

RESOLUTION NO. 20 23-__

BY THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF IDAHO FALLS, IDAHO:

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF IDAHO FALLS, IDAHO, ALSO KNOWN AS THE IDAHO FALLS REDEVELOPMENT AGENCY, AUTHORIZING AGENCY TO ENTER INTO THE FIRST AMENDMENT TO OWNER PARTICIPATION AGREEMENT WITH SENTINEL PROPERTIES, LLC; AUTHORIZING THE CHAIR OR VICE-CHAIR AND THE SECRETARY OF AGENCY TO EXECUTE AND ATTEST SAID FIRST AMENDMENT AND ANY NECESSARY DOCUMENTS, SUBJECT TO CERTAIN CONDITIONS; AUTHORIZING THE CHAIR, VICE-CHAIR, OR ADMINISTRATOR TO TAKE APPROPRIATE ACTION TO IMPLEMENT THE FIRST AMENDMENT AND MAKE ANY NECESSARY TECHNICAL CORRECTIONS TO THE FIRST AMENDMENT SUBJECT TO CERTAIN CONDITIONS; AUTHORIZING THE APPROPRIATION OF FUNDS PURSUANT TO THE FIRST AMENDMENT; AND PROVIDING FOR THIS RESOLUTION TO BE EFFECTIVE UPON ITS PASSAGE AND APPROVAL.

THIS RESOLUTION, made on the date hereinafter set forth by the Urban Renewal Agency of Idaho Falls, Idaho, also known as the Idaho Falls Redevelopment Agency, an independent public body, corporate and politic, created by and existing under the authority of and pursuant to the Idaho Urban Renewal Law of 1965, Idaho Code, Title 50, Chapter 20, as amended and supplemented (the “Law”) and the Local Economic Development Act, Idaho Code, Title 50, Chapter 29, as amended and supplemented (the “Act”), a duly created and functioning urban renewal agency for Idaho Falls, Idaho, hereinafter referred to as the “Agency.”

WHEREAS, following a duly noticed public hearing, the City Council of the City of Idaho Falls, Idaho (the “City”) adopted Ordinance No. 3492 on November 10, 2022, approving the Urban Renewal Plan for the Pancheri East Bank Urban Renewal Project (hereinafter the “Urban Renewal Plan”), and establishing the Pancheri East Bank revenue allocation area (the “Project Area”). The termination date of the Urban Renewal Plan and Project Area is December 31, 2042; and

WHEREAS, Sentinel Properties, LLC, an Idaho limited liability company (the “Participant”) acquired the approximately four (4) acre, former King B Jerky manufacturing plant at 1740 South Yellowstone Highway, located within the City and within the Project Area (the “Site”); and

WHEREAS, Participant intends to make significant improvements to the Site, including a ninety (90) room hotel (the “Private Development”) with improvements to the publicly owned River Walk adjacent to the Site. The Private Development and the Agency Funded Public Improvements (defined below), may collectively be referred to as the “Project;” and

WHEREAS, Participant and Agency entered into a Memorandum of Understanding, dated November 18, 2021 (the “MOU”), wherein Participant agreed to advance fund certain costs related to the planning and establishment of the Urban Renewal Plan and Project Area, which costs are reimbursable expenses under the Owner Participation Agreement (defined below). Pursuant to the MOU, Participant advance funded thirty-eight thousand and no/100 dollars (\$38,000.00) related to the planning costs (the “Planning Costs”); and

WHEREAS, as part of the Project, Participant intends to undertake certain eligible improvement costs, including demolition of the old manufacturing facility, environmental remediation, site development, and River Walk and right-of-way improvements (the “Agency Funded Public Improvements”); and

WHEREAS, the Urban Renewal Plan authorizes Agency to use revenue allocation financing to fund specific projects and improvements to implement the Urban Renewal Plan, including those proposed by the Participant; and

WHEREAS, Agency and Participant have negotiated the major terms of Agency’s participation in the funding of certain improvements and other eligible expenses (collectively the “Agency Funded Public Improvements”); and

WHEREAS, the Agency Funded Public Improvements implement several objectives outlined in the Urban Renewal Plan; and

WHEREAS, as a result of the Participant’s agreement to construct the Agency Funded Public Improvements, the Participant’s commitment to comply with the terms of the Urban Renewal Plan, and the Agency’s commitment to reimburse the Participant in compliance with the Urban Renewal Plan, the Parties deemed it necessary to enter into the Owner Participation Agreement (the “Agreement”) to define their respective obligations; and

WHEREAS, the Agency and the Participant entered into the Agreement on February 22, 2023, for the purpose of outlining the terms of the Participant’s construction of the Agency Funded Public Improvements and the Agency’s reimbursement of the Agency Funded Public Improvements in an amount not to exceed

Three Hundred Fifty Thousand Dollars and 00/100 (\$350,000.00); and

WHEREAS, included in the not to exceed amount of Three Hundred Fifty Thousand Dollars and 00/100 (\$350,000.00), for the Agency Funded Public Improvements, were demolition of the vacant manufacturing facility, estimated at Two Hundred Fifty Thousand Dollars and 00/100 (\$250,000.00) and River Walk and right-of-way improvements estimated at One Hundred Thousand Dollars and 00/100 (\$100,000.00); and

WHEREAS, upon receiving multiple bids for the demolition of the vacant manufacturing facility, the lowest total cost to demolish and remediate this facility is Three Hundred Twenty-Three Thousand, Nine Hundred Thirty-Six Dollars and 00/100 (\$323,936.00); and

WHEREAS, the Parties desire to amend the Agreement to allow for reimbursement of the entire cost of the demolition and remediation of the vacant manufacturing facility, which increases the total not to exceed amount of the Agreement, including the River Walk and right-of-way improvements and a contingency, to Four Hundred Forty-Five Thousand, One Hundred Thirty-Three Dollars and 00/100 (\$445,133.00); and

WHEREAS, the Board of Commissioners finds it in the best public interest to approve the First Amendment to Owner Participation Agreement, attached hereto as **Exhibit A**, and to authorize the Chair or Vice-Chair to execute and the Secretary to attest the First Amendment to Owner Participation Agreement, subject to certain conditions, and to execute all necessary documents to implement the transaction, subject to the conditions set forth below.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE BOARD OF COMMISSIONERS OF THE IDAHO FALLS REDEVELOPMENT AGENCY OF IDAHO FALLS, IDAHO, AS FOLLOWS:

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

Section 2: That the First Amendment to Owner Participation Agreement, attached hereto as Exhibit A, is hereby incorporated herein and made a part hereof by reference and is hereby approved and accepted, recognizing technical changes or corrections which may be required prior to execution of the First Amendment to Owner Participation Agreement.

Section 3. That the Chair or Vice-Chair and Secretary of the Agency are hereby authorized to sign and enter into the First Amendment to Owner Participation Agreement and to execute all necessary documents required to implement the actions contemplated by the First Amendment to Owner Participation Agreement, subject to representations by Agency staff and Agency legal counsel that all conditions precedent to such actions have been met; and further, any necessary technical changes to the

First Amendment to Owner Participation Agreement or other documents are acceptable, upon advice from Agency's legal counsel that said changes are consistent with the provisions of the First Amendment to Owner Participation Agreement and the comments and discussions received at the May 18, 2023, Agency Board meeting; Agency is further authorized to appropriate any and all funds contemplated by the Agreement and to perform any and all other duties required pursuant to said Agreement.

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

PASSED by the Urban Renewal Agency of Idaho Falls, Idaho, on May 18, 2023.
Signed by the Chair of the Board of Commissioners and attested by the Secretary to the
Board of Commissioners, on May 18, 2023.

APPROVED:

By: _____

Lee Radford, Chair

ATTEST:

By _____

Terri Gazdik, Secretary

EXHIBIT A

First Amendment Owner Participation Agreement

4875-1936-1871, v. 1