

EXHIBIT D

Terms and Definitions

The following terms and definitions from the City of Colorado Springs Special District Policy are specifically incorporated for use in this Operating Plan and Budget.

a. Authority – An entity with separate legal powers or authorities, created by intergovernmental agreement (IGA) between or among Districts, or between or among one or more Districts, and another governmental entity.

b. City – The City of Colorado Springs, acting legislatively through its City Council or administratively through its mayor or chief of staff consistent with Colorado Revised Statutes and the City Charter.

c. Combination of Districts – Any combination of Metropolitan Districts, BIDs and/or GIDs that overlay each other that are organized by petition of a property developer that are specific to property within a single development project and do not serve any property outside of that project such as regional service district or non-developer controlled existing district.

d. C.R.S. – Colorado Revised Statutes.

e. Debt – Any bond, note debenture, contract or other multiple year financial obligation of a District which is payable in whole or in part from, or which constitutes an encumbrance on, the proceeds of ad valorem property tax or End User Debt Service Fee imposed by the District, or pledged for the purposes of meeting the obligation.

f. Debt Mill Levy – For the purpose of this Policy and its associated plans the debt mill levy is that portion of the overall mill levy of the District, pledged, dedicated or otherwise used to repay formally issued Debt or long terms.

g. Developer Funding Agreements – Short or long-term obligations of Districts entered into between Districts and developers related to advancement of reimbursement of Public Improvements or operations and maintenance costs. Such agreements may or may not accrue interest, but do not qualify as formally issued Debt as defined under this Policy or under TABOR.

h. District – This First and Main Business Improvement District No. 2.

i. End User – A property owner anticipated to have long term, multi-year responsibility for the tax and/or fee obligations of a District. By way of illustration, a resident homeowner, renter, commercial property owner, or commercial tenant is an end user. A master property developer or business entity that constructs homes or commercial structures for occupancy or ownership primarily by third parties, is not an end user.

j. End User Debt Service Fees – Any fees, rates, tolls or charges assessed or pledged or otherwise obligated to End Users by a District for the payment of Debt. End User Debt Service Fees are not intended to include public improvement fees (PIFs) if authorized by this Operating Plan and Budget.

k. External Financial Advisor – A consultant that: (1) advises Colorado governmental entities on matters relating to the issuance of securities by Colorado governmental entities, including matters such as the pricing, sales and marketing of such securities and the procuring of bond ratings, credit enhancement and insurance in respect of such securities; (2) shall be an

underwriter, investment banker, or individual listed as a public finance advisor in the Bond Buyer's Municipal Market Place (also known as the Redbook); and (3) is not an officer of the Districts.

l. Index Interest Rate – The AAA 30-year MMD (Municipal Market Data) index interest rate.

m. Interest Rate – The annual rate of charge applied to Debt or other District financial obligations.

n. Land Development Entitlement – A City-approved master plan, concept plan or other more detailed land use plan, zoning or combinations thereof, applicable to a substantial proportion of the property to be included in District and sufficient to support the need for the District along with relevant public improvements financing assumptions and proposed limits.

o. Maximum Debt Mill Levy – The maximum mill levy a District or Combination of Districts is permitted to impose for the payment of Debt. For the purpose of this Policy, a mill levy certified for contractual obligations is part of the Maximum Debt Mill Levy.

p. Maximum Operating Mill Levy – The maximum mill levy a District or Combination of Districts is permitted to impose for operating and maintenance expenses.

q. Mill Levy Adjustment – Any statutory, legislative or constitutional changes that adjust or impact that assessed or actual valuation of property or the assessment ratio pursuant to which taxes are calculated.

r. Model BID Operating Plan and Budget – The most recent version of the template for BID Operating Plans and Budgets adopted in accordance with this Policy.

s. Planning and Community Development Department Director – The Director of the Colorado Springs Planning and Community Development Department or other position which may be established for the purpose of administering this Policy, or their designee.

t. Policy or Special District Policy – The City's adopted Special District Policy as may be amended from time to time.

u. Privately Placed Debt – Debt that is not marketed to multiple independent accredited investors as defined in Rule 501(a) promulgated under the Securities Act of 1933 by a registered bond underwriter or placed directly with a chartered lending institution or credit union.

v. Public Improvements – Any capital or site improvements (or directly related planning or engineering costs) legally determined to be eligible for ownership, maintenance and/or financing by a District in accordance with the applicable State statutes.

w. Related Party Privately Placed Debt – Privately Placed Debt that is or will be placed with and directly held by a party related to the issuing District.