

## **PROPERTY TAX INCREMENT REVENUE SHARING AGREEMENT**

(Carbon Valley Parks and Recreation District – Miner’s Park Town Center Urban Renewal Project)

1.0 **AGREEMENT**. This Agreement (the “Agreement”) is made and executed effective as of the 20<sup>th</sup> day of November, 2024, by and between the FREDERICK URBAN RENEWAL AUTHORITY, a body corporate and politic of the State of Colorado (the “Authority”), and the CARBON VALLEY PARKS AND RECREATION DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado (the “District”). The Authority and the District are also referred to herein collectively as the “Parties” or individually as a “Party”).

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

2.1 **Repeal of 2014 Plan**. The District acknowledges receipt of notice of repeal and rescission of the Miner’s Park Town Centre Urban Renewal Plan approved in 2014 (the “2014 Plan”), which never became effective because of failure of conditions precedent.

2.2 **Urban Renewal Project**. Pursuant to the Colorado Urban Renewal Law, Part 1 of Article 25 of Title 31, C.R.S. (the “Act”), the Town of Frederick (the “Town”) is considering repealing the 2014 Plan and approving the Urban Renewal Plan for the Miner’s Park Town Center Urban Renewal Project (the “Plan”) to eliminate conditions of blight in the area included in the Plan (the “Urban Renewal Area”) in part by authorizing and utilizing tax increment financing to pay Eligible Costs of the Improvements and to offset the cost of additional District infrastructure and services required to serve the Urban Renewal Area.

2.3 **Nature of Urban Renewal Project and Purpose of Agreement**. The proposed Urban Renewal Project includes designing, developing and constructing the Improvements (which includes paying the Eligible Costs) necessary to redevelop the Urban Renewal Area and comply with Section 31-25-107(4)(g) of the Act to afford maximum opportunity, consistent with the sound needs of the municipality as a whole, for the rehabilitation or redevelopment of the Urban Renewal Area by private enterprise. The Urban Renewal Area contains Agricultural Land that requires compliance with Sections 31-25-107(1) and (3.5) of the Act and is subject to the Amended 1348 Requirements. The Authority has submitted the proposed Plan and the Impact Report to the District as required by the Act, and, in accordance with the Act (including the Amended 1348 Requirements), the Parties desire to enter into this Agreement to facilitate adoption of the Plan.

3.0 **AGREEMENT**, in consideration of the covenants, promises and agreements of each of the Parties, the receipt and adequacy of which are acknowledged, the Parties agree as follows.

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

4.1 **“Act”** means the Colorado Urban Renewal Law cited in Section 2.2.

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

4.3 **“Agricultural Land”** shall have the same meaning set forth in Section 6.1.

4.4 “Amended 1348 Requirements” means the requirements imposed by HB 15-1348, as amended to date.

4.5 “Authority” means the Party described in Section 1.0 and its lawful successors and assigns.

4.6 “Bonds” shall have the same meaning as defined in Section 31-25-103, C.R.S.

4.7 “District” means the Party described in Section 1.0 and its lawful successors and assigns.

4.8 “District Tax Levy Allocation Revenues” means the portion of Property Tax Increment Revenues produced by the levy of the District against the tax increment portion of the property tax assessment roll in accordance with Section 31-25-107(9)(a)(II) of the Act and allocated to the Special Fund throughout the Duration.

4.9 “Duration” means the twenty-five (25) year period that the tax increment or tax allocation provisions will be in effect as specified in Section 31-25-109(a) of the Act, the Plan, and the Impact Report. The base year for calculating Property Tax Increment Revenues is 2023 and the Authority is authorized to receive Property Tax Increment Revenues based on the 2048 assessment roll payable in 2049.

4.10 “Eligible Costs” means those costs eligible to be paid or reimbursed from Property Tax Increment Revenues pursuant to the Act for the purposes of financing public infrastructure, such as water, sewer, parks, storm drainage, streets and roads, sidewalks and traffic lights, complying with applicable legal and contractual obligations and eliminating the conditions of blight in the Urban Renewal Area and other lawful purposes.

4.11 “Impact Report” means the report setting forth the burdens and benefits of the Urban Renewal Project pursuant to Sections 31-25-107(3.5) and (9.5) of the Act.

4.12 “Improvements” means the public improvements and private improvements required to carry out the Plan.

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

4.14 “Plan” means the urban renewal plan defined in Section 2.2.

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

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

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

4.18 “TIF” means the property tax increment portion of the property tax assessment roll described in Section 31-25-107(9)(a)(II), C.R.S., which produces the Property Tax Increment Revenues.

4.19 “Town” means the Town of Frederick, Colorado.

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

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

5.0 DISTRICT TAX LEVY ALLOCATION REVENUES. In compliance with the requirements of Sections 31-25-107(9) and (9.5), C.R.S., and in acknowledgement that the District will benefit from the increase in revenue resulting from establishment of the base value of agricultural land at fair market value rather than as agricultural land as described in Section 6.1, the District Tax Levy Allocation Revenues shall be deposited in the Special Fund for the Duration. The Authority agrees to pay to the District within thirty days of receipt, that portion of the District Tax Levy Allocation Revenues from future voter-approved approved debt service mill levies in excess of the current 4.427 debt service mill levy.

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

6.1 Inclusion of Agricultural Land in Urban Renewal Area. This Agreement constitutes agreement by the District to inclusion of the Agricultural Land in the Urban Renewal Area as required by the Act. The Urban Renewal Area will include property that has been classified within the previous five years as agricultural land by the Weld County Assessor (“Agricultural Land”) for the purposes of levying ad valorem property taxes. The Parties intend that this Agreement shall constitute written approval by the District to include such Agricultural Land in the Urban Renewal Area as provided by Section 31-25-107(1)(c)(II)(C) of the Act. The Act further requires that Agricultural Land included within an urban renewal plan area shall be valued at fair market value for purposes of establishing the base value and calculating Property Tax Increment Revenues. Accordingly, as demonstrated in the Impact Report for the Plan delivered to the District, the Agricultural Land base value shall be established at fair market rates.

6.2 Pledge of Property Tax Increment Revenues. The District recognizes and agrees that in reliance on this Agreement, except for that portion of District Tax Levy Allocation Revenues payable to the District pursuant to Section 5.0, the Authority shall have the unqualified right to irrevocably pledge all or any part of the Property Tax Increment Revenues it receives to payment of the Authority’s Bonds in connection with the Urban Renewal Project. The Authority has elected to apply the provisions of Section 11-57-208, C.R.S., to this Agreement. The Property Tax Increment Revenues, when and as received by the Authority are and shall be subject to the

lien of such pledge for the Duration without any physical delivery, filing, or further act and is and shall be an obligation pursuant to Section 31-25-107(9) of the Act. The creation, perfection, enforcement and priority of the pledge of the Property Tax Increment Revenues as provided herein shall be governed by Section 11-57-208, C.R.S. The lien of such pledge on the Property Tax Increment Revenues shall have priority over any and all other obligations and liabilities with respect to the Property Tax Increment Revenues.

7.0 NOTIFICATION OF SUBSTANTIAL MODIFICATIONS OF THE PLAN; AGREEMENT NOT PART OF PLAN. The Authority agrees to notify the District of any intended substantial modification of the Plan as required by the Act. This Agreement is not part of the Plan.

8.0 WAIVER. Except for the notice required by Section 7.0, as authorized by the Act (including the provisions of Sections 31-25-107(9) and (9.5), C.R.S.), the District hereby waives any provision of the Act that provides for notice to the District, requires any filing with or by the District, requires or permits consent from the District, and provides any enforcement right to the District for the Duration.

9.0 AGREEMENT CONFINED TO DISTRICT TAX LEVY ALLOCATION REVENUES. This Agreement applies only to the District Tax Levy Allocation Revenues, as calculated, produced, collected and paid to the Authority from the Urban Renewal Area by the Weld County Treasurer in accordance with Section 31-25-107(9)(a)(II) of the Act, and the rules and regulations of the Property Tax Administrator of the State of Colorado, and does not include any other revenues of the Town or the Authority.

10.0 MISCELLANEOUS.

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

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

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

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

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

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

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

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

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

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

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

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

10.13 Severability. If any provision of this Agreement as applied to any Party or to any circumstance shall be adjudged by a court to be void or unenforceable, the same shall in no way affect any other provision of this Agreement, the application of any such provision in any other circumstances or the validity, or enforceability of the Agreement as a whole.

10.14 Minor Changes. This Agreement has been approved in substantially the form submitted to the governing bodies of the Parties. The officers executing this Agreement are authorized to make and may have made, minor changes to this Agreement as they have considered necessary. So long as such changes were consistent with the intent and understanding of the Parties at the time of approval by the governing bodies, the execution of the Agreement shall constitute the approval of such changes by the respective Parties.

10.15 Electronic Transactions. The Parties agree that any individual or individuals who are authorized to execute this Agreement on behalf of the Authority or the District are hereby authorized to execute this Agreement electronically via facsimile or email signature. This agreement by the Parties to use electronic signatures is made pursuant to Article 71.3 of Title 24, C.R.S., also known as the Uniform Electronic Transactions Act. Any electronic signature so affixed to this Agreement shall carry the full legal force and effect of any original, handwritten signature. The Parties hereto agree that the transactions described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files, and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action, or suit in the appropriate court of law.

10.16 Notices. All notices required by this Agreement shall be in writing, and (a) personally delivered with a written receipt of delivery; (b) sent by a nationally-recognized overnight delivery service requiring a written acknowledgement of receipt or providing a certification of delivery or attempted delivery; (c) sent by certified or registered mail, return receipt requested; or (d) sent by confirmed facsimile transmission or electronic delivery with an original copy thereof transmitted to the recipient by one of the means described in subsections (a) through (c) no later than five business days thereafter. Each Party shall be entitled to change its address for notices from time to time by delivering to the other Party notice thereof in the manner herein provided for the delivery of notices. All notices shall be sent to the addressee at its address set forth in the signature block to this Agreement.

10.17 Authority. The persons executing this Agreement on behalf of the Parties covenant and warrant that each is fully authorized to execute this Agreement on behalf of such Party. The Parties further covenant and warrant that they are authorized to enter into this Agreement pursuant to law, including, without limitation, Section 31-25-107(9.5) of the Act.

*[SIGNATURE PAGE FOLLOWS]*

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

DISTRICT:

ATTEST:

CARBON VALLEY PARKS AND RECREATION  
DISTRICT  
701 – 5<sup>TH</sup> Street, Frederick, CO 80530

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

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

\_\_\_\_\_, Chair

AUTHORITY:

FREDERICK URBAN RENEWAL AUTHORITY  
401 Locust Street, Frederick, CO 80530

ATTEST:

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

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

, Secretary

, Chairperson