

AFTER RECORDATION PLEASE RETURN TO:  
BECKER STOWE PARTNERS LLC  
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Denver, Colorado 80202  
Attention: Erick D. Stowe, Esq.

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LEASE PURCHASE AGREEMENT NO. 2018A  
(COLORADO CONVENTION CENTER EXPANSION PROJECT)

DATED AUGUST [\_\_], 2018

BETWEEN

DENVER PUBLIC FACILITIES LEASING TRUST 2018A,  
AS LESSOR

AND

CITY AND COUNTY OF DENVER, COLORADO,  
AS LESSEE

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TABLE OF CONTENTS  
 (This table of contents is not part of this 2018A Lease  
 and is included only for convenience of reference)

ARTICLE 1	DEFINITIONS.....	3
Section 1.1	Certain Funds and Accounts .....	3
Section 1.2	Definitions.....	3
ARTICLE 2	REPRESENTATIONS AND COVENANTS; RELATIONSHIP OF CITY, TRUST AND TRUSTEE .....	12
Section 2.1	Representations and Covenants of the City .....	12
Section 2.2	Representations and Covenants of the Trust.....	13
Section 2.3	Nature of 2018A Lease .....	14
Section 2.4	City Acknowledgment of Certain Matters .....	15
Section 2.5	Relationship of City, Trust and Trustee .....	15
ARTICLE 3	LEASE OF THE LEASED PROPERTY; NO MERGER; NO REIMBURSEMENT.....	15
ARTICLE 4	LEASE TERM .....	16
Section 4.1	Duration of Lease Term .....	16
Section 4.2	Termination of Lease Term .....	17
ARTICLE 5	ENJOYMENT OF THE LEASED PROPERTY .....	17
Section 5.1	Trust’s Covenant of Quiet Enjoyment .....	17
Section 5.2	City’s Need for the Leased Property.....	18
ARTICLE 6	PAYMENTS BY THE CITY .....	18
Section 6.1	Payments to Constitute Currently Budgeted Expenditures of the City.....	18
Section 6.2	Base Rentals, Purchase Option Price and Additional Rentals .....	19
Section 6.3	Manner of Payment.....	20
Section 6.4	Nonappropriation; Supplemental Appropriation .....	20
Section 6.5	Holdover Tenant .....	22
ARTICLE 7	CONSTRUCTION OF THE COLORADO CONVENTION CENTER EXPANSION PROJECT; DISBURSEMENT; TITLE INSURANCE .....	22
Section 7.1	Leasing of Facilities Leased Property; Construction of Colorado Convention Center Expansion Project.....	22
Section 7.2	Disbursements for Costs of the Project and Costs of Execution and Delivery of this 2018A Lease .....	23
Section 7.3	Completion of Construction.....	24
Section 7.4	Title Insurance .....	25
Section 7.5	Project Contracts.....	25

Section 7.6	Project Documents .....	26
Section 7.7	Defaults Under Project Contracts .....	26
Section 7.8	Performance and Payment Bonds .....	26
Section 7.9	Builders' Risk Insurance.....	27
Section 7.10	Professional Liability Insurance (Errors and Omissions) .....	27
Section 7.11	Contractor's Liability Insurance .....	27
Section 7.12	Proceeds of Certain Insurance Policies and Performance Bonds .....	29
<b>ARTICLE 8</b>	<b>TITLE TO THE LEASED PROPERTY; LIMITATIONS ON ENCUMBRANCES.....</b>	<b>29</b>
Section 8.1	Title to the Leased Property .....	29
Section 8.2	No Encumbrance, Mortgage or Pledge of the Leased Property.....	30
<b>ARTICLE 9</b>	<b>MAINTENANCE; TAXES; INSURANCE AND OTHER CHARGES.....</b>	<b>30</b>
Section 9.1	Maintenance of the Leased Property by the City .....	30
Section 9.2	Modification of the Leased Property; Installation of Furnishings and Machinery of the City .....	30
Section 9.3	Taxes, Other Governmental Charges and Utility Charges.....	31
Section 9.4	Provisions for Liability, Property and Worker's Compensation Insurance.....	31
Section 9.5	Advances.....	33
Section 9.6	Granting of Easements.....	33
<b>ARTICLE 10</b>	<b>DAMAGE, DESTRUCTION AND CONDEMNATION; USE OF NET PROCEEDS; USE OF LEASE REMEDY NET PROCEEDS.....</b>	<b>33</b>
Section 10.1	Damage, Destruction and Condemnation .....	33
Section 10.2	Obligation to Repair and Replace the Leased Property .....	34
Section 10.3	Insufficiency of Net Proceeds.....	34
Section 10.4	Cooperation of the Trustee and the Trust .....	35
Section 10.5	Use of Lease Remedy Net Proceeds .....	35
<b>ARTICLE 11</b>	<b>DISCLAIMER OF WARRANTIES; OTHER COVENANTS .....</b>	<b>35</b>
Section 11.1	Disclaimer of Warranties .....	35
Section 11.2	Further Assurances and Corrective Instruments .....	36
Section 11.3	Compliance with Requirements .....	36
Section 11.4	Tax Covenants .....	36
Section 11.5	Covenant to Defend .....	37
Section 11.6	Access to the Leased Property; Rights to Inspect Books.....	37
<b>ARTICLE 12</b>	<b>PURCHASE OPTION .....</b>	<b>37</b>
Section 12.1	Purchase Option .....	37
Section 12.2	Conditions for Purchase Option.....	38
Section 12.3	Manner of Release .....	38

ARTICLE 13	ASSIGNMENT AND SUBLEASING; REPLACEMENT OF THE TRUST .....	38
Section 13.1	Assignment by the Trust; Replacement of the Trust .....	38
Section 13.2	Assignment, Subleasing and Tax-Exempt Permitted Use Arrangements by the City .....	39
ARTICLE 14	EVENTS OF LEASE DEFAULT AND REMEDIES .....	40
Section 14.1	Events of Lease Default Defined .....	40
Section 14.2	Remedies on Default .....	40
Section 14.3	Limitations on Remedies .....	41
Section 14.4	No Remedy Exclusive .....	42
Section 14.5	Waivers .....	42
Section 14.6	Waiver of Appraisalment, Valuation, Stay, Extension and Redemption Laws .....	42
ARTICLE 15	MISCELLANEOUS .....	42
Section 15.1	Sovereign Powers of City .....	42
Section 15.2	Notices .....	43
Section 15.3	No Third Party Beneficiaries .....	43
Section 15.4	No Discrimination in Employment .....	44
Section 15.5	Binding Effect .....	44
Section 15.6	Amendments .....	44
Section 15.7	Absolute Net Lease .....	44
Section 15.8	Payments Due on Holidays .....	44
Section 15.9	Severability .....	44
Section 15.10	Execution in Counterparts .....	45
Section 15.11	Applicable Law .....	45
Section 15.12	No Indemnification by City .....	45
Section 15.13	Captions .....	45
Section 15.14	No Conflict of Interest of City Employees .....	45
Section 15.15	Electronic Signatures and Electronic Records .....	45
Attachments:		
EXHIBIT A:	DESCRIPTION OF LEASED PROPERTY .....	A-1
EXHIBIT B:	PERMITTED ENCUMBRANCES .....	B-1
EXHIBIT C:	FORM OF REQUISITION .....	C-1
EXHIBIT D:	CERTIFICATE OF PROJECT COMPLETION .....	D-1
EXHIBIT E:	BASE RENTALS SCHEDULE .....	E-1
EXHIBIT F:	FORM OF NOTICE OF LEASE RENEWAL .....	F-1

**LEASE PURCHASE AGREEMENT NO. 2018A  
(COLORADO CONVENTION CENTER EXPANSION PROJECT)**

This Lease Purchase Agreement No. 2018A (Colorado Convention Center Expansion Project) dated August [\_\_\_], 2018, is between Denver Public Facilities Leasing Trust 2018A, a Colorado trust, as lessor (the “Trust”), and the City and County of Denver, Colorado (the “City”), a municipal corporation and political subdivision duly organized and existing as a home rule city under the provisions of Article XX of the Constitution and the laws of the State of Colorado and the home rule Charter of the City, as lessee.

**PREFACE**

All capitalized terms used herein will have the meanings ascribed to them in Article 1 of this 2018A Lease.

**RECITALS**

1. Pursuant to the City’s Charter and home rule powers, the City (a) may, by ordinance, authorize the transfer of fee ownership and the grant of licenses in real property owned by the City and (b) is authorized to enter into leasehold agreements, subject to annual appropriations, in order to provide necessary land, buildings, equipment and other property for governmental or proprietary purposes which agreements may include an option to purchase and acquire title to such leased or rented property.

2. The City owns the Colorado Convention Center and the related land on which the Colorado Convention Center is located, including all of the buildings and related parking, paving, drainage and landscaping improvements located on such land. The City intends to provide the Colorado Convention Center Expansion Project using various sources of financing, including lease purchase financing. In respect of this lease purchase financing transaction, the City’s ownership interest in portions of the rooftop of the existing Colorado Convention Center, the existing space and improvements currently located thereon and certain of the expanded and newly created third or rooftop expansion level and other improved spaces constituting portions of the Colorado Convention Center Expansion Project shall constitute the “Facilities” leased by the City to the Trust pursuant to the terms of the 2018A Facilities Lease.

The City Council of the City has determined that it is convenient and in furtherance of the governmental and proprietary purposes of the City and in the best interests of the City and its inhabitants that the City (1) pursuant to the 2018A Facilities Lease, lease to the Trust the Facilities described on Exhibit A attached thereto, as the same may be amended pursuant to the terms hereof, constituting the “Facilities Leased Property” thereunder and license to the Trust associated access, ingress, and egress, to the Facilities, such license granted in order to provide full use of the expanded and newly created Facilities, (2) enter into this 2018A Lease to provide for the leasing of the leasehold interest of the Trust in the Facilities Leased Property, including the improvements to be provided under this 2018A Lease (the “Leased Property,” as the same may be amended pursuant to the terms of this 2018A Lease), under this 2018A Lease, from the Trust, as lessor, for use by the City, as lessee, for its governmental and proprietary purposes, and

the Trust grant to the City a license across, over and on the Facilities Leased Property as further described and defined herein.

3. Pursuant to the 2018A Facilities Lease, the Facilities Leased Property is to be leased by the City, as lessor, to the Trust, as lessee, and pursuant to this 2018A Lease, the Leased Property is to be leased by the Trust, as lessor, to the City, as lessee, subject only to Permitted Encumbrances.

4. The payment by the City of Base Rentals and Additional Rentals hereunder in any future Fiscal Year is subject to the renewal of this 2018A Lease for such future Fiscal Year.

5. The Base Rentals and Additional Rentals payable by the City under this 2018A Lease, for which specific Appropriations and Supplemental Appropriations by the City may be effected, shall constitute current expenditures of the City.

6. Neither this 2018A Lease nor the payment by the City of Base Rentals or Additional Rentals hereunder shall constitute or give rise to a general obligation or other indebtedness of the City or a multiple fiscal year direct or indirect debt or other financial obligation whatsoever of the City, within the meaning of any constitutional, Charter or statutory provision or limitation nor a mandatory charge or requirement against the City in any ensuing Fiscal Year beyond the then current Fiscal Year.

7. The Trust and the City intend that this 2018A Lease and related documents, including the 2018A Facilities Lease, set forth their entire understanding and agreement regarding the terms and conditions upon which the Trust is leasing the Leased Property to the City and, in turn, the City is leasing the Leased Property from the Trust.

8. Pursuant to the 2018A Indenture, the Trustee is to act for the benefit of the owners of certain certificates of participation executed and delivered pursuant to the 2018A Indenture and is to act on behalf of the Trust.

NOW, THEREFORE, for and in consideration of the mutual promises and covenants herein contained, the Trust and the City agree as follows:

\* \* \*

## **ARTICLE 1 DEFINITIONS**

**Section 1.1 Certain Funds and Accounts.** All references herein to any funds and accounts shall mean the funds and accounts so designated that are established under the 2018A Indenture.

**Section 1.2 Definitions.** All capitalized terms used herein shall have the following meanings under this 2018A Lease:

“2018A Certificates” means the certificates of participation executed and delivered by the Trustee pursuant to the terms of the 2018A Indenture.

“2018A Facilities Lease” means the Facilities Lease Agreement No. 2018A (Colorado Convention Center Expansion Project) dated the date hereof between the City, as lessor, and the Trust, as lessee, as the same may hereafter be amended and supplemented.

“2018A Indenture” means the Declaration and Indenture of Trust (Colorado Convention Center Expansion Project) dated the date hereof entered into by the Trustee, as the same may hereafter be amended and supplemented.

“2018A Lease” means this Lease Purchase Agreement, as the same may hereafter be amended and supplemented.

“Additional Rentals” means, the payment or cost of all:

(a) (i) reasonable expenses and fees of the Trustee and/or the Trust related to the preparation of any reports or records of the Trust, including tax returns for the Trust, and maintenance of the existence of the Trust, (ii) reasonable expenses and fees of the Trust and the Trustee related to the performance or discharge of responsibilities under the provisions of the 2018A Facilities Lease, this 2018A Lease or the 2018A Indenture, including the reasonable fees and expenses of any person or firm employed by the Trustee to make rebate calculations under the provisions of the 2018A Indenture, (iii) insurance deductible amounts in respect of insurance required to be maintained under this 2018A Lease if such amounts are paid by the Trust, and (iv) expenses and fees of the Trust or the Trustee incurred at the request of the City;

(b) taxes, assessments, insurance premiums, utility charges, maintenance, upkeep, repair and replacement with respect to the Leased Property or as otherwise required under this 2018A Lease; and

(c) all other charges and costs (together with all interest and penalties that may accrue thereon in the event that the City shall fail to pay the same, as specifically set forth in this 2018A Lease) which the City agrees to assume or pay as Additional Rentals under this 2018A Lease.

Payment by the City of any Additional Rentals, in addition to Appropriations or Supplemental Appropriations, requires the prior written approval of the Chief Financial Officer. Additional Rentals shall not include Base Rentals.

“Appropriations” means the collective procedure by which the City Council specifically appropriates funds for a purpose and the City effects an Encumbrance for such purpose. The term “Appropriation” includes an initial Appropriation and any Supplemental Appropriation.

“Approval of Revenue Obligations Counsel” means, in respect of any Revenue Obligations Outstanding at the time the opinion is to be delivered, an opinion of Revenue Obligations Counsel to the effect that the matter proposed will not adversely affect the excludability from gross income for federal income tax purposes of the interest paid by the City under or pursuant to the Revenue Obligations.

“Approval of Special Counsel” means an opinion of Special Counsel to the effect that the matter proposed will not adversely affect the excludability from gross income for federal income tax purposes of the Interest Portion of the Base Rentals paid by the City under the 2018A Lease.

“Base Rentals” means the rental payments payable by the City during the Lease Term, which constitute payments payable by the City for and in consideration of the right to possess and use of the Leased Property as set forth on Exhibit E (Base Rentals Schedule) hereto. The term “Base Rentals” does not include Additional Rentals.

“Base Rentals Payment Dates” means the Base Rentals Payment Dates set forth in Exhibit E (Base Rentals Schedule) hereto.

“Business Day” means any day, other than a Saturday or Sunday or a day (a) on which banks located in the city in which the office of the Trustee is located are required or authorized by law or executive order to close or (b) on which the Federal Reserve System is closed.

“Certificate of Substantial Completion of Project” means the Certificate of Substantial Completion of Project in substantially the form attached hereto as Exhibit D to be delivered by the Executive Director of Public Works to the Trustee pursuant to Section 7.3 hereof.

“Charter” means the home rule charter of the City.

“Chief Financial Officer” means the Chief Financial Officer of the City, as the Manager of Finance/*ex officio* Treasurer, of the City duly appointed pursuant to the Charter or the designee of the Chief Financial Officer.

“City” means the City and County of Denver, Colorado, only in its capacity as lessor under the 2018A Facilities Lease, as lessee under this 2018A Lease, and as licensor and licensee as described therein and not in respect of its police powers or any other capacity, power or function of the City.

“City Council” means the City Council of the City.



“Code” means the Internal Revenue Code of 1986, as amended and rulings and regulations promulgated thereunder.

“Colorado Convention Center” means, the Colorado Convention Center currently owned and operated by the City, including the related land on which the Colorado Convention Center is located and all of the buildings and related parking, paving, drainage and landscaping improvements located on such land, as the Colorado Convention Center exists on the date of this 2018A Lease and as the Colorado Convention Center exists and is configured during and after the Completion Date of the Colorado Convention Center Expansion Project.

“Colorado Convention Center Expansion Project” or the “Project” means the design, acquisition, construction and equipping of the new Facilities, including the preparation of the rooftop and parking garage of the existing Colorado Convention Center for the construction of a third level of the existing Colorado Convention Center and the existing space and improvements currently located thereon and the expanded and newly created third or rooftop expansion level and other areas and spaces in or adjacent to the existing Colorado Convention Center, such as, but not limited to, the lobby and elevators.

“Completion Date” means the date on which the Executive Director of Public Works delivers to the Trustee the Certificate of Substantial Completion of Project pursuant to which the City is certifying that the Project is substantially complete, meaning that the City has received a Temporary Certificate of Occupancy for the Project.

“Costs of Execution and Delivery” means all items of expense directly or indirectly payable by the Trust or the Trustee, related to the authorization, execution and delivery of this 2018A Lease as further defined in the 2018A Indenture.

“Costs of the Project” or “Project Costs” mean all costs and expenses incurred in connection with the financing of the Project to be provided pursuant to the terms of the 2018A Indenture, this 2018A Lease and the 2018A Facilities Lease, including without limitation:

(a) obligations incurred or assumed for labor, materials and equipment, including equipment constituting fixtures;

(b) the cost of performance and payment bonds and of insurance of all kinds (including, without limitation, title insurance) that may be necessary or appropriate;

(c) the costs of engineering, architectural and other professional and technical services, including obligations incurred or assumed for preliminary design and development work, test borings, soils tests, surveys, environmental review, estimates and plans and specifications;

(d) administrative costs incurred in connection with the leasing of the Facilities Leased Property and the construction and installation of the Facilities provided under the Colorado Convention Center Expansion Project, including supervision of construction and installation as well as the performance of all of the other duties required by or as a consequence of the Project; including, without limitation, costs of preparing and securing all Project Documents, architectural, engineering and other professional and technical fees, building permit

fees, water tap fees, sanitary sewer and wastewater fees, legal fees and expenses, appraisal fees, independent inspection fees, auditing fees, and advertising expenses;

(e) Costs of Execution and Delivery;

(f) all costs which are required to be paid under the terms of any Project Contract;

(g) any costs associated with the leasing of the Facilities Leased Property pursuant to the 2018A Facilities Lease;

(h) costs relating to the preparation of the Facilities Leased Property and the facilities necessary for access to the Leased Property and for the construction of the Project, including, but not limited to the costs of demolition and cleanup of any existing improvements on the Facilities Leased Property and costs associated with the provision of sewer, water, gas, electricity and other infrastructure improvements and services to the Leased Property;

(i) all other costs that are considered to be a part of the costs of the Project in accordance with generally accepted accounting principles;

(j) payments to a reserve fund to the extent necessary to establish or maintain a reserve requirement, if any; and

(k) any and all other costs necessary to effect the Trust's leasing of the Facilities Leased Property and the acquisition, construction, installation and equipping of the Project to the extent the same are permitted by the laws of the State of Colorado and will not adversely affect the excludability from gross income for federal income tax purposes of the Interest Portion of Base Rentals due under this 2018A Lease.

“Counsel” means an attorney at law or law firm (who may be counsel for the Trust) who is engaged by the Trustee.

“CRS” means Colorado Revised Statutes.

“DRMC” means Denver Revised Municipal Code, as the same is amended or recodified from time to time.

“Encumbrance” means (a) the act of submitting a written request of the City to the Purchasing Director of the City and (b) the certification in writing by the Controller for the applicable Fiscal Year that (i) there is an unencumbered balance in the appropriate fund chargeable therefor sufficient to provide for the Base Rentals and the Additional Rentals, as the case may be, for the period specified in this 2018A Lease and (ii) such amounts have been set aside for such purposes.

“Event(s) of Lease Default” means any event as defined in Section 14.1 of this 2018A Lease.

“Event of Nonappropriation” means the termination and nonrenewal of this 2018A Lease by the City, determined by the City's exercise of its right, for any reason, to not enact by the last

day of each Fiscal Year an appropriation ordinance for the ensuing Fiscal Year which includes (a) amounts authorized and directed to be used to pay all Base Rentals and (b) sufficient amounts to pay such Additional Rentals as are estimated to become due. An Event of Nonappropriation may also occur under certain circumstances described in Section 10.3(c) of this 2018A Lease. The term also means a notice under this 2018A Lease of the City's intention to not renew and therefore terminate this 2018A Lease or an event described in this 2018A Lease relating to the exercise by the City of its right to not appropriate amounts due as Additional Rentals in excess of the amounts for which an appropriation has been previously effected.

“Executive Director of Public Works” means the Executive Director of Public Works, as the Manager of Public Works of the City duly appointed pursuant to the Charter, or the designee of the Executive Director of Public Works.

“Facilities” means, portions of the rooftop of the existing Colorado Convention Center and the existing space and improvements located thereon as of the date of delivery of this 2018A Lease and certain of the expanded and newly created third or rooftop expansion level and other improved spaces constituting portions of the Colorado Convention Center Expansion Project as such Facilities are acquired, constructed and installed to provide the expanded and newly created third or rooftop expansion level and other improved spaces constituting portions of the Colorado Convention Center Expansion Project, all as set forth in Exhibit A of the 2018A Facilities Lease and as such Exhibit A shall be amended and as set forth in Exhibit A of this 2018A Lease and as such Exhibit A shall be amended.

“Facilities Leased Property” means, together, the Facilities leased by the City to the Trust under the 2018A Facilities Lease as set forth in Exhibit A of the 2018A Facilities Lease and as such Exhibit A shall be amended.

“Fiscal Year” means the City's fiscal year, which begins on January 1 and ends December 31 of the same year.

“*Force Majeure*” means, without limitation, the following: acts of God; strikes, lockouts or other industrial disturbances; acts of public enemies; orders or restraints of any kind of the government of the United States of America or of the State or any of their departments, agencies or officials or any civil or military authority; insurrection; riots; landslides; earthquakes; fires; storms; droughts; floods; explosions; breakage or accidents to machinery, transmission pipes or canals; or any other cause or event not within the control of the Trust or the City in its capacity as lessee hereunder.

“Governmental Person(s)” means a state or local government as defined in Section 1.103-1 of the Regulations or any instrumentality of such entity. Governmental Persons do not include the United States or any agency or instrumentality of the United States.

“Hazardous Substance” means and includes: (a) the terms “hazardous substance,” “release and “removal” which, as used herein, shall have the same meaning and definition as set forth in paragraphs (14), (22) and (23), respectively, of Title 42 U.S.C. §9601 and in Colorado law, provided, however, that the term “hazardous substance” as used herein shall also include “hazardous waste” as defined in paragraph (5) of 42 U.S.C. §6903 and “petroleum” as defined in

paragraph (8) of 42 U.S.C. §6991; (b) the term “superfund” as used herein means the Comprehensive Environmental Response, Compensation and Liability Act, as amended, being Title 42 U.S.C. §9601 et seq., as amended, and any similar State statute or local ordinance applicable to the Leased Property, including, without limitation, Colorado rules and regulations promulgated, administered and enforced by any governmental agency or authority pursuant thereto; and (c) the term “underground storage tank” as used herein shall have the same meaning and definition as set forth in paragraph (1) of 42 U.S.C. §6991.

“Initial Term,” in respect of this 2018A Lease, means the period which commences on the date of delivery of this 2018A Lease and terminates on December 31 of the same Fiscal Year.

“Interest Portion” means the Interest Portion of each Base Rentals payment that represents the payment of interest in respect of the Leased Property as set forth in Exhibit E (Base Rentals Schedule) hereto, including Interest Portion as stated for each Base Rentals Payment Date and Interest Portion if referencing all Interest Portions for the Base Rentals remaining to be paid in the aggregate through the Lease Term.

“Lease Balance” means the sum of the Total Aggregate Principal Portion of the Base Rentals under this 2018A Lease set forth on Exhibit E (Base Rentals Schedule) hereto, less the aggregate amount of Principal Portions of Base Rentals paid or prepaid by the City pursuant to this 2018A Lease.

“Lease Remedy Net Proceeds” means proceeds derived from the exercise of any Lease Remedy or otherwise following termination of this 2018A Lease by reason of an Event of Nonappropriation or an Event of Lease Default, less (a) all expenses (including, without limitation, attorney’s fees and costs) incurred in the collection of such proceeds or award; and (b) all other fees, expenses and payments due to the City, the Trust or the Trustee.

“Lease Remedy” or “Lease Remedies” means any or all remedial steps provided in this 2018A Lease whenever an Event of Lease Default or an Event of Nonappropriation has happened and is continuing, which may be exercised by the Trustee, as provided in the 2018A Indenture.

“Lease Term” means the Initial Term and any Renewal Terms as to which the City may exercise its option to renew this 2018A Lease by effecting Appropriations of funds for the payment of Base Rentals and Additional Rentals hereunder, as provided in and subject to the provisions of this 2018A Lease. “Lease Term” refers to the time during which the City is the lessee of the Leased Property under this 2018A Lease.

“Leased Property” means the Facilities Leased Property, including the Facilities resulting after substantial completion of the Colorado Convention Center Expansion Project, all as described on Exhibit A hereto and as such Exhibit A shall be amended after the Completion Date of the Colorado Convention Center Expansion Project to accurately describe the Leased Property after the completion of the Colorado Convention Center Expansion Project, and also as defined as the “Facilities Leased Property” in the 2018A Facilities Lease.

“Net Proceeds” means the proceeds of any performance or payment bond, or proceeds of insurance, including self-insurance, required by this 2018A Lease or proceeds from any condemnation award, or any proceeds resulting from default or breaches of warranty under any construction or other contract relating to improvements to the Leased Property, less (a) all expenses (including, without limitation, attorney’s fees and costs) incurred in the collection of such proceeds or award; and (b) all other fees, expenses and payments due to the City, the Trust or the Trustee.

“Nongovernmental Person(s)” means a person (natural or artificial) other than a Governmental Person.

“Permitted Encumbrances,” with respect to the Leased Property, means, as of any particular time: (a) liens for taxes and assessments not then delinquent or liens which may remain unpaid pending contest pursuant to the provisions of this 2018A Lease; (b) this 2018A Lease, the 2018A Facilities Lease, the 2018A Indenture, any related fixture filing and any liens arising or granted pursuant to this 2018A Lease or the 2018A Indenture; (c) utility, access and other easements and rights of way, restrictions and other matters affecting title which the Executive Director of Public Works represents will not impair the effective use or interfere with the operation of the Leased Property, including rights or privileges in the nature of easements, licenses, permits and party wall and other agreements and rights-of-way as provided in this 2018A Lease; and (d) other existing easements, covenants, restrictions, liens and encumbrances listed on the title insurance policies delivered in respect of the Leased Property, as shown on Exhibit B hereto and any other encumbrances agreed to by the City and the Trust.

“Prepayment” means any amount paid by the City pursuant to the provisions of this 2018A Lease as a prepayment of the Base Rentals due hereunder in respect of the Leased Property.

“Principal Portion” means the portion of each Base Rentals payment that represents the payment of principal in respect of the Leased Property set forth in Exhibit E (Base Rentals Schedule) hereto, including Principal Portion as stated for each Base Rentals Payment Date and Principal Portion if referencing all Principal Portions remaining to be paid in the aggregate through the Lease Term.

“Project” means the Colorado Convention Center Expansion Project.

“Project Contract” means any contract entered into before the Completion Date by the Trust or the City, acting on behalf of the Trust, regarding the design, acquisition, construction, improvement or installation of any part of the Project to be entered into by the City and the general contractor for the construction of the Project and other contracts with other construction contractors, vendors, architects, engineers, other professionals or consultants performing work or providing services in connection with the acquisition, construction, installation and equipping of the Project.

“Project Documents” means the following: (a) plans, drawings and specifications for the Project, when and as they are approved by the City, including change orders, if any; (b) any necessary permits for the Project, including any building permits and certificates of occupancy;

(c) the Project Contracts; (d) policies of title insurance, insurance policies required under the Project Contracts, including general liability, property damage and automobile, workers' compensation and builders' risk insurance policies in respect of the general contractor for construction of the Project and, on and after the Completion Date of the Project, insurance policies required under Article 9 of this Lease, including commercial general liability and public liability, property and workers' compensation insurance policies, or certificates of insurance for any of such policies thereof, as required by this Lease; (e) contractor's performance and payment bonds with respect to the Project; and (f) any and all other documents executed by or furnished to the City or the Trust in connection with the Project.

"Purchase Option Price" means the amount payable on any date, at the option of the City, to prepay Base Rentals, terminate the Lease Term in respect of the Leased Property (in which case such Purchase Option Price is to be in an amount sufficient to defease all of the Certificates), all as provided herein.

"Regulations" means the temporary, proposed or final Income Tax Regulations promulgated by the Department of the Treasury and applicable to the 2018A Lease and the Series 2018A Certificates.

"Renewal Term" means any portion of the Lease Term commencing on January 1 of any year and terminating on or before December 31 of the same year as provided in Article 4 of this 2018A Lease.

"Revenue Obligations" means any bonds, notes or other obligations heretofore or hereafter issued or executed and delivered by or on behalf the City the principal of and interest on which are payable solely from any revenues of the City the proceeds of which have been or are to be used by or on behalf of the City to acquire, construct, expand or improve the Colorado Convention Center, including proceeds used for any portion of the Colorado Convention Center Expansion Project.

"Revenue Obligations Counsel" means any counsel experienced in matters of municipal law, satisfactory to the Trustee and the City, and listed in the list of municipal bond attorneys, as published semiannually by *The Bond Buyer*, or any successor publication.

"Revenues" means (a) all amounts payable by or on behalf of the City or with respect to the Leased Property pursuant to this 2018A Lease including, but not limited to, all Base Rentals, Prepayments, Purchase Option Prices and Net Proceeds, but not including Additional Rentals; (b) any portion of proceeds of the 2018A Certificates deposited in the Base Rentals Fund; and (c) any moneys and securities, including investment income, held by the Trustee in the Funds and Accounts established under the 2018A Indenture (except for moneys and securities, including investment income, held in the Rebate Fund).

"Special Counsel" means any counsel experienced in matters of municipal law, satisfactory to the Trustee, and listed in the list of municipal bond attorneys, as published semiannually by *The Bond Buyer*, or any successor publication.

"State" means the State of Colorado.

“Supplemental Appropriations” means any appropriation after an initial appropriation in respect of Base Rentals or Additional Rentals due under this 2018A Lease.

“Tax Certificate” means the Tax Certificate dated the date hereof and delivered by the Chief Financial Officer on behalf of the City with respect to this 2018A Lease.

“Tax-Exempt Permitted Use Arrangement” means any arrangement between the City and a third party for the use of any portion of the Leased Property which meets any of the following criteria:

(a) use by a Nongovernmental Person under a “qualified management contract” as that term is defined for purposes of Section 141 of the Code and the Regulations, rulings and other guidance issued thereunder;

(b) use by a third party as a member of the general public (**natural persons not engaged in a trade or business**) where the term of the arrangement, including all renewal options, is not longer than two hundred (200) actual days of use; provided, however, a “right of first refusal” to renew is **not** treated as a renewal option **if**

(i) the compensation for the use is redetermined at generally applicable, fair market value rates that are in effect at the time of renewal and

(ii) the use under the same or similar arrangements is predominantly by natural persons who are not engaged in a trade or business;

(c) use by a Nongovernmental Person where the term of the arrangement (including all renewal options) does not exceed a maximum of one hundred (100) actual days of **use**, if such use is based on **uniformly applied rates**; provided, however, the use permitted under this subsection (c) is not of the type available to a natural person not engaged in a trade or business;

(d) use by a Nongovernmental Person pursuant to a negotiated arms-length (**nonuniform**) arrangement where the term of the arrangement (including all renewal options) does not exceed a maximum of fifty (50) actual days of **use**; or

(e) any other arrangement subject to Approval of Special Counsel.

“Trust” means the “Denver Public Facilities Leasing Trust 2018A” created and denominated under the 2018A Indenture.

“Trustee” means ZB, National Association dba Zions Bank, in its capacity as Trustee of the Trust under the 2018A Indenture, and its successors and assigns.

\* \* \*

**ARTICLE 2**  
**REPRESENTATIONS AND COVENANTS;**  
**RELATIONSHIP OF CITY, TRUST AND TRUSTEE**

**Section 2.1 Representations and Covenants of the City.** The City represents and covenants to the Trust and the Trustee, to the extent allowed by law and subject to renewal of this 2018A Lease and Appropriation as set forth in Article 6 hereof, as follows:

(a) The City is a municipal corporation and political subdivision duly organized and existing as a home rule city under the provisions of Article XX of the Constitution and laws of the State and the Charter. The City is authorized to enter into this 2018A Lease and the 2018A Facilities Lease and to carry out its obligations under this 2018A Lease and the 2018A Facilities Lease. The City has duly authorized and approved the execution and delivery of this 2018A Lease and the 2018A Facilities Lease and all other documents related to the execution and delivery of this 2018A Lease and the 2018A Facilities Lease.

(b) The leasing and licensing of the Facilities Leased Property by the City to the Trust pursuant to the 2018A Facilities Lease and the leasing of the Leased Property by the Trust to the City pursuant to the 2018A Lease are necessary, convenient and in furtherance of, and the Leased Property will at all times be used in connection with, the City's governmental and proprietary purposes and functions (except to the extent that subleasing of the Leased Property by the City is permitted by Section 13.2 of this 2018A Lease) and is in the best interests of the citizens of the City and no portion of the Leased Property will be used directly or indirectly in any trade or business carried on by any person other than a governmental unit of the State (except as may be permitted pursuant to Section 13.2 of this 2018A Lease).

(c) To the best knowledge of the City, none of the execution and delivery of the 2018A Facilities Lease or this 2018A Lease, nor the fulfillment of or compliance with the terms and conditions of 2018A Facilities Lease or this 2018A Lease, nor the consummation of the transactions contemplated thereby or hereby, conflicts with or results in a breach of the terms, conditions or provisions of any restriction or any agreement or instrument to which the City is now a party or by which the City or its property is bound, or violates any Charter provision, statute, regulation, rule, order of any court having jurisdiction, judgment or administrative order applicable to the City, or constitutes a default under any of the foregoing, or results in the creation or imposition of any lien or encumbrance whatsoever upon any of the property or assets of the City, except for Permitted Encumbrances.

(d) The City agrees that, except for nonrenewal and nonappropriation as set forth in Article 6 hereof, if the City fails to perform any act that the City is required to perform under this 2018A Lease, the Trust or the Trustee may, but shall not be obligated to, perform or cause to be performed such act, and any reasonable expense incurred by the Trust or the Trustee in connection therewith shall be an obligation owing by the City, subject to Appropriation, to the Trust or the Trustee, as the case may be, and shall bear interest at an annual rate of 12% until paid and shall be a part of Additional Rentals, and the Trust or the Trustee shall be subrogated to all of the rights of the party receiving such payment.



(e) There is no litigation or proceeding pending against the City affecting the right of the City to execute this 2018A Lease or the 2018A Facilities Lease, or the legal ability of the City to pay the amounts that may be appropriated hereunder or to otherwise comply with the obligations contained herein and therein, except such litigation or proceeding as has been disclosed in writing to the Trustee on or prior to the date this 2018A Lease is executed and delivered.

(f) Except for customary materials necessary for operation, cleaning and maintenance of the Leased Property, the City shall not cause or permit any other Hazardous Substance to be brought upon, generated at, stored or kept or used in or about the Leased Property without prior written notice to the Trustee and all Hazardous Substances, including, customary materials necessary for operation, cleaning and maintenance of the Leased Property, will be used, kept and stored in a manner that complies with all laws regulating any such Hazardous Substance so brought upon or used or kept in or about the Leased Property. If the presence of any Hazardous Substance on the Leased Property caused or permitted by the City results in contamination of the Leased Property, or if contamination of the Leased Property by Hazardous Substance otherwise occurs for which the City is legally liable for damage resulting therefrom, then the City shall defend, subject to Appropriation, the Trust and the Trustee from claims for damages, penalties, fines, costs, liabilities or losses. This duty to defend is not an indemnification, it is expressly understood that the City is not indemnifying the Trust or the Trustee and expenses of such defense shall constitute Additional Rentals. Without limiting the foregoing, if the presence of any Hazardous Substance on the Leased Property caused or permitted by the City results in any contamination of the Leased Property, the City shall provide prior written notice to the Trustee and promptly take all actions at its sole expense (which expenses shall constitute Additional Rentals) as are necessary to effect remediation of the contamination in accordance with legal requirements.

(g) The City hereby agrees to defend, subject to Appropriation, the Trust and the Trustee against any and all claims for losses, liabilities, damages, injuries, costs, expenses and claims of any and every kind whatsoever paid, incurred or suffered by or asserted against the Trust or the Trustee for, with respect to or as a direct or indirect result of the failure of the Leased Property to comply with any changes, after the date of occupancy by the City, in applicable laws concerning access to or use of the Leased Property by handicapped or disabled persons, specifically including, but not by way of limitation, any failure to comply with the requirements of the Americans With Disabilities Act (P.L. 101-336) during the time the City occupies the Leased Property. This duty to defend is not an indemnification and it is expressly understood that the City is not indemnifying the Trust or the Trustee.

(h) The City covenants and agrees to comply with any applicable covenants and requirements of the City set forth in the Tax Certificate.

**Section 2.2 Representations and Covenants of the Trust.** The Trustee, on behalf of the Trust, represents and covenants as follows:

(a) The Trust has been created as a Colorado trust pursuant to the 2018A Indenture and in accordance with the laws of the State, formed exclusively to lease the Facilities Leased Property from the City pursuant to the 2018A Facilities Lease, to acquire a leasehold and related

license interest in the Leased Property and to lease the Leased Property to the City, to license access in respect of the Leased Property and for no other purpose.

(b) So long as no Event of Lease Default or Event of Nonappropriation has occurred and is then existing, and except as specifically provided in the 2018A Facilities Lease or this 2018A Lease, the Trust shall not pledge or assign its right, title and interest in and to (i) the 2018A Facilities Lease or this 2018A Lease, (ii) the Base Rentals, other Revenues and collateral, security interests and attendant rights and obligations which may be derived under the 2018A Facilities Lease or this 2018A Lease and (iii) the Facilities Leased Property and any reversion therein or any of its other rights under the 2018A Facilities Lease or this 2018A Lease or assign, pledge, mortgage, encumber or grant a security interest in its right, title and interest in, to and under the 2018A Facilities Lease or this 2018A Lease or the Leased Property, except for Permitted Encumbrances.

(c) There is no litigation or proceeding pending against the Trust affecting the right of the Trust to acquire a leasehold interest in the Facilities Leased Property pursuant to the 2018A Facilities Lease and enter into the 2018A Facilities Lease and this 2018A Lease or the right of the Trustee to execute the 2018A Indenture, and perform the Trust's obligations under the 2018A Facilities Lease or hereunder or the Trustee's obligations under the 2018A Indenture, except such litigation or proceeding as has been disclosed in writing to the City on or prior to the date this 2018A Lease is executed and delivered.

(d) Pursuant to the 2018A Indenture, the Trustee is authorized to act for and on behalf of the Trust, including the execution and delivery of the 2018A Facilities Lease and this 2018A Lease as Trustee for the Trust.

(e) The Trust expressly agrees that, if there is an occurrence of an Event of Lease Default or Event of Nonappropriation, the Trust will honor and fulfill any obligation of the City under any outstanding Tax-Exempt Permitted Use Arrangement so long as the third party thereunder is not then or at the time of the performance in default under such Tax-Exempt Permitted Use Arrangement. The Trust further expressly agrees that, if there is an occurrence of an Event of Lease Default or Event of Nonappropriation, the Trust agrees the City and third parties shall retain a nonexclusive license right in the City and its agents, contractors, customers, vendors, suppliers, visitors, tenants, subtenants, invitees, and licensees of each of them pedestrian access, ingress and egress on and through the pre-function space to allow free access to the City retained property, anticipated upon completion of construction to be 50% of the ballroom and 50% of the back of house portions of the Project.

**Section 2.3 Nature of 2018A Lease.** The annually renewable obligations of the City under this 2018A Lease are payable solely from Base Rentals and Additional Rentals which may be derived under this 2018A Lease and other Revenues and shall not constitute or give rise to a general obligation or other indebtedness of the City or a multiple fiscal year direct or indirect debt or other financial obligation whatsoever of the City, within the meaning of any constitutional, Charter or statutory provision or limitation nor a mandatory charge or requirement against the City in any ensuing Fiscal Year beyond the then current Fiscal Year. This 2018A Lease may not be renewed in the event that funds are not specifically budgeted and available from an Appropriation which has been effected by the City to continue paying all Base Rentals

and Additional Rentals during the next occurring Fiscal Year, and that the act of effecting an Appropriation budgeting funds is a governmental act and, as such, is solely within the discretion of the City.

**Section 2.4 City Acknowledgment of Certain Matters.** The City acknowledges the 2018A Indenture and the Trustee's authority to act on behalf of the Trust with respect to all rights, title, and interests of the Trust, in, to and under the 2018A Facilities Lease and this 2018A Lease and the Leased Property and agrees to the appointment of the Trustee, pursuant to the 2018A Indenture, to exercise all rights and responsibilities of the Trust under the 2018A Facilities Lease and this 2018A Lease. The City also acknowledges the execution and delivery of the certificates of participation with respect to this 2018A Lease.

**Section 2.5 Relationship of City, Trust and Trustee.** The relationship of the City, the Trust and the Trustee under this 2018A Lease is, and shall at all times remain, solely that of lessee, lessor, and Trustee on behalf of the Trust, respectively; and the City neither undertakes nor assumes any responsibility or duty to the Trust or the Trustee or to any third party with respect to the Trust's or the Trustee's obligations relating to the Leased Property; and neither the Trust nor the Trustee, on behalf of the Trust, undertakes or assumes any responsibility or duty to the City or to any third party with respect to the City's obligations relating to the Leased Property. Notwithstanding any other provisions of this 2018A Lease: (a) the City and the Trustee, on behalf of the Trust, are not, and do not intend to be construed to be, partners, joint venturers, members, alter egos, managers, controlling persons or other business associates or participants of any kind of either of the other, and the City and the Trustee, on behalf of the Trust, do not intend to ever assume such status; and (b) the City and the Trustee, on behalf of the Trust shall not be deemed responsible for, or a participant in, any acts, omissions or decisions of either of the other.

### **ARTICLE 3**

#### **LEASE OF THE LEASED PROPERTY; NO MERGER; NO REIMBURSEMENT**

The Trust demises and leases the Leased Property to the City and the City leases the Leased Property from the Trust, in accordance with the provisions of this 2018A Lease, subject only to Permitted Encumbrances and the City's right to not appropriate, to have and to hold for the Lease Term.

The City and the Trust acknowledge that the City owns the Facilities Leased Property and the City has leased the Facilities Leased Property to the Trust pursuant to the 2018A Facilities Lease. The City and the Trust intend that there be no merger of the City's interests as sublessee under this 2018A Lease and the City's ownership interest in the Facilities Leased Property so as to cause the cancellation of the 2018A Facilities Lease or this 2018A Lease, or an impairment of the leasehold and subleasehold interests intended to be created by the 2018A Facilities Lease and this 2018A Lease.

The City acquired, constructed and equipped the Colorado Convention Center with proceeds of certain Revenue Obligations, portions of which are outstanding. The City is leasing a portion (the initial Facilities Leased Property) of the Colorado Convention Center to the Trust

pursuant to the terms and provisions of the 2018A Facilities Lease and leasing the Facilities Leased Property back as a portion of the Leased Property from the Trust pursuant to this 2018A Lease. The City will not be reimbursed for its prior acquisition or construction of such initial Facilities Leased Property or any other portion of the existing Colorado Convention Center as of the date of this 2018A Lease from proceeds of the Series 2018A Certificates. The City will retain title to the Facilities Leased Property and the Trust will have a leasehold interest in the Facilities Leased Property (as a portion of the Leased Property) under this 2018A Facilities Lease.

#### **ARTICLE 4 LEASE TERM**

**Section 4.1 Duration of Lease Term.** The Lease Term for this 2018A Lease shall commence as of the date hereof. The Initial Term shall terminate on December 31, 2018. This 2018A Lease may be renewed, solely at the option of the City, for the number of Renewal Terms represented on Exhibit E (Base Rentals Schedule) attached hereto. The maximum Lease Term in respect of the Leased Property does not exceed the remaining weighted average useful life of the Leased Property at the time this 2018A Lease is being executed and delivered.

The Chief Financial Officer or other officer of the City at any time charged with the responsibility of formulating budget proposals is hereby directed to include in the annual budget proposals submitted to the City Council, in any year in which this 2018A Lease shall be in effect, items for all payments required for the ensuing Renewal Term under this 2018A Lease until such time, if any, as the City may determine to not renew and terminate this 2018A Lease. Notwithstanding this directive regarding the formulation of budget proposals, it is the intention of the City that any decision to effect an Appropriation or Supplemental Appropriation for the Base Rentals and Additional Rentals shall be made solely by the City and the actions of the officials of the City as further provided in the following paragraph.

Not later than December 15 of the then current Initial Term or Renewal Term the Chief Financial Officer shall give written notice (in substantially the form set forth in Exhibit F attached hereto) to the Trustee that either:

(a) the City has effected or intends to effect on a timely basis an Appropriation for the ensuing Fiscal Year which includes (1) sufficient amounts authorized and directed to be used to pay all of the Base Rentals and (2) sufficient amounts to pay such Additional Rentals as are estimated to become due, all as further provided in Sections 6.2, 6.3 and 6.4 of this 2018A Lease, whereupon, the 2018A Lease shall be renewed for the ensuing Fiscal Year; or

(b) the City has determined, for any reason, not to renew this 2018A Lease for the ensuing Fiscal Year.

Subject to the provisions of Section 6.4(a) hereof, the failure to give such notice shall not constitute an Event of Lease Default, nor prevent the City from electing to not renew this 2018A Lease, nor result in any liability on the part of the City. The City's option to renew or not to renew this 2018A Lease shall be conclusively determined by whether or not the applicable

Appropriation has been made on or before December 31 of each Fiscal Year, all as further provided in Article 6 of this 2018A Lease.

The terms and conditions hereof during any Renewal Term shall be the same as the terms and conditions hereof during the Initial Term, except that (a) the Purchase Option Price and the Base Rentals shall be as provided in Article 12 and Exhibit E (Base Rentals Schedule) hereof.

**Section 4.2 Termination of Lease Term.** The Lease Term shall terminate upon the earliest of any of the following events:

(a) the expiration of the Initial Term or any Renewal Term during which there occurs an Event of Nonappropriation pursuant to Section 4.1 and Article 6 of this 2018A Lease (provided that the Lease Term will not be deemed to have been terminated if the Event of Nonappropriation is cured as provided in Section 6.4 hereof);

(b) the release of the Trust's leasehold interest in the Leased Property under this 2018A Lease to the City upon payment of the Purchase Option Price or the payment of all Base Rentals and Additional Rentals, for which an Appropriation has been effected by the City in respect of the Leased Property, as provided in Section 12.2(a) or (b) of this 2018A Lease; or

(c) an uncured Event of Lease Default and termination of this 2018A Lease under Article 14 of this 2018A Lease by the Trustee.

Except for an event described in subparagraph (b) above, upon termination of this 2018A Lease, the City agrees to peaceful delivery of the Leased Property to the Trustee, on behalf of the Trust. The Trust further expressly agrees that, if there is an occurrence of an Event of Lease Default or Event of Nonappropriation, the Trust agrees the City shall retain a nonexclusive license right in the City and its agents, contractors, customers, vendors, suppliers, visitors, tenants, subtenants, invitees, and licensees of each of them, to pedestrian access, ingress and egress on and through the pre-function space to allow free access to the City retained property, anticipated upon completion of construction to be 50% of the ballroom and 50% of the back of house portions of the Project.

Termination of the Lease Term shall terminate all unaccrued obligations of the City under this 2018A Lease and shall terminate the City's rights of possession under this 2018A Lease (except to the extent of the holdover provisions of Sections 6.5 and 14.2(d)(i) hereof). All obligations of the City accrued prior to such termination shall be continuing until the Trustee agrees that such accrued obligations have been satisfied.

Upon termination of the Lease Term, any moneys received by the Trustee in excess of the amounts necessary to terminate the 2018A Indenture shall be paid to the City.

## **ARTICLE 5 ENJOYMENT OF THE LEASED PROPERTY**

**Section 5.1 Trust's Covenant of Quiet Enjoyment.** The Trust hereby covenants that the City shall, during the Lease Term, peaceably and quietly have, hold and enjoy the Leased Property without suit, trouble or hindrance from the Trust, except as expressly required or

permitted by this 2018A Lease. The Trust shall not interfere with the quiet use and enjoyment of the Leased Property by the City during the Lease Term so long as no Event of Lease Default shall have occurred. The Trust shall, at the request of the City and at the cost of the City, join and cooperate fully in any legal action in which the City asserts against third parties its right to such possession and enjoyment, or which involves the imposition of any taxes or other governmental charges on or in connection with the Leased Property. In addition, the City may at its own expense join in any legal action affecting its possession and enjoyment of the Leased Property and shall be joined in any action affecting its liabilities hereunder.

The provisions of this Article 5 shall be subject to the Trustee's right to inspect the Leased Property and the City's books and records with respect thereto as provided in Section 11.6 hereof.

**Section 5.2 City's Need for the Leased Property.** The City has determined and hereby determines that it has a current need for the Leased Property. It is the present intention and expectation of the City that this 2018A Lease will be renewed annually until the Trust's interests in the 2018A Facilities Lease are released and unencumbered title to the Leased Property is acquired by the City pursuant to this 2018A Lease; but this declaration shall not be construed as contractually obligating or otherwise binding the City.

## **ARTICLE 6 PAYMENTS BY THE CITY**

**Section 6.1 Payments to Constitute Currently Budgeted Expenditures of the City.** The City and the Trustee, on behalf of the Trust, acknowledge and agree that the Base Rentals, Additional Rentals and any other obligations hereunder shall constitute currently budgeted expenditures of the City, if an Appropriation or Supplemental Appropriation has been effected for such purpose. The City's obligations to pay Base Rentals, Additional Rentals and any other obligations under this 2018A Lease shall be from year to year only (as further provided in Article 4 and Sections 6.2 and 6.4 hereof), shall extend only to moneys for which an Appropriation or Supplemental Appropriation has been effected by the City, and shall not constitute a mandatory charge, requirement or liability in any ensuing Fiscal Year beyond the then current Fiscal Year. No provision of this 2018A Lease shall be construed or interpreted as a delegation of governmental powers or as creating a multiple fiscal year direct or indirect debt or other financial obligation whatsoever of the City or a general obligation or other indebtedness of the City within the meaning of any constitutional, Charter or statutory debt limitation, including without limitation Article X, Section 20 or Article XI, Sections 1, 2 and 6 of the Constitution of the State. This 2018A Lease shall not directly or indirectly obligate the City to make any payments beyond those for which an Appropriation or Supplemental Appropriation has been effected by the City for the City's then current Fiscal Year. The City shall be under no obligation whatsoever to exercise its option to purchase the Leased Property. No provision of this 2018A Lease shall be construed to pledge or to create a lien on any class or source of City moneys, nor shall any provision of this 2018A Lease restrict the future issuance of any Revenue Obligations or other City bonds or obligations payable from any class or source of City moneys.

## **Section 6.2 Base Rentals, Purchase Option Price and Additional Rentals.**

(a) The City shall pay Base Rentals for which an Appropriation or Supplemental Appropriation has been effected by the City, directly to the Trustee during the Initial Term and any Renewal Term, on the Base Rentals Payment Dates and in the total Base Rentals amounts set forth in Exhibit E (Base Rentals Schedule) attached hereto and made a part hereof. For federal and state income tax purposes, a portion of each payment of Base Rentals is designated and will be paid as interest, and Exhibit E (Base Rentals Schedule) hereto set forth the Interest Portion of each payment of Base Rentals. The City shall receive credit against its obligation to pay Base Rentals to the extent moneys are held by the Trustee on deposit in a Base Rentals Fund created under the 2018A Indenture and are available to pay Base Rentals. The City acknowledges that upon receipt by the Trustee of each payment of Base Rentals, the Trustee, pursuant to the terms of the 2018A Indenture, is to deposit the amount of such Base Rentals in the Base Rentals Fund.

(b) The City may, on any date, pay the then applicable Purchase Option Price for the purpose of terminating this 2018A Lease and the 2018A Facilities Lease in respect of the Leased Property all as further provided in Article 12 of this 2018A Lease. In the case of the exercise by the City of either of such options, the City shall give the Trustee notice of its intention to exercise either option not less than thirty-five (35) days in advance of the date on which the termination and release is to occur and shall deposit with the Trustee the applicable Purchase Option Price on or before such termination and release date.

Subject to the Approval of Special Counsel, the City may also, at any time during the Lease Term, (1) prepay any portion of the Base Rentals due under this 2018A Lease in respect of the Leased Property and (2) in connection with such prepayment, recalculate the Base Rentals set forth in Exhibit E (Base Rentals Schedule) in respect of the Leased Property, as the case may be. Any such revised Exhibit E (Base Rentals Schedule) shall be prepared by the Chief Financial Officer and delivered to the Trustee. The City shall give the Trustee notice of its intention to exercise this prepayment option not less than thirty-five (35) days in advance of the date of exercise and shall deposit with the Trustee prior to or contemporaneously with the date of exercise the applicable amount of Base Rentals to be prepaid.

(c) If the City shall have given notice to the Trustee of its intention to prepay Base Rentals but shall not have deposited the amounts with the Trustee on the date specified in such notice, the City shall continue to pay Base Rentals, which have been specifically appropriated by the City for such purpose, as if no such notice had been given.

(d) All Additional Rentals shall be paid by the City on a timely basis directly to the person or entity to which such Additional Rentals are owed. If estimates of Additional Rentals for any Fiscal Year are not itemized in the budget required to be prepared under Section 4.1 of this 2018A Lease and such budget furnished to the Trustee, an itemization of such estimated Additional Rentals shall be furnished by the City to the Trustee on or before the December 31 preceding such Fiscal Year. This 2018A Lease shall be deemed and construed to be an “absolute net lease” as further provided in Section 15.7 hereof.

**Section 6.3 Manner of Payment.** The Base Rentals, for which an Appropriation has been effected by the City, and, if paid, the Purchase Option Price, shall be paid or prepaid by the City to the Trustee at its corporate trust office by City warrant or by wire transfer of federal funds, certified funds or other method of payment acceptable to the Trustee in lawful money of the United States of America to the Trustee at its corporate trust office.

The obligation of the City to pay the Base Rentals and Additional Rentals as required under this Article 6 and other sections hereof in any Fiscal Year for which an Appropriation has been effected by the City for the payment thereof shall be absolute and unconditional, and payment of the Base Rentals and Additional Rentals in such Fiscal Years shall not be abated through accident or unforeseen circumstances, or any default by the Trustee, on behalf of the Trust, under this 2018A Lease, or under any other agreement between the City and the Trust, or for any other reason including without limitation, any acts or circumstances that may constitute failure of consideration, destruction of or damage to the Leased Property, commercial frustration of purpose, or failure of the Trustee, on behalf of the Trust, to perform and observe any agreement, whether expressed or implied, or any duty, liability or obligation arising out of or connected with this 2018A Lease, it being the intention of the parties that the payments required by this 2018A Lease will be paid in full when due without any delay or diminution whatsoever, SUBJECT ONLY TO THE ANNUALLY RENEWABLE NATURE OF THE CITY'S OBLIGATION TO MAKE PAYMENTS HEREUNDER AS SET FORTH IN SECTION 6.1 HEREOF, and further subject to the City's rights under Section 9.3 hereof. Notwithstanding any dispute between the City and the Trustee, on behalf of the Trust, or for the benefit of the owners of certificates of participation executed and delivered in respect of this 2018A Lease, the City shall, during the Lease Term, make all payments of Base Rentals and Additional Rentals in such Fiscal Years and shall not withhold any Base Rentals or Additional Rentals, for which an Appropriation has been effected by the City, pending final resolution of such dispute (except to the extent permitted by Sections 8.2 and 9.3 hereof with respect to certain Additional Rentals), nor shall the City assert any right of set-off or counterclaim against its obligation to make such payments required hereunder. No action or inaction on the part of the Trustee, on behalf of the Trust or for the benefit of the owners of certificates of participation executed and delivered in respect of this 2018A Lease, shall affect the City's obligation to pay all Base Rentals and Additional Rentals, for which a specific Appropriation or Supplemental Appropriation has been effected by the City for such purpose, in such Fiscal Years subject to this Article (except to the extent provided by Sections 8.2 and 9.3 hereof with respect to certain Additional Rentals).

**Section 6.4 Nonappropriation; Supplemental Appropriation.** In the event that the City gives notice that it intends to not renew the 2018A Lease as provided by Section 4.1 hereof or the City shall not effect an Appropriation or Supplemental Appropriation, on or before December 31 of each Fiscal Year, of moneys to pay all Base Rentals and reasonably estimated Additional Rentals coming due for the next ensuing Renewal Term as provided in Section 4.1 hereof and this Article, an Event of Nonappropriation shall be deemed to have occurred; subject, however, to each of the following provisions:

(a) In the event the Trustee does not receive the written notice provided for by Section 4.1 hereof or evidence that an Appropriation or Supplemental Appropriation has been effected by the City on or before December 31 of a Fiscal Year, then the Trustee shall declare an Event of Nonappropriation on the first Business Day of the January following such Fiscal Year



or such declaration shall be made on any earlier date on which (1) the Trustee receives official, specific written notice from the City that this 2018A Lease will not be renewed or (2) the Trustee has determined that a Supplemental Appropriation has not been effected by the City to provide the Base Rentals remaining to be paid in the then current Lease Term.

(b) The Trustee shall waive any Event of Nonappropriation which is cured by the City within twenty-one (21) days of the receipt by the City of notice from the Trustee as provided in (a) above by a duly effected Appropriation or Supplemental Appropriation to pay all Base Rentals and sufficient amounts to pay reasonably estimated Additional Rentals coming due for such Renewal Term.

(c) Pursuant to the terms of the 2018A Indenture, the Trustee may waive any Event of Nonappropriation which is cured by the City within a reasonable time after 21 days with the procedure described in (b) above.

In the event that during the Initial Term or any Renewal Term, any Additional Rentals shall become due which were not included in a duly effected Appropriation or Supplemental Appropriation and moneys are not specifically budgeted and appropriated or otherwise made available to pay such Additional Rentals within sixty (60) days subsequent to the date upon which such Additional Rentals are due, an Event of Nonappropriation shall be deemed to have occurred, upon notice by the Trustee to the City to such effect (subject to waiver by the Trustee as hereinbefore provided).

If an Event of Nonappropriation occurs, the City shall not be obligated to make payment of the Base Rentals or Additional Rentals or any other payments provided for herein which accrue after the last day of the Initial Term or any Renewal Term during which such Event of Nonappropriation occurs; provided, however, that, subject to the limitations of Sections 6.1 and 14.3 hereof, the City shall continue to be liable for Base Rentals and Additional Rentals allocable to any period during which the City shall continue to occupy, use or retain possession of the Leased Property.

Subject to Section 6.5 hereof, the City shall in all events vacate or surrender possession of the Leased Property by March 1 of the Renewal Term in respect of which an Event of Nonappropriation has occurred, provided the City shall retain a nonexclusive license right in the City and its agents, contractors, customers, vendors, suppliers, visitors, tenants, subtenants, invitees, and licensees of each of them, to pedestrian access, ingress and egress on and through the pre-function space to allow free access to the City retained property, anticipated upon completion of construction to be 50% of the ballroom and 50% of the back of house portions of the Project..

After March 1 of the Renewal Term in respect of which an Event of Nonappropriation has occurred, the Trustee may proceed to exercise all or any Lease Remedies.

The City acknowledges that, upon the occurrence of an Event of Nonappropriation (a) the Trustee shall be entitled to all moneys then being held in all funds created under the 2018A Indenture to be used as described therein and (b) all property, funds and rights acquired by the

Trustee upon the termination of this 2018A Lease by reason of an Event of Nonappropriation are to be held by the Trustee as set forth in the 2018A Indenture.

**Section 6.5 Holdover Tenant.** If the City fails to vacate the Leased Property after termination of this 2018A Lease, with the written permission of the Trustee it will be deemed to be a holdover tenant on a month-to-month basis and will be bound by all of the other terms, covenants and agreements of this 2018A Lease. Any holding over by the City without the written permission of the Trustee shall be at sufferance. The amount of rent to be paid during any period when the City is deemed to be a holdover tenant will be equal to (a) one sixth of the Interest Portion of the Base Rentals coming due on the next succeeding Base Rentals Payment Date plus one twelfth of the Principal Portion of the Base Rentals coming due on the next succeeding Base Rentals Payment Date on which a Principal Portion of the Base Rentals would have been payable with appropriate adjustments to ensure the full payment of such amounts on the due dates thereof in the event termination occurs during a Renewal Term plus (b) Additional Rentals as the same shall become due.

## **ARTICLE 7 CONSTRUCTION OF THE COLORADO CONVENTION CENTER EXPANSION PROJECT; DISBURSEMENT; TITLE INSURANCE**

**Section 7.1 Leasing of Facilities Leased Property; Construction of Colorado Convention Center Expansion Project.** At the time of execution of this 2018A Lease, the City shall have leased to the Trust, and the Trust shall have leased from the City, the Facilities Leased Property pursuant to the 2018A Facilities Lease. As further provided in Section 8.1 hereof, a leasehold interest in the Facilities Leased Property shall be held by the Trust, subject to this 2018A Lease.

The City hereby agrees that, as lessee acting on behalf of the Trust,

(a) it will act as agent for the Trust in making all contracts, orders, receipts, writings and instructions, including all Project Contracts, with any other persons, firms or corporations and in general do all things that may be necessary, requisite or proper for the acquisition, construction, installation and equipping of the Project;

(b) it shall cause the Project to be completed as herein provided;

(c) title to the Facilities upon completion of the Project shall be in the name of the City, subject to the 2018A Facilities Lease and this 2018A Lease; and

(d) to complete the Project with all reasonable dispatch, and to use its best efforts to have the Project substantially completed (meaning that the City has received a Temporary Certificate of Occupancy for the Project) by December 31, 2022, or as soon thereafter as may be practicable.

So long as this 2018A Lease is in full force and effect and no Event of Nonappropriation or Event of Lease Default shall have occurred, the City shall have full power to carry out the acts and agreements provided in this Section 7.1, and such power is granted and conferred under this

2018A Lease to the City and is accepted by the City and shall not be terminated or restricted by act of the Trustee for itself or the Trust or the City, except as provided in this Section 7.1.

The City agrees to acquire, construct, install and equip the Project pursuant to this Article 7, through the application of moneys to be disbursed by the Trustee from the Project Fund (created under the 2018A Indenture) pursuant to the 2018A Indenture. If for any reason, the Project is not completed by the Completion Date, there shall be no resulting liability on the part of the City or the Trust or the Trustee acting for the Trust or an Event of Lease Default hereunder, and there shall be no diminution in or postponement of the Base Rentals and Additional Rentals required to be paid by the City and which have been specifically appropriated by the City Council and for which an Encumbrance has been effected by the City during the Lease Term. However, in the event that the Trustee does not receive a Certificate of Project Completion in respect of the Project, as required in Section 7.3 of this 2018A Lease, by the Completion Date, and unless the City opts to complete the Project and submits a reasonable schedule of completion to the Trustee, the Trustee shall, on behalf of the Trust as the owner of the Leased Property, upon thirty (30) days written notice to the City, be authorized, but not required, to complete the remainder of the Project from any moneys remaining in the Project Fund for the Project.

**Section 7.2 Disbursements for Costs of the Project and Costs of Execution and Delivery of this 2018A Lease.** So long as no Event of Nonappropriation or Event of Default has occurred, the Trustee shall disburse the moneys in the Project Fund created under the 2018A Indenture for this purpose to pay the Costs of the Project. Such disbursements shall be made by the Trustee to the City upon receipt by the Trustee of a Requisition, in substantially the form attached hereto as Exhibit C signed by the Executive Director of Public Works, which shall contain a statement, with respect to each disbursement to be made:

- (a) of the amount to be disbursed based upon the estimated Costs of the Project that the City anticipates it will need to pay the Costs of the Project during the next subsequent three-month calendar period;
- (b) that all conditions required by this 2018A Lease and the 2018A Indenture to be met prior to such payment have been satisfied and the City is not in breach of any of the agreements contained in this 2018A Lease; and
- (c) that the disbursement requested will be used for a Cost of the Project.

The City expects to submit quarterly draw requests to the Trustee that anticipate the funds needed for the payment of the Costs of the Project during the next subsequent three-month calendar period; however, draw requests can be submitted at any time. With each draw request, the City shall provide (1) a schedule of values; (2) a cash flow and detailed report of anticipated future expenditures for the next subsequent three-month calendar period and for the total Costs of the Project through the Completion Date, reflecting projected expenditures compared to the total budget for the Project; and (3) a detailed report of the expenditures made in the past on the Costs of the Project, showing past expenditures compared to the total budget for the Project. The Trustee shall maintain a record of all such reports until after the Completion Date but may

rely solely on the quarterly draw requests in making disbursements from the Project Fund and shall not have any duty to review such reports.

The Executive Director of Public Works shall execute such financing statements and other instruments and permit the labeling of the personal property constituting fixtures in respect of the Project in connection with each disbursement as may be reasonably required by the Trustee to evidence the ownership interest of the Trust in such fixtures.

If an Event of Nonappropriation or an Event of Lease Default shall occur after the execution and delivery of this 2018A Lease, but prior to the Completion Date, any moneys held in funds and accounts created under the 2018A Indenture may be utilized by the Trustee on behalf of the Trust as the leasehold owner of the Leased Property, to complete, repair or modify the Project, or may be disbursed for the payment of certificates of participation executed and delivered pursuant to the 2018A Indenture or other charges as the Trustee may deem appropriate in the best interests of the owners of such certificates of participation.

Under the 2018A Indenture, the Trustee is authorized and directed to transmit wire payments to the City for each disbursement to pay Costs of the Project provided for herein. The Trustee shall keep and maintain adequate records pertaining to the Project Fund established under the 2018A Indenture and all disbursements therefrom in accordance with the Requisitions. After the Project has been completed and the Certificate of Project Completion has been filed with the Trustee as provided in Section 7.3 of this 2018A Lease, and after the Trustee's directions acting for the Trust under Section 7.3 hereon with respect to any remaining amounts on deposit with the Trustee are satisfied, the Trustee shall file an accounting thereof with the City.

**Section 7.3 Completion of Construction.** Upon substantial completion of the Project and the acceptance of the Project by the City, on behalf of the Trust (which acceptance shall not be unreasonably withheld), the Executive Director of Public Works shall execute and deliver to the Trustee a Certificate of Substantial Completion of Project.

In the event that, after the delivery of the Certificate of Substantial Completion of Project, there remains in the Project Fund created under the 2018A Indenture any unreserved balance, such balance shall be used by the Trustee, as directed by the City, to:

(a) add to, modify or alter the Project or add new components thereto; provided that such addition, modification or alteration shall be consistent with, and shall not violate the covenants contained in, the Tax Certificate, or

(b) direct the Trustee to transfer the remaining balance to the Base Rentals Fund created under the 2018A Indenture in amounts consistent with, and not in violation of the covenants contained in, the Tax Certificate, for a credit against the Base Rentals as the same shall become due or may be prepaid under this 2018A Lease with a corresponding adjustment in the amount of Base Rentals payable under Exhibit E (Base Rentals Schedule) to this 2018A Lease, or

(c) effect a combination of the foregoing.

Base Rentals set forth in Exhibit E (Base Rentals Schedule) to this 2018A Lease shall be recalculated in the event of any partial prepayment of Base Rentals in order that the Base Rentals Schedule shall reflect Base Rentals in amounts and with payment dates which have been specifically appropriate by the City Council and for which an Encumbrance has been effected by the City, will provide sufficient moneys to pay the principal of and interest on outstanding certificates of participation executed and delivered with respect to this 2018A Lease.

**Section 7.4 Title Insurance.** A title insurance policy in respect of the Leased Property under which the Trust's leasehold ownership interest in the Facilities Leased Property is insured has been provided, in an amount no less than the initial Lease Balance and subject only to Permitted Encumbrances.

**Section 7.5 Project Contracts.** The City represents that, in the opinion of the City, based upon an examination of property, estimated design, construction, installation and equipping costs and the configuration of the Project, the Project can, to the best of the City's present knowledge, be constructed, acquired and equipped for a total cost within the amount of funds to be available in the Project Fund created under the 2018A Indenture, including anticipated investment income, together with \$6 million of proceeds of Revenue Obligations issued by the City in 2016 and the anticipated proceeds of certain Revenue Obligations to be issued hereafter. In the event of cost overruns resulting in the Costs of the Project exceeding the amount available in the Project Fund created under the 2018A Indenture and available funds for the Project from certain anticipated Revenue Obligations, all in connection with the leasing of the Facilities Leased Property and the acquisition, construction, installation and equipping of the Facilities provided under the Colorado Convention Center Expansion Project, upon written consent of the City, either (a) the City shall make such modifications to the plans and specifications for the Project as will permit the Project to be provided from the amounts available therefor, including amounts available under the 2018A Indenture or (b) the City shall deposit additional funds received from the proceeds of additional certificates of participation in the Project Fund created under the 2018A Indenture, issue additional Revenue Obligations or provide moneys from other funding sources, sufficient to complete the Project. If the City pays any portion of the Costs of the Project pursuant to this Section, it shall not be entitled to any reimbursement therefor from the Trust, the Trustee or any owner of certificates of participation with respect to this 2018A Lease, nor shall it be entitled to any diminution in or postponement of the Base Rentals and the Additional Rentals payable under this 2018A Lease.

Upon the occurrence of an Event of Nonappropriation or an Event of Lease Default, the Trustee, on behalf of the Trust as lessee of the Facilities Leased Property, with a leasehold ownership interest therein, and the lessor of the Leased Property, may complete the Project, utilizing any moneys available therefor. All Project Contracts to be executed after the date of this 2018A Lease, including the contract for construction of the Project with the general contractor, but not including the program management contract and the architectural/engineering services contracts, shall allow that, upon the termination of the Lease Term by reason of the occurrence of an Event of Nonappropriation or an Event of Lease Default or upon the Trustee's assuming control over completion of the Project as provided in Section 7.1 of this 2018A Lease, and upon written notice by the Trustee to the party or parties to the Project Contracts that any of such events has occurred: (a) such contracts shall be fully and freely assignable to the Trust, without the consent of any other person and the Trustee may choose to assume or not assume

such contracts; and (b) if the Trustee does so assume such contracts, the other party or parties thereto shall perform the agreements contained therein for the Trust. Such Project Contracts to be executed after the date of this 2018A Lease shall also allow that, upon an Event of Nonappropriation or an Event of Lease Default and upon written notice from the Trustee, the Trustee may, in its full discretion, terminate some or all of such Project Contracts; and the other party or parties thereto shall then be entitled to payment only from amounts available therefor under the 2018A Indenture and only for work done prior to such termination. Upon the occurrence of an Event of Nonappropriation or an Event of Lease Default or upon the Trustee's assuming control over the acquisition, construction, installation and equipping of the Project as provided in Section 7.1 hereof, and upon receipt of a written request from the Trustee, the City shall assign all of its right, title and interest in and to the any Project Contract (including the construction contract to be entered into by the City with the general contractor for the Project) to the Trust and shall deliver all such Project Documents held by it to the Trustee.

**Section 7.6 Project Documents.** The City shall furnish, but the Trustee shall have no duty to review, to the Trustee, copies of the Project Documents, as soon after the commencement of the Lease Term as such Project Documents shall become available to the City and from time to time thereafter. Neither the Project Documents nor any change or amendment thereto shall (a) cause the Project to be used for any purpose prohibited hereby or by the constitution of the State of Colorado or the Charter of the City; (b) result in a material reduction in the value of the Project (except as provided in Section 7.5 hereof); or (c) adversely affect the ability of the City to meet its obligations hereunder.

**Section 7.7 Defaults Under Project Contracts.** In the event of any material default by a construction contractor or subcontractor under any of the Project Contracts, or in the event of a material breach of warranty with respect to any materials, workmanship or performance, the City shall promptly proceed, either separately or in conjunction with others, to pursue diligently its remedies against such contractor and/or against each surety of any bond securing the performance of such Project Contracts. The Net Proceeds of any amounts recovered by way of damages, liquidated damages, refunds, adjustments, or otherwise in connection with the foregoing, remaining after deduction of expenses incurred in such recovery (including, without limitation, attorneys' fees and costs) shall be paid to the Trustee for deposit to the Project Fund created under the 2018A Indenture.

**Section 7.8 Performance and Payment Bonds.** The contractor under the Project Contract for construction, including the construction contract to be entered into by the City on behalf of the Trust with the general contractor for the Project, shall be required to furnish a performance bond and a labor and material payment bond on forms acceptable to the City, copies of which shall be provided to the Trustee, but which the Trustee shall have no duty to review. Such bonds shall be made payable to the City and the Trust, as their interests may appear, and shall be executed by a corporate surety on the U.S. Department of the Treasury's Listing of Approved Sureties (Department Circular 570) and licensed to do business in the State of Colorado and shall be in an amount at least equal to the contract price for such Project Contract, provided the bond amount does not exceed said surety's authorized capacity. If, at any time during the construction of the Project, the surety on such bond shall be disqualified from doing business within the City, an alternate surety meeting the requirements set forth above and

acceptable to the City shall be selected. In the event of any change order resulting in the performance of additional work in connection with the Project, the amounts of such bonds shall be increased by an amount at least equal to the cost of such additional work or materials or fixtures to be incorporated in the Project.

**Section 7.9 Builders' Risk Insurance.** The general contractor for the construction of the Project shall be required to provide All Risk Builders' Risk Insurance Coverage for 100% of the estimated completion value of the Project at the time of any loss, in form and provided by an insurer acceptable to the City. A certificate of insurance shall be provided to the Trustee and the City within seven (7) Business Days of the effective date of the contract. This policy shall have a deductible not to exceed \$500,000 and shall be written on an "all risk" basis. This policy shall, by endorsement, name the City, the Trust and the Trustee, as additional insureds. Such policy shall contain a waiver of subrogation by the issuer of such policy with respect to the City, the Trust and the Trustee, and their respective officers, agents and employees while acting within the scope of their employment. The City reserves the option of purchasing a stand-alone Builders' Risk policy or of including such coverage as part of its Rolling Owner Controlled Insurance Program (ROCIP). If required, the general contractor shall participate in such OCIP program and comply with all terms and conditions as directed. The City shall not have the power to adjust or settle any loss in excess of \$500,000 with respect to the Project without the prior written consent of the Trustee, on behalf of the Trust. The Builders' Risk policy shall include coverage for theft, vandalism, malicious mischief, collapse, false-work, temporary buildings, transit, debris removal including demolition, increased cost of construction, architect's fees and expenses, flood (including water damage) and earthquake, all below and above ground structures, piping, foundations including underground water and sewer mains, piling including the ground on which the structure rests and excavation, backfilling, filling and grading.

**Section 7.10 Professional Liability Insurance (Errors and Omissions).** On behalf of the Trust and the Project, the City shall require all architects and engineers entering into a Project Contract for work on the Project to carry professional liability insurance for damages for claims by reasons of any negligent act, error or omission committed or alleged to have been committed by any architects, consultants, engineers and other entities engaged in the performance of the design services on the Project, in an amount of not less than \$2,000,000 per claim and in the aggregate. Professional liability insurance coverage shall be structured to provide coverage on a "claims-made" basis; provided, however, the professional liability insurance coverage shall remain in effect for the period through the Completion Date and three (3) years thereafter.

**Section 7.11 Contractor's Liability Insurance.**

(a) Each contractor entering into a Project Contract for construction, including the construction contract to be entered into by the City or by the City on behalf of the Trust with the general contractor for the Project, shall be required to procure and maintain at all times during the term of the Project Contract insurance, in a form and from a company acceptable to and approved by the City, on behalf of the Trust, and acceptable to the City covering operations not covered by the insurance required hereunder, including the following minimum amounts:

(1) Workers' Compensation Insurance as required by statute, and Employer's Liability Insurance covering all of contractor's employees acting within the course and scope of their employment; and

(2) Commercial General Liability Insurance written covering premises operations, fire damage, independent contractors, products and completed operations, blanket contractual liability; personal injury and advertising liability with minimum limits as follows:

- (i) \$1,000,000 each occurrence;
- (ii) \$2,000,000 general aggregate;
- (iii) \$2,000,000 products and completed operations aggregate; and
- (iv) \$50,000 any one fire.

If any aggregate limit is reduced below \$1,000,000 because of claims made or paid, the contractor shall immediately obtain additional insurance to restore the full aggregate limit and furnish to the City a certificate or other document satisfactory to the City showing compliance with this provision.

Commercial General Liability Coverage shall include the City, the Trust and the Trustee as additional insureds, with primary coverage as respects the City, the Trust and the Trustee.

(3) Automobile Liability Insurance covering any auto (including owned, hired and non-owned autos) with a minimum limit as follows: \$1,000,000 each accident combined single limit.

(4) The City, the Trust and the Trustee shall be named as additional insureds on the Commercial General Liability and Automobile Liability Insurance policies. Coverage required of the contract will be primary over any insurance or self-insurance program carried by the City.

(5) The insurance shall include provisions preventing cancellation or non-renewal without at least thirty (30) days prior notice to the City by certified mail.

(6) The contractor will require all insurance policies in any way related to the contract and secured and maintained by the contractor to include clauses stating that each carrier will waive all rights of recovery, under subrogation or otherwise, against the City, the Trustee or the Trust or their respective agents, institutions, organizations, officers, agents, employees and volunteers.

(7) All policies evidencing the insurance coverages required hereunder shall be issued by insurance companies satisfactory to the City.



(8) The contractor shall provide certificates showing insurance coverage required by this contract to the City within seven (7) business days of the effective date of the contract, but in not event later than the commencement of the services or delivery of the goods under the contract. No later than fifteen (15) days prior to the expiration date of any such coverage, the contractor shall deliver the City certificates of insurance evidencing renewals thereof. At any time during the term of such contract, the City may request in writing, and the contractor shall thereupon within ten (10) days supply to the City, evidence satisfactory to the City of compliance with the provisions of this section.

(9) Notwithstanding subsection (a) of this section, if the contractor is a “public entity” within the meaning of the Colorado Governmental Immunity Act, CRS 24-10-101, *et seq.*, as amended (“Act”), the contractor shall at all times during the term of such contract maintain only such liability insurance, by commercial policy or self-insurance, as is necessary to meet its liabilities under the Act. Upon request by the City, the contractor shall show proof of such insurance satisfactory to the City.

(10) The City reserves the rights to implement a Rolling Owner Controlled Insurance Program (ROCIP), with which the contractor agrees to participate and comply with all terms and conditions as directed.

**Section 7.12 Proceeds of Certain Insurance Policies and Performance Bonds.** The Net Proceeds of any performance or payment bond or insurance policy required by Sections 7.8 and 7.9 and any Net Proceeds received as a consequence of default under a Project Contract as provided by Section 7.7 of this 2018A Lease, shall be deposited into the Project Fund if received prior to the Completion Date and, on and after the Completion Date, used and applied in accordance with Articles 9 and 10 hereof.

## ARTICLE 8

### TITLE TO THE LEASED PROPERTY; LIMITATIONS ON ENCUMBRANCES

**Section 8.1 Title to the Leased Property.** At all times during the Lease Term, title to the Facilities Leased Property shall remain in the City, subject to the 2018A Facilities Lease, this 2018A Lease and any other Permitted Encumbrances. Except for personal property purchased by the City at its own expense pursuant to Section 9.2 of this 2018A Lease, a leasehold interest in the Leased Property, including any and all additions and modifications thereto and replacements thereof, shall be held in the name of the Trust until the Trustee has exercised Lease Remedies or until the Trust’s leasehold interest in the Leased Property is released as provided in Article 12 of this 2018A Lease, notwithstanding (a) the occurrence of an Event of Nonappropriation; (b) the occurrence of one or more Events of Lease Default; (c) the occurrence of any event of damage, destruction, condemnation, or, construction, manufacturing or design defect or title defect, as provided in Article 10 of this 2018A Lease; or (d) the violation by the Trust of any provision of this 2018A Lease.

The Trustee shall not, in any way, be construed as holding a leasehold interest in the Leased Property.

**Section 8.2 No Encumbrance, Mortgage or Pledge of the Leased Property.** Except as may be permitted by this 2018A Lease, the City shall not permit any mechanic's or other lien to be established or remain against the Leased Property; provided that, if the City shall first notify the Trustee of the intention of the City to do so, the City may in good faith contest any mechanic's or other lien filed or established against the Leased Property, and in such event may permit the items so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom unless the Trustee shall notify the City that, in the opinion of Counsel, by nonpayment of any such items the Trust's leasehold interest in the Leased Property will be materially endangered, or the Leased Property or any part thereof will be subject to loss or forfeiture, in which event the City shall promptly pay and cause to be satisfied and discharged all such unpaid items (provided, however, that such payment shall not constitute a waiver of the right to continue to contest such items). The Trustee, on behalf of the Trust, will cooperate in any such contest. Except as may be permitted by this 2018A Lease, the City shall not directly or indirectly create, incur, assume or suffer to exist any mortgage, pledge, lien, charge, encumbrance or claim on or with respect to the Leased Property, except Permitted Encumbrances. The City shall promptly, at its expense, take such action as may be necessary to duly discharge any such mortgage, pledge, lien, charge, encumbrance or claim not excepted above.

**ARTICLE 9  
MAINTENANCE; TAXES; INSURANCE AND OTHER CHARGES**

**Section 9.1 Maintenance of the Leased Property by the City.** Subject to its right to not appropriate and as otherwise provided in Section 10.3 hereof, the City agrees that, at all times during the Lease Term, the City will (a) maintain, preserve and keep the Leased Property or cause the Leased Property to be maintained, preserved and kept, in good repair, working order and condition, and (b) will from time to time make or cause to be made all necessary and proper repairs, including replacements, if necessary. Neither the Trust nor the Trustee shall have any responsibility in any of these matters or for the making of any additions, modifications or replacements to the Leased Property. In addition, at all times during the Lease Term, the City shall perform all obligations of the Trust pursuant to any Permitted Encumbrances and any payments required as a result thereof shall be Additional Rentals.

**Section 9.2 Modification of the Leased Property; Installation of Furnishings and Machinery of the City.** The City shall have the privilege of making substitutions, additions, modifications and improvements to the Leased Property, at its own cost and expense, as appropriate and any such substitutions, additions, modifications and improvements to the Leased Property shall be subject to the leasehold interest of the Trust, subject to the provisions of the 2018A Facilities Lease and this 2018A Lease and shall be included under the terms of the 2018A Facilities Lease and this 2018A Lease; provided, however, that such substitutions, additions, modifications and improvements shall not in any way damage the Leased Property or cause the Leased Property to be used for purposes other than lawful governmental or proprietary functions of the City (except to the extent of subleasing permitted under Section 13.2 hereof); and provided that the Leased Property, as improved or altered, upon completion of such substitutions, additions, modifications and improvements, shall be of a value not less than the value of the

Leased Property immediately prior to such making of substitutions, additions, modifications and improvements.

Notwithstanding the foregoing, after the Completion Date, the Trustee, as Trustee for the Trust, and the City shall amend and supplement Exhibit A to the 2018A Facilities Lease and Exhibit A hereto to provide for the final description of the Facilities Leased Property and the Leased Property as described on Exhibit A hereto.

The City may also, from time to time in its sole discretion and at its own expense, install machinery, equipment and other tangible property in or on the Leased Property. All such machinery, equipment and other tangible property shall remain the sole property of the City in which neither the Trust nor the Trustee shall have any interests; provided, however, that a leasehold ownership interest in any such machinery, equipment and other tangible property which becomes permanently affixed to the Leased Property shall be in the Trust, subject to the 2018A Facilities Lease, and shall be included under the terms of this 2018A Lease and the 2018A Facilities Lease, in the event the Trustee shall reasonably determine that the Leased Property would be damaged or impaired by the removal of such machinery, equipment or other tangible property.

**Section 9.3 Taxes, Other Governmental Charges and Utility Charges.** In the event that the Leased Property shall, for any reason, be deemed subject to taxation, assessments or charges lawfully made by any governmental body, the City shall pay the amount of all such taxes, assessments and governmental charges then due, as Additional Rentals. With respect to special assessments or other governmental charges which may be lawfully paid in installments over a period of years, the City shall be obligated to provide for Additional Rentals only for such installments as are required to be paid during the upcoming Fiscal Year. Except for Permitted Encumbrances, the City shall not allow any liens for taxes, assessments or governmental charges to exist with respect to the Leased Property (including, without limitation, any taxes levied upon the Leased Property which, if not paid, will become a charge on the rentals and receipts from the Leased Property, or any interest therein, including the leasehold interest of the Trust), or the rentals and revenues derived therefrom or hereunder. The City shall also pay as Additional Rentals, as the same respectively become due, all utility and other charges incurred in the operation, maintenance and upkeep of the Leased Property.

The City may, at its expense, in good faith contest any such taxes, assessments, utility and other charges and, in the event of any such contest, may permit the taxes, assessments, utility or other charges so contested to remain unpaid during the period of such contest and any appeal therefrom unless the Trustee shall notify the City that, in the opinion of Counsel, by nonpayment of any such items the value of the Leased Property will be materially endangered or the Leased Property will be subject to loss or forfeiture, or the Trust or the Trustee will be subject to liability, in which event such taxes, assessments, utility or other charges shall be paid forthwith (provided, however, that such payment shall not constitute a waiver of the right to continue to contest such taxes, assessments, utility or other charges).

**Section 9.4 Provisions for Liability, Property and Worker's Compensation Insurance.** The City shall, at no expense to the Trust, cause property insurance to be carried and maintained, or, at the City's option, shall self-insure with respect to the Leased Property in an

amount equal to (a) the Lease Balance or (b) the estimated replacement cost of the Leased Property, whichever is greater. The City may, in its discretion, insure the Leased Property under blanket insurance policies that insure not only the Leased Property, but other property as well, as long as such blanket insurance policies comply with the requirements hereof. Any property damage insurance policy required by this Section shall be so written or endorsed as to show the Trust and the Trustee as loss payee.

The City shall, at its own expense, cause commercial general liability insurance for this 2018A Lease to be carried and maintained or, at the City's option, shall self-insure in connection with the use and possession of the Leased Property. Insurance coverage may be limited by endorsement to the Leased Property. Such coverage shall be in amounts not less than the limits of liability per occurrence set by the Colorado Governmental Immunity Act, as the same may from time to time be amended for claims to which the defense of sovereign immunity applies. The commercial general liability insurance required by this Section may be by blanket insurance policy or policies. Any commercial general liability insurance policy required by this Section shall be so written or endorsed as to show the Trustee as an additional insured.

The City shall, at its own expense, cause worker's compensation insurance to be procured and maintained covering the City's employees working in or on the Leased Property. Such insurance, if issued by a private carrier, shall contain a provision that such coverage shall not be canceled without at least thirty (30) days' prior written notice or, in the event of nonpayment of premiums, ten (10) days' prior written notice, to the City and the Trustee. In the event the City receives such notice of cancellation, it shall also immediately notify the Trustee of any cancellation notice. A certificate issued by the worker's compensation carrier evidencing such coverage shall be provided by the City to the Trustee. The worker's compensation insurance required by this Section may be by blanket insurance policy or policies. The City may self-insure for worker's compensation insurance provided that such self-insurance (a) is approved by the Colorado Department of Labor's Division of Worker's Compensation and (b) the self-insurance fund is held in a trust fund created for this purpose.

Each property and liability policy, other than worker's compensation, provided for in this Section shall contain a provision to the effect that the insurance company shall not cancel the policy without at least thirty (30) days' prior written notice or, in the event of nonpayment of premiums, ten (10) days' prior written notice, to the City and the Trustee. In the event that the City has received such notice of cancellation it shall immediately notify the Trustee.

The City shall provide, or cause to be provided, certificates of insurance in respect of the property and commercial general liability insurance (and not the workers' compensation insurance) described herein or other appropriate evidence of self-insurance, with appropriate endorsements attached evidencing that the Trust and the Trustee have been named as additional insured or loss payee, as applicable, and that the 30-day required notice of cancellation of the policy provision is in effect. A certificate of insurance or statement of self-insurance from the City's Division of Risk Management will be acceptable evidence of insurance on the date of this 2018A Lease. Certificates evidencing all insurance policies issued and statements of self-insurance pursuant to this Section shall be deposited with the Trustee.

**Section 9.5 Advances.** If the City fails to pay any Additional Rentals during the Lease Term as such Additional Rentals become due, the Trust or the Trustee may (but shall not be obligated to) pay such Additional Rentals and the City agrees to reimburse the Trust or the Trustee, as the case may be, to the extent permitted by law and subject to appropriation as provided under Article 6 hereof.

**Section 9.6 Granting of Easements.** As long as no Event of Nonappropriation or Event of Lease Default shall have happened and be continuing, the Trustee, on behalf of the Trust, shall, upon the request of the City, (a) grant or enter into easements, permits, licenses, party wall and other agreements, rights-of-way (including the dedication of public highways) and other rights or privileges in the nature of easements, permits, licenses, party wall and other agreements with respect to the Leased Property (whether such rights are in the nature of surface rights, sub-surface rights or air space rights), free from this 2018A Lease and any security interest or other encumbrance created hereunder; (b) release existing easements, permits, licenses, party wall and other agreements, rights-of-way, and other rights and privileges with respect to the Leased Property, with or without consideration; and (c) execute and deliver any instrument necessary or appropriate to grant or release any such easement, permit, license, party wall or other agreement, right-of-way or other grant or privilege upon receipt of: (i) a copy of the instrument of grant, agreement or release and (ii) a written application signed by the Executive Director of Public Works requesting such grant, agreement or release and stating that such grant, agreement or release will not impair the effective use or interfere with the operation of the Leased Property.

**ARTICLE 10**  
**DAMAGE, DESTRUCTION AND CONDEMNATION;**  
**USE OF NET PROCEEDS; USE OF LEASE REMEDY NET PROCEEDS**

**Section 10.1 Damage, Destruction and Condemnation.** If, during the Lease Term,

(a) all or any portion of the Leased Property shall be destroyed (in whole or in part), or damaged by fire or other casualty; or

(b) title to, or the temporary or permanent use of the Leased Property or the estate of the City or the Trust in the Leased Property is taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or entity acting under governmental authority; or

(c) a breach of warranty or a material defect in the construction, manufacture or design of the Leased Property becomes apparent; or

(d) title to or the use of the Leased Property is lost by reason of a defect in title thereto;

then the City shall be obligated to continue to pay Base Rentals and Additional Rentals (subject to Article 6 hereof).

**Section 10.2 Obligation to Repair and Replace the Leased Property.** The City and the Trustee, to the extent Net Proceeds are within their respective control and are related to the Leased Property, shall cause such Net Proceeds to be deposited in a separate trust fund. All such Net Proceeds so deposited shall be applied to the prompt repair, restoration, modification, improvement or replacement of the Leased Property by the Trustee or the City upon receipt of requisitions acceptable to the Trustee signed by the Executive Director of Public Works stating with respect to each payment to be made:

- (a) the requisition number for which the requisition is being made;
- (b) the name and address of the person, firm or entity to whom payment is due;
- (c) the amount to be paid; and
- (d) that each obligation mentioned therein has been properly incurred, is a proper charge against the separate trust fund and has not been the basis of any previous withdrawal and specifying in reasonable detail the nature of the obligation, accompanied by a bill or a statement of account for such obligation.

The execution of any requisition certificate by the Executive Director of Public Works shall constitute, unto the Trustee, an irrevocable determination that all conditions precedent to the payments requested have been completed. The City and the Trustee on behalf of the Trust shall agree to cooperate and use their best reasonable efforts to enforce claims which may arise in connection with material defects in the construction, manufacture or design of the Leased Property or otherwise. If there is a balance of any such Net Proceeds remaining after such repair, restoration, modification, improvement or replacement has been completed, this balance shall be used by the City, to:

- (aa) add to, modify or alter the Leased Property or add new components thereto, or
- (bb) prepay the Base Rentals with a corresponding adjustment in the amount of Base Rentals payable under Exhibit E (Base Rentals Schedule) to this 2018A Lease or
- (cc) accomplish a combination of (aa) and (bb).

Any repair, restoration, modification, improvement or replacement paid for in whole or in part out of such Net Proceeds shall be the property of the Trust, subject to this 2018A Lease and shall be included as part of the Leased Property under this 2018A Lease.

**Section 10.3 Insufficiency of Net Proceeds.** If such Net Proceeds (plus any amounts withheld from such Net Proceeds by reason of any deductible clause) are insufficient to pay in full the cost of any repair, restoration, modification, improvement or replacement of the Leased Property required under Section 10.2 of this 2018A Lease, the City may elect to:

- (a) complete the work or replace such Leased Property (or portion thereof) with similar property of a value equal to or in excess of such portion of the Leased Property and pay as Additional Rentals, to the extent amounts for Additional Rentals which have been specifically appropriated by the City are available for payment of such cost, any cost in excess of the amount

of the Net Proceeds, and the City agrees that, if by reason of any such insufficiency of such Net Proceeds, the City shall make any payments pursuant to the provisions of this paragraph, the City shall not be entitled to any reimbursement therefor from the Trust or the Trustee, nor shall the City be entitled to any diminution of the Base Rentals and Additional Rentals, for which a specific Appropriation has been effected by the City for such purpose, payable under Article 6 of this 2018A Lease; or

(b) apply the Net Proceeds to the payment of the Purchase Option Price in respect of the Leased Property in accordance with Article 12 of this 2018A Lease. In the event of an insufficiency of the Net Proceeds for such purpose, the City shall, subject to the limitations of Section 6.1 hereof, pay such amounts as may be necessary to equal that portion of the Purchase Option Price which is attributable to the Leased Property for which such Net Proceeds have been received (as certified to the Trustee by the City); and in the event such Net Proceeds shall exceed such portion of the Purchase Option Price, such excess shall be used as directed by the City in the same manner as set forth in Section 10.2 hereof; or

(c) if the City does not timely budget and appropriate sufficient funds to proceed under either (a) or (b) above, an Event of Nonappropriation will be deemed to have occurred and, subject to the City's right to cure, the Trustee may pursue remedies available to it following an Event of Nonappropriation.

The above referenced election shall be made by the City within ninety (90) days of the occurrence of an event specified in Section 10.1 of this 2018A Lease.

**Section 10.4 Cooperation of the Trustee and the Trust.** The Trustee and the Trust shall cooperate fully with the City in filing any proof of loss with respect to any insurance policy or performance bond covering the events described in Section 10.1 of this 2018A Lease and in the prosecution or defense of any prospective or pending condemnation proceeding with respect to the Leased Property and the enforcement of all warranties relating to the Leased Property. So long as no Event of Lease Default or Event of Nonappropriation has occurred and is then existing, neither the Trust nor the Trustee shall voluntarily settle, or consent to the settlement of, any proceeding arising out of any insurance claim, performance or payment bond claim or prospective or pending condemnation proceeding with respect to the Leased Property without the written consent of the City.

**Section 10.5 Use of Lease Remedy Net Proceeds.** The Trustee shall use any Lease Remedy Net Proceeds to prepay the Base Rentals with a corresponding adjustment in the amount of Base Rentals payable under Exhibit E (Base Rentals Schedule) to this 2018A Lease.

## **ARTICLE 11 DISCLAIMER OF WARRANTIES; OTHER COVENANTS**

**Section 11.1 Disclaimer of Warranties.** NEITHER THE TRUST NOR THE TRUSTEE HAS MADE OR WILL MAKE ANY WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR FITNESS FOR USE OF THE LEASED PROPERTY OR ANY OTHER REPRESENTATION OR

WARRANTY WITH RESPECT TO THE LEASED PROPERTY. THE CITY HEREBY ACKNOWLEDGES AND DECLARES THAT THE CITY IS SOLELY RESPONSIBLE FOR THE MAINTENANCE AND OPERATION OF THE LEASED PROPERTY, AND THAT NEITHER THE TRUST NOR THE TRUSTEE HAS ANY RESPONSIBILITY THEREFOR. For the purpose of enabling the City to discharge such responsibility, the Trust constitutes and appoints the City as its attorney in fact for the purpose of asserting and enforcing, at the sole cost and expense of the City, all manufacturers' warranties and guaranties, express or implied, with respect to the Leased Property, as well as any claims or rights the Trust or the Trustee may have in respect of the Leased Property against any manufacturer, supplier, contractor or other person. Except as otherwise provided in this 2018A Lease, neither the Trust nor the Trustee shall be liable for any direct or indirect, incidental, special or consequential damage in connection with or arising out of this 2018A Lease or the existence, furnishing, functioning or use by the City of any item, product or service provided for herein.

**Section 11.2 Further Assurances and Corrective Instruments.** The Trustee, on behalf of the Trust, and the City agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such amendments hereof or supplements hereto and such further instruments as may reasonably be required for correcting any inadequate or incorrect description of the Leased Property hereby leased or intended so to be, or for otherwise carrying out the intention hereof.

**Section 11.3 Compliance with Requirements.** During the Lease Term, the City, the Trust and the Trustee shall observe and comply promptly to the extent possible with all current and future orders of all courts having jurisdiction over the Leased Property, provided that the City, the Trust or the Trustee may contest or appeal such orders so long as they are in compliance with such orders during the contest or appeal period, and all current and future requirements of all insurance companies writing policies covering the Leased Property.

**Section 11.4 Tax Covenants.** The City acknowledges that the moneys in all funds and accounts expected to be created under the 2018A Indenture are to be invested or deposited by the Trustee, at the written direction of the City. The City certifies and covenants that it will not knowingly direct, acknowledge or otherwise cause the investment or use of any moneys related to this 2018A Lease in a manner which will cause this 2018A Lease and, in turn, any certificates of participation executed and delivered with respect to this 2018A Lease to be classified as "arbitrage bonds" within the meaning of the Code.

The City further covenants that it will perform all acts within its power which are or may be necessary to insure that the Interest Portion of the Base Rentals will at all times remain excludable from gross income for federal income tax purposes under the laws and regulations of the United States of America as presently enacted and construed or as hereafter amended. The City has the right to enter into contracts for janitorial and other services contracts for the maintenance of the Leased Property and for the operation and management of the Leased Property; provided, however any such contracts shall be in compliance with the Code (to maintain the tax-exempt status of the Interest Portion of the Base Rentals) and be subject to termination by the Trustee acting for the Trust, if an Event of Nonappropriation or an Event of Lease Default shall occur and not be cured.



**Section 11.5 Covenant to Defend.** From and to the extent of Net Proceeds, the City shall and hereby agrees to defend the Trust and the Trustee against all claims, by or on behalf of any person, firm, corporation or other legal entity arising from the conduct or management of the Leased Property or from any work or thing done on the Leased Property during the Lease Term requested by the City, or from any condition of the Leased Property. This duty to defend is not an indemnification and it is expressly understood that the City is not indemnifying the Trust or the Trustee and, as previously stated, is limited to Net Proceeds and moneys, if any, in excess of such Net Proceeds, for which there has been an Appropriation.

**Section 11.6 Access to the Leased Property; Rights to Inspect Books.** The City agrees that the Trustee shall have the right at all reasonable times to examine and inspect the Leased Property (subject to such regulations as may be imposed by the City for security purposes) and all of the City's books and records with respect thereto. The City further agrees that the Trustee shall have such rights of access to the Leased Property as may be reasonably necessary to cause the proper maintenance of the Leased Property in the event of failure by the City to perform its obligations under this 2018A Lease. The 2018A Indenture allows the City to have the right at all reasonable times to examine and inspect all of the Trustee's books and records with respect to the Leased Property and all funds and accounts held under the 2018A Indenture.

The City and its representatives, including the City Auditor, shall have the right to examine and inspect the books and records of the Trust relating to the Leased Property at all reasonable times from the date of this 2018A Lease and until three years after the termination date of this 2018A Lease.

## **ARTICLE 12 PURCHASE OPTION**

**Section 12.1 Purchase Option.** The City shall have the option to purchase the Trust's leasehold interest in the Leased Property but only if an Event of Lease Default or an Event of Nonappropriation has not occurred and is then continuing. The City may exercise its options on any date by complying with one of the conditions set forth in Section 12.2.

The City shall give the Trustee notice of its intention to exercise its options not less than thirty-five (35) days in advance of the date of exercise and shall deposit the related Purchase Option Price with the Trustee on or before the selected date on which the Purchase Option Price is to be paid.

If the City exercises its option to purchase the Trust's leasehold interest in the Leased Property pursuant to this Section, any amount then on hand in the Base Rentals Fund created under the 2018A Indenture shall be applied toward the payment of the applicable Purchase Option Price to be paid by the City.

If the City shall have given notice to the Trustee of its intention to purchase the Trust's leasehold interest in the Leased Property but shall not have deposited the amounts with the Trustee on the date specified in such notice, the City shall continue to pay Base Rentals, which

have been specifically appropriated by the City for such purpose, as if no such notice had been given.

**Section 12.2 Conditions for Purchase Option.** The Trustee, on behalf of the Trust, shall release the Trust's leasehold interest in the Leased Property to the City in the manner provided for in Section 12.3 of this 2018A Lease; provided, however, that prior to such release, either:

(a) the City shall have paid the then applicable Purchase Option Price of the Leased Property to be released plus any related fees and expenses then owing to the Trust and the Trustee; or

(b) the City shall have paid all related Base Rentals set forth in Exhibit E (Base Rentals Schedule) hereto, for the entire maximum Lease Term, and all then current Additional Rentals required to be paid hereunder.

In the event that the City shall determine to pay the Purchase Option Price in respect of all of the Leased Property, the Purchase Option Price shall equal the sum of the amount necessary to defease and discharge the 2018A Indenture as provided in Article 6 thereof, plus all then current Additional Rentals required to be paid hereunder.

**Section 12.3 Manner of Release.** At the closing of the purchase of the Trust's leasehold interest in the Leased Property pursuant to Section 12.2 of this 2018A Lease, the Trustee, on behalf of the Trust, shall release and terminate the 2018A Facilities Lease, this 2018A Lease and the 2018A Indenture in respect of the Leased Property and execute and deliver to the City all necessary documents releasing the Trust's leasehold interest in the Leased Property, as it then exists, subject only to the following:

(a) Permitted Encumbrances as set forth on Exhibit B, other than the 2018A Facilities Lease, this 2018A Lease and the 2018A Indenture;

(b) all liens, encumbrances and restrictions created or suffered to exist by the Trust or the Trustee as required or permitted by this 2018A Lease and the 2018A Indenture or arising as a result of any action taken or omitted to be taken by the Trust or the Trustee as required or permitted by this 2018A Lease or the 2018A Indenture; and

(c) any other lien or encumbrance created by action of the City.

In order to facilitate the Trust's obligations to release the 2018A Facilities Lease and this 2018A Lease in respect of the Leased Property and release the Trust's leasehold interest in the Leased Property to the City as provided herein, forms of releases of the 2018A Facilities Lease and this 2018A Lease in respect of the Leased Property shall be delivered to the Trustee on the date this 2018A Lease is executed and delivered, such forms being satisfactory to the City.

## **ARTICLE 13 ASSIGNMENT AND SUBLEASING; REPLACEMENT OF THE TRUST**

**Section 13.1 Assignment by the Trust; Replacement of the Trust.** This 2018A Lease may not be assigned by the Trust for any reason other than to a successor by operation of

law or with the prior written consent of the Chief Financial Officer, which consent shall not be unreasonably withheld.

In the absence of an Event of Lease Default or an Event of Nonappropriation, upon the occurrence of any other event which in the judgment of the City (a) materially impairs the ability of the Trust to serve as lessor under this 2018A Lease or (b) causes the relationship of the City, as lessee under this 2018A Lease and the Trust as lessor under this 2018A Lease to be irreconcilable, the Trustee, with the prior written direction of the City, shall do all things necessary to replace the Trust with such other entity as it deems appropriate with Approval of Special Counsel. Upon the occurrence of any such event and related written notice thereof from the City, the Trustee, on behalf of the Trust, shall cooperate with the City in conveying title to the Leased Property and any and all other right, title and interest of the Trust in, to and under the 2018A Facilities Lease, this 2018A Lease and the 2018A Indenture to such successor entity as the City may designate. In the event the Trustee, on behalf of the Trust, refuses to cooperate as provided under this Section 13.1, the City is hereby authorized to file an appropriate action in a court of competent jurisdiction to enforce specific performance of this provision.

If an Event of Lease Default or Event of Nonappropriation has occurred, the Trustee may act as herein provided, including exercising the remedies set forth in Section 14.2, without the prior written direction of the City.

**Section 13.2 Assignment, Subleasing and Tax-Exempt Permitted Use Arrangements by the City.** This 2018A Lease may not be assigned by the City for any reason other than to a successor to the City by operation of law. However, without the necessity of obtaining the consent of the Trust, the Trustee or any owner of such certificates of participation, the Leased Property may be

- (1) subject to one or more Tax-Exempt Permitted Use Arrangements, in whole or in part,
- or
- (2) subleased, as a whole or in part, by the City, subject to each of the following conditions:
  - (a) The Leased Property may be subleased, in whole or in part, to a Governmental Person, or, with Approval of Special Counsel, to a Nongovernmental Person;
  - (b) This 2018A Lease, and the obligations of the City hereunder, shall, at all times during the Lease Term remain obligations of the City, and the City shall maintain its direct relationships with the Trust and the Trustee, notwithstanding any sublease; and
  - (c) The City shall furnish or cause to be furnished to the Trustee a copy of any sublease agreement.

**ARTICLE 14**  
**EVENTS OF LEASE DEFAULT AND REMEDIES**

**Section 14.1 Events of Lease Default Defined.** Any one of the following shall be Events of Lease Default under this 2018A Lease:

(a) failure by the City to pay any Base Rentals or Additional Rentals, which have been specifically appropriated by the City for such purpose, during the Initial Term or any Renewal Term, within five (5) Business Days of the date on which they are due; or

(b) subject to the provisions of Section 6.5 hereof, failure by the City to vacate or surrender possession of the Leased Property by March 1 of any Renewal Term in respect of which an Event of Nonappropriation has occurred; or

(c) failure by the City to observe and perform any covenant, condition or agreement on its part to be observed or performed hereunder, other than as referred to in (a) or (b), for a period of forty-five (45) days after written notice, specifying such failure and requesting that it be remedied shall be received by the City from the Trustee unless the Trustee shall agree in writing to an extension of such time prior to its expiration; provided that if the failure stated in the notice cannot be corrected within the applicable period, the Trustee shall not withhold its consent to an extension of such time if, in the Trustee's reasonable judgment, corrective action can be instituted by the City within the applicable period and diligently pursued until the default is corrected; or

(d) failure by the City to comply with the terms of the 2018A Facilities Lease.

The foregoing provisions of this Section 14.1 are subject to the following limitations:

(aa) the City shall be obligated to pay the Base Rentals and Additional Rentals, which have been specifically appropriated by the City for such purpose, only during the Lease Term, except as otherwise expressly provided in this 2018A Lease; and

(bb) if, by reason of *Force Majeure*, the City or the Trust shall be unable in whole or in part to carry out any agreement on their respective parts herein contained other than the City's agreement to pay the Base Rentals and Additional Rentals due hereunder, the City or the Trust, as the case may be, shall not be deemed in default during the continuance of such inability. The City and the Trust each agree, however, to remedy, as promptly as legally and reasonably possible, the cause or causes preventing the City or the Trust, as the case may be, from carrying out their respective agreements; provided that the settlement of strikes, lockouts and other industrial disturbances shall be entirely within the discretion of the City.

**Section 14.2 Remedies on Default.** Whenever any Event of Lease Default shall have happened and be continuing beyond any applicable cure period, the Trustee, on behalf of the Trust, may, without any further demand or notice, take one or any combination of the following remedial steps:

(a) terminate the Lease Term and give notice to the City to vacate and surrender possession of the Leased Property which vacation and surrender the City agrees to complete within sixty (60) days from the date of such notice, provided the City shall retain a nonexclusive license right in the City and its agents, contractors, customers, vendors, suppliers, visitors, tenants, subtenants, invitees, and licensees of each of them pedestrian access, ingress and egress on and through the pre-function space to allow free access to the City retained property, anticipated upon completion of construction to be 50% of the ballroom and 50% of the back of house portions of the Project; or

(b) upon Approval of Revenue Obligations Counsel provided by the Trustee, on behalf of the Trust, and delivered to the City Attorney and Chief Financial Officer of the City, sell, trade-in, repossess or liquidate the Trust's leasehold interest in the Leased Property or any part thereof in any lawful manner; or

(c) upon Approval of Revenue Obligations Counsel provided by the Trustee, on behalf of the Trust, and delivered to the City Attorney and Chief Financial Officer of the City, lease or sublease the Leased Property or sell an assignment of the Trust's leasehold interest in the Leased Property; or

(d) recover from the City:

(i) the portion of Base Rentals and Additional Rentals, for which a specific Appropriation has been effected by the City for such purpose, which would otherwise have been payable hereunder, during any period in which the City continues to occupy, use or possess the Leased Property; and

(ii) Base Rentals and Additional Rentals, for which a specific Appropriation has been effected by the City for such purpose, which would otherwise have been payable by the City hereunder during the remainder, after the City vacates and surrenders possession of the Leased Property, of the Fiscal Year in which such Event of Lease Default occurs; or

(e) take whatever action at law or in equity may appear necessary or desirable to enforce its rights in and to the Leased Property under this 2018A Lease and the 2018A Indenture.

In the event the City does not vacate and surrender possession as described in (a) above, the provisions of Section 6.5 hereof may apply, at the sole discretion of the Trustee, on behalf of the Trust.

**Section 14.3 Limitations on Remedies.** The remedies in connection with an Event of Lease Default shall be limited as set forth in this section. A judgment requiring a payment of money may be entered against the City by reason of an Event of Lease Default only as to the City's liabilities described in paragraph (d) of Section 14.2 hereof. A judgment requiring a payment of money may be entered against the City by reason of an Event of Nonappropriation only to the extent that the City fails to vacate and surrender possession of the Leased Property as required by Section 6.4 of this 2018A Lease, and only as to the liabilities described in paragraph (d)(i) of Section 14.2 hereof. The remedy described in paragraph (d)(ii) of Section 14.2 of this 2018A Lease is not available for an Event of Lease Default consisting of failure by the City to

vacate and surrender possession of the Leased Property by the March 1 following an Event of Nonappropriation.

**Section 14.4 No Remedy Exclusive.** Subject to Section 14.3 hereof, no remedy herein conferred upon or reserved to the Trustee, on behalf of the Trust, is intended to be exclusive, and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle the Trustee, on behalf of the Trust, to exercise any remedy reserved in this Article 14, it shall not be necessary to give any notice, other than such notice as may be required in this Article 14.

**Section 14.5 Waivers.** The Trustee, on behalf of the Trust, may waive any Event of Lease Default under this 2018A Lease and its consequences. In the event that any agreement contained herein should be breached by either party and thereafter waived by the other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach hereunder. Payment of Base Rentals or Additional Rentals by the City shall not constitute a waiver of any breach or default by the Trust hereunder.

**Section 14.6 Waiver of Appraisalment, Valuation, Stay, Extension and Redemption Laws.** To the extent permitted by law, in the case of an Event of Nonappropriation or an Event of Lease Default neither the City nor any one claiming through or under either of them shall or will set up, claim or seek to take advantage of any appraisalment, valuation, stay, extension or redemption laws now or hereafter in force in order to prevent or hinder the enforcement of the 2018A Indenture; and the City, for itself and all who may at any time claim through or under either of them, hereby waives, to the full extent that it may lawfully do so, the benefit of all such laws. Notwithstanding the foregoing, it is expressly understood that the City cannot and does not hereby waive its right to set up, claim or seek to take advantage of its police powers or its State constitutional or statutory right of eminent domain.

## **ARTICLE 15 MISCELLANEOUS**

**Section 15.1 Sovereign Powers of City.** Nothing in this 2018A Lease shall be construed as diminishing, delegating, or otherwise restricting any of the sovereign powers or immunities of the City. Nothing in this 2018A Lease shall be construed to require the City to occupy and operate the Leased Property other than as lessee, or to require the City to exercise its right to purchase the Trust's leasehold interest in the Leased Property created by the 2018A Facilities Lease, all as provided in Article 12 hereof.

[Remainder of this page intentionally left blank.]

**Section 15.2 Notices.** All notices, certificates or other communications to be given hereunder shall be sufficiently given and shall be deemed given when delivered electronically or mailed by certified or registered mail, postage prepaid, addressed as follows:

If to the City:

Mayor  
City and County of Denver, Colorado  
1437 Bannock, Room 350  
Denver, Colorado 80202

With copies to:

Chief Financial Officer  
City and County of Denver, Colorado  
201 West Colfax, Department 1010  
Denver, Colorado 80202  
(and electronically to “[debtmanagement@denvergov.org](mailto:debtmanagement@denvergov.org)”)

and

Executive Director of Public Works  
City and County of Denver, Colorado  
201 West Colfax Avenue, Department 608  
Denver, Colorado 80202

and

City Attorney  
City and County of Denver, Colorado  
201 West Colfax, Department 1207  
Denver, Colorado 80202

If to the Trust and Trustee:

Denver Public Facilities Leasing Trust 2018A  
c/o ZB, National Association dba Zions Bank, as Trustee  
1001 - 17th Street Suite #850  
Denver, Colorado 80202  
Attention: Corporate Trust Department  
(and electronically to [Stephanie.Nicholls@zionsbank.com](mailto:Stephanie.Nicholls@zionsbank.com))

The City, the Trustee and the Trust may, by written notice, designate any further or different addresses to which subsequent notices, certificates or other communications shall be sent.

**Section 15.3 No Third Party Beneficiaries.** It is expressly understood and agreed that enforcement of the terms and conditions of this 2018A Lease, and all rights of action relating to

such enforcement, shall be strictly reserved to the City, as lessee, and the Trust, as lessor, and the Trustee, on behalf of the Trust and their respective successors and assigns, and nothing contained in this 2018A Lease shall give or allow any such claim or right of action by any other or third person on this 2018A Lease. It is the express intention of the City and the Trust that any person other than the City, the Trust or the Trustee receiving services or benefits under this 2018A Lease shall be deemed to be an incidental beneficiary only.

**Section 15.4 No Discrimination in Employment.** In connection with the performance of work under this 2018A Lease, the Trustee, on behalf of the Trust and as Trustee under the 2018A Indenture, shall not refuse to hire, nor discharge, promote or demote, nor to discriminate in matters of compensation against any person otherwise qualified, solely because of race, color, religion, age, national origin, gender, military status, sexual orientation, gender identity or gender expression, marital status, or physical or mental disability; and shall insert the foregoing provisions in all contracts and subcontracts entered into with respect to this 2018A Lease.

**Section 15.5 Binding Effect.** This 2018A Lease shall inure to the benefit of and shall be binding upon the Trust and the City and their respective successors and assigns, subject, however, to the limitations contained in Article 13 of this 2018A Lease.

**Section 15.6 Amendments.** This 2018A Lease may be amended, changed, modified or altered only as provided in the 2018A Indenture, including any amendments necessary or desirable to amend and supplement the descriptions of the Leased Property herein after the Completion Date of the Colorado Convention Center Expansion Project..

**Section 15.7 Absolute Net Lease.** This 2018A Lease shall be deemed and construed to be an “absolute net lease” and, subject to the prior appropriation requirements hereof, the City shall pay absolutely net during the Lease Term, the Base Rentals, the Additional Rentals and all expenses of, or other payments in respect of, the Leased Property as required to be paid by the City under this 2018A Lease, for which a specific Appropriation has been effected by the City for such purpose, free of any deductions, and without abatement, deduction or setoff (other than credits against Base Rentals expressly provided for in this 2018A Lease).

**Section 15.8 Payments Due on Holidays.** If the date for making any payment or the last day for performance of any act or the exercising of any right, as provided in this 2018A Lease, shall be a day other than a Business Day, such payment may be made or act performed or right exercised on the next succeeding Business Day, with the same force and effect as if done on the nominal date provided in this 2018A Lease.

**Section 15.9 Severability.** Except for the requirement of the City to pay Base Rentals for which a specific Appropriation has been effected by the City for such purpose and the requirement of the Trust to provide quiet enjoyment of the Leased Property and to convey the Leased Property to the City under the conditions set forth in Article 12 of this 2018A Lease (which, if held invalid or unenforceable by any court of competent jurisdiction, may have the effect of invaliding or rendering unenforceable the other provisions of this 2018A Lease), in the event that any other provision of this 2018A Lease shall be held invalid or unenforceable by any



court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

**Section 15.10 Execution in Counterparts.** This 2018A Lease may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**Section 15.11 Applicable Law.** This 2018A Lease shall be governed by and construed in accordance with the laws of the State.

**Section 15.12 No Indemnification by City.** The City cannot and does not agree to indemnify, hold harmless or exonerate the Trust, the Trustee or any other person for any purpose whatsoever. It is understood by the parties to this 2018A Lease that the City's duty to defend set forth in Section 2.1 (g) hereof is not an indemnification.

**Section 15.13 Captions.** The captions or headings herein are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this 2018A Lease.

**Section 15.14 No Conflict of Interest of City Employees.** The Trust represents that, to the best of its knowledge, no officer or employee of the City is either directly or indirectly a party or in any manner interested in this 2018A Lease except as such interest may arise as a result of the lawful discharge of the responsibilities of such official or employee.

**Section 15.15 Electronic Signatures and Electronic Records.** The Trust consents to the use of electronic signatures by the City. This 2018A Lease and any other documents requiring a signature hereunder, may be signed electronically by the City in the manner specified by the City. The City and the Trust agree not to deny the legal effect or enforceability of this 2018A Lease solely because it is in electronic form or because an electronic record was used in its formation. The City and the Trust agree not to object to the admissibility of this 2018A Lease in the form of an electronic record, or a paper copy of an electronic document, or a paper copy of a document bearing an electronic signature, on the grounds that it is an electronic record or electronic signature or that it is not in its original form or is not an original.

[Signature pages follow.]

IN WITNESS WHEREOF, the Trustee has executed this 2018A Lease the day and year first above written.

Denver Public Facilities Leasing  
Trust 2018A, as Lessor  
By its Trustee:  
ZB, NATIONAL ASSOCIATION  
DBA ZIONS BANK

\_\_\_\_\_  
By: Stephanie Nicholls  
Its: Vice President

STATE OF COLORADO )  
 ) ss.  
CITY AND COUNTY OF DENVER )

The foregoing instrument was acknowledged before me this August [\_\_], 2018, by Stephanie Nicholls, as Vice President of ZB, National Association dba Zions Bank, Denver, Colorado, as Trustee for the Denver Public Facilities Leasing Trust 2018A.

WITNESS my hand and official seal.

(SEAL)

\_\_\_\_\_  
Notary Public

My commission expires:

IN WITNESS WHEREOF, the City has executed this 2018A Lease the day and year first above written.

ATTEST:

**CITY AND COUNTY OF DENVER, COLORADO,**  
as Lessee

\_\_\_\_\_  
Debra Johnson,  
Clerk and Recorder, *Ex-Officio*  
Clerk of the City and County of Denver

\_\_\_\_\_  
Mayor

APPROVED AS TO FORM:

REGISTERED AND COUNTERSIGNED:

Kristin M. Bronson, Attorney for the  
City and County of Denver

By \_\_\_\_\_  
City Attorney

\_\_\_\_\_  
Chief Financial Officer, as the Manager of  
Finance/*ex officio* Treasurer

Auditor \_\_\_\_\_

**EXHIBIT A**  
**DESCRIPTION OF**  
**THE LEASED PROPERTY**  
**(Colorado Convention Center Expansion Project)**

**As of Date of this 2018A Lease**

Legal Description of the Portion of Rooftop of Existing Colorado Convention Center on which the third level of Colorado Convention Center to be Located:

That portion of Lot 1, Block 1, Lot 1 Block 2, and Stout Street as set forth on the plat of Colorado Convention Center Subdivision which subdivision is recorded at Rec. No. 2004122323 in the records of the Clerk and Recorder of the City and County of Denver, State of Colorado, lying above the roof of the existing Convention Center building (2018) and being vertically limited between the elevations of 5285 feet and 5440 feet based on CCD Brass Cap 9A at north corner of 13th St. and Champa St. elevation 5209.66 feet (datum NAVD 1988) and being horizontally limited within the following described parcel:

Commencing at the most westerly corner of said Lot 1, Block 2, said corner being on the northwesterly line of said Colorado Convention Center Subdivision; thence N44°34'48"E along the northwesterly line, a distance of 30.00 feet to the Point of Beginning; thence continuing N44°34'48"E along said northwesterly line, a distance of 645.00 feet; thence S45°25'12"E, a distance of 480.00 feet; thence S44°34'48"W, a distance of 645.00 feet; thence N45°25'12"W, a distance of 480.00 feet to the Point of Beginning.

Parcel contains 309,600 square feet or 7.11 acres, more or less.

Description of the Portion of the Colorado Convention Center to Constitute the Leased Property on the Date of this 2018A Lease:

The portion of the rooftop of the existing Colorado Convention Center, together with all improvements located thereon on the date hereof and from time to time during the period of acquisition and construction of the Colorado Convention Center Expansion Project until this "Description of the Leased Property" is amended as described, authorized and provided for herein.

**As of Completion Date of Colorado Convention Center Expansion Project**

Legal Description of Footprint of third level of Colorado Convention Center:

(Insert amended legal description as described, authorized and provided for herein.)

Description of the Portion of the Colorado Convention Center to Constitute  
the Amended Leased Property

The portion of the third level of the Colorado Convention Center described above, together with the amended description of the facilities located thereon upon the completion of the Colorado Convention Center Expansion Project, expected to be 50% of the ballroom and 50% of the back-of-house space, all of the kitchen space and all of the pre-function space to be located on the third level, subject to a nonexclusive license right in the City and its agents, contractors, customers, vendors, suppliers, visitors, tenants, subtenants, invitees, and licensees of each of them pedestrian access, ingress and egress on and through the pre-function space.

**EXHIBIT B**  
**PERMITTED ENCUMBRANCES**

**EXHIBIT C  
FORM OF REQUISITION**

COLORADO COVENTION CENTER EXPANSION PROJECT

To: ZB, National Association dba Zions Bank, as Trustee  
1001 - 17th Street Suite #850  
Denver, Colorado 80202  
Attention: Corporate Trust Department  
(and electronically to [Stephanie.Nicholls@zionsbank.com](mailto:Stephanie.Nicholls@zionsbank.com))

The undersigned Executive Director of Public Works of the City and County of Denver, Colorado, as the lessee's representative under the Lease Purchase Agreement No. 2018A (Colorado Convention Center Expansion Project) dated August [\_\_\_], 2018 (the "2018A Lease"), between Denver Public Facilities Leasing Trust 2018A, as lessor, and the City and County of Denver, as lessee, hereby requisitions the following sum from the Project Fund established under the Declaration and Indenture of Trust dated August [\_\_\_], 2018 (the "2018A Indenture"), entered into by you, as Trustee, and in connection with such request, certifies as follows:

Amount:        \$ \_\_\_\_\_

The Executive Director of Public Works further certifies that

- (a) all conditions required by the 2018A Lease and the 2018A Indenture to be met prior to the disbursement of the above amount have been satisfied;
- (b) the disbursement requested will be used for the "Costs of the Project" permitted under the 2018A Lease and the 2018A Indenture; and
- (c) the City is not in breach of any of the agreements contained in the 2018A Lease.

**CITY AND COUNTY OF DENVER, COLORADO,**  
as Lessee

\_\_\_\_\_  
Its: Executive Director of Public Works or designee

Attach:

Application for Payment which includes: (1) a schedule of values; (2) a cash flow and detailed report of anticipated future expenditures for the next subsequent three-month calendar period and for the total Costs of the Project through the Completion Date, reflecting projected expenditures compared to the total budget for the Project; and (3) a detailed report of the expenditures made in the past on the Costs of the Project, showing past expenditures compared to the total budget for the Project.

**EXHIBIT D**  
**CERTIFICATE OF SUBSTANTIAL COMPLETION OF PROJECT**

COLORADO COVENTION CENTER EXPANSION PROJECT

To: ZB, National Association dba Zions Bank, as Trustee  
1001 - 17th Street Suite #850  
Denver, Colorado 80202  
Attention: Corporate Trust Department  
(and electronically to [Stephanie.Nicholls@zionsbank.com](mailto:Stephanie.Nicholls@zionsbank.com))

The undersigned hereby states and certifies:

1. That I am the Executive Director of Public Works of the City and County of Denver, Colorado, acting as the lessee's representative under the Lease Purchase Agreement No. 2018A (Colorado Convention Center Expansion Project) dated August [\_\_], 2018 (the "2018A Lease"), between Denver Public Facilities Leasing Trust 2018A, as lessor, and the City and County of Denver, as Lessee. I am familiar with the facts herein certified and am authorized and qualified to certify the same.

2. The Project described in the 2018A Lease is substantially complete, meaning that the City has received a Temporary Certificate of Occupancy for the Project [and all Costs of the Project as described in the 2018A Lease have been paid except for the following amounts to be set aside by the Trustee to pay remaining Costs of the Project: \$\_\_\_\_\_]. This Certificate shall constitute the Certificate of Substantial Completion of Project for the purposes of the 2018A Lease and the definition of "Certificate of Substantial Completion of Project" therein.

3. Notwithstanding the foregoing, this Certificate shall not prejudice any rights against third parties which exist at the date hereof or which may subsequently come into being.

**CITY AND COUNTY OF DENVER, COLORADO,**  
as Lessee

\_\_\_\_\_  
Its: \_\_\_\_\_



**EXHIBIT E**  
**BASE RENTALS SCHEDULE**

Base Rentals Payment Date	Base Rentals Principal Portion	Base Rentals Interest Portion	Total Base Rentals	Base Rentals Payment Date	Base Rentals Principal Portion	Base Rentals Interest Portion	Total Base Rentals
06/01/2019	\$ 120,000	\$ 5,101,950	\$ 5,221,950	06/01/2034	\$ 4,065,000	\$ 2,267,402	\$ 6,332,402
12/01/2019		3,276,774	3,276,774	12/01/2034		2,164,049	2,164,049
06/01/2020	1,995,000	3,276,774	5,271,774	06/01/2035	4,280,000	2,164,049	6,444,049
12/01/2020		3,226,051	3,226,051	12/01/2035		2,055,230	2,055,230
06/01/2021	2,100,000	3,226,051	5,326,051	06/01/2036	4,500,000	2,055,230	6,555,230
12/01/2021		3,172,659	3,172,659	12/01/2036		1,940,817	1,940,817
06/01/2022	2,210,000	3,172,659	5,382,659	06/01/2037	4,735,000	1,940,817	6,675,817
12/01/2022		3,116,469	3,116,469	12/01/2037		1,820,430	1,820,430
06/01/2023	2,325,000	3,116,469	5,441,469	06/01/2038	4,985,000	1,820,430	6,805,430
12/01/2023		3,057,356	3,057,356	12/01/2038		1,693,686	1,693,686
06/01/2024	2,445,000	3,057,356	5,502,356	06/01/2039	5,245,000	1,693,686	6,938,686
12/01/2024		2,995,192	2,995,192	12/01/2039		1,560,332	1,560,332
06/01/2025	2,575,000	2,995,192	5,570,192	06/01/2040	5,515,000	1,560,332	7,075,332
12/01/2025		2,929,723	2,929,723	12/01/2040		1,420,113	1,420,113
06/01/2026	2,705,000	2,929,723	5,634,723	06/01/2041	5,805,000	1,420,113	7,225,113
12/01/2026		2,860,948	2,860,948	12/01/2041		1,272,521	1,272,521
06/01/2027	2,850,000	2,860,948	5,710,948	06/01/2042	6,105,000	1,272,521	7,377,521
12/01/2027		2,788,487	2,788,487	12/01/2042		1,117,302	1,117,302
06/01/2028	2,995,000	2,788,487	5,783,487	06/01/2043	6,425,000	1,117,302	7,542,302
12/01/2028		2,712,339	2,712,339	12/01/2043		953,946	953,946
06/01/2029	3,155,000	2,712,339	5,867,339	06/01/2044	6,760,000	953,946	7,713,946
12/01/2029		2,632,123	2,632,123	12/01/2044		782,073	782,073
06/01/2030	3,315,000	2,632,123	5,947,123	06/01/2045	7,115,000	782,073	7,897,073
12/01/2030		2,547,839	2,547,839	12/01/2045		601,174	601,174
06/01/2031	3,490,000	2,547,839	6,037,839	06/01/2046	7,485,000	601,174	8,086,174
12/01/2031		2,459,106	2,459,106	12/01/2046		410,868	410,868
06/01/2032	3,675,000	2,459,106	6,134,106	06/01/2047	7,875,000	410,868	8,285,868
12/01/2032		2,365,669	2,365,669	12/01/2047		210,646	210,646
06/01/2033	3,865,000	2,365,669	6,230,669	06/01/2048	8,285,000	210,646	8,495,646
12/01/2033		2,267,402	2,267,402				

*For the purposes of providing the actual Base Rentals due under this Exhibit E of the 2018A Lease, the Chief Financial Officer may adjust the amounts of the Principal Portions and the Interest Portions of such Base Rentals within and between each Fiscal Year set forth above; provided that the Total Aggregate Principal Portion and the total Interest Portion of Base Rentals due under this Exhibit E of the 2018A Lease shall not exceed \$254,924,598.*

STATEMENT REGARDING THE LEASED PROPERTY

The duration of the 2018A Lease, throughout the Lease Term, does not exceed the weighted average useful life of the Leased Property and, to the extent that the Leased Property constitutes items of personal property, including equipment, such items are considered paid from the first Base Rentals described above.

**EXHIBIT F**  
**FORM OF NOTICE OF LEASE RENEWAL**

To: ZB, National Association dba Zions Bank, as Trustee  
1001 - 17th Street Suite #850  
Denver, Colorado 80202  
Attention: Corporate Trust Department

The undersigned is the Chief Financial Officer of the City and County of Denver, Colorado (the “City”), the lessee under that certain Lease Purchase Agreement No. 2018A (Colorado Convention Center Expansion Project) (the “2018A Lease”) dated August [\_\_\_], 2018, with the Denver Public Facilities Leasing Trust 2018A, the lessor thereunder. I am familiar with the facts herein certified and am authorized and qualified to certify the same. The undersigned hereby states and certifies:

(a) the City has effected or intends to effect on a timely basis an Appropriation for the ensuing Fiscal Year which includes (1) sufficient amounts authorized and directed to be used to pay all the Base Rentals and (2) sufficient amounts to pay such Additional Rentals as are estimated to become due, all as further provided in Sections 6.2 and 6.4 of the 2018A Lease, whereupon the 2018A Lease shall be renewed for the ensuing Fiscal Year;

\_\_\_\_\_  
Initial

OR

(b) the City has determined not to renew the 2018A Lease for the ensuing Fiscal Year.

\_\_\_\_\_  
Initial

**CITY AND COUNTY OF DENVER, COLORADO,**  
as Lessee

\_\_\_\_\_  
Its: \_\_\_\_\_