



Ketchum Urban Renewal Agency

P.O. Box 2315 | 191 5th Street | Ketchum, ID 83340

January 7, 2026

Chair and Commissioners
Ketchum Urban Renewal Agency
Ketchum, Idaho

RECOMMENDATION TO APPROVE AGREEMENT 50078-B WITH KETCHUM COMMUNITY DEVELOPMENT CORPORATION and 4% BLUEBIRD HOUSING PARTNERS, LLC FOR ISSUANCE OF FINAL REIMBURSEMENT OF PUBLIC AMENITIES AT BLUEBIRD COMMUNITY VILLAGE

Introduction/History

The Ketchum Community Development Corporation and 4% Bluebird Housing Partners, LLC are requesting reimbursement of the public infrastructure improvements for the Bluebird Community Housing Project located at 480 East Avenue (Bluebird Village).

In July 2020, the KURA committed \$564,860 to fund infrastructure improvements for the Bluebird Project. In April 2022, additional infrastructure funds were requested and in June 2022, the KURA approved Agreement 50078 to reimburse up to \$820,813 for public infrastructure improvements associated with Bluebird Village. In December 2024, the KURA committed an additional \$128,050 for an expansion of the snowmelt system, bringing the total KURA contribution to \$948,863.

Following the completion of the project and the determination of all final costs, the parties entering into the reimbursement agreement are requesting KURA approval and reimbursement of \$850,000 in public infrastructure costs.

Additional Funding Request

The development team presented in fall of 2025 to the board concerning the budget overage information associated with construction in the public right-of-way. The reimbursement information was then reviewed by legal, planning, and public works staff to ensure compliance with state law. During the December 15th meeting, the board approved by motion an amended reimbursement amount of \$157,695.66*, bringing the final total contribution to \$1,106,558.66.

**Please note the final amount reflected in the amended agreement is four dollars lower than the motioned amount from the last meeting following a final review of invoices.*

Financial Requirement/Impact

While this specific line item was not budgeted, adequate funds exist within the Fund Balance.

Attachments:

1. Resolution 26-URA01
2. Exhibit A – First amendment to KCDC Bluebird agreement (50078-B)

3. Original funding agreement (50078-A)
4. Financial request from development team

BY THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF KETCHUM, IDAHO:

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AGENCY OF KETCHUM, IDAHO, AUTHORIZING THE AGENCY TO ENTER INTO A FIRST AMENDMENT 50078-B TO CAPITAL IMPROVEMENT REIMBURSEMENT AGREEMENT WITH KETCHUM COMMUNITY DEVELOPMENT CORPORATION AND 4% BLUEBIRD HOUSING PARTNERS LLC (“AGREEMENT”); AUTHORIZING THE CHAIRMAN, VICE-CHAIR AND SECRETARY, RESPECTIVELY, TO EXECUTE AND ATTEST SAID FIRST AMENDMENT TO CAPITAL IMPROVEMENT REIMBURSEMENT AGREEMENT SUBJECT TO CERTAIN CONDITIONS; AUTHORIZING THE CHAIR OR VICE-CHAIR AND SECRETARY TO EXECUTE ALL NECESSARY DOCUMENTS REQUIRED TO IMPLEMENT THE FIRST AMENDMENT TO AGREEMENT 50078-A – CAPITAL IMPROVEMENT REIMBURSEMENT AGREEMENT, AND TO MAKE ANY NECESSARY TECHNICAL CHANGES TO THE CAPITAL IMPROVEMENT REIMBURSEMENT AGREEMENT SUBJECT TO CERTAIN CONDITIONS, INCLUDING SUBSTANTIVE CHANGES; AND PROVIDING AN EFFECTIVE DATE.

THIS RESOLUTION, made on the date hereinafter set forth by the Urban Renewal Agency of Ketchum, Idaho, also known as the Ketchum Urban Renewal Agency, an independent public body, corporate and politic, authorized under the authority of the Idaho Urban Renewal Law of 1965, Chapter 20, Title 50, Idaho Code, as amended (hereinafter the “Law”) and the Local Economic Development Act, Chapter 29, Title 50, Idaho Code, as amended (hereinafter the “Act”), a duly created and functioning urban renewal agency for Ketchum, Idaho, hereinafter referred to as the “Agency.”

WHEREAS, the Agency is authorized to undertake and carry out urban renewal projects to eliminate, remedy, or prevent deteriorated or deteriorating areas through redevelopment, rehabilitation, or conservation, or any combination thereof, within its area of operation and is authorized to carry out such projects jointly with the City;

WHEREAS, the Agency, 4% Bluebird Housing Partners LLC (“Owner”) and Ketchum Community Development Corporation (“KCDC”) agreed pursuant to the Capital Improvement Reimbursement Agreement (“Agreement”) that the Agency would fund certain public improvement infrastructure related to a mixed-use affordable housing project (“Project”);

WHEREAS, as part of the Project, the Owner intended to install certain public infrastructure adjacent to the Site, which includes public sidewalks, curb and gutter improvements, wastewater and stormwater, and public landscaping, and is consistent with the objectives of the Ketchum Urban Renewal Plan (“Plan”). The Project is anticipated to contribute to enhancing and revitalizing the Plan area;

WHEREAS, on July 20, 2020, the Agency approved by motion, funding of the public infrastructure improvements in the amount of Five Hundred Sixty-Four Thousand, Eight Hundred Sixty and 00/100 Dollars (\$564,860.00). On April 4, 2022, in response to growing construction costs and inflation, the Agency approved, in support of the tax credit application submitted by the Owner and subject to approval of the tax credit application and construction of the project, an increase of an additional Two Hundred Fifty-Five Thousand, Nine Hundred Fifty-Three and 00/100 Dollars (\$255,953.00), bringing the total contribution approved by the Agency to Eight Hundred Twenty Thousand, Eight Hundred Thirteen and 00/100 Dollars (\$820,813.00). Such funding agreement was memorialized by Agreement 50078 and amended 5078-A Capital Improvement Reimbursement Agreement (“Agreement”) and approved Resolution No. 22-URA08;

WHEREAS, on December 16, 2024, the Agency approved additional funding in the amount of One Hundred Thousand Twenty-Eight, Fifty Hundred and 00/100 Dollars (\$128,050). Following substantial completion of the Project, due to increased Project costs, on December 15, 2025, the Agency approved additional funding in the amount of One Hundred Fifty-Seven Thousand, Six Hundred Ninety-Five and 66/100 Dollars (\$157,695.66) for a total funding contribution of One Million, One Hundred Six Thousand, Five Hundred Fifty-Eight and 66/100 Dollars (\$1,106,558.66);

WHEREAS, this Agency, KCDC, and Owner wish to amend the Agreement to provide for the additional funding of One Hundred Fifty-Seven Thousand, Six Hundred Ninety-Five and 66/100 Dollars (\$157,695.66) in eligible public infrastructure improvements;

WHEREAS, Agency staff has reviewed the First Amendment to the Agreement and recommends approval subject to certain conditions;

WHEREAS, the Board of Commissioners finds it in the best public interest to approve the First Amendment to the Agreement and to authorize the Chair or Vice-Chair to execute and attest the First Amendment to the Agreement, subject to certain conditions, and to execute all necessary documents to implement the transaction, subject to the conditions set forth below.

NOW, THEREFORE, BE IT RESOLVED BY THE MEMBERS OF THE BOARD OF COMMISSIONERS OF THE KETCHUM URBAN RENEWAL AGENCY OF THE CITY OF KETCHUM, IDAHO, AS FOLLOWS:

Section 1: That the above statements are true and correct.

Section 2: That the First Amendment to the Agreement, attached hereto as Exhibit A, is hereby incorporated herein and made a part hereof by reference and is hereby approved and

accepted, recognizing technical changes or corrections which may be required prior to execution of the First Amendment to the Agreement.

Section 3: That the Chair or Vice-Chair and Secretary of the Agency are hereby authorized to sign and enter into the First Amendment to the Agreement and, further, are hereby authorized to execute all necessary documents required to implement the actions contemplated by the First Amendment to the Agreement subject to representations by the Agency staff and Agency legal counsel that all conditions precedent to and any necessary technical changes to the First Amendment to the Agreement or other documents are acceptable upon advice from the Agency's legal counsel that said changes are consistent with the provisions of the First Amendment to the Agreement and the comments and discussion received at the January 7, 2026, Agency Board meeting, including any substantive changes discussed and approved at that meeting.

Section 4: That this Resolution shall be in full force and effect immediately upon its adoption and approval.

PASSED by the Urban Renewal Agency of Ketchum, Idaho, on January 7, 2026. Signed by the Chair of the Board of Commissioners and attested by the Secretary to the Board of Commissioners, on January 7, 2026.

URBAN RENEWAL AGENCY OF KETCHUM

By _____
Susan Scovell, Chair

ATTEST:

By _____
Trent Donat, Secretary

FIRST AMENDMENT 55078-B
TO
CAPITAL IMPROVEMENT REIMBURSEMENT AGREEMENT
by and between
KETCHUM URBAN RENEWAL AGENCY
and
KETCHUM COMMUNITY DEVELOPMENT CORPORATION
and
4% BLUEBIRD HOUSING PARTNERS LLC

THIS FIRST AMENDMENT TO THE CAPITAL IMPROVEMENT REIMBURSEMENT AGREEMENT (hereinafter “First Amendment”) is made and entered into this 7th day of January, 2026, by and between the Urban Renewal Agency of the city of Ketchum, aka the Ketchum Urban Renewal Agency, Idaho, a public body, corporate and politic, of the state of Idaho (“Agency”), the Ketchum Community Development Corporation, an Idaho nonprofit corporation (“KCDC”) and 4% Bluebird Housing Partners LLC (“Owner”). Agency, KCDC, and Owner may be collectively referred to as the “Parties” and individually referred to as a “Party.”

1. CAPITAL IMPROVEMENT REIMBURSEMENT

AGREEMENT. On July 18, 2022, the Agency, KCDC, and Owner, pursuant to Agency Resolution No. 22-URA08, entered into that certain Agreement 50078, Capital Improvement Reimbursement Agreement, which was amended by Agreement 50078-A Capital Improvement Reimbursement Agreement executed on January 31, 2025 (“Agreement”), which Agreement 50078-A is attached hereto as **Attachment 1**, whereby the Agency agreed to provide financial contribution to public infrastructure improvements around real property owned by the city of Ketchum (“City”) and leased to KCDC, located at 520 E. 5th St., Ketchum, Idaho 83340 (the “Site”).

The Project is located within the Ketchum Urban Renewal Plan (the “Plan”), and providing financial contribution to KCDC to be used towards the public infrastructure of the Project was in the best interest of the Agency to enhance the Plan area. Originally, Owner anticipated the public infrastructure improvements to be in the amount of Five Hundred Sixty-Four Thousand, Eight Hundred Sixty and 00/100 Dollars (\$564,860.00), which the Agency approved to fund on July 20, 2020. On April 4, 2022, in response to growing construction costs and inflation, the Agency approved, in support of the tax credit application submitted by the Owner and subject to approval of the tax credit application and construction of the project, an increase of an additional Two Hundred Fifty-Five Thousand, Nine Hundred Fifty-Three and 00/100 Dollars (\$255,953.00), bringing the total contribution approved by the Agency to Eight Hundred Twenty Thousand, Eight Hundred Thirteen and 00/100 Dollars (\$820,813.00). On December 16, 2024, the Agency approved additional funding in the amount of One Hundred Thousand Twenty Eight, Fifty Hundred and 00/100 Dollars (\$128,050) for a total funding contribution of \$948,863. Based on the approved total funding contribution, the Agency, KCDC, and Owner entered into the Agreement and specified the Agency’s not to exceed funding amount of \$948,863.00.

Upon completion of the Project, the cost of the eligible public infrastructure improvements exceeded the agreed upon not to exceed amount in the Agreement by One Hundred Fifty-Seven Thousand, Six Hundred Ninety-Five and 66/100 Dollars (\$157,695.66). In November 2025, the

Owner approached the Agency seeking additional funding due to the Project's expanded scope, extended timeline, inflation, and unexpected winterization costs. The Agency considered the cost increase funding request and asked the Owner to provide a more detailed breakdown of costs increases. The Owner provided its December 12, 2025, URA/Offsite Expenses memo seeking \$249,327.81, as shown on Attachment 2 to this First Amendment and incorporated herein by reference.

On December 15, 2025, the Agency met at its Special Meeting of the Agency Board and moved to approve One Hundred Fifty-Seven Thousand, Six Hundred Ninety-Five and 66/100 Dollars (\$157,695.66) of the requested increased public infrastructure improvement costs. These costs consist of Division 03001 and Division 02100 of Attachment 2, the Agency electing not to fund Division 01200 as these costs appear to be operation and maintenance related and not attributable to capital infrastructure costs, and such amount being reduced by the credit/overpayment of Division 03001.

Based on subsequent negotiations of the Parties, the Agency now wishes to amend the Agreement as follows:

2. RECITALS, PARAGRAPH H. Paragraph "H" in the Recitals of the Agreement shall be amended to read: "On July 20, 2020, the Agency approved by motion, funding of the public infrastructure improvements in the amount of Five Hundred Sixty-Four Thousand, Eight Hundred Sixty and 00/100 Dollars (\$564,860.00). On April 4, 2022, in response to growing construction costs and inflation, the Agency approved, in support of the tax credit application submitted by the Owner and subject to approval of the tax credit application and construction of the project, an increase of an additional Two Hundred Fifty-Five Thousand, Nine Hundred Fifty-Three and 00/100 Dollars (\$255,953.00), bringing the total contribution approved by the Agency to Eight Hundred Twenty Thousand, Eight Hundred Thirteen and 00/100 Dollars (\$820,813.00). On December 16, 2024, the Agency approved additional funding in the amount of One Hundred Thousand Twenty-Eight, Fifty Hundred and 00/100 Dollars (\$128,050). for a total funding contribution of \$948,863. On December 15, 2025, the Agency approved additional funding in the amount of One Hundred Fifty-Seven Thousand, Six Hundred Ninety-Five and 66/100 Dollars (\$157,695.66) for a total Project funding contribution of One Million, One Hundred Six Thousand, Five Hundred Fifty-Eight and 66/100 Dollars (\$1,106,558.66)."

3. SECTION 2.7 – ESTIMATED COSTS FOR PUBLIC IMPROVEMENTS AND NOT TO EXCEED AMOUNT. Section 2.7 shall be amended to read: "Owner has estimated the cost of the Public Improvements to be ~~Eight Hundred Twenty Thousand, Eight Hundred Thirteen and 00/100 Dollars (\$820,813.00) with an additional One Hundred Twenty Eight Thousand, Fifty Hundred and 00/100 (\$128,050)~~ Nine Hundred Forty-Eight Thousand, Eight Hundred Sixty-Three and 00/100 Dollars (\$948,863.00), with an additional One Hundred Fifty-Seven Thousand, Six Hundred Ninety-Five and 66/100 Dollars (\$157,695.66). This estimate does not include the two percent (2%) contingency allowance of Fifteen Thousand, Four Hundred Eighty-Seven and 04/100 Dollars (\$15,487.04) shown on **Exhibit C**. Agency is willing to contribute up to ~~Nine Hundred Forty Eight Thousand, Eight Hundred Sixty Three and 00/100 Dollars (\$948,863.00)~~ One Million, One Hundred Six Thousand, Five Hundred Fifty-Eight and 66/100 Dollars (\$1,106,558.66) toward eligible public improvements ("Actual Eligible Costs") as demonstrated in **Exhibit C** attached

hereto, and as further supplemented by Attachment 2 to the First Amendment. This amount shall serve as a not to exceed amount for the cost of the Public Improvements.”

4. SECTION 2.10 – PAYMENT TERMS. Section 2.10 shall be amended in pertinent part to read: “Upon completion of the construction of the Public Improvements and the City’s standard process of acceptance for the Project, Agency shall reimburse Owner for the amount of the Actual Eligible Costs up to, but not exceeding, ~~Nine Hundred Forty Eight Thousand, Eight Hundred Sixty Three and 00/100 Dollars (\$948,863.00)~~ One Million, One Hundred Six Thousand, Five Hundred Fifty-Eight and 66/100 Dollars (\$1,106,558.66).”

In the event Owner or KCDC is reimbursed for any portion of the Estimated Costs by an entity not party to this Agreement, including any City contribution for the Public Improvements, ~~Nine Hundred Forty Eight Thousand, Eight Hundred Sixty Three and 00/100 Dollars (\$948,863.00)~~ One Million, One Hundred Six Thousand, Five Hundred Fifty-Eight and 66/100 Dollars (\$1,106,558.66) shall be reduced by the exact dollar amount reimbursed to the Owner or KCDC by that party. KCDC or Owner shall notify the Agency of any such payment received and should it fail to notify the Agency, or should the Agency discover such payment has been made and not reported, Agency shall contact the Owner or KCDC for such information. Should KCDC or Owner fail to respond to the request, Agency may suspend payments to KCDC until such information is provided.”

All remaining terms and conditions of Section 2.10 shall remain unchanged.

5. SECTION 2.12 – AGENCY CONTRIBUTIONS TO THE SITE. Section 2.12 shall be amended to read: “In addition to the reimbursement and contributions contemplated by this Agreement, the Agency has also contributed to the improvements of this Site pursuant to the Demolition, Salvage, and Asbestos Abatement Project Agreement for the Old City Hall (“Demolition Agreement”), entered into by the Agency and City on January 18, 2022. Pursuant to the Demolition Agreement, the Agency reimbursed the City Two Hundred One Thousand Sixty-One and 40/100 Dollars (\$201,061.40) toward the demolition of the old City Hall building and preparation of the Site for this Project.

The funds contributed under the Demolition Agreement, in addition to the amount of reimbursement in this Agreement of ~~Nine Hundred Forty Eight Thousand, Eight Hundred Sixty Three and 00/100 Dollars (\$948,863.00)~~ One Million, One Hundred Six Thousand, Five Hundred Fifty-Eight and 66/100 Dollars (\$1,106,558.66), shall be credited towards the repayment of the in lieu of housing fees that were advanced by the City to the Agency pursuant to Agency Resolution No. 19-URA06 on August 19, 2019.”

6. EXHIBIT A, B, AND D, TO AGREEMENT. The Exhibits A, B, and D to the Agreement shall remain in full force and effect and are unmodified by this First Amendment.

7. EXHIBIT C TO AGREEMENT. Exhibit C is modified to include the addition of Attachment 1 to this First Amendment, which includes the increased approved costs of Division 03001 and Division 02100 equaling One Hundred Fifty-Seven Thousand, Six Hundred Ninety-Five and 66/100 Dollars (\$157,695.66)

8. ALL OTHER TERMS TO REMAIN. All other terms and conditions of the Agreement, not otherwise amended as provided herein this First Amendment, shall remain in full force and effect and shall be binding upon the Parties as if set forth in full herein.

IN WITNESS WHEREOF, the Parties hereto have signed this First Amendment the day and year below written to be effective the day and year above written.

AGENCY:

**Urban Renewal Agency of the city of Ketchum,
a public body, corporate and politic**

By:
Its: Chair

Date _____

KCDC:

Ketchum Community Development Corporation

By: Charles Friedman
Its: Executive Director

Date _____

OWNER:

**4% Bluebird Housing Partners LLC,
a foreign limited liability company,**

By:
Its: Manager

Date _____

By:
Its: Manager

Date _____

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AGREEMENT 50078-A
CAPITAL IMPROVEMENT REIMBURSEMENT AGREEMENT
by and between
KETCHUM URBAN RENEWAL AGENCY
and
KETCHUM COMMUNITY DEVELOPMENT CORPORATION
and
4% BLUEBIRD HOUSING PARTNERS LLC

THIS CAPITAL IMPROVEMENT REIMBURSEMENT AGREEMENT (“Agreement”) is entered into by and between the Urban Renewal Agency of the city of Ketchum, aka the Ketchum Urban Renewal Agency, Idaho, a public body, corporate and politic, of the state of Idaho (“Agency”), the Ketchum Community Development Corporation, an Idaho nonprofit corporation (“KCDC”) and 4% Bluebird Housing Partners LLC (“Owner”). Agency, KCDC and Owner may be collectively referred to as the “Parties” and individually referred to as a “Party.”

RECITALS

A. KCDC is the long-term ground lease tenant of certain real property owned by the city of Ketchum (“City”) located at 520 E 5th St. Ketchum, Idaho 83340, (the “Site”) generally described on **Exhibit A**.

B. KCDC anticipates subleasing the Site to the Owner for redevelopment into a mixed-use project with street-level retail, parking, and affordable rental housing units in an energy-efficient building (the “Project”) as graphically depicted on **Exhibit B**.

C. As part of the Project, the Owner intends to install certain public infrastructure adjacent to the Site.

D. The Project is located within the Ketchum Urban Renewal Plan (the “Plan”). The Plan was adopted by City Council pursuant to Ordinance No. 1077 on November 15, 2010. The Plan includes various measures to mitigate and remediate the Plan area.

E. The Project, which includes public sidewalks, curb and gutter improvements, wastewater and stormwater, and public landscaping, as listed on **Exhibit C**, is consistent with the objectives of the Plan. The Project will contribute to enhancing and revitalizing the Plan area.

F. KCDC and the City entered into a seventy-five (75) year ground lease outlining the nature of the Project and governing the rights and obligations of the City and KCDC, as well as any developer or subtenant (the “Lease”). The Lease is attached as **Exhibit D** and incorporated herein by this reference.

G. The Agency believes by providing financial contribution to KCDC to be used towards the public infrastructure of the Project, the Project will be enhanced and economically viable. This contribution complies with the Agency’s participation policy approved by the Agency Board at its meeting on June 27, 2022, and adopted by resolution (“Participation Policy”).

H. On July 20, 2020, the Agency approved by motion, funding of the public infrastructure improvements in the amount of Five Hundred Sixty-Four Thousand, Eight Hundred Sixty and 00/100 Dollars (\$564,860.00). On April 4, 2022, in response to growing construction costs and inflation, the Agency approved, in support of the tax credit application submitted by the Owner and subject to approval of the tax credit application and construction of the project, an increase of an additional Two Hundred Fifty-Five Thousand, Nine Hundred Fifty-Three and 00/100 Dollars (\$255,953.00), bringing the total contribution approved by the Agency to Eight Hundred Twenty Thousand, Eight Hundred Thirteen and 00/100 Dollars (\$820,813.00). On December 16, 2024, the Agency approved additional funding in the amount of One Hundred Thousand Twenty Eight, Fifty Hundred and 00/100 Dollars (\$128,050) for a total funding contribution of \$948,863.

I. This Agreement defines the terms and conditions of Agency's financial contribution to the public infrastructure improvements.

J. The Agency deems it appropriate to reimburse KCDC for certain eligible public improvements as detailed in this Agreement to achieve the objectives set forth in the Plan and in accordance with Agency's Participation Policy.

AGREEMENTS

NOW, THEREFORE, in consideration of the above recitals, which are incorporated into this Agreement; the mutual covenants contained herein; and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. EFFECTIVE DATE. The effective date ("Effective Date") of this Agreement shall be the date when this Agreement has been signed by the Parties (last date signed) and shall continue until: (1) the termination of the Plan, or (2) until otherwise terminated as provided herein, whichever comes first.

2. CAPITAL IMPROVEMENT REIMBURSEMENT. The Owner intends to construct certain Site (as described above) utility and public improvements in or adjacent to, or being relocated to, the public right-of-way adjacent to the Site.

The Owner shall be responsible for the design and construction of the public improvements as described in Exhibit C ("Public Improvements"). The Agency shall reimburse KCDC a portion of the cost of the Public Improvements consistent with the Agency's obligations set forth in this Agreement. Agency's commitment in this Agreement is designed to comply with Agency's authority under the Idaho Urban Renewal Law of 1965, as amended, and the Local Economic Development Act of 1988 as amended (collectively, the "Act"), the Plan, and the Participation Policy, and is intended to constitute an expenditure of Agency funds for a public purpose and not be deemed a gift or donation of public funds.

2.1. Construction of Public Improvements

The Public Improvements shall be designed and constructed by the Owner in accordance with the overall City infrastructure plans, policies, and design standards and in conjunction with the Project. Upon Agency's request, Agency shall have the right and the opportunity to review Owner's construction plans, budgets, and bids provided to the City for the Public Improvements (collectively the "Project Construction Documents"). It is understood the Owner will utilize commercially reasonable contracting, budgeting, and bidding practices to ensure that the Public Improvements are constructed consistent with the Project Construction Documents and are undertaken in a commercially reasonable manner.

A Schedule of Estimated Eligible Costs for the Public Improvements is described and set forth on **Exhibit C**. Any other public improvements constructed by the Owner as part of the Public Improvements, the estimated costs of which are not set forth on Exhibit C, may be subject to reimbursement only upon a showing by Owner that these costs were related to public infrastructure and are eligible for reimbursement by the Agency. Additionally, Agency's reimbursement obligation is limited to the Estimated Costs (defined below) of Public Improvements set forth in this Agreement.

2.2. Commencement of the Public Improvements

The City and Owner have coordinated to commence construction of the Public Improvements consistent with the timelines established by the City. In the event there is a failure to construct the Public Improvements within the time period July 1, 2022 and December 31, 2023, Agency will not reimburse KCDC for the costs of the Public Improvements.

2.3. Initial Construction Funding

Subject to Agency's reimbursement obligation, Owner or KCDC shall fund the upfront cost of the Public Improvements in accordance with the City construction and permitting requirements. It is anticipated that the reimbursement to KCDC will be provided to the Owner to offset these construction costs. The reimbursement payment to KCDC by Agency shall be made pursuant to subsections 2.8 through 2.13 below. Agency and KCDC acknowledge the Schedule of Estimated Eligible Costs (**Exhibit C**) is an estimate by Owner as it relates to the Public Improvements and that this Schedule of Estimated Eligible Costs shall act as a not to exceed amount regardless of whether actual total costs, as well as each line item of cost, may be more or less than is shown on **Exhibit C**.

2.4. Approvals of Project and Public Improvements

Owner shall be responsible for obtaining all necessary approvals for design, construction, installation, and operation of the Public Improvements from the government and other entities, including to the extent necessary, but not limited to, City and other governmental entities having approval authority for the Public Improvements ("Approving Entities").

Owner and KCDC shall keep Agency advised of the approval process of the Approving Entities and advise Agency immediately if any action of the Approving Entities shall affect the scope and purpose of this Agreement.

2.5. Warranty on Public Improvements

Owner shall warrant that the materials and workmanship employed in the construction of the Project and the Public Improvements shall be good and sound, and shall conform to generally accepted standards within the construction industry. Such warranty shall extend for a period of one (1) year after the standard process of acceptance of such Public Improvements by the City, provided nothing herein shall limit the time within which Agency may bring an action against Owner on account of Owner's failure to otherwise construct the Project in accordance with this Agreement or the Project Construction Documents. The one-year warranty period does not constitute a limitation period with respect to the enforcement of KCDC or Owner's other obligations under the Agreement.

2.6. Maintenance

KCDC and Owner recognize Agency has no authority to accept maintenance responsibility of the Public Improvements and, therefore, does not accept any maintenance obligations for the Public Improvements.

2.7. Estimated Costs for Public Improvements and Not to Exceed Amount

Owner has estimated the cost of the Public Improvements to be Eight Hundred Twenty Thousand, Eight Hundred Thirteen and 00/100 Dollars (\$820,813.00) with an additional One Hundred Twenty Eight Thousand, Fifty Hundred and 00/100 (\$128,050). This estimate does not include the two percent (2%) contingency allowance of Fifteen Thousand, Four Hundred Eighty-Seven and 04/100 Dollars (\$15,487.04) shown on **Exhibit C**. Agency is willing to contribute up to Nine Hundred Forty Eight Thousand, Eight Hundred Sixty Three and 00/100 Dollars (\$948,863.00) toward eligible public improvements ("Actual Eligible Costs") as demonstrated in **Exhibit C** attached hereto. This amount shall serve as a not to exceed amount for the cost of the Public Improvements.

2.8. Determining Actual Eligible Costs

Owner and KCDC are responsible for submitting invoices or receipts for work performed as part of the Public Improvements (the "Cost Documentation") prior to the time of reimbursement by the Agency. Cost Documentation shall include the following:

- (a) Schedule of values that includes line items for the Public Improvements approved by Agency for reimbursement, so they are identifiable separate from other line items ("Schedule of Values").
- (b) Invoices from Owner's general contractor, subcontractor(s), and material suppliers for each type of eligible cost item (e.g., concrete, pavers, piping,

streetlights, overhead). Invoices shall specify quantities and unit costs of installed materials, and a percentage estimate of how much installed material was used for the Public Improvements in comparison to the amount used for the remainder of the Project.

(c) Evidence that reimbursement of Eligible Costs related to Public Improvements are guaranteed to remain for the use of the general public and shall be enforceable.

Agency shall have the right to review the Cost Documentation and to obtain independent verification that the quantities of work claimed, the unit costs, and the total costs for Eligible Costs are commercially reasonable. In the event Owner or Agency defaults in its obligation to timely deliver the Cost Documentation, Agency may, in its discretion, elect to terminate its payment obligations under this Agreement by providing KCDC with written notice of such default. KCDC shall have thirty (30) days from such written notice to cure the default. In the event KCDC fails to timely cure such a default, Agency's payment obligations under this Agreement may be terminated in Agency's sole discretion.

Within fifteen (15) days of Agency's receipt of the Cost Documentation, Agency will notify KCDC or Owner in writing of Agency's acceptance or rejection of the Cost Documentation and Agency's determination of the Actual Eligible Costs to be reimbursed. Agency shall, in its reasonable discretion, determine the Actual Eligible Costs following its review of the Cost Documentation and verification of the commercial reasonableness of the costs and expenses contained in such Cost Documentation.

If Owner or KCDC disagrees with Agency's calculation of the Actual Eligible Costs, Owner or KCDC must respond to Agency in writing within ten (10) days explaining why it believes Agency's calculation was in error and providing any evidence to support any such contentions Owner or KCDC wants Agency to consider. Agency shall respond within three (3) days with a revised amount for the Actual Eligible Costs or notifying Owner or KCDC that Agency will not revise the initial amount calculated. Agency shall be reasonable in making its determination of the Actual Eligible Costs.

2.9. Conditions Precedent to Agency's Payment Obligation

The Owner must have commenced and completed construction of the Public Improvements, before Agency has any obligation to reimburse KCDC for the Actual Eligible Costs for the Public Improvements. Completed Public Improvements must be inspected and accepted by the City before Owner may seek reimbursement of that certain Public Improvement project.

Material failure to comply with all Agreement provisions, following notice and opportunity to cure as provided for herein, shall be a basis for termination of Agency's reimbursement obligation.

2.10. Payment Terms

Upon completion of the construction of the Public Improvements and the City's standard process of acceptance for the Project, Agency shall reimburse Owner for the amount of the Actual Eligible Costs up to, but not exceeding, Nine Hundred Forty Eight Thousand, Eight Hundred Sixty Three and 00/100 Dollars (\$948,863.00).

In the event Owner or KCDC is reimbursed for any portion of the Estimated Costs by an entity not party to this Agreement, including any City contribution for the Public Improvements, Nine Hundred Forty Eight Thousand, Eight Hundred Sixty Three and 00/100 Dollars (\$948,863.00) shall be reduced by the exact dollar amount reimbursed to the Owner or KCDC by that party. KCDC or Owner shall notify the Agency of any such payment received and should it fail to notify the Agency, or should the Agency discover such payment has been made and not reported, Agency shall contact the Owner or KCDC for such information. Should KCDC or Owner fail to respond to the request, Agency may suspend payments to KCDC until such information is provided.

The Actual Eligible Costs shall not include any interest component. Agency shall pay KCDC at intervals between July 1, 2022, and December 31, 2023, based on completion of certain specific Public Improvements projects, as inspected and accepted by the City. It is anticipated that construction completion of Public Improvement projects will occur as soon as Fall 2022. Once Owner has notified the City of completion of certain Public Improvement projects, the City must inspect and accept such Public Improvement before Owner may submit documentation for reimbursement. Final payment by the Agency will occur upon substantial completion of the Project. Upon request by the Agency, KCDC shall provide evidence of payment of ad valorem taxes imposed on the Site, as such evidence is available based on timing with requested reimbursement. Agency's payment obligation shall in no event extend beyond the termination of the Plan, which termination may be prior to the Plan termination date of November 15, 2030. Provided, however, should the Agency pursue termination prior to November 15, 2030, the Agency shall make the requisite findings as set forth in Idaho Code §§ 50-2903(5) and 50-2909(4), which includes a determination by the Agency that its obligation in this Agreement can be satisfied upon such termination. Agency shall be permitted to have all invoices reviewed by a third party to determine reasonableness.

Owner hereby releases and holds harmless the Agency from any allegation or claim for reimbursement of funds which have been paid and distributed to KCDC. Agency shall have no enforcement obligation to ensure that the funds reimbursed to KCDC are provided to the Owner. Agency's only obligation as it relates to the reimbursement of funds is to provide those funds to KCDC, and Agency is under no obligation to ensure that such funds are properly distributed to the Owner. Owner shall have no claim against the Agency for reimbursement funds that have been distributed to KCDC but have not been conveyed to the Owner.

2.11 KCDC and City Lease

Any default, as defined by the Lease, between KCDC and the City, shall constitute a default under the provisions of this Agreement. Should any default not be cured under the Lease, the

Agency may move to terminate this Agreement based on the default of the Lease terms and seek all remedies available to the Agency.

Should KCDC or the Owner, under the terms of the Lease, at any point within the Term of the Lease, be permitted to exceed the rent limitations set forth in the Lease for any particular residential tenant, then the portion of the rent that exceeds the rent limitation will be paid to the City and will not be retained by KCDC or the Owner, as specified in the Lease.

2.12 Agency Contributions to Site

In addition to the reimbursement and contributions contemplated by this Agreement, the Agency has also contributed to the improvements of this Site pursuant to the Demolition, Salvage, and Asbestos Abatement Project Agreement for the Old City Hall ("Demolition Agreement"), entered into by the Agency and City on January 18, 2022. Pursuant to the Demolition Agreement, the Agency reimbursed the City Two Hundred One Thousand Sixty-One and 40/100 Dollars (\$201,061.40) toward the demolition of the old City Hall building and preparation of the Site for this Project.

The funds contributed under the Demolition Agreement, in addition to the amount of reimbursement in this Agreement of Nine Hundred Forty Eight Thousand, Eight Hundred Sixty Three and 00/100 Dollars (\$948,863.00), shall be credited towards the repayment of the in lieu of housing fees that were advanced by the City to the Agency pursuant to Agency Resolution No. 19-URA06 on August 19, 2019.

2.13 Indemnification Regarding the Project and Public Improvements

KCDC and Owner shall indemnify, defend, and hold Agency and its respective officers, agents, and employees harmless from and against all liabilities, obligations, damages, penalties, claims, costs, charges, and expenses, including reasonable architect and attorney fees, which may be imposed upon or incurred by or asserted against Agency or its respective officers, agents, and employees relating to Owner or KCDC's performance of this Agreement. Notwithstanding the foregoing, Owner and KCDC shall have no obligation to indemnify and hold Agency and its respective officers, agents, and employees harmless from and against any matter to the extent it arises from the negligence or willful act of Agency or its respective officers, agents, or employees or from conduct resulting in any award of punitive damages against the Agency. In the event an action or proceeding is brought against Agency or its respective officers, agents, and employees by reason of any claims that are covered by KCDC and Owner's indemnity obligation, Owner and KCDC, upon written notice from Agency, shall, at KCDC and Owner's expense, resist or defend such action or proceeding.

2.14 Default

Section 2.14 shall be limited solely to defaults under this Agreement. Neither Party shall be deemed to be in default of this Agreement except upon the expiration of forty-five (45) days from receipt of written notice from the other Party specifying the particulars in which such Party has failed to perform its obligations under this Agreement unless such Party, prior to expiration of

said 45-day period has rectified the particulars specified in said notice of default. In the event of a default, the nondefaulting Party may do the following:

- (a) The Agency may terminate its reimbursement to KCDC for the costs of the Public Improvements set forth in this Agreement upon written notice to the defaulting Party and recover from the defaulting Party all direct damages incurred by the nondefaulting Party.
- (b) The nondefaulting Party may seek specific performance of those elements of the reimbursement agreement set forth in this Agreement which can be specifically performed, in addition, recover all damages incurred by the nondefaulting Party. The Parties declare it to be their intent that elements of this Agreement requiring certain actions be taken for which there are not adequate legal remedies may be specifically enforced.
- (c) The nondefaulting Party may perform or pay any obligation or encumbrance necessary to cure the default and offset the cost thereof from monies otherwise due the defaulting Party or recover said monies from the defaulting Party.
- (d) The nondefaulting Party may pursue all other remedies available at law regarding a default of this Agreement, it being the intent of the Parties that remedies be cumulative and liberally enforced so as to adequately and completely compensate the nondefaulting Party.
- (e) In the event KCDC or Owner defaults under the requirements set forth in this Agreement, Agency (the nondefaulting Party) shall have the right to suspend or terminate its payment as set forth in this Agreement, for so long as the default continues, and if not cured, Agency's obligation for payment as set forth in this Agreement may be deemed extinguished by Agency in its discretion.

2.15 Captions and Headings

The captions and headings in this Agreement are for reference only and shall not be deemed to define or limit the scope or intent of any of the terms, covenants, conditions, or agreements contained herein.

2.16 No Joint Venture or Partnership

The Parties agree that nothing contained in this Agreement or in any document executed in connection with this Agreement shall be construed as making the Parties a joint venture or partners.

2.17 Successors and Assignment

This Agreement is not assignable except that the Owner or KCDC may assign Owner's obligations under this Agreement to a third party only with the written approval of Agency, at Agency's sole discretion and cannot be reasonably denied.

2.18 Applicable Law/Attorney Fees

This Agreement shall be construed and enforced in accordance with the laws of the state of Idaho. Should any legal action be brought by either Party because of breach of this Agreement or to enforce any provision of this Agreement, the prevailing Party shall be entitled to reasonable attorney fees, court costs, and such other costs as may be found by the court.

2.19 Entire Agreement

This Agreement constitutes the entire understanding and agreement of the Parties. Exhibits to this Agreement are as follows:

Exhibit A	Project Site
Exhibit B	Project
Exhibit C	Schedule of Eligible Costs
Exhibit D	Lease

2.20 Antidiscrimination During Construction

KCDC and Owner, for itself and its successors and assigns, agrees that in the rehabilitation and/or construction of improvements on the Site provided for in this Agreement, KCDC and Owner will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity/expression, national origin or ancestry, marital status, age, or physical disability.

2.21 Anti-Boycott Against Israel Certification.

KCDC and Owner hereby certify pursuant to Section 67-2346, Idaho Code, that the Owner, its wholly owned subsidiaries, majority owned subsidiaries, parent companies and affiliates, are not currently engaged in, and will not for the duration of this Agreement, knowingly engage in, a boycott of goods or services from Israel or territories under its control.

IN WITNESS WHEREOF, the Parties hereto have signed this Agreement the day and year below written to be effective the day and year above written.

AGENCY:

Urban Renewal Agency of the city of Ketchum,
a public body, corporate and politic

Signed by:



By: 77BCD6B42BE0407...

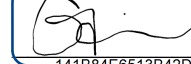
Its: Chair

Date 1/31/2025

KCDC:

Ketchum Community Development Corporation

DocuSigned by:



141B84E6513B42B...
By: Charles Friedman

Its: Executive Director

OWNER:

4% Bluebird Housing Partners LLC,
a foreign limited liability company,

Signed by:



5FFE12F25A40423...

By:

Its: Manager

Date 1/31/2025

By:

Its: Manager

Date _____

EXHIBIT A
PROJECT SITE

EXHIBIT B
PROJECT

EXHIBIT C
SCHEDULE OF ELIGIBLE COSTS

EXHIBIT D
LEASE

4884-6316-7259, v. 2



Conrad Brothers

General Contractors and Builders

P.O. Box 3432 - Hailey, Idaho 83333

208-726-3830 Fax 208-726-5788

www.conradbrothersconstruction.com

URA/Offsite Expenses

PROJECT: Bluebird Village (2010)

DATE: December 12, 2025

URA Changes

All proposed additional URA compensation relates to work in the right of way only plus associated winterization impacts. **Totaling \$249,327.81.**

1. Division 03001 – Scope for Landscape Planters and Tree Assemblies in the ROW/KURA area includes planter brick, plantings, irrigation, soil amendments, tree grates, and specialized root systems. These elements support the overall landscape infrastructure and design intent. While a significant portion of the cost has already been covered through previous payments, there remains a balance due to additional items resulting in a request for additional funding to cover the remaining amount.
\$15,881.93
2. Division 03001 – Site Related Concrete includes work on sidewalks related site elements such as curbs, gutters, ramps, and planters. Additional sidewalk work, not originally estimated, along with labor costs associated with delays, has increased overall scope. Some cost reductions were applied, but the remaining balance reflects efforts to stay on track with the project schedule while covering the added labor and materials required to complete the expanded sidewalk work.
(\$20,487.83)
3. Division 02100 – Sitework for the Bluebird Offsite Improvements includes ground preparation and added drainage scope not originally accounted for. While a portion of the original cost was already included in the URA payout, adjustments were made due to escalation costs incurred before final buyout. The total amount now being requested reflects these additions and changes necessary to complete the offsite work effectively and in alignment with project requirements.
\$162,305.56
4. Division 01200 – Snow Removal covers all snow clearing activities required to maintain safe and accessible conditions during the project. This scope, included under the URA, amounts to a total of \$91,628.15. The full amount is now being requested to cover the completed snow removal work.
\$91,628.15