

THIRD ADDENDUM TO OWNER PARTICIPATION AND REIMBURSEMENT
AGREEMENT

This Third Addendum to Owner Participation and Reimbursement Agreement (hereinafter “Third Addendum”) is entered into as of the dates set forth below by and between the Post Falls Urban Renewal Agency, an Idaho urban renewal agency, 201 E. 4th Avenue, Post Falls, Idaho 83854 (hereinafter “PFURA”), and A&A Construction & Development, Inc., a Washington corporation, 621 W. Mallon Avenue, Suite 509, Spokane, Washington 99201 (hereinafter “A&A”).

RECITALS:

WHEREAS, PFURA is an Idaho urban renewal agency created by and existing under the authority of and pursuant to the laws of the State of Idaho.

WHEREAS, in 2021 the City Council of the City of Post Falls, Idaho (hereinafter the “City”) adopted the Downtown District Urban Renewal Plan (hereinafter the “Plan”) establishing the Downtown District Revenue Allocation Area (hereinafter the “District”).

WHEREAS, on October 20, 2022 A&A executed an Owner Participation and Reimbursement Agreement (hereinafter the “OPA”) with PFURA to construct projects in connection with the Plan in exchange for reimbursement from tax increment revenues generated in the District.

WHEREAS, in August of 2023 the City adopted Ordinance No. 1490 which in part amended the Plan to specifically list improvements to the 4th Avenue and Idaho Street intersection comprising a traffic roundabout and related improvements (hereinafter the “Project”) as a Plan project.

WHEREAS, in December of 2023 PFURA and A&A executed a First Addendum to amend the OPA so that the Project was included as an Agency Funded Public Improvement as that term is defined in the OPA. A Second Addendum was executed in July of 2024 to include updated cost figures, soft costs and a public art component as part of the Project.

WHEREAS, A&A has recently requested an extension of the Agency Funded Public Improvements completion date to January 1, 2029. A&A has also agreed to participate in the Agency’s recently implemented Minor Projects Program, which is documented and described in the current version of Agency Policy #7 along with the Fourth Addendum thereto.

NOW THEREFORE, in consideration of the above Recitals, the mutual covenants and agreements set forth herein and the benefits to be derived therefrom, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged:

1. Agency Funded Public Improvements Completion Date. The Agency Funded Public Improvements completion date set forth in Section 4.6 of the OPA is hereby changed from January 1, 2025 to January 1, 2029.
2. Reimbursement of Participant Advances. Sections 6.2 and 6.3 of the OPA are hereby amended to read as follows:

“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, including but not limited to Policy No. 7 and the Second, Third and Fourth Addendums to Policy No. 7, which establish revised reimbursement parameters for Urban Renewal Districts created after January 1, 2021, Policy No. 18 governing reimbursement for "soft costs" and Policy No. 28 regarding reimbursement of borrowing costs. Reimbursement of Participant Advances for Agency Funded Public Improvements shall be made in full compliance with all of the Agency's Policies."

3. Remainder of the OPA. The other terms of the OPA along with the First and Second Addendums shall remain in full force and effect unless amended by this Third Addendum or any other valid modifications executed by the parties.

POST FALLS URBAN RENEWAL AGENCY



Jamè Davis, Chairperson

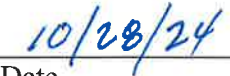


Date

A&A CONSTRUCTION & DEVELOPMENT, INC.



William J. Lawson, President



Date