

**RESOLUTION APPROVING ECONOMIC DEVELOPMENT BUSINESS INCENTIVES
FOR ARRIVO CORPORATION**

NO. 2017 - 129

WHEREAS, the City Council of the City of Commerce City ("City Council"), by Resolution No. 2014-56, adopted the Commerce City Economic Development Incentives Program ("Incentive Program"), effective January 1, 2015;

WHEREAS, Arrivo Corporation, whose principal business address is 1473 East 4th Street, Los Angeles, CA 90033 ("Business"), has submitted a Business Incentive Application under the Incentive Program in connection with proposed new development and business operations in the City of Commerce City ("City");

WHEREAS, the estimated combined value of capital improvements planned for the opening of the Business in the City, including fixed value assets and new construction (collectively, "Capital Improvements"), is \$10,000,000, and the Business anticipates creating 75 new full or part time jobs in the City during the first three (3) years of operations;

WHEREAS, the City Council has reviewed the Business Incentive Application and staff report;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COMMERCE CITY, COLORADO AS FOLLOWS:

1. The City Council finds and determines that granted incentives to the business, subject to conditions to be established by an Incentive Agreement consistent with this resolution and applicable law, will serve a public purpose and public need and be in the public interest.
2. The City Manager is authorized to rebate to the Business the following amounts as incentives for the Capital Improvements:
 - a. **Sixty percent (60%)** of the City's non-dedicated sales and use taxes (at the 3.5% rate) payable and remitted to the City in connection with the Capital Improvements; and
 - b. **Fifty percent (50%)** of the building permit fees and building plan review fees payable and remitted to the City in connection with the Capital Improvements.

Such incentives shall apply whether the taxes and fees are paid to the City directly by Business or through vendors or contractors, but shall not apply to any future improvements. No other fees or amounts will be subject to any incentives.

3. Incentives provided to Business are subject to the following conditions and any additional conditions established in an Incentive Agreement:

- a. All construction and improvements (other than equipment and hardware for business operations) must be completed within three (3) years of the date of this resolution, and in no event later than December 18, 2020, as supported by the issuance of Certificate of Occupancy on or before that date. Construction and improvements beyond this period will not be eligible for incentives
 - b. Purchase of equipment and hardware for business operations and development of the test track must begin within two (2) years of, and delivery must be completed within three (3) years of, the date of this resolution, and in no event later than December 18, 2020. Hardware and equipment purchases beyond this period will not be eligible for incentives.
 - c. The Business shall create at least forty (40) distinct jobs within the City paying above the county average annual wage within three (3) years of the date of this resolution, and in no event later than December 18, 2020. Jobs with the same duties filled during different periods shall be treated as one job. Employees filling the jobs created must be direct employees of the Business.
4. The City Manager is authorized to negotiate and execute an Incentive Agreement with the Business consistent with the Incentive Program and this Resolution to establish any additional conditions deemed necessary and in the City's best interests, which conditions shall govern and be conditions to the payment of any incentives. Nothing in this resolution shall be construed to obligate the City to provide any incentives except as provided in an Incentive Agreement in a form acceptable to the City Manager and approved as to form by the City Attorney.
5. The City's obligation to pay any incentive is subject to all commitments to pay any City bonds and any restrictions in such bonds. Nothing in this resolution or any Incentive Agreement shall be construed to create a multiple fiscal year debt or financial obligations to pay the incentive or reimburse taxes to any person or entity without prior City-wide voter approval. Any incentive payable in accordance with this resolution shall be subject to annual appropriations that are a legislative decision of the City Council for the City. All incentives provided to Businesses shall be conditioned on verification of the City sales and/or use tax and fee payments received by the City.

RESOLVED AND PASSED THIS 18TH DAY OF DECEMBER 2017.

CITY OF COMMERCE CITY

Sean Ford, Mayor

ATTEST:

Laura J. Bauer, MMC, City Clerk