

**AGREEMENT REGARDING LEADVILLE URBAN RENEWAL AUTHORITY
TAX INCREMENT FINANCING**

This **AGREEMENT REGARDING LEADVILLE URBAN RENEWAL AUTHORITY TAX INCREMENT FINANCING** (the "Agreement") is entered into by and among the **CITY OF LEADVILLE** ("City"), a municipal corporation and political subdivision of the State of Colorado; the **LEADVILLE URBAN RENEWAL AUTHORITY** ("LURA"), an urban renewal authority and body corporate and politic of the State of Colorado, and the **ST. VINCENT GENERAL HOSPITAL DISTRICT** (the "Hospital District"), a political subdivision of the State of Colorado (each party individually referred to herein as a "Party" and collectively referred to herein as the "Parties").

RECITALS

WHEREAS, pursuant to the Colorado Urban Renewal Law, Section 31-25-101, et seq., C.R.S. (the "Act"), the City Council of the City formed the LURA by Resolution No. 08, Series 2017; and

WHEREAS, pursuant to the Act, the City Council of the City is considering adoption of an urban renewal plan to carry out urban renewal projects within the Urban Renewal Plan Area described with particularity in the Plan; and

WHEREAS, the Hospital District is a taxing entity whose boundaries completely encompass those of the City and of the LURA; and

WHEREAS, the Act authorizes, and the Plan will provide, for the use of tax increment financing by the LURA to assist with the development of projects subject to approval of a development agreement between the LURA and a property owner or developer; and

WHEREAS, the Act provides for the division of taxes collected from the taxable property within a plan area in the following order: first, to existing taxing districts of the base amount determined in accordance with statute; second, to any bonds, loans, or advances to, or indebtedness incurred by, any urban renewal project or to make payments under an agreement executed pursuant to § 31-25-107(11), C.R.S.; and third, upon payment of such bonds, loans, advances, indebtedness, and contractual obligations, to the respective taxing entities; and

WHEREAS, C.R.S. § 31-25-107(9.5), requires that the Plan may be adopted with a provision for tax increment financing, the LURA and the Hospital District must enter into an agreement regarding the sharing of incremental property tax revenue; and

WHEREAS, the Hospital District is the operator of the St. Vincent General Hospital (the "Hospital") which is the sole full-service hospital within either the City or Lake County, Colorado (the "County"); and

WHEREAS, the Parties recognize that as the largest employer in the City and one of the largest employers in the County, the long-term viability of the Hospital District is essential to the ability the City and LURA to engage in economic redevelopment; and

WHEREAS, to the extent revenues are available and pursuant to the terms of the Revenue Sharing Agreement described herein, the City and the LURA desire to ensure that funding is available to the Hospital District to provide adequate health care to the citizens of the City and County; and

WHEREAS, the Hospital District wishes to cooperate with the City and the LURA concerning the adoption of the Plan based on the sharing of incremental property tax revenue as set forth in this Agreement; and

WHEREAS, the Parties wish to enter into this Agreement at this time to permit the City to approve the Plan; and

WHEREAS, the Parties recognize that this Agreement satisfies the requirements of C.R.S. 31-25-107(9.5).

AGREEMENT

NOW THEREFORE, in consideration of the foregoing Recitals, which are incorporated herein, the mutual covenants and promises set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

1. **Incorporation of Recitals.** The foregoing recitals are incorporated into and made a part of this Agreement.

2. **Hospital District TIF Shareback.** After deducting the LURA's Administrative Fee and upon commencement of an urban renewal project within the Plan Area and receipt of TIF Revenues, the LURA agrees to calculate and deposit into the Hospital District Account, the TIF Shareback calculated as follows: twenty-five percent (25%) of the incremental property tax revenues generated in the Plan Area solely as a result of the levy of the Hospital District's mill levy upon taxable property within the Plan Area. If at any time during the Term of this Agreement the Hospital District determines that the TIF Shareback of 25% is insufficient to address and mitigate the quantifiable impacts of the Plan on Hospital District services solely within the Plan Area, the Hospital District shall present to LURA and the City Council a fiscal impact study quantifying such impacts of the Plan ("Fiscal Impact Study"), whereupon the Parties shall re-open negotiations to agree upon an appropriate TIF Shareback. If the voters of the Hospital District approve an increase in property taxes in the future, the LURA shall pay the Hospital District 100% of the incremental property tax revenues generated in the Plan Area by the voter-approved mill levy increase if the LURA receives such amount.

3. **Transfer of TIF Shareback.** The LURA agrees to hold and earn interest on the amounts deposited in the Hospital District Account in accordance with Colorado law. From time

to time, but no more than once per calendar year, the Hospital District may issue a written request to LURA for payment of all or any part of the account revenue from the Hospital District Account. LURA shall make such payment within thirty (30) calendar days from the date upon which the LURA receives such request.

4. LURA Board Appointment. The Chief Executive Officer (“CEO”) of the Hospital District shall be appointed to serve on the Board of Directors of the LURA as long as such individual serves in such capacity with the Hospital District upon the first vacancy in office of the Board following execution of this Agreement or at the expiration of the term of office of the “at large” Board member, whichever occurs first. At any time that such individual no longer serves as CEO of the Hospital District, the successor interim or permanent CEO of the Hospital District shall be appointed to serve on the LURA Board.

5. Definitions. For purposes of this Agreement, the following terms shall have the following definitions:

- a) *Administrative Fee* means a fee to cover LURA’s administrative expenses associated with collection, accounting and distribution of TIF Shareback in an amount equal to one percent (1%) of the total revenues received from Lake County generated from that portion of property taxes levied by the Hospital District in excess of the amount of base property taxes paid into the fund of the Hospital District in accordance with C.R.S. 31-25-107(9)(a)(I).
- b) *Hospital District* means the St. Vincent General Hospital District, a political subdivision of the State of Colorado.
- c) *Leadville Urban Renewal Authority* means the urban renewal authority created by the City Council of the City of Leadville, Colorado pursuant to Resolution No. 08, Series 2017.
- d) *Plan* means the urban renewal plan adopted or to be adopted by the Leadville Urban Renewal Authority known as the Central Leadville Urban Renewal Plan.
- e) *Plan Area* means the area described in the Central Leadville Urban Renewal Plan as more specifically and legally described in Exhibit A to the Plan.
- f) *Hospital District Account* means a separate interest-bearing account held by LURA for the benefit of the Hospital District in which is deposited the revenues of the Hospital District’s TIF Shareback.
- g) *TIF Revenues* means the total amount of property taxes of the City of Leadville, Hospital District, Lake County School District R-1, Lake County, Colorado, Leadville Sanitation District and the Colorado Mountain College District, levied after the effective date of the approval of the Plan

upon taxable property in the Plan Area on the tax increment portion of the property tax assessment roll in the Central Leadville Urban Renewal Plan as allocated to the LURA by and in accordance with Section 31-25-107(9)(a)(II) of the Act and the rules and regulations of the Property Tax Administrator of the State of Colorado.

- h) *TIF Shareback* means the amount equal to twenty-five percentage (25%) of the total incremental property tax revenues generated in the Plan Area, and received from Lake County, solely as a result of the levy of the Hospital District's mill levy upon taxable property within the Plan Area that LURA shall pay to the Hospital District as set forth in this Agreement.

6. Term, Termination. The term of this Agreement shall commence on the date of mutual execution of this Agreement by the Parties, and shall run for a term of 25 years following the formal adoption of the Plan unless terminated earlier due to the abolishment of the LURA or termination of the Plan. This Agreement may be terminated at any time upon the mutual written agreement of the Parties. This Agreement may be terminated by the Hospital District at any time that the LURA Board of Directors shall not include the Hospital District CEO as a member of the Board.

7. Modification. This Agreement may not be amended, modified, or changed, in whole or in part, without a written agreement executed by the Parties. The Parties agree to negotiate in good faith to amend this Agreement as provided in paragraph 2 of this Agreement.

8. Assignment. No Party shall assign this Agreement or any interest hereunder in whole or in part, without the prior written consent of each of the other Parties. Any assignment attempted without the prior written consent of all Parties hereto, which consent shall not be unreasonably withheld, shall be deemed void, and of no force or effect. Consent to one assignment shall not be deemed to be consent to any subsequent assignment nor the waiver of any right to consent to such subsequent assignment. Notwithstanding the foregoing this Agreement may be assigned to the successor entity of the Hospital District or to the Hospital District's constituent entities.

9. Notices. Any notices or other communications required or permitted by this Agreement or by law to be served on, given to or delivered to any Party hereto, by any other Party shall be in writing and shall be deemed duly served, given or delivered when personally delivered to the Party to whom it is addressed or in lieu of such personal service, upon receipt in the United States' mail, first-class postage prepaid, addressed as follows:

To the Hospital District:
St. Vincent General Hospital District
Attn: Chief Executive Officer
822 W. 4th Street
Leadville, CO 80461

With a copy to:
Collins Cockrel & Cole
Attn: David A. Greher
390 Union Blvd, Suite 400
Denver, CO 80228

To the City and the LURA:
City of Leadville
Leadville LURA
800 Harrison Ave.
Leadville, CO 80461

With a copy to:
Michow, Cox & McAskin, LLP
Attn: Linda C. Michow
6530 S. Yosemite St., Suite 200
Greenwood Village, Colorado 80111

Any Party may change its address for the purpose of this Paragraph by giving written notice of such change to the other Parties in the manner provided in this Paragraph.

10. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and together shall constitute one and the same instrument.

11. Binding Agreement. This Agreement shall inure to and be binding on the administrator, successors, and permitted assigns of the Parties hereto.

12. Entire Agreement. This Agreement constitutes the complete and exclusive statement of the agreement of the Parties with respect to the subject matter of this Agreement and supersedes all prior oral and written proposals, negotiations, representations, promises, agreements, warranties or understandings concerning such subject matter.

13. Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement shall nonetheless remain in full force and effect.


14. Governmental Immunity. Nothing in this Agreement shall be construed as a waiver of the rights and privileges of the Parties pursuant to the Colorado Governmental Immunity Act, Title 24, Article 10, C.R.S., as the same may be amended from time to time.

15. Authority to Enter Into Agreement. Each Party hereby confirms it is lawfully authorized to enter into this Agreement, has received legal counsel and advice as to the legal effect of this Agreement, and has taken all steps necessary to authorize the execution of the Agreement by the respective signatories below.

[The remainder of this page is left intentionally blank. Signature page follows.]

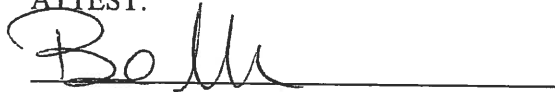
IN WITNESS WHEREOF, the Parties hereto have duly executed this Agreement as of the day and year first above written.

CITY OF LEADVILLE, a municipal corporation and political subdivision of the State of Colorado:



Greg Labbe, Mayor


ATTEST:



By: Bethany Maher, Deputy City Clerk

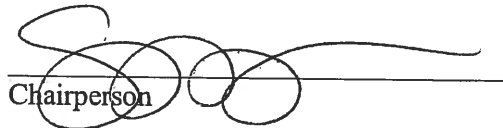
Its: _____

Approved as to form:




City Attorney

LEADVILLE URBAN RENEWAL AUTHORITY, an urban renewal authority:



Chairperson


ATTEST:



By: Bethany Maher, Deputy City Clerk

Its: _____

Approved as to form:



LURA Counsel


ST. VINCENT GENERAL HOSPITAL DISTRICT, a quasi-municipal corporation and political subdivision of the State of Colorado:

Byron Copley, Chairman
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By: Byron Copley, Chairman

Its: Owner

3/9/2018

ATTEST:


By: Christin K. Logan

Its: Assistant Secretary