

DENVER BOARD OF WATER COMMISSIONERS

Meeting Date: October 14, 2009

Board Item: V-A-25

**FIRST AMENDMENT TO AGREEMENT FOR THE  
SALE EXTENSION ON A PORTION OF THE HIGH LINE CANAL  
TO PAINTED PRAIRIE, LLC  
AGREEMENT 08527A**

Action by Consent

Action

Information

The High Line Canal is no longer an operational facility north of First Creek since Denver Water purchased the last water contract in 1991. Since the delivery of water was discontinued, structures were removed and portions of the canal were backfilled. Portions of the canal in the north area have been sold to various entities to accommodate the changing land uses in the area. In 2005, Denver Water entered into a contractual agreement to sale 21.17 acres to Painted Prairie, LLC. This developer plans to incorporate the High Line Canal as a recreational feature in its development.

Under the terms of the original agreement, Painted Prairie, LLC was to acquire the property in a series of four successive closings over a 48-month period. To date, three of the four take downs were successfully closed with the final closing scheduled on February 16, 2010. Due to the current economic downturn, Painted Prairie has requested an extension of time on the fourth and final closing to October 31, 2013. The final segment of the High Line Canal, located in Section 11, consists of 8.09 acres and is priced at \$607,000.00, or \$75,000.00 per acre.

For the extension of time, Denver Water shall receive a fee of \$5,000.00. Additionally, the \$50,000.00 earnest money currently held in escrow shall be released to Denver Water, with the \$50,000.00 earnest money plus accrued interest credited to the purchase price at closing. If closing does not occur by October 31, 2013, Painted Prairie, LLC shall forfeit the \$50,000.00 earnest money and accrued interest.

**RECOMMENDATION**

It is recommended that the Board authorize the First Amendment to Agreement 08527A to extend the final closing date of the High Line Canal under the amended terms and conditions.

Approvals:

  
Robert J. Mahoney  
Director of Engineering

  
\_\_\_\_\_  
Manager Approval

  
\_\_\_\_\_  
Patti Wells  
General Counsel