

INTERGOVERNMENTAL AGREEMENT

THIS AGREEMENT is entered into and is effective this 28th day of February, 2022 (“Effective Date”) by, between, and among Pueblo County, Colorado (“County”), the City of Pueblo, Colorado (“City”), the Pueblo Urban Renewal Authority (“PURA”), The Board of Water Works of Pueblo, Colorado (“Pueblo Water”), and the Pueblo West Metropolitan District (“PWMD”), hereinafter collectively referred to as the “Parties.” Each of the Parties hereto are political subdivision of the State of Colorado as that term is defined in C.R.S. §29-1-202 and are authorized to cooperate or contract with one another to provide any function, service, or facility lawfully authorized to each pursuant to the provisions of C.R.S. §29-1-203.

RECITALS

Pueblo County has for the past year been engaged in the planning process for what it considers to be a significant community-wide development project. The Project has two key features; 1) the location, design, and construction of a new Pueblo County Detention Facility to be operated by the Pueblo County Sheriff’s Department and to serve the entire community of the City and the County of Pueblo, and 2) the layout, design, and construction of a major new arterial roadway consisting of the extension of Joe Martinez Boulevard from its current terminus at Purcell Boulevard in Pueblo West east for approximately three miles to Pueblo Boulevard at its intersection with 24th Street.

The planning process has included numerous meetings and conferences with various departments and staff members of each of the Parties, with staff members of the providers of all public utility services and with staff of the regional offices of the Colorado Department of Transportation.

The County has also engaged in negotiations with and received preliminary commitments from Comanche Corp; a privately owned company which owns seventy (70) acres of vacant land abutting Pueblo Boulevard and on both sides of the planned new roadway at its eastern end. The plan is for the County to acquire approximately thirty-five (35) acres from Comanche Corp., which will retain the remaining acreage for new commercial development. Both the County and Comanche Corp. will separately petition for annexation of the parcels into the City. The City has requested that the annexation process be completed prior to the beginning of construction on either the County parcel or the Comanche parcel.

The County also plans to acquire two additional parcels on the east side of Purcell Boulevard to facilitate the construction of the expanded intersection of Joe Martinez and Purcell.

The County has also issued and received responses to several requests for proposals for architectural and engineering services for the new Detention Facility and the new

roadway and for construction of the Detention Facility and expects to make the awards and be under contract for these services in November/December of 2021. The current project timeline calls for construction to commence in 2022 and to be completed in 2024.

The County will pay for the bulk of the costs of the project. It has retained financial consultants and bond counsel and plans to issue tax exempt bonds and/or certificates of participation early in 2022. It has also applied for a grant from the federal government but no award has been made to date.

The County has conferred with PURA concerning the creation of an Urban Renewal District with associated Tax Increment Financing ("TIF"); the district would encompass the entire roadway corridor and expand on the west end in Pueblo West and on the east end in the City to include existing and new commercial development. PURA has expressed support for the concept and has indicated that the taxing jurisdictions including the Parties to this Agreement will be asked to contribute their respective tax revenues in support of the County's debt repayment obligations.

The County recognizes that the successful completion of the project is entirely dependent upon the support and cooperation of the Parties and has requested this Agreement as an expression of that support and a pledge of cooperation by and from the Parties as is more particularly set forth herein.

NOW THEREFORE, for and in consideration of the mutual covenants and promises contained herein, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. PROJECT DESCRIPTION.

The Project is as is described in the Recitals to this Agreement and as is more particularly described in this Section. It will hereinafter be referred to as the "Project".

A. Detention Facility. The new Facility will be located on a 35-acre parcel in the North $\frac{1}{2}$ of the Southeast $\frac{1}{4}$ of Section 21, Township 20 South, Range 65 West of the 6th P.M. The balance of the land in this portion of the Section will be retained by the current owner for commercial development. The new Facility will contain approximately 182,000 square feet of space on one floor which will include secure housing, kitchen and laundry, support spaces such as administration, recreation, storage, and attendant spaces for Facility related programs. It is planned to be a modular unit design that can be expanded as needed in the future. The Board of County Commissioners has directed that planning endeavor to include energy modeling that produces a Zero Net Carbon result. The goal is to include a variety of energy self-generation features such that the facility may produce as much or more energy as it expends. The features may include solar, geo-thermal, co-generation, and other similar features. A conceptual depiction of the location of the Facility in relation to the new Joe Martinez Boulevard alignment, the surrounding lands, and Pueblo Boulevard is set forth on **Exhibit A** attached hereto and incorporated herein by reference. The proposed facility will undergo an S-1 review with the City prior to issuance of building permits.

B. Joe Martinez Boulevard Extension. The extension of Joe Martinez Boulevard from Purcell Boulevard in Pueblo West to Pueblo Boulevard is a large-scale, voter-approved capital improvement project of utmost importance to all residents in the City and County of Pueblo. As currently conceived, the Project consists of a four lane, 3.1-mile roadway with a conceived design speed of 45 MPH. It will have limited vehicular access between Purcell Boulevard and Pueblo Boulevard to facilitate the movement of traffic and to encourage its use as an alternative to Highway 50 West for access to and from the City of Pueblo. The Project will also include a multi-modal lane to carry bicyclists, e-bikes, and e-scooters. It will also include a charging station for electric vehicles. The roadway will include two (2) concrete box culverts in order to cross over the creek that runs through the area. It will include illumination throughout its length and signalization at its intersections with Pueblo and Purcell Boulevards. It will also incorporate a trail system which will be designed to connect the City of Pueblo Trail System to the Pueblo West Recreational Trail System. The proposed alignment is depicted on **Exhibit B** attached hereto and incorporated herein by reference. All roadways and associated infrastructure installed within the City of Pueblo or on City- owned property shall be designed and constructed to meet City standards.

2. PURPOSE.

The purposes of this Agreement are:

- 1) To set forth a clear expression of the support of each party for the Project;
- 2) To express recognition of the Parties that the Project is a community-wide development with broad public benefits that transcend jurisdictional boundaries; and
- 3) To pledge the full cooperation of each party to expedite and streamline and/or combine the various permitting approval processes in an effort to avoid delay and unnecessary duplication of regulation.

The Parties acknowledge the purposes set forth and agree jointly and severally to pursue their fulfillment in good faith, including acting in good faith in all matters that require joint or coordinated action.

3. PERMITS AND APPROVALS.

The Parties, and in particular the City and the County, agree to meet and confer in an effort to develop a comprehensive outline of the various land use and other approvals and permits which will be required to proceed with the construction of the Project including the extension of water and sewer and other utility lines from existing locations into the Facility site. City agrees to consider to what extent the anticipated Annexation Agreement and/or additional Intergovernmental Agreements can be utilized to expedite other land use processes such as subdivision, zoning, 1041 permitting, and the like. It is not the intent of County to ignore the regulatory processes of the City, but to examine with the City the possible combination or streamlining of those processes. It is expected that PWMD, PURA, and Pueblo Water will be invited and encouraged, where each thinks it may be helpful, to participate in the process outlined in this Section.

4. NEW URBAN RENEWAL DISTRICT AND ASSOCIATED TIF FINANCING.

During the planning process to date, County representatives have met with PURA staff. PURA has examined the Project as conceptualized to date and has proposed for consideration by the Parties the creation of a new Urban Renewal District that would encompass the entire Joe Martinez extension corridor, all of the land of County and Comanche Corp. at the East end of the roadway corridor and extending further East across Pueblo Boulevard to include private and public lands along 24th Street with its intersection of Pueblo Boulevard. PURA has also proposed to extend the new district West of Purcell Boulevard along the current Joe Martinez corridor and to include private and public lands in the corridor. The Parties would consent to put their respective lands into the new district and would further consent to contribute their respective property taxes into the TIF fund to be used to retire debt incurred to build the new roadway.

The Parties hereto agree to seriously consider putting their respective lands into the new district and the contribution of their respective property and sales taxes into the TIF funding. Pueblo County acknowledges that the new Urban Renewal District and the TIF financing component will be reliant on submission of details, designs, drawings, and specifications for the project, especially of the Joe Martinez Roadway and the intersections at Purcell Boulevard and Pueblo Boulevard. It is requesting the preliminary consent of the Parties to the inclusions of their respective lands into the new district and the contribution of their respective increased sales and property tax increments to be generated from development in the district. The City consents to the payment of its property tax TIF revenue into the TIF financing fund. The payment of the City's sales tax TIF revenue into the TIF financing fund requires additional study.

Subject to the contingencies acknowledged herein, each of the Parties agrees to the participation of their lands in the new district and the contribution of their respective property tax increments into the TIF financing fund.

5. RELIANCE OF THE PARTIES.

The Parties understand and acknowledge that County will rely upon the commitments made by each of the Parties in this Agreement as it proceeds to complete the land acquisitions, to enter into contracts with architects, engineers, contractors, and related professional consultants, and to secure the financing necessary to further and complete the Project. Each party also acknowledges and understands that all of the other Parties are relying upon the commitments made herein by County and the other Parties in entering into this Agreement.

6. FURTHER AGREEMENTS.

(a) New Pueblo County Detention Facility and the Extension of Joe Martinez Boulevard: Each party agrees to give full consideration to the potential use of further intergovernmental and/or development agreements among all or some of the Parties hereto and possibly including other governmental agencies or authorities and utility providers to specify further and more detailed agreements and obligations needed to facilitate, continue, and complete the Project.

(b) Intergovernmental Agreement for Inmate Housing Services: Pueblo County and the City of Pueblo agree to give full consideration to and to use best efforts, in good faith, to negotiate and execute a new Intergovernmental Agreement which would apply to the housing of inmates arrested or sentenced exclusively for violations of the Pueblo Municipal Code and not involving State charges.

7. DESIGNATION OF PARTY REPRESENTATIVES.

Within ten (10) days after the execution of this Agreement, County shall circulate a letter to all of the Parties indicating its representatives for purposes of furthering the terms of this Agreement and each of the other Parties agree to designate their respective representatives. Pueblo County shall then circulate a list of the respective representatives to all Parties. The designations so made are subject to change in the sole discretion of each of the Parties and it is expected that the representatives will change as the Project proceeds.

8. TERM/TERMINATION.

This Agreement shall commence upon the effective date and shall terminate one year later. This Agreement shall renew automatically for subsequent one-year terms, unless one or more of the Parties notifies the other Parties of its intent not to renew. This Agreement shall continue amongst those Parties who have not expressed an intent not to renew.

9. BINDING AGREEMENT.

This Agreement shall be binding upon and inure to the benefit of the Parties and their respective legal representatives, successors, and assigns.

10. LEGAL AUTHORITY.

The Parties assure that each possess the legal authority, pursuant to any proper, appropriate, and official motion, resolution, or action passed or taken, to enter into this Agreement. The person or persons signing and executing this Agreement do hereby warrant that he/she/they have been fully authorized to execute this Agreement and to validly and legally bind their respective principals to all the terms, conditions, and provisions set forth herein.

IN WITNESS WHEREOF, the Parties hereto have entered into this Agreement the day and year first written above.

{SIGNATURE PAGES TO FOLLOW}

ATTEST:

COUNTY OF PUEBLO

By: _____
Clerk to the Board of
County Commissioners

By: _____
Chair, Board of County Commissioners

Date: _____

Date: _____

ATTEST:

PUEBLO WEST METROPOLITAN
DISTRICT

By: _____
District Clerk

By: _____
District Manager

Date: _____

Date: _____

[S E A L]

ATTEST:

CITY OF PUEBLO

By: _____
Marisa Stoller, City Clerk

By: _____
Mayor Nicholas A. Gradisar

Date: _____

Date: _____

[S E A L]

PUEBLO URBAN RENEWAL AUTHORITY

By: _____
Jerry Pacheco

Title: _____

Date: _____

THE BOARD OF WATER WORKS OF
PUEBLO, COLORADO

By: _____

Name: _____

Title: _____

Date: _____