



Urban Renewal Authority Board Agenda

July 24, 2025 at 5:00 PM

Jeni Arndt, Chair
Kristin Stephens, Vice Chair
Susan Gutowsky
Julie Pignataro
Tricia Canonico
Melanie Potyondy
Kelly Ohlson
Emily Francis
Kristen Draper
Dan Sapienza
Matt Schild

Council Information Center (CIC)
in City Hall, 300 Laporte Ave, Fort
Collins, CO

Cablecast on FCTV
Channel 14 on Connexion
Channel 14 and 881 on Comcast

Caitlin Quander
URA Attorney

Josh Birks
Acting Executive Director

Amani Chamberlin
Secretary

URBAN RENEWAL AUTHORITY BOARD MEETING 5:00 PM

A) CALL MEETING TO ORDER

B) ROLL CALL

C) AGENDA REVIEW

Executive Director's Review of Agenda.

D) PUBLIC PARTICIPATION

E) PUBLIC PARTICIPATION FOLLOW-UP

F) ADOPTION OF CONSENT CALENDAR

G) COMMISSIONER REPORTS

H) DISCUSSION ITEMS

The method of debate for discussion items is as follows:

- Chair introduces the item number and subject; asks if formal presentation will be made by staff
- Staff and/or Applicant presentation (optional)
- Chair requests public comment on the item (three minute limit for each person)
- Board questions of staff on the item
- Board motion on the item
- Board discussion

- Final Board comments
- Board vote on the item

Note: Time limits for individual agenda items may be revised, at the discretion of the Chair, to ensure all have an opportunity to speak. **If attending in person, please sign in at the table in the back of the room.** The timer will buzz when there are 30 seconds left and the light will turn yellow. It will buzz again at the end of the speaker's time.

1. Consideration for Approval of the Minutes of May 22, 2025, and June 26, 2025, Regular Meetings.

The purpose of this item is to consider the approval of minutes of May 22, 2025, and June 26, 2025, Regular Meetings.

2. Consideration of Resolution No. 150 Approving a Redevelopment Agreement Between the Fort Collins Urban Renewal Authority and 302 Conifer, LLLP.

The purpose of this item is to consider approving a grant not to exceed \$100,000 from the Urban Renewal Authority to a deed-restricted middle-income housing development proposed to be constructed at 302 Conifer Street in the North College Urban Renewal Plan Area. The grant will be paid as a reimbursement of property taxes over a period of three years.

The Urban Renewal Authority ("Authority") Board are asked to consider the approval of a Redevelopment Agreement ("Agreement", Exhibit A), by resolution, intended to memorialize the terms and conditions of the grant.

I) OTHER BUSINESS

J) ADJOURNMENT

Upon request, the City of Fort Collins will provide language access services for individuals who have limited English proficiency, or auxiliary aids and services for individuals with disabilities, to access City services, programs and activities. Contact 970.221.6515 (V/TDD: Dial 711 for Relay Colorado) for assistance. Please provide 48 hours advance notice when possible.

A petición, la Ciudad de Fort Collins proporcionará servicios de acceso a idiomas para personas que no dominan el idioma inglés, o ayudas y servicios auxiliares para personas con discapacidad, para que puedan acceder a los servicios, programas y actividades de la Ciudad. Para asistencia, llame al 970.221.6515 (V/TDD: Marque 711 para Relay Colorado). Por favor proporcione 48 horas de aviso previo cuando sea posible.

July 24, 2025

AGENDA ITEM SUMMARY

Urban Renewal Authority



STAFF

Amani Chamberlin, Assistant City Clerk

SUBJECT

Consideration for Approval of the Minutes of May 22, 2025, and June 26, 2025, Regular Meetings.

EXECUTIVE SUMMARY

The purpose of this item is to consider the approval of minutes of May 22, 2025, and June 26, 2025, Regular Meetings.

STAFF RECOMMENDATION

Staff recommends approval of the minutes.

ATTACHMENTS

1. Draft Minutes, May 22, 2025
2. Draft Minutes, June 26, 2025

May 22, 2025

URBAN RENEWAL AUTHORITY BOARD**Regular Meeting – 4:30 PM****A) CALL MEETING TO ORDER**

Chair Jeni Arndt called the regular meeting to order at 4:32 p.m. in the C I C room at 300 Laporte Avenue, Fort Collins, Colorado, with hybrid participation available via the City's Zoom platform.

B) ROLL CALL**PRESENT**

Chair Jeni Arndt
Vice Chair Kristin Stephens
Commissioner Julie Pignataro
Commissioner Matt Schild
Commissioner Emily Francis
Commissioner Dan Sapienza
Commissioner Tricia Canonico
Commissioner Melanie Potyondy
Commissioner Kelly Ohlson
Commissioner Susan Gutowsky

ABSENT

Commissioner Kristin Draper

STAFF

Acting Executive Director Josh Birks
Redevelopment Manager Andy Smith
Secretary Amani Chamberlin

C) EXECUTIVE DIRECTORS' AGENDA REVIEW

Acting Executive Director Josh Birks provided an overview of the agenda, including:

- No changes to the published agenda.
- Three Discussion Items.
- Potential Executive Session.
- Strategic Planning Workshop under Other Business with no further action items.

D) PUBLIC PARTICIPATION

Ron Lautzenheiser commented on the North Fort Collins Business Association's efforts to reengage with the City and URA. He discussed the Citizen's Advisory Group that is appointed by the Association and advises the URA. Additionally, he stated the Association is pleased with the URA's planned purchase of the former Albertson's building and commented on the Association's work to start Coats and Boots and Project Smile.

Jan Stallins thanked the URA for moving forward to address the problems with blight in the North College corridor by purchasing properties.

Jared Stallins commended the North Fort Collins Business Association and the URA' address blight by purchasing properties in the North College corridor. Additionally, he commented on witnessing Austin, Texas redevelop and revitalize parts of town.

Section H, Item 1.

David Garner, 1505 North College, stated his family has owned that property for 80 years commented on witnessing human trafficking and drug deals at the property. He expressed support for the URA's purchase of North College properties to help remediate blight.

E) PUBLIC PARTICIPATION FOLLOW-UP

Commissioner Potyondy thanked the speakers, specifically Ms. Stallins for frequently emailing solution-oriented articles.

Vice Chair Stephens thanked the speakers and stated it is valuable to know the URA's work is positive.

F) ADOPTION OF CONSENT CALENDAR

None.

G) COMMISSIONER REPORTS

None.

H) DISCUSSION ITEMS

The method of debate for discussion items is as follows:

- Chair introduces the item number and subject; asks if formal presentation will be made by staff
- Staff and/or Applicant presentation (optional)
- Chair requests public comment on the item (three minute limit for each person)
- Board questions of staff on the item
- Board motion on the item
- Board discussion
- Final Board comments
- Board vote on the item

Note: Time limits for individual agenda items may be revised, at the discretion of the Chair, to ensure all have an opportunity to speak. **If attending in person, please sign in at the table in the back of the room.** The timer will buzz when there are 30 seconds left and the light will turn yellow. It will buzz again at the end of the speaker's time.

1. Consideration and Approval of the Minutes of the April 24, 2025 Meeting.

The purpose of this item is to approve the minutes of the April 24, 2025 meeting.

Vice Chair Stephens moved, seconded by Commissioner Sapienza, to approve the minutes of the April 24, 2025 meeting. The motion was adopted unanimously.

2. Consideration of a motion to go into executive session to discuss the potential purchase or acquisition of real property interests, including eminent domain, to receive legal advice on specific legal questions, and to determine positions relative to matters that may be subject to negotiations related to property in the North College Urban Renewal Plan area.

Vice Chair Stephens moved, seconded by Commissioner Potyondy, that the Fort Collins Urban Renewal Authority go into executive session pursuant to: C.R.S. § 24-6-402(4)(a), (b) and (e) for the purpose of discussing with the Authority's attorneys and appropriate

management staff the following items, all related to property in the North College Urban Renewal Plan Area: - Potential Purchase or Acquisition of Real Property Interests, including Eminent Domain, - Specific Legal Advice on Specific Legal Questions, and - Determine Positions Relative to Matters that may be Subject to Negotiations, Develop Strategy for Negotiations and Instruct Negotiators. The motion was adopted unanimously.

Section H, Item 1.

(**Secretary's Note: Commissioner Gutowsky left the meeting after the Executive Session.)

3. Resolution No. 148 Authorizing Negotiations for the Acquisition of Property and the Use of Eminent Domain for 1220 North College Avenue.

The purpose of this item is to authorize URA Staff to use eminent domain to acquire the property located at 1220 North College Avenue.

STAFF PRESENTATION

Andy Smith, Redevelopment Manager, stated this item relates to the property acquisition of 1220 North College Avenue, the El Palomino Motel. He provided a summary of the North College Urban Renewal Plan which authorizes the URA to purchase any property for an Urban Renewal project in order to remedy blight, and noted a recent report confirms the property at 1220 North College still has blight conditions. He also noted the Plan allows the URA to use any legal means available, including the exercise of eminent domain.

Smith discussed the property noting it is a 6-building, 36-room motel on 1.74 acres which has been subject to the City's Public Nuisance Ordinance Program. He noted there have been 404 calls for service received by Fort Collins Police Services and 60 calls received by Poudre Fire Authority to the property over the past 12 months.

Smith stated URA staff began attempts to contact the property owner to discuss the potential for a willing sale of the property in October of 2024 and a letter of intent to purchase the property was extended to the property owner in April at a price just above the appraised value. However, Smith noted there is now a significant difference in the opinions of value.

Caitlin Quander, legal counsel, provided the statutory citation that provides for the URA to have the power to exercise eminent domain to include and acquire any property by purchase, lease, or option. She stated the goal would be to continue to attempt to acquire the property by utilizing a typical purchase process; however, should the property owner not be willing to negotiate, the URA may initiate steps to notify the property owner that the property may be acquired without the owner's consent utilizing the condemnation power of the Authority. She stated staff's recommendation is that we are now at that point.

Quander noted that the initiation of steps to allow or authorize condemnation does not authorize the condemnation itself and stated eminent domain is used as a last resort. She also noted that if eminent domain is used, the URA would be required to pay the property owner fair market value for the property, which is determined through a court process.

Quander provided additional information on the eminent domain process and outlined the steps that would be undertaken by staff and legal counsel should the Board adopt the resolution, including continuing to negotiate a potential purchase price.

PUBLIC COMMENT

None.

Commissioner Ohlson moved, seconded by Commissioner Potyondy, to adopt Resolution No. 148 Authorizing Negotiations for the Acquisition of Property and the Use of Eminent Domain for 1220 North College Avenue. The motion was adopted unanimously.

I) OTHER BUSINESS

4. Strategic Planning Workshop

The purpose of this item is to provide the Board with an opportunity to a) discuss ongoing and potential blight remediation and prevention programs, particularly in the North College Urban Renewal Plan area, and, b) provide general and specific guidance to staff and legal counsel regarding priorities, initiatives, and workplans.

(**Secretary's Note: This portion of the meeting was not recorded.)

J) ADJOURNMENT

There being no further business before the board, the meeting was adjourned at 5:10 p.m.

Chair

ATTEST:

Secretary

Upon request, the City of Fort Collins will provide language access services for individuals who have limited English proficiency, or auxiliary aids and services for individuals with disabilities, to access City services, programs and activities. Contact 970.221.6515 (V/TDD: Dial 711 for Relay Colorado) for assistance. Please provide 48 hours advance notice when possible.

A petición, la Ciudad de Fort Collins proporcionará servicios de acceso a idiomas para personas que no dominan el idioma inglés, o ayudas y servicios auxiliares para personas con discapacidad, para que puedan acceder a los servicios, programas y actividades de la Ciudad. Para asistencia, llame al 970.221.6515 (V/TDD: Marque 711 para Relay Colorado). Por favor proporcione 48 horas de aviso previo cuando sea posible.

June 26, 2025

URBAN RENEWAL AUTHORITY BOARD**Regular Meeting – 4:30 PM****A) CALL MEETING TO ORDER**

Chair Jeni Arndt called the regular meeting to order at 4:30 p.m. in the C I C room at 300 Laporte Avenue, Fort Collins, Colorado, with hybrid participation available via the City's Zoom platform.

B) ROLL CALL**PRESENT**

Chair Jeni Arndt
Vice Chair Kristin Stephens
Commissioner Julie Pignataro
Commissioner Emily Francis
Commissioner Tricia Canonico
Commissioner Kelly Ohlson

ABSENT

Commissioner Susan Gutowsky
Commissioner Melanie Potyondy
Commissioner Kristin Draper
Commissioner Dan Sapienza
Commissioner Matt Schild

STAFF

Acting Executive Director Josh Birks
Redevelopment Manager Andy Smith
Secretary Amani Chamberlin

C) EXECUTIVE DIRECTORS' AGENDA REVIEW

Acting Executive Director Josh Birks provided an overview of the agenda, including:

- No changes to the published agenda.
- Two Discussion Items.
- Potential Executive Session after which the Board will adjourn and go into a Work Session.

Acting Executive Director Birks noted the URA bylaws allow him, as the Acting Executive Director, to designate a Secretary for the Board. He stated City Clerk Delynn Coldiron, or her designee, is the Acting URA Secretary.

D) PUBLIC PARTICIPATION

None.

E) PUBLIC PARTICIPATION FOLLOW-UP

None.

F) ADOPTION OF CONSENT CALENDAR

None.

G) COMMISSIONER REPORTS

None.

H) DISCUSSION ITEMS

The method of debate for discussion items is as follows:

- Chair introduces the item number and subject; asks if formal presentation will be made by staff
- Staff and/or Applicant presentation (optional)
- Chair requests public comment on the item (three minute limit for each person)
- Board questions of staff on the item
- Board motion on the item
- Board discussion
- Final Board comments
- Board vote on the item

Note: Time limits for individual agenda items may be revised, at the discretion of the Chair, to ensure all have an opportunity to speak. **If attending in person, please sign in at the table in the back of the room.** The timer will buzz when there are 30 seconds left and the light will turn yellow. It will buzz again at the end of the speaker's time.

1. **Consideration of a resolution to authorize the Acting Executive Director and URA Attorney to negotiate and execute an assortment of loan documents related to the development of a middle-income housing project proposed to be constructed at 302 Conifer Street.**

The purpose of this item is to authorize the Acting Executive Director and URA Attorney to negotiate and execute an assortment of loan documents related to the development of a middle income housing project proposed to be constructed at 302 Conifer Street. At the March 27, 2025 URA Board meeting, the Board approved a "term sheet" describing the general terms and conditions of a loan from the URA North College Plan Area fund to the developers of a proposed deed-restricted 76-unit multi-family community to be constructed at 302 Conifer Street. At the April 24, 2025, URA Board meeting, the Board approved a loan administration agreement with Impact Development Fund (IDF) to underwrite and administer the proposed loan described in the term sheet. Draft loan agreement documents are currently being negotiated between the two senior lenders, the primary construction lender, the borrower, and URA staff, with final versions expected to be ready for execution shortly before the scheduled closing in mid-August. The Acting Executive Director and URA Attorney will return to the Board for approval if material changes to the term sheet are proposed or requested.

STAFF PRESENTATION

Andy Smith, Redevelopment Manager, outlined the item and noted the proposed loan for the development at 302 Conifer Street is in the amount of \$3.22 million. Additionally, a TIF grant not to exceed \$100,000 will be considered by separate instrument at the July Board meeting. He discussed the objectives that created the rationale for the loan support and detailed components of the loan. He also noted staff would return to the Board for approval if material changes to the term sheet are proposed or requested.

PUBLIC COMMENT

None.

COMMISSION QUESTIONS/DISCUSSION

Vice Chair Stephens noted this has been reviewed by the Board and Finance Committee and supported moving the project forward.

Commissioner Francis asked if the project has been through the City's Development Review process. Smith replied the project is in its third round of review.

Commissioner Francis asked if the project is at risk of losing the Prop 123 funds if the City does not complete the review process within 90 days. Acting Executive Director Birks replied that has not been mentioned as a concern. Sue Beck-Ferkiss, Social Sustainability, replied the 90-day timeframe does not apply until 2026.

Vice Chair Stephens moved, seconded by Commissioner Canonico, to adopt Resolution No. 149 Approving the Terms of and Authorizing the Acting Executive Director to Enter Into a Loan for the Development of a Middle-Income Housing Project at 302 Conifer Street.

Commissioner Ohlson noted the fault of delays in the Development Review process does not always lie with the City organization, though improvements can always be made.

The motion was adopted unanimously.

2. **Consideration of a motion to go into executive session to discuss the potential purchase or acquisition of real property interests, including eminent domain, to receive legal advice on specific legal questions, and to determine positions relative to matters that may be subject to negotiations related to property in the North College Urban Renewal Plan area.**

Vice Chair Stephens moved, seconded by Commissioner Francis, that the Fort Collins Urban Renewal Authority go into executive session pursuant to: C.R.S. § 24-6-402(4)(a), (b) and (e) for the purpose of discussing with the Authority's attorneys and appropriate management staff the following items, all related to property in the North College Urban Renewal Plan Area: - Potential Purchase or Acquisition of Real Property Interests, including eminent domain, - Specific Legal Advice on Specific Legal Questions, and - Determine Positions Relative to Matters that may be Subject to Negotiations, Develop Strategy for Negotiations and Instruct Negotiators. The motion was adopted unanimously.

I) OTHER BUSINESS

None.

J) ADJOURNMENT

Section H, Item 1.

There being no further business before the board, the meeting was adjourned at 5:15 p.m.

Chair

ATTEST:

Secretary

Upon request, the City of Fort Collins will provide language access services for individuals who have limited English proficiency, or auxiliary aids and services for individuals with disabilities, to access City services, programs and activities. Contact 970.221.6515 (V/TDD: Dial 711 for Relay Colorado) for assistance. Please provide 48 hours advance notice when possible.

A petición, la Ciudad de Fort Collins proporcionará servicios de acceso a idiomas para personas que no dominan el idioma inglés, o ayudas y servicios auxiliares para personas con discapacidad, para que puedan acceder a los servicios, programas y actividades de la Ciudad. Para asistencia, llame al 970.221.6515 (V/TDD: Marque 711 para Relay Colorado). Por favor proporcione 48 horas de aviso previo cuando sea posible.

July 24, 2025

AGENDA ITEM SUMMARY

Urban Renewal Authority



STAFF

Andy Smith, Redevelopment Manager

SUBJECT

Consideration of Resolution No. 150 Approving a Redevelopment Agreement Between the Fort Collins Urban Renewal Authority and 302 Conifer, LLLP.

EXECUTIVE SUMMARY

The purpose of this item is to consider approving a grant not to exceed \$100,000 from the Urban Renewal Authority to a deed-restricted middle-income housing development proposed to be constructed at 302 Conifer Street in the North College Urban Renewal Plan Area. The grant will be paid as a reimbursement of property taxes over a period of three years.

The Urban Renewal Authority ("Authority") Board are asked to consider the approval of a Redevelopment Agreement ("Agreement", Exhibit A), by resolution, intended to memorialize the terms and conditions of the grant.

STAFF RECOMMENDATION

The grant of \$100,000 is essential to offsetting property tax costs associated with units renting above eighty percent (80%) area median income (AMI). All units below this AMI will be offset by the developer's partnership with Housing Catalyst. Offsetting property tax costs helps to make the deed restrictions feasible. Therefore, staff recommends approval of the resolution and Agreement.

BACKGROUND / DISCUSSION

Background

A 76-unit deed-restricted multi-family community for low-moderate and middle-income residents is proposed to be constructed at 302 Conifer Street ("Project"). The Project site is within the North College Urban Renewal Plan Area boundaries. The Project was awarded Prop 123 equity funding, and has attracted additional investments, however a financial gap remains. Authority staff have worked with potential financial partners to develop a novel arrangement that may fill the gap and enable the Project to proceed if approved by the Authority Board.

All dwelling units will be income-restricted, with 59 units (77% of the total) restricted to household incomes at 80% or less of Area Median Income ("AMI"). Housing Catalyst will become a Special Limited Partner in the project, and as such, provide property tax abatement to the 59 units restricted to households with incomes at or less than 80% AMI. The remaining 17 dwelling units will be subject to property taxation.

Construction is expected to begin later this year and be completed by the fall of 2026.

Proposed Grant Summary

While Project cash-flow is projected to grow over time, it may be relatively lean in the first few years of operation and stabilization. To support the Project, a grant from the Authority is proposed, specifically to reimburse property taxes paid on the 17 deed-restricted dwelling units occupied by households earning 81-100% AMI. The grant would not exceed actual property taxes paid by the Project and would not exceed \$100,000. During the ten (10) year period following the date that a Certificate of Occupancy is obtained from the City of Fort Collins, the Project owner may apply for reimbursement up to three (3) times on an annual basis for reimbursement of the property taxes paid in the previous year. It is estimated that the annual property taxes during the first ten years will be \$30,000-\$35,000/year. The proposed structure provides meaningful flexibility to the Project allowing it to receive financial support when needed most and does not adversely affect the URA since the total grant amount is based on a not to exceed amount.

Notable Terms and Conditions

Proposed terms and conditions to be memorialized in the Redevelopment and Reimbursement Agreement include, but are not limited to the following:

1. The project must receive a Certificate of Occupancy ("C.O.") from the City of Fort Collins no later than Dec 31, 2030.
2. The total grant amount shall not exceed \$100,000.00.
3. The Project owner may apply for reimbursement of property taxes paid in each of any three (3) years during a ten (10) year period that expires ten (10) years after the date of the C.O.
4. The grant may not be used to reimburse any expenses other than the paid property taxes.
5. Reimbursement must be applied for within nine (9) months following the full and final payment of the annual property taxes for which reimbursement is requested.
6. The C.O. and all affordability covenants must be in "good standing" at the time of application for reimbursements.
7. When the first application for reimbursement is submitted, a copy of the C.O., the City of Fort Collins Development Agreement, and a letter of "good standing" from Colorado Housing and Finance Authority ("CHFA") must be attached.

Prior URA Board Considerations

December 12, 2024 – URA Finance: General introduction to the Project and discussion regarding strategy for URA support.

February 13, 2025 - URA Finance: Discussion of proposed deal terms including a \$100,000 grant and \$3.2 million loan.

March 27, 2025 – URA Board: Consideration and approval of a loan term sheet to support the Project. Agenda title, staff report, and staff presentation mentioned and discussed \$3.22 million loan **and** \$100,000 grant; however, the approved motion did not specifically include the grant.

April 24, 2025 – URA Board: Consideration and approval of a loan administration agreement with Impact Development Fund

June 26, 2025 – URA Board: Consideration and approval of a resolution authorizing Acting Executive Director and URA Attorney to negotiate and execute loan documents in compliance with the approved term sheet.

BOARD / COMMISSION / COMMITTEE RECOMMENDATION

None.

AUTHORITY FINANCIAL IMPACTS

A written commitment by the URA will be executed to set aside \$100,000 in a specially designated account to remain open beyond, and therefore not subject to, the expiration of the North College Urban Renewal Plan Area Tax Increment Finance (“TIF”) revenue collection period in December of 2029. Any unspent funds at the end of the ten (10) year potential grant period will be remitted proportionally to the taxing entities of record at the time of the expiration of the TIF collection period.

PUBLIC OUTREACH

None.

ATTACHMENTS

1. Presentation
2. Resolution No. 150
3. Exhibit A: Redevelopment Agreement

July 24, 2025

302 Conifer Middle Income Housing: Redevelopment Agreement



- Consider a Resolution approving a Redevelopment Agreement to grant up to \$100,000 in Tax Increment to support the proposed Middle Income Housing project at 302 Conifer
- Authorizes the Acting Executive Director to execute the agreement, at the time of project finance closing (anticipated later this summer)

Background

- **Loan of \$3.2 million + a TIF grant not to exceed \$100,000 (*tonight's action*)**
- **Within the North College Urban Renewal Plan Area boundaries**
 - *Housing = reliable blight prevention and mitigation strategy*
- **59 units (77%) @ 80% or less; and 17 units between 81% and 100% of Area Median Income (AMI)**



Loan: \$3.2 million [*Previously Authorized*]

- ✓ ***11-12% of project cost***
- ✓ ***URA to receive interest payments until capital returned sooner of 12.5 years or significant capital event that releases cash (sale or major cash-out refinance)***

TIF Grant: \$100,000 (not to exceed) [***TONIGHT'S ACTION***]

- ✓ ***100% of estimated property taxes from 17 units not eligible for tax abatement***
- ✓ ***Housing Catalyst to be Special Limited Partner in 302 Conifer which abates the other 59 units***
- ✓ ***Actual amount depends on when project completed***

Purpose

- Offset the property taxes paid on the 17 deed-restricted units occupied by households earning 81-100% AMI
- Support project stabilization in early years

Key Terms

- Eligible for reimbursement of **actual cost** only in 3 of next 10 years
- Amount capped at \$100,000 or 3 requests, whichever occurs first
- Must obtain Certificate of Occupancy no later than Dec. 31, 2030
- Must be in good standing: lenders, affordable covenants, etc.

Commitment

- Set-aside \$100,000 in a specifically designated account
- Account to remain open beyond expiration of North College Urban Renewal Plan Area Tax Increment Finance (TIF) revenue collection period
- Any unspent funds at the end of the 10-year period, or after 3 reimbursement requests will be remitted proportionally to the taxing entities of record at the time of expiration of the TIF collection period

Commitment enables retention after expiration of TIF period

Backup Slides

Estimated Total Development Cost: \$26.2 million

Loans: \$13.6 million

Equity & Credits: \$1.85 million

Prop 123: \$7.0 million

Gap: \$4.2 million



Impact Development Fund

- URA to be Lender, but Impact Development Fund (IDF) will underwrite and administer loan
- IDF is a non-profit Community Development Financial Institution (CDFI) certified by the US Treasury
- IDF has growing regional reach and is based in Loveland.
- Started as Funding Partners in Fort Collins



Key Loan Terms

AMOUNT:	\$3.22 million
TERM:	12.5 years
INTEREST:	3% annually
PAYMENTS:	Interest only, annual payment
PRINCIPAL:	Returned upon maturity (12.5 years) or at major capital event

Key Loan Terms

URA loan to be subordinate to Freddie Mac and Colorado Housing & Finance Authority (CHFA) loans

Interest payments to be made from available cash flow, after two other loans but before developer or Prop 123 equity distributions

Unpaid interest will be added to principal amount

Borrower to provide tax returns annually and financial statements upon request

- **URA does not get paid back**
- **Non-recourse after the construction term**
- **Third-position deed of trust**
- **Black Swan Event**

Next Steps

- URA staff to negotiate and finalize agreement(s) with IDF and developer/borrower
- URA Board review May 22, 2025, meeting
- Summer 2025: Project Groundbreaking
- Summer 2026: Project Ribbon-Cutting



RESOLUTION NO. 150

OF THE BOARD OF COMMISSIONERS OF THE FORT COLLINS URBAN RENEWAL
AUTHORITY APPROVING A REDEVELOPMENT AGREEMENT BETWEEN THE FORT
COLLINS URBAN RENEWAL AUTHORITY AND 302 CONIFER, LLLP

WHEREAS, the Fort Collins Urban Renewal Authority (the “Authority”) was established in 1982 under and in accordance with the Colorado Urban Renewal Law, Colorado Revised Statutes (“C.R.S.”) § 31-25-101, et seq. (the “Urban Renewal Law”); and

WHEREAS, the City Council of the City of Fort Collins, Colorado (the “City”), by Resolution No. 2004-152 approved and adopted on December 21, 2004, the “North College Urban Renewal Plan” (the “North College Plan”) as an urban renewal plan under the Urban Renewal Law for the area described therein (the “North College Plan Area”); and

WHEREAS, the North College Plan provides for the Authority to exercise all powers authorized under the Urban Renewal Law; and

WHEREAS, 302 Conifer, LLLP (“Developer”) owns the property located at 302 Conifer, Fort Collins, CO (the “Property”) located within the North College Plan Area and plans to develop the Property as a deed-restricted multi-family community for low-moderate and middle-income residents, with approximately 59 units restricted to household incomes at 80% or less of area median income and subject to property tax abatement through a partnership with Housing Catalyst, and approximately 17 dwelling units subject to property taxation (the “Project”); and

WHEREAS, as clarified in Resolution 2015-106 adopted by the City Council on December 1, 2015, the North College Plan authorizes the Authority to promote and assist various urban renewal undertakings and activities within the North College Plan Area as part of a single urban renewal project; and

WHEREAS, pursuant to the North College Plan, the property taxes for property within the Plan Area have been divided as authorized in the Urban Renewal Law to establish property tax increment for the Authority to collect and use to fund urban renewal undertakings and activities benefiting the North College Plan Area; and

WHEREAS, due to the significant investment required for the Project, the deed restrictions for low-moderate and middle-income housing would not be financially feasible through traditional private investment and financing mechanisms alone; and

WHEREAS, the Authority has determined to enter into a Redevelopment Agreement attached hereto as **Exhibit A** (the “Agreement”) to assist the Project as such undertaking in furtherance of the North College Plan to eliminate blight in the North College Plan Area consistent with the purposes, policies, goals, and objectives of the Authority, the North College Plan and the Urban Renewal Law; and

WHEREAS, specifically, the Agreement outlines that the Authority will reimburse up to \$100,000 over a ten (10) year period during any three (3) individual years to reimburse the Developer for property taxes paid on the units in the project subject to property taxation; and

WHEREAS, by entering into this Agreement, the Developer is agreeing to pursue the urban renewal undertakings and activities hereafter described to eliminate and prevent blight, by clearing, rehabilitating and redeveloping the Property in furtherance of the North College Plan and consistent with the Urban Renewal Law; and

WHEREAS, in addition to the direct purposes of eliminating blight and preventing injury to the public health, safety, morals and welfare of the residents of the City, the development of the Property within the boundaries of the North College Plan Area is expected to provide substantial direct and indirect benefits to the City, its citizens and the surrounding region and enhance the goals of the City as set forth in the Fort Collins City Plan in numerous ways; and

WHEREAS, the Authority staff have negotiated the proposed Agreement with the Developer that sets forth the terms and conditions upon which such financial assistance will be provided to the Developer by the Authority, with the final form being attached as **Exhibit A**.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE FORT COLLINS URBAN RENEWAL AUTHORITY:

Section 1. That the Board hereby makes and adopts the determinations and findings contained in the recitals set forth above.

Section 2. The Board hereby finds and determines, pursuant to the laws of the State and the Urban Renewal Law, that adopting this Resolution and entering into the Agreement is necessary, advantageous and in the best interests of the Authority and the citizens of the City to eliminate and prevent blight and, in doing so, further the purposes, goals, and objectives of the North College Plan.

Section 3. The Agreement is hereby approved, and the Acting Executive Director is authorized to execute the Agreement, subject to such modifications in form or substance as the Acting Executive Director may, in consultation with the Authority Attorney, deem desirable and necessary to protect the Authority's interests, or to further the purposes of the North College Plan and this Resolution.

Section 4. The Acting Executive Director or his designee is hereby authorized and directed to execute and deliver for and on behalf of the Authority any and all additional certificates, documents and other papers, and to perform all other acts that they may deem necessary or appropriate in order to implement and carry out the Agreement and other matters authorized by this Resolution. The execution of any document or instrument by the aforementioned officials or employees of the Authority shall be conclusive evidence of the approval by the Authority of such document or instrument in accordance with the terms hereof and thereof.

Passed and adopted at a regular meeting of the Board of Commissioners of the City of Fort Collins Urban Renewal Authority this 24th day of July, 2025.

FORT COLLINS URBAN RENEWAL
AUTHORITY

Chair

ATTEST:

Secretary

EXHIBIT A
Redevelopment Agreement

**REDEVELOPMENT AGREEMENT
302 CONIFER STREET**

This Redevelopment Agreement (the “**Agreement**”) is made and entered into effective as of the ____ day of _____, 2025, (the “**Effective Date**”) by and between the FORT COLLINS URBAN RENEWAL AUTHORITY, a body corporate and politic of the State of Colorado (the “**Authority**”), and 302 CONIFER, LLLP, a Colorado limited liability limited partnership (the “**Developer**”).

RECITALS

WHEREAS, the Developer is the owner of the property that is the subject of this Agreement (the “**Property**”) described as follows Lot 13, Block 5, Replat No. 1 of Evergreen Park, City of Fort Collins, County of Larimer, State of Colorado; and

WHEREAS, the Developer proposes to develop the Property as the Project (as defined below), consisting of a deed-restricted multi-family community for low-moderate and middle-income residents, with approximately 59 units restricted to household incomes at 80% or less of area median income and subject to property tax abatement through a partnership with Housing Catalyst, and approximately 17 dwelling units subject to property taxation; and

WHEREAS, the City of Fort Collins, Colorado (the “**City**”) is a home rule municipality and political subdivision of the State of Colorado (the “**State**”) organized and existing under the City’s home rule charter pursuant to Article XX of the Constitution of the State; and

WHEREAS, on January 5, 1982, the Fort Collins City Council (the “**Council**”) adopted Resolution 82-10, adopting findings and establishing the Authority as an urban renewal authority pursuant to Colorado Revised Statutes, Part 1 of Title 31, Article 25, as amended (the “**Act**”); and

WHEREAS, by Resolution 2004-151, adopted and approved on December 21, 2004, the Council found and declared that the North College Urban Renewal Plan Area described in such Resolution (the “**Plan Area**”) is a blighted area, as described in the Act, appropriate for an urban renewal project; and

WHEREAS, by Resolution 2004-152, adopted and approved on December 21, 2004, the Council adopted the North College Urban Renewal Plan (the “**Plan**”) for the Plan Area; and

WHEREAS, the Property is located within the Plan Area; and

WHEREAS, as clarified in Resolution 2015-106 adopted by Council on December 1, 2015, the Plan authorizes the Authority to promote and assist various urban renewal undertakings and activities within the Plan Area as part of a single urban renewal project; and

WHEREAS, the purpose of this Agreement is to assist one such undertaking in furtherance of the Plan to eliminate blight in the Plan Area consistent with the purposes, policies, goals, and objectives of the Authority, the Plan and the Act; and

WHEREAS, pursuant to the Plan, the property taxes for property within the Plan Area have been divided as authorized in the Act to establish property tax increment for the Authority to collect and use to fund urban renewal undertakings and activities benefiting the Plan Area; and

WHEREAS, by entering into this Agreement, the Developer is agreeing to pursue the urban renewal undertakings and activities hereafter described to eliminate and prevent blight, by clearing, rehabilitating and redeveloping the Property in furtherance of the Plan and consistent with the Act; and

WHEREAS, due to the significant investment required for the Project, the deed restrictions for low-moderate and middle-income housing would not be financially feasible through traditional private investment and financing mechanisms alone; and

WHEREAS, the Authority’s Board of Commissioners has determined by its adoption of Resolution No. ____ on _____, 2025, approving this Agreement that the Project will be consistent with and in furtherance of the Plan.

AGREEMENT

NOW THEREFORE, in consideration of the promises and the mutual obligations of the Parties contained herein, and other good and valuable consideration, the receipt and adequacy of which are acknowledged, the Parties agree as follows.

SECTION 1. DEFINITIONS

In this Agreement, unless the context clearly requires otherwise, the following words and terms when capitalized shall have the following meanings:

“**302 Conifer Deficit**” has the meaning set forth in Section 3.5.

“**Act**” means Colorado Revised Statutes, Part 1 of Title 31, Article 25, as amended.

“**Agreement**” has the meaning set forth in the Preamble to this Agreement.

“**Authority**” means the Fort Collins Urban Renewal Authority, a body corporate and politic of the State.

“**Certificate of Occupancy**” means a final, unconditional certificate of occupancy issued for the Improvements on the Property by the City’s building official under Code Chapter 5, or a conditional certificate of occupancy, provided that the Authority, in its sole discretion, first determines that the conditional certificate of occupancy is sufficient given the circumstances and purposes of the Authority.

“**City**” means the City of Fort Collins, a home rule municipality and political subdivision of the State.

“Code” means the City’s Municipal Code.

“Commence Construction” and **“Commencement of Construction”** means the visible commencement by or on behalf of the Developer of actual physical construction and operations on the Property for the erection of the Improvements, including, without limitation, obtaining permits and licenses for and installation of a permanent required construction element, such as any site utilities, an access drive, any detention facilities, a caisson, a footing, a foundation or a wall.

“Complete Construction” and **“Completion of Construction”** each mean that: (1) construction of the Project is complete under applicable laws, ordinances and regulations; (2) a Certificate of Occupancy has been issued for the Improvements; and (3) the Improvements have been constructed for the future use contemplated under this Agreement.

“Control” or **“Controlled”** by, with respect to any entity, means possession of the power to direct or cause the direction of the management and policies of the entity, whether through the ownership of the majority of voting rights or securities, by contract, or otherwise.

“Council” means the City Council of the City.

“County” means the County of Larimer, State of Colorado.

“Default” has the meaning set forth in Sections 6.1 and 6.2.

“Developer” means 302 CONIFER, LLLP, a Colorado limited liability limited partnership.

“Development Agreement” means the development agreement for the Project, once the same has been approved by the City and recorded against the Property in the Larimer County, Colorado records.

“Effective Date” has the meaning set forth in the Preamble to this Agreement.

“Eligible Costs” means actual property taxes paid by the Developer to the County Treasurer for the Property, excluding any penalties, interest, or fees.

“Existing Authority Debt” has the meaning set forth in Section 3.5.

“Project Development Plan” means the project development plan for the Project once the same has been approved by the City under the Land Use Code.

“Improvements” means all the improvements the Developer is required to construct to achieve Completion of Construction of the Project in accordance with the Project Development Plan and the Development Agreement.

“Land Use Code” means the City’s Land Use Code.

“**Party**” or “**Parties**” means a party or the parties to this Agreement, as first identified above.

“**Plan**” means the North College Urban Renewal Plan.

“**Plan Area**” means the area described in the Plan.

“**Project**” means the design, construction and reconstruction of all Improvements, including but not limited to infrastructure, parking, streets, buildings, structures, signage, and landscaping to be constructed or installed on the Property pursuant to the Project Development Plan and Development Agreement, and includes, but is not limited to, the Improvements.

“**Reimbursement Cap**” means the amount of \$100,000.00.

“**Reimbursement Conditions**” has the meaning set forth in Section 3.2.

“**Reimbursement Obligation**” means the Authority’s obligation under this Agreement to reimburse the Developer for the Eligible Costs up to the Reimbursement Cap.

“**Reimbursement Period**” means the ten (10) year period following the date of Completion of Construction.

“**Related Entity**” means any entity wholly owned or Controlled by the Developer. For this definition, the term “owned” means the ownership of 100% of the ownership interests in the entity.

“**State**” means the State of Colorado.

“**Subsequent Authority Debt**” has the meaning set forth in Section 3.5.

“**Tax Increment**” means the total of property taxes that the Authority is entitled to receive each year from the Larimer County Treasurer under the Plan from the Property as authorized in the Act and as calculated in Section 3.3.1 of this Agreement.

SECTION 2. DEVELOPER OBLIGATIONS

2.1 Intentionally Deleted.

2.2 Design and Construction of the Project. The Developer is responsible for obtaining and reviewing all information that the Developer believes is necessary or desirable to fulfill its obligations under this Agreement. The Developer shall have no obligation to commence or complete construction of the Project, however, the Authority agrees to only reimburse the Developer for Eligible Costs upon fulfillment of the Reimbursement Conditions. Subject to the foregoing, the Developer agrees to use good faith, commercially reasonable efforts to design and construct the Project in accordance with this Agreement. For construction of the Project, the Developer agrees to select contractors that the Developer’s architect deems qualified by experience

to construct a Project of this quality and caliber. Regardless of the costs incurred by the Developer for the Project or for the payment of property taxes for the Property, the Authority's Reimbursement Obligation shall not exceed the Reimbursement Cap.

2.3 Approval of the Project Development Plan, Development Agreement, and Construction Documents. The Developer shall prepare and obtain the approval of the City, including, but not limited to, the City's development review process, of the Project Development Plan, the Development Agreement, and all construction documents related to construction of the Project.

2.4 Construction of the Project. If the Developer elects to proceed with the Project, then the Developer shall Commence Construction and Complete Construction of the Project in accordance with the City's applicable standards and requirements. All construction activities shall conform to all applicable laws, codes, ordinances, and policies, including, but not limited to, those of the City.

2.5 Books and Accounts; Financial Statement. The Developer shall keep, or cause to be kept, proper and current books and accounts in which complete and accurate entries shall be made of amounts paid out, and such other calculations, allocations and payments to construct the Project.

2.6 Inspection of Records. All books, records and reports in the possession of the Developer relating to the Project shall at all reasonable times and subject to not less than two (2) business' days advance written notice be open to inspection (at the Authority's expense) by such accountants or other agents as the Authority may from time to time designate, not more than two (2) times per calendar year.

2.7 Restrictions on Assignment and Transfer. Except as hereinafter permitted, prior to the expiration of the Reimbursement Period, the Developer shall not assign or transfer all or any part of or any interest in this Agreement or the Property without the prior written approval of the Authority, which approval shall not be unreasonably withheld, conditioned or delayed. For purposes of this Section 2.7 (a) an assignment or transfer shall include a change of the parties in Control of the Developer and (b) unreasonably withheld, conditioned or delayed shall mean failing to approve within ten (10) business days without identifying legitimate concerns of the Authority related to, but not limited to, the generation of the Tax Increment, the capacity of the assignee or transferee to Complete Construction and operate the Project, and the preservation and promotion of the Plan. The Developer shall, upon the Developer's gaining of knowledge thereof, promptly notify the Authority of any and all changes in the identity of the parties in Control of the Developer and the degree of Control thereof. No voluntary or involuntary successor in interest of the Developer shall acquire any rights or powers under this Agreement except as expressly set forth herein. Approval of an assignment or transfer by the Authority shall not relieve the Developer of its obligations to Complete Construction of the entire Project, unless the Authority agrees in writing. The foregoing restriction on assignment and transfer in this Section 2.7 shall terminate upon the expiration of the Reimbursement Period.

Notwithstanding the foregoing, but subject to the Authority's receipt and prior written approval of all relevant documents confirming such transfer or assignment, which approval shall not be unreasonably withheld, conditioned or delayed, the Developer may: (i) assign this

Agreement and transfer the Property to a Related Entity of the Developer; (ii) collaterally assign its right to receive reimbursement under this Agreement to any lender or other party that provides acquisition, construction, working capital, tenant improvement or other financing to the Developer in connection with development of the Project, provided that any document assigning the Developer's right to receive reimbursement hereunder shall expressly provide that no reimbursement will be made by the Authority unless and until Completion of Construction of the entire Project by the Developer under the terms of this Agreement; and (iii) enter into a contract to sell all or a portion of the Project upon or after Completion of Construction, provided that no such sale may occur prior to expiration of the Reimbursement Period without the Authority's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed. Except when a permitted assignee expressly assumes such obligation, no permitted assignment of this Agreement or transfer of the Property shall relieve the Developer of its obligation to Complete Construction of the entire Project under this Agreement.

Any assignment or transfer of the Developer's rights or obligations under this Agreement without the Authority's prior written consent or approval as required by this Section 2.7 shall be deemed null and void and of no effect; provided, however, in the event of a conveyance of the Property in a foreclosure action or similar proceeding by a deed in lieu of foreclosure, in connection with any deed of trust encumbering the Property (collectively, a "**Foreclosure Action**"), and the conveyance immediately after such Foreclosure Action, the Developer may, without the written consent of Authority, convey its interest in the Property and such successor to the Developer shall continue to have the right to receive reimbursement hereunder upon fulfillment of the Reimbursement Conditions.

2.8 **Progress Reports.** Until Completion of Construction of the Project, the Developer shall make reports in such detail and at such times as the Authority may reasonably request as to Developer's progress with respect to the Commencement of Construction and to the progress of the Completion of Construction.

2.9 **Completion of Construction.** Notwithstanding anything to the contrary in this Agreement, if Completion of Construction for the Project has not occurred as of December 31, 2030, this Agreement shall automatically terminate unless extended by written agreement of the Parties.

SECTION 3. AUTHORITY OBLIGATIONS

3.1 **Reimbursement Obligations/Reimbursement Caps.** The Authority agrees to reimburse the Developer for the Eligible Costs as hereafter provided in satisfaction of the Reimbursement Obligation, but in a total amount not to exceed the Reimbursement Cap.

3.2 **Conditions for Reimbursement.** The Reimbursement Obligations are conditioned upon fulfillment of the following conditions (collectively, the "**Reimbursement Conditions**"):

3.2.1 Completion of Construction of the Project has occurred in conformance with all Project-related requirements set forth in this Agreement, including, without limitation, those in Sections 2.2, 2.3, and 2.4 of this Agreement.

3.2.2 Developer has provided to the Authority a letter from each lender with debt in place within 30 days of Completion of Construction (including the Colorado Housing and

Financing Authority and Bellwether Enterprise Real Estate Capital, LLC, an Ohio limited liability company, or their successors and assigns, if applicable), dated within 30 days of the first disbursement of the Reimbursement Obligation and confirming that the respective loans extended to Developer by any such lenders are in good standing, with no existing defaults or events of default, and that all payments due and payable as of the date of such confirmation have been made in full.

- 3.2.3 Developer has provided to the Authority a copy of the final executed and recorded Development Agreement approved by the City, if required.
- 3.2.4 The Authority has verified that all of Developer's representations and warranties, as set forth in Section 5.1 of this Agreement, have been met and kept current. The Authority may delay payment of any payment under this Agreement until the Developer provides reasonable evidence of full compliance with said representations and warranties as requested by the Authority in the reasonable exercise of its discretion.
- 3.2.5 The Reimbursement Obligations are limited to reimbursement for Eligible Costs. As a condition to reimbursement for Eligible Costs, the Developer shall provide the Authority with documentation of the Eligible Costs, including evidence of payment to the County Treasurer of the actual property taxes paid for the Property, in a form reasonably satisfactory to the Authority. After the Developer has submitted all required documentation of the Eligible Costs, the Authority shall have forty-five (45) business days thereafter to review such documentation, and to notify the Developer of the Authority's determination of eligibility, the reimbursable amount, and the total of the Reimbursement Obligation. The Authority's failure to complete its review of the documentation and to notify the Developer of the results of that review within that forty-five (45) business day period, shall be deemed approval by the Authority of the Developer's submitted Eligible Costs.

3.3 Reimbursement Payments for Eligible Costs. After the Developer has timely satisfied all of the conditions in Section 3.2 of this Agreement, the Authority shall reimburse the Developer for the Eligible Costs portion of the Reimbursement Obligations in the following manner:

- 3.3.1 During the Reimbursement Period, the Developer may request reimbursement from the Authority for Eligible Costs paid during up to three (3) years within the Reimbursement Period, which such three (3) years may be selected at the Developer's sole discretion and need not be consecutive. Each request for reimbursement must be made no later than nine (9) months following the full and final payment of the Eligible Costs for which reimbursement is requested. Upon the Authority's receipt of a request for reimbursement and the Authority's determination that all of the Reimbursement Conditions for such reimbursement have been fulfilled, the Authority shall reimburse the Developer for the Eligible Costs requested.
- 3.3.2 Notwithstanding anything in this Section 3.3 to the contrary, the Authority's total of all reimbursement payments for Eligible Costs shall not exceed the Reimbursement Cap.
- 3.3.3 The Authority shall make the reimbursement payments for Eligible Costs to the Developer until the earlier of the following: (1) the Authority has reimbursed the

Developer a total amount equal to the Reimbursement Cap; (2) the Developer has requested and the Authority has reimbursed the Developer for a total of three (3) years of Eligible Costs; or (3) the Reimbursement Period has expired. Upon the occurrence of the earlier of these events, the Authority shall have no further obligation to the Developer for reimbursements under this Section 3.3; provided, however, that the expiration of the Reimbursement Period shall not relieve the Authority of the obligation to reimburse the Developer for its Eligible Costs pursuant to a timely request by the Developer made during the Reimbursement Period.

3.4 Limitation. The Authority shall not enter into any agreement or transaction that impairs the rights of the Developer under this Agreement, including, without limitation, the right to receive reimbursement for the Eligible Costs allocated to it under the procedures established in this Agreement; provided, however, nothing herein shall preclude the Authority from entering into other financial obligations, or other financial obligations regarding the Plan and the Plan Area, so long as the Authority in its reasonable discretion concludes its actions do not and will not in the future interfere with its obligations under this Agreement.

3.5 Subordination. Notwithstanding anything herein to the contrary, the Authority's Reimbursement Obligations to the Developer under this Agreement shall be subordinated and junior in priority to any and all other existing indebtedness the Authority has incurred in connection with other urban renewal undertakings and activities under the Plan prior to the date of this Agreement, which shall include, without limitation, all bonds issued, redevelopment agreements entered into, and any other debt obligations incurred by the Authority under the Plan for other urban renewal undertakings and activities in the Plan Area prior to the date of this Agreement (collectively, "**Existing Authority Debt**"). Therefore, the Developer acknowledges and agrees that in the event in any year under this Agreement the Authority does not have sufficient funds to make all or any portion of its reimbursement payments to the Developer under this Section 3 because of the Authority's payment obligations for Existing Authority Debt (the "**302 Conifer Deficit**"), the Authority's obligation to the Developer for that year shall be limited to only those Plan Area funds the Authority has available after payment of all of its obligations for Existing Authority Debt. The Authority shall pay the 302 Conifer Deficit in subsequent years if and to the extent the Authority has excess funds available after payment of Existing Authority Debt and the Authority's Reimbursement Obligation owed to the Developer under this Agreement in such subsequent years, but only to the extent the Reimbursement Cap is not exceeded. Any and all indebtedness the Authority incurs in connection with other urban renewal undertakings and activities under the Plan subsequent to the date of this Agreement, which shall include, without limitation, all bonds issued, redevelopment agreements entered into, and any other debt obligations incurred by the Authority under the Plan for other urban renewal undertakings and activities in the Plan Area subsequent to the date of this Agreement ("**Subsequent Authority Debt**") shall be subordinated and junior in priority to the 302 Conifer Deficit.

SECTION 4. INSURANCE AND INDEMNIFICATION

4.1 Insurance. At all times after the date of this Agreement during which the Developer is engaged in preliminary work on the Property or adjacent streets and during the period from the

Commencement of Construction until Completion of Construction of the Project, the Developer shall carry, or cause its general contractor to carry, and, upon request, will provide to the Authority certificates of insurance as follows:

- 4.1.1 Builder's risk insurance (with a deductible not to exceed \$35,000) in an amount equal to 100% of the projected replacement value of the Improvements at the date of Completion of Construction;
- 4.1.2 Comprehensive general liability insurance (including operations, contingent liability, operations of subcontractors, completed operations, and contractual liability insurance) and umbrella liability insurance with a combined single limit for both bodily injury and property damage of not less than \$1,000,000. Such insurance may carry a deductible in an amount not to exceed \$35,000 per claim for property damage and \$35,000 per claim for employee benefits; and
- 4.1.3 If required by applicable law, worker's compensation insurance, with statutory coverage, including the deductible permitted by statute.

All such insurance policies shall be issued by responsible companies selected or approved by the Developer, subject to the reasonable approval of the Authority. Prior to Commencement of Construction, the Developer shall deliver to the Authority policies or certificates evidencing or stating that such insurance is in force and effect. Each policy shall contain a provision that the insurer shall not cancel or modify it without giving written notice to the Developer and to the Authority at least 30 days before the date the cancellation or modification becomes effective and shall name the Authority and the City as additional insureds, specifying that the insurance shall be treated as primary insurance.

4.2 Indemnification. The Developer shall defend, indemnify, assume all responsibility for and hold the Authority, the Authority's commissioners, the City, the Council members, and the officers and employees of the City and the Authority harmless (including, without limitation, for attorneys' fees and costs) from all claims or suits for and damages to property and injuries to persons, including accidental death, that may be caused by acts or omissions of the Developer under this Agreement or in connection with the Project, whether such activities are undertaken by the Developer or anyone directly or indirectly employed by or under contract to the Developer and whether such damage shall accrue or be discovered before or after termination of this Agreement.

SECTION 5. REPRESENTATIONS AND WARRANTIES

5.1 The Developer represents and warrants, as of the date of this Agreement, as follows, with a continuing obligation to notify the Authority of changes to the same through the completion of payment of the Reimbursement Obligation by the Authority:

- 5.1.1 The Developer is a limited liability limited partnership that is qualified to do business in the State of Colorado, and has the legal capacity and the authority to enter into and perform its obligations under this Agreement. The Developer has duly authorized the execution, delivery and performance of this Agreement;
- 5.1.2 The execution and delivery of this Agreement and such documents and the performance and observance of their terms, conditions and obligations have been duly and validly authorized by all necessary action to make this Agreement and such documents and such performance and observance are valid and binding upon the Developer;

- 5.1.3 To the Developer's current, actual knowledge, the execution and delivery of this Agreement and the documents required hereunder and the consummation of the transactions contemplated by this Agreement will not:
 - 5.1.3.1 conflict with or contravene any law, order, rule or regulation applicable to the Developer or to its governing documents;
 - 5.1.3.2 result in the breach of any terms or provisions of, or constitute a default under, any agreement or other instrument to which the Developer is a party or by which the Developer may be bound or affected; or
 - 5.1.3.3 permit any party to terminate any such agreement or instruments or to accelerate the maturity of any indebtedness or other obligation of the Developer;
 - 5.1.4 To the Developer's current, actual knowledge, there is no litigation, proceeding, initiative, referendum, or investigation or any threat of the same contesting the powers of the Developer with respect to this Agreement not disclosed in writing to the Authority; and
 - 5.1.5 The Developer has the legal ability to perform its obligations under this Agreement and has the financial ability, through borrowing or otherwise, to complete the Project, subject to the terms and conditions of this Agreement. This Agreement constitutes a valid and binding obligation of the Developer, enforceable according to its terms, except to the extent limited by bankruptcy, insolvency and other laws of general application affecting creditors' rights and by equitable principles, whether considered at law or in equity; and
 - 5.1.6 The Developer is in compliance with any existing regulatory agreements or affordable housing covenants recorded against the Property.
- 5.2 The Authority represents and warrants as of the date of this Agreement the following:
- 5.2.1 The Authority is an urban renewal authority duly organized and existing under applicable law and has the right, power, legal capacity, and the authority to enter into this Agreement and has authorized the execution, delivery and performance of this Agreement by proper action of its Board of Commissioners;
 - 5.2.2 To the Authority's current, actual knowledge, there is no litigation or threatened litigation, proceeding or investigation contesting the powers of the Authority or its officials with respect to this Agreement not disclosed to the Developer;
 - 5.2.3 To the Authority's current, actual knowledge, after reasonable inquiry, the execution and delivery of this Agreement and the documents required hereunder and the consummation of the transactions contemplated by this Agreement will not:
 - 5.2.3.1 conflict with or contravene any law, order, rule or regulation applicable to the Authority or to its governing documents,
 - 5.2.3.2 result in the breach of any terms or provisions of, or constitute a default under, any agreement or other instrument to which the Authority is a party or by which it may be bound or affected, or
 - 5.2.3.3 permit any party to terminate any such agreement or instruments or to accelerate the maturity of any indebtedness or other obligation of the Authority; and
 - 5.2.4 This Agreement constitutes a valid and binding obligation of the Authority, enforceable according to its terms, except to the extent limited by bankruptcy,

insolvency and other laws of general application affecting creditors' rights and by equitable principles, whether considered at law or in equity. The Authority will defend the validity of this Agreement in the event of any litigation arising hereunder that names the Authority as a party or which challenges the authority of the Authority to enter into or perform its obligations hereunder.

SECTION 6. DEFAULT AND REMEDIES

6.1 Default by Developer. “**Default**” by Developer under the Agreement shall mean one or more of the following events:

- 6.1.1 The Developer, in violation of Section 2.7 of this Agreement, assigns this Agreement or transfers any part of the Property, or any rights in the same;
- 6.1.2 There is any change in Control of the Developer or in the identity of the parties in Control of the Developer that violates this Agreement; or
- 6.1.3 The Developer fails to observe or perform any other material covenant, obligation or agreement required of it under this Agreement.

If any Default is not cured within the time allowed in Section 6.3 of this Agreement then the Authority may exercise any remedy available under this Agreement.

6.2 “**Default**” by the Authority under the Agreement shall mean one or more of the following events:

- 6.2.1 The Authority fails to pay the Reimbursement Obligation in violation of this Agreement; or
- 6.2.2 The Authority fails to observe or perform any material covenant, obligation or agreement required of it under this Agreement.

If any Default is not cured within the time allowed in Section 6.3 of this Agreement then the Authority may exercise any remedy available under this Agreement.

6.3 Notice and Cure. Upon a Default by either Party, that Party shall, upon written notice from the non-defaulting Party, proceed diligently to cure or remedy the Default and shall have cured the Default within 30 days after receipt of such notice, or shall have commenced the cure and diligently pursued it to completion within a reasonable time if the cure cannot reasonably be accomplished within 30 days.

6.4 Remedies on Default. Whenever any Default occurs and is not cured under Section 6.3, the non-defaulting Party may take any one or more of the following actions:

- 6.4.1 Suspend performance under this Agreement until it receives assurances from the defaulting Party, deemed reasonably adequate by the non-defaulting Party, that the defaulting Party will cure its Default and continue its performance under this Agreement;
- 6.4.2 Terminate this Agreement; or
- 6.4.3 Take whatever legal or administrative action or institute such proceedings as may be necessary or desirable in its opinion to enforce observance or performance of this Agreement, including, without limitation, specific performance or to seek any other right or remedy at law or in equity, including damages.

6.5 Delays; Waivers. Any delay by either Party in instituting or prosecuting any actions or proceedings or otherwise asserting its rights under the Agreement shall not operate as a waiver of such rights or deprive it of or limit such rights. No waiver in fact made by a Party with respect to any specific default by the other Party under the Agreement shall be considered or treated as a waiver of the rights with respect to any other defaults by the other Party under the Agreement or with respect to the particular default except to the extent expressly waived in writing. The Parties intend that this provision will enable each Party to avoid the risk of being limited in the exercise of a remedy provided in the Agreement by waiver, laches or otherwise in the exercise of such remedy at a time when it may still hope to resolve the problems created by the default involved.

6.6 Enforced Delays. Any delays in or failure of performance by any Party of its obligations under this Agreement shall be excused if such delays or failure result from acts of God, fires, floods, strikes, labor disputes, accidents, regulations, order of civil or military authorities, shortages of labor or materials, or other causes, similar or dissimilar, that are beyond the control of such Party.

6.7 Rights and Remedies Cumulative. The rights and remedies of the Parties to the Agreement are cumulative, and the exercise by either Party of any one or more of such remedies shall not preclude the exercise by it, at the same or different times, of any other such remedies for any other default or breach by any other Party.

SECTION 7. MISCELLANEOUS

7.1 Antidiscrimination. The Developer, for itself and its successors and assigns, agrees that in the completion of the Project provided for in this Agreement and in the use and occupancy of the Property, the Developer will not discriminate against any employee or applicant for employment otherwise qualified because of race, color, creed, religion, sex, sexual orientation, age, disability (subject to the availability of a reasonable accommodation of the disability), marital status, ancestry, or national origin.

7.2 Title of Sections. Any titles of the several parts and sections of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting its provisions.

7.3 No Third-Party Beneficiaries. No third-party beneficiary rights are created in favor of any person not a party to this Agreement except with respect to those rights and protections granted to the City under this Agreement.

7.4 Venue and Applicable Law. Any action arising out of this Agreement shall only be brought in the Larimer County District Court and the laws of the State of Colorado shall govern the interpretation and enforcement of this Agreement, without giving effect to its conflicts of law provisions.

7.5 Non-liability of Officials, Agents and Employees. No Council member, board member, commissioner, official, employee, consultant, attorney or agent of the Authority or the City shall be personally liable to the Developer under this Agreement or in the event of any default or breach

by the City or Authority or for any amount that may become due to the Developer under this Agreement. No official, employee, consultant, attorney or agent of the Developer shall be personally liable to the Authority or the City under this Agreement or in the event of any default or breach by the Developer or for any amount that may become due to the Authority or the City under this Agreement.

7.6 Authority and City Not a Partner. Notwithstanding any language in this Agreement or any other agreement, representation, or warranty to the contrary, neither the Authority nor the City shall be deemed or represented as a partner or joint venturer of the Developer or any contractor or subcontractor performing work on the Property or the Project. Neither the Authority nor the City shall be responsible for any debt or liability of the Developer, or its managers or members, or such contractor or subcontractor.

7.7 Integrated Contract. This Agreement is an integrated contract and invalidation of any of its provisions by judgment or court order shall in no way affect any of the other provisions, which shall remain in full force and effect unless the Parties otherwise agree to a written amendment.

7.8 Counterparts. This Agreement may be executed in counterparts, each of which shall constitute one and the same instrument.

7.9 Notices. A notice, demand, or other communication under this Agreement by any party to the other shall be in writing and sufficiently given if delivered in person or if it is delivered by overnight courier service with guaranteed next-day delivery, by certified mail, return receipt requested, postage prepaid, in person, or by e-mail upon acknowledged receipt, and:

7.9.1 In the case of the Developer, is addressed to or delivered to the Developer, as follows:

c/o The Szanton Company
302 Conifer, LLLP
4100 E Mississippi Ave, 4th Floor
Denver, Colorado 80246
Attn: Carl Szanton
E-mail: cszanton@szantoncompany.com

With a copy to:
Holland & Hart LLP
555 17th Street, Suite 3200
Denver, Colorado 80202
Attn: Melinda Pasquini
E-mail: YMPasquini@hollandhart.com

7.9.2 In the case of the Authority, is addressed to or delivered to the Authority as follows:

Fort Collins Urban Renewal Authority
300 LaPorte Avenue

PO Box 580
 Fort Collins, CO 80522
 Attn: Josh Birks, Acting Executive Director
 E-mail: JBirks@fcgov.com

With a copy to:
 Brownstein Hyatt Farber Schreck, LLP
 675 15th Street, Suite 2900
 Denver, Colorado 80202
 Attn: Caitlin Quander
 E-mail: cquander@bhfs.com

or at such other substituted address as the affected party may, from time to time, designate in writing and forward to the other as provided in this Section. Notice provided by in-person delivery or by overnight courier shall be considered delivered as of the verified date of delivery. Notice provided by regular U.S. Mail shall be considered delivered three (3) days after the date of deposit with the U.S. Postal Service.

7.10 Good Faith of Parties. In performance of the Agreement or in considering any requested extension of time or in giving any approval, the Parties agree that each will act in good faith and will not act unreasonably, arbitrarily, capriciously or unreasonably withhold, condition or delay any approval required by this Agreement.

7.11 Days. If the day for any performance or event provided for herein is a Saturday, Sunday or other day on which either national banks or the office of the Clerk and Recorder of Larimer County, Colorado, is not open for the regular transaction of business, the day for performance shall be deemed to be the next day on which the banks or Clerk and Recorder are open for the transaction of business.

7.12 Further Assurances. Each Party agrees to execute such documents and take such action as shall be reasonably requested by the other Party to confirm, clarify or effectuate this Agreement.

7.13 Certifications. Each Party agrees to execute such documents as the other Party may reasonably request to verify or confirm the status of this Agreement and of the performance of the obligations hereunder and such other matters as the requesting Party may reasonably request.

7.14 Amendments. This Agreement shall not be amended except by written instrument. Each amendment, which shall be in writing and signed and delivered by the Parties, shall be effective to amend the provisions hereof. Minor changes consistent with this Agreement may be approved administratively by senior staff of each Party.

7.15 Survival of Representations, Warranties and Covenants. No representations or warranties whatever are made by any Party except as expressly set forth in this Agreement. The representations, warranties and indemnities made by the Parties and the covenants and agreements to be performed or complied with by the respective Parties shall be deemed to be continuing and

shall survive termination or expiration of this Agreement. Nothing in this Section shall affect the obligations and indemnities of the Parties with respect to covenants and agreements in this Agreement that are permitted or required to be performed in whole or in part after issuance of a Certificate of Occupancy.

7.16 Minor Changes. This Agreement has been approved in substantially the form submitted to the governing bodies of the Parties. The officers executing the Agreement have been authorized to make, and may have made, minor changes in the Agreement and the attached Exhibits as they have considered necessary. So long as such changes followed the intent and understanding of the Parties at the time of approval by the governing bodies, the execution of the Agreement shall constitute conclusive evidence of the approval of such changes by the respective Parties.

7.17 Joint Draft. The Parties agree they drafted this Agreement jointly with each having the advice of legal counsel and an equal opportunity to contribute to its content.

7.18 Binding Effect. This Agreement shall be binding upon and inure to the benefit of the Parties and their respective permitted successors and permitted assigns.

[signature pages follow]

IN WITNESS WHEREOF, the Authority and the Developer have caused the Agreement to be duly executed as of the day first above written.

DEVELOPER:

302 CONIFER, LLLP, a Colorado limited liability limited partnership

By: Conifer and Blue Spruce, LLC, a Colorado limited liability company, its General Partner

By: Arrowleaf Development LLC, a Colorado limited liability company, its sole Member and Manager

By: _____
Name: Carl Szanton
Title: Manager

AUTHORITY:

THE FORT COLLINS URBAN RENEWAL AUTHORITY,
a body corporate and politic of the State of Colorado

By: _____
Name: Josh Birks
Title: Acting Executive Director

ATTEST:

APPROVED AS TO FORM:

By: _____
_____, Secretary

By: _____
Caitlin Quander, URA Attorney