

RESOLUTION APPROVING MATTERS RELATING TO THE SALE AND DEVELOPMENT OF AUTHORITY PROPERTY AT THE FORMER MILE HIGH GREYHOUND PARK INCLUDING AN AMENDED AND RESTATED PHASED REDEVELOPMENT AGREEMENT FOR THE FORMER MILE HIGH GREYHOUND PARK, PURCHASE AND SALE AGREEMENT, AND OWNER'S REPRESENTATIVE SERVICES AGREEMENT AND PROVIDING FOR OTHER RELATED MATTERS

NO. 2019-03

WHEREAS, the Colorado Urban Renewal Law, Part 1 of Article 25 of Title 31 ("Urban Renewal Law") provides for urban renewal of slums and blighted areas;

WHEREAS, the Urban Renewal Authority of the City of Commerce City ("Authority") has undertaken to eliminate blight and prevent injury to the public health, safety, morals, and welfare of the residents of the City of Commerce City ("City");

WHEREAS, in August 2011, the Authority purchased the approximately 65-acre former Mile High Greyhound Park property located at 6200 and 6210 Dahlia Street, Commerce City, Colorado ("MHGP," excluding portions of such property that have been transferred as of the date of this resolution);

WHEREAS, on June 18, 2018, the City Council of the City approved the "The Mile High Greyhound Park Urban Renewal Plan" ("Urban Renewal Plan");

WHEREAS, redevelopment of the MHGP will require significant investments in public infrastructure, including but not limited to, street extension and improvements and significant landscaping, hardscaping, and other public amenities, and that completion of these improvements will require substantial investments by any redeveloper, the Authority, and the City;

WHEREAS, in addition to the direct purposes of eliminating blight and preventing injury to the public health, safety, morals and welfare of the residents of the City, redevelopment of the MHGP within the boundaries of the City is expected to provide substantial direct and indirect benefits to the City, its citizens and the surrounding region and enhance the economic vitality of the City in numerous ways, including but not limited to the creation and retention of new temporary and permanent jobs; by increasing the City's employment base; by supporting the redevelopment of the former dog track and racing club; by generating increased sales tax, property tax, and other general revenue for the City; and by stimulating further economic development in the City and surrounding region;

WHEREAS, the Authority has obtained approvals from, and entered into intergovernmental agreements with, all applicable taxing entities within the Urban Renewal Area which require the Authority and the applicable redeveloper to perform certain obligations in exchange for the taxing entity's agreement that the Authority may retain and expend incremental property taxes collected from the applicable taxing body's mill levy;

WHEREAS, on March 3, 2014, following a competitive selection process, the Board of Commissioners (“Board”) of the Authority selected a developer, Real Estate Generation, LLC (“REGen”), to redevelop the MHGP;

WHEREAS, in May 2016, the Authority, the City, and ReGen entered into a Phased Redevelopment Agreement (“2016 Agreement”), and on June 18, 2018, the Authority, the City, and ReGen entered into an Amended and Restated Phased Redevelopment Agreement wholly replacing the 2016 Agreement (“2018 Agreement”);

WHEREAS, the 2016 Agreement and the 2018 Agreement established, among other things, competitive bidding procedures for the sale of Authority property that the Authority previously found to be reasonable in fulfillment of Section 31-25-106(2) of the Urban Renewal Law;

WHEREAS, in June, 2016, the Authority publicly noticed a request for development proposals and listed the MHGP for sale, constituting the reasonable competitive bidding procedures for the disposition of real property to private persons pursuant to Section 31-25-106 of the Colorado Revised Statutes, and an entity affiliated with Greyhound Park LLC (“Greyhound Park LLC”) was the only party that submitted a proposal;

WHEREAS, the Authority, the City, Greyhound Park LLC and its affiliates, and ReGen have attempted to negotiate a transaction based on Greyhound Park LLC’s proposal;

WHEREAS, based on the outcome of the negotiations, the Authority, the City, ReGen, and Greyhound Park LLC have decided to no longer proceed under the terms of the 2018 Agreement, and have instead agreed that, the various parties shall:

- (i) enter into a new Amended and Restated Phased Redevelopment Agreement between the Authority and Greyhound Park LLC that will wholly replace the 2018 Agreement and will establish the terms under which Greyhound Park LLC shall develop the Property as master developer (“MDA”), substantially as set forth in Exhibit A;
- (ii) enter into a Purchase and Sale Agreement between the City, the Authority and Greyhound Park LLC (“Purchase and Sale Agreement”), substantially as set forth in Exhibit B, to establish, among other things, the terms for the purchase and sale of a portion of the MHGP to Greyhound Park LLC, the contribution of the City to a stormwater detention facility, Greyhound Park LLC’s contribution of funds to complete the infrastructure improvements for the Property, and the satisfaction of the terms of the intergovernmental agreements between the Authority and the Adams 14 School District and Adams County relating to the use of property tax increment revenue; and
- (iii) enter into an Owner’s Representative Services Agreement between the Authority and ReGen (“Owner’s Representative Services Agreement”), substantially as set forth in Exhibit C, to establish, among other things, the terms by which ReGen will manage and administer, on behalf of the Authority, all of the Authority’s obligations set forth in the MDA and Purchase and Sale Agreement, to provide review and oversight of Greyhound Park LLC’s obligations set forth in the MDA

and Purchase and Sale Agreement, and to resolve any rights of ReGen under the 2018 Agreement;

WHEREAS, the MDA sets forth: (i) the respective roles and responsibilities of the Authority and Greyhound Park LLC to finance, develop, and construct the various components of the MHGP redevelopment; and (ii) the timetable for construction, and is intended to ensure the prompt completion of public and private improvements at the MHGP, and the MDA and the Purchase and Sale Agreement are intended to transfer the MHGP as rapidly as feasible in the public interest, consistent with the carrying out of the provisions of the Urban Renewal Plan;

WHEREAS, Greyhound Park LLC intends to develop modern, mixed income housing, with a diverse range of product types on the MHGP, to eliminate blight and support the success and sustainability of a community suffering from an aging housing stock;

WHEREAS, to help ensure the project's financial feasibility and success and to provide funds to meet obligations with respect to activities and operations of the Authority in connection with the project in accordance with the Urban Renewal Plan and the Urban Renewal Law, the City, the Authority and Greyhound Park LLC have agreed upon various forms of incentives and financial assistance utilizing certain City funds, funds generated from the taxes and other amounts to be paid by Greyhound Park LLC, sales of parcels within the MHGP, and customers, visitors and other users of the project;

WHEREAS, the redevelopment of the MHGP in accordance with the MDA, the Purchase and Sale Agreement, and the Owner's Representative Services Agreement is expected to provide substantial direct and indirect benefits to the City, its citizens, and the surrounding region, and to enhance the economic vitality of the City in numerous ways;

WHEREAS, ReGen will provide construction, budget and project management expertise for the Authority and oversight of Greyhound Park LLC, pursuant to the Owner's Representative Services Agreement;

WHEREAS, the Board finds and determines that the redevelopment of the MHGP in accordance with the MDA and the Purchase and Sale Agreement will serve to eliminate blight and preventing injury to the public health, safety, morals, and welfare of the residents of the City;

WHEREAS, the Board finds and determines that the public infrastructure to be constructed pursuant to the MDA and Purchase and Sale Agreement will be necessary components of the Urban Renewal Plan; and

WHEREAS, the Board finds and determines that the initial selection of the Redeveloper and the process relied upon through the MDA, the 2018 Agreement, and the 2016 Agreement, culminating in the Purchase and Sale Agreement, for the disposition of property in the MHGP constitute reasonable competitive bidding procedures in fulfillment of Section 31-25-106(2) of the Urban Renewal Law.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE URBAN RENEWAL AUTHORITY OF THE CITY OF COMMERCE CITY, COLORADO, AS FOLLOWS:

1. The foregoing recitals are incorporated herein by this reference.
2. The MDA, including its exhibits and attached ancillary agreements, is hereby approved substantially in the form attached hereto.
3. The Purchase and Sale Agreement, including its exhibits and attached ancillary agreements, is hereby approved substantially in the form attached hereto.
4. The Owner's Representative Services Agreement, including its exhibits and attached ancillary agreements, is hereby approved substantially in the form attached hereto.
5. The Chairperson and the Secretary are hereby authorized and directed to sign and attest the attached MDA, the Purchase and Sale Agreement, and the Owner's Representative Services Agreement, substantially in the form attached hereto, on behalf of the Authority.
6. The Executive Director or his designee is hereby authorized and directed to take all actions necessary for the Authority to comply with and effectuate the MDA, the Purchase and Sale Agreement, and the Owner's Representative Services Agreement, including all actions identified in any such agreement or any exhibit thereto that are not specifically designated as requiring review, approval, or decision by the Board or required by law to be performed by the Board.

RESOLVED AND PASSED THIS 17TH DAY OF JUNE 2019

URBAN RENEWAL AUTHORITY OF THE CITY
OF COMMERCE CITY

Sean Ford, Chairperson

ATTEST

Laura J. Bauer, MMC, Secretary