

RESOLUTION NO. 91-163

A RESOLUTION AUTHORIZING THE EXECUTION OF AN ESCROW DEPOSIT AGREEMENT PROVIDING FOR THE DEFEASANCE OF THE CITY OF FORT COLLINS, COLORADO, INDUSTRIAL DEVELOPMENT REVENUE REFUNDING BONDS (OLD TOWN FORT COLLINS PROJECT I), SERIES 1986, DATED OCTOBER 1, 1986, IN THE AGGREGATE PRINCIPAL AMOUNT OF \$7,000,000 AND THE RELEASE OF CERTAIN LIENS ENCUMBERING THE PROJECT FINANCED THEREBY.

WHEREAS, the City of Fort Collins, Colorado (the "City"), has heretofore issued its Industrial Development Revenue Refunding Bonds (Old Town Fort Collins Project I), Series 1986, dated October 1, 1986, in the aggregate principal amount of \$7,000,000 (the "Bonds") for the purpose of refinancing Old Town Fort Collins Project I (the "Project") for Old Town Partners I Limited Partnership, a Wisconsin limited partnership (the "Original Developer"); and

WHEREAS, the Bonds are secured by a Refinancing Agreement, dated as of October 1, 1986 (the "Refinancing Agreement"), between the City and the Original Developer; and

WHEREAS, the Bonds are collaterally secured by Surety Bond No. 1667111-1R issued by Continental Casualty Company, an Illinois insurance company (the "Surety"); and

WHEREAS, following default by the Original Developer in the payment of its obligations under the Refinancing Agreement, the Project was acquired through foreclosure by Fort Collins Old Town I, an Illinois corporation (the "Corporation"), a subsidiary of the Surety; and

WHEREAS, the Corporation has entered into a contract with a prospective purchaser for the sale of the Project which requires that the Bonds be defeased and that certain liens encumbering the Project be released; and

WHEREAS, there has been filed with the City Clerk the form of an Escrow Deposit Agreement, dated as of December 1, 1991 (the "Agreement"), among the City, United Bank of Denver National Association, as trustee (the "Trustee"), and the Corporation, providing for the defeasance of the Bonds and the release of certain liens encumbering the Project.

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FORT COLLINS, COLORADO, THAT:

1. The Mayor and the City Clerk are hereby authorized to execute the Agreement on behalf of the City in substantially the form heretofore filed with the City Clerk with such changes thereto as may be necessary to accomplish the purposes thereof as approved by the City Attorney and the City's bond counsel.

2. All action not inconsistent with the provisions of this Resolution heretofore taken by the City or its officers directed toward the authorization and execution of the Agreement is hereby ratified, approved and confirmed.

3. All 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 resolution, bylaw, order or other instrument, or part thereof, heretofore repealed.

4. If any section, subsection, paragraph, clause or other provision of this Resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability thereof shall not affect any of the remaining sections, subsections, paragraphs, clauses or provisions of this Resolution.

5. This Resolution shall take effect immediately upon its adoption.

READ, PASSED AND ADOPTED this 17th day of December, 1991.

CITY OF FORT COLLINS, COLORADO

By: Susan K. Lyatruck
Mayor

(CITY)
(SEAL)

ATTEST:

Wanda H. Prajcek
City Clerk