

CITY OF WHEAT RIDGE, COLORADO
RESOLUTION NO. 20
Series of 2014

TITLE: A RESOLUTION AUTHORIZING THE CITY MANAGER TO NEGOTIATE A REDEVELOPMENT AGREEMENT AND RELATED DOCUMENTS IN CONNECTION WITH THE PROPOSED REDEVELOPMENT AT THE SOUTHWEST CORNER OF WEST 38TH AVENUE AND KIPLING STREET.

WHEREAS, the City of Wheat Ridge, Colorado (the "City") is a home rule municipality and political subdivision of the State of Colorado organized and existing under a home rule charter pursuant to Article XX of the Constitution of the State of Colorado; and

WHEREAS, the City Council of the City established the Wheat Ridge Urban Renewal Authority (the "Authority") on October 18, 1981; and

WHEREAS, the City Council has adopted the I-70/Kipling Corridor Urban Renewal Plan, as amended (the "Plan"); and

WHEREAS, MVG Development of Denver ("MVG") has submitted a proposal to the City and the Authority to redevelop the southwest corner of West 38th Avenue and Kipling Street (the "Project"), which is in the Plan area; and

WHEREAS, the City Council of the City has determined that it is in the best interests of the City and its citizens to assist in the redevelopment of the Project in order to remediate blight, promote employment and increase sales tax revenues; and

WHEREAS, in order to finance certain eligible improvements for the Project, the Authority expects to issue bonds or enter into a loan with a bank or other financial institution (the "Lender") in the approximate amount of \$2.6 million (the "Loan") with such Loan to be payable solely from property tax increment tax revenues and sales tax increment revenues to be generated from the redevelopment of the Project; and

WHEREAS, in connection with the closing on the Loan and in order to help facilitate the redevelopment of the Project, the City expects to adopt a resolution (the "Replenishment Resolution") setting forth its non-binding statement of present intent to appropriate funds to replenish any reserve fund securing the Loan in the event of a draw on such reserve fund, or to appropriate funds to make direct payments on such Loan to the extent that there are insufficient tax increment revenues available to make any required Loan payments; and

WHEREAS, in order to help facilitate the redevelopment of the Project, the City expects to appropriate between \$800,000 and \$1,000,000 of available City moneys to finance a portion of certain eligible improvements for the Project (the "City Contribution"); and

WHEREAS, the City, the Authority and MVG expect to enter into a Redevelopment Agreement (the "Redevelopment Agreement") that sets forth the rights and responsibilities of each party with respect to the financing and construction of the Project,

including, without limitation, that the net proceeds of the Loan and the City Contribution shall be applied to the payment or reimbursement of \$3.0 million of eligible Project costs.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Wheat Ridge, Colorado, that:

Section 1. The City Council hereby finds and determines, pursuant to the Constitution, the laws of the State and the City's home rule charter, and in accordance with the foregoing recitals, that the redevelopment of the Project, the execution and delivery of a Redevelopment Agreement in connection therewith, making the City Contribution and adopting a Replenishment Resolution in connection with the Loan, are necessary, convenient and in furtherance of the City purposes and are in the best interests of the inhabitants of the City.

Section 2. The City Manager of the City (the "City Manager") and other officers, employees and counsel of the City are hereby authorized and directed to take all action that they deem necessary and appropriate to facilitate the redevelopment of the Project, including without limitation, the negotiation and preparation of the Redevelopment Agreement, the preparation of the Replenishment Resolution and the preparation of a supplemental appropriation for the City Contribution.

Section 3. Upon conclusion of the negotiations between the City, the Authority, MVG and the Lender, and prior to executing and delivering the Redevelopment Agreement or making the City Contribution, the City Manager shall present the City Council with one or more resolutions authorizing the execution and delivery of the Redevelopment Agreement, the making of the City Contribution, the Replenishment Resolution and approving all other documents and actions required in connection with closing the Loan.

Section 4. This Resolution shall be effective immediately.

DONE AND RESOLVED this 23rd day of March, 2014.

[SEAL]



Attest:

Janelle Shaver
Janelle Shaver, City Clerk

Joyce Jay
Joyce Jay, Mayor