

CITY OF POST FALLS

RESOLUTION 95-01

WHEREAS, the legislature of the State of Idaho has amended Title 50, Section 29 of the Idaho Code to provide for the use of tax increment financing in certain geographic areas of the state determined in accordance with the laws to be "Competitively Disadvantaged Border Community Areas"; and

WHEREAS, the City of Post Falls is physically located within the geographical boundaries of such qualified areas set forth by State law; and

WHEREAS, in limited circumstances the City believes that tax increment financing can be a useful and viable economic development tool to expand the commercial and industrial tax base of the City, resulting in a sharing of property tax responsibility with homeowners and providing revenues to fund improved public services; and

WHEREAS, the City believes that public participation by the residents of Post Falls will result in more thorough and thoughtful consideration of the use of tax increment financing as it affects the character and quality of development and growth within the City and the region; and

WHEREAS, a public hearing process which receives and thoughtfully considers the views of proponents and opponents of tax increment financing proposals is beneficial to decision makers entrusted with the responsibility of implementing the law; and

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF POST FALLS that it be the policy of the City in considering and acting upon any application for approval of tax increment financing with "Competitively Disadvantaged Border Community Areas" that prior to any final decision approving or disapproving such application the City, by and through the appropriate relevant agency, should in each instance:

PAGE TWO
RESOLUTION 9501

1. Upon receipt of any formal application proposing the use of tax increment financing as a local economic development tool, the city should publicize the existence of such an application and the proposed terms of the proposal if known. The publication of such information should include the use of written and electronic media serving the Post Falls community. This notice is intended to make the residents promptly aware of the consideration of any such proposal so that those concerned persons can fully participate in considering the merits or detriments of any such proposals.
2. Make available without a formal written request copies of all files, records and information regarding the application and proposal to the public in a reasonable manner that provides the most accurate public information. This should be accomplished by placing such information at facilities convenient to public access, such as city hall, library, etc. The City should also provide copies of such requests to citizens groups expressing an interest in the issue. The City should, in appropriate cases, reserve from publication such information which has been submitted as proprietary which might contain trade secrets or other financial data customarily made confidential in business and industry, and as otherwise allowed by Idaho law.
3. At the earliest opportunity, the City should conduct a workshop at a time other than a regularly scheduled council meeting, for the purpose of providing accurate information to all interested parties regarding tax increment financing, the application and terms of the proposal, and preliminary assessment of the benefits and impact of the proposed use. City staff should be prepared to provide a forecast of the financial impact on city services, as well as a calculation as to the revenues to be derived by the City and other public entities. Specifically, the staff report should examine the issue of what effect such proposal would have on the existing tax base of the city.
4. Prior to making any final determination, the City and its Urban Renewal Agency should conduct not less than two public hearings to receive testimony and comments from interested residents regarding the proposal and its merits or detriments. Each public hearing should be convened at a time and place convenient to public attendance to provide concerned parties with the opportunity to be heard and express their opinion, concerns, support or objections.
5. Prior to making any final decision, the City and Urban Renewal Agency should consider the information presented at such public hearings, and all other factors deemed relevant or made appropriate for consideration by law. In accordance with applicable law, any decision regarding a proposed project should be made at a regularly scheduled public meeting.

PAGE THREE
RESOLUTION 95-01

PASSED by the City Council and APPROVED by the Mayor this 3
day of January, 1995.



James C. Hammond
JAMES HAMMOND, MAYOR

Christene Pappas
CHRISTENE PAPPAS, CITY CLERK

ORDINANCE NO. 815

AN ORDINANCE OF THE CITY OF POST FALLS, KOOTENAI COUNTY, IDAHO, MAKING FINDINGS OF FACT REGARDING A PUBLIC HEARING; DECLARING PORTIONS OF THE CITY AS AN ECONOMICALLY DISADVANTAGED BORDER COMMUNITY UNDER PROVISIONS OF IDAHO CODE CHAPTER 50, TITLE 29; DECLARING THE BEST INTERESTS OF THE CITY AND ITS RESIDENTS; PROVIDING FOR THE EFFECTIVE DATE OF THIS ORDINANCE AND OTHER MATTERS PROPERLY RELATING THERETO

**CITY OF POST FALLS
Kootenai County, Idaho**

BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF POST FALLS, KOOTENAI COUNTY, IDAHO, as follows:

WHEREAS, the City of Post Falls, Kootenai County, Idaho (the "City") is a duly authorized and formed city under and virtue of the Constitution and laws of the State of Idaho, governed by a City Council (the "Council");

WHEREAS, Chapter 50, Title 29 of the Idaho Code provides that the City can declare portions of the land located within its boundaries as "competitively disadvantaged" as defined in the statute, if certain factors exist;

WHEREAS, the City commissioned a professional study to be conducted, which study when completed, was presented to the Council;

WHEREAS, the City called a public hearing on July 18, 1995 to receive testimony and provided for publication and distribution of the Notice of Hearing, stating its desire to conduct a public hearing on whether it should designate a portion of the land contained within its boundaries as "competitively disadvantaged" and has received public comment and testimony;

WHEREAS, the City continued the public hearing to August 1, 1995 to receive and review a draft of the Ordinance and receive additional public testimony;

(b) The Council received and reviewed a study done by Business Planning Consultants, Inc., with the principal of Business Planning Consultants, Inc. available to respond to questions, concerns or address issues raised by members of the Council or members of the public in attendance at the public hearing. A copy of the report prepared by Business Planning Consultants, Inc. is attached hereto and incorporate herein as though fully set forth as Exhibit "C".

(c) The Council received written testimony, which it considered. A copy of the written testimony is attached hereto as Exhibit "D".

(d) The Council discussed the report, the information it received from City staff and the testimony that was given and gave direction to the staff and attorney for the drafting of the appropriate Ordinance.

Section 3: FINDINGS OF FACT REGARDING AREAS OF COMPETITIVE DISADVANTAGE OF THE CITY

After consideration of the testimony, consultant's report and other information available to it, the Council hereby makes a finding that the City is at a competitive disadvantage when compared with property located across the state line in the State of Washington, Spokane County, including, but not limited to, the following areas:

- (a) Higher property taxes in the City than in Spokane County, Washington;
- (b) The existence of a sales tax on food items in Idaho, which is not levied in Washington;
- (c) The presence of an Idaho State income tax, which is not present in Washington;
- (d) The lack of developed infrastructure, roads, water and sewer lines and a lack of resources, including grant funds, that would allow construction of the necessary infrastructure at a reasonable cost, as opposed to the well developed infrastructure in Spokane County, Washington.
- (e) The lack of a large enough population base in the immediate area to support a significant retail center or increase in the number of retail stores or facilities, as opposed to the population of Spokane County, which is approximately 400,000.

The Council hereby finds that the following types of competitive disadvantage in the City include, but are not limited to, the following:

Section 5: DESIGNATION OF AREA AS COMPETITIVELY DISADVANTAGED

The Council hereby designates the following area as "competitively disadvantaged" under the definition of Idaho Code Section 50-2903:

All industrially or commercially zoned acreage within the City boundaries of 40 contiguous acres or more, whether under single or multiple ownership; and an area consisting of approximately 2,000 acres, and lying generally east of the Idaho/Washington Stateline; south of a line 1/8 mile north of Seltice Way, north of the Spokane River, west of McGuire Road.

A copy of this area is shown on the map, which is attached hereto and incorporated herein by reference as though fully set forth as Exhibit "E". This area is within 25 miles of the Washington-Idaho border.

The Council also maintains the right to amend the area designated as competitively disadvantaged by following the procedure set out in Idaho Code 50-2903 and 50-2008 for public hearing and comment.

Section 6: RATIFICATION

All actions (not inconsistent with the provisions of this Ordinance) heretofore taken by the Council, and its employees, with respect to the Acquisition, construction and installation of the Improvements, and the issuance, sale and delivery of the Bonds, are hereby in all respects ratified, approved, and confirmed.

Section 7: SEVERABILITY

If any one or more of the covenants or agreements provided in this Ordinance to be performed on the part of the City shall be declared by any court of competent jurisdiction to be contrary to law, then such covenant or covenants, agreement or agreements shall be null and void and shall be deemed separable from the remaining covenants and agreements in this Ordinance and shall in no way affect the validity of the other provisions of this Ordinance or of the Bonds.

Section 8: REPEALER

All ordinances, resolutions or parts thereof in conflict herewith, to the extent of such conflict, are hereby repealed.

Section 9: EFFECTIVE DATE

This Ordinance shall be published in the manner provided by law and will be effective from and after its adoption and after its publication, or a publication of its summary, in the official newspaper of the City, all as provided within Idaho Code Section 50-901A.

RESOLUTION NO. 2002-03

A RESOLUTION OF THE POST FALLS URBAN RENEWAL AGENCY APPROVING CENTERPOINT URBAN RENEWAL PLAN; CONFIRMING THE COMPETITIVE DISADVANTAGE BORDER COMMUNITY AREA DECLARATION; ADOPTING A REVENUE ALLOCATION AREA; MAKING CERTAIN FINDINGS AND CONCLUSIONS IN SUPPORT THEREOF; PROVIDING AN EFFECTIVE DATE; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO

WHEREAS, the Post Falls Urban Renewal Agency, Kootenai County, Idaho (the "Agency"), is an agency operating and existing under and pursuant to the provisions of the Constitution and laws of the State of Idaho, and as such is authorized by the Idaho Code, Title 50, Chapter 20 and 29, to adopt urban renewal plans, to adopt disadvantage border community area declarations, to adopt revenue allocation areas, and to provide improvements and betterments within an urban renewal area, as designated by the Agency; and

WHEREAS, the Agency has been presented with and has reviewed a proposed Center Point Urban Renewal Plan, including a competitively disadvantaged border community area declaration, and a revenue allocation area provision;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE POST FALLS URBAN RENEWAL AGENCY, as follows:

Section 1: The Agency hereby approves the Center Point Urban Renewal Plan based on the following findings:

- A. The proposed area has been designated as a competitively disadvantaged border community area.
- B. The Urban Renewal Plan conforms to the general plan of the City of Post Falls and conforms to the City of Post Falls Comprehensive Plan.
- C. The Plan indicates the improvements and rehabilitation that are proposed to be carried out, including land uses, densities, building requirements, method of financing, and a revenue allocation financing provision.
- D. The Plan does not anticipate the displacement of any families at this time.

E. The Urban Renewal Plan would serve to enhance the provisions of adequate park and recreation areas by providing a greater industrial tax base to fund park and recreation programs.

F. The Urban Renewal Plan affords maximum opportunity for the Urban Renewal Area to develop through private enterprise.

G. The Center Point Urban Renewal Area is an area that is competitively disadvantaged in its ability to attract private investment by virtue of its proximity to Washington, which holds certain economic and infrastructure advantages.

H. The Center Point Urban Renewal Plan conforms to both state and local Planning and Zoning requirements.

I. The Center Point Urban Renewal Plan contains a tax allocation feasibility study which finds and declares that the debt to be incurred to provide the improvements described within the Plan is sufficient to pay the costs of the improvements proposed therein and that the assessed valuation of the revenue allocation area is likely to increase as a result of the initiation of the Urban Renewal project and competitively disadvantaged border community area in an amount sufficient to repay the debt incurred.

J. The Center Point Urban Renewal Plan identifies the kind, number, and location of all proposed public works or improvements within the revenue allocation area, provides an economic feasibility study, provides a detailed list of estimated project costs, provides a fiscal impact statement showing the impact of the revenue allocation area, and provides a description of the method of financing of the estimated project costs.

Section 2: The Post Falls Urban Renewal Agency hereby approves the Competitive Disadvantage Border Community Area declaration found as Appendix "C" to the Center Point Urban Renewal Plan based on the following findings:

A. Taxing levels in Washington versus Idaho play to the disadvantage of business and industries located in the State of Idaho. Such tax disadvantages include the corporate income tax method of taxation, which causes overall business taxes to be greater in Idaho than in Washington.

B. The lack of underlying infrastructure in Idaho seriously impacts and is a detriment to the location of new industries in Idaho versus Washington.

C. The designation of this area as a competitive disadvantage border community benefits the entire community by attracting industry and commercial developments, which will increase tax revenue for the City of Post Falls and surrounding areas.

D. Industrial and commercial development would not generally occur in the Expo Urban Renewal Area without the assistance of revenue allocation financing as provided through the Agency.

Section 3: The Post Falls Urban Renewal Agency hereby directs that the Center Point Urban Renewal Plan attached hereto as Exhibit "A" and by this reference made a part hereof be forwarded to the City of Post Falls for review and approval subject to the provisions of Idaho Code, Title 50, Chapters 20 and 29.

Section 4: This Resolution shall be effective upon its passage.

DATED this 7 day of November 2002.

POST FALLS URBAN RENEWAL AGENCY

By:  _____

ATTEST:


Secretary

**NOTICE OF PUBLIC HEARING
ADOPTION OF URBAN RENEWAL PLAN
& TAX INCREMENT DISTRICT**

NOTICE IS HEREBY GIVEN an urban renewal plan or modification thereto a competitively disadvantaged border community area has been proposed and is being considered for adoption, and that such plan or modification thereto contains a revenue allocation financing provision that will cause property taxes resulting from any increases in equalized assessed valuation in excess of the equalized assessed valuation as shown on the base assessment roll to be allocated to the agency for urban renewal and competitively disadvantaged border community area purposes; and that the City Council of Post Falls, Idaho will hold a public hearing at the Post Falls City Hall on December 3rd, 2002 at 6:00p.m., on the adoption of the Centerpoint Urban Renewal Plan and Tax Increment District.

GENERAL AND LEGAL DESCRIPTION:

The proposed Urban Renewal Plan and Tax Increment District is located within a portion of the City of Post Falls lying generally north of Interstate 90, west of Beck Road. East of the Idaho/Washington State line, and south of Seltice Way, portions of Section 1 and 12, Township 50 North, Range 6 West, B.M.

All persons desiring to be heard should appear at this hearing. Written testimony may be sent to the City of Post Falls Community Development Department, Attn: Jerry Basler, 408 Spokane Street, Post Falls ID 83854. Any written testimony will be read at the public hearing and become part of the record. A copy of the plan is available for review at the above address.

DATED this 7th day of November, 2002.

**POST FALLS URBAN RENEWAL
AGENCY**



**JERRY BASLER
URBAN PLANNER**

AN ORDINANCE OF THE CITY OF POST FALLS, KOOTENAI COUNTY IDAHO, APPROVING THE CENTERPOINT URBAN RENEWAL PLAN; ADOPTING A REVENUE ALLOCATION AREA; MAKING CERTAIN FINDINGS AND CONCLUSIONS IN SUPPORT THEREOF; PROVIDING AN EFFECTIVE DATE: AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO

WHEREAS, the City of Post Falls, Kootenai County, Idaho (the "City"), is a duly incorporated and existing City organized and operating under the laws of the State of Idaho, and as such is authorized by the Idaho Code, Title 50, Chapter 20 and 29, to adopt urban renewal plans, to adopt disadvantage border community area declarations, to adopt revenue allocation areas, and to provide improvements and betterments within an urban renewal area, as designated by the Plan; and

WHEREAS, the City designated the area included in the Centerpoint Urban Renewal Plan a disadvantaged border community area by Ordinance No. 815 adopted on September 5, 1995; and

WHEREAS, the Centerpoint Urban Renewal Plan was submitted to and approved by the City of Post Falls Planning and Zoning Committee on November 12, 2002, and,

WHEREAS, the City held one duly noticed Public Hearing on December 3, 2002 to review and consider adoption of the CenterPoint Urban Renewal Plan; and,

WHEREAS, the City has reviewed the proposed Centerpoint Urban Renewal Plan, which includes a revenue allocation area provision;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF POST FALLS, KOOTENAI COUNTY, IDAHO, as follows:

Section 1: The City hereby approves the Centerpoint Urban Renewal Plan, (as approved by the Post Falls City Council on December 3, 2002) encompassing the following described lands:

A Tract of land located in the Southwest 1/4 and the Southeast 1/4 of Section 1, the Northwest 1/4 and the Northeast 1/4 of Section 12, Township 50 North, Range 6 West, B.M., and the Southwest 1/4 of Section 6, and the Northwest 1/4 of Section 7, Township 50 North, Range 5 West, B.M., Kootenai County, Idaho, as described in the Memorandum of Option Agreement per Document No. 1297586 and ALTA Commitment of Pioneer Title Company of Kootenai County, File Number 87362, effective November 26, 2001 and being further described as follows:

1770560

BEGINNING at the West One-quarter corner of Section 6, Township 50 North, Range 5 West, B.M., thence South 88°45'29" East along the East-West centerline of said Section 6 a distance of 1058.88 feet; thence South 00°50'44" West a distance of 2492.58 feet to a point on the Northwestern right-of-way line of Interstate Highway No. 90; thence along said Northwestern right of way through the following seven (7) courses:

(1) thence South 61°59'19" West a distance of 305.24 feet; (2) thence South 61°59'19" West a distance of 892.54; (3) thence South 70°29'40" West a distance of 1423.52 feet; (4) thence South 72°58'39" West a distance of 690.56 feet; (5) thence South 79°56'36" West a distance of 1182.88 feet; (6) thence South 60°17'16" West a distance of 210.49 feet; (7) thence South 79°49'06" West a distance of 23.81 feet to a point on the Southerly boundary line of Spokane Land and Water Company Irrigation canal right of way;

thence along said Southerly boundary through the following four (4) courses:

(1) thence North 80°03'51" West a distance of 313.07; (2) thence North 71°12'51" West a distance of 191.30 feet; (3) thence North 88°16'51" West a distance of 614.30; (4) thence North 55°36'51" West a distance of 121.07 feet to a point on the Washington-Idaho state line;

thence North 00°24'44" East along said state line a distance of 419.08 feet to a point 11 feet distant when measured right angles Southeasterly from the Southeasterly boundary of Tract 182 of Plat 5, EAST FARMS IRRIGATED TRACTS;

thence along a line 11 feet distant when measured at right angles and parallel Southeasterly from said Southeasterly boundary of Tract 182 of Plat 5, , EAST FARMS IRRIGATED TRACTS through the following four (4) courses:

(1) thence North 42°05'46" East a distance of 291.38 feet; (2) thence North 51°55'48" East a distance of 239.59 feet; (3) thence North 54°48'02" East a distance of 543.36 feet; (4) thence North 58°23'07" East a distance of 360.21 feet a point on the North line of said Section 12, said line also being the South line of said Section 1, Township 50 North, Range 6 W., B.M.; thence South 88°57'52" East along said South line a distance of 153.93 feet; thence North 51°11'16" East a distance of 615.20 feet ; thence North 53°30'43" East a distance of 902.00 feet ; thence North 49°45'45" East a distance of 1108.00 feet ; thence North 33°00'42" East a distance of 520.00 feet ; thence North 40°00'44" East a distance of 683.88 feet a point on the East-West centerline of said Section 1; thence North 89°00'54" West along said centerline a distance of 103.05 feet to a point on the Southeasterly right of way line of U.S. Highway No. 10 (Seltice Way); thence North 61°26'31" East along said Southeasterly right of way line a distance of 746.48 feet to a point on the East line of said Section 1 (West line of said Section 6); thence South 00°51'08" West along said East line a distance of 370.53 feet to the TRUE POINT OF BEGINNING:

Said parcel of land containing 287 acres, more or less.

(and a map thereof, which is attached hereto as Exhibit "A"), based on the following findings:

- A. The proposed area has been designated as a competitively disadvantaged border community area.

- B. The Centerpoint Urban Renewal Plan conforms to the City of Post Falls Comprehensive Plan.
- C. The Plan indicates the improvements and rehabilitation that are proposed to be carried out, including land uses, densities, building requirements, method of financing, and a revenue allocation financing program.
- D. The Plan does not anticipate the displacement of any families at this time.
- E. The Centerpoint Urban Renewal Plan serves to enhance the provisions of adequate park and recreation areas by providing a greater industrial tax base to fund park and recreation programs.
- F. The Centerpoint Urban Renewal Plan affords maximum opportunity for the Urban Renewal Area to develop through private enterprise.
- G. The Centerpoint Urban Renewal Area is an area that is competitively disadvantaged in its ability to attract private investment by virtue of its proximity to Washington which holds certain economic and infrastructure advantages.
- H. The Centerpoint Urban Renewal Plan conforms with both state and local planning and zoning requirements.
- I. The Centerpoint Urban Renewal Plan contains a tax allocation feasibility study which finds and declares that the debt to be incurred to provide the improvements described within the Plan is sufficient to pay the costs of the improvements proposed therein and that the assessed valuation of the revenue allocation area is likely to increase as a result of the initiation of the urban renewal project and competitively disadvantaged border community area in an amount sufficient to repay the debt incurred.
- J. The Centerpoint Urban Renewal Plan identifies the kinds, number, and location of all proposed public works or improvements within the revenue allocation area, provides an economic feasibility study, provides a detailed list of estimated project costs, provides a fiscal impact statement showing the impact of the revenue allocation area, and provides a description of the method of financing of the estimated project costs.

Section 2: The City of Post Falls, Kootenai County, Idaho, hereby approves the Centerpoint Urban Renewal revenue allocation area as identified in the Centerpoint Urban Renewal Plan.

Section 3: This Ordinance shall be effective upon its passage and publication as provided by law.

Dated this 18th day of December, 2002.

1770560

CITY OF POST FALLS
KOOTENAI COUNTY, IDAHO

By: *Clay Larkin*
CLAY LARKIN, Mayor

ATTEST:

Christene Pappas
Christene Pappas, City Clerk
(SEAL)



STATE OF IDAHO
COUNTY OF KOOTENAI
AT THE REQUEST OF
City of Post Falls
2002 DEC 18 P 2:54
DANIEL J. ENGLISH CP
DEPUTY N/C
FEES (5pgs)

SUMMARY OF POST FALLS ORDINANCE NO. 1016

Approving the Centerpoint Urban Renewal Plan encompassing the following described area:

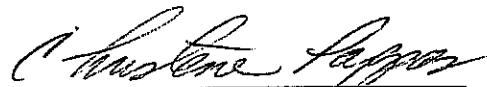
A Tract of land located in the Southwest 1/4 and the Southeast 1/4 of Section 1, the Northwest 1/4 and the Northeast 1/4 of Section 12, Township 50 North, Range 6 West, B.M., and the Southwest 1/4 of Section 6, and the Northwest 1/4 of Section 7, Township 50 North, Range 5 West, B.M., Kootenai County, Idaho, as described in the Memorandum of Option Agreement per Document No. 1297586 and ALTA Commitment of Pioneer Title Company of Kootenai County, File Number 87362, effective November 26, 2001 and being further described as follows:

BEGINNING at the West One-quarter corner of Section 6, Township 50 North, Range 5 West, B.M., thence South $88^{\circ}45'29''$ East along the East-West centerline of said Section 6 a distance of 1058.88 feet; thence South $00^{\circ}50'44''$ West a distance of 2492.58 feet to a point on the Northwesterly right-of-way line of Interstate Highway No. 90; thence along said Northwesterly right of way through the following seven (7) courses:
(1) thence South $61^{\circ}59'19''$ West a distance of 305.24 feet; (2) thence South $61^{\circ}59'19''$ West a distance of 892.54; (3) thence South $70^{\circ}29'40''$ West a distance of 1423.52 feet; (4) thence South $72^{\circ}58'39''$ West a distance of 690.56 feet; (5) thence South $79^{\circ}56'36''$ West a distance of 1182.88 feet; (6) thence South $60^{\circ}17'16''$ West a distance of 210.49 feet; (7) thence South $79^{\circ}49'06''$ West a distance of 23.81 feet to a point on the Southerly boundary line of Spokane Land and Water Company Irrigation canal right of way; thence along said Southerly boundary through the following four (4) courses:
(1) thence North $80^{\circ}03'51''$ West a distance of 313.07; (2) thence North $71^{\circ}12'51''$ West a distance of 191.30 feet; (3) thence North $88^{\circ}16'51''$ West a distance of 614.30; (4) thence North $55^{\circ}36'51''$ West a distance of 121.07 feet to a point on the Washington-Idaho state line;
thence North $00^{\circ}24'44''$ East along said state line a distance of 419.08 feet to a point 11 feet distant when measured right angles Southeasterly from the Southeasterly boundary of Tract 182 of Plat 5, EAST FARMS IRRIGATED TRACTS;
thence along a line 11 feet distant when measured at right angles and parallel Southeasterly from said Southeasterly boundary of Tract 182 of Plat 5, , EAST FARMS IRRIGATED TRACTS through the following four (4) courses:
(1) thence North $42^{\circ}05'46''$ East a distance of 291.38 feet; (2) thence North $51^{\circ}55'48''$ East a distance of 239.59 feet; (3) thence North $54^{\circ}48'02''$ East a distance of 543.36 feet; (4) thence North $58^{\circ}23'07''$ East a distance of 360.21 feet a point on the North line of said Section 12, said line also being the South line of said Section 1, Township 50 North, Range 6 W., B.M.; thence South $88^{\circ}57'52''$ East along said South line a distance of 153.93 feet;
thence North $51^{\circ}11'16''$ East a distance of 615.20 feet; thence North $53^{\circ}30'43''$ East a distance of 902.00 feet; thence North $49^{\circ}45'45''$ East a distance of 1108.00 feet;
thence North $33^{\circ}00'42''$ East a distance of 520.00 feet ; thence North $40^{\circ}00'44''$ East a distance of 683.88 feet a point on the East-West centerline of said Section 1; thence North $89^{\circ}00'54''$ West along said centerline a distance of 103.05 feet to a point on the

Southeasterly right of way line of U.S. Highway No. 10 (Seltice Way); thence North 61°26'31" East along said Southeasterly right of way line a distance of 746.48 feet to a point on the East line of said Section 1 (West line of said Section 6); thence South 00°51'08" West along said East line a distance of 370.53 feet to the TRUE POINT OF BEGINNING.

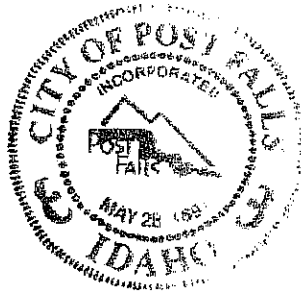
Said parcel of land containing 287 acres, more or less.

Adopting the revenue allocation area set forth in the Plan, making certain findings and conclusions in support thereof; providing that the ordinance is effective upon publication of this summary, and providing for other matters properly relating thereto. The full text of the summarized Ordinance 1016 is available at Post Falls City Hall, 408 Spokane Street, Post Falls, Idaho 83854 in the office of the City Clerk.



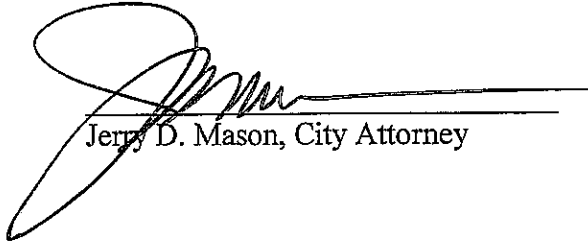
Christene Pappas, City Clerk

Publish once in the City's official newspaper



STATEMENT OF LEGAL ADVISER

I, Jerry D. Mason, am the City Attorney for the city of Post Falls, Idaho. I have examined the attached summary of Post Falls Ordinance No. 1016, the Centerpoint Urban Renewal Plan Ordinance, and find it to be a true and complete summary of said ordinance which provides adequate notice to the public of the contents thereof.



Jerry D. Mason, City Attorney

Date 1/7/03

Receipt of New or Altered Taxing District/RAA Boundary Documentation

1770560

District Name: Post Falls - City of

Contact Person: Jerry Basler Phone: 773-8708

District Mailing Address: _____

Other/Additional Info: Center Point Urban Renewal Area - Post Falls, Ordinance # 1016

Items submitted:

- 1. City or District Annexation Document (ordinance or order), signed by proper authority, approving said annexation.
- 2. Legal Description and Map of City or Taxing District / RAA Boundary and Annexed Territory. (see guidelines / requirements below, legal description may be included in annexation document, or submitted separately)

Submittal Guidelines / Requirements:

1. Copy of the ordinance or order effecting the formation or alteration of the district, or Urban Renewal District Revenue Allocation Area, containing the legal description of the newly formed district boundaries or **subject annexed area** (standard description requirements):
 - A. Section/Township/Range,
 - B. True point of beginning defined by bearings and distances from an initial point being a government corner or subdivision plat corner,
 - C. Bearing and distance closure of at least 1:5,000,
 - D. Variations allow for calls along water boundaries, aliquot parts and subdivision plat references (copy of plat may be additionally required).
 - E. Match with existing district boundary where contiguous.
2. Map prepared in a Draftsman-like manner, matching the accompanying legal description and drafted to scale, including:
 - a. Section, township, range, and meridian identifications.
 - b. North arrow, bar scale, and title block.
 - c. District name and ordinance number or order date.
 - d. Bearing and distance annotation between boundary points.
 - e. Clearly defined boundary lines of the newly formed district or RAA, or the annexed area, together with reference to the existing boundary where contiguous.

Received by Assessor for review and filing: Tony Harbin 12-18-02
Assessor signature / date

ASSESSOR CHECK FOR COMPLIANT SUBMITTAL, PROVIDE SIGNED RECEIPT & RECORDER INSTRUCTION FORM TO DISTRICT FOR RECORDING.

Received by Auditor/Clerk/Recorder for recording / filing: Carrie Phillips 12/18/02
Recorder signature / date

ORIGINAL RECEIPT TO DISTRICT FOR THEIR RECORDS, COPY TO ASSESSOR'S OFFICE.

1770560

Annexation Recordation Instructions Form

DOCUMENT TYPE: XK

GRANTOR: FIRST MI LAST

NAME: Post Falls City of

GRANTEE:

NAME: _____

ADDRESS: _____

CITY / ST / ZIP: _____

SITUS:

SEC / TWP / RNG: multiple PART: _____

SUB CD / NM: _____

LOT / BLK: _____

TAX#: _____

COMMENTS:

1: Center Point Urban Renewal Area

2: Section 1 & 12 50N06W And 6 & 7 50N05W

3: Ordinance No 1016

4: _____



STATE TAX COMMISSION

800 Park Blvd., Plaza IV • Boise, ID • 83722

January 10, 2003

Christene Pappas
City Clerk
408 North Spokane Street
Post Falls, ID 83854

Subject: Ordinance No. # 1016 CENTER POINT URBAN RENEWAL AREA

Dear Ms. Pappas:

The Idaho State Tax Commission received the documentation that was provided for the creation of real property in CENTER POINT URBAN RENEWAL AREA, for tax year 2003. The Idaho State Tax Commission approves the map and legal description. This approval is limited to the acknowledgement that the map and legal description meets the requirements of Section 63-215 Idaho Code, and Idaho State Tax Commission Rule 225.

If you have any questions, please call us at (208) 334-7750.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jason Talbot', with a long horizontal flourish extending to the right.

Jason Talbot
GIS Analyst, Sr.
Technical Support Bureau
Idaho State Tax Commission

CC:
Ray Lee, Kootenai County Assessor
Dan English, Kootenai County Clerk
Harley Hinshaw, Property Appraisal Section Manager
Gary Houde, Technical Records Specialist

3 pgs

ORDINANCE NO. 1075

AMENDMENT OF CENTERPOINT URBAN RENEWAL AREA

AN ORDINANCE OF THE CITY OF POST FALLS, KOOTENAI COUNTY IDAHO, APPROVING AMENDMENT OF THE CENTERPOINT URBAN RENEWAL PLAN; ADOPTING AN AMENDMENT TO THE REVENUE ALLOCATION AREA; MAKING CERTAIN FINDINGS AND CONCLUSIONS IN SUPPORT THEREOF; PROVIDING AN EFFECTIVE DATE; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATING THERETO

WHEREAS, the City of Post Falls, Kootenai County, Idaho (the "City"), is a dully incorporated and existing City organized and operating under the laws of the State of Idaho, and as such is authorized by the Idaho Code, Title 50, Chapter 20 and 29, to adopt urban renewal plans, to adopt deteriorated area declarations, to adopt revenue allocation areas, and to provide improvements and betterments within an urban renewal area, as designated by the Plan; and

WHEREAS, the City of Post Falls did on the 17 day of December 2002 adopt Ordinance No. 1016, establishing the Center Point Urban Renewal Plan, and

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF POST FALLS, KOOTENAI COUNTY, IDAHO, as follows:

Section 1: The City hereby approves adding the following described lands to the Center Point Urban Renewal Plan:

The area included in said description encompasses lands between the existing CenterPoint Urban Renewal area and West Seltice Way.

That portion of the S1/2 of Section 1, Township 50 North, Range 6 West, B.M., Kootenai County, Idaho described as follows:

Beginning at the southeast corner of the SW1/4 of said Section 1; thence N89°13'30"W, along the south line of said SW1/4, a distance of 636.06 feet to the TRUE POINT OF BEGINNING, a point 3,282 feet west of the southeast corner of said Section 1; thence continuing N89°13'30"W, along said south line, 102.84 feet to a point on a line being parallel with and 20 feet northeasterly from, when measured at right angle to, the southeasterly extension of the northeasterly line of Tract 179 of Plat No. 5 of East Farms Irrigated Tracts, according to the plat recorded in Volume "C" at Page 57; thence N25°14'34"W, along said parallel line, 389.25 feet to a point from which the southerly right-of-way line of Seltice Way,

(formerly Yellowstone Trail Highway and Old Highway #10) bears N25°14'34"W 330.00 feet; thence northeasterly along the arc of a 5665.00 foot radius curve, concave southerly, through a central angle of 10°40'49", 1056.00 feet (long chord = N49°34'16"E 1054.47 feet); thence N25°14'34"W 330.00 feet to a point on said southerly right-of-way line of Seltice Way; thence along said southerly right-of-way line the following three (3) calls;

- 1) northeasterly along the arc of a 5665.00 foot radius curve, concave southerly, through a central angle of 6°31'45", 645.57 feet to a point of tangent, (long chord = N58°10'33"E 645.22 feet);
- 2) N61°26'26"E 1921.93 feet to a point on the north line of the SE1/4 of said Section 1;
- 3) S88°48'03"E, along said north line, 40.29 feet to an angle point on the boundary of Parcel 2 shown on the Record of Survey filed in Book 16 at Page 70 and also a point on the existing City Limits of Post Falls according to Ordinance No. 739;

thence along the boundary of said Parcel 2 and along said existing City Limits the following two (2) courses:

- 1) S88°48'03"E, along said north line, 121.95 feet;
- 2) S40°18'44"W, along the boundary of said Parcel 2 and continuing along said existing City Limits, 19.33 feet to a point on the southerly right-of-way line of Jacklin Road and an angle point on the boundary of Parcel 3 as shown on said Record of Survey;

thence along the boundary of said Parcel 3 and continuing along said existing City Limits the following five (5) courses:

- 1) S40°18'44"W 664.77 feet;
- 2) S33°19'57"W 521.49 feet;
- 3) S50°02'01"W 1111.27 feet;
- 4) S53°46'21"W 904.65 feet;
- 5) S51°16'48"W 616.53 feet to the TRUE POINT OF BEGINNING.

CONSISTING OF 48 ACRES MORE OR LESS.

Section 2: The city council finds that the lands above described constitute an integral part of the area appropriate for renewal because of their physical location adjacent to West Seltice Way.

Section 3: The City Council of the City of Post Falls, Kootenai County, Idaho, hereby approves the amended CenterPoint Urban Renewal Plan.

Section 4: This Ordinance shall be effective upon its passage and publication in accordance with law.

Approved by the Post Falls City Council on the 21st day of July, 2005.

CITY OF POST FALLS

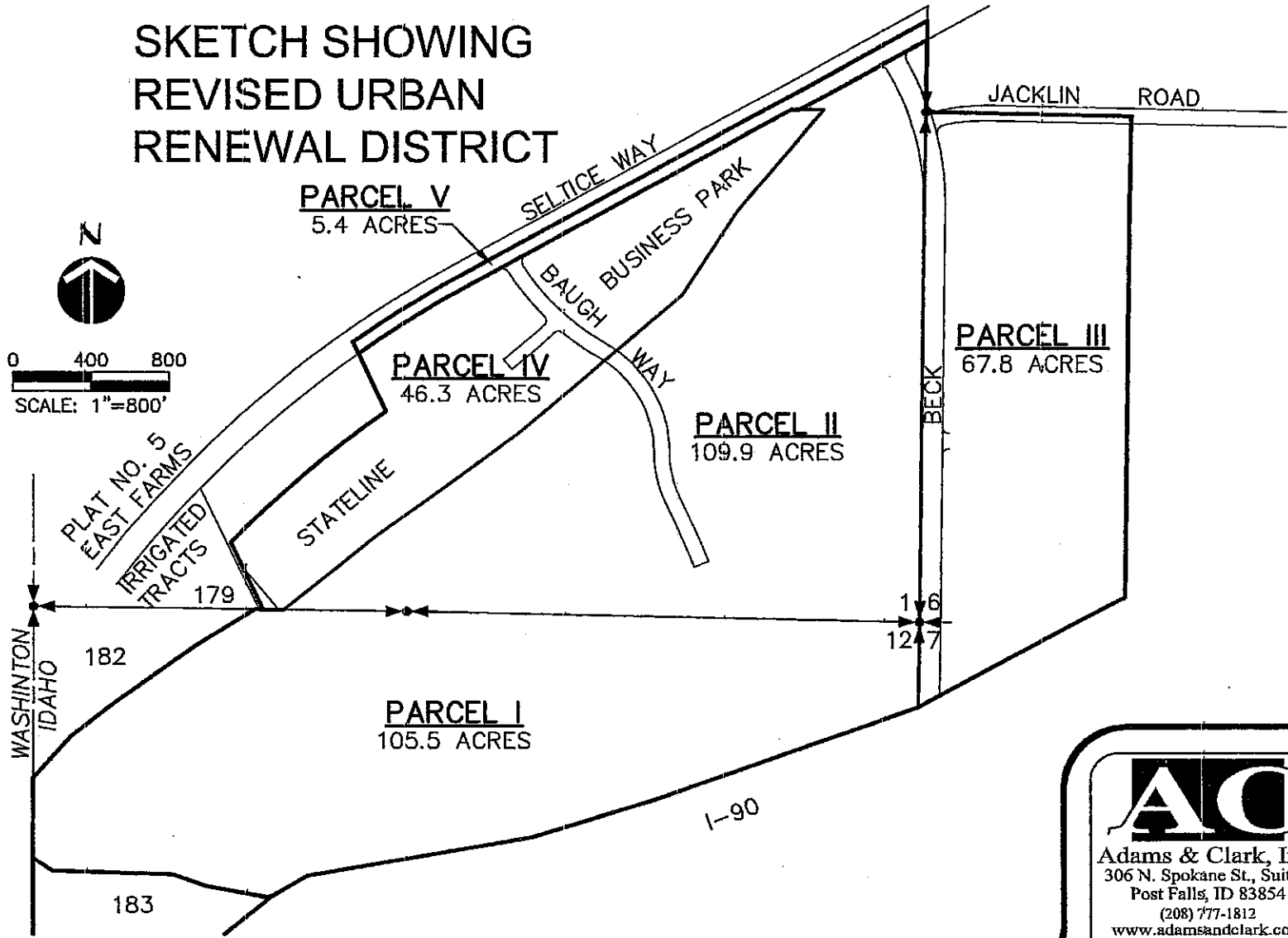
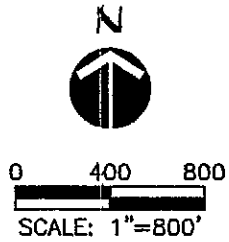
By: Mayor Clay Larkin
Clay Larkin, Mayor

ATTEST:

Christene Pappas
Christene Pappas, City Clerk



SKETCH SHOWING REVISED URBAN RENEWAL DISTRICT



URDIST-SKETCH.DWG JSH 03-02-2005

AC
Adams & Clark, Inc.
306 N. Spokane St., Suite J
Post Falls, ID 83854
(208) 777-1812
www.adamsandclark.com
Project No. 2003-02-541



Post Falls Urban Renewal Agency
P.O. Box 236, Post Falls, ID 83877-0236
208/777-2744 www.pfura.com

December 21, 2005

Mr. Craig Johnson
County Support Director
IDAHO STATE TAX COMMISSION
800 Park Blvd.
Boise, ID 83722

And Distribution List of
taxing districts below

RE: 2006 Actions in Post Falls Urban Renewal Districts

To All It May Concern:

Per the requirements of Idaho Code 50-2907, enclosed you will find documents related to several actions in Post Falls urban renewal districts this year:

On the expansion of the Center Point urban renewal district, a copy of Ordinance #1075 approved by the Post Falls City Council on July 21, 2005. A legal description of the sub-revenue allocation area is contained in the body of the ordinance, which was recorded with the Kootenai County Auditor on July 29, 2005. Also included is a map of the expanded revenue allocation area.

On the adoption of the West Seltice II urban renewal district, a copy of Ordinance #1089 approved by the Post Falls City Council on November 15, 2005. A legal description of the revenue allocation area is contained in the body of the ordinance, and a map is included; all were filed with the Kootenai County Auditor on December 21, 2005.

On the expansion and plan life extension of the East Post Falls urban renewal district, a copy of Ordinance #1093 approved by the Post Falls City Council on December 20, 2005. A legal description of the revenue allocation area is contained in the ordinance, and a map is also included; all documents were filed with the Kootenai County Auditor on December 21, 2005.

The Center Point urban renewal plan was not rewritten, as the expansion changed nothing about the plan area's objectives, proposed land uses, or financing methods; only its overall revenue allocation area size changed. Plan copies for both West Seltice II and the East Post Falls urban renewal districts have been previously distributed to the taxing districts. These plans address objectives, proposed land uses, and financing methods, among many other items.

December 22, 2005
Idaho State Tax Commission, et al
Page two

Please advise if you desire more documentation, additional copies of the plans, or if I can answer any questions.

Regards,



Pat Raffee, Executive Director
Post Falls Urban Renewal Agency

Enclosures as referenced

Distribution List:

Gus Johnson, Chairman
Kootenai County Commissioners
P.O. Box 9000
Coeur d'Alene, ID 83816-9000

Shelly Enderud, Treasurer
City of Post Falls
408 Spokane Street
Post Falls, ID 83854

Sid Armstrong, Business Mgr.
Post Falls School District
P.O. Box 40
Post Falls, ID 83854

North Idaho College
Business Office
1000 W. Garden Avenue
Coeur d'Alene, ID 83814

Kootenai County EMS
c/o County Commissioners
P.O. Box 9000
Coeur d'Alene, ID 83816-9000

Tom Malzahn
Kootenai County Treasurer
P.O. Box 9000
Coeur d'Alene, ID 83816-9000

Mike McDowell
Kootenai County Assessor
P.O. Box 9000
Coeur d'Alene, ID 83816-9000

Dan English
Kootenai County Auditor
P.O. Box 9000
Coeur d'Alene, ID 83816-9000

Chief Ron Sampert
Kootenai County Fire & Rescue
5629 E. Seltice
Post Falls, ID 83854

Lynn Humphreys, Chairman
Post Falls Highway District
E. 5701 Seltice Way
Post Falls, ID 83854

Kootenai Hospital District
Business Services
2003 Lincoln Way
Coeur d'Alene, ID 83816

RESOLUTION NO. 2005 – 01

A RESOLUTION OF THE POST FALLS URBAN RENEWAL AGENCY, MAKING FINDINGS CONCERNING THE NEED TO AMEND THE CENTER POINT URBAN RENEWAL PLAN, EXPANDING THE BOUNDARIES OF THE PLAN AREA, AND MAKING RECOMMENDATIONS TO THE POST FALLS CITY COUNCIL FOR ADOPTION OF AN AMENDED PLAN.

WHEREAS the City of Post Falls did in Ordinance No. 815 on September 5, 1995, establish an area consisting of approximately 2,000 acres, and lying generally east of the Idaho/Washington state line; south of a line 1/8 mile north of Seltice Way, north of the Spokane River and west of McGuire Road, as a "competitively disadvantaged area" under the definition of Idaho Code Section 50-2903, and

WHEREAS the City of Post Falls did in Ordinance No. 1016 on December 17, 2002, establish the Centerpoint Urban Renewal Plan, to remedy the lack of infrastructure to attract business and job growth on 287 acres within the Competitively Disadvantaged Area, and

WHEREAS the same lack of infrastructure and other elements exist immediately north of the Centerpoint Urban Renewal Plan boundaries, including the 48 acres known as Stateline Business Park, and

WHEREAS the Kootenai County Assessor's Office has advised the Post Falls Urban Renewal Agency that the Stateline Business Park could be added to the Centerpoint Urban Renewal Plan as a sub-revenue allocation area with its own increment calculation, and

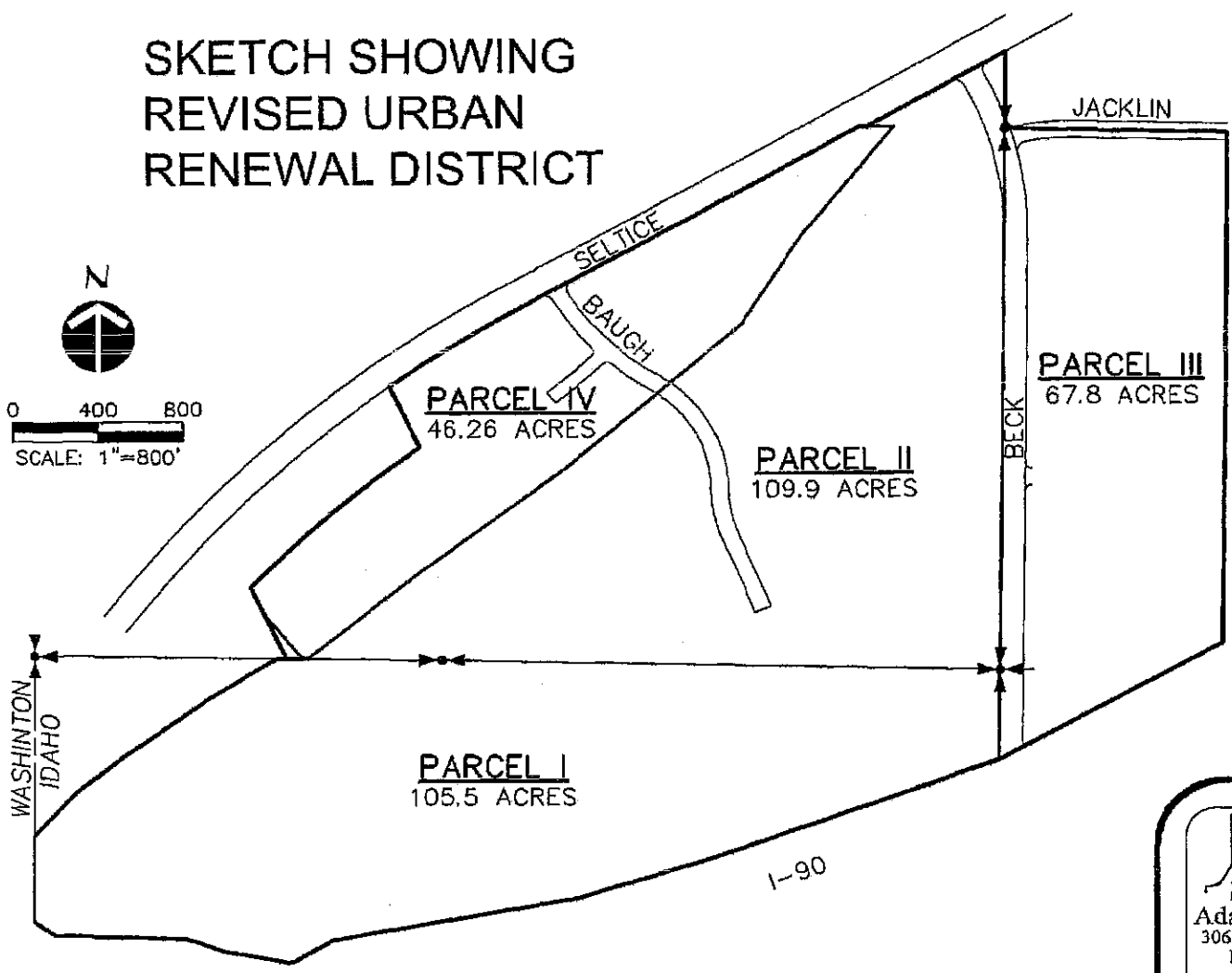
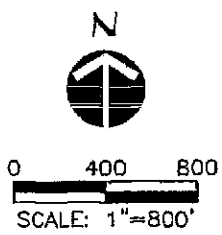
WHEREAS during the period from September 2004 to March 2005, the Post Falls Urban Renewal Agency received information from other taxing districts and citizens in reaction to expanding the boundaries of the Center Point Urban Renewal District,

NOW THEREFORE, BE IT RESOLVED BY THE POST FALLS URBAN RENEWAL AGENCY AS FOLLOWS:

Section 1. That this Agency makes the following findings of fact:

- a. That the competitive disadvantages found to exist in the area in 1995 exceed the boundaries encompassing the Centerpoint Urban Renewal District

SKETCH SHOWING REVISED URBAN RENEWAL DISTRICT



URDIST - SKETCH.DWG JSH 02-28-2005

AC
Adams & Clark, Inc.
306 N. Spokane St., Suite J
Post Falls, ID 83854
(208) 777-1812
www.adamsandclark.com
Project No. 2003-02-541

POST FALLS URBAN RENEWAL AGENCY
RESOLUTION NO. 2005- 02

A RESOLUTION OF THE POST FALLS URBAN RENEWAL AGENCY AUTHORIZING THE AGENCY TO BORROW FUNDS AND EXECUTE LOAN DOCUMENTS; MAKING CERTAIN FINDINGS THAT TAX INCREMENT REVENUES FROM THE CENTER POINT URBAN RENEWAL DISTRICT ARE SUFFICIENT TO REPAY SAID DEBT OVER THE TERM OF THE LOAN; AUTHORIZING A DEBT RESERVE ACCOUNT; AUTHORIZING THE ESTABLISHMENT OF A TAX INCREMENT REVENUE PRIORITY PLEDGE; AND PROVIDING FOR OTHER MATTERS PROPERLY RELATED THERETO.

WHEREAS the Post Falls Urban Renewal Agency is an Idaho urban renewal agency created pursuant to Title 50, Chapters 20 & 29, Idaho Code, with authority to borrow money to fund public infrastructure improvements with established urban renewal districts, and

WHEREAS the Center Point Urban Renewal District is an established urban renewal district with a revenue allocation area, and

WHEREAS the Post Falls Urban Renewal Agency has entered into an agreement with the City of Post Falls to fund a portion of the construction costs of a public domestic water reservoir within the boundaries of the Center Point Urban Renewal District, and

WHEREAS Washington Trust Bank has agreed to loan the Post Falls Urban Renewal Agency of sum of FOUR HUNDRED & NINETY-EIGHT THOUSAND DOLLARS (\$498,000.00), to cover the construction contribution costs of the Agency, together with loan costs and fees, with repayment over a ten (10) year period.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE POST FALLS URBAN RENEWAL AGENCY AS FOLLOWS:

Section 1: The Agency hereby makes the following findings of fact:

a. That contributing to the construction costs of a publicly owned domestic water reservoir located within the boundaries of the Center Point Urban Renewal District is a proper expenditure of tax increment revenues in furtherance of the goals of the Center Point Urban Renewal Plan.

b. That the tax increment revenue from the Center Point Urban Renewal District is sufficient to repay the proposed debt over the ten (10) year term of the proposed debt.

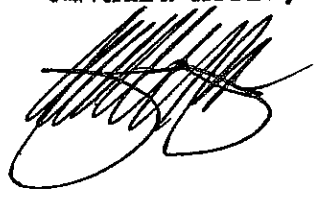
c. That there is sufficient projected excess tax increment revenue to justify creating a debt reserve account and making repayment of the debt to Washington Trust Bank as a priority pledge.

Section 2: The Post Falls Urban Renewal Agency does hereby authorize its officers and treasurer, to execute any and all document necessary to effectuate said loan.

DATED this 15 day of September, 2005.

POST FALLS URBAN RENEWAL AGENCY
an Idaho urban renewal agency

By: Richard Moore
Richard Moore, Chairman



WATER RESERVOIR AGREEMENT

This agreement is being entered into between Post Falls Urban Renewal Agency, an independent public body corporate and politic formed pursuant to title 50, chapter 20 Idaho Code, hereinafter referred to as "URA", whose address is P.O. Box 236, Post Falls, Idaho 83877, and the city of Post Falls, an Idaho political subdivision, hereinafter referred to as "City," whose address is 408 N. Spokane St., Post Falls, ID 83854.

WHEREAS, pursuant to the urban renewal plan approved by the city of Post Falls, the URA agrees to participate in the construction of a water reservoir within the Centerpoint Urban Renewal District; and

WHEREAS, it is the intent of URA to obtain a loan for the funds that will be used as the URA contribution to the water reservoir; and

WHEREAS, a description of the location and construction of the water reservoir is in Exhibit A attached hereto and incorporated herein by reference; and

WHEREAS, construction of the water reservoir and amenities is an integral part of the urban renewal plan for this District and will serve to promote development within the District; and

WHEREAS, it is the desire of the city of Post Falls to facilitate the construction of the water reservoir by entering into the initial contract for the construction and for the URA to pay to the City an agreed upon amount as the URA's share of the costs of the reservoir.

NOW THEREFORE, the URA and the City enter into this agreement in order to provide for the construction of the water reservoir and amenities set forth in Exhibit A.

1. **SHARE OF COST:** URA agrees to pay one-third (1/3) of the costs of the construction of the water reservoir, up to \$500,000.00, as the URA's share of the cost of the construction of the water reservoir and the associated amenities upon the completion of the reservoir. The URA will not be responsible for the payment of the cost of engineering services by City staff for this project.
2. **TAX ALLOCATION PRIORITY:** The URA agrees that the payment for the URA's share of the cost of the water reservoir shall take priority over reimbursement to any developer involved in the construction of public infrastructure within the District.
3. **PAYMENT:** City agrees to bill URA for their share of the costs of the reservoir once the reservoir is complete and URA agrees to submit full payment to the City within 30 days of the date of the bill and receipt of the loan funds being sought by URA.

4. APPLICABLE LAW/ATTORNEYS' FEES: This Agreement shall be construed and enforced in accordance with the laws of the State of Idaho. Should any legal action be brought because of breach of this Agreement or to enforce any provision of this Agreement, the action shall be brought in Kootenai County, Idaho and the prevailing party shall be entitled to reasonable attorneys' fees, court costs and such other costs as may be found by the Court.
5. ENTIRE AGREEMENT: This Agreement constitutes the entire understanding and agreement of the parties with regard to the water reservoir described in Exhibit A.

DATED this 18 day of May, 2005.



CITY OF POST FALLS

Clay Larkin
Clay Larkin, Mayor

ATTEST:

Christene Pappas
Christene Pappas, City Clerk

URBAN RENEWAL AGENCY

Richard Moore
Richard Moore, Chairman

ATTEST:

Olbra Rayner

NEGATIVE PLEDGE AGREEMENT

In consideration of Washington Trust Bank's willingness to extend credit accommodations to Post Falls Urban Renewal Agency, an Idaho Urban Renewal Agency, (hereinafter referred to as Borrower), on an unsecured basis (Loan No. 222719 -11660), Borrower agrees not to pledge, grant a security interest in, or otherwise encumber any of Borrower's revenues from the incremental increases in property taxes in the Center Point Urban Renewal District without the prior written consent of Washington Trust Bank.

This Agreement will remain in effect on a continuous basis until canceled in writing by Washington Trust Bank.

Signed this 29 day of SEP, 2005

Post Falls Urban Renewal Agency, an Idaho Urban Renewal Agency	WASHINGTON TRUST BANK
By: <u>Richard Moore</u> Richard Moore, Chairman	By: _____ Gary Van Assen, Senior Vice President and Regional Manager
By: <u>[Signature]</u> John Richter, Vice Chairman	
By: <u>[Signature]</u> Leonard A. Crosby, Treasurer	

GOVERNMENTAL CERTIFICATE

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$498,000.00	09-26-2005	01-15-2016	11660	99	222719	351	

References in the shaded area are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.

Entity: Post Falls Urban Renewal Agency, an Idaho Urban Renewal Agency
 PO Box 236
 Post Falls, ID 83877-0236



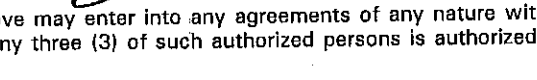
Lender: WASHINGTON TRUST BANK
 INCOME PROPERTY
 717 WEST SPRAGUE AVENUE
 SPOKANE, WA 99201
 (800) 788-4578

WE, THE UNDERSIGNED, DO HEREBY CERTIFY THAT:

THE ENTITY'S EXISTENCE. The complete and correct name of the governmental entity is Post Falls Urban Renewal Agency, an Idaho Urban Renewal Agency ("Entity"). The Entity is a governmental entity which is, and at all times shall be, duly organized, validly existing, and in good standing under and by virtue of the laws and regulations of the State of Idaho. The Entity has the full power and authority to own its properties and to transact the business and activities in which it is presently engaged or presently proposes to engage. The Entity maintains an office at 408 N. Spokane St., Post Falls, ID 83854. The Entity shall do all things necessary to preserve and to keep in full force and effect its existence, rights and privileges, and shall comply with all regulations, rules, ordinances, statutes, orders and decrees of the Entity and any other governmental or quasi-governmental authority or court applicable to the Entity and The Entity's business activities.

CERTIFICATES ADOPTED. At a meeting of the appropriate governing body of the Entity, duly called and held on **September 26, 2005**, at which a quorum was present and voting, or by other duly authorized action in lieu of a meeting, the resolutions set forth in this Certificate were adopted.

OFFICIALS. The following named persons is an Officials of Post Falls Urban Renewal Agency, an Idaho Urban Renewal Agency:

NAMES	TITLES	AUTHORIZED	ACTUAL SIGNATURES
Richard Moore	Chairman	Y X	
John Richter	Vice Chairman	Y X	
Leonard A. Crosby	Treasurer	Y X	

ACTIONS AUTHORIZED. Any three (3) of the authorized persons listed above may enter into any agreements of any nature with Lender, and those agreements will bind the Entity. Specifically, but without limitation, any three (3) of such authorized persons is authorized, empowered, and directed to do the following for and on behalf of the Entity:

Borrow Money. To borrow, as a cosigner or otherwise, from time to time from Lender, on such terms as may be agreed upon between the Entity and Lender, such sum or sums of money as in their judgment should be borrowed, without limitation.

Execute Notes. To execute and deliver to Lender the promissory note or notes, or other evidence of the Entity's credit accommodations, on Lender's forms, at such rates of interest and on such terms as may be agreed upon, evidencing the sums of money so borrowed or any of the Entity's indebtedness to Lender, and also to execute and deliver to Lender one or more renewals, extensions, modifications, refinancings, consolidations, or substitutions for one or more of the notes, any portion of the notes, or any other evidence of credit accommodations.

Grant Security. To mortgage, pledge, transfer, endorse, hypothecate, or otherwise encumber and deliver to Lender any property now or hereafter belonging to the Entity or in which the Entity now or hereafter may have an interest, including without limitation all of the Entity's real property and all of the Entity's personal property (tangible or intangible), as security for the payment of any loans or credit accommodations so obtained, any promissory notes so executed (including any amendments to or modifications, renewals, and extensions of such promissory notes), or any other or further indebtedness of the Entity to Lender at any time owing, however the same may be evidenced. Such property may be mortgaged, pledged, transferred, endorsed, hypothecated or encumbered at the time such loans are obtained or such indebtedness is incurred, or at any other time or times, and may be either in addition to or in lieu of any property theretofore mortgaged, pledged, transferred, endorsed, hypothecated or encumbered.

Execute Security Documents. To execute and deliver to Lender the forms of mortgage, deed of trust, pledge agreement, hypothecation agreement, and other security agreements and financing statements which Lender may require and which shall evidence the terms and conditions under and pursuant to which such liens and encumbrances, or any of them, are given; and also to execute and deliver to Lender any other written instruments, any chattel paper, or any other collateral, of any kind or nature, which Lender may deem necessary or proper in connection with or pertaining to the giving of the liens and encumbrances. Notwithstanding the foregoing, any one of the above authorized persons may execute, deliver, or record financing statements.

Negotiate Items. To draw, endorse, and discount with Lender all drafts, trade acceptances, promissory notes, or other evidences of indebtedness payable to or belonging to the Entity or in which the Entity may have an interest, and either to receive cash for the same or to cause such proceeds to be credited to the Entity's account with Lender, or to cause such other disposition of the proceeds derived therefrom as they may deem advisable.

Further Acts. In the case of lines of credit, to designate additional or alternate individuals as being authorized to request advances under such lines, and in all cases, to do and perform such other acts and things, to pay any and all fees and costs, and to execute and deliver such other documents and agreements as the Officials may in their discretion deem reasonably necessary or proper in order to carry into effect the provisions of this Certificate.

ASSUMED BUSINESS NAMES. The Entity has filed or recorded all documents or filings required by law relating to all assumed business names used by the Entity. Excluding the name of the Entity, the following is a complete list of all assumed business names under which the Entity does business: **None.**

NOTICES TO LENDER. The Entity will promptly notify Lender in writing at Lender's address shown above (or such other addresses as Lender may designate from time to time) prior to any (A) change in the Entity's name; (B) change in the Entity's assumed business name(s); (C) change in the structure of the Entity; (D) change in the authorized signer(s); (E) change in the Entity's principal office address; (F) change in the Entity's principal residence; or (G) change in any other aspect of the Entity that directly or indirectly relates to any agreements between the Entity and Lender.

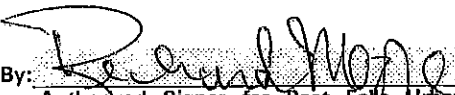
CERTIFICATION CONCERNING OFFICIALS AND CERTIFICATES. The Officials named above is duly elected, appointed, or employed by or for the Entity, as the case may be, and occupy the positions set opposite their respective names. This Certificate now stands of record on the books of the Entity, is in full force and effect, and has not been modified or revoked in any manner whatsoever.

CONTINUING VALIDITY. Any and all acts authorized pursuant to this Certificate and performed prior to the passage of this Certificate are hereby ratified and approved. This Certificate shall be continuing, shall remain in full force and effect and Lender may rely on it until written notice of its revocation shall have been delivered to and received by Lender at Lender's address shown above (or such addresses as Lender may designate from time to time). Any such notice shall not affect any of the Entity's agreements or commitments in effect at the time notice is given.

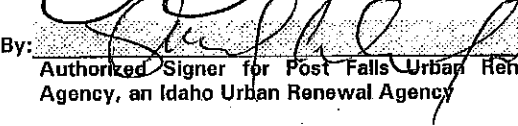
IN TESTIMONY WHEREOF, we have hereunto set our hand and attest that the signatures set opposite the names listed above is their genuine signatures.

We each have read all the provisions of this Certificate, and we each personally and on behalf of the Entity certify that all statements and representations made in this Certificate are true and correct. This Governmental Certificate is dated **September 26, 2005**.

CERTIFIED TO AND ATTESTED BY:

By: 
Authorized Signer for Post Falls Urban Renewal Agency, an Idaho Urban Renewal Agency

By: 
Authorized Signer for Post Falls Urban Renewal Agency, an Idaho Urban Renewal Agency

By: 
Authorized Signer for Post Falls Urban Renewal Agency, an Idaho Urban Renewal Agency

NOTE: If the Officials signing this Certificate is designated by the foregoing document as one of the officials authorized to act on the Entity's behalf, it is advisable to have this Certificate signed by at least one non-authorized official of the Entity.

PROMISSORY NOTE

Principal	Loan Date	Maturity	Loan No	Call / Coll	Account	Officer	Initials
\$498,000.00	09-26-2005	01-15-2016	11660	99	222719	351	

References in the shaded area are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.

Borrower: Post Falls Urban Renewal Agency, an Idaho Urban Renewal Agency
 Renewal Agency
 PO Box 236
 Post Falls, ID 83877-0236

Lender: WASHINGTON TRUST BANK
 INCOME PROPERTY
 717 WEST SPRAGUE AVENUE
 SPOKANE, WA 99201
 (800) 788-4578

Principal Amount: \$498,000.00

Interest Rate: 4.530%

Date of Note: September 26, 2005

PROMISE TO PAY. Post Falls Urban Renewal Agency, an Idaho Urban Renewal Agency ("Borrower") promises to pay to WASHINGTON TRUST BANK ("Lender"), or order, in lawful money of the United States of America, the principal amount of Four Hundred Ninety-eight Thousand & 00/100 Dollars (\$498,000.00), together with interest at the rate of 4.530% per annum on the unpaid principal balance from September 26, 2005, until paid in full.

PAYMENT. Borrower will pay this loan in accordance with the following payment schedule:

Borrower will pay this loan in 39 principal payments of \$12,450.00 each and one final principal and interest payment of \$12,591.00. Borrower's first principal payment is due April 15, 2006, and all subsequent principal payments are due on the same day of each quarter thereafter. In addition, Borrower will pay regular quarterly payments of all accrued unpaid interest due as of each payment date, beginning January 15, 2006, with all subsequent interest payments to be due on the same day of each quarter after that. Borrower's final payment due January 15, 2016, will be for all principal and all accrued interest not yet paid. Unless otherwise agreed or required by applicable law, payments will be applied first to any accrued unpaid interest; then to principal; then to any unpaid collection cost; and then to any late charges. Interest on this Note is computed on a 30/360 simple interest basis; that is, with the exception of odd days in the first payment period, monthly interest is calculated by applying the ratio of the annual interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by a month of 30 days. Interest for the odd days is calculated on the basis of the actual days to the next full month and a 360-day year. Borrower will pay Lender at Lender's address shown above or at such other place as Lender may designate in writing. The fixed interest rate of this loan is subject to change according to the Rate Change paragraph below.

Rate Change: The interest rate on this Note is subject to change on the first day following the 22nd payment date and each five (5) years thereafter, and the new fixed interest rate for the following five (5) years will be based on an independent index which is the FIVE (5) YEAR FIXED FEDERAL HOME BANK INTERMEDIATE/LONG-TERM BULLET ADVANCE RATE EFFECTIVE ON THE DATE THE LOAN REPRICES (the "index"). At each 5-year rate adjustment the new fixed interest rate to be applied to the unpaid principal balances of this Note will be the current index as of the rate change date, plus a margin of 2.25 percentage points. This index rate is not necessarily the lowest rate charged by Lender on its loans. If the index rate becomes unavailable during the term of this loan, Lender may designate a substitute index rate after notice to Borrower. Lender will tell Borrower the current index rate upon Borrower's request. Borrower understands that Lender may make loans based on other rates as well. Notice: Under no circumstances will the interest rate on this Note be more than the maximum rate allowed by applicable law. Whenever increases occur in the interest rate, Lender, at its option, may do one or more of the following: (A) increase Borrower's payments to ensure Borrower's loan will pay off by its original final maturity date, (B) increase Borrower's payments to cover accruing interest, (C) increase the number of Borrower's payments, and (D) continue Borrower's payments at the same amount and increase Borrower's final payment.

Unless otherwise agreed or required by applicable law, payments will be applied first to any accrued unpaid interest; then to principal; then to any unpaid collection costs; and then to any late charges. Interest on this Note is computed on a 30/360 simple interest basis; that is, with the exception of odd days in the first payment period, monthly interest is calculated by applying the ratio of the annual interest rate over a year of 360 days, multiplied by the outstanding principal balance, multiplied by a month of 30 days. Interest for the odd days is calculated on the basis of the actual days to the next full month and a 360-day year. Borrower will pay Lender at Lender's address shown above or at such other place as Lender may designate in writing.

PREPAYMENT. Borrower may pay without penalty all or a portion of the amount owed earlier than it is due. Early payments will not, unless agreed to by Lender in writing, relieve Borrower of Borrower's obligation to continue to make payments under the payment schedule. Rather, early payments will reduce the principal balance due and may result in Borrower's making fewer payments. Borrower agrees not to send Lender payments marked "paid in full", "without recourse", or similar language. If Borrower sends such a payment, Lender may accept it without losing any of Lender's rights under this Note, and Borrower will remain obligated to pay any further amount owed to Lender. All written communications concerning disputed amounts, including any check or other payment instrument that indicates that the payment constitutes "payment in full" of the amount owed or that is tendered with other conditions or limitations or as full satisfaction of a disputed amount must be mailed or delivered to: WASHINGTON TRUST BANK, PO BOX 2127, 176 SOUTH POST SPOKANE, WA 99210-2127.

LATE CHARGE. If a payment is 30 days or more late, Borrower will be charged 10.000% of the unpaid portion of the regularly scheduled payment or \$20.00, whichever is greater.

INTEREST AFTER DEFAULT. Upon default, including failure to pay upon final maturity, at Lender's option, and if permitted by applicable law, Lender may add any unpaid accrued interest to principal and such sum will bear interest therefrom until paid at the rate provided in this Note (including any increased rate). Upon default, Lender, at its option, may, if permitted under applicable law, increase the interest rate on this Note 4.000 percentage points. The interest rate will not exceed the maximum rate permitted by applicable law.

DEFAULT. Each of the following shall constitute an event of default ("Event of Default") under this Note:

Payment Default. Borrower fails to make any payment when due under this Note.

Other Defaults. Borrower fails to comply with or to perform any other term, obligation, covenant or condition contained in this Note or in any of the related documents or to comply with or to perform any term, obligation, covenant or condition contained in any other agreement between Lender and Borrower.

Default in Favor of Third Parties. Borrower or any Grantor defaults under any loan, extension of credit, security agreement, purchase or sales agreement, or any other agreement, in favor of any other creditor or person that may materially affect any of Borrower's property or Borrower's ability to repay this Note or perform Borrower's obligations under this Note or any of the related documents.

False Statements. Any warranty, representation or statement made or furnished to Lender by Borrower or on Borrower's behalf under this Note or the related documents is false or misleading in any material respect, either now or at the time made or furnished or becomes false or misleading at any time thereafter.

Death or Insolvency. The death of any Borrower or the dissolution or termination of Borrower's existence as a going business, the insolvency of Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of creditors, any type of creditor workout, or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

Creditor or Forfeiture Proceedings. Commencement of foreclosure or forfeiture proceedings, whether by judicial proceeding, self-help, repossession or any other method, by any creditor of Borrower or by any governmental agency against any collateral securing the loan. This includes a garnishment of any of Borrower's accounts, including deposit accounts, with Lender. However, this Event of Default shall not apply if there is a good faith dispute by Borrower as to the validity or reasonableness of the claim which is the basis of the creditor or forfeiture proceeding and if Borrower gives Lender written notice of the creditor or forfeiture proceeding and deposits with Lender monies or a surety bond for the creditor or forfeiture proceeding, in an amount determined by Lender, in its sole discretion, as being an adequate reserve or bond for the dispute.

Events Affecting Guarantor. Any of the preceding events occurs with respect to any Guarantor of any of the indebtedness or any Guarantor dies or becomes incompetent, or revokes or disputes the validity of, or liability under, any guaranty of the indebtedness evidenced by this Note. In the event of a death, Lender, at its option, may, but shall not be required to, permit the Guarantor's estate to assume unconditionally the obligations arising under the guaranty in a manner satisfactory to Lender, and, in doing so, cure any Event of Default.

Adverse Change. A material adverse change occurs in Borrower's financial condition, or Lender believes the prospect of payment or performance of this Note is impaired.

Insecurity. Lender in good faith believes itself insecure.

Cure Provisions. If any default, other than a default in payment is curable and if Borrower has not been given a notice of a breach of the same provision of this Note within the preceding twelve (12) months, it may be cured if Borrower, after receiving written notice from Lender demanding cure of such default: (1) cures the default within thirty (30) days; or (2) if the cure requires more than thirty (30) days, cures the default within thirty (30) days of the date of the written notice.

days, immediately initiates steps which Lender deems in Lender's sole discretion to be sufficient to cure the default and thereafter continues and completes all reasonable and necessary steps sufficient to produce compliance as soon as reasonably practical.

LENDER'S RIGHTS. Upon default, Lender may declare the entire unpaid principal balance on this Note and all accrued unpaid interest immediately due, and then Borrower will pay that amount.

ATTORNEYS' FEES; EXPENSES. Lender may hire or pay someone else to help collect this Note if Borrower does not pay. Borrower will pay Lender that amount. This includes, subject to any limits under applicable law, Lender's attorneys' fees and Lender's legal expenses, whether or not there is a lawsuit, including attorneys' fees, expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), and appeals. If not prohibited by applicable law, Borrower also will pay any court costs, in addition to all other sums provided by law.

GOVERNING LAW. This Note will be governed by federal law applicable to Lender and, to the extent not preempted by federal law, the laws of the State of Washington without regard to its conflicts of law provisions. This Note has been accepted by Lender in the State of Washington.

CHOICE OF VENUE. If there is a lawsuit, Borrower agrees upon Lender's request to submit to the jurisdiction of the courts of SPOKANE County, State of Washington.

RIGHT OF SETOFF. To the extent permitted by applicable law, Lender reserves a right of setoff in all Borrower's accounts with Lender (whether checking, savings, or some other account). This includes all accounts Borrower holds jointly with someone else and all accounts Borrower may open in the future. However, this does not include any IRA or Keogh accounts, or any trust accounts for which setoff would be prohibited by law. Borrower authorizes Lender, to the extent permitted by applicable law, to charge or setoff all sums owing on the debt against any and all such accounts, and, at Lender's option, to administratively freeze all such accounts to allow Lender to protect Lender's charge and setoff rights provided in this paragraph.

NOTICE OF FINAL AGREEMENT. ORAL AGREEMENTS OR ORAL COMMITMENTS TO LOAN MONEY, EXTEND CREDIT, OR TO FORBEAR FROM ENFORCING REPAYMENT OF A DEBT ARE NOT ENFORCEABLE UNDER WASHINGTON LAW.

EVENTS OF DEFAULT. In addition to the events of default listed above, the following, at Lender's option, shall constitute an Event of Default under this Note:

Default on Other Payments. Failure of Borrower within the time required by this Note or any Related Documents to make any payment for taxes or insurance, or any other payment necessary to prevent filing of or to effect discharge of any lien.

AFFIRMATIVE COVENANTS. Borrower covenants and warrants that as long as this Note or any Related Documents remain in effect, Borrower will:

Notices of Claims and Litigation. Promptly inform Lender in writing of (1) all material adverse changes in Borrower's financial condition, and (2) all existing and all threatened litigation, claims, investigations, administrative proceedings, or similar actions affecting Borrower or any Guarantor which could materially affect the financial condition of Borrower or the financial condition of any Guarantor.

Financial Records. Maintain its books and records in accordance with accepted accounting principles, in form and substance satisfactory to Lender, applied on a consistent basis.

Permit Lender to examine, audit, and copy such books and records at all reasonable times.

Financial Statements. Furnish Lender with the following: (1) As soon as available, but in no event later than one-hundred-twenty (120) days after the end of each fiscal year, Borrower's financial statement for the year ended, in form and substance satisfactory to Lender, and (2) such additional financial or other information, statements, and certifications, in form and substance satisfactory to Lender, as Lender may require or request.

SURVIVAL OF REPRESENTATIONS AND WARRANTIES. Borrower understands and agrees that in extending Loan Advances, Lender is relying on all representations, warranties, and covenants made by Borrower in this Note or in any certificate or other instrument delivered by Borrower to Lender under this Note or any Related Documents. Borrower further agrees that regardless of any investigation made by Lender, all such representations, warranties and covenants will survive the extension of Loan Advances and delivery to Lender of any Related Documents, shall be continuing in nature, shall be deemed made and redated by Borrower at the time each Loan Advance is made, and shall remain in full force and effect until such time as Borrower's indebtedness shall be paid in full, or until this Note or any Related Documents shall be terminated, whichever is the last to occur.

NO WAIVER BY LENDER. Lender shall not be deemed to have waived any rights under this Note unless such waiver is given in writing and signed by Lender. No delay or omission on the part of Lender in exercising any right shall operate as a waiver of such right or any other right. A waiver by Lender of a provision of this Note shall not prejudice or constitute a waiver of Lender's right otherwise to demand strict compliance with that provision or any other provision of this Note. No prior waiver by Lender, nor any course of dealing between Lender and Borrower, or between Lender and any Guarantor, shall constitute a waiver of any of Lender's rights or of any of Borrower's or any Guarantor's obligations as to any future transactions. Whenever the consent of Lender is required under the Note, the granting of such consent by Lender in any instance shall not constitute continuing consent to subsequent instances where such consent is required and in all cases such consent may be granted or withheld in the sole discretion of Lender.

SUCCESSOR INTERESTS. The terms of this Note shall be binding upon Borrower, and upon Borrower's heirs, personal representatives, successors and assigns, and shall inure to the benefit of Lender and its successors and assigns.

NOTIFY US OF INACCURATE INFORMATION WE REPORT TO CONSUMER REPORTING AGENCIES. Please notify us if we report any inaccurate information about your account(s) to a consumer reporting agency. Your written notice describing the specific inaccuracy(ies) should be sent to us at the following address: WASHINGTON TRUST BANK P. O. Box 2127 SPOKANE, WA 99210-2127.

GENERAL PROVISIONS. Lender may delay or forgo enforcing any of its rights or remedies under this Note without losing them. Borrower and any other person who signs, guarantees or endorses this Note, to the extent allowed by law, waive presentment, demand for payment, and notice of dishonor. Upon any change in the terms of this Note, and unless otherwise expressly stated in writing, no party who signs this Note, whether as maker, guarantor, accommodation maker or endorser, shall be released from liability. All such parties agree that Lender may renew or extend (repeatedly and for any length of time) this loan or release any party or guarantor or collateral; or impair, fail to realize upon or perfect Lender's security interest in the collateral; and take any other action deemed necessary by Lender without the consent of or notice to anyone. All such parties also agree that Lender may modify this loan without the consent of or notice to anyone other than the party with whom the modification is made. The obligations under this Note are joint and several.

PRIOR TO SIGNING THIS NOTE, BORROWER READ AND UNDERSTOOD ALL THE PROVISIONS OF THIS NOTE. BORROWER AGREES TO THE TERMS OF THE NOTE.

BORROWER ACKNOWLEDGES RECEIPT OF A COMPLETED COPY OF THIS PROMISSORY NOTE.

BORROWER:

POST FALLS URBAN RENEWAL AGENCY, AN IDAHO URBAN RENEWAL AGENCY

By: Richard Moore
Richard Moore, Chairman of Post Falls Urban
Renewal Agency, an Idaho Urban Renewal Agency

By: Leonard A. Crosby
Leonard A. Crosby, Treasurer of Post Falls Urban
Renewal Agency, an Idaho Urban Renewal Agency

By: John Richter
John Richter, Vice Chairman of Post Falls Urban
Renewal Agency, an Idaho Urban Renewal Agency

DISBURSEMENT REQUEST AND AUTHORIZATION

Principal \$498,000.00	Loan Date 09-26-2005	Maturity 01-15-2016	Loan No 11660	Call / Coll 89	Account 222719	Officer 351	Initials
----------------------------------	--------------------------------	-------------------------------	-------------------------	--------------------------	--------------------------	-----------------------	-----------------

References in the shaded area are for Lender's use only and do not limit the applicability of this document to any particular loan or item. Any item above containing "****" has been omitted due to text length limitations.

Borrower: Post Falls Urban Renewal Agency, an Idaho Urban Renewal Agency
 PO Box 236
 Post Falls, ID 83877-0236

Lender: WASHINGTON TRUST BANK
 INCOME PROPERTY
 717 WEST SPRAGUE AVENUE
 SPOKANE, WA 99201
 (800) 788-4578

LOAN TYPE. This is a Fixed Rate (4.530%) Nondisclosable Loan to a Government Entity for \$498,000.00.

PRIMARY PURPOSE OF LOAN. The primary purpose of this loan is for:

- Personal, Family, or Household Purposes or Personal Investment.
- Business (Including Real Estate Investment).

SPECIFIC PURPOSE. The specific purpose of this loan is: Fund reimbursement to the City of Post Falls for a water storage reservoir.

DISBURSEMENT INSTRUCTIONS. Borrower understands that no loan proceeds will be disbursed until all of Lender's conditions for making the loan have been satisfied. Please disburse the loan proceeds of \$498,000.00 as follows:

Other Disbursements:	
\$493,072.00 Undisbursed	\$493,072.00
Total Financed Prepaid Finance Charges:	
\$4,928.00 Loan Fee	\$4,928.00
Note Principal:	\$498,000.00

FINANCIAL CONDITION. BY SIGNING THIS AUTHORIZATION, BORROWER REPRESENTS AND WARRANTS TO LENDER THAT THE INFORMATION PROVIDED ABOVE IS TRUE AND CORRECT AND THAT THERE HAS BEEN NO MATERIAL ADVERSE CHANGE IN BORROWER'S FINANCIAL CONDITION AS DISCLOSED IN BORROWER'S MOST RECENT FINANCIAL STATEMENT TO LENDER. THIS AUTHORIZATION IS DATED SEPTEMBER 26, 2005.

BORROWER:

POST FALLS URBAN RENEWAL AGENCY, AN IDAHO URBAN RENEWAL AGENCY

By: Richard Moore
 Richard Moore, Chairman of Post Falls Urban Renewal Agency, an Idaho Urban Renewal Agency

By: [Signature]
 John [Name], Vice Chairman of Post Falls Urban Renewal Agency, an Idaho Urban Renewal Agency

By: [Signature]
 Leonard A. Crosby, Treasurer of Post Falls Urban Renewal Agency, an Idaho Urban Renewal Agency

AMORTIZATION SCHEDULE

Pat
2 pages
11-15-06

Principal	Loan Date	Maturity	Loan No.	Int./Yr.	Amount
498,000.00	09-26-2005	01-15-2010	11660	9%	22271

References in the shaded area are for Lender's use only and do not limit the applicability of this document to a
Any item above containing "****" has been omitted due to text length limitations.

Borrower: Post Falls Urban Renewal Agency, an Idaho Urban
Renewal Agency
PO Box 236
Post Falls, ID 83977-0236

Lender: WASHINGTON TRUST
INCOME PROPERTY
717 WEST SPRAGUE AVENUE
SPOKANE, WA 99201
(800) 788-4578

Disbursement Date: September 26, 2005
Interest Rate: 4.530

Repayment Schedule: Principal+Interest
Calculation Method: 30/360 U.S. Rule

Payment Number	Payment Date	Payment Amount	Interest Paid	Principal Paid	Remaining Balance
1	01-15-2006	6,830.49	6,830.49	0.00	498,000.00
2	04-15-2006	5,639.86	5,639.86	0.00	498,000.00
3	04-15-2006	12,450.00	0.00	12,450.00	485,550.00
4	07-15-2006	5,498.85	5,498.85	0.00	485,550.00
5	07-15-2006	12,450.00	0.00	12,450.00	473,100.00
6	10-15-2006	5,357.86	5,357.86	0.00	473,100.00
7	10-15-2006	12,450.00	0.00	12,450.00	460,650.00
2006 TOTALS:		60,677.05	23,327.05	37,350.00	
8	01-15-2007	5,216.86	5,216.86	0.00	460,650.00
9	01-15-2007	12,450.00	0.00	12,450.00	448,200.00
10	04-15-2007	5,075.87	5,075.87	0.00	448,200.00
11	04-15-2007	12,450.00	0.00	12,450.00	435,750.00
12	07-15-2007	4,934.87	4,934.87	0.00	435,750.00
13	07-15-2007	12,450.00	0.00	12,450.00	423,300.00
14	10-15-2007	4,793.87	4,793.87	0.00	423,300.00
15	10-15-2007	12,450.00	0.00	12,450.00	410,850.00
2007 TOTALS:		69,821.47	20,021.47	49,800.00	
16	01-15-2008	4,652.88	4,652.88	0.00	410,850.00
17	01-15-2008	12,450.00	0.00	12,450.00	398,400.00
18	04-15-2008	4,511.88	4,511.88	0.00	398,400.00
19	04-15-2008	12,450.00	0.00	12,450.00	385,950.00
20	07-15-2008	4,370.88	4,370.88	0.00	385,950.00
21	07-15-2008	12,450.00	0.00	12,450.00	373,500.00
22	10-15-2008	4,229.89	4,229.89	0.00	373,500.00
23	10-15-2008	12,450.00	0.00	12,450.00	361,050.00
2008 TOTALS:		67,565.53	17,765.53	49,800.00	
24	01-15-2009	4,088.89	4,088.89	0.00	361,050.00
25	01-15-2009	12,450.00	0.00	12,450.00	348,600.00
26	04-15-2009	3,947.90	3,947.90	0.00	348,600.00
27	04-15-2009	12,450.00	0.00	12,450.00	336,150.00
28	07-15-2009	3,806.90	3,806.90	0.00	336,150.00
29	07-15-2009	12,450.00	0.00	12,450.00	323,700.00
30	10-15-2009	3,665.90	3,665.90	0.00	323,700.00
31	10-15-2009	12,450.00	0.00	12,450.00	311,250.00
2009 TOTALS:		65,309.59	15,509.59	49,800.00	
32	01-15-2010	3,524.91	3,524.91	0.00	311,250.00
33	01-15-2010	12,450.00	0.00	12,450.00	298,800.00
34	04-15-2010	3,383.91	3,383.91	0.00	298,800.00
35	04-15-2010	12,450.00	0.00	12,450.00	286,350.00
36	07-15-2010	3,242.91	3,242.91	0.00	286,350.00
37	07-15-2010	12,450.00	0.00	12,450.00	273,900.00
38	10-15-2010	3,101.92	3,101.92	0.00	273,900.00
39	10-15-2010	12,450.00	0.00	12,450.00	261,450.00
2010 TOTALS:		63,053.65	13,253.65	49,800.00	
40	01-15-2011	2,960.92	2,960.92	0.00	261,450.00
41	01-15-2011	12,450.00	0.00	12,450.00	249,000.00
42	04-15-2011	2,819.93	2,819.93	0.00	249,000.00
43	04-15-2011	12,450.00	0.00	12,450.00	236,550.00
44	07-15-2011	2,678.93	2,678.93	0.00	236,550.00
45	07-15-2011	12,450.00	0.00	12,450.00	224,100.00
46	10-15-2011	2,537.93	2,537.93	0.00	224,100.00
47	10-15-2011	12,450.00	0.00	12,450.00	211,650.00

AMORTIZATION SCHEDULE
(Continued)

Loan No: 11660

Page 2

2011 TOTALS:		60,797.71	10,997.71	49,800.00	
48	01-15-2012	2,396.94	2,396.94	0.00	211,650.00
49	01-15-2012	12,450.00	0.00	12,450.00	199,200.00
50	04-15-2012	2,255.94	2,255.94	0.00	199,200.00
51	04-15-2012	12,450.00	0.00	12,450.00	186,750.00
52	07-15-2012	2,114.94	2,114.94	0.00	186,750.00
53	07-15-2012	12,450.00	0.00	12,450.00	174,300.00
54	10-15-2012	1,973.95	1,973.95	0.00	174,300.00
55	10-15-2012	12,450.00	0.00	12,450.00	161,850.00
2012 TOTALS:		58,541.77	8,741.77	49,800.00	
56	01-15-2013	1,832.95	1,832.95	0.00	161,850.00
57	01-15-2013	12,450.00	0.00	12,450.00	149,400.00
58	04-15-2013	1,691.95	1,691.95	0.00	149,400.00
59	04-15-2013	12,450.00	0.00	12,450.00	136,950.00
60	07-15-2013	1,550.96	1,550.96	0.00	136,950.00
61	07-15-2013	12,450.00	0.00	12,450.00	124,500.00
62	10-15-2013	1,409.96	1,409.96	0.00	124,500.00
63	10-15-2013	12,450.00	0.00	12,450.00	112,050.00
2013 TOTALS:		56,285.83	6,485.83	49,800.00	
64	01-15-2014	1,268.97	1,268.97	0.00	112,050.00
65	01-15-2014	12,450.00	0.00	12,450.00	99,600.00
66	04-15-2014	1,127.97	1,127.97	0.00	99,600.00
67	04-15-2014	12,450.00	0.00	12,450.00	87,150.00
68	07-15-2014	986.97	986.97	0.00	87,150.00
69	07-15-2014	12,450.00	0.00	12,450.00	74,700.00
70	10-15-2014	845.98	845.98	0.00	74,700.00
71	10-15-2014	12,450.00	0.00	12,450.00	62,250.00
2014 TOTALS:		54,029.89	4,229.89	49,800.00	
72	01-15-2015	704.98	704.98	0.00	62,250.00
73	01-15-2015	12,450.00	0.00	12,450.00	49,800.00
74	04-15-2015	563.99	563.99	0.00	49,800.00
75	04-15-2015	12,450.00	0.00	12,450.00	37,350.00
76	07-15-2015	422.99	422.99	0.00	37,350.00
77	07-15-2015	12,450.00	0.00	12,450.00	24,900.00
78	10-15-2015	281.99	281.99	0.00	24,900.00
79	10-15-2015	12,450.00	0.00	12,450.00	12,450.00
2015 TOTALS:		51,773.95	1,973.95	49,800.00	
80	01-15-2016	12,591.00	141.00	12,450.00	0.00
2016 TOTALS:		12,591.00	141.00	12,450.00	
TOTALS:		520,447.44	122,447.44	498,000.00	

NOTICE: This is an estimated loan amortization schedule. Actual amounts may vary if payments are made on different dates or in different amounts.