

STATE OF COLORADO)
)
COUNTY OF SAN MIGUEL) SS.
)
TOWN OF MOUNTAIN VILLAGE)
HOUSING AUTHORITY)

The Board of Commissioners (the “Board”) of the Housing Authority of the Town of Mountain Village, San Miguel County, Colorado (the “Authority”), met in regular session, in full conformity with law and the rules of the Authority, at 455 Mountain Village Boulevard, Suite A in the Town of Mountain Village, being the regular meeting place of the Board, on Thursday, October 19, 2023, at the hour of 2:00 p.m. Upon roll call, the following were found to be present, constituting a quorum:

Present:

Chairperson:	Marti Prohaska
Vice Chairperson:	Scott Pearson
Commission Members	Peter Duprey
	Jack Gilbride
	Harvey Mogenson
	Tucker Magid

Absent:

Constituting all members of the Board.

There were also present:

Town Manager:	Paul Wisor
Deputy Town Clerk:	Kim Schooley

Thereupon, the following proceedings, among others, were had and taken:

Chairperson Marti Prohaska introduced in typewritten form of resolution, which resolution was thereupon read by title, copies thereof having been distributed to all members of the Board and to those members of the public in attendance, and which resolution is as follows:

RESOLUTION NO. 2023-1019-23

A RESOLUTION OF THE TOWN OF MOUNTAIN VILLAGE HOUSING AUTHORITY, AUTHORIZING THE LEASING OF CERTAIN REAL PROPERTY AND THE EXECUTION AND DELIVERY OF A SITE AND IMPROVEMENT LEASE AGREEMENT AND A LEASE PURCHASE AGREEMENT, AND OTHER DOCUMENTS INCIDENTAL THERETO ALL FOR THE PURPOSE OF FINANCING OR REIMBURSING THE COST OF ACQUIRING APPROXIMATELY 55-ACRES OF PROPERTY FOR THE PURPOSE OF DEVELOPING, CONSTRUCTING AND EQUIPPING RESIDENTIAL WORKFORCE HOUSING; SETTING FORTH CERTAIN PARAMETERS AND RESTRICTIONS WITH RESPECT TO THE FINANCING; AUTHORIZING OFFICIALS OF THE AUTHORITY TO TAKE ALL ACTIONS NECESSARY OR APPROPRIATE TO CARRY OUT THE TRANSACTIONS CONTEMPLATED HEREBY; AND PROVIDING FOR OTHER MATTERS RELATED THERETO.

WHEREAS, the Town of Mountain Village Housing Authority (the “Authority”) is a duly and regularly created, organized and existing public body, corporate and politic, existing as such under and by virtue of the laws of the State of Colorado (the “State”);

WHEREAS, the Authority is authorized and empowered by the provisions of the Housing Authorities Law, being Part 2 of Article 4 of Title 29, Colorado Revised Statutes, as from time to time supplemented and amended (the “Act”), to issue revenue bonds, notes or other obligations for the purpose of providing residential housing that substantially benefits persons and families of low income; and

WHEREAS, the Town of Mountain Village (the “Town”) is a Colorado home rule municipality organized pursuant to Article XX of the Colorado Constitution and the Town of Mountain Village Home Rule Charter; and

WHEREAS, the members of the Town Council (the “Town Council”) of the Town have been duly elected or appointed and qualified; and

WHEREAS, the Town Council has provided that in accordance with the Act, the members of the Town Council shall ex officio be appointed the Commissioners of the Board of Commissioners of the Authority (the “Board”); and

WHEREAS, the Board has the power, pursuant to Section 29-4-209 of the Act to purchase, lease, obtain options upon, acquire, sell, exchange, transfer, assign, or pledge any property, real or personal, or any interest therein from or to any person, firm, corporation, city, or government; and

WHEREAS, pursuant to such authority, the Authority has determined and hereby determines that it is in the best interest of the Authority to acquire the real property and related improvements thereon described in Exhibit A to the below defined Site Lease (the “Leased Property”); and

WHEREAS, to finance or reimburse the costs of acquiring the Leased Property, the Authority will lease the Leased Property to ZMFU II, Inc, a wholly-owned subsidiary of Zions Bancorporation, N.A. (the “Bank”), pursuant to a Site and Improvement Lease Agreement (the “Site Lease”), and concurrently thereof the Bank will sublease the Leased Property back to the Authority pursuant to a Lease Purchase Agreement (the “Lease”), all for the purpose of financing or reimbursing the acquisition of approximately 55-acres of property for the purpose of developing, constructing and equipping residential workforce housing that will substantially benefit persons of low income within the boundaries of the Authority (the “Project”); and

WHEREAS, the Board has determined that: (i) it is necessary, desirable, appropriate and in the best interests of the Authority and its inhabitants that the Authority finance or reimburse all or a portion of the cost of acquiring, constructing and equipping of the Project; and (ii) that the Lease and the Site Lease be entered into for such public purposes; and

WHEREAS, pursuant to the Lease, and subject to the right of the Authority to terminate the Lease and other limitations as therein provided, the Authority will pay certain Base Rentals and Additional Rentals (as such terms are defined in the Lease) in consideration for the right of the Authority to use the Leased Property; and

WHEREAS, the Base Rentals and Additional Rentals payable by the Authority under the Lease shall constitute currently budgeted expenditures of the Authority, and none of the Base Rentals, the Additional Rentals, or any provision of the Lease shall constitute or give rise to a multiple fiscal year financial obligation, general obligation, bonded indebtedness or other indebtedness of the Authority nor a mandatory charge or requirement against the Authority in any ensuing fiscal year beyond the then current fiscal year, nor shall the Lease directly or indirectly obligate the Authority to make any payments beyond those budgeted for in the Authority's then current fiscal year; and

WHEREAS, pursuant to a resolution adopted by the Town on October 19, 2023, the Town made a non-binding statement of its intent to contribute sufficient funds to the Authority to satisfy the Authority’s obligation to pay Base Rentals under the Lease in the event that the Authority lacks sufficient funds to satisfy the same; and

WHEREAS, the Town is not required to make any contribution to the Town and any contribution made by the Town, if any, is subject to annual appropriation by the Town Council; and

WHEREAS, with respect to the transactions contemplated by this resolution, the Authority’s obligations under the Lease and the Site Lease do not create any additional obligations on the part of the Authority other than as provided for in the Lease and the Site Lease; and

WHEREAS, there have been presented to the Board and are on file at the Authority's offices the proposed forms of the Site Lease and the Lease; and

WHEREAS, Section 11-57-204 of the Supplemental Public Securities Act, constituting Title 11, Article 57, Part 2, Colorado Revised Statutes (the "Supplemental Act"), provides that a public entity, including the Authority, may elect in an act of issuance to apply all or any of the provisions of the Supplemental Act.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE TOWN OF MOUNTAIN VILLAGE HOUSING AUTHORITY:

Section 1. All actions (not inconsistent with the provisions of this resolution) heretofore taken by the Board and the officers, employees and agents of the Authority directed toward approval of the Lease and the Site Lease by the Authority and consummation of the transactions contemplated by this resolution, are hereby ratified, approved and confirmed.

Section 2. The Board hereby finds and determines, pursuant to the Constitution and laws of the State, that the acquisition of the Leased Property and the financing or reimbursing of the costs thereof, the leasing of the Leased Property to the Bank under the terms and provisions set forth in the Site Lease and subleasing the Leased Property from the Bank under the terms of the Lease are necessary, convenient and in furtherance of the Authority's purposes and are in the best interests of the inhabitants living within the Authority's area. The Board hereby authorizes and approves the financing of the Project, the leasing of the Leased Property to the Bank under the terms and provisions of the Site Lease and the subleasing of the Leased Property from the Bank under the terms and provisions of the Lease.

Section 3. The Lease and the Site Lease in substantially the forms presented to the Board, with only such changes therein as are not inconsistent herewith, are in all respects authorized, approved and confirmed; provided, however, that the Authority may utilize an alternative financing structure if determined to be in the best interest of the Authority. The Chair, Vice Chair, each of the Commissioners of the Authority are each hereby authorized and directed to execute and deliver the Lease and the Site Lease, in substantially the forms and with substantially the same content as presented to the Board, or such other financing documents as may be applicable, with only such changes therein as are not inconsistent herewith, for and on behalf of the Authority.

Section 4. No provision of this resolution, the Site Lease, nor the Lease, nor any other document or transaction contemplated by this resolution, shall constitute or give rise to a multiple fiscal year financial obligation, general obligation, bonded indebtedness or other indebtedness of the Authority within the meaning of any constitutional or statutory debt limitation, nor a mandatory charge or requirement against the Authority in any ensuing fiscal year beyond the then current fiscal year, nor directly or indirectly obligate the Authority to make any payments beyond those budgeted for in the Authority's then current fiscal year. The Authority shall have no obligation to make any payments with respect to the transactions contemplated by this resolution except the payment of the Base Rentals and Additional Rentals and certain other payments

pursuant to the Lease, which payment obligations may be terminated by the Authority in accordance with the provisions of the Lease.

Section 5. The Board hereby finds, determines and declares, pursuant to the Constitution and laws of the State, that (i) the lease of the Leased Property by the Authority to the Bank under the terms and conditions provided for in the Site Lease, and (ii) the subleasing of the Leased Property by the Authority from the Bank under the terms and conditions provided for in the Lease, are necessary, appropriate and in furtherance of the Authority's governmental purposes and are in the best interests of the Authority and its inhabitants. The Board further hereby finds, determines and declares, pursuant to the Constitution and laws of the State, that: (i) the Base Rentals payable under the Lease during the Lease Term, as defined and provided in the Lease, represent fair value to the Authority of its use of the Leased Property; (ii) the maximum term of the Lease does not exceed the useful life of the Leased Property; and (iii) the Option Price, as defined and provided in the Lease, represents the Authority's estimate of a fair purchase price to the Authority for the Leased Property at the time of exercise of the prepayment option. The Authority hereby determines that the Base Rentals do not exceed a reasonable amount so as to place the Authority under an economic compulsion to renew the Lease or to exercise its option to purchase the Leased Property thereunder. In making such determinations, the Board has given consideration to the estimated current value of the Leased Property, the uses and purposes for which the Leased Property will be employed by the Authority, the benefit to the inhabitants of the Authority by reason of the use and occupancy of the Leased Property pursuant to the terms and provisions of the Lease and the Site Lease and the Authority's option to terminate the Site Lease.

Section 6. The Board hereby elects to apply all of the provisions of the Supplemental Act to the Lease and in connection therewith delegates to the Chair of the Authority the authority to make any determination delegable pursuant to Section 11-57-205(1)(a-i), Colorado Revised Statutes, in relation to the Lease, subject to the following parameters and restrictions: (a) the aggregate principal amount of the Base Rentals payable by the Authority pursuant to the Lease shall not exceed \$7,000,000; (b) the Lease Term shall end no later than December 31, 2045; (c) the Lease shall be subject to optional prepayment as set forth therein; (d) the interest component of the Base Rentals shall not exceed 7.00% per annum (excluding any rate increases imposed following an event of default, a determination of taxability or otherwise) and/or a variable rate or rates, all as determined in accordance with the Lease; and (e) the term of the Site Lease shall not extend beyond December 31, 2055. The delegation set forth in this Section 6 shall be effective for one year following the date hereof.

Section 7. The Authority hereby approves of actions taken or to be taken by appropriate officers of the Authority to make or approve any alterations, changes or additions to the Lease or Site Lease, as may be necessary or appropriate to correct errors or omissions therein, to remove ambiguities therefrom, to conform the same to other provisions of said documents or instruments or to this resolution or any other resolutions of the Board, or to the provisions of applicable law.

Section 8. The Chair, Vice Chair, each of the Commissioners, and other appropriate officers and employees of the Authority are hereby authorized to execute and deliver, for and on behalf of the Authority, the Lease and the Site Lease, any and all additional certificates,

documents, instruments and other papers (including amendments or modifications of any such documents consistent with this resolution), and to perform all other acts they may deem necessary or appropriate, in order to implement and carry out the matters authorized or contemplated by this resolution. The approval hereby given to the various documents referred to above includes an approval of such additional details therein as may be necessary and appropriate for their completion, deletions therefrom and additions thereto as may be approved by the Authority prior to the execution of the documents. The execution of any instrument by the appropriate officers of the Authority herein authorized shall be conclusive evidence of the approval by the Authority of such instrument in accordance with the terms hereof.

Section 7. If any section, paragraph, clause or provision of this resolution shall for any reason be held invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any of the remaining provisions of this resolution.

Section 8. All acts, orders and resolutions of the Authority, and parts thereof, inconsistent with this resolution be, and the same hereby are, repealed to the extent only of such inconsistency. This repealer shall not be construed to revive any act, order or resolution, or part thereof, heretofore repealed.

Section 9. This resolution shall be in full force and effect immediately upon its passage and approval.

PASSED, ADOPTED AND APPROVED this October 19, 2023.

TOWN OF MOUNTAIN VILLAGE
HOUSING AUTHORITY, COLORADO




Chair of the Board of Commissioners

ATTEST:



Deputy Town Clerk

APPROVED AS TO FORM:



Town Attorney