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**YOUR STORAGE CENTER AT CASTLE ROCK
SUBDIVISION IMPROVEMENTS AGREEMENT**

DATE: OCT 30th, 2020.

PARTIES: **TOWN OF CASTLE ROCK**, a Colorado municipal corporation, 100 N. Wilcox Street, Castle Rock, Colorado 80104 ("Town").

JTMS INVESTMENTS, LLC, a Colorado limited liability company, 3740 Dacoro Lane, Suite 200, Castle Rock, Colorado 80109 ("Subdivider").

MORTGAGEE:

RECITALS:

A. Subdivider desires to plat certain property as the Your Storage Center subdivision ("Subdivision"), more particularly described in the attached *Exhibit 1* ("Property").

B. The subdivision regulations of the Castle Rock Municipal Code require that the Subdivider construct the public improvements necessary to provide municipal utilities and services to the Subdivision in accordance with Town regulations. By this Agreement the parties address the conditions for construction of such improvements and certain other issues concerning development of the Subdivision.

C. This Agreement is intended to protect the Town from any liability or cost which may result from the failure of the Subdivider to complete construction of such public improvements to Town standards. This Agreement is not made for the benefit of any other party and Town makes no representation to any owner of a lot or tract within the Subdivision that all necessary Subdivision infrastructure will be completed by the Town in the event of a default by Subdivider.

D. Mortgagee is a party to this Agreement solely for the purpose of subordinating its lien and interest in the Property to the terms and conditions of this Agreement.

COVENANTS:

NOW, THEREFORE, in consideration of these mutual promises, the parties agree and covenant as follows:

Section 1. Definitions. The following words when capitalized in the text shall have the meanings indicated:

Agreement: this Your Storage Center Subdivision Improvements Agreement.

AGR 20/0020

AG 20 0020

V16

Code: the Castle Rock Municipal Code, as amended.

Conveyance Document: document in the form attached as *Exhibit 2*.

Development Agreement: the Your Storage Center at Castle Rock Annexation and Development Agreement dated August 21, 2018, recorded in the Records August 23, 2018 at Reception No. 2018051415.

Development Exactions: the fees and charges imposed by Town under the Town Regulations on development, including the Development Impact and System Development Fees.

Development Impact Fees: the fees currently imposed under Chapter 3.16 of the Code.

Director: the Director of Development Services, or designee.

Improvements: the water, wastewater, storm water drainage, transportation, Landscaping or other systems or infrastructure required to serve the Subdivision as identified and described in the Plans (whether on-site or off-site), which upon their completion are to be dedicated to the Town for operation and maintenance by the Town.

Landscaping: the landscaping required on public areas, streetscapes, or tracts as prescribed in the Site Development Plan, including any landscaping guidelines.

Phasing Plan: the depiction or description in the Plans of the phases and the Improvements to be constructed with each phase, as approved by the Director or designee.

Plans: the description of the Improvements on the construction drawings approved concurrently with the Plat and related documents.

Plat: the final subdivision plat for the Subdivision as approved by the Town.

Property: the property described in the attached *Exhibit 1*.

Records: the public records of Douglas County, Colorado maintained by the Clerk and Recorder.

Site Development Plan: a site development plan for any portion of the Subdivision as approved by the Town.

Subdivision: the Your Storage Center subdivision.

System Development Fees: the fees and charges imposed under Title 13 of the Code as a condition to connection to the Town's water, wastewater, and stormwater drainage systems.

Town Regulations: the Code, inclusive of the Town technical design criteria manuals, as the same may be amended from time to time.

Certain other terms are defined elsewhere in this Agreement. Section references are to the numbered sections of this Agreement.

Section 2. Construction of Improvements. The Improvements shall be constructed in strict accordance with the Plans, or to the extent not otherwise provided in the Plans, in accordance with applicable Town Regulations. The Improvements may be constructed in phases in accordance with the applicable Phasing Plan, if any. If so approved by the Director, a sub-Phasing Plan may be implemented such that Improvements are developed only as necessary to service specific sub-phases.

In the event Subdivider has not obtained all necessary Town permits and approvals and commenced construction of at least one of the Phases within one year of the date of recordation of this Agreement, the Town's authorization under this Agreement shall lapse. As a condition to commencement of construction of any of the Improvements thereafter, Subdivider shall demonstrate to the Town Council good cause for the delay and its good faith intention and financial ability to proceed and complete the Improvements for the Subdivision; provided that Subdivider shall not be required to resubmit a land use application for the Subdivision.

Improvements must be completed not later than one year after the date of issuance of the first construction permit for such Phase, provided that the completion date may be extended by the Director for up to 6 months if justified due to adverse weather, material unavailability, or other unanticipated and unavoidable circumstances beyond the control of Subdivider, as determined by the Director.

Section 3. Restrictions Pending Completion of Improvements. The Property shall not qualify for building permits until the Improvements are substantially completed, except when authorized by the Director, as further provided in this section. Substantial completion occurs when the Improvements are functional and operable in all material respects, although not completed to the standard required for formal acceptance by the Town for operation and maintenance. The Property shall not qualify for certificates of occupancy unless the Improvements have been initially accepted by the Town as provided in section 4.

The Director, in his/her absolute discretion, may authorize issuance of one or more designated building permits prior to substantial completion, if unusual and unanticipated circumstances warrant granting a relaxation of the substantial completion requirement. In such event, the Director may impose the condition that all work must cease under such building permit if the Improvements are not substantially completed by the date specified in the permit. In no event shall the Director authorize the issuance of a building permit unless there is adequate emergency access to the site and the water system is completed sufficiently to provide adequate fire flows for fire protection.

Section 4. Acceptance of Improvements. Upon substantial completion of the Improvements, Subdivider may request inspection. Town shall make inspection within 5 working

days of the date Subdivider requests final inspection, and Town shall notify Subdivider of non-conforming work within 5 working days after the inspection is made. Subdivider shall have 30 days from the date of receipt of Town's inspection report to remedy the non-conforming work unless the remedial work is delayed due to weather conditions, in which event the work shall be completed as soon as reasonably feasible thereafter.

With cure of non-conforming work, receipt of record drawings and initial acceptance of the Improvements by Town, Subdivider shall promptly convey its interest in the Improvements by document in the form attached as *Exhibit 2*. With conveyance of the Improvements and receipt of the warranty surety, the applicable warranty period commences.

Section 5. Improvements Security. In accordance with Town Regulations, Subdivider shall provide Town with a letter of credit, cash escrow deposit or performance bond to secure construction of the Phase Improvements. The amount of the Security shall be dependent on the form of Security provided, calculated in accordance with the Town Regulations ("Security"). The form of the Security is subject to approval by the Town Attorney. The Security shall be irrevocable for a period or term extending 60 days beyond the Completion Date. "Completion Date" shall mean the date the Town gives initial acceptance for the Improvements. Security which has a term expiring on or before 60 days after the Completion Date shall contain a provision that unless renewed or substitute Security is provided, prior to its expiration date, it may be called by the Town for lack of adequate Security. The Security shall be delivered to Town prior to and as a condition of the issuance of the first public works permit. The warranty portion of the Security shall be released as authorized in the Town Regulations.

The purpose of the Security is to provide Town with the financial resources to mitigate any public health and safety hazards and/or re-grade and re-vegetate the Subdivision and/or complete construction or installation of any of the Improvements, should Subdivider default in its obligation to complete the Improvements (the "Remedial Work"). The Town retains the absolute discretion to determine what Remedial Work, if any is undertaken by Town on the Improvements, in the event of such default. Any portion of the Security not utilized in the Remedial Work shall be returned to the obligor on the Security, or in the event a letter of credit or cash escrow is furnished by Subdivider, to Subdivider.

Upon the date of a fully executed Conveyance Document, the Security shall be reduced to 15% of the actual construction cost of the Improvements in accordance with Town Regulations. The warranty portion of the Security shall be released as authorized in the Town Regulations.

Section 6. Landscaping.

(a) Landscaping is required in connection with the Improvements and in connection with the private improvements on the Property as follows:

1. Subdivider shall make commercially reasonable efforts to complete all Landscaping pertaining to the Improvements prior to initial acceptance of the Improvements as prescribed in the Plans; and

2. Subdivider shall make commercially reasonable efforts to complete all applicable landscaping pertaining to private improvements on the Property prior to the issuance of a certificate of occupancy for related private improvements.
 - (b) In the event Subdivider is unable to complete installation of the Landscaping in accordance with subsection (a), above, the following provisions shall apply:
 1. Subdivider shall make a cash deposit to the Town in the amount of 100% of the estimated complete cost of the applicable Landscaping, to be held by the Town as security for completion of the Landscaping ("Landscape Deposit").
 2. The amount of the Landscape Deposit shall be determined by the Town after review of the cost estimate of completion furnished by the Subdivider's landscape architect or contractor;
 3. The Landscape Deposit must be made prior to and as a condition to:
 - a. Initial acceptance of the Improvements under subsection (a)1.; above; or
 - b. Prior to the issuance of a certificate of occupancy for the private improvements under subsection (a)2., above.
 4. The Landscape Deposit shall not accrue interest;
 5. Subdivider shall have 180 days from the date the Landscape Deposit is deposited with Town to complete the applicable Landscaping;
 6. Within 10 days of completion of the Landscaping and acceptance by the Town, Town shall return the Landscape Deposit to Subdivider;
 7. If at the end of the 180-day period the applicable Landscaping has not been completed and accepted by Town, Town may use the Landscape Deposit to the extent necessary to complete the Landscaping, provided Town will not be obligated to spend any Town funds to complete the applicable Landscaping in the event the Landscape Deposit is insufficient to fund completion; and
 8. Town shall return to Subdivider any portion of the Landscape Deposit which remains after the Town has completed the Landscaping within 10 days after completion of such Landscaping.

Section 7. Water Supply. Applying Town's Water Dedication Code to the water demand projected to be created from development, Subdivider is required to dedicate to the Town 3.66 single family equivalents ("SFE") for the Subdivision (the "Required Supply"). The Required Supply has been provided in Article IV of the Development Agreement and has been applied to

address the water demand requirements for the Subdivision (the "Subdivision Water Credit"). Subject to final verification by Town at the time of building permit issuance, it is the understanding of Town and Subdivider that the Subdivision Water Credit will satisfy Town's request and Town's Water Dedication Code for water needed by the Subdivision. Town shall not require additional water rights or water resources as a condition to issuance of land use approvals within the Property, so long as the aggregate water demand from development within the Property computed in accordance with the Town Regulations does not exceed the Subdivision Water Credit.

To the extent that the water demand created by development on the Property computed in accordance with Town Regulations exceeds the Subdivision Water Credit, Subdivider shall provide additional water resources computed in accordance with Town Regulations sufficient to meet the demand in excess of the initial Subdivision Water Credit.

Absent compliance with this section, Town may withhold development approvals on the Property for any proposed use, which, after taking into account all previous development on the Property, that will create an aggregate water demand in excess of the Subdivision Water Credit (as the same may be subsequently augmented in accordance with this section). Should the Subdivision Water Credit not be fully utilized after full development of the Subdivision, the remaining SFE shall revert to the Town pursuant to 4.07 of the Development Agreement.

Section 8. South Wilcox Street Improvements. Pursuant to 6.02 of the Development Agreement, construction of South Wilcox Street improvements including, but not limited to, roadway widening, curb, gutter, sidewalk, streetscape, median, street lighting, and storm water drainage, but excluding curb, gutter, sidewalk and planting area along the west side of South Wilcox Street, shall be included in the Plans and undertaken by Subdivider, at Subdivider's sole expense.

The approved transportation impact study and further analysis by Town has determined that the construction of auxiliary turn lanes, acceleration/deceleration lanes and a restricted access median are not required for the proposed low traffic generation use approved in SDP20-0003 and CD20-0037. Additional phases or different uses will require further analysis to determine the need for auxiliary turn lanes and acceleration/deceleration lanes, and the cost, design, and construction will be the responsibility of Subdivider, as provided in the Development Agreement. Town, in its sole discretion, reserves the right to limit the proposed full movement access to a $\frac{3}{4}$ movement or a right in/right out due to safety concerns with the current use and any future uses.

Cash-in-lieu in the amount of \$90,742.00 shall be paid by Subdivider for the following frontage improvements prior to the issuance of any permit for the Property:

1. Vertical curb and gutter with a 2-foot pan, for the length of the property along South Wilcox Street;
2. One street light, with a 32-foot mounting height;
3. Stormwater improvements necessary to convey drainage collected from South Wilcox Street;

4. Subgrade preparation, aggregate base course, and 8 inches of asphalt for a 15-foot wide lane for the length of the property, such lane consisting of an 11-foot travel lane and a 4-foot bike lane;
5. 10-foot wide sidewalk along the entire property frontage, from the north property line to the south property line.

Section 9. Interchange Participation. Section 6.03 of the Development Agreement acknowledges that development on the Property will impact and benefit from the construction of a new 1-25 interchange at Crystal Valley Parkway/Douglas Lane ("Interchange"). In accordance with the requirements of Section 6.03, Subdivider has provided Town with an updated trip generation letter prepared by a qualified traffic engineer, which letter clearly identifies the proposed site usage and the estimated number of daily trips based on the latest edition of the ITE Trip General manual. Subdivider agrees to pay the following Interchange contribution amount:

$$\frac{12}{\$492.00} \text{ (average number of daily trips)} \times \$41.00 \text{ (current vehicle trip rate)} =$$

Such Interchange contribution will be due and payable as a condition to recordation of the Subdivision Improvement Agreement.

Section 10. Sanitary Sewer Improvements. A septic system shall be permitted to serve the Property, subject to the approval of the Tri-County Health Department, and in compliance with all applicable federal, state, and local laws, until such time that a public sanitary sewer main is installed within 400 feet of the Property. Subdivider shall, within 180 days of the receipt of notice from Town that such main has been installed, abandon the septic system and connect to the public sanitary sewer system, all at Subdivider's sole expense. For the purposes of this Section 10, abandonment shall be completed within 180 days of the aforementioned receipt of notice from Town, and Subdivider's abandonment shall include the following:

1. Removal of the tank(s); or
2. Filling in the tank(s) in one of two ways:
 - a. Fill in entire tank with concrete. Must cap off inlet and outlet pipe penetrations first;
 - b. Cap off inlet and outlet pipe penetrations with concrete, fill in entire tank with sand or pea gravel filling all void space, and then cap off both inlet and outlet access openings with concrete.
3. Crush tank in place. Break up bottom of tank so water does not pond on top. Fill in area with sand or pea gravel. Pack material to ensure settling complete.

4. Backfill the excavation with clean clay material to natural grade and establish a vegetative cover.
5. Disconnect power at the source to all electrical controls and remove all controls and panels.
6. Remove all parts of the drainfield on the ground surface (such as valves, valve boxes and risers), backfill the area to a natural grade and establish a vegetative cover.
7. Coat all surface areas exposed to effluent with hydrated lime and establish a vegetative cover.

Section 11. Water Conservation Regulations. All landscaping of the Property shall conform to the Town's adopted water conservation requirements in effect at the time of the building permit application.

Section 12. Development Exactions. Development Exactions shall be payable in accordance with Town Regulations without setoff or reduction for any other payments or obligations imposed on Subdivider under this Agreement.

Section 13. Application of Development Agreement. The Development Agreement may contain certain other conditions and requirements which apply to the development of the Property. The enumeration in this Agreement of certain of obligations triggered under the phasing plan of the Development Agreement is not inclusive of all such obligations. In the event of a conflict between the Development Agreement and this Agreement, the Development Agreement shall govern and control.

Section 14. Default. The following occurrences constitute a default by the Subdivider:

1. Failure to commence or complete construction of the Improvements within the time periods prescribed in Section 3, above.
2. Failure to cure the defective construction of any Improvements within the applicable cure period.
3. Subdivider has breached, or caused a breach of any other provision of this Agreement.

As a condition to Town's right to exercise its remedies for default, Town shall give written notice to Subdivider of the occurrence of an event of default. Subdivider shall have thirty (30) calendar days from the receipt of such notice to cure the default. If timely cure of the noticed default(s) is not accomplished, Town shall thereafter be entitled to pursue its remedies against Subdivider.

Section 15. Town's Rights Upon Default. When any event of default occurs and has not been timely cured, the Town may:

1. If the applicable Improvements have not been timely completed, call the Security in accordance with its terms, and apply the Security for the Remedial Work. Subdivider grants to Town and, if applicable, the surety, and their employees, agents and contractors, a non-exclusive right and easement to enter onto the Subdivision after an uncured default for the purpose of undertaking the Remedial Work.
2. If Improvements have not been timely completed, withhold issuance of building permits, certificates of occupancy and tap connections for which the Improvements have not been completed or accepted.
3. Record a notice of non-compliance with this Agreement in the Records to provide record notice of Subdivider's default, which notice shall promptly be released by Town upon cure of the default.
4. Bring suit against Subdivider for money damages and/or equitable relief for breach of this Agreement.

Section 16. Indemnification. Subdivider indemnifies and holds Town harmless from and against all claims, costs and liability of every kind and nature, for injury or damage received or sustained by any person or entity in connection with, or on account of construction or repair of the Improvements by Subdivider.

Section 17. No Waiver. No waiver of any provision of this Agreement will be deemed or constitute a waiver of any other provision, nor will it be deemed or constitute a continuing waiver unless expressly provided for by a written amendment to this Agreement signed by both Town and Subdivider, nor will the waiver of any default under this Agreement be deemed a waiver of any subsequent default or defaults of the same type. The Town's failure to exercise any right under this Agreement will not constitute approval of any wrongful act by the Subdivider or the acceptance of any Improvement.

Section 18. Attorney's Fees. Should either party be required to resort to litigation to enforce the terms of this Agreement, the prevailing party, plaintiff or defendant, will be entitled to costs, including reasonable attorney's fees and expert witness fees, from the opposing party. If the court awards relief to both parties, each will bear its own costs in their entirety.

Section 19. Notice. Any notice required or permitted by this Agreement will be deemed effective when personally delivered in writing or by facsimile, or three (3) days after notice is deposited with the U.S. Postal Service, postage prepaid, certified, and return receipt requested and addressed as follows:

If to Town: Town of Castle Rock

Attn: Town Attorney
100 N. Wilcox Street
Castle Rock, CO 80104

If to Subdivider: JTMS Investments, LLC
3740 Dacoro Lane, Suite 200
Castle Rock, CO 80109

Section 20. Recordation. This Agreement shall be recorded with the Clerk and Recorder's Office of Douglas County, Colorado and shall be binding upon the assigns, successors, and grantees of Subdivider in the same manner as if such third parties were signatories to this Agreement.

Section 21. Immunity. Nothing contained in this Agreement constitutes a waiver of the Town's sovereign immunity under any applicable state law.

(remainder of this page intentionally left blank)

Unofficial Copy

MORTGAGEE JOINDER

By execution of this Agreement, Mortgagee subordinates its lien and interest in the Property created by Deed of Trust recorded 3/9/2020, ~~at~~ at Reception No. 2020016837 to the real covenants and restrictions of this Agreement. Mortgagee shall have no affirmative obligation hereunder, nor shall Town have the right to seek performance of this Agreement from Mortgagee except in the event Mortgagee acquires legal title to the Property, in which event Mortgagee shall be bound by the terms, conditions and restrictions of this Agreement.

MORTGAGEE:

Firster Bank

By: Mitch Carter

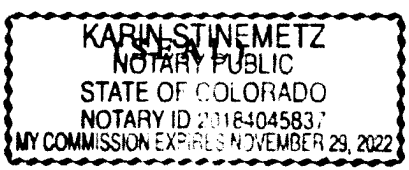
Its: SVP

STATE OF Colorado)

COUNTY OF Douglas) ss.

The foregoing instrument was acknowledged before me this 30th day of October, 2020, by Mitch Carter as SVP for Firster Bank.

Witness my official hand and seal.
My commission expires: Nov 29, 2022



Karin Stinemetz
Notary Public

**EXHIBIT 1
PROPERTY DESCRIPTION**

Lot 1 and Tract A, Your Storage Center at Castle Rock, Town of Castle Rock, County of Douglas, State of Colorado

Unofficial Copy

(Exemplar – Not for Execution)

**EXHIBIT 2
PUBLIC IMPROVEMENTS CONVEYANCE AND INITIAL ACCEPTANCE**

TRANSFEROR:

TRANSFeree: Town of Castle Rock, a municipal corporation ("Town")
100 Wilcox Street
Castle Rock, Colorado 80104

Transferor has caused to be constructed certain public improvements and facilities described in the attached **Exhibit A** (the "Improvements"), as required by Town to serve the Calvary Chapel subdivision. Town will assume the obligation for maintenance and operation of the Improvements, located in rights-of-way, easements or other real property owned by Town, upon the conveyance of the Improvements to Town.

THEREFORE, Transferor grants, conveys and transfers to Town all its interest (real or personal) and title to the Improvements subject to the following:

1. Transferor warrants to Town that Transferor has a good title to the Improvements, free and clear of any lien, claim or right of any third party in or to the Improvements, and Transferor will defend Town's title to the Improvements against the claim of any third party.
2. Transferor warrants that the Improvements are located within the easement, right-of-way or other real property interest designated by the Town for siting of the Improvements. Town acknowledges receipt of as-built drawings of the Improvements dated _____.
3. Transferor warrants that, as constructed, all Improvements are in conformance with the current Town of Castle Rock standards and the approved construction plans, and are free from defects in design, material or workmanship. This warranty is for the period prescribed in Title 15 of the Town's Municipal Code commencing with the date of acceptance made below.
4. Transferor represents that the approximate amount of direct costs of construction of the Improvements (excluding engineering, financing, insurance, etc.), as determined in accordance with usual and customary construction accounting practices is as follows:

Water _____

Wastewater _____

Stormwater	_____
Streets	_____
Parks and recreation	_____
TOTAL	_____

- Transferor concurrently submits to Town the surety attached as **Exhibit B** in the amount of 15% of the above total to secure Transferor's warranty obligation on the Improvements.

TRANSFEROR:

By: _____

Its: _____

ACCORDINGLY, Town accepts for ownership and maintenance of the Improvements effective _____, 20_.

TOWN OF CASTLE ROCK

Engineering Division

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