

AGENDA

WESTMINSTER HOUSING AUTHORITY SPECIAL MEETING

MONDAY, May 14, 2012

AT 7:00 P.M.

- 1. Roll Call**
- 2. Minutes of Previous Meeting** (December 19, 2011)
- 3. Purpose of Special WHA Meeting is to**
 - A. Authorize a development agreement with Renaissance I, LLLP for the Lowell Plaza Project
 - B. Adopt Resolution No. 46 accepting the assignment of \$5,056,803 of Private Activity Bond Allocation from the City of Westminster
- 4. Adjournment**

CITY OF WESTMINSTER, COLORADO
MINUTES OF THE WESTMINSTER HOUSING AUTHORITY
MONDAY, DECEMBER 19, 2011 AT 7:10 P.M.

ROLL CALL

Present at roll call were Chairperson McNally, Vice Chairperson Winter and Board Members Atchison, Briggs, Kaiser, Lindsey, and Major. Also present were J. Brent McFall, Executive Director, Martin McCullough, Attorney, and Carla Koeltzow, Acting Secretary.

MINUTES OF PRECEDING MEETING

Board Member Kaiser moved, seconded by Board Member Major, to approve the minutes of the meeting of August 22, 2011, as written. The motion carried by a 5:1 vote with Board Member Atchison abstaining, stating he was not a member of the Authority at that time.

RESOLUTION NO. 44 RE THE 2012 WHA AND WESTMINSTER COMMONS BUDGETS

Board Member Atchison moved, seconded by Board Member Kaiser, to adopt Resolution No. 44 approving the 2012 Westminster Housing Authority Budget and the 2012 Westminster Commons Senior Housing Project Budget. On roll call vote the motion passed unanimously.

RESOLUTION NO. 45 RE THE SWAG LEASE FOR THE RODEO MARKET AND VSC PROPERTIES

Vice Chairperson Winter moved, seconded by Board Member Major, to adopt Resolution No. 45 authorizing the Executive Director to execute a one-year lease for the South Westminister Arts Group for the use of properties located at 3915 West 73rd Avenue, 3630 W. 73rd Avenue, and 7287 Lowell Boulevard. On roll call vote the motion passed unanimously.

ADJOURNMENT:

There being no further business to conduct, it was moved by Briggs, seconded by Atchison, to adjourn. The motion carried and the meeting adjourned at 7:12 p.m.

Chairperson

ATTEST:

Acting Secretary

WHA Agenda Item 3 A

Agenda Memorandum

Westminster Housing Authority Meeting
May 14, 2012



SUBJECT: Development Agreement with Renaissance I, LLLP re Lowell Plaza Project

Prepared By: Tony Chacon, Senior Projects Coordinator

Recommended Board Action

Authorize the Executive Director to enter into a development agreement with Renaissance I, LLLP, in substantially the same form as the attached agreement.

Summary Statement

- Renaissance I, LLLP, (Developer) is proposing to construct a 3-story mixed use project along the west side of Lowell Boulevard immediately south of 73rd Avenue that would include about 7,700 square foot of commercial space at ground level and about 48 apartments above.
- All of the apartments will be affordable to households earning 60% or less of Area Median Income (AMI). At least half the units will rent at or below 50% AMI and 5% will be restricted at 30% AMI.
- About 3,250 square feet of the commercial space would be made available for use as a community theater and the balance would be leased to small businesses.
- The estimated cost of the project is \$11,233,709 of which about \$1.5 million is the estimated cost for land acquisition, environmental remediation, and demolition and removal of existing structures.
- The Developer has secured verbal development funding commitments totaling \$8,896,209 from sources other than the City and the Westminster Housing Authority (WHA).
- The Developer is requesting up to \$8,437,500 in funding and borrowing capacity from the City of Westminster, which will give consideration to the request as part of the development agreement on May 14, 2012.
- The agreement calls for the WHA to contribute its properties at 7287 Lowell Boulevard and 3630 West 73rd Avenue to the project at no cost to the developer, which will facilitate the construction of about 48 affordable housing units.
- The WHA would retain a minor ownership in the project for a period of 15 years.
- The Developer anticipates proceeding with construction on the project in October/November 2012.
- The WHA action tonight is to authorize the land contribution noted.

Expenditure Required: \$356,000 (estimated value of properties)

Source of Funds: Contribution of property

Policy Issue

Should the Westminster Housing Authority contribute its land with no financial compensation to assist a private developer in constructing about 48 affordable housing units in the South Westminster revitalization area?

Alternative

The WHA could choose not to provide the requested assistance or seek other users for the properties. Staff recommends that these alternatives not be pursued. Without the land contribution, the project will require an additional infusion of money from the City, which does not have funding available. A failure to close such a funding gap would result in the project losing over \$3.0 million in equity funds to be provided by organizations other than the WHA or the City.

Background Information

A prospective development team (Developer) comprised of Everwood Company, a for-profit developer out of Minneapolis, Minnesota, and Community Resources and Housing Development Corporation (CRHDC), a non-profit affordable housing provider based in Westminster, Colorado, is proposing to construct a vertical mixed use project along the west side of Lowell Boulevard, immediately south of 73rd Avenue. The project proposes the demolition of four one-story structures and one two-story structure built in the 1950's, each of which is in severe decline and disrepair. The locally landmarked (historic) two-story Penguin Building would remain in place with the new development occurring on both the north and south sides of the building. The development would comprise about 7,700 square feet of ground floor commercial space along with about 45 apartments on two levels above the commercial space and along 73rd Avenue and Lowell Boulevard. In addition to the commercial space, there are three proposed live/work units proposed fronting Lowell Boulevard on the ground floor. The new buildings would be three levels in height. The new buildings would be built to the edge of the public sidewalk along Lowell Boulevard. The plan further contemplates converting the existing parking lot in front of the Penguin Building into a public plaza. Parking for both the new development and the Penguin Building would be provided on the back side of the development accessed by the city-owned alley.

The redevelopment project incorporates six parcels of land encompassing 48,000 square feet or 1.1 acres of land. Five buildings built in the 1950's currently occupy the properties and are in severe decline and disrepair. The WHA owns two of the six parcels, comprising approximately 14,375 square feet (0.33 acres) needed for the project. Three of the parcels are owned by private parties and an existing parking lot is owned by the City. The cost to acquire and prepare the land for development has a collective cost of about \$1.3 to \$1.5 million. This high cost is based upon the properties having buildings that have value. The land contribution from the WHA is intended to assist in offsetting this excessive land cost. The Developer has already secured the three privately owned parcels under contract.

Residential Component

The Developer is proposing to construct about 48 apartment units all of which will be made available to households earning 60% or less of Area Median Income (AMI) as established by HUD for the Denver Metropolitan Area (DMA). At 60% of AMI, rents would range from about \$710 for a one-bedroom unit to \$1,153 for a three bedroom unit. Pursuant to Colorado Division of Housing requirements, at least 50 % of the units must be made available to households earning less than 50% AMI and 5% of the total units (3 units based on a total of 48) be restricted to households earning 30% or less of AMI.

Following are the estimated 2012 rents for the project based on HUD allowances.

Type of Unit	Estimated Rents @ 60% AMI	Estimate Rents @50% AMI	Estimated Rents @30% AMI
1 Bedroom:	\$ 710	\$677	\$379
2 Bedroom:	\$ 880	\$817	\$461
3 Bedroom:	\$1,153	\$947	--

As an affordable housing project, HUD also stipulates the maximum household incomes that are eligible to rent any of the units. The following chart shows the current maximum income ranges for households by household size.

<u>Family Size</u>	<u>30% AMI</u>	<u>50% AMI</u>	<u>60% AMI</u>
1	\$15,950	\$26,600	\$31,900
2	\$18,200	\$30,400	\$36,400
3	\$20,500	\$34,200	\$41,000
4	\$22,750	\$37,950	\$45,500

Commercial Component

The Developer is proposing to construct about 7,700 square feet of commercial space at ground level. It is estimated that the base rent to prospective tenants would initially be in the range of \$10 per square foot compared to rents of new commercial space in newer parts of Westminster of \$20 to \$30 per square foot. In addition to the base rent, tenants would pay a Common Area Maintenance (CAM) fee of about \$4 per square foot per year to cover costs associated with the maintenance of the commercial space, property taxes, parking lot and landscaping. These lower rent rates would be more attractive to smaller, independently owned businesses.

Project Cost and Funding

The Developer has estimated the cost to construct the project at \$11,233,709 of which about \$8.8 million has been secured from sources other than the City and the WHA. Based on rent revenue projections, the Developer will be able to carry a permanent mortgage of about \$3.0 million, which represents about 27% of the project cost. As an affordable housing project, the Developer also expects to generate about \$2.4 million in equity funding through the sale of federal Low Income Housing Tax Credits. In addition, the Developer has secured a total of \$1,000,000 in federal HOME fund commitments from Adams County and the Colorado Division of Housing. CRHDC has also committed \$2.0 million in federal funds currently in their possession and is working to obtain a \$500,000 grant from NeighborWorks, a national affordable housing funding provider.

The City of Westminster is being asked to contribute up to \$8,437,500 in funding and borrowing capacity. If the City approves the agreement, the City would provide cash contributions of \$487,500 in Community Development Block Grant (CDBG) funds and \$200,000 in HOME funds, both of which are federal grant proceeds that must be used to benefit low to moderate income areas or provide affordable housing. The agreement further requires the City to incur the cost of undergrounding the overhead utilities in the City-owned alley (estimated at \$100,000) using the dedicated City and Xcel undergrounding funds. The City would also provide a U.S. Department of Housing and Urban Development (HUD) Section 108 loan of \$1.5 million. Other City considerations include the waiver or rebate of development-related fees and use tax, estimated at \$150,000 and an assignment of up to \$6.0 million of available Private Activity Bond (PAB) capacity. The City would also contribute a parcel of land now utilized as a parking lot towards the project at no cost. The Westminster City Council is due to give consideration to the development agreement on May 14, 2012.

Two provisions in the development agreement affect the WHA. First, the WHA would contribute the properties at 7287 Lowell Boulevard and 3630 West 73rd Avenue (collectively known as the Vehicle Service Center) to the project. It is estimated that the WHA properties have a collective value of about \$356,000 based on the buildings on the property having some reuse value. There is question as to the real value of these buildings given their age, condition and possible environmental concerns. Land value only is estimated at about \$50,000 to \$75,000. It is proposed that the WHA would sell the property to the City of Westminster at an appraised value up to \$356,000. The WHA would then donate the proceeds to the Westminster Economic Development Authority (WEDA) to assist in reducing the South Westminster Urban Renewal Area debt. Accordingly, WHA would not retain any of the sale proceeds, thereby essentially donating the land towards the project at no cost.

Per the agreement, the WHA would also agree to take a minority ownership of less than 1% in the project for a period of 15 years upon request by the Developer. This arrangement will make the project exempt from property taxes, which in turn creates the cash flow necessary to make debt payments on the HUD Section 108 loan. The project will not produce sufficient revenues to pay off the HUD Section 108 loan without the tax exemption.

Approval of the redevelopment agreement supports the mission of the Westminster Housing Authority to provide and support affordable housing within the City of Westminster, and further promotes the Strategic Plan Goals and Objectives of the City of Westminster including:

Goal: Strong, Balanced Local Economy

- Maintaining and expanding a healthy retail base, increasing sales tax receipts;
- Develop business-oriented mixed use development;
- Retain and expand current businesses; and,
- Develop a reputation as a great place for small and/or local businesses.

Goal: Vibrant Neighborhoods In One Livable Community

- Maintain and improve neighborhood infrastructure and housing;
- Develop Westminster as a cultural art community; and,
- Have a range of quality homes for all stages of life (type, price) throughout the City.

The project will further contribute towards the continued reinvestment made by the WHA in the south Westminster area, particularly those new housing investments made along Lowell Boulevard and Meade Street. The project will provide one more visual feature that will lead to further interest in investment and redevelopment activity in the area.

Respectfully submitted,

J. Brent McFall
Executive Director

Attachment - Draft Development Agreement with Exhibits A-E

DRAFT

A DEVELOPMENT AGREEMENT

Between

The City of Westminster and the Westminster Housing Authority

And

RENAISSANCE I, LLLP

Related to the

**The RENAISSANCE ON LOWELL
REDEVELOPMENT PROJECT**

This Agreement is made and entered into this ____ day of _____, 2012, by and between the CITY OF WESTMINSTER (City), the WESTMINSTER HOUSING AUTHORITY (WHA) and RENAISSANCE I, LLP (Developer).

WHEREAS, the City has indicated its desire to redevelop the Redevelopment Parcel, as defined below, in the immediate vicinity of Lowell Boulevard and 73rd Avenue, including property in the 7200 block of Lowell Boulevard, consisting of the following addresses:

- 7235 Lowell Boulevard;
- 7247 Lowell Boulevard;
- 7253 Lowell Boulevard;
- 7277 Lowell Boulevard;
- 7287 Lowell Boulevard;
- 3630 W. 73rd Avenue;

and,

WHEREAS, the Developer has submitted a proposal to redevelop the Redevelopment Parcel in accordance with the South Westminster Urban Renewal Plan; and,

WHEREAS, the Developer has obtained options to purchase those properties in the Redevelopment Parcel not owned by WHA or the City; and,

WHEREAS, the Developer is required to prepare a Preliminary Development Plan (PDP) and Official Development Plan (ODP) for City staff review and City Council approval in accordance with standard development review procedures established by the Westminster City Council; and,

WHEREAS, the City, the WHA and the Developer wish to set forth the terms upon which the Developer shall proceed in preparing the required plan submittals and establishing the Parties' respective financial obligations.

NOW, THEREFORE, in consideration of the above premises, covenants, promises, and agreements set forth below, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

1. DEFINITIONS: The following words shall have the following meanings in this Agreement unless the context clearly indicates otherwise;

ACQUISITION PARCELS means the properties or parcels of land required to complete the Project, more specifically identified as:

- 7235 Lowell Boulevard;
- 7247 Lowell Boulevard;
- 7253 Lowell Boulevard;

- 7277 Lowell Boulevard;
- 7287 Lowell Boulevard; and,
- 3630 W. 73rd Avenue.

DEFAULT means those occurrences or events specified and defined in Section 9 of this Agreement.

ENVIRONMENTAL LAWS means (i) The Clean Air Act, as amended, 42 U.S.C. Sections 7401-7642; (ii) the Clean Water Act, as amended, 33 U.S.C. Sections 1251-1387; (iii) the Resource Conservation and Recovery Act of 1976, as amended, 42 U.S.C. Sections 6901-6991K; (iv) the Toxic Substance Control Act, as amended, 15 U.S.C. Sections 2601-2671; (v) the Safe Drinking Water Control Act, as amended, 42 U.S.C. Sections 300f-300i-26; (vi) the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. Section 9601, et seq. as amended; (vii) the Occupational Safety and Health Act of 1970, as amended, 19 U.S.C. Section 651, et. seq.; (viii) the Residential Lead-Based Paint Hazard Reduction Act of 1992, as amended; and (ix) any other federal, state, or local law, regulation, rule, or ordinance pertaining to public health or employee health and safety.

FEES shall mean: the required development and building-related fees and taxes applicable to the Project, including but not limited to:

- a. Planning and Engineering Processing Fees, as applicable and more specifically detailed in Exhibit B;
- b. Building Permit Fees, as applicable and reflected in Exhibit C;
- c. Construction-related Use Tax;
- d. School Land Dedication Fee;
- e. Park Improvement Fee; and,
- f. Park Land Dedication Fee

FORCE MAJEURE means damages or destruction by fire or other casualty, strike, shortage of material, unusually adverse weather condition such as, by way of illustration and not limitation, snow storms which prevent outdoor work from being accomplished, severe rain storms, severe hail storms, or below freezing temperatures of abnormal degree or for an abnormal duration, or tornadoes, earthquakes, floods, or other events or conditions beyond the reasonable control of the party affected, which shall not include the party's inability to pay its debts, which in fact prevents the party from discharging its respective obligations hereunder.

HAZARDOUS MATERIALS means flammable materials, explosives, radioactive materials, hazardous wastes, toxic substances and similar substances and materials, including all substances and materials defined as hazardous or toxic wastes, substances or materials under any applicable Environmental Laws, including without limitation the Resource Conservation and Recovery Act, 42 U.S.C. §§ 6901 et seq., and the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. §§ 9601, et seq., as amended.

OFF SITE IMPROVEMENTS shall mean any improvements not located within the ownership boundaries of the Redevelopment Parcel as described in Exhibit A, excepting those improvements necessary to provide access and utility service to the Redevelopment Parcel which shall be construed to be part of the Redevelopment Parcel improvements.

PARTIES shall refer to the collective entities of the City, WHA, and the Developer;

PROJECT shall mean the redevelopment of the Redevelopment Parcel as described in Exhibit A, pursuant to a City-approved Official Development Plan, and including the historic Penguin Building located at 7267 Lowell Blvd.;

REDEVELOPMENT PARCEL shall mean the parcel as legally described and shown in Exhibit A attached hereto.

SECTION 108 LOAN shall refer to a source of funds made available to the City of Westminster by the U.S. Department of Housing and Urban Development, with which to provide loans to eligible development projects;

2. LAND ACQUISITION, SITE PREPARATION AND OWNERSHIP

2.1 The Developer shall assign its rights, under any existing option agreements, to purchase the Acquisition Parcels upon the City's receipt of Section 108 loan proceeds from HUD.

2.2 The City shall be responsible for closing on the purchase of the Acquisition Parcels, providing the cost to purchase said properties shall not exceed One Million Five Hundred Thousand and 00/100 Dollars (\$1,500,000.00). The City shall be responsible for conducting any property appraisals, if necessary, to acquire said properties.

2.3 The City shall close on the Acquisition Parcels no later than August 15, 2012. The City agrees that upon acquisition, it shall not convey the Acquisition Parcels to any person other than the Developer prior to the termination of this Agreement.

2.4 The City and Developer shall enter into a purchase agreement, substantially in the form attached hereto as Exhibit D, for the sale of the Acquisition Parcels at 7235, 7247, 7253, 7277, and 7287 Lowell Boulevard and 3630 W. 73rd Avenue, and, pursuant thereto, convey said property to the Developer upon receiving written confirmation of final construction financing for the Project and upon receiving final development and building permit approvals for the Project, but no sooner than 30 days prior to commencement of construction. The Developer shall provide written documentation to the City providing evidence of funding and approvals.

2.5 The City shall retain a lien on the Redevelopment Parcel, subordinate to construction and permanent financing, until such time as the HUD Section 108 Loan, as provided for in Subsection 5.1, is fully repaid.

2.6 The City shall convey the City-owned property at 7235 Lowell Boulevard to Developer at no cost, no later than August 31, 2012, upon the Developer meeting all of the conditions as required in Section 2.4 above.

2.7 The City shall deliver the all parcels, pursuant to Subsections 2.4 and 2.6 above, in a development-ready state and cleared of all hazardous material liability in accordance with the State of Colorado Department of Health and Environment Voluntary Cleanup Program.

a. Prior to the purchase of the Acquisition Parcels, the City shall conduct an environmental assessment of the soil, water and buildings and, as needed, coordinate with appropriate departments and divisions of the State of Colorado relative to any potential remediation activity and shall pay any associated costs. The City agrees to provide the Developer and the Developer agrees to provide the City, a copy of any environmental reports provided by the State to them, no later than 30 days prior to the conveyance of the parcels described in Subsections 2.4 and 2.6 above. Any environmental report commissioned by the Parties or either of them shall be addressed jointly to the City and the Developer and shall be provided by the environmental consultant jointly to each of the City and the Developer. The City agrees to cooperate with the Developer to cause the environmental consultant to provide reliance letters to such persons as may be reasonably requested by Developer in connection with its development of the Project.

b. In the event the cost of remediation exceeds the difference between the \$1,500,000 set aside for acquisition and the actual cost of acquisition, and/or any on-going annual costs related to remediation or monitoring are required, the Developer and City shall reevaluate the financial viability of the Project and mutually determine whether or not to proceed prior to closing on the properties to be purchased.

c. In the event contamination is identified, the City agrees to pursue a grant from the Colorado Brownfield's Revolving Loan Fund to be applied towards environmental remediation and demolition of the Redevelopment Parcel as applicable; provided, that if funds received from the Colorado Brownfield's Revolving Loan Fund are made available for improvements to the Redevelopment Parcel, the Developer shall have no responsibility for the repayment of any funds derived from the Colorado Brownfield's Revolving Loan Fund. The funds derived from the Colorado Brownfield's Revolving Loan Fund shall be used by the City solely for eligible environmental remediation and demolition of existing structures on the Redevelopment Parcel.

d. In the event it is determined that remediation is required, the City will work with the State of Colorado Department of Health and Environment to attain a letter of "No Further Action" prior to conveying the parcels described in Subsections 2.4 and 2.6 above to the Developer.

2.8 The City shall be responsible for, and incur the cost of, relocating businesses and residents in accordance with Federal Uniform Relocation Act.

2.9 The Westminster Housing Authority will be admitted as a special limited partner in the Project, as provided for in Section 12.21, below, for a period of 15 years from the date of receiving a Certificate of Occupancy (CO) from the City or until such time as the Section 108 Loan is fully repaid to the United States Department of Housing and Urban Development.

2.10 The Developer shall enter into a 15-year lease for 3,250 square feet of unfinished ground floor commercial space, in a form attached hereto as Exhibit E, to the City or organization designated by the City for the purpose of providing space for a community theater. The City shall pre-pay the rental pursuant to the lease for such space in the amount of Four Hundred Eighty-Seven Thousand Five Hundred Dollars (\$487,500). Upon expiration of the lease, the Developer shall convey ownership of the space to the City at no additional cost.

3. PREPARATION OF DEVELOPMENT PLANS AND LAND USE CONSIDERATIONS

3.1 The Developer agrees to proceed with, and incur associated costs relative to, the preparation of plans necessary to fulfill the submittal requirements of the City of Westminster relative to submittal of a Comprehensive Land Use Plan Amendment, a Preliminary Development Plan, an Official Development Plan, and Subdivision Plat.

3.2 The Developer shall adhere to a plan processing and review timeline as determined and agreed to by the City's Planning Division. The City agrees to work with the Developer to ensure the project is completed in the most efficient time frame.

3.3 In the event the Developer terminates the project as a result of its own choice or action, the City and the WHA shall not be required to reimburse the Developer for any of Developer's costs incurred up to such date.

3.4 In the event the Developer is unable to meet the City's development requirements and, thus, is unable to receive an official development plan approval for the Project, this agreement is terminated without further action required of any of the parties.

3.5 The Developer shall cooperate with the City in the incorporation of the public plaza, described in 4.1, below, into Developer's plans for the Redevelopment Parcel, and shall cooperate with the adjacent owner of the Penguin Building in those respects in which Developer's plans affect that property.

4. PUBLIC IMPROVEMENTS

4.1 The City shall assume responsibility for securing the land and constructing a public plaza in front of the "Penguin" building at 7267 Lowell Boulevard to be designed by and paid for by the City with its own funds (and without regard to any use of Section 108 Loan, as defined in Section 5.1 below, or other restrictions under Section 5 with respect to Section 108 Loan funds). All agreements, including without limitation any development agreement, architectural agreement, construction agreement, use agreement, plans and specifications, relating to the design and construction of the public plaza in front of the Penguin building shall be subject to approval of the Developer and the concurrence of the City.

4.2 Except as provided for in Section 6.5, the Developer shall be responsible for off site improvements (including, but not limited to, streetscape, water/sanitary/drainage, and undergrounding of overhead utilities) immediately adjacent to the development site and any utility connections to the nearest utility facility which are determined to be necessary and mutually acceptable to the Developer and the City.

5. FINANCING

5.1 The City shall commit One Million Five Hundred Thousand and 00/100 (\$1,500,000.00) of its Section 108 Loan Fund to the Project (Section 108 Loan), as follows:

a. The City shall apply the Section 108 Loan funds to land acquisition, site preparation, demolition, environmental remediation and project soft costs (i.e. planning, engineering, assessments, etc.); provided, however, that any draw under this Section 5.1.a. shall not be authorized unless accompanied by the written approval of the Developer. After the City conveys the Redevelopment Parcel to the Developer pursuant to Section 2, any amounts of the Section 108 Loan that have not been spent for Project purposes may be drawn by the Developer and used for the Project for Section 108 "eligible activities".

b. The Developer shall accept an assignment of the obligations of the Section 108 Loan from the City at such time as the Redevelopment Parcel is conveyed to the Developer.

c. The loan amount shall be incorporated as part of the Project cost and shall be repaid fully, including principal and interest, by the Developer in accordance with terms and conditions to be stipulated in the loan agreement documents. The loan shall be made available to the Developer at 3% interest, on a non-amortizing basis, and payable solely from available cash flow from the Project, and shall be due in full on or before December 31, 2027. The promissory note shall provide that interest shall be required to be payable monthly.

5.2 The City shall apply for a contribution of Five Hundred Thousand and 00/100 Dollars (\$500,000.00) of HOME funds from Adams County to the Project, in the form of a grant, as match towards a similar grant from the State of Colorado Division of Housing. The Developer shall be responsible for securing such HOME funding from the State of Colorado Division of Housing.

5.3 The City shall provide an assignment of its then current Private Activity Bond (PAB) allocation of up to Six Million and 00/100 Dollars (\$6,000,000.00) if available upon request of the Developer. The City agrees that it shall impose no initial or annual issuer fees as consideration for issuance of said bonds.

5.4 The City will assume responsibility for ensuring improvements are completed to the property at 7267 Lowell Boulevard, known as the Penguin Building, in a manner supportive of and complimentary to the Project. Any exterior improvements to the Penguin Building shall require the written consent of the Developer unless otherwise consented to by the Developer as part of the ODP. Any costs of improvements to the Penguin Building shall be the sole responsibility of the City and shall not be payable from the Section 108 Loan funds. The Parties acknowledge that the ODP may contain certain reasonable restrictions on the use of the plaza in front of the Penguin Building to insure compatibility between the use of the plaza and the uses and operating characteristics of the Project. Additionally, the following provisions shall apply:

a. The City shall incur the cost, as solely determined by the City, of constructing a public plaza in front of the Penguin Building at 7267 Lowell Boulevard.

b. The City shall assist the owner of 7267 Lowell Boulevard to make improvements to the exterior façade of the building by no later than 30 days prior to completion of the Project. Any costs of improvements to 7267 Lowell Boulevard shall be the sole responsibility of the City and shall not be payable from the Section 108 Loan;

c. Prior to the delivery of the Acquisition Parcels pursuant to 2.7, above, the Developer and the City shall formalize an agreement relative to the future maintenance of the plaza.

5.5 The City shall waive or otherwise reimburse the Developer for payment of development-related fees and use tax, excepting that portion of the sales and use tax dedicated to the City's Open Space Program and Public Safety, as follows:

- a. Planning and engineering processing fees;
- b. Building permit fees related to demolition and construction activity;
- c. School Land Dedication Fee;
- d. Use tax as it relates to the cost of construction, including tenant finish and initial installation of business fixtures; or,
- e. Park Development Fee.

5.6 The City shall waive the Park Land Dedication (PLD) requirement given the Project's proximity to other existing and planned public parks and open space.

5.7 The City shall allocate the value of any available water and sewer tap credits from the Redevelopment Parcel towards the Project which shall be used in conjunction with the approved development plans.

5.8 The City shall contribute an additional \$200,000 allocation of its HOME funds towards construction related expenses on the Project incurred by the Developer.

6. UTILITIES

6.1 The City shall provide full water and sewer service to the Project.

6.2 The Developer shall be responsible for incurring the costs to upgrade water and sewer service deemed by the City as absolutely necessary to service the Project adequately.

a. The City will work with the Developer to develop options and solutions that minimize the cost of utility upgrades.

b. The Developer shall be eligible for “cost recovery” for any capacity and delivery enhancements providing a benefit to a broader range of properties and the community in general.

6.3 The City agrees to waive the requirement for the Project to participate in the City’s Growth Management Residential Competition to receive a tap allocation, and shall ensure that taps necessary to complete the Project are made available when needed, so long as all other obligations of the Developer pursuant to this agreement and future agreements with the City and WHA are met.

6.4 The Developer agrees to pay the full cost for City water and sewer taps based on a Rate Schedule in effect at the time the first building permit is requested.

a. The City shall defer payment for water and sewer taps under City control until such time as the Developer applies for a Certificate of Occupancy from the City.

b. The Developer shall be required to pay the Metro Denver Wastewater portion of the sewer tap fee at the time of building permit issuance.

6.5 If funds are available in the City utility undergrounding fund and/or the Xcel Energy 1% set-aside fund, the City shall be responsible for the undergrounding of all overhead utilities located on and adjacent to the Redevelopment Parcel.

7. REPRESENTATIONS AND WARRANTIES.

7.1 REPRESENTATIONS AND WARRANTIES BY THE DEVELOPER.

The Developer represents and warrants to the City that:

a. The Developer is duly organized, validly existing and in good standing and authorized to operate in the State of Colorado; has the legal capacity to enter into and perform its obligations under this Agreement and the documents to be executed and delivered pursuant hereto; the execution and delivery of this Agreement and such documents and the performance and observance of their terms, conditions and obligations have been duly and validly authorized by all necessary action on its part to make this Agreement and such documents and that such performance and observance are valid and binding upon the Developer. The execution and delivery of this Agreement, the documents required hereunder and the consummation of the transactions contemplated by this Agreement will not (i) conflict with or contravene any law, order, rule or regulations applicable to the Developer or the Developer’s governing documents; (ii) result in the breach of any of the terms or provisions of, or constitute a default under, any agreement or other instrument to which the Developer is a party or by which it may be bound or affected; or (iii) permit any party to terminate any such agreement or instrument or to accelerate the maturity of any indebtedness or other obligation of the Developer.

b. The Developer knows of no action, suit, proceeding or governmental investigation that is threatened or pending contesting the powers of the City, WHA, the Developer or any of its principals with respect to the Project or this Agreement that has not been disclosed in this Agreement.

c. The Developer has the necessary financial and legal ability to perform this Agreement and to construct the Improvements.

7.2 REPRESENTATIONS AND WARRANTIES OF THE CITY.

The City represents and warrants to Developer that:

a. The City is a home-rule governmental subdivision of the State of Colorado and has the power to enter into and has taken all actions required to date to authorize this Agreement and to carry out its obligations hereunder.

b. The activities of the City in the Project area are undertaken for the purpose of eliminating and preventing the development or spread of blight, revitalizing the physical and economic structure of the community, and providing housing to an underserved population.

c. The City knows of no litigation, threatened litigation, proceeding, initiative, referendum or investigation or threat or any of the same contesting the powers of the City or its officials with respect to the Project or this Agreement that has not been disclosed in this Agreement.

d. The execution and delivery of this Agreement and the documents required hereunder and the consummation of the transactions contemplated by this Agreement will not (i) conflict with or contravene any law, order, rule or regulation applicable to the City or to the City's governing documents, (ii) result in the breach of any of the terms or provisions or constitute a default under any agreement or other instrument to which the City is a party or by which it may be bound or affected, or (iii) permit any party to terminate any such agreement or instruments or to accelerate the maturity or any indebtedness or other obligations of the City.

e. The City and WHA are political subdivisions of the State of Colorado and are exempt from the payment of property taxes levied pursuant to §3, Article X of the Colorado Constitution.

8. INSURANCE; INDEMNIFICATION

8.1 INSURANCE.

a. At all times while the Developer is engaged in the Project, the Developer will provide the City with proof of payment of premiums and certificates of insurance showing that the Developer is carrying, or is causing its prime contractor to carry, the builder's risk, comprehensive general liability and worker's compensation insurance policies in amounts and coverages reasonably satisfactory to the City. Such proof of payment and certificates of insurance shall be provided to Tony Chacon, or his successor in the City's Department of Community Development. Such policies of insurance shall be placed with financially sound and reputable insurers, require the insurer to give at least 30 days advance written notice to the City in the event of cancellation or change in coverage and shall name the City as an additional insured specifying that the insurance shall be treated as primary insurance.

b. At all times while the City is engaged in the Project, the City will provide the Developer with proof of payment of premiums and certificates of insurance showing that the City is carrying, or is causing its prime contractor to carry, the builder's risk, comprehensive general liability and worker's compensation insurance policies in amounts and coverages reasonably satisfactory to the Developer. Such policies of insurance shall be placed with financially sound and reputable insurers, require the insurer to give at least 30 days advance written notice to the Developer in the event of cancellation or change in coverage and shall name the Developer as an additional insured specifying that the insurance shall be treated as primary insurance.

8.2 INDEMNIFICATION. The Developer shall defend, indemnify, assume all responsibility for and hold the City and its elected officials, consultants, officers and employees and the WHA harmless (including, without limitation, attorneys' fees and costs) from all claims or suits for and damages to property and injuries to persons, including accidental death, that may be caused by any of the Developer's activities, and not caused by the City's or WHA's activities, under this Agreement or while making tests or surveys on the Project area, whether such activities are undertaken by the Developer or

anyone directly or indirectly employed by or under contract to the Developer and whether such damage shall accrue or be discovered before or after completion or termination of this Agreement.

9. EVENTS OF DEFAULT AND REMEDIES

9.1 DEFAULT BY THE DEVELOPER. Default by the Developer shall mean one or more of the following events:

a. The Developer abandons construction of the Project. Abandonment of construction occurs if construction activities on a Site cease for a period of thirty (30) consecutive days at any time after issuance of building permits for that Site; provided however, that a temporary cessation of construction activities resulting from Force Majeure shall not be deemed to be abandonment for the duration of such Force Majeure.

b. The Developer fails to pay promptly any uncontested cost or expense required to be paid by the Developer under the terms of this Agreement. Developer may contest any cost or expense so long as adequate security is provided to the City.

c. The Developer transfers or assigns its interest in this Agreement or in any Site or the Improvements, or any interest in the Developer is transferred or assigned, without the written consent of the City.

d. The Developer commences a voluntary bankruptcy case under any applicable federal or state bankruptcy, insolvency or other similar law now or hereafter in effect, or is the subject of any involuntary case of such nature not dismissed within ninety (90) days after such is filed, or consents to the appointment of or taking possession by a receiver, liquidator, assignee, custodian, trustee, or sequestrator (or other similar official) of the Developer or of any substantial part of its property, or the Developer makes any general assignment for the benefit of creditors or generally fails to pay its debts as they become due or takes any action in furtherance of such action.

e. The Developer fails to substantially observe or perform any covenant, obligation or agreement of the Developer as provided in this Agreement.

9.2 DEFAULT BY THE CITY. Default by the City means the failure of the City to substantially observe or perform any covenant, obligation or agreement required under this Agreement.

9.3 NOTICE OF DEFAULT. No Default under paragraph 9.1 or paragraph 9.2 shall constitute an event of Default until actual notice of such Default shall be given by the non-defaulting party in accordance with paragraph 13.9 to the defaulting party and the defaulting party shall have had thirty (30) days after the receipt of such notice to correct said Default or cause said Default to be corrected, and shall not have corrected said Default or caused said Default to be corrected within the applicable period. If said Default be such that it cannot be corrected within the applicable period, it shall not constitute an Event of Default if corrective action is instituted within the applicable period and diligently pursued until the Default is corrected and is completed no later than ninety (90) days after receipt of notice. No party, nor any successor in interest or permitted assigns, shall be considered in breach of, or in default of, its obligations under this Agreement in the event of any delay caused by Force Majeure.

9.4 REMEDIES IN THE EVENT OF DEFAULT

a. REMEDIES OF THE CITY. In the event of default by the Developer, the City may do any or all of the following:

(1) Seek any available remedy at law, including damages, but under no circumstances shall the Developer be liable for consequential or punitive damages.

(2) Seek enforcement of any of the Developer's obligations hereunder by any equitable remedy, including specific performance or injunction.

(3) Suspend performance hereunder.

(4) Elect to terminate this Agreement.

(5) Exercise the Option to Purchase provided for in section 10, below.

b. REMEDIES OF DEVELOPER. In the event of default by the City, the Developer may do any or all of the following:

(1) Seek any available remedy at law, but under no circumstances shall City be liable for consequential or punitive damages.

(2) Seek enforcement of any of the City's obligations hereunder by any equitable remedy, including specific performance or injunction.

(3) Suspend performance or elect to terminate this Agreement.

10. SUBORDINATION. The City agrees to subordinate its interests in this Agreement to any lender of the Developer for purposes of development of the Project upon request of the Developer. In addition to any other remedies provided in paragraph 9.4, upon Default by the Developer which is not cured under paragraph 9.4, the City shall have an option to repurchase any Sites that have not been completed and any improvements constructed or under construction and to receive an assignment of any leases for any of the improvements or Sites, subject to any encumbrances incurred by the Developer and approved by the City. In the event the City exercises its option to purchase a Site and any improvements or leases by written notice in accordance with paragraph 11, Developer shall deliver to the City within fifteen days of receipt of the notice a deed reconveying the Redevelopment Parcel(s) to the City and all necessary documents assigning Developer's interest in any leases or contracts for the Improvements.

11. RESALE OF REDEVELOPMENT PARCELS. After conveyance of the Redevelopment Parcel(s) and assignment of any leases to the City pursuant to paragraph 10, the City will use its best efforts to resell the Redevelopment Parcel in accordance with applicable law to a qualified and responsible party or parties who will assume the obligation of completing the Project in accordance with the approved development plans. The proceeds of such resale shall be applied first to repay any outstanding private-lending encumbrances secured by the Redevelopment Parcel, then to repay the City for all amounts expended pursuant to this Agreement, and then to pay costs of the City incurred by the Default, by the exercise of the option to purchase pursuant to paragraph 10, and by the resale of the Redevelopment Parcel. Any sums remaining following reimbursement as noted shall then be paid to the Developer.

12. RESTRICTIONS ON ASSIGNMENT AND TRANSFER.

12.1 NO SALE OR TRANSFER WITHOUT CONSENT. Prior to the issuance of certificates of occupancy, the Developer shall not close on any total or partial sale or transfer in any form of the Agreement, the Redevelopment Parcels, or any part thereof or any interest therein, without the prior written approval of the City, which approval shall not be reasonably withheld. Notwithstanding any other provision of this Agreement, the City acknowledges that the Developer may assign its interests in this Agreement to an affiliated entity for the purpose of constructing and operating the Project. The City will

consent to such assignment upon submission by Developer of all documents related to the assignment and approval by the City indicating that all conditions of this Agreement have been satisfied.

12.2 CONDITIONS TO THE CITY'S CONSENT. The City may require as a condition to its approval any or all of the following:

a. Any transferee shall have the qualifications and financial responsibility, as reasonably determined by the City, necessary to fulfill the obligations of the Developer under the Agreement.

b. Any transferee, by instrument satisfactory to the City, shall assume all of the obligations of the Developer under this Agreement and agree to be subject to the conditions and restrictions to which the Developer is subject or such different obligations approved by the City. The fact that any such transferee or successor has not assumed such obligations or so agreed shall not relieve such transferee or successor from such obligations, conditions or restrictions, or limit any rights or remedies of the City with respect to the Redevelopment Parcels. No transfer of ownership of all or any part of the Redevelopment Parcel or any interest therein, however occurring and whether voluntary or involuntary, shall limit City's rights, remedies or controls provided in this Agreement.

c. The Developer shall submit to the City for review all instruments and other legal documents involved in effecting transfer, and, if approved by the City, its approval shall be indicated to the Developer in writing.

d. The Developer and its transferee shall comply with such other reasonable conditions as the City may reasonably require to safeguard the purposes of the revitalization efforts and the South Westminster Urban Renewal Plan.

12.3 NO TRANSFER WITHOUT CONSENT. In the absence of specific written agreement by the City, no transfer of the Redevelopment Parcel prior to the completion of the Project shall relieve the Developer or any party bound by the Agreement or otherwise, from any of its obligations.

13. MISCELLANEOUS

13.1 CONTROLLING LAW AND VENUE. The laws of the State of Colorado shall govern the interpretation and enforcement of this Agreement. Venue for any action arising under this Agreement or any amendment or renewal thereof shall be in the District Court of Adams County, Colorado.

13.2 ATTORNEYS' FEES. In any proceeding brought to enforce the provisions of this Agreement, the prevailing party therein shall be entitled to an award of reasonable attorneys' fees, actual court costs and other expenses incurred.

13.3 TITLES OF SECTIONS. Any titles of the several part sections of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

13.4 CONFLICTS OF INTEREST. None of the following shall have any interest, direct or indirect, in this Agreement: any member of the governing body of the City; an employee of the City who exercises responsibility concerning the project or any agreement implementing the South Westminster Urban Renewal Plan, or an individual or firm providing consulting or legal services in connection with the project. None of the above persons or entities shall participate in any decision relating to this Agreement that effects his or her personal interest or the interest of any corporation, partnership or association in which he or she is directly or indirectly interested.

13.5 TIME OF THE ESSENCE. Time is of the essence hereof, and every term, covenant, and condition shall be deemed to be of the essence hereof.

13.6 SEVERABILITY. If any court determines that any provision hereof is unenforceable, it is the intention of the Parties that this Agreement shall not thereby be terminated but that the court reform this Agreement to the extent required to make it valid and enforceable, to the extent such reformation may be accomplished without materially and adversely affecting intended benefits and burdens of the Parties under this Agreement.

13.7 GOOD FAITH OF THE PARTIES; CONSENT OR APPROVAL. In performance of this Agreement or in considering requests for an extension of time, the parties agree that each will act in good faith and will not act unreasonably, arbitrarily, capriciously or unreasonably withhold or delay any approval required by this Agreement. Except as otherwise provided in this Agreement, whenever consent or approval of either party is required, such consent or approval shall not be unreasonably withheld, conditioned or delayed. The Developer agrees and acknowledges that in each instance in this Agreement or elsewhere where City is required or has the right to review or give its approval or consent, no such review, approval or consent shall imply or be deemed to constitute an opinion by the City, nor impose upon the City, any responsibility for the design or construction of building elements, including but not limited to the structural integrity or life/safety requirement or adequacy of budgets or financing or compliance with any applicable federal or state law, or local ordinance or regulation, including the environmental laws. All reviews, approval, and consent by City under the terms of this Agreement are for the sole and exclusive benefit of the Developer and no other person or party shall have the right to rely thereon.

13.8 SURVIVAL. No representations or warranties whatever are made by any party to this Agreement except as specifically set forth in this Agreement. The representations, warranties and indemnities made by the parties to this Agreement and the covenants and agreements to be performed or complied with by the respective parties under this Agreement before Closing shall be deemed to be continuing and shall survive the Closing. Nothing in this Section shall affect the obligations and indemnities of the parties with respect to covenants and agreements contained in this Agreement that are permitted or are required to be performed in whole or in part after the Closing.

13.9 NOTICES. A notice, demand, or other communication under this Agreement by any party to the other shall be in writing and shall be sufficiently given, delivered in person, by prepaid overnight express mail or express courier, electronic mail or if it is dispatched in writing by registered or certified mail, postage prepaid, return receipt requested:

City of Westminster, WHA and WEDA
4800 West 92nd Avenue
Westminster, Colorado 80031
Attention: J. Brent McFall, City Manager
Telephone: (303) 658-2400
Fax: (303) 706-3921
Email: bmcfall@cityofwestminster.us

Renaissance I, LLP
3550 Labore Road, Suite 10
Saint Paul, Minnesota 55110
Attention: Ryan Sailer
Telephone: (612) 508-4627
Email: ryan@everwoodcompany.com

With a copy to:

Winthrop & Weinstine, P.A.
225 South Sixth Street, Suite 3500
Minneapolis, Minnesota, 55402
Attention: Jon L. Peterson, Esq.
Telephone: (612) 604-6736
Email: jpeterson@winthrop.com

13.10 COUNTERPARTS. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one in the same instrument.

13.11 INCORPORATION OF EXHIBITS. All exhibits attached to this Agreement are incorporated into and made a part of this Agreement.

13.12 NO THIRD PARTY BENEFICIARIES. No third party beneficiary rights are intended or created in favor of any person not a party to this Agreement.

13.13 ENTIRE AGREEMENT; AMENDMENTS. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and replaces in their entirety any agreements, understandings, warranties, or representations between the parties. This Agreement shall not be amended except by written instrument. Each amendment, which is in writing and signed and delivered by the parties, shall be effective to amend this Agreement.

13.14 FURTHER ASSURANCES. The parties agree to execute such documents and take such action as shall be reasonably requested by the other party to confirm or clarify the intent of the provisions of this Agreement and to effectuate the provisions and intent of this Agreement.

13.15 ESTOPPEL CERTIFICATE. The parties agree to execute such documents as the other party shall reasonably request to verify or confirm the status of this Agreement and of the performance of the respective obligations of the parties and such other matters as the requesting party shall reasonably request.

13.16 WAIVER. No failure by any party to insist upon the strict performance of any covenant, duty, agreement or condition of this Agreement, or to exercise any right or remedy consequent upon a breach of this Agreement shall constitute a waiver of such breach or of any other covenant, agreement, term or condition. Any party by giving notice to the other parties may, but shall not be required to, waive any of its rights or any conditions to any of its obligations under this Agreement. No waiver shall effect or alter the remainder of this Agreement, but each and every covenant, agreement, term and condition of this Agreement shall continue in full force and effect with respect to any other then existing or subsequent breach.

13.17 THE CITY AND WHA NOT A PARTNER; DEVELOPER NOT THE AGENT OF THE CITY. Except as described in Section 12.21, below, the City and WHA shall not be deemed or constituted a partner or joint venturer of the Developer, the Developer shall not be the agent of the City or the WHA and the City and the WHA shall not be responsible for any debt or liability of the Developer.

13.18 NONLIABILITY OF CITY OFFICIALS AND EMPLOYEES. No councilor, commissioner, Board member, official, employee, agent or consultant of the City shall be personally liable to the Developer in the event of default, or breach or event of a default by the City or for any amount that may become due to the Developer under the terms of this Agreement.

13.19 CITY COOPERATION. The City will cooperate with the Developer to obtain the City's approval of the ODP, any amendment to the ODP, and the City's issuance of any permits,

licenses, or commitments necessary for the Project; provided, however, that approval or issuance of such permits, licenses or commitments lies in the sole and exclusive discretion of the City.

13.20 RECORDING. This Agreement shall be recorded in the public records of the Clerk and Recorder of Adams County, Colorado.

13.21 SPECIAL LIMITED PARTNER. The Westminster Housing Authority will participate in the Project's ownership as a special limited partner but will be subject to no additional conditions for its participation other than those set forth in this Agreement.

IN WITNESS THEREOF, the undersigned have executed this agreement as of the date first above written.

CITY OF WESTMINSTER

RENAISSANCE I, LLLP

J. Brent McFall
City Manager

Name

Title

ATTEST:

City Clerk

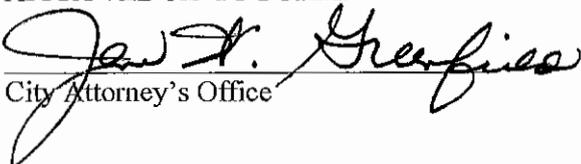
WESTMINSTER HOUSING AUTHORITY

J. Brent McFall
Executive Director

ATTEST:

City Clerk

APPROVED AS TO FORM:



City Attorney's Office

EXHIBIT "B"

PLANNING & ENGINEERING FEE SCHEDULE

Planning	Processing Fees
PDP or Amendment – Concept Review	\$350 (x) sq. rt. of acres (\$350 min.)
PDP or Amendment – Technical Review	\$350 (x) sq. rt. of acres (\$350 min.)
ODP or Amendment – Concept Review	\$400 (x) sq. rt. of acres (\$400 min.)
ODP or Amendment – Technical Review	\$400 (x) sq. rt. of acres (\$400 min.)
Combined PDP/ODP (Including Amendments)	
Concept Review	\$550 (x) sq. rt. of acres (\$550 min.)
Technical Review	\$550 (x) sq. rt. of acres (\$550 min.)
1 st Concept Development Proposal Sign Posting Fee	\$50
Rezoning, Establishment of Zoning	\$500
Annexation	\$300
Comprehensive Land Use Plan (CLUP) Amendment	\$500
Administrative Amendment (PDP/ODP) that does <u>not</u> require mylars	\$250
Public Hearing	\$350
ODP Waiver	\$250
Special or Conditional Use Permit	\$450
Temporary Use Permit	\$100
Zoning Verification Letter	\$50
Affidavit of Correction	\$100
Recording Fees – Oversize and mylars	\$50 + \$20/pg
Letter and legal size (to be E-filed)	\$10/pg
Comprehensive Land Use Plan	\$45
Comprehensive Land Use Plan Disk	\$5
Plan Submittal Document	\$20
Northeast Comprehensive Development Plan	\$5
Copies of Plans on File	\$5/pg
Engineering	Processing Fees
Construction Drawing Review *	\$750 + \$75 (x) the sq. rt. of acres (\$1,125 max.)
Minor Replat (Lot Line Adjustment)	\$300
Vacations (R.O.W. and Easements)	\$300
Land Disturbance Permit	\$250
R.O.W./Street Permit	\$50 (+) Trench Cut Impact Fee
Flood Plain Information (Non-Residents Only)	\$20
Blueline Copies	\$5/Sheet

* *Construction Drawing Review includes: Final Plat, Address Plat, Construction Drawings and Public Improvements Agreements (PIA)*

EXHIBIT "C"

BUILDING PERMIT FEE SCHEDULE

TOTAL VALUATION	FEE ¹
\$1 to \$500	\$19.50
\$501 to \$2,000	\$19.50 for the first \$500 plus \$2.65 for each additional \$100, or fraction thereof, to and including \$2,000
\$2,001 to \$25,000	\$59.25 for the first \$2,000 plus \$11.90 for each additional \$1,000, or fraction thereof, to and including \$25,000
\$25,001 to \$50,000	\$332.95 for the first \$25,000 plus \$8.55 for each additional \$1,000, or fraction thereof, to and including \$50,000
\$50,001 to \$100,000	\$546.70 for the first \$50,000 plus \$5.95 for each additional \$1,000, or fraction thereof, to and including \$100,000
\$100,001 to \$500,000	\$844.20 for the first \$100,000 plus \$4.60 for each additional \$1,000, or fraction thereof, to and including \$500,000
\$500,001 to \$1,000,000	\$2,684.20 for the first \$500,000 plus \$3.95 for each additional \$1,000, or fraction thereof, to and including \$1,000,000
\$1,000,001 and up	\$4,659.20 for the first \$1,000,000 plus \$2.65 for each additional \$1,000 or fraction thereof

Miscellaneous Permit Fees:

Solar Systems	\$300.00
Mobile Home Set-up w/elec	\$125.00
Construction trailer w/elec	\$125.00
Banners	\$25.00
Bus Bench	\$25.00
Election Sign	\$25.00
Permanent Sign	Per Fee Schedule

Miscellaneous SFD Residential Permit Fees:

Detached Storage Shed	\$80.00
Re-Roofing	\$100.00
Water Heater Replacement	\$40.00
Air Conditioner	\$80.00*
Furnace Replacement	\$60.00*
Evaporative Cooler	\$60.00*
Lawn Irrigation Sprinkler	\$60.00
Aboveground Pool	\$50.00
Spas/Hot Tub	\$80.00*
Gas Log	\$60.00**
Fence	\$50.00

*May also require an electrical permit fee.

** See Section 11-9-3(E)2 for exceptions.

Fire Department Fees

- Operational permits, per event: \$50.00
- Construction permits: Based on valuation and assessed in accordance with the building permit fee schedule.

Other Inspections and Fees:

1. Inspections outside of normal business hours	\$50.00 per hr. minimum charge of two hrs
2. Reinspection fees	\$50.00
3. Inspections for which no fee is specifically indicated	\$50.00 per hr
4. Additional plan review required by changes, additions, or other revisions to plans including individual residential lot grading re-reviews or reinspections	\$50.00 per hr.
5. For use of outside consultants for plan review and inspection, or both	actual costs***
6. Copy of previously issued Certificate of Occupancy	\$5.00 each
7. Letter of code compliance	\$25.00
8. Removal of stop work order	\$250.00
9. Temporary Certificate of Occupancy	5% of permit fee but not less than \$100.00
10. Plan Review Fee	65% of building permit fee.
11. Estimated Use Tax	3.85% of 50% of total valuation
12. Plan Review and Inspection Fee for Individual Residential Lot Grading	\$400 per lot

*** Actual costs are those above and beyond the plan review fee as established by Section 11-9-3(E)4.

¹ Additional permit and plan review fees will be due if more than one trade (building, electrical, plumbing or mechanical) is involved in the project as Westminster issues permits for a project, not based on trade. Sub contractor permit and plan review fees are calculated as a percentage of the general building permit and plan review fees. For work involving more than one primary trade, contact the building Division for permit costs.

Exhibit "D"
Acquisition Parcels

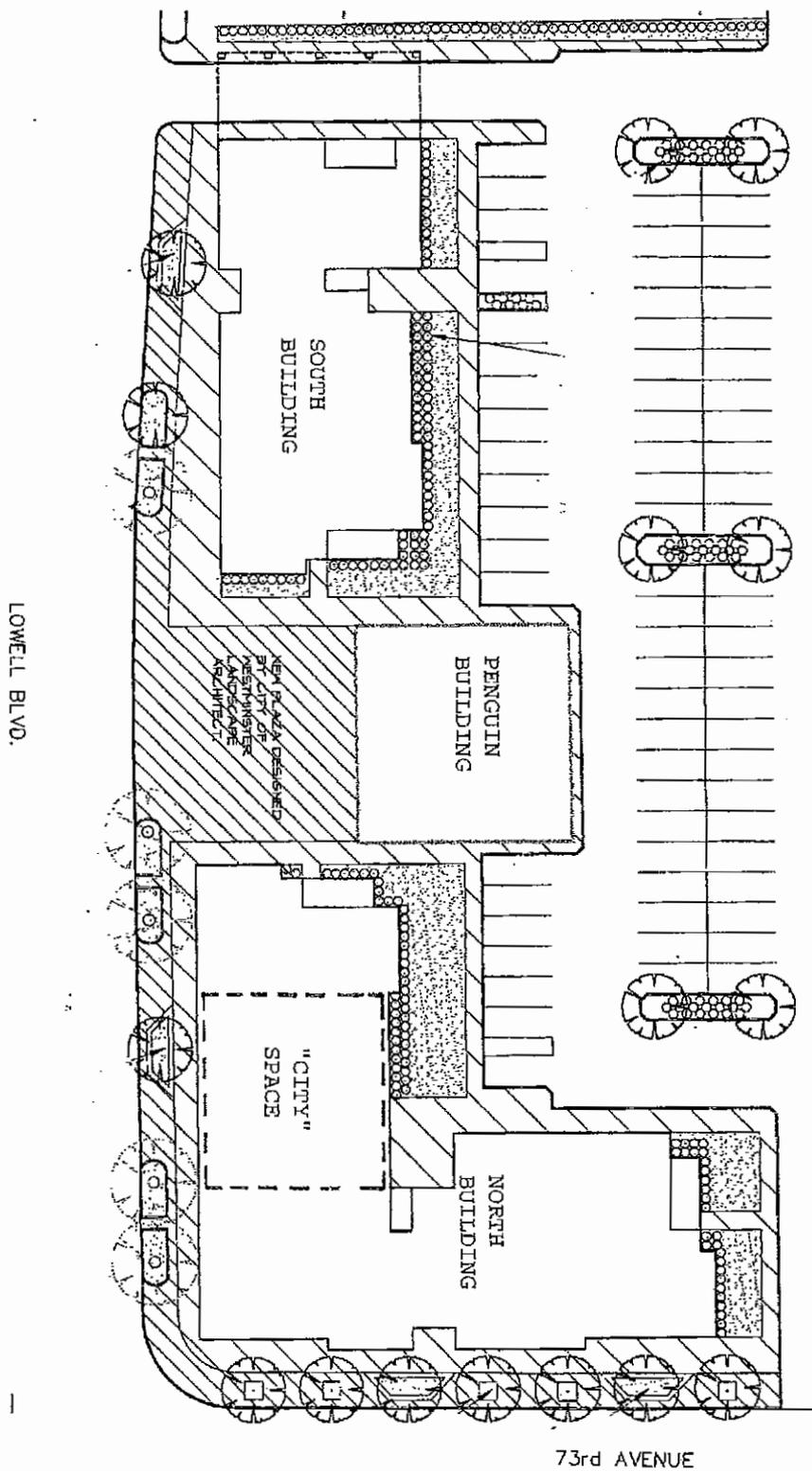


Parcels to be place under Purchase & Sale Agreements



EXHIBIT "E"

General Location of Commercial Space to be Designated to City



WHA Agenda Item 3 B

Agenda Memorandum

Westminster Housing Authority Meeting
May 14, 2012



SUBJECT: Resolution No. 46 re Accepting the Assignment of \$5,056,803 of Private Activity Bond Allocation from the City of Westminster

Prepared By: Signy Mikita, Community Development Program Planner

Recommended Board Action

Adopt Resolution No. 46 accepting the assignment from the City of Westminster of \$5,056,803 of private activity bond allocation for 2012 for the qualified purposes set forth in the assignment, and authorize the Chair to execute the necessary documents.

Summary Statement

- The City of Westminster's 2012 private activity bond (PAB) allocation is \$5,056,803. The City has assigned the entire \$5,056,803 of this allocation to the Westminster Housing Authority.
- Renaissance, LLLP, has applied to the Westminster Housing Authority for the use of this PAB cap in order to finance the construction of a mixed use project located in the southwest corner of 73rd Avenue and Lowell Boulevard to include up to 49 affordable residential units and 7,700 square feet of commercial space, currently known as Lowell Plaza. The PAB allocation can be used for the residential portion of this project.
- The attached Resolution has been reviewed and approved by the Authority Attorney's Office and is ready for the Board of Commissioners' formal action. This Resolution will accept the PAB allocation from the City.

Expenditure Required: \$ 0

Source of Funds: N/A

Policy Issue

Should the Authority accept the assignment of the City's 2012 private activity bond?

Alternative

Take no action and refuse to accept the assignment. This option is not recommended as the Westminster Housing Authority needs the assignment for the Lowell Plaza project in order to finance the redevelopment of the site and help the revitalization of south Westminster.

Background Information

City Staff has been working with Renaissance, LLLP, to redevelop the southwest corner of 73rd Avenue and Lowell Boulevard since 2011 as part of the overall South Westminster Revitalization Program. Renaissance, LLLP, has submitted plans to develop a mixed use project that would include up to 49 affordable residential units and 7,700 square feet of commercial space, currently known as the Lowell Plaza redevelopment project. Renaissance is requesting the City's full 2012 PAB allocation of \$5,056,803. Renaissance is also requesting up to an additional \$1 million of the 2011 PAB assigned to Westminster Commons be redirected to Lowell Plaza, as Westminster Commons has approximately \$2 million in excess PAB cap. City Staff reviewed this project with City Council on April 16, 2012.

Therefore, the Authority is in need of this PAB capacity assigned by the City. Upon receipt of the assignment, the Authority will make this financing option available to Renaissance, LLLP, who would undertake the construction of the project .

Respectfully submitted,

J. Brent McFall
Executive Director

Attachments

- Resolution
- Assignment of Allocation

WESTMINSTER HOUSING AUTHORITY

RESOLUTION NO. **46**

INTRODUCED BY BOARD MEMBERS

SERIES OF 2012

**A RESOLUTION AUTHORIZING THE ACCEPTANCE OF THE ASSIGNMENT
OF \$5,056,803 OF THE CITY OF WESTMINSTER'S PRIVATE ACTIVITY
BOND ALLOCATION FOR 2012 BY THE AUTHORITY**

WHEREAS, pursuant to the Private Activity Bond Ceiling Act, constituting Title 24, Article 32, Part 17, Colorado Revised Statutes (the "Allocation Act"), the City of Westminster, Colorado (the "City") has received a direct allocation of the State of Colorado's Private Activity Bond Ceiling in the amount of \$5,056,803 (the "2012 Allocation"); and

WHEREAS, the Westminster Housing Authority (the "Authority") has requested that the City assign the 2012 Allocation to the Authority pursuant to Section 24-32-1706 of the Allocation Act to be used to issue bonds to finance the construction of a residential rental multi-family housing project to be located in the City (the "Project"); and

WHEREAS, the Authority desires to accept the assignment of the 2012 Allocation by the City; and

WHEREAS, there has been presented to the Board of Commissioners (the "Board") the form of an Assignment of Allocation (the "Assignment").

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE WESTMINSTER HOUSING AUTHORITY:

Section 1. The Authority hereby accepts the attached assignment of the 2012 Allocation by the City for use solely in connection with the financing of the Project.

Section 2. The form, terms and provisions of the Assignment hereby are approved and the officers of the Authority hereby are authorized and directed to execute and deliver the Assignment, with such changes therein as are approved by the officers of the Authority executing the Assignment. The execution of the Assignment shall be conclusive evidence of the approval by the Authority of such document in accordance with the terms hereof.

Section 3. The officers of the Authority shall take such other steps or actions necessary or reasonably required to carry out the terms and intent of this Resolution and the Assignment, including making a determination to treat all or any portion of the assignment set forth herein as an allocation for a project with a carryforward purpose pursuant to Section 24-32-1706(3)(c), C.R.S.

Section 4. If any section, paragraph, clause or provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this Resolution.

Section 5. All action not inconsistent with the provisions of this Resolution heretofore taken by the Board and the officers of the Authority directed toward the assignment of the 2012 Allocation and the authorization of the Assignment hereby are ratified, approved and confirmed.

Section 6. This Resolution shall be in full force and effect upon its passage and adoption.

PASSED AND ADOPTED this 14th day of May, 2012.

ATTEST:

Chair

APPROVED AS TO LEGAL FORM:

Secretary

Attorney for the Authority

ASSIGNMENT OF ALLOCATION

THIS ASSIGNMENT (the "Assignment") dated this 14th day of May, 2012, is between the City of Westminster, Colorado, a home rule municipality (the "Assignor"), and the Westminster Housing Authority, Colorado, a body corporate and politic (the "Assignee").

RECITALS

A. The Assignee intends to finance a project consisting of the construction of a residential rental multi-family housing project to be located in the City of Westminster, Colorado (the "Project"). The Project will be designed to qualify as a "project" within the meaning of Title 29, Article 4, Part 2, Colorado Revised Statutes, as amended (the "Act").

B. The Assignee intends to provide for the issuance of its Multi-family Housing Revenue Bonds in the maximum aggregate principal amount of \$5,056,803 (the "Proposed Bonds"), pursuant to the provisions of the Act for the purpose of financing the Project.

C. The Assignee, pursuant to a resolution adopted by the Board of Commissioners of the Assignee on May 14, 2012, declared its intention to take all steps necessary or advisable to effect the issuance of the Proposed Bonds for the financing of the Project.

D. The Assignee has requested that the Assignor assign to the Assignee \$5,056,803 of the Assignor's 2012 allocation under the bond ceiling for the State of Colorado and its issuing authorities (the "State Ceiling") computed under Section 146(d) of the Internal Revenue Code of 1986 (the "Code") as provided for the Assignor as a "designated local issuing authority" under part 17 of article 32 of title 24, Colorado Revised Statutes (the "Allocation Act"), for use in connection with the financing of the Project.

E. Subject to the terms and conditions set forth herein, the Assignor desires to assign to the Assignee, and the Assignee desires to accept, \$5,056,803 of the Assignor's 2012 allocation from the State Ceiling, which allocation the Assignor has committed and reserved for the Project.

ASSIGNMENT

In exchange for the agreements set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. The Assignor hereby assigns and transfers to the Assignee, the Assignor's 2012 allocation from the State Ceiling for private activity bonds in an amount equal to \$5,056,803 for the purpose of issuing the Proposed Bonds to finance the Project. The Assignor and the Assignee understand that such assigned allocation shall automatically be relinquished to the "Statewide Balance" as defined under the Allocation Act unless (a) the Proposed Bonds are issued by the Assignee on or before September 15, 2012, or (b) Section 24-32-1706(3)(c), C.R.S., applies.

2. The Assignor represents that it has received no monetary consideration for the assignment set forth above.

3. The Assignee hereby:

a. accepts the assignment of \$5,056,803 of the Assignor's allocation from the State Ceiling described above; and

b. agrees to abide by each of the terms and conditions of this Assignment in connection with the use of such allocation.

4. The Assignor hereby consents to the election by the Assignee, if the Assignee in its discretion so decides, to treat all or any portion of the assignment set forth herein as an allocation for a project with a carryforward purpose.

5. This Assignment shall not constitute the debt or indebtedness or financial obligation of the Assignor within the meaning of the constitution or statutes of the State of Colorado nor give rise to a pecuniary liability or charge against the general credit or taxing power of the Assignor.

IN WITNESS WHEREOF, the Assignor and the Assignee have caused this instrument to be executed to be effective as of the date and year first written above.

CITY OF WESTMINSTER, COLORADO, as
Assignor

By: _____
Mayor

[SEAL]

ATTEST:

City Clerk

WESTMINSTER HOUSING AUTHORITY, as
Assignee

Chair

(SEAL)

ATTEST:

Secretary