

COLORADO SPRINGS URBAN RENEWAL AUTHORITY
RESOLUTION NO. 05-15

**TITLE: A RESOLUTION APPROVING THE FULLFILLMENT OF THE ANCHOR TENANT
REQUIREMENT CONDITION OF THE COPPER RIDGE COOPERATION AGREEMENT**

WHEREAS, it is desirable and in the public interest that the Colorado Springs Urban Renewal Authority (the "Authority") undertake the redevelopment described in the Copper Ridge at Northgate Urban Renewal Plan (the "Plan"), as recorded on May 19, 2010 at reception number 21004077 of the El Paso County, Colorado records;

WHEREAS, the aforesaid Plan is a matter of public record in the custody of the City Clerk, and is available for public inspection during business hours of the City;

WHEREAS, the Authority, the City of Colorado Springs (the "City") and the Copper Ridge Metropolitan District did enter into a Cooperation Agreement (the "Agreement") dated October 22, 2013 (capitalized terms used herein and not otherwise defined have the meanings given to such terms in the Agreement);

WHEREAS, Recital K, and Section 2 of the Agreement contain a requirement that the Developer enter into a contract or written agreement with two Anchors to locate within the Copper Ridge Development prior to commencement of the Bond Funding Period;

WHEREAS, Recital T of the Agreement states that an Anchor shall be either a department store or specialty retail store constituting what is generally considered in the real estate development industry as an anchor;

WHEREAS, the Developer has advised the Authority that it has entered into contracts or written agreements with Sprouts Farmers Market and Ace Hardware to locate stores in the Copper Ridge Development;

WHEREAS, the City has advised the Authority, by letter dated April 10, 2015 and attached hereto as Exhibit A for reference, (the "City Letter"), that both the Sprouts Farmers Market and the Ace Hardware stores satisfy the second Anchor requirement set forth in the May 11, 2010 City Council Motion (the "City Council Resolution") and the Agreement; and

WHEREAS, the Developer has requested the Authority acknowledge and agree that the Sprouts Farmers Market and Ace Hardware stores satisfy the second Anchor requirement in the City Council Resolution and the Agreement;

NOW, THEREFORE BE IT RESOLVED, by the Authority as follows:

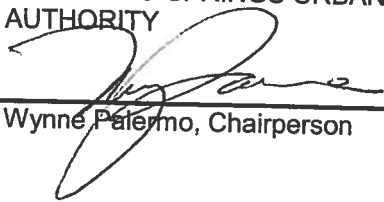
Section 1. The requirement for an Anchor to be opened by 2015 was satisfied by the opening of Bass Pro Shops, as acknowledged and agreed in Recital T of the Agreement.

Section 2. For the reasons stated in the City Letter, the Authority concurs with the City, and acknowledges and agrees, that the requirement for the second Anchor will be met by the signed contracts or written agreements with Sprouts Farmers Market or Ace Hardware as set forth in the City Council Resolution and the Agreement.

Section 3. The Developer must provide executed copies of the contracts or written agreements with the Sprouts Farmers Market and Ace Hardware, as applicable, to the Authority and the City prior to the commencement of the Bond Funding Period.

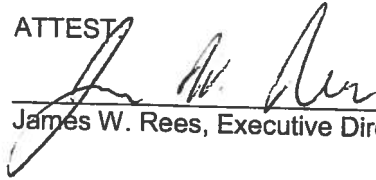
ADOPTED the 22ND day of April, 2015

COLORADO SPRINGS URBAN RENEWAL
AUTHORITY



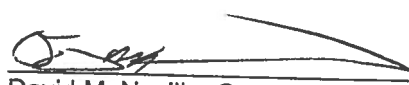
Wynne Palermo, Chairperson

ATTEST



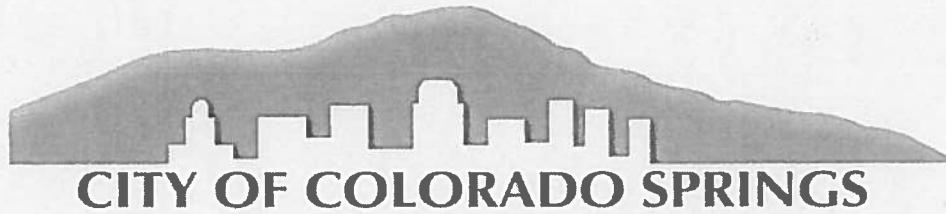
James W. Rees, Executive Director

APPROVED AS TO FORM:



David M. Neville, General Counsel

Steve Cox
Chief of Staff



April 10, 2015

Wynne Palermo
Chairperson, Colorado Springs Urban Renewal Authority
30 South Nevada Ave., Suite 604
Colorado Springs, CO 80901

Re: Copper Ridge Anchor Store Requirements

Dear Ms. Palermo:

On May 11, 2010 the Colorado Springs City Council adopted a Resolution making certain legislative findings and approving the Copper Ridge at Northgate Urban Renewal Plan. The motion to approve the Resolution included a condition that "the project shall have secured one anchor within 5 years, and a second anchor by the date of right of way expiration in 2018, or lose URA status".

On October 22, 2013 the City of Colorado Springs entered into a Cooperation Agreement with the City of Colorado Springs Urban Renewal Authority and the Copper Ridge Metropolitan District. Recital K, Recital T and Section 2 of the Cooperation Agreement contain references to a requirement for the developer to enter into a contract or written agreement with two Anchors to locate within the Project Area. Recital T in the Cooperation Agreement defines an Anchor as "either a department store or specialty retail store constituting what is generally considered in the real estate development industry as an anchor".

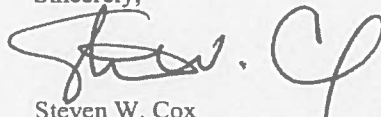
The following are definitions found in the *International Council of Shopping Centers Dictionary of Shopping Center Terms (Fourth Edition)* published in 2012:

Anchor Store- 1. A major department store, grocery store or other large chain store in a shopping center having substantial economic strength and occupying substantial square footage. 2. The stores and other uses that occupy the largest spaces in a center and serve as the primary traffic generators. 3. Anchors in a shopping center sometimes own their own land and cooperate with the shopping center owner through a reciprocal easement agreement (REA).

Recital T in the Cooperation Agreement states, "Bass Pro Shops shall constitute an Anchor, and the opening of Bass Pro Shops to the public shall fulfill the 2015 Anchor requirement". The Cooperation Agreement has been executed on behalf of the City of Colorado Springs and the City of Colorado Springs Urban Renewal Authority, so therefore, the requirement for the first Anchor has been satisfied.

The Copper Ridge developer has advised the City that it has entered into contracts or written agreements with Sprouts Farmers Market and Ace Hardware to locate stores in the Copper Ridge development. Based upon the industry definition of an Anchor Store, both the Sprouts Farmers Market and the Ace Hardware stores satisfy the second Anchor requirement set forth in the May 11, 2010 City Council Motion and the October 22, 2013 Cooperation Agreement.

Sincerely,



Steven W. Cox
Chief of Staff