City of Louisville
COLORADO • SINCE 1878

CITY COUNCIL COMMUNICATION
AGENDA ITEM 7C

SUBJECT: RESOLUTION NO. 2, SERIES 2024 – A RESOLUTION APPROVING A SECOND AMENDMENT TO THE SALES TAX REVENUE SHARING INTERGOVERNMENTAL AGREEMENT WITH THE TOWN OF SUPERIOR REGARDING A TEMPORARY WAIVER OF TAX REVENUES DUE TO THE CITY FOR PURPOSES OF PROVIDING A BUSINESS INCENTIVE

DATE: JANUARY 2, 2024

PRESENTED BY: AUSTIN BROWN, INTERIM ECONOMIC VITALITY MANAGER

SUMMARY:
The City of Louisville and the Town of Superior have a sales tax revenue sharing Intergovernmental Agreement (IGA) for the South Property, an area that previously had been in the City of Louisville. A map of this area is attached for reference along with the IGA *(Attachment #1)*. The IGA provides that the Town of Superior will share with Louisville 50% of the sales tax revenue collected in the revenue sharing area (based on a 2.7% sales tax rate).

Bigsby's Folly Winery & Restaurant intends to purchase Block 4 in Downtown Superior and construct a 7,500 square foot event-based restaurant concept. Bigsby's Folly is a family-owned business that has operated successfully in Denver's River North Art District since 2017. The proposed expansion to Superior includes a total capital investment of $6.7M. It's anticipated that the business will create 45 new jobs with an average pay of $30-$65+ per hour. Additional information on the Bigsby's Folly project is included as *Attachment #2.*

Since Block 4 is within the IGA area, both Louisville and Superior would receive sales tax revenues of 1.35% from the new business. In June 2023, Superior entered into an incentive agreement with Bigsby's Folly, which will provide a rebate of the Town's 1.35% portion of Sales Tax Revenues collected from the Company for the first ten years of operation following the certificate of occupancy, not to exceed $1,000,000.

Superior has requested through the letter included as *Attachment #3* that City Council support new development in the revenue sharing area by providing a rebate of up to 100% of the City's 1.35% sales tax rate, similar to Louisville's existing Business Assistance Program (BAP). Following direction from City Council, the City Attorney has drafted a second amendment to the IGA and a resolution for Council review. These items are included as *Attachment #4* and *Attachment #5*, respectively.

Per Council direction, staff is proposing a 50% rebate of the City's 1.35% sales tax rate. This is consistent with the 50% rebate that the City typically offers through its BAP. A typical BAP agreement would rebate 50% of the City's 3.0% retail sales tax rate for up

to a 10-year period. Under this BAP structure, the City rebates back to the Company 50% of the 3.0% sales tax that the Company remitted to the City the previous year.

The recommendation to waive 50% of the City's 1.35% sales tax rate would result in Louisville receiving 0.675% in sales tax revenue from the Bigsby's project. When combined with Superior's 100% rebate of its 1.35% sales tax rate, Bigsby's Folly would receive a total of 2.025% of the effective 2.7% sales tax rate back (1.35% rebated from Superior and 0.675% waived from Louisville).

Under the proposed amendment, the City would temporarily waive 50% of the 1.35% sales tax revenues that it would normally collect. The temporary waiver would be in effect until the City has waived $500,000 in tax revenues; 10 years from the commencement date; or the total sum of rebates received by the Company (from both Louisville and Superior) reaches $1,000,000, whichever occurs first. The amendment requires that all revenues must be used by Superior to provide rebates to the Company as dictated by its Incentive Agreement.

Additionally, the amendment stipulates that the project must be completed by December 31, 2026. If the project has not been completed by this date, the agreement becomes void. Finally, in the event that the company is required to reimburse Superior for any reason under the terms of its Incentive Agreement, Superior will reimburse to Louisville 25% of any reimbursement that it receives from the company.

FISCAL IMPACT:
The subject parcel is currently vacant and not generating any sales tax revenue. Based on estimates provided by the company, Bigsby's Folly projects $20,333,333.333 in total retail sales over its first 5 years of operation. When accounting for the City's 50% share of the 2.7% sales tax rate, the company would owe approximately $274,500 in taxes to the City over this time period. Under the proposed IGA amendment, Louisville would collect $137,250 in retail sales tax while waiving the remaining $137,250 during this initial 5-year period. The City would continue to waive 50% of its sales tax revenue for another 5 years or until either of the caps included in the amendment has been met. Following the termination of the agreement through any of the means outlined in the amendment, the City would go back to collecting 100% of its 50% share of the 2.7% sales tax rate.

Projected New Sales (Gross Retail)		
Year 1	$	2,481,481.48
Year 2	$	3,333,333.33
Year 3	$	4,074,074.07
Year 4	$	4,962,962.96
Year 5	$	5,481,481.48
Total	**$**	**20,333,333.33**

Total Sales (First 5 Years)	Detail of Taxes	Amount Paid	Rebate %	Rebate Amount
$ 20,333,333.33	City Sales- 1.35%	$ 274,500.00	50%	$ 137,250.00

PROGRAM/SUB-PROGRAM IMPACT:
The recommended Business Assistance Agreement supports the Business Retention & Development sub-program objective to retain a diverse mix of businesses that provide good employment opportunities for Louisville residents and the Economic Prosperity Program Goal to promote a thriving business climate that provides job opportunities, facilitates investment, and produces reliable revenue to support City services.

RECOMMENDATION:
Staff recommends approval of the second amendment to the IGA with the Town of Superior.

ATTACHMENT(S):
1. Resolution Approving a Second Amendment to the Intergovernmental Agreement
2. Second Amendment to Intergovernmental Agreement
3. Intergovernmental Agreement between Louisville and Superior and Map
4. Bigsby's Folly Presentation
5. Letter of Request from Superior

STRATEGIC PLAN IMPACT:

☐	**Financial Stewardship & Asset Management**	☐	**Reliable Core Services**
☒	**Vibrant Economic Climate**	☐	**Quality Programs & Amenities**
☐	**Engaged Community**	☐	**Healthy Workforce**
☐	**Supportive Technology**	☐	**Collaborative Regional Partner**

RESOLUTION NO. 2
SERIES 2024

A RESOLUTION APPROVING A SECOND AMENDMENT TO THE SALES TAX REVENUE SHARING INTERGOVERNMENTAL AGREEMENT WITH THE TOWN OF SUPERIOR REGARDING A TEMPORARY WAIVER OF TAX REVENUES DUE TO THE CITY FOR PURPOSES OF PROVIDING A BUSINESS INCENTIVE

WHEREAS, Louisville and Superior are parties to that certain Intergovernmental Agreement, executed July 21, 1997, and effective upon ratification by the voters of Louisville and Superior at the jurisdictions' respective elections in November 1997, as amended by that certain First Amendment to Intergovernmental Agreement, dated February 15, 2005 (collectively, the "IGA"); and

WHEREAS, under the IGA, Superior agreed, *inter alia*, to share with Louisville fifty percent (50%) of the revenues generated from Superior's existing 2.7% sales tax imposed upon taxable transactions within the South Property (as such term is defined in the IGA); and

WHEREAS, in the summer of 2023, Superior adopted an Enhanced Sales Tax Incentive Program ("ESTIP"), for the purpose of encouraging the establishment and substantial expansion of retail sales tax generating businesses within Superior, with an emphasis on Downtown Superior; and

WHEREAS, following its adoption of the ESTIP, in June 2023, Superior entered into an incentive agreement ("Incentive Agreement") with Bigsby's Folly Winery & Restaurant (the "Company"), which Incentive Agreement will provide a rebate of Superior's portion of enhanced sales tax revenues collected from the Company until the earlier of *(i)* 10 years after issuance of the certificate of occupancy, or *(ii)* the total sum of rebates under the Incentive Agreement reaches $1,000,000 (the "Rebate Period"); and

WHEREAS, the Company plans to purchase the property known as "Block 4" in Downtown Superior (the "Project Location") and construct a 7,500 square foot, event-based restaurant concept (the "Project"), at an estimated cost of $6,700,000; and

WHEREAS, the Company anticipates the Project will be a regional draw, and create 45 new jobs with an average wage of $30–$65 per hour; and

WHEREAS, Superior has requested that Louisville temporarily waive its right to receive up to 100% of the City's portion of enhanced sales tax revenues collected from the Company in connection with the Project during the Rebate Period, so that enhanced sales tax revenues subject to such temporary waiver may be rebated to the Company by Superior pursuant to the terms and conditions of the Incentive Agreement; and

WHEREAS, in response to Superior's request, the City Council finds it appropriate to waive its right to receive only half (50%) of the City's share of enhanced Tax Revenues collected from the Company in connection with the Project during the Rebate Period, such that the City will continue to receive the remaining half (50%) of the City's share during the Rebate Period; and

WHEREAS, the City Council finds that the Project, if successful, may attract other, sales-tax-generating businesses to the South Property, thus increasing the sales tax revenues shared by the City and Superior under the IGA, and, therefore, desires to grant Superior's request, subject to the terms and conditions of the Second Amendment accompanying this resolution; and

WHEREAS, the City Council by this resolution desires to approve the Second Amendment and authorize its execution.

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

1. The Second Amendment to Intergovernmental Agreement (the "Amendment), regarding the City's temporary waiver of its right to receive certain sales tax revenues from Superior to provide a business incentive, is hereby approved in essentially the same form as the copy of such Amendment accompanying this Resolution.

2. The Mayor is authorized to execute the Amendment on behalf of the City, and is hereby further authorized to negotiate and approve such revisions to said Amendment as the Mayor determines are necessary or desirable for the protection of the City, so long as the essential terms and conditions of the Amendment are not altered.

PASSED AND ADOPTED this 2nd day of January, 2024.

____
Christopher M. Leh, Mayor

ATTEST:

____
Meredyth Muth, City Clerk

SECOND AMENDMENT TO INTERGOVERNMENTAL AGREEMENT

This **SECOND AMENDMENT TO INTERGOVERNMENTAL AGREEMENT** (“Second Amendment”) is made and entered into this _____ day of _______, 202__ (“Effective Date”), by and between the **City of Louisville** (“Louisville” or the “City”), and the **Town of Superior** (“Superior”) (each a "Party" and collectively, the “Parties”).

WHEREAS, Louisville and Superior are parties to that certain Intergovernmental Agreement, executed July 21, 1997, and effective upon ratification by the voters of Louisville and Superior at the jurisdictions’ respective elections in November 1997, as amended by that certain First Amendment to Intergovernmental Agreement, dated February 15, 2005 (collectively, the “IGA”); and

WHEREAS, under the IGA, Superior agreed, *inter alia*, to share with Louisville fifty percent (50%) of the revenues generated from Superior's existing 2.7% sales tax (the “Tax Revenues”) imposed upon taxable transactions within the South Property (as such term is defined in the IGA); and

WHEREAS, in the summer of 2023, Superior adopted an Enhanced Sales Tax Incentive Program (“ESTIP”), for the purpose of encouraging the establishment and substantial expansion of retail sales tax generating businesses within Superior, with an emphasis on Downtown Superior; and

WHEREAS, following its adoption of the ESTIP, in June 2023, Superior entered into an incentive agreement (“Incentive Agreement”) with Bigsby’s Folly Winery & Restaurant (the “Company”), which Incentive Agreement will provide a rebate of Superior’s portion of enhanced Tax Revenues collected from the Company until the earlier of *(i)* 10 years after issuance of the certificate of occupancy, or *(ii)* the total sum of rebates under the Incentive Agreement reaches $1,000,000 (the “Rebate Period”); and

WHEREAS, the Company plans to purchase the property known as “Block 4” in Downtown Superior (the “Project Location”) and construct a 7,500 square foot, event-based restaurant concept (the “Project”), at an estimated cost of $6,700,000; and

WHEREAS, the Company anticipates the Project will be a regional draw, and create 45 new jobs with an average wage of $30–$65 per hour; and

WHEREAS, Superior has requested that Louisville temporarily waive its right to receive up to 100% of the City’s share of enhanced Tax Revenues collected from the Company in connection with the Project during the Rebate Period, so that enhanced Tax Revenues subject to such temporary waiver may be rebated to the Company by Superior pursuant to the terms and conditions of the Incentive Agreement; and

WHEREAS, in response to Superior’s request, the City Council finds it appropriate to waive its right to receive only half (50%) of the City’s share of enhanced Tax Revenues collected from the Company in connection with the Project during the Rebate Period, such that the City will continue to receive the remaining half (50%) of the City's share during the Rebate Period; and

WHEREAS, finding that the Project, if successful, may attract other, sales-tax-generating businesses to the South Property, thus increasing the sales tax revenues shared by the Parties under the IGA, the Louisville City Council has agreed to grant Superior's request, subject to the terms and conditions of this Second Amendment.

NOW THEREFORE, in consideration of the foregoing and the mutual promises contained herein and in the Agreement, the Parties agree as follows:

1. <u>Temporary Waiver.</u> Subject to the terms and conditions hereinafter set forth, commencing on the first day of the month following the day the Company begins retail sales to the public from the Project Location ("the Commencement Date"), the City shall temporarily waive its right under the IGA to receive half (50%) of that certain portion of the City's share of Tax Revenues generated from taxable transactions occurring within the Project Location and collected by Superior and falling under the definition of "enhanced sales tax" set forth in the Incentive Agreement, without regard to any amendments following such agreement's effective date (the "Temporary Waiver"), until the occurrence of the *earlier* of the following events: (i) the City has waived $500,000 in Tax Revenues to which the City would otherwise be entitled under the IGA; *(ii)* 10 years has elapsed from the Commencement Date; or *(iii)* the total sum of enhanced Tax Revenues rebated by Superior under the Incentive Agreement reaches $1,000,000. All Tax Revenues subject to the Temporary Waiver must be used by Superior for the sole purpose of providing eligible rebates to the Company under the Incentive Agreement. Superior shall ensure that the Company uses the rebated Tax Revenues subject to the Temporary Waiver solely for the purposes permitted under the Incentive Agreement, the expansion of which permitted purposes shall require the City's prior, express written consent. Following the expiration or termination of the Temporary Waiver, the Parties shall resume their respective rights and obligations under the IGA, such that Superior will pay, and the City will receive, the City's portion of Tax Revenues collected by Superior from taxable transactions occurring within the Project Location as required by the IGA.

2. <u>Inspection of Records</u>. To the greatest extent allowed by law, Louisville and its agents shall have the right to inspect and audit the applicable records of Superior to verify the amount of any payment made to the Company under the Incentive Agreement, whether paid out of Tax Revenues subject to the Temporary Waiver or otherwise, and each Party shall cooperate and take such actions as may be necessary to allow such inspections and audits.

3. <u>Effect of Change in Tax Rate.</u> Any subsequent increase in the general sales tax rate above the rate imposed on the Project Location on the Effective Date shall not

affect the amount of Tax Revenues subject to the Temporary Waiver, which will continue to be based upon the 2.7% sales tax rate applicable to the Project Location on the Effective Date.

4. Entire Agreement. This Second Amendment shall constitute the entire agreement between the City and Superior and supersedes any prior agreements between the Parties and their agents or representatives, all of which are merged into and revoked by this Second Amendment, with respect to its subject matter.

5. Contact Information. Contact information for the Parties is as follows:

   If to Superior:
   Town of Superior
   124 E. Coal Creek Drive
   Superior, CO 80027

   If to Louisville:
   Louisville City Hall
   Attn: Economic Vitality
   749 Main Street
   Louisville, CO 80027

6. Termination. Notwithstanding anything herein to the contrary, this Second Amendment shall terminate and become void and of no force or effect if, by December 31, 2026, the Company has not completed the Project (as evidenced by a successful final inspection and Superior's issuance of certificate of occupancy for the Project) and commenced retail sales to the public at the Project Location.

7. Reimbursement. In the event the Company is required under the Incentive Agreement to reimburse Superior for any reason (*e.g.*, Company's, and/or its successors' or assigns', failure to operate the business for the requisite ten (10) year period), and subject to Section 9 hereof, Superior shall pay to the City 25% of the total funds reimbursed to Superior by the Company. Superior shall use all commercially reasonable remedies available to Superior to enforce any reimbursement rights it may have against Company under the Incentive Agreement, at law, and in equity.

8. Annual Appropriation. Nothing in this Second Amendment shall be deemed or construed as creating a multiple fiscal year obligation on the part of the City or Superior within the meaning of Colorado Constitution Article X, Section 20 or any other constitutional or statutory provision, and the Parties' obligations hereunder are expressly conditional upon annual appropriation by the City Council and Superior Board of Trustees, in their sole discretion.

9. Governing Law; Venue. This Second Amendment shall be governed and construed in accordance with the laws of the State of Colorado. Any action arising out of, in connection with, or relating to this Second Amendment shall be filed in the District Court of Boulder County of the State of Colorado and in no other court or jurisdiction.

10. Legal Challenge; Escrow. In the event of any legal challenge to this Second Amendment or the Incentive Agreement, the City shall have the option to suspend the Temporary Waiver during the pendency of such legal challenge. Superior shall provide the City with written notice of any legal challenge to the Incentive Agreement within 5 days of being served with a complaint. The Parties covenant that neither will initiate any legal challenge to the validity or enforceability of this Second Amendment. Upon suspension of the Temporary Waiver pursuant to this Section, any funds subject to the suspended Temporary Waiver shall be escrowed in a separate Superior account.

11. Assignment. Neither Party may assign any of the obligations, benefits or provisions of this Second Amendment in whole or in any part without the express written authorization of the other Party; provided that, this Section shall not be construed to prevent Superior from making rebates to Company in accordance with the Incentive Agreement and subject to the terms and conditions of this Second Amendment. Any purported assignment, transfer, pledge, or encumbrance made without such prior written authorization shall be void.

12. No Joint Venture. Nothing is this Second Amendment is intended or shall be construed to create a joint venture between the City and Superior, and neither Party shall be liable or responsible for any debt or obligation of the other Party, including without limitation any debt or obligation established under the Incentive Agreement.

IN WITNESS WHEREOF the Parties have executed this Second Amendment as of the Effective Date.

TOWN OF SUPERIOR	**CITY OF LOUISVILLE**
By: ______________________	By: ______________________
Mark Lacis, Mayor	Christopher M. Leh, Mayor
ATTEST:	ATTEST:

Lydia Yecke, Town Clerk

Meredyth Muth, City Clerk

INTERGOVERNMENTAL AGREEMENT

This Agreement is made and entered into, and becomes effective as provided in paragraph 12, between the City of Louisville, Colorado ("Louisville"), and the Town of Superior, Colorado ("Superior"), each a municipal corporation of the State of Colorado.

I. Findings

WHEREAS, The City Council of Louisville and the Board of Trustees of Superior find that:

A. Pursuant to Colorado Constitution Article XIV, Section 18(2)(a) and C.R.S. §29-1-201, _et seq._, Louisville and Superior may cooperate or contract with each other to provide any function, service or facility lawfully authorized to each, and any such contract may provide for the sharing of costs, the imposition of taxes, and the incurring of debt; and

B. Pursuant to C.R.S. §29-20-101, _et seq._, Louisville and Superior are authorized and encouraged to cooperate or contract with each other for the purposes of planning or regulating the development of land; and

C. Louisville and Superior may, pursuant to state law and an intergovernmental agreement, provide for revenue sharing; and

D. Louisville finds that it has the authority to make the promises, enter into the agreements, and perform the functions, set forth herein, and Superior finds that it has the authority to make the promises, enter into the agreements, and perform the functions, set forth herein; and

E. This Agreement resolves, in a mutually satisfactory and cooperative manner, issues which have been of concern between Louisville and Superior for several years; and

F. Because of the proximity of Louisville and Superior, the nature and quality of development within the properties affected by this Agreement will affect each party and their revenues; and

G. Resolution of the long-standing issues between Louisville and Superior would be hindered without the revenue-sharing provisions of this Agreement; and

H. Louisville finds that it, and Superior finds that it, has a commitment to planned and orderly growth; to regulating the location of activities and development which may result in increased demands for its services; to reducing and avoiding, where possible, friction between the two parties; to promoting the economic viability of their respective communities; and to raising revenue sufficient to meet the needs of their citizens; and

I. U.S. 36 provides a logical boundary between Louisville and Superior; and

J. It is in the best interest of each municipality to jointly plan improvements to the Superior/Louisville interchange of U.S. 36 at McCaslin Boulevard (the "Interchange") and its capacity to handle traffic generated by existing and anticipated development within each municipality.

II. Rights and Obligations

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, Louisville and Superior agree as follows:

1. Disconnection of South Property by Louisville. Louisville agrees to disconnect from Louisville, pursuant to the provisions of state law, the property described on Exhibit A, consisting of approximately eighty (80) acres located east of McCaslin Boulevard and south of U.S. 36 (the "South Property"). Louisville shall request that the existing owners of the South Property sign an application, in a form acceptable to both parties, to have the South Property disconnected from Louisville, and Louisville shall proceed to implement the disconnection after approval of this Agreement pursuant to Paragraph 12. If any owner of the South Property fails to properly execute the disconnection application prior to August 16, 1997, either party may decide not to place this Agreement before its voters as provided in Paragraph 12. The South Property has been zoned by Louisville for commercial retail use and Louisville would derive substantial revenue and other benefits if the South Property was developed for commercial retail uses within the boundaries of Louisville. However, the City Council of Louisville finds that disconnection of the South Property is appropriate given the revenue sharing and land use provisions of this Agreement.

2. Disconnection of North Property by Superior. Superior agrees to disconnect from Superior, pursuant to the provisions of state law, the property on the north side of U.S. 36 of approximately five acres which is within the boundaries of the Town of Superior and is described in Exhibit B (the "North Property"). Superior shall request that the existing owner(s) of the North Property sign an application, in a form acceptable to both parties,

to have the North Property disconnected from Superior after approval of this Agreement pursuant to Paragraph 12. If the existing owner(s) fail to take such action, Superior's obligation to disconnect will continue and will apply to any subsequent owners. If any owner of the North Property fails to sign the disconnection application prior to August 16, 1997, either party may decide not to place this Agreement before its voters as provided in Paragraph 12.

3. Annexation of South Property. If the South Property is annexed to Superior, then the following shall apply:

a. Superior shall not allow any residential use on the South Property, except that up to eight acres of the South Property may be developed for residential retirement/senior housing in one or more buildings not exceeding the height limitation applicable to commercial buildings on the South Property.

b. Superior shall not permit development of other than retail uses on thirty-four (34) acres of the South Property.

c. Superior shall share with Louisville, fifty (50) percent of the amount of revenues received by Superior from application of a 2.7 percent sales tax rate to retail sales made by businesses located within the South Property. Such amount shall be paid to Louisville quarterly pursuant to a process to be agreed upon by the Louisville City Administrator and the Superior Town Manager. To the extent allowed by Colorado law, Louisville shall have the right to inspect the applicable records of Superior to verify the amount of any payment made or due; and Superior and Louisville shall cooperate and take such actions as may be necessary to allow such inspection.

d. Upon annexation of the South Property, Superior will have jurisdiction over the South Property. This Agreement shall continue to apply to the South Property after annexation by Superior. To the extent this Agreement conflicts with any future Superior ordinance, resolution, motion, or contract, this Agreement controls.

4. Annexation of North Property by Louisville. After disconnection of the North Property from Superior, Louisville may, but is not required to, annex the North Property, except that Louisville may not proceed to annex the North Property until after the parties determine that the North Property is not necessary for U.S. 36 right-of-way or other improvements related thereto. If the North Property is annexed to Louisville, then the following shall apply:

a. Louisville shall not permit any residential use on the North Property.

b. If Louisville zones the North Property for sales tax generating uses, then Louisville shall share with Superior, fifty (50) percent of the amount of revenues received by Louisville from application of a 2.7 percent sales tax rate to retail sales made by businesses located within the North Property. Such amount shall be paid to Superior quarterly pursuant to a process to be agreed upon by the Louisville City Administrator and the Superior Town Manager. To the extent allowed by Colorado law, Superior shall have the right to inspect the applicable records of Louisville to verify the amount of any payment made or due; and Superior and Louisville shall cooperate and take such actions as may be necessary to allow such inspection.

c. Upon annexation of the North Property, Louisville will have jurisdiction over the North Property. This Agreement shall continue to apply to the North Property after annexation by Louisville. To the extent this Agreement conflicts with any future Louisville ordinance, resolution, motion, or contract, this Agreement shall control.

5. Changes in Sales Tax Rates. An increase in the Louisville or Superior sales tax rates shall not affect the payments to be made pursuant to paragraph 3 or 4 in these Rights and Obligations; those payments will continue to be based upon the sales tax rates described in paragraphs 3 and 4. If Louisville reduces (by means other than pledging or earmarking revenues) its generally applicable 2.7 percent sales tax rate or Superior reduces (by means other than pledging or earmarking revenues) its generally applicable 2.7 percent sales tax rate, the payments to be made to the other party pursuant to paragraph 3 or 4, as applicable, shall be calculated based upon revenues received from fifty percent of the reduced rate.

6. Other Obligations of Superior. Superior acknowledges that certain obligations of Superior existing prior to this Agreement may affect the future sales tax revenue to be retained by Superior. However, Superior warrants that no such pre-existing obligations (whether related to Superior Metropolitan Districts No. 1, 2, or 3, or the Superior Urban Renewal Authority, or any other entity or person), nor any future obligations that Superior may enter into, will reduce or affect in any manner the payments due Louisville pursuant to paragraph 3.c. of these Rights and Obligations.

7. Other Obligations of Louisville. Louisville acknowledges that certain bond obligations of Louisville existing prior to this Agreement may affect the future sales tax revenue to be retained by Louisville. This Agreement is a subordinate obligation for the purposes of these pre-existing bond obligation ordinances. However, Louisville warrants that no such pre-existing obligations,

nor any future obligations that Louisville may enter into, will reduce or affect in any manner the payments due Superior pursuant to paragraph 4.b. of these Rights and Obligations.

8. U.S. 36 as Annexation Boundary. Louisville agrees not to annex property located south or west of U.S. 36, and Superior agrees not to annex property located north or east of U.S. 36.

9. No Impairment. Neither Louisville nor Superior shall impair the rights of the other, without the other's consent, to share in the revenues to be collected and shared as described in this Agreement.

10. Cooperation. Louisville and Superior agree to devote their best efforts, to cooperate as necessary, and to exercise good faith in implementing the provisions of this Agreement.

11. No Third-Party Rights. This Agreement is made solely for the benefit of the parties hereto, and is not intended to nor shall it be deemed to confer rights to any persons or entities not named as parties hereto.

12. Election. The parties agree that both Louisville and Superior will place this Agreement on the municipal ballot for November of 1997 requesting voters of the respective municipalities to ratify this Agreement.

Should the voters in either municipality fail to approve this Agreement, then this agreement shall be null and void and the parties are under no obligation under this Agreement to effectuate the disconnections pursuant to Paragraphs 1 and 2. This Agreement shall become effective upon approval by the voters in both municipalities.

13. Transportation Issues. The parties recognize that it is in the best interest of each municipality to jointly plan to reconstruct the interchange. Louisville and Superior shall cooperate to jointly design, construct, and finance a one time reconstruction of the interchange which may be completed in phases. Such cooperation shall include formation of a Committee consisting of at least two members of the Louisville City Council, two members of the Superior Board of Trustees, and one staff member of each municipality, to recommend the design, construction process, and financing of interchange reconstruction. The parties shall determine the "Louisville portion" and the "Superior portion" of the total costs of the interchange reconstruction after consideration of all sources of revenue available including, but not limited to, federal, state, private, and other local sources. The Louisville portion shall be credited five million dollars as a result of previous interchange improvements. To calculate the respective parties' portions of the cost of the interchange reconstruction, the following formula shall be used: the total

cost of the reconstruction less all other non-party sources of revenue less an initial Superior portion of $5 Million dollars with the remainder split equally between the parties (as an example: assume a $20 Million total cost less $6 Million non-party sources and less an initial Superior portion of $5 Million (representing Louisville's previous payments toward the interchange) with the remainder ($9 Million) split equally between the parties at $4.5 Million each. Under this example, Louisville's portion is $4.5 Million and Superior's portion is $9.5 Million.) Other discussion items for the committee shall include, but not be limited to, McCaslin Boulevard, U.S. 36, and 88th Street. This committee shall be convened consistent with this Agreement for the purpose of discussing the issues as they apply to both entities.

14. Commitment of sales tax revenue. As additional consideration for the sharing of sales tax revenue by Superior, Louisville agrees that the portion of the sales tax paid to it pursuant to Paragraph 3(c) shall be used first towards Louisville's portion of the interchange reconstruction.

15. Non-Compliance. If either party fails to comply with the provisions of this Agreement, the other party, after providing written notification to the noncomplying party and upon the failure of the noncomplying party to achieve compliance within ninety (90) days after said notice, may at its option either terminate this Agreement or maintain an action in a court of competent jurisdiction in Boulder County for specific performance, injunctive, or other relief.

16. Term and Termination. This Agreement shall remain in effect until amended or terminated by agreement of the parties. It is the intent of the parties that this Agreement shall remain in effect for the longest period of time permitted by law because any adverse revenue effects to Louisville resulting from disconnection of the South Property, and any adverse revenue effects to Superior resulting from disconnection of the North Property, shall continue indefinitely after the disconnections.

17. Colorado Laws. This Agreement shall be governed by and construed in accordance with the laws of the State of Colorado.

18. Governmental Authority. Louisville and Superior shall comply with any and all otherwise applicable and valid state, federal or local laws or regulations in relation to this Agreement.

19. Waiver. A waiver of a breach of any of the provisions of this Agreement shall not constitute a continuing waiver or a waiver of any subsequent breach of the same or another provisions of this Agreement.

20. Notices. All notices or other communications hereunder shall be sufficient given and shall be deemed given when personally delivered, or after the lapse of ten business days following mailing by certified mail, postage prepaid, addressed as follows:

To Louisville:

City of Louisville
749 Main Street
Louisville, Colorado 80027
Attn: City Administrator

To Superior:

Town of Superior
124 E. Coal Creek Drive
Superior, CO 80027
Attn: Town Manager

21. Effect of Invalidity. If any portion of paragraph 3.c. or 4.b. of these Rights and Obligations is finally held invalid or unenforceable by a court of competent jurisdiction as to either party or as to both parties, the parties agree to take such action(s) as may be necessary to achieve to the greatest degree possible the intent of the affected paragraph(s). If no such action is possible, the adversely affected party may provide notice to the other party that the adversely affected party has determined to cause the entire agreement to be terminated as of the date of such notice. In such event, upon receipt of such notice, neither party shall be required to perform as provided herein and this agreement shall be terminated. Such termination shall apply prospectively only, and each party shall retain any benefits received pursuant to this Agreement prior to termination. If any portion of any other paragraph of this Agreement is finally held invalid or unenforceable by a court of competent jurisdiction as to either party or as to both parties, such invalidity or unenforceability shall not affect the other paragraphs of this Agreement, except that any similar right or obligation of the other party shall be deemed invalid.

22. Amendments. This Agreement may be amended in writing only by the mutual agreement of the governing bodies of the parties hereto.

23. Reliance by the Parties. Louisville and Superior understand that each is relying upon all of the promises made by the other in this Agreement, and each agrees (i) not to assert to any court or other body the invalidity or unenforceability of any portion of this Agreement unless such challenge is based upon a change in the law occurring after the effective date of this Agreement; (ii) to promptly notify the other party of any legal action which might affect this Agreement; (iii) to allow the other party to participate in such legal action as the other party deems appropriate, consistent with court rules; and (iv) to defend the Agreement in such legal action to the maximum extent consistent

with law and court rules.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed.

CITY OF LOUISVILLE, COLORADO

Tom Davidson

Tom Davidson, Mayor

Approved by the Louisville City Council, July 17, 1997

ATTEST:

Dave Clabots, City Clerk

APPROVED AS TO FORM:

Susan K. Griffiths, Esq.
Griffiths & Tanoue, P.C.
Louisville City Attorney

TOWN OF SUPERIOR, COLORADO

Ted T. Asti

Ted T. Asti, Mayor

Approved by the Superior Board of Trustees, July 21, 1997

ATTEST:

Phyllis L. Hardin

Phyllis L. Hardin, Town Clerk

APPROVED AS TO FORM:

Kathleen E. Haddock

Kathleen E. Haddock, Esq.

Dietze and Davis, P.C.
Superior Town Attorney

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EXHIBIT

A

PARCEL A:

A TRACT OF LAND LOCATED IN THE W1/2 OF THE NW 1/4, SECTION 19, TOWNSHIP 1 SOUTH, RANGE 69 WEST OF THE 6TH P.M., COUNTY OF BOULDER, STATE OF COLORADO, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

Commencing at the W1/4 corner of said Section 19; thence North 01°02'38" West, along the West line of the W1/2 of the NW1/4 of said Section 19, a distance of 1317.08 feet to the Southwest corner of the N1/2 of the NW1/4 of said Section 19, said corner also being the Southwest corner of that tract of land conveyed from Mrs. Martha Minks to John B. Williams, et al., by deed recorded January 16, 1895, in Book 163 at Page 500; thence continuing along the boundaries of said tract conveyed in Book 163 at Page 500 the following courses and distances:
thence North 88°56'37" East, 164.55 feet to the Easterly line of that tract of land described on Film 545 as Reception No. 794230 (McCaslin Boulevard), the TRUE POINT OF BEGINNING,
thence continuing North 88°56'37" East, 231.45 feet to the Southeast corner of said tract;
thence North 00°12'54" West, 330.00 feet to the Northeast corner of said tract;
thence South 88°56'37" West, 169.80 feet to the Easterly line of that tract of land conveyed from Andrew Malczyk to the County of Boulder by deed recorded August 19, 1970 on Film 707 as Reception No. 951934;
thence North 00°10'22" East, along the Easterly line of said tract conveyed as Reception No. 951934 and along the Easterly line of that tract of land conveyed from Rosalinda Ruffenach and Chris C. Rosenbaum to Mrs. Valandin Pankaski by deed recorded June 9, 1908 in Book 327 at Page 435, a distance of 330.72 feet to the South line of Ruffenach and Rosenbaum's Addition to Superior as shown by the recorded plat of said subdivsion;
thence North 88°54'00" East along the South line of said subdivision 830.38 feet to the Westerly line of that tract of land conveyed from Andrew Malczyk to the State Highway Department of the State of Colorado by deeds recorded November 21, 1950 in Book 878 at Page 274 and at Page 275;
thence Southeasterly, along the Westerly line of said tract conveyed in Book 878 at Page 274 and Page 275 and along the arc of a curve to the right 303.21 feet, said curve having a radius of 5630.00 feet and a chord that bears South 53°26'43" East, 303.18 feet to the East line of said W1/2 of NW1/4 of Section 19;
thence South 00°03'04" West along the East line of said W1/2 of the NW1/4 of Section 19, a distance of 1696.38 feet to the most Northerly corner of that tract of land described on Film 1249 as Reception No. 545559;

thence South 72°24'06" West, 351.46 feet along the Northwesterly line of said tract of land described on Film 1249 as Reception No. 545559 to the most Easterly corner of that tract of land described on Film 1249 as Reception No. 545209;
thnece South 74°02'20" West, 579.88 feet to the most Southerly corner of said tract of land described on Film 1249 as Reception No. 545209;
thence North 09°36'00" West, along the Westerly line of said tract of land described on Film 1249 as Reception No. 545209 and along the Westerly line of a tract of land described on Film 1249 as Reception No. 206 to the Northwest corner of said tract of land described on Film 1249 as Reception No. 545206;
thence North 09°20'18" West, 1331.84 feet along the Easterly line of that tract of land described on Film 545 as Reception No. 794230 (McCaslin Boulevard) to the TRUE POINT OF BEGINNING.

PARCEL B:

Those parts of the East one-half of the Northwest one-quarter of Section 19, Township 1 South, Range 69 West of the 6th P.M., County of Boulder, State of Colorado, located South and West of the right-of-way for U.S. Highway 36, excepting for Coal Creek Cemetery, being more particularly described as follows:

That part of the East One-Half of the Northwest One-Quarter of Section 19 lying South of U.S. Highway 36, being more particularly described as follows: Commencing at the North One-Quarter Corner of Section 19, T. 1 S., R. 69 W. of the 6th P.M., as monumented by a found, unmarked aluminum cap from which the Northwest Corner of said Section 19, as monumented by a found 2-inch diameter pipe with aluminum cap marked L.S. 2149, bears South 89°07'56" West; Thence South along the center line of said Section 19 South 00°24'29" West a distance of 2647.50 feet to the Center One-Quarter Corner of said Section 19 as monumented by a pin and cap marked L.S. 12046, the POINT OF BEGINNING;

Thence South 89°20'42" West along the center line of said Section 19 a distance of 1297.62 feet;

Thence North 00°00'41" East along the West line of the East One-Half of the Northwest One-Quarter of said Section 19 a distance of 1797.26 feet to a point on the Southerly right-of-way of U.S. Highway 36 said point lying 2.61 feet Southeasterly of a Colorado Department of Highways right-of-way monument;

Thence departing said West line and along the said Southerly right-of-way line on a curve to the right, having a radius of 5630.00 feet, a chord which bears South 48°13'59" East and an arc length of 703.06 feet to a point of tangency;

Thence continuing along said right-of-way South 44°39'20" East a distance of 1105.37 feet to a point on the north-south center line of said Section 19;

Thence departing said right-of-way and along said north-south center line South 00°24'29" West a distance of 72.73 feet to the Northeast corner of the Coal Creek Cemetery;

Thence departing said center line the following courses around said cemetery:

South 89°56'01" West a distance of 247.50 feet;
Thence South 00°24'29" West a distance of 264.00 feet;
Thence North 89°56'01" East a distance of 247.50 feet to a point lying on the said north-south center line;
Thence South 00°24'29" West a distance of 191.40 feet to the POINT OF BEGINNING.

EXHIBIT

B

A tract or parcel of land No. 29X of the Department of Transportation, State of Colorado, Project No. T 170-1(0) containing 5.089 acres, more or less in the SW 1/4 of Section 18 & the NW 1/4 of Section 19, Township 1 South, Range 69 West, of the Sixth Principal Meridian, in Boulder County, Colorado, said tract or parcel of land being more particularly described as follows:

Beginning at the NW corner of Section 19, T. 1 S., R. 69 W., of the 6th PM: Thence N. 88° 39' 10" E., along the North line of Section 19, a distance of 1300.02 feet along the North line of said Section to the True Point of Beginning:

1. Thence N. 88° 39' 10" E., along the north line of Section 19, a distance of 6.00 feet to the northeasterly right of way line of State Highway 36 (November 1990);

2. Thence S. 0° 11' 30" E., along said right of way line, a distance of 583.76 feet to an angle point in the northeasterly right of way line, said point being marked by a rebar with cap LS #9329;

3. Thence N. 45° 58' 01" W., a distance of 1122.11 feet to the northeasterly right of way line of said State Highway 36;

4. Thence S. 67° 46' 35" E., along said right of way line, a distance of 400.32 feet to a point being marked by a rebar with cap LS #9329;

5. Thence N. 88° 39' 30" E., continuing along said right of way line, a distance of 426.97 feet to a point being marked by a rebar with cap LS #9329;

6. Thence S. 1° 23' 20" E., continuing along said right of way line, a distance of 54.94 feet, more or less, to the True Point of Beginning.

The above described parcel contains 5.089 acres/221,694 square feet, more or less.

Subject to all streets and alleys as platted on Map of Ruffenach and Rosenbaum's addition to Superior. As filed in Plat Book #3 on page 28, in Boulder County.

All bearings are based on a line connecting the NW corner of Section 19, T. 1 S., R. 69 W., 6th PM (Alum. Cap LS #2132) and the N. 1/4 corner of Section 19 (Alum. Cap LS # illegible) as Bearing N. 88°39' 10" E.

FIRST AMENDMENT TO INTERGOVERNMENTAL AGREEMENT

This First Amendment to Intergovernmental Agreement ("Amendment") is made and entered into to be effective the 15th day of February, 2005, between the City of Louisville, Colorado ("Louisville") and the Town of Superior, Colorado ("Superior") (collectively the "Parties") as the first amendment to the Intergovernmental Agreement between the Parties effective upon certification of the election results of the November 1997 election (the "Agreement").

WHEREAS, the Parties entered into the Agreement, *inter alia*, to provide for sharing of sales taxes on the South Property, which Property was disconnected from Louisville and annexed to Superior; and

WHEREAS, the Agreement limits the amount of residential development on the South Property; and

WHEREAS, it is in the interest of both Parties that sales taxes on the South Property be maximized for the benefit of both Parties; and

WHEREAS, Superior is working with a developer that is willing to develop the South Property for a mixed-use development that includes multi-family housing, which housing will provide opportunities for persons to live and work in the area, thus maximizing the use of and revenue generation from non-residential portions of the development; and

WHEREAS, Superior has represented that this mixed-use development on the South Property is not to contain more than 2,000 dwelling units, and the Town will require a minimum of 250,000 square feet of retail, sales-tax generating development; and

WHEREAS, Louisville is not taking a position on the appropriateness or density of residential uses within Superior; and

WHEREAS, the Parties desire to amend the land use standards of the Agreement that are applicable to the South Property, to allow for additional residential development on the South Property, to set a minimum square footage of retail, sales-tax generating uses, and to provide for a phasing plan requiring the concurrent development of residential and retail uses on the South Property; and

WHEREAS, such amended land use standards shall be applicable to the South Property and enforceable as provided in the Agreement and C.R.S. §29-20-105; and

WHEREAS, the Parties desire to amend the Agreement to prevent either party from soliciting existing businesses to relocate from one jurisdiction to the other; and

WHEREAS, the Parties recognize that the South Property has not developed since the IGA was created and that this Amendment will make the South Property more attractive to the existing development market for the benefit of both Parties; and

WHEREAS, the Parties are authorized by law, including but not limited to C.R.S. §29-1-201 et seq. and C.R.S. §29-20-105, to enter into the agreements, and perform the functions, set forth herein.

NOW THEREFORE, in consideration of the foregoing recitals and the mutual covenants and agreements contained herein, the Parties agree as follows:

A. Subparagraphs a and b of Paragraph 3 of the Agreement are amended to read in full as follows:

3. Annexation of South Property. If the South Property is annexed to Superior, then the following shall apply:

   a. No more than eight acres of the South Property may be developed for residential retirement/senior housing in one or more buildings not exceeding the height limitation applicable to commercial buildings on the South Property. The balance of the South Property may be developed as a "mixed use" area to include residential dwelling units, office, retail and other uses, subject to provisions hereof.

   b. There shall be a minimum of 250,000 square feet of retail, sales-tax generating development on the South Property. Superior shall require construction of a minimum of 250,000 square feet of retail, sales-tax generating development on the South Property as part of its approval of the Preliminary PD/Zone District Plan for development on the South Property, and Superior shall not permit or approve any development that does not contain such minimum amount of retail, sales-tax generating square footage (exclusive of the retirement/senior housing permitted under 3.a, above). With its approval of the Preliminary PD/Zone District Plan for development on the South Property, Superior shall fix the total number of permitted residential dwelling units (exclusive of the retirement/senior housing permitted under 3.a, above) to be developed on the South Property. With such approval, Superior shall also require a phasing plan requiring that certificates of occupancy are issued for at least 125,000 square feet of the retail, sales-tax generating development before certificates of occupancy are issued for more than 30 percent of the total number of permitted residential dwelling units or 500 dwelling units, whichever is more, but not to exceed 700 dwelling units (exclusive of the retirement/senior housing permitted under 3.a, above). Additionally, in no event shall certificates of occupancy be issued for 100 percent of the total number of permitted residential dwelling units (exclusive of the retirement/senior housing permitted under 3.a, above) or 2000 dwelling units, whichever is less, prior to issuance of certificates of occupancy for 250,000 square feet of retail, sales-tax generating development.

B. Paragraph 9 of the Agreement is amended to read in full as follows:

9. No Impairment. Neither Louisville nor Superior shall impair the rights of the other, without the other's consent, to share in the revenues to be collected and shared as described in this Agreement. Further, in recognition of Superior's interest in securing a stable sales tax base, Louisville shall not solicit any retail business located and operating in Superior's jurisdiction by incentives in order to encourage physical relocation of such business to Louisville within five years of the date of issuance of the certificate of occupancy for the 125,000th square feet of retail development on the South Property. In recognition of Louisville's interest in securing a stable sales tax base, Superior shall not solicit any retail business located and operating in Louisville's jurisdiction by incentives in order to encourage physical relocation of such business to Superior within five years of the date of issuance of the certificate of occupancy for the 125,000th square feet of retail development on the South Property. For purposes of this paragraph, "incentive" is limited to sales tax increment financing, sales tax reimbursements or waivers of fees charged to similarly situated development by the jurisdiction; and "physical relocation" means closing an existing sales tax generating retail operation in one jurisdiction in order to open the same retail operation in the other jurisdiction.

C. Paragraph 14 of the Agreement is amended to read in full as follows:

14. Sales Tax Revenue. The amount of sales tax revenues from the South Property to be shared with Louisville pursuant to this Agreement, and the amount of sales tax revenues from the North Property to be shared with Superior pursuant to this Agreement, shall not be affected or reduced by any sales tax increment finance plan, and neither party shall implement any sales tax increment finance plan that would have such effect.

D. Except as specifically amended herein, the Agreement shall remain in full force and effect.

Executed to be effective as of the date first set forth above.

SEAL

CITY OF LOUISVILLE COLORADO

ATTEST:

Nancy Varra

Nancy Varra, City Clerk

CITY OF LOUISVILLE

By:______________________

Charles L. Sisk, Mayor

APPROVED AS TO FORM:

By:______________________

Light, Harrington & Dawes, P.C.
City Attorney

TOWN OF SUPERIOR

ATTEST:

Phyllis L. Hardin

Phyllis L. Hardin, Town Clerk

By:______________________

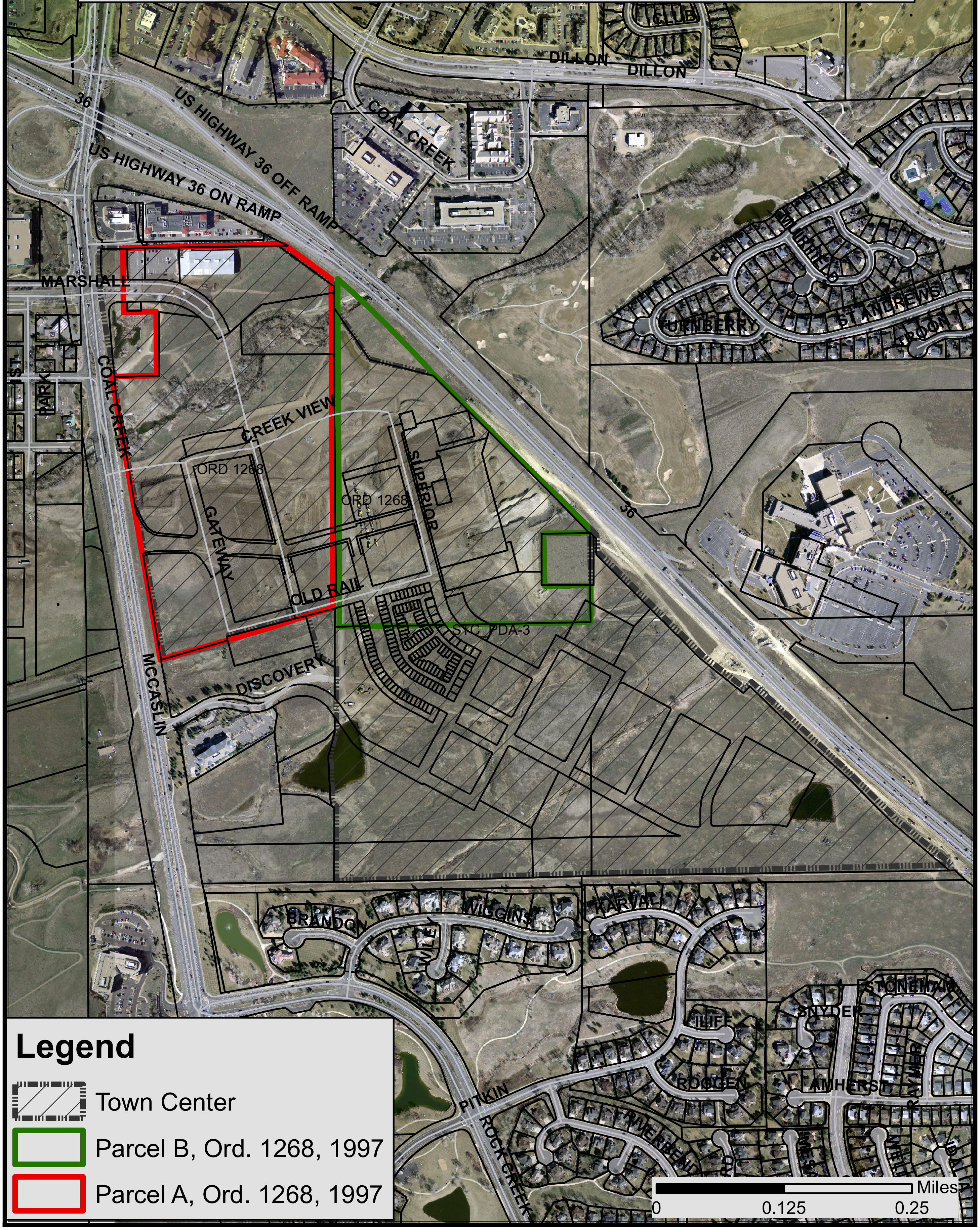
Mark Hamilton, Mayor

APPROVED AS TO FORM:

By: Kathleen E. Haddock

Dietze and Davis, P.C.
Town Attorney

Superior Town Center/Tax Share Overlay



BIGSBY'S FOLLY

Craft Winery and Restaurant

City of Louisville

Town Hall Meeting

December 5, 2023

The Bigsby's Folly Story

- "Do The Same Thing for Wine that Brewpubs did for Beer"
- Create Comfortable, Relaxed Environment to Enjoy Time with Family & Friends
- Commenced Operations in 2017- 7 years of Successful Operation
- Innovative Restaurant, Winery and Event Venue Combination with Full Bar
- Award-Winning Napa Valley Winemaker

A Compelling Community Response

- 4.7 rating on OpenTable & Google
- Rated “Best New Bar” in Westword
- Over 23K Followers on Instagram, 4x more than any other Colorado Winery and most restaurants
- Strong philanthropic commitment, Morris Animal Foundation

- Sustainability is key to our operations
- 700 Local Wine Club Members

Our Vision For The Community

Create a Compelling Landmark & Visible Draw to our Exit from US 36

Construct an Activated Rooftop Terrace to Enjoy the Best Views in Town

Design a Comfortable, Relaxed Environment to Serve as the Local “Gathering Spot”

Build Separate Event Space to Attract from Surrounding Communities & Beyond

August 10, 2023

Jeff Durbin, City Manager
City of Louisville
749 Main Street
Louisville, CO 80027

Mayor Dennis Maloney and City Councilmembers
City of Louisville
749 Main Street
Louisville, CO 80027

Re: Intergovernmental Agreement (IGA) with Town of Superior and Business Incentive for Bigsby's Folly Winery & Restaurant

Dear City Manager Durbin, Mayor Dennis Maloney and City Councilmembers:

Like municipalities in our region and across the state, both Louisville and Superior rely on sales tax revenue to fund the provision of essential services to our residents and business communities. Superior has over recent years considered adopting an incentive program to help amplify retail sales tax generating business presence here and encourage job creation. Recognizing the value of implementing a program to incentivize business growth here through an incentive program similar to other jurisdictions here, the Town Board s adopted an Ordinance this summer to establish the Town's Enhanced Sales Tax Incentive Program (ESTIP).

The Town's sales tax incentive program Ordinance states our intent is to encourage the establishment and substantial expansion of retail sales tax generating businesses within the Town with an emphasis on Downtown Superior.

The Town Board unanimously approved an incentive agreement with Bigsby's Folly Winery & Restaurant in June. The agreement is consistent with our program goals and will provide a rebate of the Town's 1.35% sales tax collected from Bigsby's Folly for ten years, not to exceed $1,000,000. As part of the agreement, the Town is also working with Bigsby's Folly to reduce Town-imposed application, permit, and development fees. The incentive agreement with Bigbsy's Folly meets the ESTI criteria and significantly contributes to meeting Town Board goals – activating Downtown Superior and creating a sense of place, promoting development opportunities and enhancing financial stability.

Estimated five-year sales taxes revenues from the restaurant are summarized below:

	Year 1	Year 2	Year 3	Year 4	Year 5
Sales Tax Estimates	$33,500	$45,000	$55,000	$67,000	$74,000

Bigsby's Folly Winery & Restaurant is a family-owned business interested in expanding to a new location in Downtown Superior. Bigby's Folly has operated successfully since 2017 in Denver's River North Art District. They reported over $3.5M net sales in 2022 and have more than 700 local Wine Club Members. Bigby's Folly intends to purchase Block 4 in Downtown Superior and construct a 7,500 square foot, event-based restaurant concept that will be a regional draw. The total capital investment of this project is estimated to be $6.7M and the business will create 45 new jobs with an average pay of $30-$65+ per hour. For more information about Bigby's Folly, visit https://www.bigsbysfolly.com/.

The Town's Intergovernmental Agreement (IGA) with Louisville, initially approved in 1997 and amended in 2005, encompasses approximately 80 acres of Downtown Superior. With this IGA we agreed to share the sales tax revenue on the South Property of the DTS project area, which during this era was disconnected from Louisville and annexed to Superior. The agreement stated it was in the interest of both parties to maximize the sales tax on the property. The sales tax rate at the time of the IGA was 2.7%. Revenue generated from the 2.7% from the property is to be shared equally with Louisville pursuant to the agreement.

Recognizing the mutual interest both of our jurisdictions have in the success of the DTS project, and Louisville's strong record of supporting and attracting businesses through the Business Assistance Program to offer rebates and incentives similar to the Town's program, the Town is requesting Louisville build on the partnership established with the IGA to support Bigsby's Folly as they establish their operation in Downtown Superior's South Property area. We would ask that Louisville consider rebating the City's portion of the sales tax generated by Bigsby's Folly for ten years in order to reach the target incentive of a not-to-exceed amount of $1,000,000.

By rebating the City's portion of the sales tax (estimated at approximately $275,000 over the first five years), Louisville would be contributing to the success of the DTS project and help bring to our region a premier, new event and dining venue. The event business is a significant element of the business model for Bigsby's Folly and is projected to bring an influx of new visitors to our corridor, many of which will need overnight stays and will shop and dine in both our communities.

The IGA ties the economic development goals of our communities to the success of the DTS project, and this rebate would serve as an important catalyst to reach our mutual objectives. Thank you for your time and attention to these matters. We request to meet with Louisville staff to discuss timing, agreement format and details.

Respectfully,

Town of Superior, Board of Trustees

Mark Lacis, Mayor

DocuSigned by:

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Neal Shah, Mayor Pro-tem

DocuSigned by:

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Jenn Kaaoush, Trustee

DocuSigned by:

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Stephanie Miller, Trustee

DocuSigned by:

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Bob McCool, Trustee

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Jason Serbu, Trustee

DocuSigned by:

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Sandie Hammerly, Trustee

DocuSigned by:

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cc: Matthew G. Magley, Town Manager
Jill Mendoza, Economic Development Manager, Town of Superior
April Kroner, Economic Vitality Manager, City of Louisville