

TO: Mayor Dahlquist
City Council

FROM: Brent McLane, Director – Planning & Development Services
Christine Howe, Grants Manager – Planning & Development Services Department

DATE: September 3, 2026 Regular City Council Meeting

RE: Lease Agreement between City of Pocatello and Pocatello Neighborhood Housing Services Inc., dba NeighborWorks Pocatello (NWP)

City Council may wish to approve a lease agreement between the City of Pocatello and Pocatello Neighborhood Housing Services Inc., dba NeighborWorks Pocatello (NWP) for the purpose of developing, constructing, owning and operating affordable multifamily housing in accordance with the requirements of the Low-Income Housing Tax Credit (“LIHTC”) program administered in Idaho by the Idaho Housing and Finance Association (“IHFA”), and the Federal Home Loan Bank of Des Moines Affordable Housing Program (“AHP”), if applicable, and other applicable federal, state, or local program requirements that must be complied with by housing programs.

In 2021, the City supported a NWP LIHTC project through Community Development Block Grant (CDBG) funding that was available and, in 2025, NWP presented a new application for a subsequent LIHTC project. However, CDBG funding was not available in an amount sufficient to support the application and meet community support. As a result, staff worked with NWP to identify other methods to assist with the project which would achieve several goals outlined in the City’s Comprehensive Plan, CDBG Consolidated Plan, and Housing Plan. A long-term lease of city-owned property would provide for the community support required on the LIHTC application and as such numerous parcels were examined for viability. The parcel located on Foothill Boulevard was identified in this process as the best fit for the project. Staff and NWP presented these options to Council at the May 2026 work session and began moving forward with the necessary zoning processes and Lease Agreement which would accompany the NWP LIHTC application submission due September 11, 2026.

At this time, City Council may wish to approve a lease agreement between the City of Pocatello and Pocatello Neighborhood Housing Services Inc., dba NeighborWorks Pocatello (NWP) for the purpose of developing, constructing, owning and operating affordable multifamily housing and authorize the Mayor’s signature on any and all pertinent documents.

If you have questions or would like more information about the project, please do not hesitate to contact Christine Howe at chowe@pocatello.gov or Brent McLane at bmclane@pocatello.gov.

RESOLUTION NO. 2026-_____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF POCATELLO, A MUNICIPAL CORPORATION OF IDAHO, APPROVING A LEASE AGREEMENT BETWEEN THE CITY OF POCATELLO AND POCATELLO NEIGHBORHOOD HOUSING SERVICES, INC., DBA NEIGHBORWORKS POCATELLO FOR THE LEASE OF CERTAIN REAL PROPERTY; DECLARING THE PROPERTY NOT NEEDED FOR CITY PURPOSES; AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE AND ATTEST SAID LEASE AGREEMENT ON BEHALF OF THE CITY; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Pocatello (“City”) is the owner of certain lands located near Foothill Boulevard and Gathe Drive, legally described as Lots 1 and 2, Block 1, Trailside Subdivision, Bannock County, Idaho; and

WHEREAS, Lessee desires to lease the hereinafter described land for the purposes of developing, constructing, financing, owning, leasing to residential occupants, managing and operating affordable multifamily housing; and

WHEREAS, the City Council has determined that leasing the subject property pursuant to the terms of the attached Lease Agreement is appropriate and is in the best interest of the citizens of Pocatello.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF POCATELLO AS FOLLOWS:

1. The Lease Agreement attached hereto and made a part hereof is hereby approved both as to form and content.
2. The Mayor and City Clerk are authorized to respectively execute and attest said Lease Agreement for and on behalf of the City of Pocatello.
3. This Resolution shall be in full force and effect immediately upon its adoption and approval.

RESOLVED this _____ day of _____, 2026.

CITY OF POCA TELLO, a municipal
corporation of Idaho

MARK DAHLQUIST, Mayor

ATTEST:

KONNI R. KENDELL, City Clerk

LEASE AGREEMENT

THIS AGREEMENT, made and entered into this ____ day of _____, 2026, by and between the CITY OF POCATELLO, a municipal corporation of Idaho, hereinafter referred to as “LESSOR”, and POCATELLO NEIGHBORHOOD HOUSING SERVICES, INC. (“PNHS”), DBA NEIGHBORWORKS POCATELLO (“NWP”), an Idaho nonprofit corporation, hereinafter referred to as “LESSEE” or “NeighborWorks”:

WITNESSETH:

WHEREAS, Lessor is the owner of certain lands generally located near Foothill Boulevard and Gathe Drive, Pocatello, Idaho; and

WHEREAS, Lessee desires to lease the hereinafter described land (“Leased Land”) for the purpose of developing, constructing, owning and operating affordable multifamily housing for qualifying program participants (“Project”) in accordance with the requirements of the Low-Income Housing Tax Credit (“LIHTC”) program administered in Idaho by the Idaho Housing and Finance Association (“IHFA”), the Federal Home Loan Bank of Des Moines Affordable Housing Program (“AHP”), if applicable, and other applicable federal, state, or local housing programs; and

WHEREAS, Lessee intends to accomplish its development of the Leased Land by assigning its lease of the Leased Land to a third-party developer (“Project Developer”) of its choosing to design and construct Project; and

WHEREAS, the City Council of the City of Pocatello has found and determined that the development of income-restricted affordable housing on the leased premises serves a public purpose directly related to the function of municipal government and benefiting the community as a whole; and

WHEREAS, the rental consideration set forth in Section IV, together with the public benefit to be derived from Lessee’s development and continued operation of such housing, constitutes adequate consideration for this Agreement.

NOW THEREFORE, for and in consideration of the mutual covenants hereinafter contained, the Parties agree as follows:

I. PREMISES

Lessor hereby lets and rents to Lessee the following described real property consisting of approximately 2.0 acres of land. Said property being described as Lots 1 and 2, Block 1, Trailside Subdivision, Bannock County, Idaho and depicted in Exhibit "A", attached hereto and incorporated herein.

II. TERM

The term for this Agreement shall be for ninety-nine (99) years, commencing on September 4, 2026 and terminating on September 3, 2125, unless sooner terminated in accordance with this Agreement. Neither Party may terminate this Agreement for convenience or without cause, except that Lessee may terminate this Agreement before the permitted assignment and novation to the Project Owner pursuant to Section XIII if the Project does not obtain the LIHTC allocation, financing commitments or other governmental or private funding reasonably necessary to proceed with the Project within a reasonable time, as determined by Lessee in its discretion.

III. PURPOSE

The premises described herein shall be used by the Lessee or its permitted successor lessee solely for the purpose of developing, constructing, financing, owning, leasing to residential occupants, managing and operating affordable multifamily housing, in accordance with applicable requirements of IHFA, the LIHTC program, the Federal Home Loan Bank of Des Moines AHP, if applicable, other available federal, state, or local housing programs. The execution of ordinary residential leases, occupancy agreements or similar agreements with individual residential occupants in the ordinary course of operating the Project shall not constitute an assignment or sublease requiring City consent. No other material use of the premises shall be permitted without the written consent of Lessor, which consent shall not be unreasonably withheld, conditioned or delayed.

IV. RENTAL

Lessee shall pay to Lessor the annual rental sum of one dollar (\$1.00) per year for the lease of said premises, which sum is payable on or before August 10th of each year of this Agreement. Payment shall be paid to the City of Pocatello at the Finance Department, 911 North 7th Avenue, Pocatello ID, 83201.

V. EXAMINATION OF PREMISES

Lessee has inspected the afore-described premises and accepts the same in “as is” condition. Lessor makes no warranties, express or implied, concerning the property and Lessee in executing this Agreement is relying upon its own judgment, information, and inspection of the leased premises. Lessee hereby acknowledges that it is accepting the leased premises from the Lessor subject to any and all physical conditions of the premises. Lessee further affirms that the Lessor, its agents, employees, and/or attorneys have not made nor has Lessee relied upon any representation, warranty, or promise with respect to the leased premises or any other subject matter of this Agreement except as expressly set forth in this Agreement, including without limitation, any warranties or representations expressed or implied as the general plan designation, zoning, value, use tax status or physical conditions of the leased premises or improvements thereon, or any part thereof, including, but not limited to the flood elevations, drainage patterns and soil and subsoil compositions and compaction level, and other conditions at the leased premises, or the existence or non-existence of toxic or hazardous materials on or under the premises, or as to the accuracy of any boundary survey or other survey or any soils reports or other plans or report therefore. Lessee covenants that it will not commit or allow others to commit waste on the premises. For purposes of this Agreement, “waste” means any material act or omission that materially impairs the value, utility or condition of the Premises or Improvements, other than ordinary wear and tear or alterations permitted by this Agreement.

Lessee covenants that it will not commit or authorize others to spoil or destroy the promises that would be contrary to purpose of developing the premises for residential housing, consistent with Article III.

VI. MAINTENANCE OF FACILITY

Lessee shall keep and maintain the leased premises and all improvements of any kind in good and substantial repair and condition, and shall make all necessary repairs and alterations thereto. Lessee shall provide proper containers for trash and garbage, and shall keep the leased premises free and clear of rubbish, debris and litter at all times. All roadways or other paved/asphalt areas within the demised premises shall be maintained by Lessee at Lessee's expense. Lessor shall have the right to enter upon and inspect said premises but shall attempt to make such inspections at a mutually agreeable time. Except as allowed for the construction of multi-family housing as expressed in Article III, including grounds, parking areas, entryways and the like, affordable rental Lessee shall not be permitted to alter the leased premises without express written authorization from the Lessor. Should more detail be provided here to explain that inspection would be limited to walking about the exterior of the property and the common area within the residential housing constructed on the property but not to go inside the individual units without notice to the tenants and in accordance with requirements of applicable law, except in case of emergency such as bursting pipes, fire, and the like.

VII. OWNERSHIP

The City shall retain fee title to the Premises throughout the Term. Lessee shall hold the leasehold estate created by this Agreement and may assign that leasehold as expressly permitted by Section IX. No provision of this Agreement conveys fee title to Lessee or any successor lessee.

VIII. ASSIGNMENT AND NOVATION; RESIDENTIAL TENANCIES

Lessee may assign all of its leasehold interest to the single-purpose development LLC formed for the Project (the "Project Owner") without further City approval, provided that the Project Owner assumes in writing all obligations of Lessee under this Agreement. The City hereby consents in advance to such assignment. Upon delivery of the executed assignment and assumption documents to the City, the Project Owner will thereupon be the successor Lessee, entitled to all rights allowed and accorded to the Lessee under the Lease, and NWP will thereupon be completely released from all future obligations to the City under this Lease. The City shall not require termination of this Agreement or execution of a new lease as a condition to the permitted assignment. Any subsequent assignment to a Permitted Lender, foreclosure purchaser, replacement Project Owner or other qualified successor in connection with Project financing or enforcement shall be subject to the reasonable consent standards in this Agreement and shall not be unreasonably withheld, conditioned or delayed. Ordinary residential leases, occupancy agreements and similar agreements with individual Project residents shall not constitute assignments or subleases of the Ground Lease and shall not require City consent, provided that such agreements are subject to the Ground Lease and applicable law. A Permitted Lender is any construction lender, permanent lender, bridge lender, tax-exempt bond lender, governmental lender, agency lender, or other financing source holding or acquiring a lien or security interest in the leasehold estate or Project, including its successors and assigns.

IX. INDEMNIFICATION

Lessee shall be responsible for claims arising from its acts or omissions before assignment. After a permitted assignment and novation, the Project Owner as successor lessee shall be responsible for claims arising from construction, ownership, management or operation of the Project, except to the extent caused by the City's negligence or willful misconduct. The assignment, assumption and novation documents shall provide for the Project Owner's assumption of the applicable obligations of Lessee under this Agreement.

X. INSURANCE

In order to effectuate the foregoing indemnification provisions, Lessee shall maintain insurance coverage as follows:

A. Lessee shall purchase and maintain through the duration of this Agreement a comprehensive liability insurance policy in the amount of \$1,000,000 combined single limit to indemnify Lessor from any and all public liability claims. Further, such policy shall include coverage for fire legal liability to repair or replace the demised premises. Lessor shall be named as an additional insured or be acknowledged by Lessee's insurance carrier as a covered entity under the terms of said policy. Moreover, the Lessee is required to put its surety on notice, that said surety may not change or cancel the existing insurance policy with Lessee without first giving Lessor as customarily provided in such policies.

B. Lessor does not provide insurance that will cover the Lessee's personal property that may be located on the demised premises. Lessee may purchase personal property insurance in an amount sufficient to insure any and all Lessee's personal property which might be used in Lessee's operation of the business or which might be present on the premises. In the event Lessee elects to forego maintaining personal property insurance, and Lessee suffers loss of personal property stored on leased property, Lessor will not be held responsible due to Lessee's lack of personal property insurance.

C. To the extent required by Idaho Code, Lessee shall purchase and maintain through the duration of this Agreement Worker's Compensation insurance or the equivalent.

Failure to maintain required insurance shall constitute a default subject to the notice and cure provisions of this Agreement and the rights of any Permitted Lender.

XI. DISCHARGE OF LIENS

Lessee shall cause liens arising from work authorized by Lessee, the Project Owner or their contractors to be discharged, released, bonded over or otherwise resolved in accordance with Idaho law. No construction, improvement, labor or materials shall create or be deemed to create a lien against the City's fee interest. Permitted leasehold mortgages and other liens against the leasehold estate shall be permitted as provided in this Agreement.

XII. RELEASE AND RELINQUISHMENT

The City shall have no right to terminate this Agreement for convenience or without cause. NeighborWorks may terminate this Agreement before the Project Owner becomes the successor lessee by written notice to the City if the Project is otherwise determined by NeighborWorks in good faith not to be financially feasible. Upon such termination before construction, neither Party shall have further liability except for obligations accrued before termination. Once the permitted assignment to the Project Owner has occurred, the Project Owner shall be the successor lessee and the City's termination rights shall be governed exclusively by the default provisions of this Agreement.

XIII. TERMINATION

Upon expiration of the Term, the Parties shall cooperate in good faith regarding renewal or extension of the leasehold so that any continued lawful occupancy of the Project and any applicable affordability restrictions can be addressed. No demolition or removal of Project improvements shall be required solely because the Term expires unless required by applicable law or expressly agreed by the Parties. If the Agreement is terminated early following an uncured default, then disposition of improvements shall be subject to the rights of any Permitted Lender and applicable governmental housing restrictions.

In the event Lessee does not remove any personal property within sixty (60) days of the termination date, unless a written agreement to the contrary has been executed by Lessee and Lessor, Lessee shall forfeit all of its right, title, and interest in and to said personal property, and

fixtures, which shall thereupon become the property of the Lessor as if conveyed by separate instrument without any recompense, payment, or reimbursement of any kind to Lessee.

XIV. STATUTES, ORDINANCES, RULES AND REGULATIONS

Lessee, for itself, its employees, agents, successors and assigns, expressly agrees to obey all applicable laws and regulations of the United States, including regulations of the State of Idaho, of Bannock County, and of the City of Pocatello.

XV. DEFAULT

A. Failure of Lessee to pay rent on or before its due date or any other charge within ten (10) days after it is due shall constitute default.

B. Failure of Lessee to comply with any term or condition or to fulfill or comply with any obligation of this Agreement, other than as specified in subparagraphs A above, within thirty (30) days after written notice by Lessor specifying the nature of the default with reasonable particularity, shall constitute default. If the default is of a nature that it cannot be cured within the said thirty (30) day period, Lessee may, within said period, present a plan, in writing, to the Planning Director that provides a schedule in which Lessee will be able to cure the default. If the Lessee's plan is approved by the Planning Director, Lessee's default will be held in abeyance so long as the Lessee thereafter proceeds with reasonable diligence, in good faith and is able to meet the plan's deadlines, then the default shall be deemed cured.

C. The following shall constitute default by insolvency: (1) Insolvency of Lessee; (2) An assignment by Lessee for the benefit of creditors; (3) The filing by Lessee of a voluntary Petition in Bankruptcy; (4) An adjudication that Lessee is bankrupt or the appointment of a receiver of the properties of Lessee; (5) The filing of an involuntary Petition of Bankruptcy and failure of the Lessee to secure dismissal of the Petition within thirty (30) days after filing; and (6)

Attachment of or the levying of execution on the leasehold interest and failure of the Lessee to secure discharge of the attachment or release of the levy or execution within ten (10) days.

XVI. REMEDIES IN DEFAULT

In the event of a material default that remains uncured after the applicable notice and cure period, the Lessor may exercise remedies available under Idaho law, subject to the rights of any Permitted Lender and the notice, cure, foreclosure and replacement-lessee protections set forth in this Agreement. The City shall not terminate the leasehold solely because NeighborWorks assigns the leasehold pursuant to Section IX or because of any change in the Project Owner, Developer, management company, Permitted Lender or investor.

Before terminating this Agreement or exercising a remedy that would materially impair the leasehold estate, the City shall give written notice to each Permitted Lender whose notice address has been provided to the City. A Permitted Lender shall have at least the cure period available to Lessee, plus an additional 60 days for monetary defaults and 120 days for nonmonetary defaults, subject to extensions reasonably necessary to complete foreclosure, appoint a receiver or replace the Project Owner or Developer where the lender is diligently pursuing such remedy. If termination nevertheless occurs, the City shall, upon request of a Permitted Lender or its designee, enter into a new lease for the remaining term on substantially the same terms, subject to cure of defaults and payment of amounts properly due.

XVII. ENVIRONMENTAL MATTERS:

Lessee hereby indemnifies, agrees to defend and shall hold Lessor harmless from and against all liability, loss, claim, damage or expense, including but not limited to reasonable attorneys' and experts' fees, clean-up or other remediation costs and fees and government fines, arising out of or in connection with the existence of any toxic or hazardous materials, pollutants, contaminants or hazardous wastes introduced to the leased premises by Lessee or its agents or

from sources within Lessee's reasonable control in violation of any Environmental Law, as defined hereinafter, from and after the commencement date of this Agreement and through and until the date on which Lessee vacates the leased premises.

As used herein, 'Environmental Law' means any one or more of all federal, state and local environmental protection, occupational, health, safety and similar laws, ordinances, restrictions, licenses and regulations, including, without limitation the Federal Water Pollution Control Act (33 U.S.C. Sec. 1251 *et seq.*), Safe Drinking Water Act (42 U.S.C. Sec. 300f *et seq.*), Toxic Substance Control Act (15 U.S.C. Sec. 2601 *et seq.*), Clean Air Act (42 U.S.C. Sec. 7401 *et seq.*), Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Sec. 9601 *et seq.*), Hazardous Materials Transportation Act (49 U.S.C. Sec. 1801 *et seq.*), and other similar federal, state or local laws, statutes, ordinances, orders, decrees, rules and/or regulations, regulating, relating to or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material as now or at any time hereafter be applicable.

XVIII. HAZARDOUS MATERIALS

"Hazardous Material" means any use or activity involving any substance which would cause (1) the leased premises to become a hazardous waste treatment, storage or disposal facility within the meaning of, or otherwise bring the leased premises within the ambit of, the Resource Conservation and Recovery Act, or any similar federal or state law or local ordinance or any other environmental law, (2) a release or threatened release of hazardous waste from the leased premises within the ambit of, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, or any similar federal or state law or ordinance or any other environmental law, or (3) the discharge of pollutants or effluent into the air or any emissions, which would require a permit under the Federal Water Pollution Control Act, or the Clean Air Act, or any similar federal or state

law or local ordinance or other environmental law, including but not limited to the Comprehensive Environmental Response, Compensation and Liability Act of 1980, any so-called "Superfund" or "Superlien" law, or any other federal, state or local statute, law ordinance, code, rule, regulation, order or decree, now or hereafter in force, regulating, relating to or imposing liability or standards on conduct concerning any hazardous material.

Lessee expressly assumes the risk and responsibility for any hazardous material during the term of this Agreement, hereafter located on the leased premises, and holds harmless the Lessor, its officers, employees, representatives, agents, and successors from and against any and all judgments, claims expenses, causes of action, damages, liability (including reasonable attorneys' fees and costs) (1) including all foreseeable and unforeseeable consequential damages, directly or indirectly arising out of the use, generation, storage, or disposal of hazardous materials on the leased premises, and (2) including, without limitation, the cost of any required or necessary repair, cleanup or detoxification and the preparation of any closure or other required plans, to the full extent that such action is attributable, directly or indirectly, to the presence or use, generation, storage, release, threatened release, or disposal of hazardous materials by any person on the leased premises.

XIX. CASUALTY AND CONDEMNATION.

If the Premises or Improvements are materially damaged by casualty or are taken or threatened to be taken by condemnation, the Parties shall cooperate with the Project Owner and any Permitted Lender concerning the repair, restoration, insurance proceeds and condemnation awards. Except as otherwise required by applicable law or agreed by the Permitted Lender, insurance proceeds and condemnation awards attributable to the leasehold estate or Improvements shall be applied in accordance with the Project financing documents, with the

City's interest in the fee estate preserved. A casualty or condemnation shall not, by itself, terminate this Agreement or a permitted successor lessee's leasehold interest unless the Parties and any Permitted Lender otherwise agree or applicable law requires termination.

XX. SIGNS

Lessee shall have the right to install or cause to be installed appropriate signs on the leased premises. The cost of such installations and operations shall be borne by Lessee. Lessee shall not erect, install, operate or cause, nor permit to be erected, installed, or operated upon the premises herein, any sign or other advertising device without first having obtained Lessor's written consent thereto as to size, construction, location, general appearance, and adherence to Pocatello Municipal Code.

XXI. MISCELLANEOUS

A. TAXES AND FEES. In the event the State of Idaho, Bannock County, or any State or local agency imposes a property tax or any substitute therefore on the demised premises, and/or the leasehold, Lessee shall pay the tax promptly when due.

B. NO WAIVER. The failure by the Lessor to require strict performance of any condition of this Agreement shall not affect the Lessor's right to subsequently enforce the same, nor shall a waiver of any term or condition be construed to be a waiver of any succeeding term or condition of this clause. To be effective, any waiver by the Lessor must be in writing.

C. SECTION CAPTIONS. The captions appearing under the section number designations of this Agreement are for convenience only and are not a part of this Agreement and do not in any way limit or amplify the terms and provisions of the Agreement.

D. CONSTRUCTION. This Agreement shall be construed pursuant to the laws of the State of Idaho. The parties agree that no construction of this Agreement shall be made in a Court of

competent jurisdiction against the interests of any party to the Agreement on the basis that the party had primary responsibility for drafting the Agreement.

E. ENTIRE AGREEMENT. This Agreement constitutes the sole and only agreement between Lessor and Lessee respecting the demised premises, the leasing of said premises to Lessee, or the lease term herein provided and correctly sets forth the obligations of Lessor and Lessee to each other as of its date. No prior promises, representations, or agreements, written or oral, shall amend, change or add to any of the expressed provisions herein contained. This Agreement can only be modified or amended in writing upon the mutual agreement of the parties hereto.

F. ASSIGNMENT / SUCCESSORS. The City agrees that the leasehold estate created by this Agreement is intended to be a long-term estate that may be relied upon by Lessee and its permitted successors in interest. This Agreement shall bind and benefit the Parties and their permitted successors and assigns. A permitted assignment to the Project Owner is intended to substitute the Project Owner and its successor, if any, as lessee without requiring a new lease, and the City agrees to recognize the Project Owner as successor lessee upon satisfaction of the assignment and novation conditions in Section VIII.

G. JURISDICTION AND VENUE. Any action or proceeding relative to this Agreement shall be maintained in the Sixth District Court, County of Bannock, State of Idaho.

H. CORPORATE AUTHORITY. Any individual or individuals executing the within document on behalf of any corporation which is a party hereto, hereby acknowledge and represent that he, she, or they have the power and authority to so bind the corporate authority, and that such authority was conferred by an act of the Board of Directors of such corporate authority, unless the binding of any such corporation is within the power of the person or persons executing this document on such corporation's behalf. In the event that the party or parties executing this document on behalf of any corporate party hereto, do not have authority to so bind the corporation

for any cause or reason, then such person or persons shall be personally liable under the terms hereof.

I. SEVERABILITY. If any provision or portion of any provision of this Agreement shall be deemed illegal or unenforceable by a court of competent jurisdiction, the unaffected provisions or portions hereof shall remain in full force and effect.

J. RECORDING; MEMORANDUM OF LEASE. The City and Lessee intend that this Agreement create a recordable leasehold estate. At Lessee's request, the Parties shall execute and record a memorandum of this Agreement, or this Agreement itself if appropriate, sufficient to provide public notice of the leasehold estate and its ninety-nine (99) year term. The City shall reasonably cooperate with the recording of any permitted assignment and novation and any customary lender notice or memorandum reasonably necessary to evidence the leasehold estate.

XXII. NOTICES

All notices under this Agreement shall be deemed to be properly served if sent by certified mail to the last address previously furnished by the parties hereto. Until hereafter changed by written notice, said addresses shall be as follows:

LESSOR:	City of Pocatello Attn: Planning Director P.O. Box 4169 Pocatello, ID 83205
LESSEE:	NeighborWorks Pocatello 206 North Arthur Ave. Pocatello, ID 83204

Notice shall be complete upon receipt, unless the recipient ignores or refuses to sign for the certified letter, in which event notice shall be deemed to have been completed on the first attempted delivery by the United State Post Office.

XXIII. ATTORNEY'S FEES UPON BREACH

In the event it becomes necessary for either Party to enforce the terms of this Agreement, the prevailing party shall be awarded by a sum which will reasonably compensate it for the attorney's fees and costs incurred by such party to enforce the terms of this Agreement. In the event attorney fees are awarded by a Court of law, the parties agree that a reasonable rate for attorney fees is \$150.00 per hour.

XXIV. CITY REPRESENTATIONS AND AUTHORITY

The City represents and warrants that: (a) it is the vested fee owner of the Premises, subject only to title matters disclosed in writing to Lessee before execution; (b) it has taken, and on the Effective Date will have taken, all City approvals required by applicable Idaho law, the City's ordinances, resolutions, charter or other governing requirements for the authorization, execution and delivery of this Agreement; (c) the execution, delivery and performance of this Agreement by the City do not violate any applicable provision of the Idaho Constitution, Idaho statute, City ordinance, code, resolution or other law binding upon the City; (d) the City has determined that the affordable-housing use contemplated by this Agreement serves a public purpose; and (e) this Agreement is a valid and binding obligation of the City, enforceable against the City in accordance with its terms, subject to applicable principles of bankruptcy, insolvency, governmental immunity, equitable remedies and other generally applicable limitations on enforceability. The City shall provide evidence of its approval and authority, including the applicable City Council resolution and, upon reasonable request, a legal opinion of the City Attorney addressing the authority and enforceability of this Agreement and compliance with applicable Idaho law.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be signed by their authorized representatives the date and year first above written.

CITY OF POCA TELLO, a municipal corporation of Idaho

MARK DAHLQUIST, Mayor

ATTEST:

KONNI KENDELL, City Clerk

POCA TELLO NEIGHBORHOOD HOUSING
SERVICES, INC., DBA NEIGHBORWORKS
POCA TELLO, an Idaho nonprofit corporation

PETER TAYLOR, Executive Director

STATE OF IDAHO)
 :ss
County of Bannock)

On this ____ day of _____, 2026, before me, the undersigned, a Notary Public in and for the State, personally appeared Mark Dahlquist and Konni Kendell, known to me to be the Mayor and City Clerk, respectively, of the City of Pocatello, a municipal corporation of Idaho, who executed the foregoing instrument on behalf of said municipal corporation, and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

(SEAL)

NOTARY PUBLIC FOR IDAHO
Residing in Pocatello, Idaho
My Commission Expires: _____

STATE OF IDAHO)
 :ss
County of Bannock)

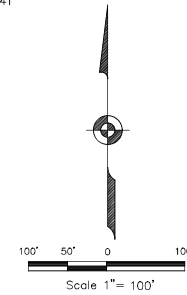
On this ____ day of _____, 2026, before me, the undersigned, a Notary Public in and for the State of Idaho, personally appeared Peter Taylor, known to me to be the Executive Director of Pocatello Neighborhood Housing Services, Inc., dba NeighborWorks Pocatello, an Idaho nonprofit corporation, who executed the foregoing instrument on behalf of said nonprofit corporation and acknowledged to me that such corporation executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal the day and year in this certificate first above written.

(SEAL)

NOTARY PUBLIC FOR IDAHO
Residing in Pocatello, Idaho
My Commission Expires: _____

FOR THE CITY OF POCATELLO, DEED INST. #20902456, LOCATED IN THE
W $\frac{1}{2}$, SW $\frac{1}{4}$, SW $\frac{1}{4}$ SECTION 22, T6S, R34E, B.M., BANNOCK COUNTY, IDAHO



*BASIS OF BEARINGS

N 0°14'42" E (per Record of Survey Inst. #92000836) between the found Bannock County brass cap monument marking the Southwest corner of Section 22 and the found ITD right-of-way monument marking the South $\frac{1}{2}$ corner of the west line of Section 22, as shown on this map.

LEGEND

- ⊕ Set 5/8" Ø rebar with aluminum cap, stamped "PLS 23365"
- ▣ Set 5/8" Ø rebar with pink plastic cap, stamped "PLS 23365"
- ⊙ Found Bannock County brass cap monument
- Found ITD right-of-way monument
- ▲ Detected "ring" with metal locator

- Subdivision boundary lines
 Lot lines
 Sectional lines
 Right-of-way lines
 Proposed easement lines
 Existing easement lines
 Adjacent deed lines
 Existing fence lines
 Record bearings and distances
 Flood zone boundaries per FEMA panel No. 16005C0238E
 Flood zone areas as noted per FEMA panel No. 16005C0238E

Record of Survey prepared for the City of Pocatello, Deed Inst.
#20902456, located in the W $\frac{1}{2}$, SW $\frac{1}{4}$, SW $\frac{1}{4}$, Section 22, T6S, R34E,
B.M., Bannock County, Idaho

COUNTY RECORDER STAMP

JOB No. 2026-053		PRINT DATE:	DWG. No. 601
DRAWN BY: WRR	DATE: 6/17/26	SHEET 1 OF 2 SHEETS	
CHECKED BY: DLR	DATE: 7/13/26	CALCULATED BY: WRR DATE: 6/17/26	
PLOT SCALE: 1"=100'	DATE PLOTTED:	BY:	



845 WEST CENTER STREET, SUITE E
P.O. BOX 1327, POCA TELLO, ID 83204
PHONE: 208-233-4226