



AGENDA

MANAGEMENT AND FINANCE POLICY COMMITTEE

July 27, 2021

1:00 pm

VIRTUAL MEETING

City of Aurora, Colorado

15151 E Alameda Parkway

Public Participant Dialing Instructions

Dial Access Number: 1-408-418-9388

Enter Participant Code: 146-019-0914

Council Member Gardner, Chair

Council Member Gruber

Deputy City Manager Roberto Venegas

Finance Director Terri Velasquez

The Management and Finance Committee oversees the following Council goal and objectives:

PROVIDE A WELL-MANAGED AND FINANCIALLY STRONG CITY

- Ensure the delivery of high-quality services to residents in an efficient and cost-effective manner.
- Maintain superior financial reporting, financial controls, appropriate reserves, budgeting financial management, and transparency, and invest in capital and infrastructure to support efficient and effective long-term provision of services.
- Maintain a high financial credit (bond) rating, maintain debt policies and debt practices that allow the assessment of appropriate debt levels, and periodically review debt and debt service to minimize costs.
- Provide appropriate stewardship of natural resources to ensure long-term sustainability for the city.

Pages

1. **Call to Order**

2. **Approval of Minutes**

1

3. **Consent Items**

3.a. **June 2021 Sales Tax Chart**

9

Greg Hays, Budget Officer (5 minutes)

4. General Business	
4.a. A BALLOT QUESTION TO RAISE TAXES TO FUND AURORA'S EMERGENCY ACTION MENTAL HEALTH FUND	13
Council Member Gardner (30 minutes)	
4.b. GERP Update	28
Steve Shanks, Pension Plan Administrator (15 minutes)	
4.c. Windler Business Improvement Districts Nos. 1&2	42
Cesarina Dancy, Development Project Manager (10 minutes)	
4.d. Information Technology Update	124
Scott Newman, Chief Information Officer (10 minutes)	
4.e. Resolution to Enter Lease-Purchase Agreement for Software Renewal	126
Scott Newman, Chief Information Officer (10 minutes)	
5. Miscellaneous Matters for Consideration	
Next meeting tentatively scheduled for August 24 at 1:00 pm Webex Meeting	
6. Adjournment	
<i>Total projected meeting time: 80 minutes</i>	

**MANAGEMENT AND FINANCE POLICY COMMITTEE
WEBEX**

Members Present: Council Member Gardner – Chair, Council Member Gruber

Others Present: J. Marcano, R. Venegas, T. Velasquez, G. Hays, C. Dancy, N. Wishmeyer, T. Sedmak, J. Cox, S. Newman, W. Sommer, H. Hernandez, C. Toth, M. Franks, A. Jamison, D. Hudson, M. Franks, L. Dalton, C. Fellows, R. Prusse, B. Rulla, E. Montage, A. Johnson, M. Ruhland, P. Williams, B. Dickhoner, K. Bear, K. Jeffries, M. Ardan, R. Pettinato Mosley, C. Diguardi, E. Cortese, T. Rivera, J. Santaularia, M. Donovan, C. Waldron, M. Murphy and T. Hoyle

INTRODUCTIONS AND MINUTES

May 25, 2021 minutes were approved.

CONSENT ITEMS

May of 2021 was 41.5 percent higher than May of 2020.

Outcome

The Committee thanked staff. Information only.

Follow-up Action

No follow-up needed.

TITLE 32 METROPOLITAN DISTRICTS

Summary of Issue and Discussion

Cesarina Dancy, Development Project Manager introduced the proposed service plans. In 2004, the City adopted a model service plan for Title 32 Metropolitan Districts with the intent that any proposed service plan for a new metropolitan district will be compliant with the model. The model service plan provides the following key features:

1. Maximum debt mill levy of 50 mills
2. Maximum term for debt repayment of 40 years
3. Agreement to impose the Aurora Regional Improvements (ARI) mill levy.

For the November 2021 cycle, eight new districts are proposed. All of the proposed districts are fully compliant with the current model with one exception (WH Nos. 1-10).

Proposed Service Plans:

A. Blue Eagle Metropolitan Districts Nos. 1-5

- a. Location – West of N Hudson Road between E 26th Avenue and E Colfax Avenue
- b. Size – 406 acres (additional 114 acres for inclusion area)
- c. Type of District – Commercial
- d. Debt Limit - \$200,000,000
- e. Current Development Status – Vacant Property

B. Buckley Yard Metropolitan Districts Nos. 1-2

- a. Location – Southeast corner of E Alameda Drive and S Airport Boulevard
- b. Size – 37 acres
- c. Type of District – Residential
- d. Population Projection: 598
- e. Debt Limit - \$16,000,000
- f. Current Development Status – Vacant Property

C. East Bend Metropolitan District

- a. Location – Southeast corner of S Andes Circle and S Tower Road
- b. Size – .352 acres (additional 9.969 acres for inclusion area)
- c. Type of District – Residential
- d. Population Projection: 230
- e. Debt Limit - \$5,000,000
- f. Current Development Status – Vacant Property

D. Marquest Airport Park Metropolitan District

- a. Location – Southwest corner of E 56th Avenue and N Hayesmount Road
- b. Size – 157.3 acres
- c. Type of District – Commercial and Industrial
- d. Debt Limit - \$80,000,000
- e. Current Development Status – Vacant Property

E. The Overlook at Kings Point South Metropolitan District

- a. Location – East of E-470 and West of Arrowshaft Trail
- b. Size – 103.21 acres
- c. Type of District – Residential- Population Projection: 609
- d. Debt Limit - \$65,000,000
- e. Current Development Status – Vacant Property

F. Villages at Murphy Creek Metropolitan District No. 3

- a. Location – Southeast corner of Harvest Road and Yale Avenue
- b. Size – .037 acres (additional 208.588 acres for inclusion area)
- c. Type of District – Residential- Population Projection: 3,712
- d. Debt Limit - \$70,000,000
- e. Current Development Status – Vacant Property

G. Villages at Murphy Creek Metropolitan District No. 4

- a. Location – Southeast corner of Harvest Road and Yale Avenue
- b. Size – 208 acres
- c. Type of District – Residential- Population Projection: 3,712
- d. Debt Limit - \$70,000,000
- e. Current Development Status – Vacant Property

H. WH Metropolitan Districts Nos. 1-10 (No. 1 Amended and Restated; Nos. 2-10 consolidated)

- a. Location – South of E 56th Avenue, West of Harvest Road, and East of N Picadilly Road
- b. Size – 236 acres (additional 627 acres for inclusion area)

- c. Type of District – Mixed Use/Residential- Population Projection: 5,625
- d. Debt Limit - \$950,000,000
- e. Current Development Status – Vacant Property
- f. Deviation from model: Requesting the ARI mill levy deviate from the model of increasing the number of mills collected over time from 1-5 mills to 5 mills being collected starting year 1. This change will require approval by ordinance.

Does the Committee wish to forward these items to the July 19, 2021 study session?

Committee Discussion

Council Member Gardner (CM): One of my questions was on East Bend Metro District. Can you tell me what type of product that is? It looks like it's residential, but is it a single family? I didn't pick up on that.

C. Dancy: That's a good question. I don't know that information has been provided to us yet. It appears to be possibly paired home product. That I would certainly divert to the developer or the legal counsel if they have more information on that.

E. Cortese: I'm here with Megan Becher and I can answer that question. It's 72 lots. I'm filling in for general counsel who is typically here. So, it's a small subdivision but it's managing the assets of single family residential with 72 lots.

CM Gardner: Okay thank you. CM Gruber do you have any questions?

CM Gruber: Yes, I do. I would like to review several of the Villages at Murphy Creek. You're probably aware that we've had discussions every time we've added to Murphy Creek. The community has raised questions, so I would like to know whether or not the people within this metro district will be sharing resources with the other districts swimming pool and things like that. I don't know who's here to address Murphy Creek. Do we have anyone here doing that?

C. Dancy: We should have counsel from Murphy Creek. Perhaps not. I can certainly follow up CM Gruber and get that answered for you.

CM Gruber: Okay. So, during other discussions on Murphy Creek metro districts. You may remember that Murphy Creek was a single metro district they divided. There were questions about debt and who's responsible for the debt on either side of Jewell Avenue. I believe that was resolved. There was another metro district established following those discussions, that kicked off a discussion about amenities the general Murphy Creek amenities, and how those amenities will be used and questions as to whether or not the amenities within the general Murphy Creek were large enough to support the growth. Some of the existing residents said those amenities were already fully occupied such as the swimming pool, the clubhouse, and so on. That adding additional people without increasing amenities for those people would create stress and impact housing values and things like that within the rest of the community. So, my specific questions are on Villages at Murphy Creek District No.3 and Villages at Murphy Creek Metro District No. 4. My question is whether or not those will bring their own amenities? Whether or not those will be restricted from using the other amenities, and how that will play out?

C. Dancy: Elisabeth, I just noticed that Paula was unable to attend, and she said that you could answer questions on Murphy Creek as well.

E. Cortese: Yes. Sorry I was having difficulty getting my mute to unmute. The concept here is that because the projected build out for the builders at Murphy Creek is such an extended build out and it's such a large area. That by having multiple districts it allows for the improvements to be paid for and development to pay its own way as the build out proceeds. So, you don't have one district with one group of people paying for the entire process throughout. So, the service plans allow for there to be in our governmental agreements, as do the statues for the districts to work together if they want to. But they are not necessarily required to either. Each has its own separate entity.

CM Gruber: Okay, I understand that part. I understand that metro districts will be independent governments, it will have an independent governance per metro district. I understand that and I understand how the metro district will pay their own way. The question is whether or not Murphy Creek in general, the large enterprise of Murphy Creek and all of the metro districts, or only a subset currently shares the swimming pool and the clubhouse. So, my specific question is will these additional metro districts that are going in have access to those? Will they be included as members of the existing amenities, or whether not these districts will create their own amenities independent of what already exists at Murphy Creek?

E. Cortese: Okay, I'm sorry. I misunderstood the question. I will need to get back on that and get that answer. So, we can follow up and can send an email, but we can get that information for you how the amenities are working. I apologize that I don't have that answer.

CM Gruber: If we move this forward and frankly CM Gardner, I'm good with moving this forward. But I do think we need that area documented prior to arriving to Study Session. So, it can be included in the Study Session read ahead, so that they can allay the concerns of some of the questions that we can pretty much bet will arise.

E. Cortese: Absolutely, we can get you that information.

C. Dancy: Elisabeth, if I could make a suggestion. I would suggest we revise the transmittal letter that was submitted to include that information and then we can attach that to the Study Session packet. That way all the information is from one place.

E. Cortese: Perfect.

CM Gruber: Thank you. I have no further questions.

CM Gardner: Okay, so I guess with that all being said. It sounds like CM Gruber you're okay moving this forward assuming you're able to get this information by the Study Session.

CM Gruber: Yes, I am.

CM Gardner: Okay, I'm okay with that as well. So, we will move this forward.

Outcome

The Committee recommended the item move forward to Study Session.

Follow-up Action

Staff will forward the item to July 19, 2021 Study Session.

2020 AUDIT RESULTS AND COMPREHENSIVE ANNUAL REPORT

Summary of Issue and Discussion

Nancy Wishmeyer, Controller and BKD provided the overview and recommendations that resulted from the financial statement audit. The 2020 Comprehensive Annual Report received an unmodified, or "clean" opinion from the auditors. The 2020 Single Audit of federal grants also received a clean, unmodified opinion. The 2019 Annual Report received the GFOA Certificate of Achievement for Excellence in Financial Reporting was presented. In the opinion of staff and the auditors, the 2020 Annual Report also qualifies for the national GFOA award. A link to the 2020 Annual Report and the 2020 Single Audit has been placed on the city's internet. The BKD, LLP Council Report is required auditor communication to the Management and Finance Committee (the audit committee). This report provides an overall review of the audit and brings attention to control issues or any reportable items encountered by the auditors during the course of the audit. Detail schedules of unrecorded audit adjustments and a copy of the representation letter provided by management to the auditors were included in the report. Additionally, attached to the agenda item is a summary of the 2020 audit recommendations and responses of city management. Also attached is the Corrective Action Plan for the Single Audit finding.

Committee Discussion

CM Gardner: When you say you audited the expenditures under the coronavirus relief fund, did you audit to ensure compliance with the accounting principles, or did you audit to ensure compliance with the Treasury department's rules as it pertains to spending that money? Does that make sense?

K. Jeffries: It does, and the answer is both.

CM Gardner: I thought so, but I just wanted to clarify that.

CM Gruber: I can also follow on to that. So, the present concern I've always had with that is that we have distributed so much money and I understand and I'm very glad to hear that the City's processes in handling that money. The City's processes and distributing that money are compliant with regulations. But my concern is the people that we give it to, because we do not require audits of them. We do not require their financials and we don't require information provided to us on how the money is spent. Or do we? How does the City know that the money that we have distributed is being used as it was intended to be used?

M. Ardan: I'll take that question CM Gruber. Actually, there are requirements for when they pass it through as a subrecipient. So, if they pass it through, and another organization is using it and making determinations, there are requirements that do require them to monitor those. They get reports on how they're spending it and they're also monitoring their financial reports. They do have to do that as well. So there is monitoring going on.

CM Gruber: Okay, for example Monday night we made major distributions. Things like HVAC, ionization devices and things like that. I read through the contracts that are associated with the terms and conditions that go with it. And I didn't see anything that says you are required to provide X Y, and Z to the City when the project is done. To explain how the money is being used. So, is there something either

I missed in the terms and conditions or is there another document? How do we know? Is there something in terms and conditions?

M. Ardan: It would depend on if it's a service and they're paying for a service. A payment for a service would not have those type of terms and conditions in it. Whereas, if you passed the money through to a housing authority, which is using it for homelessness and they're making determinations of who gets that money. They would be responsible for saying how they have used it. Does that help answer the question?

CM Gruber: It does. But again, as I read through it, I was concerned. The Davis Bacon Act requires prevailing wages to be used. And it seemed to be like on one hand we had tables explaining how much money people were going to be paid for the services they will be providing and to include the loaded workers' wages and things like that. Then we had the prevailing wages clause and it seemed like those were below union rates. But if you're telling me that we're looking at those and everybody's good, then I'm comfortable with that. I was just concerned how that was done and to ensure that we are monitoring it. And if we are, that's very good news and I appreciate that.

M. Ardan: There are definitely requirements to make sure you're monitoring those types of expenditures.

CM Gardner: I have question on the 2019 IT finding. It was marked as implemented. Does that mean it's been addressed to your satisfaction? Or can you tell me what the definition of that means?

M. Ardan: Sure. That means that what we have seen as errors in the previous years that was causing it to be a significant deficiency, those errors have been corrected. There are a few more best practices that our IT group still recommended, and those were communicated to management. But the big things that were causing us concern have been corrected.

CM Gardner: Great, thank you. CM Gruber any questions?

CM Gruber: Yes, I just want to dig down a little bit more on the capitalized assets and disposition. So, to review what we were told before, it sounded like pretty much in the Water department there were capital assets that had been identified as capital assets in the purchase, which were not being treated as capital assets, as far as determining depreciation rates and things like that prior to a disposition. So, it would seem the City lost sight regarding whether those assets were still being controlled by the City, or not being controlled by the City. And again, I'm trying to reiterate and tell me if I'm wrong. So, the City looked into those assets to identify that in fact they were still in use and still were controlled by the City, and added those items, therefore resolved the identification of the issue. Do I have that right, or can you explain if I don't have that right?

M. Ardan: There's a slight nuance. So, when we went to go do our testing, we saw they had written off a lot of assets, so we questioned it because the value was so high. And when we asked questions about it, they told us we still own those assets and we shouldn't have written those off. So, we added them back on. But it was in the inventory process. They go throughout the City I believe every three years and they do an inventory. Do we still own this asset or not? So, it was a three-year cycle, and in that process, someone did not properly assess that the asset was still owned by the City. They had marked it as disposed so it got written off as disposed, but it was subsequently added back on.

CM Gruber: So, the bottom line there was no malfeasance. It was a paperwork issue where someone had written it off. But the City never lost control of it and the result is you wrote it back on to our inventory and the issue is resolved.

M. Ardan: Correct.

CM Gruber: Okay. That's very good news, so thank you.

CM Gardner: I don't have any questions. I just want to take a second and recognize staff. I think this obviously reflects what a great job all our staff does, so thank you all for all your hard work. Appreciate the BKD team for presenting this to us.

CM Gruber: CM Gardner if I could just ride on top of that. This is absolutely critical for our financial ratings with Moody's and Fitch and the other ratings and maintaining our very high numbers. If this had come out as a negative report it could have affected those numbers and ratings and affected our future bonds sales and things like that. A result of doing such a good job. It's one thing to say great we did good on a report. It's another thing to say, that report being as strong as it is, is going to save the city millions of dollars in interest fees as opposed if this report come out in a negative manner. So, my thanks also for that.

Outcome

The Committee thanked staff. Information only.

Follow-up Action

The Committee thanked staff. Information only.

CITIZENS' ADVISORY BUDGET COMMITTEE (CABC) PRESENTATION TO MANAGEMENT FINANCE COMMITTEE

Summary of Issue and Discussion

Michael Westerberg, Chair, provided a brief update on the 2021 workplan from the CABC group.

Committee Discussion

CM Gardner: CM Gruber any questions?

CM Gruber: I just want to point out that at the Monday night meeting our Parks, Recreation & Open Space (PROS) department, briefed Council on anticipated future capital requirements in a tune of one hundred million dollars. In those documents were areas that affected what CABC is working on. So, if the committee has not reviewed the PROS capital input that was received last night. I would recommend that you do so, that's available on the City's web page. You can go into the Council meeting read ahead packet and download it there.

M. Westerberg: Thank you, I appreciate that. I have seen those, and we will definitely incorporate it in the workplan. So, I appreciate that.

CM Gardner: I don't have any questions. We appreciate the presentation and I look forward to the full council presentation in a couple months.

Outcome

The Committee thanked staff. Information only.

Follow-up Action

No follow-up needed.

MISCELLANEOUS MATTERS FOR CONSIDERATION

- The next meeting is on Tuesday, July 27, 2021 at 1:00 PM (WebEx)

THESE MINUTES WERE APPROVED AS SUBMITTED

Curtis Gardner, Chair of the Management & Finance (M&F) Committee

Date



CITY OF AURORA

Council Agenda Commentary

Item Title: June 2021 Sales Tax Chart
Item Initiator: Greg Hays
Staff Source/Legal Source: Greg Hays, Budget Officer
Outside Speaker: N/A
Council Goal: 2012: 6.0--Provide a well-managed and financially strong City

COUNCIL MEETING DATES:

Study Session: N/A

Regular Meeting: N/A

ACTIONS(S) PROPOSED *(Check all appropriate actions)*

- Approve Item as proposed at Study Session
- Information Only
- Approve Item and Move Forward to Regular Meeting
- Approve Item as proposed at Regular Meeting
- Approve Item with Waiver of Reconsideration
Why is a waiver needed?[Click or tap here to enter text.](#)

PREVIOUS ACTIONS OR REVIEWS:

Policy Committee Name: N/A

Policy Committee Date: N/A

Action Taken/Follow-up: *(Check all that apply)*

- Recommends Approval
- Does Not Recommend Approval
- Forwarded Without Recommendation
- Recommendation Report Attached
- Minutes Attached
- Minutes Not Available

HISTORY *(Dates reviewed by City council, Policy Committees, Boards and Commissions, or Staff. Summarize pertinent comments. ATTACH MINUTES OF COUNCIL MEETINGS, POLICY COMMITTEES AND BOARDS AND COMMISSIONS.)*

Members of the M&F Committee have asked for the monthly sales tax performance chart.

ITEM SUMMARY *(Brief description of item, discussion, key points, recommendations, etc.)*

Attached is the June sales tax performance chart. June of 2021 was 21.8 percent higher than June of 2020.

QUESTIONS FOR COUNCIL

Info Only

LEGAL COMMENTS

The city charter requires that the city manager shall keep the council advised of the financial condition and future needs of the city and make such recommendations to the council for adoption as he may deem necessary or expedient. (Aurora City Charter Art. 7-4(f)). This item is informational only. (Hernandez)

PUBLIC FINANCIAL IMPACT

YES NO

If yes, explain: N/A

PRIVATE FISCAL IMPACT

Not Applicable Significant Nominal

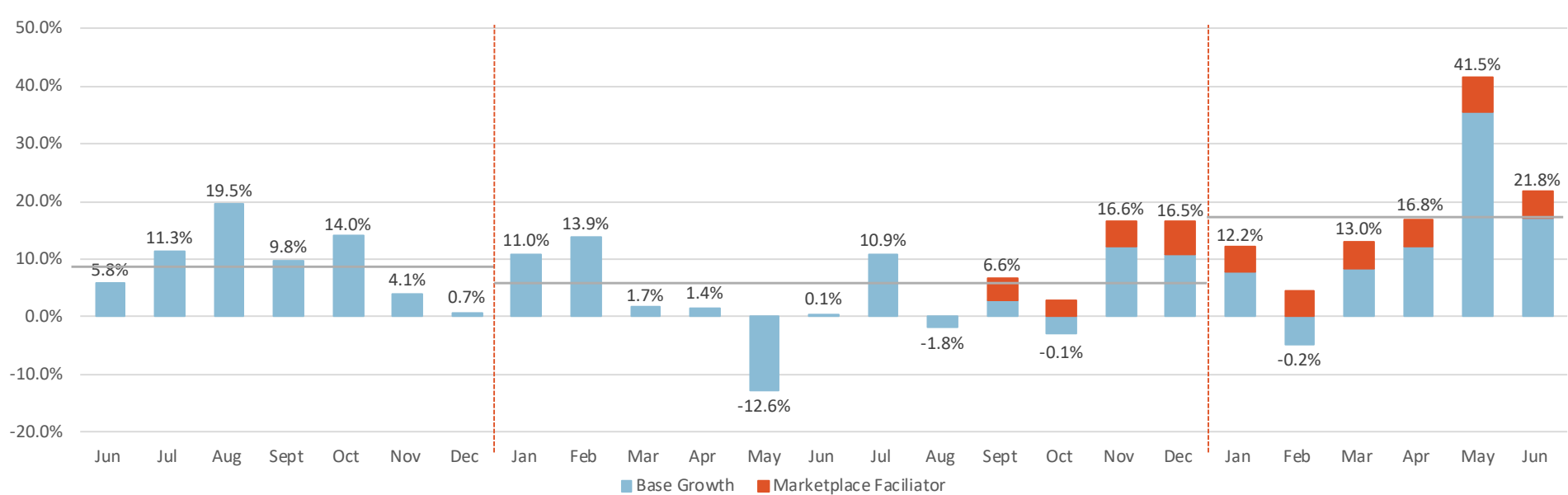
If Significant or Nominal, explain: N/A

June 2021 Sales Tax Performance



Percent Change from Prior Year By Month

June YTD Variance to
Budget: \$23.2M (24.3%)
2020: \$16.8M (16.5%)



2019
8.7%

2020
5.3%

2021
16.5%

June 2021 Sales Tax Performance



2019											
Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
21,261,542	14,381,591	13,694,934	18,411,530	15,367,303	15,678,576	19,567,045	17,546,377	16,570,069	20,482,667	15,110,710	14,954,977
1,073,579	941,689	969,933	1,668,244	1,104,394	853,685	1,990,632	2,867,198	1,483,060	2,519,146	588,881	109,178
5.3%	7.0%	7.6%	10.0%	7.7%	5.8%	11.3%	19.5%	9.8%	14.0%	4.1%	0.7%

2020											
Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec
23,591,222	16,374,965	13,932,085	18,673,352	13,424,681	15,690,126	21,699,684	17,230,082	17,664,745	20,457,466	17,621,437	17,420,587
2,329,680	1,993,374	237,150	261,822	(1,942,622)	11,550	2,132,639	(316,295)	1,094,676	(25,201)	2,510,726	2,465,610
11.0%	13.9%	1.7%	1.4%	-12.6%	0.1%	10.9%	-1.8%	6.6%	-0.1%	16.6%	16.5%

2021					
Jan	Feb	Mar	Apr	May	Jun
26,470,356	16,335,916	15,744,292	21,803,394	18,994,248	19,105,339
2,879,135	(39,049)	1,812,207	3,130,042	5,569,566	3,415,214
12.2%	-0.2%	13.0%	16.8%	41.5%	21.8%



CITY OF AURORA

Council Agenda Commentary

Item Title: A BALLOT QUESTION TO RAISE TAXES TO FUND AURORA'S EMERGENCY ACTION MENTAL HEALTH FUND
Item Initiator: Council Member Curtis Gardner
Staff Source/Legal Source: Hansosky Hernandez, Assistant City Attorney
Outside Speaker: N/A
Council Goal: 2012: 1.0--Assure a safe community for people

COUNCIL MEETING DATES:

Study Session: N/A

Regular Meeting: N/A

ACTIONS(S) PROPOSED *(Check all appropriate actions)*

- Approve Item as proposed at Study Session
- Information Only
- Approve Item and Move Forward to Regular Meeting
- Approve Item as proposed at Regular Meeting
- Approve Item with Waiver of Reconsideration
Why is a waiver needed?[Click or tap here to enter text.](#)

PREVIOUS ACTIONS OR REVIEWS:

Policy Committee Name: Management & Finance

Policy Committee Date: 7/27/2021

Action Taken/Follow-up: *(Check all that apply)*

- Recommends Approval
 - Does Not Recommend Approval
 - Forwarded Without Recommendation
 - Recommendation Report Attached
 - Minutes Attached
 - Minutes Not Available
-

HISTORY (Dates reviewed by City council, Policy Committees, Boards and Commissions, or Staff. Summarize pertinent comments. ATTACH MINUTES OF COUNCIL MEETINGS, POLICY COMMITTEES AND BOARDS AND COMMISSIONS.)

N/A

ITEM SUMMARY (Brief description of item, discussion, key points, recommendations, etc.)

The COVID-19 pandemic exacerbated the mental health and substance use crisis in Aurora. This resolution will refer to voters a .25% sales tax increase (\$17.4 million annually) to fund mental health services, suicide prevention programs, substance use disorder services and restorative justice programs through a separate fund and creation of a Board to make recommendations to Council on allocation of monies in the Fund. Funding from this measure will supplement rather than supplant current mental health, suicide prevention, and substance use disorder services.

QUESTIONS FOR COUNCIL

Does the Committee approve moving this item forward to study session?

LEGAL COMMENTS

Article X, Section 20(4)(a) of the Colorado Constitution (TABOR) requires that the City have voter approval in advance for any new tax, tax rate increase, mill levy above that for the prior year, valuation for assessment ratio increase for a property class, or extension of an expiring tax, or a tax policy change directly causing a net tax revenue gain to the City. Also, “[T]he right to levy a tax to raise revenue with which to conduct the affairs and business of the City is clearly within the constitutional grant of power to home rule cities, contained in Article XX, Sec. 6 of the Constitution of Colorado.” *Berman v. City and County of Denver*, 156 Colo. at 542, 400 P.2d at 436-37.

Subject to the limitations in the state constitution, state statutes, and the city charter, the council shall have power to make and publish from time to time ordinances to provide for the safety; preserve the health; promote the prosperity; and improve the morals, order, comfort and convenience of the city and its residents. City Code Section 2-32. The City Council shall also have the power to pass resolution referring a tax increase to a vote of the register electors of the City in compliance with Article X Sec. 20 of the Constitution.

City Council may appropriate monies for the ensuing fiscal year and such appropriations shall lapse at the end of the respective fiscal year. See Article 11-17 Aurora City Charter. This draft ordinance included with the backup for this resolution, in its current form, includes a change in this timeline and establishes a lapse after three years after the appropriation is made. This clause may be considered an improper binding of future councils and therefore unenforceable, and also a violation of the City Charter. (Hernandez)

PUBLIC FINANCIAL IMPACT

YES NO

If yes, explain: Type Text Here

PRIVATE FISCAL IMPACT

Not Applicable Significant Nominal

If Significant or Nominal, explain: Type Text Here

ORDINANCE NO. 2021- [REDACTED]

A BILL

FOR AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO, ADDING CHAPTER 7 TO THE AURORA CITY CODE TITLED “AURORA’S EMERGENCY ACTION MENTAL HEALTH FUND” AND AMENDING CHAPTERS 74 AND 130 TO IMPLEMENT SALES AND USE TAX RATE FOR AURORA’S EMERGENCY ACTION MENTAL HEALTH FUND AS AUTHORIZED BY VOTE IN THE NOVEMBER ELECTION OF 2021

WHEREAS, the City of Aurora, Colorado, (the “City”), is a home rule municipality, organized and existing under and by virtue of Article XX, Section 6 of the Colorado Constitution, and as such the City has the authority to regulate matters of local concern including taxation for local municipal purposes; and

WHEREAS, it is a fundamental purpose of municipal governments to provide for the health, safety, and welfare of the general public; and

WHEREAS, following the voters approval of the ballot question presented on the November election of 2021, the City desires to implement the voters choice to create the Aurora’s Emergency Action Mental Helath Fund and to create the fund to appropriate sums of money to fund the program.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO:

Section 1. Chapter 7 Article I of the City Code of the City of Aurora, Colorado, is hereby enacted and shall read as follows:

ARTICLE I. AURORA’S EMERGENCY ACTION MENTAL HEALTH FUND

Sec. 7-1. Legislative Intent.

The purpose of this Article I is to provide for the governance and administration of the dedicated sales and use tax increase (the “Tax”)for Aurora’s Emergency Action Mental Health Fund approved by the voters on November 2, 2021, and as provided in sections 130-161(e) and 130-196 (e) of this code. The City Council declares that it is in the best interests of the people of Aurora to increase mental health services, suicide prevention programs, substance abuse disorder treatment and prevention services, and restorative justice programs available in the city. The Tax and the establishment of Aurora’s Emergency Action Mental Health Fund serve important public and municipal purposes. Aurora’s Emergency Action Mental Health Fund

shall supplement, rather than supplant the total of City, County, State and Federal annual funding for mental health, suicide prevention, and substance use disorder services collected and administered by the City of Aurora as of June 30, 2021. Therefore, the city council determined, by Resolution number _____, that the question of whether the city shall be authorized to impose a 0.25 percent sales tax for the purposes and in the manner set forth in this ordinance should be submitted to the registered electors of the city at the special municipal election conducted in coordination with the state election on November 2, 2021. The voters approved the question.

Sec. 7-2. Creation of Fund and Dedicated Revenues.

There is hereby created and established a separate Aurora's Emergency Action Mental Health Fund (the "Fund") into which shall be deposited all monies derived from the dedicated .25% sales and use tax established in sections 130-161(e) and 130-196(e) of the Code

Sec. 7-3. Allocation of Revenues from the Fund.

(a) All monies in the Fund must be expended on the following programs and services in the City of Aurora:

- (1) Mental health prevention services and treatment for children, youth, adults, seniors, homeless individuals, and veterans;
- (2) Suicide prevention programs;
- (3) A non-policing model of mental healthcare response;
- (4) Opioid and substance abuse prevention, treatment and recovery programs, and
- (5) Restorative justice programs.

(b) *Cap on Administration costs.* Monies in the Fund may be expended to pay the costs incurred by the City associated directly with the administration of the Fund, including salaries and office expenses related to any employees working on the programs described in this chapter 7; any expenses reimbursed to members of the Board; expenses related to conducting mental health and substance abuse disorder needs assessments for people in the City of Aurora; expenses related to program evaluation, development and updating of the strategic plan, and annual report; routine business expenses such as accounting, audit, and legal expenses; and any similar overhead expenses incurred by the programs; except that, in no event may the amount expended from the Fund for administrative expenses in any year exceed nine percent (9%) of the amount of revenue received in the Fund in that year. The Board may seek additional funding streams, such as gifts, grants, or donations, to pay for additional administrative expenses or programs.

(c) *Maintenance of Effort.* The Fund shall supplement rather than replace or

supplant the total of City, County, State and Federal annual funding for mental health services, suicide prevention programs, substance abuse disorder services, and restorative justice programs.

- (d) *Fund Earnings.* Any interest earned on the balance of the Fund accrues to the Fund.
- (e) *Permanency.* Appropriations made and deposited in the Fund described in this chapter shall not lapse until the purpose for which the appropriation was made shall have been accomplished or abandoned, provided that any appropriation shall be deemed to have been abandoned if three fiscal years elapse without any expenditure form, or encumbrance of the monies appropriated.

Sec. 7-4. Aurora’s Emergency Action Mental Health Board, Composition, Term, Governance.

- (a) There is created and established the Aurora’s Emergency Action Mental Health Board (“Board”), consisting of 9 voting members who shall be appointed pursuant to Charter section 9-1, who shall be registered electors, holding no paid, elected, or appointed position with the City. In addition, two members of the Aurora City Council shall be nonvoting members of the Board. The Board members shall reflect the racial, ethnic, geographic, socioeconomic, and political demographics of the community to the extent practicable, and shall be appointed based upon their expertise or experience in mental health services, suicide prevention, substance use disorder programs, and restorative justice initiatives, including experience as service providers, veterans, educators, and parents.
- (b) The City Manager shall appoint four voting members to the Board, and the City Council shall appoint five voting members in addition to the two nonvoting members of the City Council to the Board.
- (c) The City Manager and the City Council shall collaborate on making appointments to the Board and to the maximum extent possible, shall strive to appoint individuals who have one or more of the following qualifications:
 - (1) Persons with professional experience as a first responder with expertise and/or experience in mental health services;
 - (2) Mental health or substance use treatment providers;
 - (3) Persons with expertise and/or experience in the mental health needs or substance use disorders needs of veterans;

- (4) Persons who have experienced, or are in recovery from, a mental health or substance use disorder.
 - (5) Persons with expertise and/or experience in child and youth mental health services offered by a local school district;
 - (6) Persons with expertise and/or experience in the mental health needs or substance use disorder needs of underserved populations, including immigrant populations;
 - (7) Persons with expertise and/or experience in the mental health needs or substance use disorder needs of homeless individuals;
 - (8) Persons with expertise and/or experience in the mental health needs or substance use disorder needs of individuals with intellectual disabilities;
 - (9) Persons with expertise and/or experience in restorative justice programs.
- (d) *Terms.* The initial appointments made by the City Manager shall have a first term of two years, the appointments of the City Council shall have a first term of three years. All subsequent appointments shall be for terms of three years. Initial appointments shall be made by March 31, 2022. Members of the Board may serve no more than three full terms in total. If an appointment remains vacant for more than sixty days, the remainder of the Board, by a majority vote, shall fill the vacancy with a person that met the qualifications of the vacant member's seat.
- (e) *Chair and Vice-Chair.* The Emergency Action Mental Health Board shall select from the voting members of the Board a chair who shall preside over meetings and a vice chair to preside when the chair is not present. The chair and vice chair will serve for one-year terms that may be renewed.
- (f) *Open Meetings.* The Board's meetings shall be noticed in advance and open to the public.

Sec. 7-5. Powers and duties.

Board members shall use their technical, professional, and personal experience to make recommendations to the Aurora City Council for the allocation of the Fund. The Board will proceed on a timeline that will allow the first grants to be made from the Fund by December 31, 2022. The Board members shall have the following powers and duties:

- (a) *Grants.* The Board shall recommend that the Aurora City Council allocate grants from the Fund to qualified recipients performing the programs and services set forth in section 7-3, taking into consideration the following:

- (1) The community need for the program or service;
 - (2) The range of services to be provided;
 - (3) The integration of the grantee's program or service with, and the participation of, other public and nongovernmental agencies, organizations, institutions, local school districts, and individuals, and their services and facilities, if any, that are available to assist the grantee's program or service; and
 - (4) Any additional information the Board deems necessary.
- (b) *Applications.* The Board shall establish policies and procedures for evaluating and prioritizing applications for funding, and shall accept and review funding applications from proposed and existing city and community entities seeking funding;
 - (c) *Recording.* To ensure that the Fund is allocated as directed, the Board shall accurately track and record all revenues collected from the Tax collected per 130-161(e) and 130-196(e), and accurately track and record all administrative costs associated with administering the Fund.
 - (d) *Reporting.* The Board shall create and the Aurora City Council shall annually publish a public report on the city's website detailing the amount of revenue collected as a result of the Tax and the type and amount of expenditures made by the Fund, a strategic plan progress evaluation, the grants made in each of the funding areas identified, the names of the grantees, the dollar amounts granted to each grantee, the boards of directors and officers of each grantee, and the purposes and proposed impacts of those grants.
 - (e) *Oversight and Audit of Grantees.* The Board shall develop oversight and audit procedures to evaluate grantees, and measure grantees' effectiveness and achievements.
 - (f) *Strategic Plan.* The Board shall develop a strategic plan to determine funding priorities. The strategic plan shall be updated no less than every three years and shall include public input into the use of the Fund.
 - (g) *Recommendations.* The Board shall provide recommendations to the Aurora City Council about existing city and community programs that could be expanded with additional funding, and new city and community programs that could be funded in future years consistent with the purpose of the use of the Fund;
 - (h) *Community Engagement.* The Board shall develop effective strategies and programs to engage residents most affected by mental health and substance abuse disorders.
 - (i) *Measuring Success.* The Board shall help define desired outcomes and key indicators that should be tracked to measure success.

Section 2. Section 130-32 of the City Code of the City of Aurora, Colorado, is hereby amended to read as follows:

- (b) The purpose of the ~~remaining~~ **next** one-fourth percent of the sales and use tax imposed by this article shall be for the production of revenue to defray the costs associated with:
 - (1) Staffing of the city police department, including civilian support staff and necessary facilities and equipment, to provide a minimum of two uniformed police officers per 1,000 persons of population; and
 - (2) Operation and maintenance of the city detention facility.
 - (3) **The purpose of the remaining one-fourth percent of the sales and use tax imposed by this article shall be to fund Aurora's Emergency Action Mental Health Fund set forth in Chapter 7, Article I.**
- (~~e~~d) If, in any given fiscal year, the undesignated fund balance of the capital improvements fund exceeds the projected capital needs of the city as determined by the first five years of the capital improvement plan then in effect, the city council may reduce the amount of the net sales and use tax proceeds allocated to the capital improvements fund under this section upon a two-thirds vote of its entire membership.
- (~~e~~) Only subsections (a) and (b) may be modified or amended by the city council upon a two-thirds vote of the entire membership of the council..

Section 3. Section 130-161 of the City Code of the City of Aurora, Colorado, is hereby amended to read as following:

Sec. 130-161. - Purpose of sales and use tax; allocation of proceeds.

- (a) There is hereby imposed, upon all sales of tangible personal property other than retail marijuana and retail marijuana products and services specified in section 130-156, a sales tax at a rate of ~~3.75~~ **4.00** percent.
- (b) There is hereby imposed upon all sales of retail marijuana and retail marijuana products a sales tax at a rate of 8.75 percent.
- (c) Except as provided in section 130-164, every retailer or vendor shall add the tax imposed by this division to the purchase price showing such tax as a separate and distinct item. When added, such tax shall constitute a part of the purchase price and shall be a debt from the purchaser to the retailer or vendor until paid which shall be recoverable at law in the same manner as other debts.
- (d) In order to avoid fractions of pennies in determining the sales tax due, sales tax charges should be rounded to the nearest cent. Any sales tax calculation less than \$0.005 should be rounded to \$0.00 and any calculation of \$0.005 or greater should be rounded to \$0.01.

- (e) In addition to the sales tax otherwise imposed by this section, a tax .25 percent shall be imposed upon all sales of tangible personal property other than retail marijuana and retail marijuana products and services specified in section 130-156, beginning January 1, 2021. The revenue from such additional tax shall be used for the sole purpose of funding Aurora's Emergency Action Mental Health Fund pursuant to article I of chapter 7.**

Section 4. Section 130-196 of the City Code of the City of Aurora, Colorado, is hereby amended to read as follows:

Sec. 130-196. - Levy.

- (a) There is levied and there shall be collected from every person in the city a tax for the privilege of using, storing, distributing, or consuming in the city any tangible personal property other than retail marijuana and retail marijuana products or taxable service purchased, leased or rented and not subjected to the city sales tax, without regard to whether the property is purchased from sources within or without the city, at a tax rate of ~~3.75~~ **4.00** percent.

The means by which title or possession, or both title and possession, to an item of tangible personal property is transferred shall not exempt the use, storage, distribution, or consumption of such item from taxation pursuant to this section.

- (b) There is levied and there shall be collected from every person in the city a tax for the privilege of using, storing, distributing, or consuming in the city any retail marijuana and retail marijuana products purchased, leased or rented and not subjected to the city sales tax, without regard to whether such retail marijuana or retail marijuana product was purchased from sources within or without the city, at a rate of 8.75 percent. Such tax shall be payable to and shall be collected by the finance director.
- (c) Every resident of the city who purchases, leases or rents tangible personal property or taxable services from sources within or without the city for use, storage, distribution or consumption within the city and who has not paid the tax imposed by this article to a retailer required or authorized to collect the sales tax shall remit the use tax due to the finance director on forms provided by the finance director within 30 days from the purchase, lease or rental.
- (d) In order to avoid fractions of pennies in determining the use tax due use tax charges should be rounded to the nearest cent. any use tax calculation less than \$0.005 should be rounded to \$0.00 and any calculation of \$0.005 or greater should be rounded to \$0.01.
- (e) In addition to the use tax otherwise imposed by this section, there is levied and shall be collected a tax of twenty-five one-hundredths of one**

percent (.25) from every person in the city for the privilege of using, storing, distributing, or consuming in the city any tangible personal property other than retail marijuana and retail marijuana products or taxable service purchased, leased or rented and not subjected to the city sales tax, without regard to whether the property is purchased from sources within or without the city, beginning January 1, 2022. The revenue from such additional tax shall be used for the sole purpose of funding Aurora's Emergency Action Mental Health Fund pursuant to article I of chapter 7.

Section 5. The City Council hereby declares that the revenues generated by the 0.25% increase in the sales and use tax rate on all sales of tangible personal property other than retail marijuana and retail marijuana products and services specified in section 130-156, and for the privilege of using, storing, distributing, or consuming in the city any tangible personal property other than retail marijuana and retail marijuana products or taxable service purchased, leased or rented and not subjected to the city sales tax, without regard to whether the property is purchased from sources within or without the city, shall be allocated for the sole purpose of funding Aurora's Emergency Action Mental Health Fund pursuant to article I of chapter 7.

Section 9. The sales and use tax increase to 4.00 % as described in this ordinance shall be effective on January 1, 2022.

Section 10. Severability. The provisions of this Ordinance are hereby declared to be severable. If any section, paragraph, clause, or provision of this Ordinance shall, for any reason, be held to be invalid or unenforceable by a court of competent jurisdiction, the invalidity or unenforceability of such section, paragraph, clause, or provision shall not affect any of the remaining provisions of this Ordinance.

Section 11. The City Council will evaluate the effectiveness of this ordinance and formally act to extend it or, on _____, 20__, the provisions of this Section shall expire.

Section 12. Pursuant to Section 5-5 of the Charter of the City of Aurora, Colorado, the second publication of this Ordinance shall be by reference, utilizing the ordinance title. Copies of this Ordinance are available at the Office of the City Clerk.

Section 13. Repealer. All orders, resolutions, or ordinances in conflict with this Ordinance or with any of the documents hereby approved, are hereby repealed only to the extent of such conflict. This repealer shall not be construed as reviving any resolution, ordinance, or part thereof, heretofore repealed.

INTRODUCED, READ AND ORDERED PUBLISHED this ____ day of _____, 2021.

PASSED AND ORDERED PUBLISHED this ____ day of _____, 2021.

MIKE COFFMAN, Mayor

ATTEST:

KADEE RODRIGUEZ,
City Clerk

APPROVED AS TO FORM:

HANOSKY HERNANDEZ,
Assistant City Attorney

DRAFT

RESOLUTION NO. R2021- ____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO, SUBMITTING TO A VOTE OF THE REGISTERED ELECTORS OF THE CITY AT THE STATEWIDE GENERAL ELECTION OF NOVEMBER 2, 2021, A BALLOT QUESTION TO RAISE TAXES TO FUND AURORA'S EMERGENCY ACTION MENTAL HEALTH FUND

WHEREAS, suicide is the leading cause of death for Colorado children over age 10 and the number of suicides has increased over the past decade; and

WHEREAS, over the course of the covid-19 pandemic, children's hospital Colorado on the Anschutz medical campus in aurora has seen a 90% increase in demand for mental health treatment in the past two years, a 13% increase in the number of kids who visit its emergency departments due to thoughts or attempts of suicide, and an increase in the severity of suicide attempts; and

WHEREAS, each suicide death in Colorado costs \$4,059 on average in direct costs and \$1,486,729 in indirect costs; and

WHEREAS, substance use deaths spiked during the covid-19 pandemic with more Coloradans dying from drug overdoses in 2020 than any previous year recorded; and

WHEREAS, 48% of aurora seniors believe that mental health service availability is either fair or poor, according to the Denver regional council of governments area agency of aging; and

WHEREAS, polling data shows that a broad majority of Aurorans support a nominal sales tax increase to fund mental health and substance abuse care services.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO:

Section 1. There is hereby submitted to a vote of the registered electors of the City at the statewide general election to be held November 2, 2021, the question of amending the City's Charter regarding the budget and allocation of revenues for an emergency action mental health fund.

Section 2. The following question shall be submitted to the vote of the registered electors of the City at the statewide general election to be held November 2, 2021.

“SHALL AURORA SALES AND USE TAXES BE INCREASED BY \$17.4 MILLION DOLLARS ANNUALLY, COMMENCING JANUARY 1, 2022, AND BY WHATEVER ADDITIONAL AMOUNTS ARE RAISED ANNUALLY THEREAFTER, FROM A ¼ OF 1% SALES AND USE TAX (25 CENTS ON A \$100-DOLLAR PURCHASE), WITH EXEMPTIONS FOR FOOD, WATER, FUEL, MEDICAL SUPPLIES, AND FEMININE

HYGIENE PRODUCTS, TO BE USED TO FUND:

MENTAL HEALTH PREVENTION SERVICES AND TREATMENT FOR CHILDREN, YOUTH, ADULTS, SENIORS, HOMELESS INDIVIDUALS, AND VETERANS, SUICIDE PREVENTION PROGRAMS, AND OPIOID AND SUBSTANCE USE DISORDER PREVENTION, TREATMENT AND RECOVERY PROGRAMS

PROVIDED THAT REVENUES COLLECTED FROM THE TAX SHALL BE DEPOSITED INTO A DEDICATED SEPARATE FUND THAT SHALL SUPPLEMENT EXISTING CITY FUNDING SOURCES FOR MENTAL HEALTH, SUICIDE PREVENTION AND SUBSTANCE USE DISORDER PROGRAMS; REQUIRING THAT REVENUES DEPOSITED INTO THE FUND SHALL BE COLLECTED AND SPENT ON AURORA PROGRAMS WITHOUT REGARD TO ANY EXPENDITURE, REVENUE-RAISING, OR OTHER LIMITATION CONTAINED WITHIN ARTICLE X, SECTION 20 OF THE COLORADO CONSTITUTION OR ANY OTHER LAW; REQUIRING THAT GRANTS FROM THE NEW FUND SHALL BE MADE BY THE CITY COUNCIL UPON RECOMMENDATION BY A DEDICATED BOARD WHOSE MEMBERS SHALL REFLECT THE RACIAL, ETHNIC, GEOGRAPHIC, SOCIOECONOMIC, AND POLITICAL DEMOGRAPHICS OF THE COMMUNITY, AND WHO SHALL BE APPOINTED BY THE CITY MANAGER AND CITY COUNCIL BASED UPON THEIR EXPERTISE OR EXPERIENCE IN MENTAL HEALTH SERVICES, SUICIDE PREVENTION PROGRAMS, SUBSTANCE USE DISORDER PROGRAMS, AND RESTORATIVE JUSTICE INITIATIVES, INCLUDING EXPERIENCE AS SERVICE PROVIDERS, VETERANS, EDUCATORS, AND PARENTS?

YES ____ NO ____”

Section 3. All resolutions or parts of resolutions of the City in conflict herewith are expressly repealed.

Section 4. Any reconsideration of this Resolution by the City Council of the City is hereby waived.

RESOLVED AND PASSED this ____ day of _____, 2021.

MIKE COFFMAN, Mayor

ATTEST:

KADEE RODRIGUEZ,
City Clerk

APPROVED AS TO FORM:



RLA

HANOSKY HERNANDEZ,
Assistant City Attorney



CITY OF AURORA

Council Agenda Commentary

Item Title: GERP Update
Item Initiator: Nancy Wishmeyer
Staff Source/Legal Source: Nancy Wishmeyer, Controller
Outside Speaker: Steve Shanks, GERP Administrator
Council Goal: 2012: 6.0--Provide a well-managed and financially strong City

COUNCIL MEETING DATES:

Study Session: N/A

Regular Meeting: N/A

ACTIONS(S) PROPOSED *(Check all appropriate actions)*

- Approve Item as proposed at Study Session
- Approve Item and Move Forward to Regular Meeting
- Approve Item as proposed at Regular Meeting
- Approve Item with Waiver of Reconsideration
Why is a waiver needed?[Click or tap here to enter text.](#)
- Information Only

PREVIOUS ACTIONS OR REVIEWS:

Policy Committee Name: N/A

Policy Committee Date: N/A

Action Taken/Follow-up: *(Check all that apply)*

- Recommends Approval
 - Forwarded Without Recommendation
 - Minutes Attached
 - Does Not Recommend Approval
 - Recommendation Report Attached
 - Minutes Not Available
-

HISTORY *(Dates reviewed by City council, Policy Committees, Boards and Commissions, or Staff. Summarize pertinent comments. ATTACH MINUTES OF COUNCIL MEETINGS, POLICY COMMITTEES AND BOARDS AND COMMISSIONS.)*

This item is to provide an update to the Management and Finance Policy Committee regarding the General Employees' Retirement Pension Plan (GERP).

ITEM SUMMARY *(Brief description of item, discussion, key points, recommendations, etc.)*

Steve Shanks, GERP Plan Administrator, will present to the Committee an overview of the plan and the funding progress of GERP.

QUESTIONS FOR COUNCIL

N/A - Informational

LEGAL COMMENTS

The City of Aurora has established a General Employee Retirement Program (GERP) as part of the benefits provided to certain qualified employees of the City. These benefits are codified in the Aurora City Code under Sec. 102-136 *et. seq.* The GERP Board presents information annually to City Council to advise the Council regarding the status of the plan. This item is informational only.

PUBLIC FINANCIAL IMPACT

YES NO

If yes, explain: N/A

PRIVATE FISCAL IMPACT

Not Applicable Significant Nominal

If Significant or Nominal, explain: N/A



General Employees' Retirement Plan Annual Update

Steve Shanks,
Pension Plan Administrator
July 27, 2021

GERP | City of Aurora
General Employees'
Retirement Plan

GERP Basics

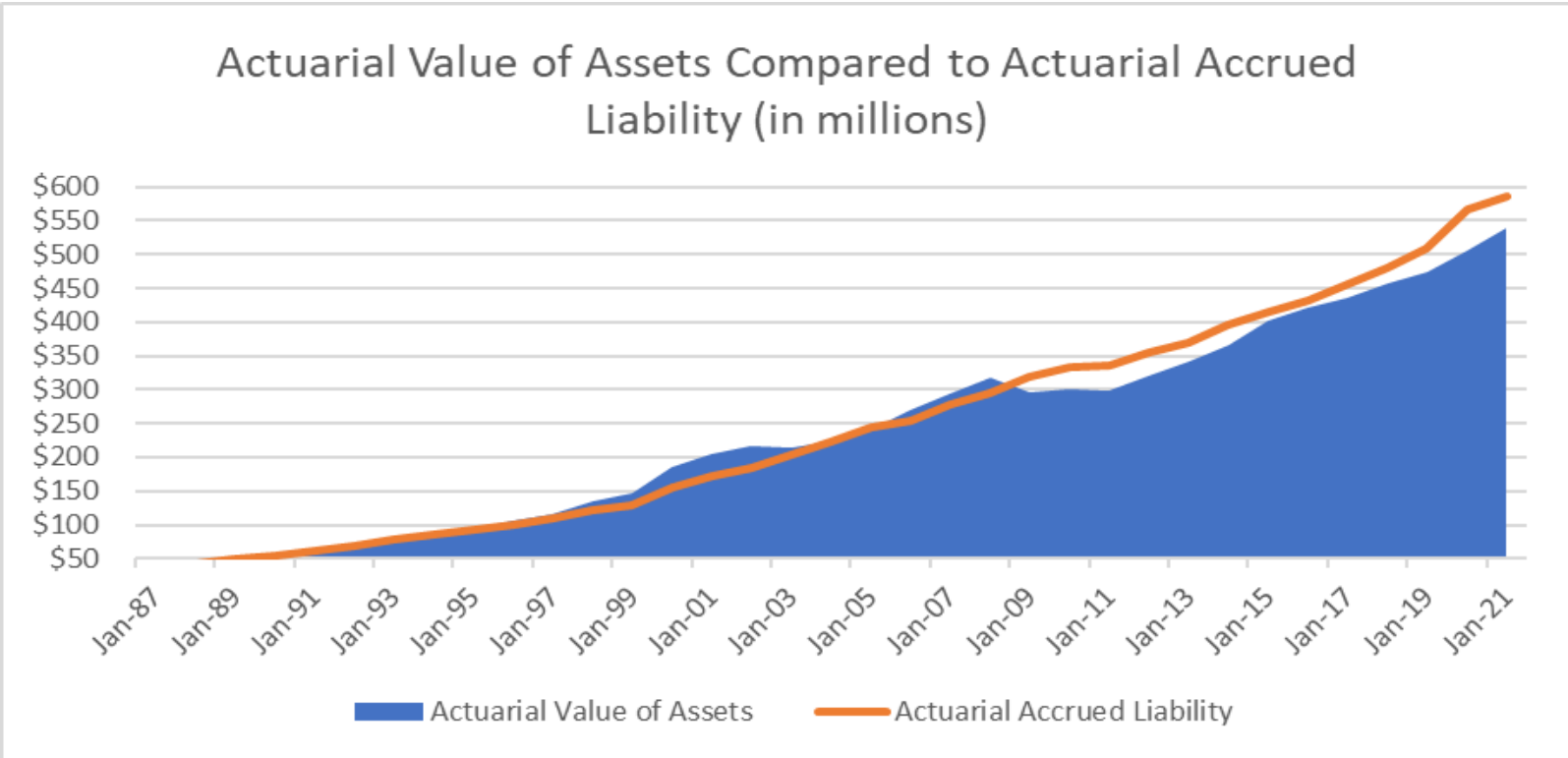
- Created in 1967 for the exclusive benefit of employees of the City and their beneficiaries
- Covers general employees which excludes fire, police and elected officials
- A defined benefit plan designed to provide a steady monthly income in retirement
- Managed by seven voting trustees with input from four non-voting representatives of the City

GERP Snapshot

	<u>1/1/2021</u>	<u>1/1/2020</u>	<u>Change</u>
<u>Actuarial Value Plan net assets:</u>	\$539,466,232	\$ 504,806,469	\$34,659,763
<u>Unfunded liability:</u>	\$45,211,689	\$ 62,199,637	(\$16,987,948)
<u>Actuarial funded ratio:</u> (actuarial value assets ÷ actuarial liability)	92.3%	89.0 %	3.3%
Actual contribution rate	14.0%	14.0%	0.0%
Required contribution rate	<u>14.1%</u>	<u>15.3%</u>	<u>(1.2%)</u>
Difference	(0.1%)	(1.3%)	(1.2%)

Mostly due to higher than expected investment gains and a lower than expected cost of living adjustment, the actuarial accrued liability decreased by \$17.0 million from the prior year actuarial valuation report.

GERP Funded Status History



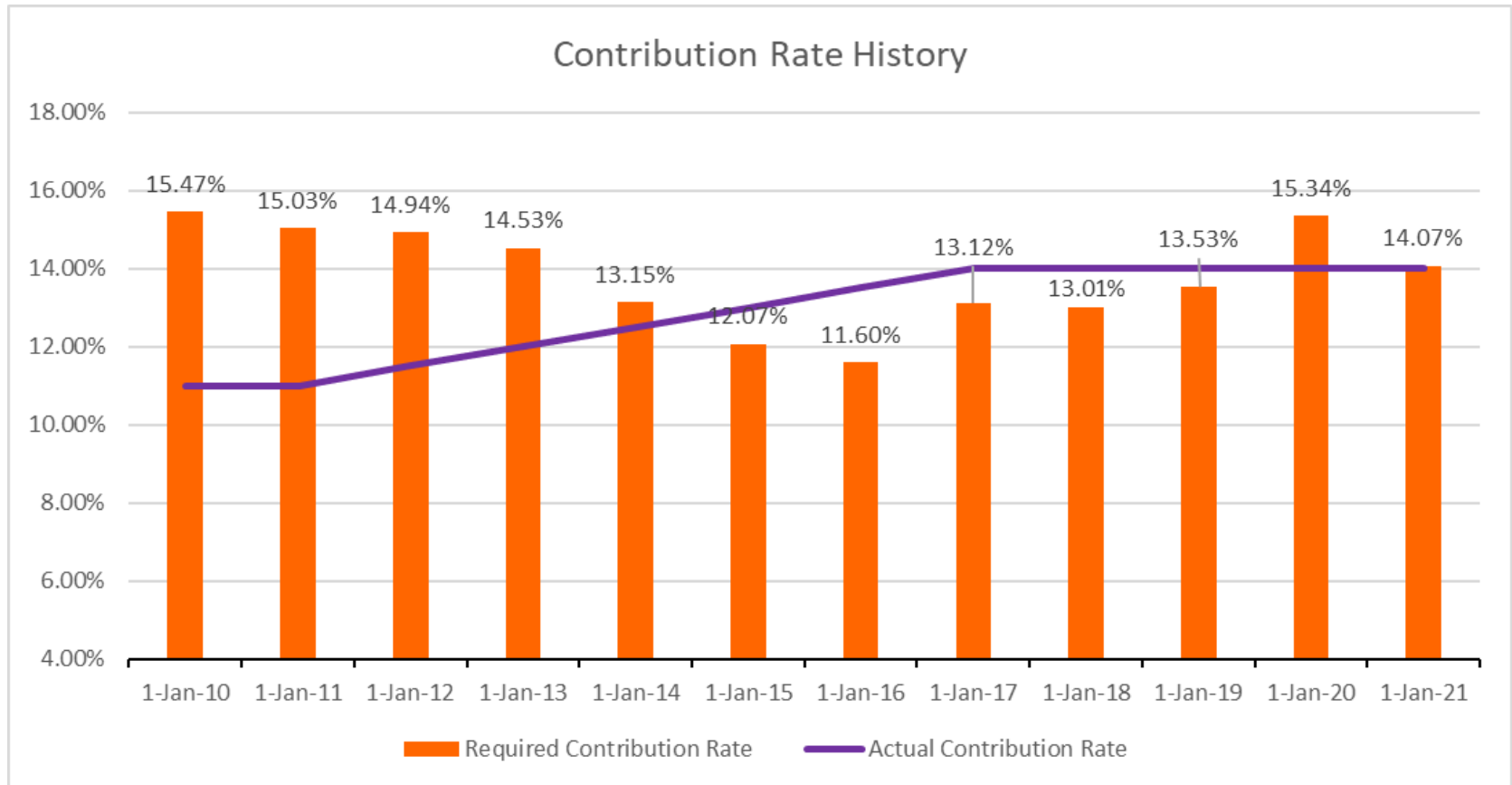
As of January 1, 2021

Actuarial Value of Assets: \$539,466,232

Actuarial Value of Liabilities: \$584,677,921

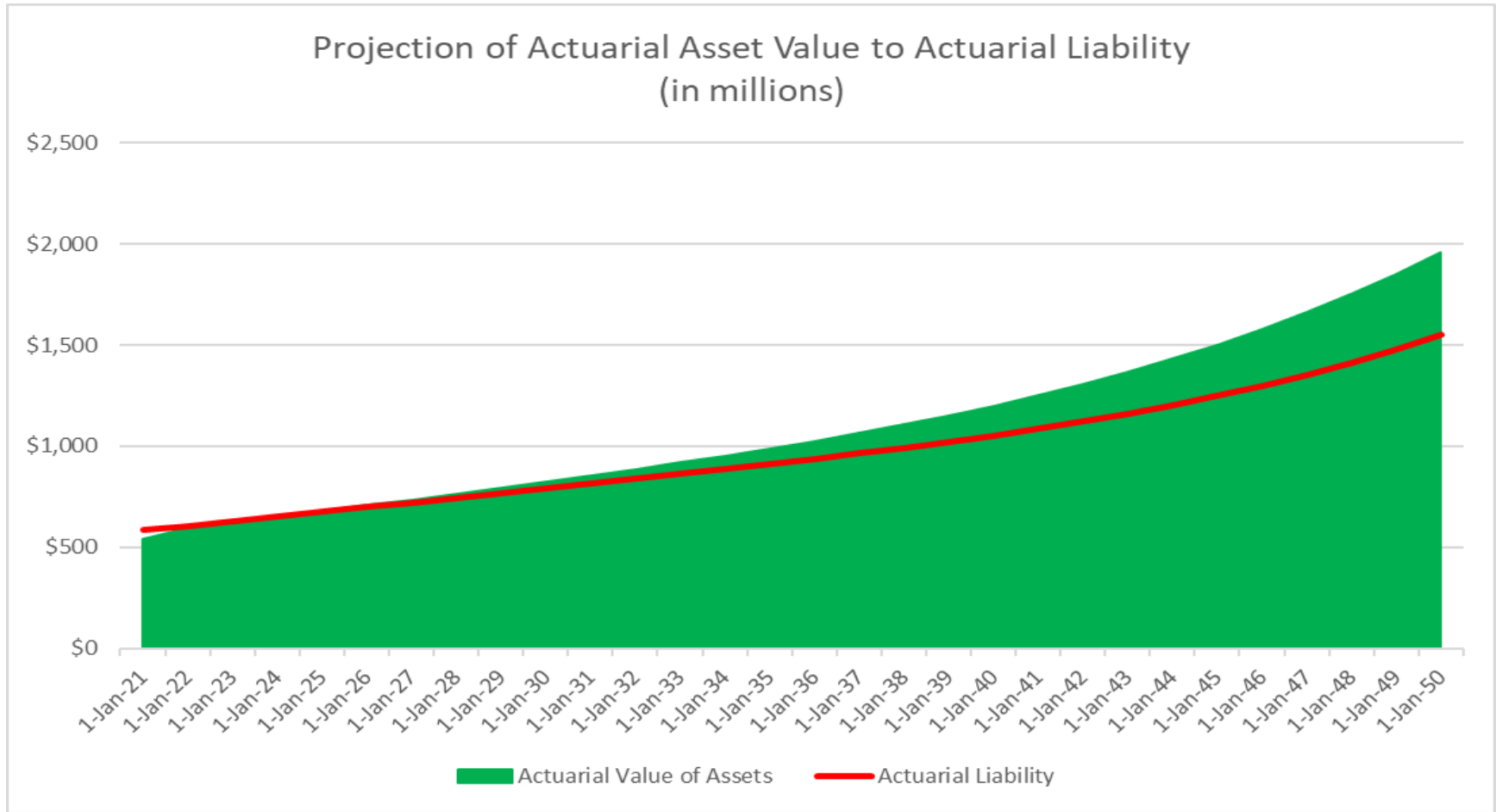
Actuarial Value of Assets Funded Ratio: 92.3%

Actual Contribution Rate Dipped Below Actuarial Determined Contribution Rate



Graduated increase from 11% combined employee and employer to 14% is still sufficient for full funded status by the end of 2023

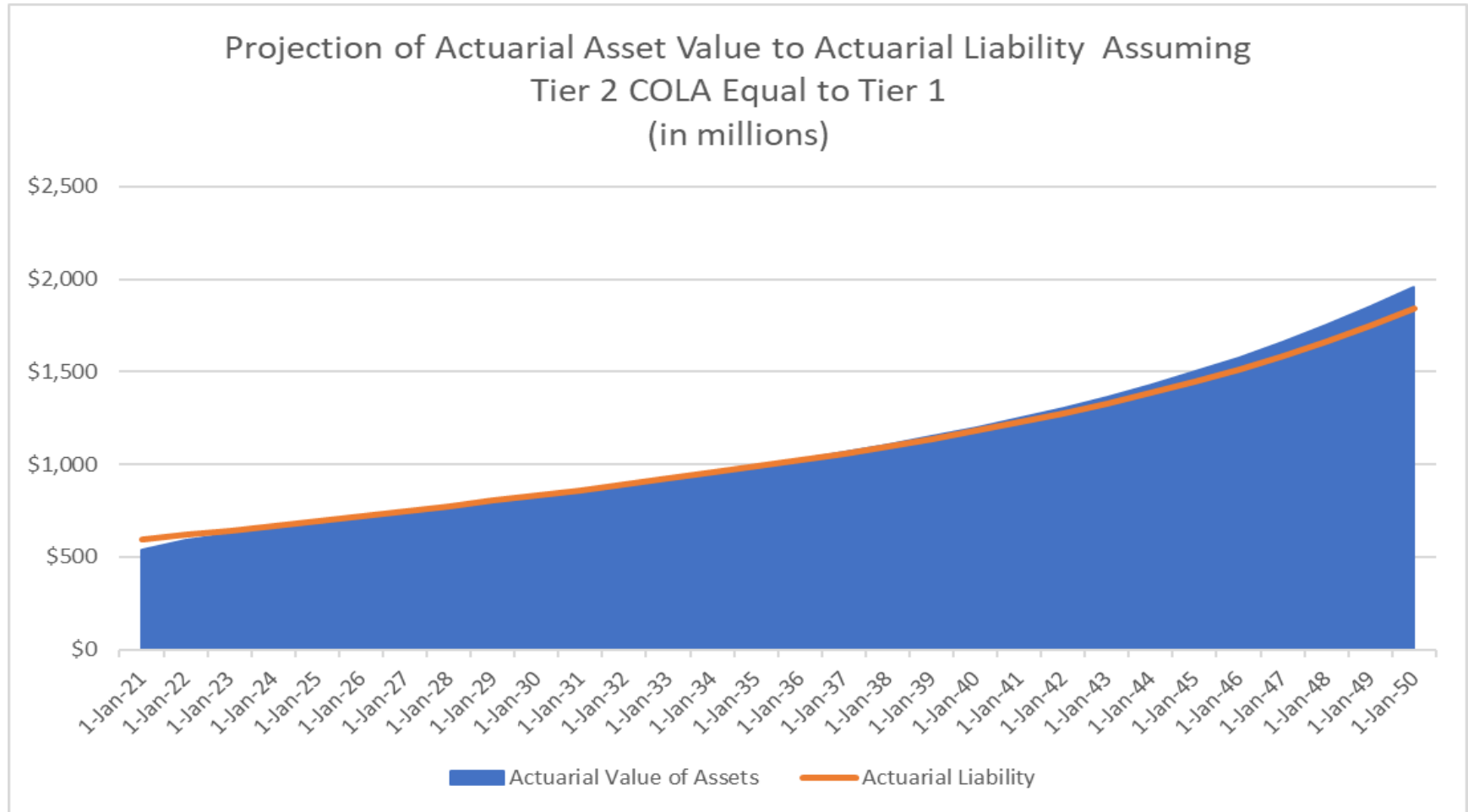
GERP Funded Status Projection



Under current actuarial assumptions, GERP is projected to be 100% funded by the end of 2023

GERP Funded Status Projection With Tier 2 COLA

Tier 2 COLA



Assuming Tier 2 COLA is equal to Tier 1 with all other actuarial assumptions the same, GERP would be projected to be 100% funded by the end of 2034. Any adverse experience could require additional contributions to reach full funding

Change in Unfunded Actuarial Liability

GERP's unfunded actuarial liability was expected to increase slightly over the prior year; however, the unfunded actuarial liability decreased approximately 27.3% or \$17.0 million. Below are the main components of the decrease in the unfunded actuarial liability:

– Actuarial gains over assumptions

- GERP's investments performed above actuarial assumed rate
 - 19.8% or \$12.3 million decrease in unfunded liability
- Employee salaries increased less than actuarial assumption
 - 2.3% or \$1.4 million decrease in unfunded liability
- Retiree Cost of living increased less than actuarial assumption
 - 4.3% or \$2.7 million decrease in unfunded liability

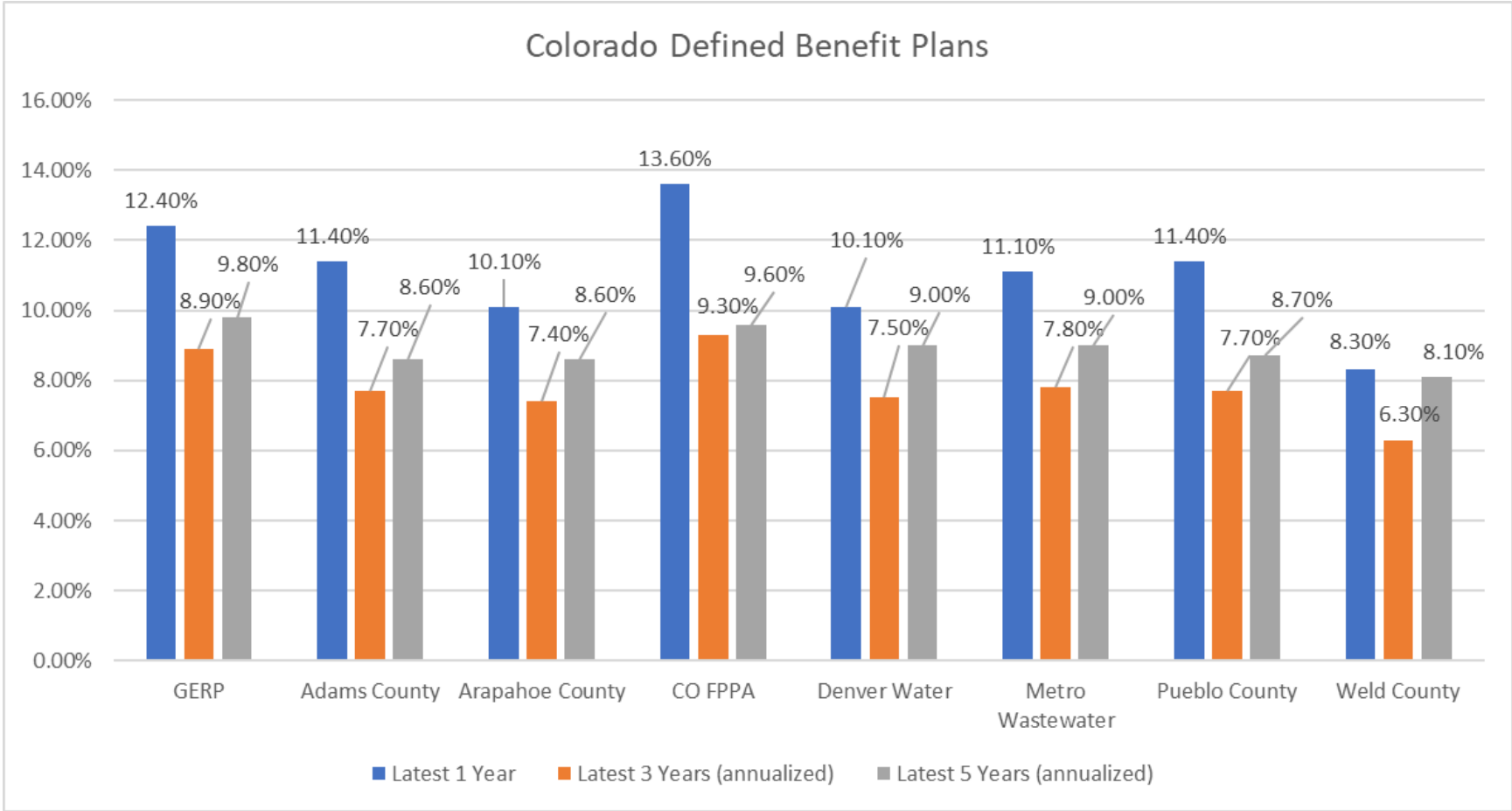
GERP Returns as of December 31, 2020

	Latest 1 Year	Latest 3 Years (annualized)	Latest 5 Years (annualized)	Latest 10 Years (annualized)
GERP return (net of fees)	12.40%	8.93%	9.79%	8.65%
Policy target return	12.16%	9.22%	9.78%	8.45%
Median public fund	12.27%	8.30%	9.48%	8.12%

In addition to all of the periods shown above, GERP's annual return was above the current assumed rate of return for the last 15, 25 and last 31.75 year periods.

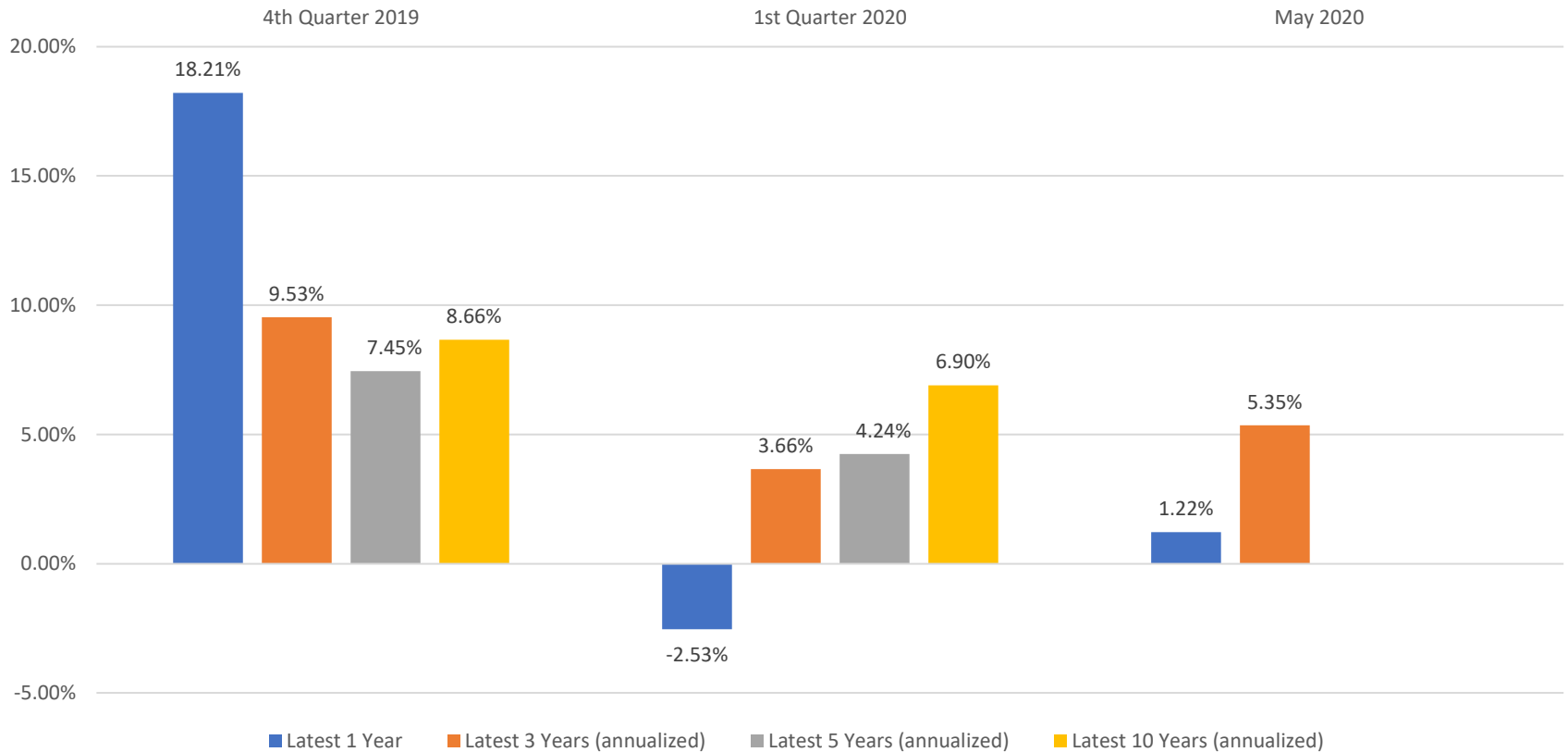
GERP's Actuarial Assumed Long-term Rate of Return is 7.00%

Comparison to Local Plans



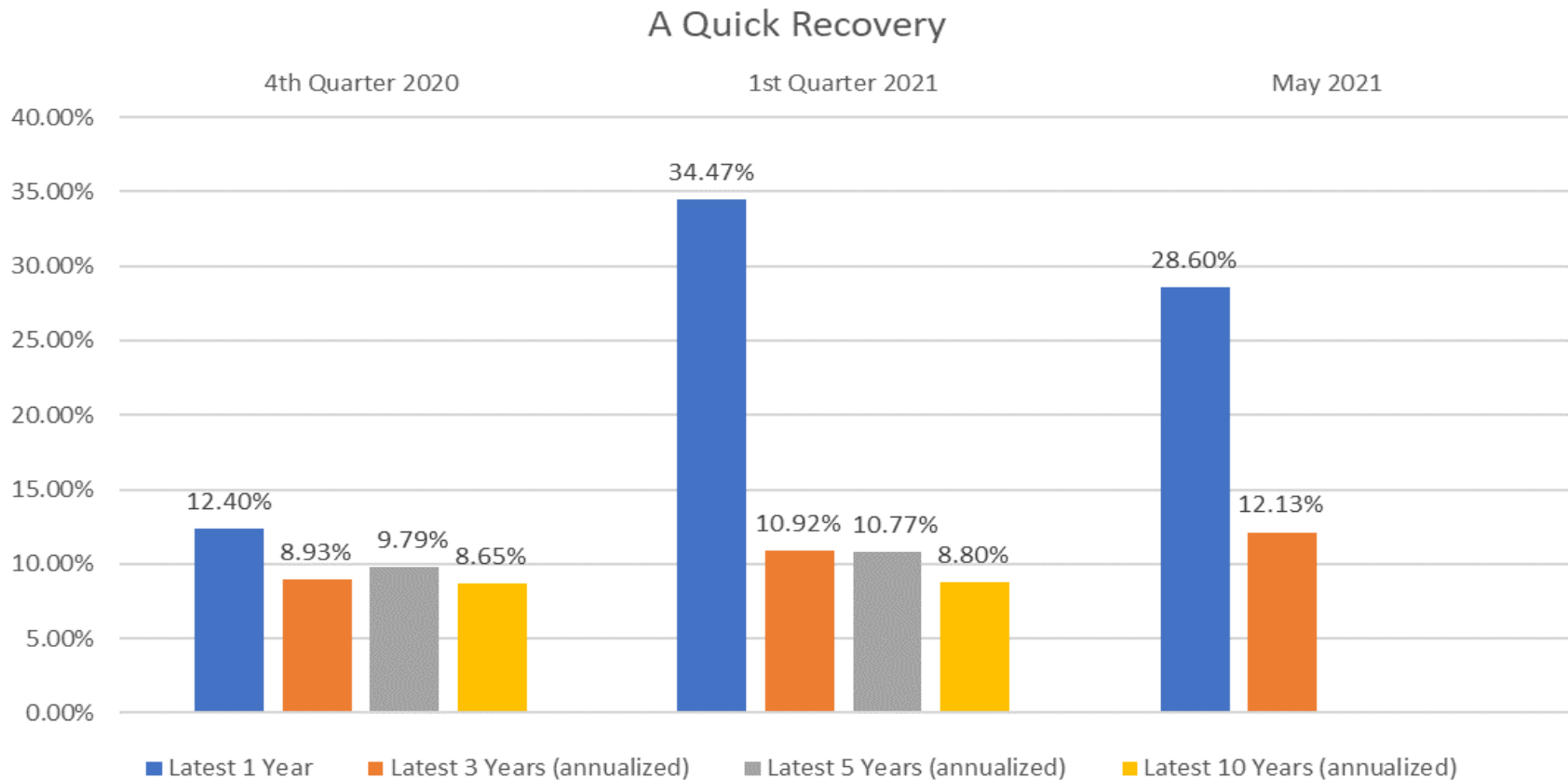
Prior Year Changes to Plan Return

Effect of Covid-19 on Plan Return



- Due to asset smoothing used for Plan funded status, there are more than \$19 million in gains to be recognized in the next two years.
- Assumptions are designed to absorb losses over the long term.

Current Year Changes to Plan Return



- Due to asset smoothing used for Plan funded status, there are more than \$37 million in gains to be recognized in the next two years.
- YTD May 2021 Return was 9.45%.



CITY OF AURORA

Council Agenda Commentary

Item Title: Windler Business Improvement Districts Nos. 1&2
Item Initiator: Cesarina Dancy, Development Project Manager, Office of Development Assistance
Staff Source/Legal Source: Cesarina Dancy, Development Project Manager, Office of Development Assistance/ Brian Rulla, Assistant City Attorney
Outside Speaker:
Council Goal: 2012: 6.0--Provide a well-managed and financially strong City

COUNCIL MEETING DATES:

Study Session: 8/16/2021

Regular Meeting: 8/23/2021

ACTIONS(S) PROPOSED *(Check all appropriate actions)*

- Approve Item as proposed at Study Session
 - Information Only
 - Approve Item and Move Forward to Regular Meeting
 - Approve Item as proposed at Regular Meeting
 - Approve Item with Waiver of Reconsideration
- Why is a waiver needed? [Click or tap here to enter text.](#)

PREVIOUS ACTIONS OR REVIEWS:

Policy Committee Name: Management & Finance

Policy Committee Date: 7/27/2021

Action Taken/Follow-up: *(Check all that apply)*

- Recommends Approval
 - Does Not Recommend Approval
 - Forwarded Without Recommendation
 - Recommendation Report Attached
 - Minutes Attached
 - Minutes Not Available
-

HISTORY *(Dates reviewed by City council, Policy Committees, Boards and Commissions, or Staff. Summarize pertinent comments. ATTACH MINUTES OF COUNCIL MEETINGS, POLICY COMMITTEES AND BOARDS AND COMMISSIONS.)*

The City Council for the City of Aurora approved a Service Plan for WH Metropolitan District No. 1 and a Service Plan for WH Metropolitan District No. 2 on August 30, 2004. WH Metropolitan District No. 2 subsequently changed its name to Windler Homestead Metropolitan District. The City Council approved an Amended and Restated Service Plan for WH Metropolitan District No. 1 and an Amended and Restated Service Plan for Windler Homestead Metropolitan District on June 28, 2021. WH Metropolitan District No. 1 and GVP Windler, LLC have requested the City Council approve a Second Amended and Restated Service Plan for WH Metropolitan District No. 1 together with the Consolidated Service Plan for WH Metropolitan District Nos. 2-10 at a public hearing on August 2, 2021.

Metropolitan Districts are used throughout the city to assist in the financing of public improvements. However, Metropolitan Districts (MDs) are subject to certain restrictions that limit projects, especially those that include commercial development, which may require a wide array of public improvements and amenities. In such cases having a Business Improvement District (BID) along with the MD offers several advantages. BIDs unlike MDs can provide marketing and advocacy services, may offer additional flexibility related to types of public improvements it can fund and allows for the imposition of special assessments that can be tailored to the types of businesses (see petitioners letter attached).

Pursuant to the provisions of the Business Improvement District Act of Colorado Revised Statutes, the property owner, GVP Windler LLC is petitioning to organize the Windler Business Improvement Districts Nos. 1 and 2.

Per Colorado State Statute approval for creation of a BID must be given by the governing body of the municipality if the City Council finds that:

- The petition has been signed and presented in conformity with state statute;
- The allegations of the petition are true; and
- The types of services or improvements to be provided by the district are those that best satisfy the purposes set forth in the state statute, then the City Council shall, by ordinance declare the district organized.

ITEM SUMMARY *(Brief description of item, discussion, key points, recommendations, etc.)*

The petitions for the proposed Windler Business Improvement Districts Nos. 1 and 2 and the proposed Initial Operating Plans and Budgets are attached. The petitions state that the initial services and improvements to be furnished by the BIDs include economic development services, district identity/ image enhancement and advocacy on behalf of business and property owners within the districts. The petitions also state that the initial services and improvements will be funded by a mill levy on commercial property not to be greater than 50 mills.

The Operating Plan and Budget anticipates the initial maximum debt authorization for the Districts to be \$100,000,000 each. The initial budgets advanced by the developer for the year ending December 31, 2021 are \$50,000 each and are included as Exhibit B of the Operating Plan and Budgets.

The BID may be used to fund and construct public improvements in place of the MD. Therefore, an Intergovernmental Agreement (IGA) between the City and the BID is also being proposed (attached). The IGA includes language from the city's MD model service plan regarding imposition of the ARI Mill Levy (or payment in lieu) for areas of the BID that are not also within the MD. This will ensure that the city's intent for provision of regional infrastructure through the imposition of the Aurora Regional Improvements mill levy (ARI) is being met for this project.

City Council will appoint the initial members of the Board of Directors. This appointment is based on the recommendation of the petitioners. The members must be qualified electors of the proposed District. After this initial appointment, the new Board of Directors will address subsequent elections to the Board within the requirements set by City Council and State law.

QUESTIONS FOR COUNCIL

Does Council wish to forward this item to the August 16, 2021 Study Session?

LEGAL COMMENTS

Colo. Rev. Stat. §31-25-1204, provides that the City Council is vested with jurisdiction to create and establish one or more districts within the boundaries of the City pursuant to the provisions of the Business Improvement District Act. (Colo. Rev. Stat. Title 31 Article 25 Part 12).

As soon as possible after the filing of a Petition for a Business Improvement District, the City Council shall fix by order the place and time for a hearing. On 08/21/2017, the City Council ordered the hearing scheduled for 09/11/2017, in compliance with Colo. Rev. Stat. § 31-25-1206. (Rulla)

Because this process begins with the approval of a Resolution to set a hearing date, and at the hearing an Ordinance will be presented to City Council; Council will be provided with said ordinance approving the formation of the District. There will be also attached an Intergovernmental Agreement between the City and the District. These items are for City Council's review before the hearing date. (Rulla)

PUBLIC FINANCIAL IMPACT

YES NO

If yes, explain:

PRIVATE FISCAL IMPACT

Not Applicable Significant Nominal

If Significant or Nominal, explain: Formation of the Business Improvement Districts will obligate the property owners to an additional mill levy that may be approved by the district board.

WILLIAM P. ANKELE, JR.
JENNIFER GRUBER TANAKA
CLINT C. WALDRON
KRISTIN BOWERS TOMPKINS
ROBERT G. ROGERS
BLAIR M. DICKHONER
GEORGE M. ROWLEY

OF COUNSEL:
KRISTEN D. BEAR
K. SEAN ALLEN
TRISHA K. HARRIS
ZACHARY P. WHITE



HEATHER L. HARTUNG
MEGAN J. MURPHY
EVE M. G. VELASCO
LAURA S. HEINRICH
AUDREY G. JOHNSON
CAREY S. SMITH V
ERIN K. STUTZ

July 13, 2021

VIA EMAIL

Cesarina Dancy
Project Manager
Office of Development Assistance
City of Aurora
cdancy@auroragov.org

Re: Metropolitan District v. Business Improvement District Structure for the Windler Development Project

Dear Ms. Dancy:

Attached please find the Operating Plans and Petitions for the proposed Windler Business Improvement District Nos. 1 and 2. Per the request of the City of Aurora Office of Development Assistance, the following is a brief explanation of our request to form two business improvement districts (each a, “**BID**”) for the Windler Project.

The City Council for the City of Aurora (the “**City Council**”) approved a Service Plan for WH Metropolitan District No. 1 and a Service Plan WH Metropolitan District No. 2 on August 30, 2004. WH Metropolitan District No. 2 subsequently changed its name to Windler Homestead Metropolitan District. The City Council approved an Amended and Restated Service Plan for WH Metropolitan District No. 1 and an Amended and Restated Service Plan for Windler Homestead Metropolitan District on June 28, 2021. WH Metropolitan District No. 1 and GVP Windler, LLC have requested the City Council approve a Second Amended and Restated Service Plan for WH Metropolitan District No. 1 together with the Consolidated Service Plan for WH Metropolitan District Nos. 2-10 at a public hearing on August 2, 2021.

As you are aware, metropolitan districts are invaluable for the development of public improvements and the provision of services. These quasi-governmental entities are employed throughout the City of Aurora and Colorado to assist in the financing, acquisition and construction of public improvements. However, as metropolitan districts are not authorized to provide the entire array of services and amenities required by some commercial projects, a BID may offer the following additional benefits:

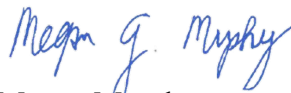
Ms. Dancy
July 13, 2021

- **Marketing and Advocacy.** A unique advantage of the BID is that it is authorized to perform and fund marketing and advocacy on behalf of the businesses within the BID. The BID has the power to run BID-wide promotions, provide ambassadors, sponsor business promotion activities, provide business support and signage.
- **Flexibility.** BIDs are authorized under Colorado law to provide “any public improvement” and provide a vast range of business-related services. Through the BID, business owners can benefit from the traditional services offered by a metropolitan district, such as snow removal and installation and maintenance of landscaping, and more unique services such as the provision of market research, off-duty officers for security purposes, and art installations.
- **Business Representatives.** The BID structure is also unique in that it allows businesses to designate electors on their behalf. The electors must still be Colorado residents and registered to vote; however, they do not have to own property individually to be qualified as electors. The BID also has direct annual oversight by the City through the filing of an annual operating plan and budget. In addition, BIDs are prohibited by statute from having any residential property within their boundaries. This prohibition provides a clear delineation in mixed use projects and allows residential and commercial area property owners to have control over their own unique public improvements and services.
- **Special Assessments.** In addition to the power to impose an ad valorem mill levy, BID's have the power to levy special assessments that can be tailored to the types of businesses within the BID. This is an additional revenue source that permits the BID to impose charges against BID property based on the value of the benefit that the property receives.

We believe that the most efficient structure for a mixed-use development containing both residential and commercial development, such as Windler, necessitates the creation of BIDs, with the BIDs containing solely commercial property. Please let me know if you have any questions, and thank you for your consideration.

Sincerely,

WHITE BEAR ANKELE TANAKA & WALDRON



Megan Murphy
Attorney

Encl.

**WINDLER
BUSINESS IMPROVEMENT DISTRICT NO. 1**

2021 OPERATING PLAN AND BUDGET

(City of Aurora, Adams County, Colorado)

Submitted:

July 13, 2021

Prepared by:



2154 E. Commons Ave., Suite 400
Denver, CO 80122

TABLE OF CONTENTS

I. PURPOSE AND SCOPE OF DISTRICT 1

- A. Requirement for this Operating Plan 1**
- B. What Must Be Included in the Operating Plan?..... 1**
- C. Purposes 1**

II. COMPOSITION OF THE DISTRICT’S CURRENT BOARD OF DIRECTORS..... 1

- A. Current Board of Directors..... 1**
- B. Term Limits 1**

III. BOUNDARIES, INCLUSIONS AND EXCLUSIONS 1

IV. SERVICES, ACTIVITIES, PROJECTS AND PUBLIC IMPROVEMENTS..... 2

- A. Current Year (2021) Services, Activities, Projects and Public Improvements 2**
- B. Future Year (2022) Services, Activities, Projects and Public Improvements 2**

V. SOURCES OF REVENUE..... 2

- A. Current Year (2021) Sources of Revenue 2**
- B. Future Year (2022) Sources of Revenue 2**

VI. PROPERTY TAX AND MILL LEVY 3

- A. Mill Levy Caps 3**
- B. Current Year (2021) Mill Levy 3**
- C. Future Year (2022) Mill Levy 3**

VII. AUTHORIZED INDEBTEDNESS AND EXISTING DEBT OBLIGATIONS..... 3

- A. Maximum Debt Authorization..... 3**
- B. Current Year (2021) Debt Outstanding..... 3**
- C. Future Year (2022) Debt Outstanding 3**

VIII. BUDGET 3

- A. 2022 Budget 3**

IX. DISTRICT CONTACT INFORMATION 3

- A. Contact Information 3**

X. DISSOLUTION..... 3

XI. CONCLUSION 3

EXHIBIT LIST

- EXHIBIT A** District Legal Description and Map
- EXHIBIT B** Budget
- EXHIBIT C** District Contact Information

I. PURPOSE AND SCOPE OF DISTRICT

A. Requirement for this Operating Plan. The Business Improvement District Act, specifically § 31-25-1211, C.R.S., requires that the Windler Business Improvement District No. 1 (the “**District**”) file an operating plan and budget with the City of Aurora City Clerk no later than September 30th of each year.

1. Under the statute, the City of Aurora (the “**City**”) is to approve the operating plan and budget within thirty (30) days of submittal of all required information.

2. The District will operate under the authorities and powers allowed under §§ 31-25-1201, *et seq.*, C.R.S., as amended (the “**Business Improvement District Act**”), as further described and limited by this Operating Plan.

B. What Must Be Included in the Operating Plan? Pursuant to the Business Improvement District Act, 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 bonds to be issued by the District; and (5) such other information as the City may require.

C. Purposes. As may be further articulated in succeeding year’s operating plans, the ongoing and contemplated purposes of the District include the financing, acquisition, construction, completion, installation, replacement and/or operation and maintenance of all the services and public improvements allowed under Colorado law for business improvement districts.

II. COMPOSITION OF THE DISTRICT’S CURRENT BOARD OF DIRECTORS

A. Current Board of Directors. The composition of the District’s proposed board of directors (“**Board of Directors**”) is:

1. Christopher H. Fellows
2. Timothy P. O’Connor
3. Dustin M. Anderson
4. Vacant
5. Vacant

Vacancies on the Board are to be filled by appointment by resolution of the City Council to serve until the next regular election. Therefore, the Board will be requesting the City Council appoint successor board members.

B. Term Limits. A ballot question will be included in the District’s November 2, 2021 ballot to eliminate term limits.

III. BOUNDARIES, INCLUSIONS AND EXCLUSIONS

The District’s proposed boundaries are approximately 1 acres as depicted in **Exhibit A**. In subsequent years, the District anticipates inclusion requests for additional property as additional property owners participate in the District.

IV. SERVICES, ACTIVITIES, PROJECTS AND PUBLIC IMPROVEMENTS

The District will be primarily be concerned with the provision of public improvements and services within the boundaries of the District; however, there may be instances where the District will provide public improvements and services outside of the boundaries of the District as part of the project. The District shall have the authority to provide these public improvements and services, but the revenue-raising powers of the District to recoup the costs of extraterritorial public improvements and services shall be as limited by state law. The public improvements that the District anticipates it will construct, install or cause to be constructed or installed, include those public improvements the cost of which may, in accordance with the Business Improvement District Act, lawfully be paid for by the District, including, without limitation, water services, safety protection devices, sanitation services, marketing, streetscape improvements, street improvements, curbs, gutters, culverts, drainage facilities, sidewalks, parking facilities, paving, lighting, grading, landscape and storm and wastewater management facilities and associated land acquisition and remediation (collectively, the “**Public Improvements**”). The costs of such Public Improvements includes the costs of design, acquisition, construction and financing.

The District shall have the power and authority to provide the Public Improvements and related operation and maintenance services within and without the boundaries of the District as such power and authority is described in the Business Improvement District Act, and other applicable statutes, common law and the Constitution. The District may provide for ownership, operation, and maintenance of Public Improvements and District facilities as activities of the District itself or by contract with other units of government or the private sector.

The property owners of the District request that the City designate the territory within the District as a location for new business or commercial development pursuant to § 31-25-1203(10), C.R.S.

A. Current Year (2021) Services, Activities, Projects and Public Improvements. The District anticipates to undertake only administrative functions during 2021.

B. Future Year (2022) Services, Activities, Projects and Public Improvements. The District intends to undertake the planning of Public Improvements necessary for the development of property within the District.

V. SOURCES OF REVENUE

A. Current Year (2021) Sources of Revenue. The District anticipates developer funding for its initial revenue source.

B. Future Year (2022) Sources of Revenue. The primary source of revenue for the District in 2022 will be developer advances. The District intends to impose a 10.000 mill levy on all property within the District for 2022, all of which will be dedicated to the General Fund. The District may also be the beneficiary of revenues derived from a privately imposed public improvement fee.

VI. PROPERTY TAX AND MILL LEVY

A. Mill Levy Caps. The maximum debt mill levy shall be the maximum mill levy the District is permitted to impose upon the taxable property within the District, and shall be 50 mills as may be adjusted so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted for changes occurring after January 1, 2004, are neither diminished nor enhanced as a result of such changes, for purposes of the foregoing, a change in the ratio of actual valuation shall be deemed to be a change in the method of calculating assessed valuation.

B. Current Year (2021) Mill Levy. The District does not intend to impose a mill levy for 2021.

C. Future Year (2022) Mill Levy. The District intends to impose a 10.000 mill levy on all property within the District for 2022, all of which will be dedicated to the General Fund.

VII. AUTHORIZED INDEBTEDNESS AND EXISTING DEBT OBLIGATIONS

A. Maximum Debt Authorization. The District intends to hold an organizational election for the purpose of authorizing debt, taxes, revenue limits, spending limits, special assessments, and such other matters as may be necessary or convenient for the implementation of Article X, Section 20 of the Colorado Constitution (“TABOR”). The initial maximum debt authorization for the District shall be \$100,000,000.

B. Current Year (2021) Debt Outstanding. The District has no outstanding debt obligations.

C. Future Year (2022) Debt Outstanding. The District does not anticipate issuing debt in 2021.

VIII. BUDGET

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

IX. DISTRICT CONTACT INFORMATION

A. Contact Information. Contact information for the District’s representative where follow-up inquires and questions should be directed is set forth on **Exhibit C**.

X. DISSOLUTION

The District is anticipated to have ongoing operations and maintenance obligations that will necessitate a perpetual existence. If the District no longer has such obligations, the District may seek to dissolve pursuant to § 31-25-1225, C.R.S.

XI. CONCLUSION

It is submitted that this Operating Plan and Budget for the District meets the requirements of the Business Improvement District Act, the Colorado Constitution, and the additional

information required by the City. 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 C.R.S. §§ 32-25-1201, *et. seq.*

EXHIBIT A
DISTRICT LEGAL DESCRIPTION AND MAP

A-2

NW 1/4, SECTION 18, TOWNSHIP 3 SOUTH, RANGE 65 WEST 6th P.M.
-----CITY OF AURORA, COUNTY OF ADAMS, STATE OF COLORADO-----

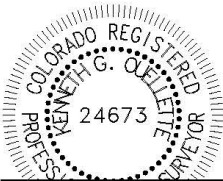
PROPERTY DESCRIPTION

A PARCEL OF LAND BEING A PORTION OF THE NORTHWEST QUARTER OF SECTION 18, TOWNSHIP 3 SOUTH, RANGE 65 WEST OF THE 6TH PRINCIPAL MERIDIAN, CITY OF AURORA, COUNTY OF ADAMS, STATE OF COLORADO AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEARINGS ARE ASSUMED AND ARE BASED ON THE NORTH LINE OF THE NORTHWEST QUARTER OF SECTION 18, TOWNSHIP 3 SOUTH, RANGE 65 WEST OF THE 6TH PRINCIPAL MERIDIAN AS BEARING N89°19'42"E A DISTANCE OF 2608.00 FEET BETWEEN THE NORTHWEST CORNER OF SAID SECTION 18 BEING MONUMENTED BY A #6 REBAR WITH 3-1/4" ALUMINUM CAP STAMPED: PLS 24313 AND THE NORTH QUARTER CORNER OF SAID SECTION 18 BEING MONUMENTED BY A #6 REBAR WITH A 2-1/2" ALUMINUM CAP STAMPED: PLS 38058.

COMMENCING AT SAID NORTH QUARTER CORNER OF SECTION 18;
THENCE S70°13'55"W A DISTANCE OF 2697.02 FEET TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF HIGHWAY E-470 RECORDED IN BOOK 5849 AT PAGE 596 IN THE OFFICE OF THE ADAMS COUNTY CLERK AND RECORDER, SAID POINT BEING THE **POINT OF BEGINNING**;
THENCE S85°53'59"E A DISTANCE OF 75.00 FEET;
THENCE S04°06'01"W A DISTANCE OF 100.00 FEET;
THENCE N85°53'59"W A DISTANCE OF 75.00 FEET TO A POINT ON SAID EASTERLY RIGHT-OF-WAY LINE OF HIGHWAY E-470;
THENCE N04°06'01"E ALONG SAID EASTERLY RIGHT-OF-WAY LINE OF HIGHWAY E-470 A DISTANCE OF 100.00 FEET TO THE **POINT OF BEGINNING**.

CONTAINING 7,500 SQUARE FEET (0.172 ACRES), MORE OR LESS.



KENNETH G. OUELLETTE, P.L.S. 24673
DATE: MAY 6, 2021
JOB NO. 65420899
FOR AND ON BEHALF OF MERRICK & COMPANY



MERRICK®
5970 Greenwood Plaza Blvd., Greenwood Village, CO 80111
Telephone: 303-751-0741

WH METROPOLITAN DISTRICT NOS. 1-10
WH METROPOLITAN DISTRICT NO. 1 DIRECTOR PARCEL
EXHIBIT A

DATE: 5/6/21

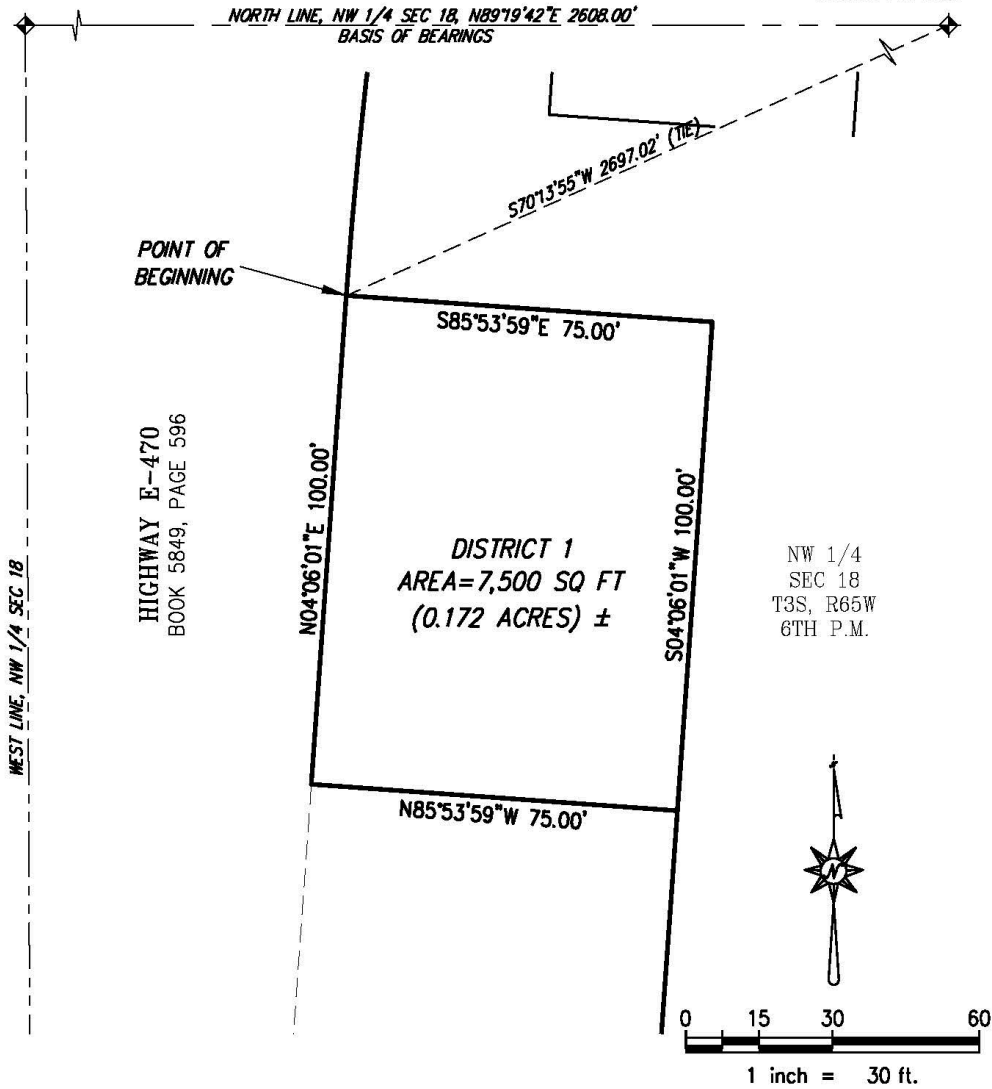
SHEET: 1 OF 1

Q:\DEN\Projects\0899-00-Windor Metro Districts\Design\Survey\dwg\District Parcels.dwg

ILLUSTRATION FOR A-2

NW COR SEC 18
#6 REBAR WITH 3-1/4" ALUM. CAP
STAMPED: PLS 24313

POINT OF COMMENCEMENT
N 1/4 CORNER SEC 18
#6 REBAR WITH 2-1/2" ALUM. CAP
STAMPED: PLS 38058



This illustration does not represent a monumented survey. It is intended only to depict the attached legal description.

 MERRICK® 5970 Greenwood Plaza Blvd., Greenwood Village, CO 80111 Telephone: 303-751-0741	WH METROPOLITAN DISTRICT NOS. 1-10 WH METROPOLITAN DISTRICT NO. 1 DIRECTOR PARCEL EXHIBIT C-1	DATE: 5/6/21
		SHEET: 1 OF 1

Q:\DEN\Projects\0899-00-Windler Metro Districts\Design\Survey\dwg\District Parcels.dwg

EXHIBIT B
BUDGET

Windler Business Improvement District #1
Proposed Budget
General Fund
For the Year ended December 31, 2021 and December 31, 2022

	Actual <u>2020</u>	Proposed Budget <u>2021</u>	Estimate <u>2021</u>	Proposed Budget <u>2022</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -
Revenues:				
Developer advances	-	50,000	50,000	50,000
Total revenues	-	50,000	50,000	50,000
Total funds available	-	50,000	50,000	50,000
Expenditures:				
Accounting / audit	-	5,000	5,000	5,000
Directors fees	-	900	900	1,800
Insurance/SDA dues	-	2,500	2,500	2,500
Legal	-	22,500	22,500	22,500
Management	-	3,500	3,500	3,500
Miscellaneous	-	2,000	2,000	2,000
Contingency	-	12,508	13,600	11,581
Emergency reserve (3%)	-	1,092	-	1,119
Total expenditures	-	50,000	50,000	50,000
Ending fund balance	\$ -	\$ -	\$ -	\$ -
Assessed valuation		\$ -		\$ -
Mill Levy		-		-

EXHIBIT C

DISTRICT CONTACT INFORMATION

District Contact:

Clint C. Waldron, Esq.
2154 E Commons Avenue, Suite 2000
Centennial, CO 80122
Work: 303-858-1800
Email: cwaldron@wbapc.com

Megan J. Murphy, Esq.
2154 E Commons Avenue, Suite 2000
Centennial, CO 80122
Work: 303-858-1800
Email: mmurphy@wbapc.com

**WINDLER
BUSINESS IMPROVEMENT DISTRICT NO. 2**

2021 OPERATING PLAN AND BUDGET

(City of Aurora, Adams County, Colorado)

Submitted:

July 13, 2021

Prepared by:



2154 E. Commons Ave., Suite 400
Denver, CO 80122

TABLE OF CONTENTS

- I. PURPOSE AND SCOPE OF DISTRICT 1**
 - A. Requirement for this Operating Plan 1**
 - B. What Must Be Included in the Operating Plan?..... 1**
 - C. Purposes 1**
- II. COMPOSITION OF THE DISTRICT’S CURRENT BOARD OF DIRECTORS..... 1**
 - A. Current Board of Directors..... 1**
 - B. Term Limits 1**
- III. BOUNDARIES, INCLUSIONS AND EXCLUSIONS 1**
- IV. SERVICES, ACTIVITIES, PROJECTS AND PUBLIC IMPROVEMENTS..... 2**
 - A. Current Year (2021) Services, Activities, Projects and Public Improvements 2**
 - B. Future Year (2022) Services, Activities, Projects and Public Improvements 2**
- V. SOURCES OF REVENUE..... 2**
 - A. Current Year (2021) Sources of Revenue 2**
 - B. Future Year (2022) Sources of Revenue 2**
- VI. PROPERTY TAX AND MILL LEVY 3**
 - A. Mill Levy Caps 3**
 - B. Current Year (2021) Mill Levy 3**
 - C. Future Year (2022) Mill Levy 3**
- VII. AUTHORIZED INDEBTEDNESS AND EXISTING DEBT OBLIGATIONS..... 3**
 - A. Maximum Debt Authorization..... 3**
 - B. Current Year (2021) Debt Outstanding..... 3**
 - C. Future Year (2022) Debt Outstanding 3**
- VIII. BUDGET 3**
 - A. 2022 Budget 3**
- IX. DISTRICT CONTACT INFORMATION 3**
 - A. Contact Information 3**
- X. DISSOLUTION..... 3**
- XI. CONCLUSION 3**

EXHIBIT LIST

- EXHIBIT A** District Legal Description and Map
- EXHIBIT B** Budget
- EXHIBIT C** District Contact Information

I. PURPOSE AND SCOPE OF DISTRICT

A. Requirement for this Operating Plan. The Business Improvement District Act, specifically § 31-25-1211, C.R.S., requires that the Windler Business Improvement District No. 2 (the “**District**”) file an operating plan and budget with the City of Aurora City Clerk no later than September 30th of each year.

1. Under the statute, the City of Aurora (the “**City**”) is to approve the operating plan and budget within thirty (30) days of submittal of all required information.

2. The District will operate under the authorities and powers allowed under §§ 31-25-1201, *et seq.*, C.R.S., as amended (the “**Business Improvement District Act**”), as further described and limited by this Operating Plan.

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1. Christopher H. Fellows
2. Timothy P. O’Connor
3. Dustin M. Anderson
4. Vacant
5. Vacant

Vacancies on the Board are to be filled by appointment by resolution of the City Council to serve until the next regular election. Therefore, the Board will be requesting the City Council appoint successor board members.

B. Term Limits. A ballot question will be included in the District’s November 2, 2021 ballot to eliminate term limits.

III. BOUNDARIES, INCLUSIONS AND EXCLUSIONS

The District’s proposed boundaries are approximately 1 acres as depicted in **Exhibit A**. In subsequent years, the District anticipates inclusion requests for additional property as additional property owners participate in the District.

IV. SERVICES, ACTIVITIES, PROJECTS AND PUBLIC IMPROVEMENTS

The District will be primarily be concerned with the provision of public improvements and services within the boundaries of the District; however, there may be instances where the District will provide public improvements and services outside of the boundaries of the District as part of the project. The District shall have the authority to provide these public improvements and services, but the revenue-raising powers of the District to recoup the costs of extraterritorial public improvements and services shall be as limited by state law. The public improvements that the District anticipates it will construct, install or cause to be constructed or installed, include those public improvements the cost of which may, in accordance with the Business Improvement District Act, lawfully be paid for by the District, including, without limitation, water services, safety protection devices, sanitation services, marketing, streetscape improvements, street improvements, curbs, gutters, culverts, drainage facilities, sidewalks, parking facilities, paving, lighting, grading, landscape and storm and wastewater management facilities and associated land acquisition and remediation (collectively, the “**Public Improvements**”). The costs of such Public Improvements includes the costs of design, acquisition, construction and financing.

The District shall have the power and authority to provide the Public Improvements and related operation and maintenance services within and without the boundaries of the District as such power and authority is described in the Business Improvement District Act, and other applicable statutes, common law and the Constitution. The District may provide for ownership, operation, and maintenance of Public Improvements and District facilities as activities of the District itself or by contract with other units of government or the private sector.

The property owners of the District request that the City designate the territory within the District as a location for new business or commercial development pursuant to § 31-25-1203(10), C.R.S.

A. Current Year (2021) Services, Activities, Projects and Public Improvements. The District anticipates to undertake only administrative functions during 2021.

B. Future Year (2022) Services, Activities, Projects and Public Improvements. The District intends to undertake the planning of Public Improvements necessary for the development of property within the District.

V. SOURCES OF REVENUE

A. Current Year (2021) Sources of Revenue. The District anticipates developer funding for its initial revenue source.

B. Future Year (2022) Sources of Revenue. The primary source of revenue for the District in 2022 will be developer advances. The District intends to impose a 10.000 mill levy on all property within the District for 2022, all of which will be dedicated to the General Fund. The District may also be the beneficiary of revenues derived from a privately imposed public improvement fee.

VI. PROPERTY TAX AND MILL LEVY

A. Mill Levy Caps. The maximum debt mill levy shall be the maximum mill levy the District is permitted to impose upon the taxable property within the District, and shall be 50 mills as may be adjusted so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted for changes occurring after January 1, 2004, are neither diminished nor enhanced as a result of such changes, for purposes of the foregoing, a change in the ratio of actual valuation shall be deemed to be a change in the method of calculating assessed valuation.

B. Current Year (2021) Mill Levy. The District does not intend to impose a mill levy for 2021.

C. Future Year (2022) Mill Levy. The District intends to impose a 10.000 mill levy on all property within the District for 2022, all of which will be dedicated to the General Fund.

VII. AUTHORIZED INDEBTEDNESS AND EXISTING DEBT OBLIGATIONS

A. Maximum Debt Authorization. The District intends to hold an organizational election for the purpose of authorizing debt, taxes, revenue limits, spending limits, special assessments, and such other matters as may be necessary or convenient for the implementation of Article X, Section 20 of the Colorado Constitution (“TABOR”). The initial maximum debt authorization for the District shall be \$100,000,000.

B. Current Year (2021) Debt Outstanding. The District has no outstanding debt obligations.

C. Future Year (2022) Debt Outstanding. The District does not anticipate issuing debt in 2021.

VIII. BUDGET

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

IX. DISTRICT CONTACT INFORMATION

A. Contact Information. Contact information for the District’s representative where follow-up inquires and questions should be directed is set forth on **Exhibit C**.

X. DISSOLUTION

The District is anticipated to have ongoing operations and maintenance obligations that will necessitate a perpetual existence. If the District no longer has such obligations, the District may seek to dissolve pursuant to § 31-25-1225, C.R.S.

XI. CONCLUSION

It is submitted that this Operating Plan and Budget for the District meets the requirements of the Business Improvement District Act, the Colorado Constitution, and the additional

information required by the City. 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 C.R.S. §§ 32-25-1201, *et. seq.*

EXHIBIT A
DISTRICT LEGAL DESCRIPTION AND MAP

A-3

NW 1/4, SECTION 18, TOWNSHIP 3 SOUTH, RANGE 65 WEST 6th P.M.
-----CITY OF AURORA, COUNTY OF ADAMS, STATE OF COLORADO-----

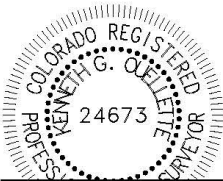
PROPERTY DESCRIPTION

A PARCEL OF LAND BEING A PORTION OF THE NORTHWEST QUARTER OF SECTION 18, TOWNSHIP 3 SOUTH, RANGE 65 WEST OF THE 6TH PRINCIPAL MERIDIAN, CITY OF AURORA, COUNTY OF ADAMS, STATE OF COLORADO AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEARINGS ARE ASSUMED AND ARE BASED ON THE NORTH LINE OF THE NORTHWEST QUARTER OF SECTION 18, TOWNSHIP 3 SOUTH, RANGE 65 WEST OF THE 6TH PRINCIPAL MERIDIAN AS BEARING N89°19'42"E A DISTANCE OF 2608.00 FEET BETWEEN THE NORTHWEST CORNER OF SAID SECTION 18 BEING MONUMENTED BY A #6 REBAR WITH 3-1/4" ALUMINUM CAP STAMPED: PLS 24313 AND THE NORTH QUARTER CORNER OF SAID SECTION 18 BEING MONUMENTED BY A #6 REBAR WITH A 2-1/2" ALUMINUM CAP STAMPED: PLS 38058.

COMMENCING AT SAID NORTH QUARTER CORNER OF SECTION 18;
THENCE S68°19'07"W A DISTANCE OF 2739.01 FEET TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF HIGHWAY E-470 RECORDED IN BOOK 5849 AT PAGE 596 IN THE OFFICE OF THE ADAMS COUNTY CLERK AND RECORDER, SAID POINT BEING THE **POINT OF BEGINNING**;
THENCE S85°53'59"E A DISTANCE OF 75.00 FEET;
THENCE S04°06'01"W A DISTANCE OF 100.00 FEET;
THENCE N85°53'59"W A DISTANCE OF 75.00 FEET TO A POINT ON SAID EASTERLY RIGHT-OF-WAY LINE OF HIGHWAY E-470;
THENCE N04°06'01"E ALONG SAID EASTERLY RIGHT-OF-WAY LINE OF HIGHWAY E-470 A DISTANCE OF 100.00 FEET TO THE **POINT OF BEGINNING**.

CONTAINING 7,500 SQUARE FEET (0.172 ACRES), MORE OR LESS.



KENNETH G. OUELLETTE, P.L.S. 24673
DATE: MAY 6, 2021
JOB NO. 65420899
FOR AND ON BEHALF OF MERRICK & COMPANY

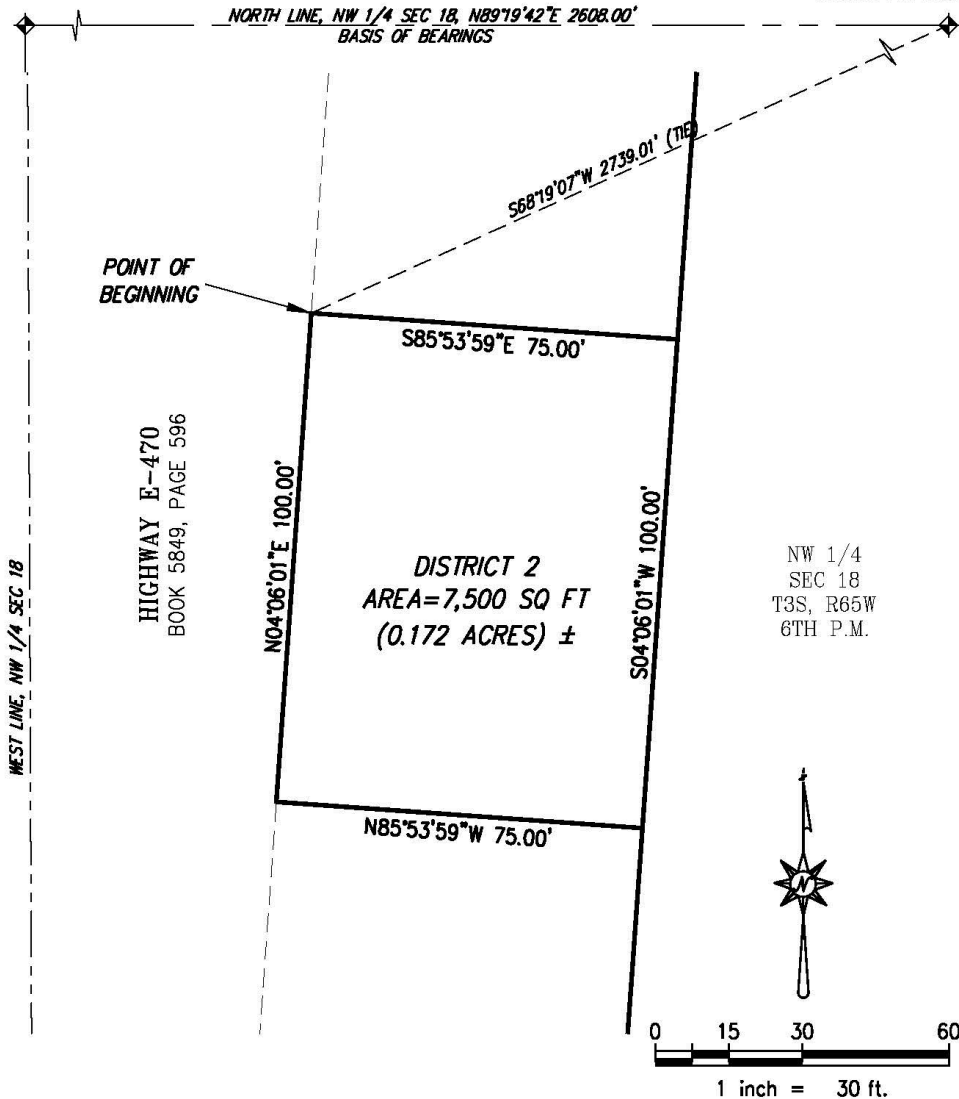
 MERRICK® 5970 Greenwood Plaza Blvd., Greenwood Village, CO 80111 Telephone: 303-751-0741	WH METROPOLITAN DISTRICT NOS. 1-10 WH METROPOLITAN DISTRICT NO. 2 DIRECTOR PARCEL EXHIBIT A	DATE: 5/6/21
		SHEET: 1 OF 1

Q:\DEN\Projects\0899-00-Windler Metro Districts\Design\Survey\dwg\District Parcels.dwg

ILLUSTRATION FOR A-3

NW COR SEC 18
#6 REBAR WITH 3-1/4" ALUM. CAP
STAMPED: PLS 24313

POINT OF COMMENCEMENT
N 1/4 CORNER SEC 18
#6 REBAR WITH 2-1/2" ALUM. CAP
STAMPED: PLS 38058



This illustration does not represent a monumented survey. It is intended only to depict the attached legal description.

 MERRICK® 5970 Greenwood Plaza Blvd., Greenwood Village, CO 80111 Telephone: 303-751-0741	WH METROPOLITAN DISTRICT NOS. 1-10 WH METROPOLITAN DISTRICT NO. 2 DIRECTOR PARCEL EXHIBIT C-1	DATE: 5/6/21
		SHEET: 1 OF 1

Q:\DEN\Projects\0899-00-Windor Metro Districts\Design\Survey\dwg\District Parcels.dwg

EXHIBIT B
BUDGET

Windler Business Improvement District #2
Proposed Budget
General Fund
For the Year ended December 31, 2021 and December 31, 2022

	Actual <u>2020</u>	Proposed Budget <u>2021</u>	Estimate <u>2021</u>	Proposed Budget <u>2022</u>
Beginning fund balance	\$ -	\$ -	\$ -	\$ -
Revenues:				
Developer advances	-	50,000	50,000	50,000
Total revenues	-	50,000	50,000	50,000
Total funds available	-	50,000	50,000	50,000
Expenditures:				
Accounting / audit	-	5,000	5,000	5,000
Directors fees	-	900	900	1,800
Insurance/SDA dues	-	2,500	2,500	2,500
Legal	-	22,500	22,500	22,500
Management	-	3,500	3,500	3,500
Miscellaneous	-	2,000	2,000	2,000
Contingency	-	12,508	13,600	11,581
Emergency reserve (3%)	-	1,092	-	1,119
Total expenditures	-	50,000	50,000	50,000
Ending fund balance	\$ -	\$ -	\$ -	\$ -
Assessed valuation		\$ -		\$ -
Mill Levy		-		-

EXHIBIT C

DISTRICT CONTACT INFORMATION

District Contact:

Clint C. Waldron, Esq.
2154 E Commons Avenue, Suite 2000
Centennial, CO 80122
Work: 303-858-1800
Email: cwaldron@wbapc.com

Megan J. Murphy, Esq.
2154 E Commons Avenue, Suite 2000
Centennial, CO 80122
Work: 303-858-1800
Email: mmurphy@wbapc.com

INTERGOVERNMENTAL AGREEMENT BETWEEN
THE CITY OF AURORA, COLORADO AND
WINDLER BUSINESS IMPROVEMENT DISTRICT NO. 1

THIS AGREEMENT is made and entered into as of this ____ day of _____, 2021, by and between the CITY OF AURORA, a home-rule municipal corporation of the State of Colorado (the “**City**”), and WINDLER BUSINESS IMPROVEMENT DISTRICT NO. 1, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**District**”). The City and the District are collectively referred to as the “**Parties**.”

RECITALS

WHEREAS, the District was organized to provide those services and to exercise powers as are more specifically set forth in the District’s 2021 Operating Plan and Budget (“**Operating Plan**”) approved by the City on September 13, 2021; and

WHEREAS, the City and the District have determined it to be in the best interests of their respective taxpayers and property owners to enter into this Intergovernmental Agreement (“**Agreement**”).

NOW, THEREFORE, in consideration of the covenants and mutual agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

DEFINITIONS

ARI or Regional Improvements: means Aurora Regional Improvements.

ARI Authority: means one or more Authorities established by an ARI Authority Establishment Agreement.

ARI Establishment Agreement: means an intergovernmental agreement establishing an ARI Authority which has, at minimum, Colo. Rev. Stat., title 32 Special Districts or title 31 Business Improvement Districts from three (3) or more Approved Development Plan areas as parties to the Agreement.

ARI Master Plan: means one or more master plans adopted by an ARI Authority establishing Regional Improvements which will benefit the taxpayers and service users of the District which constitute such ARI Authority, which master plan will change from time to time.

ARI Mill Levy: means five (5) mills if the District has executed an ARI Establishment Agreement or such lesser amount as is necessary to satisfy any debt issued by such ARI Authority, or, in the event the District has not executed an ARI Establishment Agreement within one (1) year following the date of approval of the Operating Plan, then, the following:

A. The mill levy imposed for payment of the costs of the planning, design, permitting, construction, acquisition and financing of the improvements described in the ARI Master Plan, which: (i) shall be one (1) mill for collection beginning for each district in the first year of collection of a mill levy by such district and continuing in each year thereafter through the twentieth (20th) year; (ii) shall be one and one-half (1.5) mills from the twenty-first (21st) year through the date of repayment of debt incurred for Public Improvements, other than Regional Improvements; and (iii) for five (5) years thereafter, the mill levy shall be the lesser of twenty (20) mills or a mill levy equal to the average debt service mill levy imposed by such district in the ten (10) years prior to the date of repayment of debt issued for Public Improvements, other than Regional Improvements; and

B. Any district may, pursuant to any intergovernmental agreement with the City, extend the term for application of the ARI Mill Levy beyond the years set forth in (A) above.

C. All mills described in this ARI Mill Levy definition shall be subject to adjustment as follows: On or after January 1, 2004, if there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement; the one (1) mill levy described above may be increased or decreased to reflect such changes, such increases or decreases to be determined by the Board in good faith (such determination to be binding and final) so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted for changes occurring after January 1, 2004, are neither diminished nor enhanced as a result of such changes, for purposes of the foregoing, a change in the ratio of actual valuation shall be deemed to be a change in the method of calculating assessed valuation.

Regional Improvements: means public improvements and facilities that benefit the Service Area and which are to be financed through the ARI Mill Levy.

COVENANTS AND AGREEMENTS

1. Improvements Dedication. The District shall dedicate the Public Improvements (as referenced in the Operating Plan) to the City or other appropriate jurisdiction or owners association in a manner consistent with the Approved Development Plan and other rules and regulations of the City and applicable provisions of the City Code.

2. Issuance of Privately Placed Debt. Prior to the issuance of any privately placed Debt, the District shall obtain the certification of an External Financial Advisor substantially as follows:

We [I] certify that (1) the net effective interest rate (calculated as defined in § 32-1-103(12), C.R.S.), to be borne by [insert the designation of the Debt] does not exceed a reasonable current [tax-exempt] [taxable] interest rate, using criteria deemed appropriate by us [me] and based upon our [my] analysis of comparable high yield securities; and (2) the structure of [insert designation of the Debt], including maturities and early redemption provisions, is reasonable

considering the financial circumstances of the District.

3. Debt Issuance Limitation. The District shall not be authorized to incur any indebtedness until such time as the District has approved and executed this IGA.

4. Monies from Other Governmental Sources. The District shall not apply for or accept Conservation Trust Funds, Great Outdoors Colorado Funds, or other funds available from or through governmental or non-profit entities that the City is eligible to apply for, except pursuant to an intergovernmental agreement with the City. This Section shall not apply to specific ownership taxes which shall be distributed to and a revenue source for the District without any limitation.

5. Bankruptcy. All of the limitations contained in the Operating Plan, including, but not limited to, those pertaining to the maximum mill levy have been established under the authority of the City to approve an Operating Plan with conditions. It is expressly intended that such limitations:

(a) Shall not be subject to set-aside for any reason or by any court of competent jurisdiction, absent an amendment to the Operating Plan; and

(b) Are, together with all other requirements of Colorado law, included in the “political or governmental powers” reserved to the State under the U.S. Bankruptcy Code, 11 U.S.C. § 903, and are also included in the “regulatory or electoral approval necessary under applicable non-bankruptcy law” as required for confirmation of a Chapter 9 Bankruptcy Plan under 11 U.S.C. § 943(b)(6).

Any Debt, issued with a pledge or which results in a pledge, that exceeds the maximum mill levy shall not be an authorized issuance of Debt unless and until approved by the City.

6. Dissolution. Upon an independent determination of the City Council that the purposes for which the District was created have been accomplished, the District agrees to file appropriate dissolution documents, pursuant to the applicable State statutes. In no event shall a dissolution occur until the District has provided for the payment or discharge of all of their outstanding indebtedness and other financial obligations as required pursuant to § 31-25-1225, C.R.S..

7. Operating Plan and Budget. The District shall be responsible for submitting an operating plan and budget with the City Clerk no later than September 30th of each year.

8. Regional Improvements. The District shall be authorized to provide for the planning, design, acquisition, construction, installation, relocation and/or redevelopment and contribution to the funding of the Regional Improvements and fund the administration and overhead costs related to the provision of the Regional Improvements.

The District shall impose the ARI Mill Levy and shall convey it as follows:

(a) If the District has executed an ARI Authority Establishment Agreement and the City has been offered the opportunity to execute an ARI Authority Establishment Agreement, the terms of which provide for the City to appoint no less than thirty percent (30%) and no more than forty-nine percent (49%) of the Board members who will serve as the board of directors of the ARI Authority to be established by such ARI Authority Establishment Agreement, regardless as to whether the City approves the execution of such ARI Authority Establishment Agreement, the revenue from the ARI Mill Levy shall be conveyed to the ARI Authority for the planning, designing, constructing, installing, acquiring, relocating, redeveloping or financing of the Regional Improvements in the ARI Master Plan and for the operations of such ARI Authority; or

(b) If the City and the District have executed an intergovernmental agreement then the revenue from the ARI Mill Levy shall be conveyed to the City for use in planning, designing, constructing, installing, acquiring, relocating, redeveloping or financing of the Regional Improvements which benefit the service users and taxpayers of the District in accordance with such agreement; or

(c) If neither of the above is applicable, then the revenue shall be conveyed to the City and (i) the City shall place in a special account all revenues received from the ARI Mill Levy and shall not expend such revenue until an intergovernmental agreement is executed between the District establishing the terms and conditions for the provision of the Regional Improvements; and (ii) if the intergovernmental agreement is not executed within two (2) years from the date of the approval of the Operating Plan by the City and neither of the above have occurred within two (2) years from the date of the approval of the Operating Plan by the City, then the revenue from the ARI Mill Levy shall be conveyed to the City for use by the City in the planning, designing, constructing, installing, acquiring, relocating, redeveloping or financing of the Regional Improvements which benefit the service users or taxpayers of the District as prioritized and determined by the City.

As set forth in the definition of the ARI Mill Levy, the District may, pursuant to any intergovernmental agreement with the City, extend the terms for application of the ARI Mill Levy beyond the years set forth in this section.

The Regional Improvements shall be limited to the provision of the planning, design, acquisition, construction, installation, relocation and/or redevelopment of street and transportation related improvements and the administration and overhead costs incurred therefrom, unless the City has agreed otherwise in writing; provided, however in no event shall the Regional Improvements include water or sanitary sewer improvements unless such improvements are necessary as a part of completing street and transportation related improvements. The District shall cease to be obligated to impose, collect and convey to the City the revenue from the ARI Mill Levy at such time as the area within the District's boundaries is included within a different district organized under the Special District Act or a General Improvement District organized under C.R.S. §§ 31-25- 601, *et seq.*, or Business Improvement District organized under C.R.S. §§ 31-25-1201, *et seq.*, which other district has been organized to fund a part or all of the Regional Improvements.

9. Maximum Debt Mill Levy. The maximum debt mill levy shall be the maximum mill levy the District is permitted to impose upon the taxable property within the District, and shall

be 50 mills as may be adjusted so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted for changes occurring after January 1, 2004, are neither diminished nor enhanced as a result of such changes, for purposes of the foregoing, a change in the ratio of actual valuation shall be deemed to be a change in the method of calculating assessed valuation.

10. Notices. All notices, demands, requests or other communications to be sent by one party to the other hereunder or required by law shall be in writing and shall be deemed to have been validly given or served by delivery of same in person to the address or by courier delivery, via United Parcel Service or other nationally recognized overnight air courier service, or by depositing same in the United States mail, postage prepaid, addressed as follows:

To the District: Windler Business Improvement District No. 1
2154 East Commons Avenue, Suite 2000
Centennial, CO 80122
Attn: Clint Waldron, Esq.
Phone: (303) 858-1800
Fax: (303) 858-1801

To the City: City of Aurora
15151 E. Alameda Pkwy., 5th Floor
Aurora, CO 80012
Attn: Michael Hyman, City Attorney
Phone: (303) 739-7030
Fax: (303) 739-7042

All notices, demands, requests or other communications shall be effective upon such personal delivery or one (1) business day after being deposited with United Parcel Service or other nationally recognized overnight air courier service or three (3) business days after deposit in the United States mail. By giving the other party hereto at least ten (10) days written notice thereof in accordance with the provisions hereof, each of the Parties shall have the right from time to time to change its address.

11. Amendment. This Agreement may be amended, modified, changed, or terminated in whole or in part only by a written agreement duly authorized and executed by the Parties hereto and without amendment to the Operating Plan.

12. Assignment. Neither Party hereto shall assign any of its rights nor delegate any of its duties hereunder to any person or entity without having first obtained the prior written consent of the other Party, which consent will not be unreasonably withheld. Any purported assignment or delegation in violation of the provisions hereof shall be void and ineffectual.

13. Default/Remedies. In the event of a breach or default of this Agreement by any Party, the non-defaulting Party shall be entitled to exercise all remedies available at law or in equity, specifically including suits for specific performance and/or monetary damages. In the event of any proceeding to enforce the terms, covenants or conditions hereof, the prevailing Party in such proceeding shall be entitled to obtain as part of its judgment or award its reasonable attorneys'

fees.

14. Governing Law and Venue. This Agreement shall be governed and construed under the laws of the State of Colorado.

15. Inurement. Each of the terms, covenants and conditions hereof shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.

16. Integration. This Agreement constitutes the entire agreement between the Parties with respect to the matters addressed herein. All prior discussions and negotiations regarding the subject matter hereof are merged herein.

17. Parties Interested Herein. Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon, or to give to, any person other than the District and the City any right, remedy, or claim under or by reason of this Agreement or any covenants, terms, conditions, or provisions thereof, and all the covenants, terms, conditions, and provisions in this Agreement by and on behalf of the District and the City shall be for the sole and exclusive benefit of the District and the City.

18. Severability. If any covenant, term, condition, or provision under this Agreement shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of such covenant, term, condition, or provision shall not affect any other provision contained herein, the intention being that such provisions are severable.

19. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall constitute an original and all of which shall constitute one and the same document.

20. Paragraph Headings. Paragraph headings are inserted for convenience of reference only.

21. Defined Terms. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Operating Plan.

[SIGNATURE PAGE TO INTERGOVERNMENTAL AGREEMENT]

WINDLER BUSINESS IMPROVEMENT
DISTRICT NO. 1

By: _____
Officer of the District

Attest:

Secretary

CITY OF AURORA, COLORADO

By: _____
MIKE COFFMAN, Mayor

Attest:

KADEE RODRIGUEZ, City Clerk

APPROVED AS TO FORM:

NANCY RODGERS, Deputy City Attorney

INTERGOVERNMENTAL AGREEMENT BETWEEN
THE CITY OF AURORA, COLORADO AND
WINDLER BUSINESS IMPROVEMENT DISTRICT NO. 2

THIS AGREEMENT is made and entered into as of this ____ day of _____, 2021, by and between the CITY OF AURORA, a home-rule municipal corporation of the State of Colorado (the “**City**”), and WINDLER BUSINESS IMPROVEMENT DISTRICT NO. 2, a quasi-municipal corporation and political subdivision of the State of Colorado (the “**District**”). The City and the District are collectively referred to as the “**Parties**.”

RECITALS

WHEREAS, the District was organized to provide those services and to exercise powers as are more specifically set forth in the District’s 2021 Operating Plan and Budget (“**Operating Plan**”) approved by the City on September 13, 2021; and

WHEREAS, the City and the District have determined it to be in the best interests of their respective taxpayers and property owners to enter into this Intergovernmental Agreement (“**Agreement**”).

NOW, THEREFORE, in consideration of the covenants and mutual agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

DEFINITIONS

ARI or Regional Improvements: means Aurora Regional Improvements.

ARI Authority: means one or more Authorities established by an ARI Authority Establishment Agreement.

ARI Establishment Agreement: means an intergovernmental agreement establishing an ARI Authority which has, at minimum, Colo. Rev. Stat., title 32 Special Districts or title 31 Business Improvement Districts from three (3) or more Approved Development Plan areas as parties to the Agreement.

ARI Master Plan: means one or more master plans adopted by an ARI Authority establishing Regional Improvements which will benefit the taxpayers and service users of the District which constitute such ARI Authority, which master plan will change from time to time.

ARI Mill Levy: means five (5) mills if the District has executed an ARI Establishment Agreement or such lesser amount as is necessary to satisfy any debt issued by such ARI Authority, or, in the event the District has not executed an ARI Establishment Agreement within one (1) year following the date of approval of the Operating Plan, then, the following:

A. The mill levy imposed for payment of the costs of the planning, design, permitting, construction, acquisition and financing of the improvements described in the ARI Master Plan, which: (i) shall be one (1) mill for collection beginning for each district in the first year of collection of a mill levy by such district and continuing in each year thereafter through the twentieth (20th) year; (ii) shall be one and one-half (1.5) mills from the twenty-first (21st) year through the date of repayment of debt incurred for Public Improvements, other than Regional Improvements; and (iii) for five (5) years thereafter, the mill levy shall be the lesser of twenty (20) mills or a mill levy equal to the average debt service mill levy imposed by such district in the ten (10) years prior to the date of repayment of debt issued for Public Improvements, other than Regional Improvements; and

B. Any district may, pursuant to any intergovernmental agreement with the City, extend the term for application of the ARI Mill Levy beyond the years set forth in (A) above.

C. All mills described in this ARI Mill Levy definition shall be subject to adjustment as follows: On or after January 1, 2004, if there are changes in the method of calculating assessed valuation or any constitutionally mandated tax credit, cut or abatement; the one (1) mill levy described above may be increased or decreased to reflect such changes, such increases or decreases to be determined by the Board in good faith (such determination to be binding and final) so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted for changes occurring after January 1, 2004, are neither diminished nor enhanced as a result of such changes, for purposes of the foregoing, a change in the ratio of actual valuation shall be deemed to be a change in the method of calculating assessed valuation.

Regional Improvements: means public improvements and facilities that benefit the Service Area and which are to be financed through the ARI Mill Levy.

COVENANTS AND AGREEMENTS

1. Improvements Dedication. The District shall dedicate the Public Improvements (as referenced in the Operating Plan) to the City or other appropriate jurisdiction or owners association in a manner consistent with the Approved Development Plan and other rules and regulations of the City and applicable provisions of the City Code.

2. Issuance of Privately Placed Debt. Prior to the issuance of any privately placed Debt, the District shall obtain the certification of an External Financial Advisor substantially as follows:

We [I] certify that (1) the net effective interest rate (calculated as defined in § 32-1-103(12), C.R.S.), to be borne by [insert the designation of the Debt] does not exceed a reasonable current [tax-exempt] [taxable] interest rate, using criteria deemed appropriate by us [me] and based upon our [my] analysis of comparable high yield securities; and (2) the structure of [insert designation of the Debt], including maturities and early redemption provisions, is reasonable

considering the financial circumstances of the District.

3. Debt Issuance Limitation. The District shall not be authorized to incur any indebtedness until such time as the District has approved and executed this IGA.

4. Monies from Other Governmental Sources. The District shall not apply for or accept Conservation Trust Funds, Great Outdoors Colorado Funds, or other funds available from or through governmental or non-profit entities that the City is eligible to apply for, except pursuant to an intergovernmental agreement with the City. This Section shall not apply to specific ownership taxes which shall be distributed to and a revenue source for the District without any limitation.

5. Bankruptcy. All of the limitations contained in the Operating Plan, including, but not limited to, those pertaining to the maximum mill levy have been established under the authority of the City to approve an Operating Plan with conditions. It is expressly intended that such limitations:

(a) Shall not be subject to set-aside for any reason or by any court of competent jurisdiction, absent an amendment to the Operating Plan; and

(b) Are, together with all other requirements of Colorado law, included in the “political or governmental powers” reserved to the State under the U.S. Bankruptcy Code, 11 U.S.C. § 903, and are also included in the “regulatory or electoral approval necessary under applicable non-bankruptcy law” as required for confirmation of a Chapter 9 Bankruptcy Plan under 11 U.S.C. § 943(b)(6).

Any Debt, issued with a pledge or which results in a pledge, that exceeds the maximum mill levy shall not be an authorized issuance of Debt unless and until approved by the City.

6. Dissolution. Upon an independent determination of the City Council that the purposes for which the District was created have been accomplished, the District agrees to file appropriate dissolution documents, pursuant to the applicable State statutes. In no event shall a dissolution occur until the District has provided for the payment or discharge of all of their outstanding indebtedness and other financial obligations as required pursuant to § 31-25-1225, C.R.S..

7. Operating Plan and Budget. The District shall be responsible for submitting an operating plan and budget with the City Clerk no later than September 30th of each year.

8. Regional Improvements. The District shall be authorized to provide for the planning, design, acquisition, construction, installation, relocation and/or redevelopment and a contribution to the funding of the Regional Improvements and fund the administration and overhead costs related to the provision of the Regional Improvements.

The District shall impose the ARI Mill Levy and shall convey it as follows:

(a) If the District has executed an ARI Authority Establishment Agreement and the City has been offered the opportunity to execute an ARI Authority Establishment Agreement, the terms of which provide for the City to appoint no less than thirty percent (30%) and no more than forty-nine percent (49%) of the Board members who will serve as the board of directors of the ARI Authority to be established by such ARI Authority Establishment Agreement, regardless as to whether the City approves the execution of such ARI Authority Establishment Agreement, the revenue from the ARI Mill Levy shall be conveyed to the ARI Authority for the planning, designing, constructing, installing, acquiring, relocating, redeveloping or financing of the Regional Improvements in the ARI Master Plan and for the operations of such ARI Authority; or

(b) If the City and the District have executed an intergovernmental agreement then the revenue from the ARI Mill Levy or ARI Payment in Lieu of Taxes shall be conveyed to the City for use in planning, designing, constructing, installing, acquiring, relocating, redeveloping or financing of the Regional Improvements which benefit the service users and taxpayers of the District in accordance with such agreement; or

(c) If neither of the above is applicable, then the revenue shall be conveyed to the City and (i) the City shall place in a special account all revenues received from the ARI Mill Levy and shall not expend such revenue until an intergovernmental agreement is executed between the District establishing the terms and conditions for the provision of the Regional Improvements; and (ii) if the intergovernmental agreement is not executed within two (2) years from the date of the approval of the Operating Plan by the City and neither of the above have occurred within two (2) years from the date of the approval of the Operating Plan by the City, then the revenue from the ARI Mill Levy shall be conveyed to the City for use by the City in the planning, designing, constructing, installing, acquiring, relocating, redeveloping or financing of the Regional Improvements which benefit the service users or taxpayers of the District as prioritized and determined by the City.

As set forth in the definition of the ARI Mill Levy, the District may, pursuant to any intergovernmental agreement with the City, extend the terms for application of the ARI Mill Levy beyond the years set forth in this section.

The Regional Improvements shall be limited to the provision of the planning, design, acquisition, construction, installation, relocation and/or redevelopment of street and transportation related improvements and the administration and overhead costs incurred therefrom, unless the City has agreed otherwise in writing; provided, however in no event shall the Regional Improvements include water or sanitary sewer improvements unless such improvements are necessary as a part of completing street and transportation related improvements. The District shall cease to be obligated to impose, collect and convey to the City the revenue from the ARI Mill Levy at such time as the area within the District's boundaries is included within a different district organized under the Special District Act or a General Improvement District organized under C.R.S. §§ 31-25- 601, *et seq.*, or Business Improvement District organized under C.R.S. §§ 31-25-1201, *et seq.*, which other district has been organized to fund a part or all of the Regional Improvements.

9. Maximum Debt Mill Levy. The maximum debt mill levy shall be the maximum mill levy the District is permitted to impose upon the taxable property within the District, and shall

be 50 mills as may be adjusted so that to the extent possible, the actual tax revenues generated by the mill levy, as adjusted for changes occurring after January 1, 2004, are neither diminished nor enhanced as a result of such changes, for purposes of the foregoing, a change in the ratio of actual valuation shall be deemed to be a change in the method of calculating assessed valuation.

10. Notices. All notices, demands, requests or other communications to be sent by one party to the other hereunder or required by law shall be in writing and shall be deemed to have been validly given or served by delivery of same in person to the address or by courier delivery, via United Parcel Service or other nationally recognized overnight air courier service, or by depositing same in the United States mail, postage prepaid, addressed as follows:

To the District: Windler Business Improvement District No. 2
2154 East Commons Avenue, Suite 2000
Centennial, CO 80122
Attn: Clint Waldron, Esq.
Phone: (303) 858-1800
Fax: (303) 858-1801

To the City: City of Aurora
15151 E. Alameda Pkwy., 5th Floor
Aurora, CO 80012
Attn: Michael Hyman, City Attorney
Phone: (303) 739-7030
Fax: (303) 739-7042

All notices, demands, requests or other communications shall be effective upon such personal delivery or one (1) business day after being deposited with United Parcel Service or other nationally recognized overnight air courier service or three (3) business days after deposit in the United States mail. By giving the other party hereto at least ten (10) days written notice thereof in accordance with the provisions hereof, each of the Parties shall have the right from time to time to change its address.

11. Amendment. This Agreement may be amended, modified, changed, or terminated in whole or in part only by a written agreement duly authorized and executed by the Parties hereto and without amendment to the Operating Plan.

12. Assignment. Neither Party hereto shall assign any of its rights nor delegate any of its duties hereunder to any person or entity without having first obtained the prior written consent of the other Party, which consent will not be unreasonably withheld. Any purported assignment or delegation in violation of the provisions hereof shall be void and ineffectual.

13. Default/Remedies. In the event of a breach or default of this Agreement by any Party, the non-defaulting Party shall be entitled to exercise all remedies available at law or in equity, specifically including suits for specific performance and/or monetary damages. In the event of any proceeding to enforce the terms, covenants or conditions hereof, the prevailing Party in such proceeding shall be entitled to obtain as part of its judgment or award its reasonable attorneys'

fees.

14. Governing Law and Venue. This Agreement shall be governed and construed under the laws of the State of Colorado.

15. Inurement. Each of the terms, covenants and conditions hereof shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.

16. Integration. This Agreement constitutes the entire agreement between the Parties with respect to the matters addressed herein. All prior discussions and negotiations regarding the subject matter hereof are merged herein.

17. Parties Interested Herein. Nothing expressed or implied in this Agreement is intended or shall be construed to confer upon, or to give to, any person other than the District and the City any right, remedy, or claim under or by reason of this Agreement or any covenants, terms, conditions, or provisions thereof, and all the covenants, terms, conditions, and provisions in this Agreement by and on behalf of the District and the City shall be for the sole and exclusive benefit of the District and the City.

18. Severability. If any covenant, term, condition, or provision under this Agreement shall, for any reason, be held to be invalid or unenforceable, the invalidity or unenforceability of such covenant, term, condition, or provision shall not affect any other provision contained herein, the intention being that such provisions are severable.

19. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall constitute an original and all of which shall constitute one and the same document.

20. Paragraph Headings. Paragraph headings are inserted for convenience of reference only.

21. Defined Terms. Capitalized terms used herein and not otherwise defined shall have the meanings ascribed to them in the Operating Plan.

[SIGNATURE PAGE TO INTERGOVERNMENTAL AGREEMENT]

WINDLER BUSINESS IMPROVEMENT
DISTRICT NO. 2

By: _____
Officer of the District

Attest:

Secretary

CITY OF AURORA, COLORADO

By: _____
MIKE COFFMAN, Mayor

Attest:

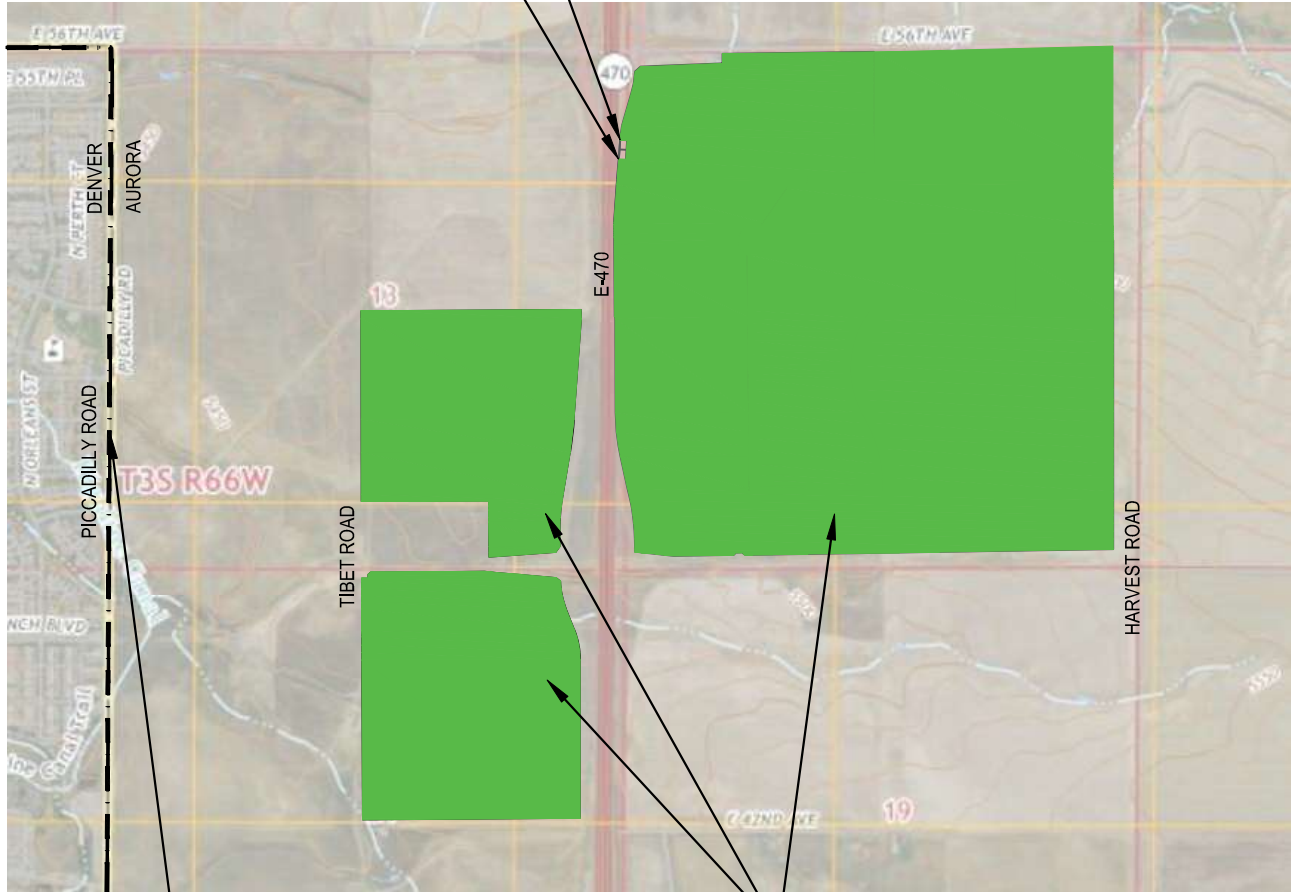
KADEE RODRIGUEZ, City Clerk

APPROVED AS TO FORM:

NANCY RODGERS, Deputy City Attorney

WINDLER BUSINESS
IMPROVEMENT
DISTRICT NO. 1

WINDLER BUSINESS
IMPROVEMENT
DISTRICT NO. 2



AURORA / DENVER
CITY LIMIT

WINDLER PROJECT



SCALE: 1" = 2000'



**PETITION FOR THE ORGANIZATION OF THE
WINDLER BUSINESS IMPROVEMENT DISTRICT NO. 1
(BID)**

Petitioner, GVP Windler, LLC (“**Petitioner**”), as owner of one hundred percent (100%) of the taxable real or personal property in the service area of the proposed Windler Business Improvement District No. 1 (the “**District**”) hereby petitions the City Council of the City of Aurora (the “**City**”) for the organization of the District in accordance with the provisions of the Business Improvement District Act, §§ 31-25-1201, *et seq.*, C.R.S.

In support of this petition, Petitioner states as follows:

- 1) The name of the proposed district shall be “Windler Business Improvement District No. 1.”
- 2) The service area of the District will consist of the area described in **Exhibit A** hereto. The boundaries of the District include all properties within the service area perimeter which are classified as commercial property as defined in § 31-25-1203(2), C.R.S.
- 3) The services and improvements to be provided include any services and improvements authorized by the Business Improvement District Act together with all duties and functions authorized by said Act. The initial services and improvements to be furnished by the District include *Economic Development Services* (including new and existing business support, business attraction and retention, consumer marketing and promotions, business improvement district ratepayer communications and special events), *District Identity and Image Enhancement* (including improvements such as banners, signage, streetscape design and/or implementation, public art and other special projects) and *Advocacy* on behalf of business and property owners within the District (including advocacy for planning and development policies and issues that affect service area of the District, strengthening ongoing relationships with adjacent neighborhoods, the City of Aurora, Colorado Department of Transportation, and Regional Transportation District, and seeking grants and other funding to leverage the District’s assessments for projects and improvements).
- 4) The commercial property owners of the proposed district request that the City, after public notice and hearing, designate the territory within the proposed district as a location for new business or commercial development under § 31-25-1203(10), C.R.S.
- 5) The services, facilities, and improvements to be provided by the District are not intended to duplicate or supplant the services, facilities and improvements provided by the City of Aurora within the proposed district boundaries. The District is being created to provide enhanced and otherwise unavailable services and improvements within its boundaries.

- 6) The initial services and improvements to be provided by the District will be funded by a mill levy. By law, any property that is within the District boundary that is classified by the county assessor for property tax purposes as residential or agricultural is not subject to the revenue raising powers of the District and will not be assessed by the District. The mil levy shall not be greater than 50 mills on commercial property within the BID boundary.

The mill levy will be collected by the Adams County Treasurer or other appropriate entity in a timely fashion in order for the District programs to be funded and operational beginning as early as January 2022.

The District may utilize other revenue sources authorized by law, including rates, fees, charges, or differing forms of special assessments as provided by law, or public improvement fees all as set forth in the annual operating plan, as it may be amended from time to time (“**Operating Plan**”), and as submitted to the City in accordance with § 31-25-1211, C.R.S.

- 7) Three persons who represent Petitioner and who have power to enter into agreements relating to the organization of the BID:

Christopher H. Fellows
Dustin Anderson
Timothy O’Connor

- 8) Petitioner owns one hundred percent (100%) of the real or personal property in the service area of the proposed district as shown on the assessor rolls of the County of Adams and owns at least fifty percent (50%) of the acreage in the proposed District.
- 9) If requested by the City, Petitioner will execute a bond or provide a cash deposit in an amount sufficient, as determined by the City, to cover all municipal expenses connected with organizational proceedings in case the organization of the District is not effected. Additionally, if at any time during the organizational process the City determines that the amount of the initially requested bond or cash deposit is not sufficient to cover such costs, it may require the execution of an additional bond or the deposit of additional cash, in an amount determined by the City. Petitioner acknowledge that failure to file such initial or additional bond or deposit within the time fixed, which shall not be less than ten (10) days, will result in dismissal of the Petition.

WHEREFORE, Petitioner respectfully requests the City approve the organization of Windler Business Improvement District No. 1, and approve the 2021 Operating Plan and Budget for the District submitted with this Petition. The initial Board of Directors of the District is to be elected at the election to be held on November 2, 2021 and thereafter at regular elections pursuant to the laws of the State of Colorado and the Operating Plan.

[end of text-signatures on following sheets]

[end of text-signatures on following sheets]

**WINDLER BUSINESS IMPROVEMENT DISTRICT NO. 1
PETITION**

**WARNING
IT IS AGAINST THE LAW:**

For anyone to sign this Petition with any name other than one's own or to knowingly sign one's name more than once for the same measure or to knowingly sign the Petition when not eligible to do so. Do not sign this Petition unless you (or the entity you are signing for) own real or personal property in the proposed district. Do not sign this Petition unless you have read or have had read to you the Petition in its entirety and understand its meaning.

Printed Name of Property Owner/Petitioner:

GVP Windler, LLC, a Delaware limited liability company

By: GVP Alberta Windler, LLC, a Delaware limited liability company
Its: Sole Member

By: Alberta Windler Investor, LLC, a Colorado limited liability company
Its: Operating Member

By: Alberta Windler Management, LLC, a Colorado limited liability
company
Its: Manager



By: Donald G. Provost
Its: Manager

Street address and/or description of taxable property located in the proposed Windler Business Improvement District No. 1 represented by the above signature:

See Exhibit A

***Your signature must be witnessed by a Notary Public unless you sign in front of a
Petition Circulator***

Notarization:

STATE OF COLORADO }
COUNTY OF Arapahoe } ss.

The foregoing petition signature was subscribed or acknowledged before me this 12 day of July, 2021 by Donald G. Provost as Manager of Alberta Windler Management, LLC.



Michelle Sanchez

Notary Public

SEAL

My commission expires: Jun 11, 2025

AFFIDAVIT OF AUTHORITY

Required if record title to property is held by a Corporation, Partnership, LLC, LLP or any other entity that is not a natural person

If property owner of record is a Corporation or Limited Liability Company (LLC), complete the following affidavit.

I, Donald G. Provost, do solemnly swear or affirm that I hold the following office with GVP Windler, LLC, the record owner of the property within the service area of the proposed Windler Business Improvement District No. 1 represented by and described on the foregoing Petition, that I signed the Petition for the formation of said district on behalf of the owner of said property, and that I am authorized to sign the Petition on behalf of the said owner.

GVP Windler, LLC, a Delaware limited liability company

By: GVP Alberta Windler, LLC, a Delaware limited liability company
Its: Sole Member

By: Alberta Windler Investor, LLC, a Colorado limited liability company
Its: Operating Member

By: Alberta Windler Management, LLC, a Colorado limited liability company
Its: Manager


By: Donald G. Provost
Its: Manager

Your signature must be notarized by a Notary Public unless you sign this Petition before a Petition Circulator.

Notarization:

STATE OF COLORADO }
COUNTY OF Arapahoe } ss.

The foregoing Petition signature was subscribed or acknowledged before me this 12 day of July, 2021 by Donald G. Provost as Manager of Alberta Windler Management, LLC.

Michelle Sanchez
Notary Public

SEAL



My commission expires: June 11, 2025

EXHIBIT A

**DESCRIPTION OF PROPERTY TO BE INCLUDED INTO
WINDLER BUSINESS IMPROVEMENT DISTRICT NO. 1**

NW 1/4, SECTION 18, TOWNSHIP 3 SOUTH, RANGE 65 WEST 6th P.M.
----CITY OF AURORA, COUNTY OF ADAMS, STATE OF COLORADO----

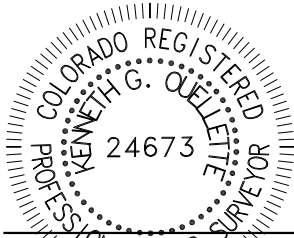
PROPERTY DESCRIPTION

A PARCEL OF LAND BEING A PORTION OF THE NORTHWEST QUARTER OF SECTION 18, TOWNSHIP 3 SOUTH, RANGE 65 WEST OF THE 6TH PRINCIPAL MERIDIAN, CITY OF AURORA, COUNTY OF ADAMS, STATE OF COLORADO AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEARINGS ARE ASSUMED AND ARE BASED ON THE NORTH LINE OF THE NORTHWEST QUARTER OF SECTION 18, TOWNSHIP 3 SOUTH, RANGE 65 WEST OF THE 6TH PRINCIPAL MERIDIAN AS BEARING N89°19'42"E A DISTANCE OF 2608.00 FEET BETWEEN THE NORTHWEST CORNER OF SAID SECTION 18 BEING MONUMENTED BY A #6 REBAR WITH 3-1/4" ALUMINUM CAP STAMPED: PLS 24313 AND THE NORTH QUARTER CORNER OF SAID SECTION 18 BEING MONUMENTED BY A #6 REBAR WITH A 2-1/2" ALUMINUM CAP STAMPED: PLS 38058.

COMMENCING AT SAID NORTH QUARTER CORNER OF SECTION 18;
THENCE S70°13'55"W A DISTANCE OF 2697.02 FEET TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF HIGHWAY E-470 RECORDED IN BOOK 5849 AT PAGE 596 IN THE OFFICE OF THE ADAMS COUNTY CLERK AND RECORDER, SAID POINT BEING THE **POINT OF BEGINNING**;
THENCE S85°53'59"E A DISTANCE OF 75.00 FEET;
THENCE S04°06'01"W A DISTANCE OF 100.00 FEET;
THENCE N85°53'59"W A DISTANCE OF 75.00 FEET TO A POINT ON SAID EASTERLY RIGHT-OF-WAY LINE OF HIGHWAY E-470;
THENCE N04°06'01"E ALONG SAID EASTERLY RIGHT-OF-WAY LINE OF HIGHWAY E-470 A DISTANCE OF 100.00 FEET TO THE **POINT OF BEGINNING**.

CONTAINING 7,500 SQUARE FEET (0.172 ACRES), MORE OR LESS.



KENNETH G. OUELLETTE, P.L.S. 24673
DATE: MAY 16, 2021
JOB NO. 65420899
FOR AND ON BEHALF OF MERRICK & COMPANY



MERRICK®

5970 Greenwood Plaza Blvd., Greenwood Village, CO 80111
Telephone: 303-751-0741

WINDLER BUSINESS IMPROVEMENT DISTRICT NO. 1
EXHIBIT A

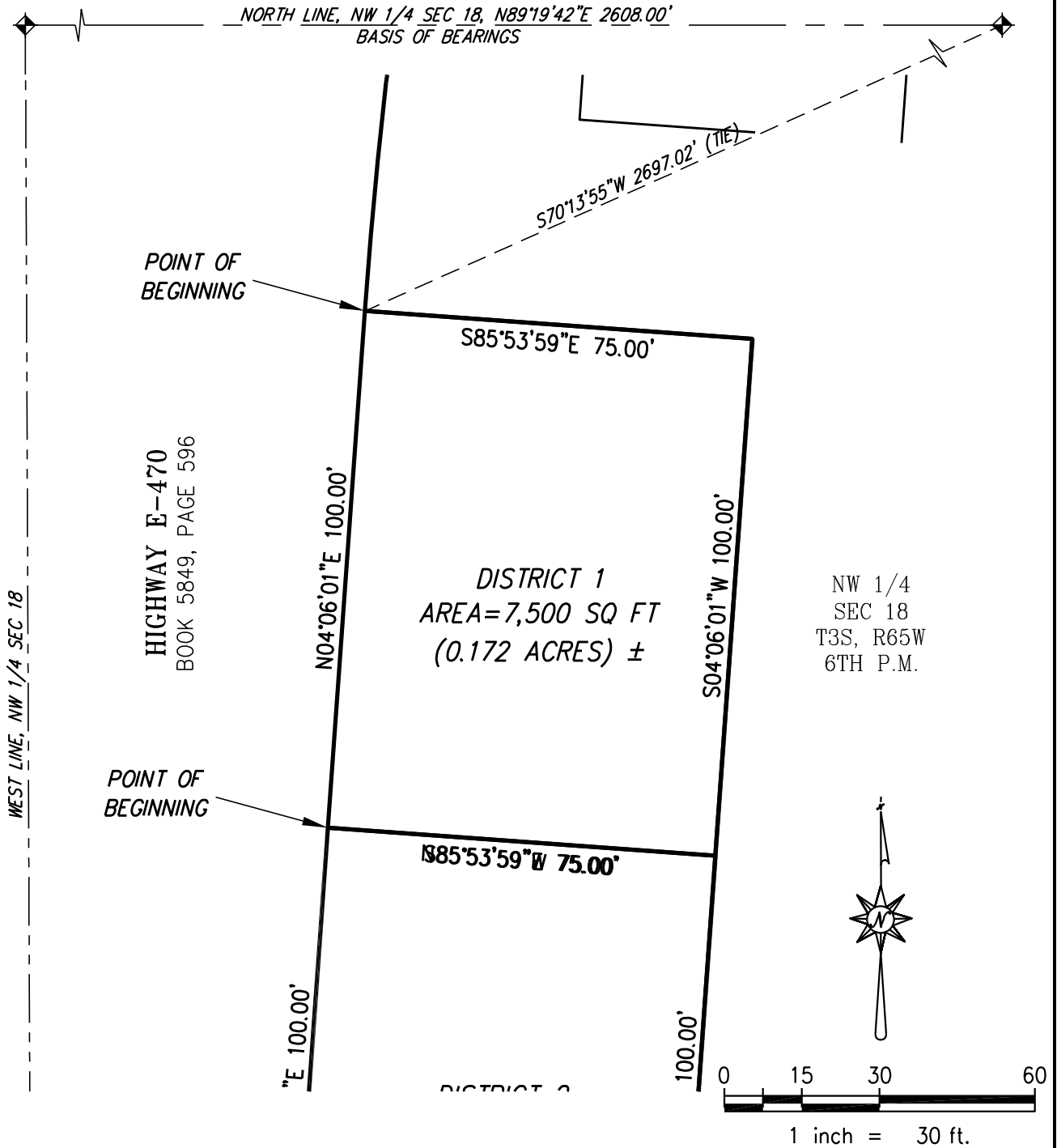
DATE: 5/6/21

SHEET: 1 OF 1

ILLUSTRATION FOR A-2

NW COR SEC 18
#6 REBAR WITH 3-1/4" ALUM. CAP
STAMPED: PLS 24313

POINT OF COMMENCEMENT
N 1/4 CORNER SEC 18
#6 REBAR WITH 2-1/2" ALUM. CAP
STAMPED: PLS 38058



This illustration does not represent a monumented survey. It is intended only to depict the attached legal description.



MERRICK®
5970 Greenwood Plaza Blvd., Greenwood Village, CO 80111
Telephone: 303-751-0741

WINDLER BUSINESS IMPROVEMENT DISTRICT NO. 1
EXHIBIT C-1

DATE: 5/6/21

SHEET: 1 OF 1

**INSTRUCTIONS TO PETITION CIRCULATOR
PETITION FOR THE ORGANIZATION OF THE
WINDLER BUSINESS IMPROVEMENT DISTRICT NO. 1**

ANYONE who is a U.S. citizen and is eighteen years of age or older may act as Petition Circulator

The responsibility of the Circulator is simply to affirm that the signature(s) on page 3 and/or page 4 of the Petition packet was affixed in your presence and that the signature is, to the best of your knowledge and belief, the signature of the person whose name it purports to be.

The Petition Circulator is required to complete the AFFIDAVIT OF CIRCULATOR of the Petition packet and have it notarized. A properly witnessed and notarized AFFIDAVIT OF CIRCULATOR must accompany the Petition packet. The date of the notarization the Affidavit of Circulator must be the same or later date than the date of the signatures that were witnessed by the circulator.

**Special Note to Corporations, LLCs, Partnerships, and LLPs re
AFFIDAVIT OF AUTHORITY:**

Persons who are signing the Petition as the representative of a *Corporation or Limited Liability Company* are required to complete the **top section** of the supplementary form titled **AFFIDAVIT OF AUTHORITY**, which accompanies the Petition packet. **This form requires notarization unless signed in the presence of a Petition Circulator.**

Persons signing on behalf of a *Partnership or Limited Liability Partnership* should also complete the supplemental AFFIDAVIT OF AUTHORITY form, using the **center section** on pertaining to Partnerships and LLPs. As noted previously, **this form requires notarization unless it is signed in front of a Petition Circulator.**

PLEASE:

- **DO NOT** take the Petition apart.
- **DO NOT** remove the staple (it will invalidate the Petition).
 - You cannot add sheets to the Petition.
 - Please make sure all information is complete.
 - Petitioner must print and sign its legal name.
 - Please make sure the Petition is signed in ink.

THANK YOU!

**PETITION FOR THE ORGANIZATION OF THE
WINDLER BUSINESS IMPROVEMENT DISTRICT NO. 2
(BID)**

Petitioner, GVP Windler, LLC (“**Petitioner**”), as owner of one hundred percent (100%) of the taxable real or personal property in the service area of the proposed Windler Business Improvement District No. 2 (the “**District**”) hereby petitions the City Council of the City of Aurora (the “**City**”) for the organization of the District in accordance with the provisions of the Business Improvement District Act, §§ 31-25-1201, *et seq.*, C.R.S.

In support of this petition, Petitioner states as follows:

- 1) The name of the proposed district shall be “Windler Business Improvement District No. 2.”
- 2) The service area of the District will consist of the area described in **Exhibit A** hereto. The boundaries of the District include all properties within the service area perimeter which are classified as commercial property as defined in § 31-25-1203(2), C.R.S.
- 3) The services and improvements to be provided include any services and improvements authorized by the Business Improvement District Act together with all duties and functions authorized by said Act. The initial services and improvements to be furnished by the District include *Economic Development Services* (including new and existing business support, business attraction and retention, consumer marketing and promotions, business improvement district ratepayer communications and special events), *District Identity and Image Enhancement* (including improvements such as banners, signage, streetscape design and/or implementation, public art and other special projects) and *Advocacy* on behalf of business and property owners within the District (including advocacy for planning and development policies and issues that affect service area of the District, strengthening ongoing relationships with adjacent neighborhoods, the City of Aurora, Colorado Department of Transportation, and Regional Transportation District, and seeking grants and other funding to leverage the District’s assessments for projects and improvements).
- 4) The commercial property owners of the proposed district request that the City, after public notice and hearing, designate the territory within the proposed district as a location for new business or commercial development under § 31-25-1203(10), C.R.S.
- 5) The services, facilities, and improvements to be provided by the District are not intended to duplicate or supplant the services, facilities and improvements provided by the City of Aurora within the proposed district boundaries. The District is being created to provide enhanced and otherwise unavailable services and improvements within its boundaries.

- 6) The initial services and improvements to be provided by the District will be funded by a mill levy. By law, any property that is within the District boundary that is classified by the county assessor for property tax purposes as residential or agricultural is not subject to the revenue raising powers of the District and will not be assessed by the District. The mil levy shall not be greater than 50 mills on commercial property within the BID boundary.

The mill levy will be collected by the Adams County Treasurer or other appropriate entity in a timely fashion in order for the District programs to be funded and operational beginning as early as January 2022.

The District may utilize other revenue sources authorized by law, including rates, fees, charges, or differing forms of special assessments as provided by law, or public improvement fees all as set forth in the annual operating plan, as it may be amended from time to time (“**Operating Plan**”), and as submitted to the City in accordance with § 31-25-1211, C.R.S.

- 7) Three persons who represent Petitioner and who have power to enter into agreements relating to the organization of the BID:

Christopher H. Fellows
Dustin Anderson
Timothy O’Connor

- 8) Petitioner owns one hundred percent (100%) of the real or personal property in the service area of the proposed district as shown on the assessor rolls of the County of Adams and owns at least fifty percent (50%) of the acreage in the proposed District.
- 9) If requested by the City, Petitioner will execute a bond or provide a cash deposit in an amount sufficient, as determined by the City, to cover all municipal expenses connected with organizational proceedings in case the organization of the District is not effected. Additionally, if at any time during the organizational process the City determines that the amount of the initially requested bond or cash deposit is not sufficient to cover such costs, it may require the execution of an additional bond or the deposit of additional cash, in an amount determined by the City. Petitioner acknowledge that failure to file such initial or additional bond or deposit within the time fixed, which shall not be less than ten (10) days, will result in dismissal of the Petition.

WHEREFORE, Petitioner respectfully requests the City approve the organization of Windler Business Improvement District No. 2, and approve the 2021 Operating Plan and Budget for the District submitted with this Petition. The initial Board of Directors of the District is to be elected at the election to be held on November 2, 2021 and thereafter at regular elections pursuant to the laws of the State of Colorado and the Operating Plan.

[end of text-signatures on following sheets]

**WINDLER BUSINESS IMPROVEMENT DISTRICT NO. 2
PETITION**

**WARNING
IT IS AGAINST THE LAW:**

For anyone to sign this Petition with any name other than one's own or to knowingly sign one's name more than once for the same measure or to knowingly sign the Petition when not eligible to do so. Do not sign this Petition unless you (or the entity you are signing for) own real or personal property in the proposed district. Do not sign this Petition unless you have read or have had read to you the Petition in its entirety and understand its meaning.

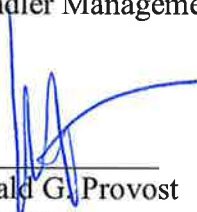
Printed Name of Property Owner/Petitioner:

GVP Windler, LLC, a Delaware limited liability company

By: GVP Alberta Windler, LLC, a Delaware limited liability company
Its: Sole Member

By: Alberta Windler Investor, LLC, a Colorado limited liability company
Its: Operating Member

By: Alberta Windler Management, LLC, a Colorado limited liability
company
Its: Manager



By: Donald G. Provost
Its: Manager

Street address and/or description of taxable property located in the proposed Windler Business Improvement District No. 2 represented by the above signature:

See Exhibit A

***Your signature must be witnessed by a Notary Public unless you sign in front of a
Petition Circulator***

Notarization:

STATE OF COLORADO }
COUNTY OF Arapahoe } ss.

The foregoing petition signature was subscribed or acknowledged before me this 12 day of July, 2021 by Donald G. Provost as Manager of Alberta Windler Management, LLC.

Michelle Sanchez



SEAL

My commission expires: June 11, 2025

AFFIDAVIT OF AUTHORITY

Required if record title to property is held by a Corporation, Partnership, LLC, LLP or any other entity that is not a natural person

If property owner of record is a Corporation or Limited Liability Company (LLC), complete the following affidavit.

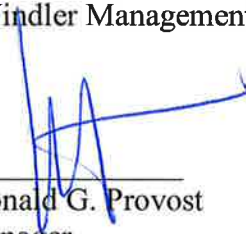
I, Donald G. Provost, do solemnly swear or affirm that I hold the following office with GVP Windler, LLC, the record owner of the property within the service area of the proposed Windler Business Improvement District No. 2 represented by and described on the foregoing Petition, that I signed the Petition for the formation of said district on behalf of the owner of said property, and that I am authorized to sign the Petition on behalf of the said owner.

GVP Windler, LLC, a Delaware limited liability company

By: GVP Alberta Windler, LLC, a Delaware limited liability company
Its: Sole Member

By: Alberta Windler Investor, LLC, a Colorado limited liability company
Its: Operating Member

By: Alberta Windler Management, LLC, a Colorado limited liability company
Its: Manager



By: Donald G. Provost
Its: Manager

Your signature must be notarized by a Notary Public unless you sign this Petition before a Petition Circulator.

Notarization:

STATE OF COLORADO }
COUNTY OF Arapahoe } ss.

The foregoing Petition signature was subscribed or acknowledged before me this 12 day of July, 2021 by Donald G. Provost as Manager of Alberta Windler Management, LLC.

Michelle Sanchez
Notary Public

SEAL



My commission expires: June 11, 2025

EXHIBIT A

**DESCRIPTION OF PROPERTY TO BE INCLUDED INTO
WINDLER BUSINESS IMPROVEMENT DISTRICT NO. 2**

NW 1/4, SECTION 18, TOWNSHIP 3 SOUTH, RANGE 65 WEST 6th P.M.
 ----CITY OF AURORA, COUNTY OF ADAMS, STATE OF COLORADO----

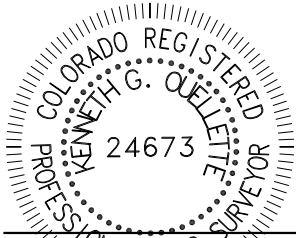
PROPERTY DESCRIPTION

A PARCEL OF LAND BEING A PORTION OF THE NORTHWEST QUARTER OF SECTION 18, TOWNSHIP 3 SOUTH, RANGE 65 WEST OF THE 6TH PRINCIPAL MERIDIAN, CITY OF AURORA, COUNTY OF ADAMS, STATE OF COLORADO AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEARINGS ARE ASSUMED AND ARE BASED ON THE NORTH LINE OF THE NORTHWEST QUARTER OF SECTION 18, TOWNSHIP 3 SOUTH, RANGE 65 WEST OF THE 6TH PRINCIPAL MERIDIAN AS BEARING N89°19'42"E A DISTANCE OF 2608.00 FEET BETWEEN THE NORTHWEST CORNER OF SAID SECTION 18 BEING MONUMENTED BY A #6 REBAR WITH 3-1/4" ALUMINUM CAP STAMPED: PLS 24313 AND THE NORTH QUARTER CORNER OF SAID SECTION 18 BEING MONUMENTED BY A #6 REBAR WITH A 2-1/2" ALUMINUM CAP STAMPED: PLS 38058.

COMMENCING AT SAID NORTH QUARTER CORNER OF SECTION 18;
 THENCE S68°19'07"W A DISTANCE OF 2739.01 FEET TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF HIGHWAY E-470 RECORDED IN BOOK 5849 AT PAGE 596 IN THE OFFICE OF THE ADAMS COUNTY CLERK AND RECORDER, SAID POINT BEING THE **POINT OF BEGINNING**;
 THENCE S85°53'59"E A DISTANCE OF 75.00 FEET;
 THENCE S04°06'01"W A DISTANCE OF 100.00 FEET;
 THENCE N85°53'59"W A DISTANCE OF 75.00 FEET TO A POINT ON SAID EASTERLY RIGHT-OF-WAY LINE OF HIGHWAY E-470;
 THENCE N04°06'01"E ALONG SAID EASTERLY RIGHT-OF-WAY LINE OF HIGHWAY E-470 A DISTANCE OF 100.00 FEET TO THE **POINT OF BEGINNING**.

CONTAINING 7,500 SQUARE FEET (0.172 ACRES), MORE OR LESS.



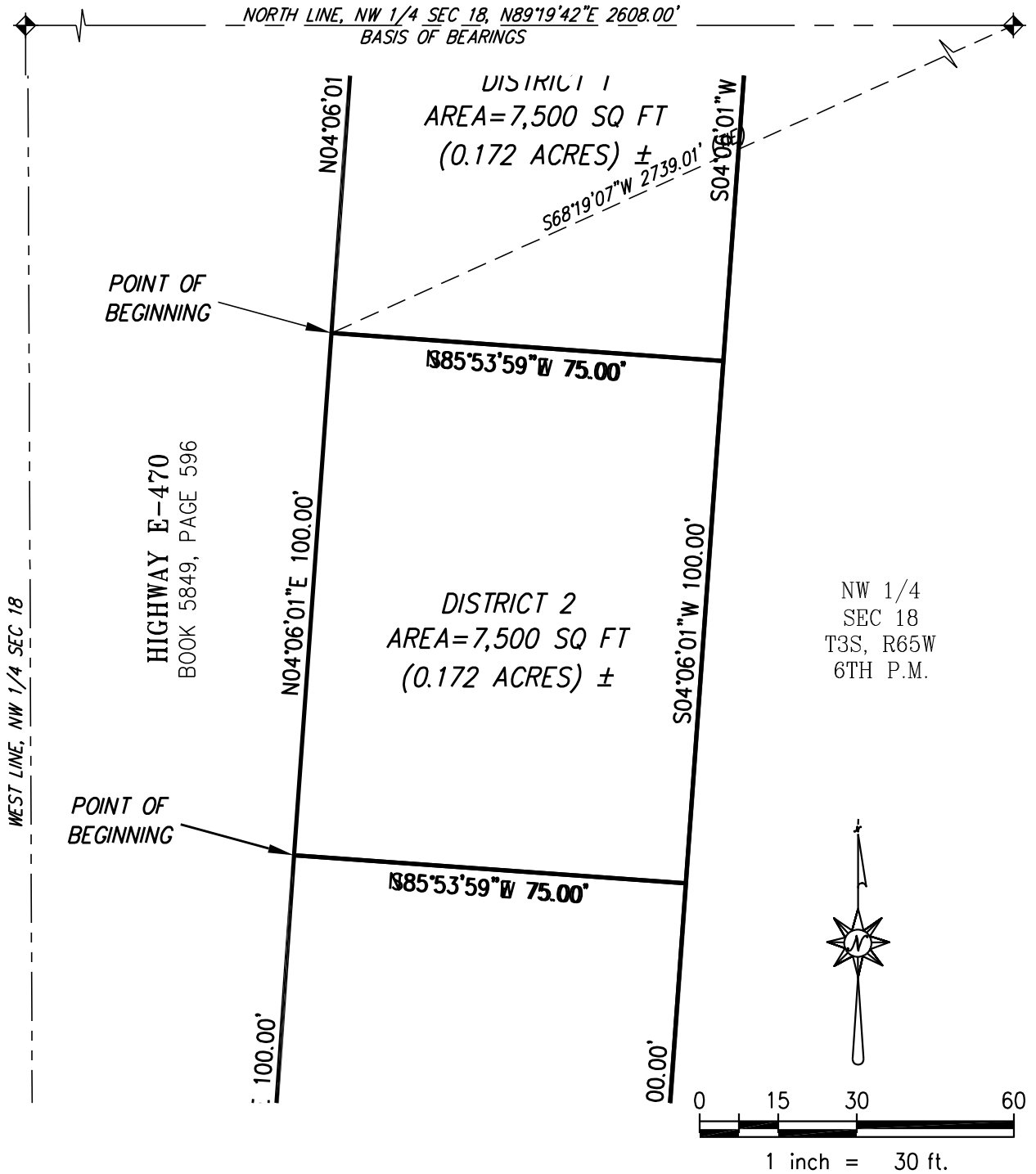
KENNETH G. OUELLETTE, P.L.S. 24673
 DATE: MAY 16, 2021
 JOB NO. 65420899
 FOR AND ON BEHALF OF MERRICK & COMPANY

 5970 Greenwood Plaza Blvd., Greenwood Village, CO 80111 Telephone: 303-751-0741	WINDLER BUSINESS IMPROVEMENT DISTRICT NO. 2 EXHIBIT A	DATE: 5/6/21
		SHEET: 1 OF 1

ILLUSTRATION FOR A-3

NW COR SEC 18
#6 REBAR WITH 3-1/4" ALUM. CAP
STAMPED: PLS 24313

POINT OF COMMENCEMENT
N 1/4 CORNER SEC 18
#6 REBAR WITH 2-1/2" ALUM. CAP
STAMPED: PLS 38058



This illustration does not represent a monumented survey. It is intended only to depict the attached legal description.



MERRICK®
5970 Greenwood Plaza Blvd., Greenwood Village, CO 80111
Telephone: 303-751-0741

WINDLER BUSINESS IMPROVEMENT DISTRICT NO. 2
EXHIBIT C-1

DATE: 5/6/21

SHEET: 1 OF 1

AFFIDAVIT OF CIRCULATOR

STATE OF COLORADO }
COUNTY OF Arapahoe } ss.

The undersigned, being a citizen of the U.S. and first duly sworn upon oath, hereby affirms and states:

I have read and understand the laws governing the circulation of petitions; I circulated the foregoing Petition section for the organization for Windler Business Improvement District No. 2; each signature on said Petition section was affixed In my presence; each signature on said Petition section is the signature of the person whose name it purports to be; I was eighteen years of age or older at the time the Petition was circulated for signature and signed by Petitioner; I have not paid and *will* not in the future pay and I believe that no other person has paid or wilt pay, directly or indirectly, any money or other thing of value to any signer for the purpose of inducing or causing such signer to affix the signer's signature to the Petition; and I reside at the address set forth below.

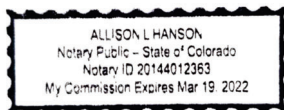
STATE OF COLORADO }
COUNTY OF Arapahoe } ss.

Michelle Sanchez 7/12/2021
Signature of Petition Circulator Date of signature

Please Print:

Name of Circulator: Michelle Sanchez
Residence Address: 6306 Nassau Ct 80130
Highlands Ranch, CO 80117
Telephone number: 505-610-2624

The foregoing affidavit was subscribed and affirmed, or sworn to, before me in this 12th day of July, 2021.



Allison L Hanson
Notary Public

SEAL

My commission expires: March 19, 2022

**INSTRUCTIONS TO PETITION CIRCULATOR
PETITION FOR THE ORGANIZATION OF THE
WINDLER BUSINESS IMPROVEMENT DISTRICT NO. 2**

ANYONE who is a U.S. citizen and is eighteen years of age or older may act as Petition Circulator

The responsibility of the Circulator is simply to affirm that the signature(s) on page 3 and/or page 4 of the Petition packet was affixed in your presence and that the signature is, to the best of your knowledge and belief, the signature of the person whose name it purports to be.

The Petition Circulator is required to complete the AFFIDAVIT OF CIRCULATOR of the Petition packet and have it notarized. A properly witnessed and notarized AFFIDAVIT OF CIRCULATOR must accompany the Petition packet. The date of the notarization the Affidavit of Circulator must be the same or later date than the date of the signatures that were witnessed by the circulator.

**Special Note to Corporations, LLCs, Partnerships, and LLPs re
AFFIDAVIT OF AUTHORITY:**

Persons who are signing the Petition as the representative of a *Corporation or Limited Liability Company* are required to complete the **top section** of the supplementary form titled **AFFIDAVIT OF AUTHORITY**, which accompanies the Petition packet. **This form requires notarization unless signed in the presence of a Petition Circulator.**

Persons signing on behalf of a *Partnership or Limited Liability Partnership* should also complete the supplemental AFFIDAVIT OF AUTHORITY form, using the **center section** on pertaining to Partnerships and LLPs. As noted previously, **this form requires notarization unless it is signed in front of a Petition Circulator.**

PLEASE:

- **DO NOT** take the Petition apart.
- **DO NOT** remove the staple (it will invalidate the Petition).
 - You cannot add sheets to the Petition.
 - Please make sure all information is complete.
 - Petitioner must print and sign its legal name.
 - Please make sure the Petition is signed in ink.

THANK YOU!

ORDINANCE NO. 2021- _____

A BILL

FOR AN ORDINANCE OF THE CITY OF AURORA, COLORADO, ORGANIZING WINDLER BUSINESS IMPROVEMENT DISTRICT NO. 1; PROVIDING FOR AN ELECTION OF THE BOARD OF DIRECTORS OF THE DISTRICT; AND APPROVING THE 2021 OPERATING PLAN AND BUDGET FOR THE DISTRICT

WHEREAS, the City Council of the City of Aurora, Colorado (the “**City Council**”), has received a Petition for the Organization of Windler Business Improvement District No. 1 (the “**Petition**”) within the City; and

WHEREAS, based upon the Petition and other evidence presented to the City Council, the Petition has been signed in conformity with the Business Improvement District Act, Colo. Rev. Stat. § 31-25-1201, *et seq.*, (the “**Act**”), the signature on the Petition are genuine, and the signature of the petitioner represents the owner of one hundred percent (100%) of the taxable real or personal property in the service area of the proposed Windler Business Improvement District No. 1 (the “**District**”); and

WHEREAS, the petitioner has also caused a copy of the District's 2021 Operating Plan and Budget (the “**Operating Plan**”) to be submitted at the same time as the Petition; and

WHEREAS, all non-commercial properties within the boundaries of the District, if any, as required by § 31-25-1208, C.R.S., are excluded; and

WHEREAS, the commercial property owners of the District request that the City Council designate the territory within the service area of the District as a location for new business or commercial development under § 31-25-1203(10), C.R.S.; and

WHEREAS, the Petition contains the items required by the Act including, among other things:

(a) The name of the District, which is to be “Windler Business Improvement District No. 1”; and

(b) A general description of the boundaries and service area of the District is approximately 1 acres of vacant land located west of Harvest Road, north of E. 42nd Avenue, south of E. 56th Avenue and east of E-470, City of Aurora, Adams County, Colorado. The District's boundaries are the territory of the commercial property, as defined in the Act, within the above service area; and

(c) A general description of the types of services or improvements or both to be provided by the District; and

(d) The names of three persons to represent the petitioner, who have the power to enter into agreements relating to the organization of the District; and

(e) A request that the City Council appoint the initial members of the Board of Directors (the "**Board**") pursuant to § 31-25-1209(1)(b), C.R.S., and provide for an election of subsequent members of the Board of Directors of the District pursuant to § 31-25-1209(1)(d), C.R.S.; and

(f) A request that City Council approve the Operating Plan; and

(g) A request that City Council approve the organization of the District; and

WHEREAS, sufficient genuine signatures exist on the Petition of persons who are qualified to sign such Petition; and

WHEREAS, City Council has determined that the allegations of the Petition are true; and

WHEREAS, the Petition provided that, upon the request of the City, the petitioners for the District will execute a bond or provide a cash deposit sufficient to cover all expenses anticipated to be incurred by the City in connection with the proceedings in case the organization of the District is not effected; and

WHEREAS, the service area of the District is entirely within the City and is a location for new business or commercial development; and

WHEREAS, a legal description, and a map of the service area and boundaries of the District is attached hereto as **Exhibit A** and is incorporated herein by reference; and

WHEREAS, City Council has determined that the types of services or improvements to be provided by the District are of the type which best satisfy the purposes of the Act; and

WHEREAS, the City Council has held and concluded a public hearing on the matter following due notice of such hearing as required by law.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO:

Section 1. Pursuant to its authority to organize business improvement districts under the Act, and specifically § 31-25-1207(5), C.R.S., the City Council, as the governing body of the City, hereby adjudicates all questions of jurisdiction to find that jurisdiction is vested in the City Council to organize the business improvement district described in the Petition submitted by the petitioners for the District.

Section 2. The City Council hereby declares the organization of the District in a

location designated by the City Council as location for new business or commercial development, which shall have the service area and boundaries set forth in the attached Exhibit A.

Section 3. The District shall be a quasi-municipal corporation and political subdivision of the State of Colorado with all powers and responsibilities thereof. The District shall hereafter have the corporate name specified in the Petition: “Windler Business Improvement District No. 1.”

Section 4. Pursuant to § 31-25-1209(1)(b), C.R.S., the City Council may appoint the initial members of the Board. The initial Board will have five (5) members and each member shall be an elector of the District, as that term is defined in § 31-25-1203(4)(a). The City Council hereby appoints the following members of the Board of the District:

- 1) Christopher H. Fellows;
- 2) Dustin Anderson;
- 3) Timothy O’Connor;
- 4) Vacant; and
- 5) Vacant.

Subsequent members of the Board will be elected at regular elections, pursuant to C.R.S. § 31-25-1209(1)(d), and thereafter at regular elections pursuant to the laws of the State of Colorado and the Operating Plan. The term of office for the members shall be four (4) years and as otherwise provided pursuant to article 1 of title 32, C.R.S. Within thirty (30) days after a vacancy occurs, a successor shall be appointed by resolution of City Council to serve until the next regular election.

Section 5. Each member, within thirty (30) days after his or her election or appointment to fill a vacancy, except for good cause shown, shall appear before an officer authorized to administer oaths and take an oath that he or she will faithfully perform the duties of his or her office as required by law and will support the constitution of the United States, the constitution of the state of Colorado, and the laws made pursuant thereto. The Board shall carry out the responsibilities required of such Board by the Act and other applicable law.

Section 6. In accordance with § 31-25-1211, C.R.S., the Operating Plan is hereby approved. Beginning in 2022 (for use in 2023), an annual Operating Plan and Budget will be submitted to City Council, with a copy to the designated municipal official, on or before September 30th of each year, in accordance with § 31-25-1211, C.R.S. The review, processing and approval of the budget is subject to fees as approved by the City of Aurora.

Section 7. The Board shall file its future operating plans and budgets and amendments thereto with the City Clerk for the approval of the City Council as provided in § 31-25-1211, C.R.S..

Section 8. The actions of the City Clerk, petitioners, and designated election official in selling and providing public notice of the public hearing on the Petition are hereby ratified and

confirmed.

Section 9. The City Council hereby approves the Intergovernmental Agreement between the City of Aurora Colorado and the District, as presented in this meeting, with such technical variations, additions, or deletions therein as the City Attorney shall deem necessary or appropriate, and not inconsistent with the approval thereof by this Ordinance.

Section 10. Any subsequent amendments to the Agreement approved at this meeting shall be in writing, and shall require approval by Resolution of the City Council.

Section 11. All acts, orders, resolutions, ordinances, or parts thereof, in conflict with this Ordinance are hereby repealed, except that this section shall not be construed so as to revive any act, order, resolution, or ordinance, or part thereof previously repealed.

Section 12. Pursuant to Section 5-5 of the City Charter, the second publication of this ordinance shall be by reference, utilizing the ordinance title. Copies of this Ordinance are available at the Office of the City Clerk.

INTRODUCED, READ AND ORDERED PUBLISHED this 23rd day of August 2021.

PASSED AND ORDERED PUBLISHED BY REFERENCE this 13th day of September 2021.

MIKE COFFMAN, Mayor

ATTEST:

KADEE RODRIGUEZ, City Clerk

APPROVED AS TO FORM:

NANCY RODGERS, Deputy City Attorney

Exhibit A
Windler Business Improvement District No. 1 Boundaries

A-2

NW 1/4, SECTION 18, TOWNSHIP 3 SOUTH, RANGE 65 WEST 6th P.M.
----CITY OF AURORA, COUNTY OF ADAMS, STATE OF COLORADO----

PROPERTY DESCRIPTION

A PARCEL OF LAND BEING A PORTION OF THE NORTHWEST QUARTER OF SECTION 18, TOWNSHIP 3 SOUTH, RANGE 65 WEST OF THE 6TH PRINCIPAL MERIDIAN, CITY OF AURORA, COUNTY OF ADAMS, STATE OF COLORADO AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEARINGS ARE ASSUMED AND ARE BASED ON THE NORTH LINE OF THE NORTHWEST QUARTER OF SECTION 18, TOWNSHIP 3 SOUTH, RANGE 65 WEST OF THE 6TH PRINCIPAL MERIDIAN AS BEARING N89°19'42"E A DISTANCE OF 2608.00 FEET BETWEEN THE NORTHWEST CORNER OF SAID SECTION 18 BEING MONUMENTED BY A #6 REBAR WITH 3-1/4" ALUMINUM CAP STAMPED: PLS 24313 AND THE NORTH QUARTER CORNER OF SAID SECTION 18 BEING MONUMENTED BY A #6 REBAR WITH A 2-1/2" ALUMINUM CAP STAMPED: PLS 38058.

COMMENCING AT SAID NORTH QUARTER CORNER OF SECTION 18;
THENCE S70°13'55"W A DISTANCE OF 2697.02 FEET TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF HIGHWAY E-470 RECORDED IN BOOK 5849 AT PAGE 596 IN THE OFFICE OF THE ADAMS COUNTY CLERK AND RECORDER, SAID POINT BEING THE **POINT OF BEGINNING**;
THENCE S85°53'59"E A DISTANCE OF 75.00 FEET;
THENCE S04°06'01"W A DISTANCE OF 100.00 FEET;
THENCE N85°53'59"W A DISTANCE OF 75.00 FEET TO A POINT ON SAID EASTERLY RIGHT-OF-WAY LINE OF HIGHWAY E-470;
THENCE N04°06'01"E ALONG SAID EASTERLY RIGHT-OF-WAY LINE OF HIGHWAY E-470 A DISTANCE OF 100.00 FEET TO THE **POINT OF BEGINNING**.

CONTAINING 7,500 SQUARE FEET (0.172 ACRES), MORE OR LESS.



KENNETH G. OUELLETTE, P.L.S. 24673
DATE: MAY 6, 2021
JOB NO. 65420899
FOR AND ON BEHALF OF MERRICK & COMPANY



MERRICK®
5970 Greenwood Plaza Blvd., Greenwood Village, CO 80111
Telephone: 303-751-0741

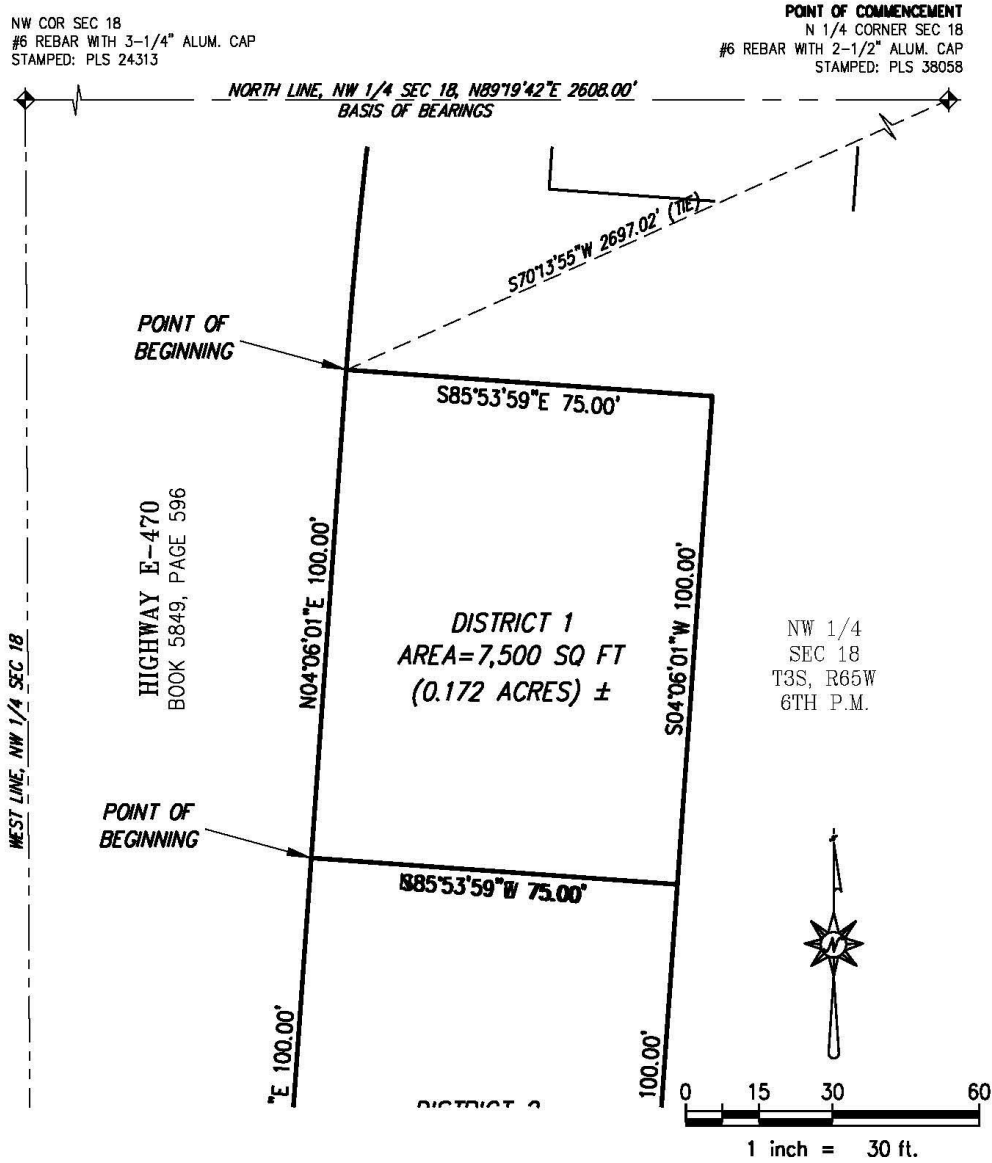
WINDLER BUSINESS IMPROVEMENT DISTRICT NO. 1
EXHIBIT A

DATE: 5/6/21

SHEET: 1 OF 1

Q:\DEN\Projects\0899-00-Windler Metro Districts\Design\Survey\dwg\District Parcels.dwg

ILLUSTRATION FOR A-2



This illustration does not represent a monumented survey. It is intended only to depict the attached legal description.

 MERRICK® 5970 Greenwood Plaza Blvd., Greenwood Village, CO 80111 Telephone: 303-751-0741	WINDLER BUSINESS IMPROVEMENT DISTRICT NO. 1 EXHIBIT C-1	DATE: 5/6/21
		SHEET: 1 OF 1

Q:\DEN\Projects\0898-00-Windler Metro Districts\Design\Survey\dwg\District Parcels.dwg

ORDINANCE NO. 2021- _____

A BILL

FOR AN ORDINANCE OF THE CITY OF AURORA, COLORADO, ORGANIZING WINDLER BUSINESS IMPROVEMENT DISTRICT NO. 2; PROVIDING FOR AN ELECTION OF THE BOARD OF DIRECTORS OF THE DISTRICT; AND APPROVING THE 2021 OPERATING PLAN AND BUDGET FOR THE DISTRICT

WHEREAS, the City Council of the City of Aurora, Colorado (the “**City Council**”), has received a Petition for the Organization of Windler Business Improvement District No. 2 (the “**Petition**”) within the City; and

WHEREAS, based upon the Petition and other evidence presented to the City Council, the Petition has been signed in conformity with the Business Improvement District Act, Colo. Rev. Stat. § 31-25-1201, *et seq.*, (the “**Act**”), the signature on the Petition are genuine, and the signature of the petitioner represents the owner of one hundred percent (100%) of the taxable real or personal property in the service area of the proposed Windler Business Improvement District No. 2 (the “**District**”); and

WHEREAS, the petitioner has also caused a copy of the District's 2021 Operating Plan and Budget (the “**Operating Plan**”) to be submitted at the same time as the Petition; and

WHEREAS, all non-commercial properties within the boundaries of the District, if any, as required by § 31-25-1208, C.R.S., are excluded; and

WHEREAS, the commercial property owners of the District request that the City Council designate the territory within the service area of the District as a location for new business or commercial development under § 31-25-1203(10), C.R.S.; and

WHEREAS, the Petition contains the items required by the Act including, among other things:

(a) The name of the District, which is to be “Windler Business Improvement District No. 2”; and

(b) A general description of the boundaries and service area of the District is approximately 1 acres of vacant land located west of Harvest Road, north of E. 42nd Avenue, south of E. 56th Avenue and east of E-470, City of Aurora, Adams County, Colorado. The District's boundaries are the territory of the commercial property, as defined in the Act, within the above service area; and

(c) A general description of the types of services or improvements or both to be provided by the District; and

(d) The names of three persons to represent the petitioner, who have the power to enter into agreements relating to the organization of the District; and

(e) A request that the City Council appoint the initial members of the Board of Directors (the "**Board**") pursuant to § 31-25-1209(1)(b), C.R.S., and provide for an election of subsequent members of the Board of Directors of the District pursuant to § 31-25-1209(1)(d), C.R.S.; and

(f) A request that City Council approve the Operating Plan; and

(g) A request that City Council approve the organization of the District; and

WHEREAS, sufficient genuine signatures exist on the Petition of persons who are qualified to sign such Petition; and

WHEREAS, City Council has determined that the allegations of the Petition are true; and

WHEREAS, the Petition provided that, upon the request of the City, the petitioners for the District will execute a bond or provide a cash deposit sufficient to cover all expenses anticipated to be incurred by the City in connection with the proceedings in case the organization of the District is not effected; and

WHEREAS, the service area of the District is entirely within the City and is a location for new business or commercial development; and

WHEREAS, a legal description, and a map of the service area and boundaries of the District is attached hereto as **Exhibit A** and is incorporated herein by reference; and

WHEREAS, City Council has determined that the types of services or improvements to be provided by the District are of the type which best satisfy the purposes of the Act; and

WHEREAS, the City Council has held and concluded a public hearing on the matter following due notice of such hearing as required by law.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO:

Section 1. Pursuant to its authority to organize business improvement districts under the Act, and specifically § 31-25-1207(5), C.R.S., the City Council, as the governing body of the City, hereby adjudicates all questions of jurisdiction to find that jurisdiction is vested in the City Council to organize the business improvement district described in the Petition submitted by the petitioners for the District.

Section 2. The City Council hereby declares the organization of the District in a

location designated by the City Council as location for new business or commercial development, which shall have the service area and boundaries set forth in the attached Exhibit A.

Section 3. The District shall be a quasi-municipal corporation and political subdivision of the State of Colorado with all powers and responsibilities thereof. The District shall hereafter have the corporate name specified in the Petition: “Windler Business Improvement District No. 2.”

Section 4. Pursuant to § 31-25-1209(1)(b), C.R.S., the City Council may appoint the initial members of the Board. The initial Board will have five (5) members and each member shall be an elector of the District, as that term is defined in § 31-25-1203(4)(a). The City Council hereby appoints the following members of the Board of the District:

- 1) Christopher H. Fellows;
- 2) Dustin Anderson;
- 3) Timothy O’Connor;
- 4) Vacant; and
- 5) Vacant.

Subsequent members of the Board will be elected at regular elections, pursuant to C.R.S. § 31-25-1209(1)(d), and thereafter at regular elections pursuant to the laws of the State of Colorado and the Operating Plan. The term of office for the members shall be four (4) years and as otherwise provided pursuant to article 1 of title 32, C.R.S. Within thirty (30) days after a vacancy occurs, a successor shall be appointed by resolution of City Council to serve until the next regular election.

Section 5. Each member, within thirty (30) days after his or her election or appointment to fill a vacancy, except for good cause shown, shall appear before an officer authorized to administer oaths and take an oath that he or she will faithfully perform the duties of his or her office as required by law and will support the constitution of the United States, the constitution of the state of Colorado, and the laws made pursuant thereto. The Board shall carry out the responsibilities required of such Board by the Act and other applicable law.

Section 6. In accordance with § 31-25-1211, C.R.S., the Operating Plan is hereby approved. Beginning in 2022 (for use in 2023), an annual Operating Plan and Budget will be submitted to City Council, with a copy to the designated municipal official, on or before September 30th of each year, in accordance with § 31-25-1211, C.R.S. The review, processing and approval of the budget is subject to fees as approved by the City of Aurora.

Section 7. The Board shall file its future operating plans and budgets and amendments thereto with the City Clerk for the approval of the City Council as provided in § 31-25-1211, C.R.S..

Section 8. The actions of the City Clerk, petitioners, and designated election official in selling and providing public notice of the public hearing on the Petition are hereby ratified and

confirmed.

Section 9. The City Council hereby approves the Intergovernmental Agreement between the City of Aurora Colorado and the District, as presented in this meeting, with such technical variations, additions, or deletions therein as the City Attorney shall deem necessary or appropriate, and not inconsistent with the approval thereof by this Ordinance.

Section 10. Any subsequent amendments to the Agreement approved at this meeting shall be in writing, and shall require approval by Resolution of the City Council.

Section 11. All acts, orders, resolutions, ordinances, or parts thereof, in conflict with this Ordinance are hereby repealed, except that this section shall not be construed so as to revive any act, order, resolution, or ordinance, or part thereof previously repealed.

Section 12. Pursuant to Section 5-5 of the City Charter, the second publication of this ordinance shall be by reference, utilizing the ordinance title. Copies of this Ordinance are available at the Office of the City Clerk.

INTRODUCED, READ AND ORDERED PUBLISHED this 23rd day of August 2021.

PASSED AND ORDERED PUBLISHED BY REFERENCE this 13th day of September 2021.

MIKE COFFMAN, Mayor

ATTEST:

KADEE RODRIGUEZ, City Clerk

APPROVED AS TO FORM:

NANCY RODGERS, Deputy City Attorney

Exhibit A
Windler Business Improvement District No. 2 Boundaries

A-3

NW 1/4, SECTION 18, TOWNSHIP 3 SOUTH, RANGE 65 WEST 6th P.M.
-----CITY OF AURORA, COUNTY OF ADAMS, STATE OF COLORADO-----

PROPERTY DESCRIPTION

A PARCEL OF LAND BEING A PORTION OF THE NORTHWEST QUARTER OF SECTION 18, TOWNSHIP 3 SOUTH, RANGE 65 WEST OF THE 6TH PRINCIPAL MERIDIAN, CITY OF AURORA, COUNTY OF ADAMS, STATE OF COLORADO AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEARINGS ARE ASSUMED AND ARE BASED ON THE NORTH LINE OF THE NORTHWEST QUARTER OF SECTION 18, TOWNSHIP 3 SOUTH, RANGE 65 WEST OF THE 6TH PRINCIPAL MERIDIAN AS BEARING N89°19'42"E A DISTANCE OF 2608.00 FEET BETWEEN THE NORTHWEST CORNER OF SAID SECTION 18 BEING MONUMENTED BY A #6 REBAR WITH 3-1/4" ALUMINUM CAP STAMPED: PLS 24313 AND THE NORTH QUARTER CORNER OF SAID SECTION 18 BEING MONUMENTED BY A #6 REBAR WITH A 2-1/2" ALUMINUM CAP STAMPED: PLS 38058.

COMMENCING AT SAID NORTH QUARTER CORNER OF SECTION 18;
THENCE S68°19'07"W A DISTANCE OF 2739.01 FEET TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF HIGHWAY E-470 RECORDED IN BOOK 5849 AT PAGE 596 IN THE OFFICE OF THE ADAMS COUNTY CLERK AND RECORDER, SAID POINT BEING THE **POINT OF BEGINNING**;
THENCE S85°53'59"E A DISTANCE OF 75.00 FEET;
THENCE S04°06'01"W A DISTANCE OF 100.00 FEET;
THENCE N85°53'59"W A DISTANCE OF 75.00 FEET TO A POINT ON SAID EASTERLY RIGHT-OF-WAY LINE OF HIGHWAY E-470;
THENCE N04°06'01"E ALONG SAID EASTERLY RIGHT-OF-WAY LINE OF HIGHWAY E-470 A DISTANCE OF 100.00 FEET TO THE **POINT OF BEGINNING**.

CONTAINING 7,500 SQUARE FEET (0.172 ACRES), MORE OR LESS.



KENNETH G. OUELLETTE, P.L.S. 24673
DATE: MAY 6, 2021
JOB NO. 65420899
FOR AND ON BEHALF OF MERRICK & COMPANY



MERRICK®
5970 Greenwood Plaza Blvd., Greenwood Village, CO 80111
Telephone: 303-751-0741

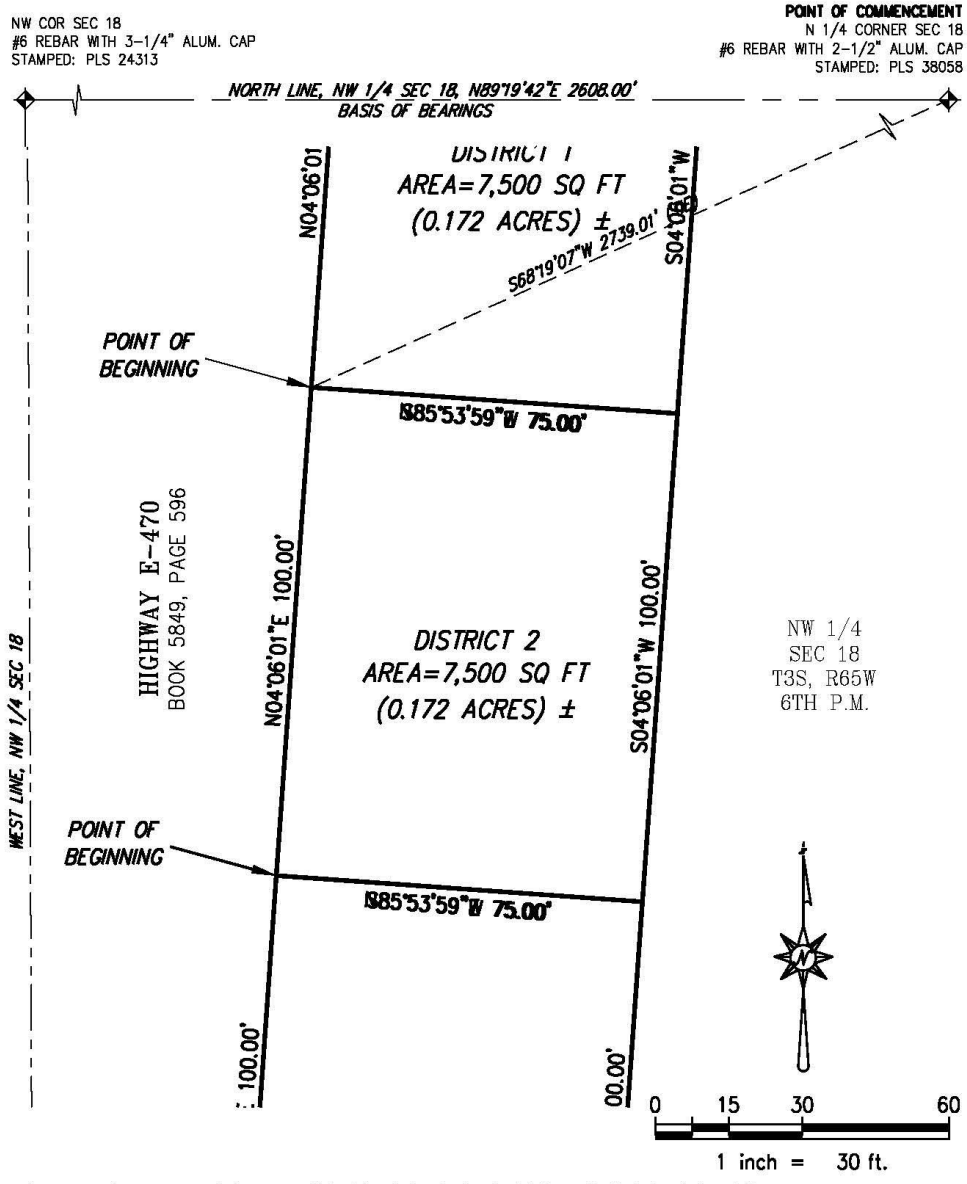
WINDLER BUSINESS IMPROVEMENT DISTRICT NO. 2
EXHIBIT A

DATE: 5/6/21

SHEET: 1 OF 1

Q:\DEN\Projects\0899-00-Windler Metro Districts\Design\Survey\dwg\District Parcels.dwg

ILLUSTRATION FOR A-3



This illustration does not represent a monumented survey. It is intended only to depict the attached legal description.

 MERRICK® 5970 Greenwood Plaza Blvd., Greenwood Village, CO 80111 Telephone: 303-751-0741	WINDLER BUSINESS IMPROVEMENT DISTRICT NO. 2 EXHIBIT C-1	DATE: 5/6/21

Q:\DEN\Projects\0898-00-Windler Metro Districts\Design\Survey\dwg\District Parcels.dwg



CITY OF AURORA

Council Agenda Commentary

Item Title: Information Technology Update
Item Initiator: Scott Newman, Chief Information Officer
Staff Source/Legal Source: Scott Newman, Chief Information Officer
Outside Speaker: N/A
Council Goal: 2012: 6.0--Provide a well-managed and financially strong City

COUNCIL MEETING DATES:

Study Session: N/A

Regular Meeting: N/A

ITEM DETAILS: Enter all applicable information from following list in the highlighted area below:

This item is to provide an update to the Management and Finance Policy Committee regarding IT project accomplishments YTD, upcoming milestones, and cybersecurity status.

ACTIONS(S) PROPOSED *(Check all appropriate actions)*

- Approve Item as proposed at Study Session Information Only
- Approve Item and Move Forward to Regular Meeting
- Approve Item as proposed at Regular Meeting
- Approve Item with Waiver of Reconsideration
Why is a waiver needed? [Click or tap here to enter text.](#)

PREVIOUS ACTIONS OR REVIEWS:

Policy Committee Name: Management & Finance

Policy Committee Date: 7/27/2021

Action Taken/Follow-up: *(Check all that apply)*

- Recommends Approval Does Not Recommend Approval

Forwarded Without Recommendation

Recommendation Report Attached

Minutes Attached

Minutes Not Available

HISTORY *(Dates reviewed by City council, Policy Committees, Boards and Commissions, or Staff. Summarize pertinent comments. ATTACH MINUTES OF COUNCIL MEETINGS, POLICY COMMITTEES AND BOARDS AND COMMISSIONS.)*

N/A

ITEM SUMMARY *(Brief description of item, discussion, key points, recommendations, etc.)*

Scott Newman, Chief Information Officer, will review the large IT initiatives completed YTD, review upcoming projects, and information related to cybersecurity in the City.

QUESTIONS FOR COUNCIL

This item is informational for Council only

LEGAL COMMENTS

The city charter requires that the city manager shall keep the council advised of the financial condition and future needs of the city and make such recommendations to the council for adoption as he may deem necessary or expedient. This item is informational only. (See, Aurora City Charter Art. 7-4 (f)). (Hernandez).

PUBLIC FINANCIAL IMPACT

YES NO

If yes, explain: N/A

PRIVATE FISCAL IMPACT

Not Applicable Significant Nominal

If Significant or Nominal, explain: N/A



CITY OF AURORA

Council Agenda Commentary

Item Title: Resolution to Enter Lease-Purchase Agreement for Software Renewal
Item Initiator: Scott Newman, Chief Information Officer
Staff Source/Legal Source: Scott Newman, Chief Information Officer / Kimberly Skaggs, Assistant City Attorney
Outside Speaker: N/A
Council Goal: 2012: 6.0--Provide a well-managed and financially strong City

COUNCIL MEETING DATES:

Study Session: 8/16/2021

Regular Meeting: 8/23/2021

ACTIONS(S) PROPOSED *(Check all appropriate actions)*

- Approve Item as proposed at Study Session Information Only
- Approve Item and Move Forward to Regular Meeting
- Approve Item as proposed at Regular Meeting
- Approve Item with Waiver of Reconsideration
Why is a waiver needed? To provide sufficient time to execute the agreement in advance of the contract renewal, the Information Technology department is requesting a waiver of reconsideration.

PREVIOUS ACTIONS OR REVIEWS:

Policy Committee Name: N/A

Policy Committee Date: N/A

Action Taken/Follow-up: *(Check all that apply)*

- Recommends Approval Does Not Recommend Approval
- Forwarded Without Recommendation Recommendation Report Attached
- Minutes Attached Minutes Not Available
-

HISTORY (Dates reviewed by City council, Policy Committees, Boards and Commissions, or Staff. Summarize pertinent comments. ATTACH MINUTES OF COUNCIL MEETINGS, POLICY COMMITTEES AND BOARDS AND COMMISSIONS.)

N/A

ITEM SUMMARY (Brief description of item, discussion, key points, recommendations, etc.)

The Information Technology department has an annual requirement to renew software licenses for the VMWare virtual server environment. This technology is required to run over 95% of the servers in use at the City. New licenses have been added over the years, resulting in multiple license renewals each calendar year, with an escalating annual cost. By entering a lease-purchase agreement, the Information Technology department can consolidate the renewals into a single renewal, and lock in the annual cost for the next 3 years. This will save the City over \$200,000 over the 3 year term. The proposed lease-purchase agreement requires an ordinance or resolution authorizing this agreement. Therefore, the Information Technology department is requesting Council approve entering the lease agreement through a formal resolution.

QUESTIONS FOR COUNCIL

Does Council wish to forward this item to the August 16th, 2021 Study Session?

LEGAL COMMENTS

The City is authorized pursuant to §31-15-801, C.R.S., as amended, the City's home rule powers, and Section 2-683 of the City Code to enter into long-term or short-term rental or leasehold agreements in order to provide necessary land, buildings, equipment, and other property for governmental or proprietary purposes, which agreements may include an option to purchase and acquire title to such leased or rented property. (Hernandez)

PUBLIC FINANCIAL IMPACT

YES NO

If yes, explain: The annual license renewal is budgeted in the General Fund, Servers and Systems 37020.

PRIVATE FISCAL IMPACT

Not Applicable Significant Nominal

If Significant or Nominal, explain: N/A

RESOLUTION NO. R2021-___

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF AURORA,
COLORADO, AUTHORIZING THE PURCHASE AND
ACQUISITION THROUGH A LEASE-PURCHASE AGREEMENT OF
VMWARE SOFTWARE LICENSING

WHEREAS, the City of Aurora, Colorado, (the “City”), is a home-rule municipality, organized and existing under Article XX, Section 6 of the Colorado Constitution and as such the City has authority to legislate and regulate its local affairs; and

WHEREAS, the Director of Information and Technology of the City (the “Director”) has identified and negotiated a Lease Agreement (the “Agreement”) to purchase software to maintain the City’s technology infrastructure; and

WHEREAS, it is the role of the City Council of the City to authorize the purchase and lease of property to provide for the needs of the City’s technological infrastructure and to that effect the City has appropriated sufficient sums to cover the cost of the initial lease payments; and

WHEREAS, the City Council finds and determines that it is in the best interests of the City and its citizens to authorize the Director to purchase the equipment needed for the purposes established in this resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AURORA, COLORADO:

Section 1. The City Council hereby authorizes the Director to enter into a Lease Purchase Agreement, subject to annual appropriation, for the lease and purchase of the necessary equipment and/or software to cover the City’s needs for the City’s technology infrastructure. The Agreement is hereby attached to this resolution as Exhibit A, presented at this meeting, and is hereby approved with such technical additions, deletions, and variations as the City Attorney may deem necessary or appropriate and not inconsistent with this Resolution.

Section 2. All resolutions or parts of resolutions of the City of Aurora, Colorado, in conflict herewith are hereby rescinded.

Section 3. Any reconsideration of this Resolution by the City Council of the City is hereby waived.

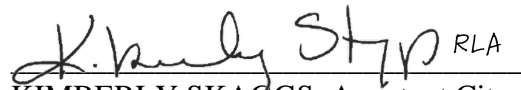
RESOLVED AND PASSED this _____ day of _____, 2021.

MIKE COFFMAN, Mayor

ATTEST:

KADEE RODRIGUEZ, City Clerk

APPROVED AS TO FORM:

^{RLA}
KIMBERLY SKAGGS, Assistant City Attorney

DOCUMENTATION INSTRUCTIONS FOR LEASE NUMBER 500-50294217

The instructions listed below should be followed when completing the enclosed documentation. Documentation completed improperly will delay funding. If you have any questions regarding the instructions or the documentation, please call us.

EXCEPT AS NOTED, ALL SIGNATURES MUST BE BY THE PERSON OR PERSONS AUTHORIZED IN LESSEE'S RESOLUTION.

I. LEASE PURCHASE AGREEMENT

a. Terms and Conditions

- Print name, title, sign and date
- Another authorized officer must attest the signature – must be signed by other than lease signor

b. Tax Designation and Covenants – The purpose of this document is to determine if the Tax-Exempt Lease Purchase Agreement meets the requirements for "Bank Qualification" under Section 265(b)(3)(B) of the Internal Revenue Code. How the Lessee answers the questions will not impact the current transaction; however, it does allow for proper categorization of the obligation and accurate reporting to the Internal Revenue Service.

- Initial as appropriate

c. Opinion of Counsel

- Lessee's legal counsel must sign, date and type in their name, the name of the firm, address and telephone number.

II. EXHIBIT A – PAYMENT SCHEDULE

- Print name, title, sign and date

III. EXHIBIT B – EQUIPMENT DESCRIPTION — (WHEN PROVIDED)

- Print name, title, sign and date

IV. INCUMBENCY CERTIFICATE

To be signed by a person other than the person who signed the agreement and related Documents.

V. STATE SPECIFIC ADDENDA – Required for: AR, AZ, CO, FL, GA, KS, LA, MI, MN, MS, NC, NJ, NY, OH, OK, and TX.

- Print name, title, sign and date. Attest where required

VI. ACCEPTANCE CERTIFICATE – PLEASE RETAIN UNTIL ALL EQUIPMENT HAS BEEN RECEIVED AND IS IN FULL WORKING ORDER

- Print name, title, sign and date

VII. 8038 - IRS FORM

The enclosed form is a SAMPLE only. The actual 8038G or GC will be completed and sent to you for your signature after closing, with instructions to return the original to us at your earliest convenience. This is being done in accordance with the Internal Revenue Service regulations and is a requirement of this financing.

VIII. ADDITIONAL DOCUMENTATION THAT MUST BE SENT PRIOR TO FUNDING — (WHEN APPLICABLE) :

- Resolution** of governing body approving the purchase of the equipment and the resolution ratifying the financing. (Note: If the purchase resolution and financing were done in one resolution that is sufficient.)
- Vendor invoice** listing customer as both bill to and ship to party (to be provided by vendor)
- Advance payment check** made payable to DEL AGE LANDEN PUBLIC FINANCE LLC
- Completed Billing Information form**
- State sales tax exemption certificate**
- Original documents**
- Escrow Agreement** – Return signed Escrow Agreement Incumbency Certificate & Lessee W9
- MUNICIPAL AUTHORIZATION
- _____

ALL DOCUMENTATION SHOULD BE RETURNED TO:

Lease Processing Center, 1111 Old Eagle School Road, Wayne, PA 19087 • 800-736-0220

Attn: JOY WILLIAMS

Email: JWILLIAMS@LEASEDIRECT.COM

DEL AGE LANDEN PUBLIC FINANCE LLC

- Check here if your billing or Equipment Location has changed or is incorrect.
Please note changes on the reverses side.
Payment sent without a copy of this invoice may be subject to a delay in processing.

INVOICE #: FIRST PAYMENT
 REFERENCE #: 500-50294217
 CUSTOMER #: AURORA
 DUE DATE: 8/27/21
 TOTAL DUE: \$183,737.97

- Please do not send correspondence to this address.
- **Send payment for this Invoice to:**
 DEL AGE LANDEN PUBLIC FINANCE LLC
 REF# 500-50294217
 1111 OLD EAGLE SCHOOL ROAD
 WAYNE, PA 19087

- **All future payments must be paid to the following Lockbox:**
 DEL AGE LANDEN PUBLIC FINANCE LLC
 LOCKBOX PO BOX 41602
 PHILADELPHIA, PA 19101

INVOICE DATE	INVOICE #	REFERENCE #	CUSTOMER
7/27/21	FIRST PAYMENT	500-50294217	AURORA
P.O. NUMBER		EQUIPMENT DESCRIPTION	
		SEE BELOW	
EQUIPMENT LOCATION			

INVOICE

CUSTOMER SERVICE 800-935-9439

EQUIPMENT DESCRIPTION	DUE DATE	PAYMENT AMOUNT
FORST PAYMENT DUE ON LEASE # 500-50294217	8/27/21	\$183,737.97
TOTAL		\$183,737.97

FOR PROPER CREDIT, PLEASE SUBMIT A COPY OF THIS INVOICE WITH PAYMENT.

De Lage Landen Public Finance LLC

1111 Old Eagle School Rd
Wayne, PA 19087

Lease Purchase Agreement

DATED: JULY 14, 20 21

LESSEE	Full Legal Name City Of Aurora	Phone Number 303-739-7000
	DBA Name (if any)	
Billing Address 15151 E ALAMEDA PKWY	City AURORA	State CO
		Zip 80012

PROPERTY DESCRIPTION	Quantity	Model No. (if applicable)	Serial Number (if applicable)	General Description (describe equipment, software, maintenance, warranty, service and similar items being financed):
				SEE QUOTE # Q-04716 DATED 7/10/21
Location of Property (include the location of any tangible personal property financed and/or the location of any tangible personal property that will be using intangible property):				

VENDOR	Vendor Name SANITY SOLUTIONS	RENTAL PAYMENTS	Rental Payment Periods:	Rental Payments shall be made in accordance with Section 4.01 and the Schedule of Rental Payments attached hereto as Exhibit A.
	Address		<input type="checkbox"/> Monthly	
	City		<input type="checkbox"/> Quarterly	
	State		<input type="checkbox"/> Semiannually	
	Zip		<input checked="" type="checkbox"/> Annually	

TERMS & CONDITIONS

THE TERMS AND CONDITIONS OF THIS AGREEMENT SET FORTH ON PAGES TWO THROUGH FIVE, INCLUDING ANY EXHIBITS ATTACHED HERETO, SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS IF SET FORTH HERE.

LESSOR	Lessor DE LAGE LANDEN PUBLIC FINANCE LLC
	Signature
	Title
	Lease Number

LESSEE SIGNATURE	Lessee City Of Aurora
	Signature
	Title
	(Seal)
	Attest
	Title

(Terms and Conditions continued on the reverse side of this Agreement.)

TAX DESIGNATIONS AND COVENANTS

Bank Qualification: Lessee initial here if this provision is applicable: _____
If not initialed, this provision does NOT apply to this Agreement.

(a) Lessee hereby designates this Agreement as a "qualified tax-exempt obligation" as defined in Section 265(b)(3)(B) of the Code. The aggregate face amount of all tax-exempt obligations (excluding private activity bonds other than qualified 501(c)(3) bonds) issued or to be issued by Lessee and all subordinate entities thereof during the calendar year during which the Commencement Date of this Agreement occurs, including this Agreement, is not reasonably expected to exceed \$10,000,000.

(b) Lessee hereby covenants that Lessee and all subordinate entities thereof will not issue in excess of \$10,000,000 of "qualified tax-exempt obligations" (including this Agreement but excluding private activity bonds other than qualified 501(c)(3) bonds) during the calendar year during which the Commencement Date of this Agreement occurs without first obtaining an opinion of nationally recognized counsel in the area of tax-exempt obligations of state and local governments acceptable to Lessor that the designation of this Agreement as a "qualified tax-exempt obligation" will not be adversely affected.

OPINION OF COUNSEL	As legal counsel of Lessee, I have examined (a) the Agreement, which, among other things provides for the sale to and purchase by the Lessee of the Property, (b) an executed counterpart of the ordinance or resolution of Lessee which, among other things, authorizes Lessee to execute the Agreement and (c) such other opinions, documents and matters of law as I have deemed necessary in connection with the following opinions. Based on the foregoing, I am of the following opinions: (1) Lessee is a public body corporate and politic, duly organized and existing under the laws of the State, and has a substantial amount of one or more of the following sovereign powers: (a) the power to tax, (b) the power of eminent domain, and (c) police power; (2) Lessee has the requisite power and authority to purchase the Property and to execute and deliver the Agreement and to perform its obligations under the Agreement; (3) the Agreement and the other documents either attached thereto or required therein have been duly authorized, approved and executed by and on behalf of Lessee, and the Agreement is a valid and binding obligation of Lessee enforceable in accordance with its terms, except to the extent limited by applicable bankruptcy, insolvency, reorganization or other laws affecting creditor's rights generally; (4) the authorization, approval and execution of the Agreement and all other proceedings of Lessee relating to the transactions contemplated thereby have been performed in accordance with all open meeting laws, public bidding laws and all other applicable state and federal laws; and (5) there is no proceeding pending or threatened in any court or before any governmental authority or arbitration board or tribunal that, if adversely determined, would adversely affect the transactions contemplated by the Agreement. All capitalized terms herein shall have the same meanings as in the Agreement. Lessor, its successors and assigns, and any counsel rendering an opinion on the tax-exempt status of the interest components of Rental Payments are entitled to rely on this opinion.			
	Signature	Date		
	Name	Phone Number		
	Address	City	State	Zip

ARTICLE I

Section 1.01. Definitions. The following terms will have the meanings indicated below unless the context clearly requires otherwise:

"Agreement" means this Lease Purchase Agreement and any other schedule, exhibit or escrow agreement made a part hereof by the parties hereto, together with any amendments to the Agreement.

"Capital Expenditures" means costs of a type that are properly chargeable to a capital account under general federal income tax principles in effect at the time the cost is paid, or would be so chargeable with a proper election or with the placed-in-service date considered to be the date on which, based on all facts and circumstances, (a) the facility has reached a degree of completion that would permit its operation at substantially its design level and (b) the facility is, in fact, in operation at such level.

"Code" means the Internal Revenue Code of 1986, as amended.

"Commencement Date" is the date when the term of this Agreement and Lessee's obligation to pay rent commence, which date shall be the earlier of (i) the date on which the Property is accepted by Lessee in the manner described in Section 5.01, or (ii) the date on which sufficient moneys to purchase the Property are deposited by Lessor for that purpose with an escrow agent.

"Event of Default" means an Event of Default described in Section 12.01.

"Issuance Year" is the calendar year in which the Commencement Date occurs.

"Lease Term" means the Original Term and all Renewal Terms, but ending on the occurrence of the earliest event specified in Section 3.02.

"Lessee" means the entity described as such on the front of this Agreement, its successors and its assigns.

"Lessor" means the entity described as such on the front of this Agreement, its successors and its assigns.

"Maximum Lease Term" means the Original Term and all Renewal Terms through the Renewal Term including the last Rental Payment date set forth on the Payment Schedule.

"Net Proceeds" means the amount remaining from the gross proceeds of any insurance claim or condemnation award after deducting all expenses (including attorneys' fees) incurred in the collection of such claim or award.

"Original Term" means the period from the Commencement Date until the end of the fiscal year of Lessee in effect at the Commencement Date.

"Payment Schedule" means the schedule of Rental Payments and Purchase Price set forth on Exhibit A.

"Property" means the equipment, software, maintenance, warranty, service and similar items being financed by this Agreement as described on the front of this Agreement, and all replacements, substitutions, updates, upgrades, repairs, restorations, modifications, attachments, accessions, additions and improvements thereof or thereto, as applicable.

"Purchase Price" means the amount set forth on the Payment Schedule as the Purchase Price for the Property.

"Renewal Terms" means the optional renewal terms of this Agreement, each having a duration of one year and a term co extensive with Lessee's fiscal year.

"Rental Payment Period" means the period beginning on the day a Rental Payment is due and ending the day before the next Rental Payment is due. The first Rental Payment Period shall begin on the Commencement Date in all cases. If Rental Payment Periods are monthly, subsequent Rental Payment Periods shall begin on the same day of each month after the Commencement Date. If Rental Payment Periods are quarterly, subsequent Rental Payment Periods shall begin on the same day of each third month after the Commencement Date. If Rental Payment Periods are semiannual, subsequent Rental Payment Periods shall begin on the same day of each sixth month after the Commencement Date. If Rental Payment Periods are annual, subsequent Rental Payment Periods shall begin on the anniversary of the Commencement Date in each year. If the Commencement Date is the 29th, 30th, or 31st day of a month, any subsequent Rental Payment Period that would otherwise begin on the 29th, 30th or 31st of a month that does not include such a date shall begin on the last day of the month.

"Rental Payments" means the basic rental payments payable by Lessee pursuant to Section 4.01.

"State" means the state in which Lessee is located.

"Vendor" means the manufacturer or supplier of the Property as well as the agents or dealers of the manufacturer or supplier of the Property, as listed on the front of this Agreement.

ARTICLE II

Section 2.01. Representations and Covenants of Lessee. Lessee represents, warrants and covenants for the benefit of Lessor as follows:

(a) Lessee is a municipal corporation and political subdivision duly organized and existing under the constitution and laws of the State. Lessee will do or cause to be done all things to preserve and keep in full force and effect its existence as a body corporate and politic. Lessee is a political subdivision of the State within the meaning of Section 103(a) of the Code or a constituted authority authorized to issue obligations on behalf of a state or local governmental unit within the meaning of the regulations promulgated pursuant to said Section of the Code.

(b) Lessee is authorized under the constitution and laws of the State to enter into this Agreement and the transaction contemplated hereby and to perform all of its obligations hereunder.

(c) Lessee has been duly authorized to execute and deliver this Agreement by proper action and approval of its governing body at a meeting duly called, regularly convened and attended throughout by a requisite majority of the members thereof or by other appropriate official approval.

(d) This Agreement constitutes the legal, valid and binding obligation of the Lessee enforceable in accordance with its terms, except to the extent limited by applicable bankruptcy, insolvency, reorganization or other laws affecting creditors' rights generally.

(e) No event or condition that constitutes, or with the giving of notice or the lapse of time or both would constitute, an Event of Default exists at the Commencement Date.

(f) Lessee has, in accordance with the requirements of law, fully budgeted and appropriated sufficient funds for the current fiscal year to make the Rental Payments scheduled to come due during the Original Term and to meet its other obligations for the Original Term, and such funds have not been expended for other purposes.

(g) Lessee will do or cause to be done all things necessary to preserve and keep in full force and effect its existence as a body corporate and politic.

(h) Lessee has complied with such public bidding requirements as may be applicable to this Agreement and the acquisition by Lessee of the Property hereunder.

(i) There is no action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, public board or body, pending or threatened against or affecting the Lessee, or to the best knowledge of the Lessee is there any basis therefor, wherein an unfavorable decision, ruling or finding

would materially adversely affect the transactions contemplated by this Agreement or any other document, agreement or certificate which is used or contemplated for use in the consummation of the transactions contemplated by this Agreement or materially adversely affect the financial condition or properties of Lessee.

(j) All authorizations, consents and approvals of governmental bodies or agencies required in connection with the execution and delivery by the Lessee of this Agreement or in connection with the carrying out by the Lessee of its obligations hereunder have been obtained.

(k) The entering into and performance of this Agreement or any other document or agreement contemplated hereby to which the Lessee is or is to be a party will not violate any judgment, order, law or regulation applicable to the Lessee or result in any breach of, or constitute a default under, or result in the creation of any lien, charge, security interest of other encumbrance on any assets of the Lessee or the Property pursuant to any indenture, mortgage, deed of trust, bank loan or credit agreement or other instrument to which the Lessee is a party or by which it or its assets may be bound, except as herein provided.

(l) The Property is essential to the function of the Lessee or to the service Lessee provides to its citizens. The Lessee has an immediate need for, and expects to make immediate use of, substantially all the Property, which need is not temporary or expected to diminish in the foreseeable future. The Property will be used by Lessee only for the purpose of performing one or more of Lessee's governmental or proprietary functions consistent with the permissible scope of Lessee's authority and will not be used in the trade or business of any other entity or person.

(m) Lessee will comply with all applicable provisions of the Code, including without limitation Sections 103 and 148 thereof, and the applicable regulations of the United States Treasury Department to maintain the exclusion of the interest components of Rental Payments from gross income for purposes of federal income taxation.

(n) Lessee has never failed to appropriate or otherwise make available funds sufficient to pay rental or other payments coming due under any lease purchase, installment sale or other similar agreement.

(o) All the costs of acquiring the Property, including amounts attributable to the financing of software, maintenance, warranty and similar items, are consistently treated as Capital Expenditures by the Lessee on its books and records. All proceeds of this Agreement will be used, directly or indirectly, to finance Capital Expenditures or, to the extent permitted by law, de minimis expenditures for certain specified purposes.

(p) Lessee has received written assurance from Vendor that with respect to the portion of the Property being prepaid, the same maintenance, repair, extended warranty, updates or maintenance or support services, as applicable, are regularly provided to nongovernmental persons on the same terms.

Section 2.02. Certification as to Arbitrage. Lessee hereby represents as follows:

(a) The estimated total costs of the Property will not be less than the total principal portion of the Rental Payments.

(b) The Property has been ordered or is expected to be ordered within six months of the Commencement Date, and the Property is expected to be delivered and installed, and the Vendor fully paid, within one year of the Commencement Date.

(c) Lessee has not created or established, and does not expect to create or establish, any sinking fund or other similar fund (i) that is reasonably expected to be used to pay the Rental Payments, or (ii) that may be used solely to prevent a default in the payment of the Rental Payments.

(d) The Property has not been and is not expected to be sold or otherwise disposed of by Lessee, either in whole or in major part, prior to the last maturity of the Rental Payments.

(e) To the best of our knowledge, information and belief, the above expectations are reasonable.

ARTICLE III

Section 3.01. Lease of Property. Lessor hereby demises, leases and lets the Property to Lessee, and Lessee rents, leases and hires the Property from Lessor, in accordance with the provisions of this Agreement, for the Lease Term. The Original Term of this Agreement shall commence on the Commencement Date and shall terminate on the last day of Lessee's current fiscal year. The Lease Term may be continued at the end of the Original Term or any Renewal Term for an additional Renewal Term up to the Maximum Lease Term; provided, however, that at the end of the Original Term and at the end of each Renewal Term until the Maximum Lease Term has been completed, Lessee shall be deemed to have continued this Agreement for the next Renewal Term unless Lessee shall have terminated this Agreement pursuant to Section 3.04 or Section 10.01. The terms and conditions during any Renewal Term shall be the same as the terms and conditions during the Original Term, except that the Rental Payments shall be as provided in the Payment Schedule.

Section 3.02. Termination of Lease Term. The Lease Term shall terminate upon the earliest of any of the following events:

(a) the expiration of the Original Term or any Renewal Term and the nonrenewal of this Agreement in the event of nonappropriation of funds pursuant to Section 3.04;

(b) the exercise by Lessee of the option to purchase the Property under Article X and payment of the Purchase Price and all amounts payable in connection therewith;

(c) a default by Lessee and Lessor's election to terminate this Agreement under Article XII; or

(d) the payment by Lessee of all Rental Payments authorized or required to be paid by Lessee hereunder during the Maximum Lease Term.

Section 3.03. Continuation of Lease Term. Lessee currently intends, subject to Section 3.04, to continue the Lease Term through the Original Term and all of the Renewal Terms and to pay the Rental Payments hereunder. Lessee reasonably believes that legally available funds in an amount sufficient to make all Rental Payments during the Original Term and each of the Renewal Terms can be obtained. The responsible financial officer of Lessee shall do all things lawfully within his or her power to obtain and maintain funds from which the Rental Payments may be made, including making provision for such Rental Payments to the extent necessary in each proposed annual budget submitted for approval in accordance with applicable procedures of Lessee and to exhaust all available reviews and appeals in the event such portion of the budget is not approved. Notwithstanding the foregoing, the decision whether or not to budget or appropriate funds or to extend this Agreement for any Renewal Term is solely within the discretion of the then current governing body of Lessee.

Section 3.04. Nonappropriation. Lessee is obligated only to pay such Rental Payments under this Agreement as may lawfully be made from funds budgeted and appropriated for that purpose during Lessee's then current fiscal year. In the event sufficient funds shall not be appropriated or are not otherwise legally available to pay the Rental Payments required to be paid in the next occurring Renewal Term, as set forth in the Payment Schedule, this Agreement shall be deemed to be terminated at the end of the then current Original Term or Renewal Term. Lessee agrees to deliver written notice to Lessor of such termination at least 90 days prior to the end of the then current Original Term or Renewal Term, but failure to give such notice shall not extend the Lease Term beyond such Original Term or

Renewal Term. If this Agreement is terminated in accordance with this Section, Lessee's rights to the Property will simultaneously terminate and Lessee agrees, at Lessee's cost and expense, (a) to immediately discontinue use of the Property, (b) to return to Lessor any portion of the Property constituting tangible personal property, (c) to remove any intangible Property from Lessee's property and terminate access to and use of such Property, whether such Property is installed on premises or accessed remotely or by internet connection and, as applicable, deliver or otherwise release the same to Vendor at the location or locations specified by Vendor, and (d) within 30 days of any such termination, to deliver a certificate to Lessor certifying that Lessee has complied with this sentence.

ARTICLE IV

Section 4.01. Rental Payments. Lessee shall pay Rental Payments exclusively from legally available funds, in lawful money of the United States of America to Lessor on the dates and in the amounts set forth on the Payment Schedule. Any Rental Payment not received on or before its due date shall bear interest at the rate of 18% per annum or the maximum amount permitted by law, whichever is less, from its due date. As set forth on the Payment Schedule, a portion of each Rental Payment is paid as, and represents payment of, interest.

Section 4.02. Rental Payments to Constitute a Current Expense of Lessee. The obligation of Lessee to pay Rental Payments hereunder shall constitute a current expense of Lessee, and does not constitute a mandatory payment obligation of Lessee in any fiscal year beyond the then current fiscal year of Lessee. Lessee's obligation hereunder shall not in any way be construed to be a debt of Lessee in contravention of any applicable constitutional or statutory limitation or requirement concerning the creation of indebtedness by Lessee, nor shall anything contained herein constitute a pledge of the general credit, tax revenues, funds or moneys of Lessee.

Section 4.03. Rental Payments To Be Unconditional. EXCEPT AS PROVIDED IN SECTION 3.04, THE OBLIGATIONS OF LESSEE TO MAKE RENTAL PAYMENTS AND TO PERFORM AND OBSERVE THE OTHER COVENANTS AND AGREEMENTS CONTAINED HEREIN SHALL BE ABSOLUTE AND UNCONDITIONAL IN ALL EVENTS WITHOUT ABATEMENT, DIMINUTION, DEDUCTION, SET-OFF OR DEFENSE, FOR ANY REASON, INCLUDING WITHOUT LIMITATION ANY FAILURE OF THE PROPERTY TO BE DELIVERED OR INSTALLED, ANY DEFECTS, MALFUNCTIONS, BREAKDOWNS OR INFIRMITIES IN THE PROPERTY OR ANY ACCIDENT, CONDEMNATION OR UNFORESEEN CIRCUMSTANCES.

ARTICLE V

Section 5.01. Delivery, Installation and Acceptance of the Property. Lessee shall (a) order the Property, (b) cause any portion of the Property constituting tangible personal property to be delivered and installed at the location specified on the front of this Agreement, (c) cause any intangible Property to be accessible from Lessee's computers, servers and other electronic equipment, either by installing the software directly on premises or providing remote access thereto, and (d) pay any and all delivery, installation and other costs in connection therewith. When the Property has been delivered and installed or is otherwise accessible by the Lessee, Lessee shall immediately accept the Property and evidence said acceptance by executing and delivering to Lessor an acceptance certificate acceptable to Lessor. After it has been installed, any portion of the Property constituting tangible personal property and any computers, servers and other electronic equipment using intangible Property will not be moved from the location specified on the front of this Agreement without Lessor's consent, which consent shall not be unreasonably withheld.

Section 5.02. Enjoyment of Property. Lessee shall peaceably and quietly have and hold and enjoy the Property during the Lease Term, without suit, trouble or hindrance from Lessor, except as otherwise expressly set forth in this Agreement.

Section 5.03. Right of Inspection. Lessor shall have the right at all reasonable times during regular business hours to enter into and upon the property of Lessee for the purpose of inspecting any portion of the Property constituting tangible personal property.

Section 5.04. Use and Maintenance of the Property. Lessee will not install, use, operate or maintain the Property improperly, carelessly, in violation of any licensing or other agreement, or in violation of any applicable law or in a manner contrary to that contemplated by this Agreement. Lessee shall obtain all permits and licenses, if any, necessary for the installation, use, operation and maintenance of the Property. In addition, Lessee shall comply in all respects with all applicable laws, regulations and rulings of any legislative, executive, administrative or judicial body; provided that Lessee may contest in good faith the validity or application of any such law, regulation or ruling in any reasonable manner that does not, in the opinion of Lessor, adversely affect the interest or rights of Lessor under this Agreement. Lessee agrees that it will, at Lessee's own cost and expense, maintain, preserve and keep the Property in good repair, working order and condition and install all updates, upgrades, improvements and additions to the Property made available to it by Vendor. Lessor shall have no responsibility to maintain or repair or to provide or make updates, upgrades, improvements or additions to the Property.

ARTICLE VI

Section 6.01. Title to the Property. During the Lease Term, title to the Property shall vest in Lessee, subject to the provisions of this Agreement and any applicable license or other agreement. Upon any termination of this Agreement pursuant to Sections 3.02(a) or Section 3.02(c), Lessee's title shall immediately and without any action by Lessee terminate. Upon any termination of the Agreement pursuant to Sections 3.02(b) or 3.02(d), title to the Property shall be vested in Lessee, free and clear of any claim by or through Lessor.

Section 6.02. UCC FILINGS. Lessee authorizes Lessor to file a financing statement with respect to the Property.

ARTICLE VII

Section 7.01. Liens, Taxes, Other Governmental Charges and Utility Charges. Lessee shall keep the Property free and clear of all liens, charges and encumbrances, except those created under this Agreement. The parties to this Agreement contemplate that the Property will be used for a governmental or proprietary purpose of Lessee and, therefore, that the Property will be exempt from all property taxes and other similar charges. If the licensing, use, possession or acquisition of the Property is found to be subject to taxation in any form, Lessee will pay all taxes and governmental charges lawfully assessed or levied against or with respect to the Property. Lessee shall pay all utility and other charges incurred in the use and maintenance of the Property. Lessee shall pay such taxes and charges as the same become due; provided that, with respect to any such taxes and charges that may lawfully be paid in installments over a period of years, Lessee shall be obligated to pay only such installments that accrue during the Lease Term.

Section 7.02. Insurance. At its own expense, Lessee shall maintain (a) casualty insurance insuring any portion of the Property constituting tangible personal property against loss or damage by fire and all other risks covered by the standard extended coverage endorsement then in use in the State and any other risks reasonably required by Lessor in an amount at least equal to the then applicable Purchase Price of the Property, (b) liability insurance that protects Lessor from liability in all events in form and amount satisfactory to Lessor, and (c) workers' compensation coverage as required by the laws of the State; provided that, with Lessor's prior written consent, Lessee may self insure against the risks described in clauses (a) and (b). All insurance proceeds from casualty losses shall be payable as hereinafter provided. Lessee shall furnish to Lessor certificates evidencing such coverage throughout the Lease Term, as applicable. All such casualty and liability insurance shall be with insurers that are acceptable to Lessor, shall name Lessor as a loss payee and an additional insured, respectively, and shall contain a provision to the effect that such insurance shall not be cancelled or modified materially without first giving written notice thereof to Lessor at least ten days in advance of such cancellation or modification. All such casualty insurance shall contain a provision making any losses payable to Lessee and Lessor, as their respective interests may appear.

Section 7.03. Advances. In the event Lessee shall fail to maintain the insurance required by this Agreement, pay the taxes or charges required to be paid by it under this Agreement or keep the Property in good repair and operating condition, Lessor may, but shall be under no obligation to, purchase the required policies of insurance and pay the cost of the premiums thereof, pay such taxes and charges and maintain and repair the Property and pay the cost thereof. All amounts so advanced by Lessor shall become additional rent for the then current Original Term or Renewal Term. Lessee agrees to pay such amounts with interest thereon from the date paid at the rate of 12% per annum or the maximum permitted by law, whichever is less.

Section 7.04. Financial Information. Lessee will annually provide Lessor with current financial statements, budgets, proofs of appropriation for the ensuing fiscal year and such other financial information relating to the ability of Lessee to continue this Agreement as may be requested by Lessor.

Section 7.05. Release and Indemnification. To the extent permitted by law, Lessee shall indemnify, protect and hold harmless Lessor from and against any and all liability, obligations, losses, claims and damages whatsoever, regardless of cause thereof, and expenses in connection therewith (including, without limitation, counsel fees and expenses and any federal income tax and interest and penalties connected therewith imposed on interest received) arising out of or as the result of (a) the entering into this Agreement, (b) the ownership of any item of the Property, (c) the ordering, licensing, acquisition, use, operation, condition, purchase, delivery, rejection, storage or return of any item of the Property, (d) any accident in connection with the licensing, operation, use, condition, possession, storage or return of any item of the Property resulting in damage to property or injury or death to any person or (e) the breach of any covenant herein or any material misrepresentation contained herein. The indemnification arising under this paragraph shall continue in full force and effect notwithstanding the full payment of all obligations under this Agreement or the termination of the Lease Term for any reason.

ARTICLE VIII

Section 8.01. Risk of Loss. Lessee assumes, from and including the Commencement Date, all risk of loss of or damage to the Property from any cause whatsoever. No such loss of or damage to the Property nor defect therein nor unfitness or obsolescence thereof shall relieve Lessee of the obligation to make Rental Payments or to perform any other obligation under this Agreement.

Section 8.02. Damage, Destruction, Unfitness for Use and Condemnation. If (a) any portion of the Property constituting tangible personal property is destroyed, in whole or in part, or is damaged by fire or other casualty or if any portion of the Property is otherwise rendered unfit for use by any cause whatsoever, or (b) title to, or the temporary use of, any portion of the Property or the interest of Lessee or Lessor in any portion of the Property shall be taken under the exercise of the power of eminent domain by any governmental body or by any person, firm or corporation acting under governmental authority, Lessee and Lessor will cause the Net Proceeds to be applied to the prompt replacement, repair or restoration of the Property, unless Lessee shall have exercised its option to purchase Lessor's interest in the Property pursuant to Article X. Any balance of the Net Proceeds remaining after such replacement, repair or restoration of the Property has been completed shall be paid to Lessee.

Section 8.03. Insufficiency of Net Proceeds. If the Net Proceeds are insufficient to pay in full the cost of any replacement, repair or restoration referred to in Section 8.02, Lessee shall either (a) complete such replacement, repair or restoration and pay any costs thereof in excess of the amount of the Net Proceeds, or (b) purchase Lessor's interest in the Property pursuant to Article X. The amount of the Net Proceeds, if any, remaining after completing such replacement, repair or restoration or after purchasing the Property shall be retained by Lessee. If Lessee shall make any payments pursuant to this Section, Lessee shall not be entitled to any reimbursement therefor from Lessor nor shall Lessee be entitled to any diminution of the amounts payable under Article IV.

ARTICLE IX

Section 9.01. Disclaimer of Warranties. LESSOR MAKES NO WARRANTY OR REPRESENTATION, EXPRESS OR IMPLIED, AS TO THE VALUE, DESIGN, CONDITION, MERCHANTABILITY OR FITNESS FOR PARTICULAR USE OR PURPOSE OF THE PROPERTY OR AGAINST INFRINGEMENT, OR ANY OTHER WARRANTY OR REPRESENTATION WITH RESPECT THERETO. IN NO EVENT SHALL LESSOR BE LIABLE FOR ANY ACTUAL, INCIDENTAL, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGE IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT OR THE EXISTENCE, FURNISHING, FUNCTIONING OR LESSEE'S USE OR MAINTENANCE OF ANY PROPERTY PROVIDED FOR IN THIS AGREEMENT.

Section 9.02. Vendor's Warranties. Lessee may have rights under the contract evidencing the purchase of the Property or licensing or other agreements; Lessee is advised to contact the Vendor for a description of any such rights. Lessor hereby assigns to Lessee during the Lease Term all rights under any licensing or other agreement and warranties, if any, running from Vendor to Lessor included in or respecting the Property. Lessor hereby irrevocably appoints Lessee its agent and attorney in fact during the Lease Term, so long as Lessee shall not be in default hereunder, to assert from time to time whatever claims and rights (including without limitation warranties) related to the Property that Lessor may have against the Vendor. Lessee's sole remedy for the breach of any such licensing or other agreement, warranty, indemnification or representation shall be against the Vendor, and not against Lessor. Any such matter shall not have any effect whatsoever on the rights and obligations of Lessor with respect to this Agreement, including the right to receive full and timely payments hereunder. Lessee expressly acknowledges that Lessor makes, and has made, no

representations or warranties whatsoever as to the existence or availability of such agreements or warranties by any Vendor.

ARTICLE X

Section 10.01. Purchase Option. Lessee shall have the option to purchase Lessor's interest in all (but not less than all) of the Property, upon giving written notice to Lessor at least 60 (but not more than 180) days before the date of purchase, at the following times and upon the following terms:

(a) On any Rental Payment Date, upon payment in full of the Rental Payments and all other amounts then due hereunder plus the then applicable Purchase Price to Lessor; or

(b) If substantially all of the Property is substantially damaged, destroyed or otherwise rendered unfit for use or is condemned, on the day Lessee specifies as the purchase date in Lessee's notice to Lessor of its exercise of the purchase option, upon payment in full of the Rental Payments and all other amounts then due hereunder plus (i) the Purchase Price designated on the Payment Schedule for such purchase date if such purchase date is a Rental Payment Date or the Purchase Price for the immediately preceding Rental Payment Date if such purchase date is not a Rental Payment Date, and (ii) if such day is not a Rental Payment Date, an amount equal to the portion of the interest component of the Rental Payment scheduled to come due on the following Rental Payment Date accrued from the immediately preceding Rental Payment Date to such purchase date, computed on the basis of a 360 day year of twelve 30 day months.

Upon the exercise of the option to purchase set forth above, title to the Property shall be vested in Lessee, free and clear of any claim by or through Lessor.

Section 10.02. Determination of Fair Purchase Price. Lessee and Lessor hereby agree and determine that the Rental Payments hereunder during the Original Term and each Renewal Term represent the fair value of the use of the Property and that the amount required to exercise Lessee's option to purchase Lessor's interest in the Property pursuant to Section 10.01 represents, as of the end of the Original Term or any Renewal Term, the fair purchase price of the Property. Lessee hereby determines that the Rental Payments do not exceed a reasonable amount so as to place Lessee under a practical economic compulsion to renew this Agreement or to exercise its option to purchase the Property hereunder. In making such determinations, Lessee and Lessor have given consideration to (a) the costs of the Property, (b) the uses and purposes for which the Property will be employed by Lessee, (c) the benefit to Lessee by reason of the acquisition and installation of the Property and the use of the Property pursuant to the terms and provisions of this Agreement and any applicable licensing and other agreements, and (d) Lessee's option to purchase Lessor's interest in the Property.

ARTICLE XI

Section 11.01. Assignment by Lessor. Lessor's interest in, to and under this Agreement and the Property may, without notice to or the consent of Lessee, be assigned and reassigned in whole or in part to one or more assignees by Lessor. Lessee hereby appoints Municipal Registrar Services (the "Registrar") as its agent for the purpose of maintaining a written record of each such assignment in form necessary to comply with Section 149(a) of the Code. No such assignment shall be binding on Lessee until the Registrar has received written notice from Lessor of the name and address of the assignee. Lessee agrees to execute all documents, including chattel mortgages or financing statements that may be reasonably requested by Lessor or any assignee to protect its interest in the Property and in this Agreement. Lessee shall not have the right to and shall not assert against any assignee any claim, counterclaim, defense, set-off or other right Lessee may from time to time have against Lessor.

Section 11.02. Assignment and Subleasing by Lessee. None of Lessee's right, title and interest in, to and under this Agreement and in the Property may be assigned or encumbered by Lessee for any reason, except that Lessee may sublease all or part of the Property, to the extent, if any, permitted by any applicable licensing and other agreements, if Lessee obtains the prior written consent of Lessor and an opinion of nationally recognized counsel in the area of tax exempt municipal obligations satisfactory to Lessor that such subleasing will not adversely affect the exclusion of the interest components of the Rental Payments from gross income for federal income tax purposes. Any such sublease of all or part of the Property shall be subject to this Agreement and the rights of the Lessor in, to and under this Agreement and the Property.

ARTICLE XII

Section 12.01. Events of Default Defined. Subject to the provisions of Section 3.04, any of the following shall be "Events of Default" under this Agreement:

(a) Failure by Lessee to pay any Rental Payment or other payment required to be paid hereunder at the time specified herein;

(b) Any termination or suspension of any of Lessee's rights under any licensing agreement included in the Property.

(c) Failure by Lessee to observe and perform any covenant, condition or agreement on its part to be observed or performed or to comply with any licensing or other agreement included in or respecting the Property, other than as referred to in Section 12.01(a), for a period of 30 days after written notice, specifying such failure and requesting that it be remedied, is given to Lessee by Lessor, unless Lessor shall agree in writing to an extension of such time prior to its expiration; provided, however, if the failure stated in the notice cannot be corrected within the applicable period, Lessor will not unreasonably withhold its consent to an extension of such time if corrective action is instituted by Lessee within the applicable period and diligently pursued until the default is corrected;

(d) Any statement, representation or warranty made by Lessee in or pursuant to this Agreement or its execution, delivery or performance shall prove to have been false, incorrect, misleading or breached in any material respect on the date when made;

(e) Any provision of this Agreement shall at any time for any reason cease to be valid and binding on Lessee, or shall be declared to be null and void, or the validity or enforceability thereof shall be contested by Lessee or any governmental agency or authority if the loss of such provision would materially adversely affect the rights or security of Lessor, or Lessee shall deny that it has any further liability or obligation under this Agreement;

(f) Lessee shall (i) apply for or consent to the appointment of a receiver, trustee, custodian or liquidator of Lessee, or of all or a substantial part of the assets of Lessee, (ii) be unable, fail or admit in writing its inability generally to pay its debts as they become due, (iii) make a general assignment for the benefit of creditors, (iv) have an order for relief entered against it under applicable federal bankruptcy law, or (v) file a voluntary petition in bankruptcy or a petition or an answer seeking reorganization or an arrangement with creditors or taking advantage of any insolvency law or any answer admitting the material allegations of a petition filed against Lessee in any bankruptcy, reorganization or insolvency proceeding; or

(g) An order, judgment or decree shall be entered by any court of competent jurisdiction, approving a petition or appointing a receiver, trustee, custodian or liquidator of Lessee or of all or a substantial

part of the assets of Lessee, in each case without its application, approval or consent, and such order, judgment or decree shall continue unstayed and in effect for any period of 30 consecutive days.

Section 12.02. Remedies on Default. Whenever any Event of Default exists, Lessor shall have the right, at its sole option without any further demand or notice, to take one or any combination of the following remedial steps:

(a) By written notice to Lessee, Lessor may declare all Rental Payments and other amounts payable by Lessee hereunder to the end of the then current Original Term or Renewal Term to be due.

(b) Lessor may terminate this Agreement and hold Lessee liable for Rental Payments and other amounts payable by Lessee hereunder to the end of the then current Original Term or Renewal Term, and in such event, Lessee's rights to the Property will simultaneously terminate and Lessee agrees, at Lessee's cost and expense, (a) to immediately discontinue use of the Property, (b) to return to Lessor any portion of the Property constituting tangible personal property, (c) to remove any intangible Property from Lessee's property and terminate access to and use of such Property, whether such Property is installed on premises or accessed remotely or by internet connection and, as applicable, deliver or otherwise release the same to Vendor at the location or locations specified by Vendor, and (d) within 30 days of any such termination, to deliver a certificate to Lessor certifying that Lessee has complied with this sentence. Lessor reserves the right to, and Lessee agrees that the Lessor or Vendor may, upon termination of this Agreement, enter the premises where the Property is located or used to retake possession of the Property or ensure compliance with the previous sentence.

(c) Lessor may take whatever other action at law or in equity may appear necessary or desirable to enforce its rights as Lessor under this Agreement.

In addition, Lessee will remain liable for all covenants and indemnities under this Agreement and for all legal fees and other costs and expenses, including court costs, incurred by Lessor with respect to the enforcement of any of the remedies listed above or any other remedy available to Lessor. Lessor may charge interest on all amounts due to it at the rate of 18% per annum or the maximum amount permitted by law, whichever is less.

Section 12.03. No Remedy Exclusive. No remedy herein conferred upon or reserved to Lessor is intended to be exclusive and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient. In order to entitle Lessor to exercise any remedy reserved to it in this Article it shall not be necessary to give any notice, other than such notice as may be required in this Article.

ARTICLE XIII

Section 13.01. Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when delivered or mailed by registered mail, postage prepaid, to the parties at the addresses on the front of this Agreement (or at such other address as either party hereto shall designate in writing to the other for notices to such party), to any assignee at its address as it appears on the registration books maintained by Lessee.

Section 13.02. Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon Lessor and Lessee and their respective successors and assigns.

Section 13.03. Severability. In the event any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 13.04. Entire Agreement. This Agreement constitutes the entire agreement between Lessor and Lessee.

Section 13.05. Amendments. This Agreement may be amended in writing by Lessor and Lessee.

Section 13.06. INTENTIONALLY OMITTED.

Section 13.07. Usury. The parties hereto agree that the charges in this Agreement shall not be a violation of usury or other law. Any such excess charge shall be applied in such order as to conform this Agreement to such applicable law.

Section 13.08. Jury Trial Waiver. TO THE EXTENT PERMITTED BY LAW, LESSEE AGREES TO WAIVE ITS RIGHT TO A TRIAL BY JURY.

Section 13.09. INTENTIONALLY OMITTED.

Section 13.10. Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any provisions or sections of this Agreement.

Section 13.11. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State.

Section 13.12. Role of Lessor. Lessor has not acted and will not act as a fiduciary for Lessee or as Lessee's agent or municipal advisor. Lessor has not and will not provide financial, legal, tax, accounting or other advice to Lessee or to any financial advisor or placement agent engaged by Lessee with respect to this Agreement. Lessee, its financial advisor, placement agent or municipal advisor, if any, shall each seek and obtain its own financial, legal, tax, accounting and other advice with respect to this Agreement from its own advisors (including as it relates to structure, timing, terms and similar matters).

Section 13.13. Electronic Transactions. Lessor, in its sole discretion, may permit Lessee to electronically copy and/or deliver by telecopier or other electronic means of transmission an executed counterpart of this Agreement, and any document, schedule, amendment, addendum, supplement or agreement related hereto or executed in connection herewith, with the exception of the IRS Form 8038-G which Lessee must execute using an original, manual signature (not e-Signature). By so copying and/or delivering any such document, Lessee hereby represents and agrees (a) that such transmission constitutes due delivery of such executed document, (b) that the counterpart of such executed document as printed by the recipient, including Lessee's signature thereon, shall be deemed to constitute an original and shall be admissible in any court or other legal proceeding as an original, and (c) to deliver to Lessor, promptly on request, such document bearing Lessee's original "wet ink" signature; provided that neither delivery nor failure to deliver the document bearing Lessee's original "wet ink" signature shall limit or modify the representations and agreements set forth in clauses (a) and (b). This Agreement, including any document, schedule, amendment, addendum, supplement or agreement related hereto or executed in connection herewith with the exception of the IRS Form 8038-G, may be executed in counterparts and any facsimile, photographic or other electronic transmission and/or electronic signing of the Agreement by the Lessee when manually countersigned by Lessor or attached to Lessor's original signature counterpart and/or in Lessor's possession shall constitute the sole original chattel paper as defined in the UCC for all purposes and will be admissible as legal evidence thereof. At Lessor's option, Lessor may require a manual signature.

INCUMBENCY CERTIFICATE

Re: Lease Purchase Agreement dated as of JULY 14, 2021 (the "Agreement"), between De Lage Landen Public Finance LLC ("Lessor") and City Of Aurora ("Lessee").

Being a knowledgeable and authorized agent of Lessee, I hereby certify to Lessor that the person(s) who executed the Agreement are legally authorized to do so on behalf of Lessee and that the signatures that appear on the Agreement are genuine.

LESSEE	Lessee Name City Of Aurora	
	Signature	Date
	Print Name	
	Title	

(THE INCUMBENCY IS TO BE EXECUTED BY A PERSON OTHER THAN THE SIGNER OF THE AGREEMENT AND RELATED DOCUMENTS. THIS MAY BE A BOARD CLERK/SECRETARY, BOARD MEMBER OR SUPERINTENDENT.)

19TEIA002Bv3

COLORADO ADDENDUM TO LEASE PURCHASE AGREEMENT

This Addendum to that certain Lease Purchase Agreement (together with all Exhibits and this Addendum, the "Agreement") dated as of JULY 14, 2021, between DEL AGE LANDEN PUBLIC FINANCE LLC (together with its successors and assigns, "Lessor"), and City Of Aurora (together with its successors and assigns, "Lessee"), is incorporated in and is hereby made a part of the Agreement. Lessor and Lessee hereby agree that capitalized terms used herein and not otherwise defined herein shall have the terms assigned to such terms in the Agreement and that the following changes and additions shall be made to the Agreement:

1. **Section 6.01** of the Agreement is hereby deleted and the following **Section 6.01** is hereby inserted in lieu thereof:

Section 6.01. Title to the Equipment in Lessor. Upon acceptance of the Property by Lessee, title to the Property shall vest in Lessor subject to Lessee's rights under this Agreement. Lessee shall not have any right, title or interest in the Property except as expressly set forth in this Agreement. Upon the occurrence of an Event of Default or any termination of this Agreement other than termination pursuant to Section 10.01, Lessee will immediately surrender possession of the Property to Lessor. Upon the exercise of the purchase option by Lessee pursuant to Section 10.01 or continuation of this Agreement through the Maximum Lease Term and payment of all Rental Payments and other amounts payable under this Agreement through the end of the Maximum Lease Term, title to the Property shall immediately and without further action by Lessor vest in Lessee AS IS, WHERE IS, without warranty, express or implied, free and clear of any claim by or through Lessor. It is the intent of the parties hereto that any transfer of title to Lessee pursuant to this Section shall occur automatically without the necessity of any bill of sale, certificate of title or other instrument of conveyance. Lessor shall, nevertheless, execute and deliver any such instruments as Lessee may request to evidence such transfer.

2. **Section 6.02** of the Agreement is hereby deleted.

Except as specifically set forth in this Addendum, all terms and conditions contained in the Agreement remain in full force and effect and are hereby ratified and confirmed.

LESSEE SIGNATURE	Legal Name of Lessee <u>City Of Aurora</u>
	Signature _____ Date _____
	Print Name _____
	Title _____
	(Seal)
	Attest _____
	Title _____ Date _____

LESSOR SIGNATURE	Name of Lessor <u>DEL AGE LANDEN PUBLIC FINANCE LLC</u>
	Lessor Signature _____ Date _____
	Print Name _____
	Title _____
	Lease Number <u>500-50294217</u>

21TEIA009

EXHIBIT A

LEASE PURCHASE AGREEMENT

Payment Schedule

LESSOR: DEL AGE LANDEN PUBLIC FINANCE LLC

LESSEE: City Of Aurora

LEASE NUMBER: 500-50294217

LEASE DATE: JULY 14, 2021

Rental Payment Number	Rental Payment Due Date	Rental Payment	Interest Portion	Principal Portion	Balance	Purchase Price
Loan	07/27/2021	0	0	0	540,000.00	-
1	08/27/2021	183,737.97	881.75	182,856.22	357,143.78	364,286.66
2	08/27/2022	183,737.97	6,866.32	176,871.65	180,272.13	183,877.57
3	08/27/2023	183,737.97	3,465.84	180,272.13	0.00	-
Grand Totals		551,213.91	11,213.91	540,000.00		-

Sales tax of \$0.00 is included in the financed amount shown above.

The interest rate reflected herein is provided as an indication only and may need to be revised prior to closing. The Lessor will make reasonable efforts to maintain the rate presented herein. However, the rate may need to be revised prior to closing due to change in law or market conditions. In the event that market interest rates increase prior to the date of closing (which causes an increase in the Lessor's cost of funds), the interest rate will be indexed to reflect adjustments to the Lender's actual cost of funds due to market and legal changes incurred since the date of this documentation.

Lessee Signature: _____ Date: _____

Print Name: _____ Title: _____

MUNICIPAL AUTHORIZATION

Date JULY 14 _____, 2021

Reference is made to the lease, loan, rental and/or other financial agreement (the "Finance Agreement") dated JULY 14 _____, 2021 between DEL AGE LANDEN PUBLIC FINANCE LLC (herein called "Creditor") and City Of Aurora (herein called "Obligor") for the financing of SEE QUOTE # Q-04716 DATED 7/10/21 (equipment description).

The undersigned acknowledge in connection with the negotiation, execution and delivery of the Finance Agreement and other related documents by and between Creditor and Obligor (collectively the "Documents"):

1. The Finance Agreement set forth above and any Documents executed in connection therein have been duly authorized, executed and delivered by the Obligor and constitutes a valid, legal and binding agreement enforceable in accordance with its terms. Additionally, I do hereby certify on behalf of Obligor, that the individual who signed the Finance Agreement and any related Documents is authorized to execute and deliver such to Creditor.
2. All required Procurement and approval procedures, including but not limited to public bidding procedures regarding the award of the Finance Agreement have been followed by the Obligor and no further approval, consent or withholding of objections is required from any Federal, state or local governmental authority with respect to the entering into or performance by Obligor of the Finance Agreement contemplated hereby.
3. Except as provided in the Finance Agreement or the Documents, Obligor has no authority (statutory or otherwise) to terminate the Finance Agreement prior to the end of its term for any reason other than non-appropriation of funds to pay the Finance Agreements Payments for any fiscal period during the term of the Finance Agreement.

YOU AGREE THAT A FACSIMILE COPY OF THIS DOCUMENT WITH FACSIMILE SIGNATURES MAY BE TREATED AS AN ORIGINAL AND WILL BE ADMISSIBLE AS EVIDENCE IN A COURT OF LAW.

The undersigned by signing below hereby affirms the statements made above are based upon the undersigned's personal knowledge, and as to those matters, believes the information to be true and correct.

CREDITOR SIGNATURE	Creditor Name <u>DEL AGE LANDEN PUBLIC FINANCE LLC</u>
	Signature X _____
	Print Name _____
	Title _____

OBLIGOR SIGNATURE	Obligor Name <u>City Of Aurora</u>
	Signature X _____
	Print Name _____
	Title _____

OBLIGOR SIGNATURE	Obligor Name <u>City Of Aurora</u>
	Signature X _____
	Print Name _____
	Title _____

BILLING INFORMATION

PLEASE COMPLETE THIS FORM AND RETURN WITH DOCUMENTS

In order for DEL AGE LANDEN PUBLIC FINANCE LLC to properly bill and credit your account, it is necessary that you complete this form and return it with the signed documents.

Billing Name: _____

If you would like your invoices emailed to you in place of regular mail, please provide an email address(es) below:

***YOUR INVOICES WILL BE EMAILED FROM INVOICEDELIVERY@PAYEREXPRESS.COM
Subject line will read: Your Lease Direct Invoice is ready to view online!**

Billing Address: _____

Attention: _____

Telephone Number: _____

FEDERAL TAX ID#: _____

Lease/Contract Signer Name: _____ Date of Birth _____ (only provide if requested)

SPECIAL INSTRUCTIONS

Do you require a Purchase Order Number on the invoice? **If yes, please provide PO#** _____ YES NO

Is a new purchase order required for each new fiscal period? YES NO

If yes, provide month/year PO expires _____

Are you sales tax exempt? **If yes, please attach a copy of exempt certificate or direct pay permit.** YES NO

Do you require any special information to establish a vendor number for _____? YES NO

If yes, please advise: _____

Additional Comments: _____

CONTACT INFORMATION AND QUESTIONNAIRE FOR FORM 8038-G FILINGS (required for all State and Local Government transactions)

Contact Name: _____

Title: _____

Contact Address: _____

Contact Telephone Number: _____

Email Address: _____

Written Tax Compliance Procedures

The IRS Form 8038-G asks specific questions about whether written procedures exist with regard to compliance with the federal tax requirements for tax-exempt obligations. Please answer the following questions to help us complete the form correctly prior to your signature. **Please note that your answers to these questions will not impact the terms or conditions of the subject transaction:**

1. Has the Lessee established written procedures designed to monitor compliance with federal tax restrictions for the term of the lease? Among other matters, the written procedures should identify a particular individual within Lessee's organization to monitor compliance with the federal tax requirements related to use of the financed assets and describe actions to be taken in the event failure to comply with federal tax restrictions is contemplated or discovered.

YES NO If YES, please attach/provide a copy.

Answer the following question only if proceeds of the current financing will be funded to an ESCROW Account.

The IRS Form 8038-G asks specific questions about written procedures to monitor the yield on the investment of gross proceeds of tax-exempt obligations and, as necessary, make payments of arbitrage rebate earned to the United States.

2. Has the Lessee established written procedures to monitor the yield on the investment of proceeds of the Lease on deposit in an escrow account or similar fund prior to being spent and to ensure that any positive arbitrage rebate earned is paid to the United States?

YES NO If YES, please attach/provide a copy.

If you have further questions, please consult your regular bond or legal counsel.

Information Return for Tax-Exempt Governmental Bonds

(Rev. September 2018)

Under Internal Revenue Code section 149(e)
See separate instructions.

OMB No. 1545-0720

Department of the Treasury
Internal Revenue Service

Caution: If the issue price is under \$100,000, use Form 8038-GC.
Go to www.irs.gov/F8038G for instructions and the latest information.

Part I Reporting Authority If Amended Return, check here

1 Issuer's name
City Of Aurora

2 Issuer's employer identification number (EIN)
XXXXXXXXXXXX

3a Name of person (other than issuer) with whom the IRS may communicate about this return (see instructions)
XX

3b Telephone number of other person shown on 3a
XXXXXXXXXXXXXXXXXXXX

4 Number and street (or P.O. box if mail is not delivered to street address)
15151 E ALAMEDA PKWY

Room/suite
XXXXXX

5 Report number (For IRS Use Only)
3

6 City, town, or post office, state, and ZIP code
AURORA CO 80012

7 Date of issue
XXXXXXXXXXXXXXXXXXXX

8 Name of issue
XX

9 CUSIP number
XXXXXXXXXXXXXXXXXXXX

10a Name and title of officer or other employee of the issuer whom the IRS may call for more information (see instructions)
XX

10b Telephone number of officer or other employee shown on 10a
XXXXXXXXXXXXXXXXXXXX

Part II Type of Issue (enter the issue price). See the instructions and attach schedule.

11	Education	XXXXXXXXXX	XX
12	Health and hospital	XXXXXXXXXX	XX
13	Transportation	XXXXXXXXXX	XX
14	Public safety	XXXXXXXXXX	XX
15	Environment (including sewage bonds)	XXXXXXXXXX	XX
16	Housing	XXXXXXXXXX	XX
17	Utilities	XXXXXXXXXX	XX
18	Other. Describe	XX	XX

19a If bonds are TANs or RANs, check only box 19a

b If bonds are BANs, check only box 19b

20 If bonds are in the form of a lease or installment sale, check box

Part III Description of Bonds. Complete for the entire issue for which this form is being filed.

	(a) Final maturity date	(b) Issue price	(c) Stated redemption price at maturity	(d) Weighted average maturity	(e) Yield
21	XXXXXXXXXXXX	\$ XXXXXXXXXXXX.XX	\$ XXXXXXXXXXXX.XX	XXXXXXXXXXXX years	XXXXXXXXXXXXXXXXXX %

Part IV Uses of Proceeds of Bond Issue (including underwriters' discount)

22	Proceeds used for accrued interest	XXXXXXXXXX	XX
23	Issue price of entire issue (enter amount from line 21, column (b))	XXXXXXXXXX	XX
24	Proceeds used for bond issuance costs (including underwriters' discount)	XXXXXXXXXX	XX
25	Proceeds used for credit enhancement	XXXXXXXXXX	XX
26	Proceeds allocated to reasonably required reserve or replacement fund	XXXXXXXXXX	XX
27	Proceeds used to refund prior tax-exempt bonds. Complete Part V	XXXXXXXXXX	XX
28	Proceeds used to refund prior taxable bonds. Complete Part V	XXXXXXXXXX	XX
29	Total (add lines 24 through 28)	XXXXXXXXXX	XX
30	Nonrefunding proceeds of the issue (subtract line 29 from line 23 and enter amount here)	XXXXXXXXXX	XX

Part V Description of Refunded Bonds. Complete this part only for refunding bonds.

31 Enter the remaining weighted average maturity of the tax-exempt bonds to be refunded XXXXXXXXXXXX years

32 Enter the remaining weighted average maturity of the taxable bonds to be refunded XXXXXXXXXXXX years

33 Enter the last date on which the refunded tax-exempt bonds will be called (MM/DD/YYYY) XXXXXXXXXXXX

34 Enter the date(s) the refunded bonds were issued (MM/DD/YYYY) XXX

Part VI Miscellaneous

- 35** Enter the amount of the state volume cap allocated to the issue under section 141(b)(5) **35** XXXXXXXXXXXX XX
- 36a** Enter the amount of gross proceeds invested or to be invested in a guaranteed investment contract (GIC). See instructions **36a** XXXXXXXXXXXX XX
 - b** Enter the final maturity date of the GIC ▶ (MM/DD/YYYY) XXXXXXXXXXXXXXXX
 - c** Enter the name of the GIC provider ▶ XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX
- 37** Pooled financings: Enter the amount of the proceeds of this issue that are to be used to make loans to other governmental units **37** XXXXXXXXXXXX XX
- 38a** If this issue is a loan made from the proceeds of another tax-exempt issue, check box ▶ and enter the following information:
 - b** Enter the date of the master pool bond ▶ (MM/DD/YYYY) XXXXXXXXXXXXXXXXXXXX
 - c** Enter the EIN of the issuer of the master pool bond ▶ XXXXXXXXXX
 - d** Enter the name of the issuer of the master pool bond ▶ XXXXXXXXXXXXXXXXXXXX
- 39** If the issuer has designated the issue under section 265(b)(3)(B)(i)(III) (small issuer exception), check box ▶
- 40** If the issuer has elected to pay a penalty in lieu of arbitrage rebate, check box ▶
- 41a** If the issuer has identified a hedge, check here ▶ and enter the following information:
 - b** Name of hedge provider ▶ XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX
 - c** Type of hedge ▶ XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX
 - d** Term of hedge ▶ XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX
- 42** If the issuer has superintegrated the hedge, check box ▶
- 43** If the issuer has established written procedures to ensure that all nonqualified bonds of this issue are remediated according to the requirements under the Code and Regulations (see instructions), check box ▶
- 44** If the issuer has established written procedures to monitor the requirements of section 148, check box ▶
- 45a** If some portion of the proceeds was used to reimburse expenditures, check here ▶ and enter the amount of reimbursement ▶ XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX
- b** Enter the date the official intent was adopted ▶ (MM/DD/YYYY) XXXXXXXXXXXXXXXXXXXXXXXX

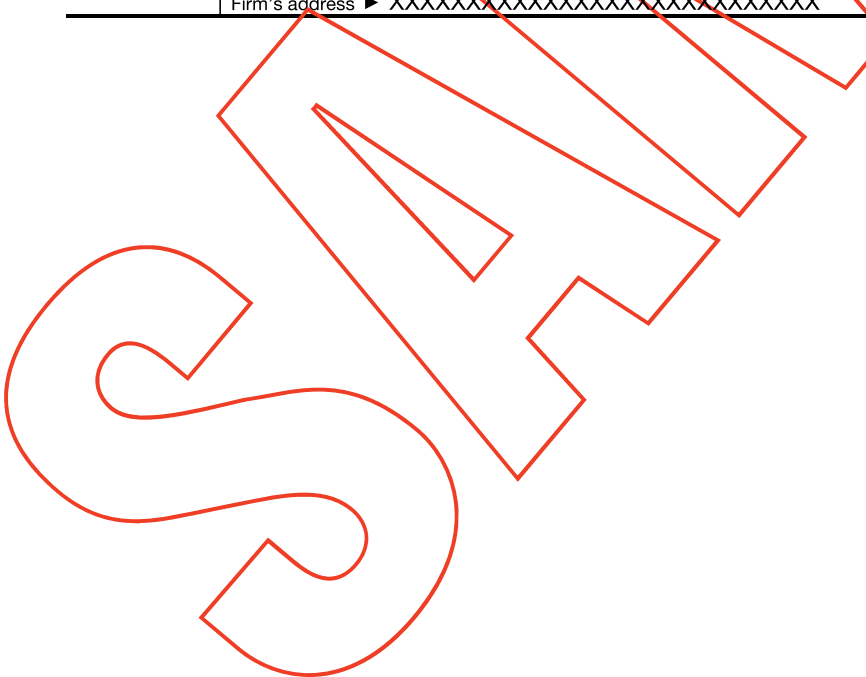
Signature and Consent

Under penalties of perjury, I declare that I have examined this return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I further declare that I consent to the IRS's disclosure of the issuer's return information, as necessary to process this return, to the person that I have authorized above.

Signature of issuer's authorized representative _____ Date _____ Type or print name and title _____

Paid Preparer Use Only

Print/Type preparer's name XXXXXXXXXXXXXXXXXXXXXXXXXX	Preparer's signature _____	Date _____	Check <input type="checkbox"/> if self-employed	PTIN XXXXXXXXXXXX
Firm's name ▶ XXXXXXXXXXXXXXXXXXXXXXXX	Firm's EIN ▶ XXXXXXXXXX		Phone no. XXXXXXXXXXXXX	
Firm's address ▶ XXXXXXXXXXXXXXXXXXXXXXXX				



Instructions for Form 8038-G



Department of the Treasury
Internal Revenue Service

(Rev. September 2018)

Information Return for Tax-Exempt Governmental Bonds

Section references are to the Internal Revenue Code unless otherwise noted.

Future Developments

For the latest information about developments related to Form 8038-G and its instructions, such as legislation enacted after they were published, go to IRS.gov/Form8038G.

What's New

The Tax Cuts and Jobs Act (P.L. 115-97) repealed the exclusion from gross income for interest on bonds issued to advance refund tax-exempt bonds. The repeal applies to advance refunding bonds issued after 2017. A bond is an advance refunding bond if it is issued more than 90 days before the redemption of the refunded bonds.

The Tax Cuts and Jobs Act also repealed the authority to issue tax-credit bonds and direct-pay bonds. The repeal applies to qualified forestry conservation bonds, new clean renewable energy bonds, qualified energy conservation bonds, qualified zone academy bonds, and qualified school construction bonds issued after 2017. The authority to issue recovery zone economic development bonds and build America bonds expired on January 1, 2011.

Note. The creation of an advance refunding escrow account to advance refund tax-credit bonds and/or direct-pay bonds may result in the reissuance of the bonds and the loss of the tax benefits.

General Instructions

Purpose of Form

Form 8038-G is used by issuers of tax-exempt governmental bonds to provide the IRS with the information required by section 149(e) and to monitor compliance with the requirements of sections 141 through 150.

Who Must File

IF the issue price (line 21, column (b)) is...	THEN, for tax-exempt governmental bonds issued after December 31, 1986, issuers must file...
\$100,000 or more	a separate Form 8038-G for each issue.
less than \$100,000	Form 8038-GC, Information Return for Small Tax-Exempt Governmental Bond Issues, Leases, and Installment Sales.

When To File

File Form 8038-G on or before the 15th day of the 2nd calendar month after the close of the calendar quarter in which the bond is issued. Form 8038-G may not be filed before the issue date and must be completed based on the facts as of the issue date.

Late filing. An issuer may be granted an extension of time to file Form 8038-G under section 3 of Rev. Proc. 2002-48, 2002-37 I.R.B. 531, if it is determined that the failure to file timely is not due to willful neglect. Type or print at the top of the form "Request for Relief under section 3 of Rev. Proc. 2002-48" and attach a letter explaining why Form 8038-G was not submitted to the IRS on time. Also indicate whether the bond issue in question is under examination by the IRS. Do not submit copies of the trust indenture or other bond documents. See *Where To File* next.

Where To File

File Form 8038-G, and any attachments, with the Department of the Treasury, Internal Revenue Service Center, Ogden, UT 84201.

Private delivery services. You can use certain private delivery services (PDS) designated by the IRS to meet the "timely mailing as timely filing" rule for tax returns. Go to IRS.gov/PDS for the current list of designated services.

The PDS can tell you how to get written proof of the mailing date.

For the IRS mailing address to use if you're using PDS, go to IRS.gov/PDSstreetAddresses.



CAUTION PDS can't deliver items to P.O. boxes. You must use the U.S. Postal Service to mail any item to an IRS P.O. box address.

Other Forms That May Be Required

For rebating arbitrage (or paying a penalty in lieu of arbitrage rebate) to the federal government, use Form 8038-T, Arbitrage Rebate, Yield Reduction and Penalty in Lieu of Arbitrage Rebate.

For private activity bonds, use Form 8038, Information Return for Tax-Exempt Private Activity Bond Issues.

Rounding to Whole Dollars

You can round off cents to whole dollars. If you do round to whole dollars, you must round all amounts. To round, drop amounts under 50 cents and increase amounts from 50 to 99 cents to the next dollar (for example, \$1.39 becomes \$1 and \$2.50 becomes \$3).

If two or more amounts must be added to figure the amount to enter on a line, include cents when adding the amounts and round off only the total.

Definitions

Bond. This is any obligation, including bond, note, commercial paper, installment purchase agreement, or financing lease.

Taxable bond. This is any bond the interest on which is not excludable from gross income under section 103. Taxable bonds include tax credit bonds and direct pay bonds.

Tax-exempt bond. This is any obligation, including a bond, installment purchase agreement, or financial lease, on which the interest is excluded from income under section 103.

Tax-exempt governmental bond. A tax-exempt bond that is not a private activity bond (see next) is a tax-exempt governmental bond. This includes a bond issued by a qualified volunteer fire department under section 150(e).

Private activity bond. This includes a bond issued as part of an issue in which:

- More than 10% of the proceeds are to be used for any private activity business use; **and**
- More than 10% of the payment of principal or interest of the issue is **either (a)** secured by an interest in property to be used for a private business use (or

payments for such property), or (b) to be derived from payments for property (or borrowed money) used for a private business use.

It also includes a bond, the proceeds of which (a) are to be used directly or indirectly to make or finance loans (other than loans described in section 141(c)(2)) to persons other than governmental units, and (b) exceeds the lesser of 5% of the proceeds or \$5 million.

Issue price. The issue price of bonds is generally determined under Regulations section 1.148-1(f). Thus, when issued for cash, the issue price is the first price at which a substantial amount of the bonds are sold to the public. To determine the issue price of a bond issued for property, see sections 1273 and 1274 and the related regulations.

Issue. Generally, bonds are treated as part of the same issue if they are issued by the same issuer, on the same date, and in a single transaction, or a series of related transactions (see Regulations section 1.149(e)-1(e)(2)). However, bonds issued during the same calendar year (a) under a loan agreement under which amounts are to be advanced periodically (a "draw-down loan"), or (b) with a term not exceeding 270 days, may be treated as part of the same issue if the bonds are equally and ratably secured under a single indenture or loan agreement and are issued under a common financing arrangement (for example, under the same official statement periodically updated to reflect changing factual circumstances). Also, for bonds issued under a draw-down loan that meet the requirements of the preceding sentence, bonds issued during different calendar years may be treated as part of the same issue if all of the amounts to be advanced under the draw-down loan are reasonably expected to be advanced within 3 years of the date of issue of the first bond. Likewise, bonds (other than private activity bonds) issued under a single agreement that is in the form of a lease or installment sale may be treated as part of the same issue if all of the property covered by that agreement is reasonably expected to be delivered within 3 years of the date of issue of the first bond.

Arbitrage rebate. Generally, interest on a state or local bond is not tax exempt unless the issuer of the bond rebates to the United States arbitrage profits earned from investing proceeds of the bond in higher yielding nonpurpose investments. See section 148(f).

Construction issue. This is an issue of tax-exempt bonds that meets both of the following conditions.

1. At least 75% of the available construction proceeds are to be used for

construction expenditures with respect to property to be owned by a governmental unit or a section 501(c)(3) organization.

2. All the bonds that are part of the issue are qualified 501(c)(3) bonds, bonds that are not private activity bonds, or private activity bonds issued to finance property to be owned by a governmental unit or a section 501(c)(3) organization.

In lieu of rebating any arbitrage that may be owed to the United States, the issuer of a construction issue may make an irrevocable election to pay a penalty. The penalty is equal to 1 1/2% of the amount of construction proceeds that do not meet certain spending requirements. See section 148(f)(4)(C) and the Instructions for Form 8038-T.

Pooled financing issue. This is an issue of tax-exempt bonds, the proceeds of which are to be used to finance purpose investments representing conduit loans to two or more conduit borrowers, unless those conduit loans are to be used to finance a single capital project.

Specific Instructions

Part I—Reporting Authority

Amended return. An issuer may file an amended return to change or add to the information reported on a previously filed return for the same date of issue. If you are filing to correct errors or change a previously filed return, check the *Amended Return* box in the heading of the form.

The amended return must provide all the information reported on the original return, in addition to the new or corrected information. Attach an explanation of the reason for the amended return and write across the top, "Amended Return Explanation." Failure to attach an explanation may result in a delay in processing the form.

Line 1. The issuer's name is the name of the entity issuing the bonds, not the name of the entity receiving the benefit of the financing. For a lease or installment sale, the issuer is the lessee or the purchaser.

Line 2. An issuer that does not have an employer identification number (EIN) should apply online by visiting the IRS website at [IRS.gov/EIN](https://www.irs.gov/EIN). The organization may also apply for an EIN by faxing or mailing Form SS-4 to the IRS.

Line 3a. If the issuer wishes to authorize a person other than an officer or other employee of the issuer (including a legal representative or paid preparer) to communicate with the IRS and whom the IRS may contact about this return (including in writing or by telephone), enter the name of such person here. The person listed on line 3a must be an individual. Do

not enter the name and title of an officer or other employee of the issuer here (use line 10a for that purpose).

Note. By authorizing a person other than an authorized officer or other employee of the issuer to communicate with the IRS and whom the IRS may contact about this return, the issuer authorizes the IRS to communicate directly with the individual entered on line 3a and consents to disclose the issuer's return information to that individual, as necessary, to process this return.

Lines 4 and 6. If you listed an individual on line 3a to communicate with the IRS and whom the IRS may contact about this return, enter the number and street (or P.O. box if mail is not delivered to street address), city, town, or post office, state, and ZIP code of that person. Otherwise, enter the issuer's number and street (or P.O. box if mail is not delivered to street address), city, town, or post office, state, and ZIP code.

Note. The address entered on lines 4 and 6 is the address the IRS will use for all written communications regarding the processing of this return, including any notices.

Line 5. This line is for IRS use only. Do not make any entries in this box.

Line 7. The date of issue is generally the first date on which the issuer physically exchanges any bond included in the issue for the underwriter's (or other purchaser's) funds. For a lease or installment sale, enter the date interest starts to accrue in an MM/DD/YYYY format.

Line 8. If there is no name of the issue, please provide other identification of the issue.

Line 9. Enter the CUSIP (Committee on Uniform Securities Identification Procedures) number of the bond with the latest maturity. If the issue does not have a CUSIP number, write "None."

Line 10a. Enter the name and title of the officer or other employee of the issuer whom the IRS may call for more information. If the issuer wishes to designate a person other than an officer or other employee of the issuer (including a legal representative or paid preparer) whom the IRS may call for more information about the return, enter the name, title, and telephone number of such person on lines 3a and 3b.



Complete lines 10a and 10b even if you complete lines 3a and 3b.

Part II—Type of Issue



Elections referred to in Part II are made on the original bond documents, not on this form.

Identify the type of bonds issued by entering the issue price in the box corresponding to the type of bond (see *Issue price* under *Definitions*, earlier). Attach a schedule listing names and EINs of organizations that are to use proceeds of these bonds, if different from those of the issuer, include a brief summary of the use and indicate whether or not such user is a governmental or nongovernmental entity.

Line 18. Enter a description of the issue in the space provided.

Line 19. If the bonds are short-term tax anticipation notes or warrants (TANs) or short-term revenue anticipation notes or warrants (RANs), check box 19a. If the bonds are short-term bond anticipation notes (BANs), issued with the expectation that they will be refunded with the proceeds of long-term bonds at some future date, check box 19b. Do not check both boxes.

Line 20. Check this box if property other than cash is exchanged for the bond, for example, acquiring a police car, a fire truck, or telephone equipment through a series of monthly payments. (This type of bond is sometimes referred to as a “municipal lease.”) Also check this box if real property is directly acquired in exchange for a bond to make periodic payments of interest and principal. **Do not** check this box if the proceeds of the bond are received in the form of cash, even if the term “lease” is used in the title of the issue.

Part III—Description of Bonds

Line 21. For column (a), the final maturity date is the last date the issuer must redeem the entire issue.

For column (b), see *Issue price* under *Definitions*, earlier.

For column (c), the stated redemption price at maturity of the entire issue is the sum of the stated redemption prices at maturity of each bond issued as part of the issue. For a lease or installment sale, write “N/A” in column (c).

For column (d), the weighted average maturity is the sum of the products of the issue price of each maturity and the number of years to maturity (determined separately for each maturity and by taking into account mandatory redemptions), divided by the issue price of the entire issue (from line 21, column (b)). For a lease or installment sale, enter instead the total number of years the lease or installment sale will be outstanding.

For column (e), the yield, as defined in section 148(h), is the discount rate that, when used to figure the present value of all payments of principal and interest to be paid on the bond, produces an amount equal to the purchase price, including accrued interest. See Regulations section 1.148-4 for specific rules to figure the yield on an issue. If the issue is a variable rate issue, write “VR” as the yield of the issue. For other than variable rate issues, carry the yield out to four decimal places (for example, 5.3125%). If the issue is a lease or installment sale, enter the effective rate of interest being paid.

Part IV—Uses of Proceeds of Bond Issue

For a lease or installment sale, write “N/A” in the space to the right of the title for Part IV.

Line 22. Enter the amount of proceeds that will be used to pay interest on the issue accruing prior to the date of issue. For definition of date of issue, see these instructions, line 7.

Line 24. Enter the amount of the proceeds that will be used to pay bond issuance costs, including fees for trustees and bond counsel. If no bond proceeds will be used to pay bond issuance costs, enter zero. Do not leave this line blank.

Line 25. Enter the amount of the proceeds that will be used to pay fees for credit enhancement that are taken into account in determining the yield on the issue for purposes of section 148(h) (for example, bond insurance premiums and certain fees for letters of credit).

Line 26. Enter the amount of proceeds that will be allocated to such a fund.

Line 27. Enter the amount of the proceeds that will be used to pay principal, interest, or call premium on any tax-exempt bonds, including proceeds that will be used to fund an escrow account for this purpose.

Line 28. Enter the amount of the proceeds that will be used to pay principal, interest, or call premium on any taxable bonds, including proceeds that will be used to fund an escrow account for this purpose.

Part V—Description of Refunded Bonds

Complete this part only if the bonds are to be used to refund a prior issue of tax-exempt bonds or taxable bonds. For a lease or installment sale, write “N/A” in the space to the right of the title for Part V.

Lines 31 and 32. The remaining weighted average maturity is determined without regard to the refunding. The weighted average maturity is determined

in the same manner as on line 21, column (d).

Line 34. If more than a single issue of tax-exempt bonds or taxable bonds will be refunded, enter the date of issue for each refunded issue. Enter the date in an MM/DD/YYYY format.

Part VI—Miscellaneous

Line 35. An allocation of volume cap is required if the nonqualified amount for the issue is more than \$15 million but is not more than the amount that would cause the issue to be private activity bonds.

Line 36. If any portion of the gross proceeds of the issue is or will be invested in a guaranteed investment contract (GIC), as defined in Regulations section 1.148-1(b), enter the amount of the gross proceeds so invested, as well as the final maturity date of the GIC and the name of the provider of such contract.

Line 37. If the issue is a pooled financing issue (as defined under *Pooled financing issue* in *Definitions*, earlier), enter the amount of the proceeds used to make loans to other governmental units, the interest on which is tax exempt.

Line 38. If the issue is a loan of proceeds from a pooled financing issue (as defined under *Pooled financing issue* in *Definitions*, earlier), check the box and where asked for the date of issue, EIN, and name of the issuer of the master pool bond, enter the date of issue, EIN, and name of the issuer of the pooled financing issue.

Line 40. Check this box if the issue is a construction issue and an irrevocable election to pay a penalty in lieu of arbitrage rebate has been made on or before the date the bonds were issued. The penalty is payable with a Form 8038-T for each 6-month period after the date the bonds are issued. Do not make any payment of penalty in lieu of arbitrage rebate with this form. See Rev. Proc. 92-22, 1992-1 C.B. 736, for rules regarding the “election document.”

Line 41a. Check this box if the issuer has identified a hedge on its books and records according to Regulations sections 1.148-4(h)(2)(viii) and 1.148-4(h)(5) that permit an issuer of tax-exempt bonds to identify a hedge for it to be included in yield calculations for figuring arbitrage.

Line 42. In determining if the issuer has super-integrated a hedge, apply the rules of Regulations section 1.148-4(h)(4). If the hedge is super-integrated, check the box.

Line 43. If the issuer takes a “deliberate action” after the issue date that causes the conditions of the private business tests or the private loan financing test to be met, then such issue is also an issue of private

activity bonds. Regulations section 1.141-2(d)(3) defines a deliberate action as any action taken by the issuer that is within its control regardless of whether there is intent to violate such tests. Regulations section 1.141-12 explains the conditions to taking remedial action that prevent an action that causes an issue to meet the private business tests or private loan financing test from being treated as a deliberate action. Check the box if the issuer has established written procedures to ensure timely remedial action for all nonqualified bonds according to Regulations section 1.141-12 or other remedial actions authorized by the Commissioner under Regulations section 1.141-12(h).

Line 44. Check the box if the issuer has established written procedures to monitor compliance with the arbitrage, yield restriction, and rebate requirements of section 148.

Line 45a. Check the box if some part of the proceeds was used to reimburse expenditures. Figure and then enter the amount of proceeds that are used to reimburse the issuer for amounts paid for a qualified purpose prior to the issuance of the bonds. See Regulations section 1.150-2.

Line 45b. An issuer must adopt an official intent to reimburse itself for preissuance expenditures within 60 days after payment of the original expenditure unless excepted by Regulations section 1.150-2(f). Enter the date the official intent was adopted. See Regulations section 1.150-2(e) for more information about official intent.

Signature and Consent

An authorized representative of the issuer must sign Form 8038-G and any applicable certification. Also print the

name and title of the person signing Form 8038-G. The authorized representative of the issuer signing this form must have the authority to consent to the disclosure of the issuer's return information, as necessary to process this return, to the person(s) that have been designated in Form 8038-G.

Note. If the issuer in Part I, lines 3a and 3b, authorizes the IRS to communicate (including in writing and by telephone) with a person other than an officer or other employee of the issuer, by signing this form, the issuer's authorized representative consents to the disclosure of the issuer's return information, as necessary to process this return, to such person.

Paid Preparer

If an authorized officer of the issuer filled in this return, the paid preparer's space should remain blank. Anyone who prepares the return but does not charge the organization should not sign the return. Certain others who prepare the return should not sign. For example, a regular, full-time employee of the issuer, such as a clerk, secretary, etc., should not sign.

Generally, anyone who is paid to prepare a return must sign it and fill in the other blanks in the *Paid Preparer Use Only* area of the return.

The paid preparer must:

- Sign the return in the space provided for the preparer's signature (a facsimile signature is acceptable),
- Enter the preparer information, and
- Give a copy of the return to the issuer.

Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the

United States. You are required to give us the information. We need it to ensure that you are complying with these laws.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form varies depending on individual circumstances. The estimated average time is:

Learning about the law or the form	2 hr., 41 min.
Preparing, copying, assembling, and sending the form to the IRS	3 hr., 3 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can send us comments through [IRS.gov/FormComments](https://www.irs.gov/FormComments).

Or you can write to:

Internal Revenue Service
Tax Forms and Publications
1111 Constitution Ave. NW, IR-6526
Washington, DC 20224

Do not send the form to this address. Instead, see *Where To File*, earlier.



ACCEPTANCE CERTIFICATE

De Lage Landen Public Finance LLC
1111 Old Eagle School Rd
Wayne, PA 19087

Ladies and Gentlemen:

Re: Lease Purchase Agreement dated as JULY 14, 2021 of between De Lage Landen Public Finance LLC, as Lessor, and City Of Aurora, as Lessee.

In accordance with the Lease Purchase Agreement (the "Agreement"), the undersigned Lessee hereby certifies and represents to, and agrees with Lessor as follows:

(1) All of the Property (as such term is defined in the Agreement) has been delivered, installed or is otherwise fully accessible by the Lessee and the Property is accepted on the date hereof.

(2) Lessee has conducted such inspection and/or testing of the Property as it deems necessary and appropriate and hereby acknowledges that it accepts the Property for all purposes.

(3) Lessee is currently maintaining the insurance coverage required by Section 7.02 of the Agreement.

(4) No event or condition that constitutes, or with notice or lapse of time, or both, would constitute, an Event of Default (as defined in the Agreement) exists at the date hereof.

LESSEE	Lessee Name <u>City Of Aurora</u>	
	Signature	Date
	Title	

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