

REVISED 06/13/12

KETCHUM URBAN RENEWAL BOARD MEETING CALENDAR

Monday, June 18, 2012, beginning at 4:30 p.m.

480 East Avenue, North, Ketchum, Idaho

1. CALL TO ORDER
2. COMMUNICATIONS FROM THE BOARD OF COMMISSIONERS.
3. COMMUNICATIONS FROM THE PUBLIC.
4. COMMUNICATIONS FROM COMMUNITY & ECONOMIC DEVELOPMENT DIRECTOR.
 - a) Consideration of a lease with the KCDC/GMD Development for a tax credit housing project at 211 East First Street - Lisa Horowitz, Community & Economic Development Director.
5. AGREEMENTS AND CONTRACTS.
 - a) **U.S. Bank Master Services Agreement - Sandy Cady, Secretary/Treasurer.**
6. CONSENT CALENDAR.
 - a) Approval of minutes from the May 21, 2012 URA Board meeting.
 - b) Recommendation to approve current bills.
7. EXECUTIVE SESSION to discuss personnel, litigation and land acquisition pursuant to Idaho Code §§67-2345 1(a) (b), (c) and (f).
8. ADJOURNMENT.

Any person needing special accommodations to participate in the above noticed meeting should contact the Ketchum Urban Renewal Agency three days prior to the meeting at (208) 726-3841.

This agenda is subject to revisions and additions. NOTE: Revised portions of the agenda are underlined in bold. Public information on agenda items is available in the Clerk's Office located at 480 East Ave. N in Ketchum or (208) 726-3841.

Ketchum Urban Renewal Agency

P.O. Box 2315 Ketchum, Idaho 83340 (208) 726-3841 Fax: (208) 726-8234

June 13, 2012

Chairman Eshman and Commissioners
Ketchum Urban Renewal Agency
Ketchum, Idaho

Chairman Eshman and Commissioners:

June 18, 2012 URA Board of Commissioners Agenda Report

The Board meeting is scheduled to begin at 4:30 p.m.

4. COMMUNICATIONS FROM COMMUNITY & ECONOMIC DEVELOPMENT DIRECTOR.
 - a) Consideration of a lease with the KCDC/GMD Development for a tax credit housing project at 211 East First Street - Lisa Horowitz, Community & Economic Development Director.

The Ketchum Community Development Corporation (KCDC) is requesting revisions to the adopted Option to Lease for the property owned by KURA at 211 East First Street, otherwise known as the Dollhouse property. KCDC is working with Greg Dunfield of GMD Development to pursue a tax credit housing project for this site. A detailed staff report with supporting documents has been provided in the packet for Board review.

RECOMMENDATION: Staff respectfully recommends the Board direct the Chair to sign the Revised Option to Lease with KCDC for the purposes of pursuing a tax credit housing project for property owned by KURA located at 211 East First Street.

RECOMMENDED MOTION: *"I move to authorize the Chair to sign the Revised Option to lease with KCDC for the purposes of pursuing a tax credit housing project owned by KURA located at 211 East First Street."*

5. AGREEMENTS AND CONTRACTS.
 - a) U.S. Bank Master Services Agreement - Sandy Cady, Secretary/Treasurer.

U.S. Bank has updated their Master Services Agreement for Governmental Entities and associated appendices and has asked KURA to sign the updated agreement. The significant change in the agreement is cosmetic; changing from a resolution format to an agreement format. KURA staff anticipates no material changes in the agency's relationship with U.S. Bank due to the

updated agreement. A detailed staff report from Sandy Cady has been provided in the packet for Board review.

RECOMMENDATION: Staff respectfully recommends the Board approve the updated Master Services Agreement with U.S. Bank.

RECOMMENDED MOTION: "I move to approve the updated Master Services Agreement with U.S. Bank."

6. CONSENT AGENDA.

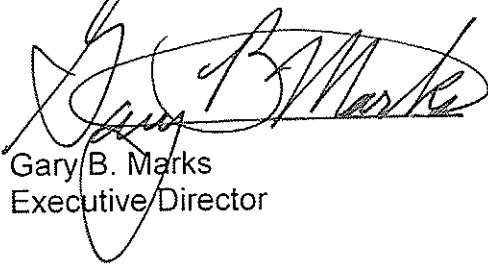
- a) Approval of minutes from the May 21, 2012 URA Board meeting.

The minutes for the May 21, 2012 URA Board meeting have been included in the packet for Board review.

- b) Recommendation to approve current bills.

Staff recommends the Board approve the bills for payment.

Sincerely,

A handwritten signature in black ink, appearing to read "Gary B. Marks". The signature is written in a cursive style with a large, sweeping initial "G".

Gary B. Marks
Executive Director

Ketchum Urban Renewal Agency

P.O. Box 2315 Ketchum, Idaho 83340 (208) 726-3841 Fax: (208) 726-8234

June 18, 2012

Chair and Board Members
Ketchum Urban Renewal Agency (KURA)
Ketchum, Idaho

Chairman Hall and URA Board Members:

Requested Revisions, Option to Lease Agreement, 211 First Street East

Attachments

- Attachment 1: July 18, 2011 KURA Option to Lease
- Attachment 2: June 11, 2012 Letter from GMD Development regarding Lease Option Request and Project Summary
- Attachment 3: Revised Draft Option to Lease

Introduction/History

The Ketchum Community Development Corporation is requesting revisions to the adopted Option to Lease for the property owned by KURA at 211 East First Street, otherwise known as the Dollhouse. The KCDC is working with Greg Dunfield (formerly of Allied Pacific Partners, now with GMD Development) to pursue a tax credit housing project on the site.

The housing project will be owned by an LLC comprised of KCDC as the managing member and the tax credit housing developer (GMD) as a member. It is anticipated that the tax credit investor will also become a member of the LLC. The units will all be rental units, reserved for households with incomes equal or less than 60% of the Blaine County Area Median Income. Tax credit deed restrictions will restrict the units for 44 years. A Preapplication Design Review workshop was conducted on April 25, 2011. The 23-unit proposal was well received by the Commission.

In June, 2011, the KURA issued an RFP requesting proposals for an affordable housing development for 211 East First Street. One proposal was received from the team of KCDC/GMD Development. The KURA Board reviewed and accepted the proposal based on criteria listed in the RFP. Following the acceptance of the proposal, KURA entered into an Option to Lease, Attachment 1 to this report.

Current Report

The applicant team has requested the following process:

1. PreApplication Design Review with Ketchum P & Z (completed April 2011)
2. Two Year Option to Lease with Property owner executed (completed July 18, 2011)
3. Revised Option to Lease responding to feedback from September 2011 Tax Credit round (current report)
4. Tax Credit Application Prepared and Submitted (first round completed and not awarded: second round September 2012)
5. If Tax Credits are awarded, Long-term Lease with Property Owner executed (fall/winter 2012)
6. If Tax Credits are awarded, Design Review with Ketchum P & Z (fall/winter 2012)

The applicant team was not awarded the tax credits in the September 2011 round for several reasons outlined in the letter from GMD Development found in Attachment 2 to this report. One of the reasons was the Option to Lease adopted by KURA did not meet the criteria of "site control" outlined in the application, and did not contain a term of 99 years. A draft Revised Option to Lease is attached to this report, Attachment 3.

Financial Requirement/Impact

There are no direct fiscal costs to the KURA of this Revised Option to Lease. Due to the financial Performa for the project and a change in Tax Credit Rules, there is no lease payment to KURA planned. (The Northwood Place lease payment was \$890,000, based on different rules in effect at that time.)

Recommendation

Staff recommends that the KURA direct the Chair to sign the Revised Option to Lease with KCDC for the purpose of pursuing a tax credit housing project for property owned by KURA located at 211 East First Street.

Recommended Motion: "I move to authorize the Chair to sign the Revised Option to Lease with KCDC for the purpose of pursuing a tax credit housing project for property owned by KURA located at 211 East First Street.

Sincerely,

Lisa Horowitz
Community and Economic Development Director

OPTION TO LEASE
(Ketchum URA/Ketchum CDC)

THIS OPTION TO LEASE (the "Agreement") is made and entered into this 18th day of June, 2012, by and between the KETCHUM URBAN RENEWAL AGENCY (KURA), an Idaho political subdivision and THE KETCHUM COMMUNITY DEVELOPMENT CORPORATION, an Idaho nonprofit corporation ("Contractor").

RECITALS

WHEREAS, the KURA is a political subdivision duly organized and existing under the laws of the State of Idaho; and

WHEREAS, the Contractor is an Idaho nonprofit corporation duly organized and existing under the laws of the State of Idaho; and

WHEREAS, pursuant to Idaho Code §50-2007, the KURA is empowered to enter into contracts as may be deemed necessary to promote the welfare of the City and its residents; and

WHEREAS, it is deemed in the best interest of the KURA to acquire, by contract, certain services to be performed by the Contractor.

WHEREAS, the KURA is the owner of certain real property located at Lots 7 & 8, Block 19, Section 17, Township 4 Range 18 East, B.M., Blaine County Idaho, located at 211 East First Street, Ketchum;

WHEREAS, the KURA desires to pursue long term use of this property for employee or community housing;

WHEREAS, the KCDC, in conjunction with GMD Development intends to make application to the Idaho Housing and Finance Association for tax credits in September 2012;

WHEREAS, if awarded tax credits by the Idaho Housing and Finance Association, the KURA will accept a lease of 99 years for the amount of \$1, to be paid by the Contractor.

WHEREAS, this Option to Lease expires on December 31, 2012;

NOW, THEREFORE, on the basis of the foregoing recitals, and upon motion duly passed by the KURA, the parties agree as follows:

1. Incorporation of Recitals. The Recitals set forth herein above are hereby incorporated into and made an integral part of this Agreement.

2. The Services. The Contractor shall pursue a tax credit housing project at 211 East First Street, including all necessary studies, architectural documents and other services as needed in order to make an application to the Idaho Housing Finance Association for a tax credit housing project (collectively, these studies are referred to as the "Services").

3. Negotiation Priority. As consideration for the performance of the Services, KURA shall grant a 211 East First Street for the amount of \$1 dollar for the Real Property described by the Contractor. ~~If the contractor is successful in obtaining tax credits prior to the expiration of the term, the and- in negotiations for a long-term lease for 211 East First Street. Such priority imposes an obligation of the KURA shall to negotiate in good faith a long-term lease agreement grant a good faith preference in future negotiations to the Contractor to lease 211 East First Street for the chosen use. KURA shall not negotiate with other parties during the term of this option to lease.~~

4. Time of Performance. Contractor shall provide the Services prior to December 31, 2012, beginning on the date this Agreement is signed. Contractor shall report to the City on the results of the feasibility studies and make recommendations as to how to proceed.

5. Independent Contractor. KURA and Contractor hereby agree that Contractor shall perform the Services exclusively as an independent contractor and not as employee or agent of KURA. The Parties do not intend to create through this Agreement any partnership, corporation, employer/employee relationship, joint venture or other business entity or relationship other than that of independent contractor. Contractor, its agents and employees shall not receive nor be entitled to any employment-related benefits from KURA including without limitation, workers compensation insurance, unemployment insurance, health insurance, retirement benefits or any benefit that KURA offers to its employees. Contractor shall be solely responsible for the payment of all payroll and withholding taxes for amounts paid to Contractor under this Agreement and for Contractor's payments for work performed in performance of this Agreement by Contractor, its agents and employees; and Contractor hereby releases, holds harmless and agrees to indemnify KURA from and against any and all claims or penalties, including without limitation the 100% penalty, which in any manner relate to or arise from any failure to pay such payroll or withholding taxes.

6. Compliance With Laws/Public Records. Contractor, its agents and employees shall comply with all federal, state and local laws, rules and ordinances. This Agreement does not relieve Contractor of any obligation or responsibility imposed upon Contractor by law. Without limitation, Contractor hereby acknowledges that all writings and documents, including without limitation email, containing information relating to the conduct or administration of the public's business prepared by Contractor for KURA regardless of physical form or characteristics may be public records pursuant to Idaho Code Section 9-337 *et seq.* Contractor further acknowledges that, subject to certain limitations, the public may examine and take a copy of all such public writings and records. Accordingly, Contractor shall maintain such writings and records in such a manner that they may be readily identified, retrieved and made available for such inspection and copying.

7. Notice. All notices, requests, demands or other communication required or provided for under this Agreement, other than instructions given by KURA pursuant to Paragraph 2 herein above shall be in writing. Notices to KURA and Contractor shall be addressed as follows:

KETCHUM URBAN RENWAL AGENCY: CONTRACTOR:

KETCHUM URBAN RENWAL
AGENCY
ATTN: COMM & ECON DEV DIR
POST OFFICE BOX 2315
KETCHUM, IDAHO 83340-2315

KETCHUM COMMUNITY
DEVELOPMENT CORP.
P.O. BOX 6452
KETCHUM, ID 83340

8. Non-Assignment. Contractor hereby acknowledges that KURA has agreed to enter this Agreement based in part on Contractor's unique skills and reputation for professional work. Accordingly, Contractor may not assign or transfer in any manner this Agreement or any of Contractor's right, title or interest in or to this Agreement without the prior written consent of KURA which may be withheld for any reason.

9. Amendments. This Agreement may only be changed, modified, or amended in writing executed by all parties.

10. Headings. The headings in the Agreement are inserted for convenience and identification only and are in no way intended to describe, interpret, define, or limit the scope, extent, or intent of this Agreement or any provision hereof.

11. Attorney Fees and Costs. In the event that either party hereto is required to retain the services of an attorney to enforce any of its rights hereunder, the non-prevailing party shall pay to the prevailing party all reasonable costs and attorney fees incurred in such enforcement, whether or not litigation is commenced and including reasonable costs and attorney fees on appeal.

12. No Presumption. No presumption shall exist in favor of or against any party to this Agreement as the result of the drafting and preparation of the document.

13. Governing Law. This Agreement shall be governed by the laws and decisions of the State of Idaho.

14. Entire Agreement. This Agreement contains the entire Agreement between the parties respecting the matters herein set forth and supersedes all prior Agreements between the parties hereto respecting such matter.

15. Execution and Fax Copies and Signatures. This Agreement may be executed simultaneously in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

16. Authority. The parties executing this Agreement warrant, state, acknowledge, and affirm that they have the authority to sign the same and to bind themselves to the terms contained herein.

IN WITNESS WHEREOF, the parties have signed this Agreement the day and year first above written.

KETCHUM, URBAN RENWAL AGENCY
an Idaho political subdivision

KETCHUM COMMUNITY
DEVELOPMENT CORPORATION,
an Idaho nonprofit corporation

By: _____

By:

Randy Hall, Chair

Its: _____

ATTEST:

Sandra E. Cady, CMC
City Treasurer/Clerk



TO: Lisa Horowitz
Community and Economic Development Director
City of Ketchum / Ketchum Urban Renewal Agency

FROM: Gregory Dunfield
GMD Development, LLC
Jon Duval
Ketchum Community Development Corporation

DATE: June 11, 2012

RE: Lease Option Revision Request
Washington Place
211 East First Street
Ketchum, ID 83340

The purpose of this memo is to request revisions to the Lease Option entered into on July 18th, 2011 between the Ketchum Urban Renewal Agency ("KURA") and the Ketchum Community Development Corporation ("KCDC"). The Lease Option engaged KCDC and GMD Development ("GMD") to pursue tax credit and other funding for an affordable housing development at 211 East First Street consistent with the original acquisition intent of the property by KURA to pursue the long term use of the property for affordable housing. These revisions are being requested to enable KCDC/GMD to apply for tax credits consistent with the original KURA goal for the property and Idaho Housing and Finance Association ("IHFA") tax credit application requirements.

BACKGROUND

In June of 2011 KURA issued an RFP for the option to lease the site at 211 East First Street for an affordable housing development. In response to the RFP, one development proposal in total was received by KURA, that proposal was from the GMD/KCDC team. This proposal was reviewed and determined to meet the RFP criteria. In July 2011 KURA approved an option to lease the property to KCDC. Based on this approval GMD/KCDC endeavored to pursue tax credit and other funding for the proposed development consistent with KURA's intent to develop the property.

In September of 2011 GMD/KCDC made application to IHFA for an allocation of tax credits for Washington Place, the proposed affordable housing development located at 211 East First Street. Significant pre-development costs were expended by GMD/KCDC to prepare the proposal for application. The application did not secure a tax credit allocation in IHFA's Fall 2011 competitive round for several reasons related to the structure of the Lease Option, including:

- 1 - The Lease Option did not qualify as site control because it was not effective "but for" an allocation of tax credits, meaning KCDC needs the right to exercise the lease with the only condition being it secures an allocation of tax credits which provides feasibility to the project.

- 2 - The Lease Option did not cite the cost to lease the property for 99 years.
- 3 - Because the Lease Option did not qualify as site control, the application did not qualify for a "community contribution", which is a major scoring category in the competition for tax credits.

REQUEST

To continue its efforts in seeking funding for the affordable housing development at 211 East First Street GMD/KCDC is requesting these revisions to the Lease Option. The next opportunity to apply for tax credits with IHFA is September 7, 2012. Several parts of the Washington Place tax credit application, including several third party reports, must be revised to apply and GMD/KCDC will have to incur additional predevelopment costs to prepare and submit the application. GMD/KCDC needs approval to the Lease Option revisions to justify the additional predevelopment costs at this time to ensure these reports can be completed and the application revised.

We appreciate KURA's continued support of our endeavor's to bring more affordable housing to Ketchum and look forward to making our presentation and responding to any questions at the meeting on June 18.

OPTION TO LEASE
(Ketchum URA/Ketchum CDC)

THIS OPTION TO LEASE (the "Agreement") is made and entered into this 18th day of July, 2011, by and between the KETCHUM URBAN RENEWAL AGENCY (KURA), an Idaho political subdivision and THE KETCHUM COMMUNITY DEVELOPMENT CORPORATION, an Idaho nonprofit corporation ("Contractor").

RECITALS

WHEREAS, the KURA is a political subdivision duly organized and existing under the laws of the State of Idaho; and

WHEREAS, the Contractor is an Idaho nonprofit corporation duly organized and existing under the laws of the State of Idaho; and

WHEREAS, pursuant to Idaho Code §50-2007, the KURA is empowered to enter into contracts as may be deemed necessary to promote the welfare of the City and its residents; and

WHEREAS, it is deemed in the best interest of the KURA to acquire, by contract, certain services to be performed by the Contractor.

WHEREAS, the KURA is the owner of certain real property located at Lots 7 & 8, Block 19, Section 17, Township 4 Range 18 East, B.M., Blaine County Idaho, located at 211 East First Street, Ketchum;

WHEREAS, the KURA desires to pursue long term use of this property for employee or community housing;

WHEREAS, the KCDC, in conjunction with GMD Development intends to make application to the Idaho Housing and Finance Association for tax credits, which may include applications in September 2011 and/or February 2012 and/or September 2012;

WHEREAS, this Option to Lease expires on December 31, 2012;

NOW, THEREFORE, on the basis of the foregoing recitals, and upon motion duly passed by the KURA, the parties agree as follows:

1. Incorporation of Recitals. The Recitals set forth herein above are hereby incorporated into and made an integral part of this Agreement.

2. The Services. The Contractor shall pursue a tax credit housing project at 211 East First Street, including all necessary studies, architectural documents and other services as needed in order to make an application to the Idaho Housing Finance Association for a tax credit housing project (collectively, these studies are referred to as the "Services").

3. Negotiation Priority. As consideration for the performance of the Services, KURA shall grant first priority to the Contractor in negotiations for a long-term lease for 211 East First Street. Such priority imposes an obligation of the KURA to grant a good faith preference in future negotiations to the Contractor to lease 211 East First Street for the chosen use. KURA shall not negotiate with other parties during the term of this option to lease.

4. Time of Performance. Contractor shall provide the Services prior to December 31, 2012, beginning on the date this Agreement is signed. Contractor shall report to the City on the results of the feasibility studies and make recommendations as to how to proceed.

5. Independent Contractor. KURA and Contractor hereby agree that Contractor shall perform the Services exclusively as an independent contractor and not as employee or agent of KURA. The Parties do not intend to create through this Agreement any partnership, corporation, employer/employee relationship, joint venture or other business entity or relationship other than that of independent contractor. Contractor, its agents and employees shall not receive nor be entitled to any employment-related benefits from KURA including without limitation, workers compensation insurance, unemployment insurance, health insurance, retirement benefits or any benefit that KURA offers to its employees. Contractor shall be solely responsible for the payment of all payroll and withholding taxes for amounts paid to Contractor under this Agreement and for Contractor's payments for work performed in performance of this Agreement by Contractor, its agents and employees; and Contractor hereby releases, holds harmless and agrees to indemnify KURA from and against any and all claims or penalties, including without limitation the 100% penalty, which in any manner relate to or arise from any failure to pay such payroll or withholding taxes.

6. Compliance With Laws/Public Records. Contractor, its agents and employees shall comply with all federal, state and local laws, rules and ordinances. This Agreement does not relieve Contractor of any obligation or responsibility imposed upon Contractor by law. Without limitation, Contractor hereby acknowledges that all writings and documents, including without limitation email, containing information relating to the conduct or administration of the public's business prepared by Contractor for KURA regardless of physical form or characteristics may be public records pursuant to Idaho Code Section 9-337 *et seq.* Contractor further acknowledges that, subject to certain limitations, the public may examine and take a copy of all such public writings and records. Accordingly, Contractor shall maintain such writings and records in such a manner that they may be readily identified, retrieved and made available for such inspection and copying.

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KETCHUM URBAN RENWAL AGENCY: CONTRACTOR:

KETCHUM URBAN RENWAL
AGENCY
ATTN: COMM & ECON DEV DIR
POST OFFICE BOX 2315
KETCHUM, IDAHO 83340-2315

KETCHUM COMMUNITY
DEVELOPMENT CORP.
P.O. BOX 6452
KETCHUM, ID 83340

8. Non-Assignment. Contractor hereby acknowledges that KURA has agreed to enter this Agreement based in part on Contractor's unique skills and reputation for professional work. Accordingly, Contractor may not assign or transfer in any manner this Agreement or any of Contractor' right, title or interest in or to this Agreement without the prior written consent of KURA which may be withheld for any reason.

9. Amendments. This Agreement may only be changed, modified, or amended in writing executed by all parties.

10. Headings. The headings in the Agreement are inserted for convenience and identification only and are in no way intended to describe, interpret, define, or limit the scope, extent, or intent of this Agreement or any provision hereof.

11. Attorney Fees and Costs. In the event that either party hereto is required to retain the services of an attorney to enforce any of its rights hereunder, the non-prevailing party shall pay to the prevailing party all reasonable costs and attorney fees incurred in such enforcement, whether or not litigation is commenced and including reasonable costs and attorney fees on appeal.

12. No Presumption. No presumption shall exist in favor of or against any party to this Agreement as the result of the drafting and preparation of the document.

13. Governing Law. This Agreement shall be governed by the laws and decisions of the State of Idaho.

14. Entire Agreement. This Agreement contains the entire Agreement between the parties respecting the matters herein set forth and supersedes all prior Agreements between the parties hereto respecting such matter.

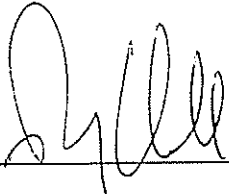
15. Execution and Fax Copies and Signatures. This Agreement may be executed simultaneously in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

16. Authority. The parties executing this Agreement warrant, state, acknowledge, and affirm that they have the authority to sign the same and to bind themselves to the terms contained herein.

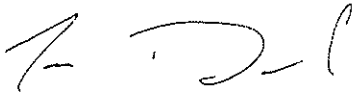
IN WITNESS WHEREOF, the parties have signed this Agreement the day and year first above written.

KETCHUM, URBAN RENWAL AGENCY
an Idaho political subdivision

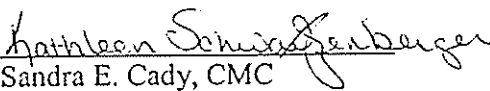
KETCHUM COMMUNITY
DEVELOPMENT CORPORATION,
an Idaho nonprofit corporation

By: 

Randy Hall, Chair

By: 
Its: EXECUTIVE DIRECTOR, KCDC

ATTEST:


Sandra E. Cady, CMC
City Treasurer/Clerk
for Sandy Cady

Ketchum Urban Renewal Agency, Idaho

P.O. Box 2315 Ketchum, ID 83340 (208) 726-3841 Fax: (208) 726-8234



June 18, 2012

Chairman Eshman and Board of Commissioners
Ketchum Urban Renewal Agency
Ketchum, Idaho

Chairman Eshman and Board of Commissioners:

US Bank Master Services Agreement For Government Entities

Introduction/History

US Bank provides the KURA with Depository and Banking Services.

Current Report

US Bank has updated their Master Services Agreement for Government Entities and associated appendices. The bank has requested the KURA to sign the updated agreement.

Financial Requirement/Impact

There are no financial requirements.

Recommendation

I respectfully recommend that the Board of Commissioners authorize the Chairman to sign the US Bank Master Services Agreement for Government Entities, Appendix A and Appendix B.

Recommended Motion

"I move to authorize the Chairman to sign the US Bank Master Services Agreement for Government Entities, Appendix A and Appendix B."

Sincerely,

A handwritten signature in cursive script that reads "Sandra E. Cady". The signature is written in black ink and is positioned above the typed name and title.

Sandra E. Cady
Secretary/Treasurer



Master Services Agreement (Governmental Entities)

Customer Tax ID Number: _____

I, Mark Eshman, HEREBY CERTIFY that I am Chairman
of KETCHUM URBAN RENEWAL AGENCY ("Customer"). I further certify that I have full power and lawful authority to execute this Master Services Agreement ("MSA") on behalf of Customer. I further certify that Customer has taken all action required by its resolutions and other organizational documents, records or agreements to authorize the individuals listed below to act on behalf of Customer in all transactions contemplated under this MSA. Customer hereby agrees as follows:

DEPOSIT ACCOUNTS:

1. U.S. Bank National Association ("Bank") is hereby designated as Customer's banking depository. Customer has received a copy of the deposit account terms and conditions and agrees that such terms shall govern the deposit account services provided by Bank. All transactions between Customer and Bank involving any of Customer's accounts at Bank will be governed by the deposit terms and conditions, this MSA and other disclosures provided to Customer. Customer agrees to provide Bank with a copy of documents requested by Bank.

2. Any one (1) of the persons whose names and signatures appear in Appendix A (individually, an "Account Signer") are hereby authorized to open, add, modify, or close accounts in the name of Customer or its subsidiaries or affiliates, or if applicable, as an agent for another entity, and to sign, on behalf of Customer, its subsidiaries or affiliates or as an agent for another entity, checks, drafts or other orders for the payment, transfer or withdrawal of any of the funds or other property of Customer, whether signed, manually or by use of a facsimile or mechanical signature or otherwise authorized, including those payable to the individual order of the person or persons signing or otherwise authorizing the same and including also those payable to the Bank or to any other person for application, or which are actually applied to the payment of any indebtedness owing to the Bank from the person or persons who signed such checks, drafts or other withdrawal orders or otherwise authorized such withdrawals; and are also authorized to endorse for deposit, payment or collection any check, bill, draft or other instrument made, drawn or endorsed to the accounts governed by this MSA for deposit into these accounts. The authorization contained in the preceding sentence includes transfers of funds or other property of Customer to accounts outside of those accounts Customer maintains at Bank. Any one of the Contract Signers (as defined below) is also authorized to execute any documentation that Bank may require to add or delete Account Signers.

3. Unless Customer otherwise advises Bank in writing and Bank has a reasonable opportunity to act on such writing, the Account Signers listed in Appendix A will be Account Signers on any future deposit accounts that Customer maintains with Bank.

4. Customer acknowledges and agrees that Bank is not required to obtain the consent of or otherwise contact an Account Signer for transactions other than those listed in paragraph 2 above, including, but not limited to, transfers between accounts Customer maintains at Bank, advances on loans Customer has with Bank and transfers to pay down loans Customer has with Bank.

TREASURY MANAGEMENT SERVICES:

5. Bank's treasury management services ("Treasury Management Service(s)") are described in the U.S. Bank Services Terms and Conditions, any supplements thereto, any implementation documents, user manuals, operating guides and other related documentation and disclosures provided by Bank, and any addendum to any of the foregoing (collectively the "Services Agreement"). Customer has received and reviewed the Services Agreement and desires to use one or more of the Treasury Management Services.

6. Any one (1) of the persons whose names and signatures appear in Appendix B (individually, a "Treasury Management Signer") are empowered in the name of and on behalf of the Customer to enter into all transactions contemplated in the Services Agreement including, but not limited to, selecting Treasury Management Services, appointing agents to act on behalf of Customer in the delivery of Treasury Management Services, signing additional documentation necessary to implement the Treasury Management Services and giving Bank instructions with regard to any Treasury Management Service, including without limitation, wire transfers, ACH transfers, and any other electronic or paper transfers from or to any account Customer may maintain with Bank. Bank may, at its discretion, require Customer to execute additional documentation to implement or amend certain Treasury Management Services. In such cases, documentation necessary to implement or amend such Services shall be signed by a Treasury Management Signer. Customer further acknowledges and agrees that Bank may implement or amend Services based on the verbal, written, facsimile, voice mail, email or other electronically communicated instructions that it believes in good faith to have been received from a Treasury Management Signer. Any one of the Contract Signers (as defined below) is also authorized to execute any documentation that Bank may require to add or delete Treasury Management Signers.



Master Services Agreement (Governmental Entities)

MONEY CENTER AND SAFEKEEPING SERVICES:

7. Any one (1) of the persons referenced in Appendix M (individually, a "Money Center Signer") are each authorized and empowered in the name of and on behalf of the Customer to transact any and all depository and investment business through the Bank's Money Center division (the "Money Center") and any securities custodial business through the Bank's Safekeeping Department (the "Safekeeping Department"), which such person may at any time deem to be advisable, including, without limiting the generality of the foregoing, selecting any services that may from time to time be offered by the Money Center or the Safekeeping Department (collectively referred to herein as "Money Center Services" and "Safekeeping Services", respectively), appointing additional Money Center Signers or agents to act on behalf of Customer with respect to Money Center Services and Safekeeping Services, signing additional documentation necessary to implement the Money Center Services and Safekeeping Services and giving Bank instructions with regard to any Money Center Service and Safekeeping Service. Customer has received and reviewed the Services Agreement and may use one or more of the Money Center Services or Safekeeping Services from time to time. Bank may, at its discretion, require Customer to execute additional documentation to implement or amend certain Money Center Services or Safekeeping Services. In those cases, the required documentation shall be signed by a Money Center Signer. Customer further acknowledges and agrees that Bank may take any action with respect to any Money Center Services or Safekeeping Services requested by a Money Center Signer based on the verbal, written, facsimile, voice mail, email or other electronically communicated instructions that Bank believes in good faith to have been received from a Money Center Signer. Any one of the Money Center Signers is also authorized to execute any documentation that Bank may require to add or delete Money Center Signers.

FOREIGN EXCHANGE:

8. Bank is authorized by Customer to enter into foreign exchange transactions. Customer has received a copy of the Services Agreement and agrees that the terms contained in the Services Agreement, this MSA and other disclosures provided to Customer shall govern the foreign exchange services provided by Bank. Customer agrees to provide Bank with a copy of documents requested by Bank.

FOREIGN CURRENCY ACCOUNTS:

9. Bank is hereby designated as Customer's banking depository for one or more Foreign Currency Account(s) (the "Foreign Account(s)"). Any one (1) of the persons whose names and signatures appear in Appendix C (individually, a "Foreign Currency Account Signer") are hereby authorized to open, add, modify, or close any Foreign Account(s) in the name of Customer or its subsidiaries or affiliates and to make, on behalf of Customer, orders for payment or transfer of any of the funds or other property of Customer, whether signed, manually or by use of a facsimile or mechanical signature or otherwise authorized, including those payable to the individual order of the person or persons signing or otherwise authorizing the same. Customer hereby expressly authorizes and directs Bank to accept written and oral instructions any payment orders, by telephone or otherwise, consistent with the Services Agreement. Customer has received a copy of the Services Agreement and agrees that the terms contained in the Services Agreement, this MSA and other disclosures provided to Customer shall govern the Foreign Accounts. Any one of the Contract Signers (as defined below) is also authorized to execute any documentation that Bank may require to add or delete Foreign Currency Account Signers.

OTHER SERVICES:

10. A Contract Signer is authorized and empowered on behalf of Customer to transact any and all other depository and investment business with and through Bank, and, in reference to any such business, to make any and all agreements and to execute and deliver to Bank any and all contracts and other writings which such person may deem to be necessary or desirable.

GENERAL:

11. All Account Signers, Treasury Management Signers, Foreign Currency Account Signers and/or Money Center Signers (whether designated in this MSA or in a prior document [for example, a Certificate of Authority or a Treasury Management Services Agreement] executed by Customer) will remain in place until Bank receives written notice of any change and has a reasonable time to act upon Customer's written notice.

12. Any and all transactions by or in behalf of Customer with the Bank prior to the adoption of this MSA (whether involving deposits, withdrawals, Treasury Management Services, or otherwise) are in all respects ratified, approved and confirmed.

13. Customer agrees to furnish Bank with the names and signatures (either actual or any form or forms of facsimile or mechanical signatures adopted by the person authorized to sign) of the persons who presently are Account Signers, Treasury Management Signers, Foreign Currency Account Signers and/or Money Center Signers. Bank shall be indemnified and saved harmless by Customer from any claims, demands, expenses, loss or damage resulting from or growing out of honoring or relying on the signature or other authority (whether or not properly used and, in the case of any facsimile signature, regardless of when or by whom or by what means such signature may have been made or affixed) of any officer or person whose name and signature was so certified, or refusing to honor any signature or authority not so certified.



Master Services Agreement (Governmental Entities)

Each of the undersigned (individually and collectively, the "Contract Signers") certifies that, based on his or her review of Customer's books and records, Customer has, and at the time of adoption of this MSA had, full power and lawful authority to adopt the MSA and to confer the powers herein granted to the persons named, and that such persons have full power and authority to exercise the same.

Each of the Contract Signers further certifies that he or she has the full power and lawful authority to execute this MSA on behalf of Customer, its subsidiaries and affiliates, or if applicable, as an agent for another entity who has entered into an agreement with Customer authorizing Customer to act on such entity's behalf.

Each of the Contract Signers further certifies that the Account Signers, Treasury Management Signers, Foreign Currency Account Signers and/or Money Center Signers have been duly elected to and now hold the offices of Customer set opposite their respective names, and the signatures appearing opposite their names are the authentic, official signatures of the said signer.

The undersigned Contract Signers have executed this MSA as of the 18th day of June, 20 12.

Contract Signer
Signature: _____
Print Name: Mark Eshman
Print Title: KURA Chairman

Contract Signer
Signature: _____
Print Name: _____
Print Title: _____

Contract Signer
Signature: _____
Print Name: _____
Print Title: _____

Contract Signer
Signature: _____
Print Name: _____
Print Title: _____

Contract Signer
Signature: _____
Print Name: _____
Print Title: _____

Contract Signer
Signature: _____
Print Name: _____
Print Title: _____

Contract Signer
Signature: _____
Print Name: _____
Print Title: _____

Contract Signer
Signature: _____
Print Name: _____
Print Title: _____

For Internal Use Only:			
Review _____	Validation Method _____	TL Review _____	Imaged _____



SPECIAL MEETING OF THE KETCHUM
URBAN RENEWAL AGENCY
May 21, 2012

This Special Meeting of the Ketchum Urban Renewal Agency was called to order by Vice-Chairman Trish Wilson at 5:15 p.m. at City Hall, Ketchum, Idaho.

Commissioners present: Vice-Chairman Trish Wilson
Commissioner Charles Friedman
Commissioner Nina Jonas
Commissioner Curtis Kemp

Commissioners absent: Chairman Mark Eshman
Commissioner Randy Hall
Commissioner Trina Peters

Also present: Executive Director Gary Marks
Attorney Stephanie Bonney
Ketchum Community and Economic Development Director Lisa Horowitz
Sunny Grant wrote minutes for this meeting

1. The meeting was called to order by Vice-Chairman Trish Wilson at 5:17pm.

2. Comments from the Public
There were no comments from the public.

5. Consent Calendar
a. Approval of minutes from the March 12, 2012 and April 16, 2012 URA Board meetings
b. Recommendation to approve current bills

Commissioner Curtis Kemp moved to approve the Consent Calendar of May 21, 2012. Motion seconded by Commissioner Charles Friedman, and passed unanimously.

6. ADJOURNMENT
Commissioner Curtis Kemp moved to adjourn at 5:19pm. Motion seconded by Commissioner Trish Wilson, and passed unanimously.

TRISH WILSON,
Vice-Chairman

ATTEST:

SANDRA E. CADY, CMC
Secretary/Treasurer

Report Criteria:

Invoices with totals above \$0 included.
Paid and unpaid invoices included.
[Report].GL Account Number = "961000000"- "9844109930"

Vendor Name	Invoice Number	Description	Net Invoice Amount
URBAN RENEWAL AGENCY			
URBAN RENEWAL EXPENDITURES			
98-4410-2550 HEALTH-VISION-CAFETERIA ADMIN			
NBS-NATIONAL BENEFIT SERVI	381018	HRA Administration	2.50
98-4410-3100 OFFICE SUPPLIES & POSTAGE			
UNIFIED OFFICE SERVICES	140072	Name PLates	25.90
98-4410-4200 PROFESSIONAL SERVICES			
BROOKS WELDING	8548	Bench for Visitor Center	155.92
EXPRESS PUBLISHING, INC.	2196-05/12	Acct. 2196	51.84
GRANT, SUZANNE	05/28/12	URA Minutes 05/21/12	15.00
MOORE SMITH BUXTON & TUR	42793	1536-03 - Urban Renewal Agency	385.73
MOORE SMITH BUXTON & TUR	42796	1536-26 - Urban Renewal Agency	5.09
NETWORK OPERATIONS COMPA	13888	Managed Service - Ketchum Wi-Fi	150.00
98-4410-4900 PERSONNEL TRAINING/TRAVEL/MTG			
ENOURATO, LISA	051712	Mileage for RAI	145.60
MARKS, GARY	05/17/12	RAI Board Meeting	133.77
98-4410-5100 TELEPHONE & COMMUNICATIONS			
SYRINGA NETWORKS	12JUN0085	WR Community Wi-Fi	1,267.00
98-4410-5200 UTILITIES			
OHIO GULCH TRANSFER STATI	06-319126	URA Fence	2.80
OHIO GULCH TRANSFER STATI	06-319130	URA Fence	2.40
98-4410-8801 REIMBURSE CITY GENERAL FUND			
City of Ketchum	04/30/12	URA Salary Reimbursement	4,014.62
City of Ketchum	04/30/12	URA Benefit Reimbursement	1,408.05
City of Ketchum	04/30/12	URA Administrative Expenses Reimbursement	4,122.55
Total URBAN RENEWAL EXPENDITURES:			11,888.77
Total URBAN RENEWAL AGENCY:			11,888.77
Grand Totals:			11,888.77