



Town of Johnstown

TOWN COUNCIL AGENDA COMMUNICATIONS

AGENDA DATE:	August 29, 2022
SUBJECT:	Amended and Restated Agreement Concerning Purchase and Sale Of Real Property For Ledge Rock Center Commercial
ACTION PROPOSED:	Consider the Amended and Restated Agreement as Presented
ATTACHMENTS:	1. Amended and Restated Agreement Concerning Purchase and Sale Of Real Property For Ledge Rock Center Commercial 2. West Ledge Rock Center Subdivision Filing No. 1
PRESENTED BY:	Matt LeCerf, Town Manager

AGENDA ITEM DESCRIPTION: Enclosed for review and consideration is an Amended and Restated Agreement Concerning Purchase and Sale Of Real Property For Ledge Rock Center Commercial. Ledge Rock Center, LLC (“Developer”) and Ledge Rock Center Commercial Metropolitan District (“District”) have requested that the Town cooperate in the development of Ledge Rock Center Commercial, a commercial retail center to be located at the southeast corner of Interstate 25 and State Highway 60 (“Project”), by conveying approximately 7.835 acres (Tract A and Lots 2-5) land located near the southeast corner of Interstate 25 and State Highway 60 (“Property”) owned by the Town to the Developer for nominal consideration. The Property is a portion of land that was conveyed to the Town by Kerr-McGee Oil & Gas Onshore LP (“Kerr-McGee”) pursuant to the Oil and Gas Operator Agreement and Encroachment License executed between the Town and Kerr-McGee on or about December 16, 2019.

The terms and conditions of the proposed conveyance of the Property are set forth in the attached Amended and Restated Agreement Concerning Purchase and Sale Of Real Property For Ledge Rock Center Commercial

The Agreement contains the following material terms:

- The Town will convey the Property to the District at the time the District’s first issuance of bonds which is expected not later than October 31, 2022 (“Conveyance Date”);
- The Developer will convey the public portions of the Property to the District within four (4) months of the Conveyance Date;
- The Developer is required to complete the public improvements associated with the Property within five (5) years of the Conveyance Date absent written consent of the Town Council for an extension, with a written request for an extension of time not later than 3.5 years from the Conveyance Date;

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- The Developer may encumber the private portions of the Property when the Developer is prepared to commence construction of the vertical improvements upon written consent of the Town Manager;
- The District is not entitled to convey the Property to a third-party without authorization by the Town;
- The Developer may convey the private portions of the Property to third parties on the condition that the purchaser apply for a building permit within 6 months of the purchase and commence construction within 3 months of the issuance of the building permit.
- If the District or the Developer fail to comply with the terms of the Agreement, the defaulting party will be required to pay the Town the fair market value of the property at the time of such failure. The Developer may also lose the right to receive funds from the bond proceeds for the private improvements.

The Town will continue to own the remaining balance of Lot 1 which is attached and shown for illustrative purposes only at this time. This remaining lot consists of approximately 25.385 acres.

Additional terms and conditions related to the Town's participation in the Project as well as the Developer's and the District's rights and obligations related thereto will be further defined in a Second Amended and Restated Development and Reimbursement Agreement for Council's consideration.

Section 19.4 of the Home Rule Charter of the Town of Johnstown provides that the Town may receive bequests, gifts and donations of all kinds of property with the power to manage, sell, lease or otherwise dispose or provide for the disposition of same. Section 11-7 of the Johnstown Municipal Code provides that the Town may sell or dispose of real property and public buildings, used or held for any purpose, by ordinance upon such terms and conditions as Town Council deems to be in the best interests of the Town. This was authorized as part of Ordinance No. 2022-224.

LEGAL ADVICE:

The Town Attorney prepared Amended and Restated Agreement presented this evening.

FINANCIAL ADVICE:

N/A

RECOMMENDED ACTION: Approve the Amended and Restated Agreement Concerning Purchase and Sale Of Real Property For Ledge Rock Center Commercial

SUGGESTED MOTIONS:

For Approval: I move to approve the Amended and Restated Agreement Concerning Purchase and Sale of Real Property For Ledge Rock Center Commercial as presented.

For Denial: I move to deny approval of the Amended and Restated Agreement Concerning Purchase and Sale of Real Property For Ledge Rock Center Commercial as presented.

Reviewed and Approved for Presentation,



Town Manager

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