

**AMENDED 2021 OPERATING PLAN AND BUDGET
AS AMENDED JANUARY 27, 2021**

USAFA VISITOR'S CENTER BUSINESS IMPROVEMENT DISTRICT

City of Colorado Springs, El Paso County, Colorado

TABLE OF CONTENTS

1. PURPOSE AND SCOPE OF THIS DISTRICT 1
 A. Requirement for this Amended Operating Plan 1
 B. What Must Be Included in the Amended Operating Plan? 1
 C. Purposes 1
 D. Ownership of Property or Major Assets 2
 E. Contracts and Agreements 2
2. ORGANIZATION AND COMPOSITION OF THE BOARD OF DIRECTORS 2
 A. Organization 2
 B. Governance 2
 C. Current Board 2
 D. Term Limits 2
 E. Advisory Board 2
3. BOUNDARIES, INCLUSIONS AND EXCLUSIONS 3
4. PUBLIC IMPROVEMENTS 3
5. ADMINISTRATION, OPERATIONS, SERVICES AND MAINTENANCE 3
6. FINANCIAL PLAN AND BUDGET 3
 A. 2021 Budget 3
 B. Authorized Indebtedness 3
 C. Property Tax and Mill Levy Caps 3
 D. District Revenues 4
 E. Existing Debt Obligations 4
 F. Future Debt Obligations 5

 G. City Charter Limitations 5
 I. Non-Default Provisions 5
 J. Privately Placed Debt 5
 K. No City Obligations 5
7. MUNICIPAL OVERSIGHT OF DISTRICT ACTIVITIES 6
 A. Audit 6
 B. SID Formation 6
 C. City Authorization Prior to Debt Issuance 6
 D. Public Improvement Fees 6
 E. Condemnation 6
8. 2021 ACTIVITIES, PROJECTS AND CHANGES 6
 A. Activities 6
 B. Projects and Public Improvements 6
 C. Summary of 2021 Activities 6
9. DISSOLUTION 7
10. CONCLUSION 7

EXHIBITS

- EXHIBIT A – Director Contact Information
- EXHIBIT B – BID Budget 2021
- EXHIBIT C – District Boundary Legal Description
- EXHIBIT D – District Boundary Map
- EXHIBIT E – Description of Improvements

**AMENDED 2021
AMENDED OPERATING PLAN FOR THE
USAFA VISITOR’S CENTER BUSINESS IMPROVEMENT DISTRICT**

1. PURPOSE AND SCOPE OF THIS DISTRICT

A. Requirement for this Amended Operating Plan. The Business Improvement District Act, specifically Section 31-25-1211, C.R.S., requires that the USAFA Visitor’s Center Business Improvement District (the “District”) file an operating plan and budget with the City Clerk no later than September 30 of each year.

Under the statute, the City is to approve the operating plan and budget within 30 days of the submittal of all required information.

The District operates under the authorities and powers allowed under the Business Improvement District Act, Section 31-25-1201, et seq., Colorado Revised Statutes, as amended, as further described and limited by this Amended Operating Plan.

This 2021 Amended Operating Plan is the District’s fourth Operating Plan following its organization by the City.

B. What Must Be Included in the Amended Operating Plan? Pursuant to the provisions of the Business Improvement District Act, Section 31-25-1201, et seq., Colorado Revised Statutes, as amended, this Amended Operating Plan specifically identifies (1) the composition of the Board of Directors, (2) the services and improvements to be provided by the District, (3) the taxes, fees, and assessments to be imposed by the District, (4) the estimated principal amount of the bonds to be issued by the District, and (5) such other information as the City may require.

C. Purposes. The District’s primary purpose is to provide for the financing, acquisition, construction, completion, installation, replacement and/or operation and maintenance of the services and public improvements necessary to support the development of a 57 acre commercial mixed-use development located near the north entrance to the United States Air Force Academy (the “Project”). The Project is located on property owned by the United States Air Force (“USAF”) that will be developed by Blue & Silver Development Partners, LLC (the “Developer”), through a long term lease arrangement with the USAF as part of the USAF’s Enhanced Use Leasing Project.

The 57 acres underlying the Project (the “Property”) was recently annexed into the City and is now located within the boundaries of the City. As further described in the 2018 Amended Operating Plan, the District was formed on a smaller parcel of land located within the City. Following the annexation of the Property into the City, a portion of the Property (comprised of approximately 36.1 acres) has now been included into the District boundaries (the “Inclusion Property”). The remainder of the Property may be included into the District at a later date.

D. Ownership of Property or Major Assets. The District may own property or major physical assets as part of anticipated development.

E. Contracts and Agreements. In addition to the aforementioned advance agreement, the District entered into a site development lease with the USAF. The District is also in the midst of negotiating several other agreements in anticipation of commencing development activities including, but not necessarily limited to possible related development agreements, revenue sharing agreements, infrastructure funding agreements, and construction contracts.

2. ORGANIZATION AND COMPOSITION OF THE BOARD OF DIRECTORS

A. Organization. The District was organized by the City of Colorado Springs, Colorado in 2018. A special election for the District, consisting of debt and related issues and questions, was held on November 6, 2018 and all election questions were approved.

B. Governance. The District is governed by a board of directors comprised of five members. The current members of the Board of Directors were declared elected following the cancelation of the May 5, 2020 regular because there were not more candidates for director than offices to be filled including candidates filing affidavits of intent to be write-in candidates.

C. Current Board. The persons who currently serve as the Board of Directors are:

1. Vacant
2. Don Hunt
3. Tom Markham
4. Dan Schnepf
5. Eric Smith

The Board of Directors will request that the City approve a new board member when a qualified candidate for the Board of Directors is identified.

D. Term Limits. Term limits were waived by the District's electors at the District's November 6, 2018, election.

E. Advisory Board. The Board of Directors may appoint one or more advisory boards to assist the Board of Directors on such matters as the Board of Directors desires assistance. The Board of Directors shall, upon the appointment of an advisory board, set forth its duties, duration, and membership. The Board of Directors may provide rules of procedure for the advisory board or may delegate to the advisory board the authority to provide such rules. No advisory boards have yet been appointed.

3. BOUNDARIES, INCLUSIONS AND EXCLUSIONS

The District map is depicted in Exhibit D. The District does not anticipate any inclusion or exclusion requests in the coming year.

4. PUBLIC IMPROVEMENTS

The public improvements that the District may construct, install or cause to be constructed and installed include those public improvements the costs of which may, in accordance with the Business Improvement District Act, Section 31-25-1201, et seq., C.R.S., lawfully be paid for by the District, including, without limitation, the following types of improvements: water, safety protection, sanitation, dry utilities, streets, curbs, gutters, culverts, drainage facilities, sidewalks, parking facilities, paving, lighting, grading, parks, landscaping and storm and wastewater management facilities and associated land acquisition and remediation (the “Public Improvements”).

5. ADMINISTRATION, OPERATIONS, SERVICES AND MAINTENANCE

Subject to the limitations set forth above, the District will begin in 2021 to accomplish the design, planning and development of infrastructure that will enable the Developer to effectively offer the Project to prospective tenants.

The District will not have any employees in 2021 and will contract with consultants as necessary to carry out the District’s basic administration and operations.

6. FINANCIAL PLAN AND BUDGET

A. Amended 2021 Budget. The Amended 2021 Budget for the District is attached as Exhibit B.

B. Authorized Indebtedness. The District held an election on November 6, 2018, regarding the District’s revenue and debt authority. Based upon the election results, the overall maximum authorized indebtedness of the District is \$565,000,000. Notwithstanding the foregoing, the overall maximum indebtedness of the District authorized by the City Council (consistent with Resolution ___-21 approved on February 9, 2021) is \$90,000,000 (subject to market conditions and interest rates). The proposed issuance of any further debt by the District in addition to the foregoing would also require approval by the City Council.

C. Property Tax and Mill Levy Caps. The District may impose ad valorem property taxes to fund the district’s debt service obligations and operations and maintenance expenses. The District may impose a debt service mill levy not to exceed 50 mills and an operations and maintenance mill levy not to exceed 10 mills. The District did not impose either a debt service mill levy or an operations and maintenance levy in 2020.

Commencing in 2021 (for collection in 2022), the District may impose an ad valorem property tax mill levy, establish public improvement fees and any other lawful revenue source and use the revenues derived therefrom in order to establish a sinking fund to pay for the demolition and restoration of the Property as required by the terms of the USAF’s Enhanced Use Lease (“EUL”).

D. District Revenues. It is anticipated that the District will impose a debt service mill levy of 50 mills and an operations and maintenance mill levy of 10 mills to support the Project. In addition, it is anticipated that the Developer will facilitate the imposition of public improvement fees (PIFs) on all taxable sales and lodging within the Project, with all revenues associated with such PIFs being pledged to the District to fund the District’s debt service, operation and maintenance obligations, and obligations to perform the obligations under the EUL that are assumed by the District (“EUL Obligations”).

E. Existing Debt Obligations. Except as noted, the District does not have any existing debt obligations. The District shall be permitted to enter into an advance and reimbursement agreement with the Developer for the purpose of facilitating the funding of the District’s design, planning and development of infrastructure that will enable the Developer to effectively offer the Project to prospective tenants, and to enable the District to function operationally on its own. In this regard, on December 19, 2018, the District entered into a Facilities Funding and Acquisition Agreement (“FFAA”) to repay advances or costs incurred by the Developer for capital infrastructure costs. The District has agreed to repay the Developer for such advances or improvements plus accrued interest at the rate of 8.00% from the date of the expenditure through the date of repayment. The repayment is anticipated to come from future bond issuances of the District. The FFAA terminates on December 31, 2048, unless terminated earlier by the mutual written agreement of the parties. Any amount of principal and accrued interest outstanding at such time shall be deemed to be forever discharged and satisfied in full. As of December 31, 2019, no outstanding Developer advances were due under the FFAA. As of February 10, 2021, the following summarizes the pre-development costs anticipated to be reimbursed through the Bonds that are further described in Section 6(F) below:

Pre-Development Costs – As of February 10, 2021 (Unaudited and Estimated)

| | |
|---|-------------------------------|
| <u>Legal Fees</u> | <u>\$ 1,510,841.15</u> |
| <u>Accounting Fees</u> | <u>\$ 42,898.94</u> |
| <u>Development Applications – City/URA Fees</u> | <u>\$ 104,182.26</u> |
| <u>Architecture/Engineering/Consulting</u> | <u>\$ 2,319,200.15</u> |
| <u>Financial Consulting/Market Studies</u> | <u>\$ 1,097,908.88</u> |
| <u>Insurance</u> | <u>\$ 29,574.93</u> |
| <u>Interest Charges (8% per annum) – Developer Advances</u> | <u>\$ 205,610.82</u> |
| <u>Miscellaneous</u> | <u>\$ 20,920.81</u> |
| <u>Total</u> | <u>\$ 5,331,137.94</u> |

Also on December 19, 2018, the District entered into an Operations and Administration Reimbursement Agreement (“OARA”) to repay advances or costs incurred by the Developer for operations and maintenance costs and additional costs as outlined in the OARA. The obligations of the District to make the reimbursements contemplated in the OARA are and shall become irrevocably binding upon the District upon the advance to or on behalf of the District as contemplated by the OARA, and shall bear simple interest from the date of advance at the annual rate of 7%. The repayment is anticipated to come from future tax revenues as a result of the imposition by the District of its general fund mill levy. This agreement terminates by mutual written consent and, if not terminated earlier, shall terminate on January 1, 2029. The District shall be obligated to reimburse all advances made prior to or after termination, as provided in the OARA, notwithstanding such termination. ~~As of December 31, 2019, Developer made advances in the amount of \$92,210 as contemplated under the OARA.~~

F. Future Debt Obligations. Due to unforeseen circumstances resulting from the coronavirus outbreak, the District was unable to close on bond issuances that had been approved by City Council and scheduled to close in early 2020. Notwithstanding the foregoing, and subject to the constraints specified in this Amended Operating Plan the District remains in the process of issuing its combined Series A, B and C Bonds (the “Bonds”). Documents fully describing the Bonds will be provided to the City consistent with the City Charter and procedures. The issuances are subject to an extension of the City Council’s prior approvals granted in October 2019 and 2020 until December 31, 2021.

G. City Charter Limitations. In accordance with 7-100 of the City Charter, the District shall not issue any debt instrument for any purpose other than construction of capital improvements with a public purpose necessary for development. As set forth in 7-100 of the City Charter, the total debt of any proposed District shall not exceed 10 percent of the total assessed valuation of the taxable property within the District unless approved by at least a two-thirds vote of the entire City Council.

H. Non-Default Provisions. Limited tax general obligation bonds issued by the District shall be structured and/or credit enhancements provided such that the bonds cannot default as long as the District is imposing the required maximum allowed mill levy.

I. Privately Placed Debt. Prior to the issuance of any privately placed debt for capital related costs, the District shall obtain the certification of an External Financial Advisor regarding the fairness and feasibility of the interest rate and the structure of the debt.

J. No City Obligations. The debt of the District will not constitute a debt or obligation of the City in any manner. The faith and credit of the City will not be pledged for the repayment of the debt of the District. This will be clearly stated on all offering circulars, prospectuses, or disclosure statements associated with any securities issued by the District

7. MUNICIPAL OVERSIGHT OF DISTRICT ACTIVITIES

A. Audit. The District agrees to submit an annual audit to the City Finance Department no later than March 1st of each year which is performed by an independent certified public accounting firm. Even if the state grants an audit exemption, the District must submit an annual audit as specified above.

B. SID Formation. The District affirms that it will provide an Amended Operating Plan and seek prior approval of City Council prior to formation of any Special Improvement District within its boundaries in the future.

C. City Authorization Prior to Debt Issuance. In accordance with the City's Special District Policy, and notwithstanding any statements of intent in the Budget and Amended Operating Plan, this District shall request and obtain approval of City Council prior to issuance of any debt in accordance with the financing plan for the District as previously approved. The standards for City approval shall generally be consistent with the City's Special District Policy as it may be amended along with the most recently approved operating plan and budget and any requirements or limitations contained therein to the extent that they are consistent with the financing plans for the District.

D. Public Improvement Fees. The District expects to utilize revenues derived from public improvement fees (PIFs) on all taxable sales and lodging and certain services within the Project to fund the District's debt service, operation and maintenance obligations and EUL obligations.

E. Condemnation. The Colorado Revised Statutes do not authorize BIDs to use powers of eminent domain. The exercise of eminent domain authority by any City-authorized district is also specifically prohibited without express prior City Council approval.

8. 2021 ACTIVITIES, PROJECTS AND CHANGES

A. Activities. The District will carry out administration and operations activities as necessary to comply with all applicable statutory and City-imposed requirements for business improvement districts.

B. Projects and Public Improvements. The District does anticipate financing and continuing construction activities in connection with Public Improvements in 2021. A description of improvements is attached as Exhibit F.

C. Summary of 2021 Activities.

Boundary changes: It is not anticipated that the District will include any additional property into its boundaries in 2021.

Changes to board or governance structure: Not anticipated for the upcoming year.

Mill levy changes: None.

New, refinanced or fully discharged debt: It is anticipated that the District will issue debt by the close of 2021.

Elections: The District was scheduled to hold an election of directors on May 5, 2020. Because there were not more candidates for director than offices to be filled (including candidates filing affidavits of intent to be write-in candidates) at the close of business on the sixty-third day before the election, the regular election to be held on May 5, 2020 was canceled and the current directors were appointed to their current seats on the board. There remains one vacancy on the board. No election is scheduled to occur in 2021.

Major changes in development activity or valuation: Development within the Property is anticipated to continue in 2021 and beyond.

Ability to meet current financial obligations: Other than as described above the District does not have any current financial obligations. It is anticipated that the District's operations will continue to be funded by the Developer.

9. DISSOLUTION

The District may be dissolved under the conditions of Section 31-25-1225, C.R.S. Perpetual existence is not contemplated at this time.

10. CONCLUSION

It is submitted that this Amended Operating Plan and Budget for the District meets the requirements of the Business Improvement District Act and further meets applicable requirements of the Colorado Constitution and other law. It is further submitted that the types of services and improvements to be provided by the District are those services and improvements which satisfy the purposes of Part 12 of Article 25 of Title 31, C.R.S.

EXHIBIT A
Director and Other Contact Information

BOARD OF DIRECTORS:

1. Vacant
2. Don Hunt
105 Sunset Drive, P.O. Box 224
Frisco, CO 80443
303-378-2650
dhunt@anteronet.com
3. Tom Markham
tommarkham66@gmail.com
4. Dan Schnepf
2435 Research Parkway, Suite 300
Colorado Springs, CO 80920
719-238-4888
5. Eric Smith
2435 Research Parkway, Suite 300
Colorado Springs, CO 80920
719-338-2388
eric_smith@matrixdesigngroup.com

LEGAL COUNSEL:

Matt Dalton and Pat Hrbacek
Spencer Fane LLP
1700 Lincoln Street, Suite 2000
Denver, CO 80203
303-839-3800
mdalton@spencerfane.com
phrbacek@spencerfane.com

EXHIBIT B
District Budget 2021

GENERAL FUND

| | 2019 | 2020 | 2021 |
|------------------------------|------------------|-----------------|------------------|
| Beginning Fund Balance | - | \$(4,206) | \$3,481 |
| REVENUES | | | |
| Property Taxes | - | | |
| District PILOT Revenue | | | |
| Specific Ownership Taxes | - | | |
| Treasurer's Fee | - | | |
| Developer Advance | \$92,210 | \$90,000 | \$175,100* |
| Net Investment Income | - | - | - |
| Intergovernmental Revenue | - | - | - |
| Total Revenues | \$92,210 | \$90,000 | \$175,100 |
| Total Funds Available | \$92,210 | \$85,794 | \$178,581 |
| EXPENDITURES | | | |
| Accounting | \$4,206 | \$10,000 | \$50,000 |
| Audit | - | \$5,000 | \$5,000 |
| Contingency | - | - | \$10,000 |
| District | - | - | \$50,000 |
| Management/Consultants | | | |
| Dues and Membership | - | \$1,820 | \$1,000 |
| Insurance | - | - | \$4,000 |
| Legal | \$92,210 | \$65,493 | \$50,000 |
| Miscellaneous | - | - | - |
| Total Expenditures | \$96,416 | \$82,313 | \$170,000 |
| ENDING FUND BALANCE | \$(4,206) | \$3,481 | 8,581 |
| Emergency Reserve | - | - | - |
| Tabor Reserve | - | - | \$5,100 |

* It is anticipated that the developer will advance funds in 2021 for, among other things, items related to preparations for construction activities.

CAPITAL PROJECTS FUND

| | 2019 | 2020 | 2021 |
|--------------------------------------|------|------|--------------|
| Beginning Fund Balance | - | - | - |
| REVENUES | | | |
| Interest Income | - | - | \$196,000 |
| Net Investment Income | - | - | - |
| Bond Issuance* | - | - | \$87,725,000 |
| Total Funds Available | - | - | \$87,921,000 |
| EXPENDITURES | | | |
| Bond issue costs | - | - | \$4,056,864 |
| Organizational costs | - | - | \$50,000 |
| Capital Outlay | - | - | \$25,649,294 |
| Total Expenditures | - | - | \$29,756,158 |
| TRANSFERS OUT | | | |
| Debt Service Fund | - | - | \$17,335,300 |
| Total expenditures and transfers out | - | - | \$47,091,458 |
| ENDING FUND BALANCE | - | - | \$40,829,542 |

* Sources for the Bond Issuance include \$1 Million in LART Proceeds and \$2.5 Million in collected RTA Funds.

DEBT SERVICE FUND

| | 2019 | 2020 | 2021 |
|----------------------------|------|------|--------------|
| Beginning Fund Balance | - | - | - |
| REVENUES | | | |
| Bond Proceeds | - | - | - |
| Interest Income | - | - | \$85,000 |
| RTA Funds | - | - | \$372,327 |
| Net Investment Income | - | - | - |
| Intergovernmental Revenue | - | - | - |
| Total Revenues | - | - | \$457,327 |
| TRANSFERS IN | | | |
| Capital Project Fund | - | - | \$17,335,300 |
| Total funds available | - | - | \$17,792,627 |
| EXPENDITURES | | | |
| Paying agent fees | - | - | \$5,000 |
| Contingency | - | - | \$500 |
| URA Collection Fee | - | - | \$60,000 |
| Debt Service Bond Interest | - | - | \$2,542,564 |
| Total Expenditures | - | - | \$2,608,064 |
| ENDING FUND BALANCE | - | - | \$15,184,563 |

EXHIBIT C
District Boundary Legal Description

See Attached

LEGAL DESCRIPTION

PARCEL 1

A PARCEL OF LAND LOCATED IN THE NORTH ONE-HALF OF SECTION 12, TOWNSHIP 12 SOUTH, RANGE 67 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF EL PASO, STATE OF COLORADO MORE PARTICULARLY DESCRIBED AS FOLLOWS WITH BEARINGS REFERENCED TO THE WEST LINE OF THE NORTHEAST ONE-QUARTER OF SECTION 1, TOWNSHIP 12 SOUTH, RANGE 67 WEST BEING MONUMENTED ON THE NORTH END BY A FOUND 6 INCH CONCRETE MONUMENT EMBEDDED WITH A 3-1/2 INCH METAL DISC STAMPED WITH SYMBOLOGY INDICATING IT BEING THE NORTH ONE-QUARTER CORNER OF SECTION 1 AND "1970 U.S. AIR FORCE 6786 BDY 47" AND ON THE SOUTH END BY FOUND REBAR CAPPED WITH A 3-1/4 INCH METAL AND 6 INCH CONCRETE MONUMENT EMBEDDED WITH A BRASS DISC STAMPED WITH SYMBOLOGY INDICATING IT BEING THE CENTER OF SECTION 1 AND "U.S. DEPT. OF INTERIOR - BUREAU OF LAND MANAGEMENT 1966" - BEARING SOUTH 0°12'17" EAST A DISTANCE OF 2674.46 FEET

COMMENCE AT THE CENTER OF SAID SECTION 1; THENCE SOUTH 40°07'17" EAST A DISTANCE OF 4,501.50 FEET TO AN ANGLE POINT ON THE EXTERIOR OF THE UNITED STATES AIR FORCE ACADEMY PROPERTY BEING MONUMENTED BY A 6 INCH CONCRETE MONUMENT EMBEDDED WITH A 3-1/2 INCH METAL DISC STAMPED "1970 U.S. AIR FORCE 6786 BDY 38"; THENCE SOUTH 25°23'28" EAST, ALONG SAID THE EXTERIOR A DISTANCE OF 2,877.81 FEET; THENCE SOUTH 66°17'28" WEST A DISTANCE OF 1,184.56 FEET TO THE EASTERLY RIGHT-OF-WAY OF THE FORMER ATCHISON TOPEKA AND SANTA FE RAILROAD AS DEPICTED IN THAT CERTAIN BOUNDARY SURVEY OF THE UNITED STATES AIR FORCE ACADEMY RECORDED DECEMBER 3, 1970 IN THE OFFICE OF THE EL PASO COUNTY CLERK AND RECORDERS IN PLAT BOOK O2 PAGE 84 (RECEPTION NUMBER 768143) ALSO BEING THE WESTERLY LINE OF THAT CERTAIN EASEMENT GRANTED BY THE UNITED STATES AIR FORCE ACADEMY FOR ROAD, STREET AND HIGHWAY RECORDED AUGUST 11, 1958 IN THE OFFICE OF THE EL PASO COUNTY CLERK AND RECORDER IN BOOK 1691 PAGE 594 SAID POINT; THENCE CONTINUE SOUTH 66°17'28" WEST A DISTANCE OF 300.00 FEET TO THE WESTERLY LINE OF SAID RAILROAD RIGHT OF WAY;

THENCE NORTHWESTERLY, ALONG SAID WESTERLY RIGHT-OF-WAY LINE, THE FOLLOWING SEVEN (7) COURSES;

1. THENCE NORTH 23°42'32" WEST A DISTANCE OF 336.78 FEET;
2. THENCE NORTH 66°17'28" EAST A DISTANCE OF 50.00 FEET;
3. THENCE NORTH 23°42'32" WEST A DISTANCE OF 854.90 FEET TO A TANGENT 1,810.08 FOOT RADIUS CURVE WHOSE CENTER BEARS SOUTHWESTERLY;
4. THENCE NORTHWESTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 19°00'57" AN ARC DISTANCE OF 600.75 FEET;
5. THENCE NORTH 42°43'29" WEST A DISTANCE OF 1,023.31 FEET;
6. THENCE NORTH 47°16'31" EAST A DISTANCE OF 50.00 FEET;
7. THENCE NORTH 42°43'29" WEST A DISTANCE 402.46 FEET TO A 270.00 FOOT NON-TANGENT CURVE WHOSE CENTER BEARS SOUTH 71°38'57" EAST, SAID POINT ALSO BEING THE **POINT OF BEGINNING** OF THE FOLLOWING DESCRIBED LAND;

THENCE SOUTHERLY, ALONG SAID ARC, THROUGH A CENTRAL ANGLE OF 19°05'57", AN ARC DISTANCE OF 90.00 FEET TO A 355.00 FOOT RADIUS NON-TANGENT CURVE WHOSE CENTER BEARS SOUTH 13°37'49" EAST;

LEGAL DESCRIPTION

THENCE SOUTHWESTERLY, ALONG SAID NON-TANGENT CURVE, THROUGH A CENTRAL ANGLE OF 49°08'55" AN ARC DISTANCE OF 304.52 FEET TO A 865.00 FEET COMPOUND CURVE;

THENCE SOUTHERLY, ALONG SAID COMPOUND CURVE, THROUGH A CENTRAL ANGLE OF 20°21'00" AND ARC DISTANCE OF 307.22 FEET;

THENCE SOUTH 63°48'49" WEST A DISTANCE OF 71.39 FEET;

THENCE SOUTH 84°44'16" WEST A DISTANCE OF 55.74 FEET;

THENCE NORTH 55°00'00" WEST A DISTANCE OF 50.55 FEET TO A 555.00 FOOT RADIUS NON-TANGENT CURVE WHOSE CENTER BEARS SOUTH 27°27'21" WEST;

THENCE WESTERLY, ALONG SAID NON-TANGENT CURVE, THROUGH A CENTRAL ANGLE OF 20°27'48" AN ARC DISTANCE OF 198.22 FEET TO A 290.00 FEET COMPOUND CURVE;

THENCE WESTERLY, ALONG SAID COMPOUND CURVE, THROUGH A CENTRAL ANGLE OF 30°23'14" AND ARC DISTANCE OF 153.80 FEET TO A 425.00 FOOT RADIUS NON-TANGENT CURVE WHOSE CENTER BEARS SOUTH 06°56'03" WEST;

THENCE WESTERLY, ALONG SAID NON-TANGENT CURVE, THROUGH A CENTRAL ANGLE OF 54°07'48" AN ARC DISTANCE OF 401.52 FEET;

THENCE SOUTH 89°25'00" WEST A DISTANCE OF 75.53 FEET TO A 325.00 FOOT RADIUS NON-TANGENT CURVE WHOSE CENTER BEARS SOUTH 87°39'31" WEST;

THENCE NORTHWESTERLY, ALONG SAID NON-TANGENT CURVE, THROUGH A CENTRAL ANGLE OF 67°20'38" AN ARC DISTANCE OF 382.00 FEET TO A 305.00 FOOT RADIUS NON-TANGENT CURVE WHOSE CENTER BEARS NORTH 73°19'25" WEST;

THENCE NORTHERLY, ALONG SAID NON-TANGENT CURVE, THROUGH A CENTRAL ANGLE OF 45°00'31" AN ARC DISTANCE OF 239.59 FEET;

THENCE NORTH 10°25'00" WEST A DISTANCE OF 76.24 FEET;

THENCE NORTH 72°29'30" EAST A DISTANCE OF 205.53 FEET;

THENCE SOUTH 17°30'30" EAST A DISTANCE OF 22.50 FEET;

THENCE NORTH 72°29'30" EAST A DISTANCE OF 101.00 FEET;

THENCE NORTH 17°30'30" WEST A DISTANCE OF 22.50 FEET;

THENCE NORTH 72°29'30" EAST A DISTANCE OF 982.26 FEET TO THE PREVIOUSLY CITED WESTERLY RIGHT-OF-WAY OF THE FORMER ATCHISON TOPEKA AND SANTA FE RAILROAD;

THENCE SOUTH 42°43'29" EAST, ALONG SAID RIGHT-OF-WAY, A DISTANCE OF 433.37 FEET TO THE **POINT OF BEGINNING**.

THE ABOVE DESCRIPTION PRODUCES A CALCULATED AREA OF 898,773 SQUARE FEET (20.63300 ACRES), MORE OR LESS.

TOGETHER WITH:

Denver Colorado Springs Phoenix Anniston Atlanta Omaha Parsons Pueblo Sacramento Washington, D.C.

matrixdesigngroup.com

PARCEL 2

A PARCEL OF LAND LOCATED IN THE NORTH ONE-HALF OF SECTION 12, TOWNSHIP 12 SOUTH, RANGE 67 WEST OF THE SIXTH PRINCIPAL MERIDIAN, COUNTY OF EL PASO, STATE OF COLORADO MORE PARTICULARLY DESCRIBED AS FOLLOWS WITH BEARINGS REFERENCED TO THE WEST LINE OF THE NORTHEAST ONE-QUARTER OF SECTION 1, TOWNSHIP 12 SOUTH, RANGE 67 WEST BEING MONUMENTED ON THE NORTH END BY A FOUND 6 INCH CONCRETE MONUMENT EMBEDDED WITH A 3-1/2 INCH METAL DISC STAMPED WITH SYMBOLOGY INDICATING IT BEING THE NORTH ONE-QUARTER CORNER OF SECTION 1 AND "1970 U.S. AIR FORCE 6786 BDY 47" AND ON THE SOUTH END BY FOUND REBAR CAPPED WITH A 3-1/4 INCH METAL AND 6 INCH CONCRETE MONUMENT EMBEDDED WITH A BRASS DISC STAMPED WITH SYMBOLOGY INDICATING IT BEING THE CENTER OF SECTION 1 AND "U.S. DEPT. OF INTERIOR - BUREAU OF LAND MANAGEMENT 1966" - BEARING SOUTH 0°12'17" EAST A DISTANCE OF 2674.46 FEET;

COMMENCE AT THE CENTER OF SAID SECTION 1; THENCE SOUTH 40°07'17" EAST A DISTANCE OF 4,501.50 FEET TO AN ANGLE POINT ON THE EXTERIOR OF THE UNITED STATES AIR FORCE ACADEMY PROPERTY BEING MONUMENTED BY A 6 INCH CONCRETE MONUMENT EMBEDDED WITH A 3-1/2 INCH METAL DISC STAMPED "1970 U.S. AIR FORCE 6786 BDY 38"; THENCE SOUTH 25°23'28" EAST, ALONG SAID THE EXTERIOR A DISTANCE OF 2,877.81 FEET; THENCE SOUTH 66°17'28" WEST A DISTANCE OF 1,184.56 FEET TO THE EASTERLY RIGHT-OF-WAY OF THE FORMER ATCHISON TOPEKA AND SANTA FE RAILROAD AS DEPICTED IN THAT CERTAIN BOUNDARY SURVEY OF THE UNITED STATES AIR FORCE ACADEMY RECORDED DECEMBER 3, 1970 IN THE OFFICE OF THE EL PASO COUNTY CLERK AND RECORDERS IN PLAT BOOK O2 PAGE 84 (RECEPTION NUMBER 768143) ALSO BEING THE WESTERLY LINE OF THAT CERTAIN EASEMENT GRANTED BY THE UNITED STATES AIR FORCE ACADEMY FOR ROAD, STREET AND HIGHWAY RECORDED AUGUST 11, 1958 IN THE OFFICE OF THE EL PASO COUNTY CLERK AND RECORDER IN BOOK 1691 PAGE 594 SAID POINT; THENCE CONTINUE SOUTH 66°17'28" WEST A DISTANCE OF 300.00 FEET TO THE WESTERLY LINE OF SAID RAILROAD RIGHT OF WAY; THENCE NORTHWESTERLY, ALONG SAID WESTERLY RIGHT-OF-WAY LINE, THE FOLLOWING EIGHT (8) COURSES;

1. THENCE NORTH 23°42'32" WEST A DISTANCE OF 336.78 FEET;
2. THENCE NORTH 66°17'28" EAST A DISTANCE OF 50.00 FEET;
3. THENCE NORTH 23°42'32" WEST A DISTANCE OF 854.90 FEET TO A TANGENT 1,810.08 FOOT RADIUS CURVE WHOSE CENTER BEARS SOUTHWESTERLY;
4. THENCE NORTHWESTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 19°00'57" AN ARC DISTANCE OF 600.75 FEET;
5. THENCE NORTH 42°43'29" WEST A DISTANCE OF 1,023.31 FEET;
6. THENCE NORTH 47°16'31" EAST A DISTANCE OF 50.00 FEET;
7. THENCE NORTH 42°43'29" WEST A DISTANCE OF 904.60 FEET TO A TANGENT 1,482.69 FOOT RADIUS CURVE WHOSE CENTER BEARS NORTHEASTERLY;
8. THENCE NORTHWESTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 03°16'48" AN ARC DISTANCE OF 84.88 FEET TO THE **POINT OF BEGINNING** OF THE PARCEL HEREINAFTER DESCRIBED;

THENCE SOUTH 72°29'30" WEST A DISTANCE OF 837.91 FEET;

THENCE NORTH 77°50'00" WEST A DISTANCE OF 94.68 FEET;

THENCE SOUTH 72°10'00" WEST A DISTANCE OF 100.53 FEET;

THENCE SOUTH 42°10'00" WEST A DISTANCE OF 59.52 FEET;

LEGAL DESCRIPTION

THENCE SOUTH 72°50'00" WEST A DISTANCE OF 78.94 FEET TO A 450.00 FOOT RADIUS NON-TANGENT CURVE WHOSE CENTER BEARS NORTH 82°19'52" WEST;

THENCE NORTHERLY, ALONG SAID NON-TANGENT CURVE, THROUGH A CENTRAL ANGLE OF 10°27'21" AN ARC DISTANCE OF 82.12 FEET;

THENCE NORTH 17°09'44" EAST A DISTANCE OF 71.27 FEET;

THENCE NORTH 01°30'00" EAST A DISTANCE OF 121.80 FEET;

THENCE NORTH 01°40'00" WEST A DISTANCE OF 80.27 FEET;

THENCE NORTH 10°30'00" EAST A DISTANCE OF 60.00 FEET TO A 380.00 FOOT RADIUS NON-TANGENT CURVE WHOSE CENTER BEARS NORTH 39°32'36" WEST;

THENCE NORTHEASTERLY, ALONG SAID NON-TANGENT CURVE, THROUGH A CENTRAL ANGLE OF 43°56'32" AN ARC DISTANCE OF 291.44 FEET;

THENCE NORTH 28°00'00" EAST A DISTANCE OF 182.90 FEET;

THENCE NORTH 26°03'00" EAST A DISTANCE OF 183.50;

THENCE SOUTH 63°04'42" EAST A DISTANCE OF 50.40 FEET;

THENCE NORTH 73°16'22" EAST A DISTANCE OF 404.96 FEET TO THE PREVIOUSLY CITED WESTERLY RIGHT-OF-WAY OF THE FORMER ATCHISON TOPEKA AND SANTA FE RAILROAD;

THENCE SOUTHERLY, ALONG SAID RAILROAD RIGHT-OF-WAY, THE FOLLOWING (2) TWO COURSES;

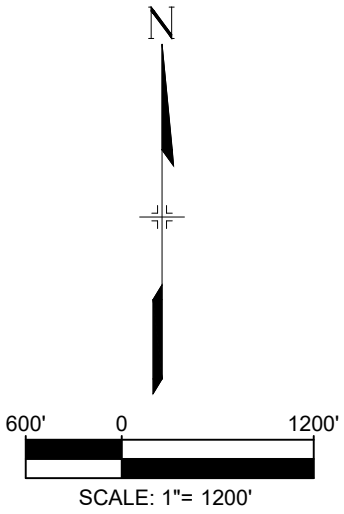
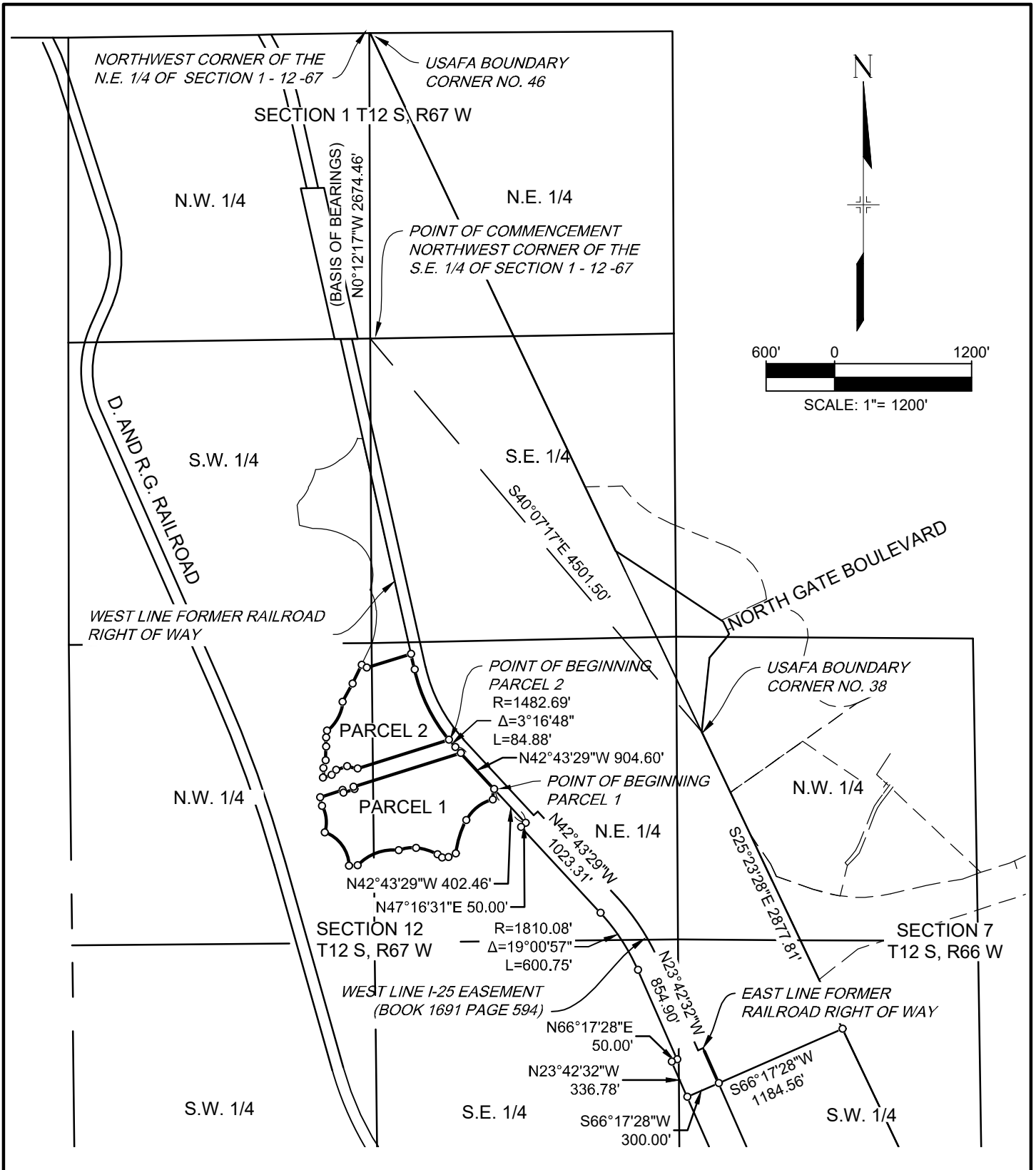
1. THENCE SOUTH 12°37'36" EAST A DISTANCE OF 136.09 FEET TO A TANGENT 1,482.69 FOOT RADIUS CURVE WHOSE CENTER BEARS NORTHEASTERLY;
2. THENCE SOUTHEASTERLY, ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 26°49'05" AN ARC DISTANCE OF 693.99 FEET TO THE **POINT OF BEGINNING**.

THE ABOVE DESCRIPTION PRODUCES A CALCULATED AREA OF 673,649 SQUARE FEET (15.46486 ACRES), MORE OR LESS, AND IS DEPICTED ON THE ATTACHED GRAPHICAL EXHIBIT FOR REFERENCE.

THE ABOVE DESCRIBED PARCELS PRODUCE A COMBINED CALCULATED AREA OF 1,572,422 SQUARE FEET (36.09786 ACRES), MORE OR LESS AND IS REPRESENTED ON THE ATTACHED GRAPHICAL EXHIBIT.

ROBERT L. MEADOWS JR., PLS 34977
PREPARED FOR AND ON BEHALF OF MATRIX DESIGN GROUP

EXHIBIT D
District Boundary Map

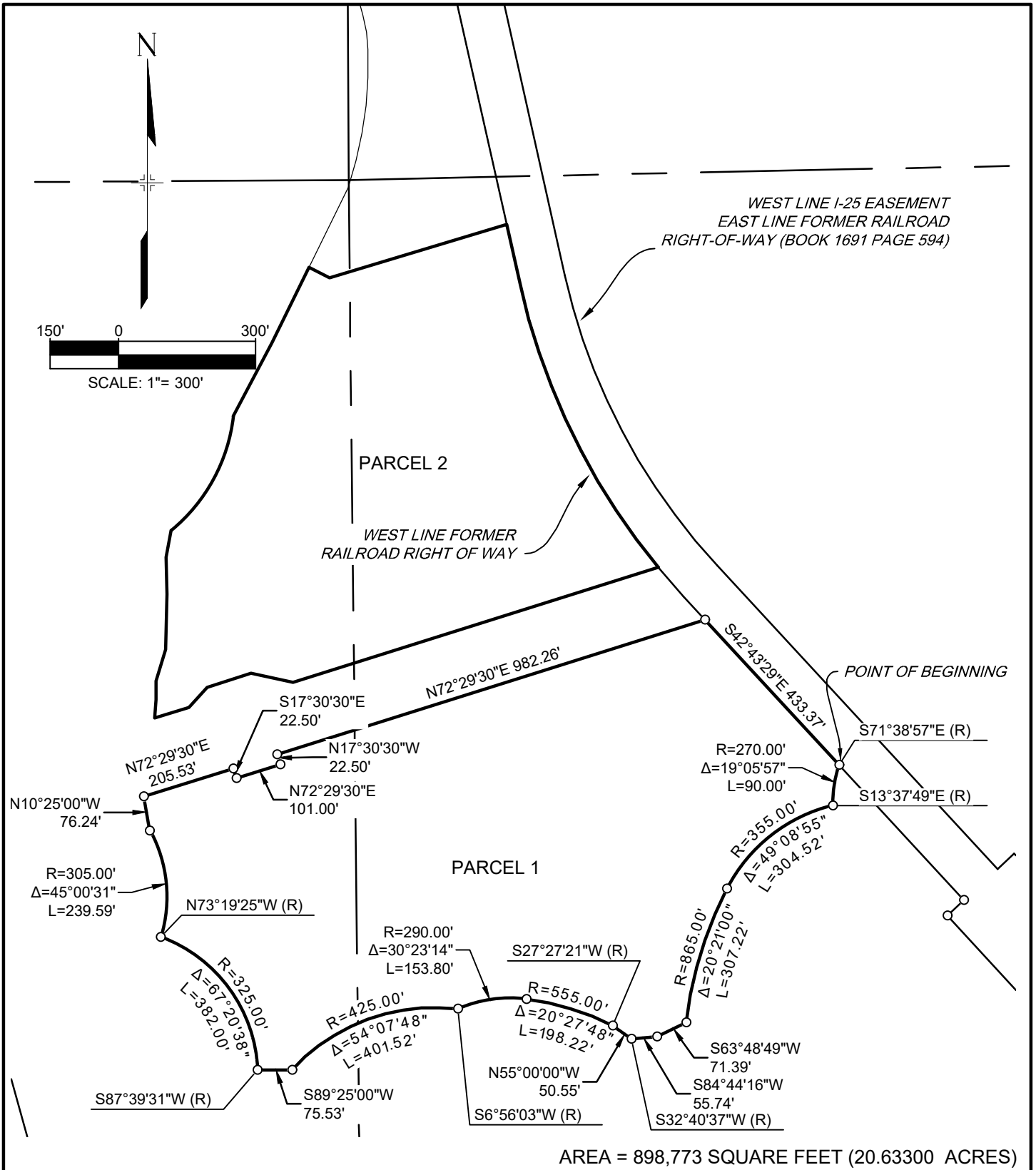


2435 Research Parkway, Suite 300
 Colorado Springs, CO 80920
 Phone 719-575-0100
 Fax 719-575-0208

GRAPHICAL EXHIBIT

LEASE PARCELS

| | | |
|-----------------|---------------------------------------|-----------------|
| CHECKED BY: RLM | DATE: MAY 16, 2019 JN: 18.1000.001 | SHEET 1 of 3 |
|-----------------|---------------------------------------|-----------------|

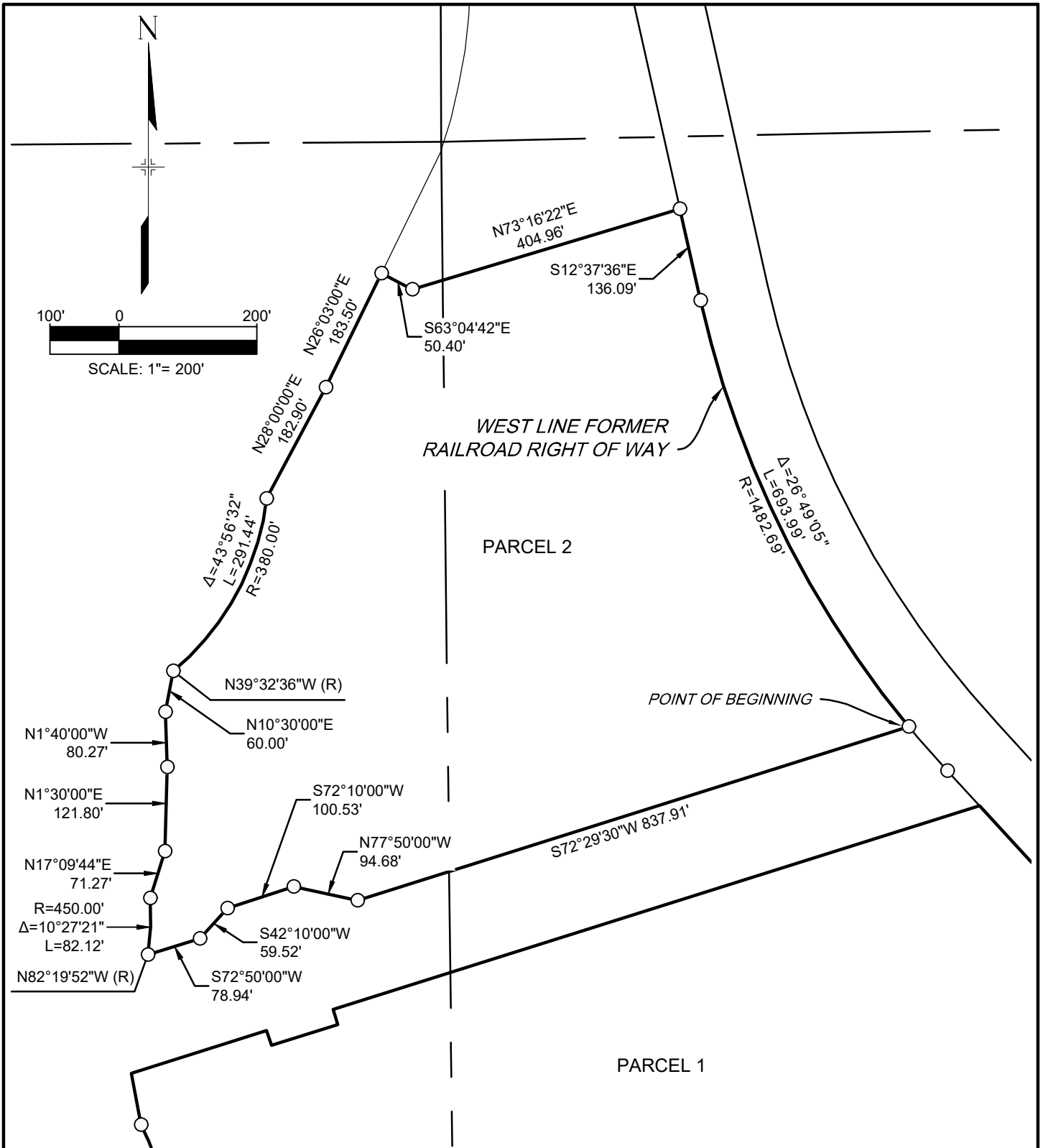


2435 Research Parkway, Suite 300
 Colorado Springs, CO 80920
 Phone 719-575-0100
 Fax 719-575-0208

GRAPHICAL EXHIBIT

PARCEL 1

| | | |
|-----------------|---------------------------------------|-----------------|
| CHECKED BY: RLM | DATE: MAY 16, 2019 JN: 18.1000.001 | SHEET 2 of 3 |
|-----------------|---------------------------------------|-----------------|



2435 Research Parkway, Suite 300
 Colorado Springs, CO 80920
 Phone 719-575-0100
 Fax 719-575-0208

GRAPHICAL EXHIBIT

PARCEL 2

| | | |
|-----------------|---------------------------------------|-----------------|
| CHECKED BY: RLM | DATE: MAY 16, 2019 JN: 18.1000.001 | SHEET 3 of 3 |
|-----------------|---------------------------------------|-----------------|

EXHIBIT E
Description of Improvements

BID Improvements

The USAFA Visitor's Center Business Improvement District will provide pad ready sites for development at TrueNorth Commons including overlot grading, utilities, improvements to Northgate Boulevard, new access boulevards, signage and landscaping. Specific elements include:

- Overlot Grading and Erosion Control for the developable area, approximately 35 acres.
- Water Main Loop extending from existing Colorado Springs Utilities (CSU) mains located east of I-25 to the project site. The loop consists of one 12" main (approximately 3,700') and an 8" main (approx. 5,700'). The majority of the main will be constructed within the Northgate Boulevard right of way. The water mains will be public and owned and maintained by CSU.
- Lift Station, 4" Force Main and Gravity Sewer Main. A gravity collection system will be constructed within the north south access boulevard and convey sewage to a lift station located on the south side of the property. A 4" force main will be built from the lift station to an existing lift station located on the northeast corner of I-25 and Northgate Boulevard, approx. 3,500'. The force main will be built within the Northgate right of way. The collection system, lift station and force main will be owned and maintained by CSU.
- Northgate Boulevard improvements to include a new roundabout at the entrance to the TrueNorth Commons development and landscaping along the roadway.
- Construction of a new north south access boulevard including utilities and landscaping.
- Pedestrian Bridge across Northgate Boulevard between the hotel and the Visitors Center.
- Storm Water System for the development including trunk storm sewer mains and water quality/detention pond facilities.
- Monument Signage for the development.
- Extension of Electric, Natural Gas and Telecommunication facilities to the site including relocation of existing facilities, as necessary. Construction of these facilities will occur within the Northgate Boulevard right of way. Electric and natural gas will be owned and maintained by CSU. Telecommunication facilities will be owned and maintained by each provider of service.
- USAFA Visitors Center, approx. 32,000 sf, will be constructed by the BID and, upon completion, will be conveyed to the USAFA who will own, maintain and operate the facility. The Visitor Center includes a welcome center, museum and exhibit space, a theater, gift shop, offices and back of house area. Site improvements include retaining walls, plazas, parking, utilities, site furnishings and landscaping.

Schedule

Schematic design has been completed for the Visitor Center and the utilities. Following bond closing, final design will commence for each of the infrastructure elements (grading, utilities, storm water and roadway). Grading will commence in April 2021, with utilities following in June and roadway improvements beginning in September. Pad sites will be delivered to the sub area developer in September 2021. Except for roadway improvements, trunk infrastructure will be completed in 2021. Roadway improvements will be completed by mid-2022 with landscaping to follow as site development is completed. Visitor Center construction is expected to commence by mid-2022 and be conveyed to the USAFA in June 2023. The pedestrian bridge will be completed in conjunction with the development of the hotel and the Visitor Center.