

CONTRACT TO EXCHANGE PROPERTY

THIS CONTRACT TO EXCHANGE PROPERTY (“Agreement”) is made and entered into by and between the CITY AND COUNTY OF DENVER, a municipal corporation and home rule city of the State of Colorado (the “City”) and KINGSBURY GROUP, LLC, a Colorado limited liability company (“Kingsbury”), collectively “the Parties”.

RECITALS

WHEREAS, the City and Kingsbury desire to exchange parcels of property in the vicinity of 1201 Perry Street, Denver, Colorado; and

WHEREAS, the Parties desire to enable a better configuration of property available for development and a better location for a City alley; and

WHEREAS, the City desires to convey Parcel 3 to Kingsbury, as more particularly described and depicted on **Exhibit A** attached hereto and incorporated herein by reference; and

WHEREAS, Kingsbury desires to convey Parcels 1 and 2 to the City, as more particularly described and depicted on **Exhibit A** attached hereto and incorporated herein by reference; and

WHEREAS, the City and Kingsbury have completed due diligence each one deems necessary to investigate the property being conveyed to it; and

WHEREAS, the City and Kingsbury desire to enter into this Contract to Exchange Property so that they may trade properties without a cash payment and perform certain other activities as set forth in this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the promises and mutual agreements set forth herein, the benefits of which will inure to each party and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and Kingsbury agree as follows:

Section 1. Transfer of Property from City to Kingsbury. According to the terms and conditions set forth herein, the City agrees to convey, transfer, grant, sell and deliver to Kingsbury, and Kingsbury agrees to purchase, accept and receive from the City, Parcel 3, pursuant to Quit Claim Deed, in substantially the form attached hereto as **Exhibit B** and incorporated herein. Any modifications of the Quit Claim Deed from the form attached hereto as

Exhibit B shall be subject to the approval of the City's Director, Division of Real Estate ("Director").

Section 2. Transfer of Property from Kingsbury to the City. According to the terms and conditions set forth herein, Kingsbury agrees to convey, transfer, grant, sell and deliver to the City, and the City agrees to purchase, accept and receive from Kingsbury, Parcels 1 and 2, pursuant to Quit Claim Deed, in substantially the form attached hereto as **Exhibit C** and incorporated herein. Any modifications of the Quit Claim Deed from the form attached hereto as **Exhibit C** shall be subject to the approval of the Director.

Section 3. Purchase and Sale.

(a) Kingsbury Purchase Price. The total price for the property set forth in Parcels 1 and 2 shall be the conveyance of the property set forth in Parcel 3.

(b) City Purchase Price. The total price for the property set forth in Parcel 3 shall be the conveyance of the property set forth in Parcels 1 and 2.

Section 4. Due Diligence Period. (Note that the parties will be referred to as "Selling Party" and "Acquiring Party" with regard to due diligence and other matters set forth in this Agreement. The Selling Party shall be the City as it relates to Parcel 3, and shall be Kingsbury as it relates to Parcels 1 and 2. The Acquiring Party shall be the City as it relates to Parcels 1 and 2 and Kingsbury as it relates to Parcel 3. The time periods set forth below shall be calculated from the date which is three (3) days after the complete execution of the Agreement (the "Inspection Date"). For a period of fifteen (15) days thereafter (the "Due Diligence Period"), the City and Kingsbury or their respective designees shall have the right to perform, at each party's sole cost and expense, whatever investigations, tests and inspections it desires to conduct upon the properties during normal business hours or as otherwise agreed upon by the parties; *provided, however*, that prior to such inspection, (i) the Acquiring Party shall give the Selling Party at least three (3) days' prior notice thereof; (ii) Selling Party or its representative shall have the right to be present during any such audits, tests or inspections; (iii) each party shall require its contractors and subcontractors to be responsible and pay for any damages or losses that occur to the property inspected and/or are suffered by the Selling Party which arise out of each such contractor's and subcontractor's audits, tests and inspections which are not caused by the negligence or willful misconduct of Selling Party; and (iv) each party shall not permit claims or liens of any kind against each property for work performed on said property

in connection with such audits, tests and inspections. Except as expressly stated in this Agreement, the parties acknowledge and agree that each one's purchase shall be on an "AS IS" "WHERE IS" basis, without representation or warranty, express or implied, with regard to the physical condition thereof, with both parties acknowledging that each has inspected or will inspect the property to be acquired to its satisfaction. The provisions of this Section shall survive Closing or the termination of this Agreement.

Section 5. Environmental Condition.

(a) Environmental Information. Both parties have previously disclosed all environmental information each one has related to the property it will be conveying hereunder. No further disclosures shall be required unless new information comes to the attention of the Selling Party.

(b) City's and Kingsbury's Election. Upon completion of each one's environmental audit, either party, in its sole discretion, may elect to proceed to Closing or elect to not proceed to Closing. If the City or Kingsbury elects not to close based upon environmental information, neither party shall have an obligation to convey property to the other party and this Agreement shall terminate and be of no further force and effect except for those provisions which are expressly stated or intended to survive termination. Written notice of either party's election shall be given to the other party no later than five (5) days after the end of the Due Diligence Period ("Election Period"). If the Selling Party does not receive the notice from the Acquiring Party within the Election Period, the party who doesn't give such notice shall be deemed to have accepted the environmental condition of the property to be acquired. Such notice may be signed by the Director for the City.

Section 6. Inspection. In addition to the environmental audits described above, during the Due Diligence Period, each party or its designees shall have the right to inspect the physical condition of the property to be acquired at its sole expense. Upon completion of the inspection, either party may make the election to proceed with Closing or terminate this Agreement in the manner and within the time period as set forth in Section 4 above. If either party does not timely receive the other party's notice, signed by, with respect to the City, the Director for the City, within the Election Period, the Acquiring Party(s) shall be deemed to have accepted the physical condition of the property to be acquired.

Section 7. Title.

(a) Matters Not Shown by the Public Records. Both parties state there are no matters to be disclosed which are not shown by public records.

(b) Title Review. Kingsbury shall obtain an updated title commitment and all related title documents for Parcels 1, 2 and 3 (“Title Documents”) from Chicago Title of Colorado (the “Title Company”), and shall deliver or cause to be delivered all documents related to Parcels 1 and 2 to the City no later than fifteen (15) days from the Inspection Date so that each party may review such documents. Either party may give written notice to the other party of unmerchantability of title or of unsatisfactory title conditions within ten (10) days from delivery of such documents by or on behalf of Selling Party to the other party. Written notice by the City of unmerchantability of title or any other unsatisfactory title condition shall be signed by the Director for the City. If Kingsbury does not receive the City’s notice within ten (10) days from delivery of such documents by or on behalf of Kingsbury to the City, the City shall be deemed to have accepted the condition of title. If the City does not receive Kingsbury’s notice within ten (10) days from Kingsbury’s obtaining such documents from the title Company, Kingsbury shall be deemed to have accepted the condition of title. If a Selling Party receives timely notice of any unsatisfactory title condition(s) and the Acquiring Party does not agree to waive the same, Selling Party shall have the option to either (a) cure such unsatisfactory condition(s) within thirty (30) days of receiving notice thereof from the other party; or (b) terminate this Agreement, in which case the Title Company shall return all of the funds and documents held, if any, to each party, and, except for those obligations which are stated or intended to survive termination, the parties shall have no further obligations hereunder. If Selling Party elects to cure the unsatisfactory condition(s) and fails to do so within the applicable time period, the Acquiring Party may make the election in the manner set forth in Section 5(c) above.

(c) Title Insurance Policy. Kingsbury shall have a title insurance policy for Parcels 1 and 2 delivered to the City as soon as practical after Closing, in an amount acceptable to the Director. In the event that Kingsbury would like title insurance for Parcel 3, it shall pay for its own title policy in an amount it desires to obtain. Kingsbury shall pay the premium for both title policies. After the Due Diligence Period, the Selling Party shall have the ongoing duty to disclose any new matters not previously disclosed to the Acquiring Party that come to its attention at any time prior to the Closing of the Selling Party’s property. The Acquiring Party

shall have ten (10) days to review and object to any such new disclosure in accordance with the procedures set forth in this Section 4.

(d) Status of Zoning and Other Entitlements. During the Due Diligence Period and thereafter, either party may explore zoning and other development entitlement matters, however, the obligations to convey the property shall not be contingent upon such matters being resolved or approved.

Section 8. Cure Period. In the event a party gives timely notice of any unsatisfactory condition(s) as set forth herein (“Objecting Party”), and the party receiving such notice shall have the option to either (a) cure such unsatisfactory condition(s) within thirty (30) days of receiving notice thereof from the Objecting Party; or (b) terminate this Agreement, in which case the Title Company shall return all things of value to the depositing party, and, except for those obligations which are stated or intended to survive termination, the parties shall have no further obligations hereunder. If a party elects to cure the unsatisfactory condition(s) and fails to do so within the applicable time period, the other party may make the election in the manner set forth in Section 5(c) above.

Section 9. Date of Closing. The date of Closing for both properties shall be no later than ten (10) business days from the Election Period plus any applicable cure period or such other date as may be mutually agreed upon by the parties (“Closing”). The hour and place of the Closing shall be mutually agreed upon by the parties. The date, time and place of Closing may be agreed upon, by the Director for the City.

Section 10. Conditions Precedent to Closing.

(a) Any encumbrances required to be paid on either property shall be paid by the Selling Party of the property at or before closing.

(b) Kingsbury shall pay all closing costs at Closing.

(c) General taxes and assessments for the year of closing and the most recent rents, water, sewer, other utility charges and any other customary items shall be prorated to the date of Closing and shall be paid by the Selling Party at or before closing.

(d) The closing fee charged by the Title Company shall be paid by Kingsbury.

Section 11. Transfer of Title. Subject to (i) tender of the Quit Claim Deeds at Closing as provided herein; and (ii) compliance with the other terms and provisions hereof, with both properties to be conveyed free and clear of all taxes except the general taxes for the year of

closing, if any, and free and clear of all liens and encumbrances, including liens for special improvements installed as of the date of the Inspection Date, except (a) those matters accepted by the City or Kingsbury as provided herein (including without limitation, those matters reflected in the Title Documents and accepted by the Acquiring Party in accordance with Section 7 above); (b) matters not shown by the public records of which the City's Director or Kingsbury has actual knowledge and which were accepted by the other party as provided herein; and (c) inclusion of the property within any special taxing district, if any, and subject to building and zoning regulation.

Section 12. Time is of the Essence/Remedies: It is understood and agreed between the parties that time is of the essence hereof, and all the agreements herein contained shall be binding upon and for the benefit of each party's successors and assigns. If any payment due in accordance with this Agreement is not paid, honored or tendered when due, or if any other obligation hereunder is not performed or waived as herein provided, there shall be the following remedies:

(a) If the City Is in Default. Kingsbury may treat this Agreement as canceled, in which case all payments and things of value received hereunder shall be returned and both parties shall thereafter be released from all obligations hereunder.

(b) If Kingsbury is in Default. The City may elect to treat this Agreement as canceled, in which case all payments and things of value received hereunder shall be returned and both parties shall thereafter be released from all obligations hereunder.

(c) Costs and Expenses. Anything to the contrary herein notwithstanding, in the event of any litigation or arbitration arising out of this Agreement, the court may award to the prevailing party all reasonable costs and expense, including attorneys' fees.

Section 13. Termination. If this Agreement is terminated without a default by either party, all payments and things of value received hereunder shall be returned and the parties shall be relieved of all obligations hereunder.

Section 14. Authority to Execute. The parties represent that the persons who have affixed their signatures hereto have all necessary and sufficient authority to bind the respective parties and that appropriate processes to obtain approval have been accomplished.

Section 15. Cooperation of the Parties. In the event that any third party brings an action against the City or Kingsbury regarding the validity or operation of this Agreement, both

parties will reasonably cooperate, at no additional cost to the other party, in any such litigation. If the other party is named as a party by such third party, it shall bear its own legal costs.

Section 16. Severability. The promises and covenants contained herein are several in nature. Should any one or more of the provisions of this Agreement be judicially adjudged invalid or unenforceable, such judgment shall not affect, impair, or invalidate the remaining provision of this Agreement.

Section 17. No Discrimination in Employment. In connection with the performance of work under this Agreement, Kingsbury agrees not to refuse to hire, discharge, promote or demote, or to discriminate in matters of compensation against any person otherwise qualified, solely because of race, color religion, national origin, gender, age military status, sexual orientation, marital status, or physical or mental disability; and further agrees to insert the foregoing provision in all subcontracts hereunder.

Section 18. When Rights and Remedies Not Waived. In no event shall any performance hereunder constitute or be construed to be a waiver by any party of any breach of covenant or condition or of any default which may then exist. The rendering of any such performance when any such breach of default exists shall in no way impair or prejudice any right of remedy available with respect to such breach of default. Further, no assent, expressed or implied, to any breach of any one or more covenants, provisions, or conditions of the Agreement shall be deemed or taken to be a waiver or any other default or breach.

Section 19. Subject to Local Laws; Venue. Each and every term, provision, and condition herein is subject to the provisions of the laws of the United States, the State of Colorado, the Charter and Ordinances of the City and County of Denver, and regulations enacted pursuant thereto. The Charter and Revised Municipal Code of the City and County of Denver, as the same may be amended from time to time, are hereby expressly incorporated into this Agreement as if fully set out herein by this reference. Venue for any legal action relating to this Agreement shall lie in the District Court in and for the City and County of Denver, Colorado.

Section 20. Notices. All notices provided for herein shall be in writing and shall be personally delivered or mailed by registered or certified United States mail, postage prepaid, return receipt requested, to the parties at the addresses given below or at such other address that may be specified by written notice in accordance with this paragraph:

If to City:

Mayor
City and County of Denver
1437 Bannock Street, Room 350
Denver, Colorado 80202

With copies to:

Denver City Attorney
Denver City Attorney's Office
1437 Bannock Street, Room 353
Denver, Colorado 80202

Director of Real Estate
201 West Colfax Avenue, Dept. 1010
Denver, Colorado 80202

If to Kingsbury:

Kingsbury Group, LLC
c/o: Jennifer L. Kingsbury
P.O. Box 6182
Denver, Colorado 80206

Section 21. Parties' Liabilities. Each party shall be responsible for any and all suits, demands, costs, or action proximately resulting from its own individual acts or omissions.

Section 22. Agreement as Complete Integration; Amendments. This Agreement is intended as the complete integration of all understandings between the parties. No prior or contemporaneous addition, deletion or other amendment hereto shall have any force or effect whatsoever, unless embodied herein in writing. No subsequent notation, renewal, addition, deletion, or other amendment hereto shall have any force or effect unless embodied in a written amendatory or other agreement executed by the parties.

Section 23. Colorado Law. This Agreement is made, shall be deemed to be made, and shall be construed in accordance with laws of the State of Colorado.

Section 24. Paragraph Headings. The paragraph headings are inserted herein only as a matter of convenience and for reference and in no way are intended to be a part of this Agreement or to define, limit or describe the scope or intent of this Agreement or the particular paragraphs hereof to which they refer.

Section 25. Third-Party Beneficiary. It is the intent of the parties that no third party

beneficiary interest is created in this Agreement. The parties are not presently aware of any actions by them or any of their authorized representatives which would form the basis for interpretation construing a different intent, and in any event expressly disclaim any such acts or actions, particularly in view of the integration of this Agreement.

Section 26. Counterparts. This Agreement shall be executed in at least two (2) counterparts, each of which shall be deemed to be an original, but all of which shall together constitute one and the same document.

Section 27. Subject To Council Approval. This Agreement is subject to the approval of the City Council in accordance with the provisions of the City Charter, and this Agreement shall not take effect until its final approval by City Council and until signed by all appropriate City officials, including the Mayor, the Clerk and Recorder, the Manager of Finance and the Auditor.

Section 28. Appropriation by City Council. All obligations of the City under and pursuant to this Agreement are subject to prior appropriations of monies expressly made by the City Council for the purposes of this Agreement and paid into the Treasury of the City.

Section 29. Reasonableness of Consent or Approval. Whenever under this Agreement “reasonableness” is the standard for the granting or denial of the consent or approval of either party hereto, such party shall be entitled to consider public and governmental policy, moral and ethical standards, as well as business and economic considerations.

Section 30. No Personal Liability. No elected official, director, officer, agent or employee of the City shall be charged personally or held contractually liable by or to the other party under any term or provision of this Agreement or because of any breach thereof or because of its or their execution, approval or attempted execution of this Agreement.

Section 31. Conflict of Interest by City Officer or Employee. Kingsbury represents that one of the members of Kingsbury, Steven Nalley (“Nalley”), is employed by the City as a Senior City Planner in the Community Planning and Development Department of the City. Nalley requested an Advisory Opinion from the Denver Board of Ethics regarding Kingsbury’s proposed real estate transactions on the 1200 block of Perry Street in Denver. The Denver Board of Ethics found that the contemplated activities of Nalley did not violate Sections 2-61 and 2-63 of the Denver Code of Ethics as long as the conditions set forth in the Denver Board of Ethics Advisory Opinion dated January 21, 2014, are followed. A copy of which of this Advisory

Opinion is attached hereto as **Exhibit D**.

Section 32. Merger. The parties intend that the terms of this Agreement shall survive closing and shall not be merged into the deeds conveying the properties.

Section 33. Electronic Signatures and Electronic Records. Kingsbury consents to the use of electronic signatures by the City. The Agreement, and any other documents requiring a signature hereunder, may be signed electronically by the City in the manner specified by the City. The Parties agree not to deny the legal effect or enforceability of the Agreement solely because it is in electronic form or because an electronic record was used in its formation. The Parties agree not to object to the admissibility of the Agreement in the form of an electronic record, or a paper copy of an electronic document, or a paper copy of a document bearing an electronic signature, on the ground that it is an electronic record or electronic signature or that it is not in its original form or is not an original.

[Remainder of page intentionally left blank.]

ATTEST:

CITY AND COUNTY OF DENVER

DEBRA JOHNSON, Clerk and
Recorder, Ex-Officio Clerk of the
City and County of Denver

By: _____
Mayor

APPROVED AS TO FORM:
D. SCOTT MARTINEZ, City Attorney
for the City and County of Denver

RECOMMENDED AND APPROVED:

By: _____
Assistant City Attorney

By: 
Director Division of Real Estate

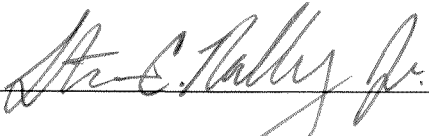
REGISTERED AND COUNTERSIGNED:

By: _____
Manager of Finance
Contract Control No. _____

By: _____
Auditor

"CITY"

KINGSBURY GROUP, LLC, a Colorado
limited liability company

By: 

Name: Steven C. Nalley Jr.

Title: member

Taxpayer Identification No. 46-4723750

LAND TO BE EXCHANGED
PARCELS 1 & 2 TO CCD

PARCEL 1 (Lot 29 Triangle)
A part of Lot 29, Block 5, West Villa Park, located in the Northeast 1/4 of Section 6, Township 3 South, Range 68 West of the 6th P.M., City and County of Denver, State of Colorado for the creation of an alley, described as follows:

Beginning at the Southwest corner of said Lot 29, Block 5, West Villa Park, and assuming the west line of said lot to bear N0°00'00"E and the South line of said Lot 29 to then bear N89°59'00"W as depicted on the Map of Official City Survey of West Villa Park, thence N0°00'00"E along a distance of 29.00 feet to a point on the South line of said Lot 29, thence following said South line of Lot 29 a distance of 21.00 feet to the Point of Beginning, containing 210.00 square feet more or less.

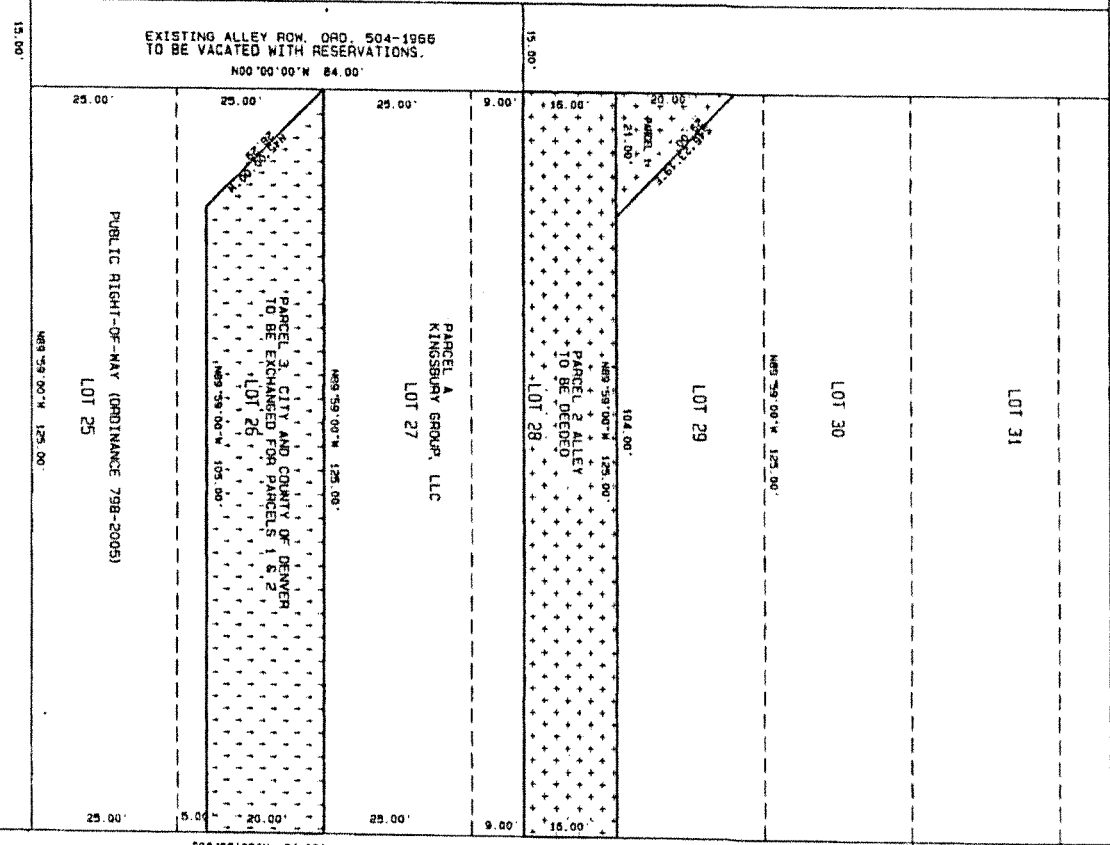
PARCEL 2, (North 15 feet of Lot 28 (Alley))

A portion of Lot 28, Block 5, West Villa Park located in the Northeast 1/4 of Section 6, Township 3 South, Range 68 West of the 6th P.M. to be deeded to the City and County of Denver, State of Colorado for the creation of an alley described as follows:

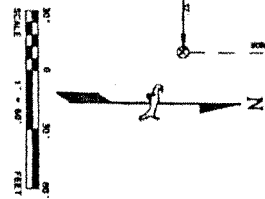
The North 15.00 feet of Lot 28, Block 5, West Villa Park City and County of Denver, State of Colorado, containing 2000.00 square feet more or less

PARCEL 3 (to be exchanged for Parcels 1 & 2) located in the Northeast 1/4 of Section 6, Township 3 South, Range 68 West of the 6th P.M., City and County of Denver, State of Colorado described as follows:

Beginning at the Northwest corner of said Lot 25, Block 5, West Villa Park, and assuming the west line of said lot to bear N0°00'00"E and the South line of said Lot 25 to then bear N89°59'00"W as depicted on the Map of Official City Survey of West Villa Park, thence N0°00'00"E along the North line of said Lot 25 a distance of 125.00 feet to the Northeast corner of said Lot 25, thence following the West line of Perry Street 500'00'00"E a distance of 20.00 feet, thence N89°59'00"W a distance of 105.00 feet, thence N45°00'00"W a distance of 28.29 feet to the Point of Beginning, containing 2300.00 square feet more or less.



PERRY ST. 60' PUBLIC R.O.W.



PREPARED BY: CONTRACT SURVEYORS, LTD.
2133 S. BELLALPHE ST. #14
DENVER, CO. 80222
303-756-3695
DATE: 07/14/2014

RTD LIGHT RAIL STATION

N89°57'42"W 401.50'

EXHIBIT D



Denver Board Of Ethics

Webb Municipal Building
201 West Colfax, 2nd Floor - (2.H-13)
Department 703 (for U.S. Mail)
Denver, CO 80202-5330
p: 720.865.8412
f: 720.865.8419
Email: michael.henry@denvergov.org
www.denvergov.org/ethics

January 21, 2014

Mr. Steven Nalley
Community Planning and Development Department
201 West Colfax Avenue, Department 205
Denver, CO 80202

Re: Case 14-2 – your request for an advisory opinion

Dear Mr. Nalley:

On January 15, 2014, after discussing the issues with you, the Denver Board of Ethics considered the request for an advisory opinion that you filed on January 14, 2014.

The facts as the Board understands them are as follows. You are a Senior City Planner in the Community Planning and Development Department (CPD) in the Planning Services Division. In that capacity you work on neighborhood planning in certain neighborhoods and also as a rezoning case manager for certain specific rezoning requests.

You recently observed a real estate listing for a single-family home on a 50 by 125- foot lot in the West Colfax neighborhood at 1209 Perry Street and placed an offer on the property, which was accepted on January 14, 2014. You hope to form and manage a limited liability company, hire a demolition company to demolish the house, acquire some adjacent city-owned land through a land-exchange process, vacate some city right-of-way and dedicate a portion of the parcel as right-of-way to the city, apply for rezoning of a small portion of the assembled property to the same zone district as the surrounding neighborhood (G- MU-3) and sell the assembled and ready-to-develop parcel to someone else to develop, presumably at a profit to you. You do not intend to develop the property yourself or live in the residence that will be built. You were not responsible for recent neighborhood planning efforts in the West Colfax neighborhood. You indicated that everything about this proposal is public information and that you have not and will not use any insider confidential information.

You say that you have conferred with the Director and the Deputy Director of CPD and they are supportive, but have encouraged you to obtain an advisory opinion from the Board of Ethics about the proposed outside business activity.

You have advised the Board of Ethics that:

- You will recuse yourself from any review or recommendations within CPD of the demolition, right-of-way vacation and dedication, land exchange, rezoning or any other issues with this

Staff Director
L. Michael Henry

Board Members
Edgar L. Neel – Chair
Brian J. Spano – Vice Chair
Roy V. Wood
Andrew S. Armatas
Sylvia Smith

- property and make sure that any request for a rezoning should be assigned to a different team in CPD to review the request;
- You anticipate working on the project from 2 to 5 hours per week. Any work on the project will be done on your personal time or, if you need to do something with a city office during work time, you will take vacation time.
 - You will not use any city resources on the project.

Outside business activity is regulated by section 2-63 of the Code of Ethics:

Sec. 2-63. Contemporaneous or outside employment.

The purpose of this section is to avoid possible conflicts of interest and time conflicts between city jobs and outside employment or business activity.

(a) All officers other than elective officers and all employees shall report existing or proposed outside employment (excluding unpaid volunteer activity) or other outside business activity annually in writing to their appointing authorities and obtain his or her appointing authority's approval thereof prior to accepting initial employment or outside business activity. All officials shall immediately report any change in employment status to their appointing authorities which could give rise to a conflict of interest.

(b) If the appointing authority or the officer, official or employee believes that there is a potential conflict of interest between the person's public responsibility and his or her possible outside employment or outside business activity, he, she or they are encouraged to consult the board of ethics.

(c) An officer or employee who has received the written permission of the appointing authority may engage in outside employment or other outside business activity.

(d) Copies of documents arising from this section shall be placed in each officer's or employee's departmental personnel file.

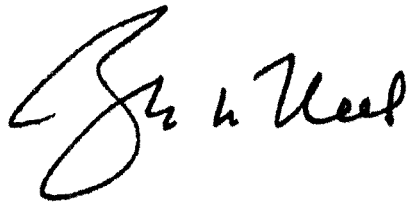
(e) City resources may not be used for any outside employment or outside business activity.

In addition, Section 2-61 (conflict of interest) prohibits a city employee from taking direct official action (the definition of which includes "issuing, enforcing or regulating permits") if he or she has a substantial interest in a matter or if the outside business activity "is incompatible with his or her duties or that adversely affect the interests of the city."

The Board of Ethics believes that the circumstances of this case could present an appearance of impropriety. However, the Board determined that, so long as you obtain advance written approval from your appointing authority (to be renewed annually) and strictly comply with all of your representations in the bullet-points above, you will not violate Section 2-63 or section 2-61 of the Code of Ethics through this outside business activity and the appearance of impropriety will be mitigated. The Board requests, however, that if you wish to be involved in the development of any other real estate in the City and County of Denver, you should return to the Board for additional advice regarding the parameters and propriety of the business venture.

The Board thanks you for submitting this request for an advisory opinion and for attending the Board's meeting on January 15, 2014.

For the Board of Ethics:

A handwritten signature in black ink, appearing to read "Edgar L. Neel". The signature is written in a cursive style with a large initial "E" and "N".

Edgar L. Neel
Chair