

**2026 OPERATING PLAN AND BUDGET**

**INTERQUEST NORTH  
BUSINESS  
IMPROVEMENT  
DISTRICT**

City of Colorado Springs, El Paso County, Colorado

**TABLE OF CONTENTS**

1. PURPOSE AND SCOPE OF THIS DISTRICT..... 1  
    A. Requirement for this Operating Plan. .... 1  
    B. What Must Be Included in the Operating Plan? ..... 1  
    C. Purposes. .... 1  
    D. Ownership of Property or Major Assets. .... 1  
    E. Contracts and Agreements. .... 2  
2. ORGANIZATION AND COMPOSITION OF THE BOARD OF DIRECTORS ..... 2  
3. BOUNDARIES, INCLUSIONS AND EXCLUSIONS ..... 2  
4. PUBLIC IMPROVEMENTS ..... 3  
5. ADMINISTRATION, OPERATIONS, SERVICES AND MAINTENANCE..... 3  
6. FINANCIAL PLAN AND BUDGET ..... 3  
7. MUNICIPAL OVERSIGHT OF DISTRICT ACTIVITIES ..... 6  
8. 2026 ACTIVITIES, PROJECTS AND CHANGES..... 7  
    A. Activities. .... 7  
    B. Projects and Public Improvements..... 7  
    C. Summary of 2026 Activities and Changes from Prior Year. .... 7  
9. DISCLOSURE AND COMMUNICATION ..... 8  
10. DISSOLUTION..... 8  
11. CONCLUSION ..... 8

EXHIBIT A - Director and Other Contact Information

EXHIBIT B - BID Budget 2026

    General Fund

    Debt Service Fund

    Capital Projects Fund

EXHIBIT C - District Boundary Map

EXHIBIT D – Terms and Definitions

**2026**  
**OPERATING PLAN FOR THE**  
**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT**

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

***A. Requirement for this Operating Plan.***

The Business Improvement District Act, specifically Section 31-25-1211, C.R.S., requires that the Interquest North Business Improvement District (the “District”) file an operating plan and budget with the City Clerk no later than September 30 of each year.

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

The District operates under the authorities and powers allowed under the Business Improvement District Act, Section 31-25-1201, *et seq.*, C.R.S., as amended, as further described and limited by this Operating Plan.

***B. What Must Be Included in the Operating Plan?***

Pursuant to the provisions of the Business Improvement District Act, Section 31-25-1201, *et seq.*, C.R.S., as amended, this Operating Plan specifically identifies: (1) the composition of the Board of Directors; (2) the services and improvements to be provided by the District; (3) the taxes, fees, and assessments to be imposed by the District; (4) the estimated principal amount of the bonds to be issued by the District; and (5) such other information as the City may require.

The District’s original 2004 and subsequent Operating Plans, previously approved by the City, are incorporated herein by reference, and shall remain in full force and effect except as specifically or necessarily modified hereby.

***C. Purposes.***

As may be further articulated in prior years’ Operating Plans, the ongoing and/or contemplated purposes of this District for 2026 include financing, acquisition, construction, completion, installation, replacement and/or operation and maintenance of all of the services and public improvements allowed under Colorado law for business improvement districts. Specific improvements and services provided by the District include parking facilities, roadways, lighting, driveways, public utilities, security, marketing, and landscaping consistent with prior years’ activities.

***D. Ownership of Property or Major Assets.***

The District owns the following real property: Tract A, Marketplace at Interquest Filing No. 9; Tract A, Marketplace at Interquest Filing No. 17; a portion of Tract B, Marketplace at Interquest Filing No. 17; Tract E, Marketplace at Interquest Filing No. 1; Tract A, Marketplace at Interquest Filing No. 4; Lots 2 and 3, Marketplace at Interquest Filing No. 18. The District also owns street, parking, landscaping, and drainage improvements.

***E. Contracts and Agreements.***

The District entered into that certain Maintenance Agreement with Nor'wood Limited, Inc. on May 27, 2020, pursuant to which Nor'wood Limited, Inc. agreed to operate and maintain the District's property and easement areas, including, but not limited to, parking areas, drainage basins, retention and detention ponds, landscape areas, and signage.

**2. ORGANIZATION AND COMPOSITION OF THE BOARD OF DIRECTORS**

***A. Organization.***

The Interquest North Business Improvement District was organized by the City of Colorado Springs, Colorado by Ordinance No. 04-237 on October 26, 2004.

***B. Governance.***

The District is governed by an elected board of directors.

***C. Current Board***

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

Timothy Seibert, President  
Christopher S. Jenkins, Vice-President  
David D. Jenkins, Secretary  
Delroy L. Johnson, Assistant Secretary  
Greg Barbuto, Assistant Secretary

Director and other pertinent contact information are provided in **EXHIBIT A**.

***D. Term Limits.***

The District's election on November 2, 2004 included a ballot question to eliminate term limits pursuant to Article 18, Section 11 of the Colorado Constitution. The question passed.

***E. Advisory Board***

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

**3. BOUNDARIES, INCLUSIONS AND EXCLUSIONS**

The District map is depicted in **EXHIBIT C**. The District does not anticipate inclusions or exclusions in 2026.

#### 4. PUBLIC IMPROVEMENTS

The District will be primarily concerned with the provision of public improvements and services within the boundaries of the District in 2026. The District shall have the authority to provide these improvements and services, but the revenue-raising powers of the District to recoup the costs of extraterritorial 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 and installed, include those public improvements the costs of which may, in accordance with the Business Improvement District Act, Section 31-25-1201, *et seq.*, C.R.S., lawfully be paid for by the District, including, without limitation, water services, safety protection devices, sanitation services, marketing, streetscape improvements, street improvements, curbs, gutters, culverts, drainage facilities, sidewalks, parking facilities, paving, lighting, grading, landscaping and storm and wastewater management facilities and associated land acquisition and remediation.

#### 5. ADMINISTRATION, OPERATIONS, SERVICES, PROPERTY OWNERSHIP, AND MAINTENANCE

The District shall provide for ownership, operation, and maintenance of District facilities as activities of the District itself or by contract with other units of government or the private sector.

#### 6. FINANCIAL PLAN AND BUDGET

##### *A. 2026 Budget.*

The 2026 Budget for the District is attached as **EXHIBIT B**.

##### *B. Authorized Indebtedness.*

At an election held on November 2, 2004, the voters approved general obligation indebtedness of \$9,900,000 for street improvements. The voters also approved an annual increase in taxes of \$50,000 for general operations and maintenance. The election also allows the District to retain all revenues without regard to the limitations contained in Article X, Section 20 of the Colorado constitution. On November 1, 2005, the District's electors authorized additional indebtedness of \$3,100,000 for water and storm drainage.

On November 6, 2018, the District's electors authorized additional indebtedness of \$25,000,000 for water improvements, \$25,000,000 for sanitary sewer improvements, \$25,000,000 for street improvements, \$25,000,000 for traffic and safety improvements, \$25,000,000 for park and recreation improvements, \$25,000,000 for transportation improvements, \$25,000,000 for security improvements, \$25,000,000 for operations and maintenance, \$25,000,000 for refinancing debt, and \$25,000,000 for reimbursement agreements.

Per the approval of the City Council on October 23, 2018, the amount of authorized debt has been increased from \$13,000,000 to \$25,000,000 in order to accommodate the next phases of development occasioned by increased demand for public improvements to benefit the businesses

within the District related to the success of the project and anticipated business growth within the District. The debt limit of the District shall not exceed \$25,000,000 regardless of the amount of voted debt authorization without the City's express prior approval. The bonds of the District, including revenue bonds, will be limited to those that are payable either from ad valorem property taxes, assessments, PIF revenues, permitted user fees, reimbursements, interest and interest earnings of the District, and from other revenues made available to the District. The District will not impose a sales tax.

***C. Maximum Debt and Operating Mill Levies.***

The mill levy limitations in the District's original 2004 Operating Plan (being 50 mills for debt service and one (1) mill for general operations and administrative expenses, both subject to adjustment) remain unchanged. The mill levy caps set forth in this paragraph may be subject to upward or downward adjustments addressing any Mill Levy Adjustment or any abatement occurring after, but not before January 1, 2006. Such upward or downward adjustments are 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 revenue generated by the mill levy, as adjusted for changes occurring after January 1, 2006, are neither diminished nor enhanced as a result of such changes.

***D. District Revenues.***

See the 2026 Budget attached hereto as **EXHIBIT B**.

***E. Existing Debt Obligations.***

On December 3, 2010, the District issued its \$6,500,000 Limited Tax General Obligation Bond, Series 2010 with an interest rate of 8.5% ("2010 Bonds"). The 2010 Bonds are subject to redemption at the District's option. This issuance was approved by the City Council by Resolution No. 185-10 as required by the 2010 Operating Plan.

On June 8, 2016, the District issued its \$4,765,000 Limited Tax General Obligation Bonds, Series 2016 with an interest rate of 6.5%. This issuance was approved by the City Council by Resolution No. 54-16 as required by the 2016 Operating Plan.

On September 15, 2020, the District issued its fill-up \$13,735,000 Limited Tax General Obligation Bonds, Series 2020 with an interest rate of 7.00% ("2020 Bonds"). The 2020 Bonds are subject to mandatory redemption starting on December 1, 2024 and are subject to optional redemption starting on January 1, 2027. The first draw in 2020 was approximately \$1,535,000, the second draw in 2021 was approximately \$6,340,000, the third draw in 2023 was approximately \$5,742,000, and the fourth draw in 2024 was approximately \$118,000. The 2020 Bonds were fully drawn in 2024. The issuance of the 2020 Bonds was approved by the City Council by Resolution No. 68-20 as required by the 2020 Operating Plan.

The District will annually review the interest rate on its bonds regarding market interest rate and evaluate possibilities to refund such bonds to the extent allowed pursuant to the bond documents.

***F. Future Debt Obligations.***

In accordance with the City's Special District Policy, the District shall request and obtain approval of City Council prior to issuance of any debt in accordance with the financing plan for the District as previously approved. The standards for City approval shall generally be consistent with the City's Special District Policy, as it may be amended, along with the most recently approved Operating Plan and Budget and any requirements or limitations contained therein to the extent that they are consistent with the financing plans for the District. The District does not currently have any remaining authorized debt and does not anticipate issuing additional debt.

***G. Developer Funding Agreements.***

The District entered into that certain Facilities Funding and Reimbursement Agreement with Interquest Marketplace, LLC on February 22, 2017. At the end of 2025, it is anticipated that the District will have an outstanding total amount of developer advances of \$0.

Developer Funding Agreements entered into by this District after January 1, 2023 shall be limited to a term of no greater than twenty (20) years, from the time of the first such agreement, after which time any remaining balances must be either converted to Debt or shall no longer be considered an obligation of the District. The Interest Rate on any Developer Funding Agreements initially entered into after January 1, 2023 shall not exceed the Index Rate plus 400 basis points, and interest shall only accrue on the principal balance.

***H. Other Financial Obligations.***

The District may enter into agreements including reimbursement or similar agreements and leases; as well as agreements for ongoing services such as legal, administration, compliance, budget, audit, etc.

***I. City Charter Limitations.***

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

***J. Limited Default Provisions.***

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

***K. Privately Placed Debt and Related Party Privately Placed Debt.***

Prior to the issuance of any privately placed debt for capital related costs, the District shall obtain the certification of an External Financial Advisor regarding the fairness and feasibility of the interest rate and the structure of the Debt. The Interest Rate for Related Party Privately Placed Debt shall not exceed the Index Rate by more than 400 basis points. Related Party Privately Placed Debt shall not be issued with an optional call date of greater than five (5) years from the date of issuance.

***L. End User Debt Service Fee Limitation***

The District shall not impose an End User Debt Service Fee for the purpose of servicing District Debt without prior approval of City Council.

***M. Debt Not an Obligation of the City***

The debt of the District will not constitute a debt or obligation of the City in any manner. The faith and credit of the City will not be pledged for the repayment of the debt of the District. This will be clearly stated on all offering circulars, prospectus, or disclosure statements associated with any securities issued by the District.

***N. Land Development Entitlements***

The District shall not issue Debt, enter into any other Long Term Financial Obligation or certify a Debt Mill Levy unless a Land Development Entitlement has been approved for the Property.

**7. MUNICIPAL OVERSIGHT OF DISTRICT ACTIVITIES**

***A. Audit.***

The District agrees to submit an annual audit to the City Finance Department no later than March 31st of each year which is performed by an independent certified public accounting firm. Notwithstanding the foregoing, the District may submit a completed audit exemption application to the City Finance Department in lieu of an annual audit if the District qualifies for an audit exemption pursuant to state law.

***B. SID Formation.***

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

***C. City Authorization Prior to Debt Issuance.***

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

***D. Public Improvement Fees.***

The use of a public improvement fee ("PIF") is in place to provide necessary funding revenues for the improvements financed by the District. The District will utilize revenues from the PIF for such purposes.

***E. Condemnation.***

The Colorado Revised Statutes do not authorize BIDs to use powers of eminent domain.

The exercise of eminent domain authority by any City-authorized district is also specifically prohibited without express prior City Council approval.

***F. Concealed Carry Prohibition.***

The District shall not adopt or enact an ordinance, resolution, rule or other regulation that prohibits or restricts an authorized permittee from carrying a concealed handgun in a building or specific area under the direct control or management of the District as provided in C.R.S. § 18-12-214.

***G. Eligible Expenses or Costs for Reimbursement.***

In addition to any limits or prohibitions contained in Colorado Revised Statutes, the District shall not issue debt for or otherwise fund any costs or expenses not allowed for by the Special District Policy.

***H. Intergovernmental Agreements.***

The District is not party to any intergovernmental agreements and does not anticipate entering into any intergovernmental agreements in 2026.

***I. Overlapping Districts.***

There are no overlapping Districts within the District’s boundaries.

**8. 2026 ACTIVITIES, PROJECTS AND CHANGES**

***A. Activities.***

The District anticipates continued activity for commercial development in 2026 and will support such activity as provided in this Operating Plan and by statute. The District anticipates providing operation and maintenance services, including, but not limited to, parking and street maintenance and operations, including snow removal, landscaping, stormwater, marketing, common area maintenance, and security services as needed.

***B. Projects and Public Improvements.***

The District anticipates constructing additional public improvements in 2026.

***C. Summary of 2025 Activities and Changes from Prior Year.***

The District’s activities largely consist of constructing public improvements, district administration, and payment of its existing bonds.

***Boundary changes:*** Pursuant to Ordinance No. 25-40, finally passed on April 8, 2025, the City Council approved the inclusion of an approximately 5.44 acre parcel into the southwest corner of the District.

***Changes to board or governance structure:*** No changes are anticipated.

**Mill levy changes:** The District imposed 1.043 mills for operations and maintenance and 12.000 mills for debt service in 2025. The District anticipates imposing 1.041 mills for operations and maintenance and 5.000 mills for debt service in 2026.

**New, refinanced or fully discharged debt:** The District does not anticipate issuing debt in 2026.

**Elections:** The District anticipates holding an election November 2025 to consider the approval of a waiver of the 5.25% property tax limit set forth in Section 29-1-1702, C.R.S.

**Major changes in development activity or valuation:** Not anticipated for the upcoming year.

**Ability to meet current financial obligations:** See 2026 Budget attached as **EXHIBIT B**.

## **9. DISCLOSURE AND COMMUNICATION**

The District shall maintain a website that includes content similar to that required for metropolitan districts by Colorado Revised Statutes § 32-1-104.5 and as required by Section K of the Special District Policy, to the extent this content is applicable to BIDs. The District's website is [interquestnorthbid.com](http://interquestnorthbid.com).

## **10. DISSOLUTION**

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

## **11. CONCLUSION**

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

**EXHIBIT A**  
**Director and Other Contact Information**  
**Interquest North Business Improvement District**

**BOARD OF DIRECTORS:**

<b>NAME &amp; ADDRESS</b>	<b>POSITION</b>	<b>TERM(S)</b>	<b>PHONE #/E-MAIL</b>
Timothy Seibert Nor'wood Development Group 111 South Tejon, Suite 222 Colorado Springs, CO 80903	President	2020-2027	(w) 719-593-2600 (f) 719-633-0545 <a href="mailto:tseibert@nor-wood.com">tseibert@nor-wood.com</a>
Christopher S. Jenkins Nor'wood Development Group 111 South Tejon, Suite 222 Colorado Springs, CO 80903	Vice President	2020-2027	(w) 719-593-2600 (f) 719-633-0545 <a href="mailto:chrisjenkins@nor-wood.com">chrisjenkins@nor-wood.com</a>
David D. Jenkins Nor'wood Development Group 111 South Tejon, Suite 222 Colorado Springs, CO 80903	Secretary	2020-2027	(w) 719-593-2600 (f) 719-633-0545 <a href="mailto:ddj@nor-wood.com">ddj@nor-wood.com</a>
Delroy L. Johnson Nor'wood Development Group 111 South Tejon, Suite 222 Colorado Springs, CO 80903	Assistant Secretary	2025-2029	(w) 719-593-2600 (f) 719-633-0545 <a href="mailto:djohnson@nor-wood.com">djohnson@nor-wood.com</a>
Greg Barbuto Nor'wood Development Group 111 South Tejon, Suite 222 Colorado Springs, CO 80903	Assistant Secretary	2025-2029	(w) 719-593-2600 (f) 719-633-0545 <a href="mailto:gbarbuto@nor-wood.dev">gbarbuto@nor-wood.dev</a>

**DISTRICT CONTACT:**

Delroy L. Johnson, Assistant Secretary Nor'wood Development Group 111 South Tejon, Suite 222 Colorado Springs, CO 80903 (w) 719-593-2600 <a href="mailto:djohnson@nor-wood.com">djohnson@nor-wood.com</a>
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**DISTRICT MANAGER:**

CliftonLarsonAllen LLP 121 South Tejon Street, Suite 1100 Colorado Springs, CO 80111 (w) 719-635-0330 (f) 719-635-0330
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**ACCOUNTANT:**

Carrie Bartow, CPA CliftonLarsonAllen LLP 121 South Tejon St., Suite 1100 Colorado Springs, CO 80903 (w) 719-635-0300 x77839 (f) 719-473-3630 <a href="mailto:carrie.bartow@claconnect.com">carrie.bartow@claconnect.com</a>
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**AUDITOR:**

BiggsKofford, PC 630 Southpointe Court, Suite 200 Colorado Springs, CO 80906 719-579-9090
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**INSURANCE AND BONDS:****STAFF:**

T. Charles Wilson Insurance Service 384 Inverness Parkway Centennial, CO 80112 303-368-5757	N/A
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**EXHIBIT B**  
**2026 BID Budget**

**INTERQUEST NORTH  
BUSINESS IMPROVEMENT DISTRICT  
ANNUAL BUDGET  
FOR THE YEAR ENDING DECEMBER 31, 2026**

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT  
SUMMARY  
2026 BUDGET  
WITH 2024 ACTUAL AND 2025 ESTIMATED  
For the Years Ended and Ending December 31,**

9/19/25

	ACTUAL 2024	BUDGET 2025	ACTUAL 6/30/2025	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 7,584,452	\$ 5,711,308	\$ 6,054,890	\$ 6,054,890	\$ 6,200,551
REVENUES					
Property taxes	658,850	618,583	618,181	618,987	324,402
Specific ownership taxes	61,715	61,858	29,420	61,858	30,818
PIF revenue	2,896,150	2,800,000	1,379,669	2,750,000	2,875,000
Interest income	381,283	218,000	153,181	305,870	100,200
Developer advance	2,491,621	4,100,000	-	-	3,400,000
Bond issuance proceeds	118,000	-	-	-	-
Other revenue	1,422	-	-	-	2,456
Total revenues	<u>6,609,041</u>	<u>7,798,441</u>	<u>2,180,451</u>	<u>3,736,715</u>	<u>6,732,876</u>
TRANSFERS IN	<u>3,260,523</u>	<u>4,557,440</u>	<u>456,105</u>	<u>1,893,105</u>	<u>4,751,500</u>
Total funds available	<u>17,454,016</u>	<u>18,067,189</u>	<u>8,691,446</u>	<u>11,684,710</u>	<u>17,684,927</u>
EXPENDITURES					
General Fund	534,863	440,000	107,950	1,579,195	571,500
Debt Service Fund	2,012,277	2,008,674	8,531	2,008,754	1,989,088
Capital Projects Fund	5,591,463	8,351,000	3,105	3,105	7,626,500
Total expenditures	<u>8,138,603</u>	<u>10,799,674</u>	<u>119,586</u>	<u>3,591,054</u>	<u>10,187,088</u>
TRANSFERS OUT	<u>3,260,523</u>	<u>4,557,440</u>	<u>456,105</u>	<u>1,893,105</u>	<u>4,751,500</u>
Total expenditures and transfers out requiring appropriation	<u>11,399,126</u>	<u>15,357,114</u>	<u>575,691</u>	<u>5,484,159</u>	<u>14,938,588</u>
ENDING FUND BALANCES	<u>\$ 6,054,890</u>	<u>\$ 2,710,075</u>	<u>\$ 8,115,755</u>	<u>\$ 6,200,551</u>	<u>\$ 2,746,339</u>
EMERGENCY RESERVE AVAILABLE FOR OPERATIONS	\$ 3,600 (402,864)	\$ 13,300 232	\$ 2,400 19,570	\$ 3,400 17,262	\$ 2,700 60,838
TOTAL RESERVE	<u>\$ (399,264)</u>	<u>\$ 13,532</u>	<u>\$ 21,970</u>	<u>\$ 20,662</u>	<u>\$ 63,538</u>

See summary of significant assumptions.

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT  
PROPERTY TAX SUMMARY INFORMATION  
2026 BUDGET  
WITH 2024 ACTUAL AND 2025 ESTIMATED  
For the Years Ended and Ending December 31,**

9/19/25

	ACTUAL 2024	BUDGET 2025	ACTUAL 6/30/2025	ESTIMATED 2025	BUDGET 2026
<b>ASSESSED VALUATION</b>					
Commercial	\$ 49,589,520	\$ 46,534,380	\$ 46,534,380	\$ 46,534,380	\$ 51,768,710
State assessed	-	75,300	75,300	75,300	77,200
Vacant land	816,790	816,790	816,790	816,790	1,854,140
Certified Assessed Value	<u>\$ 50,406,310</u>	<u>\$ 47,426,470</u>	<u>\$ 47,426,470</u>	<u>\$ 47,426,470</u>	<u>\$ 53,700,050</u>
<b>MILL LEVY</b>					
General	1.041	1.043	1.043	1.043	1.041
Debt Service	12.000	12.000	12.000	12.000	5.000
Total mill levy	<u>13.041</u>	<u>13.043</u>	<u>13.043</u>	<u>13.043</u>	<u>6.041</u>
<b>PROPERTY TAXES</b>					
General	\$ 52,473	\$ 49,466	\$ 49,466	\$ 49,466	\$ 55,902
Debt Service	604,876	569,117	569,118	569,118	268,500
Levied property taxes	657,349	618,583	618,584	618,584	324,402
Adjustments to actual/rounding	-	-	(403)	403	-
Refunds and abatements	1,501	-	-	-	-
Budgeted property taxes	<u>\$ 658,850</u>	<u>\$ 618,583</u>	<u>\$ 618,181</u>	<u>\$ 618,987</u>	<u>\$ 324,402</u>
<b>BUDGETED PROPERTY TAXES</b>					
General	\$ 52,593	\$ 49,466	\$ 49,434	\$ 49,498	\$ 55,902
Debt Service	606,257	569,117	568,747	569,489	268,500
	<u>\$ 658,850</u>	<u>\$ 618,583</u>	<u>\$ 618,181</u>	<u>\$ 618,987</u>	<u>\$ 324,402</u>

See summary of significant assumptions.

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT  
GENERAL FUND  
2026 BUDGET  
WITH 2024 ACTUAL AND 2025 ESTIMATED  
For the Years Ended and Ending December 31**

9/19/25

	ACTUAL 2024	BUDGET 2025	ACTUAL 6/30/2025	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ (266,214)	\$ 25,768	\$ (399,264)	\$ (399,264)	\$ 20,662
REVENUES					
Property taxes	52,593	49,466	49,434	49,498	55,902
Specific ownership taxes	61,715	61,858	29,420	61,858	30,818
Interest income	4,290	10,000	435	870	200
Other revenue	1,422	-	-	-	2,456
Total revenues	<u>120,020</u>	<u>121,324</u>	<u>79,289</u>	<u>112,226</u>	<u>89,376</u>
TRANSFERS IN					
Transfers from other funds	<u>281,793</u>	<u>306,440</u>	<u>453,000</u>	<u>1,890,000</u>	<u>525,000</u>
Total funds available	<u>135,599</u>	<u>453,532</u>	<u>133,025</u>	<u>1,602,962</u>	<u>635,038</u>
EXPENDITURES					
General and administrative					
Accounting	49,965	45,000	24,720	50,000	52,500
Auditing	5,100	5,500	5,600	5,600	6,000
County treasurer's fee	1,309	742	742	742	839
Dues and membership	643	2,200	613	620	1,200
Insurance	2,945	3,960	3,725	3,725	4,400
District management	19,884	30,000	4,915	12,000	15,000
Legal	4,136	30,000	27,316	55,000	60,000
Miscellaneous	7,861	5,500	108	250	300
PIF collection expense	21,718	18,500	10,103	25,000	27,000
Banking fees	-	-	77	300	350
Security	69,162	73,000	-	97,938	101,000
Consulting Services	-	-	24,900	31,500	-
Election	96	-	1,009	2,000	-
Contingency	-	3,558	-	3,558	3,106
Website	-	-	1,375	2,800	3,000
Operations and maintenance					
Repairs and maintenance	126,472	45,000	-	1,065,441	67,000
Engineering	500	-	-	-	-
Landscaping	54,324	44,000	-	60,585	62,000
Pest control	-	-	160	350	400
Capital reserve	28,805	36,000	-	28,805	28,805
Marketing	8,490	15,000	-	10,399	11,000
Snow removal	81,727	37,500	-	76,334	79,000
Water - non utilities	11,757	8,900	-	7,328	8,000
Signage	2,570	1,850	-	1,152	1,000
Management staff	11,819	9,000	-	13,134	14,000
Stormwater	6,043	3,890	2,587	5,200	5,500
Other grounds expense	11,112	15,500	-	11,438	12,000
Electricity	8,425	5,300	-	7,896	8,000
Ground Lease	-	100	-	100	100
Total expenditures	<u>534,863</u>	<u>440,000</u>	<u>107,950</u>	<u>1,579,195</u>	<u>571,500</u>
TRANSFERS OUT					
Transfers to other fund	<u>-</u>	<u>-</u>	<u>3,105</u>	<u>3,105</u>	<u>-</u>
Total expenditures and transfers out requiring appropriation	<u>534,863</u>	<u>440,000</u>	<u>111,055</u>	<u>1,582,300</u>	<u>571,500</u>
ENDING FUND BALANCES	<u>\$ (399,264)</u>	<u>\$ 13,532</u>	<u>\$ 21,970</u>	<u>\$ 20,662</u>	<u>\$ 63,538</u>
EMERGENCY RESERVE	\$ 3,600	\$ 13,300	\$ 2,400	\$ 3,400	\$ 2,700
AVAILABLE FOR OPERATIONS	(402,864)	232	19,570	17,262	60,838
TOTAL RESERVE	<u>\$ (399,264)</u>	<u>\$ 13,532</u>	<u>\$ 21,970</u>	<u>\$ 20,662</u>	<u>\$ 63,538</u>

See summary of significant assumptions.

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT  
DEBT SERVICE FUND  
2026 BUDGET  
WITH 2024 ACTUAL AND 2025 ESTIMATED  
For the Years Ended and Ending December 31,**

9/19/25

	ACTUAL 2024	BUDGET 2025	ACTUAL 6/30/2025	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 7,847,563	\$ 5,685,540	\$ 6,454,154	\$ 6,454,154	\$ 6,179,889
REVENUES					
Property taxes	606,257	569,117	568,747	569,489	268,500
PIF revenue	2,896,150	2,800,000	1,379,669	2,750,000	2,875,000
Interest income	376,984	208,000	152,746	305,000	100,000
Total revenues	<u>3,879,391</u>	<u>3,577,117</u>	<u>2,101,162</u>	<u>3,624,489</u>	<u>3,243,500</u>
TRANSFERS IN					
Transfers from other funds	-	-	-	-	-
Total funds available	<u>11,726,954</u>	<u>9,262,657</u>	<u>8,555,316</u>	<u>10,078,643</u>	<u>9,423,389</u>
EXPENDITURES					
General and administrative					
County treasurer's fee	15,098	8,537	8,531	8,537	4,028
Contingency	-	1,533	-	1,533	2,000
Debt Service					
PIF rebate	54,728	54,014	-	53,094	35,000
Bond interest	1,624,451	1,605,590	-	1,606,590	1,583,060
Bond principal	318,000	339,000	-	339,000	365,000
Total expenditures	<u>2,012,277</u>	<u>2,008,674</u>	<u>8,531</u>	<u>2,008,754</u>	<u>1,989,088</u>
TRANSFERS OUT					
Transfers to other fund	3,260,523	4,557,440	453,000	1,890,000	4,751,500
Total expenditures and transfers out requiring appropriation	<u>5,272,800</u>	<u>6,566,114</u>	<u>461,531</u>	<u>3,898,754</u>	<u>6,740,588</u>
ENDING FUND BALANCES	<u>\$ 6,454,154</u>	<u>\$ 2,696,543</u>	<u>\$ 8,093,785</u>	<u>\$ 6,179,889</u>	<u>\$ 2,682,801</u>

See summary of significant assumptions.

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT  
CAPITAL PROJECTS FUND  
2026 BUDGET  
WITH 2024 ACTUAL AND 2025 ESTIMATED  
For the Years Ended and Ending December 31**

9/19/25

	ACTUAL 2024	BUDGET 2025	ACTUAL 6/30/2025	ESTIMATED 2025	BUDGET 2026
BEGINNING FUND BALANCES	\$ 3,103	\$ -	\$ -	\$ -	\$ -
REVENUES					
Interest income	9	-	-	-	-
Developer advance	2,491,621	4,100,000	-	-	3,400,000
Bond issuance proceeds	118,000	-	-	-	-
Total revenues	<u>2,609,630</u>	<u>4,100,000</u>	<u>-</u>	<u>-</u>	<u>3,400,000</u>
TRANSFERS IN					
Transfers from other funds	<u>2,978,730</u>	<u>4,251,000</u>	<u>3,105</u>	<u>3,105</u>	<u>4,226,500</u>
Total funds available	<u>5,591,463</u>	<u>8,351,000</u>	<u>3,105</u>	<u>3,105</u>	<u>7,626,500</u>
EXPENDITURES					
General and Administrative					
Accounting	-	2,500	-	-	2,500
Capital Projects					
Repay developer advance	2,491,931	4,100,000	-	-	3,400,000
Developer advance - interest expense	607,911	143,500	-	-	119,000
Engineering	-	5,000	-	-	5,000
Bond issue costs	-	-	3,105	3,105	-
Capital outlay	2,491,621	4,100,000	-	-	4,100,000
Total expenditures	<u>5,591,463</u>	<u>8,351,000</u>	<u>3,105</u>	<u>3,105</u>	<u>7,626,500</u>
Total expenditures and transfers out requiring appropriation	<u>5,591,463</u>	<u>8,351,000</u>	<u>3,105</u>	<u>3,105</u>	<u>7,626,500</u>
ENDING FUND BALANCES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See summary of significant assumptions.

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT  
2026 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Services Provided**

The District was organized to provide the financing, acquisition, construction, completion, installation, replacement and/or operation and maintenance of all of the services and public improvements allowed under Colorado law for business improvement districts. Specific improvements and services provided by the District include parking facilities, roadways, lighting, driveways, public utilities and landscaping. The District's service area is located entirely within the City of Colorado Springs, El Paso County, Colorado.

The District was organized by Ordinance of the City of Colorado Springs on October 26, 2004.

At an election held on November 2, 2004, the voters approved general obligation indebtedness of \$9,900,000 for street improvements. On November 1, 2005, the District's electors authorized additional indebtedness of \$3,100,000 for water and storm drainage. The voters also approved an annual increase in taxes of \$50,000, at a mill levy rate not to exceed one mill, for general operations and maintenance. The election also allows the District to retain all revenues without regard to the limitations contained in Article X, Section 20, of the Colorado constitution. Pursuant to the District's operating plan filed annually with the City, the maximum debt service mill levy the District can impose is 50.000 mills. On November 6, 2018, the District's electors authorized additional indebtedness of \$25,000,000 for water improvements, \$25,000,000 for sanitary sewer improvements, \$25,000,000 for street improvements, \$25,000,000 for traffic and safety improvements, \$25,000,000 for park and recreation improvements, \$25,000,000 for transportation improvements, \$25,000,000 for security improvements, \$25,000,000 for operations and maintenance, \$25,000,000 for refinancing debt, and \$25,000,000 for reimbursement agreements.

Per the approval of the City Council on October 23, 2018, the amount of authorized debt has been increased from \$13,000,000 to \$25,000,000.

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

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

**Revenues**

**Property Taxes**

Property taxes are levied by the District's Board of Directors. The levy is based on assessed valuations determined by the County Assessor generally as of January 1 of each year. The levy is normally set by December 15 by certification to the County Commissioners to put the tax lien on the individual properties as of January 1 of the following year. The County Treasurer collects the determined taxes during the ensuing calendar year. The taxes are payable by April or, if in equal installments, at the taxpayer's election, in February and June. Delinquent taxpayers are notified in August and generally sales of the tax liens on delinquent properties are held in November or December. The County Treasurer remits the taxes collected monthly to the District.

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT  
2026 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Revenues – (continued)**

**Property Taxes – (continued)**

The calculation of the taxes levied is displayed on the Property Tax Summary page of the budget using the adopted mill levy imposed by the District.

For property tax collection year 2026, HB24B-1001 set the assessment rates as follows:

<b>Category</b>	<b>Rate</b>	<b>Category</b>	<b>Rate</b>
Single-Family Residential	6.25%	Agricultural Land	27.00%
Multi-Family Residential	6.25%	Renewable Energy Land	27.00%
Commercial	27.00%	Vacant Land	27.00%
Industrial	27.00%	Personal Property	27.00%
Lodging	27.00%	State Assessed	27.00%
		Oil & Gas Production	87.50%

**Specific Ownership Taxes**

Specific ownership taxes are set by the State and collected by the County Treasurer, primarily on vehicle licensing within the County as a whole. The specific ownership taxes are allocated by the County Treasurer to all taxing entities within the County. The budget assumes that the District's share will be equal to approximately 9.50% of the property taxes collected.

**Interest Income**

Interest earned on the District's available funds has been estimated based on an average interest rate of approximately 4%.

**PIF Fees**

The District charges public improvement fees (PIF). The nature of the PIF is that of a fee imposed under private contract and not through the exercise of any governmental taxing authority. The PIF is applied to the sale of goods at a rate of 1.25%.

**Developer Advance**

Developer advances are expected to fund a portion of capital project fund expenditures.

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT  
2026 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Expenditures**

**Administrative Expenditures**

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

**County Treasurer's Fees**

Anticipated County Treasurer's collection fees have been computed at 1.5% of property taxes.

**Capital Outlay**

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

**Repay Developer Advances**

The District anticipates repayment of developer advances as noted in the Capital Projects fund.

**Debt Service**

Principal and interest payments in 2025 are provided based upon the debt amortization schedules of the Series 2010 General Obligation Bonds, the Series 2016 Limited Tax General Obligation Bonds and the Series 2020 Limited Tax General Obligation Bonds.

**Debt and Leases**

On December 3, 2010, the District issued \$6,500,000 in General Obligation Bonds. The Bonds mature on December 1, 2040, and bear an interest rate of 8.5% paid annually on December 1. The first interest payment was due on December 1, 2011. At the option of the District, on any date, the bonds are subject to redemption prior to maturity without redemption premium. The proceeds from the Bonds were used to reimburse the Developer for capital infrastructure costs and to pay bond issuance costs. On December 1, 2023, the District reissued the bonds at a 7.00% interest rate.

On June 8, 2016, the District issued \$4,765,000 in Limited Tax General Obligation Bonds. The Bonds mature on December 1, 2045, and bear an interest rate of 6.5% paid annually on December 1, with optional call date December 1, 2025. The proceeds from the Bonds were used to reimburse the Developer for capital infrastructure costs and to pay bond issuance costs.

On September 15, 2020, the District issued a \$13,735,000 Limited Tax General Obligation Drawdown Bonds. The initial Draw was for \$1,535,000. The Bonds mature on December 1, 2049, and bear an interest rate of 7% paid annually on December 1, with optional call date January 1, 2027. The proceeds from the Bonds were used to reimburse the Developer for capital infrastructure costs and to pay bond issuance costs. As of December 31, 2024, the Bond has been fully drawn.

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT  
2026 BUDGET  
SUMMARY OF SIGNIFICANT ASSUMPTIONS**

**Debt and Leases (Continued)**

The District entered into a Facilities Funding and Reimbursement Agreement (Agreement) with the Developer. The District agrees to repay the Developer along with accrued interest, at a rate of 7% on the first day of the following year in which the advances were made. The Agreement does not constitute a multiple-fiscal year obligation.

The District's current debt service schedules are attached.

The District has no capital or operational leases.

The District has outstanding Developer Advances and activity as follows:

	Balance - December 31, 2024	Additions	Retirements/ Reductions	Balance - December 31, 2025*
Developer Advances	\$ -	\$ -	\$ -	\$ -
Accrued Interest - Developer Advances	-	-	-	-
<b>Total</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
	Balance - December 31, 2025*	Additions	Retirements/ Reductions	Balance - December 31, 2026*
Developer Advances	\$ -	\$ 3,400,000	\$ 3,400,000	\$ -
Accrued Interest - Developer Advances	-	119,000	119,000	-
<b>Total</b>	<b>\$ -</b>	<b>\$ 3,519,000</b>	<b>\$ 3,519,000</b>	<b>\$ -</b>

\* - Estimated

**Reserves**

**Emergency Reserve**

The District has provided for an Emergency Reserve fund equal to at least 3% of fiscal year spending for 2025, as defined under TABOR.

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

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

**\$6,500,000**

**Series 2010 General Obligation Refunding Bonds**

**Dated December 3, 2010**

**Interest Rate 7.00%**

<u>Year Ended December 31,</u>	<u>Principal and Interest Due December 1</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	195,000	348,600	543,600
2027	210,000	334,950	544,950
2028	230,000	320,250	550,250
2029	250,000	304,150	554,150
2030	270,000	286,650	556,650
2031	290,000	267,750	557,750
2032	315,000	247,450	562,450
2033	345,000	225,400	570,400
2034	375,000	201,250	576,250
2035	405,000	175,000	580,000
2036	355,000	146,650	501,650
2037	385,000	121,800	506,800
2038	415,000	94,850	509,850
2039	450,000	65,800	515,800
2040	490,000	34,300	524,300
	<u>\$ 4,980,000</u>	<u>\$ 3,174,850</u>	<u>\$ 8,154,850</u>

See summary of significant assumptions.

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

**\$4,765,000**

**Series 2016 Limited Tax General Obligation Bonds**

**Dated June 8, 2016**

**Interest Rate 6.50%**

<b>Year Ended December 31,</b>	<b>Principal and Interest Due December 1</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2026	45,000	289,250	334,250
2027	45,000	286,325	331,325
2028	50,000	283,400	333,400
2029	50,000	280,150	330,150
2030	55,000	276,900	331,900
2031	60,000	273,325	333,325
2032	60,000	269,425	329,425
2033	70,000	265,525	335,525
2034	70,000	260,975	330,975
2035	70,000	256,425	326,425
2036	165,000	251,875	416,875
2037	180,000	241,150	421,150
2038	185,000	229,450	414,450
2039	200,000	217,425	417,425
2040	210,000	204,425	414,425
2041	515,000	190,775	705,775
2042	550,000	157,300	707,300
2043	585,000	121,550	706,550
2044	620,000	83,525	703,525
2045	665,000	43,225	708,225
	<u>\$ 4,450,000</u>	<u>\$ 4,482,400</u>	<u>\$ 8,932,400</u>

See summary of significant assumptions.

**INTERQUEST NORTH BUSINESS IMPROVEMENT DISTRICT  
SCHEDULE OF DEBT SERVICE REQUIREMENTS TO MATURITY**

**\$13,735,000**

**Series 2020 Limited Tax General Obligation Bonds**

**Dated September 15, 2020**

**Interest Rate 7.00%**

<b>Year Ended December 31,</b>	<b>Principal and Interest Due December 1</b>		
	<b>Principal</b>	<b>Interest</b>	<b>Total</b>
2026	125,000	945,210	1,070,210
2027	138,000	936,460	1,074,460
2028	144,000	926,800	1,070,800
2029	157,000	916,720	1,073,720
2030	167,000	905,730	1,072,730
2031	180,000	894,040	1,074,040
2032	196,000	881,440	1,077,440
2033	201,000	867,720	1,068,720
2034	219,000	853,650	1,072,650
2035	240,000	838,320	1,078,320
2036	251,000	821,520	1,072,520
2037	265,000	803,950	1,068,950
2038	293,000	785,400	1,078,400
2039	311,000	764,890	1,075,890
2040	334,000	743,120	1,077,120
2041	597,000	719,740	1,316,740
2042	637,000	677,950	1,314,950
2043	683,000	633,360	1,316,360
2044	734,000	585,550	1,319,550
2045	780,000	534,170	1,314,170
2046	1,543,000	479,570	2,022,570
2047	1,651,000	371,560	2,022,560
2048	1,767,000	255,990	2,022,990
2049	1,890,000	132,300	2,022,300
	<u>\$ 13,503,000</u>	<u>\$ 17,275,160</u>	<u>\$ 30,778,160</u>

See summary of significant assumptions.

**EXHIBIT C**  
**District Boundary**  
**Map**

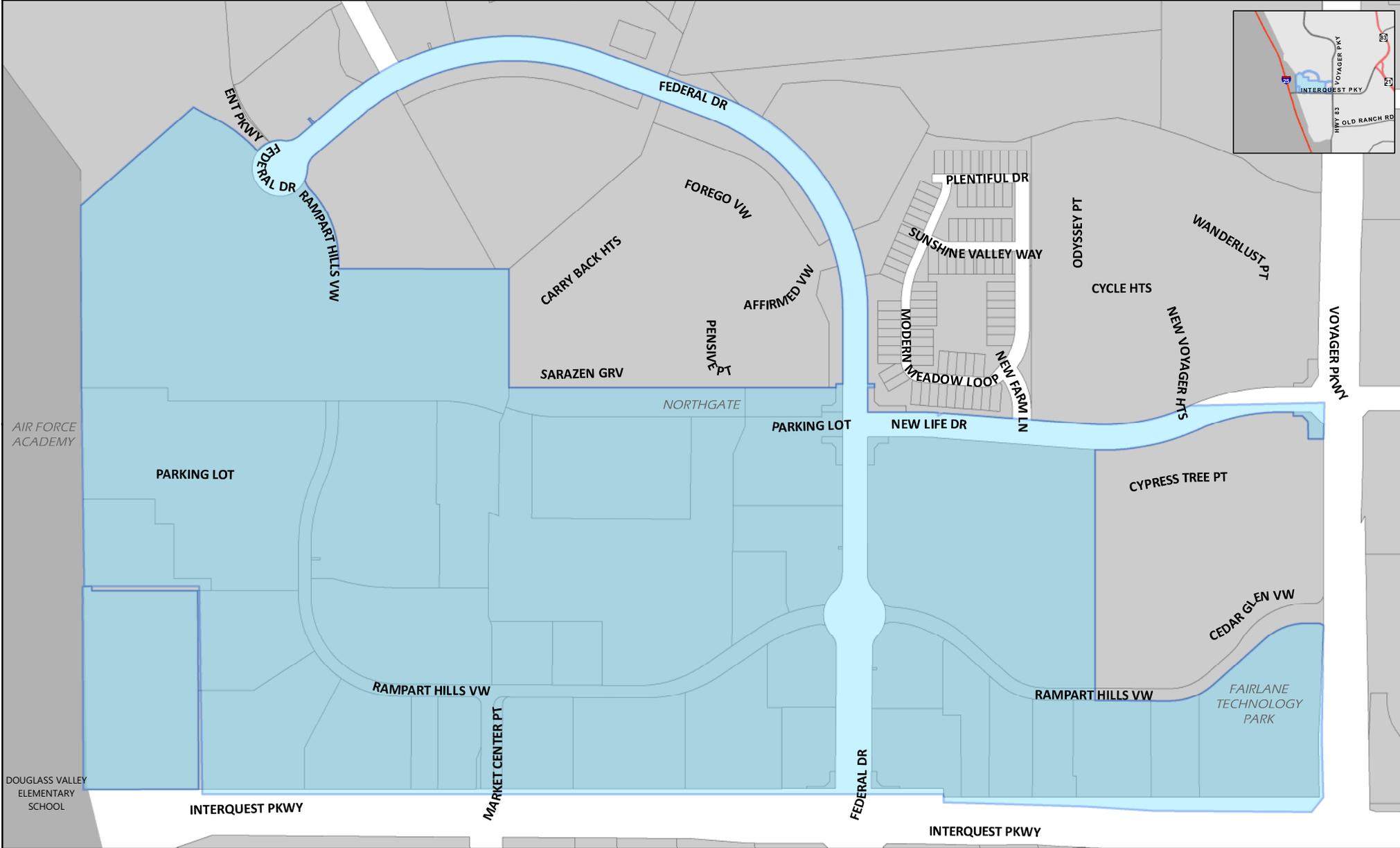
**INTERQUEST NORTH BID**

 Tax Boundary

1 inch = 275.25 feet

08/22/2025 EPC Assessor's Office  
NAD\_1983\_StatePlane\_Colorado\_Central\_FIPS\_0502\_Feet  
Projection: Lambert\_Conformal\_Conic

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## **EXHIBIT D**

### **Terms and Definitions**

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

- a. Authority-** An entity with separate legal powers or authorities, created by intergovernmental agreement (IGA) between or among Districts, or between or among one or more Districts, and another governmental entity.
- b. City-** The City of Colorado Springs, acting legislatively through its City Council or administratively through its mayor or chief of staff, consistent with Colorado Revised Statutes and the City Charter.
- c. Combination of Districts-** Any combination of Metropolitan Districts, BIDs and/or GIDs that overlay each other that are organized by petition of a property developer that are specific to property within a single development project and do not serve any property outside of that project such as regional service district or non-developer controlled existing district.
- d. C.R.S.-** Colorado Revised Statutes.
- e. Debt-** Any bond, note debenture, contract or other multiple year financial obligation of a District which is payable in whole or in part from, or which constitutes an encumbrance on, the proceeds of ad valorem property tax or End User Debt Service Fee imposed by the District, or pledged for the purposes of meeting the obligation.
- f. Debt Mill Levy-** For the purpose of this Policy and its associated plans the debt mill levy is that portion of the overall mill levy of the District, pledged, dedicated or otherwise used to repay formally issued Debt or long terms.
- g. Developer Funding Agreements-** Short or long-term obligations of Districts entered into between Districts and developers related to advancement of reimbursement of Public Improvements or operations and maintenance costs. Such agreements may or may not accrue interest, but do not qualify as formally issued Debt as defined under this Policy or under TABOR.
- h. District –** This Interquest North Business Improvement District.
- i. End User-** A property owner anticipated to have long term, multi-year responsibility for the tax and/or fee obligations of a District. By way of illustration, a resident homeowner, renter, commercial property owner, or commercial tenant is an end user. A master property developer or business entity that constructs homes or commercial structures for occupancy or ownership primarily by third parties, is not an end user.
- j. End User Debt Service Fees-** Any fees, rates, tolls or charges assessed or pledged or otherwise obligated to End Users by a District for the payment of Debt. End User Debt Service Fees are not intended to include public improvement fees (PIFs) if authorized by this Operating Plan and Budget.
- k. External Financial Advisor-** A consultant that: (1) advises Colorado governmental entities on matters relating to the issuance of securities by Colorado governmental entities, including matters such as the pricing, sales and marketing of such securities and the procuring of bond ratings, credit enhancement and insurance in respect of such securities; (2) shall be an underwriter, investment banker, or individual listed as a

public finance advisor in the Bond Buyer's Municipal Market Place (also known as the Redbook); and (3) is not an officer of the District.

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

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

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

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

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

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

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

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

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

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

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

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