

PROPERTY TAX INCREMENT REVENUE AGREEMENT
(ADAMS 14 SCHOOL DISTRICT)

1.0 AGREEMENT. This Agreement (the “Agreement”) is made and executed effective as of _____, 2018, by and between the COMMERCE CITY URBAN RENEWAL AUTHORITY, a body corporate and politic of the State of Colorado (the “Authority”) and ADAMS 14 SCHOOL DISTRICT, a political subdivision of the State of Colorado (the “District”) (the Authority and the District are referred to herein individually as a “Party” and collectively as the “Parties”).

2.0 RECITALS. The following recitals are incorporated in and made a part of this Agreement. Capitalized terms are defined in Section 4.0.

2.1 Proposed Redevelopment. The Parties have been advised that the real property described in **Exhibit A** (the “Property”) lying within the corporate limits of the City of Commerce City (the “City”) is being considered by the City Council of the City as an urban renewal area to be redeveloped by one or more developers and/or property owner(s) as a mixed use development(s) that will eliminate existing blighted conditions which constitute threats to the health, safety and welfare of the community and barriers to development and will result in the creation of significant new jobs all of which will benefit the region, including the City and the District.

2.2 Urban Renewal and Tax Increment Financing. To accomplish the proposed redevelopment and to provide certain required public improvements it is necessary to include the Property in an urban renewal plan, entitled as the “Mile High Greyhound Park Urban Renewal Plan” (the “Plan” or “Urban Renewal Plan”) authorizing and utilizing tax increment financing in accordance with the Colorado Urban Renewal Law, Part 1 of Article 25 of Title 31, C.R.S. (the “Act”).

2.3 Nature of Urban Renewal Project and Purpose of Agreement. The proposed project, as outlined in the proposed Plan, consists of any and all undertakings and activities authorized in the Plan and the Act to eliminate blighted conditions, including designing, developing and constructing the various public and private improvements (which includes paying the Eligible Costs of Public Improvements) necessary to serve the proposed Urban Renewal Area (the “Urban Renewal Project”) and to comply with § 31-25-107(4)(g) of the Act that requires the Plan to afford maximum opportunity, consistent with the sound needs of the municipality as a whole, for the rehabilitation or redevelopment of the Urban Renewal Area by private enterprise. The Authority has submitted to the District an Impact Report similar to that required by § 31-25-107(3.5) of the Act for counties, which includes information necessary to comply with HB 10-1107 and HB 15-1348 and for the District to analyze the proposed Plan.

2.3.1 Implementation of the Urban Renewal Project is projected to remedy and prevent blighted conditions, and create significant new employment opportunities and other benefits, as a result of new private investment, as specified in the Impact Report that will benefit the Parties, the region, and the State of Colorado.

2.3.2 The Duration of time estimated to complete the Urban Renewal Project is the 25-year period of time specified in § 31-25-107(9)(a) of the Act, commencing upon approval by the City of the Plan and, as to later added real property already within the Urban Renewal Area as additional phases of tax increment areas (each, a “TIF Area”), commencing upon approval by the City of any Plan amendment adding such real property as an additional phase of tax increment area.

2.3.3 The estimated annual Property Tax Increment Revenue to be generated by the Urban Renewal Project for the Duration of the Urban Renewal Project and the portion of such Property Tax Increment Revenue to be allocated to fund the Urban Renewal Project are set forth in the Impact Report.

2.3.4 The nature and relative size of the revenue and other benefits expected to accrue to the City, the District, and other taxing entities that levy property taxes in the Urban Renewal Area are set forth in the Impact Report and include, without limitation:

2.3.4.1 The estimated increase in base value resulting from biennial general reassessments for the Duration in accordance with § 31-25-107(9)(e) of the Act;

2.3.4.2 The benefit of improvements in the Urban Renewal Area to existing taxing entity infrastructure in accordance with § 31-25-107(3.5) of the Act;

2.3.4.3 The estimate of the impact of the Urban Renewal Project on District and taxing entity revenues in accordance with § 31-25-107(3.5) of the Act;

2.3.4.4 The cost of additional District and taxing body infrastructure and services required to serve development in the Urban Renewal Area in accordance with § 31-25-107(3.5) of the Act;

2.3.4.5 The capital or operating costs of the Parties, the City, and other taxing bodies that are expected to result from the Urban Renewal Project in accordance with HB 15-1348;

2.3.4.6 The legal limitations on the use of revenues belonging to the Parties, the City, and any taxing entity in accordance with HB 15-1348; and

2.3.4.7 The other estimated impacts of the Urban Renewal Project on District and other taxing body services or revenues in accordance with § 31-25-107(3.5) of the Act.

2.4 Colorado Urban Renewal Law. In accordance with the Act as amended to the date of this Agreement (including the requirements of HB 15-1348), the Parties desire to enter into this Agreement to facilitate adoption of the Plan and redevelopment of the proposed Urban Renewal Area described therein.

3.0 AGREEMENT. in consideration of the covenants, promises and agreements of each of the Parties hereto, to be kept and performed by each of them, it is agreed by and between the Parties hereto as set forth herein.

4.0 DEFINITIONS. In this Agreement, unless a different meaning clearly appears from the context:

4.1 “Act” means the Colorado Urban Renewal Law, Part 1 of Article 25 of Title 31, C.R.S.

4.2 “Agreement” means this Agreement, as it may be amended or supplemented in writing. References to sections or exhibits are to this Agreement unless otherwise qualified.

4.3 “Authority” means the Party described in Section 1.0, the Commerce City Urban Renewal Authority, a body corporate and politic of the State of Colorado.

4.4 “Bonds” shall have the same meaning as defined in § 31-25-103 of the Act.

4.5 “City” means the City of Commerce City, Colorado.

4.6 “Developer” means the Authority’s selected master redeveloper for the Urban Renewal Project.

4.7 “District” means the Party described in Section 1.0, Adams 14, School District, a political subdivision of the State of Colorado.

4.8 “District Increment” means the portion of Property Tax Increment Revenues generated by the District’s mill levy received by the Authority from the County Treasurer and paid to into the Special Fund as specified in Section 5.1.

4.9 “Duration” means the twenty-five-year period that the tax increment or tax allocation provisions will be in effect as specified in § 31-25-107(9)(a) of the Act, the Plan, the Impact Report, and any Plan amendments adding real property already within the Urban Renewal Area as additional phases of TIF Area.

4.10 “Eligible Costs” means those costs eligible to be paid or reimbursed from Property Tax Increment Revenues pursuant to the Act.

4.11 “Impact Report” means the impact report setting forth the burdens and benefits of the Urban Renewal Project previously submitted to the District.

4.12 “Improvements” means the Public Improvements and Private Improvements.

4.13 “Party” or “Parties” means the Authority or the District or both and their lawful successors and assigns.

4.14 “Plan” means the proposed Mile High Greyhound Park Urban Renewal Plan, as defined in Section 2.2.

4.15 “Project” shall have the same meaning as Urban Renewal Project.

4.16 “Property Tax Increment Revenues” means all of the TIF revenues described in § 31-25-107(9)(a)(II) of the Act allocated to the Special Fund for the Duration of the Urban Renewal Project.

4.17 “Special Fund” means the fund described in the Plan and § 31-25-107(9)(a)(II) of the Act into which the Property Tax Increment Revenues will be deposited.

4.18 “TIF” means the property tax increment portion of the property tax assessment roll described in § 31-25-107(9)(a)(II) of the Act.

4.19 “TIF Area” means one or more areas of real property within the Urban Renewal Area which are authorized to use TIF, with the understanding that the Plan initially authorizes one TIF Area which is only a portion of the Urban Renewal Area, and anticipates City Council taking future action to amend the Plan to include one or more additional TIF Areas which make up the remaining portions of the Urban Renewal Area at later dates in order to acknowledge the phasing of the Project and maximize the applicable Duration of TIF for each TIF Area.

4.20 “Urban Renewal Area” means the area included in the boundaries of the Plan.

4.21 “Urban Renewal Plan” means the proposed Mile High Greyhound Park Urban Renewal Plan, as defined in Section 2.2.

4.22 “Urban Renewal Project” means all of the undertakings and activities, or any combination thereof, required to carry out the Urban Renewal Plan pursuant to the Act.

5.0 PROPERTY TAX INCREMENT REVENUES. In compliance with the requirements of HB 15-1348, the Parties have negotiated and agreed to the allocation of Property Tax Increment Revenues as set forth herein.

5.1 The District Increment Revenues. The District and the Authority agree that the Authority may retain and expend in furtherance of the Urban Renewal Project 100% of all of the net incremental revenue it receives from the Adams County Treasurer each year from the property tax levy of the District against the portion of the assessment roll located within the TIF Area in the Urban Renewal Area (as further defined above, the “District Increment”), commencing on the date of approval by the City of the Plan and, as to later phases of TIF Area in the Urban Renewal Area, commencing upon approval by the City of any Plan amendment adding and authorizing such TIF Area, and lasting for the maximum period of twenty-five (25) years for each TIF Area that the Authority is authorized to receive Property Tax Increment Revenues pursuant to the Act (the “Duration”).

5.2 Mill Levy Override and Debt Service Mill Levy Allocation. When the District’s eligible electors approve additional local revenues in excess of the District’s total program as provided in the Public School Finance Act of 1994, Colorado Revised Statutes Title 22, Article 54, Part 1, or successor act (“Mill Levy Override”) or a new or increased mill levy for the servicing of new bonded indebtedness (“Future Debt Service Mill Levy”), any revenue derived from either the Mill Levy Override or the Future Debt Service Mill Levy shall not be considered part of the District Increment or other Property Tax Increment Revenues. Rather, upon approval by the eligible electors of the District of either a Mill Levy Override or a Future Debt Service

Mill Levy, the District shall provide notification of the same to the Authority. From the date of such notice until the Duration has expired, the Authority shall deduct from the District Increment it receives any revenues attributable to the Mill Levy Override or the Future Debt Service Mill Levy, as applicable, and shall remit such revenues to the District twice per year in May and December.

6.0 CONSENTS AND WAIVERS. This Agreement shall constitute the agreement in writing by the Parties to the following provisions:

6.1 Pledge of Property Tax Increment Revenues. The District recognizes and agrees that the adoption and approval of the Plan includes an irrevocable pledge of all of the Property Tax Increment Revenues, including the District Increment, to pay the Authority's Bonds and other financial obligations in connection with the Urban Renewal Project. The Authority has elected to apply the provisions of § 11-57-208, C.R.S., to this Agreement. The Property Tax Increment Revenues, when and as received by the Authority are and shall be subject to the lien of such pledge for the Duration of the Project without any physical delivery, filing, or further act and is and shall be an obligation of the Parties pursuant to § 31-25-107(9) of the Act. The Parties agree that the creation, perfection, enforcement and priority of the pledge of The Property Tax Increment Revenues shall be governed by § 11-57-208, C.R.S. The lien of such pledge on the Property Tax Increment Revenues shall have priority over any of all other obligations and liabilities of the Parties with respect to the Property Tax Increment Revenues. The Parties acknowledge that (i) this Agreement is not an irrevocable pledge of the District's present cash reserves for payments in future fiscal years, and (ii) this Agreement is not intended to create a multiple-fiscal year direct or indirect debt or financial obligation of the District.

6.2 Addition of Real Property Outside the Urban Renewal Area. Upon notice to the District and the District's prior written consent, the addition of real property currently outside the Urban Renewal Area into the Plan and into the Urban Renewal Area at any point during the Duration of the Project does not constitute a substantial modification to the Plan, but rather is a minor amendment to the Plan. Any revenues attributable to any real property outside the Urban Renewal Area added to the Urban Renewal Area after the effective date of this Agreement without the District's prior written consent shall not be considered part of the District Increment.

6.3 Addition of TIF Area Within the Urban Renewal Area. The District acknowledges that the Plan initially authorizes one TIF Area which is only a portion of the Urban Renewal Area, and anticipates City Council taking future action to amend the Plan to include one or more additional TIF Areas which make up the remaining portions of the Urban Renewal Area at later dates, in order to acknowledge the phasing of the Project and maximize the applicable Duration of TIF for each TIF Area. Each such Plan amendment shall depict and legally describe the applicable TIF Area and the District will be provided with thirty (30) days courtesy notice of the public hearing on the amendment of the Plan. The District acknowledges that the Impact Report reflects the anticipated phasing of the Duration across TIF Areas. The District agrees to treat all real property already within the Urban Renewal Area, whether in the initial TIF Area or in a future TIF Area authorized by Plan amendment, under the terms of this Agreement and expressly waives any claim to negotiate a new agreement or renegotiate this Agreement upon a Plan amendment to add a TIF Area. The District's pledge of the District Increment of the Property Tax Increment Revenues for a future TIF Area commences on the date

of approval by the City of any such Plan amendment and may last for the maximum period of twenty-five (25) years that the Authority is authorized to receive Property Tax Increment Revenues pursuant to the Act for the applicable TIF Area.

6.3 Termination of District Increment Upon Full Repayment. The Authority and District agree that, Sections 5.1 and 6.2 of this Agreement notwithstanding, the District Increment shall terminate upon full repayment of the Authority's Bonds and other financial obligations, including repayment of all Eligible Costs, in connection with the Urban Renewal Project.

6.4 Modular Units. The Authority will cause the Developer to pay the District the estimated cost to construct two modular units with two classes and a bathroom within each modular unit, and the District will then use the funds to install two modular units at the Central Elementary school site. The timing of payment for the modular units, the total payment amount (which shall not exceed \$330,000.00) and other terms will be determined by the Parties after the Plan is approved and as the Urban Renewal Project gets underway allowing funds to become available. In addition to the modular units, the Authority will cause the City to provide water resources sufficient for the connection of the two modular units, including sufficient resources to satisfy the equivalent residential unit demands of the two modular units and all costs to obtain a water tap, including the connection fee and water resources fee (if any), and to satisfy the City's water acquisition fee applicable to the two modular units (if any).

6.5 Cooperation on Potential Career Technical Education Services Site. The Urban Renewal Plan and the Developer's Development Plan for the Urban Renewal Area both contemplate an area in the northwest portion of the Urban Renewal Area adjacent to the Highway 2 corridor being utilized by an institutional anchor for career or technical education or training. To the extent that the Developer is successful in attracting a provider of career technical education services to be part of the Urban Renewal Project, the Authority will require that said provider participate in, and the District agrees to participate in, good faith negotiations regarding the potential to include the District as a partner in the ongoing financing, construction and management of the career technical education services institution. Additionally, while not the Authority or the Developer's intention for the Urban Renewal Project, to the extent that any charter school operator desires to be part of the Urban Renewal Project, the Authority will require said charter school operator to participate in the District charter process and obtain the District's consent, which may be granted at the District's sole discretion, in accordance with Colorado law.

6.6 District Fee-in-Lieu. The Parties affirm and agree that all residential components of the Urban Renewal Project will comply with and pay any District land dedication fee-in-lieu development fees which apply within the Urban Renewal Area, but that no land dedication to the District is required as part of the Urban Renewal Project.

7.0 NOTIFICATION OF SUBSTANTIAL MODIFICATIONS OF THE PLAN; AGREEMENT NOT PART OF PLAN. The Authority agrees to notify the District of any intended substantial modification of the Plan as required by § 31-25-107(3.5)(a) of the Act. This Agreement is not part of the Plan.

8.0 WAIVER. Except for the notices and consents required by this Agreement, the District, as authorized by § 31-25-107(9.5)(b) and § 31-25-107(11) of the Act, hereby waives any provision of the Act that provides for notice to the District, requires any filing with or by the District, and requires or permits consent from the District for the Duration.

9.0 AGREEMENT CONFINED TO DISTRICT INCREMENT REVENUES. This Agreement applies only to the District Increment described in Section 5.0 from the Urban Renewal Area, as calculated, produced, collected and paid to the Authority by the Adams County Treasurer in accordance with § 31-25-107(9)(a)(II) of the Act and the rules and regulations of the Property Tax Administrator of the State of Colorado, and does not include any other revenues of the Parties or the City.

10.0 MISCELLANEOUS.

10.1 Delays. Any delays in or failure of performance by any Party of its obligations under this Agreement shall be excused if such delays or failure are a result of acts of God; fires; floods; earthquake; abnormal weather; strikes; labor disputes; accidents; regulation or order of civil or military authorities; shortages of labor or materials; or other causes, similar or dissimilar, including economic downturns, which are beyond the control of such Party.

10.2 Termination and Subsequent Legislation or Litigation. In the event of termination of the Plan, including its TIF financing component, the Authority may terminate this Agreement by delivering written notice to the District. The Parties further agree that in the event legislation is adopted or a decision by a court of competent jurisdiction after the effective date of this Agreement that invalidates or materially effects any provisions hereof, the Parties will in good faith negotiate for an amendment to this Agreement that most fully implements the original intent, purpose and provisions of this Agreement, but does not impair any otherwise valid contracts in effect at such time.

10.3 Entire Agreement. This instrument embodies the entire agreement of the Parties with respect to the subject matter hereof. There are no promises, terms, conditions, or obligations other than those contained herein; and this Agreement shall supersede all previous communications, representations, or agreements, either verbal or written, between the Parties hereto. No modification to this Agreement shall be valid unless agreed to in writing by the Parties.

10.4 Binding Effect. This Agreement shall inure to the benefit of and be binding upon the Parties and their successors in interest.

10.5 No Third-Party Enforcement. It is expressly understood and agreed that the enforcement of the terms and conditions of this Agreement, and all rights of action relating to such enforcement, shall be strictly reserved to the undersigned Parties and nothing in this agreement shall give or allow any claim or right of action whatsoever by any other person not included in this Agreement. It is the express intention of the undersigned Parties that any person or entity other than the undersigned Parties receiving services or benefits under this Agreement shall be an incidental beneficiary only.

10.6 No Waiver of Immunities. No portion of this Agreement shall be deemed to constitute a waiver of sovereign or governmental immunity that the Parties or their officers or employees may possess, nor shall any portion of this Agreement be deemed to have created a duty of care which did not previously exist with respect to any person not a party to this agreement.

10.7 Amendment. This Agreement may be amended only by an instrument in writing signed by the Parties.

10.8 Parties not Partners. Notwithstanding any language in this Agreement or any other agreement, representation, or warranty to the contrary, the Parties shall not be deemed to be partners or joint venturers, and no Party shall be responsible for any debt or liability of any other Party.

10.9 Interpretation. All references herein to Bonds shall be interpreted to include the incurrence of debt by the Authority in any form consistent with the definition of “Bonds” in the Act, including payment of all Eligible Costs or any other lawful financing obligation.

10.10 Incorporation of Recitals and Exhibits. The provisions of the Recitals and the Exhibits attached to this Agreement are incorporated in and made a part of this Agreement.

10.11 No Assignment. No Party may assign any of its rights or obligations under this Agreement.

10.12 Section Captions. The captions of the sections are set forth only for the convenience and reference of the Parties and are not intended in any way to define, limit, or describe the scope or intent of this Agreement.

10.13 Execution in Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute but one and the same instrument.

10.14 Governing Law. This Agreement and the provisions hereof shall be governed by and construed in accordance with the laws of the State of Colorado. Venue for any court proceeding regarding this Agreement shall be in the District Court for Adams County, Colorado.

10.15 No Presumption. The Parties to this Agreement and their attorneys have had a full opportunity to review and participate in the drafting of the final form of this Agreement. Accordingly, this Agreement shall be construed without regard to any presumption or other rule of construction against the Party causing the Agreement to be drafted.

10.16 Days. If the day for any performance or event provided for herein is a Saturday, a Sunday, a day on which national banks are not open for the regular transactions of business, or a legal holiday pursuant to C.R.S. § 24-11-101(1), such day shall be extended until the next day on which such banks and state offices are open for the transaction of business.

[Signature page follows]

IN WITNESS WHEREOF, the Parties hereto have caused their duly authorized officials to execute this Agreement effective as of the day and year first above written.

DISTRICT:

ATTEST:

ADAMS 14 SCHOOL DISTRICT

BY: _____
Secretary

BY: _____
NAME: _____
TITLE: _____

AUTHORITY:

ATTEST:

COMMERCE CITY URBAN RENEWAL
AUTHORITY

BY: _____
Secretary

BY: _____
_____, Chairman

EXHIBIT A
PROPERTY

A PORTION OF, RESUBDIVISION OF TOWN AND COUNTRY SUBDIVISION ADAMS COUNTY FILE 9 MAP 43 RECEPTION NO. 342483 RECORDED MARCH 30, 1949. LOCATED IN THE NORTHEAST 1/4 OF SECTION 7 TOWNSHIP 3 SOUTH, RANGE 67 WEST OF THE 6TH PRINCIPAL MERIDIAN CITY OF COMMERCE CITY, COUNTY OF ADAMS, STATE OF COLORADO.

A PORTION OF PARCEL D, EXCLUDING BOYS AND GIRLS CLUBS OF METRO DENVER SUBDIVISION FILING NO. 1 REPLAT RECEPTION NO. 2016000008888 AND RIGHT OF WAY BOOK 3953 PAGE 404-405.

TOWN AND COUNTRY SUBDIVISION RESUBD TRACT D, DESCRIBED AS THE NORTH 825 FEET OF EAST 121 FT OF BLOCK D
TOWN AND COUNTRY SUBDIVISION RESUBDIVISION BLOCK: 1, LOTS 14 EXCLUDING RIGHT OF WAY RECEPTION NO 2011000050034 AND 15 THRU 24. TOGETHER WITH THE DAHLIA STREET PLATED AS EUDORA STREET RIGHT OF WAY ADJACENT TO BLOCK 1 ON THE WEST
CONTAINING 2836218.28 SQUARE FEET OR 65.111 ACRES MORE OR LESS.