

CITY OF WHEAT RIDGE, COLORADO
Resolution No. 32
Series 2015

TITLE: A RESOLUTION RATIFYING THE DECISION OF RENEWAL WHEAT RIDGE TO ENTER INTO A REDEVELOPMENT AGREEMENT WITH TKG WHEAT RIDGE, LLC AND APPROVING A COOPERATION AGREEMENT BETWEEN THE CITY OF WHEAT RIDGE AND RENEWAL WHEAT RIDGE

WHEREAS, Urban Renewal Law provides for Renewal Wheat Ridge to enter into Redevelopment Agreements utilizing tax increment financing for projects to remediate blight; and

WHEREAS, an application for a redevelopment project at the southwest corner of Wadsworth Boulevard and West 38th Avenue was submitted by TKG Wheat Ridge, LLC; and

WHEREAS, on February 9, 2015 the City Council approved a substantial modification to the Wadsworth Corridor Redevelopment Urban Renewal Plan that set the property and sales tax base for the tax increment financing; and

WHEREAS, on June 16, 2015 Renewal Wheat Ridge approved a Redevelopment Agreement with TKG Wheat Ridge, LLC for an amount not to exceed \$6,250,000; and

WHEREAS, on June 16, 2015 Renewal Wheat Ridge approved a Cooperation Agreement with the City of Wheat Ridge relating to the Redevelopment Agreement with TKG Wheat Ridge, LLC; and


NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Wheat Ridge, Colorado, as follows:

A RESOLUTION RATIFYING THE DECISION OF RENEWAL WHEAT RIDGE TO ENTER INTO A REDEVELOPMENT AGREEMENT WITH TKG WHEAT RIDGE, LLC AND APPROVING A COOPERATION AGREEMENT BETWEEN THE CITY OF WHEAT RIDGE AND RENEWAL WHEAT RIDGE IS APPROVED, FOR THE FOLLOWING REASONS

1. The Project will meet or exceed requirements of the mixed-use zone district.
2. Blighted and contaminated structures will be removed.
3. New retail and housing options will be provided for residents.

4. Sales and property taxes are estimated to increase by over \$1.2 million annually.
5. New public infrastructure will be constructed including sidewalks, landscaping, lighting, stormwater facilities and transportation improvements.
6. Over 200 new jobs will be created.

DONE AND RESOLVED by the City Council this 22nd day of June, 2015.

By:  _____
Joyce Jay, Mayor

ATTEST:


Janelle Shaver, City Clerk



**COOPERATION AGREEMENT
BETWEEN THE CITY OF WHEAT RIDGE AND
WHEAT RIDGE URBAN RENEWAL AUTHORITY**

THIS COOPERATION AGREEMENT (this "Agreement") dated as of June 16, 2015, is made and entered into between the CITY OF WHEAT RIDGE, COLORADO (the "City") and the WHEAT RIDGE URBAN RENEWAL AUTHORITY d/b/a/ RENEWAL WHEAT RIDGE (the "Authority").

WHEREAS, the City is a Colorado home rule municipality with all the powers and authority granted pursuant to Article XX of the Colorado Constitution and its home rule charter (the "Charter"); and

WHEREAS, the Authority is a Colorado Urban Renewal Authority, with all the powers and authority granted to it pursuant to Title 31, Article 25, Part 1, Colorado Revised Statutes ("C.R.S.") (the "Urban Renewal Law"); and

WHEREAS, pursuant to Article XIV of the Colorado Constitution, and Title 29, Article 1, Part 2, C.R.S., the City and the Authority are authorized to cooperate and contract with one another to provide any function, service or facility lawfully authorized to each governmental entity; and

WHEREAS, the City Council of the City (the "City Council") has previously adopted the Wadsworth Boulevard Corridor Redevelopment Plan, as amended (the "Urban Renewal Plan" or the "Plan") for the area described therein (the "Urban Renewal Area"); and

WHEREAS, TKG Wheat Ridge, LLC (the "Developer") has one or more contracts to purchase and/or letters of intent to purchase, certain real property consisting of approximately 14 acres, which is located at the southwest corner of West 38th Avenue and Wadsworth Blvd (the "Property"), which is in the Urban Renewal Area; and

WHEREAS, the Developer has submitted a proposal to the City and the Authority to redevelop the Property (the "Project"); and

WHEREAS, the Project is being undertaken to facilitate the elimination and prevention of blighted areas and to promote redevelopment, conservation and rehabilitation of the Urban Renewal Area; and

WHEREAS, pursuant to section 31-25-112, C.R.S., the City is specifically authorized to do all things necessary to aid and cooperate with the Authority in connection with the planning or undertaking of any urban renewal plans, projects, programs, works, operations, or activities of the Authority, to enter into agreements with the Authority respecting such actions to be taken by the City, and appropriating funds and making such expenditures of its funds to aid and cooperate with the Authority in undertaking the Project and carrying out the Plan; and

WHEREAS, the Authority and the Developer have entered into a Redevelopment Agreement dated as of June 16, 2015 (the "Redevelopment Agreement") that sets forth the rights

rights and responsibilities of each party with respect to the financing and construction of the Project; and

WHEREAS, capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Redevelopment Agreement; and

WHEREAS, under the Redevelopment Agreement, the Developer has agreed to initially fund the design, acquisition, construction and installation of certain Eligible Improvements for the Project; and

WHEREAS, subject to the terms and provisions of the Redevelopment Agreement, the Developer will be reimbursed for such expenditures on the Eligible Improvements in a maximum amount of \$6,250,000 (the "Reimbursement Amount") plus accrued interest from the proceeds of the Pledged Tax Increment Revenues generated by the Project and the Add-On PIF Revenues (collectively, the "Pledged Revenues"); and

WHEREAS, the Authority will execute and deliver a promissory note (the "Note") to the Developer to evidence the Reimbursement Amount, which Note shall be a special and limited obligation of the Authority payable solely from the Pledged Revenues; and

WHEREAS, upon the satisfaction of certain conditions set forth in the Redevelopment Agreement, the Authority will use its best efforts to issue Bonds to refinance the Note, which Bonds shall constitute special and limited obligations of the Authority payable solely from the Pledged Revenues.

NOW, THEREFORE, in consideration of the mutual promises set forth below, the City and the Authority agree as follows:

1. **PAYMENT.** Any amounts payable by the Authority to the City hereunder or in connection with the issuance of any Bonds shall be repaid from and to the extent of available Pledged Tax Increment Revenues, or from other available revenues of the Authority, provided that any such repayment from Pledged Tax Increment Revenues shall be made on a basis expressly subordinate and junior to the payments due on any Bonds issued to refinance the Note.

2. **FURTHER COOPERATION.**

(a) The City shall continue to make available such employees of the City as may be necessary and appropriate to assist the Authority in carrying out any authorized duty or activity of the Authority pursuant to the Urban Renewal Law, the Plan, or any other lawfully authorized duty or activity of the Authority.

(b) The City agrees to assist the Authority by pursuing all lawful procedures and remedies available to it to collect and transfer to the Authority on a timely basis all Pledged Sales Tax Increment Revenues for deposit into the Special Fund. The City agrees that so long as the Note or any Bonds issued to refinance the Note are outstanding, that by the last business day of each month that it will remit to the Authority for deposit into the Special Fund all Pledged Sales Tax Increment Revenues collected by the City in such month.

(c) To the extent lawfully possible, the City will take no action that would have the effect of reducing tax collections that constitute Pledged Tax Increment Revenues.

3. **GENERAL PROVISIONS.**

(a) **Separate Entities.** Nothing in this Agreement shall be interpreted in any manner as constituting the City or its officials, representatives, consultants, or employees as the agents of the Authority, nor as constituting the Authority or its officials, representatives, consultants, or employees as agents of the City. Each entity shall remain a separate legal entity pursuant to applicable law. Neither party shall be deemed hereby to have assumed the debts, obligations, or liabilities of the other.

(b) **Third Parties.** Neither the City nor the Authority shall be obligated or liable under the terms of this Agreement to any person or entity not a party hereto, provided, however, that (i) so long as the Note is outstanding, the Developer shall be a third party beneficiary to the provisions hereof related to the collection and remittance to the Authority of the Pledged Tax Increment Revenues, and (ii) so long as any Bonds are outstanding, any trustee for the benefit of the Bondholders and the registered owners of the Bonds shall be third party beneficiaries to the provisions hereof related to the collection and remittance to the Authority of the Pledged Tax Increment Revenues.

(c) **Modifications.** No modification or change of any provision in this Agreement shall be made, or construed to have been made, unless such modification is mutually agreed to in writing by both parties and incorporated as a written amendment to this Agreement. Memoranda of understanding and correspondence shall not be construed as amendments to the Agreement.

(d) **Entire Agreement.** This Agreement shall represent the entire agreement between the parties with respect to the subject matter hereof and shall supersede all prior negotiations, representations, or agreements, either written or oral, between the parties relating to the subject matter of this Agreement and shall be independent of and have no effect upon any other contracts.

(e) **Severability.** If any provision of this Agreement is held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired.

(f) **Assignment.** Except as hereinafter provided, this Agreement shall not be assigned, in whole or in part, by either party without the written consent of the other; provided that this Agreement may be assigned or pledged without the written consent of the parties hereto to secure the payments due on the Note and the Bonds.

(g) **Waiver.** No waiver of a breach of any provision of this Agreement by either party shall constitute a waiver of any other breach or of such provision. Failure of either party to enforce at any time, or from time to time, any provision of this Agreement shall not be

construed as a waiver thereof. The remedies reserved in this Agreement shall be cumulative and additional to any other remedies in law or in equity.

IN WITNESS WHEREOF, this Agreement is executed by the Parties as of June 22, 2015.

CITY OF WHEAT RIDGE, COLORADO



(SEAL)

By: Joyce Jay
Joyce Jay, Mayor

Attest:

Janelle Shaver
Janelle Shaver, City Clerk

APPROVED AS TO FORM

Gerald Dahl
Gerald Dahl, City Attorney

WHEAT RIDGE URBAN RENEWAL AUTHORITY

Kristi Davis
Kristi Davis, Chairperson

ATTEST:

Patrick Goff
Patrick Goff, Executive Director