

RESOLUTION 80-175
OF THE COUNCIL OF THE CITY OF FORT COLLINS
BEING A RESOLUTION SETTING FORTH THE INTENTION
OF THE CITY OF FORT COLLINS TO ISSUE INDUSTRIAL
DEVELOPMENT REVENUE BONDS FOR THE LINDEN SQUARE PARTNERSHIP

WHEREAS, representatives of the Linden Square Partnership, a Colorado general partnership (the "Partnership") have met with officials of the City of Fort Collins, Colorado (the "City"), and have advised the City of the interest of the Partnership in renovating three buildings within the City, to be leased by the Partnership to commercial or business enterprises, subject to the willingness of the City to finance the cost of a parcel of land and the building thereon, known as the Northern Hotel and located at the intersection of College Avenue and Walnut and Pine Streets in the City, together with the cost of renovating the building so acquired and two additional buildings known as the Linden Hotel and the Salvation Army building which are owned by the Partnership and are located at the intersection of Walnut and Linden Streets in the City (the "Project"), as A REVENUE bond project pursuant to SECTION 20 4, ARTICLE V, OF THE CHARTER OF THE CITY OF FORT COLLINS AND LEGISLATION BY ORDINANCE OF THE CITY COUNCIL TO BE ADOPTED PURSUANT THERETO (THE "CHARTER"), and

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

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 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 Partnership to locate the Project 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 CHARTER in the maximum aggregate principal amount of \$5,500,000 or such lesser amount as shall be determined and agreed upon by the Partnership and the City to finance the Project. The Bonds will not be general obligations 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 Partnership 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 Partnership

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

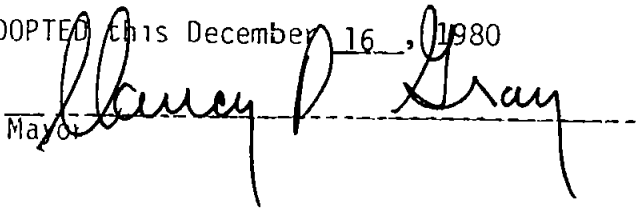
Section 5 All orders, bylaws and resolutions, or parts thereof, in conflict with this resolution are hereby repealed to the extent of such conflict This repealer shall not be construed to revive any order, bylaw or resolution, or part thereof, heretofore repealed

Section 6 If any section, paragraph, clause or provision of this resolution 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

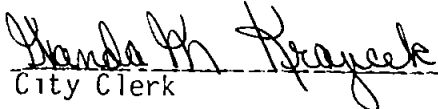
Section 7 This resolution shall take effect immediately upon its introduction and passage

INTRODUCED, READ, PASSED AND ADOPTED this December 16, 1980

Mayor



ATTEST


City Clerk