

AGENDA ITEM SUMMARY

February 19, 2019

City Council

STAFF

Blaine Dunn, Senior Treasury Analyst
Travis Storin, Accounting Director
John Duval, Legal

SUBJECT

Items Relating to Financing and Appropriation for the I-25/Prospect Interchange and Police Regional Training Campus.

EXECUTIVE SUMMARY

- A. Second Reading of Ordinance No. 021, 2019, Authorizing the Leasing of Certain City Property and the Execution and Delivery by the City of a Site Lease, a Lease Agreement, and Other Documents and Matters in Connection with the Financing of Certain Projects for the City.
- B. First Reading of Ordinance No. 030, 2019, Appropriating Unanticipated Revenue in the General Fund for the I-25/Prospect Interchange and Authorizing the Transfer of Appropriations from the General Fund to the Capital Projects Fund, and Appropriating Prior Year Reserves in the Transportation Capital Expansion Fund for the I-25 and Prospect Interchange and Authorizing the Transfer of Appropriations from the Transportation Capital Expansion Fund to the Capital Projects Fund, and Authorizing the Transfer of Appropriations from the Capital Projects Fund to the Cultural Services and Facilities Fund for the Art in Public Places Program.
- C. First Reading of Ordinance No. 031, 2019, Appropriating Unanticipated Revenue in the General Fund for the Police Regional Training Campus and Authorizing the Transfer of Appropriations from the General Fund to the Cultural Services and Facilities Fund for the Art in Public Places Program.

Ordinance No. 021, 2019, unanimously adopted on First Reading on February 5, 2019, authorizes the financing, through Certificates of Participation (COPs), needed for both the I-25/Prospect Interchange and Police Training Facility Joint Venture. City staff is seeking \$25.3 million in financing through Certificates of Participation (COPs) for a March 2019 closing. This financing will help support the construction of the I-25/Prospect interchange (\$17.1 million) and the Police Training Facility Joint Venture (\$8.2 million).

Ordinance Nos. 030 and 031, 2019, appropriate the lease financing proceeds received from the COPs for the I-25/Prospect Interchange and Police Regional Training Campus, respectively.

A related item is included under Discussion on this Agenda that addresses the Intergovernmental Agreements (IGAs) with the City of Loveland concerning the Police Regional Training Campus.

STAFF RECOMMENDATION

Staff recommends adoption of Ordinance No. 021, 2019, on Second Reading and Ordinance Nos. 030 and 031, 2019 on First Reading.

BACKGROUND / DISCUSSION

I-25/Prospect Interchange

Council has previously adopted four resolutions regarding the interchange: Resolution 2018-004, Resolution 2018-005, Resolution 2018-024, and Resolution 2018-074. These resolutions did the following:

- Resolution 2018-004: Approved Intergovernmental Agreement (IGA) with CDOT stating the City of Fort Collins' intent to provide an additional \$17.1 million in funding for the I-25/Prospect interchange improvements. This is an amendment to the existing IGA with CDOT that currently allocates the City's fair share contribution of funds for the North I-25 improvements (\$1.125 million per year for 2017 and 2018).
- Resolution 2018-005: Approved Memorandum of Understanding (MOU) with the private property interests proximate to the interchange, stating their intent to repay the City of Fort Collins their share of the interchange improvements (\$8.25 million).
- Resolution 2018-024: Approved Binding Agreement pertaining to development of I-25/Prospect interchange improvements between the City and the private property owners proximate to the interchange. The Binding Agreement formalized the previous MOU approved in Resolution 2018-005. Under this Binding Agreement the property owners agreed to pay back the City a total of \$8.25 million for their share of the interchange improvements.
- Resolution 2018-074: Approved IGA with the Town of Timnath for financial participation in the I-25/Prospect interchange improvements. This IGA is an agreement for the Town of Timnath to pay back the City of Fort Collins \$2.5 million for their share of the interchange improvements.

The interchange at Prospect Road and I-25 is aging infrastructure currently beyond its design lifespan and is failing in level of service (congestion) at peak periods of travel. Existing and planned development in the area are exacerbating congestion and safety issues. The interchange and Prospect Road are a critical gateway into central Fort Collins, as well as Timnath. City of Fort Collins staff worked closely with CDOT during preliminary design phases to ensure improvements to the interchange meet the City's needs, design standards, and integrates with the City's road network.

City staff worked with CDOT Project Managers, Town of Timnath, and private property interests proximate to the interchange throughout the past year to develop a private-public funding partnership model to share costs related to the interchange improvements. City of Fort Collins will act as primary agent with CDOT on the funding agreement, with separate repay agreements to the City from Town of Timnath, and the private property interests.

Police Regional Training Campus

In 2014, the City of Fort Collins and City of Loveland held a Joint Council session to discuss the possibility of a police training facility ("Training Campus") to be shared between the two agencies and to act as a regional resource for our neighbors. The Training Campus would be located on a portion of the Northern Colorado Regional Airport ("Airport"). There were needs and benefits identified to provide a better facility for training of both agencies. Some of the benefits identified were:

- Ensure a highly trained, efficient world class operation
- Develop a center that allows for current and future growth
- Ability to train together with multiple jurisdictions (many high-profile incidents are multi-jurisdictional)
- Provide members of law enforcement, fire, government, and private entities a venue for training
- Fulfill Colorado Peace Officer Standards and Training (POST) training requirements

In 2017, Fort Collins and Loveland City Councils entered into an IGA that jointly approved for design work to begin on the facility. There were some assumptions made as part of the partnership: Facility was to be jointly

owned and operated and costs are split 50/50; Loveland will take the lead on contracts for design and construction administration with Fort Collins reimbursing Loveland for its share of the costs. The second IGA (presented for Council’s consideration here) will address construction, ownership, operation, maintenance, and management of the facility. Operations agreements will be resolved before the construction bid process. The third IGA (also presented for Council consideration here) will establish an agreement between the Cities to use a certain portion of Airport real property for the Training Campus to comply with a Federal Aviation Administration requirement.

Staff at the two Cities have been working with the design firm SHE to design a facility that meets the scope, budget, and building requirements for both organizations. Based on updated requirements from the Airport and surveys of the land, adjustments have been made to the design to stay within the project budget and the scoped needs of both agencies. The facility is set to include:

- 50-yard, 21 lane indoor pistol range
- 6,000 sq. ft. administration space, including - 2 classrooms and office space
- Driving skid pad
- 1.4-mile driving pursuit/speed track
- Room to add on and grow in the future, including - Street grid and tactical village, 100-yard range, shoot house, EVOC maintenance facility and fuel station, ATV and off-road driving course.

CITY FINANCIAL IMPACTS

I-25/Prospect Interchange Appropriation - Ordinance No. 030, 2019

The total cost for CDOT to improve the interchange is estimated at \$31 million. This includes an additional \$7 million (beyond CDOT’s basic interchange design standard) for urban design amenities required by the City of Fort Collins and to be paid by Fort Collins, Timnath and private property interests. CDOT will share in 50% of the base design portion, or \$12 million. The remaining \$19 million will be split across the City, property owners, and Timnath at 43.4%, 43.4%, and 13.2%, respectively. Timnath’s share is based on traffic studies totaling 2.5 million. The City and property owners will evenly split the remaining \$16.5 million cost at \$8.25 million each.

The principal borrowed is the balance of the \$19 million costs after accounting for right-of-way (\$500k) contributions and Transportation Capital Expansion Fees (TCEF) (\$1.4 million). The net amount is \$17.1 million. The City would be responsible for debt service in full and then separately collect from Timnath and the property owners under the aforementioned repayment agreements.

This ordinance will appropriate a total of \$19,099,945. The source and use of the funds are as follows:

Source of Funds		Use of Funds	
COPs	\$ 17,332,445	Payment to CDOT	\$ 16,867,500
TCEF Contribution	1,400,000	City Urban Design Work	1,917,500
Right of Way Contributions	367,500	Closing Costs	232,445
		Art in Public Places*	82,500
Total	\$ 19,099,945	Total	\$ 19,099,945

*Based on Fort Collins share of interchange of \$8.25M

The COPs will be transferred from the general fund to the capital projects fund and art in public places fund. The TCEF contribution will be transferred from the TCEF fund into the capital projects fund.

Police Training Facility Joint Venture - Ordinance No. 031, 2019

The total cost of the facility will be \$18.5 million. Both cities have agreed to split the constructions costs 50/50, making the City of Fort Collins’ portion of the project \$9.25 million. In the 2017/18 budget, Council appropriated \$1.08 million for this project from General Fund Reserves. With this previous appropriation the City is seeking

\$8.17 million in financing for the remainder of our share of the construction costs.

This ordinance will appropriate a total of \$8,308,123. The source and use of the funds are as follows:

<u>Source of Funds</u>		<u>Use of Funds</u>	
COPs	8,308,123	Payment to Loveland	8,098,020
		Closing Costs	129,123
		Art in Public Places	80,980
Total	<u>8,308,123</u>	Total	<u>8,308,123</u>

The funds will all be spent out of the General Fund.

ATTACHMENTS

1. First Reading Agenda Item Summary, February 5, 2019 (w/o attachments) (PDF)
2. Ordinance No. 021, 2019 (PDF)

AGENDA ITEM SUMMARY

February 5, 2019

City Council

STAFF

Blaine Dunn, Senior Treasury Analyst
Travis Storin, Accounting Director
John Duval, Legal

SUBJECT

First Reading of Ordinance No. 021, 2019, Authorizing the Leasing of Certain City Property and the Execution and Delivery by the City of a Site Lease, a Lease Agreement, and Other Documents and Matters in Connection with the Financing of Certain Projects for the City.

EXECUTIVE SUMMARY

The purpose of this item is to consider the Ordinance authorizing the financing, through Certificates of Participation (COPs), needed for both the I-25/Prospect Interchange and Police Training Facility Joint Venture.

STAFF RECOMMENDATION

Staff recommends adoption of the Ordinance on First Reading.

BACKGROUND / DISCUSSION

Financing

City staff is seeking \$25.3 million in financing through Certificates of Participation (COPs) for a March 2019 closing. This financing will help support the construction of the I-25/Prospect interchange (\$17.1 million) and the Police Training Facility Joint Venture (\$8.2 million).

The purchaser(s) of the COPs will be determined in early March when the COPs are marketed. The financing method for the projects is a lease-lease back transaction. The City plans to use the 215 N. Mason building and Civic Center Parking Garage as the leased property in the lease-lease back transaction. The total amount of collateral offered with these two buildings is \$28.4 million. A copy of the Site Lease, Lease Agreement, Continuing Disclosure Certificate, Notice of Sale and Preliminary Official Statement are attached (**Attachments 1-5**).

I-25/Prospect Interchange

Council has previously adopted four resolutions regarding the interchange, Resolution 2018-004, Resolution 2018-005, Resolution 2018-024, and Resolution 2018-074. These resolutions did the following:

- Resolution 2018-004: Approved Intergovernmental Agreement (IGA) with CDOT stating the City of Fort Collins' intent to provide an additional \$17.1 million in funding for the I-25/Prospect interchange improvements. This is an amendment to the existing IGA with CDOT that currently allocates the City's fair share contribution of funds for the North I-25 improvements (\$1.125 million per year for 2017 and 2018).

- Resolution 2018-005: Approved Memorandum of Understanding (MOU) with the private property interests proximate to the interchange, stating their intent to repay the City of Fort Collins their share of the interchange improvements (\$8.25 million).
- Resolution 2018-024: Approved Binding Agreement pertaining to development of I-25/Prospect interchange improvements between the City and the private property owners proximate to the interchange. The Binding Agreement formalized the previous MOU approved in Resolution 2018-005. Under this Binding Agreement the property owners agreed to pay back the City a total of \$8.25 million for their share of the interchange improvements.
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The interchange at Prospect Road and I-25 is aging infrastructure currently beyond its design lifespan and is failing in level of service (congestion) at peak periods of travel. Existing and planned development in the area are exacerbating congestion and safety issues. The interchange and Prospect Road are a critical gateway into central Fort Collins, as well as Timnath. City of Fort Collins staff worked closely with CDOT during preliminary design phases to ensure improvements to the interchange meet the City's needs, design standards, and integrates with the City's road network.

City staff worked with CDOT Project Managers, Town of Timnath, and private property interests proximate to the interchange throughout the past year to develop a private-public funding partnership model to share costs related to the interchange improvements. City of Fort Collins will act as primary agent with CDOT on the funding agreement, with separate repay agreements to the City from Town of Timnath, and the private property interests.

Police Training Facility Joint Venture

In 2014, the City of Fort Collins and City of Loveland held a Joint Council session to discuss the possibility of a police training facility to be shared between the two agencies and as a regional resource for our neighbors. There were needs and benefits identified to provide a better facility for training of both agencies. Some of the benefits identified were:

- Ensure a highly trained, efficient world class operation
- Develop a center that allows for current and future growth
- Ability to train together with multiple jurisdictions (many high-profile incidents are multi-jurisdictional)
- Provide members of law enforcement, fire, government, and private entities a venue for training
- Fulfill Colorado Peace Officer Standards and Training (POST) training requirements

In 2017, Fort Collins and Loveland City Councils jointly approved for design work to begin on the facility. There were some assumptions made as part of the partnership: Facility is jointly owned and operated and costs are split 50/50, Loveland will take the lead on contracts with Fort Collins reimbursing the costs. The first IGA signed was for design; the second IGA will focus on construction, operation and maintenance. Operations agreements will be resolved before the construction bid process.

Staff at the two Cities have been working with the design firm SHE to design a facility that meets the scope, budget, and building requirements for both organizations. Based on updated requirements from the Northern Colorado Regional Airport and surveys of the land, adjustments have been made to the design to stay within the project budget and the scoped needs of both agencies. The facility is set to include:

- 50-yard, 21 lane indoor pistol range
- 6,000 sq. ft. administration space, including - 2 classrooms and office space
- Driving skid pad
- 1.4-mile driving pursuit/speed track
- Room to add on and grow in the future, including - Street grid and tactical village, 100-yard range, shoot

house, EVOC maintenance facility and fuel station, AVT and off-road driving course.

CITY FINANCIAL IMPACTS

Financing - Ordinance No. 021, 2019

Depending on the outcome of the prior discussion item this evening regarding consideration of a waiver of the LEED Gold certification, the total amount to borrow will be affected.

If the LEED Gold waiver is granted, the City will seek to borrow a total of \$25.6 million, \$25.3 million for the projects and \$300k in closing costs, with the COPs. The average annual debt service is \$1,756,000.

If the LEED Gold waiver is not granted, the City will seek to borrow a total of \$26.3 million, \$26 million for the projects and \$300k in closing costs, with the COPs. The average annual debt service is \$1,804,000.

The debt service for both projects was approved as part of the 2019/2020 budget. The average annual debt service in the purchased offers totaled \$2,036,000. The COPs will have a 20-year term and fixed interest rate. The City will make semiannual payments starting in June 2019 with the last payment occurring in December 2038.

I-25/Prospect Interchange

Total cost for CDOT to improve the interchange is estimated at \$31 million. This includes an additional \$7 million (beyond CDOT's basic interchange design standard) for urban design amenities required by the City of Fort Collins and to be paid by Fort Collins, Timnath and private property interests. CDOT will share in 50% of the base design portion, or \$12 million. The remaining \$19 million will be split across the City, property owners, and Timnath at 43.4%, 43.4%, and 13.2%, respectively. Timnath's share is based on traffic studies with the City and property owners evenly splitting the remaining \$16.5 million cost at \$8.25 million each.

The principal borrowed is the balance of the \$19 million costs after accounting for right-of-way (\$500k) contributions and Transportation Capital Expansion Fees (\$1.4 million). The net amount is \$17.1 million. The City will be responsible for debt service in full and then separately collect from Timnath and the property owners under the aforementioned repayment agreements.

Police Training Facility Joint Venture

The total cost of the facility will be \$18.5 million. Both cities have agreed to split the constructions costs 50/50, making the City of Fort Collins' portion of the project \$9.25 million. In the 2017/18 budget, Council appropriated \$1.08 million for this project from General Fund Reserves. With this previous appropriation the City is seeking \$8.17 million in financing for the remainder of our share of the construction costs.

BOARD / COMMISSION RECOMMENDATION

At its October 15, 2018 meeting, the Council Finance Committee supported proceeding to Council with the First Reading of this Ordinance.

ATTACHMENTS

1. Site Lease (PDF)
2. Lease Agreement (PDF)
3. Continuing Disclosure Certificate (PDF)
4. Notice of Sale (PDF)
5. Preliminary Official Statement (PDF)
6. PowerPoint Presentation (PDF)

ORDINANCE NO. 021, 2019
OF THE COUNCIL OF THE CITY OF FORT COLLINS
AUTHORIZING THE LEASING OF CERTAIN CITY
PROPERTY AND THE EXECUTION AND DELIVERY BY
THE CITY OF A SITE LEASE, A LEASE AGREEMENT, AND
OTHER DOCUMENTS AND MATTERS IN CONNECTION WITH
THE FINANCING OF CERTAIN PROJECTS FOR THE CITY

WHEREAS, the City of Fort Collins, Colorado (the “City”) is a duly organized and existing home rule municipality of the State of Colorado, created and operating pursuant to Article XX of the Constitution of the State of Colorado and the home rule charter of the City (the “Charter”); and

WHEREAS, the City is authorized by Article XX, Section 6 of the Colorado Constitution, and part 8 of Article 15 of title 31, Colorado Revised Statutes (“C.R.S.”), to enter into rental or leasehold agreements in order to provide necessary land, buildings, equipment and other property for governmental or proprietary purposes; and

WHEREAS, the City Council of the City (the “City Council”) is authorized by Chapter 23, Article IV, Division 2 of the Fort Collins Municipal Code, to lease any and all interests in real property owned in the name of the City if the City Council first finds that the lease is in the best interest of the City; and

WHEREAS, the City Council has determined and hereby determines that it is in the best interests of the City and its inhabitants to finance a portion of the cost of (a) the improvements to the highway interchange at Interstate Highway I-25 and Prospect Road in the City, and (b) the construction of a joint police training facility with the City of Loveland, Colorado (jointly, the “Project”); and

WHEREAS, the City Council has determined and hereby determines that it is in the best interest of the City to finance the acquisition, construction and installation of the Project by entering into a lease financing, as hereinafter provided; and

WHEREAS, the proceeds of the lease financing, together with other available moneys of the City, will be used to finance the acquisition, construction and installation of the Project; and

WHEREAS, the City Council has determined and hereby determines that the leased property under the Site Lease (hereinafter defined) and the Lease (hereinafter defined) will consist of certain parcels owned by the City (collectively the “Site”) and the buildings and improvements located thereon, which presently serve as the Civic Center and the Civic Center Parking Garage (as more particularly described in Exhibit A to the Site Lease and the Lease, the “Leased Property”); and

WHEREAS, the City Council now hereby determines that in order to finance the acquisition, construction and installation of the Project, it is in the best interest of the City and its inhabitants that (a) the City enter into a Site and Improvement Lease (the “Site Lease”) with U.S. Bank National Association, as trustee (the “Trustee”) under the Indenture (hereinafter defined) pursuant to which the City will lease the Leased Property to the Trustee, and that (b) the City enter

into a Lease Purchase Agreement (the “Lease”) with the Trustee pursuant to which the Trustee will lease the Leased Property back to the City; and

WHEREAS, pursuant to the Lease, and subject to the right of the City to terminate the Lease and other limitations as therein provided, the City will pay certain Base Rentals and Additional Rentals (as such terms are defined in the Lease) in consideration for the right of the City to use the Leased Property; and

WHEREAS, the City’s obligation under the Lease to pay Base Rentals and Additional Rentals shall be from year to year only; shall constitute currently budgeted expenditures of the City; shall not constitute a mandatory charge or requirement in any ensuing budget year; shall not constitute a general obligation or other indebtedness or multiple fiscal year financial obligation of the City within the meaning of any constitutional, charter, statutory limitation or other requirement concerning the creation of indebtedness or multiple fiscal year financial obligation, nor a mandatory payment obligation of the City in any ensuing fiscal year beyond any fiscal year during which the Lease shall be in effect; and

WHEREAS, the Trustee will enter into an Indenture of Trust (the “Indenture”) pursuant to which there will be executed and delivered certain certificates of participation (the “Certificates”) dated as of their date of delivery that shall evidence proportionate interests in the right to receive certain Revenues (as defined in the Lease), which Certificates shall be payable solely from the sources therein provided and shall not directly or indirectly obligate the City to make any payments beyond those appropriated for any fiscal year during which the Lease shall be in effect; and

WHEREAS, at a public sale to be held in connection with the sale of the Certificates, the City anticipates receiving a proposal from a purchaser for the purchase of the Certificates; and

WHEREAS, the City Council has determined and now hereby determines that the competitive sale of the Certificates is to the best advantage of the City; and

WHEREAS, the net proceeds from the sale of the Certificates, together with other available moneys of the City, will finance the acquisition, construction and installation of the Project and pay the costs of issuance in connection therewith; and

WHEREAS, Section 11-57-204 of the Supplemental Public Securities Act, constituting Title 11, Article 57, Part 2, C.R.S., as amended (the “Supplemental Act”), provides that a public entity, including the City, may elect in an act of issuance to apply all or any of the provisions of the Supplemental Act; and

WHEREAS, there has been presented to the City Council and are on file at the City offices the following: (i) the proposed form of the Site Lease; (ii) the proposed form of the Lease; (iii) the proposed form of the Continuing Disclosure Certificate to be provided by the City in connection with the execution and delivery of the Certificates (the “Disclosure Certificate”); (iv) the proposed form of the Notice of Sale to be used in connection with the competitive sale of the Certificates (the “Notice of Sale”); and (v) the Preliminary Official Statement (the “Preliminary Official Statement”) relating to the Certificates; and

WHEREAS, capitalized terms used herein and not otherwise defined shall have the meanings set forth in the Lease.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS, COLORADO as follows:

Section 1. Recitals Incorporated. The foregoing recitals are incorporated herein by reference and adopted as findings and determinations of the City Council.

Section 2. Ratification and Approval of Prior Actions. All action heretofore taken (not inconsistent with the provisions of this Ordinance) by the City Council or the officials, officers, agents or employees of the City relating to the execution and delivery of the Site Lease and the Lease, the acquisition, construction and installation of the Project, and the sale, execution and delivery of the Certificates is hereby ratified, approved and confirmed.

Section 3. Finding of Best Interests. The City Council hereby finds and determines, pursuant to the Colorado Constitution, the laws of the State of Colorado and the Charter, that the acquisition, construction and installation of the Project, and the financing of the costs thereof, including the costs of issuance incurred in connection therewith, pursuant to the terms set forth in the Site Lease, the Lease, the Indenture and the Sale Certificate (hereinafter defined) are necessary, convenient, and in furtherance of the City's public purposes and are in the best interests of the City and the City Council hereby authorizes and approves the same.

Section 4. Supplemental Act; Parameters. The City Council hereby elects to apply all of the provisions of the Supplemental Act to the Site Lease and the Lease and in connection therewith delegates to each of the City Manager or the Financial Officer of the City (the "Financial Officer") the independent authority to make any determination delegable pursuant to Section 11-57-205(1)(a-i) C.R.S., as amended, in relation to the Site Lease and the Lease, and to execute a sale certificate (the "Sale Certificate") setting forth such determinations, including without limitation, the term of the Site Lease, the rental amount to be paid by the Trustee pursuant to the Site Lease, the term of the Lease, and the rental amount to be paid by the City pursuant to the Lease, subject to the following parameters and restrictions:

- a. the term of the Site Lease shall not extend beyond December 31, 2048;
- b. the consideration to be paid by the Trustee to the City pursuant to the Site Lease shall not be less than \$25,000,000;
- c. the Lease Term shall not extend beyond December 31, 2038;
- d. the maximum annual repayment amount of the Base Rentals payable by the City under the Lease shall not exceed \$2,038,500;
- e. the maximum total repayment amount of the Base Rentals payable by the City pursuant to the Lease shall not exceed \$40,770,000; and
- f. the purchase price of the Certificates shall not be less than 98% of the principal amount of the Certificates.

Pursuant to Section 11-57-205 of the Supplemental Act, the City Council hereby delegates to each of the City Manager or the Financial Officer the independent authority to receive bids for the purchase of the Certificates and to determine the best bid therefor in accordance with the provisions of this Ordinance, and subject to the parameters set forth herein and the other terms and provisions set forth in this Ordinance and the Notice of Sale. Each of the City Manager and the Financial Officer are hereby independently authorized to accept a binding bid for the Certificates. The purchaser of the Certificates and the terms of the winning bid shall be set forth in the Sale Certificate.

The delegation set forth in this Section 4 shall be effective for one year following the effective date of this Ordinance.

The City Council hereby agrees and acknowledges that the net proceeds of the Certificates will be used, together with other available moneys of the City, to finance the costs of acquiring, constructing and installing the Project and to pay costs of issuance.

Section 5. Approval of Documents. The Site Lease, the Lease and the Disclosure Certificate, in substantially the forms presented to the City Council and on file with the City, are in all respects approved, authorized and confirmed, and the Mayor of the City is hereby authorized and directed for and on behalf of the City to execute and deliver the Site Lease, the Lease and the Disclosure Certificate, in substantially the forms and with substantially the same contents as presented to the City Council, provided that such documents may be completed, corrected or revised as deemed necessary by the parties thereto in order to carry out the purposes of this Ordinance. The execution of the Site Lease, the Lease and the Disclosure Certificate by the Mayor shall be conclusive evidence of the approval by the City Council of such documents in accordance with the terms hereof and thereof.

Section 6. Competitive Sale of Certificates; Notice of Sale. The Certificates shall be sold by competitive sale in accordance with the Notice of Sale. The City Council hereby approves the Notice of Sale in substantially the form presented to the City Council and on file with the City, provided that such Notice of Sale may be completed, corrected or revised as deemed necessary by the City Manager or the Financial Officer in order to carry out the purposes of this Ordinance. The Financial Officer is hereby authorized and directed to cause the Notice of Sale to be distributed to prospective bidders on the Certificates.

Section 7. Official Statement. The designation of the Preliminary Official Statement by the Mayor or the City Manager as a “nearly final Official Statement” for purposes of Rule 15c2-12 of the Securities and Exchange Commission is hereby authorized and confirmed. A final Official Statement, in substantially the form of the Preliminary Official Statement presented to the City Council and on file with the City, is in all respects approved and authorized. The Mayor is hereby authorized and directed to execute and deliver the final Official Statement, for and on behalf of the City, in substantially the form and with substantially the same content as the Preliminary Official Statement presented to the City Council and on file with the City, provided that such document may be completed, corrected, or revised as deemed necessary by the City Manager or the Financial Officer. The distribution of the Notice of Sale, the Preliminary Official Statement and the final Official Statement to prospective purchasers of the Certificates is hereby ratified, approved, and authorized.

Section 8 Direction to Act. The City Clerk is hereby authorized and directed to attest all signatures and acts of any official of the City in connection with the matters authorized by this Ordinance and to place the seal of the City on any document authorized and approved by this Ordinance. The Mayor, the City Clerk, the City Manager, the Financial Officer, the City Attorney and other employees and officials of the City are hereby authorized and directed to execute and deliver for and on behalf of the City any and all additional certificates, documents and other papers, and to perform all other acts that they may deem necessary or appropriate in order to implement and carry out the transactions and other matters authorized by this Ordinance. The approval hereby given to the various documents referred to above includes an approval of such additional details therein as may be necessary and appropriate for their completion, deletions therefrom and additions thereto as may be approved by the City Manager or the Financial Officer prior to the execution of the documents. The execution of any instrument by the appropriate officers of the City herein authorized shall be conclusive evidence of the approval by the City of such instrument in accordance with the terms hereof.

Section 9. No General Obligation Debt. No provision of this Ordinance, the Site Lease, the Lease, the Indenture, the Disclosure Certificate, the Notice of Sale, the Preliminary Official Statement, the final Official Statement or the Certificates shall be construed as creating or constituting a general obligation or other indebtedness or multiple fiscal year financial obligation of the City within the meaning of any constitutional, statutory or Charter provision, nor a mandatory charge or requirement against the City in any ensuing fiscal year beyond the then current fiscal year. The City shall have no obligation to make any payment with respect to the Certificates except in connection with the payment of the Base Rentals and certain other payments under the Lease, which payments may be terminated by the City in accordance with the provisions of the Lease. Neither the Lease nor the Certificates shall constitute a mandatory charge or requirement of the City in any ensuing fiscal year beyond the then current fiscal year or constitute or give rise to a general obligation or other indebtedness or multiple fiscal year financial obligation of the City within the meaning of any constitutional, statutory or Charter debt limitation and shall not constitute a multiple fiscal year direct or indirect debt or other financial obligation whatsoever. No provision of the Site Lease, the Lease or the Certificates shall be construed or interpreted as creating an unlawful delegation of governmental powers nor as a donation by or a lending of the credit of the City within the meaning of Sections 1 or 2 of Article XI of the Colorado Constitution. Neither the Lease nor the Certificates shall directly or indirectly obligate the City to make any payments beyond those budgeted and appropriated for the City's then current fiscal year.

Section 10. Reasonableness of Rentals; Fair Market Value. The City Council hereby determines and declares that the Base Rentals due under the Lease, in the maximum amounts authorized pursuant to Section 4 hereof, constitute the fair rental value of the Leased Property and do not exceed a reasonable amount so as to place the City under an economic compulsion to renew the Lease or to exercise its option to purchase the Trustee's leasehold interest in the Leased Property pursuant to the Lease. The City Council hereby determines and declares that the period during which the City has an option to purchase the Trustee's leasehold interest in the Leased Property (i.e., the entire maximum term of the Lease) does not exceed the useful life of the Leased Property.

The City Council hereby further determines that the amount of rental payments to be received by the City from the Trustee pursuant to the Site Lease, in accordance with the provisions

set forth in Section 4 hereof, is fair market consideration for the leasing of the Leased Property to the Trustee for the term of the Site Lease as provided therein.

Section 11. No Recourse against Officers and Agents. Pursuant to Section 11-57-209 of the Supplemental Act, if a member of the City Council, or any officer or agent of the City acts in good faith, no civil recourse shall be available against such member, officer, or agent for payment of the principal, interest or prior redemption premiums on the Certificates. Such recourse shall not be available either directly or indirectly through the City Council or the City, or otherwise, whether by virtue of any constitution, statute, rule of law, enforcement of penalty, or otherwise. By the acceptance of the Certificates and as a part of the consideration of their sale or purchase, any person purchasing or selling such Certificate specifically waives any such recourse.

Section 12. Repealer. All ordinances, 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 ordinance, resolution, bylaw, order, or other instrument, or part thereof, heretofore repealed.

Section 13. Severability. If any section, subsection, paragraph, clause or other provision of this Ordinance for any reason is held to be invalid or unenforceable, the invalidity or unenforceability of such section, subsection, paragraph, clause or other provision shall not affect any of the remaining provisions of this Ordinance, the intent being that the same are severable.

Section 14. Charter Controls. Pursuant to Article XX of the State Constitution and the Charter, all State statutes that might otherwise apply in connection with the provisions of this Ordinance are hereby superseded to the extent of any inconsistencies or conflicts between the provisions of this Ordinance and the Sale Certificate authorized hereby and such statutes. Any such inconsistency or conflict is intended by the City Council and shall be deemed made pursuant to the authority of Article XX of the State Constitution and the Charter.

Introduced, considered favorably on first reading, and ordered published this 5th day of February, A.D. 2019, and to be presented for final passage on the 19th day of February, A.D. 2019.

Mayor

ATTEST:

City Clerk

Passed and adopted on final reading on the 19th day of February, A.D. 2019.

Mayor

ATTEST:

City Clerk

ORDINANCE NO. 030, 2019
OF THE COUNCIL OF THE CITY OF FORT COLLINS
APPROPRIATING UNANTICIPATED REVENUE IN THE GENERAL FUND
FOR THE I-25/PROSPECT INTERCHANGE AND AUTHORIZING THE TRANSFER OF
APPROPRIATIONS FROM THE GENERAL FUND TO THE CAPITAL PROJECTS FUND,
AND APPROPRIATING PRIOR YEAR RESERVES IN THE TRANSPORTATION CAPITAL
EXPANSION FUND FOR THE I-25 AND PROSPECT INTERCHANGE AND
AUTHORIZING THE TRANSFER OF APPROPRIATIONS FROM THE
TRANSPORTATION CAPITAL EXPANSION FUND TO THE CAPITAL PROJECTS FUND,
AND AUTHORIZING THE TRANSFER OF APPROPRIATIONS FROM THE CAPITAL
PROJECTS FUND TO THE CULTURAL SERVICES AND FACILITIES FUND FOR THE
ART IN PUBLIC PLACES PROGRAM

WHEREAS, the interchange at Interstate Highway 25 and Prospect Road (the “Interchange”) is owned by the State of Colorado (the “State”) and operated and maintained by the Colorado Department of Transportation (“CDOT”); and

WHEREAS, CDOT is in the process of implementing a construction project to significantly modify and improve the Interchange by reconstructing its ramps and bridge and by reconstructing Prospect Road to a configuration with four through lanes, a raised median, left turn lanes and pedestrian and bicycle facilities, with this work to include certain enhanced urban design elements (the “Project”); and

WHEREAS, CDOT has estimated that the total cost of the Project will be approximately \$31 million, but it has indicated that it will only provide \$12 million to fund the Project, leaving a \$19 million deficit (the “Deficit”); and

WHEREAS, CDOT has asked Fort Collins to participate in the Project by funding the Deficit and, to memorialize Fort Collins’ obligation to fund the Deficit, CDOT and Fort Collins have entered into the “State of Colorado Amendment, Amendment #:1, Project #: 21506” (the “CDOT IGA”); and

WHEREAS, while the Interchange is within Fort Collins’ boundaries and the Project will provide significant transportation and economic benefits to Fort Collins and its residents, others will also experience significant direct benefits from the Project, including Timnath and five private entities (the “Property Owners”) that own several parcels of real property located within Fort Collins’ boundaries that are adjacent to the four corners of the Interchange; and

WHEREAS, Timnath and the Property Owners have agreed with the City to share in the Deficit under agreements the City Council has previously approved, but they will share in such Deficit through payments to the City over time; and

WHEREAS, Fort Collins has entered into the CDOT IGA and agreed to pay the Deficit to CDOT with the understanding that Timnath and the Property Owners will share in funding the Deficit through future payments; and

WHEREAS, to fund the City's payment of the Deficit under the CDOT IGA, the Council has approved in Ordinance No. 012, 2019, the issuance of certificates of participation that are anticipated to generated proceeds to the City of \$17,332,445; and

WHEREAS, there is also \$1,400,000 appropriated and unexpended in the City's Transportation Improvements Fund and \$367,500 appropriated and unexpended in the Capital Projects Fund available to further fund the City's share of the Project; and

WHEREAS, this Ordinance serves the public purpose of appropriating and providing the funds needed to pay to CDOT the City's share of the Project, which Project will significantly benefit the public's health, safety and welfare; and

WHEREAS, Article V, Section 9 of the City Charter permits the City Council, upon recommendation of the City Manager, to make supplemental appropriations by ordinance at any time during the fiscal year, provided that the total amount of such supplemental appropriations, in combination with all previous appropriations for that fiscal year, does not exceed the current estimate of actual and anticipated revenues to be received during the fiscal year; and

WHEREAS, the City Manager has recommended the appropriations described herein and determined that these appropriations are available and previously unappropriated from the General Fund, the Transportation Improvements Fund and the Capital Projects Fund and will not cause the total amount appropriated in these funds to exceed the current estimate of actual and anticipated revenues to be received in each fund during this fiscal year; and

WHEREAS, Article V, Section 10(b) of the City Charter authorizes the City Council, upon the recommendation of the City Manager, to transfer by ordinance any unexpended and unencumbered appropriated amount or portion thereof from one fund or capital project to another fund or capital project, provided that the proposed transfer is from a fund or capital project in which the amount appropriated therein exceeds the amount needed to accomplish the purpose specified in the appropriation for that fund; and

WHEREAS, because this project involves construction estimated to cost more than \$250,000, Section 23-304 of the City Code requires one percent of these qualified appropriations to be transferred to the Cultural Services and Facilities Fund for a contribution to the Art in Public Places program; and

WHEREAS, the City Manager has recommended the transfers herein from the Capital Projects Fund to the Cultural Services and Facilities Fund for the Art in Public Places program and has determined that such transfers may be made because the amount appropriated in the Capital Projects Fund exceeds the amount needed to accomplish the purposes specified for the amounts appropriated in the Fund.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS as follows:

Section 1. That the City Council hereby makes and adopts the determinations and findings contained in the recitals set forth above.

Section 2. That there is hereby appropriated for expenditure from unanticipated revenue in the General Fund for transfer to the Capital Projects Fund the sum of SEVENTEEN MILLION THREE HUNDRED THIRTY-TWO THOUSAND FOUR HUNDRED FORTY-FIVE DOLLARS (\$17,332,445) for the Project and appropriated therein.

Section 3. That there is hereby appropriated for expenditure from prior year reserves in the Transportation Improvements Fund for transfer to the Capital Projects Fund the sum of ONE MILLION FOUR HUNDRED THOUSAND DOLLARS (\$1,400,000) for the Project and appropriated therein.

Section 4. That there is hereby appropriated for expenditure from unanticipated revenue in the Capital Projects Fund the sum of THREE HUNDRED SIXTY-SEVEN THOUSAND FIVE HUNDRED DOLLARS (\$367,500) for the Project and appropriated therein.

Section 5. That the unexpended appropriated amount of SIXTY-FOUR THOUSAND THREE HUNDRED FIFTY DOLLARS (\$64,350) in the Capital Projects Fund is authorized for transfer to the Cultural Services and Facilities Fund and appropriated therein for the Art in Public Places Art Project.

Section 6. That the unexpended appropriated amount of SIXTEEN THOUSAND FIVE HUNDRED DOLLARS (\$16,500) in the Capital Projects Fund is authorized for transfer to the Cultural Services and Facilities Fund and appropriated therein for the Art in Public Places Program Operations.

Section 7. That the unexpended appropriated amount of ONE THOUSAND SIX HUNDRED FIFTY DOLLARS (\$1,650) in the Capital Projects Fund is authorized for transfer to the Cultural Services and Facilities Fund and appropriated therein for the Art in Public Places Program Maintenance.

Introduced, considered favorably on first reading, and ordered published this 19th day of February, A.D. 2019, and to be presented for final passage on the 5th day of March, A.D. 2019.

Mayor

ATTEST:

City Clerk

Passed and adopted on final reading on the 5th day of March, A.D. 2019.

Mayor

ATTEST:

City Clerk

ORDINANCE NO. 031, 2019
OF THE COUNCIL OF THE CITY OF FORT COLLINS
APPROPRIATING UNANTICIPATED REVENUE IN THE GENERAL FUND
FOR THE POLICE REGIONAL TRAINING CAMPUS AND AUTHORIZING THE
TRANSFER OF APPROPRIATIONS FROM THE GENERAL FUND TO THE CULTURAL
SERVICES AND FACILITIES FUND FOR THE ART IN PUBLIC PLACES PROGRAM

WHEREAS, the City of Fort Collins and the City of Loveland (jointly, the “Cities”) intend to jointly construct, own, operate, maintain and manage a regional training campus for the benefit of their respective law enforcement agencies and for use by third-party agencies as the parties may agree; and

WHEREAS, the Cities intend to enter into intergovernmental agreements related to the training campus, which shall include among other requirements, that the Cities will own, design, construct, operate, maintain and manage the training campus equally, with each City sharing fifty percent (50%) of the costs; and

WHEREAS, under the intergovernmental agreements, the cost of the construction of the training campus shall not exceed \$18,518,782.00 and each City shall be responsible for an equal share of \$9,259,391.00; and

WHEREAS, City Council approved an appropriation of \$1,080,000.00 from General Fund Reserves regarding Offer 29.36 in the 2017-2018 Adopted Budget for the police training campus; and

WHEREAS, this appropriation serves the public purpose of providing for the construction of a police regional training campus through which the City of Fort Collins will have improved ability to train its law enforcement officers for the benefit of the public safety of its citizens; and

WHEREAS, Article V, Section 9 of the City Charter permits the City Council, upon recommendation of the City Manager, to make supplemental appropriations by ordinance at any time during the fiscal year, provided that the total amount of such supplemental appropriations, in combination with all previous appropriations for that fiscal year, does not exceed the current estimate of actual and anticipated revenues to be received during the fiscal year; and

WHEREAS, the City Manager has recommended the appropriation described herein and determined that this appropriation is available and previously unappropriated from the General Fund and will not cause the total amount appropriated in the General Fund to exceed the current estimate of actual and anticipated revenues to be received in that fund during any fiscal year; and

WHEREAS, Article V, Section 10(b) of the City Charter authorizes the City Council, upon recommendation of the City Manager, to transfer during the fiscal year by ordinance any unexpended and unencumbered appropriated amount or portion thereof from one fund or capital project to another fund or capital project, provided that the proposed transfer is from a fund or capital project in which the amount appropriated therein exceeds the amount needed to

accomplish the purpose specified in the appropriation for that fund; and

WHEREAS, because this project involves construction estimated to cost more than \$250,000, Section 23-304 of the City Code requires one percent of these qualified appropriations to be transferred to the Cultural Services and Facilities Fund for a contribution to the Art in Public Places program; and

WHEREAS, the City Manager has recommended transfers herein from the General Fund to the Cultural Services and Facilities Fund for the Art in Public Places program and has determined that such transfers may be made because the amount appropriated in the General Fund exceeds the amount needed to accomplish the purpose specified for the amount appropriated in the Fund; and

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS as follows:

Section 1. That the City Council hereby makes and adopts the determinations and findings contained in the recitals set forth above.

Section 2. That there is hereby appropriated for expenditure from unanticipated revenue in the General Fund the sum of EIGHT MILLION THREE HUNDRED EIGHT THOUSAND ONE HUNDRED TWENTY-THREE DOLLARS (\$8,308,123) for the Police Regional Training Campus and appropriated therein.

Section 3. That the unexpended appropriated amount of SIXTY-THREE THOUSAND ONE HUNDRED SIXTY-FOUR DOLLARS (\$63,164) in the General Fund is authorized for transfer to the Cultural Services and Facilities Fund and appropriated therein for the Art in Public Places Art Project.

Section 4. That the unexpended appropriated amount of SIXTEEN THOUSAND ONE HUNDRED NINETY SIX DOLLARS (\$16,196) in the General Fund is authorized for transfer to the Cultural Services and Facilities Fund and appropriated therein for the Art in Public Places Program Operations.

Section 5. That the unexpended appropriated amount of ONE THOUSAND SIX HUNDRED TWENTY DOLLARS (\$1,620) in the General Fund is authorized for transfer to the Cultural Services and Facilities Fund and appropriated therein for the Art in Public Places Program Maintenance.

Introduced, considered favorably on first reading, and ordered published this 19th day of February, A.D. 2019, and to be presented for final passage on the 5th day of March, A.D. 2019.

Mayor

ATTEST:

City Clerk

Passed and adopted on final reading on the 5th day of March, A.D. 2019.

Mayor

ATTEST:

City Clerk