

## **EAGLE URBAN RENEWAL AGENCY**

### **RESOLUTION NO. 19-006**

BY THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF THE CITY OF EAGLE:

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF THE CITY OF EAGLE, IDAHO, APPROVING THAT CERTAIN TERMINATION, SETTLEMENT AND RELEASE AGREEMENT BETWEEN THE URBAN RENEWAL AGENCY OF THE CITY OF EAGLE, IDAHO, THE CITY OF EAGLE, IDAHO, AND JOINT SCHOOL DISTRICT NO. 2, ADA AND CANYON COUNTIES, IDAHO, OTHERWISE KNOWN AS WEST ADA SCHOOL DISTRICT, AUTHORIZING THE CHAIR OR VICE-CHAIR AND EXECUTIVE DIRECTOR TO EXECUTE AND ATTEST THE TERMINATION, SETTLEMENT AND RELEASE AGREEMENT AND ANY NECESSARY ADDITIONAL RELATED DOCUMENTS OR AGREEMENTS; AUTHORIZING ANY TECHNICAL CORRECTIONS TO THE TERMNATION, SETTLEMENT AND RELEASE AGREEMENT; AND PROVIDING AN EFFECTIVE DATE.

**THIS RESOLUTION**, made on the date hereinafter set forth by the Urban Renewal Agency of Eagle, Idaho, an independent public body corporate and politic, authorized under the authority of the Idaho Urban Renewal Law of 1965, as amended, Chapter 20, Title 50, Idaho Code, a duly created and functioning urban renewal agency for Eagle, Idaho, hereinafter referred to as (the "EURA").

**WHEREAS**, the City Council of Eagle, Idaho on December 11, 2007, after notice duly published, conducted a public hearing on the Eagle Urban Renewal Plan (the "Plan"); and

**WHEREAS**, following said public hearing, the City adopted its Ordinance 592 on December 11, 2007, approving the Plan and making certain findings; and

**WHEREAS**, on January 18, 2008, the Joint School District No. 2, Ada and Canyon Counties (the "District") initiated proceedings against the City of Eagle, Idaho (the "City") and the Agency in the District Court of the Fourth Judicial District of the State of Idaho (the "Court") by filing a complaint (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 requiring the EURA to transfer the portions of the Tax Increment Revenues received applicable to the District, back to the District, upon receipt of such revenues, and established a methodology to calculate the amount of funds to be rebated and a manner of payment; and

**WHEREAS**, the EURA has paid more than is required in the Settlement and the EURA and the District acknowledge such overpayment; and

**WHEREAS**, in lieu of the School District returning funds to the EURA, the Parties now desire to terminate their rights and obligations with respect to payment of further rebates of the Tax Increment Funds by the EURA to the District as described in the Settlement, pursuant to the terms of the Termination, Settlement and Release Agreement, hereinafter referred to as (the “Agreement”).

**WHEREAS**, the amount of excess funds paid by the EURA to the District and the amount of the Tax Increment Funds to be paid to the District pursuant to the Settlement in the future are sufficiently equivalent and the Parties will incur additional staff time and expense in calculating and processing further rebate payments under the Settlement;

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

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

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

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

Section 3. That the Chair or Vice-Chair and Secretary of the Board of Directors of the Agency are hereby authorized to execute and attest the Agreement provided such Agreement shall include any and all modifications or revisions discussed at the August 6, 2019, Regular Board Meeting. Provided, further, the Chair or Vice-Chair is authorized to approve and accept any necessary technical changes to the Agreement or other documents upon advice from the Agency’s legal counsel that said changes are consistent with the provisions of the Agreement and consistent with the information presented at the EURA Board meeting of August 6, 2019. Provided, further, the Chair or Vice-Chair is hereby authorized to take the action approved by this Resolution and to implement the Agreement.

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

RESOLUTION NO. 19-006

Section 5. That as of the effective date of this Resolution, neither party shall have any further rights of obligations under or arising out of the Agreement.

**PASSED AND ADOPTED** by the Urban Renewal Agency of the City of Eagle, Idaho, on August 6, 2019. Signed by the Chair of the Board of Commissioners and attested by the Executive Director to the Board of Commissioners, on this 6th day of August 2019.

**EAGLE URBAN RENEWAL AGENCY**

---

JANET BUSCHERT  
EURA Board Chair

**ATTEST:**

---

ROBIN COLLINS  
Executive Director

EXHIBIT A  
ORIGINAL SETTLEMENT AND RELEASE AGREEMENT



877 Main Street, Suite 1000  
P.O. Box 1617  
Boise, Idaho 83701-1617  
208.344.6000  
www.hteh.com

NICHOLAS G. MILLER  
ADMITTED TO PRACTICE LAW IN IDAHO, CALIFORNIA AND NEW YORK  
EMAIL: NGM@HTEH.COM  
DIRECT DIAL: 208.388.4849  
DIRECT FAX:

RECEIVED  
DEC 09 2008  
MSB & T, CTD.

December 8, 2008

Susan E. Buxton  
Moore Smith Buxton & Turcke  
950 W. Bannock, Suite 520  
Boise, ID 83702

Re: *Joint School District No. 2 vs. City of Eagle, Idaho and Eagle Urban Renewal  
Agency – Case No. CV OC 0801169*

Dear Susan

Enclosed are a fully-executed original copy of the Settlement and Release Agreement and a copy of the Order of Dismissal with Prejudice in the referenced matter. Please contact us if you have any questions or comments.

Sincerely,

HAWLEY TROXELL ENNIS & HAWLEY LLP

  
Nicholas G. Miller

NGM/tjon  
Enclosures

## SETTLEMENT AND RELEASE AGREEMENT

This SETTLEMENT AND RELEASE AGREEMENT (the "**Agreement**") is made and entered into as of November 25, 2008, by and between Joint School District No. 2, Ada and Canyon Counties, Idaho (the "**District**" or the "**Plaintiff**"), and the City of Eagle, Idaho (the "**City**") and the Eagle Urban Renewal Agency (the "**EURA**") (collectively referred to as the "**Defendants**"). The Plaintiff and the Defendants are hereinafter each referred to as a "**Party**" and collectively referred to as the "**Parties**."

### ARTICLE 1 BACKGROUND

**1.1 The Eagle Urban Renewal Plan.** The City created the EURA to develop and administer the Eagle Urban Renewal Plan for the Downtown and 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.

**1.2 The Plaintiff.** The District is a taxing district affected by the Plan.

**1.3 The Defendants.** The City is the municipality responsible for developing and approving the Plan through the formation of the EURA. The EURA is the urban renewal agency enabled by the City to implement and administer the Plan.

**1.4 Litigation.** On January 18, 2008, the Plaintiff initiated proceedings against the Defendants in the District Court of the Fourth Judicial District of the State of Idaho (the "**Court**") by filing a complaint (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.

**1.5 Settlement and Compromise.** By this Agreement, the Parties desire and intend to settle and compromise their differences, resolve the disputes between them, and release any Claims (defined herein) they may have.

## ARTICLE 2 SETTLEMENT AND RELEASE

NOW, THEREFORE, for and in consideration of the covenants and agreements set forth herein, the benefits to be derived therefrom, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as set forth below:

**2.1 Conditions Precedent.** The obligations of the Parties set forth in Section 2.3, including, without limitation, the releases set forth in Subsection 2.3.1 and the stipulations set forth in Subsection 2.3.2, are hereby expressly conditioned upon the complete performance of each of the items of consideration set forth in Section 2.2.

**2.2 Consideration.** As material conditions of, and consideration for, the obligations of the Parties set forth in Section 2.3, the Parties hereby agree to the performance of the following items of consideration.

**2.2.1 Rebate Provision.** The Parties contemplate that the EURA shall operate the revenue allocation financing as set forth in the Plan and in accordance with the Act, except that upon receipt of Tax Increment Revenues, the EURA will transfer the portions of the Tax Increment Revenues described in this Section 2.2.1 to the District

(a) The District may certify and collect an emergency levy authorized by Section 33-805, Idaho Code. The EURA agrees to rebate annually to the District upon imposition of such levy an amount calculated by multiplying the following amounts by the Tax Increment Value:

(i) if the emergency levy imposed is equal to or less than .0003, then the EURA will rebate .0003 times the Tax Increment Value;

(ii) if the emergency levy imposed is greater than .0003, then the EURA will rebate .0006 times the Tax Increment Value.

(b) The District certifies and collects other levies authorized by Sections 33-802 through 33-804, Idaho Code (the "Other Levies"). The EURA agrees to rebate to the District an amount calculated by multiplying the total of the Other Levies, when and if imposed, times the greater of (i) the Tax Increment Value for tax year 2009 (i.e., Tax Increment Value as of January 1, 2009), or (ii) \$19,000,000.

**2.2.2 Manner of Payment** The EURA agrees to pay any rebate payments described in Section 2.2.1 promptly upon receipt and verification of tax revenues from Ada County. Verification is intended to address the delinquency and collection factor within the revenue allocation area, it being understood that the District's rebate is based upon the collected Tax Increment Revenue.

**2.2.3 House Bill 470 Provisions.** The Act was amended by House Bill No. 470 enacted during the 2008 Idaho Legislative Session ("HB 470"). HB 470 modifies the manner and amount of Tax Increment Revenues that are paid to EURA under the Act. To the extent that HB 470 has gone into effect with respect to any of the District's Other Levies, the

rebate provisions of Section 2.2.1(b) shall not apply. The Parties agree that HB 470, in its present form, will apply notwithstanding any future amendment to the Act for as long as the Plan's revenue allocation financing continues to operate, including the time period of any renewals or modifications thereto.

**2.3 Settlement Obligations of the Parties.** Conditioned upon the complete performance of the items of consideration set forth in Section 2.2, the Parties hereby agree to settle all Claims and dismiss the Complaint as follows:

**2.3.1 Release of Claims** The Plaintiff fully, finally, and forever releases and discharges the Defendants pursuant to the terms set forth in this Subsection 2.3.1. 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 arising from the relationship of the Parties and any of them, including, without limitation, all Claims relating to the Plan and all Claims relating to the facts and circumstances pled in the Complaint.

**2.3.2 Stipulation Relating to Litigation** Upon execution of this agreement, the Parties will execute and file with the Court a stipulation for judgment, with each party bearing their own attorney fees, costs, interest, and any other expenses incurred in connection with such litigation as well as the proposed order. The stipulation and proposed judgment are attached hereto and incorporated herein as Exhibit A. In the event the Court modifies the proposed judgment or enters its own order, it shall be sufficient for purposes of this Agreement if the Court enters an order that shall dismiss the Complaint with prejudice.

**2.3.3 Nonadmission of Fault or Liability.** The terms and conditions documented in this Agreement relate to the settlement of the Claims as set forth in Subsection 2.3.1. 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 further litigation between them.

**2.3.4 Ownership of Claims.** The Parties represent and warrant that no portion of any of the Claims set forth in Subsection 2.3.1 has been assigned or transferred to any other party or entity, either directly or by way of subrogation or operation of law.

**2.3.5 Authorization** The Parties represent and warrant that they are fully authorized to enter into this Agreement.

**2.3.6 Press Release** Promptly after the execution of this Agreement, the parties shall issue a joint press release in the form attached hereto as Exhibit B

**2.3.7 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.

**2.4 Material Breach of Settlement and Release Agreement** Any failure to complete any of the items of consideration set forth in Section 2.2 shall constitute a material



breach of this Agreement, entitling the Parties to all rights and defenses available to them at law or equity.

### **ARTICLE 3 MISCELLANEOUS PROVISIONS**

**3.1 Independent Advice of Counsel.** Each of the Parties represent and warrant that they have read this Agreement and understand and voluntarily accept its terms and conditions, and that they have received or had the opportunity to obtain independent legal advice from their respective attorneys with respect to the meaning of this Agreement and the advisability of making the settlement on the terms and conditions contained herein. No presumption shall be made in favor of or against any Party as a result of the preparation or drafting of this Agreement. Each Party, together with its advisors, has made such investigation of the facts and the law pertaining to this Agreement, and of all the matters pertaining thereto, as it deems necessary. Each party forever waives all rights to assert that this Agreement was the result of a mistake in law or in fact.

**3.2 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 the Parties relating to such 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.

**3.3 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.

**3.4 Further Acts.** The Parties agree to do any further acts, or to execute and deliver any and all further documents or instruments as any other Party may reasonably require for the purpose of giving full effect to the provisions of this Agreement.

**3.5 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.

**3.6 Written Modification.** No modification of this Agreement and no waiver of a provision hereof shall be of any force or effect unless the same is in writing and signed by all of the Parties.

**3.7 Headings.** The headings in this Agreement are inserted for convenience only, and shall not affect the meaning or interpretation of this Agreement in any manner.

**3.8 Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. 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.

(SIGNATURE PAGES FOLLOW)

IN WITNESS WHEREOF, the Parties have signed this Settlement and Release Agreement as of the date first set forth above.

**DISTRICT:**

JOINT SCHOOL DISTRICT NO 2,  
ADA AND CANYON COUNTIES,  
IDAHO

By: 

Name: Juan Vuittonet

Title: Board Chairman

**CITY:**

CITY OF EAGLE, IDAHO

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**EURA:**

EAGLE URBAN RENEWAL AGENCY

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

IN WITNESS WHEREOF, the Parties have signed this Settlement and Release Agreement as of the date first set forth above.

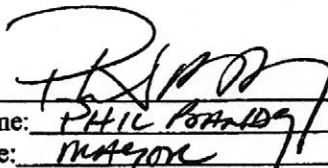
**DISTRICT:**

JOINT SCHOOL DISTRICT NO 2,  
ADA AND CANYON COUNTIES,  
IDAHO

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


**CITY:**

CITY OF EAGLE, IDAHO

By:  \_\_\_\_\_  
Name: PHIL POMROY  
Title: MAYOR

**EURA:**

EAGLE URBAN RENEWAL AGENCY

By:  \_\_\_\_\_  
Name: CAMERON ARSAL  
Title: CHAIRMAN

**EXHIBIT A**

**FORM OF STIPULATION AND PROPOSED ORDER**

Geoffrey M. Wardle ISB No. 5604  
Nicholas G. Miller ISB No. 3041  
D. John Ashby ISB No. 7228  
HAWLEY TROXELL ENNIS & HAWLEY LLP  
877 Main Street, Suite 1000  
P.O. Box 1617  
Boise, ID 83701-1617  
Telephone: (208) 344-6000  
Facsimile: (208) 342-3829  
Email: gmw@hteh.com  
ngm@hteh.com  
jash@hteh.com

Attorneys for Plaintiff

IN THE DISTRICT COURT OF THE FOURTH JUDICIAL DISTRICT  
OF THE STATE OF IDAHO, IN AND FOR THE COUNTY OF ADA

JOINT SCHOOL DISTRICT NO. 2, Ada and )  
Canyon Counties, Idaho, a body corporate and )  
politic and a political subdivision of the State )  
of Idaho, )

Plaintiff, )

vs. )

CITY OF EAGLE, IDAHO, a municipal )  
corporation and a political subdivision of the )  
State of Idaho; EAGLE URBAN RENEWAL )  
AGENCY, an independent public body )  
corporate and politic of the State of Idaho, )

Defendants )

Case No. CV OC 0801169

STIPULATION TO DISMISS WITH  
PREJUDICE

STIPULATION TO DISMISS WITH PREJUDICE - 1

The above named parties have resolved their dispute through a separate Settlement and Release Agreement and, therefore, stipulate that the Plaintiff's Complaint be dismissed with prejudice, each party to bear its own attorneys' fees and costs.

DATED THIS \_\_\_\_\_ day of November, 2008.

HAWLEY TROXELL ENNIS & HAWLEY LLP

By \_\_\_\_\_  
Nicholas G. Miller  
Attorneys for Plaintiff

DATED THIS \_\_\_\_\_ day of  
November, 2008.

ELAM & BURKE

By \_\_\_\_\_  
Ryan P. Armbruster  
Attorneys for Defendant Eagle Urban Renewal  
Agency

DATED THIS \_\_\_\_\_ day of  
November, 2008.

MOORE SMITH BUXTON & TURCKE

By \_\_\_\_\_  
Susan E. Buxton  
Attorneys for Defendant City of Eagle

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this \_\_\_\_ day of November, 2008, I caused to be served a true copy of the foregoing STIPULATION TO DISMISS WITH PREJUDICE by the method indicated below, and addressed to each of the following:

Ryan P. Armbruster  
ELAM & BURKE  
251 E. Front St., Suite G  
Boise, ID 83701  
[Attorneys for Defendant Eagle Urban Renewal  
Agency]

\_\_\_\_ U.S. Mail, Postage Prepaid  
\_\_\_\_ Hand Delivered  
\_\_\_\_ Overnight Mail  
\_\_\_\_ Telecopy

Susan E. Buxton  
MOORE SMITH BUXTON & TURCKE  
950 W Bannock, Suite 520  
Boise, ID 83702  
[Attorneys for Defendant City of Eagle]

\_\_\_\_ U.S. Mail, Postage Prepaid  
\_\_\_\_ Hand Delivered  
\_\_\_\_ Overnight Mail  
\_\_\_\_ Telecopy

\_\_\_\_\_  
Geoffrey M Wardle



IN THE DISTRICT COURT OF THE FOURTH JUDICIAL DISTRICT  
OF THE STATE OF IDAHO, IN AND FOR THE COUNTY OF ADA

JOINT SCHOOL DISTRICT NO. 2, Ada and )  
Canyon Counties, Idaho, a body corporate and )  
politic and a political subdivision of the State )  
of Idaho, )

Plaintiff, )

vs. )

CITY OF EAGLE, IDAHO, a municipal )  
corporation and a political subdivision of the )  
State of Idaho; EAGLE URBAN RENEWAL )  
AGENCY, an independent public body )  
corporate and politic of the State of Idaho, )

Defendants. )

Case No. CV OC 0801169

ORDER OF DISMISSAL WITH  
PREJUDICE

This matter having come before the Court on the parties' Stipulation To Dismiss With  
Prejudice, and there appearing good cause therefor,

IT IS HEREBY ORDERED that this case is dismissed with prejudice, with each party to  
bear its own attorneys' fees and costs.

ORDER OF DISMISSAL WITH PREJUDICE - 1

DATED THIS \_\_\_\_\_ day of November, 2008.

---

DISTRICT JUDGE

CLERK'S CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this \_\_\_\_ day of November, 2008, I caused to be served a true copy of the foregoing ORDER OF DISMISSAL WITH PREJUDICE by the method indicated below, and addressed to each of the following:

Ryan P. Armbruster  
ELAM & BURKE  
251 E. Front St., Suite G  
Boise, ID 83701  
[Attorneys for Defendant Eagle Urban Renewal  
Agency]

\_\_\_\_ U S Mail, Postage Prepaid  
\_\_\_\_ Hand Delivered  
\_\_\_\_ Overnight Mail  
\_\_\_\_ Telecopy

Susan E. Buxton  
MOORE SMITH BUXTON & TURCKE  
950 W Bannock, Suite 520  
Boise, ID 83702  
[Attorneys for Defendant City of Eagle]

\_\_\_\_ U.S. Mail, Postage Prepaid  
\_\_\_\_ Hand Delivered  
\_\_\_\_ Overnight Mail  
\_\_\_\_ Telecopy

CLERK OF THE COURT

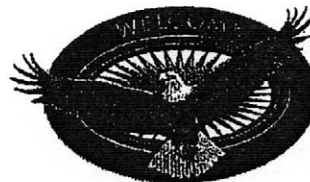
By: \_\_\_\_\_  
Deputy Clerk

**EXHIBIT B**

**FORM OF JOINT PRESS RELEASE**



## Joint School District No. 2 City of Eagle, Idaho



### ◆ NEWS RELEASE ◆

Contact: Eric Exline  
340-0118

November 25, 2008  
For Release: Immediate

Contact: Mayor Phil Bandy or  
Clerk-Treasurer Sharon Bergman  
939-6813

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### City of Eagle, Eagle Urban Renewal Agency, and Joint School District No. 2 Settle Lawsuit

#### Agreement Allows Urban Renewal Plan to Move Forward While Protecting Financial Health of District

EAGLE, ID – The City of Eagle, the Eagle Urban Renewal Agency, and Joint School District No. 2 reached a settlement in the urban renewal lawsuit filed by the school district earlier this year, officials from all three entities said today.

The agreement ends the lawsuit and therefore removes any challenge to the Eagle Urban Renewal Plan for an urban renewal area in downtown and the eastern gateway to the City of Eagle. The urban renewal agency intends to build enhanced public facilities like streets, sidewalks, parking facilities, parks, public buildings, plazas and public infrastructure, improve design standards, eliminate environmental deficiencies and redevelop stagnant areas in Eagle's downtown and East End.

Linda Clark, Superintendent of the School District said: "We believed the lawsuit was necessary to safeguard our financial ability to meet the needs of students, parents, and taxpayers in our fast-growing district." "The agreement, together with the adoption of legislation in the 2008 legislative session that provides for school districts to retain tax revenues from future voter-approved levies, enables us to do that. This agreement shows how districts and municipalities can work together to develop urban renewal districts."

Mayor Bandy and Cameron Arial, Chairman of the Urban Renewal Agency, said: The agreement is the result of a very positive process and the recognition of the objectives of all three parties. We are grateful to Joint School District No. 2 for its patience and support of what the City and Agency are trying to achieve in Eagle.

###

COPY  
NO. \_\_\_\_\_  
FILED  
A.M. \_\_\_\_\_ P.M. \_\_\_\_\_  
DEC 03 2008  
J. DAVID NAVARRO, Clerk  
By J KENNEDY  
DEPUTY

IN THE DISTRICT COURT OF THE FOURTH JUDICIAL DISTRICT  
OF THE STATE OF IDAHO, IN AND FOR THE COUNTY OF ADA

JOINT SCHOOL DISTRICT NO. 2, Ada and )  
Canyon Counties, Idaho, a body corporate and )  
politic and a political subdivision of the State )  
of Idaho, )

Plaintiff, )

vs. )

CITY OF EAGLE, IDAHO, a municipal )  
corporation and a political subdivision of the )  
State of Idaho; EAGLE URBAN RENEWAL )  
AGENCY, an independent public body )  
corporate and politic of the State of Idaho, )

Defendants. )

Case No. CV OC 0801169

ORDER OF DISMISSAL WITH  
PREJUDICE

This matter having come before the Court on the parties' Stipulation To Dismiss With  
Prejudice, and there appearing good cause therefor,

IT IS HEREBY ORDERED that this case is dismissed with prejudice, with each party to  
bear its own attorneys' fees and costs.

ORDER OF DISMISSAL WITH PREJUDICE - 1

04636.0068.1334775.1

DATED THIS 2nd. day of December, 2008.

KATHRYN A. STICKLEN

---

DISTRICT JUDGE

ORDER OF DISMISSAL WITH PREJUDICE - 2

04636.0068.1334775.1

CLERK'S CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 2<sup>nd</sup> day of December, 2008, I caused to be served a true copy of the foregoing ORDER OF DISMISSAL WITH PREJUDICE by the method indicated below, and addressed to each of the following:

Ryan P. Armbruster  
ELAM & BURKE  
251 E. Front St., Suite G  
Boise, ID 83701  
[Attorneys for Defendant Eagle Urban Renewal Agency]

☒ U.S. Mail, Postage Prepaid  
☐ Hand Delivered  
☐ Overnight Mail  
☐ Telecopy

Susan E. Buxton  
MOORE SMITH BUXTON & TURCKE  
950 W. Bannock, Suite 520  
Boise, ID 83702  
[Attorneys for Defendant City of Eagle]

☒ U.S. Mail, Postage Prepaid  
☐ Hand Delivered  
☐ Overnight Mail  
☐ Telecopy

CLERK OF THE COURT

J KENNEDY

By: \_\_\_\_\_  
Deputy Clerk



EXHIBIT B  
TERMINATION, SETTLEMENT AND RELEASE AGREEMENT

## **TERMINATION, SETTLEMENT AND RELEASE AGREEMENT**

This Termination, Settlement and Release Agreement, (the “**Agreement**”), dated \_\_\_\_\_, 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

---

Print Name

---

Title

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

**CITY:**

CITY OF EAGLE, IDAHO

---

Signature

---

Print Name

---

Title

Attest: \_\_\_\_\_  
Clerk

**EURA:**

EAGLE URBAN RENEWAL AGENCY

\_\_\_\_\_  
Signature

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

\_\_\_\_\_  
Title

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

EXHIBIT 'A'  
ORIGINAL SETTLEMENT & RELEASE AGREEMENT





877 Main Street, Suite 1000  
P.O. Box 1617  
Boise, Idaho 83701-1617  
208.344.6000  
www.hteh.com

NICHOLAS G. MILLER  
ADMITTED TO PRACTICE LAW IN IDAHO, CALIFORNIA AND NEW YORK  
EMAIL: NGM@HTEH.COM  
DIRECT DIAL: 208.388.4849  
DIRECT FAX:

RECEIVED  
DEC 09 2008  
MSB & T, CTD.

December 8, 2008

Susan E. Buxton  
Moore Smith Buxton & Turcke  
950 W. Bannock, Suite 520  
Boise, ID 83702

Re: *Joint School District No. 2 vs. City of Eagle, Idaho and Eagle Urban Renewal  
Agency – Case No. CV OC 0801169*

Dear Susan

Enclosed are a fully-executed original copy of the Settlement and Release Agreement and a copy of the Order of Dismissal with Prejudice in the referenced matter. Please contact us if you have any questions or comments.

Sincerely,

HAWLEY TROXELL ENNIS & HAWLEY LLP

  
Nicholas G. Miller

NGM/tjon  
Enclosures

## SETTLEMENT AND RELEASE AGREEMENT

This SETTLEMENT AND RELEASE AGREEMENT (the "**Agreement**") is made and entered into as of November 25, 2008, by and between Joint School District No. 2, Ada and Canyon Counties, Idaho (the "**District**" or the "**Plaintiff**"), and the City of Eagle, Idaho (the "**City**") and the Eagle Urban Renewal Agency (the "**EURA**") (collectively referred to as the "**Defendants**"). The Plaintiff and the Defendants are hereinafter each referred to as a "**Party**" and collectively referred to as the "**Parties**."

### ARTICLE 1 BACKGROUND

**1.1 The Eagle Urban Renewal Plan.** The City created the EURA to develop and administer the Eagle Urban Renewal Plan for the Downtown and 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.

**1.2 The Plaintiff.** The District is a taxing district affected by the Plan.

**1.3 The Defendants.** The City is the municipality responsible for developing and approving the Plan through the formation of the EURA. The EURA is the urban renewal agency enabled by the City to implement and administer the Plan.

**1.4 Litigation.** On January 18, 2008, the Plaintiff initiated proceedings against the Defendants in the District Court of the Fourth Judicial District of the State of Idaho (the "**Court**") by filing a complaint (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.

**1.5 Settlement and Compromise.** By this Agreement, the Parties desire and intend to settle and compromise their differences, resolve the disputes between them, and release any Claims (defined herein) they may have.

## ARTICLE 2 SETTLEMENT AND RELEASE

NOW, THEREFORE, for and in consideration of the covenants and agreements set forth herein, the benefits to be derived therefrom, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as set forth below:

**2.1 Conditions Precedent.** The obligations of the Parties set forth in Section 2.3, including, without limitation, the releases set forth in Subsection 2.3.1 and the stipulations set forth in Subsection 2.3.2, are hereby expressly conditioned upon the complete performance of each of the items of consideration set forth in Section 2.2.

**2.2 Consideration.** As material conditions of, and consideration for, the obligations of the Parties set forth in Section 2.3, the Parties hereby agree to the performance of the following items of consideration.

**2.2.1 Rebate Provision.** The Parties contemplate that the EURA shall operate the revenue allocation financing as set forth in the Plan and in accordance with the Act, except that upon receipt of Tax Increment Revenues, the EURA will transfer the portions of the Tax Increment Revenues described in this Section 2.2.1 to the District

(a) The District may certify and collect an emergency levy authorized by Section 33-805, Idaho Code. The EURA agrees to rebate annually to the District upon imposition of such levy an amount calculated by multiplying the following amounts by the Tax Increment Value:

(i) if the emergency levy imposed is equal to or less than .0003, then the EURA will rebate .0003 times the Tax Increment Value;

(ii) if the emergency levy imposed is greater than .0003, then the EURA will rebate .0006 times the Tax Increment Value.

(b) The District certifies and collects other levies authorized by Sections 33-802 through 33-804, Idaho Code (the "Other Levies"). The EURA agrees to rebate to the District an amount calculated by multiplying the total of the Other Levies, when and if imposed, times the greater of (i) the Tax Increment Value for tax year 2009 (i.e., Tax Increment Value as of January 1, 2009), or (ii) \$19,000,000.

**2.2.2 Manner of Payment** The EURA agrees to pay any rebate payments described in Section 2.2.1 promptly upon receipt and verification of tax revenues from Ada County. Verification is intended to address the delinquency and collection factor within the revenue allocation area, it being understood that the District's rebate is based upon the collected Tax Increment Revenue.

**2.2.3 House Bill 470 Provisions.** The Act was amended by House Bill No. 470 enacted during the 2008 Idaho Legislative Session ("HB 470"). HB 470 modifies the manner and amount of Tax Increment Revenues that are paid to EURA under the Act. To the extent that HB 470 has gone into effect with respect to any of the District's Other Levies, the

rebate provisions of Section 2.2.1(b) shall not apply. The Parties agree that HB 470, in its present form, will apply notwithstanding any future amendment to the Act for as long as the Plan's revenue allocation financing continues to operate, including the time period of any renewals or modifications thereto.

**2.3 Settlement Obligations of the Parties.** Conditioned upon the complete performance of the items of consideration set forth in Section 2.2, the Parties hereby agree to settle all Claims and dismiss the Complaint as follows:

**2.3.1 Release of Claims** The Plaintiff fully, finally, and forever releases and discharges the Defendants pursuant to the terms set forth in this Subsection 2.3.1. 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 arising from the relationship of the Parties and any of them, including, without limitation, all Claims relating to the Plan and all Claims relating to the facts and circumstances pled in the Complaint.

**2.3.2 Stipulation Relating to Litigation** Upon execution of this agreement, the Parties will execute and file with the Court a stipulation for judgment, with each party bearing their own attorney fees, costs, interest, and any other expenses incurred in connection with such litigation as well as the proposed order. The stipulation and proposed judgment are attached hereto and incorporated herein as Exhibit A. In the event the Court modifies the proposed judgment or enters its own order, it shall be sufficient for purposes of this Agreement if the Court enters an order that shall dismiss the Complaint with prejudice.

**2.3.3 Nonadmission of Fault or Liability.** The terms and conditions documented in this Agreement relate to the settlement of the Claims as set forth in Subsection 2.3.1. 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 further litigation between them.

**2.3.4 Ownership of Claims.** The Parties represent and warrant that no portion of any of the Claims set forth in Subsection 2.3.1 has been assigned or transferred to any other party or entity, either directly or by way of subrogation or operation of law.

**2.3.5 Authorization** The Parties represent and warrant that they are fully authorized to enter into this Agreement.

**2.3.6 Press Release** Promptly after the execution of this Agreement, the parties shall issue a joint press release in the form attached hereto as Exhibit B

**2.3.7 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.

**2.4 Material Breach of Settlement and Release Agreement** Any failure to complete any of the items of consideration set forth in Section 2.2 shall constitute a material

breach of this Agreement, entitling the Parties to all rights and defenses available to them at law or equity.

### **ARTICLE 3 MISCELLANEOUS PROVISIONS**

**3.1 Independent Advice of Counsel.** Each of the Parties represent and warrant that they have read this Agreement and understand and voluntarily accept its terms and conditions, and that they have received or had the opportunity to obtain independent legal advice from their respective attorneys with respect to the meaning of this Agreement and the advisability of making the settlement on the terms and conditions contained herein. No presumption shall be made in favor of or against any Party as a result of the preparation or drafting of this Agreement. Each Party, together with its advisors, has made such investigation of the facts and the law pertaining to this Agreement, and of all the matters pertaining thereto, as it deems necessary. Each party forever waives all rights to assert that this Agreement was the result of a mistake in law or in fact.

**3.2 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 the Parties relating to such 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.

**3.3 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.

**3.4 Further Acts.** The Parties agree to do any further acts, or to execute and deliver any and all further documents or instruments as any other Party may reasonably require for the purpose of giving full effect to the provisions of this Agreement.

**3.5 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.

**3.6 Written Modification.** No modification of this Agreement and no waiver of a provision hereof shall be of any force or effect unless the same is in writing and signed by all of the Parties.

**3.7 Headings.** The headings in this Agreement are inserted for convenience only, and shall not affect the meaning or interpretation of this Agreement in any manner.

**3.8 Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. 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.

(SIGNATURE PAGES FOLLOW)

IN WITNESS WHEREOF, the Parties have signed this Settlement and Release Agreement as of the date first set forth above.

**DISTRICT:**

JOINT SCHOOL DISTRICT NO 2,  
ADA AND CANYON COUNTIES,  
IDAHO

By: 

Name: Juan Vuittonet

Title: Board Chairman

**CITY:**

CITY OF EAGLE, IDAHO

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**EURA:**

EAGLE URBAN RENEWAL AGENCY

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

Name: \_\_\_\_\_

Title: \_\_\_\_\_

IN WITNESS WHEREOF, the Parties have signed this Settlement and Release Agreement as of the date first set forth above.

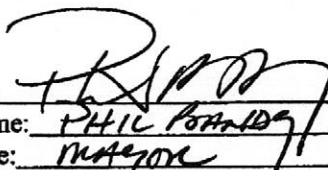
**DISTRICT:**

JOINT SCHOOL DISTRICT NO 2,  
ADA AND CANYON COUNTIES,  
IDAHO

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


**CITY:**

CITY OF EAGLE, IDAHO

By:  \_\_\_\_\_  
Name: PHIL POMROY  
Title: MAYOR

**EURA:**

EAGLE URBAN RENEWAL AGENCY

By:  \_\_\_\_\_  
Name: CAMERON ARSAL  
Title: CHAIRMAN



**EXHIBIT A**

**FORM OF STIPULATION AND PROPOSED ORDER**

Geoffrey M. Wardle ISB No. 5604  
Nicholas G. Miller ISB No. 3041  
D. John Ashby ISB No. 7228  
HAWLEY TROXELL ENNIS & HAWLEY LLP  
877 Main Street, Suite 1000  
P.O. Box 1617  
Boise, ID 83701-1617  
Telephone: (208) 344-6000  
Facsimile: (208) 342-3829  
Email: gmw@hteh.com  
ngm@hteh.com  
jash@hteh.com

Attorneys for Plaintiff

IN THE DISTRICT COURT OF THE FOURTH JUDICIAL DISTRICT  
OF THE STATE OF IDAHO, IN AND FOR THE COUNTY OF ADA

JOINT SCHOOL DISTRICT NO. 2, Ada and )  
Canyon Counties, Idaho, a body corporate and )  
politic and a political subdivision of the State )  
of Idaho, )

Plaintiff, )

vs. )

CITY OF EAGLE, IDAHO, a municipal )  
corporation and a political subdivision of the )  
State of Idaho; EAGLE URBAN RENEWAL )  
AGENCY, an independent public body )  
corporate and politic of the State of Idaho, )

Defendants )

Case No. CV OC 0801169

STIPULATION TO DISMISS WITH  
PREJUDICE

STIPULATION TO DISMISS WITH PREJUDICE - 1

The above named parties have resolved their dispute through a separate Settlement and Release Agreement and, therefore, stipulate that the Plaintiff's Complaint be dismissed with prejudice, each party to bear its own attorneys' fees and costs.

DATED THIS \_\_\_\_\_ day of November, 2008.

HAWLEY TROXELL ENNIS & HAWLEY LLP

By \_\_\_\_\_  
Nicholas G. Miller  
Attorneys for Plaintiff

DATED THIS \_\_\_\_\_ day of  
November, 2008.

ELAM & BURKE

By \_\_\_\_\_  
Ryan P. Armbruster  
Attorneys for Defendant Eagle Urban Renewal  
Agency

DATED THIS \_\_\_\_\_ day of  
November, 2008.

MOORE SMITH BUXTON & TURCKE

By \_\_\_\_\_  
Susan E. Buxton  
Attorneys for Defendant City of Eagle

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this \_\_\_\_ day of November, 2008, I caused to be served a true copy of the foregoing STIPULATION TO DISMISS WITH PREJUDICE by the method indicated below, and addressed to each of the following:

Ryan P. Armbruster  
ELAM & BURKE  
251 E. Front St., Suite G  
Boise, ID 83701  
[Attorneys for Defendant Eagle Urban Renewal  
Agency]

\_\_\_\_ U.S. Mail, Postage Prepaid  
\_\_\_\_ Hand Delivered  
\_\_\_\_ Overnight Mail  
\_\_\_\_ Telecopy

Susan E. Buxton  
MOORE SMITH BUXTON & TURCKE  
950 W Bannock, Suite 520  
Boise, ID 83702  
[Attorneys for Defendant City of Eagle]

\_\_\_\_ U.S. Mail, Postage Prepaid  
\_\_\_\_ Hand Delivered  
\_\_\_\_ Overnight Mail  
\_\_\_\_ Telecopy

\_\_\_\_\_  
Geoffrey M Wardle

IN THE DISTRICT COURT OF THE FOURTH JUDICIAL DISTRICT  
OF THE STATE OF IDAHO, IN AND FOR THE COUNTY OF ADA

JOINT SCHOOL DISTRICT NO. 2, Ada and )  
Canyon Counties, Idaho, a body corporate and )  
politic and a political subdivision of the State )  
of Idaho, )

Plaintiff, )

vs. )

CITY OF EAGLE, IDAHO, a municipal )  
corporation and a political subdivision of the )  
State of Idaho; EAGLE URBAN RENEWAL )  
AGENCY, an independent public body )  
corporate and politic of the State of Idaho, )

Defendants. )

Case No. CV OC 0801169

ORDER OF DISMISSAL WITH  
PREJUDICE

This matter having come before the Court on the parties' Stipulation To Dismiss With  
Prejudice, and there appearing good cause therefor,

IT IS HEREBY ORDERED that this case is dismissed with prejudice, with each party to  
bear its own attorneys' fees and costs.

ORDER OF DISMISSAL WITH PREJUDICE - 1

DATED THIS \_\_\_\_\_ day of November, 2008.

---

DISTRICT JUDGE

CLERK'S CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this \_\_\_\_ day of November, 2008, I caused to be served a true copy of the foregoing ORDER OF DISMISSAL WITH PREJUDICE by the method indicated below, and addressed to each of the following:

Ryan P. Armbruster  
ELAM & BURKE  
251 E. Front St., Suite G  
Boise, ID 83701  
[Attorneys for Defendant Eagle Urban Renewal  
Agency]

\_\_\_\_ U S Mail, Postage Prepaid  
\_\_\_\_ Hand Delivered  
\_\_\_\_ Overnight Mail  
\_\_\_\_ Telecopy

Susan E. Buxton  
MOORE SMITH BUXTON & TURCKE  
950 W Bannock, Suite 520  
Boise, ID 83702  
[Attorneys for Defendant City of Eagle]

\_\_\_\_ U.S. Mail, Postage Prepaid  
\_\_\_\_ Hand Delivered  
\_\_\_\_ Overnight Mail  
\_\_\_\_ Telecopy

CLERK OF THE COURT

By: \_\_\_\_\_  
Deputy Clerk

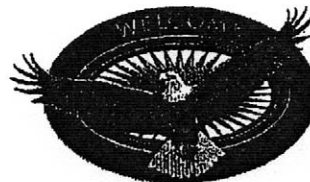
**EXHIBIT B**

**FORM OF JOINT PRESS RELEASE**





## Joint School District No. 2 City of Eagle, Idaho



### ◆ NEWS RELEASE ◆

Contact: Eric Exline  
340-0118

November 25, 2008  
For Release: Immediate

Contact: Mayor Phil Bandy or  
Clerk-Treasurer Sharon Bergman  
939-6813

---

### City of Eagle, Eagle Urban Renewal Agency, and Joint School District No. 2 Settle Lawsuit

#### Agreement Allows Urban Renewal Plan to Move Forward While Protecting Financial Health of District

EAGLE, ID – The City of Eagle, the Eagle Urban Renewal Agency, and Joint School District No. 2 reached a settlement in the urban renewal lawsuit filed by the school district earlier this year, officials from all three entities said today.

The agreement ends the lawsuit and therefore removes any challenge to the Eagle Urban Renewal Plan for an urban renewal area in downtown and the eastern gateway to the City of Eagle. The urban renewal agency intends to build enhanced public facilities like streets, sidewalks, parking facilities, parks, public buildings, plazas and public infrastructure, improve design standards, eliminate environmental deficiencies and redevelop stagnant areas in Eagle's downtown and East End.

Linda Clark, Superintendent of the School District said: "We believed the lawsuit was necessary to safeguard our financial ability to meet the needs of students, parents, and taxpayers in our fast-growing district." "The agreement, together with the adoption of legislation in the 2008 legislative session that provides for school districts to retain tax revenues from future voter-approved levies, enables us to do that. This agreement shows how districts and municipalities can work together to develop urban renewal districts."

Mayor Bandy and Cameron Arial, Chairman of the Urban Renewal Agency, said: The agreement is the result of a very positive process and the recognition of the objectives of all three parties. We are grateful to Joint School District No. 2 for its patience and support of what the City and Agency are trying to achieve in Eagle.

###

COPY  
NO. \_\_\_\_\_  
FILED  
A M \_\_\_\_\_ P M \_\_\_\_\_  
DEC 03 2008  
J. DAVID NAVARRO, Clerk  
By J KENNEDY  
DEPUTY

IN THE DISTRICT COURT OF THE FOURTH JUDICIAL DISTRICT  
OF THE STATE OF IDAHO, IN AND FOR THE COUNTY OF ADA

JOINT SCHOOL DISTRICT NO. 2, Ada and )  
Canyon Counties, Idaho, a body corporate and )  
politic and a political subdivision of the State )  
of Idaho, )

Plaintiff, )

vs. )

CITY OF EAGLE, IDAHO, a municipal )  
corporation and a political subdivision of the )  
State of Idaho; EAGLE URBAN RENEWAL )  
AGENCY, an independent public body )  
corporate and politic of the State of Idaho, )

Defendants. )

Case No. CV OC 0801169

ORDER OF DISMISSAL WITH  
PREJUDICE

This matter having come before the Court on the parties' Stipulation To Dismiss With  
Prejudice, and there appearing good cause therefor,

IT IS HEREBY ORDERED that this case is dismissed with prejudice, with each party to  
bear its own attorneys' fees and costs.

ORDER OF DISMISSAL WITH PREJUDICE - 1

04636.0068.1334775.1

DATED THIS 2nd. day of December, 2008.

KATHRYN A. STICKLEN

---

DISTRICT JUDGE

ORDER OF DISMISSAL WITH PREJUDICE - 2

04636.0068.1334775.1

CLERK'S CERTIFICATE OF SERVICE

I HEREBY CERTIFY that on this 2<sup>nd</sup> day of December, 2008, I caused to be served a true copy of the foregoing ORDER OF DISMISSAL WITH PREJUDICE by the method indicated below, and addressed to each of the following:

Ryan P. Armbruster  
ELAM & BURKE  
251 E. Front St., Suite G  
Boise, ID 83701  
[Attorneys for Defendant Eagle Urban Renewal  
Agency]

☒ U.S. Mail, Postage Prepaid  
☐ Hand Delivered  
☐ Overnight Mail  
☐ Telecopy

Susan E. Buxton  
MOORE SMITH BUXTON & TURCKE  
950 W. Bannock, Suite 520  
Boise, ID 83702  
[Attorneys for Defendant City of Eagle]

☒ U.S. Mail, Postage Prepaid  
☐ Hand Delivered  
☐ Overnight Mail  
☐ Telecopy

CLERK OF THE COURT

J KENNEDY

By: \_\_\_\_\_  
Deputy Clerk