City of Louisville
COLORADO • SINCE 1878

# *Historic Preservation Commission*
# *Agenda*
## August 19, 2013

**Council Chambers, 2nd floor of City Hall**
**City Hall, 749 Main Street**
**7:00 – 9:00 PM**

I. Call to Order
II. Roll Call
III. Approval of Agenda
IV. Approval of Minutes - none
V. Public Comments on Items Not on the Agenda
VI. Pre filing Conference – none
VII. **PUBLIC HEARING – none**
VIII. Discussion – Grain Elevator
IX. Discussion – Historic Preservation Fund expenditures
X. Discussion – Main Street Program
XI. Discussion – Preservation Master Plan
XII. Committee Reports –
- Outreach committee
- Commercial incentives workshop

XIII. Update on Demolition Requests - 844 Spruce, 712 Lincoln, 825 Lafarge, 1100 Lincoln, 701 Jefferson, 623 Garfield, 749 Main, 104 Rose
XIV. Update on Alteration Certificate Requests –
XV. Discussion/Comments on Planning Department Referrals – none
XVI. Updates –
- Austin-Niehoff HSA

XVII. Items from Staff - subcommittee for updates to commercial incentive program, clarify outreach program
XVIII. Items from Commission Members –
XIX. Discussion Items for Next Meeting – ***September 16, 2013***
- History Colorado CLG presentation
- Miners' cabins, mine markers

XX. Adjourn

*City of Louisville*
*Department of Planning and Building Safety*
*749 Main Street Louisville CO 80027*
*303.335.4591 (phone) 303.335.4550 (fax) www.louisvilleco.gov*

City of Louisville
COLORADO • SINCE 1878

# HISTORIC PRESERVATION COMMISSION

**TO:** **HISTORIC PRESERVATION COMMISSION**

**SUBJECT:** **RESOLUTION NO._____, SERIES 2013. A RESOLUTION APPROVING A PURCHASE AND SALE AGREEMENT BETWEEN THE CITY OF LOUISVILLE AND LOUISVILLE MILL SITE, LLC, FOR THE SALE OF THE LOUISVILLE GRAIN ELEVATOR PROPERTY LOCATED AT 540 AND 544 FRONT STREET**

**ORDINANCE NO. _____,SERIES 2013. AN ORDINANCE AUTHORIZING THE SALE AND CONVEYANCE OF AN APPROXIMATELY 1.069-ACRE PARCEL OF LAND OWNED BY THE CITY AND REFERRED TO AS THE LOUISVILLE GRAIN ELEVATOR PROPERTY LOCATED AT 540 AND 544 FRONT STREET**

**DATE:** **AUGUST 19, 2013**

**FROM:** **AARON DEJONG, ECONOMIC DEVELOPMENT**

**SUMMARY:**
This memo outlines the terms and conditions of a Purchase and Sale Agreement between the City and Louisville Mill Site, LLC for the stabilization and redevelopment of the Historic Grain Elevator Property located at 540 Front Street. Louisville Mill Site, LLC is an entity controlled by Randy Caranci and J. Erik Hartronft.

**BACKGROUND:**
The Grain Elevator, located on the east side of Front Street and south of Pine, has been listed as a contributing property on the National Register of Historic Places. Built in 1908, the Grain Elevator is historically and visually the most significant structure associated with the agricultural history in Louisville. Its frame construction and functional design illustrate an important architectural resource associated with agriculture. The Grain Elevator is in historic Old Town Louisville area defined in the Historic Preservation Fund ballot measure and consequently is eligible for Historic Preservation Fund grant funding. The site consists of 1.069 acres, contains the grain elevator and an empty 3,360 SF retail building, and one small storage building.

In the summer of 2010, the owners of the Grain Elevator listed the property for sale. After receiving no offers they considered reasonable, and suggesting they thought the property would be more marketable without the Grain Elevator structure encumbering the property, in January 2012 the owners applied for a demolition permit. The HPC placed a stay on the permit pursuant to the City's historic preservation ordinance. Because the demolition was pending, in April 2012, in an effort to save the Grain Elevator, the City issued a request for proposals to form a private/public partnership

with the City contributing funding to help purchase the property, landmark the Grain Elevator, restore the building and redevelop the property. The City received two responses, including one from Amterre Property Group, which disclosed it had secured a purchase agreement on the Grain Elevator property. After significant negotiations, On August 7, 2012 the City Council approved an agreement with Amterre Property Group to purchase, rehabilitate and redevelop the Grain Elevator. However, due to a filing of a petition to repeal the ordinance approving funding for the agreement, Amterre could not move forward and so the City purchased the property for $950,000.

On October 4, 2012 staff facilitated a public meeting to solicit from interested residents ideas and recommendations regarding future uses of the building they would like to see. This information was incorporated into a second RFP seeking a development partner to stabilize, rehabilitate, and redevelop the property. That RFP was reviewed and approved by the Historic Preservation Commission and the City Council and then issued on November 19, 2012.

The City received two proposals in response to this second RFP; one from Hartronft Associates of Louisville, and one from Olde Town Group, LLC of Arvada. On April 2, 2013, the City Council approved moving forward and negotiating an agreement with Olde Town Group, LLC.

Randy Caranci and J. Erik Hartronft submitted an offer to purchase the Property on June 10, 2013 and a copy of the offer is attached. The City Council met in executive session on July 2, 2013 and provided a strategy to negotiate an agreement with Caranci and Hartronft. Negotiations with Olde Town Group have been put on hold until an agreement with Caranci and Hartronft is voted upon by the City Council.

**DISCUSSION:**
The following is a discussion of all the main components of the Purchase and Sale Agreement with Louisville Mill Site, LLC, an entity controlled by Randy Caranci and J. Erik Hartronft. For simplification, the term Purchaser will be used to describe Louisville Mill Site, LLC.

1) Purchaser will purchase the Property for $200,000 from the City. Purchaser will provide a $10,000 deposit.
2) Purchaser will present a PUD application and plat with 90 days of executing the agreement.
    a. The Plat will redraw the boundaries of the Grain Elevator property and Caranci's property as shown in Exhibit D of the Agreement.
    b. This will solve the encroachment issue related to the Grain Elevator structure.
3) Closing will not occur until an approved PUD is achieved for the Property.
4) Purchaser will complete a Scope of Work for stabilization of the Grain Elevator noted in Exhibit C of the Agreement.
    a. The City will contribute up to $500,000 towards the Scope of Work.

b. The City contribution to the Scope of Work will be reduced dollar for dollar for funds received by other governmental entities above $132,752.
c. Purchaser will submit disbursement requests to the City Manager for payment.
d. Should Purchaser not proceed with acquisition of the Property, City will reimburse Purchaser for costs associated with completing the Scope of Work.
e. The Scope of Work includes much of the Phase I stabilization work identified in the Grain Elevator Historic Structure Assessment. For a more detailed description of the Scope of Work please see Exhibit C of the Purchase and Sale Agreement.

5) City will retain ownership of Lot 3 until the Scope of Work is complete.
6) Purchaser will have a Master Lease to use the Property prior to Closing.
   a. Purchaser wishes to begin work on the Scope of Work prior to closing.
   b. Purchaser may lease Lot 3 but any such lease must be reviewed and approved by the City Manager.
7) The Grain Elevator parcel noted as Lot 2 will be landmarked.
8) A Conservation Easement will be placed on Lot 2.
9) No build provisions will be placed on Outlot A, the northerly 20 feet of Lot 1, and the southerly 20 feet of Lot 3 to preserve views to the Grain Elevator.
10) Public land dedications for the Grain Elevator property and Caranci's property will be waived.
11) 50% rebate of Louisville permit fees associated with all lots through March 31, 2016.
12) 50% rebate of Construction Use Taxes associated with improvements to all lots through March 31, 2016.
13) 50% rebate of application fees associated with improvements to all lots through March 31, 2016.

**ANALYSIS/FISCAL IMPACT:**

The total Historic Preservation Fund outlay should this offer be executed is;

| | |
|---|---|
| City Purchase | $950,000 |
| Proceeds from Caranci | ($200,000) |
| Max Stabilization Funds | $500,000 |
| Total | **$1,250,000** |

As a comparison, the financial considerations proposed by Olde Town Group submitted for the Second Round RFP are as follows;

| | |
|---|---|
| Donation of Property: | $950,000 |
| Stabilization: | $795,000 |
| Adaptive Re-use Assistance | $380,000 |
| | **$2,125,000** |

Staff's estimate of the value of the public land dedication for the Grain Elevator property and the Caranci property is $48,927 (1.56 acres x 43,560 x $6 psf x 12%).

# HPC COMMUNICATION

Staff estimates the 50% rebate on building permit fees and construction use taxes to be $35,000, based on projects upon the Property valued at $3,000,000.

Staff estimates the 50% rebate on planning application fees is to be $3,635.

There are significant differences between this Agreement and the Olde Town Group proposal. They are;

- The obligated costs to the City are less;
- There is not a commitment to making the grain elevator structure habitable;
- There is not a commitment to redeveloping Lot 1 or Lot 3;
- The property boundary issues relating to the Caranci property are solved.
- There is not an interest to construct a building along Front Street south of the Grain Elevator.
- The agreement would facilitate Caranci redeveloping the warehouse south of the Grain Elevator.

**RECOMMENDATION:**
Staff requests the Historic Preservation Commission recommend or not recommend approval of the resolution and ordinance approving the Purchase and Sale Agreement with Louisville Mill Site, LLC with the above terms to City Council.

**ATTACHMENTS:**

1) Resolution _____ Series 2013
2) Ordinance _____ Series 2013
3) Caranci Proposal to Purchase
4) Purchase and Sale Agreement

**RESOLUTION NO._____**
**SERIES 2013**

**A RESOLUTION APPROVING A PURCHASE AND SALE AGREEMENT BETWEEN THE CITY OF LOUISVILLE AND LOUISVILLE MILL SITE, LLC, FOR THE SALE OF THE LOUISVILLE GRAIN ELEVATOR PROPERTY LOCATED AT 540 AND 544 FRONT STREET**

**WHEREAS,** the City of Louisville ("City") is the owner of that certain real property totaling 1.069 acres, more or less, commonly referred to as the downtown Louisville Grain Elevator site located at 540 and 544 Front Street, which property is legally described on Exhibit A attached hereto and incorporated herein by reference (the "Property"); and

**WHEREAS,** the historic Louisville Grain Elevator on the Property is a significant historic structure in the community which helps tell the story of the area's agricultural history; and

**WHEREAS,** the preservation, restoration and rehabilitation of the historic Louisville Grain Elevator is a project worthy of funding from the City's Historic Preservation Fund (HFP); and

**WHEREAS,** there has been proposed a Purchase and Sale Agreement ("Agreement") between the City and Louisville Mill Site, LLC, ("LMS") for the City to sell and LMS to buy the Property pursuant to the terms and conditions set forth in said Agreement; and

**WHEREAS,** the City Council is willing to sell the Property upon the terms and conditions of the Agreement and finds that such Agreement will further the City's interest in preservation, stabilization, restoration and rehabilitation of the historic Louisville Grain Elevator; and

**WHEREAS,** City Council by this Resolution desires to approve the Purchase and Sale Agreement and authorize its execution;

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOUISVILLE, COLORADO:**

**Section 1.** The proposed Purchase and Sale Agreement ("Agreement") between City of Louisville and Louisville Mill Site, LLC, for the sale of the Property as described in the Agreement and in Exhibit A attached hereto, is hereby approved in essentially the same form as the copy of such Agreement accompanying this Resolution.

**Section 2.** The Mayor and City Manager, or either of them, is authorized to execute the Agreement, except that the Mayor and City Manager are hereby granted the authority to negotiate and approve such revisions to said Contract as they determine are

necessary or desirable for the protection of the City, so long as the essential terms and conditions of the Agreement are not altered.

**Section 3.** The Mayor, City Manager and City Staff are further authorized to do all things necessary on behalf of the City to perform the obligations of the City under the Agreement, and are further authorized to execute and deliver any and all closing documents and other documents necessary to perform said obligations and effect sale of the Property under the terms and conditions of said Agreement. Without limiting the foregoing, the City Manager is authorized to approve a master lease or other instruments for use of the Property, to grant or withhold such administrative approvals or consents as are provided for in the Agreement, to make determinations regarding disbursements of HPF grant funds provided for under the Agreement, and to execute and deliver all documents necessary or appropriate in connection therewith.

**Section 4.** City Council hereby approves the expenditure of up to $500,000 from the Historic Preservation Fund for completion of the stabilization Scope of Work to be completed pursuant to the Agreement for stabilization of the Louisville Grain Elevator.

**Section 5.** The City Council hereby further approves of, ratifies and confirms all actions heretofore taken in connection with sale of the Property in accordance with the Agreement.

**PASSED AND ADOPTED** this _____ day of _____, 2013.

_____
Robert P. Muckle, Mayor

ATTEST:

_____
Nancy Varra, City Clerk

**Exhibit A**
**Legal Description**

Beginning at the Southeast corner of Block 4 of the Original Town of Louisville, thence South 10 feet to Corner Number One, the true point of beginning; thence Easterly along South line of alley, 221 feet, more or less to Corner Number Two, said Corner Number Two being the intersection of the South line of said alley extended East with Acme Switch; thence Southwesterly along the curve of said Acme Switch to Corner Number Three, said Corner Number Three being the intersection of Acme Switch with West line of County Road No. 124, said Corner Number Three bears South 21º 41' West, 455 feet, more or less, from Corner Number Two; thence North, 14º 12' West, 435 feet, more or less, to place of beginning; excepting a strip for County Road No. 124 described in Road Book "B" at Page 239 of the records of the County Clerk and Recorder's Office of Boulder County, said tract being in the Southeast ¼ of the Southeast ¼ of Section 8, Township 1 South, Range 69 West of the 6th P.M., County of Boulder, State of Colorado,

Said parcel being more precisely described as follows:

A parcel of land located in the Southeast ¼ of Section 8, Township 1 South, Range 69 West of the 6th P.M., City of Louisville, County of Boulder, State of Colorado and being more particularly described as follows:

Commencing at the Southwest corner of Block C, Original Town of Louisville; thence along the West line of said Block C, South 00º 17'53" East, 10.00 feet to the true point of beginning;

Thence along the South line of the 10 foot alley shown on the Original Town of Louisville, North 89º42'07" East, 178.49 feet to the Westerly right of way of the Burlington Northern Railroad; thence along said Westerly right of way, South 81º14'20" East, 116.93 feet to the Northerly line of Acme Switch/Spur; thence along said Northerly line as described at Reception No. 253376 of the Boulder County records along the arc of a curve to the right having a radius of 458.34 feet and a central angle of 36º 20'10" (chord bears South 20º 01'16" West, 285.82 feet) a distance of 290.67 feet to the Easterly right of way of County Road 124, whence the Northwest corner of Lot 2 of Mansour-Engel Subdivision (being the Northwest corner of Lot 2 of Schreiter Subdivision) bears South 14º 15'16" East, 61.31 feet and from this Northwest corner the Northeast corner of said Lot 2 bears North 81º 38'25" East, 128.91 feet; thence along said Easterly right of way line of County Road 124 North 14º 15'16" West, 395.53 feet to the point of beginning.

The basis of bearings for this description is the North line of Lot 2 of Mansour-Engel (being the North line of Lot 2 Schreiter Subdivision) which bears South 81º 38'25" West a distance of 128.91 feet (128.89 Plat).

**ORDINANCE NO. _____**
**SERIES 2013**

**AN ORDINANCE AUTHORIZING THE SALE AND CONVEYANCE OF AN APPROXIMATELY 1.069-ACRE PARCEL OF LAND OWNED BY THE CITY AND REFERRED TO AS THE LOUISVILLE GRAIN ELEVATOR PROPERTY LOCATED AT 540 AND 544 FRONT STREET**

**WHEREAS,** the City of Louisville ("City") is the owner of that certain real property totaling 1.069 acres, more or less, commonly referred to as the downtown Louisville Grain Elevator site located at 540 and 544 Front Street, which property is legally described on Exhibit A attached hereto and incorporated herein by reference (the "Property"); and

**WHEREAS,** pursuant to Resolution No. ___ Series 2013, the City approved a Purchase and Sale Agreement ("Agreement") between the City and Louisville Mill Site, LLC, ("LMS") for the City to sell and LMS to buy the Property; and

**WHEREAS,** the terms, conditions and considerations set forth in the Agreement for the sale of the Property include that (i) LMS pay a purchase price of $200,000; (ii) prior to transfer of the northern portion of the Property, LMS complete stabilization of the Louisville Grain Elevator structure in accordance with a mutually acceptable Scope of Work; (iii) the City contribute up to $500,000 in Historic Preservation Fund (HPF) monies for stabilization of the structure; (iv) the Grain Elevator be landmarked and subject to a conservation easement for the preservation of historic resources; (v) the parties process a plat and PUD for the Property and adjoining property prior to closing; (vi) the City provide certain rebates and other incentives in connection the rehabilitation of the Louisville Grain Elevator structure and redevelopment of the Property and adjacent land; (vii) the City and LMS enter into a master lease enabling portions of the Property to be leased prior to closing; and (viii) the parties perform other obligations as further provided in the Agreement; and

**WHEREAS,** the City Council desires to sell the Property upon the terms and conditions of the Agreement and finds that such Agreement with further the City's interest in preservation, stabilization, restoration and rehabilitation of the historic Louisville Grain Elevator; and

**WHEREAS,** pursuant to Ordinance No. 1622, Series 2012, the Property was not acquired for park, open space or governmental purposes, but as a general asset of the City and for potential rehabilitation of the historic Louisville Grain Elevator located on the Property, and such Ordinance 1622 provides that all or portions of the Property, and any interests, licenses, rights or privileges therein, may be sold, leased, conveyed or disposed of, in whole or part, as determined by appropriate action of City Council, without necessity of election, pursuant to the home rule charter of the City; provided, however, that all or portions of the Property sold may be subject to landmarking and/or the granting of a conservation easement for the protection of historic resources; and

**WHEREAS,** the City Council by this Ordinance desire to approve the sale and transfer of the Property as required by Section 4-8(b) of the home rule charter; and

**WHEREAS,** the City Council has determined it is in the best interest of the City and its citizens to sell and convey the Property upon the terms and conditions set forth in said Agreement;

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LOUISVILLE, COLORADO:**

**Section 1.** The City Council hereby approves and authorizes the sale and conveyance from the City to Louisville Mill Site, LLC, ("LMS") of the Property legally described on Exhibit A attached hereto for a purchase price of $200,000.

**Section 2.** The sale and conveyance of the Property shall further be upon the terms and conditions set forth in that certain Purchase and Sale Agreement between the City and LMS, which Agreement was approved by City Council Resolution No. ____, Series 2013 (the "Agreement"), and which terms and conditions are incorporated herein by reference as though set forth in full. As provided in the Agreement, and in furtherance of the provisions of Ballot Issue 2A approved by the voters November 4, 2008, the historic Louisville Grain Elevator shall be landmarked prior to closing and upon closing there shall be granted to the City a conservation easement for the preservation of historic resources. The legal description of the site to be landmarked and the land to be encumbered by the said conservation easement shall be finally determined through the platting and landmarking process as further provided in said Agreement. No public land dedication shall be required in connection with the plating of the Property or the adjacent South Parcel, as further provided in said Agreement.

**Section 3.** The City Council hereby further approves of, ratifies and confirms all actions heretofore taken in connection with sale of the Property in accordance with the Agreement.

**Section 4.** If any portion of this ordinance is held to be invalid for any reason, such decision shall not affect the validity of the remaining portions of this ordinance. The City Council hereby declares that it would have passed this ordinance and each part hereof irrespective of the fact that any one part be declared invalid.

**INTRODUCED, READ, PASSED ON FIRST READING, AND ORDERED PUBLISHED** this _____ day of _____, 2013.

_____
Robert P. Muckle, Mayor

ATTEST:

_____
Nancy Varra, City Clerk

APPROVED AS TO FORM:

_____
Light, Kelly & Dawes, P.C.
City Attorney

**PASSED AND ADOPTED ON SECOND AND FINAL READING,** this _____ day of _____, 2013.

_____
Robert P. Muckle, Mayor

ATTEST:

_____
Nancy Varra, City Clerk

**Exhibit A**
**Legal Description**

Beginning at the Southeast corner of Block 4 of the Original Town of Louisville, thence South 10 feet to Corner Number One, the true point of beginning; thence Easterly along South line of alley, 221 feet, more or less to Corner Number Two, said Corner Number Two being the intersection of the South line of said alley extended East with Acme Switch; thence Southwesterly along the curve of said Acme Switch to Corner Number Three, said Corner Number Three being the intersection of Acme Switch with West line of County Road No. 124, said Corner Number Three bears South 21º 41' West, 455 feet, more or less, from Corner Number Two; thence North, 14º 12' West, 435 feet, more or less, to place of beginning; excepting a strip for County Road No. 124 described in Road Book "B" at Page 239 of the records of the County Clerk and Recorder's Office of Boulder County, said tract being in the Southeast ¼ of the Southeast ¼ of Section 8, Township 1 South, Range 69 West of the 6th P.M., County of Boulder, State of Colorado,

Said parcel being more precisely described as follows:

A parcel of land located in the Southeast ¼ of Section 8, Township 1 South, Range 69 West of the 6th P.M., City of Louisville, County of Boulder, State of Colorado and being more particularly described as follows:

Commencing at the Southwest corner of Block C, Original Town of Louisville; thence along the West line of said Block C, South 00º 17'53" East, 10.00 feet to the true point of beginning;

Thence along the South line of the 10 foot alley shown on the Original Town of Louisville, North 89º42'07" East, 178.49 feet to the Westerly right of way of the Burlington Northern Railroad; thence along said Westerly right of way, South 81º14'20" East, 116.93 feet to the Northerly line of Acme Switch/Spur; thence along said Northerly line as described at Reception No. 253376 of the Boulder County records along the arc of a curve to the right having a radius of 458.34 feet and a central angle of 36º 20'10" (chord bears South 20º 01'16" West, 285.82 feet) a distance of 290.67 feet to the Easterly right of way of County Road 124, whence the Northwest corner of Lot 2 of Mansour-Engel Subdivision (being the Northwest corner of Lot 2 of Schreiter Subdivision) bears South 14º 15'16" East, 61.31 feet and from this Northwest corner the Northeast corner of said Lot 2 bears North 81º 38'25" East, 128.91 feet; thence along said Easterly right of way line of County Road 124 North 14º 15'16" West, 395.53 feet to the point of beginning.

The basis of bearings for this description is the North line of Lot 2 of Mansour-Engel (being the North line of Lot 2 Schreiter Subdivision) which bears South 81º 38'25" West a distance of 128.91 feet (128.89 Plat).

CARANCI INC

Mr. Malcolm Fleming
City Manager

Mr. Aaron Dejong
Economic Development Director

City of Louisville, Colorado
749 Main Street
Louisville, CO 80027

June 10, 2013 Re. Offer to Purchase Louisville Grain Elevator Site

Malcolm and Aaron,

Attached please find our offer to purchase the Grain Elevator Property at 540 Front Street. As you know I have expressed a desire to City Council to purchase this property for a variety of reasons, some going back over 40 years when I first approached Charles Thomas to buy what was then a defunct grain elevator. The main logic for combining these two properties now is the same as it was then, to eliminate the cumbersome property line that divides the two properties, making both properties more economically viable.

I have other investors that are interested in working with me to create a significant redevelopment of not only the Grain Elevator and former Napa site, but also to redevelop my warehouse building into something that the City can be proud of. Erik Hartronft has agreed to join me in this effort, bringing his extensive knowledge of the Mill building and site, as well as his historic preservation expertise, and familiarity with the City of Louisville development regulations.

By combining the two properties, we can eliminate the building that is currently proposed in front of the grain elevator at the southwest corner of that site. This will provide an unobstructed view corridor to the Mill structure, which would be stabilized, and partially rehabilitated for commercial use, in its original form. This would also eliminate the currently proposed additions and substantial modifications that would be required for an adaptive re-use of the structure.

As the 6th generation of my family here in Louisville, I have a deep commitment and love for this town, and all it has to offer. I believe that our offer will save the City $1.0 to 1.5 million dollars, so that other historic properties may also benefit from the Historic Preservation funding that is available through the generosity of the taxpayers of Louisville. We hope you take our proposal very seriously, and that we will have the opportunity to discuss the details with you further.

Thank you for your consideration. I look forward to hearing from you.

Sincerely,

Randy Caranci
President, Caranci, Inc.

PH: 303-910-0019
www.carancicorp.com

P.O. BOX 658
LOUISVILLE, CO 80027

FAX: 720-890-9785
randy@carancicorp.com

Proposal To Purchase The Louisville Colorado Historic Grain Elevator Site
Dated: June 10, 2013

| | |
|---|---|
| Property Description: | Aprox. 46,546 sf land area located at 540 Front St. in Louisville, CO<br>Includes all existing structures and improvements<br>(see attached legal description and survey) |
| Offer to Purchase: | Buyer offers to purchase the property described above for the sum of:<br>$200,000 (Two Hundred Thousand and 00/100 Dollars). |
| Closing Date: | As soon as possible, date to be determined. |

Buyer will agree to:

1. Plat the property in conjunction with the property to the south at 500 Front Street;
2. Apply for City of Louisville Landmark Designation for the Historic Grain Elevator structure, and a portion of the surrounding site to be acceptable to the City of Louisville;
3. Stabilize the Grain Elevator structurally, mitigate hazardous conditions and animal infestation, and repair or replace exterior roofing, siding and other elements of the exterior envelope, including sealants and repainting to avoid further deterioration due to weather and animal infiltration;
4. Conduct all Stabilization and/or Rehabilitation work on the historic Grain Elevator structure in accordance with the Department of Interior Standards for Rehabilitation;
5. Continue to maintain the historic Grain Elevator structure for its long-term preservation, and to make additional improvements to the properties including 500 and 540 Front Street to generate positive economic activity at this site, including some public accessible retail use at the Grain Elevator building.

Buyer requests that the City will agree to:

1. Waive Open Space dedication requirement for both properties being platted and subdivided;
2. Continue efforts to secure State of Colorado Historic Preservation Grant funding of $632,752 for the stabilization of the structure, and to make those grant monies available to the Buyer for the preservation of the Historic Grain Elevator. If the City is not successful in obtaining the full amount of State grant monies requested for the Phase I stabilization, the City will agree to provide the balance of funding up to a maximum of $500,000 for minimum stabilization of the Grain Elevator structure;
3. Provide a rebate equal to 50% of the building related permit fees, impact fees, and development application fees plus 50% of the Construction Use Tax on the building materials related to improvements on the properties.

Further detailed terms to be worked out in negotiation with the Buyer and Seller.

It is assumed that the City of Louisville will continue to cooperate with the Buyers and future owners to maximize the viability of both 540 and 500 Front Street properties to increase the value of these properties to be able to increase sales and property taxes generated from the properties, and to contribute to the overall vitality of this area of Downtown Louisville.

Respectfully Submitted:

6/10/13
Date

Randall C. Caranci
President, Caranci, Inc.
P.O. Box 658
Louisville, CO 80027

**EXHIBIT A**
**DESCRIPTION OF PROPERTY**

LEGAL DESCRIPTION:

A PARCEL OF LAND LOCATED IN THE SE ¼ OF SECTION 8, T1S, R69W OF THE 6TH P.M., CITY OF LOUISVILLE, COUNTY OF BOULDER, STATE OF COLORADO AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:
COMMENCING AT THE SOUTHWEST CORNER OF BLOCK C, ORIGINAL TOWN OF LOUISVILLE; THENCE ALONG THE WEST LINE OF SAID BLOCK C, S00°17'53"E, 10.00 FEET TO THE TRUE POINT OF BEGINNING;
THENCE ALONG THE SOUTH LINE OF THE 10 FOOT ALLEY SHOWN ON THE ORIGINAL TOWN OF LOUISVILLE, N89°42'07"E, 178.49' TO THE WESTERLY RIGHT OF WAY OF THE BURLINGTON NORTHERN RAILROAD; THENCE ALONG SAID WESTERLY RIGHT OF WAY, S81°14'20"E, 116.93' TO THE NORTHERLY LINE OF ACME SWITCH/SPUR; THENCE ALONG SAID NORTHERLY LINE AS DESCRIBED AT RECEPTION NO. 253376 OF THE BOULDER COUNTY RECORDS ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 458.34' AND A CENTRAL ANGLE OF 36°20'10" (CORD BEARS S20°01'16"W, 285.82') A DISTANCE OF 290.67' TO THE EASTERLY RIGHT OF WAY OF COUNTY ROAD 124, WHENCE THE NORTHWEST CORNER OF LOT 2 OF MANSOUR-ENGEL SUBDIVISION (BEING THE NORTHWEST CORNER OF LOT 2 OF SCHREITER SUBDIVISON) BEARS S14°15'16"E, 61.31' AND FROM THIS NORTHWEST CORNER THE NORTHEAST CORNER OF SAID LOT 2 BEARS N81°38'25"E, 128.91'; THENCE ALONG SAID EASTERLY RIGHT OF WAY LINE OF COUNTY ROAD 124 N14°15'16"W, 395.53 FEET TO THE POINT OF BEGINNING.
THE BASIS OF BEARINGS FOR THIS DESCRIPTION IS THE NORTH LINE OF LOT 2 OF MANSOUR-ENGEL (BEING THE NORTH LINE OF LOT 2 SCHREITER SUBDIVISION) WHICH BEARS S81°3825"W A DISTANCE OF 128.91 FEET (128.89' PLAT).
SAID PARCEL CONTAINS 46,546 SQUARE FEET OR 1.069 ACRES.

# PURCHASE AND SALE AGREEMENT

**THIS PURCHASE AND SALE AGREEMENT** (this "Agreement") is made as of the _____ day of _____ 2013 (the "Effective Date"), by and between LOUISVILLE MILL SITE, LLC, a Colorado Limited Liability Company ("Purchaser"), and CITY OF LOUISVILLE, COLORADO, a Colorado municipal corporation ("Seller" or "City"). Purchaser and Seller are collectively referred to as "the Parties."

## RECITALS

A. Seller owns that certain real property described on Exhibit A attached hereto and by this reference incorporated herein containing in aggregate approximately 1.069 acres (approximately 46,546 square feet) of land ("the Land").

B. Purchaser desires to purchase from Seller the Land, the improvements thereon and certain other interests therein.

C. The Parties desire that certain improvements be made to the Grain Elevator structure on the Land.

D. The Parties desire to enter into this Agreement to set forth their mutual understandings regarding the purchase and sale of the Land, the completion of improvements to the Grain Elevator structure, and related matters.

## COVENANTS

IN CONSIDERATION of the foregoing and the mutual agreements herein, the Parties hereto agree as follows:

## ARTICLE 1.
## PURCHASE AND SALE

1.1 Purchase and Sale. Subject to the terms and conditions of this Agreement, Seller agrees to sell and convey and Purchaser agrees to purchase and pay for the following described property: (a) The Land together with all estates, rights, hereditaments, easements and rights of way appurtenant thereto; and (b) Seller's interest, if any, in any contracts, licenses, permits, construction plans, studies, analyses, governmental approvals, development rights, utility rights (including any rights to water and sewer taps) and similar rights related to the Land, whether granted by governmental authorities or private persons (collectively, the "Property").

1.2 Purchase Price. The purchase price ("Purchase Price") for the Property is Two Hundred Thousand and 00/100 Dollars ($200,000.00), and shall be payable as follows:

1.2.1 Ten Thousand Dollars ($10,000.00) (the "Deposit") shall be paid by Purchaser to Fidelity National Title Company, 4875 Pearl East Circle, #300, Boulder, Colorado 80301 (the "Title Company") in cash or by certified or wire transfer funds within three (3) business days following the Effective Date.

1.2.2 The balance of the Purchase Price shall be paid by Purchaser at the closing of the purchase and sale provided for in Article 5 (the "Closing") by bank cashier's check or certified check made payable to Seller or by wire transfer of federal funds to an account designated by Seller.

1.3 Deposit Generally. This Agreement shall terminate if Purchaser fails to pay the Deposit, or any portion thereof, within the time period specified therefor. The Deposit is subject to increases as noted herein. The Deposit will be held by the Title Company in an interest-bearing account as an earnest money deposit and part payment of the Purchase Price and credited to Purchaser at the Closing; reference herein to the Deposit shall mean and include all interest earned thereon. The Deposit shall be applicable to the Purchase Price and shall be fully refundable until the end of Purchaser's Examination Period (as defined in Section 4.1) at which time the Deposit will become non-refundable except in the event of Seller's breach or the failure of a condition precedent to Purchaser's obligation to close (pursuant to Section 1.4). The Title Company shall hold and disburse the Deposit in accordance with the terms of this Agreement unless otherwise directed by written notice signed by Purchaser and Seller.

1.4 Approvals. Subject to Purchaser approving the Property during the Examination Period, Purchaser shall be solely responsible for submitting to the City a Planned Unit Development ("PUD") and Subdivision Plat Application, with an accompanying Subdivision Agreement, for the Property ("Approvals") within ninety (90) calendar days after the Effective Date. Except as provided in Section 4.1, Purchaser shall bear all cost for processing and obtaining the Approvals, including engineering, planning and governmental processing, but Seller will sign all PUD and Plat Application and otherwise cooperate with Purchaser at no cost to Seller. Unless otherwise agreed by the Seller and Purchaser: (i) the Approvals will not encumber the Property prior to Closing, but such Approvals are anticipated to be obtained in time to be executed on the date of Closing; and (ii) upon any termination of this Agreement prior to Closing, the Seller and Purchase shall have no obligation to finalize, execute or file the Approvals. The Approvals will include platting of lots and creation and dedication of easements as further described in Article 9, below. The Parties agree and acknowledge that the Approvals and other actions of the City contemplated herein are matters of legislative and/or quasi-judicial discretion and no assurances of the granting of such Approvals or taking of such other actions have been made by Seller. Furthermore, the Parties agree and acknowledge that the time schedule for processing the Approvals is beyond the control of the Purchaser and Seller, and in the event that the Approvals cannot be obtained by Purchaser to be executed within 1 day of the date of Closing, the Parties hereby agree that the date for Closing will be adjusted accordingly.

Upon termination of this Agreement, Purchaser will deliver to Seller all reports, studies and similar documents (except for financial analysis prepared by Purchaser for the Property which are considered proprietary and shall not be provided to Seller by Purchaser), prepared for or by Purchaser concerning the Property and Seller may use such work product for any and all purposes. Seller shall reimburse Purchaser for the costs in accordance with section 4.1.3.

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## ARTICLE 2.
## DOCUMENTS TO BE DELIVERED TO PURCHASER

2.1 Documents to be Delivered to or Obtained by Purchaser. On or before ten (10) calendar days following the Effective Date, Seller will provide Purchaser with any existing survey(s) of the Property and will make available for inspection and copying at Seller's offices documents referred to in Section 1.1 (b) above, if any, which are in the possession of Seller. Purchaser shall either accept the Seller's existing survey, update the existing survey or obtain a new ALTA survey at its sole cost which shall be certified to Purchaser, Seller and the Title Company ("Survey"). Within fifteen (15) calendar days after the Effective Date, Seller shall deliver to Purchaser, at Seller's expense, a title insurance commitment issued by the Title Company showing the status of record title to the Property (a "Commitment") and committing to insure, subject to the exceptions and requirements set forth therein, title to the Property in Purchaser in the amount mutually determined by the parties and Title Company (but not to exceed Seller's price for its purchase) under an Owner's Policy of Title Insurance, ALTA Form 1992 with standard printed exceptions deleted (subject to any matters disclosed by the Survey) ("Owners Policy"). Seller shall cause the Title Company to deliver to Purchaser legible copies of all recorded documents referred to in the Commitment, together with copies of any covenants to which the Property will be subjected at or before Closing. Extended title coverage or endorsements will be issued only at the request of Purchaser and will be at Purchaser's sole expense. The Commitment, together with the Schedule B-2 documents referenced therein are referred to collectively herein as "Title Documents." The Title Documents, Survey, and any other document, report or information relative to the Property that is delivered to or obtained by Purchaser are sometimes collectively referred to herein as "Property Information."

## ARTICLE 3.
## REPRESENTATIONS AND WARRANTIES

3.1 Seller's Representations. Seller represents and warrants to Purchaser as of the Effective Date of this Agreement as follows:

3.1.1 Seller is a municipal corporation duly organized and legally existing under the laws of the State of Colorado. The person executing this Agreement on behalf of Seller has the authority so to act.

3.1.2 To Seller's actual, present knowledge, the performance by Seller under this Agreement is consistent with and not in violation of, and will not create any default under, any contract, agreement or other instrument to which Seller is a party, any judicial order or judgment of any nature by which Seller or the Property is bound.

3.1.3 To Seller's actual, present knowledge, there is no litigation pending or, to Seller's actual, present knowledge, threatened, which would affect the Property or Seller's ownership thereof.

3.1.4 Seller is not a "foreign person" within the meaning of Sections 1445(f)(3) and 7701(a)(30) of the Internal Revenue Code and Seller will furnish to Purchaser at Closing an affidavit confirming the same.

3.1.5 The Property will be conveyed by Seller to Purchaser free and clear of all leases or tenancies by other parties claiming through Seller, except for leases or tenancies effected pursuant to this Agreement.

3.1.6 Seller shall notify Purchaser in writing if, at any time prior to Closing, there are any material changes to the foregoing representations and warranties adverse to Purchaser and in such event Purchaser has the right, but not the obligation to terminate this Agreement within ten (10) business days after said notice is delivered by Seller, whereupon the Deposit in full shall be returned to Purchaser from the Title Company.

3.2 Purchaser's Representations. Purchaser hereby represents and warrants to Seller as of the Effective Date of this Agreement as follows:

3.2.1 Purchaser is a limited liability company duly formed and in good standing under the laws of the State of Colorado.

3.2.2 This Agreement constitutes the legal, valid and binding obligation of Purchaser and is enforceable against Purchaser in accordance with its terms. The execution and delivery of this Agreement, and Purchaser's performance under this Agreement, are within Purchaser's powers and have been duly authorized by all necessary company action. The person(s) executing this Agreement on behalf of Purchaser has the authority to so act.

3.3 Disclaimer of Certain Representations and Warranties.

3.3.1 Purchaser acknowledges that Seller is affording Purchaser the opportunity for full and complete investigations, examinations and inspections of the Property. Except as specifically set forth herein, Purchaser acknowledges and agrees that Seller has not made any independent investigation or verification of, nor has any knowledge of, the accuracy or completeness of any of the Property Information and the Property Information is being furnished to Purchaser at its request and for the convenience of Purchaser. Purchaser is relying solely on its own investigations of the Property and is not relying in any way on Property Information furnished by Seller. Seller expressly disclaims any representations or warranties with respect to the accuracy or completeness of the Property Information and any duty of disclosure provided in this Agreement, and Purchaser releases Seller and Seller's officers, employees, agents and representatives, from any and all liability with respect to the Property Information and the Property, except for the warranty of title set forth in the special warranty deeds delivered at Closing.

3.3.2 Purchaser acknowledges that it is purchasing the Property based solely on its inspection and investigation of the Property and that Purchaser will be purchasing the Property "AS IS" and "WITH ALL FAULTS" based upon the condition of the Property as of the date of the Closing. Without limiting the foregoing, Purchaser acknowledges that, except as expressly set forth in this Agreement, Seller, its officers, employees, agents and representatives have not made, do not make and specifically negate and disclaim any representations, warranties, promises, covenants, agreements or guaranties

of any kind or character whatsoever, whether express or implied, oral or written, with respect to the Property, including, without limitation, the condition of the Land, the existence or nonexistence of Hazardous Materials (defined below), water or water rights, development rights, taxes, bonds, covenants, conditions and restrictions, topography, drainage, soil, subsoil, utilities, zoning, or other rules and regulations affecting the Property. SELLER MAKES NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, OR ARISING BY OPERATION OF LAW, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTY OF CONDITION, HABITABILITY, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO THE PROPERTY. As used herein, the term "Hazardous Materials" means (i) hazardous wastes, hazardous substances, hazardous constituents, toxic substances or related materials, whether solids, liquids or gases, including, but not limited to substances defined as "hazardous wastes," "hazardous substances," "toxic substances," "pollutants," "contaminants," "radioactive materials," or other similar designations in, or otherwise subject to regulation under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. § 9601 et seq.; the Toxic Substance Control Act, 15 U.S.C. § 2601 et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. § 1802; the Resource Conservation and Recovery Act, 42 U.S.C. § 9601 et seq.; the Clean Water Act, 33 U.S.C. § 1251 et seq.; the Safe Drinking Water Act, 42 U.S.C. § 300(f) et seq.; the Clean Air Act, 42 U.S.C. § 7401 et seq.; and in any permits, licenses, approvals, plans, rules, regulations or ordinance adopted, or other criteria and guidelines promulgated pursuant to the preceding laws or other similar federal, state or local laws, regulations, rules or ordinances now or hereafter in effect relating to environmental matters (collectively the "Environmental Laws"); and (ii) any other substances, constituents or wastes subject to any applicable federal, state or local law, regulation or ordinance, including any Environmental Law now or hereafter in effect, including but not limited to petroleum, refined petroleum products, waste oil, waste aviation or motor vehicle fuel, and asbestos.

3.3.3 Purchaser's failure to elect to waive the conditions pursuant to Section 1.4, Section 4.1 or Section 4.2 shall be deemed an acknowledgment by Purchaser that Purchaser has inspected the Property, is thoroughly acquainted with and accepts its condition, and has reviewed, to the extent necessary, in its discretion, all the Property Information and Seller shall not be liable or bound in any manner by any oral or written information pertaining to the Property furnished by Seller, Seller's officers, employees, agents or representatives.

3.3.4 Upon closing, Purchaser shall assume the risk that adverse physical, environmental, governmental compliance, geotechnical and other conditions from whatever source may have been revealed by Purchaser's investigations, and Purchaser, upon closing, shall be deemed to have waived, relinquished and released Seller, and Seller's officers, employees, agents and representatives, from and against any and all claims, demands, causes of action, losses, damages, liabilities, costs and expenses of any kind or character, known or unknown, which Purchaser might have asserted or alleged against Seller or Seller's officers, employees, agents and representatives at any time by reason of or arising out of any latent or patent physical conditions, violations of

applicable laws (including without limitation any Environmental Laws) and any and all other acts, omissions, events, circumstances or matters regarding the condition of the Property.

## ARTICLE 4.
## CONDITIONS PRECEDENT TO PURCHASER'S PERFORMANCE

The obligation of Purchaser to purchase the Property and Seller's right to delivery of the Deposit is subject to the satisfaction of the following conditions precedent in Section 4.1 on or before the expiration of the Examination Period or expiration of the title objection deadline, and if the conditions are not so satisfied, the unsatisfactory conditions may either be waived by Purchaser in writing designated as a waiver, or Purchaser may terminate this Agreement in which event Purchaser shall be returned the Deposit in full from the Title Company and the parties will be released from all obligations hereunder other than those provisions hereof which expressly contemplate survival of termination.

4.1 Examination Period. Purchaser shall have sixty (60) calendar days following the Effective Date (the "Examination Period"), in which to inspect and evaluate the Property to determine the suitability of the Property for Purchaser's intended use.

4.1.1 At any and all times during the term of this Agreement, Purchaser and Purchaser's representatives, agents, consultants and designees shall have the right to enter upon the Property, at Purchaser's own cost, for any purpose in connection with its proposed purchase, development or operation of the Property, including, without limitation, the right to make such inspections, investigations and tests as Purchaser may elect to make or obtain.

4.1.2 Purchaser shall pay promptly when due for all work performed on the Property by Purchaser, or at Purchaser's instance or request, including, without limitation, all inspection fees, appraisal fees, engineering fees and other expenses of any kind incurred by Purchaser relating to the inspection of the Property, all of which shall be the sole expense of Purchaser unless subject to reimbursement by Seller pursuant to Section 4.1.3. Any and all liens, whether threatened or actually filed, against any portion of the Property resulting from Purchaser's inspection of the Property, or as a result of work performed or materials supplied at Purchaser's instance or request, shall be satisfied and removed by Purchaser within five (5) business days after notice thereof is given to Purchaser. Purchaser shall indemnify, defend, protect and hold Seller harmless from any claims, injuries, losses, liens, judgments, liabilities, damages or expenses (including reasonable attorneys' fees and costs) arising out of or incurred in connection with the activities of Purchaser, its agents, designees, or representatives, including entering onto or otherwise inspecting the Property hereunder, or arising from or in connection with any and all mechanic's liens and physical damage to property or persons arising out of any such entry by Purchaser or its agents, designees or representatives. The indemnification obligation of Purchaser hereunder shall survive the termination of this Agreement.

4.1.3 If on or before the expiration of the Examination Period, Purchaser determines for any reason or for no reason not to proceed with the acquisition of the Property, Purchaser may elect by written notice to Seller given on or before expiration of the Examination Period to terminate this Agreement, and upon giving such notice this Agreement shall terminate, the Deposit shall be returned to Purchaser by the Title Company, and the parties shall be released of all further obligations under this Agreement, except for those obligations which expressly survive termination hereof, including reimbursement to Purchaser for work to complete the Scope of Work. If, however, Purchaser fails to give such notice, then the condition precedent set forth in Section 4.1 shall be deemed satisfied and this Agreement will continue in full force and effect. Upon termination of this Agreement, Purchaser will deliver to Seller all reports, studies, and similar documents (except for financial analysis prepared by Purchaser for the Property which are considered proprietary and shall not be provided to Seller by Purchaser) prepared for or by Purchaser concerning the Property and Seller may use such work product for any and all purposes if Seller has reimbursed Purchaser for such work product. Seller shall reimburse Purchaser for the cost of such reports, studies and similar documents that are necessary for Purchaser's work to complete the Scope of Work, but not for any such documents that are for Purchaser's own use in determining the suitability of the Property for Purchaser's intended use. (Thus, by way of illustration only, Seller will reimburse for hazardous materials studies and reports, drawings, and specifications needed to implement the Scope of Work, and for costs associated with the Plat and Landmark designation, but not any market or financial studies obtained by Purchaser or any Purchaser costs for preparation of the PUD, unless mutually agreed by the Parties).

4.2 Title Documents. Purchaser shall have thirty (30) calendar days after Purchaser's receipt of the Title Documents and Survey to object, in a writing delivered to Seller, to any matters shown on the Title Documents. Purchaser shall have thirty (30) calendar days after Purchaser's receipt of the ALTA survey(s) as contemplated in Section 2.1 above in which to object, in a writing delivered to Seller, to any matters shown on the Survey. Notwithstanding the foregoing, Purchaser hereby expressly accepts, and hereby expressly waives any objections to, all matters disclosed on and by that certain survey dated June 11, 2012 and prepared by Scott, Cox & Associates, Inc. and bearing Job No. 12298 ("the 2012 Survey"), a copy of which 2012 Survey has been provided to Purchaser prior to its execution of this Agreement. All matters disclosed on and by the 2012 Survey are deemed "Permitted Exceptions" as of the Effective Date.

If Seller is willing to cause the cure or removal of any of the matters to which Purchaser objects upon terms acceptable to Purchaser in Purchaser's sole and absolute discretion, which cure may, with Purchaser's consent, include insuring over such objectionable title matters, then Seller shall so notify Purchaser within ten (10) calendar days of Seller's receipt of Purchaser's notice. If Seller does not respond, or chooses not to cure or remedy all of Purchaser's objections, or if Seller is unable to remove any such matters, Purchaser may elect either: (a) to terminate this Agreement by delivery of written notice to Seller within ten (10) calendar days after Purchaser's receipt of Seller's notice and receive a full refund of the Deposit from the Title Company; or (b) waive or modify such objection and to complete the transaction as otherwise contemplated by this Agreement. If Seller elects to cure or remove any title or survey matters objected to by

Purchaser, and Seller cannot thereafter cure or remove the same by Closing, Seller shall have the right, but not the obligation, to extend the Closing for a period of up to sixty (60) calendar days to attempt to cure, insure over or remove such exceptions or defects to the satisfaction of Purchaser. In the event of Purchaser's election to terminate this Agreement pursuant to this Section 4.2, upon Seller's receipt of Purchaser's written notice of such election, this Agreement shall terminate, the Deposit shall be returned to Purchaser from the Title Company, and the parties shall be released of all further obligations under this Agreement, except for those obligations which expressly survive termination hereof as provided in Article 8, and Purchaser shall be reimbursed by Seller for costs in accordance with Section 4.1.3. If Purchaser does not elect to terminate this Agreement in accordance with this Section 4.2, Purchaser shall thereby be deemed to have indicated its acceptance of, and waiver of any and all objection to all matters, exceptions and requirements set forth on the Commitment or the Survey, and its acceptance of the status of title to the Property generally. At such time, all matters then shown on Schedule B-2 of the Title Commitment and the Survey shall be deemed "Permitted Exceptions," except that there shall be no exception for leases or tenancies.

4.3. License to Purchaser Prior to Closing. Purchaser and Seller acknowledge that securing the Property and stabilizing the Grain Elevator structure are important steps to preserve the Grain Elevator Site. In order to minimize further deterioration of the Property, the Purchaser is granted a revocable license to access the Property and exercise the following rights regarding the Property as of the Effective Date. Purchaser shall have the right to secure the entire Property, or portions thereof with appropriate fencing, locks, or other deterrents; to proceed with hazardous waste abatement/animal mitigation within the Grain Elevator structure; to remove and dispose of any items within the Grain Elevator structure which Seller agrees are not, and have never been a part of the historic fabric of the Grain Elevator structure or the Grain Elevator machinery & equipment; to activate utilities in the Purchaser's name; to commence stabilization and weatherization of the Grain Elevator structure per the terms of this Agreement; to make any improvements to the site and structure on the proposed Lot 3; and to negotiate proposed leases or other arrangements for use of any portion of the Property prior to transfer to Purchaser of title to such portion(s) of the Property. All proposed temporary or permanent improvements or alterations to any portion of the Property, as well as abatement/mitigation work and measures to secure the Property, and any contracts for some or any work to be accomplished on the Property shall require prior written approval by the City Manager.

With respect to any expenses incurred, or any income generated by the Purchaser prior to closing, all costs incurred shall be the responsibility of the Purchaser, subject to any reimbursement per Sections 4.1.3 and 9.20, and all income generated shall be retained by the Purchaser. Leases or other arrangements for use of any portion of the Property shall name the City as Master Lessor, and Purchaser as Lessor, with Tenant (Lessee) responsible for payment to Lessor along with other responsibilities per the terms of the Lease until transfer to Purchaser of title to the subject portion of the Property, at which time the City shall assign all rights, title and interest as Master Lessor to Purchaser. Leases or other arrangements for use of any portion of the Property shall be in a form and with terms acceptable to the City Manager. In the event of Termination of this Agreement, rights and responsibilities of the Lessor thereafter arising per the Lease shall be assumed by the City.

In the event Purchaser does not close on the purchase of the Property pursuant to this Agreement, then prior to the Termination Date Purchaser shall cease its occupancy of the Property, remove any temporary improvements, leased or other equipment, or materials on the Property, and on the Termination Date, all fixed improvements on the Property shall become the property of the Seller. Purchaser shall promptly pay all outstanding contracts and obtain lien releases for work accomplished on the Property. Purchaser shall be reimbursed per the terms of this Agreement for any work related to the Scope of Work. Purchaser shall not be reimbursed for improvements related to Lot 3 or building, or for any temporary improvements unrelated to the Scope of Work.

## ARTICLE 5.
## THE CLOSING

5.1 The Closing. The Closing shall occur thirty (30) calendar days after the receipt of the Approvals but no later than two hundred forty (240) calendar days after the Effective Date. Closing shall take place at 10:00 a.m. at the offices of the Title Company in Boulder, Colorado (the "Closing Date") or other date or time or other place as the parties may agree in writing.

5.2 Obligations of Seller at Closing. Seller shall have the following obligations at Closing:

5.2.1 Seller shall execute, have acknowledged and deliver to Purchaser a special warranty deed conveying title to Purchaser to the Property, excepting Lot 3 (defined in Section 9.16, below) subject only to the Permitted Exceptions free and clear of leases, tenancies and parties in possession.

5.2.2 Seller shall execute, have acknowledged and deliver to the Title Company a special warranty deed conveying title to Purchaser to Lot 3, subject only to the Permitted Exceptions free and clear of lease, tenancies and parties in possession, other than lease(s), tenancies and parties in possession pursuant to Section 4.3. The special warranty deed for Lot 3 shall be delivered to Purchaser and recorded only after Purchaser has completed the stabilization Scope of Work for the Grain Elevator structure and received written City Manager approval thereof. The Parties shall execute escrow instructions consistent with the foregoing or, in lieu thereof, shall arrange for a separate closing on Lot 3 at the time required under this Agreement, in which case all provisions of this Agreement concerning closing documents and the issuance of the Owner's Policy shall be construed to apply to each closing.

5.2.3 Seller shall cause the Title Company to deliver to Purchaser either: (a) a current Owner's Policy on the Property to be issued pursuant to the Commitment showing no lien, encumbrance or other restriction other than the Permitted Exceptions; or (b) an unqualified written commitment from the Title Company to deliver such an Owner's Policy.

5.2.4 Seller shall deliver to Purchaser an affidavit setting forth Seller's federal tax identification number and certification that it is not a "foreign person" within the meaning of the Internal Revenue Code.

5.2.5 Seller shall execute such other documents as are required by this Agreement or reasonably required by the Title Company to effectuate the transaction contemplated herein.

5.2.6 Seller shall execute an assignment of any interest as Master Lessor in any leases to the Purchaser.

5.3 Obligations of Purchaser at Closing. Purchaser shall deliver the Purchase Price less the amount of the Deposit to Seller, subject only to the adjustments set forth in Section 5.4, by certified or bank cashier's check or by wire transfer of federal funds at Seller's direction. Purchaser shall execute such other documents as are required by this Agreement or reasonably required by the Title Company to effectuate the transaction contemplated herein.

5.4 Closing Costs. Closing costs and adjustments shall be allocated as follows:

5.4.1 Seller will pay the cost of the Owner's Policy of Title Insurance to be provided pursuant to the terms of this Agreement, one-half of any escrow or other Title Company closing fees, and the fees of Seller's counsel.

5.4.2 Real property taxes levied against the Property and other regular expenses, if any, affecting the Property shall be paid or shall be prorated as of 11:59 p.m. on the day preceding the Closing based upon the most recent assessments and mill levy and shall be final. For purposes of calculating prorations, Purchaser shall be deemed to be in title to the Property and therefore entitled to the income and responsible for the expenses, for the entire day upon which the Closing occurs. Except as expressly provided herein, all proration adjustments shall be final as of the Closing Date. Any apportionments which are not expressly provided for herein shall be made in accordance with customary practice in Denver, Colorado. To the extent any revenues or costs are not reasonably ascertainable, such adjustments, if and to the extent known and agreed upon as of the Closing, shall be paid by Purchaser to Seller (if the prorations result in a net credit to the Seller) or by Seller to Purchaser (if the prorations result in a net credit to the Purchaser), by increasing or reducing the cash portion of the Purchase Price to be paid by Purchaser at the Closing.

5.4.3 Purchaser shall pay the cost of recording the special warranty deeds and other conveyance documents, all documentary fees and taxes, the Plat, PUD, Subdivision Agreement and any other documents to be recorded in connection with the Approvals, which documents for the Approvals shall be recorded at closing, one-half of the escrow fees or other Title Company closing fees and the fees of Purchaser's counsel. Seller shall pay the cost of recording the landmark resolution and conservation easement described in Section 9.17 below, which documents shall be recorded at, or prior to closing.

5.5 Closing Contingency. Purchaser acknowledges that Seller’s obligation to close on the sale of the Property is expressly contingent upon adoption by the City and final effectiveness of an ordinance authorizing transfer of the Land as required by the City Charter. In addition to all other rights and remedies of Purchaser and Seller hereunder, either party shall

have the right to terminate this Agreement and make the same of no further force and effect in the event such ordinance is not finally effective as of the Closing Date or in the event any action whatsoever is commenced to defeat or enjoin the Seller's performance under this Agreement; provided, however, that Seller shall also have the right, but not the obligation, to extend the Closing for a period of up to sixty (60) calendar days to attempt satisfy the foregoing contingency to the satisfaction of Purchaser.

## ARTICLE 6.
## DEFAULT AND TERMINATION

6.1 Time of Essence. Time is of the essence of the obligations of the parties.

6.2 Purchaser Default. If Purchaser shall fail to terminate this Agreement as provided in Section 1.4, Section 4.1.3 or Section 4.2 and thereafter fails to consummate this Agreement for any reason other than Seller's default hereunder or following a condemnation under Article 7 or if Purchaser is otherwise in default of performing its obligations hereunder, then following written notice of such default given by Seller to Purchaser and the failure of Purchaser to cure such default within twenty (20) business days following receipt of such notice, Seller shall be entitled to terminate this Agreement and have the Deposit paid to Seller as liquidated damages as Seller's sole and exclusive remedy. In the event of such termination, Seller shall reimburse Purchaser for costs in accordance with Section 4.1.3 and 9.20. THE PARTIES HERETO ACKNOWLEDGE THAT SELLER'S DAMAGES DUE TO PURCHASER'S DEFAULT HEREUNDER ARE DIFFICULT TO ASCERTAIN AND AGREE THAT THE AMOUNT OF THE DEPOSIT REPRESENTS A REASONABLE ESTIMATE OF SELLER'S DAMAGES.

6.3 Seller Default. If Seller shall fail to consummate this Agreement for any reason other than Purchaser's default hereunder or termination of this Agreement by a party hereto or if Seller is otherwise in default of performing its obligations hereunder and fails to cure such default within twenty (20) business days following written notice thereof, Purchaser, as its sole and exclusive remedy, shall either: (a) elect to terminate this Agreement and have the Deposit returned to Purchaser from the Title Company and be reimbursed by Seller for expenses as indicated in 4.1.3 & 9.20; or (b) elect to seek specific performance of this Agreement from Seller because of such default. PURCHASER ACKNOWLEDGES THAT SPECIFIC PERFORMANCE OF SELLER'S OBLIGATIONS HEREUNDER IS PURCHASER'S SOLE REMEDY, AND PURCHASER SHALL NOT BE ENTITLED TO OR CLAIM ANY FORM OF DAMAGES, INCLUDING, WITHOUT LIMITATION, LOST PROFITS, ECONOMIC DAMAGES, OR INCIDENTAL, CONSEQUENTIAL, PUNITIVE OR EXEMPLARY DAMAGES.

6.4 Effect of Termination. Upon termination of this Agreement pursuant to either Section 6.2 or Section 6.3, neither party shall thereafter have any further obligations to the other party except as contemplated by said Sections and except for any provisions of this Agreement which expressly survive such termination as provided in Article 8.

## ARTICLE 7.
## CONDEMNATION

Promptly upon learning of the institution, prior to Closing, of any proceedings for the condemnation of any part of the Land, Seller or Purchaser will immediately notify the other in writing of the pendency of such proceedings. At Purchaser's election which shall be made within sixty (60) calendar days following Purchaser's receipt of written notice of such condemnation or eminent domain proceedings Purchaser may at its option either: (a) terminate this Agreement by notifying Seller within the sixty (60) calendar day period and receive a full refund of the Deposit from the Title Company and the parties shall be relieved of all obligations hereunder except those that expressly survive termination hereof; or (b) elect to consummate the transaction provided for herein. In the event Purchaser so elects to consummate the transaction then this Agreement shall remain in full force and effect and Seller shall assign to Purchaser any and all of its right, title and interest in and to any award or other benefits made or to be made in connection with such condemnation or eminent domain proceeding to the extent affecting the Land. Purchaser shall be entitled to participate with Seller in all negotiations and dealings with the condemning authority in respect of such matter; provided, however, that Purchaser shall have the right to finally approve any agreement with the condemning authority. Purchaser shall take title to the remainder of the Land with the assignment of such proceeds and subject to such condemnation or eminent domain proceeding and without reduction in the Purchase Price. As of the Effective Date, Seller has received no notice from any condemning authority of condemnation proceedings for any portion of Seller’s Land described on Exhibit A, nor as of the Effective Date has Seller, which is a municipal corporation, adopted any resolution initiating condemnation proceedings for any property adjacent to the Seller’s Land.

## ARTICLE 8.
## SURVIVAL OF REPRESENTATIONS AND WARRANTIES

No representations or warranties whatever are made by any party to this Agreement except as specifically set forth in this Agreement. The representations, warranties and indemnities made by the parties to this Agreement and the covenants and agreements to be performed or complied with by the respective parties under this Agreement before the Closing Date shall be deemed to be continuing and shall survive the Closing; provided, however, the representations and warranties of Seller and Purchaser shall terminate on the date which is twenty-four (24) months after the Closing Date. Nothing in this Article shall affect the obligations and indemnities of the parties with respect to covenants and agreements contained in this Agreement that are permitted or required to be performed in whole or in part after the Closing Date.

## ARTICLE 9.
## MISCELLANEOUS

9.1 Effect of Headings. The subject headings of articles, paragraphs and subparagraphs of this Agreement are included for purposes of convenience only, and shall not affect the construction or interpretation of any of its provisions.

9.2 Entire Agreement/Survival of Agreement. This Agreement constitutes the entire agreement between the parties hereto and supersedes all prior and contemporaneous agreements, representations and understandings of the parties regarding the subject matter of this Agreement. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by the parties hereto. This Agreement and all provisions hereof shall survive the Closing contemplated hereunder except as expressly set forth herein to the contrary.

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

9.4 Assignment. This Agreement may not be assigned by Purchaser without the prior written consent of Seller, which consent may be granted or withheld at the sole discretion of Seller.

9.5 Notices. All notices and other communications under this Agreement shall be in writing and shall be deemed to have been duly given on the date of service, if served personally on the party to whom notice is given, upon confirmed facsimile transmission, or on the third day after mailing, if mailed to the party to whom notice is to be given, by first class mail, registered or certified, postage prepaid and properly addressed as follows, or to alternate addresses as may be indicated by the Parties:

To Seller at:

City of Louisville
749 Main Street
Louisville, Colorado 80027
Attention: Aaron DeJong, Economic Development Director
Phone: (303) 335-4531
Email: aarond@Louisvilleco.gov

with a copy to:

Light, Kelly & Dawes, P.C.
1512 Larimer Street, Suite 300
Denver, Colorado 80202
Attention: Samuel Light
Phone: (303) 298-1601
Email: slight@lhdlaw.com

To Purchaser at

Louisville Mill Site, LLC
950 Spruce Street, Suite 1A
Louisville, CO 80027
Attention: Randall C. Caranci or J. Erik Hartronft
Phone: (303) 910-0019, or (303) 673-9304
Email: randy@carancicorp.com, and erik@hapcdesign.com

with a copy to:

Tienken & Associates, P.C.
824 Pine Street
Louisville, CO 80027
Attention: Jim Tienken
Phone: (303) 673-9373
Email: jctienken@tienkenlaw.com

9.6 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Colorado.

9.7 Time Calculations. Unless otherwise indicated, all periods of time referred to in this Agreement shall refer to calendar days and shall include all Saturdays, Sundays and state or national holidays; provided that if the date to perform any act or give any notice with respect to this Agreement shall fall on a Saturday, Sunday, or state or national holiday in Denver, Colorado, such act or notice may be timely performed or given on the next succeeding day which is not a Saturday, Sunday or state or national holiday in Denver, Colorado. Each day shall be deemed to expire at 5:00 p.m. Mountain Standard Time.

9.8 Broker's Fees. Each of the parties represents and warrants to the other that it has not employed, retained or otherwise utilized any broker or finder in connection with any of the transactions contemplated by this Agreement and no broker or person is entitled to any commission or finder's fees in connection with the transaction. The parties each agree to indemnify and hold harmless one another against any loss, liability, damage, cost, claim or expense incurred by reason of any brokerage commission or finder's fee alleged to be payable because of any act, omission or statement of the indemnifying party.

9.9 Costs. If any legal action or any arbitration or other proceeding is brought for the enforcement of this Agreement, or because of an alleged dispute, breach, default, or misrepresentation in connection with any of the provisions of this Agreement, each party shall be responsible for and pay its own attorneys' fees and other costs.

9.10 Partial Invalidity. In the event that any condition or covenant herein contained is held to be invalid or void by any court of competent jurisdiction, the same shall be deemed severable from the remainder of this Agreement and shall in no way affect any other covenant or condition herein contained. If such condition, covenant or other provision shall be deemed invalid due to its scope or breadth, such provision shall be deemed valid to the extent of the scope or breadth permitted by law.

9.11 Special Taxing Districts.

**SPECIAL TAXING DISTRICTS MAY BE SUBJECT TO GENERAL OBLIGATION INDEBTEDNESS THAT IS PAID BY REVENUES PRODUCED FROM ANNUAL TAX LEVIES ON THE TAXABLE PROPERTY WITHIN SUCH DISTRICTS. PROPERTY OWNERS IN SUCH DISTRICTS MAY BE PLACED AT RISK FOR INCREASED MILL LEVIES AND EXCESSIVE TAX BURDENS TO SUPPORT THE SERVICING OF SUCH DEBT WHERE CIRCUMSTANCES ARISE RESULTING IN THE INABILITY OF SUCH A DISTRICT TO DISCHARGE SUCH INDEBTEDNESS WITHOUT SUCH AN INCREASE IN MILL LEVIES. PURCHASER SHOULD INVESTIGATE THE DEBT FINANCING REQUIREMENTS OF THE AUTHORIZED GENERAL OBLIGATION INDEBTEDNESS OF SUCH DISTRICTS, EXISTING MILL LEVIES OF SUCH DISTRICT SERVICING SUCH INDEBTEDNESS, AND THE POTENTIAL FOR AN INCREASE IN SUCH MILL LEVIES.**

9.12 Further Acts. Each of the parties hereto covenants and agrees with the other, upon reasonable request from the other, from time to time, to execute and deliver such additional documents and instruments and to take such other actions as may be reasonably necessary to give effect to the provisions of this Agreement.

9.13 Amendment. This Agreement shall not be amended, altered, changed, modified, supplemented or rescinded in any manner except by a written agreement executed by Purchaser and Seller.

9.14 Subdivision Agreement Improvement Guarantees. In the event Purchaser is required to provide the City with an "Improvement Guarantee" under the Subdivision Agreement required in connection with the Approvals, then in that event, at the sole option of Purchaser, the Improvement Guarantee may be satisfied by cash, an irrevocable letter of credit, or performance bond. The letter of credit or bond shall be in a form and substance as reasonably approved by the City and if a bond, such guarantee shall be accompanied by a personnel guarantee from the owners of the entity executing the Subdivision Agreement.

9.15 Public Use Dedication Waived. The Land described in Exhibit A and the property directly to the south and identified by the Boulder County Assessor's Office as Parcel # 157508400021 ("the South Parcel") shall not be obligated to provide land or a fee-in-lieu payment to satisfy the City's Public Use Dedication requirement that would otherwise apply in connection with the Approvals. The foregoing shall not prohibit the City from requiring such a dedication or fee in-lieu thereof in the event there is a redevelopment subsequent to the development under the Approvals that proposes solely residential use.

9.16 Subdivision of Property. Prior to closing, Seller and Purchaser shall process the Subdivision Plat that is part of the Approvals in order to plat the Land and the South Parcel to create one parcel containing the Grain Elevator structure and site ("Lot 2"), one parcel containing the former NAPA Auto Parts building ("Lot 3"), one parcel for remaining portions of

the Land and South Parcel ("Lot 1"), and one outlot for joint access and shared parking ("Outlot A"), together with platting and dedication of necessary public and private easements, to include without limitation a storm sewer easement near the north boundary of the Land. A concept for the potential Subdivision Plat is attached as Exhibit D; however, the final configuration of the lots, outlots, and easements shall be as determined through the platting process. The Subdivision Plat shall be recorded at closing and the legal descriptions in the special warranty deeds to be delivered from Seller to Purchaser shall conform to the Subdivision Plat and requirements of the Title Company.

9.17 Landmarking and Conservation Easement of Grain Elevator Parcel. Seller shall landmark Lot 2 prior to closing and the landmark resolution shall be recorded prior to recording of any of the special warranty deeds conveying the Land to Purchaser. Exhibit D sets forth a concept for the boundaries of Lot 2 to be landmarked; the final boundaries of Lot 2 to be landmarked shall be as approved by the Louisville City Council through the platting and landmarking process. At closing, Purchaser shall grant to Seller a conservation easement over Lot 2, and Purchaser shall also dedicate easements to prohibit construction of any buildings or other improvements without Seller's express written consent for all of Outlot A, and the utility and access easement areas on adjacent strips of Lot 3 and Lot 1,for preservation of view corridors and other limitations intended to further historic preservation purposes. The conservation easement shall be in substantially the form attached as Exhibit B. Exhibit D includes a conceptual depiction of the areas to be subject to the conservation easement; the final legal descriptions for such areas shall be determined prior to closing, and included on Plat for the Property & South Parcel. The granting of such conservation easement shall be a condition of closing and the conservation easement shall be recorded immediately after the special warranty deed conveying the Land (excepting Lot 3) to Purchaser. The conservation easement shall be conveyed to Seller free and clear of all mortgages, deeds of trust and other liens and encumbrances (excepting only those acceptable to Seller), and Purchaser shall cause the Title Company to issue upon closing an Owner's title insurance policy insuring Seller's ownership of the easement in an amount determined by Seller. Seller shall pay the title insurance premium for the Owner's Policy issued for the conservation easement.

9.18 Stabilization of Grain Elevator. Purchaser agrees to stabilize the Grain Elevator structure in accordance with a Scope of Work mutually agreed upon by Purchaser and Seller, which Scope of Work shall be attached hereto as Exhibit C prior to the commencement of any stabilization activities. The work completed under the Scope of Work shall conform to the Department of Interior Standards for Rehabilitation ("the Department Standards"), and determinations regarding the specific work, materials, techniques and other undertakings necessary to achieve such conformity shall be made by the Louisville City Manager. The contractors performing the Scope of Work shall be qualified and have experience and expertise in completing stabilization and rehabilitation of historic structure in accordance with the Department Standards, and the City Manager shall have the right to approve or disapprove the contractors proposed for the work based on the City Manager's review of such qualifications. The Purchaser shall complete the stabilization Scope of Work and receive written City approval thereof by December 31, 2014. In the event Purchaser does not complete the stabilization Scope of Work and receive written City approval thereof by December 31, 2014, Seller shall have the right to require Purchaser re-convey to Seller by special warranty deed title to Lot 2, together with rights of access over Outlot A and the right to not less than six parking spaces within Outlot

A. The City's rights under this Section may, at the City's option, be set forth in the special warranty deed conveying Lot 2 to Purchaser. Such remedies are in addition to the provisions of this Agreement providing that title to Lot 3 shall not be transferred to Purchaser until Purchaser has completed the stabilization Scope of Work and received written City approval thereof. In the event Purchaser cannot complete the stabilization Scope of Work by December 31, 2014 solely due to acts of God or other circumstances constituting force majeure beyond the control of Purchaser, then such completion deadline shall be extended by that number of days that is equal to the number of days of the existence of such acts of God or other circumstance constituting force majeure.

9.20 Contribution by Seller to Stabilization. Seller agrees to make available Five Hundred Thousand Dollars ($500,000) in Historic Preservation Fund grant funds for the completion of the stabilization Scope of Work to be attached as Exhibit C. The stabilization contribution by Seller shall be reduced dollar for dollar for any amount received from other governmental entities and that are contributed to Purchaser by Seller to complete the Scope of Work, except that this dollar-for-dollar reduction shall not apply to the first One Hundred Thirty-Two Thousand Seven Hundred Fifty-Two Dollars ($132,752) of other governmental funds received to complete the Scope of Work. The funds made available by Seller pursuant to this Section shall be disbursed for reimbursement of labor and materials costs for work performed prior to or after closing and shall be administered as indicated herein. It is understood by the Parties that the payment of grant funds to the Purchaser by the Seller are not subject to a matching fund provision, but Purchaser is responsible for costs in excess Seller's grant contributions, as provided herein. In the event that any grant funds are remaining at the completion of the Scope of Work, Purchaser may utilize unexpended grant funds for any additional work included in the Historic Structure Assessment dated May 2, 2011 prepared by Anderson Hallas Architects, P.C. for the Seller. Disbursement and use of Seller funds shall be subject to the following:

9.20.1 Disbursement Request Process. For each disbursement request, Purchaser shall submit to the City Manager, as applicable, copies of all invoices and pay records for all labor and materials used to complete the portion of the Work for which disbursement is sought, or, as applicable, copies of any contracts (which shall include required pay schedules) relating to any disbursements for which Purchaser requests disbursement prior to completion of Work. Each invoice shall contain sufficient detail regarding the element of Work that has been or will be completed and shall relate directly to the Work items. The Purchaser shall submit a single IRS Form W-9 (and/or other forms as required by the Finance Department) completed and signed by the Purchaser for each calendar year during the project; true and complete copies of all applicable payment records, agreements and orders for labor and materials; and such other supporting documentation as the City Manager may require. When the City Manager determines in his sole discretion that a submission is complete and payable pursuant to the terms of this Agreement, the City will make the applicable disbursement directly to the Purchaser or its designated payee within 15 days of such disbursement request. In the event that the City Manager determines that a disbursement request is deficient, the City Manager shall immediately notify Purchaser of the deficiencies in order for Purchaser to correct any such deficiencies and resubmit the disbursement request. The City acknowledges that time is of the essence with respect to

disbursements from the grant funds and that any delay in making disbursements could result in the late payments being made to contractors or subcontractors which will hinder the project. No interest shall be paid on amount subject to reimbursement. The Purchaser is responsible for ensuring that all contractors and suppliers are paid with funds specified in this Agreement.

9.20.2 Eligible Costs. Costs eligible for reimbursement from the grant funds shall be limited to those permitted under Ballot Issue 2A approving the Historic Preservation Tax. Any uncertainty as to the eligibility of a cost item shall be determined by the City Manager, whose determination shall be final except that, within 30 days of the Manager's determination, any disagreement as to the eligibility of a cost item may be submitted to the City Council for its determination, and the Council's decision shall be the final administrative determination of the City. Notwithstanding the foregoing, the City and Purchaser agree that the following cost principles shall apply with respect to the use of grant funds:

9.20.2.1 Purchaser overhead costs shall not be eligible for grant funds.

9.20.2.2 Site improvements to portions of the Property other than the Grain Elevator structure shall be eligible for grant funds provided the resultant improvement or feature is part of the landmark designation or governed by the conservation easement provisions intended to preserve and protect the Grain Elevator structure's historical, architectural, and cultural interest and value. The parties acknowledge that site improvements that may be eligible, if so determined by the City, may include site improvements, subdivisions, establishment of utilities and infrastructure to support the Grain Elevator structure and other portions of the Property, construction of parking lot(s), landscaping on the Property, permit and permit application fees, a potential new addition to the Grain Elevator structure and other costs that are customarily incurred by a developer toward a project of this nature.

9.20.2.3 Interior improvements to the Grain Elevator Structure shall be eligible for grant funds.

9.20.2.4 All costs associated with and described in the Scope of Work for stabilization of the Grain Elevator, and hazardous material mitigation shall be eligible for grant funds.

9.20.2.5 Direct soft costs related to the Scope of Work, such as Engineering fees and Architect's fees (which may be paid to member(s) of Purchaser), and testing agency fees, shall be eligible for Grant funding, subject to the following limitation: Professional Fees paid to any company or entity owned in full or in part by a member of the Purchaser for work associated with the Scope of Work shall be limited to 8% of the hard cost for the Scope of Work.

9.20.3 Costs Above Grant; Events requiring_modification of Agreement. The Purchaser shall be responsible for and pay all costs in excess of the Seller's contributions required to complete the Scope of Work. If the contributions by Seller specified in this

Section 9.20 are deemed to be taxable income to Purchaser or any members of Purchaser, the parties agree that if it is determined by Purchaser to be in its best interest to modify this Agreement to allow the contributions to be in the form of a non-recourse, forgivable loan to Purchaser, so long as such modification does not affect any other substantive terms or intentions of this Agreement, such modification may be made prior to the first distribution of funds and the parties will cooperate with each other in order to modify this Agreement accordingly.

9.21 Building Permit Fee Rebates. The City shall rebate to Purchaser 50% of the planning and building related permit and application fees for any rehabilitation, modification or new construction project on the Land that commences prior to March 31, 2016, required under Louisville Municipal Code, section 15.04.050 and section 108.2 of the International Building Code as adopted by the City.

9.22 Use Tax Rebate-Construction. The City shall rebate to Purchaser 50% of the Construction Use Tax on the building materials for any rehabilitation, modification or new construction project on the Land or South Parcel that receives approval and commences after the Effective Date and prior to March 31, 2016, required under Louisville Municipal Code, section 3.20.300, excluding all revenues from the open space tax and historic preservation tax.

9.23 Plan Review Fee Rebates. The City shall rebate to Purchaser 50% of the application and plan review fees for any Planned Unit Development, Subdivision Plat, Floodplain Development Permit, Landmark Designation or Alteration Certificates, rehabilitation, modification or new construction project on the Land or South Parcel that receives approval and commences after the Effective Date and prior to March 31, 2016.

9.24 Timing of Rebates; Repayment. The rebates set forth in Sections 9.21, 9.22, and 9.23 will be disbursed within 30 days after notice from Purchaser that Purchaser has made payment of such fees that are subject to a rebate.

IN WITNESS WHEREOF, the parties to this Agreement have set forth their hand, to be effective as of the Effective Date

**SELLER:**

CITY OF LOUISVILLE, COLORADO, a Colorado municipal corporation

By: _____
Robert P. Muckle, Mayor

ATTEST:

By: _____
Nancy Varra

**PURCHASER:**

LOUISVILLE MILL SITE, LLC

By: _____
Randall C. Caranci
Title: Member

By: _____
J. Erik Hartronft

Title: Member

EXHIBIT A

LEGAL DESCRIPTION OF LAND

Beginning at the Southeast corner of Block 4 of the Original Town of Louisville, thence South 10 feet to Corner Number One, the true point of beginning; thence Easterly along South line of alley, 221 feet, more or less to Corner Number Two, said Corner Number Two being the intersection of the South line of said alley extended East with Acme Switch; thence Southwesterly along the curve of said Acme Switch to Corner Number Three, said Corner Number Three being the intersection of Acme Switch with West line of County Road No. 124, said Corner Number Three bears South 21 41' West, 455 feet, more or less, from Corner Number Two; thence North, 14 12' West, 435 feet, more or less, to place of beginning; excepting a strip for County Road No. 124 described in Road Book "B" at Page 239 of the records of the County Clerk and Recorder's Office of Boulder County, said tract being in the Southeast ¼ of the Southeast ¼ of Section 8, Township 1 South, Range 69 West of the 6th P.M., County of Boulder, State of Colorado,

Said parcel being more precisely described as follows:

A parcel of land located in the Southeast ¼ of Section 8, Township 1 South, Range 69 West of the 6th P.M., City of Louisville, County of Boulder, State of Colorado and being more particularly described as follows:

Commencing at the Southwest corner of Block C, Original Town of Louisville; thence along the West line of said Block C, South 00 17'53" East, 10.00 feet to the true point of beginning;

Thence along the South line of the 10 foot alley shown on the Original Town of Louisville, North 89 42'07" East, 178.49 feet to the Westerly right of way of the Burlington Northern Railroad; thence along said Westerly right of way, South 81 14'20" East, 116.93 feet to the Northerly line of Acme Switch/Spur; thence along said Northerly line as described at Reception No. 253376 of the Boulder County records along the arc of a curve to the right having a radius of 458.34 feet and a central angle of 36 20'10" (chord bears South 20 01'16" West, 285.82 feet) a distance of 290.67 feet to the Easterly right of way of County Road 124, whence the Northwest corner of Lot 2 of Mansour-Engel Subdivision (being the Northwest corner of Lot 2 of Schreiter Subdivision) bears South 14 15'16" East, 61.31 feet and from this Northwest corner the Northeast corner of said Lot 2 bears North 81 38'25" East, 128.91 feet; thence along said Easterly right of way line of County Road 124 North 14 15'16" West, 395.53 feet to the point of beginning.

The basis of bearings for this description is the North line of Lot 2 of Mansour-Engel (being the North line of Lot 2 Schreiter Subdivision) which bears South 81 38'25" West a distance of 128.91 feet (128.89 Plat).

Exhibit B
Conservation Easement Form

Exhibit C
Grain Elevator Stabilization Scope of Work

Exhibit D
Concept Plan for Subdivision Plat

**GRANT OF CONSERVATION EASEMENT IN GROSS**
**(Louisville Mill Site Lot 2 – 540 Front Street)**

**THIS GRANT OF CONSERVATION EASEMENT IN GROSS** ("Easement") is made this ____ day of _____, 2014, by Louisville Mill Site, LLC, a Colorado limited liability company (hereinafter "Owner") to the City of Louisville, a Colorado home rule municipal corporation (hereinafter "City").

## RECITALS

**WHEREAS,** Owner is the owner in fee simple of certain real property legally described as Lot 2 Louisville Mill Site Subdivision, City of Louisville, County of Boulder, State of Colorado, including all improvements thereon ("the Property"), which Property is depicted in Exhibit A attached hereto and incorporated herein by reference; and

**WHEREAS,** the improvements upon the Property owned by Owner include the Louisville Grain Elevator Structure located upon Lot 2 of said Subdivision ("the Structure"), which Structure is individually listed in the National and Colorado State Registers of Historic Places and is a Louisville Historic Landmark; and

**WHEREAS,** the Structure has certain elements of historical, architectural, and cultural interest and value, which elements are collectively described in Exhibit B attached hereto and incorporated herein by reference ("the Historic Elements"); and

**WHEREAS,** in exchange for the grant of this Easement, the City has agreed to expend monies from its Historic Preservation Fund to allow Owner to stabilize, restore and preserve the Structure as detailed in the City-approved Scope of Work and related plans and specifications for completion of such work ("the Project"); and

**WHEREAS,** the conservation purpose of this grant is recognized by, and will serve, at least and without limitation, the following clearly delineated governmental conservation policy:

> C.R.S. § 38-30.5-101, et seq., providing for the establishment of conservation easements "appropriate to the conservation and preservation of buildings, sites, or structures having historical, architectural, or cultural interest or value;" and

**WHEREAS**, Owner desires to grant to the City in perpetuity a conservation easement in gross, pursuant to Article 30.5, Title 38, C.R.S., over and across the Property for the purpose of preserving and protecting the Structure's historical, architectural, and cultural interest and value, which are of great importance to the Owner, City, and the people of the City of Louisville and are worthy of preservation; and

**WHEREAS**, the City desires to acquire from Owner a conservation easement in gross on the Property, in order to preserve and protect the Structure's historical, architectural, and cultural interest and value in perpetuity consistent with the terms and conditions hereof.

## GRANT OF EASEMENT

**NOW, THEREFORE,** in specific consideration for the expenditure of Historic Preservation Fund monies by the City for the preservation and restoration of the Structure, and for other good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged and confessed, and pursuant to Section 38-30.5-101 et seq., C.R.S., Owner intends and does hereby grant and convey to the City, its successors and assigns, in perpetuity a Conservation Easement in Gross ("Easement") over the Property for the purposes of preserving and protecting the Structure and the Structure's elements of historical, architectural, and cultural interest and value. This Easement encompasses and encumbers the Property described as Lot 2, Louisville Mill Site Subdivision, City of Louisville, County of Boulder, State of Colorado, including the Structure and all improvements thereon.

## I. COVENANTS, CONDITIONS, AND RESTRICTIONS

This Easement conveys to the City an interest in the Property as hereinafter specifically provided, which includes the benefit of the following covenants, conditions and restrictions:

1.1 The Structure and its Historic Elements shall not be visually or structurally altered without the City's Consent (as defined below) except that nothing herein shall require the City's Consent to change the exterior paint color of the Structure or to repair and maintain the Historic Elements and structural integrity of the Structure (such as glass replacement, carpentry for the purpose of repairing damaged wood work, and roofing replacement).

1.2 The Structure shall not be demolished without the City's Consent, except as may be required by law.

1.3 The Structure and its Historic Elements shall be maintained in a good and sound state of repair in accordance with *The Secretary of the Interior's Standards for the Treatment of Historic Properties*, as modified from time to time (the "Standards"), to prevent deterioration. Such maintenance and repair includes replacement, repair, and reconstruction by Owner whenever reasonably necessary to preserve the Structure in substantially the same condition as that existing on the date the Project is completed.

1.4 Nothing shall be erected, installed or stored on the Property that impairs the visibility of the Structure from the Front Street right-of-way or grade level. This subsection shall not preclude temporary (not to exceed 90 days within a 12 month period) storage for materials or equipment needed to preserve the Historic Elements.

1.5 Expansion to the Structure on Lot 2 is allowed provided the expansion is solely to the eastern façade of the Structure, does not exceed the height of the existing Structure, and uses design and materials consistent with the Historic Elements of the Structure. Reconstruction of a porte cochere is also allowed in similar design and material as depicted in historic photo attached as Exhibit C. Any expansion or reconstruction must receive City Consent in accordance with

Section 2.1 of this Agreement.

1.6 Owner, at its expense, shall: (i) keep the Property and the Structure insured by a reputable insurance company licensed and in good standing in the State of Colorado with a replacement cost insurance policy against loss or damage resulting from fire, windstorm, vandalism, explosion and such other hazards as typically required by prudent property owners in the same geographic area as the Structure, sufficient to ensure restoration of the structure in the event of loss or physical damage; and (ii) carry and maintain commercial general liability insurance on the Property, including premises liability insurance, with coverage of not less than $1,000,000 each occurrence. The insurance policies required to be obtained or maintained by Owner shall name the City as, respectively, loss payee under the required property coverage and an additional insured on the liability insurance. The property coverage policy shall contain provisions to ensure that the amount of the coverage is periodically adjusted for inflation. Owner shall promptly provide to the City certificates of insurance required by this Section 1.4 and all supplements or endorsements thereto on an annual basis or as such insurance policies are entered into, renewed or amended.

1.7 There shall not be any division of the Property (whether or not a subdivision as defined by state or local law, and whether or not the division is legal or physical) without the City's Consent.

1.8 Owner shall bear all costs of operation, upkeep, and maintenance of the Property and the Structure, and the City shall have no liability or responsibility of any kind related to the ownership, operation, insurance, or maintenance of the Property or the Structure. Owner shall pay before delinquency all real estate taxes, assessments, fees or charges properly levied upon the Property and shall furnish the City with evidence of payment upon request. Owner shall keep the Property free of any liens or encumbrances for obligations incurred by Owner, other than liens or encumbrances secured by the Property, Structure or Project that are subordinated to this Easement.

## II. ADMINISTRATIVE PROVISIONS

2.1 The City has the discretion when reviewing applications from Owner pursuant to Section I, to give or withhold City Consent, conditionally or unconditionally, but such City Consent shall not be unreasonably withheld, conditioned or delayed. "City Consent" as used herein, means that the Owner has applied for and been issued a landmark alteration certificate or demolition permit, as applicable, or other applicable permit or approval from the City in accordance with the provisions of Chapter 15.36 or other applicable provisions of the Louisville Municipal Code, as amended from time to time.

2.2 Owner agrees that representatives of the City may upon prior reasonable notice and at times reasonably acceptable to Owner to inspect and document the Structure and the Property, including the Structure. Inspections will normally occur outside the Structure, except if the City determines interior access is reasonably necessary to establish compliance with this Easement or to document the condition of the Structure and the Property or administer historic

preservation applications.

## III. CONDEMNATION AND EXTINGUISHMENT

3.1 Owner shall notify the City of any condemnation proceeding with respect to the Property. The City has the option, but not the obligation, to participate in any action or settlement with respect to any condemnation and to claim that percentage of the proceeds that the amount of Historical Preservation Fund funding for the Project bears to the overall cost of the Project as determined by Owner's and City's Project and building permit records.

3.2 If unexpected circumstances arise after the granting of this Easement which render impossible or impractical the purposes of this Easement, then this Easement may be extinguished but only with the express, prior written consent of the City, as evidenced by an instrument signed by the Mayor and authorized by resolution or ordinance of the Louisville City Council. In the event of any such extinguishment the City shall be entitled to claim from the proceeds of any disposition that percentage of the proceeds that the amount of Historical Preservation Fund funding for the Project bears to the overall cost of the Project as determined by Owner's and City's Project and building permit records.

## IV. DAMAGE OR DESTRUCTION

In the event that any part of the Structure or its Historic Elements shall be damaged or destroyed by casualty, the City shall have the right to require the Owner to restore or reconstruct the parts damaged or destroyed if the City believes, in its sole discretion, that the purposes and intent of this Easement will be served by such restoration or reconstruction. If Owner fails to restore or reconstruct the damaged or destroyed part after the City has directed the Owner to do so, the City, in its sole discretion, may restore or reconstruct the damaged or destroyed parts, and the City's costs to do so shall constitute a lien on the Property until repaid by Owner. Alternatively, the City, in its sole discretion, may direct that the damaged or destroyed parts not be restored or reconstructed and that the Owner pay to the City that percentage of the insurance proceeds received that represent the amount that the Historic Preservation Fund funding for the Project bears to the overall cost of the Project as determined by Owner's and City's Project and building permit records.

## V. REMEDIES FOR BREACH

5.1 Upon a breach of any provision of this Easement, the City may pursue all available legal and equitable remedies, including injunction, to prevent or seek remedy for such violation. The prevailing party in any enforcement shall be entitled to reasonable attorney fees, costs and expenses. Owner expressly agrees that if it is admitted by Owner or found by a court of law that Owner or Owner's officers, agents, representatives or employees directly acted pursuant to Owner's instructions, to cause a demolition or willful destruction of any part of the

Structure or its Historic Elements, the City, in addition to any other equitable relief, is entitled to recover as liquidated damages the full amount of Historic Preservation Fund funds contributed to the Project. Owner agrees for itself and its successors and assigns that such liquidated damages are reasonable as of the date of Owner's execution hereof.

5.2. If the Structure or any of its Historic Elements have substantially deteriorated as a result of a breach of Section 1.3, then the City may send written notice to Owner requesting that the Project be repaired to achieve a level of maintenance consistent with Section 1.3. If, within ninety (90) days of receipt of such notice, Owner fails to commence the implementation of repair actions reasonably satisfactory to the City, then the City or its agents may enter upon the Property and cause repairs to be made at Owner's sole expense. Owner's failure to reimburse the City for any actions taken by the City pursuant to this Section within 30 (thirty) days of Owner's receipt of invoice(s) and supporting documentation for such actions shall constitute a lien on the Property accruing interest at the lesser of the maximum per annum rate permitted by law or 12% per annum. Upon payment by Owner of all amounts due to the City pursuant to this Section, including all interest accrued hereunder, the City shall deliver to Owner a release of the lien.

## VI. WARRANTY OF TITLE; SUBORDINATION

Owner, for itself and its successors, does covenant and warrant to the City that Owner has good and sufficient title to the Property; that Owner has full right, power and authority to grant the Easement herein conveyed; that there are no monetary encumbrances on the Property other than taxes and special assessments for the year 2013; that the Easement herein granted is free and clear from all liens, mortgages, taxes, assessments, encumbrances, and restrictions of whatever kind or nature whatsoever, except taxes and special assessments for the year 2013, and easements, restrictions, reservations of minerals, covenants, and rights of way of record; and that Owner shall forever defend the Easement herein conveyed in the quiet and peaceable possession of the City, its successors and assigns, against all and every person or persons lawfully claiming the whole or any part thereof. No provision of this Easement shall be construed as impairing the ability of Owner to use this Property as collateral for subsequent borrowing provided that all mortgages, deeds of trusts, or other liens shall be subject and subordinate at all times to the rights and interests of the City under this Easement.

## VII. MISCELLANEOUS

7.1. The terms of this Easement shall be binding upon Owner and its successors in interest, lessees, and assigns, and shall continue as a servitude running in perpetuity with the Property. The terms "Owner" and "City," whenever used herein, and any pronouns used in place thereof, shall mean and include the above-named Owner and Owner's successors and assigns and the above-named City and its successors and assigns, respectively.

7.2.
Owner shall hold harmless, indemnify and defend the City and its officers, employees,

volunteers, agents, insurers, contractors and successors and assigns of each of them from and against all liabilities, penalties, costs, damages, expenses, causes of action, claims, or judgments (collectively, "Claims") in any way related to or arising from (1) any real property taxes and general or special assessments assessed and levied against the Property, Structure or Project; or (2) third-party Claims for personal injury or property damage occurring on the Property and resulting from, and to the extent caused by, the negligent act or omission of Owner, its officers, employees or agents. To the extent permitted by the law, the City agrees to indemnify Owner and its officers, employees, volunteers, agents, insurers, contractors and successors and assigns of each of them against third-party Claims for personal injury or property damage occurring on the Property and resulting from, and to the extent caused by, the negligent act or omission of the City, its officers or employees in the exercise of rights or obligations under this Easement. The indemnification provisions hereof shall not extend to gross negligence or willful misconduct. Further, the City does not waive or intend to waive by any provision hereof the monetary limitations or any other rights, immunities, and protections provided by the Colorado Governmental Immunity Act, § 24-10-101 et seq., 10 C.R.S., as from time to time amended, or otherwise available to the City, its officers, or its employees.

7.3 If any provision of this Easement or the application thereof to any person or circumstance is found to be invalid, the remainder of the provisions of this Easement and the application of such provisions to persons or circumstances other than those as to which it is found to be invalid, shall not be affected thereby.

7.4 This Easement shall be recorded in the records of the Clerk and Recorder of Boulder County. The Owner agrees that Owner will disclose the existence of this Easement to the grantee of any subsequent deed, or other legal instrument, by means of which Owner conveys any interest in the Property (including a leasehold interest). Owner represents to the City that, as of the date of Owner's execution hereof and prior to recording hereof, Owner has not and will not enter into any unrecorded leases, contracts or other agreements for transfer of any interest in the Property (including a leasehold interest).

7.5 This instrument and the attached Exhibits contain the entire agreement between the parties relating to the Easement on the Property and may be modified only by an instrument in writing executed by all parties and recorded in the records of the Clerk and Recorder of Boulder County.

7.6 This Easement may be executed in one or more counterparts, each of which when so executed shall be deemed an original, and such counterparts together shall constitute one and the same instrument.

7.7 Any notice or communication required or permitted hereunder shall be given in writing and shall be personally delivered, sent by facsimile transmission, or sent by national overnight courier or United States mail, postage prepaid, registered or certified mail, return receipt requested, addressed as follows:

CITY:
City of Louisville
City Manager
749 Main Street
Louisville, CO 80027
Fax: (303) 335-4550

OWNER:
Louisville Mill Site, LLC
c/o Randall Caranci or Erik Hartronft
950 Spruce Street, #1A
Louisville, CO 80027
Fax: (303) 673-9319

With a copy to:

Light, Kelly & Dawes, P.C.
City Attorney
749 Main Street
Louisville, CO 80027
Facsimile: (303) 298-1627

Tienken & Associates, P.C.
Attn: Jim Tienken
824 Pine Street
Louisville, CO 80027
Phone: (303) 673-9373

or to such other address or the attention of such other person(s) as hereafter designated in writing by the applicable parties in conformance with this procedure. Notices given in the manner described above shall be effective, respectively, upon personal delivery, upon facsimile receipt, or upon mailing.

**Next page is the signature page.**

**IN WITNESS WHEREOF**, the parties have caused this instrument to be duly executed this _____day of _____, 2013.

OWNER:

LOUISVILLE MILL SITE, LLC

_____
By: Randall C. Caranci

Title: _Member

_____
By: J. Erik Hartronft

Title: Member

STATE OF COLORADO )
)ss
COUNTY OF BOULDER )

The foregoing instrument was acknowledged before me this _____ day of _____, 2013, by Randall C. Caranci and J. Erik Hartronft as ___Members_ of Louisville Mill Site, LLC. Witness my hand and official seal.

My commission expires on: _____

(S E A L)

_____
Notary Public

CITY OF LOUISVILLE,
a Colorado home rule municipal corporation

By: _____
Robert P. Muckle, Mayor

Attest:

By: _____
Nancy Varra, City Clerk

STATE OF COLORADO )
) ss.

COUNTY OF BOULDER )

The foregoing instrument was acknowledged before me this _____ day of _____, 2013, by Robert P. Muckle, Mayor, City of Louisville.

Witness my hand and official seal.

( S E A L) _____

Notary Public

My Commission Expires: _____

**EXHIBIT A**
**Depiction of Property**
**Louisville Mill Site**

**EXHIBIT B**
**HISTORIC ELEMENTS – DESCRIPTION**
**540 FRONT STREET – HISTORIC GRAIN ELEVATOR**

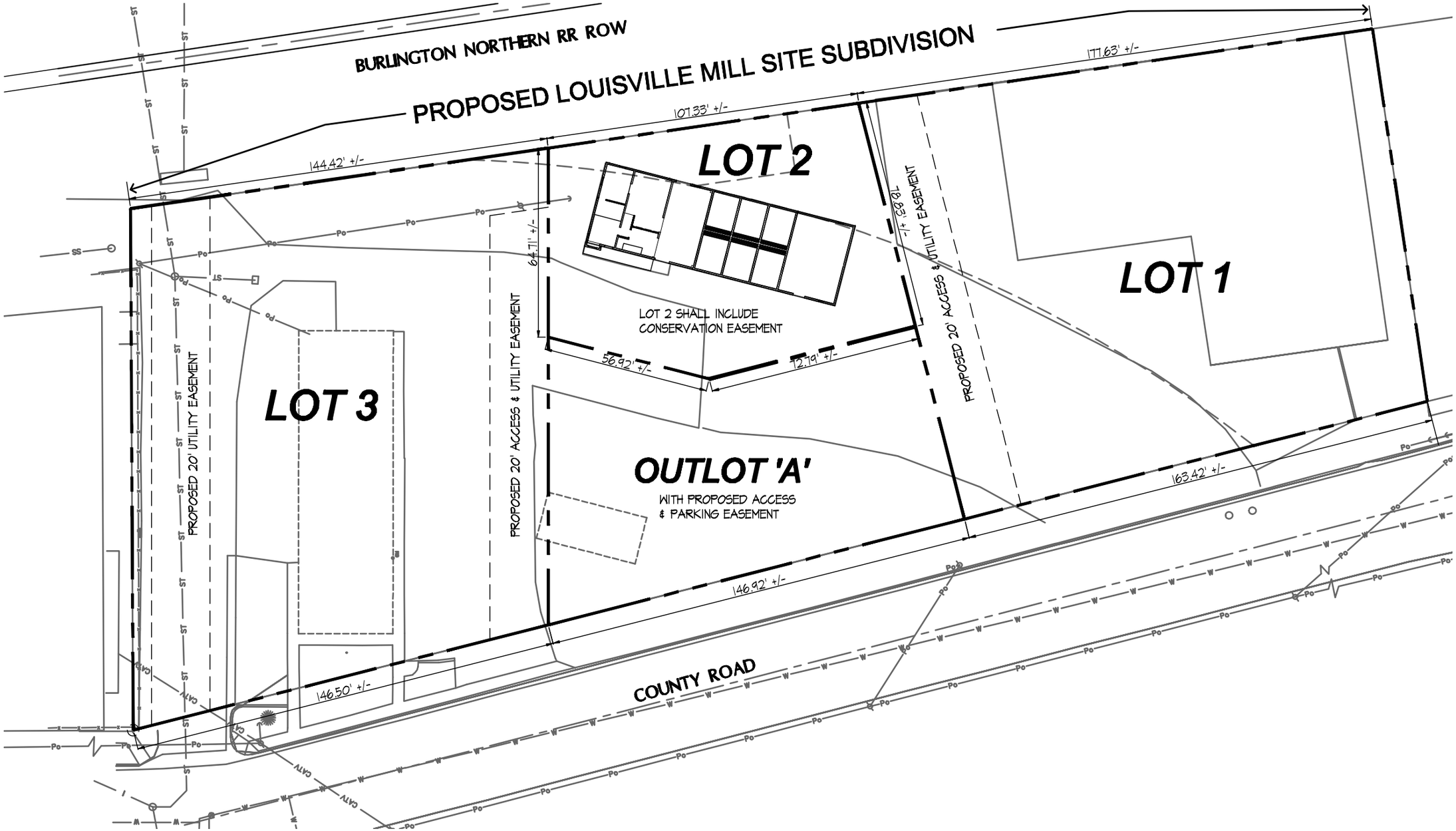
Per the 2000 Colorado Cultural Resource Survey, regarding the 'Louisville Milling & Elevator Co. Elevator', Resource number 5BL961.11, Statement of Significance: "The building has been individually listed in the National Register of Historic Places. It is historically significant, relative to National Register Criterion A, for its association with the theme of agriculture during the first half of the twentieth century. The structure is architecturally significant, under National Register Criterion C, because it is one of the region's last remaining wooden grain elevators, and because of its rare stacked plank construction."

The entire grain elevator structure, and any remaining machinery related to its operation represent the Historic Elements.

**EXHIBIT C**
**Historic Photo of Structure**

# EXHIBIT - A

## Depiction of Property - Louisville Mill Site




1 CONCEPT PLAN FOR SUBDIVISION PLAT

1" = 40'

0 1 5 10 25 50 100 FEET

NORTH

NOTE - DRAWINGS, IMAGES, & OTHER DATA INCLUDED HEREIN ARE CONCEPTUAL & ARE SUBJECT TO CHANGE.

# Louisville Grain Elevator - Stabilization Scope Of Work
## Louisville Mill Site LLC

Update 08-08-13

| Phase | # | Description | Notes | Quantity | Unit | Subcontractor | GC Estimate/Bid |
|---|---|---|---|---|---|---|---|
| | | **Phase IA - Priority 1 Stabilization** | | | | | |
| | | Note: The Scope of Work which is agreed to be completed by Louisville Mill Site LLC per the Purchase and Sales Agreement with the City of Louisville is specifically indicated herein as Stabilization Scope of Work - Phase IA - Priority 1 Stabilization. This is the Scope of Work necessary to stabilize the Grain Elevator structurally, minimize infiltration of rain and snow into the interior of the building & protect the wood from further moisture damage, improve stormwater runnoff to direct away from building, mitigate the hazardous accumulation of animal waste, and prevent further infiltration by animals. | | | | | |
| | | **3.1 Site** | | | | | |
| 1A | 1 | Regrade to ensure drainage away from building - comprehensive re-grading plan all sides per civil engineer grading and drainage report for overall site - rough grade this phase | | | | | |
| 1A | 2 | Remove berm along west elevation (cut & fill on site) | | | | | |
| 1A | 3 | Install perimeter drain if required by geotechnical report | Add Alternate | | | | |
| 1A | 4 | Remove 3 trees including root system (2 on the north & 1 on the east) | | | | | |
| | | **3.2 Foundations** | | | | | |
| 1A | 2 | Excavate around entire perimeter of site to access foundations and lower wall sections | | | | | |
| 1A | 3 | Infill perimeter basement wall to Sections 1, 2, & 3 | | | | | |
| | | With concrete stem wall | | | | | |
| 1A | 4 | Add counterforts & augment perimeter basement footing at Sections 1, 2, & 3 | | | | | |
| 1A | 5 | Add 4 spread footings to Section 3 (below timber posts along grid 3 and grid 4) | | | | | |
| 1A | 6 | Add 2 square footings to Section 3 (at ends of shear wall along grid 3 to resist overturning forces) | | | | | |
| 1A | 7 | Infill basement pit with flowfill - or provide other means of stabilization | | | | | |
| 1A | 8 | Repair deteriorated bin walls below grade, add impervious waterproofing membrane; reinforce wall with PT lumber if required | | | | | |
| 1A | 9 | Add perimeter basement stem-wall to Section 5 - east, south, north walls | | | | | |
| 1A | 10 | Add strip footing to Section 5 - east, south, north walls | | | | | |
| 1A | 11 | Allowance for footing augmentation where allowable bearing capacity exceeded or net tension due to shearwall overturning forces - assume 4-6 helical piers plus steel tie-downs along section 3 & 4. | | | | | |
| | | **3.3 Building Structural System** | | | | | |
| | | **Section 1** | | | | | |
| 1A | 2 | Roof: Remove roof sheathing; sister rafters, add plywood sheathing | | | | | |
| | | **Section 2** | | | | | |
| 1A | 4 | Roof: Remove roof sheathing, rafters, and 2 dropped purlins; Add new sheathing, rafters, and purlins. Alternate - remove dropped purlins, sister and add intermediate rafters, provide new dropped purlins. | | | | | |
| | | **Section 3** | | | | | |
| 1A | 8 | Roof: Remove roof sheathing, rafters, and 2 dropped purlins; Add new sheathing, rafters, and purlins. Alternate - remove dropped purlins, sister and add intermediate rafters, provide new dropped purlins. | | | | | |
| | | **Section 4** | | | | | |
| 1A | 10 | Roof: Remove roof sheathing; leave existing rafters; add rafters @ 24" between existing rafters; enhance connections; strengthen 2 dropped purlins; add plywood sheathing | | | | | |
| | | **Section 5** | | | | | |
| 1A | 11 | 1st Floor: Shore floor to reset dropped girders on new posts on new footings or on new stem wall | | | | | |

# Louisville Grain Elevator - Stabilization Scope Of Work
## Louisville Mill Site LLC

Update 08-08-13

| Phase | # | Description | Notes | Quantity | Unit | Subcontractor | GC Estimate/Bid |
|---|---|---|---|---|---|---|---|
| 1A | 12 | Roof: Remove roof sheathing; sister rafters in north bay, add plywood sheathing, add hurricane ties on ends of rafters | | | | | |
| 1A | 13 | Roof: Anchor existing ledger on grid 4 to bin wall | | | | | |
| 1A | 14 | Roof: Shore rafters, remove and replace existing overstressed girder with steel beam or equivalent | | | | | |
| | | **Sections 1, 2, 3, & 5; Lateral Force Resisting System** | | | | | |
| 1A | 15.1 | Temporary and permanent cable bracing as required to laterally stabilize the structure. | | | | | |
| | | **All Sections, Floor Framing** | | | | | |
| 1A | 20.1 | Allowance for miscellaneous structural repairs and unknown conditions | | | | | |
| | | | | | | | |
| | | **3.4 Exterior Wall Construction & Envelope** | | | | | |
| | | ***Structural Recommendations*** | | | | | |
| | | **Section 3** | | | | | |
| | | No work this phase | | | | | |
| | | **Section 4** | | | | | |
| 1A | 3 | Cut small openings in bin walls for needle beam shoring, or lag bolt shoring beam to wall per struct eng. recc. Shore bin walls, remove deteriorated stacked-plank lumber with demo saw. Tooth in Douglas-Fir 2x6 plies and attach plies with adhesive and toenails from each side. Correct smaller defects with epoxy consolidant | | | | | |
| | | **Section 5** | | | | | |
| 1A | 4 | Sister tall studs along grids A & Z | | | | | |
| | | **Sections 1, 2, 3, & 5; Basement Stud Walls** | | | | | |
| 1A | 5 | Replace deteriorated or damaged interior sills and plates on gridlines 2 and 3 | | | | | |
| | | **Sections 1, 2, 3, & 5; Lateral Force Resisting System** | | | | | |
| 1A | 6 | Selectively sheath existing stud walls to use as wood shear walls; add blocking, holdowns, and anchors into existing foundation. (Re. 15.1 for cable bracing) | | | | | |
| | | | | | | | |
| | | ***Architectural Recommendations*** | | | | | |
| 1A | 7.1 | Selective repair or replacement of severely damaged wood shiplap siding (extensive at section 5) | | | | | |
| 1A | 8.1 | Selective repair or replacement of severely damaged wood tongue and groove siding | | | | | |
| 1A | 9 | Remove loose and chipped paint (0.008% lead content<0.50%) from exterior of building | | | | | |
| 1A | 10 | Repaint exterior of building | | | | | |
| | | | | | | | |
| | | **3.5 Envelope - Roofing & Waterproofing** | | | | | |
| 1A | 1 | Remove current roofing - corrugated sheet metal & asphalt shingles | | | | | |
| 1A | 2 | Install roofing to match historic condition as closely as possible - add gutters & downspouts | | | | | |
| 1A | 3 | Install snow guards on the east and west edges of Sections 2, 3 & 4 | | | | | |
| | | | | | | | |
| | | **3.6 Windows & Doors** | | | | | |
| | | Windows | | | | | |
| 1A | 1.1 | Minor repairs to make windows weather-tight. Some boarded up remain. | | | | | |
| | | Doors | | | | | |
| 1A | 2.1 | Minor repair to make doors reasonably weather tight and some serviceable | | | | | |
| | | | | | | | |
| | | **3.7 Interior Finishes** | | | | | |
| 1A | 3 | Remove non-historic stair from 1st to 2nd floor & install new stair | | | | | |
| | | | | | | | |

# Louisville Grain Elevator - Stabilization Scope Of Work
## Louisville Mill Site LLC

Update 08-08-13

| Phase | # | Description | Notes | Quantity | Unit | Subcontractor | GC Estimate/Bid |
|---|---|---|---|---|---|---|---|
| | | **3.8 Mechanical Systems** | | | | | |
| | | **NA** | | | | | |
| | | | | | | | |
| | | **3.9 Electrical Systems** | | | | | |
| 1A | 1 | Re-connect service, abandon old/unsafe wiring & provide minimal power and temp lighting | | | | | |
| | | | | | | | |
| | | **4.0 Hazardous Material** | | | | | |
| 1A | 1 | Hazmat mitigation per attached proposal from Excel Environmental (or equivalent) | | | | | |
| | | | | | | | |
| | | **General Conditions** | | | | | |
| 1A | 1 | Assumed 120 Day Duration | | | | | |
| | | | | | | | |
| | | **Subtotal Hard Construction Costs** | | | | | |
| 1A | 1 | Bond - Assume none required | | | | | |
| 1A | 2 | Builder's Risk Insurance, Liability & Property Insurance during construction | | | | | |
| 1A | 3 | GC - Overhead & Profit | | | | | |
| | | | | | | | |
| | | **Subtotal Construction Costs** | | | | | |
| 1A | 1 | Building Permit & Plan Review Fees | | | | | |
| 1A | 2 | Taxes, other fees, etc. paid at permit | | | | | |
| 1A | 3 | Design/Construction Contingency 15% (prior to CD production) | | | | | |
| | | | | | | | |
| | | ***Estimated - Direct Project Soft Costs*** | | | | | |
| 1A | 1 | Engineering Fees | | | | | |
| 1A | 2 | Architecture Fees | | | | | |
| | | | | | | | |
| 1A | 3 | (3.2.1) Geotechnical Engineering Fees & Const. Phase Material Testing | | | | | |
| 1A | 4 | (3.3.9) Wood Scientist for one day to quantify extent of bin wall and bin floor deterioration by resistance boring after excavation complete | | | | | |
| 1A | 5 | Environmental testing as required for mitigation scope | | | | | |
| | | | | | | | |
| 1A | 10 | Owner Contingency (for construction) - 15% | | | | | |
| | | | | | | | |
| | | **Total Construction Costs** | | | | | |

EXCEL
ENVIRONMENTAL INC.

1852 JASPER ST ◣ UNIT E ◣ AURORA, CO 80011
PHONE – 303-577-9933 ◣ FAX – 303-577-9936
WWW.EXCELCORP.NET

July 31, 2013

***Sent via email:*** *randy@carancicorp.com*

Randy Caranci
CEO/President
Caranci Inc.
P.O. Box 658
Louisville, CO 80022

**SUBJECT: BIOHAZARD WASTE REMOVAL AND DISPOSAL AT 540 FRONT STREET LOUISVILLE, COLORADO 80027**

Dear Mr. Caranci;

Excel Environmental, Inc. is pleased to provide you with the following proposal to remove and dispose of all general construction and animal waste located within basement thru 5th level of 540 Front Street in Louisville. Items of historical value and/or as designated by client will be decontaminated and salvaged. Additionally, all wooden surfaces throughout the building will be decontaminated for animal feces utilizing antimicrobial/antiviral liquids applied by a combination of hand methods, airless sprayer and power washer.

All Excel personnel working within the structure will don proper personal protective equipment including Tyvek disposable suits and PAPR/full face APR respirators during all cleanup activities.
A decontamination trailer will be attached to the building egress allowing all workers to doff PPE and shower prior to donning street clothing. All other access will be restricted throughout the decontamination process.

Excel will ensure that all potentially dangerous animals, including skunks, raccoons and coyotes have been removed from the structure by a Colorado State licensed Pest Control Operator prior to start of work. Upon completion of work, animal access deterrents of various types (wood panels, netting) will be installed to prevent re-entry by birds and animals.

Disposal of waste will occur in a maximum of FOUR(4) 30 yard dumpsters. Additional waste will be billed with a unit price of $475/dumpster.

Excel can perform the work detailed above for a cost of thirty four thousand nine hundred eighty five dollars ($34,985.00) I estimate ten (10) business working days to complete the scope of work as noted above.

The aforementioned scope and pricing is based on the site conditions accessible to us on the date of inspection and on Excel's reasonable opinion and observations based on provided owner information of the work area and requested services. Unknown conditions may exist that cannot be reasonably known without destructive discovery, which was not conducted as part of the site inspection. Cost estimates under this proposal are based on the time allotted for services incurred within the scope of this project. These services are specific, and do not include contingencies. Should events occur due to circumstances beyond the control of Excel, or should additional work be required which is not specified within this proposal, then additional fees would be incurred.

With use of this Environmental Contract and/or use of these services, Client(s) agrees that Excel has been given the authority by the Owner(s) of the property to enter to aforementioned premises, perform the services, utilize any and all floor plans, blue prints, etc., and agree to indemnify, hold

harmless, and defend Excel, its Officers, Employees, Assigns, etc. for any and all claims, costs or damages that result from services contracted, etc., in the absence of gross negligence or willful misconduct of Excel, its Officers, Employees, Assigns, etc.

Excel will conduct OSHA air monitoring as per Federal, State and Local regulations. Excel will provide copies of all air monitoring results, notifications, disposal manifest, and other related documents to the owner. Excel Environmental, Inc. meets the requirements that allow for the Project Manager requirement to be waived by the client potentially saving the client thousands of dollars. If the owner requests that a third party Project Manager be added to the project for purposes of management or oversight, then Excel reserves the right to revise the pricing of this proposal to reflect that additional requirement to this proposal.

OSHA standard 29 CFR 1926.1101 (k)(1)(ii) states: Building and/or facility owners shall notify the following persons of the presence, location, and quantity of ACM or PACM, at the work sites in their buildings and facilities. Project notifications are requirements of the Colorado Department of Health & Environment (CDPHE). Notification either shall be in writing, or shall consist of a personal communication between the owner and the person to whom notification must be given or their authorized representatives: (A) Prospective employers applying or bidding for work whose employees reasonably can be expected to work in or adjacent to areas containing such material: (B) Employees of the owner who will work in or adjacent to areas containing such material: (C) On multi-employer work sites, all employers or employees who will be performing work within or adjacent to areas containing such materials: (D) Tenants who will occupy areas containing such material.

Owner is to provide all necessary electricity, hot and cold potable water, parking and sufficient storage space for materials and equipment. All non-stationary items are to be removed by others prior to the start of the project. Excel will not be liable for damage to items left within the specified work area that are not removed by owner prior to project start unless otherwise agreed to prior to project start. It will be the owner's responsibility to make sure all HVAC systems within the containment areas are shut down and locked out. Excel will employ all reasonable efforts to minimize damage to surfaces and work areas in the construction of regulated containments, but will not be held liable for any damages due to the construction of regulated containments needed to perform the environmental services as noted within this proposal.

Excel has included a onetime mobilization and demobilization cost for the above project amount. Any additional mobilization costs will be invoiced at $70.00 per hour, plus applicable trucking costs and travel times. All proposal amounts are based on regular time hourly rates, and schedules unless otherwise indicated.

Performance, labor, and material bonding costs are not included in this proposal. Excel can provide bonding at an additional cost not included within this proposal at the owners request. In any litigation, arbitration, or other proceeding by which one party to this contract either seeks to enforce its rights pursuant to this Proposal/Subcontract (whether in contract, tort or both) or seeks a declaration of any rights or obligations under this Proposal/Subcontract, the prevailing party should be awarded its reasonable attorney fees, costs and expenses incurred.

Excel is expressly authorized to sign any required disposal forms on behalf of the owner(s) or generator of any waste removed from the site.

Excel's Payments terms are that all invoices will be due, and are to be made net 15 days from invoice date, or a 1-1/2% Late Fee can be added to the original invoiced amount and for each 15

day compounded period there after the original due date until payment is received in full. This proposal may be withdrawn for any reason if not accepted within Sixty (60) days.

Receipt of a signed copy of this proposal will constitute our "Notice to Proceed" and your acceptance of this proposal. If you have any additional questions regarding this proposal, please feel free to contact me on my mobile at (303) 961-0726 anytime. If accepted, please email the signed form to lafroemke@excelcorp.net or fax to (303) 577-9936.

Sincerely,
**EXCEL ENVIRONMENTAL, INC.**

Linda A. Froemke
Project Manager
Excel Environmental Inc.
Phone - (303) 577-9933
Fax - (303) 577-9936
lafroemke@excelcorp.net

Customer Acceptance to Terms, Pricing and Scope

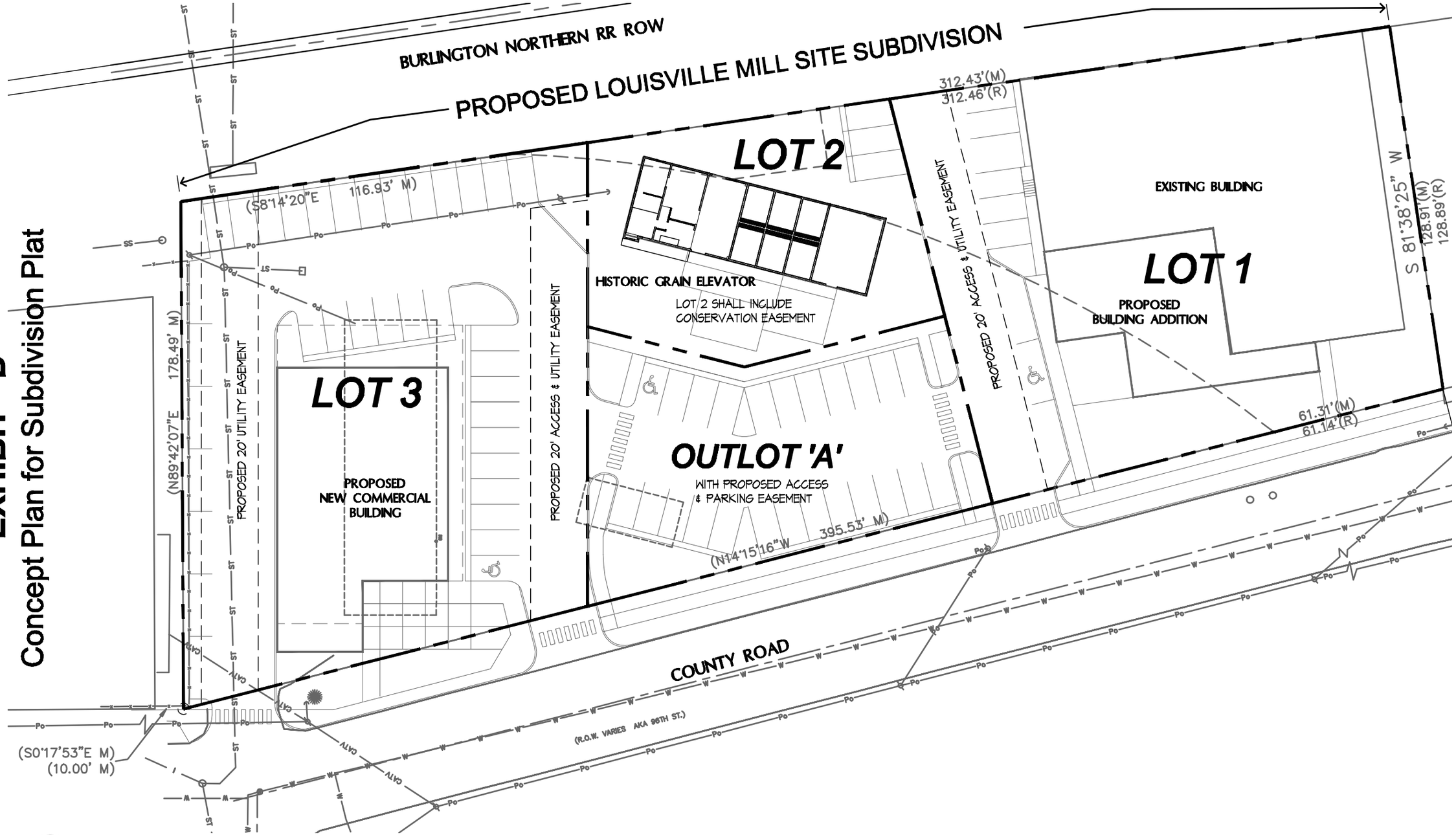
By: _____

Title: _____

Date: _____

# EXHIBIT - D

## Concept Plan for Subdivision Plat




## 1 CONCEPT PLAN FOR SUBDIVISION PLAT

1" = 40'

0 1 5 10 25 50 100 FEET

NORTH

NOTE - DRAWINGS, IMAGES, & OTHER DATA INCLUDED HEREIN ARE CONCEPTUAL & ARE SUBJECT TO CHANGE.

City of Louisville
COLORADO • SINCE 1878

*Department of Planning and Building Safety*

*749 Main Street • Louisville CO 80027 • 303.335.4592 • www.louisvilleco.gov*

# MEMORANDUM

**To:** Historic Preservation Commission Members

**From:** Department of Planning and Building Safety

**Subject:** Historic Preservation Fund expenditures

**Date:** **August 19, 2013**

---

Attached below are the 2013 Budget for the Historic Preservation Fund and the current revenue and expenditures for the fund. The Historic Preservation budget includes expenditures related to the percentage of staff time and associated salaries (with corresponding benefits) for those who regularly work directly with the historic preservation issues or contribute to managing the actual Historic Preservation Fund (HPF). The table below illustrates the position, the percent of each salary coming from the HPF along with the corresponding amount of salary and benefits:

| **Position** | **Percentage** | **Amount** |
|---|---|---|
| Finance Director | 1% | $1,596 |
| Principle Planner | 20% | $21,516 |
| Tax Manager | 4% | $4,071 |
| Tax Auditor | 4% | $3,055 |
| Senior Admin Assistant | 5% | $3,453 |
| Accountant Tech III | 1% | $637 |
| Museum Coordinator | 23% | $13,961 |
| Accountant Tech I | 2% | $1,079 |
| **Total** | | **$49,369** |

The percentages represent an estimate of the amount of each employee's work time that is spent on HPF related activities, including working with the HPC, collecting the tax, and distributing grant funds. Other employees who work on historic preservation but are not compensated out of the HPF include the City Manager, Deputy City Manager, City Attorney, Economic Development Director Planning Director, and Planner I.

The salary and benefits expenditures have increased since 2011 because more positions have been included in the distribution, along with normal salary and cost increases. Originally, only the Principle Planner and Senior Administrative Assistant had a portion of their salaries coming from the HPF, and the Museum Coordinator was classified as temporary. For 2012, the Museum Coordinator

was moved to permanent and included in the regular salaries, and the other positions listed above were added. The reason the 2011 benefits expenditures are low is because the allocation began part way through the year.

Other expenditures include $38,000 budgeted for 2013 as Professional Services - Other that was to be used for the Preservation Master Plan. That project has been rescheduled for 2014. The office supplies budget goes toward general office supplies for the Planning Division necessary to support the HPC. Staff will be happy to answer any other budget questions at the August 19 meeting.

# City of Louisville, Colorado
# Historic Preservation Fund
# 2013 Budget

| Account Number | Account Description | 2010 Actual | 2011 Actual | 2012 Budget | 2012 Estimated | 2013 Budget |
|---|---|---|---|---|---|---|
| | **Beginning Fund Balance** | **323,596** | **584,319** | **796,632** | **796,632** | **1,528,832** |
| | **Revenue** | | | | | |
| 033-001-41200-00 | Sales Tax | 315,440 | 327,409 | 338,870 | 343,780 | 354,090 |
| 033-001-41205-00 | Use Tax - Consumer | - | 19,861 | 20,850 | 29,790 | 30,680 |
| 033-001-41210-00 | Use Tax - Auto | - | 32,109 | 33,000 | 32,910 | 33,240 |
| 033-001-41220-00 | Use Tax - Building Materials | - | 25,298 | 19,400 | 42,250 | 22,390 |
| 033-001-43240-00 | State Grant - Historical Fund | - | 8,775 | 19,500 | 19,500 | - |
| 033-001-46100-00 | Miscellaneous Revenue | 60 | - | - | - | - |
| 033-001-46110-00 | Interest Earnings | 4,946 | 8,384 | 8,000 | 7,500 | 2,000 |
| 033-001-46110-01 | Net Increase (Decrease) in Fair Value | 900 | (3,049) | - | - | - |
| 033-001-48010-00 | Transfer from General Fund | - | - | 1,500,000 | 1,500,000 | - |
| | **Total Revenue** | **321,347** | **418,787** | **1,939,620** | **1,975,730** | **442,400** |
| 033-540-51100-00 | Regular Salaries | 18,682 | 26,364 | 38,100 | 38,130 | 39,350 |
| 033-540-51110-00 | Temporary Salaries | 9,579 | 9,745 | - | - | - |
| 033-540-51200-00 | FICA Expense | 2,172 | 2,749 | 2,910 | 2,920 | 3,010 |
| 033-540-51210-00 | Retirement Contribution | 934 | 1,318 | 1,910 | 1,910 | 2,160 |
| 033-540-51220-00 | Health Insurance | 233 | 1,190 | 6,040 | 6,040 | 6,380 |
| 033-540-51230-00 | Workers Compensation | 39 | 44 | 50 | 50 | 50 |
| 033-540-52100-00 | Office Supplies | 161 | 11 | 300 | 300 | 300 |
| 033-540-52200-16 | Operating Supplies - Plaques | - | - | - | - | 5,000 |
| 033-540-53100-23 | Professional Services - Investment Fees | 258 | 433 | 430 | 500 | 500 |
| 033-540-53100-24 | Professional Services - Bank Charges | 37 | 245 | 250 | 250 | 250 |
| 033-540-53100-27 | Professional Services - Survey | 11,550 | 44,571 | 109,000 | 7,500 | - |
| 033-540-53100-29 | Professional Services - Recording Fees | - | 97 | - | 30 | - |
| 033-540-53100-99 | Professional Services - Other | - | - | - | - | 38,000 |
| 033-540-53801-00 | Education Expense | - | 230 | 660 | 630 | 660 |
| 033-540-53808-00 | Travel | - | 41 | 400 | 5,890 | 400 |
| 033-540-53810-00 | Dues/Subscriptions/Books | 110 | 445 | 200 | 200 | 350 |
| 033-540-53804-01 | Public Outreach | 851 | 143 | 300 | 300 | 7,500 |
| 033-540-53814-02 | Sales/Use Tax Refund Claims | - | 1,466 | - | - | - |
| | **Total Administration** | **44,606** | **89,092** | **160,550** | **64,650** | **103,910** |
| 033-541-53910-00 | Grants & Contributions | 16,017 | 57,810 | 215,000 | 215,000 | 200,000 |
| 033-541-53910-13 | Grants & Contributions - Grain Elevator | - | - | 950,000 | - | - |
| | **Total Incentives** | **16,017** | **57,810** | **1,165,000** | **215,000** | **200,000** |
| 033-542-55100-00 | Property Acquisitions | - | 59,573 | - | 963,880 | 750,000 |
| | **Total Acquisitions** | **-** | **59,573** | **-** | **963,880** | **750,000** |
| 033-549-57010-00 | Transfer to General Fund | - | - | - | - | 250,000 |
| | **Total Transfers** | **-** | **-** | **-** | **-** | **250,000** |
| | **Total Expenditures** | **60,623** | **206,475** | **1,325,550** | **1,243,530** | **1,303,910** |
| | **Ending Fund Balance** | **584,319** | **796,632** | **1,410,702** | **1,528,832** | **667,322** |

**City of Louisville, Colorado**
**Historic Preservation Fund**
**Schedule of Revenue by Year**
**2009 - 2013 (Y-T-D)**

| | | | |
|---|---|---|---|
| **Revenue - 2009:** | | | |
| Sales Tax | 324,042 | | |
| Miscellaneous | 19 | | |
| Interest Earnings | 8,418 | | |
| **Total Revenue - 2009** | | **332,479** | |
| **Revenue - 2010:** | | | |
| Sales Tax | 315,440 | | |
| Miscellaneous | 60 | | |
| Interest Earnings | 5,847 | | |
| **Total Revenue - 2010** | | **321,347** | |
| **Revenue - 2011:** | | | |
| Sales Tax | 327,409 | | |
| Consumer Use Tax | 19,861 | | |
| Auto Use Tax | 32,109 | | |
| Building Use Tax | 25,298 | | |
| State Grant - Historical Fund | 8,775 | | |
| Interest Earnings | 5,335 | | |
| **Total Revenue - 2011** | | **418,787** | |
| **Revenue - 2012:** | | | |
| Sales Tax | 351,187 | | |
| Consumer Use Tax | 42,974 | | |
| Auto Use Tax | 34,811 | | |
| Building Use Tax | 30,473 | | |
| State Grant - Historical Fund | 5,427 | | |
| Interest Earnings | 5,864 | | |
| Transfer from General Fund | 1,500,000 | | |
| **Total Revenue - 2012** | | **1,970,737** | |
| **Revenue - 2013 (Y-T-D):** | | | |
| Sales Tax | 145,969 | | |
| Consumer Use Tax | 14,771 | | |
| Auto Use Tax | 16,178 | | |
| Building Use Tax | 27,612 | | |
| State Grant - Historical Fund | 9,590 | | |
| Interest Earnings | 5,510 | | |
| **Total Revenue - 2013** | | **219,630** | |
| **Total Revenue To-Date** | | | **3,262,980** |

**City of Louisville, Colorado**
**Historic Preservation Fund**
**Schedule of Expenditures by Year**
**2009 - 2013 (Y-T-D)**

| | Administration/Operations | | | Grants & Acquistions | | | | Total |
|---|---|---|---|---|---|---|---|---|
| | Admin | Services | Other | Incent | Restor | Aquistn | Other | Expend |
| **Expenditures - 2009:** | | | | | | | | |
| Administration | 8,884 | - | - | - | - | - | - | 8,884 |
| **Total Expenditures - 2009** | **8,884** | **-** | **-** | **-** | **-** | **-** | **-** | **8,884** |
| **Expenditures - 2010:** | | | | | | | | |
| Administration | 33,056 | - | - | - | - | - | - | 33,056 |
| Jefferson Place Survey | - | 11,550 | - | - | - | - | - | 11,550 |
| Grants: | | | | | | | | |
| 557 Jefferson Avenue | - | - | - | 1,000 | 2,298 | - | - | 3,298 |
| 1117 Jefferson Avenue | - | - | - | 1,000 | - | - | - | 1,000 |
| 1131 Jefferson Avenue | - | - | - | 1,000 | 7,719 | - | - | 8,719 |
| 1109 LaFarge Avenue | - | - | - | 1,000 | - | - | - | 1,000 |
| 816 McKinley Avenue | - | - | - | 1,000 | - | - | - | 1,000 |
| 501 South Street | - | - | - | 1,000 | - | - | - | 1,000 |
| **Total Expenditures - 2010** | **33,056** | **11,550** | **-** | **6,000** | **10,017** | **-** | **-** | **60,623** |
| **Expenditures - 2011:** | | | | | | | | |
| Administration | 44,521 | - | - | - | - | - | - | 44,521 |
| Jefferson Place Survey | - | 6,000 | - | - | - | - | - | 6,000 |
| Grain Elevator Assessment | - | 38,496 | - | - | - | - | - | 38,496 |
| Other - Videotape | - | - | 75 | - | - | - | - | 75 |
| Grants: | | | | | | | | |
| 1117 Jefferson Avenue | - | - | - | 5,000 | 6,940 | - | - | 11,940 |
| 1131 Jefferson Avenue | - | - | - | - | 6,820 | - | 1,700 | 8,520 |
| 1109 LaFarge Avenue | - | - | - | - | 17,769 | - | - | 17,769 |
| 816 McKinley Avenue | - | - | - | - | 4,100 | - | - | 4,100 |
| 501 South Street | - | - | - | - | 12,021 | - | - | 12,021 |
| 1021 Jefferson Avenue | - | - | - | 1,000 | - | - | - | 1,000 |
| 557 Jefferson Avenue | - | - | - | - | 460 | - | - | 460 |
| 700 Lincoln Avenue | - | - | - | 1,000 | - | - | - | 1,000 |
| 1145 Main Street | - | - | - | 1,000 | - | - | - | 1,000 |
| Acquisitions: | | | | | | | | |
| 817 Main Street | - | - | - | - | - | 59,573 | - | 59,573 |
| **Total Expenditures - 2011** | **44,521** | **44,496** | **75** | **8,000** | **48,110** | **59,573** | **1,700** | **206,475** |
| **Expenditures - 2012:** | | | | | | | | |
| Administration | 51,754 | - | - | - | - | - | - | 51,754 |
| Jefferson Place Survey | - | 5,000 | - | - | - | - | - | 5,000 |
| Austin-Nieuhoff Strucutre Assmt | - | 14,293 | - | - | - | - | - | 14,293 |
| Grants: | | | | | | | | |
| 501 South Street | - | - | - | - | 1,618 | - | - | 1,618 |
| 612 Grant Avenue | - | - | - | 1,000 | - | - | 900 | 1,900 |
| 1005 Lafarge Avenue | - | - | - | 1,000 | 14,133 | - | - | 15,133 |
| 733 Pine | - | - | - | 1,000 | - | - | 765 | 1,765 |
| 1021 Jefferson | - | - | - | - | - | - | 900 | 900 |
| 1131 Jefferson Avenue | - | - | - | - | 10,860 | - | - | 10,860 |
| Acquisitions: | | | | | | | | |
| Grain Elevator | - | - | - | - | - | 956,706 | - | 956,706 |
| **Total Expenditures - 2012** | **51,754** | **19,293** | **-** | **3,000** | **26,611** | **956,706** | **2,565** | **1,059,929** |

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| **Expenditures - 2013 (Y-T-D):** | | | | | | | | |
| Administration | 27,556 | - | - | - | - | - | - | 27,556 |
| Old Town Reconnaissance Survey | - | 14,840 | - | - | - | - | - | 14,840 |
| Austin-Nieuhoff Strucutre Assmt | - | 4,400 | - | - | - | - | - | 4,400 |
| Grants: | | | | | | | | |
| 1036 Walnut Street | - | - | - | 1,000 | - | - | - | 1,000 |
| 1013 Jefferson Avenue | - | - | - | 1,000 | - | - | 500 | 1,500 |
| 1131 Spruce Street | - | - | - | 1,000 | - | - | - | 1,000 |
| 700 Pine Street | - | - | - | 1,000 | - | - | - | 1,000 |
| 925 Lafarge | - | - | - | 1,000 | - | - | - | 1,000 |
| 700 Lincoln Avenue | - | - | - | - | - | - | 900 | 900 |
| 1005 Lafarge Avenue | - | - | - | - | 3,867 | - | - | 3,867 |
| Acquisitions: | | | | | | | | |
| 817 Main Street | - | - | - | - | - | 3,000 | - | 3,000 |
| **Total Expenditures - 2013** | **27,556** | **19,240** | **-** | **5,000** | **3,867** | **3,000** | **1,400** | **60,062** |
| **Total Expenditures To-Date** | **165,771** | **94,579** | **75** | **22,000** | **88,605** | **1,019,279** | **5,665** | **1,395,973** |

City of Louisville
COLORADO • SINCE 1878

*Department of Planning and Building Safety*

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# MEMORANDUM

**To:** Historic Preservation Commission Members

**From:** Department of Planning and Building Safety

**Subject:** Preservation Master Plan

**Date:** **August 20, 2013**

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The City applied for a CLG grant in 2012 to create a preservation master plan, but the application was denied. Staff intends to reapply this fall, with the goal of creating the plan in 2014. Attached are the materials from the 2012 application.

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**2012 CLG Grant Narrative:**
The City of Louisville is seeking a CLG grant to provide funding for the preparation of a Preservation Master Plan, which will provide guidance and policy direction for the City's historic preservation program.

***Applicant Information:***
CLG status was granted to the City of Louisville in 2005. In 2008, the citizens of Louisville created by ballot issue a Historic Preservation Fund (HPF) derived from a 1/8$^{th}$ percent sales tax. The main purpose of the HPF is to provide assistance to those wishing to preserve their locally landmarked structures which are located within the City's Old Town district. The district is comprised of the downtown commercial business district and the original residential subdivisions surrounding it. The Planning Division of the Department of Planning and Building Safety provides the Historic Preservation Commission (HPC) with a staff liaison.

The Louisville historic preservation program includes a voluntary landmark program, demolition review of any structure over 50 years old, design assistance, and public outreach and education efforts to encourage involvement in preservation. In addition, the City is beginning a reconnaissance survey of Old Town which will provide the necessary information for the City to become more active in historic preservation, by creating a priority list of historic structures and defining potential historic districts. Since the establishment of the program, the City has landmarked 19 structures and purchased a conservation easement on the façade of one commercial structure (817 Main Street – historically known as the "Rex Theater"). The City is also under contract to purchase the Louisville Grain Elevator using the HPF. Landmarking is not limited to the Old Town district, as any historically significant structure in the City may be eligible for a local landmark.

The City has three currently active projects for which State Historical Fund grants have been received: an intensive survey of the Jefferson Place subdivision (grant #11-M1-007), a historic structure assessment of the Austin-Niehoff house (grant #2012-HA-02), and a reconnaissance level survey of the Old Town district (grant #CO-12-022). Another CLG grant was received to send two HPC members and two staff members of the 2012 National Alliance of Preservation Commissions Conference.

***Purpose of Grant:***
The Louisville historic preservation program is unique, with its sales tax-funded grant program. Currently, the City does not have a comprehensive guiding document for the program or the fund. Considering the unusual nature of the Louisville program, it is important to have a preservation master plan to define the goals of the program and ensure that all aspects of the program, including the HPF, are working together to achieve those goals.

The plan would have three main sections: <u>analysis</u>, <u>goals</u>, and <u>implementation</u>:

- The analysis section would examine the program as it currently functions and evaluate its strengths and weaknesses.
- The goals section will be based on feedback from elected and appointed officials, as well as the public at large, and will identify what the preservation program should achieve.

- Once the goals are defined, a specific implementation strategy will be developed. The strategy may include changes to the municipal code or City policy, or actions such as nominations, surveys, or grant applications. The plan will also provide a framework for the long-term operation of the preservation program and for the interaction of the various aspects of the program. It is anticipated this project, beginning in spring 2013, would be completed in approximately one year.

The development of the plan will require meetings with many of the City's boards and commissions, most notably the HPC and City Council, as well as public meetings with owners of historic properties and the general public. These meetings will define how the City would like the preservation program to function in the future. Issues addressed will likely include the possible extension of the dedicated sales tax, the treatment of mid-century and later structures, and structures outside the Old Town area, among others.

The City intends for the existing staff to lead the development of the plan process and would hire a consultant to provide guidance and expertise. Louisville is requesting grant funds to hire the consultant, and will consider the work performed by staff an in-kind match.

***Evaluation****:*
A successful project will result in a preservation master plan that is approved by the public, endorsed by the HPC, and adopted by City Council. It will include achievable goals, a clearly defined implementation program, and overall guidance for the continuing administration of the historic preservation program, to be used by staff, elected and appointed officials, historic property owners, and the public. The creation of the preservation plan will require extensive public participation, and this will help raise awareness of the finished product. The plan, when completed, will be available on the City's website, as well as in hard copy at City Hall.

***Professional Services***:
The City has not, at this time, identified a consultant to carry out the grant funded work. With the approval of the requested grant funding, Louisville intends to issue a request for proposals to hire a consultant that meets the minimum professional qualifications.

***Fund Management:***
Louisville has demonstrated the successful management of preservation grants from the State, as well as grants from other sources. A project manager from the Planning Division will be responsible for making sure the project follows the items listed in the scope of work and remains on budget.

***Conclusion:***
The City of Louisville, since 2005, has demonstrated it is a City interested in preserving its past while continuing to make history. By designating itself as a CLG in 2005 and creating regulations which act to protect historic structures, the City of Louisville acknowledges that our historic fabric assisted in establishing the City as *Money* magazine's "Best Small Town." To ensure Louisville's unique preservation program continues to enhance the quality of life in the City, and effectively preserve the City's history, Louisville would like to prepare a preservation master plan.

NAME OF APPLICANT: City of Louisville

NAME OF PROJECT: City of Louisville – Preservation Master Plan

**ATTACHMENT 1**
**Scope of Work**

| | Hours |
|---|---|
| **Define purpose and need** | |
| public meetings | 12 |
| contractor input | *4* |
| **History of town** | |
| staff | 2 |
| **Historic context and building types** | |
| reconnaissance survey | N/A |
| staff evaluation/refinement | 12 |
| contractor input | *12* |
| **Evaluate existing program** | |
| staff evaluation | 8 |
| contractor input | *6* |
| **Define goals and policies** | |
| public meetings | 8 |
| staff evaluation/refinement | 10 |
| contractor input | *10* |
| **Identify implementation opportunities** | |
| staff evaluation | 4 |
| contractor input | *16* |
| **Adoption** | |
| public meetings | 30 |
| contractor input | *6* |
| **Design and layout** | |
| staff | 10 |
| contractor input | *20* |
| **Total** | **158** |
| *Contractor Total* | *68* |
| Staff Total | 90 |

NAME OF APPLICANT: City of Louisville

NAME OF PROJECT: City of Louisville - Preservation Master Plan

**ATTACHMENT 2**
**PROJECT BUDGET**

| | | Grant |
|---|---|---|
| **Define purpose and need** | | |
| | public meetings | |
| | contractor input | **$520.00** |
| **History of town** | | |
| | staff | |
| **Historic context and building types** | | |
| | reconnaissance survey | |
| | staff evaluation/refinement | |
| | contractor input | **$1,560.00** |
| **Evaluate existing program** | | |
| | staff evaluation | |
| | contractor input | **$780.00** |
| **Define goals and policies** | | |
| | public meetings | |
| | staff evaluation/refinement | |
| | contractor input | **$1,300.00** |
| **Identify implementation opportunities** | | |
| | staff evaluation | |
| | contractor input | **$2,080.00** |
| **Adoption** | | |
| | public meetings | |
| | contractor input | **$780.00** |
| **Design and layout** | | |
| | staff | |
| | contractor input | **$2,600.00** |
| **Total** | | **$9,620.00** |

City of Louisville
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# MEMORANDUM

**To:** Historic Preservation Commission Members

**From:** Department of Planning and Building Safety

**Subject:** Demolition Update – 1100 Lincoln

**Date:** **August 20, 2013**

---

On July 17, 2013 Planning Staff and two subcommittee members of the HPC reviewed a permit request to demolish 1100 Lincoln Avenue.

After deliberation, the HPC subcommittee decided to release the permit because the house lacked architectural integrity and did not have a strong social history.

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# MEMORANDUM

**To:** Historic Preservation Commission Members

**From:** Department of Planning and Building Safety

**Subject:** Demolition Update – 701 Jefferson

**Date:** **August 20, 2013**

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On July 31, 2013 Planning Staff and two subcommittee members of the HPC reviewed a permit request to replace a window at 1100 Lincoln Avenue.

After deliberation, the HPC subcommittee decided to release the permit because the window was not original and its removal would not harm the historic character of the house.

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# MEMORANDUM

**To:** Historic Preservation Commission Members

**From:** Department of Planning and Building Safety

**Subject:** Demolition Update – 623 Garfield

**Date:** **August 20, 2013**

---

On August 11, 2013 Planning Staff and two subcommittee members of the HPC reviewed a permit request to demolish 623 Garfield Avenue.

After deliberation, the HPC subcommittee decided to release the permit because the house lacked architectural integrity and did not have a strong social history.

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# MEMORANDUM

**To:** Historic Preservation Commission Members

**From:** Department of Planning and Building Safety

**Subject:** Demolition Update – 749 Main

**Date:** **August 20, 2013**

---

On August 5, 2013 Planning Staff and two subcommittee members of the HPC reviewed a permit request to replace a window at City Hall, 749 Main Street.

After deliberation, the HPC subcommittee decided to release the permit because the building lacked historic integrity and the existing windows are not original.

City of Louisville
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# MEMORANDUM

**To:** Historic Preservation Commission Members

**From:** Department of Planning and Building Safety

**Subject:** Demolition Update – 104 Rose

**Date:** **August 20, 2013**

---

On August 12, 2013 Planning Staff and two subcommittee members of the HPC reviewed a permit request to replace a window at 104 Rose Street.

After deliberation, the HPC subcommittee decided to release the permit because the windows contributed little to the historic integrity of the house.

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*Department of Planning and Building Safety*

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# MEMORANDUM

**To:** Historic Preservation Commission Members

**From:** Department of Planning and Building Safety

**Subject:** Austin Niehoff HSA

**Date:** **August 20, 2013**

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The Austin-Neihoff Historic Structure Assessment is advancing; the consultant is awaiting cost estimates before finalizing the report.

City of Louisville
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*Department of Planning and Building Safety*

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# MEMORANDUM

**To:** Historic Preservation Commission Members

**From:** Department of Planning and Building Safety

**Subject:** Commercial incentives update subcommittee

**Date:** **August 20, 2013**

---

Staff is requesting HPC nominate two commissioners to form a subcommittee to work with staff to develop proposals to modify and streamline the commercial landmark incentive program. There have been several downtown property owners who have been interested in landmarking, but been unable to move forward because of uncertainty about how much grant funding would be ultimately approved and what modifications or additions to landmarked buildings would receive alteration certificates.

The subcommittee will be challenged to develop a process and recommended draft agreement by which commercial property owners have assurances as to how much grant funding they could receive and what alterations would be approved before landmarking is finalized, while still protecting the City and the HPF by obtaining a structural assessment before money is disbursed. The recommendations of the subcommittee will be brought to HPC and City Council for approval, and may take the form of policy changes, a resolution, or an ordinance.