

**TOWN OF MEAD, COLORADO
RESOLUTION NO. 23-R-2016**

**A RESOLUTION OF THE TOWN OF MEAD APPROVING A
COOPERATION AGREEMENT FOR TAX INCREMENT REVENUE
SHARING AND ADMINISTRATIVE SERVICES BETWEEN
THE TOWN OF MEAD URBAN RENEWAL AUTHORITY AND
THE TOWN OF MEAD**

WHEREAS, the Board of Trustees of the Town of Mead (the "**Town**") has the power to pass resolutions pursuant to § 31-15-103, C.R.S.; and

WHEREAS, the Board of Trustees formed the Town of Mead Urban Renewal Authority (the "**Authority**") by Resolution No. 10-R-2016, on March 28, 2016; and

WHEREAS, pursuant to § 31-25-107(9), C.R.S., the Authority provided the Town with the proposed Town of Mead Urban Renewal Plan (the "**Mead Plan**"), which details the inclusion of property in the Urban Renewal Area for the purposes authorized in the Act, including utilizing property and sales tax increment financing ("**TIF**"); and

WHEREAS, the Town and the Authority recognize that a division of taxes pursuant to §31-25-107(9)(a), C.R.S., on property within the boundaries of the Town without an agreement concerning the sharing of TIF revenue may hinder the effectuation of the Mead Plan and urban renewal within the Urban Renewal Plan Area, and the Town's ability to provide services and facilities therein; and

WHEREAS, an agreement has therefore been proposed between the Town and the Authority for the transfer to the Town of certain TIF revenues; and

WHEREAS, attached hereto as **Exhibit A** is the Cooperative Agreement for Tax Increment Expenditure Revenue Sharing and Administrative Services Between the Town and the Authority (the "**Agreement**"); and

WHEREAS, the Town and the Authority are authorized to enter such an agreement pursuant to state law, including specifically but without limitation, C.R.S. § 31-25-112; and

WHEREAS, the Board of Trustees (the "**Board**") is familiar with the Agreement and finds it to be in the best interest of the Town, the Authority, the Town's residents, and the general public.

NOW, THEREFORE, BE IT RESOLVED by the Board of Trustees of the Town of Mead, Weld County, Colorado, that:

Section 1. Approval. The Agreement is hereby approved in substantially the form as attached hereto, subject to technical or otherwise non-substantive modifications, as deemed necessary by the Town Manager in consultation with the Town Planner, Engineer, Legal Counsel, and other applicable staff or consultants.

Section 2. Effective Date. This resolution shall become effective immediately upon adoption.

Section 3. Repealer. All resolutions, or parts thereof, in conflict with this resolution are hereby repealed, provided that such repealer shall not repeal the repealer clauses of such prior resolution nor revive any resolution thereby.

Section 4. Certification. The Town Clerk shall certify to the passage of this resolution and make not less than one copy of the adopted resolution available for inspection by the public during regular business hours.

INTRODUCED, READ, PASSED, AND ADOPTED BY THE BOARD OF TRUSTEES OF THE TOWN OF MEAD, THIS 2ND DAY OF MAY, 2016.

ATTEST:

TOWN OF MEAD, COLORADO

By: _____
Linda Blackston, CMC, Town Clerk

By: _____
Gary R. Shields, Mayor

EXHIBIT A

COOPERATION AGREEMENT

COOPERATIVE AGREEMENT BETWEEN
THE TOWN OF MEAD, COLORADO AND
THE TOWN OF MEAD URBAN RENEWAL AUTHORITY FOR
TAX INCREMENT EXPENDITURE REVENUE SHARING AND ADMINISTRATIVE
SERVICES

THIS Cooperative Agreement for Tax Increment Expenditure Revenue Sharing and Administrative Services (the “**Agreement**”) is made and executed effective the 2nd day of May, 2016, by and between the TOWN OF MEAD, COLORADO (hereinafter referred to as the “**Town**”), and the TOWN OF MEAD URBAN RENEWAL AUTHORITY (hereinafter referred to as the “**Authority**”).

WHEREAS, the Town is a municipal corporation duly organized and existing under the laws of the State of Colorado; and

WHEREAS, the Authority is a corporate body and has been duly organized, established and authorized by the Town to transact business and exercise its powers as an urban renewal authority, all under and pursuant to the Colorado Urban Renewal Law, section 31-25-101, *et seq.*, C.R.S. (the “**Act**”); and

WHEREAS, pursuant to the Town of Mead Municipal Code, Article IV, Section 4-4-50, the Executive Director of the Department of Revenue is responsible for collecting the municipal sales tax in the same manner as the collection, administration and enforcement of the Colorado State sales tax, governed by the provisions of Article 26 of Title 39, C.R.S.; and

WHEREAS, by Town Resolution dated May 2, 2016, the Board of Trustees of the Town (the, “**Board of Trustees**”) approved the Urban Renewal Plan for the Town of Mead (the “**Mead URA Plan**”), which details the intended inclusion of the parcels described in the Mead URA Plan Area (the “**Plan Area**”) for the purposes authorized in the Act, including utilizing tax increment financing (“**TIF Financing**”), as contemplated by C.R.S. § 31-25-107(9)(a), for the purposes authorized by the Act; and

WHEREAS, TIF Financing provides that taxes, if any, levied after the effective date of the approval of an urban renewal plan upon taxable property in the area described in the urban renewal area each year shall be divided for a period not to exceed twenty-five (25) years from the effective date of the plan and that a portion of said property tax revenues (the “**TIF Revenue**”) shall be allocated to and paid into a special fund of Authority to pay the principal of, interest on, and any premiums due in connection with bonds of, loans or advances to, or indebtedness incurred by Authority for financing an urban renewal project, or to make payments pursuant to an agreement executed pursuant to C.R.S. § 31-25-107(9.5) and C.R.S. § 31-25-107(11); and

WHEREAS, the Town and the Authority are authorized to enter into an agreement pursuant to C.R.S. § 31-25-107(9) and C.R.S. § 31-25-107(11) for the payment of property tax revenue that results from the municipal levy on taxable property in the Urban Renewal Area, to be allocated pursuant to C.R.S. § 31-25-107(9)(a)(II) (the “**Property Tax Levy Allocation**”) for

the payment of the costs of any additional Town infrastructure or services necessary to offset the impacts of the urban renewal project (the “**Urban Renewal Project**”) described in the Mead URA Plan, as it may be amended, and revenue sharing, and

WHEREAS, the Town and the Authority are authorized to enter into an agreement pursuant to C.R.S. § 31-25-107(9), for the payment of municipal sales tax revenue that results from the Town sales tax imposed in the Urban Renewal Area, to be allocated pursuant to C.R.S. § 31-25-107(9)(a)(II) (the “**Sales Tax Levy Allocation**”) for the payment of the costs of any additional Town infrastructure or services necessary to offset the impacts of the urban renewal project (the “**Urban Renewal Project**”) described in the Mead URA Plan, as it may be amended, and revenue sharing, and

WHEREAS, the Act and Section 18, Article XIV of the Colorado Constitution authorize the Town and the Authority to enter into cooperative agreements, such as this Agreement; and

WHEREAS, the Town and the Authority desire to enter into this Agreement for the purposes set forth in C.R.S. § 31-25-107(9) and C.R.S. § 31-25-107(11), and

NOW THEREFORE, in consideration of the covenants, promises and agreements of each of the parties hereto, to be kept and performed by each of them, it is agreed by and between the parties hereto as follows:

1. Sharing of Property Tax Levy Allocation. Town and the Authority hereby agree to share the Property Tax Levy Allocation as follows:

a. The Authority shall calculate and pay to Town fifty per cent (50%) of the revenue produced by the Property Tax Levy Allocation Town each year as revenue sharing authorized under C.R.S. § 31-25-107(11) for the purpose of offsetting costs and lost revenue incurred by the Town caused by the Authority (which may include improvements and/or maintenance on Town’s roadways). Such revenues to be paid to the Town shall be placed in a separate Authority account created for such purpose. Commencing on the date of this Agreement and for a period of twenty-five (25) years from the effective date of the Mead URA Plan, the Authority shall pay to the Town on or before the 15th day of each month all revenues received into such account through the preceding month.

b. The remaining fifty per cent (50%) of the revenue produced by the Property Tax Levy Allocation each year may be used by the Authority for payment of any amounts authorized by the Mead URA Plan and Act, including without limitation payment of documented and certified costs incurred and paid by the Authority for eligible public improvements within the Urban Renewal Area.

2. Sharing of Sales Tax Levy Allocation. Town and Authority hereby agree to share the Sales Tax Levy Allocation as follows:

a. The Authority shall calculate and pay to Town one hundred per cent

(100%) of the revenue produced by the Sales Tax Levy Allocation each year as revenue sharing authorized under C.R.S. § 31-25-107(9) for the purpose of offsetting costs and lost revenue incurred by the Town caused by the Authority (which may include improvements and/or maintenance on Town's roadways). Such revenues to be paid to the Town shall be placed in a separate Authority account created for such purpose. Commencing on the date of this Agreement and for a period of twenty-five (25) years from the effective date of the Mead URA Plan, the Authority shall pay to the Town on or before the 15th day of each month all revenues received into such account through the preceding month.

b. The Town may elect to receive a lower percentage of Sales Tax Levy Allocation from the Authority based on individual Project Components. If the Town elects to receive a lower percentage of Sales Tax Levy Allocation, the percentage of the Sales Tax Levy Allocation remaining with the Authority may be used by the Authority for payment of any amounts authorized by the Mead URA Plan and the Act, including without limitation payment of documented and certified costs incurred and paid by the Authority for eligible public improvements within the Plan Area.

3. Advance of Sales and Property Tax Revenues.

a. Projected sales and property tax revenues from any urban renewal area designated in the Town of Mead Urban Renewal Area may be advanced by the Town, at the Town's option, to the Authority through December 31, 2041, to be used by the Authority for costs incurred by the Authority for its staffing and consultants in connection with the projects in any urban renewal area designated in an adopted urban renewal plan. Such amounts shall be paid directly to the Authority by the Town and shall be disbursed by the Authority as it deems prudent and necessary for such purposes. Any amounts so advanced by the Town shall be an obligation of the Authority under this Agreement. Such amounts as are advanced shall be payable to the Town from future sales and property tax revenues of the Authority, subject to an annual appropriation by the Board of Commissioners of the Authority. Due to the benefits gained by the Town from the projects in any urban renewal area designated in an adopted urban renewal plan, no interest will be due on the amounts advanced to the Authority by the Town.

4. Use of Town Employees. The Town hereby authorizes the Authority to utilize the services of certain specified Town employees to assist the Authority in work related to urban renewal projects serving the Town. The specific employees and the amount of time devoted to the projects may be modified from time to time by the Town Manager and the Executive Director of the Authority. The Authority shall reimburse the Town for the applicable percentage of each such employees' wages or salary and benefits. The use of such employees by the Authority and the proportionate cost of their services shall be deemed an advance by the Town and an obligation of the Authority hereunder. Such amounts shall be paid each year by the Authority to the Town, subject to an annual appropriation by the Board of Commissioners of the Authority of amounts sufficient to do so. If the Authority fails to reimburse the Town on an

annual basis for the cost of the services of such employees, the Town may retain incremental tax revenues from any urban renewal area to pay such costs.

a. The Town shall retain the right to establish the employees' wages or salary and benefits, and the right to discharge, reassign, or hire employees to perform the services required by the Authority. Except for the percentage of time devoted to the Authority activities which shall be under the direction or control of the Executive Director of the Authority, the Town Manager retains the right to direct and control the employees. The Town, as the employer, has the responsibility for payment of salary or wages to the employee, and for reporting, withholding, and paying any applicable taxes with respect to the employees' wages or salary and payment of Town sponsored employee benefit plans and payment of unemployment compensation as may be required. The Town also retains the right to provide for the welfare and benefit of employees through such programs as professional training. The Authority shall not have any responsibility for the payment or reporting of remuneration paid to the Town's employees, all of such responsibilities being the obligation of the Town. The Town intends to retain the right to maintain the employment relationship between the Town and its employees on a long term, and not a temporary basis. The employees of the Town assigned to work with the Authority know of and consent to employment by the Town and the contract relationship between the Town and the Authority.

b. In the event of any employment related issues with employees assigned to work with the Authority, the Executive Director of the Authority shall report such concerns or issues promptly to the Town Manager who shall be responsible for addressing such concerns. The decision of the Town Manager relating to such employee shall be final, the sole recourse of the Authority being the right to terminate this Agreement.

5. Consent Concerning Agricultural Land. The Town hereby consents, pursuant to C.R.S. § 31-25-107(1)(c)(II)(D), to the inclusion within the Urban Renewal Area of all agricultural lands contained within such Area as described in the Mead URA Plan.

6. Notification of Intended Amendments to the Plan; Agreement Not Part of Plan. The Authority agrees to notify Town of any intended amendments to the Mead URA Plan at least ninety (90) days prior to the public hearing by Town to consider such amendment. Both parties agree that this Agreement shall not, upon signature, become part of the Mead URA Plan, but rather, is a stand-alone agreement authorized pursuant to C.R.S. § 31-25-107(11) and in satisfaction of the requirements of C.R.S. § 31-25-107(9.5). Notice provided to the Town of the intended amendment pursuant to this paragraph shall act as compliance with the provisions of C.R.S. § 31-25-107(3.5)(a), requiring notice to the Board of Trustees of substantial modification to the Mead URA Plan.

7. Use of Town Sales Tax Levy Allocation and Property Tax Levy Allocation. The Town agrees to use TIF Revenues received pursuant to this Agreement in accordance with the requirements of C.R.S. § 31-25-107(1) to address the impacts of the Mead URA Plan on Town revenues and on infrastructure and services necessary to serve the Urban Renewal Area.

8. Agreement Confined to Sales Tax Levy Allocation and Property Tax Levy Allocation Revenue. This Agreement applies only to the Town Sales Tax Levy Allocation and Property Tax Levy Allocation revenues, as calculated, produced, collected and allocated to the Authority within the Urban Renewal Area in accordance with C.R.S. § 31-25-107(9)(a)(II) and the rules and regulations of the Property Tax Administrator of the State of Colorado, and does not include any other revenues of Town or Authority. Town and Authority agree that revenue from the Town Sales Tax Levy Allocation and Property Tax Levy Allocation collected and paid to the Town under this Agreement are collections for Town within the meaning of Colorado Constitution Article X, Section 20(2)(e).

9. Subordination Consent Required. With the prior written consent of the Town, as evidenced by a resolution approved by the Board of Trustees, the obligation of the Authority to pay revenues from the Sales Tax Levy Allocation and Property Tax Levy Allocation to the Town may be made subordinate to any payment of the principal of, the interest on, and any premiums due in connection with bonds of, loans or advances to, or indebtedness incurred by the Authority for financing or refinancing, in whole or in part, the Urban Renewal Project specified in the Mead URA Plan.

10. 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, acts of public enemy, acts of the Federal or state government, acts of any other party, acts of third parties, litigation concerning the validity of this Agreement or relating to transactions contemplated hereby, fire, floods, strikes, labor disputes, accidents, regulations or order of civil or military authorities, shortages of labor or materials, or other causes, similar or dissimilar, which are beyond the control of such party. Notwithstanding the foregoing, where any of the above events shall occur which temporarily interrupt the ability of the Authority to transfer or pay the Property or Sales Tax Levy Allocation revenues as provided in Sections 1 and 2, as soon as the event causing such interruption shall no longer prevail, the Authority shall transfer and pay the total amount of the Property or Sales Tax Levy Allocation revenue that has been received by the Authority that is then owing to date, as determined according to the provisions of Sections 1 and 2 to this Agreement.

11. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Colorado and shall be subject to the limitations, if any, that are applicable under the Charter or ordinances of the Town.

12. Notices. All notices and other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by first class mail, postage prepaid, addressed as follows:

If to the Town:
Town of Mead, Colorado
441 Third Street
P.O. Box 626
Mead, CO, 80542

If to the Authority:
Town of Mead Urban Renewal Authority
441 Third Street
P.O. Box 626
Mead, CO, 80542

The Town or the Authority may, by notice given hereunder, designate any further or different addresses to which subsequent notices or other communications shall be sent.

13. Termination and Subsequent Legislation. In the event of termination of the Mead URA Plan, including its TIF Financing component, the Authority and Town may terminate this Agreement by delivering written notice to the each other as provided for herein. The parties further agree that in the event legislation is adopted 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.

14. 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 hereto.

15. Binding Effect. This Agreement shall inure to the benefit of and be binding upon the parties hereto and their successors in interest.

16. 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 entity other than the undersigned parties receiving services or benefits under this Agreement shall be an incidental beneficiary only.

17. No Waiver of Immunities. No portion of this Agreement shall be deemed to constitute a waiver of any immunities 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.

18. Severability. If any provision of this Agreement is found to be invalid, illegal or unenforceable, the validity and enforceability of the remaining provisions shall not in any way be affected or impaired thereby. Further, in the event of any such holding of invalidity, illegality or unenforceability (as to any or all parties hereto), the parties agree to take such action(s) as may be necessary to achieve to the greatest degree possible the intent of the affected provision of this Agreement.

19. No Assignment. No party may assign any of its rights or obligations under this Agreement.

(remainder of this page intentionally left blank)

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.

TOWN:

ATTEST:

TOWN OF MEAD, a municipal corporation of the
STATE OF COLORADO

By: _____
Linda Blackston, Town Clerk

By: _____
Gary Shields, Mayor

THE AUTHORITY:

ATTEST:

MEAD URBAN RENEWAL AUTHORITY

By: _____
Linda Blackston, Recording Secretary

By: _____
Chairperson