DEVELOPMENT AGREEMENT

BY AND BETWEEN THE EAGLE URBAN RENEWAL AGENCY

AND

Eagle 26, LLC an Idaho Limited Liability Company.

June 16, 2020

N. Palmetto Avenue Extension Project

DEVELOPMENT AGREEMENT

THIS DEVELOPMEMNT AGREEMENT ("DA" or "Agreement") is entered into as of the 16th day of June, 2020, by and between the EAGLE URBAN RENEWAL AGENCY, the urban renewal Agency for the City for Eagle, an independent public body, corporate and politic, organized and existing under the urban renewal laws of the State of Idaho and Eagle 26, LLC, an Idaho Limited Liability Company, ("Participant"). Agency and Participant are collectively referred to as "Parties."

RECITALS

WHEREAS, the Eagle Urban Renewal Agency ("EURA" or "Agency"), an independent public body, corporate and politic, is an urban renewal Agency created by and existing under the authority of and pursuant to the 'Idaho Urban Renewal Law of 1965, being Idaho Code title 50, chapter 20, as amended and supplemented, and the Local Economic Development Act of 1988, being Idaho Code, Title 50, Chapter 29; as amended and supplemented (collectively the "Act");

WHEREAS, the EURA was established by Resolution No. 06-50 of the City Council of the City of Eagle, Idaho (hereinafter the "City Council"), adopted October 10, 2006;

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

WHEREAS, following said public hearing the City adopted its Ordinance No. 592 on December 11, 2007, approving the Revitalization Plan and making certain findings;

WHEREAS, the EURA enters into development agreements from time to time to promote the goals and objectives of the EURA;

WHEREAS, EURA, The City of Eagle, and Participant have obtained complete engineering plans and specifications for construction of the N. Palmetto Avenue extension road, including its intersection with State Highway 44 on the South and Plaza drive on the North, which plans and specifications have been approved by Ada County Highway District ("ACHD") and the Idaho Transportation Department ("ITD")

WHEREAS, THE EURA recognizes that completing the construction of the N. Palmetto Avenue extension will benefit the public by promoting connectivity, enhanced traffic flow and economic development;

WHEREAS, ACHD will be the owner of the public road upon completion of construction and acceptance by ACHD;

WHEREAS, THE EURA and the City previously entered into an agreement which provided for the cost sharing of the construction of N. Palmetto Avenue extension ("Palmetto Avenue") and the City declined to select a bidder under said agreement;

WHEREAS, Participant conveyed title to the majority of the property required for the N. Palmetto Avenue right of way to the City in anticipation of the City participating in the construction and other property owners have committed to donate the rest of the required right of way property;

WHEREAS, subject to the terms contained in this Agreement, the Participant agrees to complete the construction of the N. Palmetto Ave extension according to plans prepared by the EURA, The City and Participant and approved by ACHD; and

WHEREAS, the Agency is willing to reimburse Participant for a portion of the costs to complete the construction of the N. Palmetto Avenue extension.

NOW, THEREFORE, based upon the mutual consideration, the receipt and sufficiency of which is hereby acknowledged, the Agency and the Participant agree as follows:

I. SUBJECT OF AGREEMENT

A. Development Agreement

The purpose of this DA is to effectuate the Eagle Urban Renewal Plan ("Plan") by providing for the reimbursement of a portion of the Participant's cost to complete the N. Palmetto Avenue extension.

The above noted recitals are hereby incorporated into this Agreement as if set forth fully herein.

The term of this Agreement shall be through December 31, 2020, unless such date is extended by Agency. This DA may be earlier terminated by the parties as provided herein.

B. The Plan

This Agreement is subject to the provisions of the Plan, initially approved by the Eagle City Council, pursuant to Ordinance No. 592 on December 11, 2007.

C. The Project

This Agreement applies to the construction of a portion of a public road, specifically the extension of N. Palmetto Avenue which is located in the city of Eagle and within the Agency boundaries ("Project"). The Project is more specifically described in the plans and documents in Exhibit A attached hereto and incorporated by reference herein.

D. Agency Participation Policy

Generally, the Agency has agreed to financially participate with a private developer when such participation, in the Agency's complete discretion, achieves and conforms with the goals and objectives of the Plan and the law and is not duplicative of other public entity funding when funding is available and where the applicable project is a priority for the Agency.

E. Parties to This Agreement

1. The Agency

The Agency is an independent public body, corporate and politic, exercising governmental functions and powers and organized and existing under the Idaho Urban Renewal Law of the State of Idaho, Title 50, Chapter 20, Idaho Code, and the Local Economic Development Act, Title 50, Chapter 29, Idaho Code. The mailing address of the Agency is 660 East Civic Lane, Eagle, ID 83616. "Agency," or "EURA" as used in this Agreement, includes the Eagle Urban Renewal Agency and any assignee of or successor to its rights, powers, and responsibilities.

2. The Participant

The Participant is Eagle 26, LLC. The principal address to be used for the Participant is 737 N. 7th St., Boise, ID 83702.

Whenever the term "Participant" is used herein, such term shall include any permitted nominee, assignee, purchaser, or successor in interest as herein provided. The Participant represents and warrants that its undertakings pursuant to this Agreement are and will be used for the purpose of the timely completion of the Project. The Participant further recognizes that in view of: (1) the importance of the Project to the general health, safety and welfare of the community; (2) the reliance by the Agency on the reputation, past experience with and the business expertise of the Participant and the interest and obligation which the Participant will have in the Project to assure the quality of the use, operation, and maintenance of the development thereof; and (3)

the fact that a change in control of the Participant, or any other act or transaction involving or resulting in a significant change in the ownership or a change with respect to the identity of the parties in control of the Participant or the degree thereof, is for practical purposes a substantial change in the terms of this DA. The qualification and identity of the Participant are of particular importance to the Agency. It is because of the qualifications and identity of the Participant and the nature of the Participant that the Agency has entered into this Agreement with the Participant.

No voluntary or involuntary successor in interest of the Participant shall acquire any rights or powers under this Agreement except as expressly set forth herein. Except as provided below, the Participant shall not assign all or any part of its rights and obligations under this Agreement without the prior written approval of the Agency. For the reasons stated above, the Participant represents and warrants for itself and any of its successor(s) in interest that during the term of this Agreement, except as expressly provided herein, there shall be no change in the Presidents/CEOs/Managers of the Participant (other than such changes occasioned solely by the death or incapacity of an individual) without the prior written approval of the Agency, which approval shall not be unreasonably withheld or delayed. Any upcoming change in a President/CEO/Manager of the Participant shall require immediate notification of such change by the Participant and written approval by the Agency, which approval shall not be unreasonably withheld.

It shall not be unreasonable for the Agency to withhold or delay its approval when using criteria such as those used by this and other redevelopment agencies in selecting participants for similar developments or because the proposed transferee does not have the current financial strength, experience, or reputation for integrity equal to or better than the Participant as of the date this Agreement has been executed by the Agency. This Agreement may be terminated by the Agency if there is any unpermitted significant change (voluntary or involuntary) in the management or control of the Participant in violation of this Agreement (other than changes occasioned solely by the death or incapacity of an individual) that has not been approved by the Agency previous to that change, if such change occurs prior to the completion of the Project.

Notwithstanding the foregoing and any other provisions hereof, the Participant reserves the right, at its discretion and without the prior written consent of the Agency.

to join and associate with other persons in joint ventures, partnerships, or other entities for the purpose of completing the Project, provided that the Participant remains fully responsible to the Agency as provided in this Agreement with respect to the Project. Any significant change during the period of this Agreement in the controlling interest of the Participant or the control by the Participant of the Project and any of the Reimbursable Public Improvements covered by this Agreement is subject to the approval of the Agency. Provided, however, that the Participant shall be allowed to add to its development team certain contractors, engineers, consultants and other development and design professionals.

F. Development

The Participant shall complete the Project in accordance with the plans and specifications in Exhibit A as approved by ACHD; and obtain acceptance thereof by the Ada County Highway District ("ACHD") by November 30, 2020. The Project to be completed by Participant shall comply with all the provisions of the Plan and any and all applicable agreements, regulations, requirements, ordinances and codes of the City, ACHD, ITD and any other agencies with jurisdiction.

The City owns the majority of the property that is required for the N. Palmetto Avenue right of way and the City holds the ITD permit for construction of the road within the Highway 44 ITD right of way. The responsibility to obtain the necessary approvals and acquire the necessary real property rests solely with the Participant. The Agency agrees to reasonably cooperate with the Participant to obtain the City's transfer of that property to ACHD or EURA and authorization for Participant and the Contractor to perform the required work within the ITD right of way. The Agency owns the real property described in Exhibit B attached hereto and incorporated by reference herein ("Agency Property"). The Agency Property is to become part of the public right of way for the N. Palmetto Avenue extension. The Agency agrees and understands that the construction of the Project will occur on the Agency Property. The Agency hereby consents to the construction of the Project on the Agency Property and the Agency agrees that it will dedicate the Agency Property to ACHD upon the completion of the Project as needed for ACHD acceptance of the Project. If Agency obtains additional

parcels of real property which are to be part of the public right of way for the Project then the Agency and Participant agree to include those parcels into Exhibit B by amendment to this Agreement.

G. Reimbursable Improvements

The reimbursable public improvements contained in the Project as noted in this Agreement will improve and enhance the public amenities and infrastructure within the Agency boundaries and the desired character and appearance of re-development within of the City downtown area and provide for greater public health, safety and welfare. Because the Project achieves several of the objectives contained within the Plan, the Agency finds that this Agreement is in the best public interest, will improve safety and traffic access, and provide for enhanced economic success of the Plan Area.

Generally, the objective of the Agency is to fund those activities which comply with the eligibility criteria set forth in the Idaho Urban Renewal Law, the Idaho Economic Development Act, and the Plan.

In consideration of the terms of this Agreement, Agency agrees to reimburse Participant for a portion of the reasonable costs of the Project in the amount not to exceed three hundred fifty thousand dollars (\$350,000.00). The Parties agree that these funds shall only be for the reimbursement of Costs of Construction associated with the portion of the Project located within the Agency Boundaries. The portion of the Project located within the ITD right of way is not within the Agency boundaries and any such costs are not subject to reimbursement under this Agreement. Costs of Construction as referred to in this section shall include but not be limited to: (a) the actual costs of material, labor, or other actual costs of construction; (b) the costs associated with or reasonably related to the management of the construction and review or oversight of the construction for compliance with applicable ACHD, ITD, other regulatory or agency requirements; (d) the costs of landscaping related to the Project, including the landscaping of certain property contributed by the Rocky Mountain HOA. In no event shall the Agency be required to reimburse Participant for more than 50% of the actual total Costs of Construction.

The Parties agree that all reimbursement payments to be made under this Agreement are to be made to Participant within 30 days of receipt of Participant's request for reimbursement and necessary supporting documentation. To receive reimbursement, Participant must provide written documentation acceptable to Agency from ACHD and any other applicable government agencies that the Project has been completed in accordance with the applicable Agency's specifications and requirements and that said Agency has accepted or approved said improvements.

H. Indemnification

Participant shall indemnify, defend and hold Agency and its respective officers, agents, consultants and employees harmless from and against all liabilities, obligations, damages, penalties, claims, costs, fees, charges, and expenses, including reasonable architect and attorney fees which may be imposed upon or incurred by or asserted against Agency or its respective officers, agents, consultants and employees that are related or in any way connected to the Project.

Participant shall also indemnify, hold harmless and defend Agency and its officers, agents, consultants and employees from and against any and all claims or causes of action asserted by entities or individuals that are not a party to this Agreement regarding the validity or legality of this Agreement and the reimbursement to Participant of the designated costs of the Project by Agency. Upon the determination of a court of competent jurisdiction that the reimbursement to Participant by Agency of the designated costs of the Project is unlawful or invalid, the Agency shall have no further obligation or liability to reimburse or make payments to Participant for the costs associated with the Project. In such instance Participant shall solely bear the responsibility for such costs and the Participant, in Agency's sole discretion, may be required by the Agency to return any funds paid by Agency to Participant for the Project with said payment to the Agency to be made within ninety (90) days of written request from Agency to Participant. Participant will bear the cost and expense of defending Agency in any of the above described matters and will reimburse Agency for all legal costs and expenses incurred by the Agency related to said maters.

I. Rights of Access During Construction

Representatives of the Agency shall have the reasonable right of access to the Project site without charges or fees, at normal construction hours during the period of construction for the purposes of this Agreement, including, but not limited to, the inspection of the work being performed.

J. <u>Antidiscrimination During Construction</u>

The Participant, for itself and its successors and assigns, agree that in the construction of the Project, the Participant will not discriminate against any employee or applicant for employment because of age, race, handicap, color, creed, religion, sex, marital status, ancestry, or national origin unless otherwise permitted by federal or state law.

K. ACHD, ITD and Other Approvals

Participant shall keep Agency advised of the approval process of ACHD, ITD and any other applicable agencies and advise the Agency immediately, if any action of the aforementioned agencies shall affect the scope, schedule and/or purpose of the Agreement.

II. DEFAULTS, REMEDIES, AND TERMINATION

A. <u>Defaults in General</u>

Subject to any approved extensions of time as set forth in this Agreement, failure or delay by either party to perform any term or provision of this Agreement constitutes a default under this Agreement. The Party who so fails or delays must immediately commence to cure, correct, or remedy such failure or delay and shall complete such cure, correction, or remedy with reasonable diligence and during any period of curing shall not be in default.

The Party claiming default shall give written notice of default to the party in default specifying the default complained of, and the injured party may not institute

proceedings against the party in default until thirty (30) days after giving such notice; said thirty (30) days constitutes the period to cure any default.

Except as otherwise expressly provided in this Agreement, any failure or delay by either party in asserting any of its rights or remedies as to any default shall not operate as a waiver of any default or of any such rights or remedies or deprive such party of its right to institute and maintain any action or proceeding which it may deem necessary to protect, assert, or enforce any such rights or remedies. The time to cure a default shall not commence until notice is provided.

It is expressly understood and agreed that each of the covenants, promises, stipulations and agreements of the Parties hereto and under the provisions of this DA and the Plan are made to the other and that each covenant, promise, stipulation, and agreement of the Parties shall be deemed and construed as material. It is further understood and agreed that the failure, refusal, or neglect for any reason whatsoever of either party to perform any of the covenants, promises, stipulations, or agreements to be performed by that Party pursuant to the terms and provisions of this Agreement or the Plan shall constitute a material default on the part of that Party giving to the other party the right to exercise each and every of its remedies reserved in or under or otherwise the right to enforce this Agreement and the Plan in accordance with the provisions of this article and other provisions relating to default in either this Agreement or the Plan. Any reference to default or act of default under the provisions of the Plan shall be deemed to be a corresponding and simultaneous default under this Agreement.

B. Legal Actions

In addition to any other rights or remedies, any party may institute legal action to cure, correct, or remedy any default; to recover damages for any default; or to obtain any other remedy consistent with the purpose of this Agreement. Such legal actions must be instituted in the District Court of the County of Ada, State of Idaho, in any other appropriate court in that county, or in the United States District Court for the District of Idaho. The nondefaulting party may also, at their option, cure the default and collect the attorney fees and costs incurred by virtue of curing or correcting the party's breach. Further, the nondefaulting party may pursue an action to require the defaulting party to

specifically perform the terms and conditions of this Agreement. The laws of the State of Idaho shall govern the interpretation and enforcement of this Agreement.

C. Rights and Remedies Are Cumulative

Except as otherwise expressly stated in this Agreement, the rights and remedies of the Parties are cumulative, and the exercise by any party of one or more of such rights or remedies shall not preclude the exercise by it, at the same time or different times, of any other rights or remedies for the same default or any other default by the other party. The Agency rights and remedies retained by the Agency shall include without limitation: an action for specific performance, damages or other equitable remedy and withholding payment of its funds then due under this Agreement.

D. Specific Performance

If the Agency or the Participant defaults under any of the provisions of this Agreement, the nondefaulting party shall provide written notice of such default to the defaulting party. If the default is not commenced to be cured by the defaulting party within thirty (30) days of providing the notice of default, the nondefaulting party, at the nondefaulting party's option, may institute an action for specific performance of the terms of this Agreement or for other equitable relief.

E. Termination without Default

Prior to commencing any construction on the Project and in the event the actions of the City or other individual or entity not a party to this Agreement make it impossible or impracticable for Participant to complete or otherwise satisfy its obligations pursuant to this agreement, Participant may terminate this Agreement upon written notice to the Agency. If so terminated, Participant shall have no further obligation or liability under this Agreement.

F. Termination by Default

Subject to the provisions of Section III(G), if either party is in breach or default of the terms of this DA, then upon proper notice and opportunity to cure as provided herein, the non-defaulting party may terminate this DA. Upon such termination, non-defaulting party shall have no further liability to the other under this Agreement.

III. GENERAL PROVISIONS

A. Notices, Demands, and Communications Between the Parties

Formal notices, demands, and communications between the Agency and Participant shall be sufficiently given if dispatched by regular mail or registered or certified mail, postage prepaid, return receipt requested, to the last known address of Agency and Participant as set forth in this Agreement. Such written notices, demands, and communications may be sent in the same manner to such other addresses as either party may from time to time designate by mail.

B. Nonliability of Agency Officials and Employees

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

C. Attorney Fees and Costs

In the event that either party to this Agreement shall initiate an action to enforce any of the provisions hereof in any action at law or in equity, the non-prevailing party to such action agrees to pay to the prevailing party all costs and expenses, including reasonable attorney fees incurred therein by the prevailing party, and such may be included in the judgment entered in such action.

D. Severability

The provisions in this Agreement are severable. Should any one or more of the provisions of this Agreement for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provisions of this Agreement, but this Agreement shall be construed and enforced as if such illegal or invalid provisions had not been contained herein.

E. Headings

The section headings contained herein are for convenience and reference and are not intended to define or limit the scope of any provision of this Agreement.

F. Counterparts

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

G. Dispute Resolution

In the event that a dispute arises between Agency and Participant regarding the application or interpretation of any provision of this Agreement, the aggrieved party shall promptly notify the other party to this Agreement of the dispute within thirty (30) days after such dispute arises. If the Parties fail to resolve the dispute informally within thirty (30) days after delivery of such notice, 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. Should the Parties be unable to resolve the dispute to their mutual satisfaction within thirty (30) days or other mutually agreeable timeframe after such commencement of mediation or other process of structured negotiation, each party shall have the right to pursue any rights or remedies it may have at law or in equity.

H. Forced Delay; Extension of Times of Performance

In addition to the specific provisions of this Agreement, performance by any party hereunder shall not be deemed to be in default where delays or defaults are due to war; insurrection; strikes; lock-outs; riots; floods; earthquakes; fires; casualties; acts of God; acts of the public enemy; epidemics; quarantine restrictions; freight embargoes; governmental restrictions or priority; litigation; unusually severe weather; acts of another party; environmental analysis or removal of hazardous or toxic substances; acts or the failure to act of any public or governmental Agency or entity; or any other causes beyond the control or without the fault of the party claiming an extension of time to perform. An extension of time for any such cause shall only be for the period of the forced delay, which period shall commence to run from the time of the commencement of the cause. Times of performance under this Agreement may also be extended in writing by the Agency and Participant.

I. Inspection of Books and Records

The parties shall have the right, upon not less than seventy-two (72) hour notice, at all reasonable times, to inspect the related books and records of the other party.

J. Attachments and Exhibits Made a Part

All attachments and Exhibits which are attached to this Development Agreement are made a part hereof by this reference.

K. Computation of Time

In computing any period of time prescribed or allowed under this Agreement, the day of the act, event, or default from which the designated period of time begins to run shall not be included. The last calendar day of the period so computed shall be included unless it is a Saturday, Sunday, or a legal holiday, in which event the period runs until the end of the next day which is not a Saturday, Sunday, or legal holiday. As

used herein, "legal holiday" means a legal holiday recognized by the City of Eagle on which the offices of the City are closed for City business.

L. No Third-Party Beneficiary or Joint Venture

The provisions of this Agreement are for the exclusive benefit of Agency and Participant and their authorized successors and assigns, and not for the benefit of any third person; nor shall this Agreement be deemed to have conferred any rights, express or implied, upon any third person except for provisions expressly for the benefit of a mortgagee of Participant or its successors and assigns. The parties hereto are not partners nor are they to be considered to be engaged in any joint venture.

M. Good Faith and Cooperation

It is agreed by Agency and Participant that it is in their mutual best interests and in the best interests of the public that the Project proceed and be completed as herein agreed, and, to that end, the Parties shall in all instances cooperate and act in good faith in compliance with all of the terms, covenants, and conditions of this DA and shall deal fairly with each other.

IV. AMENDMENTS TO THIS AGREEMENT

This Agreement may only be amended by mutual written agreement of the Parties hereto.

V. ENITRE AGREEMENT, WAIVERS, AND AMENDMENTS

This Agreement comprises the entire understanding and agreement of the Parties. This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto and supersedes all negotiations or previous agreements between the Parties with respect to all or any part of the subject matter thereof.

All waivers of the provision of this Agreement must be in writing and signed by the appropriate authorities of the Agency and Participant.

VI. TIME FOR ACCEPTANCE OF AGREEMENT BY AGENCY

The effective date of this Agreement shall be the date when this Agreement has been signed by the Agency.

AGENCY

Date: __(d 24/20____

Eagle Urban Renewal Agency

Ву

Janet Buschert, Chair

Attest

Robin Collins, Agency Secretary

PARTICIPANT

Date: 6 · 23 · 2020

Eagle 26, LLC

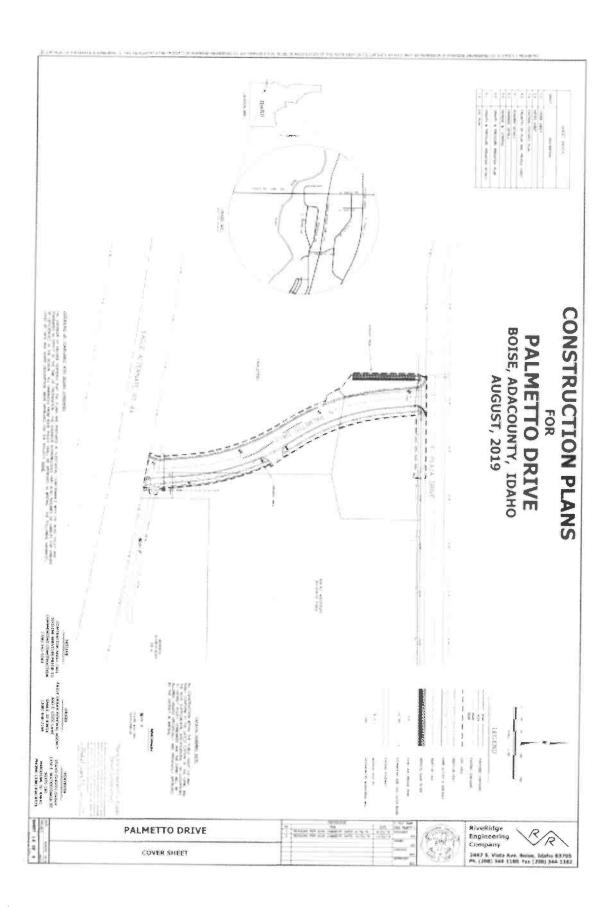
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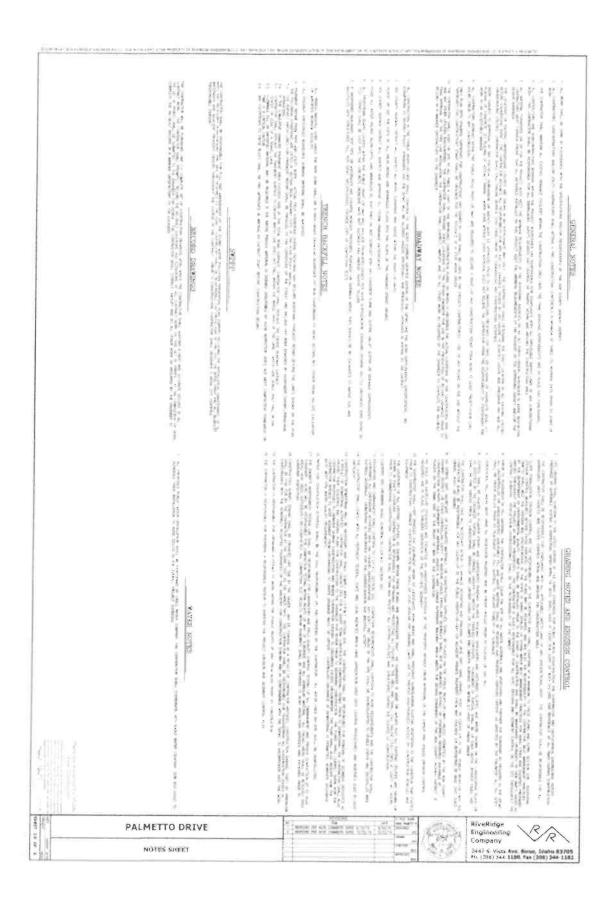
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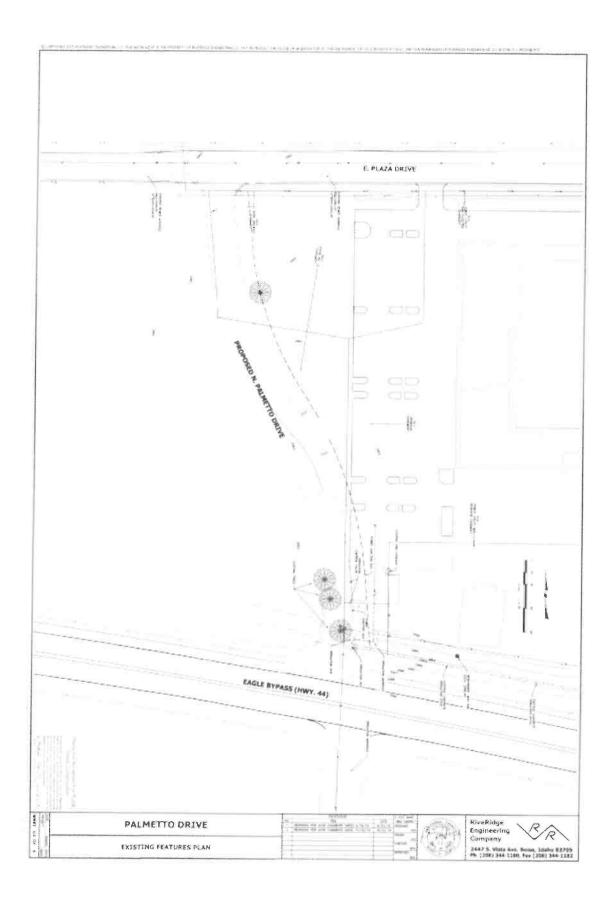
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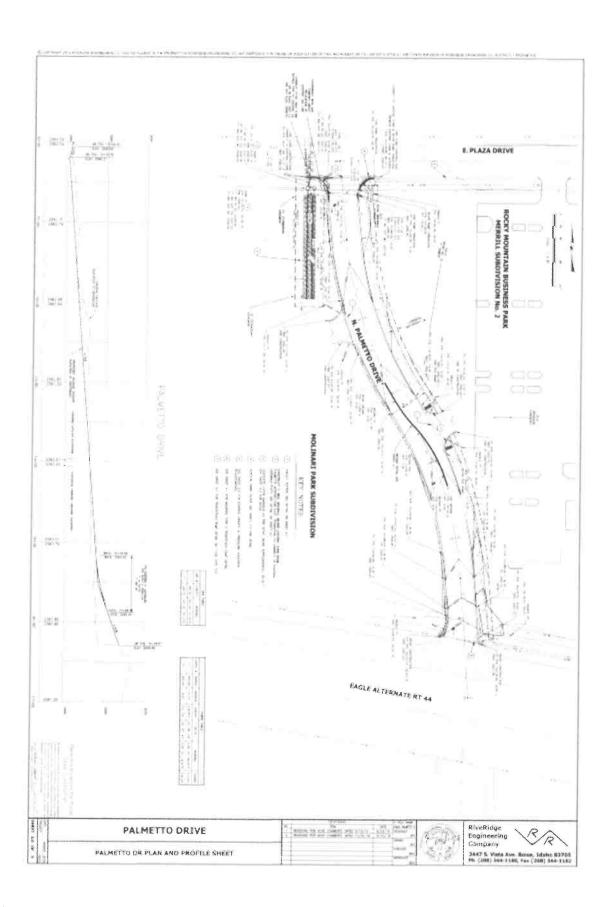
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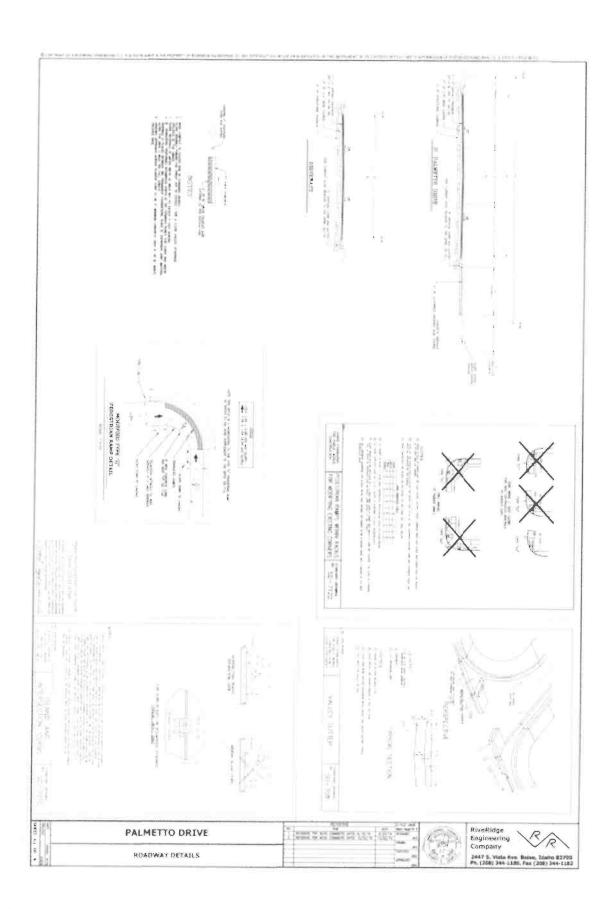
Exhibit A - Project

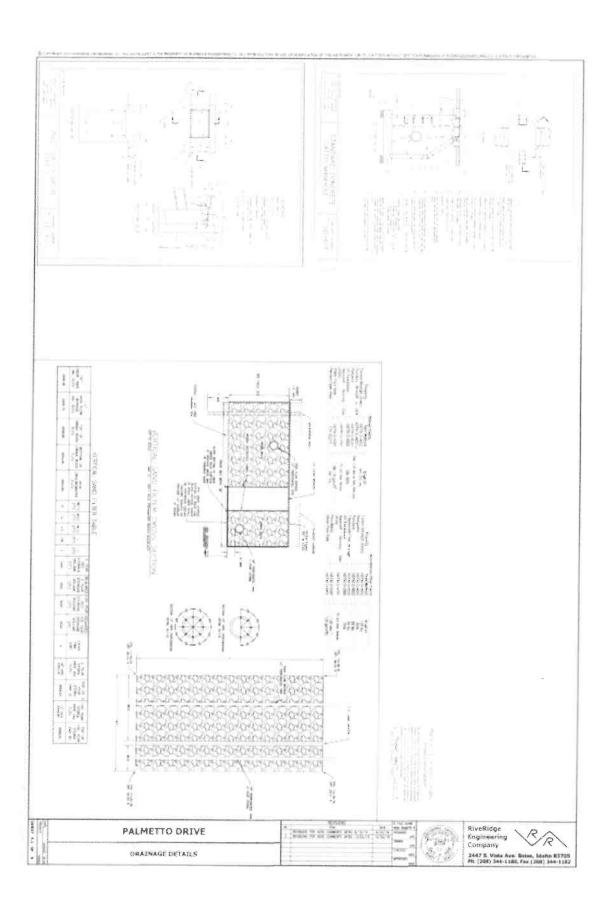


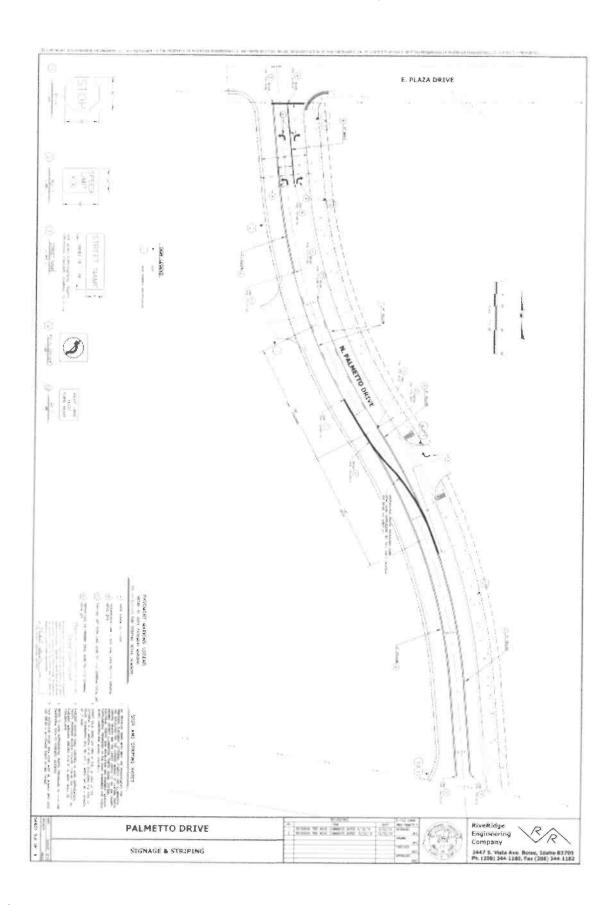


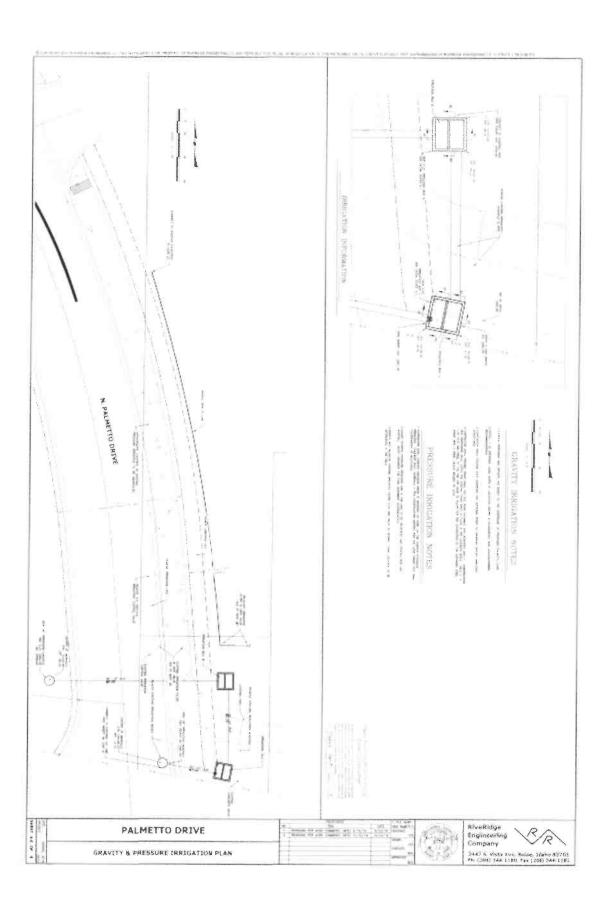


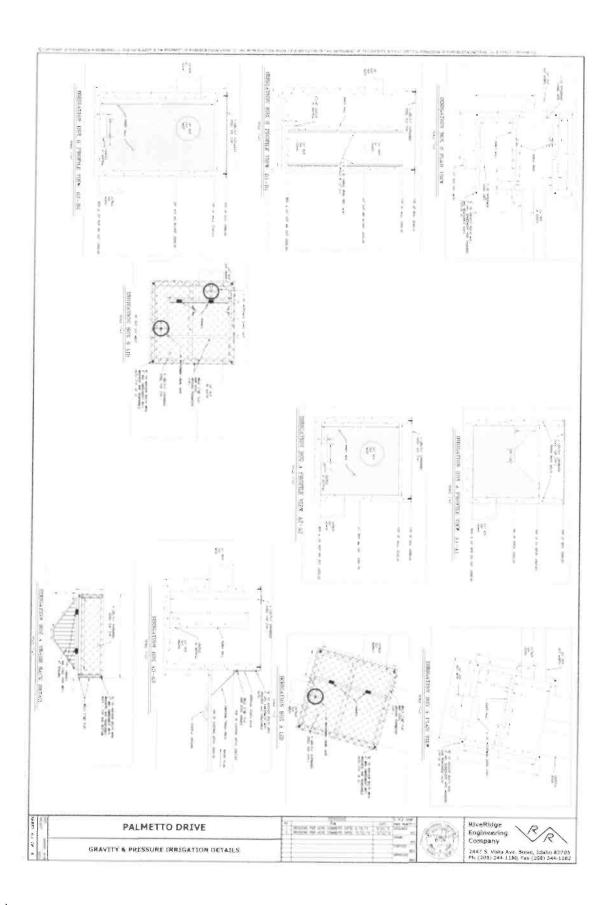












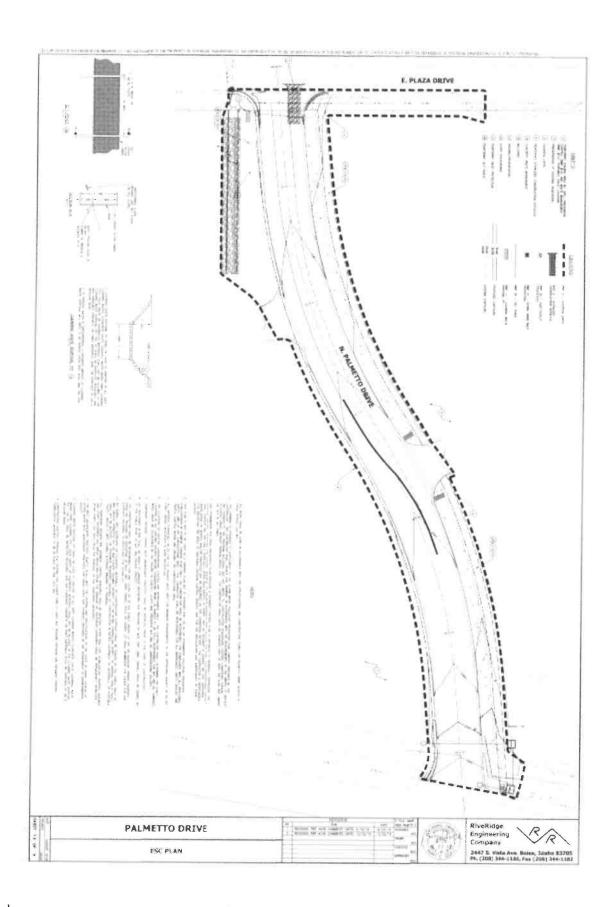


Exhibit B - Agency Property



9955 W Emerald St Boise , ID 83704

Phone: (208) 846-8570 Fax: (208) 884-5399

Description for

Dedication "B" - Palmetto Avenue

October 7, 2019

A portion of the Northeast 1/4 of the Northwest 1/4 of Section 16, Township 4 North, Range 1 East of the Boise Meridian, City of Eagle, Ada County, Idaho and more particularly described as follows:

Commencing at a brass cap marking the 1/4 corner common to Section 9, Township 4 North, Range 1 East of the Boise Meridian and said Section 16 from which a brass cap marking the West 1/16 corner common to said Sections 9 and 16 brass, South 89°42'25" West, 1,324.74 feet; thence South 20°04'40" West, 309.25 feet to a point on the South boundary line of Lot 17, Block 3, Merrill Subdivision No. 2 as filed in Book 79 of Plats at Pages 8490 through 8494, records of Ada County, Idaho, said point being the REAL POINT OF BEGINNING:

thence leaving said South boundary line, 20.60 feet along the arc of a curve to the left having a radius of 419.00 feet, a central angle of 02"49"01" and a long chord which bears South 21"06'44" East, 20.60 feet;

thence North 76°03'48" West, 62.81 feet;

thence 13.61 feet along the arc of curve to the right having a radius of 471.00 feet, a central angle of 01°39′18″ and a long chord which bears North 17°08′53″ West, 13.61 feet to said South boundary line;

thence on said South boundary line, South B1*11*48" East, 58.24 feet to the REAL POINT OF BEGINNING

Containing 885 square feet or 0 02 acres, more or less.

End of Description.



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