

**ECONOMIC ASSISTANCE AGREEMENT  
(HEI Civil and MCG Civil)  
(Montana Vista Office II, LLC)**

**DATE:** \_\_\_\_\_, 2019.

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

**MONTANA VISTA OFFICE II, LLC**, a Colorado limited liability company, 5460 Montana Vista Way, Castle Rock, Colorado 80104.

**RECITALS:**

A. **Montana Vista Office II, LLC** a Colorado limited liability company (“MOVII”), is an ownership entity formed by the owners of **HEI CIVIL**, a Colorado corporation, (“HEI”) and **MCG CIVIL**, a Colorado limited liability company (“MCG”), 5460 Montana Vista Way, Castle Rock, Colorado 80104, for the purpose of developing and owning a new 16,000 square foot office building adjacent to their current headquarters at 5460 Montana Vista Way, Castle Rock, Colorado for the purposes of retaining their home office in Castle Rock and expanding their employment base and offering Class A office space for rent to other primary employers in Castle Rock (the “Project”).

B. The Town’s economic assistance policy outlines goals related to targeted business, the retention of primary, expanding, quality employment, and the construction of new office space available to attract additional primary employers in Castle Rock.

C. The jobs HEI and MCG will retain, relocate and create are consistent with the Town’s primary employment attraction criteria and the project is eligible for economic assistance from the Town.

**COVENANTS:**

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

**Section 1. Permit Rebate Not to Exceed \$99,999.** Land development costs and building impact fees for comparable space have been documented to be higher in Castle Rock resulting in a financial gap for the Castle Rock location to be competitive. Accordingly, MOVII has agreed to absorb the additional costs associated with development, provided the the Town agrees to partner and rebate all or a portion of the of the building permit fees and charges, development impact fees, and site development fees for the construction of the Project as follows:

A. 100% of the Town's building permit fees for the Project, inclusive of all building permit review, administrative cost recover, and Town Use Tax ("Building Permit Fees"). The Building Permit Fees are estimated to be \$84,582.

B. 50% of the Town development impact fees, inclusive of those impact fees for municipal, fire, police transportation and stormwater facilities ("Development Impact Fees"). The Development Impact fees are estimated to be \$37,854, 50% of which is \$18,927.

C. 25% of the Town's site development fees, inclusive of those fees for site development plan, construction document review, GESC review and permit, construction permits, inspections and use tax for site construction ("Site Development Fee"). The Site Development Fees are estimated to be \$10,860, 25% of which is \$2,715.

D. Collectively, the Building Permit Fee, Development Impact Fees and Site Development Fee shall be referred to as the "Town Fees."

E. The amount of the Town Fees will be determined at the time of building permit application and approval. MOVII will pay all Town Fees at the time of application for site development and/or building permit.

F. Upon issuance of a certificate of occupancy for the Project, HEI and MCG shall provide notice and certification to Town that as of the date of certificate of occupancy issuance, HEI and MCG has retained 43 jobs and added an additional 10 new jobs ("Project Completion Notice").

G. Upon receipt of the Project Completion Notice, Town will rebate the Town Fees to MOVII, as set forth in subparagraphs A, B and C, of this Seciton 1, above, in an amount not to exceed \$99,999, subject to satisfaction of the grant of the easements as set forth in subparagraphs A and B in Section 2, below. Town shall make such rebate payment within thirty (30) days from the date of issuance of the Project Completion Notice.

**Section 2. Access and Parking Easements.** Not later than thirty (30) days from issuance of the Project Completion Notice, MOVII shall grant to Town:

A. A permanent access easement in location identified on the attached ***Exhibit 1***, property in order to provide public access to the adjacent Town-owned open space parcel ("Access Easement"). The grant of the Access Easement shall include language identifying grantor as the responsible party for continued maintenance of the Access Easement property. Such maintenance responsibility may be assigned to an owners association.

B. A permanent parking easement for six (6) public parking spaces, as identified on the attached ***Exhibit 2*** ("Parking Easement").

C. MOVII, at its sole expense, shall be responsible for the design and construction of the parking spaces and access drive, and install proper signage indicating "Parking for Open Space

Only” on each parking space within the Parking Easement, within six (6) months of the Town’s approval of an amended site development plan as set forth in subparagraph 2E, below

D. As consideration for the Access and Parking Easements, Town shall pay to MOVII \$54,000 toward the cost of construction of the parking spaces and access drive. Such payment shall be made thirty (30) days after (i) recordation of the Parking Easement and Access Easement, and (ii) receipt of MOVII’s invoice upon completion of the construction of the parking spaces have both occurred.

E. Town agrees to initiate and process an amendment to the currently approved site development plan to include 16 additional parking spaces within nine (9) months from the date of this Agreement

**Section 3. Grading.** Construction of the Project will require access and grading on the Town-owned open space parcel adjacent to the Project. Town shall grant MOVII a license to allow such grading on the open space parcel in accordance with an approved erosion control plan, which includes stripping the existing topsoil, replacing topsoil after grading activities are complete, reseeding and establishing vegetation on the disturbed areas in accordance with all Town ordinances, criteria, and regulations. MOVII are responsible for obtaining all necessary permits and approvals for the grading and erosion control. However, Town shall not charge any additional Town Fees if this work is performed concurrently with construction of the Project.

**Section 4. Event of Default.** Failure of Town or MOVII 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 5. 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 MOVII, the Town’s sole remedy shall be to deny payments under this Agreement which become due to MOVII after the event of default. In addition, no Party will be entitled to lost profits, economic damages, or actual, direct, incidental, consequential, punitive or exemplary damages in the event of a default.

**Section 6. Assignment.** This Agreement and the financial incentives extended to MOVII are exclusive to MOVII 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 7. 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 8.     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

with copy to:         Town Attorney  
                              Town of Castle Rock  
                              100 N. Wilcox Street  
                              Castle Rock, CO 80104

MOVII:                 MOVII  
                              c/o Dan Hudick, Manager  
                              5460 Montana Vista Way  
                              Castle Rock, CO 80104

**Section 9.     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.

**ATTEST:**

**TOWN OF CASTLE ROCK:**

\_\_\_\_\_  
Lisa Anderson, Town Clerk

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David L. Corliss, Town Manager

**Approved as to form:**

Approved as to content:

\_\_\_\_\_  
Robert J. Slentz, Town Attorney

\_\_\_\_\_  
Jeff Brauer, Director of Parks & Recreation

**CASTLE ROCK ECONOMIC DEVELOPMENT COUNCIL:**

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Marcus Notheisen

**MONTANA VISTA OFFICE II, LLC**

By: \_\_\_\_\_  
Dan Hudick

Its: Manager