**THIRD MEMORANDUM OF UNDERSTANDING FOR DEDICATION OF MINIMUM ELEMENT ALLOCATION PERCENTAGES**

This Memorandum of Understanding (the MOU) is made as of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 2019 by and between the City of Colorado Springs (City) and the Colorado Springs Sports Authority, a Colorado nonprofit corporation (CSSA). For the purposes of the MOU, each party may be referred to as a “Party” or collectively as the “Parties”.

**WHEREAS**, on December 16, 2013, the Colorado Economic Development Commission (EDC) approved an application filed by the City for the “City for Champions Project” for dedication of new state sales tax revenue to support regional tourism projects pursuant to the Colorado Regional Tourism Act (the Act); and

**WHEREAS**, in accordance with the Act, the EDC adopted its RESOLUTION NO. 3 (the Resolution) specifying conditions of approval of the City’s application imposed by the EDC; and

**WHEREAS**, the Resolution, among other provisions, established the following Minimum Element Allocation Percentages (MEAPs) of Dedicated Revenue for each project element:

1. U.S. Olympic Museum and Hall of Fame: 42%
2. Colorado Sports & Event Center: 23%
3. U.C.C.S. Sports Medicine and Performance Center: 14%
4. U.S. Air Force Academy Gateway Visitor’s Center: 5%
5. Flexible Allocation: 16%

and

**WHEREAS**, the Resolution provides that the 23% MEAP allocation to the Colorado Sports & Event Center is to be allocated to a Project Element consisting of an Outdoor Stadium and an Indoor Venue; and

**WHEREAS**, the Colorado Sports & Event Center is being developed with two components consisting of an Outdoor Stadium Sub-Project Element (Outdoor Stadium) and an Indoor Venue Sub-Project Element (Indoor Venue); and

**WHEREAS**, theColorado Sports & Event Center components are being developed by two Developers, i.e. one Developer for the Outdoor Stadium (Switchbacks FC Holdings LLC) and one Developer for the Indoor Venue (Colorado College); and

**WHEREAS**, CSSA has been designated as the Project Element Sponsor for the Colorado Sports & Event Center; and

**WHEREAS**, the City desires to allocate the 23% MEAP for the Colorado Sports & Event Center between the Outdoor Stadium and the Indoor Venue;

**NOW THEREFORE**, the Parties hereby agree as follows:

1. **MEAP Allocation**. The Parties agree that, upon and subject to consultation by the City with the Colorado Springs Urban Renewal Authority, as Financing Entity (Financing Entity):

(i) 66.67% of the 23% MEAP associated with the Colorado Sports & Event Center (i.e., 15.33% of the Dedicated Revenue) may be pledged and dedicated to the Outdoor Stadium Sub-Project Element component of the Colorado Sports & Event Center Project Element, including, without limitation, to repayment of bonds (Stadium Bonds), which may include multiple series as well as senior and subordinate bonds, and may be issued by the Colorado Springs Urban Renewal Authority, as the Financing Entity in accordance with the Act; provided, however, that any such issuance of bonds and pledge is subject to the provisions of Section 6 of that certain Agreement Delineating the Relationship and Decision-Making Authority for the City for Champions Project between the City and Financing Entity dated as of June 26, 2015 (City-URA Agreement); and

(ii) 33.33% of the 23% MEAP associated with the Colorado Sports & Event Center (i.e., 7.67% of the Dedicated Revenue) may be pledged and dedicated to the Indoor Venue Sub-Project Element component of the Colorado Sports & Event Center Project Element; provided, however, that any such pledge is subject to the provisions of Section 6 of that certain Cooperation Agreement between the CSSA, as assignee of the City, and Financing Entity dated as of October 27, 2015 (CSSA-URA Agreement).

1. **Compliance by Developers**. As a condition to release of Dedicated Revenue pursuant to the foregoing MEAP allocation, CSSA and/or the Financing Entity will enter into an agreement or agreements as necessary or appropriate with each of the respective Developers of the Outdoor Stadium and the Indoor Venue obligating such Developers to comply with the terms and conditions of the Act and the Resolution, including, without limitation the certification requirements for Eligible Costs.
2. **Stadium Bond Proceeds**. The Parties agree that, subject to the provisions of the City-URA Agreement, the net proceeds from the issuance of Stadium Bonds, after payment of costs of issuance and Financing Entity administrative and legal expenses, shall be dedicated to Eligible Costs associated with the Outdoor Stadium Sub-Project Element component of the Colorado Sports & Event Center Project Element.
3. **Indoor Venue Dedicated Revenue**. The Parties agree that, subject to the provisions of the CSSA-URA Agreement, the Dedicated Revenue described in Section 1(ii) above, after payment of Financing Entity administrative and legal expenses, shall be dedicated to Eligible Costs associated with the Indoor Venue Sub-Project Element component of the Colorado Sports & Event Complex Center Project Element.

All communications to the City of Colorado Springs under this MOU shall be made by mailing same via US Mail, postage prepaid, or by overnight express courier, addressed as follows:

City of Colorado Springs

Economic Development Division

30 S. Nevada Ave., Suite 604

Mail Code 640

Colorado Springs, Colorado 80903

With a copy to:

City of Colorado Springs

c/o City Attorney

30 S, Nevada, Suite 501

Colorado Springs, CO 80903

All communications to the CSSA under this MOU shall be made by mailing same via US Mail, postage prepaid, or by overnight express courier, addressed as follows:

Colorado Springs Sports Authority

30 S. Nevada Avenue, Suite 604

Colorado Springs, Colorado 80903

With a copy to:

City of Colorado Springs

c/o City Attorney

30 S, Nevada, Suite 501

Colorado Springs, CO 80903

\* \* \* \* \*

City of Colorado Springs

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

John W. Suthers, Mayor Date

Colorado Springs Sports Authority

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Title: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date

Acknowledged:

Colorado Springs Urban Renewal Authority

By: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Randle W. Case II, Chair Date