



SPECIAL MEETING OF THE AURA BOARD OF COMMISSIONERS
Via Zoom Webinar
3:00 p.m., Monday, May 6, 2024

AGENDA

SPECIAL MEETING – 3:00 p.m.

1. Call to Order
2. Moment of Reflections and Pledge of Allegiance
3. Roll Call of Members
4. Old Business
 - A. AR-24-05 A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE ARVADA URBAN RENEWAL AUTHORITY APPROVING THE NINTH AMENDMENT TO THE AMENDED AND RESTATED DISPOSITION AND DEVELOPMENT AGREEMENT BETWEEN RALSTON CREEK NORTH, LLC, VARIOUS ASSIGNEES AND THE ARVADA URBAN RENEWAL AUTHORITY
5. Adjournment

RESOLUTION AR-24-

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE ARVADA URBAN RENEWAL AUTHORITY APPROVING THE NINTH AMENDMENT TO THE AMENDED AND RESTATED DISPOSITION AND DEVELOPMENT AGREEMENT BETWEEN RALSTON CREEK NORTH, LLC, VARIOUS ASSIGNEES AND THE ARVADA URBAN RENEWAL AUTHORITY

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE ARVADA URBAN RENEWAL AUTHORITY, THAT:

Section 1. The Ninth Amendment to the Amended and Restated Disposition and Development Agreement between Ralston Creek North LLC, Residences at Ralston Creek, Inc., RRC TIC LLC, Centennial Venture I Ltd. Liability Co., CVI Ralston Creek LLC and the Arvada Urban Renewal Authority, attached hereto as **Exhibit A**, is hereby approved, and the Chair is authorized to execute the same on behalf of the Authority.

DATED this ___ day of _____, 2024.

Paul Bunyard, Chair

Recording Secretary

APPROVED AS TO FORM

Corey Y. Hoffmann, Legal Counsel

ARVADA URBAN RENEWAL AUTHORITY
AGENDA INFORMATION SHEET

Agenda No.: Item 4A
Meeting Date: Special Meeting - May 6, 2024
Title: Ninth Amendment to the Amended and Restated Disposition and Development Agreement between Ralston Creek North and AURA (Including Loan Agreement and Personal Guaranty)

ACTION PROPOSED: Approve

BACKGROUND: AURA entered into a DDA with Ralston Creek North in 2015 to develop a mixed-use project on the 16-acre site referred to as Ralston Creek North. The site consists of the former Arvada Square, Independence Center, Safeway, Ralston Road Café and most recently the gas station. All of these structures have been abated and razed.

Phase 1, The Shops at Ralston Creek, is developed and open. Berkeley Homes is currently constructing 44 townhome on the former Safeway site, also known as Phase 2. Phase 3, the 27 townhomes is under contract with Royal Oak. Phase 4, 195 apartment units located at the former Arvada Square property and is being developed by Loftus. Phase 5, former gas station, will be redeveloped by City Street Investors into a beer hall/restaurant, large public plaza and another small retail building.

This amendment pertains to Phase 4 identified above.

INFORMATION ABOUT THE ITEM: In the current economic climate, banks have limited lending to real estate projects. Loftus is unable to secure a construction loan with a bank for the development of the apartment project and needed to seek alternative funding sources to finance the project at a high interest rate. To reduce the interest expenses, AURA agreed provide a \$3.5 million loan at 6.75% interest for a three year term with a one year extention. The loan is secured by a personal guaranty by Jim Loftus. The Board agreed to the loan terms in September 20, 2023.

During the April 2024 Board meeting, AURA learned that Loftus has a signed term sheet with Strathcona Capital to finance the project. Strathcona is charging 11% interest on a \$56,900,000 loan. Total interest paid will be \$11 million. There is still a \$10 million gap in the capital stack. Loftus asked AURA would be willing to loan them an additional \$5 million. The Board agreed to the following terms:

- Reduce the interest rate on the previously approved \$3.5 million loan
 - Reduce the interest rate from 6.75% to 3%. All other terms remain the same.

- Principal and interest will accrue and are due in a lump sum payment in 36 months, or 48 months if the extension is used, following receipt of the loan.
 - AURA will pay the funds into the previously agreed upon escrow account after Loftus has received all necessary building permits, secured financing, and is prepared to break ground.
- \$5.0 Million Loan
 - AURA will lend Loftus \$5.0 million dollars at 4.5% interest for 36 months with an optional 12-month extension.
 - Principal and interest will accrue and are due in a lump sum payment in 36 months, or 48 months if the extension is used, following receipt of the loan.
 - AURA will pay the funds into the previously agreed upon escrow account after Loftus has received all necessary building permits, secured financing, and is prepared to break ground.
 - Loan forgiveness. AURA will forgive the loan, principal and interest, if the following performance thresholds are achieved. Both dates need to be achieved to receive the forgiveness. Completion is recognized by receipt of a TCO (Temporary Certificate of Occupancy) from the City of Arvada.
 - Construction of the north building is completed by May 1, 2026. This represents a 22-month build.
 - Construction of the south building is completed by November 1, 2026. This represents a 28-month build.
 - Does not require that the Authority contribute any additional funds to achieve the completion of the Project.
 - Funds will be paid at the first to occur – sale of the Project or refinance, or January 1, 2028.

1031 Exchange – this agreement also incorporates language that allows Loftus to utilize the sales proceeds from the recent sale of a commercial property on the apartment development in a 1031 exchange.

Introduction and Background:

1. Loftus sold a real estate asset in order to generate \$5.1M to fund a portion of the additional equity required for the Residences at Ralston Creek Development (RRC)
2. Loftus opted to use the 1031 exchange provision in the tax code to “exchange” the proceeds from the sale into RRC.
3. By opting to use a 1031 exchange Loftus will be able to defer the gain from his sale, which allows him to use the majority of the proceeds for the development. The alternative would be to pay taxes on the sale, which would leave a net amount far short of current capital needs for RRC.
4. In order to facilitate the 1031 Exchange, Loftus is asking for AURA to structure the sale in a certain way (detail to follow) that will accommodate the exchange.
 - a. All financial and tax risk falls on Loftus (not AURA)
 - b. There is no cost to AURA (this is a structuring accommodation not a financial accommodation)

The Mechanics of the structure are as follows:

1. To facilitate the 1031 Exchange Loftus must purchase an asset of “like-kind”, which means the property purchased must be real estate and it must have equal or greater value.
 - a. The asset sale created \$5.1 in cash and retired approximately \$5M in debt (\$10.1M total)
 - b. The “like kind” exchange must be greater than \$10.1M in fair market value to fully defer the tax.
2. Loftus is asking for the purchase price from AURA to be increased to \$9.1M
 - a. Loftus will pay the purchase price with \$5M in cash (the exchange proceeds) and through a \$4M credit that reflects the amount Loftus has invested in the property to date
 - i. Loftus will be “short” \$1M – on which he will pay tax
3. Because much of the original purchase price has already been paid under the DDA, the Ninth Amendment to the DDA reflects a request from Redeveloper for the following:
 - a. The Purchase Price is increased to reflect that the Property has increased in value as a result of the following:
 - i. the infrastructure that has already been paid for and constructed and the permits and fees for Phase 4 that have already been purchased; and
 - ii. the significant prepaid development expenses that Loftus (and his various entities) have paid.
 - b. CVI Ralston Creek (exchange entity) will purchase an undivided interest in Phase 4. It will pay its share of the increased purchase price with cash (from the 1031 exchange) and recognition on the settlement statement for the prepaid development expenses that Jim has already advanced.
 - c. The cash that AURA receives at the Closing will go toward reimbursing the AURA grant that was used to prepay the Infrastructure Costs (thereby increasing the grant funds available to be deposited into escrow for Phase 4).

To reiterate, this structure allows Jim to maximize the additional dollars he can invest in the Project. All risk associated with Jim’s 1031 exchange is on Jim – AURA has no risk or liability and there is no additional cost or expense to AURA.

FINANCIAL IMPACT:

No AURA money, including the loans and incentives, will be paid into the escrow account until Loftus has secured the required funds and received all necessary permits and approvals from the City.

- AURA loans to Loftus:
 - \$3.5 million loan at 3% for 36 months - \$315,000 in interest paid to AURA
 - \$5.0 million loan at 4.5% for 36 months - \$675,000 in interest paid to AURA
 - Loan forgiveness option for the \$5 million loan:

▪ Principal & Interest	\$5,675,000
▪ Interest AURA paid to City	<u>540,000</u>
Cost of loan forgiveness	\$6,215,000
- City of Arvada loans to AURA, three-year terms:
 - \$8 million loan at 3% - \$530,000 in interest paid to COA (previously approved)

- \$4 million loan at 4.5% - \$540,000 in interest paid to COA

This agreement will tie up capital and possibly delays other projects.

STAFF RECOMMENDATION: Staff recommends approval.

SUGGESTED MOTION: I move that Resolution AR-24-05 A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE ARVADA URBAN RENEWAL AUTHORITY APPROVING THE NINTH AMENDMENT TO THE AMENDED AND RESTATED DISPOSITION AND DEVELOPMENT AGREEMENT BETWEEN RALSTON CREEK NORTH, LLC, VARIOUS ASSIGNEES AND THE ARVADA URBAN RENEWAL AUTHORITY

**Ninth Amendment to Amended and Restated
Disposition and Development Agreement
(Ralston Creek North)**

WITNESSETH

Whereas, Arvada Urban Renewal Authority, a body corporate and politic of the State of Colorado (the "**Authority**") and Ralston Creek North, LLC, a Colorado limited liability company ("**RCN**"), entered into that certain Amended and Restated Disposition and Development Agreement dated as of April 7, 2021, for the redevelopment of certain property located within the Ralston Fields Urban Renewal Project Area for a mixed-use development (hereafter, the "**Project**"), which DDA was subsequently amended by the First Amendment to the DDA as of March 2, 2022, the Second Amendment to the DDA as of March 2, 2022, the Third Amendment to the DDA as of September 7, 2022, the Fourth Amendment to the DDA as of May 3, 2023, the Fifth Amendment to the DDA as of May 3, 2023, the Sixth Amendment to the DDA as of September 21, 2023 the Seventh Amendment to the DDA as of December 6, 2023 and the Eighth Amendment to the DDA as of January 3, 2024 (collectively, the "**DDA**");

Whereas, pursuant to Section 12.01(d), RCN, as Redeveloper, had the right to assign or transfer the Agreement to an affiliate of Assignor, provided that such affiliate is substantially owned, managed or controlled, directly or indirectly, by Assignor, or the members or managers of Assignor, and further provided that the assignee or transferee has the legal and similar or greater financial ability than Assignor to perform all duties and obligations under the Agreement, and assumes all such duties and obligations; and

Whereas, effective as of December 28, 2023, RCN had assigned all of its right, title, interest and obligations in, under and to the DDA as Redeveloper with respect to Phase 4 to Residences at Ralston Creek, Inc., a Colorado corporation ("**RRC**" and also a "**Party**" for purposes of the DDA and this Ninth Amendment);

Whereas, James R. Loftus, one of the principals of RCN and RRC desires to invest additional equity in the Project utilizing proceeds held by Centennial Venture I Ltd. Liability Co. ("**CVI**"), an entity of which he indirectly owns 100%, through a deferred like kind exchange pursuant to Section 1031 of the Internal Revenue Code and the Authority has agreed to make certain changes to the DDA to accommodate such exchange, including approval of the sale of an undivided interest in Phase 4 to a wholly-owned subsidiary of CVI and designation of such subsidiary as Redeveloper;

Whereas, the construction lender for Phase 4 of the Project has required that both CVI and RRC form new single member limited liability companies to be the co-owners of Phase 4, Redeveloper under the DDA for Phase 4 and borrowers under the construction loan; and

Whereas, the Parties wish to make certain other amendments to the DDA relating to the respective obligations of the Parties based on various changing conditions related to the Project.

In consideration of the facts set forth in the Recitals and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged and confessed, it is THEREFORE AGREED BY THE PARTIES AS FOLLOWS:

1. Redeveloper.

a. Based upon representations and requirements of the Redeveloper as described in the recitals above, the Parties confirm and agree RRC TIC LLC (“**RRC TIC**”), a single member limited liability company wholly-owned by RRC shall hereafter be recognized as Redeveloper for all purposes relating to Phase 4.

b. Based upon representations and requirements of the Redeveloper as described in the recitals above, the Authority further agrees that CVI Ralston Creek LLC (“**CVI Ralston**”), a single member limited liability company wholly-owned by CVI shall also be recognized as a Redeveloper for Phase 4 for the limited purposes as set forth in this Ninth Amendment.

2. Section 3.03 of the DDA is hereby deleted and restated in its entirety as follows:

3.03. Loans by the Authority to RRC. In addition to the Total Contribution defined hereinabove, the Authority further agrees to provide to RRC two different loans and loan amounts: (a) one loan in the amount of Three Million, Five Hundred Thousand Dollars (\$3,500,000.00) at an interest rate of 3.00% per annum, as more particularly described in that Loan Agreement, attached hereto as Exhibit F, and incorporated herein by this reference and (b) one loan in the amount of Five Million Dollars (\$5,000,000.00) at an interest rate of 4.50% per annum, as more particularly described in that Loan Agreement, attached hereto as Exhibit G, and incorporated herein by this reference. Both loans shall be for a term of 36 months, with an optional 12-month extension. Principal and interest shall be due in a lump sum payment upon expiration of the term of the loans, provided that the loan described under clause (b) provides for the forgiveness of such loan if Redeveloper achieves certain milestones in the completion of the Phase 4 Project.

3. Section 4.01 of the Amended Agreement is amended to incorporate the following:

a. Because AURA has expended \$7,411,682.40 in Infrastructure Costs for the benefit of the Project and thereby increased the value of the Project, the Purchase Price to be paid for Phase 4 of the Property shall be increased by approximately \$9,100,000.00.

b. CVI Ralston shall purchase an undivided interest in Phase 4 (estimated to be 35.08%) by providing consideration equal to approximately \$9,100,000.00 and RRC TIC shall purchase an undivided interest in Phase 4 (estimated to be 64.92%) for consideration equal to \$21.50 and the recognition of Redeveloper’s ongoing cooperation with the Authority, other good and valuable consideration, the enhancements to the Area, and the scope of the undertakings and activities necessary to redevelop a developed urban site into the desired development envisioned by the Authority and agreed to by Redeveloper as part of the purchase price provided by RRC TIC.

c. The Authority agrees that the purchase price paid by CVI Ralston may be paid by a combination of cash proceeds resulting from a deferred like kind exchange under

Section 1031 of the Internal Revenue Code in the approximate amount of \$5,100,000.00 and a credit for all prepaid development expenses paid by CVI Ralston for the Project prior to the Closing Date for Phase 4.

d. The Authority, CVI Ralston and RRC TIC shall mutually agree upon the final purchase price prior to the Phase 4 Closing and agree that such purchase price shall increase or decrease based on the documented value of the prepaid development expenses for the Project. In addition, the Authority agrees that CVI Ralston and RRC TIC shall be free to modify the estimated percentages of ownership set forth above as they may mutually agree prior to the Phase 4 Closing.

e. The Authority further acknowledges and agrees that the cash proceeds it receives at the Closing shall be solely used to reduce the total amount expended by the Authority for the Infrastructure Costs (and thereby increase the Phase 4 Contribution provided by the Authority at Closing).

4. **Section 7.02** of the DDA is hereby deleted and restated in its entirety as follows:

7.02 Financing Alternatives. The Redeveloper may submit alternative plans to finance the undertaking and activities described in this Amended Agreement, provided the plan is approved by the Authority, and the limitations on the amounts available, sources, uses, duration and obligations of the Authority described in this Section 7 are provided for in such alternatives. Redeveloper further specifically agrees that to the extent the Loan Agreement attached hereto as **Exhibit F** or the Loan Agreement attached hereto as **Exhibit G**, and incorporated herein by this reference, are included in Redeveloper's financing alternatives, that Redeveloper shall include the following minimum requirements and assurances to the Authority in connection with the construction loan and financing agreements with Redeveloper's construction lender(s):

A. The funds payable by the Authority to RRC as set forth in Section 3 of this Agreement consisting of the Phase 4 Contribution and the Phase 3 Proceeds shall be placed in an Escrow Account upon Redeveloper both (i) securing all other construction financing to complete Phase 4 as set forth in this Agreement, and (ii) receiving necessary building permits and land use approvals to cause Commencement of Phase 4 Construction.

B. For purposes of this Section 7.02, the total amount of such Authority remittance to the Escrow Account shall be the sum of (i) the Phase 4 Contribution in an amount described below; (ii) the Phase 3 Proceeds in the amount of One Million Dollars (\$1,000,000.00); (iii) the loan from the Authority to RRC in the amount of Three Million, Five Hundred Thousand Dollars (\$3,500,000.00) and (iv) the loan from the Authority to RRC in the amount of Five Million Dollars (\$5,000,000.00). The Phase 4 Contribution shall be an amount equal to \$13,393,989.00 less all Infrastructure Costs not reimbursed at Closing by CVI Ralston.

C. Said Escrow Account shall require that any draws from said Escrow

Account shall be subject to prior approval of any draw taken thereon by the Authority in addition to any other prior approvals required by any other construction lender(s);

D. James R. Loftus shall guarantee performance of the loans set forth in Section 3.03 of this Amended Agreement; and

E. Redeveloper shall further provide the Authority with all loan documents from Redeveloper's construction lender(s), which documents shall at a minimum provide the minimum requirements set forth in this Section 7.02, and such construction loan documents shall include a form of Completion Guarantee for Phase 4 consistent with Section 7.03 below.

5. Ratification. Except as amended hereby, the DDA remains unmodified and in full force and effect. In the event of any conflict between the DDA and this Ninth Amendment, the terms and provisions of this Ninth Amendment shall control.

6. Counterparts; Electronic Delivery. This Ninth Amendment may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Executed copies hereof may be delivered by email or other electronic means (including, without limitation, DocuSign) and upon receipt will be deemed originals and binding upon the parties hereto, regardless of whether originals are delivered thereafter.

[Signatures on the following page]

DATED THIS _____ DAY OF _____, 2024.

THE AUTHORITY:

ARVADA URBAN RENEWAL AUTHORITY

By: _____
Name: _____
Title: _____

ATTEST:

By: _____
Name: _____
Title: _____

RCN:

RALSTON CREEK NORTH, LLC

By: _____
Name: _____
Title: _____

ATTEST:

By: _____
Name: _____
Title: _____

RRC:

RESIDENCES AT RALSTON CREEK, INC.

By: _____
Name: _____
Title: _____

ATTEST:

By: _____
Name: _____
Title: _____

RRC TIC:

RRC TIC LLC

By: _____
Name: _____
Title: _____

ATTEST:

By: _____
Name: _____
Title: _____

CVI:

CENTENNIAL VENTURE I LTD.
LIABILITY CO.

By: _____
Name: _____
Title: _____

ATTEST:

By: _____
Name: _____
Title: _____

CVI RALSTON:

CVI RALSTON CREEK LLC

By: _____

Name: _____

Title: _____

ATTEST:

By: _____

Name: _____

Title: _____

4865-5172-0121, v. 4

EXHIBIT F
Ninth Amendment to Amended and Restated
Disposition and Development Agreement
(Ralston Creek North)

Amended and Restated Loan Agreement

This Amended and Restated Loan Agreement (“Loan Agreement”) is entered into this ____ day of _____, 2024 (the “Effective Date”), by and between the ARVADA URBAN RENEWAL AUTHORITY, a body corporate and politic of the State of Colorado (the “Authority”), whose address is 5601 Olde Wadsworth Boulevard, Suite 210, Arvada, Colorado 80002, RESIDENCES AT RALSTON CREEK, INC., a Colorado corporation, whose address is 2595 Canyon Blvd., Suite 200, Boulder, CO 80302 (“RRC”) and RRC TIC, LLC, a Delaware limited liability company whose address is 2595 Canyon Blvd., Suite 200, Boulder, CO 80302 (“Redeveloper”)(each a “Party” and together, the “Parties”).

Whereas, by and through that certain Amended and Restated Disposition and Development Agreement between the Parties dated April 7, 2021, most recently amended by a Ninth Amendment dated May 6, 2024 (collectively, the “DDA”), Redeveloper is responsible for redevelopment of certain property located within the Ralston Fields Urban Renewal Project Area for a mixed-use development (hereafter, the “Project”); and

Whereas, in order to support the Project specifically and the redevelopment of the Ralston Fields Urban Renewal Project Area generally, the Authority wishes to advance funds to RRC to be used by Redeveloper on a temporary basis subject to the terms and conditions of this Loan Agreement; and

Whereas, pursuant to that certain Sixth Amendment to the DDA, the Authority approved a loan to RRC in the amount of Three Million Five Hundred Thousand and no/100 Dollars (\$3,500,000.00) at an interest rate of 6.75% per annum and the loan was evidenced by that certain Loan Agreement dated September 20, 2023 between the Authority and RRC (the “Original Loan Agreement”); and

Whereas, the Authority now wishes to lower the interest rate of such loan.

In consideration of the facts set forth in the Recitals and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged and confessed, it is THEREFORE AGREED BY THE PARTIES AS FOLLOWS:

A. **Definitions.** Terms defined in the DDA and used herein shall have their defined meaning.

B. **Amended and Restated Loan Agreement.** The Original Loan Agreement is hereby replaced in its entirety by this Loan Agreement, such that the Original Loan Agreement shall be void and of no further force or effect.

B. **Loan Amount; Term.** Subject to Redeveloper’s performance under the DDA and the terms and conditions set forth herein, the Authority loans RRC the amount of three million five hundred thousand and no/100 dollars (\$3,500,000.00) at an interest rate of 3.00% per annum for a term of thirty-six (36) months from the Deposit Date, as defined below (the “Loan”). Subject to written agreement of the Parties, the Loan term may be extended at the same interest rate for an additional twelve (12) months, for a maximum term of forty-eight (48) months from the Deposit Date. Any extension shall be agreed upon by the Parties in writing not less than thirty (30) calendar days prior to

the date of expiration of the original term.

C. **Authority's Obligations.** Upon Redeveloper's receipt of all permits and financing needed to commence work on Phase 4, as determined by the Authority, the Authority shall remit the Loan funds to the Escrow Account as defined in the DDA (the "Deposit Date"). Loan funds shall be released from the Escrow Account for Redeveloper's use according to the escrow agreement described in Section 7.02 of the DDA.

D. **Redeveloper's Obligations.** Prior to the Deposit Date, as security for the Loan, James R. Loftus ("Loftus") shall provide a personal guaranty for the repayment of the Loan in a form acceptable to the Authority (the "Guaranty"). The Authority acknowledges its position as an unsecured creditor claiming behind creditors holding deeds of trust secured by portions of the Project. As such, in the event Redeveloper or its affiliate, Ralston Creek North, LLC ("RCN"), grants the Authority a junior subordinated lien or deed of trust against real property owned by either Redeveloper or RCN within the Project in a form acceptable to the Authority, the Authority confirms that the Guaranty shall be terminated, and Loftus shall be released from his obligations thereunder.

E. **General Terms.**

1. Redeveloper and RRC acknowledge and agree that the Loan is solely to facilitate the completion of the Project. The Loan funds may only be used according to the escrow agreement described in Section 7.02 of the DDA. Use of the Loan for any other purpose shall be a breach of this Loan Agreement.

2. In the event of breach of this Loan Agreement by Redeveloper or RRC, the Authority shall have the right to terminate this Loan Agreement, and repayment of the Loan shall become due and payable in full immediately. Any portion of the Loan not repaid in full when due shall bear interest at the rate of 8% per annum, compounded annually, until paid in full.

3. Redeveloper shall at all times make all records, ledgers, books, accounts or other documents, concerning the Loan or its balance in any medium, kept or maintained by Redeveloper available for the Authority's inspection at reasonable times upon request by the Authority.

4. By entering into this Loan Agreement, Authority expressly does not assume any obligation of Redeveloper to any third party, including, but not by limitation, any term, condition, covenant, duty, or obligation set forth in any contract, certificates of participation, commercial loan, or any other debt or obligation of Redeveloper to which Authority has not expressly RRC consented in writing.

5. The Parties agree to execute any additional documents or take any additional action that is reasonably necessary to carry out this Loan Agreement.

6. This Loan Agreement shall not be assigned by RRC without the prior written consent of Authority, which may be granted or denied in Authority's absolute discretion. RRC may not hypothecate, lend, or otherwise pledge the proceeds of the Loan to any other lender for any purpose, including, but not by limitation, as collateral for Redeveloper's performance under any other contract or financial obligation without the consent of Authority.

7. This Loan Agreement shall inure to the benefit of, and be binding upon, the Parties, their respective legal representatives, successors, heirs, and assigns; provided

however, that nothing in this Section shall be construed to permit the assignment of this Loan Agreement except as otherwise expressly authored herein.

8. All attachments referred to in this Loan Agreement are, by reference, incorporated herein for all purposes.

9. This Loan Agreement supersedes and replaces all prior agreements, written or oral, with respect to the Loan.

10. This Loan Agreement shall be governed by the laws of the State of Colorado without reference to its conflict of laws principles. Venue for any action arising under this Loan Agreement or for the enforcement of this Loan Agreement shall be in the appropriate court for Jefferson County, Colorado.

11. The Parties understand and agree that by making the Loan, the Authority is not a guarantor of Redeveloper's performance, or is assuming any debt or obligation of Redeveloper, or is creating a partnership or joint venture with Redeveloper or RRC. Nothing herein shall be deemed to be, or be construed as, a guarantee by the Authority of any debt or obligation of Redeveloper. Neither Redeveloper nor RRC shall make any representation on behalf of the Authority, except as expressly authorized.

12. There are no intended or unintended third party beneficiaries to this Loan Agreement.

13. If either Party breaches this Loan Agreement, the breaching Party shall pay all of the prevailing Party's reasonable attorney's fees and costs in enforcing this Loan Agreement.

14. A waiver by any Party to this Loan Agreement of the breach of any term or provision of this Loan Agreement shall not operate or be construed as a waiver of any subsequent breach by either Party.

F. **Termination of Agreement.** This Loan Agreement shall automatically terminate upon payment of the Loan. Termination of this Loan Agreement shall not otherwise relieve Redeveloper of any obligation set forth in the DDA.

[signature pages to follow]

EXHIBIT G
Ninth Amendment to Amended and Restated
Disposition and Development Agreement
(Ralston Creek North)

Loan Agreement

This Loan Agreement (“Loan Agreement”) is entered into this ____ day of _____, 2024 (the "Effective Date"), by and between the ARVADA URBAN RENEWAL AUTHORITY, a body corporate and politic of the State of Colorado (the "Authority"), whose address is 5601 Olde Wadsworth Boulevard, Suite 210, Arvada, Colorado 80002, RESIDENCES AT RALSTON CREEK, INC., a Colorado corporation, whose address is 2595 Canyon Blvd., Suite 200, Boulder, CO 80302 ("RRC") and RRC TIC, LLC, a Delaware limited liability company whose address is 2595 Canyon Blvd., Suite 200, Boulder, CO 80302 (“Redeveloper”)(each a “Party” and together, the “Parties”).

Whereas, by and through that certain Amended and Restated Disposition and Development Agreement between the Parties dated April 7, 2021, most recently amended by a Ninth Amendment dated May 6, 2024 (collectively, the "DDA"), Redeveloper is responsible for redevelopment of certain property located within the Ralston Fields Urban Renewal Project Area for a mixed-use development (hereafter, the “Project”); and

Whereas, in order to support the Project specifically and the redevelopment of the Ralston Fields Urban Renewal Project Area generally, the Authority wishes to advance funds to RRC to be used by Redeveloper on a temporary basis subject to the terms and conditions of this Loan Agreement.

In consideration of the facts set forth in the Recitals and for other good and valuable consideration, the receipt and sufficiency of which are acknowledged and confessed, it is THEREFORE AGREED BY THE PARTIES AS FOLLOWS:

A. **Definitions.** Terms defined in the DDA and used herein shall have their defined meaning.

B. **Loan Amount; Term.** Subject to Redeveloper’s performance under the DDA and the terms and conditions set forth herein, the Authority loans RRC the amount of five million and no/100 dollars (\$5,000,000.00) at an interest rate of 4.5% per annum for a term of thirty-six (36) months from the Deposit Date, as defined below (the "Loan"). Subject to written agreement of the Parties, the Loan term may be extended at the same interest rate for an additional twelve (12) months, for a maximum term of forty-eight (48) months from the Deposit Date. Any extension shall be agreed upon by the Parties in writing not less than thirty (30) calendar days prior to the date of expiration of the original term.

C. **Authority's Obligations.** Upon Redeveloper's receipt of all permits and financing needed to commence work on Phase 4, as determined by the Authority, the Authority shall remit the Loan funds to the Escrow Account as defined in the DDA (the "Deposit Date"). Loan funds shall be released from the Escrow Account for Redeveloper's use according to the escrow agreement described in Section 7.02 of the DDA.

D. **Redeveloper’s Obligations.** Prior to the Deposit Date, as security for the Loan, James R. Loftus (“Loftus”) shall provide a personal guaranty for the repayment of the Loan in a form acceptable to the Authority (the "Guaranty"). The Authority acknowledges its position as a unsecured creditor claiming behind creditors holding deeds of trust secured by portions of the Project. As such, in the event Redeveloper or its affiliate, Ralston Creek North, LLC (“RCN”), grants the Authority a junior subordinated lien or deed of trust against real property owned by either Redeveloper or RCN

within the Project in a form acceptable to the Authority, the Authority confirms that the Guaranty shall be terminated, and Loftus shall be released from his obligations thereunder.

E. **Forgiveness.** In the event that Redeveloper (a) completes construction of the north building of the Project (as evidenced by issuance of a temporary certificate of occupancy by the City of Arvada) prior to the date that is twenty-two (22) months from the Effective Date, (b) completes construction of the south building of the Project (as evidenced by issuance of a temporary certificate of occupancy by the City of Arvada) prior to the date that is twenty-six (26) months from the Effective Date and (c) does not require that the Authority contribute any additional funds to achieve the completion of the Project, then the Loan shall be forgiven effective as of the first to occur of (y) sale of the Project or refinance of the secured financing for the Project or (z) January 1, 2028.

F. **General Terms.**

1. Redeveloper and RRC acknowledge and agree that the Loan is solely to facilitate the completion of the Project. The Loan funds may only be used according to the escrow agreement described in Section 7.02 of the DDA. Use of the Loan for any other purpose shall be a breach of this Loan Agreement.

2. In the event of breach of this Loan Agreement by Redeveloper or RRC, the Authority shall have the right to terminate this Loan Agreement, and repayment of the Loan shall become due and payable in full immediately. Any portion of the Loan not repaid in full when due shall bear interest at the rate of 8% per annum, compounded annually, until paid in full.

3. Redeveloper shall at all times make all records, ledgers, books, accounts or other documents, concerning the Loan or its balance in any medium, kept or maintained by Redeveloper available for the Authority's inspection at reasonable times upon request by the Authority.

4. By entering into this Loan Agreement, Authority expressly does not assume any obligation of Redeveloper to any third party, including, but not by limitation, any term, condition, covenant, duty, or obligation set forth in any contract, certificates of participation, commercial loan, or any other debt or obligation of Redeveloper to which Authority has not expressly consented in writing.

5. The Parties agree to execute any additional documents or take any additional action that is reasonably necessary to carry out this Loan Agreement.

6. This Loan Agreement shall not be assigned by RRC without the prior written consent of Authority, which may be granted or denied in Authority's absolute discretion. RRC may not hypothecate, lend, or otherwise pledge the proceeds of the Loan to any other lender for any purpose, including, but not by limitation, as collateral for Redeveloper's performance under any other contract or financial obligation without the consent of Authority.

7. This Loan Agreement shall inure to the benefit of, and be binding upon, the Parties, their respective legal representatives, successors, heirs, and assigns; provided however, that nothing in this Section shall be construed to permit the assignment of this Loan Agreement except as otherwise expressly authored herein.

8. All attachments referred to in this Loan Agreement are, by reference, incorporated herein for all purposes.

9. This Loan Agreement supersedes and replaces all prior agreements, written or oral, with respect to the Loan.

10. This Loan Agreement shall be governed by the laws of the State of Colorado without reference to its conflict of laws principles. Venue for any action arising under this Loan Agreement or for the enforcement of this Loan Agreement shall be in the appropriate court for Jefferson County, Colorado.

11. The Parties understand and agree that by making the Loan, the Authority is not a guarantor of Redeveloper's performance, or is assuming any debt or obligation of Redeveloper, or is creating a partnership or joint venture with Redeveloper. Nothing herein shall be deemed to be, or be construed as, a guarantee by the Authority of any debt or obligation of Redeveloper. Redeveloper shall not make any representation on behalf of the Authority, except as expressly authorized.

12. There are no intended or unintended third party beneficiaries to this Loan Agreement.

13. If either Party breaches this Loan Agreement, the breaching Party shall pay all of the prevailing Party's reasonable attorney's fees and costs in enforcing this Loan Agreement.

14. A waiver by any Party to this Loan Agreement of the breach of any term or provision of this Loan Agreement shall not operate or be construed as a waiver of any subsequent breach by either Party.

G. **Termination of Agreement.** This Loan Agreement shall automatically terminate upon payment or forgiveness of the Loan, whichever occurs first. Termination of this Loan Agreement shall not otherwise relieve Redeveloper of any obligation set forth in the DDA.

[signature pages to follow]

