**SECOND MEMORANDUM OF UNDERSTANDING FOR DEDICATION OF MINIMUM ELEMENT ALLOCATION PERCENTAGES**

This Memorandum of Understanding (the MOU) is made as of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 2019 by and between the City of Colorado Springs (City) and the\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, a Colorado \_\_\_\_\_\_\_\_\_\_\_(\_\_\_\_\_\_\_). For the purposes of the MOU, each party may be referred to as a “Party” or collectively as the “Parties”.

**WHEREAS,** on December 16, 2013, the Colorado Economic Development Commission (EDC) approved an application filed by the City for the “City for Champions Project” for dedication of new state sales tax revenue to support regional tourism projects pursuant to the Colorado Regional Tourism Act (the Act); and

**WHEREAS,** in accordance with the Act, the EDC adopted its RESOLUTION NO. 3 (the Resolution) specifying conditions of approval of the City’s application imposed by the EDC; and

**WHEREAS,** the Resolution, among other provisions, established the following Minimum Element Allocation Percentages (MEAPs) of Dedicated Revenue for each project element:

1. U.S. Olympic Museum and Hall of Fame: 42%
2. Colorado Sports & Events Complex: 23%
3. U.C.C.S. Sports Medicine and Performance Center: 14%
4. U.S. Air Force Academy Gateway Visitor’s Center: 5%
5. Flexible Allocation: 16%

and

**WHEREAS**, the Resolution provides that the 16% Flexible Allocation shall be pledged to or among any Project Element, including Eligible Improvements to the Southwest Colorado Springs Downtown Infrastructure; and

**WHEREAS,** the Resolution also provides that not more that 37.5% of the 16% Flexible Allocation (i.e., 6% of the Dedicated Revenue) may be pledged or allocated to the U.S. Air Force Academy Gateway Visitor Center; and

**WHEREAS, 62.5%** of the 16% Flexible MEAP (i.e., 10% of the Dedicated Revenue) has been allocated and pledged to repayment of a single bond issuance with the proceeds dedicated to Eligible Costs associated with the U.S. Olympic Museum and Hall of Fame and the Southwest Colorado Springs Downtown Infrastructure;

**NOW THEREFORE**, the Parties hereby agree as follows:

1. **MEAP ALLOCATION**. The Parties agree that, upon and subject to consultation by the City with the Colorado Springs Urban Renewal Authority, as Financing Entity (Financing Entity), the 5% MEAP associated with the U.S. Air Force Academy Gateway Visitor Center and 37.5% of the 16% Flexible MEAP Allocation (i.e., 6% of the Dedicated Revenue) may be combined and pledged to repayment of a single bond issuance, which may include multiple series as well as senior and subordinate bonds, and may be issued by a business improvement district established to implement the design and construction of the U.S. Air Force Academy Gateway Visitor’s Center, resulting in a total dedication of 11% of MEAP allocation; provided, however, that any such issuance of bonds and pledge is subject to the provisions of Section 6 of that certain Agreement Delineating the Relationship and Decision-Making Authority for the City for Champions Project between the City and Financing Entity dated as of June 26, 2015 (City-URA Agreement).
2. **Bond Proceeds**. The Parties agree that, subject to the provisions of the City-URA Agreement, the net proceeds from the bond issuance described in Section 1 above, after payment of costs of issuance and URA administrative and legal expenses, shall be dedicated to Eligible Costs associated with the U.S. Air Force Academy Gateway Visitor Center Project Element.
3. **Approval.** The financing described in Section 1, including manner of issuance and all material terms, to include interest rate, maturity, amount of proceeds, and call provisions, are subject to and contingent upon approval by City, acting through its Mayor; such approval may be withheld, delayed or conditioned in the sole discretion of the Mayor.

All communications to the City of Colorado Springs under this MOU shall be made by mailing same via US Mail, postage prepaid, or by overnight express courier, addressed as follows:

City of Colorado Springs

Economic Development Division

30 S. Nevada Ave., Suite 604

Mail Code 640

Colorado Springs, Colorado 80903

With a copy to:

City of Colorado Springs

c/o City Attorney

30 S, Nevada, Suite 501

Colorado Springs, CO 80903

All communications to \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_under this MOU shall be made by mailing same via US Mail, postage prepaid, or by overnight express courier, addressed as follows:

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\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

City of Colorado Springs

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

John W. Suthers, Mayor Date

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

Title: Date

Acknowledged:

Colorado Springs Urban Renewal Authority

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

Randle W. Case II, Chair Date