

COLORADO SPRINGS URBAN RENEWAL AUTHORITY
RESOLUTION NO. __-____

TITLE: A RESOLUTION OF THE COLORADO SPRINGS URBAN RENEWAL AUTHORITY APPROVING THE AUTHORITY BOND DOCUMENTS IN SUPPORT OF TAX SUPPORTED AND SPECIAL REVENUE BONDS TO BE ISSUED BY THE CREEKWALK MARKETPLACE BUSINESS IMPROVEMENT DISTRICT IN CONNECTION WITH DEVELOPMENT OF THE SOUTH NEVADA AVENUE AREA URBAN RENEWAL AREA

WHEREAS, the City Council of the City of Colorado Springs, Colorado (“City”) adopted an urban renewal plan known as the “South Nevada Avenue Area Urban Renewal Plan” (the “Urban Renewal Plan”) relating to an area along the South Nevada Avenue corridor as set forth in the Urban Renewal Plan (the “Urban Renewal Area”) under and pursuant to the Colorado Urban Renewal Law, Section 31-25-101, et. seq., C.R.S., as amended (the “Act”);

WHEREAS, in connection with the Urban Renewal Plan, the Colorado Springs Urban Renewal Authority (the “Authority”) and SNA Development LLC (the “Developer”) entered into that certain Urban Renewal Agreement for Development of the South Nevada Avenue Area Urban Renewal Plan Area dated as of December 16, 2015, as amended by that certain First Amendment to Urban Renewal Agreement for Development of the South Nevada Avenue Area Urban Renewal Plan Area dated as of December 12, 2018 and supplemented by that certain Policy Regarding Allocation of Tax Increment Revenue Among Redevelopment Areas in the South Nevada Avenue Area Urban Renewal Plan Area (as so amended and supplemented, and as otherwise amended, modified or supplemented from time to time, the “Development Agreement”);

WHEREAS, subsequent to the execution of the Development Agreement, the Developer created the Creekwalk Marketplace Business Improvement District (the “District”), a quasi-municipal corporation and political subdivision of the State of Colorado, in order to assist in the financing of the Public Improvements (as defined in the Development Agreement);

WHEREAS, the District will be responsible for the financing, acquisition, construction, completion, operation and maintenance of the Public Improvements to serve that portion of the property in the Urban Renewal Area which is within the boundaries of the District (“Benefitted Property”);

WHEREAS, the District intends to issue its Limited Tax Supported and Special Revenue Bonds, Series 2019A in the total principal amount of up to \$20,000,000 (the “Series 2019A Bonds”) and its Limited Tax Supported and Special Revenue Subordinate Bonds, Series 2019B in the aggregate principal amount of up to \$5,000,000 (the “Series 2019B Bonds,” and together with the Series 2019A Bonds, the “Bonds”), and may issue other bonds or incur a loan or loans, which Series 2019A Bonds, Series 2019B Bonds, and other bonds or loans will obligate the District to utilize property taxes, tax increment revenues and other revenue for the construction, acquisition, completion, operation and maintenance of Public Improvements;

WHEREAS, the Series 2019A Bonds are being issued pursuant to a Trust Indenture (“Senior Indenture”) by and between the District and UMB Bank, n.a., as trustee (the “Trustee”),

which Senior Indenture provides for the disbursement of funds from a Restricted Account (as defined in the Senior Indenture) for purposes of paying for Authority Public Improvements (as defined in the Senior Indenture), which disbursement is to occur pursuant to a Restricted Account Request (as defined in the Senior Indenture) to be signed by the District, the District's accountant and the Authority's accountant, and the Series 2019B Bonds are being issued pursuant to a Trust Indenture by and between the District and the Trustee (the "Subordinate Indenture," and together with the Senior Indenture, the "Indentures");

WHEREAS, the Development Agreement contemplates that the Developer's Financing (as defined in the Development Agreement) may include participation by the District in the obligation to construct the Public Improvements, and the Authority and the District are authorized by the Act to enter into cooperative agreements with respect to projects and activities;

WHEREAS, in connection with, and support of, the Bonds, the District has requested that the Authority enter into a Cooperation Agreement (the "Cooperation Agreement") whereby the Authority and the District set forth their intent to cooperate as to the provision of the Public Improvements and to assure that the Pledged Revenues (as defined in the Development Agreement) with respect to only property and sales within the boundaries of the District as such boundaries exist as of the date of the Cooperation Agreement (unless otherwise agreed to by the Authority) and no other portion of the Pledged Revenues are made available for purposes of assisting in the financing of the Public Improvements for the Benefitted Property;

WHEREAS, pursuant to a TIF Revenue Reimbursement Agreement ("Reimbursement Agreement"), the District and the Developer have determined and agreed that it is in the best interests of the District to establish a means by which: (1) the Developer shall certify to, and seek reimbursement from, the Authority of the costs for the Reimbursable Project Costs (as defined in the Development Agreement) which are funded and constructed by the District that are located outside of the District's boundaries, in accordance with the Development Agreement; and (2) the Developer will cause funds received by the Developer from the Authority for "4th silo" or as defined in the Development Agreement as "...TIF revenue that is not subject to a prior pledge pursuant to a development agreement..." for the Reimbursable Project Costs located outside of the District's boundaries and constructed using Bond funds to be paid to the District for repayment of that portion of the Bonds used for construction and acquisition of the Reimbursable Project Costs and Excess Costs (as defined in the Development Agreement);

WHEREAS, the District and the Developer have requested that the Authority consent to the transactions contemplated by the Reimbursement Agreement pursuant to an Acknowledgement and Consent (the "Acknowledgement and Consent") attached to the Reimbursement Agreement;

WHEREAS, the Board of Commissioners of the Authority (the "Board") has reviewed the draft Indentures and the proposed Cooperation Agreement and Acknowledgement and Consent and determined that each furthers the goals and objectives of the Urban Renewal Plan and the Development Agreement, and desires to authorize and direct the Authority to execute and deliver the Cooperation Agreement and Acknowledgement and Consent (collectively, the "Authority Bond Documents") substantially in the forms attached hereto as Exhibit A and Exhibit B, respectively;

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

Approval of Authority Bond Documents.

NOW, THEREFORE, BE IT RESOLVED, that the Board deems it in the best interests of the Authority to approve the Authority Bond Documents;

FURTHER RESOLVED, that the Authority Bond Documents be, and hereby are, authorized and approved and the Chair of the Authority, or, if directed by the Chair, the Executive Director of the Authority, be, and hereby is, authorized to execute and deliver the Authority Bond Documents substantially in the form of Exhibit A and Exhibit B attached hereto, with such minor changes as the Chair may approve, and, subject to execution and delivery by the other parties thereto and the closing of the issuance of the Bonds, cause the Authority to perform its obligations under the Authority Bond Documents in the name and on behalf of the Authority; and

FURTHER RESOLVED, that the Authority's performance of its obligations under the Authority Bond Documents, together with all actions heretofore or hereafter taken by each and any authorized person of the Authority, in connection with such Authority Bond Documents be, and the same hereby are, authorized, approved, ratified and confirmed in all respects.

General Authorization.

RESOLVED, that the Chair, Vice Chair and the officers of the Authority be, and each of them hereby is, individually, authorized, empowered and directed, in the name and on behalf of the Authority, to execute and deliver such other documents, certificates and instruments and to take all such actions as they deem necessary or appropriate in connection with the transactions contemplated by the foregoing resolutions; and

FURTHER RESOLVED, that all actions previously taken in connection with the foregoing by any officer or agent of the Authority, in the name or on behalf of the Authority or any of its affiliates, be, and each of the same hereby is, authorized, adopted, ratified, confirmed and approved in all respects as the act and deed of the Authority.

ADOPTED the 24th day of April, 2019.

COLORADO SPRINGS URBAN RENEWAL
AUTHORITY

By: _____
Wynne Palermo, Chairperson

ATTEST:

Secretary

APPROVED AS TO FORM:

David M. Neville, General Counsel

Exhibit A

Form of Cooperation Agreement

Exhibit B

Form of Reimbursement Agreement with
Acknowledgement and Consent of the Authority