

RESOLUTION NO. 001
OF THE FORT COLLINS URBAN RENEWAL AUTHORITY
AUTHORIZING THE NEGOTIATION AND EXECUTION OF
A TAX INCREMENT FINANCING AGREEMENT WITH THE OWNERS OF
VALLEY STEEL AND WIRE COMPANY AND
THE ARRANGEMENT OF FINANCING THEREFOR

WHEREAS, the City Council, by Resolution 2004-152 approved the Urban Renewal Plan for the North College Avenue Corridor (the "Plan"); and

WHEREAS, the City Council also constitutes the Fort Collins Urban Renewal Authority and, as such, has ratified the Urban Renewal Plan for the North College Avenue Corridor; and

WHEREAS, Quality Wholesale Building Products, Inc., an Arkansas Corporation, d/b/a Valley Steel and Wire Company (the "Developer") presently operates a business at 200 Hickory Street, which business is located within the Plan area; and

WHEREAS, the property upon which such business is located is owned by QR, Inc., an Arkansas Corporation (the "Landowner"); and

WHEREAS, the Developer has proposed the addition of a new warehouse development project upon a three acre parcel adjoining its existing business, which parcel is not presently served by sanitary sewer service; and

WHEREAS, City regulations would require, as a condition of approval of the proposed development that a sanitary sewer main be extended along the street frontage of the property to be developed, even though the Developer does not need to utilize the sewer main for its purposes; and

WHEREAS, the Developer has requested that the Urban Renewal Authority ("URA") cover the cost of the extension of the sewer line utilizing tax increment funding generated by the increased increment of property tax that will be collected because of the development of the Landowner's property; and

WHEREAS, the URA recognizes the benefit that will result to the Plan area because of the Developer's redevelopment project and because of the extension of the sanitary sewer line, and has determined that it is in the best interest of the URA that the additional increment of property tax generated on the Landowner's property because of the development thereof should be committed to the funding of the construction of the sanitary sewer main according to the terms provided hereafter.

NOW, THEREFORE, BE IT RESOLVED BY THE FORT COLLINS URBAN RENEWAL AUTHORITY as follows:

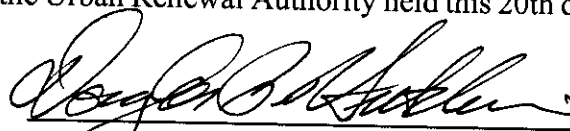
Section 1. That a tax increment financing agreement may be negotiated and executed between the URA (by and through the City Manager) and the Developer and Landowner providing that the URA shall be responsible to pay for the cost of the construction of the sanitary sewer line

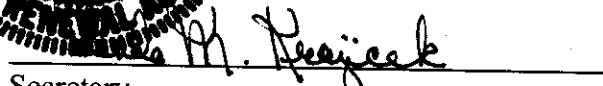
along the street frontage of the property to be developed with such agreement to specifically provide that said payment shall not be made by the URA until a certificate of occupancy for the Developer's development project has been issued by the City and the County Assessor has affirmed that the Developer's project as constructed comports with the assumptions and calculations that were presented to the URA by the Developer to support the tax increment calculations; and further provided that the maximum amount of funding to be provided by the URA pursuant to the tax increment financing agreement shall not exceed \$150,000. Additional provisions shall be included in the redevelopment agreement as may be determined by the City Manager and the City Attorney to be in the best interest of the URA.

Section 2. That the City Manager is authorized to obtain a loan in the name of the URA in order to obtain the necessary funds to pay for the extension of the sanitary sewer line in an amount not to exceed \$150,000 and upon such terms as may be determined by the City Manager and City Attorney to be in the best interest of the URA.

and adopted at a regular meeting of the Urban Renewal Authority held this 20th day of September, A.D. 2005.




Chair


Secretary