

# **REGULAR MEETING NOTICE**

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## **LOVELAND DOWNTOWN DEVELOPMENT AUTHORITY (4:00 P.M.)**

**December 19, 2022**

**Cleveland Room at Desk Chair  
201 East 4<sup>th</sup> Street in Downtown**

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*The Loveland Downtown Partnership and Downtown Development Authority are committed to providing an equal opportunity for citizens and does not discriminate on the basis of disability, race, color, national origin, religion, sexual orientation, or gender. The LDP-DDA will make reasonable accommodations for citizens in accordance with the Americans with Disabilities Act.*

*For more information, please call our offices at 970.699.2856.*

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**Agenda**  
**Loveland Downtown Development Authority (DDA)**  
**Regular Meeting**  
**Monday, December 19, 2022 4:00 pm**

**Cleveland Room at Desk Chair**  
**201 East 4<sup>th</sup> Street**

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**4:00 pm**

1. **Call to Order**
2. **Roll Call**

**4:05 pm**

3. **Public Comment** (individual introductions / comments are limited to 3 minutes)

**4:10 pm**

4. **Approval of Minutes**

*“I move to approve (deny) the minutes of the Regular Meeting of November 14, 2022”*

**4:15 pm**

5. **Executive Session**

An executive session for the purposes of determining positions relative to matters that may be subject to negotiations, developing strategy for negotiations, and instructing negotiators, and to receive legal advice on specific legal questions, pursuant to C.R.S. § 24-6-402 (4)(b) and (4)(e)(I), regarding:

1. Cooperation agreements between the DDA, the City of Loveland and/or the Loveland Urban Renewal Authority.
2. An intergovernmental agreement between the DDA and the City of Loveland concerning a line of credit.

**4:45**

6. **Presentation & Discussion / Action Items**

- HIP Streets Update
- Consideration of Resolution DDA-2022-02, a Resolution of the Loveland Downtown Development Authority Approving a Cooperation Agreement Between the City of Loveland, Colorado, and the Loveland Downtown Development Authority Relating to the Foundry Project.

*Sample motion: “I move that we approve Resolution DDA-2022-02 as presented and authorize the board chair to execute the resolution.”*

- Consideration of Resolution DDA-2022-03, a Resolution of the Loveland Downtown Development Authority Approving a Cooperation Agreement Between the City of

Loveland, Colorado, and the Loveland Downtown Development Authority Relating to the Draper Project.

*Sample motion: "I move that we approve Resolution DDA-2022-03 as presented and authorize the board chair to execute the resolution."*

- Consideration of Resolution DDA-2022-04, a Resolution of the Loveland Downtown Development Authority Approving a Cooperation Agreement Among the City of Loveland, Colorado, the Loveland Urban Renewal Authority, and the Loveland Downtown Development Authority Relating to the Dutch Brothers Project, the Vitamin Cottage Project and the Artspace Project.

*Sample motion: "I move that we approve Resolution DDA-2022-04 as presented and authorize the board chair to execute the resolution."*

- Project Updates – Elks Lodge, 400 N. Garfield Avenue, 404 East Third Street, 501 N. Cleveland Avenue and Cleveland Station.
- 3<sup>rd</sup> Lincoln / 3<sup>rd</sup> Cleveland Crosswalk Project

**5:30 pm**

**7. City Council Report**

- Fogle, Olson - City Council

**5:40 pm**

**7. Adjourn**

**Meeting Minutes**  
**Loveland Downtown Development Authority (DDA)**  
**Regular Meeting**  
**Monday, November 14, 2022 4:00 pm**

**Cleveland Room at Desk Chair**  
**201 East 4<sup>th</sup> Street**

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**4:00 pm**

1. **Call to Order** – Chair Steele, Jr called the meeting to order at 4:01 pm.
2. **Roll Call** Steele, Waneka, Fellure, Patterson, Wyrick, Gressianu- absent, Loomis, Fogle, Bernhardt. Also in attendance- Olson, Scott Schorling, Vincent Junglass, Ron Lay, Josh Liley, Andrew Moore, Tyler Rush- Parallel Financial, Linda Rosa.

**4:05 pm**

3. **Public Comment** (individual introductions / comments are limited to 3 minutes)  
  
There were no public comments presented.

**4:10 pm**

4. **Approval of Minutes**

Fellure moved to approve the minutes of the Regular Meeting of October 17, 2022. Fogle seconded the motion which passed unanimously.

**4:15 pm**

5. **Presentation & Discussion / Action Items**

- Façade Grant – 504 N. Garfield Avenue

Hawkins presented an updated façade request for 504 N. Garfield Avenue. A previous request was denied for the project because many of budget line items were not eligible for the grant program. In May, the board asked Hawkins to work with the owners of the property on an updated application and to bring it back when ready for consideration. The overall private investment in the building is \$360,000 and the façade request is for \$17,384.70. The owners of the building, Andrew Moore and Tyler Rusch, were present to discuss the details of their property and to answer minor questions from the board.

Bernhardt moved to approve a Façade Improvement Grant not to exceed \$17,384.70 with Paraell Financial Group and authorize the Executive Director to execute a Grant Agreement and Easement for the project. Patterson seconded the motion which passed unanimously.

- New date for December meeting- Hawkins updated the board that we may need to move our December meeting up one week to consider cooperation agreements on tax increment that the City Council consider the following night (December 6<sup>th</sup>).
- Downtown Funding – Centro Inc.- Hawkins updated the board that the LDP Board approved the Be Centro contract at their November Board meeting and that work will meetings with stakeholders will begin in December.

- Five Year TIF Financial Plan- Hawkins reviewed the five year TIF Analysis that he had been working on with Ron Lay and Brian Waldes. Hawkins felt comfortable telling the board that the analysis showed that the DDA could afford an annual debt payment to do all five blocks of HIP Streets on 4<sup>th</sup> and a possible contribution to the Pulliam Community Building.
- Update to HIP Streets Conversation – Hawkins updated the board that after the conclusion of October presentation from Public Work and Water & Power staff he shared feedback on place making items we would like to see incorporated into the project including lighting, artwork, event items and safety items such as surveillance cameras. The next steps on design are still to be determined.
- Project Updates – Awakened School - Hawkins updated the board on the status of the renovation plans at the former Baptist Church on the corner of the 3<sup>rd</sup> and Jefferson. The owners are planning a nearly \$3,000,000 investment into the building. Anderson Analytics is currently conducting TIF analysis on the project.
- Project Updates - 400 N. Garfield Avenue. Hawkins also updated the board on the next steps of the “4<sup>th</sup> and Garfield” project which is planned to include new residential units and a ground floor retail space with an expanded patio. Anderson Analytics is also conducting TIF Analysis for the project as well.
- Legal Services Contract for 2023. Hawkins stated that our original agreement was for helping with Draper agreement and smaller scope. Going into 2023 we will formalize a new agreement in January. Vincent Junglass commented that their office supports the use of Liley Law for the expertise and the challenge of aligning him representing the DDA and the City.

**5:30 pm**

**6. City Council Report**

- Fogle, Olson - City Council- Counciler Fogle discussed issues related to the County Assessor’s office and the Foundry as this was going to be discussed at the City Council as well.

**5:40 pm**

**7. Adjourn**

Bernhardt made a motion to adjourn the meeting at 5:07 p.m. Wyrick seconded the motion which passed unanimously.

## RESOLUTION DDA-2022-02

### **A RESOLUTION OF THE LOVELAND DOWNTOWN DEVELOPMENT AUTHORITY APPROVING A COOPERATION AGREEMENT BETWEEN THE CITY OF LOVELAND, COLORADO, AND THE LOVELAND DOWNTOWN DEVELOPMENT AUTHORITY RELATING TO THE FOUNDRY PROJECT**

WHEREAS, the Loveland Downtown Development Authority (the “DDA”) is a body corporate and politic duly created, organized and authorized pursuant to Section 31-25-801, *et seq.*, C.R.S. by a vote of the majority of qualified electors within the DDA District at a special election held on February 10, 2015 and thereafter officially established by the City Council upon the passage of Ordinance No. 5927; and

WHEREAS, the DDA is a Colorado Downtown Development Authority, with all the powers and authority granted to it pursuant to Title 31, Article 25, Part 8, C.R.S. (the “DDA Act”); and

WHEREAS, on July 5, 2017, the City Council adopted Resolution #R-52-2017, which established the plan for the development or redevelopment of the DDA District (the “DDA Plan of Development”); and

WHEREAS, a majority of the qualified electors within the DDA District, at an election held on November 7, 2017 (the “2017 Election”), authorized the issuance of debt by the City to fund improvements to advance the objectives of the DDA Plan of Development; and

WHEREAS, the DDA Plan of Development provides that the primary objectives of the DDA are to promote the safety, prosperity, security, and general welfare of the DDA District and its inhabitants, to prevent deterioration of property values and structures within the DDA District, to prevent the growth of blighted areas within the DDA District, to assist the City in the development, redevelopment, and planning of the economic and physical restoration and growth of the DDA District, to approve the overall appearance, condition, and function of the DDA District, to encourage a variety of uses compatible with the artistic and cultural community, to sustain and improve the economic vitality of the DDA District, to promote the historic, artistic, and cultural elements of the DDA District, and to encourage pedestrian traffic and security in the DDA District; and

WHEREAS, the DDA Plan of Development contains a provision for division of taxes that will be effective for thirty years following approval of the DDA Plan of Development, or such longer period as authorized by the DDA Act; and

WHEREAS, the City of Loveland, Colorado (the “City”) is a Colorado home rule municipality with all the powers and authority granted pursuant to Article XX of the Colorado Constitution and its City Charter; and

WHEREAS, on July 2, 2002, the City Council of the City (the “City Council”) established the Loveland Urban Renewal Authority (“LURA”) by Resolution #R-44-2002; and

WHEREAS, LURA is a Colorado Urban Renewal Authority, with all the powers and authority granted to it pursuant to Title 31, Article 25, Part 1, Colorado Revised Statutes (the “Urban Renewal Law”);

WHEREAS, the City Council has heretofore approved the City of Loveland, Urban Renewal Plan dated October 1, 2002, as amended from time to time (the “Urban Renewal Plan”) and the downtown urban renewal area described therein (the “Urban Renewal Area”); and

WHEREAS, the term of the Urban Renewal Plan is for 25 years from the date of adoption of the Urban Renewal Plan, and the Urban Renewal Plan has a provision relating to the division of taxes that will be effective for 25 years beginning on the date of the approval of the Urban Renewal Plan; and

WHEREAS, pursuant to Article XIV of the Colorado Constitution and Title 29, Article 1, Part 2, C.R.S., the City and the DDA are authorized to cooperate and contract with one another to provide any function, service or facility lawfully authorized to each governmental entity; and

WHEREAS, the City has entered into a Disposition and Redevelopment Agreement, dated December 13, 2016, as amended (collectively, as amended, the “DRA”) with Foundry Loveland, LLC, a Colorado limited liability company (the “Developer”), pursuant to which the Developer acquired, developed, constructed and installed a mixed use project within the downtown area of the City that is known as the Foundry Project (the “Foundry Project”) as further set forth in the DRA; and

WHEREAS, the Foundry Project is located within the Urban Renewal Area and the DDA District; and

WHEREAS, pursuant and subject to the terms and provisions of the DRA, the City paid or reimbursed the Developer for the acquisition, construction and installation of certain Eligible Public Improvements (as defined in the DRA) located within the Foundry Project, including a parking garage that is owned, operated and maintained by the City; and

WHEREAS, LURA has heretofore determined that the acquisition, construction, installation and operation of the Foundry Project in the Urban Renewal Area will serve the public purposes and goals of the Urban Renewal Plan; and

WHEREAS, the Property Tax Increment Revenues and Sales Tax Increment Revenues generated by the Foundry Project are currently being remitted to LURA in accordance with the Urban Renewal Act; and

WHEREAS, in order to further the development of the Foundry Project and reimburse the City for a portion of the costs it incurred in connection with the Foundry Project, the City and LURA entered into a Cooperation Agreement, dated as of March 7, 2019, pursuant to which LURA agreed, except as otherwise provided therein, to remit all Property Tax Increment Revenues and all Sales Tax Increment Revenues generated by the Foundry Project to the City; and

WHEREAS, following termination of the Urban Renewal Plan, the Property Tax Increment Revenues and the Sales Tax Increment Revenues generated by the Foundry Project will no longer

be remitted to LURA, but will be remitted to the City in accordance with the DDA Act and the DDA Plan of Development; and

WHEREAS, any Property Tax Increment Revenues and Sales Tax Increment Revenues received by the City pursuant to the DDA Plan of Development and the DDA Act will be held by the City in a special fund (the “Special Fund”) as required by the DDA Act and applied in accordance with the DDA Plan of Development, the DDA Act and the 2017 Election; and

WHEREAS, the City Council has previously determined that the acquisition, construction, installation and operation of the Foundry Project in the DDA District will serve the public purposes and goals of the DDA Plan of Development; and

WHEREAS, the Board of Directors of the DDA has determined and now hereby determines that the Foundry Project constitutes a development project in the DDA District within the meaning of the DDA Act and that the development and redevelopment of the Foundry Project furthers the DDA Plan of Development, and in order to contribute to the redevelopment of the DDA District as contemplated by the DDA Plan of Development, that it is necessary, desirable and in the best interests of the DDA to enter into a Cooperation Agreement between the City of Loveland, Colorado, and the Loveland Downtown Development Authority relating to the Foundry Project (the “City-DDA Cooperation Agreement (Foundry Project)”), in substantially the form attached hereto as Exhibit “A” and incorporated by reference.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LOVELAND DOWNTOWN DEVELOPMENT AUTHORITY THAT:**

**Section 1.** The foregoing recitals are incorporated herein by reference and adopted as findings and determinations of the DDA.

**Section 2.** The Executive Director of the DDA is authorized, following consultation with the DDA’s attorney, to modify the City-DDA Cooperation Agreement (Foundry Project) in form or substance as deemed necessary to effectuate the purposes of this Resolution or to protect the interests of the DDA.

**Section 3.** The Executive Director of the DDA is hereby independently authorized and directed to execute the City-DDA Cooperation Agreement (Foundry Project) on behalf of the DDA. The execution of the City-DDA Cooperation Agreement (Foundry Project) by the Executive Director of the DDA shall be conclusive evidence of the approval by the DDA of the City-DDA Cooperation Agreement (Foundry Project) in accordance with the terms hereof.

**Section 4.** The Executive Director of the DDA is hereby independently authorized and directed to take all action necessary or appropriate to implement and effect the provisions of this Resolution and the City-DDA Cooperation Agreement (Foundry Project). The execution of any document or instrument by the Executive Director herein authorized shall be conclusive evidence of the approval by the DDA of such agreement, document or instrument in accordance with the terms hereof.

**Section 5.** This Resolution shall be effective as of the date of its adoption.



ADOPTED this 19<sup>th</sup> day of December, 2022.

LOVELAND DOWNTOWN DEVELOPMENT  
AUTHORITY, a body corporate and politic

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Ray Steele, Jr., Board Chair

ATTEST:

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Jon-Mark Patterson, Secretary

# EXHIBIT A

Execution Copy

## COOPERATION AGREEMENT BETWEEN CITY OF LOVELAND, COLORADO, AND LOVELAND DOWNTOWN DEVELOPMENT AUTHORITY (FOUNDRY PROJECT)

THIS COOPERATION AGREEMENT (“Agreement”), dated as of December \_\_, 2022, is made and entered into between the CITY OF LOVELAND, COLORADO (the “City”) and the LOVELAND DOWNTOWN DEVELOPMENT AUTHORITY (the “DDA”).

### RECITALS

Any capitalized term which is used, but not defined, in these Recitals shall have the meaning given in the section entitled: DEFINITIONS.

WHEREAS, the City is a Colorado home rule municipality with all the powers and authority granted pursuant to Article XX of the Colorado Constitution and its City Charter; and

WHEREAS, on July 2, 2002, the City Council of the City (the “City Council”) established the Loveland Urban Renewal Authority (“LURA”) by Resolution #R-44-2002; and

WHEREAS, LURA is a Colorado Urban Renewal Authority, with all the powers and authority granted to it pursuant to Title 31, Article 25, Part 1, Colorado Revised Statutes (the “Urban Renewal Law”);

WHEREAS, the City Council has heretofore approved the City of Loveland, Urban Renewal Plan dated October 1, 2002, as amended from time to time (the “Urban Renewal Plan”) and the downtown urban renewal area described therein (the “Urban Renewal Area”); and

WHEREAS, the term of the Urban Renewal Plan is for 25 years from the date of adoption of the Urban Renewal Plan, and the Urban Renewal Plan has a provision relating to the division of taxes that will be effective for 25 years beginning on the date of the approval of the Urban Renewal Plan; and

WHEREAS, the DDA is a body corporate duly created, organized and authorized pursuant to Section 31-25-801, *et seq.*, C.R.S. by a vote of the majority of qualified electors within the DDA District at a special election held on February 10, 2015 and thereafter officially established by the City Council upon the passage of Ordinance No. 5927; and

WHEREAS, the DDA is a Colorado Downtown Development Authority, with all the powers and authority granted to it pursuant to Title 31, Article 25, Part 8, C.R.S. (the “DDA Act”); and

WHEREAS, on July 5, 2017, the City Council adopted Resolution #R-52-2017, which established the plan for the development or redevelopment of the DDA District (the “DDA Plan of Development”); and

## EXHIBIT A

WHEREAS, a majority of the qualified electors within the DDA District, at an election held on November 7, 2017 (the “2017 Election”), authorized the issuance of debt by the City to fund improvements to advance the objectives of the DDA Plan of Development; and

WHEREAS, the DDA Plan of Development provides that the primary objectives of the DDA are to promote the safety, prosperity, security, and general welfare of the DDA District and its inhabitants, to prevent deterioration of property values and structures within the DDA District, to prevent the growth of blighted areas within the DDA District, to assist the City in the development, redevelopment, and planning of the economic and physical restoration and growth of the DDA District, to approve the overall appearance, condition, and function of the DDA District, to encourage a variety of uses compatible with the artistic and cultural community, to sustain and improve the economic vitality of the DDA District, to promote the historic, artistic, and cultural elements of the DDA District, and to encourage pedestrian traffic and security in the DDA District; and

WHEREAS, the DDA Plan of Development contains a provision for division of taxes that will be effective for thirty years following approval of the DDA Plan of Development, or such longer period as authorized by the DDA Act; and

WHEREAS, pursuant to Article XIV of the Colorado Constitution and Title 29, Article 1, Part 2, C.R.S., the City and the DDA are authorized to cooperate and contract with one another to provide any function, service or facility lawfully authorized to each governmental entity; and

WHEREAS, the City has entered into a Disposition and Redevelopment Agreement, dated December 13, 2016, as amended (collectively, as amended, the “DRA”) with Foundry Loveland, LLC, a Colorado limited liability company (the “Developer”) pursuant to which the Developer acquired, developed, constructed and installed a mixed use project within the downtown area of the City that is known as the Foundry Project (the “Foundry Project”) as further set forth in the DRA; and

WHEREAS, the Foundry Project is located within the Urban Renewal Area and the DDA District; and

WHEREAS, pursuant and subject to the terms and provisions of the DRA, the City paid or reimbursed the Developer for the acquisition, construction and installation of certain Eligible Public Improvements (as defined in the DRA) located within the Foundry Project, including a parking garage that is owned, operated and maintained by the City; and

WHEREAS, LURA has heretofore determined that the acquisition, construction, installation and operation of the Foundry Project in the Urban Renewal Area will serve the public purposes and goals of the Urban Renewal Plan; and

WHEREAS, the Property Tax Increment Revenues and Sales Tax Increment Revenues generated by the Foundry Project are currently being remitted to LURA in accordance with the Urban Renewal Act; and

WHEREAS, in order to further the development of the Foundry Project and reimburse the City for a portion of the costs it incurred in connection with the Foundry Project, the City and

## EXHIBIT A

LURA entered into a Cooperation Agreement, dated as of March 7, 2019, pursuant to which LURA agreed, except as otherwise provided therein, to remit all Property Tax Increment Revenues and all Sales Tax Increment Revenues generated by the Foundry Project to the City; and

WHEREAS, following termination of the Urban Renewal Plan, the Property Tax Increment Revenues and the Sales Tax Increment Revenues generated by the Foundry Project will no longer be remitted to LURA, but will be remitted to the City in accordance with the DDA Act and the DDA Plan of Development; and

WHEREAS, any Property Tax Increment Revenues and Sales Tax Increment Revenues received by the City pursuant to the DDA Plan of Development and the DDA Act will be held by the City in a special fund (the “Special Fund”) as required by the DDA Act and applied in accordance with the DDA Plan of Development, the DDA Act and the 2017 Election; and

WHEREAS, the City has previously determined and now hereby determines that the acquisition, construction, installation and operation of the Foundry Project in the DDA District will serve the public purposes and goals of the DDA Plan of Development; and

WHEREAS, the Board of the DDA (the “DDA Board”) has previously determined, and now hereby determines, that the Foundry Project constitutes a development project in the DDA District within the meaning of the DDA Act and that the development and redevelopment of the Foundry Project furthers the DDA Plan of Development; and

WHEREAS, this Agreement acknowledges, ratifies and confirms the understanding and agreement between the City and the DDA relating to the use of Property Tax Increment Revenues and Sales Tax Increment Revenues generated from the Foundry Project to the extent any such revenues are received by the City and deposited in the Special Fund.

NOW, THEREFORE, in consideration of the mutual promises set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and the DDA agree as follows:

1. **DEFINITIONS.** Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the DRA. As used herein, unless the context expressly indicates otherwise, the words defined below and capitalized in the text of this Agreement shall have the respective meanings set forth below:

“DDA Act” means Title 31, Article 25, Part 8, C.R.S.

“DDA District” means the area within the boundaries of the DDA in which the DDA may exercise its statutory powers, as such area was established pursuant to City Council Ordinance No. 5927, adopted on April 7, 2015, and as subsequently modified by City Council Ordinance No. 5957, adopted on September 1, 2015 and by City Council Ordinance No. 6115, adopted on May 16, 2017.

“Project Area” means the Foundry Project area that is part of the DDA District as described and depicted in Exhibit A. The Project Area is also located within the Urban Renewal Area.

## EXHIBIT A

“Property Tax Base Amount” means the assessed value of property subject to ad valorem property taxes, located within the boundaries of the DDA District and in the Project Area last certified prior to the effective date of approval of the DDA Plan of Development, as reasonably determined by the City based upon data provided by the Larimer County Assessor. The Property Tax Base Amount and increment value shall be calculated and adjusted from time to time by the Larimer County Assessor in accordance with the DDA Act and the rules and regulations of the Property Tax Administrator of the State of Colorado.

“Property Tax Increment Revenues” means, after the termination of the Urban Renewal Plan, the annual ad valorem property tax revenue received by the City from the Larimer County Treasurer in excess of the amount produced by the levy of those taxing bodies that levy property taxes against the Property Tax Base Amount in the Project Area in accordance with the DDA Act and the regulations of the Property Tax Administrator of the State of Colorado, but not including any offsets collected by the Larimer County Treasurer for return of overpayments or any reserve funds retained by the City for such purposes in accordance with 31-25-807(3)(a)(III) of the DDA Act, and credited to the Special Fund.

“Sales Tax” means the municipal sales tax of the City imposed at the rate of 3.00% in accordance with the City’s municipal code. In the event that the City increases its sales tax rate, then the term Sales Tax shall not include this increase in the sales tax rate.

“Sales Tax Base Amount” means the total collection of Sales Taxes within the Project Area in the twelve month period ending on the last day of the month prior to the effective date of approval of the Plan.

“Sales Tax Increment Revenue” means the Sales Tax Revenue in excess of the Sales Tax Base Amount.

“Sales Tax Revenue” means, for each calendar year, all of the proceeds of the Sales Tax (net of vendor’s fees) collected within the Project Area for such calendar year after deduction of the proportionate share of the reasonable and necessary costs and expenses of collecting and enforcing the Sales Tax attributable to the Project Area.

“Special Fund” means the special fund of the City established pursuant to the DDA Act into which the Property Tax Increment Revenues and Sales Tax Increment Revenues are deposited.

“2019 Cooperation Agreement” means the Cooperation Agreement Among the Foundry Loveland Metropolitan District, the City and the DDA, dated March 7, 2019, relating to the disposition of a portion of the Property Tax Increment Revenues to the District resulting from the imposition of the Additional Mill Levy by the District (as such terms are defined therein).

“Urban Renewal Act” means the Colorado Urban Renewal Law, Part 1 of Article 25 of Title 31 of the Colorado Revised Statutes.

“Urban Renewal Area” means the urban renewal area described in the Urban Renewal Plan as the Urban Renewal Area for Downtown Loveland, within which the tax increment provisions of Section 31-25-107(9) of the Urban Renewal Act apply.

# EXHIBIT A

## 2. AGREEMENT BETWEEN CITY AND DDA.

(a) Following termination of the Urban Renewal Plan, the Property Tax Increment Revenues and Sales Tax Increment Revenues generated by the Foundry Project will be remitted to the City pursuant to the terms and provisions of the DDA Plan of Development and the DDA Act. The City agrees that it shall deposit all such Property Tax Increment Revenues and Sales Tax Increment Revenues into the Special Fund, and that it shall apply such revenues in accordance with the terms and provisions of the DDA Act, the DDA Plan of Development, the 2017 Election, the 2019 District Cooperation Agreement and this Agreement.

(b) The DDA Board hereby confirms that the Foundry Project constitutes a development project in the DDA District within the meaning of the DDA Act and that the development and redevelopment of the Foundry Project furthers the DDA Plan of Development. The DDA Board hereby further determines and confirms that the City is authorized to apply available Property Tax Increment Revenues and Sales Tax Increment Revenues generated by the Foundry Project to pay or reimburse the City for all or a portion of the costs of acquiring, constructing, installing, financing or refinancing the Foundry Project.

## 3. GENERAL PROVISIONS.

(a) No Third-Party Beneficiaries. The City shall not be obligated or liable under the terms of this Agreement to any person or entity not a party hereto.

(b) Modifications. No modification or change of any provision in this Agreement shall be made, or construed to have been made, unless such modification is mutually agreed to in writing by the City and the DDA. Memoranda of understanding and correspondence shall not be construed as amendments to this Agreement.

(c) Notice. Notice shall be deemed delivered when such notice has been (i) deposited in the United States Mail, postage pre-paid; (ii) received by overnight delivery service; (iii) received by electronic mail through the internet; or (iv) when personally delivered at the following addresses:

To the City     City of Loveland, Colorado  
                  500 East Third Street  
                  Loveland, Colorado 80537  
                  Attention: City Manager

To the DDA:    Loveland Downtown Partnership  
                  Downtown Development Authority  
                  350 No. Cleveland  
                  Loveland, Colorado 80537  
                  Attention: Executive Director

The Parties may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent, and may designate other methods of communication.

## EXHIBIT A

(d) Severability. If any provision of this Agreement is held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired.

(e) Counterparts. This Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.

(f) Electronic Signatures. The Parties agree that this Agreement may be executed using electronic signatures in accordance with Article 71.3 of Title 24, C.R.S., also known as the Uniform Electronic Transactions Act. Any electronic signature so affixed shall carry the full legal force and effect of any original, handwritten signature. The Parties agree that the transaction described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

[Remainder of this Page Intentionally Left Blank]

EXHIBIT A

IN WITNESS HEREOF, the parties have caused this Agreement to be executed by their duly authorized officers on the date above.

CITY OF LOVELAND, COLORADO

By: \_\_\_\_\_  
City Manager

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

LOVELAND DOWNTOWN DEVELOPMENT  
AUTHORITY, a Colorado Downtown Development  
Authority

By: \_\_\_\_\_  
Title: Executive Director



# EXHIBIT A

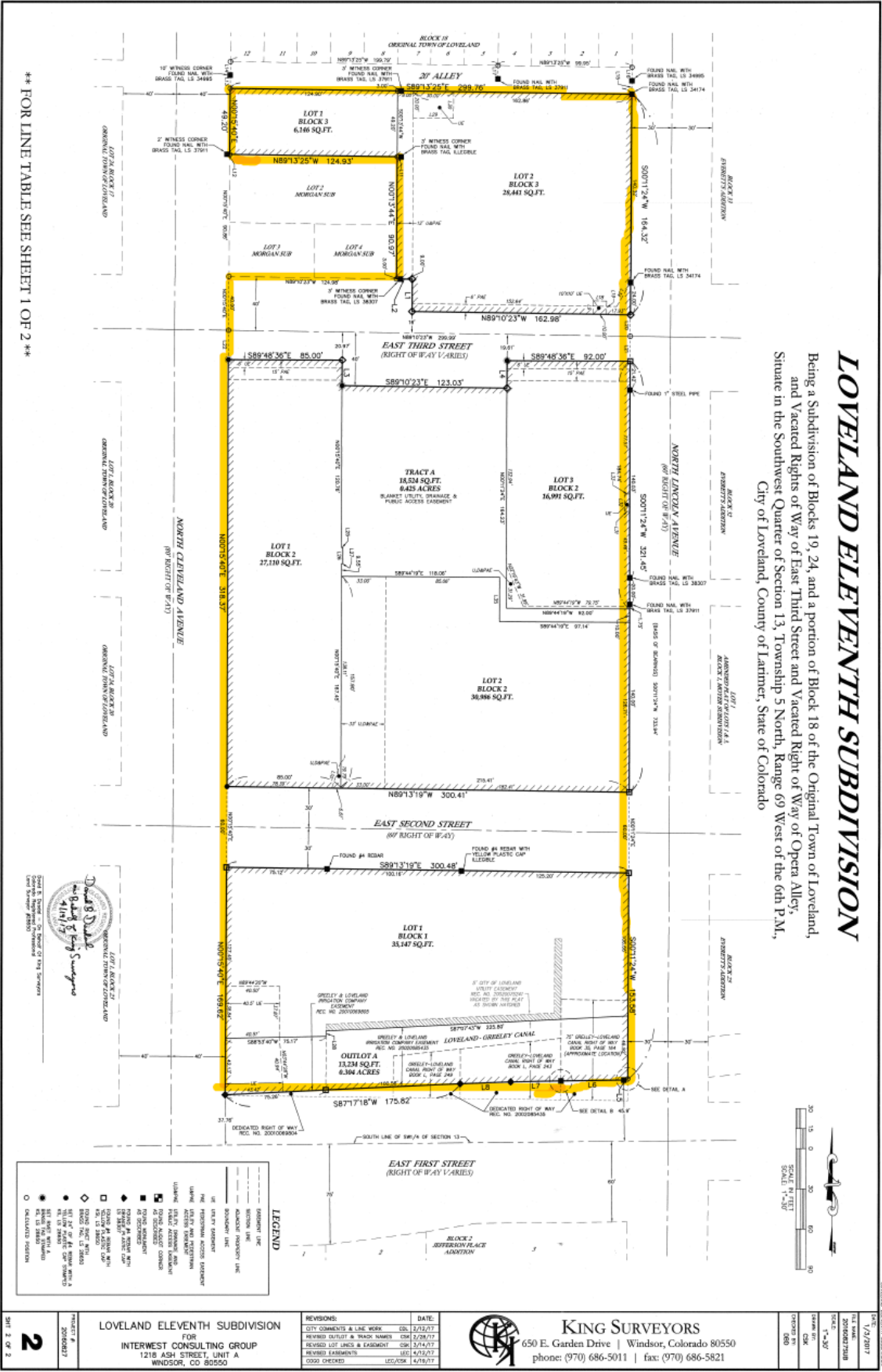
Exhibit A

(Project Area)

# EXHIBIT A

## LOVELAND ELEVENTH SUBDIVISION

Being a Subdivision of Blocks 19, 24, and a portion of Block 18 of the Original Town of Loveland, and Vacated Rights of Way of East Third Street and Vacated Right of Way of Opera Alley, Situate in the Southwest Quarter of Section 13, Township 5 North, Range 69 West of the 6th P.M., City of Loveland, County of Larimer, State of Colorado



\*\* FOR LINE TABLE SEE SHEET 1 OF 2 \*\*

David B. Dudgeon
   
 State of Colorado
   
 License No. 4114177

LEGEND	
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PROJECT #	202000017
DATE	1/17/2017
SCALE	1"=100'
DATE	1/17/2017
SCALE	1"=100'
DATE	1/17/2017
SCALE	1"=100'

REVISIONS:	DATE:
CITY COMMENTS & LINE WORK	CSL 2/15/17
REVISED OUTLOT & TRACT NAMES	CSM 2/28/17
REVISED LOT LINES & EASEMENT	CSM 2/14/17
REVISED EASEMENTS	LEC 2/22/17
COORD CHECKED	LEC/CSM 4/18/17

**KING SURVEYORS**  
 650 E. Garden Drive | Windsor, Colorado 80550  
 phone: (970) 686-5011 | fax: (970) 686-5821

PROJECT #	202000017
DATE	1/17/2017
SCALE	1"=100'
DATE	1/17/2017
SCALE	1"=100'
DATE	1/17/2017
SCALE	1"=100'

## RESOLUTION DDA-2022-03

### **A RESOLUTION OF THE LOVELAND DOWNTOWN DEVELOPMENT AUTHORITY APPROVING A COOPERATION AGREEMENT BETWEEN THE CITY OF LOVELAND, COLORADO, AND THE LOVELAND DOWNTOWN DEVELOPMENT AUTHORITY RELATING TO THE DRAPER PROJECT**

WHEREAS, the Loveland Downtown Development Authority (the “DDA”) is a body corporate and politic duly created, organized and authorized pursuant to Section 31-25-801, *et seq.*, C.R.S. by a vote of the majority of qualified electors within the DDA District at a special election held on February 10, 2015 and thereafter officially established by the City Council upon the passage of Ordinance No. 5927; and

WHEREAS, the DDA is a Colorado Downtown Development Authority, with all the powers and authority granted to it pursuant to Title 31, Article 25, Part 8, C.R.S. (the “DDA Act”); and

WHEREAS, on July 5, 2017, the City Council adopted Resolution #R-52-2017, which established the plan for the development or redevelopment of the DDA District (the “DDA Plan of Development”); and

WHEREAS, a majority of the qualified electors within the DDA District, at an election held on November 7, 2017 (the “2017 Election”), authorized the issuance of debt by the City to fund improvements to advance the objectives of the DDA Plan of Development; and

WHEREAS, the DDA Plan of Development provides that the primary objectives of the DDA are to promote the safety, prosperity, security, and general welfare of the DDA District and its inhabitants, to prevent deterioration of property values and structures within the DDA District, to prevent the growth of blighted areas within the DDA District, to assist the City in the development, redevelopment, and planning of the economic and physical restoration and growth of the DDA District, to approve the overall appearance, condition, and function of the DDA District, to encourage a variety of uses compatible with the artistic and cultural community, to sustain and improve the economic vitality of the DDA District, to promote the historic, artistic, and cultural elements of the DDA District, and to encourage pedestrian traffic and security in the DDA District; and

WHEREAS, the DDA Plan of Development contains a provision for division of taxes that will be effective for thirty years following approval of the DDA Plan of Development, or such longer period as authorized by the DDA Act; and

WHEREAS, the City of Loveland, Colorado (the “City”) is a Colorado home rule municipality with all the powers and authority granted pursuant to Article XX of the Colorado Constitution and its City Charter; and

WHEREAS, on July 2, 2002, the City Council of the City (the “City Council”) established the Loveland Urban Renewal Authority (“LURA”) by Resolution #R-44-2002; and

WHEREAS, LURA is a Colorado Urban Renewal Authority, with all the powers and authority granted to it pursuant to Title 31, Article 25, Part 1, Colorado Revised Statutes (the “Urban Renewal Law”);

WHEREAS, the City Council has heretofore approved the City of Loveland, Urban Renewal Plan dated October 1, 2002, as amended from time to time (the “Urban Renewal Plan”) and the downtown urban renewal area described therein (the “Urban Renewal Area”); and

WHEREAS, the term of the Urban Renewal Plan is for 25 years from the date of adoption of the Urban Renewal Plan, and the Urban Renewal Plan has a provision relating to the division of taxes that will be effective for 25 years beginning on the date of the approval of the Urban Renewal Plan; and

WHEREAS, pursuant to Article XIV of the Colorado Constitution and Title 29, Article 1, Part 2, C.R.S., the City and the DDA are authorized to cooperate and contract with one another to provide any function, service or facility lawfully authorized to each governmental entity; and

WHEREAS, the City, the DDA and LURA have entered into a Redevelopment Agreement, dated September 6, 2022 (the “Redevelopment Agreement”) with 333 East 4th Street Block LLC, a Colorado limited liability company (the “Developer”) pursuant to which the Developer has agreed to develop, construct and install a mixed use project within the downtown area of the City that is known as the Draper Project (the “Draper Project”) as further set forth in the Redevelopment Agreement; and

WHEREAS, all capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Redevelopment Agreement; and

WHEREAS, the Draper Project is located within the Urban Renewal Area and the DDA District; and

WHEREAS, pursuant to the terms and provisions of the Redevelopment Agreement, the City has agreed to pay or reimburse the Developer for the design, acquisition, construction and installation of certain Eligible Improvements located within the Draper Project, subject to the terms and provisions thereof; and

WHEREAS, one of the Eligible Improvements that will be constructed by the Developer under the Redevelopment Agreement will consist of a five story Parking Facility, with a minimum of 277 parking spaces that will be located on the City Parcel and owned by the City; and

WHEREAS, LURA has heretofore determined that the design, acquisition, construction and installation of the Parking Facility and the other Eligible Improvements related to the Draper Project will serve the public purposes and goals of the Urban Renewal Plan; and

WHEREAS, LURA has received certain property tax increment revenues from the Urban Renewal Area that are on deposit in the LURA Special Fund and expects to receive additional property tax increment revenues from the Urban Renewal Area and certain property tax increment revenues and sales tax increment revenues from the Draper Project; and

WHEREAS, in order to further the development of the Draper Project and pay or reimburse the City for a portion of the costs of designing, acquiring, constructing, installing, financing or

refinancing the Parking Facility and other Eligible Improvements located within the Draper Project, the City and LURA expect to enter into a Cooperation Agreement relating to the Draper Project and the Downtown Urban Renewal Area, pursuant to which LURA will agree, except as otherwise provided therein, to remit all Tax Increment Revenues (as defined therein) to the City; and

WHEREAS, following termination of the Urban Renewal Plan, the tax increment revenues will no longer be remitted to LURA, but will be remitted to the City in accordance with the DDA Act and the DDA Plan of Development; and

WHEREAS, any tax increment revenues received by the City pursuant to the DDA Plan of Development and the DDA Act will be held by the City in a special fund (the “City Special Fund”) as required by the DDA Act and applied in accordance with the DDA Plan of Development, the DDA Act, the Redevelopment Agreement and the 2017 Election; and

WHEREAS, the City Council has previously determined that the acquisition, construction, installation and operation of the Draper Project in the DDA District will serve the public purposes and goals of the DDA Plan of Development; and

WHEREAS, the Board of Directors of the DDA has determined and now hereby determines that the Draper Project constitutes a development project in the DDA District within the meaning of the DDA Act and that the development and redevelopment of the Draper Project furthers the DDA Plan of Development, and that it is desirable for the DDA to enter into a Cooperation Agreement between the City of Loveland, Colorado, and the Loveland Downtown Development Authority relating to the Draper Project (the “City-DDA Cooperation Agreement (Draper Project)”), in substantially the form attached hereto as Exhibit “A” and incorporated by reference.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LOVELAND DOWNTOWN DEVELOPMENT AUTHORITY THAT:**

**Section 1.** The foregoing recitals are incorporated herein by reference and adopted as findings and determinations of the DDA.

**Section 2.** The Executive Director of the DDA is authorized, following consultation with the DDA’s attorney, to modify the City-DDA Cooperation Agreement (Draper Project) in form or substance as deemed necessary to effectuate the purposes of this Resolution or to protect the interests of the DDA.

**Section 3.** The Executive Director is hereby independently authorized and directed to execute the City-DDA Cooperation Agreement (Draper Project) on behalf of the DDA. The execution of the City-DDA Cooperation Agreement (Draper Project) by the Executive Director of the DDA shall be conclusive evidence of the approval by the DDA of the City-DDA Cooperation Agreement (Draper Project) in accordance with the terms hereof.

**Section 4.** The Executive Director of the DDA is hereby independently authorized and directed to take all action necessary or appropriate to implement and effect the provisions of this Resolution and the City-DDA Cooperation Agreement (Draper Project). The execution of any document or instrument by the appropriate officers herein authorized shall be conclusive evidence

of the approval by the DDA of such agreement, document or instrument in accordance with the terms hereof.

**Section 5.** This Resolution shall be effective as of the date of its adoption.

ADOPTED this 19<sup>th</sup> day of December, 2022.

LOVELAND DOWNTOWN DEVELOPMENT  
AUTHORITY, a body corporate and politic

\_\_\_\_\_  
Ray Steele, Jr., Board Chair

ATTEST:

\_\_\_\_\_  
Jon-Mark Patterson, Secretary

# EXHIBIT A

Execution Copy

## COOPERATION AGREEMENT BETWEEN CITY OF LOVELAND, COLORADO, AND LOVELAND DOWNTOWN DEVELOPMENT AUTHORITY (DRAPER PROJECT)

THIS COOPERATION AGREEMENT (“Agreement”), dated as of December \_\_, 2022, is made and entered into between the CITY OF LOVELAND, COLORADO (the “City”) and the LOVELAND DOWNTOWN DEVELOPMENT AUTHORITY (the “DDA”).

### RECITALS

Any capitalized term which is used, but not defined, in these Recitals shall have the meaning given in the section entitled: DEFINITIONS.

WHEREAS, the City is a Colorado home rule municipality with all the powers and authority granted pursuant to Article XX of the Colorado Constitution and its City Charter; and

WHEREAS, on July 2, 2002, the City Council of the City (the “City Council”) established the Loveland Urban Renewal Authority (“LURA”) by Resolution #R-44-2002; and

WHEREAS, LURA is a Colorado Urban Renewal Authority, with all the powers and authority granted to it pursuant to Title 31, Article 25, Part 1, Colorado Revised Statutes (the “Urban Renewal Law”);

WHEREAS, the City Council has heretofore approved the City of Loveland, Urban Renewal Plan dated October 1, 2002, as amended from time to time (the “Urban Renewal Plan”) and the downtown urban renewal area described therein (the “Urban Renewal Area”); and

WHEREAS, the term of the Urban Renewal Plan is for 25 years from the date of adoption of the Urban Renewal Plan, and the Urban Renewal Plan has a provision relating to the division of taxes that will be effective for 25 years beginning on the date of the approval of the Urban Renewal Plan; and

WHEREAS, the DDA is a body corporate duly created, organized and authorized pursuant to Section 31-25-801, *et seq.*, C.R.S. by a vote of the majority of qualified electors within the DDA District at a special election held on February 10, 2015 and thereafter officially established by the City Council upon the passage of Ordinance No. 5927; and

WHEREAS, the DDA is a Colorado Downtown Development Authority, with all the powers and authority granted to it pursuant to Title 31, Article 25, Part 8, C.R.S. (the “DDA Act”); and

WHEREAS, on July 5, 2017, the City Council adopted Resolution #R-52-2017, which established the plan for the development or redevelopment of the DDA District (the “DDA Plan of Development”); and

## EXHIBIT A

WHEREAS, a majority of the qualified electors within the DDA District, at an election held on November 7, 2017 (the “2017 Election”), authorized the issuance of debt by the City to fund improvements to advance the objectives of the DDA Plan of Development; and

WHEREAS, the DDA Plan of Development provides that the primary objectives of the DDA are to promote the safety, prosperity, security, and general welfare of the DDA District and its inhabitants, to prevent deterioration of property values and structures within the DDA District, to prevent the growth of blighted areas within the DDA District, to assist the City in the development, redevelopment, and planning of the economic and physical restoration and growth of the DDA District, to approve the overall appearance, condition, and function of the DDA District, to encourage a variety of uses compatible with the artistic and cultural community, to sustain and improve the economic vitality of the DDA District, to promote the historic, artistic, and cultural elements of the DDA District, and to encourage pedestrian traffic and security in the DDA District; and

WHEREAS, the DDA Plan of Development contains a provision for division of taxes that will be effective for thirty years following approval of the DDA Plan of Development, or such longer period as authorized by the DDA Act; and

WHEREAS, pursuant to Article XIV of the Colorado Constitution and Title 29, Article 1, Part 2, C.R.S., the City and the DDA are authorized to cooperate and contract with one another to provide any function, service or facility lawfully authorized to each governmental entity; and

WHEREAS, the City, the DDA and LURA have entered into a Redevelopment Agreement, dated September 6, 2022 (the “Redevelopment Agreement”) with 333 East 4th Street Block LLC, a Colorado limited liability company (the “Developer”) pursuant to which the Developer has agreed to develop, construct and install a mixed use project within the downtown area of the City that is known as the Draper Project (the “Draper Project”) as further set forth in the Redevelopment Agreement; and

WHEREAS, all capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Redevelopment Agreement; and

WHEREAS, the Draper Project is located within the Urban Renewal Area and the DDA District; and

WHEREAS, pursuant to the terms and provisions of the Redevelopment Agreement, the City has agreed to pay or reimburse the Developer for the design, acquisition, construction and installation of certain Eligible Improvements located within the Draper Project, subject to the terms and provisions thereof; and

WHEREAS, one of the Eligible Improvements that will be constructed by the Developer under the Redevelopment Agreement will consist of a five story Parking Facility, with a minimum of 277 parking spaces that will be located on the City Parcel and owned by the City; and

WHEREAS, LURA has heretofore determined that the design, acquisition, construction and installation of the Parking Facility and the other Eligible Improvements related to the Draper Project will serve the public purposes and goals of the Urban Renewal Plan;



## EXHIBIT A

WHEREAS, LURA has received certain property tax increment revenues from the Urban Renewal Area that are on deposit in the LURA Special Fund and expects to receive additional property tax increment revenues from the Urban Renewal Area and certain property tax increment revenues and sales tax increment revenues from the Draper Project; and

WHEREAS, in order to further the development of the Draper Project and pay or reimburse the City for a portion of the costs of designing, acquiring, constructing, installing, financing or refinancing the Parking Facility and other Eligible Improvements located within the Draper Project, the City and LURA expect to enter into a Cooperation Agreement, dated on or before the date of this Agreement (the “LURA Cooperation Agreement”), pursuant to which LURA will agree, except as otherwise provided therein, to remit all Tax Increment Revenues (as defined therein) to the City; and

WHEREAS, following termination of the Urban Renewal Plan, the tax increment revenues will no longer be remitted to LURA, but will be remitted to the City in accordance with the DDA Act and the DDA Plan of Development; and

WHEREAS, any tax increment revenues received by the City pursuant to the DDA Plan of Development and the DDA Act will be held by the City in a special fund (the “City Special Fund”) as required by the DDA Act and applied in accordance with the DDA Plan of Development, the DDA Act, the Redevelopment Agreement and the 2017 Election; and

WHEREAS, the Board of the DDA (the “DDA Board”) has previously determined, and now hereby determines, that the acquisition, construction and installation of the Draper Project and the Eligible Improvements will serve a public purpose and contribute to the redevelopment of the DDA District as contemplated by the DDA Plan of Development, and the City Council has previously concurred and now hereby concurs in this finding; and

WHEREAS, this Agreement acknowledges, ratifies and confirms the understanding and agreement between the City and the DDA relating to the use of Tax Increment Revenues to the extent any such revenues are received by the City and deposited in the City Special Fund.

NOW, THEREFORE, in consideration of the mutual promises set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and the DDA agree as follows:

1. DEFINITIONS. Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Redevelopment Agreement. As used herein, unless the context expressly indicates otherwise, the words defined below and capitalized in the text of this Agreement shall have the respective meanings set forth below:

“DDA Act” means Title 31, Article 25, Part 8, C.R.S.

“DDA District” means the area within the boundaries of the DDA in which the DDA may exercise its statutory powers, as such area was established pursuant to City Council Ordinance No. 5927, adopted on April 7, 2015, and as subsequently modified by City Council Ordinance No. 5957, adopted on September 1, 2015 and by City Council Ordinance No. 6115, adopted on May 16, 2017.

## EXHIBIT A

“Urban Renewal Act” means the Colorado Urban Renewal Law, Part 1 of Article 25 of Title 31 of the Colorado Revised Statutes.

“Urban Renewal Area” means the urban renewal area described in the Urban Renewal Plan as the Urban Renewal Area for Downtown Loveland, within which the tax increment provisions of Section 31-25-107(9) of the Urban Renewal Act apply.

### 2. AGREEMENT BETWEEN CITY AND DDA.

(a) Following termination of the Urban Renewal Plan, the Tax Increment Revenues generated by the Draper Project and the tax increment revenues generated in the DDA District, but not generated by the Project, will be remitted to the City pursuant to the terms and provisions of the DDA Act. The City agrees that it shall deposit all such revenues into the City Special Fund, and that it shall apply such revenues in accordance with the terms and provisions of the DDA Act, the DDA Plan of Development, the 2017 Election, the Redevelopment Agreement and this Agreement. The City agrees that any tax increment revenues generated within the DDA District that are not generated by the Draper Project shall not be applied to pay or reimburse Eligible Costs or Financing Costs, to pay debt service on any outstanding City Bonds or be used for any other purpose under the Redevelopment Agreement without the prior written consent of the DDA, which it may grant or deny in its sole discretion, in an amount in excess of \$640,000, subtracting therefrom any tax increment revenues generated in the Urban Renewal Area but not generated by the Draper Project that have been applied by LURA to the payment of Project costs pursuant to Section 3.4(b) of the Redevelopment Agreement.

(b) The DDA Board has determined, and hereby determines, that the acquisition, construction and installation of the Draper Project and the Eligible Improvements will serve a public purpose and contribute to the redevelopment of the DDA District as contemplated by the DDA Plan of Development. The DDA Board authorizes and approves the application of the Tax Increment Revenues generated by the Draper Project on deposit in the City Special Fund to the payment or reimbursement of Eligible Costs or Financing Costs, to the payment of City Bonds issued or incurred to finance or refinance Eligible Costs, and/or to the payment of any other costs incurred pursuant to the Redevelopment Agreement. If the Urban Renewal Plan is terminated prior to the 25-year period during which LURA is authorized to receive tax increment revenues pursuant to the Urban Renewal Act (which 25 year period expires on October 1, 2027), the DDA Board further authorizes and approves the application of the tax increment revenues generated in the DDA District, but not generated by the Draper Project, on deposit in the City Special Fund to the payment or reimbursement of Eligible Costs or Financing Costs, to the payment of City Bonds issued or incurred to finance or refinance Eligible Costs, and/or to the payment of any other costs incurred pursuant to the Redevelopment Agreement, up to the amount of \$640,000, subtracting therefrom any tax increment revenues generated in the Urban Renewal Area but not generated by the Draper Project that have been applied by LURA to the payment of Project costs pursuant to Section 3.4(b) of the Redevelopment Agreement.

### 3. GENERAL PROVISIONS.

(a) No Third-Party Beneficiaries. The City shall not be obligated or liable under the terms of this Agreement to any person or entity not a party hereto.

## EXHIBIT A

(b) Modifications. No modification or change of any provision in this Agreement shall be made, or construed to have been made, unless such modification is mutually agreed to in writing by the City and the DDA. Memoranda of understanding and correspondence shall not be construed as amendments to this Agreement.

(c) Notice. Notice shall be deemed delivered when such notice has been (i) deposited in the United States Mail, postage pre-paid; (ii) received by overnight delivery service; (iii) received by electronic mail through the internet; or (iv) when personally delivered at the following addresses:

To the City     City of Loveland, Colorado  
                  500 East Third Street  
                  Loveland, Colorado 80537  
                  Attention: City Manager

To the DDA: Loveland Downtown Partnership  
                  Downtown Development Authority  
                  350 No. Cleveland  
                  Loveland, Colorado 80537  
                  Attention: Executive Director

The Parties may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent, and may designate other methods of communication.

(d) Conflicts. This Agreement is intended only to confirm the responsibilities and obligations of the City and the DDA under the Redevelopment Agreement. This Agreement is not intended to, and shall not be construed to, amend, modify or otherwise alter such responsibilities or obligations, or any other term, provision or condition of the Redevelopment Agreement. In the event of any conflict or inconsistency between the terms and provisions of this Agreement and the Redevelopment Agreement, the terms and provisions of the Redevelopment Agreement shall control.

(e) Severability. If any provision of this Agreement is held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired.

(f) Counterparts. This Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.

(g) Electronic Signatures. The Parties agree that this Agreement may be executed using electronic signatures in accordance with Article 71.3 of Title 24, C.R.S., also known as the Uniform Electronic Transactions Act. Any electronic signature so affixed shall carry the full legal force and effect of any original, handwritten signature. The Parties agree that the transaction described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

# EXHIBIT A

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EXHIBIT A

IN WITNESS HEREOF, the parties have caused this Agreement to be executed by their duly authorized officers on the date above.

CITY OF LOVELAND, COLORADO

By: \_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

LOVELAND DOWNTOWN DEVELOPMENT  
AUTHORITY, a Colorado Downtown Development  
Authority

By: \_\_\_\_\_  
Title: Executive Director

## RESOLUTION DDA-2022-04

### **A RESOLUTION OF THE LOVELAND DOWNTOWN DEVELOPMENT AUTHORITY APPROVING A COOPERATION AGREEMENT BY AND AMONG THE CITY OF LOVELAND, COLORADO, THE LOVELAND URBAN RENEWAL AUTHORITY, AND THE LOVELAND DOWNTOWN DEVELOPMENT AUTHORITY RELATING TO THE DUTCH BROTHERS PROJECT, VITAMIN COTTAGE PROJECT AND ARTSPACE PROJECT**

WHEREAS, the Loveland Downtown Development Authority (the “DDA”) is a body corporate and politic duly created, organized, and authorized pursuant to Section 31-25-801, *et seq.*, C.R.S. by a vote of the majority of qualified electors within the DDA District (defined below) at a special election held on February 10, 2015, and thereafter officially established by the City Council upon the passage of Ordinance No. 5927; and

WHEREAS, the DDA is a Colorado Downtown Development Authority, with all the powers and authority granted to it pursuant to Title 31, Article 25, Part 8, C.R.S. (the “DDA Act”); and

WHEREAS, on July 5, 2017, the City Council approved the Plan of Development for the DDA (the “DDA Plan of Development”), which was previously approved by the DDA by Resolution #R-52-2017, which established the plan for development or redevelopment of the area of the DDA (the “DDA District”); and

WHEREAS, a majority of the qualified electors within the DDA District, at an election held on November 7, 2017 (the “2017 Election”), authorized the issuance of debt by the City to fund improvements to advance the objectives of the DDA Plan of Development; and

WHEREAS, the DDA Plan of Development provides that the primary objectives of the DDA are to promote the safety, prosperity, security, and general welfare of the DDA District and its inhabitants, to prevent deterioration of property values and structures within the DDA District, to prevent the growth of blighted areas within the DDA District, to assist the City in the development, redevelopment, and planning of the economic and physical restoration and growth of the DDA District, to approve the overall appearance, condition, and function of the DDA District, to encourage a variety of uses compatible with the artistic and cultural community, to sustain and improve the economic vitality of the DDA District, to promote the historic, artistic, and cultural elements of the DDA District, and to encourage pedestrian traffic and security in the DDA District; and

WHEREAS, the DDA Plan of Development contains a provision for division of taxes that will be effective for thirty years following approval of the DDA Plan of Development, or such longer period as authorized by the DDA Act; and

WHEREAS, the City of Loveland, Colorado (the “City”) is a Colorado home rule municipality with all the powers and authority granted pursuant to Article XX of the Colorado Constitution and its City Charter; and

WHEREAS, on July 2, 2002, the City Council of the City (the “City Council”) established the Loveland Urban Renewal Authority (“LURA”) by Resolution #R-44-2002; and

WHEREAS, LURA is a Colorado Urban Renewal Authority, with all the powers and authority granted to it pursuant to Title 31, Article 25, Part 1, Colorado Revised Statutes (the “Urban Renewal Act”); and

WHEREAS, the City Council has heretofore approved the City of Loveland, Urban Renewal Plan dated October 1, 2002, as amended from time to time (the “Urban Renewal Plan”) and the downtown urban renewal area described therein (the “Urban Renewal Area”); and

WHEREAS, the term of the Urban Renewal Plan is for 25 years from the date of adoption of the Urban Renewal Plan, and the Urban Renewal Plan has a provision relating to the division of taxes that will be effective for 25 years beginning on the date of the approval of the Urban Renewal Plan; and

WHEREAS, the Urban Renewal Plan provides that the goals of the urban renewal effort are to serve primarily as a redevelopment catalyst for the downtown area, and that the actions of LURA should be in accordance with the Urban Renewal Plan goals of: eliminating and preventing conditions of blight which constitute an economic and social liability to the community; preventing the physical and economic deterioration of the Plan Area; attracting capital investment in the downtown and assisting in the retention and expansion of existing businesses, thus strengthening the City’s economic base; creating a stable tax base; and facilitating the development of mixed-use projects in the downtown area; and

WHEREAS, pursuant to Section 31-25-112, C.R.S., the City is specifically authorized to do all things necessary to aid and cooperate with LURA in connection with the planning or undertaking of any urban renewal plans, projects, programs, works, operations or activities of LURA, to enter into agreements with LURA respecting such actions to be taken by the City, and appropriating funds and making such expenditures of its funds to aid and cooperate with LURA in undertaking an urban renewal project and carrying out the Urban Renewal Plan; and

WHEREAS, pursuant to Article XIV of the Colorado Constitution and Title 29, Article 1, Part 2, C.R.S., the City, LURA and the DDA are authorized to cooperate and contract with one another to provide any function, service or facility lawfully authorized to each governmental entity; and

WHEREAS, the DDA and City have previously entered into the Lincoln DB, LLC Public Improvement Reimbursement Agreement (the “Dutch Brothers Reimbursement Agreement”), dated May 11, 2021, with Lincoln DB, LLC (“Lincoln DB”) pursuant to which Lincoln DB agreed to rehabilitate and redevelop an existing bank drive-through into a coffee shop with an outdoor seating area (the “Dutch Brothers Project”); and

WHEREAS, the Dutch Brothers Project is located both in the Urban Renewal Area and the DDA District; and

WHEREAS, pursuant to the Dutch Brothers Reimbursement Agreement, the City agreed to reimburse Lincoln DB for the costs of designing and constructing certain eligible public improvements in connection with the Dutch Brothers Project, in the maximum amount of \$99,070,

from fifty percent (50%) of all sales tax generated by the Dutch Brothers Project each year for six years, subject to the terms and conditions of the Dutch Brothers Reimbursement Agreement; and

WHEREAS, the DDA, the City and LURA have previously entered into the Vitamin Cottage Natural Food Markets, Inc. Public Improvement Reimbursement Agreement (the “Vitamin Cottage Reimbursement Agreement”), dated July 20, 2022, with Vitamin Cottage Natural Foods Market, Inc. (“Vitamin Cottage, Inc.”) pursuant to which Vitamin Cottage, Inc. agreed to redevelop a former retail store into a specialty grocery location (the “Vitamin Cottage Project”); and

WHEREAS, the Vitamin Cottage Project is located both in the Urban Renewal Area and the DDA District; and

WHEREAS, pursuant to the Vitamin Cottage Reimbursement Agreement, the City, the DDA and LURA agreed to reimburse Vitamin Cottage, Inc. for the cost of certain eligible improvements related to the Vitamin Cottage Project up to a maximum aggregate amount of \$500,000 through the utilization of certain sales tax increment revenues generated by the Vitamin Cottage Project, subject to the terms and conditions of the Vitamin Cottage Reimbursement Agreement; and

WHEREAS, the City and LURA have previously entered into the Artspace, Inc. Owner Participation Reimbursement Agreement (the “Artspace Reimbursement Agreement”) dated August 23, 2022, with Artspace, Inc. (“Artspace, Inc.”) pursuant to which Artspace, Inc. has agreed to redevelop and rehabilitate the historic Feed and Grain Building and related property into a mixed use property that will feature nine units of live/work housing for households making under one hundred forty percent (140%) of Area Median Income, five thousand square feet of commercial space for the creative sector, and a community facing lobby for public gatherings, art shows and broader community use (the “Artspace Project”); and

WHEREAS, the Artspace Project is located both in the Urban Renewal Area and the DDA District; and

WHEREAS, pursuant to the Artspace Reimbursement Agreement, the City and LURA agreed to reimburse Artspace, Inc. for certain eligible costs incurred in connection with the Artspace Project in the maximum amount of \$230,000 from sales tax increment revenues generated by the Artspace Project, subject to the terms and conditions of the Artspace Reimbursement Agreement; and

WHEREAS, the Board of LURA has determined that the acquisition, construction and installation of the Dutch Brothers Project, the Vitamin Cottage Project, and the Artspace Project will each serve the public purposes and goals of the Urban Renewal Plan; and

WHEREAS, the Dutch Brothers Project, the Vitamin Cottage Project and the Artspace Project shall hereafter be referred to collectively as the “Redevelopment Projects”; and

WHEREAS, the sales tax increment revenues generated by each of the Redevelopment Projects will be remitted to LURA for up to twenty-five years following the date of approval of the Urban Renewal Plan (which 25 year period continues through September 30, 2027 and expires on October 1, 2027), unless the Urban Renewal Plan is terminated prior to the expiration of such 25 year period, and any such tax increment revenues remitted to LURA will be held by LURA in



a special fund (the “LURA Special Fund”) and applied in accordance with the Urban Renewal Act; and

WHEREAS, in the event that the Urban Renewal Plan is terminated, or following termination of the 25-year period during which LURA will receive the tax increment revenues, the sales tax increment revenues generated from the Redevelopment Projects will no longer be remitted to LURA, but will be remitted to the City in accordance with the DDA Plan of Development and the DDA Act; and

WHEREAS, any sales tax increment revenues received by the City from the Redevelopment Projects pursuant to the DDA Plan of Development and the DDA Act will be held by the City in a special fund (the “City Special Fund”) as required by the DDA Act and applied in accordance with the DDA Plan of Development, the DDA Act and the 2017 Election; and

WHEREAS, the City Council has previously determined that the acquisition, construction, installation, and operation of the Redevelopment Projects in the DDA District will serve the public purposes and goals of the DDA Plan of Development; and

WHEREAS, the Board of Directors of the DDA has determined and now hereby determines that the Redevelopment Projects each constitute a development project in the DDA District within the meaning of the DDA Act and that the development and redevelopment of the Redevelopment Projects furthers the DDA Plan of Development, and to facilitate the acquisition, construction, installation and operation of the Redevelopment Projects, that it is necessary, desirable and in the best interests of the DDA to enter into a Cooperation Agreement among the City of Loveland, Colorado, the Loveland Urban Renewal Authority and the Loveland Downtown Development Authority relating to the Dutch Brothers Project, the Vitamin Cottage Project and the Artspace Project (the “City, LURA and DDA Cooperation Agreement (Dutch Brothers Project, Vitamin Cottage Project and Artspace Project)”), in substantially the form attached hereto as Exhibit “A” and incorporated by reference.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE LOVELAND DOWNTOWN DEVELOPMENT AUTHORITY THAT:**

**Section 1.** The foregoing recitals are incorporated herein by reference and adopted as findings and determinations of the DDA.

**Section 2.** The Executive Director of the DDA is authorized, following consultation with the DDA’s attorney, to modify the City, LURA and DDA Cooperation Agreement (Dutch Brothers Project, Vitamin Cottage Project and Artspace Project) in form or substance as deemed necessary to effectuate the purposes of this Resolution or to protect the interests of the DDA.

**Section 3.** The Executive Director of the DDA is hereby independently authorized and directed to execute the City, LURA and DDA Cooperation Agreement (Dutch Brothers Project, Vitamin Cottage Project and Artspace Project) on behalf of the DDA. The execution of the City, LURA and DDA Cooperation Agreement (Dutch Brothers Project, Vitamin Cottage Project and Artspace Project) by the Executive Director of the DDA shall be conclusive evidence of the approval by the DDA of the City, LURA and DDA Cooperation Agreement (Dutch Brothers Project, Vitamin Cottage Project and Artspace Project) in accordance with the terms hereof.

**Section 4.** The Executive Director of the DDA is hereby independently authorized and directed to take all action necessary or appropriate to implement and effect the provisions of this Resolution and the City, LURA and DDA Cooperation Agreement (Dutch Brothers Project, Vitamin Cottage Project and Artspace Project). The execution of any document or instrument by the Executive Director of the DDA shall be conclusive evidence of the approval by the DDA of such agreement, document, or instrument in accordance with the terms hereof.

**Section 5.** This Resolution shall be effective as of the date of its adoption.

ADOPTED this 19<sup>th</sup> day of December, 2022.

LOVELAND DOWNTOWN DEVELOPMENT  
AUTHORITY, a body corporate and politic

\_\_\_\_\_  
Ray Steele, Jr., Board Chair

ATTEST:

\_\_\_\_\_  
Jon-Mark Patterson, Secretary

# EXHIBIT A

Execution Copy

COOPERATION AGREEMENT  
AMONG THE CITY OF LOVELAND, COLORADO,  
LOVELAND URBAN RENEWAL AUTHORITY, AND  
LOVELAND DOWNTOWN DEVELOPMENT AUTHORITY  
(DUTCH BROTHERS PROJECT, VITAMIN COTTAGE PROJECT  
AND ARTSPACE PROJECT)

THIS AGREEMENT (this “Agreement”), dated as of December \_\_, 2022, is made and entered into by and among the CITY OF LOVELAND, COLORADO (the “City”), the LOVELAND URBAN RENEWAL AUTHORITY (“LURA”) and the LOVELAND DOWNTOWN DEVELOPMENT AUTHORITY (the “DDA”).

## RECITALS

WHEREAS, the City is a Colorado home rule municipality with all the powers and authority granted pursuant to Article XX of the Colorado Constitution and its City Charter; and

WHEREAS, on July 2, 2002, the City Council of the City (the “City Council”) established LURA by Resolution #R-44-2002; and

WHEREAS, LURA is a Colorado Urban Renewal Authority, with all the powers and authority granted to it pursuant to Title 31, Article 25, Part 1, Colorado Revised Statutes (the “Urban Renewal Act”);

WHEREAS, the City Council has heretofore approved the City of Loveland, Urban Renewal Plan dated October 1, 2002, as amended from time to time (the “Urban Renewal Plan”) and the downtown urban renewal area described therein (the “Urban Renewal Area”); and

WHEREAS, the term of the Urban Renewal Plan is for 25 years from the date of adoption of the Urban Renewal Plan, and the Urban Renewal Plan has a provision relating to the division of taxes that will be effective for 25 years beginning on the date of the approval of the Urban Renewal Plan; and

WHEREAS, the Urban Renewal Plan provides that the goals of the urban renewal effort are to serve primarily as a redevelopment catalyst for the downtown area, and that the actions of LURA should be in accordance with the Urban Renewal Plan goals of: eliminating and preventing conditions of blight which constitute an economic and social liability to the community; preventing the physical and economic deterioration of the Plan Area; attracting capital investment in the downtown and assisting in the retention and expansion of existing businesses, thus strengthening the City’s economic base; creating a stable tax base; and facilitating the development of mixed-use projects in the downtown area; and

WHEREAS, pursuant to Section 31-25-112, C.R.S., the City is specifically authorized to do all things necessary to aid and cooperate with LURA in connection with the planning or undertaking of any urban renewal plans, projects, programs, works, operations or activities of LURA, to enter into agreements with LURA respecting such actions to be taken by the City, and

## EXHIBIT A

appropriating funds and making such expenditures of its funds to aid and cooperate with LURA in undertaking an urban renewal project and carrying out the Urban Renewal Plan; and

WHEREAS, the DDA is a body corporate duly created, organized and authorized pursuant to Section 31-25-801, *et seq.*, C.R.S. by a vote of the majority of qualified electors within the DDA District at a special election held on February 10, 2015 and thereafter officially established by the City Council upon the passage of Ordinance No. 5927; and

WHEREAS, the DDA is a Colorado Downtown Development Authority, with all the powers and authority granted to it pursuant to Title 31, Article 25, Part 8, C.R.S. (the “DDA Act”); and

WHEREAS, on July 5, 2017, the City Council approved the Plan of Development for the DDA (the “DDA Plan of Development”), which was previously approved by the DDA by Resolution #R-52-2017, which established the plan for development or redevelopment of the area of the DDA (the “DDA District”); and

WHEREAS, a majority of the qualified electors within the DDA District, at an election held on November 7, 2017 (the “2017 Election”), authorized the issuance of debt by the City to fund improvements to advance the objectives of the DDA Plan of Development; and

WHEREAS, the DDA Plan of Development provides that the primary objectives of the DDA are to promote the safety, prosperity, security, and general welfare of the DDA District and its inhabitants, to prevent deterioration of property values and structures within the DDA District, to prevent the growth of blighted areas within the DDA District, to assist the City in the development, redevelopment, and planning of the economic and physical restoration and growth of the DDA District, to improve the overall appearance, condition, and function of the DDA District, to encourage a variety of uses compatible with the artistic and cultural community, to sustain and improve the economic vitality of the DDA District, to promote the historic, artistic, and cultural elements of the DDA District, and to encourage pedestrian traffic and security in the DDA District; and

WHEREAS, the DDA Plan of Development contains a provision for division of taxes that will be effective for thirty years following approval of the DDA Plan of Development, or such longer period as authorized by the DDA Act; and

WHEREAS, pursuant to Article XIV of the Colorado Constitution and Title 29, Article 1, Part 2, C.R.S., the City, LURA and the DDA are authorized to cooperate and contract with one another to provide any function, service or facility lawfully authorized to each governmental entity; and

WHEREAS, the City and the DDA have previously entered into the Lincoln DB, LLC Public Improvement Reimbursement Agreement (the “Dutch Brothers Reimbursement Agreement”), dated May 11, 2021, with Lincoln DB, LLC (“Lincoln DB”) pursuant to which Lincoln DB agreed to rehabilitate and redevelop an existing bank drive-through into a coffee shop with an outdoor seating area (the “Dutch Brothers Project”); and

## EXHIBIT A

WHEREAS, the Dutch Brothers Project is located both in the Urban Renewal Area and the DDA District; and

WHEREAS, pursuant to the Dutch Brothers Reimbursement Agreement, the City agreed to reimburse Lincoln DB for the costs of designing and constructing certain eligible public improvements in connection with the Dutch Brothers Project, in the maximum amount of \$99,070, from fifty percent (50%) of all sales tax generated by the Dutch Brothers Project each year for six years, subject to the terms and conditions of the Dutch Brothers Reimbursement Agreement; and

WHEREAS, the City, LURA and the DDA have previously entered into the Vitamin Cottage Natural Food Markets, Inc. Public Improvement Reimbursement Agreement (the "Vitamin Cottage Reimbursement Agreement"), dated July 20, 2022 with Vitamin Cottage Natural Foods Market, Inc. ("Vitamin Cottage, Inc.") pursuant to which Vitamin Cottage, Inc. agreed to redevelop a former retail store into a specialty grocery location (the "Vitamin Cottage Project"); and

WHEREAS, the Vitamin Cottage Project is located both in the Urban Renewal Area and the DDA District; and

WHEREAS, pursuant to the Vitamin Cottage Reimbursement Agreement, the City, the DDA and LURA agreed to reimburse Vitamin Cottage, Inc. for the cost of certain eligible improvements related to the Vitamin Cottage Project up to a maximum aggregate amount of \$500,000 through the utilization of certain sales tax increment revenues generated by the Vitamin Cottage Project, subject to the terms and conditions of the Vitamin Cottage Reimbursement Agreement; and

WHEREAS, the City and LURA have previously entered into the Artspace, Inc. Owner Participation Reimbursement Agreement (the "Artspace Reimbursement Agreement") dated August 23, 2022, with Artspace, Inc. ("Artspace, Inc.") pursuant to which Artspace, Inc. has agreed to redevelop and rehabilitate the historic Feed and Grain Building and related property into a mixed use property that will feature nine units of live/work housing for households making under one hundred forty percent (140%) of Area Median Income, five thousand square feet of commercial space for the creative sector, and a community facing lobby for public gatherings, art shows and broader community use (the "Artspace Project"); and

WHEREAS, the Artspace Project is located both in the Urban Renewal Area and the DDA District; and

WHEREAS, pursuant to the Artspace Reimbursement Agreement, the City and LURA agreed to reimburse Artspace, Inc. for certain eligible costs incurred in connection with the Artspace Project in the maximum amount of \$230,000 from sales tax increment revenues generated by the Artspace Project, subject to the terms and conditions of the Artspace Reimbursement Agreement; and

WHEREAS, the Board of LURA has determined, and now hereby determines, that the acquisition, construction and installation of the Dutch Brothers Project, the Vitamin Cottage

## EXHIBIT A

Project, and the Artspace Project will each serve the public purposes and goals of the Urban Renewal Plan; and

WHEREAS, the Board of the DDA has determined, and now hereby determines, that the acquisition, construction and installation of the Dutch Brothers Project, the Vitamin Cottage Project and the Artspace Project each constitute a development project in the DDA District within the meaning of the DDA Act and that the development and redevelopment of each of these projects will further the DDA Plan of Development, and the City Council hereby concurs in this finding; and

WHEREAS, the Dutch Brothers Project, the Vitamin Cottage Project and the Artspace Project shall hereafter be referred to collectively as the “Redevelopment Projects;” and

WHEREAS, the sales tax increment revenues generated by each of the Redevelopment Projects will be remitted to LURA for up to twenty-five years following the date of approval of the Urban Renewal Plan (which 25 year period continues through September 30, 2027 and expires on October 1, 2027), unless the Urban Renewal Plan is terminated prior to the expiration of such 25 year period, and any such tax increment revenues remitted to LURA will be held by LURA in a special fund (the “LURA Special Fund”) and applied in accordance with the Urban Renewal Act; and

WHEREAS, in the event that the Urban Renewal Plan is terminated, or following termination of the 25-year period during which LURA will receive the tax increment revenues, the sales tax increment revenues generated from the Redevelopment Projects will no longer be remitted to LURA, but will be remitted to the City in accordance with the DDA Plan of Development and the DDA Act; and

WHEREAS, any sales tax increment revenues received by the City from the Redevelopment Projects pursuant to the DDA Plan of Development and the DDA Act will be held by the City in a special fund (the “City Special Fund”) as required by the DDA Act and applied in accordance with the DDA Plan of Development, the DDA Act and the 2017 Election; and

WHEREAS, this Agreement acknowledges, ratifies and confirms the understanding and agreement between the City, LURA and the DDA relating to the use of sales tax increment revenues generated from the Redevelopment Projects to the extent (a) any such revenues are received by LURA and deposited in the LURA Special Fund, or (b) any such revenues are received by the City and deposited in the City Special Fund.

NOW, THEREFORE, in consideration of the mutual promises set forth below, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City, LURA and the DDA agree as follows:

# EXHIBIT A

## 1. AGREEMENT AMONG LURA, CITY AND DDA.

(a) Prior to the termination of the Urban Renewal Plan or the expiration of the 25-year period during which LURA will receive the sales tax increment revenues generated from the Redevelopment Projects, LURA agrees as follows:

(i) LURA shall apply all sales tax increment revenues received from the Dutch Brothers Project and on deposit in the LURA Special Fund, up to the total maximum amount of \$99,070, in accordance with the terms and provisions of the Dutch Brothers Reimbursement Agreement. Upon written direction from the City, it shall remit the applicable amount of such sales tax increment revenues either to the City, to be remitted by the City to Lincoln DB, or it shall remit the applicable amount of such sales tax increment revenues directly to Lincoln DB.

(ii) LURA shall apply all sales tax increment revenues received from the Vitamin Cottage Project and on deposit in the LURA Special Fund, up to the total maximum aggregate amount of \$500,000, in accordance with the terms and provisions of the Vitamin Cottage Reimbursement Agreement.

(iii) LURA shall apply all sales tax increment revenues received from the Artspace Project and on deposit in the LURA Special Fund, up to the total maximum amount of \$230,000, in accordance with the terms and provisions of the Artspace Project Reimbursement Agreement.

(b) Following termination of the Urban Renewal Plan, or upon the expiration of the 25-year period during which LURA receives the tax increment revenues pursuant to the Urban Renewal Act, the sales tax increment revenues generated by the Redevelopment Projects will be remitted to the City pursuant to the terms and provisions of the DDA Plan of Development and the DDA Act. The City agrees that it shall deposit such sales tax increment revenues generated by the Redevelopment Projects into the City Special Fund, and that it shall apply such revenues in accordance with the terms and provisions of the DDA Act, the DDA Plan of Development, the 2017 Election, this Agreement and the individual reimbursement agreements identified below, as follows:

(i) In accordance with the Dutch Brothers Reimbursement Agreement, the City shall apply 50% of the sales tax increment revenues received from the Dutch Brothers Project each year and on deposit in the City Special Fund, for six years beginning in the first full year after project completion and issuance of a Certificate of Occupancy, to reimburse Lincoln DB for the costs of designing and constructing certain eligible public improvements in connection with the Dutch Brothers Project, in the total maximum amount of \$99,070 less the amount of sales tax increment revenues previously remitted to Lincoln DB pursuant to subsection (a)(i) of this Section, subject to the terms and conditions of the Dutch Brothers Reimbursement Agreement.

(ii) The City shall apply all sales tax increment revenues received from the Vitamin Cottage Project and on deposit in the City Special Fund in excess of the first \$150,000 in annual sales tax increment revenues generated from the Vitamin Cottage Project (defined as the "Sales Tax Increment Annual Threshold" in the Vitamin Cottage

## EXHIBIT A

Reimbursement Agreement), to reimburse Vitamin Cottage, Inc. for the cost of certain eligible improvements related to the Vitamin Cottage Project up to a total maximum aggregate amount of \$500,000 less the amount of sales tax increment revenues previously remitted to Vitamin Cottage, Inc. pursuant to subsection (a)(ii) of this Section, subject to the terms and conditions of the Vitamin Cottage Reimbursement Agreement.

(iii) The City shall apply all sales tax increment revenues received from the Artspace Project and on deposit in the City Special Fund to pay or reimburse Artspace, Inc. for certain eligible costs incurred in connection with the Artspace Project, in the total maximum amount of \$230,000 less the amount of sales tax increment revenues previously remitted to Artspace, Inc. pursuant to subsection (a)(iii) of this Section, from sales tax increment revenues generated by the Artspace Project, subject to the terms and conditions of the Artspace Reimbursement Agreement.

(c) Notwithstanding anything to the contrary contained herein, the City's obligation to apply the sales tax increment revenues generated by the Redevelopment Projects in accordance with this Agreement shall be subject to annual appropriation by the City Council, in its sole discretion, and a failure to make any such annual appropriation shall not be an event of default hereunder. Nothing in this Agreement is intended to nor shall be construed to create any multiple-fiscal year direct or indirect debt or financial obligation on the part of the City within the meaning of the Constitution, the City's home rule charter, or the laws of the State of Colorado, and any such financial obligation of the City created by this Agreement is expressly subject to annual appropriation by the City Council.

(d) The DDA Board hereby confirms that each of the Redevelopment Projects constitutes a development project in the DDA District within the meaning of the DDA Act and that the development and redevelopment of each of the Redevelopment Projects furthers the DDA Plan of Development. The DDA Board hereby further determines and confirms that the City is authorized to apply available sales tax increment revenues generated by the applicable Redevelopment Projects and on deposit in the City Special Fund in accordance with the terms and provisions of this Agreement and the applicable Reimbursement Agreements.

### 2. GENERAL PROVISIONS.

(a) Recitals. The recitals set forth in this Agreement are incorporated herein by reference and adopted as findings and determinations of the City, LURA and the DDA.

(b) Third-Party Beneficiaries. Lincoln DB shall be a third-party beneficiary hereunder with respect to any duties or obligations the City or LURA has agreed to undertake with respect to the Dutch Brothers Reimbursement Agreement. Vitamin Cottage, Inc. shall be a third-party beneficiary hereunder with respect to any duties or obligations the City or LURA has agreed to undertake with respect to the Vitamin Cottage Reimbursement Agreement. Artspace, Inc. shall be a third-party beneficiary hereunder with respect to any duties or obligations the City or LURA has agreed to undertake with respect to the Artspace Reimbursement Agreement. There shall be no other third-party beneficiaries to this Agreement.

(c) Modifications. No modification or change of any provision in this Agreement shall be made, or construed to have been made, unless such modification is mutually agreed to in writing



## EXHIBIT A

by the City, LURA and the DDA. Memoranda of understanding and correspondence shall not be construed as amendments to this Agreement.

(d) Notice. Notice shall be deemed delivered when such notice has been (i) deposited in the United States Mail, postage pre-paid; (ii) received by overnight delivery service; (iii) received by electronic mail through the internet; or (iv) when personally delivered at the following addresses:

To the City     City of Loveland, Colorado  
                  500 East Third Street  
                  Loveland, Colorado 80537  
                  Attention: City Manager

To LURA:     Loveland Urban Renewal Authority  
                  500 East Third Street  
                  Loveland, Colorado 80537  
                  Attention: Executive Director

To the DDA:   Loveland Downtown Partnership  
                  Downtown Development Authority  
                  350 No. Cleveland  
                  Loveland, Colorado 80537  
                  Attention: Executive Director

The Parties may, by notice given hereunder, designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent, and may designate other methods of communication.

(e) Severability. If any provision of this Agreement is held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired.

(f) Counterparts. This Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.

(g) Electronic Signatures. The Parties agree that this Agreement may be executed using electronic signatures in accordance with Article 71.3 of Title 24, C.R.S., also known as the Uniform Electronic Transactions Act. Any electronic signature so affixed shall carry the full legal force and effect of any original, handwritten signature. The Parties agree that the transaction described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

# EXHIBIT A

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EXHIBIT A

IN WITNESS HEREOF, the parties have caused this Agreement to be executed by their duly authorized officers on the date set forth above.

CITY OF LOVELAND, COLORADO

By: \_\_\_\_\_  
City Manager

ATTEST:

\_\_\_\_\_  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

LOVELAND URBAN RENEWAL AUTHORITY

By: \_\_\_\_\_  
Chair

ATTEST:

\_\_\_\_\_  
Executive Director

LOVELAND DOWNTOWN DEVELOPMENT  
AUTHORITY, a Colorado Downtown Development  
Authority

By: \_\_\_\_\_  
Executive Director