract Amount: \$ 1,276,533.00
2. Net of Change Orders: \$ 47,359.40
3. Net Amount of Contract: \$ 1,323,892.40
4. Total Completed & Stored to Date: \$ 705,483.00
5. Retainage Summary:
  - a. 0.00 % of Completed Work \$ 0.00
  - b. 0.00 % of Stored Material \$ 0.00Total Retainage: \$ 0.00
6. Total Completed Less Retainage: \$ 705,483.00
7. Less Previous Applications: \$ 684,649.00

8. Current Payment Due, This Application: \$ 20,834.00

9. Contract Balance (Including Retainage): \$ 618,409.40

CHANGE ORDER Activity	Additions	Subtractions
Total previously approved:	71,294.40	-23,935.00
Total approved this Month:	0.00	0.00
Sub Totals:	71,294.40	-23,935.00
NET of Change Orders:	47,359.40	

## CONTRACTOR'S CERTIFICATION:

(Authorizing Signature)

*Rinda Sprenger*  
Sprenger Construction Company, Inc

Date: AUG 31,2017

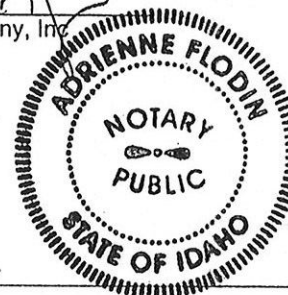
State Authorized: Idaho

County of: *Latah*

Subscribed and sworn to before  
me this *31* day of *August*

Notary Public: *[Signature]*

My Commission expires: *9-15-20*



## ARCHITECT'S CERTIFICATION:

AMOUNT CERTIFIED:

(Architects Signature)

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



# APPLICATION FOR PAYMENT - CONTINUATION SHEET

CAP703

Page 2 of 3 Pages

From:

Sprenger Construction Company, Inc  
PO Box 9869  
Moscow, ID 83843

To:

Gritman - Main Street Repave  
Main Street  
Moscow, ID 83843

Project:

MAIN STREET REPAVE  
Gritman - Main Street Repave  
Main Street  
Moscow ID 83843

Application No: 9

Application Date: 8/31/2017

Period To: 8/31/2017

Contract Date: 9/01/2016

Architects Project#:

A Item No	B Description of Work	C Contract Value	D Work Completed		F Materials Presently Stored (Not In D or E)	G Total Completed and Stored To Date (D+E+F)	% (G / C)	H Balance To Finish (C - G)	I Retainage (If Variable Rate)
			From Previous Application (D + E)	This Period					
1	Supervision	5,900.00	2,300.00	277.00	0.00	2,577.00	44	3,323.00	0.00
2	Barricades & Safeguards	4,600.00	1,400.00	0.00	0.00	1,400.00	30	3,200.00	0.00
3	Water	160.00	40.00	40.00	0.00	80.00	50	80.00	0.00
4	Survey & Layout	13,500.00	10,063.00	0.00	0.00	10,063.00	75	3,437.00	0.00
5	General & Final Cleanup	900.00	150.00	300.00	0.00	450.00	50	450.00	0.00
6	Excavation	274,728.00	111,912.00	3,738.00	0.00	115,650.00	42	159,078.00	0.00
7	Concrete Paving	297,000.00	170,500.00	0.00	0.00	170,500.00	57	126,500.00	0.00
8	Dowls	19,050.00	10,500.00	0.00	0.00	10,500.00	55	8,550.00	0.00
9	Striping	21,033.00	0.00	13,548.00	0.00	13,548.00	64	7,485.00	0.00
10	Concrete Curbs & Sidewalks	117,975.00	35,209.00	0.00	0.00	35,209.00	30	82,766.00	0.00
11	Grates-Material & Labor	17,370.00	0.00	0.00	0.00	0.00	0	17,370.00	0.00
12	Electrical	143,404.00	132,613.00	6,300.00	0.00	138,913.00	97	4,491.00	0.00
13	Fiber	45,876.00	17,564.00	18,019.00	0.00	35,583.00	78	10,293.00	0.00
14	Sitework -Germer	30,376.00	23,752.00	0.00	0.00	23,752.00	78	6,624.00	0.00
15	Landscape-N. Country	39,337.00	0.00	0.00	0.00	0.00	0	39,337.00	0.00
16	Water Line	83,782.00	34,158.00	34,158.00	0.00	0.00	0	83,782.00	0.00
17	City Pwr Supply Relocation	5,900.00	0.00	0.00	0.00	0.00	0	5,900.00	0.00
18	Gas Line-Germer	14,625.00	14,625.00	0.00	0.00	14,625.00	100	0.00	0.00
19	Gas Line - Avista	1,453.00	1,453.00	0.00	0.00	1,453.00	100	0.00	0.00
20	Contingency	20,000.00	0.00	0.00	0.00	0.00	0	20,000.00	0.00
21	Insurance	22,407.00	10,054.00	2,630.00	0.00	12,684.00	57	9,723.00	0.00
22	Overhead & Profit	89,157.00	37,062.00	10,140.00	0.00	47,202.00	53	41,955.00	0.00
23	Gritman Design on Grates	3,500.00	0.00	0.00	0.00	0.00	0	3,500.00	0.00
	Pattern Setup Fee								
24	MOB Parking Lot Sealing	4,500.00	0.00	0.00	0.00	0.00	0	4,500.00	0.00
		1,276,533.00	613,355.00	20,834.00	0.00	634,189.00	50	642,344.00	0.00

## Page 3 of 3 Pages

Application No: 9

MAIN STREET REPAVE  
Gritman - Main Street Repave  
Main Street  
Moscow ID. 83843

Architects Project#:

Software by: PEM Software Systems, Inc. 1-800-803-1315 Copyright 2015 ©

## LIMITED RECOURSE PROMISSORY NOTE

This Limited Recourse Promissory Note (the “Note”) is entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, 2018, between the MOSCOW URBAN RENEWAL AGENCY, a public body, corporate and politic, organized and existing under the Idaho Urban Renewal Law of 1965, Chapter 20, Title 50, Idaho Code, as amended (the “Law”) and the Local Economic Development Act, Chapter 29, Title 50, Idaho Code, as amended (the “Act”) (“Borrower”), and Gritman Medical Park LLC (“Lender”).

### WITNESSETH:

For One Dollar (\$1.00), and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Borrower and Lender hereby agree as follows:

**1. Definitions.** As used in this Note, the following terms shall have the indicated meanings:

- (a) “Agreement” means that Owner Participation Agreement between Borrower and Lender dated January 12<sup>th</sup>, 2018.
- (b) “Private Development” means the new development initiated and completed by Lender consisting of the land and improvements located at 803 S. Main Street, Moscow, Idaho as defined in the Agreement which generates additional assessed value and ad valorem taxes in excess of the base value, and for purposes of this Note is fifty percent (50%) of the revenue allocation (tax increment) funds actually received specifically from the land and improvements located at 803 S. Main Street, Moscow, Idaho.
- (c) “Resolution” means Resolution No. 2016-05, adopted by the Borrower on September 15, 2016, and as supplemented or restated, pursuant to which this Note was authorized.
- (d) “Revenue Allocation Area” means all taxable real and personal property within the Urban Renewal Project Area as described in the Urban Renewal Plan as adopted by the Moscow Urban Renewal Agency and approved by the Mayor and the City Council of the City of Moscow, Idaho.
- (e) “Urban Renewal Plan” shall mean that certain document entitled “Legacy Crossing Urban Renewal District Redevelopment Plan” adopted by the City pursuant to the Act and City Ordinance and as amended from time to time.
- (f) “Urban Renewal Project” means the Project improvements and other costs identified in the Urban Renewal Plan, including design, engineering, consulting, insurance, audit, planning, and administration costs of the Borrower.

**2. Promise to Pay.** Borrower promises to pay in lawful money of the United States of America, to the order of Lender, at such place as Lender may from time to time designate,

the principal sum not to exceed SIX HUNDRED THOUSAND DOLLARS (\$600,000.00), upon completion of the Project Improvements and Verification of Costs as defined in the executed Agreement, and continuing until December 31, 2032. The principal sum shall bear no interest.

In conjunction with its receipt of revenue allocation proceeds from the Private Development, the Agency agrees to make semi-annual payments of fifty percent (50%) of the tax revenue allocation proceeds from the Private Development as defined in subsection 1(b), commencing from the first date the Agency receives tax increment monies received specifically from the land and improvements located at 803 S. Main Street, Moscow, Idaho, until the principal amount of SIX HUNDRED THOUSAND DOLLARS (\$600,000.00), has been paid, or December 31, 2032, whichever occurs first. Agency shall have no obligation to make tax increment payments to the Participant for taxes collected and paid to Agency from the Private Development beyond the term described herein.

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

3. **Default.** Provided that Borrower has received revenue allocation proceeds from the Private Development sufficient to make semi-annual payments of fifty percent (50%) of the tax revenue allocation proceeds from the Private Development, if any payment required under this Note is not made when due and within forty-five (45) days after notice is given by Lender to Borrower that the same is due, the entire unpaid principal balance hereof, shall, at the option of the Lender, become due and payable without presentment, demand, protest, or further notice of any kind, all of which are hereby expressly waived by Borrower and all endorsers, guarantors, sureties, accommodation parties, and other persons at any time liable for all or any portion of the indebtedness evidenced hereby
4. **Limited Recourse, Collection of Revenue Allocation.** Notwithstanding anything contained in this Note to the contrary, the recourse of Lender for payment of any amounts due hereunder shall be limited solely to fifty (50%) of the revenue allocation proceeds, from the Private Development, as the same are generated from time to time for the period necessary to obtain full payment of all principal payable under this Note. As of December 31, 2032 (or earlier period if redeemed), and upon Borrower's performance of its obligations to receive and disburse revenue allocation generated during such periods to Lender, Lender's obligations under this Note shall cease, and said Note shall be deemed canceled and fully satisfied. In any event, Lender shall not be entitled to receive more than the outstanding principal balance of this Note. The Borrower's obligations hereunder are specifically limited to the obligations contained in Exhibit 1 attached hereto and incorporated herein by reference.
5. **Assignment of Revenue Allocation.** Borrower hereby absolutely, unconditionally, and irrevocably transfers, assigns, and sets over to Lender fifty percent (50%) of the tax revenue allocation proceeds from the Private Development for the term of this Note until such time as all such amounts due hereon are paid in full, or until December 31, 2032, whichever is earlier.

6. **Non-general Obligation.** As provided by Idaho Code Section 50-2910, the obligations of Borrower hereunder shall not constitute a general obligation or debt of the Borrower, the State of Idaho, or any of its political subdivision 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 monies deposited in the special fund or funds provided for herein and pledged hereby to the payment of principal on this Note.
7. **Miscellaneous.** Time is of the essence with respect to all obligations of the parties hereunder. The unenforceability or invalidity of any provisions hereof shall not affect the enforceability or validity of any other provisions hereof. The terms hereof shall bind and inure to the benefit of the parties hereto and their respective successors and assigns. This Note is delivered in Moscow, Idaho, and shall be governed by Idaho law.
8. **General Provisions.** Lender may delay or forego enforcing any of its rights or remedies under this Note without losing them. Borrower, to the extent allowed by law, waives presentment, demand for payment, protest, and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, Borrower shall not be released from liability.
9. **Subordination.** Lender specifically acknowledges, recognizes, and consents to the subordination of this Note to Agency's other obligations as listed herein:
- Legacy Crossing Bond Series 2010
  - Obligation to Latah County for Reimbursement of Tax Increment Revenues per the Release Settlement Agreement

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

BORROWER:  
MOSCOW URBAN RENEWAL AGENCY

By: \_\_\_\_\_  
\_\_\_\_\_, MURA Chair

ATTEST:

By: \_\_\_\_\_  
Anne Peterson, MURA Clerk

LENDER:  
GRITMAN MEDICAL PARK LLC

By: \_\_\_\_\_  
Kara Besst, Managing Member



## Exhibit 1 to the Promissory Note

### Description of Financing of Project Improvements

#### A. Obligation of the Agency to Pay Participant Revenue Allocation (Tax Increment) Proceeds

The Agency covenants and agrees to pay to the Participant a portion of the revenue allocation (tax increment) monies which the Agency shall actually receive specifically from the land and improvements located at 803 S. Main Street, Moscow, Idaho following the construction of the Project by the Participant according to the terms and conditions described herein. The revenue allocation proceeds are to be used to reimburse the Participant for the eligible costs of the Project, which the Participant has agreed to construct as described within this Agreement.

##### 1. Tax Increment Monies Are Sole Source of Agency Funding

Agency and Participant agree that the only source of monies available to Agency to pay the Participant herein described are the revenue allocation proceeds to be received by Agency from the Private Development within the Project Area based upon the value of the Private Development to be constructed by Participant. Only the revenue allocation proceeds from the Private Development Site shall be used to make the payments due under this provision of the Agreement. No payments shall be made by Agency to Participant from other revenue allocation proceeds which Agency may receive from time to time from other portions of the Project Area or other redevelopment project areas which have been or may hereinafter be established, designated, or adopted by Agency and City at some future time.

##### 2. Contingencies of Payment

Participant understands that Agency is entitled to receive revenue allocation proceeds pursuant to Idaho Code § 50-2908, which are to be paid to the Agency by Latah County. Participant understands that the revenue allocation proceeds shall become available to Agency only if and when the Private Development to be constructed by Participant on the Site is completed and has a current year assessed value which is greater than the assessed value of the Project Area “base year” established at the time the Urban Renewal Plan was adopted. Participant further understands that Agency is not a taxing agency under Idaho law, has no power to levy a property tax on real or personal property located within the Project Area, or to set a mill levy or rate of tax levy on real or personal property within the Site. Agency is entitled to receive tax increment funds from the Site for the period established by the Law, the Act, and the Urban Renewal Plan. Participant has investigated the provisions of Idaho laws governing the receipt of revenue allocation proceeds by Agency and assumes all risk that the anticipated revenue allocation proceeds derived from the Private Development to be constructed by Participant on the Site and in conformance with the Urban Renewal Plan will be paid to Agency and, if paid, that the amount of revenue allocation proceeds will be sufficient to repay the obligation of Agency to Participant according to the terms and conditions contained in this Agreement. Participant further assumes

the risk that no changes or amendments will be made in the provisions of the Law, the Act, or other tax statutes which would affect or impair either Agency's right or ability to receive the aforesaid revenue allocation proceeds and to pay the indebtedness created by execution of the Agreement, the length of time said monies can be received, or the percentage or the amount of the revenue allocation proceeds paid to or anticipated to be received by Agency based upon the current statutes.

3. Limitation on Making Payments

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

4. Percentage of Tax Increment Payment

Agency agrees to pay to Participant fifty percent (50%) of the revenue allocation proceeds received by Agency from the Private Development Site, which Agency receives as set forth in the Act, Agency adopted policy, or Urban Renewal Plan, commencing upon receipt of revenue allocation proceeds received by Agency from the Private Development Site, after the completion, acceptance, and verification of the of the Agency Funded Public Improvements, the Private Development, and fifty percent (50%) thereafter for a period through December 31, 2032, or until the principal amount is retired, whichever occurs first. Because of the limitation on available funds, no amortization schedule shall be prepared or used by the parties. Rather, Agency's obligation is to pay Participant fifty percent (50%) of the overall revenue allocation proceeds as actually received specifically from the Private Development Site, which Agency receives as set forth in the Act, Agency adopted policy, or the Urban Renewal Plan, for the time period specified or until the principal amount is paid, whichever occurs first. Agency's obligation to Participant shall only be to pay above-described percentages of the amounts of revenue allocation proceeds received by Agency, notwithstanding said amount may be reduced, curtailed, or limited in any way, and there shall be no interest, compounding of interest or amounts added to the principal in the event the revenue allocation proceeds are reduced, curtailed or limited in any way.

5. Time and Terms of Tax Increment Payments

a. For any funds to which Participant is entitled, the payments received each year by Agency from the ad valorem taxes paid by taxpayers to the County Treasurer on the Site shall be paid to Participant within thirty (30) days following receipt of said funds by Agency. Agency anticipates receipt of these funds in January and July of each year from the ad valorem taxes paid by property owners each year.

b. The Act, as amended, provides that Agency will be paid tax increment funds contingent on the amount of assessed value as determined by the Latah County Assessor each year

and the rate of tax levy or the percentage of assessment levied by each of the taxing agencies. Agency is not a guarantor of the assessment determination made by Latah County Assessor.

c. The revenue allocation proceeds resulting from the incremental increase in assessed value of the Site as a result of the construction of the Private Development on the Site by Participant (as determined from the assessment records of the Latah County Assessor and the payment records of the Latah County Treasurer) shall be paid to Participant if and only as they are paid to Agency by Latah County, the entity which has the legal responsibility to collect property taxes.

d. Agency agrees to make semi-annual payments of the revenue allocation proceeds, commencing from the first date Agency receives tax increment monies from the Site after completion of the components of the Agency Funded Improvements and the associated Private Development for which a Certificate of Completion has been issued for the period as described in the Agreement, or until the principal amount or the amount adjusted, has been paid; whichever occurs first. Agency shall have no obligation to make tax increment payments to Participant for taxes collected and paid to Agency beyond December 31, 2032.

e. The payments to Participant are secured solely by a pledge of Agency of the revenue allocation proceeds that are produced by the Private Development that are constructed on the Site by Participant, and Participant shall have no other recourse to Agency or City and no recourse whatever to any other party for payment.

#### 6. Interest & Fees

Agency shall pay no interest on Participant Advance and shall not be subject to any fees or charges resulting from any activity authorized in this Agreement.

#### 7. Default

As set forth in the Agreement, if the Participant defaults or breaches any of its obligations contained in the Agreement, and does not timely cure such default or breach as provided in the Agreement, or if Participant fails to obtain from the Agency a Certificate of Completion because the Private Development is not timely completed or is not completed according to the approved plans, the obligation to pay Participant the tax increment payment shall be voidable at the option of Agency until such time as the default is cured and/or the Certificate of Completion is issued. Notwithstanding the foregoing, if Participant is using its best efforts to cure any such delay or default and such delay or default is enforced beyond the Participant's control, then the obligation of Agency to pay the tax increment shall not be voidable for so long as Participant is using its best efforts to cure such default or delay.