

EXHIBIT "1"
2012 INTERGOVERNMENTAL AGREEMENT BETWEEN
THE CITY OF COMMERCE CITY AND THE
URBAN RENEWAL AUTHORITY OF THE CITY OF COMMERCE CITY

THIS 2012 INTERGOVERNMENTAL AGREEMENT ("2012 IGA") is made and entered into this 2nd day of July, 2012 by and between the City of Commerce City, Colorado, a home rule municipality, (the "City") and the Urban Renewal Authority of the City of Commerce City, a duly organized and existing urban renewal authority pursuant to the laws of the State of Colorado (the "Authority"). Collectively, the City and the Urban Renewal Authority are sometimes referred to herein as the "Parties".

RECITALS

WHEREAS, the City is a home rule municipality and political subdivision of the State of Colorado; and

WHEREAS, the Authority is a body corporate and urban renewal authority duly organized pursuant to Sections 31-25-104 C.R.S., et seq.; and

WHEREAS, the Authority is authorized pursuant to C.R.S. 31-25-105(l)(b) and C.R.S. 31-25-105(l)(h) to expend funds for urban renewal projects; and

WHEREAS, the Authority is authorized pursuant to C.R.S. 31-25-105(l)(g) to apply for and accept a loan from the City to enable the urban renewal projects; and

WHEREAS, the Authority has purchased the Property at 6200 and 6210 Dahlia Street, Commerce City, Colorado (the "Property"); and

WHEREAS, the Authority desires to effect environmental abatement and demolition of structures on the previously purchase the Property; and

WHEREAS, the Authority desires that the City make a loan to the Authority in the amount of Two Million, Five Hundred Thousand Dollars (\$2,500,000.00) (the "Loan") to enable the Authority to effect environmental abatement and demolition of structures on its Property and finance other uses authorized by the Executive Director of the Urban Renewal Authority to support the activities of the Urban Renewal Authority of the City of Commerce City; and

WHEREAS, the City is agreeable to financing the environmental abatement and demolition of structures on the Property and to financing other uses authorized by the Executive Director of the Urban Renewal Authority to support the activities of the Urban Renewal Authority of the City of Commerce City subject to the terms and conditions of this Agreement.

TERMS AND CONDITIONS

NOW, THEREFORE, in consideration of the mutual promises and benefits contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties covenant and agree as follows:

1. Terms of Loan.

1.1 Loan Commitment. The City hereby commits to loan \$2,500,000.00 to the Authority for the purpose of financing the environmental abatement and demolition of structures on the Property described on attached Exhibit "A" and other uses authorized by the Executive Director of the Urban Renewal Authority to support the activities of the Urban Renewal Authority of the City of Commerce City pursuant to the terms and conditions of this Agreement. The Loan shall be evidenced by a promissory note (the "Promissory Note") executed by the Authority, a copy of which is attached as Exhibit "B".

1.2 Interest Rate and Repayment of Loan. The Authority agrees to repay the City the principal amount of the Loan together with interest on the unpaid balance at the rate of four percent (4%) per annum computed on the outstanding balance. Repayment of the Loan shall be due and payable in equal annual installments extending over a ten-year period commencing the earlier date of the following: one (1) year after the date the redevelopment of the Property is commenced by the Authority; or the Property or portion thereof is sold. Provided, however, the Parties may agree in writing executed prior to the repayment date to extend the repayment date in accord with terms as may be mutually agreed upon.

2. Closing. Closing of the Loan shall occur upon the final passage of the ordinance appropriating the funds for the loan and amending the Authority budget, the exact time of closing to be determined by mutual agreement of the Parties. On or before the date of closing of the Loan, the Authority shall provide the City with (i) a duly authorized Promissory Note, (ii) a resolution of the Authority approving the execution and delivery of the Promissory Note, and (iii) such other documents as may be reasonably required to evidence compliance with this Agreement. At the time of the closing of the Loan, the City shall pay the full amount of the Loan to the Authority.

3. Use of Loan Proceeds. The Authority warrants that the proceeds from the Loan shall be used for the purpose of environmental abatement and demolition of structures on the Property and for other uses authorized by the Executive Director of the Urban Renewal Authority to support the activities of the Urban Renewal Authority of the City of Commerce City.

4. Entire Agreement. This 2012 IGA contains the entire agreement of the Parties regarding the subject matter hereof and except as provided herein may not be modified or amended except by written agreement of the Parties.
5. Severability. If any provision of this 2012 IGA, or application thereof, is held invalid by a court of competent jurisdiction, such invalidity shall not affect other provisions or applications of this Agreement, which can be given effect without the invalid provision or application consistent with the intent of the Parties, and to this end the provisions of this Agreement, each and every provision thereof, are declared to be severable.
6. Applicable Law. This 2012 IGA shall be governed by and construed in accordance with the laws of the State of Colorado.
7. No Third-Party Beneficiaries. It is expressly understood and agreed that enforcement of the terms and conditions of this 2012 IGA, and all rights of action relating to such enforcement, shall be strictly reserved to the City and the Authority, and nothing contained in this 2012 IGA shall give or allow any such claim or right of action by any third person on this IGA. It is the expressed intention of the City and the Authority that any person other than the City and the Authority receiving services or benefits under this 2012 IGA shall be deemed to be an incidental beneficiary only.
8. Notices. Whenever any notice is required or permitted to be made hereunder, it shall be deemed given when personally delivered or deposited in the United States mail, certified, return receipt requested, to the following addresses or such other addresses as the parties may request in writing:

City:

City of Commerce City, Colorado
Attention: City Manager
7887 E. 60th Avenue
Commerce City, CO 80022

With a copy to:

Office of City Attorney
7887 E. 60th Avenue
Commerce City, CO 80022

Authority:

Urban Renewal Authority
of the City of Commerce City
Attention: Executive Director
7887 E. 60th Avenue
Commerce City, CO 80022

With a copy to:

Office of General Counsel
7887 E. 60th Avenue
Commerce City, CO 80022

9. Assignability. No Party may assign or transfer any of its rights or obligations hereunder without prior written consent of the other Party.
10. Binding Effect. The provisions of this Amendment shall bind and shall inure to the benefit of the Parties and to their respective successors and permitted assigns, if any.
11. Enforcement. The Parties agree and acknowledge that this 2012 IGA may be enforced in law or in equity.

EXECUTED THE DAY AND YEAR FIRST ABOVE WRITTEN.

CITY:

CITY OF COMMERCE CITY, COLORADO

BY:

Brian K. McBroom, City Manager

ATTEST:

Laura J. Bauer, CMC, City Clerk

**EXHIBIT A
LEGAL DESCRIPTION**

PARCEL 1:

LOT 14, BLOCK 1, RESUBDIVISION OF TOWN AND COUNTRY SUBDIVISION, EXCEPT THAT PART DESCRIBED IN DEED RECORDED MAY 7, 1976 IN BOOK 2062 AT PAGE 237, AND LOTS 15 THROUGH 24, INCLUSIVE, BLOCK 1, RESUBDIVISION OF TOWN AND COUNTRY SUBDIVISION, COUNTY OF ADAMS, STATE OF COLORADO.

PARCEL 2:

PLOT OR BLOCK D, RESUBDIVISION OF TOWN AND COUNTRY SUBDIVISION, EXCEPT THAT PORTION THEREOF DESCRIBED IN DEED RECORDED JANUARY 31, 1973 IN BOOK 1843 AT PAGE 537 AND AMENDMENT THERETO RECORDED SEPTEMBER 27, 1984 IN BOOK 2921 AT PAGE 729 AND EXCEPT THAT PORTION THEREOF DESCRIBED IN DEED RECORDED AUGUST 25, 1992 IN BOOK 3944 AT PAGE 712 AND RERECORDED SEPTEMBER 10, 1992 IN BOOK 3953 AT PAGE 404, COUNTY OF ADAMS, STATE OF COLORADO.

EXHIBIT "B"
PROMISSORY NOTE

\$ 2,500,000.00

July 2, 2012

For value received, the undersigned Urban Renewal Authority of the City of Commerce City, Colorado, an urban renewal authority organized and existing under and by virtue of the laws of the State of Colorado ("Maker") whose address is 7887 E. 60th Avenue, Commerce City, Colorado 80022, promises to pay to the order of City of Commerce City, Colorado, a municipal corporation ("Note Holder") at 7887 E. 60th Avenue, Commerce City, Colorado 80022, or such other place as Note Holder shall designate in writing in lawful money of the United States of America the principal sum of Two Million, Five Hundred Thousand Dollars (\$2,500,000.00) with interest from the date hereof as hereinafter set forth. All amounts due and owing hereunder shall be due and payable in equal annual installments extending over a ten-year period commencing one (1) year after the earlier date of the following: the date redevelopment of the property described on Exhibit "A" to the 2012 Intergovernmental Agreement ("2012 IGA") referenced below (the Property") is commenced by Maker or the Property or a portion thereof is sold by Maker, unless the repayment date is extended by written agreement of the parties as may be mutually agreed upon.

1. Loan and Loan Documents. This promissory note (the "Note") evidences a certain loan from Note Holder to Maker made pursuant to 2012 Intergovernmental Agreement dated July 2, 2012 between Note Holder and Maker to finance the environmental abatement and demolition of structures on the Property. This Note and the 2012 IGA shall be together referred to herein as the "Loan Documents". All conditions, covenants and agreements contained in the 2012 IGA shall be applicable to this Note.
2. Payment of Principal and Interest. The outstanding principal and interest shall be payable to Note Holder at the address designated above and the obligation to make such payments shall continue until the entire indebtedness evidenced by this Note is fully paid as provided above.
3. Interest. Interest shall accrue on the unpaid principal balance at the rate of four percent (4%) per annum computed on the outstanding and unpaid portion of the Loan from the date hereof.
4. Application of Payments. All payments received by Note Holder on this Note shall be applied first to the payment of costs and expenses of collection, if any, second to accrued interest, and third to reduction of the remaining outstanding principal balance.
5. Default. Upon the occurrence of a default, Note Holder shall have all rights and remedies available at law and in equity. The Note Holder shall additionally be entitled to collect all reasonable costs and expenses of collection including, but not limited to, reasonable attorney's fees.

6. **Waiver of Presentment.** Maker hereby waives presentment, notice of dishonor and protest and hereby agrees to any extensions of time of payment and partial payments before, at or after maturity.

7. **Governing Law.** As additional consideration for the extension of credit, Maker understands and agrees that the Loan evidenced by this Note is made in the State of Colorado and the provisions hereof will be construed in accordance with the laws of the State of Colorado, except to the extent that any of such laws may now or hereafter be preempted by federal law, in which case, such federal law shall so govern and be controlling; and Maker further agrees that this Note may be enforced in the District Court for the Seventeenth Judicial District for the State of Colorado, and it does hereby submit to the jurisdiction of such court.

8. **Notice.** All notices, demands, requests or other communications to be sent by one party to the other hereunder or required by law shall be in writing and shall be deemed to have been validly given or served by delivery of same in person to the addressee or by depositing same in the United States mail, postage prepaid, registered or certified mail, return receipt requested, to the following addresses or such other addresses as the parties may request in writing:

Maker:

Urban Renewal Authority of the
City of Commerce City
Attention: Executive Director
7887 E. 60th Avenue
Commerce City, CO 80022

With a copy to:

General Counsel
Urban Renewal Authority
7887 E. 60th Avenue
Commerce City, CO 80022

Note Holder:

City of Commerce City
Attention: City Manager
7887 E. 60th Avenue
Commerce City, CO 80022

With a copy to:

City Attorney
City of Commerce City
7887 E. 60th Avenue
Commerce City, CO 80022

9. Miscellaneous:

- a. Severability. If any provision hereof or of any other Loan Document is held invalid by a court of competent jurisdiction, such invalidity shall not affect other provisions or applications of this Note, which can be given effect without the invalid provision or application consistent with the intent of the parties, and to this end, the provisions of this Note, and each and every provision thereof, are declared to be severable.
- b. No Deductions or Setoffs. This Note and each payment of principal and interest hereunder shall be paid when due without deduction or setoff of any kind or nature or for any costs whatsoever, except as may be agreed upon in writing by Note Holder.
- c. Amendment. This Note may not be amended orally, but only by an amendment in writing signed by Note Holder and Maker.
- d. Number. When the context and construction so require, all words used in the singular herein shall be deemed to have been used in the plural and vice versa.
- e. Assignability. Note Holder may assign or transfer its rights and obligations hereunder at any time, upon written notice to Maker. Maker may not assign or transfer any of its rights or obligations hereunder without prior written consent of the Note Holder.

IN WITNESS WHEREOF, Maker has executed this Promissory Note as of the day and year first above written.

MAKER:

URBAN RENEWAL AUTHORITY OF THE
CITY OF COMMERCE CITY

BY: _____

Sean Ford, Chairperson

ATTEST:

Laura J. Bauer, Secretary

