



Legislation Details (With Text)

File #: 15-00756 **Version:** 2 **Name:**
Type: Resolution **Status:** Mayor's Office
File created: 12/7/2015 **In control:** City Council
On agenda: 2/9/2016 **Final action:** 2/9/2016
Title: A Resolution Approving the Renewal of the \$1,000,000 Loan Agreement and Promissory Note between the Great Outdoors Colorado Trust Fund (GOCO) and the City of Colorado Springs

Presenter:
Chris Lieber, Park Development Manager/TOPS Program Manager

Sponsors:

Indexes:

Code sections:

Attachments: 1. Exhibit I from RRC Loan Agreement 03-05-2005, 2. 012516 - City Council Loan Resolution 2016, 3. Signed Resolution_13-16.pdf

Date	Ver.	Action By	Action	Result
2/9/2016	2	City Council	adopted	Pass
1/25/2016	1	City Council Work Session	referred	

A Resolution Approving the Renewal of the \$1,000,000 Loan Agreement and Promissory Note between the Great Outdoors Colorado Trust Fund (GOCO) and the City of Colorado Springs

Presenter:

Chris Lieber, Park Development Manager/TOPS Program Manager

Summary:

The attached resolution authorizes the City to renew the loan agreement and promissory note executed between the Great Outdoors Colorado Trust Fund (GOCO) and the City. The loan agreement and promissory note were executed for the purpose of completing the acquisition of the Red Rock Canyon Open Space. The loan will convert to a grant when the Certificates of Participation funding the purchase are redeemed.

Previous Council Action:

On September 13, 2005, Resolution No. 154-05 was approved by the City Council to accept a \$1,000,000 loan from GOCO which included this loan agreement and the requirement for annual renewal. The promissory note is Exhibit I of the loan agreement and evidences the City's obligation under the loan agreement.

Background:

GOCO loaned the City the \$1,000,000 for the purchase of the Red Rock Canyon Open Space. The terms and conditions of the loan are set forth in a loan agreement approved by the City Council. The loan is evidenced by a promissory note attached to the loan agreement as Exhibit I (attached). If all

conditions of the loan agreement are met, then the loan will automatically convert to a grant when the Certificates of Participation related to the acquisition of the Red Rock Canyon Open Space are redeemed. As a condition of the loan agreement, the loan agreement and promissory note must be renewed annually until the date of the Certificates of Participation are redeemed. If this condition is not met, then the loan is payable in full.

Each year, a new resolution will be provided to City Council for approval renewing the loan agreement and promissory note. Renewing the loan agreement and promissory note simultaneously at the beginning of the year simplifies the annual renewal process.

This item supports the City's strategic goal relating to excelling at City services. By purchasing and preserving Red Rock Canyon Open Space, the City and the Parks, Recreation and Cultural Services Department provides the community with recreational opportunities set in a truly unique and scenic landscape.

Financial Implications:

If the loan agreement and promissory note are not renewed, the City may be required to pay the \$1,000,000 loan in full.

Board/Commission Recommendation:

N/A

Stakeholder Process:

N/A

Alternatives:

City Council may choose not to renew the loan agreement and promissory note; in which case, the City may be required to repay the entire \$1,000,000 loan amount to GOCO.

Proposed Motion:

Move approval of the attached resolution renewing the loan agreement and promissory note between GOCO and the City.

N/A