

**MONTROSE URBAN RENEWAL AUTHORITY (MURA) BOARD of
COMMISSIONERS MEETING**

Thursday, May 1, 2025 2:00 PM

City Hall - Buckhorn Conference Room
400 E Main Street, Montrose, CO



AGENDA

- 1) **CALL TO ORDER**
 - Board Chair Allison Howe

- 2) **THE PLEDGE OF ALLEGIANCE**

- 3) **ROLL CALL**
 - Senior Deputy City Clerk Briceida Ortega

- 4) **CHANGES TO THE AGENDA, INCLUDING ADDITIONS AND DELETIONS**

- 5) **CALL FOR PUBLIC COMMENT**

The “Call for Public Comment” agenda item is a time when concerned members of the community may publicly voice their concerns and discuss items of interest. Please note that no formal action will be taken on the matters raised during this time. Comments made during this time should be addressed to the MURA Board of Commissioners and pertain to matters of at least general importance to the Montrose Urban Renewal Authority and its operations. Please be aware that neither the MURA Board nor staff are expected to respond or engage in discussion or debate. Personal attacks and disagreements, personnel and employment matters, the use of profanity or ethnic, racial or gender-oriented slurs are prohibited, as is any “disorderly conduct” that violates state or local law and shall not be permitted.

- 6) **CONSIDERATION OF MINUTES**
 - Senior Deputy City Clerk, Briceida Ortega

Action: Consider making a motion to approve the minutes of the November 6, 2024 regular MURA Board meeting as presented.

- 7) **MURA ANNUAL BOARD OFFICER APPOINTMENTS - President, Vice-President, Secretary**

- 8) **TIF EXPENDITURE UPDATE**
 - City Engineer Scott Murphy

- 9) **HAMPTON INN DEVELOPMENT AGREEMENT**
 - Jeff Lamont of Lamont Companies, Inc. and John Stueber of Summit Capital

- 10) **RIVERS EDGE AT COLORADO OUTDOORS PROJECT UPDATE**
 - David Dragoo

- 11) **DISCUSSION RELATED TO ESTABLISHMENT OF ADDITIONAL MURA PROJECT AREAS**
 - Executive Director William Bell

- 12) **ADJOURNMENT**

**Montrose Urban Renewal Authority
November 6, 2024**

A regular meeting of the Montrose Urban Renewal Authority (MURA) Board of Commissioners was held on Wednesday, November 6, 2024, at 12:00 p.m. in the City Council Chambers, located in Elks Civic Building at 107 S. Cascade Avenue. Said meeting was posted in accordance with the Sunshine Law.

PRESENT: J. David Reed, Judy Ann Files, Dave Frank, Doug Glaspell, Brad Hughes, Allison Howe, Stephen Bush, Jim Haugsness, Executive Director William Bell

ABSENT: Ed Ulibarri

GUESTS: Scott Murphy, David Dragoo, Doug Dragoo, Gail Marvel, Briceida Ortega, Rob Mackenzie, Anthony Russo

CALL TO ORDER

The meeting was called to order at 12:02 p.m. by Allison Howe.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was recited.

ROLL CALL

Board members J. David Reed, Judy Ann Files, Dave Frank, Doug Glaspell, Brad Hughes, Stephen Bush, Jim Haugsness, and Executive Director William Bell were present.

Ed Ulibarri was absent.

CHANGES TO THE AGENDA, INCLUDING ADDITIONS AND DELETIONS

No changes were made to the agenda.

CALL FOR PUBLIC COMMENT

No comments.

CONSIDERATION OF MINUTES

The MURA Board considered the minutes of the June 26, 2024, regular MURA board meeting. Brad Hughes requested a revision to the final sentence on page 6, clarifying that the project in question will be classified as residential, and therefore subject to residential—not commercial—taxation.

A motion was made by Dave Frank seconded by J. David Reed, to approve the minutes of the June 26, 2024, regular MURA Board meeting as amended. All voted yes. Motion passed.

TIF EXPENDITURE UPDATE

City Engineer Scott Murphy provided an update on current TIF expenditures within the Colorado Outdoors development.

Scott Murphy highlighted the MURA summary of expenditures to date. The board expressed their appreciation for the financial information that was being shared. Scott Murphy will present financials at every URA meeting.

GREENLINE DEVELOPMENT AGREEMENT REVIEW AND APPROVAL OF INCENTIVES

William Bell provided an overview of the board's process for approving development incentives. He explained that the board works closely with developers to refine project details, including construction estimates and timelines. A copy of the Developer Agreement was included in the meeting packet. Bell expressed appreciation to the legal team, Scott, Anthony, and Rob—for their contributions.

He noted that the Developer Agreement is a two-sided document outlining both the developer's responsibilities and the board's expectations, including the required timeline for progress. It specifically highlights horizontal site improvements and provides clarity on mixed-use requirements for this specific project, such as the number of residential units and the required square footage for retail space. Bell also referenced projections reviewed at the previous meeting with Anderson Analytics.

Anthony Russo reported that he and Rob Mackenzie have been coordinating efforts on the project timeline, acknowledging ongoing uncertainty regarding construction costs. Rob Mackenzie elaborated, stating they are currently about five months away from being able to pull a permit.

The team is waiting for interest rates and construction costs to decrease. Minor modifications are being made to the project design to reduce expenses, with the goal of starting construction within the year.

Brad Hughes emphasized the importance of pulling permits for both the residential and commercial components simultaneously. He clarified that a single permit should be issued to cover the entire project, rather than pulling a residential permit first and delaying the commercial portion. Rob confirmed that the intent is to proceed with one unified permit for both components.

William Bell further noted that the agreement requires a minimum of 10,000 square feet for retail sales use and at least 75,000 square feet of multifamily residential use. He added that contractor payments will be made incrementally as each portion of the project is completed and verified by Scott Murphy. Dave Frank reiterated that no checks are made in advance to contractors

A motion was made by Dave Frank, seconded by Doug Glaspell, to approve the Greenline Development Agreement as presented, Doug Glaspell seconded. All voted in favor. Motion passed.

INCENTIVES FUNDING FORMULA DISCUSSION

Executive Director William Bell provided an overview of the incentives funding formula. He noted that Brad Hughes has detailed each project in the spreadsheet he will be presenting to the board. Once the board approves the incentives funding formula, it will be added to the MURA Manual and made available to the public.

Brad Hughes provided additional context on the proposed 25% and 40% calculations in the incentive funding formula. Hughes emphasized that the updated formula offers a more fair and equitable approach to allocating incentive funds. It establishes clear eligibility limits, making the process more straightforward for the board, staff, and contractors.

MURA will fund horizontal site improvements based on property type, taking into account the revenue generated through property and sales tax. Residential projects would qualify for up to 40% of property taxes, while commercial and industrial projects would qualify for up to 25% of property and sales taxes.

A motion was made by Doug Glaspell, seconded by J. David Reed, to add the incentive funding formula as presented to the Manual. All voted in favor. Motion passed.

SCHEDULE FUTURE MEETINGS

The next MURA meeting is scheduled for January 22, 2025 from 12:00 to 2:00 PM.

ADJOURNMENT

The meeting was adjourned at 12:41 p.m. with no further action taken.

ATTEST:

Allison Howe, Chairperson

William E. Bell, Executive Director

TABLE 1
Montrose Urban Renewal Authority
Summary of MURA Expenditures to Date
Rev. 4/24/2025

Work Element	Promissory Note Date	Promissory Note Amount	Contract or Expense Authorization Date	Contract or Expense Authorization	Consultant/ Contractor	Expenses to Date	Anticipated Outstanding Expenses	Grant Revenues (Where Applicable)	Total Anticipated Out of Pocket Expense ^(a)	Project Number	G/L
Stantec/Black Mtn. Design Reimbursements	5/11/2017	\$353,759.55	5/11/2017	\$353,759.55	Black Mtn. Reimbursements	\$353,759.55	\$0.00		\$353,759.55	-	
Phase I Civil Design	6/5/2017	\$552,570.00	6/5/2017	\$462,370.00	Del-Mont Consultants	\$462,118.83	\$0.00		\$462,118.83	17.25.1	260-6110-962-000
Phase I Design Incidentals				\$90,200.00	P. Hayes et. al.	\$90,207.73	\$0.00		\$90,207.73	17.27.1	260-6110-962-000
Uncompahgre River Improvements Design	7/24/2017	\$121,951.00	7/24/2017	\$146,881.00	Ecological Resource Consultants	\$146,881.00	\$0.00	\$21,300.00	\$125,581.00	17.28.1	260-6100-962-000
Sewer Materials Direct Purchase	10/5/2017	\$6,750,000.00	11/16/2018	\$413,208.24	Winwater GJ Pipe	\$417,329.40	\$0.00		\$417,329.40	17.25.1	260-6110-962-000
Phase I Civil Design Change Order			1/2/2018	\$95,250.00	Del-Mont Consultants	\$80,292.90	\$0.00		\$80,292.90		
Phase I Design Incidentals Change Order				\$10,175.00	P. Hayes	\$10,175.00	\$0.00		\$10,175.00		
Power Utilities				\$1,080,000.00	DMEA	\$676,916.84	\$0.00		\$676,916.84		
Natural Gas Utilities				\$375,000.00	Black Hills Energy	\$371,016.09	\$0.00		\$371,016.09		
SCADA and Hot Tap				\$43,115.00	Multiple	\$42,860.00	\$0.00		\$42,860.00		
Survey and Const. Support				\$274,100.00	Del-Mont Consultants	\$172,327.95	\$0.00		\$172,327.95		
Entrance Drives/Access Road Along Mayfly				\$204,459.60	Rundle Const. Ridgway Valley Ent.	\$188,747.02	\$0.00		\$188,747.02		
Support/Planning Services				-	Multiple	\$148,704.73	\$0.00		\$148,704.73		
Phase I Construction - Base Bid				\$4,254,692.00	Ridgway Valley Ent.	\$3,346,750.69	\$0.00		\$3,346,750.69		
Phase I Construction - Bid Alternates				\$665,116.82	\$0.00		\$665,116.82				
Fairfield Hotel Horiz. Site Improvements	Savings		1/21/2020	\$600,000.00	LaMont Companies	\$600,000.00	\$0.00		\$600,000.00	-	260-6000-488-000
Mayfly Site Horiz. Site Improvements	10/15/2018	\$805,937.09	10/15/2018	\$805,937.09	Black Mtn. Capital	\$653,078.89	\$0.00		\$653,078.89	-	260-6000-488-000
Phase I River Construction	3/6/2019	\$1,100,000.00	2/3/2020	\$1,600,000.00	ERC/Naranjo	\$1,602,969.34	\$0.00	\$784,588.00	\$818,381.34	17.28.1	260-6100-962-000
Phase II Infrastructure Civil Design	Savings		1/14/2020	\$111,300.00	Del-Mont Consultants	\$88,716.68	\$0.00		\$88,716.68	20.15.1	260-6110-962-000
Colorado Yurt Horizontal Site Imp.	4/7/2021	\$853,935.00	4/7/2021	\$853,935.00	Alcorn Const.	\$853,935.00	\$0.00		\$853,935.00	21.22.1	260-6000-488-000
Basecamp Apt. Horiz. Site Imp.	6/16/2021	\$1,367,000.00	6/16/2021	\$1,367,000.00	Misc.	\$1,363,381.60	\$0.00		\$1,363,381.60	21.23.1	260-6000-488-000
Flex Buildings Horizontal Site Imp.	10/20/2021	\$1,100,000.00	10/20/2021	\$1,100,000.00	Black Mtn/Shaw	\$1,100,000.00	\$0.00		\$1,100,000.00		
Shelter Distilling Horiz. Site Improvements	N/A	-	6/2/2022	\$700,000.00	Shaw	\$700,000.00	\$0.00		\$700,000.00	21.27.1	260-6000-488-000
Second Lamont Hotel	N/A	-	6/26/2024	\$1,400,000.00	TBD	\$0.00	\$1,400,000.00		\$1,400,000.00		
Project Greenline Horiz Site Improvements	N/A	-	11/6/2024	\$1,300,000.00	TBD	\$0.00	\$1,300,000.00		\$1,300,000.00		
TOTAL (No Interest)		\$13,005,153				\$14,135,286	\$2,700,000	\$805,888	\$16,029,398		
TOTAL INCL. INTEREST TO DATE (To 4/24/2025)^(b)		\$16,774,390									

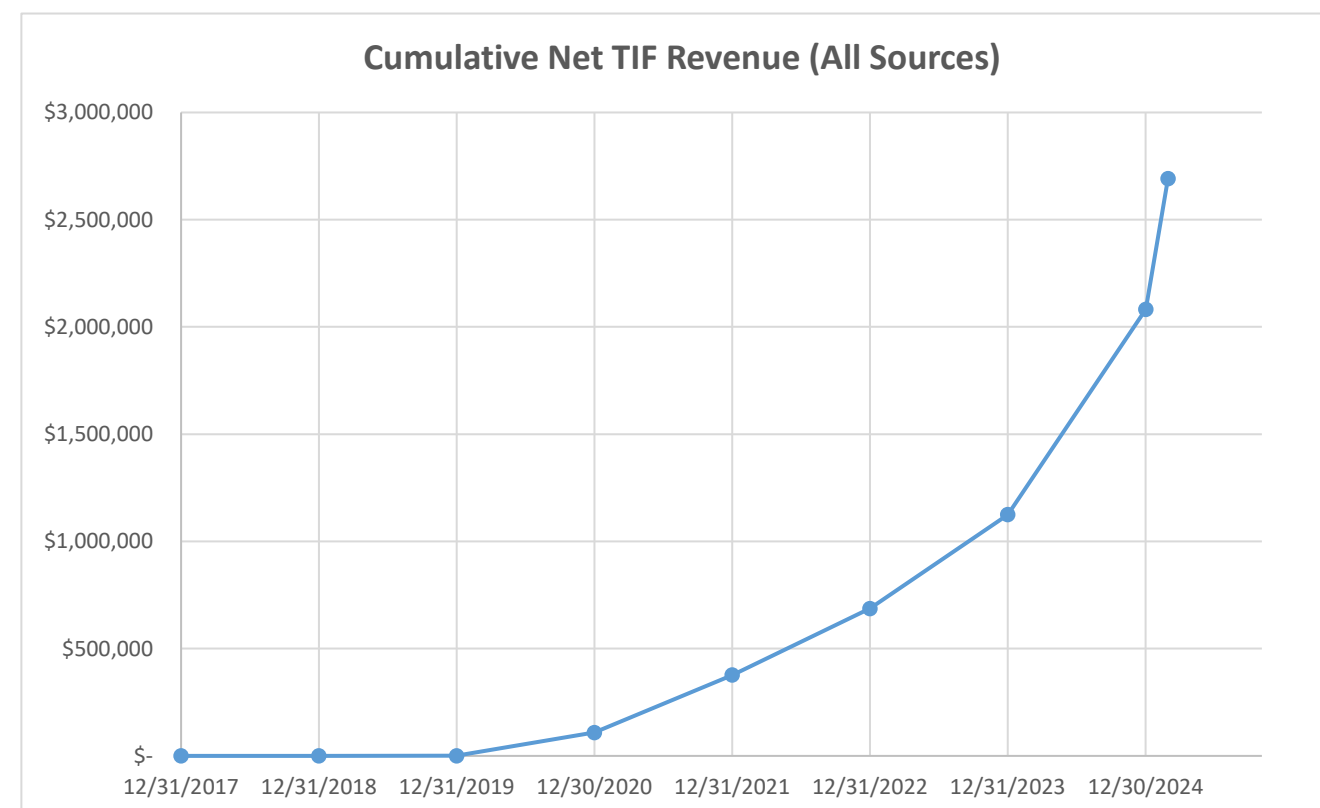
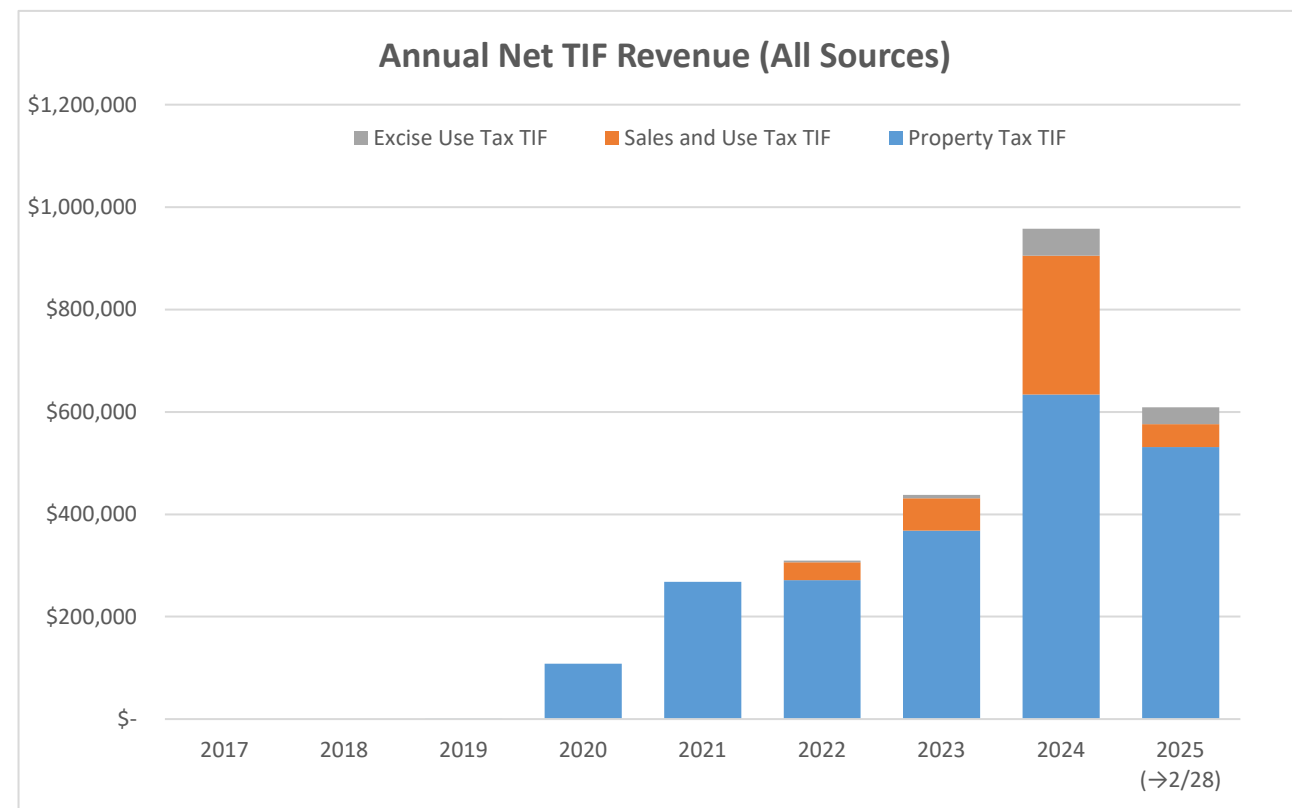
(a) Expenses to Date + Outstanding Expenses - Grant Revenues
(b) Interest calculated at 4% compounded annually from date of promissory note
(c) Total Anticipated Out of Pocket Expense - Total Promissory Notes

SELF-FUNDED EXPENDITURES ^(c) **\$3,024,245**

Completed lines shaded grey

Source	TABLE 1 ANNUAL NET TIF REVENUE								
	2017	2018	2019	2020	2021	2022	2023	2024	2025 (→2/28)
Property Tax TIF	\$ -	\$ -	\$ 387	\$ 108,262	\$ 268,256	\$ 271,142	\$ 367,920	\$ 634,081	\$ 531,489
Sales and Use Tax TIF	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 35,226	\$ 63,659	\$ 270,786	\$ 44,565
Excise Use Tax TIF	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,443	\$ 6,231	\$ 52,698	\$ 32,888
TOTALS	\$ -	\$ -	\$ 387	\$ 108,262	\$ 268,256	\$ 309,811	\$ 437,809	\$ 957,565	\$ 608,942

TABLE 2 CUMULATIVE NET TIF REVENUE	
12/31/2017	\$ -
12/31/2018	\$ -
12/31/2019	\$ 387
12/31/2020	\$ 108,649
12/31/2021	\$ 376,905
12/31/2022	\$ 686,716
12/31/2023	\$ 1,124,525
12/31/2024	\$ 2,082,090
2/28/2025	\$ 2,691,032



MONTROSE URBAN RENEWAL AUTHORITY
Development Agreement
With
Lamont Companies

Table of Contents

1. PARTIES	2
2. EFFECTIVE DATE AND NOTICE OF NONLIABILITY	2
3. RECITALS	2
4. DEFINITIONS.....	2
5. TERM AND EARLY TERMINATION.....	3
6. STATEMENT OF WORK AND UNDERSTANDING OF PERFORMANCE	4
7. BREACH	5
8. REMEDIES.....	5
9. REPRESENTATIONS AND WARRANTIES.....	7
10. NOTICES AND REPRESENTATIVES.....	8
11. GENERAL PROVISIONS	8
12. SPECIAL PROVISIONS.....	11
SIGNATURE PAGE.....	14
EXHIBIT A – SITE PLAN.....	15

1. PARTIES

This Development Agreement (hereinafter called "Agreement") is entered into by and between the Montrose Urban Renewal Authority, whose address is 400 East Main Street, Montrose, Colorado 81401 (hereinafter called "MURA") and Lamont Companies whose address is 205 6th Ave SE, Suite 300, Aberdeen, SD 57401 (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 MURA Manager or designee and the Grantee (hereinafter called the "Effective Date"). The MURA 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 MURA 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 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 its local business.

D. References

All references in this Agreement 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 completion 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. Agreement

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

E. Grant Funds

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

F. Party or Parties

“Party” means the MURA or Grantee and “Parties” means both the MURA 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 Funds or Work to be contributed by the MURA pursuant to this Agreement.

I. Sub-grantee

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

J. Work or Project

“Work” or “Project” means the tasks and activities described in Sections 6.C. and 6.D. below.

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

The Parties' respective performances under this Agreement shall commence on the Effective Date and this Agreement shall terminate on December 31, 2027 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, 2026.

B. Obligations Non-Transferrable and Sale of the Property

Grantee's rights and obligations under this Agreement are personal and nontransferable, except to Sub-grantees. If the property subject to this Agreement is sold prior to completion or the nature of the project changes, it shall be a breach of this Agreement and subject to the vesting schedule pursuant to section 6.D. The duties of this Agreement shall survive such a sale of the property.

6. STATEMENT OF WORK AND UNDERSTANDING OF PERFORMANCE

A. Completion

MURA shall pay for the Work and Services as outlined in Section 6.C. below. Provided that Grantee is approved for a building permit, Grantee shall endeavor to complete the Work described in Section 6.B. below on or before December 31, 2027. MURA shall not be liable to compensate Grantee for any work performed prior to the Effective Date or after the termination of this Grant.

B. Grantee's Obligation;

In consideration for the Services described in Section 6.C. below, Grantee shall construct (or cause to be constructed) a 90+ bed Hampton Inn hotel facility within the MURA in general conformance with the site plan included as Exhibit A. Grantee shall have sole responsibility for and control over the design, development, and construction of the Project. Construction shall be completed on or before December 31, 2027.

C. Infrastructure; Work

The MURA agrees to provide up to \$1,400,000 in support of horizontal site improvements to include items such as parking lot fill, curb, gutter, sidewalks, paving, lighting, drainage, striping, and landscaping construction. Improvements or expenditures associated with the vertical building construction, its foundation, or its associated utility services are not eligible for reimbursement.

Payment will be made for the actual costs of completed improvements, up to \$1,400,000 in total from the MURA, based on supporting invoices from contractors performing the work and mutually agreed-upon unit prices for eligible improvements. Unless otherwise agreed to in writing between the parties hereto, all reimbursements made by the MURA for horizontal site infrastructure improvements shall be made directly to the appropriate contractor or subcontractor following completion of their respective work, MURA's receipt

of a proper invoice and/or pay request, and verification that all work has been satisfactorily completed.

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 of this Agreement. 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 MURA, 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.

8. REMEDIES

If Grantee is in breach under any provision of this Agreement, the MURA 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 MURA 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 following the applicable notice and cure period, the MURA, at its option, upon written notice to Grantee, 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 MURA 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.

B. If Grantee fails to complete the project, Grantee shall reimburse the MURA for all amounts paid by the MURA to Grantee for completed work up to the amount set forth in Section 6.C. above. The Grantee shall notify the MURA within 30 days from the time Grantee relocates from Montrose County, Colorado, if such relocation occurs prior to the Completion Date. Nothing herein shall be construed to limit or otherwise restrict Grantee's ability to sell, lease, mortgage, or otherwise dispose of all or any portion of the Parcel following the Completion Date.

C. If the MURA terminates the Agreement as set forth herein, Grantee may continue with the Project at its own expense.

D. Payments

i. The MURA shall reimburse Grantee for the amounts specified in Section 6.C. above only for accepted performance through the effective date of termination. If, after termination by the MURA, 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, and the MURA shall promptly reimburse Grantee for amounts specified in Section 6.C.

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

E. Remedies Not Involving Termination

The MURA, 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 of the Work are satisfactorily made and completed, provided that MURA promptly notifies Grantee in writing of the MURA's

disapproval of the Work.

ii. Deny Payment

Deny payment for those obligations not performed as set forth in this Agreement; provided that any denial of payment shall be reasonably related to the value to the MURA of the obligations not performed.

iii. 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 MURA's option (a) obtain for the MURA 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 MURA.

9. REPRESENTATIONS AND WARRANTIES

The Grantee (a) is the record fee owner of the real property located in the City of Montrose, Colorado, County of Montrose and within the Colorado Outdoors project specifically described as Assessor Parcels #3767-282-39-002 & #3767-282-39-003 (1.93 acres), @Northern End of CO Outdoors Phase I, (b) has full power, right and authority, and any approval required by law, to make and enter into this Agreement.

Grantee makes the following specific representations and warranties, each of which was relied on by the MURA in entering into this Grant.

A. Standard and Manner of Performance

Grantee shall perform its obligations hereunder in accordance with the highest standards of care, skill and diligence in the industry, trades or profession and in the sequence and manner set forth in this Grant.

B. Legal Authority – Grantee and Grantee's Signatory

Grantee warrants that it possesses the legal authority to enter into this Grant and that it has taken all actions required by its procedures, by-laws, and/or applicable laws to exercise that authority, and to lawfully authorize its undersigned signatory to execute this grant, or any part thereof, and to bind Grantee to its terms. If requested by the MURA, Grantee shall provide the MURA with proof of Grantee's authority to enter into this Grant within 15 days of receiving such request.

C. Licenses, Permits, Etc.

Grantee represents and warrants that as of the Effective Date it has, and that at all times during the term hereof it shall have, at its sole expense, all licenses, certifications, approvals, insurance, permits, and other authorizations required to properly perform this Grant, without reimbursement by the MURA or other adjustment in Grant Funds. Additionally, all employees and agents of Grantee performing Services under this Grant shall hold all required licenses or certifications, if any, to perform their responsibilities. Grantee, if a foreign corporation or other foreign entity transacting business in the State of Colorado, further warrants that it currently has obtained and shall maintain any applicable certificate of authority to transact business in the State of Colorado and has designated a registered agent in Colorado to accept service of process. Any revocation, withdrawal or non-renewal of licenses, certifications, approvals, insurance, permits or any such similar requirements necessary for Grantee to properly perform the terms of this Grant shall be deemed to be a material breach by Grantee and constitute grounds for termination of this Grant.

10. 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. Montrose Urban Renewal Authority:

William E. Bell, MURA
Manager or Current MURA
Manager
400 E. Main Street
Montrose, CO 81401
Ph: 970-240-1400
Email:
wbell@MURAofmontrose.org

cc: Chris Dowsey, MURA Attorney
or Current MURA Attorney
400 E. Main Street
Montrose, CO 81401
Ph: 970-240-1440
Email:
cdowsey@MURAofmontrose.org

B. Grantee:

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 MURA. Any attempt at assignment, transfer or sub-granting without such consent shall be void as will be this Agreement. All assignments, Sub-grants, or Sub-grantees approved by Grantee or the MURA 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 MURA's approval in writing. This approval will not be unreasonably withheld.

B. Binding Effect

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

To the fullest extent permitted by law, the Grantee agrees to indemnify and hold harmless the MURA, its officers and its employees, from and against all liability, claims, and demands, on account of any injury, loss, or damage, which arise out of or are connected with the performance of the services under this contract, if such injury, loss, or damage, or any portion thereof, is caused by, or claimed to be caused by, the act, omission, or other fault of the Grantee or any Sub-grantee of the Grantee, or any officer, employee, or agent of the Grantee or any Sub-grantee, or any other person for whom Grantee is responsible. The Grantee shall investigate, handle, respond to, and provide defense for and defend against any such liability, claims and demands, and to bear all other costs and expenses related thereto, including court costs and attorneys' fees. The Grantee's indemnification obligation shall not be construed to extend to any injury, loss, or damage which is caused by the act, omission, or other fault of the MURA.

G. Jurisdiction and Venue

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

H. Modification

i. Except as specifically provided in this Agreement, modifications of this Agreement 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 and MURA ordinances.

ii. By Operation of Law

This Agreement 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 Agreement on the effective date of such change, as if fully set forth herein.

I. Order Precedence

The provisions of this Agreement shall govern the relationship of the Parties. In the event of conflicts or inconsistencies between this Agreement 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. Special Provisions;

ii. The provisions of the main body of this Agreement ; and

iii. Exhibit A

J. Severability

Provided this Agreement 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 Terms

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

L. Third Party Beneficiaries

Enforcement of this Agreement 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 Agreement are incidental to the Agreement , and do not create any rights for such third parties.

M. Waiver

Waiver of any breach of a term, provision, or requirement of this Agreement , 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. MURA APPROVAL.

This Agreement shall not be deemed valid until it has been approved by the Montrose Urban Renewal Authority MURA Manager.

B. GOVERNMENTAL IMMUNITY.

The Parties hereto understand and agree that the MURA is relying on, and does not waive or intend to waive by any provision of this Agreement, the monetary limitations or any other rights, immunities, and protections provided by the Colorado Governmental Immunity Act, (C.R.S. § 24 10 101 et seq.,) as from time to time amended, or otherwise available to the MURA.

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 MURA. Grantee and its employees and agents are not entitled to unemployment insurance or workers compensation benefits through the MURA and the MURA 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 MURA 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 MURA, 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 MURA does not agree to binding arbitration by any extra-judicial body or person. Any provision to the contrary in this Agreement or incorporated herein by reference shall be null and void.

G. SOFTWARE PIRACY PROHIBITION.

The MURA 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 MURA determines the Grantee is in violation of this provision, the MURA 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 MURA 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. TABOR.

The Parties agree that the MURA's payment of any monies under this Agreement is subject

to annual budget appropriations as required by provisions of the Taxpayers' Bill of Rights ("TABOR") contained in Article X, Section 20 of the Colorado Constitution, as amended. The Parties further agree that any failure to fund the obligations set forth herein as a result of TABOR-related monetary constraints shall not give rise to any legal or equitable cause of action whatsoever.

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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 MURA is relying their representations to that effect.

THE MONTROSE URBAN RENEWAL AUTHORITY

GRANTEE

By: _____
William E. Bell, MURA Executive Director

By: _____

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, MURA Manager, Montrose Urban Renewal Authority.

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,

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

(Seal)

Notary

EXHIBIT A – SITE PLAN

A nighttime photograph of a city skyline, likely San Francisco, with several prominent skyscrapers illuminated. The lights from the buildings are reflected in the water in the foreground. The sky is dark, and the overall scene is vibrant with city lights.

SUMMIT CAPITAL

Summit Capital is a real estate finance and investment firm with a primary emphasis on hospitality assets throughout the United States. As a leading provider of capital market services to the industry, our expertise with innovative structuring solutions along with our depth of lending relationships enable us to deliver custom tailored results inclusive of debt and joint venture equity across the asset spectrum from acquisition and recapitalizations to ground-up construction projects. Our history is one of placing our clients' interests first while holding ourselves accountable to the highest moral and ethical standards, giving maximum effort towards every action and responsibility with which we are entrusted.

Over the years, Summit Capital has forged solid, long-lasting relationships with many of the hospitality industry's most engaged, experienced and respected hotel developers and operators. Beyond the origination of financing options for our clients, we also have an extensive background in the sourcing and development of sites as well as working with municipalities on challenging and complex entitlements for the construction of hospitality assets. In addition, we are active investment and shareholder partners on hotels across the nation.

PROPOSED 2nd HOTEL AT COLORADO OUTDOORS
MURA DATA SHEET

Project Vision:	<p>A key piece to the MURA plan of development includes the construction of a second high-end hotel. Studies show Montrose can sustain at least 90 new hotel rooms with current demand. Construction of this hotel will not only fill a highly sought after niche yet will also be a catalyst to other development within Colorado Outdoors. Lamont Companies has a shared vision with MURA for its Montrose property:</p> <ul style="list-style-type: none">• Providing new, exceptional lodging accommodations.• Expanding local employment base.• Extending the average night stay in Montrose.• Address the need for new product to capture leisure demand, as well as corporate demand.
Size & Location:	Assessor Parcels #3767-282-39-002 & #3767-282-39-003 (1.93 acres), @ Northern End of CO Outdoors Phase I.
Project Type:	90-room Home2 Suites by Hilton or similar brand.
Developers:	Jeff Lamont - Lamont Companies, Inc. John Stueber – Summit Capital
Financing:	Private Funds.
Current Land Status:	Existing lots developed in Phase I. Funds to purchase land shall be placed in escrow pending MURA commitments.
Estimated Cost of Construction:	~\$18.9MM.
Estimated Gross Revenue:	~\$4.3MM at stabilization.
Estimated TIF Revenues:	<u>Total by 2042:</u> <ul style="list-style-type: none">○ ~\$2.6MM Property Tax○ ~\$3.0MM Meals, Sales & Lodging Tax.
Implementation Timeline:	Estimated break-ground summer 2025.
Job Creation:	10 full-time, 20 part-time.
Estimated MURA Investment:	Amount to be determined for horizontal site improvements to include curb, gutter, sidewalks, paving, concrete slab / foundation, lighting, drainage and landscaping of parking lot areas. This includes initial sitework done on the property. This amount is not definitive and will be subject to change as incentives are approved by the MURA Board.
Investment To Date:	MURA. Construction of Phase I public improvements (streets, utilities, platting, etc.) completed in 2018.



Proposed 2nd Hotel at Colorado Outdoors - Montrose, Colorado

Site Improvements

Curb Work, Sewer & Gutter	\$	400,000
Sidewalks & Paving	\$	400,000
Grading	\$	375,000
Concrete Slab / Foundation	\$	650,000
Lighting	\$	150,000
Landscaping	\$	200,000
Monument Signage Infrastructure	\$	75,000
	\$	2,250,000



**Home2 Suites by Hilton - Las Vegas North*





CONSTRUCTION



DEVELOPMENT

MANAGEMENT



INVESTMENTS



REAL ESTATE



LAMONT COMPANIES

CONSTRUCTION | DEVELOPMENT | MANAGEMENT | INVESTMENTS | REAL ESTATE

www.lamontcompanies.com | 205 6th Ave SE, Suite 300 | Aberdeen, SD | Ph: 605-225-1712 | Fx: 605-225-0969

Here at Lamont Companies Inc, we are a full, turnkey real estate development, management, investment, construction, and procurement company catering to the hospitality and apartment industries.





THE BEGINNINGS

A HISTORY OF LAMONT COMPANIES, INC.

Founded by Jeffrey Lamont in 1998, Lamont Companies began with a hotel project, which we still own and operate today. From these unassuming beginnings, and with the help of a dedicated team, Mr. Lamont has aggressively developed hotels, convention centers, restaurants, retail malls, apartment developments, office buildings and casinos throughout the United States.

During this expansive growth, Mr. Lamont and our team mastered every facet of modern hospitality development, construction, and management, providing for the foundation and inception of what is now a first-rate, multi-unit hotel management, development, and construction company.

Currently, we continue to grow in the hospitality sector with a number of developments in various stages of construction. With a focus on new-build properties, LCI consistently develops quality products in every market it enters. Going beyond the requirements of each brand or tenant, we ensure our customers comfortable accommodations in inviting surroundings with gracious hospitality. We are a full, turnkey real estate development, management, investment, construction, and procurement company specializing in hotels.



Jeffrey Lamont, CEO



CONSTRUCTION

After many years of setting the standard for excellence in commercial construction, our team at LCI continues to bring the strength of our experience and vision to an award winning construction company. Having worked on numerous projects over the years, we have built a team with the creative and financial skills of a developer and the management and construction expertise of a general contractor.

With a strong sense of dedication and pride committed to every project, no matter how big or small, LCI manages every aspect of the process.

We assemble teams of reliable subcontractors, hold them to exceptionally high work and safety standard, and ensure a final project of extraordinary quality.

With LCI you are hiring a proud tradition of innovation and excellence.



Chris Lamont,
*Vice President
of Construction*



Todd Lamont,
*Vice President
of Design and
Procurement*

DEVELOPMENT

LCI Development & Construction has developed and built numerous hotels and other commercial construction projects ranging from retail malls to apartment developments all across the country. We are also poised to oversee any scale of remodel from exterior face lifts to complete new builds.

Because of our enviable track record and sterling reputation, LCI is sought after as a partner to undertake any type of development project. Potential partners are drawn to our established name, experienced management team and staff, and top-quality development products.



MANAGEMENT

Our executive staffs' thorough understanding of the interrelated processes that comprise hospitality, real estate, and retail operations to ensure that each type of property achieves the highest performance of top line sales, bottom line profit, and the proper balance between controlling expenses and delivering exceptional service.



Nate Kessler,
*Vice President
of Operations*



INVESTMENTS

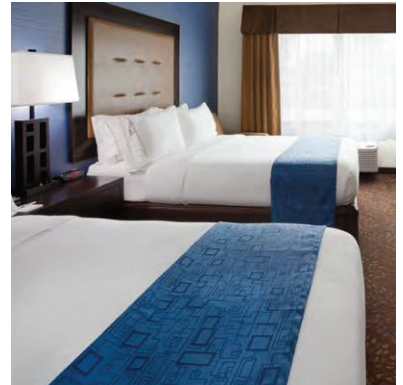
We have a successful track record in optimizing investor returns offering opportunities for joint venture partners in development projects as well as offering long term hospitality and retail investment opportunity.

LCI's Management Department is the manager of choice...

for any type of hospitality entity, with a long history of optimizing investment returns under all market conditions and exceeding industry benchmarks.



Kathy Onkka,
Controller/CFO





HISTORIC/
BOUTIQUE
PROJECT



REAL ESTATE

As an independent strategic force in real estate, LCI's corporate structure is designed to ensure that we remain agile in navigating market forces and have a proven track record in our ability to successfully develop and market commercial real estate across the country.

We currently own and manage several million square feet of commercial real estate throughout the Midwest.

Our applied vision, perspective and management is the key real estate solution for any opportunity private or public.





LAMONT COMPANIES

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