

RESOLUTION 82-176
OF THE COUNCIL OF THE CITY OF FORT COLLINS
SETTING FORTH THE INTENTION OF THE CITY OF
FORT COLLINS, COLORADO TO ISSUE INDUSTRIAL
DEVELOPMENT REVENUE BONDS FOR JOHN Q HAMMONS
INDUSTRIES, INC , A MISSOURI CORPORATION

WHEREAS, representatives of the John Q Hammons Industries, Inc , a Missouri Corporation (the "Corporation"), have met with officials of the City of Fort Collins, Colorado (the "City"), and have advised the City of the interest of the Corporation in acquiring, constructing and installing a hotel and conference center in the City, subject to the willingness of the City to finance the project (the "Project") as an industrial development bond project, pursuant to the Colorado County and Municipality Development Revenue Bond Act constituting Article 3, Title 29, Colorado Revised Statutes 1973, as amended (the "Act"), and

WHEREAS, the Corporation has represented to the City that the Project will qualify as a project within the meaning of the Act, and

WHEREAS, the Project consists of the development by the Corporation of a hotel/conference center to be located on approximately 84 acres of land situate upon Superblock #1 of the South College Properties Master Plan in the southeast quadrant of the City at the northeast corner of College Avenue and Harmony Road

WHEREAS, the City Council has considered the proposal and has concluded that the economic benefits to be derived therefrom by the City will be substantial, and

WHEREAS, the Corporation desires to finance the cost of the development of the Project as a revenue bond project pursuant to §29-3-101, et seq , C R S 1973, as amended, and

WHEREAS, the City Council desires to indicate its intent to proceed with financing the Project through the issuance of such revenue bonds

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FORT COLLINS, COLORADO

Section 1 In order to induce the Corporation to locate the Project upon the above described location within the City, the City shall, subject to the provisions hereof, take all necessary or advisable steps to effect the issuance of industrial development revenue bonds (the "Bonds") pursuant to the Act in the maximum aggregate principal amount of \$10,000,000 or such lesser amount as shall be determined and agreed upon by the Corporation and the City to finance the Project The Bonds will not be general obligations

Withdrawn
12/7/82

of the City Neither shall the Bonds, including interest thereon, constitute the debt or indebtedness of the City within the meaning of any limitation of the Constitution or statutes of the State of Colorado or the home rule charter of the City, nor give rise to a pecuniary liability of the City or a charge against its general credit or taxing powers The Bonds shall be payable solely from and secured by a pledge of revenues derived from and payable by the Corporation pursuant to financing agreements with the City

Section 2 No costs or expenses, whether incurred by the City or any other party in connection with the issuance of the Bonds, the preparation of any documents relating thereto, or in connection with services provided by any legal or financial consultants retained in connection therewith, shall be borne by the City All such costs or expenses shall be paid from the proceeds of the Bonds or otherwise borne by the Corporation

Section 3 Prior to any execution of a financing agreement, mortgage and indenture of trust, bond purchase agreement or any other necessary documents and agreements in connection with such Bonds, such documents and/or agreements shall be submitted for approval to the City and, if satisfactory to the City, their execution shall be authorized by ordinance of the City Council pursuant to law

Section 4 Nothing contained in this resolution shall constitute the debt or indebtedness of the City within the meaning of any limitation of the Constitution or statutes of the State of Colorado or the home rule charter of the City, nor give rise to a pecuniary liability of the City or a charge against its general credit or taxing powers

Section 5 The following conditions shall be met by the Corporation prior to further action by the City Council

- 1 An executed copy of a binding lease agreement between the Corporation and the owner of the property upon which the Project is to be located shall be submitted to the City
- 2 A recognized Bond Counsel's opinion supporting the legality of the financing of the project and utilization of the bond proceeds shall be submitted to the City

Section 6 All orders, bylaws and resolutions, or parts thereof, in conflict with this resolution are hereby repealed to the extent of such conflict This repealer shall not be construed to revive any order, bylaw or resolution, or part thereof, heretofore repealed

Section 7 All commitments of the City contained herein are subject to the condition that within twelve (12) months of the date hereof, unless otherwise extended by agreement between the City and the Corporation, the bonds to be issued pursuant hereto shall be issued and sold In the event that said bonds are not issued and sold within twelve (12) months, the City of Fort Collins shall be under no obligation to perform any of the terms and conditions contained herein

Section 8 If any section, paragraph, clause or provision of this resolution with the exception of any section, paragraph, clause or provision limiting the City's financial obligation, 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

Section 9 This resolution shall take effect immediately upon its introduction and passage

Passed and adopted at a regular meeting of the Council of the City of Fort Collins this 7th day of December, 1982

Mayor

ATTEST

City Clerk