

# Royal Ridge Subdivision Development Agreement

Recording requested by:  
City of Greenleaf  
City Clerk  
20523 N. Whittier Drive  
Greenleaf, Idaho 83626

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## **Development and Annexation Agreement Royal Ridge Subdivision (Planned Unit Development, Mixed Use)**

This Development Agreement (this “Agreement”) made and entered into as of the date last written below (the “Effective Date”), by and between the City of Greenleaf, a municipal corporation of the State of Idaho (“City”), and Royal Pro-C Development, LLC (“Applicant” or “Owner”). The City and the Applicant are sometimes referred to herein collectively as the “Parties” and individually as a “Party.”

WHEREAS, Owner is the owner of record of certain real estate (the “Subject Property”) partially located within the City and otherwise located in City’s area of impact and contiguous to the City and more particularly described as follows:

See on **Exhibit “A”** a legal description of the Subject Property, which exhibit is attached hereto and incorporated herein by this reference; and

WHEREAS, Owner and City desire to enter into this Agreement, to be recorded in the real property records of Canyon County, Idaho pursuant to the provisions of: Idaho Code, Sections 50-222 and 50-301; and Greenleaf City Code, Title 9, Chapter 10, in order to facilitate the annexation, zoning designation, and development of the Property; and

WHEREAS, the property is currently partially annexed (the Commercial Portion) with a Central Business District Zone designation (7.19 Acres) and partially in the Impact Area (48.43 Acres) currently zoned by Canyon County as A (Agricultural); and

WHEREAS, Owner intends to develop the Subject Property as a residential and commercial subdivision consistent with the City of Greenleaf Comprehensive Plan; and

WHEREAS, Owner requests up to 112 residential lots on the 48.43 Acres Proposed for R-5 development with the minimum lot size no smaller than 5775 ft<sup>2</sup> and the commercial portion of the subdivision containing no more than seven lots (collectively, the “Project”) ; and

WHEREAS, to approve Owner’s development plans for the Property, City requires that Owner design, install, and construct certain improvements including public streets, water lines,

and sewer lines and a pressurized irrigation system as necessary for the recording of a final plat under applicable City code (the “Improvements”), as required by applicable City Code and in connection with the City’s review of the Applications (defined below); and

WHEREAS, Owner has submitted applications for annexation, rezone, planned unit development, and preliminary plat (collectively, the “Applications”) and, in connection with its review thereof, City has approved Owner’s development plans for the Project as presented in connection with the Applications, as depicted on **Exhibit “B”**, attached hereto and made a part hereof (the “Site Plan”); and

WHEREAS, City approved the Applications on \_\_\_\_\_ (the “Approval”), which Approval is subject to certain conditions of approval (the “Conditions of Approval”). This Agreement is subject to the Conditions of Approval, each of which are attached hereto as **Exhibit C** and made a part hereof; and

WHEREAS, it is the intent of this Agreement to protect the rights of Owner’s use and enjoyment of the Subject Property and Owner’s right to develop the Project in accordance with the Approvals, while at the same time limiting any adverse impacts resulting from the rezone of the Subject Property upon neighboring properties and the community and ensuring the Subject Property is developed in a manner consistent with City’s Comprehensive Plan (the “Plan”) and Code (the “Code”) as constituted on the Effective Date; and

WHEREAS, City and Owner desire to set forth herein limitations and/or conditions upon the use and development of the Subject Property; and

WHEREAS, all capitalized terms in this Agreement not herein defined shall have those meanings designated in the Code and the Plan as of the Effective Date.

## ARTICLE I

### DEVELOPMENT CONDITIONS

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged and agreed, and in consideration of the above Recitals, which are incorporated herein, and in consideration of the promises and the mutual representations, covenants and agreements herein contained, City and Owner represent, covenant and agree as follows:

1. Density. The Project shall contain no more than 112 residential lots on the portions of the 48.43 acres of the Subject Property proposed for R-5 development, with the minimum lot size no smaller than 5775 ft<sup>2</sup>. The commercial portion of the Project shall contain no more than seven lots. Commercial lots may be administratively combined and/or reshaped to accommodate the requirements of commercial users.

2. Consistency with Applications and Conditions of Approval. The Project shall be substantially consistent with the Site Plan and shall remain subject to the Conditions of Approval as contained on Exhibit C.
3. Applicable Law. All future development of the Project and the Subject Property must be consistent with the Site Plan and shall meet all requirements of City Code in effect as of the Effective Date.
4. Legal Description. In the event the Subject Property's legal description is discovered to be in error, Owner will be responsible for assuming the measures necessary to provide the City with an accurate legal description. In such event, Owner and City shall reasonably cooperate to ensure the legal description contained on Exhibit A is amended via mutually executed written amendment.
5. Access Bridge. The public street crossing of the Greenleaf lateral shall conform to the requirements of Bureau of Reclamation, Wilder Irrigation, and the City of Greenleaf standards, i.e. Association of Canyon County Highway Districts Development Manual/Standards ("ACCHD") manual, and be rated for at least HS25 loading.
6. Friends Road. Friends Road is classified as a Collector Roadway. Owner shall dedicate 40 feet from section line along the Friends Road for Public Right-of-way. Road improvements shall be completed along the frontage in accordance with the City of Greenleaf Standards (i.e., ACCHD ) for a three-lane urban roadway. Irrigation facility access shall be addressed in cooperation with Boise Project Board of Control and United States Bureau of Reclamation requirements for their facilities and the City Public Works Department for facilities to be dedicated to the public. All irrigation and drainage facilities shall be located outside Friends Road right of way.
7. Entrance Turn-Lane. Owner shall construct a right-hand turn lane into the main entrance (eastbound right-turn lane) on Main Street/SH19. Owner shall secure appropriate permits from Idaho Transportation Department ("ITD") for construction of the turn lane. To the extent City cooperation is required by ITD, the City will indicate its approval and cooperate so long as there is no cost to the City.
8. Access Conditions. Owner shall comply with conditions imposed by ITD (or any other highway entity having jurisdiction) as conditions of approval for access or right-of-way permits.
9. Permits Required. Owner shall be responsible to obtain permits to work in any public right-of-way as shall be necessary or required to perform road work and install utilities.
10. Street Improvements/Fiber Optic Installation. In accordance with City Code, construction of public street improvements are required in any public right-of-way adjacent to or

within the Subject Property, to include curb, gutter, sidewalk, sub-base, base and asphalt paving, storm drainage, street lights, water mains, and sewer mains. These street improvement features shall be incorporated into the design and construction of all streets located within the development and dedicated to the City for perpetual ownership and maintenance, except as set forth below:

- a. Stormwater management retention areas and related facilities outside the public right-of-way will be maintained by the homeowner's association or private street maintenance association, as applicable.
  - b. Conduit for fiber optic cable shall be constructed in the Joint Trench Utility Easement to each lot in order for the fiber optic cable to be run to each individual residence and commercial lot.
11. Street Standards. Except as otherwise identified herein (including in Section 6 hereof), all internal, unclassified roadways shall be improved according to City specifications for residential streets (ACCHD Development Standards). In addition to (and without limiting) the foregoing:
- a. Intersection and driveway spacing shall comply with applicable State and City standards.
  - b. The Applicant Owner shall comply with Idaho Code § 49-221 regarding clear sight distance at intersections and other applicable standards within and adjacent to the Project.
12. City Landscaping Standards. Owner shall develop the Subject Property in accordance with the City's landscaping requirements and the approved landscaping plan in effect as of the Effective Date and except as otherwise approved in connection with the Approvals. The landscaping shall be verified as complete and in place as condition of final plat.
13. Voluntary General Fund Contribution. House Bill 389, passed in 2021 brought about several specific limitations to local government entities. One effect of the bill is that it deprives the City from having the ability to increase operating budgets in proportion to new growth. H.B. 389 starts out with retroactively changing the rules about taxable land values for a real estate development, freezing values until the first year of occupancy for that lot. The Parties are aware that the Approvals could result in a scenario in which the City is unable to obtain a budget increase that reflects the total value of new construction or annexed property, instead being subject to only those increases set forth in HB 389, which results in a compounding negative result. HB 389's impact and its arbitrary 8% cap are felt particularly in small cities with relatively small budgets.

City and Owner wish to memorialize Owner's voluntary agreement to make certain contributions that will offset the amount that City will not realize due to HB389 and, accordingly, agree to the following provisions:

- a. As a condition of this Development Agreement and the ongoing development of the Development, the then-owner of each residential lot shall pay a fee in the amount of Four Thousand and No/100 Dollars (\$4,000.00) (the "Voluntary General Fund Contribution"), to be paid with each building permit for the initial construction of improvements on each lot, whether residential or commercial.
  - b. The Voluntary General Fund Contribution shall be indexed to any increase in the City's property tax levy year-to-year. For illustrative purposes only, in the event the City's property tax levy increases by 5%, the Voluntary General Fund Contribution charged during such fiscal year shall also increase by 5% as compared to the prior fiscal year.
  - c. For avoidance of doubt, the Voluntary General Fund Contribution is in addition to and not in lieu of any applicable hookup fee or impact fee that is otherwise required to be paid in connection with the development of the Project.
  - d. Each of the foregoing obligations shall be contained in the covenants, conditions, and restrictions (CC&Rs) for the Project, which shall permit City enforcement of the same as a third-party beneficiary.
  - e. In the event that the Idaho Legislature alters Idaho Code pertaining to HB389 so that the 8% cap is removed or modified, City shall negotiate in good faith to appropriately adjust or eliminate the mitigation requirements proportionately to the relief supplied by legislative modification.
14. Covenants, Conditions, and Restrictions. The CC&Rs for the Project shall include a provision noting City Code requirements pertaining to elements that may have a density-related impact, such as accessory dwelling units, etc. The Project shall remain substantially consistent with the Site Plan and the design elements proposed in connection with the Applications and the Approvals.

The CC&R's shall be limited to help align the management and character of the subdivision with the City of Greenleaf where CC&Rs are a rarity. Provided the operation and maintenance of common areas are appropriately vested with the City as permitted in this document, the CC&R's may be terminated five (5) years after the complete buildout of the Subdivision to allow all lots to be established, built, and sold to end users. Ownership of any commonly owned facilities shall be vested in an appropriate non-profit entity.

15. Building Permits/Connection Fees. The Project shall pay, at the time of building permit application, then-applicable connection fees, as adopted by the City and applicable at the time of such connection, for connection to city water and sewer systems. Each property shall pay user fees for City water, sewer, and irrigation as set forth and adopted by the City Council and in accordance with City Code.
16. Dedication. Owner shall dedicate those certain common area parks and pathways identified on the Site Plan to the City for perpetual ownership and maintenance unless the City determines that such dedication is not desired or found to be in the best interest of the City. In the event such common area parks and pathways are dedicated to the City, the applicable homeowners' association shall have the option to maintain such areas at the homeowner's association's expense and in coordination with the City's Public Services Director.

Greenleaf shall have the option to request and take dedication of other common areas in exchange for a covenant to maintain the same. Such dedication would become available after buildout of the subdivision and completion of certificates of occupancy for the residence upon each lot.
17. Intentionally omitted.
18. Intentionally omitted.
19. Pressurized Irrigation. The Project shall rely on surface water rights and a pressurized irrigation system built to City Specifications (these are the Boise Project Board of Control Specifications accepted by Greenleaf) and dedicated to the City for perpetual ownership, operation, and maintenance for irrigation of the entirety of the subdivision, thus preserving and protecting groundwater resources. Pressurized irrigation shall be required in all phases of the Project.
20. Crosswalk Lighting. On or before issuance of the 100<sup>th</sup> residential building permit, the City may request and Owner shall install rectangular rapid flashing beacon (RRFB) actuated crosswalks at the intersection of Friends Road and SH19 and at the Main Street/SH19 entrance.
  - a. City and ITD may permit the Friends Road crossing to be relocated nearer to the Friends Church Community Center near Academy way, with appropriate engineering justification.
  - b. City shall have the option to require payment from Owner for the cost of the crossings in lieu of construction of this improvement to allow for installation at a later time as future needs and planning for SH19 become apparent to the City.
21. Water Infrastructure. Water infrastructure must be constructed by Owner in accordance with construction drawings approved by City and in accordance with City specifications. Acceptance testing of the water system in accordance with DEQ IDAPA rules and Idaho Code shall be a condition of acceptance of the water main by City.

22. Dark Sky Requirements. Street lights and all applicable lighting within the Project shall comply with City's Dark Sky requirements. The foregoing shall be memorialized in the CC&Rs applicable to the Project.
23. Owner Solely Responsible. Owner shall design, install and construct, at its sole cost and expense, the Improvements associated with the Project.
24. Workmanship. The Improvements shall be completed, in a good and workmanlike manner, in accordance with acceptable construction practices and the adopted requirements of local governments having jurisdiction.
25. Acceptance and Warranty. Upon satisfactory completion of the Improvements to be dedicated to City, City shall provide written notice to Owner of City's acceptance of said Improvements (hereinafter the "City's Written Acceptance of Improvements").
- a. From and after the date of City's Written Acceptance of Improvements at final plat by the City Engineer, Owner shall guarantee and warrant the Improvements for a period of one (1) calendar year (hereinafter the "Warranty Period").
  - b. During the Warranty Period, Owner shall promptly replace and/or otherwise correct any and all work found to be defective or not in accordance with City Code, the Idaho Standards for Public Works Construction Manual (the "Manual"), or with the plans and specifications within the said Warranty Period. Notwithstanding anything to the contrary in the foregoing, City approvals of Owner's plans and specifications shall be de facto evidence of such plans' compliance with City Code and the Manual, and Owner shall be permitted to rely upon such approvals in the event of any allegation of non-compliance.
  - c. In the event of City's discovery of damage, a defect or nonconforming work, City shall promptly give written notice of the same, specifying the defect or nonconformity with the approved plans and specifications. For purposes of this Agreement, "promptly" shall be defined as providing notice with little or no delay, and in all events shall be no later than within fifteen (15) calendar days from discovery. The warranties provided by Owner during the Warranty Period are in addition to and not in lieu of Owner's obligation to construct all improvements in a good, workmanlike manner and in accordance with acceptable construction practices.
  - d. During the Warranty Period, Owner shall save and hold City harmless and free from any suit or cause of action, claim or demand, which may be brought or made arising from or directly related to the Improvements.

The foregoing warranties are limited to the installation and ongoing maintenance and operation of the Improvements in accordance with their intended use. Owner shall not be

responsible for any intentional acts or negligence of City, including its agents or employees, in connection with the operation and maintenance of the Improvements, nor shall Owner be responsible for the intentional acts or negligence of third parties that result in damage to the Improvements.

26. Runs with the Land. Each commitment and restriction on the Project contained in this Development Agreement shall be a burden on the Subject Property, shall be appurtenant to and for the benefit of the Subject Property and shall run with the Subject Property. This Agreement shall be binding on Owner, and its respective heirs, administrators, executors, agents, legal representatives, successors, and assigns; provided, however, that if all or any portion of the Subject Project is sold, the sellers shall thereupon be released and discharged from any and all obligations arising under this Agreement in connection with the portion of the Subject Property sold. The new owner of the Subject Property or any portion thereof (including, without limitation, any owner who acquires its interest by foreclosure, trustee's sale or otherwise) shall be liable for all commitments and other obligations arising under this Agreement with respect to the Subject Property or portion thereof.
27. No Obligation to Develop. Nothing contained herein shall be deemed to obligate Owner to commence or complete any part or all of the Project. If the project does not advance to the first final plat for the Project within five (5) years from the date of this agreement, the development plan shall be vacated and the zoning shall revert to Agricultural zoning within the City upon compliance with the notice and hearing procedures contained in Title 9, Chapter 10 of City Code and Section 67-6511A of Idaho Code.

## ARTICLE II

### AFFIDAVIT OF PROPERTY OWNERS

Each Party represents to the other Parties that the individual executing this Agreement on behalf of such Party is authorized and empowered to bind the Party on whose behalf each such individual is signing. Owner further represents to City that Owner is an Idaho limited liability company duly qualified to do business in Idaho.

An affidavit of the Owner agreeing to submit the Subject Property to this Agreement (as authorized in Idaho Code § 67-6511A) is attached hereto as **Exhibit D**.

## ARTICLE III

### DEFAULT

1. In the event Owner fails to comply with the commitments set forth herein, within sixty (60) days of written notice of such failure from City, the City Council shall have the right, without prejudice to any other rights or remedies, to cure such default or enjoin such violation and otherwise enforce the requirements contained in this Development

Agreement. In the event the alleged default is of such a nature that cure cannot be completed within said sixty-day period, or if Owner is proceeding in good faith to cure such default and has not completed the same within said sixty-day period, the time for cure shall be extended to such date as is reasonably necessary to complete such cure.

2. If required to proceed in a court of law or equity to enforce any provision of this Agreement, the prevailing Party shall be entitled to recover all direct out-of-pocket costs so incurred to cure or enjoin such default and to enforce the commitments contained in this Agreement, including attorneys' fees and court costs as the court shall determine.

## ARTICLE IV

### GENERAL PROVISIONS

1. Amendments. City and Owner acknowledge that amendments to this Agreement may be necessary or appropriate from time to time in order to carry out the goals expressed in this Agreement and the overall development of the project. All amendments to this Agreement shall be in writing and executed by the Parties and recorded against the Subject Property. The Parties shall cooperate in good faith to agree upon and use reasonable efforts to process any amendments to this Agreement. Owner will reimburse City for any reasonable costs incurred in connection with future changes to this Agreement, including legal or engineering. This Agreement constitutes the entire agreement between the Parties pertaining to the subject matter hereof. No modification or amendment to this Agreement of any kind whatsoever shall be made or claimed by Owner or City shall have any force or effect whatsoever unless the same shall be endorsed in writing and signed by all parties hereto. Such amendment shall be recorded in the office of the Recorder for Canyon County, Idaho. Any alteration or change to this Agreement shall be made only after complying with the notice and hearing provisions of Idaho Code § 67-6509.
2. No Waiver. No delay in exercising any right or remedy shall constitute a waiver by either Party thereof, and no waiver by City or Owner of the breach of any covenant or condition of this Agreement shall be construed as a waiver of any preceding or succeeding breach of the same or any other covenant or condition of this Agreement.
3. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together constitute one and the same instrument. The signature pages from one or more counterparts may be removed from such counterparts and such signature pages all attached to a single document so that the signatures of all Parties may be physically attached to a single document.
4. Interpretation, Paragraph Headings. This Agreement shall be construed according to its fair meaning and as if prepared by both Parties hereto. Titles and captions are for convenience only and shall not constitute a portion of this Agreement. As used in this Agreement, masculine, feminine or neuter gender and the singular or plural number shall each be deemed to include the others wherever and whenever the context so dictates.

5. Due Diligence. Each of the Parties shall promptly execute and deliver all such documents and perform all such acts as reasonably necessary, from time to time, to carry out the matters contemplated by this Agreement.
6. Time of Essence. Time is of the essence in implementing the terms of this Agreement.
7. Assignment. The rights and obligations of Owner to develop the Project pursuant to this Agreement and the rights and obligations of Owner shall remain solely with Owner unless expressly assigned in a written instrument executed by Owner. Owner's rights and obligations with respect to project and the Property may assigned in whole or in part. Any assignment entered shall be recorded in the real property records of Canyon County, Idaho and a copy of such recorded assignment shall be provided to City within sixty (60) days of recordation.
8. No Agent Relationship Created. It is hereby specifically understood, acknowledged and agreed that neither City nor Owner shall be deemed to be an agent of the other for any purpose whatsoever. It is not intended by this Agreement to, and nothing contained in this Agreement shall, create any partnership, joint venture or other arrangement between Owner and City. No term or provision of this Agreement is intended to, or shall, be for the benefit of any third-party, person, firm, organization or legal entity not a party hereto, and no such other third-party, person, firm, organization or legal entity shall have any right to cause of action hereunder.
9. Legal Representation. All Parties hereto have either been represented by separate legal counsel or have had the opportunity to be so represented. Thus, in all cases, the language herein shall be constructed simply in accord with its fair meaning and not strictly for or against a Party, regardless of whether such Party prepared or caused the preparation of this Agreement.
10. Severability. If any provision of this Agreement is declared void or unenforceable, such provision shall be severed from this Agreement, which shall otherwise remain in full force and effect.
11. Exhibits. Any exhibit attached hereto shall be deemed to have been incorporated herein with the same force and effect as if fully set forth in the body hereof. The Recitals set forth above shall be deemed to have been incorporated herein with the same force and effect as if fully set forth in the body hereof.
12. Choice of Law. This Agreement shall be construed in accordance with the laws of the State of Idaho in effect at the time of the execution of this Agreement. Any action brought in connection with this Agreement shall be brought in a court of competent jurisdiction located in Canyon County, Idaho.
13. Notices Any notice which a Party may desire to give another Party must be in writing and may be given by personal delivery, by mailing the same by registered or certified mail, return

receipt requested – postage prepaid, or by Federal Express or other reputable overnight delivery service to the Party to whom the notice is directed at the address of such Party set forth below:

Greenleaf:

Greenleaf City Clerk  
20523 Whittier Drive  
Greenleaf, Idaho 82626-9199

Owner:

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Or such other address and to such other persons as the parties may hereafter designate. Any such notice shall be deemed given upon receipt if by personal delivery, forty-eight (48) hours after deposit in the United States mail, if sent by mail pursuant to the foregoing, or twenty-four (24) hours after timely deposit with a reputable overnight delivery service. Notice via e-mail may be provided but shall constitute notice for purposes of this paragraph only upon confirmation of receipt by the receiving party.

*[end of text – signatures on following page]*

IN WITNESS WHEREFORE, the parties have executed this Development and Annexation Agreement as of the Effective Date.

**CITY:**

CITY OF GREENLEAF, a municipal corporation organized and existing under the laws of the State of Idaho

By: \_\_\_\_\_, Mayor

Dated: \_\_\_\_\_

**ATTEST:**

\_\_\_\_\_, City Clerk

DATED this \_\_\_ day of \_\_\_\_\_, 2024

STATE OF IDAHO            )  
  :ss.  
County of Canyon         )

On this \_\_\_ day of \_\_\_\_\_, 2024, before the undersigned notary public in and for the said state, personally appeared Brad Holton, known or identified to me to be the Mayor of the City of Greenleaf and the person who executed the foregoing instrument on behalf of said City and Acknowledged to me that said City executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year first above written.

\_\_\_\_\_  
Notary Public for Idaho  
Residing at:  
My Commission Expires: \_\_\_\_\_

APPLICANT:

Royal Pro-C, LLC

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

Dated: \_\_\_\_\_

STATE OF IDAHO            )  
  :ss.  
County of Canyon         )

On this \_\_\_\_ day of \_\_\_\_\_, 2024, before the undersigned notary public in and for the said state, personally appeared \_\_\_\_\_, known or identified to me to be the property owner referenced herein and the person who executed the foregoing instrument.

IN WITNESS WHEREOF, I have hereunto set my hand and seal the day and year first above written.

\_\_\_\_\_  
Notary Public for Idaho  
Residing at:  
My Commission Expires: \_\_\_\_\_

- Schedule of Exhibits:**  
**Exhibit A – Legal Description of Subject Property**  
**Exhibit B – Site Plan**  
**Exhibit C – Conditions of Approval**  
**Exhibit D – Affidavit of Owner**