

RESOLUTION #R-5-2016

A RESOLUTION OF THE LOVELAND CITY COUNCIL APPROVING THE SEVENTH AMENDMENT TO THE CENTERRA MASTER FINANCING AND INTERGOVERNMENTAL AGREEMENT AS AMENDED

WHEREAS, on January 20, 2004, the City of Loveland (the “City”) and the Loveland Urban Renewal Authority (“LURA”) entered into that certain Centerra Master Financing and Intergovernmental Agreement, dated January 20, 2004, with Centerra Properties West, LLC (“CPW”), Centerra Metropolitan District No. 1 (the “Service District”), Centerra Public Improvement Collection Corporation (the “PIC”), and Centerra Public Improvement Development Corporation (the “PID”); and

WHEREAS, the City, LURA, CPW, the Service District, the PIC and the PID shall be hereafter referred to collectively as “the Parties”; and

WHEREAS, the Parties entered into the MFA (together with the First, Second, Third, Fourth, Fifth, and Sixth Amendments described below, referred to herein collectively as “the MFA”) to provide, among other things, for the financing of “Public Improvements” and “Regional Improvements” related to the development of Centerra, as these terms in quotes are defined in the MFA; and

WHEREAS, the Parties entered into that certain First Amendment to the Centerra Master Financing and Intergovernmental Agreement dated December 5, 2006; and

WHEREAS, the Parties entered into that certain Second Amendment to the Centerra Master Financing and Intergovernmental Agreement dated November 20, 2007; and

WHEREAS, the Parties entered into that certain Third Amendment to the Centerra Master Financing and Intergovernmental Agreement dated October 28, 2008; and

WHEREAS, the Parties entered into that certain Fourth Amendment to the Centerra Master Financing and Intergovernmental Agreement dated April 7, 2009; and

WHEREAS, the Parties entered into that certain Fifth Amendment to the Centerra Master Financing and Intergovernmental Agreement dated November 5, 2013; and

WHEREAS, the Parties entered into that certain Sixth Amendment to the Centerra Master Financing and Intergovernmental Agreement dated February 4, 2014 (the “Sixth Amendment”); and

WHEREAS, capitalized terms not otherwise defined herein shall have the meaning given them in the MFA; and

WHEREAS, the MFA permits the funding and construction by the Service District of certain improvements identified as Local Improvements in MFA Section 1.54, and further

provides that Local Improvements also may include other public improvements approved by City Council; and

WHEREAS, an Affiliate of CPW is planning a densified mixed-use development on property located immediately east of Houts Reservoir ("Parcel 206"), located within the Commercial District; and

WHEREAS, the anticipated Parcel 206 development is more particularly depicted in Exhibit A to the Seventh Amendment, which Amendment is attached hereto and incorporated herein by reference as **Exhibit A**; and

WHEREAS, the Parcel 206 development is anticipated to include multiple office buildings, multi-family residential units, restaurants, retail operations, a hotel, and a pedestrian-friendly "Main Street," which will include plaza areas for programs and events; and

WHEREAS, the initial phase of the Parcel 206 development is anticipated to include, among other things, a 120,000 square-foot Class A office building for a major employer, estimated to bring approximately 300 primary jobs to the City; and

WHEREAS, the Parcel 206 development is anticipated to generate increased sales tax revenues, property tax revenues, and additional jobs within the City; and

WHEREAS, the Parcel 206 development is designed as a dense mixed-use development, commonly seen in urban settings, which is attractive to primary employers, retailers, hotel operators, and restaurant operators; and

WHEREAS, in order to allow for a densified mixed-use development, it is necessary for a public parking structure to be included within the development; and

WHEREAS, including a public parking structure in the Parcel 206 development will allow for an increase in the amount of commercial and residential uses within the development; and

WHEREAS, the Service District is permitted, pursuant to Title 32 of the Colorado Revised Statutes, to finance, construct, own, operate, and maintain public parking facilities; and

WHEREAS, the Service District desires to construct the public parking structure to serve the general public accessing the mixed-use development on Parcel 206; and

WHEREAS, the Service District intends to own and provide for the operation and maintenance of the public parking structure on Parcel 206 for the benefit of the general public; and

WHEREAS, the Parties desire to amend the MFA to designate the public parking structure on Parcel 206 as a Local Improvement, as permitted by MFA Section 1.54; and

WHEREAS, pursuant to the Sixth Amendment, the Parcel 505 Parking Improvements (as defined in the Sixth Amendment), are designated as Local Improvements permitted by MFA Section 1.54; and

WHEREAS, the City has requested certain clarifications concerning the type of development on Parcel 505 that must occur for the Service District to construct the Parcel 505 Parking Improvements as a Local Improvement permitted by MFA Section 1.54; and

WHEREAS, the Parties desire to amend the MFA to impose certain restrictions on the Service District's authority to construct the Parcel 505 Parking Improvements as a Local Improvement permitted by MFA Section 1.54; and

WHEREAS, MFA Section 17.1 provides that the Parties may amend the MFA by an instrument signed by all of the Parties; and

WHEREAS, the Loveland City Council approved this Seventh Amendment in Resolution #R-5-2016 and also approved this Seventh Amendment sitting as the LURA's governing body in Resolution #R-6-2016.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LOVELAND:

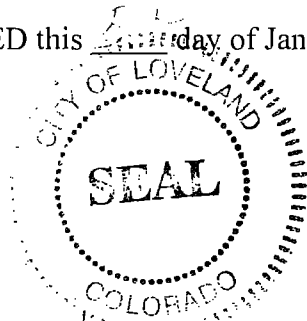
Section 1. That the City Council hereby finds that the Seventh Amendment is in the best interests of the public and will serve the public purposes of (1) providing social and economic benefits to the City; (2) furthering the City's economic goals as established in the City's economic development plan; and (3) generally benefiting the public's health, safety and welfare.

Section 2. That the Seventh Amendment is hereby approved and the Mayor is authorized and directed to execute it on behalf of the City.

Section 3. That the City Manager is authorized, as he deems necessary and in consultation with the City Attorney, to agree to minor amendments to the Seventh Amendment on behalf of the City provided that such amendments are consistent with the purposes of this Resolution and protect the City's interests.

Section 4. This Resolution shall take effect on the date and at the time of its adoption.

ADOPTED this 21st day of January, 2016.



Cecil A. Gutierrez
Cecil A. Gutierrez, Mayor

ATTEST:

[Signature]
City Clerk

APPROVED AS TO FORM:

[Signature]
City Attorney

EXHIBIT A

SEVENTH AMENDMENT TO THE CENTERRA MASTER FINANCING AND INTERGOVERNMENTAL AGREEMENT

THIS SEVENTH AMENDMENT TO THE CENTERRA MASTER FINANCING AND INTERGOVERNMENTAL AGREEMENT (the “Seventh Amendment”) is entered into this ____ day of January, 2016, by and among the **CITY OF LOVELAND, COLORADO**, a Colorado home rule municipality (the “City”); the **LOVELAND URBAN RENEWAL AUTHORITY**, a body corporate and politic (“LURA”); **CENTERRA PROPERTIES WEST, LLC**, a Colorado limited liability company (“CPW”); **CENTERRA METROPOLITAN DISTRICT NO. 1**, a quasi-municipal corporation and political subdivision of the State of Colorado (the “Service District”); **CENTERRA PUBLIC IMPROVEMENT COLLECTION CORPORATION**, a Colorado non-profit corporation (the “PIC”); and the **CENTERRA PUBLIC IMPROVEMENT DEVELOPMENT CORPORATION**, a Colorado non-profit corporation (the “PID”).”

WHEREAS, the City, LURA, CPW, the Service District, the PIC and the PID shall be hereinafter referred to collectively as the “Parties”; and

WHEREAS, the Parties have entered into that certain Centerra Master Financing and Intergovernmental Agreement dated January 20, 2004, (together with the First, Second, Third, Fourth, Fifth, and Sixth Amendments described below, referred to herein collectively as “the MFA”) to provide, among other things, for the financing of “Public Improvements” and “Regional Improvements” related to the development of Centerra, as these terms in quotes are defined in the MFA; and

WHEREAS, the Parties entered into that certain First Amendment to the Centerra Master Financing and Intergovernmental Agreement dated December 5, 2006; and

WHEREAS, the Parties entered into that certain Second Amendment to the Centerra Master Financing and Intergovernmental Agreement dated November 20, 2007; and

WHEREAS, the Parties entered into that certain Third Amendment to the Centerra Master Financing and Intergovernmental Agreement dated October 28, 2008; and

WHEREAS, the Parties entered into that certain Fourth Amendment to the Centerra Master Financing and Intergovernmental Agreement dated April 7, 2009; and

WHEREAS, the Parties entered into that certain Fifth Amendment to the Centerra Master Financing and Intergovernmental Agreement dated November 5, 2013; and

WHEREAS, the Parties entered into that certain Sixth Amendment to the Centerra Master Financing and Intergovernmental Agreement dated February 4, 2014 (the “Sixth Amendment”); and

WHEREAS, capitalized terms not otherwise defined herein shall have the meaning given them in the MFA; and

WHEREAS, the MFA permits the funding and construction by the Service District of certain improvements identified as Local Improvements in MFA Section 1.54, and further provides that Local Improvements also may include other public improvements approved by City Council; and

WHEREAS, an Affiliate of CPW is planning a densified mixed-use development on property located immediately east of Houts Reservoir ("Parcel 206"), located within the Commercial District; and

WHEREAS, the anticipated Parcel 206 development is more particularly depicted in **Exhibit A** to this Seventh Amendment; and

WHEREAS, the Parcel 206 development is anticipated to include multiple office buildings, multi-family residential units, restaurants, retail operations, a hotel, and a pedestrian-friendly "Main Street," which will include plaza areas for programs and events; and

WHEREAS, the initial phase of the Parcel 206 development is anticipated to include, among other things, a 120,000 square-foot Class A office building for a major employer, estimated to bring approximately 300 primary jobs to the City; and

WHEREAS, the Parcel 206 development is anticipated to generate increased sales tax revenues, property tax revenues, and additional jobs within the City; and

WHEREAS, the Parcel 206 development is designed as a dense mixed-use development, commonly seen in urban settings, which is attractive to primary employers, retailers, hotel operators, and restaurant operators; and

WHEREAS, in order to allow for a densified mixed-use development, it is necessary for a public parking structure to be included within the development; and

WHEREAS, including a public parking structure in the Parcel 206 development will allow for an increase in the amount of commercial and residential uses within the development; and

WHEREAS, the Service District is permitted, pursuant to Title 32 of the Colorado Revised Statutes, to finance, construct, own, operate, and maintain public parking facilities; and

WHEREAS, the Service District desires to construct the public parking structure to serve the general public accessing the mixed-use development on Parcel 206; and

WHEREAS, the Service District intends to own and provide for the operation and maintenance of the public parking structure on Parcel 206 for the benefit of the general public; and

WHEREAS, the Parties desire to amend the MFA to designate the public parking structure on Parcel 206 as a Local Improvement, as permitted by MFA Section 1.54; and

WHEREAS, pursuant to the Sixth Amendment, the Parcel 505 Parking Improvements (as defined in the Sixth Amendment), are designated as Local Improvements permitted by MFA Section 1.54; and

WHEREAS, the City has requested certain clarifications concerning the type of development on Parcel 505 that must occur for the Service District to construct the Parcel 505 Parking Improvements as a Local Improvement permitted by MFA Section 1.54; and

WHEREAS, the Parties desire to amend the MFA to impose certain restrictions on the Service District's authority to construct the Parcel 505 Parking Improvements as a Local Improvement permitted by MFA Section 1.54; and

WHEREAS, MFA Section 17.1 provides that the Parties may amend the MFA by an instrument signed by all of the Parties; and

WHEREAS, the Loveland City Council approved this Seventh Amendment in Resolution #R-5-2016 and also approved this Seventh Amendment sitting as the LURA's governing body in Resolution #R-6-2016.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained herein and other good and valuable consideration, the receipt and adequacy of which the Parties acknowledge, the Parties agree as follows:

DEFINITIONS

1. That unless the context clearly indicates otherwise, all capitalized terms used in this Seventh Amendment shall have the meaning given to them in the MFA.

2. That for purposes of this Seventh Amendment, the term "Parcel 206 Parking Improvements" shall mean the public parking structure to be constructed and owned by the Service District, to serve the mixed-use development on Parcel 206, within the Commercial District, as generally depicted and described on **Exhibit B** to this Seventh Amendment, attached hereto and incorporated herein by reference.

AMENDMENT TO MFA

3. That the first sentence of MFA Section 1.54 shall be amended to include the Parcel 206 Parking Improvements, but shall remain unchanged in all other respects.

4. That MFA Section 1.80, as previously amended in the Sixth Amendment, shall be stricken in its entirety and restated as follows:

1.80 **“Private Parking”** shall mean and refer to any parking improvements required by City Regulations to serve, in whole or in part, a Private Improvement, except: (i) the parking improvements for the Lifestyle Center, which are to be owned by the Service District or the Commercial District, which improvements are depicted on **Exhibit E** to the MFA; (ii) the Parcel 206 Parking Improvements, subject to the requirements of MFA Section 6.9, which are to be owned by the Service District or the Commercial District, and which are depicted on **Exhibit B** to this Seventh Amendment; and the Parcel 505 Parking Improvements, subject to the requirements of MFA Section 6.10, which are to be owned by the Service District or the Commercial District.

5. That a new MFA Section 6.9 shall be added as follows:

6.9 Parcel 206 Parking Improvements. The Service District shall be authorized to use Pledged Revenues and incur District Debt to Construct or reimburse Constructors for Constructing the Parcel 206 Parking Improvements upon providing documentation, satisfactory to the City Manager, of an executed lease or land purchase agreement with an employer anticipated to bring primary jobs to the City, for a Class A office building located or to be located on Parcel 206, within the Commercial District.

6. That a new MFA Section 6.10 shall be added as follows:

6.10 Parcel 505 Parking Improvements. The Service District shall be authorized to use Pledged Revenues and incur District Debt to Construct or reimburse Constructors for Constructing the Parcel 505 Parking Improvements upon providing documentation, satisfactory to the City Manager, of an executed lease or land purchase agreement for a significant retail operation of at least 50,000 square feet in size, which is part of a multiple tenant and use project located or to be located on Parcel 505, within the Commercial District.

7. That a new MFA Section 6.11 shall be added as follows:

6.11 Parking Improvements Open to Public. If the Service District uses Pledged Revenues or incurs District Debt to Construct or reimburse Constructors for Constructing the Parcel 206 Parking Improvements or the Parcel 505 Parking Improvements, such improvements must be available to the public at large, subject to capacity limitations, and may not be reserved for exclusive use by any specific owner, tenant, guest, occupant, or patron, of any privately owned residential or commercial unit.

MISCELLANEOUS

8. That the City, LURA, and the Service District each finds and determines that the execution of this Seventh Amendment is in the best interest of the public health and general

welfare of the City, LURA, and the Service District respectively, and that it will serve the public purposes of providing significant social and economic benefits to the City, LURA, and the Service District.

9. That except as expressly provided in this Seventh Amendment, all other terms and conditions of the MFA shall remain unchanged and in full force and effect.

(Remainder of page intentionally left blank)

IN WITNESS WHEREOF, the Parties have executed this Seventh Amendment or counterpart copies thereof as of the date first written above.

CITY OF LOVELAND, COLORADO, a Colorado
municipal corporation

By: _____
Cecil Gutierrez, Mayor

ATTEST:

By: _____
City Clerk

APPROVED AS TO FORM:

City Attorney

LOVELAND URBAN RENEWAL AUTHORITY,
a Colorado body corporate and politic

By: _____
Cecil Gutierrez, Chairman

ATTEST:

By: _____
_____, Secretary

APPROVED AS TO FORM:

City Attorney

CENTERRA METROPOLITAN DISTRICT NO. 1,
a quasi-municipal corporation and political
subdivision of the State of Colorado

By: _____
Kim L. Perry, President

ATTEST:

By: _____
Tom Hall, Secretary

CENTERRA PUBLIC IMPROVEMENT
COLLECTION CORPORATION, a Colorado non-
profit corporation

By: _____
Joshua Kane, President

ATTEST:

By: _____
Ben Kendall, Secretary/Treasurer

CENTERRA PUBLIC IMPROVEMENT
DEVELOPMENT CORPORATION, a Colorado
non-profit corporation

By: _____
Joshua Kane, President

ATTEST:

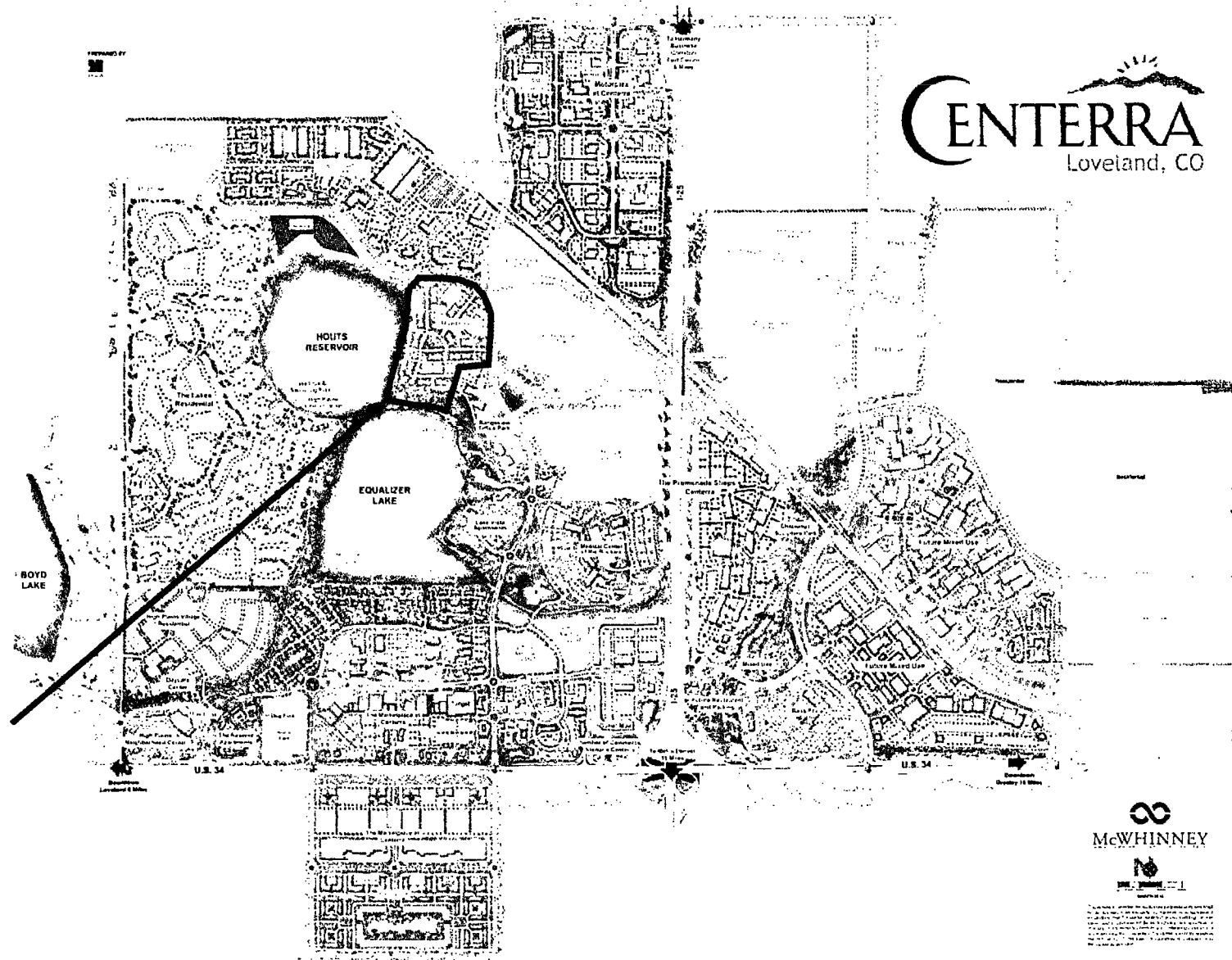
By: _____
Ben Kendall, Secretary/Treasurer

CENTERRA PROPERTIES WEST, LLC
a Colorado Limited Liability Corporation

By: McWhinney Real Estate Services, Inc.,
a Colorado Corporation, Manager

By: _____
Julie L. Den Herder
Chief Operating Officer

Parcel 206 in Centerra:



ILLUSTRATIVE MASTER PLAN

EXHIBIT B

Parcel 206 Parking Improvements

Parcel 206 Site Plan:

Site Plan

ALL RIGHTS RESERVED. NO PART OF THIS PUBLICATION MAY BE REPRODUCED OR TRANSMITTED IN ANY FORM OR BY ANY MEANS, ELECTRONIC OR MECHANICAL, WITHOUT PERMISSION IN WRITING FROM THE PUBLISHER.

Creative Office

Hotel with Retail on Main Street

In-Line Retail with Office above

Orchard Village Green

-  Residential
-  Office
-  Office/Retail Mixed-Use
-  Retail
-  Hotel
-  Parking Structure

