

RESOLUTION 2025-052
OF THE COUNCIL OF THE CITY OF FORT COLLINS
CONCERNING THE FORT COLLINS URBAN RENEWAL AUTHORITY AND ITS TAX
INCREMENT REVENUE REFUNDING AND IMPROVEMENT BONDS (NORTH
COLLEGE TAX INCREMENT URBAN RENEWAL AREA), SERIES 2025; DECLARING
THE CITY COUNCIL'S PRESENT INTENT TO APPROPRIATE FUNDS TO
REPLENISH THE RESERVE FUND SECURING SUCH BONDS, IF NECESSARY;
AND AUTHORIZING A COOPERATION AGREEMENT AND OTHER ACTIONS
TAKEN IN CONNECTION THEREWITH.

A. City Council (the "City Council") of the City of Fort Collins, Colorado (the "City") created the Fort Collins Urban Renewal Authority ("Authority") to transact business and exercise its powers as an urban renewal authority pursuant to the Colorado Urban Renewal Law, Part 1 of Article 31, Title 31 of the Colorado Revised Statutes, as amended (the "Act").

B. On December 21, 2004, City Council adopted and approved Resolution 2004-152 which authorized and approved the "North College Urban Renewal Plan" as an urban renewal plan under the Act (the "Plan") for the area described therein (the "Plan Area").

C. The Board of Commissioners of the Authority (the "Board") determined that it is advantageous and in the best interests of the Authority to acquire, demolish, renovate and construct various capital projects within the Plan Area, including, but not limited to, acquiring and renovating an abandoned grocery store and neighboring properties, acquiring, renovating, and equipping certain nuisance properties and miscellaneous capital expenditures for and in connection with the urban renewal project within the Plan Area (collectively, the "Project").

D. The Authority has previously issued and has outstanding its Fort Collins Urban Renewal Authority, Tax Increment Revenue Bonds ("North College Tax Increment Urban Renewal Area"), Series 2013 (the "Prior Bonds").

E. On April 24, 2025, the Board, by adopting Resolution No. 144, Series 2025, determined that it is advantageous and in the best interests of the Authority to refund all of the outstanding Prior Bonds, subject to market conditions being favorable and conducive to achieving meaningful debt service savings (the "Refunding"); and, further, by Resolution No. 144, Series 2025, the Board determined that it is in the best interest of the Authority and the citizens of the City that the Authority now issue tax increment revenue bonds in the maximum aggregate principal amount of \$18,000,000.00 (the "Series 2025 Bonds") for the purpose of financing the Project and the Refunding, pursuant to and in accordance with the Plan and the Act.

F. The Series 2025 Bonds will be issued under and pursuant to an Indenture of Trust (the "Indenture") between the Authority and U.S. Bank Trust Company, National Association, as trustee (the "Trustee").

G. A reserve fund (the "Reserve Fund") will be created under the Indenture to secure the payment of the Series 2025 Bonds and such Reserve Fund is required to be maintained in an amount equal to the Reserve Fund Requirement (as defined in the Indenture).

H. The Indenture provides that the Reserve Fund may either be cash funded or that a surety bond, insurance policy or other agreement guaranteeing payment (collectively referred to herein as a "Reserve Fund Policy") may be deposited in the Reserve Fund.

I. The City Council wishes to make a non-binding statement of its present intent with respect to the appropriation of funds for the replenishment of the Reserve Fund or the repayment of any draws made under any Reserve Fund Policy, if necessary, and to authorize and direct the City Manager to take certain actions for the purpose of causing requests for any such appropriation to be presented to the City Council for consideration.

J. In connection with the issuance of the Series 2025 Bonds, it is necessary and in the best interests of the City to enter into a Cooperation Agreement (the "Cooperation Agreement") between the City and the Authority. Exhibit A, the proposed form of the Cooperation Agreement, is attached hereto and incorporated herein by reference.

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

Section 1. Finding of Best Interests and Public Purpose. The City Council hereby finds and determines, pursuant to the Constitution, the laws of the State and the City's Charter, and in accordance with the foregoing recitals, that adopting this Resolution, entering into the Cooperation Agreement, and facilitating the issuance of the Series 2025 Bonds by the Authority to finance the Project and the Refunding are necessary, convenient, and in furtherance of the City's purposes and are in the best interests of the inhabitants of the City.

Section 2. Replenishment of Reserve Fund; Declaration of Intent. To the extent that the Reserve Fund is cash funded, within 90 days after the City's receipt of the written notice from the Trustee of a draw on the Reserve Fund, to the extent that such draw has not been replenished by another source, as provided in Section 4.06 of the Indenture (the "Written Notice"), the City shall replenish the Reserve Fund to the Reserve Fund Requirement from legally available funds of the City, subject to appropriation by the City Council in its sole discretion. Any such City payment (the "City Payment") shall be made directly to the Trustee for deposit in the Reserve Fund in immediately available funds pursuant to the instructions set forth in the Written Notice. It is the present intention and expectation of the City Council to appropriate the City Payment requested in any such Written Notice received by the City, within the limits of available funds and revenues, but this declaration of intent shall not be binding upon the City Council or any future City

Council in any future fiscal year. The City Payments shall constitute currently appropriated expenditures of the City.

If a Reserve Fund Policy is deposited in the Reserve Fund and the City receives written notice from the Trustee that it has drawn on the Reserve Fund Policy and such draw has not been repaid by another source, the City shall repay the provider of the Reserve Fund Policy in the amount of such draw, plus any interest due thereon, from legally available funds of the City, subject to appropriation by the City Council in its sole discretion. Any such payment shall be made directly to the provider of the Reserve Fund Policy. It is the present intention and expectation of the City Council to appropriate moneys to repay the provider of any Reserve Fund Policy in the event of a draw thereunder, within the limits of available funds and revenues, but this declaration of intent shall not be binding upon the City Council or any future City Council in any future fiscal year. Any such payments shall constitute currently appropriated expenditures of the City.

This Resolution shall not create a general obligation or other indebtedness or multiple fiscal year direct or indirect debt or other financial obligation of the City within the meaning of its Home Rule Charter or any constitutional debt limitation, including Article X, Section 20 of the Colorado Constitution. Neither this Resolution nor the issuance of the Series 2025 Bonds shall obligate or compel the City to make City Payments or to repay the provider of any Reserve Fund Policy in the event of a draw thereunder beyond those appropriated in the City Council's sole discretion.

Section 3. Direction to City Manager. To the extent that the Reserve Fund is cash funded, within five (5) Business Days following a draw on the Reserve Fund to pay the debt service requirements on the Series 2025 Bonds, to the extent any such draw is not replenished from another source, the Trustee is required under Section 4.06 of the Indenture to provide Written Notice of such draw to the City. The Written Notice shall state the amount required to be paid by the City to restore the Reserve Fund to the Reserve Fund Requirement after replenishment from all other sources available under the Indenture. The Written Notice shall also include instructions for making the City Payment. Any such Written Notice is required to be sent to the City Manager. Upon receipt of a Written Notice by the City Manager, the City Council hereby authorizes and directs the City Manager to prepare and submit to the City Council a request for an appropriation of the amount set forth in the Written Notice. Such request shall be made in sufficient time to enable the City to make the City Payment within 90 days of receipt of the Written Notice as provided in Section 1 hereof.

If a Reserve Fund Policy is deposited in the Reserve Fund and the City receives written notice from the Trustee that a draw has been made on the Reserve Fund Policy and such draw has not been repaid from another source, the City Council hereby directs the City Manager, upon receipt of such notice, to forthwith prepare and submit to the City Council a request for an appropriation in an amount sufficient to repay the provider of such Reserve Fund Policy for such draw, plus any interest due thereon.

Section 4. Repayment of Amounts Appropriated. If the City Council appropriates funds to make a payment as contemplated by Section 1 hereof, any amounts

actually transferred by the City to the Trustee in accordance with the provisions of Section 1 or transferred by the City to the provider of a Reserve Fund Policy in accordance with the provisions of Section 1, shall be treated as an advance under the Cooperation Agreement and shall be repaid by the Authority in accordance with the provisions of the Cooperation Agreement, on a basis expressly subordinate and junior to that of the Series 2025 Bonds, any Additional Bonds and any other obligations or indebtedness that is secured or payable in whole or in part by the Pledged Revenues on a parity with the Series 2025 Bonds.

Section 5. Limitation to Series 2025 Bonds. Unless otherwise expressly provided by a subsequent resolution of the City Council, the provisions of this Resolution shall apply only to the replenishment of the Reserve Fund originally established in the Indenture that secures the payment of the Series 2025 Bonds and shall not apply to any other reserve funds established in connection with the issuance of any other obligations.

Section 6. Approval of Cooperation Agreement. The Cooperation Agreement, in substantially the form attached hereto as Exhibit A, is in all respects approved, authorized and confirmed. The Mayor is hereby authorized and directed to execute and deliver the Cooperation Agreement, for and on behalf of the City, in substantially the form and with substantially the same content as attached hereto as Exhibit A, provided that such document may be completed, corrected or revised as deemed necessary by the parties thereto in order to carry out the purposes of this Resolution. The execution of the Cooperation Agreement by the Mayor shall be conclusive evidence of the approval by the City Council of such document in accordance with the terms hereof and thereof.

Section 7. Direction to Act. The City Clerk of the City (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 Resolution and to place the seal of the City on any document authorized and approved by this Resolution. The Mayor, the Mayor Pro-Tem of the City, the City Manager, the Financial Officer, the City Clerk and other appropriate officials or employees 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, instruments and other papers, and to perform all other acts that they deem necessary or appropriate, in order to implement and carry out the transactions and other matters authorized by this Resolution.

Section 8. Ratification. All actions (not inconsistent with the provisions of this Resolution) heretofore taken by the City Council or the officers, employees or agents of the City directed toward the issuance of the Series 2025 Bonds by the Authority and the execution and delivery of the Cooperation Agreement are hereby ratified, approved and confirmed.

Section 9. Severability. If any section, subsection, paragraph, clause or provision of this Resolution or the documents hereby authorized and approved shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, subsection, paragraph, clause or provision shall not affect any of the

remaining provisions of this Resolution or such documents, the intent being that the same are severable.

Section 10. Repealer. All prior resolutions, or parts thereof, inconsistent herewith are hereby repealed to the extent of such inconsistency.

Section 11. Effectiveness. This Resolution shall take effect immediately upon its passage.

Passed and adopted on May 6, 2025.

Mayor

ATTEST:

City Clerk

Effective Date: May 6, 2025

Approving Attorney: Dianne Criswell