

## ADMINISTRATION MEMORANDUM

12-33

**DATE:** October 8, 2012  
**TO:** Honorable Mayor Joyce Downing and City Council Members  
**FROM:** William Simmons, City Manager *WAS*  
**SUBJECT:** Cr-106 – Redevelopment Agreement – Hawkins Development, LLC

Attached to this memorandum is Resolution Cr-106 which, if approved, would authorize the City to enter into a Redevelopment Agreement with Hawkins Development, LLC for the City/NURA owned property at 120<sup>th</sup> Avenue and Grant Street. The resolution also approves an Enhanced Sales Tax Incentive Program (ESTIP) agreement between the City and Hawkins Development.

### **REDEVELOPMENT AGREEMENT:**

The Redevelopment Agreement sets forth the various and respective duties and responsibilities of the City, NURA, and Hawkins Development, LLC in connection with the redevelopment of the City's and NURA's collectively owned 11 acres, more or less, at 120<sup>th</sup> Avenue and Grant Street.

The agreement includes several exhibits, among those exhibits is a development schedule, a description of the infrastructure to be constructed by either the redeveloper (Hawkins) and/or NURA, and a Enhanced Sales Tax Incentive Program agreement. The obligation of both the redeveloper and the City and NURA are highlighted as follows:

#### The Redeveloper:

- Construction of public and site improvements is shown in Exhibit D-2
- Construction of the project improvements is shown in Exhibit E
- Following a development schedule, Exhibit C which includes the entitlement process

#### The City and NURA:

- Conveyance of the property at no cost to the redeveloper.
- Provide a title commitment within 10 days of the execution of the agreement in an amount calculated at a purchase price of \$6.00 per square foot
- Convey the property to the Redeveloper at no cost to the Redeveloper, subject to obligations contained in the Development Schedule and other considerations
- NURA agrees to construct, at its costs, public infrastructure estimated at \$1.7 million. This includes a right turn lane on 120<sup>th</sup> Avenue, a roundabout at Grant Street and Community Center Drive, utility upgrades, and on-site drainage.
- The City will, as long as it is in conformance with applicable law, provide authorization for signage for the project on City-owned property adjacent to I-25.

Also, the City and NURA have the ability to repurchase the property if the redeveloper has not commenced construction within 10 months from the date of closing on the property. The agreement provides that the property will be re-conveyed back at no cost to the City or NURA.

**ENHANCED SALES TAX INCENTIVE PROGRAM (ESTIP) AGREEMENT:**

In this agreement, the City agrees to a reimbursement of sales tax for Hawkins with a reimbursement of up to \$1.4 million over a 7 year period.

The Enhanced Sales Tax available for sharing will be based on 3% sales tax (out of the City's 4%) on 50/50 basis with 50% to the City for use in its discretion, and 50% to be reimbursed to Hawkins Development, LLC. The maximum reimbursement subject to distribution to Hawkins Development, LLC shall be \$1.4 million and shall be shared commencing with sales tax generated on the property on or after January 1, 2015. The City and Hawkins Development, LLC also agree that whether or not the entire maximum reimbursement has been earned by Hawkins Development, LLC, the reimbursement obligation terminates on December 31, 2021, which is seven years from the commencement date of January 1, 2015. All City sales tax generated from the property prior to January 1, 2015 will belong entirely to the City and not subject to sharing.

**STAFF REFERENCE:** Please contact Bill Simmons at [bsimmons@northglenn.org](mailto:bsimmons@northglenn.org) or at 303-450-8709.

SPONSORED BY: MAYOR DOWNING

COUNCILMAN'S RESOLUTION

RESOLUTION NO.

No. CR-106  
Series of 2012

\_\_\_\_\_  
Series of 2012

A RESOLUTION APPROVING A REDEVELOPMENT AGREEMENT BETWEEN THE CITY OF NORTHGLENN, THE NORTHGLENN URBAN RENEWAL AUTHORITY, AND HAWKINS DEVELOPMENT, LLC, AND APPROVING AN ENHANCED SALES TAX INCENTIVE PROGRAM AGREEMENT BETWEEN THE CITY OF NORTHGLENN AND HAWKINS DEVELOPMENT, LLC

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTHGLENN, COLORADO, THAT:

Section 1. The City Council hereby approves the Redevelopment Agreement between the City of Northglenn, the Northglenn Urban Renewal Authority, and Hawkins Development, LLC, attached hereto as **Exhibit A**, and authorizes the Mayor to execute the same on behalf of the City.

Section 2. The Enhanced Sales Tax Incentive Program Agreement attached hereto as **Exhibit B**, between Hawkins Development, LLC and the City of Northglenn, is hereby approved and the Mayor is authorized to execute same on behalf of the City. The City Council hereby finds that the Enhanced Sales Tax Incentive Program Agreement with Hawkins Development, LLC is necessary and appropriate based on the following criteria pursuant to 5-12-9 of the City of Northglenn Municipal Code:

- (a) The amount of enhanced sales taxes which are reasonably to be anticipated to be derived by the City through the expanded or retail sales tax generating business;
- (b) The public benefits which are provided by the applicant through public works, public or public-related improvements, additional employment for City residents, etc;
- (c) The amount of expenditures which may be deferred by the City based upon public or public-related improvements to be completed by the applicant at the applicant's expense;
- (d) The conformance of the applicant's property or project with the comprehensive plan, zoning ordinances and building codes of the City; and
- (e) The agreement required by Section 5-12-10 having been reached, which agreement shall contain and conform to all requirements of Section 5-12-10 of the Northglenn Municipal Code.

DATED, at Northglenn, Colorado, this \_\_\_\_\_ day of \_\_\_\_\_, 2012.

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JOYCE DOWNING  
Mayor

ATTEST:

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JOHANNA SMALL, CMC  
City Clerk

APPROVED AS TO FORM:

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COREY Y. HOFFMANN  
City Attorney

REDEVELOPMENT AGREEMENT

THIS REDEVELOPMENT AGREEMENT is made and executed this \_\_\_\_\_ day of \_\_\_\_\_, 2012, by and between the CITY OF NORTHGLENN (the "City"), the NORTHGLENN URBAN RENEWAL AUTHORITY, a body corporate and politic of the State of Colorado (the "Authority"), and HAWKINS DEVELOPMENT, LLC (hereafter referred to as the "Redeveloper").

WITNESSETH

WHEREAS, the City and the Authority collectively own 11 acres, more or less, of real property described in **Exhibit A** (the "Property"), which Property has been found to be blighted within the meaning of Part 1 of Article 25 of Title 31, Colorado Revised Statutes, and all or part of which is in need of redevelopment;

WHEREAS, in order to facilitate the redevelopment of the Property, the City has, in compliance with the provisions of Part 1 of Article 25 of Title 31, Colorado Revised Statutes, adopted an Urban Renewal Plan for the Property and has authorized the Authority in conjunction with the City to undertake certain actions authorized by the Urban Renewal Plan and the above-cited statutory provisions;

WHEREAS, the City and the Authority have previously determined that the Redeveloper possesses the financial, management and development capability to redevelop the Property in conformance with the provisions of the Urban Renewal Plan in a manner which will be beneficial to the citizens and residents of the City, and entered into that Agreement dated November 22, 2011, a copy of which is attached hereto as **Exhibit B**, and incorporated herein by this reference; and

WHEREAS, the parties have completed the initial aspects related to the feasibility of the redevelopment of the Property and now desire to enter into this Redevelopment Agreement setting forth their various and respective duties and responsibilities in connection with such redevelopment.

NOW, THEREFORE, the parties hereto, for themselves, their successors and assigns, in and for the consideration of the performance of the mutual duties and responsibilities set forth herein, the receipt and adequacy of such consideration being hereby acknowledged, do hereby covenant and agree as follows:

**1. RECITALS INCORPORATED.** The recitals set forth above are incorporated into this Agreement and shall be deemed terms and provisions hereof, to the same extent as if fully set forth in this Section 1.

## 2. DEFINITIONS AND EXHIBITS.

(a) **Definitions.** The following terms have the respective meanings set forth below:

“**Applicable Laws**” shall mean any law, ordinance, order, rule, regulation, requirement or judicial decision of any Governmental Authority, which is at any time during the Term applicable to the Property, including, all governmental requirements. Such laws, ordinances, orders, rules and regulations shall include, without limitation, any of those which relate to zoning, public health, public safety, environmental protection, accessibility, the removal of architectural barriers and the existence or removal of any Hazardous Materials.

“**Development Schedule**” shall mean the schedule setting forth the anticipated milestone completion dates for the Development, as set forth in **Exhibit C**, attached herein and incorporated herein by this reference.

“**Environmental Laws**” shall mean all current and future federal, state and local statutes, regulations, ordinances and rules relating to (1) the emission, discharge, release or threatened release of a Hazardous Material into the air, surface water, groundwater or land; (2) the manufacturing, processing, use, generation, treatment, storage, disposal, transportation, handling, removal, remediation or investigation of a Hazardous Material; or (3) the protection of human health, safety or the indoor or outdoor environmental, including (without limitation) the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601, *et. seq.* (“**CERCLA**”); the Hazardous Materials Transportation Act, 49 U.S.C. Section 1801, *et. seq.*; the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901, *et. seq.* (“**RCRA**”); the Toxic Substances Control Act, 15 U.S.C. Section 2601 *et. seq.*; the Clean Water Act, 33 U.S.C. Section 1251, *et. seq.*; the Clean Air Act; the Federal Water Pollution Control Act; the Occupational Safety and Health Act; all applicable environmental statutes of the State of Colorado, as amended; and all other federal, state or local statutes, laws, ordinances, resolutions, codes, rules, regulations, orders or decrees regulating, relating to, or imposing liability or standards of conduct concerning any hazardous, toxic or dangerous waste, substance or material, as now or at any time hereafter in effect.

“**Force Majeure**” shall mean delays in the performance of a Party’s obligations hereunder that are caused by reason of acts of God, extraordinarily inclement weather, strikes, lockouts, labor troubles, inability to procure necessary labor, materials, supplies or inventory at commercially reasonable rates, failure of power, illegality, general unavailability of permits or approvals required under applicable Governmental Requirements, riots, insurrection, acts of terrorism or war, or other reason of a similar or dissimilar nature not the fault of or within the reasonable control of such Party, including (without limitation), the failure of the other Party to perform its obligations as and when required hereunder. Lack of funds or inability to obtain internal approvals shall not

constitute *Force Majeure*.

“**Governmental Authority**” shall mean any federal, state, municipal or local governmental authority, agency or board or any division thereof having jurisdiction over the Property.

“**Governmental Requirements**” shall mean those Applicable Laws, which relate to the development, construction, occupancy or use of the Property.

“**Hazardous Materials**” shall mean (a) any substance, product, waste or other material of any nature whatsoever which is or becomes listed, regulated, or addressed pursuant to any Environmental Laws; (b) any substance, product, waste or other material of any nature whatsoever (including, without limitation, mold and other biological agents) which may give rise to liability under any Environmental Laws or under any statutory or common law theory based on negligence, trespass, intentional tort, nuisance or strict liability or under any reported decisions of a state or federal court; (c) petroleum or crude oil, other than petroleum and petroleum products contained within regularly operated motor vehicles; (d) asbestos and asbestos-containing materials; (e) subsurface gas (including radon); (f) urea formaldehyde foam insulation; (g) poly-chlorinated biphenyls; (h) freon and other chlorofluorocarbons; and (i) underground storage tanks.

“**Infrastructure**” shall mean all public improvements that are necessary to provide proper access to and egress from the Property, utility services to the Property, and other public infrastructure reasonably necessary for the development and operation of a the project as described in **Exhibit D** and in conformance with Governmental Requirements. The Authority shall be responsible for the installation of the improvements listed on **Exhibit D-1**, and the Redeveloper shall be responsible for the installation of the improvements listed on **Exhibit D-2**.

“**Project**” shall mean the redevelopment project of at least 49,000 square feet of commercial retail development on the Property generally depicted on **Exhibit E**, attached hereto and incorporated herein by this reference.

“**Property**” shall mean the real property legally described in **Exhibit A**, which shall be redeveloped as set forth herein.

“**Recorded**” shall mean recorded in the real property records maintained by the Clerk and Recorder of Adams County, Colorado.

“**Redeveloper Responsibilities**” shall mean the scope of work undertaken by the Redeveloper in accordance with the provisions of this Agreement.

(b) **Exhibits**. The following Exhibits are attached to and incorporated into this Agreement:

- Exhibit A – Legal Description of the Property
- Exhibit B – Agreement dated November 22, 2011
- Exhibit C – Development Schedule
- Exhibit D – Infrastructure to be Constructed
- Exhibit D-1 – Infrastructure to be Constructed by the Authority
- Exhibit D-2 – Infrastructure to be Constructed by the Redeveloper
- Exhibit E – Depiction of Project Site Plan
- Exhibit F – Form of Irrevocable Letter of Credit
- Exhibit G – Form of Special Warranty Deed
- Exhibit H – Form of ESTIP Agreement

**3. CONTINUED DESIGNATION AS MASTER DEVELOPER.** As a continued inducement to Redeveloper to accomplish the redevelopment of the Property as herein described, the City and the Authority hereby determine it to be in the public interest to continue to designate Redeveloper as the sole and exclusive Redeveloper of the Property and does hereby continue the designation of Redeveloper as the Master Developer for the Property.

**4. REDEVELOPER OBLIGATIONS.** Redeveloper shall in coordination with the City and the Authority prepare the following documents, studies and work product in order to accomplish the scope of work set forth in **Exhibits D** and **Exhibit E**:

(a) **Due Diligence.** Undertake commercially reasonable due diligence of the Property. Such due diligence shall specifically include providing objections, if any, to the Title Commitments within fifteen (15) business days of the receipt of said Title Commitments.

(b) **Evaluation of the Property.** Access the Property, as necessary to conduct surveys, engineering tests, inspections and other due diligence items the Redeveloper deems necessary to evaluate the Property. Redeveloper shall be responsible for any and all claims, mechanics' liens, claims, damages, losses, costs or expenses arising from Redeveloper and Redeveloper's representatives' access onto the Property, including any such damage caused by any due diligence activity on the Property.

(c) **Title Objections.** Redeveloper shall endeavor to reasonably resolve its objections within the thirty (30) day period following receipt of the Title Commitments (the "Resolution Period"). If the Redeveloper has not resolved its objections during the Resolution Period, Redeveloper shall have the option of proceeding to Closing without resolution of said objections or terminating this Agreement prior to expiration of the Resolution Period.

(d) **Required Submittals.** Redeveloper shall, at its sole cost and expense, prepare all development and related plans with the full cooperation of the City and the Authority to submit all necessary land use applications, conforming to all applicable Governmental Requirements of all Governmental Authorities, including obtaining all required approvals of the City of Northglenn Planning Commission and the City Council of the City of Northglenn for all such land use applications. Such applications shall include seeking approval of a Final PUD



Plan and an amended subdivision plat for the Project in order to obtain the necessary land use entitlements to develop the Project generally depicted on **Exhibit E**. Such land use applications shall be submitted in accordance with the Development Schedule set forth in **Exhibit C**, and shall be submitted with the City's and the Authority's respective consent as landowners.

(e) **Construction of Public and Site Improvements.** Redeveloper shall construct all improvements depicted on **Exhibit D-2** and shall be solely responsible for all site work on the Property for the Project, in accordance with the approved Final PUD Plan and the amended subdivision plat. Redeveloper shall be solely responsible for all costs associated with such construction of the improvements depicted on Exhibit D-2 and the costs associated with all site work on the Property.

(f) **Construction of Project Improvements.** Redeveloper shall also construct all buildings, structures and other improvements within and for the Project. Redeveloper shall use commercially reasonable efforts to cause the design and construction of the Project to be performed in a good, professional and workmanlike manner in accordance with industry standards, as generally depicted on **Exhibit E**.

(g) **Marketing.** Redeveloper shall use commercially reasonable efforts to market the Project. Redeveloper may enter into finder's fee agreements, consulting agreements, or other agreements with potential end users (or their agents or representatives) of the Lots as part of Redeveloper's exclusive right to redevelop and market the Project.

(h) **Development Schedule.** Attached hereto as **Exhibit C** is a Development Schedule setting forth milestones for completion of the Project. The City and the Authority acknowledge that the time periods shown on the Development Schedule are subject to change to reflect conditions encountered during the Project, coordination of reviews and approvals as required, execution of transactions that the City and the Authority are not a party to, and any Governmental Requirements. In accordance with the Development Schedule, the Parties specifically agree as follows:

(i) Within 119 days of execution of this Agreement, Redeveloper shall submit the necessary land use applications set forth in Section 4(d) of this Agreement, and such applications shall be submitted with the City's and the Authority's respective consent as landowners;

(ii) On or before the date of Closing, Redeveloper shall post an Irrevocable Letter of Credit in the form attached hereto as **Exhibit F** (the "Security") and incorporated herein by this reference, in an amount equal to three million and three hundred and forty-nine thousand dollars (\$3,349,000) in order to guarantee Redeveloper's performance of Redeveloper's infrastructure obligations pursuant to this agreement;

(iii) Upon posting of the Security and completion of the land use entitlement process set forth herein Redeveloper shall receive Special Warranty Deeds to the

Property in the form attached hereto as **Exhibit G**, and incorporated herein by this reference, at the Closing described in Section 6c of this Agreement. Said Special Warranty Deeds shall be subject to the obligations contained in this Agreement, specifically including Redeveloper's obligation to convey the Property back to the City and the Authority as it was conveyed to Redeveloper by the Special Warranty Deeds in the event Redeveloper is unable to perform its obligations under this Agreement.

5. **CITY AND AUTHORITY OBLIGATIONS.**

(a) **Land Use Entitlement Process.** The City and the Authority shall execute all necessary documents as owners of their respective portions of the Property to allow Redeveloper to proceed forward with the land use entitlement process set forth above. The City shall process such applications expeditiously and in accordance with the provisions of the Northglenn Municipal Code, including scheduling all necessary hearings to be conducted by the City of Northglenn Planning Commission and the City Council of the City of Northglenn in order to obtain all necessary land use approvals for the Project. The City and the Authority shall further utilize their powers and authority to pursue and approve, within its designated authority, such public and other approvals necessary and required for Redeveloper to pursue and complete its obligations with respect to the Project. Nothing herein shall be construed to be a waiver by the City or the Authority of its police power or its legislative authority to make decisions regarding the approvals set forth herein.

(b) **Conveyance of the Property Owned by the City.**

(i) The City and the Authority shall jointly provide a title commitment for their respective ownerships of the Property (the "Title Commitments") within ten (10) days of execution of this Agreement, in an amount calculated at a purchase price of \$6.00 per square foot as described in Section 6 below, together with copies of all documents enumerated on Schedule B-2 of the Title Commitments. The City and the Authority shall also provide Redeveloper with all due diligence information in the City's and/or the Authority's possession or control, including any and all reports, studies and surveys associated with the Property including by way of example environmental studies, soils reports, traffic studies, and infrastructure information including as-built drawings. The City and the Authority makes no representations or warranties of any kind whatsoever regarding the Property, including without limitation, any warranties of fitness, habitability, condition or suitability of the Property for the Redeveloper's intended use. Redeveloper shall rely solely upon its own due diligence investigation described herein to determine the acceptability of the Property; and

(ii) At the Closing as described below, the City and the Authority shall convey the Property to Redeveloper at no cost to Redeveloper, subject to Redeveloper's obligations contained in the Development Schedule attached hereto as **Exhibit C**,

and the additional consideration set forth herein. Such conveyances shall occur following Redeveloper's posting of the Security.

(c) **Authority Off-Site Public Improvement Obligations.** The Authority shall construct at its sole cost and expense the public infrastructure estimated at approximately one million, seven hundred (\$1,700,000) more particularly described in **Exhibit D-1.**

(d) **ESTIP Agreement.** The City shall enter into an Agreement pursuant to the City's Enhanced Sales Tax Program in the form attached hereto as **Exhibit H,** and incorporated herein by this reference.

(e) **Signage.** So long as it is in conformance with Applicable Laws, the City shall provide Redeveloper with appropriate authorization for signage for the Project on City-owned property adjacent to Interstate 25.

**6. TRANSFER OF PROPERTY/CLOSING** Redeveloper agrees to buy, and the City and the Authority agree to transfer as set forth herein, the Property as described below. The Parties agree that the value of the Property shall be Six Dollars (\$6.00) per square foot of land; provided however, that in consideration for the performance of Redeveloper's obligations under this Agreement, the City and the Authority agree to convey their respective portions of the Property to Redeveloper at no cost. Provided, however, as additional consideration pursuant to this Agreement, the Parties agree as follows:

(a) **Security.** Redeveloper shall provide Security in the form described in **Exhibit F** in the amount of three million and three hundred and forty-nine thousand dollars (\$3,349,000) guaranteeing performance of Redeveloper's infrastructure obligations under this Agreement on or before the date of Closing. Said Security need not be separately collateralized from Redeveloper's construction loan, and said obligation to provide the Security is and shall be the only Security required by the City and the Authority to secure the Redeveloper's obligations under this Agreement. Upon construction and conditional acceptance of logical segments of Redeveloper's infrastructure obligations, the Security may be reduced or replaced to an amount equal to 100% of the estimated costs of construction of the remaining infrastructure obligations plus 10% of the estimated costs of the construction for infrastructure obligations that have been completed to date and for which the warranty under this Agreement has not expired.

(b) **Closing Costs.** The Redeveloper shall pay all closing costs in certified funds at Closing.

(c) **Date of Closing.** Closing on the Property shall occur within fifteen (15) business days following receipt by Redeveloper of all required zoning, final plat and site plan approvals set forth above and the issuance of building permits necessary to commence construction of the Project, including building permits for the buildings, structures and other improvements within the Project.

(d) **Form of Deed.** The transfer of the Property shall be by Special Warranty Deed, subject to any permitted exceptions, and subject to the City's and the Authority right to have their respective portion of the Property conveyed back to them as described below in Section 9(d).

7. **TERM.** The Term of this Agreement shall commence on the execution of this Agreement by both parties and expire upon the earlier of (a) Redeveloper's satisfaction of all of its obligations under this Agreement; (b) the election to terminate this Agreement by either Party after an Event of Default in accordance with Sections 9 and 10 herein.

## 8. REPRESENTATIONS, WARRANTIES AND COVENANTS

(a) **Mutual Warranties and Representations.** Each Party hereby warrants and represents to the other that the representing Party and each person executing this Agreement on behalf thereof has full right and lawful authority to execute this Agreement

(b) **Reliance on Warranties and Representations.** Each Party acknowledges that the other Party has relied on each of the foregoing warranties and representations in executing this Agreement, that each of the same is material and that each of said warranties and representations are true as of the date hereof and will be true as of the Effective Date.

## 9. BREACH BY THE REDEVELOPER - CITY AND AUTHORITY REMEDIES.

**Event of Default.** Each of the following shall be deemed an "Event of Default" by Redeveloper and a breach of this Agreement:

(a) **Violation of Material Term.** Redeveloper violates or fails to perform, within thirty (30) days after written notice from City and the Authority, any material condition, covenant or agreement required by it to be performed, provided, however, if the nature of the default is such that it cannot be cured practicably within thirty (30) days, but Redeveloper commences the curing and thereafter diligently prosecutes the curing, then the cure period shall be extended for the amount of time practicably required to effect the cure, but in any event the cure period shall last no more than ninety (90) days after notice from the City and the Authority unless the Parties agree that the cure is being diligently pursued.

(b) **Bankruptcy.** Redeveloper or any of Redeveloper's guarantors makes a general assignment for the benefit of its creditors, files a petition or other request for bankruptcy, or other reorganization, liquidation, dissolution or similar relief, or a proceeding requesting any of the foregoing is filed against it and not dismissed within ninety (90) days of filing, or a trustee, receiver or liquidator is appointed for Redeveloper or a substantial portion of its property.

(c) **Remedies.** Upon an Event of Default, the City and the Authority shall have all remedies available to it at law and equity, including the right to seek injunctive relief or,

in its discretion, to terminate this Agreement, and shall also have the unique right set forth below in this Section 9, subsection (d) for the material breach set forth therein.

(d) **The City's and the Authority's Ability to Repurchase the Property.** In the event that the Closing described in Section 6 of this Agreement is completed, and the Redeveloper has not commenced construction of the Project within ten (10) months of the date of Closing, such a failure shall be deemed a material breach of this Agreement, and solely for the breach by Redeveloper regarding such a failure to proceed, the City and the Authority shall have the right to demand that the Property be reconveyed at no cost back to the City and the Authority. The City, the Authority and the Redeveloper acknowledge and agree that this remedy of the right to repurchase the Property is based on the unique nature and character of the Project, and the Parties hereto agree that such a unique remedy is necessary and appropriate under the circumstances.

## **10. BREACH BY THE CITY OR THE AUTHORITY – REDEVELOPER REMEDIES**

**Event of Default.** Each of the following shall be deemed an "Event of Default" by the City and the Authority, and a breach of this Agreement:

(a) **Violation of Material Term.** The City or the Authority violates or fails to perform, within thirty (30) days after written notice from Redeveloper, any material condition, covenant or agreement required by it to be performed within the time allowed by the Development Schedule provided, however, if the nature of the default is such that it cannot be cured practicably within thirty (30) days, but City or the Authority commences the curing and thereafter diligently prosecutes the curing, then the cure period shall be extended for the amount of time practicably required to effect the cure, but in any event the cure period shall last no more than ninety (90) days after notice from Redeveloper unless the Parties agree that the cure is being diligently pursued.

(b) **Remedies.** Upon an Event of Default, Redeveloper shall have all remedies available to it at law and equity, including the right to seek injunctive relief and to terminate the Agreement.

## **11. INSURANCE AND INDEMNIFICATION**

(a) **Redeveloper's Insurance.** Redeveloper shall procure and maintain, at its cost and expense, or cause to be maintained, all the following insurance:

(i) **Commercial General Liability Insurance.** Following Closing, Redeveloper shall maintain commercial or comprehensive general liability insurance on an occurrence basis, insuring against any and all claims for damages to person or property or loss of life or of property occurring on or about the Property or arising from the operation of the Property by Redeveloper and or arising from any tortious acts or negligence of Redeveloper or any of Redeveloper's agents,

employees, licensees or contractors, with coverage limits of not less than \$2,000,000 for bodily injury or death to any one person and not less than \$2,000,000 for bodily injury or death arising from any one accident or occurrence, and not less than \$500,000 for property damage, with such deductibles as Redeveloper may customarily carry in the conduct of its business.

(ii) **Property Insurance.** Following Closing, Redeveloper shall procure and maintain in full force and effect a policy or policies of so-called "all-risks" property insurance covering the buildings and other improvements owned by Redeveloper upon the Property, with coverage at least as broad as the Standard ISO Form CP 1030 including fire, lighting, windstorm, hail, explosion, riot, strike, civil commotion, smoke, vandalism, malicious mischief and sprinkler leakage endorsements. The amount of coverage of Redeveloper's insurance hereunder shall be equal to the full replacement cost of the insured buildings and improvements, with such deductibles as Redeveloper may customarily carry in the conduct of its business.

(iii) **Named Insured.** The City and the Authority shall be named as an additional insured on the commercial general liability insurance policy required by this Section 11.

(b) **Redeveloper's Indemnity.** Redeveloper shall indemnify, defend (with counsel reasonably satisfactory to City and Authority) and hold City and the Authority harmless from and against all claims, damages, liabilities and expense, including reasonable attorneys' fees, in connection with loss of life, bodily injury or damage to property in or about the Property to the extent arising from or out of (a) Redeveloper's Environmental Acts, or (b) any misconduct or negligence of Redeveloper, its employees, agents, licensees or contractors.

**12. ASSIGNMENT.** This Agreement, or any part thereof, may be assigned by the Redeveloper only upon the prior written consent of the City and the Authority, which consent shall not be unreasonably withheld. Provided however, the City and the Authority shall approve an assignment to a corporation or other legal entity which is more than fifty percent (50%) owned or controlled by Redeveloper or Redeveloper's owners or principals.

### **13. GENERAL PROVISIONS**

(a) **Notices.** Except as provided herein to the contrary, any notice, request or demand to be given pursuant to this Agreement, shall be in writing and shall be sent by United States certified mail, return receipt requested, or delivered by a reputable overnight courier delivery service, addressed to Redeveloper, the Authority or the City at the following addresses:

To the City:                      City Manager  
    11701 Community Center Drive  
    Box 330061  
    Northglenn, Colorado 80233

To the Authority: Debbie Tuttle  
Executive Director  
11701 Community Center Drive  
Box 330061  
Northglenn, Colorado 80233

With a copy to: Corey Y. Hoffmann, Esq.  
Hayes, Phillips, Hoffmann & Carberry, P.C.  
1530 Sixteenth Street, #200  
Denver, CO 80202

To the Redeveloper: Kevin B. Hawkins  
10909 E. Arapahoe Place, Suite 103  
Centennial, Colorado 80112

With a copy to: Bryan Todd, Esq.  
358 South Rio Grande, Suite 200  
Salt Lake City, UT 84101

All such notices, requests and demands shall be deemed given upon receipt of the addressee (or upon wrongful refusal of attempted delivery). Either Party may, by notice, designate different and/or additional addresses for notices, requests or demands to it. The parties may provide courtesy copies of any notices via facsimile.

(b) **Invalid Provisions.** The invalidity and unenforceability of any provision of this Agreement shall not affect or impair any other provision.

(c) **Joint Preparation.** This Agreement is to be deemed to have been prepared jointly by the Parties hereto, and any uncertainty or ambiguity existing herein, if any, shall not be interpreted against any Party but shall be interpreted according to the application of the rules of interpretation for arm's-length agreements.

(d) **Relationship of Parties.** Nothing contained in this Agreement shall be construed to create the relationship of principal and agent, partnership, joint venture or any other relationship between the Parties.

(e) **No Continuing Waiver.** No waiver of any default hereunder shall be implied from any omission by either Party to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver, and then only for the time and to the extent therein stated. No delay or omission by either Party hereto to exercise any right or power accruing upon any non-compliance or default by the other Party with respect to any of the terms hereof, or otherwise accruing hereunder, shall impair any such right or power or be construed to be a waiver thereof. One or more waivers of any breach of any covenant, term or condition of this

Agreement shall not be construed as a waiver of any subsequent breach of the same covenant, term or condition. The consent or approval by a Party to or of any act by the other Party requiring the former Party's consent or approval shall not be deemed to waive or render unnecessary such former Party's consent or approval to or of any subsequent similar acts by the other Party.

(f) **Entire Agreement.** All Exhibits attached to this Agreement are incorporated herein in their entirety. This Agreement and the Exhibits attached hereto include the entire agreement of the Parties concerning this Agreement. All prior agreements of the Parties with respect to the subject matter hereof (whether written or oral), are hereby merged into this Agreement and shall have no further force or effect except to the extent expressly provided herein. No change, amendment or addition to this Agreement (or the Exhibits attached hereto) shall be effective unless in writing and signed by both Parties.

(g) **Captions.** The captions of this Agreement are for convenience and reference only and shall not be deemed or construed to define, limit or describe the scope or intent of this Agreement or affect its interpretation or construction.

(h) **Binding Effect.** The covenants contained in this Agreement shall apply to, inure to the benefit of, and be binding upon the Parties hereto and their respective successors and assigns, except as expressly otherwise hereinabove provided.

(i) **Unavoidable Delays.** If either Party shall be delayed or hindered in or prevented from the performance of any act required hereunder (other than the payment of Rent or other sums due hereunder by either Party) by *Force Majeure*, then, except as expressly provided herein to the contrary, for purposes of determining whether the applicable Party is in default of this Agreement (but not for any other purposes hereunder, except as expressly provided herein) performance of such act shall be extended for a period equivalent to the period of such delay.

(j) **Submission of Agreement.** This Agreement shall not be binding on either Party hereto unless and until executed by both Parties delivered to both Parties. Either Party may revoke its execution of this Agreement at any time prior to its receipt of executed counterpart hereof from the other Party.

(k) **Business Days.** Any references in this Agreement to "business days" refer to days other than a Saturday, Sunday or a legal holiday under the laws of the United States or the State of Colorado.

(l) **Counterparts.** This Agreement may be executed in any number of identical counterparts, each of which shall be deemed an original and all of which, taken together, shall constitute one and the same instrument.

(m) **Exhibits.** Each exhibit to which reference is made herein and which is attached hereto is made a part hereof by reference.



(n) **Jurisdiction and Venue.** This Agreement shall be construed pursuant to the laws of the State of Colorado. Jurisdiction and venue for any action in law or in equity to enforce the provisions hereof is hereby vested exclusively in the District Court in and for the County of Adams, State of Colorado.

(o) **Municipal Powers.** The terms of this Agreement shall not in any way alter, abridge, or modify the powers of the City of Northglenn, while acting in its capacity as a Colorado municipal corporation, to enact, amend, or enforce municipal ordinances, rules and regulations. Moreover, the City and the Authority state affirmatively that this Agreement is entered into in compliance with C.R.S. § 31-25-106, and that any such notices required to be made to the City by the Authority are deemed to have been made by the City's approval of this Agreement.

(p) **Broker Commission.** Each Party represents and warrants to the other Party that it has engaged no broker in connection with this Agreement and to the extent allowed by Applicable Laws, each Party agrees to indemnify the other Party and hold it harmless from any and all liabilities arising from any breach of the foregoing including claims for brokerage commissions and finder's fees and including the non-breaching Party's attorneys' fees.

(q) **No Third Party Beneficiaries.** No third party beneficiaries to this Agreement are contemplated or intended by either Party.

(r) **Time is of the Essence.** The City, the Authority and Redeveloper agree that time is of the essence in the performance of the provisions of this Agreement. No extension of time for performance of any obligation or act herein required shall be deemed an extension of time for performance of any other obligation or act.

(s) **Amendment.** This Agreement may not be modified or amended in whole or in any part except by a writing signed by each party hereto, and adopted and/or approved with the same degree of formality as this Agreement shall be adopted and approved.

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement the day and date first above set forth.

**CITY OF NORTHGLENN**, a municipal corporation

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

ATTEST:

---

Johanna Small, CMC, City Clerk

APPROVED AS TO FORM:

---

Corey Y. Hoffmann, City Attorney

**NORTHGLENN URBAN RENEWAL AUTHORITY**

---

By: Rosie Garner, Chairman

ATTEST:

---

APPROVED AS TO FORM:

---

Jeff Parker, Authority Attorney

**HAWKINS DEVELOPMENT, LLC:**

---

By: Kevin B. Hawkins, Manager

**EXHIBIT A**  
Legal Descriptions of the Property

**EXHIBIT A**  
Legal Descriptions of the Property

PARCEL #	TOWNSHIP	SECTION	BLOCK	PARCEL #	OWNER NAME	LEGAL	ACRES
0171903110001	1719	031	10	001	NORTHGLENN URBAN RENEWAL AUTHORITY	SUB:MC ELWAIN TRACT DESC: BEG 10 FT E AND 30 FT S OF NW COR NE4 SEC 3/2/68 TH ELY 170 FT TH S 200 FT TH W 170 FT TH N 200 FT TO POB EXC ST ON N	0.712
0171903100027	1719	031	00	027	CITY OF NORTHGLENN	SECT,TWN,RNG:-2-68 DESC: PT OF THE N2 OF SEC 3 DESC AS BEG AT THE N4 COR OF SD SEC 3 TH S 97/14 FT TH N 76D 28M E 10/26 FT TH S 35/90 FT AND THE POB TH S 99/20 FT TH N 90D 00M 170 FT TH S 231/75 FT BEING THE BEG OF A TANG CURV TO THE RT THE RAD OF SD	2.095
0171903109001	1719	031	09	001	NORTHGLENN URBAN RENEWAL AUTHORITY	SUB:MC ELWAIN TRACT 2 DESC: EXC RD	0.697
0171903109004	1719	031	09	004	CITY OF NORTHGLENN	SUB:HOLIDAY PARK BLK:1 LOT:2	2.216
0171903109003	1719	031	09	003	CITY OF NORTHGLENN	SUB:HOLIDAY PARK BLK:1 LOT:1	1.731
					CITY OF NORTHGLENN	COMM. CENTER DRIVE RIGHT OF WAY	1.080
							10.953

**EXHIBIT A - Legal**



**0.712**

**0.697**

**2.095**

**2.216**

**1.080**

**2.42**

**1.731**

**NORTHGLENN URBAN RENEWAL AUTHORITY**

**RESOLUTION NO.**

N/11-14  
**Series of 2011**

**A RESOLUTION APPROVING A MASTER DEVELOPMENT AGREEMENT WITH HAWKINS DEVELOPMENT LLC**

**WHEREAS**, the City of Northglenn and NURA each own property in and around 120<sup>th</sup> Avenue and Grant Street in the City of Northglenn; and

**WHEREAS**, the City and NURA have determined that the Hawkins Development LLC possesses the financial, management and development capability to redevelop the Property in conformance with the provisions of the Northglenn Urban Renewal Plan in a manner to Northglenn Urban Renewal Area and to the citizens and residents of the City as a whole.

**NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE NORTHGLENN URBAN RENEWAL AUTHORITY, THAT:**

The agreement attached hereto as **Exhibit A** is hereby approved and the Chairman is authorized to execute the same.

DATED this 18<sup>th</sup> day of November, 2011.

  
Jerry D. Gavette  
Chairman

ATTEST:

  
Debbie Tuttle  
Executive Director

APPROVED AS TO FORM:

  
Jeff Parker  
Board Attorney

## AGREEMENT

THIS AGREEMENT is made and executed this 18<sup>th</sup> day of November, 2011, by and between the CITY OF NORTHGLENN (the "City"), the NORTHGLENN URBAN RENEWAL AUTHORITY, a body corporate and politic of the State of Colorado (the "Authority"), and Hawkins Development, LLC (hereafter referred to as the "Redeveloper").

## WITNESSETH

WHEREAS, the City and NURA each own property in the area approximately described in **Exhibit A**, which is attached hereto and expressly incorporated herein (the "Property"), which Property has been found to be blighted within the meaning of Part 1 of Article 25 of Title 31, Colorado Revised Statutes, and all or part of which is in need of redevelopment;

WHEREAS, in order to facilitate the redevelopment of the Property, the City has, in compliance with the provisions of Part 1 of Article 25 of Title 31, Colorado Revised Statutes, adopted an Urban Renewal Plan for the Property, and has authorized the Authority in conjunction with the City to undertake certain actions authorized by the Urban Renewal Plan and the above-cited statutory provisions;

WHEREAS, the City and the Authority have determined that the Redeveloper possesses the financial, management and development capability to redevelop the Property in conformance with the provisions of the Urban Renewal Plan in a manner which will be beneficial to the citizens and residents of the City; and

WHEREAS, the parties hereto wish to memorialize their agreement as to the proposed initial aspects of the redevelopment of the Property, and thereby set forth their various and respective duties and responsibilities in connection with such redevelopment.

NOW, THEREFORE, the parties hereto, for themselves, their successors and assigns, in and for the consideration of the performance of the mutual duties and responsibilities set forth herein, the receipt and adequacy of such consideration being hereby acknowledged, do hereby covenant and agree as follows:

1. Designation as Master Developer. As an inducement to Redeveloper to accomplish the redevelopment of the Property as above described, and subject to the provisions of this Agreement, the City and the Authority hereby determine it to be in the public interest to designate Redeveloper as the sole and exclusive Redeveloper of the Property, and does hereby designate Redeveloper as the Master Developer for the Property for a period not to exceed two (2) years from the date of this Agreement (the "Feasibility Period") as more particularly described below. For purposes of this Agreement, "Master Developer" shall mean and refer to Redeveloper and, in such capacity as Master Developer, Redeveloper shall be authorized as the exclusive party in pursuit of the redevelopment of the Property during the term of this

Agreement. Redeveloper shall have the exclusive right hereunder to market and develop the Property, subject to the provisions below.

2. Feasibility Period; Redeveloper Obligations. During the Feasibility Period, the Redeveloper, the City, and the Authority shall jointly determine the specific boundaries of the Property to be developed as Phase 1, and a proposed schedule for phasing the redevelopment of the remainder of the Property, if any. Redeveloper shall within one (1) year of the execution of this Agreement give notice to the City and the Authority of the specific boundaries of the Property to be developed as Phase 1. Redeveloper shall also have the following obligations during the Feasibility Period, and any extensions of said Feasibility Period:

- A. Redeveloper shall take all commercially reasonable efforts to determine the terms and conditions upon which the Property, including any phasing thereof, shall redevelop;
- B. Redeveloper shall, at its sole cost and expense, but subject to the termination provisions set forth below, and the cost-sharing provisions set forth in Section 3, subsection B., take all commercially reasonable efforts to prepare for the redevelopment of a portion of the Property to be identified as Phase 1, including production of planning, engineering and architectural drawings, and any other necessary documents, subject to timely cooperation and assistance of the City and the Authority regarding access, the production of documents, information and related materials reasonably available to the City and the Authority;
- C. Redeveloper shall provide a financial plan to the City and the Authority which includes a formula for the economics of the redevelopment of the Property, which plan may include a rent constant, a price per square foot of the Property, and any other information necessary to assist the parties hereto in determining the viability of the development of all or a portion of the Property.

3. Feasibility Period; City and Authority Obligations. The City and the Authority each agree that they will not enter into any agreements to sell or develop the Property during the term of the Feasibility Period, unless the Agreement is terminated sooner as defined below. The City and the Authority shall also have the following obligations during the Feasibility Period:

- A. Provide any and all documents relating to the Property, including, but not limited to plans, plats, surveys, title materials, consultant or other third party reports, soils and or environmental reports, non-privileged correspondence or memoranda, and copies of all existing easement agreements, and any other agreements affecting the Property;



- B. To jointly and severally contribute up to the amount of Twenty Five Thousand Dollars (\$25,000.00) to pay for the costs and expenses for services provided by third parties to the Parties hereto, said costs to be allocated among the Parties based on the services provided;
- C. Provide access to the Redeveloper from the date hereof in which to conduct soil, engineering, environmental, and other tests with regard to the Property owned by the City and the Authority, and to investigate the availability of utilities, governmental requirements applicable to the Property, and Redeveloper's intended development thereof, the availability of all necessary permits and licenses, and otherwise to determine the desirability and availability of the Property for redevelopment.

4. Marketing Efforts. Redeveloper is authorized to market the Property for redevelopment, including the creation of marketing brochures, and the placement of signs on the public owned portion of the Property indicating its availability for redevelopment. Provided however, any brochures that seek to include non-public property shall be subject to prior approval by the City and the Authority.

5. Reporting Mechanisms. The City, the Authority and the Redeveloper shall develop reporting mechanisms to develop and monitor benchmarks and performance standards hereunder to be utilized during the Feasibility Period, which shall include, at a minimum, reporting mechanisms to the City Council of the City and the Board of Commissioners of the Authority regarding progress during the Feasibility Period. Such reporting mechanisms shall include updates to the respective governing bodies no less than every six (6) months and may include more frequent updates as necessary.

6. Feasibility Period Extension. Notwithstanding anything contained herein to the contrary, in the event that Redeveloper in good faith and after utilizing commercially practicable and reasonable efforts has not completed its obligations as provided in Section 3 above, Redeveloper shall have the right to seek an extension of up to two (2) additional one (1) year periods by providing the City and the Authority thirty (30) days advance written notice of the request to exercise such an extension of the Feasibility Period. The City and the Authority shall at their sole discretion determine whether to extend the Feasibility Period within thirty (30) days of receipt of the request for an extension.

7. Termination. This Agreement shall terminate upon the occurrence of one of the following events, whichever first occurs:

- A. The parties hereto enter into a Redevelopment Agreement for the Property, which includes specific terms and conditions for the redevelopment and conveyance of at least a mutually agreed upon portion of the Property; or

B. The expiration of the Feasibility Period as such period may be extended hereunder.

8. Expenses Upon Termination. In the event this Agreement is terminated during the Feasibility Period by either party, pursuant to Section 7 above, each party shall bear their own costs and expenses for services provided by third parties to each of them. Provided however, nothing in this Agreement shall be authorization for the City and the Authority, jointly and severally, from paying in excess of Twenty Five Thousand Dollars (\$25,000.00) without explicit further authorization from the respective governing bodies.

9. Jurisdiction and Venue. This Agreement shall be construed pursuant to the laws of the State of Colorado. Jurisdiction and venue for any action in law or in equity to enforce the provisions hereof is hereby vested exclusively in the District Court in and for the County of Adams, State of Colorado.

10. Assignment. This Agreement, or any part thereof, may be assigned by the Redeveloper only upon the prior written consent of the City and the Authority, which consent shall not be withheld if such assignment is to a corporation or other legal entity which is more than fifty percent (50%) owned or controlled by Redeveloper or Redeveloper's owners or principals. In no other event shall this Redevelopment Agreement be assignable in whole or in any part.

11. Time is of the Essence. The City, the Authority and Redeveloper agree that time is of the essence in the performance of the provisions of this Agreement. No extension of time for performance of any obligation or act herein required shall be deemed an extension of time for performance of any other obligation or act.

12. Amendment. This Agreement may not be modified or amended in whole or in any part except by a writing signed by each party hereto, and adopted and/or approved with the same degree of formality as this Agreement shall be adopted and approved.

13. Notice. Any notices provided for or required in this Agreement shall be deemed delivered when either personally delivered or mailed, postage fully prepaid, certified mail, return-receipt requested, to the parties at the following addresses:

To the City:                      City Manager  
    City of Northglenn  
    11701 Community Center Drive  
    Northglenn, CO 80233

With a copy to: Corey Y. Hoffmann, Esq.  
Hayes, Phillips, Hoffmann & Carberry, P.C.  
1530 Sixteenth Street, #200  
Denver, CO 80202

To the Authority: Executive Director  
Northglenn Urban Renewal Authority  
11701 Community Center Drive  
Northglenn, CO 80233

With a copy to: Jeff Parker, Esq.  
Hayes, Phillips, Hoffmann & Carberry, P.C.  
1530 Sixteenth Street, #200  
Denver, CO 80202

To the Redeveloper: Kevin Hawkins, President  
Hawkins Development LLC  
C/O Woodhawk Development  
7200 S. Alton Way, Suite A-120  
Centennial, CO 80112

With a copy to: Walker Kennedy III, Esq.  
Woodbury Corp.  
2733 E. Parleys Way, Suite 300  
Salt Lake, UT 84109

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement the day and date first above set forth.

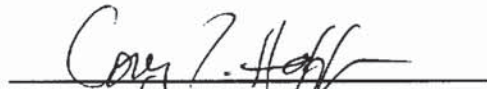
**CITY OF NORTHGLENN**, a municipal corporation

By: Joyce Downing  
Name: Joyce Downing  
Title: Mayor

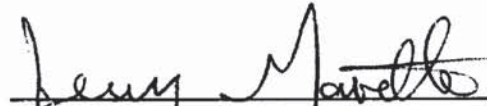
ATTEST:

  
Johanna Small, CMC, City Clerk

APPROVED AS TO FORM:

  
Corey Y. Hoffmann, City Attorney

**NORTHGLENN URBAN RENEWAL AUTHORITY**

  
By: Jerry Gavette, Chairman

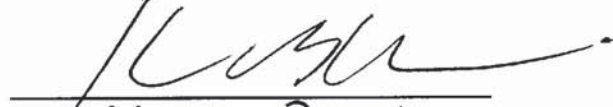
ATTEST:

  
Susan Baca, Board Clerk

APPROVED AS TO FORM:

  
Jeff Parker, Authority Attorney

**REDEVELOPER HAWKINS DEVELOPMENT, LLC**

  
By: Kevin B. Hawkins  
MANAGER

# Exhibit A



## **EXHIBIT C**

### Development Schedule

**EXHIBIT C  
DEVELOPMENT SCHEDULE**

1.	Execution of Redevelopment Agreement	October 12 <sup>th</sup> , 2012	
2.	Re-Developer Due Diligence	November 7 <sup>th</sup> , 2012	25 Days from 10/12/12
3.	Evaluation of the Property	January 11 <sup>th</sup> , 2013	92 Days from 10/12/12
4.	Title Objections	December 7 <sup>th</sup> , 2012	30 Days from 11/07/12
5.	Submission of Land Use Entitlement Package	January 11 <sup>th</sup> , 2013	65 Days from 11/07/12
6.	Approval Land Use Entitlement Package/ Agreement	April 15 <sup>th</sup> , 2013	94 Days from 01/11/13
7.	Execution of Land Use Entitlement Agreement	April 30 <sup>th</sup> , 2013	15 Days from 04/15/13
8.	Receipt of Special Warranty Deed	May 15, 2013	30 Days from 04/15/13
9.	Conveyance of Property	May 15, 2013	30 Days from 04/15/13
10.	Approval of Final Civil Package	May 15 <sup>th</sup> , 2013	30 Days from 04/15/13
11.	Posting Irrevocable Letter of Credit	May 15 <sup>th</sup> , 2013	30 Days from 04/15/13
12.	Begin Construction of Project Improvements	May 15 <sup>th</sup> , 2013	
13.	Issuance of Building Permits	May 15 <sup>th</sup> , 2013	
14.	Probationary Acceptance of Project Improvements	Upon completion of improvements not to exceed 12 months from commencement of construction	
15.	Issuance of Temporary and/or Certificates of Occupancy	No TCOs/Cos shall be issued until after Probationary Acceptance	
16.	Final Acceptance of Project Improvements	2 years after Probationary Acceptance	

Note: See 4(h) of the Redevelopment Agreement. The above development schedule sets milestones for completion of the Project. The Developer, City and the Authority acknowledge that the time periods shown on the Development Schedule are subject to change to reflect conditions encountered during the Project, coordination of reviews and approvals as required, execution of transactions that the City and the Authority are not a party to, and any Governmental Requirements.

**EXHIBIT D**  
Infrastructure to be Constructed



**EXHIBIT D**  
**ANTICIPATED PROJECT INFRASTRUCTURE**



**NOTES**

**1 Based on SEM Concept Plan dated 09/13/12**

1	<b>DEMOLITION ITEMS</b>
2	<b>Site</b>
3	Remove Curb and Gutter
4	Remove and Crush Asphalt
5	Sawcut Pavement
6	Remove Concrete Pavement/Sidewalk
7	Remove Landscaping
8	Remove Signs/Bollards
9	Remove Monument Sign
10	Remove Building
11	<b>Utilities</b>
12	Remove Light Pole (Site)
13	Remove 24" RCP
14	Remove 4' Manhole
15	Remove Inlet

16	<b>SITE IMPROVEMENTS</b>
17	<b>Earthwork</b>
18	Clear and Grub Site
19	Cut/Fill w/On-Site Material
20	Import to Balance
21	Grade and Re-condition Drives & Parking Areas
22	Prepare Building Pad
23	SWMP Installation & Maintenance
24	<b>Paving</b>
25	Heavy Duty Asphalt (8" Full Depth - assumed)
26	Roundabout
27	Standard Duty Asphalt (6" Full Depth - assumed)
28	Curb and Gutter
29	Concrete Sidewalk
30	Concrete Handicap Ramp
31	<b>Landscaping</b>
32	Landscaping with Irrigation
33	Water Feature
34	<b>Community Park</b>
35	Landscaping with Irrigation
36	Concrete Sidewalk
37	Water Feature
38	<b>Striping and Signage</b>
39	Street Striping
40	Signs/Bollards
41	Monument Signs

**EXHIBIT D**  
**ANTICIPATED PROJECT INFRASTRUCTURE**

42	<b>Site Lighting</b>
43	Base, Poles, Fixtures, Conduit and Wiring
44	<b>Water</b>
45	Fire Hydrant Assembly
46	8" PVC Water Line
47	6" DIP Water Line
48	2" Copper Water Service
49	8" Fittings (bends, tees, crosses)
50	8" Gate Valve, stem and Valve box
51	6" Gate Valve, stem and Valve box
52	Water Meter Assembly & Pit
53	<b>Sanitary Sewer</b>
54	6" PVC Sanitary Line
55	8" PVC Sanitary Sewer Line
56	Wyes, Bends and Clean outs
57	4' Dia Manhole
58	<b>Storm Sewer</b>
59	18" RCP Storm Pipe
60	24" RCP Storm Drain
61	36" RCP Storm Pipe
62	Type R inlet - single
63	Underground Detention
64	<b>Dry Utilities</b>
65	Gas Trench and Back Fill
66	Phone Trench, Back Fill, and Conduit
67	Transformer, Connection Fees, Meter, Cabinet, Main Disconnect
68	Power Trench and Backfill

**EXHIBIT D-1**

Infrastructure to be Constructed by the Authority

## EXHIBIT D-1

### Estimated Infrastructure Costs to be Constructed by the Authority

	<u>Estimated Related Costs</u>
• On-Site Drainage (allowance)	\$700,000
• 120th Ave. Right Turn Lane (roadway widening improvements to 120 <sup>th</sup> Avenue (I-25 of ramp to Grant)	\$175,000
• Roundabout design and construction at the intersection of Grant Street and Community center Drive	\$250,000
• Utility upgrades (i.e., sanitary/lift station)	<u>\$575,000</u>
Estimated Costs	\$1,700,000

The work described in this Exhibit D-1 is herein referred to as the “On-Site Work.” For purposes of this Agreement and the language in the foregoing Exhibits D, D-1 and D-2, “On-Site Work” shall include improvements that address drainage that originates on site, regardless of whether it ultimately is detained on or off of the Property. Notwithstanding any other provision hereof or of the Development Agreement to which this Exhibit is attached (the “Agreement”), including, without limitation, Section 4(e) of the Agreement: (a) Redeveloper shall be responsible for the first \$3,300,000.00 of costs related to the On-Site Work; (b) the Authority (as defined in the foregoing Exhibit D-1) shall be responsible for the next \$700,000.00 of costs related to the On-Site Work limited to drainage improvements as described above; and (c) Redeveloper shall be responsible for all costs in excess of the combined amounts under (a) and (b) above related to the On-Site Work.

**EXHIBIT D-2**  
Infrastructure to be Constructed by the Redeveloper



1	<b>ON-SITE DEMOLITION (Site Improvements)</b>
2	<b>Site</b>
3	Remove Curb and Gutter
4	Remove and Crush Asphalt
5	Sawcut Pavement
6	Remove Concrete Pavement/Sidewalk
11	<b>Utilities</b>
12	Remove Light Pole (Site)

16	<b>ON-SITE IMPROVEMENTS (Site Improvements)</b>
17	<b>Design Fees</b>
18	<b>Earthwork</b>
19	Clear and Grub Site
20	Cut/Fill w/On-Site Material
22	Grade and Re-condition Drives & Parking Areas
23	Prepare Building Pad
24	SWMP Installation & Maintenance
25	<b>Paving</b>
26	Heavy Duty Asphalt (8" Full Depth - assumed)
28	Standard Duty Asphalt (6" Full Depth - assumed)
29	Curb and Gutter
30	Concrete Sidewalk
31	Concrete Handicap Ramp
32	<b>Landscaping</b>
33	Landscaping with Irrigation
34	Water Feature
35	<b>Community Park</b>
36	Landscaping with Irrigation
37	Concrete Sidewalk
38	Water Feature
39	<b>Striping and Signage</b>
40	Stripe-Parking Spaces, Hatching, Arrows, Lanes
41	Signs/Bollards
42	Monument Signs
43	<b>Site Lighting</b>
44	Base, Poles, Fixtures, Conduit and Wiring
45	<b>Water</b>
46	Fire Hydrant Assembly
47	8" PVC Water Line
48	6" DIP Water Line
49	2" Copper Water Service
50	8" Fittings (bends, tees, crosses)
51	8" Gate Valve, stem and Valve box
52	6" Gate Valve, stem and Valve box
53	Water Meter Assembly & Pit

**EXHIBIT D2**  
**INFRASTRUCTURE TO BE CONSTRUCTED BY THE REDEVELOPER**

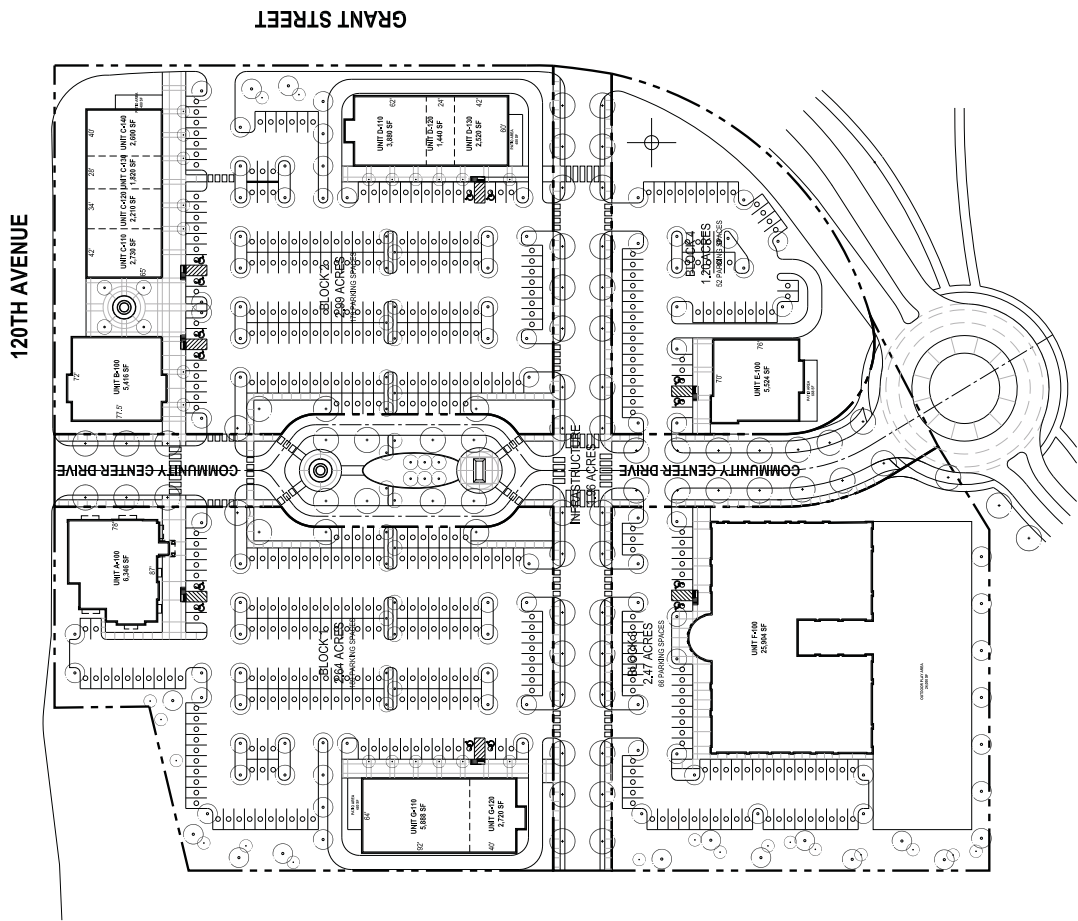
54	<b>Sanitary Sewer</b>
55	6" PVC Sanitary Line
56	8" PVC Sanitary Sewer Line
57	Wyes, Bends and Clean outs
58	4' Dia Manhole
59	<b>Storm Sewer</b>
60	18" RCP Storm Pipe
61	24" RCP Storm Drain
62	36" RCP Storm Pipe
63	Type R inlet - single
64	Underground Detention
65	<b>Dry Utilities</b>
66	Gas Trench and Back Fill
67	Phone Trench, Back Fill, and Conduit
68	Transformer, Connection Fees, Meter, Cabinet, Main Disconnect
69	Power Trench and Backfill

**Footnote:**

The work described in this Exhibit D-2 is herein referred to as the "On-Site Work." Notwithstanding any other provision hereof or of the Development Agreement to which this Exhibit is attached (the "Agreement"), including, without limitation, Section 4(e) of the Agreement: (a) Redeveloper shall be responsible for the first \$3,300,000.00 of costs related to the On-Site Work; (b) the Authority (as defined in the foregoing Exhibit D-1) shall be responsible for the next \$750,000.00 of costs related to the On-Site Work; and (c) Redeveloper shall be responsible for all costs in excess of the combined amounts under (a) and (b) above related to the On-Site Work.

**EXHIBIT E**  
Depiction of Project Site Plan





BUILDING	BUILDING SIZE	PARKING PROVIDED	PARKING RATIO
BUILDING A	6,548 SQ. FT.	95 SPACES	15.0/1000
BUILDING B	5,418 SQ. FT.	81 SPACES	15.0/1000
BUILDING C	3,308 SQ. FT.	48 SPACES	15.0/1000
BUILDING D	6,088 SQ. FT.	92 SPACES	15.0/1000
BUILDING E	5,204 SQ. FT.	82 SPACES	15.0/1000
BUILDING F	25,548 SQ. FT.	384 SPACES	15.0/1000
BUILDING G	6,088 SQ. FT.	92 SPACES	15.0/1000
<b>TOTAL</b>	<b>69,238 SQ. FT.</b>	<b>488 SPACES</b>	<b>7.0/1000</b>

The above plan is provided for discussion purposes only and is subject to modification of: size, scale, location and uses based on market conditions and demands.



**120TH AVENUE AND COMMUNITY CENTER RETAIL | CONCEPTUAL SITE PLAN**

NORTHCLENN, COLORADO | OCTOBER 3, 2012 | WOODHAWK DEVELOPMENT

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**EXHIBIT F**  
Form of Irrevocable Letter of Credit

IRREVOCABLE LETTER OF CREDIT

Issuing Bank's Letterhead

Irrevocable Letter of Credit

Issuing Bank: [Type in bank name.]

Issuance Date: [Type loc issuance date.]

Letter of Credit No.: [Type letter of credit number.]

Expiry Date: [Type loc expiration date.]

Amount: [Type in aggregate amount.]

Name of Developer: [Type in name of developer.]

City of Northglenn  
11701 Community Center Drive  
Northglenn, Colorado 80233

Attention: Mayor and City Attorney

Ladies and Gentlemen:

We hereby establish this Irrevocable Letter of Credit in your favor for an amount up to the aggregate sum of \$\_\_\_\_\_ U.S. Dollars.

Funds under this credit are available to you by your draft or drafts drawn at sight on us containing the number of this Letter of Credit, as set forth above, in the Form of Sight Draft attached hereto as Exhibit 1 and incorporated by this reference. Partial drawings are permitted. The amount of the funds available under this Letter of Credit may not be reduced, except by payment of drafts drawn hereunder, or pursuant to written authorization given to us by the City. The sole condition for payment of any draft under this Letter of Credit is that the draft be accompanied by a letter, on the City's letterhead, signed by the Mayor or designee, stating that one or more of the following conditions exist:

a. The City has determined that the Developer is in default of its obligations under that certain *[type in "agreement" or "permit"]*, to secure the performance of the *[type in the name and date of the agreement, such as "Subdivision Improvements Agreement between the City and Developer" and the name of the project, or "Development Agreement between the City and Developer" and the name of the project]* or *[for permit, type in the name of the project]*;

or

b. That the expiry date of this Irrevocable Letter of Credit is less than fourteen (14) days from the date of the Mayor or designee's letter and the Developer has not provided the City with a replacement letter of credit in an amount and form acceptable to the City to secure the performance of the *[type in name of the agreement]* or *[for permit, type in the name of the project]* described herein.



**EXHIBIT 1**

**FORM OF SIGHT DRAFT**

Date: \_\_\_\_\_

At sight, pay to the order of City of Northglenn \_\_\_\_\_  
Dollars

(\$ \_\_\_\_\_), for value received and charge to the account of *[name of Developer]*.

Drawn under Letter of Credit No \_\_\_\_\_  
*[type letter of credit issuance date]*.

To: *[name of Issuing Bank]* \_\_\_\_\_, City of Northglenn, beneficiary,

*[Address of Issuing Bank]* \_\_\_\_\_

\_\_\_\_\_  
By: *[type Mayor or designee]*

**EXHIBIT G**  
Form of Special Warrant Deed

**SPECIAL WARRANTY DEED**

THIS DEED, made effective this \_\_\_\_ day of \_\_\_\_\_, 2012, from \_\_\_\_\_, whose address is \_\_\_\_\_ ("Grantor"), to \_\_\_\_\_, whose address is \_\_\_\_\_ ("Grantee"):

WITNESS, that Grantor, for and in consideration of the sum of ten dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, has granted, bargained, sold and conveyed, and by these presents does grant, bargain, sell, convey and confirm unto Grantee, its successors and assigns forever, the real property, in the County of Adams, and State of Colorado, more particularly described in **Exhibit A**, attached hereto and hereby incorporated by this reference.

TOGETHER will all and singular the hereditaments and appurtenances thereto belonging or in anywise appertaining, and the reversion and reversions, remainder and remainders, rents, issues and profits thereof; and all the estate, right, title, interest, claim and demand whatsoever of Grantor, either in law or equity, of, in and to the above-bargained real property with the hereditaments and appurtenances (the "Property");

TO HAVE AND TO HOLD the Property unto Grantees, their successors and assigns forever. Grantor, for itself and its successors and assigns, does covenant and agree that it shall and will warrant and forever defend the Property in the quiet and peaceable possession of Grantee, its successors and assigns, against all and every person or persons claiming the whole or any part thereof, by, through or under Grantor.

IN WITNESS WHEREOF, Grantor has executed this Special Warranty Deed as of the date first above-written.

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

STATE OF COLORADO )  
 ) ss.  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was subscribed, sworn to, and acknowledged before me this \_\_\_\_ day of \_\_\_\_\_, 2012, by \_\_\_\_\_, as \_\_\_\_\_ of \_\_\_\_\_.

My commission expires: \_\_\_\_\_

(S E A L)

\_\_\_\_\_  
Notary Public

**EXHIBIT H**  
Form of ESTIP Agreement



**ENHANCED SALES TAX INCENTIVE PROGRAM AGREEMENT  
(HAWKINS)**

THIS ENHANCED SALES TAX INCENTIVE PROGRAM AGREEMENT (the "Agreement") is made and executed effective this \_\_\_\_ day of October, 2012, by and between the CITY OF NORTHGLENN, COLORADO, a Colorado home rule municipal corporation (hereafter referred to as the "City") and HAWKINS DEVELOPMENT, LLC, a Colorado limited liability company (hereafter referred to as "Hawkins").

**W I T N E S S E T H**

WHEREAS, Hawkins is the redeveloper and contract purchaser of approximately 11 acres, more or less, of real property described in **Exhibit A** (the "Property");

WHEREAS, in entering into this Agreement, the City Council of the City specifically finds that entering into this Agreement will encourage the substantial expansion of a tax generating business within the City; thereby stimulating the economy of and within the City; thereby providing employment for residents of the City and others; thereby expanding the goods available for purchase and consumption by residents of the City; and further increasing the taxes collected by the City;

WHEREAS, the City Council finds that the redevelopment of the Property is necessary to promote the public welfare including the expansion of a tax generating business and expanded employment opportunities;

WHEREAS, the City Council further finds that entering into this Agreement shall provide a mechanism for the provision to the residents of the City of necessary public and private improvements at no cost or reduced cost to the residents and the government of the City;

WHEREAS, the parties wish to memorialize all aspects of their agreement regarding an Enhanced Sales Tax Incentive Program ("ESTIP") Agreement within the meaning of Article 12 of Chapter 5 of the Northglenn Municipal Code.

NOW THEREFORE, the parties hereto, for themselves, their successors and assigns (to the extent this Agreement is assignable, as specified hereinafter), in and for the consideration of the performance of the mutual covenants and promises set forth herein, the receipt and adequacy of which are hereby acknowledged, do hereby covenant and agree as follows:

1. Authority. This Agreement is entered into in compliance with the provisions of Article 12 of Chapter 5 of the Northglenn Municipal Code.

2. Enhanced Sales Tax Incentive Program (ESTIP). In accordance with the goals and purposes of Articles 12 of Chapter 5 of the Northglenn Municipal Code, the parties hereby mutually to the following ESTIP provisions. For purposes of this Section 2, the total amount of the City's four percent (4%) sales tax is restricted by one-half percent (1/2%) sales tax devoted to water acquisition and the one-half percent (1/2%) sales tax devoted to capital improvements, which results in a three percent (3%) sales tax to be used in determining this reimbursement. All sales tax revenues collected from any and all businesses on the Property above the Sales Tax Base described herein shall constitute the Enhanced Sales Tax and shall be subject to division and reimbursement as specified herein. The parties agree that the Sales Tax Base shall be zero. The parties hereby agree that the Enhanced Sales Tax as defined herein shall be subject to sharing by the City and Hawkins on a 50/50 basis, with Fifty Percent (50%) of said Enhanced Sales Tax being available to the City for use in its discretion, and Fifty Percent (50%) to be reimbursed by the City to Hawkins.

The parties agree that the maximum reimbursement (the "Maximum Reimbursement") of Enhanced Sales Tax revenue subject to distribution to Hawkins hereunder shall be One Million, Four Hundred Thousand Dollars (\$1,400,000.00), and that the "Enhanced Sales Tax" shall be shared commencing with sales taxes generated on the Property on or after January 1, 2015, and shall terminate on or before December 31, 2021. The parties specifically acknowledge and agree that whether or not the entire Maximum Reimbursement has been earned by Hawkins, the Enhanced Sales Tax Portion ("ESTIP") reimbursement obligation of this Agreement shall terminate on December 31, 2021, which is seven (7) years from the commencement date of January 1, 2015. Likewise, the parties acknowledge and agree that receipt by Hawkins of the Maximum Reimbursement amount of One Million, Four Hundred Thousand Dollars (\$1,400,000.00) shall terminate the ESTIP reimbursement obligations of this Agreement.

3. It shall be the duty of the City to undertake collection of all sales tax generated within the Property and thereafter to administer division and sharing thereof, in accordance with the provisions of Sections 5-12-7 and 5-12-8 of the City's Municipal Code and this Agreement. The parties agree that, for purposes of administration of this Agreement, reimbursement to Hawkins shall occur on a quarterly basis (i.e., January - March, April - June, July - September, and October - December). Reimbursements to Hawkins shall be made within forty-five (45) days following the last day of each quarter and shall be calculated based upon all sales taxes paid to the City from businesses within the Property in the preceding quarter.

4. Nonappropriation/Multi-Fiscal Year Obligations. Notwithstanding anything in this Agreement to the contrary, this Agreement is specifically subject to annual appropriation of sufficient funds to pay Enhanced Sales Taxes as provided by this Agreement. In the event that appropriation of sufficient funds is not made in any year resulting in the inability of the City to pay Enhanced Sales Tax hereunder, the City shall not be obligated to make payment of the non-appropriated amounts in such year.

5. Subordination. Notwithstanding anything in this Agreement to the contrary, Hawkins shall have no right, claim, lien, or priority in or to the City's sales tax revenue superior to or on

parity with the rights, claims, or liens of the holders of any sales tax revenue bonds, notes, certificates, or debentures payable from or secured by any sales taxes, existing or hereafter issued by the City, and that all rights of Hawkins are, and at all times shall be, subordinate and inferior to the rights, claims, and liens of the holders of any and all such sales tax revenue bonds, notes, certificates, or debentures, issued by the City and payable from or secured by any sales taxes.

6. Remedies. Hawkins waives any constitutional claims against the City arising out of a breach of this Agreement. Hawkins remedies against the City under this Agreement are limited to breach of contract claims.

7. Severability. It is understood and agreed by the parties hereto that if any part, term, or provision of this Agreement is held by the courts to be illegal or in conflict with any law of the State of Colorado, the validity of the remaining portions or provisions shall not be affected, the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular part, term, or provision held to be invalid, and the parties shall cooperate to cure any legal defects in this Agreement or the ESTIP.

8. Governing Law. The laws of the State of Colorado shall govern the validity, performance and enforcement of this Agreement. Should either party institute legal suit or action for enforcement of any obligation contained herein, it is agreed that venue of such suit or action shall be in Adams County, Colorado.

9. Legal Challenges. Any and all undisbursed "Enhanced Sales Tax" increment subject to sharing hereunder shall be escrowed in the event there is a legal challenge to the Enhanced Sales Tax Incentive Program in general or to this Agreement. In the event of such a legal challenge, Hawkins may continue to receive reimbursements under this Agreement if it posts a bond or other security, in a form acceptable to the City, for the full amount of such reimbursements. The City shall actively defend against any such legal challenge, and Hawkins may participate in such defense at its own cost and expense.

10. Assignment. None of the obligations, benefits, and provisions of this Agreement shall be assigned in whole or in any part without the express written authorization of the Northglenn City Council. The City shall not be allowed to assign its obligations under this Agreement. In addition, no third party may rely upon or enforce any provision of this Agreement, the same being an agreement solely between the City and Hawkins, and which agreement is made for the benefit of no other person or entity. The preceding sentence notwithstanding, this Agreement and Hawkins' rights hereunder may be assigned to a company under substantially the same ownership and/or to a lender who holds a first deed of trust against the Property.

11. Modifications. This Agreement shall be subject to amendment only by a written instrument executed by each party. Any such amendment shall require the approval by the City

Council of the City of Northglenn at a regular or special meeting of the City Council, and execution thereof by the Mayor and attestation by the City Clerk.

12. Notices. Any written notices provided for or required in this Agreement shall be deemed delivered when either personally delivered or mailed, postage fully prepaid, certified or registered mail, return-receipt requested, to the parties at the following addresses:

To the City:                   City Manager  
  City of Northglenn  
  11701 Community Center Drive  
  Northglenn, CO 80233

With a copy to:               Hayes, Phillips, Hoffmann & Carberry, P.C.  
  1530 Sixteenth Street, Suite 200  
  Denver, CO 80202

To Hawkins:                   Kevin B. Hawkins  
  1909 E. Arapahoe Place, Suite 103  
  Centennial, Colorado 80112

With a copy to:               Bryan Todd, Esq.  
  358 South Rio Grande, Suite 200  
  Salt Lake City, UT 84101

DATED this day and date first above set forth.

HAWKINS DEVELOPMENT, LLC

By: \_\_\_\_\_  
Kevin B. Hawkins, Manager

THE CITY OF NORTHGLENN, COLORADO

\_\_\_\_\_  
Joyce Downing, Mayor

ATTEST:

\_\_\_\_\_



**EXHIBIT A**  
Legal Descriptions of the Property

PARCEL #	TOWNSHIP	SECTION	BLOCK	PARCEL #	OWNER NAME	LEGAL	ACRES
0171903110001	1719	031	10	001	NORTHGLENN URBAN RENEWAL AUTHORITY	SUB:MC ELWAIN TRACT DESC: BEG 10 FT E AND 30 FT S OF NW COR NE4 SEC 3/2/68 TH ELY 170 FT TH S 200 FT TH W 170 FT TH N 200 FT TO POB EXC ST ON N	0.712
0171903100027	1719	031	00	027	CITY OF NORTHGLENN	SECT,TWN,RNG:-2-68 DESC: PT OF THE N2 OF SEC 3 DESC AS BEG AT THE N4 COR OF SD SEC 3 TH S 97/14 FT TH N 76D 28M E 10/26 FT TH S 35/90 FT AND THE POB TH S 99/20 FT TH N 90D 00M 170 FT TH S 231/75 FT BEING THE BEG OF A TANG CURV TO THE RT THE RAD OF SD	2.095
0171903109001	1719	031	09	001	NORTHGLENN URBAN RENEWAL AUTHORITY	SUB:MC ELWAIN TRACT 2 DESC: EXC RD	0.697
0171903109004	1719	031	09	004	CITY OF NORTHGLENN	SUB:HOLIDAY PARK BLK:1 LOT:2	2.216
0171903109003	1719	031	09	003	CITY OF NORTHGLENN	SUB:HOLIDAY PARK BLK:1 LOT:1	1.731
					CITY OF NORTHGLENN	COMM. CENTER DRIVE RIGHT OF WAY	1.080
							10.953

**EXHIBIT A - Legal**



**0.712**

**0.697**

**2.095**

**2.216**

**1.080**

**2.42**

**1.731**

ENHANCED SALES TAX INCENTIVE PROGRAM AGREEMENT  
(HAWKINS)

THIS ENHANCED SALES TAX INCENTIVE PROGRAM AGREEMENT (the "Agreement") is made and executed effective this \_\_\_\_ day of October, 2012, by and between the CITY OF NORTHGLENN, COLORADO, a Colorado home rule municipal corporation (hereafter referred to as the "City") and HAWKINS DEVELOPMENT, LLC, a Colorado limited liability company (hereafter referred to as "Hawkins").

W I T N E S S E T H

WHEREAS, Hawkins is the redeveloper and contract purchaser of approximately 11 acres, more or less, of real property described in **Exhibit A** (the "Property");

WHEREAS, in entering into this Agreement, the City Council of the City specifically finds that entering into this Agreement will encourage the substantial expansion of a tax generating business within the City; thereby stimulating the economy of and within the City; thereby providing employment for residents of the City and others; thereby expanding the goods available for purchase and consumption by residents of the City; and further increasing the taxes collected by the City;

WHEREAS, the City Council finds that the redevelopment of the Property is necessary to promote the public welfare including the expansion of a tax generating business and expanded employment opportunities;

WHEREAS, the City Council further finds that entering into this Agreement shall provide a mechanism for the provision to the residents of the City of necessary public and private improvements at no cost or reduced cost to the residents and the government of the City;

WHEREAS, the parties wish to memorialize all aspects of their agreement regarding an Enhanced Sales Tax Incentive Program ("ESTIP") Agreement within the meaning of Article 12 of Chapter 5 of the Northglenn Municipal Code.

NOW THEREFORE, the parties hereto, for themselves, their successors and assigns (to the extent this Agreement is assignable, as specified hereinafter), in and for the consideration of the performance of the mutual covenants and promises set forth herein, the receipt and adequacy of which are hereby acknowledged, do hereby covenant and agree as follows:

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and liens of the holders of any and all such sales tax revenue bonds, notes, certificates, or debentures, issued by the City and payable from or secured by any sales taxes.

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To the City:           City Manager  
                              City of Northglenn  
                              11701 Community Center Drive  
                              Northglenn, CO 80233

With a copy to:       Hayes, Phillips, Hoffmann & Carberry, P.C.  
                              1530 Sixteenth Street, Suite 200  
                              Denver, CO 80202

To Hawkins:           Kevin B. Hawkins  
                              1909 E. Arapahoe Place, Suite 103  
                              Centennial, Colorado 80112

With a copy to:       Bryan Todd, Esq.  
                              358 South Rio Grande, Suite 200  
                              Salt Lake City, UT 84101

DATED this day and date first above set forth.

HAWKINS DEVELOPMENT, LLC

By: \_\_\_\_\_  
Kevin B. Hawkins, Manager

THE CITY OF NORTHGLENN, COLORADO

\_\_\_\_\_  
Joyce Downing, Mayor

ATTEST:

\_\_\_\_\_  
Johanna Small, City Clerk



**EXHIBIT A**  
Legal Descriptions of the Property

PARCEL #	TOWNSHIP	SECTION	BLOCK	PARCEL #	OWNER NAME	LEGAL	ACRES
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							10.953

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**0.712**

**0.697**

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