

**ECONOMIC INCENTIVE AGREEMENT  
CONCERNING MARY'S MOUNTAIN COOKIES**

This Economic Incentive Agreement Concerning Mary's Mountain Cookies ("Agreement") is made and entered into on this \_\_\_\_ day of \_\_\_\_\_, 2022, by and between the Town of Johnstown, a home rule municipality and political subdivision of the State of Colorado ("Town"), and Grosboll Cookies, LLC, a Colorado limited liability company, d/b/a Mary's Mountain Cookies ("Developer").

**RECITALS**

1. Developer is leasing, or intends to lease, the real property located at 16 South Parish Avenue, Johnstown, CO 80534 ("Property").
2. Developer desires to operate a retail establishment known as "Mary's Mountain Cookies" at the Property (the "Project").
3. To facilitate the development of the Project, Developer has requested that the Town provide certain economic incentives.
4. Colorado municipalities are entitled to encourage new and expanded retail development through inducements and incentives.
5. The Town has determined the Project will serve a public use and promote the health, safety, prosperity, security and general welfare of the citizens of the Town.
6. Based on the foregoing, including the anticipated economic benefits, the additional employment opportunities and the opportunity presented by the location of the Project in the Town, and based on Developer commitments outlined herein, the Town desires to accommodate Developer request and offers to provide economic incentives pursuant to the terms and conditions set forth in this Agreement.
7. The Town finds that this Agreement is in the best interests of the citizens of the Town.

**Agreement**

NOW, THEREFORE, in consideration of the terms, conditions and covenants set forth in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Town and Developer agrees as follows:

1. Recitals. The Recitals are incorporated as if set forth fully herein.
2. Town's Commitments. In furtherance of the development, construction and operation of the Project, based on Developer's commitments set forth herein and conditioned on the Project being located at the Property described herein, the Town agrees as follows:

(a) To share seventy-five hundredths percent (.75%) of three percent (3%) of the sales tax revenue generated and collected from sales transactions at the Project with Developer for a period of two (2) years commencing upon the earlier of the issuance of a certificate of occupancy for the Property or April 1, 2023, and ceasing at the end of the two year term. For the avoidance of doubt, the Town's sales tax rate is three and one-half percent (3.5%), but one-half percent (.5%) is committed to transportation and related projects. Developer shall not be entitled to seventy-five hundredths percent (.75%) of the committed one-half percent (.5%). The sales tax share shall be submitted by the Town to Developer on a quarterly basis; and

(b) Provide a one-time fifty percent (50%) reimbursement on building permit fees paid to the Town for the construction of the Project. When the construction of the Project is complete, Developer may provide a written request to the Town for the reimbursement and, assuming the Town agrees that the construction is complete, the Town shall, within thirty (30) days, provide the reimbursement to the person or entity, as appropriate, who paid the building permit fee.

3. Developer Commitments. In furtherance of the development, construction and operation of the Project, and based on the Town's commitments set forth herein, Developer agrees that:

(a) The Project shall be open to the public for retail business operations at the Property no later than April 1, 2023; and

(b) The Project shall be open to the public for retail business operations for a minimum of thirty-two (32) hours per week and, among other days of the week, on Fridays and Saturdays, not including observed holidays.

4. Term. The term of this Agreement shall begin on the day and year first written above and, unless modified as set forth herein, shall continue until the cessation of the sales tax sharing set forth in Paragraph 2(a) above.

5. Assignment. Developer may not assign its rights or obligations under this Agreement, without receiving the prior written consent of the Town.

6. No Third-Party Beneficiaries. This Agreement, including the incentives provided herein, is not intended and shall not be deemed to confer any rights on any person or entity not named as a party hereto.

7. Notices. All notices, consents or other instruments provided for under this Agreement shall be deemed properly given when: (1) hand-delivered; 2) sent by registered or certified mail, return receipt requested, postage prepaid, to the addresses of the parties herein set forth; or (3) sent by electronic mail return receipt requested and received. Either party, by notice to be given, may change the address to which future notices shall be sent.

TO DEVELOPER:

Grosboll Cookies, LLC  
Attention: Sarah Grosboll  
490 Pioneer Lane  
Johnstown, CO 80534  
Email: mmcookiesjohnstown@gmail.com

TO TOWN:

Town of Johnstown  
Attention: Town Manager  
450 So. Parish  
P. O. Box 609  
Johnstown, CO 80534  
Email: mlecerf@johnstownco.gov

8. Governing Law and Venue. This Agreement and the interpretation thereof shall be governed by the laws of the State of Colorado and the Code. Venue for any claim, proceeding or action arising out of this Agreement shall be in Weld County, Colorado.

9. Dispute Resolution. In the event of default by either party hereunder, the non-defaulting party shall notify the defaulting party in writing of such default(s), specifying the nature and extent thereof. If such default is not cured within thirty (30) days and the non-defaulting party desires to seek recourse, the parties shall participate in mediation, the costs of which shall be shared equally by the parties. If mediation is not successful after ninety (90) days, either party may then commence an action and be entitled to such remedies as are provided by law.

10. No Presumption. Each party acknowledges that it has carefully read and reviewed the terms of this Agreement. Each party acknowledges that the entry into and execution of this Agreement is of its own free and voluntary act and deed, without compulsion. Each party acknowledges that it has obtained, or has had the opportunity to obtain, the advice of legal counsel of its own choosing in connection with the negotiation and execution of this Agreement and with respect to all matters set forth herein. The parties agree that this Agreement reflects the joint drafting efforts of all parties and in the event of any dispute, disagreement or controversy arising from this agreement, the parties shall be considered joint authors and no provision shall be interpreted against any party because of authorship.

11. Entire Agreement and Amendments. This Agreement constitutes the entire agreement and understanding between the parties related to the subject matter hereof and supersedes all prior agreements or understandings. Any amendment to this Agreement must be in writing and signed by the parties.

12. Severability. If any provision or part of this Agreement is judged to be unenforceable or invalid, to the extent practicable, such judgment shall not affect, impair or invalidate the remaining parts of this Agreement, the intention being that the various parts and provisions hereof are severable.

13. Headings. The paragraph headings herein are for the convenience and reference of the parties and are not intended to define or limit the scope or intent of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

TOWN OF JOHNSTOWN, COLORADO

By: \_\_\_\_\_

Gary Lebsack, Mayor

Attest: \_\_\_\_\_

Hannah Hill, Town Clerk

GROSBOLL COOKIES, LLC

By: \_\_\_\_\_

Name: SARAH GROSBOLL

Title: Managing Member

STATE OF COLORADO           )  
  ) ss.  
COUNTY OF WELD            )

The foregoing Agreement was acknowledged before me this 3rd day of November 2022, by Sarah Grosboll as the managing member of Grosboll Cookies, LLC.

Witness my hand and official seal.

My commission expires: 11/20/2024

\_\_\_\_\_  
Notary Public

