



CITY COUNCIL WORK SESSION
Monday, November 1, 2021 10:00 AM
City Council Chambers, Elks Civic Building - 107 S. Cascade Ave.

Public participation for this meeting will be in person in the City Council Chambers and via Zoom at the following link: https://us02web.zoom.us/webinar/register/WN_DeH7DJpdTAyYA7p_IL_MNg.

1) DISCUSSION ITEMS

- A) City Council District Boundary Adjustment Options (20 minutes)
Staff: GIS Coordinator Eric Svensen 3-10
- B) Land Exchange & Development Agreement - City of Montrose & Stryker and Company (20 minutes)
Staff: City Manager Bill Bell 11-37
- C) The Hub at Montrose Crossing Development Agreement (20 minutes)
Staff: City Manager Bill Bell 38-57
- D) DOLA Planning Grant Application for Housing Needs Assessment (10 minutes)
Staff: Community Program Specialist Briceida Ortega 58-59
- E) USEPA Brownfields Cleanup Grant Application (10 minutes)
Staff: Program Coordinator Kendall Cramer 60-61

2) GENERAL CITY COUNCIL DISCUSSION

3) STAFF COMMENTS

**Please note that the times listed are estimates of approximately how long each item may take. This time is intended to serve as a guide for the Mayor in an effort to help keep the meeting moving.*

**Hearing assistance devices are available for public use. Please let us know if you need accommodation.*



FUTURE TOPICS

- Intergovernmental Agreement with Montrose Recreation District - November 15
- 2022 Municipal Election Plan and Resolution Authorizing a Mail Ballot Election - November 15
- 2022 Budget Adoption - November 16
- Grace Community Church Addition II Annexation Hearing - November 16
- Hotel & Restaurant Liquor License Hearing - El Buen Sabor Mexican Restaurant - November 16
- Sales, Use, and Excise Tax Report for September 2021 - November 16
- Third Quarter Budget Review - November 16
- Arts Liquor License Hearing - Montrose Center for the Arts - December 7

Zoom Meeting Details

https://us02web.zoom.us/webinar/register/WN_DeH7DJpdTAyYA7p_IL_MNg

Join by phone:

1 669 900 9128

1 253 215 8782

1 346 248 7799

1 646 558 8656

1 301 715 8592

1 312 626 6799

Webinar ID: 811 8003 6568

International numbers available: <https://us02web.zoom.us/j/81180036568>



CITY OF MONTROSE
CITY CLERK

MEMO

DATE: October 27, 2021
TO: City Council
FROM: Lisa DelPiccolo, City Clerk
RE: City Council District Boundary Adjustment Process

Summary

Following up from the October 18 work session discussion, GIS Coordinator Eric Svensen will review the procedures used for previous redistricting processes. Mr. Svensen will also present boundary adjustment options for discussion. If a consensus is reached to proceed with a viable option, an ordinance will be prepared for first reading on November 16 and adoption on December 7.

Included in the meeting packet are the current City Council district map and six options. The total population according to the 2020 Census is 20,293, which sets a target of 5,073 per district. Each map shows the count per district and the deviation from the target number.

Background

Article I, Section 13 of the Charter of the City of Montrose outlines how the four City Council districts are established, and is included below:

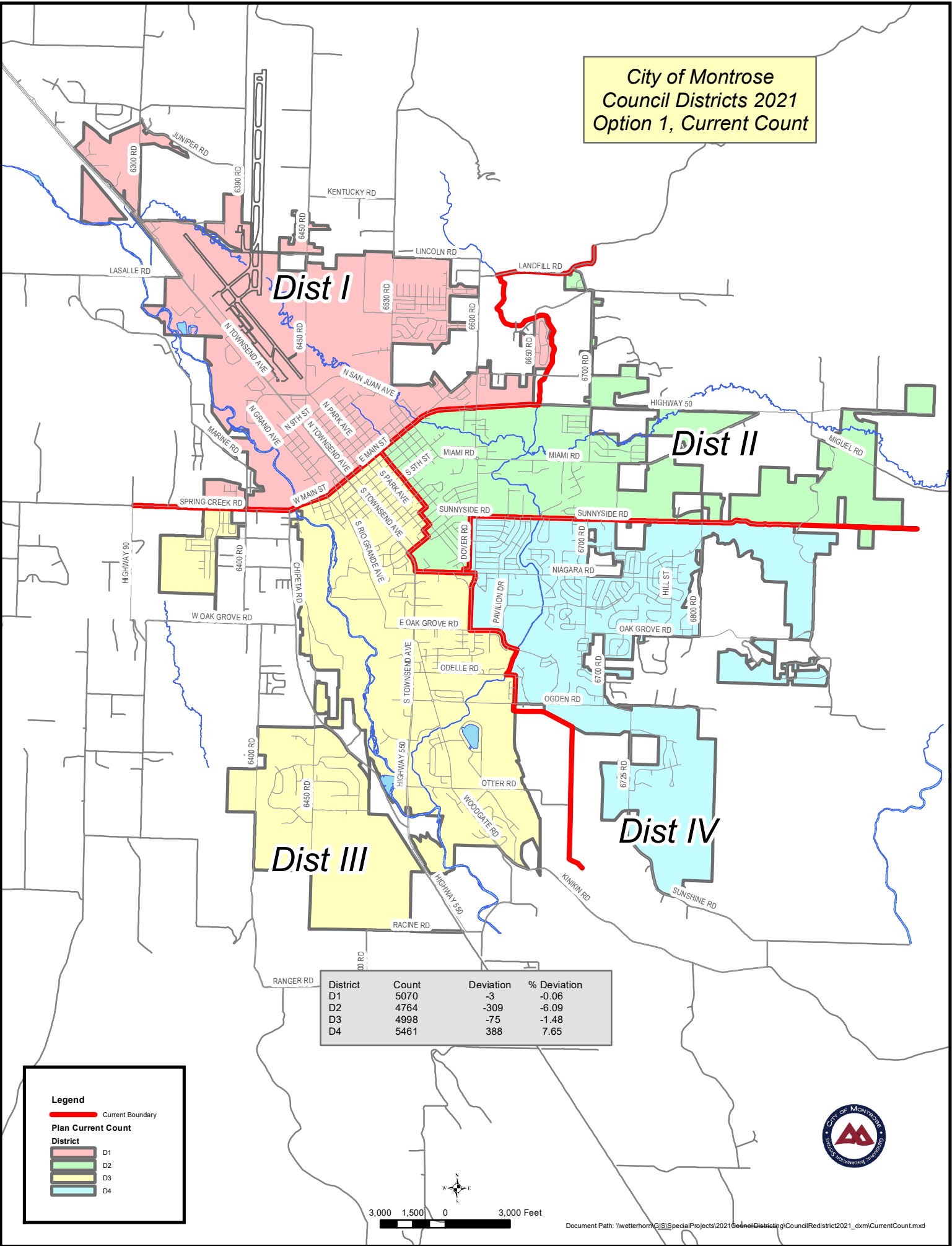
The City Council shall divide the City by ordinance into four Council districts of approximately equal population, to be numbered 1 through 4, prior to May 1, 1981. The district boundaries shall be adjusted from time to time by the City Council as required to maintain approximately equal populations, and such an adjustment shall be made within one year following the publication of the results of each United States Decennial Census. Changes in district boundaries shall not be effective for any election unless adopted prior to the time petitions for nominations may be circulated for that election. Petitions for nomination for all Councilors shall be signed by at least 25 registered electors residing anywhere within the City.

The 2020 Census results were released in August, 2021. Pursuant to the Charter, the City Council must adjust the district boundaries within one year of the publication of the 2020 Census results, which would be August, 2022. Council may adjust the boundaries prior to the April, 2022 municipal election but is not required to.

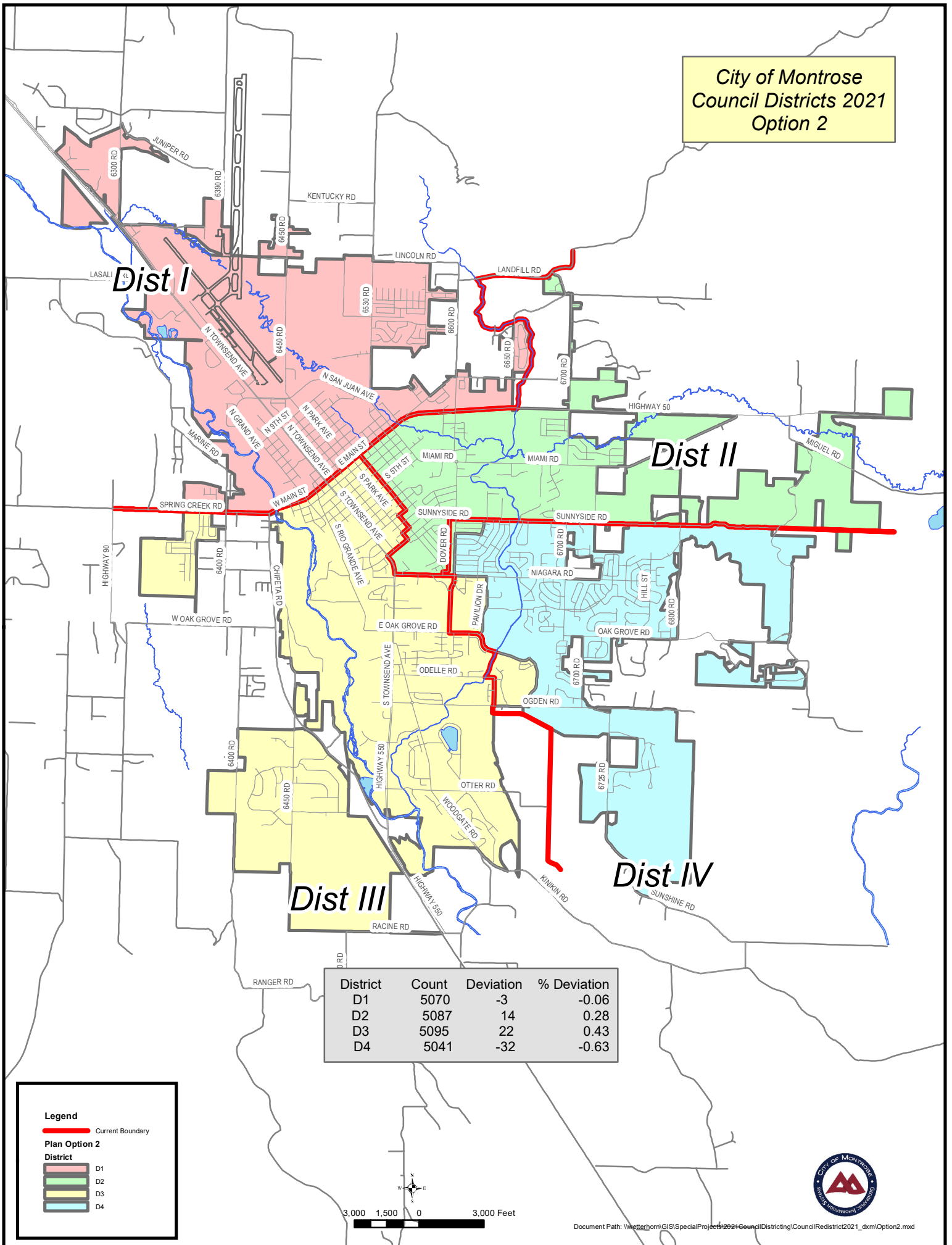
Pursuant to the Charter, if City Council desires for adjustments to districts to be effective for the April, 2022 municipal election, the adjustments must be adopted prior to Tuesday, January 4, which is the first day petition nominations may be circulated for that election. Election information, including the City Council district map, will be made available for potential candidates by mid-December.



**City of Montrose
Council Districts 2021
Option 1, Current Count**



City of Montrose
Council Districts 2021
Option 2



District	Count	Deviation	% Deviation
D1	5070	-3	-0.06
D2	5087	14	0.28
D3	5095	22	0.43
D4	5041	-32	-0.63

Legend

Current Boundary

Plan Option 2

District

- D1
- D2
- D3
- D4



**City of Montrose
Council Districts 2021
Option 3**

Dist I

Dist II

Dist IV

Dist III

District	Count	Deviation	% Deviation
D1	5070	-3	-0.06
D2	5082	9	0.18
D3	5069	-4	-0.08
D4	5072	-1	-0.02

Legend

Runway

Current Boundary

Plan Option 3

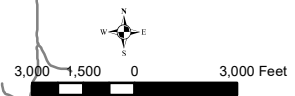
District

D1

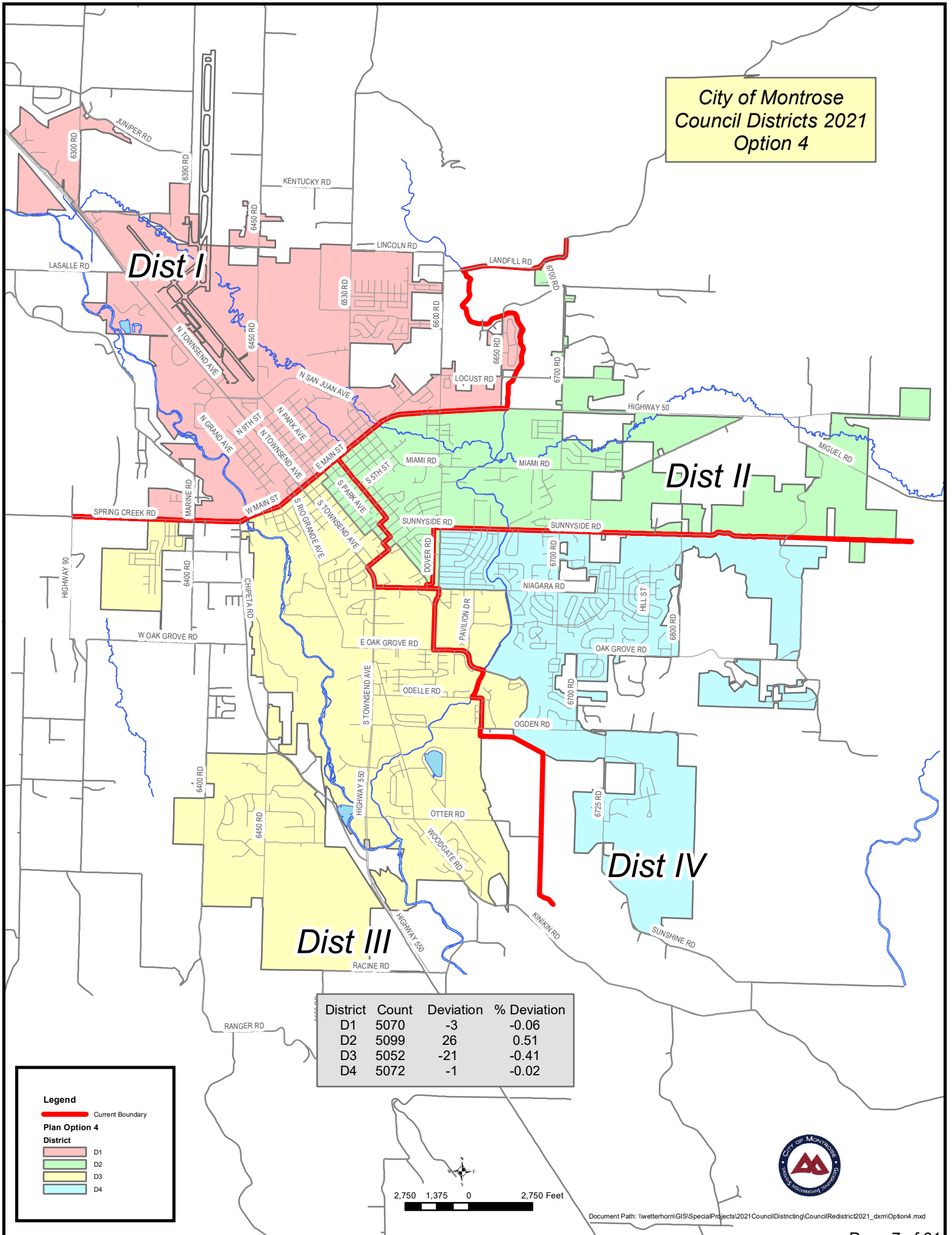
D2

D3

D4



City of Montrose
Council Districts 2021
Option 4



City of Montrose
Council Districts 2021
Option 6

Dist I

Dist II

Dist IV

Dist III

Legend

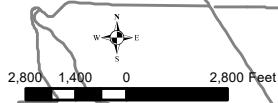
- streets
- County Roads
- COUNCIL_DISTRICT_LINES

PlanOption6

District

- D1
- D3
- D4
- D2

District	Count	Deviation	% Deviation
D1	5059	-14	-0.28
D2	5097	24	0.47
D3	5085	12	0.24
D4	5052	-21	-0.41



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**City of Montrose
Council Districts 2021
Option 7**

Dist I

Dist II

Dist III

Dist IV

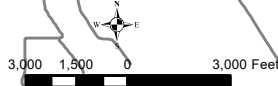
Legend

- streets
- County Roads
- COUNCIL_DISTRICT_LINES

DIST_NAME

- D1
- D2
- D3
- D4

District	Count	Deviation	% Deviation
D1	5071	-2	-0.04
D2	5086	13	0.26
D3	5083	10	0.20
D4	5053	-20	-0.40



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City of Montrose
Council Districts 2021
Option 8

Dist I

Dist II

Dist III

Dist IV

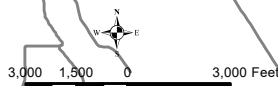
Legend

- streets
- County Roads
- Council District lines

DIST_NAME
D1
D2
D3
D4

**Option8
Districts**
Unassigned
D1
D2
D3
D4

District	Count	Deviation	% Deviation
D1	5069	-4	-0.08
D2	5093	20	0.39
D3	5071	-2	0.04
D4	5060	-13	-0.26



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CITY OF MONTROSE
MEMO

TO: Honorable Mayor and Members of the City Council
FROM: William Bell, City Manager
DATE: November 2, 2021
RE: Stryker & Company Development Agreement
CC: Ann Morgenthaler, Lisa Kuczmarksi, Scott Murphy, Shani Wittenberg, Amy Sharp
EXHIBITS:

- Land Exchange Parcel Maps
- Memorandum of Agreement
- Rezone Map
- Proposed Site Map
- Development Agreement

Action

Consider entering into a development agreement with Stryker & Company, Inc. to facilitate relocation and development of Stryker & Company, Inc. headquarters to include a 3000 SF commercial office and shop facility to house 13 administrative employees within the City of Montrose.

Background

In response to business growth, Stryker & Company, Inc. is seeking additional space to grow their team and commercial construction company. In order to do so, they are seeking a new location that provides for a better, more consolidated office with room to expand. The City-owned 1.3 acre parcel located on Air Park Way is well suited for this growth. Stryker & Company, Inc. would like to trade the City for a 1.2 acre parcel that they own located off Chipeta Drive and overlooking Chipeta Lake. Maps of these two parcels are attached for reference.

Project Timeline

1. City of Montrose and Stryker & Company, Inc. will enter into a Memorandum of Agreement (attached) which states responsibilities for each party.
2. Minor Subdivision for City parcel on Air Park Way. Minor subdivisions are administrative actions and take 1-2 months to complete. The draft plat is attached and currently in the review process.
3. Rezone of City Parcel from "P" Public District to "B-3" General Commercial District
 - Planning Commission 10/27
 - City Council 1st Reading 11/2
 - City Council 2nd Reading 11/16
4. Development Agreement – City Council on 11/16/2021

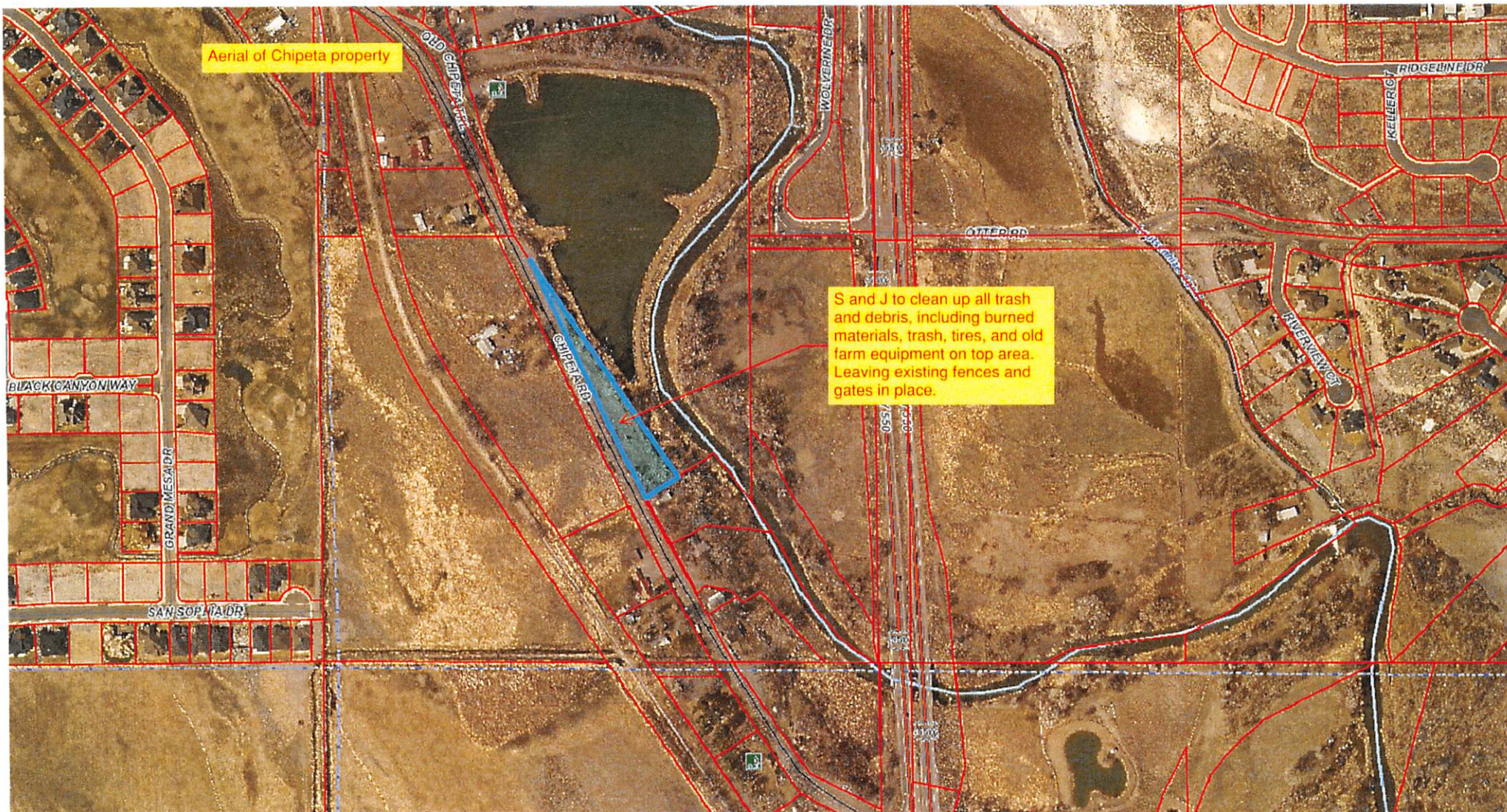
Development Agreement

This development agreement includes potential financial commitments for this project. Contract administration, project management, and inspection associated with the development agreement will be performed by the City of Montrose.

Work Element	Description of Work	Maximum Reimbursement (a)	In-Kind Contribution
Sewer Line	City to pay contractor to install sewer pump and 400' of sewer line to City manhole near PolyOne	\$15,000	N/A
City Water Blowoff Valve	City to move blow-off at end of cul de sac.	N/A	\$20,000
Trash/Tree Removal	City to supply dump trucks to haul up to 20 loads of trees and trash to City owned property or local landfill. Contractor to load.	N/A	\$10,000*
Structural Fill	City to pay contractor to supply and install up to 3,000 tons of structural fill to get building area above Base Flood Elevation (BFE)	\$90,000 (3,000 x \$30/ton)	N/A
TOTAL (Rounded)		\$105,000	\$30,000







**MEMORANDUM OF AGREEMENT
CITY-STRYKER LAND EXCHANGE**

THIS MEMORANDUM OF AGREEMENT is entered into as of this ____ day of _____ 2021, by and between the **CITY OF MONTROSE**, State of Colorado, a Colorado home rule municipal corporation, whose address is 433 S. First Street, P.O. Box 790, Montrose, Colorado 81402-0790, hereinafter referred to as "City" and **STRYKER & COMPANY, INC.**, an incorporated company, whose address is 236 S. 3rd St, #319, Montrose, Colorado 81401; the aforementioned entities may sometimes be collectively referred to as the "Parties".

RECITALS

WHEREAS, Stryker & Company Stryker & Company is the owner of the real property located in Montrose County, Colorado, described as follows: Parcel number 399304315003.

WHEREAS, the City of Montrose is the owner of the real property located in Montrose County Colorado, described as follows: Parcel number 376720200907 and addressed as 2365 Air Park Way, Montrose, Colorado 81401

WHEREAS, in order to promote outdoor recreation opportunities, economic development, and local businesses, the Parties mutually desire to undertake a land exchange of these two parcels (hereinafter, the "Project").

MUTUAL AGREEMENT

NOW THEREFORE, in consideration of the foregoing Recitals and the mutual covenants, conditions and agreements of the Parties contained herein, the receipt and sufficiency of which hereby are acknowledged and accepted, the Parties hereby agree as follows:

1. **Purpose of MOA.** The purpose of the MOA is to provide an effective and reliable means for the Parties to jointly pursue the various steps necessary to accomplish the Project, as further set forth below.
2. **Term and Renewal.** The Parties' rights and obligations under this MOA shall commence as of the Effective Date and shall remain in full force and effect in perpetuity.
3. **Project Actions and Obligations.** The Parties hereby acknowledge and confirm to and with each other that the following constitute the general steps and actions necessary by each party in order to complete and maintain the Project.
 - a. City of Montrose
 - i. Project Platting. The City shall perform all surveys necessary to prepare a replat of parcel number 376720200907 for the Project for submittal as a minor subdivision which is approved administratively (the "Project Replat"). The project replat shall create a standalone lot for the Project as shown in the sketch in Exhibit A and shall retain all access and utility easements necessary to support the project.

- ii. Deed. The City will exchange Lot 1 as shown in Exhibit A of this replat. The City will retain Lot 2 as fee simple as shown in Exhibit A of this replat to remain open for public access. The City will prepare and execute a quit claim deed to convey Lot 1 as shown in Exhibit A of this replat to Stryker & Company.
- iii. Rezone. The City shall recommend a rezone of Lot 1 as shown in Exhibit A of this replat to "B-3" General Commercial District prior to completion of the Project.
- iv. Closing. The City of Montrose shall determine the local closing company, request all necessary title work, and schedule the closing with an anticipated closing date of November 5, 2021 if feasible.

b. Stryker & Company

- i. Deed. Stryker & Company will prepare the general warranty deed for parcel number 399304315003 to convey to the City of Montrose.
- ii. Preparation of Property. Stryker & Company, Inc. shall clean up all trash and debris from parcel number 399304315003, including burned materials, trash, tires, and old farm equipment prior to closing. The existing fences and gates shall remain in place.

4. **Covenants, Representations, and Warranties.** Both parties hereby covenant, represent and warrant to proceed in a timely manner and reasonably cooperate in good faith to take all actions necessary to comply with the terms of this MOA and timely complete the Project.

5. **Miscellaneous**

- a. Expenses; Attorney's Fees. Each Party agrees to bear its own attorneys' fees, accountants' fees and other costs and expenses in connection with this MOA and the transactions contemplated hereby; provided, however, that should a dispute arise with respect to this MOA or any related transactions, the defaulting Party, or the Party not prevailing in such dispute (as the case may be), shall pay any and all costs and expenses incurred by the other Party in enforcing and/or establishing its rights hereunder (including, without limitation, court costs and reasonable attorneys' fees determined by the Court, based on standard applicable local billing rates), all in addition to any award of damages or injunctive remedies or other relief as should be granted by any court of competent jurisdictions.
- b. Counterparts; Electronic Execution. This MOA may be executed in two or more counterparts, all of which shall constitute a single instrument, and by one or more of the Parties by facsimile or e-mail transmitted signature and both Parties agree that the delivery of an executed counterpart hereby by facsimile or e-mail will have the same force and effect as the delivery of an original executed counterpart hereof.

- c. No Third Party Beneficiaries. This MOA is entered into for the sole benefit of the Parties and no third parties are intended to, or shall, be granted or deemed to enjoy any rights under this MOA.
- d. Applicable Law. This MOA shall be construed and enforced in accordance with the laws of the State of Colorado, with venue in Montrose County, Colorado.
- e. No Venture or Partnership. No form of joint venture or partnership exists between the Parties and nothing contained in this MOA shall be construed as making either the City or Stryker & Company, Inc. joint ventures or partners of any kind.
- f. No Waiver or Governmental Immunity. Nothing in this MOA shall be construed to waive, limit, or otherwise modify any governmental immunity that may be available by law to the City, its officials, employees, contractors, or agents, or any other person acting on behalf of the City and, in particular, governmental immunity afforded or available pursuant to the Colorado Governmental Immunity Act, Title 24, Article 10, Part 1 of the Colorado Revised Statutes.
- g. Article X, Section 20/TABOR. The Parties understand and acknowledge that the City is subject to Article X, § 20 of the Colorado Constitution ("TABOR"). The Parties do not intend to violate the terms and requirements of TABOR by the execution of this MOA. The Parties hereby acknowledge and agree that this MOA does not create a multi-fiscal year direct or indirect debt or obligation within the meaning of TABOR and, therefore (notwithstanding anything in this MOA to the contrary), all payment obligations of the City expressly are dependent and conditioned upon the continuing availability of funds beyond the term of the City's current fiscal period ending upon the next succeeding December 31. The Parties further acknowledge and agree that (i) the City's obligations to perform any obligations under this MOA shall be subject to annual appropriation; and (ii) and any reduction of such appropriation, or failure to appropriate, by the City shall not constitute a default by the City under this MOA.
- h. Signature Authority. Signators for each Party hereby confirm he or she is an authorized agent of the respective Party and has the full power and authority to execute and deliver this MOA as a binding document of the Party.

IN WITNESS THEREOF, the Parties have executed and delivered this MOA as of the Effective Date.

CITY OF MONTROSE, COLORADO

STRYKER & COMPANY, INC.

By: _____
William Bell, City Manager

By: _____
Scott Stryker

State of Colorado)
) ss.
County of Montrose)

The foregoing instrument was acknowledged before me this ____ day of _____, 2021, by William Bell, City Manager of the City of Montrose, Colorado.

Witness my hand and official seal.

My commission expires: _____.

(Seal)

Notary

State of Colorado)
) ss.
County of Montrose)

The foregoing instrument was acknowledged before me this ____ day of _____, 2021, by Scott Stryker, Manager of Stryker & Company, Inc.

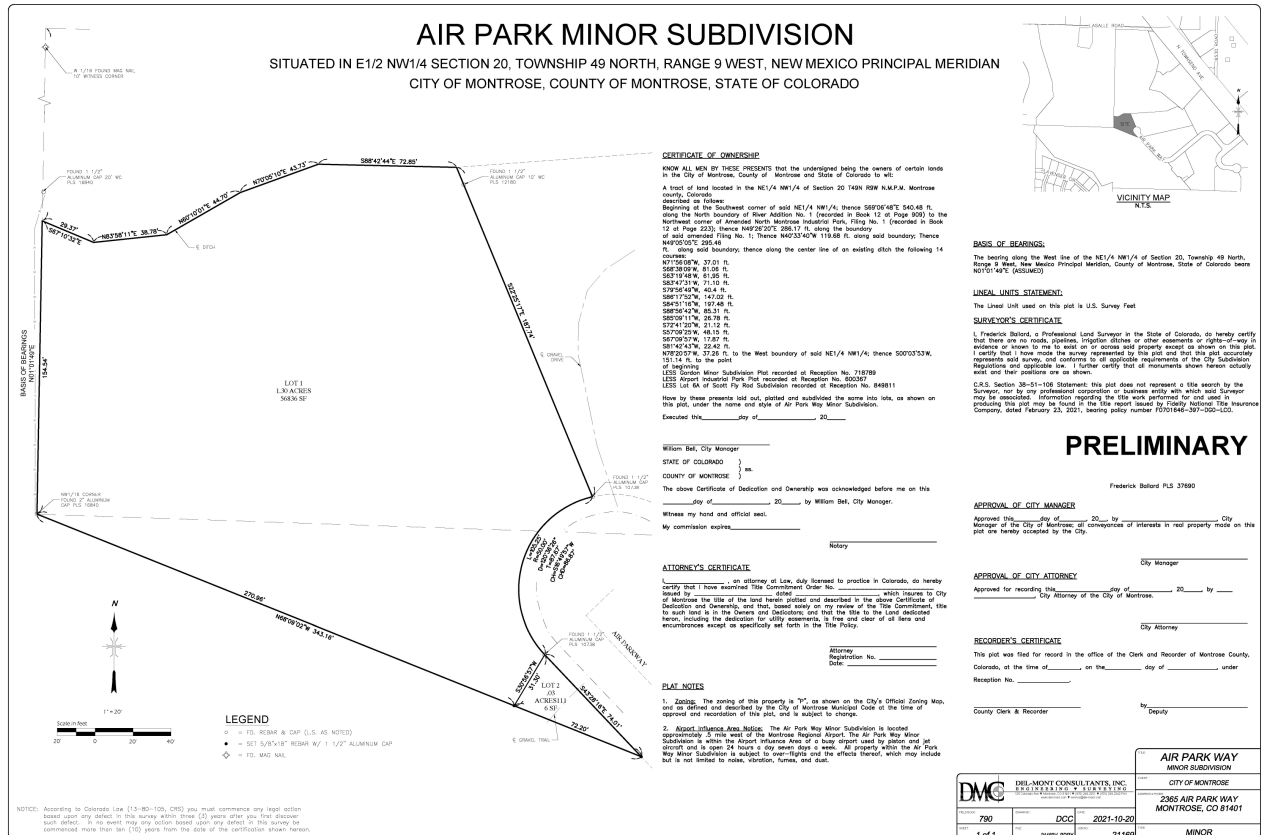
Witness my hand and official seal.

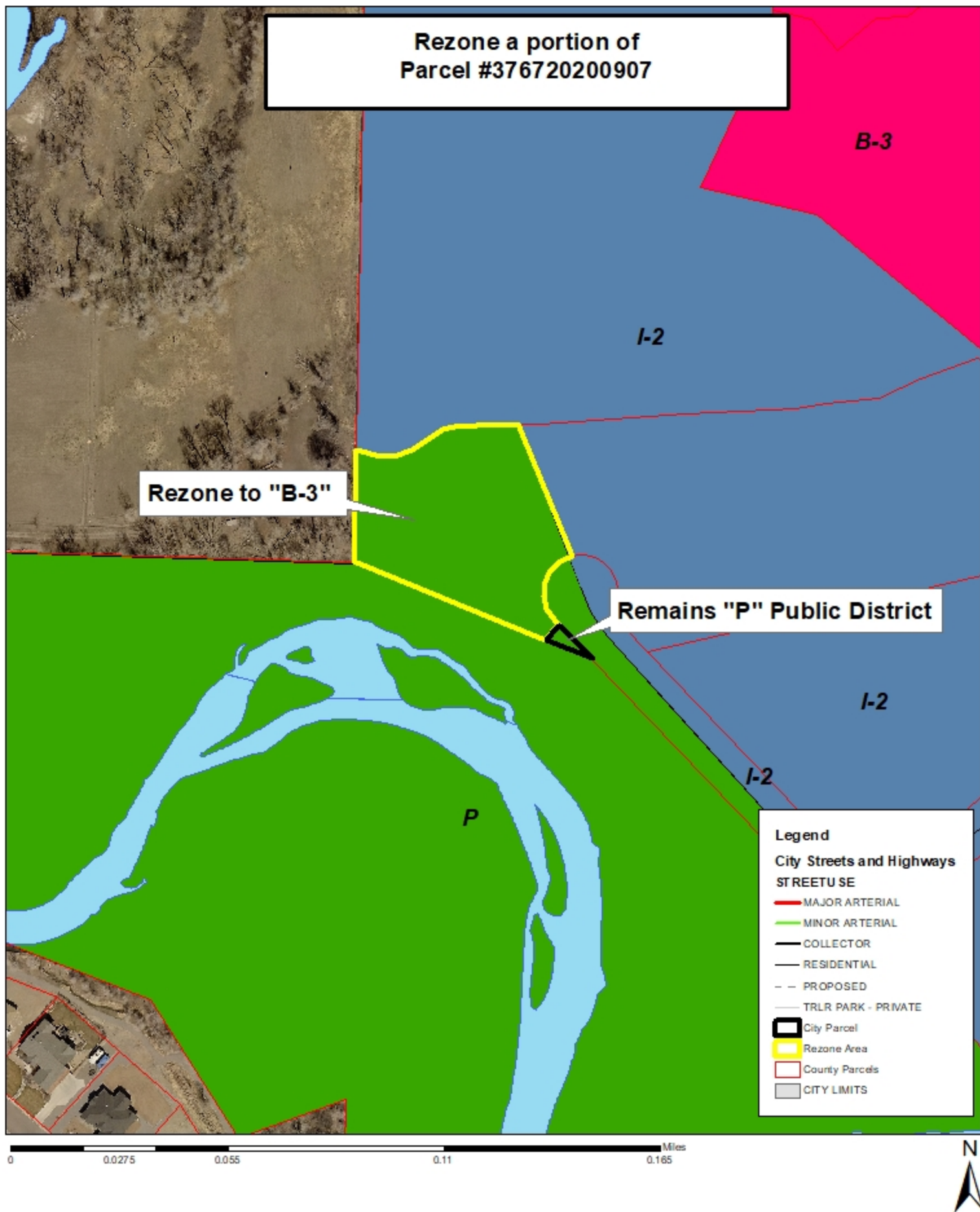
My commission expires: _____.

(Seal)

Notary

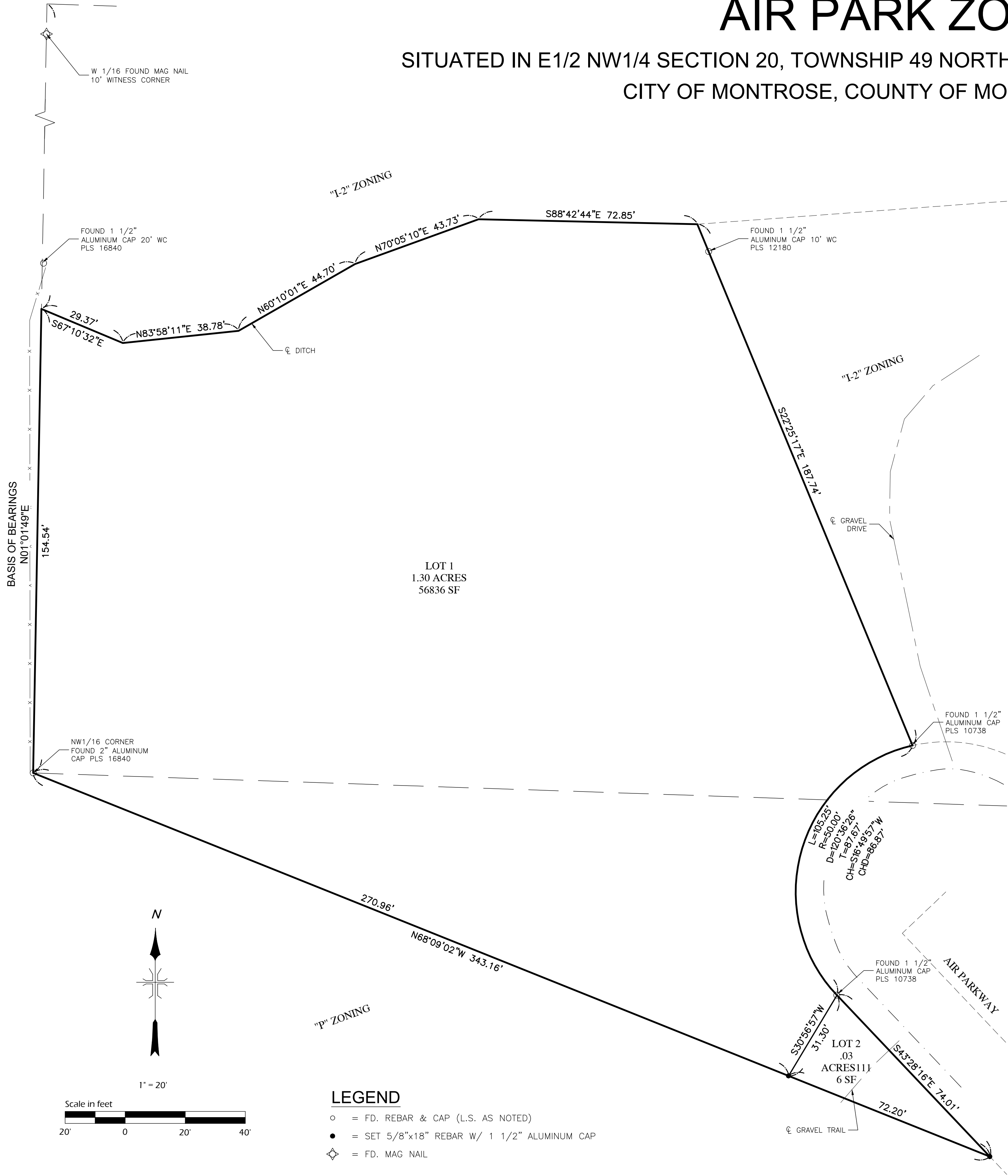
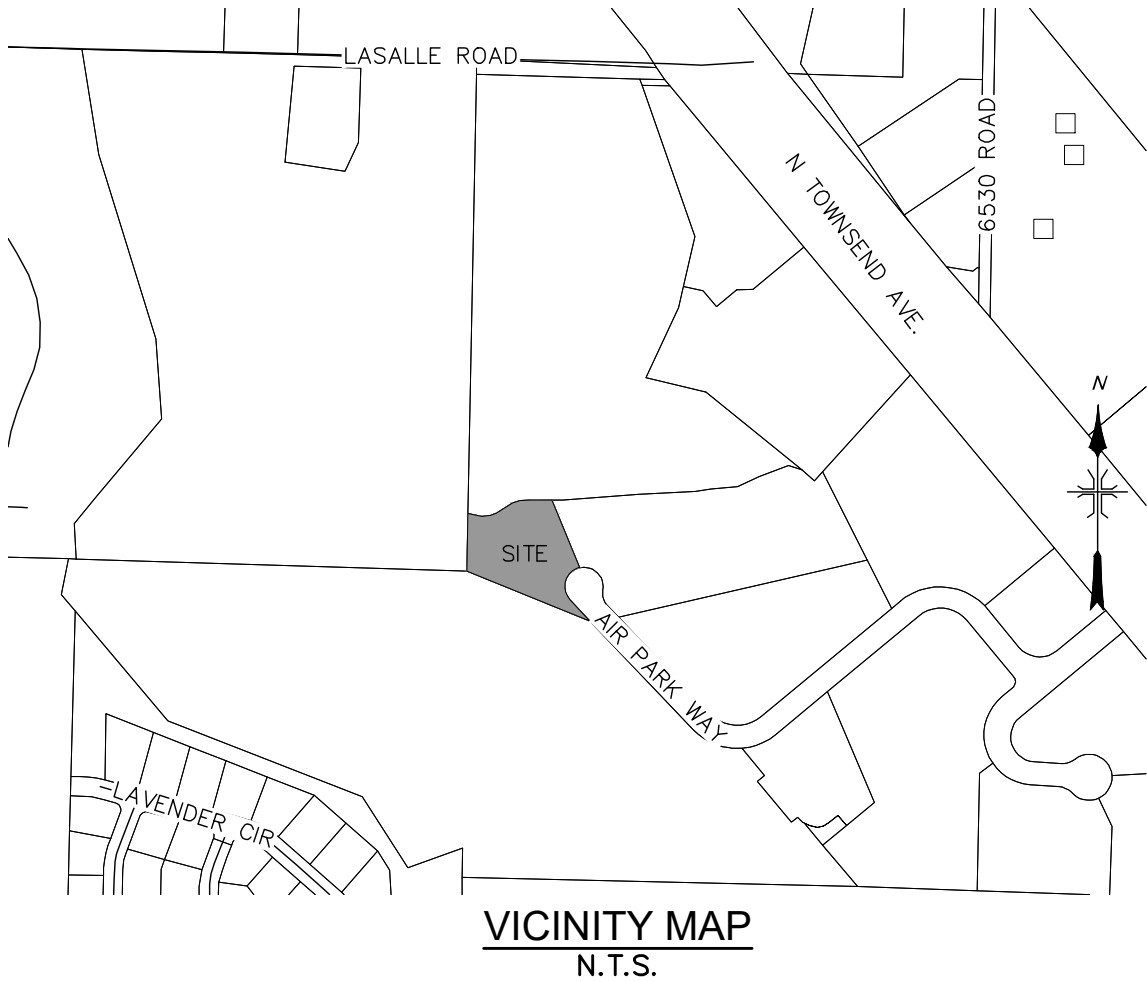
EXHIBIT A. DRAFT LOT SPLIT FOR PARCEL NUMBER 376720200907





AIR PARK ZONING MAP

SITUATED IN E1/2 NW1/4 SECTION 20, TOWNSHIP 49 NORTH, RANGE 9 WEST, NEW MEXICO PRINCIPAL MERIDIAN
CITY OF MONTROSE, COUNTY OF MONTROSE, STATE OF COLORADO



PROPERTY DESCRIPTION (PROPOSED LOT 1):

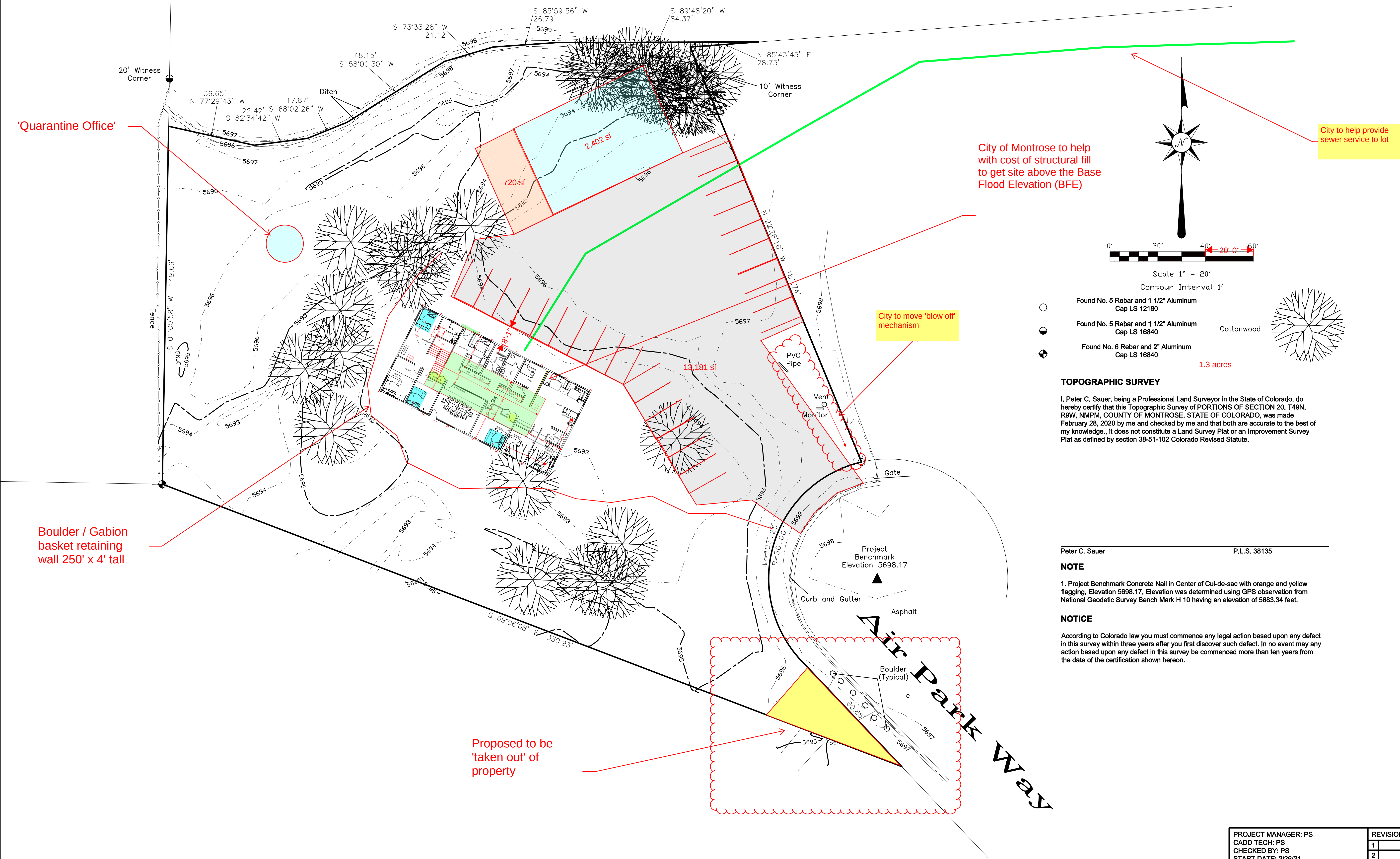
A parcel of land situated in the E1/2NW1/4 Section 20, Township 49 North, Range 9 West, New Mexico Principal Meridian, City of Montrose, State of Colorado being better described as beginning at the NW1/16 corner of said Section 20, thence along the West line of the NE1/4NW1/4 N01°01'49"E 154.54 feet to a point on the centerline of a ditch; Thence the following five (5) courses along said centerline S67°10'32"E 29.37 feet; N83°58'11"E 38.78 feet; N60°10'01"E 44.70 feet; N70°05'10"E 43.73 feet; S88°42'44"E 72.85 feet to the Northwest corner of Gordon Minor Subdivision recorded at Reception No. 718789; Thence the following two (2) courses along the boundary of said Gordon Minor Subdivision S22°25'17"E 187.74 feet; 105.25 feet along the arc of a non tangent curve to the left with a radius of 50.00 feet, an interior angle of 120°36'26" and a chord of S16°49'57"W 86.87 feet; Thence leaving said boundary S30°56'57"W 31.30 feet; Thence N68°09'02"W 270.96 feet to The Point of Beginning. Containing 1.30 Acres more or less as described.

PRELIMINARY

NOTICE: According to Colorado Law (13-80-105, CRS) you must commence any legal action based upon any defect in this survey within three (3) years after you first discover such defect. In no event may any action based upon any defect in this survey be commenced more than ten (10) years from the date of the certification shown hereon.

				DEL-MONT CONSULTANTS, INC. ENGINEERING & SURVEYING 125 Colorado Ave. • Montrose, CO 81401 • (970) 245-2251 • (970) 245-2242 FAX www.del-mont.com • service@del-mont.com		TITLE: AIR PARK WAY REZONING MAP	
FIELD BOOK: 790				DRAWN BY: DCC		CLIENT: CITY OF MONTROSE	
DATE: 2021-10-25				ADDRESS & PHONE: 2365 AIR PARK WAY MONTROSE, CO 81401			
SHEET: 1 of 1		FILE: 21169V_ZONING		JOB NO.: 21169		TYPE: REZONE	

Topographic Survey
Portions of Section 20, T49N R9W, NMPM
County of Montrose, State of Colorado



City of Montrose to help with cost of structural fill to get site above the Base Flood Elevation (BFE)

City to help provide sewer service to lot

City to move 'blow off' mechanism

1.3 acres

Scale 1" = 20'

Contour Interval 1'

Found No. 5 Rebar and 1 1/2" Aluminum Cap LS 12180

Found No. 5 Rebar and 1 1/2" Aluminum Cap LS 16840

Found No. 6 Rebar and 2" Aluminum Cap LS 16840

Cottonwood

TOPOGRAPHIC SURVEY

I, Peter C. Sauer, being a Professional Land Surveyor in the State of Colorado, do hereby certify that this Topographic Survey of PORTIONS OF SECTION 20, T49N, R9W, NMPM, COUNTY OF MONTROSE, STATE OF COLORADO, was made February 28, 2020 by me and checked by me and that both are accurate to the best of my knowledge. It does not constitute a Land Survey Plat or an Improvement Survey Plat as defined by section 38-51-102 Colorado Revised Statute.

Peter C. Sauer P.L.S. 38135

NOTE

1. Project Benchmark Concrete Nail in Center of Cul-de-sac with orange and yellow flagging, Elevation 5698.17, Elevation was determined using GPS observation from National Geodetic Survey Bench Mark H 10 having an elevation of 5683.34 feet.

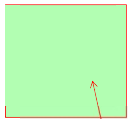
NOTICE

According to Colorado law you must commence any legal action based upon any defect in this survey within three years after you first discover such defect. In no event may any action based upon any defect in this survey be commenced more than ten years from the date of the certification shown hereon.

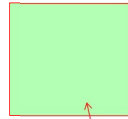
PROJECT MANAGER: PS	REVISIONS	DATE	DESCRIPTION	BY
CADD TECH: PS	1			
CHECKED BY: PS	2			
START DATE: 2/26/21	3			
	4			
	5			



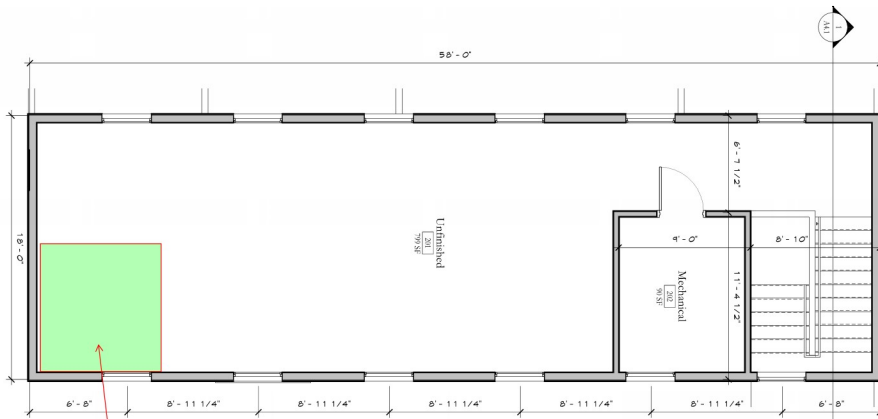
OFFICE (970) 249-5349 - CELL (970) 729-1289
23414 UNCOMPAHGRE ROAD - MONTROSE, COLORADO 81403
WWW.ORIONSURVEYING.COM



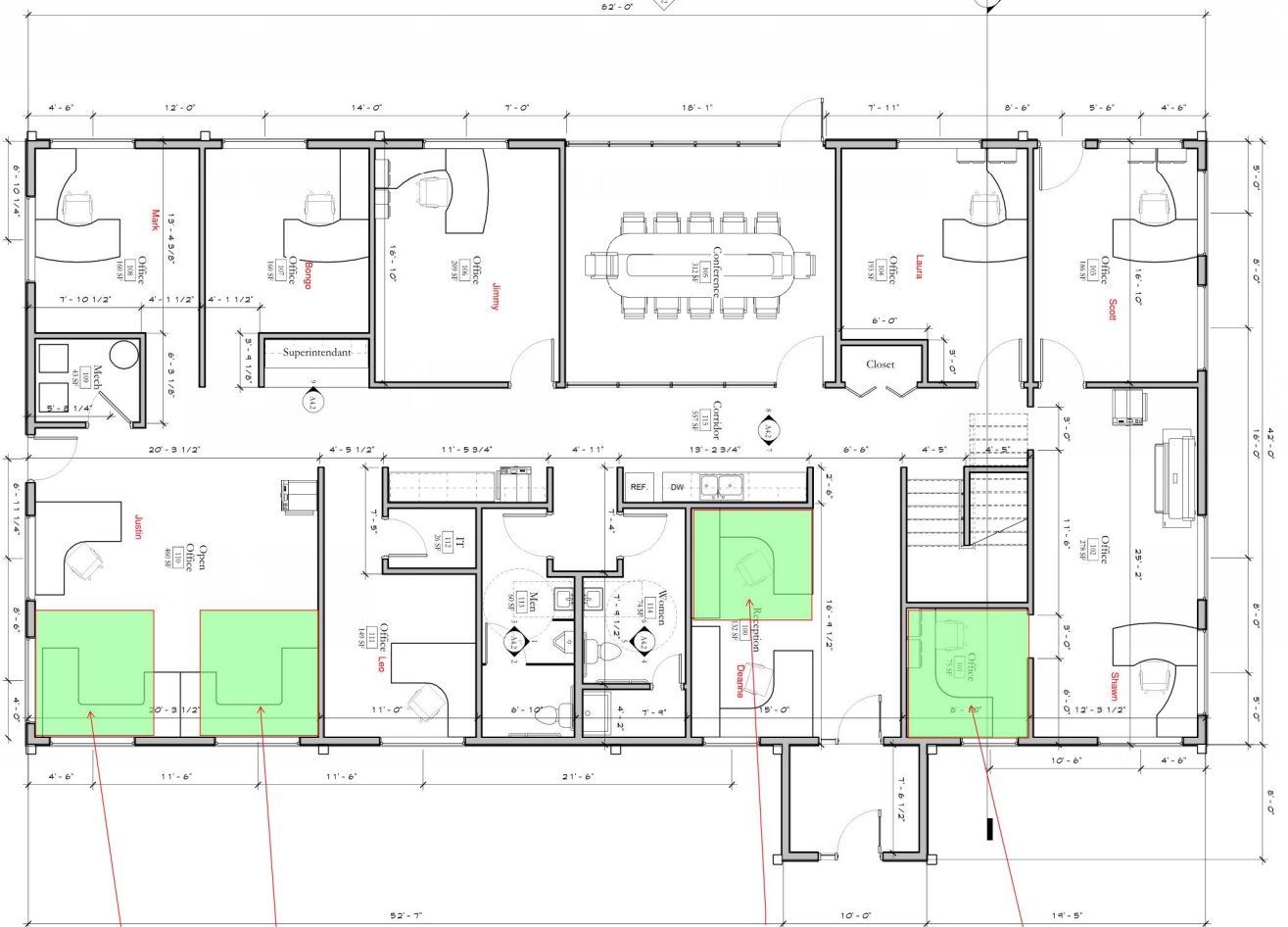
② Plan-Level 2
1/4" = 1'-0"



Future Field
Superintendent



Future Project
Engineer



Future Admin Asst

Future Estimator

Future Project
Manager

Future Project
Engineer

① Plan-Level 1
1/4" = 1'-0"

CITY OF MONTROSE
Development Agreement
With
Stryker & Company, Inc.

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1. PARTIES

This Development Agreement (hereinafter called “Agreement”) is entered into by and between the City of Montrose, whose address is 433 S. 1st Street, Montrose, Colorado 81401 (hereinafter called “City”), and Stryker & Company, Inc., whose address is 236 S. 3rd St, #319, Montrose, Colorado 81401 (hereinafter called “Grantee”).

2. EFFECTIVE DATE AND NOTICE OF NONLIABILITY

This Agreement shall not be effective or enforceable until it is approved and signed by the City Manager or designee and the Grantee (hereinafter called the "Effective Date"). The City shall not be liable to pay or reimburse Grantee for any performance hereunder, including, but not limited to costs or expenses incurred, or be bound by any provision hereof, prior to the Effective Date, unless expressly provided.

3. RECITALS

A. Authority, Appropriation, and Approval

The City enters into this agreement under Authority of the Constitution of the State of Colorado as home-rule municipality.

B. Consideration

The Parties acknowledge that the mutual promises and covenants contained herein and other good and valuable consideration are sufficient and adequate to support this Agreement.

C. Purpose

In the interest of promoting outdoor recreation opportunities, economic development, and local businesses, this agreement is serving as a specific inducement for Grantee to commit to the location and construction of their local business.

D. References

All references in this Grant to sections (whether spelled out or using the § symbol), subsections, exhibits or other attachments, are references to sections, subsections, exhibits or other attachments contained herein or incorporated as a part hereof, unless otherwise noted.

4. DEFINITIONS

The following terms as used herein shall be construed and interpreted as follows:

A. Evaluation

“Evaluation” means the process of examining Grantee’s Work and rating is based on criteria as set forth in this agreement.

B. Employee

“Employee” or “Full Time Position” (FTP) means a person who works in the service of Grantee or its subsidiaries, under an express or implied contract of hire under which the employer has the right to control the duties of work performance.

C. Goods

“Goods” means tangible material acquired, produced, or delivered by Grantee either separately or in conjunction with the Services Grantee renders hereunder.

D. Grant or Agreement

“Grant” or “Agreement” means this Grant, its terms and conditions, attached exhibits, documents incorporated by reference under the terms of this Grant, and any future modifying agreements, exhibits, attachments or references incorporated herein pursuant to Colorado State law, City of Montrose, Colorado (City) ordinance and City Fiscal Policies.

E. Grant Funds

“Grant Funds” means funds available for distribution by the City payable by the City to Grantee or a Sub-Grantee, pursuant to this Grant.

F. Party or Parties

“Party” means the City or Grantee and “Parties” means both the City and Grantee.

G. Review

“Review” means examining Grantee’s Work to ensure that it is adequate, accurate, correct and in accordance with the criteria set forth in this agreement.

H. Services

“Services” means the required services to be performed by Grantee pursuant to this Grant.

I. Sub-grantee

“Sub-grantee” means third-parties, if any, engaged by Grantee to aid in performance of its

obligations.

J. Work or Project

“Work” or “Project” means the tasks and activities Grantee is required to perform to fulfill its obligations under this Agreement, including the performance of the Services.

K. Work Product

“Work Product” means the tangible or intangible results of Grantee’s Work, including, but not limited to, software, research, reports, studies, data, photographs, negatives or other finished or unfinished documents, drawings, models, surveys, maps, materials, or work product of any type, including drafts.

5. TERM AND EARLY TERMINATION

A. Initial Term and Work Commencement

B. The Parties’ respective performances under this Agreement shall commence on the Effective Date and this Agreement shall terminate on December 1, 2024 unless sooner terminated or further extended as specified elsewhere herein. Grantee shall obtain a building permit, signifying the beginning of work, no later than April 1, 2023.

B. Obligations Non Transferrable and Sale of the Company

As stated in 9.A. Grantee’s rights and obligations are personal and nontransferable.

6. STATEMENT OF WORK AND UNDERSTANDING OF PERFORMANCE

A. Completion

Grantee shall complete the Work as outlined in section 6(C) and (D) below and its other obligations as described herein on or before December 1, 2024. Grantee shall obtain a building permit, signifying the beginning of work, no later than April 1, 2023. The City shall not be liable to compensate Grantee for any Work performed prior to the Effective Date or after the termination of this Grant.

B. Property

The construction of the business as proposed by Grantee will be constructed on a portion of Parcel number 376720200907 and addressed as 2365 Air Park Way, Montrose, Colorado 81401, less a small portion to be retained by the City as shown in Exhibit A. This small portion of the property shall be removed and retained by the City as part of a minor subdivision plat completed by the City.

C. Infrastructure

The City agrees to support infrastructure as follows:

Work Element	Description of Work	Maximum Reimbursement (a)	In-Kind Contribution
Sewer Line	City to pay contractor to install sewer pump and 400' of sewer line to City manhole near PolyOne	\$15,000	N/A
City Water Blowoff Valve	City to move blow-off at end of cul de sac.	N/A	\$20,000
Trash/Tree Removal	City to supply dump trucks to haul up to 20 loads of trees and trash to City owned property or local landfill. Contractor to load.	N/A	\$10,000*
Structural Fill	City to pay contractor to supply and install up to 3,000 tons of structural fill to get building area above Base Flood Elevation (BFE)	\$90,000 (3,000 x \$30/ton)	N/A

TOTAL (Rounded)

\$105,000

\$30,000

(a) Reimbursement shall be for actual costs of work performed and no more than maximum reimbursement listed.

(b) *City and Grantee can complete this work prior to Grantee obtaining a building permit.

D. In exchange for receiving development assistance as set forth above, Grantee makes the following commitments to the City: Grantee will construct or cause to be constructed the relocation and expansion of Stryker & Company Inc. headquarters to include a 3000 SF commercial office and shop facility to house 13 administrative employees in general conformance with the site plan as shown in Exhibit A. Full construction is anticipated to be completed on or before December 1, 2024.

7. BREACH

A. Defined

In addition to any breaches specified in other sections of this Agreement, the failure of either Party to perform any of its material obligations hereunder, in whole or in part or in a timely or satisfactory manner, constitutes a breach. The institution of proceedings under any bankruptcy, insolvency, reorganization or similar law, by or against Grantee, or the appointment of a receiver or similar officer for Grantee or any of its property, which is not vacated or fully stayed within 20 days after the institution or occurrence thereof, shall also constitute a breach.

B. Notice and Cure Period

In the event of a breach, notice of such shall be given in writing by the aggrieved Party to the other Party in the manner provided in § 9. If such breach is not cured within 30 days of receipt of written notice, or if a cure cannot be completed within 30 days, or if cure of the breach has not begun within 30 days and pursued with due diligence, the aggrieved Party may exercise any of the remedies set forth in § 8. Notwithstanding anything to the contrary herein, the City, in its sole discretion, need not provide advance notice or a cure period and may immediately terminate this Agreement in whole or in part if reasonably necessary to preserve public safety or to prevent immediate public crisis. Nothing in this section is to be construed to restrict payment adjustments of non-compliance as set forth in § 6.

8. REMEDIES

If Grantee is in breach under any provision of this Agreement, the City shall have all of the remedies listed in this § 8 in addition to all other remedies set forth in other sections of this Agreement following the notice and cure period set forth in § 7(B). The City may exercise any or all of the remedies available to it, in its sole discretion, concurrently or consecutively.

A. Termination for Cause and/or Breach

If Grantee fails to perform any of its obligations hereunder with such diligence as is required by this Agreement, the City may notify Grantee of such non-performance in accordance with the provisions herein. If Grantee thereafter fails to promptly cure such non-performance within the cure period, the City, at its option, may terminate this entire Agreement or such part of this Agreement as to which there has been delay or a failure to properly perform. Exercise by the City of this right shall not be deemed a breach of its obligations hereunder. Grantee shall continue performance of this Agreement to the extent not terminated, if any. The amount of the reimbursement disbursed shall immediately become due and payable to the City in the event that the Grantee relocates all or a portion of its operations from Montrose to another city/state prior to December 1, 2024, and the resulting relocation results in the Grantee not being able to maintain operations obligations in § 6. The Grantee shall notify the City within 30 days from the time Grantee fails to maintain its operations in Montrose.

i. Obligations and Rights

To the extent obligations are specified in any termination notice, Grantee shall not incur further obligation or render further performance hereunder past the effective date of such notice, and shall terminate outstanding orders and subcontracts with sub-grantees or third parties. However, Grantee shall complete and deliver to the City all Work, Services and Goods not cancelled by the termination notice and may incur obligations as are necessary to do so within this contract's terms.

ii. Payments

The City shall reimburse Grantee only for accepted performance up to the date of termination. If, after termination by the City, it is determined that Grantee was not in breach or that Grantee's action or inaction was excusable, such termination shall be treated as a termination in the public interest and the rights and obligations of the Parties shall be the same as if this Agreement had been terminated in the public interest, as described herein.

iii. Damages and Withholding

Notwithstanding any other remedial action by the City, Grantee also shall remain liable to the City for any damages sustained by the City by virtue of any breach under this Agreement by Grantee and the City may withhold any payment to Grantee for the purpose of mitigating the City's damages, until such time as the exact amount of damages due to the City from Grantee is determined.

B. Remedies Not Involving Termination

The City, in its sole discretion, may exercise one or more of the following remedies in addition to other remedies available to it:

i. Suspend Performance

Suspend Grantee's performance with respect to all or any portion of this Agreement pending necessary corrective action as specified by the City without entitling Grantee to an adjustment in price/cost or performance schedule. Grantee shall promptly cease performance and incurring costs in accordance with the City's directive and the City shall not be liable for costs incurred by Grantee after the suspension of performance under this provision.

ii. Withhold Payment

Withhold payment or make a partial payment to Grantee until corrections in Grantee's performance are satisfactorily made and completed.

iii. Deny Payment

Deny payment for those obligations not performed or, if performed, would be of no value to the City; provided that any denial of payment shall be reasonably related to the value to the City of the obligations not performed.

iv. Intellectual Property

If Grantee infringes on a patent, copyrights, trademark, trade secret or other intellectual property right while performing its obligations under this Agreement, Grantee shall, at the City's options (a) obtain for the City or Grantee the right to use such products and services; (b) replace any Goods, Services, or other product involved with non-infringing products or modify them so that they become non-infringing; or, (c) if neither of the foregoing alternatives are reasonably available, remove any infringing Goods, Services, or products and refund the price paid therefore to the City.

9. NOTICES AND REPRESENTATIVES

Each individual identified below is the principal representative of the designating Party. All notices required to be given hereunder shall be hand delivered with receipt required or sent by certified or registered mail to such Party's principal representative at the address set forth below. In addition to, but not lieu of a hard-copy notice, notice also may be sent via e-mail to the e-mail addresses, if any, set forth below. Either Party may from time to time designate by written notice substitute addresses or persons to whom such notices shall be sent. Unless otherwise provided herein, all notices shall be effective upon receipt.

A. City of Montrose:

William E. Bell, City Manager
or Current City Manager
433 S. 1st Street
Montrose, CO 81401
Ph: 970-240-1400
Email:
wbell@cityofmontrose.org

cc: Stephen P. Alcorn, City Attorney
or Current City Attorney
433 S. 1st Street
Montrose, CO 81401
Ph: 970-240-1440
Email:
salcorn@cityofmontrose.org

B. Grantee:

Scott Stryker
Stryker & Company, Inc.
236 S. 3rd St, #319, Montrose, Colorado 81401
Ph: 970-964-4434
Email: scott@strykerco.net

10. GOVERNMENTAL IMMUNITY

Notwithstanding any other provision to the contrary, nothing herein shall constitute a waiver, expressed or implied, of any of the immunities, rights, benefits, protection, or other provisions of the Colorado Governmental Immunity Act, CRS § 24-10-101, et seq., as amended. Liability for claims for injuries to persons or property arising from the negligence of the City and/or of Montrose, its departments, institutions, agencies, boards, officials, and employees is controlled and limited by the provisions of the Governmental Immunity Act and the risk management statutes, CRS § 24-30-1501, et seq., as amended.

11. GENERAL PROVISIONS

A. Assignment and Sub-grants

Grantee's rights and obligations hereunder are personal and may not be transferred, assigned or sub-granted without prior, written consent of the City. Any attempt at assignment, transfer or sub-granting without such consent shall be void as will be this Incentive Grant Agreement. All assignments, Sub-grants, or Sub-grantees approved by Grantee or the City are subject to all of the provisions hereof. Grantee shall be solely responsible for all aspects of sub-granting

arrangements and performance. Ownership transfers in excess of 20% will require the City approval in writing. This approval will not be unreasonably withheld.

B. Binding Effect

Except as otherwise provided in § 9(A), all provisions herein contained, including the benefits and burdens, shall extend to and be binding upon the Parties' respective heirs, legal representative, successors, and assigns.

C. Captions

The captions and headings in this Grant are for convenience of reference only, and shall not be used to interpret, define, or limit its provisions.

D. Counterparts

This Grant may be executed in multiple identical original counterparts, all of which shall constitute one agreement.

E. Entire Understanding

This Grant represents the complete integration of all understandings between the Parties and all prior representations and understandings, oral or written, are merged herein. Prior to contemporaneous additions, deletions, or other changes hereto shall not have any force or affect whatsoever, unless embodied herein.

F. Indemnification – General

Grantee shall indemnify, save, and hold harmless the City, its employees and agents, against any and all claims, damages, liability and court awards including costs, expenses, and attorney fees and related costs, incurred to the extent caused by any act or omission by Grantee, or its employees, agents, Sub-grantees, or assignees pursuant to the terms of this Grant; however, the provisions hereof shall not be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protection, or other provisions, of the Colorado Governmental Immunity Act, CTS § 24-10-101 et seq., or the Federal Tort Claims Act, 28 U.S.C.2671 et seq., as applicable, as now or hereafter amended.

G. Jurisdiction and Venue

All suits, actions, or proceedings related to this Grant shall be held in the State of Colorado and exclusive venue shall be in the City and County of Montrose.

H. Modification

i. Except as specifically provided in this Grant, modifications of this Grant shall not be effective unless agreed to in writing by the Parties in an amendment to this Grant, properly executed and approved in accordance with applicable Colorado State law, City ordinances and City Fiscal Policy.

ii. **By Operation of Law**

This Grant is subject to such modifications as may be required by changes in Federal or Colorado State law, or their implementing regulations. Any such required modification automatically shall be incorporated into and be part of this Grant on the effective date of such change, as if fully set forth herein.

I. Order Precedence

The provisions of this Grant shall govern the relationship of the Parties. In the event of conflicts or inconsistencies between this Grant and its exhibits and attachments including, but not limited to, those provided by Grantee, such conflicts or inconsistencies shall be resolved by reference to the documents in the following order of priority:

- i. Colorado Special Provisions;
- ii. The provisions of the main body of this Grant; and
- iii. Exhibit A

J. Severability

Provided this Grant can be executed and performance of the obligations of the Parties accomplished within its intent, the provisions hereof are severable and any provision that is declared invalid or becomes inoperable for any reason shall not affect the validity of any other provision hereof.

K. Survival of Certain Grant Terms

Notwithstanding anything herein to the contrary, provisions of this Grant requiring continued performance, compliance, or effect after termination hereof, shall survive such termination and shall be enforceable by the City if Grantee fails to perform or comply as required.

L. Third Party Beneficiaries

Enforcement of this Grant and all rights and obligations hereunder are reserved solely to the Parties, and not to any third party. Any services or benefits which third parties receive as a result of this Grant are incidental to the Grant, and do not create any rights for such third parties.

M. Waiver

Waiver of any breach of a term, provision, or requirement of this Grant, or any right or remedy hereunder, whether explicitly or by lack of enforcement, shall not be construed or deemed as a waiver of any subsequent breach of such term, provision or requirement, or of any other term, provision, or requirement.

12. COLORADO SPECIAL PROVISIONS

These Special Provisions apply to all Grants except where noted in italics.

A. CITY APPROVAL.

This Grant shall not be deemed valid until it has been approved by the City of Montrose City Manager.

B. GOVERNMENTAL IMMUNITY.

No term or condition of this Grant shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protections, or other provisions, of the Colorado Governmental Immunity Act, CRS § 24-10-101 et seq., or the Federal Tort Claims Act, 28 U.S.C. §§ 1346(b) and 2671 et seq., as applicable now or hereafter amended.

C. INDEPENDENT CONTRACTOR.

Grantee shall perform its duties hereunder as an independent contractor and not as an employee. Neither Grantee nor any agents or employee of Grantee shall be deemed to be an agent or employee of the City. Grantee and its employees and agents are not entitled to

unemployment insurance or workers compensation benefits through the City and the City shall not pay for or otherwise provide such coverage for Grantee or any of its agents or employees. Unemployment insurance benefits shall be available to Grantee and its employees and agents only if such coverage is made available by Grantee or a third party. Grantee shall pay when due all applicable employment taxes and income taxes and local head taxes incurred pursuant to this Grant. Grantee shall not have authorization, expressed or implied, to bind the City to any agreement, liability or understanding, except as expressly set forth herein. Grantee shall (a) provide and keep in force workers' compensation and unemployment compensation insurance in the amounts required by law, (b) provide proof thereof when requested by the City, and (c) be solely responsible for its acts and those of its employees and agents.

D. COMPLIANCE WITH LAW.

Grantee shall strictly comply with all applicable Federal and State laws, rules, and regulations in effect or hereafter established, including, without limitation, laws applicable to discrimination and unfair employment practices.

E. CHOICE OF LAW.

Colorado law, and rules and regulations issued pursuant thereto, shall be applied in the interpretation, execution, and enforcement of this Grant. Any provision included or incorporated herein by reference which conflicts with said laws, rules, and regulations shall be null and void. Any provision incorporated herein by reference which purports to negate this or any other Special Provision in whole or in part shall not be valid or enforceable or available in any action at law, whether by way of complaint, defense, or otherwise. Any provision rendered null and void by the operation of this provision shall not invalidate the remainder of this Grant, to the extent capable of execution.

F. BINDING ARBITRATION PROHIBITED.

The City does not agree to binding arbitration by any extra-judicial body or person. Any provision to the contrary in this Grant or incorporated herein by reference shall be null and void.

G. SOFTWARE PIRACY PROHIBITION.

The City or other public funds payable under this Grant shall not be used for the acquisition, operation, or maintenance of computer software in violation of federal copyright laws or applicable licensing restrictions. Grantee hereby certifies and warrants that, during the term of this Grant and any extensions, Grantee has and shall maintain in place appropriate systems and controls to prevent such improper use of public funds. If the City determines the Grantee is in violation of this provision, the City may exercise any remedy available at law or in equity or under this Grant, including without limitation, immediate termination of this Grant and any remedy consistent with federal copyright laws or applicable licensing restrictions.

H. EMPLOYEE FINANCIAL INTEREST/CONFLICT OF INTEREST.

The signatories aver that to their knowledge, no employee of the City has any personal or beneficial interest whatsoever in the service or property described in this Grant. Grantee has no interest and shall not acquire any interest, direct or indirect, that would conflict in any

manner or degree with the performance of Grantee's services and Grantee shall not employ any person having such known interests.

I. PUBLIC CONTRACTS FOR SERVICES.

Grantee certifies, warrants, and agrees that it does not knowingly employ or contract with a worker without authorization who shall perform work under this Grant and shall confirm the employment eligibility of all employees who are newly hired for employment in the United States to perform work under this Grant, through participation in the E-Verify program or the State program established pursuant to CRS § 8-17.5-102(5)(c), Grantee shall not knowingly employ or contract with a worker without authorization to perform work under this Grant or enter into a contract with a Sub-grantee that fails to certify to Grantee that the Sub-grantee shall not knowingly employ or contract with a worker without authorization to perform work under this Grant. Grantee (a) shall use E-Verify Program or State program procedures to undertake pre-employment screening of job applicants while this Grant is being performed, (b) shall notify the Sub-grantee and the contracting State agency within three days if Grantee has actual knowledge that a Sub-grantee is employing or contracting with a worker without authorization for work under this Grant, (c) shall terminate the Sub-grant if a Sub-grantee does not stop employing or contracting with the worker without authorization within three days of receiving notice, and (d) shall comply with reasonable requests made in the course of an investigation, undertaken pursuant to CR § 8-17.5-102(5), by the Colorado Department of Labor and Employment. If Grantee participates in the State program, Grantee shall deliver to the contracting State agency, Institution of Higher Education or political subdivision, a written, notarized affirmation, affirming that Grantee has examined the legal work status of such employee, and shall comply with all of the other requirements of the State program. If Grantee fails to comply with any requirement of this provision or CRS §8-17.5-101 et seq., the contracting State agency, Institution of Higher Education or political subdivision may terminate this Grant for breach and, if so terminated, Grantee shall be liable for damages.

J. PUBLIC CONTRACTS WITH NATURAL PERSONS.

Grantee, if a natural person 18 years of age or older, hereby swears and affirms under penalty of perjury that he or she (a) is a citizen or otherwise lawfully present in the United States pursuant to Federal law, (b) shall comply with the provisions of CRS § 24-76.5-103 prior to the effective date of this Grant.

K. Grantor will work with Grantee in the event Grantee wants to work a 1031 like kind exchange for this property. This is an IRS provision in the tax code that allows for transferring the income from one property to another.

THE REST OF THIS PAGE INTENTIONALLY LEFT BLANK

SIGNATURE PAGE

THE PARTIES HERETO HAVE EXECUTED THIS AGREEMENT

*Persons signing for Grantee hereby swear and affirm that they are authorized to act on Grantee's behalf and acknowledge that the City is relying their representations to that effect.

THE CITY OF MONTROSE

GRANTEE

By: _____
William E. Bell, City Manager

By: _____
Scott Stryker, Stryker & Company, Inc.
Principal of S and J Development LLC

ATTEST

By: _____
Lisa DelPiccolo, City Clerk

State of Colorado)
) ss.
County of Montrose)

The foregoing instrument was acknowledged before me this ____ day of _____, 20____, by William E. Bell, City Manager, City of Montrose.

Witness my hand and official seal.
My commission expires: _____.

(Seal)

Notary

State of Colorado)
) ss.
County of Montrose)

The foregoing instrument was acknowledged before me this ____ day of _____, 20____, by Scott Stryker, Stryker & Company, Inc.

Witness my hand and official seal.
My commission expires: _____.

(Seal)

Notary

[illegible]

MEMORANDUM



TO: Honorable Mayor and Members of the City Council
FROM: William Bell, *City Manager*
DATE: October 28, 2021
RE: Hub at Montrose Crossing Development Agreement
CC: Ann Morgenthaler, Lisa Kuczmarski, Scott Murphy, Shani Wittenberg

Action

Consider entering into a development agreement with 1890 Homestead, LLC to facilitate development of the Hub at Montrose Crossing's first phase to include 160 market-rate rental apartment units within the City of Montrose.

Background

In response to rising housing needs in the community, 1890 Homestead, LLC started to evaluate and develop preliminary plans for a multi-family residential housing complex in 2019. Through this process, they developed a plan for the Hub at Montrose Crossing (formerly 1890 Homestead) to be situated near the intersection of 6450 Road and Cobble Drive within the City of Montrose. The project was first discussed with City Council at a work session on August 31, 2020 when the project was envisioned to ultimately include a single senior living building and approximately 21 separate two-story apartment buildings dispersed throughout the site with green space and pedestrian trails in between. At the August 30 work session, fee waivers and infrastructure support from the City with a value of up to \$2.3M were discussed to help facilitate the first phase of the project (192 apartment units) and, in doing so, help to meet the community's housing needs. The City then went on to budget for this assistance in the City's 2021 budget. For reference and context, packet materials and initial plans from the August 2020 work session are included as Attachment A.

Following the August 2020 work session, the developer continued to refine plans for their project and initially presented a sketch plan and planned development (PD) to the City Planning Commission for consideration in December of 2020. The project was presented as a PD plan as required by our code in order to allow for the development to place multiple separate residential structures on a single lot. Planning commission meetings for the project ultimately extended into February of 2021 when the planning commission recommended approval of the PD plan but with a density restriction of no more than seven units per acre. It should be noted that the City does have the legal purview to place conditions on a planned development (versus a straight subdivision process where land uses are prescriptive by right through our zoning and development codes).

The density restriction recommended by the planning commission was substantially lower than necessary to accommodate the project as planned by the developer and less than the density that could be achieved by completion of the project through a straight subdivision process. As a result, the developer elected to redesign their project to include a single 160 unit apartment building on a single lot that was created through a standard minor subdivision. Site development plans and the minor subdivision for this application have been reviewed and approved by the City. An overview of the updated project planned for construction is included as Attachment B.

Development Agreement

Since initially discussing this project in August of 2020, the need for housing has continued to increase within our community and throughout the State of Colorado. When discussing housing issues with the State Department of Local Affairs (DOLA), other State and local housing agencies, and anecdotally with members of our community, many would characterize the current housing situation as a crisis. Challenges being created by the lack of workforce housing in Montrose include, but are not limited to, workforce retention and recruitment issues, homelessness, and a dramatic rise in housing and rental prices. All of these issues have the potential to negatively impact quality of life and economic vitality for our community.

Working towards resolution of these housing issues, the City has continued to work with developers of the Hub project in an attempt to facilitate the construction of additional workforce housing in our City. To that end, we have prepared a development agreement included with the council packet for your consideration. This development agreement includes potential financial commitments summarized in Table 1 below. Also included in the table for reference are the original commitments that were budgeted in 2021 for the project. Because the first phase of this project was scaled back from the original (160 units currently proposed versus 192 initially proposed), the financial contributions are lower in accordance with this reduction in units.

TABLE 1				
Summary of Proposed City Commitments				
Element	Previous 8/31/2020 Work Session Amount	Updated Costs ^(a)		Savings (Updated- Previous)
		Fee Waiver	Reimbursement	
Permit and Plan Check Fees	\$163,327	\$115,979	-	-\$47,348
City Construction Use Tax	\$403,650	\$280,802	-	-\$122,848
Construction Water Fee	\$3,840	\$3,200	-	-\$640
Water and Sewer Tap and Unit Fees	\$1,075,047	-	\$794,408	-\$280,639
Public Water and Sewer Infrastructure	\$700,000	-	\$583,333	-\$116,667
TOTAL	\$2,345,864	\$399,981	\$1,377,741	-\$568,142

Notes:

(a) Updated fee and tax costs calculated based on current site and building plans. Water/sewer infrastructure costs pro-rated from the August 2020 estimate based on the updated number of total rental units (160 currently planned/192 initially planned or 83.3%).

Under the Fee Waiver column of Table 1, the fees and taxes shown are waived by the City Manager. As a result, these do not represent an out-of-pocket expense to the City. Items listed under the reimbursement column are only paid out once the building permit is pulled (water and sewer tap fees) or the associated infrastructure work elements are completed (water/sewer public infrastructure construction). These elements do represent a direct expenditure by the City.

Contract Administration and Project Financials

Contract administration, project management, and inspection associated with the development agreement will be performed by the City of Montrose engineering department.

As shown in Table 1, the anticipated overall contribution towards the development project is approximately \$570k less than originally anticipated in the 2021 budget and all funds remain unexpended/available for carryover into the 2022 budget.



August 27, 2020

TO: Montrose City Council

FROM: Bill Bell, City Manager

CC: Ann Morgenthaler, Assistant City Manager, Chelsea Rosty, Director of Business Innovation, Scott Murphy, City Engineer

SUBJECT: Workforce Housing Incentive Package for 1890 Homestead Project

MEMO

Local developer, Matt Miles is planning a three-phase multi-family housing development in the area of Cobble Drive and Chipeta Drive. This memo will outline plans for Phase I.

Mr. Miles currently owns the 32-acre property located at the corner of 6450 Road and Cobble Drive. The parcel is properly zoned (R3-A) for multi-family. The planned Phase I of the project will include the construction of 192 apartments organized into four buildings with a club house. 116 of these units are planned as one-bedroom and the remaining 76 will be two-bedroom. All units will rent at market rate, which is estimated by Mr. Miles to begin at \$1,200 for the two-bedroom units and \$1,050 for the one-bedroom. This development is intended to provide workforce housing for our community.

Amenities of the development will include:

- Clubhouse: w/ kitchen, pool table, coffee bar and bike and ski repair area for resident use
- Courtyard
- Business center
- Exercise facility
- Recreation area
- Swimming pool
- Grill(s)
- Walking trails

- 88 tuck-under garages
- Dog park

Amenities of the units will include:

- Balconies
- 2” blinds
- Garden tubs
- Central heating and cooling
- Carpeting
- High speed internet access
- Ceiling fans in living room and bedrooms
- Walk-in closets
- Exterior storage
- 9’ceilings
- Flooring: Ceramic tile in bathrooms, vinyl wood flooring in kitchens and living areas, carpet in bedrooms
- Appliances: electric oven/range, refrigerators with icemakers, garbage disposal, microwaves, dishwashers, and in-unit washer and dryer

Housing costs in Montrose have continued to rise dramatically over the past seven years, both for renting and owning. Vacancy is low, and the demand is high, thus cost increases. Many households in all income ranges are paying more than 30% of their monthly income in housing cost. Preliminary studies show that the local market can sustain at least 250 new rental units before vacancy will be affected to the point of rent prices decreasing.

Staff has met with the developer, reviewed the site plans, costs, and associated design necessary for the project. When complete, Phase I will bring a total investment of approximately \$36.4M to the community and fill an urgent need for workforce housing in the area. For the above reasons, we have prepared the following incentives for your discussion and consideration:

- Permit and plan check fees: \$163,327 (waiver)
- City construction sales tax: \$403,650 (waiver)
- Construction water: \$3,840 (waiver)
- All tap fees: \$1,075,047 (from 2021 general undesignated fund balance)
- Additional incentives toward water/sewer infrastructure \$700,000 (2021 water/sewer budgets)

TOTAL

\$2,345,864

The current site plan is attached.

TABULATIONS

SENIOR LIVING

SITE AREA: 6.53 AC.
UNIT TABULATION:
1 BEDROOM: 98 UNITS (60.49%)
2 BEDROOM: 64 UNITS (39.51%)
TOTAL: 162 UNITS
@ 24.81 UNITS/ACRE
PARKING TABULATION:
243 SURFACE PARKING
@ 1.50 PARKING/UNIT
@ 1.08 PARKING/BED
*243 PARKING REQUIRED (1.5P/UNIT)

MULTI FAMILY PHASE I

SITE AREA: 13.64 AC.
UNIT TABULATION:
1 BEDROOM: 96 UNITS (60.00%)
2 BEDROOM: 64 UNITS (40.00%)
TOTAL: 160 UNITS
@ 11.73 UNITS/ACRE
PARKING TABULATION:
194 SURFACE PARKING
84 TUCK UNDER GARAGE
278 TOTAL PARKING
@ 1.74 PARKING/UNIT
@ 1.24 PARKING/BED
*240 PARKING REQUIRED (1.5P/UNIT)

MULTI FAMILY PHASE II

SITE AREA: 9.68 AC.
UNIT TABULATION:
1 BEDROOM: 106 UNITS (59.55%)
2 BEDROOM: 72 UNITS (40.45%)
TOTAL: 178 UNITS
@ 18.39 UNITS/ACRE
PARKING TABULATION:
212 SURFACE PARKING
82 TUCK UNDER GARAGE
294 TOTAL PARKING
@ 1.65 PARKING/UNIT
@ 1.18 PARKING/BED
*267 PARKING REQUIRED (1.5P/UNIT)

MULTI FAMILY TOTAL

SITE AREA: 23.32 AC.
UNIT TABULATION:
1 BEDROOM: 202 UNITS (59.76%)
2 BEDROOM: 136 UNITS (40.24%)
TOTAL: 338 UNITS
@ 14.49 UNITS/ACRE
PARKING TABULATION:
406 SURFACE PARKING
166 TUCK UNDER GARAGE
572 TOTAL PARKING
@ 1.69 PARKING/UNIT
@ 1.21 PARKING/BED
*507 PARKING REQUIRED (1.5P/UNIT)

Attachment A -
August 2020 Work
Session Packet



NE MONTROSE MULTI FAMILY SCHEMATIC MASTER PLAN #5

Montrose, CO

#20161 / 08.20.2020
NE Development

SCALE 1"=80'-0"







THE
HUB
AT MONTROSE CROSSING



City of Montrose
Development Agreement
with
1890 Homestead, LLC

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1. PARTIES

This Development Agreement (hereinafter called “Agreement”) is entered into by and between the City of Montrose, whose address is 433 S. 1st Street, Montrose, Colorado 81401 (hereinafter called “City”), and 1890 Homestead, LLC, a limited liability company whose address is 1521 Oxbow Drive, Suite 210, Montrose, CO 81401 (hereinafter called “Grantee”).

2. EFFECTIVE DATE AND NOTICE OF NONLIABILITY

This Agreement shall not be effective or enforceable until it is approved and mutually executed by both Parties (hereinafter called the "Effective Date"). The City shall not be liable to pay or reimburse Grantee for any performance hereunder, including, but not limited to costs or expenses incurred, or be bound by any provision hereof, prior to the Effective Date, unless expressly provided.

3. RECITALS

A. Authority, Appropriation, and Approval

The City enters into this agreement under Authority of the Constitution of the State of Colorado as a home-rule municipality.

B. Consideration

The Parties acknowledge that the mutual promises and covenants contained herein and other good and valuable consideration are sufficient and adequate to support this Agreement.

C. Purpose

In the interest of facilitating the development of workforce rental housing to meet an unmet community need, and the economic and social benefits to the community that arise from available workforce housing, this agreement is serving as a specific inducement for Grantee to commit to the construction of 160 rental workforce housing apartment units within the City of Montrose.

D. References

All references in this Grant to sections (whether spelled out or using the § symbol), subsections, exhibits or other attachments, are references to sections, subsections, exhibits or other attachments contained herein or incorporated as a part hereof, unless otherwise noted.

4. DEFINITIONS

The following terms as used herein shall be construed and interpreted as follows:

A. Grant or Agreement

“Grant” or “Agreement” means this Grant, its terms and conditions, attached exhibits, documents incorporated by reference under the terms of this Grant, and any future modifying agreements, exhibits, attachments or references incorporated herein pursuant to Colorado State law, City of Montrose, Colorado (City) ordinance and City Fiscal Policies.

B. Grant Funds

“Grant Funds” means funds available for distribution by City to Grantee or a Sub-Grantee, pursuant to this Grant.

C. Party or Parties

“Party” means City or Grantee and “Parties” means both City and Grantee.

D. Review

“Review” means examining Grantee’s Work to ensure that it is adequate, accurate, correct and in accordance with the criteria established in § 6.

E. Services

“Services” means the required services to be performed by Grantee pursuant to this Grant.

F. Sub-grantee

“Sub-grantee” means third-parties, if any, engaged by Grantee to aid in performance of its obligations. This shall include any subcontractors performing construction work eligible for reimbursement by this agreement.

G. Work or Project

“Work” or “Project” means the tasks and activities Grantee is required to perform to fulfill its obligations under this Agreement, including the performance of the Services.

H. Work Product

“Work Product” means the tangible or intangible results of Grantee’s Work, including, but not limited to, software, research, reports, studies, data, photographs, negatives or other finished or unfinished documents, drawings, models, surveys, maps, materials, or work product of any type, including drafts.

5. TERM AND EARLY TERMINATION

A. Initial Term and Work Commencement

The Parties' respective performances under this Agreement shall commence on the Effective Date and this Agreement shall terminate on June 1, 2024 unless sooner terminated or further extended as specified elsewhere herein.

B. Obligations Non Transferrable and Sale of the Company

As stated in §11(A) Grantee's rights and obligations are personal and nontransferable unless reassigned in writing and agreed upon by both parties.

6. STATEMENT OF WORK AND UNDERSTANDING OF PERFORMANCE

A. Grantee Construction

Grantee shall construct or cause to be constructed a multi-family workforce housing apartment complex consisting of 160 rental residential units with an anticipated construction value of approximately \$19 million dollars (hereinafter called "Apartment Project"). Work shall be completed in general conformance with applicable City codes and the site plan included as Exhibit A. Failure to do so will be considered a breach of this agreement.

B. Property

Construction of the Apartment Project shall take place on Lot 1 of The Hub Minor Subdivision recorded as reception number 942327 with the Montrose County Recorder.

C. Completion

Grantee shall obtain a building permit for construction of the Apartment Project, signifying the beginning of work, no later than June 1, 2022. Construction of the Apartment Project shall be completed, the certificate(s) of occupancy obtained, and units available for rental no later than June 1, 2024. City shall not be liable to compensate Grantee for any Work performed prior to the Effective Date or after termination of this Grant.

D. City Commitment

The City agrees to financially support the Apartment Project as outlined in Table 1 below.

TABLE 1		
Summary of City Commitments		
Work Element	Fee Waiver ^(a)	Reimbursement
Permit and Plan Check Fees	\$115,979	-
City Construction Use Tax	\$280,802	-
Construction Water Fee	\$3,200	-
Water and Sewer Tap and Unit Fees ^(b)	-	\$794,408
Public Water and Sewer Infrastructure ^(c)	-	\$583,333
TOTAL	\$399,981	\$1,377,741

Notes:

- (a) Fees shown are to be waived under authority of the City Manager and were estimated based on Apartment Project plans submitted to the City. Fees are subject to change slightly should any plan revisions occur prior to building permit issuance. Waiver will be for actual fee amount at time of building permit.
- (b) Capacity and tap fees will be reimbursed following issuance of the building permit.
- (c) Public water and sewer infrastructure includes reimbursement for construction costs associated with mainline water and sewer lines, valves, appurtenances, fire hydrants, water meters (excluding service line downstream of meter), and manholes. Upon satisfactory completion of work elements, City will reimburse Grantee or pay Grantee's contractors directly. Payment will be made for actual costs of completed improvements, up to and not to exceed \$583,333 total, based on mutually-agreed-upon unit prices for eligible infrastructure.

7. BREACH

A. Defined

In addition to any breaches specified in other sections of this Grant, the failure of either Party to perform any of its material obligations hereunder, in whole or in part or in a timely or satisfactory manner, constitutes a breach. The institution of proceedings under any bankruptcy, insolvency, reorganization or similar law, by or against Grantee, or the appointment of a receiver or similar officer for Grantee or any of its property, which is not vacated or fully stayed within 60 days after the institution or occurrence thereof, shall also constitute a breach.

B. Notice and Cure Period

In the event of a breach, notice of such shall be given in writing by the aggrieved Party to the other Party in the manner provided in §9. If such breach is not cured within 30 days of receipt of written notice, or if a cure cannot be completed within 30 days, or if cure of the breach has not begun within 30 days and pursued with due diligence, the aggrieved Party may exercise any of the remedies set forth in §8. Notwithstanding anything to the contrary herein, the City, in its sole discretion, need not provide advance notice or a cure period and may immediately terminate this Grant in whole or in part if reasonably necessary to preserve public safety or to prevent immediate public crisis. Nothing in this section is to be construed to restrict payment adjustments of non-compliance as set forth in §6.

8. REMEDIES

If Grantee is in breach under any provision of this Grant, the City shall have all of the remedies listed in this §8 in addition to all other remedies set forth in other sections of this Grant following the notice and cure period set forth in §7(B). The City may exercise any or all of the remedies available to it, in its sole discretion, concurrently or consecutively.

A. Termination for Cause and/or Breach

If Grantee fails to perform any of its obligations hereunder with such diligence as is required by this Grant, the City may notify Grantee of such non-performance in accordance with the provisions herein. If Grantee thereafter fails to promptly cure such non-performance within in the cure period, the City, at its option, may terminate this entire Grant or such part of this Grant as to which there has been delay or a failure to properly perform. Exercise by the City of this right shall not be deemed a breach of its obligations hereunder. Grantee shall continue performance of this Grant to the extent not terminated, if any.

i. Payments

The City shall reimburse Grantee only for accepted performance up to the date of termination. If, after termination by the City, it is determined that Grantee was not in breach or that Grantee's action or inaction was excusable, such termination shall be treated as a termination in the public interest and the rights and obligations of the Parties shall be the same as if this Grant had been terminated in the public interest, as described herein.

ii. Damages and Withholding

Notwithstanding any other remedial action by the City, Grantee also shall remain liable to the City for any damages sustained by the City by virtue of any breach under this Grant by Grantee and the City may withhold any payment to Grantee for the purpose of mitigating the City's damages, until such time as the exact amount of damages due to the City from Grantee is determined.

B. Remedies Not Involving Termination

The City, in its sole discretion, may exercise one or more of the following remedies in addition to other remedies available to it:

i. Withhold Payment

Withhold payment or make a partial payment to Grantee until corrections in Grantee's performance are satisfactorily made and completed.

ii. Deny Payment

Deny payment for those obligations not performed or, if performed, would be of no value to the City; provided that any denial of payment shall be reasonably related to the value to the City of the obligations not performed.

9. NOTICES AND REPRESENTATIVES

Each individual identified below is the principal representative of the designating Party. All notices required to be given hereunder shall be hand delivered with receipt required or sent by certified or registered mail to such Party's principal representative at the address set forth below. In addition to, but not lieu of a hard-copy notice, notice also may be sent via e-mail to the e-mail addresses, if any, set forth below. Either Party may from time to time designate by written notice substitute addresses or persons to whom such notices shall be sent. Unless otherwise provided herein, all notices shall be effective upon receipt.

A. City:

William E. Bell, City Manager
or Current City Manager
433 S. 1st Street
Montrose, CO 81401
Ph: 970-240-1400
Email:
wbell@cityofmontrose.org

cc: Stephen P. Alcorn, City Attorney
or Current City Attorney
433 S. 1st Street
Montrose, CO 81401
Ph: 970-240-1440
Email:
salcorn@cityofmontrose.org

B. Grantee:

1890 Homestead, LLC
Attn: Matt Miles
1521 Oxbow Drive,
Suite 221
Montrose, CO 81401
Email: matt@leadershipcirclellc.com

10. GOVERNMENTAL IMMUNITY

Notwithstanding any other provision to the contrary, nothing herein shall constitute a waiver, expressed or implied, of any of the immunities, rights, benefits, protection, or other provisions of the Colorado Governmental Immunity Act, CRS § 24-10-101, et seq., as amended. Liability for claims for injuries to persons or property arising from the negligence of the City of Montrose its departments, institutions, agencies, boards, officials, and employees is controlled and limited by the provisions of the Governmental Immunity Act and the risk management statutes, CRS § 24-30-1501, et seq., as amended.

11. GENERAL PROVISIONS

A. Assignment and Sub-grants

Grantee's rights and obligations hereunder are personal and may not be transferred, assigned or sub-granted without prior, written consent of the City. Any attempt at assignment, transfer or sub-granting without such consent shall be void as will be this Development Agreement. All assignments, Sub-grants, or Sub-grantees approved by Grantee or City are subject to all of the provisions hereof. Grantee shall be solely responsible for all aspects of sub-granting arrangements and performance. Ownership transfers in excess of 20% will require City approval in writing. This approval will not be unreasonably withheld. Notwithstanding the foregoing regarding transfer and assignment, the parties recognize that Grantee intends to transfer the property on which the Apartment Project will be developed, prior to the development thereof, to Montrose HUB, LP, a Delaware limited partnership (the "Developer") comprised of Grantee, as a limited partner, NE Multifamily Development, LLC, a Texas limited liability company as the general partner, and Nicholas Multifamily Holdings, No. , LP, a Delaware limited partnership, as a limited partner. The parties agree that Grantee may make such assignment provided that the Developer assumes the obligations of Grantee pursuant to this Agreement.

B. Binding Effect

Except as otherwise provided in §11(A), all provisions herein contained, including the benefits and burdens, shall extend to and be binding upon the Parties' respective heirs, legal representative, successors, and assigns.

C. Captions

The captions and headings in this Grant are for convenience of reference only, and shall not be used to interpret, define, or limit its provisions.

D. Counterparts

This Grant may be executed in multiple identical original counterparts, all of which shall constitute one agreement.

E. Entire Understanding

This Grant represents the complete integration of all understandings between the Parties and all prior representations and understandings, oral or written, are merged herein. Prior to contemporaneous additions, deletions, or other changes hereto shall not have any force or effect whatsoever, unless embodied herein.

F. Indemnification – General

Grantee shall indemnify, save, and hold harmless City, its employees and agents, against any and all claims, damages, liability and court awards including costs, expenses, and attorney fees and related costs, incurred to the extent caused by any act or omission by Grantee, or its employees, agents, Sub-grantees, or assignees pursuant to the terms of this Grant; however, the provisions hereof shall not be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protection, or other provisions, of the Colorado Governmental Immunity Act, CTS § 24-10-101 et seq., or the Federal Tort Claims Act, 28 U.S.C.2671 et seq., as applicable, as now or hereafter amended.

G. Jurisdiction and Venue

All suits, actions, or proceedings related to this Grant shall be held in the State of Colorado and exclusive venue shall be in the City and County of Montrose.

H. Modification

i. Except as specifically provided in this Grant, modifications of this Grant shall not be effective unless agreed to in writing by the Parties in an amendment to this Grant, properly executed and approved in accordance with applicable Colorado State law, City ordinances and City Fiscal Policy.

ii. By Operation of Law

This Grant is subject to such modifications as may be required by changes in Federal or Colorado State law, or their implementing regulations. Any such required modification automatically shall be incorporated into and be part of this Grant on the effective date of such change, as if fully set forth herein.

I. Order Precedence

The provisions of this Grant shall govern the relationship of the Parties. In the event of conflicts or inconsistencies between this Grant and its exhibits and attachments including, but not limited to, those provided by Grantee, such conflicts or inconsistencies shall be resolved by reference to the documents in the following order of priority:

- i. Colorado Special Provisions;
- ii. The provisions of the main body of this Grant; and
- iii. Exhibit A

J. Severability

Provided this Grant can be executed and performance of the obligations of the Parties accomplished within its intent, the provisions hereof are severable and any provision that is

declared invalid or becomes inoperable for any reason shall not affect the validity of any other provision hereof.

K. Survival of Certain Grant Terms

Notwithstanding anything herein to the contrary, provisions of this Grant requiring continued performance, compliance, or effect after termination hereof, shall survive such termination and shall be enforceable by City if Grantee fails to perform or comply as required.

L. Third Party Beneficiaries

Enforcement of this Grant and all rights and obligations hereunder are reserved solely to the Parties, and not to any third party. Any services or benefits which third parties receive as a result of this Grant are incidental to the Grant, and do not create any rights for such third parties.

M. Waiver

Waiver of any breach of a term, provision, or requirement of this Grant, or any right or remedy hereunder, whether explicitly or by lack of enforcement, shall not be construed or deemed as a waiver of any subsequent breach of such term, provision or requirement, or of any other term, provision, or requirement.

12. SPECIAL PROVISIONS

These Special Provisions apply to all Grants except where noted in italics.

A. CITY COUNCIL APPROVAL.

This Grant shall not be deemed valid until it has been approved by the City of Montrose City Council.

B. GOVERNMENTAL IMMUNITY.

No term or condition of this Grant shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protections, or other provisions, of the Colorado Governmental Immunity Act, CRS § 24-10-101 et seq., or the Federal Tort Claims Act, 28 U.S.C. §§ 1346(b) and 2671 et seq., as applicable now or hereafter amended.

C. INDEPENDENT CONTRACTOR.

Grantee shall perform its duties hereunder as an independent contractor and not as an employee. Neither Grantee nor any agents or employee of Grantee shall be deemed to be an agent or employee of the City. Grantee and its employees and agents are not entitled to unemployment insurance or workers compensation benefits through the City and the City shall not pay for or otherwise provide such coverage for Grantee or any of its agents or employees. Unemployment insurance benefits shall be available to Grantee and its employees and agents only if such coverage is made available by Grantee or a third party. Grantee shall pay when due all applicable employment taxes and income taxes and local head taxes incurred pursuant to this Grant. Grantee shall not have authorization, expressed or implied, to bind City to any agreement, liability or understanding, except as expressly set forth herein. Grantee shall (a) provide and keep in force workers' compensation and unemployment compensation insurance in the amounts required by law, (b) provide proof thereof when requested by City, and (c) be solely responsible for its acts and those of its

employees and agents.

D. COMPLIANCE WITH LAW.

Grantee shall strictly comply with all applicable Federal and State laws, rules, and regulations in effect or hereafter established, including, without limitation, laws applicable to discrimination and unfair employment practices.

E. CHOICE OF LAW.

Colorado law, and rules and regulations issued pursuant thereto, shall be applied in the interpretation, execution, and enforcement of this Grant. Any provision included or incorporated herein by reference which conflicts with said laws, rules, and regulations shall be null and void. Any provision incorporated herein by reference which purports to negate this or any other Special Provision in whole or in part shall not be valid or enforceable or available in any action at law, whether by way of complaint, defense, or otherwise. Any provision rendered null and void by the operation of this provision shall not invalidate the remainder of this Grant, to the extent capable of execution.

F. BINDING ARBITRATION PROHIBITED.

City does not agree to binding arbitration by any extra-judicial body or person. Any provision to the contrary in this Grant or incorporated herein by reference shall be null and void.

G. SOFTWARE PIRACY PROHIBITION.

City or other public funds payable under this Grant shall not be used for the acquisition, operation, or maintenance of computer software in violation of federal copyright laws or applicable licensing restrictions. Grantee hereby certifies and warrants that, during the term of this Grant and any extensions, Grantee has and shall maintain in place appropriate systems and controls to prevent such improper use of public funds. If City determines the Grantee is in violation of this provision, City may exercise any remedy available at law or in equity or under this Grant, including without limitation, immediate termination of this Grant and any remedy consistent with federal copyright laws or applicable licensing restrictions.

H. EMPLOYEE FINANCIAL INTEREST/CONFLICT OF INTEREST.

The signatories aver that to their knowledge, no employee of City has any personal or beneficial interest whatsoever in the service or property described in this Grant. Grantee has no interest and shall not acquire any interest, direct or indirect, that would conflict in any manner or degree with the performance of Grantee's services and Grantee shall not employ any person having such known interests.

I. PUBLIC CONTRACTS FOR SERVICES.

Grantee certifies, warrants, and agrees that it does not knowingly employ or contract with a worker without authorization who shall perform work under this Grant and shall confirm the employment eligibility of all employees who are newly hired for employment in the United States to perform work under this Grant, through participation in the E-Verify program or the State program established pursuant to CRS § 8-17.5-102(5)(c), Grantee shall not knowingly employ or contract with a worker without authorization to perform work under this Grant or enter into a contract with a Sub-grantee that fails to certify to Grantee that the Sub-grantee shall not knowingly employ or contract with a worker without authorization to

perform work under this Grant. Grantee (a) shall use E-Verify Program or State program procedures to undertake pre- employment screening of job applicants while this Grant is being performed, (b) shall notify the Sub-grantee and the contracting State agency within three days if Grantee has actual knowledge that a Sub-grantee is employing or contracting with a worker without authorization for work under this Grant, (c) shall terminate the Sub-grant if a Sub-grantee does not stop employing or contracting with the worker without authorization within three days of receiving notice, and (d) shall comply with reasonable requests made in the course of an investigation, undertaken pursuant to CRS

§ 8-17.5-102(5), by the Colorado Department of Labor and Employment. If Grantee participates in the State program, Grantee shall deliver to the contracting State agency, Institution of Higher Education or political subdivision, a written, notarized affirmation, affirming that Grantee has examined the legal work status of such employee, and shall comply with all of the other requirements of the State program. If Grantee fails to comply with any requirement of this provision or CRS § 8-17.5-101 et seq., the contracting State agency, Institution of Higher Education or political subdivision may terminate this Grant for breach and, if so terminated, Grantee shall be liable for damages.

J. PUBLIC CONTRACTS WITH NATURAL PERSONS.

Grantee, if a natural person 18 years of age or older, hereby swears and affirms under penalty of perjury that he or she (a) is a citizen or otherwise lawfully present in the United States pursuant to Federal law, (b) shall comply with the provisions of CRS § 24-76.5-103 prior to the effective date of this Grant.

THE REST OF THIS PAGE INTENTIONALLY LEFT BLANK

SIGNATURE PAGE

THE PARTIES HERETO HAVE EXECUTED THIS AGREEMENT

*Persons signing for Grantee hereby swear and affirm that they are authorized to act on Grantee's behalf and acknowledge that the City is relying on their representations to that effect.

CITY OF MONTROSE

**GRANTEE
1890 Homestead, LLC**

By: _____
Douglas Glaspell, Mayor

By: _____
Matt Miles, Managing Member

ATTEST

By: _____
Lisa DelPiccolo, City Clerk

State of Colorado)
) ss.
County of Montrose)

The foregoing instrument was acknowledged before me this _____ day of _____, 20____, by Douglas Glaspell, Mayor of the City of Montrose.

Witness my hand and official seal.
My commission expires: _____.

(Seal)

Notary

State of Colorado)
) ss.
County of Montrose)

The foregoing instrument was acknowledged before me this _____ day of _____, 20____, by Matt Miles, Managing Member of 1890 Homestead, LLC.

Witness my hand and official seal.
My commission expires: _____.

(Seal)

Notary



THE
HUB
AT MONTROSE CROSSING



**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MONTROSE,
COLORADO APPROVING THE FILING OF A GRANT APPLICATION WITH THE
COLORADO DEPARTMENT OF LOCAL AFFAIRS - PLANNING GRANT PROGRAM
IN ORDER TO FUND A HOUSING NEEDS ASSESSMENT.**

WHEREAS, Colorado HB21-1271 created three grant programs under the Department of Local Affairs to help local governments better understand their housing needs and adopt a policy and regulatory strategies in order to promote the development of affordable housing; and

WHEREAS, the City of Montrose is eligible for the Planning Grant Program and the City has identified three regulatory strategies: implementing the creation of an expedited development review process for affordable housing, establishing a high density bonus program to increase the construction of units that meet critical housing needs in the local community, and lessening the minimum parking requirements for new affordable housing developments; and

WHEREAS, the City of Montrose recognizes that affordable housing is important to the economic vitality of the community and that a housing needs assessment is necessary to achieve this; and

WHEREAS, the City of Montrose will hire a contractor to complete a housing needs assessment and assist with Code Amendments and ideas for implementing the three affordable housing strategies; and

WHEREAS, the City of Montrose requests a planning grant administered by the Colorado Department of Local Affairs, in an amount up to \$142,500, for the aforementioned affordable housing project; and

WHEREAS, the City of Montrose shall submit a grant application to the Colorado Department of Local Affairs State on or about December 31, 2021 for a planning grant for the aforementioned project.

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF MONTROSE THAT:

Section 1: The City Council of the City of Montrose authorizes the filing of the grant application with the Colorado Department of Local Affairs.

Section 2: The City of Montrose agrees to provide a matching contribution of up to \$47,500, equal to 25% of the grant request, for the project.

Section 3: Council directs the City Manager, and City Staff, to perform all steps necessary to execute the grant agreement with the Colorado Department of Local Affairs.

Section 4: This resolution to be in full force and effect from and after its passage and approval.

ADOPTED THIS ____ DAY OF _____, 2021, by the Montrose City Council.

CITY OF MONTROSE, COLORADO

Douglas Glaspell, Mayor

ATTEST:

Lisa DelPiccolo, City Clerk

RESOLUTION 2021-

A RESOLUTION AUTHORIZING FILING OF THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY BROWNFIELD CLEANUP GRANT PROGRAM APPLICATION

WHEREAS, the City of Montrose wishes to improve the economic conditions and prosperity of Montrose through revitalization efforts; and

WHEREAS, the United States Environmental Protection Agency Brownfield Cleanup Grant Program provides grant funding for eligible entities to conduct cleanup activities at brownfield sites to support environmental and economic revitalization; and

WHEREAS, the former Bullock Power Plant at 326 Water Avenue (LOT B - Parcel 3767-331-16-001) was acquired by the City of Montrose on October 11, 2021, and is an eligible property for United States Environmental Protection Agency Brownfield Cleanup Grant Funds; and

WHEREAS, the former Bullock Power Plant operated as a coal-fired power plant from 1952-1982 and then operated on natural gas until its closure in 1984 and has since remained vacant; and

WHEREAS, Phase 1 and Phase II environmental site assessment reports have indicated the property will benefit from cleanup activities prior to redevelopment; and

WHEREAS, the City of Montrose seeks to cleanup the former Bullock Power Plant property to enable redevelopment and expand public access to the Uncompahgre River Corridor.

NOW, THEREFORE, BE IT HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF MONTROSE THAT:

- Section 1: The City Council of the City of Montrose authorizes the filing of the grant application in the amount of \$500,000 with the United States Environmental Protection Agency.
- Section 2: The City of Montrose agrees to provide a matching contribution of up to \$100,000, equal to 20% of the grant request, for the project.
- Section 3: If the grant is awarded, the City Council hereby authorizes the City Manager to execute the grant contract with the United States Environmental Protection Agency and city staff to act on behalf of the grant agreement.
- Section 4: This resolution to be in full force and effect from and after its passage and approval.

ADOPTED this ____ day of ____ 2021, by the Montrose City Council.

CITY OF MONTROSE, COLORADO

BY: _____
Douglas Glaspell, Mayor

ATTEST

Lisa DelPiccolo, City Clerk