



Memo

To: Mayor and Hayden City Council

From: Dulci Kau, PE, City Engineer

Date: 8/20/2026

Agenda Item: Approval of the Property Use Agreement with 3140 W Hayden, LLC

Agenda Item Location

Consent

Background and Recommended Action or Motion

The City has plans prepared to perform asphalt widening, and a span wire signal at the Hayden Avenue and Atlas Road intersection. This Property Use Agreement allows this project to proceed this construction season.

Staff recommends City Council approve, and permit the Mayor to sign the Property Use Agreement with 3140 W Hayden, LLC.

Functional Impact of Authorizing

Approval will allow the City proceed with the construction of the intersection improvements.

Functional Impact of Not Authorizing

If not approved, the City cannot proceed with intersection improvements.

Fiscal Impact

This agreement has no fiscal impact, the purchase of the entire right-of-way, will come forward to council approval.

Budget Funding Source / Transfer Request

N/A

Attachment

Property Use Agreement

After recording return document to:
City of Hayden
8930 N Government Way
Hayden, Idaho 83835

PROPERTY USE AGREEMENT

This PROPERTY USE AGREEMENT, is made this ____ day of 8/17/2026 | 6:02 PM PDT, 2026 by and between 3140 W Hayden, LLC (“OWNER”) and the City of Hayden, (“CITY”), a Political Subdivision of the State of Idaho, 8930 N. Government Way, Hayden, Idaho 83835 and CITY and OWNERS may be referred to individually as “PARTY” or collectively as “PARTIES.”

WHEREAS, the CITY intends to construct the Hayden Avenue and Atlas Road Widening project (“PROJECT”). This agreement is necessary because the right-of-way acquisition timeline likely exceeds the CITY’s need to improve the Hayden-Atlas intersection for public safety. The CITY and the OWNER are in the process of right-of-way acquisition and providing just compensation, however closing has not yet occurred. This agreement allows the CITY and its contractors to proceed with construction activities in accordance with the project schedule while the right-of-way transaction is finalized. The CITY intends to continue to work with OWNER to come to an agreement and acquire the right-of-way, and the execution of this agreement to gain early access does not alter the compensation payable to OWNER.

WHEREAS, the OWNER grants access during utility relocation and construction of the PROJECT as shown in EXHIBIT A for parcel number H-0000-022-3225, also known as 3140 W Hayden Avenue, Hayden, Idaho 83835, which is approximately 20’x20’ of the northwest corner of the OWNER’s property.

NOW, THEREFORE, the PARTIES agree as follows:

1. The PARTIES agree that the PROJECT serves a public purpose and that the purpose is necessary for the public’s use.
2. The PARTIES agree to allow access, right of ingress/egress, and property use to the property during relocation of utilities, construction of underground and overhead utilities, grading, and asphalt vehicular facilities, drainage facilities, yard restoration, or any other item requiring encroachment on the OWNER’s property during construction of the PROJECT in the 20’x20’ area illustrated in Exhibit A.
3. The private utility (fiber, gas, power, phone) are relocating at the request of the CITY and this agreement extends to these private companies and their subcontractors in the 20’x20’ area illustrated in Exhibit A. CITY’s contractors, utility providers, and their subcontractors accessing the property pursuant to the agreement remain subject to the same limitations and restoration obligations applicable to the City.
4. CITY agrees that the area disturbed with the PROJECT, will be restored to existing condition, except for the permanent improvements to be installed with the PROJECT.
5. CITY, and their contractors agree to hold Workers' Compensation per Idaho State Statute and have at least one million dollars in comprehensive general liability and automobile liability coverage. To the extent permitted by Idaho law, CITY shall be responsible for claims, damages, liabilities, costs, and expenses arising from the acts or omissions of CITY, its contractors, utility providers, and their respective subcontractors in connection with their entry upon and use of OWNER's property pursuant to this Agreement, except to the extent caused by the negligence or intentional misconduct of OWNER.
6. The PARTIES agree that this agreement expires upon the earlier of (a) the transfer and recording of the right-of-way and easement from the OWNER to the CITY, or (b) June 30, 2027, unless extended by written agreement executed by OWNER and CITY.

7. The PARTIES agree that this agreement shall run with the land and shall be binding upon their heirs and assigns and shall be recorded in the Kootenai County Recorder's office.

It is expressly intended that the PROPERTY USE AGREEMENT granted herein shall be in full force and effect and shall bind the OWNER, and its successors and assigns until this Agreement expires pursuant to Paragraph 6 above. The OWNER does hereby convent with the CITY that they lawfully own and possess the aforementioned property, and that they have a good and lawful right to convey such use. The PARTIES have had sufficient opportunity to consult with legal counsel of their own choice.

IN WITNESS WHEREOF, the PROPERTY USE AGREEMENT has been executed by the respective PARTIES, or by their duly authorized officers or agents, the day and year first above written.

CITY OF HAYDEN

Alan Davis, Mayor

ATTEST:

Abbi Sanchez, City Clerk

OWNERS

3140 W. Hayden LLC

DocuSigned by:
Alicia Carnevali
By: _____
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Alicia Carnevali, Manager

EXHIBIT A
3140 W HAYDEN AVE PROPERTY USE AGREEMENT
HAYDEN AVENUE & ATLAS ROAD WIDENING

