

## TERMINATION, SETTLEMENT AND RELEASE AGREEMENT

This Termination, Settlement and Release Agreement, (the “**Agreement**”), dated 8/21, 2019 (the “**Effective Date**”) is made by and between the Eagle Urban Renewal Agency, an independent public body corporate and politic of the State of Idaho, organized and existing under the laws of the State of Idaho and known as the urban renewal agency of the City of Eagle, Idaho (the “**EURA**”), Joint School District No. 2, Ada and Canyon Counties, Idaho, a body corporate and politic and a political subdivision of the State of Idaho, commonly known as West Ada School District (the “**District**”), and the City of Eagle, Idaho, a municipal corporation and a political subdivision of the State of Idaho (the “**City**”). For purposes of this Agreement, EURA, City and the District may be referred to hereinafter individually as a “Party” and collectively as the “Parties”.

### RECITALS

WHEREAS, the City created the EURA to develop and administer the Eagle Urban Renewal Plan for the Downtown and the East End Urban Renewal Project (the “**Plan**”). On or about December 11, 2007, the City approved Ordinance Number 592 to formally enact the Plan and authorize the EURA’s implementation of the Plan. Thereafter, the City published Ordinance Number 592 on or about December 24, 2007, thereby setting the Plan’s effective date. The Plan contains a “revenue allocation” provision as authorized by Chapter 29, Title 50, Idaho Code (the “**Act**”). The revenue allocation provision provides for the collection by the EURA of the revenues (the “**Tax Increment Revenues**”) generated by all taxing districts’ tax levies applied to the value of taxable property within the revenue allocation boundaries that exceeds the base assessment roll, as set forth in the Plan (the “**Tax Increment Value**”). According to the Plan and the Act, the base assessment is the taxable value of the property within the revenue allocation boundaries as of January 1, 2007; and

WHEREAS, the District is a taxing district affected by the Plan; and

WHEREAS, the City of Eagle is the municipality that developed and approved the Plan and the formed the EURA, and the EURA is the urban renewal agency established by the City to implement and administer the Plan; and

WHEREAS, on January 18, 2008, the District initiated proceedings against the City and the EURA in the District Court of the Fourth Judicial District of the State of Idaho (the “**Court**”) by filing a complaint, Case Number CV OC 0801169 (the “**Complaint**”) asserting both procedural and substantive causes of action challenging the validity of the Plan. The Complaint was filed pursuant to the provisions of Sections 50-2027 and 50-2911, Idaho Code; and

WHEREAS, the Parties entered into a Settlement and Release Agreement (the “**Settlement**”) on November 25, 2008 in order to settle and compromise their differences,

resolve the disputes between them, and release any claims they had. The Settlement and Release Agreement is attached hereto as **Exhibit 'A'**; and

WHEREAS, the Settlement included a rebate provision under which the EURA agreed to transfer certain portions of the Tax Increment Revenues attributable to the District's tax levies, back to the District, upon receipt of Tax Increment Revenues, and provided for the manner of payment and other terms (the "**Rebate Payments**"); and

WHEREAS, to date the EURA has paid more Rebate Payments than is required in the Settlement, and the District acknowledges such overpayment; and

WHEREAS, the Settlement could be interpreted to obligate EURA to pay Rebate Payments from this date forward during the term of the Settlement that would potentially exceed the amount of the overpayment; and

WHEREAS, In lieu of the School District returning Rebate Payments to the EURA, the Parties now desire to terminate their respective rights and obligations with respect to the payment of further Rebate Payments by the EURA to the District as described in the Settlement, pursuant to the terms of this Agreement;

WHEREAS, the amount of excess Rebate Payments paid by the EURA to the District and the amount of the Rebate Payments to be paid to the District pursuant to the Settlement in the future are expected to be sufficiently equivalent that the Parties desire to forego the expense of additional staff time and outside consulting and legal services that would be necessary to calculate and disburse further Rebate Payments under the Settlement;

WHEREAS, the Parties agree that this Agreement is in the best interest of the public.

#### AGREEMENT

NOW THEREFORE, in consideration of the mutual covenants and promises contained herein, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged by each Party, the Parties agree as follows:

1. Recitals Incorporated. The Recitals set forth herein above, are incorporated herein and made a material part hereof.
2. Termination of Settlement and Release Agreement. The Parties agree that the Settlement and Release Agreement entered into on November 25, 2008 ( the "SRA") is hereby terminated as of the Effective Date ("Termination"). Notwithstanding the foregoing, the Release of Claims contained in Section 2.3.1 of the aforementioned SRA shall survive the termination of said SRA effectuated in this Agreement. The Parties agree that the EURA shall have no further obligation to pay the District any portion of its Tax Increment Revenue. The Parties agree that the District will not be obligated to return any excess Rebate Payments paid to the District



related to the Settlement. As of the Effective Date, other than those contained in Section 2.3.1 noted above, neither Party shall have any further rights or obligations under or arising out of the SRA.

4. Mutual Release of Claims.

The EURA, City and the District, finally, and forever, on behalf of themselves and their beneficiaries, administrators, legal representatives, insurers, sureties, successors and assigns fully releases, acquits, and discharges one another and their respective predecessors, successors, assigns, officers, officials, employees and agents pursuant to the terms set forth in this Section 4. This release includes all manner of actions, causes of action, suits, liabilities, obligations, debts, bonds, bills, moneys owed, accounts, covenants, agreements, promises, damages, judgments, claims and demands whatsoever, in law or equity, (collectively referred to as “**Claims**”), which are the subject of or referenced in SRA, the litigation referenced in the SRA and any and all Claims asserted therein, or arising from the relationship of the Parties and any of them, including, without limitation, all Claims relating to the Plan, Tax Increment Revenues received by the EURA, and all Claims relating to the facts and circumstances noted in the SRA and the litigation referenced in the SRA. The foregoing includes any and all of the referenced Claims whether current, past or future Claims and those that are known and unknown.

5. Non-Admission of Fault or Liability. The terms and conditions documented in this Agreement relate to the settlement of the Claims as set forth in Section 4. Nothing herein contained shall constitute an admission of fault or liability by the Parties. The Parties intend by this Agreement to fully, finally, and forever resolve all such Claims and to avoid any future litigation between them.

6. Ownership of Claims. The Parties represent and warrant that no portion of any of the Claims set forth in Section 4 has been assigned or transferred to any other party or entity, either directly or by way of subrogation or operation of law.

7. Authorization. Each person signing this Agreement on behalf of a Party represents and warrants that the execution and performance of this Agreement by such Party has been duly authorized by all necessary laws, resolutions, and action, and this Agreement constitutes the valid, binding, and enforceable obligations of such Party in accordance with its terms.

8. Attorney Fees; Costs; and Expenses. Each of the Parties covenant that each Party shall bear their own attorney fees, costs, interests, and other expenses relating to the preparation, authorization, and execution of this Agreement.

10. Integrated Agreement. This Agreement contains and constitutes the entire agreement between the Parties concerning the subject matter of the Agreement and supersedes any and all prior agreements, arrangements, or understandings between Parties relating to the subject matter. No oral understandings, statements, representations, promises or inducements contrary

to the terms of this Agreement exist. No express or implied representations, warranties, covenants, or conditions, other than those set forth herein or imposed by law, have been made or relied upon by any Party. This Agreement may not be amended, modified or changed in any manner without the written consent of each Party hereto.

11. Prior Review of this Agreement. Each Party acknowledges that this Agreement and the SRA have been fully read, reviewed and understood by each Party and this Agreement is being accepted and entered into voluntarily.

12. Binding Effect. This Agreement shall be binding upon the representatives, successors and assigns of the Parties, and each of them, and no inducement or agreement not herein expressed has been made to the undersigned. The terms of this Agreement are contractual in nature and not mere recitals.

13. Governing Law. This Agreement shall be governed by the laws of the State of Idaho without regard to any conflicts-of-law provisions of any state law.

14. Severability. If any provision of this Agreement is held to be invalid, void, or unenforceable, the balance of the provisions will, nevertheless, remain in full force and effect and will in no way be affected, impaired, or invalidated.

15. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which, together, shall constitute one and the same original document. If a party signs this Agreement and transmits an electronic facsimile of its signature, each other Party may rely upon the facsimile and treat it as a signed original of this Agreement.

16. Further Assurances. Each Party agrees to execute any additional instruments and take any further actions as may be reasonably necessary or convenient or as may be reasonable requested by the other Party in order to consummate and carry out this Agreement.

*(SIGNATURE PAGES FOLLOW)*

IN WITNESS WHEREOF, the Parties have executed this Agreement by affixing their authorized signatures to it below:

**DISTRICT:**

JOINT SCHOOL DISTRICT NO. 2  
ADA AND CANYON COUNTIES, IDAHO  
Also known as West Ada School District

  
\_\_\_\_\_  
Signature

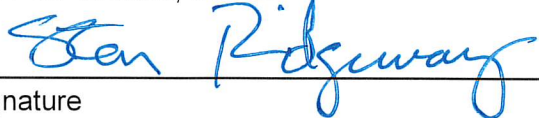
ED KLOPSTEIN  
\_\_\_\_\_  
Print Name

BOARD CHAIRMAN  
\_\_\_\_\_  
Title

Attest: Cheri Newbold  
\_\_\_\_\_  
Secretary

**CITY:**

CITY OF EAGLE, IDAHO

  
\_\_\_\_\_  
Signature

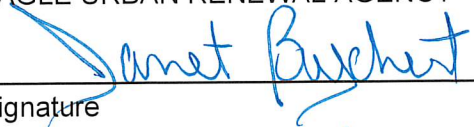
STAN RIDGEWAY  
\_\_\_\_\_  
Print Name

Mayor  
\_\_\_\_\_  
Title

Attest: Sharon K Bergman  
\_\_\_\_\_  
Clerk

**EURA:**

EAGLE URBAN RENEWAL AGENCY

  
\_\_\_\_\_  
Signature

  
\_\_\_\_\_  
Print Name

  
\_\_\_\_\_  
Title

  
\_\_\_\_\_  
Attest:  
Secretary