CAPITAL EQUIPMENT REIMBURSEMENT AND INTERAGENCY AGREEMENT
(Fire Engine and Medic Van Acquisition)
by and between
VICTOR URBAN RENEWAL AGENCY
and
TETON COUNTY FIRE PROTECTION DISTRICT

THIS CAPITAL EQUIPMENT REIMBURSEMENT AND INTERAGENCY AGREEMENT (the "Agreement") is entered into as of this ___ day of _____, 2026, by and between the **VICTOR URBAN RENEWAL AGENCY**, an independent public body corporate and politic organized and existing under the urban renewal law of the State of Idaho (the "Agency" or "VURA"), and the **TETON COUNTY FIRE PROTECTION DISTRICT**, a political subdivision of the State of Idaho (the "District" or "TCFPD"). The Agency and the District may collectively be referred to herein as the "Parties" or individually as a "Party."

RECITALS

WHEREAS, the Agency is an urban renewal agency created, organized, and operating pursuant to the Idaho Urban Renewal Law of 1965, Chapter 20, Title 50, Idaho Code, as amended (the "Urban Renewal Law"), and the Local Economic Development Act, Chapter 29, Title 50, Idaho Code, as amended (the "Act"); and

WHEREAS, the City Council on December 9, 2015, after notice duly published, conducted a public hearing on the Victor Urban Renewal Plan, also known as the Victor Revenue Allocation Area or the Downtown Victor Urban Renewal District (the “Downtown Victor Plan”); and

WHEREAS, following said public hearing, the City Council adopted its Ordinance No. 2015-12-09(3) on December 9, 2015, approving the Downtown Victor Plan, making certain findings, and establishing the Victor revenue allocation area (the “Downtown Victor Urban Renewal Area”); and

WHEREAS, the City Council on August 10, 2016, after notice duly published, conducted a public hearing related to the correction of a scrivener’s error found in the legal description of the Downtown Victor Urban Renewal Area; and

WHEREAS, following said public hearing, the City Council adopted its Corrected Ordinance No. 2015-12-09(3) on August 10, 2016, correcting the Downtown Victor Urban Renewal Area legal description; and

WHEREAS, the City Council on November 13, 2024, after notice duly published, conducted a public hearing on the Victor North Revenue Allocation Area or the Victor North Urban Renewal District (the “Victor North Plan”); and

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WHEREAS, following said public hearing, the City Council adopted Ordinance No. 0628 on November 13, 2024, approving the Victor North Plan, making certain findings, and establishing the Victor North Plan revenue allocation area; and

WHEREAS, the City Council on February 12, 2025, after notice duly published, conducted a public hearing related to the correction of a scrivener's error found in the legal description of the Victor North Plan which contained area that was to be excluded from the project area; and

WHEREAS, following said public hearing, the City Council adopted its Corrected Ordinance No. 0628 on February 12, 2025, correcting the Victor North Plan legal description; and

WHEREAS, the Downtown Victor Plan and the Victor North Plan are herein collectively referred to as the "Existing Urban Renewal Plans" or "Existing Urban Renewal Areas;" and

WHEREAS, the Agency currently administers the Existing Urban Renewal Plans within the municipal boundaries of the City of Victor, Idaho ("City"); and

WHEREAS, the District provides fire protection, rescue, and emergency medical services (EMS) throughout Teton County, including all real property, businesses, and residents located within the City and the Existing Urban Renewal Plans; and

WHEREAS, accelerated growth and redevelopment within the City and the Existing Urban Renewal Areas require enhanced public safety and emergency response capacity, necessitating the acquisition of essential capital equipment by the District, specifically a new fire engine and a new medic van (collectively, the "Capital Equipment"); and

WHEREAS, under Idaho Code §§ 50-2007, 50-2008, and 50-2909, urban renewal agencies are authorized to cooperate with public bodies and allocate tax increment revenue allocation funds to finance eligible public capital improvements, infrastructure, and capital equipment that serve and benefit urban renewal project areas; and

WHEREAS, the total estimated procurement cost for the Capital Equipment is $1,080,000, consisting of $780,000 for the fire engine and $300,000 for the medic van; and

WHEREAS, the District has historically specifically assigned a fire engine and medic van for use within the City limits based on the volume of services needs within that geographic area. Although this equipment may be used outside the City limits

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should the need arises, it is primarily utilized within the City limits. The Capital Equipment is intended to replace this City allocated equipment; and

WHEREAS, considering the Capital Equipment request is for a fire engine and medic van that will primary serve the City limits, the Parties have negotiated a proportionate reimbursement structure based on the acreage within the City limits and the acreage within the overlapping Existing Urban Renewal Areas. This proportionate reimbursement structure is utilized to determine the Agency's equitable financial contribution toward the Capital Equipment for utilization within the City; and

WHEREAS, the total acreage within the City limits is 1,696 acres. The Victor North Plan comprises 354.50 acres, 20.9021% of the total City acreage. The Downtown Victor Plan comprises 96.37 acres, 5.6822% of the total City acreage. Combined the Existing Urban Renewal Areas total 450.87 acres, representing 26.584% (rounded to 27%) of the total City acreage; and

WHEREAS, considering the total acreage of the Existing Urban Renewal Areas makes up 27.00% of the total City acreage, the proportionate funding contribution of the estimated Capital Equipment cost for equipment to be utilized in the City would be $291,600.00, which makes up 27.00% of the total Capital Equipment cost; and

WHEREAS, this Agreement is made pursuant to Idaho Code § 67-2328 (Joint Exercise of Powers) and Idaho Code Title 50, Chapters 20 and 29 to define the terms, conditions, schedule, and limitations governing the Agency's reimbursement to the District.

NOW, THEREFORE, in consideration of the mutual covenants, terms, and conditions set forth herein, the Parties agree as follows:

AGREEMENT

I. **EFFECTIVE DATE.** The effective date of this Agreement shall be the date when this Agreement has been signed by the Parties (last date signed) and shall continue until all obligations of each Party are complete or as otherwise terminated under the terms of this Agreement.

II. **PURPOSE**. The Parties agree that the foregoing recitals are not mere recitations but are covenants of the Parties, binding upon them as may be appropriate and a portion of the consideration for the agreements contained herein. The Agency's commitment herein is intended to comply with the Agency's authority under the Law and the Existing Urban Renewal Plans and is not a gift or donation of public funds. The purpose of this Agreement is to effectuate the Existing Urban Renewal Plans and to facilitate the acquisition of essential capital emergency response equipment to serve the growing population and development within the

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Agency's Existing Urban Renewal Areas. The funding of such equipment and the fulfillment generally of this Agreement are in the vital and best interests of the City and the health, safety, and welfare of its residents and are in accordance with the public purposes and provisions of applicable federal, state, and local laws and requirements. Implementation of this Agreement will further the goals and objectives of the Existing Urban Renewal Plans.

III. AGENCY PARTICIPATION. Generally, the Agency will agree to financially participate with another public entity when such participation achieves the objectives of the Existing Urban Renewal Plans, is not duplicative of other public entity funding, and does not replace or substitute for the obligations imposed by other governmental agencies on the District. The specific participation by the Agency for this particular equipment is as set forth herein.

A. *Eligible Capital Expenses.* The Agency agrees to reimburse certain District equipment costs for a Fire Engine and Medic Van in **an amount not to exceed Two Hundred, Ninety-One Thousand, Six Hundred Dollars and 00/100 ($291,600.00)** ("Reimbursement Obligation"). The estimated costs of such equipment is as follows: fire engine ($780,000 est.) and medic van ($300,000 est.) ("Capital Equipment"). The Agency's reimbursement amount is based on the proportionate share of potential services costs of the City Capital Equipment attributable to the Existing Urban Renewal Areas. The $291,600.00 represents a strict, non-negotiable maximum reimbursement cap. If the actual final procurement cost of the Capital Equipment exceeds $1,080,000, the District shall be solely responsible for funding any shortfall. If the actual final procurement cost is less than $1,080,000, the Agency's contribution shall be reduced proportionally.

B. *Operating Expenses Prohibited.* Pursuant to Idaho law, under no circumstances shall Agency funds be allocated to or utilized for general operating expenses, routine maintenance, administrative overhead, or personnel salaries/benefits of the District.

IV. REIMBURSEMENT PROCEDURE. Reimbursement payments from the Agency to the District shall be made annually. Annual payment from the Agency shall not exceed One Hundred Thousand Dollars and 00/100 ($100,000.00) each fiscal year.

A. *Invoices.* Prior to receiving any reimbursement payment from the Agency, the District shall submit to the Agency Director: (a) a formal written reimbursement request/invoice; (b) vendor invoices, purchase orders, and proof of full or partial payment showing purchase of the designated Capital Equipment; and (c) documentation confirming delivery and placement of the equipment into active service serving the Existing Urban Renewal Areas. The Agency's Reimbursement Obligation shall not commence until District has provided invoices, or the equivalent thereof, to the Agency for the Capital Equipment. The Agency shall review and verify all submitted documentation within thirty (30) days of receipt. Approved payments shall

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be disbursed within forty-five (45) days of verification.

B. *Tax Increment Limitations.* In conjunction with its receipt of revenue allocation proceeds on a biannual basis, the Agency agrees to make payment of not more than fifty percent (50%) of the tax increment revenue allocation proceeds arising from the Existing Urban Renewal Areas, until such time as the Reimbursement Obligation has been paid in full the amount of $291,600.00, or the termination of the Urban Renewal Plan, whichever occurs first. **DISTRICT ACKNOWLEDGES THE TAX REVENUE ALLOCATION PROCEEDS MAY NOT BE SUFFICIENT TO PAY OFF THE REIMBURSEMENT OBLIGATION ON OR BEFORE THE TERMINATION OF THE URBAN RENEWAL PLAN, AND ASSUMES THAT RISK.**

C. *Reimbursement Schedule.* Payments shall be disbursed in accordance with the following multi-year schedule:

Year	Beginning Balance	Scheduled Payment	Ending Balance	Cumulative Paid
Year 1	$291,600	$50,000	$241,600	$50,000
Year 2	$241,600	$70,000	$171,600	$120,000
Year 3	$171,600	$90,000	$81,600	$210,000
Year 4	$81,600	$100,000	$0	$291,600
Years 5–10	$0	$100,000	$0	$291,600

D. *Early Satisfaction.* The Agency reserves the right, in its sole discretion, to accelerate annual payments or prepay the remaining balance without penalty, provided sufficient tax increment revenues are available. Upon cumulative payments reaching $291,600, all payment obligations of the Agency under this Agreement shall automatically terminate.

E. *Source of Reimbursement.* All payments required of the Agency under

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this Agreement shall be payable solely from available tax increment revenues generated by the Existing Revenue Allocation Areas. To the extent a new urban renewal district or revenue allocation area is formed, this Agreement may be amended to allow reimbursement from that new revenue allocation area, to the extent that revenue allocation area also receives the benefits from the District and the Capital Equipment.

F. *Public Procurement Compliance.* The District warrants that all procurement for the Capital Equipment shall comply fully with applicable Idaho public purchasing and bidding statutes, including Idaho Code Title 67, Chapter 28.

V. NON-RECOURSE. This Agreement does not create a general obligation or debt of the Agency, the City, Teton County, or the State of Idaho within the meaning of any constitutional or statutory limitation. Payments are subject to annual availability of tax increment funds. In the event tax increment revenues in any given fiscal year are insufficient to meet the scheduled annual payment, the unpaid portion shall roll over to the subsequent fiscal year without interest or penalty, subject always to the not to exceed amount of Two Hundred, Ninety-One Thousand, Six Hundred Dollars and 00/100 ($291,600.00)

VI. DISTRICT REPRESENTATIONS AND WARRANTIES.

A. *District to Remain in Existing Urban Renewal Areas.* The Agency's Reimbursement Obligation is expressly contingent on the District remaining a part of the Existing Urban Renewal Areas. District represents and warrants that it will not withdraw from said Existing Urban Renewal Areas, pursuant to Idaho Code, Title 50, Chapter 29, for the life of the Existing Urban Renewal Areas.

B. *District to Consent to Inclusion in New Revenue Allocation Areas.* The Agency's Reimbursement Obligation is also expressly contingent on the District consenting to be subject to the financing provisions of any new revenue allocation area. District represents and warrants that it will consent to be included in any new revenue allocation area, pursuant to Idaho Code, Title 50, Chapter 29.

C. *Indemnification.* District shall indemnify, defend, and hold Agency and its respective officers, agents, and employees harmless from and against all liabilities, obligations, damages, penalties, claims, costs, charges, and expenses, including reasonable attorney fees (collectively referred to in this Section as "claim"), which may be imposed upon or incurred by or asserted against Agency, or its respective officers, agents, and employees by reason of any action or inaction related to this Agreement, provided District shall have no obligation to indemnify and hold Agency, and its respective officers, agents, and employees harmless from and against any matter to the extent it arises from the negligence or willful act of Agency or its respective officers, agents, or employees.

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VII. OWNERSHIP OF CAPITAL EQUIPMENT. Title, ownership, and registration of the Capital Equipment shall vest solely in the District. The District agrees to use the Capital Equipment in a proportionate manner within the Existing Urban Renewal Areas which correlates to the Existing Urban Renewal Areas services needs in comparison to the District's boundary as a whole. The District shall be solely responsible for all operation, fuel, routine maintenance, repairs, licensing, and comprehensive liability/property insurance coverage for the Capital Equipment throughout its operational lifespan.

VIII. TERM AND TERMINATION. This Agreement shall become effective on the Effective Date and shall remain in effect until the earliest of: (a) full disbursement of the $291,600 Reimbursement Obligation amount; (b) expiration or early termination of the Existing Urban Renewal Plans; or (c) mutual written agreement of the Parties.

IX. DEFAULT AND REMEDIES. Failure by either Party to perform any material covenant or obligation under this Agreement within thirty (30) days after written notice specifying the failure shall constitute default. Upon default, the non-defaulting Party may pursue any remedies available at law or in equity, including specific performance or mandamus, provided that the Agency's liability shall at all times remain limited to available tax increment revenues and the not to exceed amount of $290,600.

X. GENERAL PROVISIONS.

A. *Governing Law.* This Agreement shall be governed by and construed in accordance with the laws of the State of Idaho.

B. *Entire Agreement and Amendments.* This Agreement contains the entire agreement between the Parties regarding the subject matter herein. Any modification or amendment must be in writing and signed by authorized representatives of both Parties.

C. *Severability.* If any provision of this Agreement is held invalid or unenforceable by a court of law, the remaining provisions shall continue in full force and effect.

D. *Notices.* All formal notices under this Agreement shall be in writing and delivered via certified mail or hand delivery to the official administrative offices of VURA and TCFPD.

E. *Attorney Fees.* In the event that either party to this Agreement shall enforce any of the provisions hereof in any action at law or in equity, the unsuccessful party to such litigation agrees to pay to the prevailing party

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all costs and expenses, including reasonable attorney fees incurred therein by the prevailing party, and such may be included to the judgment entered in such action.

F. *No Joint Venture or Partnership.* Agency and District agree that nothing contained in this Agreement or in any document executed in connection with this Agreement shall be construed as making Agency and District a joint venture or partners.

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

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

[end of agreement; signatures to follow on next page]

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IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date first written above.

VICTOR URBAN RENEWAL AGENCY

By: _____
Chair, Board of Commissioners

ATTEST:
By: _____
Executive Director

TETON COUNTY FIRE PROTECTION DISTRICT

By: _____
Chair, Board of Commissioners

ATTEST:
By: _____
District Secretary / Clerk

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