

I, Sarah B. Johnson, City Clerk of the City of Colorado Springs, Colorado, do hereby certify that the foregoing is a true and correct copy of Resolution No. 162-18, adopted by the City Council of the City of Colorado Springs, Colorado on the 11th day of December, 2018, the original of which is on file in the City Clerk's Office. Contents: thirteen pages.

Dated at Colorado Springs, Colorado, this 6th day of February, 2020.


Sarah B. Johnson, City Clerk



RESOLUTION NO. 162-18

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 MUSEUM & PARK 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 Museum & Park Urban Renewal Plan (the "Plan") on December 11, 2018 relating to the Museum & Park 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 December 11, 2018, City Council approved the Plan by Resolution 161-18, 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% 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% 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%). 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 Act 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 Act and the Plan but in no event for a period in excess of 25 years as calculated and provided in the Act.

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

Dated at Colorado Springs, CO, this 11th day of December, 2018.



Council President

ATTEST:




Sarah B. Johnson, City Clerk

Exhibit A
Cooperation Agreement

COOPERATION AGREEMENT
(Museum & Park Urban Renewal Area)

THIS COOPERATION AGREEMENT (the "Cooperation Agreement") is made as of December 11, 2018, by and between the CITY OF COLORADO SPRINGS, a home rule city and Colorado municipal corporation (the "City"), and the COLORADO SPRINGS URBAN RENEWAL AUTHORITY, a body corporate and politic of the State of Colorado (the "Authority").

RECITALS

A. The City is a municipal corporation organized and existing as a home rule city under and pursuant to Article XX of the Colorado Constitution and the charter of the City.

B. The Authority is an urban renewal authority and a body corporate and politic organized under the Urban Renewal Law, Part 1 of Article 25 of Title 31, C.R.S. (the "Urban Renewal Law" or "Act").

C. 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.

D. The City Council of the City approved an urban renewal plan designated the Museum & Park Urban Renewal Plan (the "Plan") on December 11, 2018 by Resolution No. 161-18, relating to the Museum & Park Urban Renewal Area project (the "Project"), under which it is provided that within the urban renewal area (the "Plan Area"), property tax increment and municipal sales and use tax increments have been allocated pursuant to Section 31-25-107(9)(a)(II) of the Act to further the purposes of the Plan and the Project and provide financial support therefor from such municipal tax increment revenues, as therein and herein further provided. Pursuant to the approved Plan, City Council reserved the right to approve the amount of municipal sales and use tax increment revenue so allocated as the City Council might determine.

E. Pursuant to the directive in the Act that the Plan afford maximum opportunity, consistent with the sound needs of the City as a whole, for the rehabilitation or redevelopment of the Plan Area, by private enterprise, the Authority anticipates entering into a redevelopment agreement with a private owner for the rehabilitation or redevelopment of the Plan Area for the purpose of reimbursing eligible costs in accordance with the Plan, including, without limitation, environmental remediation and mitigation, drainage improvements, street improvements, utilities, asphalt paving, landscaping, erosion control and other eligible costs (the "Improvements") within the Plan Area.

F. In order to facilitate construction of those proposed Improvements which are public in nature, including but not limited to the environmental remediation of public property, and the construction, reconstruction or modification of public streets and rights of way, public sidewalks, public utilities, drainage facilities or other public infrastructure (the "Public Improvements"), the

City acknowledges that pursuant to the Urban Renewal Law and this Cooperation Agreement, the City Sales Tax Increment Revenues (as defined below) will be paid to the Authority pursuant to Section 31-25-107(9)(a) of the Act as in effect as of the date of this Cooperation Agreement for the financing of the Public Improvements, whether through reimbursement of developers and owners of eligible costs of same or the pledge of such revenues to a bond trustee, metropolitan district, business improvement district or other entity for such purpose, or a combination thereof. As used in this Cooperation Agreement, the term "Public Improvements" may also include parking facilities owned or operated by public or private entities, provided that such parking facilities shall be open to the general public on a non-discriminatory basis.

G. The Plan implements and allocates tax increment revenue in accordance with the provisions of Section 31-25-107(9) of the Act including (i) property tax increment (the "Property Tax Increment Revenues"), and (ii) the allocation of municipal sales and use tax increment derived from sales and use tax revenues of the City from the portion of the City's 2.0% general fund municipal sales and use tax authorized by City Council which are in excess of the base amount established in accordance with the provisions of Section 31-25-107(9) of the Act (the "City Sales Tax Increment Revenues"). The specified portion of the increment of the 2.0% general fund 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 fund municipal sales tax (*i.e.* 1.75%). The specified portion of the increment of the 2.0% general fund municipal use tax which is paid solely on construction materials used within the Plan Area in excess of the base amount, which shall constitute the "Use Tax Increment," will be 50% of the 2% general fund municipal use tax paid solely on construction materials used within the Plan Area (*i.e.* 1.00%). The City Sales Tax Increment Revenues allocated by the Act 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 Act and the Plan to pay costs of or debt service on bonds issued by the Authority or such entities or to owners and developers for reimbursement of such eligible costs of Public Improvements, provided that any pledge of Use Tax Increment is limited to the extent appropriated and actually made available to the Authority; but in no event in all cases for a period in excess of twenty-five (25) years as calculated and provided in the Act (the "Duration").

H. The City, in consideration of the benefits to be derived by the City by the implementation of the Plan, the Project and the Improvements, desires to enter into this Cooperation Agreement.

I. The Authority, in consideration of its statutory public purpose and in order to carry out the Plan, desires to participate in the activities contemplated by this Cooperation Agreement, and to enter into this Cooperation Agreement.

NOW THEREFORE, in consideration of the foregoing recitals, which are incorporated herein by reference, and in order to carry out the purposes as set forth above, the City and the Authority agree as follows:

Section 1. Cooperation Regarding the Project, Plan, and Agreements. The Authority agrees to carry out the Project in accordance with the Act and the Plan. The City agrees to cooperate with the Authority to achieve the timely and successful construction of public

improvements required to complete the Project, including, without limitation, the Improvements and the duties and obligations of the Authority pursuant to redevelopment agreements that may from time to time be entered into between the Authority and property owners and developers for redevelopment of the Plan Area in accordance with the Plan.

Section 2. Project Financing. Pursuant to the Act, the Authority will work with owners and developers, metropolitan districts, business improvement districts and other similar entities to issue financial instruments to finance its and their eligible activities, operations and duties to carry out the Plan and the Project by means of tax allocation financing utilizing both Property Tax Increment Revenues and City Sales Tax Increment Revenues. The Property Tax Increment Revenues and the City Sales Tax Increment Revenues shall be paid to the Authority or its designated depository as and when collected in accordance with the Act for deposit into a tax increment revenue fund established in accordance with the Act and the Plan (the "Special Fund"). Notwithstanding the foregoing, nothing in this Cooperation Agreement shall be deemed to restrict the Authority from receiving, utilizing or pledging any other available revenues in furtherance of the Project as authorized in the Act and the Plan.

Without limiting the foregoing:

(i) The Authority and any qualified owner or developer may enter into redevelopment agreements that assure that the City Sales Tax Increment Revenues, net of any reasonable Authority administration costs, are used to finance the eligible costs of designing and constructing the Public Improvements.

(ii) The Authority, any metropolitan district, business improvement district or similar entity may issue bonds under a trust indenture (the "Bond Indenture") between such entity and a financial institution qualified to provide corporate trust services, as bond trustee (the "Bond Trustee"). The Bond Indenture shall include a Bond Trustee held fund in which there shall be established an account or accounts and moneys therein shall be used in a manner that assures that the City Sales Tax Increment Revenues shall be used solely to pay principal, interest or redemption prices with respect to such bonds, any periodic fees of the Authority related and reasonably allocated its duties under the Bond Indenture and the Act, fees and expenses of the Bond Trustee or any credit enhancer, and replenishment of that portion of a reserve fund held under the Bond Indenture by the Bond Trustee insofar as it relates to and is allocated to such bonds. Proceeds of such bonds, net of costs of issuance, capitalized interest and reserve fund deposits, shall be disbursed in a manner that assures that the City Sales Tax Increment Revenues shall be used for no purpose other than financing the eligible costs of designing and constructing the Public Improvements.

(iii) The Authority, any owner or developer and any such metropolitan district, business improvement district or other entity may enter into any combination of the foregoing consistent with the Act, the Plan, any redevelopment agreement and this Cooperation Agreement, it being the intent of this language to assure that the City Sales Tax Increment Revenues shall be used for no purpose other than financing the eligible costs of designing and constructing the Public Improvements.

Section 3. City Property Tax Increment Revenues. In compliance with the requirements of HB 15-1348 and SB 18-248, the City and the Authority have negotiated and agreed as follows:

(a) City Property Tax Increment Revenues. The City and the Authority agree that the Authority may retain and expend in furtherance of the Project one hundred percent (100%) of the City Property Tax Increment, commencing on the date of approval by the City of the Plan, and lasting for the Duration. For purposes of this Cooperation Agreement, "City Property Tax Increment" means the portion of Property Tax Increment Revenues generated by the City's mill levy received by the Authority from the El Paso County Treasurer and paid into the Special Fund.

(b) Mill Levy Allocation. If the City's eligible electors approve a new or increased mill levy for any lawful purpose ("Future Mill Levy"), any revenue derived from the Future Mill Levy shall not be considered part of the City Property Tax Increment. Rather, upon approval by the eligible electors of the City of a Future Mill Levy, the City shall provide notification of the same to the Authority. From the date of such notice until the Duration has expired, the Authority shall annually deduct from the Property Tax Increment Revenue it receives any revenues attributable to the Future Mill Levy, as applicable, and shall remit such revenues to the City.

Section 4. Property Tax Increment Revenues. The Authority agrees that the Property Tax Increment Revenues shall be utilized at all time in accordance with the Act (as presently in effect) with priority given to design and construction of the Improvements. When all bonds, loans, advances, and indebtedness and other obligations, including interest thereon and any premiums due therewith, have been paid, all taxes upon the taxable property in the Plan Area shall be paid into the funds of the respective public bodies as provided in the Act.

Section 5. General Fund City Sales & Use Tax Increment Revenues. As indicated in Recital G above, specified portion of the increment of the 2.0% general fund 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 fund municipal sales tax (*i.e.* 1.75%). The specified portion of the increment of the 2.0% general fund municipal use tax which is paid solely on construction materials used within the Plan Area in excess of the base amount, which shall constitute the "Use Tax Increment," will be 50% of the 2% general fund municipal use tax paid solely on construction materials used within the Plan Area (*i.e.* 1.00%). The City Sales Tax Increment Revenues allocated by the Act 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 Act and the Plan to pay costs of or debt service on bonds issued by the Authority or such entities or to owners and developers for reimbursement of such eligible costs of Public Improvements, provided that any pledge of Use Tax Increment is limited to the extent appropriated and actually made available to the Authority; but in no event in all cases for a period in excess of twenty-five (25) years as calculated and provided in the Act (the "Duration").

Section 6. Limitation on Payment of Use Tax Increment.

(a) City Use Tax Obligation Subject to Annual Appropriation. Notwithstanding anything herein to the contrary, (i) the obligations of the City to allocate and pay the Use Tax Increment shall not constitute the creation of an indebtedness or other multiple-fiscal year

obligation, nor authorize borrowing of money by the City within the meaning of any constitutional, home rule charter or statutory limitation or provision and (ii) the obligations of the City with respect to the Use Tax Increment shall be from year to year only and shall not constitute a mandatory payment obligation of the City in any fiscal year beyond the present fiscal year and shall not directly or indirectly obligate the City to make any payments beyond those appropriated for any fiscal year in which this Cooperation Agreement shall be in effect.

(b) Annual Budget. The Mayor (or any other officer or employee at the time charged with the responsibility of formulating the annual budget) is hereby requested to include in the budget submitted to the City Council, in each year prior to termination or expiration of this Cooperation Agreement, amounts sufficient to pay the Use Tax Increment, it being acknowledged, however, that the decision as to include such amounts in the budget is within the sole discretion of the Mayor, and the decision on whether to thereafter appropriate such amounts shall be at the discretion of the City Council.

Section 7. Authority Pledge. In accordance with the terms and conditions as set forth in this Cooperation Agreement, the Authority may pledge to any Bond Trustee, developer or owner or any metropolitan district, business improvement district or other entity, as applicable, the Property Tax Increment Revenues, the City Sales Tax Increment Revenues and other available revenues. In accordance with the Act and the Supplemental Public Securities Act, such pledge by Authority shall create a lien on the Property Tax Increment Revenues and the City Sales Tax Increment Revenues received by Authority which shall take effect immediately without any physical delivery, filing, or further act. The lien of such pledge shall have priority over any or all other obligations and liabilities of the Authority and shall be valid, binding, and enforceable as against all persons having claims of any kind in tort, contract, or otherwise against the Authority irrespective of whether such persons have notice of such liens. The Authority hereby consents to the further pledge and assignment of the Property Tax Increment Revenues and the City Sales Tax Increment Revenues by (i) any metropolitan district, business improvement district or other entity upon the issuance of such bonds, to the Trustee and (ii) by any developer or owner, in accordance with any redevelopment agreement or to any lender or lenders providing financing pursuant to such redevelopment agreement.

Section 8. Changes in the Rate of Sales Tax Percentage. If there shall occur a change in the City general sales and use tax percentage levied in the Plan Area (i.e., the 2% general fund sales and use tax), the City Sales Tax Increment Revenues allocated to Authority and the formula with respect to the City Sales Tax Increment Revenues shall not change unless the City's total general fund sales and use tax percentage rate falls below the fraction or percentage of same originally allocated hereby in which case both the fraction or percentage and the base shall be proportionately adjusted downward. The City and the Authority agree that increases in City sales and use tax proceeds derived by reason of (a) any increase in the percentage of such City taxes generally, (b) any change in the percentage of such City taxes with regard to specific taxable items, or (c) any extension of such City taxes to items or transactions that are not currently taxable, shall be retained by the City and no portion thereof shall constitute City Sales Tax Increment Revenues.

Section 9. Collection of Revenues; Continuing Cooperation. The City hereby agrees to pursue all of the lawful procedures and remedies available to the City in order to collect the sales and use taxes giving rise to the City Sales Tax Increment Revenues, and to cause such

revenues to be applied in accordance with this Cooperation Agreement. If any further cooperation or other agreements or amendments shall be necessary or appropriate (a) in order to accomplish the collection of the City Sales Tax Increment Revenues and the allocation to the Authority and the payment thereof to the Authority in accordance with this Cooperation Agreement or (b) to carry out the Project in accordance with the Plan and the Act, the City agrees to exercise its reasonable best efforts to secure the approval of such additional agreements; provided that such efforts do not require the incurring of any costs or expenses by City unless the same are advanced or paid by Authority.

Section 10. Amendment of Plan. The City covenants and agrees that it shall cooperate with the Authority in carrying out and continuing to completion, with all practicable dispatch, the Project in accordance with the Plan and the Act. The Plan may be amended, but no amendment shall be approved by the City unless the Authority shall determine that such amendment will not substantially impair the security or tax exemption for any outstanding obligation of the Authority, any metropolitan district, business improvement district or other entity, or any owner as the developer, or pledge of City Sales Tax Increment Revenues or the ability of the Authority to perform its obligations with respect thereto.

Section 11. Permits and Licenses. Consistent with all applicable laws, codes and ordinances, the City shall cooperate with the Authority and any designated owner or developer or redeveloper in the Plan Area by timely acting upon, from time to time, applications for City-required permits and licenses in accordance with City's Code of Ordinances and law.

Section 12. Review of Plans. The City shall cooperate with the Authority and any designated owner or developer in the Plan Area by timely reviewing all plans, plats, agreements and other submissions required to be reviewed by the City in connection with the construction of the public and private improvements contemplated by any applicable redevelopment agreement and the Plan. Where appropriate, the City agrees to implement any applicable procedures for expedited review and approval permitted by applicable law in furtherance of the implementation of the Plan.

Section 13. Vacations; Dedications. The City, subject to applicable laws, will initiate and pursue appropriate action as may be required to vacate streets, alleys, and other rights of way requested by the Authority to carry out the Plan; grant and alter easements or revocable permits in and through public rights of way; and to accept dedication of rights of way, and easements in connection with the Project; provided, however, that nothing in this section shall be construed as a limitation upon the exercise of legislative discretion by City nor a delegation of legislative authority.

Section 14. Improvements Bonds and Redevelopment Agreement not to Constitute Debt or Obligation of the City or Authority; No Liability. Any redevelopment agreement, any Bond Indenture, loan agreement, or any other instrument or debt obligation issued by the Authority in connection with the Project, and any such document shall provide that subject obligation shall not constitute a debt, liability or obligation of any nature of the City or the Authority, but shall be payable solely from amounts pledged therefor and received by any owner or developer, any metropolitan district or other entity, or any lender, as applicable.

Section 15. Authorized Representatives. To the extent that an action is required to be taken by any party to this Cooperation Agreement, such action may, subject to the last sentence of this Section, be taken by the following representatives: for the City, the Planning and Development Director, or such other person appointed by the foregoing in writing and furnished to the other parties to this Cooperation Agreement; and for the Authority, the Chairman, or such other person appointed by the foregoing in writing and furnished to the other parties to this Cooperation Agreement.

Section 16. Notice. Any notice required by this Agreement shall be in writing. All notices, demands, requests and other communications required or permitted hereunder shall be in writing, and shall be (a) personally delivered with a written receipt of delivery; (b) sent by a nationally-recognized overnight delivery service requiring a written acknowledgement of receipt or providing a certification of delivery or attempted delivery; (c) sent by certified or registered mail, return receipt requested; or (d) sent by confirmed electronic delivery with an original copy thereof transmitted to the recipient by one of the means described in subsections (a) through (c) no later than five (5) business days thereafter. All notices shall be deemed effective when actually delivered as documented in a delivery receipt; provided, however, that if the notice was sent by overnight courier or mail as aforesaid and is affirmatively refused or cannot be delivered during customary business hours by reason of the absence of a signatory to acknowledge receipt, or by reason of a change of address with respect to which the addressor did not have either knowledge or written notice delivered in accordance with this paragraph, then the first attempted delivery shall be deemed to constitute delivery. All notices shall be sent to the addressee at its address below:

If to the City: City of Colorado Springs
 Office of Economic Vitality
 30 South Nevada Avenue, Suite 604
 Colorado Springs, Colorado 80903
 Attn: Robert C. Cope
 Telephone: 719-385-5561

With a copy to the City Attorney:

 City of Colorado Springs
 30 South Nevada Avenue, Suite 501
 Colorado Springs, Colorado 80903
 Attn: City Attorney
 Telephone: 719-385-5909

If to the Authority: Colorado Springs Urban Renewal Authority
30 S. Nevada Ave., Suite 603
Colorado Springs, Colorado 80903
Attn: Executive Director
Telephone: 719-385-5714

Each party shall be entitled to change its address for notices from time to time by delivering to the other party notice thereof in the manner herein provided for the delivery of notices.

Section 17. Severability. Any provision of this Cooperation Agreement that is prohibited, unenforceable, or not authorized in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition, unenforceability or lack of authorization without affecting the validity, enforceability, or legality of such provisions in any other jurisdiction. No party to this Cooperation Agreement shall be liable to the other parties with respect to any such provision finally adjudicated in accordance with applicable law to be prohibited, unenforceable, or not authorized by law.

Section 18. Governing Law. This Cooperation Agreement shall be governed by, and construed in accordance with, the laws of the State of Colorado, and the Charter, City Code, Ordinances, Rules and Regulations of the City of Colorado Springs.

Section 19. Headings. Section headings in this Cooperation Agreement are for convenience of reference only and shall not constitute a part of this Cooperation Agreement for any other purpose.

Section 20. Additional or Supplemental Agreements. The parties mutually covenant and agree that they will execute, deliver, and furnish such other instruments, documents, materials, and information as may be reasonably required to carry out this Cooperation Agreement, the Project, and the Plan or the Improvements, provided the same is not inconsistent with law or this Cooperation Agreement.

Section 21. Incorporation of Recitals. The provisions of the Recitals are incorporated by reference into this Cooperation Agreement as if fully set forth herein.

Section 22. Exclusive Jurisdiction and Venue. In the event of any litigation arising under this Cooperation Agreement, the exclusive jurisdiction and venue for such litigation shall be in the District Court in and for the Fourth Judicial District, County of El Paso, State of Colorado.

Section 23. Fiscal Obligations of City. Nothing herein shall constitute, nor be deemed to constitute, the creation of a debt or multi-year fiscal obligation or an obligation of future appropriations by the City Council of Colorado Springs, contrary to Article X, § 20, Colo. Const., or any other constitutional, statutory, or charter debt limitation.

Section 24. Third Party Beneficiary Clause. It is specifically agreed between the parties that this Cooperation Agreement is not intended by any of its terms, provisions, or conditions to create in the public or any individual member of the public a third party beneficiary relationship, or to authorize any person not a party to this Cooperation Agreement to maintain suit for personal injuries or property damage pursuant to the terms, conditions or provisions of this

Cooperation Agreement. In requiring insurance under this Cooperation Agreement, the parties do not waive or intend to waive any protection, immunity, or other provision of the Colorado Governmental Immunity Act, Sections 24-10-101 to 120, C.R.S., as now written or amended in the future.

Section 25. Duty to Maintain Records; Right to Audit. Authority shall maintain accurate records of all City Sales Tax Increment Revenues received or allocated to Authority, and all amounts expended, assigned or paid therefrom, and of all documentation supporting such expenditures, assignments and payments, in accordance with generally accepted accounting practices and in a format that will permit audit, for a period of not less than three (3) years after the last expenditure, assignment or payment. Such records shall be made available for reasonable inspection, reproduction and audit by City, City's Auditor, employees, agents and authorized representatives, during normal business hours.

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IN WITNESS WHEREOF, the parties hereto have caused this Cooperation Agreement to be duly executed and delivered by their respective officers thereunto duly authorized as of the date first above written.

CITY OF COLORADO SPRINGS

By: John W. Suthers
Mayor

APPROVED AS TO FORM:

Th. J. Struzak
Office of the City Attorney

COLORADO SPRINGS URBAN RENEWAL
AUTHORITY

By: [Signature]
Chair

[Handwritten mark]