

**RESOLUTION OF THE BOARD OF DIRECTORS OF
FOUNDRY LOVELAND METROPOLITAN DISTRICT**

A RESOLUTION APPROVING THE IMPOSITION OF AN OPERATIONS AND MAINTENANCE FEE ON TAXABLE REAL PROPERTY IN THE DISTRICT FOR FISCAL YEAR 2021

WHEREAS, on September 20, 2016, the City Council of the City of Loveland, Colorado approved the “Service Plan for Foundry Loveland Metropolitan District” (the “Service Plan”) for the Foundry Loveland Metropolitan District (the “District”) for the purpose of providing certain parameters for the District to assist, upon their organization, in the financing, construction, operations and maintenance of certain public improvements for a new development known as The Foundry in the City of Loveland, Colorado (the “City”); and

WHEREAS, the District was formed pursuant to Section 32-1-101 *et seq.*, C.R.S., as amended, by order of the District Court for Larimer County, Colorado, and after approval of the eligible electors of the District at an organizational election held on November 8, 2016; and

WHEREAS, pursuant to the terms of the Service Plan, the District shall have the power and authority to provide public improvements and related operation and maintenance services within and without the boundaries of the District as such power and authority is described in the Special District Act, §§ 32-1-101 *et seq.* C.R.S.; and

WHEREAS, a portion of The Foundry consists of public plazas (“Public Plaza”), which the District owns, operates, and maintains pursuant to the Service Plan; and

WHEREAS, the District has determined that it will have insufficient funds to pay all costs associated with the operations and maintenance of the Public Plaza; and

WHEREAS, the City owns certain real property within The Foundry and has agreed to pay to the District, via separate agreement, a portion of the District’s costs associated with the operations and maintenance of the Public Plaza; and

WHEREAS, pursuant to Section 32-1-1001(1)(j), C.R.S., the District is authorized to fix and from time to time to increase or decrease fees, rates, tolls, penalties or charges for services, programs, or facilities furnished by the District, and until paid, all such fees, rates, tolls, penalties, or charges shall constitute a perpetual lien on and against the property served, which lien may be foreclosed in the same manner as provided by the laws of the State of Colorado for the foreclosure of mechanics’ liens; and

WHEREAS, in order to defray the District’s costs associated with the operations and maintenance of the Public Plaza in fiscal year 2020, the District imposed an adjusted operations and maintenance fee of \$13,625 per vertical building (the “O&M Fee”) located on each lot consisting of taxable real property within the boundaries of the District; and

WHEREAS, in order to defray the District's costs associated with the operations and maintenance of the Public Plaza in fiscal year 2021, the District desires to impose an operations and maintenance fee on taxable property in the District for fiscal year 2021.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF DIRECTORS OF FOUNDRY LOVELAND METROPOLITAN DISTRICT AS FOLLOWS:

1. Operations and Maintenance Fee. The District hereby imposes an annual operations and maintenance fee in the amount of \$9,000 per vertical building (the "O&M Fee") located on each lot consisting of taxable real property within the boundaries of the District, as such taxable property is more particularly described on Exhibit A attached hereto and incorporated herein by reference.

2. Payment of O&M Fee. The O&M Fee shall be due and payable to the District in four quarterly payments. The District shall bill each applicable property owner quarterly with payment due to the District no later than January 15, April 15, July 15, and October 15 of fiscal year 2021.

3. Noncompliance. The District may impose such penalties for noncompliance herewith as may be permitted by law. Without limiting the foregoing, a late charge on any past-due amounts at the rate of one percent (1%) per month shall accrue from the date the O&M Fee is due to the District if the O&M Fee is not paid in full within five (5) calendar days after the due date. Interest will accrue on any due and unpaid O&M Fee, exclusive of the late fee, at a rate of twelve percent (12%) per annum.

4. Collection Costs. The District shall be entitled to charge and collect from property owners all costs and expenses associated with collecting an unpaid O&M Fee, including attorneys' fees.

5. Lien for Payment. Pursuant to Section 32-1-1001(1)(j), C.R.S., the O&M Fee does and shall, until paid, constitute a perpetual lien against the property served, which lien may be foreclosed in the same manner as provided by the laws of the State of Colorado for the foreclosure of mechanics' liens.

6. Modification/Future Events. The O&M Fee hereby imposed has been established based on projected budgetary requirements of the District using various assumptions regarding annual costs of operations and maintenance expenses. Actual costs may differ from projections, and the District may decide to modify the O&M Fee in the future.

7. Actions to Effectuate Resolution. The District's management and legal counsel are authorized and directed to take all actions necessary and appropriate to effectuate this Resolution and the imposition of the O&M Fee contemplated hereunder. All actions not inconsistent with the provisions of this Resolution heretofore taken by the members of the Board, District management, District legal counsel, and the officers, agent, and employees of the District and directed toward effectuating the purposes stated herein are hereby ratified, approved, and confirmed.

8. Recording. This Resolution shall be recorded in the records of the Larimer County Clerk and Recorder.

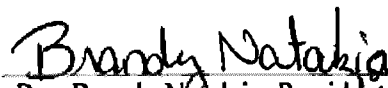
9. Severability. If any section, paragraph, clause or provision of this Resolution shall be adjudged to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining sections, paragraphs, clauses, or provisions of this Resolution, it being the intention that the various parts hereof are severable.

10. Effective Date. This Resolution, and the O&M Fee hereby imposed, shall take effect on the date and at the time of adoption and shall continue in force and effect until amended or rescinded by the Board. This Resolution and shall be executed by the District's President, and attested by a designated representative of the District, including the District's General Counsel or other officer of the District.

(Signatures appear on following page)

ADOPTED AND APPROVED THIS 19th DAY OF NOVEMBER, 2020.

**FOUNDRY LOVELAND METROPOLITAN
DISTRICT**


By: Brandy Natalzia, President

ATTEST:



By: Michael Pogue
Its: GENERAL COUNSEL

EXHIBIT A
(To Resolution)

LEGAL DESCRIPTION OF TAXABLE REAL PROPERTY IN THE DISTRICT

Lot 2, Block 3, Loveland Eleventh Subdivision, City of Loveland, County of Larimer, State of Colorado

Lot 1, Block 1, Loveland Eleventh Subdivision, City of Loveland, County of Larimer, State of Colorado

Lot 3, Block 2, Loveland Eleventh Subdivision, City of Loveland, County of Larimer, State of Colorado

Lot 1, Loveland Twelfth Subdivision, City of Loveland, County of Larimer, State of Colorado