

**MEETING AGENDA**  
**CITY OF POCATELLO**  
**POCATELLO DEVELOPMENT AUTHORITY**  
MARCH 19, 2025 – 11:00 AM  
POCATELLO CITY HALL | COUNCIL CHAMBERS | 911 NORTH 7<sup>TH</sup> AVENUE

In accordance with the Americans with Disabilities Act, it is the policy of the City of Pocatello to offer its public programs, services, and meetings in a manner that is readily accessible to everyone, including those with disabilities. If you are disabled and require an accommodation, please contact Skyler Beebe with two (2) business days' advance notice at [sbeebe@pocatello.gov](mailto:sbeebe@pocatello.gov); 208.234.6248; or 5815 South 5<sup>th</sup> Avenue, Pocatello, Idaho. Advance notification within this guideline will enable the City to make reasonable arrangements to ensure accessibility.

In the event this meeting is still in progress at 12:00 p.m., a ten-minute recess may be called.

- 1. CALL TO ORDER, ROLL CALL, DISCLOSE CONFLICTS OF INTEREST AND ACKNOWLEDGMENT OF GUESTS.**
- 2. ACTION ITEM: APPROVE MEETING MINUTES.** The Board may wish to waive the oral reading of the Board of Commissioners' meeting minutes held February 19, 2025, and approve the minutes as presented.
- 3. ACTION ITEM: MONTHLY FINANCIAL REPORT, EXPENSES AND REIMBURSEMENTS.** The Board may wish to approve the monthly financial report, expenses and reimbursements.
- 4. ACTION ITEM: LETTER OF INTENT TO TERMINATE NAVAL ORDINANCE PLANT (NOP) TO TAX DISTRICTS.** The Board may wish to authorize the Chair and Executive Director and execute and send the letter.
- 5. ACTION ITEM: AIRPORT URA – PRESENTATION OF THE CREST DEVELOPMENT PLAN AND AUTHORIZE AND EXECUTE AN MOU WITH BANNOCK DEVELOPMENT CORPORATION.** The Board may wish to have a presentation of the CREST Development Plan. They Board may also wish to review and authorize Counsel to prepare a MOU with Bannock Development Corporation to pay for the Financial Feasibility Study Development of a Multi-Use Complex Adjacent to Regional Airport papered by Pendulum Design LLC, and to authorize the Chair to sign the MOU from the Airport URA. **ACTION ITEM:**
- 6. NORTHGATE URA - CITY OF POCATELLO REIMBURSEMENT REQUEST NO. 2 .** The Board may wish to review, approve and execute the City of Pocatello's reimbursement request no. 2 from the North Gate URA.
- 7. MONARCH BUILDING DEMOLITION RFP.** The Board may wish to discuss the demolition process of the Monarch Building for creation of the Request for Proposal.
- 8. CALENDAR REVIEW.** The Board may wish to take this opportunity to inform other Board members of upcoming meetings and events that should be called to their attention.
- 9. ADJOURN MEETING.**

# Action Item 2

**MINUTES**  
CITY OF POCATELLO  
POCATELLO DEVELOPMENT AUTHORITY MEETING  
FEBRUARY 19, 2025 – 11:00 AM  
COUNCIL CHAMBERS | 911 NORTH 7TH AVENUE, POCATELLO

**1. CALL TO ORDER AND DISCLOSURE OF CONFLICTS OF INTEREST**

**Villarreal** called the meeting to order at 11:02 AM.

**Members present:** Mayor Brian Blad, Jeff Hough, Linda Leeuwrik, Kirk Lepchenske, Nathan Richardson, David Villarreal, and Ruby Walsh. No conflicts were disclosed.

**Members excused/unexcused:** Fred Parrish.

**Others present:** Executive Director Brent McLane, Treasurer Thane Sparks, Secretary Aceline McCulla, City of Pocatello Development Engineer Merril Quayle, City of Pocatello Attorney Jared Johnson, City of Pocatello PW Director/City Engineer Jeff Mansfield, and other visitors.

**2. APPROVE MINUTES**

The Board may wish to waive the oral reading of the minutes and approve the minutes from the Board of Commissioners regular and executive session meetings held January 15, 2025.

It was moved by **B. Blad** and seconded by **L. Leeuwrik** to approve the meeting minutes as written held December 18, 2024. Those in favor: B. Blad, J. Hough, L. Leeuwrik, K. Lepchenske, N. Richardson, D. Villarreal and R. Walsh. Those against: none. Unanimous. Motion carried.

**3. MONTHLY FINANCIAL REPORT, EXPENSES AND REIMBURSEMENTS**

The Board may wish to approve the monthly financial report, expenses and reimbursements.

It was moved by **B. Blad** and seconded by **K. Lepchenske** to approve the financial report, expenses and reimbursements as presented. Those in favor: B. Blad, J. Hough, L. Leeuwrik, K. Lepchenske, N. Richardson, D. Villarreal and R. Walsh. Those against: none. Unanimous. Motion carried.

**4. DONATION AGREEMENT MONARCH BUILDING.**

The Board may wish to approve and execute the Donation Agreement Monarch Building and Form 8283.

**Villarreal** asked McLane about the transfer and title and closing costs of the donation of property. **McLane** asked Conrad-Sullivan if this was addressed in the donation agreement and clarify the closing costs. **Conrad-Sullivan** sections 1.4 and 1.6 state the donor costs for title and all other closing costs will be paid for by the owner.

**Hough** asked McLane for an overview of why the PDA is accepting this property donation. **McLane** explained the owners purchased the burnt building in hopes of rebuilding, and the property has become a safety issue with unreinforced masonry walls, as the property was not rehabilitated. One of PDA's purposes is to acquire and or refurbish blighted property and make them viable, bring them back on the tax rolls of economic viability and become an asset to the community. The owners do not have the funds to complete necessary work and decided to donate it to the PDA, who will make it safe, remove the building, and partner with someone to redevelop the property. **Hough** asked about the potential URA. **McLane** stated an URA, TIF District, will need to be created for this area, and noted the PDA recently completed an eligibility study for this area. The PDA will need to move forward with the feasibility study to make sure the redevelopment of this site is beneficial to the community and not turned into a parking lot.

**Blad** asked why the donation agreement has to acknowledge and consent by vote. **Conrad-Sullivan** sited that “Pursuant to Idaho Code Section 50-2007(d), PDA has the power to acquire real property in anticipation of establishing an urban renewal plan area, subject to approval by the City Council.”

It was moved by **J. Hough** and seconded by **R. Walsh** to approve and execute the Donation Agreement Monarch Building and Form 8283 as presented. Those in favor: B. Blad, J. Hough, L. Leeuwrik, K. Lepchenske, N. Richardson, D. Villarreal and R. Walsh. Those against: none. Unanimous. Motion carried.

**Conrad-Sullivan** asked that the Board add to the motion to authorize the Chair to execute all closing documents when presented.

It was moved by **J. Hough** and seconded by **B. Blad** to also authorize the Chair to execute all necessary Donation Agreement Monarch Building closing documents as needed. Those in favor: B. Blad, J. Hough, L. Leeuwrik, K. Lepchenske, N. Richardson, D. Villarreal and R. Walsh. Those against: none. Unanimous. Motion carried.

**5. ACTION ITEM: PROFESSIONAL SERVICES AGREEMENT AND TASK ORDER NO. 1.** The Board may wish to review, approve, and execute the Professional Services Agreement and the Task Order No. 1 with Brad Cramer of Perspective Planning and Consulting LLC for the Eligibility Study and Feasibility Study for the Naval Ordinance Plant URA 2025.

It was moved by **B. Blad** and seconded by **R. Walsh** to approve and execute the Professional Services Agreement and Task Order No. 1 as presented. Those in favor: B. Blad, J. Hough, L. Leeuwrik, K. Lepchenske, N. Richardson, D. Villarreal and R. Walsh. Those against: none. Unanimous. Motion carried.

**6. ACTION ITEM: APPROVE FISCAL YEAR 2024 (FY24) ANNUAL REPORT.** The Board may wish to review and approve the FY24 Annual Report.

**McLane** noted the annual report, upon approval will be submitted to the State of Idaho and be post on the PDA website for accessibility to the public. This report reflects numbers from our annual audit report with Deaton and Company, and a brief overview of district happenings over the fiscal year.

**Blad** noted that the Legislature identified the PDA as doing URA and TIF’s right in the State of Idaho.

It was moved by **R. Walsh** and seconded by **L. Leeuwrik** to approve the FY24 Annual Report as presented. Those in favor: B. Blad, J. Hough, L. Leeuwrik, K. Lepchenske, F. Parrish, N. Richardson, D. Villarreal and R. Walsh. Those against: none. Unanimous. Motion carried.

## **7. CALENDAR REVIEW**

The Board may wish to take this opportunity to inform other Board members of upcoming meetings and events that should be called to their attention.

**Leeuwrik** noted Simplot Games begins tomorrow evening, please attend if you are able.

**McLane** noted that on February 27 at 2 PM Bannock Development Corporation will make an announcement that will be exciting for this community.

## **8. ADJOURN.**

With no further business, **Villarreal** adjourned the meeting at 11:24 AM.

Submitted by:

Aceline McCulla, Secretary

Approved on:



# Action Item 3

**Pocatello Development Authority**  
**Monthly Finance Report**  
**March 19, 2025**  
**Fiscal Year 2025**

**Expenditure Approvals:**

**Checks to be ratified:**

<u>Vendor</u>	<u>Check #</u>	<u>Amount</u>	
ICCU VISA	dbt25-3	21.19	Costco - lunch

**Checks to be approved:**

<u>Vendor</u>	<u>Check #</u>	<u>Amount</u>	
ICCU VISA	dbt25-3a	161.07	Oliver's (lunch)
Thane Sparks	2057	1,500.00	March invoice
Elam & Burke	2058	2,160.00	Invoice #213531
ICRMP	2059	5,949.50	2nd half insurance premium
City of Pocatello	2060	683,476.76	Northgate reimbursement request #2

*Board Approval*

**Cash Balances as of March 19, 2025**

	General Fund		Naval Ordinance		North Portneuf		Airport		Northgate		Total	
	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
<b>Cash*</b>	1,022,189.93		220,328.47		1,675,825.67		84,687.53		124,096.68		3,127,128.28	
<b>Income</b>												
Administrative fees	-	-	-	-	-	-	-	-	-	-	-	0.00
Property taxes	17,000	-	142,000	160,035.00	98,000	80,397.00	82,000	38,674.60	415,000	466,133.98	754,000	745,240.58
Interest income	100,000	55,021.73	-	-	-	-	-	-	-	-	100,000	55,021.73
Other (mou closure)	-	-	-	13,000.00	-	-	-	-	-	-	-	13,000.00
<b>Total Income</b>	<b>117,000</b>	<b>55,021.73</b>	<b>142,000</b>	<b>173,035.00</b>	<b>98,000</b>	<b>80,397.00</b>	<b>82,000</b>	<b>38,674.60</b>	<b>415,000</b>	<b>466,133.98</b>	<b>854,000</b>	<b>813,262.31</b>
<b>Expense</b>												
Administrative expense	-	-	-	-	-	-	-	-	-	-	-	0.00
Luncheon costs	2,500	1,128.81	-	-	-	-	-	-	-	-	2,500	1,128.81
Office expenses	500	-	-	-	-	-	-	-	-	-	500	0.00
Dues and memberships	-	-	-	-	-	-	-	-	-	-	-	0.00
Insurance	11,900	5,949.50	-	-	-	-	-	-	-	-	11,900	5,949.50
City admin charges	20,000	5,730.21	-	-	-	-	-	-	-	-	20,000	5,730.21
Professional services	85,000	24,085.00	-	-	75,000	-	-	-	-	-	160,000	24,085.00
New district/feasibility study	125,000	64,607.50	-	-	-	-	-	-	-	-	125,000	64,607.50
Reimbursement - district imp.	-	-	-	-	-	-	-	-	685,000	683,476.76	685,000	683,476.76
Planned development projects	-	-	-	-	450,000	174,640.00	-	-	-	-	450,000	174,640.00
Non-capital Infrastructure	979,100	-	172,000	-	843,000	-	84,100	-	-	-	2,078,200	0.00
<b>Total Expense</b>	<b>1,224,000</b>	<b>101,501.02</b>	<b>172,000</b>	<b>0.00</b>	<b>1,368,000</b>	<b>174,640.00</b>	<b>84,100</b>	<b>0.00</b>	<b>685,000</b>	<b>683,476.76</b>	<b>3,533,100</b>	<b>959,617.78</b>

# COSTCO WHOLESALE

Pocatello #1033  
305 West Quinn Rd.  
Pocatello, ID 83202

## SELF-CHECKOUT

QU Member 111854619394  
E 1389984 MINIBISCONIE 7.99 A  
SUBTOTAL 7.99  
TAX 0.48  
\*\*\*\* TOTAL 8.47

XXXXXXXXXXXX6958 CHIP Read  
AID: A0000000042203 VERIFIED BY PIN  
Seq# 202210 App#: 020309  
EFT/Debit Resp: APPROVED  
Tran ID#: 501400202210....

APPROVED - Purchase  
AMOUNT: \$8.47  
01/14/2025 17:21 1033 202 158 702

EFT/Debit 8.47  
CHANGE 0.00

A 6.00 % TAX RATE 0.48  
TOTAL TAX 0.48  
TOTAL NUMBER OF ITEMS SOLD = 1  
~~01/14/2025~~ 17:21 1033 202 158 702



21103320201582501141721

OP#: 702 Name: SCO

Thank You!

Please Come Again

Whse:1033 Trn:202 Trn:158 OP:702

Items Sold: 1  
QU 01/14/2025 17:21

Reimburse Aceline McCulla  
Dessert for 1.15.25 meeting

PDA Lunch Meeting for March 19, 2025

**Oliver's Restaurant**

**130 S 5th Avenue**

**Pocatello ID 83201**

**Contact 208-234-0672 (Lisa Manager.) Lisa mobile 208.221.8307**

**email: oliversrestaurantpocatello@gmail.com**

City of Pocatello Tax Exempt ID: 82-6000244

**Deliver to City Hall, 911 N 7th Ave, Council Chambers between 10:30-10:45 AM**

Call Aceline's mobile 406.202.6444 with questions. Thank you.

Items	Qty	Each Cost	Totals
Baked Chicken & Pepper Jack , Deli roll	2	\$ 11.99	\$ 23.98
Pastrami & Swiss, Deli roll	1	\$ 11.99	\$ 11.99
Roast Beef & Pep Jack, Deli roll	1	\$ 11.99	\$ 11.99
Turkey & Pep Jack, Deli roll <b>(1) Only Tom, NO Lettuce, Label Linda</b>	2	\$ 11.99	\$ 23.98
House Club & Pep Jack, white <b>(1) Tom &amp; Onion, NO Lettuce, Label Jeff M</b>	2	\$ 12.99	\$ 25.98
Low Cal Special Chicken Breast, Orange, Cucumber, Celery	2	\$ 12.99	\$ 25.98
Chips Assorted	8	\$ -	\$ -
Desserts (6 Brownie NO NUTS, 6 Carrot Cake)	10	\$ -	\$ -
<b>TOTAL FOOD (10 Mini Box Lunches - all inclusive mini box)</b>			<b>\$ 123.90</b>
Gratuity 20% of food			\$ 24.78
Delivery Charge 10%			\$ 12.39

**TOTAL ORDER AMOUNT**

**\$ 161.07**

PAID BY CREDIT CARD ON 3.13.2025

**\$ (161.07)**

Balance Due

\$ -

**INSTRUCTIONS:**

1. All sandwiches dry, please include mayo and mustard packets on side, & ranch for low cal special
2. Include Lettuce and Tomato on all sandwiches, **except Jeff M & Linda NO LETTUCE, bold text above**
3. Please label each box with name of sandwich, carrot cake/brownie no nuts

Thank you very much! Aceline



251 E. Front Street, Suite 300  
Boise, Idaho 83702  
Tax ID No. 82-0451327  
Telephone 208-343-5454  
Fax 208-384-5844



February 28, 2025

Pocatello Development Authority  
Attn: Brent McLane  
City of Pocatello  
P.O. Box 4169  
Pocatello, ID 83205

Invoice No. 213531  
Client No. 9212  
Matter No. 3  
Billing Attorney: MSC

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### INVOICE SUMMARY

For Professional Services Rendered from February 1, 2025 through February 28, 2025.

**RE: Special Counsel General**

Total Professional Services	\$ 2,160.00
Total Costs Advanced	<u>    \$ .00</u>
<b>TOTAL THIS INVOICE</b>	<b>\$ 2,160.00</b>

**Member Billing Contact:**

Brent McLane  
 Pocatello Development Authority  
 911 N 7th Ave  
 Pocatello, ID 83205

**Invoice Date:** 3/1/2025  
**Invoice Number:** 18045 - 2025 - 2  
**Policy Period:** 10-1-24 to 9-30-25  
**Policy Number:** 44A18045100124

## Insurance Billing

DESCRIPTION	
24-25 Policy Year Annual Premium:	\$11,899.00
Paid to Date:	\$5,949.50
Balance Due:	\$5,949.50
For proper application, please do not combine other payments with your premium remittance.	

Please Detach and Submit with Payment

Pocatello Development Authority  
 911 N 7th Ave  
 Pocatello, ID 83205

**Make Checks Payable to:**

ICRMP  
 PO Box 15116  
 Boise, ID 83715

<b>Invoice Date:</b>	3/1/2025
<b>Invoice Number:</b>	18045 - 2025 - 2
<b>Due Date:</b>	4/15/2025
<b>Balance Due:</b>	<b>\$5,949.50</b>
<b>Amount Paid:</b>	

Write Amount Paid Here

Address Corrections? Please make changes on the back of this form and enclose with your payment.

# Memorandum

**To:** Brent McLane, PDA Executive Director  
David Villarreal, PDA Chair

**From:** Merril Quayle PE, Public Works Engineer *MB*

**Date:** March 19, 2025

**Re:** Northgate Revenue Allocation Fund Reimbursement Request No. 2 – City of Pocatello

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May 2, 2019 the City of Pocatello approved the Northgate Urban Renewal Plan under ordinance 3026 and recorded at Bannock County Instrument 21905996.

The February 19, 2025 Pocatello Development Authority (PDA) monthly finance reported \$685,000.00 in the Northgate District.

June 12, 2024 the PDA approved the first reimbursement request in the amount of \$635,612.11.

The City of Pocatello is requesting a second reimbursement which would include items 1, 2, and 3 below in the amount of \$470,346.73 and a portion of item 4 in the amount of \$213,130.03.

The total second reimbursement request would be \$683,476.76.

Remaining requests:

1. Labor cost for EGC170 (WPC Facility Plan)	\$5,305.05
2. WPC Facility Plan, Murry Smith	\$68,725.18
3. WPC002-Griffith sanitary sewer upsize for flow capacity	\$396,316.50
4. WPC006-Fairground Sanitary Sewer Extension	\$913,130.53
Total	\$1,383,476.76

If this request is approved for \$683,476.76 then the remaining future amount to be reimbursed to the City of Pocatello would be \$700,000.00.





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ORDINANCE NO. 3026

AN ORDINANCE OF THE CITY OF POCATELLO, A MUNICIPAL CORPORATION OF IDAHO, APPROVING THE URBAN RENEWAL PLAN FOR THE NORTHGATE URBAN RENEWAL PROJECT, WHICH PLAN INCLUDES REVENUE ALLOCATION FINANCING PROVISIONS; AUTHORIZING THE CITY CLERK TO TRANSMIT A COPY OF THIS ORDINANCE AND OTHER REQUIRED INFORMATION TO COUNTY AND STATE OFFICIALS AND OTHER TAXING ENTITIES; PROVIDING SEVERABILITY; PROVIDING FOR THE REPEAL OF ALL ORDINANCES IN CONFLICT HEREWITH; AND PROVIDING THAT THIS ORDINANCE SHALL BE IN FULL FORCE AND EFFECT FROM AND AFTER ITS PASSAGE, APPROVAL, AND PUBLICATION ACCORDING TO LAW.

WHEREAS, the City Council (the "City Council") and Mayor of the City of Pocatello (the "City") created the urban renewal agency, the Urban Renewal Agency of the City of Pocatello, also known as the Pocatello Development Authority (hereinafter, the "Agency"), authorizing the Agency to transact business and exercise the powers granted by the Idaho Urban Renewal Law of 1965, Chapter 20, Title 50, Idaho Code, as amended and supplemented (the "Law") and the Local Economic Development Act, Chapter 29, Title 50, Idaho Code, as amended and supplemented (the "Act") upon making the findings of necessity required for creating the Agency;

WHEREAS, the Mayor has duly appointed the Board of Commissioners of the Agency, which appointment was confirmed by the City Council;

WHEREAS, the City Council, on July 15, 2004, after notice duly published, conducted a public hearing on the North Yellowstone Urban Renewal Area Plan (the "North Yellowstone Plan");

WHEREAS, following said public hearing the City Council adopted its Ordinance No. 2741 on July 15, 2004, approving the North Yellowstone Plan and making certain findings;

WHEREAS, the City Council, on June 22, 2006, after notice duly published, conducted a public hearing on the Naval Ordnance Plant Urban Renewal Plan and the East Center Urban Renewal Plan (the "Naval Ordnance Plant and East Center Plans");

WHEREAS, following said public hearing the City Council adopted its Ordinance No. 2797 on June 22, 2006, approving the Naval Ordnance Plant and East Center Plans and making certain findings;

WHEREAS, the City Council, on April 19, 2007, after notice duly published, conducted a public hearing on the North Portneuf Urban Renewal Plan (the "North Portneuf Plan");

WHEREAS, following said public hearing, the City Council adopted its Ordinance No. 2814 on April 19, 2007, approving the North Portneuf Plan and making certain findings;

No. 2190599C  
Recorded at Request of City of Pocatello  
Date: 5/8/19 Time: 9:42  
Official Record Book:                       
Bannock County Recorder  
                     Deputy

## ATTACHMENT 5.1

**Public Improvements within the Revenue Allocation Area**

This Attachment includes a projected list of proposed public works or improvements within the Project Area. The Project Area includes fully improved streets, utilities (on-site and off-site), and other public right-of-way amenities as well as park and open space costs. The proposed Northgate Development Improvement List for the Northgate Urban Renewal District and estimated costs of the identified public infrastructure improvements are those supplied by the developer. The projected estimated costs are compared against estimated revenues to determine the financial feasibility of the Plan and Project. The amount ultimately to be reimbursed to the developer and/or public entities will be determined, in part, by the following factors:

- Specific terms of an owner participation agreement to be negotiated between the Urban Renewal Agency for the City of Pocatello also known as the Pocatello Development Authority ("PDA") and the developer and the PDA and the public entities.
- Actual cost of construction when incurred.
- Timing of Development
- Annual budgets adopted by the PDA's Board

The proposed Northgate Development Improvement List for the Northgate Urban Renewal District, as supplied by the developer, identifies anticipated investments to support private investment in capital facilities. Capital facilities generally have long useful lives and significant costs.

The City of Pocatello ("City"), Bannock County ("County"), and the PDA partnered with the Idaho Transportation Department to fund the construction of the new Interstate 15 ("I-15") interchange. This new I-15 interchange is the economic driver incentivizing the private development of the Project Area. As part of this major undertaking, the City, County, and PDA contemplated the establishment of a Project Area in conjunction with the proposed private development to reimburse the public entities for the public improvements related to the I-15 Interchange and other related public improvements. Additionally, the City and PDA contributed to the funding of the Olympus Drive Extension and the local road connecting the new I-15 Interchange to Olympus Drive, referred to as the Eastside Road. Again, the City and PDA participated with the understanding their contribution to the Project would be reimbursed by revenue allocation funds through the establishment of the Project Area and private development anticipated to occur within the boundaries of the Project Area.

Most of the public improvement projects contained in the Project Area will be advance-funded by the developer, as is the case in similar developments throughout the community. The overall project and the infrastructure to support it are all consistent

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with the vision articulated in the Amended Pocatello Comprehensive Plan and as required in City development regulations. The cost estimates provided by the developer for all infrastructure costs, including the reimbursement of the City, County, and PDA costs already incurred, or may be incurred, prior to the establishment of the District, are included in the cash flow analyses.

The estimated public improvement costs that may be incurred by the City, County, and PDA are as follows:

City of Pocatello	\$3,000,000
Bannock County	\$1,350,000
Pocatello Development Authority	<u>\$2,000,000</u>
Total Public Entity Reimbursement	\$6,350,000

To be clear, the amounts set forth above are estimates for the limited purpose of determining whether the Plan is economically feasible. The amounts shown are not intended to be a binding commitment of the City, County, or PDA to pledge, budget, or allocate funds for the payment of any public improvement costs related to the Plan and/or the Project Area.

Estimated public improvement costs expected to be incurred by the developer are as follows:

Phase 1 Street Construction (including pedestrian Facilities)	\$10,410,000
Phase 1 Water System Investment	\$ 2,000,000
<u>Phase 1 Sewer System Investment</u>	<u>\$ 0</u>
Total Reimbursable investment Phase 1	\$12,410,000
Phase 2 Street Investment (including pedestrian Facilities)	\$ 7,890,000
Phase 2 Water System Investments	\$ 0
<u>Phase 2 Sewer System Improvement</u>	<u>\$ 1,875,000</u>
Total Reimbursable investment Phase 2	\$ 9,765,000
Phase 3 Street Investment (including pedestrian Facilities)	\$ 0
Phase 3 Water System Investment	\$ 6,000,000
<u>Phase 3 Sewer System Investment</u>	<u>\$ 6,000,000</u>
Total Reimbursable investment Phase 3	\$12,000,000
Phase 4 Street Investment (including pedestrian Facilities)	\$ 4,900,000
Phase 4 Water System Investment	\$ 0
Phase 4 Sewer System Investment	\$ 0
<u>Phase 4 Fire / EMS Facility Participation</u>	<u>\$ 4,000,000</u>
Total Reimbursable investment Phase 4	\$ 8,900,000

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Phase 5 Street Investment (including pedestrian Facilities)	\$11,200,000
Phase 5 Water System Investment	\$ 0
<u>Phase 5 Sewer System Investment</u>	<u>\$ 0</u>
Total Reimbursable investment Phase 5	\$11,200,000

Summary:

Grand Total Street Investment	\$34,400,000
Grand Total Water System Investment	\$ 8,000,000
Grand Total Sewer System Investment	\$ 7,875,000
Grand Total Fire/EMS Facility	<u>\$ 4,000,000</u>
Grand Total Reimbursable Investment All Phases	\$54,275,000
Grand total Public Entity Reimbursement	<u>\$ 6,350,000</u>
Grand total Public and Private Infrastructure Investment	\$60,625,000

The actual costs to be reimbursed by the PDA will likely vary from the costs detailed here as they will be subject to a specific Owner Participation Agreement (“OPA”) to be negotiated with the PDA once an urban renewal district is created. The cost estimates used in this analysis are considered high estimates for the purpose of financial planning. The purpose of this Attachment is to determine the economic feasibility of the proposed Project recognizing that not all of the proposed public improvement costs may be reimbursable to the developer and the amount actually reimbursable will be set forth in the OPA.

**The Urban Renewal Plan for the Northgate Urban Renewal Project (the “Plan”) covers the 20-year period 2020 to 2040.**

The Plan includes a revenue allocation provision establishing the Northgate Revenue Allocation Area (the “District” or “Project Area”) and is estimated to generate \$64,891,358 in revenue allocation funds or tax increment revenue between 2020 and 2040 in addition to the initial \$75,000 inter-district loan from the PDA to activate the program. The total from both sources is estimated to be \$64,966,358. The estimated revenue yield is based upon the Pocatello Urban Renewal: Market Analysis, dated June 2018, conducted by the Leland Consulting Group, using their more optimistic “attainable” scenario, over a 20-year life of an urban renewal district in Idaho.

As noted above, there are presently \$50,275,000 in Project costs identified in the list for public improvement costs provided by the developer. In addition, the Plan provides for the reimbursement of any funds advanced by three public entities noted above in the estimated amount of \$6,350,000<sup>1</sup> as well as a \$4,000,000 developer contribution to a

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<sup>1</sup> The City, County, and PDA are not bound or committed to any funding amount. The City, County, and PDA anticipate being reimbursed for funding public improvements within the boundaries of the Project Area; however, the amount and level of funding has not yet been determined. The amount shown is an estimate for the purpose of establishing economic feasibility and is not intended to be a binding obligation of the City, County, and/or PDA.



# Action Item 4

[INSERT LETTERHEAD]

March \_\_, 2025

Bannock County  
Attn: Board of County Commissioners  
Attn: Jason Dixon, Clerk  
Attn: Jennifer Clark, Treasurer  
624 East Center  
Pocatello, ID 83201  
Email: [commission@bannockcounty.us](mailto:commission@bannockcounty.us)  
Email: [jdixon@bannockcounty.us](mailto:jdixon@bannockcounty.us)  
Email : [jenniferc@bannockcounty.us](mailto:jenniferc@bannockcounty.us)

City of Pocatello  
Attn: Office of the Mayor  
Attn: Konni Kendell, City Clerk  
P.O. Box 4169  
Pocatello, ID 83205  
Email: [mayor@pocatello.gov](mailto:mayor@pocatello.gov)  
Email: [kkendell@pocatello.gov](mailto:kkendell@pocatello.gov)

Bannock County Ambulance  
Attn: Ryan O'Hearn, Chief  
408 E. Whitman  
Pocatello, ID 83201  
Email: [pocatellofire@pocatello.gov](mailto:pocatellofire@pocatello.gov)

Pocatello School District No. 25  
Attn: Douglas Howell, Superintendent  
Attn: Board of Trustees  
3115 Pole Line Road  
Pocatello, ID 83201  
Email: [howelldo@sd25.us](mailto:howelldo@sd25.us)  
Email: [facerji@sd25.us](mailto:facerji@sd25.us)  
Email: [vitalepa@sd25.us](mailto:vitalepa@sd25.us)  
Email: [oliveran@sd25.us](mailto:oliveran@sd25.us)  
Email: [clarkehe@sd25.us](mailto:clarkehe@sd25.us)  
Email: [judyde@sd25.us](mailto:judyde@sd25.us)  
Email: [johnsore@sd25.us](mailto:johnsore@sd25.us)

Bannock County Road & Bridge  
Attn:  
5500 S. 5<sup>th</sup> Avenue  
Pocatello, ID 83204  
Email: [roads@bannockcounty.us](mailto:roads@bannockcounty.us)

Attn : Anita Hymas, Assessor  
130 North 6th Avenue  
Pocatello, ID 83201  
Email : [anitah@bannockcounty.gov](mailto:anitah@bannockcounty.gov)

Bannock County Mosquito Abatement District  
Attn:  
1500 North Fort Hall Mine Road  
Pocatello, ID 83204  
Email: [scotth@bannockcounty.us](mailto:scotth@bannockcounty.us)

Idaho State Tax Commission  
Attn: Alan Dornfest  
Attn: Ben Seloske  
Attn: STC GIS  
PO Box 36  
Boise, ID 83722  
[alan.dornfest@tax.idaho.gov](mailto:alan.dornfest@tax.idaho.gov)  
[ben.seloske@tax.idaho.gov](mailto:ben.seloske@tax.idaho.gov)  
[gis@tax.idaho.gov](mailto:gis@tax.idaho.gov)

Re: Intent to Terminate the Naval Ordnance Plant Urban Renewal Area Improvement Plan (the "Naval Ordnance Project Area")

Greetings, All:

This letter serves as advance notice to you of the intent of The Urban Renewal Agency of the City of Pocatello, Idaho, aka the Pocatello Development Authority (the "Agency"), to terminate the Naval Ordnance Plant Urban Renewal Area Improvement Plan, adopted by Ordinance No. 2797 on July 6, 2006 (the "Naval Ordnance Plan"), establishing the Naval Ordnance Plant revenue allocation area (the "Naval Ordnance RAA"), which boundaries are shown in the attached map. As described in greater detail below, the Naval Ordnance RAA will receive its final payment of revenue allocation proceeds from the June 20, 2025, tax payments; the Naval Ordnance RAA will not receive revenue allocation funds in calendar year 2026 generated from 2025 assessed values.

The termination date for the Naval Ordnance RAA is December 31, 2030. The Agency has reviewed the projected revenues and expenses of the Naval Ordnance RAA and has determined the Naval Ordnance Project Area can be terminated early, by December 31, 2025, with an effective date retroactive to January 1, 2025, as it relates to assessed values within the Naval Ordnance RAA. As a result, the Agency shall not receive revenue allocation funds in calendar year 2026, generated from the 2025 assessed values, and the allocation of revenues under section 50-2908, Idaho Code, shall cease effective January 1, 2026. The Agency does not intend to receive revenue allocation funds from any delinquency tax payments after September 30, 2025. The Agency expects to receive its allocation of revenues from the second half of the 2024 tax payments due June 20, 2025; the Agency will not receive an allocation of revenues from the first half of the 2025 tax payments due December 20, 2025.

At its [May 21], 2025, public meeting, the Agency Board of Commissioners will consider the statutorily-required resolution of intent to terminate the Naval Ordnance RAA, including a formal recommendation to the Pocatello City Council to adopt an ordinance terminating the Naval Ordnance RAA by December 31, 2025. Thereafter, the Pocatello City Council is expected to hold a public meeting and adopt a termination ordinance to formally terminate the Naval Ordnance Plan and RAA. From May 21 to December 31, 2025, the Agency will use its RAA funds and the final payment of revenue allocation proceeds from the June 20, 2025, tax payments, to wind up the Naval Ordnance RAA.

In accordance with Idaho Code Sections 63-802 and 63-301A, increment value of the terminating Naval Ordnance RAA shall be included in the net taxable value of the taxing district when calculating the subsequent property tax levies pursuant to section 63-803,



Idaho Code. The increment value shall also be included in subsequent notification of taxable value for each taxing district pursuant to section 63-1312, Idaho Code, and subsequent certification of actual and adjusted market values for each school district pursuant to section 63-315, Idaho Code. Please contact the Bannock County Assessor's Office and/or the State Tax Commission for increment value information, including the portion of the increment value within the Naval Ordnance RAA to be included on the 2025 new construction roll. Please plan to follow up with the Bannock County Assessor's Office and/or the State Tax Commission to further determine any specific impacts of termination on the budget/levy setting process.

As noted above, the Agency expects to use existing funds and the final payment of revenue allocation proceeds by December 31, 2025. Existing obligations will either be paid in full by September 30, 2025, or existing revenues will be reserved to pay such obligations when due. The Agency has or will have sufficient funds on deposit for payment of all final project costs and administrative fees. At this time, no surplus is anticipated to be distributed prior to the end of the Agency's 2025 fiscal year on September 30, 2025. Any available funds will be remitted to the County Treasurer to be distributed to the taxing districts in the same manner and proportion as the most recent distribution to the taxing districts of the taxes on the taxable property located within the Naval Ordnance RAA.

The Agency anticipates distributing the resolution of intent to terminate the Naval Ordnance RAA following the May 21, 2025, board meeting. City Council approval is also expected before the statutory deadline of December 31, 2025.

For additional information contact Brent McLane, Agency Executive Director at 208.234-6184 or [bmclane@pocatello.gov](mailto:bmclane@pocatello.gov).

Sincerely,

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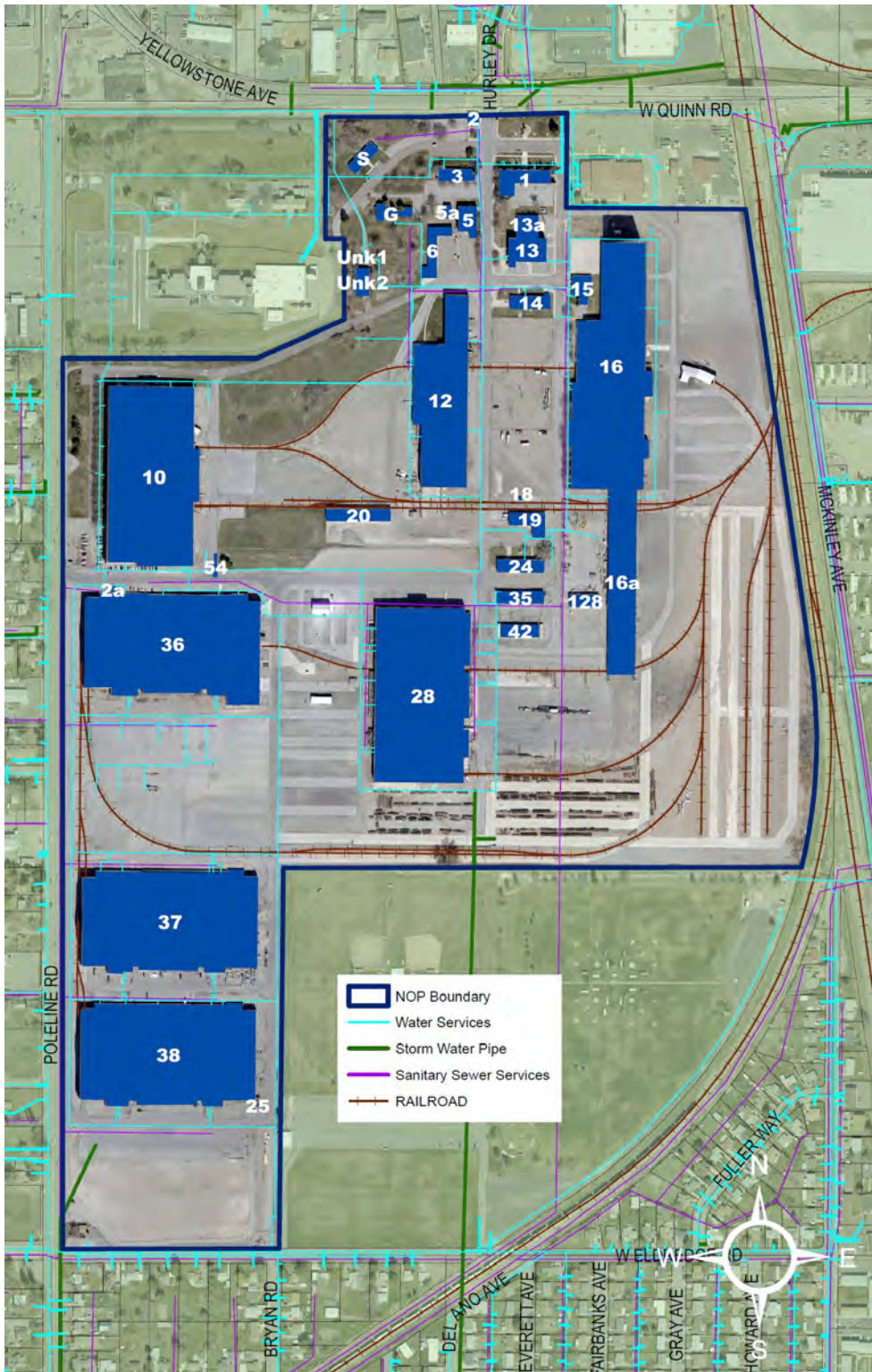
David Villarreal  
Agency Chair

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Brent McLane  
Executive Director

cc: Agency Board of Commissioners  
Meghan S. Conrad, Elam & Burke

### State Tax Commission Naval Ordnance Project Area – Boundary Map



# Action Item 5





# POCATELLO C.R.E.S.T. DESTINATION

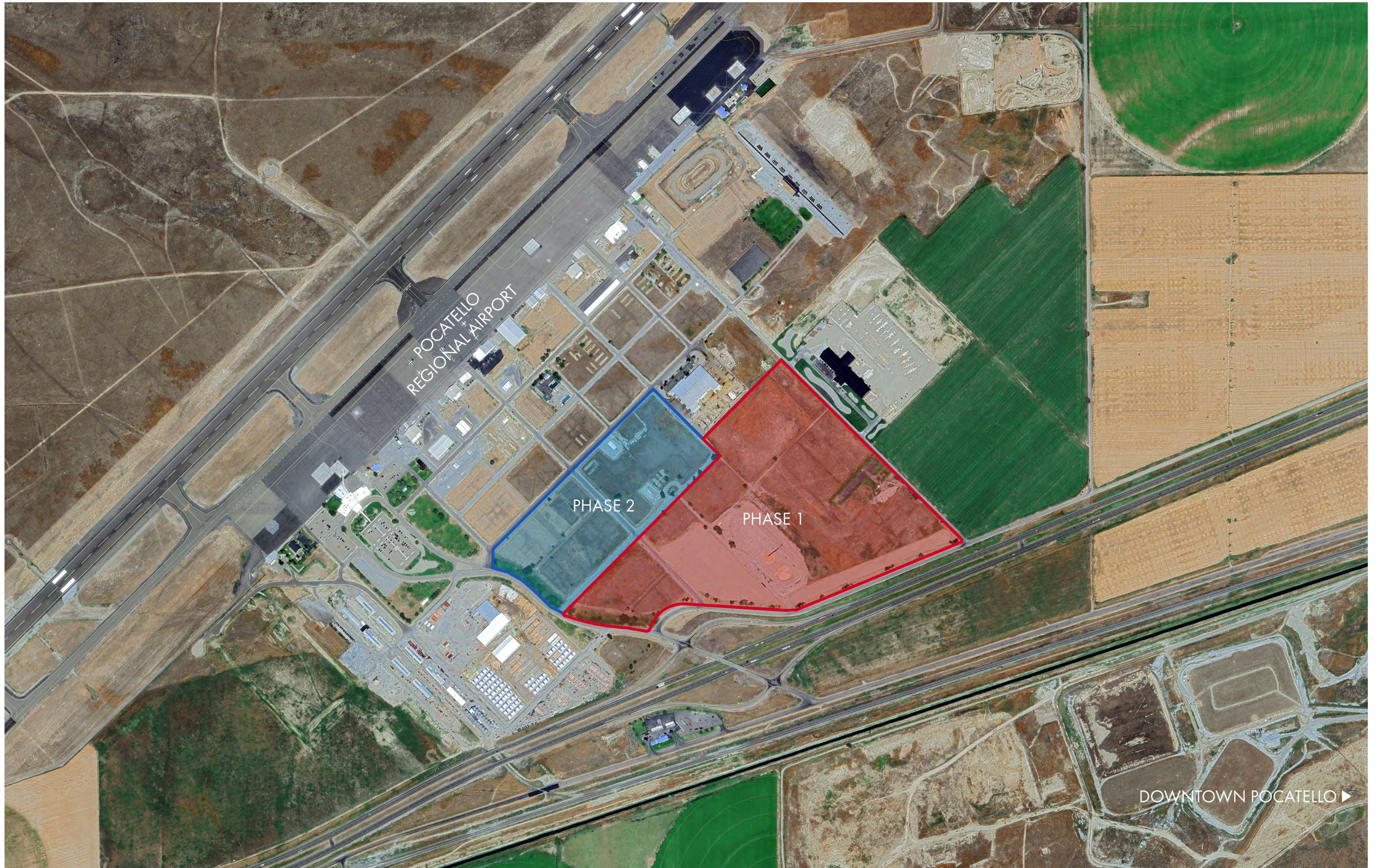
CONVENTION, RECREATION, ENTERTAINMENT, SPORTS, TRAVEL

POCATELLO, IDAHO

02.27.25 | MASTER PLAN PRESENTATION

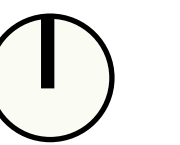






EXISTING SITE

NORTH



# POCATELLO C.R.E.S.T. DESTINATION

POCATELLO, ID

02.27.25





- PROGRAM LEGEND**
- 1 - ENTRY PLAZA
  - 2 - MULTIPURPOSE EVENT CENTER
  - 3 - MULTIPURPOSE GREEN SPACE
  - 4 - HOTEL/LODGE
  - 5 - RETAIL/FOOD & BEVERAGE
  - 6 - OFFICE/MIXED USE
  - 7 - MULTIPURPOSE FIELDS

PHASE 1 SITE PLAN

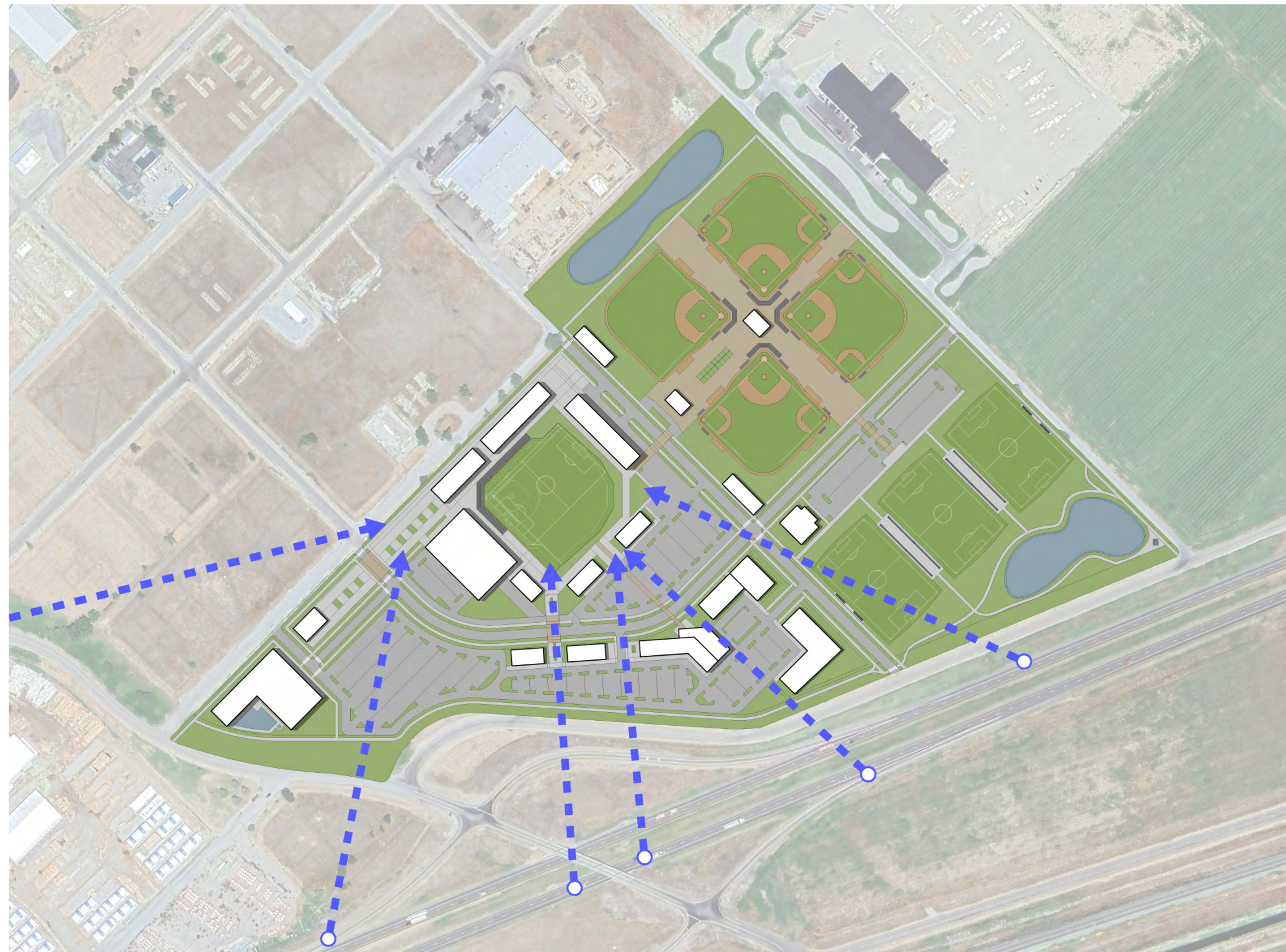


# POCATELLO C.R.E.S.T. DESTINATION

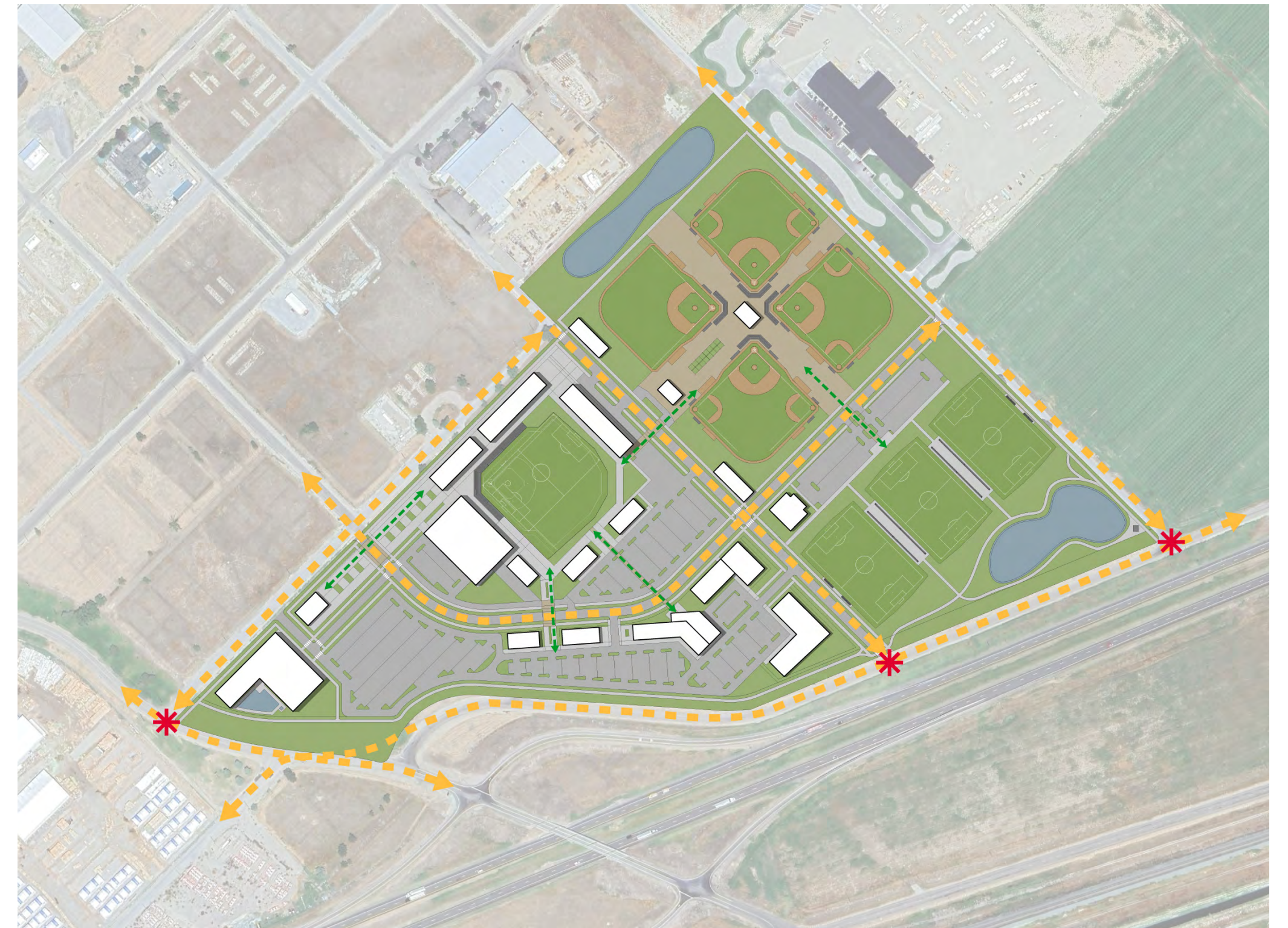
POCATELLO, ID

02.27.25



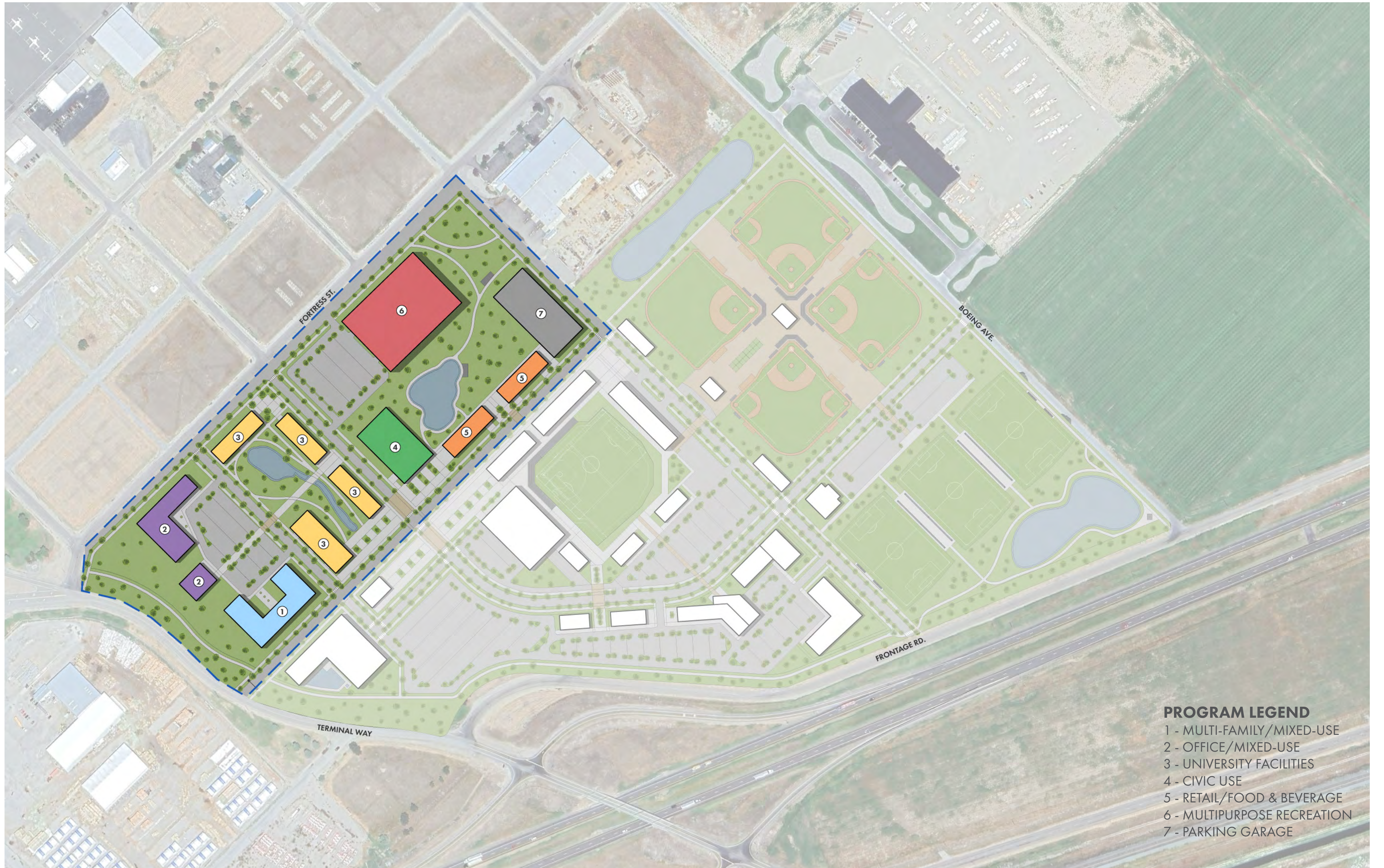


VIEW CORRIDORS



SITE CIRCULATION





- PROGRAM LEGEND**
- 1 - MULTI-FAMILY / MIXED-USE
  - 2 - OFFICE / MIXED-USE
  - 3 - UNIVERSITY FACILITIES
  - 4 - CIVIC USE
  - 5 - RETAIL / FOOD & BEVERAGE
  - 6 - MULTIPURPOSE RECREATION
  - 7 - PARKING GARAGE

PHASE 2 SITE PLAN

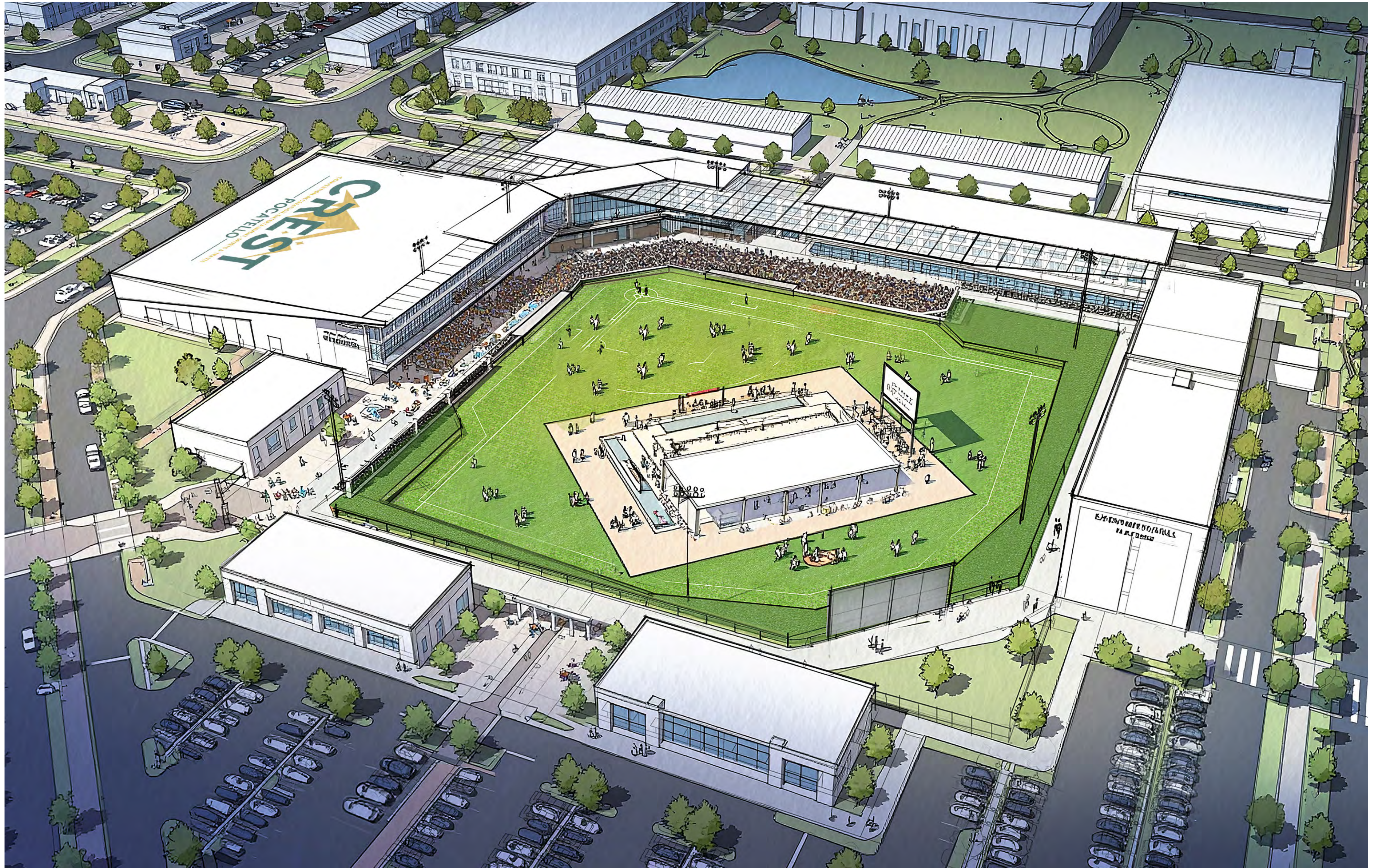


# POCATELLO C.R.E.S.T. DESTINATION

POCATELLO, ID

02.27.25





MULTIPURPOSE GREEN SPACE - CONCERT/FESTIVAL



# POCATELLO C.R.E.S.T. DESTINATION

POCATELLO, ID

02.27.25





MULTIPURPOSE GREEN SPACE - SOCCER/LACROSSE

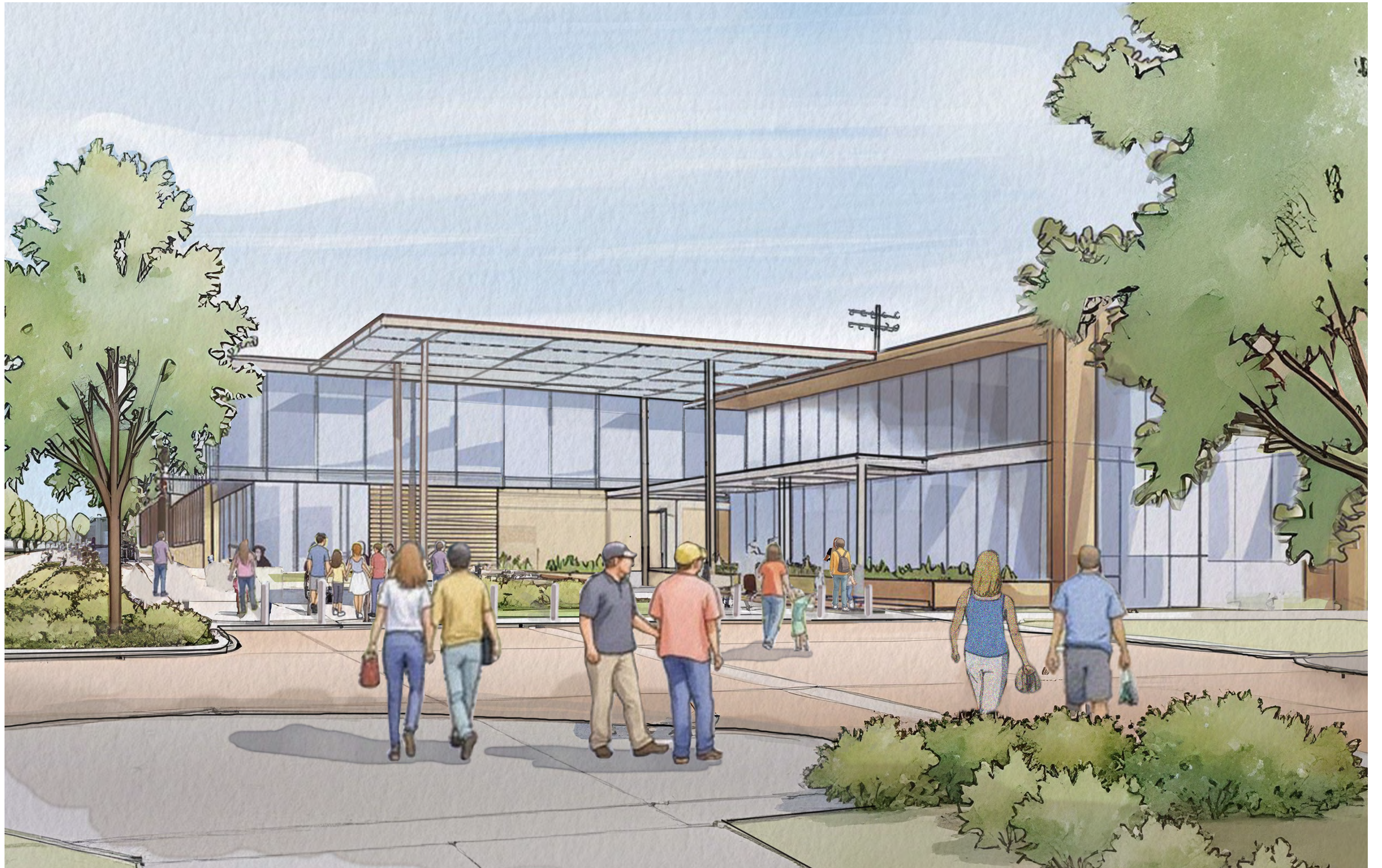


# POCATELLO C.R.E.S.T. DESTINATION

POCATELLO, ID

02.27.25





ENTRY PLAZA



# POCATELLO C.R.E.S.T. DESTINATION

POCATELLO, ID

02.27.25





MULTIPURPOSE GREEN SPACE



# POCATELLO C.R.E.S.T. DESTINATION

POCATELLO, ID

02.27.25





BOULEVARD



# POCATELLO C.R.E.S.T. DESTINATION

POCATELLO, ID

02.27.25



# Pocatello Development Authority

City of Pocatello  
911 North 7<sup>th</sup> Avenue  
Pocatello, Idaho 83201  
Office (208) 234-6184  
pda.pocatello.gov

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*An urban renewal agency for the City of Pocatello, Idaho*

## Memorandum

**To:** David Villarreal, PDA Chair

**From:** Brent McLane, PDA Executive Director

**Date:** March 19, 2025

**Re:** CREST Financial Feasibility Study Development of a Multi-Use Complex– Bannock Development Corporation

---

January 24, 2025, the Bannock Development Corporation entered an agreement with Pendulum Studio LLC to provide a financial feasibility study for the CREST project located at the Pocatello Regional Airport non-aviation property. This area is located in the Pocatello Airport URA. Due to the non-disclosure agreement associated with this project, Bannock Development was unable to approach the board prior to this time to request the reimbursement approval of this study. Bannock Development is now seeking to request reimbursement for this study under the Pocatello Regional Airport URA Project Plan that identifies the “Development Master Plan Creation” as a qualifying activity.

The February 19, 2025, Pocatello Development Authority (PDA) monthly finance reported \$84,687.53 in the Airport District.

The Bannock Development Corporation is requesting a Memorandum of Understanding in the amount of \$65,000 for the Financial Feasibility Study with Pendulum Design LLC.



January 24,, 2024

MiaCate Kennedy  
CEO  
Bannock Development Corporation  
1001 N 7th Avenue Suite 250  
Pocatello, ID 83201

**Re:** Proposal for a Financial Feasibility Study Development of a Multi-Use Complex Adjacent to Regional Airport

Dear MiaCate,

This proposal outlines the vision for the CREST project, which aims to create a comprehensive recreation, conference, and destination development that integrates diverse economic and community-driven components. This facility will serve as a dynamic hub for conventions, entertainment, sports, and tourism, fostering significant economic and social impacts for the region.

This financial feasibility study will provide a solid foundation for planning the proposed multi-use development. By right-sizing the commercial and retail components, adhering to industry best practices, and providing accurate cost estimates, the project can maximize its potential for success and long-term sustainability.

## 1. Definition of Terms

Owner:	City of Pocatello
Developer:	Bannock Development Corporation
Designer:	Pendulum Studio LLC

## 2. Key Objectives

### Economic Impact of Youth Sports Tourism

- A primary focus of the CREST project is on youth sports tourism, which will act as a driving force for economic growth. The following data is necessary:
  - Economic impact analysis of sports-related travel, including metrics on regional spending and hotel occupancy rates.
  - Specific data on the number of fields, team sizes, and types of sports with the highest demand.
  - Recommendations on sports to prioritize based on demand and regional competition (e.g., pickleball, volleyball).
  - Insights into travel behaviors: How far are families willing to travel? Where will families come from?

This data will be instrumental in legitimizing the proposal to stakeholders and presenting a compelling case for the city's investment.

### Venue Features and Design

- CREST is a multi-functional venue designed to cater to a wide range of activities:
  - Sports Facilities - Assess regional needs and recommend the number and mix of fields. Provide guidance on which sports (beyond baseball) should be prioritized to attract diverse participants and avoid community backlash. For example:

- Volleyball courts
- Pickleball courts
- Multi-purpose fields for soccer, lacrosse, and other sports.
- Flexibility and Scalability - Design recommendations should support scalable growth and accommodate evolving sports trends and demands.

#### Avoidance of “Baseball Only” Framing

- While baseball remains a vital component of the facility’s programming, we understand how essential it will be to not market this project as a “baseball stadium.” Given past controversies.
- This study shall emphasize the multi-sport and multi-functional nature of the facility.
- This study will present the project as a comprehensive youth sports and recreational destination to foster broader community support.

#### Destination Development

- Conventions and Conferences - Incorporate facilities for conventions and conferences to ensure year-round utilization.
- Concerts and Entertainment - Design spaces for concerts, festivals, and other entertainment events to attract a wide audience.
- Tourism - Position CREST as a premier tourism destination by integrating retail, dining, and leisure activities alongside sports and event programming.

#### Competitive Analysis

- Provide a detailed analysis of competing venues and their offerings. Identify gaps and opportunities to ensure CREST becomes a market leader.
- Examine successful models from other regions to extract best practices for operations, marketing, and community engagement.

#### Recommendations and Phased Implementation

- Begin with a clear strategy for the initial number of fields and facilities based on demand and economic analysis.
- Outline a phased development approach to expand the venue’s capabilities over time.

#### Community and Stakeholder Engagement

- Actively involve community members and stakeholders in the planning and development phases to build trust and gain support.
- Transparently communicate the multi-faceted benefits of the CREST project beyond sports, emphasizing economic and cultural enrichment.

### 3. **Scope of Work**

Pendulum shall compile the information listed in the Key Objectives and compile them into the following framework:

#### **Market Analysis**

- Demographic Study: Analyze population growth, income levels, and spending patterns.
- Competitor Analysis: Review existing and planned facilities in the region.
- Visitor Trends: Evaluate airport traffic and its potential to drive demand.



## **Feasibility Study**

- Multi-purpose facility: Assess potential attendance based on event - use the “feature field” concept as the nucleus of activity that supports football, soccer, lacrosse, tennis, hockey, basketball, etc.
- Conference Center: Evaluate meeting, convention, and event market potential. Analyze the benefit of adjacency to the multi-purpose facility for attraction of larger community and business oriented events.
- Hotel: Perform an accommodation demand analysis, including occupancy and average daily rate forecasts.
- Food & Beverage: Identify consumer preferences and traffic patterns to optimize offerings.
- Commercial Retail: Right-size retail space based on projected demand and spending capacity.
- Travel mapping: provide a visual map of where potential patrons will be traveling from.

## **Design and Development Best Practices**

- Identify trends in mixed-use developments near transportation hubs.
- Recommend layouts, operational strategies, and integration for optimal functionality.

## **Financial Modeling**

- Develop a financial pro forma for capital expenditures and operating revenues.
- Analyze funding mechanisms, public-private partnership opportunities, and economic incentives.

## **Cost Estimation**

- Prepare detailed cost estimates for each project component.
- Include potential contingencies and escalation factors.

## **Risk Assessment**

- Identify financial, regulatory, and operational risks.
- Propose mitigation strategies to minimize uncertainties.

By integrating these elements, the CREST project will emerge as a transformative development that meets community needs, drives economic growth, and positions the region as a leading destination for recreation, entertainment, and sports tourism.

## **4. Deliverables**

### **Comprehensive Report**

- Executive Summary
- Market Analysis Findings
- Recommendations for Right-Sizing Components
- Financial Projections
- Development and Operational Best Practices
- Risk Assessment and Mitigation Strategies

### **Presentations**

- Key findings and recommendations to stakeholders.

### **Implementation Guide**

- Actionable steps for next phases of project development.

## 5. Timeline

Pendulum will integrate all aforementioned phases of work with the architectural design presentation deliverables in advance of the February 27, 2025 presentation with Bannock Development Corporation and the City of Pocatello, ID

## 6. Compensation and Reimbursable Expenses

For all of the Services described in this Agreement, Pendulum proposed the following compensation:

**\$65,000 (Sixty Five Thousand Dollars and Zero Cent).**

*Provided that the conditions described herein for payment of an Additional Services do not apply.*

Expenses incurred in the performance of the design services described herein shall be reimbursable at the actual and reasonable cost incurred by Pendulum Studio IN ADDITION TO THE PROPOSED BASE FEE, **WITHOUT** markup, and will include the following:

- Delivery Service and shipping (if required)
- Reprographics - plotting & printing of documentation/presentation
- Project related air travel (economy)
- Project related lodging
- Project related car rental
- Travel meals & sustenance

Invoices for services rendered shall be billed monthly up to the agreed-upon fees. Pendulum Studio's invoices will be accompanied by sufficient supporting documentation as reasonably requested by the client. All undisputed amounts properly

invoiced by Pendulum Studio will be paid within thirty (30) days following Owner's receipt of such invoice, with interest at a rate of 1.5% per month applicable to such amounts that are not paid when due.

## 7. Additional Services

- A. Unless otherwise agreed upon by the parties pursuant to a new or separate contract, Additional Services beyond the scope of this Agreement and agreed upon by the Owner will be provided at the standard hourly rate listed below:

Principal In Charge:	\$250/hr
Project Manager:	\$150/hr
Project Architect:	\$120/hr
Revit Technician:	\$100/hr
Clerical:	\$25/hr

- B. Additional Services shall apply when the Design Consultant, having begun the services described in this proposal, is required to increase scope or length of services due to significant delays or modifications to the original project schedule.

## 8. Exclusions

The following services have been excluded from the scope of this Agreement:

- Traffic Studies
- Site Survey & Staking

- Environmental Analysis

## 9. **Project Lead**

Pendulum Studio designates Jonathan O'Neil Cole as its Project Lead in providing the Services hereunder. The Lead Architect shall be responsible for coordinating, scheduling and supervising the performance of the Services through completion of the same and shall be the person responsible for communicating on behalf of Pendulum Studio, with Owner, the Other Contractors, and other persons or entities involved with the Project. The Project Lead shall not be changed without the prior approval of Owner, which approval Owner may withhold at its sole discretion.

## 10. **Cooperation**

Pendulum Studio agrees to cooperate and coordinate with Owner and its affiliates, and all project managers, engineers, contractors, subcontractors and other consultants retained by Owner or their respective agent(s) or affiliates in connection with the Project (hereafter the "Other Contractors"). The Services provided under this Agreement shall be performed with Pendulum Studio's best skill and judgment and consistent with the standards of professional skill, care and diligence applicable to a skilled architect performing similar services for similar projects. Owner agrees to reasonably cooperate and coordinate with Pendulum Studio, and respond promptly to Pendulum Studio's reasonable requests for information and approvals.

## 11. **Work Product**

All drawings, plans, specifications, renderings and models and other work provided by or to Pendulum Studio in connection with the Project (collectively referred to herein as "Drawings") shall be the sole property of the Pendulum, whether the Project is executed or not, and shall not be used by any person other than Owner on projects other than the Project unless expressly authorized in writing by Pendulum.

## 12. **Confidentiality**

This Agreement, the Services provided by Pendulum Studio pursuant hereto, and all materials and documents prepared by or provided to Pendulum Studio hereunder contain material that is confidential to Owner (collectively, "Confidential Information"). Pendulum Studio will not disclose any of the Confidential Information to any third party without the prior written consent of Owner. Notwithstanding the foregoing, Pendulum Studio may, without the necessity of obtaining Owner's consent, disclose Confidential Information to its employees, consultants, sub-consultants and other third parties to the extent reasonably necessary or practical for Pendulum Studio to provide the Services hereunder or to the extent that they have a need to know such information, provided that each of whom agrees to maintain the confidentiality thereof. The provisions of this section shall survive the termination of this Agreement.

### 11.A. **Media**

Pendulum Studio shall refer all media inquiries regarding the Project to Owner and shall refrain from speaking to members of the media about the Project without Owner's prior instruction.

## 13. **Compliance With Laws**

In connection with the Services to be provided hereunder, Pendulum Studio will (1) comply with all applicable federal, state and local laws, and (2) perform the Services in an expeditious and economical manner consistent with the best interests of Owner. The Services shall be performed and completed (a) in accordance with all applicable federal, state and local laws, statutes, rules, regulations, ordinances, codes, and licenses required or issued by any applicable governmental authority, and (b) to the reasonable satisfaction of Owner. All of Pendulum Studio's personnel assigned to provide Services to Owner hereunder shall be qualified to perform such Services,

and Pendulum Studio shall obtain and maintain all governmental and other licenses, permits and approvals necessary to provide the Services hereunder.

**14. Indemnity**

Each party agrees to indemnify the other, its affiliates and their respective officers, directors, contractors, licensees, employees, agents and representatives from and against any and all claims, causes of action, losses, damages and liabilities arising out of or relating to such party's breach of its obligations hereunder or the negligence or willful misconduct of such party or any of its consultants or sub-consultants in connection with the performance of the Services under this Agreement. Pendulum Studio agrees to indemnify Owner for any and all claims that the Work Product infringes the intellectual property rights of any third party, and for any modifications to the underlying as-built CAD drawings of provided to Pendulum Studio. The provisions of this section shall survive the termination of this Agreement.

**15. Insurance**

Pendulum Studio shall maintain during this Agreement the following insurance covering Pendulum Studio and all of the Services and its other activities: (i) Comprehensive Automobile Liability Insurance, on all vehicles used in connection with the Project, with combined single limit of \$100,000; (ii) Professional Liability Insurance, in the amount of not less than \$100,000 per occurrence and \$200,000 aggregate; and (iii) Commercial General Liability Insurance, in the amount of not less than \$500,000 per occurrence and \$1,000,000 aggregate for bodily injury, death, property damage, and personal and advertising injury. Such General Liability policy shall be written on an occurrence basis and shall include products/completed operations coverage. Owner shall be named as an additional insured on the Auto and General Liability insurance coverage carried by Pendulum Studio. Upon execution hereof and any renewals of the insurance required hereunder, Pendulum Studio shall furnish to Owner a certificate evidencing the insurance required. The Professional Liability insurance shall remain in effect for claims made at least two years after final completion of all Services.

**16. Termination**

- A. Owner may, for any reason, terminate this Agreement with a seven-day in advance written notification.
- B. Pendulum Studio may suspend service or terminate this Agreement in the event that Owner breaches this Agreement, and such breach is not cured within thirty days after written notice from Pendulum Studio.
- C. If termination of this Agreement occurs for any reason, fees and reimbursable expenses for Services provided up to the date of termination shall be paid upon such termination.

**17. Binding Agreement; Assignment**

This Agreement shall be binding upon Owner and Pendulum Studio, and their respective heirs, successors, executors and administrators. At all times hereunder, Pendulum Studio shall be an independent contractor, and nothing herein shall be construed as creating any relation of principal and agent, partnership or joint venture between the parties. Pendulum Studio shall not have the power to assign this Agreement without the prior written consent of Owner. Any purported assignment without the prior written consent of Owner shall be void. No assignment shall relieve Pendulum Studio from any obligations herein unless expressly stated in the assignment and approved in writing by Owner. Owner may assign any of its rights or obligations under this Agreement upon written notice to Pendulum Studio.

**18. Miscellaneous**

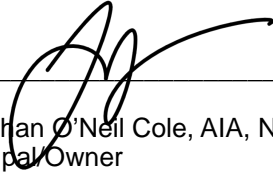
This Agreement constitutes the entire agreement between the parties relating to the subject matter hereof and all previous agreements, discussions, communications and correspondence are superseded by the execution hereof. This Agreement shall be construed and interpreted under the laws of the State of Missouri, without reference to its conflicts of laws principles. In the event of any dispute between Owner and Pendulum Studio relating to or arising out of this Agreement, the prevailing party shall recover its reasonable attorney fees and other costs from the non-prevailing party, in addition to any damages to which the prevailing party may be entitled.

If this Agreement meets with your approval please sign where indicated below and return a copy to our office. This will be indication of our formal notice to proceed.

Sincerely,

Pendulum Studio LLC

By: \_\_\_\_\_

  
Jonathan O'Neil Cole, AIA, NCARB, NOMA  
Principal Owner

**Agreed and Accepted:**

Bannock Development Corporation

By: \_\_\_\_\_

  
Authorizing Signature