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**2020 OPERATING PLAN AND BUDGET**

**USAFA VISITOR'S  
CENTER BUSINESS  
IMPROVEMENT  
DISTRICT**

**City of Colorado Springs, El Paso County, Colorado**

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- EXHIBIT A – Director Contact Information
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- EXHIBIT F – Copy of Estimated 2019 and 2020 Budget from CliftonLarsonAllen
- EXHIBIT G – Description of Improvements

**2020  
OPERATING PLAN FOR THE  
USAFA VISITOR'S CENTER BUSINESS IMPROVEMENT DISTRICT**

**1. PURPOSE AND SCOPE OF THIS DISTRICT**

**A. Requirement for this 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 Operating Plan.

This 2020 Operating Plan is the District's third Operating Plan following its organization by the City.

**B. What Must Be Included in the Operating Plan?** Pursuant to the provisions of the Business Improvement District Act, Section 31-25-1201, et seq., Colorado Revised Statutes, as amended, this 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 Operating Plan, the District was formed on a smaller parcel of land located within the City. As a result of the annexation of the Property into the City, a portion of the Property (comprised of approximately 36.1 acres) is now in the process of being included into the District boundaries (the "Proposed Inclusion Property"). The remainder of the Property may be included into the District at a later date.

The District shall be expressly prohibited from owning any property or improvements, providing any services, issuing any debt or other financial obligations, or imposing any ad valorem property taxes, fees or assessments unless and until the Property is annexed into the City and the Proposed Inclusion Property included within the District boundaries; provided that 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. Notwithstanding the foregoing limitation, the District may engage such consultants and take such actions as are necessary to carry out the District's basic administration and operations, and to comply with all applicable statutory and City-imposed requirements for business improvement districts.

As further set forth in Section 9 of this Operating Plan, if the Property is not annexed into the City and the Proposed Inclusion Property is not included within the boundaries of the District on or before December 31, 2021, the District shall be dissolved.

**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 is in the midst of negotiating several agreements in anticipation of commencing development activities including, but not necessarily limited to, the following: (1) site development lease with the USAF; and (2) 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 an appointed board of directors comprised of five members. It is required that the Board of Directors become an elected body no later than 2022.

**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.** The Board of Directors was appointed by City Council to serve at the pleasure of the City Council. 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 currently includes approximately 1.705 acres within its boundaries as described in Exhibit C and depicted in Exhibit D (the "Initial District Boundaries"). The process to annex the Property within the City has been completed and the process to include the Proposed Inclusion Property within the District is anticipated to be completed by approximately October 22, 2019. A legal description for the Property can be found in Exhibit E. Upon inclusion of the Proposed Inclusion Property, the 1.705 acre parcel currently within the District's boundaries will be excluded.

### **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 2020 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 2020 and will contract with consultants as necessary to carry out the District's basic administration and operations.

## 6. FINANCIAL PLAN AND BUDGET

**A. 2020 Budget.** The 2020 Budget for the District is attached as Exhibit B. A copy of the estimated 2019 and 2020 budget prepared by CliftonLarsonAllen is attached as Exhibit F.

**B. Authorized Indebtedness.** The District held an election on November 6, 2018, regarding the District's revenue and debt authority. The overall maximum authorized indebtedness of the District is \$80,000,000 (subject to market conditions and interest rates, and will likely end up being less than the stated amount).

**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 2018.

Commencing in 2019 (for collection in 2020), 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.** The District does not have any existing debt obligations; provided that 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.

**F. Future Debt Obligations.** Subject to the constraints specified in this Operating Plan the District is in the process of issuing its (a) Special Revenue Bonds, Series 2019A (the "Series 2019A Bonds"), (b) Special Revenue Bonds, Taxable Series 2019B (the "Series 2019B Bonds"), and (c) Subordinate Special Revenue Bonds, Series 2019C (the "Series 2019C Bonds"). Documents fully describing the Series 2019A Bonds, the Series 2019B Bonds and the

Series 2019C Bonds have been provided to the City under separate cover. The issuances are subject to City Council approval as described in Section 6.G., below.

**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 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. 2020 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 2020. A description of improvements is attached as Exhibit G.

### **C. Summary of 2020 Activities.**

**Boundary changes:** If the anticipated inclusion of the Proposed Inclusion Property is accomplished in 2019, then it is not anticipated that the District will include any additional property into its boundaries in 2020.

**Changes to board or governance structure:** As noted above, 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.

**Mill levy changes:** None.

**New, refinanced or fully discharged debt:** It is anticipated that the District will issue debt by the close of 2019, or in early 2020 at the latest.

**Elections:** The District held an election on November 6, 2018, on the District's revenue and debt authority and other organizational questions. In compliance with the Ordinance organizing the District, an election of directors may occur in 2020.

**Major changes in development activity or valuation:** Upon its annexation into the City the District will include the Proposed Inclusion Property into its boundaries in 2019 and development within the Property will continue in 2020.



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 initial operations will 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. In the event the Property is not annexed into the City and the Proposed Inclusion Property is not included in the District boundaries on or before December 31, 2021, the District shall be dissolved, and such dissolution proceedings may be commenced unilaterally by City Council Resolution.

## **10. CONCLUSION**

It is submitted that this 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  
Spencer Fane LLP  
1700 Lincoln Street, Suite 2000  
Denver, CO 80203  
303-839-3800  
mdalton@spencerfane.com

**EXHIBIT B**  
**District Budget 2020**

**GENERAL FUND**

Beginning Fund Balance	-
<b>REVENUES</b>	
Property Taxes	-
Specific Ownership Taxes	-
Public Improvement Fees	-
Developer Advance	\$170,000*
Net Investment Income	-
Intergovernmental Revenue	-
<b>Total Revenues</b>	<b>\$170,000</b>
<b>EXPENDITURES</b>	
Accounting	\$50,000
Audit	5,000
Contingency	10,000
District Management/Consultants	50,000
Dues and Membership	1,000
Insurance	4,000
Legal	50,000
Miscellaneous	-
<b>Total Expenditures</b>	<b>\$170,000</b>
<b>ENDING FUND BALANCE</b>	<b>-</b>
Emergency Reserve	-
Total Reserve	-

\* It is anticipated that the developer will advance funds in 2020 for, among other things, items related to preparations for construction activities.

## **CAPITAL PROJECTS FUND**

Beginning Fund Balance	\$53,110,000
<b>REVENUES</b>	
Interest Income	\$358,000
RTA contribution	-
LART Grant	500,000
Net Investment Income	-
Intergovernmental Revenue	-
Bond Issuance	-
 Total Funds Available	 \$53,968,000
<b>EXPENDITURES</b>	
Bond issue costs	-
Organizational costs	-
Capital Outlay	\$15,500,000
 Total Expenditures	 \$15,500,000
<b>TRANSFERS OUT</b>	
Debt Service Fund	-
 Total expenditures and transfers out	 \$15,500,000
 <b>ENDING FUND BALANCE</b>	 <b>\$38,468,000</b>

## DEBT SERVICE FUND

Beginning Fund Balance	\$16,311,603
<b>REVENUES</b>	
Bond Proceeds	-
RTA funding	\$462,107
Interest Income	117,000
Developer Advance	-
Net Investment Income	-
Intergovernmental Revenue	-
 Total Revenues	 \$579,107
 <b>TRANSFERS IN</b>	
Capital Project Fund	-
 Total funds available	 \$16,483,493
 <b>EXPENDITURES</b>	
Paying agent fees	\$5,000
Contingency	5,000
Miscellaneous	-
Debt Service Bond Interest	\$4,249,025
 Total Expenditures	 \$4,259,025
 ENDING FUND BALANCE	 \$12,224,468

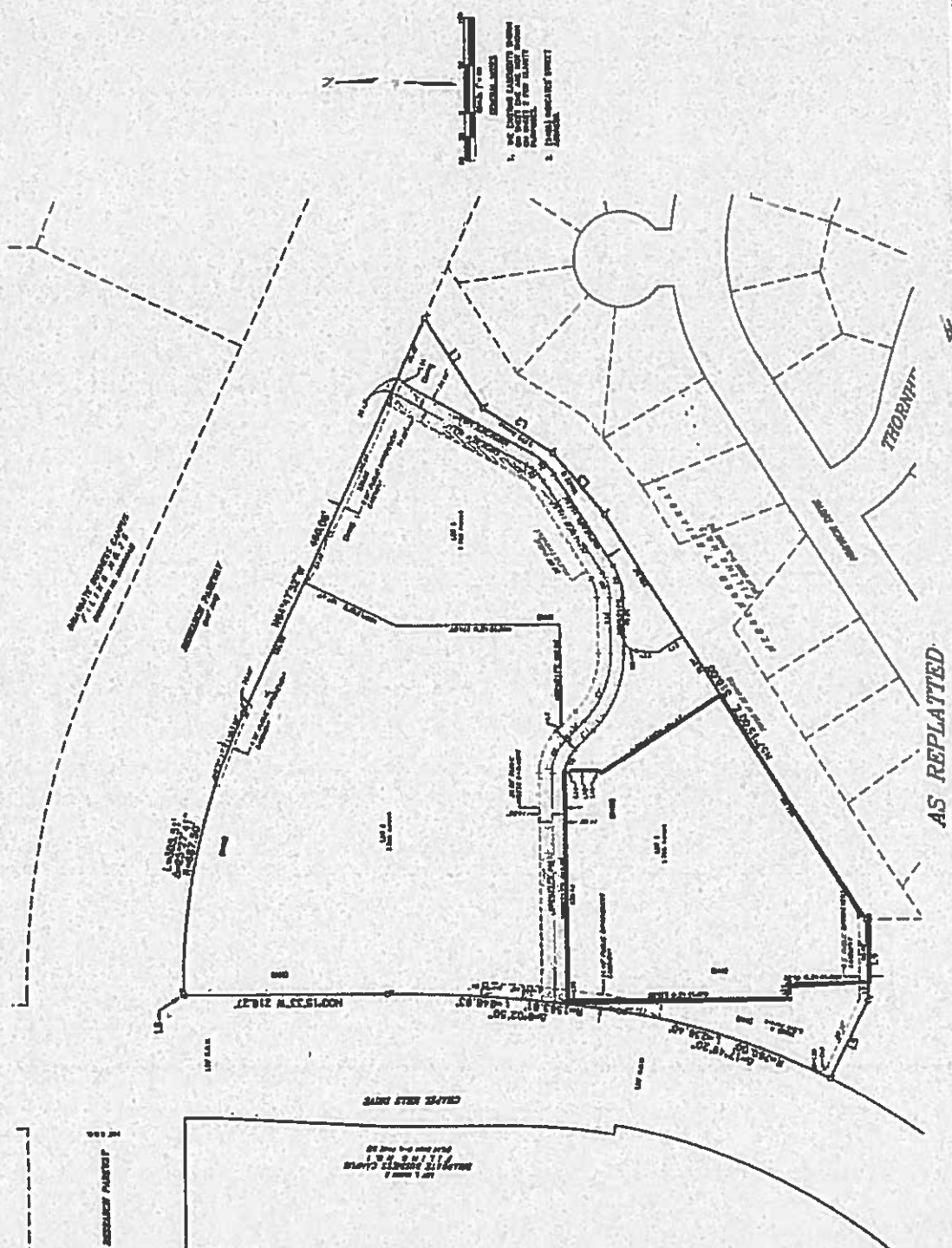
**EXHIBIT C**  
**District Boundary Legal Description**

LOT 1 GRE/CSHP FILING NO. 1, CITY OF COLORADO SPRINGS, EL PASO COUNTY,  
COLORADO; A/K/A PARCEL NO. 6233401052, AND 2435 RESEARCH PKWY.,  
COLORADO SPRINGS, CO 80920

**EXHIBIT D**  
**District Boundary Map**

### GRE/CSHP FILING NO. 1

A REPLAT OF LOT 1 BLOCK 3, BRIGADATE BUSINESS CAMPUS FILING NO. 1,  
CITY OF COLORADO SPRINGS, COUNTY OF EL PASO, STATE OF COLORADO.  
AREA = 7.361 ACRES, MORE OR LESS

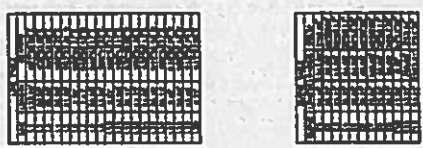


LEGEND

- 1. EXISTING LOT BOUNDARIES
- 2. PROPOSED LOT BOUNDARIES
- 3. PROPOSED DRIVE
- 4. PROPOSED SIDEWALK
- 5. PROPOSED EASEMENT
- 6. PROPOSED CURB
- 7. PROPOSED UTILITY
- 8. PROPOSED FENCE

AS REPLATED

**Matrix Design Group, Inc.**  
 2287 Production Plaza, Suite 200  
 Colorado Springs, CO 80909  
 Phone: (719) 575-1000  
 Fax: (719) 575-1001





**EXHIBIT E**  
**Legal Description – Property Proposed to be Included**

## 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:**

LEGAL DESCRIPTION

**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;

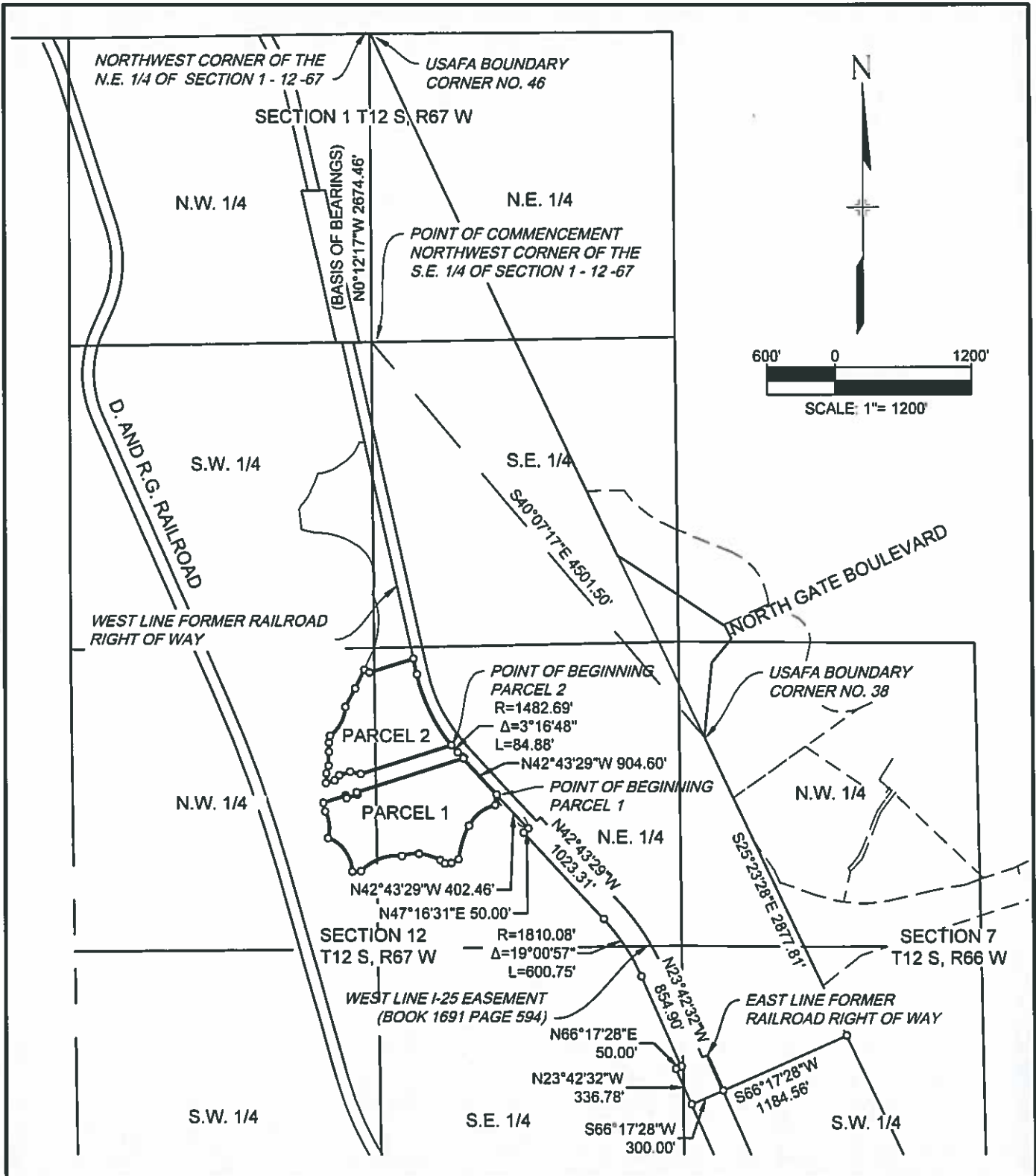
THENCE SOUTHERLY, ALONG SAID RAILROAD RIGHT-OF-WAY, THE FOLLOWING (2) TWO COURSES;

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

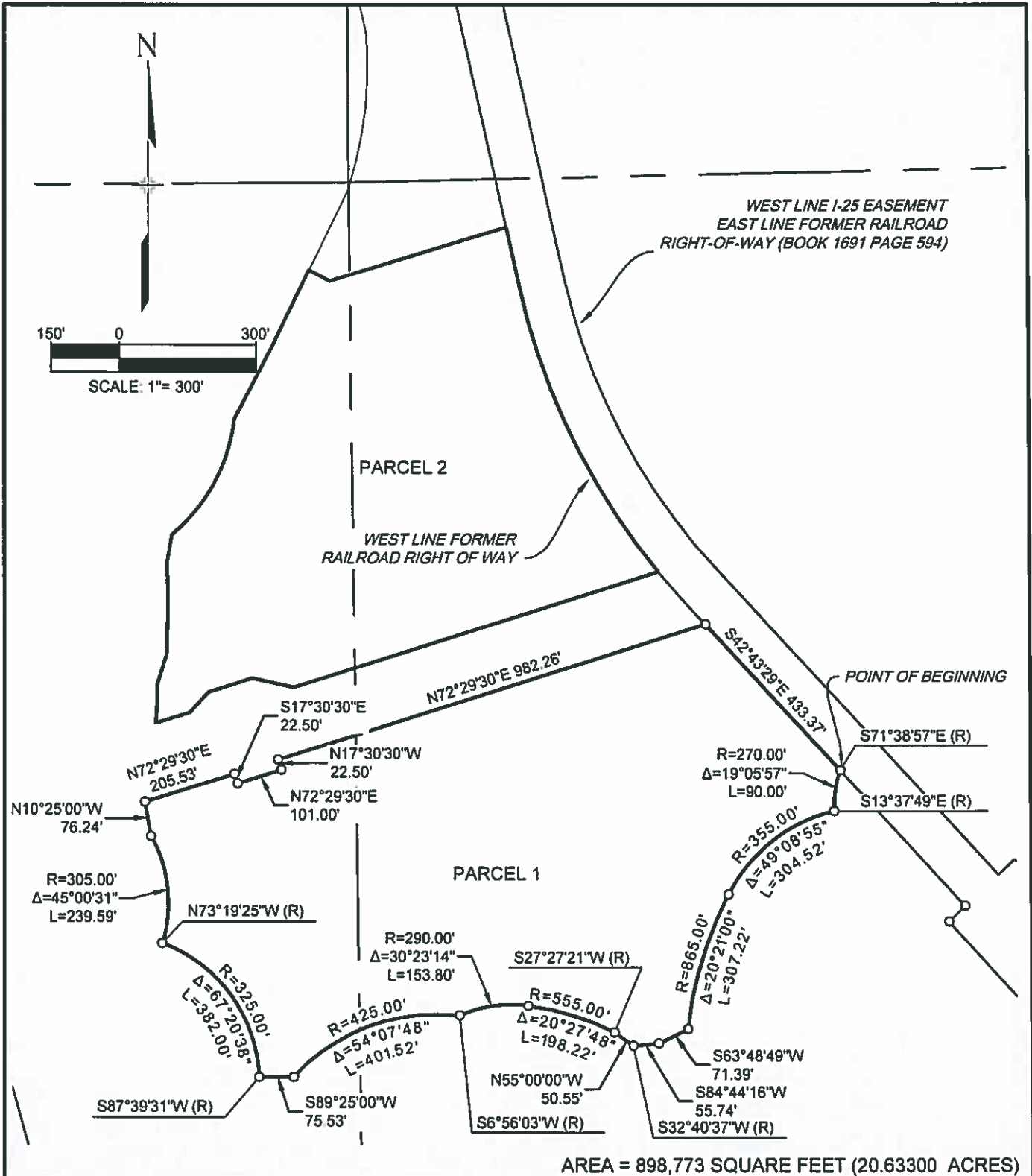


2435 Research Parkway, Suite 300  
 Colorado Springs, CO 80920  
 Phone 719-575-0100  
 Fax 719-575-0208

**GRAPHICAL EXHIBIT**

**LEASE PARCELS**

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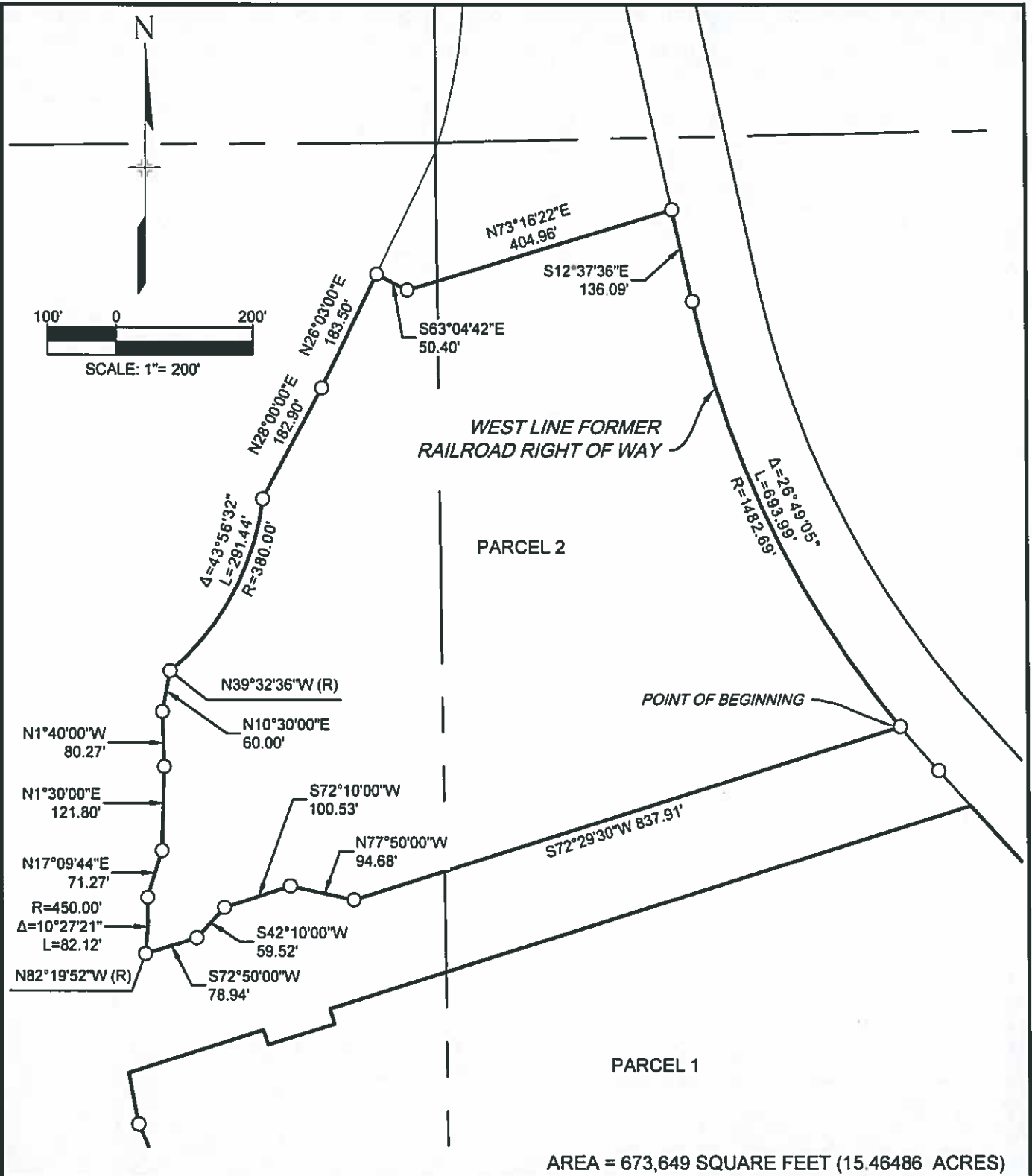
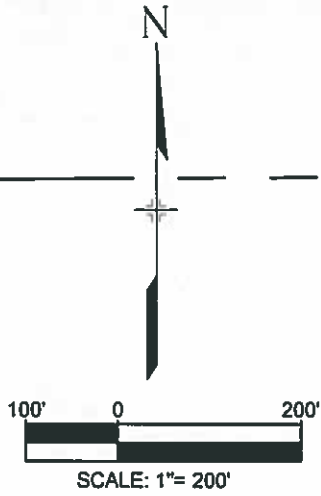


AREA = 898,773 SQUARE FEET (20.63300 ACRES)



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 Fax 719-575-0208

GRAPHICAL EXHIBIT		
PARCEL 1		
CHECKED BY: RLM	DATE: MAY 16, 2019 JN: 18.1000.001	SHEET 2 of 3



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 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
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**EXHIBIT F**  
**Copy of Estimated 2019 and 2020 Budget from CliftonLarsonAllen**



**CliftonLarsonAllen**

CliftonLarsonAllen LLP  
CLAAconnect.com

**Accountant's Compilation Report**

Board of Directors  
USAFA Visitor's Center Business Improvement District  
El Paso County, Colorado

Management is responsible for the accompanying budget of revenues, expenditures, and fund balances of USAFA Visitor's Center Business Improvement District for the year ending December 31, 2020, including the estimate of comparative information for the year ending December 31, 2019, and the actual comparative information for the year ended December 31, 2018, in the format prescribed by Colorado Revised Statutes (C.R.S.) 29-1-105 and the related summary of significant assumptions in accordance with guidelines for the presentation of a budget established by the American Institute of Certified Public Accountants (AICPA). We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the budget nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, a conclusion, nor provide any form of assurance on the accompanying budget.

The budgeted results may not be achieved as there will usually be differences between the budgeted and actual results, because events and circumstances frequently do not occur as expected, and these differences may be material. We assume no responsibility to update this report for events and circumstances occurring after the date of this report.

We draw attention to the summary of significant assumptions which describe that the budget is presented in accordance with the requirements of C.R.S. 29-1-105, and is not intended to be a presentation in accordance with accounting principles generally accepted in the United States of America.

We are not independent with respect to USAFA Visitor's Center Business Improvement District.

Colorado Springs, Colorado  
\_\_\_\_\_, 2019



An independent member of Nexia International

**PRELIMINARY DRAFT - SUBJECT TO REVISION**

**USAFA VISITOR'S CENTER BUSINESS IMPROVEMENT DISTRICT  
SUMMARY  
2020 BUDGET  
WITH 2018 ACTUAL AND 2019 ESTIMATED  
For the Years Ended and Ending December 31,**

10/14/19

	ACTUAL 2018	BUDGET 2019	ACTUAL 7/31/2019	ESTIMATED 2019	BUDGET 2020
<b>BEGINNING FUND BALANCES</b>	\$ -	\$ -	\$ -	\$ -	\$ 69,421,603
<b>REVENUES</b>					
Interest income	-	-	-	111,000	475,000
Developer advance	-	75,000	1,600	17,500	170,000
Bond issuance	-	-	-	70,840,000	-
RTA contribution	-	-	-	1,000,000	-
RTA funding	-	-	-	417,217	462,107
LART grant	-	-	-	-	500,000
<b>Total revenues</b>	<b>-</b>	<b>75,000</b>	<b>1,600</b>	<b>72,385,717</b>	<b>1,607,107</b>
<b>TRANSFERS IN</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,232,471</b>	<b>-</b>
<b>Total funds available</b>	<b>-</b>	<b>75,000</b>	<b>1,600</b>	<b>88,618,188</b>	<b>71,028,710</b>
<b>EXPENDITURES</b>					
General Fund	-	72,000	1,600	17,500	170,000
Debt Service Fund	-	-	-	364,085	4,259,025
Capital Projects Fund	-	-	-	2,582,529	15,500,000
<b>Total expenditures</b>	<b>-</b>	<b>72,000</b>	<b>1,600</b>	<b>2,964,114</b>	<b>19,929,025</b>
<b>TRANSFERS OUT</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>16,232,471</b>	<b>-</b>
<b>Total expenditures and transfers out requiring appropriation</b>	<b>-</b>	<b>72,000</b>	<b>1,600</b>	<b>19,196,585</b>	<b>19,929,025</b>
<b>ENDING FUND BALANCES</b>	<b>\$ -</b>	<b>\$ 3,000</b>	<b>\$ -</b>	<b>\$ 69,421,603</b>	<b>\$ 51,099,685</b>
<b>EMERGENCY RESERVE</b>	<b>\$ -</b>	<b>\$ 3,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>DEBT SERVICE RESERVE</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,131,628</b>	<b>6,248,628</b>
<b>CAPITALIZE INTEREST</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9,772,758</b>	<b>5,523,733</b>
<b>TOTAL RESERVE</b>	<b>\$ -</b>	<b>\$ 3,000</b>	<b>\$ -</b>	<b>\$ 69,014,386</b>	<b>\$ 11,772,361</b>

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**USAFA VISITOR'S CENTER BUSINESS IMPROVEMENT DISTRICT  
PROPERTY TAX SUMMARY INFORMATION  
2020 BUDGET  
WITH 2018 ACTUAL AND 2019 ESTIMATED  
For the Years Ended and Ending December 31,**

10/14/19

	ACTUAL 2018	BUDGET 2019	ACTUAL 7/31/2019	ESTIMATED 2019	BUDGET 2020
<b>ASSESSED VALUATION</b>					
Commercial	\$ -	\$ -	\$ -	\$ -	\$ -
Industrial	-	-	-	-	-
Vacant land	-	-	-	-	-
Adjustments	-	-	-	-	-
Certified Assessed Value	\$ -	\$ -	\$ -	\$ -	\$ -
<b>MILL LEVY</b>					
General	0.000	0.000	0.000	0.000	0.000
Debt Service	0.000	0.000	0.000	0.000	0.000
Total mill levy	0.000	0.000	0.000	0.000	0.000
<b>PROPERTY TAXES</b>					
General	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Service	-	-	-	-	\$ -
Budgeted property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
<b>BUDGETED PROPERTY TAXES</b>					
General	\$ -	\$ -	\$ -	\$ -	\$ -
Debt Service	-	-	-	-	-
	\$ -	\$ -	\$ -	\$ -	\$ -

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**USAFA VISITOR'S CENTER BUSINESS IMPROVEMENT DISTRICT  
GENERAL FUND  
2020 BUDGET**

**WITH 2018 ACTUAL AND 2019 ESTIMATED  
For the Years Ended and Ending December 31,**

10/14/19

	ACTUAL 2018	BUDGET 2019	ACTUAL 7/31/2019	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ -
<b>REVENUES</b>					
Developer advance	-	75,000	1,600	17,500	170,000
Total revenues	-	75,000	1,600	17,500	170,000
 Total funds available	-	75,000	1,600	17,500	170,000
<b>EXPENDITURES</b>					
General and administrative					
Accounting	-	10,000	585	5,000	50,000
Audit	-	-	-	-	5,000
Dues and subscription	-	1,000	-	-	1,000
Insurance	-	-	-	-	4,000
District management	-	-	1,015	3,000	50,000
Legal Services	-	50,000	-	7,500	50,000
Miscellaneous	-	7,000	-	-	-
Contingency	-	4,000	-	2,000	10,000
Total expenditures	-	72,000	1,600	17,500	170,000
 Total expenditures and transfers out requiring appropriation	-	72,000	1,600	17,500	170,000
 ENDING FUND BALANCE	\$ -	\$ 3,000	\$ -	\$ -	\$ -
 EMERGENCY RESERVE	\$ -	\$ 3,000	\$ -	\$ -	\$ -
TOTAL RESERVE	\$ -	\$ 3,000	\$ -	\$ -	\$ -

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**USAFA VISITOR'S CENTER BUSINESS IMPROVEMENT DISTRICT  
DEBT SERVICE FUND  
2020 BUDGET**

**WITH 2018 ACTUAL AND 2019 ESTIMATED  
For the Years Ended and Ending December 31,**

10/14/19

	ACTUAL 2018	BUDGET 2019	ACTUAL 7/31/2019	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ 16,311,603
<b>REVENUES</b>					
RTA funding	-	-	-	417,217	462,107
Interest income	-	-	-	26,000	117,000
<b>Total revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>443,217</u>	<u>579,107</u>
<b>TRANSFERS IN</b>					
CAPITAL PROJECT FUND	-	-	-	16,232,471	-
<b>Total funds available</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>16,675,688</u>	<u>16,890,710</u>
<b>EXPENDITURES</b>					
General and administrative					
Paying agent fees	-	-	-	5,000	5,000
Contingency	-	-	-	5,000	5,000
Debt Service					
Bond interest	-	-	-	354,085	4,249,025
<b>Total expenditures</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>364,085</u>	<u>4,259,025</u>
<b>Total expenditures and transfers out     requiring appropriation</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>364,085</u>	<u>4,259,025</u>
<b>ENDING FUND BALANCE</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 16,311,603</u>	<u>\$ 12,631,685</u>
<b>DEBT SERVICE RESERVE</b>	\$ -	\$ -	\$ -	\$ 6,131,628	\$ 6,248,628
<b>CAPITALIZE INTEREST</b>	-	-	-	9,772,758	5,523,733
<b>TOTAL RESERVE</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,904,386</u>	<u>\$ 11,772,361</u>

This financial information should be read only in connection with the accompanying accountant's  
compilation report and summary of significant assumptions.

**USAFA VISITOR'S CENTER BUSINESS IMPROVEMENT DISTRICT  
CAPITAL PROJECTS FUND  
2020 BUDGET**

**WITH 2018 ACTUAL AND 2019 ESTIMATED  
For the Years Ended and Ending December 31,**

10/14/19

	ACTUAL 2018	BUDGET 2019	ACTUAL 7/31/2019	ESTIMATED 2019	BUDGET 2020
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -	\$ -	\$ 53,110,000
<b>REVENUES</b>					
Interest income	-	-	-	85,000	358,000
Bond issuance	-	-	-	70,840,000	-
RTA contribution	-	-	-	1,000,000	-
LART grant	-	-	-	-	500,000
Total revenues	-	-	-	71,925,000	858,000
Total funds available	-	-	-	71,925,000	53,968,000
<b>EXPENDITURES</b>					
Capital Projects					
Bond issue costs	-	-	-	2,407,529	-
Organizational costs	-	-	-	175,000	-
Capital outlay	-	-	-	-	15,500,000
Total expenditures	-	-	-	2,582,529	15,500,000
<b>TRANSFERS OUT</b>					
DEBT SERVICE FUND	-	-	-	16,232,471	-
Total expenditures and transfers out requiring appropriation	-	-	-	18,815,000	15,500,000
ENDING FUND BALANCE	\$ -	\$ -	\$ -	\$ 53,110,000	\$ 38,468,000
CAPITAL PROJECTS RESERVE	\$ -	\$ -	\$ -	\$ 53,110,000	\$ -
TOTAL RESERVE	\$ -	\$ -	\$ -	\$ 53,110,000	\$ -

This financial information should be read only in connection with the accompanying accountant's compilation report and summary of significant assumptions.

**USAFA VISITOR'S CENTER BUSINESS IMPROVEMENT DISTRICT  
2020 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The District was organized to provide the financing, acquisition, construction, completion, installation, replacement and/or operation and maintenance of all of the services and public improvements allowed under Colorado law for business improvement districts. Specific improvements and services provided 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. District's service area is located in the designated commercial area within the City of Colorado Springs, El Paso County, Colorado.

The District was organized by Ordinance of the City of Colorado Springs on August 14, 2018.

At an election held on November 6, 2018, the voters approved general obligation indebtedness of \$450,000,000 for acquisitions, construction, installation, purchase, and completion of certain public improvements. The election also allows the District to retain all revenues without regard to the limitations contained in Article X, Section 20 of the Colorado constitution. Pursuant to the District's operating plan filed annually with the City, the maximum debt service mill levy the District can impose is 50.000 mills and operations and maintenance mill levy impose is 10.000 mills. As set forth in the District's 2018 operating plan, the City has limited the amount of debt to be issued to a total of \$450,000,000 in the authorized voted categories, without future approval by the City.

The District has no employees and all administrative functions are contracted.

The District prepares its budget on the modified accrual basis of accounting, in accordance with requirements of Colorado Revised Statutes C.R.S. 29-1-105 using its best estimates as of the date of the budget hearing. These estimates are based on expected conditions and its expected course of actions. The assumptions disclosed herein are those that the District believes are significant to the budget. There will usually be differences between the budget and actual results, because events and circumstances frequently do not occur as expected, and those differences may be material.

**Revenues**

**Developer Advance**

The District is in the development stage. As such, the operating and administrative expenditures will be mainly funded by the Developer. A major portion of the capital expenditures are also expected to be funded by the Developer. Developer advances are recorded as revenue for budget purposes with an obligation for future repayment when the District is financially able to reimburse the Developer from bond proceeds and other legally available revenue.

**Regional Tourism Act (RTA) Contribution and Funding**

The District will received additional contribution and funding from the RTA for the debt service and capital project funds.



**USAFA VISITOR'S CENTER BUSINESS IMPROVEMENT DISTRICT  
2020 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues - (continued)**

**LART Grant**

The District is applying for a LART Grant in the amount of \$2,000,000 to assist in funding capital infrastructure costs. If approved the Grant will be paid out to the District over the next four years starting in 2020.

**Net Investment Income**

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 1.0%.

**Bond Issuance**

The District anticipates issuing general obligation bonds. Bond proceeds will be used to pay infrastructure costs, bond issue costs and capitalized interest. Significant terms of the bond issuance will be determined at the time of issuance.

**Expenditures**

**Administrative Expenditures**

Administrative and operating expenditures include the estimated services necessary to maintain the District's administrative viability such as legal, management, accounting, insurance, and other administrative expenses.

**Debt Service**

Principal and interest payments are provided based on the pro forma schedule from the 2019 developer projections (discussed under the operating plan).

**Capital Outlay**

The District anticipates infrastructure improvements as noted in the Capital Projects fund.

**Debt and Leases**

The District has no capital or operating leases and intends on issuing bonds in 2019.

**Reserves**

**Emergency Reserve**

The District has provided for an Emergency Reserve equal to at least 3% of fiscal year spending as defined under TABOR.

**This information is an integral part of the accompanying budget.**

**EXHIBIT G**  
**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 2020, with utilities following in June and roadway improvements beginning in September. Pad sites will be delivered to the sub area developer in September 2020. Except for roadway improvements, trunk infrastructure will be completed in 2020. Roadway improvements will be completed by mid-2021 with landscaping to follow as site development is completed. Visitor Center construction is expected to commence by mid-2021 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.