

**ECONOMIC ASSISTANCE AGREEMENT
(Dorsey Pictures)**

DATE: _____, 2019.

PARTIES: **TOWN OF CASTLE ROCK**, a home rule municipal corporation, 100 N. Wilcox Street, Castle Rock, Colorado 80104 (“Town”).

DORSEY PICTURES, LLC, a Colorado limited liability company, 10397 West Centennial Road, Littleton, Colorado 80127 (“Dorsey Pictures”).

RECITALS:

A. Dorsey Pictures is an awarding winning production company currently located in Littleton, Colorado. Dorsey Pictures produces a wide range of television shows that can be seen on HGTV, DIY Network, National Geographic and Discovery channels. Dorsey Picture currently employs 98 full-time and 18 contract employees and with relocation, anticipates hiring an additional 10-15 employees.

B. Dorsey Pictures intends to relocate its production company to the Town of Castle Rock during the first calendar quarter of 2019.

C. Dorsey Pictures proposes to:

1. Lease 11,266 square feet at 4700 Castleton Way, Castle Rock, CO 80109
2. Relocate its existing employment base to the Castle Rock headquarters.
3. Hire an additional 10-15 full time employees over a 2-year period.

COVENANTS:

NOW, THEREFORE, in consideration of the premises, the parties agree as follows:

Section 1. Definitions. The following words when capitalized shall have the meaning set forth below:

1st Anniversary Date: one year from the Effective Date.

2nd Anniversary Date: two years from the Effective Date.

Agreement: this Economic Assistance Agreement between the Town and Dorsey Pictures.

CREDC: the Castle Rock Economic Development Council.

Effective Date: April 1, 2019.

Incentive Cap: the limit on the total payments authorized under this Agreement of \$330,000.

Town Regulations: the Town Charter, ordinances, resolutions, rules and regulation of the Town, including the Castle Rock Municipal Code.

Certain other terms are defined in the text of the Agreement and shall have the meaning indicated.

Section 2. Castle Rock Economic Development Assistance Policy. The Castle Rock Economic Assistance Policy outlines goals related to targeted businesses. The policy states that the Town will provide economic assistance to “businesses consistent with community goals that are underrepresented within the corporate limits of the Town and/or meet a strongly expressed community need or desire.” Examples include “primary, quality employment, defined as (a) businesses that sell goods and/or services outside of the Town of Castle Rock, thereby bringing new dollars into the Town, and (b) the creation or retention of jobs meeting and matching Town resident workforce.”

The positions Dorsey Pictures will relocate and propose to add are consistent with the Town’s primary employment attraction criteria and are eligible for economic assistance from the Town in accordance with this Agreement. The Primary Job Incentive is a deciding factor on whether Dorsey Pictures will relocate its production company to 4700 Castleton Way, Castle Rock, Colorado 80109.

Section 3. Primary Job Incentive. An incentive of up to \$3,000 per employee (“Primary Job Incentive”) shall be paid to Dorsey Pictures for (i) positions relocated and based at the 4700 Castleton Way project by the 1st Anniversary Date, and (ii) new positions created and based at the 4700 Castleton Way project on or before the 1st Anniversary Date. The Primary Job Incentive paid to Dorsey Pictures will be based upon full-time equivalent (FTE) employment in accordance with the film industry standard which is 32 hours per week with 5 weeks of vacation. Contract employees are not eligible for the Primary Job Incentive. The amount of the Primary Job Incentive paid will be based on wage rates paid and residency status of employees according to the following:

- \$2,000 per employee (\$1000 base + \$1000 targeted industry),
- an additional \$500 if the employee is a resident of Castle Rock,
- an additional \$500 if the employee makes above the County Average.

The Primary Job Incentive will be paid based upon the number of full time employees relocated or hired by the 1st Anniversary Date (see Section 4, below), with the total Primary Job Incentive not to exceed the Incentive Cap. The Primary Job Incentive shall expire on the first of

the following to occur: (i) the date the Incentive Cap is met, or (ii) upon final payment of the Primary Job Incentive pursuant to 4.B, below.

Section 4. Certification of Job Creation.

A. To qualify for the Primary Job Incentive payment, a position must have been relocated or created on or before the 1st Anniversary Date, and must remain filled as of the date the Primary Job Incentive accrues pursuant to the schedule set forth in 4.B, below. Within thirty (30) days of the 1st Anniversary Date, Dorsey Pictures shall submit to the CREDC and the Town Manager, a certification of the number of qualifying positions located at the 4700 Castleton Way project in accordance with 4.B, below. Within 30 thirty (30) days of the 2nd Anniversary Date, Dorsey Pictures shall make similar certification of the number of qualifying positions in accordance with 4.B, below. The certification shall include information regarding each position relocated/hired, and must include, job title, annual salary equivalent, employee residency status, date hired and certification the position is occupied on the date of payment set forth in 4.B, below (“Certification”). The Certification shall be signed by the chief executive officer of Dorsey Pictures, or his/her designee. The Town and CREDC shall review the Certification, and the Town shall issue the payment to Dorsey Pictures within fifteen (15) days of approval of the Certification. In the event the Certification is not approved, the parties will meet to resolve the objection by Town and CREDC. Irrespective of any other provision in this Agreement, no Certification shall be accepted by Town which is submitted 90 days after the 2nd Anniversary Date.

B. Subject to the Incentive Cap, payment of the Primary Job Incentive for employees relocated and/or hired shall be paid upon receipt and approval of the applicable Certification as follows:

Relocated/Hired	Payment Accrual Date
Effective Date - 6 months following the Effective Date	1/2 payment on 1 st Anniversary Date
	1/2 payment on 2 nd Anniversary Date
Months 7 – 12 months following Effective Date	2 nd Anniversary Date

Section 5. In-Kind Consideration. In consideration of the incentives offered under this Agreement, Dorsey Pictures will produce four 3-5 minute professional videos for the Town and promote Castle Rock as an ideal location for other media related businesses.

Section 6. Lapse of Agreement. In the event Dorsey Pictures does not relocate its headquarters to 4700 Castleton Way by the July 1, 2019, this Agreement shall lapse and be of no further force or effect, unless renewed by mutual agreement.

Section 7. Event of Default. Failure of Town or Dorsey Pictures to perform any covenant, agreement, obligation or provision of this Agreement shall constitute an event of default under this Agreement. In the event either party alleges that the other is in default, the non-defaulting party shall first notify the defaulting party in writing of such default, and specify the exact nature of the default in such notice.

Section 8. Remedies. Upon default of this Agreement and failure to timely commence cure within 60 days and continue to completion in a timely manner, the non-defaulting party shall have the right to take whatever action at law or in equity appears necessary or desirable to enforce performance and compliance with this Agreement, or to collect the monies then due and thereafter to become due, however in the event of a default without cure by Dorsey Pictures, the Town's sole remedy shall be to deny payments under this Agreement which become due to Dorsey Pictures after the event of default.

Section 9. Assignment. This Agreement and the financial incentives extended to Dorsey Pictures are exclusive to Dorsey Pictures and the 4700 Castleton Way location and are not assignable or transferable to any other property or party. This Agreement does not restrict the Town from extending financial incentives to any other project or enterprise offering similar services.

Section 10. Amendments. Any and all changes to this agreement, in order to be mutually effective and binding upon the parties and their successors, must be in writing.

Section 11. TABOR Compliance. In order to comply with the provisions of Article X, Section 20 of the Colorado Constitution ("TABOR"), the Town has set aside an irrevocable reserve in the amount of the Incentive Cap.

Section 12. Notice. The addresses of the parties to this Agreement are listed below. Any and all notices allowed or required to be given in accordance with this Agreement are deemed to have been given when delivered to the other parties or three days following the date the same is depositing in the United States mail, registered or certified, postage prepaid, return receipt requested, addressed to the other parties at the addresses noted, or such address as is subsequently endorsed in writing.

Town:	Town Manager
	Town of Castle Rock
	100 N. Wilcox Street
	Castle Rock, Colorado 80104

Dorsey Pictures: Dorsey Pictures, LLC
10397 West Centennial Road
Littleton, CO 80127

Section 13. Entire Agreement. This instrument embodies the whole agreement of the parties. There are no promises, terms, conditions or obligations other than those contained herein, and this Agreement shall supercede all previous communications, representations, or agreements, either verbal or written.

(REMAINDER INTENTIONALLY LEFT BLANK)

ATTEST:

TOWN OF CASTLE ROCK:

Lisa Anderson, Town Clerk

Jason Gray, Mayor

Approved as to form:

Approved as to content:

Robert J. Slentz, Town Attorney

David L. Corliss, Town Manager

CASTLE ROCK ECONOMIC DEVELOPMENT COUNCIL:

Frank Gray, CEO

DORSEY PICTURES, LLC

By: _____

Its: _____