



Finance & Policy Committee
April 7, 2025 – 8:00 a.m.
Chamber of Commerce Board Room
201 E 4th Avenue, Post Falls, ID

1. Call to Order, Commissioner Roll Call
2. Conflict Disclosure
3. Citizen Comments
This section of the agenda is reserved for citizens wishing to address the Commission regarding an Agency related issue. Comments related to future public hearings should be held for that public hearing. Persons wishing to speak will have 5 minutes.
4. Draft Project Funding Agreement – Warren Playfield (Downtown URD) **ACTION ITEM**
5. FY2025 Status Update – Budget vs. Actual Report
6. Agency Policy #1, Revisions & Supporting Documentation **ACTION ITEM**
7. Legislation Update
8. Adjournment

Requests for accommodation of special needs to participate in the meeting should be addressed to the Office of the Executive Director, 201 E. 4th Avenue, Post Falls, Idaho 83854, or call (208) 777-8151.

Mission Statement: To encourage sound economic and community improvement that enhances the overall quality of life in Post Falls by: providing and improving infrastructure, attracting jobs, and enhancing citizen safety and health.

PROJECT FUNDING AGREEMENT

[Subject] **Project**

THIS AGREEMENT is executed this ~~Click or tap to enter a date.~~, by and between the **City of Post Falls** (the “City”), an Idaho municipal corporation, with its principal place of business at 408 N. Spokane Street, Post Falls, ID, and the **Post Falls Urban Renewal Agency** (the “Agency”), an Idaho urban renewal agency, established by the City as an independent public body, with its principal place of business at 201 E. Fourth Street, Post Falls, ID 83854.

WHEREAS, the City is authorized under Idaho Code Title 50, Chapters 20 and 29, to establish an urban renewal agency by resolution and to adopt urban renewal plans, revenue allocation areas, competitively disadvantaged border community declarations, deteriorated area declarations, and to provide improvements within an urban renewal plan area for the benefit of the public; and

WHEREAS, the City adopted Resolution 91-11 to establish the Agency as the City’s independent urban renewal agency with the powers authorized under Idaho Code Title 50, Chapters 20 and 29, including funding the construction of public infrastructure projects contained in an urban renewal district plan adopted by the City; and

WHEREAS, the City, acting in conjunction with the Agency, adopted Ordinance ~~1415~~, establishing the ~~Downtown~~ Urban Renewal District (the “District”) and plan along with a revenue allocation area; and

WHEREAS, the ~~Downtown District Urban Renewal~~ Plan (the “Plan”) contemplates using tax increment financing to fund the construction of identified public infrastructure, including the Project that is the subject of this Agreement (the “Project”), in the district to encourage development and economic growth in the district; and

WHEREAS, the City is ready to construct the Project and the parties desire to confirm their obligations concerning its design, construction, and financing.

NOW THEREFORE, IN CONSIDERATION of the mutual goals and consideration to be derived by the parties, the parties enter this understanding as follows:

ARTICLE I: DESCRIPTION AND DESIGN OF PROJECT

- 1.1. Description and Purpose of Project: The Project is located ~~on North Idaho Street and East Second Avenue~~ and is intended to ~~provide new on street parking for the Warren Playfield~~. ~~The total reimbursable Project costs are estimated to be \$80,000.00, as detailed in Exhibit A attached hereto.~~ All work to accomplish the intended purpose is included within the scope of the Project.
- 1.2. Project Design: The City will be responsible for selecting a design consultant with the necessary expertise to design the Project. The consultant will be selected by the City consistent will Idaho laws concerning hiring design consultants. Following selection of a

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design consultant, the City will negotiate a contract with the selected consultant and will supervise design of the Project. The City will inform the Agency when the City executes the design contract and provide updates to the Agency during the design process. Prior to soliciting construction bids, the City will present the final design to the Agency along with copies of all third party design phase invoices. The Agency agrees that all third party costs and fees associated with the Project design are reimbursable Project costs as described in and limited by Section 3.1.

<OPTIONAL-USE IF PROJECT DESIGN IS COMPLETE> The City has completed design of the Project, a copy of which is attached as Exhibit "B." The Agency agrees that all third party costs and fees associated with the Project design are reimbursable Project costs as described in and limited by Section 3.1.

ARTICLE II: PROJECT CONSTRUCTION

- 2.1. Property Acquisition: The City is responsible to acquire any property that may be needed to construct the Project and for all associated costs. If necessary, the City may retain the services of appraisers, lawyers, and other professional consultants to obtain the necessary property.
- 2.2. Bidding: The City will solicit construction bids, and award a construction contract, consistent with the requirements of Idaho laws concerning public works construction. The parties agree that all third party bidding costs, including, costs to rebid the Project or to resolve bid disputes, if necessary, are reimbursable Project costs as described in and limited by Section 3.1.
- 2.3. Construction Management: Following bidding and award of a construction contract, the City will manage the construction of the Project, using City staff and/or a third-party consultants hired to perform construction management services. Upon completion of construction, and acceptance of the Project by the City or other public agency, the City will provide the Agency with a construction summary and copies of all third party invoices for the construction phase. All construction costs incurred by the city, including third party construction management costs but excluding resolution of any disputes under the construction contract, are reimbursable Project costs as described in and limited by Section 3.1.
- 2.4. Project Completion: The City shall complete the Project, as detailed in Exhibit A attached hereto, on or before the 1st day of January, 2026.

ARTICLE III. REIMBURSEMENT OF PROJECT COSTS

- 3.1. Reimbursable Project Costs: The Agency agrees to reimburse the City for all reimbursable Project costs, as described above in a total amount not to exceed \$80,000.00. The City

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Deleted: At the conclusion of property acquisition the City will provide the Agency with copies of all invoices related to property acquisition. All third party costs associated with obtaining the property including, consultant services, preparation of documents, legal proceedings, and/or legal descriptions and the purchase price of property are reimbursable Project costs.

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agrees to manage costs, consistent with contractual and legal requirements, to limit Project costs increases to the extent practical.

3.2. Source and Timing of Repayment: The Agency agrees to make reimbursements for the Project using tax increment funds attributable to the District as they become available. The Agency will reimburse the City after satisfying any reimbursement due to any other party pursuant to Agency Policy No. 7. The Agency agrees to advise the City on a semi-annual basis of the status of outstanding repayment obligations and the accrued tax increment or other sources available to reimburse or make payments for the Project.

3.3. Termination of Repayment Obligation: The parties acknowledge that the District has a finite life, and that all reimbursements/payments must be completed prior to the District's maturity date of June 1, 2041. The City also understands and acknowledges that any costs or other obligations associated with the Project which are not documented and provided to the Agency in sufficient time to be paid prior to the maturity date of the District, may not be reimbursed and will not be an obligation or liability of the Agency, unless the Project is eligible for funding from another source available to the Agency.

ARTICLE IV. MISCELLANEOUS

4.1. No Extension of Credit: The parties, after careful consideration of the actual burdens on the City, have agreed to a specific timeline in which those burdens will occur. This Agreement anticipates specific payment at a specific date and is in no manner a loan of services or an extension of credit by the City to the Agency. (Pete: Can this be removed?)

(Pete: Does this serve a purpose? Is it necessary?)

4.3. Merger and Amendment: All promises and prior negotiations of the parties' merge into this Agreement and the representations, warranties, covenants, conditions, and agreements of the parties contained in the Agreement shall survive the acceptance of any deeds and/or easements. The parties agree that this Agreement may only be amended by a written instrument that is signed by both parties. The parties agree that this Agreement will not be amended by a change in law.

4.4. Section Headings: The section headings of this Agreement are for clarity in reading and not intended to limit or expand the contents of the sections to which they apply.

4.6. Incorporation of Recitals and Exhibits: The recitals to this Agreement and all exhibits referred to in this Agreement are incorporated herein by this reference and made a part of this Agreement.

4.7. Promise of Cooperation: Should circumstances change, operational difficulties arise or misunderstandings develop, the parties agree to meet and confer at the request of either party to discuss the issue and proposed solutions. Further, each party agrees not to bring a claim, initiate other legal action, or suspend performance without meeting directly with the other party regarding the subject matter of the disagreement and if the parties cannot amicably

Deleted: However, both parties acknowledge that Project costs can increase for a variety of reasons and that such increases to Project costs, as described above, are reimbursable. Additionally, the Agency agrees to reimburse the City in the amount of _____ to offset staff time and other soft costs incurred in managing the design and construction of the Project.

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Deleted: executed prior to the date of this Agreement

Deleted: The Agency will not repay any other obligations attributable to the District until fully reimbursing the City.

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Deleted: (Pete: to better align with current review & reimbursement policy)

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Commented [PB4]: Article 8, Section 4 of the Idaho Constitution and Idaho Code Section 50-2015(c) prohibit the City from lending credit, so this sentence should be left in.

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Commented [PB5]: This is a boilerplate provision. As has been pointed out, reimbursement payments could go into 2041 so I'm fine with deleting this section.

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resolve the disagreement, retain a mediator, acceptable to both parties, to mediate a solution to the disagreement. Each party shall be responsible for its own costs of any mediation and the parties shall equally split the fees of the mediator.

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- Deleted: or legal action taken to resolve any disagreement arising from this document.
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4.8. Severability: Should any provision of this Agreement be declared invalid by a court of competent jurisdiction the remaining provisions continue in full force and effect and must be interpreted to effectuate the purposes of the entire Agreement to the greatest extent possible.

4.9. Enforcement - Attorney's Fees: Should either party require the services of legal counsel to enforce compliance with the terms of this Agreement, the prevailing party will be entitled to its reasonable attorney's fees and related costs of enforcement. (Pete: Is this necessary? Could this be each party is responsible for their own legal fees?)

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- Commented [PB6]: This section merely states the law. Idaho Code Sections 12-117 and 12-120 mandate an award of attorney fees to the prevailing party for legal action relating to this type of contract.

4.10. Choice of Law and Venue: The parties agree that this Agreement will be interpreted in accordance with laws of the State of Idaho. The parties further agree that any lawsuit brought to enforce the terms of this Agreement must be filed in the First Judicial District of the State of Idaho in Kootenai County, or the United States District Court for the District of Idaho and may not thereafter be removed to any other state or federal court. (Pete: Could this be, "appropriate judicial venue"? Concern expressed by committee)

- Deleted: See language suggested in Section 4.7, above.
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4.11. No Third Party Beneficiaries: The terms and provisions of this Agreement are intended solely for the benefit of each party hereto and it is not the intention of the Parties to confer third-party beneficiary rights upon any other person or entity.

- Commented [PB7]: The language that I added should be sufficient to address this hypothetical. These are the only two courts that could possibly have jurisdiction.
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IN WITNESS WHEREOF, the City of Post Falls has caused this Agreement to be executed by its Mayor and City Clerk, and the Owner has executed this Agreement to be effective the day and year first above written.

[Signature Page Follows]

CITY OF POST FALLS

By: _____
Ronald G. Jacobson, Mayor

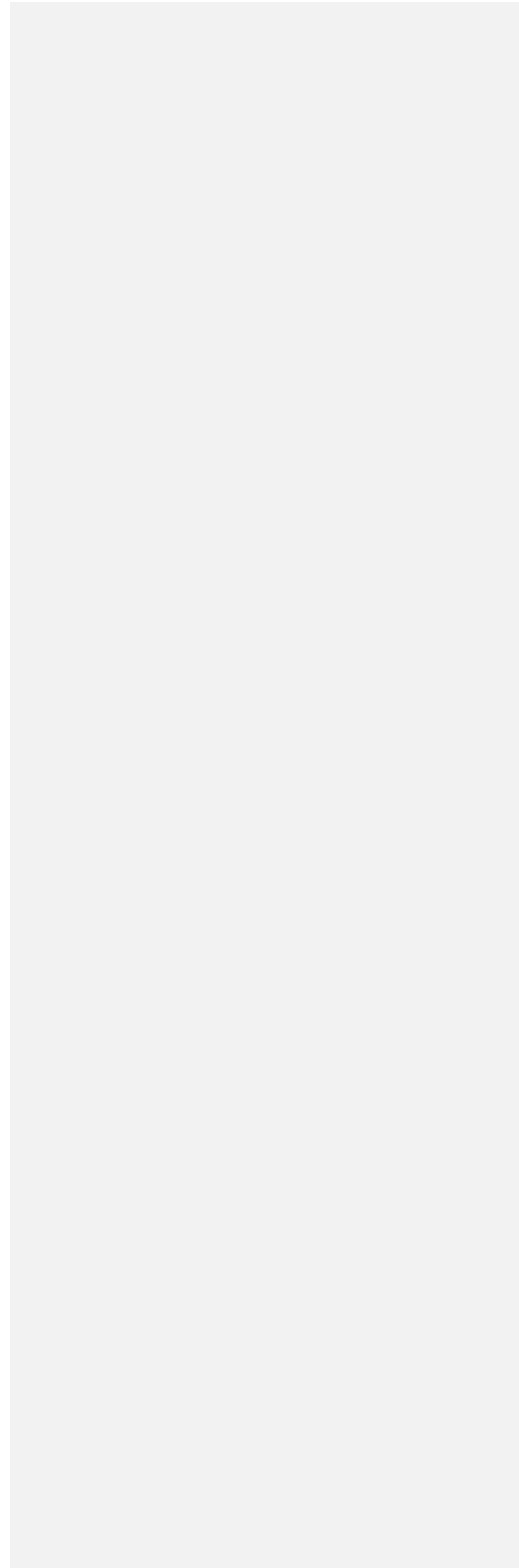
Attest: _____
Shannon Howard, City Clerk

POST FALLS URBAN RENEWAL

By: _____
Jaime Davis, Chairperson

Len Crosby, Treasurer

REF



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IN WITNESS WHEREOF, the City of Post Falls has caused this Agreement to be executed by its Mayor and City Clerk, and the Owner has executed this Agreement to be effective the day and year first above written.

[Signature Page Follows]

CITY OF POST FALLS

POST FALLS URBAN RENEWAL

By: _____
Ronald G. Jacobson, Mayor

By: _____
Jaime Davis, Chairperson

Attest: _____
Shannon Howard, City Clerk

Len Crosby, Treasurer

CE N D " R F

Post Falls Urban Renewal Agency - In-House
Profit & Loss Budget vs. Actual
October 2024 through March 2025

	Oct '24 - Mar 25 6-Month Actual	2024-25 Total Budget	2024-25 Balance	% of 12-Month Budget
Expense				
Audit	12,770.00	12,500.00	270.00	102.16%
Bank Charges	0.00	0.00	0.00	0.0%
Computer Software	40.00	1,272.00	-1,232.00	3.15%
Contract Employees	0.00	1,000.00	-1,000.00	0.0%
Engineering Services	0.00	9,600.00	-9,600.00	0.0%
Marketing & Education Materials	308.70	3,000.00	-2,691.30	10.29%
Meetings	190.00	390.00	-200.00	48.72%
Office Equipment	144.15	300.00	-155.85	48.05%
Website Design, Hosting & Maint	349.95	1,250.00	-900.05	28.0%
62140 · Legal Fees	6,287.50	25,000.00	-18,712.50	25.15%
62840 · Computer Repair & Maintenance	0.00	330.00	-330.00	0.0%
62890 · Rent	7,990.00	7,990.00	0.00	100.0%
65020 · Postage, Mailing Service	0.00	73.00	-73.00	0.0%
65030 · Printing and Copying	132.67	300.00	-167.33	44.22%
65040 · Office Supplies	38.60	425.00	-386.40	9.08%
65050 · Telephone, Telecommunications	800.40	240.00	560.40	333.5%
65110 · Advertising & Legal Notices	66.35	900.00	-833.65	7.37%
65120 · Insurance	198.00	4,375.00	-4,177.00	4.53%
65150 · Dues & Memberships	550.00	850.00	-300.00	64.71%
66000 · Payroll Expenses	39,548.01	79,190.88	-39,642.87	49.94%
Contingency	1,929.50	5,000.00	-3,070.50	38.59%
Total Expense	71,343.83	153,985.88	-82,642.05	46.33%

03.25.25 Values (2024 KC Final Market Values)

PF Technology URD		Open: 2018	Close 2038		
	Base Value	Change in Increment	Net Taxable Value	*Levy Rate	Annual Est. Increment Revenue
2019	35,484,408		5,737,225	0.010144244	\$ 58,199.81
2020	Final	11,650,871	17,388,096	0.009339020	\$ 162,387.78
2021	Final	6,981,106	24,369,202	0.008384882	\$ 204,332.88
2022	Final	67,452,020	91,821,222	0.005113000	\$ 469,481.91
2023	Final	72,205,756	164,026,978	0.005078541	\$ 833,017.73
2024	Final	50,954,568	214,981,546	0.005487572	\$ 1,179,726.71

Downtown URD		Open: 2021	Close 2041		
	Base Value	Change in Increment	Net Taxable Value	*Levy Rate	Annual Est. Increment Revenue
2022	226,655,548		101,499,377	0.005113000	\$ 518,966.31
2023	Final	16,054,515	117,553,892	0.005078541	\$ 597,002.26
2024	Final	41,032,348	158,586,240	0.005487572	\$ 870,253.41

Pleasant View URD		Open: 2021	Close 2041		
	Base Value	Change in Increment	Net Taxable Value	*Levy Rate	Annual Est. Increment Revenue
2022	4,068,315		468,584	0.005113000	\$ 2,395.87
2023	Final	1,811,651	2,280,235	0.004837243	\$ 11,030.05
2024	Final	2,486,849	4,767,084	0.004533402	\$ 21,611.11

*NOTE: URD Levy Rate calculated from published TCA Levy Rate less rates for SD#273 BOND, SD#273 SUPP, KCFR BOND, KCFR JUDGMENT, NIC JUDGMENT, KCEMS JUDGMENT

POST FALLS URBAN RENEWAL AGENCY

PROCEDURE FOR IMPLEMENTING NEW DISTRICTS AND PROJECTS

Subject: Policy and Process of Implementing New Districts

Effective Date: November 9, 2016

Purpose: This policy brings current and consolidates numerous documents relating to the process of opening and managing a new urban renewal district.

Policy Objective: It is the objective of this policy to outline the basic tenets of creating an agency, identifying the need for a district, stating the project plan, and listing the principal documents involved in the creation and management of a district. References to Idaho Statutes are either Title 50 Chapter 20 Urban Renewal Law or Title 50 Chapter 29 Local Economic Development Act.

I. **Create/Identify Need for District**

IC 50-2008 Preparation and Approval of Plan for Urban Renewal Project
City, by **Resolution**, determines an area to be *deteriorated or deteriorating* or combination thereof and appropriate for an urban renewal project

IC 50-2903 (7) Definitions

City passes **Ordinance** identifying an area within 25 miles of a state line and having a minimum of 40 acres that is *competitively disadvantaged*

II. **Creating a District / Project Plan**

- a. IC 50-2008 (b) – Agency, City or Proponent may prepare urban renewal plan and provide to City (See Process)

III. **Process of Creating the Urban Renewal Project Plan** - The process of creating and managing a district plan is based on a number of specific documents as listed below:

- a. Project Questionnaire and Evaluation
- b. District Plan Approval Checklist
- c. Legal and Map Requirements
- d. Urban Renewal Plan Contents
- e. Urban Renewal Plan Deteriorated or Deteriorating
- f. Urban Renewal Plan Competitively Disadvantaged
- g. OPA Format – City (Sample Document) ***Update this line and any references to same in supporting documents?***
- h. OPA Format – Existing Plan or District (Sample Document)
- i. OPA Format – New Plan or District (Sample Document)

IV. **Plan Approval**

- a. IC 50-2008 (b) - City submits plan to planning commission for review and recommendation of conformity with city comprehensive plan
- b. IC 50-2008 (c) - City holds a public hearing on the urban renewal project
- c. IC-50-2008 (d) – City approves urban renewal project and plan

Amendments:

Amendments to this policy statement are allowed, as needed, by a majority vote of the Commissioners of the Agency, and any such amendment will be forwarded in writing to the investment consultants(s) or manager(s).

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 9th day of November, 20 16

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- 1.2. Project Design: The City will be responsible for selecting a design consultant with the necessary expertise to design the Project. The consultant will be selected by the City consistent with Idaho laws concerning hiring design consultants. Following selection of a design consultant, the City will negotiate a contract with the selected consultant and will

supervise design of the Project. The City will inform the Agency when the City executes the design contract and provide updates to the Agency during the design process. Prior to soliciting construction bids, the City will present the final design to the Agency along with copies of all third party design phase invoices. The Agency agrees that all third party costs and fees associated with the Project design are reimbursable Project costs as described in and limited by Section 3.1.

<OPTIONAL-USE IF PROJECT DESIGN IS COMPLETE> The City has completed design of the Project, a copy of which is attached as Exhibit "B." The Agency agrees that all third party costs and fees associated with the Project design are reimbursable Project costs as described in and limited by Section 3.1.

ARTICLE II: PROJECT CONSTRUCTION

- 2.1. Property Acquisition: The City is responsible to acquire any property that may be needed to construct the Project and for all associated costs. If necessary, the City may retain the services of appraisers, lawyers, and other professional consultants to obtain the necessary property.
- 2.2. Bidding: The City will solicit construction bids, and award a construction contract, consistent with the requirements of Idaho laws concerning public works construction. The parties agree that all third party bidding costs, including, costs to rebid the Project or to resolve bid disputes, if necessary, are reimbursable Project costs as described in and limited by Section 3.1.
- 2.3. Construction Management: Following bidding and award of a construction contract, the City will manage the construction of the Project, using City staff and/or a third-party consultants hired to perform construction management services. Upon completion of construction, and acceptance of the Project by the City or other public agency, the City will provide the Agency with a construction summary and copies of all third party invoices for the construction phase. All construction costs incurred by the city, including third party construction management costs but excluding resolution of any disputes under the construction contract, are reimbursable Project costs as described in and limited by Section 3.1.
- 2.4. Project Completion: The City shall complete the Project, as detailed in Exhibit A attached hereto, on or before the 1st day of _____, 20__.

ARTICLE III. REIMBURSEMENT OF PROJECT COSTS

- 3.1. Reimbursable Project Costs: The Agency agrees to reimburse the City for all reimbursable Project costs, as described above in a total amount not to exceed \$ _____. The City agrees to manage costs, consistent with contractual and legal requirements, to limit Project costs increases to the extent practical.

- 3.2. Source and Timing of Repayment: The Agency agrees to make reimbursements for the Project using tax increment funds attributable to the District as they become available. The Agency will reimburse the City after satisfying any reimbursement due to any other party pursuant to Agency Policy No. 7. The Agency agrees to advise the City on a semi-annual basis of the status of outstanding repayment obligations and the accrued tax increment or other sources available to reimburse or make payments for the Project.
- 3.3. Termination of Repayment Obligation: The parties acknowledge that the District has a finite life, and that all reimbursements/payments must be completed prior to the District's maturity date of _____, 20___. The City also understands and acknowledges that any costs or other obligations associated with the Project which are not documented and provided to the Agency in sufficient time to be paid prior to the maturity date of the District, may not be reimbursed and will not be an obligation or liability of the Agency, unless the Project is eligible for funding from another source available to the Agency.

ARTICLE IV. MISCELLANEOUS

- 4.1. No Extension of Credit: The parties, after careful consideration of the actual burdens on the City, have agreed to a specific timeline in which those burdens will occur. This Agreement anticipates specific payment at a specific date and is in no manner a loan of services or an extension of credit by the City to the Agency.
- 4.3. Merger and Amendment: All promises and prior negotiations of the parties' merge into this Agreement and the representations, warranties, covenants, conditions, and agreements of the parties contained in the Agreement shall survive the acceptance of any deeds and/or easements. The parties agree that this Agreement may only be amended by a written instrument that is signed by both parties. The parties agree that this Agreement will not be amended by a change in law.
- 4.4. Section Headings: The section headings of this Agreement are for clarity in reading and not intended to limit or expand the contents of the sections to which they apply.
- 4.6. Incorporation of Recitals and Exhibits: The recitals to this Agreement and all exhibits referred to in this Agreement are incorporated herein by this reference and made a part of this Agreement.
- 4.7. Promise of Cooperation: Should circumstances change, operational difficulties arise or misunderstandings develop, the parties agree to meet and confer at the request of either party to discuss the issue and proposed solutions. Further, each party agrees not to bring a claim, initiate other legal action, or suspend performance without meeting directly with the other party regarding the subject matter of the disagreement and if the parties cannot amicably resolve the disagreement, retain a mediator, acceptable to both parties, to mediate a solution to the disagreement. Each party shall be responsible for its own costs of any mediation and the parties shall equally split the fees of the mediator.

- 4.8. Severability: Should any provision of this Agreement be declared invalid by a court of competent jurisdiction the remaining provisions continue in full force and effect and must be interpreted to effectuate the purposes of the entire Agreement to the greatest extent possible.
- 4.9. Enforcement - Attorney's Fees: Should either party require the services of legal counsel to enforce compliance with the terms of this Agreement, the prevailing party will be entitled to its reasonable attorney's fees and related costs of enforcement.
- 4.10. Choice of Law and Venue: The parties agree that this Agreement will be interpreted in accordance with laws of the State of Idaho. The parties further agree that any lawsuit brought to enforce the terms of this Agreement must be filed in the First Judicial District of the State of Idaho in Kootenai County or the United States District Court for the District of Idaho and may not thereafter be removed to any other state or federal court.
- 4.11. No Third Party Beneficiaries: The terms and provisions of this Agreement are intended solely for the benefit of each party hereto and it is not the intention of the Parties to confer third-party beneficiary rights upon any other person or entity.

IN WITNESS WHEREOF, the City of Post Falls has caused this Agreement to be executed by its Mayor and City Clerk, and the Owner has executed this Agreement to be effective the day and year first above written.

[Signature Page Follows]

A

CITY OF POST FALLS

POST FALLS URBAN RENEWAL

By: _____
 <Name>, Mayor

By: _____
 <Name>, Chairperson

Attest: _____
 <Name>, City Clerk

 <Name>, Treasurer

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