

A RESOLUTION APPROVING A COOPERATION AGREEMENT BETWEEN THE COLORADO SPRINGS URBAN RENEWAL AUTHORITY AND THE CITY OF COLORADO SPRINGS TO PROMOTE REDEVELOPMENT AND ASSIST WITH FINANCING OF PUBLIC IMPROVEMENTS FOR THE TRUE NORTH COMMONS URBAN RENEWAL PROJECT AND TO APPROVE THE AMOUNT OF ANNUAL SALES AND USE TAX INCREMENT REVENUE ALLOCATED PURSUANT TO COLORADO REVISED STATUTE SECTION 31-25-107(9)(a)(II)

WHEREAS, Article XIV, Section 18, of the Colorado Constitution, Section 29-1-201, *et seq.*, C.R.S., as amended and Section 31-25-112 of the Urban Renewal Law, provide for and encourage urban renewal authorities and governmental entities within Colorado to make the most efficient and effective use of their powers and responsibilities by cooperating with each other to accomplish specific public purposes; and

WHEREAS, City Council considered the True North Commons Urban Renewal Plan (the "Plan") on July 9, 2019 relating to the True North Commons Urban Renewal Project (the "Project"), under which municipal sales tax increments have been allocated pursuant to Section 31-25-107(9)(a)(II) of the Urban Renewal Law to further the purposes of the Plan and the Project and provide financial support from municipal sales tax increment revenues; and

WHEREAS, on July 9, 2019, City Council approved the Plan by Resolution ____-19, and determined that public benefit will be derived through implementation of the Plan, and completion of the public improvements that will be made possible through the municipal sales tax increment revenues.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COLORADO SPRINGS, AS FOLLOWS:

Section 1. City Council hereby approves the Cooperation Agreement for the Project with the Colorado Springs Urban Renewal Authority in substantially the form as attached hereto as Exhibit A, with such minor changes as the Mayor and the City Attorney may approve. Pursuant to City Charter § 4-10, the Mayor is authorized to execute the Cooperation Agreement.

Section 2. City Council finds that (i) the specified portion of the increment of the 2.0% general municipal sales tax which is in excess of the base amount which shall constitute the City Sales Tax Increment will be 87.5% of the 2% general municipal sales tax (*i.e.* 1.75%) and (ii) the specified portion of the increment of the 2.0% use tax which is paid solely on construction materials used within the Plan Area in excess of the base amount which shall constitute the City Use Tax Increment will be 50% of the 2% use tax paid solely on construction materials used within the Plan Area (*i.e.* 1.00%) for a period of 25 years from and after approval of the Plan. The base amount of the full 2% general fund sales and use tax will be established in accordance with the Plan and applicable law, including Section 31-25-107(9)(a)(I) of the Urban Renewal Law. City Council further finds that the City Use Tax Increment will be subject to annual appropriation as provided in the Cooperation Agreement. Additionally, City Council recognizes the municipal sales and use tax increment revenues allocated by the Urban Renewal Law to the Authority may be pledged by the Authority in whole or in part to bond trustees, metropolitan districts, business improvement districts or other entities for uses in accordance with the Urban Renewal Law and the Plan but in no event for a period in excess of 25 years as calculated and provided in the Urban Renewal Law.

Section 3. This Resolution shall be effective upon its approval by City Council.

Dated at Colorado Springs, CO, this _____ day of July, 2019.

Council President

ATTEST:

City Clerk

Exhibit A

Cooperation Agreement