



RENDEZVOUS ENGINEERING, P.C.

Civil Engineers and Planners in Wyoming and Idaho

Rendezvous Project No: 05-006

April 15, 2013

Angie Rutherford
Teton County Planner
Teton County Courthouse
150 Courthouse Drive - Room 107
Driggs, ID 83422

RE: River Rim Ranch / Significant Amendment / Reduced Impacts

Dear Angie:

Attached is the following additional information to supplement the River Rim Master Plan/
Plat Amendment application based upon our recent conversations:

- Applicant's Narrative Summary Revised, with tables (4-15-2013)
- Draft Amended Development Agreement (4-15-2013)
- PUD Master Plan Amendment (4-1-2013, Exhibit A to Development Agreement, large format)
- Updated Cost Estimates (Exhibit B, Amended Development Agreement)
- Tentative Phasing Plan (Exhibit C, Amended Development Agreement)
- Draft Final Plat for Division II Phase I (8 Sheets, Amendment No. 5, 11" by 17" and 18" by 27" sizes)
- Preliminary Golf Open Space Reclamation Plan (To be refined over the next several weeks working with Biota and golf designers, 11" by 17")
- Preliminary Plan / Profile Drawings Showing Intersection Realignments at North and South Ends of County Road 9400 West.
- Preliminary Plan / Profile Drawings for Proposed Road to Service South Canyon Area, Phase VI.

As you are aware, we are working with Biota on wildlife issues both as they relate to the overlays on the South Canyon area and reclamation for the golf course open space area. Their findings and recommendations for both of these efforts will be submitted separately. As noted in the revised narrative summary, we are prepared to adjust unit locations in the South Canyon area if Biota's findings relative to their investigation of the migration overlay and sage grouse overlay suggest such a change is warranted. However, for the present

time we are leaving the master plan layout similar to the version we reviewed last Friday, April 5, 2013. A preliminary overlay plan for the golf course which is designed to allow the future construction of a golf course is included. This plan will be refined by the project team over the next several weeks however provides a general plan for the mix of native seed areas, agricultural areas, water features and pathways.

Also attached are preliminary road plans both for the realignment of the north and south intersections on County Road 9400 West as well as the roads on the South Canyon area. We anticipate additional comment and discussion with County Engineer Jay Mazalewski on these plans we go forward with the amendment application. We are not platting the South Canyon as you are aware so these plans are for preliminary planning only.

We are calling the revised plat for Division II Phase I "Amendment No. 5" as this will provide details on the specific lot changes we discussed in the platted portion of the development. The colored large format plan amendment proposal provides the details for the overall Division II and specifically areas that have not yet been platted. This plan will also become an exhibit attached to the modified development agreement as was done for the prior plans.

We are providing one paper copy of each item at the present time as you complete your initial review. We will also provide PDF digital copies. However, let us know if you need additional paper copies for any of these documents.

We have been working diligently to provide the additional information you have requested for this application. As you are aware, it is important to the overall future success of the project that we are able to complete this process in a timely manner and are looking toward the May 14, 2013 Planning and Zoning Commission meeting and June 24, 2013 Board of Commissioners meeting dates as we have previously discussed. Please let us know if there is anything we can do to help in your reviews to stay on this schedule.

Thanks again for your efforts and time as we work through this final amendment which we believe will be positive for both the County and current property owners in the long term.

Sincerely,

Robert T. Ablondi, P.E.

Cc: Don Chery
Mike Potter
Dan Green



River Rim Ranch- Division II
Substantial Decrease Scale/Impacts
Planned Unit Development Amendment
Narrative Summary
4/15/2013 – Revised

Historical Background/Application Introduction

River Rim Ranch is a low density Planned Unit Development (PUD) consisting of approximately 5,500 acres located at the north end of Teton Valley, Idaho. River Rim Ranch is a compatible blend of residential uses, recreational amenities, long term agricultural uses and an open space system that protects a two and one half mile stretch of the Teton River and river canyon environment. The property is being developed in multiple phases. The initial phase, referred to as Division I, consisting of 900 acres, was started in 2004 and completed in 2006. Residential lot sales were strong during this period. The second phase, referred to as Division II, was started in late 2006, and residential lot sales were strong through 2007. Division II includes approximately 4,480 acres, with up to 578 residential units in 6 development phases.

River Rim Ranch has been designed as a self-contained, high-quality, first and second home recreational resort community. Comprehensive amenities proposed include a Greg Norman Signature golf course, world class fishing on the Teton River, miles of hiking trails, mountain biking, ATV and snowmobile adventures, horseback riding along with the Overlook Lodge Community Building. A portion of the amenities have been completed in Division I, including Teton River fishing access, River Canyon trails, Overlook Lodge, and North fishing pond. The Greg Norman golf course construction began in 2006 and final grading and shaping has been completed.

River Rim Ranch is a project that has a sound financial track record. Division I of River Rim Ranch is complete with operating amenities and occupied homes and cabins. This portion of the project has an active property owners association and numerous community events that occur at the Overlook Lodge. All homes are in private ownership and there are no “spec” units in inventory.

Division II of River Rim Ranch started successfully with strong sales and the completion of substantial capital investments. Infrastructure improvements for Phase I included community sewer and water systems, a combination fire protection / irrigation

system, power distribution and communication systems and roadway system to serve 360 residential units. The majority of the infrastructure improvements for Phase I is complete, operational and accepted by state and local agencies. The primary roadway system has an all-weather pitrun gravel base and stage set for crushed gravel and asphalt paving – for which bonds are currently in place. Total infrastructure investment of more than \$30,000,000 has taken place within Phase I since its start in 2007.

In mid-2009, the original development group could no longer carry the project financially due to the nationwide recession when River Rim, like areas throughout the region, experienced a halt in most real estate sales and drastic drop in overall property values. Consequently the original development group chose to turn the land and project back to Big Sky Western Bank in a cooperative transaction that would help safeguard the integrity of the River Rim Ranch project, thereby protecting the asset for both the Bank and residential property owners. Since then, Big Sky Western Bank has proceeded with continuation of the infrastructure completions for Phase I of Division II, maintained the property and has kept property taxes current. It is the goal of Big Sky Western Bank to sell the asset to a qualified purchaser who in turn can continue with the River Rim Ranch project. Paramount to this goal for resale is structuring the entire Division II project so that it can succeed financially in today's market given the dramatic changes that have occurred in the real estate sector since the project's inception. A spirit of cooperation and compromise among property owners, regulatory agencies and developer will be critical for the financial survival of Division II of River Rim Ranch.

Since 2009, the Bank has worked diligently with current lot owners, adjacent property owners and the County to properly manage and maintain the property and move the project forward. They have invested an additional 4 million dollars in Teton County through the end of 2012 in products, services and salaries, including \$1,149,303 in County property taxes and weed control. During the Bank's time of ownership, they have stayed in compliance with all regulations and laws and maintained a constructive and cooperative dialogue with property owners, neighbors and county agencies. The Bank has continued to fund infrastructure improvements and has maintained appropriate project letters of credit with Teton County for upcoming infrastructure improvements. This includes a current letter of credit in the amount of \$4,310,848 for roadway paving, highway turning lanes, a future wastewater module as well as reclamation of the golf course open space.

The Bank has worked closely and cooperatively with Teton County and accomplished a number of PUD Master Plan amendments, plat amendments and Development Agreement amendments. These amendments have been instrumental in keeping Division II of River Rim Ranch viable and manageable during this period of national economic chaos while allowing key agricultural properties within the development to sell. Within the last two years, the Bank has successfully sold four of the future phases (Phases II through V), representing a total of more than 2300 acres, to farming interests while at the same time requiring the new owners to adhere to the conditions of the PUD Master Plan. Through these sales, the Bank retained the rights to the majority of the entitled lots which sets the stage for overall project density reduction and the increase of open space for long term farming.

This application addresses these opportunities and other administrative details that will allow Division II of River Rim Ranch to move forward and create the best chance for long term success for both the owners and County. Two items of substantial, financial, challenge include the relocation of the County road and completion of the golf course. In both cases, the previously set expectations are proving unrealistic due to the current market and financial conditions. We believe that leaving the door open to long term completion of these two items is a more sound strategy than the previous, and we address these two items further in this application.

This Division II amendment application proposes to reduce the total allowable residential units by 150, a reduction of 26% (or 39.4% of the 381 units still controlled by the applicant). Unit reductions are proposed in five out of the six phases as described in the following sections. In addition, this amendment will increase the total open space by more than 588 acres and increase the overall open space land commitment from the previous 63% to more than 75%, well in excess of current PUD requirement of 50% open space.

This application is submitted as a Substantial Decrease Scale/Impacts- Planned Unit Development Amendment and includes the following:

- Applicant's Narrative Summary (4-15-2013)
- Draft Amended Development Agreement (4-15-2013)
- PUD Master Plan Amendment (4-1-2013, Exhibit A to Development Agreement)
- Updated Cost Estimates (Exhibit B, Amended Development Agreement)
- Tentative Phasing Plan (Exhibit C, Amended Development Agreement)

- Draft Final Plat for Division II Phase I (8 Sheets, Amendment No. 5)
- Preliminary Golf Open Space Reclamation Plan (To be refined over the next several weeks)
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- Preliminary Plan / Profile Drawings for Proposed Road to Service South Canyon Area, Phase VI.

PUD Master Plan Amendment

The proposed PUD Master Plan Amendment Map graphically delineates the revised plan for each of the six phases associated with Division II. The PUD configuration remains consistent with the original plan from 2006 while providing a substantial reduction of density and increase in permanent agricultural open space. The proposed PUD Master Plan Amendments and related Development Agreement Amendments are summarized as follows:

A.) Density Reduction

The originally approved 2006 PUD Master Plan allowed a maximum of 578 total living units. This amended plan proposes a total of 428 units or a reduction of 150 units. This represents a 26% reduction in density from the original approved project as detailed by Phase in Table 1. This is achieved in the following manner:

- Phases II, III, IV and V would be reduced by 71 units. These are later phase portions of the project which have been sold to farming interests yet will remain as a part of the PUD with reduced residential lots. The remaining future units associated with these phases would be subject to the subdivision platting process as required by Teton County.
- Phase I, would be reduced by 38 units and includes both reductions and infill of units in an area where all major infrastructure facilities are readily available. In addition it is important to note that of the 360 units originally approved for Phase I, 155 units (43%) are owned by entities other than the applicant and not eligible for consideration in this amendment. This reduction includes the elimination of the higher density cabin sites in both

Tract A and Tract B in exchange for conventional residential lots. The Master Plan Map and following Development Agreement outline further details the Phase I changes. The specific unit changes by Lot and Block for Phase I are also summarized in Table 3.

- Phase VI, the South Canyon, was originally approved for 55 units. The Amended Master Plan proposes 64 units or a net increase of 9 units. The revised layout for Phase VI eliminates 24 of the higher density cluster cabin lots and proposes instead single family lots. The original PUD Master Plan of 2006 included 512 acres of open space. This proposed plan includes 470 acres or a reduction of about 42 acres. Overall the revised layout is very similar and maintains the 600 foot wide wildlife corridor created along the northern boundary of Phase VI at the base of the rim feature which generally runs from East to West.

When the 2006 PUD Master Plan was prepared there were no wildlife overlays within the County regulations. At that time, Jeff Short of the Idaho Fish and Game office was contacted regarding wildlife considerations. Wildlife migration was the main topic of discussion as presented on page 11 of the Final Plat Application for Division II (April 2006) which included the following:

“Wildlife Migration-Long time residents of the north end of the Teton Valley have observed a winter migration route for elk from the Teton River across State Highway 33 into the Big Hole Mountain range. This migration route provides an annual winter movement out of the valley and historically the wildlife does not winter on the River Rim Ranch property. Jeff Short of Idaho Fish and Game office confirmed this fact that mule deer and elk migrate through the Big Hole Mountains to winter in Swan Valley. He also stated the majority of migration appeared to be through the Badger and Bitch Creek complexes. Although Idaho Fish and Game do not have documentation showing migration routes in this area, the Master Plan of River Rim Ranch is sensitive to any potential impact to wildlife thereby incorporating vast

open space corridors in tree protected areas and hollows and has clustered home sites on the most exposed and historically farmed areas of the property to provide mitigation of any impact to the migrating wildlife.”

Also, it should be noted that all of the residential uses within Phase VI lie within areas that have been heavily farmed for generations. In other words, the existing habitat values are very low as grouse habitat (County wildlife overlay) or any other species for the areas that would include development. In addition to the wildlife corridor described above, the entire river canyon environment is also protected as a vast open space corridor. More detailed discussions of specific wildlife issues affecting the South Canyon area will be presented in a separate report.

Table 1 also compares the proposed density in this amendment with that which would be allowed under the current Title 9 regulations. As shown for each phase, a total of 243 additional units would potentially be allowed for the overall River Rim project under current 2013 county regulations.

B.) Open Space Increases

The originally approved 2006 PUD Master Plan included a minimum of 60% open space (2,700 acres minimum) which was 10% more than the original PUD requirement of 50% open space, which requirement is still a part of the current regulations. This Amended Master Plan achieves over 75% open space with the net addition of approximately 588 acres of open space in Phases I, II, III, IV, and V as detailed in attached Table 2.

Phase I was originally platted with 943 acres of open space. However, through previous minor plat amendments, the applicant has been able to reconfigure the existing open space areas within the phase to maximize the amount of useable farm land and insure that the best farm land remain productive. A small net increase in open space will result from changes made to Tract A where the 40 cluster cabins will be converted to 8 single family lots. In addition, a slight increase in open space results with the reconfiguration of the access road to the Block 3 Farm Ranch Units where portions of the road easement have been moved on to the actual lots. Also this road is no longer configured as a separate lot but

is instead an easement across the Farm Ranch Residential Compound (Block 3) and across the Farm Ranch Unit open space (Tract Z-2) on the most current plat. These changes are shown on the revised plat that accompanies this amendment.

The proposed plan also proposes a small decrease in open space acreage for Phase VI, South Canyon, where nine additional residential units are planned. The decrease, a total of about 42 acres, occurs in areas previously used for agricultural purposes and is to accommodate the additional lots as shown on the Plan Amendment. The additional units have been placed in areas where roads were previously planned and where a second row of lots can be sited with limited additional infrastructure. Also the lots in this phase have been reduced in overall size in an attempt to maximum the available farmable land and open space while providing for the additional units. The revised plan also decreases the number of units that front onto the Teton River from 27 to 19 through the elimination of the cluster cabin sites as previously noted. The plan does however maintain the public park along the river at the southeast corner of Phase VI. The park will be connected to the access road and a series of pathways that include links to Phase I and pathways that parallel the Teton River corridor. The additional lots are designed to recover a small portion of the potential revenue lost through lot reductions that occur throughout the project with this proposed amendment.

Since its inception, River Rim has incorporated meaningful open space into the overall development plan with the goal of creating compatible yet productive farm operations that coexist over the long term with the residential development. The net 588 acre increase in the open space associated with this amendment enhances this goal while concurrently providing substantial aesthetic public benefit along the scenic Highway 33 corridor.

C.) Golf Course Open Space Plan

The golf course open space Tract J (~279 AC) of Phase I has been rough graded and shaped in accordance with a design prepared by the Greg Norman group. However, further golf construction has been put on hold as a result of the national recession and resulting economic chaos in the golf industry and recreational home market. Although completion of the golf course remains a primary objective of the development, numerous inquiries with prospective buyers and developers since the property has been turned back to the Bank suggest that such an investment at this time would likely cause the project to fail both from

the capital investment required as well as the long term maintenance obligation. With a number of new existing courses already struggling in Teton Valley and available economic resources limited, the addition of a sixth golf course at River Rim would also add to the potential stress, harming the developer, lot owners and county.

It is for this reason that this Amended Master Plan will include a specific open space plan that provides for reclamation of the area disturbed by the golf course grading while enabling the construction of an internal trail system, habitat enhancements, and water features. To the extent feasible, these proposed enhancements will also be designed to be compatible with the original golf course layout. This plan would be designed to enhance the open space for the benefit of the general community for the foreseeable future while allowing completion of the golf course in the long term. Given the technical nature of such a plan and need for sufficient detail, the applicant suggests that the open space plan be included as a separate submittal following the initial review by staff of the proposed master plan. The applicant is currently working with Biota Research and Consulting of Jackson Wyoming on this plan to optimize the wildlife and habitat components, recognizing that a golf course may be constructed in the future and the area is surrounded by platted lots.

D.) County Road 9400 West Relocation

The original Master Plan contemplated partial relocation of County Road 9400 West from within Phase I to the west edge of Phase I with upgrades and a parallel pedestrian pathway. The Amended Master Plan proposes that the relocation project be an option for the future and that public access be allowed to use the Phase I subdivision road. Should relocation occur in the future, public access through the subdivision could conclude. The road through River Rim would be paved and far exceed the quality of the current County Road 9400 west.

Given the reduction in density associated with the Phase II and Phase III areas, as well as limited present and future traffic on County Road 9400 West in general, this modification would eliminate the need to construct approximately 2.31 miles of a duplicate paved road without impacting access to the properties in this area. Resources would be focused on a single road within River Rim Ranch which would be responsible for the long term maintenance. The county road easement would remain in place and serve as the boundary between Division II Phase I and Phase II/ Phase III parcels and could be used for

snow machine access in the winter. Also, as mentioned, if through traffic within the development became an issue, the easement would be in place to allow for a separate road. The responsibility for the construction of a separate road would be in the hands of the River Rim PUD.

The current road alignment through River Rim Ranch would require some minor adjustments to insure the smooth flow of traffic with curves that met the county road standards. The road plan would be reviewed, in cooperation with the county engineer, at the time that improvements are made to the River Rim Ranch roads.

Also, with the elimination of the redundant road, about \$1,144,613 would be saved in road construction and paving, allowing a similar reduction in the required letter of credit. This savings in part also enables the applicant to consider the reduction in units that are being proposed with this amendment.

E.) West Rim village (Block 1) Revisions

The West Rim Village area includes 8 commercial / mixed use lots with certain allowable uses including office space and condominiums contingent on completion of the golf course. Two plan amendments are requested for West Rim Village:

- Lot #1 is 6 acres in size. The Fire District would like 2 acres within Lot 1 set aside should they need to build a substation facility in the future. This area has access to utilities and is as a more buildable option than a previous fire station site on the east side of Highway 33. Lot 1A of 2 acres in size would be created within the southwest corner of Lot 1 per letter of understanding with the Teton County Fire Chief (2/2012). Lot 1 would become 4 acres.
- The existing headquarters building on Lot #8 is currently vacant. A local business owner has expressed interest in acquiring the building and converting it to a Lodge facility with the potential to include additional detached units. It is proposed that the restrictions for the Lodge and condominium units be changed to allow these uses to occur without the completion of the golf course. The applicant is willing to reduce the total allowable condominiums from 30 to 16 lodge units or a density reduction of 14 units from the total 360 units allowed in Phase I. The headquarters building conversion to lodge units would be subject to standard County site

plan approvals and building permits. All other existing conditions of approval as specified in the Development Agreement would remain in place. The lodging units would be assigned to Lots 6 and 8 of Block 1.

F.) Wastewater Plant Expansion Considerations

River Rim is currently maintaining a bond in the amount of \$756,016 (including a 10% contingency) for the second phase of the wastewater treatment system. This system includes a re-circulating gravel filter and accompanying leachfields which would duplicate the 30,000 gpd system currently in place.

Current Idaho regulations have required that the leachfield be constructed to accommodate twice the design flow (total of 60,000 gpd) – a requirement targeted to smaller, on-site commercial systems. As a result, River Rim Ranch has in place eight (8) 7,500 gpd capacity leachfield modules that can be rotated as necessary to accommodate flows generated within the development. Current use is only a few hundred gallons per day and has not required more than a single module to be used as it takes several months to generate sufficient volume to run the dosing pumps once on a single module. Even at pre-recession growth rates, it would likely take ten years for the current system to reach its design capacity.

Also, data from other second home resort developments in the area (Teton Pines in Wyoming; Teton Springs near Victor, Idaho) demonstrate that actual wastewater generation rates are about 50% of a typical year round residential development which is the basis for sizing most wastewater systems. This is due to the fact that full occupancy rarely occurs in a resort development. Similarly, the observed peaks are relatively short term during holiday periods and can be accommodated by the type of soil absorption system used at River Rim. Consequently, the 30,000 gpd capacity can potentially accommodate as many as 200 homes. Even at a future growth rate of 10 homes per year, it would take 20 years to reach full utilization at this rate of use.

Given the slow pace of growth anticipated, it is projected that the second phase of the treatment system would not be required for at least ten years and probably as long as 20 years. Also as described above, there is already excess reserve capacity built into the leachfield systems to accommodate any anticipated short term peak usage. Similarly, there

is no need to construct additional wastewater treatment capacity at the present time that will sit idle for years.

Rather than maintain a very long term letter of credit that requires regular renewals and updates as it is passed from one owner to the next, the applicant would like to develop a plan where funds are set aside for the future expansion on an as needed basis with the use of a sewer tap fee. This fee would be placed in an interest bearing sinking fund dedicated to wastewater treatment. The fee would only be charged at the time of construction of a new home and actual connection to the wastewater system. Based upon the current estimated costs for a new 30,000 gpd module and a design flow of 330 gpd per unit, the tap fee would be in the range of \$5,000-\$7,500.

This proposed condition change eliminates the need for carrying a large letter of credit for 10 or more years. The hookup fee alternative is a manageable alternative and used routinely within development projects and municipalities. Development conditions would still remain that would link requirements for future building permits to the ability to demonstrate adequate wastewater treatment capacity. The specifics of this proposal are included in the amended development agreement.

G.) Roadway Crushed Gravel/Asphalt Paving for Phase I

The applicant has discussed with county staff two additional common sense requests that would provide greater flexibility in the construction of roads within the development and limit the need for premature capital investment.

1.) Allow crushed gravel surfaces for up to 30 residential buildings and occupancy permits. As is the case with many of the existing county roads, a gravel surface is sufficient for low density residential development. Even with 30 occupied residences, average daily traffic for a second home development is only expected to be in the range of 150 to 200 trips per day. At this level of use, a gravel surface is sustainable and cost effective. Plus, with the slow pace of growth, this option would allow asphalt pavement to be postponed until the actual need and added traffic was in place, prolonging the actual life of the pavement. A deadline shift from 2014 to 2016 is proposed for the east portion of the loop road and a financial guarantee would need to remain in place until the asphalt is completed.

2.) Change paving requirement to be based on more than 30 residential building and occupancy permits with deadline of 2026. As discussed above, a gravel surface is adequate

for low density development. There should be no reason to complete several miles of paving until the need and use is in place. There would be an ultimate date of 2026, the final date for the PUD, when the paving would need to be completed. However, marketing benefits may also drive the paving to occur at a faster schedule. A financial guarantee would need to remain in place until the asphalt is completed.

A tentative phasing plan, which is attached to the amended development agreement, suggests when road and infrastructure work would take place based upon the amended plan.

H.) Additional Phase I Infill Lots- Utility Stubs/Utility Extensions:

The additional infill lots within Phase I which only require basic utility stub extensions from existing infrastructure mainlines include the following:

-Lot 1B/Block 5	-1 Residential Lot
-Tract A	-8 Residential Lots
-Tract B	-10 Residential Lots
-Block 6	-6 Residential Lots (south)*
-Tract G	-3 Residential Lots*

These lot service stubs would be completed by the end of 2016 but subject to financial guarantee.

The additional infill lots which require infrastructure lateral extensions as well as service stubs (County, DEQ review required) include:

-Tract E	-12 Residential Lots*
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Footnote*- The 6 Blocks 6 Lots, 3 Tract G Lots and 12 Tract E Lots are proposed should the golf course not be completed. Should the golf course be completed, these 21 units would be allowed to be used as clustered units in Tract E along with the previously approved Golf Village Facilities.

The future Golf Village (Tract E) area will be subject to County site plan review/ Platting review and County/DEQ review of utility plans. This future effort will also include standard financial guarantees to the County at that time in the future. See Table 3 for a detailed summary of the unit adjustments within Phase I.

I.)Tract I- Remainder Farm Tract-

It is proposed to include one residential development unit for Tract I (60.34 AC). Tract I has been planned for ongoing farm operation uses such as barns and potato cellars, as well as ongoing crops. One development unit will allow for a farm home to essentially serve as employee housing and help insure the success of the farm ranch operation over the long term.

J.) South Canyon Wildlife Analysis

Biota has also been engaged to review the wildlife overlays affecting the proposed development within the South Canyon area. Both the County and applicant understand that much of the area proposed for development in the South Canyon was previously impacted for several generations by intensive agricultural activities and that the current overlays are primarily designed to identify potential wildlife issues that may require special considerations and planning. In the case of the South Canyon there is a grouse habitat overlay and a big game corridor identified on portions of this phase which will be investigated. A supplemental report with more specific determinations of these wildlife issues and recommendations will be submitted separately. The analysis will also help determine the need for any potential changes to the current proposed lot layout for the South Canyon area. The analysis will also be submitted to the Idaho Game and Fish Department for technical review.

TABLE 1. RIVER RIM RANCH PUD - DIVISION II / UNIT SUMMARY

PHASE	DESCRIPTION	TOTAL ACRES ¹	APPROVED UNITS ^{2,3}	PROPOSED UNITS	CHANGE FROM APPROVED UNITS	% REDUCTION	CURRENTLY ALLOWABLE UNITS PER TITLE 9 ⁴	% OF ALLOWABLE
I	WEST RIM	1,464.2	360	322	-38	11%	220	147%
II	NORMAN RANCH	768.7	43	18	-25	58%	115	16%
III	CENTRAL PLATEAU	384.3	21	10	-11	52%	58	17%
IV	WEST PLATEAU	493.7	25	8	-17	68%	74	11%
V	NORTH PLATEAU	677.2	24	6	-18	75%	102	6%
VI	SOUTH CANYON	688.5	55	64	9	-16%	103	62%
-	UNITS TRANSFERRED FROM NORMAN RANCH (Change from cabins to single family lots)	-	22	0	-22	100%	-	-
-	APPROVED FLEXIBLE UNITS (Based upon 5% of 550 units)	-	28	0	-28	100%	-	-
TOTALS		4,476.5	578	428	-150	25%	671	64%

Notes:

- 1) Total Acres for Phases I, II & III based upon Amendment No. 3, Instrument No. 222435. Phases IV, V and VI acres based upon Instrument No. 198983.
- 2) The proposed lots in Block 6, Tract E and Tract G, total of 21 units, would be converted to cluster units on Tract E if the golf course is constructed.
- 3) Approved Units based upon the Original Development Agreement Instrument 179247 and Master Plat Instrument 198983.
- 4) Current Allowable Units Based upon **Rural Reserve PUD** maximum of 15 units per 100 acres.
- 5) River Rim master plat originally approved for a maximum of **578 units** with minimum of **2700 acres** of open space.

TABLE 2. RIVER RIM RANCH PUD - DIVISION II / OPEN SPACE SUMMARY

PHASE	DESCRIPTION	TOTAL ACRES	CURRENT APPROVED OPEN SPACE ACRES ¹	% TOTAL	PROPOSED OPEN SPACE ^{1,2}	% TOTAL	CURRENT TITLE 9 REQUIREMENT FOR PUD OPEN SPACE
I	WEST RIM	1,464.2	942.9	64.4%	971.1	66.3%	50%
II	NORMAN RANCH	768.7	335.8	43.7%	595.2	77.4%	50%
III	CENTRAL PLATEAU	384.3	261.0	67.9%	328.6	85.5%	50%
IV	WEST PLATEAU	493.7	279.9	56.7%	422.0	85.5%	50%
V	NORTH PLATEAU	677.2	484.1	71.5%	617.6	91.2%	50%
VI	SOUTH CANYON	688.5	512.7	74.5%	470.2	68.3%	50%
TOTALS		4,476.5	2,816.3	62.9%	3,404.6	76.1%	50%

Notes:

- 1) Current approved open space for all phases based upon acreages shown in Instrument #198983
- 2) Proposed open space for Phase I is based upon the current plat proposal with reductions for lots within golf course open space and increases for the Tract A modification. The total open space has also been increased slightly due to a modification of the access road lot to Block 3 and its elimination as a separate lot.
- 3) Proposed open space for Phases II through VI based upon Plan Amendment Proposal.
- 4) The proposed lots in Block 6, Tract E and Tract G, total of 21 units, would be converted to cluster units on Tract E if the golf course is constructed.
- 5) Proposed plan represents a net increase of about

588.3

 acres of open space over the current plan.

TABLE 3. DIVISION II PHASE I UNIT SUMMARY

DESCRIPTION	CURRENT USE	CURRENT NO. UNITS	PROPOSED USE	PROPOSED NO. UNITS	DIFFERENCE
BLOCK 1 (Entry Commercial) ¹	Mixed Use, Condominiums	30	Mixed Use, Condominiums, Lodge Facility	16	-14
BLOCK 5, LOT 1B ³	Golf Course	0	Single Family Residential	1	1
BLOCK 6 (South End) ^{1,2}	Golf Course Driving Range	0	Single Family Residential	6	6
BLOCK 9 LOT 7	Single Family Residential	1	Access Road to Norman Ranch	0	-1
TRACT A ³	Cluster Cabins	40	Single Family Residential	8	-32
TRACT B ³	Cluster Cabins	24	Single Family Residential	10	-14
TRACT E ^{2,3,4}	Golf Commercial	0	Single Family Residential	12	12
TRACT G ^{2,3}	Golf O&M Site	0	Single Family Residential	3	3
TRACT I	Agriculture, Farm Operations	0	Agriculture, Farm Operations with 1 Residence	1	1
TOTALS		95		57	-38

Notes:

- 1) Current Development Agreement links condominium units to the construction of the golf course.
- 2) The proposed lots in Block 6, Tract E and Tract G, total of 21 units, would be converted to cluster units located on Tract E if the golf course is constructed.
- 3) Only utility stubs required for these lots.
- 4) Tract E lot development will be subject to county permitting.

**SECOND AMENDMENT TO RECORDED DEVELOPMENT AGREEMENT
FOR RIVER RIM RANCH DIVISION II- PLANNED UNIT DEVELOPMENT**

This Second Amendment To Recorded Development Agreement for River Rim Ranch Division II Planned Unit Development (this “Agreement”) is made this ___ day of _____, 2013, by and between Teton County (the “County”) and Big Sky Western Bank (the “Owner” which term shall include any successors and assigns of the Owner to the ownership of River Rim Ranch PUD) (collectively referred to herein as the “Parties”).

STIPULATION OF FACTS

- A. This Agreement pertains to Division II of the River Rim Ranch Planned Unit Development (“River Rim”) which was approved by the County and recognized as a master planned unit development.
- B. On July 27, 2006, a Development Agreement for Division II was made between West Rim LLC (“West Rim”) as developer and the County. The Development Agreement was recorded on August 7, 2006, as Teton County Recorder’s Instrument No. 179247.
- C. On or about June 30, 2009, the Owner acquired River Rim Ranch property (the “Project”) from West Rim pursuant to a non-merger Warranty Deed in Lieu of Foreclosure recorded on July 14, 2009, as Teton County Recorder’s Instrument No. 205788.
- D. The 2006 Development Agreement was amended by: (i) that certain Amendment to Recorded Development Agreement for the River Rim Ranch - Division II Planned Unit Development, dated November 18, 2011, recorded on December 13, 2011, as Teton County Recorder’s Instrument No. 220042(the “2011 Amendment”); (ii) that certain Administrative Amendment to Development Agreement for River Rim Ranch Division II Planned Unit Development, dated May 14, 2012, recorded on May 17, 2012, as Teton County Recorder’s Instrument No. 222136 (the “Administrative Amendment”); and by (iii) that certain Administrative Amendment to Development Agreement for River Rim Ranch Division II Planned Unit Development, dated November 13, 2012, recorded December 14, 2012, as Teton County Recorder’s Instrument No. 225471 (the “Second Administrative Amendment”). Unless specifically indicated otherwise, the 2006 Development Agreement as amended by the 2011 Amendment, the Administrative Amendment, and the Second Administrative Amendment are collectively referred to herein as the “Development Agreement.”
- E. The Owner and the County agree to further modify the Development Agreement as more fully set forth below.



AMENDMENTS TO THE DEVELOPMENT AGREEMENT

NOW THEREFORE, in consideration of the mutual covenants and conditions contained herein, the Parties hereby stipulate and agree that the Development Agreement be amended as follows:

1. **Subdivision Description.** This Development Agreement pertains to and includes that property which is designated and identified as River Rim Ranch Division II (Div. II), which includes Phase I (consisting of sub-phases 1A, 1B, 1C, 1D, 1E, 1F, 1G, 1H and 1I, 1J, 1K, 1L, 1M, and 1N) and Phases II, III, IV, V and VI, all as illustrated on attached **Exhibit A**.
2. **Division II Phase I.** The Division II Phase I sub-phases are amended as more specifically described below and in the Exhibits attached hereto.
 - A. **Lot/Unit Reduction/Redistribution.**
 1. The number of units in Division II Phase I shall be reduced by 38 units from 360 units originally approved to 322 units.¹
 2. The Lots/Units shall be amended as follows:
 - (a) Tract A. The 40 cluster cabins will be converted into eight single family residential lots, resulting in an increase of open space of about 17.39 acres.
 - (b) Tract B. The 24 cluster cabins will be converted into 10 single family residential lots.
 - (c) Tract E. This tract will be converted into 12 residential lots.²
 - (d) Tract G. The Operation and Maintenance lot (“O&M lot”) will be converted into 3 single family residential lots.²
 - (e) Lot 1B/Block 5 (North). Addition of one lot.

¹ Of the 360 units originally approved, 155 units have been sold.

² The units associated with Tract E, Tract G and Lots 29-34 Block 6 shall be deferred until a final decision is made relative to the construction of a golf course. The lots and tracts shall revert to the uses shown on the original master plan if a golf course is constructed. If no golf course is constructed, these lots and tracts shall be used for residential development as described.

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(f) Block 6 (South). Addition of 6 lots on a portion of the current proposed driving range.²

(g) West Rim Village (Block 1).

(i) Fire Substation

(1) Lot No. 1 (6 acres). Two of the six in the Southwest corner of Lot 1, Block 1 will be reserved for a possible Teton County Fire District substation. If no fire substation is constructed by December 31, 2026, the reservation shall be withdrawn and the lot returned to the current owner of Lot 1.

(ii) Lodge Facility

(1) Lot 8 headquarters building will be converted into a Lodge Facility with the potential of including 16 additional units, subject to Teton County standard site plan approvals and building permits to be constructed on Lots 6 and 8 of Block 1.

(h) Tract I shall be used as an ongoing farm and farming operation (i.e. crops, barns, potato cellars, etc.). One development unit shall be allowed for use as a farm home. In the event no buildings and occupancy permits are issued for this tract by December 31, 2026, the development rights shall be vacated.

B. Utility Stubs and Extensions. Utility stubs and extensions from existing infrastructure to Tract A (8 single family lots), Tract B (10 single family lots), Tract E (12 lots), Tract G (3 lots), Lot 1B/Block 5 (north) (1 lot), and Block 6 (south [6 lots]) shall be completed on or before the earliest of: (i) completion of road paving in Phase I; (ii) issuance of building and occupancy permits for any of these lots or tracts; or (iii) December 31, 2016. The Owner shall provide a letter of credit before construction of infrastructure commences.

C. Block 10 Lots 1-4. A fire suppression and hydrant(s) for Lots 1-4 in Block 10 shall be completed on or before the earliest of: (i) completion of road paving in Phase I; (ii) issuance of a building and occupancy permit in Block 10 or; (iii) December 31, 2016. The Owner shall provide a letter of credit before construction commences.

D. Golf Course area. The golf course area which is open space Tract J (about 270 Acres) of Phase I, shall be reclaimed to agricultural land and native grasses along with the construction of an internal trail system, and water features (the “Reclamation”). The Reclamation shall be completed on or before December 31, 2016. The Owner, or Property Owner’s Association (“POA”), if applicable, shall retain the option to construct a golf course until December 31, 2026. In the event a golf course is constructed, the six lots added to Block 6 and the 3 lots in the O&M Lot (Tract G) will be transferred to Tract E as cluster units and these lots and tracts shall revert to the uses shown on the original master plan. The Bank shall provide a letter of credit before construction commences.

E. Road Improvements.

1. County Road 9400 West. The relocation of the County Road 9400 West, and the parallel pathway shall not be required. A public road access shall instead be established through the West Loop Road in Division II Phase I. The County road easement shall remain in place and serve as the boundary between Phase I and Phases II and III and for the potential future relocation of the County Road or public pathway. If County Road 9400 West is relocated in the future, the public access through the West Loop Road shall be vacated.
2. The West Loop Road and Connector Roads. The West Loop Road and the portions of County Road 9400 West that connect with the West Loop Road (the “Connector Roads”) shall be completed to Teton County crushed gravel standard on or before December 31, 2016. The West Loop Road and the Connector Roads shall be paved on or before the earlier of: (i) 30 building and occupancy permits issued for the lots accessed by the West Loop Road; or (ii) December 31, 2026.
3. Alignment of the West Loop Road and the Connector Roads. The Roads that connect to the existing County Road 9400 West shall be aligned to promote smooth traffic flow, and Lot 7 of Block 25 shall be vacated to permit access to the West Loop Road (the “Alignments). The Alignments shall be completed to Teton County crushed gravel standards on or before the earlier of December 31, 2016, or upon the issuance of 30 building and occupancy permits for the lots accessed by the West Loop Road.

4. Remaining West Rim Loop Road. The remainder of the West Rim Loop Road not described in E (1) and (2) above, and the roads in Block 1 shall be completed to Teton County crushed gravel standard on or before the earlier of December 31, 2016 or the issuance of 30 building and occupancy permits for the lots accessed by the Remaining Loop Road and Block 1.
 5. Turning Lanes. Asphalt pavement for turning lanes on State Highway 33 (Northern entrance) shall be completed by the earlier of: (i) commercial development referred to in paragraph J hereafter; (ii) a mandate of the Idaho Transportation Department (“ITD”); or (iii) by December 31, 2026. A letter of credit shall remain in place until the turning lanes are completed.
- F. Road Paving. Asphalt paving of the roads described in paragraphs 2 (E)(1)(2), (3) and (4) shall be required on the earlier of: (i) the issuance of 30 residential building and occupancy permits; or (ii) December 31, 2026. A letter of credit shall remain in place until the asphalt paving is completed.
- G. Future Wastewater Pre-Treatment Modules. As of October, 2010, River Rim Ranch has completed the first 30,000 gallons per day capacity module of a wastewater pre-treatment system which includes primary and backup leachfields with a total combined capacity of 60,000 gpd. The wastewater pre-treatment system is designed to be enlarged to 120,000 gallons per day with a total of four (4) 30,000 gallon per day pre-treatment modules, which units are designed to reduce the overall nitrogen concentrations in the effluent discharged to the leachfields. Construction of an additional module will be determined from an analysis, to be reviewed and approved by the Idaho DEQ and Teton County, of the actual maximum day flow in comparison with the number of units constructed and occupied, when the flow reaches 50 percent of the designed capacity, or about 15,000 gpd for the first phase. From this analysis, a determination will be made to the number of units using the system would result in a maximum day flow of not more than 85 percent of design capacity. The Owner shall be required to commence construction of the next treatment module once the projected number of units that would consume 85 percent of design capacity is exceeded. Payment for an additional wastewater module will be paid by purchasers of building units on a pay for use fee basis assessed at the time applications for building and occupancy permits are filed for new building units. The future wastewater module construction shall be based upon measured



flow and not associated with a specific development phase. Failure to complete the next module of the pre-treatment system in accordance with this requirement shall result in the withholding of any new building or occupancy permits by Teton County until the additional module is in operation. The County shall retain the right to withhold building permits or occupancy permits if there is substantial reason to believe that the capacity of the treatment facility will be exceeded or negatively impacted by excessive flows.

Due to the likelihood that a new wastewater treatment module will not be required for ten years or longer, in lieu of a letter of credit, the Bank agrees to establish and maintain an escrow account whereby tap fees collected at the time a building permit is issued will be set aside for use in the construction of the next module. An initial tap fee amount of \$7,500 per residential unit, or the equivalent flow, shall be required, which fee shall be adjusted from time to time to insure adequate funds for the construction of the next module in accordance with this section of the agreement.

- H. County Acceptance of Completed Infrastructure. The Owner may submit a request to the County for approval of completed infrastructure as completions are accomplished. Upon the County's acceptance of the infrastructure, the County shall provide written acceptance of the completed infrastructure and release any Letter of Credit, or portion thereof, for that specific infrastructure.
- I. Letters of Credit. The improvements described in Paragraphs 2 (A) through 2 (F) will be subject to an updated Letter of Credit in an amount based on an updated engineers' estimate, attached as **Exhibit B**. No Letter of Credit will be provided for the improvements described in Paragraph 2 (G).
- J. Incidental Uses. Commercial support uses are located in the following areas and include certain approved uses and restrictions:
- Teton Rim Golf Village (Tract E)
 - Golf Pro Shop/Lounge/Restaurant/Office (subject to completion of golf course)
 - Cart Barn/Storage/Multipurpose/Office (subject to completion of golf course)
 - Swimming Pool/Spa/Health Club/Tennis Facility
 - Nordic Skiing
 - Fishing Pond
 - Shops/Services/Office Space/Conference/Sales/

- Property Management
 - Farm and Golf Operations/Barn/Equipment
 - Property Owner’s Association Operations/Barn/Equipment
 - General Storage/Multi-Purpose/Support Facilities
- Equestrian Area
 - Outdoor riding facilities
 - Indoor riding arena facilities
- West Rim Village (Block 1)
 - Fire substation-approximately 2 acres reserved in Lot 1
 - General Store/Gas Pumps/Car Wash (subject to completion of golf course)
 - Self Storage Units/Office-Storage Units
 - Cafe/Logo Shop
 - Lodge with 16 units. This is approved upon approval of this Agreement.
 - Multi-purpose Meeting/Conference Space
 - Real Estate Office
 - Property Management Office
 - Existing Agricultural Buildings
 - Existing Storage
 - Existing Brent Hoopes Residence
 - Limitations:
 - All other above listed support commercial uses, “incidental uses”, will be allowed to be constructed and operational upon recording of the Phase I Final Plat, unless specifically restricted by the completion of a golf course as indicated above.

Exhibit C presents a proposed phasing plan for the completion of infrastructure within Division II Phase I as described in the preceding paragraphs 2A through 2J.

3. **Division II Phase II (Norman Ranch/Western Highlands)**. Division II Phase II will be reduced by 25 lots (about 215.23 acres of development area) (See **Exhibit A**).
4. **Division II Phase III (Central Plateau)**. Division II Phase II will be reduced by 11 lots (about 56.84 acres of development area) (See **Exhibit A**).



5. **Division II Phase IV (West Plateau).** Division II Phase IV will be reduced by 17 lots (about 132.91 acres of development area) (See **Exhibit A**).
6. **Division II Phase V (North Plateau).** Division II Phase V will be reduced by 18 lots (about 119.19 acres of development area) (See **Exhibit A**).
7. **Division II Phase VI (South Canyon).** Division II Phase VI will be modified by eliminating 24 cluster cabin units and adding 33 lots for a net increase of 9 single family residential units (total of 64 units and increase of about 42 acres of development area) (See **Exhibit A**).
8. **Platting and Improvements for Divisions II, III, IV, V and VI.** Division II Phases II-VI improvements shall be completed by December 31, 2026. Division II Phases II-VI are eligible for final platting in accordance with the attached master plan (See **Exhibit A**) so long as this Agreement has not been breached. Failure to plat and complete any improvement in accordance with the timelines in this agreement shall result in a breach of this Agreement and may result in the vacation or partial vacation of the Amended Master Plan (Instrument 198983), Third Amendment to Master Plan recorded on June 5, 2012 (Instrument 222435) and Fourth Amendment to Master Plan recorded on December 14, 2012 (Instrument 225470) and all applicable subdivision and zoning regulations in effect at the time shall govern the future use of the land. The Owner may apply to amend the current Amended Master Plan (Instrument 198983) and subsequent amendments thereto at any time prior their vacation.
9. **Guarantee of Improvements.** The Owner warrants that each completed improvement will operate in accordance with its intended use for one year from the date that improvement is accepted by the County.
10. **Building and Occupancy Permits.** Building permits and certificates of occupancy shall be issued by Teton County in accordance with the Phasing Plan (**Exhibit C**).
11. **Public Benefits.** The following public benefits shall be provided:
 - A. Acreage adjacent to the Teton River shall be used as an interpretive river park. This park will be located and constructed by the Owner and maintained at the expense of the Property Owner's Association and shall be made available to the public on a reservation basis administered by the Property Owner's Association. A temporary interpretive river park was completed as part of Division I. The permanent interpretive river park will be finished upon completion of

the South Canyon Development (Phase VI) described in paragraph 7 above, or December 31, 2026, whichever occurs first.

B. Public trail and snow mobile access on the County Road 9400 easement.

12. **Order of Completion.** Division II Phases II-VI may be completed in any order as determined by the Owner. Work on any phase may be commenced prior to and/or simultaneously with work in any other phase.
13. **Density.** The modifications to density by phase are amended as more specifically described in **Exhibit D** attached hereto.
14. **Voluntary Impact Fee Commitment.** The Owner, agrees to provide \$1,000.00 per lot to the County at the time of final plat recording of each phase of Division II.
15. **Inspection.** Representatives authorized by the County shall have the right to enter upon the property at any reasonable time to inspect and determine whether the Owner is in compliance with this Agreement. The Owner shall permit the County and its representatives to enter upon and inspect the property at any reasonable time.
16. **Final Inspection and Approval of Improvements.** The Owner shall notify the County when it believes any improvements have been fully and properly completed and shall request final inspection, approval, and acceptance of the improvements by the County. Upon approval the County shall give its written acceptance of the improvements.
17. **Letter of Credit.** Except as otherwise provided herein, as security to the County for the performance by the Owner of the Owner's obligations to complete the improvements pursuant to and in accordance with this Agreement, the Owner shall, prior to the recordation of the final plat, deliver to the County, a letter of credit for the benefit of the County in an amount which is 110% of the cost of the improvements, on a phase-by-phase or Sub-Phase basis, as stated in **Exhibit __**. The Letter of Credit or portions thereof will be released by the County as improvements are completed and approved by the County.
18. **Default.** If the Owner defaults in or fails to fully perform any of its obligations in accordance with this Agreement, or fails or refuses to correct any defect or deficiency in the improvements required by the provisions of this Agreement and such default or failure shall continue for a period of thirty (30) days after written notice specifying the default is deposited in the United States mail addressed to the Owner, without being completely remedied,

satisfied and discharged, the County shall have, and the Owner hereby grants to the County, in addition to all other rights afforded to the County in this Agreement and by law, the right, at the County's option, to complete the construction of the improvements or to correct such defect or deficiency. The County may draw on the letter of credit pursuant to the terms of this Agreement, and/or demand payment directly from the Owner, based either on costs actually incurred or on the County's reasonable estimates of costs to be incurred, an amount of money sufficient to defray the entire cost of the work, including legal fees and administrative expenses. The County may enforce any other remedy provided by law. These remedies are cumulative in nature. In addition, if the Owner is in breach of this Agreement, the Amended Master Plan (Instrument Number 198983) may be vacated for all unplatted phases of the project (Phases II-VI) and all applicable subdivision and zoning regulations in effect at the time shall govern the future use of this land. Prior to the expiration of the time limitations above, and without causing a breach of this Agreement, the Owner may apply to vacate all or a portion of any platted phase or amend the design of the platted lots in accordance with applicable subdivision and zoning regulations.

19. **Liability and Indemnity of County.**

- A. **No Liability for County Approval.** The Owner acknowledges and agrees (1) that the County is not, and shall not be, in any way liable for any damages or injuries that may be sustained as the result of the County's issuance of any approvals or acceptances of the improvements or use of any portion of the improvements, and (2) that the County's issuance of any approvals or acceptances does not, and shall not, in any way be deemed to insure the Owner, or any of its successors, assigns, tenants, or licensees, or any third party, against damage or injury of any kind at any time.
- B. **Indemnification.** The Owner agrees to, and does hereby, hold harmless and indemnify the County, and all of its elected and appointed officials, officers, employees, agents, representatives, engineers, and attorneys from any and all claims, costs and liability of every kind and nature that may be asserted at any time against any such parties for injury or damage received or sustained by any person or entity in connection with (1) the development, construction, maintenance or use of any portion of the improvements and, (2) the performance by the Owner of its obligations under this Agreement and all related Agreements. The Owner further agrees to aid and defend the County in the event that the County is named as a defendant in an action concerning the improvements provided by this Agreement except where such suit is brought by the Owner. The

Owner is not an agent or employee of the County. This indemnification does not extend to claims, costs and liability asserted by the Owner or any third person in the event the County fails in its duties and obligations to Owner or any third person as set forth herein or by law.

20. **No Waiver of Rights.** No waiver of any provision of this Agreement will be deemed to constitute a waiver of any other provision nor will it be deemed to constitute a continued waiver unless expressly provided for; nor will the waiver of any such default under this Agreement be deemed a waiver of any subsequent default or defaults of the same type. The County's failure to perform any obligation under this Agreement will not constitute the approval of any wrongful act by the Owner or the acceptance of any improvement.
21. **Assignment.** It is expressly agreed that the Owner may to assign this Agreement, in whole or in part, to any third party, without prior written consent of the County.
22. **Notices.** All notices in connection with this Agreement shall be in writing and shall be deemed delivered to the addressee thereof (1) when delivered in person on a business day at the address set forth below or (2) on the third day after being deposited in the United States mail, for delivery by properly addressed, postage prepaid, certified or registered mail, return receipt requested, at the address set forth below.

Unless notified otherwise, notices to the County shall be addressed to, and delivered at, the following address:

Teton County Commissioners
Attn: Planning Administrator
Teton County Courthouse
89 North Main
Driggs, Idaho 83422

Unless notified otherwise, notices to the Owner shall be addressed to, and delivered at, the following address:

Don Chery
Executive Vice President and Chief Administrative Officer
Glacier Bancorp, Inc.
49 Commons Loop
Kalispel, Montana 59901

23. **Enforcement.** The parties hereto may, in law or in equity, by suit, action,



mandamus, or any other proceeding, including without limitation specific performance, enforce or compel the performance of this Agreement.

24. **Other Requirements.**

- A. **Conveyance of Individual Lots.** The Owner shall convey no individual lots to individual buyers until the Phased Final Subdivision Plats in which the individual lots are located have been recorded.
- B. **Certificate of Occupancy.** Except as otherwise provided herein, building permits shall be issued in accordance with the Phasing Plan (**Exhibit C**). However, Certificates of Occupancy for residential units will not be issued by the County, until the public improvements are complete for each phase, or other arrangements have been made and agreed to in writing by the Owner and the County.
- C. **Common Water and Wastewater System.** Operation and Maintenance of Common Water and Wastewater Systems, and irrigation water/fire suppression systems (hydrants) will be the responsibility of the Property Owners Association.
- D. **Roadway/Path Maintenance.** The Owner will maintain all internal roadways.
- E. **Acknowledgment of Other Permitting Requirements.** The Owner acknowledges the requirement for approvals and permitting from the State Department of Environmental Quality (“DEQ”) for sewer and water improvements, District 7 for septic systems, Corp. of Engineers for Wetlands permitting, Idaho Department of Highways for Route 33 intersection upgrades; Idaho Department of Water Resources for wells and irrigation and other State or Federal requirements. DEQ approval is required prior to sewer and water improvements. Construction activities subject to these permitting requirements will not commence until permits are received and permit copies provided to the County Planning Office.
- F. **Right to Farm Provision.** The Owner acknowledges the Right to Farm Act contained in Idaho Code Chapter 45, Sections 22-4501 through 22-4504 or as may be amended.

25. **Open Space Provisions.** The general open space areas for River Rim Ranch Divisions II, Phases I through VI are shown on **Exhibit A** and will be managed by the Property Owners Association.



26. **On-Site Security.** The Owner will provide on-site security presence with trained personnel in cooperation with the Sheriff's Office and the Fire Marshall's Office. The on-site security is secondary and subservient to the Sheriff and Fire Marshall but will provide the on-site presence for:
- General information and directions
 - Routine patrolling
 - Local help with minor problems such as lost pets, missing keys, stuck vehicles, minor injuries, etc.
 - Reporting of bigger problems to Sheriff or Fire Marshall offices.
27. **Teton County Pipeline Association.** The Project falls within the jurisdiction of Teton Pipeline Association, Inc. (TPA), for surface irrigation water and the Owner will abide by the Bylaws, Operating Agreements, prorata cost sharing provisions, and other mutual agreements within TPA jurisdiction. Shares of TPA stock or water rights pertaining to the River Rim Ranch property will be held as follows. The Property Owners Association or subassociations may hold TPA stock in common for lots and common areas that are subject to phased Final Subdivision Plats. The Property Owners Association, subassociations, or private property owners may hold TPA stock for open areas and farm/ranch areas and for areas that are not yet subject to a phased Final Subdivision Plat. Notwithstanding the foregoing, it is understood that, with respect to open areas and farm/ranch areas that are subject to a Final Subdivision Plat, the private owner of such parcel(s) may continue to hold TPA stock and exercise all rights associated therewith. A single "Water Master" for River Rim Ranch will be appointed to work with the Board of Directors of TPA.
28. **Open Area Provisions.** The Owner will maintain all open space areas free of noxious weeds, free of fire hazards or other nuisances under the administration of the Property Owners Association. The Master Declaration of Protective Covenants, Conditions and Restrictions for River Rim Ranch sets forth these provisions.
29. **Adjacent Neighbor Provisions.** Owner agrees to maintain a 200' separation from all building envelopes to adjacent property which have adjacent residential uses.
30. **Sharing of Development Costs.** The County has approved a Letter of Notification to the County, Idaho regarding Sharing of Development Costs (Subdivision Ordinance, Section 9-5-4) submitted to the County which entitles the Owner to collect a pro-rata share of compensation for a portion of the costs of the public improvements required by the Teton County Subdivision Ordinance from adjoining property owners who subdivide their

properties.

31. **Filing.** The Owner may record this Agreement in the office of the Teton County Clerk and Recorder.
32. **Development Agreement To Remain in Effect.** The County acknowledges, consents and agrees that as of the date of this Agreement, the Owner is not in default of any of the terms or provisions of the Development Agreement and that all terms, conditions and provisions contained in the Development Agreement not specifically amended herein shall remain valid, binding and in full force and effect.
33. **Binding on Successors.** This Agreement shall be binding, inure to the benefit of, and be enforceable by the parties hereto, their respective successors and assigns.
34. **Entire Agreement.** This Agreement constitutes the entire understanding among the Parties hereto in connection with the subject matter, and except as otherwise provided herein, supersedes and replaces all prior negotiations, agreements, understandings, or representations whether oral or written. The terms of this Agreement may be modified only in writing, by the authorized signature of all of the Parties.
35. **Waiver of Claims.** Each of the Parties hereby waives and releases any and all claims or causes of action they have or may have against the other, and their respective officers, directors, employees, agents and attorneys, resulting from any claims or causes of action occurring prior to the execution of this Agreement.
36. **Statement of Fact.** The statements set forth in the Stipulation of Facts above are facts upon which the parties agree and are not to be construed as mere recitals. Said statements of fact are incorporated into this Agreement by reference as if set forth fully.
37. **Amendments.** All amendments to this Agreement shall be in writing and shall be approved by the Owner and the County.
38. **Severability.** The invalidity or unenforceability of any provision of this Agreement shall not affect the other provisions hereof and this Agreement shall be construed in all respects as if such invalid or unenforceable provisions were omitted.
39. **Authority to Execute.** The Parties hereby warrant and represent each to the other, without any limitation or qualification that (i) they are duly authorized

and empowered to enter into and sign this Agreement; (ii) the persons executing this Agreement on behalf of the Parties are authorized to do so; and (iii) this Agreement is valid, binding and enforceable on the Parties in accordance with its terms.

40. **Governing Law.** This Agreement shall be governed by and construed under the laws of the State of Idaho and jurisdiction and venue for any litigation of this Agreement shall be in the state or federal courts of the State of Idaho.

IN WITNESS WHEREOF the Parties have hereunto set their hands on the date first above written.

BIG SKY WESTERN BANK

By: _____
Don Chery
Executive Vice President and
Chief Administrative Officer of
Glacier Bancorp, Inc., owner of
Big Sky Western Bank

STATE OF IDAHO)
 :SS.
County of _____)

On this ____ day of _____, 2013, before me, a Notary Public, personally appeared Don Chery, known to me to be the person whose name is subscribed to the within instrument as the authorized representative of Glacier Bancorp, Inc., and acknowledged to me that he subscribed his name thereto as such.

(SEAL)

Notary Public for IDAHO
Residing at:
Commission expires:



BOARD OF COUNTY COMMISSIONERS
TETON COUNTY, IDAHO

By: _____
Kelly Parks, Chairman

STATE OF IDAHO)
 :SS.
County of _____)

On this ____ day of _____, 2013, before me, a Notary Public,
personally appeared Kelly Parks, known to me to be the person whose name is subscribed to the
within instrument as the Chairman of the Teton County Board of Commissioners, and
acknowledged to me that she subscribed her name thereto as such.

(SEAL)

Notary Public for IDAHO
Residing at:
Commission expires:

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EXHIBIT A: Illustrative Master Plan dated April 1, 2013, prepared by PC Development
EXHIBIT B: Engineer's Estimate for Letter of Credit
EXHIBIT C: Tentative Infrastructure Phasing Plan for Division II Phase I
EXHIBIT D: Table of Revised Density and Unit Allotments by Phase

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EXHIBIT B
COST ESTIMATE River Rim Ranch Division II Phase I

Owner: Big Sky Western Bank
 4150 Valley Commons Dr.
 P.O. Box 818
 Bozeman, Mt. 59718

Engineer: Robert Ablondi, Idaho PE 5994
 Rendezvous Engineering
 25 South Gros Ventre
 Jackson, WY 83001
 4/12/2013

10%

PHASE	PHASE COST	CONTINGENCY	TOTAL PHASE COST	REMARKS
Phase 1B	\$315,354	\$31,535	\$346,889	Construct South Connector, Realign Intersections, Place Crushed Gravel on West side of West Rim Loop Road
Phase 1C	\$7,250	\$725	\$7,975	Block 10 Lots, Install Fire Hydrant
Phase 1D	\$141,764	\$14,176	\$155,941	Place Crushed Gravel on Remainder of West Rim Loop Road, East Side
Phase 1E	\$42,400	\$4,240	\$46,640	Tract A Utility Stubs
Phase 1F	\$53,000	\$5,300	\$58,300	Tract B Utility Stubs
Phase 1G	\$175,062	\$17,506	\$192,568	Tract E Utility Stubs, Gravel Roads
Phase 1H	\$53,000	\$5,300	\$58,300	Tract G (O&M) Utility Stubs
Phase 1I	\$13,780	\$1,378	\$15,158	Turning Lanes, Main Entrance Only
Phase 1J	\$939,425	\$93,942	\$1,033,367	Reclaim Golf Course
Phase 1K	\$0	\$0	\$0	Turning Lanes, North/West Entrance (To be added only if golf course and additional commercial uses take place)
Phase 1L	\$907,707	\$90,771	\$998,478	Pave West Rim Loop Road, County Road 9400 West, South Connector, Tract E, Commercial Area
TOTAL	\$2,648,742	\$264,874	\$2,913,616	

COST ESTIMATE River Rim Ranch Division II

Owner: Big Sky Western Bank
 4150 Valley Commons Dr.
 P.O. Box 818
 Bozeman, Mt. 59718

Engineer: Robert Ablondi
 Rendezvous Engineering
 25 South Gros Ventre
 Jackson, WY 83001
 4/12/2013

Phase 1B

Widen and place gravel on old county road sections

DESCRIPTION	LENGTH, FT	UNIT	EST QTY	ESTIMATED UNIT PRICE	AMOUNT
Re-shape all roads	4,039	LF	4,039	\$1.50	\$6,059
Grade and Place Topsoil Along Road Edge (Onsite Source, 6" 10 ft each side)	4039	CY	748	\$5.00	\$3,740
Seeding and reclamation	4039	SF	40,390	\$0.05	\$2,020
Topsoil Stripping to widen road		CY	750	\$4.00	\$3,000
Pit Run Gravel to widen road		CY	750	\$14.00	\$10,500
Crushed Gravel		Ton	1,830	\$15.00	\$27,450
Total, Old County Road Sections					\$52,768

Gravel on West Side RRR Roads

DESCRIPTION	LENGTH, FT	UNIT	EST QTY	ESTIMATED UNIT PRICE	AMOUNT
Re-shape all roads	15,507	LF	15,507	\$1.50	\$23,261
West Rim Place, to West Rim Loop	925	Tons	558	\$15.00	\$8,373
West Rim Place West Side Loop -North	6,455	Tons	3,895	\$15.00	\$58,430
West Rim Place West Side Loop-South	5,252	Tons	3,169	\$15.00	\$47,540
Big Hole Drive (Chalets)	1,239	Tons	748	\$15.00	\$11,215
Village Parkway (Single lane)	600	Tons	362	\$15.00	\$5,431
South Connector, Original Alignment	1,036	Tons	625	\$15.00	\$9,382
Roads, Gravel Only					\$163,633

North and South Connectors, New Road Sections

DESCRIPTION	UNIT	EST QTY	ESTIMATED UNIT PRICE	AMOUNT
Sub-Excavation/ Toposil Stripping, partially c	Cu Yds	2,230	\$4.00	\$8,920
Cut / Fill	Cu Yds	3,000	\$4.50	\$13,500
Granular Road Sub-Base	Cu Yds	2,770	\$14.00	\$38,780
Topsoil Along Road Edge, Onsite Source	Cu Yds	987	\$5.00	\$4,937
Seeding Reclamation along roadside	SF	53,324	\$0.05	\$2,666
Aggregate - 3/4" crushed	Tons	1,610	\$15.00	\$24,150
Install 4" conduits pipe & trench	Lin Ft	60	\$5.00	\$300
Culverts pipes 18"	Lin Ft	60	\$30.00	\$1,800
Culverts pipes 48"	Lin Ft	60	\$65.00	\$3,900
West Rim County Road 940 / Connector - w/o asphalt				\$98,954

TOTAL PHASE 1B	\$315,354
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COST ESTIMATE River Rim Ranch Division II -

Owner: Big Sky Western Bank
4150 Valley Commons Dr.
P.O. Box 818
Bozeman, Mt. 59718

Engineer: Robert Ablondi
Rendezvous Engineering
25 South Gros Ventre
Jackson, WY 83001
4/12/2013

Phase 1C. Install Fire Hydrant, Block 10

DESCRIPTION	UNIT	EST QTY	ESTIMATED UNIT PRICE	AMOUNT
Fire Branch Extension	Lin Ft	75	\$30.00	\$2,250
Tap Existing Domesitic Main	LS	1	\$1,000.00	\$1,000
Fire Hydrant Assembleys	Ea	1	\$4,000	\$4,000
Total: Install Fire Hydrant				\$7,250

COST ESTIMATE River Rim Ranch Division II

Owner: Big Sky Western Bank
4150 Valley Commons Dr.
P.O. Box 818
Bozeman, Mt. 59718

Engineer: Robert Ablondi
Rendezvous Engineering
25 South Gros Ventre
Jackson, WY 83001
4/12/2013

Phase ID. Place crushed gravel East Side RRR

DESCRIPTION	UNIT	EST QTY	ESTIMATED UNIT PRICE	AMOUNT
Re-shape , all roads	LF	13,435	\$1.50	\$20,153
Place crushed gravel	Tons	8,107	\$15.00	\$121,612
East Side Crushed Gravel				\$141,764

COST ESTIMATE River Rim Ranch Division II -

Owner: Big Sky Western Bank
4150 Valley Commons Dr.
P.O. Box 818
Bozeman, Mt. 59718

Engineer: Robert Ablondi
Rendezvous Engineering
25 South Gros Ventre
Jackson, WY 83001
4/12/2013

Phase 1E Tract A Service Stubs

DESCRIPTION	UNIT	EST QTY	ESTIMATED UNIT PRICE	AMOUNT
Water Service Connections	Ea	8	\$500	\$4,000
Water Service Line	Lin Ft	400	\$13	\$5,200
Irrigation Water Service Connections	Ea	8	\$750	\$6,000
Irrigation Water Service Line	Lin Ft	400	\$15.00	\$6,000
Sewer Service Connections	Ea	8	\$350	\$2,800
Sewer Service Line	Lin Ft	400	\$16.00	\$6,400
Power Service	Ea	8	\$1,000	\$8,000
Communication Service	Ea	8	\$500	\$4,000
Tract A Service Stubs				\$42,400

COST ESTIMATE River Rim Ranch Division II -

Owner: Big Sky Western Bank
4150 Valley Commons Dr.
P.O. Box 818
Bozeman, Mt. 59718

Engineer: Robert Ablondi
Rendezvous Engineering
25 South Gros Ventre
Jackson, WY 83001
4/12/2013

Phase 1F Tract B Service Stubs

DESCRIPTION	UNIT	EST QTY	ESTIMATED UNIT PRICE	AMOUNT
Water Service Connections	Ea	10	\$500	\$5,000
Water Service Line	Lin Ft	500	\$13	\$6,500
Irrigation Water Service Connections	Ea	10	\$750	\$7,500
Irrigation Water Service Line	Lin Ft	500	\$15.00	\$7,500
Sewer Service Connections	Ea	10	\$350	\$3,500
Sewer Service Line	Lin Ft	500	\$16.00	\$8,000
Power Service	Ea	10	\$1,000	\$10,000
Communication Service	Ea	10	\$500	\$5,000
Tract B Service Stubs				\$53,000

COST ESTIMATE River Rim Ranch Division II -

Owner: Big Sky Western Bank
 4150 Valley Commons Dr.
 P.O. Box 818
 Bozeman, Mt. 59718

Engineer: Robert Ablondi
 Rendezvous Engineering
 25 South Gros Ventre
 Jackson, WY 83001
 4/12/2013

Phase 1G Tract E Line Extensions / Service Stubs

DESCRIPTION	UNIT	EST QTY	ESTIMATED UNIT PRICE	AMOUNT
8 inch Water Main Extension	Lin Ft	1200	30	\$36,000
Gate Valves	Ea	2	750	\$1,500
Fire Hydrants	Ea	2	4000	\$8,000
8 inch Sewer Line Extensions	Lin Ft	650	32	\$20,800
Manholes	Ea	3	2500	\$7,500
Power Line Extensions	Lin Ft	1000	15	\$15,000
Communication Line Extensions	Lin Ft	1000	10	\$10,000
Water Service Connections	Ea	12	\$500	\$6,000
Water Service Line	Lin Ft	600	\$13	\$7,800
Irrigation Water Service Connections	Ea	12	\$750	\$9,000
Irrigation Water Service Line	Lin Ft	600	\$15.00	\$9,000
Sewer Service Connections	Ea	12	\$350	\$4,200
Sewer Service Line	Lin Ft	600	\$16.00	\$9,600
Power Service	Ea	12	\$1,000	\$12,000
Communication Service	Ea	12	\$500	\$6,000
Re-shape all roads	LF	1,200	\$1.50	\$1,800
Crushed Gravel	Ton	724	\$15.00	\$10,862
Tract E Service Stubs				\$175,062

COST ESTIMATE River Rim Ranch Division II -

Owner: Big Sky Western Bank
 4150 Valley Commons Dr.
 P.O. Box 818
 Bozeman, Mt. 59718

Engineer: Robert Ablondi
 Rendezvous Engineering
 25 South Gros Ventre
 Jackson, WY 83001
 4/12/2013

Phase 1H Tract G, Block6, Block 5 Service Stubs

DESCRIPTION	UNIT	EST QTY	ESTIMATED UNIT PRICE	AMOUNT
Water Service Connections	Ea	10	\$500	\$5,000
Water Service Line	Lin Ft	500	\$13	\$6,500
Irrigation Water Service Connections	Ea	10	\$750	\$7,500
Irrigation Water Service Line	Lin Ft	500	\$15.00	\$7,500
Sewer Service Connections	Ea	10	\$350	\$3,500
Sewer Service Line	Lin Ft	500	\$16.00	\$8,000
Power Service	Ea	10	\$1,000	\$10,000
Communication Service	Ea	10	\$500	\$5,000
Tract A Service Stubs				\$53,000

COST ESTIMATE River Rim Ranch Division II

Owner: Big Sky Western Bank
 4150 Valley Commons Dr.
 P.O. Box 818
 Bozeman, Mt. 59718

Engineer: Robert Ablondi
 Rendezvous Engineering
 25 South Gros Ventre
 Jackson, WY 83001
 4/12/2013

Phase 1L Place Asphalt on All Roads

DESCRIPTION	ROAD LENGTH (ft)	UNIT	EST QTY	ESTIMATED UNIT PRICE	AMOUNT
Re-shape all roads		Lin Ft	38,626	\$1.50	\$57,939
County Road Exsiting North Section (To realignment point)	2,584	Ton	758	\$75.00	\$56,848
North Connection, New Road Alignment	1,004	Ton	295	\$75.00	\$22,092
West Rim Place, to West Rim Loop	925	Ton	271	\$75.00	\$20,350
West Rim Place West Side Loop -North	6,455	Ton	1,893	\$75.00	\$142,010
West Rim Place West Side Loop-South	5,252	Ton	1,541	\$75.00	\$115,544
Big Hole Drive (Chalets)	1,239	Ton	363	\$75.00	\$27,258
Village Parkway (Single lane)	600	Ton	176	\$75.00	\$13,200
South Connector, Original Alignment	1,036	Ton	304	\$75.00	\$22,802
South Connector, New Alignment	626	Ton	183	\$75.00	\$13,762
County Road Existing South Section (from realignment point)	1,455	Ton	427	\$75.00	\$32,010
WEST RIM LOOP -EAST SIDE (from south connector to north connector)	13,435	Ton	3,941	\$75.00	\$295,570
River Rim Ranch Road, Gravel Section Modified Alignment	946	Ton	277	\$75.00	\$20,804
West Rim Village Road Entrance	1,369	Ton	402	\$75.00	\$30,118
West Rim Village Road Connector	700	Ton	205	\$75.00	\$15,400
Tract E Roads	1,000	Ton	293	\$75.00	\$22,000
Total Tons			11,330		
Roads, Asphalt Only					\$907,707

EXHIBIT C. RIVER RIM RANCH DIVISION II –PHASE I
TENTATIVE - INFRASTRUCTURE PHASING PLAN
April 15 2013

PHASE	DESCRIPTION OF COMPLETED INFRASTRUCTURE	SCHEDULED INFRASTRUCTURE COMPLETION DEADLINE	LOTS AUTHORIZED FOR BUILDING PERMITS / OCCUPANCY PERMITS UPON ACCEPTANCE OF INFRASTRUCTURE²	LOTS RESTRICTED FROM SELLING
1A	Potable Water, Fire/Irrigation System, Sewage Collection, Module I Wastewater Pre-Treatment, Power, Communications, Roads to Pit Run Gravel, Paved road to West Rim Village area	Complete	Block 1, Lot 8	All lots excepts those affected by the current county road alignment which include Block 9, Lots 1-25; Block 8, Lots 1-7, Tract G
1B	Construct South Connector to County Road 9400 West, crushed gravel only, Place Crushed Gravel on West Loop, Improve Raddi on County road alignment. (See Note 1)	12/31/2016 or prior to issuance of any occupancy permits	Lots in Phase 1A plus Block 6 Lots 1-28; Block 7 Lots 1-16; Block 8 Lots 8-12; Tract C Lots 1-62; Tract D Golf Village Chalets; Block 9 Lots 1-25	All lots eligible for sale following construction of South Connector and Completion of West Loop
1C	Block 10 Lots 1-4, Install Fire Protection Hydrant(s)	12/31/2016 or prior to building permit for Lots 1-4, road paving	Block 10, Lots 1-4	No Restrictions
1D	Place Crushed Gravel to Teton County Standards on remainder of West Rim Loop Road and Block 1	12/31/2016 or prior to issuance of any occupancy permits	Lots in Phase 1A, 1B, 1C plus Block 1 Lots 1-7; Block 2 Lots 1-8; Block 4 Lots 1-22; Block 5 Lot 1A and Lots 1-39;	No Restrictions

EXHIBIT C. RIVER RIM RANCH DIVISION II –PHASE I
TENTATIVE - INFRASTRUCTURE PHASING PLAN
April 15 2013

PHASE	DESCRIPTION OF COMPLETED INFRASTRUCTURE	SCHEDULED INFRASTRUCTURE COMPLETION DEADLINE	LOTS AUTHORIZED FOR BUILDING PERMITS / OCCUPANCY PERMITS UPON ACCEPTANCE OF INFRASTRUCTURE ²	LOTS RESTRICTED FROM SELLING
1E	Tract A Infrastructure for 8 Lots (Utility Stubs)	12/31/2016 or prior to occupancy permit, or prior to road paving	All previous Phases plus Tract A, Lots 1-8	No Restrictions
1F	Tract B Infrastructure for 10 Lots (Utility Stubs)	12/31/2016 or prior to occupancy permit, or prior to road paving.	All previous Phases plus Tract B, Lots 1-10	No Restrictions
1G	Tract E Infrastructure for 12 Lots (Utility Stubs) (See Note 9)	12/31/2016 or prior to road paving, or prior to occupancy permit	All previous Phases plus Tract E, Lots 1-12	No Restrictions
1H	Tract G Infrastructure for 3 Lots, Block 6 (south) 6 lots; Block 5 (north) 1 lot; total of 10 lots (Utility Stubs) (See Note 9)	12/31/2016 or prior to road paving, or prior to occupancy permit	All previous Phases plus Tract G Lots 1-3, Block 6 Lots 29-34 Block 5, Lot 1B	No Restrictions
1I	Pave Highway 33 Turning Lanes, Main Entrance (See Note 6)	12/31/2016	All previous Phases	No Restrictions
1J	Finish Grade and Reclaim Golf Course Open Space (See Note 3)	12/31/2016	All previous Phases	No Restrictions

EXHIBIT C. RIVER RIM RANCH DIVISION II –PHASE I
TENTATIVE - INFRASTRUCTURE PHASING PLAN
April 15 2013

PHASE	DESCRIPTION OF COMPLETED INFRASTRUCTURE	SCHEDULED INFRASTRUCTURE COMPLETION DEADLINE	LOTS AUTHORIZED FOR BUILDING PERMITS / OCCUPANCY PERMITS UPON ACCEPTANCE OF INFRASTRUCTURE ²	LOTS RESTRICTED FROM SELLING
1K	Pave Highway 33 Turning Lanes, North Entrance (See Note 6)	Prior to commercial development or 12/31/2026	All previous Phases	No Restrictions
1L	Pave Loop Road, County Road 9400, South Connector	12/31/2026 or when 30 occupancy permits are issued within River Rim	All previous Phases	No Restrictions
1M	Block 3 Farm Ranch Infrastructure, 4 lots	12/31/2026	All previous Phases plus Block 3 Lots 1-4	No Restrictions
1N	Wastewater Treatment Module # 2 (See Note 2)	Based upon Flow (85% of design capacity, = 25,500 gpd)	All previous Phases	No Restrictions

EXHIBIT C. RIVER RIM RANCH DIVISION II –PHASE I
TENTATIVE - INFRASTRUCTURE PHASING PLAN
April 15 2013

Additional Notes:

1. South connector to County Road 9400 West shall be completed by the end of 2016 to enable access to adjacent properties to the south and west of River Rim. The access road through River Rim shall be modified in places to comply with county requirements.
2. The first module of a planned four module wastewater pre-treatment system has been completed. Future modules will be added on the basis of actual needs as described in paragraph 3D of the Amendment to the Recorded Development Agreement.
3. The golf course reclamation shall also include the installation of water features and trails as a permanent use, with the option of constructing a golf course or other open space outdoor activity facility in the future.
4. See attached cost estimates for improvements by phase.
5. Development within the Golf Village, (including Tract D Golf Chalets and Tract E) will be subject to additional Teton County permit review for development anticipated to take place within the boundaries of these tracts. Similarly O&M Lot Tract G will be subject to additional Teton County permit review for the development of operation and maintenance facilities.
6. The turning lanes on State Highway 33 will also be subject to additional completion requirements that may be established independently by the Idaho Transportation Department. Plans for both the main and north entrance turning lanes have been permitted by the Idaho Transportation Department. The north entrance turning lanes may be eliminated due to the reduction in proposed development within the West Rim Village area.
7. No final plat has been filed for future Phases II through VI, which phases are scheduled for completion by December 31, 2026. Density, open space and the lot configuration for these areas are described in River Rim Planned Unit Development, Master Plan Plat Amendment No. 5, recorded on _____ as Teton County, Idaho, Instrument No. _____. Once infrastructure is completed for Phase I, all remaining Phases II through VI can proceed concurrently and in any order.
8. Phases 1E through 1H primarily involve the installation of utility stubs and are allowed to occur in any order with a final deadline date of 12/31/2016.
9. Utility stubs will be installed for the proposed lots in Block 6, Tract E and Tract G, total of 21 units by 12/31/2016. However these lots will remain through the end of the project 12/31/2026. These units would be transferred to Tract E as cluster units if the golf course is constructed.
10. No bonding is proposed for Phases 1M which involves Lots 1-4 of Block 3. This area is platted as a Farm Ranch Residential Compound and is owned by a separate entity. Improvements would be required prior to the issuance of any building permit in this block.

EXHIBIT D. RIVER RIM RANCH PUD - DIVISION II / UNIT / OPEN SPACE SUMMARY

PHASE	DESCRIPTION	TOTAL ACRES ¹	APPROVED UNITS ^{2,3}	PROPOSED UNITS	CHANGE FROM APPROVED UNITS	CURRENT APPROVED OPEN SPACE ACRES ³	PROPOSED OPEN SPACE ACRES ⁴	CHANGE FROM APPROVED PLAN
I	WEST RIM	1,464.2	360	322	-38	942.9	971.1	28.2
II	NORMAN RANCH	768.7	43	18	-25	335.8	595.2	259.4
III	CENTRAL PLATEAU	384.3	21	10	-11	261.0	328.6	67.6
IV	WEST PLATEAU	493.7	25	8	-17	279.9	422.0	142.1
V	NORTH PLATEAU	677.2	24	6	-18	484.1	617.6	133.5
VI	SOUTH CANYON	688.5	55	64	9	512.7	470.2	-42.4
-	UNITS TRANSFERRED FROM NORMAN RANCH (Change from cabins to single family lots)	-	22	0	-22			
-	APPROVED FLEXIBLE UNITS (Based upon 5% of 550 units)	-	28	0	-28			
TOTALS		4,476.5	578	428	-150	2,816.3	3,404.6	588.3

Notes:

- 1) Total Acres for Phases I, II & III based upon Amendment No. 3, Instrument No. 222435. Phases IV, V and VI acres based upon Instrument No. 198983.
- 2) For West Rim, Phase I, the proposed lots in Block 6, Tract E and Tract G, total of 21 units, would be converted to cluster units on Tract E if the golf course is constructed.
- 3) Approved Units and Open Space based upon the Original Development Agreement Instrument 179247 and Master Plat Instrument 198983.
- 4) Proposed open space for Phases II through VI based upon Plan Amendment Proposal.
- 5) River Rim master plat originally approved for a maximum of **578 units** with minimum of **2700 acres** of open space.