COLORADO SPRINGS URBAN RENEWAL AUTHORITY

RESOLUTION NO. \_\_-19

A RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF COLORADO SPRINGS URBAN RENEWAL AUTHORITY TAX INCREMENT REVENUE BONDS (STADIUM PROJECT) SERIES 2019 IN THE AGGREGATE PRINCIPAL AMOUNT OF NOT TO EXCEED $14,000,000 TO FINANCE A SPORTS STADIUM; AUTHORIZING THE EXECUTION AND DELIVERY BY THE AUTHORITY OF AN INDENTURE OF TRUST, A REIMBURSEMENT AGREEMENT, CLOSING DOCUMENTS AND SUCH BONDS IN CONNECTION THEREWITH; MAKING DETERMINATIONS AS TO OTHER MATTERS RELATED TO SUCH FINANCING; AND REPEALING ANY ACTION HERETOFORE TAKEN IN CONFLICT HEREWITH.

WHEREAS, the Colorado Springs Urban Renewal Authority (the “Authority”) is a body corporate and politic of the State of Colorado duly organized and existing under Part 1, Article 25, Title 31, Colorado Revised Statutes, as amended, and is authorized by Part 3, Article 46, Title 24, Colorado Revised Statutes, as amended, and by Resolution No. 3 adopted by the Colorado Economic Development Commission effective as of December 16, 2013 (“Resolution No. 3”), as heretofore amended, and as to be supplemented by a motion approved by the Economic Development Commission (collectively, “Resolution No. 3”), to issue its bonds to finance a “Project”, as defined in Resolution No. 3, which Project is generally referred to as the “City for Champions” project; and

WHEREAS, the Colorado Sports & Event Center constitutes one of the “Project Elements”, as defined in Resolution No. 3, of the City for Champions project and consists of (i) a multi-use outdoor sports stadium and related facilities (the “Stadium Project”) and (ii) a multi-use indoor sports arena and related facilities; and

WHEREAS, the Stadium Project will initially be acquired, constructed, equipped and owned by Switchbacks FC Holdings, LLC, a Delaware limited liability company (“Switchbacks FC Holdings”); and

WHEREAS, it is anticipated that the Stadium Project will subsequently be transferred by Switchbacks FC Holdings to and owned by Stadium Metropolitan District, a quasi-municipal corporation and political subdivision of the State of Colorado; and

WHEREAS, the Authority proposes to issue its “Colorado Springs Urban Renewal Authority Tax Increment Revenue Bonds (Stadium Project) Series 2019” (the “Bonds”) to finance a portion of the costs of the Stadium Project and to pay the expenses incurred in connection with the issuance of the Bonds; and

WHEREAS, the Bonds will be secured by 15.33% of the “Percentage of State Sales Tax Increment Revenue”, as defined in Resolution No. 3, subject to adjustment in certain events as provided in Resolution No. 3, provided that in no event shall the total cumulative amount thereof received during the “Financing Term”, as defined in Resolution No. 3, exceed $18,472,650; and

WHEREAS, the Bonds will be issued in the aggregate principal amount of not to exceed $14,000,000 pursuant to an Indenture of Trust dated as of October 1, 2019 (the “Indenture”) between the Authority and UMB Bank, n.a., as trustee (the “Trustee”); and

WHEREAS, pursuant to Resolution No. 3, Eligible Costs of the Stadium Project paid by Switchbacks FC Holdings other than pursuant to the Indenture are eligible for reimbursement from the Percentage of State Sales Tax Increment Revenue and to provide for such reimbursement to Switchbacks FC Holdings, the Authority and Switchbacks FC Holdings shall enter into a Reimbursement Agreement (the “Reimbursement Agreement”); and

WHEREAS, no payments may be made to Switchbacks FC Holdings pursuant to the Reimbursement Agreement so long as any of the Bonds are outstanding; and

WHEREAS, there have been presented to the Board of Commissioners of the Authority at this meeting the proposed forms of (i) the Indenture and (ii) the Reimbursement Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE COLORADO SPRINGS URBAN RENEWAL AUTHORITY:

# All action (not inconsistent with the provisions of this resolution) heretofore taken by the Board of Commissioners of the Authority and the officers, employees and agents of the Authority directed toward the financing of a portion of the cost of the Stadium Project and the issuance and sale of the Bonds therefor be, and the same is hereby, ratified, approved and confirmed.

# The Authority shall finance a portion of the cost of the Stadium Project by making the proceeds of the Bonds available for paying a portion of the costs of the Stadium Project, all in accordance with the provisions of the Indenture.

# To defray a portion of the cost of the Stadium Project and to pay the expenses incurred in connection with the issuance of the Bonds, there is hereby authorized and created a series of revenue bonds designated as the “Colorado Springs Urban Renewal Authority Tax Increment Revenue Bonds (Stadium Project) Series 2019”. The Bonds shall be issued in the aggregate principal amount of not to exceed $14,000,000. The Bonds shall be lettered “R” and numbered separately from 1 upward.

The Bonds shall be dated the date of their delivery and shall bear interest from their date payable annually on February 1 of each year, commencing February 1, 2020, except that Bonds which are authenticated upon transfer, exchange or other replacement shall bear interest from the most recent interest payment date to which interest has been paid or, if no interest has been paid, from the date of delivery of the Bonds. The Bonds shall be payable, shall be subject to redemption prior to maturity and shall be in substantially the form provided in the Indenture. The Bonds, initially issued as a single fully registered bond, shall be sold to Kansas City Financial Corporation, an affiliate of UMB Bank, n.a. (the “Original Purchaser”), in a private placement transaction at a purchase price of 99.25% of the principal amount of the Bonds (treating the origination fee of the Original Purchaser as a discount.)

The Authority hereby elects to apply the Colorado Supplemental Public Securities Act, Part 2 of Article 57, Title 11, Colorado Revised Statutes, as amended, to the Bonds. Pursuant to such election to apply the Supplemental Public Securities Act to the issuance of the Bonds, the Board of Commissioners hereby delegates to the Chair of the Authority, or in his absence the Executive Director of the Authority, the power to make the following determinations with respect to the Bonds without any requirement that the Board of Commissioners approve such determinations:

## The aggregate principal amount of the Bonds; provided that such amount shall not exceed $14,000,000.

## The rates of interest to be borne by the Bonds, which may be expressed as a formula; provided that no Bond shall bear interest at a rate exceeding 6.00% per annum.

## The amount of principal of the Bonds maturing in any particular year; provided that the principal amount of the Bonds maturing in any particular year shall not exceed $3,500,000.

## The years in which principal of the Bonds shall mature; provided that no installment of principal shall mature later than February 1, 2031.

## The existence and amount of any reserve fund requirement for the Bonds, which shall include both the Bond Reserve Requirement (as defined in the Indenture) and the Surplus Fund Requirement (as defined in the Indenture); provided that the aggregate amount of any reserve fund requirement shall not exceed the maximum annual debt service with respect to the Bonds, calculated as of the date of issuance of the Bonds.

Such determinations shall be evidenced by the execution of the Indenture by the Chair or the Executive Director of the Authority, the date of which execution shall not be more than one year from the date of adoption of this resolution.

# The form, terms and provisions of the Indenture be and they hereby are approved, and the Authority shall enter into the Indenture in the form of such document presented to the Board of Commissioners of the Authority at this meeting, with only such changes therein as are not inconsistent herewith. The Chair of the Authority is hereby authorized to execute and deliver the Indenture and the Executive Director of the Authority is hereby authorized to affix the Authority seal to and to attest the Indenture.

# The form, terms and provisions of the Bonds, in the form contained in the Indenture, be and they hereby are approved, with only such changes therein as are not inconsistent herewith, and the Chair and the Executive Director of the Authority are each hereby authorized to execute the Bonds, by manual or facsimile signature, and each is authorized to deliver the Bonds, and the seal of the Authority, or a facsimile thereof, is hereby authorized to be affixed to the Bonds.

# The form, terms and provisions of the Reimbursement Agreement be and they hereby are approved, and the Authority shall enter into the Reimbursement Agreement in the form of such document presented to the Board of Commissioners of the Authority at this meeting, with only such changes therein as are not inconsistent herewith. The Chair of the Authority is hereby authorized to execute and deliver the Reimbursement Agreement.

# The Chair and the Executive Director of the Authority are each hereby authorized to execute and deliver to the Trustee the written order of the Authority for the authentication and delivery of the Bonds by the Trustee, in accordance with Section 2.07 of the Indenture.

# In consideration of the purchase and acceptance of the Bonds by those who shall hold the same from time to time, the provisions of this resolution shall be part of the contract of the Authority with each owner of the Bonds and shall be deemed to be and shall constitute a contract between the Authority and each owner from time to time of the Bonds.

# The members of the Board of Commissioners and the officers, employees and agents of the Authority shall cause the Authority to take all action necessary or reasonably required by the Indenture and the Reimbursement Agreement to effectuate their provisions and shall take all action necessary or desirable to finance the cost of the Stadium Project and for carrying out the transactions contemplated by this resolution, including without limitation the execution and delivery of any closing documents to be delivered in connection with the sale and delivery of the Bonds.

# The cost of financing the Stadium Project will be paid out of the proceeds of the Bonds, funds of Switchbacks FC Holdings and other available moneys. No costs or expenses shall be borne by the Authority in connection with the issuance of the Bonds, the preparation of any documents relating thereto, or any legal or financial consultants retained in connection therewith other than from the proceeds of the Bonds. The Bonds shall be special obligations of the Authority payable solely from and secured by the security specified in the Indenture. The Bonds shall not constitute or become an indebtedness, a debt or a liability of the State of Colorado or any county, municipality (including the City) or other public body of the State of Colorado other than the Authority to the extent provided in the Indenture. Neither the members of the Board of Commissioners, any officer of the Authority, or any other person executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

# After any of the Bonds are issued, this resolution shall be and remain irrepealable until the Bonds and the interest thereon shall have been fully paid, canceled and discharged.

# If any section, paragraph, clause, or provision of this resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this resolution.

# All bylaws, orders and resolutions, or parts thereof, inconsistent herewith are hereby repealed to the extent only of such inconsistency. This repealer shall not be construed as reviving any bylaw, order or resolution or part thereof.

# This resolution shall be in full force and effect upon its passage and approval.

PASSED, ADOPTED AND APPROVED this September 25, 2019.

Chair

(SEAL)

Attest:

Executive Director