

## INCENTIVE PAYMENT AGREEMENT

This Incentive Payment Agreement (“Agreement”) is entered into as of November 15, 2016, by and between the Board of County Commissioners of the County of Arapahoe, State of Colorado (the “County”) and Charter Communications Holding Company, LLC (the “Taxpayer”).

WHEREAS, pursuant to the provisions of Sec. 30-11-123, C.R.S., the County has the authority to negotiate for incentive payments or credits with taxpayers who establish new business facilities or who expand existing business facilities; and

WHEREAS, pursuant to this legislation, a county and a taxpayer may negotiate a contract for an incentive payment or a credit from a county to a taxpayer relating to the new or expanded business facilities; and

WHEREAS, the County and the Taxpayer desire to negotiate a contract regarding a new business facility as well as an expanded business facility.

**NOW, THEREFORE, IT IS AGREED** by the County and the Taxpayer as follows:

1. The Taxpayer will establish new business facilities as defined in Section 39-30-105(7)(e), C.R.S. in the City of Greenwood Village, a municipality in Arapahoe County, Colorado. This new business facility is/will be located at **6360 S Fiddler’s Green Circle, Greenwood Village, Colorado 80111**. The purposes and functions of this new business facility include Charter’s regional offices and functions such as product design, portfolio planning and other backoffice functions to help facilitate the regional office, and as further described in Exhibit A.

The Taxpayer will expand its business facilities as defined in Section 39-30-105(7)(c), C.R.S. in the City of Greenwood Village, a municipality in Arapahoe County, Colorado. This expanded business facility is/will be located at **6363 S Fiddler’s Green Circle, Greenwood Village, Colorado 80111**. The purposes and functions of this expanded business facility include network operations, information technology professionals, network engineers, and other backoffice functions, and as further described in Exhibit A.

2. The Taxpayer shall comply with all of the provisions of Sections 39-5-107 and 39-5-108, C.R.S., concerning the filing of personal property schedules associated with the taxable personal property located at or within such new business facility and used in connection with the operation of such new business facility and associated with the taxable personal property located at or within such expanded business facility and used in connection with the operation of such expanded business facility.

3. Prior to any payment from the County, the Taxpayer shall invoice the County by June 15<sup>th</sup>, beginning in the year 2018, for the incentive payment and provide the County with the Taxpayer’s tax statement, appropriate documentation of proof of payment of the County business

personal property tax and a description of the Taxpayer's progress towards fulfillment of the expectations represented by the Taxpayer in Exhibit A.

4. Upon completion of Paragraph 3 above, the County shall make an annual incentive payment, to the Taxpayer, which payment shall equal one-hundred percent (100%) of the amount of taxes levied by the County for the County mill levy upon the taxable personal property directly attributable to such new business located at or within such new business facility and used in connection with the operation of such new business facility and directly attributable to such expanded business located at or within such expanded business facility and used in connection with the operation of such expanded business facility. This incentive payment relates to the tax levied only by the Board of County Commissioners of Arapahoe County for county government and not to any other tax levied by another taxing entity.

5. These incentive payments to the Taxpayer shall be made by the County on or about September 1 of each year for five (5) years, beginning in September, 2018, as set forth in Exhibit B, , provided the Taxpayer has paid, and is therefore not delinquent in the payment of, its property taxes, and the Taxpayer has complied with the provisions of this Agreement.

6. The County shall inform the school district and the municipality, in which the Taxpayer's new business facility and the expanded business facility are located, of this Agreement. The Taxpayer shall be responsible for negotiating separate incentive payment agreements with the affected school district and the affected municipality (if any).

7. The term of this Agreement shall commence as of the date written above for tax year 2017 collected in 2018, and shall expire five (5) years later, after the 2021 tax year with taxes collected in 2022. After written request from the Taxpayer, this Agreement may be extended for additional five (5) year increments, not to exceed a total term of ten (10) years, at the County's sole discretion.

8. Pursuant to Section 29-1-110, C.R.S., financial obligations of the County payable as set forth herein after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted and otherwise made available. This Agreement may be terminated on January 1 as to any fiscal year for which funds are not appropriated. The County shall give the Taxpayer written notice of such nonappropriation.

9. The Taxpayer shall not assign or transfer its interest in this Agreement without the written consent of the County, which consent shall not be unreasonably withheld. Any unauthorized assignment or transfer shall render this Agreement null, void and of no effect as to the County.

10. This Agreement may not be modified, amended or otherwise altered unless mutually agreed upon in writing by the parties hereto.

11. In the event of default of any provision of this Agreement by the Taxpayer, the County will provide 30 days written notice to the Taxpayer to cure said default. If said default is not so cured within the 30-day period, this Agreement may be terminated by the County without

further notice. In the event of termination by the County, no damages, liquidated or otherwise, shall inure to the benefit of the Taxpayer.

12. Unless otherwise agreed in writing, this Agreement and the interpretation thereof shall be governed by the laws of the State of Colorado.

13. Should any provision of this Agreement be determined by a court of competent jurisdiction to be unconstitutional or otherwise null and void, it is the intent of the parties hereto that the remaining provisions of this Agreement shall be of full force and effect.

14. Notices to be provided under this Agreement shall be given in writing either by hand delivery, or deposited in the United States mail, certified mail, return receipt requested, with sufficient postage, to the following persons:

Arapahoe County  
Office of the County Attorney  
5334 South Prince Street  
Littleton, Colorado 80166

Charter Communications  
12405 Powerscourt Drive  
St. Louis, Missouri 63131-3674  
ATTN: State Tax Dept (Vicky Schjenken)

15. This Agreement represents the entire and integrated agreement between the parties and supersedes all prior negotiations and representations whether written or oral. Nothing herein shall be deemed to create any contractual relationship, either express or implied, between the Taxpayer and any other consultant or contractor or material supplier to Arapahoe County. Nothing herein shall be deemed to give anyone not a party to this Agreement any right of action against a party which does not otherwise exist without regard to this Agreement.

ARAPAHOE COUNTY

  
\_\_\_\_\_  
Chair, Board of County Commissioners



TEST: Clerk to the Board

  
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Clerk to the Board

TAXPAYER

  

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By: Alan Jones, Charter Communications, Inc. (Manager)  
Title: GVP Tax

## EXHIBIT A

### INCENTIVE PAYMENT AGREEMENT PROJECT DESCRIPTION AND REPRESENTATIONS

In an effort to further advance the Company's telecommunication operations (i.e., telephone, wireless, optical, and media), Charter is considering the renovation of the Fiddler's Green complex's 179,500 square feet as well as constructing a new 306,500 square foot facility on the premises of Fiddler's Green. The existing Fiddler's Green complex houses network operations professionals, IT professionals, network engineers, and other Charter back office functions while the new Fiddler's Green facility will largely be a new regional headquarter space for Charter.

The project is expected to create up to 797 new jobs at Fiddler's Green over the first four years of operations with an average wage of \$93,374. New jobs would be comprised largely of professionals working within the information technology, network operations and software engineering sectors.

The total capital investment for the Fiddler's Green expansion and new construction is projected to be approximately \$61,850,000. Construction at Fiddler's Green is expected to begin in the third quarter of 2016, and the newly constructed facility is scheduled to be operational in 2018.

EXHIBIT B

INCENTIVE PAYMENT AGREEMENT  
SCHEDULE OF PAYMENTS

<u>TAX YEAR</u>	TAXPAYER <u>INVOICE DATE</u> (No later than)	INCENTIVE <u>PAYMENT DATE</u> (Approximate)
2017	June 15, 2018	September 1, 2018
2018	June 15, 2019	September 1, 2019
2019	June 15, 2020	September 1, 2020
2020	June 15, 2021	September 1, 2021
2021	June 15, 2022	September 1, 2022