



**LETTER OF CREDIT DEVELOPER IMPROVEMENT AGREEMENT**

**Instructions:** This page should be given to your lender/bank and returned with your letter of credit.

Project Name: \_\_\_\_\_

Project Number: \_\_\_\_\_

Permit Number: \_\_\_\_\_

Planner: \_\_\_\_\_

Letter of Credit Number: \_\_\_\_\_

Issuing Bank: \_\_\_\_\_



IRREVOCABLE LETTER OF CREDIT FORMAT

Legal Description: Lot \_\_\_\_\_, Block \_\_\_\_\_  
Subdivision: \_\_\_\_\_  
Address: \_\_\_\_\_  
Developer: \_\_\_\_\_  
Project Number: \_\_\_\_\_  
Permit Number: \_\_\_\_\_  
Improvement Completion Date: \_\_\_\_\_  
Letter of Credit Expiration Date: \_\_\_\_\_

**DEVELOPER IMPROVEMENT AGREEMENT**

THIS AGREEMENT, made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_,  
by and among \_\_\_\_\_ (the "Developer"), and the Town of  
Vail (the "Town") and \_\_\_\_\_ (the "Bank").

WHEREAS, the Developer, as a condition of approval of the Temporary Certificate of  
Occupancy for \_\_\_\_\_  
\_\_\_\_\_  
(address and legal description) wishes to enter into a Developer Improvement Agreement; and

WHEREAS, the Developer is obligated to provide security or collateral sufficient in the  
judgement of the Town to make reasonable provisions for completion of certain improvements set  
forth in the attached estimated bid(s) in accordance with the approved plans and specifications  
filed in the office of the Community Development Department of the Town of Vail; and

WHEREAS, the Developer wishes to provide security to guarantee performance of this  
Agreement, including completion of all improvements referred to in this Agreement,

NOW THEREFORE, in consideration of the following mutual covenants and agreements,  
the Developer and the Town agree as follows:

1. The Developer agrees, at its sole cost and expense, to furnish all equipment and  
materials necessary to perform and complete all improvements referred to in this Agreement. The  
Developer agrees to complete all improvements referred to in this Agreement on or before the  
\_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_. The Developer shall complete, in a good  
workmanlike manner, all improvements referred to in this Agreement, in accordance with all  
approved plans and specifications filed in the office of the Community Development Department  
of the Town of Vail, and to do all work incidental thereto according to and in compliance with the  
following:

- a. All said work shall be done under the inspection of, and to the satisfaction  
of, the Town Planner, the Town Engineer, the Town Building Official, or  
other official from the Town of Vail, as affected by special districts or  
service districts, as their respective interest may appear, and shall not be  
deemed complete until approved and accepted as completed by the  
Community Development Department and Public Works Department of the  
Town of Vail.

2. To secure and guarantee performance of the obligations as set forth herein, the Developer agrees to provide security as follows:

Irrevocable letter of credit # \_\_\_\_\_ in the amount of \$ \_\_\_\_\_ (125% of the total costs of the attached estimated bid(s) with \_\_\_\_\_ set to expire on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ (not to expire less than 30 days after the date set forth in Paragraph 1 of this Agreement) as the security for the—completion of all improvements referred to in this Agreement, in the event there is a default under this Agreement by the Developer.

3. The Developer may at any time substitute the security originally set forth above for another form of security or collateral acceptable to the Town to guarantee the faithful completion of those improvements referred to in this Agreement and the performance of the terms of this Agreement. Such acceptance by the Town of alternative security or collateral shall be at the Town's sole discretion.

4. The Town shall not, nor shall any officer or employee thereof, be liable or responsible for any accident, loss or damage happening or occurring to the work specified in this Agreement prior to the completion and acceptance of the same, nor shall the Town, nor any officer or employee thereof, be liable for any persons or property injured by reason of the nature of said work, but all of said liabilities shall and are hereby assumed by the Developer.

The Developer hereby agrees to indemnify and hold harmless the Town, and any of its officers, agents and employees against any losses, claims, damages, or liabilities to which the Town or any of its officers, agents or employees may become subject to, insofar as any such losses, claims, damages or liabilities (or actions in respect thereof) that arise out of or are based upon any performance by the Developer hereunder; and the Developer shall reimburse the Town for any and all legal or other expenses reasonably incurred by the Town in connection with investigating or defending any such loss, claim, damage, liability or action. This indemnity provision shall be in addition to any other liability which the Developer may have.

5. It is mutually agreed that the Developer may apply for and the Town may authorize a partial release of the security provided to the Town for each category of improvement at such time as such improvements are constructed in compliance with all plans and specifications as referenced hereunder and accepted by the Town. Under no condition shall the dollar amount of the security provided to the Town be reduced below the dollar amount necessary to complete all uncompleted improvements referred to in this Agreement.

6. If the Town determines, at its sole discretion, that any of the improvements referred to in this Agreement are not constructed in compliance with the approved plans and specifications filed in the office of the Community Development Department of the Town of Vail or not accepted by the Town as complete on or before the date set forth in Paragraph 1 of this Agreement, the Town may, but shall not be required to, draw upon the security referred to in this Agreement and complete the uncompleted improvements referred to in this Agreement. Pursuant to Section 12-11-8, Vail Town Code, the Temporary Certificate of Occupancy referred to in this Agreement may be revoked until all improvements referred to herein are completed by the Developer or the Town in accordance with this Agreement.

If the costs of completing the uncompleted improvements referred to in this Agreement exceed the dollar amount of the security provided to the Town, the excess, together with interest at twelve percent (12%) per annum, shall be a lien against the property and may be collected by civil suit or may be certified to the treasurer of Eagle County to be collected in the same manner as delinquent ad valorem taxes levied against such property. If the Developer fails or refuses to complete the improvements referred to in this Agreement, such failure or refusal shall be considered a violation of Title 12 (Zoning Regulations), of the Vail Town Code, and the Developer shall be subject to penalties pursuant to Section 12-3-9 (Violations: Penalties) and Chapter 1-4 (General Penalty), Vail Town Code.

7. The Developer shall warranty the work and materials of all improvements referred to in this Agreement located on Town property or within a Town right-of-way, pursuant to Chapter 8-3, of the Vail Town Code, for a period of two years after the Town's acceptance of said improvements.

8. The parties hereto mutually agree that this Agreement may be amended from time to time, provided that such amendments be in writing and executed by all parties hereto.

Dated the day and year first above written.

\_\_\_\_\_  
Developer

STATE OF )  
 ) ss.  
COUNTY OF )

The foregoing Developer Improvement Agreement was acknowledged before me this  
\_\_\_\_ Day of \_\_\_\_\_, 20\_\_ by \_\_\_\_\_.

Witness my hand and official seal.

My commission expires \_\_\_\_\_

\_\_\_\_\_  
Notary Public

\_\_\_\_\_  
Town Planner

STATE OF COLORADO )  
 )ss.  
COUNTY OF EAGLE )

The foregoing Developer Improvement Agreement was acknowledged before me this  
\_\_\_\_ Day of \_\_\_\_\_, 20\_\_ by \_\_\_\_\_.

Witness my hand and official seal.

My commission expires: \_\_\_\_\_

\_\_\_\_\_  
Notary Public

**ATTACHED COPIES OF THE ESTIMATED BID(S)**