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RESOLUTION NO. 2026-1

RESOLUTION OF THE CITY OF STANLEY, IDAHO, AN IDAHO MUNICIPAL CORPORATION, APPROVING AND AUTHORIZING THE MAYOR TO EXECUTE THAT CERTAIN LEASE OPTION AGREEMENT BETWEEN THE CITY AND NORTHWEST REAL ESTATE CAPITAL CORP.

WHEREAS, pursuant to the Sawtooth National Recreation Area and Jerry Peak Wilderness Additions Act, Pub. L. No. 114-46, 129 Stat. 476 (2015) (the “SNRA Additions Act”), Congress transferred four (4) acres of land (the “Property”) from the Sawtooth National Forest to the City of Stanley, Idaho (the “City”), to be used for the development of workforce housing for the local community; and

WHEREAS, the City released a Request for Qualifications (“RFQ”) on January 27, 2025, to select a contractor to design, construct, and operate workforce housing on the Property; and

WHEREAS, through the RFQ process the City selected Northwest Real Estate Capital Corp. (“Contractor”) to serve as its contractor to design, construct, and operate workforce housing on the Property; and

WHEREAS, Contractor and the City are currently negotiating a long term ground lease to provide Contractor legal access to the Property; and

WHEREAS, prior to executing the ground lease, Contractor and the City desire to memorialize the City’s intent to lease the Property to Contractor through a Lease Option Agreement.

NOW, THEREFORE, BE IT RESOLVED, as follows:

Section 1. The Mayor and the City Council of the City, hereby approve the Lease Option Agreement substantially in the form attached hereto as **Exhibit A**. The Mayor is hereby authorized to execute and deliver the Lease Option Agreement.


Section 2. This Resolution shall be in full force and effect from and after its passage, approval.

(Signatures to follow)

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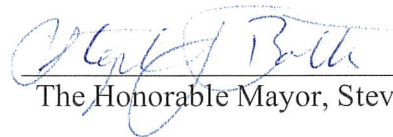
PASSED BY THE COUNCIL of the City of Stanley, Idaho, this 12th day of February, 2026.

APPROVED BY THE MAYOR of the City of Stanley, Idaho, this 12th day of February, 2026.



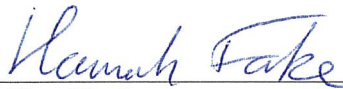
City Council President, Gabriel Cardoso

The Mayor Concurring:



The Honorable Mayor, Steve Botti

ATTEST



City Clerk



EXHIBIT A

(Attached)

LEASE OPTION AGREEMENT

THIS LEASE OPTION AGREEMENT (this “**Agreement**”) is dated and entered into as of February 12, 2026 (the “**Effective Date**”), by and between the City of Stanley, Idaho, a municipal corporation duly formed and existing pursuant to Title 50, Idaho Code (the “**Grantor**”) and Northwest Real Estate Capital Corp., an Idaho nonprofit corporation (the “**Grantee**”). Grantor and Grantee may be referred to herein as the “parties” or each a “party,” as the case may be.

WITNESSETH:

WHEREAS, pursuant to the Sawtooth National Recreation Area and Jerry Peak Wilderness Additions Act, Pub. L. No. 114-46, 129 Stat. 476 (2015) (the “**SNRA Additions Act**”), Grantor was conveyed and is the fee simple owner of certain unimproved real property located on Museum Drive in the City of Stanley, Custer County, Idaho, as more particularly described in Exhibit A (the “**Property**”); and

WHEREAS, pursuant to the SNRA Additions Act, Grantor is permitted to contract for the development of workforce housing thereon for persons employed in the City of Stanley and surrounding area; and

WHEREAS, pursuant to the Request for Qualifications (“**RFQ**”) released by the Grantor on January 27, 2025, the Grantor selected the Grantee to design, construct, and operate certain workforce housing on the Property; and

WHEREAS, to provide legal access to the Property to Grantee for the design, construction, and operation of workforce housing thereon, the Grantor and the Grantee desire to enter a long-term ground lease (the “**Ground Lease**”), which Ground Lease is currently being negotiated by the parties; and

WHEREAS, prior to executing the Ground Lease, the parties desire to memorialize Grantor’s desire to lease the Property to the Grantee for the purposes stated herein and Grantee’s desire to lease the Property for such purposes by entering into this Agreement.

NOW, THEREFORE, in consideration of the foregoing, and the covenants, promises, conditions, premises, and the mutual obligations of the parties set forth herein, Grantor and Grantee hereby covenant and agree as follows:

Section I: Option to Lease

(a) Grant of Option. Grantor, for itself and its successors and assigns, hereby grants to Grantee the option (“**Option**”) to lease the Property with all improvements, easements, and rights-of-way thereon, and rights and appurtenances pertaining thereto, if any, and any and all validly existing restrictions, reservations, covenants, conditions, rights-of-way, easements, and other encumbrances, if any, and municipal or other governmental zoning laws, regulations and ordinances, if any, from Grantor pursuant to a lease term of sixty-five (65) years pursuant to a

Ground Lease, which Gound Lease will be negotiated in good faith by the parties in accordance with and consistent with the substance and intent of the parties as evidenced by the terms and conditions set forth in this Agreement and the RFQ proposal submitted by the Grantee dated February 28, 2025.

(b) Term of Option. The Option shall exist for a period of time commencing on the Effective Date and terminating at 5:00 p.m., Mountain Standard Time, on December 31, 2026 (the “**Option Period**”).

(c) Termination. This Agreement and the Option hereunder will terminate upon the occurrence of one or more of the following: (i) the expiration of the Option Period or (ii) the mutual execution of the Ground Lease. Upon termination of this Agreement pursuant to this section, neither party shall have any further rights or obligations hereunder.

Section 2: Lease Terms

If Grantee exercises its Option, then Grantor and Grantee shall enter into the Ground Lease for a lease term of sixty-five (65) years.

Section 3: Lease Provisions

Grantor and Grantee shall negotiate in good faith, prior to the execution of the Ground Lease, occupancy provisions to be included in the Ground Lease that are reasonably designed to satisfy the Grantor’s policy objectives of promoting affordable workforce housing within the City of Stanley and to comply with the requirements of the SNRA Additions Act, as amended. Such occupancy provisions may include, without limitation, restrictions relating to eligible occupants, income levels, net worth restrictions, residency or employment criteria, and use limitations, provided that all such provisions shall be consistent with applicable law

Section 4: Authority

The parties have all requisite power and authority to enter into this Agreement and negotiate the Ground Lease.

Section 5: Notices

Any notice required or permitted hereunder shall be in writing and sent (i) by registered or certified mail, postage prepaid, return receipt requested, (ii) by commercial delivery service paid for by the sender, (iii) by hand delivery, (iv) by telecopy, or (v) by electronic mail, addressed to such party as the address herein below specified. The date of receipt of such registered mail or certified mail or the date of actual receipt of such writing by commercial delivery service, hand delivery or telecopy, being deemed the date of such Notice. If delivered by electronic mail, transmission shall be to the electronic mail address herein below specified, with a “hard” copy of such notice sent by (i), (ii) or (iii) above as soon as practicable after delivery of such electronic copy; any notice sent by electronic mail will be deemed to be delivered on the date such notice was sent, if such notice was sent during the business hours of the recipient, or if such notice was sent other than during the

business hours of the recipient, on the next business day following the date such notice was sent. Any address for notice may be changed by written notice as so given.

To Grantor: City Clerk & Mayor
City of Stanley
PO Box 53
Stanley, Idaho 83278
208-774-2286
CityClerk@cityofstanleyid.gov

Geoffery Schroder
City Attorney, City of Stanley
MSBT Law
7699 West Riverside
Boise, Idaho 83760

To Grantee: John Vance, Director of Housing Development
Northwest Real Estate Capital Corp.
210 West Mallard Drive, Suite A
Boise, Idaho 83706

Brad Britzmann, Esq.
BJB Law Group LLC
809 West Riordan Road, Suite 100
Flagstaff, Arizona 86001

Section 6: Entire Agreement

This Agreement contains the entire agreement between Grantor and Grantee with respect to the Option, and no oral statements or prior written matter pertaining to the Option not specifically incorporated herein shall be of any force and effect. No variation, modification or changes hereof shall be binding on either party hereto unless set forth in a document executed by such parties or a duly authorized agent, officer or representative thereof.

Section 7: Assigns

This Agreement shall inure to the benefit of and be binding on the parties hereto and their respective heirs, legal representatives, successors and assigns. Neither party may assign its rights hereunder without the written consent of the other party. This Agreement will not be recorded.

Section 8: Time of the Essence

Time is of the essence as to each and every provision of this Agreement.

Section 9: Governing Law

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

Section 10: Severability

In case any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision has never been contained herein.

Section 11. Independent Consideration

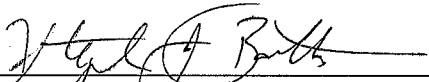
Contemporaneously with the execution of this Agreement, Grantee hereby deliver to Grantor a check in the amount of Five and No/100 Dollars (\$5.00) ("**Independent Consideration**"), which amount the parties bargained for and agreed to as consideration for Grantor's execution, delivery and performance of this Agreement. This Independent Consideration is in addition to and independent of any other consideration or payment provided for in this Agreement.

[The remainder of this page has been left blank intentionally.]
[Signature page follow.]

IN WITNESS WHEREOF, this Agreement is hereby executed as of the Effective Date.

GRANTOR:

THE CITY OF STANLEY,
a municipal corporation



By: The Honorable Steve Botti
Mayor

ATTEST:



By: Kannah Fahn
City Clerk

GRANTEE:

NORTHWEST REAL ESTATE CAPITAL CORP.,
an Idaho nonprofit corporation

By: Noel Gill
President

IN WITNESS WHEREOF, this Agreement is hereby executed as of the Effective Date.

GRANTOR:

THE CITY OF STANLEY,
a municipal corporation

By: The Honorable Steve Botti
Mayor

ATTEST:

By: City Clerk

GRANTEE:

NORTHWEST REAL ESTATE CAPITAL CORP.,
an Idaho nonprofit corporation



By: Noel Gill
President

Exhibit A

Property Description

(Attached)

ALPINE ENTERPRISES INC.

Surveying, Civil Engineering, Mapping, GPS, GIS and Natural Hazards Consulting

LEGAL DESCRIPTION OF THE STANLEY WORKFORCE HOUSING AREA FROM USFS

A parcel of land lying within a portion of Section 3, Township 10 North, Range 13 East, Boise Meridian, Custer County, Idaho; being more particularly described as follows:

Commencing at the South 1/16 Corner common to Sections 4 and 3 of said Township 10 North, Range 13 East, Proceed S 89°16'51" E, 1057.90 feet to a ½" rebar by LS 3621, thence N 10°24'05" E, 1531.06 feet to an Aluminum Cap by the USFS marked AP1, at the Southeasterly Corner of the Workforce Housing Conveyance which point is the **TRUE POINT OF BEGINNING**;

Thence S 44°53'19" W, 196.64 feet along the Easterly Boundary of the Workforce Housing Conveyance to an Aluminum Cap by the USFS marked AP2;

Thence S 38°23'17" W, 312.35 feet along the Easterly Boundary of the Workforce Housing Conveyance to an Aluminum Cap by the USFS marked AP3;

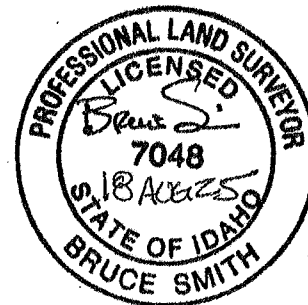
Thence S 70°40'09" W, 120.95 feet along the Southerly Boundary of the Workforce Housing Conveyance to an Aluminum Cap by the USFS marked AP4;

Thence N 02°24'45" E, 520.74 feet along the Westerly Boundary of the Workforce Housing Conveyance to an Aluminum Cap by the USFS marked AP5;

Thence N 66°40'00" E, 403.64 feet along the Northwesterly Boundary of the Workforce Housing Conveyance to an Aluminum Cap by the USFS marked AP6;

Thence S 11°58'50" E, 261.67 feet along the Easterly Boundary of the Workforce Housing Conveyance to an Aluminum Cap by the USFS marked AP1, being the **TRUE POINT OF BEGINNING**; containing 175,160 square feet, (4.02 acres) (4.00 acres per USFS record), more or less.

This description is directly from Exhibit A of Instrument Number 257521, Custer County Records as the Conveyance did not contain a Metes and Bounds Description, only the Exhibit A Map. Please refer to this document for conditions that may apply.



WorkforceHousingLegalDesc_15Aug25.docx