



**Town of Frederick
Urban Renewal Authority**

Frederick Town Hall
401 Locust Street
Tuesday, February 20, 2024

6:00 P.M.

Call to Order – Roll Call:

Approval of Agenda:

Public Comment: This portion of the agenda is provided to allow members of the audience to provide comments to the Urban Renewal Authority. Please sign in and the Chair will call you. If your comments or concerns require an action, that item(s) will need to be placed on a later agenda. Please limit the time of your comments to three (3) minutes.

Consent Agenda:

- A. December 12, 2024 Minutes – Kelly Green, Interim Assistant Secretary

Action Agenda:

- B. Resolution 24-FURA-01 A Resolution of the Frederick Urban Renewal Authority Approving a Disposition and Development Agreement Between the Frederick Urban Renewal Authority and Las Palmeras Restaurant, Inc. – Max Daffron, Economic Development Manager

Executive Session:

Executive Session: For the purpose of determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and/or instructing negotiators under C.R.S. Section 24-6-402(4)(e)(1) regarding Meadowlark Business Park.

Adjournment:

Microsoft Teams meeting

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Town of Frederick Urban Renewal Authority

Meeting Minutes

Frederick Town Hall, 401 Locust Street

December 12, 2023

Call to Order: At 6:03 pm Chairperson Crites called the meeting to order and requested roll call.

Roll Call: Present: Chairperson Crites, Vice Chair March, Commissioner Padia, Commissioner teVelde, Commissioner Brown, Commissioner Lamach, and Commissioner Buck.

Also Present: Town Manager Bryan Ostler, Assistant Town Manager Ryan Johnson, Deputy Town Manager Jason Leslie, Attorney Paul Benedetti.

Approval of Agenda:

Public Comment:

Consent Agenda:

November 14, 2023, Minutes

Motion by Commissioner Lamach and seconded by Vice Chair March to approve the Consent Agenda.

Upon roll call vote, motion passed unanimously.

Action Agenda:

Resolution 23-FURA-03 Acknowledging Receipt of the FY 2024 Budget: Deputy Town Manager Jason Leslie presented. Motion by Vice Chair March and seconded by Commissioner Brown to approve resolution 23-FURA-03.

Upon roll call vote, motion passed unanimously.

Resolution 23-FURA-04 Approving the Frederick Urban Renewal Authority 2024 Fiscal Year Budget: Deputy Town Manager Jason Leslie presented. Motion by Vice Chair March and seconded by Commissioner Lamach to approve resolution 23-FURA-04.

Upon roll call vote, motion passed unanimously.

Executive Session:

Executive Session: For the purpose of determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and/or instructing negotiators under C.R.S. Section 24-6-402(4)(e)(1) regarding potential restaurant user and CDOT.

At 6:10 p.m. motion by Commissioner Brown and seconded by Vice Chair March to move into executive session.

Built on What Matters.

Upon roll call vote, motion passed unanimously.

Adjournment:

There being no further business of the Frederick Urban Renewal Authority Chairperson Crites adjourned the meeting at 6:59 pm.

Approved by the Frederick Urban Renewal
Authority:

ATTEST:

Tracie Crites, Chairperson

Kelly Green, Interim Assistant Secretary



FREDERICK Urban Renewal Authority Action Memorandum

Tracie Crites, Chair

Dan March, Authority Member
Kevin Brown, Authority Member
Windi Padia, Authority Member
Renata Stemp, Authority Member
Chad teVelde, Authority Member

Perry Buck, Authority Member
Chris Vigil, Authority Member
Geno Lechuga, Authority Member
Adam Mahan, Authority Member

Disposition and Development Agreement between the Frederick Urban Renewal Authority and Las Palmeras Restaurant, Inc.

Agenda Date: Urban Renewal Authority Meeting – February 20, 2024

Attachments:

- a. Resolution 24-FURA-01
- b. Disposition and Development Agreement
- c. Legal Notice Affidavit

Finance Review: *Kurtis Adams*
Finance Director

Submitted by: Maxwell Daffron
Economic Development Manager

Approved for Presentation: Bryan Ostler
Executive Director

Quasi-Judicial Legislative Administrative

Strategic Plan Alignment:



Community and Economic Vitality

- 2.2 Continue implementing our retail attraction strategy to target regional destination opportunities, traditional and non-traditional grocers, and sit-down dining establishments.

Summary Statement:

This request is for approval of a proposed Disposition and Development Agreement, as finalized by Legal Counsel and in substantially the same form as attached. This request is based on the previous

direction of the Frederick Urban Renewal Authority that this project is in harmony with the goals and objectives of the adopted Strategic Plan and the Former Public Works Building Urban Renewal Plan.

Background:

On November 30, 2021, The Frederick Urban Renewal Authority (FURA) received an unsolicited communication from Las Palmeras Restaurants, Inc. which expressed interest in locating a flagship restaurant, Las Palmeras, on the former Public Works Site located in the Halleck Subdivision Second Filing, Lots 1 & 2. To satisfy the statutory requirements regarding the disposition of property, FURA published a Request for Proposals with the Longmont Times Call for two weeks' time beginning December 21, 2022. During this process, FURA received notice from one interested party, Las Palmeras Restaurant. The proposed development includes a 4,000sf family restaurant with a proposed rooftop deck. There have been several significant developments since the original letter was received by FURA on November 30, 2021. FURA previously provided guidance to Staff regarding negotiating a potential deal for this site. Several relevant deal points in the agreement are listed below:

- Language to formalize the inclusion of the single (1) share of Colorado Big Thompson (CBT) water. This share was tied to the existing site and is not coming from the Town water bank.
- Language to formalize the inclusion of a credit for the 3/4" water tap that is tied to the site.
- Requirements that the Developer must obtain Town approval for their design of their restaurant.
- A detailed schedule of performance to ensure that the Developer completes the construction of their facility in a timely manner.
- Detailed remedy should the Authority or Developer need to terminate the agreement.
- Provisions for FURA to regain control of the property if the project does not come to fruition.

Legal Considerations:

The proposed Disposition and Development Agreement was drafted by FURA's Legal Counsel and is currently under final review by the Developer's Legal Counsel.

Alternatives/Options:

The Authority could choose to direct Staff to make changes to the proposed agreement. Staff have provided updates throughout this process and structured the agreement consistent with feedback provided during those updates. If the Authority desires to direct Staff to make changes, those changes would need to be reviewed by Las Palmeras prior to bringing back a final agreement for your consideration. This would potentially impact some scheduling related to the schedule of performance. For this reason, this alternative is not recommended.

The Authority could choose to deny this agreement at this time and end negotiations with Las Palmeras. Staff believe this agreement is reflective of previous direction provided to Staff and have taken that into consideration when drafting the agreement. Should the Authority direct Staff to cease negotiations, Staff could reissue a new request for proposals for the development of the property. However, since this project use was previously identified by FURA as a desired development option, Staff does not recommend this action.

Financial Considerations:

At present, this proposed land is vacant and possessed by the Urban Renewal Authority and therefore, is not generating any tax increment revenue for the Town or the Authority. This project contemplates transferring the ownership of the property to Las Palmeras, an entity that will pay property taxes and generate sales tax for the Town. Additionally, the schedule of performance ensures that a development will be completed in a timely fashion, which is advantageous to the Town as a developer would not have the ability to purchase it for land banking purposes. If the Developer fails to perform, FURA has the ability to repossess the property for redevelopment.

Executive Director Recommendation:

Adopt Resolution 24-FURA-01 approving the Disposition and Development Agreement as finalized by Legal Counsel and in substantially the same form as attached. If any changes occur between the publishing of this packet and the FURA meeting on February 20th, Staff will communicate those changes accordingly as early as practicable.

**FREDERICK URBAN RENEWAL AUTHORITY
RESOLUTION NO. 24-FURA-01**

**A RESOLUTION OF THE FREDERICK URBAN RENEWAL AUTHORITY APPROVING A DISPOSITION AND
DEVELOPMENT AGREEMENT BETWEEN THE FREDERICK URBAN RENEWAL AUTHORITY AND LAS
PALMERAS RESTAURANT, INC.**

WHEREAS, The Town of Frederick approved the Urban Renewal Plan for the Former Public Works Building Urban Renewal Plan in Resolution No. 15-R-26; and

WHEREAS, Las Palmeras Restaurant, Inc. desires to develop a sit-down family-oriented restaurant consistent with the goals and objectives identified in the Urban Renewal Plan; and

WHEREAS, The Town of Frederick Strategic Plan section 2.2 details the execution of a retail strategy that contemplates targeting destination opportunities, traditional and non-traditional grocers, and sit-down dining establishments; and

WHEREAS, the proposed Development Plan is consistent with the requirements and goals of the Town and the Authority, including the Plan.

WHEREAS, The Frederick Urban Renewal Authority believes the Disposition and Development Agreement is in the best interests of the Urban Renewal Plan; and

WHEREAS, Legal Counsel for the Authority has reviewed and approved the proposed agreement in substantially the same form as attached.

NOW THEREFORE, BE IT RESOLVED by the Commission of the Frederick Urban Renewal Authority:

Section 1. The Frederick Urban Renewal Authority approves the Disposition and Development Agreement subject to finalization by Legal Counsel in substantially the same form as attached.

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 resolution nor revive any resolution thereby.

Section 4. Certification. The Secretary 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.

Section 5. The Chair or designee is authorized to execute the agreement.

INTRODUCED, READ, PASSED, AND ADOPTED THIS 20th DAY OF FEBRUARY, 2024.

ATTEST:

FREDERICK URBAN RENEWAL AUTHORITY

By _____

By _____

Kelly Green, Interim Assistant Secretary

Tracie Crites, Chair

AGREEMENT FOR DISPOSITION AND DEVELOPMENT

1.0 PARTIES. The parties to this Disposition and Development Agreement (the “Agreement”) dated as of _____, 2024, are the FREDERICK URBAN RENEWAL AUTHORITY, a body corporate and politic of the State of Colorado (the “Authority”) and LAS PALMERAS RESTAURANT, INC., a Colorado corporation (the “Developer”). The Authority and Developer are sometimes referred to individually herein as a “Party” and collectively as the “Parties.”

2.0 RECITALS. The Recitals to the Agreement are incorporated herein by this reference as though fully set forth in the body of this Agreement.

2.1 Definitions and Exhibits. Unless otherwise stated, initialized or capitalized, phrases, terms, and words are defined in Section 4.0 of this Agreement. The following exhibits attached to this Agreement are incorporated in and made a part of this Agreement.

Exhibit A. Legal Description of the Property.

Exhibit B. Development Plan.

Exhibit C. Schedule of Performance.

Exhibit D. Quit Claim Deed.

Exhibit E. Certificate of Completion.

2.2 The Urban Renewal Plan. the Trustees of the Town approved, and the Authority is carrying out the “Former Town Public Works Building Urban Renewal Plan” (the “Plan”) in the area (the “Urban Renewal Area”) described in the Plan. The Plan is being carried out by the Authority in cooperation with the Town and in furtherance of the objectives of the Colorado Urban Renewal Law (the “Act”).

2.3 Redevelopment Proposal. In response to a published Request for Proposals seeking competitive proposals for redevelopment of the Property, the Developer has submitted a proposal to redevelop the Property, which proposal is hereby accepted by the Authority subject to the terms and conditions of this Agreement. The Developer’s motivation to acquire the Property and submission of its proposal for redevelopment are directly related to inclusion of the Property within the Urban Renewal Area. All actions by the Parties related to changes in zoning, land use, platting, design and installation of public improvements (including utilities), agreements with the Town required to carry out the Development Plan, the financing obligations of the Parties, and all other activities and undertakings described in this Agreement and related agreements with the Town and other entities are intended to carry out the Urban Renewal Project in accordance with the Act and the Plan.

2.4 Fair Value. The covenants, conditions, and restrictions assumed by the Developer under this Agreement are in the public interest and consistent with the requirements of Section 31-25-106 of the Act for the sale and disposition of the Property for fair value.

3.0 TERMS AND CONDITIONS. In consideration of the mutual covenants and promises of the Parties contained herein, and other valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties agree as set forth in this Agreement.

4.0 DEFINITIONS. Unless a different meaning clearly appears from the context, the following definitions apply to capitalized terms in this Agreement.

“Act” means the Colorado Urban Renewal Law, Part 1 of Article 25 of Title 31 of the Colorado Revised Statutes.

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

“Authority” means the Party identified in Section 1.0, and its successors and assigns.

“Certificate of Completion” means the certificate described in Section 9.3 and attached as Exhibit E.

“Certificate of Occupancy” shall have the same meaning as set forth in the Town Code.

“Closing” means the closing of the sale and transfer of the Property by the Authority to the Developer pursuant to this Agreement.

“Commence Construction” and “Commencement of Construction” mean the obtaining by the Developer of a building, excavation, grading or similar permit for the construction of any portion of the Improvements, installation of of a permanent required construction element, such as a caisson, footing, foundation or wall, and diligent prosecution of physical construction operations on the Property in a manner necessary to Complete Construction of the Improvements.

“Complete Construction” and “Completion of Construction” mean (a) for the private improvements, the issuance of a Certificate of Occupancy by the Town so that the restaurant described in such certificate may open for permanent occupancy and operation; (b) for any public improvements, construction acceptance by the Town (or other entity having jurisdiction), subject to punch list items and conditions of maintenance and warranty required by the Town.

“Deed” means the quit claim deed described in Section 7.8 and attached as Exhibit D.

“Default” means an event of default described in Sections 13.0 through 13.8.

“Design Development Documents” means the documents required for design and construction of the Improvements as described in Sections 9.0 and 9.1.

“Developer” means the Party identified in Section 1.0 and its successors and assigns as may be permitted hereunder.

“Developer Financing” means the financing for construction of the Improvements described in Section 8.0.

“Development Plan” means, as a necessary part of the Urban Renewal Project, the concept for redevelopment of the Property and construction of the Improvements described in Exhibit B.

“Environmental Conditions” means the soils and environmental condition of the Property described in Section 7.1 that the Developer accepts as part of the fair value of the Property.

“Improvements” means all improvements that the Developer is required to construct under this Agreement.

“Mortgage” means and includes a deed of trust or other instrument creating an encumbrance or lien upon the Property and the Improvements as part of the Developer Financing.

“Party and “Parties” means individually, the Authority or the Developer or collectively, both and their lawful successors and assigns.

“Plan” and “Urban Renewal Plan” mean the urban renewal plan described in Section 2.2.

“Property” means the real property described in Exhibit A.

“Schedule of Performance” means Exhibit C, the schedule that governs the times for performance by the Parties.

“Title Company” means the title insurance company selected by the Developer.

“Town” means the Town of Frederick, a municipal corporation.

“Town Code” means all Town land use, design, and building codes that govern the planning, land use, design, and building requirements applicable to the Improvements.

“Urban Renewal Area” means the area described in the Plan.

“Urban Renewal Project” shall have the same meaning as described in the Act and the Plan. All activities and undertakings pursuant to this Agreement are part of and in furtherance of the Urban Renewal Project.

5.0 PURPOSE. This Agreement is part of the Urban Renewal Project contemplated by the Act and the Plan and may be submitted to the Weld County Assessor by the Authority as evidence of a direct relationship between the Authority's redevelopment efforts and the receipt of property tax allocation revenues described in Section 31-25-107(9) of the Act. The purpose of this Agreement is to: (a) combat, prevent, and eliminate conditions of blight in the Urban Renewal Area and otherwise implement and further the purposes of the Act and the Plan; (b) sell and dispose of the Property to the Developer for fair value as required by the Act by the imposition and assumption of covenants, conditions, and obligations set forth in the Agreement; (c) develop, construct, preserve, and improve the aesthetic quality of public and private improvements in the Urban Renewal Area as part of the undertakings and activities required to carry out the Urban Renewal Project; (d) afford maximum opportunity, consistent with the sound needs of the Town as a whole, for the rehabilitation or redevelopment of the Urban Renewal Area by private enterprise; and (e) promote redevelopment of the Property by facilitating the construction of the Improvements. Such Improvements are expected to further the purposes and goals of the Plan and Urban Renewal Project.

6.0 CONDITIONS PRECEDENT. The respective obligations of the Parties under this Agreement are conditioned upon the following events, which, unless a different date is specified for a particular condition, must be satisfied or waived by the date for each event set forth in the Schedule of Performance. It is the understanding of the Parties that the Agreement may be terminated in accordance with Sections 6.5 and 6.6 if such conditions are not satisfied or waived by any Party specified in Sections 6.1 through 6.4.

6.1 Title to the Property. Title to the Property must be satisfactory to the Developer on or before the time specified in Exhibit C or either Party may terminate the Agreement.

6.2 Soils and Environmental Conditions. The Developer determines, in its sole, subjective discretion, pursuant to soils or environmental tests secured by the Developer within the time specified in Exhibit C, that soils or Environmental Conditions on the Property are satisfactory to carry out the Development Plan or either Party may terminate the Agreement.

6.3 Approval of Design Development Documents. The Developer must obtain the approval of the Design Development Documents by the Authority and the Town by the date specified in Exhibit C or either Party may terminate the Agreement.

6.4 Developer Financing. The Developer must obtain the Developer Financing and the Authority must approve the Developer Financing by the date specified in Exhibit C or either Party may terminate the Agreement.

6.5 Failure of Conditions. If the foregoing conditions precedent have not been satisfied or waived in writing on or before the respective dates listed for each event in the Schedule of Performance, the Party or Parties designated in Sections 6.1 through 6.4 may terminate this Agreement by giving written notice to the other. Thereafter this Agreement will terminate and

become null and void within thirty (30) days after receipt of such notice of termination unless the Parties have otherwise agreed in writing.

6.6 Effect of Termination. If this Agreement is terminated pursuant to Section 6.5, each Party shall pay its own costs and expenses related to this Agreement, and this Agreement shall be null and void and of no effect, and no action, claim or demand may be based on any term or provision of this Agreement. In addition, the Parties agree to execute a mutual release or other instruments reasonably required to effectuate and give notice of such termination.

7.0 DISPOSITION OF THE PROPERTY. At the time specified for the closing (the “Closing”) in the Schedule of Performance and subject to the terms, covenants and conditions of the Agreement, the Authority shall convey the Property to the Developer in consideration of payment of One Hundred Dollars (\$100) to the Authority and the uses, restrictions, covenants, conditions, and obligations assumed by the Developer under this Agreement, which collectively constitutes the fair value of the Property as hereby determined by the Authority in accordance with the Act.

7.1 Condition of Property; “AS-IS” Nature of Sale. The buildings, if any, that formerly existed on the Property have been demolished and no demolition and clearance shall be required of the Authority. The Authority is not responsible for the surface or subsurface condition (including fill material) of the Property. The Developer shall have the opportunity to inspect the Property and shall rely on its own investigation of the Property as to the following matters: physical condition, title matters, survey matters, zoning, building requirements, availability of utilities, governmental regulations and policies, and any other matters regarding the Property. The Authority makes no representation or warranty with respect to any of the foregoing or to the suitability of the Property for Developer’s intended use. The Authority makes no representation or warranty with respect to the deposit or existence of any “Hazardous Substances,” “Hazardous Materials,” “Toxic Substances,” or “Solid Waste” (as defined in any applicable federal or state law or regulation) in or upon the Property (collectively, “Environmental Conditions”). The Developer further acknowledges and agrees that to the maximum extent permitted by law, the sale and transfer of the Property is made on an “AS IS” CONDITION AND BASIS WITH ALL FAULTS. The Developer and anyone claiming by, through, or under Developer hereby fully and irrevocably releases the Authority, the Town, their Commissioners, Trustees, employees, representatives, and agents from any and all claims that the Developer may now have or hereafter acquire against any of the foregoing parties for any cost, loss, liability, damage, expense, claim, demand, action, or cause of action arising from or related to any defects, errors, omissions or other conditions, including environmental matters, affecting the Property or any portion thereof. It is understood and agreed that the fair value consideration for conveyance of the Property as set forth in the Act and this Agreement has been adjusted by prior negotiation to reflect that the entire Property is sold and conveyed by the Authority and purchased by the Developer subject to the foregoing provisions.

7.2 Zoning, Platting, and Dedications. The following undertakings and activities are necessary to carry out the Urban Renewal Project. The Property is currently zoned to accommodate the development and construction of the Improvements and uses contemplated hereunder in

accordance with the Schedule of Performance. The Parties covenant and agree that they will not seek any zoning changes that interfere with such construction or otherwise preclude construction of the Improvements. The Authority is not requiring the Developer to plat, replat, or subdivide the Property, but if the Town requires such action to carry out this Agreement, the Developer with the support and cooperation of the Authority, shall plat, replat, and subdivide all or a portion of the Property, as determined by the Town. The Developer shall dedicate, as appropriate, all easements and rights of way required to properly carry out the Development Plan. The Authority shall dedicate as appropriate all easements and rights of way for the above stated purposes with respect to any property owned by the Authority. Developer shall timely apply for and use reasonable efforts to procure all required approvals and permits for the development and construction of the Improvements.

7.3 Utility Service. The Town will provide an existing $\frac{3}{4}$ inch water tap and one (1) unit of Colorado Big Thompson water to the Developer. The Developer shall have responsibility for designing, relocating and constructing all utility facilities and lines within the Property or to otherwise provide or to assume responsibility for securing from public utilities all utility service reasonably required to construct and service the Improvements. The Authority believes that utilities are present in streets and rights of way adjacent to the Property and are adequate to accommodate the Improvements. The Developer will request, receive and tender to the Authority written confirmations from the Town and all appropriate public utility companies including, without limitation, water, sewer, gas, electric, telephone and storm sewer, that such facilities are available within the time provided in the Schedule of Performance for Closing and delivery of the Deed.

7.4 Access to Property. The Authority shall permit representatives of the Developer to have access to any part of the Property at all reasonable times for the purpose of obtaining data and making and all tests and surveys, including a land survey, soils tests, environmental tests and surveys, necessary for Developer to carry out the Agreement and Complete Construction of the Improvements. After the Closing and prior to issuance of the Certificate of Completion, the Developer shall permit representatives of the Authority and the Town access to the Property and the Improvements at all reasonable times that they deem necessary for the purpose of carrying out or determining compliance with the Agreement, the Urban Renewal Plan, and any Town Code or law, including, without limitation, inspection of any work being conducted on the Property. No compensation shall be payable to the Parties, nor shall any charge be made in any form by any Party for the access provided in this section. A Party entering upon the Property pursuant to this section shall restore the Property to its condition prior to any tests or inspections made by such Party and shall indemnify and hold harmless the Party owning the affected part of the Property for any loss or damage or claim for loss or damage (including reasonable legal fees) resulting from any such entrance, tests and surveys. Until Completion of Construction, the Developer shall not permit any liens to attach to the Property and shall release or bond over any such lien within twenty (20) days of the filing thereof.

7.5 Soils and Environmental Tests. As between the Parties and in accordance with Section 7.1, the Developer is responsible for compliance with all soils and environmental

conditions as they apply to the Property. Within the times specified in the Schedule of Performance, the Developer shall complete all soils and environmental tests on the Property as it or its lenders may desire or require in connection with the Agreement. Copies of all soils reports and environmental surveys obtained on the Property shall be provided without charge to the Authority by the Developer within ten (10) days after receipt.

7.6 Title Insurance and Land Survey. On or before the time specified in Exhibit C, for approval of title to the Property, the Developer shall be responsible for obtaining (at Developer's expense) such title insurance from the Title Company it selects and any land survey from a registered land surveyor it may select that it or its lenders and investors may require. Any survey certificate obtained by the Developer shall name the Authority as a beneficiary thereof. The Authority agrees to provide copies of any title evidence and surveys it may have in its files but is not responsible for the state of title to the Property or any matters that may be revealed by a land survey. Within then (10) days after it receives copies, the Developer shall provide the Authority with copies of all title insurance commitments and surveys it elects to obtain without charge to the Authority.

7.7 Closing. Unless this Agreement is terminated in accordance with Sections 6.5 and 6.6 for any of the reasons listed in Sections 6.1 through 6.4, at the time specified for the Closing in the Schedule of Performance and subject to the terms, covenants and conditions of the Agreement, the Authority shall convey the Property to the Developer in consideration of payment of One Hundred Dollars (\$100) to the Authority and the uses, restrictions, covenants, conditions, and obligations assumed by the Developer, which collectively constitutes the fair value of the Property as hereby determined by the Authority in accordance with the Act.

7.8 Form of Deed; Condition of Title. At the Closing, title to the Property will be conveyed by the Authority to the Developer by quit claim deed in the form attached as Exhibit D (the "Deed"). Such conveyance shall be AS Is with all faults. Such conveyance shall be subject to the condition subsequent required by Section 13.5, and to all other conditions, covenants and restrictions set forth or referred to elsewhere in the Agreement.

7.9 Time and Place of Closing; Costs. The Closing shall take place at the time specified in the Schedule of Performance or upon such earlier date as the Parties may agree in writing. The Closing shall take place at the office of the Title Company unless the parties agree otherwise in writing, and the Developer shall pay all Closing costs, including the costs of recording documents and the state documentary fee.

7.10 Recordation. After delivery by the Authority, the Developer shall promptly cause the Title Company to record the Deed with the Clerk and Recorder for Weld County, Colorado.

7.11 Title Insurance Policies. Promptly after recordation of the Deed, the Developer shall cause the Title Company to issue an owner's policy of title insurance insuring title in the Developer. The Developer shall be responsible for all costs of title insurance commitments, policies or endorsements required by the Developer (including any owner's policy) or its

mortgagee in connection with the Developer Financing. The Developer shall provide the Authority with a copy of all title insurance policies and endorsements issued to the Developer and its mortgagees.

7.12 Special District Disclosure (Required by statute). SPECIAL TAXING DISTRICTS MAY BE SUBJECT TO GENERAL OBLIGATION INDEBTEDNESS THAT IS PAID BY REVENUES PRODUCED FROM ANNUAL TAX LEVIES ON THE TAXABLE PROPERTY WITHIN SUCH DISTRICTS. PROPERTY OWNERS IN SUCH DISTRICTS MAY BE PLACED AT RISK FOR INCREASED MILL LEVIES AND TAXES TO SUPPORT THE SERVICING OF SUCH DEBT WHERE CIRCUMSTANCES ARISE RESULTING IN THE INABILITY OF SUCH A DISTRICT TO DISCHARGE SUCH INDEBTEDNESS WITHOUT SUCH AN INCREASE IN MILL LEVIES. BUYERS SHOULD INVESTIGATE THE SPECIAL TAXING DISTRICTS IN WHICH THE PROPERTY IS LOCATED BY CONTACTING THE COUNTY TREASURER, BY REVIEWING THE CERTIFICATE OF TAXES DUE FOR THE PROPERTY, AND BY OBTAINING FURTHER INFORMATION FROM THE BOARD OF COUNTY COMMISSIONERS, THE COUNTY CLERK AND RECORDER, OR THE COUNTY ASSESSOR.

8.0 DEVELOPER FINANCING. On or before the date specified in Exhibit C, the Developer shall obtain approval of the Developer Financing by the Authority. The terms of the Developer Financing must be reasonably consistent with the requirements of this Agreement and adequate to Complete Construction of the Improvements in accordance with this Agreement. Subject to obtaining Developer Financing, the Developer represents and agrees that it has the financial and legal ability and can bear the economic risk of financing and achieving Completion of Construction of the Improvements, the costs of which are to be paid by the Developer.

9.0 DESIGN AND CONSTRUCTION OF THE IMPROVEMENTS. The Developer is responsible for obtaining and reviewing all information that the Developer deems necessary or desirable in connection with its obligations under this Agreement. The Developer agrees to construct the Improvements in accordance with this Agreement and all applicable laws, codes, and ordinances. The Developer shall have sole responsibility for the design, development and construction of the Improvements, including without limitation, design, construction, supervision, selection and supervision of any architects, engineers, and consultants.

9.1 Design Development Documents. In accordance with the Schedule of Performance, the Developer shall obtain the approval of the Authority and the Town of all Design Development Documents related to construction of the Improvements. The Design Development Documents shall be those documents and approvals necessary to Commence Construction of the Improvements described in Exhibit B. Developer shall submit the Design Development Documents to the Authority for approval, which shall not be unreasonably withheld, conditioned, or delayed. The Authority shall promptly review and respond to such approval request either with its approval of the submitted documents or with a written response detailing any deficiencies or requested changes. Following approval of the Design Development Documents, Developer may submit any such documents requiring approval by the Town and shall return to the Authority for

approval of any modifications that substantially deviate from the documents previously approved by the Authority.

9.2 Commencement of Construction. The Developer shall Commence Construction and Complete Construction of the Improvements on or before the dates specified for each in the Schedule of Performance. All such construction requirements shall conform with all applicable laws, codes, ordinances, policies, and this Agreement, including, without limitation, Section 9.4. Until Completion of Construction of the Improvements, the Developer shall make reports in such detail and at such times as may reasonably be requested by the Authority and the Town, as to actual progress of the Developer with respect to the Commencement of Construction, the progress of construction and the Completion of Construction of the Improvements.

9.3 Completion of Construction. Promptly after Completion of Construction of the Improvements and compliance with the provisions of Section 9.4 in accordance with the Agreement, the Authority will furnish the Developer a Certificate of Completion in the form attached as Exhibit E. The Certificate of Completion shall be a conclusive determination of satisfaction and termination of the agreements and covenants in the Agreement and the Deed with respect to the obligations of the Developer to construct the Improvements and the dates for the beginning and completion thereof. The Certificate of Completion shall be in such form as will enable it to be recorded among the real estate records of Weld County, Colorado. If the Authority shall refuse or fail to provide the certification in accordance with the provision of this section, the Authority shall, within thirty (30) days after written request by the Developer, provide the Developer with a written statement, indicating in what respect the Developer has failed to Complete Construction of the Improvements in accordance with the Agreement or is otherwise in Default, and what measures or acts will be necessary, in the reasonable opinion of the Authority, for the Developer to take or perform in order to obtain such certification. Approval for delivery of the Certificate of Completion shall not be unreasonably withheld.

9.4 Damage Repair. Notwithstanding any language in any agreement to the contrary, prior to Completion of Construction of the Improvements, the Developer shall repair any damage to improvements, including public improvements located outside of the boundary lines of the Property, caused by the Developer (or contractors, agents, employees, or other parties acting for or on behalf of the Developer) during construction of the Improvements, including, without limitation, damage to public streets and rights of way and to any improvements installed or owned and/or maintained by the Town or any utility or special district. Developer shall not be deemed to have achieved Completion of Construction and the Authority shall not deliver a Certificate of Completion to the Developer unless and until all such repairs have been completed and Approved by the Town and the Authority.

10.0 RESTRICTIONS ON ASSIGNMENT AND TRANSFER. Except for any Mortgage that constitutes the Developer Financing required to Complete Construction of the Improvements, prior to Completion of Construction, the Developer shall not assign all or any part of or any interest in this Agreement or the Property without the prior written approval of the Authority, which approval shall not be unreasonably withheld, conditioned or delayed. Leases of retail space in the

Improvements, if any, in the ordinary course of the business of the Developer shall not be deemed to be a transfer for the purposes hereof. For the purposes of this Agreement, transfer shall include a change in the identity of the parties in control of the Developer. The Developer shall promptly notify the Authority of any change whatsoever in the identity of the parties in control of the Developer, or the degree thereof. No voluntary or involuntary successor in interest of the Developer shall acquire any rights or powers under this Agreement except as expressly set forth herein. The provisions of this Section shall terminate upon issuance of a Certificate of Completion by the Authority. Approval of a transfer by the Authority shall not relieve the Developer of its obligations hereunder unless the Authority agrees in writing.

11.0 INSURANCE. At all times while the Developer is engaged in preliminary work on the Property or adjacent streets and during the period from the Commencement of Construction until Completion of Construction of the Improvements, the Developer shall carry and, upon request, will provide the Authority with proof of payment of premiums and certificates of insurance of comprehensive general liability insurance in terms and amounts (at least \$2,000,000) reasonably satisfactory to the Authority. All such insurance policies shall be issued by responsible companies selected by the Developer, subject to the reasonable approval of the Authority. The Developer shall deliver to the Authority, the policies or certificates evidencing or stating that such insurance is in force and effect. Each policy shall contain a provision that the insurer shall not cancel or modify it without giving written notice to the Developer and to the Authority at least thirty (30) days before the date the cancellation or modification becomes effective and shall name the Authority as an additional insured, specifying that the insurance shall be treated as primary insurance.

12.0 DEVELOPER FINANCING; LIMITATION. Except for the Developer Financing approved by the Authority and required to construct the Improvements, prior to the Completion of Construction, neither the Developer nor any successor in interest to the Property or any part thereof shall engage in any financing or any other transaction creating any Mortgage or other encumbrance or lien upon the Property, or the Improvements, whether by express agreement or operation of law, or suffer any encumbrance or lien to be made on or attached thereto, except for the purposes of obtaining funds only to the extent necessary for constructing the Improvements on the Property. Until Completion of Construction, the Developer shall notify the Authority in writing in advance of any financing and the terms and conditions it proposes to enter into with respect to the Agreement. The Developer Financing shall be subject to the written approval of the Authority after review for compliance with this Agreement. Additionally, the Developer shall promptly notify the Authority of any encumbrance or lien that has been created on or attached to the Property or the Improvements, whether by voluntary act of the Developer or otherwise. The provisions of this Section shall terminate upon issuance of a Certificate of Completion by the Authority.

12.1 Mortgagee Not Obligated to Construct. Notwithstanding any of the provisions of the Agreement, prior to Completion of Construction the holder or beneficiary (the "Holder") of any Mortgage authorized by the Agreement (including any such Holder who obtains title to the Property or the Improvements as a result of foreclosure proceedings, or action in lieu thereof, but not including any other party who thereafter obtains such title from or through such Holder or any

other purchaser at foreclosure sale) shall not be obligated by the provisions of the Agreement to construct or complete the Improvements or to guarantee such construction or completion; nor shall any covenant or any other provision in the Deed be construed to so obligate such Holder; provided, that nothing in the Agreement shall be deemed or construed to permit or authorize any such Holder to devote the Property to any other use or to construct any improvements thereon, other than those approved as part of the Development Plan and Construction Documents.

12.2 Copy of Notice of Default to Mortgagee. The Authority shall deliver a copy of any notice or demand to the Developer with respect to any claimed breach or default by the Developer under the Agreement. The Authority shall at the same time forward a copy of such notice or demand to the Holder at the last address of such Holder shown in the records of the Authority.

12.3 Mortgagee's Option to Cure Defaults. Prior to Completion of Construction, after any default referred to in Section 13.2, the Holder shall have (insofar as the rights of the Authority are concerned) the right to cure or remedy such default and to add the cost thereof to the Mortgage debt and the lien of its Mortgage; provided, that if the default is with respect to construction of the Improvements, nothing contained in the Agreement shall be deemed to permit or authorize such Holder, either before or after foreclosure or action in lieu thereof, to undertake or continue the construction or complete construction of the Improvements (beyond the extent necessary to conserve or protect the Improvements or construction already made) without first having expressly assumed the obligation to the Authority as follows: Not later than sixty (60) days after expiration of the time given the Developer by the Agreement to cure said default, the Holder shall give written notice to the Authority of its intention to undertake or continue the construction or Completion of Construction of the Improvements in accordance with the Agreement and shall undertake such work within ninety (90) days after obtaining possession of the Property through foreclosure proceedings or through a deed in lieu of foreclosure; provided, further, nothing herein shall preclude the Authority from exercising its right of re-entry pursuant to Section 13.5 if the Holder fails to diligently proceed with foreclosure proceedings or Completion of Construction of the Improvements. Any such Holder who shall properly Complete Construction of the Improvements shall be entitled, upon written request by such Holder, to a Certificate of Completion from the Authority.

12.4 Authority's Option to Pay Mortgage Debt. Following a default by the Developer (or any successor in interest) under the Agreement, where the Holder of any Mortgage on the Property:

a. Has, but does not exercise, the option to construct or complete the Improvements covered by its Mortgage or to which it has obtained title, and has not acted to protect its right to cure such Defaults in accordance herewith; or

b. Undertakes construction or Completion of Construction of the Improvements but does not complete such construction within the period agreed upon by the Authority and such Holder (which period shall in any event be at least as long as the period prescribed for Completion of Construction of the Improvements in the Agreement), and such

default shall not have been cured within sixty (60) days after written demand by the Authority to do so (or if such default cannot be cured in said period, the Holder has failed to commence to cure such default within such period), the Authority shall have (and every Mortgage instrument made prior to Completion of Construction of the Improvements by the Developer or successor in interest shall so provide) the option of paying to the Holder the amount of the Mortgage debt and securing an assignment of the Mortgage and the debt secured thereby, or, in the event ownership of the Property has vested in such Holder by way of foreclosure or action in lieu thereof, the Authority shall be entitled, at its option, to conveyance to it of the Property upon payment to such Holder of an amount equal to the sum of:

(1) The secured debt at the time of foreclosure or action in lieu thereof plus accrued interest to the date of conveyance (less all appropriate credits, including those resulting from collection, application of rental and other income received during foreclosure proceedings),

(2) All expenses with respect to the foreclosure, and

(3) The costs (if any) of the Improvements approved by the Authority and made by such Holder following default.

12.5 Authority's Option to Cure Mortgage Default. In the event of a default or breach of the Mortgage debt prior to Completion of Construction of the Improvements by the Developer or any successor in interest, or in any obligations to any Holder, the Authority may at its option cure such default or breach within sixty (60) days after the time provided in any loan document, note, or deed of trust or by law for the Developer to remedy or cure (or if such default cannot be cured in said period, the Authority shall commence to cure such default within such period), in which case the Authority shall be entitled, in addition to and without limitation upon any other rights or remedies to which it shall be entitled by the Agreement, operation of law or otherwise, to reimbursements from the Developer or successor in interest of all costs and expenses incurred by the Authority in curing such default or breach and to a lien upon the Property for such reimbursements; provided, that any such lien shall be subject always to the lien (including liens contemplated because of advances yet to be made) of any Mortgage on the Property authorized by the Agreement.

13.0 DEFAULT; REMEDIES. Default under the Agreement shall mean one or more of the following events.

13.1 Default by Developer. Default by Developer means the following.

a. The Developer, prior to Completion of Construction and in violation of this Agreement, assigns or attempts to assign this Agreement, the Improvements or any part of the Property, or any rights in the same; or

b. Prior to Completion of Construction, there is any change in either the majority ownership of the Developer or in the identity of the parties in control of the Developer that violates this Agreement; or

c. The Developer fails to Commence Construction, diligently pursue and Complete Construction of the Improvements as required by the Agreement; or

d. Prior to Completion of Construction, the Developer suffers or permits any lien, uncured default or encumbrance on the Property, or the Improvements, but a lien shall not constitute a default if Developer deposits in escrow with the Authority sufficient funds to discharge the lien; or

e. Prior to Completion of Construction, a Holder exercises any remedy provided by loan documents, law, or equity that creates a materially adverse effect on the Property or the Improvements; or

f. The Developer fails to materially observe or perform any other covenant, obligation or agreement required of it under this Agreement or to make good faith efforts to obtain the Developer Financing,

and if any such default is not cured within the time provided in Section 14.3 then the Authority may exercise any remedy available at law or equity, including damages.

13.2 Default by the Authority. Default by the Authority under the Agreement shall mean the failure of the Authority to materially observe or perform any covenant, obligation or agreement required of it under the Agreement. If any such default is not cured within the time provided in Section 13.3 then the Developer may exercise any remedy available under this Agreement.

13.3 Grace Periods. Upon a default by either Party, such Party shall, upon written notice from the other, proceed immediately to cure or remedy such default and, in any event, such default shall be cured within thirty (30) days (ninety (90) days if the default relates to the date for Completion of Construction of Improvements) after receipt of such notice, or such cure shall be commenced and diligently pursued to completion within a reasonable time if curing cannot be reasonably accomplished within thirty (30) days, or ninety (90) days if the default relates to the date for Completion of Construction of the Improvements.

13.4 Remedies on Default. Whenever any default occurs and is not cured under Section 13.3, the non-defaulting Party may take any one or more of the following actions:

a. Suspend performance under this Agreement until it receives assurances from the defaulting Party, deemed adequate by the non-defaulting Party, that the defaulting Party will cure its default and continue its performance under this Agreement.

b. Cancel and rescind the Agreement,

- c. In the case of the Authority, collect damages,
- d. In the case of the Authority, withhold the Certificate of Completion,
- e. Take whatever legal or administrative action or institute such proceedings as may be necessary or desirable in law or equity in its opinion to enforce observance or performance of this Agreement; provided, however, the sole remedies of the Developer under this Agreement shall be cancellation and rescission of the Agreement or specific performance. In no event shall the Authority be liable for damages.

13.5 Revesting Title in the Authority. If subsequent to conveyance of the Property to the Developer and prior to Completion of Construction of the Improvements as certified by the Authority, the Developer suffers or permits a default that is not cured pursuant to Section 14.3, then, in addition to any other right or remedy under the Agreement, the Authority shall have the right to terminate and re-enter and take possession of the Property and to re-vest in the Authority any estate conveyed or transferred to the Developer, it being the intent of this provision, together with other provisions of the Agreement, that the conveyance of the Property to the Developer shall be made upon, and the Deed shall contain a condition subsequent to the effect that, in the event of any such uncured default, the Authority, at this option, may declare a termination in favor of the Authority of the title, and of all rights and interest in and to the Property conveyed by the Deed to the Developer, and that such title, and all rights and interests in and to the Property, shall re-vest in the Authority; provided, that, notwithstanding anything herein to the contrary, such condition subsequent and any re-vesting of title as a result, shall always be subject to and limited by, and shall not defeat, render invalid or limit in any way (a) the lien of a Mortgage authorized and permitted by the Agreement, and (b) any rights or interests provided in the Agreement for the protection of the Holder of such Mortgage.

13.6 Delays; Waivers. Any delay by either Party in instituting or prosecuting any actions or proceedings or otherwise asserting its right under the Agreement shall not operate as a waiver of such rights or deprive it of or limit such rights in any way; nor shall any waiver in fact made by such Party with respect to any specific default by the other Party under the Agreement be considered or treated as a waiver of the rights with respect to any other defaults by the other Party under the Agreement or with respect to the particular default except to the extent specifically waived in writing. It is the intent of the Parties that this provision will enable each Party to avoid the risk of being limited in the exercise of the remedy provided in the Agreement by waiver, laches or otherwise in the exercise of such remedy at a time when it may still hope to resolve the problems created by the default involved.

13.7 Enforced Delay in Performance for Causes Beyond Control of Party. Where either party hereto is required to do any act contemplated by this Agreement but is untimely in completing such act, the time attributable directly to delays caused by an act of God, more than five (5) days of severe and adverse weather conditions preventing performance of work beyond the average number of days of adverse weather conditions typical in the region of the country where the

Property is located and the time of year during which the respective portions of the Improvements or any work contemplated hereunder are scheduled to be performed, (individually, a “Bad Weather Day”; collectively, “Bad Weather Days”), energy shortage, war, civil commotion, acts of terrorism, fire, COVID-19, epidemic, pandemic, state of emergency, government restrictions, government orders, government shutdowns, delay in governmental approvals, or other action or inaction of government authorities, strikes, disturbances, or other causes beyond any party’s reasonable control that are similar to the one of the above enumerated events (each, a “Force Majeure Event”), shall not be counted in determining the time during which such act is to be completed (i.e., deadlines shall be tolled during the duration of a Force Majeure event). Any party claiming a delay due to a Force Majeure Event shall be obligated to use commercially reasonable efforts to prevent, avoid, and/or mitigate the impacts of any such Force Majeure Event, and if unable to do so, shall advise the other Party of the circumstances supporting such claim (and corresponding mitigation efforts) within thirty (30) days after the event causing such delay. Failure by a party to timely provide notice of an event otherwise constituting a Force Majeure Event (including, without limitation, the occurrence of a Bad Weather Day) shall be deemed a waiver by such party of any claim of the existence of a Force Majeure Event arising from such event.

13.8 Rights and Remedies Cumulative. The rights and remedies of the Parties to the Agreement are cumulative, and the exercise by either Party of any one or more of such remedies shall not preclude the exercise by it, at the same or different times, of any other such remedies for any other default by any other Party.

14.0 ANTIDISCRIMINATION. The Developer, for itself and its successors and assigns, agrees that in the construction of the Improvements provided for in the Agreement and in the use and occupancy of the Property and the Improvements, the Developer will not discriminate against any employee or applicant for employment because of race, color, creed, religion, sex, disability, sexual orientation, marital status, ancestry, or national origin.

15.0 PROVISIONS NOT MERGED WITH DEED. None of the provisions of the Agreement are intended to or shall be merged by reason of any Deed transferring possession or title to the Property from the Authority to the Developer or any successor in interest, and such Deed shall not be deemed to affect or impair the provisions and covenants of the Agreement.

16.0 TITLE OF SECTIONS. Any titles of the several parts and sections of the Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

17.0 NO THIRD-PARTY BENEFICIARIES. Except for specific rights in favor of mortgagees, no third-party beneficiary rights are created in favor of any person not a Party to the Agreement.

18.0 VENUE AND APPLICABLE LAW. Any action arising out of the Agreement shall be brought in the Weld County District Court and the laws of the State of Colorado shall govern the interpretation and enforcement of the Agreement.

19.0 NONLIABILITY OF AUTHORITY OFFICIALS, AGENTS AND EMPLOYEES. No Town Trustee, board member, commissioner, official, employee, consultant, attorney or agent of the Authority or the Town shall be personally liable to the Developer under the Agreement or in the event of any default or breach by the Town or Authority or for any remedy arising under the Agreement.

20.0 AUTHORITY NOT A PARTNER. Notwithstanding any language in this Agreement or any other agreement, representation, or warranty to the contrary, the Authority shall not be deemed or constituted a partner or joint venturer of the Developer or any contractor or subcontractor performing work on the Property and the Authority shall not be responsible for any debt or liability of the Developer, or its managers or members, or such contractor or subcontractor.

21.0 INTEGRATED CONTRACT. It is intended by the parties that the Agreement is an integrated contract and that invalidation of any of its provisions by judgment or court order shall in no way affect any of the other provisions, which shall remain in full force and effect unless the parties otherwise agree to an amendment.

22.0 COUNTERPARTS. The Agreement is executed in counterparts, each of which shall constitute one and the same instrument.

23.0 NOTICES. A notice, demand, or other communication under the Agreement by any Party to the other shall be in writing and sufficiently given if delivered in person or if it is delivered by overnight courier service with guaranteed next-day delivery or by certified mail, return receipt requested, postage prepaid, and

a. in the case of the Developer, is addressed to or delivered to the Developer as follows:

Baltazar Pena, Jr.
Las Palmeras Restaurant, Inc.
199 S Main Street
Longmont, Colorado 80501

with a copy to:

Cameron A. Grant
Lyons Gaddis, P.C.
515 Kimbark Street, Suite 200
Longmont, Colorado 80501

b. in the case of the Authority, is addressed to or delivered to the Authority as follows:

Frederick Urban Renewal Authority
Attention: Executive Director
401 Locust Street
Frederick, Colorado 80530

with copies to:

Paul C. Benedetti
2730 Iliff Street
Boulder, Colorado 80305

or at such other address with respect to any Party as that Party may, from time to time, designate in writing and forward to the other as provided in this section.

24.0 GOOD FAITH OF PARTIES. In performance of the Agreement or in considering any requested extension of time or in the giving of any approval, the Parties agree that each will act in good faith and will not act unreasonably, arbitrarily, capriciously or unreasonably withhold, condition, or delay any approval required by the Agreement.

25.0 EXHIBITS MERGED. All Exhibits annexed to the Agreement shall be deemed to be expressly integrated herein.

26.0 DAYS. If the day for any performance or event provided for herein is a Saturday, Sunday or other day on which either national banks or the office of the Clerk and Recorder of Weld County, Colorado, is not open for the regular transaction of business, such day therefor shall be extended until the next day on which said banks or said office are open for the transaction of business.

27.0 FURTHER ASSURANCES. Each Party agrees to execute such documents and take such action as shall be reasonably requested by the other Party to confirm, clarify or effectuate the provisions of this Agreement.

28.0 CERTIFICATIONS. Each Party agrees to execute such documents as the other Party may reasonably request to verify or confirm the status of this Agreement and of the performance of the obligations hereunder and such other matters as the requesting Party may reasonably request.

29.0 AMENDMENTS. This Agreement shall not be amended except by written instrument. Each amendment, which shall be in writing and signed and delivered by the Parties, shall be effective to amend the provisions hereof.

30.0 MINOR CHANGES. This Agreement has been approved in substantially the form submitted to the governing bodies of the Parties. The officers executing the Agreement have been

authorized to make, and may have made, minor changes in the Agreement and the attached exhibits as they have considered necessary. So long as such changes were consistent with the intent and understanding of the Parties at the time of approval by the governing bodies, the execution of the Agreement shall constitute conclusive evidence of the approval of such changes by the respective Parties.

31.0 JOINTLY DRAFTED. The Parties acknowledge that this Agreement is the result of negotiations between the Parties and further agree that this Agreement shall not be construed or interpreted against either Party on the basis of sole or primary authority.

32.0 AUTHORITY. The persons executing this Agreement on behalf of the Parties covenant and warrant that each is fully authorized to execute this Agreement on behalf of such Party. The Authority authorizes the Executive Director of the Authority or his designee to sign and deliver any and all written approvals required by this Agreement.

33.0 NO WAIVER OF IMMUNITY. Nothing contained in this Agreement constitutes a waiver of sovereign immunity or governmental immunity by the Authority under applicable state law

IN WITNESS WHEREOF, the Parties have caused the Agreement to be duly executed as of the day first above written.

DRAFT

AUTHORITY:

FREDERICK URBAN RENEWAL AUTHORITY

ATTEST:

By: _____

Secretary

DEVELOPER:

LAS PALMERAS RESTAURANT, INC.

By: _____
Baltazar Pena, Jr., President

EXHIBIT A

Description of Property

Lot 1 and Lot 2 of Halleck Subdivision Second Filing. A replat of a portion of lots 7,8, and 9, Halleck Subdivision and a portion of Tract G, Countryside Subdivision located in the southeast quarter of section 25, township 2 north, Range 68 West of the 6th P.M., Town of Frederick, County of Weld, State of Colorado, Recorded on 09/28/2016, Record number 4240731.



EXHIBIT B

Development Plan

The improvements to be constructed on the Property are as follows:

The Improvements will consist of one commercial building, and all public improvements including parking required to meet Town Code requirements and comply with the Agreement.

The development project will include a sit-down restaurant of at least 4,000 square feet. The restaurant will include an outdoor patio and rooftop patio with seating. The restaurant will be a full-service restaurant except that drive-thru services are not permitted. In addition, the restaurant will include space for meetings or group gatherings. A concept of the proposed restaurant is shown in this exhibit as an example of the proposed development. The Developer shall comply with all applicable Town design regulations and standards.

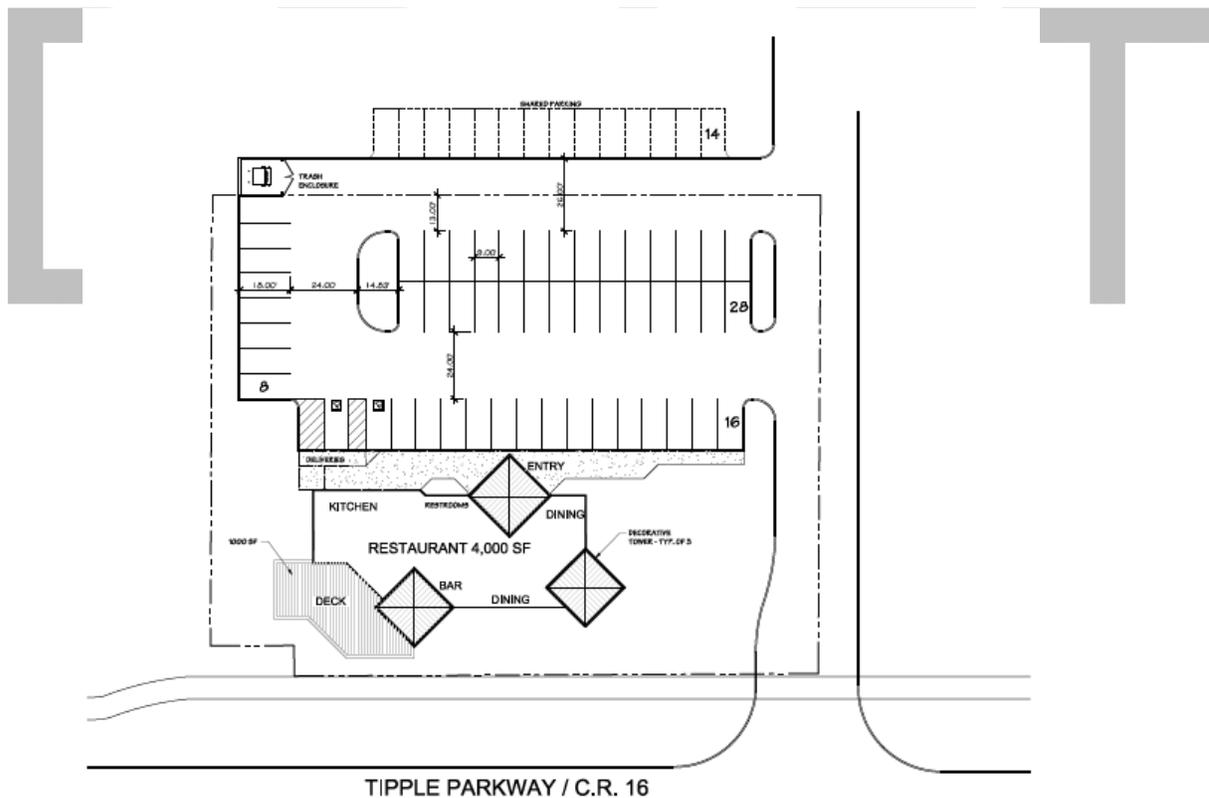


EXHIBIT C

Schedule of Performance

No.	Item/Event	Date
1.	Developer approves title to and soils and environmental condition of the Property (“Title Approval Deadline”)	On or before March 31, 2024
2.	Developer obtains all approvals of Design Development Documents from Authority (“Authority DDD Approval”)	Within 120 days following Title Approval Deadline.
3.	Developer obtains Authority approval of Developer Financing.	Prior to Closing
4.	Developer obtains Approvals from Town (“Town Approvals”)	Within 180 days following Authority DDD Approval.
5.	Closing	Within 30 days following Town Approvals.
6.	Commencement of Construction	Within 30 days of Closing
7.	Completion of Construction	Within 270 days of Commencement of Construction.

DRAFT

EXHIBIT D
Quit Claim Deed

THE FREDERICK URBAN RENEWAL AUTHORITY (Grantor), a body corporate and politic of the State of Colorado, whose address is 401 Locust Street, Frederick, Colorado 80530, for the consideration of One Hundred Dollars (\$100.00) and other good and valuable consideration, receipt and adequacy of which are hereby acknowledged, sells and Quit Claims by this deed (the Deed) to _____, a _____ (Grantee), whose address is _____, _____, the real property (the Property) described in Exhibit A, attached to and made a part hereof, with all of its appurtenances, but if:

1. the Grantor records a Demand to Commence Construction of Improvements and the Property shall remain totally unimproved thirty (30) days after the date of such recording; or

2. the Grantor records a Demand to Cure Defects and the Improvements on the Property do not, at the end of thirty (30) days after the date of such recording, comply with the provision of said demand; or

3. the Grantor records a Demand to Diligently Go Forward with Construction of Improvements and thirty (30) days after the date of such recording there has not been compliance with the provisions of said demand; or

4. the Grantor records a Demand to Complete Construction of Improvements and ninety (90) days after the date of such recording there has not been compliance with the provisions of said demand; or

5. the Property shall remain encumbered in any manner whatsoever other than by a mortgage or other security given by the Grantee for the purposes of financing construction of the Improvements thereon at a date thirty (30) days after the date of recording of a written Demand for Removal of Encumbrance by the Grantor (unless the Grantee has recorded written evidence, bearing the Grantor's approval of a procedure for removal of such encumbrance); or

6. the Grantor records Demand to Cure Change in ownership and thirty (30) days after the date of such recording there has not been compliance with the provisions of said demand,

then the Grantor shall have the right to re-enter and take possession of the Property and to re-vest in the Grantor the estate conveyed by this Deed subject only to any mortgage or other security given by the Grantee for the purposes of financing the purchase of the Property and construction of the Improvements thereon. The Grantee expressly agrees for itself and its successors in interest that the interest so reserved to the Grantor is a right of re-entry for condition broken (the Right of Re-Entry).

EXHIBIT E
Certificate of Completion

The FREDERICK URBAN RENEWAL AUTHORITY, a body corporate and politic of the State of Colorado (the Authority), of 401 Locust Street , Frederick, Colorado 80530, hereby certifies that all of the improvements (the Improvements) constructed on the real property described in Exhibit A, attached to and made a part hereof, have been satisfactorily completed, and all of the Improvements conform with the uses specified in the Former Town Pubic Works Urban Renewal Plan, which was approved and adopted by the Trustees of the Town of Frederick, Colorado.

This Certificate of Completion shall be a conclusive satisfaction of the obligation of, _____ a _____ (the Developer), to construct the Improvements on the real property described in Exhibit A, as required by the quit claim deed (the Deed) dated _____, recorded _____, at _____, reception no. _____, in the office of the County Clerk and Recorder, Weld County, Colorado.

The Authority's Right of Re-entry for Condition Broken as reserved in the Deed is hereby terminated as to the real property described in Exhibit A. The condition recited in the Deed has been fulfilled as to such real property. The Authority renounces said right of re-entry in favor of the Developer, its successors and assigns, to have and to hold the real property described in Exhibit A forever, so that neither the Authority nor any of its successors in interest shall at any time hereafter have, claim or demand any right, title or interest in or to the property described in Exhibit A, or any part thereof, by virtue of the Right of Re-entry for Condition Broken reserved to the Authority in the Deed.

Signed and delivered this ____ day of _____, 20__.

FREDERICK URBAN RENEWAL AUTHORITY

ATTEST:

By:

Chair

Secretary

STATE OF COLORADO)
) ss.
COUNTY OF WELD)

The foregoing instrument was acknowledged before me this ____ day of _____, 200__,
by _____, as Chair, and _____, as Secretary of the FREDERICK
URBAN RENEWAL AUTHORITY, a body corporate and politic.

My commission expires:

WITNESS my hand and official seal.

Notary Public

DRAFT

REQUEST FOR PROPOSALS

Public Notice is hereby given that the Frederick Urban Renewal Authority has received a proposal from a financially and legally qualified Developer to acquire Lots 1 and 2, Halleck Subdivision Second Filing in the Town of Frederick, Colorado, and is seeking competitive proposals to develop and construct a sit-down full-service restaurant of at least 4,000 square feet on the property, including outdoor and rooftop patios with seating. The development must comply with all applicable Town design regulations and standards.

Information is available from, and proposals must be submitted to Mr. Ryan Johnson, Assistant Town Manager, Town of Frederick, 401 Locust Street, Frederick, Colorado 80530, telephone (720) 382-5538. Responsive proposals must be submitted on or before 3:00 p.m., Mountain Standard Time, December 31, 2022. The Authority reserves the right to (1) reject any and all proposals in whole or in part; (2) waive any and all irregularities in proposals; and (3) commence negotiations with any or all parties who have or may submit proposals before the expiration of the time for submission of proposals. No proposal will be formally accepted until expiration of the time for submission of proposals.

Signed this 15th day of December, 2022.

FREDERICK URBAN RENEWAL AUTHORITY

By: /s/ _____
Chair

Published: Longmont Times Call December 21, 28, 2022-1942863

Prairie Mountain Media, LLC

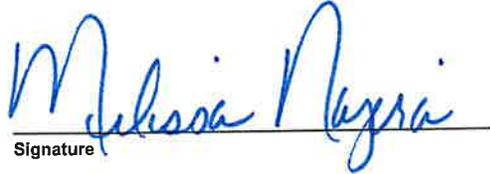
PUBLISHER'S AFFIDAVIT

**County of Boulder
State of Colorado**

The undersigned, Agent, being first duly sworn under oath, states and affirms as follows:

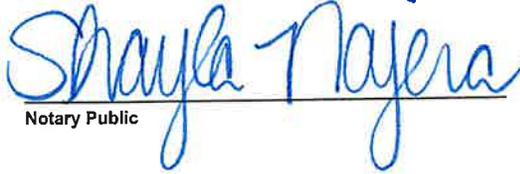
1. He/she is the legal Advertising Reviewer of Prairie Mountain Media LLC, publisher of the *Longmont Times Call*.
2. The *Longmont Times Call* is a newspaper of general circulation that has been published continuously and without interruption for at least fifty-two weeks in Boulder County and meets the legal requisites for a legal newspaper under Colo. Rev. Stat. 24-70-103.
3. The notice that is attached hereto is a true copy, published in the *Longmont Times Call* in Boulder County on the following date(s):

Dec 21, 28, 2022



Signature

Subscribed and sworn to me before me this
28th day of December, 2022.



Notary Public

(SEAL)

SHAYLA NAJERA
NOTARY PUBLIC
STATE OF COLORADO
NOTARY ID 20174031965
MY COMMISSION EXPIRES July 31, 2025

Account: 1051151
Ad Number: 1942863
Fee: \$51.50