



RECORDING REQUESTED BY AND  
WHEN RECORDED RETURN TO:

Post Falls Urban Renewal Agency  
210 E 4<sup>th</sup> Avenue  
Post Falls, Idaho 83854

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(Space Above For Recorder's Use)

OWNER PARTICIPATION AND REIMBURSEMENT AGREEMENT  
(Existing Plan & District)

THIS AGREEMENT made and entered into this 28<sup>th</sup> day of January, 2026, by and between the POST FALLS URBAN RENEWAL AGENCY, an Idaho urban renewal agency, 201 E. 4<sup>th</sup> Avenue, Post Falls, Idaho, 83854, hereinafter referred to as the Agency, and 209 E 2<sup>nd</sup> LLC, 1117 N. Evergreen Road, Suite 1, Spokane Valley, Washington, 99216-1138, hereinafter referred to as the Participant.

WITNESSETH:

WHEREAS the Agency is an independent public body, corporate and politic, and is an Idaho 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, and the Local Economic Development Act of 1988, being Idaho Code, Title 50, Chapter 29, as amended and supplemented, hereinafter collectively referred to as the Act;

WHEREAS the Post Falls City Council did on June 1, 2021, pass Ordinance No. 1415, duly adopting the Downtown District Urban Renewal Plan and creating the Downtown Urban Renewal District;

WHEREAS the Participant owns or controls real property located within the boundaries of the District, and more specifically described in **Exhibit A** attached hereto and incorporated by reference herein, and hereinafter referred to as the Site;

WHEREAS the Participant intends to construct public infrastructure improvements on or by the Site, as more specifically described in **Exhibit B**, attached hereto and incorporated by reference herein, and hereinafter referred to as the Project. A detailed list of the proposed improvements associated with the Project is also included in **Exhibit B**. Detailed illustrations of these proposed improvements are attached hereto as **Exhibit C**;

WHEREAS the Agency has reviewed the elements of the Project and feels that the Project would enhance the redevelopment and revitalization of the District pursuant to the provisions of the Plan;

WHEREAS the Agency and the Participant seek to cooperate in the construction of public infrastructure improvements;

WHEREAS until such time as the Project is completed the tax increment revenues from the District would be insufficient to pay for construction of the Project;

WHEREAS the Participant is willing to construct and pay for the Project with the expectation of being reimbursed from future tax increment revenues received by the Agency from the District as those revenues are received, subject to repayment of existing Agency obligations within the District as hereinafter provided for in Section 6 of this Agreement; and

WHEREAS the Parties seek to memorialize understandings relating to the conditions associated with Agency funded reimbursement.

NOW THEREFORE, in consideration of the mutual benefits to be derived hereby, the Parties agree as follows:

1. **EFFECTIVE DATE:** The effective date of this Agreement shall be the date first above-written, and shall continue until all obligations of each Party are completed or until termination of the Plan, whichever shall first occur.
2. **PUBLIC INFRASTRUCTURE AND OTHER PUBLIC FACILITIES:** The Parties agree that the public infrastructure and other public facilities and their estimated costs that are the subject of this Agreement are those listed on **Exhibit B**, attached hereto and incorporated by reference herein, and hereinafter referred to as the Agency Funded Public Improvements which shall qualify for reimbursement subject to the conditions set forth herein when they have been constructed, dedicated to the City of Post Falls, the Agency, or another governmental entity, and accepted by the City, the Agency or such governmental entity, which shall not be unreasonably withheld by the Agency. Any other public improvements that are constructed by the Participant and are not identified in **Exhibit B** as part of the Project are not eligible for reimbursement pursuant to this Agreement.
3. **CONSTRUCTION OF AGENCY FUNDED PUBLIC IMPROVEMENTS:** The Participant agrees to construct the Agency Funded Public Improvements consistent with the following:
  - 3.1. The Improvements to be constructed shall be in accordance with the overall City infrastructure plans, polices, and design standards. Such Improvements shall not be eligible for reimbursement until they are dedicated to the City of Post Falls, the Agency, or another governmental entity, and accepted by the City, the Agency or such governmental entity, which shall not be unreasonably withheld by the Agency.
  - 3.2. Prior to commencing construction, all necessary permits shall be obtained by the Participant and/or the Participant's agents.
  - 3.3. Construction and quality control inspections shall be provided by the engineer of record and the City.

- 3.4. During the term of the Plan and the District, the Participant agrees to not apply for or receive any property tax exemptions provided by Idaho law that would adversely affect the amount of tax increment revenues generated by the District. Pursuant to Sections 8.6 and 8.9 below, this obligation shall be binding upon the Participant's successors and assigns, including but not limited to assignees, purchasers and lessees. Furthermore, the Participant acknowledges that the grant of such tax exemptions to the Participant, its successors or assigns would adversely affect the Agency's ability to provide reimbursement for the Agency Funded Public Improvements.
4. **CONDITIONS:** In consideration for the commitments presented by the Participant, the Agency agrees to reimburse the Participant the costs Participant incurs to construct the Agency Funded Public Improvements, subject to the following conditions:
- 4.1. The Participant shall comply with City design review approvals and all applicable local, state and federal laws.
- 4.2. The Participant shall submit a Project schedule to the Agency upon completion of City approvals, which shall contain specific timelines for completing the Agency Funded Public Improvements.
- 4.3. The Participant shall complete the Agency Funded Public Improvements described in **Exhibit B** and any attachments to **Exhibit B**.
- 4.4. The Participant shall allow the Agency or its agent to review the final design and construction of the Project.
- 4.5. The Participant agrees to invoice the Agency for the cost of the items to be reimbursed for review by the Agency, with reimbursement to be based upon completion and final inspection by the Agency or its agent, approval by and dedication of the improvement(s) to the City of Post Falls, and the availability of tax increment revenues for the District.
- 4.6. The Participant shall complete the Improvements on or before the 31<sup>st</sup> day of December, 2027.
5. **INITIAL CONSTRUCTION FUNDING:** The Participant shall pay for all of the costs of installation of the Agency Funded Public Improvements set forth in **Exhibit B** and previously approved by the Agency, hereinafter referred to as Participant Advances.
6. **REIMBURSEMENT OF PARTICIPANT ADVANCES:** The Participant shall be entitled to reimbursement of Participant Advances subject to the following conditions and understandings:
- 6.1. It is the understanding of the Parties that the Participant shall only be paid the reimbursement of Participant Advances from tax increment revenues of the District and in order of approval by the Agency of any other project obligation within the District. If for any reason tax increment revenues anticipated to be received by the

Agency are insufficient or curtailed, the Agency shall not be obligated to use other sources of revenue to make reimbursements to the Participant.

6.2. It is the understanding of the Parties that tax increment revenues received by the Agency for the District will first be used in the following manner and order:

6.2.1. Repayment of any debt of the District disclosed to the Participant upon the execution of this Agreement.

6.2.2. Payment of the Participant's annual contribution to the administrative costs of the Agency as established in the Agency's annual budget, and applicable equally to each participant.

6.2.3. Payment of extraordinary administrative and/or legal costs associated with the District according to Agency Policy No. 16.

6.2.4. Payments deemed necessary by the Agency to establish a "Debt Service Reserve Account" for any debt disclosed in Section 6.2.1 above.

6.2.5. For the reimbursement of minor projects selected and approved by the Agency that promote District Plan objectives and are authorized by such Plan, not to exceed fifteen percent (15%) of the tax increment funds that have been received from the District.

6.2.6. Reimbursement of other proponents in the District that have orders of approval that predate the order of approval authorizing the Participant's reimbursement, or in the case of City funded improvements that the Agency has received invoices for before issuance of the Participant's order of approval.

6.2.7. Reimbursement of Participant Advances in accordance with Agency Policies.

6.3. The Participant acknowledges that the Agency has provided the Participant with copies of the Agency's Policies concerning the use of tax increment revenue and cost reimbursement, which the Participant agrees to be bound by. Reimbursement of Participant Advances for Agency Funded Public Improvements shall be made in full compliance with all of the Agency's Policies.

7. ANNUAL REVIEW: The Participant is aware that the Agency intends to conduct an annual review of the performance of both the Plan and the District, and reserves the right within the sole discretion of the Agency to make adjustments to the Plan that are authorized by the Plan and the Act.

8. MISCELLANEOUS:

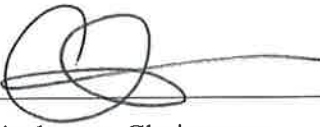
8.1. The Participant shall provide the Agency with proof that the Participant and its agents have adequate liability and workers compensation insurance.

- 8.2. The Participant agrees to indemnify and hold harmless the Agency from any and all liability and/or obligations not specifically provided for in this Agreement to be performed by the Agency with reference to the Project, except for damages arising out of bodily injury to persons or damage to property caused by or resulting from the sole negligence of the Agency, its agents, employees or indemnitees.
- 8.3. The Participant does hereby grant to the Agency and its agents a right of access to the Site for the purpose of inspections.
- 8.4. The Participant agrees at the appropriate time to convey title to the Agency Funded Public Improvements to the Agency, the City or another governmental entity. As long as the Improvements comply with the terms and provisions of this Agreement, the Agency agrees to accept such dedication.
- 8.5. The Parties agree that this Agreement does not establish a partnership or joint venture relationship between the Parties.
- 8.6. The rights and obligations provided for in this Agreement may not be assigned without the mutual agreement of the Parties, which consent shall not unreasonably be withheld. It being understood that the rights and obligations of the Participant shall survive any assignment, sale and/or lease of portions of the Site to third parties. The Participant shall coordinate with the Agency on behalf of such third parties so that the Agency's direct involvement with such third parties will be limited as much as possible.
- 8.7. This Agreement shall be construed and enforced under the laws of the State of Idaho, with any enforcement action to be brought in the First Judicial District of the State of Idaho, in and for the County of Kootenai. The prevailing party in any action shall be entitled to reasonable attorney's fees and costs.
- 8.8. The Parties agree that in the event that there is a disagreement or dispute over the terms and provisions of this Agreement, including reimbursement submittals, that the Parties shall mutually submit the disagreement or dispute to non-binding mediation utilizing a mediator mutually agreeable to the Parties, with the Parties jointly sharing the costs of mediation. In the event that the Parties cannot agree on a mediator or if the mediation is unsuccessful, the Parties shall engage in a binding arbitration pursuant to the Commercial Rules of the American Arbitration Association. Costs and fees, including but not limited to reasonable attorney's fees, incurred in such arbitration shall be awarded to the prevailing party as that term is defined by Idaho Law.
- 8.9. The Parties agree that this Agreement is the entire agreement between the Parties, and is binding upon their successors and assigns.
- 8.10. All of the provisions of this Agreement are distinct and severable, and if any provision shall be deemed illegal, void or unenforceable, it shall not affect the

legality, validity or enforceability of any other provision or portion of this Agreement.

IN WITNESS WHEREOF, the Parties have set their hands effective the date first above-written.

POST FALLS URBAN RENEWAL AGENCY  
an Idaho urban renewal agency

By:  \_\_\_\_\_  
Christi Fleischman, Chairperson

PARTICIPANT

209 E 2<sup>nd</sup> LLC

By:  \_\_\_\_\_  
Steve Sunleaf, Manager

STATE OF IDAHO )  
 ) ss.  
County of Kootenai )

On this 10<sup>th</sup> day of February, 2026, before me the undersigned, a Notary Public in and for the State of Idaho, personally appeared Christi Fleischman, proved to me on the basis of satisfactory evidence to be the Chairperson of the Post Falls Urban Renewal Agency that executed the instrument or the person who executed the instrument on behalf of the Agency and acknowledged to me that such Agency executed the same.

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



Karen Farrar  
NOTARY PUBLIC  
My Commission Expires 2-10-32

STATE OF WASHINGTON )  
 ) ss.  
County of Spokane )

On this 2<sup>nd</sup> day of February, 2026, before me the undersigned, a Notary Public in and for the State of Washington, personally appeared Steve Sunleaf, proved to me on the basis of satisfactory evidence to be the Manager of 209 E 2<sup>nd</sup> LLC that executed the instrument or the person who executed the instrument on behalf of the company and acknowledged to me that such company executed the same.

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



Cheri L. Long  
NOTARY PUBLIC

# Exhibit A

## Legal Description

**Lots 11, 12, 13, 14, 15 and 16, Block 34, Town of Post Falls, according to the plat recorded in the office of the County Recorder in Book C of Deeds at Page 208, records of Kootenai County, Idaho.**

# Exhibit B

## URBAN RENEWAL FUNDING SUPPORT ESTIMATE

FROM: T.W. CLARK CONSTRUCTION, LLC  
 JOB #: 2451

TO: 209 E 2nd LLC

ATTN:

RE: 2nd Ave Multi Family

DATE: 9/2/2025

SCOPE: PUBLIC STREET FRONTAGE IMPROVEMENTS FOR 209 E 2ND AVE - 2ND AVE MULTI FAMILY

ITEM	DESCRIPTION	QTY	UNIT	SUBCONTRACTOR	UNIT RATES			SUBTOTAL			TOTAL
					LABOR	MATERIAL	SUB	LABOR	MATERIAL	SUB	
	EARTHWORK MOBILIZATION	1	LS	DBL T			\$ 5,000.00	-	-	\$ 5,000.00	\$ 5,000.00
	EROSION CONTROL	1	LS	DBL T			\$ 3,500.00	-	-	\$ 3,500.00	\$ 3,500.00
	OFF-SITE DEMO	1	LS	DBL T			\$ 1,500.00	-	-	\$ 1,500.00	\$ 1,500.00
	OFF-SITE MASS EXCAVATION / GRADING	1	LS	DBL T			\$ 20,675.00	-	-	\$ 20,675.00	\$ 20,675.00
	OFF-SITE GRAVEL BASE SIDEWALKS	1	LS	DBL T			\$ 10,000.00	-	-	\$ 10,000.00	\$ 10,000.00
	OFF-SITE SITE CONCRETE MOBILIZATION	1	LS	LIBERTY CONCRETE			\$ 3,214.00	-	-	\$ 3,214.00	\$ 3,214.00
	OFF-SITE CURB AND GUTTER	395	LF	LIBERTY CONCRETE			\$ 26.00	-	-	\$ 10,270.00	\$ 10,270.00
	OFF-SITE DRIVEWAY APPROACH	380	SF	LIBERTY CONCRETE			\$ 7.50	-	-	\$ 2,850.00	\$ 2,850.00
	OFF-SITE SIDEWALKS	5305.5	SF	LIBERTY CONCRETE			\$ 5.50	-	-	\$ 29,180.25	\$ 29,180.25
	OFF-SITE PED CURB	58.5	LF	LIBERTY CONCRETE			\$ 18.00	-	-	\$ 1,053.00	\$ 1,053.00
	OFF-SITE PED CURB RAMPS	5	EA	LIBERTY CONCRETE			\$ 515.00	-	-	\$ 2,575.00	\$ 2,575.00
	OFF-SITE CURB INLETS	7	EA	LIBERTY CONCRETE			\$ 85.00	-	-	\$ 595.00	\$ 595.00
	ASPHALT - UTILITY PATCH	1	SY	CDA PAVING			\$ 15,000.00	-	-	\$ 15,000.00	\$ 15,000.00
	ASPHALT - ROADWAY	1	SY	INTERSTATE			\$ 25,127.50	-	-	\$ 25,127.50	\$ 25,127.50
	ASPHALT - ALLEY	1	SY	INTERSTATE			INCL ABOVE	-	-		INCL ABOVE
	LANDSCAPING	1	LS	SPRINKLERS NORTHWEST			\$ 10,089.76	-	-	\$ 10,089.76	\$ 10,089.76
	STREET LIGHTS	1	LS	WYATT ELECTRIC			\$ 33,500.00	-	-	\$ 33,500.00	\$ 33,500.00
	TRENCHING FOR STREET LIGHTS	335	LF	DBL T			\$ 17.50	-	-	\$ 5,862.50	\$ 5,862.50
	STRIPING / PARKING SIGNAGE	1	LS	MATHIS STRIPING			\$ 2,320.00	-	-	\$ 2,320.00	\$ 2,320.00
	SURVEYING	1	SYNTIER	SYNTIER			\$ 3,645.00	-	-	\$ 3,645.00	\$ 3,645.00
	SPECIAL INSPECTION FEES	1	LS	LIBERTY GEOTECH			\$ 9,596.79	-	-	\$ 9,596.79	\$ 9,596.79
	AVISTA UTILITY FEES - METER - STREET LIGHTING	1	LS	LS			INCL BELOW	-	-		INCL BELOW
	AVISTA UTILITY FEES - RELOCATE POWER	1	LS	LS			\$ 28,852.83	-	-	\$ 28,852.83	\$ 28,852.83
	TRENCHING FOR UNDERGROUND POWER	150	LF	DBL T			\$ 17.50	-	-	\$ 2,625.00	\$ 2,625.00
	<b>Total</b>						\$	-	-	\$	\$ 227,031.63

