



Meeting Agenda: Thursday, September 6, 2018, 7:00

City of Moscow Council Chambers • 206 E 3rd 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 August 2, 2018
 - B. July 2018 Financials
 - C. July 2018 Payables

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

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

3. **Sixth and Jackson RFP Report – Bill Belknap**

Beginning on June 9th, the Agency published a Request for Proposals (RFP) for the disposition and development of the remnant portions of the Sixth and Jackson property. Proposals were due by August 10th and the Agency received one proposal from Mr. Rusty Olps. After meeting with Mr. Olps to discuss his proposal, Mr. Olps chose to withdraw his proposal. As a result, staff is recommending that the Agency re-advertise the RFP beginning on September 8th with a proposal due date of November 16th.

ACTION: Authorize the re-advertisement of the RFP; or take such other action deemed appropriate.

4. **Amendment to the Schedule of Performance for the Needham Exclusive Negotiation Agreement – Bill Belknap**

On July 19th, 2018 the Board approved an Exclusive Negotiation Agreement (ENA) with Shane and Janet Needham for the disposition and development of Lots 2 and 3, Block 1, Alturas Business Park Phase II. Mr. Needham has reported that due to the unavailability of local design professionals, he will not be able to meet the schedule of performance requirement of the ENA and submit his development plans to the Agency by November 15th. Mr. Needham has requested to amend the schedule of performance to shift the schedule back by 60 days. The proposed First Amended ENA is attached for the Board's review and approval.

ACTION: Approve the proposed First Amended ENA schedule of performance; or take such other action deemed appropriate.

5. **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 TIDD 883-7019, as soon as possible so that arrangements may be made.



Meeting Minutes: August 2, 2018, 7:00 a.m.

City of Moscow Council Chambers • 206 E 3rd Street • Moscow, ID 83843

| Commissioners Present | Commissioners Absent | Also in Attendance |
|-----------------------------|----------------------|---------------------------------------|
| Brandy Sullivan, Vice Chair | Trent Bice | Bill Belknap, MURA Executive Director |
| Art Bettge | Steve McGeehan | Anne Peterson, MURA Clerk |
| Steve Drown | Ron Smith | Brittany Gunderson, Treasurer |
| Dave McGraw | | |

Vice Chair Sullivan 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 July 19, 2018

Bettge moved approval, seconded by McGraw. Motion carried.

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

Victoria Seever voiced a concern regarding the empty triangle lot between the Gritman parking lot and the Identity building. She requested the Board and/or City make efforts to prevent this area from becoming a de facto overflow parking lot since the Identity project has minimal parking. Agency members had a few questions and Belknap said Gritman owns the property and is taking steps to prohibit parking there.

- 3. Public Hearing: Proposed FY 2019 Agency Budget Approval – Bill Belknap**

Staff has prepared the draft FY2019 budget document that includes anticipated Agency revenues and expenditures for the upcoming FY2019 fiscal year. The draft budget was reviewed by the Finance Committee on May 21, 2018 and by the Agency Board on May 26th and both bodies recommended forward the budget to public hearing. In accordance with State Law, the Agency is required to conduct a public hearing upon the annual appropriations budget to allow for public comment and testimony.

Belknap provided an overview of the proposed budget and noted that it includes the recent agreement to sell two Alturas lots to the Needhams. Increment within Legacy is expected to grow as recently completed projects begin to hit the tax roles. Revenues are budgeted to be receipted for the sale of the 6th & Jackson property under the current RFP and to retire the bond principal and construct Hello Walk. Belknap noted that this is a more conservative budget since a low fund balance is anticipated this budget year.

Public hearing opened at 7:20am. Victoria Seever, 121 N Lilly, presented the attached testimony. Public hearing closed at 7:25am.

Drown moved adoption of the FY2019 budget and corresponding resolution. Bettge seconded the motion. Drown commented on the opportunity to look at design quality can integrate artwork in the design work, such as tree grates that can commemorate history. Sullivan said the uncertain item that stood out to her in the budget is the 6th & Jackson sale. Belknap agreed the budget shows the worst-case scenario. The motion carried unanimously.

4. Agency Policy Manual Adoption – Bill Belknap

Over the course of the last several months, Staff has been working to develop an Agency Policy manual to establish policy and guidance with regard to the administrative, financial and development participation activities of the Agency. The Board reviewed sections of the document during the Board's meetings on June 26th and July 19th and it presenting the final draft document for potential adoption by the Board. Many of the policies formalize the Agency's historical practices while others provide new guidance and direction to ensure consistency and predictability of the activities of the Agency.

Belknap said this will be a living policy document that will provide helpful guidance to the Agency's activities. Board members had no questions. Drown complimented staff for creating a document that strongly reflects the Agency's mission. Bettge moved approval, seconded by McGraw, and the motion carried unanimously.

5. General Agency Updates – Bill Belknap

None.

The meeting adjourned at 7:37 AM.

Steve McGeehan, Agency Chair

Date



Balance Sheet
July 31, 2018

ASSETS

| | |
|--------------------------------|---------------------|
| Cash | 10,284 |
| Investments-LGIP | 433,278 |
| Investments-Zions Debt Reserve | 44,361 |
| Other assets | 5,260 |
| Land Held For Resale | 531,256 |
| Land | 679,420 |
| Total Assets | <u>\$ 1,703,859</u> |

LIABILITIES

| | |
|--|----------------|
| Deposit 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 |
| Total Liabilities | <u>457,037</u> |

FUND BALANCES

| | |
|-------------------------------|------------------|
| Net Assets Invest. Cap Assets | 332,420 |
| Restricted Fund Balance | 44,312 |
| Unrestricted Fund Balance | 858,616 |
| Total Fund Balance | <u>1,235,348</u> |

Retained Earnings: 11,474

Total Fund Balance and Retained Earnings: 1,246,822

Total Liabilities, Fund Balance and Retained Earnings: \$ 1,703,859

July-18
Checks by Date



| Check Number | Vendor | Description | Check Date | Check Amount |
|------------------------------|---|---|------------|-----------------------------|
| 4562 | UROSAUER 10-1626307 | Rosauers Meeting Materials | 7/12/2018 | 6.44 |
| Total for Check Number 4562: | | | | 6.44 |
| 4563 | UALTASCI A1457 | Uta Science & Engineering 6th and Jackson Well Sampling | 7/13/2018 | 1,789.64 |
| Total for Check Number 4563: | | | | 1,789.64 |
| 4564 | UAVISTA June 2018 | Avista 6th & Jackson Service | 7/13/2018 | 46.81 |
| Total for Check Number 4564: | | | | 46.81 |
| 4565 | UCITYMOS 6/12/2018 July 2018 June 2018 | City of Moscow Snow Removal 6th & Jackson City Admin Svcs - July 2018 City Utilities - June 2018 | 7/13/2018 | 57.75 3,978.42 204.25 |
| Total for Check Number 4565: | | | | 4,240.42 |
| 4566 | HODGEASSOC 4084-06-18 | Hodge & Associates Inc Engineering Drawing of Hello Walk - 6th & Jackson | 7/13/2018 | 480.00 |
| Total for Check Number 4566: | | | | 480.00 |
| 4567 | UAVISTA | Inland Cellular | 7/13/2018 | |

July-18
Checks by Date



| Check Number | Vendor | Description | Check Date | Check Amount |
|-----------------------------------|----------|---|------------|---------------------------|
| | 0003611 | Annual Web Hosting | | 300.00 |
| Total for Check Number 4567: | | | | <u>300.00</u> |
| 4568 | UMOSPULD | News Review Publishing Co. | 7/13/2018 | |
| | 144472 | RFP Notices for Alturas & 6th & Jackson Published 6/9,6/16,6/23 | | 128.70 |
| | 144474 | RFP Notices for Alturas & 6th & Jackson Published 6/9,6/16,6/23 | | 201.62 |
| Total for Check Number 4568: | | | | <u>330.32</u> |
| Total bills for July 2018: | | | | <u>\$ 7,193.63</u> |

July-18

Accounts Payable Checks for Approval



| Check | Check Date | Fund Name | Vendor | Void | Amount |
|-------|------------|-----------------------------|----------------------------|------|---------------|
| 4563 | 07/12/2018 | Moscow Urban Renewal Agency | Rosauers | | 6.44 |
| 4563 | 07/13/2018 | Moscow Urban Renewal Agency | Alta Science & Engineering | | 1,789.64 |
| 4564 | 07/13/2018 | Moscow Urban Renewal Agency | Avista | | 46.81 |
| 4565 | 07/13/2018 | Moscow Urban Renewal Agency | City of Moscow | | 57.75 |
| 4565 | 07/13/2018 | Moscow Urban Renewal Agency | City of Moscow | | 3,978.42 |
| 4565 | 07/13/2018 | Moscow Urban Renewal Agency | City of Moscow | | 204.25 |
| 4566 | 07/13/2018 | Moscow Urban Renewal Agency | Hodge & Associates Inc | | 480.00 |
| 4567 | 07/13/2018 | Moscow Urban Renewal Agency | Inland Cellular | | 300.00 |
| 4568 | 07/13/2018 | Moscow Urban Renewal Agency | News Review Publishing Co. | | 128.70 |
| 4568 | 07/13/2018 | Moscow Urban Renewal Agency | News Review Publishing Co. | | <u>201.62</u> |

Report Total: 0.00 7,193.63

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

Brittany Gunderson, Treasurer

General Ledger
Revenue Analysis

July 2018



| Account Number | Description | Budgeted Revenue | Period Revenue | YTD Revenue | Variance | Uncollected Bal | % Avail/Uncollec | % Received |
|----------------------|------------------------------------|----------------------|---------------------|----------------------|--------------------|--------------------|------------------|---------------|
| 890 | Moscow Urban Renewal Agency | | | | | | | |
| 890-000-00-410-00 | Property Taxes - Alturas | \$ - | \$ - | \$ - | \$ - | \$ - | 0.00% | 0.00% |
| 890-000-00-410-01 | Property Taxes - Legacy | \$ 228,980.00 | \$ 80,753.50 | \$ 215,986.97 | \$ 12,993.03 | \$ 12,993.03 | 5.67% | 94.33% |
| 890-000-00-431-11 | EPA Clean-up Grant - Legacy | \$ - | \$ - | \$ - | \$ - | \$ - | 0.00% | 0.00% |
| 890-000-00-471-00 | Investment Earnings | \$ 1,000.00 | \$ 545.33 | \$ 4,955.90 | \$ (3,955.90) | \$ (3,955.90) | -395.59% | 495.59% |
| 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% |
| 890 | Moscow Urban Renewal Agency | \$ 229,980.00 | \$ 81,298.83 | \$ 220,942.87 | \$ 9,037.13 | \$ 9,037.13 | 3.93% | 96.07% |
| Revenue Total | | \$ 229,980.00 | \$ 81,298.83 | \$ 220,942.87 | \$ 9,037.13 | \$ 9,037.13 | 3.93% | 96.07% |

General Ledger

Expense vs. Budget

July-18



| 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 | \$ 39,784.20 | \$ 7,956.80 | \$ 7,956.80 | 83.33% |
| 890-880-10-642-10 | Professional Services-Exec Dir | \$ - | \$ - | \$ - | \$ - | \$ - | 0.00% |
| 890-880-10-642-15 | Professional Services-Other | \$ 6,000.00 | \$ - | \$ 2,350.00 | \$ 3,650.00 | \$ 3,650.00 | 39.17% |
| 890-880-10-642-20 | Professional Services-Auditing | \$ 5,000.00 | \$ - | \$ 4,800.00 | \$ 200.00 | \$ 200.00 | 96.00% |
| 890-880-10-642-30 | Professional Services-Computer | \$ 1,000.00 | \$ 300.00 | \$ 300.00 | \$ 700.00 | \$ 700.00 | 30.00% |
| 890-880-10-644-10 | Marketing Expense-General | \$ 1,000.00 | \$ 330.32 | \$ 387.32 | \$ 612.68 | \$ 612.68 | 38.73% |
| 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 | \$ 4,608.74 | \$ 49,128.52 | \$ 13,262.48 | \$ 13,262.48 | 78.74% |
| 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 | \$ - | \$ 1,380.00 | \$ 3,120.00 | \$ 3,120.00 | 30.67% |
| 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 | \$ 6.44 | \$ 107.41 | \$ 392.59 | \$ 392.59 | 21.48% |
| E03 | Commodities | \$ 7,500.00 | \$ 6.44 | \$ 1,487.41 | \$ 6,012.59 | \$ 6,012.59 | 19.83% |
| 880 | URA - General Agency | \$ 69,891.00 | \$ 4,615.18 | \$ 50,615.93 | \$ 19,275.07 | \$ 19,275.07 | 72.42% |

General Ledger

Expense vs. Budget

July-18



| Sort Level | Description | Budget | Period Amt | End Bal | Variance | Avail/Uncollect | % Expend/Collect |
|-------------------|-------------------------------|--------|------------|---------|----------|-----------------|------------------|
| 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% |

General Ledger

Expense vs. Budget

July-18



| Sort Level | Description | Budget | Period Amt | End Bal | Variance | Avail/Uncollect | % Expend/Collect |
|-------------------|--------------------------------|--------------|------------|--------------|----------------|-----------------|------------------|
| 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 | \$ 930.00 | \$ 23,292.16 | \$ (13,292.16) | \$ (13,292.16) | 232.92% |
| 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 | \$ 2,000.00 | 0.00% |
| E02 | Contractual | \$ 12,000.00 | \$ 930.00 | \$ 23,292.16 | \$ (11,292.16) | \$ (11,292.16) | 194.10% |
| 890-895-10-647-10 | Travel & Meetings-Legacy | \$ 1,000.00 | \$ - | \$ - | \$ 1,000.00 | \$ 1,000.00 | 0.00% |
| 890-895-10-652-10 | Heat, Lights & Utilities | \$ 2,000.00 | \$ 308.81 | \$ 2,260.84 | \$ (260.84) | \$ (260.84) | 113.04% |
| 890-895-10-658-10 | Repairs & Maintenance | \$ - | \$ - | \$ - | \$ - | \$ - | 0.00% |
| 890-895-10-658-51 | Development Participation | \$ - | \$ - | \$ 63,753.63 | \$ (63,753.63) | \$ (63,753.63) | 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 | \$ - | \$ - | 100.00% |
| 890-895-10-676-17 | Owner Participation Agreements | \$ 21,385.00 | \$ - | \$ 59,522.78 | \$ (38,137.78) | \$ (38,137.78) | 278.34% |

General Ledger

Expense vs. Budget

July-18



| Sort Level | Description | Budget | Period Amt | End Bal | Variance | Avail/Uncollect | % Expend/Collect |
|-------------------|-----------------------------|---------------|------------|---------------|----------------|-----------------|------------------|
| E03 | Commodities | \$ 30,635.00 | \$ 308.81 | \$ 129,037.25 | \$ (98,402.25) | \$ (98,402.25) | 421.21% |
| 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% |

General Ledger

Expense vs. Budget

July-18



| Sort Level | Description | Budget | Period Amt | End Bal | Variance | Avail/Uncollect | % Expend/Collect |
|-------------------|-------------------------------|---------------|-------------|---------------|---------------|-----------------|------------------|
| 895 | URA - Legacy Crossing | \$ 355,336.00 | \$ 1,238.81 | \$ 152,329.41 | \$ 203,006.59 | \$ 203,006.59 | 42.87% |
| 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 | \$ - | \$ - | \$ 6,504.54 | \$ (6,504.54) | \$ (6,504.54) | 0.00% |
| E05 | Debt Service | \$ - | \$ - | \$ 6,504.54 | \$ (6,504.54) | \$ (6,504.54) | 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 | \$ - | \$ 6,504.54 | \$ 94,019.46 | \$ 94,019.46 | 6.47% |
| 890 | Moscow Urban Renewal Agency | \$ 525,751.00 | \$ 5,853.99 | \$ 209,449.88 | \$ 316,301.12 | \$ 316,301.12 | 39.84% |

Rusty Olps and Austin Storm

931 Harold St. • Moscow, ID 83843 • Phone: 208.301.4029
E-Mail: rdolpsjr@gmail.com

Date: August 21, 2018

“Moscow Flatirons” Mixed Use Development Proposal WITHDRAWAL

Dear MURA Board and Mr. Belknap:

We have decided to withdraw our project proposal in the interest of developing a new proposal, which takes into consideration the technical concerns raised in our initial meeting with the city following our submittal.

Sincerely,

Rusty Olps and Austin Storm

Rusty Olps and Austin Storm

931 Harold St. • Moscow, ID 83843 • Phone: 208.301.4029
E-Mail: rdolpsjr@gmail.com

Date: August 10, 2018

“Moscow Flatirons” Mixed Use Development Proposal

Dear MURA Board and Mr. Belknap:

Co-developers R.D. “Rusty” Olps and Austin Storm are pleased to reveal the “Moscow Flatirons” development proposal. We anticipate you will find the proposal historically sensitive, responsible, sustainable and creative. We are thrilled about the prospect of making this project a reality within the next two years, city allowing, and we humbly invite your constructive feedback regarding this proposal.

By way of introduction, Mr. Storm and Mr. Olps have been privileged to work with the City of Moscow on a number of development projects over the last few years. These projects include The Anchor on Main (with tenants Lodgepole and Humble Burger) under Mr. Storm’s leadership, and a number of Almon and Asbury infill residential projects under the leadership of Mr. Olps as both a developer and a builder. Our business enterprises have also included Hansel and Gretel, Acadia Property Management, The Storm Cellar, ConsignCloud, Bully for You (in Colfax) and over \$5,000,000 in income producing real estate acquisitions in the last four years alone.

This pace of development has required the participation of many local investors composing various teams under the corporate identities of Henry’s Creek, LLC, Jerry’s Crossing LLC, 515 Almon LLC, Appaloosa LLC, Jackson Street, LLC, and The Anchor on Main, LLC. Each of these enterprises implies the eager participation of several investors, all local, whose names can be disclosed upon request. However, I will mention Mr. Timothy van den Broek as an interested investor. Mr. van den Broek is a current real estate partner and tech and real estate investor who is also the CFO of local economic modeling firm, EMSI.

The Storm Cellar will be our retail anchor, fronting 6th St. The Storm Cellar is a hugely successful business in need of additional space. The store’s upscale, hip consignment retail has always been popular among locals and students. The Storm Cellar’s established market and reliability make it essential to this proposal’s value. Both the Storm Cellar, on the north side of Hello Walk, and the offices on the south side of the walk will be condominiums, owner occupied and managed.

The residential component provides added stability and mixed use diversification for the entire project by creating highly desirable downtown apartments in one of the best locations in Moscow for downtown and campus life. A “warehouse” aesthetic is the current theme for design. Elements of this design include smooth stucco siding treatments, large paned windows, wood flooring, industrial style lighting, and rustic modern kitchens and baths. The design integrates a wide birth for the Hello Walk, and adequate parking for downtown apartment expectations. The Flatirons will be constructed with Insulated Concrete Forms (ICF) which will make it one of the greenest buildings in the region.

We are willing and able to execute a Disposition and Development Agreement upon selection.

Sincerely,

Rusty Olps and Austin Storm

| Property Description | # of Units | Approx. Square Feet | Current Rent | Year 2 Proforma Rents | 3 | 4 | 5 |
|--|------------|---------------------|-----------------------------------|-----------------------|------------------|----------------------------|------------------|
| Apartments | 72 | 36000 | \$46,800 | \$47,268 | \$47,741 | \$48,218 | \$48,700 |
| Commercial (condo), Excluded, Owner Occupied | 0 | 0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Totals | 72 | 36000 | \$46,800 | \$47,268 | \$47,741 | \$48,218 | \$48,700 |
| after vacancy | | | \$45,396 | \$45,850 | \$46,308 | \$46,772 | \$47,239 |
| Income Summary | | | Current income | Year 2 Proforma | 3 | 4 | 5 |
| Gross Annual Income | | | \$561,600 | \$567,216 | \$572,888 | \$578,617 | \$584,403 |
| Less % Vacancy | | | 3% | 3% | 3% | 3% | 3% |
| Less \$ Vacancy | | | -\$16,848 | -\$17,016 | -\$17,187 | -\$17,358.51 | -\$17,532 |
| Utility Billback | | | \$43,200 | \$47,736 | \$48,213 | \$48,695 | \$49,182 |
| Vending Income | | | \$0 | \$0 | \$0 | \$0 | \$0 |
| Other Income & Late Charge | | | \$0 | \$0 | \$0 | \$0 | \$0 |
| Effective Gross Income (EGI) | | | \$587,952 | \$597,936 | \$603,915 | \$609,954 | \$616,054 |
| Expenses | est. | Source | Current Expenses | Year 2 Proforma | 3 | 4 | 5 |
| Real Estate Taxes | 5% | est. | \$29,397.60 | \$29,986 | \$30,585 | \$31,197 | \$31,821 |
| Insurance | 5% | est. | \$29,398 | \$29,986 | \$30,585 | \$31,197 | \$31,821 |
| Maintenance / Repairs - (misc) | 8% | est. | \$47,036 | \$47,977 | \$48,936 | \$49,915 | \$50,913 |
| Property Management | 10% | est. | \$58,795 | \$59,971 | \$61,171 | \$62,394 | \$63,642 |
| Water/Sewer/Garbage | 12% | est. | \$70,554.24 | \$71,965 | \$73,405 | \$74,873 | \$76,370 |
| Total Expenses | 40.00% | | \$235,181 | \$239,884 | \$244,682 | \$249,576 | \$254,567 |
| Proposed Financing Terms and Loan | | | Acquisition and Construction Loan | | | | |
| Purchase Price | | | | \$4,550,125 | \$50,000 | Land | |
| Loan to Value Ratio based on Purchase Price | | | | 75% | \$125.00 | Construction cost per foot | |
| Amortization (years) | | | | 25 | | | |
| Interest Rate | | | | 6.00% | | | |
| Down Payment | | | | \$1,137,531 | | | |
| Loan Amount | | | | \$3,412,594 | | | |
| Annual % Expense Increase | 102% | | | | | | |
| Summary Without Capital Improvements | | | Year 1 | Year 2 | 3 | 4 | 5 |
| Net Operating Income (NOI) | | | \$352,771 | \$358,051 | \$359,233 | \$360,378 | \$361,486 |
| Projected Debt Service- Acquisition and Construction | | | -\$263,849 | -\$263,849 | -\$263,849 | -\$263,849 | -\$263,849 |
| Before Tax Cash Flow (Annual) | | | \$88,923 | \$94,202 | \$95,384 | \$96,530 | \$97,638 |
| Cap Rate | | | 7.75% | 7.87% | 7.90% | 7.92% | 7.94% |

RELEASE, WAIVER AND INDEMNITY AGREEMENT

The undersigned has read and fully accepts the discretion and non-liability of Urban Renewal Agency of Moscow, Idaho (MURA), City of Moscow, Idaho (hereinafter "City") as stipulated herein.

A. Discretion of City and MURA

MURA reserves the right in its sole discretion and judgment for whatever reasons it deems appropriate to, at any time:

1. Modify or suspend any and all aspects of the process for the Request for Proposals (hereinafter "RFP") seeking interested developers for the two (2) undeveloped parcels (Parcels) located at the southwest corner of the intersection of Sixth Street and Jackson Street in Moscow, Idaho, pursuant to the Legacy Crossing Urban Renewal District Redevelopment Plan of June 2, 2008 (hereinafter "Project")
2. Obtain further information from any person, entity, or group, including, but not limited to, any person, entity, or group responding to MURA's RFP (any such person, entity, or group so responding is, for convenience, hereinafter referred to as "Developer"), and to ascertain the depth of Developer's capability and desire to purchase and/or lease and develop the property expeditiously, and in any and all other respects, to meet with and consult with any or any other person, entity, or group;
3. Waive any formalities or defects as to form, procedure, or content with respect to its RFP and any responses by any Developer thereto, herein referred to as Submissions of Interest ("SOI");
4. Accept or reject any proposal or statement of interest received in response to the RFP including any proposal or statement of interest submitted by the undersigned, or select one Developer over another; and
5. Accept or reject all or any part of any materials, drawings, plans, implementation programs, schedules, phasings, and proposals or statements, including, but not limited to, the nature and type of development.

B. Non-Liability of City and MURA

The undersigned agrees: (1) that neither City nor MURA shall have any liability whatsoever of any kind or character, directly or indirectly, by reason of all or any of the following; and (2) that the undersigned has not and shall not obtain at any time, whether before or after acceptance or rejection of any statement of interest or proposal, any claim or claims against City, MURA, or any of them, or against City property (all as hereinafter defined) or MURA, directly or indirectly, by reason of all or any of the following:

1. Any aspect of the RFP, including any information or material set forth therein or referred to therein;
2. Any modification or suspension of the RFP for informalities or defects therein;
3. Any modification of or criteria or selection or defects in the selection procedure of any act or omission of MURA with respect thereto, including, but not limited to, obtaining information from any Developer contacts or consultations with Developers who have submitted statements of interest or proposals as to any matters or any release or dissemination of any information submitted to MURA;
4. The rejection of any statement of interest or proposal, including any statement of interest or proposal by the undersigned, or the selection of one Developer over another;
5. The acceptance by MURA of any statement of interest or proposal;
6. Entering into and thereafter engaging in exclusive negotiations;
7. The expiration of exclusive negotiations;
8. Entering into any development agreement, other agreement or lease, relating to the statement of interest or proposal, or as a result thereof;
9. Any statement, representations, acts, or omissions of MURA in connection with all or any of the foregoing;
10. The exercise of MURA discretion and judgment set forth herein or with respect to all or any of the foregoing; and
11. Any and all other matters arising out of or directly or indirectly connected with all or any of the foregoing.

The undersigned further, by its execution of this Release, expressly and absolutely waives any and all claim or claims against MURA and MURA property, or City and City property, directly or indirectly, arising out of or in any way connected with all or any of the foregoing.

For purposes of this section, the terms "MURA," and "City" include their respective commissioners, appointed and elected officials, members, officers, employees, agents, selection committee, volunteers, successors, and assigns; the terms "MURA property," or "City property" include property which is the subject of the RFP and all other property of MURA and City, real, personal, or of any other kind or character; the terms "claim or claims" include any and all protests, rights, remedies, interest, objections, claims, demands, actions, or causes of actions, of every kind or character whatsoever, in law or equity, for money or otherwise including, but not limited to, claims for injury, loss, expense, or damage, claims to property, real or personal, or rights or interests therein, and claims to contract or development rights or development interests of any kind or character, in any MURA and/or City property, or claims which might be asserted against to cloud title to MURA or City property. The words "Developer or Developers" shall include any person, entity, or group responding to MURA's RFP.

C. Hold Harmless and Indemnity

The undersigned shall defend, hold harmless, and indemnify MURA and City, and each of them, from and against any and all claims, directly or indirectly, arising out of the Undersigned's responses to the RFP, including, but not limited to, claims, if any, made by Undersigned or by anyone connected or associated with Undersigned or by anyone claiming directly or indirectly through Undersigned.

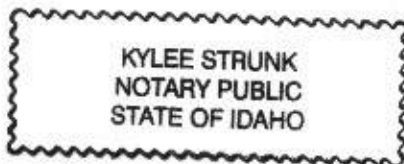
[Signature]
Interested Developer

Date: 8/10/18

ACKNOWLEDGMENT

STATE OF IDAHO)
) ss.
COUNTY OF LATAH)

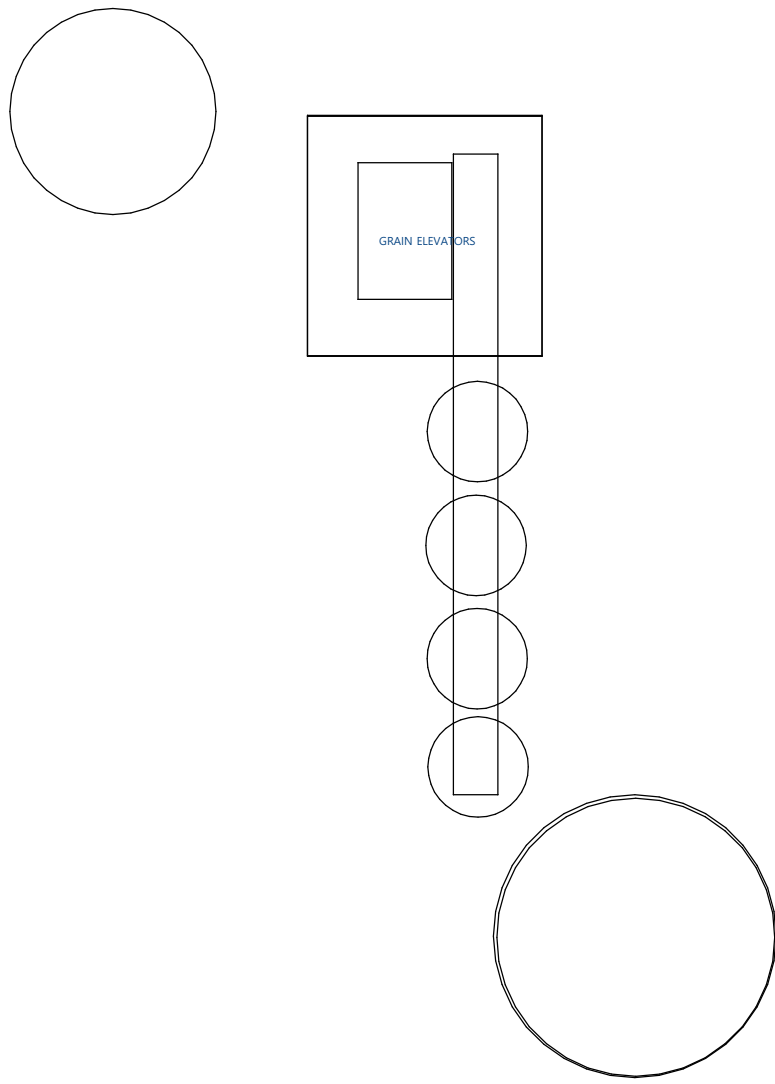
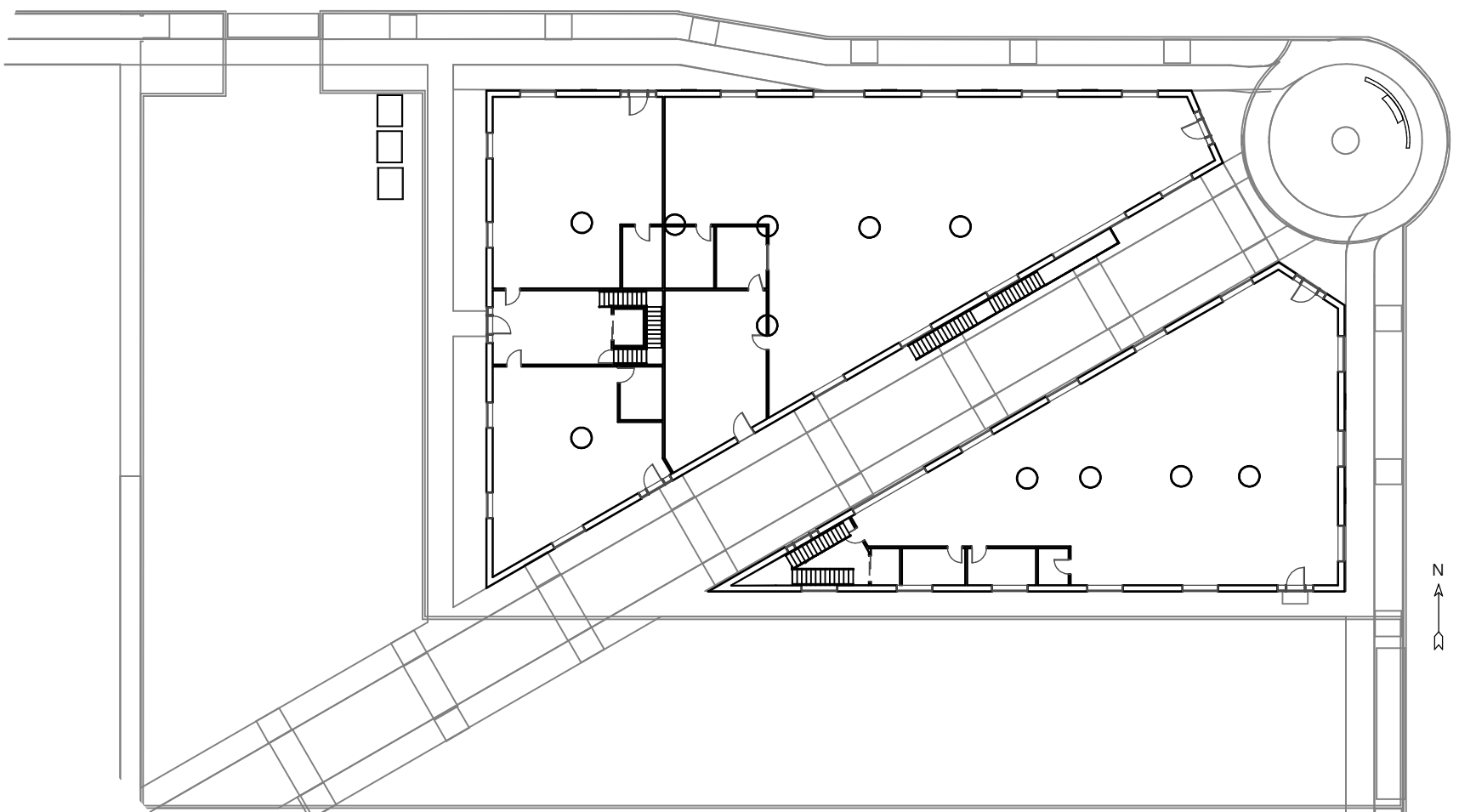
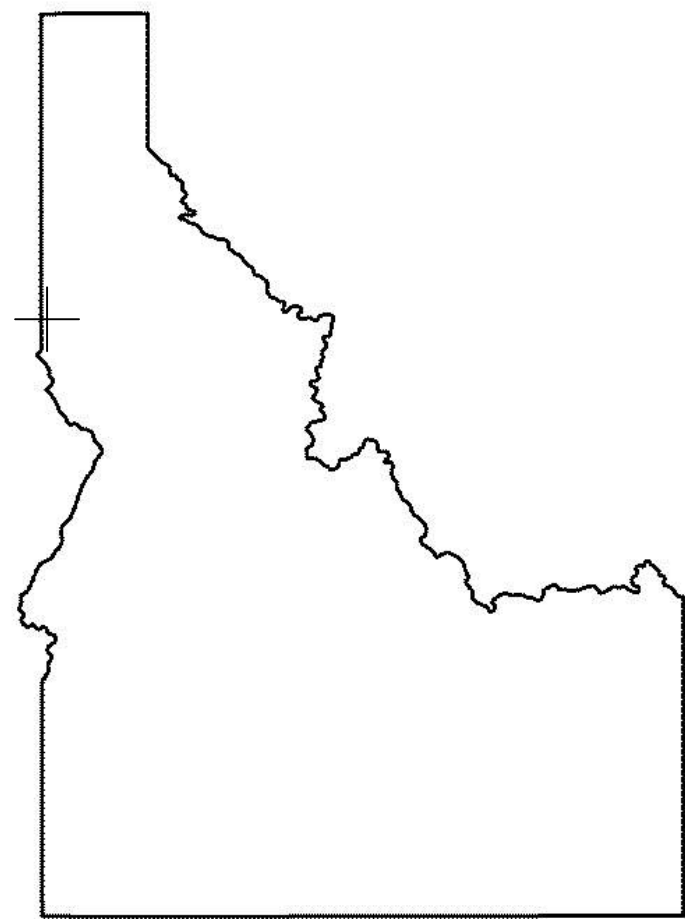
On this 10th day of August, 2018, before me,
Kylee Strunk, a Notary Public in and for said State, personally appeared
Roderick Ols, known or identified to me (or proved to me on the oath of
Individual) to be the authorized signer of Interested Developer, an
Individual, the entity that executed the instrument or the person
who executed the instrument on behalf of said entity and acknowledged to me that such entity
executed the same.



[Signature]
Notary Public for the State of Idaho
Residing at Latah County
My commission expires 03/09/2022

- STORM CELLAR -
- LOFT APARTMENTS -
MIXED USE DEVELOPEMENT
CONCEPT/PROPOSAL

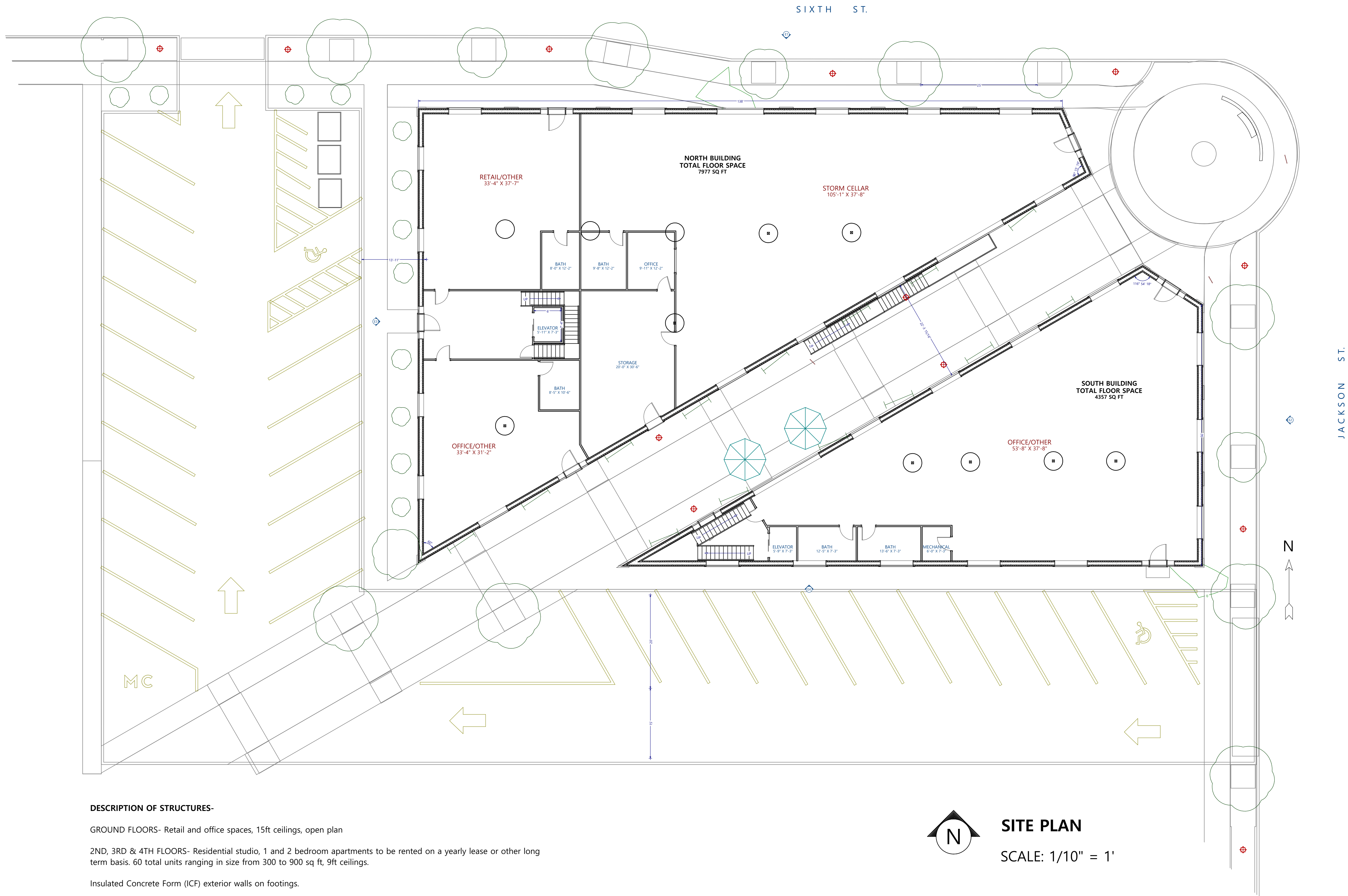
- SHEET LIST
- A-0.1 COVERSHEET
 - A-0.2 SITE PLAN
 - A-1.1 1ST FLOOR LAYOUTS
 - A-1.2 2ND, 3RD & 4TH FLOOR LAYOUTS
 - A-2.1 ELEVATIONS
 - A-2.2 ELEVATIONS



6TH & JACKSON
MOSCOW, ID

Rusty Olps
rdolpsjr@gmail.com
Austin Storm
austinstorm@gmail.com
8/10/2018

Luke Ryan - Design Lead
Anderson Family Construction, LLC
luke@afcbuilt.com



6TH & JACKSON MOSCOW, ID

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rdolpsjr@gmail.com
Austin Storm
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8/10/2018

Luke Ryan - Design Lead
Anderson Family Construction, LLC
luke@afcbuilt.com

A-0.2

DESCRIPTION OF STRUCTURES-

GROUND FLOORS- Retail and office spaces, 15ft ceilings, open plan

2ND, 3RD & 4TH FLOORS- Residential studio, 1 and 2 bedroom apartments to be rented on a yearly lease or other long term basis. 60 total units ranging in size from 300 to 900 sq ft, 9ft ceilings.

Insulated Concrete Form (ICF) exterior walls on footings.

Exterior walls to be finished with hand-troweled smooth off white/light grey stucco with EIFS pillar and cornice details as shown. Anderson A100 windows in Black or equivalent, trimmed with dark grey EIFS.

Ground floor slab on grade.

Suspended concrete slab on post and beam system for 2nd floor platform to form a podium structure over business space.

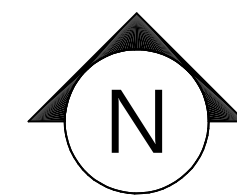
3rd and 4th floor systems to be constructed with engineered lumber.

ICF suspended slab roof structure with TPO membrane adequately sloped using shaped foam to central drains.

Wood framed interior partition and structural walls.

Elevator access to all floors of both buildings.

Entire building protected by automatic fire suppression sprinkler system.



SITE PLAN

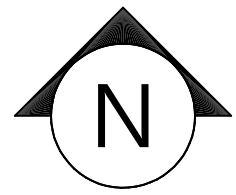
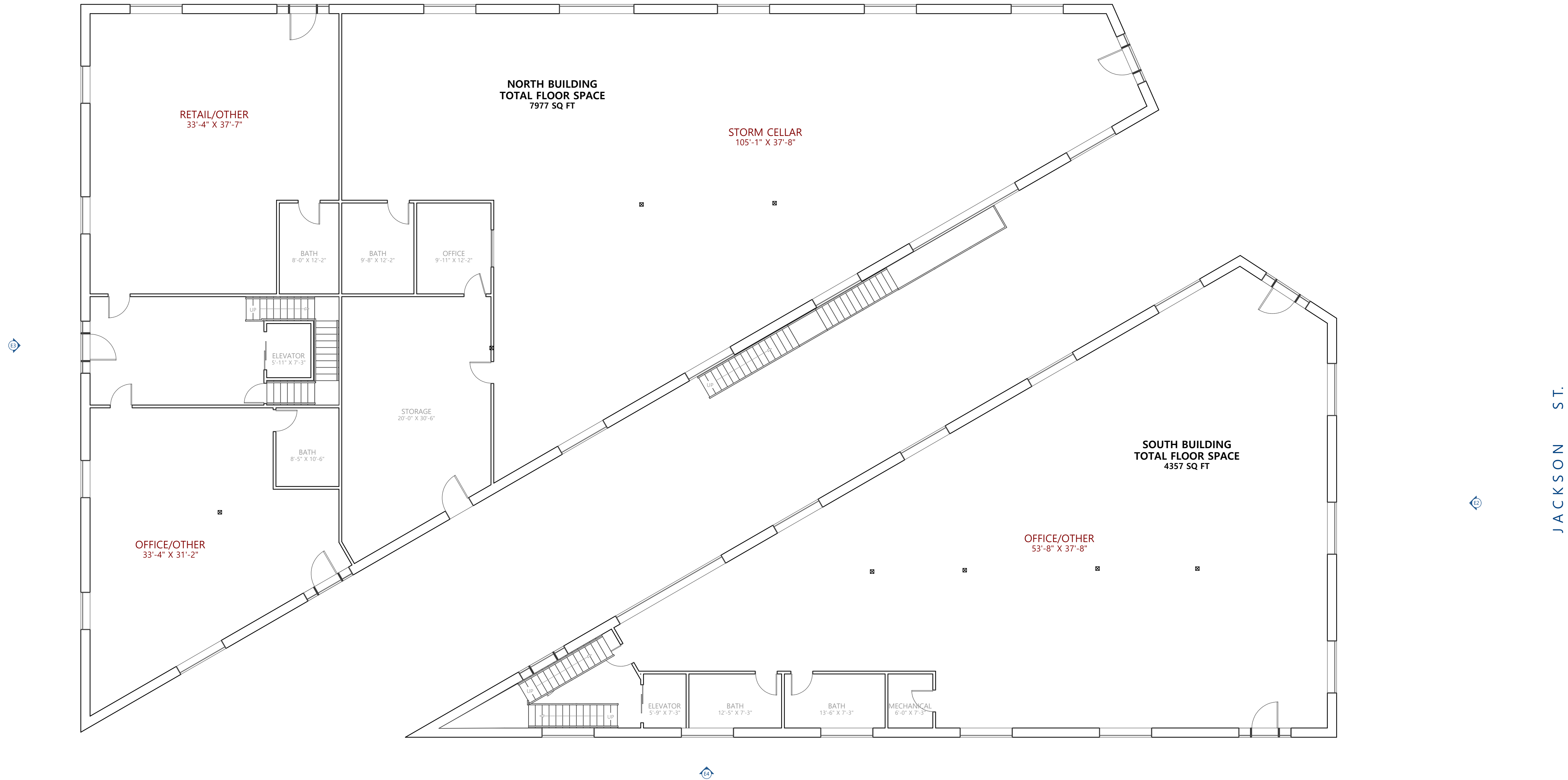
SCALE: 1/10" = 1'

| | |
|--------------------------------|---------------------|
| NORTH BUILDING FOOTPRINT | 8000 sq ft |
| SOUTH BUILDING FOOTPRINT | 4400 sq ft |
| BUILDING HEIGHT FROM GRADE | 52 ft |
| STORM CELLAR RETAIL | 5300 sq ft |
| ADDITIONAL RETAIL/OFFICE/OTHER | 6900 sq ft |
| RESIDENTIAL APARTMENTS | 36,000 sq ft |
| TOTAL PROJECT | 48,200 sq ft |

PARKING PLAN- Limited parking provided for Storm Cellar patrons with the remainder of parking spaces incorporated into a public pay-to-park plan

PROJECT PHASING- Build both structures in tandem with a shared completion date for the entire project

SIXTH ST.



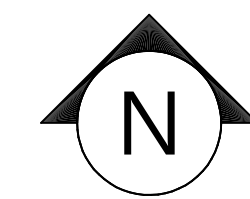
**GROUND FLOOR
LAYOUT**
SCALE: 1/8" = 1'

JACKSON ST.

**6TH & JACKSON
MOSCOW, ID**

Rusty Olps
rdolpsjr@gmail.com
Austin Storm
austinstorm@gmail.com
8/10/2018

Luke Ryan - Design Lead
Anderson Family Construction, LLC
luke@afcbuilt.com



**LAYOUTS, 2ND-4TH
FLOORS**
SCALE: 3/16" = 1'

**6TH & JACKSON
MOSCOW, ID**

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rdolpsjr@gmail.com
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8/10/2018

Luke Ryan - Design Lead
Anderson Family Construction, LLC
luke@afcbuilt.com



PROJECT NOTES-

The ICF (Insulated Concrete Form) structure creates a building superior in many aspects to traditional stick framing, block masonry, heavy timber, or even steel framed. Benefits quickly outpace costs which are only marginally higher than stick framed, less than block or heavy timber and scales of magnitude more affordable than steel.

The building envelope attained is unparalleled- energy savings offset additional costs rapidly. The nearly impermeable vapor barrier blocks the infiltration of rot and mold causing moisture, also keeping air born allergens from entering without permission (important in Moscow!). This allows for controlled fresh air exchange and filtration, resulting in one of the healthiest built environments possible (ICFs are inert and contain no nasty chemicals).

Interior and exterior finishing options are unlimited, from smooth modern stucco, brick or stone to lap siding or metal sheathing on the exterior with plaster, paneling or drywall on interior, to name just a few options.

Walls are easily reinforced to meet and exceed load requirements. ICFs are currently being used across the U.S. and around the world to put up high-rises well over 10 stories and are largely considered the future for a large segment of the construction industry, especially mid-rise residential. A properly built ICF shell will stand against earthquakes and hurricanes (volcanic eruptions?) and most importantly, time. The projected life span of these buildings is measured in centuries. These materials will be used to raise many classic landmarks of our time.

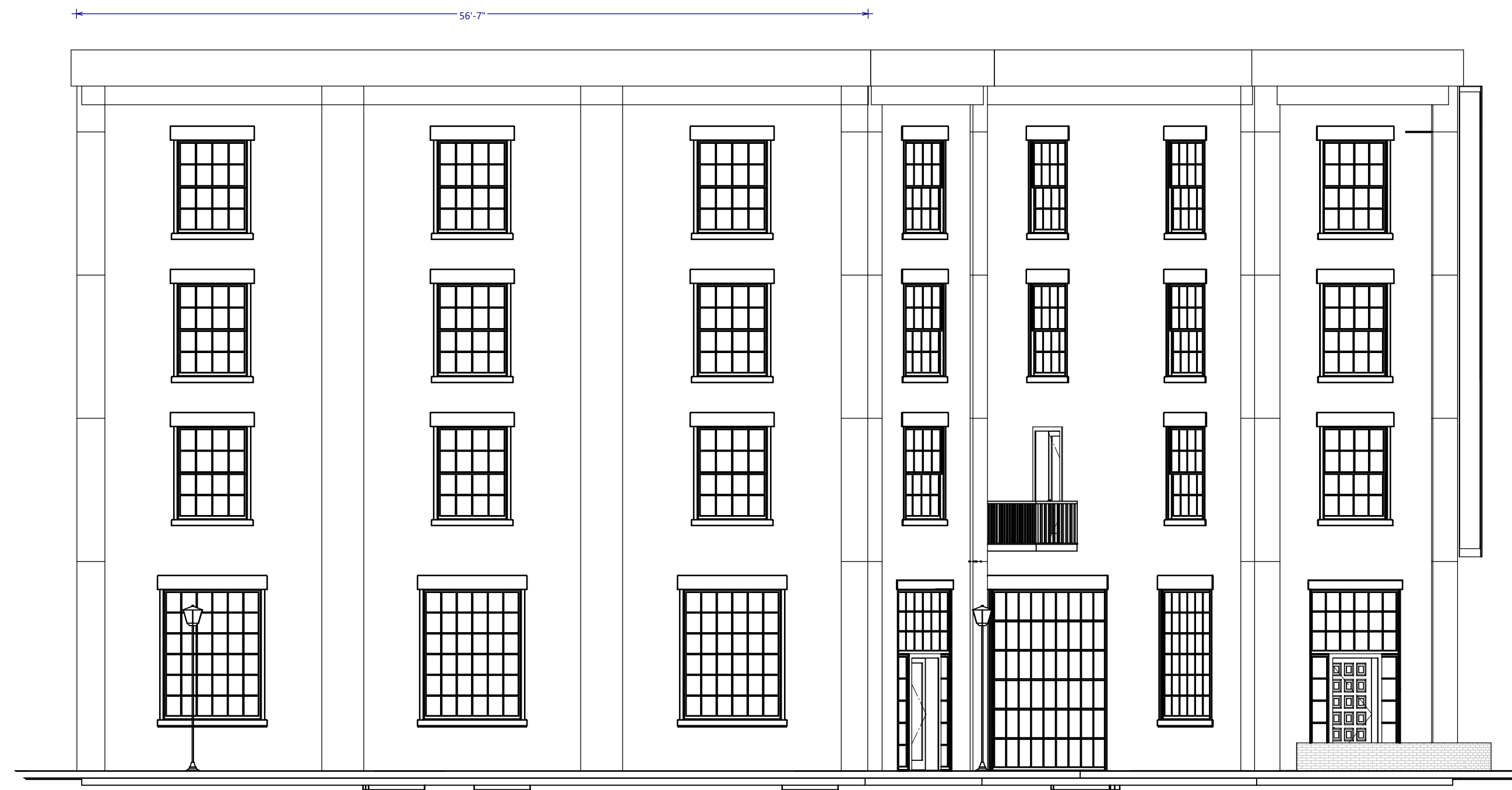
**6TH & JACKSON
MOSCOW, ID**

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rdolpsjr@gmail.com
Austin Storm
austinstorm@gmail.com

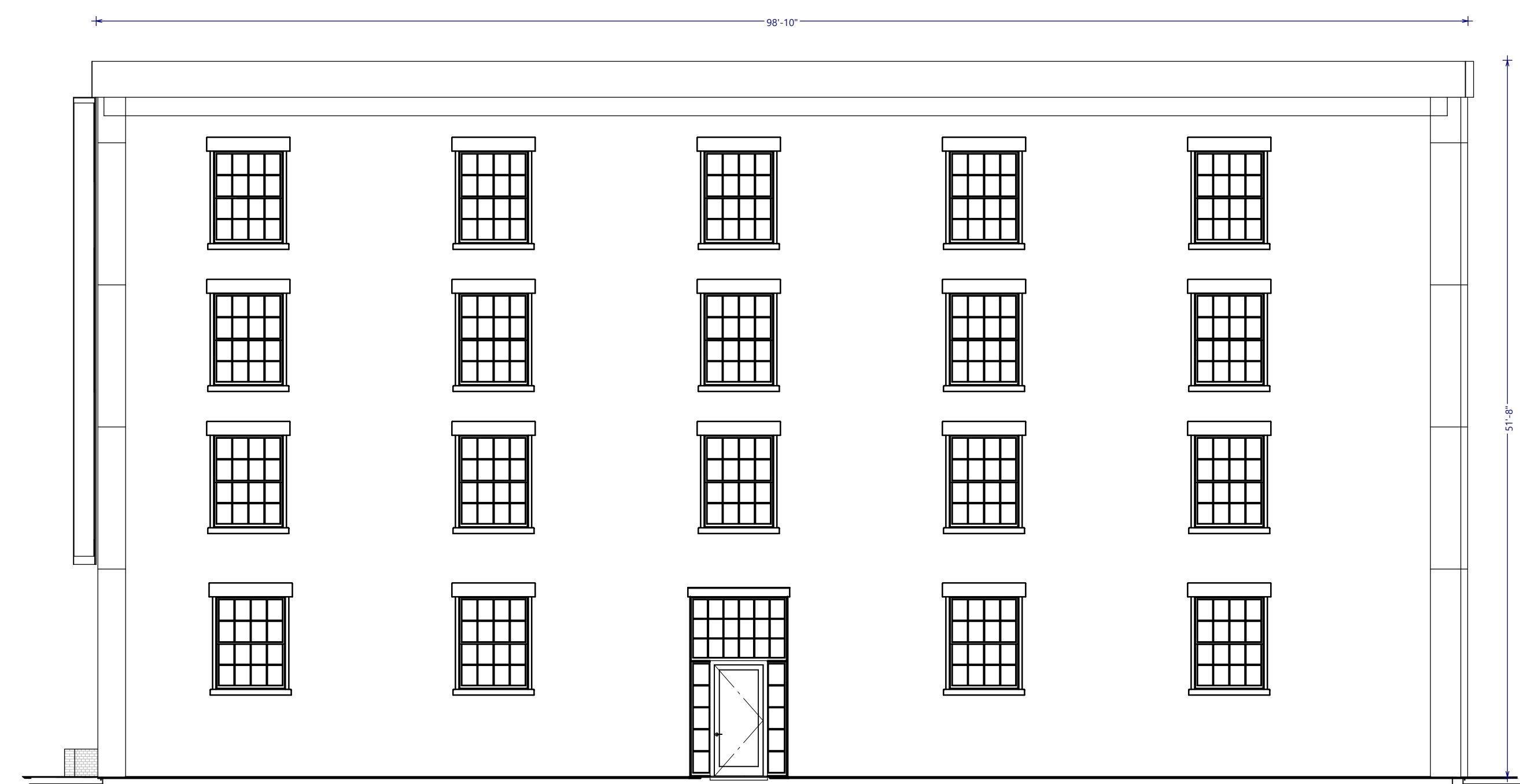
8/10/2018

**ELEVATION 1
NORTH SIDE**
SCALE:1/8" = 1'

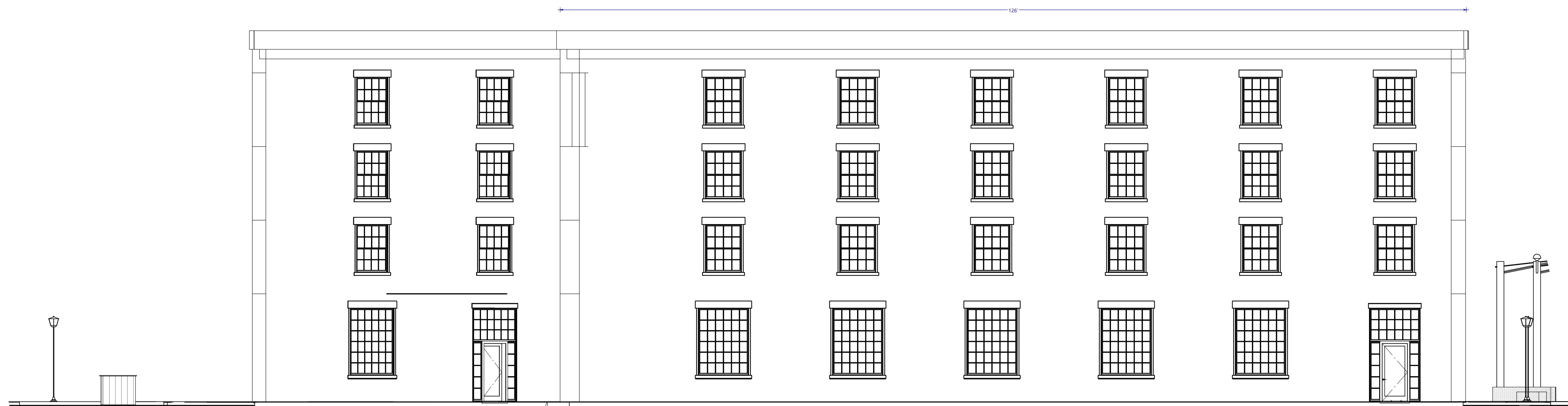
Luke Ryan - Design Lead
Anderson Family Construction, LLC
luke@afcbuilt.com



**ELEVATION 2
EAST SIDE**
SCALE:1/8" = 1'



**ELEVATION 3
WEST SIDE**
SCALE:1/8" = 1'



**ELEVATION 4
SOUTH SIDE**
SCALE:1/8" = 1'

**6TH & JACKSON
MOSCOW, ID**

Rusty Olps
rdolpsjr@gmail.com
Austin Storm
austinstorm@gmail.com
8/10/2018

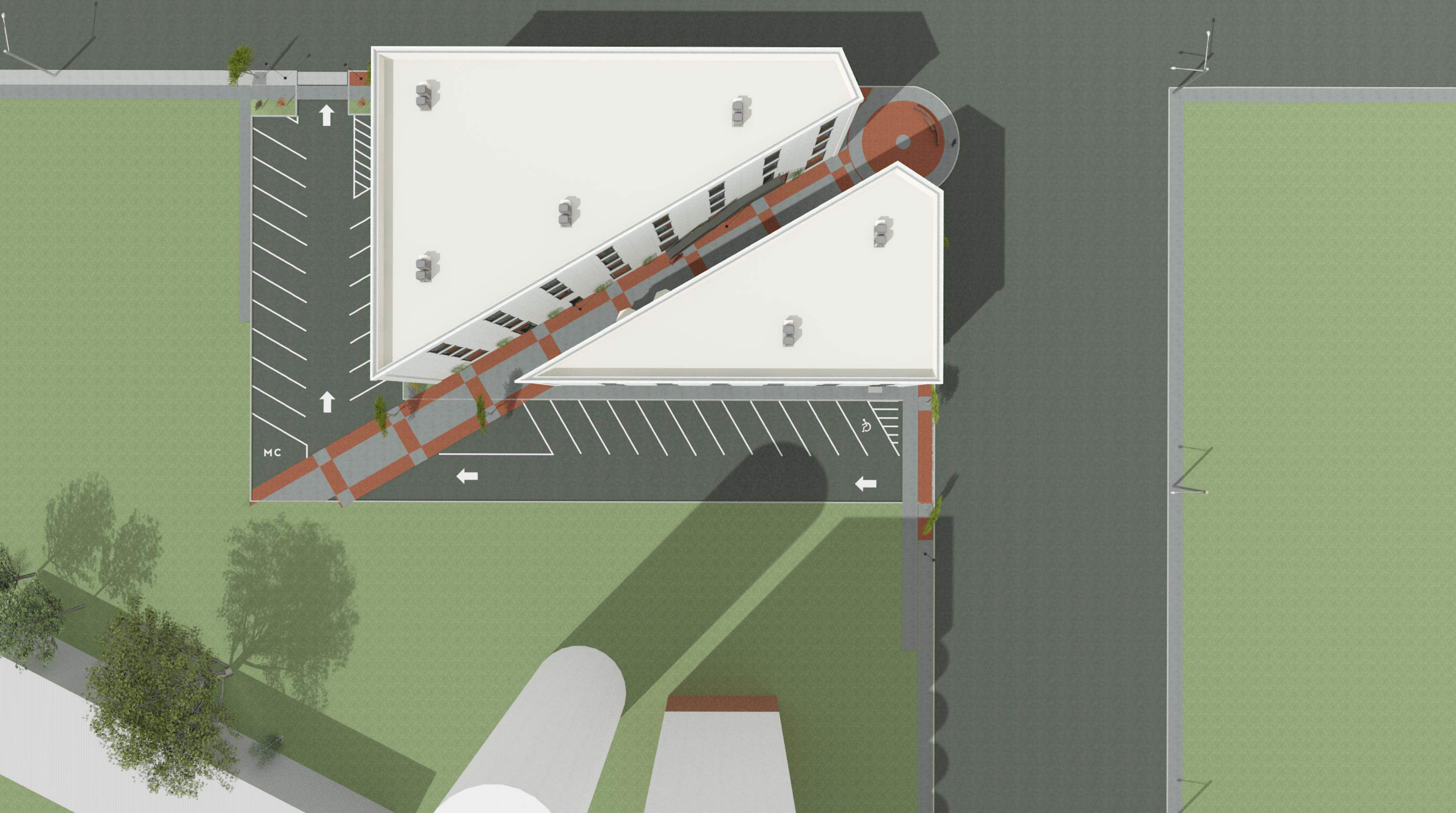
Luke Ryan - Design Lead
Anderson Family Construction, LLC
luke@afcbuilt.com







STORM
CELLAR



Volk Law, PLLC
Peter Volk, attorney
P.O. Box 9264
Moscow, Idaho 83843
(208) 882-5982

August 30, 2018

Bill Belknap
221 E 2nd Street
Moscow, ID 83843

Delivered by e-mail to: bbelknap@ci.moscow.id.us

Subject: Exclusive Negotiation Agreement ("ENA") Moscow URA and Needham

Dear Bill,

I talked with my client, Shane and Janet Needham, they need to have all the dates in the ENA slid back by two months. (submission of development plan, draft DDA and DDA consideration).

This should provide more then enough time to get the design done correctly. Shane is not only doing a design of his own needs in his current understanding of a good working lab space (obviously using engineers but his ideas for a lab vision) but he is travelling and viewing other labs to see how various designs work in application.

It is taking longer then anticipated, both on his end for visits and his engineers back log of work. In the end, the goal is that he wants the building done correctly the first time.

Please consider this a formal request to amend the ENA to provide for this additional time

Best wishes,

// Peter Volk

Peter Volk, attorney



FIRST AMENDED EXCLUSIVE NEGOTIATION AGREEMENT

between

Moscow Urban Renewal Agency

and

Shane and Janet Needham

For the development of:

For the development of
Block 1, Lots 2 & 3

Alturas Technology Park, Phase II

_____, 2018

**FIRST AMENDED
EXCLUSIVE NEGOTIATION AGREEMENT**

This FIRST AMENDED EXCLUSIVE NEGOTIATION AGREEMENT (hereinafter “Agreement” or “ENA”) is entered into this _____ day of _____, 2018, by and between the MOSCOW URBAN RENEWAL AGENCY of the City of Moscow, Idaho, a public body, corporate and politic (hereinafter “Agency”), organized pursuant to the Idaho Urban Renewal Law, Title 50, Chapter 20, Idaho Code, as amended (hereinafter the “Law”), and undertaking projects under the authority of the Local Economic Development Act of 1988 as amended (hereinafter the “Act”), and Shane and Janet Needham, or its assigns (hereinafter “Developer”), collectively referred to as the “Parties” and each individually as “Party,” on the terms and provisions set forth below.

RECITALS

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

WHEREAS, the City of Moscow, Idaho adopted its Ordinance No. 2005-18 on June 20, 2005, approving the Second Amended and Restated City of Moscow, Idaho Research and Technology Urban Renewal/Competitively Disadvantaged Border Community Area Plan 2005 (hereinafter the “Plan”), which includes the plans to sell lots located in the Project Area for development of Phase II of the Research and Technology Business Park and the plat for Alturas Technology Park, Phase II of the City of Moscow, Latah County, Idaho (hereinafter the “Project Area”); and

WHEREAS, Agency currently owns Lots 2 & 3, Block 1 of the Alturas Technology Park Phase II Addition to the City of Moscow, (hereinafter the “Lots”) which is within the Project Area;

WHEREAS, Agency has published a Request for Proposals for Redevelopment of the Lots in conformance with the Law and the Act (hereinafter the “Request for Proposals”); and

WHEREAS, Developer has submitted a complete and timely response to Agency’s Request for Proposals for Redevelopment of the Lots;

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

AGREEMENT

1. NEGOTIATIONS.

1.1 GOOD-FAITH NEGOTIATIONS. Agency and Developer agree for the Negotiation Period set forth below to negotiate diligently and in good faith to prepare a Disposition and Development Agreement (“DDA”) to be considered for execution between Agency and Developer, in the manner set forth herein, with respect to the development of the Lots. The Lots are more particularly described in Exhibit “A” attached hereto. Agency agrees for the

period set forth below not to negotiate with any other person or any other entity regarding the development or redevelopment of the Lots.

1.2 NEGOTIATION PERIOD. The duration of this Agreement (the "Negotiation Period") shall continue from the execution of this Agreement by Agency to January 15, 2019. If, upon expiration of the Negotiation Period Developer has not signed and submitted a DDA to the Agency (unless a written extension is granted by the Agency), then this Agreement shall automatically terminate. If a DDA is so signed and submitted by Developer to Agency on or before expiration of the Negotiation Period, then this Agreement and the Negotiation Period herein shall be extended without further action by Agency for a period not to exceed the earlier to occur of the expiration of sixty (60) days from the date of such submittal or 5 pm, March 15, 2019, during which time Agency shall take all steps legally necessary to: (1) consider the terms and conditions of the proposed DDA; (2) if appropriate, take the actions necessary to authorize Agency to enter into the DDA; and (3) execute the DDA. If Agency has not timely executed the DDA within the beforementioned time periods from the date such DDA is submitted (unless written extension is granted by the Developer), then this Agreement shall automatically terminate. The Parties agree to consider reasonable requests for extensions of time of the Negotiation Period and of the approval period for action and approval by Agency; provided, however, Agency may, at its discretion, require Developer to pay an extension fee for any such extension requested by Developer. If the negotiations do not result in an executed DDA, Developer shall submit to Agency a summary of its findings and determinations regarding the proposed development. If this Agreement is terminated per this section, Developer shall not seek reimbursement for costs and expenses from Agency.

1.3 DEPOSIT. Developer agrees to provide a deposit in the amount of Five Thousand and no one/hundredths dollars (\$5,000.00) to enter into an agreement to negotiate exclusively with Agency with regards to the Lots. The deposit shall then be applied against the purchase price for the Lots as determined by the DDA.

1.4 TERMINATION. In the event Developer has not continued to negotiate diligently and in good faith, Agency shall give written notice thereof to Developer, who shall then have five (5) working days to commence negotiating in good faith. Following the receipt of such notice and the failure of Developer to thereafter commence negotiating in good faith within such five (5) working days, this Agreement may be terminated by Agency. In the event of such termination by the Agency, Agency shall retain the deposit, and neither Party shall have any further rights against or liability to the other under this Agreement, save and except the right of Developer to contest such action by Agency. In the event Agency has not continued to negotiate diligently and in good faith, Developer shall give written notice thereof to Agency, which shall then have five (5) working days to commence negotiating in good faith. Following the receipt of such notice and the failure of Agency to thereafter commence negotiating in good faith within such five (5) working days, this Agreement may be terminated by Developer. In the event of such termination by Developer, Agency shall immediately return the entire deposit to Developer, and neither Party shall have any further rights against or liability to the other under this Agreement. Upon automatic termination of this Agreement at the expiration of the Negotiation Period or any extension thereof or other

termination, then concurrently therewith, the deposit shall be paid by Agency to Developer, and neither Party shall have any further rights against or liability to the other under this Agreement. If a DDA has been executed by the Agency and Developer, the DDA shall thereafter govern the rights and obligations of the Parties with respect to the development of the Property.

2. DEVELOPMENT CONCEPT.

2.1 SCOPE OF DEVELOPMENT. Within the time set forth in Exhibit B, Schedule of Performance, Developer shall submit to Agency Developer's specific proposed scope of development regarding the use of the Lots (hereinafter referred to as the "Project"). Upon Agency's execution of this Agreement, Developer shall begin immediately the process of preparing a development plan for the Lots ("Development Plan"). The Development Plan shall include basic concept drawings for the Project and an implementation program including scheduling. Specific parts of the Development Plan will include, but not be limited to, perspective renderings, site plan, elevations/sections, narrative description, and critical path analysis. The critical path analysis will cover the entire Lots development through completion, including occupancy. Submittal of the Development Plan initiates a two-phase review process outlined as follows:

Phase 1: Conditional approval of the initial plan submittal acknowledges Agency's endorsement of the Development Plan for the described Project. Developer is encouraged to refine and supplement the Development Plan submittals and to work with Agency toward successful completion of the second review, if required, which will culminate in compliance with the provisions of the Moscow City Zoning Ordinance and related local government requirements.

Phase 2: Within the times set forth in the Schedule of Performance, Agency shall either approve or disapprove the Development Plan. In the event the Development Plan and submittal are initially disapproved, Agency shall set forth the reasons for disapproval. Developer shall then have thirty (30) days to resubmit information to satisfy the reasons for disapproval; provided, however, in the event the Development Plan is again disapproved, this Agreement shall be terminated.

In the event at any time during the Negotiation Period the Developer determines that it is not feasible to proceed with development of the Lots, this Agreement shall be terminated upon ten (10) days' written notice to Agency. Likewise, in the event at any time during the Negotiation Period the Agency determines that it is not feasible to proceed to the development of the Lots, this Agreement shall be terminated upon ten (10) days' written notice to Developer. In the event of such termination, Agency shall return the deposit to Developer, and neither Party shall have any further rights against or liability to the other under this Agreement. Developer acknowledges and consents that in the event this Agreement is terminated for nonperformance by Developer, or Developer's conclusion that the Project is not feasible, or the Project is terminated for any reason hereunder, Agency has the right and authority to enter into an exclusive right to negotiate agreement with any other interested developer.

2.2 CONSISTENT PLANS. Developer's Development Plan shall recognize and be consistent with Agency's Plan, subject to the provisions defined in this Agreement.

2.3 COORDINATION WITH ADJACENT DEVELOPMENT. During the Negotiation Period, Developer shall use its best efforts to coordinate its Development Plan and design with the adjacent development.

2.4 PROGRESS REPORTS. Upon reasonable notice, as from time to time reasonably requested by Agency, Developer agrees to make progress reports advising Agency on all matters and all studies being made by Developer.

3. PURCHASE PRICE. The purchase price to be paid by Developer under the DDA will be established by Agency after preliminary negotiations with Developer. Such purchase price shall be established by Agency during the Negotiation Period. Based on the Development Plan, Agency will prepare and provide Developer with a reuse appraisal. Such purchase price will be based upon such factors as market conditions, density of development, costs of development, risks of Agency, risks of Developer, Developer participation in the funding of public facilities and amenities, and estimated or actual Developer profit. Developer recognizes that under the Law, the purchase price cannot be less than the fair value for uses in accordance with the Plan. The purchase price and DDA shall be subject to approval by Agency. During the Negotiation Period, Agency and Developer will negotiate the schedule for the disposition and development of the Lots.

4. DEVELOPER'S RESPONSIBILITIES.

4.1 NATURE OF THE DEVELOPER. Developer is Shane and Janet Needham, or their assigns. Notwithstanding any other provision of this Agreement, Developer reserves the right, at Developer's discretion and without prior written consent of Agency, to join and associate with other entities for the purpose of acquiring and developing the Lots, provided that Developer maintains operating control of such entities and remains fully responsible to Agency as provided in this Agreement with respect to the Lots. Wherever the term "Developer" is used herein, such term shall include any permitted nominee or assignee as herein provided.

4.2 PRINCIPAL OFFICE OF THE DEVELOPER. The mailing address of Developer is 1045 Idlers Rest Road, Moscow, ID 83843.

4.3 DEVELOPER'S DEVELOPMENT TEAM. "Development Team" is defined as the Developer together with all contracted professionals and principal associates identified pursuant to this Section. The Developer's architect, attorney, project manager and other members of the development team will be identified at a later date and will be incorporated into the DDA.

4.4 DEVELOPER'S LEGAL COMPLIANCE. Developer recognizes it will be required to comply with all applicable laws, including, but not limited to: all applicable federal and state labor standards; antidiscrimination standards; affirmative action standards;

nondiscrimination and non-segregation standards; laws; pre-existing legal, use, and all development and zoning regulations, and any applicable covenants and restrictions; and regulations in development, rental, sale, or lease of the Lots.

4.5 DEVELOPER'S FINANCIAL CAPACITY. Developer acknowledges that the DDA will require that Developer submit to Agency satisfactory evidence of Developer's plan for financing the Project sufficient to permit Agency to determine Developer's ability to finance and complete the Project. The timing of submittal and forms of such evidence of financing shall be addressed in the DDA. The evidence of financing may include evidence of the approval for construction financing for the Developer's portions of the development of and long-term financing for the Property.

5. AGENCY'S RESPONSIBILITIES.

5.1 AGENCY ASSISTANCE AND COOPERATION. Agency shall cooperate fully in providing Developer with appropriate information and assistance.

5.2 REAL ESTATE COMMISSIONS. Agency shall only be liable for any real estate commission or brokerage fees which may arise here from in accordance with the Agency's Commercial Real Estate Services Agreement with Palouse Commercial Real Estate dated June 7, 2017. Agency agrees to hold Developer harmless from any claim by any broker, agent, or finder retained by Agency. Developer has not retained any real estate broker to assist in this transaction and Developer agrees to hold Agency harmless from any claim by any broker, agent, or finder retained by Developer.

5.3 LIMITATIONS AND CONDITIONS OF THIS AGREEMENT. By its execution of this Agreement, Agency is not committing itself to or agreeing to undertake: (a) disposition of land to Developer; or (b) any other acts or activities requiring the subsequent independent exercise of discretion by Agency, the City, or any agency or department thereof; or (c) any other acts or activities requiring the subsequent independent exercise of discretion by any federal or state agency, including, but not limited to, environmental clearance and historic preservation approval. This Agreement does not constitute a disposition of property or exercise of control over property by Agency or City of Moscow, Idaho.

6. GENERAL PROVISIONS.

6.1 REMEDIES AND DAMAGES. Notwithstanding anything to the contrary contained in this Agreement, Developer's obligations hereunder are nonrecourse, and Agency's only recourse and security for those obligations shall be the recovery of possession of the Lots, the recovery of attorney fees and costs incurred in the recovery of the Lots, and termination of this Agreement. Nothing stated in this section shall be deemed to have effected a release or impairment of Agency's fee title to the Lots. If a dispute arises out of or relates to this Agreement or the breach thereof and if said dispute cannot be settled through direct discussions, the Parties agree to first endeavor to settle the dispute in an amicable manner by mediation or other process of structured negotiation under the auspices of a nationally or regionally recognized organization providing such services in the northwestern states or

otherwise, as the Parties may mutually agree before resorting to litigation or to arbitration. In the event of any action or proceeding described in this section between any of the Parties to this Agreement to enforce any provision of this Agreement or to protect or establish any right or remedy of any Party hereunder, the unsuccessful Party to such proceeding shall pay 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.

6.2 NO RECORDATION. In no event shall any Party record this Agreement or any memorandum hereof or otherwise encumber the Lots by reason of the selection process, this Agreement, or the negotiations contemplated hereby.

6.3 FORCE MAJEURE. Time periods provided for performance of the obligations set forth in this Agreement shall be extended for a period or periods of time equal to any period or periods of delay caused by strikes, lockouts, fire, or other casualty, litigation by third parties, the elements or acts of God, or other causes, other than financial, which are beyond the reasonable control of the Party having the relevant obligation.

6.4 SUCCESSORS AND ASSIGNS. Except for the permitted assignment by Developer as specifically authorized in this agreement in Section 4.1 above, no Party may assign or delegate its obligations under this Agreement without the consent of each other Party hereto, which consent may be withheld in the discretion of that Party. Except as otherwise set forth in this Agreement, the terms, covenants, conditions, and agreements contained herein shall be binding upon and inure to the benefit of the heirs, personal representatives, successors, and assigns of the Parties hereto.

6.5 NUMBER AND GENDER. In constructing the provisions of this Agreement and whenever the context so requires, the use of a gender shall include all other genders, the use of the singular shall include the plural, and the use of the plural shall include the singular.

6.6 NO THIRD-PARTY BENEFICIARY. This Agreement is not intended to create, does not create, nor shall it be in any way interpreted or construed to create, any third-party beneficiary rights in any person not a Party hereto unless otherwise expressly provided herein.

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

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

Dated this ____ day of _____, 2018.

AGENCY:

MOSCOW URBAN RENEWAL AGENCY
MOSCOW, IDAHO

By _____
Steve McGeehan, Chair

ACKNOWLEDGMENT

STATE OF IDAHO)
) ss.
COUNTY OF LATAH)

On this _____ day of _____, 2018, before me, a Notary Public in and for said State, appeared Steve McGeehan, known to me to be the person named above and acknowledged that he executed the foregoing document as the duly authorized representative for The Urban Renewal Agency of Moscow, Idaho.

Notary Public for the State of Idaho
Residing at _____
My commission expires _____

Dated this ____ day of _____, 2018.

DEVELOPER: Shane and Janet Needham

By _____
Shane Needham

By _____
Janet Needham

ACKNOWLEDGMENT

STATE OF IDAHO)
) ss.
COUNTY OF LATAH)

On this ____ day of _____, 2018, before me, a Notary Public in and for said State, appeared Shane Needham, known to me to be the person named above and acknowledged that he executed the foregoing document.

Notary Public for the State of Idaho
Residing at _____
My commission expires _____

ACKNOWLEDGMENT

STATE OF IDAHO)
) ss.
COUNTY OF LATAH)

On this ____ day of _____, 2018, before me, a Notary Public in and for said State, appeared Janet Needham, known to me to be the person named above and acknowledged that she executed the foregoing document.

Notary Public for the State of Idaho
Residing at _____
My commission expires _____

EXHIBIT A

PROPERTY DESCRIPTION

Lots 2 & 3, Block 1 of the Alturas Technology Park Phase II Addition to the City of Moscow

EXHIBIT B

SCHEDULE OF PERFORMANCE

ACTION

DATE

1. Deposit. The Developer shall deliver the Deposit to the Agency.

No later than July 31, 2018.

2. Submission of Development Plan. The Developer shall submit Development Plans to Agency for approval.

No later than January 15, 2019.

3. Submittal of Draft Disposition and Development Agreement (DDA). The Agency staff and Developer shall have completed a draft DDA in a sufficiently final form to permit review by the Agency Board and to proceed through the required approval process.

No later than February 15, 2019.

4. DDA Consideration. The Agency Board shall consider and approve if appropriate the DDA.

No later than March 15, 2019.