

RESOLUTION 82-25  
OF THE COUNCIL OF THE CITY OF FORT COLLINS  
ADOPTING INDUSTRIAL DEVELOPMENT REVENUE BOND  
POLICIES AND GUIDELINES

WHEREAS, the City Council and City Manager have reviewed various policies and guidelines in conjunction with the City issuing Industrial Development Revenue Bonds, and

WHEREAS, the City of Fort Collins is committed to industrial development in and around the City coupled with sound financial planning and direction, and

WHEREAS, these policies and guidelines form the basis for various decisions affecting the issuance of Industrial Development Revenue Bonds, and

WHEREAS, City Council wishes to formally adopt these Industrial Development Revenue Bond Policies and Guidelines

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF FORT COLLINS that the following Industrial Development Revenue Bond Policies and Guidelines be, and the same hereby are adopted

I Policy

- A General The City of Fort Collins desires to maintain a reasonable level of economic growth and development in the City and within the boundaries of its Urban Growth Area. To this end, one principal mechanism for implementing positive government action in concert with the private sector is the use of Industrial Development Revenue Bonds (IDRB) pursuant to County and Municipality Development Revenue Bond Act, Title 29, Article 3 of the Colorado Revised Statutes
- B Endorsement of the Use of Industrial Development Revenue Bonds The City of Fort Collins endorses the concept of positive local governmental action to stimulate balanced economic development in close cooperation with private institutions. This will include the discriminate use of Industrial Development Revenue Bonds as one means available to the City of Fort Collins to achieve these purposes
- C Economic Competition It is not the intent of the City of Fort Collins, through the implementation of this policy, to provide an economically competitive advantage to any entity whether their purpose for existence be for profit or non-profit

## II Guidelines

A General Guidelines set forth herein are not intended as minimum requirements, and each application will be considered on its individual merits

B Benefits to the City Generally, an IDRB proposal should demonstrate one or more of the following economic benefits to the City

- 1 Creation of additional jobs within Fort Collins and within the boundaries of its Urban Growth Area
- 2 Increase of tax base resulting in a net fiscal benefit to the City
- 3 Stimulation of additional business investment
- 4 Provide facilities or benefits to Fort Collins citizens for economic purposes in a manner that complements the City's own programs or facilities

C Other Considerations The City will encourage the submission of proposals that are consistent with the following general guidelines

- 1 IDRB proposals should be consistent with stated official policies and goals and objectives of the City of Fort Collins. It is the responsibility of the applicant to obtain such information from the City administration
- 2 The City of Fort Collins will encourage the submission of proposals that provide for downtown revitalization, historic preservation and energy conservation

D Facilities and Programs All facilities and programs that may be financed under the Colorado statutes will be eligible for consideration by the City. Competitive impact resulting from the facility or program will be considered and addressed in approving an IDRB issue

III Financial Responsibility Applicants for IDRB issues must clearly demonstrate financial responsibility sufficient to amortize the proposed bond issue. The plan for marketing the IDRB's will determine the general financial standards used by the City to evaluate the

proposal The marketing plan for sale of the IDRB issue must be filed with the application and kept current through the closing of the IDRB issue

A Public Offering of Industrial Development Revenue Bonds The following financial criteria will be used as guidelines for the participation of the City in a public offering of IDRB's

- 1 The financial statements of the applicant should demonstrate sound financial position and operating results
- 2 And further, that the applicant should present financial projections of the proposed project based on a marketing survey or a feasibility study, where applicable

B Private Placement

- 1 Description of private placement investor(s)
- 2 The debt to appraised value of the proposed facility should not exceed 90% Exceptions to this guideline should be allowed where the applicant presents special circumstances for a higher debt to appraised value ratio

C Other General Economic Considerations

- 1 Asset life span versus term of the bond issue
- 2 Management strength of applicant
- 3 Minimum size of bond issues

Generally, the City will not consider an IDRB issue of less than \$750,000, unless private placement has been pre-arranged

- 4 Efforts toward public/private partnership projects

D Reimbursement to the City of all expenses

Whether or not the proposed project is approved by the City of Fort Collins and Industrial Revenue Bonds issued, the proponent of the project will be required to reimburse the City of Fort Collins for any and all expenses incurred as a result of the application

for Industrial Development Revenue Bonds This reimbursement will include, but not be limited to, the cost of time of all the personnel of the City, the expense of bond counsel and such consultants as the City may employ to assist in the evaluation, and all other expenses incurred by the City related to the proposal

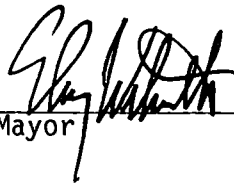
E Fees charged by the City for the Issuance of Industrial Development Revenue Bonds

If the proposed project is approved by the City of Fort Collins and Industrial Development Revenue Bonds are issued, a fee will be paid to the City by the applicant The amount of said fee shall be the present value of the amount to be derived from applying 1/16 of 1% to the unpaid principal amount of the bonds at the end of each bond year This fee will be in addition to the reimbursement of any and all expenses incurred by the City Notwithstanding any provision contained herein, this fee shall not exceed federal arbitrage regulations The fee will be paid to the City at the time of official closing on the sale of the bonds

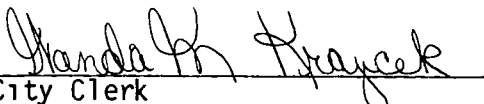
F Monies Collected

The monies collected as a result of the provisions of Section III, paragraphs D and E above are to be used for the encouragement of economic development within the City limits of the City of Fort Collins and including any other area allowable under applicable laws and regulations

Passed and adopted at a regular meeting of the Council of the City of Fort Collins this 2nd day of February, 1982

  
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Mayor

ATTEST

  
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City Clerk