



Eagle Urban Renewal Agency  
P.O. Box 1957  
Eagle, ID 83616

June 6, 2017

Mr. Caleb Roope  
Eagle Pacific Associates, an Idaho Limited Partnership  
c/o Pacific West Communities, Inc.  
430 E. State Street, Suite 100  
Eagle, ID 83616

Re: Termination of letter of intent for Cottonwood Meadows Senior Housing Project dated 2-12-2015

Greetings, Mr. Roope,

On February 12, 2015, Eagle Pacific Associates and the Eagle Urban Renewal Agency executed a non-binding letter of intent that contemplated negotiation of an owner participation agreement ("OPA") for the Cottonwood Meadows Senior Housing Project. (See Attachment 1). Specifically, the letter of intent referenced negotiating an OPA for reimbursable public improvements related to extending E. Riverside Drive.

At the time the letter of intent was executed, the Cottonwood Meadows Senior Housing Project was envisioned to be constructed within Eagle Lakes; however, the project was later relocated to the East End Marketplace. Additionally, on February 1, 2016, Pacific West Communities, Inc. et al. and the Eagle Urban Renewal Agency executed an owner participation agreement for the East End Development Project (comprised of Edgewood Crossing, East End Marketplace and Eagle Lakes) which includes the reimbursable public improvement costs associated with the E. Riverside Drive extension. (See Attachment 2.)

For these reasons, the Eagle Urban Renewal Agency deems it necessary and appropriate to rescind and terminate the attached non-binding letter of intent for the Cottonwood Meadows Senior Housing Project. The agency would appreciate a signed letter or email from you, as the managing partner and principal of Eagle Pacific Associates, concurring with the termination of the letter of intent. Thank you for your consideration and assistance.

Respectfully yours,

A handwritten signature in blue ink that reads "Jeff Kunz".

Jeff Kunz, Chairman  
Eagle Urban Renewal Agency

Attachment 1

***Eagle Urban Renewal Agency  
660 E. Civic Lane  
Eagle, Idaho 83616***

***Letter of Intent***

February 12, 2015

Mr. Caleb Roope  
Eagle Pacific Associates, an Idaho Limited Partnership  
c/o Pacific West Communities, Inc.  
430 East State Street, Ste. 100  
Eagle, ID 83616

Re: Cottonwood Meadows  
48-Unit Senior Housing Project  
NEC E. Riverside Drive and S. Ancona Ave, Eagle, Idaho

Dear Mr. Roope,

This Letter of Intent notes general concepts that will be considered in the negotiation of an owner reimbursement agreement for the Cottonwood Meadows Senior Housing Project. Should you execute a mutually acceptable agreement with the Eagle Urban Renewal Agency and your project proceeds forward, you have advised that you will install all of the required public improvements at your own expense, and intend to request reimbursement from the Agency for certain of those improvements on the following terms and conditions:

- **Reimbursable Public Improvement Costs:** The costs of extending East Riverside Drive from Ancona Avenue in an easterly direction approximately 1,360 feet to full-width specifications, including all required utilities, street lights, curbs, gutters and sidewalks and such other associated costs eligible for reimbursement under Idaho urban renewal law.
- **Maximum Reimbursement Amount:** Up to \$380,000
- **Annual Payments:** Payments would only be made from the additional net tax increment revenue to the agency generated by your project for a particular fiscal year. Project owner would be reimbursed by an annual payment of 75% of the Agency's net share of additional incremental property tax revenue generated for that fiscal year from the development of the proposed housing project when and as received by the Agency. Net share shall be calculated after any pass through

payments due to other taxing districts. There shall be no penalty or other fees for early reimbursement of the full amount.

- Interest: No interest shall be charged, earned or paid on the reimbursement amount.
- Term: Any balance remaining to be reimbursed at the end of the Agency's term of existence or should the EURA be dissolved shall be forfeited by project owner.

The concepts in this letter are expressly contingent on the following:

- The housing project must be approved by the City of Eagle.
- If the Project moves forward it must be developed in accordance with all City of Eagle development and building requirements and the requirements and regulations of all other applicable agencies.
- Negotiation and execution of a mutually acceptable owner reimbursement agreement between you and the EURA. The terms and conditions of any such agreement must be in full compliance with Idaho urban renewal law and any agency and local policies and regulations as specified in the Agency's governing documents.
- All infrastructure eligible for cost reimbursement must be installed per City of Eagle and Ada County Highway District standards and accepted by said agencies prior to reimbursement.
- The project owner will be required to provide sufficient supporting documentation verifying the costs of construction of the public improvements for which reimbursement is requested.

We wish you the best as you seek to advance this project forward. If you should have any questions regarding this letter, please contact my office.

Sincerely,



Jeff Kunz, Chairman  
Eagle Urban Renewal Agency

Attachment 2

(Source: Edgewood Crossing, East End Marketplace & Eagle Lakes Reimbursable Public Improvements Owner Participation Agreement)

**Attachment 4 – Reimbursable Public Improvements  
REIMBURSABLE PUBLIC IMPROVEMENTS**

Generally, the objective of the funding of the Reimbursable Public Improvements 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 Revitalization Plan. The extent and amount of such activities and funding by the Agency shall be determined as each phase of each project within the East End Planning Area is constructed, completed and accepted in whole or in part. Such determination will be based upon the eligibility of those public improvements under the statutes and Revitalization Plan described in the Agreement and the reasonable expenses of improvements. The Agency and Participants shall review such improvements and Agency shall provide a written record of its determination. The costs eligible for reimbursement may include the reasonable and actual costs incurred by Participants if the Participants elect to finance any of the costs of construction of the Reimbursable Public Improvements. However, no additional amounts of above said costs nor any return on investment for Participants shall be eligible for reimbursement and in no event shall the total of said financing costs to be reimbursed for all of the Reimbursable Public Improvements exceed fifty thousand dollars (\$50,000.00). The improvements identified for funding and their estimated cost estimates for reimbursement are as follows:

<u>DESCRIPTION OF IMPROVEMENTS</u>	<u>AMOUNT OF IMPROVEMENTS</u>
<b>Edgewood Crossing (aka Tennis Club Plaza Sub)</b>	
Riverside Drive Extension	\$134,000
Sewer Main Extension – 1200 lf (TPC Cost Portion)	
Water Main Extension – 1200 lf (TPC Cost Portion)	
Street Lights	
<b>East End Marketplace</b>	
Hwy 44/Edgewood Overhead Power & Utility Relocate to Underground – 1100 lf	\$130,000
Hwy 44/Edgewood Way Eagle Downtown Directional Signage	\$10,000
Old State Street Improvements	\$222,000
Road Widening, Curb, Gutter and Sidewalk – 1200 lf	
Storm Drainage	
Landscaping	
Street Lights	
Edgewood Way Improvements	\$103,000
Road Improvements	
Sidewalk – 500 lf	
Storm Drainage	
Landscaping	
Street Lights	
McGrath Road Re-Alignment Improvements	\$110,000
Road Improvements (Paved Roadway, Curbs, Gutters, Sidewalks) – 350 lf	
Sewer Main Extension	
Water Main Extension	

Utility Relocates  
Storm Drainage  
Landscaping  
Street Lights  
Acquisition Costs for Right-of-Way

**Eagle Lakes**

Riverside Drive Extension Improvements	\$589,000
Road Improvements (Paved Roadway, Curbs, Gutters, Sidewalks) – 1600 lf	
Sewer Main Extension – 1600 lf	
Water Main Extension – 1600 lf	
Utility Extensions – 1600 lf	
Storm Drainage	
Landscaping	
Street Lights	
Acquisition Costs for Right-of-Way	

**Estimated Possible Financing Costs** \$50,000

**Total Estimated Agency Funded Public Improvements** \$1,348,000

Time and Terms of Annual Net Tax Increment Reimbursement Payments

For any reimbursements to which the Participants are entitled, the payments received each year by the Agency from the ad valorem taxes paid by taxpayers to the Ada County Treasurer from the Private Development on the Site shall be paid to the Participants after the completion of the Reimbursable Public Improvements, verification of the costs of the Reimbursable Public Improvements, and acceptance thereof by City, ACHD, ITD and the Agency as applicable. The Agency anticipates receipt of these funds in late February and late July of each year from the ad valorem taxes paid by property owners each year. Reimbursement payments by Agency to Participants for Reimbursable Public Improvements shall only be made to Pacific West Communities, Inc.

The Local Economic Development Act, as amended, provides that the Agency will be paid tax increment funds contingent on the amount of assessed value of the applicable property as determined by the Ada County Assessor each year and the rate of tax levy or the percentage of assessment levied by each of the taxing agencies. The Agency is not a guarantor of the assessment determination made by Ada County Assessor or the collection of the tax increment by Ada County.

The tax increment revenues resulting from the incremental increase in assessed value of the Site as a result of the construction of the Private Development on the Site by the Participants (as determined from the assessment records of the Ada County Assessor and the payment records of the Ada County Treasurer) or the applicable portion thereof shall be used to reimburse the Participants if and only as they are paid to