

AGENDA
Regular Meeting of the City of Twin Falls
Urban Renewal Agency Board
305 3rd Avenue East, Twin Falls, Idaho
City Council Chambers
Monday, November 9, 2015 at 12:00 pm.

URBAN RENEWAL AGENCY BOARD MEMBERS:

Dan Brizee Chairman	Dexter Ball Vice-Chairman	Neil Christensen Secretary	Perri Gardner	Bob Richards	Gary Garnand	Brad Wills
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1. Call meeting to order.
2. Consent Agenda:
 - a. Review and approval of minutes from the October 12, 2015 regular meeting.
 - b. Review and approval of November 2015 financial report.
3. Main Avenue Project update – Mandi Roberts
4. Consideration of a request to approve a purchase/sale agreement with GemStone LLC for URA property located at 135 5th Avenue South (see staff report) – Melinda Anderson
5. Consideration of a request to approve an agreement between TFURA and the City of Twin Falls to allow the City to manage the URA Rogerson/Hansen/Fountain Demolition Project through the statutory CM/GC process, in association with the Banner Partial Demolition Project, with TFURA to pay costs related to the URA Demolition Project (see staff report) – Melinda Anderson
6. Public input and/or items from the Urban Renewal Agency Board or staff.
7. Adjournment:
 - a. Executive Session 74-206(1)(c) to acquire an interest in real property which is not owned by a public agency;
 - b. Executive Session 74-206(1)(e) to consider preliminary negotiations involving matters of trade or commerce in which the governing body is in competition with governing bodies in other states or nations;
 - c. Executive Session 74-206(1)(b) to consider the evaluation, dismissal or disciplining of, or to hear complaints or charges brought against, a public officer, employee, staff member or individual agent, or public school student.
8. Adjourn. Next regular meeting: **Monday, December 14, 2015 @ 12:00 pm**

****Any person(s) needing special accommodations to participate in the above noticed meeting should contact Lorrie Bauer at (208) 735-7313 at least two days before the meeting. Si desea esta información en español, llame Leila Sanchez al (208)735-7287.***



MEETING MINUTES
October 12, 2015

The Urban Renewal Agency held its regular monthly meeting at 12:00 p.m. this date in the Twin Falls City Council Chambers located at 305 3rd Avenue East, Twin Falls.

Present:

Dan Brizee	URA Chairman
Dexter Ball	URA Vice Chairman
Neil Christensen	URA Secretary
Bob Richards	URA Member
Gary Garnand	URA Member
Brad Wills	URA Member

Absent:

Perri Gardner

Also present:

Melinda Anderson	Urban Renewal Executive Director
Jesse Schuerman	Urban Renewal Engineer
Brent Hyatt	City Assistant Finance Officer
Greg Lanting	City Council Liaison to URA
Renee Carraway Johnson	City Zoning & Development Manager
Fritz Wonderlich	City Attorney
Lorrie Bauer	City Administrative Assistant
Gary Haderlie	JUB Engineers
Mandi Roberts (via phone)	Otak, Inc.

Agenda Item 1 – Call meeting to order.

Chairman Brizee called the meeting to order at 12:02 p.m.

Agenda Item 2 – Consent Agenda: a) Review and approval of minutes from the September 14, 2015 regular meeting and b) Review and approval of October Financial report.

Gary Garnand moved to approve the consent agenda as submitted and Bob Richards seconded the motion. A roll call vote showed that all board members present voted in favor of the motion.

Agenda Item 3 – Main Avenue Project Update – Mandi Roberts.

Mandi Roberts stated the PAC did not meet that morning due to the holiday and that it was rescheduled to the following week, October 19th. She presented the unit paving options that will be shared with the public the following week. Herringbone A was the preferred paving pattern of the PAC, Herringbone B was the second choice, and the Diamond Pattern was third. She explained the pavers will be used in the furnishing zones which is the area from the curb inward approximately four feet along the main blocks, the full sidewalk area to the right right-of-way on festival street blocks, and at crossing bulb outs as well. All three patterns cost about the same. The bricks are the standard 4”x8”, except the diamond pattern has an 8” square. These patterns will be shown to the property owners and merchants in the project area as

well as the October 21st public meeting to get feedback. Board members indicated they also preferred the Herringbone A pattern.

She added that the engineering work for Phase 1A, from Fairfield to Shoshone, is moving along well and the 60% plans will be delivered for review to the Engineering team on Monday, November 16th. She requested a meeting be set up with the review team on that date. Mandi let the board know she will be in Twin Falls the following week to meet with Main Avenue property owners and merchants. Melinda added the construction communication plan is being developed.

Gary Haderlie informed the board the alley engineering work is 60% complete and plans have been delivered to the City for review. After discussions with utilities, he stated the phasing would begin at Shoshone and move towards the Hansen/Idaho/Jerome direction. Idaho Power and Intermountain Gas can work one block at a time and telecommunications would work two to four blocks. From Shoshone to approximately one and half blocks west, Idaho Power is underground. After that, Idaho Power and some telecommunication goes above ground, but other private utilities do not. Because the sewer line is in the middle of the alleys and the water lines are on the edge, it is anticipated to repave the alleyways. He noted the private utilities will be working in tandem with them.

Agenda Item 4 – Consideration of a request to approve a wastewater discharge agreement with the City and Chobani Yogurt – Melinda Anderson.

Melinda Anderson explained the original agreement was signed on November 3, 2011 and amended on January 14, 2013. This is the 2nd amendment to the original discharge agreement. Even though the agreement is primarily between the City and Chobani, Section 2.2 is of interest to TFURA. This section defines how the funds the City provides for the wastewater pretreatment facility will be spent. TFURA will refund the \$2,750,000 the City provided to TFURA last year to help construct the wastewater pretreatment facility. The City is now requesting it back because there is enough TIF to pay for the construction of the pretreatment facility.

Brad Wills made a motion to authorize the Chairman to sign this agreement. Neil Christensen seconded the motion. Roll call vote showed that all board members voted in favor of the motion.

Agenda Item 5 - Consideration of a request to approve a purchase of a hot tap machine from PipeMan Products for \$7,845.82 – Jesse Schuerman.

Jesse Schuerman explained that during the downtown utility design work in the alleyways, it was realized that the existing and future waterline is located within five feet of many of the rear building foundations. The machine that does the waterline hot taps, owned and used by the City, requires at least seven feet of clearance to operate. If TFURA required JUB Engineering to design a seven foot separation to meet the clearance needed for the hot tap machine, there would be additional costs due to utility separation requirements and other costs to move public utilities. He added the fire line being removed from the Rogerson building to 147 Main Avenue East would require an additional \$3K to reroute the fire service to get the required seven foot clearance. Considering the future needs for service taps due to growth or change in the downtown, as well as the current design and construction needs, Jesse stated this machine meets the specifications and the purchase cost of the machine is a lot less than the combined total of all changes that would need to be made to the current projects.

The City is required to do all the waterline hot taps. They do have a machine but it is too big for use in the downtown area. In consideration of the City being the only ones who could use the machine, the City is requesting that TFURA purchase the machine and then gift it to the City.

Brad Wills made a motion to approve the purchase of the machine. Dexter Ball seconded the motion. Roll call vote showed that 5 out of 6 board members voted in favor of the motion. Motion passed.

Agenda Item 6 - Public input and/or items from the Urban Renewal Agency Board or staff.

None.

Agenda Item 7 – Adjournment to Executive Session 74-206(1)(b) to consider the evaluation, dismissal or disciplining of, or to hear complaints or charges brought against, a public officer, employee, staff member or individual agent, or public school student.

Chairman Brizee stated the board would not be coming back into session.

Neil Christensen made a motion to adjourn to executive session and Bob Richards seconded the motion.

Roll call vote showed that all board members voted in favor of the motion.

Agenda Item 8 – Adjourn.

The meeting adjourned at 12:55 p.m.

Next regular scheduled Urban Renewal meeting is Monday, November 9, 2015 @ 12:00 p.m.

Respectfully submitted,

Lorrie Bauer
Administrative Assistant

**Urban Renewal Agency of the City of Twin Falls, ID
P & L Budget vs. Actual with Declining Bal.(\$ Over Budget)**

October 2015

	Oct 15	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
Wash. Fed. LOC	0.00	2,500,000.00	-2,500,000.00	0.0%
Line of Credit Adv. - Clif Bar	1,468,266.14	15,000,000.00	-13,531,733.86	9.8%
Investment Income	1,274.70	8,780.00	-7,505.30	14.5%
Property Taxes	374.33	7,471,290.00	-7,470,915.67	0.0%
Rental Income	35,450.67	433,726.00	-398,275.33	8.2%
Total Income	<u>1,505,365.84</u>	<u>25,413,796.00</u>	<u>-23,908,430.16</u>	<u>5.9%</u>
Gross Profit	1,505,365.84	25,413,796.00	-23,908,430.16	5.9%
Expense				
RAA 4-1				
Main Ave.	174,717.51			
Rogerson Building	3,036.80			
Downtown Development	7,845.82			
RAA 4-1 - Other	0.00	6,964,993.00	-6,964,993.00	0.0%
Total RAA 4-1	<u>185,600.13</u>	<u>6,964,993.00</u>	<u>-6,779,392.87</u>	<u>2.7%</u>
RAA 4-3 (Chobani)				
Debt Pay. (Chobani) Interest	0.00	1,372,570.00	-1,372,570.00	0.0%
Debt Pay. (Chobani) Principal	0.00	1,180,000.00	-1,180,000.00	0.0%
RAA 4-3 (Chobani) - Other	56,648.22	9,076,000.00	-9,019,351.78	0.6%
Total RAA 4-3 (Chobani)	<u>56,648.22</u>	<u>11,628,570.00</u>	<u>-11,571,921.78</u>	<u>0.5%</u>
RAA 4-4 (Clif Bar)	1,503,022.01	15,056,477.00	-13,553,454.99	10.0%
Bond Trustee Fees	0.00	3,000.00	-3,000.00	0.0%
Community Relations & Website	0.00	1,700.00	-1,700.00	0.0%
Debt Payments - Interest	0.00	118,880.00	-118,880.00	0.0%
Debt Payments - Principal	0.00	1,005,000.00	-1,005,000.00	0.0%
Dues and Subscriptions	0.00	2,650.00	-2,650.00	0.0%
Insurance Expense	0.00	5,800.00	-5,800.00	0.0%
Legal Expense	281.37	1,000.00	-718.63	28.1%
Management Fee	0.00	229,000.00	-229,000.00	0.0%
Meeting Expense	428.45	4,000.00	-3,571.55	10.7%
Miscellaneous	0.00	10,500.00	-10,500.00	0.0%
Office Expense	30.00	500.00	-470.00	6.0%
Prof. Dev.\Training	0.00	2,800.00	-2,800.00	0.0%
Property Tax Expense	0.00	37,000.00	-37,000.00	0.0%
Real Estate Exp. - Call Center	26,675.35	133,400.00	-106,724.65	20.0%
Real Estate Exp. - Other	489.78	7,200.00	-6,710.22	6.8%
Real Estate Lease	0.00	72,000.00	-72,000.00	0.0%
Total Expense	<u>1,773,175.31</u>	<u>35,284,470.00</u>	<u>-33,511,294.69</u>	<u>5.0%</u>
Net Ordinary Income	-267,809.47	-9,870,674.00	9,602,864.53	2.7%
Other Income/Expense				
Other Income				
Cash Carryover	0.00	10,123,000.00	-10,123,000.00	0.0%
Transfers In	0.00	305,927.00	-305,927.00	0.0%
Transfers Out	0.00	-305,927.00	305,927.00	0.0%
Total Other Income	<u>0.00</u>	<u>10,123,000.00</u>	<u>-10,123,000.00</u>	<u>0.0%</u>
Net Other Income	0.00	10,123,000.00	-10,123,000.00	0.0%
Net Income	<u><u>-267,809.47</u></u>	<u><u>252,326.00</u></u>	<u><u>-520,135.47</u></u>	<u><u>-106.1%</u></u>

Twin Falls Urban Renewal November, 2015 List of Checks						
<u>Check #</u>	<u>Date</u>	<u>Paid Amount</u>	<u>Name</u>	<u>Account</u>	<u>Fund</u>	<u>Memo</u>
3115	10/09/2015	129.20	Great Harvest Bread Company	Meeting Expense	General	Meeting Lunch 10-12-15
3117	10/13/2015	1,487.50	Skinner Fawcett	RAA 4-4 (Clif Bar)	Rev Alloc 4-4	AC #111 Bond Counsel / #36161
3118	10/13/2015	6,618.10	PMF, Inc.	RAA 4-4 (Clif Bar)	Rev Alloc 4-4	AC #112 - Hankins Road
3119	10/13/2015	68.75	Melinda Anderson	Meeting Expense	General	Additional Due - Boise Legislative Meeting 9-21-2015
3120	10/15/2015	7,845.82	PipeMan Products, Inc.	Downtown Development	Rev Alloc 4-1	Hot Tap Machine TM-1 Pro16
3121	10/15/2015	18,775.07	City of Twin Falls	RAA 4-3 (Chobani)	Rev Alloc 4-3	Excess Funds Request #1
3122	10/19/2015	42,148.13	Titan Technologies	RAA 4-4 (Clif Bar)	Rev Alloc 4-4	AC #113 - Eldridge Sewer Imp/CAP #3
3123	11/03/2015	450.00	K & G Property Management	Real Estate Exp. - Call Center	Rental Fund	Property Maint. Fee for Oct.
3124	11/03/2015	748.00	ACCO Engineered Systems	Real Estate Exp. - Call Center	Rental Fund	HVAC Preventative Maint. - Oct
3125	11/03/2015	352.00	J & L Sweeping Service, Inc.	Real Estate Exp. - Call Center	Rental Fund	Property Maint. - Oct.
3126	11/03/2015	46.15	City of Twin Falls	Rogerson Building	Rev Alloc 4-1	Water, Sewer, & Sanitation - Rogerson
3126	11/03/2015	338.57	City of Twin Falls	Real Estate Exp. - Call Center	Rental Fund	C3 Landscape Water
3127	11/03/2015	815.00	Commercial Property Maintenance	Real Estate Exp. - Call Center	Rental Fund	Landscape Maint. - Oct.
3128	11/03/2015	31.98	City of Twin Falls	Main Ave.	Rev Alloc 4-1	Reimburse Costco invoice/Refreshments for Community Meeting
3129	11/03/2015	170.76	Idaho Power	Rogerson Building	Rev Alloc 4-1	Power - 149, 153, 155, 157, 159, 161 Main Ave. East
3129	11/03/2015	226.75	Idaho Power	Real Estate Exp. - Call Center	Rental Fund	Power - 851 Poleline
3129	11/03/2015	10.59	Idaho Power	Real Estate Exp. - Other	Rev Alloc 4-1	Power - 122 4th Ave. South (Park)
3130	11/03/2015	128,625.94	JUB Engineers, Inc.	Main Ave.	Rev Alloc 4-1	2015 Main Ave Utility Proj/#96832
3131	11/03/2015	140.97	Melinda Anderson	Meeting Expense	General	Legislative Hearing 10/19/2015
3132	11/03/2015	750.00	Redevelopment Associates of Idaho	Dues and Subscriptions	General	RAI annual dues
3132	11/03/2015	10,000.00	Redevelopment Associates of Idaho	Miscellaneous	General	RAI legislative Fund
3133	11/03/2015	150.00	Sawtooth Spraying Service	Real Estate Exp. - Other	Rev Alloc 4-1	Weed Killer - URA Properties

**Urban Renewal Agency of the City of Twin Falls, ID
Profit & Loss Detail**

October 2015

Type	Date	Num	Name	Memo	Amount	Balance
Ordinary Income/Expense						
Income						
Line of Credit Adv. - Clif Bar						
Deposit	10/02/2015		Clif Bar & Co.	Advance Against Line of Credit	417,174.45	417,174.45
Deposit	10/09/2015		Clif Bar & Co.	Clif Bar LOC Advance	1,042,695.83	1,459,870.28
Deposit	10/23/2015		Clif Bar & Co.	Advance on Line of Credit	8,395.86	1,468,266.14
Total Line of Credit Adv. - Clif Bar					1,468,266.14	1,468,266.14
Investment Income						
Deposit	10/01/2015			Interest	45.53	45.53
Deposit	10/01/2015			Interest	60.85	106.38
Deposit	10/01/2015			Interest	1.75	108.13
Deposit	10/01/2015			Interest	43.83	151.96
General...	10/31/2015	AJE #152		Interest on Savings Account	1,105.26	1,257.22
Deposit	10/31/2015			Interest	17.48	1,274.70
Total Investment Income					1,274.70	1,274.70
Property Taxes						
Deposit	10/26/2015	16-0239...	Twin Falls County ...	Property Taxes 1-0001 October, 2015	374.33	374.33
Total Property Taxes					374.33	374.33
Rental Income						
Check	10/07/2015	3110	Department of Vet...	VA Lease Overpayment / 531-K507QAH	-5.04	-5.04
Deposit	10/29/2015	19220	C3	October 2015 rent	35,455.71	35,450.67
Total Rental Income					35,450.67	35,450.67
Total Income					1,505,365.84	1,505,365.84
Gross Profit					1,505,365.84	1,505,365.84
Expense						
RAA 4-1						
Main Ave.						
Check	10/07/2015	3107	Otak	Main Ave. Streetscape & Downtown Commons - Sept	38,269.90	38,269.90
Check	10/07/2015	3107	Otak	Main Ave. Preliminary Design - Sept.	15,486.78	53,756.68
Check	10/07/2015	3108	JUB Engineers, Inc.	2015 Main Ave. Utility Project / #0096085	68,552.36	122,309.04
Check	10/07/2015	3108	JUB Engineers, Inc.	2015 Main Ave. Utility Project / #0095978	52,408.47	174,717.51
Total Main Ave.					174,717.51	174,717.51
Rogerson Building						
Check	10/07/2015	3100	City of Twin Falls	Water, Sewer, Sanitation	49.05	49.05
Check	10/07/2015	3103	Materials Testing &...	Contaminant Assessment / #129306	2,831.00	2,880.05
Check	10/07/2015	3109	Idaho Power	Power - 155 Main Ave. E	21.93	2,901.98
Check	10/07/2015	3109	Idaho Power	Power - 149 Main Ave. E	63.72	2,965.70
Check	10/07/2015	3109	Idaho Power	Power - 153 Main Ave. E	17.29	2,982.99
Check	10/07/2015	3109	Idaho Power	Power - 161 Main Ave. E	14.54	2,997.53
Check	10/07/2015	3109	Idaho Power	Power - 159 Main Ave. E	21.93	3,019.46
Check	10/07/2015	3109	Idaho Power	Power - 157 Main Ave. E	17.34	3,036.80
Total Rogerson Building					3,036.80	3,036.80
Downtown Development						
Check	10/15/2015	3120	PipeMan Products,...	Hot Tap Machine TM-1 Pro16	7,845.82	7,845.82
Total Downtown Development					7,845.82	7,845.82
Total RAA 4-1					185,600.13	185,600.13
RAA 4-3 (Chobani)						
Check	10/06/2015	3116	City of Twin Falls	Balance of Bonds Advance Cert. #41	37,873.15	37,873.15
Check	10/15/2015	3121	City of Twin Falls	Excess Funds Request #1	18,775.07	56,648.22
Total RAA 4-3 (Chobani)					56,648.22	56,648.22

**Urban Renewal Agency of the City of Twin Falls, ID
Profit & Loss Detail**

October 2015

Type	Date	Num	Name	Memo	Amount	Balance
RAA 4-4 (Clif Bar)						
Check	10/01/2015	3090	JUB Engineers, Inc.	AC #104 Hankins Water Storage Tank / Invoice #961...	9,841.59	9,841.59
Check	10/01/2015	3091	Stock Construction...	AC #105 Construction Management / Invoice #1850-05	411,026.58	420,868.17
Check	10/01/2015	3092	Idaho Power Comp...	AC #106 3300 E RR Crossing / WO#27440714	2,134.00	423,002.17
Check	10/01/2015	3093	Keller Associates	AC #107 Wastewater Fac / Inv. #13	5,452.70	428,454.87
Check	10/01/2015	3094	Titan Technologies	AC #108 Eldridge Sewer Imp. / CAP #2	139,032.50	567,487.37
Check	10/01/2015	3095	Knife River	AC #109 Hankins Rd Construction / App #2	492,636.75	1,060,124.12
Check	10/01/2015	3096	Performance Syste...	AC #102 Hankins Water Storage Tank / App#11	284,140.50	1,344,264.62
Check	10/01/2015	3097	Performance Syste...	AC #103 Hankins Water Storage Tank / App #12	115,605.66	1,459,870.28
Check	10/13/2015	3117	Skinner Fawcett	AC #111 Bond Counsel / #36161	1,487.50	1,461,357.78
Check	10/13/2015	3118	PMF, Inc.	AC #112 - Hankins Road	6,618.10	1,467,975.88
Check	10/19/2015	3122	Titan Technologies	AC #113 - Eldridge Sewer Imp/CAP #3	42,148.13	1,510,124.01
Deposit	10/21/2015	0001525...	Idaho Power	Refund of prepayment for work on the Wastewater Pr...	-7,102.00	1,503,022.01
Total RAA 4-4 (Clif Bar)					1,503,022.01	1,503,022.01
Legal Expense						
Check	10/07/2015	3106	Times News	Budget Amendment 2014-15	281.37	281.37
Total Legal Expense					281.37	281.37
Meeting Expense						
Check	10/07/2015	3099	Catering by Karen	6-8-2015 Lunch Meeting	149.25	149.25
Check	10/07/2015	3104	Melinda Anderson	Boise Legislative Meeting 9/21/15	81.25	230.50
Check	10/09/2015	3115	Great Harvest Brea...	Meeting Lunch 10-12-15	129.20	359.70
Check	10/13/2015	3119	Melinda Anderson	Additional Due - Boise Legislative Meeting 9-21-2015	68.75	428.45
Total Meeting Expense					428.45	428.45
Office Expense						
Check	10/06/2015			Service Charge	15.00	15.00
Check	10/15/2015		Wells Fargo	Wire Fee	15.00	30.00
Total Office Expense					30.00	30.00
Real Estate Exp. - Call Center						
Check	10/07/2015	3100	City of Twin Falls	C3 Landscape Water	467.16	467.16
Check	10/07/2015	3101	J & L Sweeping Se...	Parking Lot Seal Coating after Sealcoat	4,000.00	4,467.16
Check	10/07/2015	3105	Quality First Aspha...	Asphalt Repairs / #2141	23,913.93	28,381.09
Check	10/07/2015	3109	Idaho Power	Power - 851 Poleline Rd.	208.26	28,589.35
Check	10/08/2015	3111	Steele's Tree Service	Landscape Maint. Trees and Shrubs	3,800.00	32,389.35
Check	10/08/2015	3112	Commercial Proper...	Landscape Maint. Sept.	1,356.00	33,745.35
Check	10/08/2015	3113	K & G Property Ma...	Property Management Fee - Sept.	450.00	34,195.35
Check	10/08/2015	3114	J & L Sweeping Se...	Property Maint. - Sept.	440.00	34,635.35
Deposit	10/21/2015	469772	National Liability & ...	Damage to light pole by Magic Valley Disposal, Inc.	-7,960.00	26,675.35
Total Real Estate Exp. - Call Center					26,675.35	26,675.35
Real Estate Exp. - Other						
Check	10/07/2015	3102	Landscaping Your ...	Pocket Park Maintenance - July	120.00	120.00
Check	10/07/2015	3102	Landscaping Your ...	Pocket Park Maintenance - August	360.00	480.00
Check	10/07/2015	3109	Idaho Power	Power - 122 4th Ave. S (Park)	9.78	489.78
Total Real Estate Exp. - Other					489.78	489.78
Total Expense					1,773,175.31	1,773,175.31
Net Ordinary Income					-267,809.47	-267,809.47
Net Income					-267,809.47	-267,809.47

Urban Renewal Agency of the City of Twin Falls, ID
Balance Sheet
As of October 31, 2015

	Oct 31, 15
ASSETS	
Current Assets	
Checking/Savings	
Cash	
WF General Checking #6350	105,527.09
WF Savings #8992	6,507,322.39
Zions #8616 - Bond Reserve	3,737,412.15
Zions #8616B - Payment Acct.	0.71
Zions #8616C - Excess Prop. Tax	2,705,454.50
Wash. Fed. #342-4	398,137.83
Wash. Fed. Bond Reserve	430,161.44
State Investment Pool	455,642.84
Total Cash	14,339,658.95
Total Checking/Savings	14,339,658.95
Other Current Assets	
Due from Other Governments	5,310.00
Property Taxes Receivable	130,569.00
Total Other Current Assets	135,879.00
Total Current Assets	14,475,537.95
Fixed Assets	
Land	1,350,000.00
Building	3,834,412.16
Equipment	475,000.00
Accumulated Depreciation	-732,624.14
Total Fixed Assets	4,926,788.02
TOTAL ASSETS	19,402,325.97
LIABILITIES & EQUITY	
Liabilities	
Long Term Liabilities	
Deferred Rev.-Property Tax	130,569.00
Security Deposit	68,157.84
Total Long Term Liabilities	198,726.84
Total Liabilities	198,726.84
Equity	
Fund Balance	
Fund Balance-General Fund	2,018.58
Fund Balance-Revenue Alloc.	7,504,869.49
Fund Balance-Bond Fund	3,574,156.00
Fund Balance-Rental Fund	5,589,569.19
Total Fund Balance	16,670,613.26
Unrestricted Net Assets	2,800,795.34
Net Income	-267,809.47
Total Equity	19,203,599.13
TOTAL LIABILITIES & EQUITY	19,402,325.97

Urban Renewal Agency of the City of Twin Falls, ID
Balance Sheet Detail
As of October 31, 2015

Type	Date	Num	Name	Memo	Amount	Balance
ASSETS						19,670,135.44
Current Assets						14,743,347.42
Checking/Savings						14,607,468.42
Cash						14,607,468.42
WF General Checking #6350						317,963.04
Check	10/01/2015	3090	JUB Engineers, Inc.	AC #104 Hankins Water Storage Tank...	-9,841.59	308,121.45
Check	10/01/2015	3091	Stock Construction Servic...	AC #105 Construction Management / I...	-411,026.58	-102,905.13
Check	10/01/2015	3092	Idaho Power Company	AC #106 3300 E RR Crossing / WO#2...	-2,134.00	-105,039.13
Check	10/01/2015	3093	Keller Associates	AC #107 Wastewater Fac / Inv. #13	-5,452.70	-110,491.83
Check	10/01/2015	3094	Titan Technologies	AC #108 Eldridge Sewer Imp. / CAP #2	-139,032.50	-249,524.33
Check	10/01/2015	3095	Knife River	AC #109 Hankins Rd Construction / A...	-492,636.75	-742,161.08
Check	10/01/2015	3096	Performance Systems Inc.	AC #102 Hankins Water Storage Tank...	-284,140.50	-1,026,301.58
Check	10/01/2015	3097	Performance Systems Inc.	AC #103 Hankins Water Storage Tank...	-115,605.66	-1,141,907.24
Deposit	10/02/2015			Deposit	417,174.45	-724,732.79
Transfer	10/06/2015			Funds Transfer	37,873.15	-686,859.64
Check	10/06/2015	3116	City of Twin Falls	Balance of Bonds Advance Cert. #41	-37,873.15	-724,732.79
Check	10/06/2015			Service Charge	-15.00	-724,747.79
Check	10/07/2015	3099	Catering by Karen	6-8-2015 Lunch Meeting	-149.25	-724,897.04
Check	10/07/2015	3100	City of Twin Falls		-516.21	-725,413.25
Check	10/07/2015	3101	J & L Sweeping Service, I...	Parking Lot Seal Coating after Sealcoat	-4,000.00	-729,413.25
Check	10/07/2015	3102	Landscaping Your Way	Pocket Park Maintenance	-480.00	-729,893.25
Check	10/07/2015	3103	Materials Testing & Inspec...	Contaminant Assessment / #129306	-2,831.00	-732,724.25
Check	10/07/2015	3104	Melinda Anderson	Boise Legislative Meeting 9/21/15	-81.25	-732,805.50
Check	10/07/2015	3105	Quality First Asphalt Maint...	Asphalt Repairs / #2141	-23,913.93	-756,719.43
Check	10/07/2015	3106	Times News	Budget Amendment 2014-15	-281.37	-757,000.80
Check	10/07/2015	3107	Otak		-53,756.68	-810,757.48
Check	10/07/2015	3108	JUB Engineers, Inc.	2015 Main Ave. Utility Project	-120,960.83	-931,718.31
Check	10/07/2015	3109	Idaho Power		-374.79	-932,093.10
Check	10/07/2015	3110	Department of Veterans Af...	VA Lease Overpayment / 531-K507Q...	-5.04	-932,098.14
Check	10/08/2015	3111	Steele's Tree Service	Landscape Maint. Trees and Shrubs	-3,800.00	-935,898.14
Check	10/08/2015	3112	Commercial Property Main...	Landscape Maint. Sept.	-1,356.00	-937,254.14
Check	10/08/2015	3113	K & G Property Managem...	Property Management Fee - Sept.	-450.00	-937,704.14
Check	10/08/2015	3114	J & L Sweeping Service, I...	Property Maint. - Sept.	-440.00	-938,144.14
Check	10/09/2015	3115	Great Harvest Bread Com...	Meeting Lunch 10-12-15	-129.20	-938,273.34
Deposit	10/09/2015			Deposit	1,042,695.83	104,422.49
Check	10/13/2015	3117	Skinner Fawcett	AC #111 Bond Counsel / #36161	-1,487.50	102,934.99
Check	10/13/2015	3118	PMF, Inc.	AC #112 - Hankins Road	-6,618.10	96,316.89
Check	10/13/2015	3119	Melinda Anderson	Boise Legislative Meeting 9-21-2015	-68.75	96,248.14
Check	10/15/2015	3120	PipeMan Products, Inc.	Hot Tap Machine TM-1 Pro16	-7,845.82	88,402.32
Transfer	10/15/2015			Excess Funds Request #1	18,775.07	107,177.39
Check	10/15/2015	3121	City of Twin Falls	Excess Funds Request #1	-18,775.07	88,402.32
Check	10/15/2015			Wire Fee	-15.00	88,387.32
Check	10/19/2015	3122	Titan Technologies	AC #113 - Eldridge Sewer Imp/CAP #3	-42,148.13	46,239.19
Deposit	10/21/2015			Deposit	15,062.00	61,301.19
Deposit	10/23/2015			Deposit	8,395.86	69,697.05
Deposit	10/26/2015			Deposit	374.33	70,071.38
Deposit	10/29/2015			Deposit	35,455.71	105,527.09
Total WF General Checking #6350					-212,435.95	105,527.09
WF Bond Escrow #6400						0.00
Total WF Bond Escrow #6400						0.00
WF Revenue Alloc. #5601						0.00
Total WF Revenue Alloc. #5601						0.00
WF Bond Reserve #5602						0.00
Total WF Bond Reserve #5602						0.00
WF Bond Fund #5600						0.00
Total WF Bond Fund #5600						0.00
WF Savings #8992						6,506,217.13
General Journal	10/31/2015	AJE #152		Interest on Savings Account	1,105.26	6,507,322.39
Total WF Savings #8992					1,105.26	6,507,322.39
Zions #8616 - Bond Reserve						3,756,126.37
Deposit	10/01/2015			Interest	60.85	3,756,187.22
Transfer	10/15/2015			Excess Funds Request #1	-18,775.07	3,737,412.15
Total Zions #8616 - Bond Reserve					-18,714.22	3,737,412.15
Zions #8616A - Bond Proceeds						37,871.40
Deposit	10/01/2015			Interest	1.75	37,873.15
Transfer	10/06/2015			Funds Transfer	-37,873.15	0.00
Total Zions #8616A - Bond Proceeds					-37,871.40	0.00

Urban Renewal Agency of the City of Twin Falls, ID
Balance Sheet Detail
As of October 31, 2015

Type	Date	Num	Name	Memo	Amount	Balance
Zions #8616B - Payment Acct.						0.71
Total Zions #8616B - Payment Acct.						0.71
Zions #8616C - Excess Prop. Tax						2,705,410.67
Deposit	10/01/2015			Interest	43.83	2,705,454.50
Total Zions #8616C - Excess Prop. Tax						43.83
Wash. Fed. #342-4						398,137.83
Total Wash. Fed. #342-4						398,137.83
Wash. Fed. Bond Reserve						430,143.96
Deposit	10/31/2015			Interest	17.48	430,161.44
Total Wash. Fed. Bond Reserve						17.48
State Investment Pool						455,597.31
Deposit	10/01/2015			Interest	45.53	455,642.84
Total State Investment Pool						45.53
Parking Lot Sinking Cash #3425						0.00
Total Parking Lot Sinking Cash #3425						0.00
Wells Fargo Securities #1251						0.00
Total Wells Fargo Securities #1251						0.00
Zions Warrant #6362						0.00
Total Zions Warrant #6362						0.00
Cash - Other						0.00
Total Cash - Other						0.00
Total Cash					-267,809.47	14,339,658.95
Total Checking/Savings					-267,809.47	14,339,658.95
Accounts Receivable						0.00
Accounts Receivable						0.00
Total Accounts Receivable						0.00
Total Accounts Receivable						0.00
Other Current Assets						135,879.00
Accounts Receivable Clif Bar						0.00
Total Accounts Receivable Clif Bar						0.00
Account Receivable - Chobani						0.00
Total Account Receivable - Chobani						0.00
Deposits						0.00
Total Deposits						0.00
Due from Other Governments						5,310.00
Total Due from Other Governments						5,310.00
Interest Receivable						0.00
Int. Rec.-Zions Bond						0.00
Total Int. Rec.-Zions Bond						0.00
Int. Rec.-Bond Fund						0.00
Total Int. Rec.-Bond Fund						0.00
Int. Rec.-Revenue Allocation						0.00
Total Int. Rec.-Revenue Allocation						0.00
Interest Receivable - Other						0.00
Total Interest Receivable - Other						0.00
Total Interest Receivable						0.00
Inventory Asset						0.00
Total Inventory Asset						0.00
Prepaid Insurance						0.00
Total Prepaid Insurance						0.00
Property Taxes Receivable						130,569.00
Total Property Taxes Receivable						130,569.00
Total Other Current Assets						135,879.00
Total Current Assets					-267,809.47	14,475,537.95

Urban Renewal Agency of the City of Twin Falls, ID
Balance Sheet Detail
As of October 31, 2015

Type	Date	Num	Name	Memo	Amount	Balance
Fixed Assets						4,926,788.02
Land						1,350,000.00
Total Land						1,350,000.00
Building						3,834,412.16
Total Building						3,834,412.16
Equipment						475,000.00
Total Equipment						475,000.00
Accumulated Depreciation						-732,624.14
Total Accumulated Depreciation						-732,624.14
Total Fixed Assets						4,926,788.02
Other Assets						0.00
Due from General (4-2)						0.00
Total Due from General (4-2)						0.00
Lease Receivable-Jayco						0.00
Total Lease Receivable-Jayco						0.00
Note Receivable - Agro Farma						0.00
Total Note Receivable - Agro Farma						0.00
Property Tax Clearing Account						0.00
Total Property Tax Clearing Account						0.00
Total Other Assets						0.00
TOTAL ASSETS					-267,809.47	19,402,325.97
LIABILITIES & EQUITY						19,670,135.44
Liabilities						198,726.84
Current Liabilities						0.00
Accounts Payable						0.00
Accounts Payable						0.00
Total Accounts Payable						0.00
Total Accounts Payable						0.00
Credit Cards						0.00
Total Credit Cards						0.00
Other Current Liabilities						0.00
Accts Pay - Rev. Alloc. 4-4						0.00
Total Accts Pay - Rev. Alloc. 4-4						0.00
Due to Other Governments						0.00
Total Due to Other Governments						0.00
Accts Pay - Bond Fund						0.00
Total Accts Pay - Bond Fund						0.00
Accts Pay - General						0.00
Total Accts Pay - General						0.00
Accts Pay - Rental Fund						0.00
Total Accts Pay - Rental Fund						0.00
Accts Pay - Rev. Alloc. 4-1						0.00
Total Accts Pay - Rev. Alloc. 4-1						0.00
Accts Pay - Rev. Alloc. 4-3						0.00
Total Accts Pay - Rev. Alloc. 4-3						0.00
Payroll Liabilities						0.00
Total Payroll Liabilities						0.00
Prepaid Rent						0.00
Total Prepaid Rent						0.00
Total Other Current Liabilities						0.00
Total Current Liabilities						0.00
Long Term Liabilities						198,726.84
BID Grant Oversight						0.00
Total BID Grant Oversight						0.00
Deferred Rev.-Lease						0.00
Total Deferred Rev.-Lease						0.00

Urban Renewal Agency of the City of Twin Falls, ID
Balance Sheet Detail
As of October 31, 2015

Type	Date	Num	Name	Memo	Amount	Balance
Deferred Rev.-Lease Principal						0.00
Total Deferred Rev.-Lease Principal						0.00
Deferred Rev.-Property Tax						130,569.00
Total Deferred Rev.-Property Tax						130,569.00
Due to Rev. Alloc. (4-1)						0.00
Total Due to Rev. Alloc. (4-1)						0.00
Notes and Bonds Payable						0.00
Bond Payable - Rev. Alloc.						0.00
Total Bond Payable - Rev. Alloc.						0.00
Note - D.L. Evans Bank						0.00
Total Note - D.L. Evans Bank						0.00
Note - Dell Building						0.00
Total Note - Dell Building						0.00
Note - McElliott						0.00
Total Note - McElliott						0.00
Notes and Bonds Payable - Other						0.00
Total Notes and Bonds Payable - Other						0.00
Total Notes and Bonds Payable						0.00
Security Deposit						68,157.84
Total Security Deposit						68,157.84
Total Long Term Liabilities						198,726.84
Total Liabilities						198,726.84
Equity						19,471,408.60
Fund Balance						16,670,613.26
Fund Balance-General Fund						2,018.58
Total Fund Balance-General Fund						2,018.58
Fund Balance-Revenue Alloc.						7,504,869.49
Total Fund Balance-Revenue Alloc.						7,504,869.49
Fund Balance-Bond Fund						3,574,156.00
Total Fund Balance-Bond Fund						3,574,156.00
Fund Balance-Rental Fund						5,589,569.19
Total Fund Balance-Rental Fund						5,589,569.19
Fund Balance-Sinking Fund						0.00
Total Fund Balance-Sinking Fund						0.00
Fund Balance - Other						0.00
Total Fund Balance - Other						0.00
Total Fund Balance						16,670,613.26
Opening Balance Equity						0.00
Total Opening Balance Equity						0.00
Unrestricted Net Assets						2,800,795.34
Total Unrestricted Net Assets						2,800,795.34
Net Income						0.00
Total Net Income					-267,809.47	-267,809.47
Total Equity					-267,809.47	19,203,599.13
TOTAL LIABILITIES & EQUITY					-267,809.47	19,402,325.97



Date: November 9, 2015

To: Urban Renewal Agency of the City of Twin Falls

From: Melinda Anderson, Executive Director

Request: Consideration of a request to approve a purchase/sale agreement with GemStone LLC for URA property located at 135 5th Avenue South.

Background: On April 13, 2015 TFURA board approved the response that GemStone LLC submitted to the RFP notice that TFURA had published. Since then, GemStone has diligently worked to refine their plans, and develop the financing and bids. They have received approval from the City's Historic Preservation Commission that it fits the Warehouse Historic District. They now need to get a Special Use Permit to operate this facility in an O-T zone.

GemStone has provided documentation that they are working toward adequate financing which is a combination of partner equity and debt financing. SunWest Bank has agreed to finance this project with some conditions, one of them being that GemStone can also acquire SBA financing.

In return for the investment that GemStone LLC plans to make, they are requesting that TFURA make some infrastructure improvements: 1) pave the alley adjacent to this site; 2) construct sidewalks along Shoshone St and 5th Ave South adjacent to this site; and 3) stripe new parking spaces (for a total of 42) along 5th Ave South from Shoshone Street to Hansen Street.

Currently GemStone's investment is estimated at \$1,668,663 while TFURA's investment would be ~\$100,000 including the value of the site. GemStone expects to create 15-20 new jobs and be a draw to bring customers to downtown.

While TFURA board is being asked to approve the purchase/sale document today, the property would not be transferred to GemStone until 3 contingencies are resolved: 1) Gemstone provides adequate documentation of financing; 2) GemStone is satisfied with the Environmental Assessment Level I they are currently performing; and 3) GemStone acquires the special use permit to operate this facility in an O-T zone.

Approval Process: Approval by a majority of the board in open meeting. For GemStone to move forward with both the SBA lending process and the City's Special Use Permit process, a purchase/sale agreement needs to be approved.

Budget Impact: The cost of the requested improvements by TFURA are currently estimated at under \$40,000. There are funds available to complete them.

Conclusion: Staff recommends that the board approve the purchase/sale agreement.

Attachments:

1. Purchase/Sale Agreement
2. GemStone Response to RFP
3. Recent Building Elevations
4. Financing Summary/Documents
5. Map of Site

PURCHASE AND SALE AGREEMENT

This Purchase and Sale Agreement (this “**Agreement**”) is entered into by and between the Urban Renewal Agency of the City of Twin Falls, Idaho, an independent public body corporate and politic (hereafter “**URA**”), and Gemstone Development, LLC, (hereafter “**Developer**”).

RECITALS

WHEREAS, URA, 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;

WHEREAS, URA issued a request for proposals (the “**RFP**”) for the redevelopment of the Site (defined in Section 2.A below) and, pursuant to Idaho Code Section 50-2011, the URA may dispose of the Site for the purposes of private redevelopment in this manner;

WHEREAS, URA has selected the Developer under the terms and conditions of the RFP to develop the Site pursuant to the goals and objectives of URA, and a copy of the Developer’s RFP response is attached hereto as Exhibit A (hereafter “**RFP Response**”);

WHEREAS, the Site is located in the URA’s Urban Renewal District (the “**District**”) and Development (defined in Section 2.B below) of the Site in accordance with the goals and objectives of URA would enhance and revitalize the District and the downtown area;

WHEREAS, the proposed Development has met the standards of the City of Twin Falls Historic Preservation Commission and the goals and objectives of the URA;

WHEREAS, the Development would generate revenue allocation proceeds to URA;

WHEREAS, URA has been asked to provide title to the Site for a purchase price of one dollar (\$1.00) in conjunction with the Development provided such Development and the funding of same are in conformance with URA’s goals and objectives;

WHEREAS, as a result of Developer’s commitment to proceed with the construction of the Development and Agency’s commitment to provide title to the Site, the parties desire to enter into this Agreement to define their respective obligations.

AGREEMENT

NOW, THEREFORE, in consideration of the above recitals, which are incorporated into this Agreement, and other good and valuable considerations, the Parties hereby agree as follows:

1. AGREEMENT EFFECTIVENESS

The parties acknowledge that this Agreement has been approved and executed prior to Developer’s closing of the purchase of the Site from URA.

2. SUBJECT OF AGREEMENT

A. The Site. The “**Site**” is certain real property located at 135 5th Avenue South in Twin Falls and is legally described as Lots 6-10 of Block 145, Twin Falls Townsite, Twin Falls County, Idaho, including all fixtures and improvements located thereon and all appurtenances thereto.

B. The Development. The term “**Development**” shall mean the 12,500 square-foot lot to be developed by Developer upon the Site in substantial conformance with the RFP Response and to be occupied by GemStone Climbing Center. The Development design shall also comply with all applicable City of Twin Falls building and zoning ordinances. The exterior appearance of any construction will conform to the standards of the City of Twin Falls Historic Preservation Commission.

3. CONTINGENCIES

A. This Agreement is subject to and contingent upon the Developer securing adequate financing to develop the Development as approved by URA, which approval shall not be unreasonably withheld. Property won't be transferred until URA obtains documentation showing the financing is committed.

B. This Agreement is subject to and contingent upon the completion of a Phase 1 environmental assessment satisfactory to Developer in its sole discretion, to be obtained and paid for by Developer.

C. This Agreement is subject to and contingent upon the approval of a Special Use Permit, which will allow the Developer to use the subject property for the use as set forth in the Response to Request for Proposal.

4. URA-FUNDED IMPROVEMENTS

The URA specifically finds and determines that the URA-funded improvements are a) critical to the redevelopment of the Site; b) constitute payment by the URA for extraordinary conditions on the site; and, c) provides a high quality of development that should assist URA in achieving redevelopment of other properties adjacent to the Site, and meeting the goals and objectives of the URA.

The following improvements shall be completed by the URA in accordance with the URA's policies and processes for public improvements:

A. URA will pave the unfinished section of the alley adjacent to the Site;

B. URA will construct sidewalk, curb and gutter adjacent to the Site along Shoshone Street and along 5th Ave So.;

C. URA will stripe parking spaces on both sides of Fifth Avenue south between Shoshone and Hansen Streets to create up to 42 spaces. In addition, utilizing the current public off-street parking available, Developer will have access to a minimum of 70 parking spaces with in the neighborhood.

5. **TITLE REVIEW.** As soon as practical after the Effective Date of this Agreement, Developer shall procure from Escrow Agent an ALTA commitment for title insurance for the purchase and development of the Site (the “**Title Commitment**”). Developer shall not be required to close if any matter in the Title Commitment disapproved by Developer cannot be removed by closing; provided, however, Developer may elect to waive its disapproval and close on the remaining terms. Notwithstanding the foregoing, URA shall remove any defect or encumbrance attaching by, through or under URA after the date of this Agreement and shall provide to Developer marketable title to the site.

6. SALE OF THE SITE TO DEVELOPER

A. Closing Date. The closing shall take place on a mutually convenient date not later than thirty (30) business days after URA notifies Developer that Developer has provided satisfactory proof of Developer financing, City of Twin Falls has approved a special use permit, and approval of the Phase 1 Environmental Assessment by Developer, or such other date as the parties may agree (the “**Closing Date**”).

B. Escrow Closing. The closing shall take place at the offices of TitleFact Inc 164 4th Ave N, Twin Falls, Idaho 83301, telephone: (208) 733-3821 (“**Escrow Agent**”). On or before the Closing Date, Developer and URA shall deposit with Escrow Agent all instruments, documents and monies (payable in **cash, by wire** funds or official bank check), as necessary to complete the transaction in accordance with this Agreement, including due authority resolutions and title affidavits as may be requested by Escrow Agent. Developer shall pay Escrow Agent’s closing fees and the premium for any title insurance. Developer shall be responsible for all real estate and personal property taxes and assessments assessed and levied on the Site from and after the Closing Date. All other expenses not specifically referenced in this Agreement and incurred by URA or Developer with respect to this transaction shall be borne and paid exclusively by the party incurring the same without reimbursement.

C. Environmental assessment of property. URA is not aware of environmental contamination on this site. Developer has opted to perform a Phase 1 evaluation which is in process. Purchase of the property is contingent upon the outcome of this Phase 1 evaluation.

D. Conveyance of Title. At closing, URA shall execute and deliver to Developer a warranty deed that is to be marketable and insurable except for rights reserved in federal patents, building or use restrictions, building and zoning regulations and ordinances of any governmental unit, rights of way and easements established or of record and any other liens, encumbrances or defects approved by Developer.

E. Possession. Developer shall be entitled to possession of the Site on the Closing Date.

F. Title Insurance. As a condition precedent to Developer’s obligation to close, Escrow Agent shall irrevocably commit to provide Developer an ALTA standard coverage title insurance policy pursuant to the Title Commitment dated as of the closing and insuring Developer in the amount requested by Developer against loss or damage by reason of any defect in Developer’s title to the Property subject only to the printed exclusions and general exceptions shown on the Title Commitment or appearing in the policy form and the exceptions approved by Developer.

G. Risk of Loss, Condemnation. Risk of loss of or damage to the Property shall be borne by URA until the Closing Date. If the Property is or becomes the subject of any condemnation proceeding prior to closing, then Developer may, at its option, terminate this Agreement by giving notice of such termination to URA on or before the Closing Date. Upon such termination this Agreement shall be of no further force or effect; provided, however, that Developer may elect to purchase the Property.

H. Purchase As-Is. Except for URA’s warranties in the warranty deed, Developer’s election to proceed with the purchase of the Property shall be deemed an acknowledgement that Developer has had an opportunity to inspect the Property and perform a due diligence analysis of

the Property and is acquiring the Property in an “as is” condition solely in reliance on Developer’s own inspection and that neither URA nor any agent, representative or employee of URA has made any representation or warranty, express or implied, verbal or written, with respect to any aspect of the Property or its fitness for any particular use

7. POST CLOSING COVENANTS

Developer shall commence construction of the Development on the Site promptly after Closing Date- If Developer fails to commence construction of the Development within one hundred eighty (180) days after the Closing Date (except when excused by an event of force majeure), or if Developer doesn’t complete construction within 365 days of commencing construction, URA shall have the right, exercisable by written notice to Developer within thirty (30) days after such event, to acquire the Site back from the Developer for \$1, which is the price set by URA for the sale of the property for this Development.

8. MISCELLANEOUS

A. Attorney's Fees. In any controversy relating to this Agreement, the prevailing party shall be awarded its attorney fees and costs (including, but not limited to, the costs for arbitrator(s), mediator(s) and expert witnesses) in any proceeding brought in a court of law, arbitration, and/or mediation, including any bankruptcy or appeal proceeding.

B. Partial Invalidity. In the event any portion of this Agreement or part hereof shall be determined invalid, void or otherwise unenforceable, the remaining provisions hereunder, or part thereof, shall remain in full force and effect, and shall in no way be affected, impaired or invalidated thereby, it being understood that such remaining provisions shall be construed in a manner most closely approximating the intention of the parties with respect to the invalid, void or unenforceable provision or part thereof.

C. Paragraph Headings. The paragraph headings of this Agreement are for clarity in reading and are not intended to limit or expand the contents of the respective paragraphs.

D. Time of the Essence. Time is specifically declared to be of the essence for this Agreement.

E. Amendments. This Agreement may not be amended, modified, altered or changed in any respect whatsoever, except by further agreement duly executed by the parties hereto.

F. Survival of Provisions. Each covenant, condition, warranty and representation herein made shall survive the closing and not merge into the closing documents. All provisions which are to be performed or applied to circumstances subsequent to closing shall likewise survive the closing. If the Warranty Deed and this Agreement conflict in any manner, the terms of the Warranty Deed shall control.

G. Binding Effect. This Agreement shall be binding upon the heirs, estates, personal representatives, successors and assigns of the parties hereto.

H. Parties’ Further Assurance. The parties each for themselves do further covenant to the other to execute any and all other documents which may be necessary to affect the conveyances contemplated by this Agreement.

IN WITNESS THEREOF, the effective date of this Agreement shall be the date when this Agreement has been signed by all of the parties.

For URA:

_____, 2015

Urban Renewal Agency of the City of Twin Falls

By: _____

Name: Daniel B. Brizee

Its: Chairman

For Developer:

_____, 2015

Gemstone Development, LLC

By: _____

Name: Don Campbell

Its: Member

STATE OF IDAHO)
 :ss.
County of Twin Falls)

On this ____ day of June, 2014 before me, the undersigned, a Notary Public in and for the State of Idaho, personally appeared _____, known to me to be the **Chairperson** of the **Urban Renewal Agency for the City of Twin Falls, Idaho**, and acknowledged to me that s/he executed the foregoing instrument on behalf of the Urban Renewal Agency of the City of Twin Falls, Idaho, and acknowledged to me that the Urban Renewal Agency of the City of Twin Falls, Idaho executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

NOTARY PUBLIC
Residing: _____
My Commission Expires: _____

STATE OF IDAHO)
 : ss.
County of Twin Falls)

On this ____ day of June, 2014, before me, the undersigned, a Notary Public in and for said State, personally appeared _____ known to me to be the **Member** of _____, an Idaho _____, and acknowledged to me that he executed the foregoing instrument on behalf of said company, and that said company executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

NOTARY PUBLIC
Residing: _____
My Commission Expires: _____

EXHIBIT A

RFP RESPONSE

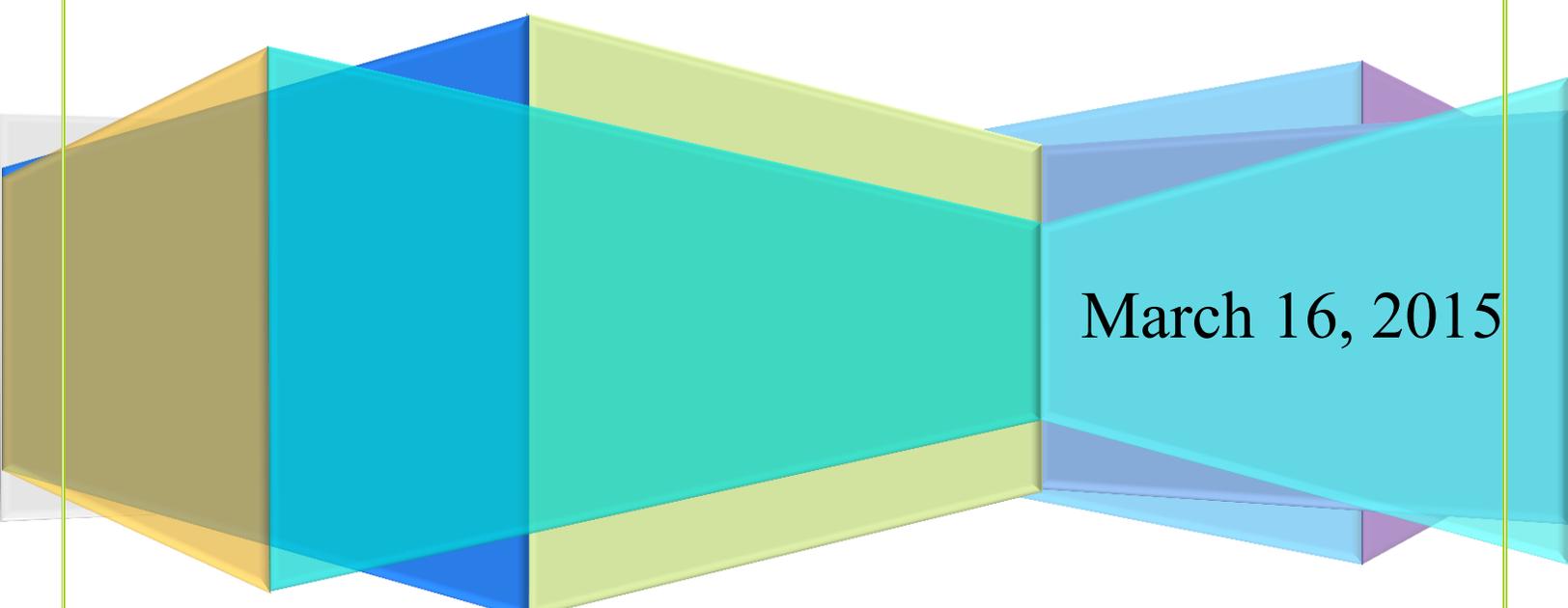
[Attached]

Twin Falls Urban Renewal Agency

Proposal for Acquisition

135 5th Avenue S., Twin Falls, ID 83301

GemStone Climbing



March 16, 2015

**Response to the Twin Falls Urban Renewal Agency's
Request for Proposals
for the property**

135 5th Ave. S.

Lots 6-10, Block 145, Twin Falls Townsite, Twin Falls County, Idaho

Our Project & Mission.

The subject property is in an ideal location for the construction and development of an athletic facility to service the continuously expanding and improving downtown community. There are many traditional athletic facilities in the City of Twin Falls, but nothing like what we have planned. It is our desire to construct, develop, and operate the first indoor climbing gym in the Magic Valley and be the only Idaho indoor climbing gym that is capable of being the home for regional rock climbing competitions. Let us introduce you to the GemStone Climbing vision!

There have been many that have asked us how this project will be accepted and succeed in Twin Falls when so many new ideas have failed. This is simple, our facility will make climbing and fitness fun and accessible for every age and every **ability in the Magic Valley. The facility will have the ability to host kid's birthday** parties, corporate events, team building, certifications for Scout Troops, and be a primary training facility for fire departments and the Magic Valley paramedic high angle rescue team (Special Operation Rescue Team) in belay and repel training, climbing teams, children and adult classes, yoga, pilates, cardio fitness training, and so much more. The facility will be completely ADA accessible, making it an ideal location for wounded veterans, children and adults of all disabilities, and to encourage the young to interact with the old. The facility will not just be a gym, it is going to be a community!

Our facility will be a welcoming family environment and the kids that enter the GemStone Climbing Program will love it the first day and every day thereafter. This is important because it is the family that we are gearing many of our programs towards. This gym will be a place where parents can actively participate in the physical and mental development of their children.

It has been the primary goal of the GemStone Climbing team to develop a gym that appeals to nearly every individual in this great community of ours. We have been told by the Boys and Girls Club that nearly 70% of their children do not possess the athletic abilities for the traditional sports, but that those 70% would thrive in a climbing gym scenario. Coincidentally, the three men of the core team, **though extremely athletic, do not fit the "typical" physique of an athlete** and did not excel at traditional athletic events. However, these three men are strong when it comes to rock climbing and it is the only sport that requires their full undivided attention. Two of the individuals expressly state that because of rock

climbing they are successful adults. This is the power of this sport and we want to encourage the Magic Valley to embrace it!

Building Layout.

The facility will encompass the majority of the 100'x100' lot with an estimated building footprint of 94'x94'. The first floor will have 8,836 sf. Approximately 1/3 of the first floor will be top rope and lead climbing (traditional climbing with ropes and a person on belay) that will extend to the top of the structure. The second floor will have 5,177 sf. The third floor will be a mezzanine, thus allowing the second floor bouldering area to extend to the top of the structure, with 2,880 sf. The entire facility will have approximately 16,893 sf of usable floor area.

The first floor will contain, top rope/lead and bouldering walls, two party/multi-purpose rooms, men's and women's locker rooms, reception area/office, teaching and kids climbing area, rentals room, and a holds room (for cleaning holds). There will also be an office space reserved for Final Cut Synthetic Turf, which will have its own separate entrance. The second floor will have one multi-purpose yoga/Pilates room, cardio and fitness area, storage area, social area, and additional bouldering walls. The third level mezzanine will have an additional yoga room (which can be divided into two room for smaller classes), and the main mechanical room. See Appendix A: Conceptual Floor Plans and Exterior Elevations.

Why Downtown?

The Twin Falls Downtown offers historical value along with a strong sense of community. GemStone will promote and enhance this sense of community by providing a place that people can come and socialize while engaging in an up and coming recreational activity, climbing. Our goal is to bring people from not only the entire Magic Valley Area but also nationally; by offering world class climbing and events that will draw people from all over the country and possibly the world (for example, base jumping has brought athletes from all over the globe). What better place to bring these people but to the "core" of our community? A place where there is a passion for business, strong relationships among business owners and an exceptional history.

A. Benefit to the City of Twin Falls taxpayers. The projected investment into the construction of the building and interior improvements is approximately \$1.5 million. The taxpayers of Twin Falls will benefit from the tax revenue that the improved space will generate. We will be repurposing an empty lot with a massive project that will bring in a large amount of positive activity and energy when it was previously serving no purpose.

B. Benefit to the property owners and property values in the City of Twin Falls. This project and its immense size and genuine purpose will do nothing but benefit all that surround it and those that live in this city. Downtown has many buildings that are in need of being repurposed

but in order to pull people in that direction there has to be a reason for business owners to want to have their businesses in the downtown area. By building this new property in the downtown area it helps give people those reasons to visit this area and to see the potential that downtown has. Not only that but it will show people what else is available in the lots surrounding us. For example, all the new locally owned restaurants. This in turn supports all our fellow business owners, our passion for locally owned businesses, and our beautiful community.

Attraction of customers to the site.

GemStone Climbing will focus on providing a fun, safe environment for both new and experienced climbers to improve their climbing skills. All ages will be welcome to climb at the gym; however, children will be the major focus of the business through after school programs and events. By focusing on bringing children into the gym we will not only increase current income streams, but will also establish a strong future customer base. Climbing is often a life-long sport, and the earlier we can bring in potential climbers, the longer we will have him or her as a customer.

We will provide facilities for standard yoga, hot yoga, Pilates, and other strength training and cardio equipment. We will also target other group interests such as team building and climbing clinics. These will allow for an additional profit stream as well as creating a more versatile environment.

We will pride ourselves on excellent customer service standards and our lasting relationships with our customers; this will continue to draw people back to our establishment.

Initial Memberships/Customers

GemStone Climbing will be preselling memberships known as Summit and Founders Memberships prior to opening the gym. These will be available to purchase from a member, on the website, or at several local retailers. We are expecting to sell a minimum of 100 Founders Memberships and 200 Summit Memberships. These will be marketed through social media, word of mouth, and local presentation. These membership sales will begin our positive balance of working capital.

There will be an unlimited amount of Founders Memberships. However, Founders Memberships can only be purchased prior to the gym opening. They are at a discounted rate that continues at the same rate until membership cancellation – it is guaranteed to never increase. Sons and daughters of Founders members can join at the Founders rate upon reaching adulthood (18 years of age). Individual rates start at \$395/year and for each additional family member there is a decreased rate.

There will be 200 Summit Memberships for sale. These can be purchased at any time for \$1,000 dollars and this gives the member 2 years of membership and all

remaining years of membership at the Founders rate. This membership encourages quick capital to our business and additional support in the community. Summit members also receive additional perks such as a GemStone chalk bag. They also get special discounts on member-only events, route setting, among others. This is our Premium Membership!

Additional memberships will be unlimited. There are several different options to appease different customers and their lifestyles.

We expect 150 walk-ins per month. We predict a minimum of 7 birthday parties/group events per month to be held initially. This number is expected to increase to 24-32 within the first year and be continuous for the life of the gym.

The gym breaks even at between 450 members, and with proper marketing, we expect to have 450 members near the end of the first year of operation.

Professional designer layouts of proposed building, interior, and exterior, etc.

Appendix A provides a pictorial concept of what our facility will look like on the interior and exterior. The floorplans were developed by our core team and checked by several of the top climbing gym owners, wall designers, and gym architects in the country. It has been explained that we have one of the most well thought out floorplans in the country.

The exterior façade was designed by Laughlin Ricks Architects in Twin Falls. The structural, civil, survey, environmental, and materials testing will be completed by EHM Engineers, Inc. in Twin Falls. The mechanical and electrical design will be completed by DC Engineering in Twin Falls. It is our number one goal to create a product with our local talent.

The exterior will be a combination of brick, rock, wood, and different textures of steel. Some of the steel will naturally rust to enhance the older historic look. The contrasts of large windows, steel, brick, rock, and wood on this building will make it a beautiful piece of architecture.

Legal Entity Description

GemStone Climbing, LLC will be owned and managed by six working partners/members consisting of Don (president) & Diane Campbell (treasurer), John (vice president) & Lisa Hanowell (secretary), and Jason & Hailey Barnes. 81% of the company will be divided equally between these partners/members. 19% of the company will be sold to private investor(s).

Investment amount and Financing by developer.

Our preliminary estimates are \$855,000 for the building and exterior improvements and \$645,000 for the interior build out costs that include the climbing walls, flooring, necessary equipment, and supplies. Our total forecasted cost will be approximately \$1,500,000.

We are working with Region IV Development on a U.S. Small Business Administration loan and several banks are developing funding packages for this project. **Currently, 3 institutions are interested in this project: Zion's Bank, Banner Bank, and Capital Matrix.** The development team will be putting 20% down of the total project cost in cash for this project.

Evidence of Financing.

We are working with Region IV Development to secure a financial partnership with the U.S. Small Business Administration and a local bank.

GemStone Employees.

We intend to initially have 12 personnel and as enrollment increases at the gym our employment will also increase anywhere from 18 to 24 people. These employees will consist of a gym manager, 1-2 floor managers, a program director, 1-2 front desk attendants, 2-3 belay instructors, 2 route setters, **2 kid's program** coaches, and 1-2 part time adult instructors. We intend the majority of employees will be CSI students and graduates as well as local high school students and graduates.

Hours of Operation.

Initially the gym will be open 7 days a week from 10 am – 10 pm, excluding major holidays. As the staff becomes proficient with the gym and events, the gym will be open from 7 am – 10 pm with daily classes in yoga, Pilates, and other fitness classes. The extended morning times will be open to members only and public access will be limited to the 10 am – 10 pm.

Timeline of construction and occupancy of the property.

It will be our goal to finish this project within 8-10 months from the issuance of the building permit. We intend for our opening day to be prior to March 2016. Ideally, we would like to be open January 1, 2016. The building will be built by a local contractor. Climbing wall construction is from outside of Idaho.

Total proposed payment (and terms, if any) of Respondent's offer to purchase.

GemStone Climbing, LLC will be investing \$1.5 million into this empty lot. It is our opinion that the community will gain a new and exciting extracurricular activity for people of all ages to enjoy and will also benefit from our contribution to the enhancement of the downtown area. This will continue to enrich the positive energy of the downtown revitalization and will inspire other aspiring entrepreneurs to start their own ambitious dreams.

We respectfully ask the Urban Renewal Agency to invest in this exciting project by selling GemStone Climbing, LLC the subject lot for \$1.00, pay the City water and sewer hookup fees, and pave the alleyway between the subject property and Clear Creek Properties to clean up the area after construction.

Additionally, we ask the City of Twin Falls and Twin Falls Urban Renewal Agency recognize the importance of adequate parking for this project. Therefore, GemStone Climbing, LLC requests the City of Twin Falls and Twin Falls Urban Renewal Agency ensure the parking lot remain as public parking. Should the TFURA choose to sell this parcel, GemStone Climbing, LLC shall have the first option to purchase the land at a cost of \$4.00 per square foot.

Respectfully Submitted,

Hailey G. Barnes
Member

Appendix A: Conceptual Floor Plans and Exterior Elevations

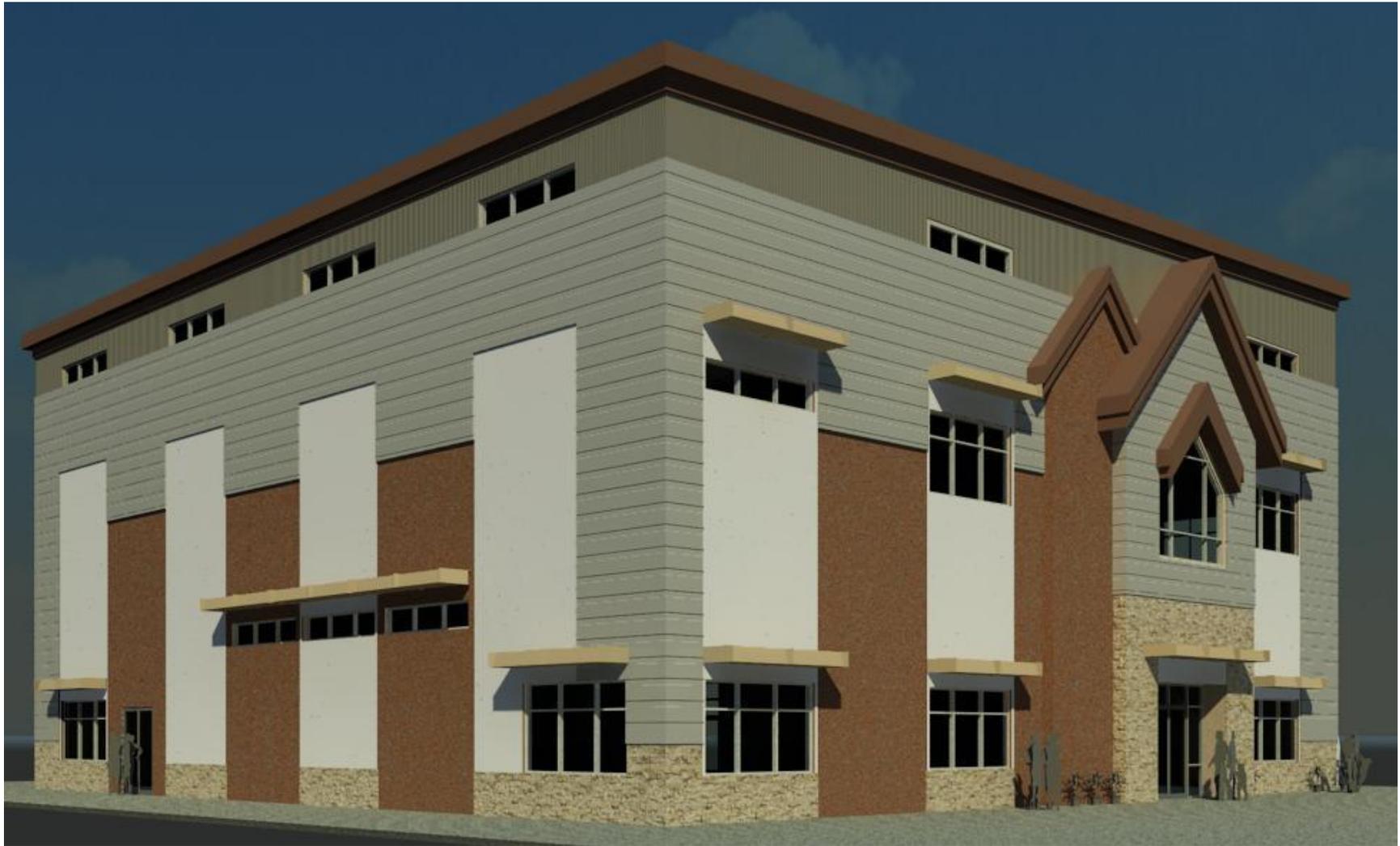


Figure 1: Southeast 3D View (5th Avenue View)



Figure 2: Southeast 3D View (Entrance from S. Parking Lot)



Figure 3: Northeast 3D View (Shoshone St.)

GEM STONE CLIMBING & FITNESS

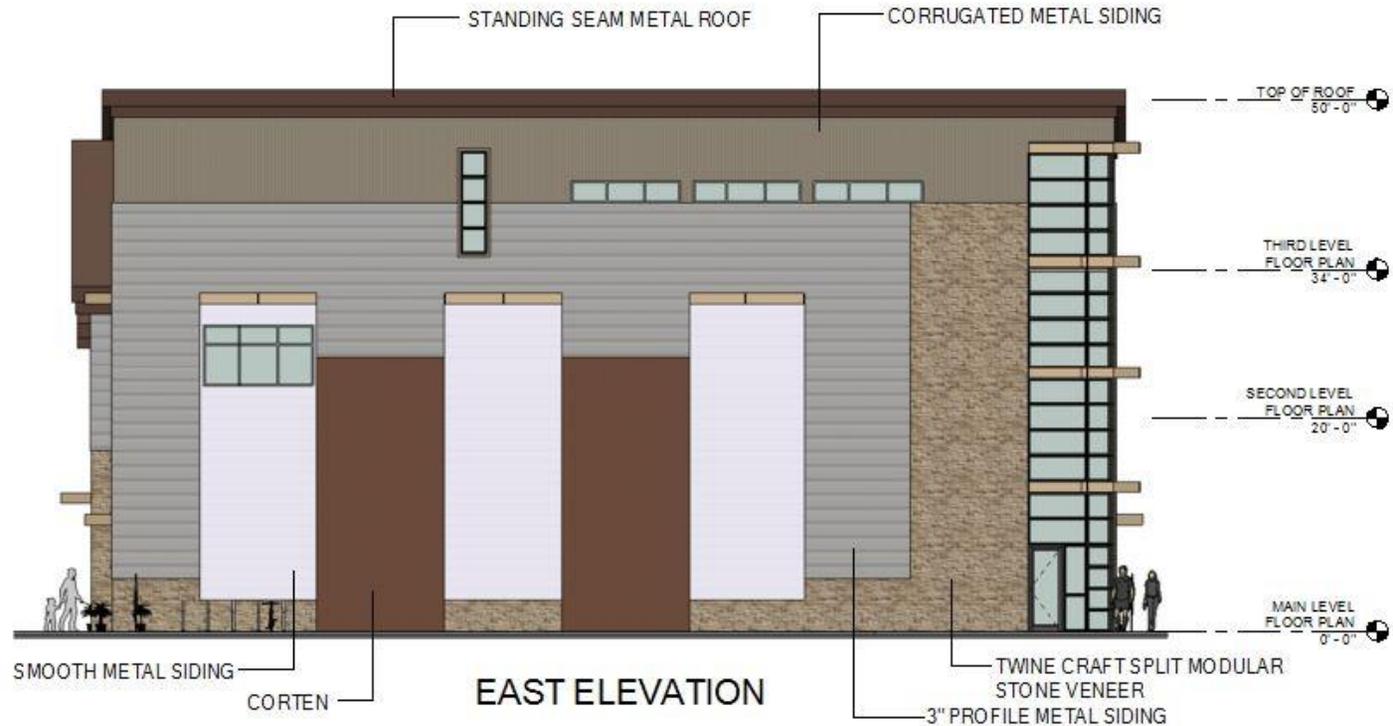


Figure 4: Elevation Material Callouts

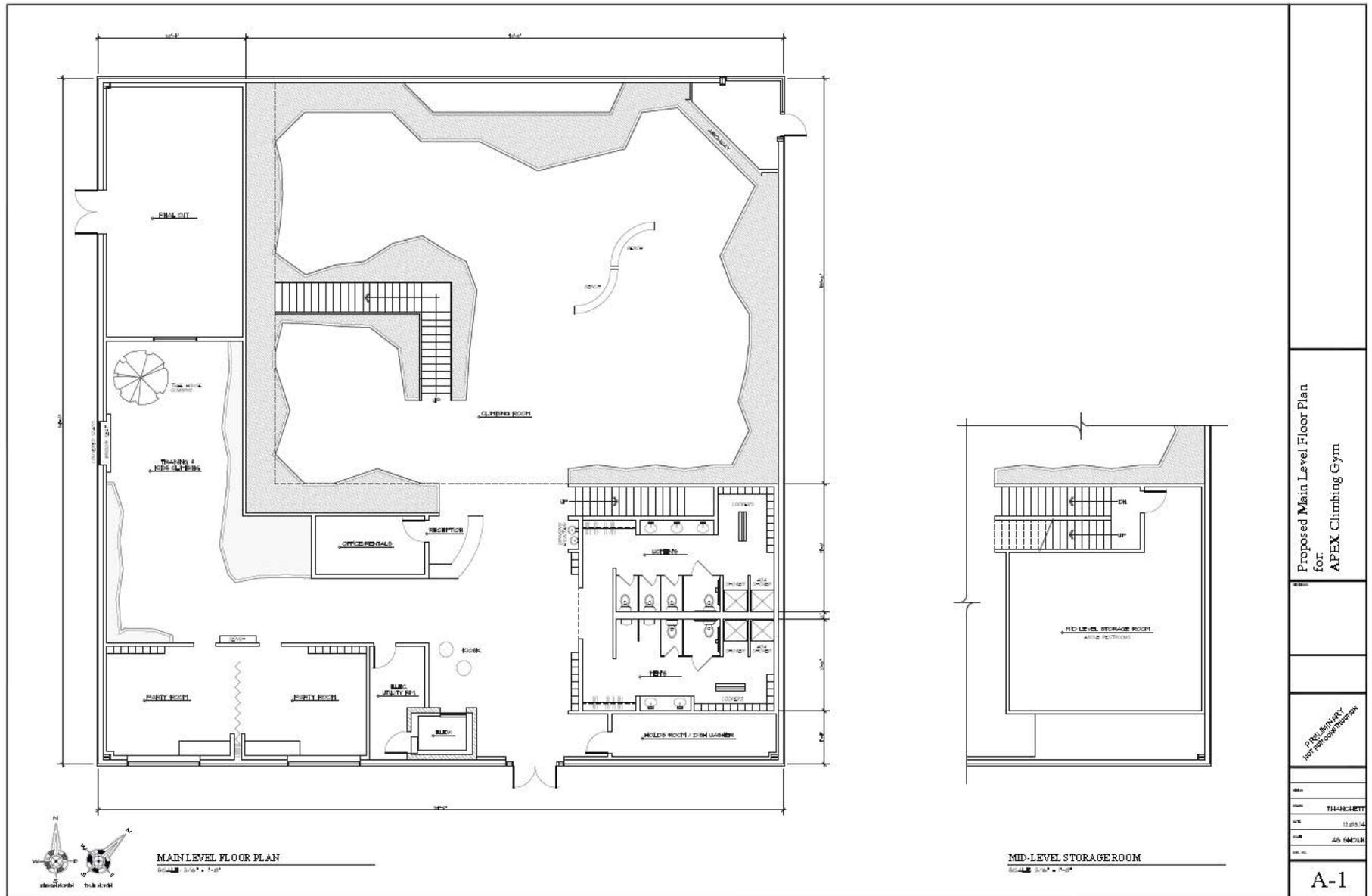


Figure 5: 1st Floor Conceptual Floorplan

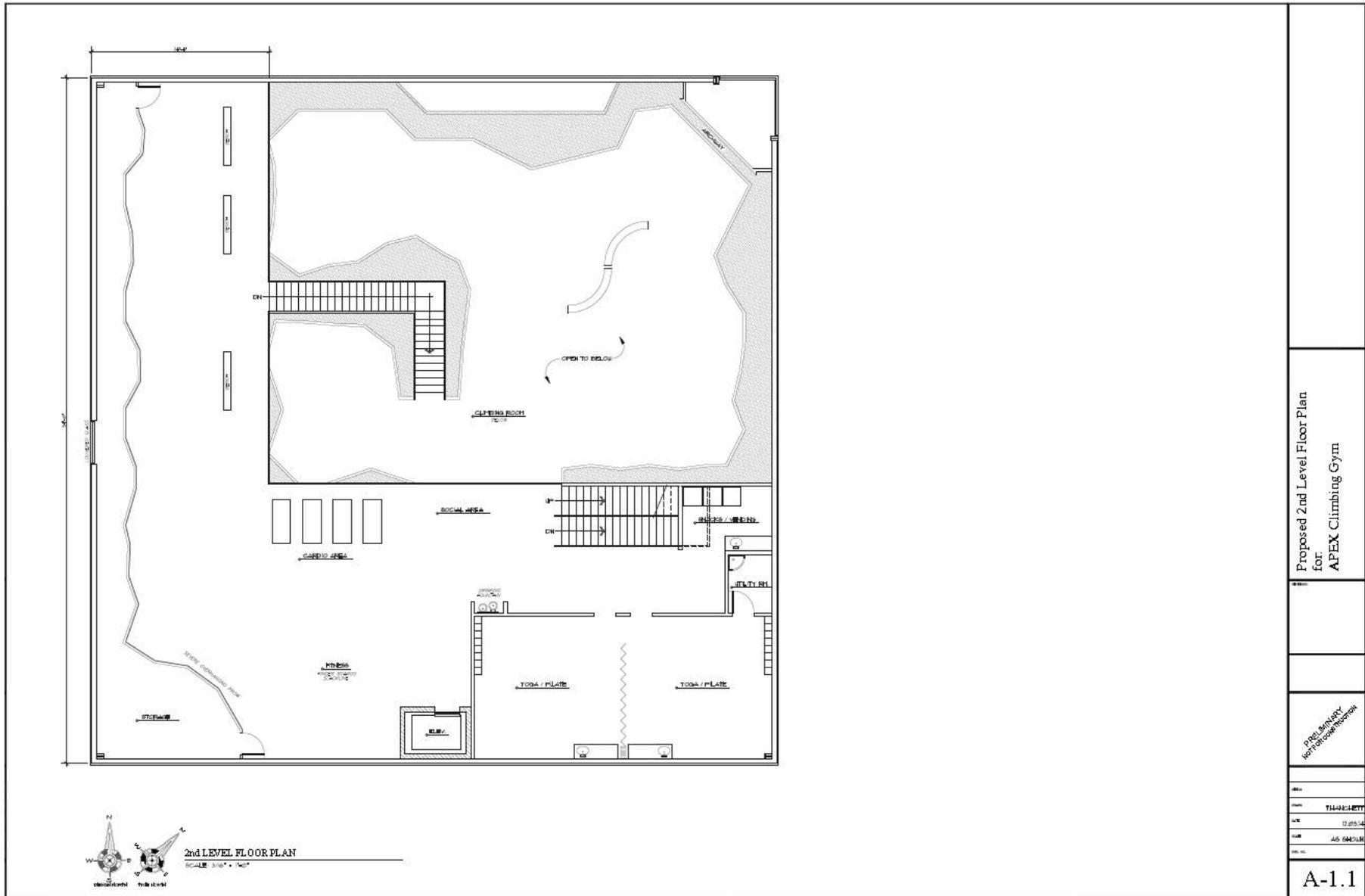


Figure 6: 2nd Floor Conceptual Floorplan

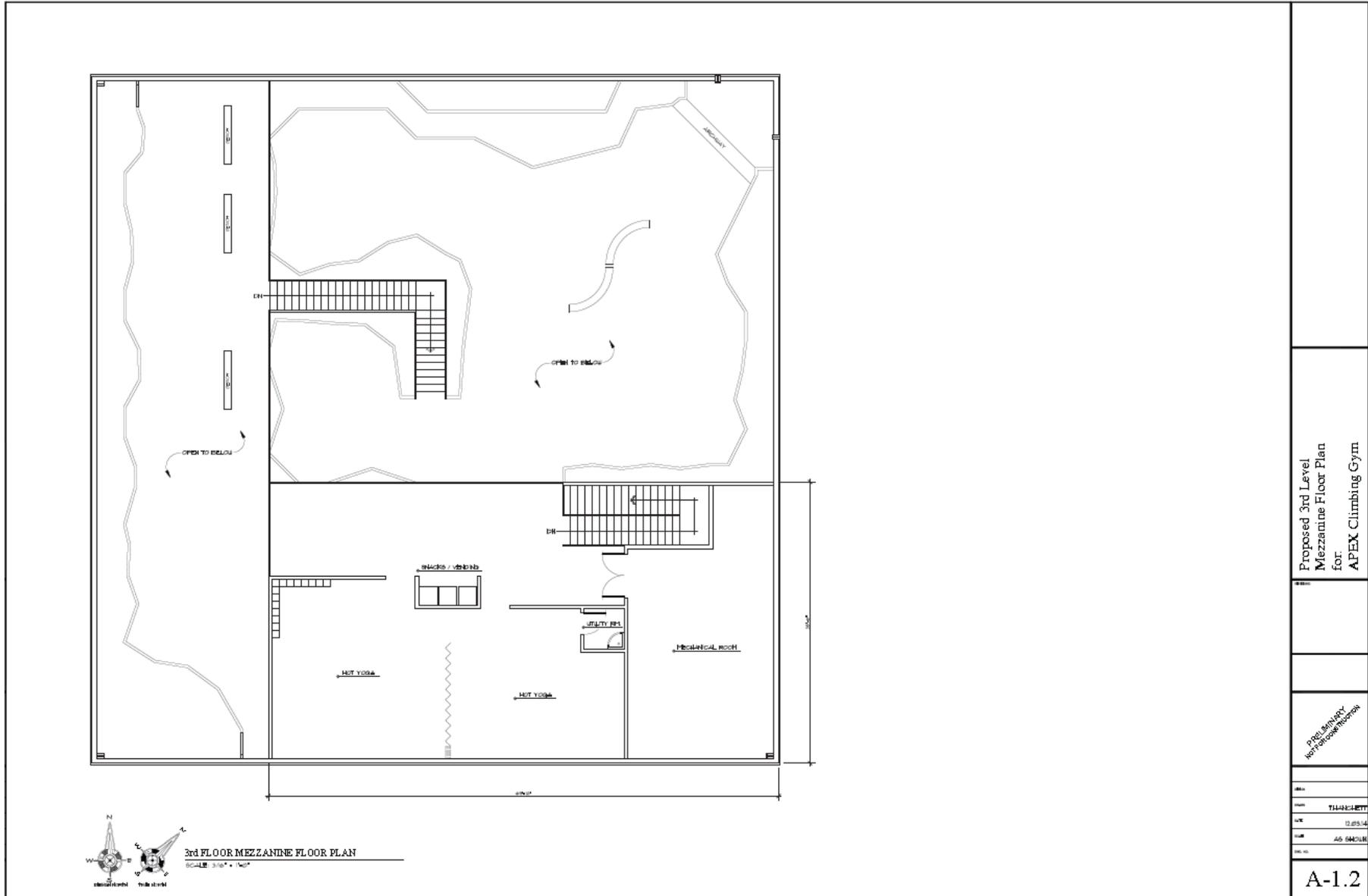


Figure 7: 3rd Floor Conceptual Floorplan

GEMSTONE CLIMBING & FITNESS CENTER



NORTH ELEVATION

GEMSTONE CLIMBING & FITNESS CENTER



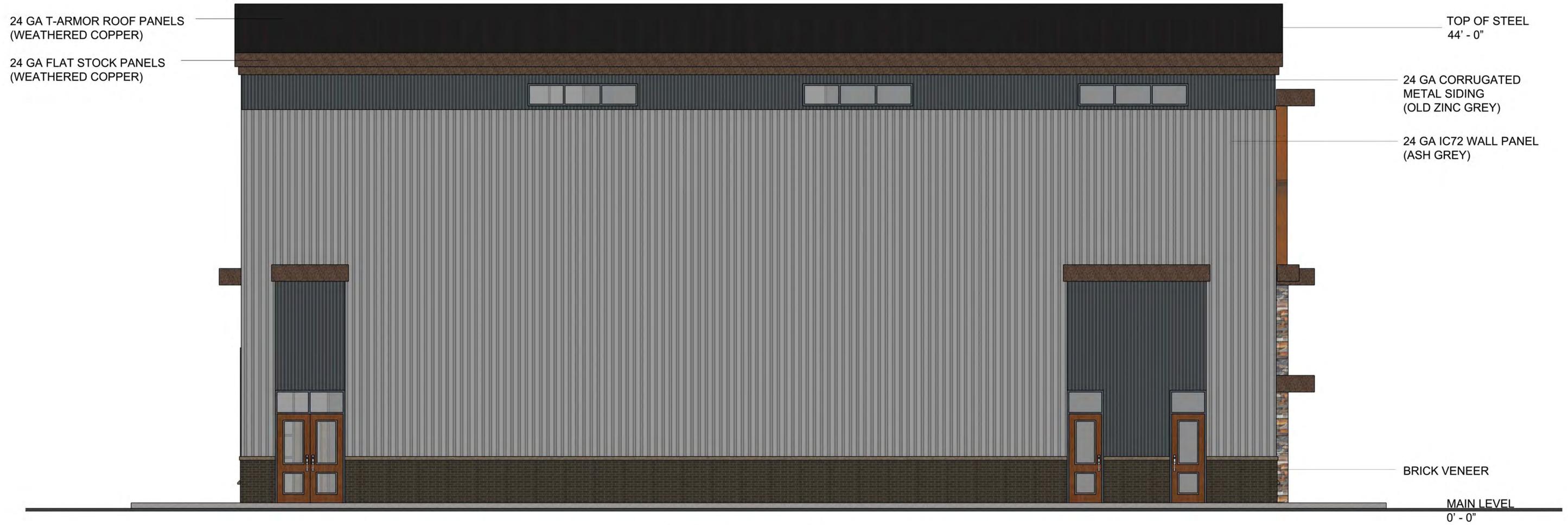
EAST ELEVATION

GEMSTONE CLIMBING & FITNESS CENTER



SOUTH ELEVATION

GEMSTONE CLIMBING & FITNESS CENTER



WEST ELEVATION

Gemstone Development, LLC

September 9, 2015

Financial Summary prepared for
Twin Falls Urban Renewal Agency
Melinda Anderson, Economic Development Director

Following is a summary of Gemstone Development, LLC. Cost estimates were amended with actual costs as they became available. The most currently available information is presented below. This summary is based on reports prepared by Idaho Business Lending Solutions of Twin Falls, ID.

Project: Gemstone development, LLC would like to purchase property at 135 5th Ave. South, Twin Falls, from the City of Twin Falls, Urban Renewal Agency, for the purpose of building an indoor rock climbing and fitness facility. Project scope includes indoor rock climbing walls, multi-purpose rooms to host yoga/Pilates/dance classes, birthday parties, corporate and school team building, a separate kid's climbing area, retail pro shop, rentals, and an outdoor climbing venue. This project is being built to be 100% ADA compliant, and as of today, will be the first ADA compliant indoor rock climbing and fitness facility in the country.

Total Project Costs (9/2/15): \$1,698,663

Summary of Cost Allocation:

Real Estate and construction:	\$1,076,796
Climbing Walls:	\$ 532,567
Other Equipment:	\$ 59,300
Total Project Costs:	\$1,668,663

Sources of Funds

Sunwest Bank and SBA 504	\$1,311,490
Equity from Owners	\$ 410,000
Total Funds, not including Pre-sales or investors	\$1,721,490

At this time, we have verbal agreements of investment in excess of \$300,000, from two investors, and others have expressed interest.

Pre-sold Memberships. We have been collecting names and contact information of individuals awaiting the release of Founders Memberships. We currently have over 150 interested in these pre-sold memberships. Estimated pre-sales should exceed \$125,000. Investor and presold membership dollars are not included in the Sources of Funds listed above.

Prepared by Don Campbell, Manager



September 1, 2015

Mr. Donald K Campbell
Gemstone Development, LLC
4449 N 1325 E
Buhl, ID 83316

Dear Mr. Campbell,

Thank you for your interest in Sunwest Bank. Your Commercial Loan Application for financing the construction of an indoor climbing and fitness facility in Twin Falls has been received. Pertaining to your application, we are in receipt of the following:

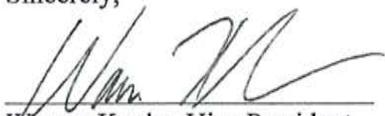
1. Business Plan for Gemstone Climbing Center
2. Preliminary construction and equipment cost breakdown
3. Personal and business financial information
4. Financial projections
5. Proposed Real Estate Purchase and Sale Agreement with Twin Falls Urban Renewal Agency

Based on receipt of said information, Sunwest Bank is pleased to consider financing for the proposed project, estimated at this time to be \$1,200,000. Contingent upon receipt of the following information, Sunwest Bank will be able to complete final loan underwriting and prepare for closing of said transaction. However, it should be noted that this is not a commitment to lend but rather an expression of our interest in considering a credit facility for the purpose described above. Final approval is subject to bank review and approval of a full loan package including but not limited to the following:

1. Commercial real estate appraisal (which was engaged on August 24, 2015). Appraisal to demonstrate adequate collateral value to secure said financing, and to be satisfactory to Sunwest Bank loan guidelines.
2. Insurable first lien deed of trust on the subject property and improvements.
3. UCC-1 financing statement securing all business assets of the proposed project.
4. Executed Sunwest Bank loan documents, to include but not limited to, a promissory note, loan agreement, security agreement, borrowing resolutions and personal and corporate guarantees, to be completed, signed and recorded, as applicable.
5. SBA 504 loan approval
6. Borrower to pay for all costs and expenses in connection with said loan
7. Hazard, liability and course of construction insurance, found to be acceptable to Sunwest Bank to protect its interest in the building, improvements and equipment securing said loan.
8. Other requirements as may be determined by Sunwest Bank to protect repayment and collateral of said loan request.

We appreciate the opportunity to serve you for all your banking needs. Should you have any questions, please contact me directly.

Sincerely,

A handwritten signature in black ink, appearing to read 'Warren Kouba', written over a horizontal line.

Warren Kouba, Vice President
Senior Relationship Manager
Sunwest Bank



9/4/2015

To Whom It May Concern:

This letter is to verify that DONALD K. CAMPBELL and DIANE G. CAMPBELL hold accounts with First Federal with funds available to them at their discretion of usage in excess of \$350,000.00. If there are any further questions please contact anyone of us here at First Federal at (208) 733-4222.

A handwritten signature in cursive script that reads 'Ann Vanourney'.

Ann Vanourney

Teller III

First Federal Buhl Branch



08/21/2015

To Whom It May Concern,

This letter is to inform that Jonathan Hanowell and Elizabeth Kreutz currently have a deposit balance available greater than \$50,000 at Chase Bank for use at their discretion. If you have any questions please feel free to contact me at 208-735-1663.

A handwritten signature in black ink, appearing to read "D. Parke", written in a cursive style.

Darin Parke

Branch Manager

Chase Bank

D. L. Evans Bank

"Idaho's Hometown Community Bank Since 1904"



August 24, 2015

To Whom It May Concern,

This is to verify the amount of \$10,000 in savings account #190012394 for Jason and Hailey Barnes.

These are collected funds. Please feel free to contact me with any questions that you might have.

Sincerely,

A handwritten signature in black ink that reads "Penny Bernardo". The signature is written in a cursive style and is positioned to the right of the word "Sincerely,".

Penny Bernardo

Consumer Lending Specialist

208-933-2265





Date: November 9, 2015

To: Urban Renewal Agency of the City of Twin Falls

From: Melinda Anderson, Executive Director

Request:

Consideration of a request to approve an agreement between TFURA and the City of Twin Falls to allow the City to manage the URA Rogerson/Hansen/Fountain Demolition Project through the statutory CM/GC process, in association with the Banner Partial Demolition Project, with TFURA to pay costs related to the URA Demolition Project.

Background:

The City has hired Hummel Architects to design a new City Hall at the Banner building and has signed a Construction Management/General Contractor agreement with Starr Corporation to manage the demolition and construction of the new City Hall. As the Rogerson building is directly across Hansen from the Banner building it's been thought that combining the two demolition projects along with the proposed demolition of Hansen Street and the fountain area would result in the least impact to neighboring businesses and lower the overall cost of demolition through efficiency of one operation rather than multiple ones.

Approval Process:

Approval by a majority of the board in open meeting. Approval of this agreement does not commit TFURA to a joint demolition project but should TFURA move forward in that direction, it's a necessary step.

Budget Impact:

This agreement does not impact the budget and demolition costs at this time are unknown. Staff hopes to have estimates soon.

Conclusion:

Staff recommends that the board approve this agreement.

Attachments:

1. City/TFURA Agreement

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding is entered into by and between the City of Twin Falls, Idaho (“City”) and the Urban Renewal Agency of the City of Twin Falls, Idaho (URA”).

WHEREAS, The City is planning partial demolition of the Banner Building in conjunction with the construction of a new City Hall on Main Avenue North and Hansen Street; and,

WHEREAS, The URA is planning demolition of the Rogerson Hotel Building, across Hansen Street from the Banner Building, and demolition of the fountain area located on the Hansen Street right of way, across Main Avenue from the Banner Building and Rogerson Hotel Building, in conjunction with its Main Avenue Redevelopment Project; and,

WHEREAS, The City has hired Starr Corporation, pursuant to the Idaho Public Works Construction Management Licensing Act, to act as a construction manager/general contractor for the City Hall project, including the partial demolition of the Banner Building; and,

WHEREAS, Conducting the City and URA demolition projects simultaneously by a single contractor will result in the least impact to the business operations in the area at the lowest cost.

NOW, THEREFORE, In consideration of the mutual promises contained herein, the parties agree as follows:

1. URA agrees to provide bidding specifications for the URA demolition project to the City, so that these specifications can be included in the documentation for bidding the project.
2. City agrees to competitively bid the URA demolition project as an additional and separate item to the competitive bidding of the Banner Building demolition, so that the costs for the demolition projects can be separated.
3. City agrees to share with the URA the bids received for the demolition projects.
4. URA agrees to pay all costs associated with the URA demolition project, in accordance with the payment schedule set forth in the demolition contract.

DATED, This _____ day of November, 2015.

CITY OF TWIN FALLS

URBAN RENEWAL AGENCY
OF THE CITY OF TWIN FALLS

Mayor

Chairman