

RUSSELL DYKSTRA
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File No. 5029430.0002

May 19, 2020

Carl Schueler
Comprehensive Planning Manager
City Administration Building
30 S. Nevada Avenue, Suite 105
Colorado Springs, Colorado 80903

Re: Interquest Town Center Business Improvement District – 2020 Bond
Issuance

Dear Mr. Schueler:

This office represents the Interquest Town Center Business Improvement District (the “District”). The District anticipates issuing bonds in June 2020 and is seeking approval from the Colorado Springs City Council pursuant to the District’s Operating Plan and the City’s Special District Policy.

On behalf of the District, please find enclosed copies of:

- (a) the form of bond resolution and form of bond for the Limited Tax General Obligation Bond, Series 2020 (“2020 Bonds”);
- (b) the Financing Plan and additional bond details;
- (c) description of the costs of the public improvements anticipated to be funded with the 2020 Bonds proceeds;
- (d) a certification of RBC Capital Markets, LLC, an External Financial Advisor to the District, explaining the structure of the overall financing plan and the fairness and feasibility of the interest rate and the structure of the 2020 Bonds;
- (e) a draft opinion letter from Mr. Arnold Kaplan at Spencer Fane LLP as bond counsel confirming that the proposed bond issuance is consistent with applicable law and regulations; and
- (f) a draft opinion letter from Mr. Russell Dykstra at Spencer Fane LLP as District counsel confirming that the proposed bond issuance is consistent with the District’s

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Operating Plan and Budget, the City of Colorado Springs's current policy relating to special districts, and applicable law.

The application fee in the amount of \$1,100 will be delivered to the City Clerk on May 20, 2020.

The District intends to construct or acquire certain public improvements, as provided for in the District's Operating Plan and Budget and will use the 2020 Bonds for financing the public improvements. The public improvements the District intends to finance with the 2020 Bonds include, but is not limited to, water, sanitation, and street facilities and improvements. The anticipated interest rate of the 2020 Bonds will be 7.00% and the bond amount will not exceed \$3,100,000. As further demonstrated in the enclosed Financing Plan, the 2020 Bonds will be repaid by a mill levy imposed by the District that will not exceed 50 mills per year, subject to Gallagher adjustments, and pledged PIF revenues. The 2020 Bonds will be privately placed by RBC Capital Markets, LLC and will mature on December 1, 2049.

At your earliest convenience, please have City Council review the enclosed documents to ensure that the 2020 Bonds are being issued in compliance with the Special District Policy as stated in the District's Operating Plan. If you have any questions, or need anything further, please do not hesitate to contact this office.

Best regards,

SPENCER FANE LLP

/s/ Russell Dykstra, Esq.
Russell Dykstra, Esq.

Enclosures