

ORDINANCE NO. 046, 2026
OF THE COUNCIL OF THE CITY OF FORT COLLINS
AUTHORIZING THE LEASING OF CITY PROPERTY AND
APPROVING A SITE LEASE, A LEASE AGREEMENT, AND
OTHER DOCUMENTS FOR THE FINANCING OF THE
SOUTHEAST COMMUNITY CENTER AND OTHER CAPITAL
IMPROVEMENT PROJECTS

A. The City of Fort Collins, Colorado (the “City”), is a duly organized and existing home rule municipality of the State of Colorado, created and operating pursuant to Article XX of the Constitution of the State of Colorado and the home rule charter of the City (the “Charter”).

B. The City is authorized by Article XX, Section 6 of the Colorado Constitution, and part 8 of Article 15 of title 31, Colorado Revised Statutes (“C.R.S.”), to enter into rental or leasehold agreements to provide necessary land, buildings, equipment, and other property for governmental or proprietary purposes.

C. Chapter 23, Article IV, Division 2 of the Fort Collins Municipal Code authorizes City Council to lease any and all interests in real property owned in the name of the City if City Council first finds that the lease is in the best interests of the City.

D. City Council has determined and hereby determines that it is in the best interests of the City and its inhabitants to finance the acquisition, construction, installation, equipping, and improvement of the Recreation Center portion of the Southeast Community Center and other capital improvements of the City (collectively, the “Project”).

E. City Council has determined and hereby determines that it is in the best interests of the City and its inhabitants to finance the acquisition, construction, installation, equipping, and improvement of the Project by entering into a lease financing, as hereinafter provided.

F. The proceeds of the lease financing, together with other available City moneys, will be used to finance the acquisition, construction, installation, equipping, and improvement of the Project.

G. City Council has determined and hereby determines that the leased property under the Site Lease (hereinafter defined) and the Lease (hereinafter defined) will consist of certain real property and improvements located thereon owned by the City (as more particularly described in Exhibit A to the Site Lease and the Lease, the “Leased Property”).

H. City Council now hereby determines that in order to finance the acquisition, construction, and installation of the Project, it is in the best interests of the City and its inhabitants that (a) the City enter into a Site Lease Agreement (the “Site Lease”), attached hereto as Exhibit A, with U.S. Bank Trust Company, National Association, as trustee (the

“Trustee”) under the Indenture (hereinafter defined) pursuant to which the City will lease the Leased Property to the Trustee, and that (b) the City enter into a Lease Purchase Agreement (the “Lease”), attached hereto as Exhibit B, with the Trustee pursuant to which the Trustee will lease the Leased Property back to the City.

I. Pursuant to the Lease, and subject to the right of the City to terminate the Lease and other limitations as therein provided, the City will pay certain Base Rentals and Additional Rentals (as such terms are defined in the Lease) in consideration for the right of the City to use the Leased Property.

J. The City’s obligation under the Lease to pay Base Rentals and Additional Rentals shall be from year to year only; shall constitute currently budgeted expenditures of the City; shall not constitute a mandatory charge or requirement in any ensuing budget year; shall not constitute a general obligation or other indebtedness or multiple fiscal year financial obligation of the City within the meaning of any constitutional, charter, statutory limitation, or other requirement concerning the creation of indebtedness or multiple fiscal year financial obligation, nor a mandatory payment obligation of the City in any ensuing fiscal year beyond any fiscal year during which the Lease shall be in effect.

K. The Trustee will enter into an Indenture of Trust (the “Indenture”), attached hereto as Exhibit C, pursuant to which there will be executed and delivered certain certificates of participation (the “Certificates”) dated as of their date of delivery that shall evidence proportionate interests in the right to receive certain Revenues (as defined in the Lease), which Certificates shall be payable solely from the sources therein provided and shall not directly or indirectly obligate the City to make any payments beyond those appropriated for any fiscal year during which the Lease shall be in effect.

L. At a public sale to be held in connection with the sale of the Certificates, the City anticipates receiving a proposal from a purchaser for the purchase of the Certificates.

M. City Council has determined and now hereby determines that the competitive sale of the Certificates is to the best advantage of the City.

N. The net proceeds from the sale of the Certificates, together with other available City moneys, will finance the acquisition, construction, and installation of the Project and pay the costs of issuance in connection therewith.

O. Section 11-57-204 of the Supplemental Public Securities Act, constituting C.R.S. Title 11, Article 57, Part 2, as amended (the “Supplemental Act”), provides that a public entity, including the City, may elect in an act of issuance to apply all or any of the provisions of the Supplemental Act.

P. The following have been presented to City Council and are on file at the City offices: (i) the proposed form of the Site Lease; (ii) the proposed form of the Lease; (iii) the proposed form of the Continuing Disclosure Certificate to be provided by the City in connection with the execution and delivery of the Certificates (the “Disclosure

Certificate”), attached hereto as Exhibit D; (iv) the proposed form of the Notice of Sale to be used in connection with the competitive sale of the Certificates (the “Notice of Sale”), attached hereto as Exhibit E; and (v) the Preliminary Official Statement (the “Preliminary Official Statement”), attached hereto as Exhibit F, relating to the Certificates.

Q. Capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Lease.

In light of the foregoing recitals, which the Council hereby makes and adopts as determinations and findings, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS as follows:

Section 1. Ratification and Approval of Prior Actions. All action heretofore taken (not inconsistent with the provisions of this Ordinance) by City Council or the officials, officers, agents or employees of the City relating to the execution and delivery of the Site Lease and the Lease, the acquisition, construction, and installation of the Project, and the sale, execution, and delivery of the Certificates is hereby ratified, approved and confirmed.

Section 2. Finding of Best Interests. City Council hereby finds and determines, pursuant to the Colorado Constitution, the laws of the State of Colorado and the Charter, that the acquisition, construction, and installation of the Project, and the financing of the costs thereof, including the costs of issuance incurred in connection therewith, pursuant to the terms set forth in the Site Lease, the Lease, the Indenture, and the Sale Certificate (hereinafter defined) are necessary, convenient, and in furtherance of the City’s public purposes and are in the best interests of the City, and City Council hereby authorizes and approves the same.

Section 3. Supplemental Act; Parameters. City Council hereby elects to apply all of the provisions of the Supplemental Act to the Site Lease and the Lease and in connection therewith delegates to each of the City Manager or the Chief Financial Officer of the City (the “Chief Financial Officer”) the independent authority to make any determination delegable pursuant to C.R.S. Section 11-57-205, as amended, in relation to the Site Lease and the Lease, and to execute a sale certificate (the “Sale Certificate”) setting forth such determinations, including without limitation, the term of the Site Lease, the rental amount to be paid by the Trustee pursuant to the Site Lease, the term of the Lease, and the rental amount to be paid by the City pursuant to the Lease, subject to the following parameters and restrictions:

- (a) the Site Lease Termination Date shall be no later than December 31, 2056;
- (b) the Lease Term shall not extend beyond December 31, 2046;
- (c) the aggregate principal amount of the Base Rentals payable by the City pursuant to the Lease shall not exceed \$42,000,000;

- (d) the maximum annual repayment amount of Base Rentals payable by the City pursuant to the Lease shall not exceed \$3,900,000;
- (e) the maximum total repayment amount of Base Rentals payable by the City pursuant to the Lease shall not exceed \$58,000,000;
- (f) the Lease shall be subject to prepayment at the option of the City, without penalty, no later than December 1, 2036; and
- (g) the maximum net effective interest rate on the interest component of the Base Rentals relating to the Certificates shall not exceed 5.25%.

Pursuant to Section 11-57-205 of the Supplemental Act, City Council hereby delegates to each of the City Manager or the Chief Financial Officer the independent authority to receive bids for the purchase of the Certificates and to determine the best bid therefor in accordance with the provisions of this Ordinance, and subject to the parameters set forth herein and the other terms and provisions set forth in this Ordinance and the Notice of Sale. Each of the City Manager and the Chief Financial Officer are hereby independently authorized to accept a binding bid for the Certificates. The purchaser of the Certificates and the terms of the winning bid shall be set forth in the Sale Certificate. In addition, the City Manager or the Chief Financial Officer is independently authorized to determine if obtaining an insurance policy for all or a portion of the Certificates is in the best interests of the City, and if so, to select an insurer to issue an insurance policy, execute a commitment relating to the same and execute any related documents or agreements required by such commitment; provided that any such commitment, documents or agreements are first approved as to form by the City Attorney. The City Manager or the Chief Financial Officer is independently authorized to determine if obtaining a reserve fund insurance policy for the Certificates is in the best interests of the City, and if so, to select a surety provider to issue a reserve fund insurance policy and execute any related documents or agreements required by such commitment; provided that any such documents or agreements are first approved as to form by the City Attorney.

The delegation set forth in this Section 3 shall be effective for one year following the date hereof.

City Council hereby agrees and acknowledges that the net proceeds of the Certificates will be used, together with other available moneys of the City, to finance the costs of acquiring, constructing, and installing the Project and to pay costs of issuance.

Section 4. Approval of Documents. The Site Lease, the Lease and the Disclosure Certificate, in substantially the forms presented to City Council and on file with the City, are in all respects approved, authorized and confirmed, and the Mayor of the City is hereby authorized and directed for and on behalf of the City to execute and deliver the Site Lease, the Lease, and the Disclosure Certificate, in substantially the forms and with substantially the same contents as presented to City Council, provided that such

documents may be completed, corrected, or revised as deemed necessary by the parties thereto in order to carry out the purposes of this Ordinance. The execution of the Site Lease, the Lease and the Disclosure Certificate by the Mayor shall be conclusive evidence of the approval by City Council of such documents in accordance with the terms hereof and thereof.

Section 5. Competitive Sale of Certificates; Notice of Sale. The Certificates shall be sold by competitive sale in accordance with the Notice of Sale. City Council hereby approves the Notice of Sale in substantially the form presented to City Council and on file with the City, provided that such Notice of Sale may be completed, corrected, or revised as deemed necessary by the City Manager or the Chief Financial Officer in order to carry out the purposes of this Ordinance. The Chief Financial Officer is hereby authorized and directed to cause the Notice of Sale to be distributed to prospective bidders on the Certificates.

Section 6. Official Statement. The designation of the Preliminary Official Statement by the Mayor or the City Manager as a “nearly final Official Statement” for purposes of Rule 15c2-12 of the Securities and Exchange Commission is hereby authorized and confirmed. A final Official Statement, in substantially the form of the Preliminary Official Statement presented to City Council and on file with the City, is in all respects approved and authorized. The Mayor is hereby authorized and directed to execute and deliver the final Official Statement, for and on behalf of the City, in substantially the form and with substantially the same content as the Preliminary Official Statement presented to City Council and on file with the City, provided that such document may be completed, corrected, or revised as deemed necessary by the City Manager or the Chief Financial Officer. The distribution of the Notice of Sale, the Preliminary Official Statement and the final Official Statement to prospective purchasers of the Certificates is hereby ratified, approved, and authorized.

Section 7. Direction to Act. The City Clerk is hereby authorized and directed to attest all signatures and acts of any official of the City in connection with the matters authorized by this Ordinance and to place the seal of the City on any document authorized and approved by this Ordinance. The Mayor, the City Clerk, the City Manager, the Chief Financial Officer, the City Attorney, and other employees and officials of the City are hereby authorized and directed to execute and deliver for and on behalf of the City any and all additional certificates, documents and other papers, and to perform all other acts that they may deem necessary or appropriate in order to implement and carry out the transactions and other matters authorized by this Ordinance. The approval hereby given to the various documents referred to above includes an approval of such additional details therein as may be necessary and appropriate for their completion, deletions therefrom and additions thereto as may be approved by the City Manager or the Chief Financial Officer prior to the execution of the documents. The execution of any instrument by the appropriate officers of the City herein authorized shall be conclusive evidence of the approval by the City of such instrument in accordance with the terms hereof.

The Mayor, the City Clerk, the City Manager, the Chief Financial Officer and all other employees and officials of the City that are authorized or directed to execute any agreement, document, certificate, instrument, or other paper in accordance with this Ordinance (collectively, the "Authorized Documents") are hereby authorized to execute Authorized Documents electronically via facsimile or email signature. Any electronic signature so affixed to any Authorized Document shall carry the full legal force and effect of any original, handwritten signature. This provision is made pursuant to C.R.S. Article 71.3 of Title 24, also known as the Uniform Electronic Transactions Act. It is hereby determined that the transactions described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

Section 8. No General Obligation Debt. No provision of this Ordinance, the Site Lease, the Lease, the Indenture, the Disclosure Certificate, the Notice of Sale, the Preliminary Official Statement, the final Official Statement or the Certificates shall be construed as creating or constituting a general obligation or other indebtedness or multiple fiscal year financial obligation of the City within the meaning of any constitutional, statutory or Charter provision, nor a mandatory charge or requirement against the City in any ensuing fiscal year beyond the then current fiscal year. The City shall have no obligation to make any payment with respect to the Certificates except in connection with the payment of the Base Rentals and certain other payments under the Lease, which payments may be terminated by the City in accordance with the provisions of the Lease. Neither the Lease nor the Certificates shall constitute a mandatory charge or requirement of the City in any ensuing fiscal year beyond the then current fiscal year or constitute or give rise to a general obligation or other indebtedness or multiple fiscal year financial obligation of the City within the meaning of any constitutional, statutory or Charter debt limitation and shall not constitute a multiple fiscal year direct or indirect debt or other financial obligation whatsoever. No provision of the Site Lease, the Lease, or the Certificates shall be construed or interpreted as creating an unlawful delegation of governmental powers nor as a donation by or a lending of the credit of the City within the meaning of Sections 1 or 2 of Article XI of the Colorado Constitution. Neither the Lease nor the Certificates shall directly or indirectly obligate the City to make any payments beyond those budgeted and appropriated for the City's then current fiscal year.

Section 9. Reasonableness of Rentals; Fair Market Value. City Council hereby determines and declares that the Base Rentals due under the Lease, in the maximum amounts authorized pursuant to Section 3 hereof, constitute the fair rental value of the Leased Property and do not exceed a reasonable amount so as to place the City under an economic compulsion to renew the Lease or to exercise its option to purchase the Trustee's leasehold interest in the Leased Property pursuant to the Lease. City Council hereby determines and declares that the period during which the City has an option to purchase the Trustee's leasehold interest in the Leased Property (i.e., the entire maximum term of the Lease) does not exceed the useful life of the Leased Property.

City Council hereby further determines that the amount of rental payments to be received by the City from the Trustee pursuant to the Site Lease is fair market consideration for the leasing of the Leased Property to the Trustee for the term of the Site Lease as provided therein.

Section 10. No Recourse against Officers and Agents. Pursuant to Section 11-57-209 of the Supplemental Act, if a member of City Council, or any officer or agent of the City acts in good faith, no civil recourse shall be available against such member, officer, or agent for payment of the principal, interest, or prior redemption premiums on the Certificates. Such recourse shall not be available either directly or indirectly through City Council or the City, or otherwise, whether by virtue of any constitution, statute, rule of law, enforcement of penalty, or otherwise. By the acceptance of the Certificates and as a part of the consideration of their sale or purchase, any person purchasing or selling such Certificate specifically waives any such recourse.

Section 11. Repealer. All ordinances, resolutions, bylaws, orders, and other instruments, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any ordinance, resolution, bylaw, order, or other instrument, or part thereof, heretofore repealed.

Section 12. Severability. If any section, subsection, paragraph, clause or other provision of this Ordinance for any reason is held to be invalid or unenforceable, the invalidity or unenforceability of such section, subsection, paragraph, clause or other provision shall not affect any of the remaining provisions of this Ordinance, the intent being that the same are severable.

Section 13. Charter Controls. Pursuant to Article XX of the State Constitution and the Charter, all State statutes that might otherwise apply in connection with the provisions of this Ordinance are hereby superseded to the extent of any inconsistencies or conflicts between the provisions of this Ordinance and the Sale Certificate authorized hereby and such statutes. Any such inconsistency or conflict is intended by the City Council and shall be deemed made pursuant to the authority of Article XX of the State Constitution and the Charter.

Introduced, considered favorably on first reading on April 21, 2026, and approved on second reading for final passage on May 5, 2026.

Mayor

ATTEST:

City Clerk

Effective Date: May 15, 2026

Approving Attorney: Dianne Criswell

Exhibits: Exhibit A - Site Lease Agreement
 Exhibit B - Lease Purchase Agreement
 Exhibit C - Indenture of Trust
 Exhibit D - Continuing Disclosure Certificate
 Exhibit E - Notice of Public Sale
 Exhibit F - Preliminary Official Statement