

POST FALLS URBAN RENEWAL AGENCY

SOFT COST REIMBURSEMENT POLICY

Subject: Reimbursement of soft costs associated with an Urban Renewal District (URD)

Effective Date: June 18, 2015

Issued by: Executive Director and Finance Committee Members

Purpose: This policy addresses Admin and Management fees (soft costs) of a URD

Background: Previously there were two policies that addressed "Soft Costs", stated to comprise "legal, management, third party report and administrative costs associated with the development and management of a new renewal district." The initial Policy #12 was adopted on 7/21/05 and the other Policy #18 on 11/16/06. This policy recognizes that a Proponent will incur certain legal, management, third party report and administrative costs associated with the development and management of an urban renewal district. However, such costs are simply a part of doing development business. The Agency does not recognize, as appropriate for reimbursement, any Proponent costs associated with the administration of a District, or its legal or management activities.

Policy: Provide guidelines for "soft cost" reimbursement which include costs incurred by a Proponent in planning and making infrastructure improvements within a URD. Such costs shall be specifically set out in a budget submitted to the Commission at the time the Plan (or for phased Plans, each phase) is proposed, and shall also be specifically documented as separate from hard costs in the Proponent's submission for actual costs to be considered for reimbursement.


1. Said Soft Costs are limited to:
 - a. Engineering
 - b. Land planning
 - c. Landscape design
 - d. Surveying
 - e. Such testing as environmental, material, soil compaction and percolation
2. Soft cost reimbursement shall be limited to 12% of the completed hard cost expenses associated with capital improvements made in each Plan (or for phased Plans, each phase) in a URD.
3. Once a hard cost reimbursement figure is approved by the Agency's engineering consultant and accepted by the Finance Committee, soft costs will be added, and the full Commission shall review this figure.
4. Once the total of actual hard costs and soft costs are agreed upon for each phase or Plan, the Agency shall formally approve that figure in a duly-noticed

meeting of the Commissioners, and book this as a liability against future tax increment proceeds received by the Agency from that URD.

Prior Policy reference: #12 adopted 7/21/05 and #18 adopted 11/16/06.

Approved by the Post Falls Urban Renewal Agency Board of Commissioners:

POST FALLS URBAN RENEWAL AGENCY
An Idaho Urban Renewal Agency

By: , Chairman

Approved this 25th day of June, 2015