REDEVELOPMENT AGREEMENT
1505 NORTH COLLEGE STREET

This Redevelopment Agreement (the "**Agreement**") is made and entered into effective as of the ___ day of ______, 2026, (the "**Effective Date**") by and between the FORT COLLINS URBAN RENEWAL AUTHORITY, a body corporate and politic of the State of Colorado (the "**Authority**"), and LLOYD'S HOLDINGS, LLC, a Colorado limited liability company (the "**Developer**").

RECITALS

WHEREAS, the Developer is the owner of the property that is the subject of this Agreement (the "**Property**") described as Larimer County Tax Assessor Parcel No. 9702100004, also known as 1505 North College Avenue, City of Fort Collins, County of Larimer, State of Colorado; and

WHEREAS, the Developer proposes to redevelop the Property containing three primary structures with an adaptive reuse strategy to create a unique neighborhood gathering place, celebrating urban agriculture, local history, art/music, sustainability, small business, and food systems (the "**Project**"); and

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

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

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

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

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

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

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

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

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

WHEREAS, due to the significant investment required for the Project, it would not be financially feasible through traditional private investment and financing mechanisms alone; and

WHEREAS, the Authority's Board of Commissioners has determined by its adoption of Resolution No. ____ on July 23, 2026, approving this Agreement that the Project will be consistent with and in furtherance of the Plan.

AGREEMENT

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

SECTION 1. DEFINITIONS

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

"**1505 N College Deficit**" has the meaning set forth in Section 3.6.

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

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

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

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

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

"**Code**" means the City's Municipal Code.

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

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

"**Completion Date**" means the date of Completion of Construction.

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

"**Council**" means the City Council of the City.

"**Default**" has the meaning set forth in Sections 6.1 and 6.2.

"**Developer**" means Lloyd's Holdings, LLC, a Colorado limited liability company.

"**Effective Date**" has the meaning set forth in the Preamble to this Agreement.

"**Eligible Costs**" means actual costs for: (1) the repair and renovation of the eastern façade of the existing building visible from the North College Avenue public right of way which are part of the Improvements, and (2) the expenses directly or indirectly related to physical property Improvements, both interior and exterior, that support Project programming and operational objectives, each as evidenced by paid invoices, lien waivers, and related documentation as reasonably requested by the Authority, and (3) the reasonable cost of Developer's internal labor, and self-performed work, provided such costs are documented by internal time logs and market-rate accounting.

"**Existing Authority Debt**" has the meaning set forth in Section 3.6.

"**Foreclosure Action**" has the meaning set forth in Section 2.6.

"**Improvements**" means all the improvements the Developer is required to construct to achieve Completion of Construction of the Project in accordance with the Project Development Plan.

"**Land Use Code**" means the City's Land Use Code.

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

"**Plan**" means the North College Urban Renewal Plan.

"**Plan Area**" means the area described in the Plan.

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

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

"**Reimbursement Cap**" means the amount of $285,000.00.

"**Reimbursement A**" has the meaning set forth in Section 3.2.

"**Reimbursement A Conditions**" has the meaning set forth in Section 3.2.

"**Reimbursement B**" has the meaning set forth in Section 3.3.

"**Reimbursement B Conditions**" has the meaning set forth in Section 3.3.

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

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

"**Related Entity**" means any entity wholly owned or Controlled by the Developer, or any entity in which the current principal members of the Developer collectively hold a majority ownership or controlling interest."

"**Retroactive Payment**" has the meaning set forth in Section 3.3.6.

"**State**" means the State of Colorado.

"**Subsequent Authority Debt**" has the meaning set forth in Section 3.6.

"**Tax Increment Revenue**" means the total of property taxes that the Authority is entitled to receive each year from the Larimer County Treasurer under the Plan as authorized in the Act.

SECTION 2. DEVELOPER OBLIGATIONS

2.1 Design and Construction of the Project. The Developer is responsible for obtaining and reviewing all information that the Developer believes is necessary or desirable to fulfill its obligations under this Agreement. The Developer shall have no obligation to commence or complete construction of the Project; however, the Authority agrees to only reimburse the Developer for Eligible Costs upon fulfillment of the Reimbursement Conditions. Subject to the foregoing, the Developer agrees to use good faith, commercially reasonable efforts to design and construct the Project in accordance with this Agreement. For construction of the Project, the Developer agrees to select contractors that the Developer's architect deems qualified by experience to construct a Project of this quality and caliber. Regardless of the costs incurred by the Developer for the Project or for the payment of property taxes for the Property, the Authority's Reimbursement Obligation shall not exceed the Reimbursement Cap.

2.2 Approval of Required Construction Documents. The Developer shall prepare and obtain the approval of the City for all construction documents and plans strictly as required to secure a building permit for construction of the Project.

2.3 Construction of the Project; Automatic Termination. If the Developer elects to proceed with the Project, then the Developer shall Commence Construction and Complete Construction of the Project in accordance with the City's applicable standards and building and trade permit requirements. All construction activities shall conform to all applicable laws, codes, ordinances, and building policies, including, but not limited to, those of the City. Developer must Commence Construction no later than November 30, 2026. If this date is not met due to delays within the Developer's reasonable control, this Agreement shall automatically terminate unless extended by written agreement of the Parties.

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

2.5 Inspection of Records. All books, records and reports in the possession of the Developer relating to the Project shall at all reasonable times and subject to twenty-four (24) hours advance notice be open to inspection (at the Authority's expense) by such accountants or other agents as the Authority may from time to time designate.

2.6 Restrictions on Assignment and Transfer. Except as hereinafter permitted, prior to the expiration of the Reimbursement Period, the Developer shall not assign or transfer all or any part of or any interest in this Agreement or the Property without the prior written approval of the Authority, which approval shall not be unreasonably withheld, conditioned or delayed. For purposes of this Section 2.6 (a) an assignment or transfer shall include a change of the parties in Control of the Developer and (b) unreasonably withheld, conditioned or delayed shall mean failing to approve within ten (10) business days without identifying legitimate concerns of the Authority related to, but not limited to, the generation of the Tax Increment Revenue, the capacity of the assignee or transferee to Complete Construction and operate the Project, and the preservation and promotion of the Plan. The Developer shall, upon the Developer's gaining of knowledge thereof, promptly notify the Authority of any and all changes in the identity of the parties in Control of the Developer and the degree of Control thereof. No voluntary or involuntary successor in interest of the Developer shall acquire any rights or powers under this Agreement except as expressly set forth herein. Approval of an assignment or transfer by the Authority shall not relieve the Developer of its obligations to Complete Construction of the entire Project, unless the Authority agrees in writing. The foregoing restriction on assignment and transfer in this Section 2.6 shall terminate upon the expiration of the Reimbursement Period.

Notwithstanding the foregoing, but subject to the Authority's receipt and prior written approval of all relevant documents confirming such transfer or assignment, which approval shall not be unreasonably withheld, conditioned or delayed, the Developer may: (i) assign this Agreement and transfer the Property to a Related Entity of the Developer; (ii) collaterally assign its right to receive reimbursement under this Agreement or mortgage the Property (which does not require Authority approval) to any lender or other party that provides acquisition, construction, working capital, tenant improvement or other financing to the Developer in connection with development of the Project, provided that any document assigning the Developer's right to receive reimbursement hereunder shall expressly provide that no reimbursement will be made by the Authority unless and until the Reimbursement Conditions are met; and (iii) enter into a contract to sell all or a portion of the Project upon or after Completion of Construction, provided that no such sale may occur prior to expiration of the Reimbursement Period without the Authority's prior written consent, which consent shall not be unreasonably withheld, conditioned or delayed. Except when a permitted assignee expressly assumes such obligation, no permitted assignment of this Agreement or transfer of the Property shall relieve the Developer of its obligation to Complete Construction of the entire Project under this Agreement. Notwithstanding the foregoing, internal transfers of membership interests among the existing members of Developer, or changes in internal voting control among them, shall not constitute an assignment or change of Control under this Agreement. Further, nothing herein shall restrict or require Authority approval for the Developer to enter into standard commercial leases or licenses with third-party tenants or operators in the ordinary course of business."

Any assignment or transfer of the Developer's rights or obligations under this Agreement without the Authority's prior written consent or approval as required by this Section 2.6 shall be deemed null and void and of no effect; provided, however, in the event of a conveyance of the Property in a foreclosure action or similar proceeding by a deed in lieu of foreclosure, in connection with any deed of trust encumbering the Property (collectively, a "**Foreclosure Action**"), and the conveyance immediately after such Foreclosure Action, the Developer may, without the written consent of Authority, convey its interest in the Property and such successor to the Developer shall continue to have the right to receive reimbursement hereunder upon fulfillment of the Reimbursement Conditions.

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

2.8 Authority Right of Access. The Authority shall have the right to permit a representative of the Authority access to the Property to inspect the Project at any reasonable time and with prior notice to the Developer during the construction period to determine that the Project is under construction or constructed in conformance with the requirements of this Agreement.

2.9 Completion of Construction; Automatic Termination. Notwithstanding anything to the contrary in this Agreement, Developer must Complete Construction no later than December 31, 2027. If this date is not met, this Agreement shall automatically terminate unless extended by written agreement of the Parties.

SECTION 3. AUTHORITY OBLIGATIONS

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

3.2 Conditions for Reimbursement A. "**Reimbursement A**" is an amount not to exceed $85,000.000 and is described as follows: A storefront façade reimbursement to assist with expenses directly or indirectly related to Project Improvements viewable from the public right of way, Property visitors, and improvements to exterior aesthetics or infrastructure. The Authority's Reimbursement Obligation is conditioned upon fulfillment of the following conditions (collectively, the "**Reimbursement A Conditions**"):

3.2.1 Completion of Construction of the Project has occurred in conformance with all Project-related requirements set forth in this Agreement, as evidenced by a Certificate of Substantial Completion issued by the Developer's architect or a temporary/core-and-shell Certificate of Occupancy issued by the City.

3.2.2 Developer has provided to the Authority a letter from each lender with debt in place on the Property after Completion of Construction, dated within 30 days of the disbursement of Reimbursement A, confirming that the respective loans extended to Developer by any such lenders are in good standing, with no existing defaults or events of default, and that all payments due and payable as of the date of such confirmation have been made in full. For the purposes of this Section, "lender" and "debt" shall refer strictly to third-party commercial financial institutions and shall exclude any internal financing, equity contributions, or promissory notes issued to the Developer's individual members unless secured by a recorded deed of trust or other lien against the Property.

3.2.3 The Authority has verified that all of Developer's representations and warranties, as set forth in Section 5.1 of this Agreement, have been met and kept current. The Authority may delay payment of any payment under this Agreement until the Developer provides reasonable evidence of full compliance with said representations and warranties as requested by the Authority in the reasonable exercise of its discretion.

3.2.4 Upon the Completion of Construction, the Authority's Reimbursement Obligation as to Reimbursement A is limited to expenses within the following categories:

3.2.4.1 Demolition and renewal of vacant portion of structure fronting along, and visible from, the College Avenue public right of way;

3.2.4.2 Revitalization of façade/storefront fronting along, and visible from, the College Avenue public right of way;

3.2.4.3 Landscape and flatwork adjacent to the College Avenue public right of way; and

3.2.4.4 Removal of overhead electrical utility infrastructure.

3.2.5 Reimbursement A is limited to reimbursement for Eligible Costs. As a condition to reimbursement for Eligible Costs, the Developer shall provide the Authority with documentation of the Eligible Costs. After the Developer has submitted all required documentation of the Eligible Costs (which includes paid invoices and lien releases), the Authority shall have fifteen (15) business days thereafter to review such documentation, and to notify the Developer of the Authority's determination of eligibility, the reimbursable amount, and the total of the Reimbursement Obligation. The Authority's failure to complete its review of the documentation and to notify the Developer of the results of that review within that fifteen (15) business day period, shall be deemed approval by the Authority of the Developer's submitted Eligible Costs. The Authority shall disburse the approved reimbursement funds to the Developer within thirty (30) calendar days following the expiration of the review period."

3.2.6 Developer's request for Reimbursement A must occur within one (1) year of the Completion Date. If Developer's request is not made within this timeframe, Reimbursement A is no longer available to Developer.

3.3 Conditions for Reimbursement B. "**Reimbursement B**" is an amount not to exceed $200,000.000 and is described as follows: the expenses directly or indirectly related to physical property Improvements, both interior and exterior, that support Project programming and operational objectives. The Authority's Reimbursement Obligation is conditioned upon fulfillment of the following conditions (collectively, the "**Reimbursement B Conditions**"):

3.3.1 Completion of Construction of the Project has occurred in conformance with all Project-related requirements set forth in this Agreement, including, without limitation, those in Sections 2.1, 2.2, and 2.3 of this Agreement.

3.3.2 Developer has provided to the Authority a letter from each lender with debt in place on the Property after Completion of Construction, dated within 30 days of the disbursement of Reimbursement B, confirming that the respective loans extended to Developer by any such lenders are in good standing, with no existing defaults or events of default, and that all payments due and payable as of the date of such confirmation have been made in full. For the purposes of this Section, "lender" and "debt" shall refer strictly to third-party commercial financial institutions and shall exclude any internal financing, equity contributions, or promissory notes issued to the Developer's individual members unless secured by a recorded deed of trust or other lien against the Property.

3.3.3 The Authority has verified that all of Developer's representations and warranties, as set forth in Section 5.1 of this Agreement, have been met and kept current. The Authority may delay payment of any payment under this Agreement until the Developer provides reasonable evidence of full compliance with said representations and warranties as requested by the Authority in the reasonable exercise of its discretion.

3.3.4 Reimbursement B is limited to reimbursement for Eligible Costs. As a condition to reimbursement for Eligible Costs, the Developer shall provide the Authority with documentation of the Eligible Costs. After the Developer has submitted all required documentation of the Eligible Costs (which includes paid invoices and lien releases), the Authority shall have forty-five (45) business days thereafter to review such documentation, and to notify the Developer of the Authority's determination of eligibility, the reimbursable amount, and the total of the Reimbursement Obligation. The Authority's failure to complete its review of the documentation and to notify the Developer of the results of that review within that forty-five (45) business day period, shall be deemed approval by the Authority of the Developer's submitted Eligible Costs.

3.3.5 Developer requests for Reimbursement B may occur up to five (5) times over ten (10) years following the Completion Date, with annual payments being made by the Authority if the Project performs and operates, in the sole discretion of the Authority's Executive Director, substantially in the manner described in the Project Description at **Exhibit A**, "**Evaluation Criteria**" of this Agreement. Annual Reimbursement B payments shall not exceed $40,000.00 per year which is 20% of the Reimbursement B total "not to exceed" amount. Only one (1) Reimbursement B request may be made per year.

3.3.6 Concurrent with any one (1) of the five (5) requests for Reimbursement B detailed in Section 3.3.5, Developer may request payment for any and all amounts previously requested but denied by the Authority's Executive Director due to Evaluation Criteria not being met (each, a "**Retroactive Payment**"). Retroactive Payments shall be awarded at the sole discretion of the Authority's Executive Director for exceptional performance and are intended to incentivize Developer to "catch up" and comply with the Evaluation Criteria.

3.3.7 Developer's requests for Reimbursement B must occur within ten (10) years of the Completion Date. If Developer's requests are not made within this timeframe, Reimbursement B is no longer available to Developer.

3.4 Reimbursement Payments for Eligible Costs. The Authority shall make the reimbursement payments for Eligible Costs to the Developer until the earlier of the following: (1) the Authority has reimbursed the Developer a total amount equal to the Reimbursement Cap; or (2) the Reimbursement Period has expired. Upon the occurrence of the earlier of these events, the

Authority shall have no further obligation to the Developer for reimbursements under this Section 3.4; provided, however, that the expiration of the Reimbursement Period shall not relieve the Authority of the obligation to reimburse the Developer for its Eligible Costs pursuant to a timely request by the Developer made during the Reimbursement Period.

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

3.6 Subordination. Notwithstanding anything herein to the contrary, the Authority's Reimbursement Obligations to the Developer under this Agreement shall be subordinated and junior in priority to any and all other existing indebtedness the Authority has incurred in connection with other urban renewal undertakings and activities under the Plan prior to the date of this Agreement, which shall include, without limitation, all bonds issued, redevelopment agreements entered into, and any other debt obligations incurred by the Authority under the Plan for other urban renewal undertakings and activities in the Plan Area prior to the date of this Agreement (collectively, "**Existing Authority Debt**"). Therefore, the Developer acknowledges and agrees that in the event in any year under this Agreement the Authority does not have sufficient funds to make all or any portion of its reimbursement payments to the Developer under this Section SECTION 3 because of the Authority's payment obligations for Existing Authority Debt (the "**1505 North College Deficit**"), the Authority's obligation to the Developer for that year shall be limited to only those Plan Area funds the Authority has available after payment of all of its obligations for Existing Authority Debt. The Authority shall pay the 1505 North College Deficit in subsequent years if and to the extent the Authority has excess funds available after payment of Existing Authority Debt and the Authority's Reimbursement Obligation owed to the Developer under this Agreement in such subsequent years, but only to the extent the Reimbursement Cap is not exceeded. Any and all indebtedness the Authority incurs in connection with other urban renewal undertakings and activities under the Plan subsequent to the date of this Agreement, which shall include, without limitation, all bonds issued, redevelopment agreements entered into, and any other debt obligations incurred by the Authority under the Plan for other urban renewal undertakings and activities in the Plan Area subsequent to the date of this Agreement ("**Subsequent Authority Debt**") shall be subordinated and junior in priority to the 1505 North College Deficit.

3.7 Methodology and Risk Allocation of the Pledged Revenue; Protests or Abatements. The Parties understand and acknowledge that Tax Increment Revenue is remitted to the Authority according to policies and procedures adopted by the Tax Administrator, the Larimer County Assessor, and the Larimer County Treasurer and based on the annual valuation of all properties located within the Plan Area. Accordingly, the timing and payment by the County to the Authority of all, or some portion, of the Tax Increment Revenues is a matter that is out of the control of the Authority. Nothing herein is intended to be, or shall be construed as, a promise or guarantee by the Authority that the funds to make up the Reimbursement Obligation will be collected and remitted to the Authority in projected or anticipated amounts.

3.7.1 Methodology. The Parties acknowledge and agree that the Tax Increment Revenue attributable to the properties located within the entire Plan Area are calculated and remitted to the Authority in the aggregate for the entire Plan Area. Therefore, in the event that the total annual Tax Increment Revenues received by the Authority are insufficient to meet all of its tax increment finance obligations and agreements existing as of the Effective Date, the Authority will use a reasonable methodology for allocating its funds and revenues actually received to the Developer pursuant to this Agreement. In such event, the Authority will provide to the Developer an explanation of its methodology together with supporting documentation.

3.7.2 Allocation of Risk. The Developer acknowledges that the generation of Tax Increment Revenue is dependent upon completion of the Project and agrees that the Authority is in no way responsible for the amount of Tax Increment Revenue actually generated. The Developer further acknowledges that the Tax Administrator and the Larimer County Assessor may modify the process for calculating Tax Increment Revenues which may reduce the amount of Tax Increment Revenues. The Developer therefore agrees to assume the entire risk that insufficient Tax Increment Revenues will be generated to reimburse all Eligible Costs.

3.7.3 Protests or Abatements. The Developer agrees it will not protest the Larimer County Assessor's valuation of the Property, unless approved by the Authority in writing, nor will the Developer seek abatement of the Property's property tax during the Reimbursement Period. Such obligation will be binding upon subsequent purchasers of the Property.

SECTION 4. INSURANCE AND INDEMNIFICATION

4.1 Insurance. At all times after the date of this Agreement during which the Developer is engaged in preliminary work on the Property or adjacent streets and during the period from the Commencement of Construction until Completion of Construction of the Project, the Developer shall carry, or cause its general contractor to carry, and, upon request, will provide to the Authority certificates of insurance as follows:

4.1.1 Builder's risk insurance (with a deductible not to exceed \$35,000) in an amount equal to 100% of the projected replacement value of the Improvements at the date of Completion of Construction;

4.1.2 Comprehensive general liability insurance (including operations, contingent liability, operations of subcontractors, completed operations, and contractual liability insurance) and umbrella liability insurance with a combined single limit for both bodily injury and property damage of not less than \$1,000,000. Such insurance may carry a deductible in an amount not to exceed \$35,000 per claim for property damage and \$35,000 per claim for employee benefits; and

4.1.3 If required by applicable law, worker's compensation insurance, with statutory coverage, including the deductible permitted by statute.

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

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

SECTION 5. REPRESENTATIONS AND WARRANTIES

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

5.1.1 The Developer is a limited liability company that is qualified to do business in the State of Colorado, and has the legal capacity and the authority to enter into and perform its obligations under this Agreement. The Developer has duly authorized the execution, delivery and performance of this Agreement;

5.1.2 The execution and delivery of this Agreement and such documents and the performance and observance of their terms, conditions and obligations have been duly and validly authorized by all necessary action to make this Agreement and such documents and such performance and observance are valid and binding upon the Developer;

5.1.3 To the Developer's current, actual knowledge, the execution and delivery of this Agreement and the documents required hereunder and the consummation of the transactions contemplated by this Agreement will not:

5.1.3.1 conflict with or contravene any law, order, rule or regulation applicable to the Developer or to its governing documents;

5.1.3.2 result in the breach of any terms or provisions of, or constitute a default under, any agreement or other instrument to which the

Developer is a party or by which the Developer may be bound or affected; or

5.1.3.3 permit any party to terminate any such agreement or instruments or to accelerate the maturity of any indebtedness or other obligation of the Developer;

5.1.4 To the Developer's current, actual knowledge, there is no litigation, proceeding, initiative, referendum, or investigation or any threat of the same contesting the powers of the Developer with respect to this Agreement not disclosed in writing to the Authority; and

5.1.5 The Developer has the legal ability to perform its obligations under this Agreement and has the financial ability, through borrowing or otherwise, to complete the Project, subject to the terms and conditions of this Agreement. This Agreement constitutes a valid and binding obligation of the Developer, enforceable according to its terms, except to the extent limited by bankruptcy, insolvency and other laws of general application affecting creditors' rights and by equitable principles, whether considered at law or in equity; and

5.2 The Authority represents and warrants as of the date of this Agreement the following:

5.2.1 The Authority is an urban renewal authority duly organized and existing under applicable law and has the right, power, legal capacity, and the authority to enter into this Agreement and has authorized the execution, delivery and performance of this Agreement by proper action of its Board of Commissioners;

5.2.2 To the Authority's current, actual knowledge, there is no litigation or threatened litigation, proceeding or investigation contesting the powers of the Authority or its officials with respect to this Agreement not disclosed to the Developer;

5.2.3 To the Authority's current, actual knowledge, after reasonable inquiry, the execution and delivery of this Agreement and the documents required hereunder and the consummation of the transactions contemplated by this Agreement will not:

5.2.3.1 conflict with or contravene any law, order, rule or regulation applicable to the Authority or to its governing documents,

5.2.3.2 result in the breach of any terms or provisions of, or constitute a default under, any agreement or other instrument to which the Authority is a party or by which it may be bound or affected, or

5.2.3.3 permit any party to terminate any such agreement or instruments or to accelerate the maturity of any indebtedness or other obligation of the Authority; and

5.2.4 This Agreement constitutes a valid and binding obligation of the Authority, enforceable according to its terms, except to the extent limited by bankruptcy, insolvency and other laws of general application affecting creditors' rights and by equitable principles, whether considered at law or in equity. The Authority will defend the validity of this Agreement in the event of any litigation arising hereunder that names the Authority as a party or which challenges the authority of the Authority to enter into or perform its obligations hereunder.

SECTION 6. DEFAULT AND REMEDIES

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

6.1.1 The Developer, in violation of Section 2.6 of this Agreement, assigns this Agreement or transfers any part of the Property, or any rights in the same;

6.1.2 There is any change in Control of the Developer or in the identity of the parties in Control of the Developer that violates this Agreement; or

6.1.3 The Developer fails to observe or perform any other material covenant, obligation or agreement required of it under this Agreement.

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

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

6.2.1 The Authority fails to pay the Reimbursement Obligation in violation of this Agreement; or

6.2.2 The Authority fails to observe or perform any material covenant, obligation or agreement required of it under this Agreement.

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

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

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

6.4.1 Suspend performance under this Agreement until it receives assurances from the defaulting Party, deemed reasonably adequate by the non-defaulting Party, that the defaulting Party will cure its Default and continue its performance under this Agreement;

6.4.2 Terminate this Agreement; or

6.4.3 Take whatever legal or administrative action or institute such proceedings as may be necessary or desirable in its opinion to enforce observance or performance of this Agreement, including, without limitation, specific performance or to seek any other right or remedy at law or in equity, including damages, but no special, consequential or punitive damages shall be payable for any Default under this Agreement.

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

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

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

SECTION 7. MISCELLANEOUS

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

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

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

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

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

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

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

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

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

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

Lloyd's Holdings, LLC
808 East Elizabeth Street
Fort Collins, CO 80524

Attn: David Garner
E-mail: dgarner@fb2online.com

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

Fort Collins Urban Renewal Authority
P.O. Box 580
Fort Collins, CO 80522
Attn: Executive Director
E-mail: JBirks@fcgov.com

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

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

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

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

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

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

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

7.15 Survival of Representations, Warranties and Covenants. No representations or warranties whatever are made by any Party except as expressly set forth in this Agreement. The representations, warranties and indemnities made by the Parties and the covenants and agreements to be performed or complied with by the respective Parties shall be deemed to be continuing and shall survive termination or expiration of this Agreement. Nothing in this Section shall affect the obligations and indemnities of the Parties with respect to covenants and agreements in this Agreement that are permitted or required to be performed in whole or in part after issuance of a Certificate of Occupancy.

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

7.17 Joint Draft/Opportunity for Counsel. The Parties agree they drafted this Agreement jointly with an equal opportunity to contribute to its content. Each Party acknowledges that it has had the full opportunity to review this Agreement with legal counsel of its choice, and if a Party has elected to proceed without the advice of legal counsel, it does so voluntarily and waives any claim that it lacked the opportunity to seek counsel.

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

[signature pages follow]

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

DEVELOPER:

LLOYD'S HOLDINGS, LLC
a Colorado limited liability company

DocuSigned by:

By: David Garner
C0C01E25A3E84A6...

Name: David Garner
Title: Managing Member

AUTHORITY:

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

By: ________________________________
Name: Josh Birks
Title: Executive Director

ATTEST:

By: __________________________
_________________, Secretary

APPROVED AS TO FORM:

By: __________________________
Caitlin Quander, URA Attorney

EXHIBIT A
EVALUATION CRITERIA

A. Reimbursement "A" Evaluation Criteria

Reimbursement A is a one-time storefront façade reimbursement intended to assist with expenses directly or indirectly related to Project improvements viewable from the public right of way, Property visitors, and improvements to exterior aesthetics or infrastructure.
In an amount not to exceed $85,000.00, and subject to compliance with all terms and conditions contained in the Agreement, the following categories of improvement expenses shall be deemed eligible for reimbursement:

1. Demolition and renewal of vacant portion of structure fronting along, and visible from, the College Avenue public right of way.
2. Revitalization of façade/storefront fronting along, and visible from, the College Avenue public right of way.
3. Landscape and flatwork adjacent to the College Avenue public right of way.
4. Removal of overhead electrical utility infrastructure.

B. Reimbursement "B" Evaluation Criteria

Reimbursement B is a multi-year reimbursement intended to assist with expenses directly or indirectly related to physical property improvements, both interior and exterior, that support Project programming and operational objectives.

Evaluation process and criteria are intended to confirm that the Project continues to:

- Prevent blight;
- Operate as an active and constructive use;
- Deliver ongoing public benefits consistent with the Project Description set forth in the Agreement.

1. Reimbursement Period Evaluation Criteria

a) In those years when Developer requests annual reimbursements, the Authority shall evaluate the Project based on the following ongoing public benefit criteria:

Property Condition and Blight Elimination

The Property shall be maintained in good condition and free from visible signs of blight, deterioration, or deferred maintenance, consistent with the improvements completed as part of the Project.

Active Use and Occupancy

The Property shall be actively used and occupied and not held vacant or dormant for speculative purposes. Temporary vacancies or transitions shall not constitute noncompliance if Developer demonstrates good faith efforts to maintain active use.

b) In those years when Developer requests annual reimbursements, the Authority shall evaluate whether and how the Project is operating in a manner generally consistent with the following purposes of the Project Description:

- Community gathering and engagement
- Agriculture, food systems, and value-added production
- Creative economy activities
- Sustainability or circular economy practices

The Authority acknowledges that specific tenants, uses, and programming may evolve over time. Alternative uses shall be permitted provided that such uses deliver public benefits equal to or greater than those originally contemplated.

2. **Evaluation Process**

Developer may conduct an annual report of the Project on or about each anniversary of the Completion Date**,** based on the following tools that may be modified or deleted upon mutual agreement of Developer and the Authority**:**

Project Evaluation Form

Category	Standard	Rating (Check One)	Notes
Project Ongoing Public Benefit			
1. Property Condition and Blight Elimination	Property is well-maintained, free of visible blight, and consistent with completed improvements	☐ Meets ☐ Does Not Meet	
2. Active Use and Occupancy	Site is actively occupied and in regular use	☐ Meets ☐ Does Not Meet	
Project Purpose			
3. Community gathering and engagement	Operations generally support gathering and community engagement opportunities (event specific or on-going business operations)	☐ Meets ☐ Does Not Meet	

4. Agriculture/food systems/Value Added Production	Operations generally support food systems	☐ Meets ☐ Does Not Meet	
5. Creative economy activities	Operations provide space for individual and/or collective expression	☐ Meets ☐ Does Not Meet	
6. Sustainability or circular economy practices	Project provides visible practices and results that align with the circular economy	☐ Meets ☐ Does Not Meet	
URA Approval: Full Performance ☐ Yes ☐ No Partial Performance ☐ Yes ☐ No Insufficient Performance Comments:			

Reimbursement Determination Summary

Guidance for Determination

- "Meets" in <u>five or more</u> categories with no major deficiencies → Full Performance
- "Meets" in <u>three or four</u> categories with no major deficiencies → Partial Performance
- Significant inactivity, deterioration, sold by Borrower or loss of public benefit → Insufficient Performance

Summary Assessment (check one):

- Full Performance → Eligible for 100% of annual reimbursement (= 20% of total Amount).
- Partial Performance → Eligible for less than 100% of annual reimbursement (not to exceed 20% of total Amount).
- Insufficient Performance→ Not eligible for annual reimbursement.

The Authority may exercise reasonable discretion in applying these criteria, recognizing changing market conditions, provided the Project continues to deliver public benefits equal to or greater than those originally contemplated.

3. **Developer Request**

Developer may submit an annual report (the "Annual Report") in a form reasonably acceptable to the Authority, which may include:

- Completed Project Evaluation Form
- Description of current uses and tenants
- Summary of operations and activities
- Photographs of the Property
- Justification for request to be awarded Retroactive Payment.

4. **Reimbursement Amount**

Reimbursement for each year of the Reimbursement Period shall be determined as follows:

- Standard met fully → 100% of scheduled reimbursement (20% of total Amount).
- Standard partially met → 50 -100% of scheduled reimbursement (10-20% of total amount).
- Standards not met → No reimbursement (0%)
- Retroactive Payment (if any) approved by the Authority

5. Discretion and Flexibility

The Authority shall have sole, reasonable and objective discretion in applying the Evaluation Criteria and determining reimbursement, taking into account:

- Changing market conditions
- Tenant turnover or business cycles
- Unforeseen economic circumstances
- The overall trajectory and good faith efforts of Developer

The Authority and Developer acknowledge that the intent of this document is to prioritize clear, tangible, and catalytic long-term public benefit outcomes over strict adherence to any single use or metric.